

NEW MARKETS TAX CREDIT LOAN FUND (NMLF)

The NMLF Program is designed to stimulate the growth of new and existing businesses in the City of Pittsburgh. It utilizes New Markets Tax Credits through Pittsburgh Urban Initiatives (PUI). The program targets manufacturing, distribution, and technology- and innovation-based, high job growth potential companies as well as community service facilities.

The NMLF is part of PUI's focus on encouraging more entrepreneurship and small business development and promoting inclusive growth and quality job creation.

Loan Size: The maximum loan amount shall be up to \$2,000,000.00. The minimum loan amount is \$500,000.

Private Sector Investment: Loans can be made in conjunction with a private lending source; NMLF loans should be no more than 40 percent of the project costs.

Equity Requirements: Each project shall contain a minimum cash equity investment by the applicant of 10 percent or higher of the total project cost.

Term: Up to 8 years, up to 7 years interest only

Interest Rate: Approximately 3-3.5 percent, subject to the loan size and PUI underwriting

Prohibited Activities

Loan proceeds may not be used for: refinancing existing debts (including leveraged buy-outs); speculative acquisition of real estate; or distribution or payment to the owners, partners, shareholders, or beneficiaries of the applicant or members of their families. "Sin businesses" as defined by the CDFI Fund. These golf course, country club, massage parlor, hot tub facility, suntan facility, gambling, liquor store and agriculture.

Please take a look at the full guidelines for more specifics on this program.

For more information please contact Rebecca Davidson-Wagner at rwagner@ura.org

Eligibility

The following criteria are used to determine whether an applicant is eligible for a NMLF loan:

Area Eligibility

All projects must be located within the City of Pittsburgh's eligible NMTC areas and within a highly distressed census tract.

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New Market Tax Credit Eligibility

All NMLF projects must comply with New Markets Tax Credit rules and regulations. PUI/URA will require all applicants complete an initial NMTC Compliance Questionnaire.

Eligible Expenses

Machinery and equipment, including acquisition, delivery, and installation, limited to items directly related to the operation of the business

Leasehold improvements, including façade renovations

Real estate, including acquisition, construction and soft costs associated with real estate projects