



Carolina  
Small Business  
DEVELOPMENT FUND

# Lighting the Way Forward

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2021-2022 Annual Report

# Who We Are

## Our Mission

Carolina Small Business Development Fund (CSBDF) is a nonprofit and U.S. Treasury-certified Community Development Financial Institution (CDFI) that fosters economic development in underserved communities by providing capital, technical assistance, and policy research to light the way for small businesses.

## Our Three-Pronged Approach:

Small  
Business  
Financial  
Capital



Holistic  
Business  
Solutions



Evidence-Based  
Economic  
Development  
Policy Research



## Special Programs

Western Women's Business Center  
Programa Empresarial Latino  
Digital Learning Academy



## Note from our President & CEO

Dear partners and small business advocates,

In alignment with the three-pronged torch that burns in our logo, our work at Carolina Small Business Development Fund is captured into three essential pillars: affordable capital, technical assistance, and

policy research, all of which come together to form a holistic approach to small business support. Though the COVID-19 pandemic cast a large shadow over our small business ecosystem, it was our belief in this three-pronged approach that guided our steps forward. And while our work has evolved over the years, our dedication to our state’s small businesses—and our small business ecosystem—has never wavered.

Throughout the last year, we thought creatively about capital delivery and technical assistance interventions, formed new partnerships with economic development institutions and thought leaders, and expanded our services to ensure that as we confront a new economic landscape, our state’s small businesses and entrepreneurs are not left in the dark.

While I am personally heartened by the impact this organization has had on our small business community this past year, I would be remiss if I did not highlight who made this all possible. Internally, our approach to organizational success is grounded in who we hire, who we serve, who our business partners are, and how we define success. We are a diverse team with a diverse board of directors, a diverse group of consultants and contractors, all of whom represent different races, genders, industries, and geographies. It’s because of our team—every staff and board member, contractor, and consultant, each with their own perspectives, experiences, and passions—that we will exceed \$100 million in capital deployment before June 30, 2023.

For those of you who are new to us and our work, I hope that you can feel our passion for North Carolina’s small business owners burning bright on every ensuing page of this report and feel inspired to join us. We’re so proud of the work we’ve done the past year, but more importantly, we’re proud to be supporting the dreams of hundreds of existing and emerging small businesses across our state.

On behalf of our team and board of directors, I thank you for your interest in Carolina Small Business Development Fund and for your support in our resolve to light the way forward for small businesses in North Carolina.

Yours in partnership,

Kevin Dick  
CSBDF President & CEO



## Note from our Board Chair

As we close the fiscal year and look forward to the future, the work of our board and staff has never been more important. The economic effects of the COVID-19 pandemic are indiscriminate and uncertain, but CSBDF is here, ready to lead small businesses through this next chapter.

Given that the mission of Carolina Small Business Development Fund is to drive community and economic development in underserved communities, and because history shows us that economic recessions have generally been harsher on underserved communities, CSBDF board and staff have both the privilege and challenge to provide innovative solutions to address inequities that would typically go unaddressed if not for the intentional efforts of organizations such as ours.

We will embrace these challenges and opportunities in front of us with optimism, focus and a commitment to execute our mission. We invite you to partner with us in shaping a better future for North Carolina’s communities, and we thank you for your interest in CSBDF that we know will only grow as you review this annual report.

Onward,

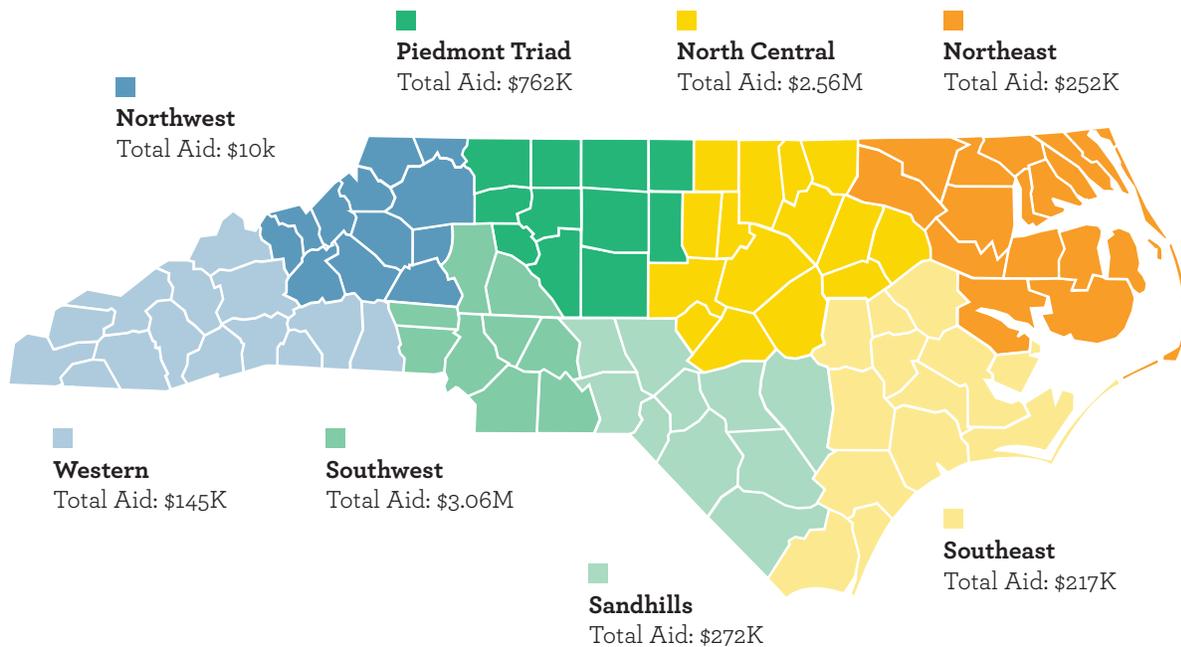
Dr. Paulette Dillard  
CSBDF Board Chair  
President, Shaw University



