



Rural Development – Oregon

Business & Cooperative Programs

www.RuralOregon.biz

or

www.rurdev.usda.gov/or/biz.htm

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FINANCING YOUR BUSINESS IN OREGON

This guide was developed by **USDA Rural Development** for existing and prospective rural business owners to identify and explain the many government programs and resources available in Oregon to help plan, develop, and finance a business. *(USDA Rural Development is an agency of the U.S. Department of Agriculture. Our mission is to build cooperative financial partnerships which advance the economic vitality of rural America. For more information on USDA Rural Development, see Appendix or contact us.)*

Step One: BUSINESS PLANNING

The first step in securing financing for your business is not filing a loan application. Instead, the business owner needs to develop and refine a business strategy. Nothing improves one's chance of securing financing like a thorough business plan with informed financial projections. Generally, the best place to start in your search for financing is with "technical assistance" (i.e., business counseling). Existing or prospective business owners can get help with their business planning and financial management from a number of organizations. Technical assistance providers are very familiar with their local business community, and they offer invaluable expertise and impartial advice. Furthermore, these consultants are in routine contact with the local lending community, so they can often provide helpful referrals. Generally, their advice is free. There are many technical assistance organizations. Each community is unique in what is available.

Oregon Business Guide http://www.filinginoregon.com/business/starting_a_business.htm

The "Oregon Business Guide" is on-line and is an excellent starting point for anyone interested in starting a business. It is a succinct but comprehensive guide to doing business in Oregon.

Small Business Development Centers (SBDC's) <http://www.bizcenter.org>

Oregon has established SBDC's throughout the state. Most are aligned with a state or community college. These centers provide advice to small businesses on marketing, growth, and planning issues, as well as guidance on seeking financing. Their web site is very helpful too.

| | | |
|-------------------------------------|-------------------------------|----------------------------|
| Oregon-wide 541- 463-5250 | Gresham 503-491-7658 | Pendleton 541-276-6233 |
| Albany 541-917-4929 | Klamath Falls 541-885-1760 | Portland 503-978-5080 |
| Bend 541-383-7290 | LaGrande 541-962-1532 | Roseburg 541-440-4669 |
| Brookings 541-469-5017 | Lincoln City 541-994-4166 | Salem 503-399-5088 |
| Coos Bay/North Bend 541-756-6866 | Medford 541-552-8300 | Seaside 503-738-3346 |
| Eugene 541-463-5255 | Milwaukie 503-594-0738 | The Dalles 541-506-6121 |
| Grants Pass 541-956-7494 | Ontario 541-881-8822 x356 | Tillamook 503-842-2236 |

Service Corps of Retired Executives (SCORE) <http://www.score.org>

SCORE is a volunteer business counseling program sponsored by the U.S. Small Business Administration (SBA). Active and retired business executives provide workshops and one-on-one management advice on all aspects of business operations. Their web site is helpful too.

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|-----------------------|-----------------------|--------------------------|
| Eugene 541-465-6600 | Redmond 541-923-8615 | Seaside 503-338-9749 |
| Medford 541-608-8528 | Roseburg 541-672-2648 | South Coast 541-332-4003 |
| Portland 503-326-3441 | Salem 503-370-2896 | |

Other Sources of Technical Assistance

Many organizations provide advice and information for specific business sectors. Here is a partial list.

- Multnomah County Small Business Incubator: <http://biz.multcolib.org/> 503-988-5234
- Oregon Entrepreneurs Network: <http://www.oen.org/> 503-222-2270
- Austin Family Business Association (Oregon State U): <http://www.familybusinessonline.org/> 800-859-7609
- Business in Portland: <http://www.businessinportland.org/> 503-823-4000
- Small Business International Trade SBDC: www.pcc.edu/pcc/pro/sbit/ 503-274-7482
- Food Innovation Center: <http://fic.oregonstate.edu/> 503-872-6680
- Sustainable Northwest-Healthy Forests (value-added forest/wood): <http://www.sustainablenorthwest.org> 503-221-6911
- Baker Enterprise Growth Initiative: <http://www.bakerbegin.org> 541-523-5556
- Central Oregon MicroEnterprise Facilitation: <http://www.centraloregonmicroenterprise.com/> 541-728-6528
- Wallowa County Business Facilitation: <http://www.wallowacountybusiness.org/> 541-426-5858
- Oakridge UPBEAT: <http://www.ci.oakridge.or.us/Default.aspx?tabid=1711> 541-520-4154
- Oregon Association of Minority Entrepreneurs: <http://www.oame.org> 503-249-7744
- North Santiam Canyon Enterprise Project: <http://www.growsantiam.org/> 503-897-2295
- Women Entrepreneurs of Southern Oregon: <http://www.wesoweb.org/> 888-436-2338
- Oregon Microenterprise Network: <http://www.oregon-microbiz.org/> 503-546-9913
- eDev (formerly Lane Microbusiness): <http://www.oregon-microbiz.org/> 541-463-4606
- Opportunity Knocks (Bend): <http://www.opp-knocks.org/> 541-318-4650
- Native American Business Network (ONABEN) <http://www.onaben.org/> 800-854-8289

