

# CDBG Loan for Economic Development

The Community Development Block Grant Loan Program (CDBG) is a loan program for economic development projects that is available to fund individual business needs. Funding from this program can be used by municipalities and counties to assist with the location or expansion of businesses. Usage of the funds must be directly related to the construction, renovation, or expansion of industry.

## Examples of eligible projects include:

- Drainage systems
- Water and sewer systems
- Rail spurs
- Buildings (rehabilitation/expansion)
- Machinery and Equipment
- Working Capital

## Program Facts

Job creation is the goal of the Community Development Grant Loan Program. CDBG requires that at least 51% of the jobs created must be made available to persons of low and moderate income as determined the U.S. Department Housing and Urban Development. Typical industries that are eligible under this program include:

- Manufacturers
- Warehouses and distribution centers
- Research and development facilities
- Telecommunications and data processing facilities
- National or regional headquarters

Municipalities and counties may apply on behalf of an industry based on specific needs of the project. The municipality or county then loans the money to the eligible business. The Community Development Block Grant Loan Program provides for a **maximum loan amount per project of \$650,000**. The maximum term is 20 years and the interest rate is set by the Executive Director of the Mississippi Development Authority.

## Available Documents

- [Economic Development Proposal](#)
- [Economic Development Public Improvements Loan Application](#)
- [Funding Certification Form](#)
- [Project Information Package](#)
- [Memorandum of Agreement](#)
- [Company Financial Information](#)
- [Request for Cash](#)
- [Source and Use of Funds Disbursement 2006](#)
- [Budget Summary](#)

For further details or assistance, contact the Community Services Division at [community@mississippi.org](mailto:community@mississippi.org) or (601)359-3179.