



FOR IMMEDIATE RELEASE

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The Atlanta Development Authority closes its first Empowerment Zone loan project

ATLANTA – The Atlanta Development Authority (ADA) is pleased to announce the closing of its first small business loan transaction in the Empowerment Zone (EZ) Loan Fund from the Atlanta Renewal Community. The EZ is an area in and around downtown roughly encompassing the Auburn Avenue and Martin Luther King Jr. Drive corridors and the Old Fourth Ward community. Just weeks after receiving the go-ahead from the Atlanta Renewal Community to start marketing and implementing the EZ Loan Fund, ADA has received numerous applications for these new small business loan dollars. The Fund's creation is welcome news to those businesses finding it harder and harder to access capital in today's credit-challenged market.

The Atlanta Renewal Community (operated as ACoRA) took responsibility for a multimillion-dollar federal allocation six years ago to help rebuild Atlanta's disenfranchised communities. With a disbursement deadline of December 31, 2009, ACoRA is awarding the dollars to local agencies that have a proven track record of successfully managing revolving loan funds such as this.

In June 2009, ACoRA awarded ADA a total of \$3 million for the Community Revolving Loan Fund under the Title XX Integrated Strategic Plan. The majority of the fund will be used as loans to small business in the Empowerment Zone for renovations and capital improvements, while \$800,000 will specifically focus on façade improvements for commercial buildings along the MLK corridor.

Loan applicants must be approved by ADA's credit review committee in order to receive an allocation from the EZ fund. Dedicated to helping Atlanta's inner-city businesses thrive, this committee is made up of volunteer community leaders from local banks and businesses, including Capitol City Bank and Trust Company, Citizen Trust Bank, One Georgia Bank, Sunrise Bank of Atlanta, SunTrust and Wachovia. ADA has more than 20 years of experience managing various revolving loan programs for the city of Atlanta.

"There is clearly demand out there for these dollars," says Lonnie Saboor, manager of small business and industrial finance for ADA. "We are determined to meet our goal of moving all \$3 million by December. We will need to ensure every business and property owner in the Empowerment Zone is aware of this new program."

The Lynch Law Group has received approximately \$130,000 to renovate its existing space, a commercial building located on Pryor Street in downtown Atlanta, as well as expand its practice. Three additional businesses along Auburn Avenue are expected to receive funding within the next eight weeks, and seven other business applications are pending.

"More than \$800,000 is already committed, so we are about a quarter of the way there," says Saboor.

The purpose of the Empowerment Zone Loan Fund is to stimulate economic development and job creation in the EZ area. Businesses and owners of property located inside the Empowerment Zone may be eligible to receive up to \$200,000 for expansion or renovation through this program.

ABOUT ATLANTA DEVELOPMENT AUTHORITY

The Atlanta Development Authority is the official economic development agency for the city of Atlanta. ADA represents in-town Atlanta, which has a population of 530,000 and growing. ADA is a research-based economic development organization, focused on residential, business and investment growth in the city. Visit www.atlantada.com.

A map of Atlanta's Empowerment Zone can be downloaded at <http://atlantada.com/econoDev/images/EmpowermentZoneMap.jpg>. In addition to the Empowerment Zone Loan Program, ADA also manages several other small business loan programs.

Small Business Information Sessions will be held at the ADA office on September 30 and October 28 at 5 p.m. RSVP to Cathy Brackett at 404.614.8295 or cbrackett@atlantada.com to attend.