# Our Impact at a Glance

Carolina Small Business Development Fund is proud to serve all 100 North Carolina counties. Our direct small business lending and grant programs provide capital and resources to help businesses grow; our business solutions and technical assistance programs enhance entrepreneurs' skills; and our policy research provides in-depth analyses and recommendations to improve North Carolina's small business ecosystem. We take a holistic approach to our work because we believe that cutting edge, comprehensive solutions are what will light the way forward for small businesses and create economic opportunity for all.

## Loans and grants per economic development region (FY22; July 2021-June 2022)



FY22 jobs supported, created and retained

**589** JOBS

Jobs created and retained since 2010

**3,041** JOBS

Life of Program total loans or grants deployed

**\$89.8M**

Total FY22 Technical Assistance Hours

**2,353** HOURS

Technical assistance provided through the following programs: Business Solutions, the Digital Learning Academy, the Western Women's Business Center, and Programa Empresarial Latino

### FY22 Demographic Overview [Of the businesses we served in FY22\*]

**85%**

Minority-owned firms

**75%**

Black-owned firms

**47%**

Women-owned firms

**61%**

Of firms were of low-to-moderate income

\*Excludes "unknown" and "decline to state."

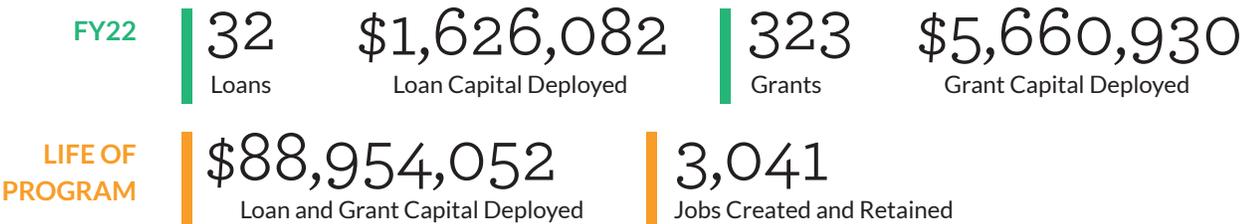


# Capital

As we watched the 2008 Great Recession threaten Main Streets across our state and nation, we decided to double down on our commitment to North Carolina’s small businesses—and in 2010, we became a revolving loan fund and issued our first capital infusion to a small business. That first loan ignited something in us as an organization, and that flame still burns bright to this day.

CSBDF provides financing solutions and guidance to help entrepreneurs achieve their business goals. By providing financing to both existing and emerging businesses in North Carolina, we empower entrepreneurs throughout the life of their businesses.

## CAPITAL DEPLOYMENT



### ABOUT THESE NUMBERS:

While the worst of the pandemic’s economic effects are behind us, small businesses are still weathering difficult and uncertain economic conditions. We believe that our work is most effective when it adapts to meet the needs and concerns of North Carolina’s small business owners. In the last year, entrepreneurs still needed financing for their businesses, but certain economic conditions made accessing debt capital riskier. Recognizing this, we pivoted our operations to emphasize fund management and grantmaking on behalf of state and local governments—endeavors which delivered capital to businesses while significantly lowering risk. This pivot also helped us serve some of our state’s most vulnerable businesses and entrepreneurs.

**IN 2021-2022:** Small businesses who received loans from CSBDF helped generate more than \$20M in total payroll earnings across North Carolina. Those earnings supported 404 jobs and \$1.8M in government revenue was generated from payroll, sales, and production taxes. Additionally, our lending clients injected \$11M of initial earnings into North Carolina’s economy through employment payrolls, with another \$2.45M in payroll impacts from other businesses supported by our lending clients.

<b>Aggregate Impact</b>			
\$20,709,305.91	404.00	\$1,895,354.51	
Change in Earnings	Change in FTE Jobs	Change in Taxes on Production and Imports (TPI)	
1.85 Multiplier	1.70 Multiplier	New Tax Revenue Generated	
<b>Aggregate Effect on Earnings</b>			
\$11,209,778.4	\$2,457,732.9	\$961,941.6	\$6,079,853.1
Initial	Direct	Indirect	Induced
1.00 Multiplier	0.22 Multiplier	0.09 Multiplier	0.54 Multiplier

### LOOKING AHEAD:

As economic conditions continue to change, we are seeing those shifts reflected in the behavior of small business owners. In the first half of FY23, we deployed more than \$3.4M in loans to 32 businesses. **It’s because of these shifting economic headwinds, and our continuous dedication to adapting to meet the needs of our state’s small businesses, that we’re projected to reach \$100M in capital deployment by June 2023.**

# Special Programs and Partnerships

In addition to being a Community Advantage Lender with the U.S. Small Business Administration and managing our own lending portfolio, we engage in partnerships with a variety of public and private entities, including state government and local municipalities, in order to offer a variety of specialized funding solutions.

