



Carolina
Small Business
DEVELOPMENT FUND

Bringing Light to Darkness

2022-2023 Annual Report

Who We Are

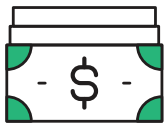
Our Vision

To create economic opportunity for all people.

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**

Our Programs:

Business Solutions

Digital Learning Academy

Western Women's Business Center

Programa Empresarial Latino



Note from our President & CEO

Entrepreneurs are some of the bravest members of our society. They bet on themselves time and time again. They produce beautiful products and services, while solving problems in ways that help make their communities better.

But when they lack capital or understanding, they can feel alone or in the dark. And without partners and relationships that provide light or brightness, they will struggle to progress or maybe even fail.

This is why as a diverse, strategic and mission-focused organization, Carolina Small Business Development Fund seeks to light the way – to lessen or remove the uncertainty and lack of knowledge that can be associated with small business ownership by providing our customers with guidance, education, and the infusion of hope throughout the life of their business.

During our 2022-23 fiscal year, in addition to deploying over \$18 million to small businesses throughout North Carolina, CSBDF also stayed true to its other two pillars of work – knowledge capital in the form of small business technical assistance and economic development policy and research work. Both areas of work served to create a more visible and clearer path for stakeholders to benefit from and understand the value of our work. We provided more than 1,134 businesses with technical assistance on how to access capital, implement marketing strategies, introduce cybersecurity measures to protect themselves from fraud, and many other small business skills to help entrepreneurs succeed.

We also released important policy briefs on the state of North Carolina’s Black businesses amid the pandemic, by partnering with ResilNC, and we collaborated with the Office of the North Carolina Secretary of State on a publication that identified reasons for small- and medium-sized business closures in North Carolina. Finally, we collaborated with Missouri-based CDFI, AltCap, on better measuring the impact of CDFIs on their respective communities. In these instances, CSBDF shined a light on the economic environment and small business ecosystem.

Our work is made possible by our impassioned team that is so collectively committed to our cause. I’m proud of the resiliency of our organization through the pandemic. We have grown over the past few years with thoughtful, intentional actions devoted to fulfilling our mission of fostering economic development in underserved communities in North Carolina. We have a diverse team of employees and a diverse board of directors, equally passionate about our mission. We pride ourselves on being a representation of what North Carolina is becoming.

In closing FY2023, we feel positive that we have provided sparks for entrepreneurs in North Carolina, and we feel confident that we will continue to convert darkness to light while making clear paths even brighter.

Yours in partnership,

Kevin Dick
CSBDF President & CEO



Note from our Board Chair

Carolina Small Business Development Fund is steadfast in its dedication to propelling economic growth in underserved communities. With a vision to foster wider economic opportunities for everyone and a mission to guide small businesses through access to capital, trusted guidance, and policy research, CSBDF stands as a beacon, meeting entrepreneurs at their starting point and guiding them toward success.

In the past fiscal year, CSBDF accomplished commendable work, and we’re equally committed to continuing and surpassing those efforts in the upcoming years. The organization proudly serves as the catalyst igniting growth for small businesses in North Carolina.

I’m honored to lead a dedicated Board of volunteers, all unified in strengthening CSBDF and creating an environment where small businesses can prosper equitably in North Carolina. We wholeheartedly appreciate your interest, support, and collaboration in our mission to ignite and sustain a flourishing small business ecosystem in our state.

Together, we are passionate about illuminating the path for North Carolina’s small businesses. We welcome the involvement of all stakeholders as we endeavor to Light the Way for their success.

With gratitude,

Ted Archer
CSBDF Board President
Global Head of Business Partner Diversity,
JPMorgan Chase & Co.

