

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

VCC
Virginia Community
Capital, Inc.
(nonprofit)

CCB
Community
Capital Bank of
Virginia
(for profit)

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



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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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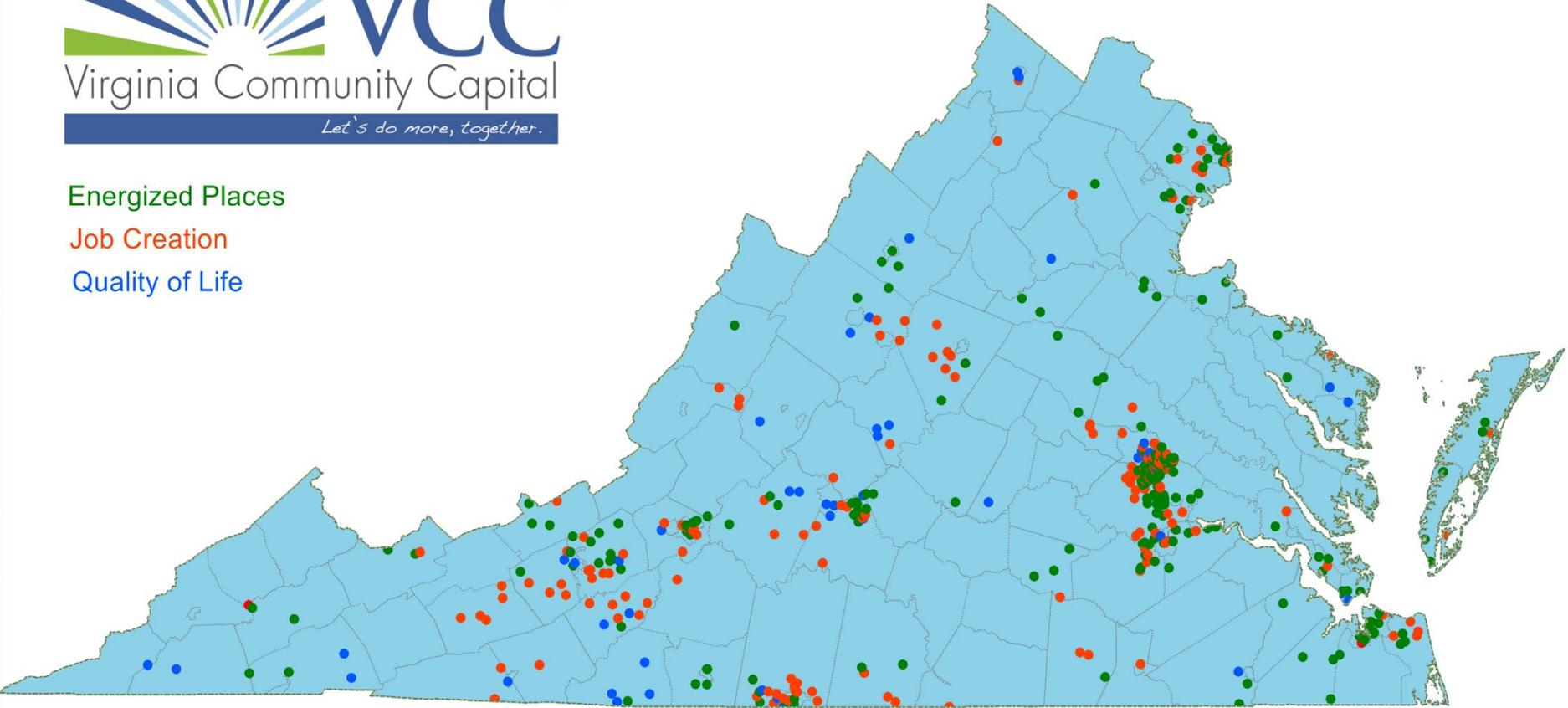
VCC'S Impact across Virginia



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

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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!

