

# Access to Capital for New York Seafood Businesses

Grant Writing and Business Loans



Cornell University  
Cooperative Extension  
of Suffolk County

# Introduction



**Key Terms**

**Grant Process Overview**

**Grant Writing 101**

**Grant Opportunities**

**Business Loans**

**SBDC Services and Support**

# Key Terms: Funding Notice Terminology

**NOFO** - Notice of Funding Opportunity

**RFP** - Request for Proposals

**RFA** - Request for Applications

# Key Terms: Match/Cost Share

Many funders require that applicants secure a proportion of the funds to support a project through other sources.

**Example:** 50% (2:1) match or cost Share means for every \$100 requested you must contribute \$50 in funds from another source.

**In-kind** - In-kind services can include things like salary, waived fees, or donations.

# Key Terms: Other

**Indirect Costs (IDC)** - are those charged by a business or institution to cover overhead or administrative expenses.

**No Cost Extension (NCE)** - The term for extending the deadline to utilize the awarded funds without cost or penalty.

**Letter of Intent (LOI)** - Letter indicating your intent to apply for a specific grant and a brief description of the project scope and budget.

# Grant Versus Loans

## Grants

For a specific project or effort

Do not need to be repaid

Strict guidelines for use

## Loans

Funds must be repaid

Usually with interest

More flexibility with use

# Grant Process - General Overview

Introduction to the key steps in the grants process

# Grant Process: Grant Identification

## Identify an RFP/NOFO/RFA

### Resilient Food Systems Infrastructure Grants

[haga clic aquí para esta página en español](#)

[Updated FAQ 5/31/24](#)

A photograph of a rural landscape featuring a large, weathered red barn in the foreground, with a green field and trees in the background under a clear sky.

## Grants & Opportunities

[HOME](#) > [SERVICES](#) > [GRANTS & OPPORTUNITIES](#)

[Acer Access and Development Program](#)

[Dairy Business Innovation Initiatives](#)

[Farmers Market Promotion Program](#)

[Farm and Food Worker Relief Grant Program](#)

[Farm Labor Stabilization and](#)

The U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) works to improve domestic and international opportunities for U.S. growers and producers. AMS works with a variety of organizations to support to rural America and the Nation's agricultural sector. AMS grant programs include the:

- [Acer Access and Development Program](#)
- [Dairy Business Innovation Initiative](#)
- [Farmers Market](#) and [Local Food Promotion Program](#) (implemented as FMPP and LFPP)



# Grant Process: Letter of Intent

Some proposals may request a letter of intent (LOI) indicating you plan on applying and briefly outlining the project scope and budget.

## Placeholder for Submission

- Required to be eligible for submission
- No follow-up from funder

## Reviewed and Recommended

- Required to be eligible for submission
- Funder encourages or discourages submission

# Grant Submission and Review

Submission process varies by funder, be sure to review and understand the process.

## Review Process, commonly includes:

- Internal Review
- External Technical Review
- Panel Discussion and Group Decision

# Grant Process: Funding Notification

## Status Notification

- Recommended for funding or not
- Reviewer comments

## Acceptance of Funds

- Every funder has different process and requirements
- Work with funder to provide the proper paperwork

# Grant Writing 101

Tips and tricks for successful grant writing

# Identify Relevant Grant Opportunities

Identify relevant grants

Confirm eligibility

Ensure award allows sufficient funds for project

Consider allowable expenses

Confirm match requirements

# Draft Outline Based on Required Proposal Elements

Introduction/background

Goals/objectives/deliverables (What)

Materials and methods (How)

Benefit/impact (Why)

Program/project evaluation

*“...will help protect public health and protect consumers by allowing more effective control over significant food safety hazards.”*

*“...will help my business comply with current food safety regulations.”*

# Program/Project Budget

Be as accurate as possible

Be realistic

Confirm maximum allowed and MINIMUM

Include budget justification

Ensure costs are allowed

*“...purchase of materials necessary to support the... which can include...”*

# Submit Proposal

Submit early to troubleshoot issues!