Cooperatives

If you are considering a co-op business model, the Northwest Cooperative Development Center is an excellent resource that serves the Northwest, including Oregon – <http://www.nwcdc.coop/> 360-943-4241

Local Chambers of Commerce

Often the best way to find local help is to contact your nearest chamber of commerce for a referral. A complete list of Oregon's Chambers of Commerce can be linked to from: <http://www.oregon4biz.com/Find-local-partners/>

Step Two: FINANCIAL ASSISTANCE

"If you would know the Value of Money, go and try to borrow some."
 -- Benjamin Franklin, *The Way to Wealth* (1757)

Once your business plan has been refined through technical assistance, you are ready to seek financing. In many instances, businesses obtain assistance from more than one of the following sources:

AMERICAN RECOVERY & REINVESTMENT ACT OF 2009

The Recovery Act was enacted in February 2009 in an unprecedented effort to jumpstart our economy and create or save jobs. The Act includes measures to modernize our nation's infrastructure, enhance energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief, and protect those in greatest need. Some of the programs listed below received supplemental funding and/or enhanced authorities (including the B&I and SBA programs) from the Act. More information is available online at <http://www.recovery.gov/> or <http://www.rurdev.usda.gov/recovery.html>

GRANTS

There are virtually no federal or state grant programs for private, for-profit businesses. Realistically, grants are not an option for starting or financing a business.

SELF-FINANCING

Lenders will want to see that you have money of your own invested in your project (i.e., equity). Many new business owners end up drawing on savings, personal loans, or other "bootstrap" financing sources. (Be careful! Get technical assistance before going into debt!)

VENTURE CAPITAL & OTHER INVESTORS

Usually, the cheapest but most difficult to find source of financing is venture capital (i.e., finding investors or partners who are willing to contribute money to your business). Relatives, friends, and business associates are often the main source of venture capital, though commercial sources of venture capital also exist. Venture capitalists have exacting standards for choosing an investment and often require some management and ownership control in the business. A good primer can be found at: <http://www.sba.gov/financialassistance/borrowers/vc/>

Small Business Investment Companies (SBIC's)

SBIC's are private venture capital funds overseen by the Small Business Administration (SBA). The following SBIC's are currently active in Oregon:

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|--|---|
| Northern Pacific Capital Corporation 503-241-1255 | Tamarack Mezzanine Partners, LP 503-517-8939 |
|--|---|

Small Business Innovation Research (SBIR) Program

Under the SBIR programs, 11 Federal agencies (including USDA) award research & development funds to small businesses via a highly competitive, targeted process. The SBIR program is designed to stimulate technological

innovation and provide opportunities for small business. For more information, see <http://www.sbir.gov/> or <http://www.sba.gov/aboutsba/sbaprograms/sbir/>

Other venture capital sources

There are several venture capital networks that seek to connect investors with entrepreneurs.

- Oregon Entrepreneurs Network (OEN) sponsors an annual “Angel Oregon” competition, and their website has links to a number of venture capital firms: <http://www.oen.org/>

COMMERCIAL LOANS

Commercial banks and credit unions are the primary source of business financing. The institution with which you have an established banking relationship is the logical place to start your search for a business loan. (But be sure you are prepared before you approach your banker! See the "Technical Assistance" section above.) Lenders make their money by charging businesses for the privilege of using their deposits. Lenders are conservative because they want to assure that their loans will be repaid with a minimum of time and cost to themselves. This natural conservatism is reinforced by internal and external auditors who monitor their lending decisions. The things that lenders look for in evaluating a loan application are a conservative business plan, a significant equity contribution, capable management, realistic repayment ability, good credit history, and ample collateral to fall back on, just in case.

