

CITY *of* COLUMBIA

MAYOR'S ACCESS TO CAPITAL RESOURCES



**A FINANCIAL RESOURCE FOR
BUSINESSES IN THE MIDLANDS**



Over 100 years. Forever First.[®]

After enough time, your name becomes more than the thing people call you. It becomes your reputation. And your promise. At First Citizens Bank, we've been doing business under the same name since 1898. Over the years we've helped all kinds of customers make the most of the money they earn, save and invest. Learn how we can help you at firstcitizens.com. Or stop by a branch and talk with one of our bankers. Because money isn't everything. But so much depends on what you do with your money. **First Citizens Bank. Forever First.**



First Citizens Bank

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MESSAGE *from* MAYOR STEVE BENJAMIN



IT IS NOT THE RESPONSIBILITY OF GOVERNMENT TO CREATE JOBS, BUT INSTEAD, TO CREATE AN EXCITING ECONOMIC ENVIRONMENT CONDUCIVE TO JOB CREATION AND TO EXPAND BUSINESS OPPORTUNITY FOR THE PEOPLE OF OUR CITY.

As mayor of our great city, I've made it my mission to create in Columbia the most talented, educated and entrepreneurial city in America. A city that conducts itself as such is, in fact, a city that places a priority on small business.

As the Columbia Chamber of Commerce award winner for 2016 Small & Minority Business Advocate of the Year, I recognize the importance and impact of small businesses—they make up 97 percent of all employers in our state. In employing such a large percentage of our state's workers, small business owners have a direct effect on residents' quality of life.

With initiatives like Work It Up, Main Street Capital and our Local Business Retention Program, we're laying the foundation to ensure that small businesses in Columbia not only have a chance at survival but also the necessary tools to thrive.

In addition, we have the Minority Business Advisory Council to aid in coordinating the city's efforts to maximize the opportunities and growth of minority-owned businesses.

To better explain the city's commitment to supporting small businesses, we've put together the Mayor's Capital Resource Guide. In this guide, you will find highlights of local banks, a breakdown of both traditional and non-traditional financing options for small businesses and other information that may be useful to you in starting and expanding your business.

We want to ensure you have every opportunity to succeed. We want to ensure your success creates new opportunities for others to follow in your footsteps.



Steve Benjamin

2015 SBA LOAN APPROVAL RATES



67%
EXISTING BUSINESSES

33%
NEW BUSINESSES



SMALL BUSINESSES ARE
THOSE WITH **500 EMPLOYEES
OR LESS**. THEY MAKE UP
99.7%
OF ALL BUSINESS IN THE US

82% OF BUSINESSES FAIL
BECAUSE OF CASH
FLOW PROBLEMS

27% OF BUSINESSES REPORT
NOT BEING ABLE TO GET
THE FINANCING THEY NEED

THE AVERAGE AMOUNT OF FINANCING
NEEDED TO START A BUSINESS RANGES FROM

\$10,000
to **\$80,000**

SHOW US THE ... CAPITAL!

Sufficient business capital is the backbone of success for any business. The City of Columbia's Office of Business Opportunities (OBO) has seen several businesses start off nicely with a great product or service, great location, well thought out business plan, and the like. However, they didn't have sufficient capital to be sustainable. As the City of Columbia continues its work to build one of the most entrepreneurial cities in this region, we not only have to ensure that we are a business friendly city, but it is also imperative that we address common barriers that entrepreneurs face—such as access to capital.

The City's Commercial Revolving Loan Fund was developed to do just that. The fund was not designed to compete with traditional banks, as it typically provides gap financing for projects and higher risk borrowers. Additionally, through this program, the City is able to impact job creation and the city's tax base in areas where there is little to no private sector investment. However, the City has limited resources.

The purpose of this resource guide is to highlight various ways for businesses in the Midlands to access the capital they need to start or expand. This guide can be used by small and large businesses, as it includes both traditional and non-traditional funding sources.

OFFICE OF BUSINESS OPPORTUNITIES

Tina Herbert

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803.545.3326

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Administrative Specialist
803.545.0170

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Business Analyst
803.545.3953

Angelo McBride

Business Assistance
803.545.3960

Paul Featheringill

Commercial Loans
803.545.3259

Erica Wade

Contractor Programming
803.545.4433

Gerry Lynn Hall

Facade Program
803.545.3381

COMMERCIAL REVOLVING LOAN FUND (CRLF) COMMITTEE

Kathleen Abraham

Woodforest Bank

S. Allison Baker

City of Columbia,
Assistant City Manager

Jennifer Bishop, Chair

Grace Academy Child
Development Center

Dianne A. Rushing

AOS Specialty Contractors, Inc.

