

LANCASTER CITY SMALL BUSINESS EMERGENCY FUND

Powered by  COMMUNITY FIRST FUND  CITY OF LANCASTER  ASSETS

FINAL REPORT

Issued by ASSETS & Community First Fund

June 12, 2020

FUND BACKGROUND

The Lancaster City Small Business Emergency Fund was created to provide emergency relief to small businesses located in Lancaster City struggling due to the economic impact of the COVID-19 shutdown. The focus of this fund was to support vulnerable small businesses in local communities that have disproportionately not received federal funding support. The Emergency Fund launched on April 29th, 2020 with \$1.25 million available in highly flexible, low-interest loans, and approximately \$250,000 available in grants. These resources were available to businesses with under \$1 million dollars in annual revenue and represented the first local funding response for businesses suffering due to the shutdown.

FUND PARTNERS

The approximately \$1.5 million available in the Emergency Fund was generously contributed by the following entities:

1. **City of Lancaster Funding:** \$250,000 in loans
2. **ASSETS and Community First Fund Loan Funding:** Two Lancaster 501(c)(3) nonprofits and certified Community Development Financial Institutions collectively contributed \$1,000,000 in loan capital. These two organizations also managed and disbursed all funds raised.
3. **EnCourage Lancaster Crowdfunding Campaign:** Individual tax-deductible contributions made through a GoFundMe fundraising campaign dispersed as cash grants through the Emergency Fund.
4. **Foundation + Philanthropic Support:** Grant funds provided by the following entities: **Fulton Bank | Ferree Foundation | High Foundation | Rodgers & Associates | James and Kanoko Clarke**

FUND RECIPIENTS

We received a total of **232 applications**. Of these total applicants, **143 businesses** received grant or loan funding (62% of total applicants).

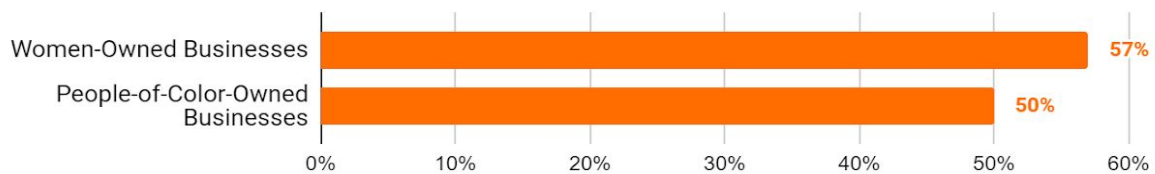
	Grants	Loans	Grants & Loans Combined
Total # Recipients	118	25	143
Total \$ Awarded	\$274,400	\$561,000	\$835,400

TOP INSIGHTS

- **57%** of recipients were **women-owned businesses**
- **50%** of recipients were **people of color-owned businesses**
- **55%** of recipients were small businesses located in **Downtown Lancaster**
- **Top industries** were:
 - Barbershops & Salons
 - Retail
 - Restaurants & Food Businesses
- **Top planned uses for funding** were:
 - Rent / Mortgage
 - Payroll
 - Bills

