



CRIZ FAQ

What is the “CRIZ”?

CRIZ stands for City Revitalization and Improvement Zone. It was created by Act 52 of 2013. The Pennsylvania Department of Revenue, the Pennsylvania Department of Community and Economic Development (DCED) and the Pennsylvania Governor’s Office of the Budget administer the CRIZ Program.

There are only 3 CRIZ designations in Pennsylvania: Lancaster, Bethlehem and the “pilot” program in Tamaqua. Due to Tamaqua not being a city, CRIZ in Tamaqua stands for Community Revitalization and Improvement Zone.

Each CRIZ funding level is calculated on a per business basis by comparing each business's reported tax payments to that business's established baseline. The funding levels are impacted by the number of businesses that file a CRIZ report. Any type of business, including sole proprietors, non-profits/organizations or contractors doing business in the designated CRIZ, are required by the State to complete an annual CRIZ report. These reports are due online by June 15th every year to report taxes paid for the prior calendar year. Failure to file the report will result in a \$1000 fine. These reports can be completed by individuals or their accountant online only via <https://www.etides.state.pa.us/> Click on “NIZ/CRIZ/MIRP Report”.

The incremental new sales, payroll, liquor sales, corporate net income and local taxes collected in the CRIZ are returned to the community to repay debt services to stimulate economic development projects within the CRIZ.

How can I find out if a property is in the CRIZ?

A list of parcels is kept at the Tamaqua Borough office. You can call and inquire about the property list at 570.668.0300. The CRIZ map is also included with the CRIZ guidelines packet upon request. This information is also available on the Borough website at www.tamaquaborough.com.

Can anyone attend a CRIZ Financing Authority meeting? When and where are they held? How do I get on the agenda?

Yes. CRIZ meetings are open to the public and are held in the Tamaqua Borough Council Chambers in the Tamaqua Borough building at 320 E. Broad St. on the 3rd Monday of the month from 6 p.m. to 7 p.m. There is potential for two meetings each month, with the first one being on the 1st. Monday, but please call the Tamaqua Borough to confirm the scheduling of that meeting or if you would like to be placed on the agenda for any CRIZ meeting.

Is there an application for the CRIZ?

There is no form to fill out, but there is a process explained step by step in the CRIZ guidelines that can be obtained from the Tamaqua Borough. Step one is to address a letter to the CRIZ Authority stating your project ideas and the Authority will determine if it qualifies. The second step after preliminary approval of the Authority would be the gathering of data and documents as listed in the CRIZ guidelines. The final step is always approval from the State.

Can CRIZ funds be used to purchase a property or only to expand one?

CRIZ money can be used toward a debt service which includes property acquisition, new construction and other costs related to development projects in the zone. It can also be used for infrastructure.

Can I use CRIZ money to expand a business already in the CRIZ?

Yes, as long as the annual CRIZ reports have been filed with the state and additional taxes are being generated by the project.

Is CRIZ money a loan or a grant?

CRIZ funding is a reimbursement grant.

Do you have to pay back CRIZ money?

No. You must continue to file annual tax reports to be eligible for any annual reimbursements.

Do I have to pay taxes on CRIZ money received?

Tax advice can be obtained by your accountant. It may be considered income.

How do I find out if a project is CRIZ eligible?

As explained in the CRIZ guidelines, step one is a letter of intent of your project plans submitted to the CRIZ Authority. It will be addressed at their next meeting for preliminary approval to proceed with a full application packet.

How is eligible CRIZ money calculated?

All projects must have at least \$1 of private finding to match every \$5 of funding.

Can I get CRIZ money if I don't have a lienholder?

CRIZ funding reimburses the costs of acquisition and development of a project. In some instances, the CRIZ Authority may reimburse a project that does not have a debt service.

Can I get CRIZ money if I do the work myself?

No. Any improvements or renovations must follow the CRIZ guidelines, including using prevailing wage and securing at least 3 bona fide bids.

Why do I need to use prevailing wage and at what dollar figure does that start?

CRIZ funds are state tax dollars returning to a project in the form of a grant to reimburse debt service. The CRIZ law makes it clear that state prevailing wage requirements apply. Prevailing wage is required for any publically-funded project and it is one of the CRIZ eligibility requirements for any project of \$25,000 and up.

Do I have to pay the \$2500 application fee before my project is approved?

Yes. The CRIZ guidelines explain the process step by step. You will not be asked to pay the application fee until the project has preliminary approval to make a full application to the CRIZ Authority. A full application will not be approved without a paid application fee.

How long does the approval process take?

The approval process will vary depending on the scope and size of the project.

For more information about the CRIZ Program in Pennsylvania:

<https://dced.pa.gov/programs/city-revitalization-improvement-zone-criz/>

<https://www.revenue.pa.gov/GeneralTaxInformation/IncentivesCreditsPrograms/CRIZ>

For more information about the CRIZ Program in Tamaqua:

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CRIZ Authority

Dan Evans, Chairman
Paul Fridirici, Secretary and Treasurer
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