



For Immediate Release

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Hawai'i farmers and food producers eligible for expanded microloan program *Local matching fund magnifies online crowd-funding platform*

KAMUELA, Hawai'i—(October 18, 2016)—A no-interest loan program originally created for Hawai'i Island-based farmers and food producers is now available to qualified applicants throughout the Hawaiian Islands, The Kohala Center announced today.

Based on the success of the Hawai'i Island Food Producers Fund, created by The Center in 2014 with support from the County of Hawai'i, the new Hawai'i Food Producers Fund is open to eligible applicants statewide. Expanded with additional support from the Hawaii Department of Agriculture, the new program seeks to increase local food production, reduce Hawai'i's dependence on imports, and strengthen the islands' food-producing business sector through no-interest loans raised on Kiva, the world's first and largest non-profit micro-lending website.

Hawai'i farmers and food processors utilizing at least one Hawai'i-grown ingredient are eligible to receive 50% of their Kiva loan from the Hawai'i Food Producers Fund. To qualify for a Kiva loan, borrowers must be at least 18 years of age, have or create a PayPal account, and not currently be in bankruptcy or foreclosure proceedings. In addition, borrowers must invite an initial pool of lenders from their own network to lend as little as \$25 each.

Kiva accepts loan applications online at kivaushub.org/borrower. More information about the Hawai'i Food Producers Fund is available at kohalacenter.org/microloan-kiva.

In 2014 Kiva increased its efforts to support farmers and food producers because of their popularity among Kiva lenders and their high repayment rate. Since then lenders have committed \$2.2 million in loan funds to 304 farmers and food producers across the United States.

Small businesses consistently report access to capital as a considerable barrier to growth. Rather than using traditional lending practices, Kiva takes an innovative approach that relies on social capital and considers factors such as a borrower's character and trust network—rather than their credit score, collateral, or cash flows—in making underwriting decisions. Through Kiva individual lenders around the world collectively “crowd fund” entrepreneurs and small

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The Kohala Center is an equal opportunity provider, employer, and lender.

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businesses that are typically excluded from conventional lending avenues but have significant social impact potential. By lending \$25 or more, lenders collectively provide interest-free loans up to \$5,000 (and up to \$10,000 for farmers).

“Funding a loan on Kiva was surprisingly fast and easy,” said Zac Hosler, who with his family owns and operates Living Aquaponics Inc. in Ke‘ei on Hawai‘i Island. “Once our loan went from the private funding phase to public it was fully funded in less than two weeks and further supplemented by the Hawai‘i Island Food Producers Fund. As a result we’ve been able to start expansion of our educational and agritourism programs, which will increase revenue and more comfortably support our family.”

The idea for the original Hawai‘i Island Food Producers Fund came from Hawai‘i Island farmer Tane Datta, who received a \$2,500 loan from Kiva in 2013 to finance a new roof on a greenhouse that had deteriorated to the point of being detrimental to crops due to leaks and loss of quality light. The money was raised in four days from 74 people across the globe in Asia, Europe, North America and Hawai‘i.

Impressed by Kiva’s potential to expand access to capital for farmers and other food producers on Hawai‘i Island, Datta approached the County of Hawai‘i Agriculture Advisory Commission, Office of the Mayor, Office of Research and Development, and The Kohala Center to explore Kiva as an avenue to stimulate local food production. “Almost all local cultures, clans, and families have ways of helping each other,” Datta said. “Everyone [on Hawai‘i Island] appreciates locally produced food, community, and the spirit of aloha. Kiva offered all of us the structure to bring our natural tendencies to reach out to each other into a social media format that can tangibly support island-wide food self-sufficiency. I hope many others will join us as borrowers, lenders, trustees and, most importantly, as healthy eaters of local food.”

Kiva representative Justin Renfro commented, “Kiva’s ability to connect farmers in Hawai‘i with thousands of lenders around the world is a very exciting opportunity for us. Farmers like Tane exemplify the spirit of Kiva: to empower good people to invest in the betterment of themselves, their families, and communities.”

Individuals and organizations can support local food producers by becoming a Kiva lender or trustee who can publicly vouch for the borrower’s character and support their business throughout the loan term. Trustees have no financial or legal liability for Kiva loans.

Trustees can include individuals, small businesses, neighborhood associations, religious groups, student groups, professors, nonprofits, mentors, retail outlets, suppliers, small business development centers, economic development corporations, and startup incubators. For

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information on becoming a lender, visit kiva.org. For information on becoming a trustee, visit kivaushub.org/trustees.

About The Kohala Center

Founded in the year 2000, The Kohala Center (kohalacenter.org) is an independent, community-based center for research, conservation, and education. We turn research and ancestral knowledge into action, so that communities in Hawai'i and around the world can thrive—ecologically, economically, culturally, and socially.

About Kiva

Kiva is an international nonprofit, founded in 2005 and based in San Francisco, with a mission to connect people through lending to alleviate poverty. We celebrate and support people looking to create a better future for themselves, their families and their communities.