

**BINGHAMTON LOCAL DEVELOPMENT CORPORATION**

| <b>Green Jobs Revolving Fund Loan Guidelines</b>  |  |
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| <p><i>The BLDC encourages sustainable development practices defined as development which meets the needs of the present at the same time as safeguarding and improving economic, social and environmental resources and the ability of future generations to meet their own needs.</i></p> <p><i>This institution is an equal opportunity provider, and employer.</i></p> |  |
| <b>Purpose</b>  | To establish a specialized revolving-loan program in the City of Binghamton aimed at fostering development in energy efficiency for small business, industry, and commercial development, as a way to create local "green" jobs in the Energy-Efficiency sector.   |
| <b>Eligible Borrower</b>  | Business Entities that have established a location within the City limits and can demonstrate a detailed plan for the incorporation of energy efficient renovations to commercial or industrial space that's targeted for revitalization. Local Contractors that provide proof of BPI certification (verification of certification required) with an established business located in the City of Binghamton. Or a contractor located in the City of Binghamton looking to start up a BPI-certified business in the City of Binghamton. |
| <b>Eligible Uses</b>  | For BPI Certified Contractors: purchase of business equipment; working capital, including inventory. For Small Businesses: energy efficient interior improvements of commercial/retail/industry space (heating, electrical work, plumbing, interior insulation, window replacement, etc), and other project activities deemed by the BLDC Staff and Board of Directors to be within the general interest and purposes of its mission and consistent with federal guidelines for the Green Jobs Revolving Loan Program.                 |
| <b>Loan Amount</b>  | Commercial Energy Efficient Improvements: Minimum loan amount of \$5,000 with a maximum loan amount of \$35,000. BPI Certified Contractors: maximum loan amount of \$70,000; 1 fulltime job must be created for every \$35,000 loaned for business development or expansion.   |
| <b>Underwriting Requirements</b>  | Completed application and supporting financial documents. Project must meet U.S. Department of Agriculture Federal Guidelines and current Department of Housing and Urban Development regulations. Loan amounts are subject to BLDC Staff review and approval by the BLDC Board of Directors. All loan programs are subject to availability of funding.  |
| <b>Equity</b>   | 5% owner equity  |
| <b>Terms</b>  | Energy efficient improvements for commercial /retail space, 3-5 year term; Equipment, working capital, and inventory for Local BPI Certified Contractors can receive up to a maximum of a 7 year term. A security interest in business assets of the company will be required. Additional collateral including personal guarantees may be required.  |
| <b>Interest Rate</b>  | 2.5% fixed interest rate. The BLDC Board of Directors reserves its right to modify the rates of the loan program.  |
| <b>Fees</b>   | \$50 non-refundable application fee; 1% non-refundable commitment fee due at signing of commitment letter. Closing/filing fees, including Counsel's opinion letter for Borrower. All loan payments are due within 15 days of due date, a penalty of 5% of the monthly payment will be applied to late payments.  |

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| <b>Acceptance of Commitment</b>   | Within 30 days from the date of the BLDC commitment letter.                      |
| <b>Closing of Loan</b>  | Within 90 days from the date the BLDC has received the signed commitment letter. |
| <b>Interest of Members, Officers, or Employees of BLDC, Members of Local Governing Body, or Other Public Officials.</b> No member, officer, or employee of the BLDC, or its designees or agents, no member of the governing body of the locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest, direct or indirect, in a contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the agreement between the Binghamton Local Development Corporation and the City of Binghamton. |  |