## Durham Small Business Opportunity Loan Fund

Through a partnership with Durham County and the City of Durham, CSBDF provides affordable capital to Durham-based small businesses that are recovering from the COVID-19 pandemic. Initially known as the Small Business Recovery Fund, the Durham Small Business Opportunity Loan Fund supports businesses with fewer than 50 employees and less than \$5M in annual revenues.

### Life of Program

\$1M

Total loans  
disbursed

45

Total businesses  
supported

71%

Minority-owned  
firms

43%

Women-owned  
firms

“

### Maya Freelon

Durham Small Business Opportunity Loan Fund Client

“As a Black woman, artist, and small business owner, I take pride in sharing my artwork around the world. I rely on art sales, commissions, exhibitions, and speaking engagements to make a living, and the pandemic brought that all to a stop. It was the first time in my career that I questioned whether I could continue being a full-time artist. I first heard about Carolina Small Business Development Fund through a community listserv, and I reached out for more information. It was my first business loan, and CSBDF took the time to explain the process and how to create a strong application. The entire process was easy to understand and streamlined. CSBDF answered all my other loan questions, explained the repayment process, and distributed funds the same week. I was able to use the loan to hire assistants, pay for new equipment, conduct community art workshops, and continue to promote my artwork globally. It makes me proud to represent Durham, NC where I go, and I’m happy to know I live in a community that has my back through good times and uncertainty just the same.”



Photo captured by Jillian Clark and provided by Maya Freelon



## RETOOL NC

We are proud to be one of the nonprofit administrators of RETOOLNC, the small business grant program offered through the North Carolina Department of Administration's Office for Historically Underutilized Businesses. RETOOLNC provides grants to HUB-identified businesses that are grappling with the immediate and lingering economic impacts of the COVID-19 pandemic.

### FY22

**\$3.95M**  
Total disbursed

**233**  
Businesses supported

### 2020-2022 | Life of Program

**\$10.4M**  
Total disbursed

**571**  
Businesses supported

## Meck Lending

In partnership with Mecklenburg County Government, CSBDF is proud to operate Meck Lending, a program that provides favorable loans and technical assistance to small businesses in Mecklenburg County. This five-year program seeks to deploy more than \$2.25M in capital to entities with fewer than 50 employees and less than \$2M in annual revenue.

### FY22

**\$870K**  
Capital deployment

### Life of Program

**\$1.4M**  
Capital deployment

**25**  
Total businesses served



### LOOKING AHEAD:

Oak City Biz Labs

As the needs of small businesses changed in response to rapidly shifting economic conditions wrought by the pandemic, CSBDF in partnership with the City of Raleigh, developed Oak City Biz Labs, a small business technical assistance and grant program. Oak City Biz Labs started in July 2022 and provides customized training, delivered both digitally and one-on-one, and grants up to \$30,000 to Raleigh-based small businesses.

**In the first round of Oak City Biz Labs, we are proud to have distributed \$1.1M in grants to 51 small businesses**

### Miguel Avila and Daily View Pools

Meck Lending Client

“I tried to get a loan from a few different traditional financial institutions, but I was consistently denied,” says Avila. “But no one ever teaches you how to build a credit score or utilize credit to finance equipment or purchases, and it can be difficult to get a loan.” The Latino Business Action Network’s Stanford Latino Entrepreneurship Initiative (LBAN) found that the odds of loan approval from national banks are 60% lower for Latino-owned businesses. For immigrants and first-generation college students like Avila, the challenge is even greater.

“Entrepreneurship is an equalizer,” says Avila. “It’s helped many people overcome economic instability, but a lot of times the resources for business development can be out of reach.” Citing LBAN data, Avila mentions that despite the 44 percent growth in Latino-owned businesses in the last 10 years, only 3 percent of Latino businesses reach \$1 million in annual revenue. “As a business and as a family, it’s our goal to break that threshold this year.” Avila ultimately acquired financing for the equipment after attending an AMP Up Charlotte event where a representative from Carolina Small Business Development Fund (CSBDF) was presenting about capital access and Meck Lending, a loan CSBDF offers in partnership with Mecklenburg County that offers favorable business loans and free assistance to business owners in the area. “At the time, no one wanted to touch us, but CSBDF took the risk on us,” says Avila. “CSBDF said yes when everyone else said no.”



## Sweet Success: DeAnna Allen and The Brown Sugar Collab

For DeAnna Allen, entrepreneurship is a lifelong passion. “It was something that I wanted to do as a little girl, I just didn’t know what it was called,” says Allen. Her first business venture? Selling cookies and cakes she made from her Easy Bake Oven to her neighbors. “As I grew older, I learned the name for the activity that brought me so much joy: entrepreneurship.” Those childhood dreams of small business ownership turned into reality for Allen when she founded The Brown Sugar Collab, a Charlotte-based, high-end boutique that highlights products made by women of color and cultivates a luxury shopping experience which helps promote business owners who are too often underrepresented.

