

Interest Free Business Development and Home Efficiency Upgrade Program #2

This program would take interest earned off money set aside from the OI settlement to pay the interest on loans used to further business development in Charlotte and energy efficiency upgrades to commercial and residential property.

Funding

Set aside 300,000 from the OI settlement into an investment account and use the interest from that to pay on loans in the program.

300,000 dollar fund earning 4% interest equals 12,000 a year

10,000 loan at 6% over 5 years = 1600 interest 320 a year in interest costs

Reinvest surplus interest into fund until fund reaches a determined amount and then excess dollars can be put into general fund or elsewhere as needed.

Example

500,000 dollar fund earning 4% interest equals 20,000 a year interest if program only uses 10,000 put the extra 10,000 into general fund.

Eligible loans:

Façade improvements on business front and rear entrances

Non routine repairs (roofs, foundations, disaster repair etc.)

Energy efficiency upgrades for business and homes through MI Saves Program.

This program has many benefits.

Improves business looks and reduces resident and business owner energy bills putting money back into their pockets. Improves housing stock in city and make houses more attractive to buyers. Program is self-funding and wouldn't require extra money from budget.