



U.S. Small Business
Administration

SBA Programs

2-11-2020

**The SBA works to ignite change and spark action
so small businesses can confidently**

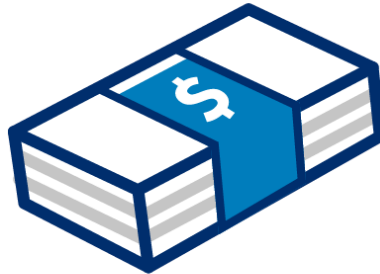


**START • GROW • EXPAND •
RECOVER**

Contents

- **Access to Capital**
- **Small Business Resources**
- **Federal Contracting**
- **Disaster**
- **Awards**

Need Access to Capital? The SBA Can Help



Capital: 7(a) loans

Overview

SBA's primary loan program

Maximum loan: \$5 million

Guarantees: 85% <\$150,000; 75% > \$150,000

Maturities

5 – 10 years: working capital, machinery, equipment
Up to 25 years for real estate, construction

\$15 million tangible net worth; \$5 million net profits



Capital: 7(a) loans

Express Loans

50% Guarantee

Up to \$350,000



Includes Lines of Credit

Lender makes credit decision

Capital: 7(a) Loans

Int'l Trade/Export Financing

Develop/Expand Export Activities -Up To 90% Guaranty

International Trade Loan

Maximum \$5 Million Loan And 90% Guaranty
Long Term Fixed Asset/Working Capital/Refi.



Export Working Capital

Maximum \$5 Million Loan And 90% Guaranty
Transaction Or Asset-Based, Short-Term Financing Needs

Export Express

Simplest Program; Up To \$500,000 Term Loan Or Line
Maximum 90% For Loans \leq \$350,000
Maximum 75% For Loans $>$ \$350,000

Capital: 7(a) loans

Community Advantage

Community based, mission-focused CDFIs, CDCs, and Micro-lenders

Maximum Loan Size: \$250,000

Guarantee: 85% up to \$150,000; 75% for more.

Approval Times: 5-10 days

Paperwork: Two-page application for borrowers

Lender Requirements: Maintain 60% of portfolio in underserved markets

Time Frame: 3 Year Pilot; extended to 3/31/2020

Capital: Community Advantage

Community based, mission-focused CDFIs, CDCs, & Micro-lenders

Wisconsin Women's Business Initiative Corporation

Milwaukee Economic Development Corporation

Legacy Redevelopment Corporation

First American Capital Corporation, (American Indian Chamber)



Year	# Loans	\$\$\$\$
FY2016	48 loans	\$4.8 million
FY2017	44 loans	\$5.7 million
FY2018	36 loans	\$3.9 million
FY2019	37 loans	\$5.1 million

Capital: 504 Loans

504/Certified Development Company

Maximum: \$5 MM (\$5.5 MM for manufacturing, energy savings)

Financing:

CDC (w/SBA guarantee) finances 40%

Lender (bank) finances 50%

Equity (borrower) finances 10-20%

Uses: long-term fixed assets

Maturity: 10-20 years, **25 year debenture announced 2018**

Interest: fixed rate established when debenture backing sold;
some exceptions

Job requirements reduced in rural areas

Capital: Micro-loans

Terms

Max amount: \$50,000

Rate: negotiated by borrower/intermediary

No guarantee

Maturity: up to 6 years

Uses: purchase equipment, fixtures, working capital, leasehold improvements; increased receivables

Capital: Micro-lenders

- **Advocap**, Fond du Lac and Oshkosh
- **First American Capital Corp.**, West Allis (American Indian Chamber)
- **Entrepreneur Fund**, Serving Douglas County
- **WI Women's Business Initiative Corp.**, Milwaukee, Racine, Kenosha & Madison (statewide)
- **CAP Services**, Stevens Point
- **Northwest Regional Planning Commission**, Spooner

