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# 2015

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# FINANCIAL

# RESOURCE GUIDE



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FINANCIAL RESOURCES AVAILABLE TO BUSINESSES, COMMUNITIES AND HOMEOWNERS

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## **Financial Resource Guide 2015**

The Wyoming Business Council has updated a listing and detail of financial resources available to businesses, communities and homeowners in the State of Wyoming.

We thank the numerous agencies that have assisted us in updating their information for this publication. Some of the programs listed in previous editions are no longer offered, most of the remainder have changed and we have identified some new financial products which are available, and included in this issue.

There are many revolving loan funds available in local communities and counties throughout the State. We have not included them as this resource is intended to be available statewide. We hope that all statewide programs are included in this booklet; however, if you are aware of any that we have missed, please advise us at the following address and we will include your information immediately on our website and in the next hardcopy edition.

There are only limited supplies of this publication printed in hardcopy due to cost restrictions. However, the entire resource guide is available on the Wyoming Business Council website for you to access and copy.

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**ACRONYMS**

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## **DEVELOPMENT FINANCE ACRONYMS**

<b>AML -</b>	Abandoned Mine Land
<b>ARM -</b>	Adjustable Rate Mortgage
<b>B&amp;I -</b>	Business and Industry
<b>CAA -</b>	Community Action Agency
<b>CBO -</b>	Community-Based Organization
<b>CDBG -</b>	Community Development Block Grant
<b>CDC -</b>	Certified Development Companies
<b>CDCU -</b>	Community Development Credit Union
<b>CDLF -</b>	Community Development Loan Fund
<b>CHAS -</b>	Comprehensive Housing Affordability Strategy
<b>CLT -</b>	Community Land Trust
<b>CRA -</b>	Community Reinvestment Act
<b>DEQ -</b>	Department of Environmental Quality
<b>ECOA -</b>	Equal Credit Opportunity Act
<b>EUR -</b>	Expiring Use Restrictions
<b>FCS -</b>	Farm Credit Services
<b>FHA -</b>	Federal Housing Administration or Fair Housing Act
<b>FHLB -</b>	Federal Home Loan Bank
<b>FHLMC -</b>	Federal Home Loan Mortgage Corporation
<b>FNMA -</b>	Federal National Mortgage Association
<b>FSA -</b>	Farm Service Agency
<b>GNMA -</b>	Government National Mortgage Association

<b>HOPE -</b>	Homeownership and Opportunity for People Everywhere
<b>HMDA -</b>	Home Mortgage Disclosure Act
<b>HTF -</b>	Housing Trust Fund
<b>HUD -</b>	U.S. Department of Housing and Urban Development
<b>IRP -</b>	Intermediary Relending Program
<b>LDC -</b>	Local Development Corporation
<b>LTV -</b>	Loan to Value
<b>NHS -</b>	Neighborhood Housing Services
<b>NPS -</b>	National Park Service
<b>NRC -</b>	Neighborhood Reinvestment Corporation
<b>PHA -</b>	Public Housing Authority
<b>PITI -</b>	Principal, interest, taxes and insurance
<b>RBOG -</b>	Rural Business Opportunity Grants
<b>R&amp;D -</b>	Research and Development
<b>RLF -</b>	Revolving Loan Fund
<b>RTC -</b>	Resolution Trust Corporation
<b>RUS -</b>	Rural Utility Service
<b>SBAA -</b>	Small Business Assistance Act
<b>SBA -</b>	Small Business Administration
<b>SBDC -</b>	Small Business Development Center
<b>SRO -</b>	Single Room Occupancy
<b>SBIC -</b>	Small Business Investment Corporation ( <b>Federal</b> )
<b>SBIC -</b>	Small Business Investment Credit Program ( <b>WY</b> )

**SBIR -** Small Business Innovation Research

**SHPO -** State Historic Preservation Office

**SLIB -** State Loan and Investment Board

**USDA -** United States Department of Agriculture

**USDARD -** United States Department of Agriculture Rural Development

**VA -** Department of Veterans Affairs

**WBC -** Wyoming Business Council

**WCDA -** Wyoming Community Development Authority

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**AGRICULTURE FINANCE SOURCES**

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## **Farm Credit Services of America (FCSA)** **Agricultural Loans**

Farm Credit Services of America (FCSA) is based in Omaha, Nebraska and provides financing to farmers and ranchers in Iowa, Nebraska, South Dakota, and Wyoming. FCSA is part of the Farm Credit System (FCS), which is a nationwide agricultural network that provides about one-third of the United States' agriculture industry financing needs. FCSA is owned by its more than 60,000 stockholder/customers, who are eligible to receive a portion of the company's yearly net earnings back every year (see Cash-Back Dividend Program). FCS obtains its funding for loans by selling Farm Credit bonds through the Funding Corp in New York's trading market.

### **Cash-Back Dividend Program:**

- Every program listed below is eligible for the Cash-Back Dividend Program.
- Each year, upon board approval, FCSA returns a portion of its net earnings to their customers through the Cash-Back Dividend Program.
- The amount returned to each individual borrower is based upon the average daily balance of a customer's eligible loans.
- Please contact FCSA to learn more about the Cash-Back Dividend Program.

### **Real Estate Loans:**

- Real estate loans are meant for the purchase of farmland, farmsteads, acreages, and home construction in rural, small town, or suburban areas. This program is designed to be flexible and includes multiple rate and term options and interest rate conversions options.
- Real Estate loans are available in fixed to maturity, interim fixed rate, and variable rate options.
- Maturities for these loans are between 5 and 30 years.

### **Operating Loans:**

- Operating loans are available to finance short-term expenses incurred during a crop or livestock operating cycle.
- These loans are available in both fixed and variable rate options with no minimum balance.
- Loans can be customized on a revolving and non-revolving basis to fit the customer's needs.
- Borrowers may pay off their loan early with no prepayment fee or penalty.
- Loans are also offered on an interest-only payment plan to allow the customer more cash flow flexibility.
- There are features built into this program to offer the most flexibility to borrowers such as, automatic bill payments, wire transfers, drafts and on-line account access.

### **Installment Loans:**

- Installment loans are for intermediate-term needs, defined as 1 to 10 years, for machinery, equipment, vehicles, real estate, facilities, breeding livestock, refinancing debt, and down payments on farm purchases.
- These loans are available in both fixed to maturity, interim fixed rate and variable rate options.

- Borrowers are allowed to convert loans from fixed to variable rate and vice versa.
- Borrowers may pay off their loan early with no prepayment fee or penalty.
- Payment options are made to be flexible to suit each customer's needs.

**Country Home Loans:**

- These home loans are designed for financing new and existing rural homes. Loans are available for country homes, acreages, and homes in subdivisions, and small rural communities with no more than 2,500 residents. However, individuals who qualify as fulltime farmers or ranchers may be eligible for financing in larger towns and cities.
- Interest rates are available on a fixed, adjustable, or variable basis.
- The maturities for these loans may vary on a wide basis in order to suit the borrower's needs.
- Payments may be on a monthly, quarterly, semi-annual, or annual basis.
- Borrowers may pay off their loan early with no prepayment fee or penalty.

**Contact:**

For application information or any additional information or questions please contact:

**Farm Credit Services of America  
1401 Wilkins Circle  
P.O. Box 878  
Casper, WY 82602  
(800) 359-0235  
[www.fcsamerica.com](http://www.fcsamerica.com)**

## **Farm Labor Housing Loans & Grants** **Section 514-516**

This program is administered by the U.S. Department of Agriculture (USDA) and provides capital financing for the development of housing for domestic farm laborers.

### **Eligibility:**

- Loans can be made to:
  - ❖ Farmers.
  - ❖ Associations of farmers.
  - ❖ Family farm corporations.
  - ❖ Indian tribes.
  - ❖ Nonprofit organizations.
  - ❖ Public agencies.
  - ❖ Associations of farm workers.
- For most loans the applicant must be unable to access credit elsewhere.
- Grants may only be given to farm worker associations, nonprofit organizations, Indian tribes, and public agencies.

### **Terms:**

- Funds from this program may be used to buy, build, improve, or repair housing for farm laborers.
- Funds may also be used to create or purchase a leasehold interest in day care facilities or community rooms as well.
- The maximum maturity for these loans is 33 years.
- The interest rate on these loans is 1%.
- Grants may cover up to 90% of the costs of development of the housing project.
- Funds from these grants may be used to construct housing in urban areas for nearby farm laborers (please note that this is the only USDA Housing and Community Facilities Program to allow construction outside of a rural area).

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 · Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Farm Service Agency Loan Programs**

The Farm Service Agency (FSA or Agency) provides both direct and guaranteed loans to farmers and ranchers who are unable to obtain credit from another source. These loans and guarantees may be operating loans (OL) or farm ownership (FO) loans.

Guaranteed Loans are made by banks or other lending institutions with guarantees issued by FSA. The guarantees are not loans, and provide a lender with reasonable assurance that a substantial portion of the loan will be repaid if the loan goes into default. This makes it much easier for borrowers to obtain loans at reasonable rates and terms.

### **Socially Disadvantaged Applicants and Beginning Farmers**

FSA makes and guarantees loans to approved socially disadvantaged applicants (SDA) and Beginning Farmers (BF) to buy and operate family-size farms and ranches. Each fiscal year, FSA targets a portion of its direct and guaranteed FO and OL funds to socially disadvantaged farmers and ranchers and Beginning Farmers. SDA groups include women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders. Beginning Farmer requirements are listed below.

### **Direct Farm Loan Program**

#### **Eligibility**

In addition to other eligibility criteria, a direct loan applicant must:

- have sufficient education, training, or experience in managing and operating a farm or ranch that demonstrates the managerial ability needed to succeed in farming.
- be a citizen of the United States, United States non-citizen national, or a qualified alien under applicable Federal immigration laws.
- have the legal capacity to incur the obligations of the loan.
- be unable to obtain credit elsewhere.
- have an acceptable credit history.
- be the operator or tenant operator of a family farm after the loan is closed. For an operating (OL) or emergency (EM) loan, the producer need only be the operator. For an FO loan, the applicant must own and operate the farm.
- not have had a previous loan which resulted in a loss to the Agency (with certain exceptions).
- not be delinquent on any Federal debt.
- must not be ineligible due to disqualification resulting from Federal Crop Insurance violation.
  
- *For a direct farm ownership (FO) loan (beginning and non-beginning applicants), the applicant must have participated in the business operation of a farm or ranch for at least 3 years out of the 10 years prior to the date the application is submitted.*
  
- *For Beginning Farmer – an individual or entity who has not operated a farm/ranch for more than 10 years, meets eligibility requirements for the program for which they are*

*applying, substantially participates in the operation, and for FO purposes does not own a farm greater than 30 percent of the average size farm in the county.*

- Corporations, cooperatives, joint operations, and partnerships and their members/stakeholders must meet most of these same eligibility requirements, and the entity must also be authorized to operate a farm or ranch in the State where the land is located.

### **Loan terms, interest rates, and maximum amounts**

Repayment terms and interest rates vary according to the type of loan made, the collateral securing the loan, and the applicant's ability to repay. OL loans are normally repaid within 7 years, annual operating loans are generally repaid within 12 months or when the commodities produced are sold, and FO loan terms cannot exceed 40 years. The interest rates for direct loans are adjusted periodically based on the Federal Government's cost of borrowing. Direct loan (both FO and OL) – Interest Rates can change as frequently as monthly. Contact your local FSA Farm Loan Programs Office (see directory), or you may use the internet at [fsa.usda.gov/](http://fsa.usda.gov/). Then locate Programs and Services. Using the drop down menu select Farm Loan Programs. On the Farm Loan Programs screen select the box labeled FLP Connects. On the right side of the screen under Related Topics you will find Interest Rates. Most interest rates will be posted with the effective date noted. All rates are subject to change.

A lower interest rate may be available for producers with limited resources. Loans to limited resource producers are reviewed periodically to adjust the interest rate based on repayment ability.

Maximum amounts for loans and loan guarantees are:

- Direct loan (both FO and OL) - \$300,000.
- Micro Loans (ML) – up to \$50,000 (smaller loans for operating purposes designed for smaller operators, entry level beginning farmers, veteran farmers and transitions from youth loans.)
- Guaranteed loan (both FO and OL) - Limit changes annually in October contact your local FSA Farm Loan Programs Office. (See directory).
- A guide has been developed for use of the FSA Farm Loan Programs. To access the guide you may use the internet at [www.fsa.usda.gov/](http://www.fsa.usda.gov/). Then locate Programs and Services. Using the drop down menu select Farm Loan Programs. On the Farm Loan Programs screen select the box labeled Your Guide to Farm Loan Programs.

### **Application Process**

- Loan applicant contacts the local Farm Service Agency (FSA) office and receives an application package. Applications may also be obtained online. To access application forms, you may use the internet at [fsa.usda.gov/](http://fsa.usda.gov/). Then locate Programs and Services. Using the drop down menu select Farm Loan Programs. On the Farm Loan Programs screen select the box labeled Farm Loan Application Forms.
- Loan applicant completes the loan application, with FSA assistance if needed.
- FSA and the loan applicant meet to review and discuss the application.

- FSA determines if the applicant is eligible and reviews the application for repayment ability, security, and compliance with other regulations.
- FSA approves or disapproves the loan. If approved, funds are obligated subject to availability. If disapproved the applicant is provided with opportunity to present additional information, mediate, and/or appeal.
- If approved and funds are available, the loan is closed, and the loan applicant receives the funds.

### **Security**

Loans must be adequately secured. Collateral for OL loans consists of a first lien on crops and livestock to be produced and on breeding livestock and equipment. A lien may be taken on certain other chattel and real estate property, and an assignment usually will be taken on income such as that from a dairy enterprise. Collateral for FO loans consists of real estate only or a combination of real estate and chattels. FSA requires security of 150 percent of the loan amount, if available. At a minimum, the security must equal the loan amount.

### **Special loan conditions**

FSA provides temporary credit to its direct loan borrowers; therefore, all borrowers are required to refinance their loans with a private, commercial lender when they are financially able to do so.

To improve their production and financial management ability, FSA requires all borrowers to complete farm and financial training courses. Some borrowers may receive a waiver from the course if they have demonstrated adequate knowledge and ability in the subject areas covered by the course.

As part of its supervised credit role, FSA will require borrowers to provide updated financial information periodically and participate in an annual review of their operation by FSA. Based on financial information and knowledge of the operation, the Agency works with the customer to identify and prioritize training and supervisory needs, and help the producer in achieving financial viability.

All borrowers must operate their farms in an environmentally sound manner, comply with highly erodible land and wetland policies, and if necessary, operate according to a USDA land management plan.

### **Where can you apply for a loan?**

Farmers/ranchers can apply at the local FSA county office servicing the area in which they expect to carry out their operations. A directory is attached.

### **Applicant Costs**

The applicant is required to pay a credit report fee based on applicant type and members (for entities). If a loan is made, the producer pays the fees charged for lien searches and for filing, recording and maintaining security instruments.

## **Farm Ownership Loans**

With a direct FO loan, you can purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection.

### **Farm Ownership Down Payment Program**

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing a farm. Retiring farmers may use this program to transfer their land to future generations.

#### **To qualify:**

- The applicant must meet the general eligibility requirements.
- The applicant must make a cash down payment of at least 5 percent of the purchase price.
- The maximum loan amount does not exceed 45 percent of the least of (a) the purchase price of the farm or ranch to be acquired; (b) the appraised value of the farm or ranch to be acquired; or (c) \$667,000 (Note: This results in a maximum loan amount of \$300,000).
- The term of the loan is 20 years. The interest rate is 4 percent below the direct FO rate, but not lower than 1.5 percent.
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee.
- Financing from participating lenders must have an amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

### **Farm Ownership Joint Financing Arrangement**

Beginning farmers may choose to participate in a joint financing arrangement. With this arrangement, FSA lends up to 50 percent of the amount financed, and another lender provides 50 percent or more. The interest rates can be obtained from your local FSA office and the term of the loan will not exceed 40 years or the useful life of the security.

### **Sale of Inventory Farmland**

FSA advertises inventory property within 15 days of acquisition. Eligible SDA and beginning farmers are given first priority to purchase these properties at the appraised market value. If one or more eligible SDA or beginning farmer offers to purchase the same property in the first 135 days, the buyer is chosen randomly.

### **Direct Operating Loans**

Term operating loans may be used to purchase items such as livestock, farm equipment, and may be used to pay for minor improvements to buildings, costs associated with land and water development and to refinance debts under certain conditions. Annual operating loans may be used for annual operating expenses such as feed, seed, fuel, farm chemicals, insurance, and others and family subsistence.

### **Emergency Loans (EM)**

Emergency loans are available only as direct loans from FSA. EMs assist farmers who have suffered physical or production losses in areas declared by the President as disaster areas or designated by the Secretary of Agriculture as disaster or quarantine areas (for physical losses only, the FSA Administrator may authorize Emergency Loan assistance). For production loss loans, applicants must demonstrate a 30 percent loss in a single farming or ranching enterprise. Applicants may receive loans up to 100 percent of production or physical losses. Loan purposes include operating real estate, restoring/replacing essential property, production costs for disaster year, essential family living expenses, reorganization and refinancing certain debts. The maximum indebtedness under the Emergency Loan Program is \$500,000.

### **Youth Loans**

Youth loans are available as direct loans only and have a maximum loan amount of \$5,000. Youth loans may only be used to finance a modest, income-producing, agriculture-related, educational project while participating in 4-H, FFA, or a similar organization, and be made to individuals who are sponsored by a project advisor, such as a 4-H Club, FFA or local vocational instructor. Individuals must be at least 10 but not more than 20 years old to be eligible. The youth must be participating in an established organization that supports agricultural projects, such as 4-H, FFA, or similar organization

The approved project must be related to the business of agriculture and must not be a non-eligible enterprise. Each project must be part of an organized and supervised program of work and must produce sufficient income to repay the loan. Youth loan funds must be used only to pay expenses associated with the approved project. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience in agriculture-related skills.

## **Guaranteed Farm Loan Program**

FSA guaranteed loans provide lenders (e.g., banks, Farm Credit System institutions, credit unions) with a guarantee of up to 95 percent of the loss of principal and interest on a loan. Farmers and ranchers apply to an agricultural lender, which then arranges for the guarantee. The FSA guarantee permits lenders to make agricultural credit available to farmers who do not meet the lender's normal underwriting criteria.

- FSA guaranteed loans are for Farm Ownership, Operating, and Conservation purposes. Like the Direct Loan Program, a percentage of Guaranteed Loan funds are targeted to beginning farmers and ranchers and minority applicants.

Guaranteed loans are the property and responsibility of the lender. The lender makes the loan and services it to conclusion. If successful, the borrower is able to repay the loan and no taxpayer money will be used except for administrative expenses. If a loan fails, and the lender suffers a loss, FSA will reimburse the lender with Federal funds according to the terms and conditions specified in the guarantee.



## **Eligibility**

To qualify for an FSA Guarantee, a loan applicant must:

- be a citizen of the United States (or legal resident alien), which includes Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and certain former Pacific Trust Territories.
- have an acceptable credit history as determined by the lender.
- have the legal capacity to incur the obligations of the loan.
- be unable to obtain a loan without a guarantee.
- not have caused FSA a loss by receiving debt forgiveness on more than 3 occasions.
- be the owner or tenant operator of a family farm after the loan is closed. For an OL, the producer must be the operator of a family farm after the loan is closed. For an FO Loan, the producer needs to also own the farm.
- not be delinquent on any Federal debt.
- must not be ineligible due to disqualification resulting from Federal Crop Insurance violation.

Entities (corporations, cooperatives, joint operations, partnerships, trusts, and limited liability companies) and their members/stockholders must meet these same eligibility requirements. The entity must also be authorized to operate a farm or ranch in the State where the land is located. In addition to meeting the eligibility criteria, the loan applicant must have a satisfactory credit history, demonstrate repayment ability, and provide sufficient security for the loan.

## **Loan Terms, Interest Rate, and Maximum Amounts**

Repayment terms vary according to the type of loan made, the collateral securing the loan, and the producer's ability to repay. OLs are normally repaid within 7 years and FO loans cannot exceed 40 years.

The Guaranteed loan interest rate and payment terms are negotiated between the lender and the borrower. Interest rates on these loans may not exceed the rate charged the lender's typical farm customer.

Maximum loan amounts are determined each year effective October first (amount adjusted annually based on inflation). Contact your local FSA lending office (see directory).

## **Application Process**

The following actions are usually taken as part of the application process:

- The producer and lender complete the guaranteed application and submit it to FSA (FSA will assist if needed.)
- FSA reviews the application for eligibility, repayment ability, security, and compliance with other regulations.
- FSA approves and obligates the loan.
- The lender receives a conditional commitment indicating funds have been set aside, and the loan may be closed.
- The lender closes the loan and advances funds to the producer.
- FSA issues the guarantee.

## **Security**

Each loan must be adequately secured. Collateral for OLs consists of a first lien on crops to be produced and on livestock and equipment purchased or refinanced with loan funds. A lien may be taken on certain other chattel and real estate property, and an assignment usually will be taken on income such as that from a dairy enterprise. Collateral for FO loans consists of real estate only or a combination of real estate and chattels. FSA staff determines whether the collateral proposed by the lender is adequate.

## **SPECIAL CONDITIONS**

### **Percent of Guarantee**

For most loans, the maximum guarantee is 90 percent. The guarantee percentage will be determined by FSA based on the risk involved in the loan. The lender may receive a 95 percent guarantee when:

- The purpose of the loan is to refinance direct FSA farm credit program debt. If only a portion of the loan is for this purpose, a weighted percentage of guarantee will be used.
- The loan is made to a beginning farmer to participate in the beginning farmer down payment loan program or a qualifying State beginning farmer program.

### **Guarantee Fees**

For most loans, FSA charges a guarantee fee of 1.5 percent of the guaranteed portion of the loan. This fee may be passed on to the borrower. The guarantee fee is waived for:

- Interest assistance loans.
- Loans where more than 50% of the loan funds are used to pay off direct FSA loan debt.
- Loans in conjunction with a Beginning Farmer Down payment Farm Ownership Loan program or a qualifying state beginning farmer program. This fee waiver does not extend to all beginning farmers.
- Conservation Loans are guaranteed at 80%, regardless of lender status and up to 90% for SDA and Beginning Farmer applicants.

### **Secondary Market**

The secondary market for USDA guaranteed loans is a key feature of the guaranteed lending program. The lender may resell the guaranteed portion of the loan to an interested party. The existence of the secondary market makes guaranteed loan notes more liquid. By reselling the guaranteed portions, lenders reduce interest rate exposure, increase their lending capabilities, and generate fees.

### **Where to Apply**

Interested persons may contact lenders. Loan application is made through the lender. Assistance can be obtained through local FSA offices (see directory).

## **Guaranteed Loan Types**

### **Guaranteed Ownership Loans**

Guaranteed Farm Ownership (FO) Loans may be made to purchase farmland, construct or repair buildings and other fixtures, develop farmland to promote soil and water conservation, or to refinance debt.

### **Guaranteed Operating Loans**

Guaranteed Term Operating Loans (OL) may be used to purchase livestock, farm equipment, pay for minor improvements to buildings, costs associated with land and water development and to refinance debts under certain conditions. Guaranteed Operating Line of Credit (LOC) can be used to pay operating expenses such as feed, seed, fuel, farm chemicals, insurance, family living expenses and other operating expenses.

### **Conservation Loans**

The objective of the CL Program is to facilitate implementing conservation practices rather than be a safety net for family farmers. Because of the emphasis on the environment, the CL Program can provide funds to individuals and entities that normally would **not** qualify for FSA assistance. CL's are **not** limited to family farmers; CL applicants can operate non-eligible enterprises and applicants will not need to pass the needs test.

### **Land Contract Guarantee Program**

The Land Contract Guaranteed Program provides certain financial guarantees to the seller of a farm through a land contract sale to a beginning farmer or a socially disadvantaged farmer. The seller may request either of the following:

- (1) The prompt payment guarantee plan. The Agency will guarantee an amount not to exceed three amortized annual installments plus an amount equal to the total cost of any related real estate taxes and insurance incurred during the period covered by the annual installment; or
- (2) The standard guarantee plan. The Agency will guarantee an amount equal to 90 percent of the outstanding principal under the land contract.

The guarantee period is 10 years for either plan regardless of the term of the land contract.

### **Contact:**

For application information or any additional information or questions please contact your local office (see attached directory) or view information at **[www.fsa.usda.gov](http://www.fsa.usda.gov)**.

## **Indian Tribal Land Acquisition Program (ITLAP)**

The Farm Service Agency (FSA), an agency of the U.S. Department of Agriculture, extends credit to Indian Tribes or Tribal corporations that do not qualify for standard commercial loans to purchase land within their own reservation or Alaskan community. Funding levels are established annually.

### **Eligibility**

Native American Tribes must meet the following eligibility requirements to be eligible for an ITLAP loan:

- The application must be submitted on form FSA-2620 (Indian Land Acquisition Program Application) and be signed by the Tribe's or Tribal Corporation's authorized representative.
- An acceptable option to purchase or purchase agreement for land to be purchased with the loan funds must be provided along with the loan application.
- The Tribe must show funding from other sources is not available to purchase the real estate.
- The land must be located within the Tribe's reservation for use by the members of the Native American tribe or Tribal Corporation.
- The Tribe must provide at least 3 letters from outside lenders, one of which will be from the Bureau of Indian Affairs (BIA), stating funding has been denied to the Tribe.
- A feasibility plan for the use of lands and a method of repayment of the loan funds must be provided.
- The Tribe must be in good standing with all Federal Agencies and not subject to a judgment lien against the Tribe's property due to a debt to the United States.
- The Tribe must not have received a write-down on any other loans within the past 5 years.
- The amount of the loan funds must not exceed the market value of the land determined by the current appraisal.

### **What the Loan Funds May be Used For**

- Purchase of land located within the Tribe's reservation which will be used for the benefit of the Tribe or its members.
- Title clearance, legal services, land surveys, and loan closing.
- Refinance preexisting debts other than from the United States Department of Agriculture which were incurred from land purchases.
- Pay for the cost of an appraisal.

### **What the Loan Funds May Not Be Used For**

- Land improvements or development purposes.
- Acquisition or repair of buildings or personal property.
- Operating costs.
- Finder's fees or similar costs.
- Projects that will contribute to excessive erosion of highly erodible land or for the conversion of wetlands to produce an agriculture commodity.

### **Funding**

Loan approval is subject to the availability of funds and will be funded based on the date FSA approves the application. Loans terms can be up to 40 years from the date the loan application is closed. The interest rate will be fixed for the life of the loan at the current interest rate charged by FSA on the loan closing date.

### **Security**

An assignment of Tribal income will be taken as security to ensure repayment of the loan. A mortgage or deed of trust on the land to be purchased will be taken as security for the loan.

### **For More Information**

Additional information may be obtained at local FSA offices or the FSA State Office (see directory).

### **Application Materials**

Documents to be furnished include: 1) a current financial statement; 2) a projected cash flow statement; and 3) the past 3 years financial statements and cash flow statements.

## **Farm Storage Facility Loan Program**

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) Farm Storage Facility Loan Program (FSFL) provides low-interest financing for producers to build or upgrade farm storage and handling facilities. The FSA is authorized to implement the program through USDA's Commodity Credit Corporation (CCC).

### **Eligible Facility Loan Commodities**

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain.
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain.
- Pulse crops - lentils, chickpeas and dry peas.
- Hay.
- Renewable biomass.
- Fruits (includes nuts) and vegetables - cold storage facilities.

### **Eligible Facilities and Upgrades**

An FSA farm storage facility loan must be approved by the local FSA county committee before any site preparation and/or construction can be started.

The following types of facilities and upgrades are eligible for farm storage facility loans:

- New conventional cribs or bins designed and engineered for whole grain storage having a useful life of at least 15 years.
- New oxygen-limiting structures and remanufactured oxygen-limiting structures built to original manufacturer's specifications and other upright silo-type structures designed for whole grain wet storage having a useful life of at least 15 years.

- New flat-type storage structures, with permanent floors and bulkheads, designed and primarily used to store whole grain for the loan term.
- New electrical equipment integral to the proper operation of the grain storage and handling equipment, excluding the installation of electrical service to the electrical meter.
- New safety equipment, as required by CCC and meeting the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) requirements, such as interior and exterior ladders and lighting.
- New equipment to improve, maintain or monitor the quality of stored grain, such as cleaners, moisture testers, and heat detectors, installed in conjunction with a proposed storage facility.
- New concrete foundations, aprons, pits, and pads, including site preparation, labor and material, essential to the proper operation of the grain storage and handling equipment.
- Renovation of existing farm storage facilities, under certain circumstances, if the renovation is for maintaining or replacing items that have a useful life of at least 15 years.
- New permanently affixed grain handling and grain drying equipment determined by CCC to be needed and essential to the proper operation of a grain storage system (with or without a loan for the storage facility).
- New structures that are bunker-type, horizontal or open silo structures, with at least 2 concrete walls and a concrete floor, designed for whole grain storage or other-than-whole-grain storage and having a useful life of at least 15 years.
- New structures suitable for storing hay built according to acceptable design guidelines and having a useful life of at least 15 years.
- New structures suitable for storing renewable biomass built according to acceptable industry guidelines and having a useful life of at least 15 years.
- New cold storage buildings, including prefabricated buildings, suitable for storing fruits and vegetables having a useful life of at least 15 years. Also may include permanently affixed cooling, circulating, and monitoring equipment and electrical equipment including labor and materials for installation of lights, motors and wiring integral to the proper operation of a cold storage facility.

