Let’s Talk Money: Access to Capital
Agenda

• Where to get business assistance.
• Preparation for Funding Requests
• Banks
• Government Funding Sources
• Government Funding Programs
Six Steps for Successful Startups

• Evaluate your idea
• Take a class
• Meet with a counselor
• Plan your business
• Get registrations, licenses and permits
• Find a good business location

http://www.mosourcelink.com/startup
Where to Get Business Assistance
We help entrepreneurs connect the dots.

www.kcsourcelink.com
Welcome to the Resource Navigator.

Here, you can search for business resources using multiple criteria in the left sidebar. Give us feedback on your experience.

- If your search returns too many results: Narrow the search by adding additional filters.
- If your search returns no results: Broaden the search by removing one or more search filters.
- To find your correct zipcode to search by geography, use this ZIP code lookup tool from the United States Postal Service.

Need more help?
Call our hotline, 816.235.6500 or send us an email at info@kcsourcelink.com.

Narrow Your Search

Distance
Show All

Zip Code or City, State

Industry

Resource Navigator

List View Map View

Sort By: Provider Name (A-Z)

Export Results

Page size: 10

243 items in 25 pages

1 Million Cups

A Kauffman Labs program striving to engage entrepreneurs through a weekly educational and networking program.

Website

www.kcsourcelink.com
https://kansascity.score.org/
http://business.mo.gov/
State Agencies that Provide Business Assistance

- Department of Economic Development
- Department of Agriculture
- State Treasurer
- Secretary of State
- Department of Revenue
- Department of Labor and Industrial Relations
- Department of Natural Resources
- Department of Transportation
- University of Missouri Extension Service
- U.S. Department of Agriculture
- U.S. Department of Commerce
- U.S. Environmental Protection Agency
- U.S. Small Business Administration
- Business.gov
- National Telecommunications and Information Administration
- Small Business Development Center
- U.S. Department of Veterans Affairs

http://business.mo.gov/assistance.html
Missouri Small Business & Technology Development Centers

Our experts can help you.

The Missouri Small Business & Technology Development Centers (MO SBTDC) help businesses in every stage. From concept to startup, growth to renewal, mature to succession. We are here to help you succeed at every point.

MO SBTDC experts are located statewide providing help on a variety of business topics through:

- Professional business analysis
- Business consultations and access to technology resources

Request an appointment

http://missouribusiness.net/sbtdc/
Missouri Procurement Assistance Centers

Dealing with regulations and red tape can be frustrating. In fact, those obstacles often keep highly qualified suppliers from selling to the government.

The Missouri Procurement Technical Assistance Centers (MO PTAC) assist businesses — including small, disadvantaged and women owned firms — in obtaining federal, state and local government contracts.

Our procurement specialists will help you in identifying opportunities and understanding the contracting process so you can take advantage of government sales dollars.

Learn more about how our procurement services can help you win government contracts. Contact our staff at a center near you, or email montac@missouri.edu 

http://missouribusiness.net/ptac/
Women in Business

Women-owned businesses are the fastest growing economic segment in Missouri and across the nation. Nationally, they have grown at almost twice the rate of other firms. However, owning and operating a business is a difficult task at best. Discover more about organizations that can help as you strive to successfully grow your business.


Entrepreneur.com - Step-by-step guides to starting your own business plus on-line coaching from experts in the field.

http://womenscouncil.org
Preparation for Funding Requests
Questions to be prepared for.

• What do you need the money for?
• How much money do you need?
• How long will it take you to pay it back?
• How long have you been in business?
• What is the current financial shape of your business?
• How is your personal credit history?
  – FICO score less than 600 may be a problem.
• How much collateral, if any, do you have to put up for the loan?
• How quickly do you need the money?
• What other business debt do you have, and who are your creditors?
• Who are the members of your management team?
• Personal background and financial statements
• **Business financial statements**
• Profit and loss statement
• **Projected financial statements**
• Ownership and affiliations
• Business certificate/license
• Loan application history
• Income tax returns
• Résumés
• Business overview and history
• **Business lease**
Tips for Obtaining Funding

1. Know your credit score.
2. Only get what you can pay back.
3. Clean up red flags on your financial statements.
4. Have a good repayment plan.
5. Know your collateral.
6. Know your industry.
7. Provide a personal guarantee.
8. Improve your cash flow.
9. Pay bills on time.
10. Use a business credit card.
Banks
How to Choose a Bank
Start-up & Small Company

• SBA preferred lender.
• Good loan officers that want to make business loans and know SBA programs.
• Bank provides on-line services.
  – Cash management.
• Familiar with the company’s type of business.
Bank – Loan Approval Considerations

• Credit report
• Management quality and track record.
• Collateral:
  – Fire sale value of assets.
• Cash Flow:
  – Projected revenues less expenses.
• Industry Trends
Rules of Negotiating Financing

1. Be Prepared
   - Clean business plan, financials
2. Explain uses of funds.
3. Speak to the right person.
5. Give complete information.
   - Don’t hide problems.
Rules of Negotiating Financing

6. Seek a lender/investor you are comfortable with.
7. Negotiate rates, fees, and terms.
8. Give an impression of confidence and competence.
9. Carefully check all terms.
10. Dress conservatively.
Government Funding Sources
https://www.sba.gov/lenders-top-100
Connecting Borrowers with SBA Approved Lenders

Welcome to the SBA Leveraging Information and Networks to Access Capital (LINC) tool. LINC is a simple way for you to connect with prospective SBA lenders based on your business needs. Once you fill out the form, your business information will be sent to participating SBA lenders who will contact you within 48 hours should there be a match. You will also be sent information regarding SBA Resource Partners in your area that can provide free business consulting and low-cost training options.

https://www.sba.gov/tools/linc
Programs

MISSOURI WORKS
Learn more about Missouri’s newest comprehensive incentive program!

