

ARPA Small Business Lending Program

APPLICATION FORM + FREQUENTLY ASKED QUESTIONS (FAQ)

[Please Note: The Program Application Form begins on Page 5 of this Document]

Following an allocation from the City of Syracuse with funding from the American Rescue Plan Act (ARPA), the Syracuse Economic Development Corporation (SEDCO) has created lending programs designed to support small business development, assist in the ongoing recovery from the Covid-19 pandemic, and foster new growth. Please see information and instructions on how to apply below.

GENERAL INFORMATION:

1. What are the SEDCO ARPA Small Business Lending Programs?

In order to help address the economic challenges and hardship experienced by the small business community in Syracuse over the past 3 years since the beginning of the Covid-19 pandemic, SEDCO has established new funding programs to provide financial support to small businesses: Micro-enterprise Assistance, Small Business Assistance, and the Community Impact Fund. The table below provides a synopsis on the different funds including loan size, rate, and who is eligible. The programs will provide lending capital that will be borrowed, with a forgivable loan option for micro-enterprises (defined as businesses with 10 or less employees). The goals of this program are to enable Syracuse businesses to continue to operate and assist with pursuing new investment opportunities to adapt to the changing economic landscape. The program is designed to promote local economic recovery, and to encourage consumer confidence and access to local products and services provided by City businesses.

	Micro-Enterprise Fund	Small Business Assistance Fund	Community Impact Fund
Applicant Criteria	Business with 10 or fewer employees in an industry or location that has experienced economic hardship	Business with 50 or less employees, and experienced a decline in sales and/or located in a ARPA eligible census tract	Business or development entity making capital investment resulting in renovation or other physical real estate improvements
Maximum Loan Size	\$5,000.00	\$25,000.00	\$200,000.00
Interest Rate	2.0%	3.0 to 5.0%	3.0 to 5.0%
Term	2 Years	5 Years	Up to 15 Years
Forgivable?	Yes	No*	No

*Qualified micro-enterprises seeking loan financing through the Small Business Assistance Fund may request forgiveness of up to \$5,000 of eligible expenses if they meet the criteria included in Question #6.



2. Who is eligible?

Small businesses are eligible if they are physically located in the City of Syracuse and do not have more than 50 full-time equivalent or full-time contract employees; and have been negatively affected by the COVID-19 pandemic and have experienced a decrease in revenue/sales in 2020, 2021, and/or 2022. Real estate development entities will also be considered eligible through the Community Impact Fund. Under limited circumstances, 501c3 organizations may be considered eligible for capital investments through the Community Impact Fund if this is related to an economic development activity (e.g. job creation, improving commercial/storefront space, workforce training). Please note all real estate and capital upgrades may only include properties located within a qualified ARPA census tract ([see map here](#)).

Please note: Any business or non-profit entities previously assisted during round one of the SEDCO ARPA lending programs, when applications were accepted during December 2021, will not be considered eligible.

3. Are businesses outside of the City of Syracuse eligible?

No. SEDCO can only lend to organizations located within the City of Syracuse boundary. A map of the [City of Syracuse boundary can be found here](#).

4. Can new businesses that were established after the start of the Covid-19 pandemic apply?

Yes. **Businesses that were established after March 2020 will be considered eligible to apply if they have been in operation for a minimum of 6 months** and can provide interim financial documentation showing sales revenue and expenses over a 180-day period. **New businesses must also be located in a qualified ARPA census tract ([see map here](#)) in order to be considered eligible.**

Please note: the amount of SEDCO funds requested cannot exceed the amount of sales generated by the applicant during the past calendar year.

