

Technical Bulletin

Colorado Wood Utilization and Marketing Assistance Center

March 2004

Special thanks to Alice Kotrlík and Ken Gabriel of the State of Colorado Office of Economic Development and International Trade for their assistance in compiling this information.

SMALL BUSINESS FINANCING

The following Technical Bulletin is meant to provide information on government, and non-profit sponsored programs aimed at assisting small businesses in meeting their financing needs. The programs that are outlined generally fall into two categories, those providing loan guarantees, and those providing direct loans.

The Small Business Administration defines loan guarantee programs as such: *Under the guaranty concept, commercial lenders make and administer the loans. The business applies to a lender for their financing. The lender decides if they will make the loan internally or if the application has some weaknesses which, in their opinion, will require an SBA guaranty if the loan is to be made. The guaranty which SBA provides is only available to the lender. It assures the lender that in the event the borrower does not repay their obligation and a payment default occurs, the Government will reimburse the lender for its loss, up to the percentage of SBA's guaranty. Under this program, the borrower remains obligated for the full amount due.*

Direct loans, as the name implies, are loans made directly to the borrower (although in some cases through an intermediary organization). Most of the direct loan programs will not cover the entire cost of the project, and in some cases dictate that a portion of the funding is secured through a commercial lending institution. In the case of Revolving Loan Funds, monies are provided for "gap financing," meaning that they are meant to fill the "gap" left after "commitments from banks, businesses, and other sources of funding have been identified and exhausted."

This Technical Bulletin outlines the programs offered by: the Small Business Administration, Colorado Housing and Finance Authority, USDA Rural Development Business Programs, and the Revolving Loan

Funds administered by the State of Colorado Economic Development and International Trade. Finally, the Appendix provides information on non-finance related business assistance that you are, or maybe eligible for.

SBA LOAN PROGRAMS

Guaranty Loan Programs

The 7a Loan Guaranty Program

Serves as the SBA's primary business loan program to help qualified small businesses obtain financing when they might not be eligible for business loans through normal lending channels. It is also the agency's most flexible business loan program, since financing under this program can be guaranteed for a variety of general business purposes.

The primary, and most flexible program, can guarantee financing for a variety of general business purposes. The SBA can guarantee up to 85 percent of a loan \$150,000 or less, and 75 percent of a loan greater than \$150,000. The maximum size loan SBA can guarantee is \$2 million, and the maximum guaranty that can be provided is \$1 million.

7a guarantee loan guarantees can be used by a start-up or existing business to:

- expand or renovate facilities
- purchase machinery, equipment, fixtures, and leasehold improvements
- finance receivables and augment working capital
- purchase land or buildings
- finance seasonal lines of credit
- construct commercial buildings
- refinance existing debt (under some circumstances)

Terms

- 5 to 10 years for working capital
- generally 25 years for fixed assets such as real estate or equipment (not to exceed useful life of equipment)

Colorado
State
University

Knowledge to Go Places



Rates: Both fixed and variable are available. Maximum rate is generally 2.25 percent over lowest prime for terms less than 7 years, and 2.75 percent over prime for terms longer than 7 years. SBA charges the lender a nominal fee to provide a guaranty, and is based on the maturity of the loan and the amount guaranteed. Fees range from .25 percent to 3.5 percent. Personal guaranties are required of all principals owning 20 percent or more of the business; liens on personal assets of the principals may also be required. However, no loan will be declined for insufficient collateral alone.

Special 7a Loan Guaranty Program

CAPLines Loan Guaranty Program

The CAPLine Loan Guaranty Program is a Special 7a Program offered by SBA intended to help small businesses meet short-term and cyclical working-capital needs. Each has maximum maturity of five years, though a shorter initial maturity can be established to meet your needs. CAPLine interest rates are negotiated between lender and borrower, but will not exceed 2.25 percent over prime, with a guaranty fee similar to a standard 7a loan. Collateral is the short-term asset financed by the loan.

Types include:

Season Line

Advances funds against anticipated inventory and accounts receivable for peak seasons and seasonal sales fluctuations, and can be either revolving or non-revolving.

Contract Line

Finances direct labor and material costs associated with performing assignable construction, service or supply contracts, and can be either revolving or non-revolving.

Small Asset-Based Line

Guarantees asset-based revolving lines of credit up to \$200,000 that allow businesses borrow against their existing inventory and accounts receivable provided that such assets have value, and the line is repaid when the business collects cash from the sale of the assets.

