

ECONOMIC DEVELOPMENT ASSISTANCE HANDBOOK



***An Economic Development
Resource Guide Compiled
by the Cuyahoga County
Department of Development***

Information updated October 2008



COMMISSIONERS
Jimmy Dimora
Timothy F. Hagan
Peter Lawson Jones



JIMMY DIMORA



TIMOTHY F. HAGAN



PETER LAWSON JONES

Cuyahoga County Commissioners Timothy F. Hagan, Jimmy Dimora and Peter Lawson Jones remain committed to enhancing the economic vitality and well-being of Cuyahoga County through their leadership of, and support for the Development Department. The creation and retention of good jobs and the attraction of private investment remain key objectives of the Cuyahoga County Development Department's strategy. That strategy features a number of new and innovative programs and is implemented by a dedicated team of economic development professionals. These programs are diverse in nature and were designed to meet the changing needs of the local economy. The staff of the Department of Development is committed to working with community leaders, project developers and business owners like yourselves, to ensure the continued economic growth of this region.

This handbook was compiled by the Cuyahoga County Department of Development staff as an overview of the programs we offer, to individuals, business owners, and project developers who are interested in expanding or relocating their business in Cuyahoga County. In addition to the programs that Cuyahoga County offers, this comprehensive resource directory provides you with programs offered by the State of Ohio, the City of Cleveland, the Federal Small Business Administration, as well as other local public and quasi-public economic development agencies.

I hope you find this handbook a valuable resource as you consider Cuyahoga County as a potential place to grow your company. All of us in the Cuyahoga County Development Department are available to answer any questions you may have regarding the programs listed, and we look forward to working with you in the future.

Sincerely,

Paul Oyaski, Director
Cuyahoga County Department of Development



COMMISSIONERS
Jimmy Dimora
Timothy F. Hagan
Peter Lawson Jones

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Information contained in this handbook was updated by Department of Development in October of 2008. Please note that this information is accurate to the best of our knowledge. Programs may change or be eliminated and we ask that individuals contact us if there are any inaccuracies. The county cannot be held responsible for any errors in information contained herein.

PUBLIC FINANCING ASSISTANCE

The goal of public financing assistance is the creation, retention or expansion of jobs and/or the creation of new revenues to local government. This process encourages public/private partnerships to leverage the benefits of lower equity injections, lower interest rates and/or longer terms. When considering utilizing one of the programs outlined in this handbook, remember that this is a detailed process that involves private lender participation and in most cases equity contribution from the principal owners of the company. As in the private sector, most public financing programs will require detailed information in order to make an educated credit decision. A list of information that **may** be needed to complete a credit request package is listed below:

- Application fee
- Previous Three (3) Years of Historical Business Financial Statements and/or Corporate Tax Returns (Balance Sheet, P&L, Cash Flow)
- Current and Previous Year Comparative Interim Business Financial Statement (Balance Sheet, P&L, Cash Flow current within 90 days)
- Aging of Accounts Payable and Accounts Receivable (current within 90 days)
- Two (2) Years of Projected Business Financial Statements (Balance Sheet, P&L, Cash Flow)
- Personal Financial Statements (20% ownership or more) Including Previous Two (2) Years of Personal Tax Returns on Each Owner
- Resumes of Officers and Key Management Personnel
- Summary Describing:
 - Existing Business
 - Date Established or Purchased
 - Current Ownership or Previous Ownership and/or use
 - Products Sold and/or the Services Rendered
 - Geographic Market
 - Marketing Methods
 - Strengths of the Business
- List of Customer and Suppliers That Comprise 10% or More of the Company's Business
- Summary Highlighting the Proposed Project Including, Unique Features, Enhancements and Benefits
- Third Party Appraisal(s) on the Collateral (real estate and/or equipment)
- Letter(s) of Intent or Letter(s) of Commitment from Private Lender(s) and/or any Other Funder(s)
- Governing Instruments Including Articles of Incorporation, Partnership, Articles of Organization and Operating Agreement(s)
- Copy of the Construction / Rehabilitation Cost Estimates and the Scope of Work
- Copy of the Existing or Proposed Purchase Agreement or Option
- List of Equipment to be Purchased Including the Purchase Invoice or Requisition
- Tenant(s) Letter of Commitment or Copy of the Lease Agreement
- Environmental Clearance Evidence – Phase I / Phase II Environmental Review Reports

This handbook contains several Cuyahoga County area assistance programs that are available to assist businesses looking to expand or relocate in Cuyahoga County. Although not all programs available are listed below, this list provides a starting point for businesses and provides information regarding program parameters, eligibility and requirements for these programs to help a business get started on the path to future growth. Should more information be needed, contact the provider or call the Cuyahoga County Department of Development at 216-698-2851.



MISSION STATEMENT

The mission of the Department of Development is to foster strong neighborhoods, support safe, decent and affordable housing, and promote economically sound communities through programs that address issues vital to local business growth and enhanced employment opportunities within Cuyahoga County.

The Department of Development provides financial and technical assistance to businesses and communities through a number of economic development programs designed to assist businesses in locating or expanding in Cuyahoga County. County staff is also familiar with other area programs and will work with businesses to create the best financing package. By locating your business in the County, you will be able to take advantage of the convenient location, strong infrastructure, affordable housing, advanced workforce training, excellent universities, world renowned arts, outstanding recreation and green space, major league sports, and the many other features contributing to the high quality of life in Cuyahoga County.

The Department of Development provides unique and award-winning programs to help local citizens and businesses. With some of the most creative programs in community development, economic development and housing, the department has responded to a mandate to innovate from the Cuyahoga County Board of Commissioners. The Department of Development's professional staff work with local elected officials, business leaders, small business owners, entrepreneurs, non-profits, arts and cultural organizations and universities to provide technical assistance and educational opportunities that will ensure a vibrant economic future for our region.

Cuyahoga County Department of Development

BROWNFIELD COMMUNITY ASSESSMENT INITIATIVE

The Cuyahoga County Brownfield Community Assessment Initiative provides professional services to conduct "Phase I" and "Phase II" environmental site assessments on brownfields contaminated with hazardous substances and/or petroleum products in Cuyahoga County. The initiative was established through a cooperative agreement with the U.S. Environmental Protection Agency (EPA).

The County is directly contracting with qualified environmental consulting firms to conduct the assessments. The county will pay up to \$6,500 for a Phase I environmental property assessment and up to \$35,000 for a Phase II environmental property assessment. All Phase I assessments will (at a minimum) meet the U.S. EPA's "All Appropriate Inquiry" criteria for brownfields, but there is the option to complete all assessment activities under the standards of the Ohio EPA's [Voluntary Action Program](#) (VAP) and/or State of Ohio's [Bureau of Underground Storage Tank Regulations](#) (BUSTR) 3-Tier Evaluation process.

Eligible applicants are public entities, non-profit organizations, businesses, and developers located in the county. Funds are not available to any parties that caused or contributed to the contamination of the site.

Interested applicants can download applications from County's Brownfields Internet site at www.brownfields.cuyahogacounty.us. A committee, consisting of the County's brownfields staff and local community organizations, reviews and makes recommendations for suitable sites to the Development Director on a first-come-first-serve basis. All project funding support requires final approval by the Cuyahoga County Board of Commissioners.

BROWNFIELD REDEVELOPMENT FUND (BRF)

The Cuyahoga County Brownfield Redevelopment Fund (BRF) is specifically designed to overcome environmental barriers to reuse and obtain full use of underutilized commercial, industrial and institutional properties within Cuyahoga County. Job creation and an increase in property values is an expected outcome of cleanup and redevelopment.

The County can fund up to \$1 million directly per project. All project financing should be committed or secured. Depending on the project location, a pre-determined scheduled subsidy ranging from 20% to 40% of the project's cost is available. Loan terms up to 15 years. A non-refundable application fee of \$150 applies to all program areas.

- Eligible applicants include: Cuyahoga County municipal corporations, non-profit community development corporations, and private developers/businesses.
- Sites with prior commercial, industrial or institutional usage, which are eligible for the Voluntary Action Program (VAP) of the State of Ohio.
- The applicant must have a completed VAP Phase I environmental assessment that identifies environmental problems. All subsequent environmental assessments that identify the environmental problem and propose a remediation plan will also be required.

There are four program areas which are fully described on the county website at www.brownfields.cuyahogacounty.us. A pre-application/interview process is required to facilitate the formal financing process, and best utilize limited resources. A \$150 non-refundable application fee is due when the application is submitted.

For more information contact:

Cuyahoga County Department of Development
112 Hamilton Ct. 4th Floor
Cleveland, Ohio 44114
Telephone: 216-698-2851
Fax: 216-348-4479
www.development.cuyahogacounty.us



Cuyahoga County Department of Development

BROWNFIELD REVOLVING LOAN FUND (BRLF)

As a result of grant funding from the USEPA, the Cuyahoga County Brownfield Revolving Loan Fund is **designed to assist non-profit entities and municipalities** with brownfield cleanup projects. Subgrants and/or partially forgivable loans may be available to non-profits under this program.

Eligibility:

- Borrowers must own the property.
- Borrower cannot be responsible for contamination at the property (PRP – Potentially Responsible Party).
- Borrower must demonstrate capacity for loan repayment.

Environmental Requirements:

- Environmental documentation required: Phase I and II Property Assessments, Remedial Action Plan, Asbestos Survey (if applicable).
- Proof of eligibility to enter Ohio EPA's Voluntary Action Program – Memorandum of Agreement (MOA) track.

Loan Terms:

- Repayment terms are negotiated on a project by project basis.
- Loan deferment is available on a project by project basis.
- Below market interest rate.
- No prepayment penalty.
- Funds can be utilized in combination with other funding sources.
- Funds to be utilized for environmental remediation, asbestos abatement, confirmation sampling and analysis, and Voluntary Action Program documentation.

The Brownfield Revolving Loan Fund was used to remove asbestos in this former church, allowing it to be remodeled into a youth club.



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Cuyahoga County Department of Development

ECONOMIC DEVELOPMENT LOAN PROGRAM

The Economic Development Loan Program provides businesses with financial assistance to support the creation of jobs for County residents. The fund provides long term, fixed-rate financing at interest rates lower than conventional financing. The interest rate is typically between 2% and 4%. The fund is intended to fill a financing gap beyond the amount of private participation and equity investment that can be raised. Loans generally range from a minimum of \$35,000 to a maximum of \$350,000, up to forty percent (40%) of total project cost. Loan terms are typically seven (7) years on equipment and up to fifteen (15) years on land and building.

Loans can be used to finance the acquisition of land, buildings, machinery and equipment as well as for new construction, renovation, expansion and/or conversion of facilities. Loans cannot be used to refinance debt, purchase inventory, pay other non-capital costs, finance restaurants or on speculative projects. The County will take a subordinated collateral position provided there is adequate collateral available as security, up to a ninety percent (90.00%) loan to value ratio or an irrevocable letter of credit.

Business Requirements

- \$150 nonrefundable application fee, plus a loan fee equal to .5% of County loan amount.
- For-profit commercial, industrial or service businesses that expand or move to the County qualify for consideration, if registered to do business in Ohio. The County does not finance restaurants or speculative projects
- Businesses are required to create one new, full time, permanent job for every \$35,000 loaned within three years of loan closing.
- Businesses must provide a minimum of ten percent (10.00%) equity. The business owner or majority stockholder must provide a personal guarantee for the loan amount, unless a letter of credit is provided.
- The business must execute Workforce Cooperation Agreement with the County that designates as first source of referral for mutually agreed positions at the company.
- Business must demonstrate the ability to repay the loan as well as have adequate collateral and acceptable credit.
- Prevailing wage rates must be paid when loan funds are used for construction.

For more information contact:

Cuyahoga County Department of Development
112 Hamilton Ct. 4th Floor
Cleveland, Ohio 44114
(216) 698-2851
www.development.cuyahogacounty.us



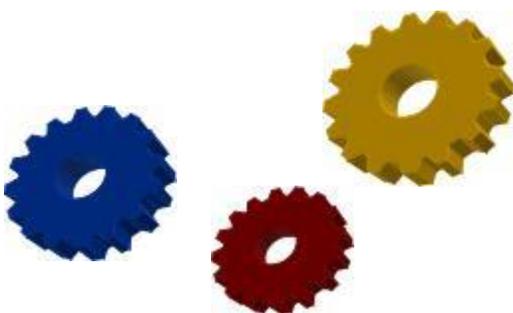
Cuyahoga County Department of Development

M.A.D.E. IN CUYAHOGA COUNTY (Manufacturing Assistance, Development and Expansion Program)

The M.A.D.E. in Cuyahoga County Program provides manufacturing businesses with financial assistance to support the creation of jobs for County residents. The fund provides long term, fixed-rate financing at interest rates lower than conventional financing. Interest rate is currently two and three quarters percent (2.75%). The fund is intended to fill a financing gap beyond the amount of private participation and equity investment that can be raised. Loans generally range from a minimum of \$35,000 to a maximum of \$200,000, up to forty percent (40%) of total project cost. Loan terms are typically seven (7) years on equipment and up to fifteen (15) years on land and building. Loans can be used to finance the acquisition of land, buildings, machinery and equipment as well as for new construction, renovation, expansion and/or conversion of facilities. Loans cannot be used to refinance debt, purchase inventory, pay other non-capital costs or on speculative projects. The County will take a subordinated collateral position provided there is adequate collateral available as security, up to a ninety percent (90.00%) loan to value ratio or an irrevocable letter of credit.

Business Requirements

- \$150 nonrefundable application fee, plus a loan fee equal to .5% of County loan amount.
- For-profit manufacturing or industrial businesses that expand in or move to the County qualify for consideration, if registered to do business in Ohio.
- Businesses are required to create one new, full time, permanent job for every \$35,000 loaned within three years of loan closing.
- Businesses must provide a minimum of ten percent (10.00%) equity. The business owner or majority stockholder must provide a personal guarantee for the loan amount unless a letter of credit is provided.
- The business must execute Workforce Cooperation Agreement with the County that designates as first source of referral for mutually agreed positions at the company.
- Business must demonstrate the ability to repay the loan as well as have adequate collateral and acceptable credit.
- Prevailing wage rates must be paid when loan funds are used for construction.



