



# FINANCING ENERGY PROJECTS



ENERGY: SECURING THE FUTURE



Mississippi Development Authority, Energy Division, Post Office Box 849, Jackson, MS 39205  
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# About this Tool

The Mississippi Development Authority's (MDA) mission is to foster a strong state economy and vibrant communities through innovation, use of talent and resources to improve our citizens' lives. The MDA agency is organized into thirteen divisions working together to meet these goals.

The Energy Division oversees energy management programs for the state of Mississippi, ensuring an environmentally acceptable, adequate and dependable supply of energy. This division of MDA contributes to economic development by providing technical and financial assistance and energy awareness to benefit homeowners, farmers, manufacturers, commercial businesses, fleet operators, local governments, state agencies, and public institutions.

This tool has been developed to meet our objectives to provide effective services and resources. Though some energy efficient techniques require no to low cost fixes, there are some new technologies with high initial cost yet timely payback. The following organizations offer loans, grants and leases suitable for schools, government, public housing, agricultural, commercial and healthcare organizations seeking to finance big or small energy projects.



## **ENERGY INVESTMENT LOAN PROGRAM**

### **ELIGIBLE APPLICANTS**

- ✓ Corporation
- ✓ Non-Profit

### **FINANCING**

Minimum Amount      \$15,000  
Maximum Amount      \$300,000  
Tied to Energy Savings

Rate: 3% below prime  
7 -Year term  
Monthly payments  
1% origination fee

### **QUALIFICATIONS/ ELIGIBILITY**

Existing Company in the State of Mississippi

### **CONTACT**

Floyd Daniels  
Mississippi Development Authority  
Post Office Box 849  
Jackson, MS 39205

Ph: (601) 359-6600 Fax: (601) 359-6642



## **CAPITAL IMPROVEMENTS REVOLVING LOAN PROGRAM (CAP)**

### **ELIGIBLE APPLICANTS**

- ✓ Government/ Municipal
- ✓ Fire Station
- ✓ New Healthcare

### **FINANCING**

Minimum Amount: \$30,000

Maximum Amount: \$1 million; Downtown Improvements \$350,000  
Spec Building requires 50% match

Rate: Taxable 3%; Tax-Exempt 2% 20- year term

**Collateral:** the County – homestead exemption rebates pledged and the City – sales tax rebates pledged, remains in name of county or city until paid

### **Eligible Projects that may allow for energy efficient measures:**

Lighting and HVAC

Construction or repair of:

- Water and sewer facilities
- Access roads for industrial development

Improvements in fire protection

Construction of :

- New buildings for economic development purposes
- Any county or municipally owned healthcare facilities, excluding any county health departments
- Multipurpose facilities for tourism development

Renovation or repair of existing buildings for economic development purposes

Construction, purchase, renovation or repair of any building to be utilized as an auditorium or convention center

Construction or repair and renovation of parks, swimming pools and recreational and athletic facilities up to \$250,000 per project.

Remediation of Brownfield agreement sites in accordance with Sections 49-35-1 through 47-35-25

### **Unique Qualifications for Downtown Improvement loans:**

No New Construction- Building must be vacant 1 full year (commercial, retail or manufacturing)

Must be good standing member of Mississippi Main Street Association

### **Contact:**

Mississippi Development Authority

Community Services Division

Post Office Box 849

Jackson, MS 39205

ph: (601) 359-3179

fax: (601) 359-3108

MISSISSIPPI Department of

**DFA**

FINANCE & ADMINISTRATION



## **MASTER LEASE PROGRAM**

### **ELIGIBLE AGENCIES**

School/ University/state agency/state boards

#### **Money designated specifically for energy projects**

Equipment and retrofits HVAC, lighting Roof when installing new HVAC systems

Generating facility and equipment

Generators

Stadium Lighting

Hospital equipment

School buses

Heavy equipment

Automobiles/trucks

Office furnishings

Technology equipment, software, installation and training

Aircraft

### **FINANCING**

Term: 12 years or useful life

Borrow Range: Based on budget

Rate: Depending on term and tax-exempt market

### **QUALIFICATIONS/ ELIGIBILITY**

Energy Savings must cover 100% of debt

#### **Requirements:**

By current statute participant must be a local school district, state agency, board or university.

Legislation has been introduced for city/county participation but has not passed. Will be introduced again in the 2008 Legislative Session.

#### **Contact:**

Dr. Ed Ranck or Mr. Jim Rhodes

Friedman, Luzzatto & Co.

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# FEDERAL HOME LOAN BANK OF DALLAS

## ECONOMIC DEVELOPMENT PROGRAM

### QUALIFYING PROJECTS

Construction  
Small Business  
Water/Wastewater Infrastructure financing  
Civic Centers  
Historic Preservation  
Hospitals  
Revenue Bonds

Capital Improvement  
Public Works Projects  
Industrial facilities  
Social Services Facilities  
Nursing Homes  
Community Health Care Facilities

### FINANCING

Rate: below normal pricing

Interest rates are very good in relation to comparable bank rates and can be fixed for a longer period of time than traditional bank loans.

