

The Opportunity Center

Information & FAQ Sheet



The Opportunity Center, a partnership of four South Carolina nonprofit organizations, is a unique collaboration focused on impacting low-wealth communities of the Tri-County. This innovative space will provide workforce development, small business incubators, and coworking spaces benefiting entrepreneurs and start-ups, while maintaining offices of local non-profits actively working in the community and economic development sector.

Key among the programs provided, a unique and critical component of The Opportunity Center is the business incubator program known as the Business Success Center. Defined as an entrepreneurial ecosystem builder, this program will focus on helping small business owners and entrepreneurs establish, grow, and sustain their operations—especially for communities of color. Historically, entrepreneurs of color have faced challenges establishing, growing, and sustaining their enterprises for a variety of reasons, including lack of access to affordable capital, accessing key markets, navigating regulations, and accessing networks that have historically helped white-owned businesses to prosper. At the end of 2019, just 11.9% of persons of color in South Carolina owned a business compared to 20% of the white population.

Compounding the issue is the fact that COVID19 has caused record-setting numbers of small businesses to close, with many studies pointing to a disproportionate number of those businesses being owned by people of color. A recent study cited by the Washington Post (May 25, 2020) indicated that “African American Business owners plummeted by 40 percent as the coronavirus shut down the economy...a much steeper drop than any other ethnic group.”

As an entrepreneurship ecosystem builder of communities of color, the Opportunity Center will have four primary purposes:

1. The Opportunity Center will be representative of the community where the ecosystem building work is being done.
2. The Opportunity Center will maintain real estate (the building) in which programs are conducted where co-working, networking, and relationship building can be facilitated and serve as a positive symbol to the community.
3. The Opportunity Center can both provide and connect entrepreneurs to capital.
4. The Opportunity Center will serve as a relationship facilitator and network builder both within the community of color and as a bridge to the broader business ecosystem in the area.

Additionally, the business incubator collaborative will provide flexible space for entrepreneurs, solopreneurs and remote employees. Upon its completion, the facility will help create 45 jobs and attract nearly \$4 million in private investment.

The four partners, who bring a combined experience of 75 years of working in community economic development, financial literacy and training, and small business development, include Increasing H.O.P.E., the Center for Heirs Property Preservation, and the S.C. Association for Community Economic Development, all located in North Charleston, and Homes of Hope located in Greenville.

In addition to helping operate the Center, the three partners headquartered in North Charleston will move their offices and staff to the newly remodeled facility. As co-owners of the building, a venture which makes each more financially sustainable, each will not only cut costs, but also generate revenue in support of their individual missions and goals.

Facility Renovation and Upgrades - \$8.0 million

Buoyed by a \$2.7 million grant awarded from the Economic Development Administration (EDA) to Homes of Hope, Inc. in May 2019, a former 31,250 square-foot furniture store in North Charleston will be renovated to become The Opportunity Center. In addition to the \$2.7 million EDA grant, the Coastal Community Foundation (CCF) has provided an \$800,000 equity investment from CCF's Place-Based Impact Investing fund. Other partners to date include Wells Fargo and Truist Bank who each invested \$100,000. The group is currently working on securing additional investments and donations of \$1 million to fully complete the project.

The location was strategically chosen for several reasons. It's large enough to house multiple organizations and functions, and it's located in an area that has both demonstrated a need for business development and has seen some success at transitioning into a business corridor.

Renovations began in early January 2021 with hopes of completing renovations and start moving into the facility by Fall 2021.

Frequently Asked Questions

Q: Where are we in the process? How much have we raised?

A: To date, \$6.95 million has been committed to the project. We are currently engaged in a major gift initiative to raise the additional \$1.05 million needed. A 1:3 matching gift of \$250,000 has been offered if the partners are able to raise the additional \$750,000.

The major gift initiative will seek to share the campaign's plans with our most generous and closest community leaders, friends, and donors – those who could potentially support the campaign with a lead or major gift. It is our hope to secure the \$750,000 needed to elicit the matching gift and complete our fundraising by the end of November 2021.

Q: Who are the partners?

