

POLICY NUMBER: 11

SUBJECT: **ALLOWABLE LOAN AMOUNTS BASED UPON A PERCENTAGE OF THE TOTAL PROJECT COST**

EFFECTIVE DATE: November 24, 1997

REVISED DATE: May 24, 2005, November 16, 2016

POLICY: For agricultural and municipal borrowers, the Colorado Water Conservation Board (CWCB) may lend up to 100 percent of the total costs for the planning, engineering design, and construction of projects. This includes mutual ditch or reservoir companies that have commercial shareholders when those are the minority shares.

For a private entity, commercial borrowers, or an entity deemed by the Board to be at such a risk that the Board's Policy requires collateral at a value of 110 percent of the borrowed amount as presented in Financial Policy #5 (Collateral), the CWCB may lend up to 90 percent of the total costs for the planning, engineering design, and construction of projects.

PURPOSE: This policy allows the Board to make available to those project sponsors with the greatest need for financial assistance, loans that require less funding from other sources relative to the overall project cost.

APPLICABILITY: This policy applies to the consideration of all requests for funding from the CWCB Construction Fund and Severance Tax Trust Fund Perpetual Base Fund.

PROCEDURE: Not Applicable