

COVID-19 WORKING CAPITAL ACCESS (CWCA) PROGRAM

CRITICAL WORKING CAPITAL SUPPORTING BUSINESSES



Administered by the Pennsylvania Industrial Development Authority (PIDA), the COVID-19 Working Capital Access Program (CWCA) provides critical working capital financing to small businesses located within the commonwealth that are adversely impacted by the COVID-19 outbreak.

All CWCA loan applications must be submitted through a Certified Economic Development Organization (CEDO). For the list of CEDO's operating within Pennsylvania, please refer to dced.pa.gov/CWCA.

ELIGIBLE BUSINESSES

A for-profit corporation, limited liability company, partnership, proprietorship or other legal business entity located in the Commonwealth of Pennsylvania and having 100 or fewer full-time employees worldwide at the time of submission of the application.

DEFINITIONS FOR THE CWCA PROGRAM

- A **retail / service** enterprise is defined as a for-profit business entity that is involved in the business-to-business service, business-to-public service, mercantile, commercial, or point of sale retail sectors.
- An **agricultural producer** is defined as a business involved in the management and use of a normal agricultural operation for the production of a farm commodity. A "farm commodity" is any Pennsylvania-grown agricultural, horticultural, aquacultural, vegetable, fruit, and floricultural product of the soil, livestock and meats, wools, hides, furs, poultry, eggs, dairy products, nuts, mushrooms, honey products and forest products.

COVID-19 WORKING CAPITAL ACCESS (CWCA) PROGRAM



ELIGIBLE COSTS

Working capital, which for purposes of this program is considered capital used by a small business for operations, excluding fixed assets and production machinery and equipment.

LOAN AMOUNTS, MATCHING INVESTMENT, JOB-REQUIREMENTS

- The maximum loan amount is \$100,000.
- No match is required **except for retail / service enterprises** in which case the CWCA program can finance 50% of eligible working capital costs up to \$100,000.
- There are no job retention / creation requirements.

INTEREST RATES AND TERMS

- **Interest Rate** – Zero percent (0%) except for agricultural producers, in which case the interest rate will be two percent (2%).
- **Terms** – Three (3) years with a 12-year amortization. In addition:
 - No payments will be due and payable during the first year.
 - Principal and, if applicable, interest payments will be due monthly for years two and three.
 - A balloon payment will be due and payable at the end of the third year.

COLLATERAL

- The loan shall be secured by a blanket lien on all business assets currently owned or acquired in the future at the highest lien position available.
- The loan shall be guaranteed by any individual or entity with a 20% or greater ownership interest in the eligible business enterprise.

HOW TO APPLY

PIDA partners with a network of nonprofit organizations called **certified economic development organizations (CEDOs)** to administer the CWCA loan program. Generally, the CEDOs service a one county area or a multicounty region, and work directly with the applicant company to package and underwrite the loan application. The loan application is submitted to the PIDA Office by the CEDO for final approval.

You can determine which CEDO(s) serve your business's county and view additional information about the CWCA program at dced.pa.gov/CWCA.