GUARANTEED COMMERCIAL LOANS

Even a strong business may find commercial lenders reluctant to lend to them without certain incentives. Various federal and state programs have been created to encourage lenders to provide financing to businesses, usually by providing a "guarantee" on the bank's loan.

The guarantee protects the bank against loss, and this helps the bank to justify the loan to its examiners. Often, the guarantee gives the lender other benefits as well, such as the ability to make larger loans, or to increase their profits by selling the guaranteed portion of the loan on a secondary market.

Guaranteed programs are "lender-driven," i.e. it is up to the lender, not the business, to seek the guarantee. However, you may want to ask your lender to consider a guaranteed program. Here are the main programs that lenders may consider using:

SBA 7(a) Guaranty Program

Small Business Administration (SBA) can provide 50-85% guarantees for all types of business needs – real estate, equipment, and working capital. Generally, SBA guaranteed loans range from \$20,000 to \$2.0 million. (For loans of \$150,000 or less, SBA has a streamlined program called "LowDoc." For loans of \$350,000 or less, SBA has a streamlined program called “SBAExpress”.) SBA can provide you with a list of banks that participate in the SBA program. These programs are administered statewide by SBA’s Portland office – 503-326-2682 or <http://www.sba.gov/or/>

Business & Industry (B&I) Guaranteed Loan Program

Operated by **USDA Rural Development**, the B&I program picks up where the SBA 7(a) program leaves off, providing 70-80% guarantees on loans of up to \$10 million. B&I guaranteed loans are only available to businesses in rural areas (i.e., outside Metropolitan Statistical Areas). This program is administered statewide out

of the RD State Office, 1201 NE Lloyd Blvd., Ste. 801, Portland, OR 97232; 503-414-3366 or toll-free 866-923-5626 x4 or <http://www.rurdev.usda.gov/or/bi.htm>

Oregon Credit Enhancement Fund

The Oregon Credit Enhancement Fund provides loan insurance (guarantees) to banks for regular business loans of up to \$700,000 and revolving lines of credit of up to \$300,000. It is administered by the **State of Oregon Business Development Department (BusinessOregon)** – <http://www.oregon4biz.com/cef.htm> or 503-986-0172.

Oregon Capital Access Program

Loans and lines of credit of any size can be approved using this **State of Oregon Business Development Department (BusinessOregon)**-sponsored program. Essentially, the state contributes matching funds into loan loss reserve account. Access to the loss reserve gives banks a way to approve loans that do not meet standard lending criteria. Fees & interest rate are typically higher, but collateral standards may be more liberal, and processing times are speedy. To find participating banks – <http://www.oregon4biz.com/cap.htm> or 503-986-0172.

LOANS FROM NON-COMMERCIAL SOURCES – Gap Financing Programs

When a commercial lender is unwilling to make a loan for the full amount requested, even with a guarantee, it may still be possible to get a loan for a portion of the amount needed. The difference (or “gap”) may be borrowed from another source in participation with the commercial lender. There are a number of sources of "gap financing".

Certified Development Companies (CDC) -- SBA 504 Program

CDC's, established by the **Small Business Administration**, are able to provide gap financing on real estate and some heavy equipment projects. The applicant puts up 10-20% of the cost; a commercial bank generally lends 50%; and the CDC finances the rest. The CDC can lend up to \$1,500,000 at a fixed interest rate on a 10-20 year term. Prepayment penalties are common. The following CDC lenders are active in Oregon (with most operating statewide):

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|--|--|
| CCD Business Development Corporation 800-452-6010 | Northwest Business Development Association 360-521-5704 |
| Cascades West Financial Services, Inc. 541-924-8480 | Northwest Small Business Finance Corporation 503-629-9662 |
| Evergreen Business Capital 877-439-3232 | Oregon Business Development Corporation 541-548-9538 |
| Greater Eastern Oregon Development Corporation 541-276-6745 | EDF Resource Capital, Inc. 916-962-3669 |

Oregon Business Development Fund

The Oregon Business Development Fund provides low interest loans of up to \$700,000 in partnership with commercial loans. The OBDF loan may not exceed 40% of the cost of the project being financed. It is administered by the **State of Oregon Business Development Department (BusinessOregon)** – <http://www.oregon4biz.com/obdf.htm> or 503-986-0172.

