



PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
SMALL BUSINESS FIRST LOAN FUND

FIRST INDUSTRIES – TOURISM PROGRAM

BUSINESS FINANCE ASSISTANCE PROGRAM

Southwestern Pennsylvania Commission

Two Chatham Center
Suite 500
112 Washington Place
Pittsburgh, PA 15219-3451
Voice (412) 391-5590
Fax (412) 391-9160
www.spcregion.org

For more information contact:

Edward Nemeth, Manager
Business Finance Assistance
(412) 391-5590 x322
enemeth@spcregion.org

or

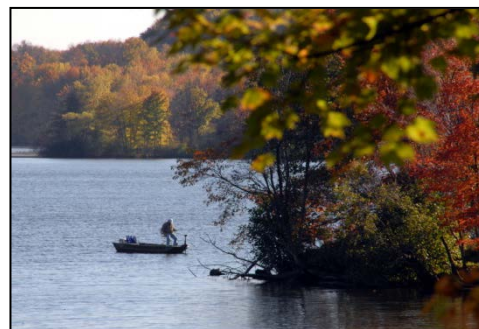
Todd Stranko, Assistant Manager
Business Finance Assistance
(412) 391-5590 x350
tstranko@spcregion.org

PURPOSE

Provide low interest loans and loan guarantees to non-profit and for-profit businesses undertaking projects related to the promotion and development of tourism in Pennsylvania.

LOAN LIMITS

\$400,000 or 50% of the total project cost, whichever is less. Only \$100,000 may be used for working capital. At least one full-time job must be created or preserved within three years from the completion of the project for every \$25,000 borrowed.



TERM

15 years – Land and Buildings
10 years – Machinery and Equipment
3 years – Working Capital

RATE

3.25% fixed, per annum

PRIVATE FINANCING

Private sector or equity match is required

ELIGIBLE USES

Tourism is defined as an activity which promotes or encourages individuals to travel to a location within this Commonwealth for pleasure. For purposes of the program, tourism-related projects include all of, but not limited to, the following:

1. Destination sites located in Pennsylvania, including but not limited to historic, heritage, cultural, sporting, amusement, nature, outdoor recreational, or retail venues.
2. Hospitality establishments, including lodging and restaurants, retail establishments, and outdoor activity-based businesses in close geographic proximity to a Pennsylvania destination site or part of the marketing effort that targets a Pennsylvania destination site.
3. Businesses that develop and market travel packages for the purpose of bringing out-of-state visitors into Pennsylvania to enjoy attractions and stay in overnight, paid accommodations.
4. Public/private partnerships formed to enhance or optimize the use of Commonwealth owned resources such as state-owned parks and state game lands.
5. Tourism related activities or events that promote overnight visits in Pennsylvania.
6. Other projects or activities as determined by the CFA.

ELIGIBLE APPLICANT

An eligible applicant for a loan must be a for-profit business enterprise (including a corporation, limited liability company, sole proprietor, or partnership).

COLLATERAL

Loans are to be secured by lien positions on collateral at the highest level of priority that can accommodate the borrower's ability to raise debt and equity capital. Generally, personal and corporate guarantees are required.

APPLICATION REQUIREMENTS

Must have 100 or fewer employees, including parent, subsidiaries and affiliates, at the time of application.

OTHER REQUIREMENTS

Independently and professionally-prepared financial statements. Commitment letters from all other sources of funding. Sufficient cash flow to meet the debt service. Key person life insurance, in most instances, will be required.

