What is Hula?
Hula is a coworking space, business incubator, and venture capital fund focused on elevating Vermont-based technology startups and entrepreneurs. By taking a multi-pronged approach to economic development, Hula aims to grow the Burlington startup ecosystem with a technology focus to benefit the entire state. Hula’s values are guided by a deep love and respect for Vermont and wanting to support its growth sustainably.

The Fund at Hula is Hula's venture capital firm. The Fund at Hula invests in early-stage technology companies to encourage and enable startups to scale and employ within the state of Vermont. The fund primarily makes seed, Series A, and early-stage venture investments across sectors including green technology, medical technology, artificial intelligence, and software-as-a-service. Over three years of active investing, the fund has supported over 20 Vermont-based startups, participating in 90 deals across these companies, with check sizes ranging from $50,000 to $5,000,000.

Hula was founded in 2019 by Burlington-based entrepreneurs Russ and Roxanne Scully. The Fund at Hula is operated by Robert Lair, CEO and General Partner; Tim Wall, General Partner; Cassidy Petit, Manager; and Hannah Arafeh, Associate.

What is VCF at Hula?
VCF at Hula is a venture capital fund launched in August 2022 with a vision to foster innovation and economic development in Vermont by supporting early-stage, Vermont-based technology startups that have a positive impact in Vermont and the world. The fund is a partnership between Hula (the fund’s general partner) and the Vermont Community Foundation (the fund’s only limited partner).

What is a venture capital fund?
A venture capital fund is a pool of money dedicated for investments in early-stage companies often in exchange for equity stakes in those companies. A general partner is the manager of the fund responsible for sourcing and placing investments, and coordinating the operational, accounting, and legal aspects of the fund. Limited partners provide capital to grow the fund.
Why did the Community Foundation create VCF at Hula?
A strong entrepreneurial ecosystem is a critical component to fostering community economic resilience and job growth in Vermont, both of which are key to closing the opportunity gap—the divide that leaves too many Vermonter struggling to build bright futures no matter how hard they work. VCF at Hula provides fundholders at the Vermont Community Foundation with an opportunity to see charitable assets invested directly in growth-stage, Vermont-based companies in ways not allowed by grantmaking, which is specific to nonprofit organizations. At the same time, it tightens the connection between those enterprises and the advancement of economic and community development in the state we serve. Investment returns from VCF at Hula go back into the charitable funds that participate, increasing grantmaking capacity to drive greater community impact across the state. As part of the Vermont Investments Portfolio, VCF at Hula builds on the Community Foundation’s commitment that no less than five percent of pooled assets go towards place-based, mission investments. VCF at Hula is another tool for fundholders at the Community Foundation to create impact with their philanthropic assets.

Why has the Vermont Community Foundation partnered with Hula?
The Vermont Community Foundation chose to partner with Hula based on its extensive network of capital providers and entrepreneurs, experience managing a successful venture capital firm, shared values of growing the Vermont economy and creating more opportunity for Vermonter, and vision of building a world-class technology and entrepreneurial hub in Vermont. The partnership with Hula provides the Community Foundation with a turnkey solution for investing philanthropic assets in Vermont’s economic future, with the staff and expertise to ensure the fund is successful.

What will VCF at Hula invest in?
VCF at Hula will make seed and early-stage investments in Vermont-based startups, mainly in the technology space. Investments will prioritize companies generating venture returns, creating jobs in Vermont, advancing economic development, and those making positive disruption in their respective industries. For example, the fund has made its first investment in CoreMap, which has developed a technology to allow physicians to visualize atrial fibrillation (an irregular and often rapid heart rhythm) and create better treatment options for their patients.

How does VCF at Hula work?
VCF at Hula will invest alongside Hula’s existing venture capital portfolios. As the general partner of VCF at Hula, Hula will source, analyze, and make the final decision on investments that align with the priorities of VCF at Hula—creating jobs and wealth, fostering innovation and resilience, and strengthening Vermont.

How large is VCF at Hula?
VCF at Hula will be capped at $3 million and is open to additional elective participation through December 15, 2023.

How can I get involved with VCF at Hula?
Interested participants can invest in VCF at Hula by opening a Social Impact Charitable Advised Fund or making a gift to the Vermont Community Foundation’s Vermont Investment Portfolio with a minimum charitable investment of $100,000. Fees for participation cover administrative and management costs and are based on total contributions.

Interested in connecting with a philanthropic advisor to discuss the opportunity in greater detail? Want a digital copy of this FAQ? Scan the QR code or reach out to the Philanthropy team at philanthropy@vermontcf.org or 802-383-3355 opt. 5.