



**MISSOURI AGRICULTURAL AND SMALL
BUSINESS DEVELOPMENT AUTHORITY
(MASBDA)**



**MISSOURI AGRICULTURAL AND ENERGY SAVING TEAM - A
REVOLUTIONARY OPPORTUNITY (MAESTRO)**

ENERGY EFFICIENT FARMSTEAD RETROFIT PROGRAM

Guidelines and Procedures

Legal Authorization: U.S. Department of Energy, Energy Efficiency and Conservation
Competitive Block Grant (DE-FOA-0000148)

A. PURPOSE OF THE PROGRAM

Improve energy efficiency on livestock farms. The program will achieve this objective by providing a Loan Guarantee Program to encourage lenders to finance the energy efficiency improvements on both the farm and home,

B. ELIGIBILITY QUALIFICATIONS

1. Animal agriculture farmers not required to be permitted, based on animal units as a confined animal feeding operation (CAFO), NOTE: All areas of the animal agriculture farm are eligible. For example: grain handling and irrigation equipment.
2. Applicant must be a legal United States resident and at least 18 years old,
3. Applicant must be able to provide proof of citizenship, identity and residence. If the applicant employs laborers, he/she must also provide proof of enrollment and participation in the federal work authorization program.
4. An eligible lender is any state or national bank, farm credit system, bank for cooperatives, federal or state chartered savings and loan association, federal or state building and loan association, or small business investment company all of which must be subject to credit examination by an agency of the state or federal government.
5. Eligibility will not be determined or otherwise affected by any consideration of race, religion, sex, creed, color, or residence, other than the individual applicant must be a legal United States resident at least 18 years of age.
6. Energy project must be located in Missouri.

C. LIMITATIONS ON ENERGY EFFICIENT RETROFIT PROGRAM

If a property or building has historic value, a determination must be made whether the recommended energy retrofits will have an adverse effect on the historic significance before MAESTRO funds can be approved.

D. DEFINITIONS

Home Energy Audit – a comprehensive BPI certified energy audit.

Farm Energy Management Plan (EMP) – a comprehensive energy audit that includes detailed recommendations about specific equipment and field operations completed in accordance with the American Society of Agricultural and Biological Engineers (ASABE) Standard 612.

Technical Assistance (TA) – calculates the energy savings from specific technology or system installed on the farm.

Loan Loss Reserve – a dedicated fund established for the purpose of payments of defaulted 75 percent guaranteed loans. The total outstanding loans guaranteed shall at no time exceed an amount which according to sound actuarial judgment, would allow immediate redemption of 10 percent of the outstanding guaranteed loans by the fund at any one time. MASBDA has no legal or financial obligation beyond the funds committed to the loan loss reserve and is not subject to further recourse in the event losses exceed the amount of the loan loss reserve.

E. APPROVAL PROCESS

I. To participate in the program an eligible farmer must:

1. Have a farm home energy audit completed in accordance with BPI standards, or
2. Have an EMP or TA completed in accordance with the American Society of Agricultural and Biological Engineers (ASABE) Standard 612, on the farm.

NOTE: To participate in the following incentives, qualifying energy retrofits installed as recommended by a TA, EMP or Home Energy Audit, must have at least a combined energy savings of 15% or more.

II. To participate in the Loan Loss Reserve (75 % loan guarantee on loans not to exceed \$50,000) the lender and borrower shall:

1. Submit application for Loan Loss Reserve. Financing must be for implementing one or more of the EMP, TA or home audit finding(s) from which the combined energy savings realized is 15% or greater.
 - Provide proof of collateral interest,
 - A lender's favorable loan analysis of the borrower's ability to repay the loan,
 - Current financial statement, not more than 6 months old, including profit and loss statement and cash flow statement, and
 - Credit Bureau report, if required by the lender.
1. Lender will receive notification from MASBDA as to the status of the application and available guarantee funding prior to loan closing.
2. Lender will be issued a Certificate of Guarantee.
3. Lender shall report annually 120 days after the end of each calendar year while this certificate is in effect. The report shall include borrower's (a) current balance sheet, (b) outstanding loan principal balance, and (c) loan payment status.

Records: MASBDA reserves the right to ask for additional information necessary to ensure program eligibility.

ADA: In connection with the furnishing of equipment, supplies and/or services under the contract, the contractor and all subcontractors shall comply with all applicable requirements and provisions of the Americans with Disabilities Act (ADA).

Prior to a loan loss payment being made, the lender shall provide proof of compliance (copy of MOU) with the federal work authorization program (E-verify).

Borrowers qualifying for the Missouri Agricultural Energy Savings Program may also qualify for the Missouri Linked Deposit Program administered by the state treasurer's office. The Missouri Linked Deposit Program makes funds available at reduced interest rates to lenders who in turn pass the savings along to agricultural business development loan borrowers. To find out more about the Missouri Linked Deposit Program, call the state treasurer's office at (573) 751-2372 or visit their website at www.treasurer.mo.gov.

Applications are also available at: <http://mda.mo.gov/abd/financial/maestro.php>

G. SUBMISSION OF INFORMATION

Submit information to:

Missouri Agricultural and Small Business Development Authority

P.O. Box 630

Jefferson City, MO 65102-0630

Telephone: (573) 751-2129

Fax: (573) 522-2416

E-mail: masbda@mda.mo.gov

Web: mda.mo.gov