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MAYOR BLOOMBERG ANNOUNCES NYC NONPROFIT RECOVERY LOAN PROGRAM FOR NONPROFITS IMPACTED BY HURRICANE SANDY

Loan Program will provide at least \$26 Million of Interest-Free Loans to Help Nonprofits Rebuild

Pro-Bono Lawyers Will Provide Legal Service to Impacted Nonprofits

Mayor Michael R. Bloomberg today announced several efforts to support New York City's nonprofit organizations in the wake of Hurricane Sandy. Building on a strong commitment to support and strengthen the nonprofit sector, the initiatives include the NYC Nonprofit Recovery Loan Program, a \$26 million bridge loan program, pro-bono legal assistance dedicated to nonprofits, briefings regarding federal reimbursements and filing procedures, updated nonprofit assistance information on NYC.gov and support for nonprofits at the NYC Restoration Centers. The NYC Nonprofit Recovery Loan Program is supported by funders including the Mayor's Fund to Advance New York City, the Ford Foundation, Capital One Bank, the Robin Hood Foundation and The New York Community Trust. It will be administered by the Fund for the City of New York. The program will provide interest-free loans ranging from \$5,000 to \$100,000 to New York City nonprofits impacted by Hurricane Sandy and will cover losses associated with the disruption of operations and property damage. Priority will be given to organizations that have suffered the most severe losses and/or are operating in the worst affected areas, and will be made against expected claims to be filed with the nonprofit's own insurance company and with FEMA, as well as against committed government, foundation and corporate contracts and grants.

"In the days after a disaster like Hurricane Sandy the City relies more than ever on nonprofit partners for help," said Mayor Bloomberg. "They are trusted by their communities and their close relationships and local knowledge makes them invaluable when it comes to rapid-response. But they too are struggling in the wake of this disaster and the NYC Nonprofit Recovery Loan Program will help them rebuild as they help the City rebuild."

"Along with our residents, nonprofits in hard hit areas are also absorbing significant losses," said Deputy Mayor for Health Human Services Linda I. Gibbs. "Yet they are standing on the front-lines of the recovery and will be there for as long as it takes to restore these communities; it is essential that the City be there for them as well."

“Not only have many of our community organizations been victims of Hurricane Sandy, they have been on the ground delivering critical services to New Yorkers in a time of great need,” said Megan Sheekey, President of the Mayor's Fund to Advance New York City. “New York's nonprofits are essential to the fabric of this city and I hope others will join our generous partners who are committed to keeping them strong.”

“We're proud to join the Mayor and the City in making this fund possible,” said Luis A. Ubinas, President of the Ford Foundation. “By helping the nonprofits people rely on most get back on their feet, this fund will go a long way in restoring communities. If we learned anything from Katrina, it is that the road to full recovery is long, challenging and painful in the places that have been most severely affected. This fund represents a long term commitment to that recovery.”

“The nonprofit cultural sector is central to making New York City a dynamic place to live, work, and visit,” said Cultural Affairs Commissioner Kate D. Levin. “Through these initiatives, we hope to provide the many cultural organizations impacted by Hurricane Sandy with the critical financial and legal support they need to rebuild facilities, revive collections and offer exceptional public programming throughout the five boroughs.”

“The damage from the storm has been unimaginable and the needs and challenges facing our local communities are greater than they've ever been before,” said Michael Slocum, Northeast Regional President, Capital One Bank. “Capital One considers itself a part of many of the communities that were hardest hit by this disaster and we are committed to helping provide immediate and essential funding to the local nonprofit organizations that are on the front-lines of the recovery effort.”

“Robin Hood is thrilled to partner on this significant program to help not-for-profit groups hit by Hurricane Sandy during a critical time,” said David Saltzman, Executive Director of Robin Hood.

“The New York Community Trust is pleased to join with others to ensure that nonprofits can borrow from this fund at no cost and continue their important work on behalf of New Yorkers,” said Lorie Slutsky, President of The New York Community Trust.

As part of the support to NYC's nonprofits, a pro-bono legal initiative has been created with 1,400 volunteer attorneys from the Lawyers Alliance for New York City will assist nonprofits in real estate; employment law; government grants and loans; operating disaster relief programs; and insurance coverage. Legal assistance can be accessed by dialing (212) 219-1800 ext 224. All calls will be responded to within 24 hours.

Materials for the Arts, the City's reuse center for non-profits with cultural programs, is providing impacted organizations with donated supplies and furniture. For more information go to <http://www.mfta.org>.

