



To: SEDCO Board of Directors
From: Eric Ennis, Executive Director
Date: November 16, 2022
Re: SEDCO Board of Directors Meeting Agenda – November 17, 2022

The Syracuse Economic Development Corporation **Board of Directors Meeting on Thursday November 17, 2022 at 4:00 PM held in person in the iLab Conference Room in City Hall, 233 East Washington Street, Syracuse, NY 13202.**

I. Call Meeting to Order

II. Roll Call – 1

III. Proof of Notice - 2

IV. Minutes – 3

Approval of minutes from the October 14, 2022 Board meeting.

V. Organizational Leadership Updates – 4

VI. Old Business –

ARPA Lending Programs Community Impact Fund (held from last meeting) – 5

1. DripShop Syr, LLC
 - *Attachment: Memo to the SEDCO Board of Directors*
2. CORA Foundation
 - *Attachment: Memo to the SEDCO Board of Directors*

VII. New Business –

ARPA Lending Programs Community Impact Fund Requests – 6

Review and discussion of the loan financing requests submitted as part of the American Rescue Plan Act (ARPA) Community Impact Fund for consideration.

1. Syracuse Blueprint, Co.
 - *Attachment: Memo to the SEDCO Board of Directors*
2. Safe Space CNY
 - *Attachment: Memo to the SEDCO Board of Directors*
3. Biscotti Café & Pastry Shop, Inc
 - *Attachment: Memo to the SEDCO Board of Directors*

ARPA Micro-enterprise Assistance Fund Request – 7

1. 5 Star Renovations

EPA Brownfield Revolving Loan Fund – 8

Status update and request for approval to submit a \$1 Million funding request to the Environmental Protection Agency (EPA) Revolving Loan Fund call for applications.

Surge Accelerator Program Funding Allocation – 9

Review and discussion of a proposal to establish a new revolving loan fund for BIPOC entrepreneurs as part of the Syracuse Surge Accelerator.

- Attachment: Accelerator Fund Proposal from CenterState CEO

ARPA Lending Programs Round II Update – 10

Review and discussion regarding three requests submitted through the ARPA Micro-enterprise and Small Business Assistance Fund.

OneStop DBE Revolving Loan Fund – 11

Discussion regarding new opportunity and funding committed from the City of Syracuse to establish a \$400,000 revolving loan fund designed to support MWBE and DBE firms enrolled in OneStop Program.

December Board Meeting Date – 12

Confirm availability of members for December Board of Directors Meeting.

VII. Adjourn



PLEASE POST

PLEASE POST

PLEASE POST

PUBLIC MEETING NOTICE

THE SYRACUSE ECONOMIC DEVELOPMENT CORPORATION

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

ON

THURSDAY NOVEMBER 17, 2022

AT 4:00 PM

IN THE INNOVATION LAB (ILAB) CONFERENCE ROOM

LOCATED AT

SYRACUSE CITY HALL

233 E. WASHINGTON STREET, SYRACUSE, NY 13202

For more information, please contact Vaughntorrien Davis at VDavis@syrgov.net

Minutes
Syracuse Economic Development Corporation
Board of Directors Meeting
Friday, October 14, 2022
1:00 – 2:00 PM

Meeting was held in-person at:
Salt City Market
484 S. Salina Street
Syracuse, NY 13202

Board Members Present: Richard Driscoll, Patrick Lannon, Jennifer Tifft, Stephen Gross, Pastor Ashanti Dickerson, Karolina Marcinkowski, Andrew Fish

Board Members Excused: Mark Barbee, Sheena Solomon, Nick Petragnani

Staff Present: Eric Ennis, Fred Marty, Esq., Jacky Duong, Vaughn Davis, Cole King, Brianca Hill and Nate Pan.

I. Call Meeting to Order

Ms. Tifft called the meeting to order at 1:14 PM.

II. Roll Call

Ms. Tifft acknowledged that all Board Members were present except for Mr. Barbee, Mr. Petragnani, and Ms. Solomon who were excused.

III. Proof of Notice

Ms. Tifft made note acknowledging proof of notice was out in a timely manner.

