

**Empire State  
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# NEW YORK STATE LINKED DEPOSIT PROGRAM

## LDP IS A POPULAR PROGRAM!

The Linked Deposit Program (LDP) is an interest rate subsidy program that was developed in 1993 to encourage and assist eligible businesses within the state to make investments and undertake projects that will contribute to improving their performance and competitiveness, leading to a stronger economic climate for New York State. LDP is a very successful economic development tool. In 2010 LDP processed 296 applications and approved 256 loans totaling \$69.8 million. LDP maintains its 5-day turnaround on applications. **NYS has \$560 million committed to this program. As of April 1 2011, there is over \$217 million available to fund new projects.**

## 2011 LEGISLATIVE CHANGES

### **GOOD NEWS – TWO CHANGES ARE EFFECTIVE IMMEDIATELY!**

1. The Governor and NYS Legislature recently amended legislation that ***increases the LDP lifetime maximum per eligible business from \$1 million to \$2 million!*** This first change will increase utilization of LDP and make more dollars available to New York's small businesses as they grow and create new jobs.
2. The second change ***allows borrowers to apply for a four-year renewal/extension*** on an existing four-year LDP loan, thereby increasing the total term of assistance on certain loans to eight years. This change will assist companies that have met their original goals during the first four-year term, project future growth, and demonstrate the need for the subsidy to continue for a second four-year period. For more information or to obtain a renewal form, please call Dolores O'Connor at 518-292-5261.

## REMINDERS: CURRENT LIMITS

### **CURRENT PROGRAM LIMITS:**

1. An eligible business can have up to three LDP loans outstanding totaling \$1 million.
2. Each deposit cannot exceed \$500,000, and there is no minimum deposit amount.
3. Total lifetime assistance (including renewals and prior deposits) cannot exceed the ***new legislated lifetime maximum of \$2 million.***

and

## APPLICATION ELIGIBILITY

### **NEW APPLICATION REMINDERS:**

1. The Borrower must be an existing NYS business (manufacturer which employs 500 or fewer or service company which employs 100 or fewer) and must be undertaking an expansion project that will improve its competitiveness. LDP cannot assist startups (businesses that are not presently operating in NYS and have no employees/sales), or companies that are not currently headquartered in NYS.
2. Professional and personal service businesses and retail companies are not eligible for LDP assistance **UNLESS** they employ 100 or fewer **AND** are located in a highly distressed census tract, federal empowerment zone, or enterprise or renewal community, **OR** they are a zone-certified business which employs 100 or fewer and undertaking a project that will create/retain jobs at a certified empire zone location.
3. A Borrower **cannot already be fully committed to the project prior to applying for and receiving LDP approval** (i.e., equipment should not have been ordered or construction begun).
4. The Borrower must demonstrate a need for LDP assistance (see Question #5 on p. 2 of the Borrower Statement: how would the company be **impeded** from doing this project without the LDP subsidy?).

## INFO ON-LINE

LDP materials are available on line: LDP application; Q&A paper; List of Participating Lenders; LDP Annual Report. To download or print these documents insert the following in your browser:  
<http://www.esd.ny.gov/BusinessPrograms/LinkedDeposit.html>

## IF YOU HAVE QUESTIONS?

If you have any questions or would like to discuss a potential client or project,  
Please contact Dolores O'Connor at [linkeddeposit@empire.state.ny.us](mailto:linkeddeposit@empire.state.ny.us)  
Tele. (518) 292-5261 - Fax (518) 292-5882

**LDP = WIN – WIN -WIN**

**The BANK has a service to offer its customers and receives a compensating balance deposit  
The BORROWER receives an interest rate subsidy which reduces its cost of borrowing  
NEW YORK STATE is helping companies grow and create new jobs,  
improving the quality of life of its residents**

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