*Notes:*

*Scales, portable equipment, used bins, and used equipment are not eligible for financing.*

*Facilities built for commercial purposes and not for the sole use of the borrower(s) are not eligible for financing.*

**Eligible Cost Items**

The net cost for building or upgrading farm storage and handling facilities and equipment may include the following:

- Purchase price and sales tax.
- Shipping and delivery charges.
- Site preparation costs.
- Installation costs.
- New material and labor for concrete pads, electrical wiring, and electric motors.
- Off-farm paid labor.
- New on-farm material approved by FSA.
- Attorney or archaeological study fees.

### **Eligibility**

An eligible borrower is any person who is a landowner, landlord, leaseholder, tenant or sharecropper who:

- Produces an eligible facility loan commodity.
- Has a satisfactory credit rating as determined by CCC.
- Demonstrates the ability to repay the debt for the facility loan.
- Possesses no delinquent non-tax federal debt.
- Demonstrates a storage need based on the borrower's three-year-average acreage and share of production, minus any current storage available.
- Provides proof of multi-peril crop insurance from the Federal Crop Insurance Corporation (FCIC) or a private company for the life of the loan.
- Provides proof of all peril insurance and, if applicable, flood insurance with CCC as a loss payee.
- Demonstrates compliance with USDA provisions for highly erodible land and wetlands.
- Demonstrates compliance with the National Environmental Policy Act.
- Demonstrates compliance with any applicable local zoning, land use, and building codes.
- Has not been convicted of a controlled substance violation.

### **Security**

The following are security requirements for farm storage facility loans:

- All loans must be secured by a promissory note and security agreement, as well as a UCC-1 describing the storage facility and accompanying equipment; and
- Severance agreements from all lien holders on the real estate where the facility will be located or from owners of real estate when the loan applicant is not the landowner, except when CCC holds the first lien on the real estate. Severance agreements will not be required if the borrower increases the down payment from 15 percent to 20 percent.

For loans that exceed \$50,000 or the borrower's aggregate outstanding loan balance exceeds \$50,000, the borrower must be able to provide at least one of the following:

- A first lien on the real estate on which the facility is located;
- Real estate owned by the borrower other than where the facility is located, provided the real estate offered is sufficient to secure the loan; or
- A letter of credit from a financial institution in an amount sufficient to protect CCC's interest for each year the loan has an outstanding balance.

### **Maximum Loan Amount, Terms**

The maximum loan amount through the Farm Storage Facility Loan Program is \$500,000 per loan.

The following are the terms for farm storage facility loans:

- A 15 percent cash down payment is required; thus, CCC's loan is limited to 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment (subject to the applicant's storage needs test). The down payment cannot include any trade-in, discount, rebate, deferred payment, or post-dated check.
- Loan terms available are seven (7) years, ten (10) years or twelve (12) years depending on the amount of the loan.

- Interest rate is fixed for the loan term based on the rate in effect during the month the loan is initially approved. The interest rate is equivalent to the rate of interest charged on Treasury Securities of comparable term and maturity.
- Loans are to be repaid in equal amortized installments.
- Loan will not be disbursed until the facility has been erected and inspected with the exception of one (1) qualifying partial disbursement.

### **Costs**

- Each applicant will be charged a nonrefundable \$100 application fee.
- CCC will pay all collateral lien searches and recording fees for filing Form UCC-1 and credit reports.
- Applicants pay all other fees, such as severance agreements, attorney fees, real estate lien search fees, and instrument filing fees.
- For loans over \$50,000, applicants will be required to pay the cost of obtaining a title search/opinion or title insurance.

### **Persons Required to Sign the Note**

The following persons are required to sign the loan agreement:

- For sole proprietorships and joint ventures, all individuals, including spouses, if applicable.
- For general partnerships, any member unless the Articles of Partnership are more restrictive.
- For corporations and limited partnerships, an individual with signature authority on file with FSA.

### **Application**

Loan applications should be filed in the administrative FSA Office that maintains the farm's records.

### **Contact:**

For application information or any additional information or questions please contact your local office (see directory) or view information at [fsa.usda.gov](http://fsa.usda.gov).

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD), USDA is an equal opportunity provider and employer.



## WYOMING FARM LOAN COUNTY OFFICES DIRECTORY

### STATE OFFICE

951 Werner Court, Suite 130  
Casper, WY 82601  
Phone (307) 261-5142  
Fax (307) 261-5008  
David Gunderson, FL Chief  
david.gunderson@wy.usda.gov

Becky Gerlach, FL Specialist  
becky.gerlach@wy.usda.gov  
Julie Caves, Program Tech  
julie.caves@wy.usda.gov

### GILLETTE SERVICE CENTER

601 4-J Ct, Ste B  
Gillette, WY 82716  
Phone (307) 682-8843  
FAX: 307-686-5014  
**Campbell, Crook, Johnson,  
Sheridan, Weston**

### DOUGLAS SERVICE CENTER

911 S. Wind River Dr  
Douglas, WY 82633  
Phone 1-866-596-4478  
**Converse, Natrona, Niobrara**

### RIVERTON SERVICE CENTER

508 N. Broadway Ave.  
Riverton, WY 82501  
Phone (307) 856-7524  
FAX: 307-856-2383  
**Fremont, Lincoln,  
Sublette,  
Sweetwater, Teton,  
Uinta**

### TORRINGTON SERVICE CENTER

1441 East M St, Ste C  
Torrington, WY 82240  
Phone (307) 532-4880  
FAX: 307-532-5783  
**Goshen**

### POWELL SERVICE CENTER

1017 Highway 14A  
Powell, WY 82435  
Phone (307) 754-9411  
FAX: 307-754-2761  
**Northern Big Horn,  
Park**

### WHEATLAND SERVICE CENTER

1502 Progress Ct  
Wheatland, WY 82201  
Phone (307) 322-4050  
FAX: 307-322-4109  
**Albany, Carbon,  
Laramie, Platte**

### WORLAND SERVICE CENTER

208 Shiloh Rd  
Worland, WY 82401  
Phone (307) 347-2456  
FAX: 307-347-8806  
**Hot Springs, Southern  
Big Horn, Washakie**

## **Renewable Energy Systems (RES) & Energy Efficiency Improvement (EEI) Grant & Guaranteed Loan Program – Section 9006**

This program is administered by the U.S. Department of Agriculture (USDA). Funding from this program was created to assist agricultural producers and rural small businesses in purchasing renewable energy systems such as wind, solar, biomass, geothermal, and hydrogen. This program may also be used to make energy efficiency improvements.

### **Eligibility:**

- Eligibility is limited to agricultural producers and rural small business, including electric cooperatives.
- Applicants must be either US citizens or legally admitted as permanent residents. All entities applying must consist of a membership where at least 51% of its members meet the above qualification.
- Funds are only available for rural areas, defined for this program as not having a population exceeding 50,000.
- Applicants must demonstrate financial need (grants only).

### **Terms:**

- Guaranteed Loans:
  - ❖ May cover up to 50% of the eligible costs.
  - ❖ Minimum and maximum amounts for the loans are \$5,000 and \$10 million respectively.
- Grants:
  - ❖ May cover up to 25% of the eligible costs.
  - ❖ Efficiency grant minimum and maximum amounts are \$1,500 and \$250,000 respectively.
  - ❖ Renewable energy grant minimum and maximum amounts are \$2,500 and \$500,000 respectively.
- A combination of grant and guaranteed loan funds may fund up to 50% of eligible costs.
- Loan guarantee and grant funds may be used for purchasing or installing a renewable energy system or to make energy efficient improvements to an existing structure.
- Both grant and loan funds may be used for:
  - ❖ Purchasing and installing equipment.
  - ❖ Construction and improvements.
  - ❖ Energy audits.
  - ❖ Permit fees.
  - ❖ Professional service fees.
  - ❖ Business plans.
  - ❖ Retrofitting energy systems.
- Guaranteed loan funds may be additionally used for:
  - ❖ Land acquisition.
  - ❖ Working capital.
- Funds may not be used for:
  - ❖ Purchasing transportation or agricultural tillage equipment.
  - ❖ Residential use.

- ❖ Hydroelectric systems.
- ❖ Energy efficiency improvements for new construction, unless more energy savings are realized from the construction of a new, similar sized facility than renovating the existing facility.

**Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Section 9006 Grant**

This program is administered by the U.S. Department of Agriculture (USDA) for the purpose of giving agricultural producers and rural small businesses the ability to purchase and install renewable energy systems and make energy efficiency improvements.

### **Eligibility:**

- Farmers, ranchers, and small businesses located in rural areas that are able to demonstrate financial need are eligible for these grants.
  - ❖ All agricultural producers must receive at least 50% of their gross income from their agricultural operations.
- Rural electric cooperatives are also eligible to apply for these funds.
- The project must be located in a rural area and may include any activity that will reduce energy use and result in savings, such as:
  - ❖ Retrofitting lighting or insulation.
  - ❖ Purchasing or replacing equipment with more energy efficient equipment.
  - ❖ Projects that provide renewable energy from wind, solar, biomass, geothermal, or hydrogen-based sources.

### **Terms:**

- Grants may cover up to 25% of the project's costs.
- Grants are limited to \$500,000 for renewable energy systems and \$250,000 for energy improvement projects.
- Grants may not be for less than \$2,500 for renewable energy systems and \$1,500 for energy improvement projects.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 · Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Section 9006 Guaranteed Loan**

This program is administered by the U.S. Department of Agriculture (USDA) to provide an incentive to agricultural producers and small businesses to invest in energy saving and renewable energy projects. This program provides a federal guarantee on loans taken out from third-party lenders to provide added security on the loan in case the borrower defaults, making it easier for a business to obtain financing.

### **Eligibility:**

- The borrower must be an agricultural producer or a rural small business.
  - ❖ All agricultural producers must receive at least 50% of their gross income from their agricultural operations.
- The project must be located in a rural community containing no more than 50,000 residents.
- Eligible costs include:
  - ❖ Purchase and installation of equipment.
  - ❖ Construction and improvements.
  - ❖ Energy audits or assessments.
  - ❖ Permit or license fees.
  - ❖ Professional service fees.
  - ❖ Feasibility studies and technical reports.
  - ❖ Business plans.
  - ❖ Retrofitting equipment and machinery.
  - ❖ Working capital.
  - ❖ Land acquisition.

### **Terms:**

- Loans may finance up to 50% of the project's costs.
- Loans may not exceed \$10,000,000 per project, but may not be less than \$5,000.
- The maximum guaranteed amounts are as follows:
  - ❖ Loan of \$600,000 or less: 85% guarantee.
  - ❖ Loans between \$600,001 to \$5 million: 80% guarantee.
  - ❖ Loans more than \$5 million: 70% guarantee.
- Interest rates and the maturity for the loan shall be negotiated by the borrower and the lender.
- There will be a guarantee fee of 1% of the amount of the guarantee when the loan closes.
- There is also an annual guarantee fee for this program.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Small Minority Producer Grant (SMPG) Program**

This program is administered by the U.S. Department of Agriculture (USDA) and was created to give technical assistance to small, minority producers. This grant is given to minority Cooperatives or Associations of minority Cooperatives, but not individual producers.

### **Eligibility:**

- Eligible entities include:
  - ❖ Minority Cooperatives.
  - ❖ Minority Associations of Cooperatives.
- This grant is to be used for technical assistance which may include feasibility studies, writing business plans, marketing plan development, training, market research, legal advice or assistance, product or service improvement, etc.
- The project must be located in a rural area as defined by Notice of Solicitation of Applicants (NOSA).

### **Terms:**

- All projects should be completed within one year of receiving grant monies.
- All applicants must report their organization's Dun and Bradstreet Data Universal Numbering System (DUNS) number.
  - ❖ To verify a number or receive one free of charge please call (866) 705-5711 or visit [dnb.com/us/](http://dnb.com/us/).
- The three forms that must be submitted to qualify are:
  - ❖ SF-424 "Application for Federal Assistance."
  - ❖ SF-424A "Budget Information-Non-Constructions Programs."
  - ❖ SF-424B "Assurances-Non-Construction Programs."
- Additionally all applications must include:
  - ❖ Proposal idea.
  - ❖ Table of Contents.
  - ❖ Executive Summary.
  - ❖ Eligibility Discussion.
  - ❖ Work plan including the budget.
  - ❖ Evaluation Criteria.
- All applications will be reviewed and scored by the Rural Business-Cooperative Service (RBS) and selected applicants will be notified.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **State Lands & Investments Beginning Agricultural Producers Loan**

This program is administered by the State Lands & Investments Board (SLIB) for the purpose of helping beginning farmers or ranchers to get into a production agricultural business. This program is not, however, meant to benefit investors or developers.

### **Eligibility:**

- Borrowers must be U.S. citizens, at least 18 years of age, and have their primary residence within the State of Wyoming.
  - ❖ Legal entities must show that a majority of their partners meet the above requirements.
- Total outstanding loan balance to SLIB may not exceed \$800,000 for any individual or entity.
- The applying individual or entity must have not owned or operated more than 160 acres of cultivated irrigated land, 320 acres of cultivated dry crop land, or 640 acres of grazing land for more than 2 years.

### **Terms:**

- A \$100 deposit must accompany the application for loan funds.
- Loans will be judged and distributed on a competitive basis.
  - ❖ For the first 10 years the interest rate is either 8% or the average yield on a 10 year U.S. Treasury Bond for the previous year, whichever is less.
  - ❖ For the following years the interest rate shall be 8%.
- Loans may not exceed 70% of the project value.
- Loan maturities may not exceed 30 years.
- Farm loans must be backed by a first mortgage on the farm or ranch land to secure the loan.
- A loan fee of 1% of the loan amount is to be withheld by SLIB at the time the funds are dispersed.

### **Contact:**

For application information or any additional information or questions please contact:

**Office of State Lands & Investments  
122 W. 25<sup>th</sup> St.  
Herschler Building, 3<sup>rd</sup> Floor West  
Cheyenne, WY 82001  
(307) 777-7331  
[www.slf-web.state.wy.us/](http://www.slf-web.state.wy.us/)**

## **State Lands & Investments Farm Loan**

This program is administered by the State Lands & Investments Board (SLIB) for the purpose of developing and improving agricultural lands. These loans are meant to foster and encourage farming, dairying, and livestock raising within the State of Wyoming.

### **Eligibility:**

- Borrowers must be U.S. citizens, at least 18 years of age, and have their primary residence within the State of Wyoming.
  - ❖ Legal entities must show that a majority of their partners meet the above requirements.
- Total outstanding loan balance to SLIB may not exceed \$800,000 for any individual or entity.
- Borrowers may use funds gained from this program to purchase land, livestock, or equipment. Funds may also be used to purchase, construct, or install improvements necessary to maintain or improve the earning capacity of the operation.

### **Terms:**

- A \$100 deposit must accompany the application for loan funds.
- Loans will be judged and distributed on a competitive basis.
- Please contact SLIB for exact interest rate options.
- Loan maturities may not exceed 30 years.
- Farm loans must be backed by a first mortgage on the farm or ranch land to secure the loan.
- A loan fee of 1% of the loan amount is to be withheld by SLIB at the time the funds are dispersed.

### **Contact:**

For application information or any additional information or questions please contact:

**Office of State Lands & Investments**  
**122 W. 25<sup>th</sup> St.**  
**Herschler Building, 3<sup>rd</sup> Floor West**  
**Cheyenne, WY 82001**  
**(307) 777-7331**  
**[www.slf-web.state.wy.us/](http://www.slf-web.state.wy.us/)**



## **State Lands & Investments Loans to Enhance or Restore Livestock Numbers**

This program is administered by the State Lands & Investments Board (SLIB) for the purpose of enhancing or restoring livestock numbers in the state.

### **Eligibility:**

- Borrowers must be U.S. citizens, at least 18 years of age, and have their primary residence within the State of Wyoming.
  - ❖ Legal entities must show that a majority of their partners meet the above requirements.
- Total outstanding loan balance to SLIB may not exceed \$800,000 for any individual or entity.

### **Terms:**

- A \$100 deposit must accompany the application for loan funds.
- Loans will be judged and distributed on a competitive basis.
- The loans may be secured by a first or second real estate mortgage but the total amount of all loans mortgaged on that property may not exceed 70% of appraised value.
- The interest rate is not to exceed 75% of the lowest farm loan rate from SLIB.
  - ❖ So, if the lowest rate offered is 8% for farm loans the interest rate for this program will be 6%.
- The maturity of the loan may not exceed 7 years.

### **Contact:**

For application information or any additional information or questions please contact:

**Office of State Lands & Investments  
122 W. 25<sup>th</sup> St.  
Herschler Building, 3<sup>rd</sup> Floor West  
Cheyenne, WY 82001  
(307) 777-7331  
[www.slf-web.state.wy.us/](http://www.slf-web.state.wy.us/)**

## **Value-Added Producer Grants (VAPG)**

This grant program is administered by the U.S. Department of Agriculture (USDA) and was implemented to aid farmers, ranchers, agricultural producer groups, cooperatives, and majority-controlled producer-based business ventures to develop businesses. These businesses should be for the purpose of producing and marketing value-added products.

### **Eligibility:**

- Firms that are eligible include:
  - ❖ Independent agricultural producers that produce at least \$1,000 of product annually.
  - ❖ Farm and ranch cooperatives.
  - ❖ Agricultural producer groups (an organization representing independent producers such as a producer trade association).
  - ❖ Majority-controlled producer-based business ventures (LLC, LLP, any corporation, etc.).
- Eligible value-added activities include:
  - ❖ Changes to the physical state of the product (wheat to flour, etc.).
  - ❖ Differentiated products demonstrated in a business plan (e.g. organic products).
  - ❖ Product segregation (identity preserved corn, etc.).
  - ❖ Production using renewable energy (electricity generated from wind, etc.).

### **Terms:**

- The funds received from this program may be used to:
  - ❖ Plan activities such as development of feasibility studies and business plans for the production and marketing of value-added products.
  - ❖ Provide working capital expenses for production and marketing of value-added products (inventory, salaries, office supplies, etc.).
- The current limit for grants are set at \$100,000; however, these are subject to change.
- Grants cannot exceed 50% of the project's cost.
  - ❖ Other funds are to come from the applicant in the form of either cash or in-kind contributions.
- Funds will be dispersed on a system based on a point system.
  - ❖ High-priority items include generation of power from biomass and those projects requesting less than \$25,000 (there is specific funding set aside for these programs).
- It is also important to note that these grants may not be used for:
  - ❖ Costs associated with preparing the application.
  - ❖ Costs incurred prior to approval of this grant.
  - ❖ Funding of political or politically related activities.
  - ❖ Any project associated with the repair or construction of a building.
  - ❖ The purchase, rent, or installation of fixed equipment.
  - ❖ Repair of privately owned vehicles.
  - ❖ Funding for research and development.
  - ❖ Production-related expenses.
  - ❖ Purchase of land.
- Grant funds must be used within one year of receiving them.

**Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 · Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Youth & Beginning Farmer Loan Program**

These loans are administered by Farm Credit Services of America (FCSA) to provide loans to individuals who are 35 or younger or have no more than 10 years in the farming industry. This program offers a wide variety of programs to best suit the young or beginning farmer.

### **Eligibility:**

- Applicants must be no older than 35 or not have more than 10 years of farming experience.

### **Terms:**

- Agricultural Loans – Qualifying individuals may receive real estate loans and operating loans, as well as insurance and multiple other programs from FCSA.
- Youth in Agriculture Loans – Financing for up to \$2,500 to give youth a first-hand experience in business planning and farm financing, available to children of current FCSA customers.
- College Scholarships - \$2,000 scholarships for qualified college juniors and seniors studying agriculture or agriculture business at qualified universities.
- Educational & Finance Scholarships – More than \$100,000 is given to 4-H and FFA groups each year.
- For more information about any of these programs please contact FCSA.

### **Contact:**

For application information or any additional information or questions please contact:

**Farm Credit Services of America  
1401 Wilkins Circle  
P.O. Box 878  
Casper, WY 82602  
(800) 359-0235  
www.fcsamerica.com**

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**BUSINESS FINANCE SOURCES**

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## **Business and Industry (B&I) Guaranteed Loans**

The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans which will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.

### **Eligibility:**

- A cooperative, corporation, partnership, or other legal entity organized and operated on a profit/nonprofit basis; an Indian tribe on a Federal or State reservation or other Federally recognized tribal group; a public body; or an individual that is engaged in or proposing to engage in:
  - ❖ Providing employment.
  - ❖ Improving the economic or environmental climate.
  - ❖ Promoting the conservation, development, and use of water for aquaculture.
  - ❖ Reducing reliance on nonrenewable energy through encouraging development of renewable energy systems such as solar or wind power.
- Any borrower must be either a US citizen or be legally admitted for permanent residence.
- Any corporation must have at least 51% of its ownership represented by citizens or persons legally admitted for permanent residence in the United States.
- The applicant must be from a rural community with a population of less than 50,000.
  - ❖ Communities adjacent or contiguous to towns with a population of greater than 50,000 are not available for this guarantee.

### **Terms:**

- The amount of the guarantees are as follows:
  - ❖ Up to an 80% guarantee for loans up to \$5 million.
  - ❖ Up to a 70% guarantee for loans between \$5 and \$10 million.
  - ❖ Up to a 60% guarantee for loans exceeding \$10 million.
- Loan amounts are as follows:
  - ❖ Loans may not, under normal circumstances, exceed \$10 million.
  - ❖ The Administrator may grant exceptions for loans up to \$25 million.
  - ❖ The Secretary may grant exceptions for loans up to \$40 million for rural cooperative organizations.
- Interest rates are to be decided upon between the lender and the applicant.
  - ❖ Interest may be set at either fixed or variable rates.
- Collateral is required and the amount will be determined by the lender.
- The lender must pay an annual renewal fee which is determined by Rural Development. Please note this fee may be passed onto the borrower.
- Maximum maturities for loans are as follows:
  - ❖ Maturities on real estate may not exceed 30 years.
  - ❖ Maturities on machinery and equipment may not exceed 15 years or the useful life of the equipment, whichever is less.

- ❖ Maturities on working capital may not exceed 7 years.

**Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address - 100 East B Street, Suite 1005**  
**Mailing Address - P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## Economic Development Administration U.S. Department of Commerce

The Economic Development Administration (EDA), a division of the U.S. Department of Commerce (DOC), administers a program known as the Revolving Loan Fund (RLF) that provides matching grants to eligible recipients. These recipients will use these funds to create a revolving loan fund program that will distribute loans to businesses located in economically distressed areas in accordance with a Revolving Loan Fund Plan which is to be approved by the EDA. Normally, EDA's RLFs are used to match other state and/or local funds to leverage private sector loans for businesses that will help to diversify a distressed economy in order to stimulate job creation or assist in the retention of jobs. Typically, recipients of the grants to create these revolving loans provide matching funds of 50% of the required capital to establish the program.

### Eligibility:

- Eligible entities include:
  - ❖ EDA approved Economic Development District, State, City or other political subdivision of a State.
  - ❖ Institution of higher education.
  - ❖ Public or private nonprofit organization acting in cooperation with a local government.
  - ❖ Indian Tribe or consortium of Indian Tribes.

### Terms:

- All RFL Plans are required to be submitted to the EDA and meet with all of the terms and conditions of both the EDA and the DOC. Please contact your local EDA office to determine if your program will qualify for these funds.

### Other EDA Programs:

- **Public Works Program** – Supports the construction or rehabilitation of essential public infrastructure and facilities necessary to generate or retain private sector jobs and investments, attract private sector capital, and promote regional competitiveness, including investments that expand and upgrade infrastructure to attract new industry, support technology-led development, redevelop Brownfield sites and provide eco-industrial development.
- **Economic Adjustment Program** – Includes the RLF Program.
- **Research and National Technical Assistance Program** – Supports research of leading, world class economic development practices, and funds information dissemination efforts.
- **Local Technical Assistance** – Helps fill the knowledge and information gaps that may prevent leaders in the public and nonprofit sectors in economically distressed regions from making optimal decisions on local economic development issues.
- **University Center Program** – A partnership between the Federal government and academia that helps to make the varied and vast resources of universities available to economic development communities.
- **Global Climate Change Mitigation Incentive Program** – Finances projects that foster economic development by advancing the green economy in distressed communities. The



GCCMIP supports projects that create jobs through, and increase private capital investments in, efforts to limit the nation's dependence on fossil fuels, enhance energy efficiency, curb greenhouse gas emissions and protect natural systems.

- **Trade Adjustment Assistance Program** – A national network of eleven Trade Adjustment Assistance Centers help strengthen the competitiveness of American companies that have lost domestic sales and employment because of increased imports of similar goods and services.

**Contact:**

For application information or any additional information or questions please contact:

**Economic Development Administration  
U.S. Department of Commerce  
410 17<sup>th</sup> St, Ste. 250  
Denver, CO 80202  
303-844-4714 · FAX: 303-844-3968**

## **Intermediary Relending Program (IRP)**

This program is administered by the U.S. Department of Agriculture (USDA) in order to create opportunities to alleviate poverty, increase economic activity, and employment in rural communities. This program supplies loans to local organizations to act as intermediaries who will create loans to businesses. These loans may be used to assist in financing businesses and encourage economic development activity with the specific goals of creating or retaining jobs in disadvantaged communities.

### **Eligibility:**

- Intermediaries may be private non-profit organizations, public agencies, Indian groups, and cooperates who have at least a 51% rural membership.
  - ❖ Intermediaries also need a record of successfully assisting rural businesses.
- Ultimate recipients (entities that may apply for loans from an intermediary) must:
  - ❖ Be citizens or persons legally admitted to the United States.
  - ❖ Be located in rural areas (defined as having a population of 25,000 or fewer).
  - ❖ Be an entity that is able to incur debt, give security, and repay the loan.
  - ❖ Be a corporation, partnership, LLC, individual, non-profit organization, or public body.

### **Terms:**

- Intermediaries may borrow up to \$2 million under its first financing.
  - ❖ Intermediaries may borrow up to \$1 million at any time thereafter.
  - ❖ Total aggregate debt may not exceed \$15 million for any one Intermediary.
  - ❖ Please note, for purposes of Fiscal Year 2007, the maximum loan request that an intermediary may borrow is \$750,000. An ultimate recipient borrower may borrow up to \$250,000.
- Interest rate to Intermediaries is 1% per annum.
- Loan maturities for Intermediaries may not exceed 30 years.
- Intermediaries must include a proposal to secure the loan.
  - ❖ This normally consists of a lien on the revolving fund and security interest in collateral pledged by the ultimate recipients.
- Interest rates and loan payments for ultimate recipients are to be negotiated by the Intermediary and the recipient.
- Ultimate recipient must provide collateral for the revolving loan.
- Please note that even in the case of delinquent or insufficient funds from the ultimate recipients the Intermediary is still responsible for any and all debts incurred from the Agency.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Renewable Energy Systems (RES) & Energy Efficiency Improvement (EEI) Grant & Guaranteed Loan Program – Section 9006**

This program is administered by the U.S. Department of Agriculture (USDA). Funding from this program was created to assist agricultural producers and rural small businesses in purchasing renewable energy systems such as wind, solar, biomass, geothermal, and hydrogen. This program may also be used to make energy efficiency improvements.

### **Eligibility:**

- Eligibility is limited to agricultural producers and rural small business, including electric cooperatives.
- Applicants must be either US citizens or legally admitted as permanent residents. All entities applying must consist of a membership where at least 51% of its members meet the above qualification.
- Funds are only available for rural areas, defined for this program as not having a population exceeding 50,000.
- Applicants must demonstrate financial need (grants only).

### **Terms:**

- Guaranteed Loans:
  - ❖ May cover up to 50% of the eligible costs.
  - ❖ Minimum and maximum amounts for the loans are \$5,000 and \$10 million respectively.
- Grants:
  - ❖ May cover up to 25% of the eligible costs.
  - ❖ Efficiency grant minimum and maximum amounts are \$1,500 and \$250,000 respectively.
  - ❖ Renewable energy grant minimum and maximum amounts are \$2,500 and \$500,000 respectively.
- A combination of grant and guaranteed loan funds may fund up to 50% of eligible costs.
- Loan guarantee and grant funds may be used for purchasing or installing a renewable energy system or to make energy efficient improvements to an existing structure.
- Both grant and loan funds may be used for:
  - ❖ Purchasing and installing equipment.
  - ❖ Construction and improvements.
  - ❖ Energy audits.
  - ❖ Permit fees.
  - ❖ Professional service fees.
  - ❖ Business plans.
  - ❖ Retrofitting energy systems.
- Guaranteed loan funds may be additionally used for:
  - ❖ Land acquisition.
  - ❖ Working capital.
- Funds may not be used for:
  - ❖ Purchasing transportation or agricultural tillage equipment.
  - ❖ Residential use.

- ❖ Hydroelectric systems.
- ❖ Energy efficiency improvements for new construction, unless more energy savings are realized from the construction of a new, similar sized facility than renovating the existing facility.

**Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Rural Business Enterprise Grants (RBEG) Program**

This program is administered by the U.S. Department of Agriculture (USDA) and was created to finance and assist in the development of small and emerging rural businesses. It is also used to create funding for distance learning networks and help fund adult education programs that are employment related. These grants are specifically designed for implementation in municipalities with no more than 50,000 residents. Please note that the grants are to be used for small and emerging businesses; however, they are given to a third-party that will then distribute those funds to an eligible business.

### **Eligibility:**

- Public bodies, private nonprofit corporations or recognized Indian Tribal Groups.
  - ❖ Public bodies include incorporated towns and villages, townships, counties, states, Indian tribes, etc.
- The business must be in a rural area with no more than 50,000 residents.
  - ❖ Areas adjacent or contiguous to a municipality with a population greater than 50,000 are not available for this program.
- The business must employ fewer than 50 new individuals.
- The business must have less than \$1 million in gross revenues annually.
- Eligible businesses must have at least 51% of its membership be either US citizens or persons legally admitted into the United States.

### **Terms:**

- Funds may be used for the following:
  - ❖ Technical assistance to small and emerging business (SEBs) - marketing studies, feasibility studies, business plans, training, etc.
  - ❖ Purchasing machinery and equipment to lease to a SEB.
  - ❖ Creating a revolving loan for a SEB.
  - ❖ Construct a building for a business incubator for SEBs.
  - ❖ Construction of easements, parking areas, utilities, etc. for SEBs.
  - ❖ Acquisition or development of land for SEBs.
  - ❖ Distance learning and adult education networks supporting SEBs.
- Applications will be reviewed and funds dispersed based upon the funding priority score which is determined by the Agency.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Rural Business Opportunity Grants (RBOG)**

This grant program is administered by the U.S. Department of Agriculture (USDA) and was designed to foster sustainable economic development in rural communities that have shown exceptional need. These grants promote training and technical assistance to businesses, entrepreneurs, and economic development officials. The grants are to be used specifically for economic development planning.

### **Eligibility:**

- Any public body, nonprofit corporation, recognized Indian tribe, or rural cooperative are eligible for these grants.
- These grants are available for rural communities with no more than 50,000 residents.
  - ❖ Areas adjacent and contiguous to municipalities with a population exceeding 50,000 are not eligible for these grants.
  - ❖ Certain areas are given priority due to natural disasters, poverty, long-term population decline, or employment deterioration.
- Any organization applying for a grant must show sufficient financial strength and expertise in the proposed area to successfully carry out said goals.

### **Terms:**

- Most grants are expected to be at a maximum of \$50,000.
- 2 applicants from each state are able to receive this grant annually.
  - ❖ Please note that no one has applied for one of these grants in Wyoming.
- Eligible programs include:
  - ❖ Technical assistance – feasibility studies, analysis of business opportunities, business support centers, etc.
  - ❖ Economic planning – development of export markets, development of long-term trade strategies, establishment of business incubators, etc.
  - ❖ Training for entrepreneurs and development officials – business training for managers, leadership development, centers for training, etc.
- Grants are selected based on a number of criteria (sustainability, quality of economic activity expected, projects usefulness, etc.) which are then used to determine the recipients and the amount of funds given to those selected.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Section 9006 Grant**

This program is administered by the U.S. Department of Agriculture (USDA) for the purpose of giving agricultural producers and rural small businesses the ability to purchase and install renewable energy systems and make energy efficiency improvements.

### **Eligibility:**

- Farmers, ranchers, and small businesses located in rural areas that are able to demonstrate financial need are eligible for these grants.
  - ❖ All agricultural producers must receive at least 50% of their gross income from their agricultural operations.
- Rural electric cooperatives are also eligible to apply for these funds.
- The project must be located in a rural area and may include any activity that will reduce energy use and result in savings, such as:
  - ❖ Retrofitting lighting or insulation.
  - ❖ Purchasing or replacing equipment with more energy efficient equipment.
  - ❖ Projects that provide renewable energy from wind, solar, biomass, geothermal, or hydrogen-based sources.

### **Terms:**

- Grants may cover up to 25% of the project's costs.
- Grants are limited to \$500,000 for renewable energy systems and \$250,000 for energy improvement projects.
- Grants may not be for less than \$2,500 for renewable energy systems and \$1,500 for energy improvement projects.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 · Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Section 9006 Guaranteed Loan**

This program is administered by the U.S. Department of Agriculture (USDA) to provide an incentive to agricultural producers and small businesses to invest in energy saving and renewable energy projects. This program provides a federal guarantee on loans taken out from third-party lenders to provide added security on the loan in case the borrower defaults, making it easier for a business to obtain financing.

### **Eligibility:**

- The borrower must be an agricultural producer or a rural small business.
  - ❖ All agricultural producers must receive at least 50% of their gross income from their agricultural operations.
- The project must be located in a rural community containing no more than 50,000 residents.
- Eligible costs include:
  - ❖ Purchase and installation of equipment.
  - ❖ Construction and improvements.
  - ❖ Energy audits or assessments.
  - ❖ Permit or license fees.
  - ❖ Professional service fees.
  - ❖ Feasibility studies and technical reports.
  - ❖ Business plans.
  - ❖ Retrofitting equipment and machinery.
  - ❖ Working capital.
  - ❖ Land acquisition.

### **Terms:**

- Loans may finance up to 50% of the project's costs.
- Loans may not exceed \$10,000,000 per project, but may not be less than \$5,000.
- The maximum guaranteed amounts are as follows:
  - ❖ Loan of \$600,000 or less: 85% guarantee.
  - ❖ Loans between \$600,001 to \$5 million: 80% guarantee.
  - ❖ Loans more than \$5 million: 70% guarantee.
- Interest rates and the maturity for the loan shall be negotiated by the borrower and the lender.
- There will be a guarantee fee of 1% of the amount of the guarantee when the loan closes.
- There is also an annual guarantee fee for this program.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**



## **Small Business Administration Guaranty Loan Program Overview**

The SBA works to help small business start, grow, and succeed by providing access to capital, counseling and training, and government contracting assistance. SBA does not make direct loans to small businesses, except in cases of declared disasters. Most of the access to capital the Agency provides is made available through loan guarantees. There are three players in most SBA guaranteed loans – the applicant small business, the lender, and the SBA. The business applies to the lender for a loan, and the lender analyzes the application to see if it meets its own underwriting criteria. If the lender determines that they need an SBA guaranty on the loan in order to approve the borrower's request, the lender applies to SBA for a guaranty. This process depends on the loan guaranty program the lender determines is the best fit for the deal. If approved, the SBA provides the lender with a guaranty on a percentage of the total loans. If the borrower defaults, the lender can request that SBA pay the lender the percentage of the outstanding balance that the Agency guaranteed. However, the borrower and any guarantors are still obligated for the full amount.

Most commercial banks in Wyoming, along with several credit unions that offer commercial lending servicing, have agreements in place with SBA that allows them to make SBA guaranteed loans. Whether any lender chooses to use an SBA guaranty loan program to reduce its perceived risk on a small business loan is completely up to that lender. The SBA Wyoming District Office works with lenders to provide them with information and training on how to use its programs. It also provides outreach and training to small business owners to help increase their awareness of financing options.

### **Eligibility and Use of Proceeds**

There are a number of criteria that the lender must evaluate in order to determine if the loan is eligible for an SBA loan guaranty. SBA loan recipients must be small businesses, as defined by SBA; the owners must be of good character; the loan must be for a sound business purpose; and there must be sufficient equity invested to have a reasonable likelihood of repayment. Non-profit businesses and those involved in passive investment and activities including lending, speculating, and gambling are not eligible. Proceeds can be used to purchase machinery, equipment, fixtures, supplies, and make improvements to land and/or buildings that will be occupied by the applicant. Proceeds can also be used to finance receivables and augment working capital, finance seasonal lines of credit, start or acquire a business, construct commercial buildings, finance export needs, and refinance existing debt under certain conditions.

Borrowers must show that they loan can be repaid from future sales and earnings. Most, if not all, lenders will require a month-by-month pro forma cash flow budget as part of a business plan. SBA guaranteed loans require financial disclosures of borrowers' personal assets as well as business financial records. When land is financed, SBA also requires environmental due diligence and analysis. Refinancing and change of ownership requests require additional disclosures and documentation to support valuations.

**Additional Information:**

Expanded information on SBA programs and services is provided in our 2014 Resource Guide for Small Business – Wyoming. The Access to Capital section begins on page 13.  
[http://www.sba.gov/sites/default/files/resourceguide\\_3160.pdf](http://www.sba.gov/sites/default/files/resourceguide_3160.pdf)

**Contact Information:**

Additional SBA loan guidance, including SOPs, notices, forms, and more, is available at:  
<http://www.sba.gov/for-lenders>

**SBA Wyoming District Office Team:**

Amy lea  
District Director  
[amy.lea@sba.gov](mailto:amy.lea@sba.gov)  
307-247-3191 (direct)  
307-261-6500 (front desk)  
[www.sba.gov/wy](http://www.sba.gov/wy)

**SBA Intermediary Microlender:**

Wyoming Women’s Business Center  
Laramie Plains Civic Center Suite 323  
710 Garfield St.  
Laramie, WY 82070  
307-460-3943  
[www.wyomingwomen.org](http://www.wyomingwomen.org)

**SBA 504 Debenture Loans:**

WIDC Frontier Certified Development Company (CDC)  
(Finances 504 projects throughout Wyoming)  
232 East 2nd St, Suite 300  
Casper, WY 82601  
307-234-5351  
[www.widcfrontier.com](http://www.widcfrontier.com)

**SBA Resource Partners in Wyoming**

SBA’s Resource partners, including the Wyoming Entrepreneur SBDC, Wyoming Women’s Business Center, and SCORE-Cheyenne, provide free and confidential assistance to entrepreneurs and small businesses.

**Wyoming Entrepreneur Small Business Development Center (SBDC)**

The SBDC provides confidential one-on-one business planning assistance and advising and much more, with offices located around the state of Wyoming. For additional information, visit their website at: [wyen.biz](http://wyen.biz) or call 800-348-5194.

**Wyoming Women's Business Center (WWBC)**

The WWBC is an SBA intermediary Microlender, and provides direct loans in amounts ranging from \$500 to \$50,000. The WWBC also provides business counseling, training, and network opportunities and has expertise in working with artists. For more information, visit their website at: [wyomingwomen.org](http://wyomingwomen.org) or call 307-460-3943.

**SCORE- Cheyenne**

SCORE is a national network of more than 12,000 entrepreneurs, business leaders, and executives who volunteer as mentors to America's small businesses. The Wyoming chapter is located in Cheyenne. For more information, visit their website at: [Cheyenne.score.org](http://Cheyenne.score.org) or call 307-632-1588.

**SBA 504 Debenture Loans**

The SBA 504 loan program provides long-term, low-interest, fixed-rate financing to small businesses for construction, purchase or renovation of facilities; or to acquire machinery and equipment. A 504 loan package is a combination of two loans, one from the SBA through a Certified Development Company, and a second loan from a commercial lender.

**WIDC Frontier Certified Development Company**

**(Finances 504 in all Wyoming counties)**

**232 East 2nd St**

**Casper, WY 82601**

**307-234-5351**

**[www.widcfrontier.com](http://www.widcfrontier.com)**

**Mountain West Small Business Finance**

**(Finances 504 projects in the 5 western Wyoming counties –  
Teton, Uinta, Sublette, Sweetwater and Lincoln)**

**2595 East 3300 South**

**Salt Lake City, UT 84109**

**801-474-3232**

## **Small Business Innovation Research (SBIR) Grants and Contracts Program**

This program is mandated by Congressional legislation for the development of research projects by the nation's small businesses. SBIR is a highly competitive program that encourages small businesses to explore their technological potential and provides them with the incentive to profit from the commercialization of their developed technologies. This program is meant to stimulate technological innovation and R&D in small businesses. Small businesses are given the opportunity, through these grants, to compete with larger companies in commercializing their products.

Funds are set aside from eleven Federal Agencies for this program. Each of these agencies designates R&D topics and accepts proposals based upon criteria outlined in the solicitation provided by the agency. These agencies are:

- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Energy
- Department of Health and Human Services
- Department of Homeland Security
- Department of Transportation
- Environmental Protection Agency
- National Aeronautics and Space Administration
- National Science Foundation

### **Eligibility:**

- The business must be classified as a small business – Fewer than 500 employees.
- The business must be a for-profit entity.
- The business must be American-owned and independently operated.
- The principal researcher for any SBIR project must be employed by the applying business.

### **Terms:**

- This program follows a three phase organizational pattern:
  - ❖ Phase I: Startup phase – Awards up to \$150,000 for approximately 6 months of support exploration of the technical merit or feasibility of an idea or technology.
  - ❖ Phase II: Development of a prototype – Awards up to \$1,000,000 for as many as 2 years for the development of a prototype and evaluation of commercialization potential. Only Phase I award recipients are eligible for Phase II funds.
  - ❖ Phase III: Commercialization – There are no funds for this phase. The business must move to private funding to implement the actual commercialization of their product.
- WSSI (Wyoming SBIR/STTR Initiative) Phase 0 Program: This program is sponsored by the Wyoming Business Council (WBC) and administered through the University of

Wyoming Office of Research and Economic Development to provide funding to businesses that are preparing proposals for SBIR Phase I Grants and Contracts.

- ❖ The funds are to be used to develop a competitive SBIR Phase I proposal.
- ❖ The maximum award amount is \$5,000.
- ❖ The application for this program should be submitted by 5:00 pm of the first day of every month for consideration for funds in that given month.

**Contact:**

For application information or any additional information or questions please contact:

**Eugene Watson**  
**WSSI Program Manager**  
**(307) 742-7162**  
**ewatson@wyoming.com**  
**[www.uwadmweb.uwyo.edu/SBIR/about.html](http://www.uwadmweb.uwyo.edu/SBIR/about.html)**

## Quick Reference to SBA Loan Guaranty Programs

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits
<b>7(a) Loans greater than \$350,000</b>	\$5 million gross (\$3.75 million guaranty)	85% guaranty for loans of \$150,000 or less; 75% guaranty for loans greater than \$150,000, up to \$3.75 million	Term Loan Expansion/ Renovation; new construction, purchase land or buildings; purchase equipment, fixtures, leasehold improvements; working capital, refinance debt for compelling reasons; seasonal line of credit, inventory; starting a business.	Depends on ability to repay. Generally, working capital & machinery & equipment (not to exceed life of equipment) in 5-10 years; real estate is 25 years.	<b>Loans less than 7 years:</b> \$0 - \$25,000 Prime+4.25%  \$25,001-\$50,000 P+3.25%  Over \$50,000 P+2.25%  <b>Loans 7 years or longer:</b> 0-\$25,000 P+4.75%  \$25,001-\$50,000 P+3.75%  Over \$50,000 P+2.75%	<b>Contact SBA regarding fee reduction for FY2014</b> Fee charged on guaranteed portion of loan only. Maturity 1 year or less: 0.25% guaranty fee Maturity more than 1 year: \$150,000 or less=2% & 150,001-\$700,000=3.0% Over \$700,000+3.5% Guaranteed portion over \$1 million=3.75% Ongoing fee of 0.52%	Must be a for-profit business & meet SBA size standards; show good character, credit, management, and ability to repay. Must be an eligible type of business. Prepayment penalty for loans with maturities of 15 years or more if prepaid during first 3 years. (5% year 1, 3% year 2, and 1% year 3.)	Long-term financing; improved cash-flow; fixed maturity; no balloons; no prepayment penalty (under 15 years)
<b>7(a) Small Loans (\$350,000 and less)</b>	\$350,000	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a) Contact SBA regarding fee reduction for FY2014	Same as 7(a) plus all loan applications will be credit scored by SBA prior to loan approval or loan number. If score below 140 the loan can be submitted via SBAExpress	Same as 7(a)
<b>SBAExpress</b> Lender approves. Minimal SBA paperwork.  Veterans Advantage 01/01/14-09/30/14	\$350,000	50%	May be used for revolving lines of credit (up to 7 year maturity) or for a term loan, same as 7(a).	Up to 7 years for revolving lines of credit, including term out period. Otherwise, same as 7(a).	Loans \$50,000 or less: Prime+6.5% Loans over \$50,000: Prime+4.5%	Same as 7(a)  Veterans Advantage: No guaranty fee Ongoing servicing fee of 0.52%	Same as 7(a)  Veterans Advantage: Same as 7(a) plus small business must be owned and controlled by one or more of the following groups: veteran; active duty military in TAP; reservist; National Guard member; a spouse of any of these groups; or a widowed spouse of a service member or veteran who died during service or service-connected disability.	Fast turnaround; streamlined process; easy-to-use line of credit  Veterans Advantage: No guaranty fee.

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits
<b>CAPLine</b> 1. Working Capital 2. Contract 3. Seasonal 4. Builders	\$5 million	Same as 7(a)	Finance seasonal and/or short-term working capital needs; cost to perform; construction costs; advances against existing inventory and receivables; consolidation of short-term debts. May be revolving.	Up to 10 years; except Builder's CAPLine, which is 5 years	Same as 7(a)	Same as 7(a)	Same as 7(a), plus all lenders must execute Form 750 & 750B (short-term loans)	Working Capital – revolving line of credit Contract- can finance all costs (excluding profit) Seasonal – seasonal working capital needs Builder – finances direct costs with building a commercial or residential structure
<b>International Trade</b>	\$5 million	90% guaranty, up to \$4.5 million maximum guaranty. Up to \$4 million maximum guaranty for working capital	Term loan for permanent working capital, equipment, facilities, land and buildings and debt refinance related to international trade	Up to 25 years	Same as 7(a)	Same as 7(a)	Same as 7(a), plus engaged or preparing to engage in international trade or adversely affected by competition from imports.	Long term financing to allow small business to compete more effectively in the international marketplace.
<b>Export Working Capital Program</b>	\$5 million	90% guaranty, up to \$4.5 million maximum guaranty	Short-term, working-capital loans for exporters. May be transaction based or asset-based. Can also support standby letters of credit.	Generally one year or less, may go up to 3 years	No SBA maximum interest rate cap, but SBA monitors for reasonableness	Same as 7(a)	Same as 7(a), plus need short-term working capital for exporting	Additional working capital to increase export sales without disrupting domestic financing and business plan.
<b>Export Express</b>	\$500,000	90% guaranty for loans \$350,000 or less; 75% guaranty for loans greater than \$350,000	Same as <i>SBAExpress</i> plus standby letters of credit	Same as <i>SBAExpress</i>	Same as <i>SBAExpress</i>	Same as 7(a)	Applicant must demonstrate that loan will enable them to enter a new, or expand in an existing export market. Business must have been in operation for at least 12 months (though not necessarily in exporting).	Fast turnaround; streamlined process; easy-to-use line of credit.

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits
504 Loans WIDC Frontier CDC	504 CDC maximum amount ranges from \$5 million to \$5.5 million, depending on type of business.	Project costs financed: CDC: up to 40% Lender: 50% Equity: 10% plus 5% if new business and/or 5% if special use property	Long-term, fixed-asset loans; Lender (non-guaranteed) financing secured by first lien on project assets. CDC loan provided from SBA 100% guaranteed debenture sold to investors at fixed rate and secured by 2 <sup>nd</sup> lien.	CDC Loan: 10- or 20-year term fixed interest rate.  Lender Loan: Unguaranteed financing may have a shorter term. May be fixed or adjustable interest rate.	Fixed-rate on 504 Loan established when the debenture is sold.  Declining prepayment penalty for ½ of term.	0.5% fee on lender share, plus CDC may charge up to 1.5% on their share. CDC charges a monthly servicing fee of 0.625%-1.5% on unpaid balance. Ongoing guaranty fee is 0.9375% of principal outstanding. Ongoing fee % does not change during term.	Alternative Size Standard: For-profit businesses that do not exceed \$15 million in tangible net worth, and do not have an average two full fiscal year net income over \$5 million. Owner Occupied 51% for existing or 60% for new construction.	Low down payment-equity (10%-20%); The equity contribution may be borrowed; Fees can be financed; SBA Portion: Long-term fixed rate Full amortization No balloons
Microloans Wyoming Women's Business Center	\$50,000	Not applicable	Purchase machinery & equipment, fixtures, leasehold improvements; working capital, etc.  Cannot be used to repay existing debt.	Shortest term possible, not to exceed 6 years.	Negotiable with intermediary. Subject to either 7.75% or 8.5% above intermediary cost of funds.	No guaranty fee	Same as 7(a)	Direct loans from nonprofit intermediary lenders; Fixed-rate financing; Very small loan amounts; Technical assistance available.

Wyoming District Office  
100 East B Street  
Casper, WY 82602  
307-261-6500

U.S. Small Business Administration  
Information current as of March 2014  
SBA programs and services are provided on a nondiscriminatory basis.



## **Wyoming Women's Business Center**

The Wyoming Women's Business Center (WWBC) promotes economic equality in Wyoming through successful business ownership. As the only Women's Business Center in the state of Wyoming, the WWBC offers a unique service by targeting, training and counseling nascent entrepreneurs. The WWBC serves any resident of Wyoming but targets women, people of color, low-income individuals and people with disabilities. WWBC offers many services including helping individuals to learn personal financial management strategies, save money, repair or build credit, create a business plan, or learn how to operate a computer and its many different programs. Listed below are a summary of the WWBC's programs.

### **SBA Intermediary Microloans:**

- Loan amount of \$500 to \$10,000 are offered.
- The interest rate of the loan is to be negotiated between the WWBC and the borrower (interest rates are typically between 8.5% and 12.5%).
- There is no prepayment fee for these loans.
- The funds from the loan may be used to start or expand a business.
- The WWBC may also work with local lending institutions and/or economic development organizations to try to obtain additional funding.

### **Technical Assistance and Training:**

- Individualized technical assistance to all microloan clients ensures loan repayment and successful businesses.
- In partnership with other organizations, the WWBC offers a variety of business training throughout Wyoming.

### **Individual Development Account (IDA) Program:**

- This program is designed to provide an incentive for individuals to save money for the following purposes:
  - ❖ Further education.
  - ❖ Start or expand a business.
  - ❖ Purchase or renovate a home.
- The WWBC will match funds up to \$2,000.

### **Online Training:**

- QuickBooks, Microsoft Office, Personal Financial Management are available from the WWBC website.
- The training provided is free to all individuals that qualify through applying to the WWBC program.
- A certificate of completion is presented at the end of every course.

### **WORKS OF WYOMING**

- Marketplace and studio space is available for artisans and craftspeople.
- Specialized business training is offered both onsite and online.

**Roundtables and Networking Opportunities:**

- Monthly roundtable luncheons are held throughout the state. Check our website for locations and dates.

**Online Calendar**

- Check out our website for upcoming events and opportunities.

**Contact:**

For application information or any additional information or questions please contact:

**University of Wyoming Education Annex Building  
Satellite Offices in Cheyenne and Pinedale  
P. O. Box 764  
Laramie, Wyoming 82073  
Email: [wwbc@uwyo.edu](mailto:wwbc@uwyo.edu)  
Phone: 307-766-3084 Fax: 307-766-3085  
[www.wyomingwomen.org](http://www.wyomingwomen.org)**

## **Bridge Loan**

This loan program is administered by the Wyoming Business Council (WBC) and allows the State to partner with commercial lenders, with combined loan proceeds going to a third-party recipient. The Bridge Loan is an extension to the Wyoming Partnership Challenge Loan Program. The participating lender will administer the loans with the State participating under agreement.

### **Eligibility:**

- The applicant must be a commercial lender.
- The business the loan will benefit must provide, at a minimum, 15% of the total project cost.

### **Terms:**

- The State may participate up to 35% of the total project costs, as long as the amount does not exceed \$500,000.
- There will be a minimum loan fee of 1% charged by the State.
- There will be a 0.25% commitment fee if the loan does not close within 12 months
- The interest rate is set at 5% for the first five years of the loan participation. The Wyoming Business Council (WBC) Board may change the interest rate.
- The maturity of the loan may not exceed 20 years.
- The loan may be amortized over a longer period.
- Total loan may not exceed 85% Loan to Collateral Value (LTV).
- The lending institution will define all rights and responsibilities for all parties involved.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Business Finance Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2882**  
**[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)**

## **Challenge Loan Program**

This program is administered by the Wyoming Business Council (WBC) and allows the State to provide matching loans with local economic development organizations to benefit an area's businesses.

### **Eligibility:**

- The applicant must be a local economic development organization

### **Terms:**

- The State will match funds up to 50% of the project, as long as the State's participation does not exceed \$500,000.
- The economic development organization that is applying is expected to finance at least 50% of the project's costs.
- The applying organization must pay a minimum 1% fee.
- A commitment fee of 0.25% must be paid if the loan does not close within 12 months.
- The interest rate is set at 5% for the first five years of the loan participation. The Wyoming Business Council (WBC) Board may change the interest rate.
- The maturity of the loan may not exceed 20 years.
  - ❖ The loan may be amortized over a longer period.
- All loans must be secured by collateral.
- Total loan may not exceed 85% Loan to Collateral Value (LTV).

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Business Finance Program Manager  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2882  
[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)**

## **Economic Disaster Loans**

These loans are administered through the Wyoming Business Council (WBC) to give loans to businesses affected by an economic disaster. These loans come directly from the State of Wyoming to help those affected businesses. This program also funds bridge loans and guarantee loans.

### **Eligibility:**

- Economic disaster is defined as a total of \$4,000,000 or greater loss in revenue in a 12 month period throughout the state, or at least \$1,000,000 of loss in revenue in 4 or less counties in a 12 month period.
- Any businesses or group of businesses in an area declared as an economic disaster area are eligible for this loan program.
- The business must be shown to have been affected by lost revenues in the declared economic disaster.

### **Terms:**

- The maximum loan issued by the state is \$500,000.
- The maturity of the loan may not exceed 10 years.
- The interest rate is typically 5%.
- Collateral must be provided for all loans under this program.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Manager of Business Finance  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2845  
[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)**

## **Guaranteed Loan Participation**

This loan allows the State to participate in a federally guaranteed loan. This program is an extension of the Wyoming Partnership Challenge Loan Program. Under this loan the State partners with a lending institution to provide loans to a third-party recipient.

### **Eligibility:**

- The applicant must be a commercial lender.
- The loan must have a federal guarantee (SBA or USDA Rural Development B&I).

### **Terms:**

- The State may participate in up to 50% of the loan, as long as the State's participation does not exceed \$1,000,000.
- There is a minimum of 1% loan fee.
- There is a commitment fee of 0.25% if the loan does not close within 12 months.
- The commitment period for the disbursement of loan funds may not exceed 2 years.
- The interest rate is set at 5% for the first five years of the loan participation. The Wyoming Business Council (WBC) Board may change the interest rate.
- The maturity of the loan may not exceed 20 years.
  - ❖ The loan may be amortized over a longer period.
- Total loan may not exceed 85% Loan to Collateral Value (LTV).
- The lending institution will define all rights and responsibilities for all parties involved.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Manager of Business Finance  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2845  
[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)**

## **Loan Guarantee Program**

This program allows the State to guarantee a portion of loans made by a bank to businesses that are starting, expanding, or relocating to Wyoming. This program is very similar to SBA and Rural Development B&I Guarantees. These guarantees are administered by the Wyoming Business Council (WBC) through the Wyoming Partnership Challenge Loan Program.

### **Eligibility:**

- The applicant must be a commercial lender.
- The business that will be benefiting from the guarantee must not qualify for a Federal Guarantee.
- The loan may be made to a business that is starting, expanding, or relocating in Wyoming.

### **Terms:**

- The State will charge a 1% loan fee on the initial principal.
- The maximum guarantee amount is 80%, but may not exceed \$100,000.
- The maximum maturity for loans that are guaranteed under this program is 10 years.
  - ❖ The loan may be amortized for a longer period of time.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Manger of Business Finance  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2845  
[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)**

## **Wyoming Main Street Loan Participation**

This loan program is administered by the Wyoming Business Council (WBC) and allows the State to partner with commercial lenders, with combined loan proceeds going to a third-party recipient. The Wyoming Main Street Program determines eligibility of proposed building improvements. The Wyoming Main Street Loan Participation is an extension to the Wyoming Partnership Challenge Loan Program. The participating lender will administer the loans with the State participating under agreement.

### **Eligibility:**

- Funds are meant to provide financing for structural or façade improvements that maintain the structure's historical character.

### **Terms:**

- The State may participate up to 75% of the total approved project costs, as long as the amount does not exceed \$100,000.
- There will be a minimum loan fee of 1% charged by the State.
- There will be a 0.25% commitment fee if the loan does not close within 12 months.
- The interest rate is set at 5% for the full term and maturity of the loan up to 20 years. The Wyoming Business Council (WBC) Board may change the interest rate.
- The maturity of the loan may not exceed 20 years.
- Total loan may not exceed 85% Loan to Collateral Value (LTV).
- The lending institution will define all rights and responsibilities for all parties involved.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Main Street Program**  
214 West 15th Street  
Cheyenne, WY 82002  
(307) 777.2934 • Fax: (307) 777.2935  
[www.wyomingmainstreet.org](http://www.wyomingmainstreet.org)

**OR**

**Wyoming Business Council**  
**Business Finance Program Manager**  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
(307) 777.2845  
[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)



## **Wyoming Natural Gas Fueling Infrastructure Loan Program**

The 2013 Wyoming Legislature approved a bill to provide direct loans from the challenge loan program for natural gas fueling infrastructure.

