



# PROGRAMS TO HELP OHIOANS

THE OHIO TREASURER'S OFFICE LINKED DEPOSIT PROGRAMS



STATE TREASURER OF OHIO  
**JOSH MANDEL**

[www.ohiotreasurer.gov](http://www.ohiotreasurer.gov)  
1-800-228-1102

## **MISSION**

THE MISSION OF THE OHIO TREASURY IS TO PROTECT, MANAGE AND INVEST STATE MONEY WITH INTEGRITY AND HIGH ETHICAL STANDARDS WHILE PROVIDING INNOVATIVE FINANCIAL SERVICES, EDUCATIONAL RESOURCES AND CONSISTENT SERVICE FOR ALL OHIOANS

## **VISION**

TO STRIVE TO BE THE PREMIER STATE TREASURY RECOGNIZED FOR FISCAL LEADERSHIP, COMMUNITY ENGAGEMENT AND EFFICIENT OPERATIONS.



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# ECONOMIC DEVELOPMENT

- The Ohio Treasury has the ability to invest up to 12% – approximately \$600 million of the state’s investment portfolio in special programs to help Ohioans\*
- Investments are purchased with eligible banks at reduced rates on behalf of program participants
- Savings from these investments are passed on to the borrowers in the form of interest rate reductions on loans or bonus interest on savings accounts
- The Treasury never directly loans or loses money but rather earns interest which is transferred to borrowers

\*based on the twelve month average of the portfolio of Sept. 2011



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# LINKED DEPOSIT PROCESS

## STEP 1:

Applicant applies for a loan at an eligible bank.

## STEP 2:

Bank and Applicant apply for linked deposit program through Ohio Treasury.

## STEP 3:

Ohio Treasury places an investment at Bank, which passes earnings on to Applicant to reduce the loan's interest rate.



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A woman and a man, both wearing yellow shirts and black aprons, are smiling in a fish market. The woman is holding a sign that says "OPEN". The background shows a counter with fish on ice and a scale. The text "grown Now" is overlaid on the image, with a white outline of the state of Ohio inside the letter "O".

grown Now

**OPEN**



# WHAT IS **grow** **NOW**

- A path to more affordable small business borrowing
- A partnership between the Treasury and eligible banks that offers small business owners up to a 3% interest rate reduction on new or existing bank loans
- GrowNOW can reduce the interest rate on a new or existing loan up to \$400,000 for a two-year period
- Businesses must create or retain one full-time job or two part-time jobs for every \$50,000 borrowed, up to \$400,000
- A small business may complete a simple renewal process after the two-year rate reduction has ended



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# WHO IS ELIGIBLE?

## Eligible businesses must meet the following criteria:

- MUST be able to save or create one full-time or two part-time jobs for every \$50,000 borrowed.
- MUST be headquartered in Ohio.
- MUST have less than 150 employees.
- MUST be organized for profit.
- MUST maintain offices and operating facilities in Ohio.

## Eligible bank loans must meet the following criteria:

- The name of the loan must be in the operating entity's name or in the name of the sole proprietor or business owners(s). Holding companies or subsidiaries do not qualify for GrowNOW rate reductions.
- The loan must have a fixed interest rate during participation in GrowNOW.
- No lines of credit. The line can be termed out and the rate fixed for two-year GrowNOW reduction.
- Co-borrowing is not permitted. Co-borrowing is defined as listing two distinct businesses in the name of one loan.



