

Maine PTAC Welcomes

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US SMALL BUSINESS ADMINISTRATION

*SBA's HUBZone Program:
An Overview for
Becoming Certified*

This Presentation Will Cover

- What is a HUBZone?
- HUBZone eligibility criteria
- The Process to Apply
- The Required Inputs and Documents
- Best Practices and Things to Be Aware of
- Maine PTAC Services and the HUBZone Program

What is HUBZone?

- Historically Underutilized Business Zone
- Program is designed to help small firms in certain communities gain access to federal contract opportunities
- HUBZone areas: typically areas of low median household incomes or high unemployment, or both
- At any given time, there are approximately 5,000 small firms certified in the HUBZone program ,but only 11 in Maine.

Program Purpose

A designated HUBZone provides federal contracting assistance to qualified small firms in order to:

- Increase employment opportunities
- Stimulate capital investment
- Empower communities through economic leveraging

Key Program Benefits

The government has a mandate of awarding 3% of all prime contract dollars to HUBZone firms. Prime contractors have the same mandated goals

Two mechanisms:

- Contract set-asides and sole source
- 10% price evaluation preference applied to full and open competition

Where are the HUBZones?

- There are 5 kinds of HUBZones:
 - Qualified Nonmetropolitan County*
 - HUBZone Qualified Census Tract*
 - Indian Land
 - Qualified Base Closure Areas
 - Qualified Disaster Areas

*When a county or tract loses its HUBZone qualification, it is redesignated for three years.

- The SBA recently announced they will change the HUBZone map once every five years.

Eligibility Requirements

- Small business (by SBA standards)
- Owned and controlled by at least 51% U.S. citizens or a community development corporation, an agricultural cooperative, or an Indian tribe
- Principal office must be located within a designated HUBZone
- At least 35% of its employees must reside in a HUBZone
- Note: Different rules apply for Tribal Governments, Alaska Native Corporations, Community Development Corporations, Native Hawaiian Organizations, and small agricultural cooperatives.

Eligibility Requirements – SIZE

- At time of application for certification a firm must meet SBA's size standards for its primary NAICS code
- At time of initial contract offer a HUBZone certified firm must be small for the size standard corresponding to the NAICS code assigned to the contract.

Eligibility Requirements – Ownership by Individuals

- Business must be directly and unconditionally owned and controlled by at least 51% U.S. citizens
- Citizen means a person born or naturalized in the United States. SBA does not consider holders of permanent visas and resident aliens to be citizens
- Person means a natural person

Eligibility Requirements – Ownership by Entities

Firms may be owned by:

- Tribal Governments
- Alaska Native Corporations
- Native Hawaiian Organizations
- Community Development Corporations
- Small Agricultural Cooperatives

Eligibility Requirements – Principal Office

- Principal office must be located within a designated HUBZone
- Principal office means the location where the greatest number of the concern's employees at any one location work
- For firms whose “primary industry” is service or construction, the determination of principal office excludes employees who perform the majority of their work at job-site locations to fulfill specific contract obligations

Eligibility Requirements – 35% residency

- At least 35% of its employees reside in a HUBZone
- When determining the percentage of employees that reside in a HUBZone, if the percentage results in a fraction, round up to the nearest whole number
- SBA defines *reside* means to live in a primary residence at a place for at least 180 days, or as a currently registered voter, and with intent to live there indefinitely

Employee Definition

- Employee means all individuals employed on a full-time, part-time or other basis, so long as that individual works a minimum of 40 hours per month.
- If an individual has an ownership interest in and works for the HUBZone small business concern a minimum of 40 hours per month, that owner is considered an employee regardless of whether or not the individual receives compensation.

