

## **INTRODUCTION**

The Center for Private Financing is pleased to provide the program guidelines and application for the Industrial Development Authority (IDA) bond financing program. This is a regulatory program, which reviews and approves applications for all tax-exempt and taxable projects being financed through an IDA.

The attached guidelines are intended to give an overview of the eligibility criteria and application procedures for this program. The application is composed of the Department of Community and Economic Development's "Single Application for Assistance" form as well as appendix pages specific to the IDA bond financing program.

All applications must be submitted by an IDA to the following address:

*Department of Community and Economic Development  
Center for Private Financing  
Commonwealth Keystone Building  
400 North Street, 4<sup>th</sup> Floor  
Harrisburg, Pennsylvania 17120-0225*

If you have any questions concerning the IDA program, please contact the Center for Private Financing at (717) 783-1108.

# **TABLE OF CONTENTS**

	<b><u>Page</u></b>
<b><u>Instructions For Completing the Single Application</u></b>	
<b>IDA Program Guidelines</b>	
<b>Statement of Purpose</b>	<b>i</b>
<b>Eligible Businesses</b>	<b>i-ii</b>
<b>Eligible Uses of Funds</b>	<b>ii</b>
<b>Allocation Parameters</b>	<b>iii</b>
<b>Program Requirements</b>	<b>iii-v</b>
<b>Application Submission and Allocation Procedures</b>	<b>v-vi</b>
<b>Allocation Approval Criteria</b>	<b>vii</b>
<b>Contact</b>	<b>vii</b>
<b>Single Application for Assistance</b>	<b>1-6</b>
<b>IDA Application Appendix</b>	<b>A1-A7</b>

## **INSTRUCTIONS FOR COMPLETING THE SINGLE APPLICATION FOR IDA BOND FINANCING**

### **IDA Program Guidelines**

Please read the IDA Program Guidelines carefully before filling out the application.

### **Instructions for page 1:**

The "Applicant" is the Industrial Development Authority (IDA).

The "*Beneficial Owner/Developer*" is the legal borrower of the bond financing. The Beneficial Owner/Developer can be a corporation, a real estate developer, a holding company, a partnership, an individual, or other entity.

The "*Company/Occupant*" is the company which will occupy the facility being financed, if different from the Beneficial Owner/Developer. The two entities are not required to be affiliated with each other.

A Federal Employee Identification Number (FEIN) must be provided for the Beneficial Owner/Developer and the Company/Occupant.

**On page 2 of the Single Application, please list the "IDA Tax-Exempt" or "IDA Taxable" as the specific funding source.** These terms should also be used on for the Budget for Sources.

### **Instructions for page 2:**

Under Project site location(s), list the number of full-time jobs currently at the project site or to be transferred to the project site. List the number of jobs to be created at the project site within three years.

### **Instructions for pages 3, 4, 5:**

Under Acquisition, please separate land and building acquisition costs. If equipment within the building is also being acquired, please list these costs under used equipment.

Under Related Costs, please list closing costs in the "Closing Costs" subcategory.

Under Project Narrative, narrative items D and E do not need to be completed for the IDA program. The narrative should include business descriptions of the Beneficial Owner/Developer's and Beneficiary's primary operations, as well as a project description.

### **Instructions for page 6:**

The Certification must be signed by the Applicant (IDA) and by the Beneficial Owner/Developer. If a corporation, the certification page must be attested by the corporate secretary.

### **Instructions for IDA Application Appendix:**

In addition to the Single Application, the IDA Application Appendix (pages A1-A7) must be completed. Please verify that all applicable exhibits listed on the IDA Exhibits page are included with the application. If any of these exhibits are not included, please explain thoroughly in an attached cover letter.

# ALLOCATION GUIDELINES

## I. STATEMENT OF PURPOSE

The Tax-Exempt Bond Allocation (TEBA) Act requires the Department of Community and Economic Development to review and process requests for volume cap allocation for qualified projects being financed through the Pennsylvania Economic Development Financing Authority (PEDFA), Industrial Development Authorities (IDAs), or other bond issuing authorities such as redevelopment authorities, the Pennsylvania Housing Finance Agency, and the Pennsylvania Higher Education Assistance Agency.

The following guidelines are intended to give an overview of the rules and regulations governing the allocation program. These guidelines are subject to changes in either federal or state law. *A qualified (Red Book) bond counsel should be consulted for additional details regarding eligibility under federal tax law.*

## II. ELIGIBLE BUSINESSES

In accordance with federal tax law, the following types of projects must obtain volume cap allocation in order to receive tax-exempt financing:

1. **Manufacturing Facilities:** Defined under federal law (Section 144) as "the manufacturing or production of tangible property (including processing resulting in a change in condition of such property)." At least 75% of the tax-exempt proceeds must be used for manufacturing activities; a limit of 25% of the proceeds may be used for office, research & development, and warehousing, provided that they are located on the same site as the manufacturing facility and are directly related to it.
2. **Exempt Facilities:** Certain facilities designated by federal tax law (Section 142) as eligible for tax-exempt financing. These facilities include:
  - a. Solid waste disposal facilities (Section 142 (b))
  - b. Sewage disposal facilities (Section 142 (b))
  - c. Local furnishing of electricity or gas (Section 142 (f))
  - d. Furnishing of water (Section 142 (e))
  - e. Hazardous waste disposal facilities (Section 142 (h))
  - f. Local district heating or cooling facilities (Section 142 (g))
  - g. Mass commuting facilities (Section 142 (c ))
  - h. High-speed intercity rail facilities (Section 142 (i))
3. **Residential Rental Facilities:** Facilities (Section 142 (d)) which provide multi-tenant residential housing and meet the following criteria: either 20% or more of the units will be occupied by individuals whose income is 50% or less of the area median gross income, or 40% or more of the units will be occupied by individuals whose income is 60% or less of the area median gross income. These facilities may include assisted living and continuing care retirement facilities.

