pennsylvania
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY

Program Guidelines | August 2022

Commonwealth of Pennsylvania | Tom Wolf, Governor
PA Department of Community & Economic Development | dced.pa.gov

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Section I – General

A. Introduction

The Pennsylvania Industrial Development Authority (PIDA) provides low-interest loans and lines of credit through certified economic development organizations (CEDOs) for eligible businesses that commit to creating and/or retaining jobs and for the development of industrial parks and multi-tenant facilities. This program was authorized in 1956 by the Act of May 17,1956, P.L. 1609, known as the Pennsylvania Industrial Development Authority Act.

PIDA funding may be used in conjunction with other private financing, state financing programs, or with programs operated by the statewide economic development network of local economic development providers. All loan applications for PIDA financing must be submitted through a CEDO. Please see dced.pa.gov/PIDA for a list of CEDOs operating within Pennsylvania. CEDOs may elect to submit applications on behalf of a real estate developer for an eligible project.

B. Eligible Businesses

1. **Agricultural Processor –** A business that adds value by subjecting one or more farm commodities to a process of manufacture, development or preparation for sale, or a business that converts a farm product into a marketable form. The conversion of a farm product into a marketable form includes, but is not limited to, livestock by slaughtering, fruits and vegetables by canning and freezing and forest products by secondary processing.

2. **Agricultural Producer –** A business involved in the management and use of a normal agricultural operation for the production of a farm commodity. A "farm commodity" is any Pennsylvania-grown agricultural, horticultural, aquacultural, vegetable, fruit and floricultural product of the soil, livestock and meats, wools, hides, furs, poultry, eggs, dairy products, nuts, mushrooms, honey products and forest products. The enterprise must operate on not less than ten contiguous acres in area or operate on less than ten contiguous acres in area, but with an anticipated yearly gross income of at least $1,000.

3. **Industrial Enterprise –** An enterprise other than a mercantile, commercial, or retail business which will have at least 25 full-time jobs at the project site within three years after the PIDA loan closes. Examples include, but are not limited to: warehouse and terminal facilities; office buildings utilized as national/regional headquarters and computer or clerical operations centers which will result in at least 125 full-time jobs at the project site within three years after the PIDA loan closes. National/regional headquarters must also have facilities in at least two other states and a minimum total project cost of $1,500,000.

4. **Manufacturing Enterprise –** An enterprise engaged in the giving of new shapes, new qualities or new combinations to matter by the application of skill and labor.

5. **Research and Development Enterprise –** An enterprise having 100 or fewer full-time employees worldwide at the time of submission of the application engaged in biotechnology or the discovery of new, or the refinement of known, substances, processes, products, theories, and ideas, but does not include activities directed primarily to the accumulation or analysis of commercial, financial or mercantile data.

6. **Hospitality Enterprise –** An enterprise having 100 or fewer full-time employees worldwide at the time of submission of the application that (a) operates a hotel, motel or other lodging facility that employs at the time of submission of the application at least five full-time employees; or (b) operates a restaurant or food service operation open to the public that has been in continuous operation (as a single, distinct, identifiable business, although not necessarily under the same ownership or management) for at least five years and employs at the time of submission of the application at least five full-time employees.

7. **Defense Conversion Enterprise –** An enterprise having 100 or fewer full-time employees worldwide at the time of submission of the application which conducts defense conversion activities.

8. **Recycling Enterprise –** An enterprise having 100 or fewer full-time employees worldwide at the time of submission of the application which recycles municipal or commercial waste (other than organic wastes) or which is engaged in manufacturing processes which involve significant use of recycled municipal or commercial waste materials (other than organic waste).

9. **Computer-Related Services Enterprise –** An enterprise having 100 or fewer full-time employees worldwide at the time of submission of the application which is engaged in the development of computer software; business to business computer related consulting solutions, including but not limited to network development, e-business applications, or development of custom programs for businesses. Computer training providers are not eligible under this category.

10. **Construction Enterprise –** Building contractors having 100 or fewer full-time employees worldwide at the time of submission of the application that derive 80% or more of their income from the construction of new business-related or residential buildings.

11. **Child Day-Care Enterprise –** The start-up or expansion of a for-profit or non-profit child day care center having 100 or fewer full-time employees worldwide at the time of submission of the application and licensed or in the process of being licensed by the Commonwealth of Pennsylvania, which provides care simultaneously for seven or more children who are not related to the provider.

12. **Mining Enterprise –** An enterprise involved in the extraction of coal.

13. **Keystone Innovation Zone (KIZ) Company –** An enterprise located within the geographic boundaries of a particular Keystone Innovation Zone that has been in operation for less than 8 years and is included in one of the KIZ targeted industry sectors.

14. **Service Enterprise –** A for-profit corporation, limited liability company, partnership, proprietorship, or other business entity having 100 or fewer total full-time employees at the time of application submission that is involved in the business-to-business service, business-to-public service, mercantile, commercial, or point of sale retail sectors and is located in a distressed community as defined by PIDA.

15. **Developer –** A CEDO or private for-profit real estate developer seeking to develop buildings for an eligible business or multiple-tenant facilities.

