

Commercial Loan Policies

The loan program is financed from the enterprise fund of Columbia Water & Light. No general revenue funds of the city, or any other forms of public money, are used by the program.

Columbia Water and Light offers loans for existing structures. This loan does not apply to new construction.

There are no prepayment penalties if the loan is paid off early.

All structures being improved by the loan must receive electric services from Columbia Water and Light. Customers/applicants must have the right to allow a lien placed on the property as security for the loan.

Commercial customers participating in the loan, must have at least two years of good payment history with the utility and provide financial documentation necessary to substantiate their credit worthiness.

All customers/applicants will provide financial information as requested on the loan documents including but not limited to: income of all applicants, all debts, names and phone numbers of creditors, etc.

All work must be pre-approved by Columbia Water and Light Commercial Services Supervisor or his designee before any work is started. All appropriate permits must be obtained by the Community Development's Building Site and Development Division. Copies of the final permits will be required to process the loan.

An on-site inspection is necessary before the loan is granted. Any products, materials or installations found not to meet or exceed the specification will be so noted and the responsible installer will be notified in writing of the deficiencies. Once all specification requirements are met, the job is considered to be complete and loan papers will be finalized.

Emergency situations for customers needing financing quickly will be assessed on an individual basis by the Columbia Water & Light Director or the program designee.

Interest Rates

Up to 3 years: 1%

4 to 5 years: 3%

6 to 10 years: 5%

Loan Parameters

For commercial electric customers the applicant must be a property owner.

Good credit history
DEED of Trust required
Subordination of loan only under special circumstances
No prepayment penalties

Loan Amount:

Up to \$30,000 loan (commercial) per electric meter, but not to exceed \$90,000 per property on which the electric meters are located.
All retrofitting and improvements must be made at the same time

Building Assessment Requirement

The loans require an ASHRAE Level II energy assessment or equivalent. After the assessment, suggestions will be given on how to make the business more energy efficient.

Requirements for Efficiency Improvements

To qualify for the loan energy efficiency improvements must also qualify for the existing rebates programs that are offered by Columbia Water & Light. For energy efficiency improvements that do not have a corresponding rebate program, the energy assessment must document the projected load reduction and annual energy savings. The simple payback of the improvement must be less than the projected life of the measure.

Subordination

Columbia Water & Light loans DO NOT subordinate to other loans on the property. If there is a refinance of the current business loan or the building is sold, the customer will be required to pay off the Columbia Water & Light loan. Requesting subordination of the Columbia Water & Light loan generally takes at least two months. If a customer is refinancing the mortgage for a lower interest rate, shorter loan term, in order to maintain ownership of the building or borrow more money for an improvement project, the customer could be eligible for subordination. A copy of the customer's current credit rating, the appraisal used for refinancing and a copy of the mortgage application will need to be submitted. A committee that meets before the tenth day of each month will review the subordination requests to determine if a customer is eligible.

Loan Participation Steps

- Schedule an ASHRAE Level II energy assessment and complete a commercial loan application. Your consultant can help you with the application. Please contact us at info@ColumbiaPowerPartners.com for an application.
- Once notified by Columbia Water & Light that the loan is approved the customer can proceed with completing your project.
- After completing all the efficiency projects, the customer needs to make copies of all invoices and contact Columbia Water & Light (573-874-7325) for the final inspection. Copies of invoices and equipment ratings are necessary to complete this step. At this inspection, the staff member will collect all copies of the invoice.
- Approximately two weeks after the loan inspection Water and Light staff will arrange the loan signing appointment.
- All people listed on the loan form must be present at the loan signing appointment. Columbia Water & Light offices are located at City Hall, 701 E. Broadway, 4th floor.
- A photo ID (i.e. driver's license) is required for each applicant. A Recorder's Office fee (amount is subject to change) will be added to the final loan
- Automatic bank draft application can be completed at this time. Customers must provide bank routing and account information. Copy of a check is necessary.
- The customer will receive the loan check at the end of this appointment
- Monthly statements for the loan will be mailed to the customer. The customer can pay by check or electronic funds transfer. Payments for the loan cannot be combined or inclusive of the same check used for utility bill payment. With the customer's utility bill payment. There are no prepayment penalties if the loan is paid off early.

The Columbia Water & Light loan program is financed from the enterprise fund of Columbia Water & Light. No general revenue funds of the city, or any other forms of public money, are used by the program. NOTE: The parameters for the Columbia Water & Light loans program outlined on this page are effective June 1, 2010.

This information taken from Columbia Ordinance - Chapter 27, Section 27-167