Allen says that typically, every minority woman is lumped into the category of “brown girls,” and that when she created The Brown Sugar Collab, she wanted that to be something that was celebrated. “It’s been very rewarding because I’m able to see the direct impact of how The Brown Sugar Collab is helping to increase brand awareness for the small business owners I highlight—and it’s amazing to see their confidence in their own businesses grow.” Allen notes that when she is buying stock for The Brown Sugar Collab, she makes sure to buy her products wholesale from the businesses she works with, rather than buying them on consignment.

“A while back, the business earned some great earned media attention, and with a strong push of customer word-of-mouth, the business really took off,” says Allen.

That growth garnered the attention of Paradies Lagardere, a company that supplies product to retail stores in airports across the country. And while extending her business to airports wasn’t an opportunity Allen sought out on her own, her products are now in Charlotte Douglas International Airport thanks to that partnership.

But with that opportunity came an added stress on Allen’s business, as she did not have the inventory or capital required to maintain her own storefront and the location in the airport. However, despite having strong sales, finding funding wasn’t an easy task.

“It was rough,” Allen said. “Some places would turn me down because they would say ‘you need to be open for more than two years.’ My sales were good, but because I had not been open for two years, they turned me down.”



“My motivation is seeing other women like myself grow,” Allen said. “I’ve seen some of these vendors grow and evolve. It makes me feel good because it makes me feel like even once I’m gone that I’ve made a mark in history by doing something like this.”

Thanks to a connection at Charlotte Center City Partners, Allen was referred to Carolina Small Business Development Fund (CSBDF) and the Meck Lending program. Thanks to a partnership with Mecklenburg County government, CSBDF offers favorable loans and technical assistance to small businesses in County limits with fewer than 50 employees and less than \$2 million in annual revenues.

For Allen, CSBDF and Meck Lending allowed her to take advantage of her new opportunity to expand her business to the airport.

“It allowed me to purchase the huge amount of inventory that I needed to fulfill the airport orders,” Allen said. “I was also able to get additional space for inventory storage because there was no way that I could have all that stuff in my stores.”

With its added inventory and space, The Brown Sugar Collab is thriving in both its South End Charlotte and Charlotte Douglas locations. But Allen, like any successful entrepreneur, has more in mind than that. She wants to expand to other airports, perhaps even globally, to continue giving a platform to underrepresented business owners.



# Technical Assistance

For more than 30 years, Carolina Small Business Development Fund has provided technical assistance to entrepreneurs, financial institutions, and other community partners in order to reduce barriers to small business success. While our work has evolved since we first opened our doors in 1990, we have remained steadfast in our dedication to providing innovative and one-on-one technical assistance to North Carolina's small business community.

Our Business Solutions team leads our efforts to ensure entrepreneurs have the knowledge and resources necessary to start, support, and grow their businesses. Our Business Solutions programs and services cover a range of topic areas, regions, and needs, but they all help light the way forward for small businesses.

## Our Technical Assistance Services

- One-on-one coaching
- Networking and referrals
- Workshops, trainings, and seminars—both in person and virtually

## Our Special Programs

- Digital Learning Academy
- Western Women's Business Center
- Programa Empresarial Latino

# 2,353 HOURS

In the last year, our technical assistance programs have delivered 2,353 hours of individualized technical assistance to small business owners across the state.

## Digital Learning Academy

We take pride in providing small businesses with technical assistance through online learning. Our free Digital Learning Academy offers courses from expert practitioners on a range of topics and includes courses in both English and Spanish. Our Digital Learning Academy faculty represents a wide variety of industries, sectors, and professional and entrepreneurial backgrounds. Collectively, our faculty has more than 85 years of experience in business development.

As a cornerstone of our approach to providing holistic business solutions and technical support, the Digital Learning Academy helps us meet entrepreneurs where they are—and show them just how far they can go.



Learn more about the Academy and check out our free course offerings at [carolinasmallbusiness.org/learn-online](https://carolinasmallbusiness.org/learn-online).



### Elia Nunez: R&E Asphalt

In 2015, Elia Nunez and her husband, Ramon Garcia, turned an expertise in asphalt into their own small business. Investing their life savings, Nunez and Garcia opened R&E Asphalt and Concrete in Western North Carolina.

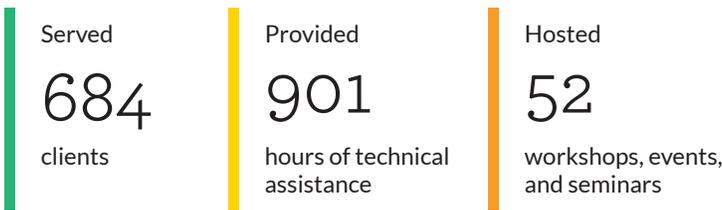
After some health scares and the COVID pandemic presented some hardships for Nunez and the business, she was connected with the Western Women's Business Center (WWBC) and Carolina Small Business Development Fund's Digital Learning Academy. "WWBC has served us in ways we could never imagine," says Nunez. "WWBC introduced us to the Digital Learning Academy, where my husband and I have learned so many new skills like putting our business on Google, how to manage QuickBooks, and how to be more prepared for a pandemic."

