



# Welcome to Auburn, NY

*We're Good Company for Your Business!*

## FINANCIAL ASSISTANCE TO BUSINESSES

### CAPITAL FINANCING

Need help financing your business? Public lending programs were created to help small businesses access the capital they need to achieve their business goals. Locally administered programs include the following:

- **City of Auburn Small Business Assistance Program (SBAP)** - Gap financing available to small businesses and non-profits. City will take second position behind primary lender. 2.5:1 leverage (match) required. Current rate 3.25%. Term dependent upon collateral. Lending cap of \$25,000 for retail/service, \$40,000 manufacturing. Funds available for acquisition, working capital, inventory, machinery and equipment. Borrower must create and/or retain jobs for low/moderate income individuals. Special Development Projects resulting in significant job creation or retention may be eligible for additional funding beyond the lending caps. More information available on [www.AuburnLovesBiz.com](http://www.AuburnLovesBiz.com).
- **City of Auburn Downtown Façade Loan Program** - Matching loan program provides 50% financing for exterior façade and site improvements made to buildings in the downtown Auburn area. Up to \$7,500 per storefront. Current rate 3%. Term dependent upon collateral. More information available on [www.AuburnLovesBiz.com](http://www.AuburnLovesBiz.com).
- **SBA 7a Program** - The SBA 7a program is a loan guarantee program offered through the Small Business Administration. The borrower must obtain financing from an approved SBA 7a Lender. Through the 7a program, the SBA will guarantee up to 85% for loans \$150,000 or less, and up to 75% for loans over \$150,000, in the event of default, thereby significantly reducing risk of the primary lender. SBA 7a lending cap is \$5 million. Funds can be used for a variety of purposes including acquisition, renovations, new construction, machinery and equipment, working capital, business acquisition, and debt restructuring. The City of Auburn contracts with the National Development Council, and SBA 7a approved lender, to administer the Grow Auburn Fund, an SBA 7a fund dedicated to assisting companies in Auburn.
- **Tax Exempt Bonding** - Offered through the Auburn Industrial Development Authority, up to \$10 million in tax exempt industrial revenue bonds are available to finance large-scale manufacturing projects. The borrower is responsible for securing bonds through a primary lender; AIDA serves as a vehicle through which the bonds flow. As a general rule of thumb, tax-exempt IRBs lend at a 33% lower rate than conventional financing.

[www.AuburnLovesBiz.com](http://www.AuburnLovesBiz.com)

City of Auburn ~ Memorial City Hall ~ 24 South Street, Auburn NY 13021 ~ (315) 255-4115



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### TAX INCENTIVES

- **485B** - New York State tax exemption available to offset increased real property taxes resulting from improvements to commercial/industrial buildings. Exemption is 50% of the increase in the assessed value attributable to the improvement, declining incrementally 5% per year; taxation on full assessment applies after year 10. Application is made through the City Assessor's Office by February 1st and within one year of completed improvements.
- **Payment in Lieu of Taxes (PILOT)** - Offered through the Auburn Industrial Development Authority (AIDA), PILOTs are available to support large-scale manufacturing or retail projects. PILOTs provide abatement of taxes resulting from added improved value of land from an approved economic development project. AIDA's standard PILOT provides a 10-year 100% abatement, declining incrementally 10% per year; taxation on full assessment applies after year 10. AIDA has adopted procedures and criteria to enable deviation from the standard PILOT, for projects demonstrating significant economic and community impacts. Exemption from Cayuga County's 1% Mortgage Recording Tax and 8% Sales and Use Tax are also available through AIDA for approved projects. More information is available at [www.AuburnIDA.org](http://www.AuburnIDA.org).
- **Excelsior Jobs Program Tax Credits** - Offered through NYS Empire State Development, Excelsior Tax Credits are available for strategic businesses including hightech, biotech, cleantech and manufacturing that either create jobs (requirements vary by sector: e.g. 25 new manufacturing jobs) or retain at least 50 jobs and make significant capital investments. Four fully refundable credits are available for businesses to claim over a 10 year period; job creation or capital investment commitments must be met before credits are claimed. More information is available online at <http://www.esd.ny.gov/BusinessPrograms/Excelsior.html>.
- **Brownfield Cleanup Program Tax Credits** - Offered through NYS Department of Taxation and Finance in conjunction with the NYS Department of Environment, tax credits are available to offset investigation, remediation and redevelopment of approved brownfield sites. Level of cleanup required is based on intended reuse. Contact City of Auburn Planning staff for more information.



