

Inside the New York District

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The SBA's programs and services for small businesses include financial assistance, business education and training, federal government contracting assistance, advocacy and disaster assistance.

The New York District encompasses the area of New York City, Long Island and the downstate counties of Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester.

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Inside the New York District Office
John J. Miller, Editor

Helping small businesses
start, grow and **succeed.**



LONG ISLANDER WINS NEW YORK STATE SMALL BUSINESS PERSON OF THE YEAR

New York, NY— At a Manhattan ceremony in celebration of presidentially declared *National Small Business Week 2009*, the New York District Office of the U.S. Small Business Administration this spring presented Teresa M. Ward, owner of Teresa's Family Cleaning, Inc., with the award for New York State's top small business.

Ward also won for Small Business Person of the Year in the SBA's Region II, which includes New York, New Jersey, Puerto Rico and the U.S. Virgin Islands.

Ward founded her residential cleaning company, Teresa's Family Cleaning, Inc., in 1992, providing the traditional cleaning services one expects for this type of business. Along the way she added non-traditional services such as organizing and management services for senior-living facilities throughout Long Island.

That ability to adapt and grow enabled Family Cleaning to weather the current economic downturn. And rather than submit to the crisis, Ward en-



New York State Small Business Person of the Year, Teresa Ward, Owner, Teresa's Family Cleaning, receiving her award from SBA Acting District Director, Al Titone.

ures that her core group of customers is always satisfied with her company's service. In fact, she still has her pre-crisis 12 to 14 work crews out on any given day. "With the traditional spring cleaning time, I feel as though we have gotten through the worst," said Ward.

Ward started her business— not in the infamous entrepreneur's garage— but as a one-woman business in her basement. The company now owns its own building in Rocky Point,

NY, employs upward of 40 cleaners, office staff and sales personnel, has a fleet of 15 vehicles and grosses well over a million in sales. Also environmentally conscious, the company now uses only "green" and eco-friendly products in its cleaning arsenal to help ensure the safety of its customers, employees and the environment.

When her sister passed away from cancer in 2003, Ward embarked upon

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Surety Bond Guaranty Ceiling Doubled

Washington, DC – Small businesses that need surety bonds to compete for construction and service contracts can qualify for U.S. Small Business Administration-backed surety bonds of up to \$5 million. The higher amount, a result of the Recovery Act, is more than double the previous \$2 million maximum surety bond guaranteed by SBA.

Through SBA's Surety Bond Guarantee Program, SBA guarantees bid, payment and performance bonds. Surety bonds protect the project owner against financial loss if contractors default or fail to perform.

SBA partners with the surety industry to help small businesses that would otherwise be unable to obtain bonding in the traditional commercial marketplace. Under the partnership, SBA provides a guarantee to a participating surety company of between 70 and 90 percent of the bond amount.

Via a new electronic bond application process, small businesses and surety companies participating in the SBA Prior Approval Program are able to transmit application forms electronically to help expedite review and approval processes. For more information please visit: <http://www.sba.gov/osg/>.

THE SBA'S NEW PILOT LOAN PROGRAM FOR DEALER FLOOR PLAN FINANCING

Washington, DC– Auto, RV and other dealerships can now apply for SBA-guaranteed floor plan financing, which will make it easier for these small businesses to borrow against their inventory and increase their cash flow.

The new pilot program is one of the many tools the SBA is making available to help increase access to capital and technical assistance to small business, and complements other steps already taken under

the Recovery Act to help small businesses at this critical time.

Floor plan financing is a revolving line of credit that allows a dealership to obtain financing through SBA's 7(a) program for inventory that can be titled, such as autos, RVs, manufactured homes, boats and trailers. As each piece of collateral is sold by the dealer, the loan advance against that piece of collateral is repaid. As the loan is repaid, the dealer

can borrow against the line of credit to add new inventory.

DFP loans will be available for a minimum of \$500,000 up to the \$2 million allowable under the 7(a) program. With a maximum repayment term of five years, the loans will come with a 60-75 percent government guaranty, depending on the type of collateral and the lenders advance rate against the wholesale price of the inventory.

SMALL BUSINESSES CAN APPLY FOR THE SBA'S ARC LOANS

Washington, DC– America's Recovery Capital, or ARC loans, are designed to provide a "bridge" for viable small businesses with immediate financial hardship to keep their doors open until they get back on track.

ARC loans are deferred-payment loans of up to \$35,000, available to established, viable, for-profit small businesses that need short-term help to make their principal and interest payments on existing and qualifying business debt. ARC loans are 100-

percent guaranteed by the SBA and have no SBA fees associated with them.

Borrowers pay no loan interest and repayment will not begin until 12 months after the final disbursement.

CHANGES TO SBA 504 LOAN WILL ALLOW BUSINESSES TO REFINANCE EXISTING DEBT

Washington, DC– Small businesses seeking to expand will be able to refinance existing loans used to purchase real estate and other fixed assets as a result of permanent changes to the U.S. Small Business Administration's 504 Certified Development Company Loan Program.

The changes were authorized in the American Recovery and Reinvestment Act of 2009.

The changes will allow small businesses to restructure eligible debt to help improve their cash flow which, in turn, will enhance their

viability and support growth and job creation.

