

Building Entrepreneurial Economies

- BEE is the result of the evolution of the VEI program
- BEE is dedicated to creating and enhancing a local entrepreneurship mindset as part of a broader community economic development strategy
- BEE will integrate microfinance, microenterprise and entrepreneurial development strategies into **all** appropriate community economic development activities.

BEE Goals

- ↑ Awareness of entrepreneurship as a vital part of community economic development efforts
- ↑ Business formation
- ↑ Job creation & retention
- ↑ Entrepreneurship support from local governments & foundations

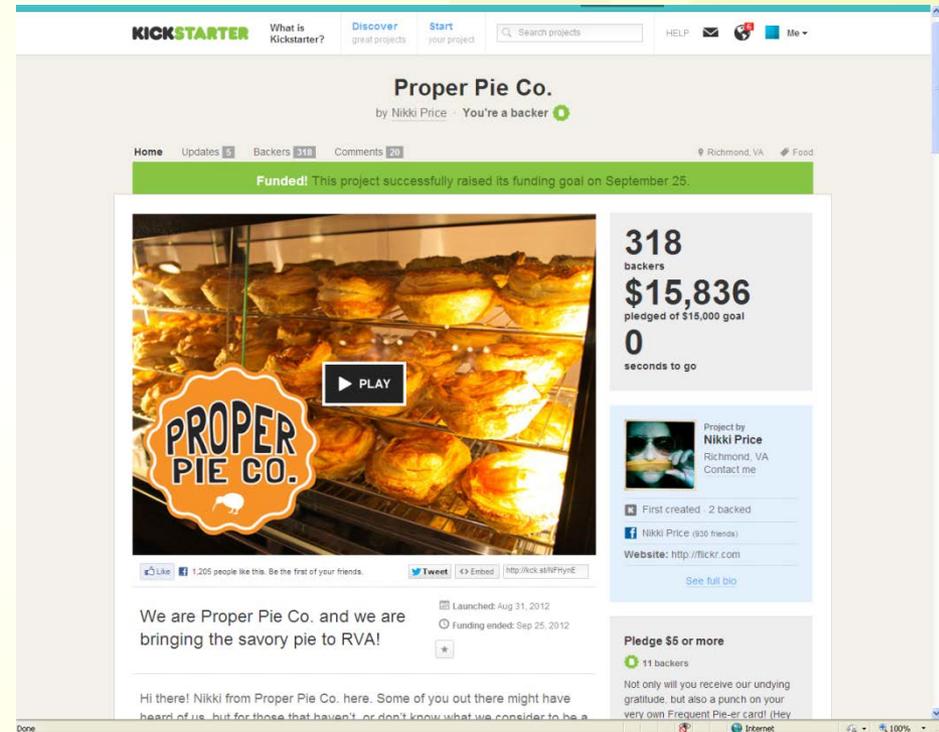
Priority 1: Encourage jobs & businesses that provide “added value” to the community

- Cultivate diverse, vertically integrated business mixes
- Develop and support local and regional economic restructuring strategies
- Support business incubation activities
- Integrate entrepreneurship/microfinance best practices into all relevant DHCD training and field work



Priority 2: Increase capitalization through comprehensive micro-finance

- Encourage local investment delivery systems that connect local investors with local businesses
- Develop innovations in attaching small investments to community economic development outcomes (ex. crowdfunding)



Priority 3: Increase local training & outreach to community economic development partners

- Cross-train BEE, VIDA, EZ & VMS partners to increase coordination, partnership development, & program utilization at the local level
- Develop common language for use throughout DHCD programs when talking about entrepreneurship and micro-finance
- Assist CDBG in developing location appropriate micro-loan programs
- Highlight examples of localities/regions that are supporting community entrepreneurship

Priority 4: Develop an entrepreneurship assistance network

- Assess areas of strength, weakness, & overlap in the state's service delivery
- Create a network of referrals & collaborative assistance for entrepreneurs



Grant Opportunities

- **Planning Grants** – up to \$7,500 to help develop strategies to assist micro-entrepreneurs.
- **Innovation Grants** – Up to \$35,000 to help implement innovative strategies to assist micro-entrepreneurs. Currently open.
- **Performance Grants** – Performance based payment to help underwrite micro-entrepreneur assistance services by qualified micro-enterprise development organizations (MDOs). Open in March for FY 14.

Innovation Grants

Successful applications will...