Review Review Review to confirm required elements

Confirm receipt

A large, rounded rectangular button with a light green background and a dark green border. The word "SUBMIT" is written in the center in a bold, dark green, sans-serif font.

**SUBMIT**



# Post-award

Review and decision can take several months

Processing Paperwork

Delay in receipt of funding

Progress Reports

Financial Records

# Grant Opportunities

Review of grants that may be applicable to New York businesses

# New York State Grants

[Regional Council Capital Fund Program](#)

Empire State Development Funds

[Resilient Food Systems Infrastructure Grants](#)

[New York Grown and Certified Grant Opportunity](#)

# NYS Grown & Certified ITRD Grant

This grant should be opening up soon!  
Review the RFP and start brainstorming now.

## **What to expect?**

- Nearly \$6 million available for infrastructure and technology projects, research and development, and many capital costs allowed.
- Grant size range: \$20,000 - \$250,000 with 10% match required

To be eligible, you **MUST** be a Grown and Certified member!

It's a free program that you can apply for membership at:

[www.certified.ny.gov](http://www.certified.ny.gov)

# Other Grant Resources: USDA 1

## [USDA Agricultural Marketing Service:](#)

- Local Food Promotion Program
- Farm and Food Worker Relief Program
- Local Agriculture Market Program
- Regional Food System Partnerships

# Other Grant Resources: USDA 2

## [USDA National Institute of Food and Agriculture:](#)

- Small Business Innovation Research and Small Business Technology Transfer Programs Phase 1 and Phase 2
- Special Research Grants Program Aquaculture Research
- Beginning Farmer and Rancher Development Program
- Agriculture and Food Research Initiative - Foundational and Applied Science Program

# Other Grant Resources: USDA 3

## USDA Farm Service Agency:

- Micro-loan Program
- Beginning Farmers and Ranchers Loans
  - “Beginning farmer” is someone that has operated a farm for <10 years
- Guaranteed Farm Loans
- Farm Operating Loans
- [Farm Storage Facility Loan Program](#)

# Other Grant Resources: USDA 4

## USDA Rural Development:

- Business and Industry Loan Guarantees in New York
- Rural Energy for America Program Renewable Energy Systems and Energy Efficiency Improvement Guaranteed Loans and Grants in New York
- Value-Added Producer Grants in New York



# Other Grant Resources: NOAA

## Aquaculture Specific Funding

- Small Business Innovation Research (SBIR) Program

## Fisheries Specific Funding

- Saltonstall-Kennedy Grant Program (also applicable to aquaculture)

