The **City of Charlottesville Business Equity Fund (BEF)** is a loan program for existing **City of Charlottesville businesses** that are owned by individuals who are considered **socially disadvantaged** (i.e., those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as members of a group). The BEF, administered in partnership with the Community Investment Collaborative (CIC), lowers eligibility criteria typically experienced in traditional banking scenarios and offers a subsidized interest rate that is well below the market rate (up to 3%).

TERMS, RATES & FEES

$

Loans from $5,000 up to $25,000

Fixed interest rate up to 3%

Loan terms can range up to five years

No penalties for early repayment

All loans will be fully amortized

POTENTIAL USAGE

Working capital

Inventory purchase

Acquisition and/or repair of machinery/equipment

New construction, expansion, and/or repair

Purchase order financing

Other uses (reviewed on a case-by-case basis)

ELIGIBILITY CRITERIA

Please complete the checklist below to verify that you are able to meet the minimum BEF loan program eligibility criteria.

☐ My business is a for-profit business located within City of Charlottesville city limits. (Does not have to be a brick and mortar business.)

☐ I have a current business license with the City of Charlottesville.

☐ My business has been in existence for at least six months.

☐ My business is at least 51% owned by a socially disadvantaged individual who has been subjected to racial or ethnic prejudice or cultural bias because of his/her identity as a member of a group.

☐ The household/family income of my business's primary owner(s) does not exceed HUD household/family income limits. (See table below.)

# Persons in Family/ Household	Maximum Yearly Income
1 person	$62,200
2 people	$71,050
3 people	$79,950
4 people	$88,800
5 people	$95,950
6 people	$103,050
7 people	$110,150
8 people	$117,250

☐ I am willing to complete, in its entirety, a loan application through CIC.

☐ I am willing to provide all requested financial documents in a timely manner (e.g., business license, bank statements, tax returns, cash flow projections, balance sheet, income statement, etc.).

☐ I agree to a credit history check and review.

☐ I agree to technical assistance throughout the loan process.

☐ I am willing to register my business as a vendor with the City of Charlottesville.

BEF LOAN PROCESS

Interested businesses should schedule an initial meeting with the City of Charlottesville Office of Economic Development to determine need and if minimum eligibility criteria can be met. After this, businesses will be referred directly to CIC to provide required documents and complete a loan application. **For more information, contact groomesk@charlottesville.gov or (434) 970-3514.**

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