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The City of Ithaca Anchor Storefront Recovery Fund Invites Additional Loan Applications

(Ithaca, NY – December 14, 2020)

In August of this year, a new COVID-19 recovery loan fund launched for ‘anchor’ storefronts in the City of Ithaca. The fund has provided low-cost economic development loans of between \$8,000 and \$50,000 to key commercial storefront businesses in the City, including restaurants and retail businesses.

In light of the ongoing pandemic and additional funding, the Ithaca Anchor Storefront Recovery Fund is currently inviting additional loan applications.

Some storefront businesses, because of the unique service that they provide, because of their longevity, because they draw people to the area, or simply because of their large footprint or critical location, carry particular importance to Ithaca’s economic recovery and positive community identity. The Ithaca Anchor Storefront Recovery Fund provides targeted loan assistance to help ensure that the recovery process proceeds successfully for “anchor” storefront businesses in the City of Ithaca, particularly as we enter a challenging post-holiday winter period amidst the ongoing pandemic.

The initiative to establish this fund was facilitated by the City of Ithaca Office of Economic Development in collaboration with local economic development agencies including the Downtown Ithaca Alliance, Tompkins Chamber and Small Business Development Center. Community Foundation of Tompkins County provided consultation to a number of private individuals interested in investing in the fund and they have done so from their own assets. In addition, Community Foundation itself has received a designated gift to be used to invest in the fund as a form of impact investing. Ithaca Neighborhood Housing Services (INHS), a local Community Development Financial Institution (CDFI), administers the fund. A volunteer loan review committee comprised of experienced business owners, financial/lending experts and economic development experts makes loan recommendations to INHS.

Interested businesses can visit the INHS website to download the full program guidelines and information about how to apply. www.ithacanhhs.org/anchorstorefront Eligible businesses are encouraged to apply by January 21st, 2021 to be considered in the next round of application review.

Program Details:

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| Eligibility | Must meet the following to apply: 1) be a food, beverage or retail business operating in a storefront in an established commercial district in the City of Ithaca, 2) be an "anchor" business, 3) have been financially harmed by COVID-19, and 4) have had annual gross receipts of less than \$3.0 million and have between one and 25 FTE employees. Franchises and national chains are not eligible. Cannot have received a NY Forward Loan. Certain not-for-profits may be eligible. |
| "Anchor" Definition | Must be an "anchor" business by meeting TWO OR MORE of the following four tests: 1) Provides a unique service that would be difficult to replace if the business were to permanently close 2) Has a sizeable footprint (1,200 sq ft or more) and highly visible "anchor" location (corner, prominent storefront in a facility with other smaller tenants, etc.) 3) Is a traffic generator - attracts people to the commercial district 4) Has been in business for five+ years and is viewed as a community "institution" |
| Funding | \$8,000 minimum loan. \$25,000 maximum loan for businesses with up to \$1.5 million in gross annual revenues, or up to \$50,000 for businesses with up to \$3 million in gross annual revenues. |
| Terms | One year of interest only payments, then converts to a 5-year loan with 60 equal monthly payments. 12-month draw-down period. \$150 application fee. |
| Interest | 1.25% |
| Use of Funds | Working capital. Cannot be used to repay/refinance existing loans or start or acquire a business. |
| To Apply: | Visit: www.ithacanhs.org/anchorstorefront |

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