C. Eligible Costs

1. **Land costs** may include, but are not limited to, acquisition, site preparation and testing, utilities, site mapping, and other related costs. Land costs must be directly associated with the development of an industrial park or the purchase, renovation, or new construction of a building or a production facility that will be used by an eligible business.

2. **Building costs** may include, but are not limited to, building acquisition, construction, renovation and engineering, architectural, legal and other related costs.

3. **Machinery and equipment (M&E) costs** may include, but are not limited to, acquisition, delivery, and installation costs. Such costs are eligible if associated with acquisition of machinery and equipment that the business newly purchases, even if such machinery had previously been in service with another user. Costs of mobile equipment are eligible if such equipment is not titled or registered for highway use.

4. **Working capital lines of credit costs** may include day-to-day operating expenses of a business. In addition, working capital lines of credit may be used to support export activities by backing standby letters of credit, performance bonds, or payment guarantees.

5. **Accounts receivable lines of credit costs** may include receivables sold on payment terms up to 180 days accounts as well as receivable financing to support export activities. Receivables more than 30 calendar days past the invoice due date or receivables deemed uncollectable or unacceptable are not eligible.

D. Eligible Projects

Financing is available to:

1. Any eligible businesses (except mining enterprises) for eligible land and building costs.

2. Any eligible business (except developers) for eligible machinery and equipment costs.

3. Any eligible business (except mining enterprises and developers) having 100 or fewer full-time employees worldwide at the time of submission of the application and any business having 250 or fewer employees at the time of application that are engaged in ***exporting activities*** are eligible for working capital and accounts receivables lines of credit.

4. Any eligible business (except mining enterprises and developers) having 100 or fewer full-time employees worldwide at the time of submission of the application that adopt or install ***pollution prevention or energy efficient*** equipment or processes that reduce or reuse raw materials on-site, reduce the production of waste, or significantly reduce energy consumption and are directly related to the business activity of the eligible business.

5. Developers for multi-tenant facility projects involving the acquisition, renovation, expansion or construction of a building that will house two or more industrial enterprises, manufacturing enterprises, research and development enterprises, agricultural processors, or agricultural producers, with one business not occupying more than 80% of the building.

6. CEDOs for industrial park projects involving the acquisition and development of land for eventual sale to industrial enterprises, manufacturing enterprises, research and development enterprises, agricultural processors, or agricultural producers.

E. Ineligible Activities

Projects relating to any of the following activities are not eligible:

1. Refinancing any portion of the total project cost except for short-term "bridge" financing where the bridge financing is being promptly replaced by the proceeds of the PIDA loan and the bridge financing has been disclosed in connection with the PIDA loan application.

2. Projects that have commenced before receiving approval of the PIDA loan, unless the borrower has received non-prejudicial approval (permission to proceed with the project at their own risk) from PIDA to commence.

3. Providing funds, directly or indirectly, for payment whether as loan repayment, dividend distribution, return of capital, loans, or otherwise to owners, partners or shareholders of the business enterprise, except as ordinary compensation for services rendered.

4. Finance a project located outside the geographic boundaries of this commonwealth.

5. Relocate a business to another part of this commonwealth, unless approved in advance by PIDA which shall consider the negative economic impact on the community that the business is leaving.

F. Restrictions

1. **No Delinquencies.** The borrower and its principals may not be delinquent or in default of any existing private or public loan relating to the borrower, unless they have entered into a workout agreement satisfactory to the respective creditor(s) and are fully in compliance with the terms of that agreement. For purposes of the program, a "principal" of a borrower is any record or beneficial owner of 20% or more of an ownership interest in the borrower.

2. **Taxes Current.** The borrower and its principals must be current in payment of all applicable federal, state and local taxes unless they have entered into a workout agreement satisfactory to the respective taxing authority and are fully in compliance with the terms of that agreement.

3. **Conflicts of Interest.** The borrower and its principals and managerial officers must disclose any potential conflicts of interest with any officials or employees of the department or any officers or employees of the CEDO which is submitting an application on behalf of the borrower.

G. Loan Amounts and Matching Investment Requirements

A borrower may not be approved for more than the combined maximum amounts identified in #1 - #4 below in any 12-month period except when the facility to be financed is located in a different municipality, or in instances when the new facility's products are not related in any way to existing products, thereby encouraging diversification.

A PIDA loan can be matched by a variety of different financing sources including but not limited to traditional private financing, equity contributions, seller financing, as well as local, state, and federal grant and loan programs. Please consult with PIDA staff prior to using another state program as a matching source.

The maximum loan amount requested to finance all types of eligible costs outlined in section "C" above is the lesser of: a) the combined maximum amounts identified in #1 - #4 below, or b) the amount calculated by multiplying the number of jobs to be retained by $75,000 and the number of jobs to be created by the eligible business within three years after the closing of the PIDA loan by $75,000 and then adding those two amounts together. Note: agricultural producers and service enterprises as well as multi-tenant facility and industrial park projects are not bound to meet the job creation/retention requirement.

