

# SBA Programs & Resources

Oregon House Committee on Economic  
Development and Trade

*Martin Golden*  
*District Director*  
*Portland District Office*  
February 6, 2017





# Where are we?

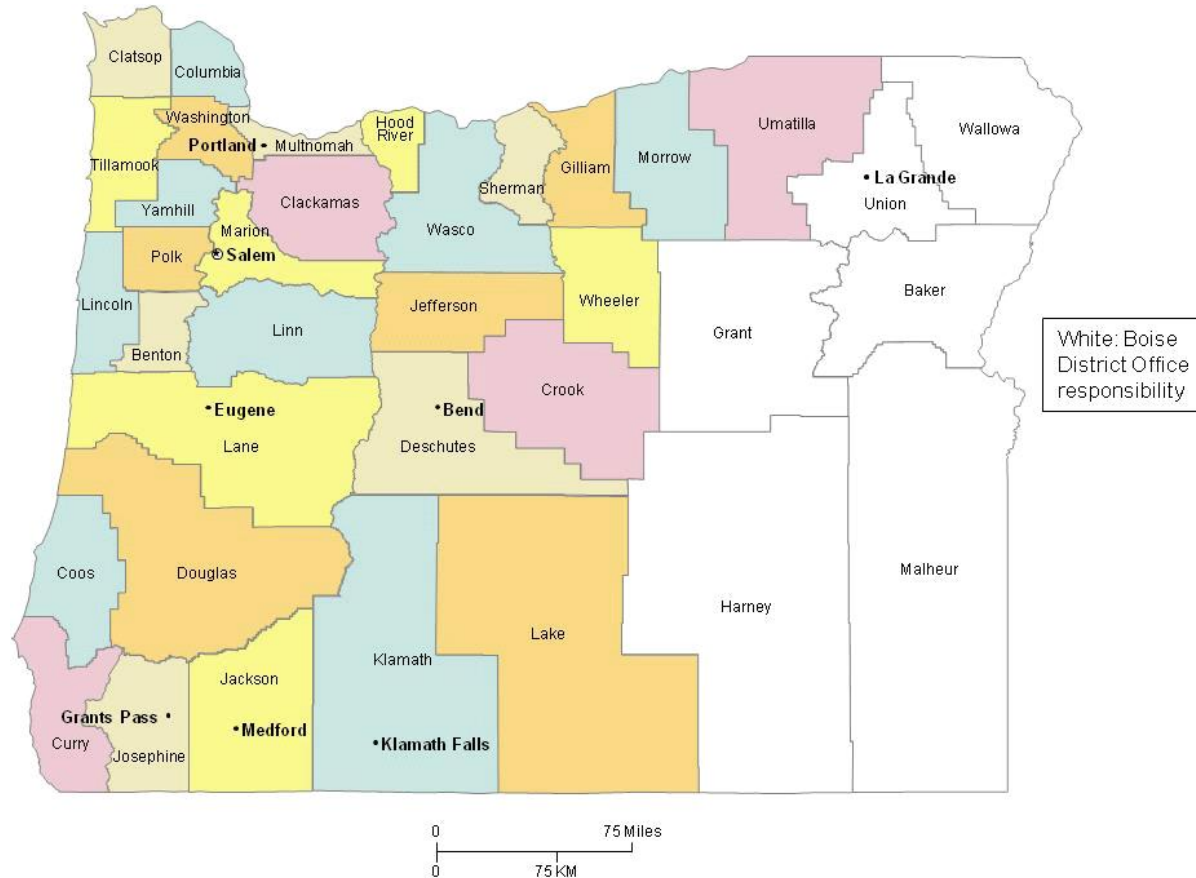
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- HQ and program offices in Washington DC
- Ten Regional Offices
- Loan Processing Center (Sacramento)
- Two Loan Servicing Centers (Little Rock and Fresno)
- 68 District Offices nationwide - the Portland District Office serves 30 of Oregon's 36 counties, plus 4 counties in SW Washington.



