



## **Dairy Reinforcement Program (DRP) Low Interest Loan Program (MAA)**

- **Eligible Applicant**
  - CT based Dairy Farm Business
  - Licensed by State of Connecticut
- **Non Eligible Applicant and uses**
  - Non Dairy Farms
  - Startups
  - Refinancing existing debt
- **Loan Amount**
  - \$25,000 - \$100,000
- **Fees**
  - Paid by applicant approximately \$2,500.00- may be deducted from approved funding request. Fee is the closing costs related to the outside council work
- **Terms and Conditions:**
  - 3%
  - 10 years
  - First 2 years deferred – Interest only
  - Collateral – negotiable
- **Applications accepted:**
  - January 1, 2007
- **Eligible Use of Funds:**
  - Rolling Stock – equipment with wheels (i.e. Tractors)
  - Planning, feasibility studies, engineering, appraisals, market studies
  - Machinery and equipment or any combination, provided such assistance does not exceed the fair market value
  - Construction of site and infrastructure improvements Construction/renovation/demolition of buildings
  - Business support services such as labor training, day care, energy conservation, pollution control, recycling and the like, in conjunction with other state agencies
- **Program Marketing** - Department of Agriculture will market and track the program using the following:
  - Regional Meetings
  - Newsletter
    - Dept Agriculture
    - Farm Bureau
    - DECD Newsletter
    - DECD rep to meet with each applicants to discuss project and funding options
- **Application Process:**
  - New application
  - Business plan (required in addition to loan application)
- **Applications Approval Process:**
  - Dept of Ag – Initial review and validation of request
  - DECD will have final approval of financing based on agency due diligence
  - Closings – done in-house by DECD counsel as a cost savings