



Alaska Small Business
Development Center
UAA BUSINESS ENTERPRISE INSTITUTE

TRIBAL SSBCI CONSOLIDATED PROPOSAL

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ALASKA SBDC

ALASKA SBDC'S SSBCI PROGRAM BACKGROUND

- Alaska SBDC has a 37-year history helping to connect businesses with funding opportunities
 - 2,000 businesses directly through advising
 - 5,000 businesses through workshops and training
 - 115 communities across the state
 - Help connect Alaskan businesses with roughly \$40-\$50 million in funding annually
- Experience with the previous round of SSBCI funding
 - Worked with the initial Alaska SSBCI program (49SAF)
 - Partnered with 49SAF and other groups to provide Investor training and conferences
 - Processed business applications for the 49SAF direct equity program
 - Conduct diligence for the current 49SAF direct funding program
- Managing the current State of Alaska SSBCI fund (\$59 million)
 - Working with every financial institution in the state and most of the investor groups
 - Erin Baca, previous 49SAF SSBCI program manager, will be overseeing the Alaska SBDC SSBCI equity programs
 - Jim Harty, former VP at Wells Fargo and Bank of America, will be overseeing the Alaska SBDC loan programs
 - Have conducted analyses of dozens of other programs across the US and have
 - The University of Alaska has a long history of managing hundreds of millions of federal grant dollars
 - The Alaska SBDC has one of the top NeoSerra database admins in the US to manage the data collection

GENERAL SSBCI FUNDING OPTIONS

Type of Program	Primary Purpose	Financing Products	Typical Customers
Capital access	Provide reserve funds to help protect lenders from losses	Working capital	Micro-enterprises (less than 10 employees or \$1 million in sales)
Loan guarantee	Provide repayment guarantee for large portion of a loan in the event of default after collateral recovery efforts by lender have failed	Lines of credit, working capital, asset purchases, commercial real estate	Established businesses or turn-around situations
Collateral support	Supplement collateral when borrowers do not otherwise meet loan-to-value ratio requirements	Asset purchases, commercial real estate; gap financing for SBA 504 transactions	Established, growing businesses with a collateral shortfall
Loan participation	Provide subordinated or pari-passu debt to encourage senior lenders to increase loan size or reduce borrower interest expense	Asset purchases, commercial real estate	Established businesses (i.e., more than 3 years of financials) with documented cash flow or collateral shortfall
Venture capital	Provide risk capital to small businesses with high growth potential	Seed, early stage, or growth capital	Start-ups or emerging small businesses (i.e., businesses with new products or growing markets)

ALASKA SBDC'S SSBCI PROGRAM PROPOSAL

- The Alaska SBDC is offering to:
 - Consolidate all interested tribal participants into one proposal submitted by the Alaska SBDC
 - Design and deploy all five program options to ensure rapid and successful deployment of capital
 - Manage the funding, data collection, reporting and diligence to ensure grant compliance
 - Keep all tribal participants and federal partners informed of program status and progress on a regular basis
 - Market and promote the various funding mechanisms created through the program
 - Provide educational opportunities for financial institutions and businesses interested in the program
- The various funds would be deployed regionally through program partners through an RFP process
- The SSBCI programs would be managed by the SBDC for the duration of the SSBCI program
- After the program ends, the participating entities would need to make a determination on how to move forward
 - This could involve:
 - Creating a revolving business and economic development program
 - Creating an entrepreneurship or innovation program,
 - Developing business support infrastructure or other options
 - The Alaska SBDC will not retain ANY tribal SSBCI funds other than the operating funds

THANK YOU!

JON BITTNER

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