

INVESTMENT CONNECTION

Community Development Investment & Lending Partnership

FEDERAL RESERVE BANK OF RICHMOND

Richmond | Baltimore | Charlotte

Investment Connection Online Proposal

This proposal is one of numerous submissions housed in the applicant portal.
After reviewing, please visit the portal for more ideas (applicants) and opportunities (funders).

Access to Capital for Entrepreneurs (ACE)

Primary Contact	Shymaine Davis
Title	Director, Raymond Haysbert Entrepreneurial Center
Email Address	sdavis@gbul.org
Phone	410-523-8150
Name of organization	Greater Baltimore Urban League
Mission statement	The mission of the Greater Baltimore Urban League movement is to enable African Americans and other minorities to secure economic self-reliance, parity, power and civil rights.
Overview of organization	Every GBUL program aims to remove barriers and foster success. In 2017, the Raymond V. Haysbert, Sr. Center for Entrepreneurship provided workshops to 532 clients to break down complex business processes into actionable steps. Also at no cost, Haysbert Center clients can access business consultants for one-on-one guidance. GBUL's flagship youth program, the Saturday Leadership Program (SLP) convenes monthly at Baltimore colleges and serves 120 students grades 8-12. SLP brings youth to network with their peers, interact closely with African American role models from GBUL's Young Professionals Auxiliary, learn about notable African American Baltimoreans, build skills with demonstrated impact on college and career readiness, and become familiar with the college campus. In October 2018, GBUL launched Work Ready Maryland, a workforce development program serving 25 high school students aged 16-21 from Excel Academy, an alternative Baltimore City high school. Providing wrap-around supports, soft skills training, academic supports, and job or apprenticeship placement and coaching, the program employs evidence-based strategies supporting the effective transition to career post high school.
Website	www.gbul.org
State where proposal is located	Maryland
Proposal title	Access to Capital for Entrepreneurs (ACE)
Support request	<ul style="list-style-type: none">Investment/Grant
Requested amount	\$150,000

Federal Reserve Bank of Richmond
Investment Connection Online Proposal

Other significant partners in the proposal	<ul style="list-style-type: none"> ▪ Baltimore Corp (Kiva) ▪ Baltimore Community Lending ▪ Wells Fargo ▪ Bank of America ▪ BB & T ▪ PNC Bank ▪ TD Charitable ▪ Small Business Administration ▪ Mayor's Office of Women and Minority Owned Businesses ▪ Enoch Pratt Library
Proposal narrative	<p>The ACE project will provide 8-10 comprehensive workshops and one-on-one business development counseling strategies to at least 40 participants. In addition to collecting basic socio-demographic characteristics to include personal and business name, address, e-mail, type of business, the workshops will administer pre-test questionnaires to evaluate business knowledge base questions, and attitudinal questions which will constitute the intake data collection form. Post-test questionnaires will be administered to measure improvements in knowledge.</p> <p>Of the 40 applicants, the ACE project expects to administer the pre- and post-test questionnaire to at least 30 participants for all the 10 workshops of whom 20 will have successfully completed at least half of the 8-10 workshops.</p> <p>Key Project Activities: A timeline for program and evaluation activities for the first year is available.</p> <p>The 2-hour workshop will be free and will cover sessions on 1. Developing a business idea and writing a business plan; 2. Identifying a market and reaching customers/clients; 3. Obtaining proper licenses and permits, and complying with tax requirements; 4. Business Financing I: Financial needs for business and managing finances; 5. Business Financing II. What do lenders look for and how to assess your situation; 6. Business Finance III. Understanding debt financing basics, and the most appropriate finance sources; 7. Business Financing IV. Requirements of Financial Institutions and compilation of documents; 8. Legal rights and avoiding common legal issues; 9. Business and Ethics; 10. Developing and Exit Plan.</p> <p>The ACE project anticipates that all the 40 workshop participants will initiate the one-on-one counseling to start a new business or grow/consolidate their current business since the 2016-2018 GBUL report showed that in the 3-year period, 72 entrepreneurs sought counseling for their business which was in existence or at infancy.</p>
Issues addressed	<ul style="list-style-type: none"> ▪ Asset Building / Financial Access, Capability and Empowerment
Geographic impact	<ul style="list-style-type: none"> ▪ City-wide
Population served	<p>The majority of adults have been chronically unemployed for so many years that they are no longer in the labor force (American Community Survey, 2018, https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk). Specifically, zip codes (21205, 21223, 21202, 21217, 21213, 21216, 21201, 21215, 21230, and 21218) with high unemployment, increasing numbers in homelessness,</p>