SBA Direct Loan Programs

7m Microloan

The SBA Microloan Program provides direct loans up to \$50,000 through an intermediary lender. Currently, there are two intermediary lenders in Colorado: the Colorado Enterprise Fund and Region 10 League for Economic Assistance and Planning (LEAP). Microloans can be used to finance equipment, inventory, materials, supplies, as well as

receivables and for working capital. They cannot be used to purchase real estate, however. Maximum term for a microloan is six years, and interest rates can be up to 8.5 percent over the intermediary's cost of borrowing from SBA.

For more information, contact:

Colorado Enterprise Fund

1888 Sherman St, Suite 530

Denver, CO 80203

Contact: Lewis Hagler

Telephone: (303) 860-0242 Fax (303) 860-0409

Web page: www.coloradoenterprisefund.org

e-mail: microloans@coloradoenterprisefund.org

Service Area: City and County of Denver, Adams, Arapahoe, Boulder, Douglas, Jefferson, Larimer, Weld, Elbert and El Paso counties

Region 10 LEAP, Inc.

P.O. Box 849, Montrose, CO 81402

300 North Cascade Street, Suite 1

Montrose, CO 81401

Contact: Jonathan Allen

Telephone: (970) 249-2436 Fax (970) 249-2488

Service Area: West Central area including Delta, Gunnison, Hinsdale, Montrose, Ouray, and San Miguel counties

SBA 504 Certified Development Company Program

Provides growing businesses with long-term, fixed-rate financing for major fixed assets such as land and buildings. CDC's are nonprofit corporations set-up to contribute to the economic development of their local communities, and are designed to enable small businesses to create and retain jobs. Typically, the CDC portfolio must create or retain at least one job for every \$35,000 of debenture provided by SBA.

Proceeds from 504 loans must be used for fixed asset projects, such as: purchasing land, constructing, modernizing, renovating, or converting existing facilities, or purchasing machinery or equipment. Funds cannot be used for working capital, consolidating or repaying debt, or refinancing.

Financing for a typical 504 project includes:

- A loan secured with a senior lien on the financed asset made by a private-sector lender (covering 50 percent of the fixed financing)
- A loan secured with a junior lien made by a CDC (funded by a 100 percent SBA-guaranteed debenture), covering up to 40 percent of financing, and
- A contribution of at least 10 percent equity from the borrower

Interest rates approximate the current market rate for 5 and 10 year U.S. Treasury issues, plus a small increment, with maturities of 10 and 20 years. Fees of 3.5 percent of the debenture (CDC processing fee of 1.5 percent, a guaranty fee, funding fee, and underwriting fee) can be financed with the

loan. Personal guaranties of the owners of 20 percent or more of the business are also required.

There are 6 CDC's in Colorado:

Associate Development Company (ADC)

Region 9 Economic Development District of Southwest Colorado
Edwin P. Morlan (970) 247-9621
FAX (970) 247-9513
E-mail: region9edd@frontier.net
Area of Operation: Archuleta, Dolores, La Plata, Montezuma, and San Juan Counties
Associated with SCEDD Development Company, Pueblo, Colorado

Front Range Regional Economic Development Corporation

Mike O'Donnell (303) 657-0010
FAX (303) 657-0140
E-mail: mike@coloradolendingsource.org
Area of Operations: Adams, Arapahoe, Boulder, Denver, Douglas, Jefferson, Larimer, Morgan, and Weld Counties

SCEDD Development Company

Linda Tomkins (719) 545-8680
FAX (719) 545-9908
E-mail: tomkins.scedd@worldnet.att.net
Area of Operations: Alamosa, Archuleta, Baca, Bent, Chaffee, Conejos, Costilla, Crowley, Custer, Dolores, Fremont, Huerfano, Kiowa, Lake, LaPlata, Las Animas, Mineral, Montezuma, Otero, Prowers, Pueblo, RioGrande, Saguache, San Juan Counties

Denver Urban Economic Development Corporation

Stephanie Gerringer (303) 861-4100
FAX (303) 861-9456
E-mail: stephanieg@duedc.org
Area of Operation: Adams, Arapahoe, Boulder, Denver, Douglas, and Jefferson Counties

Pikes Peak Regional Development Corporation

Douglas Adams (719) 471-2044
FAX (719) 471-2042
E-mail: doug@pprdc.com
Area of Operations: El Paso County

Community Economic Development Company of Colorado

Bill Bacon (303) 893-8989 FAX (303) 892-8398
E-mail: bill@cedco.org
Area of Operation: Statewide

COLORADO HOUSING AND FINANCE AUTHORITY

The Colorado Housing and Finance Authority (CHFA) is a public enterprise working to finance affordable housing, business and economic growth opportunities for Colorado. CHFA programs are funded through issuance of taxable or tax exempt bonds and from other secured resources. CHFA is not a state agency, and its bonds and notes are not obligations of the state of Colorado and are not repaid with tax dollars. CHFA is self supporting and pays all operating expenses from its program revenue.