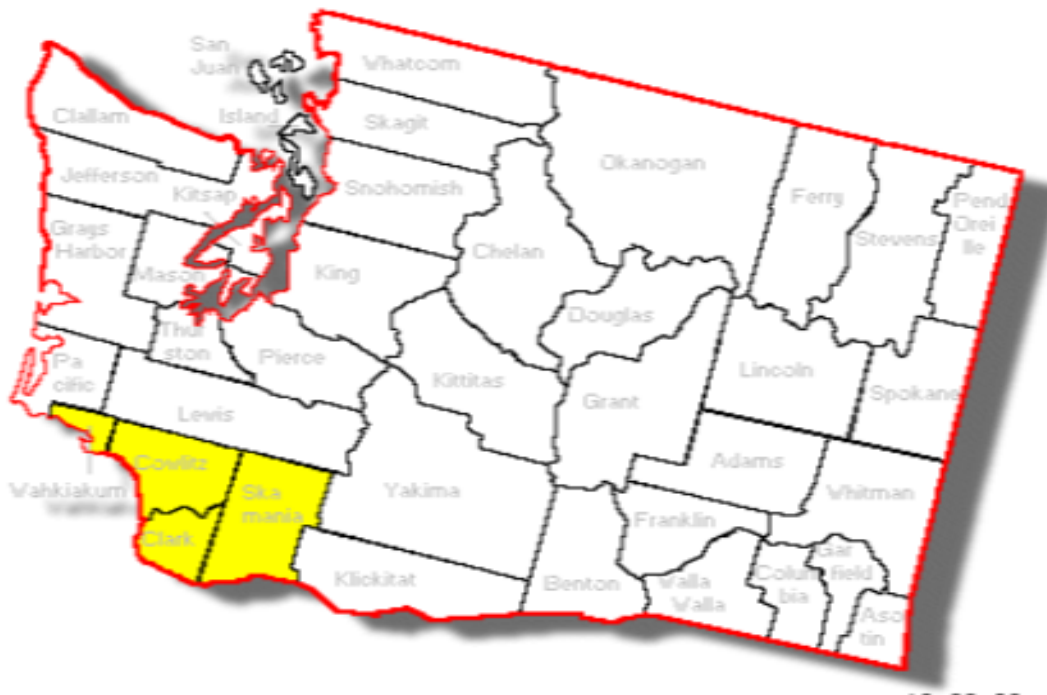


# Where are we in Oregon?





# Where are we in Washington?





# What We Do: C<sup>3</sup>E

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- Access to **Capital**
- Access to Federal **Contracting**
- Access to **Counseling & Training**
- Access to **Export Assistance**





# What We Do: *Capital*

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- SBA offers generous guaranty to banks making commercial loans to small firms (50-90% guaranty)
- Guaranty helps mitigate bank's risk
- SBA does not offer grants to business owners
- No direct loans (exception: disaster loans)





# What We Do: *Capital*

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- 7(a) Loan Guaranty Program (7 Products)
  - Working Capital (most uses permitted)
  - Fixed assets including Real Estate acquisitions
  - Up to \$5M
  - 7-25 year terms
  - Prime + up to 6%; typical: Prime + 2.75%
  - Interest rate is negotiable
  - Guarantee fee up to 3.75%, 0.55% servicing fee
  - 0% fees for loans  $\leq$  \$150,000 (FY'17)





# What We Do: *Capital*

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- 504 Loan Guaranty Program (1 Product)
  - Real Estate, Heavy Machinery & Equipment
  - Up to \$5M (SBA's portion) Total project of \$12.5MM
  - Up to 20 year terms on real estate
  - Fixed-rate financing
  - **Must create or retain jobs**







# What We Do: *Capital*

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## 504 Loan Guaranty Program

- Typical financing structure:
  - Bank 50% (senior lien-holder)
  - Certified Development Company (backed 100% by SBA's debenture, junior lien-holder): 40%
  - Borrower: 10%
- NOT for speculative real estate development





# What We Do: *Capital*

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- Micro Loan Program (MESO, OAME, MercyCorps NW)
  - Loan amounts up to \$50K
  - Loans provided by not-for-profit entity, technical assistance also provided
  - Funds can be used for the following:
    - Working Capital, Inventory, Furniture & Fixtures, M&E
    - Proceeds CANNOT be used to pay existing debts or purchase real estate
  - Most expensive: 8% above cost of funds





# What We Do: *Capital*

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## Total Loan Guarantees in Portland SBA District (FY'16)

