BioFi Project



Boston Ujima Project

Democratising the Flow of Capital in a City Economy

BOSTON, MASSACHUSETTS **WEBSITE**

Boston Ujima Project is a place-based model of community-governed finance focused on Boston's working-class Black, Indigenous and other communities of colour. Its territory is defined socially, economically and politically rather than through ecological boundaries, and it does not take a strictly bioregional or living-systems approach. We are including it because it demonstrates how people living in a place can have greater power over how capital is invested in their local economy.

Ujima focuses on the businesses and community assets that shape everyday economic life in Boston's neighbourhoods, including locally owned businesses, cooperatives, cultural institutions and community land trusts, prioritizing community ownership, local jobs, worker power, local procurement and ecological responsibility. Over the past decade, Ujima has developed an investment model that connects community economic planning with professional underwriting and a fund through which residents participate directly in investment decisions.

Challenge

Ujima was created in response to a specific financing gap. In 2021, an analysis by the Boston Foundation and Boston Indicators estimated unmet demand for capital among entrepreneurs of colour in Massachusetts at at least $574 million annually. Black and Latino business owners were substantially less likely to obtain the debt financing they sought and were almost absent from conventional equity investment compared with white and Asian peers.

Ujima's response goes beyond providing cheaper loans. Typically, financial institutions decide which businesses receive capital, while investors exercise influence according to the wealth they control. Ujima instead asks the people who depend on a neighbourhood economy to help identify the businesses they value, establish standards for them and ultimately decide which investments the fund makes.More recently, Ujima has extended this approach into real estate. In 2025, it made its first investment in affordable housing and community-controlled property.

Model

Ujima's investment process begins before underwriting. Between September 2017 and October 2018, Ujima and grassroots partners convened more than 550 residents through citywide and neighbourhood assemblies to establish priorities for the fund. Residents can identify "Businesses We Love" or businesses that respond to needs identified through community planning. Those businesses can then apply to join the Ujima Good Business Alliance.

Businesses seeking membership are reviewed by a Community Standards Committee against 36 practices in eight categories, including community ownership, good local jobs, worker power, health and safety, environmental practices and community power. Ujima's voting members approve and update these standards.

Financial underwriting remains a separate step. Ujima's Investment Committee, composed of local finance professionals and Ujima members, conducts due diligence and makes recommendations. Eligible members then vote on whether an investment proceeds. Full voting power is reserved for Boston residents who identify as working-class or people of colour; other supporters can participate as solidarity members without the same decision-making authority. Investors do not receive additional votes based on the amount of capital they contribute.

A February 2026 vote illustrates the process. Ujima proposed a $353,000, three-year financing package covering Comfort Kitchen and two other businesses. Of 246 eligible voters, 167 participated, exceeding the required 60% quorum, and most approved the proposal.

Ujima complements financing with bookkeeping and legal assistance, specialist technical support and referrals among businesses, and works to shift consumer and institutional procurement toward Good Business Alliance members.

Finance

Ujima separates two functions that conventional investment structures often combine: supplying capital and deciding where it goes.

Its first fund raised $4.5 million, reaching its target in December 2021. By spring 2026, it had deployed more than $2.5 million, primarily through loans to local businesses and, more recently, real estate. The fund is now closed to new investors.

Investors provide capital to the Ujima Fund by purchasing one of several classes of notes, designed to make participation possible at different levels of wealth:

- Kujichagulia Notes: $50–$10,000, available to non-accredited Massachusetts residents, with a three-year term and 3% annual target return.
- Umoja Notes: generally $1,000–$250,000, available to accredited and eligible non-accredited investors, with three- or seven-year terms and target returns of 2% or 3% at maturity.
- Nia Notes: $5,000 or more, for philanthropic accredited investors, with a seven-year term and 1.5% annual target return.
- Imani Gifts: philanthropic contributions—not investments—that capitalize a loss reserve intended to help protect working- and middle-class noteholders.

Capital flows from noteholders into the Ujima Fund, which deploys it into local enterprises and community assets. Potential investments undergo professional underwriting before eligible Ujima members vote on them. Repayments flow back to the Fund, which uses them to meet its obligations to noteholders. Philanthropic gifts support the loss reserve and organizational infrastructure.

Through 2026, Ujima's archive records 14 investments. In 2025, members approved a $300,000, two-year loan to Boston Neighborhood Community Land Trust for an affordable homeownership project in Dorchester—the fund's first affordable-housing and community-controlled real-estate investment. In February 2026, members approved the $353,000 facility covering follow-on financing for Comfort Kitchen and new investments in Ama at the Atlas and Foxglove Terrace.

Outcomes

Ujima began in 2016–17 with an experiment in which 175 people collectively allocated $20,000 in 0% loans to five Black- and immigrant-owned businesses. It has since built a regulated $4.5 million fund and deployed more than $2.5 million through 14 investments. In 2023 alone, Ujima reported deploying $1.6 million.

Its portfolio has included CERO Cooperative, the Bay State Banner, Dorchester Food Co-op, Kidogo Productions and Boston Neighborhood Community Land Trust, among other enterprises. CERO received a $100,000 Ujima loan. Cupcake Therapy opened its first physical storefront in April 2026, while Ama at the Atlas and Foxglove Terrace opened following the 2026 financing package.

The results also show the limits of finance alone. In August 2025, Dorchester Food Co-op warned that without substantially higher sales its operating cash would run out within two months and sought $500,000 in additional support. It remained operating in 2026 and was pursuing new sales channels and city partnerships.

Lessons

Ujima's experience shows that community-governed investment can take time. The fund completed its $4.5 million raise in December 2021; more than four years later, it had deployed

just over half. Maintaining professional underwriting alongside community standards, member engagement and investment ballots adds steps before capital moves.

Ujima has also found that one loan may be only part of an enterprise's financing needs. Its 2026 reporting emphasises more specialised underwriting, technical assistance and support for existing portfolio companies. Its February 2026 transaction included its first follow-on investment, into Comfort Kitchen. Dorchester Food Co-op illustrates a related constraint: access to capital cannot compensate indefinitely for insufficient revenue. Ujima's consumer organising, procurement programme and referrals among portfolio businesses therefore seek to increase sales alongside providing finance.

What's next

The model is now beginning to move beyond small-business lending. Ujima has already made its first community-controlled real-estate investment and is preparing two new investment offerings. In April 2025, it announced plans for a $25 million Ujima Collective Real Estate Fund and a $10 million "Ujima Fund 2.0," alongside a $4 million endowment campaign. In April 2025, Ujima announced plans for a $25 million Ujima Collective Real Estate Fund and a $10 million "Ujima Fund 2.0," alongside a $4 million endowment campaign. As of July 2026, these new funds were still being developed.

For bioregional investors, the next phase will show whether Ujima's combination of professional underwriting, community-defined standards and resident investment decisions can be applied to larger pools of capital and a wider range of community assets while retaining meaningful local control over where Ujima's capital goes.