The Basic Application Process

- Make sure your SAM account is current
- Create an account on SBA's General Login System (GLS)
- Collect information for the HUBZone application
- Enter/Submit the electronic HUBZone application
- Verify the application
- Collect the relevant supporting documents
- Upload the supporting documents

GLS Account Creation

Go to <https://eweb.sba.gov/gls> and request a User ID

The screenshot displays the SBA General Login System interface. At the top, there is a navigation bar with the SBA logo, the text 'General Login System', and links for 'Skip Navigation', 'Accessibility Options', 'Print', and 'Help'. The date 'April 02, 2013' is shown below the navigation bar. On the left side, there is a blue navigation menu with the following links:

- [Forgot User ID?](#)
- [Forgot Password?](#)
- [GLS Instructions for Banking Partners](#)
- [GLS Instructions for Small Businesses](#)
- [GLS Instructions for SBA Employees and SBA Contractors](#)
- [Request SBA User ID](#)
- [Contact SBA Security](#)

A callout box points to the 'Request SBA User ID' link with the text: 'Click on Request SBA User ID.' To the right of the navigation menu is the 'SBA Account Login' form, which includes:

- Fields for 'User ID' and 'Password'.
- 'Login' and 'Clear' buttons.

Below the form, there is a link for 'Text Only'.

GLS Account Creation (cont)

- After setting up the GLS account, log out
- Stop there and begin developing the data for the application

Information for the Application

- The application must be submitted in one sitting and pages have a 60 minute time limit, so you must prepare the inputs in advance
- Download the Application Guide
https://www.sba.gov/sites/default/files/files/HUBZone_Application_Guide.pdf
- Some of the information on the business will be imported from SAM

The Electronic Application

- Section A – Location in Qualified HUBZone
 - Verification of Principle Office location
- Section B – General Business Information
 - Annual receipts, # employees (much comes from SAM)
- Section C – Ownership and Control
 - Firm must be at least 51% owned and controlled by U.S. Citizens
 - Key “owners” must be listed
- Section D – Financial Information
 - Assets, liabilities, net worth, receipts, profit
- Section E – HUBZone Employment Statement
 - 35% of employees must live in a HUBZone

The Electronic Application (cont)

- Section F – Affiliation
 - Must be “small” under the size standards
 - Affiliation is when one concern controls or has the power to control the other, or a third party or parties controls or has the power to control both. Factors such as ownership, management, previous relationships with or ties to another concern, and contractual relationships
 - You must list size and other information about any firm that you are affiliated with
- Notice of Verification
 - Person to certify the application once submitted

Submitting the Application

- Log back into GLS and select HUBZone from your profile
- Select HUBZone Electronic Application from this screen



Submitting the Application (cont)

- Once the application is submitted an e-mail will be sent to the person listed for certification – this is known as Electronic Verification
- You have 10 days to either verify the application, update it or withdraw it
- The application will not be processed until it is verified
- The date that that it is verified is known as the Electronic Verification Date (EVD)

- The EVD is critical to your application because:
 - It starts a 10 day window for uploading documents that support your application
 - Many of those documents are connected to EVD
 - Lease, Payroll, Utility bills
 - Once you have verified the application it can NOT be modified. If you fail to upload the supporting docs the application is cancelled. But if it is rejected, you will have to wait 90 days to resubmit

Supporting Documents

- The application gets things started, but the supporting documents are what get you certified
- SBA uses the documentation to verify that you are in compliance with the HUBZone Program requirements
- Accuracy and consistency are key
- Supporting docs must cover the time of review (EVD)

Types of Supporting Documents

Supporting documents are based on your ownership structure:

- **Corporations**

https://www.sba.gov/sites/default/files/files/Supporting_Documentation_Request_-_Corporation.pdf

- **Sole Proprietorships**

https://www.sba.gov/sites/default/files/files/Supporting_Documentation_Request_-_SoleProprietorship.pdf

- **Partnerships**

https://www.sba.gov/sites/default/files/files/Supporting_Documentation_Request_-_Partnership.pdf

- **LLCs**

https://www.sba.gov/sites/default/files/files/Supporting_Documentation_Request_-_LLC.pdf

Supporting Document Categories

- Principal Office
- 35% HubZone Residency
- Ownership and Control
- Signature Sheet
- Document Checklist

Supporting Documents – (cont)

- **Principal Office**

- Lease/Rental Agreement/Deed 

- Utility Bill 

- Firm Location List 





- To include hours each employee works per week



Must Cover EVD

Supporting Documents – (cont)