Gloria Saeed

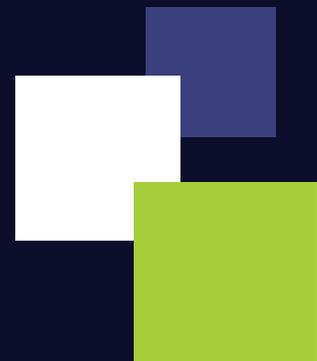
City of Columbia,
Director-Community Development

Mills Snell

Pendleton Street Advisors

Ashley Wheeling-Goodson

McAngus Goudelock & Courie

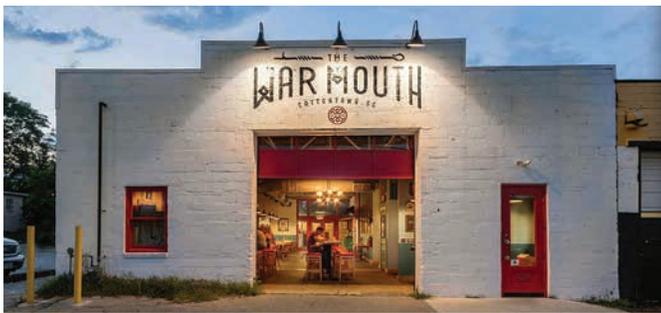


SUCCESS STORIES

From Last Year's Event

A+ ASPHALT SEAL COAT AND LINE STRIPING

Tammy Orr, owner of A+ Asphalt Seal Coat and Line Stripping, received a \$50,000 Line of Credit with TD Bank as a result of the 2015 South Carolina Lender Matchmaker Access to Capital Symposium. A+ Seal Coat and Line Stripping is a small, family owned business that opened 10 years ago, but had not seen any growth. Tammy started working with the City of Columbia's Office of Business Opportunities and they provided a wealth of options for her, one of which was the SC Lender Matchmaker event. Tammy stated that before she came to the event she didn't know financing was attainable. She was paying for everything on her own. Getting equipment transported for different jobs was a nightmare. After the event, TD Bank showed interest in A+ Asphalt Seal Coat and Line Stripping and contacted her about applying for a loan. TD Bank made getting a loan an easy and simple process for her. "We had a great year this past year", she said. As a result of the \$50,000 line of credit, A+ Seal Coat and Line Stripping, has been able to buy new equipment and Tammy Orr is growing and expanding her business operations.



WAR MOUTH RESTAURANT 1209 FRANKLIN ST.

This restaurant received \$150,000 in EDA funding which leveraged \$233,000 in private investment, including a bank loan, and created 10 new jobs. The restaurant opened in November 2015. "The City of Columbia's Office of Business Opportunities had a very thorough due diligence process and an experienced team who took the time to understand our project and the associated risks and invested with us to make our project a reality. The entire team was great to work with." - Owner, Frank Cason

SWEAT BY JSF 1125 LADY ST.

Jamie Scott opened Jamie Scott Fitness in the Cross Hill Shopping Center in 2008. Jamie Scott Fitness is a boutique-style gym offering unique group fitness classes, personal training and nutrition services. Jamie opened his second location, Sweat, a spin studio, on Lady St. in 2014. He used a \$10,000 loan from the City of Columbia to assist with purchase of equipment and working capital.



TRADITIONAL BANKS

BANKS PARTICIPATING IN ACCESS TO CAPITAL EVENT



Bank of America
1301 Gervais St. | Columbia, SC 29201
Phone | 803.929.5671
www.bankofamerica.com



**Carolina Collegiate
Federal Credit Union**
4480 Rosewood Dr. | Columbia, SC 29209
Phone | 803.227.5689
www.carolina.org



First Citizens Bank
1230 Main St. | Columbia, SC 29201
Phone | 803.733.2025
www.firstcitizens.com



NBSC
1221 Main St. | Columbia, SC 29201
Phone | 803.929.2010
www.banknbsc.synovus.com



PNC Bank
701 Gervais St. | Columbia, SC 29201
Phone | 803.256.2731
www.pnc.com



Regions Bank
1010 Gervais St. | Columbia, SC 29201
Phone | 803.734.4667
www.regions.com



Security Federal Bank
1900 Assembly St. | Columbia, SC 29201
Phone | 803.739.3940
www.securityfederalbank.com



South State Bank
520 Gervais St. | Columbia, SC 29201
Phone | 803.771.2265
www.southstatebank.com



Wells Fargo
1441 Main St. | Columbia, SC 29201
Phone | 803.251.440
www.wellsfargo.com

