



NYC Hurricane Sandy Loan & Grant Program FAQs

As part of the City of New York's ongoing effort to assist New York City businesses damaged by Hurricane Sandy, a new loan and grant program has been made available. This program is one of the business recovery initiatives included in the City's Community Development Block Grant Disaster Recovery Action Plan approved by the U.S. Department of Housing and Urban Development (HUD). NYC Department of Small Business Services will be administering the program with assistance from the New York Business Development Corporation (NYBDC).

Applications must be submitted through an NYC Business Solutions Account Manager. Account Managers are also available to help businesses complete the application and related required documents.

Please contact the Centers directly (see list below), call 311 and ask for "NYC Business Solutions" or visit www.nyc.gov/nycbusiness for all information on loans and other services for small businesses.

What is the purpose of this program?

To provide financial assistance in the form of loans and grants for working capital and moveable equipment to New York City small businesses who were impacted by Hurricane Sandy, as a supplement to other available disaster recovery financing where unmet needs still exist.

How much money can I qualify for?

Loans of up to \$150,000 will be made available to borrowers that experienced direct damage as a result of the storm and demonstrate an ability to repay the loan. Matching grants of up to \$60,000 are also available. Applicants that demonstrate need exceeding these amounts may be eligible for loans up to \$1 million and grants up to \$100,000 as determined by the City and according to program priorities.

What are the terms and conditions?

Loans will have a 1% interest rate on a monthly amortization schedule for five (5) to seven (7) years depending on the amount borrowed and repayment ability. There is an introductory three-month interest-only payment period, and no pre-payment penalty.

Are there any fees?

There are no fees associated with these loans/grants.

Who is eligible for a disaster recovery loan?

The new loan and grant program is for independently owned for profit businesses operating and paying taxes in NYC that:

- (1) Are located in New York City
- (2) Are small businesses as defined by the U.S. [Small Business Administration](#)
- (3) Filed 2010, 2011, and 2012 tax returns (exceptions to be granted on a case-by-case basis)
- (4) Have experienced direct damage as a result of Hurricane Sandy
- (5) Have applied or will apply for a loan with the SBA

What if my business doesn't meet the eligibility for this disaster recovery loan?

NYC Business Solutions can help you determine if you are eligible for the City's original \$25,000 emergency loan, launched immediately after the storm. In addition, we have a network of over 40 lenders that offer financing products that may meet your needs. We encourage you to contact us even if you are not sure your company meets the target criteria above.



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What if I've already received financing assistance related to Hurricane Sandy?

The new loan and grant program is designed to provide funding to help you address unmet needs incurred as a result of Hurricane Sandy. Insurance proceeds and state/federal assistance are considered when determining the amount of an award to an individual applicant.

What can I use the money for?

Loans can be used for working capital and expenses on movable equipment. Working capital expenses may include but are not limited to: inventory, refinancing, rent, utilities, insurance, payroll, taxes, marketing, etc. Movable equipment is considered equipment in which no installation is required.

I already incurred expenses repairing or replacing my business space/building/equipment. Can this loan/grant reimburse me for this?

The new loan and grant program cannot be used to reimburse expenses already incurred. However, the program can be used to refinance higher-rate private debt/equity for working capital or moveable equipment needed to continue operations.

How do I get help to complete and submit the loan application?

A dedicated NYC Business Solutions Account Manager can assist you to complete the application and review documents prior to submission to the lender. See locations and contact information at the bottom of this document.

What is required to apply to the new loan and grant program?

In addition to NYBDC's loan application, eligible applicants will be required to submit all of the documentation found on the ***Loan and Grant Program Document Checklist*** available for download [here](#).

Why do I have to apply for an SBA loan to qualify for this loan?

To calculate the disaster recovery loan amount for which you are eligible to receive, we first must deduct any Hurricane Sandy related assistance that you may qualify for with the SBA. Community Development Block Grant funding is intended to meet gaps after all other sources of financial assistance have been exhausted.

What if I've already received assistance from the SBA?

If you've already received assistance from the SBA and still have unmet financial needs that were not covered by your SBA loan (or other sources), then you should still apply for the new loan and grant program.

What if I've already received assistance from my insurance company?

If you still have unmet financial needs that were not covered by your insurance company, an SBA loan, and other Hurricane Sandy-related assistance from a bank or other sources, you should still apply for the new loan and grant program.

What if my SBA loan application or insurance claim is still pending a decision?

A determination of how much funding your business qualifies for will be made based on your need and all of the recovery-related funds received at the time you apply for this loan. However, you can still begin the process if your application is pending – please contact an NYC Business Solutions Account Manager to help you assess what you are qualified for.



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How is this program different from the previous emergency loan and matching grant program offered by the City?

There are a number of differences between the new loan and grant program and the emergency loan and matching grant program launched following the Hurricane. Please refer to the “Hurricane Sandy Loan Comparison Chart” provided below.