IV. Minutes

Ms. Tifft asked for a motion approving the minutes from the August 30, 2022 Board meeting.

Mr. Driscoll made the motion. Mr. Lannon seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MEETING MINUTES FROM AUGUST 30, 2022.**

V. New Business

American Rescue Plan Act (ARPA) Community Impact Fund Requests

Mr. Davis introduced a total of four (4) request that was reviewed and considered by committees convened as part of the Community Impact Fund. He provided background that these requests are

eligible for up to \$200,000 in financing with a maximum term of fifteen (15) years at 2.0% interest. The projects were discussed and reviewed, with a separate vote taking place with the SEDCO Board of Directors.

1. Polish Community Home Inc: Approval of \$100,000

Ms. Tift asked for a motion to approve Polish Community Home, Inc. for \$100,000 for a period of fifteen (15) years (180 months) at 1.5% interest, with an interest-only period of six (6) months during the time of construction. Mr. Fish made a motion for approval. Ms. Marcinkowski Seconded the motion.

2. Delavan Studios, LLC: Approval of \$200,000

Ms. Tift asked for a motion to approve Delavan Studios, LLC for \$200,000 for a period of ten (10) years (120 months) at 3.0% interest, with an interest-only period of six (6) months during the time of construction. Mr. Fish made a motion for approval. Mr. Driscoll seconded the motion.

3. CORA Foundation: Request of \$100,000

Ms. Tift asked for a motion to approve the CORA Foundation for \$100,000 for a period of 2 years (24 months) at 2.0 % interest. The Board is willing to approve the applicant once updated Sources & Uses are provided.

The Board agreed to postpone a vote and adding the CORA Foundation to “Old Business” in the next Board meeting.

4. DripShop Syr, LLC: Request of \$200,000

Ms. Tift asked for a motion to approve DripShop Syr, LLC for \$200,000 for a period of fifteen 15 years (180 months) at 2.0% interest, with the first six (6) months would be an interest-only period during the time of construction. The Board is willing to approve the applicant upon more details involving an agreement with local developers regarding adding a gym membership to their tenant’s leases.

The Board agreed to postpone a vote and adding the DripShop Syr, LLC to “Old Business” in the next Board meeting.

ALL BOARD MEMBERS VOTED TO APPROVE POLISH COMMUNITY HOME, INC. AND DELEVAN STUDIOS, LLC FOR COMMUNITY IMPACT FUND ASSISTANCE.

SEDCO Traditional Small Business Assistance Fund Requests:

1. Taste of Africa: \$65,000

Ms. Tift asked for a motion to approve Taste of Africa for \$65,000 for a period two (2) years (24 months) at 3.0% interest, with the first two (2) years (24) months would be interest-only period. Mr. Driscoll made a motion for approval. Mr. Gross seconded the motion.

2. It Takes a Village: \$50,000

Ms. Tift asked for a motion to approve It Takes a Village for \$50,000 for a period five (5) years (60 months) at 1.5% interest, with the first six (6) months would be interest-only period. Mr. Greene made a motion for approval. Mr. Lannon seconded the motion.

ALL BOARD MEMBERS VOTED TO APPROVE TASTE OF AFRICA, AND IT TAKES A VILLAGE FOR TRADITIONAL SEDCO FINANCING.

EPA Brownfield Revolving Loan Fund Grant Writing Services:

Mr. Ennis explained that SEDCO has issued a RFP seeking grant writing services as part of funding being made available from the Environmental Protection Agency (EPA) to establish a revolving loan fund for brownfield remediation and redevelopment. Two proposals were submitted, and SEDCO staff recommended the use of Stantec Consulting Services for the project, which has a submission deadline of late November. The board expressed their support of moving forward with the recommendation.

Ms. Tift asked for a motion to accept the services proposal from Stantec Consulting Services. Mr. Greene made a motion. Mr. Lannon seconded the motion.

ALL BOARD MEMBERS VOTED TO APPROVE STANTEC CONSULTING SERVICES FOR GRANT WRITING ASSISTANCE FOR THE EPA GRANT APPLICATION.