- *Focus on Community Development Outcomes*
 - Innovative strategies should result in quantifiable community development outcomes in a defined geographic area.
 - Support existing community economic development plans, initiatives and infrastructure in the chosen geographic area.
- *Develop Micro-Enterprise Networks & Partnerships*
 - Strengthen Virginia's micro-enterprise community through the creation and development of effective networks and partnerships.

Innovation Grants, cont.

- *Allow for Effective Knowledge Sharing*
 - Propose innovative and effective means by which the lessons learned from the implementation of their innovative micro-enterprise strategies will be shared with Virginia's micro-enterprise community.
- *Increase Micro-Financing Activity in Virginia*
 - Propose a reasonable and measurable increase in micro-financing activity that will result from the implementation of the proposed strategies.

Performance Grants

- Provided to qualified MDOs based on their loan and job creation performance.
- MDOs will qualify through an application that will be judged primarily on their previous performance record.
- To be eligible:
 - MDO must have made at least 4 micro-loans in the previous fiscal year. (A microloan is defined as a loan of up to \$50,000 made to a business employing 5 or fewer people.)
 - MDO will provide training and technical assistance to entrepreneurs in addition to making loans.

Performance Grants Cont.

- Upon designation the grant partner will be eligible for performance based payments for the following:
 - loans made,
 - full time equivalent (FTE) jobs created
 - business start-ups
 - businesses still open after 18 months

Opportunity: Clinch River Region Entrepreneurship Blueprint

- GOAL: Develop a comprehensive network for the collaborative assistance of entrepreneurs in the Clinch River region
- Opportunities for BEE:
 - Provide micro-entrepreneur development technical assistance, resources and stakeholder communication coordination



Opportunity: Clinch River Region Entrepreneurship Blueprint

- Opportunities for BEE:
 - Develop an “Entrepreneur Challenge” that educates and attracts new entrepreneurs to the region
 - Develop pipeline of potential entrepreneurs
 - Develop place/strategy-specific business incentives



Opportunity: Bristol

- GOAL: Create downtown businesses for convenience minded, upper income, entertainment oriented lifestyle
- Opportunities for BEE:
 - Support the development of successful and sustainable downtown businesses by providing micro-entrepreneur technical assistance
 - Create an downtown entrepreneur resource center



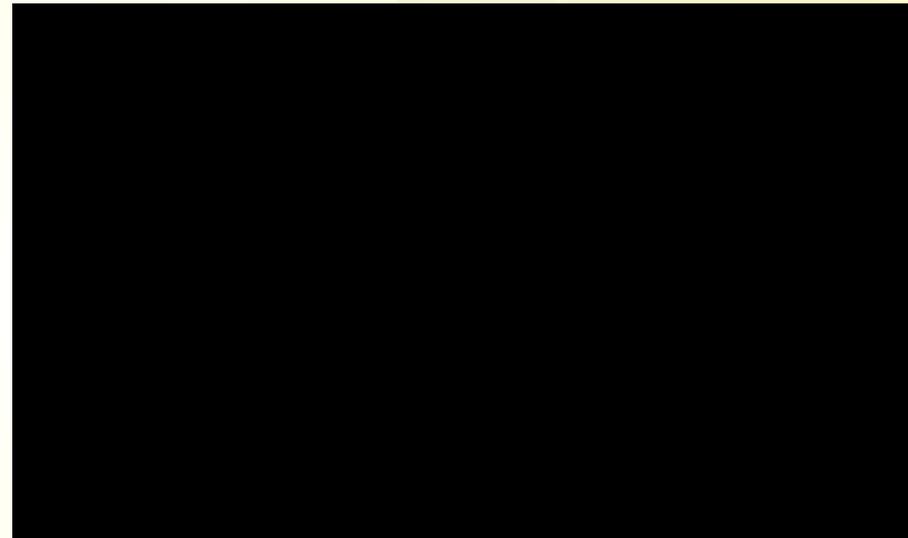
Opportunity: Community Investment Collaborative

- GOAL: Strengthen new microenterprise development organization with mission to leverage local resources to provide capital and education to non-traditional entrepreneurs
- Opportunities for BEE:
 - Provide micro-entrepreneur development technical assistance
 - Help secure additional funding resources



Opportunity: TransTech Alliance (Southern Virginia RCDDI)

- GOAL: Develop a multi-jurisdictional entrepreneurship community
- Opportunities for BEE:
 - Underwrite micro-entrepreneur development technical assistance
 - Develop locally based entrepreneurial strategies
 - Assist localities in creating microloan pools



TransTech Alliance Region

Questions/Discussion

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