

CDFA EDA Revolving Loan Fund Training Course

RLF Management



BUCKS COUNTY
Industrial Development Authority



BUCKS COUNTY

Industrial Development Authority

WHO IS THE BUCKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY?

- Public non-profit corporation established in 1968
- Issue tax free financing to: for profit manufacturing companies, exempt facilities (e.g. solid waste) and non profits (e.g. nursing homes, hospitals).
- Designated lead economic development agency in Bucks County
- Manage/administer County of Bucks economic development initiatives and financing programs: EDA, CDBG(HUD), County of Bucks programs.

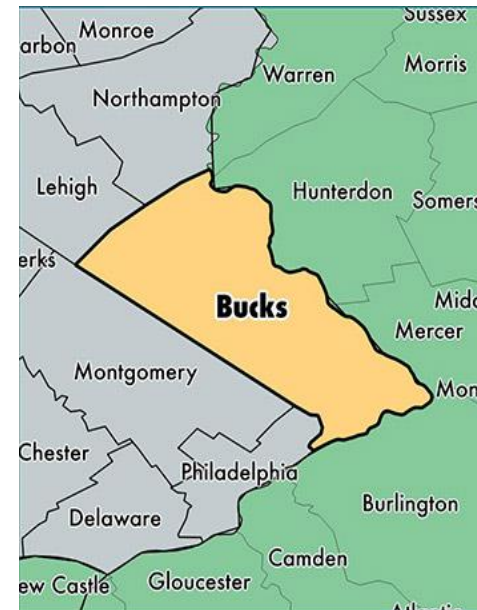


Photo credit: worldatlas.com



BUCKS COUNTY
Industrial Development Authority



BCIDA Loan Portfolio

EDA RLF Funds \$6.2 Million

- Public/Private partnerships that encourage but is not limited to: revitalization & adaptive reuse of older, vacant and abandoned or underutilized industrial and manufacturing facilities; new job creation & retention
- 4 loans since administrative take over; 18 since award
- Maximum per loan \$500,000

CDBG HUD RLF \$ 2.7 Million

- For economic development to assist new an existing small-medium size businesses to grow and expand
- 15 of loans
- Includes funding projects in Enterprise Zones

Bucks Guaranteed \$2 Million

- Reuse of Greyfield and Brownfield sites requiring remediation. Main Street and downtown redevelopment related to smart growth. Improvement of critical infrastructure.
- 1 loan, 1 Guarantee

Bucks Renewed \$2 Million

- Renovations of significant downtown buildings or projects representing core improvements in downtown revitalization plans.
- 4 loans since inception

Bucks Rebuilt \$1 Million

- Used for Revitalization and adaptive reuse of older, vacant and abandoned or underutilized industrial and manufacturing properties (Brownfields or Greyfields)
- Can be used for loans, however, currently used for County initiative for creation of Sellersville Business Campus (formerly AMETEK site)

Taste & Tour Bucks County \$250,000

- Small loans provided to Farming, agri-business and tourism communities
- Maximum per loan \$35,000
- 3 loan from program since loan administration take over

Tax Free Financing Hundreds of Millions

- Have been providing Tax Free Financing since 1968

VC4BC Partnership with Ben Franklin for Venture Capital



BUCKS COUNTY
Industrial Development Authority

BCIDA EDA Revolving Loan Fund Timeline

1995

- Federal Lands Reuse Authority of Bucks County (FLRA) awarded RLF administered by other agency

2008

- EDA approved transfer of RLF to BCIDA with administration by FLRA's administrator

2013

- BCIDA staff began administering RLF in May

2014

- Sequestration of funds in February



BUCKS COUNTY

Industrial Development Authority

Our Structure:

