Franklin County First Fund Loan Program

SUMMARY:

The Franklin County First Fund (FCFF) Direct Loan Program is a revolving loan program administered by the FCADC to foster the start-up, expansion, and retention of small businesses in Franklin County, PA. The FCFF Direct loan provides low-interest loans as gap financing in conjunction with borrower equity, bank financing, and/or other public and private sources.

AREA ELIGIBILITY:

Eligible borrowers must be located (or agree to locate) in Franklin County, PA prior to loan disbursement.

ELIGIBLE BUSINESSES:

To qualify for financing through the FCFF Direct Loan program, a business must be for-profit and have 100 or fewer employees (including any related or affiliated businesses).

ELIGIBLE COSTS:

- **REAL ESTATE:** Costs which include building and/or land acquisition, site preparation, construction, renovations/ leasehold improvements, environmental testing, infrastructure, engineering, architectural, legal, and other related costs related to the eligible project.
- **MACHINERY & EQUIPMENT:** Costs which include the purchase, delivery, and installation of machinery & equipment directly related to the business operation.
- **WORKING CAPITAL:** Limited to short-term business expenses directly tied to the operational growth or project-related needs (e.g., inventory, raw materials, supplies, marketing, training costs, minor repairs/maintenance.)

FUNDING:

The FCFF Direct Loan Program is intended to finance a portion of an eligible project, not the full project cost. Loan funds may not exceed 50% of total eligible project costs, up to a maximum loan amount of $100,000. *(Please note: the minimum FCFF loan amount is $25,000, thus the total eligible project cost must be at least $50,000 to qualify with supporting documentation.)*

TERMS:

Terms can be up to: 10 years for real estate; 10 years for leasehold improvements (co-terminus with lease); and 7 years for machinery & equipment. Please refer to FCFF Direct Loan Guidelines for additional information with eligible terms.

INTEREST RATE:

The interest rate shall not be less than 75% of the New York Prime Rate, but in no event, not less than 3.5%.

JOB CREATION / RETENTION:

Loan recipients must generate one (1) new full-time equivalent job within three (3) years of the loan closing anniversary for every $35,000 borrowed. Production Ag is not subject to job requirements.

For more detailed information, please contact:

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