



### Purpose

The VCA is a venture capital funding program designed to fill a gap in private capital markets and provide seed and early stage capital investments in Colorado companies with the potential for rapidly scaling their businesses. The managing partners, HCV & GCVF, have the final decision-making authority as to whether to invest in such business.

### Program Description

- This venture capital program provides funding for seed or early-stage investments in qualified businesses or qualified rural businesses.
- 50% of the funding is available to statewide businesses; 25% to rural businesses and 25% to businesses in distressed urban communities.
- The managing partner reviews funding deals and makes investments in selected businesses throughout Colorado. Businesses can be funded by using debt, equity, or debt with a conversion option into equity.
- Fund I is no longer making investments & Fund II is almost completely deployed
- The State's third fund is called Greater Colorado Venture Fund, or GCVF, which makes 100% of its investments into rural businesses

### Requirements (as defined by the Colorado VCA statute, policies and procedures)

Businesses must meet certain eligibility requirements to receive VCA funding, including the following:

- The business must be headquartered and have principal business operations in Colorado
- The business must be a small business concern as described in the small business size regulations of the SBA
- The business must not be predominantly engaged in:
  - Professional services provided by accountants, doctors, or lawyers
  - Banking or lending
  - Real estate development
  - Insurance
  - Oil and gas explorations
  - Direct gambling activities
- The businesses must be able to supply all the information and certifications requested by the managing partner needed to comply with the VCA statute, limited partnership agreement, policies and procedures.

### Terms

- The funding parameters are negotiable between the managing partner and the business.
- The funding range by the managing partner is generally between \$250,000 and \$3,375,000 for Fund I & Fund II
- The managing partner targets an individual investment size between \$500,000 and \$2,000,000 for Fund I & Fund II
- The funding range for GCVF is generally between \$100,000 and \$350,000
- The managing partner may partner with other funding institutions if needed (such as banks, OEDIT, Business Loan Funds and/or other venture capital funds).

### Application Process

Initially a business should contact GCVF, the managing partner, to inquire about submitting its information for consideration. GCVF can be reached at [partners@greatercolorado.vc](mailto:partners@greatercolorado.vc).

The managing partner will then review the information submitted and decide if it will proceed with further analysis of the business. If the managing partner is interested in making an investment in the business, it will submit information to OEDIT for a compliance review.

Learn more at <https://choosecolorado.com/doing-business/incentives-financing/venture-capital-authority-vca/>