Capital: Micro-lending

FY2016: 129 loans/\$2.8 MM/67 startups

FY2017: 100 loans/\$2.1 MM /56 startups

FY2018: 130/\$2.5 MM/70 startups

FY2019: 80/\$1.5 MM

Capital: Lending

Wisconsin 7(a) and 504 lending
FY2019

1249 total loans guaranteed
\$562.3 million

504: 175/\$136 million

7(a): 1074/\$426.3 million



Startups: 405/\$127,961,100

Loans to veterans: 58/\$19.6 million

Women-owned: 213/\$66 million

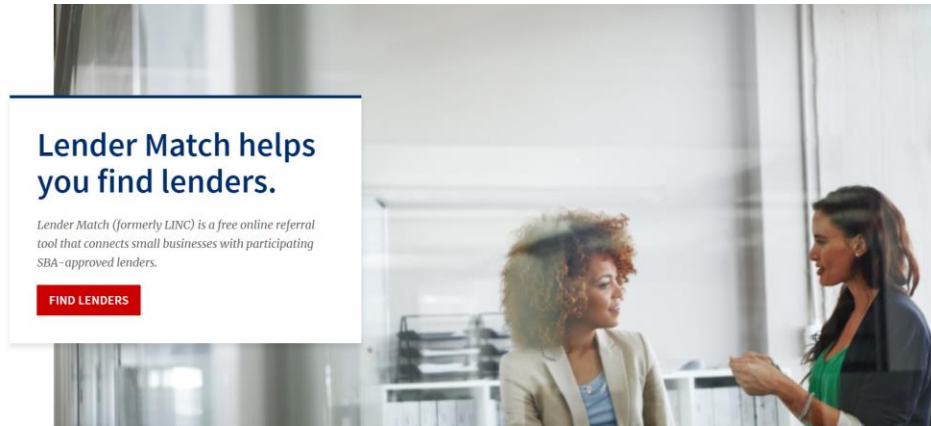
Loans \$150,000 or less: 581/\$41,453,100

Microloans: 80/\$1.5 million

Capital: FY2019 Lending Industries

Industry	\$\$\$\$	###
Accommodation and Food Services	\$82,365,500	173
Manufacturing	\$110,397,600	156
Retail Trade	\$72,400,200	141
Construction	\$43,653,000	135
Health Care and Social Assistance	\$41,772,700	106
Other Services (except Public Administration)	\$31,653,300	106
Professional, Scientific, and Technical Services	\$28,000,600	89
Transportation and Warehousing	\$29,036,900	72
Arts, Entertainment, and Recreation	\$29,543,500	61
Administrative and Support and Waste Management and Remediation Services	\$18,987,700	55
Wholesale Trade	\$30,605,300	45
Real Estate and Rental and Leasing	\$22,678,200	42
Educational Services	\$10,239,800	24
Finance and Insurance	\$2,867,000	20
Agriculture, Forestry, Fishing and Hunting	\$3,401,200	13
Information	\$3,813,000	8
Mining	\$561,000	2
Management of Companies and Enterprises	\$350,000	1
Grand Total	\$562,326,500	1,249

LenderMatch



Online tool connects prospective borrowers with lenders; Successor to LINC

- Prospective borrower answers 10 questions
- Lenders will respond within 48 hours if any interest; 800+ participating
- To apply: look for LenderMatch at www.sba.gov

Surety Bonds

- **Bid Bond:** Guarantees that the bidder on a contract will enter into the contract and furnish the required payment and performance bonds if awarded the contract.
- **Payment Bond:** Guarantees that suppliers and subcontractors will be paid for work performed under the contract.
- **Performance Bond:** Guarantees that the contractor will perform the contract in accordance with its terms and conditions.*
(*The term Final Bond means Payment Bond, Performance Bond or both Payment and Performance Bond.)

Contracting: Eligibility

Sample Size Standards

NAICS Industry Sector	Standard
Manufacturing	500 employees
Wholesale Trade	100 employees
Agriculture	\$750,000
Retail Trade	\$7 million
General & Heavy Construction	\$33.5 million
Dredging	\$20 million
Special Trade Contractors	\$14 million
Travel Agencies	\$3.5 million
Business and personal services	\$7 million
Architectural, Engineering, Surveying, Mapping Services	\$4.5 million
Temporary staffing services	\$13.5 million

Updates to selected industry size standards:

- Manufacturing
- Wholesale Trade
- Retail Trade
- Program specific size standards adjusted for inflation

*As directed by the Jobs Act

Types of SBA Disaster Loans



- 1) Physical Home
- 2) Physical Business
- 3) Economic Injury



SBA Disaster Loan Limits

Types of Loans	Borrowers	Purpose	Max. Amount
Business Loans "Physical"	Businesses and private nonprofits	Repair or replace real estate, equipment, furniture, etc.	\$2 million *
Economic Injury Loans	Small businesses and private nonprofits	Economic injury disaster loans or working capital loans	\$2 million *
Home Loans	Homeowners	Repair or replace real property	\$200,000
Home Loans	Homeowners and renters	Repair or replace personal property	\$40,000
Mitigation	Businesses, private nonprofits and homeowners	Mitigate / prevent future loss to real property	20% of verified physical damage. Homeowners are limited to \$200,000

*The maximum business loan is \$2 million, unless the business qualifies as a Major Source of Employment (MSE).

Requirements for Loan Approvals

Eligibility

- Damaged property/business must be in a declared county.



Credit History

- Applicants must have a credit history acceptable to SBA.



