



ECONOMIC DEVELOPMENT COMMISSION MEETING

Wednesday, July 17, 2024, at 8:00 AM

Snoqualmie City Hall, 38624 SE River Street

COMMISSION MEMBERS

Commissioners: Joelle Gibson, Kristina Hudson, Rob McDonald, Nichole Pas, Paula Shively, Adrian Webb, and VACANT.

CALL TO ORDER & ROLL CALL

PUBLIC COMMENT - *Public comment will be accepted by in-person attendees.*

AGENDA APPROVAL

SPECIAL ORDERS

1. U.S. Small Business Administration
2. Economic Development Roundtable

ADJOURNMENT



Community Development Department

Item 1.

Emily Arteche, Director
38624 SE River St. | P.O. Box 987
Snoqualmie, Washington 98065
(425) 888-5337 | earteche@snoqualmiewa.gov

MEMORANDUM

To: Economic Development Commission
From: Emily Arteche, Director
Date: July 15, 2024
Subject: Small Business Administration, "Funding Your Business Needs with SBA Programs".

BACKGROUND:

The United States Small Business Administration, SBA is an independent agency of the United States government that supports entrepreneurs and small businesses. The mission of the Small Business Administration is "to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters."

ANALYSIS:

The Economic Development Commission started a series of Roundtable meetings with the Snoqualmie business community, including the first RoundTable on July 17, 2024, with the businesses in the Business Park. To help facilitate the needs of businesses the City would like to present funding opportunities provided by US Small Business Administration directly to business park businesses. New grant funding is now available that may help lower energy costs and improve operational productivity for small- to mid-sized manufacturing facilities.

Other opportunities include a CapLine Guarantee Program for lines of Credit, a 504 Loan Program, Community Advantage Small Business Loan Companies (CASBLCs) Loans up to \$350,000 and Microlender Loans up to \$50,000. Some of the areas where SBA funding may be used are included in the table below.

Funding May Support:
Operating expenses
Seasonal Needs
Specific Contracts
Builders with NAICS in specific areas.

NEXT STEPS:

Janie Sacco, Outreach and Marketing Specialist Seattle District Office U.S. Small Business Administration will conduct a presentation of the funding options to the attendees at the next RoundTable.



U.S. Small Business
Administration

7(a) Loan Guarantee Program With Up to 90% Financing

CapLine Guarantee Program for Lines of Credit to fund

- Operating expenses
- Seasonal needs
- Specific contracts
- Builders with NAICS of 236220, 236115, 236116, or 236118

Term Loans to fund:

- Working Capital Needs
- Inventory
- Account and Trade Payables
- Equipment Purchases and installation costs
- Business debt refinance
- Changes of ownership (100% or Partial)
- Tenant improvements
- Acquisition of owner-occupied real estate
- Acquisition of owner-occupied land and ground up construction

504 Loan Program

With Up to 90% Financing on Owner-Occupied Commercial Real Estate

How the Financing is Structured

- A lender finances at least 50% of the total project
- The SBA through the CDC processing agent finances 30% to 40% of the total project
(Ameritrust CDC www.ameritrustcdc.com; Capital Matrix www.capitalmatrix.org; Evergreen Business Capital www.evergreen504.com; Northwest Business Development Association www.nwbusiness.org; Northwest Business Development Association www.nwbusiness.org; Panhandle Area Council www.pacidaho.org)
- The borrower's capital injection is 10% to 20% of the total project
 - 10% for a business in operation 2+ years with a general-purpose building
 - Additional 5% for a business in operation less than 2 years
 - Additional 5% for a special use building (only on the first project)
 - Green Projects have a maximum funding limit per transaction of \$5.5 Million, but no aggregate limit

Community Advantage Small Business Loan Companies (CASBLCs)

Loans up to \$350,000 and Microlender Loans up to \$50,000

CASBLCs

Business Impact NW www.businessnw.org

Craft 3 www.craft3.org

Evergreen Business Capital www.evergreen504.com

NW Native Development Fund www.thenndf.org

Microlenders

Business Impact Northwest www.businessimpactnw.org

Ventures www.venturesnonprofit.org

SNAP (Spokane Neighborhood Action Partners) www.snapwa.org

New Roots www.newrootsfund.org

Small Business Investment Companies

Investment capital | U.S. Small Business Administration ([sba.gov](https://www.sba.gov))

- **Debt**--A typical SBIC loan ranges from \$250,000 to \$10 million, with an interest rate between 9% and 16%.
- **Equity**--SBICs will invest in your business in exchange for a share of ownership in your company. Typical investments range from \$100,000 to \$5 million.
- **Debt with equity**--Financing includes loans and ownership shares. Loan interest rates are typically between 10% and 14%. Investments range from \$250,000 to \$10 million.

