

U.S. Small Business Administration Begins at 11:00 am



Working Together to Serve
Diverse Communities

A Virtual Resource Fair



U.S. Small Business
Administration

TO JOIN BY TELEPHONE:

Phone: (510) 210-8882 | Access Code: 199 191 9244



U.S. Small Business
Administration

U.S. Small Business Administration
Entrepreneurship and the American Dream

The U.S. Small Business Administration (SBA) makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations.

Presenter:

Herbert Austin

Small Business Administration, District Director – Dallas/Fort Worth District Office





U.S. Small Business
Administration



INTERAGENCY OUTREACH TO MINORITY COMMUNITIES

August 6, 2020

Who Are We?

SBA- U.S Small Business Administration

- **A Small Federal Agency with a Huge Mandate**
- **Advocate and Champion for the 30 Million small businesses of the Country**
- **The mission of the U.S. Small Business Administration (SBA) is to support small businesses from start-up to the realization of their ultimate goals.**

Priority

- **Top priority is to ensure that the health of small businesses remain strong so they may continue to:**
 - Prosper
 - Create Jobs
 - Innovate
- **Small businesses are the backbone of the U.S. Economy, creating 2/3 of all net jobs during the last few years**
- **The country's economy can only be strong when the small businesses are strong.**

3 Ways SBA can Help Start , Grow or Expand

- 1. Counseling and Training**
- 2. Contracting Support**
- 3. Access to Capital**

SBA & Its Resource Partners

- The SBA and its partners provide business counseling and training at locations across the country.

- SCORE

- SBDCs (*Small Business Development Centers*)

- WBC (Women's Business Center)

- SBA District Offices

Need Access to Capital? The SBA Can Help



Financing Your Business

SBA Financial Assistance Programs can help you:

- Start your business
- Grow your business
- Export your goods and services
- Recover from a disaster

SBA is primarily a **guarantor** of loans made by private and other institutions.

What is the Lender looking for in Financing Your Business?

- Owners and operators of good character
- Feasible business plan
- Management expertise and commitment necessary for success
- Sufficient funds, including SBA guaranteed loan to operate the business on a sound financial basis
- Adequate equity invested in the business
- Sufficient collateral
- Ability to repay the loan on time from projected operating cash flow

The 7(a) Loan Program

General Purpose Loan

- ❑ SBA's primary business loan program
- ❑ Broad eligibility requirements
- ❑ Wide range of financing needs
- ❑ Maximum loan amount of \$5 million
- ❑ Maximum guaranty of \$5 million
 - 75% from \$150,000 to \$5 million
 - 85% of \$150,000 or less

Microloans

Maximum Loan Amount: \$50,000

Contact Information for 3 Micro-lenders are listed in the SBA Dallas/Fort Worth Small Business Resource Guide.

The **Micro-lenders** are Community Development Financial Institutions /Not for Profit Organizations:

In Dallas, they are

- LiftFund**
- People Fund**
- BCL of Texas**

Community Advantage Loan Program

Our Mission focused lenders , namely the Community Development Financial Institutions (CDFIs) administer this program

Maximum loans: Up to \$250,000

Guarantee: Same as other SBA Loans

30% of these loans must be to Minority or underserved clients

Export Working Capital Program

Maximum Loan Amount: \$5 Million

Maximum Guaranty: 90%

Uses: Short-Term working capital for exporters

Maturity: Generally 1 year or 1 transaction cycle, renewable yearly for up to 3 years

504 Loan Certified Development Company (CDC)

Maximum Loan Amount : \$5 to \$5.5 million

Maximum Guaranty:

Project Costs:

Financed by 504 loan	(40%)
Lender Finances	(50%)
Equity Finances/Injection	(10-15%)

Loan Uses: Long Term; Fixed Assets

Maturity: Generally 10-25 years

Maximum interest: Fixed rate for life of the loan

Increase Your Chances of Securing a Loan

Lenders want to know they're making a smart choice by giving you a loan. Your local SBA Resource Partners can help you develop your:



- **Business plan**
- **Expense sheets**
- **Financial statements**
- **Financial projections**

Lender Match



Find an SBA-approved lender that's right for you by visiting

[SBA.gov/lendermatch](https://www.sba.gov/lendermatch)

COVID-19 - Loan Programs

Due to the pandemic, SBA implemented 3 loan programs to help small businesses cope with their hardship.

