



Analysis of Small Business Environment and Program Options

Mecklenburg County Office of Economic Development

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Executive Summary

Overview

In 2014, the Mecklenburg County, NC Board of County Commissioners identified five strategic priority areas for the County's economic development policy moving forward. In 2016, Thomas P. Miller & Associates (TPMA) was commissioned by the County's Office of Economic Development to develop program recommendations around one of these key priority areas—Small Business & Entrepreneurial Growth. More specifically, TPMA was charged with analyzing program responses targeted at services, retail, low volume manufacturing, and other limited scale businesses throughout the County. In order to tailor recommendations specifically to Mecklenburg County's economic, small business, and institutional context, TPMA first performed extensive qualitative and quantitative research on the county's small business environment. After analyzing national business metrics, hosting focus groups, conducting interviews, surveying business owners, and mapping existing small business assets, TPMA scanned best practices to identify successful programs being implemented by Mecklenburg County's peers across the country. To develop final program recommendations, TPMA applied innovative practices from successful peer cities to the gaps identified by small business owners and key stakeholders within Mecklenburg County. The result was the identification of four strategic opportunities for the County to provide support to small businesses at any stage of development. They are as follows:

- Connect—install systems and concierges to ensure small businesses can effectively navigate the County's web of business resources
- Establish—provide technical assistance and micro-loans to fill gaps in the County's business development framework
- Sustain—develop educational and mentoring resources to advance businesses from early-stage development to long-term success
- Promote—use public events and outreach to demonstrate support for small businesses and augment the region's business image to be inclusive of small businesses

To emphasize the data-driven nature of these suggestions, the report is structured in two main sections. The first, Data Collection and Reports, provides a thorough overview of TPMA's data collection process and results from start to finish. The second, Evaluation of Data and Program Response Development, synthesizes findings from each element of background research into actionable program recommendations. It also offers details on budget requirements, staffing needs, and potential funding opportunities associated with each program. A summary of these two main sections is provided below.

Key Findings

Benchmark Performance Indicators¹

In order to gauge Mecklenburg County's small business performance on a national level, the County was benchmarked against 5 peer communities, selected based on economic, demographic, and qualitative factors. These communities included Pittsburgh, PA; Nashville, TN; Indianapolis, IN; Austin, TX; and

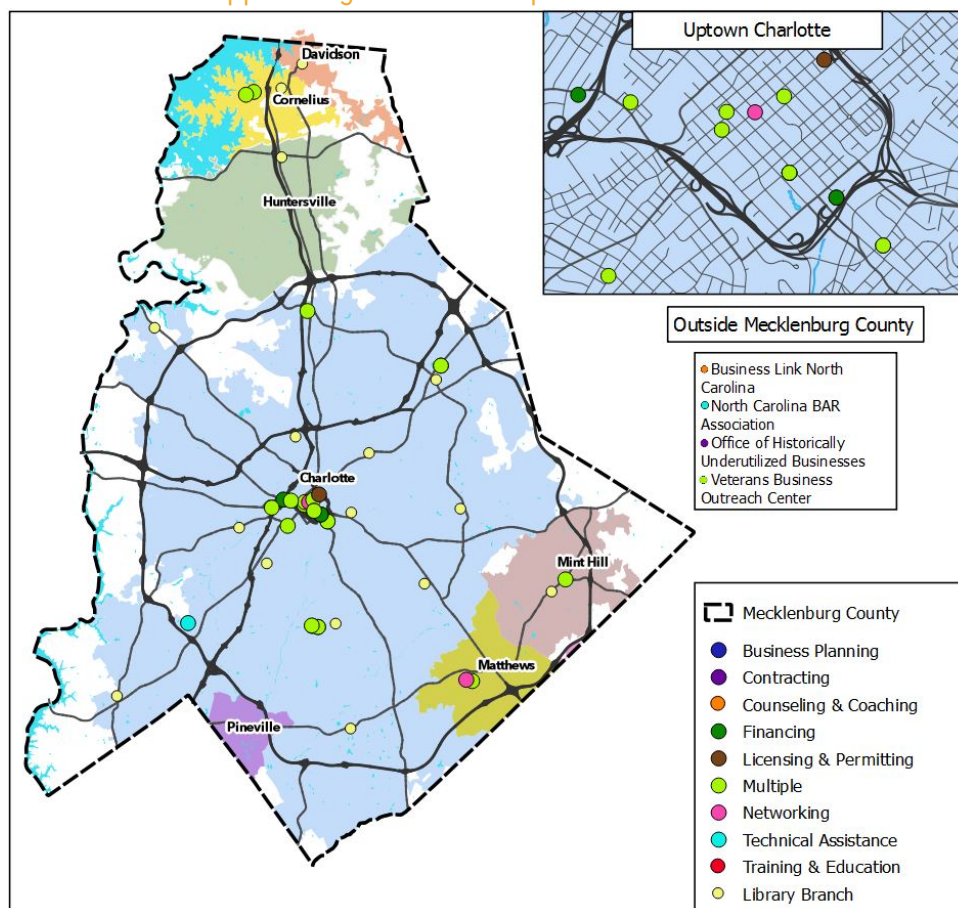
¹ The Benchmark Performance Indicators Report begins on Page 11.



Raleigh, NC.² Each county or Metropolitan Statistical Area (MSA) was compared in regard to demographics, small business ownership characteristics, business establishment sizes, entrepreneurship statistics, and small business loans. In some of these categories, Mecklenburg County stood out amongst its peers. However, the county was in the middle or at the bottom in many of the small business metrics.

- Near the top
 - Number of minority-owned businesses
 - Total foreign-born population
- In the middle
 - Percentage of establishments with less than 5 employees
 - Startup activity
 - Business survival rate
- Near the bottom
 - Rate of business owners
 - SBA 7a loans
 - Number of microloan intermediaries

Small Business Support Programs Asset Map³



² Where possible, our data analysis focuses on the counties associated with these metro areas.

³ The Asset Map Overview is shown on Page 21, with more information in Appendix B.



Next, TPMA identified, categorized, and mapped all small business support organizations serving Mecklenburg County. Categories included Business Planning; Contracting; Counseling & Coaching; Financing; Licensing & Permitting; Networking; Technical Assistance; and Training & Education. The distribution of these services, color-coded by service category, is shown in the map above. The map highlights several key findings:

- Many resources are available but they are highly concentrated in Uptown Charlotte
- The web of resource providers can be difficult to navigate for small business owners
- Despite the County's overall strengths in small business resources, some gaps remain
 - Only a few providers exist in the following categories:
 - Licensing & Permitting
 - Technical Assistance
 - Financing
 - Some geographic areas are underserved:
 - Pineville
 - Huntersville
 - Outskirts of Charlotte.

Small Business Support User Survey⁴

With the help of Mecklenburg County, TPMA fielded a small business support system user survey. This survey was distributed on social media, the City of Charlotte's website, and the Charlotte Business Resources (CBR) website. In total, 214 respondents provided information about their small business service use, their needs, and their perceptions of the County's current small business support system. These responses allowed TPMA to identify strengths, weaknesses, and potential opportunities for business support resources in Mecklenburg County. A selection of these insights is provided below.

- Strengths
 - Networking and Mentoring
 - Ease of startup
- Weaknesses
 - Perception of favoritism for larger businesses
 - Difficulty growing beyond initial startup
 - Resource, capital, and workforce needs are difficult to fill
- Opportunities
 - Increased financial assistance
 - Web portal for finding resources

Focus Groups and Interviews⁵

TPMA also conducted 14 focus groups and 9 interviews with small business owners and representatives from institutions, business associations, government, and nonprofit business providers throughout the county. The goal of these focus groups and interviews was similar to that of the survey—to analyze

⁴ Detailed Survey results begin on page 37, with summary results on page 51 of this report.

⁵ Focus Group and Interview results begin on Page 51 of this report.



Mecklenburg County's current small business environment and identify areas for improvement. A sample of the insights gained from these meetings is provided below.

- Strengths
 - The county's population has been growing
 - The existing small business community is welcoming
- Barriers, Gaps, and Threats
 - There is a lack of technology, business growth, and leadership training
 - The small business support network is fragmented
 - There is miscommunication and lack of clarity on how to find resources
- Opportunities
 - Increased transparency in contracting and business policies
 - Provide concierge service for small businesses

Small Business Environment Benchmarking⁶

Based on national best practices, many innovative programs were identified. Among the program options considered were Physical Resource Hubs; Online Resource Hubs; Business Accelerators; Community Engagement Models; Regulation Streamlining Processes; Multi-Service Organizations; Microloan Programs; and Crowd Entrepreneurship Competitions. Elements of each of these programs influenced TPMA's final recommendations but a few were particularly important.

Funding Assistance Models

Urban Redevelopment Authority of Pittsburgh: The Pittsburgh Entrepreneur Fund

- Assists entrepreneurs to stimulate business
- Provides low-interest loans for working capital and start-up costs
- Is coupled with targeted technical assistance.

Buffalo and Erie County Land Development Corporation: Erie County Business Development Fund

- Revolving Loan Fund
- Loans in amounts from \$15,000 to roughly \$100,000
- Bridges gaps in conventional financing

Crowd Entrepreneurship Competitions

Hatch Detroit

- Public entrepreneurship competition
- Applications narrowed to top tier, top applicants receive
 - Business planning support
 - Feedback in public primary and final rounds
- Live and social media voting partially determines the winner
- \$50,000 grant awarded to the winner

⁶ The Small Business Environment Benchmarking Report begins on Page 24.



Program Recommendations⁷

After analyzing data collected from small business metrics, the asset map, focus groups, surveys, interviews, and best practices, TPMA identified four strategic opportunities for improvement. These corresponded directly to the suggested program responses. They are as follows:

- There are many support programs for small business but business owners struggle to connect with them—Connect
- There are several financing options but borrowers are not always prepared and few options exist for smaller-dollar loans—Establish
- Mecklenburg County has a high startup rate but businesses are not surviving past 5 years—Sustain
- There is a general sense that community leaders do not value small businesses as much as large businesses—Promote

It is recommended that programs and staff members be phased in over time. For example, some Connect, Sustain, and Promote strategies might be pursued in Phase 1, while Establish strategies, and the rest of the Connect, Sustain, and Promote strategies will be added in Phase 2. No specific timetable is recommended for when Phase 1 should conclude and Phase II begin but the expectation is that Phase 1 will require at least one year.

Connect

Install systems and concierges to ensure small businesses can effectively navigate the County's web of business resources

Small Business Concierge Services—Phase 1

By adding staff and implementing customer relationship management (CRM) software to serve as a comprehensive concierge system, Mecklenburg County can help small business owners navigate the complex but useful web of small business service providers in the county. A CRM system would allow owners to fill out a business needs profile, which would be followed by contact from a concierge staff member to match business owners with coaching and existing resources that meet their needs.

Rebrand and Enhance Charlotte Business Resources—Phase 1

Charlotte Business Resources (CBR) is a tremendous asset with great potential but it is not well known or used by business owners. With investment in the website, Mecklenburg County can help rebrand it to incorporate all County municipalities, integrate it with the shared CRM system, and promote accessibility for all users.

Provide Accessible Community Support—Phase-2

In addition to improving the online process of connecting business owners to resources, Mecklenburg County should be a physical presence throughout the county to build relationships in areas that are underserved by current resources. By hosting a once-monthly events at three to four community hubs, such as community centers, libraries, churches, etc., Mecklenburg County can offer “pop-up” opportunities to educate small business owners, facilitate networking, and ensure that all members of the small business community are being served.

