

Central Corridor

## News Release



Central Corridor LRT Project

### **Loan Fund Media Contact:**

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### **Businesses can apply now for LRT construction-related loans**

**ST. PAUL - June 20, 2011**- Small retail businesses and restaurants along the Central Corridor LRT line under construction can now apply for up to \$20,000 each in interest-free, forgivable loans.

The city of St. Paul selected the Neighborhood Development Center (NDC) and Metropolitan Consortium of Community Developers (MCCD) to administer the funds. The NDC will administer funds to St. Paul businesses while the MCCD will serve businesses in Minneapolis. The NDC will begin administering loans immediately, while the MCCD will begin next Monday, June 27.

Loan information can be found at <http://bit.ly/CCLRTLoan> or by contacting the loan administrators directly. Complete the application, provide all the requested documents and forward the full application by mail or deliver to:

### **Businesses in Minneapolis should contact:**

Metropolitan Consortium of Community Developers

3137 Chicago Ave.

Minneapolis, MN 55407

David Chapman

Phone: 612-789-7337

Email: [dchapman@mccdmn.org](mailto:dchapman@mccdmn.org)

Website: [www.readyforrail.net](http://www.readyforrail.net)

### **Businesses in St. Paul should contact:**

Neighborhood Development Center

663 University Ave., Ste. 200

St. Paul, MN 55104

Phone: 651-379-8118

Email: [R4Rforgivableloanprogram@ndc-mn.org](mailto:R4Rforgivableloanprogram@ndc-mn.org)

Website: [www.ndc-mn.org/ReadyForRailForgivableLoan](http://www.ndc-mn.org/ReadyForRailForgivableLoan)

The Neighborhood Development Center will offer informational sessions for St. Paul applicants at the Central Corridor Resource Center, 1080 University Ave., in St. Paul at the following times:

June 23 - 8 a.m. to 10 a.m.

June 30 - 6 p.m. to 8 p.m.

July 5 - 8 a.m. to 10 a.m.

July 7 - 6 p.m. to 8 p.m.

July 12 - 8 a.m. to 10 a.m.

July 14 - 6 p.m. to 8 p.m.

July 19 - 8 a.m. to 10 a.m.

July 21 - 6 p.m. to 8 p.m.

Forgivable loan applications may be submitted 60 days or more after construction has started in the immediate area of a business. Loans of up to \$20,000 per eligible business will be interest free and forgiven in equal installments over five years if the business can certify that it is operating on the Central Corridor each year. Funds may be used for working capital and current business expenses.

The loan fund is available for independent for-profit businesses with four or fewer locations, gross annual sales not exceeding \$2 million and a business focus on retail services. The business must be located in the Central Corridor Light Rail construction zone or within a block of construction where businesses can demonstrate a significant barrier to access during construction. The businesses must have been at their current location for one year or more and have experienced a decline in revenue due to the LRT construction.

The Metropolitan Council, city of St. Paul and the Central Corridor Funders Collaborative created a \$1.5 million loan fund in 2010 and on April 13 announced the fund was being increased to \$4 million.

"This has been a great collaborative effort to assist businesses along the corridor," Council Chair Sue Haigh said. "The Metropolitan Council is committed to doing as much as we can to ensure businesses remain in place and reap the benefits of this investment in transit, economic development and street and sidewalk enhancements."

"This dramatic increase in the loan fund is the result of a lot of hard work and advocacy," St. Paul Mayor Chris Coleman said. "The additional financial assistance will help businesses during construction so they can

take maximum advantage of the opportunities that will come with the new line."

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**About the project:** The Central Corridor Light Rail Transit Project will link downtown St. Paul and downtown Minneapolis along Washington and University avenues via the state Capitol and the University of Minnesota. Construction began in late 2010 on the planned 11-mile Central Corridor line, and service will begin in 2014. The line will connect with the Hiawatha LRT line at the Metrodome station in Minneapolis and the Northstar commuter rail line at the new Target Field Station. The Metropolitan Council is the grantee of federal funds. The regional government agency is charged with building the line in partnership with the Minnesota Department of Transportation. The Central Corridor Management Committee, which includes commissioners from Ramsey and Hennepin counties, the mayors of St. Paul and Minneapolis and the University of Minnesota, provides advice and oversight. Funding is provided by the Federal Transit Administration, Counties Transit Improvement Board, state of Minnesota, Ramsey and Hennepin counties' regional railroad authorities, city of St. Paul, Metropolitan Council and the Central Corridor Funders Collaborative. The Central Corridor LRT Project website is [www.centralcorridor.org](http://www.centralcorridor.org).