MVEDP’s Certification Expanded by State PIDA Board

On Wednesday, September 5th, the Pennsylvania Industrial Development Authority (PIDA) approved the expansion of the Partnership’s certification which will now enable the staff to administer the PIDA loan program throughout all of Centre County.

The Partnership was previously certified to administer this state loan program in the Moshannon Valley which includes eastern Clearfield County and western Centre County. Only certified economic development organizations are permitted to administer the PIDA program. The Partnership is one of approximately fifty certified organizations in the state, and the only certified agency located in Centre County.

The Pennsylvania Industrial Development Authority has provided matching loan financing to businesses in the state since the mid-1950s. It started as a program that targeted manufacturers with their land and building projects. The program has since been completely restructured to include all businesses and all uses including machinery and equipment projects and for working capital.

The PIDA loan program is a partner with local banks and other lending institutions as it provides just 50% of the funding that a company might need for their project. There must be a commitment letter or loan offer from a bank/financial institution in order for the PIDA staff to consider a project loan application. Job retention and job creation are key requirements of the program. Very low interest rates on the loans are available in exchange for the company retaining and adding new employees. The PIDA loans are most often in a subordinate lien position to the bank financing that is involved in the deals.

Some previous recipients of PIDA loan financing include Lee Industries, Walker Lumber, Near-hoof machine, Penn Pallet, Sinterstahl/PMG and Cutting Edge Machining Solutions, to name a few. Two PIDA loans approved most recently include Organic Climbing/Ridge and Valley Holdings, and Homeland Manufacturing.