

FOR IMMEDIATE RELEASE:

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FAMILY BUSINESS INITIATIVE PLAN ANNOUNCED

SCRANTON, PA --- County Commissioner's A.J. Munchak and Robert C. Cordaro announced today plans to institute the Family Business Initiative in Lackawanna County. The Family Business Initiative will complement and coordinate a wide array of programs which currently support economic development and family-sustaining job creation and retention. The Family Business Initiative is designed to foster organic development of the County's economy, helping businesses already rooted in the community, to fully participate in the region's economic development.

HOW IT WORKS

The Family Business Initiative has three components. First, access to capital through a \$50 million loan pool made available by a joint effort with the Federal Home Loan Bank of Pittsburgh (FHLB) and the US Small Business Administration's (SBA) 504 Loan Program.

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A typical loan package would provide below-market fixed rate funds with a first mortgage under FHLB Program for an amount representing up to 50% of the project, a second mortgage under SNA 504 Program for up to 40% of the project, and equity of at least 10% by the borrower.

Second, the ultimate goal of the Initiative is to provide a one-stop-shop to both disseminate information and determine eligibility, in order to assist company growth and development. In this regard, the Program will sponsor a best-practices and “success-stories” seminar series designed to encourage networking and mentoring among existing County business and business leaders.

Third, through our Purchasing Department, we have taken the leadership in developing a pre-qualified vendor program and business-to-business purchasing clearinghouse to highlight and encourage a “Buy and Grow Lackawanna Business” initiative.

“We are committed to expanding and better coordinating our efforts, with the entire economic development community to ensure that family-owned businesses fully realize their potential, and lead the revitalization of the County’s economy. Whatever economic growth we have experienced over the years has been a result of family owned and locally owned businesses. This is where we intend to focus our efforts to create jobs and opportunities for the people of Lackawanna County,” said Commissioner Robert C. Cordaro.

“The Family Business Initiative is a tangible expression of this crucial commitment,” said Commissioner A.J. Munchak.

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