4. **Qualified Mortgage Bonds:** Obligations issued (Section 143) to finance qualified owned occupied residences, including acquisition and construction financing and qualified home improvement and rehabilitation. This category of private activity bonds may also include qualified mortgage credit certificate programs. These allocations will be available only through the Pennsylvania Housing Finance Agency.
  5. **Qualified Student Loan Bonds:** Bonds issued to finance student loans, in either a Federally guaranteed program or a state supplemental program.
1. **Exempt Facility:** Some exempt facilities, such as airports, docks, and wharves, do not require volume cap allocation, but do need department approval.
  2. **Manufacturing Projects:** Defined under federal law (Section 144) as "the manufacturing or production of tangible property (including processing resulting in a change in condition of such property)."
  3. **Non-profit 501(c) (3) Facilities:** Facilities to be used by charitable organizations that have 501(c) (3) status from the Internal Revenue Service. These include nursing homes, health care facilities, and educational facilities.
  4. **Exempt Facility:** Some exempt facilities, such as airports, docks, and wharves, do not require volume cap allocation, but do need department approval.
  5. **Taxable Projects:** All Businesses qualified to do Business in PA may be eligible for taxable financing. Speculative activities are not eligible.

#### IV. ELIGIBLE USES OF FUNDS

##### Tax-Exempt Projects:

1. **Land:** Includes acquisition, site preparation and testing costs.
2. **Building:** Includes acquisition, construction, rehabilitation, engineering, and architectural costs. For building acquisition, rehabilitation in an amount equal to at least 15% of the portion of the building acquisition cost being financing with tax-exempt bonds must be done within two years of the bond closing.
3. **Equipment:** Includes acquisition, delivery, installation, renovation. Used equipment may qualify only if contained within a facility being acquired through tax-exempt financing.
4. **Refunding:** Of outstanding tax-exempt debt as allowed by federal law.
5. **Closing costs:** No more than 2% of the tax-exempt financing amount.

##### Taxable Projects:

1. **Land:** Includes acquisition, site preparation and testing costs.
2. **Building:** Includes acquisition, construction, rehabilitation, engineering, and architectural costs.
3. **Equipment:** Includes acquisition, delivery, installation, renovation of both new and used equipment

4. **Refinancing:** Of any existing debt.
5. **Working capital:** Includes inventory and business operating expenses.
6. **Closing costs:** All closing costs can be paid with taxable proceeds if borrower desires

## V. ALLOCATION PARAMETERS

**Minimum Loan Size:** There is no minimum loan size for IDA tax-exempt or taxable financings. However, all projects, which require volume cap allocation, must be in multiples of \$1,000.

**Maximum Loan Size:**

1. **Manufacturing Projects:** Under federal law, the Beneficial Owner/Developer and Company/Occupant, along with their affiliates, together cannot incur more than \$20,000,000 of capital costs, in the city or municipality of the project, during a six-year period beginning three years prior to the date of the bond closing. These capital costs include the current project costs and any outstanding tax-exempt debt. Up to \$1,000,000 of tax-exempt financing, including outstanding tax-exempt debt is allowed without regard to the \$20 million capital costs limit.

In addition, the Beneficial Owner/Developer and Company/Occupant, along with their affiliates, together cannot have outstanding tax-exempt debt anywhere in the United States or its territories in excess of \$40,000,000, including the current financing.

*Manufacturing projects may be limited by the availability of "small issue" volume cap allocation.*

2. **Exempt Facility Projects:** These projects may be limited by the availability of volume cap allocation. In addition, all exempt facility projects that will require allocation of *\$50 million or more* must be financed through the Pennsylvania Economic Development Financing Authority.
3. **Housing Projects:** These projects may be limited by the availability of volume cap allocation.
4. **Qualified Student Loan Bonds:** These projects may be limited by the availability of volume cap allocation.
5. **Non-Profit 501(c) (3) Projects:** The non-profit entity and all related entities cannot have more than \$150,000,000 of outstanding non-hospital tax-exempt debt, including the current financing.

**Loan Term:** For tax-exempt projects, the term of the loan cannot exceed 120% of the depreciable life of the assets. The term should be negotiated between the Beneficial Owner/Developer and its bank.

## VI. PROGRAM REQUIREMENTS

**Job Requirements:** Both new and existing full-time permanent jobs, at the project site only, are counted for this program. Existing jobs include jobs which will be transferred to the project site. A letter from the company verifying its job estimates must accompany the Preliminary Allocation Request.

1. **Tax-exempt manufacturing projects** must create and/or retain, within three years of the financing, one full-time permanent job for every \$50,000 of financing requested.
2. **All other tax-exempt and taxable projects** must create and/or retain, within three years of the financing, at least ten full-time permanent jobs per financing

**Commencement:** All new tax-exempt and taxable projects must receive project approval from the Secretary of the Department of Community and Economic Development (DCED Secretary) before the IDA issues the bonds or otherwise finances the project. The project may commence and project costs may be incurred prior to this project approval; however, to comply with federal tax law, tax-exempt projects should not commence prior to IDA inducement unless otherwise directed by bond counsel.

**Refinancing:** If an IDA is refinancing one of its own outstanding projects, project approval from the Department is not required; however, the Department must be notified of the refinancing. If there are any new project costs being financed by the IDA along with a refinancing, DCED project approval is required for the new costs.

If an IDA is refinancing a deal originally financed through another IDA or any other authority, then DCED project approval is required, as this will be considered a new project of the IDA.

**Relocation:** Relocation of a company from one labor market area of the Commonwealth to another is prohibited, unless a waiver of this requirement is obtained from the DCED Secretary. Please consult staff to determine acceptable circumstances for a waiver to be considered.

**Interim Financing:** No portion of the tax-exempt financing may be used as interim or bridge financing, pending receipt of other permanent financing.

**Taxes:** The Beneficial Owner/Developer and the Company/Occupant, along with their principal owners, must be current in payment of all applicable state and local taxes, and all other obligations to the Commonwealth or any agency affiliated with the Commonwealth. Tax compliance checks will be run on these entities through the Department of Revenue.

**Religious Affiliation:** IDAs are prohibited from financing religious facilities. If the Beneficial Owner/Developer or the Company/Occupant has a religious affiliation, they must verify in the application narrative that no bond proceeds will be used to finance religious facilities (such as churches, chapels, or seminaries) and that the facilities will not be limited to use by, or preference given to, persons of a certain religious affiliation.

