



YORK CITY  
Fresh  
Food  
Fund

Everything you need and want to know.



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Codorus Valley Corporate Center  
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Breakfast		Salads		Signature Sandwiches		Loaded Dinagies		Desserts	
Bagel		Fresh Garden Salad		Choice of White, Wheat or Rye Bread & Preserves, Jam, Marmalade or Chicken Cheese		6 inch		Small	
Bagel with Cream Cheese	\$3.49	Small	\$3.49	Virginia Baked Ham	\$5.99	12 inch	\$8.99	Small Large Cakes	\$3.99
Buttered Croissant	\$1.99	Large	\$4.49	Smoked Turkey & Bacon	\$5.99			Assorted Candy Bars	\$3.99
Jumbo Gourmet Muffin	\$2.49	Chef Salad	\$4.49	Chew Roasted Beef	\$5.99				
Classic Egg & Cheese on Toast	\$1.99	Small	\$3.49	Stirge Veggie	\$5.99				
Add Bacon, Sausage or Ham	\$2.29	Large	\$4.49	Stirge Club	\$6.99				
Egg & Cheese Croissant	\$2.99	Greek Salad	\$5.49	Spicy Italian	\$6.99				
Add Bacon, Sausage or Ham	\$3.29	Spinach Salad	\$5.49	Classic Reuben	\$6.99				
Bagel Egg & Cheese	\$2.99	Fresh Berry, Apple & Walnut Salad	\$5.49	Hot Spicy	\$6.99				
Add Bacon, Sausage or Ham	\$3.29	Add Grilled Chicken Breast	\$2.49						
		Grilled Chicken Salad	\$5.49						
Soups		Deli Wraps							
Homemade Soup of the Day									
Cup									



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## **Dear Prospective and existing Restaurateurs and proprietors of York City fresh food establishments:**

Based on a grant from the United States of Department of Agriculture and seed money provided by the City of York Redevelopment Authority, The York City Fresh Foods Fund (FFF) is a revolving loan fund that has been created to modestly assist the development of new and existing restaurants and other food service establishments in the community. Our goal are to help entrepreneurs and business owners start and expand successful businesses in an effort to bring jobs and economic prosperity to the City.

To reach this goal, FFF loans will be provided to qualifying applicants through PeoplesBank. The intent of the FFF coincides with the mission of the Department of Economic Development to create the conditions that build a diversely vibrant economy throughout York City. Please note that there are limits to the total capitalization of the loan fund. The city respects and thanks each and every eatery, restaurant, market vendor, and food vendor that does business in our city.

The program administer is based on the objective procedures and criteria explained below. The FFF will make loans to a variety of food service establishments that, for many reasons, do not qualify for additional bank financing and support. The typical borrower the FFF anticipates serving is ineligible for the conventional lending products due to an insufficient operating history, inadequate collateral or poor credit.

Many eateries within the City will be able to apply for revolving loan funds for a variety of purposes, including:

- a) Equipment and inventory purchases
- b) Building improvements and tenant fit-outs
- c) Facade improvement and signage
- d) Gap financing for business development projects
- e) Fixed assets

Under this program, please note that only eateries and restaurants, defined as those food-service operations that provide sit-down seating, and food vendors at Central Market or the Farmers' Market Company are eligible. Carry out establishments are not eligible for this program.

## York City Fresh Foods Fund Checklist of Requirements.

- ☐ Application.
- ☐ Itemized Budget for Improvements that show basis of requested loan amount.
- ☐ Personal Financial Statement.
- ☐ Prior two tax return filings.
- ☐ Business Plan.
- ☐ Valid Address. Please note if you are a current city resident or city taxpayer.
- ☐ Proof of Identification.
- ☐ Application Fee of \$100.

## 6. Maximum Loan Amount.

The program may offer cash-secured term loans between \$1,000 and \$50,000, not to exceed \$50,000. The maximum loan amount to any one Borrower will depend upon the following:

- a) The amount of FFF base capital currently available for lending
- b) The number of year-round full time jobs or their equivalent to be created and/or retained by the borrower
- c) The total project cost, bearing in mind that in most instances the FFF will only fund a percentage of this amount.

## 7. Loan Fees.

In rare instances, additional costs may be added to the amount of the loan approved at the discretion of the loan committee. These costs may include costs associated with the acquisition of real property (e.g. deed recording, satisfaction costs). Appraisals for real estate or business assets will be arranged by the lender and paid by the applicant at the time of the appraisal. If the underwriter requires an environmental study, the applicant will pay that cost at the time of the study. If the collection proceedings are necessary, any costs will be born by the borrower.

## 8. Repayment

PeoplesBank will determine and coordinate all repayment terms and conditions. The City of York Redevelopment Authority will charge an interest rate approximating the prevailing prime rate on the entire loan amount. This interest assessment is directed towards administrative costs associated with the Fresh Food Revolving Loan Fund. Additional funds remaining will be reapplied to the Fresh Food Revolving Loan Fund account to ensure the funds continuance.





