



WHERE ENTREPRENEURIAL DREAMS BECOME REALITY

Organizational Overview

UPDATED: NOVEMBER 2021

“WE ARE DREAMCATCHERS.”

Carolina Small Business Development Fund (CSBDF) works to promote community and economic development throughout North Carolina and the surrounding regions. Our work is inspired and driven by those we serve: aspiring and existing small business owners. By helping entrepreneurs reach their business ownership dreams, we seek to grow and support an engine of local economic growth. CSBDF’s model of operations has three prongs: affordable financing, comprehensive business solution services, and evidence-based policy research. With multiple offices located throughout the state, we offer an accessible pathway for small business success. This document provides a high-level overview of our core functions and offices.



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Promoting Community Economic Development...



...Across North Carolina's Small Business Ecosystem

Primary Office Locations

Office, Center, or Initiative	Lending	Coaching	Training	Events
MAIN OFFICE HEADQUARTERS OPERATIONS Raleigh, NC*	✓	✓	✓	
SBA WOMEN'S BUSINESS CENTER WESTERN WOMEN'S BUSINESS CENTER Candler, NC		✓	✓	✓
HISPANIC ENTREPRENEUR SUPPORT PROGRAMA EMPRESARIAL LATINO Charlotte, NC*	✓	✓	✓	✓

*Statewide operations, the listed city indicates primary office location.



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Main Program Areas

SMALL AND MEDIUM-SIZED BUSINESS LENDING

\$5,000-\$250,000
Loan Range

10%
Minimum Equity

7% to 12%
Typical Rates

5 to 7 Years
Average Term

CSBDF has issued small and medium-sized business loans since 2010. Our lending activities help expand capital access for current and aspiring business owners throughout the region. Loan proceeds can be used for leasehold improvements, real estate, working capital, equipment purchases, machinery, and inventory. While loans are generally available for needs between \$5,000 and \$250,000, lower and higher capital levels are available on a case-by-case basis.

CSBDF's term loans are a long-term facility with a fixed monthly repayment for a period of two years or more. Our underwriting process has flexible lending criteria, made possible in part through a variety of partnerships. By leveraging creative resources, we can assist underserved businesses and industries with higher risk profiles. Lending partnerships extend across the federal, state, and municipal level. For example, we use the Small Business Administration's (SBA) Community Advantage facility to secure 75%-85% guarantees on loan originations of up to \$250,000.

CSBDF's lending products are designed to ensure clients can adequately finance their ventures in a sustainable manner. Loans are available to all qualified borrowers, including startups, across most industries. CSBDF also provides special assistance to populations that can face structural barriers to small business success. Veterans, disaster-impacted firms, and women entrepreneurs may be eligible for benefits like preferred interest rates or loans with no equity requirements.

BUSINESS SOLUTIONS SUPPORT SERVICES

Individualized
Counseling

Bilingual
Assistance

Digital
Learning Academy

All Courses
Offered at No Cost

Creating a vibrant small business community starts *and* ends with relevant and individualized technical assistance. In recognition of the fact that the path to successful business ownership is fraught with challenge, CSBDF offers a comprehensive assistance curriculum. Starting and expanding small business often face challenges related to credit worthiness, insufficient equity, lack of collateral, and gaps in business skills. Training is available to help address all of these needs via both in-person, group, and online formats.

CSBDF's business solution programs add value because they are designed to be holistic in approach and responsive to community needs. For example, during the pandemic, we switched



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course offerings to virtual formats and curated a curriculum that specifically addressed clients needs around managing the fallout of COVID-19. As client needs change, CSBDF will continue to be flexible and adaptive in its curriculum.

RESEARCH & POLICY ANALYSIS

Peer-Reviewed
Research

University
Collaborations

In-House
Program Evaluation

Non-Partisan
Policy Analysis

Through policy and research, CSBDF contributes to scholarly and practitioner dialogues on issues surrounding community economic development. Our work in this area is designed to provide relevant, accessible, and politically neutral analyses for evidence-based policy recommendations. We seek to produce theoretically sound research around three main themes:

- Small Businesses as Development Policy: Outline the interconnected nature of community and economic development, broadly defined, to demonstrate how small business is fundamental to the growth of regional economies.
- Needs of Underserved Individuals: Highlight the unique challenges that underserved demographics and geographies face within the small business owner community.
- Holistic Outcome Assessment: Encourage practitioners and policymakers to rethink program evaluation in community development and move towards outcome-based measurement frameworks.

These research priorities are designed to reflect the needs of external stakeholders, which have a variety of interests and policy agenda. Publications and data analysis on these topics are offered in various formats including long-form reports, peer-reviewed articles, and briefs.

Strategic Programs & Initiatives

WESTERN WOMEN’S BUSINESS CENTER

2014
Founded

SBA Designated
Women’s Center

Annual
Conferences

Rural Focus
Western NC

The mission of the WWBC is to reduce barriers to small business success and serve as a regional catalyst for entrepreneurship. The Center offers one-on-one business coaching, extensive workshop programming, and a variety of networking events for local small business owners. Although it focuses on assisting women-owned firms and aspiring women entrepreneurs, programming also targets veterans and other high-need populations. Partners and collaborators for this program include the Small Business Administration, Buncombe County Government, and the City of Asheville.