**Project Approval:** All projects being financed through IDAs must first submit the Department's Single Application for Assistance, along with the appropriate appendix materials, and receive "project approval" before submitting allocation requests. The amount of allocation requested cannot exceed this project approval amount. Any change in the sources and uses of funds from the Single Application should be noted on the PAR.

**Housing Requests:** Allocation requests for housing projects will be considered only for state-wide issuers, including PHFA and PEDFA.

**Bond Counsel Opinion:** A preliminary opinion from a qualified bond counsel must be provided at the time of application for every tax-exempt project of \$400,000 or greater. This opinion should specify the federal tax-exempt category for which the project qualifies. The bond counsel that provides this opinion should be listed in *The Bond Buyer's Municipal Marketplace* (commonly referred to as the "Red Book").

## VII. APPLICATION SUBMISSION & ALLOCATION REQUEST SUBMISSION PROCEDURES

In order for the IDA to be eligible to submit applications, it must be current in the filing of IDA Annual Reports to the Department.

*Allocation requests must be submitted to the Department's Center for Private Financing by the Industrial Development Authority.* Requests will not be accepted directly from the company or bond counsel. **Allocation requests should not be sent to the Department's Customer Service Center.**

The Department has 20 days to review and evaluate a complete application. The application will not be considered complete without the required attachments. The IDA will receive written notification from DCED Secretary when the project is approved.

Projects may not be financed by the IDA in an amount greater than the amount approved by the DCED Secretary. If the financing amount increases, the IDA must request an increase in the approved amount.

After receiving the DCED Secretary's project approval, certain tax-exempt categories designated by federal tax law must apply for volume cap allocation in order to proceed with the project financing. These categories include small issue manufacturing, exempt facility, enterprise zone, and multi-family housing projects.

Non-profit and taxable projects do not require volume cap allocation, and can close any time after receiving the DCED Secretary's project approval. After closing, the IDA must send written notification to the Department indicating the closing date and amount closed.

**Preliminary Allocation Request:** Preliminary Allocation Requests (PARs) may be submitted at any time during the calendar year, however small issue manufacturing projects should be submitted by the Issuer at least two weeks prior to the scheduled bond closing. If closing does not occur within the calendar year, then the PAR must be re-submitted the following year. *Carryforward allocations will not be approved for local issuers such as Industrial Development Authorities or local housing authorities.*

For exempt facility projects, the PAR may be submitted at any time; however, since these requests are competitive and approval is not guaranteed, **bond closing should not be scheduled prior to receipt of a preliminary allocation approval.**



Once the Department has approved preliminary allocation for a project, the Issuer will receive written notification, in form of a preliminary allocation approval certificate signed by the Secretary of Community and Economic Development. This approval reserves allocation for the project for 90 days, upon receiving preliminary allocation approval the project must close within these 90 days or allocation for the project will be rescinded. Escrow closings by local issuers are generally not considered valid closings. If the Issuer fails to close within the required period, the Department will automatically withdraw the preliminary allocation approval, instituting an automatic penalty period of 60 days before the Issuer can reapply for allocation for the project.

***Final Allocation Request: The Issuer must submit, and the Center for Private Financing must receive, a Final Allocation Request within 15 calendar days after bond closing, or the allocation for the project will automatically be rescinded.*** This Final Allocation Request must include a completed Internal Revenue Service 8038 form, which lists the closing date and the amount of allocation used. The financing may not close in an amount higher than the approved preliminary allocation amount, unless the increased amount does not require volume cap allocation. If the project closes in an amount less than the approved preliminary allocation amount, the Department will reduce the allocation amount accordingly.

If the FAR is not submitted by the Issuer within 15 days of project closing, then the Issuer will be suspended from receiving any tax-exempt bond volume cap allocation for a period not less than six months. In the event of a suspension, the Pennsylvania Economic Development Financing Authority (PEDFA) will issue bonds during the suspension period on the authority's behalf.

The Issuer will receive written notification of final approval, in form of a final allocation approval certificate. The Issuer must then send the final allocation approval certificate along with the IRS 8038 form to the Internal Revenue Service in order to validate the tax-exempt status of the financing.

## VIII. ALLOCATION APPROVAL CRITERIA

**Manufacturing Projects:** Preliminary Allocation Requests for individual projects are reviewed for completeness and accuracy. Allocations for small issue manufacturing projects are approved on a first-come-first-serve basis throughout the calendar year, as allocation is available.

**Exempt Facility Projects:** Preliminary Allocation Requests are reviewed for completeness, accuracy, economic and or community benefit, financial need, and readiness to proceed. Allocations for exempt facility projects are approved on a competitive basis. There is no set time period in which an exempt facility allocation request will be approved or denied.

**Housing Projects:** Preliminary Allocation Requests are reviewed for completeness, accuracy, economic and or community benefit, financial need, and readiness to proceed. Allocations for these projects are approved on a competitive basis. There is no set time period in which the allocation request will be approved or denied.

### **CONTACT:**

Allocation requests and inquiries should be submitted to:

**Department of Community and Economic Development  
Center for Private Financing  
Commonwealth Keystone Building  
400 North Street, 4<sup>th</sup> Floor  
Harrisburg, Pennsylvania 17120-0225**

*Phone: (717) 783-1108*

*Fax: (717) 787-0879*

Pennsylvania Department of Community and Economic  
Development

# Single Application for Assistance

**On-line at: [www.newPA.com](http://www.newPA.com)**

Commonwealth of Pennsylvania  
[www.state.pa.us](http://www.state.pa.us)

Department of Community and Economic Development  
[www.newPA.com](http://www.newPA.com)



## INTRODUCTION

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The Department of Community and Economic Development is pleased to introduce the Single Application for Assistance. The idea is simple. Through one form, applicants can apply for financial assistance from the Department's various funding sources. This approach to economic and community development features effective service and personal attention to the needs of our customers. It also reduces duplicative paperwork, facilitates the coordination of Department resources and allows our customers and department personnel to devote resources to what is important – creating jobs and building strong communities.

**DCED encourages you to visit our web site and submit your Single Application for Assistance via on-line submission at:**

**[www.newPA.com](http://www.newPA.com)**

**Select the “Funding and Program Finder” bar on the home page.**

## Instructions for Page 1, Single Application for Assistance

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### I. PROFILES

Complete **only the applicable information** for the Applicant/Sponsor, Company/Occupant, and Beneficial/Owner sections for your project.

