



# Downtown Development Revolving Loan Fund

DDRLF

**Sally Mrus**

Economic Development Consultant

[Sally.Mrus@dca.ga.gov](mailto:Sally.Mrus@dca.ga.gov)



## Program Overview

The Downtown Development Revolving Loan Fund (DDRLF) assists cities, counties, and development authorities in their efforts to revitalize and enhance downtown areas by providing below-market rate “gap” financing. DDRLF funds capital projects in core historic downtown areas and their adjacent historic neighborhoods to spur commercial development. The ultimate user of funds is typically a private business.

Applicants must demonstrate that they have a viable downtown development project and clearly identify the proposed uses of the loan proceeds. All construction and renovation projects are expected to comply with Secretary of Interior Standards for Rehabilitating Historic Properties, where applicable.

Interest rates are below current market rates. Main Street and PlanFirst cities currently receive a 2% interest rate, and all other cities receive a 3% rate. The repayment period is 15 years with a 15-year amortization. Security is usually project collateral and personal guarantees.

## Eligible Applicants

- Municipalities with a population of 100,000 or less
- Counties with a population of 100,000 or less\*
- Development Authorities\*

\* *Proposing projects in a core historic commercial area*

## Loans

- Maximum loan: \$250,000 per project
- Applications are accepted on an ongoing basis as long as loan funds are available
- Below-market interest rate (2% or 3%)
- Minimum borrower equity of 10%

## Downtown Development Revolving Loan Fund Uses

- Real Estate Acquisition
- Development
- Redevelopment
- New Construction
- Rehabilitation of Public and Private Infrastructure and Facilities
- Purchase of Equipment and Other Assets