



## Monthly General Meeting

**Time and Location:**

Wednesday, November 9  
11:45 a.m. to 1:00 p.m.  
Felida fire station  
11600 NW Lakeshore Avenue

**Speaker/Program:**

Jim Bright from Northwest Business Development Association will discuss the SBA 504 program. (see page 4 for more info)

**Lunch:**

Catered this month by member restaurant  
KFC/Dickinson NW

**Cost:**

\$10 - checks payable to HDSCBA –  
Please be certain to pay our treasurer, Dick  
Streissguth, for your lunch before going through  
the buffet line.

**RSVP by Monday, November 7th**  
to: [ilastanek@hotmail.com](mailto:ilastanek@hotmail.com) or leave a message  
at 360-573-7376. We need to have an accurate  
number count for the caterers. Thank you!

**Want to Spotlight your business or  
organization to your fellow Hazel Dell  
Salmon Creek Business Association  
Members?**

Please contact Ila Stanek for more information  
and to put your business on the schedule for  
coming months 360-573-7376 or  
[ilastanek@hotmail.com](mailto:ilastanek@hotmail.com)

## It's Party Time

The annual holiday party for our business association will be held on **Wednesday, December 7** at **The Hostess House**, 10017 NE 6<sup>th</sup> Avenue. The No-Host bar will open at 6:00 p.m. with our dinner served at 7:00 p.m. The cost for the evening per person is \$35; checks should be made payable to "HDSCBA" as they are for our lunches. As in years past we will have an optional gift exchange with a cost limit of \$10 per person. The gift exchange is a very fun element in the evening – especially when the gift you selected gets "stolen" a couple of times. (Even if you don't participate in the exchange, it's great fun to watch your business associates during the "gift stealing.") Our entertainment this year will come from **The Mazza-Calame Trio** (*please see their information attached to the newsletter*). This is the first time we've had an opportunity to enjoy their music and we are certain they will be a welcome addition to our festivities. This is an **RSVP** situation as we must be able to prepare for all our guests, so don't forget to e-mail or call Ila Stanek, 573-7376 or [ilastanek@hotmail.com](mailto:ilastanek@hotmail.com) to get your RSVP in as soon as you can. This year should be wonderful as usual, but far more special if you can all attend. Do mark your calendar and let our HDSCBA dinner party start off your holiday season!

## CALENDAR

### McDonald's McTeacher Nights

November 8<sup>th</sup> – Minnehaha Elementary @ Hazel Dell McDonald's  
November 9<sup>th</sup> – Harney Elementary @ Ft. Vancouver McDonald's  
November 15<sup>th</sup> – Jason Lee Middle School @ Hazel Dell McDonald's

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### Lough Legacy Veterans Parade at Fort Vancouver

<http://www.fortvan.org/pages/celebrate-freedom-events>

November 5<sup>th</sup> @ 11 am

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### Three Creeks Advisory Council meeting

December 8th 10 am to 12 pm at Wm. F. Lothspeich Bldg, Clark Regional Wastewater District  
8000 NE 52<sup>nd</sup> Ct  
Assoc. Rep: Ila Stanek – 360-573-7376

## NEIGHBORHOOD CHILDREN'S HOLIDAY PARTY INFO

The neighborhoods are this year putting on holiday parties for children at some of the elementary schools. Again we have information on the NE Hazel Dell Neighborhood Association's event at **Sarah J. Anderson Elementary School** to be held on **December 15 from 6:00-8:00 p.m.** The parties get bigger every year and the organizers always need more volunteers to help with decorating, registration, handing out gifts, and, of course, donations of unwrapped gifts and funds to pay for all the rest of the event. Last year the Sarah J. Anderson party helped to make the holidays brighter for more than 800 kids in our area. Please contact **Bud Van Cleve (695-1466)** or **Doug Ballou (903-3993)** for more information and volunteer opportunities. If you live in the Felida or North Salmon Creek area, please contact **Milada Allen (573-4030)** or **Barbara Anderson (573-2240)** for details on the kids' party in their areas. All these events need our financial support, more this year than ever as the number of children being served increases as the economy decreases.