**Applicant/Sponsor** – Eligible entity completing and submitting the application. Applicant can be a business or corporation, non-profit organization, municipality, industrial authority, local development district, local government or licensed education agency. Depending on the type of project and potential funding source, an applicant/sponsor may be submitting the application on behalf of a company or occupant. Indicate the corporate structure of the applicant by selecting one of the following: For-profit corporation, Non-profit corporation, Government, Partnership or Sole Proprietorship. Please indicate your SAP Vendor Number (if known) for name standardization. If you applied for and received DCED funding in the past, you will have had a SAP Vendor Number assigned to you when you registered with SAP. Please use your company name as registered with SAP.

**Business Specifics** – Complete this section if there is a business involved in this project. On a separate sheet of paper, enter every additional FEIN used by the company and its affiliates to do business at the project site(s) specified on this application.

**Company/Occupant** – If the eligible company/occupant occupying the project site is different from the above listed applicant, complete the appropriate information for the company/occupant.

**Beneficial Owner/Developer** – In some projects there may be three entities involved: 1) applicant/sponsor, eligible entity that is submitting a single application to DCED, 2) company/occupant, entity seeking financial assistance to create or retain existing jobs, 3) beneficial owner/developer, entity that owns the assets to be financed.

#### Definitions of information requested –

Name – name of entity

CEO – Corporate Executive Officer for the entity

FEIN – Federal Employer Identification Number ( 9 digits)

NAICS Code – North American Industry Classification System Code

E-mail – electronic mail address

Contact name – person who prepared the application.

PA Revenue Tax Box Number – corporate (for-profit) tax number to conduct business in Pennsylvania

UC# – Unemployment Compensation Number

Current # of Full-time Employees

-in Pennsylvania

-Worldwide

Minority owned – Minority owned company – providing ethnicity is optional.

Woman owned – Woman owned company

Total Sales \$ – Total gross sales last year

Total Export Sales \$ – Total gross export sales last year (outside US)

R&D Investment (% of budget) – % of eligible company's revenue targeted for research & development last year

Employee Training Investment (% of budget) – % of eligible company's revenue targeted for employee training last year

SAP Vendor Number – Number assigned to you by the SAP Master Vendor Unit for any funding to be processed to you.

**PA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
**Single Application for Assistance**

Application Number:

**I. PROFILES**

<b>Applicant/Sponsor</b>			
Name:	Berks County Industrial Development Authority	CEO:	Ken W. Seidel
CEO Title:	Chairman	Address:	633 Court Street, 14 <sup>th</sup> Floor
City:	Reading	State:	PA
Zip:	19601	FEIN:	23-7418629
NAICS Code:	9261	For-Profit Corporation <input type="checkbox"/> Non-Profit Corporation <input checked="" type="checkbox"/> Government Partnership Sole Proprietorship	
Contact Name:	Thomas C. McKeon		
Title:	Executive Director	Phone:	610-478-6341
Fax:	610-478-6331	SAP Vendor #:	
E-mail:	vbentz@countyofberks.com	PA Revenue Tax Box #:	
		Internet Access:	<input checked="" type="checkbox"/> Yes No

<b>Business Specifics</b>			
Current # of Full-time Employees:	Pennsylvania	Worldwide	_____
Minority Owned:	Yes No If yes, ethnicity (optional): _____	Woman Owned:	Yes No
Sole Proprietorship S Corporation Partnership C Corporation Limited Liability Corp Limited Liability Partnership			
Total Sales \$	R&D Investment (% of budget)		
Total Export Sales \$	Employee Trng. Investment (% of budget)		

<b>Company/Occupant</b>			
Name:		CEO:	
CEO Title:		Address:	
City:		State:	
Zip:		FEIN:	
NAICS Code:		UC#	
Contact Name:		Title:	
Phone:		Fax:	
E-mail:		Internet Access:	Yes No
<b>Beneficial Owner/Developer</b>			
Name:		Address:	
City:		State:	
Zip:		FEIN:	

**PA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
 Single Application for Assistance

Application Number:

**I. PROFILES**

<b>Applicant/Sponsor</b>			
Name:		CEO:	
CEO Title:		Address:	
City:		State:	
Zip:		FEIN:	
NAICS Code:		For-Profit Corporation    Non-Profit Corporation	
Contact Name:		Government Partnership    Sole Proprietorship	
Title:		Phone:	
Fax:		SAP Vendor #:	
E-mail:		PA Revenue Tax Box #:	
		Internet Access:	Yes    No

<b>Business Specifics</b>			
Current # of Full-time Employees:	Pennsylvania	Worldwide	_____
Minority Owned:	Yes    No    If yes, ethnicity (optional): _____	Woman Owned:	Yes    No
Sole Proprietorship    S Corporation    Partnership    C Corporation    Limited Liability Corp    Limited Liability Partnership			
Total Sales \$		R&D Investment (% of budget)	
Total Export Sales \$		Employee Trng. Investment (% of budget)	

<b>Company/Occupant</b>			
Name:		CEO:	
CEO Title:		Address:	
City:		State:	
Zip:		FEIN:	
NAICS Code:		UC#	
Contact Name:		Title:	
Phone:		Fax:	
E-mail:		Internet Access:	Yes    No

<b>Beneficial Owner/Developer</b>			
Name:		Address:	
City:		State:	
Zip:		FEIN:	

## **Instructions for Page 2, Single Application for Assistance**

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### **II. PROJECT SITE LOCATION (S)**

Provide the actual address of the project site(s). In addition, include the county, municipality, Pennsylvania House and Senate District numbers, and the U. S. Congressional District number for each project site.

If the project involves the creation of new jobs or the retention of existing jobs within Pennsylvania, provide the following:

- Current number of full-time jobs at project site
- Number of full-time jobs to be created at project site.

Indicate if the project site is located in one or more of the following designated areas:

- DCED or Federal Enterprise Zone
- Brownfield Area
- Act 47 Distressed Community
- Keystone Opportunity Zone
- Prime Agricultural area
- Uses a PA Port for commerce

If this project involves more than one site, please provide the requested information for each site on an additional sheet of paper.