Through the Business Finance Division, CHFA is able to provide long-term, fixed-rate financing in all regions of the state, including businesses in under-served communities that have had difficulty obtaining financing from conventional sources.

Note – prefer to loan to existing businesses, i.e. not best choice for start-ups

CHFA Direct Loan Programs

SBA 504 Loan Program

SBA 504 Loan Program provides real estate financing in conjunction with the SBA's 504 program. Generally, CHFA finances a first mortgage for up to 50% of the project cost, the SBA finances 40% of the project, and the borrower typically provides an equity contribution of 10%. This program allows the borrower to obtain a fixed interest rate on the first mortgage for the entire term of the loan, with a minimal equity contribution. Maximum loan size through ACCESS loan is \$1,000,000; total project \$2,000,000. Term of loan is typically 10 to 20 years, fees are 1 percent at commitment.

CHFA Direct Real Estate Loan Program

A financing program where CHFA originates a direct loan for up to 85% of the project cost for real estate, and provides a fixed rate for the entire term of the transaction (up to 20 years). This program also allows financing of manufacturing equipment, in which case CHFA originates a direct loan for up to 85% of the project cost. Maximum loan size is variable, contact CHFA for details.

CHFA Rural Loan Program

Financing for businesses located in rural areas with populations less than 50,000 residents. CHFA makes direct loans up to \$250,000 for real estate and equipment at a fixed rate for the entire term of the loan. Minimum owner's equity of 10 percent is required, loan fees are 1 percent at commitment.

Business & Industry Program I (B&I 1)

Small business loans for businesses in larger rural communities with population less than 50,000 residents. The loans, which may be used for real estate or equipment, are made directly by CHFA and partially guaranteed by Rural Business Services (RBS).

Secondary Market Programs

CHFA operates a number of secondary market programs that purchase SBA, Farm Service Agency, and Rural Business Services loans, allowing the borrower to take advantage of long-term fixed-rate loans.

Special Programs

Manufacturing Revenue Bond Program

Provides favorable tax-exempt Private Activity Bond financing targeted to small manufacturers in Colorado. The program provides for the financing of real estate, machinery, and equipment associated with expansion projects specific to manufacturers. Borrowers must meet all eligibility thresholds and federal tax code requirements, and often must compete for available volume cap. Please contact the Business Finance Division at 303 297-7329 or 800 877-2432, ext 329 for additional information and eligibility requirements.

REVOLVING LOAN FUNDS

Every year, the State of Colorado receives an allocation of federal Community Development Block Grant (CDBG) funds from the Department of Housing and Urban Development (HUD) to use for both community development and economic development efforts in the state. Some of these funds are used to

capitalize the state's Regional Revolving Loan Fund (RLF) program. Currently, the state has 15 RLF locations which have service areas covering the majority of the rural areas of the state. The state's RLF program does not cover any of the metropolitan or "entitlement" cities in Colorado (since these communities receive their own allocation of CDBG funds). RLFs provide "gap financing." Gap financing represents the balance of funds needed for a project after commitments from banks, business, and other sources of financing have been identified and exhausted. This program is intended to help businesses access private sector capital by sharing the risk and being flexible on collateral requirements.

Typically, RLF can provide short-term financing for up to approximately 40-45% (check with you local RLF for specific details) of project costs, and may assume a 2nd or 3rd collateral position in order to leverage other lender involvement. Remaining project costs can be funded through bank financing, private investors or loans, SBA/CHFA programs, etc. Typically, the borrower is required to provide a minimum of 10% of the project. Contact your local RLF for specifics on loan amounts, terms, and rates.

The RLF program is locally driven, with each RLF having its own local loan review committee and local Board of Directors who approve the types of businesses they feel will have a positive economic impact in the community. All funding decisions (of \$100,000 or less) are made at the local level,

with final oversight approval provided by OED. All funding requests over \$100,000 are reviewed directly by OED staff, with final approval by the Governor's Financial Review Committee.

The primary loan criteria for the program is that RLF funds must be used to create or retain jobs that benefit low/moderate income individuals. As an example, the Region 8 RLF requires that for every \$20,000 in RLF funds loaned to a business, one new job must be created or retained.

A list of RLF contacts is provided later in this publication.