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PROGRAMA EMPRESARIAL LATINO (LATINO PROGRAM)

2016
Founded

Bilingual
Programming

Cultural
Awareness

Statewide
Assistance

Like other underserved populations, Latino entrepreneurs face many barriers to starting and growing their small businesses. But the set of cultural and language barriers that often confront this population requires a unique and holistic solution. The Latino program fulfills this need through the use of bilingual and bicultural staff that can provide comprehensive counseling and pathways to secure financing. Partners and collaborators for this program include the National Association for Latino Community Asset Builders (NALCAB), the Mexican Consulate, the Economic Development Partnership of North Carolina (EDPNC), Prospera, and the Better Business Bureau (BBB).

COVID-19 Pandemic Response Efforts

BUILDING ON OUR RECORD OF PROVIDING DISASTER AID

Pandemic
Assistance

Public Sector
Collaborations

Emergency
Grant Aid

Disaster Recovery
Financing

CSBDF has been involved in small business disaster recovery since 2016. Our efforts have included comprehensive responses to events including Hurricane Matthew (2016), North Carolina wildfires (2016), and Hurricane Florence (2018). As the COVID-19 pandemic continues to evolve, we have been proud to launch multiple initiatives with a variety of public sector partners across the state.

These programs are designed to help small businesses survive and thrive in the short and long-term through a strategic combination of grant aid and affordable financing. A growing body of research¹ demonstrates that in emergency situations, small businesses are most likely to survive when they receive emergency grant aid to address their immediate needs and affordable financing for long-term recovery.² CSBDF is one of the only CDFIs in the nation to offer this mix of support, including grant aid that specifically benefited CSBDF borrowers. The following table provides a high level overview of our COVID-19 response efforts through November 2021.

¹ McCall, Jamie and Teshanee Williams. 2020. "Social Capital in the Era of Social Distancing: Community Development Responses to COVID-19." Carolina Small Business Development Fund. Raleigh, NC. <https://doi.org/10.46712/covid19.social.capital>.

² McCall, Jamie, Scott, Khaliid, and Bhatt, Urmi. 2021. "Small Business Stories: Surviving and Thriving Amidst the Pandemic." Carolina Small Business Development Fund. Raleigh, North Carolina. <https://doi.org/10.46712/covid.stories>.



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PANDEMIC RELIEF PROGRAMS & INITIATIVES

Initiative	Funding Details	Program Guidelines ³
FINANCING TERM LOANS	Program: Rapid Recovery Loans Source: Golden LEAF Total Aid: 55 Loans, \$2.1M Total	Amount: Up to \$250,000 Terms: 5.5% Interest, 120 Months Features: 18 Months Payment Free
	Program: MeckLending Source: Mecklenburg County Total Aid: 223 Loans, \$5.0M Total	Amount: \$5,000 - \$35,000 Terms: 3.0% Interest, 120 Months Features: 12 Months Interest Only
	Program: Small Business Recovery Loans Source: City of Durham Total Aid: 39 Loans, \$839k Total	Amount: \$5,000 - \$35,000 Terms: 3.0% Interest, 120 Months Features: 12 Months Interest Only
GRANT AID RELIEF FUNDS	Program: Small Business Recovery Fund Source: City of Durham, Duke University Total Aid: 144 Grants, \$1.0M Total	Amount: Up to \$10,000 Features: Grantees are eligible for free disaster recovery training.
	Program: Small Business COVID Fund Source: City of Raleigh, Private Donors Total Aid: 201 Grants, \$1.4M Total	Amount: Up to \$10,000 Features: Private donors contributed additional funds.
	Program: RetoolNC* Source: State of North Carolina Total Aid: 561 Grants, \$10.3M Total	Amount: Up to \$25,000 Features: Funds benefited historically marginalized constituencies. ⁴
	Program: CSBDF COVID-19 Aid Source: State of North Carolina ⁵ Total Aid: 121 Grants, \$967k Total	Amount: Up to \$8,000 Features: Funds benefited current CSBDF borrowers.
	Program: CSBDF COVID-19 Aid Source: NC IDEA Grant to CSBDF Total Aid: 36 Grants, \$66k Total	Amount: Up to \$2,700 Features: Funds benefited CSBDF borrowers in rural NC.

**Program is still open; figures are current as of 11/22/21.*

³ The evolving nature of the COVID-19 pandemic has meant that the guidelines of some of these programs has changed over time.

⁴ ReToolNC funds are only available to (1) historically underutilized businesses (HUB) and/or a (2) disadvantaged business enterprises (DBE). (1) **HUB is defined as** an enterprise majority owned by individual(s) who are women, Black, Hispanic, American Indian, Asian, and/or are disabled. (2) **DBE is defined as** an enterprise with less than \$23.98M in gross receipts over a 3-year period that is 51% or more owned by individual(s) with a personal net worth of less than \$1.32M who are women, Black, Hispanic, American Indian, and/or Asian.

⁵ Funds for this program were received via CARES Act relief that was appropriated to CSBDF from North Carolina state government.