LOANS FROM NON-COMMERCIAL SOURCES – Revolving Loan Funds (RLF's) and Microloan Programs

Smaller and newer businesses often cannot qualify for commercial financing or may find that a commercial loan plus gap financing still cannot meet their entire financing needs. In such instances, local revolving loan funds (RLF's) and microloan programs may be the answer. These loan programs are often run by economic development nonprofits or public bodies, which may be willing to consider lending on projects that do not meet more conservative commercial standards.

Intermediary Relending Program (IRP) Revolving Loan Funds

USDA Rural Development lends money to nonprofits and public bodies, which in turn re-lend it to small businesses unable to get credit elsewhere ("ultimate recipients"). A business loan from an IRP fund can finance up to 75% of the cost of a business project. Typically IRP loans to ultimate recipients do not exceed \$150,000. The ultimate recipient must be in a rural area (i.e., cities of < 25,000 population or unincorporated areas). USDA Rural Development has capitalized revolving loan funds for the following IRP lenders (with counties served shown in italics). **Note: Many IRP lenders operate other RLF loan programs too.** More information is online at: <http://www.rurdev.usda.gov/or/irp.htm>

| | |
|---|--|
| Port of Bandon Economic Development Fund 541-347-9105 <i>Coos County</i> | Morrow Development Corporation 541-676-8719 <i>Morrow County</i> |
| CCD Business Development Corporation 541-756-4101 <i>Coos, Curry, & Douglas counties</i> | Northeast Oregon Business Development 541-426-3598 <i>Baker, Union, & Wallowa counties</i> |
| Central Oregon Intergovernmental Council 541-548-8163 <i>Crook, Deschutes, Harney, Hood River, Jefferson, Klamath & Lake counties</i> | Oregon Cascades West Council of Governments 541-967-8551 <i>Benton, Lincoln, & Linn counties</i> |
| Columbia-Pacific Economic Development District 503-397-2888 <i>Clatsop, Columbia, Tillamook, & Washington counties</i> | ShoreBank Enterprise Cascadia 360-642-4265 <i>Clatsop County</i> |
| Greater Eastern Oregon Development Corporation 541-276-6745 <i>Gilliam, Grant, Harney, Malheur, Umatilla, & Wheeler counties</i> | South Central Oregon Economic Development District 541-884-5593 <i>Klamath & Lake counties</i> |
| Lane Council of Governments 541-682-7450 <i>Lane County</i> | Southern Oregon Regional Economic Dev. 541-773-8946 <i>Jackson & Josephine counties</i> |
| Mid-Columbia Economic Development District 541-296-2266 <i>Hood River, Sherman, & Wasco counties</i> | Valley Development Initiatives 503-588-6177 <i>Clackamas, Marion, Polk, & Yamhill counties</i> |

Other Local Revolving Loan Funds (RLF’s) & Microloan Funds

In addition to IRP lenders mentioned above, there are many **other nonprofit economic development organizations** that operate RLF programs. Their loan funds derive from a variety of federal (USDA Rural Development, SBA, Economic Development Administration, Forest Service, and HUD), state, and local grant sources. As with the IRP program, they provide a variety of direct loan products to small businesses unable to qualify for bank loans. Your local SBDC (see Step 1) can help you find RLF’s in your area. In addition, here are a few active RLF’s in Oregon:

| | |
|---|--|
| Mercy Corps Northwest 503-896-5070 http://www.mercycorpsnw.org/ | Portland Development Commission 503-823-3321 http://www.pdc.us/bus_serv/finance_programs.asp |
| Oregon Microenterprise Program (OMEN) 503-546-9913 http://www.oregon-microbiz.org/ | eDev (formerly Lane Microbusiness) 541-463-4606 http://www.edev.org/ |
| Oregon Association of Minority Entrepreneurs (OAME) 503-249-7744 http://www.oame.org | Affiliated Tribes of Northwest Indians (ATNI-EDC) Revolving Loan Fund 503-917-0550 http://www.atniedc.com/ |
| Cascades West Financial Services, Inc. 541-426-3598 <i>Benton, Lincoln, & Linn counties</i> | Illinois Valley Community Development 541-592-4440 <i>Illinois Valley Residents Only</i> |
| Wheeler County John Logan RLF 541-676-8719 www.johnloganfund.com <i>Wheeler County</i> | |