USDA RURAL DEVELOPMENT BUSINESS PROGRAMS

Business and Industry (B&I) Guarantee Loan Program

The B&I Guarantee Loan Program picks up where SBA loan programs leave off, in that B&I Loan Guarantees typical assistances amounts range from \$300,000 to \$10,000,000, with a maximum of \$25 million dollars. B&I Guaranteed Loans can be used for real estate, equipment, working capital, and refinancing for non farm businesses in unincorporated rural areas, cities, and towns with populations less than 50,000. Rates and terms are negotiated between business and lender. Rates may be fixed or variable, and are typically near prime (no balloon terms).

Business and Industry Direct Loans

USDA Rural Development partners with other lenders or makes direct loans to new and existing rural businesses, including retail industrial services. Loans are provided to businesses in unincorporated rural areas, cities, and towns with populations less than 50,000. Priority is given to applications for loans in rural communities of 25,000 or less. In addition, the area must be suffering fundamental physical or economic stress and meet agency targeted objectives. The loans can be used for real estate, equipment, working capital, and refinancing - for non farm businesses, and are typically in the range of \$50,000 - \$500,000.

Interest rates based on the prime rate at the time of the loan approval or loan closing. Term depends upon loan purpose.

NOTE: There is no funding authorized for this program in Fiscal Year 2003.

Other Sources of Financing:

\$ 25,000 or less

Business Capital of Colorado, Inc. *Lakewood, Wyatt Jones* Denver, *David Amman (303) 832-8647*A for-profit multi-bank community development corporation created to make loans to existing small businesses that cannot qualify for conventional bank financing. Service Area: Denver Metro Area The maximum loan amount under the program is \$50,000. Borrowers must have been turned down by at least two banks, and have been in business for at least one year.

Clear Creek Economic Development Corp. *Peggy Stokstad & Gayle Johnson (303) 569-2133*The RLF offers loans, in conjunction with conventional loan sources, to new and expanding businesses to create new employment and expand the economic base of the region. Service Area: Gilpin and Clear Creek Counties Up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. The RLF may also offer loans specifically for microenterprises.

Colorado Enterprise Fund, Inc. *Cecilia Prinster (303) 860-0242*Business counseling and direct loans. Service Area: Adams, Arapahoe, Boulder, Denver, Douglas, Elbert, El Paso, Jefferson, Larimer, and Weld County Start-Ups and Existing Businesses; loans up to \$25,000 Ten county region. Sales less than \$1 million. Owners net worth less than \$250,000

Community Enterprise Lending Initiative (303) 585-4150 US Bank provides financing for Start-Ups and Emerging businesses - administered by selected **Small Business Development Centers**. Service Area: Statewide loan amounts range from \$500 to \$25,000. Small businesses referred by training sponsors.

Community Entrepreneurial Microloan Program *Bill Bridges (303) 894-9495* Micro-loan, business training, and technical assistance program. Service Area: NE Denver: Five Points, Curtis Park, Cole Neighborhood Clients needing job-readiness training; micro-enterprise technical assistance and loans.

Credit for All, Inc. *Bob Sample (303) 320-1955* Peer-lending groups; microloans. Service Area: East Denver, Aurora \$500 - \$5,000

Denver Community Development Credit Union (303) 292-3910 Cooperative and low-income credit union consumer loans. Money management programs. Service Area: Metro Denver area. Focus on low-income.

El Pueblo Interdevelopment Corp. (EPIC) *Pueblo SBDC, Mary McMahon (719) 549-3224* Emerging loan program Service Area: Pueblo, Fremont, Huerfano, Otero, and Custer Counties. Loan minimum of \$3,000, with no maximum. Start-

up and existing businesses that can't meet conventional underwriting criteria.

Guadalupe Small Business Empowerment Inc. *Felipe Lopez (303) 477 8113* Business loans to members of worker cooperatives, support services. Business training in Spanish. Service Area: West Denver \$500 - \$2,000 Low income.

Larimer-Weld Revolving Loan Fund Greeley/Weld Economic Development Partnership *Jean Daviet (970) 356-4565* Gap-financing designed to assist with the financing of companies expanding or locating to the rural areas of Weld and Larimer Counties. Service Area: Larimer and Weld Counties (outside Greeley and Ft. Collins city limits) up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required.

Loveland Microloan Guarantee Program Loveland Center for Business Development *Kelly Peters (970) 667-4106* Business counseling and credit enhancement. Service Area: Loveland area Loans of \$1,000 to \$10,000; program deposits up to 75% guarantee in participating bank. Sales less than \$500,000 low/mod income and minority targets; enterprise zone location.

Mi Casa Individual Microlending Program Mi Casa Business Center for Women *Chris Manchester (303) 573-1302* Business counseling and direct loans. Service Area: Denver/Metro Stepped loans: 1st: \$500 to \$2,000 2nd: Up to \$5,000 Women ownership, low income household.

