Economic Growth Spurred by Loans

By WALTER HERZ

In an effort to encourage economic growth in Carrboro, the Board of Aldermen has developed the practice of awarding loans to local busin

The latest business to benefit from government funds is Paper, Pen & Ink, a local stationary and printing facility located at 403 E. Main St. The board unanimously agreed to a \$35,000 loan. Esphur Foster, co-owner of PP&I, said she and her partner, Valerie Bateman, were looking to expand their primarily home based business.

primarily home-based business

"We did it to get a larger space and enlarge our inventory and make it more complete," she said.

More than 15 loans have been awarded to establish and maintain local

businesses in Carrboro.

Alderman Mark Dorosin said the

for the loan fund originally came from a federal grant.

"The money for the loan fund came

from community development block grants given by the federal government for community development," Dorosin said. "Different cities use the money in different ways, and this is how Carrboro

decided to use it."

Foster said the size of a loan could be decided by each particular busine

'You set the number, then justify it,' she said. "We even did our own percentage rate of interest. We tried to determine what would be a reasonable monthly payment."
Alderman Diana McDuffee said it

was not unusual for towns to provide

financial support to businesses.

"I think it's not a unique economic development tool towns use," she said. "Towns use all kinds of ways to encourage business. We want businesses to locate in Carrboro and we want to ensure they'll be successful."

Foster said the town's loan to PP&I would be put to use in its new location at 118-A E. Main St. in Carrboro which formerly housed Roots CDs & Vinyl.

"We're using the money mostly for the increase in inventory," she said. "We're even using some of it for recar-peting and sprucing up the place."

Foster said the application process involved several meetings with town officials. "We had to submit a business plan and schedule a meeting with the Carrboro Downtown Commission, said. "We were provided with valuable guidance along the way."

Foster said a due date for the pay-

They're in the Money
The Carrboro Board of Aldermen offers loans to local businesses to encourage economic growth in town limits. The money originally comes from federal block grants.

Business	Loan Amount	Interest
Weaver Street Market	\$89,500	9%
Music Loft	\$55,000	7%
Acme Restaurant	\$50,000	7%
Ashley's	\$50,000	7.5%
El Chilango	\$50,000	7%
Milltown Bistro	\$50,000	7%
Orange Chatham Health	\$50,000	5.25%
Trains Restaurant	\$50,000	7%
Aurora	\$40,000	5%
Carrburritos .	\$40,000	10%
Paper, Pen & Ink	\$35,000	
S&B	\$30,000	6.5%
University Printery	\$30,000	8%
FJBTI	\$25,000	8.5%
Roots CD & Vinyl	\$20,000	7%
Inkspot	\$17,000	7.5%
Triangle Online	\$9,500	7%
SOURCE: BOARD OF ALDERMEN		

back of the loan had not been decided.

"They (town officials) are in the process of doing all that right now," she aid. "The town attorney is in charge of it. We haven't received a date vet.

Vivian Olkin, manager of the Inside Scoop in Carrboro, said her business had been awarded a \$17,000 loan by the town, though the ice cream shop decided not to accept the loan.

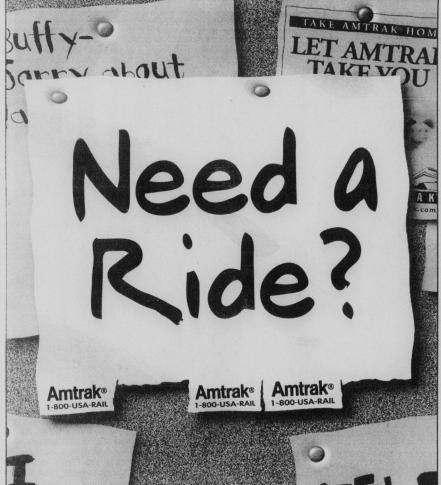
"I wish more towns did this kind of thing," Olkin said. "It's one of the really neat things about Carrboro. It helps encourage small business, and that is what this area is known for: specialty

Chapel Hill does not have a loan program similar to the one in Carrboro. Chapel Hill Town Council member Pat Evans said such a program was not necessary in Chapel Hill.

"If you need to attract businesses, it's a good program because the money's always there," she said. "But Chapel Hill is different. We don't have many empty storefronts, so attracting businesses is not an issue. The need is not there."

The City Editor can be reached at citydesk@unc.edu.





At Amtrak®, we'll do all the driving. Our huge seats give you plenty of room to recline and relax, and the best thing is, they're affordable. We'll even give you 10% off with a student I.D. If you want more info, call us at I-800-USA-RAIL and ask for fare code H966. Or visit our website at www.amtrak.com. Train departs from the Amtrak® Amtrak station at 400 W. Chapel Hill St. in Durham.

shown is for coach class travel only and is subject to availability. Reservations are required. No multiple discounts. Fares, schedules and 1s are subject to change without notice. Blackout dates may apply. Not valid for Autotrain, peak Metroliner or Canadian portion of ViaRai



To Serve You Better We Are Open 24 Hours