### **III. PROJECT INFORMATION**

If you contacted a DCED representative to discuss funding for this project, indicate the name of the person(s) you have been working with. Providing this information will ensure smoother processing of your application.

Please indicate if you are applying for a specific funding source. If not, DCED will match your request with the source(s) it feels will best meet the needs of your project.

Provide a short project description/name.

If this project is related to a previously submitted project, please provide the project's name or contract number, if available.

### **IV. TYPE OF ENTERPRISE**

Indicate the type of enterprise that will benefit from the requested financial assistance from DCED. If you are submitting on behalf of another entity, select the type of enterprise that best describes that entity (not your entity).



**II. PROJECT SITE LOCATION(S)**

<b>Site One:</b>			
Address:		City:	
State:		Zip:	
County:		Municipality:	
PA House #:		PA Senate #:	
US Congressional #:			
Current # of Full-Time Employees at this Site:			
# of Full-Time Jobs to be Created at this Site:			
Enterprise Zone Prime Agricultural Area Uses PA Port	Brownfield	Act 47 Distressed Community	Keystone Opportunity Zone

**III. PROJECT INFORMATION**

Have you contacted anyone at DCED/GAT about your project?  yes  no. If yes, indicate who. \_\_\_\_\_

Are you interested in a specific funding source? If so, indicate: \_\_\_\_\_

Project Name/Description (max. 60 characters) \_\_\_\_\_

Is this project related to another previously submitted project?  yes  no. If yes, indicate previous project name: \_\_\_\_\_

**IV. TYPE OF ENTERPRISE (Check appropriate box or boxes)**

Advanced Technology	Economic Dev. Provider	Mining
Agri-Processor	Educational Facility	Other (specify)
Agri-Producer	Emergency Responder	Professional Services
Authority	Exempt Facility	Recycling
Biotechnology / Life Sciences	Export Manufacturing	Reg. & Nat. Headquarters
Business Financial Services	Export Service	Research & Development
Call Center	Food Processing	Retail
Child Care Center	Government	Social Services Provider
Commercial	Healthcare	Tourism Promotion
Community Dev. Provider	Hospitality	Warehouse & Terminal
Computer & Clerical Operators	Industrial	
Defense Related	Manufacturing	
Please fill in when "Other" is specified.		

## Instructions for Pages 3, 4, 5, Single Application for Assistance

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### V. FINANCIAL ASSISTANCE

Choose category of DCED financial assistance that this project is requesting.

**NOTE:** These categories are the same as those used in the Project Budget, section VII.

### VI. USE OF FUNDS

Check the appropriate boxes to describe how the DCED financial assistance will be used in this project.

### VII. PROJECT BUDGET

**GENERAL INSTRUCTIONS:** Indicate all sources of funds and project costs, including those not financed with DCED funds. At the top of the columns number (1) through (4), indicate the source of funds that will be used to pay for those items identified in the budget table. Under the source of funds, indicate the Type of Financial Assistance in the box, whether the funds are:

- Federal – public dollars (grants or loans) from the federal government;
- State – public dollars (grants or loans) from the Commonwealth of PA;
- Local – public dollars (grants or loans) from local government;
- Private – non-public dollars; or
- In-kind – other than cash assistance for the project.

Subtotal all of the line items within a category for each of the columns. **Do not use cents when calculating budget amounts.** Then add all of the Category subtotals *for* each of the columns to arrive at the Total for each source. Use column 5 as a Total for all sources of funding per line item. If your project has more than 4 sources of funding, feel free to duplicate the blank pages and renumber the columns.

If an amount is placed in any of the OTHER categories, you must specify what the money will be used for in the additional space or in the Project Narrative.

**NOTE:** If the application is approved, the project budget becomes a binding part of the legal contract between the applicant and the Department, so the projected figures must be accurate. Depending on the actual DCED funding source, additional detailed information also may be needed. Please reference the specific program guidelines for those requirements on the DCED web site at [www.newPA.com](http://www.newPA.com).

**V. INDICATE BUDGET CATEGORY OF FINANCIAL ASSISTANCE REQUESTED (Check all appropriate boxes)**

Acquisition	Infrastructure / Site Prep	Operating Costs/Working Capital
General Construction	Machinery and Equipment	Related Costs
		Other Costs

**VI. HOW WILL THE ASSISTANCE BE USED? (Check all appropriate boxes)**

Community Development/Revitalization	Environmental	Recreation
Community Services	Export - Domestic Trade (out of PA)	Tax Credits
Crime Prevention	Export - International Trade (out of USA)	Technology Development
Economic Development/Revitalization	Housing	Tourism Promotion
Education	Planning	

**VII. PROJECT BUDGET**

**Include all sources of funds and project costs. (Include monies not financed with DCED funds.)**

Sources	(1) DCED	(2)	(3)	(4)	Total
<i>Type of Financial Assistance</i>					
<b>ACQUISITION</b>					
<i>Land</i>					
<i>Buildings</i>					
Subtotal					
<b>GENERAL CONSTRUCTION</b>					
<i>New Construction</i>					
<i>Renovations</i>					
Subtotal					
<b>INFRASTRUCTURE/ SITE PREPARATION</b>					
<i>Roads &amp; Streets</i>					
<i>Parking</i>					
<i>Water/Sewer</i>					

## **Project Budget Instructions (con't.) - Single Application for Assistance**

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### **Examples of eligible activities for budget line items:**

**Acquisition:** Purchase of land or buildings.

**General Construction:** Indicate new construction or renovation construction costs including plumbing, HVAC, electrical, etc.

**Infrastructure/Site Preparation:** Roads & streets, parking areas, water lines, sewer lines and connections, storm sewers, utilities, demolition, excavating/grading, environmental cleanup.

**Machinery & Equipment:** Purchase of new or used equipment, upgrade of existing equipment, modification of buildings to accommodate purchased equipment, vehicles.

