



**Helping
Small Business
Start, Grow
and Succeed**

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Doing Business in Colorado

THE COLORADO DISTRICT OFFICE

The Colorado District Office is responsible for the delivery of SBA's many programs and services. The District Director is Mr. Greg Lopez. The District Office is located in the Custom House, 721 19th St., Ste. 426, Denver, CO 80202. Office hours are from 8:00 am until 4:30 pm, Monday through Friday, except holidays.

CONTACTING THE COLORADO DISTRICT OFFICE

www.sba.gov/localresources/district/co

To receive general program and service information by mail, please leave your name and address at 303-844-2607. To speak to a SBA employee call the same number with the following extensions:

General information

Jeanette DeHerrera
ext. 226 jeanette.denherrera@sba.gov

Veterans, Women Owned and Native American Owned Representative

Jeanette DeHerrera
ext. 226

Loans or Lender Relations

Lynnette Newman
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Government Contracting

Jose Martinez, PCR
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or Karen Klam, CMR
ext. 271 karen.klam@sba.gov

Government Contracting Industrial/Forestry

Tom Clarke
ext. 266 thomas.clarke@sba.gov

Other phone numbers:

Government Contracting in Colorado Springs
Ed Kurtz, PCR 719-556-7935
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U.S. Export Assistance Center

Dennis Chrisbaum 303-844-0501 ext. 18
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Public Information Office

Chris Chavez 303-844-0501
christopher.chavez@sba.gov

SBA Advocate

James Henderson 303-844-0503
james.henderson@sba.gov

SERVICES AVAILABLE

For free business counseling advice, workshop information, or other business information on starting, operating, or expanding a small business, there are 3 options:

SCORE, Counselors to America's Small Business. There are 5 locations throughout Colorado. Colorado Springs call 719-636-3074, Pueblo call 719-542-1704, and Denver, Longmont and Steamboat Springs call 303-844-3985. To find the nearest one go to www.score.org.

The Colorado Small Business Development Centers (SBDC) has 14 Centers. To find the nearest Center call 303-892-3840 or go to www.coloradosbdc.org.

Women's Business Centers (WBC), Mi Casa Resource Center for Women, Inc., has 3 locations. Denver call 303-573-1302, Pueblo call 719-542-0091, or Colorado Springs call 866-844-0091. To find the nearest one go to: www.micasadenver.org.

Note: Counseling services are free and unlimited. Training workshops and courses are at minimal fees.

COLORADO

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www.sba.gov/co

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SUCCESS STORY

Sweet Success For Denver Bakery Entrepreneur

Azucar Bakery
Owner: Majorie Silva

Majorie Silva came to America eight years ago from Peru with a dream and a multi-layered dream covered with frosting.

She began baking years ago in her native land, but always had dreamed of coming to America to open her own bakery. Silva has a flair for wedding cakes, birthday cakes and especially Peruvian desserts like flan. Her passion for baking is as fierce now as ever.

"Even though it's the land of opportunities," Silva said, "You have to work really, really hard."

Silva's entrepreneurial spirit rose like the cakes in her kitchen. Eventually, she enrolled in business classes to make her dreams come true.

"I took that class and I wrote my business plan, I knew that I wasn't ready. So it took me two more years to get this store going on."



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are eligible for this program. The types of businesses excluded from 7(a) loans (listed previously) are also excluded from the 504 loan program.

Loans are provided through Certified Development Companies. CDCs work with banks and other lenders to make loans in first position on reasonable terms, helping lenders retain growing customers and provide Community Redevelopment Act credit.

The SBA 504 loan is distinguished from the SBA 7(a) loan program in these ways:

The maximum debenture is:

- \$1.5 million for businesses that create a certain number of jobs or improve the economy of the locality;
- \$2 million for businesses that meet a specific public policy goal, including veterans; and
- \$4 million for manufacturers.
- Eligible project costs are limited to long-term, fixed assets such as land and building (occupied by the borrower) and substantial machinery and equipment. Working capital is not an eligible use of proceeds.
- Most borrowers are required to make an injection (borrower contribution) of just 10 percent which allows the business to conserve valuable operating capital. A further injection of 5 percent is needed if the business is a start-up or new (less than 2 years old) and a further injection of 5 percent is also required if the primary collateral will be a single purpose building.
- Two-tiered project financing: a lender finances approximately 50 percent of the project cost and receives a first lien on the project assets (but no SBA guaranty); A

CDC (backed by a 100% SBA-guaranteed debenture) finances up to 40% of the project costs secured with a junior lien. The borrower provides the balance of the project costs.

- Fixed interest rate on SBA loan. SBA guarantees the debenture 100 percent. Debentures are sold in pools monthly to private investors. This low, fixed rate is then passed on to the borrower and establishes the basis for the loan rate. A recent history of debenture rates may be found at www.nadco.org.
- All project-related costs can be financed, including acquisition (land and building, land and construction of building, renovations, machinery and equipment) and soft costs, such as title insurance and appraisals. Some closing costs may be financed.
- Collateral is typically a subordinate lien on the assets financed; allows other assets to be free of liens and available to secure other needed financing.
- Long-term real estate loans are up to 20-year term, heavy equipment 10 or 20-year term and are self-amortizing.

Businesses that receive 504 loans are:

- Small — net worth under \$7.5 million, net profit after taxes under \$2.5 million, or meet other SBA size standards.
- Organized for-profit.
- Most types of business — retail, service, wholesale or manufacturing.

The SBA's 504 Certified Development Companies serve their communities by financing business expansion needs. Their professional staff works directly with borrowers to tailor a financing package that meets program guidelines and the credit capacity of the borrower's business. For more information, go to www.sba.gov/services, then choose "SBA Loans" from the links in the right-hand column. From there, click on "CDC/504 Program."

Community Economic Development
Company of Colorado
Accredited Lender Program – (ALP)

d/b/a Small Business Finance Corporation
1175 Osage St., Ste. #110
Denver, CO 80204
Contact: Bill Bacon
303-893-8989 • 303-892-8398 Fax
Pat Berry
970-243-5442 ext 409 (Grand Junction Office)
Edith A. Corwin-Newberg
970-264-0496 (Pagosa Springs Office)
bill@cedco.org
Area of Operation – Colorado

Preferred Lending Partners, a Denver
Urban Economic Development
Corporation Company

140 E 19th St., Ste. 202
Denver, CO 80203
Contact: Stephanie G. Geringer, Director
303-861-4100 • 303-861-9456 Fax
stephanieg@preferredlendingpartners.net
Area of Operation – Colorado



Front Range Regional Economic
Development Corporation
Preferred Certified Lender—(PCL)

d/b/a Colorado Lending Source
Accredited Lender Program – (ALP)
518 17th St., Ste. 1800
Denver, CO 80202
Contact: Mike O'Donnell, Director
303-657-0010 • 303-657-0140 Fax
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Area of Operation – Colorado

SUCCESS
STORY

Azucar Bakery

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After her small business loan was approved, she traded one bun in the oven for another: she was pregnant. Rather than putting the business on hold, she decided to run both the bakery and the nursery and become a "mom-preneur."

"It was kind of hard, you know, with a big belly last summer doing wedding cakes, but it was great, and business is going good," Silva explained.

As her business has grown, Silva's dedication to her craft has grown to match.

"You really have to like what you are doing, that's for sure, because there is a lot of hard work involved in having your own business. The first five years, they say that they are the hardest years, but then after that, you know everything starts going smooth," Silva said.

After all is said and done, for Silva, motherhood and business are a piece of cake.