VI. Adjourn

Ms. Tift asked for a motion to adjourn the monthly board meeting. Ms. Solomon made the motion. Mr. Petragnani seconded the motion. **ALL BOARD MEMBERS PRESENT APPROVED TO ADJOURN THE MEETING.**

The meeting adjourned at 2:16 PM.



November 16, 2022

Memorandum To: SEDCO | ARPA Community Impact Fund Review Board
From: Vaughntorrien Davis
Re: DripShop Syr LLC
SEDCO Loan Request – \$200,000.00

Background:

DripShop Syr LLC is a fitness/nutrition concept located at 900 East Fayette St on the Eastside of the City’s downtown district. The applicants are a start up company who began their buildout in 2020 that was brought to a halt due to the pandemic and the effects COVID has had on the health and fitness industry.

The applicant’s vision is to bring positive vibes to the city through their 10 years’ worth of fitness experience spreading their what they call their “three key ingredients” of health, wellness, and fun.

Proposed Project:

The applicants are looking to fund the buildout and pay the fees that are associated with the funds from the Community Impact Fund as well as secured funds from a bank loan. The remainder of the funds will be used to purchase new equipment, and to market their services.

Loan Request:

The funds received from SEDCO will be used for site work construction of the E. Fayette St location and to purchase new equipment.

SOURCES & USES:

Project Budget:

Table with 2 columns: Item, Amount. Rows include Building Construction & Renovation (\$135,435.00), Equipment (\$75,000.00), Furniture & Fixtures (\$20,000.00), Engineering/Architect Fees (\$4,000.00), Legal Fees (\$4,000.00), Permitting Fees (\$1,500.00), Management/Developer Fee (\$5,800.00), Signage (\$7,000.00), and TOTAL INVESTMENT (\$252,735.00).

Project Sources:

Table with 2 columns: Item, Amount. Rows include SEDCO Community Impact financing (\$200,000.00), Owner Equity (\$10,435.00), Bank Loan (\$42,300.00), and TOTAL INVESTMENT (\$252,735.00).

Impact of Covid-19:

The applicant's initial build out was brought to a halt due to COVID and the ensuing pandemic. Now that we have started moving forward the applicants are able to begin working on it again.

Borrower:

There are three principals behind the applicant entity DripShop Syr LLC – each of whom are directly involved in the development project. Kyle Chase, Jamar Clarke, and Michael Kitts.

Collateral:

SEDCO would seek to hold a lien on the equipment through a UCC filing for the loan amount. A personal guarantee from Kyle Chase, Jamar Clarke and Michael Kitts would also be secured as the owners of the borrowing entity.

Recommendation:

Staff is recommending that the SEDCO Board approve the loan amount of \$200,000 as presented.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 2.0% for this loan, with a term that is consistent with the term of the lease. The first 6 months would be an interest-only period for the project to fully get underway prior to principal and interest payments being collected.



November 17, 2022

Memorandum To: SEDCO Community Impact Fund | Board of Directors
From: Vaughntorrien Davis
Re: CORA Foundation
SEDCO Loan Request – \$200,000.00

Background:

The CORA Foundation is a Non-profit organization that runs ArtRage Gallery, located at 505 Hawley Ave that they purchased in 2021. They're in the process of making the location more accessible and energy efficient. The project would be a great at investment in the city's Arts & Culture scene

Proposed Project:

The CORA Foundation has been planning a capital campaign to raise the funds to create a more accessible and energy efficient building. Major repairs on the building include a new roof, a new storefront including a glass vestibule with automatic doors and new thermal insulated windows. Other planned improvements include, accessible restroom upgrades, an insulation wrap on the exterior, a new energy efficient heat pump HVAC system and solar panels on the roof, and upgrades to the interior gallery walls and lighting. Atlantic State Legal Foundation plans to fund a porous pavement sidewalk. The estimates included here are from Zausmer Frisch Associates. We believe that we can get the project done for less than the estimate attached and will be gathering additional estimates in 2022. This loan would act as a bridge loan as we complete our fundraising campaign.

