

Commonly Used State & Local Incentives

WEDCO will work with appropriate agencies and economic development professionals to determine the programs that fit your needs and your eligibility, and assist with the application process. We match financing incentives with companies relocating to Wayne County, and we help local companies put their expansion plans into motion. Browse through the programs below, and contact us at 570-253-5334 or info@wedcorp.org for more information.

PROGRAM	ELIGIBILITY	ELIGIBLE USES	AMOUNTS	TERMS/ CONDITIONS
LOANS				
Pennsylvania Industrial Development Authority (PIDA)	Job Creation Loans: <ul style="list-style-type: none"> • Manufacturing • Industrial • Research and development • Agri-Business (not Farms) • Firms establishing a national or regional headquarters • Computer/clerical operation center Job Retention Loans: <ul style="list-style-type: none"> • Manufacturing firms that meet certain wage thresholds 	<ul style="list-style-type: none"> • Land and building acquisition • Building construction and renovation • Industrial park development • Multi-tenant spec building construction, acquisition and renovation 	<ul style="list-style-type: none"> • Loans up to \$1.25 million (within Keystone Opportunity Zones, \$1.75 million) • No more than 30% to 70% of total eligible project costs, depending upon firm size and unemployment rate 	<ul style="list-style-type: none"> • 2.75% interest rate • Up to 15-year term on land and buildings • No less than a second mortgage on financial assets • Disbursement to applicant based upon reimbursable expenses • \$25,000 cost per job created or retained
Machinery and Equipment Loan Fund (MELF)	<ul style="list-style-type: none"> • Manufacturing • Industrial • Agricultural processors • Direct mining operations 	<ul style="list-style-type: none"> • Machinery and equipment acquisition and upgrading • Related engineering and installation costs directly related to the operations or processes 	<ul style="list-style-type: none"> • Loans up to \$5,000,000 or 50% of total eligible project costs, whichever is less 	<ul style="list-style-type: none"> • Interest rates 2.75% • Up to 10-year term, depending upon the useful life of the machinery being financed • 10% equity required • \$25,000 cost per job created or retained
Small Business First (SBF)	<ul style="list-style-type: none"> • Small Business (100 employees or less) which is: • Manufacturing • Industrial • Agricultural enterprise • Agricultural Producer • Construction Enterprise • Child Day-Care Enterprise • Mining enterprises • Export-related, advanced technology and computer-related services • Hotels, motels, or restaurants • Municipal or commercial recyclers • Defense-related 	<ul style="list-style-type: none"> • Land and building acquisition and construction • Machinery and equipment purchases and upgrades • Working capital • Environmental compliance/pollution prevention 	<ul style="list-style-type: none"> • Loans up to \$200,000 or 50% of total eligible project costs, whichever is less • Maximum loan amount for working capital is \$100,000 or 50% of total eligible project costs, whichever is less 	<ul style="list-style-type: none"> • 2.75% interest rate • \$25,000 cost per job created or retained • Up to 15-year term for land and building • Up to 10-year term for machinery and equipment • Up to 3-year term for working capital • Allows land & building & machinery and equipment purchase made within a 12 month period prior to the filing of an application to be eligible as private match towards an SBF loan.
BOND FINANCING				
Pennsylvania Economic Development Financing Authority (PEDFA) Tax-Exempt Bond Program	<ul style="list-style-type: none"> • Manufacturing • Nonprofit • Energy • Solid Waste disposal • Wastewater treatment • Transportation facilities • Assisted living/housing 	<ul style="list-style-type: none"> • Land and building acquisition • Building renovation and new construction • Machinery and equipment acquisition and installation • Designated infrastructure • Tax-exempt bond refinancing 	<ul style="list-style-type: none"> • Loans no less than \$400,000 and no more than \$10 million for manufacturers • No upper limit for other projects • Up to \$100% of project costs 	<ul style="list-style-type: none"> • Since 1989, weekly tax-exempt variable rate has averaged 46% of the prime • Weekly variable interest rate tied to market for tax-exempt bonds • Up to 30-year term • Borrower generally must secure letter of credit from bank