Entrepreneurial Development Loan Fund

The Entrepreneurial Development Loan Fund is administered by the **State of Oregon Business Development Department (BusinessOregon)**. It provides loans of up to \$25,000 – with the potential of an additional \$15,000 loan – for small businesses who are working closely with a Small Business Development Center (SBDC – see Step 1). For more information, call 503-986-0172 or see <http://www.oregon4biz.com/edlf.htm>

Special Oregon State Loan Programs

State Energy Loan Program (SELP). The **Oregon Department of Energy** offers SELP loans to finance energy efficiency improvements, renewable energy generation systems, recycling manufacturing projects, and alternative fuels production. SELP offers low interest, fixed rate loans of \$20,000 to \$20 million for commercial businesses. Such projects may also qualify for the Oregon State Business Energy Tax Credit (BETC) program. For more information, call 800-221-8035 or see <http://egov.oregon.gov/ENERGY/index.shtml>

Brownfields Redevelopment Fund (SELP). The Brownfields Development Fund is administered by the **State of Oregon Business Development Department (BusinessOregon)**. It provides loans up to \$250,000 (and in limited instances, grants) to support the redevelopment of property with perceived environmental concerns. For more information, call 503-986-0123 or see <http://www.oregon4biz.com/>

Special Federal Loan Programs

Farm Operating and Farm Ownership Loans are available to family size farm operators from the **USDA Farm Service Agency (FSA)**. Direct loans up to \$300,000 and guaranteed loans up to \$1,112,000 are available for either operating expenses, livestock & equipment, and/or for real estate. For information, call 503-692-1973 or see <http://www.fsa.usda.gov/or/farmloan.html>

Native American Loan Guaranty Program is operated by the **Bureau of Indian Affairs (BIA)** and can provide up to 90% guarantees on business loans up to \$500,000. For a business to be eligible, (1) members of federally-recognized tribes must own at least 51% of the business, and (2) the businesses must be located in a county where there is a reservation. For more information, see <http://www.bia.gov/WhoWeAre/AS-IA/IEED/LoanProgram/> or contact BIA at (503) 231-6754.

Tax-Exempt Bond Financing

Another strategy for raising financing is through the sale of state-authorized, tax-exempt bonds to investors. This creates a pool of relatively cheap money which is used to lend on an eligible business project. Bond financing is complex since it requires the participation of a number of parties. However, the end result is a very low interest rate, long-term loan.

Industrial Development Bonds (IDB's). IDB's are only for real estate acquisition and development projects in the \$1 million to \$10 million range, and for manufacturing equipment purchases in the \$250,000 to \$10 million range. IDB financing derives from the sale of tax-exempt bonds approved by the **State of Oregon Business Development Department (BusinessOregon), the City of Portland, or Oregon's Port Districts**. IDB's are available through **Oregon Statewide Communities Development Authority ("Oregon Communities")**. For more information, call 503-986-0172 or see <http://oregon4biz.com/idrb.htm>

Oregon Express Bond Program. **State of Oregon Business Development Department (BusinessOregon)** has developed the Express Bond Program in order to provide the benefits of IDB-financing in a more economical and efficient way for smaller business projects, in the \$500,000-\$5 million range. For information, call 503-986-0172.

Export-Oriented Loan Programs

SBA Export Finance Program. The Small Business Administration has several guaranteed loan programs – Export Working Capital Program (EWCP) and Export Express – to support small business exporters. Oregon's Export Assistance Center is an excellent starting point: 503-326-5498 or <http://www.buyusa.gov/oregon/>

Export-Import Bank (EXIMBANK) and Overseas Private Investment Corporation (OPIC) provide direct and guaranteed financing for U.S. exporters. More information at: <http://www.exim.gov/> and <http://www.opic.gov/>

Foreign Agricultural Service (FAS) guaranteed programs. USDA FAS has several guaranteed loan programs – Supplier Credit Guarantee Program, Facility Guarantee Program, and Export Credit Guarantee Programs (GSM-102 & GSM-103) – to support businesses involved in exporting farm commodities and related products. More information at: <http://www.fas.usda.gov/excredits/ecgp.asp>