5. What uses qualify to receive SEDCO ARPA loan funds?

Qualifying expenses and purchases may include but are not limited to:

- **Capital upgrades** including structural improvements, interior and exterior renovations, HVAC upgrades, etc.;
- **Equipment or machinery** that is necessary in order to improve business operations or will empower to pursue new business expansion opportunities
- **Technology systems or vendor support services** to establish or upgrade e-commerce capabilities, including but not limited to websites and/or mobile applications for customers to order merchandise or food, online reservation management, electronic customer loyalty programs, subscriptions for 3rd party e-commerce services, etc.
- **Supplies and inventory** necessary to continue business operations. Please note that supplies and inventory cannot exceed more than 20% of the total request being made to SEDCO.
- **Pre-development expenses** (including but not limited to architectural plans, engineering reports, environmental assessments. Please note pre-development expenses cannot exceed more than 20% of the total funding request to SEDCO.*
 - Under circumstances where the applicant is purchasing property from the Greater Syracuse Land Bank, up to 80% of a request may be used for pre-development expenses. The borrower must have the remaining 20% secured from another funding source (e.g. investor, personal equity, grant).*

**Please note: pre-development expenses may only be funded through the Community Impact Fund*

6. Are the loans provided by SEDCO forgivable?

For loans provided through the Small Business Assistance Fund and Community Impact Fund, loans will not be forgiven and must be paid back. However, eligible micro-enterprise applicants seeking assistance through the Small Business Assistance

Fund or the Micro-Enterprise Assistance Fund may be eligible for up to \$5,000 in loan forgiveness. Any eligible micro-enterprise applicant seeking to qualify for loan forgiveness must meet the following criteria/expectations of the borrower:

- All purchases and investments using SEDCO funds must be verified as eligible expenses such as receipts, vendor invoices, and/or copies of payments made by the borrower
- The business must remain in operation during the term of the agreement
- For borrowers that own property within the City of Syracuse, all taxes owed to the City must be current and no outstanding code violations must exist
- The borrower will retain the number of employees at the time of application or add employees during the term of the agreement
- Any borrower that was established after March 1, 2020 must receive technical assistance from a small business advising organization (e.g. SCORE, Onondaga SBDC, UpStart)
- Borrower must retain ownership of the entity and/or any affiliated property for the term of the agreement

7. How will the loan funds be disbursed if my business/organization is approved?

Loan proceeds will be disbursed following approval from the SEDCO Board of Directors, and execution of the necessary closing documents. Loan proceeds will be reimbursable under most circumstances, however SEDCO can also make payments directly to a 3rd party vendor when necessary. The expectation is that businesses or organizations will itemize expense(s) that SEDCO funds will be used for as a part of the loan application. Applicants are encouraged to collect and submit this documentation as part of the loan request, however this is not required unless specifically requested by SEDCO staff. **Following approval of a request, documentation of expenses including receipts, invoices, or other documentation from vendors will be required in order to complete disbursements through the ARPA program.** The Corporation may approve some requested expenses and disapprove others, providing a smaller loan amount than originally requested.

8. How can eligible businesses and organizations apply?

Funds are limited. Applications can be found online at www.syr.gov/Boards-and-Commissions/SEDCO-Overview/SEDCO-Financing. Fully completed applications and required supporting documentation can be submitted starting on **Wednesday, November 30, 2022**. Applications will be accepted **on a rolling basis**. Only fully completed applications with all supporting documentation will be considered ready to proceed.

9. Can an organization apply for multiple loans from the separate funds?

No. All applicants are encouraged to identify the fund that will best suit their financial needs and may only submit one loan request to SEDCO. Separate entities that have the same owner may be eligible however, as well as multiple businesses that are separate but located within the same property address. In these unique circumstances, requests will be reviewed and considered on a case-by-case basis.

10. Where do I submit the application and supporting documentation?

Applications can be submitted one of the following ways:

- A) Email electronically to business@syr.gov
- B) Applications can be dropped off physically or mailed to the following address: Syracuse Economic Development Corporation 201 East Washington Street, Suite 612, Syracuse, NY 13202

11. How will loan financing requests be reviewed?

Funding requests will be considered by a review committee, comprised of the SEDCO Board of Directors. The SEDCO Board will oversee the decision-making process of all completed applications received by the Corporation. The review committee will make recommendations to the full board for final determinations on all eligible applications. **Funding decisions will require a minimum of at least 60 to 90 days from the date that a complete submission is made to SEDCO**, and all required items have been received, and thereafter on a rolling basis depending on the availability of funds. In order for a request to be reviewed and considered for the soonest available meeting for a loan to be reviewed

and considered for funding, **we recommend that all paperwork be submitted by the 15th of the month** in order to accommodate the soonest available timeline to arrive at a decision. For any applicant that has been approved to receive financing assistance, a loan agreement and other closing documents must be executed with approved applicants prior to disbursement of any funds.

