

National Disaster Assistance Recovery Loan Program (Ndar)

**TOWN OF UNION
3111 EAST MAIN STREET
ENDWELL, NEW YORK 13760**

Town of Union Economic Development Department

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The Economic Development Department provides financial assistance to existing businesses located in the national disaster area through the Local Development Corporation (LDC) of the Town of Union. The *Town of Union National Disaster Assistance Recovery Loan Program (Ndar)* is one of several loan programs offered by the Local Development Corporation. The Town of Union LDC will work in conjunction with any Federal, State and County Disaster Assistance Programs, as well as private sector and national disaster insurance programs, to maintain a business operation in an impacted area.

Application Fee: None

Closing Costs:

Borrower will be responsible for any Recording Fees and Attorney Fees as applicable.

Application Period:

Based on the Federal, State or Locally declared COVID-19 NYS Federal Disaster Declaration 16346 (NY-00197).

Interest Rate: 0%.

Amount of Financing:

Up to 3 months of an eligible business historical operating expenses, and based on the availability of funding at the time of loan approval. Generally NOT to exceed \$15,000.00 in LDC Loan Funding.

Borrower:

Any legal, for-profit, borrowing entity that is currently located in the Town of Union. Borrower's business must have been profitable prior to the COVID-19 NYS Federal Disaster Declaration 16346 (NY-00197). No borrower that has defaulted on a previous Local Development Corporation loan will be eligible to apply.

Eligible Areas:

Declared COVID-19 NYS Federal Disaster Declaration 16346 (NY-00197), within the geographic areas of the Town of Union, including the Villages of Endicott and Johnson City.

Eligible Use of Proceeds:

Short Term Working Capital Needs.

Ineligible Use of Proceeds:

As determined by Town LDC Board.

Ineligible Users:

NO business that was not profitable prior to COVID-19 NYS Federal Disaster Declaration 16346 (NY-00197).
No Home based business. No business that did not have employees on their payroll prior to the disaster declaration.

Amount of Participation:

Subject to other sources of disaster assistance that the applicant may be eligible for, but generally NOT to exceed \$15,000.00 in LDC Loan Participation.

Term of the loan:

Not to exceed 15 months (comprised of 3 months of deferred payments and 12 months of principal only payments).

Collateral:

As determined by Town LDC Board.

Guarantees:

Personal guarantees from company owners and spouses if involved in the operation of the business. Corporate guarantees if applicable.

Federal Labor Standards Provision:

All Local Development Corporation funding programs are subject to the Federal Labor Standards Provisions and the **Davis-Bacon** prevailing wage requirements (as determined by the U.S. Department of Labor) where construction and/or renovation applies.

Other Criteria:

- * Demonstrated need for financing.
- * Demonstrated ability to repay debt.
- * Demonstrated commitment by the owner(s).
- * Demonstrated uninsured related losses and/or expenses.

Job Retention:

Funding is based on the number of low/moderate income jobs to be retained while business is in the process of once again becoming fully operational. Owners of a business do NOT qualify as meeting the job retention requirement. Family members do NOT qualify of meeting the job creation requirement unless they were on the businesses payroll prior to the COVID-19 NYS Federal Disaster Declaration 16346 (NY-00197).

Job Cost Ratio:

Retention of one low/moderate income individual that was employed by the borrower and is documented on the Borrower's payroll prior to the COVID-19 NYS Federal Disaster Declaration 16346 (NY-00197)
Retention of low/moderate employee per \$15,000 borrowed
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