MicrocreditWorks! MicroBusiness Development Corp. *Stephanie Palm (303) 308-8121* Provides unsecured credit, training, and technical assistance for self-employment through microcredit lending circles. Service Area: Denver, Arapahoe, Douglas, Adams, and Boulder Counties Stepped loans, starting at \$500, up to \$5,000 for members who have completed lower steps successfully. Low income people, especially women without access to traditional lending resources.

Northeastern Colorado Revolving Loan Fund Program *Dan Simon (970) 332-4335* The RLF offers loans, in conjunction with conventional loan sources, to new and expanding businesses to create new employment and expand the economic base of the region. Service Area: Logan, Morgan, Phillips, Sedgwick, Washington, and Yuma Counties up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. The RLF may also offer loans specifically for microenterprises.

Northwest Loan Fund (Region 12 Revolving Loan Fund Corporation) *June Walters (970)468-0295 Ext. 119* Start-up and/or expansion financing for small businesses that are unable to secure conventional financing in the region. Service Area: Eagle, Garfield, Grand, Jackson, Moffat, Pitkin, Rio Blanco, Routt and Summit Counties up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. The goals of the fund are to create and retain jobs for individuals of low to moderate income and diversify the economy throughout the service area.

Otero - Las Animas Counties Revolving Loan Fund *Barry Shiohita (719)384-3006* The RLF offers loans, in conjunction with conventional loan sources, to new and expanding businesses to create new employment and expand the economic base of the region. Service Area: Otero and Las Animas Counties The RLF provides low-interest gap financing loans for business expansion, startups, and retentions. Business applying for RLF funding must provide permanent jobs for low or moderate income persons. The RLF may also offer loans specifically for microenterprises.

PACEWorks! MicroBusiness Development Corp. *Kersten M. Hostetter (303)308-8121* Micro-enterprise support program, offering technical assistance and loan guarantees. Service Area: Self-selected communities throughout the state Initial loan guarantees \$500-\$5,000, follow-on loan guarantees \$6,000-\$30,000.

Pikes Peak Regional Development Corp. *Douglas Adams & Christine Ressler (719)471-2044* Gap-financing designed to assist with the financing of emerging companies Service Area: El Paso County except City of Colorado Springs up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required.

Prairie Development Corp. *Maryjo Downey & Elwin Boody (719)348-5562* Gap-financing designed to assist with the financing of companies expanding or locating in the region. Service Area: Elbert, Lincoln, Kit Carson and Cheyenne Counties Direct Loans up to \$150,000. Micro-Enterprise Loans up to \$25,000 targeted toward small businesses with five or fewer employees. PDC also has 4 other loan programs. Job creation or retention of full time employment located in PDC's service area is a primary objective with all six of the PDC loan programs.

Pueblo County Development Corp. *Irene Clementi & Rae Thomas (719)583-6382* Gap-financing designed to assist with the financing of companies expanding or locating to the rural areas of Pueblo County. Service Area: Pueblo County except City of Pueblo up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. The RLF may also offer loans specifically for microenterprises.

Region 10, Revolving Loan Fund and Microloan Program *Leslie Jones (970)249-2436* The RLF offers loans, in conjunction with conventional loan sources, to new and expanding businesses to create new employment and expand the economic base of the region. Region 10 serves as an intermediary lender for an SBA-funded microloan program for small businesses. Service Area: Gunnison, Delta, Montrose, Ouray, Hinsdale, Sam Miguel Counties Loans from the microloan program may range from \$1,000 to \$25,000. Small businesses that cannot obtain financing on reasonable terms through other channels.

Region 9 Economic Development District of Southwest Colorado *Ed Morlan (970)247-9621* The RLF offers loans, in conjunction with conventional loan sources, to new and expanding businesses to create new employment and expand the economic base of the region. Service Area: Dolores, San Juan, Montezuma, La Plata and Archuleta Counties up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. MicroEnterprise Lending Program provides loans up to \$25,000. Target industries are basic manufacturing and exporting, high tech software and telecommunications companies, and agricultural processing.

San Luis Valley Development Resources Group *Michael Wisdom, John Stump & Dick Davidson (719)589-6099* The RLF provides low-interest gap financing loans for business expansion, startups, and retentions. Business applying for RLF funding must provide permanent jobs for low or moderate income persons. Service Area: Saguache, Mineral, Rio Grande, Alamosa, Conejos and Costilla Counties up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. The RLF may also offer loans specifically for microenterprises.

Southeast Colorado Enterprise Development (SECED) *Jan Anderson (719)336-3850* Gap-financing designed to assist with the financing of companies expanding or locating in the region. Service Area: Baca, Bent, Crowley, Kiowa, and Prowers Counties up to \$100,000 and on a case-by-case basis may offer loans of greater than \$100,000. However, additional state approval is required. The RLF may also offer loans specifically for microenterprises.