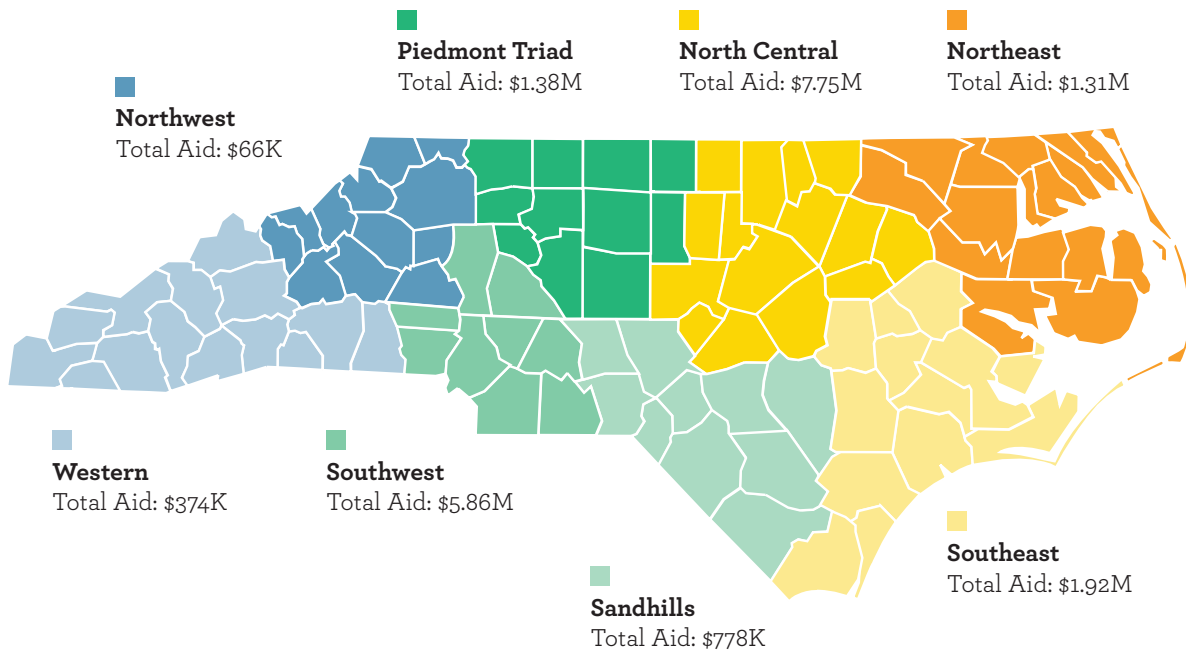


Our Impact at a Glance

Carolina Small Business Development Fund promotes economic development in all 100 North Carolina counties by providing access to affordable capital, offering training and guidance to entrepreneurs, and through research demonstrating how small firms are the cornerstone of regional economic growth. Our small business lending and grant programs provide resources to help businesses grow; our business solutions programs and technical assistance position us as a trusted business guide for entrepreneurs; and our policy research provides in-depth analyses on Community Development Financial Institutions and North Carolina’s small business ecosystem. Our holistic approach to supporting entrepreneurs is how we light the way for small businesses in North Carolina.

Loans and grants per economic development region

(FY23: July 2022-June 2023)



FY23 jobs supported, created and retained

1,912 JOBS

Jobs created and retained since 2010

4,889 JOBS

Life of Program total loans or grants deployed

\$108.4M

Total FY23 Technical Assistance Hours

3,624 HOURS

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

FY23 Demographic Overview [Of the businesses we served in FY23*]

79%

Minority-owned firms

71%

Black-owned firms

43%

Women-owned firms

74%

Low-to-moderate income

*Excludes “unknown” and “declined to state.”

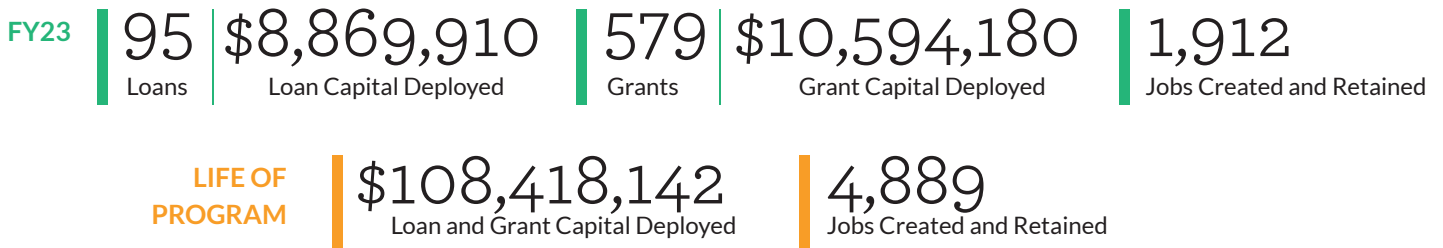
Capital



Opening in 1990 as the North Carolina Minority Support Center, we spent more than 20 years providing technical assistance to financial institutions and entrepreneurs in North Carolina and administered millions of dollars in grants to help address the needs of unserved and underserved communities in our state.

Then in 2011, after seeing the financial crisis of 2008 threaten small businesses across our state and country, we doubled down on our work and became a revolving loan fund before becoming a certified CDFI in 2013. Now more than 10 years later, we continue to provide financing solutions and guidance to North Carolina entrepreneurs. By providing financing to both existing and emerging businesses, we empower entrepreneurs throughout the life of their business.

Capital Deployment



ABOUT THESE NUMBERS:

In the past year, we eclipsed a lifetime total of \$100 million deployed to small businesses in North Carolina through grants and loans, and we're just getting started. As small businesses continue to recover from the pandemic while also looking ahead toward the future, CSBDF is committed to being a reliable partner in business and an accessible funding source for North Carolina's entrepreneurs. Our state is continually ranked as one of the best in the nation for business, and we're proud to play a role in fostering North Carolina's small business ecosystem.

