



NYC Capital Access Revolving Loan Guaranty Program

Small Business Forum

March 30, 2009



Program Design

- The NYC Capital Access Revolving Loan Guaranty Program was announced by Mayor Bloomberg at the end of October as one of 18 initiatives to assist New Yorkers weather the current economic challenges
 - Small businesses and their employees are a vital part of New York City's economy
 - 50 percent of private sector employment comes from micro and small businesses (up to 100 employees)
 - Targeting viable businesses who may have qualified for financing 3-6 months ago but cannot secure capital in the current environment

Program Design

- **Goal:** Increase access to much needed capital for small businesses, while reducing the risk for participating lenders
 - Working with five lenders to stimulate lending to a spectrum of borrowers
- **Structure:** \$5 million in City funds to guarantee up to 40% of eligible loans made by the participating lenders
 - Lenders have agreed to relax certain underwriting criteria in exchange for the guarantee
- **Projected Impact:** Over \$13 million in loans during the initial cycle
 - Loans to approximately 400 businesses
- As loans are repaid, capital will be recycled to guarantee new loans
- Actively seeking additional funds from private sources to expand the program

Eligibility

- Borrower Eligibility:
 - Business must be based in New York City
 - Business with up to 100 employees
 - Available to a variety of industries – industrial, not-for-profits, retail.
 - Proceeds can be used for **working capital**, leasehold improvements and equipment purchases

- In addition each lender will have their own criteria

- Loan size varies by lender:

Loan Amount	Participating Lender
\$5,000-\$250,000	Citibank Nonprofit Finance Fund (not-for-profits only) Seedco Financial Services
Up to \$100,000	Brooklyn Cooperative Federal Credit Union
Up to \$50,000	Accion USA

For Additional Information

- Reach out to Participating Lenders:

Loans of \$5k-\$250k	Loans of Up to \$100k
Citibank Any New York City branch	Brooklyn Cooperative Federal Credit Union (718) 418-8232 www.brooklyn.coop
Nonprofit Finance Fund (not-for-profits only) (212) 868-6710 www.nonprofitfinancefund.org	Loans of Up to \$50k
Seedco Financial Services (212) 204-1300 www.seedcofinancial.org	Accion USA, Inc. (212) 387-0494 www.accionusa.org

- www.nycedc.com/capitalaccess