

**COMMUNITY INVESTMENT PARTNERSHIP PROGRAM**  
**REVOLVING LOAN FUND GUIDELINES**

**INTRODUCTION:**

The Northampton County Department of Community and Economic Development (NCDCED) has capitalized a Revolving Loan Fund (the “RLF”) for which the Northampton County General Purpose Authority (the “GPA”) will serve as the loan committee and fiduciary agent. The RFL will become a self-replenishing pool of funds from the payment of interest and principal of loans made by the GPA with funds from the RLF.

**CONTACT:**

David Hughes  
Financial Specialist  
Northampton County  
Department of Community and Economic Development  
669 Washington St.  
Easton, PA 18042  
Phone: 610-559-3200 ext. 9  
Email: [dhughes@northamptoncounty.org](mailto:dhughes@northamptoncounty.org)

**1. BUSINESS BOOST LOAN PROGRAM**

**OVERVIEW**

The Business Boost Loan Program (“Business Boost”) will help stimulate business development, expansion and recruitment. The Business Boost will be a flexible source of capital that can serve as a form of gap financing in conjunction with more conventional sources of financing.

Individual businesses can borrow up to \$150,000. Funding is meant to be gap financing and should not exceed thirty-five (35%) of the total project cost. Typical loan amounts will range between \$25,000 and \$50K for projects located in strategic investment areas of Northampton County. Typical terms include:

- Machinery and Equipment - 3-5 years with a favorable amortization schedule to the borrower
- Real Estate – 5-7 years with a favorable amortization schedule to the borrower
- Façade Loans – Maximum of \$20,000, 3-5 years with favorable amortization schedule to the borrower

**FUND GOALS**

- Business retention
- Business expansion
- Recruitment of new businesses
- Job retention and growth
- Stimulation of economic activity

## ELIGIBILITY

- Businesses located in Northampton County
- For-Profit businesses in operation for at least twelve (12) continuous months
- Start-up businesses will be considered in certain designated areas that will be determined on a case by case basis.
- Costs incurred prior to application are typically not eligible expenses

## ELIGIBLE USE OF FUNDS

- Operating capital
- Land and building acquisition
- New construction
- Building renovation
- Property and site improvements
- Machinery and equipment
- Façade improvement and renovation

## AMOUNTS AND REPAYMENT TERMS

- Loans can range from \$10,000 to \$150,000
- Maximum \$20,000 for façade improvement loans with three (3)-year maximum term
- Loan can be no more than thirty-five (35%) of total project
- Monthly repayment of principal and interest, with rate determined by risk, collateral and project.
- Three (3) to five (5)-year terms for operating capital, machinery and equipment
- Five (5) to seven (7)-year terms for property, building and land acquisition and renovation.
- Longer amortization terms will be considered to help support cash flow needs
- One Percent (1%) origination fee and all third party fees and expenses
- Application Fee - \$150.00

## APPLICATION REQUIREMENTS

Funding requests are submitted electronically to the NCD CED on a rolling basis and are subject to the availability of funds. It is strongly encouraged that potential applicants arrange a pre-application conference with NCD CED staff. **Please contact David Hughes, NCD CED Financial Specialist at 610-559-3200 ext. 9 or [dhughes@northamptoncounty.org](mailto:dhughes@northamptoncounty.org).** Funding requests should include the following information:

- **Submission of a completed application**
- **Project Narrative** – Describe the project, why the funds are needed, how they will be spent, and the benefit that will result. Be specific so that the reviewer understands the project, understands what is to be accomplished, how it will be accomplished and how the community will benefit.

