

OFFICE OF THE GOVERNOR

**Robert Bentley**  
Governor[www.adeca.alabama.gov](http://www.adeca.alabama.gov)ALABAMA DEPARTMENT OF ECONOMIC  
AND COMMUNITY AFFAIRS**Jim Byard, Jr.**  
Director

(334) 242-5525

**State of Alabama**

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## **Governor announces grant to assist small businesses in Appalachian counties**

**MONTGOMERY**— Gov. Robert Bentley has announced a \$400,000 grant to establish a loan fund focusing on small businesses in Appalachian Alabama.

The grants from the Appalachian Regional Commission will be used in a joint effort by Pathway Lending of Nashville and the Alabama Small Business Development Center Network to create a Community Development Financial Institution loan program available to businesses in Alabama's 37 county ARC region.

"By helping small businesses get established, we help create jobs and improve local economies," Bentley said. "This new loan fund will give entrepreneurs in Appalachian Alabama access to the capital necessary for future success and increase the potential for more jobs for residents."

Pathway is contributing \$1.3 million to establish the fund and anticipates that it will originate \$1.75 million in loans its first three years, supporting 30 new businesses and creating at least 105 new jobs. During this time, Pathway will raise \$3 million in private capital to support the fund, Pathway officials said.

The ARC is an economic development agency of the federal government and 13 state governments focusing on 420 counties, including 37 in Alabama, across the Appalachian Region. The agency's mission is to innovate, partner, and invest to build community capacity and strengthen economic growth in Appalachia to help the Region achieve socioeconomic parity with the nation.

The Alabama Department of Economic and Community Affairs administers the ARC program in Alabama along with a wide range of other programs that support law enforcement, economic development, workforce development, recreation, energy conservation and water resource management.

"As I travel around Alabama, I see the tremendous impact that a small business can have particularly in rural areas where the creation of even a few jobs is tremendous news," ADECA Director Jim Byard Jr. said. "I am pleased that our partnership with the ARC will help establish this fund to increase the amount of locally owned businesses and help create employment opportunities."

Alabama's ARC counties include Bibb, Blount, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Colbert, Coosa, Cullman, DeKalb, Elmore, Etowah, Fayette, Franklin, Hale, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Limestone, Macon, Madison, Marion, Marshall, Morgan, Pickens, Randolph, St. Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa, Walker and Winston.

Contact: Russell Sellers, Mike Presley

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