



THE CITY OF NEW YORK
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**MAYOR DE BLASIO ANNOUNCES \$40 MILLION IN PRIVATE INVESTMENTS TO
ADVANCE ECONOMIC OPPORTUNITY FOR MINORITY AND WOMEN-OWNED
BUSINESSES AND SMALL BUSINESSES**

*Commitments from Amalgamated Bank, Bank of America and TD Bank total \$40 million,
tripling the City's initial investment in two low-interest loan programs tailored for M/WBEs
and small businesses to help grow and sustain these businesses*

NEW YORK—Mayor Bill de Blasio today announced that three of the City's designated banks – Amalgamated, Bank of America, and TD Bank – have committed \$40 million towards two of the City's three programs that help minority and women-owned business enterprises (M/WBEs) and small businesses access affordable loans to grow and sustain these businesses. The loan programs, known as the Contract Financing Loan Fund (CFLF) and the Emerging Developer Loan Fund (EDLF), are two financial tools established by the de Blasio Administration to address historic barriers faced by many M/WBEs and small businesses in accessing capital. This additional funding builds on the City's initial investment of \$20 million to both funds. With this new funding, M/WBEs and small businesses will now have access to \$60 million in total revolving loan funding, triple the City's initial investment.

In May of 2017, Mayor de Blasio convened all of the City's designated banks to further these partnerships and create accessible capital for the city's minority and women-owned businesses. This announcement is the first of round of commitments.

“By making an additional \$40 million available in affordable loans, these banks are invested in the success of minority and women-owned businesses across the city. These new commitments will help us continue working to overcome the historic barriers that hold back small businesses, especially those run by women and people of color. They will now have the capital they need to bid on City contracts and reap the benefits of New York's growing economy, helping us build a more equitable and fair city,” said **Mayor Bill de Blasio**.

“Every day I climb the steps of City Hall with pride knowing that I get to serve the City I love. But today, I am especially proud to see the public sector and private sector coming together to deliver resources that help create an economy that works for all. I applaud Amalgamated Bank, Bank of America and TD Bank for fostering the entrepreneurial spirit of M/WBEs with their \$40

million investment. Today we are proving that New York City is truly the fairest big city in America,” said **Richard Buery, Deputy Mayor for Strategic Policy Initiatives and Citywide M/WBE Director.**

“To combat this affordable housing crisis, we are building a deeper bench of women and minority owned business and development teams. These firms are ready to grow and take on the next big project—they just need some additional support to do it. Our Emerging Developer and Contract Financing funds are crucial pieces of that effort, and we thrilled to welcome Amalgamated, TD Bank and Bank of America as new capital partners helping us reach and grow even more businesses,” said **Alicia Glen, Deputy Mayor for Housing and Economic Development.**

“We congratulate Mayor de Blasio for his initiative to expand opportunities and access to capital for minority- and women-owned businesses,” said **Reverend Jesse L. Jackson, Sr., Founder and President, Rainbow PUSH Coalition.** “The Mayor is setting an example for municipalities across the country where access to capital remains a critical barrier to growth for black, Latino, and women business owners.”

The breakdown of these investments is as follows:

Bank	Total new investment	Goal of Investment
Amalgamated Bank	\$20MM	Emerging Developer Loan Fund
Bank of America	\$10MM	Contract Financing Loan Fund
TD Bank	\$10MM	Contract Financing Loan Fund

Since launching in 2017, the Contract Financing Loan Fund has provided critical funding for M/WBEs and small businesses contracting with the City. These businesses have had access to \$500,000 in loans at a low three-percent interest rate. Access to this affordable financing through the fund has allowed firms to grow and work on over \$38.5 million worth of City contracting opportunities. The Department of Small Business Services manages and administers the CFLF.

Businesses interested in receiving a contract financing loan can visit nyc.gov/contractfinancing to apply online. A participating lender will follow up with eligible businesses. Participating lenders include BOC Capital, Inc., TruFund Financial Services and Excelsior Growth Fund.

The Emerging Developer Loan Fund has, since 2016, provided low-interest loans that range from \$100,000 to \$2.5 million to emerging developers and M/WBEs. With the addition of \$20 million in funding, the EDLF be able to assist emerging developers with 40 new loans that will create \$150 million in potential development opportunities, creating an estimated 6,000 jobs over a five-year period. Since 2016, the New York City Economic Development Corporation has approved \$6.65 million in loans, allowing businesses to take on over \$51.35 million worth of projects. The increase in funding will provide the EDLF with an opportunity to provide funding to projects on its current \$42 million pipeline of 40 projects. The NYCEDC manages and

administers the EDLF. Interested emerging developers can find more information and apply through the fund's website at nycedc.com/EDLF.

