

TUCSON IDA ANNOUNCES PARTICIPATION IN NEW TUCSON RECOVERY LOAN PROGRAM



The Industrial Development Authority of the City of Tucson, AZ announced its participation in a new, affordable loan program designed to assist small businesses impacted by the COVID-19 pandemic. The Tucson Recovery Loan Program will be provided in collaboration with the Tucson based nonprofit, Business Development Finance Corporation (BDFC). BDFC specializes in providing loans to businesses that may not have access to traditional financing sources under reasonable terms and businesses in underserved markets.

Larry Lucero, President of the Tucson IDA, stated, *"The Tucson Recovery Loan Program is designed to assist small business owners to make the changes necessary to adapt to today's rapidly changing business environment by providing funding for equipment and working capital necessary for the business to implement its transition plan."*

Many business owners took advantage of the CARES Act financing (PPP and EIDL) to survive the initial impact of the pandemic and preserve jobs for their employees. Locally, the City of Tucson We are One | Somos Uno Resiliency Fund provided both zero percent interest loans and grants to small business owners with a focus on smaller, underserved businesses. A recent survey of 1,000 business owners conducted by American Express confirms the resiliency of small businesses;

- 75% report being optimistic about their business's ability to recover from the pandemic.
- 21% expect it to take less than a year to recover, while 46% say one to three years.
- 76% have pivoted their business model to maintain revenues.

BDFC President Gary Molenda stated, *"The Tucson Recovery Loan Program represents the logical 'Phase II' financing that so many small business owners need to position their businesses for success in the post-pandemic environment."*

Recovery Program Loan Terms

- Loan amounts up to \$25,000
- Ten (10) year term
- No loan prepayment penalties
- No collateral required
- Up to 6 months interest only payments
- Interest rate of Prime plus 2.75%

For additional information or to apply for a loan today, please visit www.bdfc.com/recoveryloans or contact Ashley Mapes at amapes@bdfc.com.

Tucson IDA has committed \$1 million in support of Tucson small business during the COVID-19 pandemic by providing affordable long term financing to Business Development Finance Corporation for both PPP loans and the Phase II Tucson Recovery Loan Program.