



GUARANTEED BUSINESS & INDUSTRY (B&I) LOAN PROGRAM COMPARISON

	Regular B&I Program Funding	American Recovery & Reinvestment Act (ARRA) B&I Funding
MAXIMUM LOAN AMOUNTS	\$25 million maximum, except \$40 million for cooperative organizations that process value-added agricultural commodities (statutorily limited to no more than 10% of annual appropriation)	\$25 million maximum, except \$40 million for cooperative organizations that process value-added agricultural commodities (statutorily limited to no more than 10% of annual appropriation)
PERCENT OF GUARANTEE	Up to 80% and in certain cases with a waiver up to 90%	90% for all loans \$10 million or less that are high priority loans. See reverse side for details
FUNDS AVAILABLE	\$993 Million (no year funds)	\$1.7 Billion (expires on 9/30/2010)
FEES	2% Annual Renewal: 0.25%	1% No Annual Renewal
TERMS	30 years for real estate 15 years or useful life of equipment 7 years for working capital	30 years for real estate 15 years or useful life of equipment 7 years for working capital
ELIGIBLE PURPOSES	<ul style="list-style-type: none"> * Business and industrial acquisitions * Purchase of land, machinery and equipment * Construction, enlargement or modernization * Eligible fees and costs * Educational or training facilities * Support for local and regional food systems * Tourist facilities * Hotels/motels * Pollution control or abatement * Recreation facilities * Working capital * Refinancing when it is determined that refinancing is necessary to improve cash flow and create new or save existing jobs. * Commercially available energy projects that produce biomass fuel or biogas. <p>Eligible for financing: Zoos, Aquariums, Convenience Stores, Pools, Water Parks, Hotel/Motels with pools or water parks, Museums.</p>	<ul style="list-style-type: none"> * Business and industrial acquisitions * Purchase of land, machinery and equipment * Construction, enlargement or modernization * Eligible fees and costs * Educational or training facilities * Support for local and regional food systems * Tourist facilities * Pollution control or abatement * Recreation facilities * Working capital * Refinancing when it is determined that refinancing is necessary to improve cash flow and create new or save existing jobs. • Commercially available energy projects that produce biomass fuel or biogas. <p><u>Not eligible for financing:</u> Zoos, Aquariums, Convenience Stores (except if the store provides quality jobs and sells or will sell E85 fuel upon completion of the project), Pools, Water Parks, Hotel/Motels with pools or water parks, Golf Courses, Museums, Casinos or other gambling establishments.</p>
ARRA Funding requires compliance with Davis-Bacon Act when construction, alterations or repairs totaling over \$2,000 are involved. Buy American provisions apply for all vehicle purchases and public building or public works projects.		

90% loan guarantee under the ARRA funding provisions is for “high priority loans”

Loans that support Quality Jobs in Distressed/Underserved Areas can qualify for **90% guarantees on loans up to \$10 million**. By contrast, the standard B&I guarantee is 80% on loans up to \$5 million and 70% on larger loans up to \$10 million.

“**High priority loans**” are those that score a minimum of 55 points under the B&I scoring system. State Director and Administrator discretionary points may only be granted to increase the score if the project will provide quality jobs **and** is located in a distressed community. However, if the project scores a minimum of 55 points without the discretionary points, then it is irrelevant if it meets the additional requirements below for the discretionary points.

Quality Jobs~ The business being financed provides high quality jobs by meeting at least one of the following criteria:

- Pays an average wage rate of at least \$9.06 per hour (125% of the Federal Minimum Wage)
- Qualifies under the Work Opportunity Tax Credit Program authorized by the Small Business and Work Opportunity Tax Act of 2007, or
- Offers healthcare benefits package to all employees, with at least 50% of the premium paid by the employer.

Distressed Community~ The business will be in an area experiencing any of the following:

- High unemployment: Equal to or greater than 125% of the national unemployment rate. (see map below for high unemployment counties using last confirmed data– presently January 2010)
- Underserved area or underrepresented group: **Either** a business located in an area that has historically not benefited from B&I assistance **or** a minority-owned or woman-owned business (See map below for underserved counties. There also may be towns, cities or communities in the other counties who have not been served by our program in the last 5 years that may qualify as well.)
- Out-migration: Population loss each decade for the past 40 years (no counties in Washington qualify)
- Persistent Poverty: Over 20% poverty rate for the past 30 years (no counties in Washington qualify)

CONTACTS:

Sharon Exley: 360-428-4322, Ext. 159 or sharon.Exley@wa.usda.gov
NW Washington Region

Carlotta Donisi: 360-704-7724 or carlotta.donisi@wa.usda.gov
SW Washington Region

Roni Baer: 509-454-5740, Ext. 134 or veronica.baer@wa.usda.gov
SE Washington Region

Ted Anderson: 509-924-7350, Ext. 115 or ted.anderson@wa.usda.gov
NE Washington Region

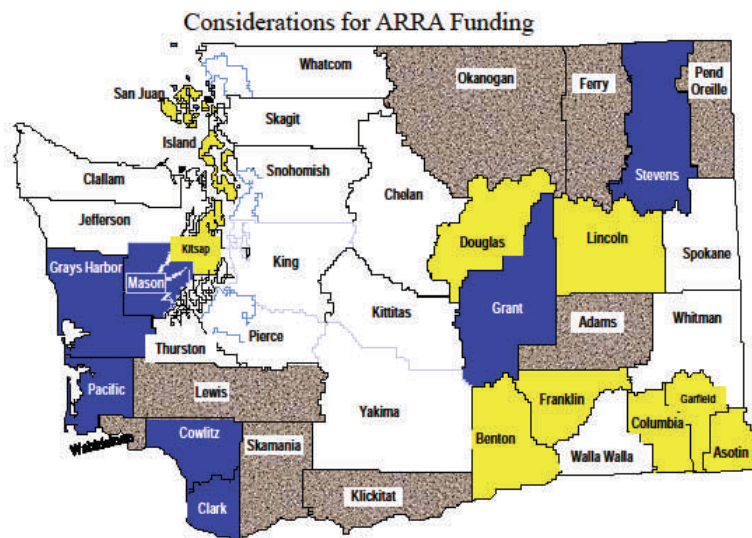
Sarah Sandvold: ARRA Specialist
360-704-7725 or sarah.sandvold@wa.usda.gov

Dan Howard: ARRA Specialist
360-790-4266 or dan.howard@wa.usda.gov

Mary Traxler: State Loan Specialist & Energy Coordinator- 360-704-7762 or mary.traxler@wa.usda.gov

Tuana Jones: Program Director-
360-704-7707 or tuana.jones@wa.usda.gov

Guaranteed Business & Industry Program



Counties in Yellow Are Considered Underserved for the Business & Industry Program in Washington State (determined annually and is effective for FY 2010)

Counties in Blue Have High Unemployment Rates- 125% or More of Nat'l Average- Jan 2010 Data (determined monthly based on last confirmed data from DOL)

Meet both Criterion

Data as of 3-19-2010