Federal Reserve Bank of Richmond

Investment Connection Online Proposal

	<p>individuals aging out of the foster care system, individuals who have completed substance abuse treatment programs, individuals who are in or will be released from incarcerated settings, and individuals who have incomes that are near or below of the federal poverty line have witnessed recent decline in health and well-being. Furthermore, while the number and types of jobs offering a living wage may be increasing in Baltimore s technology, creative and financial centers, far too many of the city s poor and formerly middle-class find a roadblock to the on-ramp for these careers based on inadequate skill-sets or criminal backgrounds often amassed during their youth for charges that now (due to recent legislation) would no longer be deem arrestable offenses. And while many families in East and West Baltimore benefit from some modest level of financial subsidy or government resource such as SSI, Disability, TANF or Food Stamps, many more are ineligible for any such assistance.</p>
<p>Population income</p>	<p>Low and Moderate Income census tract data for its Haysbert Center for Entrepreneurship</p> <p>MEDIAN HOUSEHOLD INCOME (CENSUS TRACT) PERCENT</p> <ul style="list-style-type: none"> ▪ Less than \$28,471 (below 30%) 3% ▪ \$28,471-\$47,450 (below 50%) 10% ▪ \$47,451-\$74,320 (below 80%) 54% ▪ \$74,321-\$94,900 (100%) 17% ▪ More than \$94,901 (Above 100%) 17% <p>During the 2018-19 year, 3% of Haysbert Center for Entrepreneurship clients lived in high poverty neighborhoods where the median household income stands at less than 30% of the Baltimore PMSA median income of \$94,900.</p>
<p>Anticipated outcomes or impact</p>	<p>Two major outcomes based constructs are planned to be gathered for this project.</p> <p>The operational definition for each of the key outcomes are as follows:</p> <ol style="list-style-type: none"> 1. At the end of first year of project period, measure changes in knowledge between pre- and post- workshops. Once funding for the ACE project has been achieved, the project team (Director and Data Analyst, Evaluator, Workshop Instructor) will meet to discuss each of the planned workshops and the expected knowledge to be gained during each of the two hour sessions. True/False, sequencing of business development steps, and mix/match metric will be designed to measure changes in knowledge based outcomes. 2. At the end of the 1st year project period, measure: <ol style="list-style-type: none"> A. Number and Type of successful businesses created as a result of the workshop and/or counseling B. Total and Average Amount of Funding received to create the business C. Number and Type of successful businesses consolidated as a result of the workshop and/or counseling D. Total and Average Amount of Funding received to consolidate the business

Federal Reserve Bank of Richmond

Investment Connection Online Proposal

	<p>For the purposes of the proposed ACE project, the term consolidation refers to the process of making the existing business stronger or more solid.</p>
<p>Evaluation methods used to measure success</p>	<p>There is evidence of theoretical underpinning for providing a combination of workshops followed by one-on-one counseling for business development and growth in a city with racial and economic inequality toward business and entrepreneurship (Robb 2012; Robb and Morelix, 2016; Bradford and Mijid, 2016) in urbanized areas such as Baltimore City. The underlying etiology for such inequality is a cumulation and interaction of many symptoms such as the lack of access to capital that minorities and women face which is not as prevalent for white male entrepreneurs. Three key reasons of economic inequality are cited: a) weak networks and business relationships, b) inadequate self-fund raising capabilities, and c) underlying institutional racism and sexism(Robb and Morelix, 2016).</p> <p>Addressing the above three key components to the access to capital problem is essential to develop strategies to level the playing field because thru workshops and individualized counseling these strategies will address these causes of the gap in access to capital, otherwise these efforts will not be sustainable nor will they have long-term impact (Lambert 2008; Wiklund et al., 2011; Oosthuizen 2017).</p> <p>Using the business workshops, one-on-one counseling, follow-up, and documented communication with financial institutions, the ACE pilot project aims to effectively utilize business and interpersonal strategies to overcome the challenges faced by minority entrepreneurs.</p>
<p>Project timeframe. Is your request for an existing or new program?</p>	<p>Existing Program</p>