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Cuyahoga County Department of Development

THE GROW CUYAHOGA COUNTY FUND

The Grow Cuyahoga County Fund is a unique economic development partnership between Cuyahoga County and the Grow America Fund (GAF), established to assist eligible small businesses within Cuyahoga County obtain the financing required to grow their businesses. It offers affordable growth capital on advantageous terms to borrowers who create jobs and investment in Cuyahoga County. In order to qualify, a business must be for profit, and meet the size and eligibility requirements of the U.S. Small Business Administration (SBA). Grow Cuyahoga County will look to finance healthy, successful small businesses that need expansion capital. Loans can range from \$350,000 to \$1 million, at or below market rates, for up to 25 years depending on proposed use of funds. Loan proceeds may be used for any legitimate business purpose, such as working capital, machinery and equipment, acquisition of land and building, construction, renovations and tenant improvements. They may not be used for venture capital, research and development, or equity or near-equity needs. All loans must be adequately collateralized and require personal guarantees of the owner.

Typical Loan Structures are:

- Working Capital: 3-10 years (normally 5-7 years)
- Machinery & Equipment: 5-10 years or life of the asset
- Tenant Improvements: term of the lease
- Acquisition of Real Estate: Up to 25 years of the borrower

The application process requires a brief description of the project including proposed sources and uses of funds; a corporate financial statement or tax returns for the previous three years; a current financial statement (may be in-house); a personal financial statement of all principals who own more than 20% of company stock; and a credit release, authorizing GAF and the Grow Cuyahoga County Fund to obtain personal and corporate credit records.



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Fax: 216-348-4479
www.development.cuyahogacounty.us



**GROW
AMERICA
FUND™**

Cuyahoga County Department of Development

NEW PRODUCT DEVELOPMENT AND ENTREPRENEURSHIP PROGRAM

The New Product Development and Entrepreneurship Loan Fund was created to encourage innovation and new business ventures, provide research and development (R & D) funding assistance to small businesses and grow new job opportunities in Cuyahoga County.

Administered by the Department of Development in partnership with MAGNET, Inc. (Manufacturing Advocacy and Growth Network), the Program competitively awards ten year, 3.5% interest deferred loans to entrepreneurs and companies with annual sales of less than \$50 Million. Payments of interest and principal are deferred for a period of three years to provide the client time to bring the product to market. The County holds a security interest only on intellectual property funded through the program. Up to a total of \$115,000 is available in three applicant phases:

- I. \$15,000: Product Feasibility
- II. \$40,000: Concept Development, and
- III. \$60,000: Engineering and Prototype Development.

Through the County's partnership with MAGNET, successful applicants are provided access to professional market analysis, product design and engineering, prototype testing and business plan development services

Two competitive Loan Application Reviews are announced each year, generally in March and September. Applications are reviewed, scored and ranked by a panel of engineers, designers, venture capitalists and marketing professionals. All Applications and attachments are confidentially retained by MAGNET, Inc. to protect the intellectual property rights of the applicants. For more information about the program, visit <http://development.cuyahogacounty.us>. You may also visit <http://www.magnetnetwork.org/> to download an application.

For more information contact:

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112 Hamilton Ct. 4th Floor

Cleveland, Ohio 44114

Telephone: 216-698-2851

Fax: 216-348-4479

www.development.cuyahogacounty.us

MAGNET

(Manufacturing Advocacy and Growth Network)

1768 East 25th Street

Cleveland, Ohio 44114

Telephone: 216-432-4197

www.magnetnetwork.org



Steve Nash, a Battalion Chief for the Solon Fire Department, had a great idea to improve firefighter safety: a hand-held lighted compass that could help firefighters find their way out of large, smoke-filled commercial buildings. With MAGNET's assistance, Nash obtained a County Loan that helped him turn his great idea a reality.



Accessmount founder Nelson Pitlor used his company's County Loan funds to create a new kind of recessed light fixture that can be removed and replaced without ladders. Pitlor's product won quick recognition in the building maintenance industry and is already being speced into hotels, schools and colleges around the country.

Cuyahoga County Department of Development

ENTERPRISE ZONE TAX INCENTIVES

A business enterprise located within a Cuyahoga County Enterprise Zone is eligible for negotiated property tax abatement for new investment. Currently there are twenty six (26) enterprise zones designated in Cuyahoga County municipalities which include: Bedford, Bedford Heights, Berea, Brook Park, Cuyahoga Heights, Euclid, Garfield Heights, Glenwillow, Highland Heights, Highland Hills, Maple Heights, Mayfield Heights, Newburgh Heights, North Olmsted, North Royalton, Oakwood, Olmsted Falls, Parma, Richmond Heights, Shaker Heights, Solon, South Euclid, Strongsville, Valley View, Walton Hills and Westlake.

Business Requirements

- Businesses must apply directly to the municipality that is the site of the new investment. Local governments can grant exemptions of up to seventy five percent (75%) on eligible new investments. The term of these incentives can be for up to ten (10) years. Once an agreement is negotiated between the company and the municipality, the Board of Cuyahoga County Commissioners must approve the agreement. The project cannot begin prior to the Commissioners' approval.
- The companies are required to negotiate and execute a Workforce Cooperation Agreement with the County, which designates the County as the first source of referral for mutually agreed entry-level positions at the company.
- All intra-state relocations require a relocation waiver issued by the Ohio Department of Development. A letter from the mayor of the exited community is required on intra-county relocations.
- Fees include a one-time application fee of \$750.00 payable to the Ohio Department of Development. There is also an annual monitoring fee charged by the municipality and split with the County. This fee is equal to one percent (1%) of the taxes exempted, minimum \$500 and not to exceed \$2,500 per year for the life of the agreement.

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Cuyahoga County Department of Development

CUYAHOGA COUNTY TAX EXEMPT BOND PROGRAM

Private Activity Bonds are tax-exempt bonds issued by public entities to provide low-cost financing for private projects that serve a public purpose. Federal tax law imposes a number of restrictions and requirements on the issuance of Private Activity Bonds. Federal tax law requires that these bond issues conform to certain procedural requirements in order to be issued on a tax-exempt basis. Ohio law permits cities, counties, and townships to issue bonds. Bonds are issued in the name of the County but are not obligations of the County and are not backed or secured by its taxing power or any other public revenue sources. The developer of the project is solely responsible for repayment, subject to any insurance or guarantee by a third party.

WHAT CAN BE FINANCED

Bond proceeds can be used for purchase, construction or rehabilitation of a project (including land and buildings), and to fund most related fees including construction financing, legal, audit, bond underwriting and issuance costs, replacement reserves and settlement costs.

TYPES OF BONDS

●**501(C)(3) Bonds** are a special category of tax-exempt bond financing that can be done by nonprofit organizations to support economic development including affordable housing projects.

●**Health Care Facility Bonds** are granted for the public purpose of better providing for the health and welfare of the people by enhancing the availability, efficiency, and economy of hospital facilities and the services rendered.

●**Industrial Revenue Bonds** are issued to assist new and expanding industry while providing employment opportunities.

●**Multifamily Housing Bonds** are available to nonprofit and for profit developers to purchase, construct, or rehabilitate multi-family housing projects.

APPLICATION FEE

Healthcare and Multifamily require a **non-refundable application fee** of One Thousand Dollars (\$1,000.00) which must be submitted with the signed application. Any requests for Refunding are considered new applications. Additional fees apply for issuance and changes.

Contact Greater Cleveland Partnership for Industrial Revenue Bond fee information.

Health Care Facility

Sabrina Roberts
Cuyahoga County
216/698-2316
sroberts@cuyahogacounty.us

Industrial Revenue

Gerald Meyer
Greater Cleveland Partnership
216/592-2262
Gmeyer@gcpartnership.com

Multifamily Housing

Sara Parks Jackson
Cuyahoga County
216/443-8160
spjackson@cuyahogacounty.us

Cuyahoga County Department of Development

SITE SELECTION PROGRAM

Cuyahoga County offers many amenities that make it a great place to live and work. By locating your business in the County, you will be able to take advantage of the convenient location, strong infrastructure, affordable housing, advanced workforce training, excellent universities, world-renowned arts, outstanding recreation and green space, major league sports, and the many other features contributing to the high quality of life in Cuyahoga County.

Located within a 500 mile radius of Cuyahoga County your company can access:

- 42% of U.S. Households
- 51% of Fortune 500 U.S. Headquarters
- 44% of U.S. Effective Buying Income (EBI)
- 43% of U.S. Total Employment
- 48% of U.S. Manufacturing Employment
- 42% of U.S. Population

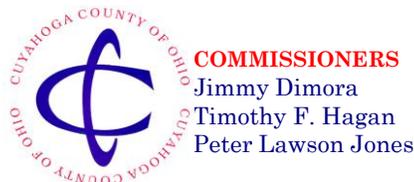
The Board of Cuyahoga County Commissioners through the Department of Development and Team NEO can assist you in your search for the perfect location within our great County. Businesses can make their requests by calling Department of Development at (216) 443-7260 or by visiting our website at <http://development.cuyahogacounty.us/siteselection>. Briefly describe the type of building you are looking for and a representative from the Cuyahoga County Department of Development will contact you with information on available sites in the County that meet your needs within one week.

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Cuyahoga County Department of Development



CITY OF CLEVELAND
Mayor Frank G. Jackson

HISPANIC BUSINESS EXPANSION & ATTRACTION PROGRAM

The Hispanic Business Expansion and Attraction is a collaborative effort between Cuyahoga County Board of Commissioners, the City of Cleveland, Team NEO and the Hispanic Business Association. The program is designed to provide information about available resources and networking opportunities to assist the growth of local Hispanic Businesses.

Hispanic Business Directory:

The Directory is a networking tool that enables Hispanic and non-Hispanic businesses to network, buy and sell their products in Northeast Ohio. If you are a Hispanic owned business that would like to take advantage of this free advertising, please contact Edwin Nuñez, Program Coordinator for the Hispanic Business Association at (216) 281-4422 or via e-mail at enunez@hbahcco.org



2008 Hispanic Business Expo:

The Hispanic Business Expo was designed to give Hispanic and non-Hispanic businesses the opportunity to network with each other and members of the public. Over 40 exhibitors representing financial institutions, government agencies, nonprofit organizations, and local businesses showcased their products and services to the community. Stay tuned for more information on the 2009 Hispanic Business Expo.

Hispanic Business Attraction Video:

An attraction video was produced by the Cuyahoga County Commissioners, Peter Lawson Jones, Jimmy Dimora and Timothy F. Hagan that highlights prominent Hispanic business owners in northeast Ohio and their success in owning a business in northeast Ohio. The video was produced in English and Spanish so it can be used to attract the Spanish speaking community as well.

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2007 EI Padrino Award:

The Department of Development was awarded the Padrino Award for the public sector at the Entrepreneurship of the Year Awards for its work with the Hispanic Business Expansion and Attraction Program.

Cleveland/Cuyahoga County Port Authority



Cleveland-Cuyahoga County Port Authority
One Cleveland Center
1375 East Ninth St., #2300
Cleveland, Ohio 44114
216-241-8004
Website www.portofcleveland.com

The Cleveland-Cuyahoga County Port Authority through their Development Finance Group offers solutions to your capital financing challenges. Our creative financing options can accommodate your individual needs. Our customized lending tools can be used for equipment, construction, land and building acquisition, and facility improvements.

The Development Finance Group offers creative solutions and flexibility, not restrictive limitations. One-stop shopping through our extensive financing network ties together the combined experience of financial and legal experts, giving even small businesses access to the U.S. capital market. We can complete your financing in 45-90 days.

FIXED-RATE FINANCING

The program makes it possible for smaller businesses to access the U.S. capital market and borrow money at investment grade rates. The program also benefits many larger businesses that find an investment grade rating costly and difficult to maintain.

Additional Highlights:

- Financing between \$1.5 million to \$6 million
- Transaction capacity may exceed \$20 million when combined with other financing sources
- Financing for fixed assets, such as land, buildings and equipment
- Fixed interest rates for up to 25 years

OFF-BALANCE SHEET FINANCING & LEASING

The program is ideally suited for companies and nonprofit organizations that want to obtain a new facility but do not want the asset to appear on their balance sheet. This financing vehicle allows the port authority to own the facility and lease it to the company.

Additional Highlights:

- 100% financing
- Lower costs for materials used in the construction of a building
- Choose from three types of leases: financing, operating or synthetic

Cleveland/Cuyahoga County Port Authority



Cleveland-Cuyahoga County Port Authority
One Cleveland Center
1375 East Ninth St., #2300
Cleveland, Ohio 44114
216-241-8004
Website www.portofcleveland.com

INFRASTRUCTURE FINANCING

The program makes it possible for developers, cities and other regional organizations to finance public infrastructure projects, such as streets, roads, underground utilities, sidewalks, street lights, landscaping and public parking garages. This type of financing is particularly attractive for mixed-use developments and can be financed using tax increment or special assessment as the revenue stream to pay for the public improvements.

Additional Highlights:

- Elimination of equity
- 100% financing
- Lower costs on project materials
- Long-term financing

The Development Finance Group has helped businesses and communities in northeast Ohio prosper by providing financing for diverse clients and projects, including The Rock and Roll Hall of Fame and Museum, Applied Industrial Technology, OfficeMax Corporate Headquarters, The MetroHealth System, Jergens, Inc. Council for Economic Opportunities in Greater Cleveland and Parma Community General Hospital.

FOREIGN TRADE ZONE

The Foreign Trade Zone program encourages businesses to locate in the United States by removing various disincentives commonly encountered. Under the program, companies may reduce, defer or eliminate Customs duties on imported parts, materials or components entered into the Zone. Since 1978, the Cleveland-Cuyahoga County Port Authority has served as Northeast Ohio Grantee #40 for the FTZ Program.

Foreign Trade Zone Benefits:

- Deferral of Duties - Customs duties are paid only when and if merchandise is transferred into U.S. Customs territory and thereby benefits the cash flow operation of the business.
- Reduction of Duties - If the rate on the items admitted to the zone is higher than the rate applied to the finished product, the company can choose to pay the lower duty rate.
- Elimination of Duties - No customs duties are paid on merchandise exported from a FTZ. Generally, customs duties are also eliminated for merchandise that is scrapped, wasted, destroyed or consumed in a zone.
- Elimination of Drawback - Through the use of a FTZ, the need for drawback – refund of duties previously paid on exported merchandise - may be eliminated, allowing these funds to remain in the operating capital of the company.
- Labor, Overhead and Profit - Customs duties are not owed on labor, overhead and profit attributed to production in a FTZ.