Upper Arkansas Area Development Corp. *Jeff Ollinger (719)395-2602* Gap and direct financing designed to assist with the financing of companies expanding or locating in the region. Service Area: Lake, Park, Chaffee, Fremont and Custer Counties Gap financing loans from \$5,000 to \$125,000. Direct loans from \$5,000 to \$30,000. The RLF may also offer loans specifically for microenterprises.

Western Colorado Business Development Corp. *Thea Chase & Dean DiDario (970)243-5242* Gap-financing designed to assist with the financing of companies expanding or locating in the county. The Peterson Fund microloan program combines business education with small loans for eligible low-income entrepreneurs. Service Area: Mesa County \$8,000 to \$300,000. Microloans from \$1,500 to \$5,000 are available for low-income persons interested in business start-up. Preference is given to businesses that will create new jobs or retain existing jobs.

\$100,000 or less

Colorado Housing and Finance Authority (CHFA) *Business Finance Division, Jaime Gomez (303)297-7329 or (800) 877-2432* CHFA's Business Finance Division provides a variety of business financing programs, primarily for small to medium-sized firms. Service Area: Colorado Type and loan size depending on the loan programs. For-profit and non-profit enterprises located in Colorado.

Denver Revolving Loan Fund Mayor's Office of Economic Development *Randy Moore (720)913-1640* Gap financing for new or expanding businesses in targeted Denver neighborhoods. Service Area: Targeted neighborhoods in City & County of Denver. Maximum \$350,000; maximum 25% of project costs (30% for minority and women-owned businesses). Majority of new or retained jobs must be made available to low and moderate income Denver residents.

La Junta Capital, Inc. Revolving Loan Fund (719)384-7638 or (800)634-2130 Revolving loan fund to increase the pool of funds available to new and expanding businesses in the area. Service Area: City of La Junta, the La Junta Industrial Park and nearby unincorporated areas \$5,000 to \$500,000 Businesses that diversify the local economy or provide a product or service not currently available in the City of La Junta. Highest priority is given to manufacturing concerns.

SBA Express *U.S. Small Business Administration, Ted Nelson (303)844-6539* This program makes it easier and faster for lenders to provide small business loans in smaller amounts, and helps lenders provide smaller revolving credit loans. Service Area: Statewide Loans up to \$150,000 (SBA guaranties 50%). Small businesses under SBA size standards.

SBA LowDoc *US Small Business Administration District office (303)844-6539* This program streamlines the application process and simplifies the credit analysis. Service Area: Statewide Up to \$150,000 (SBA guaranty up to 85%); no revolving credit loans. Small business under SBA size standards.

SBA 7(a) Guaranteed Loans *US Small Business Administration District Office (303)844-6539* One of SBA's primary lending programs. The program operates through private-sector lenders that provide loans which are, in turn, guaranteed by the SBA. Service Area: Statewide Maximum guaranty amount is generally \$1,000,000; 85% on loans of \$150,000 or less and 75% on loans of more than \$150,000. Small business under SBA size standards. Unable to obtain financing on reasonable terms through other channels.

\$100,000 or more

CHFA Rural Development Loan Program *CHFA Commercial Division (303)297-7329 (800)877-2432 x329* For-profit and non-profit enterprises located in rural communities. Service Area: Colorado communities with less than 25,000 in population. The maximum loan amount is \$150,000 or 75% of the project cost, whichever is less. Loans may have terms for up to 20 years. Businesses that are unable to receive money from sources such as CHFA's QIC and Access programs or SBA loans.

Rural Community Infrastructure Assistance Program *Office of Economic Development, Alice Kotrlík & (303)892-3840* Funds for the construction and/or improvement of publicly or quasi-publicly owned water, sewer, road, and other infrastructure in support of specific business projects that will create or retain jobs. Service Area: Non-entitlement (rural) areas of Colorado. Businesses creating permanent jobs and/or retaining existing jobs for low-to-moderate income persons.

SBA 504 Certified Development Companies (303)844-6539 Provides long term, fixed asset financing through 504 **Certified Development Companies** (CDC). These CDCs are non-profit organizations. Service Area: Statewide. SBA can guarantee debentures covering as much as 40% of a 504 project up to \$1 million (\$1.3 million if the business meets a public policy goal, such as business district revitalization, rural development, or expansion of exports). Small businesses as defined by SBA.