IN 2022-2023: Small businesses who received loans from CSBDF helped generate almost \$24M in payroll earnings across North Carolina. Those earnings supported 478.35 jobs and generated \$5.9M in new tax revenue at the local, state, and federal levels. This table details the economic impacts of CSBDF's lending activities in Fiscal Year 2022-23.

Aggregate Economic Impacts		
\$23,816,641.46	478.35	\$5,954,301.43
New Payroll Earnings	Total Employment	New Tax Revenue Generated
Economic Impact by Category		
\$15,005,739.72	\$4,245,510.97	\$4,565,390.77
Direct Payroll Earnings	Indirect Payroll Earnings	Induced Payroll Earnings
336.66	62.26	79.43
Direct Employment	Indirect Employment	Induced Employment
\$710,374.09	\$1,154,689.83	\$4,089,237.49
Local Tax Revenue	State Tax Revenue	Federal Tax Revenue

LOOKING AHEAD:

As we continue to foster economic development in North Carolina, we've expanded our lending services to include a new product, Ignite, a micro-loan service helping entrepreneurs spark their next project with a streamlined approval process on loans up to \$50,000. We have also become a partner in the Charlotte Small Business Growth Fund and Charlotte Contractor Development Program, which will continue to help us grow our market share in the Queen City, the heart of our largest lending market.

Business Solutions and Technical Assistance

Since our inception in 1990, we have been providing technical assistance to North Carolina's entrepreneurs, financial institutions, and other community partners to help reduce barriers and bridge the gap to small business success in our state. Through intentional trainings, one-on-one coaching, and now online lessons, we have strived to be a trusted business guide throughout our entire history.

Our Business Solutions team leads our efforts to ensure entrepreneurs have the knowledge and resources they need to start, support, and grow in their businesses. Our programs and services cover a range of topics, regions, and needs, and they all help bring the darkness of uncertainty to light for small business owners.

Business Solutions Services

- One-on-one small business coaching in English and Spanish
- Networking and referrals
- Workshops, trainings, and seminars
- Connecting small business owners to financing options

3,624 HOURS

of Technical Assistance Delivered in FY23

Digital Learning Academy

Our Digital Learning Academy lights the way for entrepreneurs by providing technical assistance through free online courses designed to help small business owners start, support, and grow their businesses. The DLA offers digital classes on a variety of small business topics in both English and Spanish, delivered by industry experts to help entrepreneurs achieve small business success.

In the past year, we've committed to adding more DLA courses in Spanish, created meaningful partnerships within the community to ensure fresh expert content, and continued to make the DLA a valuable resource for entrepreneurs navigating the uncertainty of small business ownership.

3,665

DLA Course Completions

730

DLA New Enrollments

Learn more about the DLA and check out its offerings at carolinasmallbusiness.org/learn-online

“

**Kenneth Williams,
Royal Cheesecake & Varieties**

“The Digital Learning Academy from CSBDF is a helpful tool for small business owners, and I learned something new with every course I took. When an organization can offer free, online learning, it's very helpful and convenient for small business owners. I wish everyone knew about this resource, which helped me to go into conversations with lenders much more prepared than I had previously been.”





Betting on Herself: S. Hope Davis and Teach Tech U

In early 2020, Teach Tech U founder S. Hope Davis bet on herself.

She left teaching to invest into her business full-time, which focused on offering professional development for schools and teachers to help administer technology in the classroom. But as was the case for so many small business owners, the COVID-19 pandemic changed Teach Tech U's business model.

Davis pivoted and began focusing on program development and consulting school districts on how to better use and leverage technology to foster student success. "Instead of putting my head in the sand and letting it be, I realized it was time to pivot and develop another business," says Davis.

Teach Tech U also added Project LEAR to its offerings, a service that assists school districts in locating, mentoring, and reconnecting students who became disengaged, dropped out, or were otherwise absent from school in the wake of the pandemic. "We understood what was going to happen once all the schools came back," says Davis. "I knew there was going to be a gap in the resources schools had and what they needed, and I knew that I could help fill that gap."

With Project LEAR, Davis needed capital to fulfill the needs of contracts signed with several school districts. "It was very difficult to gain capital," says Davis. "It's a generational obstacle. I watched my mother struggle to make a dollar out of 15 cents. But like she did, you just have to continue to push forward."



Read the full story online:



After receiving a grant from CSBDF from the RETOOL NC program, Davis reconnected with CSBDF for a loan to help finance her needs with Project LEAR, and the organization worked with Davis to understand her story and help navigate non-traditional credit requirements to provide a loan. "Businesses are so much more than scores and spreadsheets. Individuals are so much more than that," says Davis. "I was very happy I reached out to CSBDF because they took the time to listen to my entire story rather than just looking at my personal credit and a snapshot of my business. They saw what I needed and what my future looked like. I bet on myself, and what changed for me was that someone else bet on me as well. That is what CSBDF did. They said 'ok, let's bet on her as well.'"