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FOREIGN TRADE ZONE (cont.)

- Taxes - By federal statute, tangible personal property imported from outside the U.S. and held in a zone, as well as that produced in the U.S. and held in a zone for exportation, are not subject to State and local ad valorem taxes. In Ohio, companies that are located within a General Purpose Zone and are “Activated” within the Foreign Trade Zone Program are exempt from State of Ohio Inventory Taxes.
- Quotas - U.S. quota restrictions do not apply to merchandise admitted to zones, though quotas will apply if and when the merchandise is subsequently entered into U.S. commerce.
- Zone-to-Zone Transfer : An increasing number of firms are making use of the ability to transfer merchandise from one zone to another. Because the merchandise is transported in-bond, Customs duty may be deferred until the product is removed from the final zone for entry into the U.S. Customs territory.

Grantee #40 currently has approved General Purpose Zone sites in Cuyahoga, Lorain and Ashtabula Counties. The Cleveland-Cuyahoga County Port Authority is responsive to northeast Ohio’s communities that wish to promote economic development and provide Zone benefits to local businesses. As Grantee #40, the port will partner with interested communities and businesses to provide access to the FTZ program.

Existing sites include:

Cleveland

- Collinwood Industrial Park
- Pubco Corporation
- Towpath Valley Industrial Park
- Chelm Industrial Park
- Port of Cleveland
- IX Center
- Cleveland Hopkins International & Burke Lakefront Airport

Brook Park

- Brookpark Road Industrial Park
- Snow Road Industrial Park

Solon

- Solon Industrial Park

Glenwillow

- Emerald Valley Business Park

Strongsville

- Strongsville Industrial Park

Ashtabula

- Frane Industrial Park

Vermilion

- Harbour Point Business Park

City of Cleveland and Cuyahoga County

Department of Workforce Development

Services for Jobseekers:

Employment Connection is the collaborative workforce system of the Cuyahoga County and City of Cleveland Departments of Workforce Development who have partnered with educational and training institutions, supportive service providers, and social advocacy groups.

Our focus is to provide jobseekers with the tools and services necessary to obtain employment. We also assist customers who are currently employed and in need of additional training to expand their employment options. One of the primary goals is to ensure access to useful and efficient services so that job seekers may become employed as quickly as possible.

Our Centers Offer:

- Employment Opportunities Boards listing job openings with employers names, addresses, and job descriptions.
- Books, video, classifieds, fax machine and other materials to help you in your job search.
- Telephones for contacting employers and scheduling interviews.
- Computers to strengthen your typing skills, create resumes and cover letters and for online job searching, including computer access for disabled jobseekers.
- Workshops designed to help you polish the skills needed to become employed, including resume writing and interviewing techniques.
- Job Search and Employment Assistance.
- Specialized assistance for ex-offenders, disabled, youth, veterans, and jobseekers 55 and older.
- Basic literacy skills training and GED test preparation
- Scholarships may be available to customers that need to enhance or acquire new skills to gain full-time employment (eligibility requirements apply)

Workforce Agreements:

Are negotiated by staff of the County's Workforce Development Department and are designed to assist those looking for jobs with companies who are hiring. The agreement is basically a pre-screening tool to send qualified applicants to companies receiving County financing assistance.

City of Cleveland and Cuyahoga County

Department of Workforce Development



LOCATIONS

<p>Brookpark 11699 Brookpark Road Parma, OH 44130 216-898-1366</p> <p><i>*Full Service Center</i></p>	<p>Downtown 1020 Bolivar Road Cleveland, OH 44115 216-664-4673</p> <p><i>*Full Service Center</i></p>	<p>Fairfax 8111 Quincy Avenue Cleveland, OH 44104 216-391-5847</p>
<p>Glenville 12212 St. Clair Avenue Cleveland, OH 44108 216-541-2267</p>	<p>Mt. Pleasant 13815 Kinsman Road Cleveland, OH 44120 216-561-5649</p>	<p>Old Brooklyn 4261 Fulton Parkway Cleveland, OH 44144 216-635-2942</p>
<p>Senior Employment Center 333 Babbitt Rd. #343 Eucild, OH 44123 216-731-4664</p>	<p>Southgate 5398 1/2 Northfield Road Maple Heights, OH 44137 216-518-4954</p>	<p>United Labor Agency 3328 Carnegie Cleveland, OH 44115 216-391-0900</p>
<p>Virgil E. Brown 1641 Payne Avenue Cleveland, OH 44114 216-987-7944</p>	<p>Westshore 9830 Lorain Avenue Cleveland, OH 44102 216-939-2599</p>	



City of Cleveland and Cuyahoga County

Department of Workforce Development

Business Services:

Employment Connection is the collaborative workforce system of the Cuyahoga County and City of Cleveland Departments of Workforce Development who have partnered with educational and training institutions, supportive service providers, and social advocacy groups. We are committed to developing a working relationship with your business by assisting you in your workforce needs. We oversee training programs and can supply you with information concerning hiring and financial incentives that your business can benefit from including:

- Labor Market Research and Industry Information
- Recruitment and Screening services
- Employee Training and Retention
- Layoff Aversion and Assistance
- Information on Tax Credits for Your Business
- Federal Bonding Information

To become fully aware of all services available, call or schedule a visit from your Business Service Representative today. Employment Connection Business Service Representatives concentrate their efforts in various workforce sectors:

Recruitment Assistance:

Through Employment Connection and our Partners, we provide comprehensive services that can maximize all your human resource efforts. Many services are offered at no cost, whether you are seeking to fill one position or 30, hire entry-level positions or executive staff, Employment Connection can save you time and maximize your recruitment efforts in the following ways:

Job Posting

You can reach hundreds of qualified jobseekers who are looking for opportunities to be a valuable part of a business just like yours. For information about posting your job openings at Employment Connection locations, call Tony Schweppe at 216-898-6100.

Interview and on-site recruitment at Employment Connection

Employment Connection provides comprehensive services that can maximize your human resource efforts, whether you are seeking to fill one position or 30, hire entry-level workers or executive staff. Employment Connection can offer you private interviewing space and office resources that will make your recruitment session convenient, productive, and discreet.

Let Employment Connection assist you with your large-scale recruitment needs. Our staff can conduct on-site recruitment for you at one of our offices.

City of Cleveland and Cuyahoga County

Department of Workforce Development

Workforce Agreements:

Are negotiated by staff of the County's Workforce Development Department and are designed to assist those looking for jobs with companies who are hiring. The agreement is basically a pre-screening tool to send qualified applicants to companies receiving County financing assistance.

Pre-Screening and Referral

You can avoid the foot traffic by letting us refer to you qualified applicants to you based on your criteria. Call 216-898-6100 or 216-664-4673 and let us help you make your recruiting easy and efficient.

Assessment and Testing

Reduce hiring costs with our specialized testing services, including career and basic skills testing.

Rapid Response for Closings and Layoffs

If your business is experiencing a closure or layoffs, Employment Connection can conduct a Rapid Response session for your separated employees. We provide job search assistance, access to education and training, applications for unemployment insurance, and links to community services.

City of Cleveland Department of Economic Development

Economic Development Loan Program

Designed to help companies from across all industries grow and prosper, this program offers long term, fixed-rate financing at 4% interest. This provides a lower debt service on overall financing and can help a company aggressively pursue and execute on their growth strategy.

Loans for the ED program range from \$35,000 to \$500,000 and cannot exceed 40% of total project cost. Terms are typically 5-7 years on equipment and up to 15 years on land and building.

Borrowers are encouraged to use this program in association with other private and public funds in order to achieve optimal financial leveraging for their organization. The City will take a subordinated collateral position to a private lender, provided there is adequate collateral.

Business Grant Program

This program is designed to attract new technology businesses to the City of Cleveland while helping to reinforce the City's 'brain gain'. Grant assistance can be applied to both new and existing technology businesses with strong prospects of growth and commercialization of proprietary technologies.

To apply a company must currently have five (5) employees and be adding at least five (5) additional employees over the life of the grant. Grants are up to \$50,000 per year for a three (3) year period. The grant is based on new payroll taxes generated to the City. The grants are structured to support emerging companies with a cash infusion. This additional capital will allow for companies to grow and provide new tax revenues back to the City.

Projects are screened and selected based on job creation prospects, viability of intellectual property and prospects for the successful commercialization of the technology. A company utilizing this grant program cannot apply for any other City assistance over the term of the grant.

Contact Information

Jeff Shoykhet
Economic Development & Technology
Phone: 216-664-2202
Weekdays 8am-5pm
TTY: 800-750-0750
Fax: 216-664-3681
601 Lakeside Ave., Room 210
Cleveland, Ohio 44114



Neighborhood Retail Assistance Program

The Neighborhood Retail Assistance Program or 'NRAP' program is structured to provide grant and loan assistance to small retail related businesses throughout the City of Cleveland. The program targets projects which will upgrade the exterior appearance and feel of retail districts. Retail Improvement projects include landscaping, lighting and signage. These enhancements can have a positive effect on the economic vitality, vibrancy, and image of an entire community.

Acceptable Use of Funds

- Green/Sustainable Exterior
- Building Improvements (USGBC – LEED)
- Exterior Appearance Improvements
- Storefront renovation
- Landscaping
- Exterior Lighting
- Fencing
- Signage

Minimum Requirements

- Must provide a clear public benefit
- Maximum loan/grant of \$40,000
- Maximum of 40% City Financing
- All City of Cleveland business eligible
- Can be Business or Building Owner
- Must be a locally based business
- No National Chains (Can be local franchisee)

Documentation Required

- Executive Summary
- Sources and Uses
- Business Plan
- Personal Financial Statement
- 3 Years Personal Tax Returns
- 3 Years Corporate Tax Returns
- Letter of Support from Ward Councilperson.
- Letters of Commitment from Lenders

Contact Information

Kevin Schmotzer
Business Development Officer
Economic Development Department
City of Cleveland
Cleveland City Hall
601 Lakeside Avenue, Room 210
Cleveland, OH 44114
P (216) 664-3720
F (216) 664-3681
kschmotzer@city.cleveland.oh.us



Mayor **27**
Frank G. Jackson

City of Cleveland Department of Economic Development

Vacant Property Initiative Fund

Overview

These loans are specifically designed to overcome barriers to the full re-use of abandoned, idled or underutilized commercial and industrial properties. Eligible applicants include private developers and businesses, and non-profit CDC's (for projects that will pay real estate taxes).

Vacant or underutilized buildings or land with prior commercial, industrial or institutional usage are eligible, if they are at least 20 years old and 40% vacant for more than two (2) years. The applicant must own the property, have a committed end user, and be current with city and county taxes. "Big Box" and retail mall developments are not eligible.

Loans may be used for property acquisition, environmental site assessments, site clearance, demolition and new construction. Appraisals can be determined by the "as is" or "as completed" property status.

Funding Terms and Levels

- Funding is up to 45% forgivable.
- Loans are fixed at a 6% interest rate.
- Interests payments are made on a quarterly basis.
- Loans are made for a maximum of one (1) year.
 - There must be a bank commitment for take-out financing.
- The City requires a shared 1st priority lien or standby irrevocable letter of credit.
- A maximum 90% loan to value ratio based on an "as complete" appraisal
 - This may be waived with a letter of credit.

	HIGH IMPACT	MAJOR IMPACT	SMALL BUSINESS
Total Project Cost	\$10 m+	\$2m-\$9.9m	up to \$2m
City Funding	\$1,250,000	\$800,000	\$500,000
Forgiveness	40%	35%	30%
Green Forgiveness Incentive	5%	5%	5%

Additional Loan Considerations

- Prevailing wage rates must be paid. Construction projects with total costs of \$100,000 or more must comply with MBE/FBE regulations (details)
- Construction projects with City assistance exceeding \$100,000 must include Cleveland residents (20% of the total employed) for the construction project, and 4% of those employees must be low-income residents details
- When the total value of City assistance exceeds \$75,000 to businesses with 20 or more employees, the wage-only compensation of all employees must be a living wage (currently a minimum of \$10.00/hour)



Mayor
Frank G. Jackson

City of Cleveland Department of Economic Development

Brownfield Redevelopment

Land development is an integral component of the City's overall economic development strategy. Land must be readily available and affordable throughout the City to attract new businesses and to help existing businesses meet their expansion needs. To meet this demand, the Department of Economic Development manages a Brownfield Redevelopment Program, consisting of:

- Industrial-Commercial Land Bank
- Technical Assistance Program
- Assessment Program

The goals of the Brownfield Redevelopment Program are to:

- Identify potential sites that could not be returned to productive re-use
- Help developers and businesses determine costs associated with redeveloping a site
- Maintain greenspace
- Redevelop vacant properties that will create new revenues for public schools and public services
- Re-use existing infrastructure instead of building new infrastructure
- Protect City residents and the environment
- Create and retain jobs
- Encourage more sustainable regional development

Brownfield Assessment Program

Through this program, the City provides services to eligible entities considering redeveloping commercial or industrial properties that have significant economic development potential but face environmental issues.

Services are provided by experienced environmental consulting firms contracted and selected by the City, and include:

- Ohio Voluntary Action Program (VAP) Phase I and Phase II Property Assessments
- Environmental site assessments meeting the federal All Appropriate Inquiry (AAI) standards
- Environmental risk assessments
- Urban Setting Designations (USDs)
- Ohio Bureau of Underground Storage Tank Regulations (BUSTR) Closure Assessments
- 3-Tier Evaluations
- Preparing remedial action plans, asbestos surveys and lead paint inspections

Eligible applicants are public entities, non-profit organizations, businesses, and developers located in the County. Funds are not available to any parties that caused or contributed to the contamination of the site.

Contact Information

Nate Hoelzel
Brownfield Redevelopment
Phone: 216-664-3627
Weekdays 8am-5pm
TTY: 800-750-0750
Fax: 216-664-3681
601 Lakeside Ave. Room 210
Cleveland, Ohio 44114



Mayor **29**
Frank G. Jackson

Industrial-Commercial Landbank

The Industrial-Commercial Land Bank was established in 2005 by the City as a proactive approach to reusing properties with serious real estate obstacles, such as environmental contamination and/or economic hardships. This landbank provides the opportunity for the City to strategically assemble properties to attract businesses and create long-term economic and community investments.