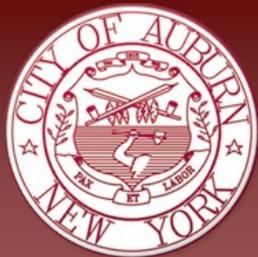
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## FINANCIAL ASSISTANCE TO BUSINESSES

### ENERGY SAVINGS

- **ReCharge NY** - ReCharge NY power is available for qualified businesses and not-for-profit corporations through the New York Power Authority (NYPA) during competitive application rounds. Signed into law on April 14, 2011, ReCharge NY provides up to 910 Megawatts (MW) of low-cost electric power to businesses and non-profits. 50% is a block of NYPA hydropower, and 50% is market power procured by NYPA. The program is designed to retain and create jobs through allocations of low-cost power. Retail businesses, sports venues, gaming or entertainment-related establishments, and places of overnight accommodation are ineligible. Evaluation criteria apply.
- **NYSEG Small Business Energy Efficiency Program** - NYSEG offers free energy assessments and will cover 70% of the cost of recommended lighting upgrades, for non-profit and small business customers with demand of less than 100 kilowatts (kw).
- **NYSERDA Programs** - No-cost technical assistance is available through the Central New York Regional Planning and Development Board to facilitate access to NYSERDA funding by commercial and industrial users paying the System Benefits Charge on their electric and natural gas bills. Multiple programs exist through NYSERDA to offset implementation costs for energy efficiency measures associated with new construction, building renovations, and/or industrial processes. NYSERDA will also cost-share feasibility studies, industrial and process efficiency studies, and other technical services.
- **City of Auburn Hot Water Waste Heat** - Low cost green public power is available at Auburn Technology Park. The City's landfill gas generating facility produces a byproduct of hot water in connection with the generation of electricity. Up to 9 Dth of hot water waste heat is readily available to sell to an industrial end-user. The flow rate is 350 gallons/minute. The water leaves the generator plant at 180 degrees and must be returned at no less than 120 degrees. Rates and delivery charges are subject to negotiation with the Auburn City Council.



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### GRANT OPPORTUNITIES

- **Regional Council Capital Grant Program** - Businesses may apply for these competitive grant funds during designated application periods (the first application round concluded 10/31/11; the second round has not been announced yet). Awards are recommended by the ten Regional Councils across New York State; businesses in Auburn fall under the Central New York Regional Economic Development Council's (CNYREDC) jurisdiction. This program supports capital projects resulting in significant job creation, increased productivity and/or transformational community revitalization. Projects should fulfill goals of the CNY Regional Economic Development Strategic Plan. Grant requests should leverage significant private sector investments. Funds are administered through NYS Empire State Development.
- **Economic Development Fund (EDF)** - Businesses may apply to NYS Empire State Development for these competitive grant funds during designated application periods. Exceptions may be made for time-sensitive economic development projects. EDF is a flexible program, providing a range of assistance to businesses, municipalities, IDAs and other economic development organizations to ensure that the diversity of business needs are being met by the State. EDF funds may assist with construction, expansion and rehabilitation of facilities; acquisition of real property; purchase of machinery and equipment; working capital; and the training of full-time permanent employees. Projects must demonstrate significant creation and/or retention of jobs and a funding gap.
- **Economic Transformation Funds (ETF)** - Available through NYS Empire State Development, the ETF was created to assist communities affected by closure of state correctional and juvenile justice facilities. Grant and tax incentives are available to leverage transformational private sector projects resulting in significant job creation. Eligible projects in the City of Auburn must be located within a 5-mile impact radius around the closed Harriet Tubman Residential Center in Sennett; retail and real estate development projects are ineligible. ETF funds may assist with construction, expansion and rehabilitation of facilities; acquisition of machinery and equipment; working capital; and the training of full-time permanent employees.



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### GRANT OPPORTUNITIES, CONTINUED

- **NY Main Street Program (NYMS)** - Available through NYS Housing and Community Renewal, municipalities may apply for NYMS funds during an annual competitive application round. Municipalities must designate a 2-3 block mixed-use target area for assistance. NYMS funds may be used for building renovations, façade improvements, and streetscape enhancements. Municipalities work directly with property owners within the funded target area; programs must include an affordable rental component. Match requirements apply.
- **NYSEG Grants** - Grants are available through NYSEG to offset electrical infrastructure costs for large-scale economic development projects resulting in increased incremental electrical demand of 100 kilowatts. Minimum capital investment of \$1 million.
- **USDA Rural Business Enterprise Grants (RBEG)** - Municipalities or private non-profits may apply for RBEG funds during an annual competitive application round in order to support the development of small private business enterprises, defined as having 50 or fewer new employees and less than \$1 million in projected gross revenues, in rural areas (<50,000 population). Highest priority will be given to grant requests of less than \$100,000 demonstrating minimum 50% nonfederal match and resulting in job creation. Funds can be used for a variety of activities including but not limited to land acquisition; construction or conversion of buildings; acquisition of machinery or equipment; loans for startup operating cost and working capital; training and technical assistance; and professional services for planning and project development.