1. **Land and Building Costs:**

    a. The maximum loan amount to an agricultural processor, manufacturing, industrial, KIZ Company, or research and development enterprise for land and building costs is $2,000,000 or 50% of the total eligible land and building costs, whichever is less, notwithstanding the foregoing, for projects that are located in the following areas are eligible for loans up to $2,250,000: state enterprise zones, state Act 47 municipalities, federal empowerment zones, federal enterprise communities, brownfield sites, and Keystone Opportunity Zones, and Keystone Opportunity Expansion Zones.

    b. Multi-tenant facility projects are eligible for loans up to $2,250,000 or 50% of the total eligible land and building costs, whichever is less, if the loan is secured by a first mortgage or 40% of the total cost if secured by a second mortgage.

    c. Industrial park projects are eligible for loans up to $2,250,000 or 75% of the total eligible land costs, whichever is less, and must be secured by a first or participating first mortgage.

    d. The maximum loan amount to an agricultural producer, hospitality, defense conversion, recycling, computer related services, construction, or child day-care enterprise is $400,000 or 50% of the total eligible land and building costs, whichever is less. However, any of these types of businesses and any agricultural processor, industrial, manufacturing, and research and development enterprise having 100 or fewer full-time employees worldwide at the time of submission of the application that is requesting $400,000 or less for land and building costs may count eligible land, building, and M&E costs incurred during a 12-month period prior to the date of submission of the application towards meeting the 50% match requirement.

    e. The maximum loan amount for a service enterprise is $200,000 or 50% of the total eligible land and building cost, whichever is less.

2. **Machinery and Equipment Costs:**

    a. The maximum loan amount for all eligible businesses (except service enterprises and developers) is $400,000 or 50% of the total eligible M&E costs, whichever is less. However, an eligible business having 100 or fewer full-time employees worldwide at the time of submission of the application may count eligible land, building, and M&E costs incurred during a 12-month period prior to the date of submission of the application towards meeting the 50% match requirement.

    b. The maximum loan amount for service enterprises is $200,000 or 50% of the total M&E costs, whichever is less.

3. **Working Capital and Accounts Receivable Costs:**

    a. The maximum line of credit amount for any eligible business (except mining enterprises and developers) having 100 or fewer full-time employees worldwide at the time of submission is $100,000 (no match is required except a 50% match is required for service enterprises).

    b. The maximum line of credit amount for eligible businesses involved in exporting activities having fewer than 250 jobs is $350,000 (no match required).

4. **Pollution Prevention and Energy Efficiency Costs:**
   The maximum loan amount for pollution prevention and energy efficiency projects including eligible machinery and equipment and building costs is $100,000 or 75% of the total eligible project costs, whichever is less.

H. Interest Rates and Terms

1. **Interest Rate –** The interest rate for the loan will be established at the time of approval of the loan. Contact PIDA for the current interest rate.

2. **Terms –** Depending on credit underwriting, PIDA may require that the term of the loan not exceed the term of any matching lending source with a lien senior to or shared with the PIDA lien.

   a. Loans used to acquire land, buildings, or to renovate, expand, or construct a building may have a repayment period up to fifteen (15) years.

   b. Loans used for machinery and equipment acquisitions may have a repayment period up to 10 years and the term cannot exceed the useful life of the equipment being financed.

   c. Working capital and accounts receivable lines of credit shall not exceed a term of twelve months (1 year) and can be renewed annually up to a maximum of six (6) years.

   d. Loans used to finance industrial park projects may have a repayment term up to fifteen (15) years, with (1) interest accruing during the first two years and due and payable in full at the end of the two year period, (2) interest payments due monthly during years 3-5, and (3) amortizing payments of principal and interest payments due monthly during years 6-15.

   e. Loans used to finance multi-tenant building projects may have a repayment term up to 15 years, with (1) payments of interest only due monthly during the first two years and (2) amortizing payments of principal and interest due monthly during years 3-15.

   f. Loans used to implement pollution prevention or energy efficiency improvements shall have a term not to exceed 10 years

I. Collateral

A variety of factors are taken into consideration when evaluating collateral. At a minimum, a lien on the asset financed will be required. The security required for the loan will be based on a case-by-case review of the creditworthiness of the project. The following guidelines will be helpful in packaging the financing for a project.

1. A real estate acquisition, renovation, or construction project where the PIDA loan amount exceeds $400,000 will be secured by no less than a second mortgage on the property financed.

2. Machinery and equipment acquisitions will be secured by no less than a second lien position on the equipment financed and may require additional pledged assets if in a subordinate position.

3. A working capital or accounts receivable line of credit should be secured by a first lien position on inventory and receivables, and would require additional pledged assets if in a subordinate position.

4. An industrial park project will be secured by either a sole first mortgage or a shared first mortgage with a bank or insurance company.

5. A multi-tenant building will be secured by no less than a sole second mortgage. The PIDA participation rate could be impacted if the loan is not secured by a sole first or shared first mortgage position.

6. Guarantees are frequently required for any individual or entity with a 20% or greater ownership interest in the operating entity and/or the asset being financed with the PIDA loan proceeds. Guarantee requirements will be based on the creditworthiness of the project.