Total 7(a) Loans: 976

\$391,522,200

Total 504 Loans: 72

\$64,975,000

Minorities: 194

Women: 328

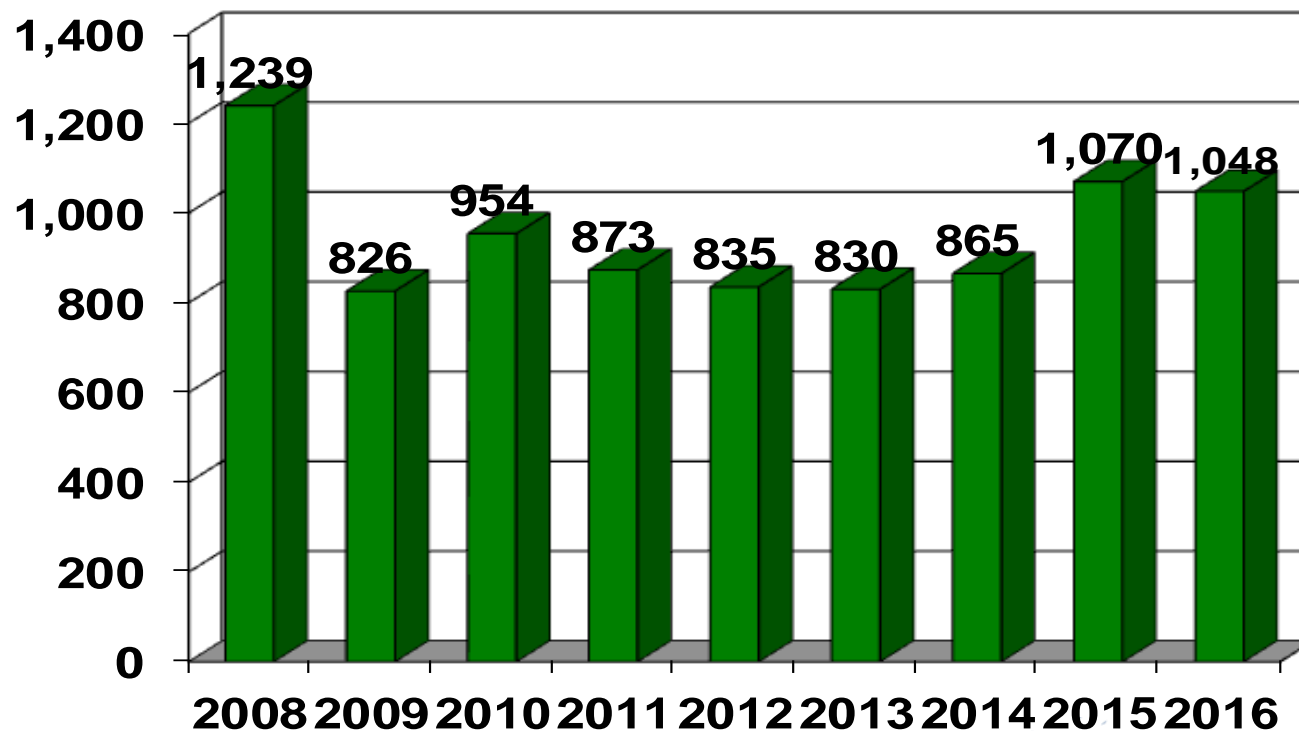
Veterans: 60





# What We Do: *Capital*

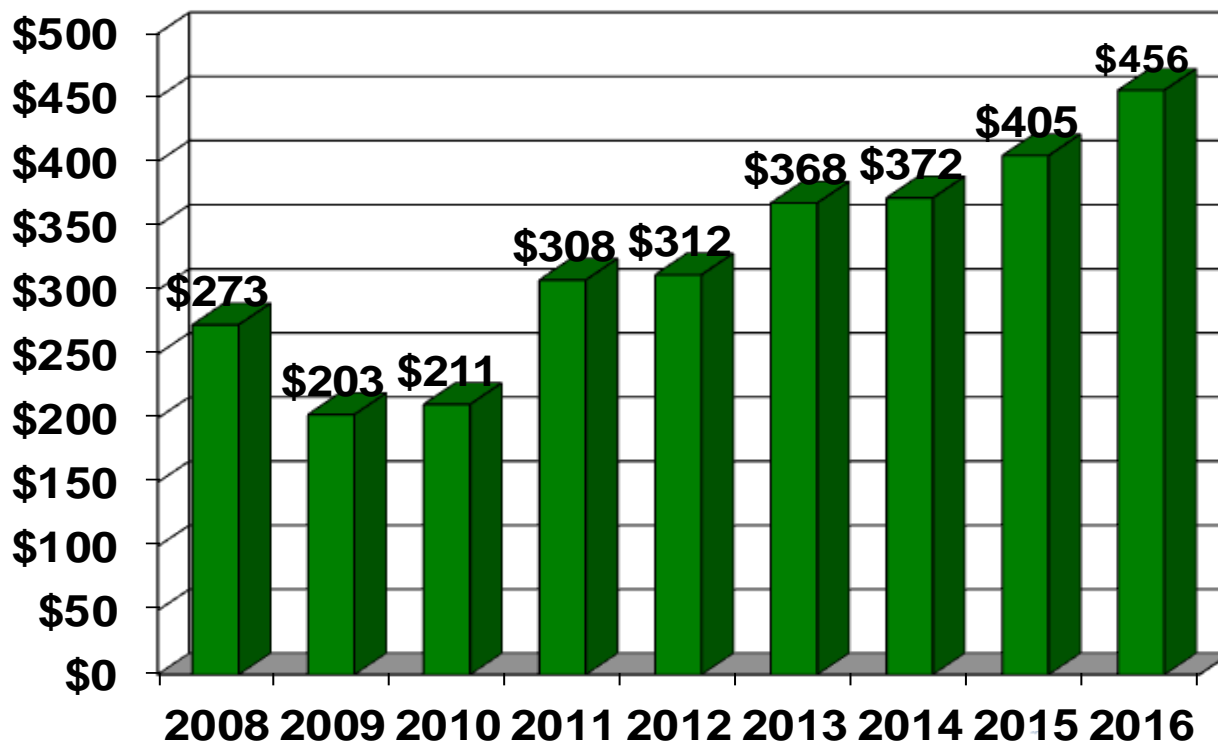
## Portland DO 7(a) & 504 Approvals





# What We Do: *Capital*

## Portland DO 7(a) & 504 Approvals (\$ in MM's)





# What We Do: *Contracting*

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## Contracting Programs

- 8(a) Business Development Program
- HUBZone Program
- Other Contracting Programs
  - Woman-Owned Small Business Program
  - Economically Disadvantaged Woman-Owned
  - Veteran Owned Program
  - Service Disabled Veteran Owned Program





# What We Do: *Contracting*

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## 8(a) BD Program Objectives

- 9 year business development program
- Socially Disadvantaged
- Economically Disadvantaged
- 51% Owned and Controlled by US Citizen
- “to promote the competitive viability of small business concerns...”
- “to promote the business development of such concerns owned and controlled by socially and economically disadvantaged individuals...”





# What We Do: *Contracting*

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## HUBZone Program Purpose

- Provide federal contracting assistance to qualified small business concerns located in historically underutilized business zones







# What We Do: *Contracting*

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## HUBZone Eligibility Requirements

- Size – “Small” by IAW SBA standards.
- Ownership and Control - At least 51% Ownership by US Citizen
- Location - “Principal Office” must be located in a HUBZone
- Employment - At least 35% of employees must reside in a HUBZone
- Must be recertified every three years





# What We Do: *Contracting*

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## Government Contracting 101 Classrooms

- Monthly 8(a) business development training sessions
  - 8(a) Certification
  - HUBZone program
  - WOSB/EDWOSB
  - Doing business with the federal government





# What We Do: *Counseling & Training*

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Offer high-quality business counseling & training through Oregon SBA's extensive network of SBA Resource Partners:

- 5 SCORE Chapters—Counselors to America's Small Business  
[www.score.org](http://www.score.org)
- 21 Small Business Development Centers  