### **Operating Costs / Working Capital:**

- All funds that will be used for working capital purposes by the Company/ Occupant
- Salaries and fringe benefits
- Training and technical assistance costs
- Consumable supplies such as printing, office supplies, disposable equipment/supplies
- Travel, per diem, mileage, airfares, auto rentals
- Promotion/Public Relations/Advertising, (include costs associated with promotion and public relations activities such as brochures, maps, TV or radio time, print ads)
- Office equipment (include telephones, computers, software, copiers, fax machines)
- Space costs such as mortgage costs, rent, maintenance costs, utilities, trash
- Program audit costs
- Indirect costs

### **Related Costs:**

- Professional services/consultants, include contracted program services
- Engineering
- Inspections
- Fees
- Insurance
- Environmental assessment costs
- Legal costs
- Closing costs
- Contingencies (identify the specific use of these funds.)

### **Other Costs:**

- Items not previously specified by a line item in the Project Budget, such as bank fees, membership dues, subscriptions, etc. These costs must be identified in the project narrative or Budget Justification to be eligible expenditures.

**PROJECT BUDGET (continued)**

<b>Sources</b>	<b>(1) DCED</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>Total</b>
<i>Utilities</i>					
<i>Demolition</i>					
<i>Excavation/Grading</i>					
<i>Environmental Cleanup</i>					
<b>Subtotal</b>					
<b>MACHINERY &amp; EQUIPMENT</b>					
<i>New Equipment Purchase</i>					
<i>Used Equipment Purchase</i>					
<i>Upgrade Existing</i>					
<i>Installation/Building Modification</i>					
<i>Vehicles</i>					
<b>Subtotal</b>					
<b>OPERATING COSTS/ WORKING CAPITAL</b>					
<i>Working Capital</i>					
<i>Salaries &amp; Fringe Benefits</i>					
<i>Training &amp; Technical Assistance</i>					
<i>Consumable Supplies</i>					
<i>Travel</i>					
<i>Promotion/Public Relations/Advertising</i>					
<i>Office Equipment</i>					
<i>Space Costs</i>					
<i>Audit</i>					
<i>Indirect Costs</i>					
<b>Subtotal</b>					

## **Instructions for Page 5, Single Application for Assistance**

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### **VIII. BASIS OF COSTS**

Provide the basis for calculating the costs that are identified in the Project Budget.

### **IX. PROJECT NARRATIVE**

On a separate sheet(s) of paper, provide a typewritten narrative that provides a detailed, comprehensive description of the project. The narrative must specifically address each of the cost items identified in the Project Budget section. **NOTE:** Some funding sources have specific guidelines regarding the narrative necessary to qualify for that particular DCED resource.

In general, the narrative must include:

- A. **Specific Problems to be Addressed or Improvements to be Financed.** Identify the problem(s) that need to be resolved. For projects involving a for-profit business, please provide a brief business background, such as: founding or incorporation date, historic background, product and marketing areas.
- B. **Project Description.** What do you plan to accomplish with this project? How do you plan to accomplish it? Include expected outcomes that are measurable, obtainable, clear and understandable, and valid. Examples of measurable outcomes include jobs created or retained, people trained, land or building acquired, housing units renovated or built, etc.
- C. **Projected Schedule and Key Milestones and Dates.** A detailed project schedule of activities, including key milestones and dates, must accompany this application.
- D. **Documentation to Support Budget Costs.** If required by the funding source, include the supporting documents that are checked under the Basis of Costs section of this application.

If applicable, include:

- E. **Certifications or Assurances.** If requesting a specific funding source, please include any specific certification and/or assurances that are required by that funding source.
- F. **Planning/Zoning Letter.** If the project involves infrastructure activities, provide a letter from the applicant or local planning agency certifying that the proposed project is in compliance with the comprehensive and land use plans and zoning and subdivision codes. If the project is not in compliance, explain the nature of the inconsistency and provide an estimated timetable for securing compliance or for securing any desired change.

**PROJECT BUDGET (continued)**

<i>Sources</i>	<i>(1) DCED</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>Total</i>
<b>RELATED COSTS</b>					
<i>Professional Services/Consultants</i>					
<i>Engineering</i>					
<i>Inspections</i>					
<i>Fees</i>					
<i>Insurance</i>					
<i>Environmental Assessment</i>					
<i>Legal Costs</i>					
<i>Closing Costs</i>					
<i>Contingencies</i>					
<b>Subtotal</b>					
<b>OTHER</b>					
<b>Other</b>					
<b>Subtotal</b>					
<b>TOTAL</b>					

**VIII. BASIS OF COSTS (Check appropriate item)**

- |                      |                      |
|----------------------|----------------------|
| Appraisals           | Engineer Estimates   |
| Bids/Quotations      | Sales Agreements     |
| Contractor Estimates | Budget Justification |

**IX. PROJECT NARRATIVE**

Attach a comprehensive description of this project. The narrative must specifically address each cost item identified in the project budget. In general, the narrative must include:

- A. Specific Problems to be Addressed or Improvement to be Financed
- B. Project Description
- C. Project Schedule, Key Milestones and Dates
- D. Documentation to Support Budget Costs

If applicable, include:

- E. Certifications or Assurances
- F. Planning/Zoning Letter

## **Instructions for Page 6, Single Application for Assistance**

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### **X. CERTIFICATION**

This section certifies that the information provided in the application is true and correct to the best of the signer's knowledge. False information may subject the signer and company/entity to criminal prosecution.

Please date the application. An individual who is authorized to sign on behalf of the applicant/sponsor must sign the application prior to submission to DCED. Print or type his or her name and title below the signature. Enter the address of the entity represented. If you are requesting a specific funding that requires the authorized signature be attested, do so in the space provided.

#### **MAIL COMPLETED APPLICATION TO:**

Pennsylvania Department of Community and Economic Development  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg PA 17120-0225

**If you have questions on the Single Application,  
contact DCED Customer Service Center at:**

**1-866-GO-NEWPA (1-866-466-3972) or**

**1-800-379-7448**

**e-mail: [ra-dcedcs@state.pa.us](mailto:ra-dcedcs@state.pa.us)**



**X. CERTIFICATION**

I hereby certify that all information contained in this document and attachments are true and correct to the best of my knowledge. If I knowingly make a false statement or overvalue a security to obtain a grant and/or loan from DCED, I (company, entity and signer) may be subject to criminal prosecution.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: Title: \_\_\_\_\_

Representing: Berks County Industrial Development Authority

Address: Berks County Services Center, 633 Court Street, 14<sup>th</sup> Floor, Reading, PA 19601

If this application is being submitted on behalf of another entity, a certification is also required for that entity.