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# HOW CAN I USE **grow NOW**

As long as the business creates or retains jobs in Ohio, the loan can be used for a variety of business operations and financing, including but not limited to:

- Debt refinancing and consolidation
- Capital purchases
- Operating capital
- Acquisitions

**GrowNOW** can also be used to complement other small business borrowing tools:

- SBA (504,7a)
- Ohio Department of Development 166
- Tax abatements
- Tax credits
- Tax incentives



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# HOW TO PARTICIPATE IN

- Apply for a small business loan with an eligible bank and establish an interest rate with the bank
- Banker and borrower apply online at [www.GrowNOW.gov](http://www.GrowNOW.gov) for a GrowNOW interest rate reduction
- If approved, the Treasury places an investment with the bank at a below market-value interest rate
- The bank agrees to pass along the interest rate savings on the investment to the small business owner in the form of a rate reduction



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Visit **[www.GrowNOW.ohio.gov](http://www.GrowNOW.ohio.gov)**  
for a list of the Treasury's eligible  
depository banks



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grow **NOW** **SMALL BUSINESS INTEREST  
RATE REDUCTION PROGRAM**

Total Dollars Funded - 2011 & 2012:	\$232,149,157.84
Total Number of Businesses:	1,133
Total Counties Funded:	81



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# REENERGIZE OHIO



# WHAT IS REENERGIZE OHIO?

ReEnergize Ohio is a partnership between the State Treasurer of Ohio and eligible banks designed to invest in Ohio's small business community. It encourages economic growth by helping businesses improve their energy performance.

## ReEnergize Ohio:

- Provides up to a 3% interest rate reduction on loans
- Applies the interest rate reduction on up to \$550,000 of a new or existing loan for four years
- Requires that at least 50% of the loan proceeds be used for energy efficient upgrades
- Requires the creation or retention of jobs in Ohio



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# WHY REENERGIZE YOUR SMALL BUSINESS?

- **ReEnergize** your small business with the benefits of improved energy performance
- **Realize** the savings of reduced energy costs and up to a 3% interest rate reduction on your small business loan
- **Revive** your local community by improving your facility with local community contractors
- **Rejuvenate** your small business by consolidating debt, improving your facility, lowering overall interest expenses and monthly payouts
- **Revitalize** your small business by using at least 50% of your loan for energy-efficient facility modifications and equipment upgrades



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# WHAT UPGRADES ARE ELIGIBLE?

Eligible energy-efficient upgrades span a wide array of products and renovations including but not limited to the following: lighting controls, heating and cooling systems, renewable energy systems, weatherization projects, as well as energy-efficient appliances, equipment and vehicles.

Explore potential improvements to your small businesses' energy performance. If you have questions about eligible upgrades, call the State Treasurer's office at 1-800-228-1102, option #3.



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# HOW TO PARTICIPATE IN REENERGIZE OHIO

Follow these simple steps to complete your application:

- Visit our website at [www.ReEnergize.Ohio.gov](http://www.ReEnergize.Ohio.gov) to view a list of eligible banks
- Apply for a small business loan at an eligible bank and establish an interest rate
- Complete an easy ReEnergize Ohio online application with your bank. Paper applications are also available
- Submit either purchase receipts or a firm quote or contract from the contractor detailing improvements to be performed with the ReEnergize Ohio application
- If approved, the Ohio Treasury deposits funds at an eligible bank in an interest bearing financial instrument
- In turn, the bank uses the interest generated to provide the rate reduction



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ag-LINK

# HOW DOES WORK?

- Farmer seeks approval for a loan or line of credit from an eligible bank or Farm Credit Lender
- Lender approves the loan or line of credit and establishes an interest rate with the farmer
- Farmer and lender submit an Ag-LINK application to the Treasurer's office between January and March
- Treasury's Department of Economic Development evaluates the applications and approves funds based on economic need
- Treasury negotiates the amount of the interest rate reduction
- Treasury purchases an investment with the lender for one year
- Lender agrees to lower the farmer's rate for one year according to the established rate reduction
- Farmer receives interest rate reduction as early as mid-April
- Farmer may apply for the Ag-LINK program annually



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Total Dollars Funded – 2012:	\$55,471,318.00
Total Number of Participants:	676
Total Counties Funded:	60



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EC  Link



# WHAT IS ?

- Energy Conservation for Ohioans (ECO-Link) provides an incentive for homeowners to complete energy-efficient projects in their homes
- ECO-Link is a partnership between the Ohio Treasury and participating state banks
- ECO-Link gives homeowners a 3% interest rate reduction on qualifying bank loans for five or seven years
- ECO-Link's rate reduction can be applied to funds of up to \$50,000



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# WHO IS ELIGIBLE FOR **ECO**-Link?

