

County of Oswego IDA
Loan Program – Interest Rate Policy

1. HUD RLF Loans

| <u>Current Policy</u> | <u>Proposed</u> |
|--------------------------|-----------------|
| P-2 (6.25%) | Same |
| Floor 4% | Same |
| Local Labor Incentive 3% | Same |

2. MEP RLF Loans

| <u>Current Policy</u> | <u>Proposed</u> |
|-----------------------|-----------------|
| P-2 (6.25%) | Same |
| Floor 4% | Same |

3. PILOT RLF and Gen. RLF Loans

| <u>Current Policy</u> | <u>Proposed</u> |
|--------------------------|--------------------------------|
| P-2 (6.25%) | Performance/Targeted Discounts |
| Floor 4% | Same |
| Local Labor Incentive 3% | Same |

Performance Based

| <u>Job Creation (FTE)</u> | + | <u>Investment (Fixed Assets)</u> |
|---------------------------|---|----------------------------------|
| 10 or greater (0.5%) | | \$1,000,000 or greater (0.5%) |
| 25 or greater (1.0%) | | \$2,000,000 or greater (1.0%) |
| 50 or greater (1.5%) | | \$5,000,000 or greater (1.5%) |

Target Based (0.5%)

- Minority owned
- Woman owned
- Military veteran owned
- Manufacturing
- Non-Profit

Monitoring/Enforcement

- Documentation of investment must be provided to the IDA in order to satisfy the threshold requirements.
- Annual employment monitoring will require a certification from the borrower validating total employment for the borrower.
- Closing documents will include a requirement to provide investment documentation and compliance with the annual employment report. Failure to comply with the reporting and satisfying the thresholds for the discounts will result in the termination of the appropriate discounts. Monthly debt service would be adjusted accordingly.
- Non-compliance with the reporting requirements to submit annual financial statements will also trigger the termination of the discounts.
- Borrowers that are delinquent are subject to having the discounts terminated after review by the IDA.

Deviation

For regionally significant projects, the Agency can deviate from the above referenced policies.

Date: April 10, 2007