Repayment

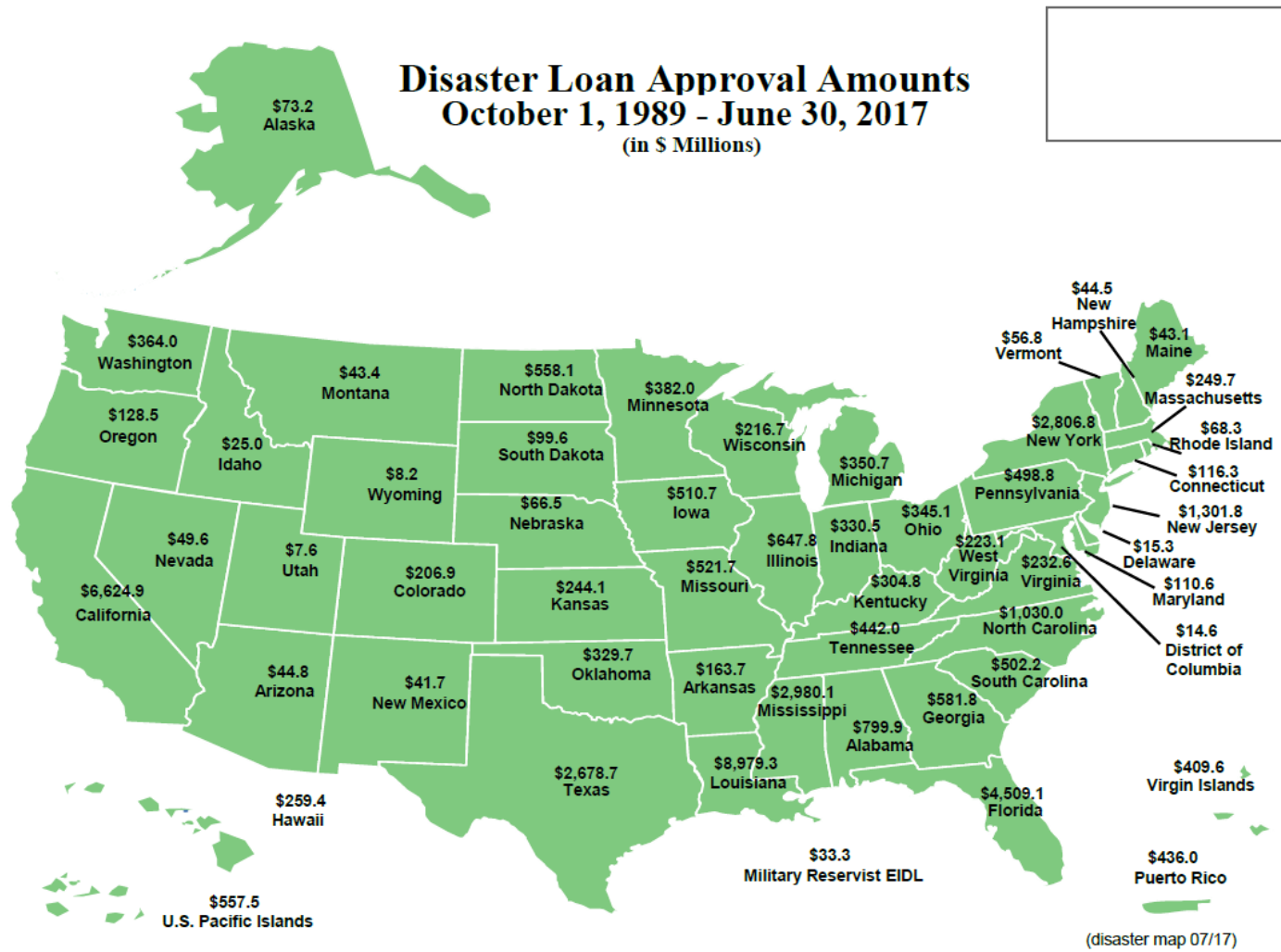
- Applicants must show the ability to repay the SBA loan.

Types of Disaster Declarations

- **Presidential** (Individual /Public Assistance)
 - Governor asks FEMA-automatic if approved
- **Administrative (Agency)**
 - Governor requests from SBA w/Prelim Damage Assessment
 - 25 homes/businesses sustain uninsured loss of 40% or more
- **Governor's Certification**
 - Governor requests from SBA w/Economic Injury Loss info
 - 5 small businesses have suffered substantial loss
- *Above include physical damages; below do not*
- **Secretary of Agriculture**
 - Governor requests from Sec. of Agriculture
 - Agriculture notifies SBA
- **Secretary of Commerce**
 - Declaration of a fisheries resource disaster
 - 5 small businesses suffer substantial economic injury
- **Military Reservist**
 - Loans help reservists avoid/minimize economic injury to their businesses due to call-up; 4% /\$2 million/up to 30 years/



SBA Disaster Loans in Wisconsin



Resource Partner Network

SCORE – Counselors to America's Small Businesses
6 chapters with 20+ appointment locations

Women's Business Centers

8 locations - **new location in Appleton 6/2018**

Small Business Development Centers (SBDC)