⁷ Program Recommendations begin on Page 59.



Establish

Provide technical assistance and micro-loans to fill gaps in the County's business development framework

Prepare Small Businesses for Accessing Loans and Capital—Phase 2

By preparing small businesses for financing, Mecklenburg County would ensure that newly-established businesses have increased stability. This program will include auditing business and finance plans for loan readiness, matching owners with financing that fits their needs, soliciting feedback from community lending institutions, and increasing loan preparedness and opportunities for Mecklenburg County program participants. It will also include credit building programming for entrepreneurs who are in the pre-launch and startup phase, in order to help prepare them for future lending opportunities.

Revolving Loan Program—Phase 2

While financial options are available for many firms, microloan offerings are limited in Mecklenburg County. To fill this gap, Mecklenburg County should establish a revolving loan fund that would serve businesses looking for loans of \$50,000 or less. This program would be administered by the County and require a Loan Committee to approve each loan. The County would have the opportunity to explore different loan terms, including aggressive interest rates, interest only payments, credits for job creation, and second positions to enhance other credits.

Sustain

Develop educational and mentoring resources to advance businesses from early-stage development to long-term success

Scale-Up Education Series—Phase 1

In order to help businesses advance from 1 to 10 employees, Mecklenburg County should partner with an educational provider for a targeted training series. This series would cover financial and human resources challenges for growing businesses; expanding customer bases; identifying support providers; successful partnering; and other topics. This series could potentially be delivered in a webinar format and provided as a free online resource.

Mentor Event Program—Phase 2

Large corporations can also be a helpful resource for growing small businesses. To that end, the mentor event program would provide corporate executives with the opportunity to share educational insights in a six-week series to a selected cohort of small business owners. Each week would offer small businesses the opportunity to learn from successful leaders in different content areas, including fiscal strategies for growth, staff growth, and sourcing new customers. This series would be followed by a networking opportunity and a challenge for the small business owners to apply their lessons.

Promote

Use public events and outreach to demonstrate support for small businesses and change the region's business image

Social Media and Marketing Presence—Phase 1

Mecklenburg County can begin to demonstrate its support for small businesses by promoting the small business community through marketing and social media. This could include participation in local small business events, social media recognition of successful entrepreneurs, and a more intentional effort to build relationships with business owners throughout the county. As part of this effort, Mecklenburg



County staff should also serve as advocates within County government to voice the needs of small business owners and ensure those needs are considered in policy decisions.

Crowd Entrepreneurship Competition—Phase 2

By launching an annual small business plan competition, Mecklenburg County can raise the public profile of entrepreneurship and provide high-visibility technical assistance to prospective business owners throughout the county. This business plan competition would offer \$50,000 annually to competitors in each of three industry categories: Retail, Hospitality, and Food Service; Personal Services; and Industrial & Construction. Applicants would be narrowed down to the top 5 to 10 in each category, who would be offered access to small business support providers and given 90 days to refine their business plans. In the public event, competitors would be judged by a combination of experts and a public audience. The event would be live-streamed using a free service such as Facebook, and public viewers within the region would be eligible to vote for their favorite ideas. Mecklenburg County could potentially focus on placing winners within certain areas of town with available commercial real estate space.

Staff and Funding Requirements⁸

The execution of all of these program recommendations would require at least three new staff members. The staff required to execute Phase 1 recommendations are detailed below.

CRM and Marketing Coordinator

This person would be responsible for providing concierge services, managing the technical aspects of the CRM interface, and helping promote small businesses through events and social media.

Community Development Business Coordinator

This person would be responsible for providing concierge services and ensuring that small business resources are accessible to all residents of Mecklenburg County.

Credit Coach and Loan Officer

This person would be responsible for credit coaching and comprehensive loan program management.

To execute Phase 2, a Credit Coach/Loan Officer would be required, with assistance from existing staff and potentially an additional small business event coordinator.

Projected funding requirements associated with each of these programs are shown on the next page.

⁸ The Staff and Funding section begins on page 65.



Description	Phase 1		Phase 2	
	Annual	One-Time	Annual	One-Time
Staff Resources				
CRM and Marketing Coordinator	\$96,000	-	-	-
Community Business Development	-	-	\$96,000	-
Credit Coach and Loan Officer	-	-	\$96,000	-
Staff Resources: Total	\$96,000	-	\$192,000	-
Program Resources				
Concierge Services	\$2,600	-	-	-
Web Enhancements	\$45,000	\$125,000	-	-
Revolving Loan Program	-	-	-	\$2,500,000
Scale-Up Series	\$18,500	-	-	-
Mentor Series	-	-	\$50,300	-
Crowd Entrepreneurship	-	-	\$217,200	\$16,500
Program Resources: Total	\$66,100	\$125,000	\$267,500	\$2,516,500
GRAND TOTAL	\$162,100	\$125,000	\$459,500	\$2,516,500

*Costs are preliminary and subject to change

**Annual Costs for Phase 1 are inferred to be carried forward as annual costs for Phase 2



Section 1: Data Collection and Reports

Benchmark Performance Indicators

The first section of TPMA's data collection process was the development of a benchmarking structure to compare Mecklenburg County (and in appropriate cases – the Charlotte-Concord-Gastonia MSA) to identified peer communities and the nation as a whole. In order to determine the peer communities, TPMA used the following criteria to find counties that are on par with Mecklenburg County or can serve as aspirational targets related to small business activity:

- Percentage of Self-Employed
- Median Household Income
- Population Size and Change
- Public Transportation and Commute Times
- Unemployment and Poverty
- Input from Mecklenburg County Office of Economic Development (OED) staff

Given these criteria, TPMA selected Wake County, NC (Raleigh, North Carolina); Marion County, IN (Indianapolis, Indiana); Travis County, TX (Austin, Texas); Allegheny County, PA (Pittsburgh, Pennsylvania); and Davidson County, TN (Nashville, Tennessee).

A data glossary and list of sources for this section is available in Appendix A.

Findings

Demographic Overview

When compared to the identified peer counties, Mecklenburg County's median household income of \$56,472 is higher than Wake County (Raleigh), NC; Marion County (Indianapolis), IN; and Davidson County (Nashville), TN. The County's poverty rate is middling, at 15.5%, falling between Wake County (Raleigh)'s at 11.3% and Travis County (Austin)'s 17.5%.

Demographic Overview & Comparisons

County	2015 Population	Median Age	Median Household Income	Poverty Rate	Per Capita Income	Unemployment Rate (2015 Annual Average)
<i>Mecklenburg County, NC</i>	1,034,070	34.3	\$56,472	15.5%	\$33,169	5.4%
Allegheny County (Pittsburgh), PA	1,230,459	41.0	\$52,390	12.9%	\$32,848	4.8%
Davidson County (Nashville), TN	678,889	34.2	\$47,434	18.8%	\$29,589	4.5%
Marion County (Indianapolis), IN	939,020	34.0	\$42,378	21.0%	\$24,330	5.0%
Travis County (Austin), TX	1,176,558	32.7	\$59,620	17.5%	\$35,168	3.3%
Wake County (Raleigh), NC	1,024,198	35.0	\$66,579	11.3%	\$34,202	4.7%

Source: U.S. Census American Community Survey 2010-2014 5-Year Estimates, Census 2015 Population Estimates and BLS



Mecklenburg County also falls in the middle of its peer communities in female population, veterans, and population of other racial minorities (not white, black, or Hispanic). However, it has the highest black population of its peer communities and is second only to Travis County (Austin), TX in the number of foreign-born residents.

Demographic Overview & Comparisons, Continued

County	Female Population	Black, Non-Hispanic	Hispanic, All Races	Other Racial Minorities	Veterans	Foreign-Born
<i>Mecklenburg County, NC</i>	51.8%	32.5%	12.4%	7.6%	6.9%	13.9%
Allegheny County (Pittsburgh), PA	52.0%	14.5%	1.7%	5.5%	8.9%	5.2%
Davidson County (Nashville), TN	51.7%	28.8%	9.8%	5.5%	7.3%	11.8%
Marion County (Indianapolis), IN	51.8%	28.7%	9.6%	5.1%	8.1%	8.5%
Travis County (Austin), TX	49.6%	9.4%	33.7%	8.3%	6.4%	17.8%
Wake County (Raleigh), NC	51.3%	21.8%	9.9%	8.2%	7.6%	12.9%

Source: U.S. Census American Community Survey 2010-2014 5-Year Estimates

Small Business Indicators

Mecklenburg County has 101,799 total establishments, second only to Travis County among peer communities. It is also second in the number of female-owned and veteran-owned businesses, trailing Travis County in female-owned businesses and Allegheny County in veteran-owned businesses. For establishments owned by racial or ethnic minorities, Mecklenburg County leads all peer communities, with a total of 36,742. Due to limitations of data availability, each of these figures is based on establishments of all sizes and not limited to small businesses alone.

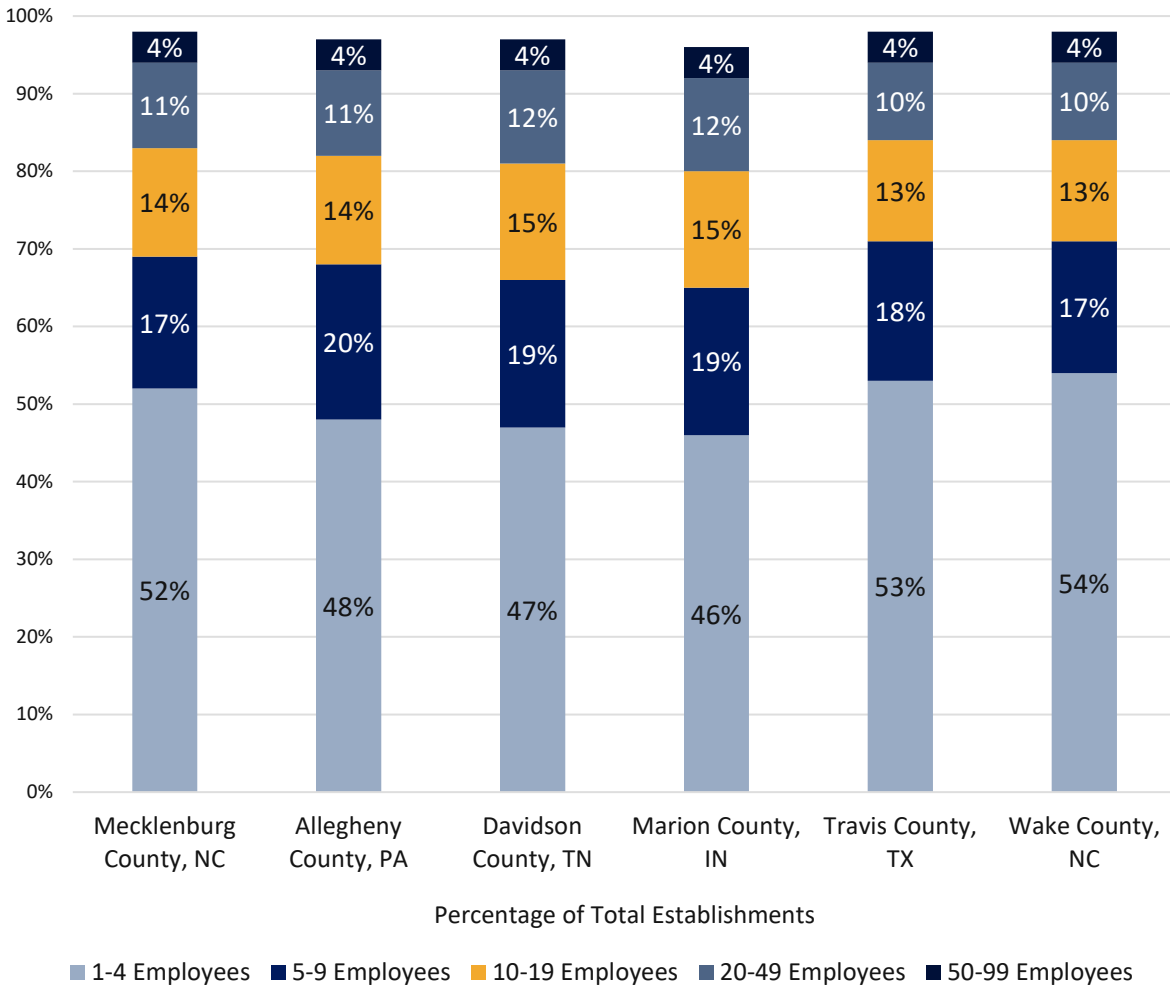
Establishments by Gender, Race, & Veteran Status (All Establishment Sizes) (Census SBO, 2012)

