

**Community Board 12, Manhattan: Business Development Committee Meeting
December 1st, 2020 (held virtually via Zoom)**

Committee Members Present: Chair Domingo Estevez, Tanya Bonner, Nobles Crawford, Paradise Phoenix, Francisco Lopez, Juan Guzman, Christina Richiez, Rafael Fernandez (public member) **Absent:** Cindy Matos, Ashley Fernandez, Jonathan Nunez, Miriam James. **Other CB12 Members:** Eleazar Bueno, Jim Berlin, Wayne Benjamin, Daryl Cochran **Staff:** Paola Garcia **Members of the Public:** Rafael Fernandez, Blair Duncan, Jasmine Briggs-Rogers, Jessie Henshaw, Lorial Crowder, Tony Shaw, Nancy Preston

The meeting was called to order at about 7:05 pm by the Chair Domingo Estevez.

Welcome/Opening Remarks - Chair Domingo Estevez (7:05 pm)

Began with a proposed change to the agenda. Agenda item Partnership round table will be tabled and substituted with a presentation from Upper Manhattan Empowerment Zone (UMEZ) on their Hybrid Microloan Program. The presentation will be made by Blair Duncan, President & CEO of UMEZ.

Special thanks to Tanya for covering the last meeting as Chair while Domingo dealt with a personal matter.

Agenda Approval: Motion - Nobles Crawford; Second - Tanya Bonner (passed unanimously)

1. Partnership Meeting Roundtable (7:13 pm) Blair Duncan - President and CEO (UMEZ: Upper Manhattan Empowerment Zone)

Discussed the history of his organization and its mission when it comes to alternative funding for local businesses. He also mentioned their work-to-date in the community. Small business loans, infrastructure, and cultural projects. They are starting a new program (2 weeks ago; already have 6 applications), targeted to small businesses - which are not historical in their lending focus (<\$50k loans in this new venture). Blair talked about the technical assistance they provided many local small businesses during the COVID PPE federal program, which was the genesis of this new program, where they identified a need. This new loan program is a "hybrid" model with elements of a loan AND a grant - to those that meet the criteria. Apply online! Collateral included below in meeting minutes.

Questions

- Domingo: What is the turnaround time for loan approval? [A] Hoping that around 4-6 weeks (target), but can let them know in the matter of a few days if they're qualified. What is the total funding for this program? [A] \$2M until exhausted or until Aug. 2021
- Tanya: What restrictions are there on the loan money? [A] Business expansion, construction, legal fees, back rent, refinancing, and some other case by case things
- Christina: Is the 3% interest rate fixed? [A] It is a fixed rate throughout the 5-year term. No fees.
- Nobles: Does your loan cover virtual businesses/tech start-ups? [A] No. There needs to be a physical presence in upper Manhattan. Perhaps the Columbia Small Business Loan program could cover it.
- No questions from the public (after technical difficulties w. one)

Old Business / New Business / Announcements / Adjournment [7:38pm]

- Closing remarks from the Chair, thanking everyone for their service during a challenging year.
- Domingo raised he'd like to discuss how businesses handle people of color due to local complaints (specifically called-out Famiglia pizza). He'd like to have an agenda item on this specifically next year. Daryl Cochran, in his professional capacity (Human Rights), mentioned his org. Provides training for non-biased customer service. Tanya said Angela Fernandez's presentation from last year addressing this issue and voiced her support to tackle it next year.
- Juan Guzman (comm. member and with Apple Bank) mentioned that NYC started the LMI Storefront Loan Program and touched on the loan basics. Divided into two sections: 1st phase - lowest income zip codes 2nd phase - moderate-income zip codes (after 12/14). He went through the criteria to meet the requirements for this loan. You can apply through the website (SBS Connect)
- Domingo dropped some teasers on a Business "thought partnership" function for our New Year committee.
- CLOTH - Lorial Crowder - Announced a few events were coming up this week (Virtual book club w. Sisters Uptown, Deck the Malls (attended by NYS Senator Jackson)

There being no other business, **the hearing was adjourned at 8:08 pm**

Respectfully submitted: Nobles Crawford



Upper Manhattan Empowerment Zone Hybrid Microloan Program

The Upper Manhattan Empowerment Zone Hybrid Microloan Program is a low-interest-rate, flexible-payment loan with a loan-to-grant conversion feature for twenty-five percent of the original loan balance if requirements are met. The program is designed for Upper Manhattan small businesses and nonprofits that are facing hardships due to the COVID-19 pandemic.

Apply online: <https://www.umez.org/hybrid-microloan-program>

Eligible Businesses:

- Located in Upper Manhattan
- Must have been in operation for at least 24 months prior to applying
- Must have a physical storefront (no virtual businesses)
- Annual gross revenue/operating budget between \$100,000 and \$750,000
- Employ 20 or fewer full-time equivalent employees

Term:

- 60 Months / 5 years
- Month 1 - 12: Interest only, monthly payment
- Month 12 - 60: Straight amortization, monthly payment

Loan-to-Grant Conversion:

- 25% of the original loan amount will be converted into a grant if on-time payments are made for the first 48 months and the business remains operational at end of Year 4

Loan Amount:

- Up to \$50,000
- Loan amount based on 10% of gross revenue/operating budget in 2019

Interest Rate:

- Annual interest rate of 3.0%

Collateral:

- UCC Blanket Filing
- Personal guarantee will be required for anyone who owns 20% or more of the business

Uses:

- Any approved business use such as working capital, inventory, marketing, operating and emergency maintenance, utilities, or supplies

For more information please visit <https://www.umez.org/hybrid-microloan-program>