## Western Women's Business Center (WWBC)

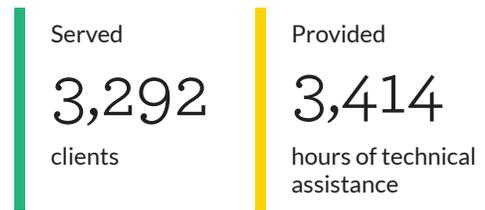
Since 2014 and with a specific focus on women and minority entrepreneurs, the Western Women's Business Center (WWBC) has endeavored to uplift and support small business owners in a 22-county region in Western North Carolina. By providing group trainings and workshops, access to capital, and one-on-one business coaching, the WWBC plays a crucial role in the region's small business ecosystem.

Learn more about the Western Women's Business Center at [wwbcnc.org](http://wwbcnc.org).

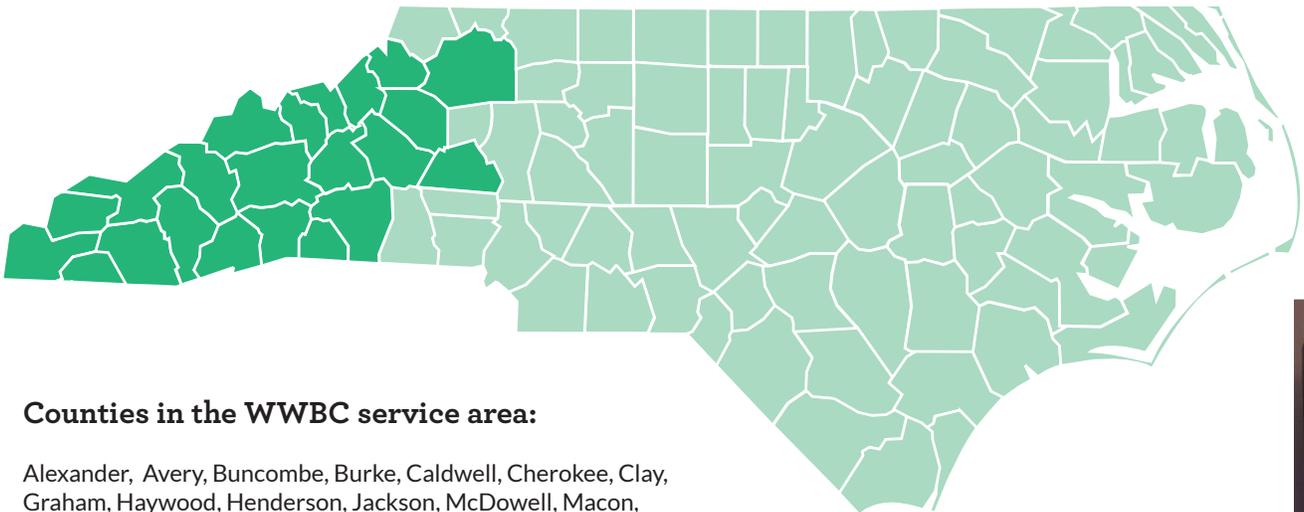
### Between 2021-2022, the WWBC



### Life of Program



*\*The Western Women's Business Center is funded in part through a cooperative agreement with the U.S. Small Business Administration.\**



### Counties in the WWBC service area:

Alexander, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, McDowell, Macon, Madison, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, and Yancey.





## WWBC Annual Conference

In April 2022, we hosted the 7th Annual Western Women’s Business Center Conference: The Spirit of Women. Together, we celebrated all of the achievements, contributions, and prosperity that Western North Carolina’s community of women entrepreneurs bring to the region.

Learn more about the WWBC Annual Conference at [wwbcnc.org/conference](http://wwbcnc.org/conference).

## Hungry for More: Elizabeth Garcia, Delish, and the WWBC



When Elizabeth Garcia moved to Asheville, she saw an opportunity to fill a niche in the Latin American food market while also fulfilling a lifelong dream of opening her own business.

Garcia started Delish, which began by making Alfajores, dulce de leche sandwich cookies, and transitioned to providing pre-made Latin American dishes for customers to prepare at home. Delish grew thanks to strong support from the community, though Garcia didn’t have a base of knowledge about starting a small business.

She was connected to the Western Women’s Business Center (WWBC), which helped her hone in on how to continue to grow Delish. “The biggest obstacle was a need for more information about the basics of business,” says Garcia. “Through networking, I met the WWBC. WWBC gave us a lot of information that helped us strategize how to grow our business.”

In addition to the technical assistance, Garcia was a recipient of the Appalachian Community Capital grant administered by Carolina Small Business Development Fund through the WWBC. “The grant we were given was used to buy another refrigerator, allowing us to improve our inventory space to better serve our customers.”

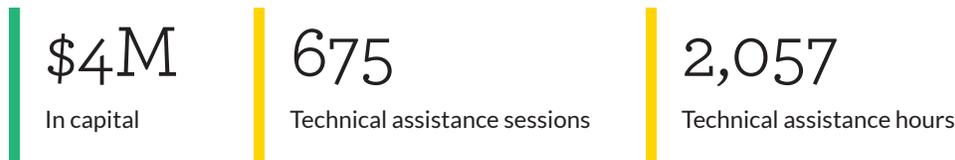


Launched in 2016, CSBDF’s Programa Empresarial Latino addresses the specific structural challenges Latino entrepreneurs and small business owners experience when starting or growing their businesses. By providing bilingual, comprehensive financial counseling and technical assistance, we are able to help open pathways to small business success.