The following are definitions and requirements according to the Statute and Rules:

- “Natural gas fueling infrastructure loan” means a loan issued by the council for the costs of the engineering, design, real property, equipment and labor necessary to install a functioning natural gas filling station to fuel motor vehicles which operate on natural gas as a transportation fuel.
- The applicant is a business applying for a natural gas fueling infrastructure loan.
- The business must provide at least 25% of the total project cost.
- The State of Wyoming’s portion of the loan shall have at a minimum, the following terms and conditions:
  1. Minimum loan fee of 1%.
  2. Commitment fee of .25% (if the loan does not close within 12 months of approval).
  3. Commitment period for loan disbursement not to exceed 2 years.
  4. Interest rate shall be a minimum of 4.5%.
  5. Maximum repayment term not to exceed 20 years (may be amortized over a longer term).
  6. Maximum total loan not to exceed more than 75% loan to collateral value.
- All loans must be adequately secured.
- Terms of repayment include no interest or principle payments shall be due for the first two (2) years of the term loan. All deferred interest during the first two (2) years of the loan term shall accrue to the principal balance.
- Applicants should use the Wyoming Natural Gas Fueling Infrastructure Loan Application.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Business Finance Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2882**  
**[www.wyomingbusiness.org/financial/loan.aspx](http://www.wyomingbusiness.org/financial/loan.aspx)**

## **(SBIC) Wyoming Small Business Investment Credit Program**

The Wyoming Small Business Investment Credit Program (SBIC) was implemented on January 3, 2011 and was enacted by the Wyoming Legislature in 2010. The program is designed to provide an alternative source of capital to Wyoming small businesses and entrepreneurs. In order to enter the program, venture capital or private equity companies must receive certification by the WBC Board to act as a Wyoming Small Business Investment Company (SBIC) to invest designated capital into qualified businesses. The SBIC's investments should stimulate job creation by making capital available to Wyoming businesses. Participating investors in SBICs are insurance companies with premium tax liability to the State of Wyoming. The insurance companies in turn receive a tax credit equal to the amount of their investment. In 2010, the Wyoming Legislature set a limit of \$30 million for this program.

To receive certification, the proposed SBIC will file an application with the WBC and needs to be located, headquartered and licensed to conduct business in Wyoming and have at least two investment managers with a minimum of five years of experience of money management in venture capital, private investment, or an officer in a commercial bank. When the SBIC receives certification and funding, it will invest money into "qualified businesses." The money is invested in the form of a debt instrument or equity purchase.

### **Qualified Businesses:**

- Are headquartered in Wyoming, its principal operations are located in Wyoming, at least 60 percent of the employees are employed in Wyoming or the business has committed in writing to move to Wyoming as a condition of the investment.
- Have provided evidence acceptable to the WBC of its intent to remain in Wyoming after receipt of the qualified investment.
- Have 250 employees or less.
- Are not a franchise of and has no financial relationship with a Wyoming Small Business Investment Company or any affiliate of a Wyoming Small Business Investment Company prior to a Wyoming Small Business Investment Company.
- Are not predominately engaged in:
  - Professional services provided by accountants, doctors, or lawyers
  - Banking or lending
  - Insurance
  - Direct gambling activities

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Business Finance Program Manager  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2882**

**[www.wyomingbusiness.org/program/small-business-investment-credit-program/3297](http://www.wyomingbusiness.org/program/small-business-investment-credit-program/3297)**

## **Industrial Development Revenue Bonds (IDRB)**

This program is administered through the Wyoming Business Council (WBC) for the purpose of promoting economic development in the state and creating jobs for in-state residents. The bonds are issued for the purpose of financing projects that will promote economic development at below market interest rates. These bonds are issued in the name of a City, County, or State Authority. This gives them a tax-exempt status, meaning that the purchaser of these bonds does not pay any federal income taxes on the interest they receive from their investment in these bonds.

### **Eligibility:**

- The business benefitting from the bonds must:
  - ❖ Create new or additional employment.
  - ❖ Expand the tax base and increase property, sales, and/or other taxes.
  - ❖ Maintain and promote a stable, balanced, and diversified economy.
- The size of the project may not be more than \$10 million.
- The capital expenditures for the company in the location where the project will be located may not exceed \$20 million for 3 years prior and 3 years after the bonds are issued.
- Any single company may not have more than \$40 million in outstanding bonds.
- The bonds may finance:
  - ❖ Expansion of existing manufacturing/processing facilities.
  - ❖ Construction of a new manufacturing facility.
  - ❖ Acquisition of an existing building and/or equipment for manufacturing.
  - ❖ Purchase of new machinery and/or equipment.
  - ❖ Land.
  - ❖ Costs of architects, engineers, attorneys, and permits.
  - ❖ Costs of bond issuance.
  - ❖ Landscaping.

### **Terms:**

- 95% of the bond proceeds must go directly to the IDRB project.
- 2% of the bond proceeds may go to the cost of the issuance of the bond.
- Up to 25% of the bond proceeds may go to the cost of land.
- If a used building is acquired 15% of the bond proceeds must go to renovate the building.
- A notice of public hearing must be held before any of the bonds may be issued.
- The maturity of the bond may be up to 30 years.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Manager of Business Finance  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2845**

**[www.wyomingbusiness.org/financial/idrb.aspx](http://www.wyomingbusiness.org/financial/idrb.aspx)**

## **State Treasurer Purchase of Industrial Development Bonds**

The State Treasurer is authorized to purchase industrial development bonds issued by municipalities or counties for the benefit of Wyoming businesses. The bonds may finance purchase, construction and installation of buildings or equipment, which will add economic value to goods, services or resources within the state. The purchase of these bonds is authorized by W.S. 9-4-715 (m).

### **ELIGIBILITY:**

Eligible businesses include those that create jobs and add economic value to goods, services or resources within the state through construction or remodeling of a facility or the purchase of equipment for manufacturing, processing or commercial business enterprises.

Eligible uses of bond proceeds include the cost of acquisition of land or rights-of-way and the purchase, construction, and installation of buildings, appurtenant personal property and equipment.

**Working capital, inventory, soft costs, and intangible costs are ineligible uses of bond proceeds.**

### **TERMS:**

Interest rate – fixed or variable and negotiated on a case-by-case basis

Term – determined on a case-by-case basis

Equity – at least 25% of eligible uses of the project must be provided by the owner; maximum loan to appraised value of 75%

Security – pledge of revenues from the operation of the facility plus a mortgage on the facility or other infrastructure facilities

Other conditions – permanent jobs need to be created, credit enhancement in the form of letter of credit or bond insurance may be required if the cash flow from the facility cannot be documented. A third party validation of the economics of the proposed project may also be required at the cost of the applicant.

### **APPLICATION PROCESS:**

Interested businesses must submit a complete business plan to the Wyoming Business Council. The council will then review the plan with the State Treasurer to determine eligibility. A complete due diligence process will then commence ending in either denial of the project or recommendation of funding by the Wyoming Business Council to the State Treasurer and Governor through the State Attorney General's office.

### **CONTACT:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Business Finance Program Manager  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2882**

**[www.wyomingbusiness.org/program/bond-programs/1244](http://www.wyomingbusiness.org/program/bond-programs/1244)**

## **ECONOMIC DEVELOPMENT LARGE PROJECT PROGRAM**

The State Treasurer is authorized to lend funds for the benefit of Wyoming businesses. The loan may finance purchase, construction and installation of buildings or equipment, which will add economic value to goods, services or resources within the state. This loan program is authorized by SF 97, Senate Enrolled Act No. 62. 2014 Session, Chapter 46.

### **ELIGIBILITY:**

An applicant shall consist of a proposed or existing enterprise which will employ people within the state, provide services in the state, use resources in the state or otherwise add economic value to goods, services or resources within the state.

Eligible projects and expenses. Eligible projects must generally consist of an applicant's prospectively planned, well-defined business endeavor, and the project shall have a set beginning and completion date. A loan or loan guarantee hereunder shall not be used to fund past business or construction expenditures. Expenses eligible for reimbursement from loan proceeds following execution of applicable loan or loan guarantee documents shall relate back no earlier than the submission of the request for the loan or loan guarantee to the Governor. Financing under this program shall not serve as a refinance mechanism or otherwise serve to substitute the loan or loan guarantee for an applicant's current lenders.

### **TERMS:**

- Minimum amount - \$5,000,000
- Interest rate – The interest rate shall be a minimum of one percent (1%). The interest rate shall be determined by considering applicable risk factors and the impact of the project
- Term – Loan term limits determined by business cash flow and will not exceed the useful life of the assets being financed
- Equity – The applicant must contribute at least three (3) times the requested loan or loan guarantee
- Security – A first security interest in the project including pledge of revenues from the operation plus a mortgage on the facility or security interest in equipment pledged as collateral.
- Fee(s) – The State Treasurer shall charge the applicant a loan origination fee or loan guarantee amount of one percent (1%) of the total loan amount.

### **APPLICATION PROCESS:**

The applicant shall simultaneously submit an application to the Governor, State Treasurer and the Wyoming Business Council. See the act and the rules & regulations for further detail.

### **CONTACT:**

**Wyoming Business Council  
Business Finance Program Manager  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2882**

**<http://www.wyomingbusiness.org/program/loan-programs/1265>**

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2015

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**COMMUNITY LOAN  
AND GRANT SOURCES**

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## **Business Ready Community (BRC)** **Loan and Grant Program**

This program is administered by the Wyoming Business Council (WBC) for the purpose of promoting economic development at the city, town, and county levels in order to improve economic health and a stronger economy throughout the state. This program accomplishes those goals through providing funds to eligible applicants for economic and/or educational development infrastructure. The types of projects include:

- **Business Committed Projects** – An infrastructure project where an applicant has a business committed to start-up, expand, locate, or retain jobs in the community.
- **Managed Data Center Projects** – Infrastructure to improve the development or expansion of data generation and information technology storage.
- **Community Readiness Project** – An infrastructure project for a community readying itself for the development of new business under a specific strategy or plan of action. A committed business is not required for these projects.
- **Community Enhancement Project** – A project that improves the community’s aesthetic character or quality of life that will make it more attractive for business development, such as landscaping, recreational or convention facilities, etc.
- **Downtown Development Project** – Infrastructure to facilitate downtown development and Main Street projects.
- **Child Care / Senior Care Projects** – Infrastructure to facilitate the start up or expansion of a child care or senior care facility.
- **BRC Planning Projects** – There are five types of planning grants available including: Economic Development Plans, Feasibility Studies, Promotional Plans, Tourism Plans, and Regional Targeted Industry Plans.
- **Governor’s Large Infrastructure Fund** – Legislature appropriated funding for large infrastructure projects to encourage business development. Eligibility is determined on a case by case basis. Funds may be awarded as grants or loans.
- **Governor’s Data Center Recruitment Fund** – Legislature appropriated funding for the infrastructure assisting in the recruitment of data centers. Eligibility is determined on a case by case basis. Data Center construction costs must be greater than \$50M. Funds may be awarded as grants or loans.

### **Eligibility:**

- A county, incorporated town or city, and joint powers boards (with approval of all participating agencies) may apply.
- The Eastern Shoshone and Northern Arapahoe Tribes are eligible to apply.
- Counties, incorporated towns and cities, and joint powers boards may partner with a Community Development Organization to use grant funds.
- Funds may be used for infrastructure projects such as:
  - ❖ Water and sewer lines.
  - ❖ Streets and roads.
  - ❖ Telecommunications.
  - ❖ Airports.
  - ❖ Building Construction.

- ❖ Purchase of rights of way.
- ❖ Purchase of land, buildings, facilities, industrial and business parks.
- ❖ Industrial site or business district development.
- ❖ Landscaping.
- ❖ Construction of recreational and convention facilities.
- ❖ Other physical projects.
- All projects will be judged upon criteria stated in the rules and funds will be distributed based upon those criteria.

**Terms:**

- Grants for a Business Committed Project:
  - ❖ Maximum grant: \$3,000,000.
  - ❖ Applicant may request an additional loan financing from this program.
  - ❖ The grant must be matched with private funds of 10% of project costs for requests up to \$1,500,000. Funds requested exceeding this amount must be matched at 30% of total project costs.
- Grants for a Managed Data Center Project:
  - ❖ Maximum grant: \$2,250,000.
  - ❖ The grant must be matched with private capital investment and payroll.
- Grants for a Community Readiness Project:
  - ❖ Maximum grant: \$3,000,000.
  - ❖ Applicant may request an additional loan financing from this program.
  - ❖ The grant must be matched with private funds of 10% of project costs for requests up to \$1,500,000. Funds requested exceeding this amount must be matched at 30% of total project costs.
- Grants for a Downtown Development Project:
  - ❖ Maximum grant: \$2,000,000.
  - ❖ Applicant may request additional loan financing from this program.
  - ❖ The grant must be matched with private funds of 10% of project costs for requests up to \$1,000,000. Funds requested exceeding this amount must be matched at 30% of total project costs.
- Grants for a Child Care / Senior Project:
  - ❖ Maximum grant: \$1,000,000.
  - ❖ Applicant may request an additional loan financing from this program.
  - ❖ The grant must be matched with private funds of 5% of project costs if the grant is \$250,000 or less and 15% of project costs if the grant is more than \$250,000.
- Grants for a Community Enhancement Project:
  - ❖ Maximum grant: \$250,000.
  - ❖ Applicant may request an additional loan financing from this program.
  - ❖ The grant must be matched with private funds of 50% of project costs.
- Grants for a Planning Project:
  - ❖ Maximum grant:
    - Feasibility, Promotional, and Tourism: \$25,000.
    - Regional Targeted Industry: \$50,000.
  - ❖ The grant must be matched with private funds of 25% of project costs.
- Grants from Governor's Large Infrastructure Fund



- ❖ Maximum grant: determined on a case by case basis.
- ❖ Grant match is dependent on the project type.
- ❖ Projects are considered and vetted through the same process as Business Ready Community Grants, but also require the Governor's approval
- Grants from Governor's Data Center Recruitment Fund
  - ❖ Maximum grant: determined on a case by case basis.
  - ❖ Grant match is dependent on the project type.
  - ❖ Projects are considered and vetted through the same process as Business Ready Community Grants, but also require the Governor's approval

**Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Business Ready Communities/Community Facilities Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2812**  
**[www.wyomingbusiness.org/community/businessready.aspx](http://www.wyomingbusiness.org/community/businessready.aspx)**

## **Community Development Block Grants (CDBG)** **Community Development Program**

This program is administered by the Wyoming Business Council (WBC) to achieve the following goals:

- Expand housing opportunities for low to moderate-income households. This includes providing housing for special population groups such as the frail, elderly, and the handicapped, as well as the development of emergency shelters, transitional housing, and permanent housing for the homeless.
- Improve the condition of low and moderate-income groups, especially those vulnerable to adverse economic or social conditions. Funds may be used for centers for employment, education, and centers for the elderly.
- Improve community infrastructure by eliminating health, safety, and welfare problems
- Allow each local government to determine their own serious problems and address those problems in a manner that will benefit that area.

### **Eligibility:**

- Incorporated cities, towns, and counties may apply on behalf of nonprofit organizations and local businesses. The cities of Casper and Cheyenne are not eligible to apply as they are eligible for funds that come directly from the HUD Entitlement Program.
- At least 70% of total funds must go to projects that will benefit low to moderate-income households, so those projects will be given priority.
- Eligible projects include:
  - ❖ Improved accessibility for elderly and handicapped persons to already existing public buildings.
  - ❖ Construction, rehabilitation, reconstruction, or installation of public infrastructure such as water and sewer lines.
  - ❖ Development of community facilities including, but not limited to acquisition of property, construction of public works, code enforcement, rehabilitation of buildings, etc.

### **Terms:**

- The projects that apply for these funds will be judged on a competitive basis and funds will be distributed based upon set criteria.
- The maximum amount of the grant for accessibility grants is \$300,000 and \$500,000 for both public infrastructure and community facilities.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Community Development Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2825**

**[www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285](http://www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285)**

## **Community Development Block Grants (CDBG)** **Downtown Development**

This program is administered by the Wyoming Business Council (WBC) to aid local governments with funding projects located in downtown areas. This program is meant to help eliminate blight and slum from downtown areas and to create and retain jobs for low to moderate-income persons.

### **Eligibility:**

- Counties and incorporated cities and towns may apply. The cities of Casper and Cheyenne are not eligible to apply as they are eligible for funds that come directly from the HUD Entitlement Program.
- If the project is proposed under the National Objective of Job Creation, at least 51% of jobs created using these funds must go to low to moderate-income individuals. Low to moderate-income is determined by the area the household is located in and the number of individuals living in that household. For specific information concerning this topic please contact the WBC.
- Purposes for funds may include, but are not limited to, assistance for public facilities, rehabilitation of commercial buildings, historic preservation, and land acquisition and clearance.

### **Terms:**

- The applications are judged on a competitive basis that is determined by the following criteria:
  - ❖ Job creation and retention.
  - ❖ Organization (Applicant's commitment to downtown development).
  - ❖ Integrated effort (Financial support from other sources).
  - ❖ Potential economic benefit.
- The project must receive a minimum of 75 points from the above criteria. For specific information concerning the rating system please contact the WBC.
- The maximum grant amount is \$500,000.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Economic Development Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2825**

**[www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285](http://www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285)**

## **Community Development Block Grants (CDBG)** **Imminent Threat Grants**

This program is administered by the Wyoming Business Council (WBC) to allocate funds that will alleviate an imminent threat to public health or safety that requires immediate resolution in an area declared an emergency area by the Governor.

### **Eligibility:**

- Counties and incorporated cities and towns may apply on behalf of local businesses or entities. The cities of Casper and Cheyenne are not eligible to apply as they are eligible for funds that come directly from the HUD Entitlement Program.
- The funds must go to an area with an emergency declaration by the Governor.
- The imminent threat must be a catastrophic or emergency situation that creates an immediate threat to health and safety.
- The threat must have become urgent within 18 months prior to application.

### **Terms:**

- Please contact the WBC concerning all of the documentation that is needed to apply for the grant and the terms under which funds may be used.
- The maximum grant amount is \$250,000.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Community Development Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2825**

**[www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285](http://www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285)**

## **Community Development Block Grants (CDBG)** **Infrastructure Grants**

This program is administered by the Wyoming Business Council (WBC) to provide funding for communities to purchase and/or improve sites for the benefit of a specific identified business project.

### **Eligibility:**

- Counties and incorporated cities and towns may apply on behalf of local businesses. The cities of Casper and Cheyenne are not eligible to apply as they are eligible for funds that come directly from the HUD Entitlement Program.
- At least 51% of jobs created using these funds must go to low to moderate-income individuals. Low to moderate-income is determined by the area the household is located in and the number of individuals living in that household. For specific information concerning this topic please contact the WBC.
- The funds are to be used to supply infrastructure to be used by a specific business project, such as sewer and water lines, fire protection, power lines, roads, etc.
- The funds may also be used to purchase land, but that land must remain the property of the community and ownership may not be transferred to a business entity.

### **Terms:**

- The business(es) to be benefited must submit a business plan and current financial statements to the WBC.
- On a 100 point scale the proposal must receive at least 60 points to be considered for funds, the points are determined by the cost per job created, potential economic benefit, and the amount of financial support from other sources. Please contact the WBC for information concerning this point system.
- The maximum grant amount is \$500,000.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Economic Development Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2825**

**[www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285](http://www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285)**

## **Community Development Block Grants (CDBG)** **Planning Only Grants**

This program is administered by the Wyoming Business Council (WBC) to provide funds to local governments and nonprofit organizations for feasibility studies related to economic development and community development.

### **Eligibility:**

- Counties and incorporated cities and towns may apply for these funds. They may also apply for funds on behalf of nonprofit organizations to perform feasibility studies. The cities of Casper and Cheyenne are not eligible to apply as they are eligible for funds that come directly from the HUD Entitlement Program.
- The funds may only be used for planning purposes only, such as conducting a feasibility study.
- Funds may not be used for:
  - ❖ Implementation of any recommendation from any study.
  - ❖ Payment for reproduction of any promotional materials.
  - ❖ Salary costs for any local government or organizational employee.
  - ❖ Travel costs for anybody other than a third-party consultant.

### **Terms:**

- The consulting work must be done by a third-party.
- On a 100 point scale the proposal must receive at least 60 points to be considered for funds, the points are determined by the creation of jobs, potential economic benefit, and the amount of financial support from other sources. Please contact the WBC for information concerning this point system.
- There must be a 25% “hard dollar cash” match.
- The maximum grant amount is \$50,000 for larger scale community and economic development efforts, \$20,000 for housing studies and \$15,000 for site specific studies.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Economic Development Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2825**

**[www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285](http://www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285)**

## **Community Development Block Grants (CDBG)** **Technical Assistance Grants**

This program is administered through the Wyoming Business Council (WBC) to provide technical assistance to for-profit enterprises wishing to start, expand or retain existing businesses.

### **Eligibility:**

- Counties and incorporated cities and towns may apply on behalf of local businesses. The cities of Casper and Cheyenne are not eligible to apply as they are eligible for funds that come directly from the HUD Entitlement Program.
- At least 51% of jobs created using these funds must go to low to moderate-income individuals. Low to moderate-income is determined by the area the household is located in and the number of individuals living in that household. For specific information concerning this topic please contact the WBC.
- This program is available to for-profit enterprises looking to start, expand or retain existing small business in the early stage of development.
- Technical assistance grants may be used for:
  - ❖ Business plans.
  - ❖ Marketing studies and strategies consultation.
  - ❖ Feasibility studies.
  - ❖ Prototype development and testing.
  - ❖ Packaging design consultation.
  - ❖ Marketing, sales, and cash flow management consultation.

### **Terms:**

- On a 100 point scale the proposal must receive at least 60 points in order to be considered for funds. The points are determined by the creation of jobs, potential economic benefit, and the probability of the project's implementation. Please contact the WBC for information concerning this point system.
- The applying entity must submit all required paperwork to receive this grant. Please contact the WBC to determine all of the information that you will be required to submit.
- There must be a 25% "hard dollar cash" match.
- The maximum grant amount is \$7,500.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council**  
**Economic Development Program Manager**  
**214 W. 15<sup>th</sup> Street**  
**Cheyenne, WY 82002**  
**307-777-2825**

**[www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285](http://www.wyomingbusiness.org/program/cdbg-program-project-profiles/3285)**

## **Community Facilities Grant and Loan Program**

This program is administered by the Wyoming Business Council (WBC) for the purpose of assisting communities in preserving school and government facilities that have existing or future community uses.

### **Eligibility:**

- A county, incorporated town or city, joint powers boards (with approval of all participating agencies), or other local governmental entities may apply. The WBC may enter into cooperative agreement with the Eastern Shoshone Tribe and the Northern Arapaho Tribe to promote the purposes of the community facilities program.
- Funds may be used for economic development and enhancement of quality of life that provide:
  - ❖ Space for community gatherings and functions.
  - ❖ Appropriate recreational, swimming, and athletic facilities for community members, particularly youth.
  - ❖ Other functions consistent with raising quality of life.
- Funds may be used for the following types of projects:
  - ❖ Expansion, renovation, or remodeling of existing surplus government facilities.
  - ❖ Expansion, renovation, conversion, or purchase of an interest in a local enhancement to a school building or facility.
- Project applications are prioritized based upon economic development, quality of life impact, and the community facility plan (business plan).

### **Terms:**

- The maximum grant is to be \$1,000,000.
  - ❖ Applicant may request an additional loan financing from this program.
- Grants can be matched using cash or in-kind sources with the following minimum requirements:
  - ❖ Up to a \$250,000 grant: 10% of total project costs.
  - ❖ More than a \$250,000 grant: 15% of total project costs.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Business Council  
Business Ready Communities/Community Facilities Program Manager  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002  
307-777-2821  
[www.wyomingbusiness.org/program/program-project-profiles/3291](http://www.wyomingbusiness.org/program/program-project-profiles/3291)**



## **Community Facilities (CF) Grants**

These grants are administered by the U.S. Department of Agriculture (USDA) and may be used to assist low-income rural areas and towns with the development of essential public community facilities.

### **Eligibility:**

- Eligibility is limited to associations, nonprofit corporations, public entities, and recognized Indian tribes.
- Applicants must be unable to obtain funds from other sources at reasonable rates and terms.
- Applicants must have the legal authority to construct, operate, and maintain proposed facilities.
- Facilities must be necessary for the development of the community and consistent with the State's strategic plan.
- Facilities must be located in a rural community with no more than 20,000 residents.
- The area must have a median household income that is below the poverty line or 90% of the State's rural median household income, whichever is higher.

### **Terms:**

- These grants may be used in conjunction with CF Loans, CF Guaranteed Loans, or grants and loans from other sources.
- These funds must be used to construct or develop:
  - ❖ Health care facilities (clinics, rehabilitation centers, etc.).
  - ❖ Telecommunications (medical, educational, or telecommunication links).
  - ❖ Public safety (police or fire stations, fire trucks, rescue vehicles, jails, etc.).
  - ❖ Public services (child care centers, airports, libraries, city halls, schools, etc.).
- These grants are distributed on a competitive basis with priority given to:
  - ❖ Municipalities with a population not larger than 5,000 residents.
  - ❖ Low-income communities with the highest priority given to areas with a median household income below the poverty line or 60% of the State's rural median household income, whichever is higher.
  - ❖ Provide health care, public safety services or services identified as necessary to the State's strategic plan.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Community Facilities (CF) Guaranteed Loans**

This program is administered by the U.S. Department of Agriculture (USDA) and is designed to work with organizations building community facilities in rural communities. These guarantees may be used to guarantee loans up to 90%. This can greatly increase the ability of organizations to obtain a loan. This guarantee program was designed with the intentions of building stronger, more vibrant rural communities across the nation.

### **Eligibility:**

- Applicants must be one of the following:
  - ❖ Community or faith based nonprofit organizations.
  - ❖ Federally recognized Indian tribes.
  - ❖ Public entities such as municipalities, counties, school districts, fire districts, etc.

### **Terms:**

- Guarantees may be used for:
  - ❖ Health care purposes (hospitals, clinics, nursing homes, etc.).
  - ❖ Public safety purposes (police and fire stations, rescue vehicles, etc.).
  - ❖ Telecommunications (fire and medical communication systems).
  - ❖ Public Services (child care centers, airports, schools, etc.).
- Guarantees may secure up to 90% of the loan.
- The lender must pay a onetime fee to the USDA.
  - ❖ This fee may be passed on to the borrower.
- The lender is to negotiate the interest rate and maturity of the loan.
  - ❖ However, the maturity of the loan may not exceed 40 years or the useful life of the security, whichever is less.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Community Facilities (CF) Loans**

The US Department of Agriculture (USDA) provides loans to develop essential community facilities for public use. These funds are to be used in rural areas.

### **Eligibility:**

- Eligible organizations for this program include public entities, nonprofit corporations, and recognized Indian tribes.
- Applicants must be unable to obtain funding from other sources at reasonable rates and terms.
- Applicants must have the legal authority to receive and repay loans, pledge security for those loans, as well as construct, operate, and maintain the facilities and services made with the funding.
- Projects must be located in rural areas, defined for this program as no more than 20,000 residents.

### **Terms:**

- Interest rates are to be set by Rural Development (RD) on a quarterly basis. This interest rate is based upon the median household income of the area where the project is located.
- The maximum maturity for any loan is 40 years or the useful life of the facility or improvement, whichever is less.
- All loans must be adequately secured. This may be in the form of bonds, taxes, revenues, or a mortgage on real and personal property as state laws permit.
- Funds may be used to:
  - ❖ Construct, enlarge, or improve community facilities for health care, public safety, and public services.
  - ❖ Purchase the necessary equipment for the operation of those facilities.
  - ❖ Purchase fire trucks, ambulances, or emergency communications equipment.
  - ❖ Build police stations, fire stations, jails, etc.
  - ❖ Other community uses upon approval of the USDA.
- If interim financing is not available or if the project costs less than \$50,000 multiple advances of USDA funds may be made as construction progresses.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Indian Community Development Block Grant (ICDBG) Program**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) and was designed to provide direct grants for use in developing viable Indian Communities. These grants are specifically meant to provide decent housing, a suitable living environment, and economic opportunities primarily for low and moderate-income persons.

### **Eligibility:**

- Two grants are funded through this program:
  - ❖ Single purpose grants: These competitively-awarded grants are designed to give funds to activities benefiting a specific community need. This grant must benefit primarily low and moderate-income (LMI) individuals.
  - ❖ Imminent threat grants: These grants are given only if the grant will be used to solve a problem that is of imminent danger to public health or safety as defined by the ICDBG regulations.
- Eligible applicants include:
  - ❖ Federally Recognized Indian Tribes.
  - ❖ Tribal Organizations.
- Eligible purposes for the loan include:
  - ❖ Housing – Rehabilitation, land acquisitions, support new construction, and under special circumstances new construction itself.
  - ❖ Community facilities – Construction of infrastructure such as roads, water and sewage facilities, and single or multipurpose community buildings.
  - ❖ Economic development – Industrial, commercial, and agricultural projects.
- Projects must be shown to address local needs.

### **Terms:**

- Funds will be dispersed in a competitive fashion, except for when projects are shown to be preventing an imminent threat to a community.
- The grant amount will be determined by the size of the project, the size of the applying entity, the need for the project, etc.