BCIDA Board

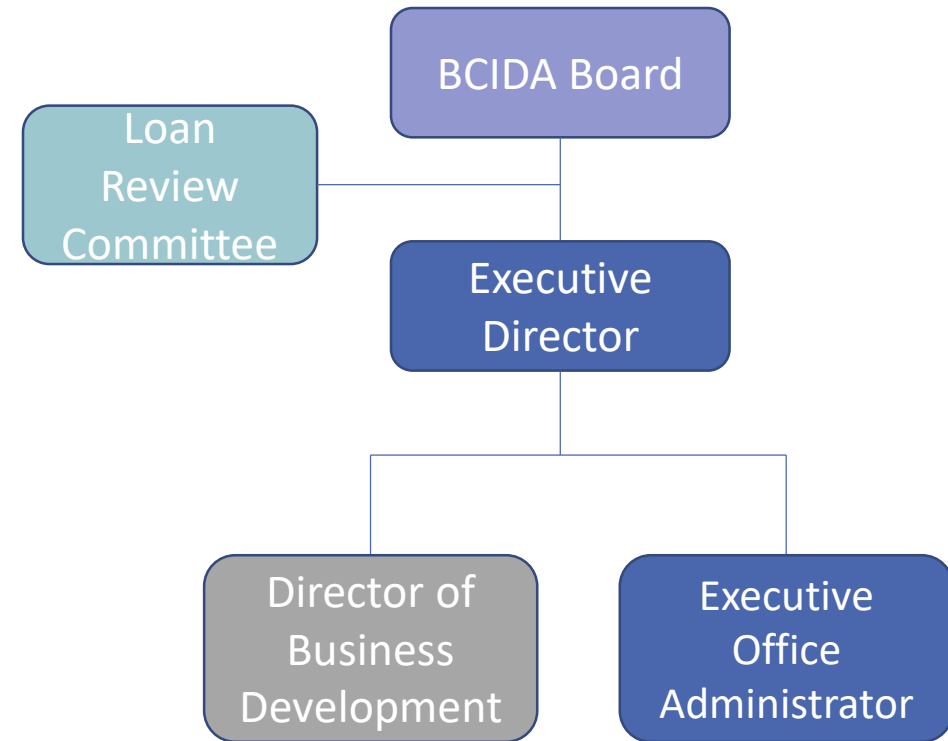
- Chairman
- Vice-Chairman
- Treasurer
- Secretary
- Assistant Treasurer/Secretary

Staff

- Executive Director
- Director of Business Development (to be hired later this year)
- Executive Office Administrator

Additional

- Underwriter (part of Loan Review Committee)
- Loan Review Committee
- Accountant
- Solicitor
- Economic Development Coordinator (County of Bucks Liaison)





BUCKS COUNTY
Industrial Development Authority

Loan Administration Transferred to BCIDA



- Created Lending Policy
- Created Loan Review Committee
- Created Loan Servicing Procedures
- Created Application



BUCKS COUNTY

Industrial Development Authority

Gorski Engineering, Inc. (Best Made Center)

Nature of Project: Downtown Revitalization

Acquisition of 60,000 sq. ft., one and part-two story manufacturing complex

Reconstructed into 46,800 sq. ft. multi-tenanted facility – 33,000 sq. ft. leased by Synergis Technologies, Inc.