A: The four partner organizations and their missions are:

Through its network of members and partner organizations, **South Carolina Association for Community Economic Development** strives to improve the quality of life for low-wealth families and communities by advancing community economic development and public policy in South Carolina. SCACED has a network of over 150 nonprofit community economic development organizations, financial institutions, local, state, and federal governmental leaders, philanthropic executives, and corporate influencers that play a vital role in advancing community economic development in South Carolina and the Southeast.

Increasing H.O.P.E (Helping Other Prosper Economically) operates as a one-stop educational resource, providing integrated services to help families, individuals, and entrepreneurs achieve financial stability and build assets. Increasing H.O.P.E. helps families of modest income reverse the cycle of debt and build wealth through investing, home ownership, and the start of successful small businesses by providing a series of programs that address both the mechanics of saving and investing and the psychological transformation required to do so. Founded and led by a financial executive with a heart for service to others, Increasing H.O.P.E. offers a guide to climbing the ladder of success, even on a modest income.

Center for Heirs Property Preservation protects heirs' property and promotes its sustainable use to provide increased economic benefit to historically under-served families. Heirs' property is land that is owned by two or more people, usually through a common ancestor who has died without leaving a will. It is the leading cause of involuntary land loss among African Americans.

Homes of Hope, Inc. exists to rebuild lives through housing, economic, and workforce development. Providing safe, affordable, and energy-efficient housing for low-to-moderate income families and individuals, Homes of Hope aims to meet the affordable housing needs of South Carolina families. Additionally, Homes of Hope provides workforce development training in construction for men overcoming addictions. And, once an individual or family becomes a part of its program, Homes of Hope strives diligently to connect them to resources leading to their economic mobility.

Q: How does the Center align with each of the partners' mission and strategic plan?

A: The Opportunity Center is fully supported by each of the partners' mission and strategic plan. If The Opportunity Center did nothing else, it will provide needed fiscal sustainability through shared operational costs and enhanced revenue. The partnership will allow each organization to not only reduce

operating costs, but also increase revenue to their individual programs; allowing them to increase services and better assist those they serve.

Fortunately, this partnership will not only provide fiscal sustainability to each partner, it will do so much more. Most exciting is the potential for collaboration in providing *wrap-around* services for those communities and individuals where two or more of the partners overlap in service. By having multiple organizations bring their headquarters into one facility, we can multiply our impact in the community. Each of the partners works to improve conditions for low-income and low-wealth communities, communities of color, and low resource communities. The ability to collaborate and better serve our shared constituency is will allow each organization to make a much more significant impact than it could on its own.

Q: Is the campaign/building approved?

A: Yes. The partners have approved the scope of the project, acquired the facility, and are excited to be moving forward together in partnership with renovations. The developer received approval from the EDA in late 2020 and renovations will be completed in Fall 2021.

Q: How will this impact programming and future fundraising efforts?

A: Studies have shown that a capital campaign can have a positive impact on future fundraising efforts, as well as increase support for annual giving. Campaigns provide a sense of community and excitement as community leaders, donors, and community come together to invest in the success of the Lowcountry. Campaigns that focus on facilities or capital improvements reflect community success and growth. All of these are positive indicators that directly influence future giving.

In addition to completing the new facility, the campaign can help grow operational and sustainable revenue through community outreach and increased fundraising.

Q: Will there be debt?

A: Just over \$4 million of the cost is funded by debt that is underwritten by each of the partners and supported by revenue generated through The Opportunity Center's programs. This debt includes the \$800,000 equity investment made by the Coastal Community Foundation. The remaining \$3.95 million will be funded by grants and donations.

Q: When do you expect to start renovation?

A: Renovations on The Opportunity Center began in early January 2021. We anticipate completion and occupancy of the facility by Fall 2021.

Q: Should we continue our annual support for the partnering organizations? If so, how much?

A: Yes, we absolutely want donors to maintain a high level of support for each of the four partnering organizations. Directing annual gifts to the campaign will only create an immediate fiscal hardship on the organization. Campaign gifts are above and beyond your usual annual level of support.

Questions?

If you have questions or would like to learn more about how you can be involved with The Opportunity Center campaign, please contact:

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