

## Press Release

Economic Development Administration (EDA) Awards \$300K to Support Central Virginia Founders and Investors Through Diversify-Connect-Fund Program

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Charlottesville, VA: The U.S. Economic Development Administration (EDA) announced on October 5th the award of a \$299,871 grant to Venture Central, a nonprofit dedicated to serving the entrepreneurial community in Central Virginia, as part of the 2022 [“Build to Scale” program](#). The funds will be used to support the new Diversify-Connect-Fund project, which will launch in Spring 2023.

The [Diversify-Connect-Fund \(DCF\) project](#) will engage participants interested in angel investing, connect local startups to funders outside the region, and structure a fund. Improving outcomes for underrepresented investors and startup founders will be a focus of the project. By creating access to networks that have traditionally been difficult or impossible for outsiders to navigate, this program will have an outsized impact and lead to more equitable economic development.

“This program represents a huge win for Central Virginia’s entrepreneurial ecosystem,” said Venture Central Board Chair and Relish CEO Sarah Rumbaugh, “It is a solid representation of Venture Central’s mission of serving and strengthening our entrepreneurial community by building and bridging connections, programs, funding, and spaces.”

The program is possible due to in-kind support from several key organizations in the local ecosystem:

[Central Virginia Small Business Development Center](#)

[Ritter Law PLLC](#)

[QDS Capital](#)

[UVA Licensing and Venture Group Seed Fund](#)

Individuals interested in getting involved in the DCF project should reach out to Venture Central at [info@venturecentralva.com](mailto:info@venturecentralva.com) and monitor Venture Central’s [website](#) for more information.

EDA Award Page for Venture Central:

<https://eda.gov/oie/buildtoscale/capital/2022/Venture-Central.htm>

The Diversify-Connect-Fund (DCF) project will bolster the entrepreneurial ecosystem in Greater Charlottesville. While the region has significant strengths, two significant barriers stand in the way of a vibrant regional economy: 1) inclusive participation in the startup ecosystem and 2) funding to support companies as they begin to scale.

The DCF project will systematically address these issues by engaging participants interested in angel investing, connecting startups to funders outside the region, and structuring a fund. Improving outcomes for underrepresented investors and startup founders will be a focus of this project. Creating access to networks that have traditionally been difficult or impossible for outsiders to navigate will have an outsized impact and lead to more equitable economic development.

The DCF project has three phases: 1) creation of an “angel academy” program to train investors and diversify investment networks; 2) a “capital connection” framework to link local startups to funders; and 3) an assessment of the best fund structure to sustain investments in Charlottesville’s growing technology sector. These efforts will lead to a greater number of local investors, over \$40 million in additional funding for local startups, and lay the foundation for a sustainable long-term solution. By bringing more players to the table, particularly those with diverse backgrounds and perspectives, this project aims to strengthen the entire ecosystem and promote the long-term success of regional innovation in Central Virginia.

[EDA Press Release: U.S. DEPARTMENT OF COMMERCE ANNOUNCES 51 “BUILD TO SCALE” GRANTS TOTALING \\$47 MILLION TO FUEL INNOVATION AND TECH-BASED ECONOMIC DEVELOPMENT.](#)

WASHINGTON – Today, U.S. Secretary of Commerce Gina Raimondo announced that the Department’s Economic Development Administration (EDA) is awarding 51 “Build to Scale” grants – totaling \$47 million – to organizations that support technology entrepreneurs, catalyze innovation and fuel economic growth.

EDA’s “Build to Scale” program provides annual grants that aim to accelerate technology entrepreneurship by increasing inclusive access to entrepreneurial support and startup capital. The 2022 awardees will leverage an additional \$48 million in matching funds from a variety of private and public sector sources. These EDA investments support advanced manufacturing, bioscience, clean energy and blue economy clusters in regions throughout the United States.

"Strengthening technology ecosystems are a critical key to the Biden Administration's efforts to build a stronger America," said **Secretary of Commerce Gina Raimondo**. "Innovation and entrepreneurship have long been keys to American success and will continue to strengthen our collective economic and national security, as well as individual prosperity and well-being."

"EDA is proud to partner with this year's 'Build to Scale' grantees as they invest in entrepreneurs and create equitable access to capital in their communities," said **Assistant Secretary of Commerce for Economic Development Alejandra Y. Castillo**. "These projects will give the next generation of industry-leading companies a seminal boost that will result in job creation and private investment – potentially transforming a regional economy and creating economic opportunity beyond what we can foresee."

The 2022 Build to Scale program was comprised of two competitions--the Venture Challenge and the Capital Challenge. The Venture Challenge supports programs that enable high-growth technology entrepreneurship and foster inclusive access to proven entrepreneurship support models. The Capital Challenge increases access to capital in communities where risk capital is in short supply by providing operational support for early-stage investment funds, networks, and training programs that focus on both traditional and hybrid equity-based financing.