Along with providing Davis and Teach Tech U with the capital needed, CSBDF also offered technical support and assistance to Davis as she went through the loan process. "Starting a small business brings a lot of challenges and navigating the financial aspect of entrepreneurship is a big one," says Davis.

For Davis, having a resource in CSBDF has helped to offer a clearer picture of that side of small business ownership. "I've spent a lot of time running my business and reading how to do this, but there was a financial part about presenting myself as a company that I didn't understand," says Davis. "CSBDF has been so helpful because I feel so much more confident because I have a plan. I know I have the support. The pieces I was fuzzy about, I have clarity. If I'm still fuzzy, I go to CSBDF."

As Teach Tech U continues to expand – both in its program development offerings and with Project LEAR – it's doing so on that entrepreneurial spirit of Davis, helped by both financial and technical support from CSBDF. With her loan, Davis has some comfort in knowing her business can continue to excel. "The loan allowed me to sleep," says Davis. "As a business owner, you're constantly kept up thinking about how to make it through, but with the loan, I sleep. CSBDF has allowed me to move forward instead of being stuck."

Western Women's Business Center (WWBC)

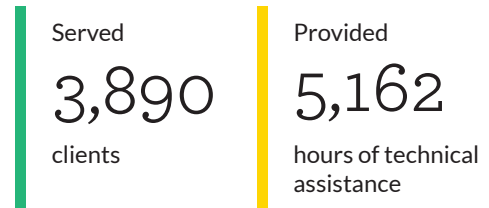
The Western Women's Business Center meets the needs of women entrepreneurs in Western North Carolina through one-on-one business coaching, workshops, and access to capital. Since 2014, the WWBC has helped break barriers one business at a time by offering support on a range of topics small business owners need to start and grow.

The WWBC serves a 22-county region in Western North Carolina and is positioned as a crucial small business resource provider in the region. Learn more about the Western Women's Business Center at wwbcnc.org.

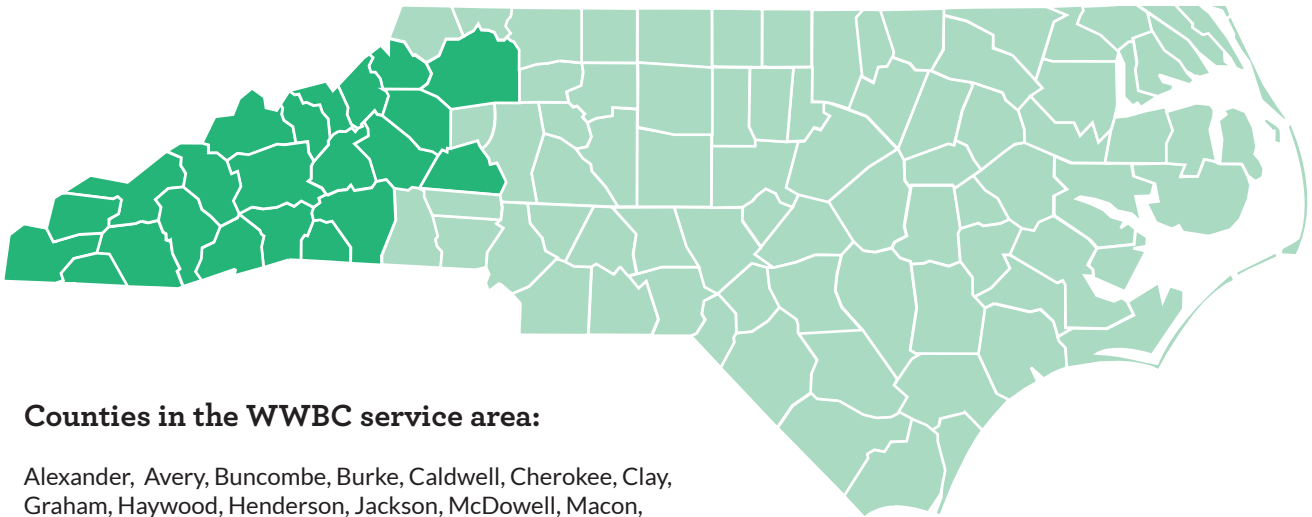
Between 2022-2023, the WWBC



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.

Me + WWBC

better
together

In April 2023, we convened more than 250 small business owners, community leaders, and organizational partners at the 8th Annual Western Women's Business Center Conference to celebrate Western North Carolina's community of women entrepreneurs and how we are better together.

Learn more about the WWBC Annual Conference:



A Spark in the Community: Julieta Fumberg

For artist Julieta Fumberg, nothing is more important than community.

Originally from Argentina, the multidisciplinary artist has found a home in Asheville, where she is proud to bring her artwork, small business support, and enthusiasm to a community that has welcomed her with open arms.

