



The Agency partners with National Development Council to participate in NY Forward Loan Fund

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Binghamton, NY The Agency entered into a new partnership with the National Development Council (NDC), a nation-wide community development finance institution (CDFI), to provide assistance to Broome County businesses impacted by COVID-19 through the NY Forward Loan Fund (NYFLF). The Agency will invest \$100,000 in existing loan funds to create a local loan pool to assist area businesses.

The NYFLF is a new \$100 million economic recovery loan program established by Empire State Development aimed at supporting New York State small businesses, nonprofits and small landlords as they reopen after the COVID-19 outbreak and NYS on pause. The program is intended to assist businesses with 20 or fewer full-time equivalent (FTE) employees, nonprofits and small landlords that have seen a loss in rental income.

Loans will provide working capital loans in an effort to open up more access to credit for entities that did not receive a loan from either the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) or the SBA Economic Injury Disaster Loans (EIDL) in 2020. The loans are not forgivable and will need to be paid back over a five-year term with interest. Loans are on a first-come, first-served basis and will be reviewed on a rolling basis as regions and industries are reopened.

Priority will be given to industries and regions that have reopened, but those industries that have not are encouraged to complete a pre-application. Priority borrowers include African-American, Hispanic and/or Woman-owned businesses and nonprofits, as well as businesses located in economically distressed neighborhoods.

NDC is one of the five CDFIs selected to process pre-applications through a Community Partner At-Risk Grant. NDC is the only national nonprofit CDFI that is also a preferred SBA lender with more than 25 years of experience lending capital and expertise to small businesses across the country. NDC anticipates lending approximately \$15-20 million in funds as part of the NYFLF program.

The Agency, as a client community of NDC, has a unique opportunity to participate in the NYFLF by appropriating funds to NDC for this program. The Agency will commit \$100,000 of funds from its Business Development Fund to NDC for purposes of lending to businesses located in Broome County. This investment will leverage a total loan pool of up to \$2,000,000 in funds for Broome County businesses.

“The process of recovering from COVID 19 will be slow and will require as much financial resources as possible,” said Stacey Duncan, executive director of The Agency and president & CEO of the Greater Binghamton Chamber of Commerce. “Our investment to the NY Forward Loan program, in partnership with NDC, will enable us to support those businesses and organizations that our traditional financing cannot. We need to apply every tool toward recovery.”

“As we move into the recovery phase, loan programs like this will be critical for businesses to get their doors open,” said Daniel Marsh, president of NDC. “Small businesses need low-interest working capital, which is often in short supply under the best of circumstances – especially for women- and minority-owned businesses. This loan program needs to be replicated all over the country.”

The NYFLF is supported by Apple Bank, BNB Bank, BlackRock Charitable Fund, Citi Foundation, Evans Bank, Ford Foundation, M&T Bank, Morgan Stanley, Ralph Wilson Foundation and Wells Fargo.

Information on the NY Forward Loan Fund can be found at <https://esd.ny.gov/nyforwardloans-info>.

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