

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY **VALUE-ADDED AGRICULTURE PROGRAM**

The Development Authority of the North Country Value-Added Agriculture Program is a demonstration program available to producers located in Jefferson, Lewis or St. Lawrence Counties that create value-added products for retail consumption. Agribusinesses are a significant and growing segment of our regional economy. The first round of applications to the Authority's Value-Added Agriculture Program will target maple producers in order to increase the production of syrup for sale in the marketplace.

The Program is initially funded with \$200,000 from the Authority's Community Development Loan Fund. Repayments will be revolved for future lending within the program, as determined by the Board of Directors. Awards will be made to applicants in the form of low-interest loans to be repaid over five years. Applications will be reviewed in order of receipt and loans will be approved to the extent that funds are available.

TECHNICAL ASSISTANCE

In order to provide the necessary technical assistance to determine feasibility of projects to be successful and able to repay debt, the Authority has partnered with the Cornell Cooperative Extension's of Lewis, Jefferson and St. Lawrence Counties. The Cornell Cooperative Extensions will work with potential borrowers to determine the feasibility of their proposed projects.

LENDING CRITERIA

Eligibility: Individual, farm or business located in Jefferson, Lewis or St. Lawrence Counties that produces maple syrup for market.

Maximum Loan: \$40,000.00

Cash Equity: Minimum of 20% of total loan amount.

Eligible Use of Funds: Purchase, installation and associated soft costs to install equipment to increase productivity.

Interest Rate: The greater of one-half (1/2) of the prime rate fixed at closing, or a floor of 3%.

Term: 5 years

Prepayment: No prepayment penalties

Security: All loans to be held in the form of a promissory note to the Development Authority of the North Country and a Lien on the equipment to be purchased with proceeds of the funds.

Financial Underwriting: The Development Authority of the North Country will review loan applicant's credit history including references from applicant's bank and two vendors. All borrowers must have ability to repay the loan and be in good credit standing. Applicant's having poor credit history or projects deemed infeasible will be denied funding from the program.

BORROWER SELECTION:

The Development Authority of the North Country is partnering with the Cornell Cooperative Extensions of Lewis, Jefferson and St. Lawrence Counties to solicit loan requests from producers of value-added agricultural products in Jefferson, Lewis and St. Lawrence Counties to assist in increasing productivity and product to market. After a financial and feasibility review by the Development Authority and the Cornell Cooperative Extension, a loan commitment may be made to specific borrowers on a first come, first served basis as funds are available. Borrowers will receive a written commitment letter from the Development Authority of the North Country detailing the terms and conditions of the loan.

FOR INFORMATION:

Contact Matthew Siver, Project Development Specialist, at msiver@danc.org, or 315-661-3200.