Fumberg created a business in Asheville that offers a variety of imagery services from branding, graphic design, and photography all the way to contemporary artwork. By venturing into entrepreneurship, Fumberg allowed herself the freedom to do what she loves while making an impact. "Small business ownership allowed me to design my own way of living," says Fumberg. "Whatever I do is for the community. I serve them to make them better with whatever talents were given to me."

In the past few years, Fumberg has worked with the WWBC to help her grow and strengthen her own small business, receiving coaching and guidance to assist her in navigating entrepreneurship. "They've helped me so much with the connections and resources they provide," says Fumberg. "I don't think that my business would be what it is today if it wasn't for this amazing ecosystem we have here in Western North Carolina."

< Read the full story online

Programa Empresarial Latino

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. Programa Empresarial Latino provides bilingual, comprehensive financial counseling and technical assistance to open pathways to small business success.

FY23

\$2.75M

Total capital disbursed to Latino entrepreneurs

50

Loans and grants

695

Technical assistance hours

Life of Program

\$6.75M

Total capital

211

Total loans and grants



Jose Arias and Torero's Mexican Restaurant

For nearly 30 years, Torero's Mexican Restaurant has been a staple of downtown Durham, serving signature Mexican dishes to regulars and newcomers alike.

But for the locally owned restaurant, the last few years have presented some major setbacks. In 2019, they had to rebuild after a gas explosion at a neighboring establishment. Then after battling through the staggering effects the COVID-19 pandemic had on the restaurant industry, Torero's was forced to move locations and rebuild again after a change in landlord at its long-time home in Brightleaf Square. But despite all those incredible setbacks, Torero's has persisted. "Torero's has been in business over 25 years in Durham," says owner Jose Arias. "Our vision is to keep that tradition alive."

Needing additional capital to move locations, Arias was referred to Carolina Small Business Development Fund and received a loan and technical assistance through Programa Empresarial Latino. "Our loan has helped us to pay for the renovations at our new location and has helped us with working capital in the interim," says Arias.

Torero's new location opened in early June of 2023, and as the restaurant continues to move through adversity to be a staple in Durham, it now does so with a trusted partner in business in CSBDF.



Our Events

We pride ourselves in being a thought leader in North Carolina's small business ecosystem, and we find it important to bring together entrepreneurs, financial institutions, community partners, and more to celebrate what our state has to offer.

At CSBDF, we host events throughout the year, focusing on learning, networking, and celebrating North Carolina's vibrant community of small business owners.

Hispanic Heritage Month

In October, we made stops in Asheville and Charlotte to celebrate our state's Latino entrepreneurs and growing Hispanic small business ecosystem.



Black Entrepreneurship Series

In February, we traveled to Durham, Wilmington, and Charlotte to celebrate our state's rich Black small business ecosystem.



Small Business Awards

In May, we brought together more than 175 entrepreneurs, policy makers, and community partners in Downtown Raleigh to celebrate North Carolina's small business champions and hear from 13 incredible awardees.



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.

Oak City Biz Labs

In the wake of the COVID-19 pandemic, businesses of all sizes grappled with significant challenges to their operations and vitality, but small businesses had the hardest time bouncing back. To help small businesses and entrepreneurs recover from the pandemic, we partnered with the City of Raleigh to offer two rounds of Oak City Biz Labs, a technical assistance and grant program offering grants up to \$30,000 to Raleigh-based small businesses.

Life of Program

\$2.2M

Total grants
disbursed

88

Total businesses
supported



Candice T. Arrick, DDS and Smiles at Glenwood
Oak City Biz Labs Recipient

“I’ve owned this business for 14 years. I have two roles; I’m a doctor and I’m a business owner. After the experience of the pandemic, I was researching resources and found Oak City Biz Labs. It’s just great to know that the City of Raleigh and Carolina Small Business Development Fund worked together to support small businesses such as mine. Our grant was used for all kinds of business overhead like expenses, utilities, employee pay, and supplies, but it was also used for some marketing to help us grow. Knowing that the city and CSBDF are here for us as small business owners is incredibly meaningful during these times. We are looking forward to growing and continuing to be a part of downtown Raleigh.”



Check out more of our
Oak City Biz Labs stories:



Meck Lending

In partnership with the 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.

FY23

\$1.96M

Capital deployment

32

Businesses served

Life of Program

\$3.76M

Total capital deployment

62

Total businesses served



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.

FY23



Life of Program



Josephine McCrann and Threehouse Studios

Durham Fund Recipient

“The pandemic was miserable for everyone. It just felt like pivot after pivot. As a small business, we didn’t have a huge infrastructure of support. Those pivots felt so hard to navigate. We were looking for all different types of ways to bridge the gap to the other side. I heard about Carolina Small Business Development Fund through a student in one of our classes. It was easy and really helpful. Sometimes you come across things where there’s so many hoops to jump through. But with CSBDF, communication was very clear. The people were very patient. It was helpful to have people who understood how much we had going on. It was nice to have a person attached. The loan has helped with some pandemic debt and really helped bridge those gaps. It’s also helped to grow our teacher roster and our payroll. It helped ease the heaviness of the pandemic.”