Business Development
- Action Fund Loan
- BUILD
- Business Facility Tax Credit Program
- Chapter 100 Guidance for Local Governments
- Chapters 100 Sales Tax Exemption,

Community Development
- Amateur Sporting Contribution Tax Credit
- Amateur Sporting Tax Credit Program
- AmeriCorps (Missouri Community Service Commission)
- Community Development Block Grant

Disaster Relief Resources
- Small Business Disaster Loan Program

Housing Development
- Neighborhood Preservation Act
- Private Activity Bond Allocation "Tax Exempt" Bond Sale

www.ded.mo.gov
Financing Your Project

SBA 504

The Small Business Administration’s 504 loan program provides financing assistance for small businesses making fixed asset investments, for projects ranging from $125,000 to several million dollars, which will create or retain jobs. With a 504 loan, a business obtains long-term financing at a fixed rate with a low down payment, typically 10%....

learn more -->

EDC Revolving Loan Program

The EDC Revolving Loan Fund (RLF) is a good alternative for small businesses planning to spend less than $500,000 for fixed assets. Typical financing structure is 10% equity, 50% from a commercial bank, and 40% from the RLF.

Government Financing Programs
SBA “504” Direct Loan

- **Benefit:** Fixed rate, longer term, less equity.
- **Eligible:** For-profit “small business”
- **Use of Funds:** Fixed assets
- **Maximum Amounts:**
  - 40% of total fixed assets
  - $1.5 mil; $2 mil (special); $4 mil. (mfg.)
  - $65,000 per new job (or $100,000 for mfg.)
- **Method:**
  - Made through a “Certified Dev. Company”
  - Collateral subordinated to bank.
  - Fees*: 1.5%
  - Rate: 10yr – 3.7%; 20yr – 4.3%
SBA 504 - Example

• Project Total: $3 million
  – Bank (50%): $1.5 million 1st
  – SBA 504 (40%): $1.2 million 2nd
  – Owner Equity (10%): $0.3 million NA
SBA 7a Guaranteed Loan

• Benefit:
  – Flexibility, lower down payment.
  – Interest rate: 2.25-2.75 above prime rate (3.25%).
  – Longer term: 10 yrs (M&E), 20 yrs (RE), 7 yrs (WC)

• Use of Funds:
  – Working capital, Fixed assets

• Maximum Amounts:
  – $2 mil Loan
  – Guarantee on bank loan: 75% (loans over $150k)
    • (85% <$150,000)

• Method:
  – Apply through a bank.
  – Fees*: 2-3.5% of guaranteed portion.
• Eligible:
  – “Primary companies”
  – Minimum 2-10 new full-time jobs created.

• Benefits:
  – Retain state WH tax of new jobs, 5-6 years.
  – Possibly, additional state tax credits (refundable).

http://www.ded.mo.gov/moworks
• Eligible:
  – “Primary companies”
  – New jobs or upgrade of existing jobs.

• Benefits:
  – Rebate of eligible training.
  – Competitive application process.

http://www.ded.mo.gov/moworks
$1 MILLION RELEASED TO SUPPORT HIGH-TECH STARTUPS THROUGH MISSOURI TECHNOLOGY

Funds Released to MTC for startups

Investing in Missouri’s Companies of Tomorrow

The Missouri Technology Corporation (“MTC”) is a public-private partnership created by the Missouri General Assembly to promote entrepreneurship and foster the growth of new and emerging high-tech companies. MTC focuses on 21st Century bioscience industries that build on Missouri’s rich history in agriculture and technology.

http://www.missouritechnology.com/
The Missouri Linked Deposit Program partners with lending institutions to provide low-interest loans to help create and retain jobs, expand the economy and strengthen communities statewide. By reducing the interest rate on certain loans that borrowers can use to improve their businesses, the program helps qualified lenders from Missouri better serve Missouri-based companies and agricultural operations. The program also provides funds for local governments to serve the interests of their constituents. Using the program allows lenders to lower the interest rates to the borrower by about 2-3 percent.

**IMPORTANT NOTICE**

Effective April 21, 2011, Treasurer Clint Zweifel has adopted the HELP system – the Harmed-area Emergency Loan Priority system – to expedite Missouri Linked Deposit Program loan approvals. Borrowers in counties determined to have been impacted will receive 24-hour approval of completed applications.

As of August 28, 2014, the following county qualifies for the HELP system:

- St. Louis

http://treasurer.mo.gov/content/low-interest-loans
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