J. Job Creation or Retention

1. An eligible business is required to retain and/or create jobs in Pennsylvania within three years after loan closing based on the amount of money borrowed from PIDA. For projects that will result in jobs being retained only, at least one (1) job must be retained for every $75,000 borrowed. For projects that will result in jobs being created, at least one (1) job must be created for every $75,000 borrowed. Job creation projects may count both the jobs to be retained and created to determine the loan amount. The following businesses/projects are not subject to the job creation and retention requirements:

   a. Service enterprises are only required to retain the number of full-time jobs employed by the business at the time the application is submitted to PIDA.

   b. Agricultural producers, pollution prevention projects, and export related business projects.

   c. Multiple-tenancy building projects and industrial park projects.

2. If PIDA participates in a project where the company is relocating from one area of the commonwealth to another, the business must increase its net full-time employment by at least 25%. For purposes of this provision, no relocation which is either (1) within the same county, or (2) within the same labor market as determined by the United States Department of Labor shall be deemed to be relocation from one area of the commonwealth to another.

3. Multi-tenant building projects may have industrial enterprises as occupants if the combined total of PIDA-eligible employees (that is, employees of all manufacturing, industrial, research and development, and agricultural processing occupants in the building) equal at least twenty-five (25) full-time jobs within three (3) years.

K. Financially Responsible Borrower

PIDA conducts a thorough review of each application to determine that the business is financially responsible and able to repay all the debt associated with the project while maintaining its normal business operations.

L. Fees

PIDA charges a non-refundable loan commitment fee of 1% of the approved loan amount for loans greater than $400,000. The commitment fee is due and payable to PIDA with the counter-signed PIDA Commitment Letter. This loan fee may be included as part of the PIDA project cost and is in addition to any other fees which may be charged by the CEDO for its services during the application process.

Section II – The Application Process

A. Pre-Application Information

1. PIDA recognizes the long lead times involved in acquiring real estate, constructing, or renovating buildings and in ordering machinery and equipment. If the eligible business would like to move forward with the project prior to PIDA making a determination on the loan request, the CEDO may submit a non-prejudicial request on behalf of the business along with the Project Summary Form [Exhibit A.] If the request is approved by PIDA, the business may move forward with the project prior to loan approval. However, the business is continuing at its own risk in the event the PIDA loan is not approved.

2. For Pollution Prevention loan requests, the business must first complete the "Determination of Eligibility Application" through the Department of Environmental Protection (DEP) and the application must be approved by DEP prior to the CEDO submitting a formal loan application to PIDA. The eligibility application can be downloaded at dced.pa.gov/PIDA.

3. For service enterprises where the project site is located in an eligible distressed area, the interested business must first submit a letter of intent to PIDA. The letter of intent will be evaluated by PIDA staff and if the project is determined to be competitive, the business will be invited to submit a formal loan application through a CEDO. A CEDO is also permitted to submit the letter of intent on behalf of the interested business. A listing of all eligible distressed areas of the commonwealth can be found at dced.pa.gov/PIDA. For a copy of the letter of intent outline, please refer to [Exhibit B.]

B. Supplemental Application Information

In addition to the Electronic Single Application for Assistance (ESA), the CEDO should include the following items when applying for a PIDA loan:

1. A Due Diligence / Tax Liability Clearance Request Form [Exhibit C] *should be downloaded, completed, and attached to the ESA submission.*

2. A project narrative including the following information: (a) the number of full-time jobs to be created and retained at the project site within three years; (b) a brief description of the types/classifications of jobs to be created; (c) the estimated timeframe for completion of the project; (d) for real estate financing provide the size of the property to be acquired i.e. sq. ft. or acreage and the amount of that space to be utilized by the business; the former/current use of the real estate; a description of any construction work to be done; (e) for equipment financing provide a listing of the equipment to be financed and the price for each piece of equipment; whether the equipment is new or used; how the equipment will impact the overall business operations, expected payback time for equipment; (f) for working capital or accounts receivable lines of credit financing identify the costs to be financed and the impact the line of credit will have on business operations.

3. A Company Profile Sheet [Exhibit D] *should be downloaded, completed, and attached to the ESA submission.*

4. A description of the geographic market area served by the business and a list of three major customers and the percentage of sales to each.