Read the full story online:



LOOKING AHEAD:

CSBDF is excited to participate in the Rural Microloan Assistance Program (RMAP) and to be partnering with Dogwood Health Trust in Western North Carolina to help boost our lending presence in the rural areas of our state. Since we started lending to small businesses, more than 15% of our lending has gone to rural firms. With these partnerships, we are excited to continue and expand that commitment to offering affordable capital, technical assistance, and small business guidance to our state’s rural entrepreneurs.

Economic Development Policy and Research

Our three-pronged approach to our work includes evidence-based economic development policy research because we truly believe that to best serve entrepreneurs and the small business ecosystem in North Carolina, we must first understand that ecosystem.

We pride ourselves in being a leader in the CDFI research field, and as one of the few organizations that conducts these analyses we acknowledge our responsibility to strengthen and expand the research done around economic development. Our work is peer reviewed, and we are proud to partner with some exceptional academic institutions, community resource organizations, and other thought leaders in this field to produce high-level, impactful publications.

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

- We surveyed small business owners that received pandemic relief grants and loans administered by CSBDF. While all the marginalized groups that we serve were negatively impacted by the pandemic, Black-owned businesses suffered more than others. Across groups, survey participants reported that grant awards improved their short-term financial stability and their ability to access financing in the future, while loans increased employment retention and led them to feel more favorably about their business's future prospects.
- We created a novel framework for rethinking how CDFIs measure and evaluate their impacts on marginalized communities. Whereas most CDFIs evaluate their programs based on the preferences of their funders and regulators, our approach also incorporates a focus on how CDFIs empower their clients economically and help them improve their relationships with community institutions.
- We surveyed economic development organizations throughout North Carolina regarding their responses to the destructive impacts of the COVID-19 pandemic and their strategies for long-term recovery. While some communities have rebounded significantly from the pandemic's impacts, many marginalized groups have struggled to recover. These inequities demonstrate the need for impactful policy solutions. We recommend that policymakers collaborate with local nonprofits and service providers via holistic and equitable pandemic recovery strategies to meet the needs of communities whose access to recovery interventions has been limited.

REPORTS AND BRIEFS

McCall, Jamie, R. Weston, Brittany B., Onorevole, James R., Roberson, John C., and Jamie Andrews. 2022. "Extraordinary Times Call for Extraordinary Measures: Small Business Assistance During the Pandemic." Carolina Small Business Development Fund and ResilNC. Raleigh and Greensboro, NC doi: 10.46712/extraordinary.times.

McCall, Jamie R., Anzawi, Nora L., Zeller, Miles T., & James R. Onorevole. 2022. "Growth, Equity, and Individual Welfare: A Theoretical Framework for 'Moving the Needle' on CDFI Impact Evaluation. Carolina Small Business Development Fund and AltCap. Raleigh, NC and Kansas City, MO. <https://doi.org/10.46712/evaluation.frameworks>.

Morgan, Jonathan, and Jamie McCall. 2022. "COVID-19 and North Carolina's Economic Development Organizations: Perspectives on Response, Recovery, and Shifting Priorities." UNC School of Government Community and Economic Development Bulletin, no. 10. Chapel Hill, NC. DOI: 10.46712/edo.covid.recovery.

EVALUATIONS

Carolina Small Business Development Fund. 2022. "The Economic Impact of Assisting Small Firms: Entrepreneurship in Uncertain Times. FY2022 Economic Impact Evaluation." Raleigh, NC. <https://www.carolinasmallbusiness.org/post/lending-impact>.

Learn more about our Economic Development Policy work at carolinasmallbusiness.org/research



Extraordinary Times Call for Extraordinary Measures: Small Business Assistance During the Pandemic

Carolina Small Business Development Fund offered 10 different loan and grant programs throughout the pandemic in conjunction with a variety of public and philanthropic partners. As part of our commitment to holistic and sustainable community development, CSBDF partnered with ResilNC and surveyed the beneficiaries of these initiatives.

From our findings, we compiled the following recommendations for Policymakers and Practitioners:

1. Small business recovery efforts must work to promote equitable access to aid in a more strategic and intentional manner.



Socioeconomic disparities can accrue at different rates across historically marginalized communities. The data showed negative impacts from the pandemic across *all* BIPOC owners. Concurrently, there are cases where adverse outcomes disproportionately accrued to Black-owned firms, even after controlling for other factors like revenues and firm age.

2. Current and future assistance programs must be designed in a manner that emphasizes both speed and application flexibility.



In future emergencies of any type, funding organizations should err toward flexibility when providing small business relief. The counterpoint to prioritizing speed and minimizing applicant burden are concerns about fraud. But amidst a disaster, the harm caused by a more onerous application process is likely much higher than any aid wasted due to misrepresentation or abuse.