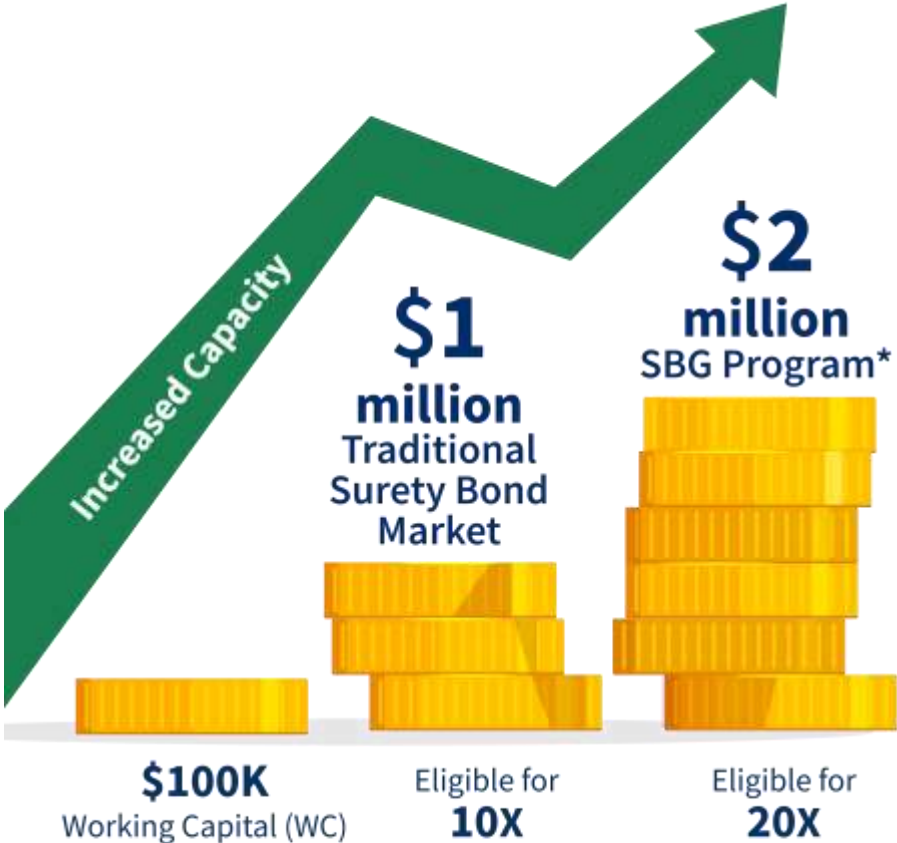
Investing in America--Manufacturing

New grant funding that may help lower energy costs and improve operational productivity for small- to mid-sized manufacturing facilities

[IAC implementation grants for small manufacturers | U.S. Small Business Administration \(sba.gov\)](https://www.sba.gov/implementation-grants)

- No cost assessments to save on energy costs at your manufacturing facility
- The program enables small and midsized manufacturers to get a no-cost energy assessment.
- Following the assessment, manufacturers can apply to the Implementation Grants Program.
- The Implementation Grants program provides funding of up to \$300,000 per project

Benefits of SBA guaranteed bonds



Working capital requirement is about half what is normally required for contract surety bonds.

We count the unused portion of bank lines of credit (BLOC) as working capital.

Your Local SBA District Office Can Help

Spokane Branch Office

801 W. Riverside Ave., Suite 444
Spokane, WA 99201
(509) 353-2800

Seattle District Office

2401 4th Ave., Suite 450
Seattle, WA 98121
(206) 553-7310

infosdo@sba.gov

Connect with Us

<https://www.SBA.gov/WA>

 @SBASeattle

Sign up for SBA Email Updates

<https://www.sba.gov/updates>

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Item 2.

MEMORANDUM

To: Economic Development Commission
Date: July 17, 2024
Subject: Economic Development Roundtable

Guided questions for Economic Development Roundtable:

1. What do you do here in Snoqualmie?
2. Do have other offices in the region or elsewhere?
3. Have you been finding the employees that you need? (If not, what is the biggest issue?)
4. Do you have any supply chain issues? If so, tell me more about that.
5. How is your business doing?
6. Do you have any concerns?
7. What do you like best about being here in Snoqualmie?