12. What is the cost of applying for the program?

There is no cost to apply.

APPLICATION INSTRUCTIONS + PROCEDURE:

1. Determine specific fund preference and fill out and complete the corresponding SEDCO ARPA Fund Application. Applicant should choose from one of the following loan fund: The Micro-Enterprise Assistance Fund; the Small Business Assistance Fund, or the Community Impact Fund.
2. If necessary, work with a City of Syracuse staff member to determine the loan fund that is most appropriate based on your financial needs. SEDCO staff are available to answer questions or assist with completing the chosen fund application.
3. In addition to the completed application, the organization must provide the required supporting documentation items included in the application form (the item list varies depending on applicant and project type). Aside from the foregoing items, the Corporation reserves the right to request additional financial or other corporate governance or other materials or information it deems necessary to adequately review and assess the application.
4. Submit the completed application and supporting materials by email (preferred method) or by mail as noted above. Questions regarding this program should be directed to the SEDCO at business@syr.gov. SEDCO shall have the right to request and consider additional information as deemed necessary.
5. Applicants shall cooperate with the Corporation to satisfy any State or Federal mandated reporting requirements.
6. For any applicant that has been approved to receive financing assistance, a loan agreement and other closing documents must be executed with approved applicants prior to disbursement of any funds.



Syracuse Economic Development Corporation

ARPA Community Impact Fund | Loan Application

1. APPLICATION INFORMATION

Legal Business Name: _____ Year Founded: _____

Business Address: _____ Zip Code: _____

Applicant/Primary Contact: _____ Title: _____

Email Address: _____ Phone: _____

Amount of funding requested (note: must be consistent with budget on pg. 7) \$ _____

What is the total cost of the project (including non-SEDCCO funding sources)? \$ _____

Is the project site address the same as the business address? Yes No

If No, please identify the project address: _____ Zip Code: _____

Which best describes your business:

Corporation (including LLC's) Partnership Sole Proprietorship Not-for-Profit

If business is a not-for-profit, was it formed under the NYS Not for Profit Corporation Law?

Yes No

Which industry classification best describes your business (check no more than 2):

Retail Trade Food Service Manufacturing Tourism / Travel

Personal Services Medical Services Transportation Child Care

Hospitality Real Estate Development Other: _____

Has your business received any prior financial assistance through federal, state, or local Covid-19 support program since March 7, 2020? Yes No

If yes, please specify from the following program(s) below:

Program Name: _____ Amount Received: _____

Program Name: _____ Amount Received: _____

Program Name: _____ Amount Received: _____

Program Name: _____ Amount Received: _____



If applicable, please estimate the total amount of Covid-19 funding assistance your business has received since March 7, 2020 _____

Did your business experience a decline (loss) of sales in 2020 and/or 2021? Yes No

2. EMPLOYMENT/OPERATIONS

Total # of employees as of March 7, 2020 (if applicable): _____

Total # of current employees as of date of application: _____

Is your business address / project site currently occupied? Yes No

Was your business/organization/facility open & operating on March 7, 2020? Yes No

If yes, for what period of time? _____

If no, please describe, in detail, when your business started and your prior experience or background in the industry of which your business is categorized?

