



OFFICE OF THE MAYOR

City Hall | 340 North Washington Avenue | Scranton, PA 18503 | 570.348.4101

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FOR IMMEDIATE RELEASE

Scranton Announces Second Round of Wage Boost, Business Recovery Grants

Awards help raise wages over the next two years and provide funds to businesses negatively impacted by the COVID-19 pandemic.

IMPORTANT

- **ARPA funding supports up to \$50,000 over two years to raise wages for small business employees or up to \$25,000 in economic recovery.**
- **Thirteen businesses receive a total of \$374,012 for wage boost and \$285,503 in recovery.**
- **About a dozen completed applications remain under review.**
- **Scranton's third round of wage boost and small business recovery applications will open August 1.**

SCRANTON, PA. – The City of Scranton continued to support the growth of small business as it awarded nearly \$660,000 in Small Business Recovery and Wage Boost grants on Wed., July 19, 2023. The grants are part of the City's \$68.7 million in American Rescue Plan Act (ARPA) funds. A third round of recovery and wage boost applications will open on August 1 and close on September 15 at safdn.org/grants.

"Today is about supporting our city's small businesses and providing a needed boost to the hard-working employees who help them run each day, as well as setting an example for our broader economic system," said Mayor Paige G. Cagnetti at Noteology, 537 Wyoming Ave., Scranton. "Our wage boost program helps people working in Scranton earn a more livable wage, necessitated by more than just the challenges of the past few years. Pennsylvania's minimum wage belongs in the 20th century; we must keep pushing the state legislature to increase the minimum wage and model the theory that increased wages can stabilize operations in a tight labor market and even enhance a business's bottom line."

In its spending plan approved by City Council in May 2022, the City allocated a total of \$3 million for the support of small business. Applicants can receive up to \$25,000 to recover financial losses caused by the COVID-19 pandemic or up to \$50,000 over the course of two years in wage boost grants. The City's small business support grant administrator is the Scranton Area Community Foundation.

Businesses had to provide evidence of financial loss from 2019 to 2020 to be eligible for the recovery grant.

Scranton's Wage Boost grant raises wages for employees after estimating state averages per industry and position based on the North American Industry Classification System (NAICS). For the first year of the program, ARPA funding fully funds the gap between the current wage and elevated wage. In year two, the City and business share the responsibility of funding the higher wage. By the third year, the goal is for businesses to fully support their employees' new wages.

In June 2023, the digital news magazine The Philadelphia Citizen added Scranton's Wage Boost program to its list of "Ideas We Should Steal."



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Grant recipients and their award details, in alphabetical order, include:

- Autobahn Title and Tag, 711 Davis St., \$25,000 in wage boost grants and \$25,000 in small business recovery grants.
- Bar Pazzo, 131 N. Washington Ave., \$50,000 in wage boost grants and \$25,000 in small business recovery grants.
- Budget Hair Fashions, 968 Wheeler Ave., \$10,503 in small business recovery grants.
- The Creative and Performing Arts Academy of NEPA (CaPAA), 222 Wyoming Ave., \$50,000 in wage boost grants and \$25,000 in small business recovery grants.
- The Dance Studio of Scranton, 310 Penn Ave., \$27,648 in wage boost grants and \$25,000 in small business recovery grants.
- DK USA, 201 Lackawanna Ave., Suite 213, \$50,000 in wage boost grants and \$25,000 in small business recovery grants.
- Fork N' Bowl, 305 Penn Ave., \$50,000 in wage boost grants, and \$25,000 in small business recovery grants.
- LaSalle the Image Makers, 830 S. Webster Ave., \$25,000 in small business recovery grants.
- New Laundry, 127 N. Washington Ave., \$25,000 in small business recovery grants.
- Northern Light Espresso Bar and Café, 536 Biden St., \$25,000 in small business recovery grants.
- Note Fragrances, Inc., 537 Wyoming Ave., \$50,000 in wage boost grants and \$25,000 in small business recovery grants.
- Pocono Liquidations, 524 Green Ridge St., \$50,000 in wage boost grants
- Unison Workforce, 201 Lackawanna Ave., Suite 211, \$21,364 in wage boost grants and \$25,000 in small business recovery grants.

The City previously awarded \$50,000 in wage boost grants to Penn Shadecrafters and \$25,000 each in recovery funds to Penn Shadecrafters, Bee's Backyard, and Crotti's on Ash.

Additional applications completed before the January 31 deadline remain under review.

Other ARPA funding opportunities for small businesses remain open. Startup and Expansion grants of up to \$100,000 remain open with applications accepted on a first-come, first-served basis. Façade improvement grants for up to \$10,000 for a single storefront or a total of \$20,000 for multiple shared storefronts remain open through September 20. Information about Scranton's ARPA plan is online at scrantonpa.gov/arpa.

ABOUT THE AMERICAN RESCUE PLAN ACT (ARPA) OF 2021: ARPA is a \$1.9 trillion federal economic stimulus bill. The City of Scranton received \$68.7 million in ARPA funds to respond to the COVID-19 public health emergency and its economic impacts. The mission of Scranton's ARPA program is to give people access to resources, rebuild the infrastructure systems that impact their everyday lives, and foster equitable wealth generation that targets the needs of Scranton residents.