

# STATE SMALL BUSINESS CREDIT INITIATIVE 2.0

## REQUEST FOR INFORMATION

Cheryl P. Bostick  
SSBCI Grants Manager  
CDFI Coalition Meeting  
Tuesday, November 16, 2021



# VIRGINIA SSBCI 1.0

## U. S. DEPARTMENT OF TREASURY SSBCI 1.0

### Obama Administration

### Small Business Jobs Act of 2010

### \$1.5 Billion - Formula Based per Capita

- Capital Access Programs
- Loan Guaranty Programs
- Loan Participation Programs
- Collateral Support Programs
- Venture Capital Programs

### 2010 - 2017

	Program Type	Allocation	Percent Expended	Leverage Ratio	Estimated # of Jobs	
					to be created	to be retained
<b>Virginia CAP</b>	Capital Access	\$400,000	71.3%	33.25 x	1,419	1,133
<b>Cash Collateral</b>	Collateral Support	\$14,134,394	94.2%	4.47 x	817	1,098
<b>Economic Dev. Loan</b>	Loan Participation	\$500,000	100%	6.00 x	10	65
<b>CIT GAP</b>	Venture Capital	\$3,000,000	95.9%	14.95 x	718	235
<b>TOTAL</b>		<b>\$18,034,394</b>	<b>96.8%</b>	<b>6.59 x</b>	<b>2,964</b>	<b>2,531</b>

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1. Capital Access Program (CAP) - in which the borrower and state contribute to a bank's loan loss reserve account to provide additional coverage for losses in its loan portfolio.

2. Other Credit Support Programs (OCSP)

-Loan participation program (LPP) - including two subtypes that are economically the same but entail different structures and administration: (a) direct "companion" loans for transactions in which the state makes a direct loan that closes at the same time as a larger private sector loan in the transaction; or (b) loan participations, in which the state purchases a participation interest in a loan (the Participant) that has been made by the lender (the Lead Bank);

-Loan Guaranty Program (LGP) - in which the state guarantees a percentage of the bank's loss on a loan;

-Cash Collateral Program (CCP) - in which the state pledges cash to the bank as additional collateral to support a loan that does not meet all of the bank's credit criteria;

-Venture Capital Program (VCP) - in which investors provide capital by purchasing an ownership interest or providing subordinated debt to small businesses that typically do not participate in debt financing markets due to their business stage or structure.

# VIRGINIA SSBCI 2.0

- December 11, 2021: Initiate the Application for up to \$230,435,003 in formula based allocations
  - Authorized Entity - VSBFA
  - Contact
  - Legal Documentation
  - Amount Per Program
- February 11, 2021: Submit the Application
  - Program Design
  - Partnerships
  - Certifications
  - Support Documentation

**GUIDANCE RELEASED ON WEDNESDAY, NOVEMBER 10, 2021**

- March 31, 2022: Submit the Application for Technical Assistance

**GUIDANCE RELEASE DATE TO BE DETERMINED**



## U. S. DEPARTMENT OF TREASURY SSBCI 2.0

### *Biden Administration*

#### *American Rescue Plan Act March 11, 2021*

#### *\$10 Billion - Formula Based per Capita*

- *Capital Access Programs*
- *Other Credit Support Programs*
  - *Loan Guaranty Programs*
  - *Loan Participation Programs*
  - *Collateral Support Programs*
  - *Venture Capital Programs*

#### • *Technical Assistance*

**2021 - 2030**

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# VSBFA SSBCI 2.0 RFI – SURVEYMONKEY

- Request for Information (RFI) Review
  - Center for Innovative Technology (CIT)
  - Community Development Financial Institution (CDFI)
  - Virginia Bankers Association (VBA)
  - Small Business Development Center (SBDC)
  - Small Business Supplier Diversity (SBSD)
    - Senior Policy Advisor
    - VSBFA
      - Executive Director
      - Chief Credit Officer
- Survey Monkey
  - User Friendly
  - Data Analysis
- Background
  - SSBCI 1.0
  - SSBCI 2.0
- Purpose
- Goals and Questionnaire Disclaimer
- Q1-Q15: Organization/Contact Information
- Definitions (VSB, SEDI, Small Business)
- Q16-Q25: Interest and Ability to Deploy Funds
- Q26-Q41: Opinions and Recommendations
- Organization Details
- Q42-Q60: Capacity and Design for Technical Assistance



<https://www.surveymonkey.com/r/QD9GNYY>



# GUIDELINES AND POINTS OF INFORMATION

- RFI Survey Link: <https://www.surveymonkey.com/r/OD9GNYY>
- Sixty (60) Questions - All Questions are Not Required
- Check All Options That Apply – Click “OK” When Done Making Selections
- Use “N/A” As Needed
- Additional Information/Supporting Documentation – [VSBFA@SBSD.VIRGINIA.GOV](mailto:VSBFA@SBSD.VIRGINIA.GOV)
  - Use Subject: **VASSBCI2.0-RFI-CompanyName**  
**VASSBCI2.0-RFI-VirginiaSmallBusinessFinancingAuthority**
  - Freedom of Information Act provision
- Reference: <https://home.treasury.gov/policy-issues/small-business-programs/state-small-business-credit-initiative-ssbci>
- Responses Preferred by **Monday, November 22, 2021**
- Survey Closes on **Tuesday, November 30, 2021**



**EMAIL ADDRESS:** [CHERYL.BOSTICK@SBSD.VIRGINIA.GOV](mailto:CHERYL.BOSTICK@SBSD.VIRGINIA.GOV)

**MAILING ADDRESS:** P.O. BOX 446, RICHMOND, VA 23218-0446

**PHYSICAL ADDRESS:** JAMES MONROE BUILDING  
101 NORTH 14TH STREET, 11<sup>TH</sup> FLOOR  
RICHMOND, VA 23219-0446

**DIRECT PHONE:** (804) 371-0657

**WEBSITE:** [WWW.SBSD.VIRGINIA.GOV/VIRGINIA-SMALL-BUSINESS-FINANCING-AUTHORITY](http://WWW.SBSD.VIRGINIA.GOV/VIRGINIA-SMALL-BUSINESS-FINANCING-AUTHORITY)

VSBEA is a Division of the Virginia Department of Small Business and Supplier Diversity