#1-Paycheck Protection Program (PPP)

The program was designed to help businesses with their payroll requirements

Apply Directly to SBA Lender

FEATURES OF THE PROGRAM

- Loan Amount - Up to \$10 million
- Terms - 5 years
- Interest - 1%
- Deferment - 6 months
- Guarantee - 100% guarantee by SBA

Most of all ,the loan amount can be forgiven if used for payroll and other eligible non payroll costs.

Loan Forgiveness Component

#2. Economic Injury Disaster Loan (EIDL)

The program is designed to help businesses pay debts and liabilities unable to be paid as a result of COVID 19.

To apply, go to SBA portal and fill out the application.

<https://covid19relief.sba.gov/#/>

FEATURES OF THE PROGRAM

- Amount of loan: Up to \$150,000 ; *initially up to \$2 million*
- Terms: 30 years
- Interest: 3.75% for business and 2.75% for Not for Profit
- Deferment: One full Year
- Advance/Grant: **No longer** available; initially up to \$10,000

#3 .Community Advantage Recovery Loan (CARL) *Newly Created*

The program is designed to help small businesses recover from the pandemic.

FEATURES OF THE PROGRAM

- Amount of the Loan: \$ 250,000
- Terms: Minimum of 5 years
- Interest Rate Prime + 6%
- Deferment SBA pays Interest and principal for 6 months
- Technical Assistance 15 hours if needed
- The program is administered by the Community Development Financial Institutions (CDFIS) and not by banks.

Only the businesses in underserved communities and minorities can apply

Build Capacity as Your Business Develops

GROW • EXPAND

Are You Ready to Consider Federal Contracting?



The world's largest customer, buying all kinds of products & services



Required by law to provide contract opportunities to small businesses



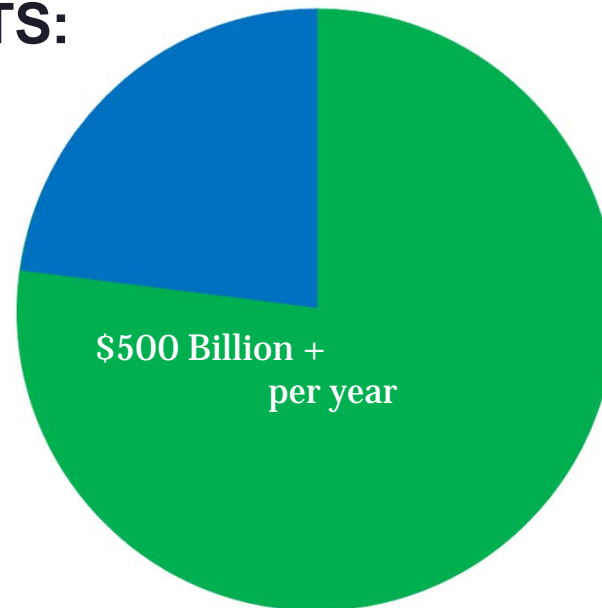
Evaluate your readiness & learn more by visiting [SBA.gov/contracting](https://www.sba.gov/contracting)



Contracting Support

PROCUREMENT TARGETS:

**Small
Businesses:
23%= <100
Billion**



Set Asides

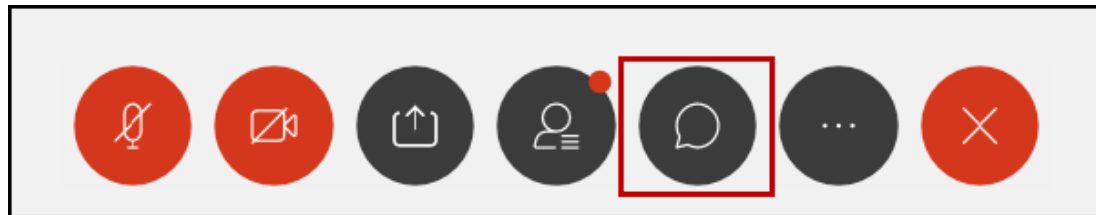
Within the 23%, there are some set asides:

- 5% - 8(a) Firms
- 5% Women Owned Small Business (WOSB) and EDWOSB
- 3% Business located in a HUBZone
- 3% Disabled Veteran Owned Business

Questions?

Send your question by **Chat**:

- Open the **Chat** panel



- In the **Send To** or **To** drop-down list, select the recipient of your question
- Type your message in the **Chat** text box, then press **Enter** on your keyboard.



U.S. Small Business
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Contact Information

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