



Commonwealth of Virginia *Office of Governor Terry McAuliffe*

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Governor McAuliffe Announces Virginia Small Business Financing Authority Receives An Additional \$5.9 Million from U.S. Treasury to Assist Small Businesses

Virginia will use funds to help increase private lending and investment in small businesses located in the Commonwealth by partnering with Virginia's banks.

RICHMOND - Governor Terry McAuliffe announced today that the Virginia Small Business Financing Authority (VSBFA) has secured an additional \$5.9 million to help finance Virginia's small businesses through a second disbursement from the U.S. Treasury Department's State Small Business Credit Initiative (SSBCI).

These SSBCI funds will support Virginia's programs which are designed to help banks lend more to small businesses. Popular programs such as the VSBFA's Cash Collateral Program, Capital Access Program, Economic Development Loan Fund, and the Loan Participation Program will be available to more businesses as a result of this funding. In addition, the VSBFA will use some of the funds to partner with Virginia's Center for Innovative Technology (CIT) to enhance CIT's GAP Fund which is designed to assist Virginia entrepreneurs in Virginia-based technology, clean tech and life science companies.

Speaking about today's announcement, Governor McAuliffe said, "Supporting and growing Virginia's small businesses is at the heart of my vision for growing and diversifying Virginia's economy. I am pleased that Virginia's success in assisting small businesses has been recognized by the U.S. Treasury and that Virginia has been rewarded by the receipt of these additional funds to be used to grow this critical segment of our economy. With the help of Virginia's banks and private equity investors, we hope to leverage these funds to generate millions more in private sector dollars for Virginia's economy."

Through the fiscal year to date, the VSBFA has helped Virginia's banks lend over \$16 million to 98 businesses which have created 357 new jobs and retained 413 existing jobs for a total of 770 jobs in the Commonwealth.

Secretary of Commerce and Trade, Maurice Jones, added, "Virginia's small businesses and entrepreneurs are a vital part of Virginia's economy. The VSBFA's successful deployment of these funds, the additional investment by our banks, and the job creation provided by small businesses as a result, demonstrates that Virginia's economy and its businesses remain dynamic and is one of the reasons why Virginia is the best state for business."

"Small businesses have been able to expand and hire new workers as a result the successful partnership between Treasury's State Small Business Credit Initiative and the Commonwealth of Virginia," said Cliff Kellogg, the Director of the State Small Business Credit Initiative.

"These funds will build on that success by providing local entrepreneurs and small business owners greater access to new sources of capital to help create jobs and promote growth among Virginia's small businesses."

About the Virginia Small Business Financing Authority and Virginia's Center for Innovative Technology

The VSBFA was created in 1984 and is an important tool in providing the necessary capital to help the Commonwealth's small business sector grow. Created in 1985, CIT, a non-profit corporation, plugs gaps at the earliest stages of the Innovation Continuum – commercialization and seed funding – as it helps entrepreneurs launch and grow high-growth technology companies and create high-paying jobs for the future. More information about the VSBFA and CIT can be found on their respective websites. For VSBFA: <http://www.vabankers.org/VSBFA.aspx> . For CIT: <http://www.cit.org>.

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