

Loans

Loans Available to City Businesses

The City, due to the economy at this time, has decided to reduce the interest rate and application fee for the year 2011. All loans up to \$15,000 will have a 2% interest rate applied with an application fee of \$50.00 for loans up to \$5,000 and \$100.00 over \$5,000 to \$15,000. Application fee for loans over \$15,000 will be 1% of the loan. This will be reviewed again in 2012.

CDBG

- no specific limit on amount of loan, limited to 30% of project cost
- term is five to seven years, 4% fixed interest, quarterly payments
- available for, but not limited to, purchase of property and/or machinery/equipment
- one job must be created in first three years for every \$35,000 borrowed
- available city-wide
- disbursement of funds requires Hazleton City Council approval
- bank and/or other Economic Development funding source is required to help meet remaining project cost.

Enterprise Zone

- site specific-Must be located in an Enterprise Zone to be eligible
- no specific limit on amount of loan, limited to 30% of project cost
- term is five to seven years, 4% fixed interest, quarterly payments
- available for, but not limited to, purchase of property and/or machinery/equipment, renovations, some working capital costs
- one job must be created in first three years for every \$35,000 borrowed
- available in former Enterprise Zone area of city
- disbursement of funds requires Hazleton City Council approval
- bank and/or other Economic Development funding source is required to help meet remaining project cost.

USDA Rural Business Enterprise

- amounts up to \$10,000 or 50% of the project cost, whichever is less
- term is five years, 4% fixed interest, quarterly payments
- available for, but not limited to, start-up inventory; office equipment and supplies; working capital; website development; technology and training; technical assistance; professional services
- one job must be created within 24 months of the loan closing
- available city-wide.

PA Downtown

- amounts up to \$5,000 or 50% of project cost, whichever is less
- term is two years, 0% interest (half payable on first anniversary, half on second)
- available for, but not limited to, exterior building improvements such as painting, siding, awnings, windows, doors, roof, sidewalks, and landscaping, signs. Some funds may be used for energy conservation improvements and security cameras
- available within the CBD.

Façade Improvement Program/Main Street-/EDI

- amounts up to \$15,000 or 50% of project cost, whichever is less
- term is five years, 3% fixed interest, quarterly payments
- available for, but not limited to, exterior building improvements such as painting, siding, awnings, windows, doors, roof, sidewalks, landscaping, and design fees, signs energy conservation and some funds may be used for security cameras
- Main St. is available in the CBD and EDI is available City Wide.

Anchor Building/Housing Redevelopment Assistance Program

- maximum loan is limited to 30% of the total project cost, depending on availability of funding
- interest rate is currently set at 4%. Term is 5-7 years
- eligible use is acquisition of real estate and/or equipment, façade improvements, such as painting, siding, roof, doors, windows, energy conservation, etc.
- soft costs, such as title, legal, architect, engineering, insurance, permits, etc.

City of Hazleton companies interested in being considered for a loan should contact the Office of Economic Development at City Hall. Lena Kotansky can be reached at 459-4947 or lenak@hazletoncity.org.