In the last year, we’ve deployed more than \$490,000 in capital to Latino entrepreneurs, as well as conducted 209 individual sessions of technical assistance to 119 unique businesses.

As our state’s community of Latino small business owners expands, so do our services—and our celebrations! In addition to adding more bilingual courses to our free Digital Learning Academy, we’ve been working with a host of partners across the state to ensure that key resource providers are connected to the small business ecosystem, and that the ecosystem is connected to the Latino community. Throughout the last year, Programa Empresarial Latino has hosted and presented at events across North Carolina to ensure that Latino entrepreneurs have access to the knowledge, capital, and connections needed to start, grow, and expand their businesses!

### Life of Program



#### Aylice Rojas

Principal CEO, AVRAC Finance

“Working with CSBDF and Programa Empresarial Latino has been a great experience and a privilege for our new business. After having loan applications denied by financial institutions, CSBDF has given us the opportunity to access working capital and has done it in a welcoming and inclusive manner. The funds provided by CSBDF were used to renew our equipment, expand our virtual office, and take courses to update, renew, and obtain licenses in life insurance, tax accounting, and finance. We improved our system and communications platform, and we invested in our digital and traditional marketing efforts. CSBDF helped us to expand our services and provide quality to our clients in the US, Latin America, and parts of Europe and Australia.”





## Shining Bright: Martin Morales and Sunbird Window Cleaning

In 2017, Martin Morales, owner of Sunbird Window Cleaning, got in touch with Programa Empresarial Latino, Carolina Small Business Development Fund's Latino entrepreneurship development program. At the time, Sunbird was focused exclusively on commercial window cleaning.

But COVID-19 presented a set of challenges for Morales, and he decided to adapt his business to offer more services to generate needed business revenue. Four years after his first loan, Morales turned to CSBDF again. "All the doors had been closed for me – until someone mentioned Carolina Small Business Development Fund, and I applied for a loan. Despite my situation, CSBDF trusted me and helped me achieve my dream of having my own business," says Morales. "Four years later, they continue to trust me, since I was approved to receive another loan to expand my business and buy new machinery."

With new equipment made possible through his relationship with CSBDF, Morales was able to expand Sunbird and add power washing and residential window cleaning to the company's services. "CSBDF continues to be a light at the end of the tunnel, and I am very grateful for that."



# Policy and Research

Our focus on economic development research and policy stems from the belief that to better serve entrepreneurs and communities in North Carolina and beyond, we must understand the relationships that exist in our small business ecosystem.

In the last year, here's some of what we learned:

- In the first peer-reviewed article written on the industry in a decade, our work systematically documented the challenges and barriers to CDFI evaluation. We found that most of the issues in this area can be traced back to a (1) lack of standardized metrics, (2) conflicting funder demands on how evaluations should be structured, and (3) inconsistent use of evaluation findings by stakeholders.
- We found that raising social capital in marginalized communities has a disproportionately large effect on lowering unemployment, increasing household wealth, and lowering income inequality.
- We engaged in detailed semi-structured interviews with recipients of our COVID-19 aid programs to document characteristics helping beneficiaries survive and thrive. We found that adaptability and knowledge about how to navigate pandemic assistance programs launched in 2020-2021 were keys to success for small business recovery.

As one of the few entities of our kind that conducts this kind of analysis, we take seriously the responsibility of broadening the body of scholarship and theory around economic development practice. That's why we subject our work to the rigors of peer review and partner with a broad consortium of thought leaders, practitioners, and academic institutions.

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## OUR PEER-REVIEWED SCHOLARSHIP

"Place Matters: Government Capacity, Community Characteristics, and Social Capital." *Journal of Public Policy*, 41(4): 677-705. With faculty from the University of North Carolina at Chapel Hill and Indiana University.

"Community Development Financial Institution (CDFI) Program Evaluation: A Luxury but not a Necessity?" *Community Development: Journal of the Community Development Society*, 1-31. With faculty from the University of North Carolina at Chapel Hill.

"Beyond Bridging and Bonding: The Role of Social Capital in Organizations." *Community Development Journal*, 57(4), 769-792. With faculty from the University of North Carolina at Chapel Hill.

## REPORTS AND BRIEFS

"Small Business Stories: Surviving and Thriving Amidst the Pandemic." Carolina Small Business Development Fund. Raleigh, North Carolina. <https://doi.org/10.46712/covid.stories>.

"Alternative Non-Economic Measures of CDFI Lending Impact: An Exploratory Analysis." Carolina Small Business Development Fund. Raleigh, North Carolina. <https://doi.org/10.46712/alternative.impact>.

## EVALUATIONS

The Economic Impact of Assisting Small Firms: Surviving & Thriving through the COVID-19 Pandemic. FY2021 Economic Impact Evaluation. Raleigh, NC. <https://www.carolinasmallbusiness.org/post/lending-impact>.