3. PROJECT INFORMATION

Is your business address / project site currently occupied? Yes No

If Yes, how many employees currently work at the project site? _____

Will the project result in job creation? Yes No

If Yes, please identify the number of estimated jobs created: _____

Is the applicant the current property owner? Yes No

If No, please identify the current owner and the status of achieving site control as of the date of the application:

4. BUDGET AND FINANCIAL REQUEST

Please complete the table on the following page to list and explain the costs/expenses for your project. You must include the estimated cost amount of each item/service, the 3rd party vendor or company providing this (if applicable), and identify the proposed source of the funds that will benefit your business or project (e.g. SEDCO, personal equity, investor, bank)



DESCRIPTION OF COST TYPE:	ESTIMATED BUDGET AMOUNT:	FUNDING SOURCE:
Land and/or Property Acquisition	\$	
Site Work/ Demolition	\$	
Building Construction & Renovation	\$	
Equipment	\$	
Furniture & Fixtures	\$	
Engineering/Architect Fees	\$	
Legal Fees	\$	
Permitting Fees	\$	
Management/Developer Fee	\$	
Other:	\$	
Other:	\$	
Total Investment:	\$	

Based upon project budget & expenses, the total SEDCO Loan Request is: \$ _____

(Note: the total amount requested from SEDCO cannot exceed \$200,000)

Please provide in detail a summary narrative about your project and explain the investment that is planned/proposed:



Due to high demand, it is possible applicants may not receive the full funding request made to SEDCO. Please explain how you will prioritize each expense item listed above relative the amount of any financial assistance provided: _

Please describe, in detail, the impact Covid-19 has had on your organization and/or project since March 2020. Additionally, please provide a summary of the measures your organization has taken to date, or plans to take in the next 60-90 days in order to adapt to current economic conditions and advance your project forward:

Describe in detail the efforts made by the business/organization to retain jobs or generate new investment since March 2020; and what assurances you can provide/make regarding ongoing efforts to retain jobs if the funding request is provided by SEDCO?



The Syracuse Economic Development Corporation (SEDCO) is working with companies and organizations across our community and making efforts to provide resources to those most impacted by the economic hardship caused by Covid-19. Please explain how your request will immediately benefit your organization, your project, and more broadly, the City of Syracuse community in the short term and long term.

5. MISCELLANEOUS

- Yes No Is the Company or its principals presently the subject of any litigation, or is any litigation threatened, which would have a material adverse effect on the Company's financial condition?
- Yes No Has the Company or its principals ever settled a debt with a lending institution for less than the full amount outstanding?
- Yes No Has the company, its affiliates or its principals ever filed bankruptcy, a creditor's rights or receivership proceeding, or sought protection from creditors?
- Yes No Is the Company or its principal's delinquent on property, personal, and/or employment taxes?
- Yes No Has the Company or its principals ever been convicted of any felony or misdemeanor, other than a minor traffic violation, or are any charges pending?
- Yes No Has the Company, its affiliates or its principals, been cited for a violation of federal, State or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or operating practices?
- Yes No Are there any outstanding judgments or lien pending against the Company, its affiliates or its principals other than liens in the normal course of business? If yes, please specify the amount: \$ _____
- Yes No Has the company or principal(s) ever been issued an injunction, been imposed civil penalties or fines? been accused of false or misleading statements, or been the subject of a proceeding or had any allegations made against them, by any federal, state, local agency or authority including but not limited to the SEC, FCC, FDA, or OSHA? If yes, please attach a written explanation to this application.



6. APPLICATION ATTACHMENTS

Please verify the required materials have been submitted as part of your funding request. Applications will be considered incomplete and will not be reviewed without the following:

Required attachments:

- **For Business:**
 - 2020 + 2021 Business Federal Tax Return including all schedules;
 - 2020 + 2021 Personal Federal Tax Return for any individuals with >20% ownership;
 - An interim Profit & Loss Statement from within the last 90 days;
 - An Interim Balance Sheet from within the last 90 days;
 - A personal financial statement [available using this link](#) dated within the last 60 days for any individuals with >20% ownership