[www.bizcenter.org](http://www.bizcenter.org)
- Women's Business Center (MercyCorps NW)  
[www.mercycorpsnw.org/business/womens-business-center/](http://www.mercycorpsnw.org/business/womens-business-center/)





# What We Do: *Counseling & Training*

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SCORE & SBDC can guide, support and assist with...

- Writing/developing a business plan
- Analyzing the existing business
- Developing / implementing marketing plan
- Preparing a loan package
- Finding additional resources
- SBA has over 100 free online courses at [sba.gov](http://sba.gov), webinars, and call-in training





# What We Do: *Export Assistance*

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- 95% of the world's consumers live outside the USA and account for 67% of purchasing power.
- Oregon exported \$20.1B in 2015 – 9% of Oregon GDP.
- Over 6,084 companies in Oregon export – 89% of those are small or medium sized.
- 81,547 Oregon jobs linked to exports
- 70% of all exporting companies have less than 20 employees





# What We Do: *Export Assistance*

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- 93 U.S. Department of Commerce Export Assistance Centers – SBA has a trade finance specialist in 19 of the centers. The Portland District Office is served by the Portland EAC (WTC).
- Each SBA District Office has a District International Trade Officer (DITO).





# What We Do: *Export Assistance*

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## Export Loan Programs

- Export Express
  - Maximum amount is \$500,000
  - Maximum guaranty of 90% for loans up to \$350,000 and 75% for loans between \$350,000 and \$500,000
- Export Working Capital Program
  - Maximum amount is \$5,000,000
  - Maximum guaranty of 90%
- International Trade Loans
  - Maximum amount is \$5,000,000
  - Maximum guaranty of 90%





# Staff Contacts

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## Capital

Larry Trujillo – [larry.trujillo@sba.gov](mailto:larry.trujillo@sba.gov) – (503) 326-5205

Scott Bossom – [scott.bossom@sba.gov](mailto:scott.bossom@sba.gov) – (503) 326-5204

## Contracting

Yuri Dyson – [yuri.dyson@sba.gov](mailto:yuri.dyson@sba.gov) – (503) 326-6692

## Counseling & Training

Anna Shapiro – [anna.shapiro@sba.gov](mailto:anna.shapiro@sba.gov) – (503) 326-5220

## Export

Danielle Wilsey – [danielle.wilsey@sba.gov](mailto:danielle.wilsey@sba.gov) – (503) 326-5228