13 locations plus Center for Tech Commercialization

Veterans Business Outreach Center

newly opened at WWBIC in Milwaukee in 2018

12,213 Wisconsin residents were counseled or mentored by an SBA resource partner in FY2017

Online Training SBA.Gov

More than 130 free courses and webinars



Resource Partner Network

Wisconsin SCORE Chapters

West Central Wisconsin	centralwisconsin.score.org
Fox Cities	foxcities.score.org
Green Bay	greenbay.score.org
Madison	madison.score.org
Southeast Wisconsin	scoresewisconsin.org

222 volunteers in 5 chapters

Unique clients in FY2018:
2278
Total mentoring FY2018: 4377

► **National SCORE** score.org

Resource Partner Network

13 SBDC Locations

UW-Eau Claire
UW-Green Bay
UW-La Crosse
UW-Madison
UW-Milwaukee
UW-Oshkosh
UW-Parkside
Southwest Wisconsin
UW-River Falls
UW-Stevens Point
UW-Superior
Waukesha County
UW-Whitewater



Wisconsin's Business Answer Line:
wisconsinsbdc.org/sbdc.htm
800-940-7232

Business Starts: 241
Capital Infusion: \$104 million
Clients Served 4,060

Resource Partner Network

Women's Business Centers

Entrepreneur Fund's Women Business Center,
MN and Superior, WI

Western Dairyland Women's Business Center,
Independence and Eau Claire
1473 clients (1223 were women)

WI Women's Business Initiative Corp. (WWBIC)
Milwaukee, Madison, Kenosha, Racine, **Appleton**
5119 clients served

SBA Office of Women's Business Ownership



Are you the next winner?

Business Categories

Small Business Person of the Year * Small Business Exporter
8a Graduate * Young Entrepreneur
Small Business Success * Emerging Small Business
Family-owned Small Business* **New! Rural Small Business**

Small Business Champion Categories

Minority, Veteran, Legal Assistance, Home Based, Women in Business,
Financial Services

Nomination deadline Fall 2020; final packages due Jan 2021
See awards packet or contact Shirah Apple, SBA Public Affairs
Specialist at rachel.apple@sba.gov

2019 SBA Award Winners

- **Small Business Person of the Year**-Stacy Tuschl, [The Academy of Performing Arts](#), Oak Creek and Franklin
- **Small Business Exporter of the Year**-Doug Buch, [PaveDrain](#), LLC, Milwaukee
- **8(a) Graduate of the Year**-Manisha Dotson, [Nisha Group LLC](#), Milwaukee
- **Young Entrepreneur**-Ben Caya, [Spike Brewing](#) LLC, Milwaukee
- **Financial Services Champion**-Joanne Freitag, [Parrish & Freitag, Ltd](#), Paddock Lake
- **Veterans Small Business Champion**-Curtis Schmitt, [Wisconsin Veterans Chamber of Commerce](#), Milwaukee
- **Small Business Legal Assistance**-Kristen Roeper, [Godfrey and Kahn, S.C.](#), Milwaukee
- **SCORE Mentor**-Joan Burke, [SCORE Southeast Wisconsin](#), Milwaukee
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- **Emerging Small Business**-Nicole Centeno, [K9 Kibble LLC](#), Kenosha
- **Jeffrey Butland Family Owned Small Business**-Ruth Johnston, Matthew Johnston, [Croix Gear and Machining](#), Hudson
- **Small Business Development Center Excellence and Innovation Center Award**-Danielle Campeau, Katherine Fossler, Julie Fronmueller, [Small Business Development Center at UW-River Falls](#)
- **Women's Business Center of Excellence**- Karman Briggs, [Western Wisconsin Women's Business Center](#), Eau Claire
- **Minority Small Business Champion**-Jessica Cavazos, [Latino Chamber of Commerce of Dane County](#), Madison
- **Women in Business Champion**-Laura Gallagher, [The Creative Company](#) and North American Regional Ambassador and Spokesperson for [Women's Entrepreneurship Day](#), Madison
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Stay in Touch with SBA in Wisconsin

- **E-news**--monthly and periodic updates; upcoming events and classes list sent monthly
 - **Sign up! Text “SBA” to GOV311 (468311)** or go to www.sba.gov/updates
- **Website**—e-news sign-up; business success stories, press releases, e-news updates, calendar of events, loan and program information, office staff and responsibilities, online resource guide.
www.sba.gov/wi
- **Social media**
 - Twitter: @SBA_Wisconsin (since 9/17) Follow us!
 - Facebook: U.S. Small Business Administration
 - Instagram: @SBAgov
 - LinkedIn: U.S. Small Business Administration
- **Resource Guide**—Updated annually; available in hard copy and on the SBA Wisconsin website; new guide available now! (Pictured)



Wisconsin SBA Contacts

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