Learn more about our Policy & Research work: <https://www.carolinasmallbusiness.org/research>



# The Way Forward: 2021-2024 Strategic Plan

At Carolina Small Business Development Fund, we believe that successfully lighting the way for small businesses in North Carolina hinges on our own ability to plan strategically for the future. By outlining measurable goals and intentionally engaging in a thorough strategic planning process, we have been able to continuously improve organizational performance and enhance our ability to connect our state's small businesses to opportunity.

In 2021, we adopted our three-year strategic plan, and below is a summary of the plan and our progress to date.

Strategic Plan Area	Goals	Progress to Date
<b>Provider of financial capital to historically underserved communities and high-growth industries</b>	Successfully attract historically underserved small businesses, with an increasing emphasis on businesses in high growth sectors and provide them with affordable capital.	<ul style="list-style-type: none"> <li>• 64 loans totaling \$5,082,208</li> <li>• Average loan amount: \$79,409</li> <li>• Portfolio volume as of 10/31/2022: \$17.3M</li> </ul>
<b>Provider of effective business support services</b>	Consistently understand and meet the business development needs of historically underserved businesses and entities in high-growth sectors at various stages of their development.	<ul style="list-style-type: none"> <li>• 647 businesses</li> <li>• 2,283.5 hours of technical assistance</li> <li>• Topics include: Disaster Recovery, Business Finances, Business Operations, Business Assessment, Business Plan</li> </ul>
<b>Influential thought leader</b>	Position CSBDF as a well-known leader and valued practitioner who intentionally drives broader, evidence-based community and economic development through small business growth and sustainability.	<ul style="list-style-type: none"> <li>• Contributed to community development scholarship by publishing peer-reviewed articles in <i>Community Development</i> and <i>Policy Studies Journal</i>. CSBDF is one of only a handful of CDFIs in the nation to do this because the standards of rigor are very high. These articles have been cited by senior staff in briefings to the Board of Governors of the Federal Reserve System.</li> <li>• Issued 4 research briefs and reports to inform policymakers and community leaders on evidence-based solutions for bolstering the state's small business ecosystem. Reports cited by:               <ul style="list-style-type: none"> <li>&gt; UNC-Chapel Hill School of Government,</li> <li>&gt; Indiana University's Lilly School of Philanthropy</li> <li>&gt; The Urban Institute</li> </ul> </li> <li>• Publications issued in FY22 have been cited or linked almost 300 times</li> </ul>
<b>Resilient, self-sufficient organization</b>	<p>Improve CSBDF's self-sufficiency by creating a diverse asset portfolio with financial ratios that exceed industry standards.</p> <p>Cultivate new and maintain existing relationships with financial partners who provide CSBDF with affordable capital and/or buys products and services from the organization.</p>	<ul style="list-style-type: none"> <li>• Created new loan and grant solutions for NC small businesses through partnerships with:               <ul style="list-style-type: none"> <li>&gt; State of North Carolina</li> <li>&gt; City of Raleigh</li> <li>&gt; City of Charlotte</li> <li>&gt; City and County of Durham</li> </ul> </li> <li>• Built upon or created debt capital and grant capital relationships with:               <ul style="list-style-type: none"> <li>&gt; Wells Fargo</li> <li>&gt; Charter Spectrum</li> <li>&gt; Olamina Fund</li> <li>&gt; Appalachian Community Capital</li> <li>&gt; Tory Burch Foundation</li> </ul> </li> <li>• Self-sufficiency ratio as of 10/31/2022: 67%**</li> </ul>

\*\*ratio calculated as earned income | expenses

# Financials

<b>Statement of Financial Position</b>	<b>FY22</b>	<b>FY21</b>
Assets	\$42,816,299	\$38,671,185
Liabilities	\$28,354,532	\$24,354,817
Net Assets	\$14,461,767	\$14,316,368
<b>Total Liabilities and Net Assets</b>	<b>\$42,816,299</b>	<b>\$38,671,185</b>

<b>State of Activities</b>	<b>FY22</b>	<b>FY21</b>
Grant Income	\$2,428,586	\$3,089,230
Business Interest Income/Fees	\$1,774,217	\$2,080,639
Contributions	\$66,165	\$74,614
Other Revenue	\$2,154,260	\$2,747,797
Total Revenue	\$6,423,224	\$7,992,280
Program Services	\$5,156,694	\$6,078,876
Support Services	\$1,121,131	\$1,100,026
Total Expenses	\$6,277,825	\$7,178,902
Change in Net Assets	\$145,399	\$813,378
Net Assets at Beginning of Year	\$14,316,368	\$13,502,990
<b>Net Assets at End of Year</b>	<b>\$14,461,767</b>	<b>\$14,316,368</b>



# Thank You, Investors, Sponsors, and Partners!

While we are so proud of the work we've accomplished over the last year, none of it would have been possible without the generous support and collaboration of our investors, sponsors, and partners. While we are dedicated to lighting the way forward for small businesses in North Carolina, we are heartened by and grateful for the broad, dedicated network of small business advocates that are leading alongside us.