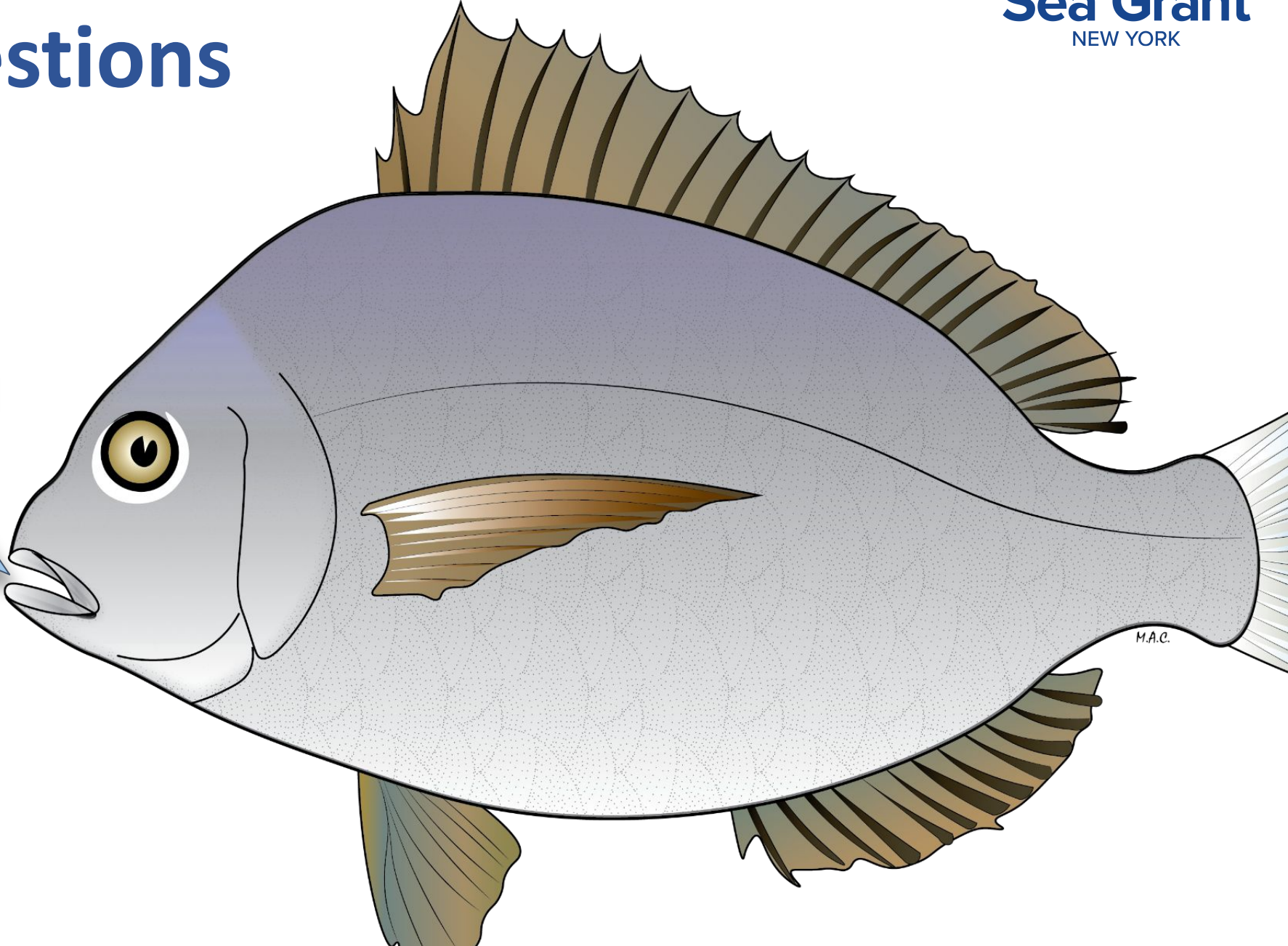
## NOAA Financial Services

- Fisheries Finance Program (FFP)
- Capital Construction Fund Program

# Other Grant Resources: Miscellaneous

- [Northeast Regional Aquaculture Center \(NRAC\)](#)
  - Research funding that requires collaboration with partners from at least one other northeast state
  
- [Sea Pact Grant Opportunity](#)
  
- [Sustainable Agriculture Research & Education \(SARE\) Northeast](#)
  - Farmer Grant
  - Research and Education Grant
  - Research for Novel Approaches in Sustainable Agriculture

# Grants Questions



# Introduction to Business Loans and the SBDC at Stony Brook



Stony Brook University



# Introduction to SBDC Services and Business Loans



## Stony Brook Small Business Development Center

**Mission:** To Help Businesses Grow and Succeed

**Key Services:**

1. One-on-One Business Counseling
2. Funding Assistance
3. Market Research
4. Training and Workshops
5. Certification and Government Contracting Assistance
6. Disaster Recovery Support

[nysbdc.org/locations.aspx](https://nysbdc.org/locations.aspx)



## Small Business Financing Options

- Term Loans
- Business Line of Credit
- Equipment Financing
- Invoice Financing
- Commercial Real Estate Loans
- SBA Loans