3. Financial institutions and philanthropic foundations should fund trials of both grant only and combined grant/loan interventions.



Information on non-loan interventions is extremely limited. We particularly recommend funding trials that combine small grants with larger loans, a model of assistance that showed promise when tested at a small scale in some pre-pandemic pilot programs.

4. Public sector partnerships with community organizations were highly effective, and they should be expanded/strengthened.



CDFIs, CDCs, and similar types of organizations extremely familiar with unmet local economic needs and have a proven track record in quickly adapting to changing circumstances. We must keep forward momentum by bolstering existing partnerships and identifying new opportunities for cross sector collaboration.



< Read the full **Extraordinary Times Report**

Our Vision for CSBDF: 2021-2024 Strategic Plan

In 2021, we looked forward as an organization and created a three-year strategic plan that has helped guide our work over the past few years. We defined our core values – Embrace Diversity, Live with Integrity, Be Efficient, Aligned Accountability, Maintain Trust, and Foster Stability – and we set goals for how we could continue to serve North Carolina’s small business owners.

As we move into the final year of our strategic plan, we continue to keep those goals and values in mind while also thinking about our future.

Strategic Plan Area	Goals	Progress to Date
Provider of financial capital to historically underserved communities and high-growth industries	To successfully attract historically underserved businesses with an increasing emphasis on businesses in high-growth sectors while providing affordable capital.	<ul style="list-style-type: none"> • 95 closed loans in FY23 totaling \$8,869,910 • Average loan amount: \$93,367 • 79% of FY23 lending to minority-owned firms • 43% to women-owned firms • 61% of FY23 lending to high-growth industries • Introduction of “Ignite” microloan product
Provider of effective business support services	To work to consistently meet the needs of historically underserved small businesses at key stages of their development.	<ul style="list-style-type: none"> • 3,624 hours of technical assistance in FY23 • 1,000+ businesses provided TA • Net Promoter score of 9.1 in FY23 • Expansion of Digital Learning Academy to include more Spanish courses
Thought leadership and brand awareness	To position CSBDF as an industry leader in terms of research that helps to inform about agency and industry impact, and to position CSBDF as the industry leader for preferred business segments and stakeholders within NC.	<ul style="list-style-type: none"> • Partnered with ResilINC, Office of the North Carolina Secretary of State, and AltCap on CDFI and small business based publications • Partnered with organization such as Prospera and Genesis Block in North Carolina to hold small business ecosystem events • Boosted internal storytelling measures to produce impactful client success stories
Resilient, self-sufficient organization	To increase CSBDF’s self-sufficiency by creating a diverse asset portfolio with financial ratios that meet or exceed industry standards.	<ul style="list-style-type: none"> • Continued to work with local municipalities on loan and grant solutions through partnerships with: City of Raleigh, City of Durham, Durham County, City of Charlotte, Mecklenburg County



Financials

Statement of Financial Position	FY23	FY22
Assets	\$34,372,780	\$42,816,299
Liabilities	\$18,763,064	\$28,354,532
Net Assets	\$15,609,716	\$14,461,767
Total Liabilities and Net Assets	\$34,372,780	\$42,816,299

State of Activities	FY23	FY22
Grant Income	\$6,830,084	\$2,428,586
Business Interest Income/Fees	\$1,664,987	\$1,774,217
Contributions	\$20,986	\$66,165
Other Revenue	\$2,075,759	\$2,154,260
Total Revenue	\$10,591,816	\$6,423,224
Program Services	\$7,818,608	\$5,156,694
Support Services	\$1,625,259	\$1,121,131
Total Expenses	\$9,443,867	\$6,277,825
Change in Net Assets	\$1,147,949	\$145,399
Net Assets at Beginning of Year	\$14,461,767	\$14,316,368
Net Assets at End of Year	\$15,609,716	\$14,461,767

Thank You, Investors, Sponsors, and Partners!

As we continue to help bring light to darkness for North Carolina's unrelenting community of entrepreneurs, we are consistently grateful to our investors, sponsors, and partners for their generous support, collaboration, and belief in our mission. It truly is our vibrant small business ecosystem that allows us to do the work that we do, and we could not be more appreciative of our investors, sponsors, and partners who help us light the way.