5. Business Plan (for start-up businesses).

6. A signed W-9 form for any individual or entity serving as a Borrower or Co-Borrower.

7. A signed Certification Sheet for the applicant company(s) and each principal with 20% or more ownership [Exhibit E] should be downloaded, completed, and attached to the ESA submission.
8. For businesses that have 100 or fewer full-time employees worldwide, an individual credit report less than six months old for any individual with 20% or more ownership in the operating entity and if applicable, the project real estate being financed.
9. Summary of Terms and Conditions Sheet [Exhibit F] *should be downloaded, completed, and attached to the ESA submission.*
10. Executed commitment letter for any loan or grant serving as a matching source of financing.
11. Copy of appraisal(s) no more than one-year old, completed by either a Member, Appraisers Institute (MAI) or a State Certified Appraiser for real estate to be financed.
12. Copy of all sales agreements, bids, proposals, contracts, quotes, etc. supporting the project costs outlined in the ESA Budget section.
13. Copy of a phase I environmental site assessment for real estate acquisition projects.
14. For established businesses; three years historical financials, year to date financials, and one year of projections when appropriate to substantiate cash flow to service new debt.
15. For start-ups; any existing historical financials and three years of projections.
16. Current accounts receivable and payable aging report (for line of credit requests).
17. Outline of export sales and export related contracts (for export line of credit requests).
18. Debt Schedule [Exhibit G] outlining all existing debts of the operating entity and when applicable, the real estate holding entity. This form is not required if accountant prepared financials are provided and include a detailed debt schedule. The Debt Schedule *should be downloaded, completed, and attached to the ESA submission.*
19. Signed and dated personal financial statement for all personal guarantors.
20. The most recent year of financial statements for any corporate guarantors.
21. For multi-tenant facilities and industrial park projects, the CEDO should contact the PIDA Office to discuss the project and any special requirements, prior to submitting a formal application. At minimum, the following information will be required in addition to the ESA: (a) Feasibility study including a market analysis and financial projections; (b) Project Narrative outlining the project scope, expected results and full-time employment projections; (c) Terms and Conditions Sheet [Exhibit F] *should be downloaded, completed, and attached to the ESA submission.*

C. Application Submission

1. All applications for PIDA financing must be submitted through a CEDO. A list of CEDOs and the area each organization serves can be found at dced.pa.gov/PIDA.
2. The loan application must be approved by the CEDO's loan review committee/governing board prior to submission to PIDA.

3. CEDOs should submit the DCED Single Application for Assistance and all required supplemental information electronically through the electronic Single Application system at dced.pa.gov/singleapp. Please note that as of 2020, hardcopy application documents no longer need mailed to PIDA as all loan documents are submitted electronically.

4. The PIDA Board meets monthly. In order to be eligible for consideration at the next month's PIDA Board meeting, the deadline for receiving the electronic copy PIDA applications is 5:00 p.m. the first business day of the month preceding the PIDA Board Meeting.

D. Review, Approval, and Closing Process

1. Upon receipt of an application, a review will be completed by PIDA staff and / or PIDA's financial consultant. Additional information, if needed, generally will be obtained via telephone or email. However, if necessary, a meeting with the CEDO and / or business may be required.

2. Loan requests must be approved by the PIDA Board of Directors. Prior to the board meeting, PIDA notifies the CEDO of PIDA staff's expected recommendation to the PIDA Board. However, the PIDA Board, at its discretion has the ability to delegate approval authority to PIDA staff for loans less than $200,000.

3. Upon approval, a commitment letter is emailed to the CEDO outlining the terms and conditions of the loan. The commitment letter must be executed and returned within 30 days of receipt. For loans greater than $400,000, a non-refundable commitment fee equal to 1% of the PIDA loan amount is due and payable to PIDA via ACH or wire transfer at the time the commitment is accepted.

4. Any material changes in the application, collateral or terms must be reviewed by PIDA staff and approved by the PIDA Board. The PIDA Board, at its discretion may delegate authority to PIDA staff to approve any material change for loans less than $200,000.

5. A closing will occur once the terms and conditions of the loan and all closing requirements are satisfied.

E. Limitations and Penalties

1. Three years after the closing of the PIDA loan, PIDA will initiate a job survey to determine if the job projections, if applicable, have been met. Failure to meet the job projections may result in an increase in the interest rate.

2. Any material misrepresentation in any application or misuse of loan funds for ineligible activities may be cause for rejection of an application or calling a PIDA loan in default. In addition, the matter may be referred to the appropriate authorities for criminal investigation.

3. PIDA must receive on an annual basis financial statements and evidence of adequate property and business interruption insurance for the life of the loan.

4. Upon reasonable request of PIDA or the CEDO, the borrower shall permit duly authorized employees of the commonwealth or the CEDO to inspect the facility, books and records of the borrower and liable parties.

F. Contact Information

1. Questions regarding the Electronic Single Application for Assistance should be directed to:

   Pennsylvania Department of Community and Economic Development
   Customer Service Center
   Commonwealth Keystone Building
   400 North Street, 4th Floor
   Harrisburg, Pennsylvania 17120-0225

   Phone: (800) 379-7448 or (717) 787-3405

2. PIDA mailing address:

   The Pennsylvania Industrial Development Authority
   Commonwealth Keystone Building
   400 North Street, 4th Floor
   Harrisburg, Pennsylvania 17120-0225

3. For any questions regarding eligibility or application requirements please call:

   Phone: (717) 787-6245

DCED-PIDA-001 (02-15)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
CENTER FOR BUSINESS FINANCING

EXHIBIT A

PIDA PRE-APPLICATION

GENERAL INFORMATION

NAME OF CERTIFIED PROVIDER:	
COUNTY AND MUNICIPALITY OF PROJECT SITE:	
NAME OF BORROWER:	
INDUSTRY SECTOR *(Select from list of eligible businesses in Section 1.B. of Guidelines)*: -- Select One --	CURRENT NUMBER OF EMPLOYEES WORLDWIDE:
NUMBER OF JOBS RETAINED BY PROJECT:	NUMBER OF JOBS CREATED WITHIN THREE YEARS BY PROJECT:
BRIEF NARRATIVE ABOUT USE OF PIDA FUNDS:	
PROPOSED COLLATERAL FOR PIDA LOAN:	