	<i>Mecklenburg County, NC</i>	Allegheny County, PA	Davidson County, TN	Marion County, IN	Travis County, TX	Wake County, NC
Total Establishments	101,799	96,501	72,042	74,873	120,533	92,382
Male	52,010	56,123	40,315	37,202	64,679	48,936
Female	39,281	30,671	25,144	29,976	42,186	32,914
Equally Male/Female	6,675	5,975	4,264	4,782	10,075	7,903
Minority	36,742	12,104	16,598	20,154	35,323	24,275
Equally Minority/Nonminority	820	447	399	333	1,734	856
Veteran	9,615	9,916	6,412	6,968	9,520	9,507
Equally Veteran/Nonveteran	1,911	1,677	1,007	1,107	2,184	1,878



Mecklenburg County's proportion of total establishments that are small businesses is average compared to its peers. It trails Wake County and Travis County in the proportion of establishments that employ less than 5 people, and is also third in the proportion of establishments that employ less than 20 people, at 83%. Altogether, 98% of establishments with employment in Mecklenburg County employ less than 100 people. Additionally, the county has a large number of nonemployers; these are defined as businesses that are subject to income taxes but do not have any paid employees.

Establishments by Size, 2014



Source: US Census, County Business Patterns



Establishments by Size, 2014 (Census County Business Patterns & Censtats)

	<i>Mecklenburg County, NC</i>		<i>Allegheny County, PA</i>		<i>Davidson County, TN</i>		<i>Marion County, IN</i>		<i>Travis County, TX</i>		<i>Wake County, NC</i>	
Nonemployers*	87,844		77,932		65,079		61,137		110,302		80,548	
Establishments with Employment	29,301		33,614		18,619		22,808		32,217		26,755	
1-4 #	15,338	52%	16,142	48%	8,695	47%	10,551	46%	17,165	53%	14,429	54%
5-9 #	5,046	17%	6,726	20%	3,554	19%	4,322	19%	5,710	18%	4,638	17%
10-19 #	3,804	14%	4,807	14%	2,741	15%	3,413	15%	4,143	13%	3,445	13%
20-49 #	3,054	11%	3,556	11%	2,157	12%	2,655	12%	3,185	10%	2,650	10%
50-99 #	1,147	4%	1,349	4%	767	4%	995	4%	1,168	4%	938	4%

*Nonemployers taken from IRS 2014 Nonemployer Statistics, accessible at Censtats

Between 2011 and 2012, Mecklenburg had a relatively large change in establishments, as 3,478 business births led to an overall increase of 674 establishments. Both figures trailed only Travis County (Austin), TX. This uptick in establishments also enabled employment, as Mecklenburg County had much higher employment increases than each of its peer counties between 2011 and 2012. The total employment change of 26,536 is not just the result of business births however, it also accounts for business expansions and contractions.

Establishment Employment & Net Change, 2011-2012 (Census SUSB)

	<i>Mecklenburg County, NC</i>	<i>Allegheny County, PA</i>	<i>Davidson County, TN</i>	<i>Marion County, IN</i>	<i>Travis County, TX</i>	<i>Wake County, NC</i>
2011 Establishments	24,589	30,775	16,516	21,018	25,897	22,091
2011 Employment	508,634	679,035	377,229	492,757	478,060	372,971
Change in Establishments (2011-2012)	674	181	212	109	1,002	603
Business Openings*	3,478	2,730	1,830	2,217	3,816	2,868
Business Closures*	2,804	2,549	1,618	2,108	2,814	2,265
Change in Employment (2011-2012)	26,536	12,478	5,667	15,770	16,955	19,568

*Census SUSB refers to these terms as business births and deaths.



According to Dun & Bradstreet, Mecklenburg County is in the middle of the peer communities in terms of the number of establishments with 1-4 employees. For 1-4 employees, Mecklenburg County has the second highest number of establishments started since 2015, behind Travis County. Mecklenburg ranks in the same position for establishments started with 5-9 employees and 10-19 employees. For 20-49 employees, Mecklenburg County has the highest number of new establishments at 27. Mecklenburg is in the middle of the peer communities in current number of establishments but is second in number of small establishments since 2015 to Travis County.

Dun & Bradstreet Establishment Size and Founding

Establishments (2016)	<i>Mecklenburg County, NC</i>	Allegheny County, PA	Davidson County, TN	Marion County, IN	Travis County, TX	Wake County, NC
Total Establishments	58,791	70,369	37,724	46,103	78,297	61,199
1-4 Employees	42,768	49,450	26,018	30,943	59,732	45,808
Founded 2015-present	3,041	1,697	1,748	2,330	3,835	2,971
5-9 Employees	7,209	9,541	5,034	6,572	8,827	7,059
Founded 2015-present	220	173	160	175	315	213
10-19 Employees	4,387	5,611	3,158	4,105	4,858	4,122
Founded 2015-present	45	24	30	39	56	39
20-49 Employees	3,160	4,101	2,574	3,178	3,471	2,990
Founded 2015-present	27	15	9	21	21	21
50-99 Employees	1,265	1,667	941	1,304	1,408	1,220
Founded 2015-present	9	15	9	8	12	10

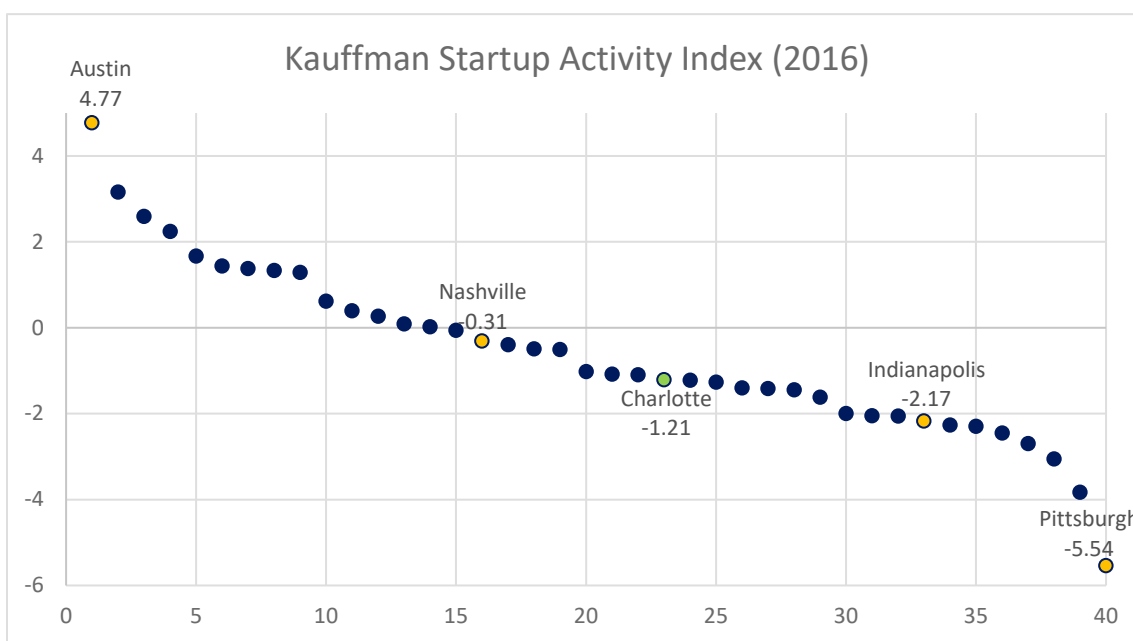
Establishment Features Dun & Bradstreet

Establishments (1-99 employees)	<i>Mecklenburg County, NC</i>	Allegheny County, PA	Davidson County, TN	Marion County, IN	Travis County, TX	Wake County, NC
Home-Based Business	14,688	15,818	7,667	9,713	18,235	16,886
Franchise	2,316	2,497	1,555	1,953	2,076	2,233
Women Owned	4,219	4,705	2,551	3,324	5,871	4,906
Minority Owned	2,432	1,297	1,140	1,397	2,509	2,084
Public Company	22	33	13	18	58	28
Annual Sales Greater than \$10 million	758	904	477	708	705	467



As shown in the table above, Mecklenburg County is in the middle of the peer communities when looking at home-based businesses, women owned, and public companies. The County has the second highest number of franchise businesses and companies with annual sales greater than \$10 million after Allegheny County. Another of Mecklenburg County's strengths is minority owned businesses, a category in which it trails only Travis County. Dun & Bradstreet data provides a current snapshot of the business environment and is continually updated.

The Kauffman Foundation is one of the best sources available for data related to entrepreneurial activity. An unfortunate downside of their data is that it is only collected for 40 of the nation's top metro areas and is not available at the County level. Therefore, the data from this section of the report is not quite as geographically precise as the data in the prior section, and certain regions are no longer available for comparison.



Kauffman Startup Activity Index Rankings, 2015- 2016

	<i>Charlotte-Gastonia-Rock Hill, NC SC</i>	Pittsburgh, PA	Nashville-Davidson-Murfreesboro-Franklin, TN	Indianapolis-Carmel, IN	Austin-Round Rock-San Marcos, TX
Startup Activity Index	23	40	16	33	1
Change 2015-2016	+2	0	+7	-6	0

In the Startup Activity Index, Charlotte is in the middle of the five comparison areas. Charlotte has seen the second largest rise in ranking from 2015 to 2016, rising by two spots. Nashville rose up the rankings the most with a gain of seven spots. Indianapolis declined six spots. Austin and Pittsburgh remained constant at the highest and lowest positions on the index, respectively. The Charlotte MSA is at the



bottom among the five MSA regions compared in Kauffman's Main Street Index. Pittsburgh and Austin are the two highest ranking regions and both rose in the rankings. Pittsburgh rose one spot to the number one ranking and Austin rose six spots to make it into the top ten. Nashville and Indianapolis both declined from 2015 to 2016, nine and four spots respectively. Both are ranked in the 20's overall. Charlotte remained at the number 35 ranking.

