

CITY OF ALEXANDRIA FINANCIAL ASSISTANCE PROGRAMS

Business Assistance Loan Program (BALP)

The City of Alexandria administers the Business Assistance Loan Program (BALP) funded with federal Community Development Block Grant monies for existing and new businesses located within the Potomac West area of the City of Alexandria. The primary purpose of BALP is to assist businesses within the Potomac West area of the City to retain or create jobs for low and moderate income persons. The loan funds may also be used to correct code violations and make exterior improvements to a building.

BALP loan funds may be used to purchase equipment, pay for operating expenses and other working capital. The loan program is designed to provide gap financing and is not intended to be used as a source of primary financing. A business establishment must first apply and be approved for primary financing through a private lending institution. A business requiring additional funds may apply for gap financing up to \$50,000.

BALP loans must have adequate collateral and carry an interest 2 percent below the prime lending rate of the institution extending the primary loan. The loan term will be coterminous with the primary loans, but may not exceed 20 years (10 years for loans of \$25,000 or less).

Contact: Businesses interested in learning more about the BALP should contact the *Office of Housing, Division Chief, Program Implementation Division at (703) 838-4622*. See the appendix for the address of the Office of Housing.

Alexandria Micro Loan Program

The Alexandria Micro Loan Program aims to stimulate development in underserved areas of the City of Alexandria and strengthen the City's small business community. The Program provides loans of up to \$25,000 to small businesses in Alexandria that do not yet qualify for conventional loans. The loans may be used for purposes such as inventory, equipment, supplies and working capital. To be eligible, the business must be for profit and located in Alexandria. The program targets businesses owned by low to moderate income, minority and women entrepreneurs and businesses located in underserved areas.

Contact: For more information about the Alexandria Micro Loan Program, contact the *ECDC Enterprise Development Group (ECDC) at (703) 685-0510*. See the appendix for ECDC's address.

Alexandria Industrial Development Authority (IDA)

The City of Alexandria's Industrial Development Authority (IDA) principal task is to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate or remain in Virginia. IDA's major tool for accomplishing these objectives is the issuance of industrial revenue bonds. The interest on these bonds enjoys a tax exempt status for federal and Virginia income tax purposes. IDA bonds may be used for any legitimate project, except for certain sporting and recreational facilities and single or multi-family facilities.

Contact: For further information about industrial revenue bond financing, please contact *Alexandria Industrial Development Authority (IDA)* at (703) 739-3820. See the appendix for IDA's address.