

No Job Creation? New Energy Efficiency Public Policy Goals

Please call FDDC for more details!

On December 19, 2007, the Small Business Investment Act was amended by Public Law No. 110-140, the Energy Independence and Security Act of 2007 (see link below) (the “Energy Act”). Section 1204 of the Energy Act adds three new energy efficiency public policy goals for the 504 program, and permits financing of up to \$5.5 million for two new categories of 504 Loans. The three new energy public policy goals are described in the Small Business Investment Act, Sections 501(d)(3)(I), (J) and (K) as follows:

SLPC Small Business Code Energy Public Policy Goal Investment Act

E1 Reduction of energy consumption by at least 10 percent

E2 Increased use of **sustainable design**, including designs that reduce the use of greenhouse gas emitting fossil fuels, or low-impact design to produce buildings that reduce the use of non-renewable resources and minimize environmental impact

E3 Plant, equipment and process upgrades of **renewable energy sources** such as the small-scale production of energy for individual buildings or communities’ consumption, commonly known as micropower, or renewable fuels producers including biodiesel and ethanol producers

Projects meeting any of these three new energy public policy goals stated above [E1, E2, or E3] are eligible for 504 loans without creating or retaining jobs because any 504 Project which meets a Community Development or Public Policy Goal is exempt from the jobs requirement as long as the CDC’s portfolio average meets or exceeds the required \$50,000 per job opportunity.

Projects meeting either of the two energy-efficient public policy goals above [**E1 or E3**] are eligible for 504 loans of **up to \$5,500,000**. Projects meeting the energy-efficient public policy goal above [**E2**] are eligible for 504 loans of **up to \$5,000,000**.