Loan Request:

The funds received from SEDCO will be used for a combination of uses that will include Major repairs on the building include a new roof, a new storefront including a glass vestibule with automatic doors and new thermal insulated windows. Other planned improvements include, accessible restroom upgrades, an insulation wrap on the exterior, a new energy efficient heat pump HVAC system and solar panels on the roof, and upgrades to the interior gallery walls and lighting.

SOURCES & USES:

Project Budget:

Table with 2 columns: Item, Amount. Rows include Site Work/ Demolition (\$15,000.00), Building Construction & Renovation (\$497,690.00), Permitting Fees (\$7,500.00), Management/ Developer Fee (\$42,000.00), and TOTAL INVESTMENT (\$562,190.00).

Project Sources:

Table with 2 columns: Source, Amount. Rows include SEDCO Community Impact financing (\$200,000.00), NYS Council on the Arts (\$297,690), Atlantic State Legal (\$20,000.00), Donors (\$44,500.00), and TOTAL INVESTMENT (\$562,190.00).

Impact of Covid-19:

Due to COVID-19 the project has been delayed. The plan was to purchase the building in spring of 2020 and starting their capital campaign that summer. The pandemic caused the gallery to close from March of 2020 to September 2020. When the doors reopened, they couldn't host many in-person events, however, has been able to have virtual events. As we get back to some normalcy the gallery will host more in-person events.

Borrower:

The CORA Foundation was founded in 2008 and is the sole owner and principal of the ArtRage Gallery.

Collateral:

SEDCO would seek to hold a mortgage lien on the 505 Hawley Ave properties for the amount of the loan. A corporate guarantee from The CORA Foundation would also be secured as the owners of the borrowing entity.

Recommendation:

Staff is recommending the Board of Directors approve this loan amount of \$100,000. Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 2.0% for this loan, with a term of two (2) years (24 months).



November 17, 2022

Memorandum To: ARPA Community Impact Fund | SEDCO Board of Directors
From: Vaughntorrien Davis
Re: Syracuse Blueprint Co. Inc.
SEDCO Loan Request – \$150,000.00

Background:

Syracuse Blueprint Co., Inc. is a commercial printing company that was founded in 1909 and located at 825 E. Genesee Street in the Near Eastside neighborhood. The applicant has been in business for over one hundred years and has seen a significant impact from the COVID 19 pandemic and is starting to recover with hopes that they will remain one of the city’s oldest commercial printers.

Proposed Project:

The applicant has expressed that entire building needs to be painted. The windows facing West need to be replaced. A portion of the roof needs to be repaired and put on a maintenance schedule to be serviced on a regular basis.

The Leaky roof has caused issues inside the building that need to be corrected and the applicant plans to renovate the front portion of the building with new office and reception space.

Loan Request:

The funds received from SEDCO will be used for site work construction. This will include the repair of a leaky roof, the west facing windows need repair and the restoration of the front stoop.

SOURCES & USES:

Project Budget:

Table with 2 columns: Item, Amount. Rows include Roofing (\$45,000.00), Windows (\$45,000.00), Painting (\$30,000.00), Building Construction (\$12,000.00), Office Space Renovations (\$18,000.00), and TOTAL INVESTMENT (\$150,000.00).

Project Sources:

Table with 2 columns: Source, Amount. Row includes SEDCO Community Impact financing (\$150,000.00) and TOTAL INVESTMENT (\$150,000.00).

Impact of Covid-19:

The applicant’s business revenue dropped 28% from 2019 to 2020 due to the impact of COVID-19. As of 2020 the business is recovering, however it is still significantly lower than 2019 and previous years. They anticipate it will take at least another year to get back to where we were.

The business took advantage of two rounds of payment protection program (PPP) loans, and this allowed the applicant to stay in business when sales revenue was too low to otherwise stay in operation. The applicant also increased their online presence and marketing to make up for the inability to make sales calls and/or presentations in person.

Borrower:

There are two principals behind the applicant entity Syracuse Blueprint Co. Inc. – each of whom are directly involved in the development project. Carl Nye, and Andrew Nye.