- **35% HUBZone Residency**

- Payroll Records 
- Identification/ Proof of Residence for HUBZone Residents 
- HUBZone Map of HUBZone Residents' Addresses
- Employee List 
- Contractor List (if applicable) 

 **Must Cover EVD**

SBA HUBZone Map



SBA HUBZone Map

Help HUBZone Program

The screenshot displays the SBA HUBZone Map interface. The search bar at the top left contains "Aroostook County, ME, USA". The map shows Aroostook County highlighted in red, indicating it is a Qualified HUBZone. A legend on the left side lists various HUBZone categories: Qualified HUBZones (County, Indian Land), Expiring HUBZones (Redesignated, Disaster Area), and other categories. The right sidebar shows the location details for Aroostook County, ME, USA, with coordinates 46.819941°, -68.476606°. Below this, a green box with a checkmark icon and the text "Qualified HUBZone" is displayed. Further down, the "Designations" section shows "County" with a red square icon, and the "Local Information" section is also visible. At the bottom of the sidebar, there are icons for "Printable Version" and "Share Map".

<https://maps.certify.sba.gov/hubzone/map>

Supporting Documents – LLC (cont)

- **Ownership and Control**
 - Proof of Citizenship for firms at least 51% owned by US Citizen 
- **Company Ownership Structure Documents** 
 - DBA (Doing Business As) Certificate.
 - Articles of Organization and any amendments.
 - Certificate of Organization with the Secretary of State seal.
 - Operating Agreement and any amendments.
 - Other key ownership documents



Must Cover EVD

Supporting Documents – LLC (cont)

- **Signature Sheet**
 - Signed HUBZone Program Certification Signature Sheet
 - In addition to the electronic copy, SBA must receive the original copy of the HUBZone Program Certification Signature Sheet

- **Document Checklist**

Prepare Documents for Upload -

- Group the documents by the heading from the document checklist and combine them into PDF files labeled with the application number and the appropriate heading, as follows:
 - Application XXXXX – Principal Office.pdf
 - Application XXXXX – 35% HUBZone Residency.pdf
 - Application XXXXX – Ownership and Control.pdf
 - Application XXXXX – Signature Sheet.pdf
 - Application XXXXX – Document Checklist.pdf

Upload Supporting Documents

- Go to <https://sft.sba.gov/envelope/HUBZone>
 - That opens an e-mail to SBA
 - Enter Recipient: HUBZonedocuments@sba.gov, if not already auto populated
 - Enter Subject: [application number and firm's name]
 - Attach the PDF files

HUBZone Early Applicant Engagement Initiative

- Maine PTAC is in a pilot program with the Office of HUBZone Program to help streamline the application process in order to increase the likelihood that firms applying for certification as ‘qualified HUBZone small business concerns,’ are substantially ‘procurement-ready’ at the time that they submit their applications
- Maine PTAC will conduct a HUBZone Screening process to provide detailed information concerning the company and back up documents, thereby speeding up the Certification process.

*Who is Maine
PTAC and How
Can We Help?*

Maine Procurement Technical Assistance Center

- **Small Business Program of the Department of Defense – funded through Defense Logistics Agency (DLA)**
- **Matching funding from the State of Maine DECD**
- **Part of a Nationwide program of 98 Procurement Technical Assistance Centers**
- **Clients are Maine businesses who want to do business with federal, state, and/or local governments**



Maine PTAC Services – In General

- One-on-One Counseling & Group Training
- Bid Match Service
- Networking events
- Assistance with Federal Acquisition Regulations
- Workshops/Training Events
- Past Procurement Histories (National Stock Numbers)
- Assistance with Federal and State Registrations
- Proposal Review
- Subcontracting Assistance
- Market Research

ALMOST anything else

HUBZone Elements That We Can Help With

- We can help you understand the rules and process
- We can help you collect the data for the application and walk you through it
- We can help you collect the supporting documents
- We can assist you with the on-line application process
- Once you are approved, we can help you find HUBZone opportunities
- We can assist with bidding on them and managing them later

Contact Us

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