

FOOTHILLS LAUNCH!

Expanding Small Business Access to Capital in the Isothermal Region

A USDA RDGB Enterprise Project



Executive Summary

Expanding Small Business Access to Capital in the Isothermal Region is a collaborative project between Isothermal Planning and Development Commission (IPDC) and Mountain BizWorks to increase CDFI small business lending and associated technical assistance activities in the Isothermal region. The project is supported by a \$153,500 USDA RDBG grant and joined by \$182,500 in local matching funds. This project will directly result in measurable rural business activity and economic outcomes including the following. Through this project, the partners also hope to clearly demonstrate the potential for a full-time CDFI regional office and to conduct outreach to key stakeholder groups.

12 new rural businesses funded	\$300,000+ new loans made	\$450,000 private investment leveraged	48 jobs created or retained	120+ entrepreneurs receiving training
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Duration: The project will begin with a 12-month focused effort and will work towards ongoing regional sustainability throughout.

About IPDC: Isothermal Planning and Development Commission (IPDC) is a unit of government of the State of North Carolina. The Council membership consists of the four Isothermal Region counties (Cleveland, McDowell, Polk, and Rutherford) and the 23 municipalities contained therein.

About Mountain BizWorks: Mountain BizWorks is a U.S. Treasury certified non-profit community development financial institution (CDFI). Since 1989, Mountain BizWorks has made business loans ranging from \$1,000 to \$250,000 to small businesses in Western North Carolina who may find it difficult to secure funding from banks and other traditional sources. What makes Mountain BizWorks unique is that all loan decisions and relationships are managed locally, and the organization’s work to ensure client success by offering highly customized, peer-to-peer business coaching by an extensive network of successful local business owners. This innovative blend of lending and learning helps entrepreneurs overcome obstacles, grow strategically, and create jobs.

Summary of Project Activities

The *Expanding Small Business Access to Capital in the Isothermal Region* project aims to help address a regionally identified economic development priority to expand access to capital and related technical assistance for small businesses and entrepreneurs.

1. **A new lending office hosted at IPDC:** MBW will maintain a central regional lending office throughout the project period at the IPDC facility in Rutherfordton.
2. **Residencies in each county:** Through experience, IPDC knows that providing access to critical resources in a manner that meets unique local needs requires strong on-the-ground

outreach and experience. As such, Mountain BizWorks will hold a month-long “residency office” in each of IPDC’s four counties. Similar to the “pop up shop” model, which is growing in popularity with regional small businesses, we will set up, market and staff a residency office to provide excellent visibility and access to MBW services.

3. **Increase CDFI lending operations in the Isothermal Region:** Mountain BizWorks senior lenders will visit Isothermal Region communities on a regular basis to hold loan consultations with potential borrowers and existing clients.
4. **Business coaching and technical assistance:** This project will leverage and extend existing Mountain BizWorks coaching and training offerings to the Isothermal Region. 4a) Develop and train a network of locally based business coaches: This will help MBW extend their highly effective peer-to-peer coaching program. 4b) Offer a pilot program of business classes filling regional entrepreneurial training gaps. *IPDC and Mountain BizWorks will take special care not to duplicate existing programs/resources and will work closely with local partners such as community college SBCs to coordinate and provide these activities.*
5. **Small business lending market development outreach and education:** The partners will conduct outreach to key public and private stakeholders across the region including but not limited to a) elected officials, b) county and town managers, c) economic development staff, d) commercial lenders, e) community colleges, f) university and higher education business faculty, g) small business networks (chambers, Main Street programs, etc.), and h) other relevant community organizations.
6. **Cultivate local loan capital base:** IPDC and Mountain BizWorks will begin to assess the potential for locally raised loan capital to support increased CDFI activity. Local individuals, corporations, foundations, and institutional partners are a key source of CDFI loan capital.
7. **Complete a strategic plan for potential full-time CDFI lending office:** IPDC and Mountain BizWorks will summarize findings from the project and develop a strategic plan for a full-time Isothermal Region CDFI lending office for Mountain BizWorks.

ANNOUNCING THE 1ST MOUNTAIN BIZWORKS POP-UP OFFICE

In Rutherfordton’s Woodrow Jones Building (146 N Main St). The office will typically be open Wednesdays and Thursdays (check the website for specific hours) **starting Dec. 5** and will include:

- **Start. Grow. Thrive. Lunch & Learn** on Dec. 13 for aspiring and existing area small businesses to learn more about our lending and learning services
- **Foundations Business Planning Course** starting Jan 9
- **Open “Office Hours”:** schedule your initial appointment with a lender or coach online
- **Pop-Up Coworking** on Thursdays starting in January! Stay tuned for more details.



Learn more about the project at: mountainbizworks.org/foothillslaunch