



**SBTRC Training for the  
1<sup>st</sup> Annual Northern Region  
DBE Training Symposium**

**SHORT TERM LENDING PROGRAM**

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SBTRC/Great Lakes region**



## **SHORT TERM LENDING PROGRAM** **(STLP) DESCRIPTION**

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- **PROVIDES A LOAN GUARANTEE ON A REVOLVING LINE OF CREDIT**
- **PRIMARY COLLATERAL IS RECEIVABLES FROM TRANSPORTATION CONTRACT(S)**
- **PARTICIPANTS CAN APPLY FOR RENEWAL FOR UP TO 5 YEARS**



## **Cont. STLP Program Description**

- **MAXIMUM LOAN AMOUNT \$750,000**
- **SUBCONTRACT AT ANY TIER IN TRANSPORTATION RELATED FIELD**
- **APPLICATION FEE OF \$150.00 PAYABLE TO THE BANK**
- **INTEREST RATE BASED ON WSJ VARIABLE RATE (6-6.5%)**



## **STLP ELIGIBILITY REQUIREMENTS**

**(a) CERTIFIED AS A DBE UNDER DOT CERTIFICATION  
GUIDELINES (49 CFR, PART 23 & 26)**

**- OR -**

**CERTIFIED BY THE U.S. SMALL BUSINESS ADMINISTRATION  
SECTION 8(A) PROGRAM, HUBZONE, DISABLED VETERAN  
OR SERVICE DISABLED VETERAN OWNED BUSINESS**

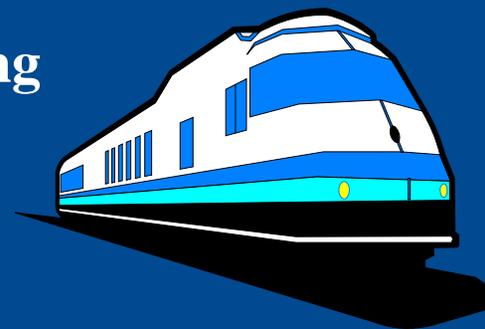
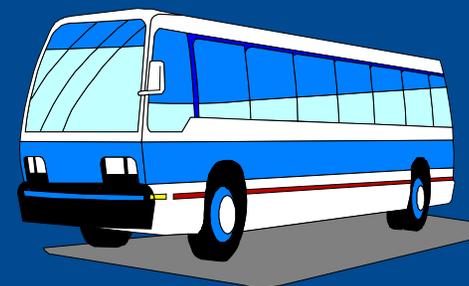
**(b) HAVE A CURRENT TRANSPORTATION-RELATED CONTRACT**

**(c) MUST BE CURRENT ON FEDERAL TAXES**



## STLP ELIGIBLE ACTIVITIES

- ✿ Maintenance, rehabilitation, restructuring, improvements, or revitalization of any of the nation's transportation modes – public, commercial, Federal, State, or local agency
- ✿ Funds may **NOT** be used for: contract mobilization; equipment purchases or other long term uses; refinance of existing debts; payment of non-current taxes; distributions or other payments to stock holders





## PROGRAM ADMINISTRATION

- **The STLP is administered by the DOT OSDBU through cooperative agreements between DOT and several STLP Participating Lenders (PLs)**
- **Loan documentation and financing transactions are performed by the Participating Lender (PL)**
- **Loan application processing turnaround is 30-60 days**





## **COMPLETE STLP APPLICATION AND** **SUBMIT TO BANK**

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- 1. DOT OSDBU STLP application, dated and signed.**
- 2. Prepare Documentation: Proper documentation is listed on the STLP Application Checklist.**
- 3. Submit to Participating Lender (PL) for Approval**
- 4. After PL approves the loan, DOT will receive a copy of the application package to review and make a final decision on the loan guarantee request.**



#### **4. Work-in-Progress (WIP) Schedule**

- Include all jobs currently under contract**

#### **5. Current Aging Reports of Receivable and Payables**

- Should be 90 days current**

#### **6. Cash Flow Projection Covering the Term of the Loan**

- Cash flow month to month analysis of your cash position**



## **7. Current DBE Certification or Other Eligible SBA Certifications**

- Include updated annual DBE affidavit**

## **8. Business Information Documents**

- Articles of Incorporation, Partnership Agreement**
- Evidence of proper business registration**

## **9. Company History**

- Capability statement**



## **10. List of Completed Contracts (Past Performance)**

- List all contracts completed in the past 12 months**

## **11. Three Business / Trade Reference Letters**

- Two (2) applicant's contract performance**
- One (1) relating to financial performance**
- Dated within past six months of application date**

## **12. Resume of Key Management**



## FUNDS ADMINISTRATION

- **Funds are borrowed against each invoice of the contract (s)**
- **Repayment occurs as the project owner or prime contractor pays the invoice. The payment is made jointly to the borrower and to the PL Bank and is sent to the bank, which repays the amount borrowed against the invoice and transmits the balance to the borrower**



## HOW TO APPLY: KEY STEPS

*ESTABLISH  
ELIGIBILITY*



*COMPLETE APPLICATION  
& PREPARE PROPER  
DOCUMENTATION*



*SUBMIT  
COMPLETED  
APPLICATION & FEE TO  
PARTICIPATING LENDER*



## **(STLP) Short Term Lending Program Contacts**

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