The City evaluates specific real estate characteristics to select properties for the Land Bank. Once identified, the City aggressively pursues redevelopment activities including assessments, acquisition, demolition and environmental cleanup. The results are ready-to-build land for expanding or new businesses.

Contact Information

Nate Hoelzel

Phone: 216-664-3627

Weekdays 8am-5pm

TTY: 800-750-0750

Fax: 216-664-3681

601 Lakeside Avenue, Room 210

Cleveland, Ohio 44114



Mayor
Frank G. Jackson

State of Ohio - Business Loans & Grants

Welcome to Ohio, The State of Perfect Balance. Here, an enriching future in both business and life is easily and readily attainable. Balance and prosperity are the tenets that drive the work of the Ohio Department of Development. Our mission is to change the trajectory of Ohio's economy by purposefully redesigning the business climate to increase the global competitiveness of Ohio's businesses, resulting in prosperity for all Ohioans.

Working with our partners across business, state and local governments, academia, and the non-profit sector, the Ohio Department of Development works to attract, create, grow, and retain businesses through competitive incentives and targeted investments. Engaged every day in marketing, deal-making, innovating, investing, and collaborating, the Ohio Department of Development works at the speed of business to accelerate and support the teamwork that is absolutely necessary for success by providing financial, informational, and technical assistance to those making an investment in Ohio's future.

OHIO ENTERPRISE BOND FUND

Provides loans for land and building acquisition, construction, expansion or renovation and equipment purchases for eligible businesses.

Rate/Terms: Long-term, fixed rate for up to 20 years; Interest rate based on Standard & Poor's AA-minus rating, for up to 90% of total project amount.

Benefits: Access to national capital markets for unrated companies
May not require third-party credit enhancement

Eligibility: Must show repayment and management capabilities. Must be able to document job creation or retention Ohio prevailing wage rate applies

Contact Phone Number: Office of Financial Incentives (614) 466-5420 or (800) 848-1300

VOLUME CAP PROGRAM

Federally authorized programs providing authority to issue tax-exempt bonds for select private (non-governmental) activities

Rate/Terms: Project funding is awarded to sections 122-4-01 to 122-4-08 OAC.

Benefits: Authorizes bond issuers with ability to finance projects at interest rates below that of the conventional market

Eligibility: Must involve mortgage loans to low-income home buyers, student loans, construction or improvement of certain types of manufacturing facilities, solid waste treatment equipment or pollution abatement facilities, or multifamily rental housing development or renovation.

Contact Phone Number: Office of Financial Incentives (614) 466-4053.

State of Ohio - Business Loans & Grants

166 DIRECT LOAN

Provides loans for land and building acquisition, expansion or renovation, and equipment purchase.

Rate/Terms: Up to 30% of total eligible fixed cost (\$350,000 - \$1 million); Two-thirds of prime fixed rate for 5-15 years; Equity minimum 10%; In distressed areas of the state, preferential rates and terms are available; State Development Director may authorize a higher loan amount or modified rate and terms that address a unique and demonstrated economic development need.

Benefits: Rate, Term, and Availability

Eligibility: Must show repayment and management capabilities; Must create or retain 1 job for every \$15,000 received or \$35,000 in Priority Investment Areas Ohio prevailing wage rate applies.

Contact Phone Number: Office of Financial Incentives (614) 466-5420 or (800) 848-1300

REGIONAL 166 DIRECT LOAN

Provides loans for land and building acquisition, construction, expansion or renovation and equipment purchases for eligible businesses. Twelve local economic development agencies administer the program.

Rate/Terms: Up to 40% of total eligible fixed cost (\$350,000 maximum); Rate negotiable for 5-15 years; Equity minimum 10%; State Controlling Board approval required.

Benefits: Low fixed rate; Long term availability for smaller projects

Eligibility: Must show repayment and management capabilities; Must create or retain 1 job for every \$35,000 received; Ohio prevailing wage rate applies.

Contact Phone Number: Office of Financial Incentives (614) 466-5420 or (800) 848-1300

RURAL INDUSTRIAL PARK LOAN

Provides direct loans to rural, distressed local communities and other eligible applicants committed to creating well-planned industrial parks.

Rate/Terms: The maximum combination of loans and grants is the lesser of \$1 million dollars or 75% of total project costs. The maximum loan term available is 15 years. During the first five years of the loan, the annual interest rate shall be zero percent. In year six and thereafter, the annual interest rate will be set at a rate no greater than 50 percent of the prime rate which shall be determined solely by the Director of the ODOD. Payment of the loan principal may be deferred until revenues are generated from the project, up to a maximum of five years. Eligible applicants for assistance through the Rural Industrial Park Loan Program may also qualify for grant assistance from the Rural Development Initiative Fund. The grant cannot exceed the lesser of \$500,000 or 37.5% of the eligible project costs.

State of Ohio - Business Loans & Grants

RURAL INDUSTRIAL PARK LOAN – Continued

Benefits: Availability of newly constructed buildings and completed infrastructure to encourage business expansion in rural Ohio

Eligibility: Nonprofit organizations that promote economic development in rural areas; Local governmental units are eligible to apply for the financing of off-site public infrastructure improvements (i.e., water, sewer, roads, etc.).

Contact Phone Number: Office of Financial Incentives(614) 466-5420 or (800) 848-1300

URBAN REDEVELOPMENT LOAN

Removes development barriers from urban core property so that private sector job opportunities can be created.

Rate/Terms: The maximum loan available is the lesser of \$5 million dollars or 40% of eligible costs. The maximum loan term is up to 15 years. Principal and interest may be deferred for the first 5 years. The interest is no greater than 50% of the prime rate as determined by the Director of Development. Municipalities will be limited to a \$10 million loan balance and no more than three projects can be undertaken at a time.

Benefits: Availability of funds. Redevelopment of urban properties.

Eligibility: Distressed MSA Central Cities - Municipality or designated nonprofit economic development organization. Land and building acquisition, infrastructure improvements, brownfield site remediation activities, and building renovation/demolition.

Contact Phone Number: Office of Financial Incentives (614) 466-5420 or (800) 848-1300

INNOVATION OHIO LOAN FUND PROGRAM

The IOF can finance up to 75 percent of a project's qualifying costs through loans in the range of \$500,000 to \$3 million.

Rate/Terms: While loan terms will be individually negotiated, interest rates will be prime (as of proposal submission deadline) + up to 2% and the loan term will be in the range of 4-7 years. Additional fees will bring the total cost of funds to an effective rate of 8% to 12%.

Benefits: Provides financial resources for product commercialization for leading technology companies.

Eligibility: Allowable costs include the acquisition, construction, renovation or improvement of facilities, and the acquisition and installation of equipment for innovative projects that create new products and services.

Contact Phone Number: Office of Financial Incentives (614) 466-5420 or (800) 848-1300 x65420

State of Ohio - Business Loans & Grants

RESEARCH & DEVELOPMENT INVESTMENT LOAN FUND PROGRAM

The Research and Development Investment Loan Fund (R&D Fund) was created to promote economic development, business expansion and job creation by encouraging private-sector R&D investments. The R&D Fund provides assistance in the form of a low-interest loan, partnered with a tax credit.

Rate/Terms: Businesses that are meeting the program requirements (i.e. job creation commitments, timely loan repayments, commitment to R&D activities, etc.) will be eligible for a dollar-for-dollar credit against their Ohio tax liability, equal to the amount of principal and interest repaid on the loan. The maximum annual credit is \$150,000.

Benefits: Incentivizes Ohio companies to make new investments in Research and Development activities.

Eligibility: Eligible projects are defined as those in which research is undertaken for the purpose of discovering and developing new or improved products, processes, techniques, formulas or inventions.

Contact Phone Number: Office of Financial Incentives (614) 466-5420 or (800) 848-1300 x65420

State of Ohio - Business Loans & Grants

OHIO JOBS READY SITES (JRS) PROGRAM

The JRS program is intended to stimulate the compilation and development of strategic sites and locations that ultimately will attract significant investments and create high wage job opportunities for Ohioans. The maximum grant award is \$5 million per project site and the grant amount cannot exceed 75% of the total project cost. Eligible projects include sites intended for manufacturing, distribution, research and development, and corporate office developments. Retail, residential, and government uses are not eligible. Project site costs that can be covered by JRS funds include land and building acquisition, infrastructure and utility improvements, site preparation, building construction and demolition, environmental assessments, wetland mitigation, brownfield remediation, and professional services (the latter capped at 10% of the grant amount). A minimum 25% local match is required. The match can include local, federal, some state and private funds. The project site should be appropriately zoned for the intended use, or zoning proceedings should be well underway at the time of application. Recipients will be required to submit annual reports to the Ohio Department of Development (ODOD) for a term defined in the grant agreement and grant recipients will be subject to audit.

INDUSTRIAL SITE IMPROVEMENT FUND (ISIF)

The ISIF assists economically disadvantaged counties in improving industrial or commercial land located within their jurisdictions. Up to \$750,000 in grant funds per project site are available under the program; each year, eligible counties may submit for consideration one site. Improvements that may be funded under the ISIF program include acquiring land or buildings; expanding and modernizing buildings remediating environmentally contaminated property; and completing infrastructure improvements. All grant awards are awarded on a competitive basis, with applications reviewed by a team of professionals from within and without the Ohio Department of Development (ODOD) and final awards made by the Director of ODOD.

CONTACT:

OHIO DEPARTMENT OF DEVELOPMENT

77 South High Street

Columbus, OH 43216

Telephone: 614-466-4551

Telephone: 800-848-1300

<http://www.odod.state.oh.us/>

State of Ohio - Tax Credits

OHIO JOB CREATION TAX CREDIT

Provides corporate franchise or state income tax credit for businesses that expand or locate in Ohio for companies that incur tax liability under ORC Sections 5733.06 or 5747.02. Program will provide a tax credit against the Commercial Activity Tax (CAT) beginning on July 1, 2008. Insurance companies that pay the annual franchise tax under ORC Sections 5725.18/5729.03 are eligible for the tax credit beginning July 1, 2005.

Rate/Terms: Ohio Tax Credit Authority determines eligibility and terms. Business must demonstrate to the Authority that the tax credit is a major factor in its decision to go forward with the project. Local community must also provide financial support for the project.

Benefits: Refundable state franchise or income tax credits that minimize expenditures to encourage business expansion and/or location projects in Ohio. The tax credit will apply against the corporate franchise tax through 6/30/08, and transfer to cover the Commercial Activity Tax (CAT) liabilities for tax period beginning July 1, 2008. The program will continue to be refundable.

Eligibility: Businesses that create at least 25 net new full-time positions at a facility in Ohio and pay a minimum of 150% of federal minimum wage. In special circumstances, a company could create as few as 10 new full-time positions paying at least 400% of the federal minimum wage.

Contact Phone Number: Office of Tax Incentives (614) 466-2317 or (800) 848-1300

OHIO JOB RETENTION TAX CREDIT

Provides corporate franchise or state income tax credit for businesses that commit to retain a significant number of full-time jobs. Program will provide a tax credit against the Commercial Activity Tax (CAT) beginning on July 1, 2008.

Rate/Terms: Ohio Tax Credit Authority determines eligibility and terms. Credits awarded to companies that are engaged at the project site primarily as a manufacturer or providing significant corporate administrative functions and can demonstrate the tax credit is a major factor in its decision to retain jobs in Ohio. Local community must also provide financial support for the project.

Benefits: Nonrefundable corporate franchise or state income tax credits for corporations, partnerships, limited liability companies and other pass-through entities to minimize the costs of maintaining an operation in the state. The tax credit will transfer to cover the Commercial Activity Tax (CAT) liabilities for tax period beginning July 1, 2008. The program will continue to be non-refundable.

Eligibility: Businesses that currently employ at least 1,000 full-time employees and make a capital asset investment of at least \$200 million. In special circumstances, a company could invest at least \$100 million if the retained positions pay, and will continue to pay, at least 400% of the federal minimum wage.

Contact Phone Number: Office of Tax Incentives (614) 466-2317 or (800) 848-1300

State of Ohio - Tax Credits

OHIO RESEARCH AND DEVELOPMENT INVESTMENT TAX CREDIT

Provides a nonrefundable tax credit against the corporate franchise tax and is designed to encourage Ohio's corporations to invest in increased research and development activities.

Rate/Terms: The credit equals 7% of the excess amount of Qualified Research Expenses.

Benefits: Nonrefundable tax credit. The tax credit currently is applied against a company's corporate franchise tax. The tax credit will transfer to cover the Commercial Activity Tax (CAT) for corporations subject to ORC Section 5733.01(G)(2) after tax year 2008. Any excess credit not used in the taxable year in which it is earned by be carried forward for up to 7 years.

Eligibility: Only those taxpayers subject to the franchise tax provision of ORC Section 5733.06, or those subject to division (G)(2) of section 5733.01 under CAT tax are eligible for the credit. Taxpayer must invest in "Qualified Research Expenses", defined within Section 41 of the Internal Revenue Code and includes both in-house research expenses (wages and supplies) and contract research expenses. New investment in a taxable year must exceed business' annual average investment in Qualifying Research Expenses for the tree previous taxable years.

Contact Phone Number: Office of Tax Incentives (614) 466-2317 or (800) 848-1300

TRAINING TAX CREDIT

Provides tax credits for employers that train existing employees who are at risk of losing their jobs primarily due to skill deficiencies.

Rate/Terms: \$20 million in credits available annually with no single business receiving more than \$100,000 per year. Tax credit available in tax year 2004, 2005, and 2006.

Benefits: Nonrefundable tax credits to help businesses offset costs of training incumbent workers and improving the business' competitive position.

Eligibility: Businesses must conduct an eligible training program to correct identified skill deficiencies in its existing workforce. Training for management personnel is generally prohibited.

Contact Phone Number: Department of Job and Family Services (614) 644-7104

State of Ohio - Tax Credits

OHIO MANUFACTURING MACHINERY & EQUIPMENT GRANT/OHIO MANUFACTURING MACHINERY & EQUIPMENT INVESTMENT TAX CREDIT

Provides a nonrefundable corporate franchise or state income tax credit for manufacturer located in Ohio that purchases qualified new or retooled machinery and equipment that is used in manufacturing.