Special Federal Grant Programs

Rural Energy for America (REAP, fka §9006) Program. **USDA Rural Development** conducts an annual, nationwide competition to award matching funds to rural small businesses and farmers & ranchers proposing either (a) to install energy efficiency improvements in their business or (b) to develop renewable energy generating systems (e.g., wind, biomass, solar, geothermal). If selected, businesses may receive REAP grant funds for up to 25% of the cost of the energy project, not to exceed \$250,000 for efficiency projects to \$500,000 for generating projects. For info, call 541-278-8049 x129 or see <http://www.rurdev.usda.gov/or/energy.htm>

Value-Added Producer Grant (VAPG) Program. **USDA Rural Development** conducts an annual, nationwide competition to award matching funds to farmers, ranchers, foresters, & fishers (and their associated entities) for either (1) planning to evaluate or (2) working capital to undertake a “value-added” project. “Value-added” projects may involve either (a) the development of a value-added agricultural product, (b) the creation of a marketing system or strategy to enhance the value of their commodity, or (c) the development of a renewable energy generating system on their farm. VAPG’s cannot pay for more than 50% of the cost of the value-added project, not to exceed \$100,000 for planning projects or \$300,000 for working capital projects. For information, call 503-414-3366 or see <http://www.rurdev.usda.gov/or/vapg.htm>

Trade Adjustment Assistance for Firms (TAA) Program. This **Economic Development Administration-**administered program provides cost sharing federal assistance to pay for half the cost of consultants or industry-specific experts for projects that improve the competitiveness of manufacturers affected by import competition. For information, call the Northwest TAA Center at 206-622-2730 or see <http://taacenters.org/>

Grant Programs You May Hear About Which Are ***NOT*** for Businesses Directly

Most government grants are not available directly to for-profit entrepreneurs. Instead, grants are typically awarded to nonprofit groups, local governments, and tribes in support of the general economic well-being of the community. Examples of grants that support business, but that are not available to businesses directly include:

Rural Business Enterprise Grant (RBEG) Program. **USDA Rural Development** RBEG’s provide funds for technical assistance, workforce training, feasibility studies, revolving loan funds, demonstration projects, and real estate development in support of specifically identified small rural businesses. Information at 503-414-3366 or see <http://www.rurdev.usda.gov/or/rbeg.htm>

Rural Business Opportunity Grant (RBOG) Program. **USDA Rural Development** RBOG’s provide funds for strategic planning, technical assistance, leadership training, and feasibility studies that promote sustainable economic development in rural areas. Information at 503-414-3366 or <http://www.rurdev.usda.gov/or/rbog.htm>

Rural Microentrepreneur Assistance Program (RMAP). **USDA Rural Development** RMAP is a new program for organizations that make loans and provide technical assistance to microentrepreneurs in rural areas. Information at 503-414-3366 or <http://www.rurdev.usda.gov/or/rmap.htm>

Rural Cooperative Development Grant (RCDG) Program. **USDA Rural Development** RCDG’s provide funds to centers for cooperative development to help establish and strengthen coops in rural areas. Information at 503-414-3366 or <http://www.rurdev.usda.gov/or/rcdg.htm>

Appendix: Other useful links to rural development & business resources
Financing for rural Oregonians:

- **USDA Rural Development** <http://www.rurdev.usda.gov/>
- **USDA Rural Development in Oregon** <http://www.rurdev.usda.gov/or/>
- **USDA Rural Development business programs** <http://www.rurdev.usda.gov/or/biz.htm>
- **Oregon Rural Energy Portal** <http://www.rurdev.usda.gov/or/energy.htm>
- **USDA Rural Development community programs** <http://www.rurdev.usda.gov/or/cp.htm>
- **USDA Rural Development homeownership programs** <http://www.rurdev.usda.gov/or/sfh.htm>
- **USDA Rural Development rental housing programs** <http://www.rurdev.usda.gov/or/mfh.htm>
- **Oregon State Government business programs** <http://oregon4biz.com/>

Business information & resources

- **BizTools** (from Oregon's SBDC's) <http://www.bizcenter.org>
- **Small Business School** <http://smallbusinessschool.org/>
- **Entrepreneur's Resource Center** <http://www.lowe.org>
- **My Own Business** <http://www.myownbusiness.org>
- **US Business Advisor** <http://www.business.gov>
- **US Small Business Administration** <http://www.sba.gov>
- **Minority Business Development Centers** <http://www.mbda.gov>
- **IRS Business Topics** <http://www.irs.gov/businesses/>

