



CITY OF ALEXANDRIA
REVOLVING LOAN FUND GUIDELINES

- Applicant Eligibility/Project Location: The project must be located within the City of Alexandria, and be a conforming use in the residential, commercial or industrial zoning district in which the business is located. **Residential** – fee title owner. If rental, occupant of property income must be below Section 8 income limits. **Commercial** – fee title or contract for deed owner. **Industrial** – fee title owner
- Loan Amount: **Residential** – 70% of property value, not to exceed 50% of project costs and RLF loan not less than \$5000. **Commercial** - \$200,000 maximum or 50% of the project cost, whichever is less, RLF loan not less than \$5000. **Industrial** - \$200,000 maximum or 50% of the project cost, whichever is less, RLF loan not less than \$5000 and RLF loan not in excess of \$10,000 per job created by project.
- Type of Loan: Direct loans.
- Eligible Costs: **Residential** – Building and site improvements, utility services and demolition. **Commercial** – Acquisition for demolition, building rehabilitation, building demolition and public facilities. **Industrial** – Land, building, machinery, equipment, working capital, relocation, demolition and public facilities.
- Loan Terms: Equal to or less than the private financing, but in no case longer than 180 months.
- Loan Interest Rate: To match private financing. If no private financing, the City’s rate will be the then-current WSJ Prime Rate.
- Priority: **Residential** – emergency improvements, health and safety improvements, plumbing, electrical and heating code improvements, energy code improvements, building exterior improvements and site improvements. **Commercial** – building rehabilitation, public facilities/improvements, building demolition and acquisition for demolition. **Industrial** – expansion of existing industry, creation of new business, building demolition, job creation, job retention, building rehabilitation, equipment, acquisition, public facilities and working capital.
- Loan Servicing: All loan and legal fees are paid by the applicant.
- Loan Approval: Reviewed by City Budget Committee with final approval by City Council. Funds released by City Administrator after approval of private financing.
- Loan Position: Loan will be in a junior collateral position to the primary source of project financing.
- Loan Security: All revolving fund loans will be secured by a mortgage taken on the property to be improved.
- Miscellaneous: Applications will be received on a first-come, first-served basis. Private financing may consist of owner equity, bank or other financial institution financing and/or other public/semi-public (non-City) financing.

Loan Guideline Policy: These Revolving Loan Fund guidelines may be modified or waived by the Alexandria City Council on a case-by-case basis, upon recommendation of approval by the City’s Budget Committee, in instances demanding appropriate action to address unusual circumstances or unanticipated conditions or opportunities.