

# Large Business Loans



A Member of the ECIDA Financing and Development Group

## Regional Development Corporation (RDC)

The Regional Development Corporation (RDC) is the lending arm of the ECIDA, originally funded in 1979 through a Federal grant. The RDC encourages private investment, local ownership of firms employing local residents, and formation of new companies, through a loan program designed to help higher-risk businesses grow and prosper.

## Eligibility

A qualified borrower may be a proprietorship, partnership, or corporation, and must be located in Erie County. Eligibility is in accordance with the federally approved RDC Loan Administration Plan. Certain businesses, including retail businesses, may not be eligible.

## Acceptable uses of loan funds:

- permanent working capital
- equipment purchases
- pollution control improvements
- changes in ownership if the employment base of the company would otherwise be in jeopardy

## Fees

Standard loan fees are 1/2% of the loan amount and legal fees, but the ECIDA will work with your business to find the best loan options for you.

## Application Procedure

Please call 716-856-6525 to begin your application process with one of our experienced Business Development Officers.

## Quickfacts

- Minimum loan is \$50,000.
- Maximum loan is \$2,000,000.
- Interest rate is currently fixed at 4%.
- RDC loans may not exceed 50% of the project financing.
- Collateral is generally required.
- One job must be created for every \$50,000 loaned.
- Loan terms generally range from 5-10 years.
- Minority-owned businesses may qualify for special terms. Please call to speak with a Business Development Officer for details.
- Loan cannot be used to refinance existing debt or for renovations/leasehold improvements.



95 Perry Street, Suite 403  
Buffalo, NY 14203

Phone: 716-856-6525

Fax: 716-856-6754

www.ecidany.com

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

**Your Growth is Our Business!**

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# Small Business Loans



## What is the Regional Development Corporation (RDC)?

The Regional Development Corporation (RDC) is the lending arm of the ECIDA. The RDC administers the entire loan portfolio, including Small Business loans for the ECIDA.

## Who is eligible for a Small Business loan?

For-profit businesses within Erie County that have been turned down by traditional lender and meet certain standards set by the Small Business Administration may be eligible. This includes proprietorships, partnerships and corporations, whether they are start-up, or growing. Nonprofits, landlords, co-ops, religious organizations and businesses engaged in illegal activities are not eligible.

## What can the loan be used for?

Small Business loans may be used for working capital, or to purchase furniture, fixtures, equipment, inventory, materials and supplies. Funds cannot be used to purchase real estate, improve real estate or refinance existing debt.

## What are the requirements of the borrower?

Some type of collateral, as well as the personal guarantee of the business owner(s), will be required. Small business owners applying for Small Business loan financing may be required to fulfill training and/or planning requirements before a loan application is considered.

## What is the approval process?

Once the application is received, all information is verified, and a personal interview is conducted. All information is then reviewed by the RDC Loan Committee.

## How do I apply?

Please call 716.856.6525 to speak with a Business Development Officer.

## Quick Facts:

- Minimum loan amount is \$10,000.
- Maximum loan is \$50,000.
- Collateral is required.
- The interest rate starts at 4%—call us for the current rate.
- The business must be located in Erie County and be a for-profit enterprise.
- Loan terms generally range from 5-10 years.
- Loans cannot be used to refinance existing debt or for renovations/leasehold improvements.
- The ECIDA Business Development Team can also help business owners connect with partner organizations who provide training, planning, and other types of assistance to small businesses.



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