ADDITIONAL TRADITIONAL BANKS THAT HAVE PARTNERS WITH COC



BB&T
1201 Main St. | Columbia, SC 29201
Phone | 803.251.1330
www.bbt.com



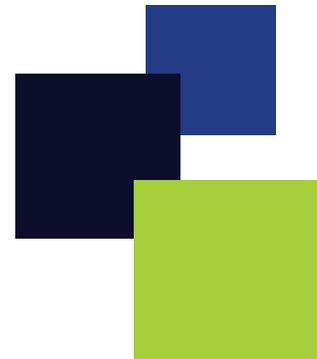
**South Carolina
Community Bank**
1545 Sumter St. | Columbia, SC 29201
Phone | 803.733.8100
www.sccommunitybank.net



TD Bank
1501 Main St. | Columbia, SC 29201
Phone | 803.540.2750
www.tdbank.com



Woodforest Bank
10060 Two Notch Rd. | Columbia, SC 29223
Phone | 803.736.6165
www.woodforest.com



NON-TRADITIONAL LENDERS



A/R Funding
126 Millport Circle #100
Greenville, SC 29607
Phone | 803.250.2107
www.arfunding.com

AR Funding offers financing for account receivables. Loan amounts and interest are contingent upon the degree of need.



Carolina Small Business Development Fund
Ron Fisher
2015 AyrslayTown Blvd, Suite 202
Charlotte, NC 28273
Phone | 704.280.8336
www.carolinasmallbusiness.org

The Carolina Small Business Development Fund offers small business loans up to \$250,000 and financial training to start-up and existing businesses.



Catawba Regional Commission
Randy Pellisero
Phone | 803.327.9041
www.catawbacog.org

The CRC offers loans of \$50,000 to \$300,000. Financing is available to small businesses located in Richland and surrounding counties.



City of Columbia's Office of Business Opportunities (OBO)
Paul Featheringill
1225 Lady St. | Columbia, SC 29201
Phone | 803.545.3259
www.columbiasc.net/obo

The City of Columbia's Office of Business Opportunities (OBO) offers small business financing of \$5,000 to \$200,000. Businesses must be located in the City of Columbia and may receive funding for real estate acquisition and/or upfit, equipment, inventory and working capital.



Community Works
Archie Johnson
107 W. Antrim Dr. | Greenville, SC 29607
Phone | 803.235.6331
www.communityworkscarolina.org

Community Works provides financing and specialized training for startup and existing businesses in the upstate and midlands of South Carolina. Eligible business owners can qualify for loans up to \$50,000 and receive one on one business coaching to help grow and sustain their business.



Provident BFS
Keith Black
3937 Sunset Blvd. Ste. D
West Columbia, SC 29169
Phone | 803.233.6386
www.providentbfs.com

The Carolina Small Business Development Fund offers small business loans up to \$250,000 and financial training to start-up and existing businesses.



South Carolina Angel Network
Charlie Banks
P.O. Box 2525 | Columbia, SC 29202
www.scangelnetwork.com

The South Carolina Angel Network is an alliance of angel investor groups and funds from across the state. These groups consist of more than 200 individual angel investors that meet frequently to analyze the best early stage companies around the region and support them with financial and intellectual capital.



South Star Capital
April Weaver
900 Wando Park Blvd. | Mt. Pleasant, SC 29464
Phone | 803.763.3021
www.southstarcapital.com

South Star Capital offers a range of non-traditional financing options including accounts receivable financing, purchase order financing, equipment lease financing, asset-based lending, government contract financing, invoice factoring and payroll funding.



United States Small Business Administration (SBA)
Frank Anderson
1835 Assembly St. Ste. 1425
Columbia, SC 29201
Phone | 803.765.5377
www.sba.gov

The SBA provides small businesses with an array of financing from the smallest needs in micro lending—to substantial debt and equity investment capital (venture capital). SBA also provides free individual face-to-face and internet counseling for small businesses, and low-cost training to nascent entrepreneurs and established small businesses in over 1,800 locations throughout the United States and US territories. SBA's Office of Government Contracting sets goals with other federal departments and agencies to reach the statutory goal of 23 percent in prime contract dollars to small businesses. This office also provides small businesses with subcontracting procurement opportunities, outreach programs, and training.

