

Program Guidelines

1. Statement of Purpose

The Monroe Business Improvement Loan (MO.B.I.L.) Program (the “Loan Program”) is administered by the Monroe County Industrial Development Authority (the “MCIDA”) and is intended to assist Monroe County small businesses to expand their business and create and/or retain jobs (“Project”). The Loan Program is available to small businesses that employ up to one hundred (100) full time employees.

2. Eligibility

A. Eligible Applicants: Any for-profit business located and operating in Monroe County, PA with up to 100 full time employees or less.

B. Eligible Uses of Loan Proceeds:

- (1) Acquisition;
- (2) Construction;
- (3) Infrastructure/Site Preparation;
- (4) Machinery/Equipment;
- (5) Working Capital;
- (6) Related Costs including Professional Services such as, but not limited to, Legal, Accounting, and Civil Engineering professional services;
- (7) Inspections and other Municipal Fees and Costs;
- (8) Insurance;
- (9) Environment Assessment; and
- (10) Loan Closing Costs.

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3. Job Creation Requirements

A. Each business borrowing Loan Program funds from the MCIDA for a Monroe Business Improvement Loan (“Program Loan”) shall create at least one (1) full time job within three (3) years of the date of the Loan closing.

B. At closing of a Program Loan, the applicant shall be required to provide a photocopy of the Borrower’s unemployment compensation form showing the amount of paid compensation and employee credit weeks for the applicant business. On the third anniversary of the Program Loan closing, the applicant will be required to produce the most recent quarter’s unemployment compensation form and most recent U.S. Internal Revenue Service Form W-3. The total gross wages shown for the applicable business on the Unemployment Compensation quarterly return shall be considered by the Board of Directors of the MCIDA in determining whether a business can borrow again through this program. The Board of Directors of the MCIDA shall also consider the wage levels, number of jobs created, the borrower’s payment history and any special circumstances applicable when determining whether a business is eligible to borrow again through this program.

C. In the event that the additional hours of employment cannot be demonstrated, the business will be considered ineligible to borrow again through this program unless it provides proof in the future of meeting the job creation minimum.

4. Matching Funds

Matching funds are not required for this program but if other funding sources are being used it is more favorable for the Loan Program application. The Loan Program can be used in concert with other programs or funding sources such as, but not limited to, Monroe County Revolving Loan Fund, MetroAction, and the Northeastern PA Alliance, among others.

5. Application Procedures

A. Interested applicants must complete the Monroe County Small Business Loan Application that is attached to these Program Guidelines. Supporting documents that must be submitted with the Application are:

(1) A Project narrative that describes the Project, the amount of funding requested, how many full time jobs will be created or retained within the three (3) year period commencing upon the date of Loan closing.

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(2) A Business Plan that includes the Borrower's ownership structure, financial projections for at least three (3) years, a competitive analysis and marketing plan.

(3) Documentation supporting the Project costs outlined in the Project Budget on page 2 of the Application. Cost estimates must be prepared by a professional qualified to quote on the work.

(4) A Project schedule and detailed timeline for the Project.

(5) Documentation of any other funding sources for the Project.

(6) Three (3) years of audited financial statements and complete copies of the past three (3) consecutive years of personal income tax returns for all company owners, members, and/or principals and, if applicable, for the business operated by the Borrower.

(7) A full and complete copy of the credit report(s) for each owner of the Borrower business.

(8) Such additional information as the Program staff may reasonably request from time to time.

B. Once a completed Loan Program Application is received, it will be reviewed and evaluated by the MCIDA staff member designated for the financial review of Loan Program projects. It will then be presented to the MCIDA Financial & Loan Review Committee. If it is approved by the committee, the applicant will receive a letter of commitment. If it is not approved by the committee, the applicant will receive a letter summarizing why it was not approved and the applicant will be eligible to re-apply if circumstances change.

6. Application Time Period

Applications may be submitted at the offices of the MCIDA, 701 Main Street, Suite 407, Stroudsburg, Pennsylvania 18360 at any time during regular business hours, Monday through Friday and or days which are not bank holidays or national holidays celebrated in the United States of America during which banks are closed. **PROJECT COSTS MAY NOT BE INCURRED PRIOR TO APPROVAL OF THE BORROWER'S APPLICATION FOR THE LOAN.**

7. Restrictions and Limitations

A. Any requested changes to the Loan Program Project must first be submitted to the MCIDA in writing. No Project costs shall be incurred prior to approval of the amended or revised Loan Program Application.

B. The maximum amount of funding available for each Project will be \$100,000.

C. The loan interest rate will be 2% per annum.

D. Refinancing or reducing existing debt or other obligations is not an eligible use of the Program funds or of the Loan proceeds. Any misuse of the funds shall be, at a minimum, an Event of Default under the Loan.

8. Program Requirements

A. Nondiscrimination – No assistance will be awarded unless the Borrower certifies that it will not discriminate against any employee or against any person seeking employment because of race, religion, color, handicap, national origin, age or sex. All contracts for work to be paid for with these funds must include a nondiscrimination clause.

B. Project Records – Awardees must agree to keep full and accurate records with respect to the Project and promptly make available to the MCIDA any Project records requested by MCIDA.

C. Reporting – Each Borrower approved by the MCIDA shall submit a Loan Program Project Closeout Report at the completion of the Project that includes proof that the funds were spent in accordance with the approved Project and an accounting of the jobs that were created and/or retained with their current rates of pay.

D. Bidding – A minimum of three arms-length bids from qualified contractors shall be solicited and documented by the Borrower. The Borrower shall award each applicable contract to the lowest responsible bidder.

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E. Borrowers must be current with other debts and all tax obligations. No Loan proceeds will be made available to any business or individual whose owner(s) are in breach or default of any obligation or payment unless there is a written payment plan agreed by the taxing body or creditor which payment plan demonstrates that the Borrower is current with the payment of the obligation and has been current for a minimum of six (6) consecutive months.

9. **Contact Information**

Program questions and applications can be directed to:

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