

Business ownership is one of the most important ways to build individual wealth, currently second only to home ownership. However, most entrepreneurs struggle with financing their business ideas or expansions.

The City of Columbia created a revolving loan fund to assist small and minority businesses. Through various financing structures, it has been able to provide financing to small businesses, while creating jobs, attracting private investment, and revitalizing commercial corridors. The City has done this through funding from HUD, EDA, and general fund dollars.

In this session, participants will learn: (1) some federal sources to capitalize revolving loan funds; (2) underwriting criteria that will ensure funds are repaid when required; (3) the specific structure of a few deals to demonstrate how private investment is attracted; (4) how job creation standards can be set and measured; and (5) how program income from these projects can be used to fund other initiatives or projects.