### ELIGIBILITY

- Project must be in urban area (population greater than 25,000) in which the average family income is at or below 100 percent of the area median income.
- Be located in rural area (population less than 25000) in which the average family income is at or below 115 Percent of the area median income.
- Be located in neighborhoods in which the majority of households have incomes at or below the qualifying percent or the area median income.
- Provide services from the finished project that will benefit households with incomes at or below the qualifying percent of the area median income.
- Benefit communities, businesses, or individuals in one of the following ways:
  - Creates/retains jobs for low-to-moderate income individuals
  - Provides services to low-to-moderate income families
  - Qualifies as a small business as defined by SBA
- Purchase state finance agency bonds

It is available to ANY business where at least 51% of the employees are considered low-moderate income.

### **Projects automatically qualify if located in a:**

Low to moderate-income community  
Native American Indian Area  
Area impacted by a military base closing  
Champion Community  
Community impacted by NAFTA  
Area eligible for a federal Brownfield Tax Credit  
Community under the Community Adjustment and Investment Program

Enterprise community  
Empowerment Zone  
Federal Disaster Area  
State Disaster Area

See the Federal Home Loan Bank of Dallas membership page for a list of banks offering these products in Mississippi: [www.fhfb.com/membership](http://www.fhfb.com/membership).

# FEDERAL HOME LOAN BANK OF DALLAS

## THE EDP<sup>PLUS</sup>

- The EDP<sup>Plus</sup> is a first-come, first served noncompetitive small business grant program, designed to provide capital to under-served areas or to under-served populations. EDP<sup>Plus</sup> funds must be used in conjunction with an EDP advance loan.

## USE OF EDP<sup>PLUS</sup> FUNDS

- EDP<sup>Plus</sup> grants may be used to help small businesses:
  - purchase, construct or expand a building
  - buy machinery and equipment
  - cover closing costs
- EDP<sup>Plus</sup> funds may not be used to refinance existing loans

## FINANCING

Maximum Amount up to \$25,000 may be granted to any one small business \$25,000 (or 15% of the total financing project)

Rates may change daily, check website at <http://www.fhlb.com> for details

## QUALIFICATIONS/ ELIGIBILITY

- The small business owner must contribute an amount equal to at least 15 percent of the member institution's EDP loan amount.
- The small business must qualify as a small business as defined by the Small Business Administration (SBA). (Visit the SBA web site at [www.sba.gov](http://www.sba.gov) for more detail).
- The small business must be established as a legitimate business entity organized for profit, with a place of business located within the Bank's five-state region, and operating primarily within the United States or making a significant contribution to the U.S. economy through payment of taxes or use of American products, materials, or labor.

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# FEDERAL HOME LOAN BANK OF DALLAS

## PARTNERSHIP GRANT

- The Partnership Grant Program was developed by the Bank to provide funding for the operational needs of community-based organizations (CBOs) - nonprofit's involved in affordable housing, community local development funds, or small business technical assistance providers within the District. The program is offered through Bank member institutions, such as BankPlus, to eligible CBOs.
- The Partnership Grants are intended to help promote and strengthen the relationships between CBOs and the Bank's member institutions, and to complement the development activities currently fostered by the AHP and CIP of the Bank.
- The Partnership Grant award is based on the cash contribution of the member institution. A member's contribution of \$500 to \$5,000 will be match-funded at a 3:1 ratio. The maximum Bank grant permitted is \$15,000. **The total maximum lifetime grant available to the CBO is \$30,000.**
- **All funds will be allocated on a first-come, first-served basis.**

## FINANCING

Minimum Amount \$500 from Member Institution, matched by FHLB at \$1,500

Maximum Amount \$5,000 from Member Institution, matched by FHLB at \$15,000

Partnership Grant: \$225,000 first come first serve program

## QUALIFICATIONS/ ELIGIBILITY

Partnership Grant funds may be used for the following purposes:

- **Organizational Capacity Building:** to offset operation and administrative expenses; purchase or rent equipment or computer software, etc; hire staff and/or consultants; secure technical assistance, training, or consulting, etc.; or to sponsor special program-related events, meetings, and/or attend conferences.
- **Assistance in Applying for Grants or Other Funding Sources:** to cover expenses in preparing applications for Bank programs; hiring fund-raising and/or grant-writing consultants; or funding education and awareness programs for community groups and lending institutions.
- **Research and Studies:** for marketing, feasibility and planning studies for economic development and affordable housing projects; environmental studies; lead and asbestos testing; or fair housing policy development.
- **Contractual Services:** for architectural, engineering, and survey fees (pre-development project costs); or legal, accounting and administrative costs (program operating expenses).

**CBO must be in existence for less than 10 years AND have an operating budget of less than \$250,000 per year.**

See the Federal Home Loan Bank of Dallas membership page for a list of banks offering these products in Mississippi: [www.fhlb.com/membership](http://www.fhlb.com/membership).



