

VIRGINIA COMMUNITY CAPITAL

Mission as a Competitive Advantage – CDBA Peer Forum



Mission as a money motivator

- Mission reaches people emotionally – just like money!
- Mission stories demonstrate you believe in them
- Mission gives your bankers heart....not coming across as just a 'sales pitch'
- Mission gives you a story....not just a technical product pitch

So, how do we sell VCC - partnership and impact!

OVERVIEW OF VCC

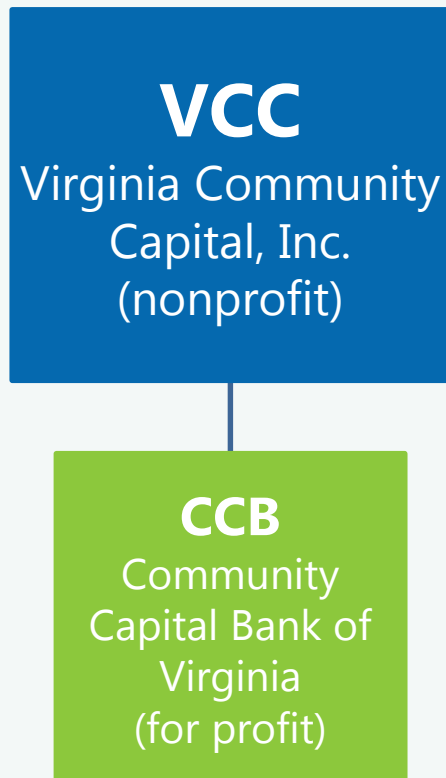
VCC'S Vision

To be the first choice for **innovative capital** and **collaborative leadership** promoting vibrant local communities and enhanced quality of life



Let's do more, together.

VCC'S Unique Structure



Benefits of VCC's Structure:

- Non-profit Holding company eligible for grants
- Leverage 'for-profit' banking model for greater mission lending & advisory services
- Lower overhead than traditional banks – wholesale, not retail
- FDIC insured deposits
- B Corp at the bank – ensuring perpetual mission focus



Let's do more, together.



Accreditations & Memberships



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National Honors

VCC received national B Corp honors four years in a row

- 2012, 2015 – ‘Best for the World’
- 2012-2015 – ‘Best for Community’



(2012, 2015)



(2012 – 2015)

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VCC'S History



Ponce de Leon (Roanoke)



Village Green (Floyd)



- **Founded in 2006, then Governor Mark Warner privatized \$15M state loan funds to create VCC**
- **VCC is a non-profit community development financial institution (CDFI) loan fund**
 - \$218 million in assets under management
 - \$132 million loan portfolio
 - Lending \$60-65 million per year in Virginia
- **Community Capital Bank of Virginia (CCB) is a for profit CDFI bank**
 - State chartered bank subsidiary
 - B certified corporation and Benefit corporation – mission driven
 - \$113 million in deposits
 - Business focused vs. consumer focused

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VCC'S Offices

- 64 full time employees
- 3 offices
- 56% women
- 18% minority
- Banking, nonprofit, housing, lending backgrounds



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VCC'S Focus Areas

- **Lending**
- **Impact Investing**
- **Advisory Services**



Housing



Small Business



Healthcare



Local, Fresh Foods



Clean Energy



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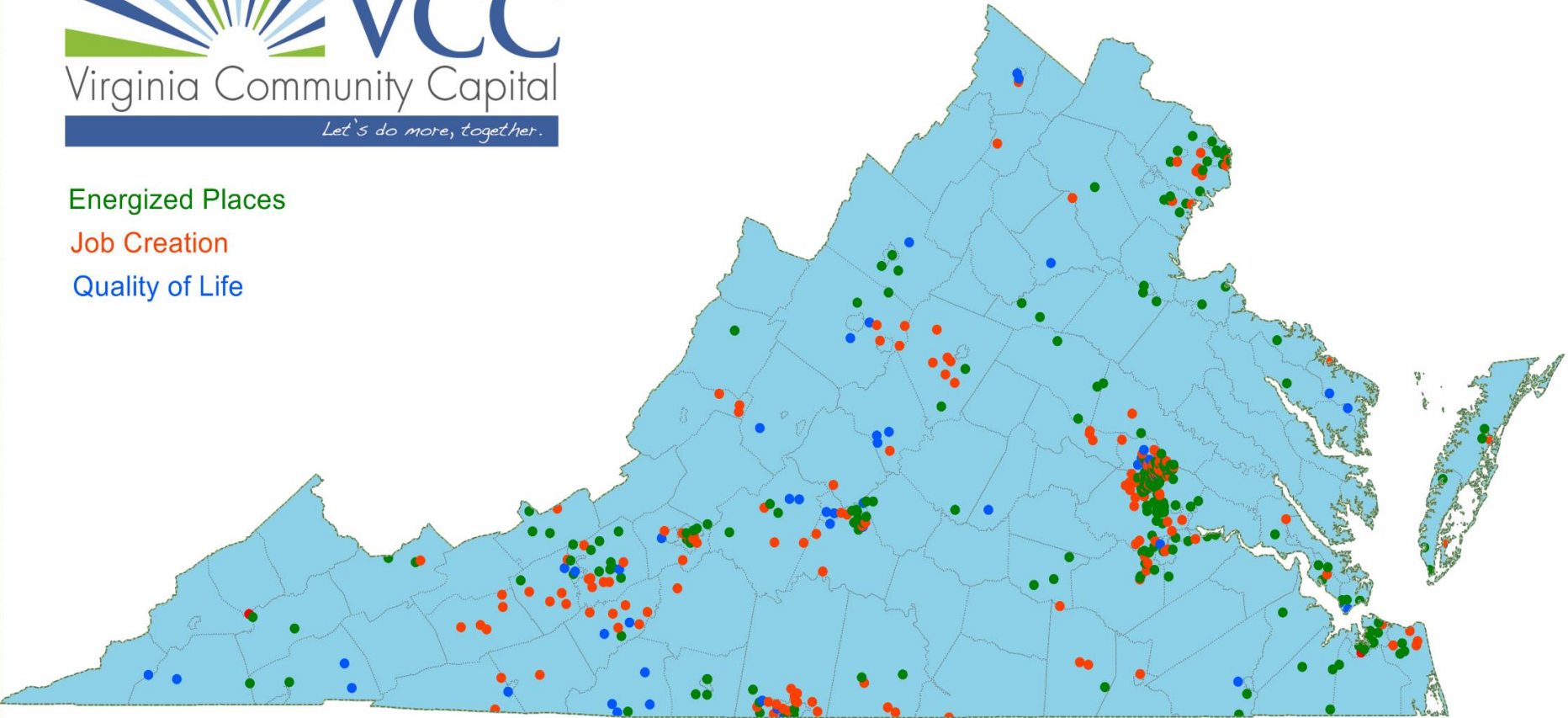
VCC'S Impact across Virginia