The program is administered through certified development companies, or CDC's, across the nation.

To find your local CDC's visit: www.sba.gov/ny/ny.

**PATRIOT EXPRESS
LOAN INITIATIVE
DELIVERS
\$315 MILLION TO
3,750 VETS, MILI-
TARY COMMUNITY**

Washington, DC- In just two year’s time, the U.S. Small Business Administration’s Patriot Express Pilot Loan Initiative has supported more than \$315 million in loans to more than 3,750 veterans and their spouses who are using the SBA-guaranteed funds to establish and expand their small businesses. As a result of the American Recovery and Reinvestment Act, which raised loan guarantees to 90 percent, and eliminated fees temporarily, the number of Patriot Express loans increased to record levels in April and May of 2009.

Launched in June 2007, Patriot Express builds on the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses, and the counseling assistance and procurement support it pro-

vides each year to more than 200,000 veterans, service-disabled veterans and Reserve members.

Patriot Express is available to military community members including veterans, service-disabled veterans, active-duty service members participating in

the military’s Transition Assistance Program, Reservists and National Guard members, current spouses of any of the above, and the widowed spouse of a service member or veteran who died during service, or of a service-connected disability.

New York District Top Ten SBA Lenders (by Number of Loans)

Lender	No. of Loans	Amt.
JP Morgan Chase	109	\$8,496,100
Empire State Development Corp.	90	\$57,657,685
Innovative	64	\$1,925,000
HSBC	57	\$3,287,300
BNB	54	\$22,022,000
M&T	37	\$3,098,000
NewBank	35	\$13,865,000
Sovereign Bank	34	\$2,565,000
New York Business Development Corp.	32	\$11,975,000
TD Bank	28	\$12,639,000

For the period 10/01/08– 06/30/09

**Upcoming
Events**

Looking for low- or no-cost business management training opportunities to start or grow your business...or for business networking opportunities? Then be sure to check out our Training Calendar at: www.sba.gov/ny/ny.

**Congresswoman
Yvette Clarke, SBA,
SBDC Join Forces**

Brooklyn, NY- “Exploring Entrepreneurship and Business Planning Workshop” was the topic of a joint effort this spring by Congresswoman Yvette Clarke, the SBA and the Small Business Development Center at New York City College of Technology to

Promote entrepreneurship in the “Borough of Kings.”

Celebrating the success of the event, which drew more than 100 participants are (l to r): Dale E. DeGale, Director of Community Development for Rep. Clarke; Catalina Castano, Director, SBDC; Congresswoman Yvette Clarke; and Elizabeth Abreu, Business Development Specialist, SBA.



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Another other mission and helped launch the Cleaning for a Reason Foundation in New York in 2006. The non-profit, along with 500 cleaning companies across the nation provides free or at-cost cleaning services for women undergoing chemotherapy. Last year she began donating company services to Habitat for Humanity, to prep the homes for their new inhabitants.

Ms. Ward's awards prove you do not have to be some sort of exotic, high-tech business owner to win this honor," said SBA Spokesman John J. Miller. "You just need to be good at what you do."

Others receiving awards at the ceremony were:

Family-Owned Business of the Year

Peter F. Negri, President & CEO
Jamaica Bearings Co.
New Hyde Park, NY

Financial Services Champion of the Year

Patrick Mackrell, President & CEO
New York Business Development Corp.
Albany, NY

Women in Business Champion of the Year

Deborah Brenner, CEO
Women of the Vine Cellars
Piermont, NY

Minority Small Business Champion of the Year

Rev. Carmen Hernandez, President
New York City Lesbian, Gay, Bi-Sexual, Transgender Chamber of Commerce
Bronx, NY

Small Business Journalist of the Year

Joan Hamburg and Liz Hamburg, Co-hosts
WOR News/Talk Radio 710
New York, NY

Veteran Small Business Champion of the Year

Benjamin B. Hunt, Director
Department of Defense Procurement Technical Assistance Center, LaGuardia Community College
Long Island City, NY

NEWS FROM THE IRS

The American Recovery and Reinvestment Act of 2009 implemented some new tax provisions of benefit to business owners including the following.

Net Operating Loss Carry-back: Small businesses with deductions exceeding their income in 2008 can use a new net operating loss tax provision in ARRA to get a refund of taxes paid over the past five years instead of the usual two.

Section 179 Deduction: A qualifying taxpayer can choose to treat the cost of certain property as an expense and deduct it in the year the property is placed in service instead of depreciating it over several years. This property is frequently referred to as section 179 property.

Reduction of Estimated Tax Payments: Normally, small businesses have to pay 110 percent of their previous year's taxes in estimated taxes. The Recovery Act permits small businesses to reduce their estimated payments to 90 percent of the previous year's taxes.

Subscribe to e-News for Small Businesses at <http://www.irs.gov/busineses/small/article/0..id=154825.00.html> to stay on top of IRS implementation of ARRA provisions.



Small Business Persons and Champions of the Year (L to R)- Patrick MacKrell; Peter Negri; Benjamin Hunt; Liz Hamburg; Teresa Ward; Rev. Carmen Hernandez; Deborah Brenner.