**Under no circumstances will personal loans be made to individuals and loans will not be made to support mortgage payments, to support rent, or to satisfy tax or sewer liens.**

**Applications may be immediately disqualified if the applicant owes back payments or penalties towards rent, mortgage, taxes or sewer/refuse.**

The advisory council, comprised of representatives from PeoplesBank, Community First Fund, the City of York Department of Economic Development and Downtown Inc will evaluate each applicant on a case-by-case basis based on objective evaluation criteria noted below. The advisory council shall review the loan applications and make recommendation to the Redevelopment Authority Board for approval.

As part of the approval process, the advisory council will review individual applications. An application checklist appears on page 7.

The Redevelopment Authority's aim is to build a modest portfolio of borrowers. PeoplesBank will be responsible for maintaining the program and account balances. With time, the success of this program may permit a second round of applications.

### **Advisory Council Evaluation Criteria**

- 1) Comprehension and Strength of Application (1, 2, 3 or 4 points)**
- 2) Strength of Business Plan or Business Concept (1, 2 or 3 points)**
- 3) Impact Based on Proposed Use of Funds (i.e job creation, visibility, neighborhood impact) (1, 2 or 3 points)**
- 4) Strength of Financial Statement & Likelihood of Loan Repayment (1, 2 or 3 points)**
- 5) Strength of Private Commitment and Leveraging (1, 2 or 3 points)**
- 6) Duration of Business Hours (e.g. Is Business open on Sundays?) (1 point)**
- 7) Minority Owned Enterprise (1 point)**
- 8) Requested Loan Amount (3 points for \$1,000-\$9,999, 2 points for \$10,000-\$19,999, 1 point for \$20,000-\$39,999, 0 points for \$40,000-\$50,000) The maximum amount is \$50,000.**
- 9) New Business Impact. Is the applicant a currently existing, established eatery business that is relocating to the City? (3 points) Is the applicant a first-time business start-up that will provide a new eatery to the city? (2 Points) Is the applicant a currently existing, established city business that is opening a new city eatery in addition to existing city eatery? (1 Point)**

## **York City Fresh Food Fund (FFF) Overview**

Administered by PeoplesBank and the Redevelopment Authority of the City of York, the York City Fresh Foods Revolving Loan Fund is available to food service businesses currently located, or planning to locate, in the City of York, Pennsylvania. Food services business is defined as a sit down eatery or restaurant or a food vendor at Central or Farmers' Market. The fund is capitalized by the U.S. Department of agriculture, Rural Business Enterprise Grant, is operated under guidelines established by USDA, and administered in partnership with PeoplesBank. The following is a summary of Program elements and requirements.

### **1. Borrower Eligibility**

- a) The FFF funded activity must be located within the corporate limits of the City of York, Pennsylvania.
- b) FFF funded activities must create or retain year-round job(s) within the City of York. If the Loan is based upon the retention of jobs, the borrower must clearly demonstrate that the job(s) would be lost with out the presence of the FFF funds.
- c) A borrower is not eligible for FFF financing if credit is otherwise available on terms and conditions that would permit completion and/or the successful operation or accomplishment of the project activities to be financed.
- d) Public, quasi-public or non-profit organizations are not eligible for FFF financing.

### **2. Ineligible Activities**

- a) Acquire an equity position in a private business.
- b) Subsidize interest payments on an existing loan.
- c) Provide the equity contribution required of borrowers under the Federal Loan Programs.
- d) Enable a FFF Borrower to acquire an interest in a business.
- e) Refinance existing debt.

- f) Invest in interest bearing accounts.
- g) Fund more than 20% of the down payment cost towards the purchase of real property for business.
- h) Fund mortgage payments, rent or satisfy tax or sewer liens.

### 3. Interest Rate

The interest rate shall be fixed at prime rate or prime rate minus 50 basis points as quoted by PeoplesBank at the time of the loan approval.

### 4. Terms

The loan will be fixed term installment loan for a maximum term of five years but this may be renegotiated depending upon the loan amount, ability to repay, and other factors. If the participating applicant violates the terms of repayment, the RDA reserves the right to affix a lien to material, equipment, infrastructure, or other assets to recover its loan value.

### 5. Private Leveraging

FFF loans should be used in conjunction with private investment of at least two to four dollars for every one-dollar of FFF investment in an activity. Private Investment, to be classified as leveraged, should be made concurrently with a FFF loan as part of the same business development project and may include: Capital invested by borrower or others, Bank financing or 90 percent of the guaranteed portions of SBA 7(a) and SBA 504 debenture loans.

Private Investments do not include equity build-up in a borrower's assets or prior to capital investments by the borrower unless made within nine months of the FFF loan and with the concurrence of the FFF screening Committee. Full documentation will be required in verification of other financing sources. **Exceptions may be made to this requirement, if, as a minimum, the following three conditions are met:**

- a) The project will provide significant job creation benefits for the City.
- b) It can be documented that not other funds are available for the project.
- c) Borrower will secure the loan with real estate.