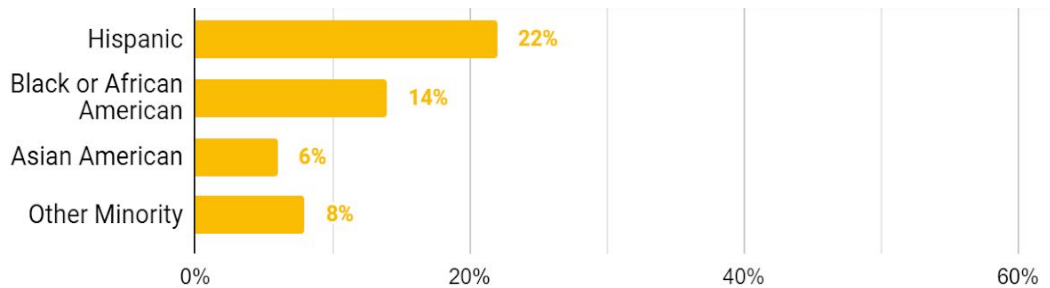
DEMOGRAPHICS

Aggregate Grant & Loan Recipients



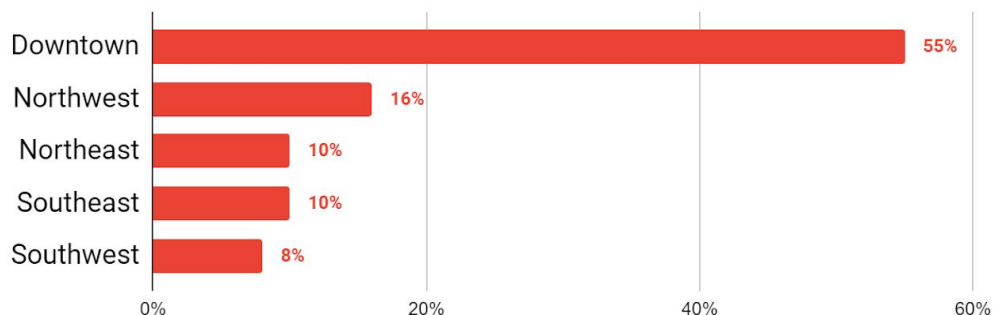
Aggregate Demographic Subsets

Of the 50% recipients who were people of color, these were the specific demographic subsets:



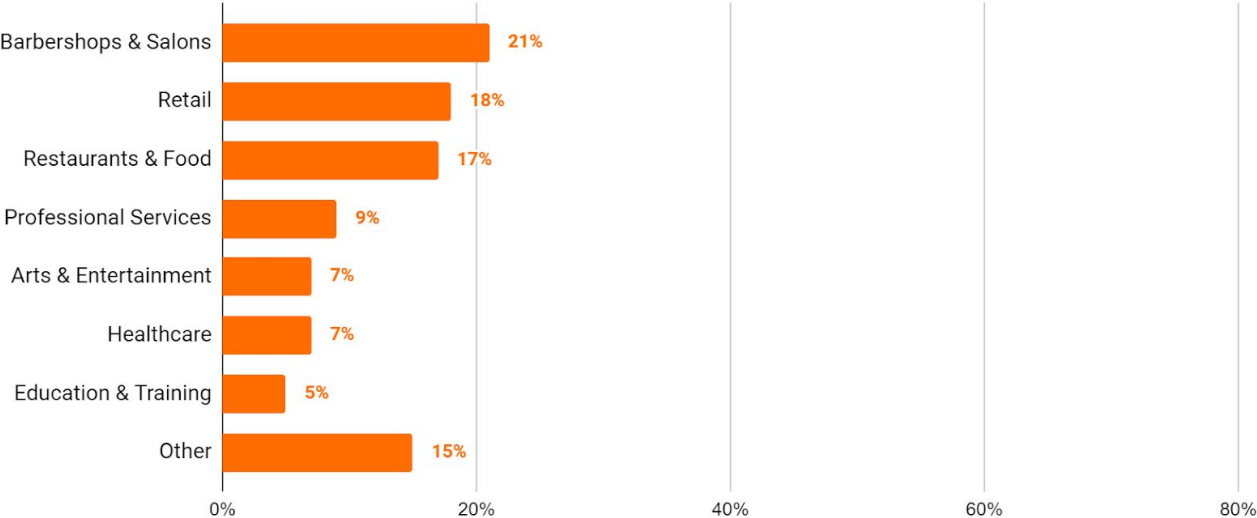
NEIGHBORHOODS

55% of recipients were located in Downtown.



