

City Revitalization and Improvement Zone (CRIZ)
Small Business Financial Assistance Program Grant Guidelines

Purpose of these Guidelines:

These Guidelines provide information for existing small businesses or new businesses that are in the CRIZ district, and are seeking financing to develop, expand or improve their businesses. Please refer to the information and map on the CRIZ webpage for more details on the CRIZ.

<http://cityoflancasterpa.com/business/criz> .

ELIGIBLE APPLICANTS:

Businesses that are owner operated and are engaged in commercial, retail, or mixed use will be considered; including

- Existing businesses that have filed annual CRIZ reports but are not receiving any direct CRIZ benefit to the business.
- New businesses moving in to the CRIZ district focusing on vacant, underutilized or undeveloped properties.

MAXIMUM GRANT AMOUNT:

The maximum grant amount will be up to \$25,000.

ELIGIBLE COSTS:

- Acquisition, demolition, construction, renovation of a property, including leasehold improvements.
- New equipment related to expansion of an existing business.
- Façade improvement if the property is owned by the business, or the property owner agrees to the façade improvement.
- Activities that would assist in removing impediments to the development of a property (ex. environmental remediation).
- Acquisition of existing equipment when buying the assets of an existing business to continue operations under new ownership.

The CRIZ Authority reserves the right to determine the grant amount based on the intended use of the proceeds and the financial and capital assets of the applicant.

GRANT CONDITIONS:

- Project site must be in the CRIZ district and meet all other State CRIZ requirements.
- Should demonstrate that the business can create a reasonable amount of annual CRIZ tax revenue.
- Provide all documentation requested on the Application.
- The applicant must agree to create or retain an agreed upon number of Full Time Equivalent positions. In addition, businesses receiving grants should try to have 75% of the jobs

created/retained made available to or held by persons from low to moderate income households that live in the City of Lancaster.

- Preference will be given when jobs created/retained pay livable wages for the Lancaster City area.
- The CRIZ Authority will make the final decision on any other terms that may be included.

EQUITY REQUIREMENTS:

The specific form of owner equity may be negotiated prior to approval.

MATCH:

\$1.00 for every \$5.00 grant

FEES:

The non-refundable application fee will be \$100. The borrower shall also pay all closing costs including the CRIZ legal fees. The exact fee shall be provided prior to closing, and can be included in the grant amount.

GRANT APPROVAL:

The application and all information must be submitted to Lancaster CRIZ Staff. The information will then be reviewed by the CRIZ Project Review or the Finance Committee. A recommendation to approve the grant will be presented to the CRIZ Authority for approval. Applicants are required to attend the meetings as requested.

DOCUMENTATION REQUIREMENTS:

To be considered for the Program, please submit everything on the application checklist.

City Revitalization and Improvement Zone (CRIZ)
Small Business Financial Assistance Program Grant
Application Checklist

The following information must be submitted to be considered for the CRIZ Small Business Grant Program, unless waived by the CRIZ Authority.

- ___ 1. Completed Application.
- ___ 2. Business Plan. The business plan should include the information requested in the "Business Plan Outline".
- ___ 3. Detailed Description of Project. Include a summary of financing needs and the anticipated benefit of the grant.
- ___ 4. Business Financial Statements. Include balance sheets and income statements for the last 3 years if available.
- ___ 5. Business Tax Returns (for last 3 years, if available).
- ___ 6. Projected Cash Flow Statements (the next 12 months), plus an estimate of annual CRIZ revenue.
- ___ 7. Personal Financial Statements. Owner, and (Guarantors if applicable) must complete and sign.
- ___ 8. Personal Signed Tax Returns for All Owners (for the last 3 years).
- ___ 9. Personal Budget Statement if not an existing business.
- ___ 10. Resumes of all owners.
- ___ 11. Commitment letters for any additional funds required.
- ___ 12. Application fee of \$100.

Send all information in paper format via USPS or electronically via email to:

Lancaster CRIZ Authority
c/o Lancaster City Alliance
Attention: Jeremy Young
115 East King Street
Lancaster, PA 17602
(717) 696-6200
jyoung@teamlanc.org

Business Plan Outline

As part of the information requested in the Grant Application Checklist, all businesses should include a Business Plan in the Application Package. This business plan should include, at a minimum, information related to the areas listed below:

a. Purpose of Your Business

- What product or service are you selling?
- What is unique about your business?
- What are your company's strengths and weaknesses?
- What is the nature of this industry?

b. Description of Market

- Who are your target customers?
- How large is the target market for your product?
- Is the market growing?
- What are your marketing and advertising strategies?
- What is your company's pricing strategy?
- What contracts or purchase orders do you currently have?

c. Description of Competition

- Who are your competitors?
- What are your competitor's strengths and weaknesses?
- What has been the failure rate of your competitors in the last few years, and why have they failed?

d. Description of Management Capacity

- What is your experience in this industry?
- What is your management background?
- Who will manage the business?
- Do you have a lawyer, accountant, or consultant to assist management?
- Who are the other key management people within your company?

e. Description of Legal Status

- How are you legally organized? (sole proprietor, partnership, corporation-C or S, nonprofit, cooperative, etc.) When was the business formed? Include a copy of the legal documents proving your organization's status.

Please note that these questions are only a guide to some of the topics you may need to address. Not all of them will apply to all businesses, and just answering this list will not adequately describe every business. Please include information that you believe will be helpful to the committee and CRIZ Authority to best understand your business.