As of July 1, 2005, the M&E Equipment Grant replaced the M&E Investment Tax Credit as the mechanism for companies to take the incentive. The M&E Equipment Investment Grant Program incentive values are calculated in the same manner as the M&E Investment Tax Credit, and therefore the annual incentive amounts previously calculated through the tax credit program will apply to the grant program. The M&E Equipment Grant program will require companies /individuals intending on taking the incentive (again – the same amounts as the annual values calculated through the M&E Investment Tax Credit program on the Notice of Intents) must file a grant request form with their tax return.

Rate/Terms: Manufacturer receives a 7.5% tax credit on the excess investment, credit of 13.5% is available in "priority investment areas". Total value of credit is divided equally over 7 years and manufacturer is permitted to carry forward any unused credit for up to 3 years. Purchases must be made by June 30, 2005 and installation must occur before June 30, 2006. Credit exceeding \$1 million must meet special requirements. Notice of Intents must still be filed with ODOD for investment made in calendar years 1995 through 6/30/05. A company's deadline to file a Notice of Intent for any investment year is determined by the required filing date of its tax return (see the M&E Investment Credit website under "Notice of Intent Due Dates" for the deadlines).

Benefits: Substantial state franchise or income tax reductions which minimize capital expenditures to encourage business expansions and locations in Ohio. For state franchise tax filers, the incentive is applicable to the corporate franchise tax credit during the tax's phase out period. After the tax is eliminated, the incentive is eliminated. For state income tax filers, the incentive can be taken against the state income tax until the term of the incentive is completed.

Eligibility: Corporations, partnerships, limited liability companies or proprietorships. New investment must exceed business' annual average county investment in machinery and equipment determined by the filing year. Machinery and equipment must be new to Ohio. Retooling qualifies if costs are capitalized for federal tax depreciation purposes.

Contact Phone Number: Office of Tax Incentives (614) 466-2317 or (800) 848-1300

State of Ohio - Tax Credits

TECHNOLOGY INVESTMENT TAX CREDIT

Offers a variety of benefits to Ohio taxpayers who invest in small, research and development and technology-oriented forms.

Rate/Terms: Provides a tax credit for taxpayers that invest in small, Ohio-based technology companies. The amount of the tax credit is 25% (or 30% in some limited cases) of the amount invested by the taxpayer. The maximum investment to which this credit may be applied is \$250,000 (or \$300,000). The credit may be claimed against personal income tax, corporate franchise tax, public utility excise tax or the dealers in intangibles tax.

Benefits: Investors may reduce their state taxes by up to 25% of amount invested.

Eligibility: Businesses primarily focused on research and development, technology transfer, or the application of a new technology Business must have gross revenues less than \$2.5 million in revenue or less than \$2.5 million in net assets for the most recently completed fiscal year. Principal place of business and 1/2 of its gross assets and employees must be in Ohio. Business must have received less than \$1 million in investments that have qualified for the tax credit.

Contact Phone Number: Technology Division (614) 466-3887 or (800) 848-1300

RESEARCH AND DEVELOPMENT SALES TAX EXEMPTION

Provides an exemption from the usual state and county sales tax for companies that purchase equipment for research and development activities. Vendor needs a blanket exemption certificate, available on-line at the Department of Taxation's website (<http://tax.ohio.gov/>) under Business, Tax Forms.

Rate/Terms: Exempts business from entire state and county sales tax for purchases of machinery and equipment used primarily for research and development.

Benefits: Provides significant tax savings for companies undertaking research and development activities in Ohio.

Eligibility: Includes research and development activity in both direct and pure research. Direct research refers to research conducted to design, create or formulate new or better products, equipment or processes. Pure research refers to scientific or technological inquiry and experimentation in the physical sciences.

Contact Phone Number: Ohio Department of Taxation, Sales Tax Division (614) 466-7351 or (888) 405-4039

State of Ohio - Tax Credits

MANUFACTURING MACHINERY & EQUIPMENT SALES TAX EXEMPTION

Provides an exemption from state and county sales tax for companies that purchase machinery and equipment for manufacturing activities. Vendor needs a blanket exemption certificate, available on-line at the Department of Taxation's website (<http://tax.ohio.gov/>) under Business, Tax Forms

Rate/Terms: Exempts business from entire state and county sales tax for purchases of machinery and equipment used primarily for manufacturing.

Benefits: Provides significant tax savings for companies and individuals that are involved in manufacturing in Ohio.

Eligibility: Includes machinery, equipment, supplies and fuel used primarily in a manufacturing operation to produce tangible personal property for sales.

Contact Phone Number: Ohio Department of Taxation, Sales Tax Division (614) 466-7351 or (888) 405-4039

WAREHOUSE MACHINERY & EQUIPMENT SALES TAX EXEMPTION

Provides an exemption from state and county sales tax for companies that purchase eligible warehousing equipment. Vendor needs a blanket exemption certificate, available on-line at the Department of Taxation's website (<http://tax.ohio.gov/>) under Business, Tax Forms.

Rate/Terms: Exempts business from entire state and county sales tax for purchases of eligible machinery and equipment

Benefits: Provides significant tax savings for companies purchasing machinery and equipment for warehousing, distribution and direct marketing activities.

Eligibility: Includes machinery and equipment used primarily (51%) in storing, transporting, mailing or handling inventory in a warehouse, distribution center or similar facility if the inventory handled by the facility is primarily distributed outside Ohio to retail stores owned by the business or affiliated group that owns the Ohio facility or distributed by means of direct marketing.

Contact Phone Number: Ohio Department of Taxation, Sales Tax Division (614) 466-7351 or (888) 405-4039

State of Ohio - Tax Credits

WAREHOUSE INVENTORY TAX EXEMPTION

Provides an exemption from the personal property tax on qualifying inventory. Claimed as part of the Personal Property Tax return.

Rate/Terms: Current rate is 0%

Benefits: Significant tax savings for companies that have substantial amounts of inventory. This exemption will only be applicable as long as there is tangible personal property tax is assessed on inventory. Once the personal property tax is eliminated, the exemption is eliminated.

Eligibility: Inventory brought into Ohio from out of state, held for storage only with no further processing and then distributed back outside of the state, will be subject to a reduced personal tangible property assessment rate "Held for Storage Only" is a specific standard of eligibility that may preclude the value of some inventory being shipped directly to customers from qualifying for the reduced assessment rate.

Contact Phone Number: Ohio Department of Taxation, Personal Property Tax Division
(614) 466-3280

ENTERPRISE ZONES

Provides real and personal property tax incentives for businesses that expand or locate in Ohio. In order to apply, the municipality or county must apply to the State Development Director for certification. To secure benefits, non-retail businesses must apply to the local community for local property tax exemptions and to the State Development Director for state franchise or state income tax incentives.

Rate/Terms: Up to 75% exemption in incorporated areas and up to 60% exemption in unincorporated areas on real property improvements or tangible personal property tax valuation for up to 10 years. Local school board approval is required to exceed these rate and/or term limits.

Benefits: Substantial tax reductions on new real and/or personal property investment. Reductions apply to the increase in assessed value for real property and items first-used by the business in Ohio for personal property. Note that: 1) manufacturing machinery and equipment new to the state purchased after 1/1/05 will not be taxed and 2) once personal property tax is phased out, the personal property tax incentive will no longer be applicable.

Eligibility: Industrial projects (retail/service projects are eligible in limited areas). Business must finalize agreement to retain or create employment; establish expand, renovate or occupy a facility in an Enterprise Zone; and invest in new real and/or personal property prior to project initiation

Contact Phone Number: Office of Tax Incentives (614) 466-2317 or (800) 848-1300

State of Ohio - Tax Credits

OHIO HISTORIC PRESERVATION TAX CREDIT

Provides a refundable tax credit to the owner of a historic building. The credit is based upon expenses paid by the owner to rehabilitate the historic building.

Rate/Terms: The credit is equal to 25% of the qualified rehabilitation expenditures paid to rehabilitate the historic building.

Benefits: The refundable tax credit can be claimed against the building owner's individual income tax, corporate franchise tax, or dealers-in-intangibles tax liability.

Eligibility: Only building owners that are subject to any of the taxes against which the credit can be applied are eligible for the credit. An application for the credit must be submitted to the Ohio Historic Preservation Officer and to the Director of the Ohio Department of Development. Not more than 100 applications can be approved per year of a two-year period that begins on July 1, 2007.

Contact Phone Number: Office of Urban Development (614) 644-6552 or (614) 995-2292.

COMMUNITY REINVESTMENT AREAS

Provides local real-property tax incentives for residents and businesses that invest in designated areas of Ohio. In order to apply, the municipality or county must apply to the State Development Director for confirmation. Investors meeting the local criteria must apply to the municipality or county for the real property tax exemption.

Rate/Terms: Up to 100% exemption of the improved real property tax valuation for up to 15 years depending on the project. Local legislative authority establishes rates and terms. In some instances, local school board approval may be required.

Benefits: Substantial real estate property tax reduction for new real property.

Eligibility: Real property investment incentives are available for residential, commercial, and/or industrial projects involving remodeling or new construction. Commercial and industrial projects must have an agreement in place prior to investment. Local legislative authority establishes project eligibility.

Contact Phone Number: Office of Tax Incentives (614) 466-2317 or (800) 848-1300

State of Ohio - Energy Office Programs

RENEWABLE ENERGY FINANCIAL ASSISTANCE PROGRAM

Eligible borrowers include: Commercial business, industrial businesses, local governments, K-12 public schools (that utilize the H.B. 264 Energy Conservation Program), not-for-profit organizations and small agricultural businesses and farms.

Eligible projects include: Service Territory: Qualifying projects must be located in the service territory of one of the four participating electric distribution companies to be eligible for Energy Loan Fund financing. The four companies are: American Electric Power (Columbus and Southern Power and Ohio Power); Dayton Power and Light; Duke Energy; and First Energy (Cleveland Electric Illuminating, Ohio Edison, Toledo Edison).

Qualifying projects include: Each borrower is encouraged to conduct an energy load profile of its facilities and operations to ascertain all potential energy efficiency measures that will lower energy use and allow for optimal sizing of the renewable energy system. A renewable energy systems integrator/installer can assist with this effort. Eligible renewable energy systems under the Renewable Energy Program include, but are not limited to: solar photovoltaic systems and wind electric systems.

Other renewable energy systems will be considered, but ALL renewable energy systems must meet the following parameters:

- All equipment must be purchased new
- All equipment must be UL listed (where applicable)
- Systems must have at least a three-year warranty
- Systems must be installed according to the installation requirements specified in the appropriate technical worksheet
- If the renewable energy system will be interconnected to the electric utility grid, a copy of the Interconnection and Net Metering Agreements must be included with the application. The system installer should contact the electric utility for the necessary forms.

Loan Terms: The Ohio Energy Office will determine the technical eligibility of the project for an Energy Loan and the bank will determine the financial eligibility of the borrower, the terms and the interest rate of the loan. The interest reduction may be as much as 50 percent of market rate on the eligible renewable energy system costs. The maximum participation by the Ohio Energy Office is \$500,000. However, there is no limit on the size of the bank loan.

BUSINESS AND INSTITUTIONAL PROGRAM

The Ohio Department of Development offers financial incentives through the Energy Efficiency Revolving Loan Fund to qualified businesses and institutions. This financial incentive is available to Ohio businesses and institutions which plan to secure a bank loan to: reduce energy costs; manage energy use and install renewable energy technologies.

Eligible borrowers include: small commercial businesses; small industrial businesses; local governments; K-12 public schools (that utilize the H.B. 264 Energy Conservation Program); not-for-profit organizations and agricultural farms and businesses.

State of Ohio - Energy Office Programs

Eligible projects: Qualifying projects located in the service territories of one of the four participating electric distribution companies are eligible. The four companies are: American Electric Power (Columbus and Southern Power and Ohio Power); Dayton Power and Light; Duke Energy; and First Energy (Cleveland Electric Illuminating, Ohio Edison, Toledo Edison).

Qualifying Projects: (1) May be new construction, an addition to an existing facility, or constructed on brownfield or grayfield (i.e., on reused land). (2) May be rehabilitation or replacement of existing: building shells, mechanical and electrical systems and appliances and equipment. (3) May be purchase and installation of equipment and systems for processes and operations.

Loan Terms: The Ohio Energy Office will determine the technical eligibility of the project and the bank will determine the financial eligibility of the borrower, the terms and the interest rate of the loan. The interest reduction may be as much as 50 percent of market rate on the eligible energy efficiency costs. The maximum participation by the Ohio Energy Office is \$500,000 but there is no limit on the size of the bank loan.

CONVERSION FACILITIES TAX EXEMPTION

Under Ohio Revised Code Sections 5709.20 through 5709.27, the State of Ohio provides tax exemptions for qualified facilities for energy conversion, solid waste energy conversion or thermal efficiency improvements.

What are the benefits (Rates & Terms)? Whenever an energy conversion, solid waste energy conversion, or thermal efficiency improvement certificate is issued, the transfer of tangible property for incorporation into the facility is not subject to the sales tax. Upon certification, facilities or their certified portion are not subject to real property taxes for improvements, personal property taxes or franchise laws for as long as the certificate is in force. The certificate is in effect for as long as the equipment is in operation.

What are the eligibility requirements? Businesses must file an application with the tax commissioner for an energy conversion, solid waste energy conversion or thermal efficiency improvement certificate. The application includes a narrative description of the facility and a descriptive list of component parts and materials incorporated or to be incorporated in the facility. In the case of a thermal efficiency improvement facility, estimated reductions in energy consumption are to be provided while an application for a solid waste energy conversion facility is to include an estimate of its solid waste consumption capacity and energy output. Prior to the issuance of the certificate, the tax commissioner must obtain a written opinion from the Department of Development regarding the likelihood of realizing the estimated reductions in power consumption or the estimated solid waste consumption capacity and energy output.