USDA Community & Business Program *Leroy W. Cruz (720)544-2931* Direct loans and guarantee business loans. Service area: rural areas with a population of 50,000 or less. Service Area: rural areas with a population of 50,000 or less. Larger loan amounts not to exceed \$25 million. Businesses located in rural areas

Specialty Funding

Colorado Brownfields Revolving Loan Fund Colorado Department of Public Health and Environment *Tom Pike (303)820-5660* Revolving loan fund to assist in approved cleanup of environmental contamination, including necessary site monitoring. Service Area: Denver Metro Area Up to \$425,000, depending on balance in loan fund. All cleanups financed through the Fund must have previous approval under the Colorado Department of Public Health and Environment's Voluntary Cleanup Program.

Englewood Brownfields Revolving Loan Fund *Darren Hollingsworth (303) 762.2599* The BRLF offers a line of credit to fund potential environmental assessments and environmental engineering studies necessary to overcome environmental concerns. Service Area: City of Englewood Properties that are impacted by real or perceived environmental contamination, where concerns over environmental liability have hindered reuse.

Export-Import Bank *Paul Duncan (562)980-4583* Guarantee direct loans, credit enhancement, information service, export business counseling and export credit insurance program. Loan amounts and guarantees vary according to the export financing programs. Small business exporters

SBA CAPLines (General Contractor) Loans *SBA District Office (303)844-6539* CAPLines is the umbrella program under which the SBA helps small businesses meet their short-term and cyclical working-capital needs. Service Area: Statewide The maximum amount the SBA can guaranty is generally \$750,000. There are five short-term working-capital loan programs for small businesses, including seasonal, contract, builders, standard asset-based credit line, and small asset-based line.

SBA Export Working Capital Program (EWCP) *U.S. SBA District Office, Dennis Chrisbaum (303)844-5652* Guarantee loans that provide short-term working capital to exporters. The EWCP is a combined effort of the SBA and the Export-Import Bank. Service Area: Statewide SBA guarantees up to 90% of EWCP loan requests of \$1,111,111 or less. Requests over that amount may be processed through the Export-Import Bank. Small businesses engaging in exporting.

SBA International Trade Loan Program *SBA District Office (303)844-9461* Service Area: Statewide SBA guarantees up to \$1.25 million. Loan amounts up to \$1 million for facilities and equipment and \$750,000 for working capital. Small businesses planning to export or increase existing exports. Small businesses adversely affected by competition from imports.

U.S. Department of Transportation Short-Term Lending Program *Nancy Strine, Manager 800-532-1169* The STLP provides revolving lines of credit to finance accounts receivable arising from transportation-related contracts. Maximum line of credit is \$500,000 Certified Disadvantaged Business Enterprises

RLF Contacts for Colorado

REGION 1

Logan, Morgan, Washington, Yuma, Phillips & Sedgwick Counties

Northeastern Colorado RLF

Dan Simon

PO Box 262

215 S. Main Street

Yuma, CO 80759

(T) 970-848-3150, 877-459-4345

(F) 970-848-3155

e-mail: nclrf@starband.net

Website: <http://www.northeasterncolorado.com/incentives.htm>

REGION 2

Larimer & Weld Counties

Greeley/Weld Economic Development Action Partnership

Jean Daviet

822 7th Street

Suite 550

Greeley, CO 80631

(T) 970-356-4565

(F) 970-352-2436

e-mail: jdaviet@gwedap.org

Website: <http://www.gwedap.org/index.cfm?go=8.1>

REGION 3

Gilpin and Clear Creek Counties

Clear Creek Economic Development Corp.

Peggy Stokstad & Gayle Johnson

PO Box 2030

502 Sixth Street

Georgetown, CO 80444

(T) 303-569-2133

(F) 303-569-3940

e-mail: clearcreekec@earthlink.net

REGION 4

El Paso Counties

Pikes Peak Regional Development Corp.

Douglas F. Adams & Christine Ressler

228 North Cascade, Suite 208

Colorado Springs, CO 80903

(T) 719-471-2044

(F) 719-471-2042

e-mail: doug@pprdc.com; christine@pprdc.com

Website: <http://pprdc.com/>

REGION 5**Elbert, Lincoln, Kit Carson and Cheyenne Counties**

Prairie Development Corporation

Maryjo Downey & Elwin Boody

PO Box 28

128 Colorado Avenue

Stratton, CO 80836

(T) 719-348-5562

(F) 719-348-5887

e-mail: business@prairiedevlopment.comWebsite: <http://www.prairiedevlopment.com/>[businessclimate/businessinvestment.htm](http://www.prairiedevlopment.com/businessclimate/businessinvestment.htm)**REGION 6****Crowley, Kiowa, Bent, Prowers and Baca Counties**

Southeast Colorado Enterprise Development

Jan Anderson

PO Box 1600

112 W. Elm St.

Lamar, CO 81052

(T) 719-336-3850

(F) 719-336-3835

e-mail: seced@seced.netWebsite: <http://www.seced.net>**REGION 7****Pueblo Counties**

Pueblo County Community Development Corp.

