

Metal Plating Loan Guarantee Program

The Metal Plating Facility Loan Guarantee Program assists chrome plating businesses in California to purchase and install state-of-the-art pollution control equipment required to meet new hazardous waste emissions rules pertaining to hexavalent chromium clean-up and mitigate potential job losses. This loan guarantee program will assist metal plating facilities in upgrading, replacing or purchasing high quality performance environmental control equipment or technologies that will enable the facility to comply with new, or exceed existing, regulatory requirements and implement additional pollution prevention measures.

Eligible Applicants:

- Small business that owns or operates a facility that engages in metal plating or chrome plating.
- Applicants must be assigned an identification numbers as a hazardous waste generator.
- Must be an existing viable business with the ability to repay the loan and/or provide collateral.
- The applicant satisfies one of the following conditions:
 - Has completed or is currently participating in the state's Model Shop Program for metal platers.
 - Has completed or is currently participating in the National Metal Finishing Strategic Goals Program.
 - Is participating in a green business program whose goals are consistent with the pollution prevention and natural resource conservation elements of the Model Shop Program.
 - Is certified as a green business whose goals are consistent with the pollution prevention and natural resource conservation elements of the Model Shop Program.
 - Funds are not obtainable, upon reasonable terms, from financial companies or lending institutions without a loan guarantee.
 - The applicant demonstrates that the facility upgrade meets new or exceeds existing regulatory requirements, or both, has no pending local, state, or federal enforcement or correction actions, and is participating in or has completed additional pollution prevention activities.

Guarantee Amount:

Guarantees may be up to 90% of the loan amount, with a maximum guarantee amount of \$100,000 per borrower. The guarantee amount and terms are negotiated between the SBFDC and the lender.

Eligible Uses:

Includes: plans, permits, drawings, excavation and removal of tanks, installation of new tanks, double walled piping, dispensers, under-dispenser containment boxes/pans, electronic monitoring system, and enhanced vapor recovery system.

Loan Term:

Loans can range from \$10,000 to \$750,000. The length of the guarantee can be up to seven years.

Interest Rates and Fees:

Interest rates are negotiated between the borrower and the lender. SBFDC may charge a guarantee fee of up to 2.0% of the guarantee amount + documentation fee of \$250.

Collateral:

The loan term is ten years when secured by Uniform Commercial Code Financing Statement on business assets (UCC). Or twenty-years when the loan is secured by a Deed of Trust on real estate with adequate equity.