Kauffman Main Street Index Rankings, 2015- 2016

	<i>Charlotte-Gastonia-Rock Hill, NC SC</i>	Pittsburgh, PA	Nashville-Davidson-Murfreesboro-Franklin, TN	Indianapolis-Carmel, IN	Austin-Round Rock-San Marcos, TX
Main Street Index	35	1	20	26	9
Change 2014-2015	0	+1	-9	-4	+6

Charlotte has the second lowest population of male entrepreneurs and is in the middle for female entrepreneurs. The area also has the second lowest rate for native-born entrepreneurs. However, Charlotte does have the highest rate for immigrant entrepreneurs, between Charlotte and Austin, which are the only two communities with enough data available for comparison. Charlotte has the second lowest percentage of entrepreneurs that are 20-34 years old and 35-44 years old. Charlotte rates lowest in high school graduate entrepreneurship and second lowest for college graduates.

Kauffman Institute Entrepreneur Demographics

Percent of total population (2014)	<i>Charlotte-Gastonia-Rock Hill, NC SC</i>	Pittsburgh, PA	Nashville-Davidson-Murfreesboro-Franklin, TN	Indianapolis-Carmel, IN	Austin-Round Rock-San Marcos, TX
Male	7.41%	7.16%	11.03%	8.55%	10.48%
Female	3.94%	3.07%	5.35%	3.49%	5.32%
Native-Born	5.23%	4.91%	8.26%	5.60%	8.24%
Immigrant	8.16%	N/A	N/A	N/A	6.86%
White	6.89%	5.17%	9.50%	6.44%	9.55%
Black	2.89%	N/A	3.89%	2.33%	N/A
Latino	4.20%	N/A	N/A	N/A	5.23%
20-34	2.24%	2.06%	4.46%	2.76%	4.17%
35-44	6.99%	5.73%	10.15%	7.53%	8.77%
45-54	8.24%	7.86%	10.42%	6.83%	10.08%
55-64	7.28%	5.93%	9.67%	8.33%	12.14%
Less than HS	4.34%	N/A	N/A	N/A	N/A
High School Graduate	4.48%	5.35%	7.22%	6.22%	6.80%
Some College	7.04%	5.02%	11.34%	4.07%	10.60%
College Graduate	7.73%	6.37%	9.69%	7.97%	9.39%

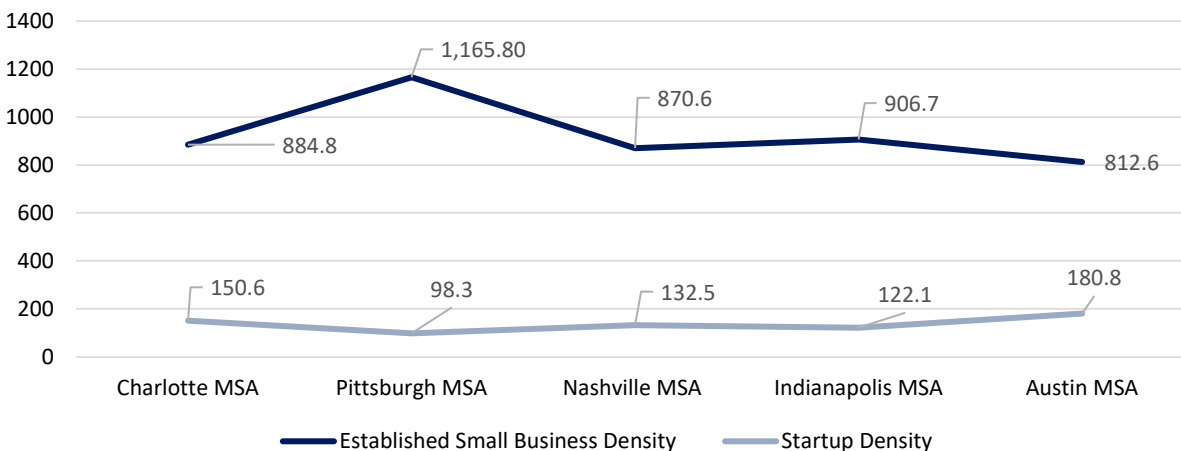


The Charlotte MSA has the second-highest startup density rate of all the comparison MSA's but has the lowest opportunity share of new entrepreneurs. The opportunity share measures the percentage of entrepreneurs who were not unemployed before starting a business. Charlotte's rate of business owners and established small business density are the second lowest among all the communities. For survival rate and rate of new entrepreneurs, Charlotte is ranked in the middle of the five MSA's.

Kauffman Entrepreneurship Density, 2015

	<i>Charlotte-Gastonia-Rock Hill, NC SC</i>	Pittsburgh, PA	Nashville-Davidson-Murfreesboro-Franklin, TN	Indianapolis-Carmel, IN	Austin-Round Rock-San Marcos, TX
Rate of Business Owners	5.30%	5.25%	7.34%	5.77%	7.96%
Survival Rate	48.04%	53.78%	46.88%	47.79%	52.31%
Established Small Business Density	572.4	694.2	583.6	606.0	527.8
Rate of New Entrepreneurs	.36%	.12%	.38%	.18%	.60%
Opportunity Share of New Entrepreneurs	62.28%	65.07%	69.10%	82.57%	79.88%
Startup Density	86.3	52.7	83.2	76.3	105.4

Established Small Business Density and Startup Density Comparisons, 2015





The state of North Carolina only has two SBA microloan intermediaries. The one that covers the entire state, including Mecklenburg and Wake Counties, is New York City based Accion East, Inc. Marion County has the next lowest total with two intermediaries, while Davison and Travis Counties both have three intermediaries. Allegheny County has more than double the number of intermediaries each of the rest of the peer communities have with seven.

SBA Microloan Providers

	<i>Mecklenburg County, NC</i>	<i>Allegheny County, PA</i>	<i>Davidson County, TN</i>	<i>Marion County, IN</i>	<i>Travis County, TX</i>	<i>Wake County, NC</i>
Number of Intermediaries	1	7	3	2	3	1

Mecklenburg County has provided 870 7a SBA loans from 2010 to 2015 for a total investment of approximately \$410 million. The number of loans and approval amount is in the middle of the comparison regions. Ranking by median loan value Mecklenburg County is ranked second highest at \$187,000. Only Davidson County has a higher loan value at \$217,650. Davidson County has the smallest number of loans at 398, less than half of the next closest county. Mecklenburg County's 870 loans supported 10,527 jobs or an average of 12.1 jobs per loan. The number of jobs and average jobs per loan is in the middle of the comparison counties. Travis County has the highest average jobs supported with 14.8

SBA 7a Loan Financing (2010-2015)

	<i>Mecklenburg County, NC</i>	<i>Allegheny County, PA</i>	<i>Davidson County, TN</i>	<i>Marion County, IN</i>	<i>Travis County, TX</i>	<i>Wake County, NC</i>
Number of Loans	870	1,163	398	1,468	1,481	822
Total Approved (in \$1,000)	\$410,149	\$292,921	\$194,600	\$439,259	\$594,971	\$360,430
SBA Guaranteed (in \$1,000)	\$307,199	\$206,344	\$146,948	\$315,578	\$443,338	\$272,291
Median Loan	\$187,500	\$100,000	\$217,650	\$100,000	\$150,000	\$150,000
Median SBA Guarantee	\$125,925	\$50,000	\$155,438	\$50,000	\$102,450	\$121,200
Median Interest Rate	6.0%	5.95%	6.0%	5.8%	6.0%	6.0%
Median Loan Term (months)	109.5	84	120	84	84	120
Total Jobs Supported	10,527	11,270	5,400	15,573	21,851	9,936
Average Jobs Supported Per Loan	12.1	9.7	13.6	10.6	14.8	12.1



There have been 136 “504 Loans” offered in Mecklenburg County from 2010-2015, totaling a little over \$96 million third party investment and \$74 million from SBA. This is in the middle of the comparison counties with Travis County offering the most loans at 192 and Davidson County the least at 29. The loans have contributed 1,148 jobs and an average of 8.4 per loan for Mecklenburg County. The number of jobs is in the middle but the average jobs supported per loan is the second lowest and barely above the 8.3 jobs supported by Wake County loans. Travis and Davidson counties have the highest average jobs supported at 13.9 and 12.2, respectively.

SBA 504 Loan Financing (2010-2015)

	<i>Mecklenburg County, NC</i>	<i>Allegheny County, PA</i>	<i>Davidson County, TN</i>	<i>Marion County, IN</i>	<i>Travis County, TX</i>	<i>Wake County, NC</i>
Number of Loans	136	45	29	167	192	98
Third Party Dollars (in \$1,000)	\$96,045	\$29,983	\$19,490	\$108,862	\$216,660	\$68,677
SBA Approval (in \$1,000)	\$74,140	\$23,283	\$15,803	\$86,022	\$162,481	\$62,056
Median Third Party Loan	\$544,201	\$533,000	\$579,000	\$455,082	\$748,269	\$488,000
Median SBA Approval	\$408,000	\$398,000	\$452,000	\$358,000	\$622,000	\$415,000
Total Jobs Supported	1,148	530	353	1,931	2,672	815
Average Jobs Supported Per Loan	8.4	11.8	12.2	11.6	13.9	8.3



Small Business Support Programs Asset Map Overview

In order to assess the breadth of resources available to meet the needs of small businesses in Mecklenburg County, a search was conducted of government and nonprofit organizations that provide free or affordable services to small businesses in a number of areas. The goal of the assessment was to identify gaps in resources available to everyday small business entrepreneurs—not high profile tech entrepreneurs. Building off the Charlotte Business Resources website, the search uncovered 51 locations for 35 organizations both within and outside the county where Mecklenburg County's small business owners and entrepreneurs can receive help at each stage of the business cycle.

Each of these organizations and their service types are shown on the map on the next page. A summary of the categories included in the document is in the box to the right.

Overall, small business resources are highly concentrated in the Charlotte central city area. This is in part because many organizations serve all of Mecklenburg County and require a central location. The resource that is best distributed throughout the county is the Mecklenburg County Library system, where entrepreneurs can get resources and information for business planning. For many small business needs, however, entrepreneurs may need to drive to Uptown if they desire to work with someone in person. Still, as the map demonstrates, there are multi-service organizations that may meet entrepreneurs' needs in key locations throughout the county.

