



NEW YORK STATE SENATOR

Jeffrey D. Klein

## Senator Jeff Klein, Bronx Borough President Ruben Diaz Jr., Bronx Overall Economic Development Corporation Announce Nearly \$500,000 in Small Business Loans Now Available to Bronx Businesses & Entrepreneurs

JEFFREY D. KLEIN March 20, 2015

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*New BOEDC Lending Program Will Grow Small Business, Create Local Jobs & Strengthen Bronx Economy*

**BRONX, NY** - Bronx-based small businesses and local entrepreneurs will receive a boost of nearly a half million dollars, **State Senator Jeff Klein (D-Bronx/Westchester), Bronx Borough President Ruben Diaz Jr. and Bronx Overall Economic Development Corporation (BOEDC) President Marlene Cintron** announced today. The Bronx Revolving Loan Fund, a new small business lending program administered by BOEDC, has nearly \$500,000 in loans available to local small businesses -- of all sizes and sectors -- across The Bronx. The loans, ranging from \$2,000 to \$50,000, can be used as working capital, for the purchase of machinery or equipment, inventory and accounts receivable.

“Investing in our small businesses and providing them with the tools they need to be successful is the single most effective way we can strengthen our local economy, create good-paying jobs and build up hard-working Bronxites,” **said Senator Jeff Klein.** “These new loans provide economic opportunity for hundreds of entrepreneurs and significantly

increase access to capital for our many local businesses seeking to grow or expand. With so many obstacles to building a business these days, The Bronx Revolving Loan Fund represents a strategic investment in our borough that will encourage economic development and prosperity for years to come.”

“We are working hard to support businesses of all types in The Bronx, and that includes, making sure that our small businesses have the resources and funding they need to succeed. We want to be sure our local businesses know that The Bronx Revolving Loan Fund is a source of capital that they can and should tap as they continue to plan for the future. I want to thank State Senator Jeff Klein for making these funds available to the Bronx Overall Economic Development Corporation, and I look forward to utilizing these resources to help small businesses all over the Bronx expand and thrive,” **said Bronx Borough President Ruben Diaz Jr.**

“BOEDC for the first time has the capacity to provide small business loans to any part of The Bronx as a result of Senator Klein’s grant,” **said Marlene Cintron, President of the Bronx Overall Economic Development Corporation.** “We are no longer limited in our capacity to lend borough-wide. As a result, more jobs can be created in the borough and more business will receive the support they deserve.”

In 2014, Senator Klein secured \$500,000 in state funding to jump start the availability of loans to Bronx-based business owners and entrepreneurs. With credit availability continuing to top the list of concerns for small businesses in The Bronx and across New York City, The Bronx Revolving Loan Fund aims to simplify the process and provide quick and easy access to capital.

The new lending program marks the first economic development initiative administered by BOEDC that does not place eligibility requirements like size or location on the condition of

the loan. Eligible candidates consist of businesses registered in The Bronx for two or more years, including small retail businesses, construction companies, restaurants, technology firms, healthcare providers and more.

### **The Bronx Revolving Loan Fund**

#### ***Eligible Borrowers:***

- Any small business located in The Bronx.
- Must be a legally registered business for at least two years.

#### ***Eligible Uses:***

- Funds can be used as working capital, for the purchase of machinery or equipment, inventory or accounts receivable.

#### ***Terms of the Loan and Interest Rates:***

- Two to five years, depending upon the size of the loan and the use of the funds, at prime plus 2%.

#### ***Fees:***

- Application - Loans less than \$25,000: \$100.00; Loans \$25,000 and above: \$250.00.
- Closing - Applicants will be charged a \$100.00 fee to cover the cost of UCC filings.

#### ***Equity Participation:***

- 10% Collateral.
- First security interest on assets.
- Personal and corporate guarantees.

“In The Bronx and New York City, where rents continue to rise and operating expenses are sky-high, programs like The Bronx Revolving Loan Fund are a lifeline to small business owners and entrepreneurs,” **said Gary Wartels, owner of Skyview Wines & Spirits and President of the North Riverdale Merchants Association.** “The efforts of Senator Klein, Bronx Borough President Diaz and BOEDC are greatly appreciated and certainly not overlooked in the business community. I look forward spreading the word about this program and helping local businesses tap into this much-needed funding.”

“Building a sustainable, moneymaking business in any community is no easy feat -- but in The Bronx especially, so many small business owners face countless obstacles to long-term growth,” **said Lisa Sorin, Executive Director of the Westchester Square Business Improvement District.** “The Bronx Revolving Loan Fund signals a new era in The Bronx, where capital can be accessed quickly and easily. I want to thank Senator Klein, Borough President Diaz and BOEDC for their efforts.”