

Hawai'i SBDC Network O'ahu Center Newsletter



HEDCO LDC Committed to Small Business Expansion Since 1981

[HEDCO LDC \(HEDCO\)](#) is a community-based, non-profit organization established in 1981 for the purpose of promoting economic development in Hawai'i. HEDCO is licensed and certified by the US Small Business Administration (SBA) to process and service loans approved under the SBA's 504 Loan Program.

The major benefits of the 504 Loan Program are:

- *Low Down Payment - as low as 10% which helps preserve business cash

- *Long Repayment Terms - 10 or 20-year fully amortized loans

- *Fixed Rates - interest rates are fixed for the full term of the SBA loan

Eligible small businesses can use HEDCO and the 504 Loan Program to finance the purchase of fixed assets that have a useful life of at least 10 years. Examples of projects that qualify under the program are:

- *Purchasing of land and improvements

- *Financing the construction or renovation of improvements that are either fee simple or

Dear Andra,

Welcome to the 2016 First Quarter newsletter of the Hawai'i Small Business Development Center, O'ahu office. In this edition we cover the state manufacturing grant, which is available to qualified local manufacturers to help defray the cost of new equipment and training. Also, read about the SBA and Boots to Business: Reboot, and a good example of how we work with our clients for economic impact.



I hope you enjoy this issue, and welcome your comments or questions. [Like us on Facebook](#), see our [new YouTube channel](#), and connect with us on [LinkedIn](#).

Joseph Burns
 O'ahu Center Director

Hawai'i SBDC Success Story: Taqueria El Ranchero is the New Wahiawa Hot Spot

Hector's challenging journey to entrepreneurship started after his relocation to Fort Shafter, Hawai'i. Noticing that Hawaii's Mexican restaurants lacked the authenticity of the Mexican food he grew up with, Hector decided to try his hand at operating a Mexican eatery. He attended Hawai'i SBDC's "How to Start a Business" workshop and then met with senior business advisor Lori Hiramatsu.



With her guidance, Hector worked diligently on his business plan and projections; taking staffing schedules and menu item costs to the granular level. He obtained a desirable location on Wahiawa's busy California Ave. and worked with the Hawai'i SBDC on the start-up costs and financing options. Eventually, he secured a business partner and was able to internally finance the new restaurant.

On 5/15/15 Taqueria El Ranchero opened its doors. Today, the business is thriving and sales are much higher than projected. With Hector's marketing sense and vigilant expense control, profits are strong. With less than one year in operations, Hector has received numerous investor inquiries about expanding his business to other parts of O'ahu. He achieved this success while both serving his country full-time and working the business part-time. Hector has since retired from the Army and is working full-time at the restaurant. He is developing sound expansion plans with the support of the Hawai'i SBDC - O'ahu office.

leasehold in nature

*Machinery and equipment purchases (excluding vehicles and aircraft of any type)

*Land purchases and installation of photovoltaic systems

Although the majority of projects that HEDCO has financed involved real estate, it has also helped small businesses acquire a train, commercial fishing vessels, printing equipment and heavy construction equipment.

HEDCO is by far the oldest and most experienced certified development company in the state, having assisted nearly 650 small businesses with their financing needs. HEDCO participates with a third party lender to provide up to 90% financing with its portion totaling nearly \$300 million over the years.

In 2012, the SBA selected HEDCO as the Large Certified Development Company of the Year. This prestigious award is based on loan portfolio quality, commitment to supporting small business expansion and growth in loan volume. HEDCO was selected among approximately 275 development companies nationwide.

We at HEDCO welcome the opportunity to work with Hawai'i Small Business Development Center clients in helping small businesses in their efforts to expand, and look forward to answering any questions or discuss projects with prospective users of the 504 Loan Program. Please contact HEDCO at **521-6502** for assistance.

Contact Us

[About Us](#)

[Business Events Calendar](#)

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Advisors to

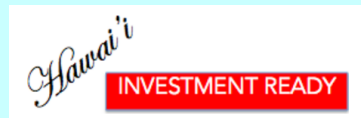
Boots to Business: Reboot Training for Veterans and Military Families



The Hawai'i SBDC has been an active contributor to the success of our local Boots to Business program over the last few years. The U.S. Small Business Administration (SBA) kicked off National Veterans Small Business Week (Nov. 2-6) by launching a new private-public partnership with The Marcus Foundation, First Data Corporation and Syracuse University's Institute for Veterans and Military Families (IVMF) that will support SBA's Boots to Business: Reboot entrepreneurship training program.

This partnership will allow the SBA to present more than 100 entrepreneurial training workshops over the next year to veterans of all eras, service members (including members of the National Guard and Reserves) and their spouses. [Read more](#)

Hawai'i Investment Ready Panel Discussion



On January 29, 2016, Center Director Joe Burns participated in a panel discussion with the second cohort of [Hawai'i Investment Ready](#), an organization that supports both for and not for profit ventures with scalable solutions to regional and global challenges.

They focus on companies integrating a Hawaiian Island worldview - with impact themes like culture and language, resource conservation, family, community, and education - into their core business.

In playing a role as investors, the group made strong recommendations in these areas: a completely committed team; viable financial structure with an ability to repay debt; and compelling nature of value proposition. We look forward to future cooperation with HIR.

Manufacturing Grant Program

Last session the Legislature passed Act 215, which authorizes up to \$2 million in grants to manufacturing companies in Hawai'i, for (1) Purchase of manufacturing equipment; (2) Training of employees on the use of new manufacturing equipment; (3) Improving existing energy efficiency or (4) The cost of feasibility studies.

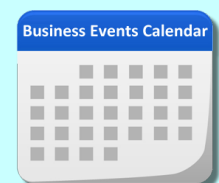
The Hawai'i SBDC O'ahu Office is collaborating with High Tech Development Corporation in the rollout of this important initiative, and for application review and grant awards. Further information is available [here](#).

Calendar - Sign Up Now

[03.15.16 Export University](#)

[03.16.16 How to Start a Business](#)

[03.16.16 Hawai'i DOT Disadvantaged Business Enterprise Workshop](#)



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