Asset Map Categories:

Business Planning

Providers of business planning resources and/or one-on-one planning help

Contracting

Public and private organizations that provide assistance with obtaining government contracts

Counseling & Coaching

Providers of individual small business mentoring, counseling, and coaching

Financing

Organizations that provide direct financing or connect business owners to funding

Licensing & Permitting

Government organizations that help small businesses maintain compliance with local regulations

Networking

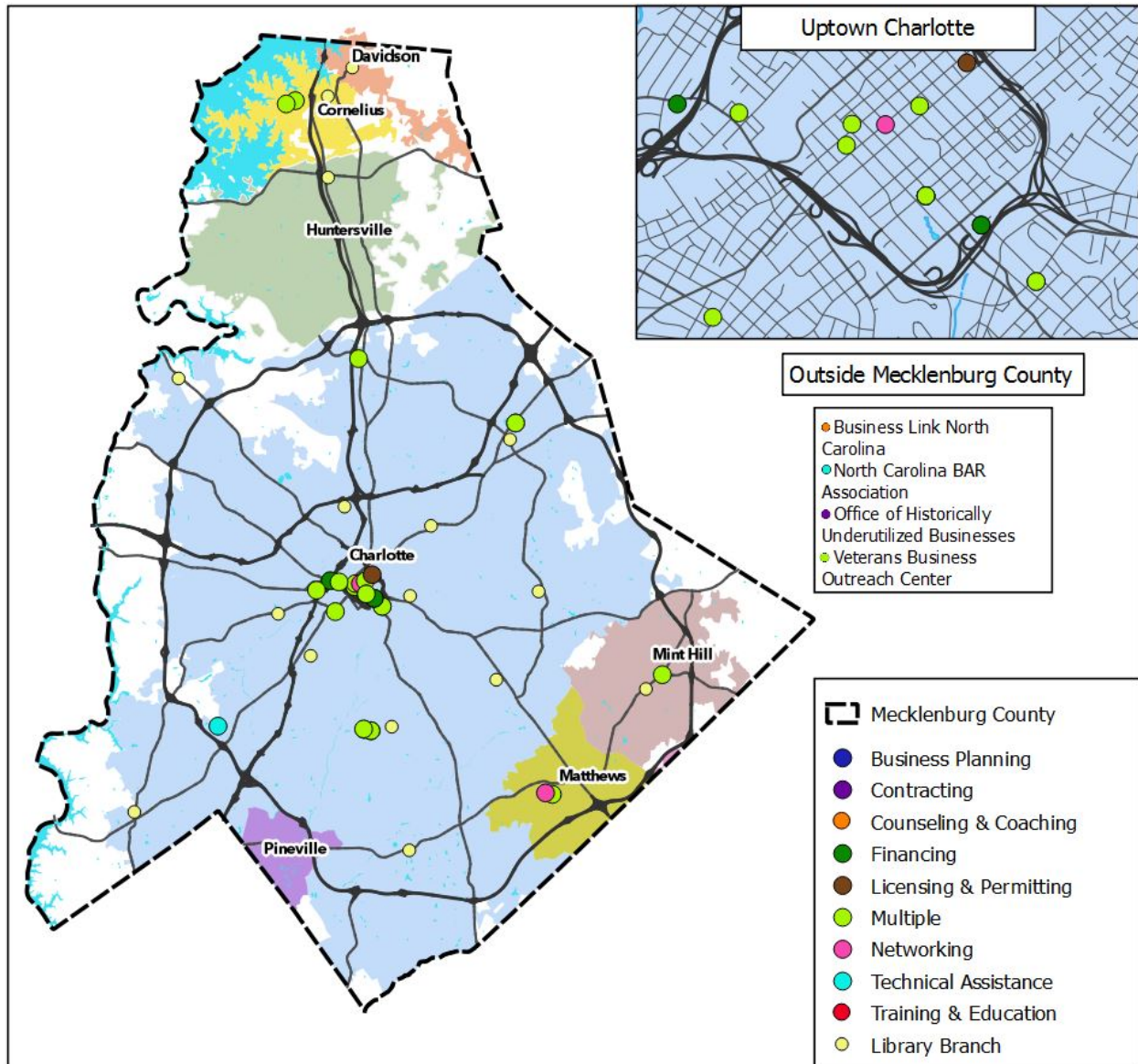
Organizations that help connect businesspersons to others in their field

Technical Assistance

Providers of information and assistance in specialized content areas that are pertinent to small businesses

Training & Education

Providers of courses, seminars, events, and training on small business topics



Overall Small Business Asset Map

Business Planning; Counseling & Coaching; Networking; and Training & Education services are reasonably well distributed throughout the county—though gaps may remain in places like Pineville and western Mecklenburg County. Other service categories, like Financing; Licensing & Permitting; and Technical Assistance are represented by fewer organizations. For categories where expansion of services is not practical, communication about current providers should instead be used to ensure that Mecklenburg County’s entrepreneurs are aware of how they can get the assistance they need. This is particularly true of Licensing & Permitting, for which there are just two organizations providing assistance.

For more information about the organizations included in the asset map, an overview grid is shown on the next page and a full report is given in Appendix B.



Overview of Asset Map Organizations and Services

Organization	Licensing & Patenting Business Planning	Training & Education Financing	Counseling & Coaching Technical Assistance	Networking	Contracting			
Business Expansion Funding Corporation (BEFCOR)			x					
Business Link North Carolina				x				
Carolina Business Capital			x					
Carolina Small Business Development Fund			x	x				
Carolinas Asian-American Chamber					x			
Charlotte Business INclusion					x			
Charlotte Chamber of Commerce			x	x	x			
Charlotte LGBT Chamber					x			
Charlotte Mecklenburg Black Chamber of Commerce			x		x			
Charlotte Mecklenburg Library	x		x					
Charlotte SCORE	x		x	x				
City of Charlotte Economic Development Department			x					
Commissioner Vilma Leake's Small Business Consortium			x		x			
The Employers Association				x				
Lake Norman Chamber of Commerce	x		x		x			
Lake Norman Small Business Network	x		x	x	x			
Latin American Chamber			x	x	x			
Matthews Chamber of Commerce			x		x			
Mecklenburg County Minority, Women, and Small Business Enterprises Program					x			
Mecklenburg County Health Department		x						
Mecklenburg County Land Use and Environmental Services Agency		x		x				
Mint Hill Chamber of Commerce				x	x			
National Association of Women Business Owners Charlotte	x		x	x	x			
North Carolina BAR Association				x				
Office of Historically Underutilized Businesses					x			
Queen City Forward	x			x	x			
Red Brick Partnership					x			
Self Help Credit Union			x					
Self-Help Ventures Fund			x					
Small Business & Technology Development Center	x			x	x			
Small Business Center at Central Piedmont Community College	x		x	x	x			
The Women's Business Center of Charlotte	x		x	x	x			
U.S. Small Business Administration			x	x	x			
UNC Charlotte Ventureprise			x	x				
Veterans Business Outreach Center	x		x	x				
	Business Planning	Licensing & Patenting	Financing	Training & Education	Counseling & Coaching	Technical Assistance	Networking	Contracting



Small Business Environment Benchmarking

To build on the results of the asset map, TPMA examined the existing efforts of governments and organizations across the country to connect and grow their already-existing small business ecosystems. Below are case studies from cities around the country of programs to address common small business ecosystem issues. Parallel approaches in Mecklenburg County are highlighted in blue boxes below each program example.

Physical Resource Hub



Café Commerce: San Antonio

Funded by LiftFund, a local non-profit small business loan organization, Café Commerce is a “one-stop-shop” for Entrepreneurs and existing small business owners. Located in the San Antonio downtown library, the program provides support, information, resources, and market data to guide the process.

Start Year: June 2014

Funding Sources



- City of San Antonio
- LiftFund: Community Development Financial Institution (CDFI): Provides credit and services to small businesses and entrepreneurs who do not have access to loans from commercial sources; Provides leadership and innovation in the micro lending industry

LiftFund Contributions Breakdown

- \$4,080,418 (56.6%) Government Grants
- \$3,128,949 (43.4%) Contributions, Gifts & Grants

LiftFund Expenses Breakdown

- \$12,607,026 (87.3%) Program
- \$1,406,675 (9.7%) Administrative
- \$422,249 (2.9%) Fundraising

Total Functional Expenses: \$14,435,950

Total Revenue: \$14,656,889

LiftFund Metrics for Success

- New Clients, Number of Loans Disbursed, Amount Loaned, LiftFund Portfolio, Active Clients, Average Loan Balance, Portfolio at Risk, Net Losses, Clients Served

*LiftFund Scope and Scale*

15 board members, 94 total staff nationwide. Served approximately 12,538 clients in 2015.

LiftFund Target Areas

Small business owners and entrepreneurs that do not have access to traditional commercial loans

**Entrepreneur Center of Austin**

The Entrepreneur Center of Austin is a “modern training facility” with the primary function of hosting the Small Business Program, a program offering comprehensive training services, such as classes, workshops, and coaching for entrepreneurs and small business owners. These trainings include capacity building information, navigating the city’s development process, and connecting to additional resources of interest. They also have local partnerships to provide low interest loans to qualifying businesses.

Start Year: Not Available

Funding Sources:

City of Austin, TX

Contributions & Expenses: Not Available

Metrics for Success

The small business program’s mission is to foster job creation and support for the growth of new and existing businesses by providing capacity building information, tools, and resources.

Scope and Scale

The Entrepreneur Center of Austin is a part of the Small Business Program which provides services to the greater Austin, Texas region.

Target Areas

All small business owners and entrepreneurs in the Austin, Texas region.



Colorado Small Business Development Center Network

The Colorado Small Business Development Center Network consists of 14 full time centers, and 70 part-time centers across the state. They strive to help existing and new businesses grow through free consulting services and no or low cost training programs and special events they hold at their various locations.

Start Year: Not Available

Funding Sources

U.S. Small Business Administration (50% or less of the operating funds for each state SBDC); one or more sponsors provide the rest. Matching fund contributions are provided by state legislatures, private sector foundations and grants, state and local chambers of commerce, and others.

Contributions & Expenses: Not Available

Metrics for Success

Clients Consulted, Businesses Started, Jobs Created, Jobs Saved, Capital Infused, Increased Sales, Contracts Awarded

Scope and Scale

The Denver Metro Small Business Development Center has 26 full time staff members including administrative staff and business consultants.

Target Areas

SBDC's target small business owners and entrepreneurs by providing one-stop assistance and providing guidance and consultation in starting, growing, and sustaining small businesses.



Online Resource Hub

**KCSOURCELink**

This resource was created when over 140 nonprofits serving small businesses in Kansas City banded together after hearing that entrepreneurs' primary frustration was spending much of their time simply finding the resources they needed. There were initial concerns about the development of the site, including whether or not there would be too many overlaps in the network that might cause organizations to ultimately close.

To address that concern, more than 100 partners developed The Resource Navigator to organize the resource partner programs and create a user-friendly database online. Additionally, the resource provides referral services for Kansas City small business owners.

Start Year: 2003

Funding Sources

The original SourceLink in Kansas started with initial funding from the Kauffman Foundation. The KCSOURCELink affiliate is partially funded by 12 of Kansas City's largest corporations (AMC, Hallmark, Sprint, etc.) who have each committed \$12,500 for five years. This funding was used as a match to access a grant from the U.S. Economic Development Administration.

SourceLink affiliates are financially supported by city, state, or county agencies. In some cases, foundations like JPMorgan Chase provide support in select metros.

Metrics for Success (2015)

Number of requests for assistance, online searches using the Resource Navigator, visits to website, client satisfaction, number of resource partners, number of social media fans.

Scope and Scale

KCSOURCELink serves the entire 18-county Kansas City region.

Target Areas

Connecting with aspiring, emerging, and established small business to provide a wide network of business-building resource organization in the Kansas City region.

Mecklenburg County has an active directory-like website called Charlotte Business Resources that provides relevant business resources and information to entrepreneurs.



Business Accelerator

**NYC Business Acceleration**

This online program assists entrepreneurs in opening business within specific industries such as Food & Beverage, Retail, Industrial, and Emergency Response Businesses. They offer free client management, plan reviews from Buildings and Fire Department, Consultations and Inspections.

Start Year: 2010

Funding Sources: Not Available

Contributions & Expenses: Not Available

Metrics for Success

Jobs created, reduced time and effort needed to meet city requirements for starting a business.

Scope and Scale

NYC Business Acceleration is a program within the NYC Small Business Services and serves the larger NYC region's small business owners and entrepreneurs.

Target Areas

Small business owners and entrepreneurs starting business in NYC.

Mecklenburg County has a handful of business accelerators located in the Charlotte area including RevTechLabs, QCFinTech, CLTJoules, and ImpactU - which focus on different business stage entrepreneurs and have industry-specific programs.



