



OFFICE OF ECONOMIC & COMMUNITY DEVELOPMENT

City Hall | 340 North Washington Avenue | Scranton, PA 18503 | 570.348.4216

Economic Development Administration (EDA) Revolving Loan Fund

Overview:

The City of Scranton's EDA Revolving Loan Fund is a federally funded program through the U.S. Department of Commerce's Economic Development Administration (EDA) Bureau make loans to businesses that cannot otherwise obtain traditional bank financing. Borrowers must demonstrate that credit is not otherwise available on terms and conditions that permit the completion or successful operation of the activity to be financed. The maximum EDA loan amount will be \$100,000 however loan can be no more than 30% of the total project costs. Owner equity shall have a minimum of 20% of ownership.

Eligibility Standards:

Eligible Loan Recipients

Applicants must be private, for-profit businesses **located in the City of Scranton.**

Eligible Uses of Funds

- Purchase Real Estate or Land
- Renovate Business Premises
- Buy or Upgrade Machinery
- Invest in New Technology
- Working Capital

Ineligible or Restricted Uses of Funds

- Acquire an equity position in a private business;
- Subsidize interest payments on an existing loan;
- Provide for borrowers' required equity contributions under other Federal Agencies' loan programs;
- Enable borrowers to acquire an interest in a business, either through the purchase of stock or through the acquisition of assets, unless sufficient justification is provided in the loan documentation.
- Provide RLF loans to a borrower for the purpose of investing in interest-bearing accounts, certificates of deposit or any investments unrelated to the RLF;
- Refinance existing debt;
- Speculative activities such as land banking are not permitted.

Interested in Applying:

If you are interested in learning more and applying for this program, please email Tricia Zilaitis at tzilaitis@scrantonpa.gov