



NEW YORK STATE SENATOR

John J. Flanagan

## Senator Flanagan Announces Small Business Emergency Loan Fund

JOHN J. FLANAGAN November 14, 2012

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Senator John Flanagan (2<sup>nd</sup> Senate District) is informing the community that the New York Bankers Association (NYBA) and the New York Business Development Corporation (NYBDC) have agreed to establish a \$10 million small business emergency loan fund to provide immediate financial assistance for businesses impacted by Storm Sandy.

Under the fund, which was announced by Governor Andrew Cuomo, businesses will be able to apply for loans of up to \$25,000 immediately by going to [www.esd.ny.gov](http://www.esd.ny.gov) or calling 1-855-NYS-SANDY.

“This influx of sorely needed capital will help the small business owners, who are the economic engine of our communities, recover and survive through this trying time. While these enterprising men and women rarely ask for assistance, this is a time when many of them are in need and I thank everyone in the banking community for quickly stepping up for the benefit of our entire region,” stated Senator Flanagan.

Michael P. Smith, President & CEO, New York Bankers Association said, “The banking industry understands that the quick recovery of small businesses will be key to the rebuilding of our neighborhoods. We are eager to help in this critical effort so that New York’s small business owners can get back to work, and back to providing goods and services to their communities.”

The emergency loan program will provide low-interest loans of up to \$25,000 to small businesses in an expedited manner to help in the recovery efforts. The New York Business Development Corporation will manage and operate the loan program in coordination with Empire State Development (ESD).

Through the program, small businesses in affected communities will be eligible to receive loans of up to \$25,000 that will be interest and payment-free for the first six months and then at one percent interest for the following two years. Eligible businesses can use the funding to cover the costs of replacement and repairs to facilities or equipment or as working capital needed to restart or continue business operations. The emergency loan program is for independently owned and operated businesses that have fewer than 100 employees and are located in the counties designated as disaster areas: Orange, Putnam, Rockland, Sullivan, Ulster, Westchester, Nassau, Suffolk, and the five boroughs of New York City.

To be eligible to receive funding through the program, companies must have filed 2011 business tax returns and have experienced direct damage or economic hardship as a result of Sandy. Applications will be available within the week and businesses are expected to begin to receive funding five to seven days after submitting a complete application and the required documentation.

Empire State Development President, CEO & Commissioner Kenneth Adams said, “The recovery of our communities depends on the ability of their local businesses to have the resources they need to get back to business. Under the leadership of Governor Cuomo, the state is providing immediate and direct assistance

to help those who need it most during these difficult times."

Chris Giamo, Regional President for New York and Northern New Jersey, TD Bank said, "TD Bank is proud to lend our support to this important effort which will assist in restoring and supporting businesses as Hurricane Sandy recovery moves forward. Our thoughts are with those who have been affected by this natural disaster and we look forward to seeing the results of this investment in the greater New York Community."

Jonathan Witter, President of Retail and Direct Banking for Capital One said, "Small business owners across the state expected the worst when they returned to survey the damage caused by the storm and, in most cases that was exactly what they found. New York is home to Capital One and many of our associates and we are committed to helping small business owners rebuild. We are proud to be able to support the Small Business Recovery Loan Fund to help local business as they begin to rebuild and recover from this devastating event."

Michael N. Vittorio, President & CEO, First National Bank of Long Island said, "The First National Bank of Long Island will do all it can to work with the local community and those affected by Hurricane Sandy. It is important for all of us to pull together at this time."

Howard C. Bluver, President and CEO of Suffolk County National Bank in Riverhead said, "It is at times like these that we bankers need to provide fast and meaningful support to the small businesses and communities that have been impacted by Sandy. We applaud this effort, and are proud to play our part."

Created in 1955, NYBDC is a consortium of banks committed to supporting economic development and job growth opportunities in New York State by providing government guaranteed and conventional loans to small businesses at all stages of development. NYBDC works with its member banks to provide creative, responsive and cost effective financing solutions when a conventional alternative is not available through long-term working capital, equipment, and real estate loans to a variety of businesses located in New York State, either in participation with, or as an adjunct to, the banking industry.