Small Business Community Engagement & Connections

In order for engagement activities to be most effective, the Kaufmann Foundation recommends that the events are tailored to target strategies and include small business owners at each stage of development – from inspiration, to start-up, to scale-growth. Below is a selection of successful programs for each stage.



Seattle Channel: In Good Company

In Good Company is a business showcase created by Seattle's Office of Economic Development, Seattle Metropolitan Chamber of Commerce, and Seattle Channel. This program was created to recognize businesses that "embody Seattle's pioneering spirit and reflect Seattle at its best."



1 Million Cups

A free, national program created by the Kaufmann Foundation, 1 Million Cups is designed to engage, connect and educate entrepreneurs. It is based on the notion that "entrepreneurs discover solutions and network over a million cups of coffee." The format is as follows: Every Wednesday one or two early-stage start-ups present their companies to an audience of peers, mentors and advisors. Each founder presents for six minutes, followed by a 20-minute Q&A. Afterwards, each startup receives feedback through an audience survey.

Start Year: 2012

Funding Sources

Kauffman Foundation, Community Sponsors

Contributions & Expenses: Not available

Metrics for Success

Entrepreneurs supported/joined, businesses started, chapters created

Scope and Scale

1 Million Cups has 56 different chapters in different cities across the nation.

Target Areas

Small business owners and entrepreneurs.

Mecklenburg County has a Charlotte-based 1 Million Cups program that holds its events at Industry Coworking on the first Wednesday of every month.



Crowd Entrepreneurship Competition

**Hatch Detroit**

Hatch Detroit is a program that champions and supports locally-owned retail businesses through “funding, education, exposure and mentoring.” Retail businesses vie for a \$50,000 grant award to be used for opening a brick-and-mortar establishment in selected neighborhoods with available commercial real estate. Entrants are screened for the quality and fit with local community needs. Top applicants received advanced support in developing a business plan and then are invited to a primary election voting phase. The final four applicants participate in a high profile event where community members vote for their favorite idea. Though only one company wins the event per year, all participants benefit from the visibility and connection with potential funders. A selected number of participants each year also enter the Hatch Alumni group where they can stay connected with other entrepreneurs and receive marketing through the Hatch website.

Start Year: 2011

Funding Sources

Local sponsors and partnership with other non-profits are listed on the Hatch website.

Contributions & Expenses: Not available

Metrics for Success

Number of store fronts opened. Though only five winners have been named. Fourteen businesses have opened up shop since 2011.

Scope and Scale

Exists only in Detroit and awards one winner per year.

Target Areas

Independent retailers

No such program currently exists in Mecklenburg County, but TPMA is recommending a similar Crowd Entrepreneurship Competition program.



Regulation and Inspection Streamlining Processes

NYC Business Express

This website offers a step-by-step wizard for small business owners to walk them through which regulations and ordinances apply to their businesses. Operating through the OpenCounter software, this resource has been very successful at guiding entrepreneurs and small business owners in the right direction. In addition to the wizard, NYC Business Express has an Incentives Estimator which helps business owners determine whether or not they qualify for money-saving incentive programs.



Boston Permits and Licenses

This website guides users through the process of selecting and applying for permits from the Inspectional Services Department and the Boston Fire Department. It allows users to print permits that were previously applied for, and informs them of their progress in the approval process. This service has led to a substantial increase in on-time issuance of permits and an overall increase in permits.



Denver Development Services

The Denver Development Services website has centralized and streamlined many of their services to assist the city's business development needs. Online services include options to perform a contractor search, submit plans electronically, check the status of building permit review, schedule inspections, and use a mapping tool containing zoning and inspector districts, among others.



Mecklenburg County is in the early stages of creating a more streamlined system through the Land Use and Environmental Services Agency (LUESA)'s automated permitting processes.



Multi-Service Organizations

**Accion Chicago**

Accion Chicago is a Community Development Financial Institution (CDFI) non-profit that invests, assists, and trains small business owners that have an impact in their local community. They provide one-on-one financing solutions and coaching and manage the three programs below:

*Seed Chicago*

Seed Chicago is a curated program through Accion that highlights community development and small business projects that are successfully funded through Kickstarter and have a meaningful impact in the local community. The program also provides free coaching for crowd funders in the area.

Small Business Loan Program

Accion's Small Business Loan Program offer loans from \$500-\$100,000 in Illinois and Northwest Indiana. They offer fixed interest rates and flexible terms up to 72 months with no penalty for pre-payment, access to networking and educational opportunities and additional resources to help small business owners.

Start Year: 1994

Funding Sources

- | | |
|-----------------------|--------------------|
| • JPMorgan Chase | • Coca-Cola |
| • Boston Beer Company | • The Crown Family |
| • Bank of America | • Travelers |

Other funders: <http://accionchicago.org/funders/>

Revenue Breakdown (2014)

- Contributions and Grants: \$2,640,639
- Program Service Revenue: \$826,937
- Investment Income: 439
- Other Revenue -\$7,944
- **Total Revenue:** \$3,460,071

Expenses Breakdown (2014)

- Grants and Similar Amounts Paid: \$0
- Benefits Paid to or for Members: \$0
- Salaries, Other Compensation, Employee Benefits: \$2,128,701
- Professional Fundraising Fees: \$0
- Other Expenses: \$1,289,522
- **Total Expenses:** \$3,418,223

*Metrics for Success*

Number of microfinance institutions helped build, number of active savers and clients served by Smart Campaign-certified financial institutions, and number of active borrowers.

Scope and Scale

Accion had 5.3 million active borrowers in 2014, impacting the lives of 26.5 million family members and employees.

Target Areas

Vulnerable populations that need access to credit in order to improve their quality of life – in order to decrease the number of financially excluded adults (those without access to a bank account)

Mecklenburg County has organizations like the Small Business Center at Central Piedmont Community College and the Small Business and Technology Development Center at UNC Charlotte that provide similar multi-faceted services to small business owners.



Microloan Programs

**Fund Name: Pittsburgh Entrepreneur Fund**

Funder: Urban Redevelopment Authority of Pittsburgh

Purpose: The Pittsburgh Entrepreneur Fund (PEF) provides capital for new and growing businesses, including emerging technology-based firms, such as Information Technology, Life Sciences and Sustainable/Green and other emerging industry clusters. PEF is available to all start up and growing businesses within the City of Pittsburgh and can be used for working capital, laboratory, computer, and scientific equipment, leasehold improvements, real estate, investments to lower energy usage, and other sustainable or Green elements.

Loan Amount: The maximum loan amount shall be the lesser of \$200,000 or 60% of the total project cost, not to exceed the project gap. The minimum loan amount is \$20,000.

Limitations: For every \$30,000 borrowed, a FTE job must be created within 3 years. Also, 51% of all non-supervisory jobs created must be made available to low- and moderate- income persons.

**Fund Name: Salt Lake City Economic Development Loan Fund**

Funder: Salt Lake City Corporation

Purpose: Uses of the funds are intended to generally support most for-profit and some non-profit organizational business needs, including, but not limited to:

- A business expanding or relocating to Salt Lake City
- Energy-efficient (e2) equipment upgrades and building retrofits
- Businesses impacted by construction
- Construction/tenant improvement and/or real estate acquisition
- Signage, retail presentation, and display work
- Landscape and property improvements
- Fixtures, furnishings, equipment, and inventory
- Working capital and marketing

Loan Amount:

1. Startup business (0-3 years old): Can apply for loans up to \$100,000
2. Existing business (3+ years old): Can apply for loans up to \$350,000
3. Microloans: \$25,000 or less

Limitations: A loan evaluation matrix is used by the City's Loan Committee to rank loan applications based on an applicant's credit history, ability to repay the loan, management ability, business experience, neighborhood impacts of the business, and fiscal impacts of the loan relating to job creation and retention, leverage of public to private funds, and the collateral requirements. The loan evaluation matrix has a total of 100 points, and a loan application generally must receive at least 70 points to be approved.



Fund Name: Two Percent Loans

Funder: Minneapolis Community Planning & Economic Development

Purpose: Two-Percent Loans provide financing to small Minneapolis businesses (retail, service or light manufacturing) to purchase equipment and/or to make building improvements. A private lender provides half the loan at market rate and the City provides the rest, up to \$50,000 at 2 percent interest (up to \$75,000 in designated neighborhood commercial districts). The loan term is set by the private lender and can be for up to 10 years.

Eligible Uses:

- Lighting
- Windows
- Walls, ceilings, floors
- Roofing
- Plumbing
- Electrical
- Mechanical Systems and Air Conditioning
- All work on the front and sides of business buildings facing public streets
- Cleaning, painting and staining of exterior surfaces
- Masonry repairs
- Repairing or replacing of cornices, entrances, doors, windows, decorative details and awnings
- Sign removal, repairing or replacement
- Architectural design services for plans and specifications
- Parking lots, including lighting, surfacing and landscaping
- Building identification
- Other items that are viewed necessary to complement the exterior of the building
- Building permits
- Energy audits
- Energy conservation and energy retrofits
- Handicap access
- Streetscape costs not financed by special assessment
- Production equipment
- Equipment must be fixed
- Financing of computers are approved on a case-by-case basis

Loan Amount: Up to \$150,000 (\$75,000 Minneapolis) in certain areas, usually a maximum of \$100,000 (\$50,000 Minneapolis).

Limitations: Recipients must make an effort to hire Minneapolis Residents through the Minneapolis Workforce Board.

Fund Name: Small Business Loan Fund

Funder: Erie County Regional Development Corporation

Purpose: While the RDC Small Business Loan program is open to all entrepreneurs, the program especially supports underserved markets including borrowers with little to no credit history, low income borrowers and minority and women entrepreneurs (M/WBE) in rural and urban areas who generally do not qualify for conventional loans.

Use of Funds: Working capital, Furniture, fixtures, equipment, inventory, materials and supplies (Funds cannot be used to refinance existing debt, to purchase or to improve real estate)

Loan Amount: \$5,000-\$50,000 6 year term at 4.0% fixed interest rate

Limitations: For-profit businesses within Erie County that meet the Small Business Administration's size and type-of-business standards are eligible to apply. Must be declined by a traditional bank.

**Fund Name: Erie County Business Development Fund**

Funder: Buffalo and Erie County Land Development Corporation

Purpose: To encourage job-creating expansion projects, the BDF can help bridge the gap in the conventional financial marketplace which may be impeding the growth of otherwise sound, employment generating companies. These funds can be used for

- Permanent working capital
- Acquisition of machinery and equipment
- Pollution control and related improvements where funds extended are sufficient to bring the borrower into full compliance
- Funds to effect a change in ownership in extraordinary cases where it can be demonstrated that the employment base of a company is in jeopardy
- Acquisition, development or rehabilitation of land, buildings and facilities.

Loan Amount: Maximum loan amount shall be the lesser of \$100,000 or 33% of total project financing. The minimum loan amount is \$15,000.

Limitations: The revolving loan fund is available throughout Erie County except Buffalo, Amherst, Cheektowaga, Hamburg, and Tonawanda (because these communities have their own revolving loan fund). For every \$15,000 lent at least one full-time job must be created.