## Small Business Financing

### Business Loan

- A lump sum of money given upfront
- Set repayment terms
- Monthly payments on principal & interest
- Interest accrue on the entire loan amount
- Typically secured
- [Amortization schedule](#)

### Line of Credit

- A revolving credit line
- No set term
- Borrow draw money as needed
- Only pay interest on the amount you draw
- Need to rest during the year
- No amortization schedule





## SBA Loans

**Description:** Loans partially guaranteed by the U.S. Small Business Administration (SBA), reducing the risk for lenders

**Best For:** Businesses that may not qualify for traditional loans but need long-term, low-interest funding

**Types:**

- 7(a) Loan: General-purpose loans
- 504 Loan: Real estate or equipment financing
- Microloan: Small loans up to \$50,000



## SBA Loan Eligibility

- Must be a for-profit business based in the U.S.
- Must meet the SBA's [size requirement](#)
- Must have reasonable owner equity to invest
- Must have exhausted other financing options
- Must be creditworthy and demonstrate a reasonable ability for repayment

More requirements depending on the SBA loan types



## SBA 7(a) Loan

- Starting a new business
- Working capital
- Purchase of equipment, furniture, or machinery
- Business Real estate acquisition
- Refinancing existing business debt
- Business expansion or renovation.

## SBA 504 Loan

- Real Estate Purchase for Business Use
  - Buying existing buildings or land for business use
  - Constructing new facilities or renovating existing buildings
  - Land improvements, such as landscaping, grading, or street improvements
  - **No speculation or investment in rental real estate**
- Machinery and Equipment Purchase
  - Acquiring large, long-term machinery or equipment that will be used for business operations over the long term

[SBA Loan Lender Match](#)



## Business Loan Application Checklist

- Individual FICO Score
- Individual tax returns (personal financial statements for owners with >20% ownership)
- Business financial statement & tax returns
- IRS Form 4506-T (request for transcript of tax return)
- Business debt service schedule
- Business Plan

[Loan application checklist sample](#)



## Business Plan

- Executive Summary - **KEY**
- Company Description
- Market Analysis
- Organization & Management
- Product/service Description
- Marketing & Sales
- Funding Request
- Financial Projections
- Appendix

[LivePlan](#) for business plan development





# 5Cs of Credit

When you apply for a loan, the most important question being answered through the application is "are you credit worthy?" In other words, how **WILLING** and **ABLE** are you to pay back your loan.

The **5Cs** are a way to determine your credit worthiness and whether you are ready for a loan. For over 20 years we've been supporting small businesses just like yours. At LiftFund, we use the **5Cs** to determine if a loan will help you start, grow or stabilize your business.



## Character

Measures reliability.

## Capacity

Measures ability.

## Capital

Measures your commitment.

## Collateral

Measures what you own.

## Conditions

Measures timing and expertise.

### Character

Are you honest and reliable?

We will look at your past experience with credit to see if you have late or irregular payment habits. We'll also look to see if you are building your credit.

We will review your **credit report and score** to understand if you have had repayment challenges in the past and to check for any pending taxes and public legal issues.

### Capacity

Are you able to meet your personal and business **monthly expenses** and all **other debt payments** (credit card, other loans) using your existing sources of income?

If so, you may have capacity to repay a loan. We will assess your capacity to repay a loan by looking at bank statements, tax returns, financial statements, and more.

### Capital

What are you doing to support your business?

Capital represents **savings**, your time and money, other income sources and **assets** that you have put into the business and that can help repay the loan if you have any setbacks.

### Collateral

Do you have any items you can pledge as a second source of repayment?

This collateral is another way of **guaranteeing** that you will repay the loan even if you cannot make cash payments.

If you have financial issues, you may not be able to operate your business or meet other expenses or repayment obligations.

### Conditions

What do you plan on using the loan for? Do you know your market?

What conditions might affect how you use and repay the loan?

Startups require a business plan.



Stony Brook University



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**New York SBDC Locations**