Collateral:

SEDCO would seek to hold a subordinate mortgage lien on the 825 E. Genesee Street property for the loan amount. A personal guarantee from Carl Nye and Andrew Nye would also be secured as the owners of the borrowing entity.

Recommendation:

Staff is recommending the Board of Directors approve the loan amount of \$150,000 as presented as the company is recovering and is not back to where it was financially. It is believed that the full loan amount would place the applicant in an avoidable financial hardship and ownership has shown to have the financial means to undertake any gap financing.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 2.0% for this loan, with a term of fifteen (15) years (180 months). The first 6 months would be an interest-only period for the project to fully get underway prior to principal and interest payments being collected.



November 17, 2022

Memorandum To: SEDCO Community Impact Fund | Board of Directors
From: Vaughntorrien Davis
Re: Safe Space CNY
SEDCO Loan Request – \$200,000.00

Background:

Safe Space CNY is a Health and Human Services company that was founded in 2021 due to a lack of mental health resources within the city. It was created to provide a location for people who need a communal space, to help them cope with possible mental illnesses, and seek help from mental health professionals. Currently, the applicant is holding small “pop up” art classes and group sessions in various neighborhoods and companies to make the public aware of what they do in hopes of attracting clients. Once fully operational they will hire mental health counselors, dance instructors, art teachers, and administrative staff to support the classes, therapy groups and events held on site.

The applicant has been able to secure a site in the Far Westside neighborhood at 1970 West Fayette St., and has secured an agreement with the landlord to pay no rent for the first three months after the project commences. They are looking to use any funds awarded for capital upgrades to make the space appealing to future counselors, instructors and clientele.

Proposed Project:

With their landlord’s permission the applicant would like to use ARPA funds to upgrade their HVAC system, purchase chairs, tables, and wastebaskets to put in the classroom spaces. The funds would also go towards putting projectors and screens in the classrooms for presentations.

Also, they’re looking to create an outdoor space to host large groups and gatherings during the warmer weather and accommodate health restrictions.

Loan Request:

The funds received from SEDCO will be used for capital upgrades including but not limited to interior, exterior renovations, and HVAC upgrades.

SOURCES & USES:

Project Budget:

a. Building Construction & Renovation	\$ 10,000.00
b. Furniture & Fixture	\$ 75,000.00
c. Engineering/Architect Fees	\$ 40,000.00
d. Legal Fees	\$ 10,000.00
e. Permitting Fees	\$ 10,000.00
f. Management/Developer Fee	\$ 15,000.00
g. <u>Equipment</u>	<u>\$ 50,000.00</u>
TOTAL INVESTMENT	\$210,000.00

Project Sources:

a. SEDCO Community Impact financing	\$145,000.00
b. Owner Equity	\$ 10,000.00
c. Private Donations	\$ 50,000.00
d. <u>Gifford Foundation</u>	<u>\$ 5,000.00</u>
TOTAL INVESTMENT	\$210,000.00

Impact of Covid-19:

Covid-19 delayed the opening of Safe Space CNY due to pandemic restrictions and extenuating circumstances, however, it has highlighted the desperate need in our community for mental health services and counseling.

Borrower:

Tracy Mergler is the sole owner and principal behind the applicant entity Safe Space CNY.

Collateral:

SEDCO would seek to hold a lien on all the furniture and fixtures purchased with the funds for capital upgrades, including the HVAC system. We will also move for a personal guarantee from Tracy Mergler.

Recommendation:

Staff is recommending the Board of Directors approve the loan amount of \$145,000 as presented instead of the full \$200,000 requested, as Safe Space CNY is a valuable asset in raising mental health awareness for the community. However, due to lack ownership of their location and limited collateral, we are unable to recommend that the full amount requested be awarded.

The applicant is also receiving \$55,000 in funds from other sources that has been taken into account and will be used towards capital upgrades.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 2.0% for this loan, with a term of five (5) years (60 months). The first 6 months would be an interest-only period for the project to fully get underway prior to principal and interest payments being collected.