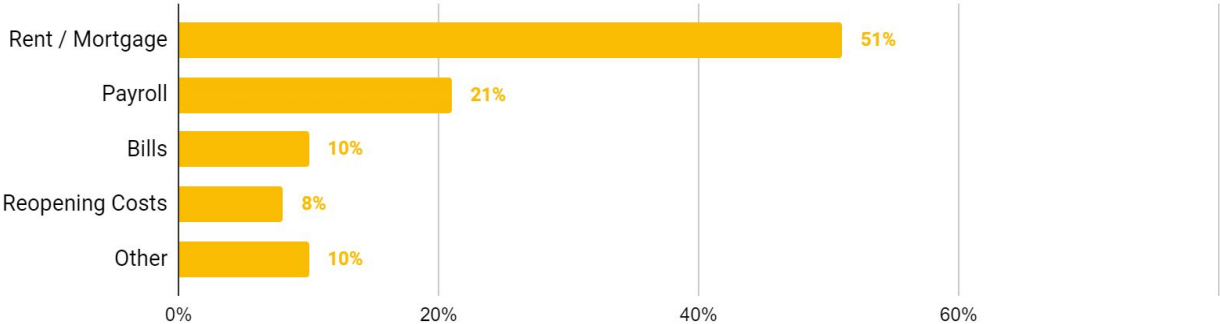
INDUSTRIES

The highest categories of industries were (1) Barbershops & Salons, (2) Retail, and (3) Restaurants & Food.



PLANNED USES FOR FUNDS

Recipients were asked to describe how they plan to use their awarded funds. Their responses were:



BUSINESS PROFILES

Grant Applicants



Wayne Mutata, ITRAINwithWAYNE

Wayne Mutata owns ITRAINwithWAYNE, a minority-owned small business that provides high performance training for the local community. His business allows people to unwind, socialize, and recharge by promoting physical activity and a comfortable workout environment. Wayne is very involved in the community and supports local charities and police. Since Covid-19, Wayne has been able to retain 7 out of 8 employees, despite having to close his doors. With the \$5,000 grant, Wayne will be able to pay rent and continue to pay his employees.



Jorge Valetin, Who's Next Barbershop

Jorge Valetin owns and operates Who's Next Barbershop, a well-known Latinx-owned business that has been providing haircut services in Lancaster City for the past 15 years. Covid-19 has forced his business to shut down due to not being essential. Jorge employs 7 individuals who count on the barbershop to provide for their families. Jorge plans to use the \$2,500 grant on paying employees, rent, bills, and providing a clean and safe environment when business opens up again.



Fotina Lambakis, Aura Espresso Room

Fotina Lambakis is the co-owner of Aura Espresso Room, a woman-owned coffee shop in downtown Lancaster. With their team of energetic, community-oriented individuals, Aura Espresso Room has implemented various initiatives to give back to our community. They also use high-quality natural ingredients and environmentally-friendly packaging. Since Covid-19, service has continued through a walk-up window, although customer traffic has significantly decreased. They had to cut their employee base down to 1 employee, resulting in 3 jobs lost. Fotina aims to use the \$2,500 to pay rent and to keep the business open.

Loan Applicants



Susan Louie and Rafael Perez, Citronnelle

Citronnelle is a small, globally-inspired Bistro on Orange Street serving classic French cuisine with an Asian and North-African flare and a seasonal menu using locally-sourced ingredients from 18 nearby farms. The owners, Rafael Perez and Susan Louie, are Dominican-American and Asian-American respectively; Susan is a first-generation immigrant from Hong Kong. Once COVID-19 forced their business to close, the couple quickly applied to Community First Fund for a loan with the Paycheck Protection Program to retain their seven subsistence-wage paid employees though the crisis. Now, with this \$25,000 loan from the Lancaster City Small Business Emergency Fund, Citronnelle will be able to adapt their business model and reopen offering takeout services to patrons by late May.



Nathan and Heather Krieder, Makes Scents Natural Spa Line

Makes Scents Natural Spa Line is a Certified B Corp manufacturer here in Lancaster City. Their products are sourced locally and recognized nationally in dermatological publications. As manufacturers of spa products to hotels and spas, their principal market has slowed to a halt as hotels and spas across the country have closed their doors. The company's production and sales have been reduced to small online purchases only. Regardless, Makes Scents has been able to retain all 15 of their employees. With a \$25,000 loan from the Emergency Fund, they will have working capital to pay employees and fund operations.



Edward Hall, Champ's Barber School

Champ's Barber School has a long relationship with Community First, beginning in 2003. The owner Edward "Champ" Hall has been an active leader in the city's African-American community, empowering the next generation of stylist-entrepreneurs to build their careers. Champ has graduated over 1,000 students who went on to quality jobs in the industry. Due to coronavirus, Champ's has closed its doors, unable to train students and provide services to the Lancaster community. With the support of the Emergency Fund, the school will utilize a \$25,000 loan to pay for rent and payroll for its 4 employees.