Signature: \_\_\_\_\_

Print Name: Title: \_\_\_\_\_

**Corporate Submissions Only:**

Attested by: \_\_\_\_\_ (Signature of Corporate Secretary)

"I understand that in order to facilitate the submission of additional applications for this project on the Internet, information from this application (limited to the profile, project summary and site employment/ projected jobs data) will be available to DCED Authorized Service Providers on the DCED Single Application web site, unless I have checked here \_\_\_\_ "

The Department of Community and Economic Development reserves the right to accept or reject any or all applications submitted on the Single Application for Assistance contingent upon available funding sources and respective applicant eligibility.

## IDA APPLICATION APPENDIX

### Type of Bond Financing

<u>Issuer:</u>	<u>Bond Type:</u>	<u>Tax-Exempt Category:</u>
_____ PEDFA (Pool)	_____ Tax-Exempt	_____ Manufacturing
_____ PEDFA (Stand-Alone)	_____ Taxable	_____ Exempt Facility
_____ IDA		_____ Non-Profit
		_____ Housing
		_____ Refunding
		_____ Farmer Loan
		_____ Other

### SIC Codes

Beneficial Owner/Developer SIC and/or NAICS Code \_\_\_\_\_

Company/Occupant SIC and/or NAICS Code \_\_\_\_\_

### Site Description

If the project involves more than one site, or more than one facility on the site, please provide the following details for each site and for each facility.

If the project involves a new site:

If the project involves an existing site:

Land (acquisition)      acres      _____	Land (existing)      acres      _____
Facility (acquisition)      sq. ft.      _____	Facility (existing)      sq. ft.      _____
Facility (expansion)      sq. ft.      _____	Facility (expansion)      sq. ft.      _____
Facility (renovation)      sq. ft.      _____	Facility (renovation)      sq. ft.      _____
Facility (construction)      sq. ft.      _____	Facility (construction)      sq. ft.      _____

### Relocation

Is the Beneficial Owner/Developer or Company/Occupant moving from another site? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If yes, please complete the following. (Refer to program guidelines.)

Former site \_\_\_\_\_

Reason for move \_\_\_\_\_

Miles from project site (if move is within PA) \_\_\_\_\_

### Other Tenants

Please complete the following summary for each tenant (other than the Company/Occupant) located on the project premises. If there are no other tenants, please indicate this below.

<u>Tenant Name</u>	<u>Business Activity</u>	<u>SIC Code</u>	<u>Sq. Ft. Leased</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

## Beneficial Owner/Developer and Company/Occupant Organization Description

### Ownership Structure

List the type of organization (sole proprietorship, corporation, general or limited partnership, non-profit) for both the Beneficial Owner/Developer and the Company/Occupant, as well as the year that each was formed. If applicable, list the Corporation Tax Box Number and the Sales & Use Tax License Number for each organization.

	<u>Type of Organization</u>	<u>Year Formed</u>	<u>Corporation Tax Box #</u>	<u>Sales/Use Tax License #</u>
<b>Benef. Owner:</b>	_____	_____	_____	_____
<b>Co/Occupant:</b>	_____	_____	_____	_____

### Ownership

List all principal owners, controlling stockholder or partners of both the Beneficial Owner/Developer and the Company/Occupant. Include the percentage of ownership of each, as well as their Social Security Number (if individual) or FEIN (if company). If the Beneficial Owner/Developer and/or the Company/Occupant is owned by one or more companies, list the owners of each company and their percentage of ownership. If the Beneficial Owner/Developer and/or Company/Occupant is publicly held with no controlling stockholders, please indicate this below.

<u>Company Name</u>	<u>Principal Owners</u>	<u>FEIN or Social Security #</u>	<u>Percentage of Ownership</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

### Affiliated Organizations

List all companies with which the Beneficial Owner/Developer and/or the Company/Occupant are affiliated. For each affiliate, list the nature of the affiliation and the affiliate's location.

<u>Company Name</u>	<u>Affiliation</u>	<u>Location</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

## **TAX-EXEMPT ELIGIBILITY**

(For Tax-Exempt Projects Only)

Please complete this section if you wish to be considered for tax-exempt financing.

### **1. Restricted uses of Tax-Exempt Loan**

- 1) No portion of the loan may be used to finance the following:

- Airplane
- Beer or liquor store
- Country club
- Gambling facility
- Golf course
- Health club facility
- Hot tub facility
- Massage parlor
- Racetrack
- Racquet sports facility
- Skating facility
- Sky box or other private luxury box
- Suntan facility
- Tennis club

- 2) For manufacturing projects, no more than **25%** of the loan can be used to construct or acquire facilities whose primary purpose is:

- Retail service of food and beverage
- Automobile sales or service
- Recreation or entertainment

- 3) For manufacturing projects, use of the loan for the following facilities is partially restricted:

- Residential facilities
- Farm land, buildings, or equipment
- Condominium facilities such as a single building, enclosed shopping mall, strip offices, stores, or warehouses using substantial common facilities.

*Is the loan intended to be applied to any of the above uses?* \_\_\_\_\_

If yes, please explain on a separate attachment.

### **2. Refunding**

*Is this financing a refunding of outstanding tax-exempt debt?* \_\_\_\_\_

If yes, please attach a copy of IRS form 8038 filed in respect of debt to be refunded.

## TAX-EXEMPT ELIGIBILITY

(For Tax-Exempt Projects Only)

### 3. Capital expenditure restrictions (Applicable to manufacturing projects only)

If an individual, corporation, or partnership (or any related entity) receives over \$1,000,000 in tax-exempt financing (including the current financing and any outstanding tax-exempt financing for a facility within the same jurisdiction as the proposed financing), federal tax law places the following restrictions on the Beneficial Owner/Developer and Company/ Occupant:

The total of the following with respect to the Beneficial Owner/Developer and Company/Occupant (and any related entity) cannot exceed \$20,000,000:

- a) Tax-exempt financing for projects (including this project) or other facilities located in the same city, township, or incorporated municipality; and
- b) Capital expenditures on projects (including this project) or other facilities located in the same city, township, or incorporated municipality, during the six-year period beginning three years prior to funding of this project.