Our Investors, Partners, and Sponsors:

- African American Alliance of CDFI CEO's
- AltCap
- AMP Up Charlotte
- Association of Mexicans in North Carolina (AMEXCAN)
- Appalachian Community Capital
- Asheville-Buncombe Technical Community College
- Asheville Chamber of Commerce
- Asheville Mall
- Bank of America
- BizRadio.US
- Black Wall Street
- Boone Area Chamber of Commerce
- Buncombe County
- Capital Area Workforce Development Board
- Carolina Community Impact
- CDFI Fund
- Charter Communications/Spectrum
- City of Asheville
- City of Charlotte
- City of Durham
- City of Raleigh
- Durham County Government
- Duke Energy
- Dogwood Health Trust
- East Carolina University
- Economic Development Partnership of North Carolina (EDPNC)
- El Centro Hispano
- El Centro of Henderson County
- ENVOY Guide
- FDY Inc.
- Federal Deposit Insurance Corporation (FDIC)
- Fifth Third Bank
- First Bank
- First Citizens Bank
- Genesis Block
- Goodwill Industries
- Greater Durham Black Chamber of Commerce
- Greensboro Chamber of Commerce
- Guilford County Government
- Harvest Finance
- Highland Brewing
- Invest Appalachia
- International Economic Development Council (IEDC)
- Invest Detroit
- JB Media
- JPMorgan Chase & Co
- Latin American Chamber of Commerce of Charlotte
- LISC Charlotte
- Live Oak Bank
- McGuire Woods
- M&F Bancorp
- Mecklenburg County Government
- Merriwether and Williams Insurance Services
- Mosaic Community Lifestyle Realty
- MountainWest Partnership
- Mountain BizWorks
- National Association for Latino Community Asset Builders (NALCAB)
- National Institute for Minority Economic Development
- NC IDEA
- North Carolina Department of Administration Office of Historically Underutilized Businesses
- North Carolina Department of Commerce
- North Carolina Education Lottery
- North Carolina Economic Development Association (NCEDA)
- North Carolina Office of the Secretary of State
- North Carolina MWBE Coordinators' Network
- North State Bank
- Office of NC Governor Roy Cooper
- Office of Public Engagement and Inclusion
- Opportunity Finance Network
- Olamina Fund
- Pinnacle Financial Partners
- PNC Bank
- Prospera USA
- Provident 1898
- Raza Development Fund
- Regions Bank
- ResilNC
- SCORE
- Self-Help Credit Union
- Scale Link
- Small Business Center Network
- Small Business Technology Development Center
- SouthState Bank
- Southwest Commission
- Stand and Deliver, LLC
- State of North Carolina
- Studio 229 on Brevard
- TD Bank
- Consulate General of Honduras (Charlotte)
- The Mexican Consulate
- Thread Capital
- Tory Burch Foundation
- TowneBank
- Transworld Business Advisors
- United Bank
- United Minority Contractors of North Carolina
- University of North Carolina at Chapel Hill School of Government
- U.S. Department of Agriculture
- U.S. Small Business Administration
- Wells Fargo
- WNC Business
- Woodforest National Bank
- Yancey County Chamber of Commerce



Our Board Members

Ted Archer

Board Chair; Governance Committee;
Executive Committee Chair
*Global Head of Business Partner Diversity,
JPMorgan Chase & Co.*

Bobby Robinson

Board Vice Chair; Governance Committee Chair;
Business Solutions Committee
Member, Maynard Nexsen

Tiffany Hall McNeill

Board Secretary; Policy & Research Committee Chair
Economic Development Director, Town of Fuquay-Varina

Huntley Garriott

Board Treasurer; Executive Committee;
Finance Committee Chair

Aaron Thomas

Board Assistant Treasurer/Secretary;
Finance Committee
President, Metcon, Inc.

Frank Pollock

Business Solutions Committee
President, TPG Consulting

Rodrick Banks

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

Larry Garcia

Credit Committee Chair; Business Solutions Committee
*Chief Lending and Asset Management Officer, National
Association for Latino Community Asset Builders (NALCAB)*

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

Business Solutions Committee
Principal, Fox Management Consulting Enterprises, LLC

Jeff Marshall

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

Pilar Rocha-Goldberg

Business Solutions Committee
President and 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 Chair
Senior Vice President, Pinnacle Financial Partners

Brian Hedges

Credit Committee
Executive Vice President and CCO, North State Bank

Sedrick McCallum

Credit Committee
*Senior Vice President and Community Development Officer,
SouthState Bank*

Raymond Chinn

Finance Committee
*Managing Director and Senior Vice President,
Bank of America*

Robyn Lake Hamilton

President and CEO, Urban League of Central Carolinas

Paulette Dillard, Ph.D*

Former Board Chair; Executive Committee;
Governance Committee
President, Shaw University

Nancy Stroud*

Former Board Secretary; Executive Committee;
Credit Committee
Former Vice President, Bank of America (retired)

Jeffrey Hastings*

Budget/Finance Committee; Credit Committee
*Senior Vice President and Senior Business Services Officer,
Truist Bank*

Grace L. Nystrum*

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

⁺ Board Service ended in FY23



Carolina Small Business

DEVELOPMENT FUND

3128 Highwoods Blvd
Suite 170
Raleigh NC 27604

Phone: 919-803-1437

carolinasmallbusiness.org



facebook.com/CarolinaSmBiz/

twitter.com/CarolinaSmBiz

instagram.com/carolinasmbiz/

linkedin.com/company/carolina-small-business-development-fund/