Banks in Oregon

- **Oregon Bankers Association** <http://www.oregonbankers.com>

Cooperatives

- **Northwest Cooperative Development Center** (serving Oregon) <http://www.nwcdc.coop>
- **USDA Rural Development coop programs** <http://www.rurdev.usda.gov/or/coops.htm>

AMERICAN REINVESTMENT & RECOVERY ACT OF 2009

- **Information on special programs available under the Stimulus** <http://www.recovery.gov/>

Addendum: Funding sources for business energy projects in Oregon

Oregon has a number of excellent programs to support renewable energy & energy efficiency projects. Savvy business owners find that federal, state, & utility programs may pay nearly half the cost.

USDA Rural Development programs

USDA Rural Development's Rural Energy for America Program (REAP) & Value-Added Producer Grant (VAPG) programs can provide significant financial assistance – often grants – to rural small businesses and agricultural producers. RD grants are limited to 50% of the project cost in the case of VAPG-Planning grants and 25% of the project cost in the case of REAP. More information at: <http://energy.ruraloregon.biz>

Oregon State Department of Energy (ODOE)

Business Energy Tax Credits (BETC). ODOE offers BETC to businesses who invest in energy efficiency and renewable energy projects. At project completion, a state income tax credit is awarded equal to 35% of the eligible project costs for energy efficiency and 50% for renewable energy. The business takes the credit over a period of years. Alternatively, the business may elect to use the “Pass-through Option” which allows the project owner to transfer the BETC to a pass-through partner for a lump-sum cash payment. This lump sum can equal **about 25.5% of the project cost for energy efficiency and about 33.5% for renewable energy.** <http://oregon.gov/ENERGY/CONS/BUS/BETC.shtml>

State Energy Loan Program (SELP). ODOE also offers SELP loans to finance energy efficiency improvements, renewable energy generation systems, recycling manufacturing projects, and alternative fuels production. SELP offers low interest, fixed rate loans (e.g., **6.2%, 15 years** as of 9/10/2008) of \$20,000 to \$20 million for commercial businesses. More information is available at <http://oregon.gov/ENERGY/LOANS/selphm.shtml>

Energy Trust of Oregon

The Energy Trust is a nonprofit organization charged with fostering energy efficiency and renewable energy projects in the areas of Oregon served by the state's investor-owned utilities – PGE, Pacific Power, NW Natural, Cascade Natural Gas, & Avista. They offer a number of incentive programs to businesses undertaking either energy efficiency or renewable energy generating projects, including help with energy audits & packaging fees.

Renewable energy incentives are designed to enable projects to earn a standard financial return for that type of investment. More information is available at <http://www.energytrust.org/RR/index.html>

Energy efficiency incentives may reimburse businesses for up to 15¢/annual kWh, or 50% of total project costs, whichever is less. More information is available at <http://www.energytrust.org/business/index.html>

Bonneville Power Administration (BPA) & Rural Electric Cooperatives

Much of rural Oregon is served by over 20 electric cooperatives and public utility districts. Many of these local utilities receive power at least in part from BPA. BPA has developed financial incentive programs to support energy efficiency projects that will conserve power. Each electric coop and PUD may in turn elect to offer these programs to its customers. Contact your local utility to determine what programs are available. More information on BPA incentives is available at <http://www.bpa.gov/energy/n/>

Other sources

This is far from an exhaustive list of federal, state, & utility energy incentive programs. One good link to available programs can be found at <http://www.dsireusa.org/>

USDA Rural Development offices in Oregon

RD assistance is delivered in Oregon through 4 Area Offices, 2 satellite offices, and one State Office. We look forward to working with you. We build cooperative financial partnerships with rural Oregonians!

Pendleton Area Office, USDA Rural Development

Geri Steward, Area Director

serving Baker, Gilliam, Grant, Malheur, Morrow, Umatilla, Union, Wallowa, & Wheeler counties

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Redmond Area Office, USDA Rural Development

Barrie Lasure, Area Director

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Bret Dixon, Area Director

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Portland State Office, USDA Rural Development

Vicki L. Walker, State Director

Rod Hansen, Housing Programs Director

vacant, Community Programs Director, State Director

Jeff Deiss, Business & Cooperative Program Director

Lynn Swisher, Administrative Program Director

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