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Appalachian Community Capital Awards \$3.56 Million in Grants to Regional Community Development Finance Lenders

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Grants Will Extend Lending Capacity to Appalachia's Small Businesses & Non-Profits Impacted by the COVID-19 Crisis

Christiansburg, Virginia - Appalachian Community Capital (ACC) today awarded \$3.56 million in grants under an Emergency Business Response Assistance Program to strengthen and stabilize 31 Regional Community Development Financial Institutions (CDFIs) and other mission-driven community development finance lenders, such as Revolving Loan Funds (RLFs), serving small businesses impacted by COVID-19 related losses.

“At a time when Appalachia—like the rest of the country-- is addressing the challenges of both a health and economic crisis, I'm grateful to ARC for its continued leadership in supporting small businesses and community development finance lenders,” said Donna Gambrell, ACC President and CEO. “The grants are a significant boost in helping these lenders stabilize their operations and assist their small business clients during the COVID-19 emergency and once the Region emerges from this crisis.”

With support from the Appalachian Regional Commission (ARC), the program will help designated community-based lenders cover operational costs and offset some of the income they are losing by suspending, or reducing, payments from their borrowers during the COVID-19 crisis. Eligible uses of funding will consist of operational support and direct technical assistance to Appalachian small business and non-profit borrowers.

“CDFIs and similar institutions serve a critical role in the Appalachian Region, especially during the current situation when quick access to operating capital can mean jobs and businesses are saved,” said ARC Federal Co-Chairman Tim Thomas. “ARC is proud to work with ACC to fund these

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grants, and will continue to work to ensure job-creators in Appalachia can access the short-term capital they need.”

“The Appalachian Regional Commission is committed to helping businesses and financial institutions throughout the region during this economic crisis. By strengthening our Community Development Financial Institutions, we’re ensuring they can continue to support our small businesses with access to capital, which is incredibly important during this difficult time,” said Mike DeWine, Ohio Governor and ARC States’ Co-Chair.

It is anticipated that recipients will serve 400 businesses and organizations and improve at least 200 companies; \$15 million in leveraged private investment will be attracted; and 200 jobs will be retained across the Appalachian Region. ACC, in collaboration with Rural Support Partners, will administer the program, supervise progress, and monitor implementation.

The 31 grant recipients serve ARC-designated counties in the following states:

4-C Economic Development Authority/New River Gorge (WVA)

Access to Capital for Entrepreneurs (GA)

Alternatives Federal Credit Union (NY)

Appalachian Development Corporation (SC)

Appalachian Growth Capital (OH)

Bridgeway Capital (PA)

Carolina Small Business Development Fund (NC)

Center for Rural Health Development DC (WVA)

Chautauqua County IDA (NY)

Community Ventures Corporation (KY)

Community Works (SC)

Fahe (KY TN, WV, VA, AL, and MD)

Finance Fund Capital Corporation (OH)

Foundation for Appalachian Kentucky(KY)

Kentucky Highlands Investment Corporation (KY)

Lift Fund (TX, AL, GA, KY, MS, SC, and TN)

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Mountain Association. for Community Economic Development (KY)

Mountain Bizworks (NC)

Natural Capital Investment Fund (WV, NC, KY, MD, OH, SC, TN, VA, and GA)

Pathway Lending (TN and AL)

People Incorporated Financial Services (VA)

Piedmont Business Capital (NC)

Regional Energy Development Corporation (NY)

Sabre Finance (AL)

South Carolina Community Loan Fund (SC)

Southeast Kentucky Economic Development (KY)

Three Rivers Planning and Development District (MS)

Valdese Economic Development Corp (NC)

Virginia Community Capital (VA)

Woodlands Community Lenders (WVA)

Wyoming County EDA (WVA)

About Appalachian Community Capital

Appalachian Community Capital (ACC) is a CDFI lending intermediary created to raise capital for its 22 member CDFIs, which in turn, fund small businesses and entrepreneurs in underserved areas in Appalachia. The members, many of whom have been operating for more than 20 years, and their affiliates manage over \$1 billion in assets supporting economic development in Appalachia.

About Rural Support Partners

Rural Support Partners is a mission-focused management consulting firm based in Asheville, NC. RSP works to expand the impact of community economic development and philanthropy across Central Appalachia while innovating the field of rural development globally.

About the Appalachian Regional Commission

The Appalachian Regional Commission is an economic development agency of the federal government and 13 state governments focusing on 420 counties across the Appalachian Region. ARC's mission is to innovate, partner, and invest to build community capacity and strengthen

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economic growth in Appalachia to help the Region achieve socioeconomic parity with the nation.

As of June 9th, 9:30 am (ET), there were 68,860 confirmed COVID-19 cases in 414 Appalachian counties. ARC is working closely with many regional and national partners assisting Appalachian communities as they address the economic impacts of the current crisis. More information and resources are available at arc.gov/coronavirus.

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