



Allentown Economic Development Loan

Eligible Projects: Any commercial, industrial or mixed-use property located in the City of Allentown that will undergo physical, systems, and/or equipment improvements or additions/new construction of not less than \$100,000 (cost of acquisition to be considered an eligible project expense). The applicant of the approved project location must show full-time jobs will be retained (existing business) or will be added within three months of the project's completion (new business). For mixed-use projects: the creation of new market-rate residential units will be accepted as a suitable alternative.

Eligible Applicants: Property owners and/or businesses that have a documented equitable interest in the eligible project location. Businesses that only hold an equitable interest must also show a written and signed statement of approval by the owner of the eligible project location.

Loan Terms: The City of Allentown will loan up to 10% of the total project cost not to exceed a maximum of \$50,000. The Loan will be made at 0% interest for a five (5) year period. Applicant must continue operations in the approved project location for the term of the loan. If operations cease prior to the end of the term, all loaned funds will be due and owing to the City of Allentown within sixty (60) days of notice.

The City of Allentown will consider funding requests of:
Up to \$100,000 or 20% Total project at 2% interest, for five years
Up to \$150,000 or 25% Total project at 3% interest, for five years

Proximity Bonus:
Separate applications made in a geographical cluster (e.g. Businesses within a 500 foot radius), are eligible for an additional \$5,000/project as a Proximity Bonus for each approved application. Applications must be awarded and under contract within 6 months of each other.

Match: The applicant must be able to provide a dollar for dollar match in cash for the amount loaned from the City of Allentown. Match must be verified by a certified bank statement.