BUDGET

	PIDA	Other Financing	Equity
Land & Building Costs			
Machinery & Equipment Costs			
Working Capital / Accounts Receivable Costs			
Pollution Prevention / Energy Efficiency Costs			

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
CENTER FOR BUSINESS FINANCING

EXHIBIT B

LETTER OF INTENT OUTLINE

(For service enterprises located in eligible distressed areas)

Please address all items on the outline. If a particular item does not apply to the interested business, mark the item as N/A.

1. Name and address of the business, municipality and county in which the business is located, and the contact person and contact information for the person who can answer questions regarding the Letter of Intent.
2. The number of current full-time employees and the projected number of full-time jobs to be created or retained within 3 years.
3. A description of what the business does.
4. Is the business located in an Enterprise Zone, Keystone Opportunity Zone, a Keystone Opportunity Expansion Zone, an Act 47 Distressed Community, a federal Enterprise Zone or an area where there has been a major plant closing? If yes, please indicate which apply.
5. How long has the business been operating and what is the owner's experience in the industry?
6. Is the business located in an abandoned or underutilized building or site? If yes, please explain.
7. Has the business received technical assistance from a Small Business Development Center, the Service Corps of Retired Executives (SCORE) or another economic development service provider in the past 12 months?
8. Is the business owned and operated by a person of an ethnic minority group? If yes, state which ethnic minority group. Ethnic minority groups include:
   a. **African Americans** – persons having origins from any of the Black groups of Africa or any of the original peoples of the Cape Verde Islands.
   b. **Hispanic Americans** – persons having origins from one or more of the Spanish speaking peoples of Mexico, Puerto Rico, Cuba, Central or South America or the Caribbean Islands.
   c. **Native Americans** – persons having origins from one or more of the original peoples of North America and who are recognized as an Indian tribe or tribal organization.
   d. **Asian-Pacific Americans** – persons having origins from one or more of the original peoples of the Far East, Southeast Asia or the Pacific Islands, including China, Japan, Korea, Samoa and Philippine Islands.
   e. **Indian Americans** – persons whose origins are from India, Pakistan, and Bangladesh.
9. Indicate the amount of PIDA financing requested and what the funds will be used for. Please keep in mind that the PIDA loan program can finance 50% of a project's costs to a maximum of $200,000. Also, please state the total cost of the project and where the remainder of the financing will be obtained.
10. If applicable, provide the business's gross sales for the most recently completed tax year.
11. Describe the businesses impact on the community in which it is located, using the following as a guide:
    a. Does the business complement existing businesses in the community? If so, how?
    b. Will the business fill a void for products or services not currently offered in the community? Please explain.
    c. Would the absence of the business from the community create such a void? If yes, explain how.
    d. Do employees of the business come from the immediate community?
    e. Will the project generate new wealth for the community? Please explain.
    f. What synergies exist or will be created with other businesses within the community?
    g. Will location or expansion of the business generate new or additional business opportunities for the community? Please explain.
    h. Does the project have the support of local governmental and community organizations? If so, list the groups in support of the business endeavor.

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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
CENTER FOR BUSINESS FINANCING

PIDA DUE DILIGENCE
TAX LIABILITY CLEARANCE REQUEST FORM

EXHIBIT C

_____ *(Certified Provider)* requests that PIDA complete Contractor Responsibility, PA Revenue, and Child Support searches for the below entities / individuals:

Operating Entity	
LEGAL NAME:	FEIN/SSN:
ADDRESS:	NAICS:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:

Beneficial Owner / Real Estate Holding Entity – *If Applicable*	
LEGAL NAME:	FEIN/SSN:
ADDRESS:	NAICS:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:
LEGAL NAME OF PRINCIPAL:	FEIN/SSN:

Individual / Corporate Guarantors	
LEGAL NAME OF GUARANTOR:	FEIN/SSN:
LEGAL NAME OF GUARANTOR:	FEIN/SSN:
LEGAL NAME OF GUARANTOR:	FEIN/SSN:
LEGAL NAME OF GUARANTOR:	FEIN/SSN:
LEGAL NAME OF GUARANTOR:	FEIN/SSN:

DATE:	REQUESTED AMOUNT
CONTACT NAME:	SIGNATURE

PIDA USE ONLY		
DATE PROCESSED:	COMPLIANT: ☐ Yes ☐ NO	EXPIRATION DATE:
EXPLANATION IF NON-COMPLIANT:		PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY:

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
CENTER FOR BUSINESS FINANCING

EXHIBIT D

COMPANY PROFILE SHEET

(All information is confidential)

GENERAL INFORMATION

LEGAL NAME OF OPERATING ENTITY:		OWNERSHIP STRUCTURE *(Corporation, LLC, Partnership, Sole Proprietor, etc.)*:
DATE FOUNDED:	STATE IN WHICH ORGANIZED *(If Not Sole Proprietor)*:	DATE OF INCORPORATION *(If Corporation)*:

OWNERSHIP OF OPERATING ENTITY

1. If operating as a **sole proprietorship** or **partnership**; List each individual's name and their percentage of ownership below.*
2. If operating as an **LP**, **LLC**, **Corporation**, etc.; List the legal name of the operating entity, each principal owner of the entity, and their percentage of ownership below.