Crews & Associates, Inc., a wholly owned subsidiary of First Security Bancorp, is a full-service investment banking firm founded in 1979 specializing in the development, sale and trading of fixed income products that include:

- Municipal Bonds
- U.S. Treasury Bonds
- Lease Obligations
- Mutual Funds
- Corporate Bonds
- Mortgage-backed Securities
- Government Agency Bonds

**ELIGIBLE ORGANIZATIONS AND BUILDINGS:**

School/ University  
 Government/ Municipal  
 Commercial  
 Health Care Facility  
 Transportation  
 Public housing

**Money designated specifically for energy projects? Yes or No**

Energy Management Systems  
 Energy Conservation Equipment

**Municipal Bond or Lease transactions may also fund the following projects:**

New Projects or Refunding of Prior Issues	Water/Sewer Systems
Administrative Buildings	Energy Management Systems
Equipment and Rolling Stock	Telecommunications Systems
Public Power Systems	Public Safety Facilities/Systems/Equipment
Healthcare Facilities	Transportation Systems and Facilities
Educational Facilities/Equipment	Housing
Economic Development Programs	Parking Facilities
Recreation Facilities	Public School Districts

**FINANCING**

Range:  
 Energy performance contract financing: 100,000 +  
 Other financing: 75,000 and Up

Rate  
 TBD (Depending on the credit and market)

**Unique Requirements**

3 years audited financials  
 Current year budget

**CONTACT**

Michael Vickers, Investment Banker  
 First Security Center  
 521 President Clinton Avenue Ste. 800  
 Little Rock, AR 72201  
 (800) 766-2000 (501) 978-7900  
 Fax (501) 907-4132  
 mvickers@firstsecurityleasing.com



# **PORTFOLIO MANAGER OVERVIEW**

## **ASSESS AND TRACK BUILDING PERFORMANCE**

Take control of your energy and water consumption by managing your entire portfolio of buildings in a secure online environment. Whether you own, manage, or hold properties for investment, Portfolio Manager can help you make smart choices.

## **ELIGIBILITY REQUIREMENTS**

The national energy performance rating system in Portfolio Manager benchmarks the energy performance of a wide range of commercial facilities relative to the performance of similar facilities in the United States. To be eligible to receive a rating from EPA's national energy performance rating system, at least 50% of your facility's floor area must be defined by one of the Eligible Space Types listed below, which define the peer group to which your facility will be compared. Based on your space type, geographical location, and level of business activity, Portfolio Manager will assign your facility a national energy performance rating on a scale of 1 to 100. Facilities that meet certain criteria and achieve a rating of 75 or better are eligible to apply for the ENERGY STAR.

## **ELIGIBLE SPACE TYPES**

Please refer to the following documents for complete information on the definition and applicable eligibility requirements for each available building type:

Offices (General)	Hospitals (acute care and children's)	Dormitory/Residence Hall
Offices (Bank Branch)	Hotels and Motels	Refrigerated/Unrefrigerated Warehouse
Offices (Courthouse)	K-12 Schools	
Offices (Financial Center)	Medical Offices	

## **SECONDARY SPACE TYPES**

The following spaces may also be entered into Portfolio Manager, and the tool will allow you to track your weather normalized source energy intensity over time. Additionally, under certain conditions, it may be possible for you to enter these spaces in combination with one of the eligible space types listed above and still receive a national energy performance rating. To learn more about the rules and restrictions, please select the space you are interested in using:

Computer Data Center  
Garage/Parking Lot  
Other  
Swimming Pool

## **FOR MORE INFORMATION**

Go to: [www.energystar.gov](http://www.energystar.gov) Buildings and Plants> Tools and Resources> Portfolio Manager



## **BASIC 7(A) LOAN PROGRAM**

Qualified projects      Construction  
Renovation              Leasehold improvements  
Acquisition of machinery and equipment

This means eligible small businesses can use the loan to purchase ENERGY STAR and other energy-efficient equipment and lighting fixtures, or to retrofit an existing facility so that it is more energy efficient.

### **ELIGIBLE APPLICANTS**

Franchises  
Recreational Facilities and Clubs  
Farms and Agricultural Businesses  
Fishing Vessels  
Medical Facilities  
Change of Ownership - the business benefits from the change.  
Aliens - status based,

### **FINANCING**

\$2 million maximum loan amount; \$1.5 million maximum exposure

Maturity and Interest:

(25) years for real estate and equipment; and, generally seven (7) years for working capital

Interest Rates are negotiated with lender;

SBA maximum 2.25 and 3.25 below prime

Other:

This is a guarantee loan and will be financed by lenders who choose to structure loans by SBA requirements

### **CONTACT:**

**Mississippi District Office**

**Regions Plaza**

210 E. Capitol Street, Suite 900

Jackson, Mississippi 39201

Ph: (601) 965-4378

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or (601) 965-4294

[www.sba.gov/services/financialassistance](http://www.sba.gov/services/financialassistance)