November 17, 2022

Memorandum To: ARPA Community Impact Fund | Board of Directors
From: Vaughntorrien Davis
Re: Biscotti Café & Pastry Shop Inc.
SEDCO Loan Request – \$133,000.00

Background:

Biscotti Café & Pastry Shop Inc. is a longtime staple in the Northside Business District. Founded in 1998 by the Camire Family have worked diligently to provide baked goods to their customers and naturally became a staple on the city’s Northside. The project recently applied for and was selected to receive grant funding through the City of Syracuse’s ARPA Commercial Corridor Improvement Fund.

Proposed Project:

The applicant is looking to use loan financing in order to complete renovations and upgrading of the vacant apartment above the bakery located at 741 North Salina Street. Supporting this project will not only add value to the neighborhood, the building and increase the revenue for the owners but will add more affordable housing on the city’s North Side.

Loan Request:

The applicant is requesting \$100,000 in funds to go toward the renovation and upgrade of the upper floor apartment.

SOURCES & USES:

Project Budget:

a. Site Work/ Demolition	\$ 2,500.00
b. Building Construction & Renovation	\$ 100,000.00
c. Equipment	\$ 20,000.00
d. Furniture & Fixtures	\$ 10,000.00
e. <u>Permitting Fees</u>	\$ 500.00
TOTAL INVESTMENT	\$133,000.00

Project Sources:

a. SEDCO Community Impact financing	\$100,000.00
b. ARPA Commercial Corridor Grant Award	\$ 25,000.00
c. <u>Owner Equity</u>	\$ 8,000.00
TOTAL INVESTMENT	\$133,000.00

Impact of Covid-19:

The applicant started a partnership with Syracuse University and other local business by providing wholesale bake goods to help increase their sales and productivity. This has increased the amount of employment opportunities within the community as well as helped firms that started to struggle stay open throughout the pandemic.

Borrower:

There are two principals behind the applicant entity Biscotti Cafe and Pastry Shop inc. – each of whom are directly involved in the development project. Geoffrey Camire, and Deborah Camire.

Collateral:

SEDCO would seek to hold a mortgage lien on the 741 North Salina St. property for the amount of the loan. A personal guarantee from Geoffrey Camire and Deborah Camire would also be secured as the owners of the borrowing entity.

Recommendation:

Staff is recommending the Board of Directors approve this loan for the amount of \$75,000 as opposed to the full amount request. The project was recently assisted with ARPA funds through the Commercial Corridor program, and the business financials show equity is available to fund the remaining project gap. The project is located in the Northside Business District and would contribute to providing new housing housing within the city limits and within the North Salina corridor.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 3.0% for this loan, with a term of a ten (10) years (120 months). The first three 3 months would be an interest-only period in order for the project to fully get underway prior to principal and interest payments being collected.

SEDCO ARPA Lending Programs | Micro-Enterprise Assistance Fund Requests | 11.17.22

Applicant	Industry Classification	Contact Person	Neighborhood	Fund Category	Qualified Census Tract?	Requested Amount	Recommendation	Description of Request	Impact of COVID-19	Justification
5 Star Renovations	Construction	Christopher Campbell		Micro-Enterprise Fund	Yes	\$ 5,000.00	\$ 5,000.00	The applicant would like to use the requested funds to finance the purchase of equipment needed to build a pole barn that's needed to store construction equipment needed in order for the business to grow.	COVID has slowed the construction industry in 2020. This has caused a decrease in business and also new guidelines to follow to ensure the safety fo employees.	Increase in Business
TOTAL SEDCO FUNDING AMOUNTS:						\$ 5,000.00	\$ 5,000.00			

The Syracuse Surge Accelerator

Overview:

This competitive program empowers BIPOC (Black-Indigenous-Persons of Color) entrepreneurs to launch and accelerate tech-related startups. The program is designed to leverage best practices within the Tech Garden, while directly addressing the structural and cultural barriers that have historically excluded persons of color from the field. The program will recruit up to five entrepreneurs/teams from local and national networks; provide a one-year residency in the accelerator program; and aim to have businesses growing in the city of Syracuse upon completion.