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development  
Casper Field Office  
P.O. Box 11010  
Casper, WY 82602  
(307) 261-6250 • Fax: (307) 261-6245  
[www.hud.gov](http://www.hud.gov)**

## **Nursing Homes, Intermediate Care Facilities, and Assisted Living Facilities**

These programs are administered by the U.S. Department of Housing and Urban Development (HUD) to insure mortgages for the construction or substantial rehabilitation of nursing homes and other related facilities, Section 232. A separate, but similar program is also available for the purchase or refinancing of an existing project, Section 232/223(f). These programs are for insurance purposes only; the applicant must still apply and qualify for a loan from a third-party lender.

### **Eligibility:**

- Mortgages may be used on Nursing Homes, Intermediate Care Facilities, Board and Care Homes, and Assisted Living Facilities (ALFs).
- Major equipment that is required to operate one of the facilities listed above may also be included in the mortgage.
- Borrowers may be developers, private owners, private nonprofit organizations, public agencies, and public entities with the proper licensing from the State.
- The facility that is financed under these programs must be able to accommodate at least 20 persons requiring nursing care, intermediate care, assisted living, and/or board and care.

### **Terms:**

- The lender that the mortgage is obtained from must be a HUD-approved lender.
- The maturities of the loans are as follows:
  - ❖ New construction and rehabilitation (Section 232) – 40 years.
  - ❖ Purchase or refinancing of existing properties (Section 232/223 (f)) – 35 years.
- The maximum insured loan amounts are as follows:
  - ❖ 90% of cost for construction and rehabilitation (95% for nonprofit organizations).
  - ❖ 85% of cost for existing projects (90% for nonprofit organizations).

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development  
Casper Field Office  
P.O. Box 11010  
Casper, WY 82602  
(307) 261-6250 · Fax: (307) 261-6245  
[www.hud.gov](http://www.hud.gov)**

## **Rural Broadband Access Loan and Loan Guarantee Program**

This loan and guarantee program is administered by the U.S. Department of Agriculture (USDA) and is designed to provide loans to assist rural communities in gaining broadband services. It is available for construction, improvement, and acquisition of facilities and equipment to provide broadband services to eligible rural communities. There are three different loans under this program; a direct loan, a loan guarantee, and a direct 4% loan.

### **Eligibility:**

- The community must have a population not exceeding 20,000.
  - ❖ Applicants for this loan may include any area outside the city limits of any municipality with a population exceeding 20,000.
- Eligible applicants for this loan or guarantee are: cooperatives, municipalities, nonprofit organizations, limited dividend or mutual associations, LLCs, Federally recognized Indian tribes, and commercial organizations. Individuals or partnerships of individuals are not eligible for these funds.
- To be eligible for the direct 4% loan (interest rate is fixed at 4%) applicants must show that:
  - ❖ The project is located in a rural community that:
    - Has less than 2,500 inhabitants.
    - Is not currently receiving broadband service.
    - Is located in a county with a per capita personal income that is less than or equal to the national average.
  - ❖ The project is in a service area with a certain maximum population density that is calculated by the total population divided by the area in square miles of where service would be provided. The maximum population density is published each year by the USDA.

### **Terms:**

- The minimum loan amount to be considered is \$100,000.
- The applicant must provide credit support equal to 20% of the loan.
- Direct Cost-of-Money Loan:
  - ❖ The interest rate will be determined by the cost of borrowing of the Department of Treasury.
- Private Loan Guarantee:
  - ❖ The loan is provided by a third party lender.
  - ❖ The interest rate of the loan is to be set by the lender, but is to be consistent with the current applicable market rate for similar loans.
  - ❖ The USDA will guarantee up to 80% of the principle of the loan.
- Direct 4% Loan:
  - ❖ The interest rate for these loans is fixed at 4%.
  - ❖ Maximum loan amounts are published by the USDA annually.
  - ❖ This loan may be used in tandem with the Direct Cost-of-Money Loans.
- These loans may be used to:

- ❖ Finance the construction, improvement, and acquisition of facilities and equipment to provide broadband service.
- ❖ Finance broadband facilities leased under the terms of a capital lease. Financing will be limited to 5 years of lease costs.
- ❖ Finance the acquisition of another system, lines, or facilities to furnish or improve rural broadband service.
- ❖ Refinance an outstanding obligation on another telecommunications loan made under the Rural Electrification (RE) Act. This refinancing may not exceed 40% of the loan amount.

**Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 · Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Rural Community Development Initiative (RCDI)**

This initiative is administered by the U.S. Department of Agriculture (USDA) and was created with the goal of providing technical assistance and training to develop housing, community facilities, and community and economic development projects. This is achieved through giving grants to intermediary organizations that will then disperse funds to third-parties to provide them with technical assistance to increase their ability to accomplish the goals stated above.

### **Eligibility:**

- Intermediaries must be:
  - ❖ Either private or public entities.
  - ❖ Be legally organized for a minimum of three years.
  - ❖ Have shown experience working with eligible recipients.
- Third-party recipients must be:
  - ❖ Non-profit organizations.
  - ❖ Low-income communities.
  - ❖ Recognized Indian tribes.

### **Terms:**

- All funds must be matched by at least equal value of the grant by the intermediary.
  - ❖ In-kind contributions may not be used for matching the funds.
- The minimum grant to an intermediary is \$50,000 and the maximum is \$300,000.
- Funds may be used to provide technical assistance such as:
  - ❖ Conduct community development programs.
  - ❖ Conduct development initiatives.
  - ❖ Aid in developing strategic plans, board operations, management, etc.
  - ❖ For a complete list please contact your USDA State Office.
- Funds may not be used for:
  - ❖ Construction.
  - ❖ Salaries.
  - ❖ Purchasing of real estate.
  - ❖ Purchase or repair of vehicles.
  - ❖ For a complete list please contact your USDA State Office.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**



## **Rural Cooperative Development Grant Program (RCDG)**

This program is administered by the U.S. Department of Agriculture (USDA) and was created to aid in establishing and operating centers for cooperative development in order to improve the economic conditions of rural areas. These grants are aimed at creating and developing new cooperatives and improving the operations of existing cooperatives. The end goal of this program is to stimulate growth in rural economies.

### **Eligibility:**

- Eligible entities include:
  - ❖ Nonprofit organizations.
  - ❖ Institutions for higher education.
  - ❖ Public bodies are not eligible for this grant.
- These grants are made to entities in municipalities with a population less than 50,000.
  - ❖ Areas adjacent or contiguous to municipalities with more than 50,000 residents are not available for this grant.

### **Terms:**

- Grants may finance up to 75% of the cost of a project.
- The contribution made by the applicant may be either in cash or in-kind contributions.
  - ❖ This contribution may not be made by funds obtained from other Federal agencies unless it is obtained from a Federal loan.
- All planned projects must be completed within one year of obtaining the grant.
- These grants may be used for:
  - ❖ Collection, interpretation and dissemination of knowledge and information concerning cooperative development.
  - ❖ Providing training and instruction for cooperative development.
  - ❖ Providing loans and grants in conjunction with cooperative development.
  - ❖ Applied research, feasibility, environmental and other studies useful to cooperative development.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Rural Economic Development Grants (REDG)**

This program is administered by the U.S. Department of Agriculture (USDA) and was specifically designed to aid communities with fewer than 2,500 residents in promoting sustainable economic development through job creation. These grants are given to electric and telephone utilities financed by the Rural Utilities Service (RUS), a department of the USDA. The electric or telephone utility is then required to create a revolving loan program to be used for promotion of sustainable rural economic development that will be given to third-party recipients.

### **Eligibility:**

- Any RUS financed electric and telephone utility that is:
  - ❖ Not in any financial distress.
  - ❖ Not delinquent on any federal debt or in bankruptcy proceedings.

### **Terms:**

#### **For Utility Programs borrower:**

- Grants are given at the discretion of the Administrator of Business and Cooperative Programs.
- Funds are to be used to create a revolving loan fund program.
- The Utility Programs borrower is required to contribute funds equaling 20% of the grant.
  - ❖ These funds will remain a part of the fund until its termination.

#### **For Third-Party Recipients:**

- Initial loans are to carry zero-percent interest.
- The third-party must also supply supplemental financing of at least 20% of the project.
  - ❖ In-kind contributions are not accepted as supplemental financing.
- Subsequent loans are not to carry interest rates that exceed the prime rate.
  - ❖ These subsequent loans are made using repaid funds from the initial loan.
- The maturity of the loan may not exceed 10 years.
- Repayment methods to be decided upon by the Utility Programs borrower.
- Loan servicing fees may be exacted by the Utility Programs borrower, but is not to exceed 1% per year on the unpaid principle balance of the loan.
- Loans can be used by nonprofit organizations or public bodies for:
  - ❖ Community development projects and community facilities and services.
  - ❖ Business incubators and assistance in developing emerging enterprises.
- Loans may also be used by nonprofit organizations, public bodies or for-profit entities for:
  - ❖ Educational facilities.
  - ❖ Medical facilities.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **Rural Economic Development Loan (REDL) Program**

This program is administered by the U.S. Department of Agriculture (USDA). The purpose of these loans is to promote sustainable rural economic development and job creation projects. These goals are achieved through giving zero-interest loans to intermediary organizations which then pass the funds along to third-party recipients to use the funds for projects to promote economic development and job creation.

### **Eligibility:**

- Loans may be given to any Utility Programs electric or telephone borrower.
  - ❖ Borrower must not be delinquent in any Federal debt or in bankruptcy proceedings.
- The funds must be used in a rural area, defined for this program as not within the boundaries of any urban area defined by the Bureau of the Census.

### **Terms:**

- The loans are to be made to Intermediaries at an interest rate of zero percent.
- For information on the size of loans available please contact the USDA Rural Development State Office.
- The Intermediary must sign a 10-year promissory note, payable to the government. Shorter term notes are acceptable.
- Principal repayment will be on a monthly basis.
- Supplemental information for Third-Party Recipients:
  - ❖ Eligible recipients include private or public organizations that have corporate and legal identity to incur debt.
  - ❖ Recipients will receive loans at a zero percent interest rate.
  - ❖ Recipients must provide supplemental funding of at least 20%. Please note that in-kind contributions are not acceptable as supplemental financing.
  - ❖ Recipient must provide sufficient collateral for the loan.
  - ❖ Loan servicing fees may be charged to the recipient, not to exceed 1% on the unpaid principal of the loan per year.
- Eligible uses for the funds include:
  - ❖ Business expansions and business startups.
  - ❖ Community infrastructure necessary for economic development and job creation purposes.
  - ❖ Community facilities necessary for economic development and job creation purposes.
  - ❖ Medical facilities.
  - ❖ Educational facilities and equipment necessary for economic development.
  - ❖ Business incubators to assist in developing emerging enterprises.

### **Contact:**

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## **Solid Waste Management Grants**

These grants are administered by the U.S. Department of Agriculture (USDA) and are made to public entities and private nonprofit organizations to provide technical assistance and/or training to associations located in rural areas. Grants should be used to reduce or eliminate pollution of water resources and/or improve planning and management of solid waste sites.

### **Eligibility:**

- Eligible entities are:
  - ❖ Private nonprofit organizations granted tax-exempt status by the IRS.
  - ❖ Public bodies.
- All applicants must have the proven ability and experience to provide proper technical assistance or training on a regional basis to associations.

### **Terms:**

- Funds may be used to:
  - ❖ Evaluate current landfill conditions to determine threats to water supplies.
  - ❖ Provide technical assistance and/or training to improve operator skills for operation and maintenance of active landfills.
  - ❖ Provide technical assistance and/or training to help communities reduce the solid waste stream.
  - ❖ Provide technical assistance and/or training for operators of landfills which are closed or will be closed in the near future with the development of closure plans, future land use plans, safety and maintenance planning, and closure scheduling.
- Funds may not be used to:
  - ❖ Pay for construction or operation costs.
  - ❖ Fund political interests or activities.
  - ❖ Pay for costs incurred before the grant was issued.
  - ❖ Pay for capital assets (purchase of real estate, vehicles, office space, etc.)
  - ❖ Fund the application process for any of the Agency's other loan and grant programs.
  - ❖ Duplicate current services or replace those already being administered.
  - ❖ In order to avoid duplicate assistance please coordinate with both the State Rural Development office and the Forest Service before submitting an application.

### **Contact:**

For application information or any additional information or questions please contact:

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## **Technical Assistance and Training (TAT) Grants**

These grants are administered by the U.S. Department of Agriculture (USDA) and are given to nonprofit organizations to provide technical and/or training to associations in rural areas. These grants should be used to identify and evaluate solutions to water and waste disposal problems, improve the operations and maintenance of existing water and waste disposal facilities, and assist associations prepare applications for water and waste disposal facilities.

### **Eligibility:**

- There grants are only for nonprofit organizations that have been granted tax-exempt status by the IRS.
- These grants may only be used to benefit rural areas or communities with fewer than 10,000 residents.
- All applicants must have the proven background and experience to provide technical assistance and/or training on a regional basis to associations.

### **Terms:**

- These grants may be used to:
  - ❖ Identify and evaluate solutions to water problems relating to the water's source, storage, treatment, and/or distribution.
  - ❖ Identify and evaluate solutions to waste problems relating to collection, treatment, and/or disposal.
  - ❖ Assist associations that have filed a pre-application with the agency for loan and grant applications.
  - ❖ Provide training that will improve the management, operation, and maintenance of water and waste disposal facilities.
  - ❖ Pay expenses associated with providing technical assistance and/or training.
- Funds may not be used to:
  - ❖ Pay for construction or operation costs.
  - ❖ Fund political interests or activities.
  - ❖ Pay for costs incurred before the grant was issued.
  - ❖ Pay for capital assets (purchase of real estate, vehicles, office space, etc.).
  - ❖ Fund the application process for any of the Agency's other loan and grant programs.
  - ❖ Duplicate current services or replace those already being administered.
  - ❖ In order to avoid duplicate assistance please coordinate with both the State Rural Development office and the Forest Service before submitting an application.

### **Contact:**

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## **Water & Waste Disposal Loans & Grants**

The loans under this program are made directly from the U.S. Department of Agriculture (USDA) to build or improve essential public use facilities such as water and sewer facilities, storm sewers, and solid waste facilities. These grants are designed to supplement loans to help areas with proven need to achieve reasonable service rates.

### **Eligibility:**

- Nonprofit corporations and public entities are eligible for these grants.
- Projects may only benefit rural areas, defined for this program as having no more than 10,000 residents.
- This program is only for applicants that cannot secure credit from another source.
- All applicants must have the legal capacity to borrow and repay loans, as well as pledge security for those loans.
- The applicant must be able to repay the loan and be capable of managing and operating all facilities built using these funds.

### **Terms:**

- Loans may be used for both construction and non-construction purposes (e.g. land, equipment, legal services, initial operating funds, engineer services, etc.).
- The applicant must submit an Environmental Report in accordance with the format prescribed by Rural Development, for any proposed project.
- There are no maximum dollar amounts for the loans.
- Interest rate varies based on the median household income of the area.
- The maximum maturity for the loan is 40 years or the useful life of the facilities, whichever is less.
- Grants:
  - ❖ Eligibility is dependent upon the Median Household Income (MHI) of the service area, similar system costs, and the availability of funds.
  - ❖ Must be made in conjunction with Rural Development loans.
  - ❖ Areas with a median household income which exceeds the state non-metropolitan median household income listed in the decennial census are not grant eligible.
  - ❖ Please note that these grants are not guaranteed based on median household incomes and all grant applications will be considered and underwritten according to USDA regulations.

### **Contact:**

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**HOUSING FINANCE SOURCES**

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## **Direct Home Ownership Loans – Section 502**

These loans are administered by the U.S. Department of Agriculture (USDA) and were created to finance homes and building sites in rural areas. Rural areas for this loan are defined as open country or municipalities with a population not to exceed 10,000. However, under certain conditions individuals living in municipalities with a population between 10,000 and 20,000 may apply.

### **Eligibility:**

- The purposes eligible for the loan program are:
  - ❖ Loans may be used to buy, build, improve, repair, or rehabilitate rural homes or related facilities, and provide adequate water and waste disposal systems.
  - ❖ Funds may be used to modernize homes – add bathrooms, central heating, modern kitchens, etc.
  - ❖ The residence may be an existing house and lot or a home that will be newly constructed. Under certain conditions the loan may be used to refinance debts on a home.
  - ❖ Homes may be built on either individual tracts of land or in subdivisions.
- Individuals or families must meet the following criteria:
  - ❖ Be without decent, safe and sanitary housing.
  - ❖ Be unable to obtain a loan from another source on reasonable terms.
  - ❖ Have sufficient income to pay house payments and associated costs such as insurance and taxes. Those unable to meet this requirement may obtain a co-signer.
  - ❖ Possess the legal capacity to incur the loan obligation.
  - ❖ Possess the legal ability to carry out the obligations required under the loan.

### **Terms:**

- The loan may finance up to 100% of the appraised value of the home.
- The maximum maturity for a loan is 33 years, under certain conditions 38 years.
  - ❖ However, the maximum maturity for a loan for a manufactured home is 30 years.
- Depending on the applicant's income the USDA may adjust interest to as low as 1%.
- When the financial situation of the borrower improves, refinancing through a commercial lender is required.

### **Contact:**

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## **Guaranteed Rural Housing Loans – Section 502**

This guarantee is administered through the U.S. Department of Agriculture (USDA) and aimed at improving the ability of rural individuals and families to become homeowners. Guarantees are not loans themselves, but are rather meant to provide a promise to the lender that if the loan is defaulted on they will still receive a substantial portion of their funds back. This makes it much easier for borrowers to obtain loans.

### **Eligibility:**

- Applicants must have an adequate and dependable income.
- Applicants must be a US citizen or be legally admitted for permanent residency.
- The applicant's adjusted income cannot be greater than 115% of the average adjusted income for the area (adjusted income is determined by subtracting \$480 for each minor child from the initial income level, please also note that childcare deductions may also be added).
- Applicants must have a credit history that indicates a reasonable willingness to meet financial obligations as they become due.
- Applicants must be unable to secure conventional credit.
- If available, homebuyer education is required for borrowers.
- Applicants must be able to repay the loan based on the following ratios:
  - ❖ Principal, interest, taxes, and insurance (PITI) divided by gross monthly income must be equal to or less than 29%.
  - ❖ Total debt (TD), as determined by dividing all monthly debts by gross income must be no more than 41%. Gross income is determined by the gross income of the applicant, co-applicant, and any other adult in the household.

### **Terms:**

- The house must qualify to meet all USDA criteria. This information is available from your USDA Office.
- Borrowers must reside in the house.
- Mortgages can be no more than 30 years and may be either fixed or variable rate.
- The loan may be up to 100% of market value of the residence.
- The loan may not exceed the repayment ability of the applicant.
- A guarantee fee of 2% of the loan is charged to the lender.
  - ❖ This fee may be passed on to the applicant.
- Loans may also finance closing costs, guarantee fee, legal fees, title services, cost of establishing the escrow account, and other items within 100% of the appraisal value.
- Mortgage insurance is not required.

### **Contact:**

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## **Home Repair Loans & Grants – Section 504**

These loans and/or grants are administered by the U.S. Department of Agriculture (USDA) and were created to assist eligible, very low-income home owners repair their home. This program was created specifically for rural areas. Repairs under this program are meant to improve or modernize the home to make it safe, sanitary, or to remove health and safety hazards.

### **Eligibility:**

- For both loans and grants applicants must:
  - ❖ Be a citizen of the United States.
  - ❖ Own the residence that is to be repaired.
  - ❖ Have an adjusted annual income that does not exceed that of “very low-income” as set by the USDA.
  - ❖ Be unable to remove the safety or health hazards using personal resources.
- For loans applicants must:
  - ❖ Possess the legal capacity to incur the loan obligation.
  - ❖ Have a favorable credit history.
  - ❖ Be unable to obtain credit from a conventional source.
  - ❖ Have the ability to repay the loan.
- For grants applicants must:
  - ❖ At be least 62 years of age.
  - ❖ Lack repayment ability for a loan.

### **Terms:**

- Maximum outstanding loan and grant funds to any individual at any time is \$20,000.
- Lifetime assistance from Section 504 grants is not to exceed \$7,500.
- Loans and grants may be used to improve or modernize a home in order to make it safe, sanitary, or free of health and safety hazards.
  - ❖ Cosmetic or convenience renovations are not covered (i.e. painting, carpeting, etc).
  - ❖ Home must be free of health and safety hazards after renovations are completed.
  - ❖ Please contact your state USDA office to obtain complete information.
- Interest rate on loans will be set at 1% per year.
- Loan maturities may not exceed 20 years.
- A credit report, at no expense to the borrower, is required for loans more than \$7,500.

### **Contact:**

For application information or any additional information or questions please contact:

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## **Housing Preservation Grants – Section 533**

These grants are administered by the U.S. Department of Agriculture (USDA) and were created to assist nonprofit organizations aid very low-income homeowners and renters with essential repairs to their residences. These grants are distributed on a competitive basis to rural areas.

### **Eligibility:**

- Eligible entities may include:
  - ❖ Public or private nonprofit organizations.
  - ❖ Public agencies of any state government.
  - ❖ Recognized Indian Tribes.
- Any eligible entity must have the necessary background and experience as shown through proven performance in the area of low-income rural housing development.

### **Terms:**

- The applicant organization will act as an intermediary for the funds. These funds will be distributed to eligible homeowners for essential repairs and renovations.
- The recipients of the grants must report on a quarterly basis on the progress of their programs.
- Funds must be given to very low or low-income homeowners in the form of either grant or low interest loans.
- Eligible homeowners must have owned their home for at least one year and be the resident of that home after renovations are completed.
  - ❖ Verification of this is required in order for the homeowner to receive funds.
- Homeowners must live in a rural area or community.
- Funds may be used for labor and materials. Up to 20% may be used for administrative costs incurred through the project.
- Authorized projects include, but are not limited to:
  - ❖ Installation or repair of sanitary water and waste disposal systems.
  - ❖ Installation of screen-storm windows and doors.
  - ❖ Repair or replacement of heating systems.
  - ❖ Electrical wiring repair or replacement.
  - ❖ Foundation repairs.
  - ❖ Roof repair or replacement.
  - ❖ Handicap accessibility features.
  - ❖ Additions to solve problems with overcrowding.

### **Contact:**

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## **Housing Site Loans – Section 523 & 524**

These loans are administered by the U.S. Department of Agriculture (USDA) and were created under the Housing Act of 1949 to finance building sites, which are to be developed into desirable residential communities. The location of these sites must be in a rural area and sold on a nonprofit basis. The loans given under section 523 are also to be built according to the self-help method. The section 524 loans have no limitation on the method of home construction.

### **Eligibility:**

- Loans may be given to either public or private nonprofit organizations that have legal authority to purchase, develop, and sell home sites.
- The area for these sites must be classified as rural, defined by:
  - ❖ A population not exceeding 10,000; however, in certain instances towns with populations up to 20,000 will be considered.
  - ❖ The location may not be associated with an urban area.

### **Terms:**

- Applicants must provide evidence for need of funds and information regarding the number of sites to be developed.
- These sites must be sold to families that qualify based on the following criteria:
  - ❖ Section 523 – Families will build homes following the self-help method (A method in which individual houses are built under the supervision of a group of families who are to live in the housing provided; it is in essence a group that mutually helps each other with supervision from a construction expert).
  - ❖ Section 524 – Sites designed for low to moderate-income families, nonprofit organizations, public agencies, and cooperatives that qualify for assistance under any law providing financial aid for housing.
- Loan maturities may not exceed two years.
- Interest rates are as follows:
  - ❖ Section 523 – 3% annually.
  - ❖ Section 524 – To be determined on an annual basis.
- Security will be provided through liens on the property purchased.
- Funds may be used for:
  - ❖ The purchase and development of building sites (construction of access roads, utilities, etc.).
  - ❖ To pay for engineering and legal fees and the cost of incidental administrative expenses (postage, telephone, advertising and temporary secretarial help).

### **Contact:**

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## **Rental Housing Guaranteed Loans – Section 538**

This program is administered by the U.S. Department of Agriculture (USDA) and was created to produce new, affordable rental housing by providing eligible housing providers the ability to build or acquire affordable rental housing. These guarantees were specifically designed to benefit low and moderate-income residents in rural areas. This program may be used in conjunction with other affordable housing programs such as Low Income Housing Tax Credits, taxable bonds, the HOME Investment Partnerships Program, as well as other state and local programs.

### **Eligibility:**

- Borrowers may include:
  - ❖ Nonprofit organizations.
  - ❖ Public entities.
  - ❖ For-profit organizations (including limited partnerships or LLCs).
- Lenders must be approved by one of the following entities to support multi-family housing:
  - ❖ Federal National Mortgage Association.
  - ❖ Federal Home Loan Mortgage Corporation.
  - ❖ Federal Home Loan Bank.
  - ❖ Department of Housing and Urban Development.
  - ❖ State housing finance agencies may also qualify as lenders.

### **Terms:**

- Interest rates must be fixed.
  - ❖ Maximum allowable rate is currently 250 points above the 30 year Treasury Bond Rate.
- The maturity of loan may not exceed 40 years.
- There is a nonrefundable application fee of \$2,500.
- Rural Housing Programs (RHP) will collect a fee of 1% of the guaranteed amount when the loan is issued.
- There is an annual servicing fee of one half of one percent of the principle balance.
- Loans are for the construction or acquisition with renovation of rental residences costing at least \$15,000 per unit.
- Complexes must have at least five rental units.
- Tenants must be protected under the Fair Housing and Equal Opportunity regulations.

### **Contact:**

For application information or any additional information or questions please contact:

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## **Rental Housing Loans – Section 515**

This program is administered by the U.S. Department of Agriculture (USDA) and was created under the Rural Housing Act of 1949 to provide living units for persons with low or moderate incomes. These loans are meant to be used in rural areas.

### **Eligibility:**

- These loans are made for providing housing in open country or communities with fewer than 20,000 residents.
- Loans are to be used to build, purchase, and/or repair apartment style housing.
  - ❖ The units must be modest, but adequate to tenants' needs.
- Loans may not be used for nursing homes or other special care housing.
- Loans may be made to individuals, trusts, associations, partnerships, limited partnerships, LLCs, public agencies, recognized Indian tribes, cooperatives, and both nonprofit and for-profit corporations.
- Applicants must be unable to finance the housing project with personal resources and be unable to obtain credit from a conventional source.
  - ❖ If the borrower is a for-profit organization each of the individual members will be considered to determine whether other credit is available.
- Borrowers must have the ability and experience to manage the proposed project.

### **Terms:**

- Maximum loan amounts are as follows:
  - ❖ Nonprofit organizations or public entities: 102% appraised value or development cost, whichever is less.
  - ❖ Applicants receiving Low Income Housing Tax Credit (LIHTC): 95% appraised value or development cost, whichever is less.
  - ❖ All other applicants: 97% appraised value or development cost, whichever is less.
- The maturity of the loan is not to exceed 30 years, however if it is necessary to assure affordability the loan may be amortized for a period not exceeding 50 years.
- Rent charges must be within limits that eligible occupants are able to afford.
- Housing is for individuals and families who qualify as very low, low, or moderate-income.
- Applicants are required to provide initial operation capital of at least 2% of the project's cost.
  - ❖ For nonprofit organizations and public entities this 2% may be included in the loan as part of the development cost.

### **Contact:**

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## **Self-Help Housing Loans – Section 523**

The loans are administered by the U.S. Department of Agriculture (USDA) and were created for self-help groups to develop sites for housing. This program was implemented specifically for rural communities. Self-help groups are organized by families who will live in the homes being built, repaired, or rehabilitated. These self-help groups are designed for individuals within the group to mutually help each other with the guidance of a construction expert.

### **Eligibility:**

- Any small group of low-income families may qualify.
  - ❖ However, these individuals must not be able to afford to build modest houses using more conventional means.
- Each individual must be able to repay the portion of the loan affiliated with their house.
- The funds are to be used to purchase materials and pay for skilled labor and contract costs for the portions of work that the families are not able to perform.

### **Terms:**

- Each group is to be made up of 6 to 10 families in an area.
  - ❖ All members must be unable to obtain a house through conventional means.
- All members must agree to the following:
  - ❖ Work as a group under the guidance of a construction supervisor.
  - ❖ Work the required hours necessary to complete the house.
  - ❖ Attend all preconstruction meetings.
  - ❖ Build houses in the same community.
  - ❖ Carry out all responsibilities as a homeowner after project completion.
- The houses constructed must be of a modest nature.
- Building materials must be purchased on a group basis.
- Work will be done in stages with each house completing a given stage before subsequent stages are begun.
- Each family must sign a promissory note as evidence of their desire to become a member of the group. This will act as a promise to furnish the labor required to complete the house.
- Each family will also sign a membership agreement, outlining the operation of the project.

### **Contact:**

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## **Single Family Housing Technical and Supervisory Assistance (TSA) Grants – Section 525**

This program is administered by the U.S. Department of Agriculture (USDA) and was created to provide funds to applicants for the purposes of providing technical and supervisory assistance (TSA) to low-income recipients. These grants are meant for rural communities in order to provide residents the ability to obtain or maintain occupancy in suitable housing. The funds from this program may be used in conjunction with any available housing program that provides low-income rural residents access to adequate rental properties or homeownership.