State of Ohio - Energy Office Programs

ENERGY LOAN FUND - NOTICE OF FUNDING AVAILABLE - NON-RESIDENTIAL RENEWABLE ENERGY

The Ohio Department of Development's (ODOD) Ohio Energy Office (OEO) is soliciting applications to implement renewable energy projects limited to solar electric, wind electric, and solar thermal systems for all non-residential customer classes in Ohio. In accordance with Ohio Revised Code 4928.61-63, qualifying projects will be eligible to apply for grants to cover a portion of the costs of eligible projects located in the service territories of the four investor-owned electric distribution companies listed in Section 1.3. Incentive funds are limited, but qualifying applications will be funded until all the funds for this NOFA are awarded. Applicants are encouraged to apply for an Energy Loan Fund (ELF) linked deposit to finance the balance of the project cost.

What are the eligibility requirements?

- Projects must be installed in Ohio
- Projects must be installed in a service area of an investor-owned utility: American Electric Power, Duke Energy, First Energy and Dayton Power & Light.
- All project components must be new and come with a manufacturers' warranty. In cases where the installing contractor custom builds components, the installing contractor must provide a 5-year warranty on those components.
- Project equipment must NOT be ordered, purchased, or installed prior to having an executed grant agreement with the ODOD.
- When zoning clearance is required, a letter of zoning approval by the authority having jurisdiction must be submitted with the application.
- In jurisdictions that are governed by a local or state building regulations all applicable permitting, licensing and codes must be followed.
- An electrician licensed by the Ohio Construction Industry Licensing Board (OCILB) must approve all electrical work.
- Grant funds are not available to customer facility sites that have open (non-complete) ELF or DER grants with the ODOD, OEO.
- NABCEP certified installers and/or end use customers may submit applications but grants are to be awarded to end use customer only.
- Projects must be completed within 12 months of an award.
- Solar PV projects must be installed by NABCEP certified installers.

FOR MORE INFORMATION CONTACT:

OHIO DEPARTMENT OF DEVELOPMENT

Ohio Energy Office

77 South High Street, 26th Floor

Columbus, OH 43216

Telephone: 614-466-4551

Telephone: 800-848-1300

www.odod.state.oh.us/cdd/oeo

State of Ohio – Brownfield Redevelopment Programs

CLEAN OHIO FUND

The Clean Ohio Fund was approved by voters in 2000 to preserve green space and farmland, improve outdoor recreation, and revitalize blighted neighborhoods by cleaning up and redeveloping polluted properties. Four funding programs have been designed under this fund. The Cuyahoga County Department of Development works with development partners to prepare applications for two of these, the Clean Ohio Assistance Fund (COAF), and the Clean Ohio Revitalization Fund (CORF). These grant applications are then submitted by the Cuyahoga County Commissioners. A CORF project can receive up to \$3 million and must have 25% matching funds (County Brownfield money can be used for this). A COAF project can receive up to a \$750,000 grant. In order to receive COAF funds, the project must be in the City of Cleveland or East Cleveland. Activities eligible for funding include environmental assessments (under COAF), cleanup and remediation of hazardous substances and/or petroleum, demolition, and limited infrastructure improvements. Applications are evaluated based on economic benefit, environmental improvement (including public health benefit), appropriateness and reasonableness of the proposed project, the financial condition of the community, and other factors as determined by Ohio's Director of Development.

BROWNFIELD REVOLVING LOAN FUND (RLF)

The Brownfield Revolving Loan Fund (RLF) capitalized by a grant from the United States Environmental Protection Agency (USEPA) offers below-market rate loans to assist with the remediation of a brownfield property to return it to a productive economic use in the community.

Program Facts:

- RLF is a loan program – repayment is required
- RLF monies can only be used to pay for remediation/cleanup activities

Eligibility Facts:

- All real property is eligible for the RLF program
- Property must have contamination from hazardous substance(s) greater than an applicable standard
- Borrowers must own the property
- Borrower must not be a PRP (Potentially Responsible Party)
- Borrower must have ability to re-pay

Environmental Facts:

- Environmental documentation is necessary – Phase I, Phase II, Remedial Action Plan (RAP), Asbestos Survey, Project Assumption and Cost Estimate (PACE) worksheet
- Required to enroll in an applicable environmental program

Financial Facts:

- Repayment terms are negotiated on a project by project basis
- Deferment may be arranged: Maximum of 2 years
- Portions of the loan may be “forgivable” dependent on project and/or borrower
- Below market interest rate
- No Penalty for early payoff
- Funds can be used in combination with other financing sources
- Disbursement of loan funds are through reimbursement process

Contact Phone Number: Office of Urban Development (614) 644-6552 or (614) 995-2292.

State of Ohio – Brownfield Redevelopment Programs

PETROLEUM REVOLVING LOAN FUND PROGRAM

Petroleum cleanup dollars are now available through the Brownfield Revolving Loan Fund program! Please see below fact sheets with program information along with the program's policy document in the list above. All prospective borrowers must submit and receive approval of the Site Eligibility Form prior to submission of an application for loan financing.

Program Facts:

- RLF is a loan program – repayment is required
- RLF monies can only be used to pay for remediation/cleanup activities
- 30-day public notice period followed by a public meeting is required
- A sign on the property with funding source information and borrower contact information is required
- Analysis of Brownfield Cleanup Alternatives Document and Community Relations Plan Document are required for the public notice process
- RLF is capitalized by federal dollars and triggers Davis-Bacon Prevailing Wage rates

Eligibility Facts:

- BUSTR determines site eligibility
- Borrowers must own the property
- Borrower must not be a PRP (Potentially Responsible Party)
- Borrower must have ability to re-pay

Environmental Facts:

- Environmental documentation is necessary – Tier 1 Investigation, Interim Response Action (IRA) or Remedial Action Plan (RAP)
- A known release is necessary for eligibility
- No Further Action submission is required

Financial Facts:

- Repayment terms are negotiated on a project by project basis
- Deferral may be arranged: Maximum of 2 years
- Portions of the loan may be “forgivable” dependent on project and/or borrower
- Below market interest rate
- No Penalty for early payoff
- Funds can be used in combination with other financing sources
- Disbursement of loan funds are through reimbursement process

Contact Phone Number: Office of Urban Development (614) 644-6552 or (614) 995-2292.

Other Economic Development Resources



Team Northeast Ohio unites the region to accelerate economic growth by serving as the central point for business attraction. The organization is a non-profit joint venture of the region's largest metro chambers, privately funded to market to the 16 county-area and assist companies in expanding to Northeast Ohio. In 2007, Team NEO attracted 95 new qualified investment leads, closed \$46 million in new annual payroll and created a nearly \$100 million regional economic impact.

By working with all of the major chambers of commerce - from Cleveland to Akron/Canton and from Youngstown to Lorain - Team NEO unites the region, harnessing Northeast Ohio's power and resources to accelerate business growth. As such, we market the region's assets nationally to targeted industries and businesses, and provide econometric research to support initiatives.

Connect with Team NEO at 1.888.NEO.1411.

CONTACT:

TEAM NEO

737 Bolivar Rd., Suite 2000

Cleveland, Ohio 44115

Phone: (216) 363-5400

Website: www.teamneo.org

Other Economic Development Resources



Lynn-Ann Gries, Chief Investment Officer
JumpStart Inc.
737 Bolivar Road, Suite 3000
Cleveland, OH 44115
Voice: 216.363.3400 Fax: 216.363.3401

JumpStart Inc. is a venture development organization that advises, invests in, assists, and accelerates Northeast Ohio's early-stage ideas and companies. JumpStart accelerates the growth of early stage businesses and ideas into venture-ready companies by providing vital, focused resources to entrepreneurs and the community. JumpStart's targeted assistance to early-stage high potential small businesses will ultimately create new employment opportunities for Northeast Ohio residents, which will alleviate economic distress and reduce the burden on government. The wealth created and jobs that result from our activities will help to revitalize the economy in Northeast Ohio.

JumpStart was formed to help accelerate the growth of early-stage ideas and business into venture-ready companies. JumpStart accelerates the growth of early stage businesses in Northeast Ohio in three fundamental ways:

- 1 **JumpStart Exchange:** JumpStart's Exchange team creates networking events that enable entrepreneurs and supporters of entrepreneurship to gather and exchange ideas. By promoting and celebrating entrepreneurial success (and failure), we aim to motivate the NEO business community. We facilitate programming across the 16 counties of Northeast Ohio, connecting the entrepreneurial community from Ashtabula to Ashland, Columbiana to Lorain, Canton to Cleveland - and all areas in between! For a current list of available programs, please [click here](#).
- 2 **Investments:** JumpStart's Investments team advises entrepreneurs interested in applying for funding from JumpStart, works with entrepreneurs to ensure their application is as good as possible, and then makes direct investments in carefully selected companies. On average, we invest \$300,000 in our portfolio companies. Individual investments will range from \$50,000 to \$800,000, depending on a company's needs and how it progresses through mutually determined milestones. About ten to twelve companies per year receive a JumpStart investment.
- 3 **Acceleration:** Companies interested in presenting to JumpStart receive assistance from the JumpStart Acceleration team, namely the group's team of Entrepreneurs/Executives-in- Residence ("EIRs"). Additionally, each JumpStart portfolio company receives extensive guidance from EIRs, who work with them to hit milestones, advance rapidly through growth stages, and attract follow-on funding. EIRs have deep experience in growing and running businesses, as well as raising various types of funding.

INVESTMENT PROCESS

JumpStart usually invests in its portfolio companies using convertible debt (i.e. a loan that eventually converts to equity). This avoids placing a value on the company at this early stage (which is often very difficult to do). This enables the focus of attention on getting the company up-and-running. Although the loan is interest-bearing, interest can be accrued until such time as the company raises equity capital. A personal guarantee is not required, but the loan is required to be guaranteed by assets of the company such as patents, patent applications, property, equipment and the like.

Other Economic Development Resources



Lynn-Ann Gries, Chief Investment Officer
JumpStart Inc.
737 Bolivar Road, Suite 3000
Cleveland, OH 44115
Voice: 216.363.3400 Fax: 216.363.3401

INVESTMENT PROCESS - CONTINUED

Finally, when the time comes to convert the loan into equity, a multiple of loan amount will be converted in order to compensate for the early risk JumpStart has taken. For example, if the loan is \$100,000, JumpStart will require principal plus interest multiplied by two, or \$215,000 worth of equity upon conversion after one year. Note that a full term sheet will be provided if once the Acceleration stage is reached.

JumpStart investment for Entrepreneurs are divided it into the four sequential phases:

- 1 **ADVISE** - Submit some general information so that we can mutually determine whether your business is a good fit for a JumpStart investment. In order to receive a JumpStart investment, a business must, without exception, be headquartered in Northeast Ohio (or must be willing to relocate its headquarters to Northeast Ohio) and have less than \$10 million in annual revenues. Furthermore, the entrepreneur must have a plan and a desire to grow the business to \$30-\$50 million in annual revenues. JumpStart typically assesses whether an idea or company can reach this level by analyzing if the business is based on a highly differentiated technology, if there is a large potential market for the idea/technology, if there is a committed management team, and if the business has a sale opportunity to a strategic buyer or an initial public offering.
- 2 **APPLY** - Based on the outcome of the ADVISE process, the entrepreneur may be invited to apply for funding. JumpStart accepts applications on a rolling basis, but all applicants must first have an advise session with a JumpStart professional. If it is mutually determined between JumpStart and the applicant that a good match for potential JumpStart investment exists, the applicant will be invited to submit an executive summary.
- 3 **ASSIST** - Based on the merits of the application, the entrepreneur may be invited to present to JumpStart's presentation panel. The presentation consists of a 10-minute product/service demonstration, as well as a 15-minute presentation that makes the case for how the applying business can reach \$30-\$50 million in annual revenues within five to seven years. Depending on the company's specific needs, a JumpStart Executive/Entrepreneur-in-Residence may work with the applicant to develop a clearly articulated and concise presentation conveying the unique technology/product idea and identifying the market potential.
- 4 **ACCELERATE** - Based on the outcome of the presentation, JumpStart will decide to conduct intensive due diligence on the applicant business and make an investment. JumpStart and the company will intensively work to prepare a 24-month budgets and set milestones for success, conduct business and legal due diligence, complete documentation for the investment, including Securities Agreements, Operating Agreements, and other agreements. Depending on the specifics of the company, especially its capital structure and outstanding debts, this can take ten weeks or it can take up to six months. Assuming that these steps go well, JumpStart will then close on the investment.

Other Economic Development Resources



Promoting Workforce Excellence improves the capacity of our companies to be competitive. We deliver programs that promote employee retention, provide skills training, and offer solutions to the complex workforce education and development challenges facing manufacturing firms, particularly those in our urban centers. WIRE-Net offers services that include:

- Youth and adult manufacturing career awareness and pre-employment training
- Job matching and referral services
- Employee and management training and development assistance

Industrial Redevelopment and infrastructure investment makes long-term economic sense. Our efforts support public and private reinvestment to secure industrial sites for 21st century manufacturing, and attract and leverage capital investment in modern facilities that bring new business, jobs, and wealth to our region's cities. WIRE-Net offers support services that include:

- Brownfield redevelopment, business site search, selection, and assembly assistance
- Plant design and modernization services to increase productivity
- Infrastructure planning and site improvement for greater accessibility to city services
- Real estate development and land reclamation to encourage public and private reinvestment

Advocacy efforts engage company leaders, employees, residents, government, and civic partners by promoting the importance of manufacturing and policies that keep manufacturing businesses competitive and our region healthy. We place an emphasis on policies that impact the growth of companies in urban centers where mature businesses, aging infrastructure, workforce challenges, and poverty are greatest. WIRE-Net offers:

- Local and regional business-to-government liaison services
- Federal, state, and local public policy education on issues relating to tax reform, trade, healthcare, and workforce development

Contact:

John P. Colm, President and Executive Director

4855 W. 130th Street, Suite 1

Cleveland, Ohio 44135

Phone: (216) 588-1440 Fax: (216) 588-1439

jcolm@wire-net.org www.wire-net.org

Other Economic Development Resources



WIRE-Net was founded as the Westside Industrial Retention and Expansion Network in 1986 by a coalition of community development organizations on Cleveland's near west side. We were incorporated in 1988 as an economic development organization with a mission to build relationships among leaders in business and manufacturing, the community, and state and local government, and to draw attention to the unique needs of manufacturing companies that are the foundation of our region's economy.