I didn't qualify for the City's earlier emergency loan program and matching grant program. Should I apply for this one?

Yes. All customers that meet the eligibility requirements described above are still encouraged to apply for the new loan and grant program. If you are not eligible for that program, you should still connect with NYC Business Solutions, which has a network of over 40 lenders that offer financing products that may meet your needs.

If I was approved for the previous emergency loan program offered by the City, can I also apply for this program?

Yes. All customers that meet the eligibility requirements described above are still encouraged to apply for the new loan and grant program. The amount you received from the original \$25,000 loan program will be deducted from your eligible amount for the new loan program along with proceeds received from insurance disbursements, the SBA, bank and other financing sources.

Can I use this loan/grant to pay off higher-rate debt?

Yes. If you incurred other private debt related to Hurricane Sandy business disaster recovery, you may use this loan to repay such private debt. You may not use it to pay off other government disaster recovery loans.

I don't want to take on more debt. Can I just apply for the grant?

If your business has already borrowed money from, an institutional lender, the SBA or the City's Emergency Loan program, and your business can demonstrate remaining unmet financial needs, then you may be eligible for the matching grant against an earlier loan.

Get started: Contact NYC Business Solutions

Applications must be submitted through an NYC Business Solutions Account Manager. Account Managers are also available to help businesses complete the application and related required documents. Below is a list of our NYC Business Solutions Centers. Hours of operation are Monday-Friday 9:00 am-5:00pm.

Please contact the centers directly, call 311 and ask for “NYC Business Solutions” or visit www.nyc.gov/nycbusiness to confirm current hours of operation.

NYC Business Solutions Centers:

Bronx Center

400 East Fordham Road, 7th Fl
Bronx, NY 10458
Phone: 718.960.7910

Brooklyn Center

9 Bond Street, 5th Fl
Brooklyn, NY 11201
Phone: 347.296.8021

Lower Manhattan Center

79 John Street
New York, NY 10038
Phone: 212.618.8914

Queens Center

168-25 Jamaica Avenue, 2nd Fl
Jamaica, NY 11432
Phone: 718.577.2148

Staten Island Center

120 Stuyvesant Place, 3rd Fl
Staten Island, NY 10301
Phone: 718.285.8400

Upper Manhattan Center

361 West 125th Street, 2nd Fl
New York, NY 10027
Phone: 212.749.0900 ext. 125



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Washington Heights Center

560 W 181st Street, 2nd Fl

New York, NY 10033

Phone: 212.749.0900 ext. 126



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Hurricane Sandy Loan Comparison Chart

	New Loan and Grant Program (launched May, 2013)	NYC Emergency Loan and Matching Grant Program (launched November, 2012)	SBA Federal Disaster Loan
Qualifying Expenses	Inventory, refinancing, equipment (where no installation is required), and/or for general working capital (rent, utilities, insurance, payroll, taxes, marketing, etc)	Replacement or repair of facilities, lost inventory, equipment and/or the working capital needed to restart/continue operations	Replacement or repair of disaster-related physical damage and working capital
Loan Amount	Up to \$150,000 ¹	Up to \$25,000	Up to \$2 million
Grace Period	Interest only for 3 months	No payments for 6 months	No payments for 4 months
Interest Rate	1%	1% from month 7-30	As low as 4%
Payback Period	5-7 years	24 months after grace period	Up to 30 years
Fees	None	None	None
Eligibility Requirements	<ul style="list-style-type: none"> • Located in New York City • Are a small business (as defined by the U.S. Small Business Administration) • Filed 2010, 2011 or 2012 tax returns filed (exceptions to be granted on a case by case basis) • Have experienced direct damage a result of Hurricane Sandy. 	<ul style="list-style-type: none"> • Located in Zone A or direct impact area • Personal guaranty from each owner with 20% or more ownership • Avg. credit score of owner(s) must be 650 or greater • 2011 taxes have been filed • Business/non-profit organization with less than 100 employees 	<ul style="list-style-type: none"> • Located in a declared county • Credit history acceptable to SBA • Demonstrated repayment ability
Matching Grant	Up to \$60,000	Up to an additional \$10,000 for businesses that have been displaced from their workplace for three weeks or more.	N/A
Contact	<ul style="list-style-type: none"> • NYC Business Solutions • Call 311, ask for NYC Business Solutions • Visit an NYC Business Solutions Center • www.nyc.gov/nycbusiness 	<ul style="list-style-type: none"> • NYC Business Solutions • Call 311, ask for NYC Business Solutions • Visit an NYC Business Solutions Center • www.nyc.gov/nycbusiness 	<ul style="list-style-type: none"> • US Small Business Administration • 1-800-659-2955

¹ Applicants that demonstrate need exceeding these amounts may be eligible for loans up to \$1 million and grants up to \$100,000 as determined by the City and according to program priorities.