In conjunction with the kids' parties **Applebee's** will be hosting fundraising **pancake breakfasts** for a cost of \$7.00 of which they are contributing \$5.00 to each of the sponsoring neighborhood associations to help offset costs. Watch for more information on the two Saturday morning fundraisers in our area. Tickets will be sold for each event and there are only 200 available, so again contact the NEHDNA or Felida and North Salmon Creek NA reps for more details and tickets.

## Community Information Updates!

The unpermitted **staffed residential home** operated by New Visions Programs (a DSHS contractor) at 7515 NW 15<sup>th</sup> Avenue is finally coming to the attention of the Planning Commission and the Board of County Commissioners this month. The first Planning Commission work session is November 3 at 5:30 p.m. their public hearing on it is November 17. The BOCC will have a hearing on it on Tuesday, November 22 at 10:00 a.m. The deadline for completing this Code change is November 24. Anyone who is interested in this facility or needing more background should contact Ila Stanek (573-7376, [ilastanek@hotmail.com](mailto:ilastanek@hotmail.com)) as it is in West Hazel Dell Neighborhood Association and has been a thorn in the neighbors' collective sides for more than a year. We are hoping the new Code will help resolve questions on the need for Conditional Use Permits on for-profit operations such as this.

(See attachments for more information)

The **Aging Readiness Task Force** report is available online for anyone wanting to take a look at their conclusions. Many of the ideas presented will be incorporated into future county planning and development. You may view the October 27 presentation at <http://www.clark.wa.gov/planning/aging/index.html>. If you have reviewed the plan document and have comments or suggestions, please take a moment to add your perspective by taking a short survey and "grading" the chapters at <http://www.surveymonkey.com/s/AgePlanSurvey>. Your input will assist us in making sure that we have heard and responded to your concerns. If you have any questions, please contact Colete Anderson at [colete.anderson@clark.wa.gov](mailto:colete.anderson@clark.wa.gov) or you may call her at 360.397.2280 extension 4516.

Members will recall our meeting with the good folks from **Community Home Health & Hospice (CHHH)** this year. At that time the plans for a new hospice facility were explained to us. Many of us had no idea there were so few beds available in Clark County. *(After listening to the statistics at the Aging Readiness forum on how fast we are all approaching a time in life when we may need either in-home or in-center care, I think this is even more important.)* This is brought to your attention because of the challenge the CHHH's application for a Certificate of Need (required by Washington State). The challenge is coming from our local medical giant, PeaceHealth (who has merged with the former SW Washington Medical Center [SWMC]). Members may remember the similar challenge mounted so strongly by SWMC when Legacy Health Systems was applying for their Certificate of Need to establish what is now *our* local Legacy Salmon Creek Hospital. After a Columbian article appeared on the challenge, we received information from **Marykay Morelli** of CHHH (see attached info) clearing up some of the questions and missing pieces to the story. I will be personally writing a letter of support for CHHH and urge any of you interested to contact **Marykay at (360) 414-5409 or e-mail her at [mmorelli@chhh.org](mailto:mmorelli@chhh.org)** as soon as you can. The deadline on this as I understand it is November 15. Thanks for taking a minute to help recognize the growing healthcare needs in our community.

## SBA 504 Loan Program

The 504 program helps for-profit, healthy and expanding small businesses finance the **acquisition** of owner-occupied **commercial real estate** and major **equipment**. It provides small businesses with long term, **low fixed interest rates**, and **up to 90% financing**. This helps borrower conserve capital for further growth. CDC's job is to work closely with the borrower and participating lender to originate, close and service the 504 loan.

