

FOR IMMEDIATE RELEASE

Southside Bethlehem KIZ Launches New Financing Program

Bethlehem, PA – The Southside Bethlehem Keystone Innovation Zone (KIZ), a component of the Bethlehem Economic Development Corporation (BEDCO), has launched a new financing program. This program will give startups access to low-interest capital for components and inventory to help their companies grow and thrive in Bethlehem.

The Southside Bethlehem KIZ identified a need for this program after surveying current KIZ companies about the effectiveness of current programs and opportunities for new offerings. The current lending market further solidified the need for a low-interest financing program for startups. Below are the program details:

Loan Amount	\$50,000 +/-
Prerequisite	KIZ Technology Transfer Grant
Interest Rate	6% starting rate with lower interest rates available below if noted criteria is met:

5% interest rate if sourced from North America

3% interest rate if sourced from United States

2% interest rate if sourced from Pennsylvania

1% interest rate if sourced from Lehigh Valley

Term	3 years
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The Southside Bethlehem KIZ has supported innovative manufacturing and product-based design startups since 2004 through a variety of programs, ranging from \$1,000 to utilize Northampton Community College's Fab Lab, to \$100,000 in annual KIZ Tax Credits that are based on increased annual revenue. This new inventory financing program will help elevate startups out of producing an initial batch of inventory, selling those products, reinvesting that revenue into more inventory, and continuing to repeat that cycle. Providing a low-interest opportunity for startups to invest in significant inventory will trigger economies-of-scale and allow for efforts to be focused on other parts of the business. The interest rate is directly tied to where products and components are sourced from to incentivize supporting local manufacturers and suppliers.

"The City of Bethlehem is an incredibly welcoming and supportive community for entrepreneurs and innovative start-up companies." said BEDCO's President, Mayor J. William Reynolds. "We want to continue to help startups succeed, so we are always looking to ensure that our program offerings align with these companies' evolving needs. The Southside Bethlehem KIZ has innovated alongside our startups to provide financing that will help accelerate companies' growth. At the same time, we're incentivizing the utilization of local manufacturers through our unique interest rate structure."

BEDCO is excited to partner with the Rising Tide Community Loan Fund, a subsidiary of Community Action Lehigh Valley, to assist with the administration of this financing program.

Eligible companies are for-profit business entities that: 1) are located within the Southside Bethlehem KIZ, 2) have been in operation for less than 8 years, 3) operate within one of the KIZ targeted industry clusters, and 4) are developing innovative technologies.

For more information, please visit the Southside Bethlehem KIZ's [website](#) or contact the City's Economic Development Coordinator, Asher Schiavone via [email](#) or phone (610) 865-4347.

BEDCO

The Bethlehem Economic Development Corporation (BEDCO) was established in 1982 for the purpose of facilitating economic development in the City of Bethlehem. BEDCO works closely with the City of Bethlehem's Department of Community & Economic Development to ensure a unified economic development strategy. BEDCO manages the Southside Arts District, a commercial revitalization program; Southside Bethlehem Keystone Innovation Zone and Pi: Partnership for Innovation incubator; both of which are programs that benefit innovative start-up companies and entrepreneurs.

Southside Bethlehem KIZ

The mission of the Southside Bethlehem KIZ is to foster innovation and create entrepreneurial opportunities by aligning the combined resources of educational institutions, the public sector, and the private sector. The Southside Bethlehem KIZ was established in 2004 and is now in its 20th year of operation. The KIZ has had a profound impact on innovation and entrepreneurship in Bethlehem by offering critical financial resources and assistance to early-stage startup companies. To date, the KIZ has invested over \$10 million dollars in 110 companies since the program's inception.

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