

Program Purpose	To subsidize long-term capital investment in order to foster job creation and community development in Low-Income Communities throughout New York State.	
Product	Interest-only loans at below-market rates, a portion of which may be forgiven upon maturity.	
Program Highlights	In May 2009, ESD received a \$30 million allocation of federal New Markets Tax Credits (NMTCs) under the American Recovery and Reinvestment Act. With this allocation, ESD expects to originate three or four loans by the end of 2010.	
Eligibility	Low-Income Community	<p>Borrowers must be located in a census tract with the following indicia relative to the statewide/metropolitan medians:</p> <ul style="list-style-type: none"> • <i>Poverty rate</i>: at least 20% or • <i>Median family income</i>: at/below 80%. • Additionally, preference will be given to borrowers in the following locations: <ul style="list-style-type: none"> ○ <i>Non-Metropolitan counties</i> ○ <i>Unemployment</i> at/above 1.5x national average
	Project Types	<ul style="list-style-type: none"> • <i>Capital expenditures for operating companies</i> (real estate loans for acquisition/ new construction/ substantial rehabilitation; or machinery and equipment loans). • <i>Real estate developments</i>: industrial; commercial, including office and retail; mixed-use including residential component in limited circumstances (see below).
Not eligible	Residential Development	Funding is not available for real estate developments containing residential development that is for-sale; in which residential rental income may exceed 80% of gross rental income; or in which Low-Income Housing Tax Credits are used.
Funding Preferences	Preference will be given to projects meeting the following criteria:	
	Total Development Costs	Between \$5 million and \$25 million (no more than \$10 million of allocation will be devoted to a single borrower).
	Job Creation/Retention	<p>Projects that are likely to create new jobs and/or retained jobs at risk of being lost, with preferences as follows:</p> <ul style="list-style-type: none"> • Operating companies: at least 1 permanent job per \$38,000 of total investment. • Real estate developments: at least 1 permanent job per 350 square feet developed.
	Project Readiness	<ul style="list-style-type: none"> • 75% of project financing has been identified. If bank debt is involved, the prospective lender has prior experience with NMTC financing. • Construction loan closing is likely to occur within 9 months.
	Other NY State Involvement	NY State is providing other forms of assistance that may be used to leverage the NMTC financing.
Process	<ul style="list-style-type: none"> • Determine whether the project is located in a Low-Income Community: http://www.nmtclookup.com/new-markets/index.htm • ESD Regional Offices will screen potential projects for suitability. 	
Contact Information	Regional Office	http://www.nylovesbiz.com/Contacts_and_About_Us/locations.asp#list

This is an overview of the program and does not include all requirements and details.