Legal Name of Operating Entity:

Name of Principal	Percentage of Ownership

OWNERSHIP OF PROJECT REAL ESTATE

Complete if financing real estate related costs or if receiving a mortgage on the project real estate as collateral.

1. If real estate is owned /deeded individually; List each individual's name and their percentage of ownership below.
2. If real estate is owned / deeded in the name of an LP, LLC, Corporation, etc.; List the name of the real estate holding entity, each principal owner of the entity, and their percentage of ownership below.

Legal Name of Entity Owning Project Real Estate:

Name of Principal	Percentage of Ownership

**Add additional sheets if necessary.*

DETAILED HISTORY OF OPERATING ENTITY:
DETAILED DESCRIPTION OF PRODUCT AND PRIMARY BUSINESS OF OPERATING ENTITY:

WAGE RATE INFORMATION

To be completed if the operating entity is subject to full-time job retention or creation requirements.

Current, average annual salary for all full-time employees:	$
Anticipated, average annual salary for all full-time jobs to be created:	$
The percent (%) paid for an employee's benefits in comparison to the average annual salary listed above:	%

MANAGEMENT SUMMARY FOR THE OPERATING ENTITY'S MANAGEMENT TEAM

Provide names, titles, and a detailed summary outlining the qualifications and experience of each member of the operating entity's management team. *Attach additional sheets or respective resumes.*

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EXHIBIT E

CERTIFICATION OF APPLICANT AND OTHER ENTITIES

To be completed by LOAN APPLICANT and ALL ENTITIES which hold a 20% or greater ownership interest in the loan applicant.

GENERAL INFORMATION

1. FULL LEGAL NAME:		2.PHONE NUMBER:
3. ADDRESS:		
4. LOAN PROGRAM:		
5. STATE OF ORGANIZATION:	6. FEIN:	7. IF NOT LOAN APPLICANT, GIVE THE PERCENTAGE OF OWNERSHIP IN THE LOAN APPLICANT:

You must initial your responses to questions 8-14.

If you answer "yes" to questions 8-12 or "no" to questions 13-14, furnish details on a separate sheet. *For criminal matters, include dates, location, fines, sentences,whether misdemeanor or felony, unpaid fines or penalties, and any other pertinent information. A criminal record will not necessarily disqualify you; however, an untruthful answer will cause your application to be denied and subject you to other penalties as noted below.*

8. Is your firm presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction?

   ☐ Yes ☐ No Initials: _____

9. Has your firm filed for bankruptcy within the past ten (10) years?

   ☐ Yes ☐ No Initials: _____

10. Are there any outstanding judgments entered against your firm?

    ☐ Yes ☐ No Initials: _____

11. Is your firm presently a party to any lawsuits?

    ☐ Yes ☐ No Initials: _____

12. Are there any local, state or federal tax liens filed against your firm?

    ☐ Yes ☐ No Initials: _____

13. Is your firm current with all local, state, and federal taxes?

    ☐ Yes ☐ No Initials: _____

14. Is your firm compliant with Pennsylvania's Unemployment Compensation Law, Workers' Compensation Law, and all applicable Pennsylvania state labor and workforce safety laws as set forth in Executive Order 2021-06, Worker Protection and Investment (October 21, 2021)?

    ☐ Yes ☐ No Initials: _____

CERTIFICATION

CAUTION – PENALTIES FOR FALSE STATEMENTS: Knowingly making a false statement on this form is a violation of law and could result in criminal prosecution, significant civil penalties, and a denial of your loan.

NAME & TITLE (TYPED OR PRINTED):	
SIGNATURE:	**DATE:**

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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
CENTER FOR BUSINESS FINANCING

EXHIBIT E

CERTIFICATION OF INDIVIDUAL

To be completed by ALL INDIVIDUALS who hold a 20% or greater ownership interest in the loan applicant.

GENERAL INFORMATION

1. NAME AND ADDRESS OF APPLICANT *(Firm Name, Street, City, State and Zip)*:	2. LOAN PROGRAM:		
	3.PERSONAL STATEMENT OF: 3A. FIRST NAME:	3B. MIDDLE NAME:	3C. LAST NAME:
	4. % OF OWNERSHIP IN LOAN APPLICATION:		5. SOCIAL SECURITY #:
6. DATE OF BIRTH *(Month, Day and Year)*:	7. PLACE OF BIRTH *(City & State or Foreign Country)*:		

8. U.S. CITIZEN? ☐ Yes ☐ No Initials: _____ *If No, are you a lawful permanent resident alien?* ☐ Yes ☐ No

IF NON-U.S. CITIZEN PROVIDE ALIEN REGISTRATION NUMBER BELOW:

9. RESIDENCE: From *(MM/DD/YY)*: _____ To *(MM/DD/YY)*: _____ ADDRESS *(Street, City, State and Zip)*:	MOST RECENT PRIOR ADDRESS *(omit if over 10 years ago)*: From *(MM/DD/YY)*: _____ To *(MM/DD/YY)*: _____ ADDRESS *(Street, City, State and Zip)*:
HOME PHONE *(Include Area Code)*: / BUSINESS PHONE *(Include Area Code)*:	

You must initial your responses to questions 8 and 10-17.