- **For 501c3 Not-for-Profit Organization:**
 - CPA Audited 2020 Financial Statements;
 - Form 990 (2020) or similar tax filing;
 - An interim Profit & Loss Statement from within the last 90 days;
 - An Interim Balance Sheet from within the last 90 days;

- **For all projects involving real estate development:**
 - Three (3) year minimum financial projections/operating budget (including funding sources)
 - Budget breakdown of project costs (including soft costs and/or contractor bids)
 - Provide site plans, design plans, and/or maps as necessary
 - Bank financing commitment and/or interest letters

Other Requirements:

For each of the above, a resolution of the board of directors, if applicable, or other certification acceptable to the corporation of an authorized officer of the company authorizing the submission of this application and the acceptance of any approved loan proceeds.

Aside from the foregoing, the Agency will obtain a credit report and reserves the right to request additional financial or other corporate governance or other materials or information it deems necessary to adequately review and assess the application.

A contract agreement must be executed between SEDCO and approved applicants prior to disbursement of any approved funds.

SEDCO reserves the right to request any additional information as deemed necessary.

If any of the above items are not attached to this application, please provide explanation:



7. DISCLOSURE

Please note the Agency is required to comply with Article 6 of the Public Officers Law which declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the application which are exempt from disclosure under Art. 6 of the Public Officer's Law, the Applicant must identify such elements in writing and request that such elements be kept confidential. In accordance with Article 6 of the Public Officers Law, the Agency may also redact personal, private, and/or proprietary information from publicly disseminated documents. **It is the responsibility of the Applicant to request the Agency redact any and all information it deems exempt in compliance with Article 6 of the Public Officers Law.**

8. SIGNATURE AND APPLICATION ACKNOWLEDGMENTS

The Applicant understands and agrees with the Agency as follows:

A. Absence of Conflicts of Interest

The applicant has received from the Agency a list of members, officers and staff of the Agency. To the best of my knowledge, no member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this application, except as hereinafter described. Initial

B. False or Misleading Information

The applicant understands and agrees that the submission of knowingly false or misleading information in this application may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any awarded and disbursed. Initial

C. Hold Harmless Agreement

Applicant hereby releases the Agency and the members, officers, servants, agents and employees thereof (collectively, the "Employees") from, agrees that the Agency and the Employees shall not be liable for, and agrees to indemnify, defend, and hold the Agency and the Employees harmless from and against any and all liability arising from or expense incurred by the Agency's examination and processing of, and action pursuant to or upon, the attached application, regardless of whether or not the application is favorably acted upon by the Corporation. Initial

D. SEDCO's Policies

The applicant is familiar with SEDCO's polices posted on its website (<http://www.syr.gov.net/SEDCO>) and agrees to comply with all applicable policies as if any awarded funds constituted a project as set forth in such polices. Initial

E. Disclosures

The Applicant has read paragraph 6 above and understands that the Applicant must identify in writing to the Corporation any information it seeks to have redacted. Initial



F. Reporting

Applicants agree to cooperate with the Corporation to satisfy any State mandated reporting requirements.

Initial



VERIFICATION

STATE OF _____)
COUNTY OF _____) SS:

_____, deposes and says that s/he is the
(Name of Individual)

_____ of _____
(Title) (Applicant Name)

that s/he is the CEO or a person authorized to bind the company/applicant, and has personally completed and read the foregoing application and knows the contents thereof and that the same is true, accurate, and complete to the best of her/his knowledge, as subscribed and affirmed under the penalties of perjury. The grounds of deponent's beliefs relative to all matters in the said application which are not stated upon her/his own personal knowledge are investigations which the deponent has caused to be made concerning the subject matter of the application as well as, if applicable, information acquired by deponent in the course of her/his duties/responsibilities for the applicant and from the books and papers of the applicant. The deponent also acknowledges the Corporation's fee schedule and assumes responsibility for payment of any and all applicable fees as described herein. Deponent further acknowledges review and understanding of the Corporation's published policies, and agrees on behalf of the Applicant to be bound by and comply with, all such policies as set forth in the application.

Applicant Representative's Signature

Title