### **Eligibility:**

- The following are eligible for Section 525 grants:
  - ❖ Public nonprofit organizations.
  - ❖ Public agencies or institutions.
  - ❖ Recognized Indian tribes.
  - ❖ Other, various associations meeting certain criteria.
  - ❖ Private nonprofit organizations and faith-based organization may be eligible if certain criteria are met.

### **Terms:**

- The maximum grant amount is \$100,000.
- Funds will be distributed at the discretion of the state.
- Grants will be provided for a period not to exceed 2 years.
- Matching of funds is highly encouraged, but not required.
  - ❖ Competitive points will be awarded to those organizations that do match funds.
- Grants may be used for:
  - ❖ The establishment or support of homeownership programs.
  - ❖ The establishment or support of financial counseling.
  - ❖ Other purposes that are approved of by the USDA.
- Grants may not be used for building of a new home, repairs to homes, etc.

### **Contact:**

For application information or any additional information or questions please contact:

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[www.usda.gov](http://www.usda.gov)**



## **Technical Assistance for Self-Help Housing Section 523**

This program is administered by the U.S. Department of Agriculture (USDA) and was created to provide qualified public and private nonprofit organizations or public bodies with financing for programs giving technical and supervisory assistance to help low-income families build homes. These homes are to be built in rural communities using the self-help method (A method in which individual houses are built under the supervision of a group of families who are to live in the housing provided; it is in essence a group that mutually helps each other with supervision from a construction expert). This method utilizes groups formed by a number of families that will mutually aid each other in the construction of their homes.

### **Eligibility:**

- All entities applying for assistance must show:
  - ❖ A need clearly exists for a self-help program.
  - ❖ It is possible to hire qualified personnel to carry out the objectives of this technical assistance program.
  - ❖ Funds are not available from other sources to provide this service.
- If the group is a nonprofit organization it must show either:
  - ❖ Successful experience in the field of self-help groups, or
  - ❖ A sponsoring organization with successful experience in this field or proven experience in a related business field.

### **Terms:**

- Funds may be used for the following:
  - ❖ Hire personnel to carry out a program that will provide technical assistance.
  - ❖ Pay necessary and reasonable office and administrative expenses.
  - ❖ Provide essential equipment to families participating in the program (i.e. power tools, etc.).
  - ❖ Pay fees for training participating members in proper construction techniques.
- The applying organization must show that this service is needed in the area that it is proposing to supply assistance in.
  - ❖ There is also a grant available to gather this information and prepare an application. Please contact the USDA for more information.
- Assistance may be provided for up to two years.
- Funds may not be used for salaries or purchasing of materials or real estate.

### **Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**

## **WCDA Advantage Loan**

The WCDA Advantage home purchase or refinance FHA mortgage loan program is available to previous and current homeowners and first-time homebuyers. This program offers affordable interest rates with a 30-year fixed rate mortgage. WCDA Advantage is the perfect solution for borrowers who have a slightly higher income than our Standard Program Requirement.

### **Eligibility:**

- Buyers need **not** be first-time homebuyers.
- The residence being purchased must be located in Wyoming.
- The home being purchased must be the applicant's principal residence.
- The applicant's Total Annual Family Income may not exceed 140% of HUD's state median income (currently \$98,000 for all counties and family sizes).
- Applicants must be a reasonable credit risk.

### **Terms:**

- The interest rate for these loans is a fixed rate mortgage for purchase or refinance. Contact WCDA for current rates and availability.
- Loan Term – 30 years.
- WCDA loan may be applied for through a WCDA Participating Lender. Refer to the WCDA web-site for a list of Participating Lenders.
- A first-time homebuyer applicant is required to complete a homebuyer education course that consists of an online class and a one-on-one budget/counseling class. These classes are provided by Wyoming Housing Network, Inc. Class registration may be done online at [www.whninc.org](http://www.whninc.org).
- Not subject to the Federal Recapture Tax provision.
- May be used in conjunction with the WCDA MCC Program.
- WCDA Down Payment Assistance loan may be used on purchases.
- Purchasing a single family home on 6 acres or less.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 • Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **WCDA's Down Payment Loan Program**

This program is administered by the Wyoming Community Development Authority (WCDA) to assist first-time home buyers with down payments and eligible loan closing costs associated with the purchase of a home.

### **Eligibility:**

- This program may only be used with a WCDA purchase mortgage loan. The program may not be used in conjunction with other first mortgage loan programs nor with a refinance.

### **Terms:**

- This program places a second mortgage on the property up to \$10,000.
- The interest rates for these loans are a fixed rate. Contact WCDA for current rates and availability.
- The maturity of the loan may range from 1 to 96 months.
  - ❖ The minimum monthly payment must be at least \$25.
- The applicant must provide \$1,500 from their own funds toward the cash requirements at closing.
- The applicant must have a minimum middle credit score of at least 620.
- The applicant may not have a Total Debt to Income Ratio exceeding 41%.
- This program may be applied for through the same WCDA Participating Lender that is processing the WCDA first mortgage loan.
- For a list of Participating Lenders refer to the WCDA web-site.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 • Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **HFA Preferred Loan Programs**

The WCDA HFA Preferred Programs offer 30-year, conventional mortgages to previous and current homeowners, and first-time homebuyers.

### **Eligibility:**

- Buyers need not be first-time homebuyers.
- The residence being purchased must be located in Wyoming.
- The home being purchased must be the applicant's principal residence.
- The applicant's Total Annual Family Income may not exceed WCDA's published income limits set by county and family size. WCDA's current income limits may be found on the WCDA website.
- Applicants must be a reasonable credit risk.

### **Terms:**

- The interest rate for these loans is a fixed rate mortgage for purchase or refinance. WCDA's current rates and availability may be found on the WCDA website.
- Loan Term – 30 years.
- The HFA Preferred Loan may be applied for through a WCDA Participating Lender. WCDA's list of Participating Lenders may be found on the WCDA website.
- The applicant is required to complete a homebuyer education course that consists of an online class and a one-on-one budget/counseling class. These classes are provided by Wyoming Housing Network, Inc. Class registration may be done online at [www.whninc.org](http://www.whninc.org).
- Conventional mortgage loan financing with only 3% down payment.
- HFA Preferred requires mortgage insurance.
- HFA Preferred No MI does not require mortgage insurance thus making the total monthly payment less than HFA Preferred and less than a FHA loan at the same rate.
- Not subject to the Federal Recapture Tax provision.
- May be used in conjunction with the WCDA MCC Program.
- WCDA Down Payment Assistance loan may be used on purchases.
- Purchasing a single family home on 6-acres or less.
- Can't own another residential dwelling at time of closing.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 • Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **HOME Investment Partnership Program**

The Wyoming Community Development Authority (WCDA) receives an average of \$3.5 million annually in HOME funds for developing or rehabilitating decent, safe, and affordable rental and/or homeownership housing for very low and low-income households. These loans are distributed on a competitive basis to local governments, housing authorities, private developers, and nonprofit organizations.

### **Eligibility:**

- These funds are available for rehabilitation or new production.
- Local governments, housing authorities, private developers, and nonprofit organizations may apply.
- The housing must benefit very low or low-income households.
- The housing must be safe, decent, and affordable.

### **Terms:**

- All projects must:
  - ❖ Submit all forms as required by the WCDA.
  - ❖ No funds will be dispersed until there is a firm commitment to the project by all other financing sources.
  - ❖ The amortization period of the loan may not exceed the Affordability Period.
- Rental projects:
  - ❖ If the loan is coupled with the Tax Credit program amortization may be no less than 3% for 30 - 40 years.
  - ❖ Maximum rent for units made under this program will be outlined in each project's agreement.
  - ❖ The debt coverage ratio must be between 1.20 and 1.25, using rent at the committed amount.
  - ❖ For rental projects undergoing rehabilitation, a minimum of \$15,000 is to be spent per unit in rehabilitation of Life, Safety, Health, or Code requirements.
- Homeowner rehabilitation:
  - ❖ Funds for rehabilitation for modest housing.
  - ❖ Should the home be sold or vacated all funds must be returned to the WCDA.
  - ❖ Household must be at or below 80% of AMI.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 · Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **WCDA's Homebuyer Assistance Program**

This program is administered by the Wyoming Community Development Authority (WCDA) to assist lower income first-time homebuyers. This program helps these buyers to finance down payments and closing costs associated with buying a home.

### **Eligibility:**

- These loans are designed for lower-income first-time homebuyers that need assistance with down payments and eligible loan closing costs when purchasing a home.
- The income limits for this program are lower than the WCDA Standard Program income limit. Please contact the WCDA office to determine if you qualify, as these amounts are subject to change.
- This program may only be used with a WCDA purchase mortgage loan not for a refinance. The program may not be used in conjunction with other first mortgage loan programs.

### **Terms:**

- The maximum amount of the loan is \$2,000.
- The borrower must contribute a minimum of \$500 of their own funds toward the cash requirements at closing.
- The borrower must have a minimum middle credit score of at least 620.
- The borrower must have a Total Debt to Income Ratio not exceeding 41%.
- The purchase price of the home may not exceed \$135,000.
- The residence the loan is taken out for is required to be the principal residence of the borrower.
- If the borrower resides in the residence for a minimum of 30 years the total loan amount is forgiven.
- Should the borrower cease to occupy the property as their principal residence or if the borrower transfers ownership to the property during the first 30 years, full payment of the loan and 3% interest is due.
- The borrower may not have total assets that exceed \$35,000.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**

**P.O. Box 634**

**Casper, WY 82602**

**(307) 265-0603 • Fax: (307) 266-5414**

**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **Low-Income Housing Tax Credit (LHTC)**

This program is administered by the Wyoming Community Development Authority (WCDA) and was created under the Tax Reform Act of 1986 to provide approximately \$2 million in annual Tax Credits to developers to encourage the development of very low, low, and moderate-income housing.

### **Eligibility:**

- This program is meant to benefit very low, low, and moderate-income housing only.
- 10% of the tax credits in this program are set aside for nonprofit organizations.
- Funding is awarded on a competitive basis which is determined from a given set of criteria. These factors include, but are not limited to, need, quality of construction, project location, project characteristics, and sponsor and management capacity.

### **Terms:**

- There is an application fee of \$250 for projects with twenty units or less and \$750 for projects with over twenty units.
- For a complete list of required materials please contact the Wyoming Community Development Authority (WCDA).
- The WCDA will review the project a minimum of three times through the completion of the project.
- Projects receiving these credits must restrict occupancy to income eligible households and have a 30-year long cap on rent charged to tenants in order to comply with Federal law.
- It is strongly suggested, due to the complexity of this program, that potential applicants consult with a tax accountant and/or attorney, as well as the WCDA.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 • Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **MCC First-time Homebuyer Tax Credit Program**

Save money every year you live in your home if you purchase a home and are eligible for WCDA's First-time Homebuyer Tax Credit program, the WCDA Mortgage Credit Certificate (MCC). The program offers a dollar-for-dollar reduction of federal income taxes up to the mortgage certificate value. While this tax credit program is **not** a loan product, it can be used together with your lender's own home purchase loan programs or with WCDA's HFA Preferred or Advantage Loan Programs. The WCDA First-time Homebuyer Tax Credit Program **cannot** be used with WCDA's standard First-time Homebuyer Loan Program.

### **Eligibility:**

- The residence being purchased must be located in Wyoming.
- The home being purchased must be the applicant's principal residence.
- The applicant must be a first-time homebuyer (may not have owned a principal residence during the last three years).
- The applicant's Total Annual Family Income may not exceed WCDA's published income limits set by county and family size. WCDA's current income limits may be found on the WCDA website.
- The residence being purchased may not exceed the WCDA purchase price limits by county.
- Applicants must be a reasonable credit risk.
- Purchasing a single family home on 6 acres or less.

### **Terms:**

- The residence may not be used in a trade or business.
- Manufactured Homes on a permanent foundation are eligible using a FHA loan only.
- MCC may be applied for through a qualified MCC lender. WCDA's list of Participating Lenders may be found on WCDA's website.
- The applicant is required to complete a homebuyer education course that consists of an online class and a one-on-one budget/counseling class. These classes are provided by Wyoming Housing Network, Inc. Class registration may be done online at [www.whninc.org](http://www.whninc.org).

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 • Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**



## **WCDA's Standard First-Time Homebuyer Loan Program**

The Wyoming Community Development Authority (WCDA) administers this mortgage loan program to help first-time homebuyers with low and moderate income purchase.

### **Eligibility:**

- The residence being purchased must be located in Wyoming.
- The home being purchased must be the applicant's principal residence.
- The applicant must be a first-time homebuyer (may not have owned a principal residence during the last three years).
- The applicant's Total Annual Family Income may not exceed WCDA's published income limits set by county and family size. WCDA's current income limits may be found on the WCDA website.
- The residence being purchased may not exceed the WCDA purchase price limits by county. WCDA's current purchase price limits may be found on the WCDA website.
- Applicants must be a reasonable credit risk.

### **Terms:**

- The current interest rates and availability may be found on WCDA's website or by contacting the WCDA office.
- Loan Term - 30 years.
- The residence may not be used in a trade or business.
- Manufactured Homes are eligible using a FHA loan only.
- WCDA loan may be applied for through a WCDA Participating Lender. WCDA's list of Participating Lenders may be found on WCDA's website.
- The applicant is required to complete a homebuyer education course that consists of an online class and a one-on-one budget/counseling class. These classes are provided by Wyoming Housing Network, Inc. Class registration may be done online at [www.whninc.org](http://www.whninc.org).
- Purchasing a single family home on 6 acres or less.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 · Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## WCDA's Spruce Up Wyoming Loan Programs

The Spruce Up Wyoming Loan Programs focus on the repair of existing homes that are in below-average condition. Financing for this program is provided by the Wyoming Community Development Authority (WCDA). There are two different programs available called Spruce Up Wyoming I and Spruce Up Wyoming II.

### Spruce Up Wyoming I Loan

#### Eligibility:

- Applicants must be a first-time homebuyer.
- Applicants must **purchase and rehabilitate** the property.
- The applicant's Total Annual Family Income may not exceed WCDA's published income limits set by county and family size. WCDA's current income limits may be found on the WCDA website.
- The home must be a one unit, single-family home on 6 acres or less located in Wyoming.

#### Terms:

- The interest rate for these loans is a fixed rate. Contact the WCDA office or check the WCDA website for current rates and availability.
- Loan Term - 30 years.
- The residence may not be used in a trade or business.
- WCDA requires that the rehabilitation funding must first be used to inspect and repair or replace, as necessary, the five major operating systems in the home {plumbing, electrical, heating, structural/foundation and roof (including gutters, downspouts and extensions)}. Once the five major operating systems have been addressed, the borrower may include cosmetic items in the rehabilitation loan.
- WCDA loan may be applied for through a WCDA Participating Lender. WCDA's list of Participating Lenders may be found on WCDA's website.
- The home must be the principal residence of the applicant.
- The following types of loans may be used:
  - ❖ WCDA/FHA 203(k) single close loans.
  - ❖ WCDA/Rural Development single close loan (subject to availability of RD Guaranty Funds) or,
  - ❖ A temporary bridge loan that is provided through a private lender, with the permanent take out loan being WCDA's Spruce Up I loan.
- Manufactured Homes are eligible using a FHA loan only.
- Together, the purchase price and the cost of the rehabilitation of the home may not exceed the purchase price limit as indicated on the WCDA website.
- The applicant is required to complete a homebuyer education course that consists of an online class and a one-on-one budget/counseling class. These classes are provided by Wyoming Housing Network, Inc. Class registration may be done online at [www.whninc.org](http://www.whninc.org).

## **Spruce Up Wyoming II Loan**

### **Eligibility:**

- Under Spruce Up II, there is no first- time homebuyer requirement.
- Spruce Up II Loans may be used for two purposes:
  - ❖ Purchase and rehabilitation of a home which is 20 years old or older, or
  - ❖ Refinance and rehabilitation of a home which is 20 years old or older.
- The applicant's Total Annual Family Income may not exceed \$84,000 for all family sizes and all counties.
- The home must be a one unit, single-family home on 6 acres or less located in Wyoming.

### **Terms:**

- The interest rate for these loans is a fixed rate. Contact WCDA for current rates and availability.
- Loan Term – 30 years.
- There must be a need for at least a \$15,000 in rehabilitation costs to qualify for this program.
- The actual purchase price of the home in a purchase/rehab transaction must not exceed \$160,000.
- In all cases the final cost of the home, including rehabilitation costs, may not exceed \$250,000.
- In the case of a refinance/rehabilitation loan, the borrower must have lived in their home for one full year before they can apply for the Spruce Up II.

The following types of loans may be used:

- ❖ WCDA/FHA 203(k) single close loans.
- ❖ WCDA/Rural Development single close loan (subject to availability of RD Guaranty Funds) or,
- ❖ A temporary bridge loan that is provided through a private lender, with the permanent take out loan being WCDA's Spruce Up I loan.
- Manufactured Homes are eligible using a FHA loan only.
- The residence may not be used in a trade or business.
- The applicant is required to complete a homebuyer education course that consists of an online class and a one-on-one budget/counseling class. These classes are provided by Wyoming Housing Network, Inc. Class registration may be done online at [www.whninc.org](http://www.whninc.org).
- A Spruce Up II WCDA loan may be applied for through a WCDA Participating Lender. WCDA's list of Participating Lenders may be found on WCDA's website.

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 • Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **WCDA Wyoming Energy Savers (WES)**

This program provides loans to eligible homeowners through the Wyoming Community Development Authority (WCDA). The program provides second mortgage financing for cost effective energy home improvements.

### **Eligibility:**

- Applicants must meet certain income limits. Please contact the WCDA office or website for qualifying incomes.
- There are no loan-to-value requirements (LTV).
- There are no credit requirements except that the applicants must be current on their mortgage payments, real estate taxes, and homeowners insurance.
- The house must be the principal residence of the applicant.

### **Terms:**

- The minimum and maximum loan amounts are \$1,000 and \$15,000, respectively.
- There are two types of loan terms:
  - ❖ Amortized – 4% per annum interest rate for a term of 1 to 96 months.
  - ❖ Deferred – 3% simple interest rate, payable at the time of sale or transfer of the property or when the home ceases to be the borrower’s principal residence.
- These loans are limited to rehabilitation and may include:
  - ❖ Furnace replacement.
  - ❖ Ceiling insulation.
  - ❖ Programmable thermostats.
  - ❖ Caulking and weather stripping.
  - ❖ Exterior storm windows and/or doors.
    - In some limited circumstances, exterior window replacement may be eligible.
  - ❖ Hot Water Heater replacement (new HWH must be Energy Star rated).

### **Contact:**

For application information or any additional information or questions please contact:

**Wyoming Community Development Authority**  
**P.O. Box 634**  
**Casper, WY 82602**  
**(307) 265-0603 · Fax: (307) 266-5414**  
**[www.wyomingcda.com](http://www.wyomingcda.com)**

## **Adjustable Rate Mortgages (ARMs) Insurance** **Section 251**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to provide insurance for adjustable rate mortgages (ARMs). This insurance program is meant to aid low and moderate-income families in becoming homeowners by lowering some of the costs of their mortgage loans. Adjustable rate mortgages have interest rates that may increase or decrease over time, enabling consumers to purchase or refinance at a lower rate.

### **Eligibility:**

- This program is designed for low to moderate-income applicants.
- The residence bought must be the primary residence of the applicant.
- The lending institution used must be an FHA-approved lender.
- This program is meant to insure adjustable rate mortgages (ARMs) only.

### **Terms:**

- The initial interest rate, discount points, and the margin are negotiated by the lender and borrower.
- The Federal Housing Administration (FHA) uses the 1-year Treasury Constant Maturities Index to determine interest rate changes.
- The lender may offer mortgages that have fixed interest rates for the first 1, 3, 5, 7, or 10 years of the loan.
- The interest rate for 1 or 3-year ARM's may not increase or decrease by more than 1% per year and not more than 5% over the life of the loan.
- The interest rate for 5, 7, or 10-year ARM's may not increase or decrease by more than 2% per year and not more than 6% over the life of the loan.
- Borrowers must be informed at least 25 days in advance of any adjustment to monthly payments.
- The mortgage may be insured for up to 97% of the loan.
- Down payment costs may be as low as 3%.
- Many closing costs that normally would be charged at the closing of the sale of the property may be financed under this program.
- HUD sets maximum limits on the amount of the loan that may be insured. Please contact your HUD office for these numbers as they are subject to change.

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development**  
**Casper Field Office**  
**P.O. Box 11010**  
**Casper, WY 82602**  
**(307) 261-6250 • Fax: (307) 261-6245**  
**[www.hud.gov](http://www.hud.gov)**

## **Assisted-Living Conversion Program (ALCP)**

This program is administered by the U.S. Department of Housing and Urban Development (HUD). It is designed to provide grants to private nonprofit organizations that own eligible developments and intend to convert some or all of their living units into an Assisted-Living Facility (ALF) for the frail elderly.

### **Eligibility:**

- Private nonprofit organizations that own facilities that are to be converted into multifamily assisted living housing developments. These facilities are limited to:
  - ❖ Section 202 direct loan projects with or without Section 8 rental assistance;
  - ❖ Section 202 capital advance projects receiving rental assistance under a Project Rental Assistance Contract (PRAC);
  - ❖ Section 515 rural housing projects receiving Section 8 rental assistance;
  - ❖ Projects subsidized with Section 221(d)(3) below-market interest mortgage;
  - ❖ Projects assisted under Section 236 of the National Housing Act; and
  - ❖ Other projects receiving Section 8 project-based rental assistance.
- Living units must be for frail elderly and/or the disabled.
- The original housing project must be at least 5 years old.

### **Terms:**

- This grant provides the funds for the physical costs for converting some or all units in an eligible development into an ALF based on HUD or State requirements, whichever is more stringent.
- The ALF must provide assistance with activities of daily living including, but not limited to:
  - ❖ Eating.
  - ❖ Bathing.
  - ❖ Grooming.
  - ❖ Dressing.
  - ❖ Home management activities.
  - ❖ Transportation.
  - ❖ Meals.
  - ❖ Housekeeping.
  - ❖ Laundry.
- The facility must be licensed and regulated by the state.

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development  
Casper Field Office  
P.O. Box 11010  
Casper, WY 82602  
(307) 261-6250 • Fax: (307) 261-6245  
[www.hud.gov](http://www.hud.gov)**

## **Energy Efficient Mortgages (EEM)**

This program helps homebuyers or current homeowners to save money through lowering their utility bills by adding energy-efficient features. The program is administered through the Federal Housing Administration (FHA). The FHA makes these loans easier to obtain by insuring them, giving borrowers who could not qualify for loans by themselves the ability to meet the credit requirements of a third-party.

### **Eligibility:**

- Eligible properties must be one to four-unit structures and may be either newly built or existing buildings.
- The project's total cost must be less than the cost of the total dollar value of the energy that will be saved during the equipment's useful life.
- This program may be used in conjunction with FHA Section 203(k) mortgages as well as many other federally insured loans to provide extra financing for energy efficiency improvements.

### **Terms:**

- FHA will insure up to 97% of the loan.
- Mortgage must be administered through an FHA-approved lending institution.
- The EEM amount may not exceed 5% of the property's value or \$4,000, whichever is greater. However, the total mortgage may not exceed \$8,000.
- The funds from this program will be put into an escrow account until verification of the installation of improvements is obtained.
- All rules and regulations apply for the Section 203(b) programs and the Title I Home Improvement Loan Program. Information about these programs can be found in their respective pages inside this resource guide.
- If the structure is an existing building all renovations and improvements must be completed within 90 days from the closing of the loan.
  - ❖ However, if the loan is financed with a Section 203(k) loan the renovations and improvements must be completed within 180 days from the closing of the loan.

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development  
Casper Field Office  
P.O. Box 11010  
Casper, WY 82602  
(307) 261-6250 • Fax: (307) 261-6245  
[www.hud.gov](http://www.hud.gov)**

## **FHA Graduated Payment Mortgage Insurance** **Section 245**

This program is designed to aid households that currently have a limited income, but expect that their income will increase in the future. The U.S. Department of Housing and Urban Development (HUD) allows mortgage payments to start small for qualifying individuals and increase gradually over time. This mortgage program is insured by the Federal Housing Administration (FHA) to make it easier for homebuyers to qualify for loans.

### **Eligibility:**

- The residence to be bought must be the primary residence of the borrowers.
- Borrowers must have low to moderate incomes.
- Borrowers must expect their income to increase substantially in the next 5 to 10 years.
- The lender that the borrower uses must be an FHA-approved lending institution to qualify for this program.

### **Terms:**

- The maximum loan for homes under this program is 97% of the cost of the home (3% of the cost must be in the form of a down payment).
- The FHA limits the size of the loan based on location.
- There are five plans in this program, the rates at which payments increase are as follows:
  - ❖ 2.5% per year for the first 5 years.
  - ❖ 5% per year for the first 5 years.
  - ❖ 7.5% per year for the first 5 years.
  - ❖ 2% per year for the first 10 years.
  - ❖ 3% per year for the first 10 years.
  - ❖ Payments will remain the same after the first 5 or 10 years, depending on the plan.
- The borrower will be liable to pay the increased mortgage payments based upon the plan that they choose.
- The borrower should note that these loans, over their lifespan, will accrue more interest than a traditional loan.

### **Contact:**

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**(307) 261-6250 • Fax: (307) 261-6245**  
**[www.hud.gov](http://www.hud.gov)**



## **FHA Insured 203K Rehabilitation Loan**

This program is designed to rehabilitate or repair primary residences. The loan for any project is taken out from an approved third-party lender and is then insured by the Federal Housing Administration (FHA). This protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan. This program is unique in that it allows homebuyers to finance both the purchase of the residence and the rehabilitation and repair of the site in one loan.

### **Eligibility:**

- The property must be a one to four-family dwelling.
- Homes that have been demolished are eligible as long as some of the existing foundation remains in place.
- This program may be used to convert a single-family dwelling into a dwelling containing up to four dwelling units for families, or vice versa.
- Under certain conditions an existing home may be moved onto a different location with these funds.
- The property may be “mixed use” under the following conditions:
  - ❖ One story building: Less than 25% of floor space is used for commercial use.
  - ❖ Two story building: Less than 49% of floor space is used for commercial use.
  - ❖ Three story building: Less than 33% of floor space is used for commercial use.
  - ❖ Commercial use does not affect health and safety of occupants.
  - ❖ Funds may only be used for residential portion of the structures.
- Under certain circumstances the funds may be used for individual units of condominiums. All condominium projects must be certified by the FHA, Veterans Affairs (VA), or are acceptable to Fannie Mae (FNMA) guidelines.
- Luxury items (swimming pools, hot tubs, etc.) do not qualify for this program.

### **Terms:**

- Loan amounts may not exceed the lesser of:
  - ❖ The as-is value of the property before rehabilitation plus the cost of rehabilitation.
  - ❖ 110% of the expected market value of the property upon completion of the work.
- Interest rates are to be determined by the borrower and the approved lender.
- Loan amortization may not exceed 30 years.
- There are specific requirements for all renovation projects and these should be discussed in detail with the U.S. Department of Housing and Urban Development (HUD) office.
- Certain charges and fees may apply, please contact your local HUD office for details about these charges.
- The homeowner has up to 6 months to complete rehabilitation of the structure upon closing.

**Contact:**

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## **FHA Insured Home Improvement Loans**

### **Title I**

This program is designed to aid borrowers who are repairing, renovating, or improving their home by insuring loans made by third party lenders. The loan for any project is taken out from an approved third-party lender and is then insured by the Federal Housing Administration. This protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan.

#### **Eligibility:**

- Any structure must be completed and occupied for at least 90 days to be eligible for this program.
- Loan funds may be used for:
  - ❖ Alterations.
  - ❖ Repairs.
  - ❖ Site improvements.

#### **Terms:**

- Lenders must be FHA approved lenders for Title I Loans.
  - ❖ To find an approved lender please contact your U.S. Department of Housing and Urban Development (HUD) office.
- Maximum amounts for insured loans are as follows:
  - ❖ Single family house: \$25,000.
  - ❖ Manufactured house on permanent foundation: \$17,500.
  - ❖ Manufactured house: \$7,500.
  - ❖ Multifamily structure: An average of \$12,000 per living unit up to a total of \$60,000.
- Maximum loan terms are as follows:
  - ❖ Single family house: 20 years.
  - ❖ Manufactured house on permanent foundation: 15 years.
  - ❖ Manufactured house: 12 years.
  - ❖ Multifamily structure: 15 years.
- Loans made under this program are to be at a fixed rate.
  - ❖ Rates are to be decided upon by the lender but should reflect the common market rate in the area.
- Loans over \$7,500 must be secured by a mortgage or deed of trust on the property.

#### **Contact:**

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## **FHA Insured Loan for Manufactured Homes**

This program is designed to aid borrowers through insuring a loan that is financed through a third-party lender. The borrower must work with an approved lender for the purchase of a manufactured home and/or lot. The Federal Housing Administration (FHA) then insures the loan to protect the lender if the borrower should default. This provides added security to the lender and provides home buyers an improved chance of qualifying for a loan.

