



JOSH MANDEL

STATE TREASURER OF OHIO

How does ReEnergize Ohio work? ReEnergize Ohio, the Ohio Treasury's newest linked deposit program, encourages small businesses to make energy-efficient upgrades by offering an interest rate reduction on qualifying commercial loans. The program functions within the existing Ohio Treasury linked deposit model. The Treasury places an investment at the eligible public depository where the small business has taken out a loan. The Treasury agrees to take a lower rate of return on the investment and the financial institution agrees to pass along their savings to their borrower in the form of an interest rate reduction. In order to participate, the lending institution must be a state depository bank. If you would like to participate but are not yet a depository bank, please click here to learn how. The lending institution will use its usual lending standards and guidelines to determine the credit-worthiness of the potential borrower. The term and size of the loan is solely decided on by the lender. The Treasury can provide the rate reduction for four years of the loan, up to \$550,000. The rate reduction cannot be renewed. After review of the completed ReEnergize Ohio application and accompanying necessary documentation of energy-efficient upgrades to be completed or implemented, the Treasurer's office will notify the lenders of approvals or denials of the ReEnergize Ohio application. If a business is using a contractor, a firm quote or contract from the contractor detailing improvements to be performed must be included. Borrowers may use a contractor of their choice, contingent on the lender's approval. Borrowers may also install their upgrades with proper documentation, such as receipts. What can ReEnergize Ohio Finance? At least 50% of the loan proceeds must be dedicated to the installation of qualifying energy-efficient upgrades; the other 50% of the loan can be used for other business expenses. If ReEnergize Ohio is being used on a building, the loan proceeds can only be used on already existing structures. New builds are excluded from this program. The financing can be used for the facility where the business is already located or the purchase of another building or store front, as long as energy-efficient renovations are going to be completed. Eligible energy-efficient upgrades span a wide array of products and renovations including but not limited to energy-efficient lighting & system controls, heating & cooling systems, renewable energy systems, weatherization projects, as well as energy-efficient appliances, equipment and vehicles. Please contact the Treasurer's office to find out more about eligible energy-efficient upgrades at 1-800-228-1102, option # 3. Is my client's business qualified to participate in ReEnergize Ohio? Qualifying small business owners: MUST have headquarters in Ohio MUST have less than 150 employees MUST have a majority of employees be Ohio residents MUST be organized for profit MUST maintain offices and operating facilities in Ohio MUST use at least 50% of the loan proceeds for qualifying energy-efficient upgrades; the other 50% of the loan can be used for other business expenses MUST be able to save or create jobs in Ohio What are the terms of the qualifying loan? The term and size of the loan are decided by the lending institution and the borrower. The Ohio Treasury will fund up to a 3% interest rate reduction on the first four years of the loan, up to \$550,000. The length and amount of the loan can be greater. The loan must be a fixed-rate loan, meaning a non-changing rate for the period of the Ohio Treasury's deposit. If your borrower's interest rate is variable, the bank would need to fix the rate for the four years they participate in ReEnergize Ohio. After that time, the variable rate can be restored. The Treasury cannot fund a loan in the names of co-borrowers, defined as listing two distinct businesses in the name of one loan. Co-signers are permitted. Holding companies may be listed as guarantors on the loan, as can additional business owners. Can a small business owner qualify for another Ohio Treasury linked deposit program? Yes, in some circumstances, a small business owner can be eligible to apply for another linked deposit program. However, the programs will not run concurrently, meaning the interest rate reductions cannot be combined. The Economic Development Department encourages small businesses to apply for any linked deposit program -- ReEnergize Ohio and GrowNOW-- for which the business may be eligible.

30 EAST BROAD STREET · 9TH FLOOR · COLUMBUS, OHIO 43215
PHONE: (614) 466-2160 · WWW.OHIOTREASURER.GOV · FAX: (614) 644-7313