Private Investment: \$3.6 million

RLF Financing: \$400,000

Jobs Created

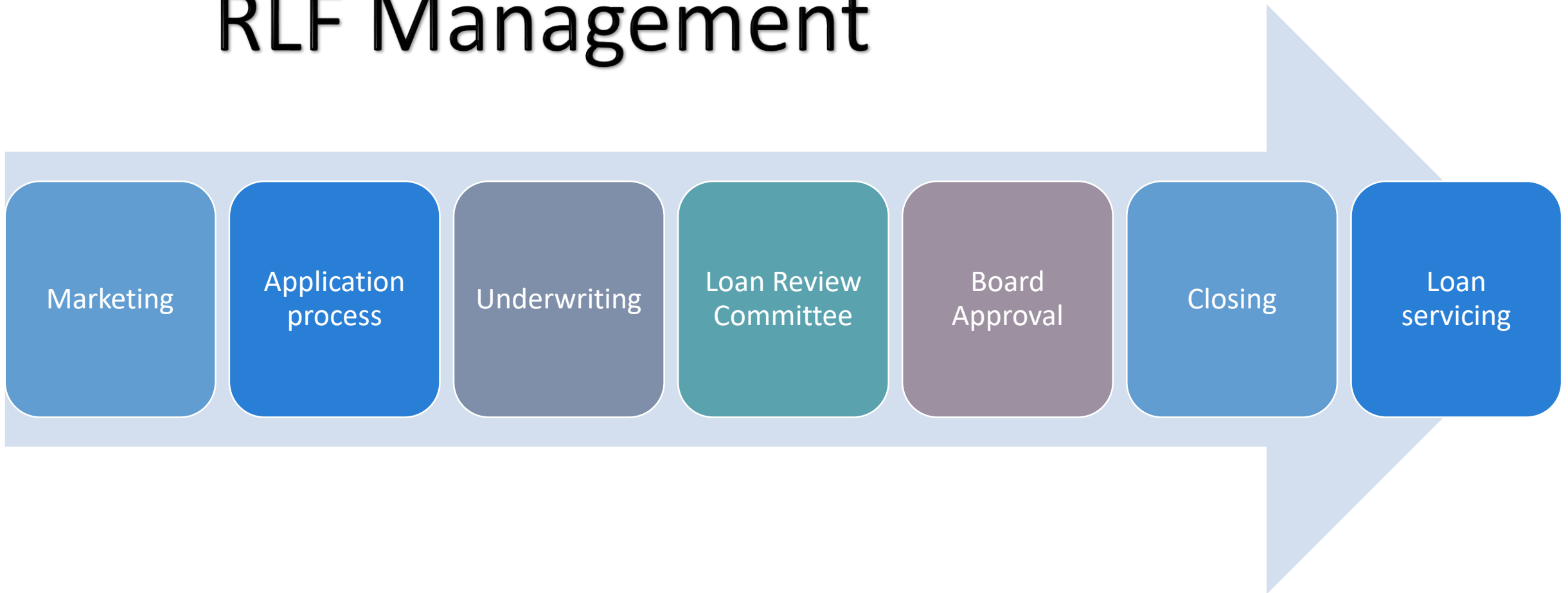
28





BUCKS COUNTY
Industrial Development Authority

RLF Management





BUCKS COUNTY
Industrial Development Authority

RLF Management - Marketing

- Relationships with banks
- Relationships with Chambers of Commerce (business expos)
- Team Bucks (team of economic development organizations)





RLF Management – Application Process

- Pre-Application meeting with Executive Director and Economic Development Coordinator
 - Identify other assistance (if needed)
- Submit application with all exhibits for review by Executive Director & staff
- Decision on which financial program more beneficial if able to assist
- Forward necessary information to underwriter



PROCEDURES

Application Form

A request for a loan will not be considered until the attached application form is completed and all required exhibits are submitted. The application form should be completed according to the instructions provided, and exhibits should be attached according to the index of exhibits at the end of the application form. A separate application should be prepared for each proposed project.

Submission of Application

Forward the original and two copies of the completed application to:

Bucks County Industrial Development Authority
Suite 100
11 Welden Drive
Doylestown, PA 18901

Notice of Receipt of Application

Bucks County Industrial Development Authority (BCIDA) staff will review the application for completeness and eligibility and will notify the applicant when a complete application has been received and is acceptable for processing. Where applications lack required information or where additional materials are needed, BCIDA staff will devote a reasonable amount of time to work with the applicant to assist in completing the application. However, applications that are unable to meet required qualifications will not be considered by the BCIDA Loan Review Committee. In addition, applicants may provide, or may be asked to provide, additional clarifying information during initial review of the application. Any additional information must be provided to the BCIDA when requested.

Review and Recommendation

Once a completed application has been received, the loan request will be scheduled for consideration at the next regularly scheduled BCIDA Loan Review Committee meeting. Meetings will generally be held once every month at the BCIDA offices. Applicants whose loan is under consideration may be asked to attend.

Questions

Any questions on the status of an application should be directed to BCIDA staff at 267-880-6071.



