

Low Cost Financing

Federal Industrial Development Bond Cap

Funding Available: Up to \$150 million

DESCRIPTION:

Up to \$150 million of the 2023 statewide private activity bond allocation (“volume cap”) authority under Federal guidelines will be dedicated to facilitate lower cost tax-exempt bond financing for qualified projects by authorized State and/or local government issuers.

ELIGIBLE TYPES OF APPLICANTS:

In order to receive the benefits of a tax-exempt interest rate, private borrowers and their projects must be eligible under one of the federally recognized private activity bond categories described in the Internal Revenue Code (IRC) sections 142-144, and 1394.

ELIGIBLE ACTIVITIES / PROGRAM BENEFIT REQUIREMENTS:

Examples of economic development related private activity bonds include:

- Industrial Development Bonds for small (\$10 million or less) manufacturing projects; and
- Exempt Facility Bonds, which cover a wide range of facilities including:
 - Airports;
 - Mass commuting facilities;
 - Qualified residential rental projects;
 - Solid waste disposal facilities;
 - Facilities for the furnishing of local electric energy or gas;
 - Local district heating or cooling facilities;
 - Sewage facilities;
 - Qualified broadband projects; and
 - Qualified carbon dioxide capture facilities.

Eligible applicants must be authorized issuers (e.g., Industrial Development Agencies) and projects must meet the eligibility requirements of the federal IRC and any laws, rules, or regulations governing the provision of financial assistance by the authorized issuer.

ADDITIONAL RESOURCES:

For more information eligible applicants should visit <https://esd.ny.gov/doing-business-ny> or contact George LaPointe at Empire State Development by calling (518) 292-5307