If you answer "yes" to questions 10-16 or "no" to question 17, furnish details on a separate sheet. *For criminal matters, include dates, location, fines, sentences, whether misdemeanor or felony, unpaid fines or penalties, and any other pertinent information. A criminal record will not necessarily disqualify you; however, an untruthful answer will cause your application to be denied and subject you to other penalties as noted below.*

10. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction?
☐ Yes ☐ No Initials: _____

11. Have you been arrested in the past 12 months for any criminal offense?
☐ Yes ☐ No Initials: _____

12. For any criminal offense – other than a minor vehicle violation – have you ever: 1) been convicted; 2) pled guilty; 3) pled nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)?
☐ Yes ☐ No Initials: _____

13. Have you filed for bankruptcy within the past ten (10) years? ☐ Yes ☐ No Initials: _____

14. Are there any outstanding judgments entered against you? ☐ Yes ☐ No Initials: _____

15. Are you presently a party to any lawsuits? ☐ Yes ☐ No Initials: _____

16. Are there any local, state or federal tax liens filed against you? ☐ Yes ☐ No Initials: _____

17. Are you current with all local, state, and federal taxes? ☐ Yes ☐ No Initials: _____

CERTIFICATION

CAUTION – PENALTIES FOR FALSE STATEMENTS: Knowingly making a false statement on this form is a violation of law and could result in criminal prosecution, significant civil penalties, and a denial of your loan.

NAME & TITLE (TYPED OR PRINTED)**:**

SIGNATURE:	**DATE:**

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
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EXHIBIT F

SUMMARY OF TERMS AND CONDITIONS

Please complete a separate sheet for each PIDA credit facility being requested.

Borrower: <LEGAL NAME OF BORROWER>

Co-Borrower: <LEGAL NAME OF CO-BORROWER, IF APPLICABLE>

Loan Amount: <AMOUNT>

Purpose: The proceeds of the PIDA loan will be used to finance <real estate costs, machinery and equipment costs, an accounts receivable line of credit, working capital line of credit, industrial park, multi-tenant facility>

Interest: <RATE> % computed on a 30 /360 basis.

Term: <TERM> months.

Payments: Principal and interest will be paid -- Select One -- beginning the first day of the second month after closing with an amortization schedule provided to the Borrower at closing.

Collateral Security: Security for this Loan:
As part of each collateral description below identify the following:

a. *The type of asset securing the loan & legal name of entity or individual(s) holding title to the asset*

b. *The lien position in favor of the certified provider / PIDA*

c. *The name of any lien holder that will be senior to or sharing the lien position with the certified provider/ PIDA along with their respective lien position*

d. *The filing amount / original loan amount associated with each lien holder and the current balance of the financing if payment has been made on the loan*

Overall Project Loan to Value = <XX%>

1. <COLLATERAL DESCRIPTION>
Value of Specific Collateral: <$AMOUNT>
Valuation Method: <Appraisal, Balance Sheet, Purchase Price, Etc.>
Effective Date of Valuation: <DATE>
(Please duplicate item #1 if you have multiple collateral entries)
2. <INDICATE NAMES OF PERSONAL GUARANTORS>
3. <IF APPLICABLE, LIST CORPORATE GUARANTOR(S)>
4. <OTHER COLLATERAL>
5. <INCLUDE ADDITIONAL SHEETS IF NECESSARY>

The above terms and conditions were approved by the Loan Review Committee / Corporation on the_____ day of _____ 20__ in which a quorum was present.

<CERTIFIED PROVIDER NAME>

Signature: _____ Name, Title: _____

Attest: _____

EXHIBIT G

<IDENTIFY THE LEGAL NAME OF THE ENTITY OR INDIVIDUAL RESPONSIBLE FOR THE BELOW DEBTS>

Instructions: Complete the following form for all installment debts, contracts, notes, and mortgages payable, including shareholder notes. Do not include accounts payable or accrued liabilities. Loan balance entries must all be as of the same date. If additional room is needed please use additional forms.

Name of Creditor - **Address of Creditor -** **Primary Contact -** **Contact Phone Number & Email**	**Original Loan Amount**	**Current Loan Balance as of ___/___/___**	**Monthly Payment Amount (P+I)**	**Interest Rate**	**Ammortization Period (Months)**	**Term (Months)**	**Maturity Date**	**Current (Yes or No)**	**List Security & Any Special Conditions - Additionally, If loan is delinquent with payments, please explain reason for delinquency and the number of payments behind**

Completed By:	Date:	Initials: