



166 Direct Loan Program

Overview	The 166 Direct Loan Program provides low-interest loans to businesses willing to commit to creating new jobs or preserving existing employment opportunities in the State of Ohio.
Benefits	Low interest loan program to finance manufacturing or other eligible facilities at fixed rates, usually below market.
Eligibility	Businesses engaged in manufacturing, research and development and distribution are eligible Eligible project costs include purchase of land, building, construction/renovation, machinery, equipment, long term leaseholds and other fixed-asset purchases. Refinancing is ineligible.
Rate/Terms	The program may fund up to 50 percent of eligible project costs directly related to the fixed-asset purchase. The minimum loan is \$500,000 and the maximum is \$1,500,000. The loan is presented to the Ohio Department of Development Financing Advisory Council for review and the State Controlling Board for approval. The term of loan is conditioned upon the useful life of the assets, with the maximum limit of 15 years for real estate and 10 years for machinery and equipment. The interest rates are fixed at or below market rates and generally do not exceed 2/3 of the current prime rate. A minimum of 10% equity is required; the amount is higher for startups. Must create or retain one job for every \$50,000 received. Priority may be given to eligible projects with higher wage or job creation commitments or projects located in Priority Investment Areas.
Contact	Youngstown/Warren Regional Chamber at 330.392.6140 or Ohio Department of Development at 330.797.6301

This summary is prepared as a reference, and should not be construed as the actual law. For more information, contact the Youngstown/Warren Regional Chamber.