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WORKFORCE DEVELOPMENT				
Customized Job Training (CJT)	<ul style="list-style-type: none"> Manufacturing Industrial Agricultural enterprises Research and development Advanced technology Business service firms (no point of sales/retail) 	<ul style="list-style-type: none"> Instructional costs Supplies Consumable materials Contracted services Relevant travel costs for local education agency project coordinators 	<ul style="list-style-type: none"> Grants up to 75% of the eligible costs for new job creation, retention, upgrade training 	<ul style="list-style-type: none"> Must be for actual training Trainees must be residents of PA and be employed in PA Participating trainees must earn more than 150% of current minimum wage
Guaranteed Free Training Program WEDnetPA	<ul style="list-style-type: none"> Manufacturing businesses Technology-based businesses Information technology PA businesses other than point-of-sales/retail 	<p>Basic Skills</p> <ul style="list-style-type: none"> Basic and entry level skills training <p>Information Technology</p> <ul style="list-style-type: none"> Advanced information technology training Introductory level training, such as word processing, etc, is not eligible 	<p>Basic Skills</p> <ul style="list-style-type: none"> Up to \$450 per trainee and \$100,000 per company <p>Information Technology</p> <ul style="list-style-type: none"> Up to \$700 per trainee and \$50,000 per company 	<ul style="list-style-type: none"> Trainees must be residents of PA and be employed in PA <p>Basic Skills</p> <ul style="list-style-type: none"> Participating trainees must earn more than 150% of current minimum wage <p>Information Technology</p> <ul style="list-style-type: none"> Trainees must earn at least 150% of current minimum wage Training for information technology employees only
GRANTS				
Opportunity Grant Program	<ul style="list-style-type: none"> Firms, or IDCs and municipalities in behalf of firms, that will create or preserve a significant number of jobs within the Commonwealth Manufacturing Industrial Research and development Agricultural processors Export Services Firms establishing a national or regional headquarters 	<ul style="list-style-type: none"> Machinery and equipment Working capital Job training Infrastructure Land and building improvements Environmental assessment and remediation Acquisition of land, buildings, and right-of ways Site preparation, demolition 	<ul style="list-style-type: none"> No minimum or maximum amounts 	<ul style="list-style-type: none"> Projects must offer substantial economic impact either for the Commonwealth as a whole or for the locality or region in which the company will locate or expand its current operations 4:1 private match required Job creation/preservation requirements
TECHNOLOGY INVESTMENTS				
Ben Franklin Partners (Challenge Grant Program)	<ul style="list-style-type: none"> Start-up companies or existing companies Advanced technology Research and development 	<ul style="list-style-type: none"> Research and development Technology transfer Joint research and development between private companies and universities Technology training/entrepreneurial infrastructure 	<ul style="list-style-type: none"> Typically range from \$5,000 to \$250,000 (varies somewhat between centers and project types) 	<ul style="list-style-type: none"> Loan, sometimes convertible to equity position Royalty/payback Grants for non-R&D
TAX CREDITS AND ABATEMENTS				
Job Creation Tax Credit (JCTC)	<ul style="list-style-type: none"> Approved businesses that agree to create new jobs in the Commonwealth within three years 	<ul style="list-style-type: none"> Tax credits used to offset various business tax liabilities 	<ul style="list-style-type: none"> \$1,000-per-job tax credit to approved businesses that agree to create jobs within three years 25% of the tax credits allocated each year must go to businesses with less than 100 employees 	<ul style="list-style-type: none"> Tax credits may not be utilized by a business until the jobs are actually created Must create at least 25 new jobs or new jobs equaling at least 20% of the existing workforce
Keystone Opportunity Zones (KOZ)	<ul style="list-style-type: none"> Businesses or residents located or conducting activity within a KOZ designated property 	<ul style="list-style-type: none"> Provides certain state and local tax abatements and exemptions to qualified businesses, residents and property owners 	<ul style="list-style-type: none"> Projects in KOZs are given priority consideration for assistance under various community and economic building initiatives Applications for assistance should clearly be marked KOZ activity when appropriate 	<ul style="list-style-type: none"> Qualified businesses, residents or property owners must be current with all state and local taxes and building codes in order to receive benefits and/or annual certification

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TAX CREDITS AND ABATEMENTS continued from page 2				
Keystone Opportunity Zones (KOZ) <i>(continued from page 2)</i>				<ul style="list-style-type: none"> Existing PA businesses relocating to a zone must meet one of two provisions – increase full-time employment by 20% (based on operation being moved) within one year, or make a capital investment in the property equivalent to 10% of gross revenues from prior year Length of program varies – Wayne County site ends in 2013
Local Economic Revitalization Tax Assistance Act (LERTA)	<ul style="list-style-type: none"> Municipalities School districts 	<ul style="list-style-type: none"> Local municipalities, school districts and counties can offer tax abatements on improvements to property for up to 10 years 	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> Local government decision (up to 100% tax abatement on improvements to property for up to 10 years) Abatement on improvement to property

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