



News Release

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REDEC Obtains Federal Funding for Microloan Program

U.S. Small Business Administration officials William M. Manger, associate administrator for Field Operations and Bernard J. Paprocki, Syracuse SBA district director today announced that REDEC Relending Corporation (RRC), headquartered in Corning, NY has received \$500,000 to be used to set up a revolving micro-loan fund for small businesses in Steuben, Chemung, and Schuyler counties.

The SBA Microloan Program provides very small loans to start-up, newly established, or growing small business concerns. Under this program, SBA makes funds available to nonprofit community based lenders which, in turn, make loans to eligible borrowers in amounts up to a maximum of \$35,000. The average loan size is about \$13,000.

“This is great news for the small business person in the southern tier that is trying to access a smaller amount of money for their business. Small businesses don’t always need a huge loan to meet their needs,” said Bernard J. Paprocki, Syracuse SBA district director. “This is the first SBA microloan program covering Steuben, Chemung and Schuyler counties and we expect that it will be well-utilized.”

Eligible businesses include small manufacturers, tourism-based businesses and other industries in the southern tier which tend to import dollars into the region by selling goods and/or services to outside concerns. Loan proceeds can be utilized for projects that result in small business start-up or expansion, redevelopment of vacant businesses, business and job retention, modernization or rehabilitation of existing industrial and manufacturing facilities and utilization of new technologies.

“REDEC/RRC is very excited about becoming an SBA certified micro lender. We recognize the importance of the role that small business plays in the local economy and the challenges businesses face in securing financing. Through the SBA micro loan program we will be able to offer small businesses one more financing tool and hopefully assist those that do not always qualify for conventional bank financing,” said Barb Halpin REDEDC/RRC board president.

The Corning Community College Small Business Development Center will partner with REDEC/RRC to provide business based training and technical assistance to micro loan borrowers.

Small businesses wishing to apply for a micro loan should contact Diane Lantz, at REDEC at 607.962.3021 for further details and an application.

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For more information about all of the SBA’s programs for small businesses, visit the SBA’s extensive Web site at www.sba.gov.