At the time, WIRE-Net founders recognized that a major concentration of manufacturing companies were located on Cleveland's west side. The leaders of those businesses became our core constituency and strategic partners.

Since then, WIRE-Net has become one of the region's premier business-led organizations, and one of the few that focuses on the shared interests of manufacturing companies and urban communities.

Today, WIRE-Net is still a place where manufacturing matters. Our membership base has grown to over 215 manufacturing and related companies located throughout Northeast Ohio. Our mission continues to focus on providing programs and services that strengthen manufacturing to create healthy communities and fuel economic growth. We provide expertise that is responsive to manufacturing-related businesses and their employees. WIRE-Net connects leaders to each other and engages them in their communities.

Manufacturing Matters: WIRE-Net Programs

“WIRE-NET PROGRAM INITIATIVES reflect priorities that are important to the future economic growth and stability of Greater Cleveland and the region.”

John P. Colm

WIRE-Net President & Executive Director

Manufacturing Business Assistance and Innovation efforts deliver high quality manufacturing improvement services to help businesses innovate, improve productivity, and compete. Programs include:

- MIND Learners Groups to help leaders develop and implement manufacturing innovation strategies
- Open forums on topics ranging from reducing employee turnover to Lean manufacturing
- Continuous improvement assistance
- Business management assistance and resource referral services

Other Economic Development Resources



BioEnterprise provides companies a full range of services to support the development and growth of their health care businesses:

- **Management support:** The BioEnterprise team helps develop health care enterprises by providing a wide breadth of executive-level management advice and support. BioEnterprise supports companies on issues of strategy and market positioning, product development, operations, strategic alliances, financing, and organization development. BioEnterprise has also developed an extensive network of management and technical executives and managers that are interested in working with start-up health care companies.
- **Clinical Collaborations:** BioEnterprise enjoys close working relationships with the many world-class clinical and research institutions in Northeast Ohio. The BioEnterprise partners — The Cleveland Clinic, University Hospital Health Systems, Case Western Reserve University and Summa Health System — are committed to working closely with biotech, medical device, and health care service start-ups. BioEnterprise can help companies access these institutions, facilitating clinical validation and development collaborations.
- **Investment Capital and Other Start-up Funding:** BioEnterprise supports companies looking to raise investment capital and other start-up funding by maintaining relationships with health care venture capital firms, private equity groups, and investment banks across the country. BioEnterprise supports its companies by ensuring that companies are prepared for raising capital. In addition, BioEnterprise works closely with several Ohio seed funding sources for start-up funding. Finally, BioEnterprise helps companies identify grant opportunities to support product and clinical development.
- **Business Development:** BioEnterprise brings a network of industry contacts and business development experience to help companies explore and enter strategic relationships. The network includes leading medical device, pharmaceutical, and health services companies, as well as strategic advisory firms.
- **Resource Network:** BioEnterprise has developed a network of regional capabilities and consultants to support the growth of health care companies. The capabilities include technical equipment and services, research services, and incubation space, including the [BioEnterprise facility](#). The consultants span all aspects of commercializing a health care technology from basic market research through product and regulatory development to clinical support to marketing and sales support. Finally, BioEnterprise has also established a set of preferred relationships with professional service firms for business law and intellectual property, accounting and business administration, and regulatory services.

For more information contact:

BioEnterprise - Cleveland Office

11000 Cedar Avenue, Suite 100

Cleveland, Ohio 44106-3052

Phone: 216.658.3999 Fax: 216.658.3998

Other Economic Development Resources



WECO Fund, Inc. is a provider of financial services and programs to low and moderate-income individuals and families and the companies, organizations, and institutions in which they are involved. Their work supports the ambitions of people who want to save money, reduce debt and build wealth. It also supports the ambitions of companies and organizations that want their employees, members, constituents, customers, clients or congregants to be financially stable.

The MicroEnterprise Program

The MicroEnterprise Program offers an opportunity for low to moderate-income entrepreneurs in Cuyahoga County to secure business financing and technical support by providing loans of \$500 to \$35,000 to new and emerging micro businesses. WECO targets the "pre-bankable" market – people to whom the banks will not consider loaning money, yet who have the necessary ambition, skills and work ethic to develop a successful business that within a few years may employ other individuals. Applications to the MicroEnterprise program are accepted on a rolling basis and are available on WECO's website. A \$40 non-refundable application fee is due upon submittal.

The activities of the MicroEnterprise Program include a "Microloan Program Workshop" to provide training, technical assistance and loan services to prospective applicants. The training and technical assistance is conducted via class sessions and one-on-one counseling. Business Plan Writing classes focus on producing a business plan that will support small business development and success as well as addressing existing barriers for entrepreneurs. Contact WECO for upcoming dates and registration.

CONTACT:

WECO FUND INC.

MicroEnterprise Program

1745 Rockwell Avenue

Cleveland, OH 44114

Phone: 216-458-0250

Fax: 216-458-0257

Website: www.wecofund.com

Other Economic Development Resources



The Council of Development Finance Agencies is a national association dedicated to the advancement of development finance concerns and interests. CDFA is comprised of the nation's leading and most knowledgeable members of the development finance community representing over 165 public, private and non-profit development entities. The organization relocated from Washington, DC in 2005 to downtown Cleveland.

Members are state, county and municipal development finance agencies and authorities that provide or otherwise support economic development financing programs, including tax-exempt and taxable bonds, credit enhancement programs, and direct debt and equity investments as well as a variety of non-governmental and private organizations ranging from regional and large investment banks to commercial finance companies to bond counsel, bond insurers, trustees, venture capital companies, rating agencies, and other organizations interested in economic development finance.

Originally created to support the specific application of Industrial Development Bonds (IDB's) as an economic development tool, CDFA has since expanded its mandate to reflect the broader needs of economic development finance specialists. Today the organization has a broad coverage that encompasses research and education on tax credit finance, tax increment financing, bond finance and many other subject areas.

Today, CDFA has one of the strongest voices in the development finance industry. The Council provides a number of avenues for assisting the development finance industry including a two highly acclaimed bond finance training courses, the premier annual development finance conference in the country, a monthly finance newsletter, a comprehensive on-line database of finance resources and ultimately a conduit with which to link development finance professionals to one another.

CDFA provides the following services:

Online Research – CDFA has the most comprehensive online resource database strictly dedicated to development finance in the country. The database can be broken down into topic specific section such as TIF, tax credits and bonds. The database currently houses over 600 development finance resources including case studies, guiding principals, program descriptions, fact sheets, etc. CDFA also publishes CDFA Update, a monthly e-newsletter the features the latest news on the development finance industry.

Other Economic Development Resources



Training Courses – CDFA offers four training courses including

1. The Industry Primer: Development Bond Finance Course – a basic overview course on how to use and implement a small issue tax exempt bond program
2. The Advanced Bond Finance Course – a in-depth examination of the tax-exempt and taxable bond industries for economic development
3. The Tax Credit Finance Course – a comprehensive course highlighting both state and federal tax credit programs covering housing, brownfields, new markets, historic rehab and venture capital
4. The Tax Increment Financing Course – (coming in November 2007) a detailed course covering the nuts and bolts of the use of TIF.

Each of these course are two days in length but can be tailored as part of a one day seminar for client communities.

Technical Assistance – CDFA employs a peer based technical assistance approach to assisting state and local economic development finance agencies with problem solving. The Council has work with state and local agencies on tailored workshops, bond courses, strategic planning, organizational development and program development challenges. CDFA relies on its vast network of industry resources and partners to complete projects at a lower cost alternative to high priced consultants.

CONTACT:

Toby Rittner
Executive Director
815 Superior Avenue
Suite 1301
Cleveland, Ohio 44114
Phone: (216) 920-3073
Fax: (216) 771-4938
Email: trittner@cdfa.net
Web: www.cdfa.net

Other Economic Development Resources



Partners in Community Development Since 1969

NDC brings development expertise and financial resources to client communities through the following:

Grow America Fund (GAF), an economic development bank and Community Development Financial institution (CDFI), is a powerful partnership between NDC and our client communities that makes SBA-guaranteed loans for job-generating and community development projects, with a focus on women and minority-owned businesses

Housing and Economic Development Corporation (HEDC), NDC's development arm, finances and develops affordable housing and other community and economic development projects

HEDC New Markets, Inc. (HEDC-NM) works with client communities and investors to provide equity and loans for community development projects on eligible low-income areas

NDC Corporate Equity Fund, L.P. (CEF) invests in projects eligible for low-income housing and rehabilitation tax credits

NDC was founded in 1969 with a simple but powerful mission: increase the flow of capital for investment, jobs, and community development to distressed communities throughout the country. Through partnerships with governments and non-profit organizations across the country, we deliver a unique combination of development finance and capacity building services in the form of technical assistance, training and professional certification, financing and direct development services. These partnerships result in new jobs, business expansion, real estate development projects, increased tax revenue, affordable housing, municipal facilities and dollars for investment into additional community development projects and activities that improve communities and enhance the lives of low and moderate-income people.

Technical Assistance

NDC's core service, technical assistance is more than consulting; we don't do studies and we don't write reports. We work with our clients, becoming part of their operating force. Within their strategic framework we propose, design and organize new programs, or review and update existing ones. And we get projects financed and built.

NDC Training and Professional Certification

NDC created the first training program solely for economic, housing and community development practitioners more than three decades ago. Participants in NDC training, including staff members of local and state development agencies and non-profit development organizations, consider our four-course Economic Development Finance Professional (EDFP) and Housing Development Finance Professional (HDFP) certification programs to be the gold standard for professional training.

Contact

National Development Council
Kevin Urquhart
927 Dudley Road
Edgewood, KY 41017
Ph: 859-578-4850
Email: training@nationaldevelopmentcouncil.org

Web site: www.nationaldevelopmentcouncil.org

Other Economic Development Resources



Growth Capital Corp. is a Certified Development Company (CDC), which is a private nonprofit corporation, certified by the SBA to process 504 loans, formed for the purpose of reviewing and processing loan requests and contribute to the economic development of the community. Growth Capital is affiliated with the Greater Cleveland Partnership.

OHIO 166 REGIONAL LOAN

The purpose of the Ohio 166 Regional Loan Program is to make term financing for fixed assets available to small businesses in Ohio with lower, fixed interest rates and longer loan terms. At Growth Capital we work together with business owners and commercial loan officers to administer the Program. Funds can be used for fixed asset financing of land & building acquisition, purchase of machinery & equipment, building improvements or renovations and new construction. Eligible for profit businesses include Manufacturing, Distribution, Wholesale and Commerce. In certain instances Service companies may qualify; Point of Sale businesses are not eligible.

Available Financing

- From 30-50% of Total Project Cost May be Financed by Ohio 166
- Minimum Equity Requirement of 10% of Total Project Cost
- 166 Loan Sizes from \$25,000 to \$350,000
- Interest rates are fixed at 2/3's of the Current Prime Rate
- Interest rates can be as low as 4% in economically distressed communities including

Cleveland, East Cleveland and Lorain

- 166 Loan Terms match the Bank Loan Term up to 15 years for Real Estate and up to 10 years for

Machinery & Equipment

- Participating Bank Term, Rate, and Fees are Negotiated between the Customer and the Bank Loan Officer

Associated Costs and Terms

- Processing Fee of 1.5% of the 166 Loan Amount is due at Closing
- Application Fee of \$350.00 is due to Growth Capital upon Processing
- Ongoing Servicing Fee of % of the 166 Loan is added to the Interest Rate
- Ohio 166 Loan Closing and Legal Costs are the Responsibility of the Customer
- State of Ohio Prevailing Wage Rates apply to Construction and Installation Labor
- Job Creation Requirement of 1 New Job for each \$35,000 of 166 Funding up to \$350,000
- The Participating Bank must advance an interim loan for up to 90% to fund the 166 portion; Ohio 166 is "take-out" permanent, shared collateral financing

Other Economic Development Resources



SBA 504 LOAN

The SBA 504 Loan Program was developed by the U.S. Small Business Administration (SBA) to make available long term, fixed interest rate loans with lower down payment requirements to existing small businesses with fixed asset financing needs. At Growth Capital we work together with business owners and bank loan officers to administer SBA 504 loan participation. Funds can be used for fixed asset financing of land & building acquisition, purchase of machinery & equipment, building improvements or renovations and new construction. Eligible for profit businesses include manufacturing, industrial, service, retail, wholesale, and distribution businesses with net worth less than \$7 million, businesses with profit after tax less than \$2.5 million.

Available Financing

- Up to 40% of Total Project Cost may be Financed by SBA 504 WITH A minimum Equity Requirement of 10% of Total Project Cost
- SBA Loan Sizes from \$50,000 to \$4,000,000
- SBA Loan Terms are 10 or 20 years (fully Amortizing)
- Interest rates are fixed at the time of the SBA loan closing based on Current market U.S. Treasury rates plus approximately 1.5%
- Participating Bank Financing Terms, Rates, & Fees are Negotiated between the Customer & Bank Loan Officer Associated Costs and Terms
- Processing Fee of 2.65% of the SBA loan amount is financed into the SBA loan
- Fee of 1/2% on the Bank's First Mortgage Amount collectable at the SBA closing
- Ongoing Servicing Fees totaling 1.2% of the outstanding SBA loan balance are included into the Effective Interest Rate
- SBA 504 loan Closing and Legal Costs (\$2,500) are the Responsibility of the Customer but may be financed in the SBA loan
- The Participating Bank must advance an interim loan for up to 90% to fund the SBA portion. SBA 504 is "take-out" permanent, second mortgage financing.

The maximum SBA debenture is \$1,500,000 for meeting the job creation criteria or a community development goal. Generally, a business must create or retain one job for every \$50,000 provided by the SBA. The maximum SBA debenture is \$2.0 million for meeting a public policy goal and \$4.0 million for Manufacturing companies. The public policy goals are as follows:

- Business district revitalization
- Expansion of exports
- Expansion of minority business development
- Rural development
- Enhanced economic competition
- Restructuring because of federally mandated standards or policies
- Changes necessitated by federal budget cutbacks
- Expansion of small business concerns owned and controlled by veterans
- Expansion of small business concerns owned and controlled by women
- Job Creation Requirement of 1 New Job for each \$35,000 of SBA Funding

Other Economic Development Resources



LIQUID CAPITAL OF NORTHEAST OHIO
3735 Cinnamon Way
Westlake, Ohio 44145
(440) 734- 3321
Email info@lcneo.com
www.lcneo.com

Liquid Capital of Northeast Ohio provides creative working capital solutions for growing companies. Many businesses can benefit from faster access to the cash generated by their sales that is tied up in receivables. We enable our clients to leverage their existing assets or future revenues to provide immediate cash flow for operations or expansion. We generally do this by purchasing credit-worthy invoices but we also have other programs that might be suited to other situations.