BUCKS COUNTY
Industrial Development Authority

RLF Management – Underwriting

- Underwriter is outside the organization, also part of Loan Review Committee
- Employed with a bank and in a position for commercial lending
- Provides the Loan Review Committee with the financial status of the potential borrower and their ability to repay loan





BUCKS COUNTY
Industrial Development Authority

RLF Management – Loan Review Committee

- Overseen by BCIDA Board Member
- Committee comprised of: two BCIDA Board members, one business owner and two commercial loan officers, one of them being the Underwriter
- Reviews applications with recommendation of approval or rejection to BCIDA Board





BUCKS COUNTY
Industrial Development Authority

RLF Management – BCIDA Board Review



- Board comprised of:
 - one elected official from County of Bucks government
 - two local business owners
 - one real estate marketer
 - currently one vacant position
- Makes final decision on application approval or rejection



BUCKS COUNTY
Industrial Development Authority

RLF Management – Closing

- Closings performed by BCIDA Solicitor
- Solicitor produces all documents for closings including: Commitment letter, UCC filing, Loan Agreement
- Funding check produce by BCIDA staff but presented at closing by Solicitor





BUCKS COUNTY
Industrial Development Authority

RLF Management – Loan Servicing

- Loan Servicing performed by BCIDA staff
 - Payment tracking
 - Job creation/retention tracking
 - Ensuring all EDA regulations are being met (including environmental, RLF Plan, etc.)
- All legal documents created by Solicitor (modifications, defaults)





BUCKS COUNTY

Industrial Development Authority

Klover Contracting

Private Investment: \$3,073,020

RLF Financing: \$400,000

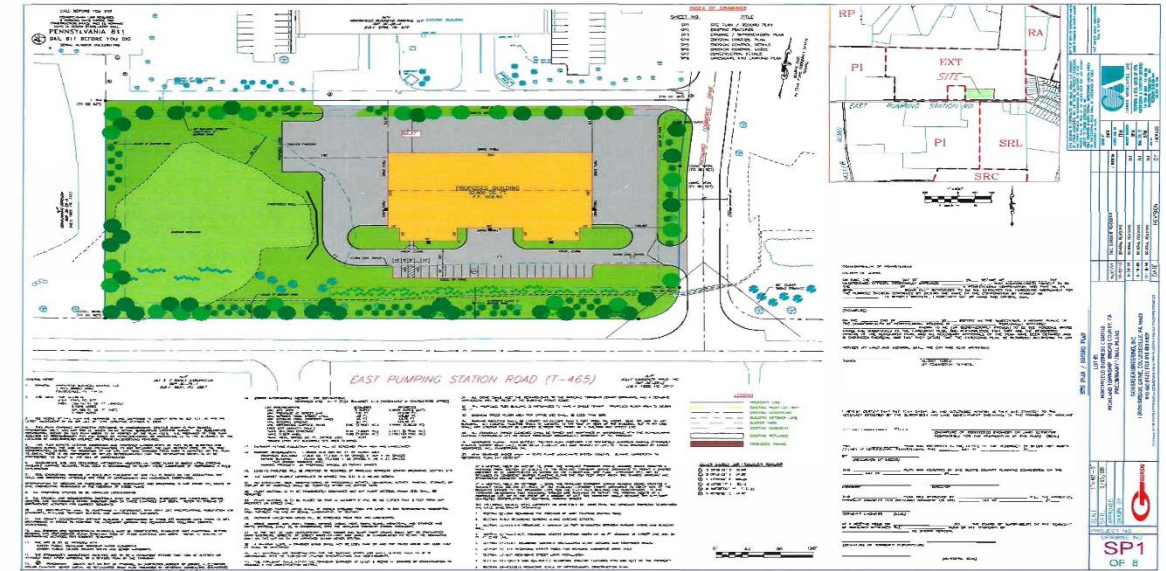
Nature of Project :

Expand prefabrication operation

Construct new 30,000 sq ft building

Jobs Created

22



PROPOSED Site Plan