- Ohio residents who are owners of an existing single family home or condominium. Additional residential classifications are also eligible and will be decided on a case by case basis
- Ohio residents who secure a qualifying bank loan with a participating state depository bank
- Ohio residents completing energy-efficient upgrades to their residence or installing renewable energy products
- Ohio residents must use at least 50% of the loan proceeds for installation of qualifying energy-efficient products; the remaining 50% can be used toward other home improvement projects



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# ELIGIBLE PRODUCTS

Eligible products include but are not limited to:

- Windows/doors
- Insulation and sealants
- Kitchen appliances
- Washing machine
- Wind turbine
- Geothermal heat pump
- Water heater
- Septic tank
- Solar panels
- HVAC
- Boiler
- Furnace

**EXPLORE YOUR OPTIONS TO BECOME ENERGY-EFFICIENT!**



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# HOW TO PARTICIPATE

## IN -Link:

1. Applicant receives pre-approval for a qualifying loan with a participating bank
2. Applicant receives a quote from a contractor of their choosing OR totals receipts if installing upgrades without a contractor
3. Applicant and the bank submit the quote with the ECO-Link application to the Treasury
4. Treasury notifies the bank upon approval of the application
5. Treasury will place an investment with the bank who will lower the borrower's interest rate by 3% for five or seven years. The seven year interest rate reduction is only available for loans greater than \$25,000 and less than \$50,000
6. Once the project is complete, the applicant submits proof of project completion to the bank



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# BENEFITS OF :

- ECO-Link program provides reduced-rate financing for Ohio homeowners that are looking to make weatherization or energy-efficient improvements to their residence
- Once the project is complete, homeowners can enjoy cost savings while supporting a green economy
- ECO-Link only requires 50% of the loan proceeds to be used for the installation of qualifying energy-efficient products; the other 50% can be used toward other home improvement projects
- Many improvements are eligible for federal tax credits, as well as other local, community and utility company rebates and incentives



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# ENERGY CONSERVATION FOR OHIOANS LINKED DEPOSIT PROGRAM

Total Dollars Funded – 2012:	\$7,792,934.15
Total Number of Participants:	97
Total Counties Funded:	36







save **NOW**

# WHAT IS **save** **NOW** ?

SaveNOW is a program offered by the State Treasurer's office through our linked deposit authority.

SaveNOW offers:

- a 3% interest rate bonus on savings accounts for Ohio citizens
- an opportunity to build a financial safety net for many Ohioans
- Financial education newsletters to empower Ohioans to make smart money choices, and requires that two financial education surveys in the two-year program be completed to receive the bonus interest

SaveNOW encourages good savings habits by growing your savings. Imagine reaching into your savings account, instead of using your credit card on your next unexpected purchase.



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# HOW DOES *save* **NOW** WORK?

- SaveNOW accounts are opened through participating banks. Please visit our website for a complete list of participating banks
- SaveNOW accounts have no fees and no minimum balance requirements
- SaveNOW accounts have a single daily deposit limit of \$500, except for lump-sum payments such as a tax return, insurance settlements or inheritance payments
- SaveNOW accounts earn the interest-rate bonus at the end of the year based on your average daily balance
- SaveNOW participation is limited to two consecutive years
- SaveNOW accounts are eligible to receive the interest-rate bonus on up to \$5,000. Account contributions greater than \$5,000 will receive an interest rate determined by the bank



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Total Number of Participants: 3,843

Total Counties Funded: 67



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# QUESTIONS?

**Contact Bill Bishilany  
Deputy Treasurer  
Director of Economic Development**

800.228.1102 option #3

[EconomicDevelopment@tos.ohio.gov](mailto:EconomicDevelopment@tos.ohio.gov)



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