Capital expenditures or bond financing of related persons count toward the \$20,000,000 limit. "Related persons" include any entity related by more than 50% overlapping ownership, including ownership through family relatives.

*Please list below all capital expenditures paid, incurred, or expected to be paid by the Beneficial Owner/Developer and Company/Occupant, in the six year period beginning three years before the anticipated commencement of this project, for projects or facilities located in the same city, township, or incorporated municipality.*

Capital expenditures may include:

Land/Building	Architects, Engineers	Purchase of corporate stock
Construction	Intangibles	Capitalized credit support costs
Equipment	Tenant improvements	Capitalized property taxes
Capitalized interest	Covenants not to compete	Research and development
Legal fees	Capitalized overhead	Equipment to be moved to facility

<u>Calendar Year</u>	<u>Expenditures incurred or to be incurred for this project facility</u>	<u>Expenditures to be incurred at other facilities in the same jurisdiction</u>
-3	_____	_____
-2	_____	_____
-1	_____	_____
Current Project	_____	_____
+1	_____	_____
+2	_____	_____
+3	_____	_____
<b>Totals:</b>	_____	_____

**TAX-EXEMPT ELIGIBILITY**

(For Tax-Exempt Projects Only)

**4. Outstanding tax-exempt financing**

Manufacturing: The Beneficial Owner/Developer and Company/Occupant (and any entity related to either) cannot have outstanding tax-exempt financing anywhere in the United States or its territories or possessions in excess of \$40 million, including the current financing.

Non-Profit: The non-profit entity and all related persons cannot have outstanding non-hospital tax-exempt financing in excess of \$150 million, including the current financing.

*Does the Beneficial Owner/Developer and Company/Occupant have any outstanding tax-exempt financed facilities in the United States which fall into the following categories:*

(Circle Answer)

Current project.	YES	NO
Other facilities owned by the Beneficial Owner/Developer or Company/Occupant and which were financed with tax-exempt bonds.	YES	NO
Facilities owned by an entity in which the Beneficial Owner/Developer, Company/Occupant, or a related entity of either owns more than 50% of the entity.	YES	NO
Facilities leased or occupied by the Beneficial Owner/Developer or Company/Occupant or which were financed with tax-exempt bonds.	YES	NO

*If you answered yes to any of the above questions please list below the outstanding amount of tax-exempt debt and the location of the facility.*

<u>Outstanding amount of tax-exempt financing</u>	<u>Munic., county and state where financed facility is located</u>	<u>Percent of facility owned/occupied</u>
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**TAX-EXEMPT ELIGIBILITY**  
(For Tax-Exempt Projects Only)

**5. Facility Use Breakdown** (Applicable to manufacturing projects only)

For manufacturing projects, up to, but no more than 25% of the tax-exempt proceeds may be used to finance office, research and development, and warehousing space or equipment, provided they are directly related to the manufacturing facility and are located on the same premises. *Please complete the following table which breaks down the usage of the facility to be financed.*

<u>Activity</u>	<u>Floor space to be financed by bonds</u>	<u>Percentage</u>
Office space	_____	_____
Research & Development	_____	_____
Storage of raw materials	_____	_____
Storage of finished products	_____	_____
Manufacturing	_____	_____
Retail	_____	_____
Other industrial	_____	_____
Other commercial	_____	_____
Vacant	_____	_____
TOTAL	_____	_____

**6. Acquisition of existing facility** (For manufacturing and exempt facility projects)

*Will any part of the proposed loan be used to acquire an existing building?* \_\_\_\_\_

If yes, the Beneficial Owner/Developer or Company/Occupant must make qualifying rehabilitation expenditures (on the building and any existing equipment contained within it) **at least equal to 15%** of the amount of the loan spent on the acquisition. Enlargements to the building do not count toward this 15% of rehabilitation expenditures. The 15% of rehabilitation expenditures can be financed through the loan or through other sources, but must be made within two years of the date of the acquisition or the date of issuance of the tax-exempt bonds, whichever is later.

*Describe the proposed rehabilitation expenditures.*

<u>Expenditure source</u>	<u>Amount</u>	<u>Financing</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

## IDA EXHIBITS

**1. Applicant Resolution**

All applications must include a resolution duly adopted by the Applicant's (IDA) governing board. This resolution should identify the Beneficial Owner/Developer (borrower) and the loan amount, and briefly describe the scope of the project.

**2. Financial Letter of Intent**

All applications must include a "Letter of Intent" from a financial institution. This letter may be provided by: the letter of credit bank; the underwriter; the bond purchaser; or other guarantor.

**3. Contact List**

Please attach a list with the mailing address, contact name, telephone and fax number for the following entities: Beneficial Owner/Developer's counsel; letter of credit bank; underwriter; and bond counsel

**4. Preliminary Bond Counsel Opinion**

Tax-exempt applications, for amounts of \$400,000 or greater, must include a preliminary opinion from a qualified bond counsel that the project appears to qualify for tax-exempt financing under federal law. The opinion should specify the federal tax-exempt category for which the project qualifies. The bond counsel firm that provides this letter should be listed in The Bond Buyer's Municipal Marketplace (known as the "Red Book").

**5. TEFRA Information**

Tax-exempt applications must include a proof of publication of the TEFRA public hearing notice and the necessary elected official approval for each project site. The minutes from the TEFRA hearing must be attached in any of the following circumstances: 1) if the TEFRA hearing was attended by any member of the general public, other than persons representing the Beneficial Owner/Developer, Company/Occupant, or IDA; 2) if the project is located primarily outside of the IDA's county; 3) if the project falls under the exempt facility category; or 4) if the project involves a multi-family housing facility.

**6. Applicant Fees**

To be completed by the IDA: please list all Applicant (IDA) fees to be charged to the Beneficial Owner/Developer's for the IDA project:

	<i><u>Amount</u></i>	<i><u>Formula (if applicable)</u></i>
<i>One-Time Fee</i>	_____	_____
<i>Annual Fee</i>	_____	_____