Our clients are operating businesses that have sales and need additional working capital but are unable or unwilling to obtain it from conventional sources such as banks or investors. In order to provide superior personal service to our clients we focus on the greater Cleveland area but we also support clients outside the region. We also offer remote support to clients located elsewhere when required.

We own the company and we fund clients using our own financial resources. We do not have to shop around to place a deal or get approvals. Our clients work with the owners - not a sales representative or broker. This ensures our commitment to making our clients successful because their success is our success. We have no minimums or long-term commitments. Our business structure allows us to offer alternative financing solutions to clients that are too small for other companies to handle – as little as \$10,000 average factoring volume per month.

Liquid Capital of Northeast Ohio considers any company that has sales and generates receivables from businesses and government authorities. It is not necessary for you to be in operation for two years or more to be eligible for funding. We consider the credit-worthiness of your customers, not your business or its owners.

FINANCING SOLUTIONS

When traditional means of lending are not available, you can rely on Liquid Capital of Northeast Ohio for access to a comprehensive package of financing alternatives. We offer a wide range of options, each designed for a specific business need.

- Accounts Receivable Factoring
- Contractor Factoring
- Medical Receivables Factoring
- Purchase Order Financing
- Equipment Leasing
- Asset-Based Lending
- Advances Against Future Credit Card Receipts

BUSINESS SERVICES

In addition to providing financing, Liquid Capital of Northeast Ohio also provides a bundle of services integrated with its factoring offerings that includes:

- Assessment of customer credit-worthiness and credit limits
- Processing and mailing of invoices
- Professional collection services
- Posting and remittance of funds
- On-line web-based back office computer systems

By outsourcing these administrative tasks you can get on with the business of doing business, leaving the administration and paperwork to Liquid Capital.

Other Economic Development Resources



Hebrew Free Loan Association of Cleveland
23300 Chagrin Boulevard
Suite 204, Beachwood, OH 44122
Phone: (216) 378-9042
Website: www.hflaclev.org
E-Mail: hflaclev@sbcglobal.net

About HFLA Cleveland

The Hebrew Free Loan Association of Cleveland is a local Jewish Organization that has, for over a century, offered its services to all persons regardless of race or religion.

It is the mission of HFLA to lend money for worthy purposes, free of interest, to needy and responsible persons who are unable to obtain a loan from conventional sources.

Apply For a Loan

The Hebrew Free Loan Association of Cleveland provides interest-free loans to individuals in Northeast Ohio who demonstrate:

1. A genuine need
2. The inability to receive a loan from conventional sources
3. The ability to repay the loan in monthly installments starting one month after the loan is made
4. Suitable co-signer(s)

Other Economic Development Resources



100 Black Men of Greater Cleveland, Inc.

4415 Euclid Avenue, Suite 331
Cleveland, OH. 44113

Tel (216) 361-9146

Fax (216) 361-9148

Email info@100blackmencleveland.org

www.100blackmencleveland.org

Mission

The mission of the 100 Black Men of Greater Cleveland, Inc., is to serve as mentors, deliver and support educational and economic opportunity, advocate for institutional change and improve the health and wellness of African-American Men and Youth in particular, and the African-American community in general. Through collaborations, partnerships and a strong volunteer base, our mission is achieved through programs categorized in four content areas known as our “Four for the Future” -- Mentoring, Education, Health and Wellness, and Economic Development.

Economic Development

Through the volunteer efforts of our membership and volunteers, we provide informational and progressive guidance and support through the facilitation of workshops, didactic seminars, and active partnerships with local corporations, businesses and schools. Within this framework, increased knowledge and practical applicability of concepts will assist in improved understanding of economics and financial empowerment. Our Economic Development programs are primarily focused on Financial Literacy, Family Wealth Building and Entrepreneurship. Through comprehensive curriculums, training classes, technical assistance and group facilitation, these programs work to promote economic self-sufficiency. All programs and activities should meet the needs of our intended audiences. The following “subject areas” which have been associated within our organization since its inception, have been met through successful development and implementation of our programs: Entrepreneurship / Investing in the Stock Market / Business Opportunity Identification / Preparing for Retirement / Wise Use of Credit / Career Exploration / Home Ownership / and Planned Savings.

Other Economic Development Resources



SCORE Cleveland is part of SCORE "Counselors to America's Small Business," a national nonprofit association dedicated to entrepreneur education and the formation, growth and success of the nation's small businesses.

SCORE Cleveland provides free and confidential business advice and counseling tailored to meet the needs of your small business and your personal objectives. SCORE Cleveland also offers workshops, for a modest fee, for both start-up and in-business entrepreneurs.

SCORE Cleveland volunteers are real-world professionals with time-tested knowledge who donate thousands of hours to help small businesses succeed. Counselors are experts in such areas as accounting, finance, marketing, management and business plan preparation.

Our counseling assistance is ongoing for as long as it is wanted and needed, following the initial session.

We have assisted many clients in obtaining business loans. We take pride in our ability to match up your needs with the expertise of our over 60 career professionals from various areas of business and industry that have volunteered to share their wisdom and knowledge with people attempting to go from a start-up situation to a more structured organization.

- SCORE Has Helped 7.5 Million Small Businesses.
- SCORE offers Ask SCORE email advice online.
- Face-to-face small business counseling at 389 chapter offices.
- Low-cost workshops at 389 chapter offices nationwide.
- "How to" articles and business templates.

Contact appointments@chapter30.org or call 216-522-4194 to learn more about our services.

We look forward to serving you.

Other Economic Development Resources



COUNCIL OF SMALLER ENTERPRISES

COSE, the small business division of the Greater Cleveland Partnership – one of the nation’s largest metropolitan chambers of commerce – serves as a one-stop resource for nearly 16,000 member companies.

What does membership mean to our members? It means they have clout.

Our members benefit from:

- Group purchasing programs that reduce their direct cost of doing business
- A unified, collective voice speaking out on legislative and regulatory issues affecting their businesses
- Access to invaluable business resources that allow their business to thrive
- Open doors to government agencies, business and community organizations, and economic development partners that can address their business concerns

COSE would like its member to think of us as their strategic business partner. We’re here to help them save time and money – and ultimately help them grow their business.

Check out the COSE advantage!

- Health Products and Savings
- Business Operations Products and Savings
- Networking Events
- Education Opportunities
- Business Resources
- Sponsorship Opportunities
- Grassroots Advocacy

Want to talk with a live person? Contact the COSE Customer Service Team by phone at (216) 592-2222 or e-mail customerservice@cose.org between 8:30 and 5 p.m. Monday through Friday.

Other Economic Development Resources



The mission of the SBA is to maintain and strengthen the nation's economy by aiding, counseling, assisting and protecting the interests of small businesses and by helping families and businesses recover from national disasters. The SBA offers numerous loan programs to assist small businesses. It is important to note, however, that the SBA is primarily a guarantor of loans made by private and other institutions.

BASIC 7(a) LOAN GUARANTY

Serves as the SBA's primary business loan program to help qualified small businesses obtain financing when they might not be eligible for business loans through normal lending channels. It is also the agency's most flexible business loan program, since financing under this program can be guaranteed for a variety of general business purposes.

Loan proceeds can be used for most sound business purposes including working capital, machinery and equipment, furniture and fixtures, land and building (including purchase, renovation and new construction), leasehold improvements, and debt refinancing (under special conditions). Loan maturity is usually up to seven years for working capital and generally up to 25 years for real estate purchase or improvement. Target customers are start-up and existing small businesses. SBA offers multiple variations of the basic 7(a) loan program to accommodate targeted needs.

CERTIFIED DEVELOPMENT COMPANY (CDC), 504 LOAN

The program provides long-term, fixed-rate financing to small businesses to acquire real estate or machinery and equipment for expansion or modernization. Typically a 504 project includes a loan secured from a private-sector lender with a senior lien, a loan secured from a CDC (funded by a 100 percent SBA-guaranteed debenture) with a junior lien covering up to 40 percent of the total cost, and a contribution of at least 10 percent equity from the borrower. The maximum SBA debenture generally is \$1.5 million (and up to \$2 million for Public Policy Goals and up to \$4 million for Manufacturing Companies). Target customers are small businesses requiring "brick and mortar" financing. Delivered through certified development companies (private, nonprofit corporations set up to contribute to the economic development of their communities or regions)(See Growth Capital, page 30).

MICROLOAN, 7(m) LOAN

The program provides short-term loans of up to \$35,000 to small businesses and not-for-profit child-care centers for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. Proceeds cannot be used to pay existing debts or to purchase real estate. The SBA makes or guarantees a loan to an intermediary, who in turn, makes the microloan to the applicant. These organizations also provide management and technical assistance. The SBA does not guarantee the loans. The microloan program is available in selected locations in most states. Target customers are small businesses and not-for-profit child-care centers needing small-scale financing and technical assistance for start-up or expansion. Delivered through specially designated intermediary lenders (nonprofit organizations with experience in lending and in technical assistance).

Other Economic Development Resources



EXPORT WORKING CAPITAL

The Export Working Capital Program (EWCP) was designed to provide short-term working capital to exporters. The SBA's Export Working Capital Program (EWCP) supports export financing to small businesses when that financing is not otherwise available on reasonable terms. The program encourages lenders to offer export working capital loans by guaranteeing repayment of up to \$1.5 million or 90 percent of a loan amount, whichever is less. A loan can support a single transaction or multiple sales on a revolving basis.

Designed to provide short-term working capital to exporters, the EWCP is a combined effort of the SBA and the Export-Import Bank. The two agencies have joined their working capital programs to offer a unified approach to the government's support of export financing. The EWCP uses a one-page application form and streamlined documentation with turnaround usually 10 days or less. A letter of prequalification is also available from the SBA.

CONTACT:

SMALL BUSINESS ADMINISTRATION

1350 Euclid Avenue

Suite 211

Cleveland, Ohio 44115-1815

216-522-4180

Other Economic Development Resources

A number of Federal tax credits are available to businesses. This section provides information about some of the credits available but is not meant to be an all inclusive list. An excellent resource to find out more about available tax credits is the IRS website www.irs.gov. Consult your attorney or tax advisor for question about these tax credits.

Federal Rehabilitation Tax Credit

The rehabilitation credit applies to costs you incur for rehabilitation and reconstruction of certain buildings. Rehabilitation includes renovation, restoration, and reconstruction. It does not include enlargement or new construction.

Generally, the percentage of costs you can take as a credit is:

1. A ten percent credit is available for the rehabilitation of non-historic buildings originally constructed before 1936 (Non-Historic Rehab Credit). The building must be used for non-residential purposes and certain exterior and interior wall retention requirements must be met.
2. A twenty percent credit is available for the rehabilitation of a Certified Historic Structure - one listed on the National Register of Historic Places or located in a Registered Historic District and determined to be of significance to the district (Historic Rehabilitation Credit).

More information on this topic is available from the Internal Revenue Service at www.irs.gov using the keywords search "Rehabilitation Tax Credit".

Work Opportunity Credit

The work opportunity credit provides businesses with an incentive to hire individuals from groups that have a particularly high unemployment rate or other special employment needs. Your business does not have to be in an empowerment zone, enterprise community, or renewal community to qualify for this credit. You can claim the credit if you pay or incur "qualified first-year wages" to a "targeted group employee."

Targeted group employee. A targeted group employee is any employee who has been certified by your state employment security agency (SESA) as a:

1. Recipient of assistance under Temporary Assistance for Needy Families (TANF),
2. Veteran,
3. Ex-felon,
4. High-risk youth, age 18 to 24 who lives in an empowerment zone, enterprise community, or renewal community,
5. Vocational rehabilitation referral,
6. Summer youth employee, age 16 or 17 who lives in an empowerment zone, enterprise community, or renewal community,
7. Food stamp recipient, or
8. Supplemental security income (SSI) recipient.

*This information is meant to be a brief summary of the Work Opportunity Credit. Many changes have been made to this credit recently. For the most complete and updated information visit www.irs.gov and see Form 5884, Work Opportunity Credit.

Other Economic Development Resources

New Markets Credit

You can claim a tax credit for a qualified equity investment in a qualified community development entity (CDE) made after April 19, 2001. This is called the new markets credit.

Amount of credit. You claim the credit over a period of 7 years until 2007. To find the amount of your credit each year, multiply the amount you paid the qualified CDE for your qualified equity investment by a percentage. The percentage is:

- 5% for the year the investment is made and each of the next 2 years, and
- 6% for each of the next 4 years.

Thus, the credit can be up to 39% of your investment over a 7-year period.

To claim the credit for a year, you must hold the qualified equity investment on the credit allowance date for that year. The credit allowance date is the date you make the initial investment and each of the next 6 anniversary dates.

How the new markets credit (NMC) works. Qualified CDEs apply to the U.S. Department of Treasury's Community Development Financial Institutions (CDFI) Fund for an allocation of the new markets credit. A CDE will seek taxpayers to make qualifying equity investments in the CDE. The CDE will be required to use substantially all of the qualified equity investments to make qualified low-income community investments in qualified active low-income community businesses (QALICBs), discussed later. After the CDE is awarded a tax credit allocation, the CDE is authorized to allocate the tax credits to private equity investors in the CDE.

Qualified CDE. A qualified CDE is any U.S. corporation or partnership that meets the following requirements.

- Its primary mission is serving, or providing investment capital for, low-income communities or persons.
- It maintains accountability to residents of low-income communities through their representation on any governing or advisory boards of the entity.
- It is certified by the CDFI Fund of the Department of Treasury.

Qualified CDEs also include specialized small business investment companies and community development financial institutions. For more information, see section 45D(c)(2) of the Internal Revenue Code.

More information on this topic is available from the Internal Revenue Service at www.irs.gov using the keywords search "New Markets Credit".