



www.lsbdc.org

Louisiana Small Business Development Center
State Director
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BUSINESS COUNSELING CENTERS

- WHY?
- The right thing to do
- Easy to find
- Many services under one roof

Gives businesses a chance

What do you need?

- A plan - documented process
- Lead agency – Louisiana Economic Dev. initiate the process, funding, marketing
- Organization, reporting, facilitation, outreach – LSBDC
- Regional/local organization – space, access to local business community

Service Providers

- SBA Disaster Personnel - loans
- SBDC – Long term TA
- State Insurance - information
- State Department of Labor - disaster unemployment
- IRS – deferrals; tax records, rules
- Local EDO – communicate with businesses, promote, intermediary for loans

Funding Sources for TA

- Immediately operate on current funding
- EDA funds to LED Subcontract to LSBDC and EDO's
- SBA Portability Grants to SBDC's
- CDBG funds to LRA to TA providers

American Recovery Act

- \$630 million for SBA loans and guarantees
- \$255 million for loan guarantees of \$35,000 or less in a new *Business Stabilization Program*;
- An additional \$6 million for new SBA direct loans;

American Recovery Act

- \$15 million for SBA surety bonds, increase the maximum bond;
- Eliminate or reduce fees in SBA's business loan programs;
- SBA loan guarantees available to refinance existing business loans.

Emergency Bridge Loans and other financing options

- Fills a critical gap in cash flow in immediate aftermath of event.
- Establish administrative procedures and loan review committees
- conduct annual training and recruitment of lenders who would participate if need be.
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Florida Loan Program

- activated 13 times since Hurricane Andrew. 7 times in 2004/05 alone.
- Almost \$65,000,000 loaned to to 3,101 small businesses.
- The average loan size \$20,901.
- Average number of employees 12 (affected retention of 37,140 jobs)

Florida Loan Program

- Repayment rate just over 90%.
- Loans are unsecured and are not collateralized
- There have been 8 entities that have been participating administrators – CDCs and others.

NC Emergency Bridge Loans

- If SBA approval process will take 21 days or longer, the state may provide interim emergency bridge loans to cover the gap between the time of the disaster and the point at which the business owner receives the SBA loan
- Emergency bridge loans can place \$10,000 if approved for an SBA loan.

NC Emergency Bridge Loans

- Bridge loan is repaid from the proceeds of their SBA loan.
- The borrower signs unsecured note and executes an assignment of loan proceeds to be honored by the SBA.

NC Emergency Bridge Loans

- The NC Department of Commerce and the SBTDC can implement the emergency bridge loan program within a week of program approval.
- The interim program ASAP after the disaster, but discontinued 30-45 days after inception.

NC Emergency Bridge Loans

- State Loans provided for a 3 yr. Interest free period – 8 yr. Term. In order to encourage businesses to first apply for SBA disaster loans, any business with an SBA loan that qualified for a state loan received a rebate on the SBA interest.

Helpful Websites

- <http://www.stimulus.la.gov/>
- <http://www.recovery.gov>
- <http://www.stimulus.ms.gov>
- <http://www.lsbdc.org>
- <http://www.sba.gov>



To find your local LSBDC, log onto

www.lsbdc.org

or

LSBDC State Office, 318-342-5506

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