This announcement comes on the heels of unprecedented investments in M/WBEs as well as the enactment of a new State law – Chapter 504 of the Laws of 2017 – that expands the City's authority to spur economic opportunity for M/WBEs.

In Fiscal Year (FY) 2017, the City for the first time in history awarded over \$1 billion to M/WBEs. This only encompasses Mayoral agencies. When taking into account non-Mayoral agencies, such as agencies that receive Federal and State funding, the City has awarded over \$6 billion to M/WBEs since the start of the Administration.

The Administration, along with elected partners in Albany, advocated for Chapter 504 of the Laws of 2017 which has, among other things, increased the City's discretionary spending limit for M/WBEs, meaning these businesses are no longer required to first go through a time-consuming, formal bidding process for relatively small contracts for goods and services. The City's discretionary spending limit is now \$150,000 for M/WBEs that offer the City goods or services, up from \$20,000 before the Law's enactment. This increased discretionary spending limit closely matches the State's \$200,000 limit in this area. State Senator Marisol Alcántara and Assembly Member Alicia Hyndman were sponsors of the bill.

These recent developments, coupled with the new \$40 million investments, provide the City additional resources to meet Mayor de Blasio's goals to expand economic opportunity for M/WBEs, including:

- Certifying 9,000 M/WBEs by end of FY2019
- Awarding 30% of the value of City contracts to M/WBEs by end of FY2021
- Awarding \$16 billion to M/WBEs by end of FY2025

"I know firsthand the difficulty of securing the necessary financial tools to sustain and grow your business. With the Contract Financing Loan Fund and the Emerging Developer Loan Fund, we are chipping away at the financial barriers faced by countless M/WBEs and small businesses. Today's \$40 million commitment will help continue our work in creating an economy that works for all New Yorkers – regardless of race, gender or ethnicity. Thank you to Amalgamated Bank, Bank of America and TD Bank for delivering these necessary resources that will impact the lives of countless entrepreneurs," said **Jonnell Doris, Senior Advisor and Director of the Mayor's Office of M/WBE's**.

"Small business owners face a multitude of challenges daily. Contracting with the City should not be one of them," said **Gregg Bishop, Commissioner of the Department of Small Business Services**. "The Contract Financing Loan has already provided crucial financial support to small businesses, including M/WBEs, and the commitments announced today will help even more businesses position themselves for success."

"The Emerging Developer Loan Fund plays a major role in addressing the financial needs of small businesses and minority and women-owned business enterprises throughout the city," said

NYCEDC President and CEO James Patchett. “These emerging developers need guaranteed structures in order to access capital and grow, and this increase in funding will substantially help in nurturing that growth.”

“Amalgamated Bank was founded nearly a century ago on the premise of creating financial opportunity for all,” said **Keith Mestrich, CEO of Amalgamated Bank.** “Since that time, our mission has been to help reduce economic barriers for all citizens, regardless of race or gender, and to financially empower people up and down the economic ladder. That is why we are pleased join with the City of New York to support the growth of minority and women-owned businesses in our city. These businesses bring enormous benefit to the New York City community and we are proud to play a role in fostering their success.”

“Small businesses play a critical role in our economy, generating new jobs and sustaining vibrant communities,” said **Bank of America New York State Market President Jeff Barker.** “This partnership builds on our \$2.7 billion in total small business lending in New York, providing even more opportunity for local minority and women-owned businesses to thrive.”

"Small businesses have truly shaped New York, and TD Bank is dedicated to supporting their aspirations and goals," said **Andrew Bregenzer, Metro New York Regional President, TD Bank.** "The Contract Loan Fund program will not only provide M/WBEs with greater access to capital, but strengthen and vitalize the communities they serve. TD is proud to work with the City to further this goal and help local businesses succeed."

Comptroller Scott M. Stringer: "When we're helping our MWBEs thrive, we're making our city fairer for everyone. Investing in these companies is about creating real, local, neighborhood-level wealth, and this is yet another step forward that we should all celebrate. I would like to thank the Mayor, Bank of America, Amalgamated, and TD Bank for making this possible. It will change lives."

