

October 12, 2010

EDITORS: The following information is for immediate release. If you have any questions, please contact Michael Grigalonis, COO of the Chester County Economic Development Council, at 610 458-5700.

Chester County Commissioners expand boundaries of recovery zone in connection with American Recovery Act

Deadline for submissions is October 28

EXTON _ The Chester County Commissioners have increased the boundaries of the American Recovery Act.

The County of Chester originally designated the 15 boroughs and the City of Coatesville as recovery zones. The new boundaries include the geographical areas of the county located within a one-mile radius of the designated municipalities.

Only projects located within the designated recovery zones can access this financing. The deadline for project applications is October 28. The Industrial Development Authority had \$9,617,000 in federal stimulus funding allocation available for projects.

The funds are part of the American Recovery and Reinvestment Act of 2009 and include a new low-interest economic development financing tool called Recovery Zone Bonds. Allocations were made to each county in the United States. The counties are responsible for identifying recovery zones

The funds in Chester County are available in two categories; facility bonds for private use with a volume cap of \$5,770,000 and economic development bonds for municipal use with a volume cap of \$3,847,000.

The Chester County Commissioners have authorized the Chester County Industrial Development Authority to administer the program. The Chester County Economic Development Council provides the staff to the CCIDA and will collaborate on implementing the program.

To be eligible, the project must be located in a recovery zone and the borrower must certify financing will close before December 31, 2010. The maximum amount of allocation for any one project is \$2 million. There is no minimum allocation.

Facility Bonds may be used to finance depreciable property actively used in a qualified business within a Recovery Zone, provided the property is acquired after the Recovery Zone designation. Economic Development Bonds may be used to finance economic activities, including capital expenditures paid or incurred for property in a Recovery Zone, expenditures for public infrastructure and construction of public facilities and expenditures for job training and educational programs.

Borrowers wishing to apply for recovery zone financing should contact Gary Smith or Mike

Grigalonis at the Chester County Economic Development Council (610-458-5700) to obtain an application. The application is also available at www.cceconomicdevelopment.com

The Chester County Economic Development Council is a private, non-profit economic development organization that has been nurturing economic growth in Chester County and the surrounding region for 50 years. The Council's portfolio of business growth services includes: low-interest financing, small business lending, workforce training, retention and expansion, customized international business assistance, land and building site selection, brownfields consultation and remediation, urban redevelopment, and agricultural economic development. The Council also offers state-of-the art conference and training facilities at its facility in Eagleview. For more information, see www.cceconomicdevelopment.com.