Fund Name: 50/50 Minority, Women and/or Start-Up Business Loan Fund

Funder: Financing for the Loan Program is offered jointly through special loan programs of the RDC, banks and the U.S. Small Business Administration (SBA)

Purpose: The Buffalo and Erie County Regional Development Corporation and the banks are committed to offer incentives that will promote and enhance the ability of minority, women-owned, or start-up business enterprises to successfully start-up, develop, or expand small business in Erie County by providing financial and other support services. The success of this loan program will be based on the provision of pre-application assistance, reasonable and necessary financing, subsequent counseling and mentoring.

Loan proceeds can be used for any of the following purposes or combinations thereof: 1. Permanent working capital 2. Acquisition of machinery and equipment 3. Pollution control and related equipment 4. To effect a change in ownership where the Employment base of a company is in jeopardy

Loan Amount: \$25,000-\$500,000. For any loan that is approved under the loan program, a bank will initially fund one hundred percent (100%) of the total principal amount to be advanced. In turn, the bank will sell RDC a fifty percent (50%) participation, which will reduce the bank's participation which will reduce the bank's participation to fifty percent (50%) of the total principal amount to be advanced. Of the amount being financed under this participation agreement, an SBA guaranty will be received for eighty five percent (85%) for loans up to \$150,000 and 75% for amounts over \$150,000.

Limitations: An eligible borrower may be a minority, women-owned and/or start-up business (in operation less than two years) enterprise located within Erie County. Priority will be given to targeted growth industries and those located in designated distress areas of the county.



Small Business Support User Survey

In addition to quantitative data collection and best practice research from around the country, TPMA also sought the opinions of stakeholders within Mecklenburg County. The first way this was accomplished was through designing, disseminating, and analyzing a survey for small business owners in Mecklenburg County. The goal of this survey was to gather a wider array of perceptions from small business owners with various backgrounds and experiences. Survey findings are presented in detail here. Results and implications of the survey are analyzed alongside focus group and interview results Section 2.

Survey Approach

This survey was distributed by email via Survey Monkey and promoted widely across social media platforms with assistance from the City of Charlotte, Charlottebusinessresources.com (CBR), and other organizations in the county. A total of 214 small business owners and employees completed the surveys. Each section of this report gives an account of how many respondents answered each question and further analyzes trends across respondents.

Key Findings by Question

Q1. What is your position in this business?

Of the 214 respondents, 206 provided their position at their company. 159, or 77.2%, reported being the owner of their business, 23 were CEO and/or President, 9 were managers, and 9 were employees. 6 responded as having another position within their business.

Q1. What is your position in this business?

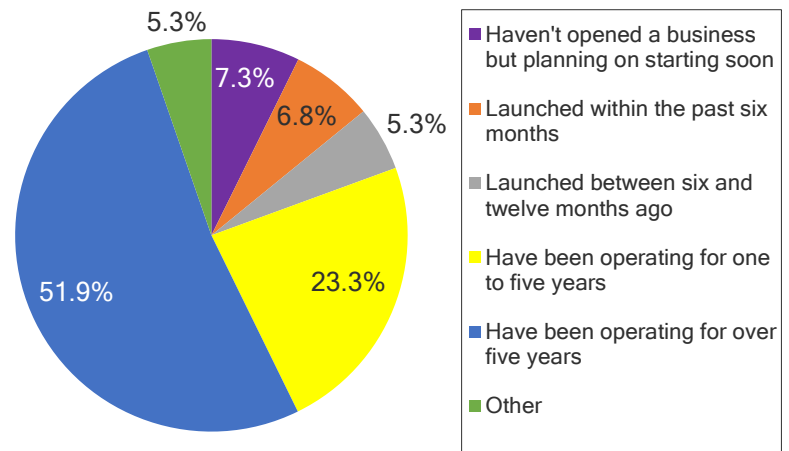
	Response Percent	Response Count
Owner	77.2%	159
CEO / President	11.4%	23
Manager	4.4%	9
Employee	4.4%	9
Other (please specify)	2.9%	6



Q2. Which response best describes the current stage of your company?

Of the 214 total respondents, 206 reported the current stage of their company. One Hundred and Seven, or 51.9% of the companies have been operating for over five years. Forty-Eight, or 23.3% of the companies have been operating for one to five years. The remaining companies are in earlier stages of development.

Figure 1. Stage of Company

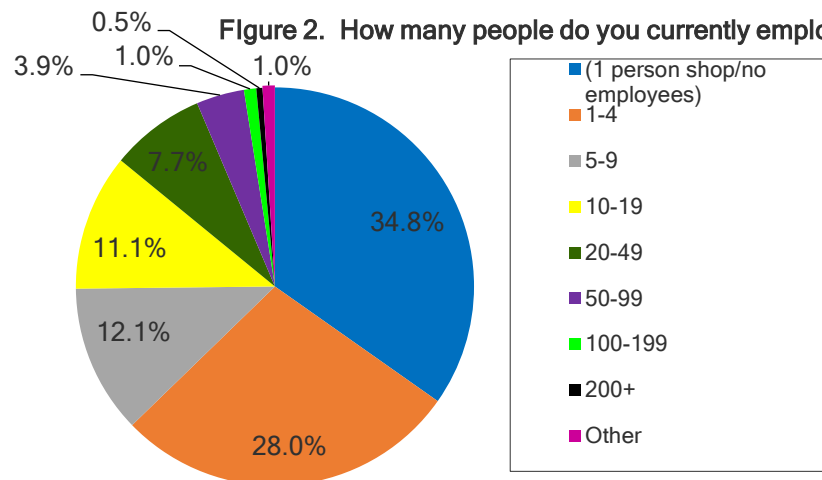


Respondents = 206

Q3. How many people do you currently employ?

Respondents were asked how many people their company currently employs. Of the 207 responses, 72, or 34.8% indicated they were solopreneurs, employing no one aside from themselves. 58, or 28% employed between one and four persons. For the remaining categories, response percent decreased with each successive employment category.

Figure 2. How many people do you currently employ?



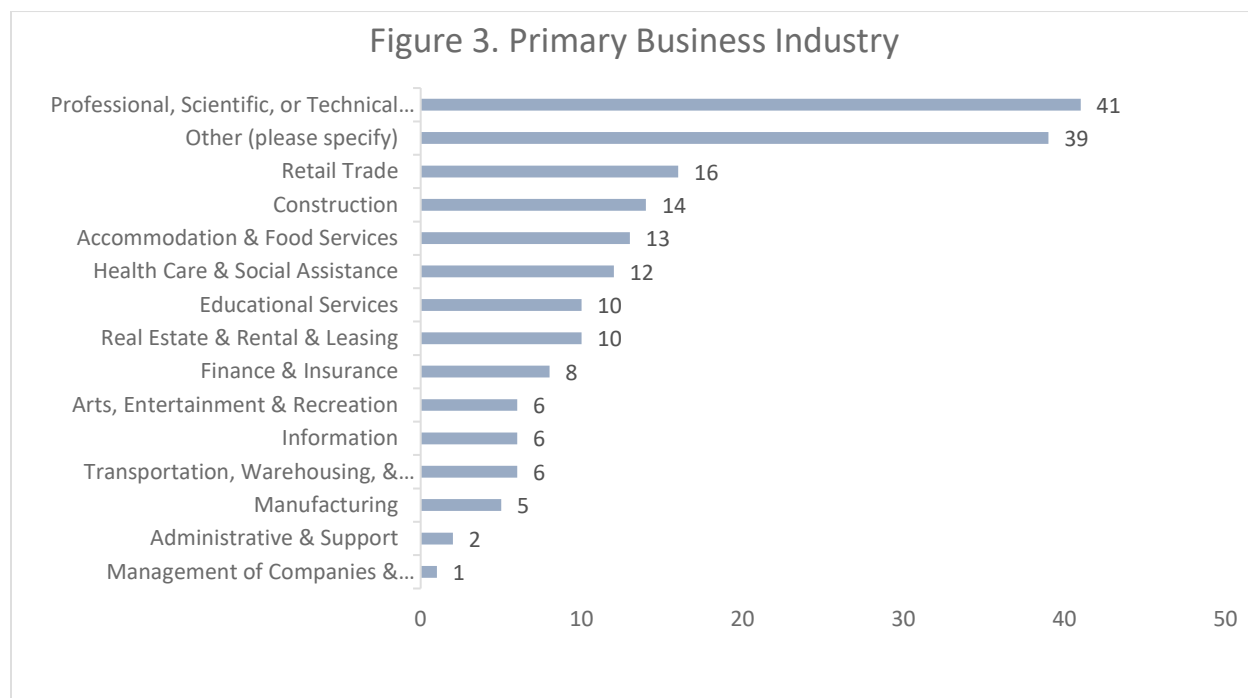
Respondents = 207



Q4. What is the primary industry your business is categorized as?

Of the 214 total respondents, 189 identified their primary business among a list of categories.

“Professional, Scientific, or Technical Services” was the highest response category, with 41, or 21.7% choosing this response. Additionally, 39, or 20.6%, chose “Other” to indicate their business did not fit in line with the given categories.



Q5. Do you own or operate a woman or minority-owned small business?

When asked whether they owned or operated a woman or minority-owned small business, 191 people responded. Nearly 60%, or 114 responded “yes”, indicating that their business was owned or operated by a woman and/or minority.

Q5. Do you own or operate a woman or minority-owned small business?

	Response Percent	Response Count
Yes	59.7%	114
No	38.7%	74
I'm not sure	1.6%	3



Q6. Have you utilized any services (public or private) for assistance in growing your small business?

Respondents were asked whether they had utilized any services to assist with growing their small business. Of the 198 total responses, 84, or 42.4% responded “yes”, indicating that they had used public or private resources for assistance in growing their business. The other 114, or 57.6%, responded “no”, indicating that they had not utilized such resources.

Q6. Have you utilized any services (public or private) for assistance in growing your small business?

	Response Percent	Response Count
Yes	42.4%	84
No	57.6%	114

Q7. If you answered no to number 6, what are your reasons for not utilizing assistance services (public and private) for your small business?

Of the 114 who responded no to number 6, 101 responded to this question. One of the most common answers was that respondents were not aware of or did not know where to go to get the available services for small business assistance.

Others indicated that they did not perceive a need for assistance and therefore did not deem it necessary to utilize the services. Some indicated that events they have seen were hosted during work hours that did not work with their schedule. One respondent stated that the service they used was “behind the times,” and not up to date on the needed technology for small business support.

The top responses include:

- Unsure/unaware of the options that exist
- Do not need services
- Could not find assistance
- Resources not relevant for their business

Q8. If you answered no to question 6, what do you think Mecklenburg County could do to incentivize you and other small business owners to utilize these services?

Of the 114 who responded no to number 6, 99 responded to the question of how Mecklenburg County could incentive utilization of small business assistance services. Increasing awareness of the services was the most common response. Following that, there was a wide variety of suggestions, including:

- Publicize and make construction permitting easier; ensure that minority businesses are included
- Streamline service offerings; have a tiered approach / pipeline
- Increase advertising with weekly emails, etc.
- Host or sponsor classes on loans, business licenses, and grants
- Allow and help small businesses pool together and collaborate to offer health insurance for employees
- Provide some sort of tax rebate for small business owners during their startup period
- Staff a “small business concierge” that is dedicated to answering questions and connecting small businesses to services they need



- Clearly define what services are available to what specific industries
- Provide free marketing opportunities for small business owners

Q9. Does your company have a social media presence?