Additionally, the Mayor's Office, in partnership with the City Office of Emergency Management, State Office of Emergency Management and FEMA, has conducted FEMA applicant briefing sessions attended by more than 500 nonprofits to understand critical information on being reimbursed for costs related to Hurricane Sandy. Nonprofits can also register for FEMA assistance at the Restoration Centers established by the City in Red Hook, Gravesend, Fort Tilden, Staten Island,

Averne, the Rockaways and the Bronx. The deadline for applying to be eligible for FEMA compensation is December 2. For more info go to FEMA (<http://www.fema.gov/apply-assistance>). Nonprofit Assistance on www.nyc.gov has been updated to reflect the many supports available to nonprofits.

Nonprofits: Filling a Critical Recovery Need

New York City relies on nonprofits to provide a broad range of essential services to its diverse communities. Human service nonprofits provide home healthcare, housing, daycare, afterschool services and job training. Cultural nonprofits provide some of these services, while also attracting talent and leveraging private support to drive the City's economy, identity and quality of life. Both parts of the nonprofit sector provide programs essential to creating and sustaining flourishing neighborhoods that contribute to a vibrant city.

Human service agencies are located in the communities they serve; they are known and trusted by residents of those communities; and their intimate knowledge of those residents and communities allows them to be innovative, flexible, and quick to respond to emergencies. Immediately after a disaster, like Hurricane Sandy, when new services are needed, the city turns to these nonprofits for help. On their own, and at the request of city, state, or federal government agencies, these nonprofits provide the particular services most needed by the communities they serve after a disaster. At the same time, New York's reputation as a resilient, innovative world city is often measured by how quickly its signature creative sector is restored. The city's investment in the range of nonprofits that underpin employment, support small business growth, and feed crucial commercial industries around the City, is essential to its recovery.

The Need for an Emergency Loan Fund for NYC Nonprofits

As a result of the storm, senior centers, child care centers, health centers, community centers and residences for elderly, those with disabilities and other special needs have sustained flood and physical damage and all the while have taken on response activities. Several highly visible cultural nonprofits have sustained severe property damage, including the Coney Island Aquarium and the South Street Seaport Museum. Many more are struggling with lower levels of damage but significant lost income that will impact their ability to pay rent, make payroll, and continue to provide public services.

In many cases, the costs of replacing or repairing structures that have suffered physical damage or covering related expenses will eventually be covered under these organization's own insurances policies and/or by FEMA. But often these groups will not have all the information needed to file for reimbursement for several weeks and once they have submitted, they may have to wait months for reimbursement. In the meantime, these organizations must keep operating and cover costs associated with the physical recovery from the storm. In some cases, vendors may require full payment before they begin work on structural damage.

The NYC Nonprofit Recovery Loan Program

The NYC Nonprofit Recovery Loan Program is designed to provide critical funds to bridge the gap between expenditures needed to support the recovery from Hurricane Sandy and the receipt

of insurance, contract and grant reimbursements. The Loan Program will also be a significant reminder to the nonprofits on the front lines who face months of difficult work ahead that their efforts to rebuild their New York's neighborhoods are acknowledged and appreciated by the larger city. The NYC Nonprofit Recovery Loan Program will provide tens of millions of dollars in crucial financing to ensure that the recovery from Hurricane Sandy moves forward unhindered by the pace of insurance, contract and grant reimbursements.

The NYC Nonprofit Recovery Loan Program will include the following criteria: Priority will be given to those nonprofit organizations that have suffered the most severe losses and/or are operating in the worst affected areas. The loans will be made against expected claims to be filed with the nonprofit's own insurance company and with FEMA, as well as against committed government contracts and grants, and foundation/corporate grants.

- Loans may be used to cover both operating and capital costs that appear to qualify for reimbursement.
- Loans will be in the range of \$5,000 to \$100,000.
- Anticipated repayment will be within eight to 15 months.
- Loans will be interest-free.
- There will be no origination fee.

For more information and to apply for the NYC Nonprofit Recovery Loan Program please visit www.fcny.org.

Administration of the NYC Nonprofit Recovery Loan Program

The NYC Nonprofit Recovery Loan Program will be administered by the Fund for the City of New York and will be modeled after its highly regarded Cash Flow Loan Program. Since that program began in 1976, hundreds of New York City-based organizations have depended on the Fund for its timely, efficient, and low- cost response to their need for bridge financing. The Fund currently lends up to \$60 million annually to more than three hundred organizations. Since its inception, the program has made over 11,000 loans, totaling over \$550 million.

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Contact: Marc La Vorgna/Samantha Levine (212) 788-2958

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