Irene Clementi & Mark Carmel

215 W. 10th St.

Pueblo, CO 81003

(T) 719-583-6382

(F) 719-583-6549

e-mail: clementi@co.pueblo.co.usWebsite: [http://www.co.pueblo.co.us/departments/econdev/](http://www.co.pueblo.co.us/departments/econdev/pccdc.htm)[pccdc.htm](http://www.co.pueblo.co.us/departments/econdev/pccdc.htm)**REGION 8****Saguache, Mineral, Rio Grande, Alamosa, Conejos and Costilla Counties**

San Luis Valley Development Resource Group

Michael Wisdom, John Stump, Dick Davidson, Karen Studer

PO Box 300

626 4th Street

Alamosa, CO 81101

(T) 719-589-6099

(F) 719-589-6299

e-mail: jstump@slvdr.orgWebsite: <http://www.slvdr.org/>**REGION 9****Dolores, San Juan, Montezuma, La Plata and Archuleta Counties**

Region 9 Economic Development District of SW Colo.

Ed Morlan & Paul Broderick

295A Girard Street

Durango, CO 81303

(T) 970-247-9621

(F) 970-247-9513

e-mail: ed@scan.org; paul@scan.orgWebsite: <http://www.scan.org>**REGION 10****Delta, Gunnison, Montrose, Ouray, San Miguel and Hinsdale Counties**

Region 10 League for Economic Assistance & Planning

Leslie Jones, Margaret Howlett, Jonathan Allen

PO Drawer 849

300 North Cascade, Suite 1

Montrose, CO 81401

(T) 970-249-2436

(F) 970-249-2488

e-mail: jonathan@region10.net; leslie@region10.netWebsite: <http://www.region10.net/>**REGION 11****Mesa Counties**

Western Colorado Business Development Corp.

Thea Chase & Dean A. DiDario

2591 B 3/4 Road

Grand Junction, CO 81503

(T) 970-243-5242

(F) 970-241-0770

e-mail: tchase@gjincubator.org; deandd@gjincubator.orgWebsite: <http://www.gjincubator.org/>**REGION 12****Moffat, Routt, Jackson, Rio Blanco, Grand, Garfield, Eagle, Summit and Pitkin Counties**

Northwest Loan Fund

June Walters

PO Box 2308

249 Warren Avenue, Suite 201

Silverthorne, CO 80498

(T) 970-468-0295, 800-332-3669, Ext. 119

(F) 970-468-1208

e-mail: nlfjune@colorado.netWebsite: http://nwc.cog.co.us/northwest_loan_fund.htm

REGION 13

Lake, Park, Chaffee, Teller, Fremont and Custer Counties

Upper Arkansas Area Development Corp.

Jeff Ollinger

PO Box 1212

Buena Vista, CO 81211

(T) 719-395-2602

(F) 719-395-6570

e-mail: jeffolli@chaffee.net

Website: <http://www.uaacog.com/uaadevelop.htm>

REGION 14

Otero and Las Animas Counties

Otero/Las Animas Revolving Loan Fund

Barry Shiohita

P.O. Box 511

13 W. 3rd Street

La Junta, CO 81050

(T) 719-383-3006

(F) 719-383-3090

e-mail: bshiohita@otero.gov

REGION 15

Previously covered Logan County except the City of Sterling Counties

(Merged with Region 1)

REGION 16

Huerfano Counties

Huerfano County RLF

Huerfano County Commissioners

(T) 719-738-2380

NOTE: The following cities and the unincorporated portions of Adams, Arapahoe and Jefferson Counties receive CDBG entitlement grants directly from HUD and **DO NOT** participate in the state program: Arvada, Aurora (only partially eligible), Bennet, Boulder, Bow Mar, Broomfield (only partially eligible), Brighton, Cherry Hills Village, Colorado Springs, Columbine Valley, Deer Trail, Denver, Edgewater, Englewood, Federal Heights, Fort Collins, Glendale, Golden, Grand Junction, Greeley, Greenwood Village, Lakewood, Littleton, Longmont, Loveland, Mountain View, Northglenn, Pueblo, Sheridan, Thornton, Westminster, and Wheat Ridge.

Check out our new website at:
www.colostate.edu/programs/cowood

Colorado Wood Utilization and Marketing Assistance Center
Department of Forest, Range, and Watershed Stewardship
Colorado State University
Fort Collins, CO 80523-1470