Capital Improvements Revolving (CAP) Loan Program

The Capital Improvements Revolving (CAP) Loan Program provides loans to municipalities and counties to finance public infrastructure improvements in Mississippi. CAP Loan funds may be used by local governmental authorities in support of business location and expansion projects and other community-based projects.

Examples of eligible CAP Loan projects include:

- the construction or repair of water and sewer systems
- drainage system improvements
- fire protection improvements
- the construction, renovation or repair of buildings for economic development purposes
- land improvements
- the construction or repair of access roads, bridges, or rail spurs
- the remediation of brownfield agreement sites

CAP Loan funds can be used to improve public facilities and public infrastructure to assist with business location and expansion projects related to the following types of industries:

- manufacturers
- warehouses and distribution centers
- research and development facilities
- hospitals
- telecommunications and data processing facilities
- national or regional headquarters

The maximum CAP Loan term is 20 years. The interest rate for CAP Loan loans used for tax-exempt activities is two percent per year. The interest rate for CAP Loan funds used for taxable activities is three percent per year.

Municipalities and counties interested in applying for CAP Loan funding should contact MDA’s Community Services Division at 601.359.3552. To learn more about the CAP Loan program, click here.