

**PROGRAM:** Federal Home Loan Bank Economic Development Program Plus

**AGENCY:** The Federal Home Loan Bank

**DESCRIPTION:** The EDPPLUS Small Business Grant Program is designed to promote and enhance small business development; to foster business relationships between member institutions, small businesses, and small business development organizations; to create and retain jobs; and to assist member institutions in providing capital to underserved areas or to underserved populations.

**ELIGIBILITY:** EDPPLUS funds may be used to assist small businesses in accessing needed working capital for start-up or expansion for the purpose of:

- purchasing and constructing buildings
- facility expansion
- machinery and equipment purchase
- closing costs
- EDPPLUS funds are not available for the refinancing of an existing small business loan.

**STRUCTURE:** The following must be submitted for participation in the program.

- EDPPLUS grant application
- EDP advance application
- Copy of the Business Plan of the Small Business owner
- Statement from the small business organization verifying the following information:
  - completion of an SBDC (or other qualified small business development organization) class in Small Business Management, OR a statement verifying that the small business owner demonstrates an acceptable level of knowledge in business operations
  - eligibility of small business according to SBA guidelines and definitions
  - factual assessment of the degree of soundness of the small business applicant

**QUALIFICATIONS/CRITERIA:** Maximum amount of EDPPLUS grant funds per member may not exceed \$100,000 per year.

- No more than \$25,000 in EDPPLUS funds may be granted to any one small business.
  - Applications must be submitted by a member institution.
  - EDPPLUS funds may constitute no more than the lesser of 15% or \$25,000, of the total finance package.
  - Members must pass along the full amount of EDPPLUS funds to the small business owner.
  - Members must use an EDP advance in conjunction with EDPPLUS funds.
  - The small business owner must contribute at least 15% equity to the total finance package.
  - The small business must qualify as a small business as defined by the Small Business Administration (SBA). Effective October 1, 2000, SBA established a new table of small business size standards based on the North American Industry Classification System (NAICS). To determine whether a business is eligible as a small business, consult the SBA web site at [www.sba.gov](http://www.sba.gov) .
  - The small business must demonstrate evidence of an acceptable level of knowledge of business operations as evidenced by the completion of a class in small business management as provided by a Small Business Development Center (SBDC) or other qualified small business development organization. A statement from a SBDC or other qualified small business development organization verifying that the small business owner demonstrates an acceptable level of knowledge in business operations may be submitted in place of completion of a class.
  - The Community Investment Department may be contacted at 800-362-2944. Complete applications may be mailed or faxed to: Federal Home Loan Bank of Dallas, Community Investment Department, Attn.: EDPPLUS, P.O. Box 619026, Dallas, Texas 75261-9026, Fax: 214-441-8577. visit [http://www.fhlb.com/community/cip\\_edpplus.html#top](http://www.fhlb.com/community/cip_edpplus.html#top) .
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