

2 lenders commit \$60M for Nassau business loans

Originally published: October 15, 2013 12:59 PM

Updated: October 15, 2013 6:45 PM

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Photo credit: Newsday / Alejandra Villa | Businesses struggling back from the damage of superstorm Sandy could be eligible for some of the \$60 million in new lending encouraged by the Nassau IDA. This block is along West Beech Street in Long Beach. (Feb. 6, 2013)

Two private lenders have committed to lending about \$60 million to businesses in Nassau County under a program approved Tuesday by the county's industrial development agency.

The IDA will enter into contracts with Newtek Business Services and Nassau Educators Federal Credit Union. Each is expected to commit about \$30 million in loans to qualified companies.

The IDA hopes to attract other lenders and begin the program later this month. It will be open to businesses of all sizes, but the priority is small companies, said IDA board chairman Timothy Williams. He said loan applicants must meet the banks' lending requirements and pay prevailing market interest rates.

The IDA will make referrals but play no role in funding decisions. "We are not a bank, nor are we an agent for a bank," Williams said.

IDA executive director Joseph J. Kearney said the program was partially a response to the needs of small businesses devastated by superstorm Sandy and Gov. Andrew M. Cuomo's recent veto of a bill permitting IDAs statewide to grant sales-tax breaks to retailers harmed by disasters.

The loan program was developed at the behest of Nassau County Executive Edward Mangano.