



U.S. Congressman
Nick Rahall
WORKING FOR WEST VIRGINIANS

FOR IMMEDIATE RELEASE
September 30, 1993



CONTACT: KENT KEYSER
Acting Press Secretary
Phone: (202) 225-3452

MU TO RECEIVE EDA GRANT

WASHINGTON, DC -- U. S. Rep. Nick Rahall (D-W.Va.) announced today the Marshall University EDA Center has been awarded \$500,000 from the U.S. Economic Development Administration to establish a Revolving Loan Fund.

"This program will work in conjunction with ongoing efforts to stimulate economic development in southern West Virginia by making financing more readily available for prospective new businesses, as well as for expansion of existing businesses," Rahall said.

Rahall has worked closely with the University Center, to develop the revolving loan fund. He worked to garner the support of the major financial institutions, area business and community leaders, and the U.S. Economic Development Administration. Over the past several months Rahall has worked diligently to shepherd this project through the grant process.

The fund will total \$667,000 with an additional \$84,000 grant from the West Virginia Economic Development Authority and area banks adding the final \$93,000. Bank One Huntington has agreed to serve as the lead bank for the program.

At least \$501,000 or 75% of the funds will be used to make small loans, the minimum loan will be \$10,000 and the maximum will be \$50,000. The remaining \$167,000 or 25% may be used for making loans larger than \$50,000. The average loan is expected to be \$30,000 to \$35,000.

In addition to providing loans, the revolving loan fund will aid in business development by providing the following services: technical and management assistance, loan packaging and referral services, and development of marketing strategies.

"This program will serve as a catalyst for future development by filling the funding gap that so often stifles economic development," Rahall said.

This program is funded under the U.S. Economic Development Administration Title IX RLF program.

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