### **Eligibility:**

- Borrowers must:
  - ❖ Have sufficient funds to make the minimum required down payment of 5%.
  - ❖ Be able to make payments on the loans and meet all other expenses.
  - ❖ Use the home the loan is taken out for as their principal residence.
  - ❖ Have a suitable site on which to place the manufactured home. The site may be a rental site.
- Manufactured homes must:
  - ❖ Meet the National Manufactured Home Construction and Safety Standards.
  - ❖ Carry at least a one-year manufacturer's warranty if it is a new home.
  - ❖ Be installed to meet established local standards and have adequate water supply and sewage disposal facilities.
  - ❖

### **Terms:**

- Lender must be an FHA approved lender. For information about which lenders qualify please contact your local U.S. Department of Housing and Urban Development (HUD) office.
- Maximum insured amounts are as follows:
  - ❖ Manufactured home only: \$48,600.
  - ❖ Manufactured home lot only: \$16,200.
  - ❖ Manufactured home and lot: \$64,800.
  - ❖ Loans may be increased by up to 85% in areas designated as high-cost. For information about which areas qualify please contact your local HUD office.
- Maximum maturities for the loans are as follows:
  - ❖ 20 years for a loan on a manufactured home or a single-section manufactured home and lot.
  - ❖ 15 years for a loan on a manufactured home lot.
  - ❖ 25 years for a loan on a multi-section manufactured home and lot.
- Interest rates are fixed for these loans.
  - ❖ The rate is determined by the lender at the time of the loan and is based upon prevailing market rate in the area at the time.

**Contact:**

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## **Indian Community Development Block Grant (ICDBG) Program**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) and was designed to provide direct grants for use in developing viable Indian Communities. These grants are specifically meant to provide decent housing, a suitable living environment, and economic opportunities primarily for low and moderate-income persons.

### **Eligibility:**

- Two grants are funded through this program:
  - ❖ Single purpose grants: These competitively-awarded grants are designed to give funds to activities benefiting a specific community need. This grant must benefit primarily low and moderate-income (LMI) individuals.
  - ❖ Imminent threat grants: These grants are given only if the grant will be used to solve a problem that is of imminent danger to public health or safety as defined by the ICDBG regulations.
- Eligible applicants include:
  - ❖ Federally Recognized Indian Tribes.
  - ❖ Tribal Organizations.
- Eligible purposes for the loan include:
  - ❖ Housing – Rehabilitation, land acquisitions, support new construction, and under special circumstances new construction itself.
  - ❖ Community facilities – Construction of infrastructure such as roads, water and sewage facilities, and single or multipurpose community buildings.
  - ❖ Economic development – Industrial, commercial, and agricultural projects.
- Projects must be shown to address local needs.

### **Terms:**

- Funds will be dispersed in a competitive fashion, except for when projects are shown to be preventing an imminent threat to a community.
- The grant amount will be determined by the size of the project, the size of the applying entity, the need for the project, etc.

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## **Indian Home Loan Guarantee Program** **Section 184**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to provide guarantees on home loans taken out by Native American individuals or families, Indian Housing Authorities (IHAs), and Indian Tribes. Please note that guarantees are not loans themselves, but are rather meant to provide a promise to the lender that if the loan is defaulted on they will still receive a substantial portion of their funds back. This makes it much easier for borrowers to obtain loans.

### **Eligibility:**

- Borrowers must be Native American individuals or families, IHAs, or Indian Tribes.
- The loan funds may be used for acquisition, construction, rehabilitation, or refinancing of a single-family home.
- The property to be financed must be on restricted Indian land or in an Indian operating area.
- The lender must be approved by the FHA, VA, or USDA Rural Development.

### **Terms:**

- The term of the loan and the interest rates charged are to be determined by the borrower and the third-party lender.

### **Contact:**

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## **Indian Housing Block Grant (IHBG)**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to help provide housing to Indian tribes and Tribally Designated Housing Entities (TDHEs).

### **Eligibility:**

- Eligible entities are Federally recognized Indian tribes, Tribally Designated Housing Entities (TDHEs), and a limited number of state recognized tribes authorized under the United States Housing Act of 1937 (USHA).
- Projects may include:
  - ❖ Indian housing assistance (modernization or operating assistance for housing previously developed).
  - ❖ Development of additional affordable housing.
  - ❖ Management services.
  - ❖ Safety, security, and law enforcement services.
  - ❖ Other housing-related services.

### **Terms:**

- The applicant must submit, at the end of every year an Annual Performance Report (APR).
- The applicant must submit, once a year, an Indian Housing Plan (IHP) to receive funding.

### **Contact:**

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## **Insured Mortgages on Indian Land** **Section 248**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to insure mortgages taken out by Native Americans on Indian land. This mortgage insurance protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan. This program is for the purchase or construction of a home that is financed by an FHA-approved lender.

### **Eligibility:**

- Applicants must be Native American and the home must be on Indian land.
- Applicants must be low to middle-income as determined by HUD.
- Applicants may purchase an existing home or build a new property.
- All properties must meet Federal Housing Administration (FHA) standards and have functioning water, sewer, and electrical systems.
- For new homes the plans must be approved by the FHA.
- The lending institution used must be FHA-approved.

### **Terms:**

- Under this program the down payments are minimized and, unlike most loans, be financed in the loan instead of paid at the closing of the property.
- Closing costs may be financed under the loan, covered by a gift, grant, or secondary financing, or paid by the applicant outright.
- The FHA can insure up to 97% of the loan.
- The loan interest rate and maturity of the loan is to be decided upon by the lender and borrower.
- There are limits to the price of the home that may be purchased under this program, please contact your HUD office to determine if you will qualify.

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## **Mortgage and Major Home Improvement Loan Insurance** **Section 220**

This program is administered by the U.S. Department of Housing and Urban Development (HUD). The insurance is used to cover loans made for multifamily housing projects in urban renewal areas, code enforcement areas, and other areas where local governments have undertaken designated revitalization activities. This program may be used for either new or rehabilitated housing.

### **Eligibility:**

- Applicants must be constructing, rehabilitating, or buying property that has been rehabilitated by a local public agency.
- The property must have at least 2 units.
- The property must be located in an urban renewal area, urban development project, code enforcement program area, urban area receiving rehabilitation assistance as a result of natural disaster, or area where concentrated housing, physical development, or public service activities are being carried out in a coordinated manner.
- Applicants must be private for-profit entities, public bodies, and others who may meet HUD requirements as mortgagors.

### **Terms:**

- The lender must be HUD-approved.
- The maximum amount of the loan may be 90% of the project cost.
- The maximum maturity of the loan is 40 years or three-quarters of the remaining economic life of the project, whichever is less.
- Interest rates are to be decided upon by the lender and borrower.

### **Contact:**

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## **Mortgage Insurance for Existing Multifamily Rental Housing** **Section 207/223(f)**

This program is administered by the U.S. Department of Housing and Urban Development (HUD). This mortgage insurance program is meant to aid in the purchase or refinancing of existing apartment projects, refinance an existing cooperative housing project, or for the purchase and conversion of an existing rental project into cooperative housing.

### **Eligibility:**

- Owners or buyers of multifamily facilities.
- This program may be used for either purchase or refinancing purposes only.
- The facility must have at least 5 units.
- Any construction or large rehabilitation projects must be completed for a minimum of 3 years.
- This mortgage insurance program is for facilities that do not require current substantial rehabilitation.
- The project life must be able to permit at least a 10-year mortgage.

### **Terms:**

- The maturity for the loan may not be more than 35 years or 75% of the life of physical improvements, whichever is less.
- The maximum insurance on purchases is the lesser of:
  - ❖ 85% HUD appraisal.
  - ❖ 85% of acquisition cost.
  - ❖ Section 207 limit per unit – See the Section 207 within this guide.
  - ❖ Mortgage amount supported by 85% of income.
- The maximum insurance on refinancing projects is the lesser of:
  - ❖ 85% HUD appraisal.
  - ❖ Section 207 limit per unit.
  - ❖ Mortgage amount supported by 85% of income.
  - ❖ The cost to refinance, this may not be less than 80% of HUD's appraisal.
- The interest rate and repayment schedule is to be decided upon by the lender and the borrower.

### **Contact:**

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**Mortgage Insurance for Manufactured Home Parks**  
**Section 207**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to provide insurance for the construction or rehabilitation of manufactured home parks. The loans are taken out from an approved third-party lender and then insured by the Federal Housing Administration (FHA). This protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan.

**Eligibility:**

- The manufactured home park for which the funds will be used must have at least five spaces.
- The manufactured home park must also be located in an area approved by HUD that shows a need for this type of housing.
- This insurance may be used for mortgages for either construction or rehabilitation purposes.

**Terms:**

- The interest rate and the term of the loan will be decided upon by the lender and borrower.
- The lending institution must be an FHA-approved lender.

**Contact:**

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**Mortgage Insurance for Rental and Cooperative Housing**  
**Section 221(d) (3) & (d) (4)**

This mortgage insurance program is administered by the U.S. Department of Housing and Urban Development (HUD). It is meant to be used to help facilitate the construction or substantial rehabilitation of multifamily rental or cooperative housing for moderate-income families, the elderly, and the handicapped through insuring loans from a third party. The loan for any project is taken out from an approved third-party lender and is then insured by the Federal Housing Administration. This protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan.

**Eligibility:**

- Applicants for Section 221(d)(3) must be public entities, nonprofit entities, and cooperative mortgagors.
- Applicants for Section 221(d)(4) must be for-profit entities.
- The project must be for multifamily housing, with at least 5 units.
- Single Room Occupancy (SRO) projects may also be insured, if they do not contain a full kitchen or bath.
- Funds may be used for construction or rehabilitation of multifamily facilities.

**Terms:**

- The lender used to finance the loan must be HUD-approved.
- Section 221(d)(3) may insure up to 100% of the loan amount.
- Section 221(d)(4) may insure up to 90% of the loan amount.
- The maturity of the loan may be no more than 40 years.
- The program allows for loans to be financed under Government National Mortgage Association (GNMA) Mortgage Backed Securities.
- Interest rates are to be determined by the borrower and the lender.

**Contact:**

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## **Mortgage Insurance for Rental Housing for the Elderly** **Section 231**

This program is administered through the U.S. Department of Housing and Urban Development (HUD) to provide insurance for mortgages for the construction and substantial rehabilitation of multifamily rental housing for elderly persons and/or persons with disabilities. The loan for any project is taken out from an approved third-party lender and is then insured by the Federal Housing Administration. This protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan.

### **Eligibility:**

- The project that the mortgage is taken out for must benefit persons at least 62 years of age and/or persons with disabilities.
- Mortgages must finance either construction or substantial rehabilitation to rental properties.
- The facility must contain eight or more units.
- The lending institution must be HUD-approved.

### **Terms:**

- The insured loan amounts are determined by:
  - ❖ Construction: The cost to replace the building.
  - ❖ Rehabilitation: The value of the undertaken project.
- The loan may be insured up to 100% for nonprofit sponsors.
- The loan may be insured up to 90% for other sponsors.
- The maturity and interest rate of the loan are to be decided upon by the borrower and the private lending institution.

### **Contact:**

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## **Nursing Homes, Intermediate Care Facilities, and Assisted Living Facilities**

These programs are administered by the U.S. Department of Housing and Urban Development (HUD) to insure mortgages for the construction or substantial rehabilitation of nursing homes and other related facilities, Section 232. A separate, but similar program is also available for the purchase or refinancing of an existing project, Section 232/223(f). These programs are for insurance purposes only; the applicant must still apply and qualify for a loan from a third-party lender.

### **Eligibility:**

- Mortgages may be used on Nursing Homes, Intermediate Care Facilities, Board and Care Homes, and Assisted Living Facilities (ALFs).
- Major equipment that is required to operate one of the facilities listed above may also be included in the mortgage.
- Borrowers may be developers, private owners, private nonprofit organizations, public agencies, and public entities with the proper licensing from the State.
- The facility that is financed under these programs must be able to accommodate at least 20 persons requiring nursing care, intermediate care, assisted living, and/or board and care.

### **Terms:**

- The lender that the mortgage is obtained from must be a HUD-approved lender.
- The maturities of the loans are as follows:
  - ❖ New construction and rehabilitation (Section 232) – 40 years.
  - ❖ Purchase or refinancing of existing properties (Section 232/223 (f)) – 35 years.
- The maximum insured loan amounts are as follows:
  - ❖ 90% of cost for construction and rehabilitation (95% for nonprofit organizations).
  - ❖ 85% of cost for existing projects (90% for nonprofit organizations).

### **Contact:**

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## **One to Four-Family Home Mortgage Insurance** **Section 203(b)**

This program is administered through the U.S. Department of Housing and Urban Development (HUD) to provide mortgage insurance to individuals purchasing or refinancing a home. The loan for any project is taken out from an approved third-party lender and is then insured by the Federal Housing Administration. This protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan. The HUD insurance on the loan also helps low and moderate-income individuals receive lower costs on their mortgages.

### **Eligibility:**

- The applying family must qualify as low to moderate-income.
- This program is for first-time homebuyers and other buyers who would not otherwise qualify for a conventional loan.
- This program may also be used to finance mortgages in underserved areas where mortgages may be more difficult to obtain.
- The property financed by the mortgage must be the primary residence of the applicant.
- The lending institution must be FHA-approved.

### **Terms:**

- The Federal Housing Administration (FHA) will insure up to 97% of the mortgage.
- Down payments may be as low as 3%.
- Many closing costs that normally would have to be paid at closing may be financed under this program.
- The borrowers must pay an upfront insurance premium as well as monthly premiums that are added to the regular mortgage payment.
- The FHA sets limits on some fees that the lender may charge.
- Interest rates are to be negotiated with the lending institution.
- The maturity of the loan may not to exceed 30 years.
- The maximum mortgage amounts are set by HUD and are based upon the maximum limits as determined by Fannie Mae and Freddie Mac.

### **Contact:**

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## **Section 8 Housing Choice Vouchers**

This program was designed to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing within the private market. The vouchers are administered by public housing agencies (PHAs). A family that is issued one of these vouchers may then find a suitable housing unit where the owner agrees to rent under the program. The owner is then paid through the county's contribution toward rent and a subsidy provided by the PHA. These PHAs receive funds directly from the U.S. Department of Housing and Urban Development (HUD).

### **Eligibility:**

- Generally, the family's income may not exceed 50% of the median income for the county in which they choose to reside.
  - ❖ The PHAs, by law, must provide 75% of funds to families whose income does not exceed 30% of the area's median income.
- The PHA will determine eligibility based upon family income, assets, and family composition.
- If an applicant is deemed as eligible, the applicant's name will be placed on a waiting list unless the PHA is able to help immediately.

### **Terms:**

- The rent subsidy is generally lesser of:
  - ❖ The standard payment minus 30% of the family's monthly adjusted income.
  - ❖ The gross rent for the unit minus 30% of the family's monthly adjusted income.
- The family is responsible for all rent payments above what is covered by the voucher.
- Under certain conditions, the family may move to another location and still be available for the voucher program.
- The family must sign a lease for the dwelling for at least 1 year.
- The family is expected to fulfill all lease agreements: pay their portion of the rent on time, maintain the unit in good condition, and notify the PHA of any change in income or family composition.
- The landlord will receive full compensation for the unit rented. The housing provided is to be safe, decent, and sanitary.

### **Contact:**

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## **Supplemental Loans for Multifamily Projects** **Section 241**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to insure mortgages for repairs, additions, and improvements to multifamily rental housing and health care facilities that already have Federal Housing Administration (FHA) insured first mortgages or HUD mortgages. Please note that this is an insurance program for mortgages and applicants must apply still and qualify for a loan from a third-party lender. The loan is then insured by the FHA; this protects the lender in case the borrower defaults on the loan and gives the borrower an improved chance of qualifying for a loan.

### **Eligibility:**

- Financing may be used for multifamily projects, group-practice facilities, hospitals, or nursing homes already held or insured by the FHA or HUD.
- Financing may be used for repairs, additions, and/or improvements to existing structures.
- Financing may also be used for major movable equipment.

### **Terms:**

- The term and interest rate on the loan is to be decided upon by the borrower and the lending institution.
- The maximum amount of the insured loan is 90% of the cost of improvements.
- The loan amount, when added to the outstanding balance of the original HUD or FHA loan, may not exceed the original amount of that first loan.

### **Contact:**

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## **Supportive Housing for Persons with Disabilities - Section 811**

This program is administered by the U.S. Department of Housing and Urban Development (HUD) to provide funds for the development of rental housing that have available supportive services for very low-income adults with disabilities. This program may also provide rent subsidies to help make the projects affordable.

### **Eligibility:**

- The applicant must be a nonprofit organization with 501(c)(3) status.
- The applicant must be able to provide a capital investment of at least one half of 1% of the capital advance amount, up to \$10,000, and any funds required in excess of the capital advance, including the estimated cost of any amenities or features (and operating costs related thereto) which are not covered by the capital advance.
- The proposed project must help individuals who are at least 18 years of age, have a disability and are classified as having a very low-income (50% of median area income).
- The funds may be used for construction, rehabilitation, or acquisition of facilities.

### **Terms:**

- HUD provides interest-free capital advances to help finance these supportive housing projects.
- These capital advances do not have to be repaid as long as the project remains viable and assists very low-income individuals with disabilities for at least 40 years.
- The rental assistance that HUD can provide will pay for the difference between the portion of the rent paid by tenants and the HUD-approved operating cost of the project.
  - ❖ The normal amount charged to tenants is 30% of their adjusted income.
  - ❖ The rental assistance is granted in a 3 year contract and may be renewed if funds are available.

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development  
Casper Field Office  
P.O. Box 11010  
Casper, WY 82602  
(307) 261-6250 • Fax: (307) 261-6245  
[www.hud.gov](http://www.hud.gov)**

## **Supportive Housing for the Elderly** **Section 202**

This program is administered by the U.S. Department of Housing and Urban Development (HUD). It assists in the expansion of the supply of housing with supportive services for the elderly. HUD provides capital advances to finance construction, rehabilitation, or acquisition of structures to be used as supportive housing for very low-income elderly persons. This allows these individuals to live independently but still be in an environment that provides support activities such as cleaning, cooking, transportation, etc.

### **Eligibility:**

- Private nonprofit organizations are eligible for these funds.
- Applicants must be able to show that they will provide a minimum capital investment equal to one half of 1% of the HUD capital advance.
  - ❖ The maximum required is \$25,000 for national sponsors and \$10,000 for other sponsors, and any funds required in excess of the capital advance, including the estimated cost of any amenities or features (and operating costs related thereto) which are not covered by the capital advance.
- Projects must provide supportive housing for the elderly (at least 62 years of age) that classify as very-low income.

### **Terms:**

- The capital advances do not have to be repaid as long as the project serves the very low-income elderly for at least 40 years.
- Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the rent gathered from tenants.
  - ❖ The tenants' expected rent is normally 30% of their monthly adjusted income.
  - ❖ These are provided for in contracts initially approved for 3 years and are renewable based upon the availability of funds.

### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development**  
**Casper Field Office**  
**P.O. Box 11010**  
**Casper, WY 82602**  
**(307) 261-6250 • Fax: (307) 261-6245**  
**[www.hud.gov](http://www.hud.gov)**

## **Tribal Housing Activities Loan Guarantee Program**

### **Title VI**

This program was designed to assist Indian Housing Block Grant (IHBG) recipients who want to finance eligible affordable housing activities. This federal guarantee is a pledge by the U.S. Government to repay all or a portion of the loan to the lending institution should a borrower default in their payments. This gives added security to the lender and makes it much easier for borrowers to obtain loans.

#### **Eligibility:**

- Eligible borrowers:
  - ❖ A federally recognized tribe that receives IHBG funds.
  - ❖ A Tribally Designated Housing Entity (TDHE) authorized by a tribe to receive IHBG funds and is authorized to make obligations and pledge IHBG funds as security.
  - ❖ Household income may not exceed 80% of the median income for the area.
- Eligible lenders:
  - ❖ FHA approved lender.
  - ❖ VA approved lender.
  - ❖ USDA approved lender.
  - ❖ Supervised, approved, regulated, or insured by an agency of the U.S.
- Eligible purposes:
  - ❖ Indian Housing Assistance.
  - ❖ Housing Development, Services, or Management Services.
  - ❖ Crime Prevention and Safety Activities.
  - ❖ Contact your HUD office for other potential purposes.

#### **Terms:**

- Applicant must submit a Letter of Request (LoR) to the Office of Loan Guarantees (OLG) in Denver.
- The terms of the loan will be decided upon by the borrower and lender.
- Each unit of housing built may not exceed 105% of the Dwelling Construction and Equipment Costs (DC&E) determined by the agency.

#### **Contact:**

For application information or any additional information or questions please contact:

**U.S. Department of Housing and Urban Development**  
**Casper Field Office**  
**P.O. Box 11010**  
**Casper, WY 82602**  
**(307) 261-6250 · Fax: (307) 261-6245**  
**[www.hud.gov](http://www.hud.gov)**

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# 2015

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## ADDITIONAL PROGRAMS

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## **Distance Learning and Telemedicine (DLT)** **Loan & Grant Program**

These loans and grants are administered by the U.S. Department of Agriculture (USDA) and were created to encourage and improve telemedicine services and distance learning services in rural areas. These services are encouraged through the funding of telecommunications, computer networks, and related advanced technologies for students, teachers, medical professionals, and rural residents. This program is very flexible in that there are grant programs, loan programs, and combination loan-grant programs designed to best suit the needs of a wide range of rural communities.

### **Eligibility:**

- Eligible applicants include government entities, consortiums, recognized Indian tribes, private corporations of either a for-profit or nonprofit nature, or any other legally organized entities.
- All applicants and projects are graded on a given number of criteria and grants will be given out in accordance with needs.
- All funds must be used to benefit rural areas.

### **Terms:**

- Grant Program:
  - ❖ A minimum of 15% matching funds are required.
  - ❖ Minimum and maximum grants are \$50,000 and \$500,000 respectively.
  - ❖ All grants are given out on a competitive basis.
  - ❖ Funds must go to provide equipment that functions via telecommunications systems for the purpose of connecting students and teachers or medical professionals and patients at separate sites (e.g. video-conferencing equipment). It may also fund things such as instructional programming and technical assistance for the systems. It, however, does not fund the telecommunication links themselves.
- Loan/Grant Combo Program:
  - ❖ Defined as a mixture of loan and grant funds. The ratio of loan funds to grant funds under this program is determined yearly and applicants should contact their USDA office to determine what the current ratio is.
  - ❖ This program, unlike the grants, is noncompetitive.
  - ❖ No matching funds are required.
  - ❖ The minimum total funds received from loans and grants under this program is \$50,000.
  - ❖ Eligible purposes include all those listed under the grant program, plus additional purposes not funded under the grant program, such as communications within a single facility, construction or alteration of buildings, and telecommunications transmission facilities.
- Loan Program:
  - ❖ These loans, unlike the grants, are noncompetitive.
  - ❖ No matching funds are required.
  - ❖ The minimum loan allowed is \$50,000.

- ❖ Eligible purposes include all those listed under the grant and loan/grant combo sections, plus additional purposes such as financing for two years of the project's operating costs and educational broadcasting for distance learning.
- It is strongly recommended that applicants contact their USDA office because this program is at times very complex and many specific items are subject to annual change.

**Contact:**

For application information or any additional information or questions please contact:

**State Director, USDA Rural Development**  
**Street Address – 100 East B Street, Suite 1005**  
**Mailing Address – P.O. Box 11005**  
**Casper, WY 82602-5006**  
**(307) 233-6700 • Fax: (307) 233-6739**  
**[www.usda.gov](http://www.usda.gov)**



## **Industrial Road Program (IRP)**

This program is administered by the Wyoming Department of Transportation (WYDOT) for the purpose of providing state funding in order to supplement private industrial funding for construction of roadways that will serve an industrial facility. These facilities must benefit the county it is located in as well as the surrounding communities through employment, tax generation, property valuation, resource refinement, and other beneficial uses.

### **Eligibility:**

- The project must benefit industrial development that will improve and strengthen the surrounding communities.
- The project must be sponsored by a county.
  - ❖ Each county may sponsor multiple projects, but each county may not receive more than \$2 million per biennium.
- The IRP request must be initiated by the Board of County Commissioners.

### **Terms:**

- IRP requires a 50-50 match with private funds.
- The minimum funding for an individual project is \$25,000.
- Funds are distributed on a first come, first served basis.
- Funds may be used to construct a segment of a larger project.
- WYDOT is to approve, administer, and provide oversight for the various stages of project completion.
- When the project is completed and accepted by the county, the county becomes responsible for all maintenance on the roadway.

### **Contact:**

For application information or any additional information or questions please contact:

**WYDOT Headquarters  
WYDOT Local Government Coordinator  
5300 Bishop Blvd.  
Cheyenne, WY 82009  
(307) 777-4384  
[www.dot.state.wy.us](http://www.dot.state.wy.us)**

## **Preservation Tax Incentives for Historic Buildings** **10% Tax Credit**

This program is offered through the National Parks Service (NPS) on behalf of the Secretary of the Interior. With the creation of the Tax Reform Act of 1986 any building that was constructed before 1936 and not registered as a Certified Historic Structure is eligible for this program. Please note that this is a tax credit and is not an income tax deduction. Tax credits lower the amount of tax owed whereas tax deductions lower the amount of income subject to taxation.

### **Eligibility:**

- Any building built before 1936.
- Any building moved after 1935 is not eligible for this program.
- The building must be depreciable (income producing).
  - ❖ The building cannot be used for residential purposes, so it cannot be used for rental housing purposes. Hotels would still qualify under this program due to the fact that they are considered commercial property.
- The renovations must be substantial.
  - ❖ \$5,000 or the adjusted basis of the building, whichever is greater.
  - ❖ Adjusted Basis = Purchase Price – Cost of land + Improvements – Depreciation.

### **Terms:**

- Only renovations to the actual building are eligible for the tax credit.
- Physical test requirements for internal and external walls:
  - ❖ At least 50% of external walls must remain in place as external walls.
  - ❖ At least 75% of external walls must remain in place as either external walls or interior walls.
  - ❖ At least 75% of internal structural framework must remain in place.
- There is no formal review process under the 10% tax credit program.
- The tax credits are claimed using the Internal Revenue Service (IRS) form 3468 in the tax year that the renovated building is placed in service.
- Please note that the 10% and 20% tax credit programs are mutually exclusive, only one may be used. The program to be used is based on the building, not the owner's preference.

### **Contact:**

For application information or any additional information or questions please contact:

**State Historic Preservation Office**  
**Brian Beadles**  
**Historic Preservation Specialist**  
**2301 Central Ave.**  
**Cheyenne, WY 82002**  
**(307)777-8594**  
**[www.wyoshpo.state.wy.us](http://www.wyoshpo.state.wy.us)**

## Preservation Tax Incentives for Historic Buildings 20% Tax Credit

This program is offered through the National Parks Service (NPS) on behalf of the Secretary of the Interior. With the creation of the Tax Reform Act of 1986 any land owner or long term lessees (leased the land for at least 39 years for non-commercial property) are eligible for this program. Please note that this is a tax credit and is not an income tax deduction. Tax credits lower the amount of tax owed whereas tax deductions lower the amount of income subject to taxation.

### Eligibility:

- Structures must be designated as a Certified Historic Structure.
  - ❖ This is defined as a building that is individually listed in the National Register of Historic Places or is located in a Registered Historic District and certified by the NPS as contributing to the historical significance of the area.
  - ❖ If you are unsure of your building's standing please contact your State Historic Preservation Officer (SHPO).
  - ❖ You may register your building as a Certified Historic Structure through the National Parks Service.
- Building must be depreciable (income producing).
- Renovations must be substantial.
  - ❖ \$5,000 or equal to the adjusted basis of the building, whichever is greater.
  - ❖ Adjusted Basis = Purchase Price - Cost of Land + Improvements – Depreciation.

### Terms:

- Complete all application forms with the SHPO, who will submit your application to the NPS.
- Fees: Initial: \$250
- Final Fee based on Cost of Rehabilitation

<u>Project Cost</u>	<u>Fee</u>
\$5,000 - \$79,999	No fee
\$80,000 - \$3,849,999	\$845 + 0.15% (0.0015)
\$3,850,000 or more	\$6,500

  - ❖ Please note that the initial fee is deducted from the final fee to give your final payment.
- All renovation work must be done according to the rules set forth in *The Secretary of the Interior's Standards for Rehabilitation*.
- Only work on the building may be used for tax credit, renovations such as landscaping or sidewalk replacement are not eligible for this program.
- The building must be placed in service before the tax credits are used.
- The owner must hold the building for at least five years after renovations or the tax credit must be returned.
- All renovations must be reviewed after completion by the SHPO to verify that all renovations are in compliance with the rules and regulations set forth in *The Secretary of the Interior's Standards for Rehabilitation*.

- The tax credits are claimed using the Internal Revenue Service (IRS) form 3468 in the tax year that the renovated building is placed in service.

**Contact:**

For application information or any additional information or questions please contact:

**State Historic Preservation Office  
Brian Beadles  
Historic Preservation Specialist  
2301 Central Ave.  
Cheyenne, WY 82002  
(307)777-8594  
[www.wyoshpo.state.wy.us](http://www.wyoshpo.state.wy.us)**

## **Rural Arts Program**

In recognition of Laura Jane Musser's life-long commitment to excellence in the arts, and with awareness that pivotal and life-changing experience can occur for individuals through introduction to and participation in the arts, **The Laura Jane Musser Fund** hopes to encourage and excite a wider population to appreciate, learn, and participate in the arts.

In pursuit of this goal, the Musser Fund hopes to assist nonprofit arts organizations to develop, implement or sustain exceptional artistic opportunities for adults and children in the areas of literary, visual, music and performing arts.

