

Barron Electric is committed to working with members and local economic development agencies to provide the best package available to new and expanding businesses.

Barron Electric's service territory consists mostly of rural Barron County, the southern half of Washburn County and portions of six neighboring counties.

Over the past 10 years, Barron Electric has loaned \$2.4 million to 13 area businesses and created more than 100 local jobs including Trego Travel Center and Tri-State Lumber.



*Trego Travel Center*



*Tri-State Lumber*

## 0% Financing Requirements

- Must be a Barron Electric Cooperative member
- Approved resolution from Barron Electric's Board of Directors
- Comprehensive Business Plan
- Letter from the project owner requesting financial assistance
- Application forms (provided by the cooperative)
- Letter of Commitment
- Evidence of supplemental financing
- Copy of an environmental study for the project

## Terms

- Project cannot start prior to submitting an application
- Prefer client equity of 25% for a start-up business
- 10-year financing agreement
- 10-year service agreement
- Adequate security required



**BARRON**  
**Electric**  
**COOPERATIVE**

A Touchstone Energy® Cooperative 

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# Attractive Financing to Grow and Expand Businesses



# Barron Electric Cooperative's Economic Development Programs

## Low or No Interest Loans

Barron Electric members are eligible to apply for two different financing options that can be used for profit or not-for-profit businesses, new, expansion or start-up businesses, infrastructure, machinery, and equipment.

## Below-Market Financing

Barron Electric offers a below-market interest rate loan for up to 50% of an eligible project.

## 0% Financing

The Cooperative is the liaison with the United States Department of Agriculture for a zero-percent loan through the Rural Economic Development Loan and Grant (REDL&G) Program. REDL&G is a flexible financing resource that channels federal loans through rural electric cooperatives to economic development and job creation projects. Since the approval of the first applications in 1989, approximately \$390 million in REDL&G funding has been awarded to assist in rural projects.

## Grant Program

A maximum grant of \$300,000 is available to the cooperative to establish a revolving loan fund to be matched with \$60,000 (20%) of cooperative funds. The interest rate is 0%, and the loan term is 10 years.

## Successful Criteria

The project will be assessed according to several criteria, such as:

- Quality of business plan
- Supplemental funds
- Nature of a project
- Economic impact
- Probability of success
- Job ownership and management
- Creation of quality jobs
- Energy consumption

## Plan for Success

Please include the following in the comprehensive business plan:

- Executive summary
- Business description
- Organizational structure
- Jobs created
- Feasibility and marketing studies
- Operating plan
- Equipment requirements
- Financial information
- Sources and uses of funds
- Assumptions for projected financial statement

## Timetable

All required materials should be submitted to Barron Electric no later than fifteen business days prior to the board meeting. Barron Electric's Board of Directors typically meets the last Wednesday of the month. Required materials include: a comprehensive business plan, past three years of audited financial statements, three years of pro forma financial statements and environmental assessments. The approval process is estimated to take six to nine months for the zero-percent REDL&G loan and thirty to ninety days for the below-market financing.

## Board Presentation

Members will be asked to present their projects to the Board of Directors for approval.

## Contact

memberservices@barronelectric.com  
715-537-3171 or 800-322-1008

## Our Mission

*Barron Electric Cooperative is a member-owned business that safely provides energy, products, and services to improve the quality of life in the area we serve.*