## Our Investors, Partners, and Sponsors:

- AltCap
- Appalachian Community Capital
- Asheville-Buncombe Technical Community College
- Bank of America
- Buncombe County
- CDFI Fund
- Charter Communications
- City of Asheville
- City of Charlotte
- City of Raleigh
- City of Durham
- Durham County
- Dogwood Health Trust
- Economic Development Partnership of North Carolina (EDPNC)
- Fifth Third Bank
- First Bank
- First Citizens Bank
- First Horizon
- First National Bank
- Indiana University Lilly School of Philanthropy
- JPMorgan Chase & Co
- LISC Charlotte
- Mecklenburg County Government
- Mercy Investment Services
- Mountain Biz Works
- National Association for Latino Community Asset Builders (NALCAB)
- NC IDEA
- North Carolina Department of Administration Office of Historically Underutilized Businesses
- North Carolina Economic Development Association (NCEDA)
- North Carolina Office of the Secretary of State
- Opportunity Finance Network
- Olamina Fund
- Piedmont Community College
- Pinnacle Financial Partners
- PNC Bank
- Raza Development Fund
- Regions Bank
- ResilNC
- Small Business Center Network
- Small Business Technology Development Center
- SouthState Bank
- State of North Carolina
- TD Bank
- Tory Burch Foundation
- University of North Carolina at Chapel Hill School of Government
- U.S. Department of Agriculture- Rural Microentrepreneur Assistance Program
- U.S. Department of Agriculture- Intermediary Relending Program
- U.S. Small Business Administration
- Wells Fargo
- Woodforest National Bank

# Our Board Members

**Paulette Dillard, Ph.D.**

Governance, Executive Committees,  
Board Chairperson  
*President, Shaw University*

**Ted Archer**

Governance, Executive, Board Vice-Chair  
*Executive Director, Global Supplier Diversity,  
JP Morgan Chase & Co.*

**Tiffany Hall McNeill**

Policy & Research Chair  
*Senior Workforce Dev. Consultant, Duke Energy*

**Nancy Stroud**

Board Secretary, Executive, and  
Credit Committees  
*Former Vice President, Bank of America (retired)*

**Frank Pollock**

Business Solutions Committee  
*President, TPG Consulting*

**Bobby Robinson**

Governance Chair; Business  
Solutions Committee  
*Member, Nexsen Pruet*

**Jeffrey Hastings**

Budget/Finance and Credit Committees  
*Senior Vice President & Senior Business Services  
Officer, Truist Bank*

**Rodrick Banks**

Policy & Research Committee  
*Vice President and Community Relations Manager,  
Wells Fargo Bank*

**Larry Garcia**

Credit, Business Solutions Committees  
*Director of Lending and Asset Management, National  
Association for Latino Community Asset Builders (NALCAB)*

**Grace L. Nystrum**

Governance Committee  
*Senior Vice President and Marketing Executive,  
Bank of America*

**Joseph L. Fox, Ed.D., M.B.A, PHR**

Business Solutions Committee  
*Principal, Fox Consulting, LLC*

**Huntley Garriott**

Finance Committee Chair  
*President, Live Oak Bank*

**Aaron Thomas**

Finance Committee  
*President, Metcon, Inc.*

**Pilar Rocha-Goldberg**

Business Solutions Committee  
*President & CEO, El Centro Hispano, Inc.*

**Stephen Dille**

Finance Committee  
*Vice President of Finance and Administration,  
The Carolina Center for Medical Excellence*

**Merrill Flood**

Business Solutions Committee  
*Director of Millennial Campus Planning & Local  
Community Affairs, East Carolina University*

**Leslie Person**

Business Solutions Committee  
*Senior Vice President, Pinnacle Financial Partners*

**Jeff Marshall**

Business Solutions Committee  
*Senior Vice President and Commercial Banking Officer, Towne  
Bank*

**Pamela Senegal, Ed.D<sup>+</sup>**

Treasurer  
*President, Piedmont Community College*

**Natalie Haskins-English<sup>+</sup>**

Policy & Research Committee  
*President & CEO, Wilmington Chamber of Commerce*

**Arnold Alston<sup>+</sup>**

Credit Committee  
*Senior Vice President, PNC Bank*

**Jada Grandy-Mock<sup>+</sup>**

Business Solutions and Credit Committees  
*Chief Community Impact Banking Officer, Fifth Third Bank*

<sup>+</sup> board service ended in FY22



# Our History

Carolina Small Business Development Fund (CSBDF) is guided by the belief that when small businesses succeed, everyone benefits. When we first opened our doors in 1990 as the North Carolina Minority Support Center, we were providing technical assistance to financial institutions and entrepreneurs, and in our first 20 years of service to our state, we administered millions of dollars in grants to help address the needs of unserved and underserved people and communities. When the financial crisis of 2008 threatened Main Street firms across our state and nation, our leadership knew that we were in the position to not only double down on our work serving underserved communities, but to expand our services as well. We ushered in a new era for our work in 2011, when we made our first loan to a North Carolina small business, and eventually became a certified Community Development Financial Institution (CDFI) in 2013. In the wake of the COVID-19 pandemic's economic aftershocks, we doubled down once again and expanded our services to ensure that our state's small businesses could succeed, and the communities they serve would benefit.

Throughout our 32-year history, we have met entrepreneurs at the crossroads of hardship and opportunity—and we will continue to light the way forward for whatever comes next.



# Carolina Small Business

DEVELOPMENT FUND

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