### **Priority is placed on organizations that:**

- Increase access to the arts through scholarships, hands-on activities, community venues, workshops, discounts and other innovations.
- Demonstrate capacity to engage their community in the creation of art.
- Demonstrate support from their community (through volunteerism, membership, in-kind, or other types of support).

### **Organizations eligible for support:**

- Arts organizations that are physically located in rural communities with populations of less than 20,000.
- Nonprofit 501(c)(3) organizations.
- Organizations that have been in existence for at least one year at the time of application.

### **Limits of geography:**

Arts organizations physically located in rural communities (population 20,000 or less) in the following geographic areas:

- Colorado – All counties.
- Hawaii – All counties.
- Wyoming – All counties.
- Michigan – Alcona, Arenac, Berrien, Clare, Chippewa, Crawford, Genesee, Gladwin, Gogebic, Houghton, Ingham, Isabella, Kalamazoo, Keweenaw, Lake, Luce, Mecosta, Missaukee, Montmorency, Muskegon, Oceana, Ogemaw, Osceola, Oscoda, Roscommin, Saginaw, and Van Buren Counties.
- Minnesota – Aitkin, Becker, Cass, Clay, Clearwater, Hubbard, Itasca, Koochiching, Mahnommen, Morrison, Todd, and Wadena Counties.
- Ohio – Adams, Ashtabula, Athens, Belmont, Columbiana, Gallia, Guernsey, Hardin, Harrison, Hocking, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Pike, Scioto and Vinton Counties.

### **What rural arts funding will cover:**

#### **General Operating Support:**

- Grants up to \$10,000 per year.
- Applications are accepted for one year of funding at a time. It is possible for organizations to apply for and receive funding for up to three consecutive years. But then,

Grantees may not reapply for funding for at least one year after the three years of funding.

**Capacity-building Projects:**

- One-time projects that would significantly improve an organizations ability to address the priorities outlined here in the Musser Fund Rural Arts funding initiative.
- Grants may be up to \$25,000.
- Organizations are only eligible to receive one capacity-building grant from the Laura Jane Musser Fund.
- An organization may not apply for both general operating and capacity-building project support in the same year.

Each organization is eligible to receive up to three years of funding in a row from the Laura Jane Musser Fund. Both types of Rural Arts grants count towards this three-year limit (general operating support and capacity-building project support).

**What will not be funded:**

Capital campaigns.  
Arts festivals and conferences.

**Contact:**

For application information or any additional information or questions please contact:

**The Laura Jane Musser Fund**  
**Bethany Hansen**  
**Grants Program Manager**  
**318 West 48th St.**  
**Minneapolis, MN 55419**  
**(612) 825-2024**  
[www.musserfund.org](http://www.musserfund.org)

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2015

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**GLOSSARY**

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BUSINESS COUNCIL

# GLOSSARY

**Affordable Housing:**

Safe and decent housing that can be owned or rented by low- to moderate-income individuals. Affordable housing projects are generally sponsored by a nonprofit organization singly or jointly with public or private interests and require some form of public financial support, such as tax incentives or rent supplements. Affordable housing includes the purchase, new construction, or purchase/rehabilitation of single- and multifamily units.

**Business Incubator:**

A facility that provides below-market rents shared administrative and support services, and technical assistance for new, small businesses. Technical aid may include business and financial planning, management training and development, product development, market research and planning and related services. Incubator sponsors can include private developers, nonprofit community development corporations, public agencies, and universities.

**Certified Development Company (CDC):**

*Also known as a 504 corporation*

A nonprofit corporation that provides long-term (10- or 20-year), fixed-rate, fixed asset financing for small, and medium-sized businesses. The CDC must be approved by the Small Business Administration (SBA) and sponsored by the local government and/or business community. The CDC must: operate in a defined geographic area; have a board of directors of at least 25 members of the community representing government, private business, private lending institutions, and nonprofits; provide a full-time professional staff who can market the program, process and close loans and service its loan portfolio; have the ability to sustain its operations on a continuous basis; and have as its primary mission to “promote and assist the growth and development of business concerns in its operation area.”

**Co-Housing:**

Housing that combines private and communal forms of living where residents occupy individual, complete housing units and share additional kitchen, dining, and recreational facilities with other residents. Ownership may be private and design may vary.

**Community Action Agency:**

A public and/or privately funded agency that provides social services such as fuel assistance, day care and education classes to lower-income residents in surrounding communities. Community action agencies may also develop and manage affordable housing units.

**Community-Based Organization:**

A nonprofit organization serving disadvantaged populations in rural or urban communities. Services provided may include health care assistance, education opportunities for targeted groups, employment and training services and counseling for home ownership. Community-based organizations are funded from a variety of sources including state and local governments, foundations, private business, individuals and community or grass roots fund raising.



**Community Development Block Grant (CDBG):**

An annual allocation of federal funding administered by the U.S. Department of Housing and Urban Development (HUD) to promote neighborhood revitalization and local economic development. CDBG funds are made available to state and local governments, including: entitlement communities (cities and urban counties over 50,000 in population); state governments (for small cities and communities under 50,000 in population); and for Indian tribes and insular areas. As a condition of its allocation, HUD requires that grantees precede at least 75 percent of the allocation to benefit low- to moderate-income resident, aid in the prevention of slums and blight and address other urgent community development needs. (Also see Entitlement Community).

**Community Development Corporation (CDC)—Bank owned:**

A for-profit or nonprofit corporation capitalized by one or more banks to make debt or equity investments in local community projects. A bank-owned CDC can perform a variety of activities that banks may be prohibited from doing in the normal course of business, including: buying, selling, developing and managing real property; making equity investments; forming limited partnerships and joint ventures; making high risk loans; and providing technical assistance and counseling services. A bank-owned CDC can be a subsidiary of one or banks or bank holding companies, or be jointly owned by several entities such as banks, private investors and other nonprofit and private organizations. Bank-owned CDCs require regulatory approval by the Federal Reserve System in the case of state-chartered banks and bank holding companies, or by the Office of the Comptroller of the Currency for national banks. CDC activities should promote public benefit and development of a community, or meet the needs of low to moderate-income populations.

**Community Development Corporation (CDC)—Community-based:**

A nonprofit, community-based organization established to provide programs and services promoting affordable housing, business revitalization, and/or to provide technical assistance to residents or business owners. CDCs typically vary in size and scope, are tax-exempt and have boards of directors, which may include local residents, public officials, lenders and other community leaders.

**Community Development Credit Union (CDCU):**

A nonprofit credit union chartered to serve member residents and small businesses in a low-income community. Unlike a private, company/employee-based credit union, a CDCU is tax exempt and may attract deposits and program funding from churches, foundations, individuals and private business. Federally chartered CDCUs are regulated by the National Credit Union Association; state-character CDCUs are regulated by the state. In general, CDCUs offer services not provided by mainstream financial institutions, such as small loans at below-market rates to individuals who might not otherwise qualify for bank loans. CDCUs usually rely on banks, foundations, and other investors for deposits to support their work.

**Community Development Loan Fund (CDLF):**

A private, nonprofit financial intermediary that assembles investment capital and lends to community-based organizations and low-income projects. CDLFs assemble capital primarily from private, social investors in the form of loans, paying below-market interest on those funds and passing this subsidy to its borrowers. CDLFs can also provide borrowers with technical

assistance to reduce the risk of losses. Since CDLFs are unregulated lenders, they have flexibility in their organization structure, but may be subject to state laws and regulations. In most cases, they are incorporated as 501 (c)(3) nonprofits.

**Community Land Trust:**

A private, community-sponsored nonprofit organization that owns land in perpetuity and leases it to homebuyers at affordable prices. Under this arrangement, only the affordable housing units (improvements) are sold to eligible low- to moderate-income families. Leasing the land reduces the acquisition cost to families. Community land trusts control the terms of sale of all properties and improvements on the land to maintain the community interest, while allowing leaseholders to retain general ownership rights their properties.

**Community Reinvestment Act (CRA):**

A federal law enacted by Congress in 1977 required insured depository institutions to identify and address their local community credit needs. The law also authorizes financial institutions' regulators to assess lender's progress in this regard and make that assessment public. CRA is a credit law in which institutions are encouraged to consider all segments of their community, including low- and moderate-income populations, when creating and marketing credit products.

**Comprehensive Housing Affordability Strategy (CHAS):**

A five-year planning document required of state and local governments as a condition for receiving federal funds for housing programs from HUD. A CHAS must describe a community's housing needs and conditions and how low- and moderate-income populations will benefit. The plan must also describe the resources, policies, and programs that exist, or that will be created to meet these needs. A CHAS must be updated annually by the participating jurisdiction for it to remain eligible for funding.

**Congregate Housing:**

*Also known as Single Room Occupation Housing*

A residence in which tenants have private rooms but share common areas, such as kitchens, dining rooms, living rooms, and bathrooms

**Consumer Credit Protection Act:**

A federal law enacted in 1968 and subsequently amended, comprised of the following consumer credit protection laws: Truth in Lending Act, Fair Credit Reporting Act, Equal Credit Opportunity Act, Fair Debt Collection Practices Act, Electronic Funds Transfer Act, Fair Credit Billing Act, and Consumer Leasing Act.

**Cooperative:**

A multi-housing unit in which residents form a corporation for the purpose of collectively owning and managing the property. Membership in the cooperative gives residents the right to occupy the units and take part in the management and operation of the building. Resident's own shares in the corporation proportional to their share of the mortgage, rather than owning individual units. If a resident leaves, the new resident purchases the previous resident's share(s) and assumes responsibility for that part of the mortgage.

**Department of Housing and Urban Development (HUD):**

The principal federal agency responsible for programs designed to address the country's housing needs, fair housing opportunities, and improvement and development of communities. HUD was established by Congress in 1965 to provide: mortgage insurance for the purchase and improvement of single-family and multifamily dwellings; a secondary market through the issuance and guarantee of mortgage backed securities for investors in Government National Mortgage Association (Ginnie Mae); direct loans for construction or rehabilitation of housing projects for various targeted groups; housing subsidies for low- to moderate-income families; grants to cities, towns and states for community development activities; and enforcement of fair and equal housing opportunities.

**Department of Veterans Affairs (VA):**

A federal agency established in 1930 as an executive department by the Department of Veteran Affairs Act. The VA comprises three organizations that administer veteran programs: the Veterans Health Administration; the Veterans Benefits Administration; and the National Cemetery System. The Benefits Administration operates the VA's home loan guaranty program.

**Enterprise Zone:**

A geographic area designated either by a state or city government to encourage businesses to expand, relocate, purchase new equipment and/or create and retain jobs. An enterprise zone designation typically includes government offering various tax relief programs, direct financial assistance, and other incentives to assist businesses. Enterprise zones are generally economically depressed rural or urban areas.

**Entitlement Community:**

A city or urban county with a population of at least 50,000 that can apply for and receive community development block grant (CDBG) funds directly from the federal government. Communities having less than 50,000 people are non-entitlement areas and can only receive CDBG funding through the state office of economic development.

**Equal Credit Opportunity Act:**

A fair credit lending law enacted by Congress in 1974 that prohibits discrimination in a credit transaction on the basis of race, color, religion, national origin, sex, marital status, age, receipt of public assistance, or the exercise in good faith of rights granted by the Consumer Credit Protection Act. The scope of the Act covers all commercial and consumer credit transactions.

**Equity Grant:**

A grant, generally provided by a government agency, that reduces up-front acquisition costs of a housing or commercial development project. The grant may come in the form of a direct cash contribution, or as a reduction in sale price of publicly owned or held real property.

**Expiring Use Restrictions:**

The contractual right of owners of low- and moderate-income rental housing to prepay their publicly assisted mortgage and convert their property to market-rate housing.

**Fair Housing Act:**

Title VIII of the Civil Rights Act of 1968, which, among other requirements, prohibits lenders from discriminating in their housing-related, lending activities against any person because of race, color, religion, national origin, or sex. The Act covers transactions regarding the sale or rental of housing, including for the purpose of purchasing, constructing, improving, repairing, or maintaining a dwelling. Persons or groups may file complaints with the Department of Housing and Urban Development.

**Farm Credit Administration:**

An independent financial regulatory agency responsible for ensuring the safe and sound operation of Federal Credit System banks, associations, affiliated service organizations and other entities. The Farm Credit System protects the interests of the public and those who borrow from Farm Credit System institutions or invest in Farm Credit System securities. The Administration conducts examinations of the various Farm Credit System lending institutions, including System banks, the National Bank for Cooperatives, Federal Land Bank Associations, and the Agricultural Credit Associations. Management of the Administration is vested with the Farm Credit Administration Board, whose three full-time members are appointed to terms of six years by the President with the advice and consent of the Senate.

**Federal Agricultural Mortgage Corporation (Farmer Mac):**

A federally chartered, privately owned corporation created in 1987 by the Agricultural Credit Act. The purpose of Farmer Mac is to facilitate the development of a secondary market for agricultural real estate loans by: 1) authorizing the issuance of guaranteed mortgage-backed securities and guaranteeing the payment of principal and interest to holders of those securities; and 2) purchasing the guaranteed portion of Farmers Home Administration loans from lenders.

**Federal Home Loan Mortgage Corporation (Freddie Mac):**

A congressionally chartered private agency that purchases conventional residential mortgage loans from originating financial institutions. As part of its mission of creating a national secondary market, Freddie Mac both maintains its loans in portfolio or packages and sells them as securities. Freddie Mac also offers programs with flexible underwriting guidelines for lower-income homebuyers. Freddie Mac was established in 1970 as part of the Federal Home Loan Bank system to serve thrift institutions, but became a private agency under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).

**Federal Housing Administration (FHA):**

An agency created by the National Housing Act of 1934 to relieve unemployment and stimulate private lending for housing construction and rehabilitation. FHA became part of HUD in 1965. Since its inception, FHA's primary activity has been to insure home mortgage loans originated by approved lenders, but not meeting conventional underwriting criteria.

**Federal Housing Finance Board:**

An independent regulatory agency established in August 1989, by the Federal Home Loan Bank Act, as amended by the Financial Institutions Reform, Recovery and Enforcement Act. The Finance Board, which succeeds the Federal Home Loan Bank Board, supervises the Federal Home Loan Banks (FHLBanks) to ensure: that they carry out their housing finance

missions, that they remain adequately capitalized, that they are able to raise funds in the capital markets and that they operate in a safe and sound manner.

**Federal National Mortgage Association (Fannie Mae):**

A congressionally chartered, private agency established in 1937 to purchase and package conventional residential mortgages as securities and sell them to investors. In 1987, Fannie Mae created its Office of Low- and Moderate-Income Housing to provide more flexible underwriting guidelines for low-income homebuyers and nonprofit organizations.

**Government National Mortgage Association (Ginnie Mae):**

A wholly owned government corporation administered by HUD that guarantees FHA and VA mortgage-backed securities and manages a portfolio of federally-owned mortgages. Ginnie Mae was created in 1968 through amendment of Title 11 of the National Housing Act to create a secondary market for Ginnie Mae securities. Ginnie Mae warrants the performance of the issuer and assures the investors holding these securities that they will receive their principal and interest. Ginnie Mae is a guarantor; it does not issue, sell, or buy securities.

**HOME (Home Investment in Affordable Housing Program):**

A program created under Title II of the Affordable Housing Act of 1990 and funded by HUD. HOME provides funding to states, metropolitan cities, urban counties and government consortia (contiguous units of governments) to provide affordable housing for low- and moderate-income populations. To receive HOME funds, a jurisdiction must submit a Comprehensive Housing Affordability Strategy (CHAS) with its application for HUD approval.

**HOME Investment Trust Fund:**

A line-of-credit account established by HUD for each participating jurisdiction whose CHAS and program description are approved. The fund provides financing for all affordable housing projects that are based on the participating jurisdiction's approved housing strategy.

**Home Mortgage Disclosure Act (HMDA):**

A federal law enacted in 1975 and amended and extended permanently in 1988 that requires financial institutions to annually compile and disclose data about mortgage loan applications and home improvement and home purchase loan extensions and denials. Reported information includes the race, sex, and income of the applicant/borrower as well as the disposition of the application. HMDA was enacted to provide the public with information to show whether lenders were serving the housing credit needs of their communities and to help public officials distribute public sector investments in areas to attract private investments.

**Homesteading:**

Programs designed to enhance private acquisition and ownership of government owned residential or commercial properties. Properties are generally acquired or repossessed by local government due to failure to pay taxes, and are resold at a later date to qualifying individuals or families at a nominal price, often one dollar. In some instances, the government may also provide low-interest rehabilitation loans to help new owners meet building and safety codes. Purchasers are required to continuously occupy the unit for a minimal time period, such as five years.

**Housing Partnership:**

A nonprofit organization that brings together the interests, resources, and financial support of public agencies, local businesses, banks, and community organizations to increase the supply of affordable housing in a particular city or state. Housing partnerships generally work with local nonprofit community development corporations that initiate and design projects, obtain the necessary financing and provide technical assistance.

**Inclusionary Zoning:**

A zoning ordinance that allows a developer to provide affordable housing in a community. The developer's plan must identify the development's sources of funding as well as specify the percentage of affordable units. In exchange for setting aside a certain percentage of affordable units, the developer can receive density-zoning relief.

**Interest Subsidy:**

Direct or indirect government assistance that reduces a borrower's interest cost on a loan. A subsidy can take one of three forms: a direct cash grant to a lending institution to write down the bank's interest rate on a business or housing loan; a government-sponsored, low-interest loan; or a below-market rate loan to a qualified borrower made possible by an advance or pass-through provision from a public entity. Projects qualifying for subsidies are deemed to provide some public benefit.

**Intermediary:**

A nonprofit organization which provides training, technical assistance and financing to individuals and to other community-based nonprofits. Intermediaries are generally experienced, mature nonprofits with the ability to apply for and administer grants and loan funds to assist less experienced organizations. Funding sources for intermediaries include government, foundations and the private sector.

**Land Bank:**

A public or quasi-public agency that acquires and assembles land in blighted areas for affordable housing and economic revitalization projects. Properties can be purchased from individual property owners by negotiation or through the power of eminent domain as granted by state urban renewal statutes. A land bank agency can serve as a government-designated developer or sell the property to private developers/ businesses as part of a planned development.

**Limited Appreciation:**

A restriction on the amount of appreciation that a property owner can realize at the point of sale. The restriction may be required by government to minimize real estate speculation and maintain the affordability of the property for future owners.

**Limited Equity Homeownership:**

Multifamily residences owned and controlled by tenants in which resale values are restricted in order to maintain the long-term affordability of the unit. These residences are often developed with public assistance in the form of relaxed zoning regulations or the discounted sale of publicly owned land in order to reduce development costs. Limited equity residences can take the form of a cooperative or a condominium.

**Linked Deposit:**

A program in which government funds are deposited with a financial institution to encourage lending to specified businesses such as women-owned businesses, or enterprises within a specified industry, i.e., small manufacturers or agriculture-related businesses. The linked deposit may carry a below-market rate that is passed on to the loan customer. Linked deposits may also have a longer maturity to match the loan maturity, thereby mitigating the lender's interest rate risk.

**Loan Consortium:**

Collaboration among financial institutions in which capital is committed by the participating institutions to finance affordable housing and community development projects. Loan funds pledged to a consortium may be pooled in a separate, distinct fund or may be committed on a per loan basis. A consortium can be organized by the lenders as a for-profit or nonprofit corporation, or less formally by a loan participation agreement. A consortium may have a paid staff, contract with a third-party agent for services, or use contributed staff time from participating lenders.

**Loan Guarantee:**

A program by which a government agency guarantees a portion of a lender's loan to a business or homeowner against default. Loan guarantee programs are available for lenders assisting small business, housing and agriculture borrowers. Loan guarantees generally are provided for projects that offer a public benefit but are considered too risky to finance conventionally without the guarantee.

**Microenterprise:**

A very small business usually operating from a home, storefront, or office that employs fewer than five people and frequently only one person. Microenterprises can be full-time, part-time, or seasonal ventures, and tend to be concentrated in the retail or services sectors that require modest capital for start-up. Microenterprises vary in size and sophistication, but generally lack sufficient capital and access to conventional credit sources because of their modest size, lack of collateral, insufficient equity and management inexperience.

**Microenterprise Loan:**

A small, short-term loan that finances working capital, start-up, or fixed asset purchases for very small businesses. These loans may range from fifty dollars up to \$25,000 with repayment terms of up to 36 months depending on the size, sophistication and needs of the business. Terms may be more flexible than conventional financing.

**Modular Housing:**

*Also known as Prefabricated Housing*

Factory-built housing assembled on site. Construction costs are usually lower than for comparable site-fabricated homes.

**Mutual Housing:**

Housing developed, owned, and managed by a nonprofit partnership organization (Mutual Housing Association) for long-term affordability. Residents pay a one-time

refundable membership fee and monthly payments to the Association to cover maintenance, management expenses and debt service. Resident payments are generally tied to family income. In turn, residents receive a lifetime right of occupancy and a voice in the management of the property through residents' councils and property management committees. Residents also have majority representation on the Association's board of directors, whose other members include community and business leaders and public officials. Also, residents have the right to nominate a family or household member as a successor in the event of a move or death.

**Mutual Self-Help:**

Refers to a group of families that cooperatively build housing for themselves. Each family separately owns the houses, but the families build the homes together. This concept is featured as part of the FmHA Rural Housing Sites 523 and 524 Programs.

**Neighborhood Housing Services (NHS):**

A nation-wide network of neighborhood-based service organizations that are locally operated and funded. An NHS focuses on a specific community or communities to increase the supply of affordable housing and promote neighborhood stability. They provide below-market construction and rehabilitation financing, technical assistance, and support for resident activism. Board members include local residents, business leaders, public officials, and community representatives. All NHSs receive assistance from, and are monitored by, the Neighborhood Reinvestment Corporation.

**Neighborhood Housing Services of America:**

A private, nonprofit, tax-exempt corporation that purchases non-bankable loans from local Neighborhood Housing Services' revolving loan funds.

**Neighborhood Reinvestment Corporation (NRC):**

A congressionally chartered, federally funded, public nonprofit corporation established in 1978 to assist in the revitalization of lower-income neighborhoods and in the provision of affordable housing in these neighborhoods. NRC works mainly through local Neighborhood Housing Services organizations providing training, operational grants and technical assistance.

**Option Land:**

Mutual self-help groups are required to buy an option for a plot of land. This is a feature of the FmHA Rural Housing Sites 523 and 524 Programs.

**Rent Supplements:**

Monthly, subsidized rent payments by a public housing authority to owners of private, single-family or multifamily housing that is made available to very low- and low-income tenants. The rent payments represent the difference between a share of the tenant's adjusted monthly income and the fair market rent. Supplements are made available through HUD's Section 8 certificates, vouchers, or moderate rehabilitation programs.

**Resolution Trust Corporation (RTC):**

An agency created by Congress under the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) to manage the disposition of failed savings and loan institutions



and/or their assets. The duties of RTC include maximizing the government's return from the sale of assets while minimizing the impact on real estate and financial markets, making efficient use of funds provided to the Corporation, and maximizing the availability and affordability of residential real property for low- and moderate-income individuals. RTC will cease operations no later than December 31, 1996.

**Revolving Loan Fund:**

A loan fund structured so that repayments to the fund are used to make additional loans. Revolving loan funds may be initially capitalized from either a public funding source, i.e., CDBG or Economic Development Administration funds, or from private sector sources such as financial institutions through a consortium, or a combination of public and private sources. Revolving loan funds can be used for housing and commercial development projects, feature flexible terms and rates and require matching dollars from the local community. A revolving fund is typically administered by a nonprofit or quasi-public agency. In a consortium arrangement, however, the lenders often hire a professional staff that administers the fund in conjunction with a loan committee.

**Right of First Refusal:**

A right to purchase a property before it is sold to another buyer or goes on sale to the general public. Rights of first refusal are often used with expiring use restriction properties and properties owned by the Resolution Trust Corporation.

**SBA Certified Lenders Program:**

A Small Business Administration (SBA)-sponsored program in which higher volume SBA guarantee lenders can get expedited review of loan guarantee applications. Under the program, the SBA will process loan guaranty applications submitted by certified lenders in about three days. Eligible lenders must be experienced users of the SBA loan guarantee programs, and must have demonstrated both promptness and thoroughness in SBA loan origination and servicing.

**SBA Preferred Lenders Program:**

A program sponsored by the SBA that allows experienced SBA lenders to originate, service, collect and commit SBA loan guarantees without prior SBA approval. Guarantees are limited to 80 percent for eligible loans. Participating lenders can also liquidate the loan without the SBA's prior approval in some cases. The program reduces the processing time on credit applications and maximizes the resources of the SBA's best lenders.

**Section 8:**

A program sponsored by HUD and administered in conjunction with public housing authorities that provides rent supplements and rehabilitation funds to private property owners. Public housing authorities provide rent supplements to owners who lease their properties to low- and very low-income families under Section 8 certificate and voucher programs. Under the moderate rehabilitation program, property owners receive funding directly from HUD for rehabilitation and ongoing management and ownership of their properties. Properties must meet specified code standards and tenants must qualify as low- or very low-income to participate in the programs.

**Service Corps of Retired Executives (SCORE):**

A volunteer program sponsored by SBA that provides counseling and technical assistance to small businesses by matching retired or active executives with firms needing expert advice and management counseling. SCORE counseling is provided without charge, although some specialized training programs are offered at a nominal fee.

**Small Business Administration (SBA):**

A federal agency created in 1953 by the Small Business Act to provide financial and management assistance to small business concerns and entrepreneurs. The majority of loan assistance programs are in the form of partial guarantees on loans made by private lenders. In addition, the SBA offers special loan programs for women, minorities, the handicapped, veterans, and microenterprises.

**Small Business Development Center (SBDC):**

A network of facilities established by the SBA that provides technical assistance to small business owners. SBDCs are generally located in academic institutions and are structured, as a joint venture arrangement between the institution, the state or local government, and the SBA. SBDCs make special efforts to assist groups such as women, the handicapped, and veterans.

**Small Business Investment Company (SBIC) *Federal:***

A venture capital funding source created in 1958 by the SBA to provide additional equity financing for expanding small businesses. SBICs are private, for-profit organizations, SBA-licensed and -regulated and able to obtain financial leverage from the SBA. SBICs finance small firms by extending higher-risk loans and/or making equity investments. SBICs may also provide management advice to small enterprises receiving financial assistance.

**Small Business Investment Credit Program (SBIC) *State:***

The program is designed to provide an alternative source of capital to Wyoming small businesses and entrepreneurs. In order to enter the program, venture capital of private equity companies must receive certification by the WBC Board to act as a Wyoming Small Business Investment Company (SBIC) to invest designated capital into qualified businesses.

**Specialized Small Business Investment Corporation (SSBIC):**

*Formerly Minority Enterprise Small Business Investment Corporation (MESBIC)*

An SBIC venture capital firm licensed and regulated by the SBA to assist small firms owned and operated by socially or economically disadvantaged persons. The SBICs can provide both debt and equity financing to small businesses participating in the program. The SBA guarantees the debt portion of SBIC investments to allow the SBICs to leverage private capital.

**Subordinated Mortgage:**

A mortgage that has a junior lien position on pledged collateral in relation to more senior debt. Subordinated mortgages may have reduced interest and/or more flexible repayment terms in order to minimize the debt service of the borrower and reduce the primary lender's risk. Subordinated mortgages are typically provided through government programs to help finance both housing and business development projects. Housing programs primarily target lower-

income households. Business programs may require a job creation/retention criterion for the funds provided to a project.

**Sweat Equity:**

Labor performed by a property owner free of charge that increases the value of the property and is treated as equity when the property is financed. Sweat equity is generally associated with building construction or renovation where the property owner may perform carpentry, electrical, or painting work that increases the property's value. Sweat equity also reduces the owner's out-of-pocket cash needed in completing the project.

**Syndicated Cooperative:**

*Also known as a Leasehold Cooperative*

Cooperative living where residents share property ownership with outside. This method of cooperative living is most prevalent in high-cost housing areas. Investors are able to take advantage of federal tax credits while reducing costs for the cooperative's members. In return, residents share control over the property and may commit to buying out the investors' shares after a certain period of time. A syndicated (or leasehold) cooperative also refers to a cooperative that does not actually own the property, but instead signs a long-term lease with the owner, usually an investor partnership.

**Tax Abatement:**

A temporary suspension of increased property tax payments on new improvements to private redevelopments. The tax may be abated up to 100 percent on improvements for a specified time, and is offered as a redevelopment tool in designated blighted areas, such as urban renewal zones or enterprise zones. Improvements eligible for tax abatements include new construction as well as rehabilitation or renovation. Generally, only local or county taxing authorities can offer tax abatements.

**Tax Credit:**

Credits offered by government to encourage affordable housing, business expansions and job creation and retention. Tax credits come in four major forms: investment tax credits for business; job creation/retention and training incentives for hiring disadvantaged persons; historic preservation tax credits for rehabilitating historically designated structures; and low-income housing tax credits. In addition to the tax advantages to project investors, tax credits may also be sold to other investors to raise up-front equity when project ownership resides with a nonprofit corporation.

**Transitional Housing:**

Temporary housing for families or individuals who have not yet found permanent housing and who require more stability than an emergency shelter. Residents usually stay for several months until their circumstances stabilize.