

Access to Capital Virtual Meeting

June 11, 2020

Attendance: Sam English (Chair), Keith Hartman (Co-Chair), Greg Feldmann (VIC), Sarah Snider (Beam Diagnostics), Cindy Snider (VCC), Kevin Carlson (Pamplin College of Business), Mike Miller (Montgomery County Economic Development), Amanda Forrester (Roanoke SBDC), Steve Turner (Cyto Recovery), Mary Miller (RAMP),

Absent: Scott Pleasants, Larry Hatch (AMTI), Adam Donato (Card Isle), Rick Sorenson, Meredith Hundley (VIC), Hal Irvin

Staff: Ellen Plowman (VIC)

The meeting began with introductions of the members in attendance. Co-Chair Keith Hartman discussed the agenda and the change of the economic landscape post COVID. The articles concerning the shift in the landscape are attached in the email and can be found at:

<https://www.cbinsights.com/research/covid-19-research/>

Startup Ecosystem Faces Capital Crunch over Coming Months (April 2020). NCVA.

Greg Feldmann updated the committee on Valleys Innovation Council with creating a Steering Committee and the three Innovation and Entrepreneurship Coalitions around region 2, Greater Lynchburg, Roanoke Valley, and the NRV. The Roanoke Valley and NRV coalitions have recently launched. VIC surveyed members of the various coalitions to determine what the needs are of each area. The three I+E coalitions have unanimously indicated that there is a need for greater access to capital for each region.

The steering committee will consist of 3-5 individuals from the various coalitions and to guide the region to meet the needs as best as possible. For more information, please contact either Meredith or Greg at mhundley@valleysinnovation.org or gfeldmann@valleysinnovation.org.

Cindy Snider provided an overview of Revolving Loan Funds around region 2. The presentation is attached in the email for more information.

Revolving loan funds are a pool of money that is distributed to small businesses and have a lower interest rate than market levels. The idea is to have a self-replenishing pool of funds. Generally, these are small short-term loans ranging from \$5,000 to \$20,000. As with most loans, there is a process to follow and criteria for each loan consisting of applications, business plans, and funds. Various loans have different criteria for distributing the loan funds. Eight

revolving loan funds run entirely within region two and a few others that cover parts of the area. Amanda Forrester has contacts and information that will likely fill in the gaps of information that the Access to Capital committee currently has. This information will be included later.

Amanda Forrester discussed the financial literacy program that SBDC is working on compiling. SBDC has a lot of clients using revolving loan funds, likely because SBDC connects RLF's to the clients. SBDC has been examining sustainable recovery from COVID. SBDC is trying to start a financial literacy program and is hoping to find a candidate to assist them in creating this center.

Sarah Snider inquired how we get the information that we have out to entrepreneurs. Often there are a lot of resources within the region, but many are unaware of the resources around. This line of inquiry raised another dilemma for the committee to address, building more reliable connections between entrepreneurs and sources of capital.

The meeting wrapped up with a conversation concerning the diversity of the committee. Cindy Snider recommended the committee consider more people of color. Through Sarah's comment's Amanda Forrester and the company suggested more entrepreneurs on the committee and perhaps a few folks from the Lynchburg region. Overall, it was discussed that the committee needs a greater variety of voices. Amanda Forrester had a few suggestions for new committee members and will be reaching out to them.