Energized Places

Job Creation

Quality of Life



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VCC's Social & Financial Impact Across Virginia

(Through August 31, 2016)

| Social Impact | Quantity |
|------------------------------------------------------------|-------------|
| Jobs created / retained | 5,974 |
| Affordable housing units financed | 5,881 units |
| Healthcare facilities financed | 11 |
| Hours of free advisory services to over 1700 organizations | Over 15,000 |

| Financial Impact | Quantity |
|------------------|--------------------|
| Loans originated | \$389 million |
| Project Impact | Over \$900 million |
| Leverage factor | \$1 : \$1.35 |
| Total loans | 595 |

Organizations Investing in VCC

Banks – compliance & financial returns

- grants, deposits, loans, mission investments

Foundations – financial & social returns

- grants, PRI, equity, deposits, loan guarantees, LION notes

Public Sector – social returns

- Grants

High Net Worth Individuals – financial & social returns

- grants, LION notes, deposits



Bank of Botetourt



River Community Bank, N.A.

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Social Deposits



- Socially Motivated Depositors
- Impact CDs (Solar CD)
- CRA deposits
- Local Impact deposits



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HOW BLENDED INVESTMENTS IN VCC CAN MAKE A DIFFERENCE

VCC's Community Impact Across Virginia

- Increase affordable housing
- Improve access to health care and community facilities
- Improve access to fresh foods
- Increase job creation and retention through small businesses
- Enhance community vibrancy



Hotel Blue (Cape Charles)



Southeast Community Assistance
Project Inc. (Roanoke)

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Real Estate Projects –Vibrant Places

- Mixed Use
- Affordable Rentals
- Community Facilities
- Low Income Housing Tax Credits (LIHTC/HTC)
- Predevelopment Dollars
- Acquisition Finance
- Construction Loans
- Mini-Perm Loans



Ponce de Leon Apartments (Roanoke)



Bolling Wilson Hotel (Wytheville)



Craddock Terry Hotel (Lynchburg)

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Small Businesses – job creation

- Healthy Food Financing
- Tourism
- Solar & Energy Efficiency
- Working Capital
- Expansion Financing



J.R. Caskey, Inc. (Oilville)



Solar at University of Richmond



Fresh Food Lending

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Lending : Enhanced Quality Of Life



Piedmont Access to Health Services (PATHS), Danville

- Expanded Danville facility
- 40% of patients uninsured
- Established pediatric behavioral health services
- Expanded the center's pediatrics, pharmacy, OB/GYN
- Created 6 new jobs

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Advisory Services



Fresh Foods



Advisory Services

- Pre-development Consulting
- Financial Feasibility & Packaging
- Capital Financial Consulting
- Project Planning & Design
- Small Business & Fresh Food Consulting
- Tax Credit Strategies



Town of Glade Spring



Small Business Consulting

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Mission creates trusted relationships

- B-corps are social enterprises who have businesses organized for both profit and community benefit
- It is a legal structure declaring both goals – thus protecting the organization from law suits claiming that “maximizing shareholder wealth” is the only valid mandate for a corporation
- B-corps attract socially-conscious capital, often from local investors
- The B-corp movement is growing throughout the US and abroad
- B Financial Institutions: Benefit, Sunrise, New Resource, VCC, Spring Bank, Albina, Amalgamated, Capital Plus Financial, and City First

Mission helps when projects struggle

- Savoy – failed construction project in Norfolk, VA – a downtown revitalization area
 - *City of Norfolk brought \$625,000 to the defaulted project, giving the grant money to VCC to help get a new developer into the project*
- Local Grocery Store – struggling to stay open in a NMTC project
 - *Local EDA paying off the equipment loan for the operator*
 - *Local foundation paying one year of payments on the operating line while the store regroups*
- Failed Section 8 rehab multi-family rehab in Hopewell, VA
 - *City willing to donate extra land and issue a 10-year tax abatement for a qualified new developer who will take over the project*



THANK YOU!