State Senator James Sanders Jr., Senate Democratic M/WBE Taskforce Chair, said: “As the father of MWBEs, having authored Local Law 1 and Local Law 129 during my time in the City Council, I understand that gaining access to capital is one of the biggest problems faced by MWBEs. The Contract Financing Loan Fund and the Emerging Developer Fund is helping to get funds circulating again and today’s \$40 million investment is another step forward in that process. It is my hope that banks will continue to open their doors to struggling MWBEs, enabling them to thrive and grow, and creating a diverse, but level playing field, which would be to the benefit of all New Yorkers.”

"Providing the needed capital to grow businesses will go a long way in encouraging minority and women entrepreneurs to believe that they too have a shot in our economy," said **State Senator Leroy Comrie.** "I commend the business leaders at Amalgamated Bank, Bank of America, and TD Bank for helping our city build a more inclusive and diverse economy, and I look forward to working with Mayor de Blasio and my colleagues in government, along with local stakeholders to ensure we are meeting these crucial benchmarks for M/WBE growth and success in the months and years to come."

"I am pleased to see that New York City has prioritized the importance of capital access for M/WBEs," said **Assembly Member Rodneyse Bichotte, Chair, of the Oversight Subcommittee on Minority and Women Business Enterprises**. "Access to capital is essential to the sustainability and growth of these M/WBEs. I applaud Mayor de Blasio's ongoing commitment to businesses in communities who have historically been underserved, as well as Amalgamated, Bank of America, and TD Bank who saw the value of joining New York City to make further investments to the Contract Financing Loan Fund and the Emerging Developer Loan Fund."

"I welcome the growing commitment of these banks and others who have placed their investments – and their faith – in this important City program that helps minority and women-owned business enterprises. I'm also glad to see a new state law on the books – Chapter 504 of the Laws of 2017 – that expands the City's authority to spur economic opportunity for M/WBEs. Congratulations to Mayor de Blasio and his administration for creating and pushing this important program for women and minority entrepreneurs," said **Assembly Member Luis Sepulveda**.

Assembly Member Michael Blake said: "Access to Capital is arguably the greatest asset that will bring equity and opportunity for Minority and Women Owned Business Enterprises as too often MWBEs are negatively judged by skin color and gender rather than their capability for success. If you don't start out with legacy money or have access to larger institutions who naturally trust because of friendships and culture instead of track record and promise, you as a MWBE are hindered from realizing your own economic dreams. Today's announcement of three banks stepping up to provide millions of dollars for MWBEs allows many more people to go from pain to promise, from poverty to prosperity, from struggling to self sufficiency. It gives hope to the MWBE that your block won't block your blessing and your zip code won't deny your destiny. I especially commend Keith Mestrich and his team at Amalgamated Bank who yet again demonstrate that you can lead with your values to help Bronxites and all New Yorkers and still be a profitable business. I thank Mayor de Blasio and his team for showing critical leadership in helping to create economic opportunities for more MWBEs. This will certainly create more jobs that are an essential part of #BuildingABetterBronx and creating a more equitable New York City."

"New York City's minority and women-owned business enterprises must be positioned not only to compete but to flourish. Since Speaker Johnson gave me the opportunity to Chair the Council's Contracts Committee, I've been committed to exploring innovative ways to help streamline and simplify the procurement process while making sure there's a level playing field so that our city's M/WBEs and small businesses can do just that. I commend Amalgamated Bank, Bank of America and TD Bank for putting their money where their mouth is and helping to ensure that all businesses owned and operated by diverse individuals have the chance to win City contracts," said **Council Member Justin Brannan, Chair of the Committee on Contracts**.

"Working to build capacity among our M/WBEs and small businesses is essential if we are to ensure that the fruits of this City's economy are enjoyed by all. The Contract Financing Loan Fund and Emerging Developer Loan Fund are aimed at just that – investing in M/WBEs and

small businesses to help them perform on lucrative contracts with the City. The additional \$40 million investment in these funds will allow an even greater number of firms to overcome the barriers they face, and I commend Amalgamated Bank, Bank of America, and TD Bank for this significant investment in the City's M/WBEs and small businesses," said **Council Member Robert E. Cornegy**.

"M/WBEs are an integral part of New York's economy and spirit. That's why I'm thrilled to hear of the Mayor's commitment from three large banks to help them grow and succeed. The prosperity of these local firms is in the best interest of all New Yorkers, and I can't wait to see where each business will go with this critical support. Expanded access to capital will not only open more doors for people of all backgrounds, allowing individuals and families to realize their small business dreams, it will spur significant job creation – a win-win for our local economy," said **Council Member Helen Rosenthal**.

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