



# NEWS RELEASE

**Massachusetts District Office  
10 Causeway Street  
Boston, MA 02222**

**Contact: Joan Trudell at SBA  
Phone: 617-565-5572 or Cristo Banda  
617-825-4200 x 221 at Dorchester Bay**

Release Date: March 18, 2010

Release Number: 2010-10

## **SBA Recapitalizes Dorchester Bay Economic Development Corporation's Microloan Fund**

*Increases Dorchester Bay's Ability to Make Microloans in Boston Neighborhoods*

**Boston ---** More small businesses in Boston neighborhoods are eligible for business loans because the U.S. Small Business Administration has recapitalized Dorchester Bay Economic Development Corp.'s SBA microloan fund. Massachusetts SBA Director Bob Nelson announced the funding at Brothers Market in Dorchester today.

The \$750,000 SBA loan to Dorchester Bay will enable the nonprofit to make loans to small businesses in amounts ranging from \$5,000 to \$35,000. Microloans can be used for working capital and acquisition of materials, supplies, furniture, fixtures and equipment. This is the third time that the SBA has lent money to Dorchester Bay for the program. SBA has also awarded \$71,000 in grant funding to support Dorchester Bay's technical assistance work with the small business borrowers and loan applicants.

The new capital will support Dorchester Bay's expansion of the geographic area served by the Microloan program. Originally targeted to Dorchester and Lower Roxbury, loans will now be available to businesses in several other neighborhoods. Working with its non-profit community based partners in the Community Business Network, Dorchester Bay has begun to identify small businesses needing loans in Jamaica Plain, Hyde Park, Roslindale, the South End and sections of Dorchester not previously served.

"Entrepreneurs need alternative sources for loans as well as access to business training," said SBA's Bob Nelson and "SBA micro lenders provide in depth business education to their customers to complement the business loans they may not have been able to obtain elsewhere. We're pleased to be able to partner with an excellent organization like Dorchester Bay to meet the need for small loans and training in Dorchester and Lower Roxbury."

The loan capital and technical assistance grant funding from SBA are critical engines for the work we are doing to preserve and create jobs in our communities, support the small entrepreneurs who are providing important goods and services and preserve and improve the commercial districts in which so many of these businesses are located," said Jeanne DuBois, Dorchester Bay's Executive Director.

Cristo Banda, Dorchester Bay's Director of Lending explained the significance of the location of the award announcement. "The CVS and adjoining Brothers Market could have become vacant retail spaces after another supermarket at this location went out of business. Dorchester Bay was able to provide the developer of this space with a very low interest loan through another federal program that supports community development activities. We provided that funding on condition that CVS locate a quality grocery operator for part of this space. The repayment by the developer of our loan capital is what we are using to create the required loan reserves for the new \$750,000 SBA loan commitment. CDCs that do this kind of work have become very adept at leveraging a multitude of programs and capital sources for business development and neighborhood stabilization."

Small businesses are Massachusetts' number one private sector job creators. Helping a new business get off to the right start and assisting business owners as they grow successful enterprises is the ultimate goal of SBA's Microloan program. One essential element of a successful small business is a business plan. Dorchester Bay can help their customers create a business plan and provide other types of assistance as well.

For more information about SBA's Microloan programs, call 617-565-5590 or visit our website at [www.sba.gov/ma](http://www.sba.gov/ma).