Key Program Features:

Culturally Competent Programming and support to grow Social Capital:

Surge partners acknowledge that the tech business ecosystem is predominantly white and male. Because of this BIPOC entrepreneurs tend to have smaller networks, limiting the relationships through which they access opportunities and information. This program acknowledges and addresses the unique challenges faced by BIPOC entrepreneurs through:

- Program elements that help underrepresented entrepreneurs to navigate the systems and cultures within the startup ecosystem.
- Access to the Syracuse Surge “Masterminds” — a group of national BIPOC Tech leaders, who can provide mentorship and networking opportunities nationwide.
- Engagement with the “Tech and Culture” network — a local network of diverse tech professionals, who can foster social and professional connections in the region.

Access to Capital:

Often, BIPOC entrepreneurs do not have access to “friends and family” capital rounds, putting them at a disadvantage in accessing equity investments or venture capital in later stages. By creating multiple points in the program where entrepreneurs can access capital, the Surge Accelerator helps mitigate these barriers. Funding resources include:

- Monthly living stipends that allow teams to focus on their businesses full time.
- Mini ignition grants to help kickstart early-stage acceleration.
- Quasi Equity, including favorable loans or convertible debt notes that provide early-stage equity to help companies scale quickly without the burden of immediate debt service.
- Grow in Syracuse Fund, providing incentives for long term location in the city of Syracuse.

Intensive Supports and Training:

BIPOC entrepreneurs identify the lack of preparation and background on how to run a business as one of the top barriers to success. With the guidance of experienced facilitators and local business experts participants will have access to:

- Training in the skills necessary to successfully launch and run a business.
- Dedicated case management to help plan and complete a personalized path to successful business growth.
- Access to technical assistance and professional service providers through the Tech Garden resource pool (B.A.I.L., Marketing, etc.).
- Industry-specific advising and mentorship.

Customer Discovery and Market Development:

Many would-be BIPOC founders, who often come from economically disadvantaged backgrounds, need accelerated paths to revenue. The Surge Accelerator curates partnerships with local companies and anchor institutions, who can support teams by partnering with them to develop business models that help solve unique business challenges and/or allowing teams to access and develop businesses around dormant intellectual property within the companies.

The Surge Accelerator is also positioned to take advantage of upcoming opportunities to support supply chain and procurement related to the Micron development. Micron has expressed a desire to partner with local organizations and companies to ensure they have access to a broad range of MWBE contractors for both the construction and ongoing operation of their new facility in Clay.

Through these partnerships, Surge Accelerator teams become business partners with existing companies or institutions, who can help accelerate their development.

SEDCO Partnership

Through the Syracuse Surge Accelerator, we intend to provide early-stage subsidies and investments that will enable firms to successfully set up operations, refine their innovations, and accelerate growth. CenterState CEO has secured funding for program costs, stipends and ignition grants. We request that SEDCO consider a commitment of \$500K to be awarded to teams as quasi-equity or patient and flexible loan capital.

These funds would be awarded after businesses have successfully completed required benchmarks in the acceleration process and are seeking funding to go-to-market. Ideally SEDCO funding would be awarded to teams in the form of loan investments with favorable terms and a delay in payback period (ideally 3 years) and/or grants and/or forgivable loans.

Surge Accelerator Year 1 Budget

	Budget	JPMC Advancing Cities (confirmed)	Microsoft (confirmed)	Sponsorship (pending)	SEDCO (pending)
Staff					
Program Manager	\$67,000		\$67,000		
TTG Staff	\$25,000		\$25,000		
Fringe	\$17,085		\$17,085		
Program Costs					
Technical Assistance and Professional Services	\$75,000		\$61,000	\$14,000	
Masterminds and Mentors	\$18,000	\$18,000			
Events	\$10,000			\$10,000	
Funding to Teams					
Stipends	\$175,000	\$175,000			
Ignition Grants	\$20,000	\$5,939	\$4,915	\$9,146	
Quasi Equity	\$500,000				\$500,000
Marketing					
Marketing & Communications	\$70,000	\$50,000		\$20,000	
TOTAL	\$977,085	\$248,939	\$175,000	\$53,146	\$500,000