MICRO-LENDERS

OFFERING LOANS OF \$50,000 OR LESS



Benedict Minority Revolving Loan Fund

1600 Harden St. | Columbia, SC 29204
Phone | 803.705.4515
www.benedict.edu



Carolina Small Business Development Fund

2015 Ayrslay Town Blvd, Suite 202 | Charlotte, NC 28273
Phone | 704.280.8336
www.carolinasmallbusiness.org



The City of Columbia's Office of Business Opportunities (OBO)

1225 Lady St. | Columbia, SC 29201
Phone | 803.545.3950
www.columbiasc.net/obo



Community Works

107 W. Antrim Dr. | Greenville, SC 29607
Phone | 864.235.6331
www.communityworkscarolina.org



South Carolina Community Loan Fund

1064 Gardner Rd. 302 | Charleston, SC 29407
Phone | 803.403.5524
www.sccommunityloanfund.org



The U.S. Small Business Administration (SBA)

1835 Assembly St. Ste. 1425 | Columbia, SC 29201
Phone | 803.765.5377
www.sba.gov





Angel INVESTING

OVER the last three decades in the United States, all net job growth in the economy has come from startup companies less than five years old. However, the entrepreneurs who launch those companies face a severe shortage of early stage capital prior to reaching sustainable cash flows. While many entrepreneurs successfully bootstrap their way to success, many others need outside funds to survive, particularly those with very high growth potential. Traditionally, venture capital has played that role. **Venture capital** is financing that investors provide to companies that are believed to have long-term growth potential in return for an equity stake [ownership] in the business. Unfortunately for many entrepreneurs, in recent years, the venture capital industry has undergone extensive changes, leaving fewer venture capital firms investing at much later stages when deals are less risky.

Into that void have stepped private individuals known as angel investors. Whereas U.S. venture capitalists invest in 3,000 companies each year, angel investors provide capital to more than 60,000, filling a critical gap in the market.

Angel investors are individuals who invest their own money in promising startup companies in return for equity in the business. While the amount of investment can depend on where a company is located within the US, angel investors are typically investing \$200,000 - \$1,000,000. The process to receive angel capital can be a daunting, time-consuming task so it is important for entrepreneurs to educate themselves on the intricacies associated with seeking this type of funding. Angel investors are generally looking for opportunities with the following characteristics:

- 1 Talented, trustworthy, persistent, & knowledgeable management team**
- 2 Initial revenue with demonstrated customer demand**
- 3 A business model that can scale [grow] with speed and capital efficiency**
- 4 The ability to potentially generate a 50% annual rate of return for investors within 3-5 years.**

An additional resource has also emerged as a source of capital for entrepreneurs called “**Crowdfunding**,” which is defined as “the practice of funding a ven-

ture by raising many small amounts from a large number of people, typically via the Internet.” Crowdfunding sites such as Kickstarter and Indiegogo are platforms in which entrepreneurs submit their ideas, usually via video, and “the crowd” has the opportunity to provide funding typically in exchange for future products or services once funding goals have been met.

Regardless of whether your company is pursuing capital through Crowdfunding, angel investors, or traditional venture capitalists, it is strongly suggested that you seek guidance from a qualified attorney in order to make sure you are following the appropriate rules and regulations associated with raising capital.

For more information on sources of capital and a deeper explanation on how angel investing works, visit www.venturesouth.vc



Charlie Banks
Managing Director
VentureSouth

OFFICE *of* BUSINESS OPPORTUNITIES

WHO WE ARE & WHAT WE DO!

MISSION: The Office of Business Opportunities (OBO) is committed to supporting initiatives that benefit small, minority, and women owned businesses located in, or that want to do business with, the City of Columbia. This is accomplished by providing creative financing and funding, technical assistance, and training programs to build the capacity of these businesses. Additionally, OBO oversees the reporting of the City's utilization of local, minority, and women owned businesses to ensure that our funds contribute to the economic growth of all communities.

THREE DIVISIONS

1

COMMERCIAL LENDING

Provides financial assistance to start up and existing businesses for expansion, creation and retention of jobs, and assistance in the redevelopment of commercial corridors within the City of Columbia.

2

TECHNICAL ASSISTANCE, EDUCATION & ADVOCACY

Provides business development assistance and courses for start-ups and companies looking to expand and grow on various topics including: marketing, use of social media, business plan development, finances, legal issues, and more.

3

CONTRACTOR & SUPPLIER DIVERSITY

Provides training and support for city initiatives designed to increase local contractors' capacity to compete for government contracts and responsible for implementation of the City's Disparity Study Goals and Objectives. Programs include Sub-Contractor Outreach, Mentor Protégé, and Construction Management training.



Front Row from Left to Right: Tonya Porter-Deberry, Cor'Deija Nelson, Tina Herbert, Gerry Lynn Hall
Back Row from Left to Right: Nicholas Nance, Paul Featheringill, Angelo McBride, Erica Wade



We Are Columbia