**Benefits of the 504 Loan:** The 504 Loan Program offers several benefits to the business.

- Low down payment (generally 10%)
- Below market fixed interest rate (rate for June 2011 @ 5.521% for real estate)
- 20-year amortization for real estate, and 10-year amortization for equipment
- Reduced risk to the lender (Lender's exposure is generally 50% LTV)

**Project / Loan Structure :** There is NO maximum total project size.

A loan made under the SBA 504 Loan Program contains **three** parts:

1. A **First Mortgage Loan** provided by the borrower's **lending institution**, which usually amounts to **50%** of the project cost. The lender's note is separate and carries its own rate, terms and conditions. The private lender charges a market rate for his loan with a minimum term of 10 years.
2. A **Second Mortgage Loan** from SBA (**facilitated by CDC**) can be up to **40%** of the total project cost or a **maximum of \$5,000,000**. **Manufacturing** companies, and projects that generate energy or reduce energy consumption by 10% or more, are eligible for up to **\$5,500,000**. The term of the 504 loan is 20 years for real estate and 10 years for equipment. **The interest rate is below market, fixed and determined at the time of SBA funding.**
3. A **down payment** from the borrower, typically **10%** of the total project cost. Special purpose buildings and/or businesses less than 2-years old will require additional down payment. The down payment can be cash, equity in land or building, existing equipment or any other fixed assets that are part of the project.

**Uses of Proceeds with a 504 loan project:** SBA 504 loan can finance the following items:

- land acquisitions and improvements
- construction of a new facility
- purchase/renovation of existing building
- purchase of equipment with a useful life of at least 10 years
- payment of interest/fees on interim financing
- refinance of existing debt, up to 50% of otherwise eligible project costs
- payment of soft costs related to the project (such as professional fees)

## Occupancy Requirements

- For purchase of **existing buildings**, the small business must occupy **51%** of the building space.
- On **new construction** projects the small business must initially occupy **60%** of the building space and have projections to show they will occupy **80%** of the building space within 10 years.

**Job creation/retention requirement:** One new job needs to be created or retained for every \$50,000 provided by SBA funding. There are "waivers".

**Ownership and Guarantees:** a separate real estate holding company can be formed to own the R/E. All owners (**20% and above**) of both holding company and operating company must personally guaranty the loan.

**Fees** Loan fees associated with the 504 portion of the project approximate 2.15% of the SBA loan amount. These fees are financed into the loan. There is also a fee for a licensed 504 closing attorney must close the SBA loan.

## Myths about the SBA 504 Loan Program

**All SBA loan programs are for weak credits. Not true!**

- Not true! The 504 program is for healthy businesses that are growing and therefore need to **preserve working capital**.

**The SBA is for "small" businesses.**

- 95% of the businesses in the U.S. are considered small by the SBA.
- SBA 504 qualification for small business: 2-year average **net income** after taxes to be less than **\$5MM** and tangible **net wc** less than **\$15MM**. Personal liquidity follows the same rule as the 7(a) loan program.

**The process takes too long. Not true!**

- Typically, the SBA Authorization is in place **pending receipt** of the appraisal and the environmental report.

## 504 Application Process

- Approval and commitment from participating lender
- CDC board approval process
- SBA approval process
- Issuance of Authorization for SBA Loan Guarantee (CDC reviews this with lender and borrower)
- Participating lender provides interim financing to cover pre-approved SBA portion
- SBA Loan closing process
- SBA Loan sale and interim lender pay-down

## ELECTION TIME

At the November general meeting, the HDSCBA nominating committee will provide a slate of officers to the group for voting.

## RESOURCES

Members interested in keeping up with the progress on the Bike/Ped Plan should copy this link for the latest details. The plan is approved and can only be funded through grants, etc.

[http://www.clark.wa.gov/  
longrangeplan/index.html](http://www.clark.wa.gov/longrangeplan/index.html)



Highway 99 web page: [http://www.clark.wa.gov/  
hwy99/index.html](http://www.clark.wa.gov/hwy99/index.html)



Please forward any newsletter info  
& announcements to:

[tracy@maxmusclevanancouver.com](mailto:tracy@maxmusclevanancouver.com)

Submissions must be received by  
the 25<sup>th</sup> of each month for the  
following month's newsletter