- **Public Purpose** – Describe how the community as a whole benefits. Describe how the public is served by the funding of this application.
- **Project Budget Narrative** – Provide a narrative description of each budget line item, addressing each line by funding source. A project proforma including a sources and uses table should be included.
- **Business year-end financial statements** and tax returns for the last three (3) years
- **Business overview and history**
- **Business certifications/licenses**
- **Statement detailing current employment levels and projected levels**
- **Discussion of Leverage** – Please discuss how the project/activity will leverage additional funds and resources.
- **A project timeline** that tracks the key activities and the dates necessary to achieving the project’s goals and objectives.
- **A resolution of municipal support** is required from all applicants. The resolution must state the amount requested and summarize the purpose of the request.
- Other information/documentation that NCDCED may identify after the application is submitted.

## 2. ECONOMIC REINVESTMENT LOAN PROGRAM

### OVERVIEW

The Economic Reinvestment Loan Program (“Economic Reinvestment”) will offer loans to for-profit businesses and developers for the purpose of creating new job and retention opportunities through the preservation and expansion of business in Northampton County. This program is designed to help and support companies to make investments in their facilities, machinery, equipment, training and some soft costs that will result in the creation and retention of jobs in Northampton County. The loan funds awarded under this program will facilitate the rehabilitation of targeted key structures, job creation and/or retention, and growth and/or expansion of economic infrastructure within the County. This program is intended to enable the County to respond quickly and effectively to the dynamic forces of the County’s economy and to the nature of industrial recruitment and retention. The program seeks to encourage, attract and retain sustainable investments and jobs to Northampton County communities and to provide resources improve their economic development infrastructure, expand their tax base and improve their general economic health and welfare.

### ELIGIBLE APPLICANTS

- For-profit businesses located in Northampton County
- Private real estate developers
- Municipalities
- Municipal Authorities

## ELIGIBLE USES

- Job training
- Land and building acquisition
- Building rehabilitation or construction
- Purchase and upgrade of equipment and machinery
- Infrastructure improvements
- Development fees and site preparation

## REQUIREMENTS

- Minimum private investment of 1:1 on the loan amount
- Loan cannot exceed thirty percent (30%) of the project
- Property must be owned or have an executed long term lease by the borrower and the lease cannot expire prior to loan payoff
- Certify that project cannot proceed without support from Economic Reinvestment
- Costs incurred prior to application are typically not eligible expenses

## AMOUNTS AND REPAYMENT TERMS

- Typical maximum loan amount \$250,000
- Typical maximum term seven (7) years depending on purpose. Maximum amortization is fifteen (15) years.
- \$150 application fee
- One percent (1%) origination fee plus all third party and expenses.

## APPLICATION PROCESS

Funding requests are submitted electronically to the NCDCEd on a rolling basis and are subject to the availability of funds. It is strongly encouraged that potential applicants arrange a pre-application conference with NCDCEd staff. **Please contact David Hughes, NCDCEd Financial Specialist at 610-559-3200 ext. 9 or [dhughes@northamptoncounty.org](mailto:dhughes@northamptoncounty.org).** Funding requests should include the following information:

- **Submission of a completed application**
- **Project Narrative** – Describe the project, why the funds are needed, how they will be spent, and the benefit that will result. Be specific so that the reviewer understands the project, understands what is to be accomplished, how it will be accomplished and how the community will benefit.
- **Public Purpose** – Describe how the community as a whole benefits. Describe how the public is served by the funding of this application.
- **Project Budget Narrative** – Provide a narrative description of each budget line item, addressing each line by funding source. A project proforma including a sources and uses table should be included.
- **Business year-end financial statements** and tax returns for the last three (3) years

- **Personal financial statements** and tax returns may be required
- **Business overview and history**
- **Business certifications/licenses**
- **Statement detailing current employment levels and projected levels**
- **Discussion of Leverage** – Please discuss how the project/activity will leverage additional funds and resources.
- **A project timeline** that tracks the key activities and the dates necessary to achieving the project's goals and objectives.
- **A resolution of municipal support** is required from all applicants. The resolution must state the amount requested and summarize the purpose of the request.
- Other information/documentation that the NCD CED may identify after the application is submitted.