

## ARA CAN HELP YOU

### What is it?

ARA stands for Area Redevelopment Act. It is a federal act that came into effect because many communities in this country are suffering substantial and persistent unemployment and under-employment. Through the ARA, an attempt will be made to establish stable and diversified local economies and improve local living conditions in depressed areas.

### How does it work?

Through the act, a government agency in the Department of Commerce in Washington has been empowered to:

1. Make loans to provide industry to establish or expand into redevelopment areas, bridging the gap between what financing is available from conventional lending facilities, and what is needed to create new job opportunities. These loans currently carry an annual interest rate of 4 per cent and can run for as long as 25 years.
2. Make loans and grants to provide for new or expanded public facilities, such as access roads, industrial water systems, industrial sewage treatment systems, and railroad spur lines, so that industry will be encouraged to establish in these areas. The loans under this section currently carry an annual interest rate of  $3\frac{1}{2}$  per cent, and can run for as long as 40 years.
3. Technical assistance to communities to enable them to plan their economic development intelligently and to explore methods of expanding their industrial resources.
4. Provide worker-retraining programs to equip the labor force with new and improved skills for expanding industries.
5. Provide subsistence allowances for jobless workers while undergoing retraining programs.

### Who is eligible?

All types of business enterprises can receive assistance under the ARA. There are no limitations as to the size of the company that can receive assistance and there are neither minimum nor maximum limitations on the amount of ARA loans.

### How does one apply?

Project proposals requesting ARA financing should be submitted on ARA Form No. 1.

Additional information can be obtained from either:

Lawrence Guyot  
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Hattiesburg, Miss.

or

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