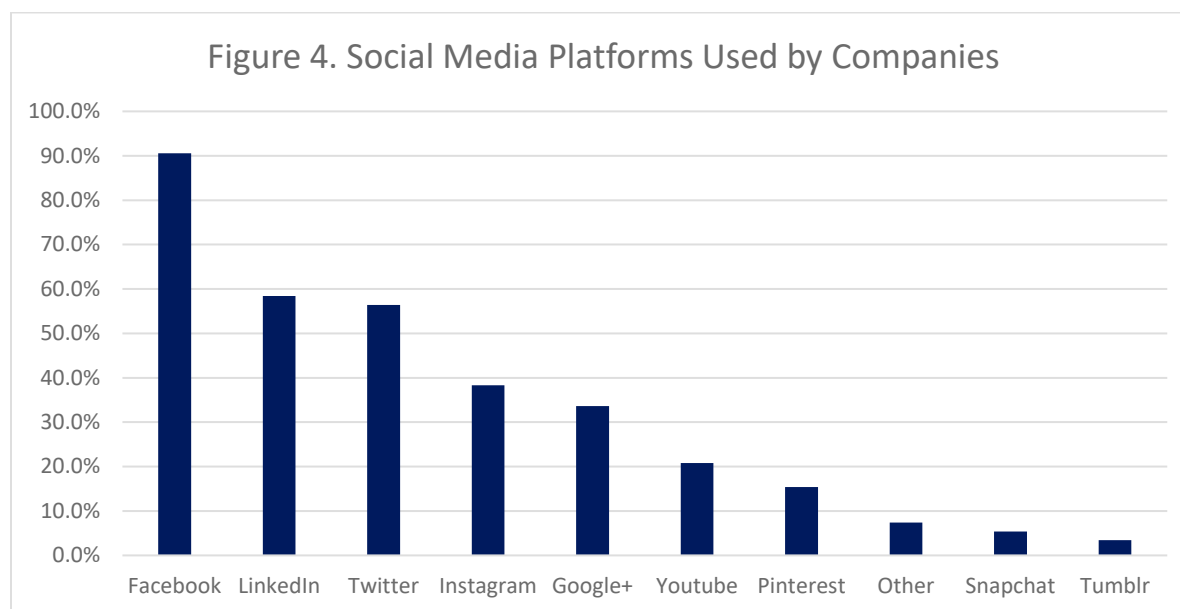
Respondents were asked whether their company has a social media presence. Of the 186 responses, 147, or 79% indicated they did have a social media presence. 39, or 21% did not have a social media presence.

Q9: Does your company have a social media presence?

	Response Percent	Response Count
Yes	79.0%	147
No	21.0%	39

Q10. If yes, which social media platforms does your company use? (Check all that apply).

Respondents that do have a social media presence were asked which platforms they utilize. 149 provided responses. Of these, 90.6% use Facebook, making it the most commonly used platform. Eighty-seven respondents, or 58.4%, indicated using LinkedIn. This was closely followed by Twitter, which is used by 56.4% of respondents.





Q11. Have you ever visited www.charlottebusinessresources.com?

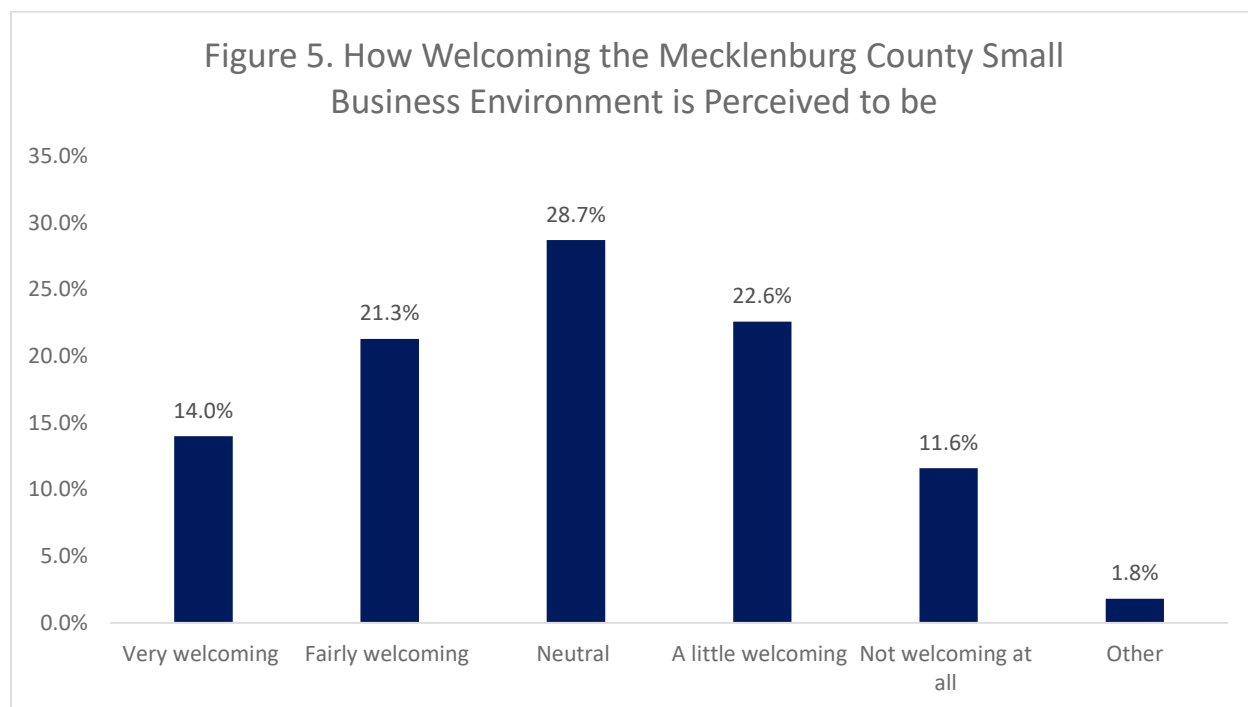
Respondents were then asked whether they had visited www.charlottebusinessresources.com. Of 187 responses, 64, or 34.2% reported visiting the website. The other 123, or 65.8%, had never visited the website.

Q11. Have you ever visited www.charlottebusinessresources.com?

	Response Percent	Response Count
Yes	34.2%	64
No	65.8%	123

Q12. How welcoming do you perceive the small business environment to be in Mecklenburg County?

Respondents were mixed about how welcoming they perceived Mecklenburg County's small business environment to be on a scale of "not very welcoming at all" to "very welcoming". Of 164 responses, 47, or 28.7% reported a "neutral" perception. Overall, 35.3% of respondents said that Mecklenburg County is more than neutrally welcoming. On the other hand, an almost equal 34.2% of respondents chose answers on the negative end of the scale.



**Q13. What are the strengths of the small business environment in Mecklenburg County?**

Respondents were also asked about the strengths of the small business environment in Mecklenburg County. 118 out of a possible 214 responded. There was no majority consensus in responses; however, there were a few common themes among the responses. Some of them include a strong economy or collaborative environment with networking opportunities. Others reported that they couldn't think of a strength. Responses include:

- Easy to start a business
- Numerous opportunities for growth
- A thriving economy
- Lots of small business seminars/workshops
- Support Organizations exist such as Ventureprise that provide office space, coaching, services and network contacts to facilitate business growth
- There are ton of resources for small business owners to take advantage of and many of them are free
- The market is strong and getting stronger
- Potential clients are abundant; large recruiting pool for employees
- Young new town

Q14. What are the weaknesses of the small business environment in Mecklenburg County?

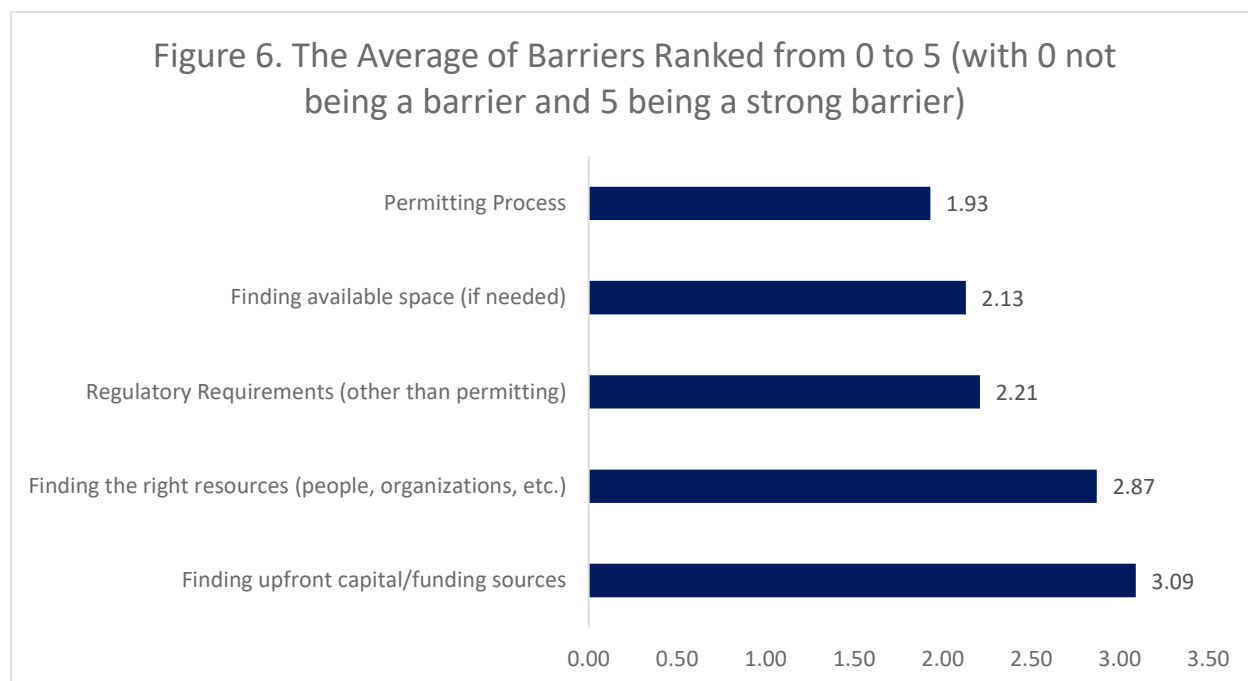
Respondents were asked about the weaknesses of Mecklenburg County's small business environment. 121 of a possible 214 participants provided a response. Responses were varied, with no major consensus. Generally, responses centered on different aspects of difficulty in growing their businesses. Some reported difficulty accessing capital, some mentioned that operations were easier for larger businesses, and some mentioned taxes, permitting, and regulations as a barrier. Some prominent themes included:

- Favoritism for large corporations over small businesses
- High tax cost and complication, especially for real estate
- Lack of enthusiasm and support for small businesses
- Licensing and permitting process is long and complicated
- No central place for information
- Difficult for small businesses to get County contracts
- Not enough innovative businesses
- Expensive airport for business travel



Q15. If you are currently operating a small business, please indicate the extent to which each factor was a barrier. (Please rank from 0-5 with 0 being not a barrier and 5 being a strong barrier)

Respondents were asked to rank the following factors from 0 to 5 based on the extent to which each factor was a barrier: regulatory requirements (other than permitting), permitting process, finding the right resources (people, organizations, etc.), finding upfront capital/funding sources, finding available space (if needed), and other. Of 156 possible responses, 127 respondents indicated that finding capital and funding sources was the largest barrier, giving it an average rating of 3.09. The lowest ranked barrier, reported by 108 respondents, was the permitting process, which was given an average rating of 1.93. A few respondents listed barriers that were not among the options listed, including training and getting in front of decision-makers.

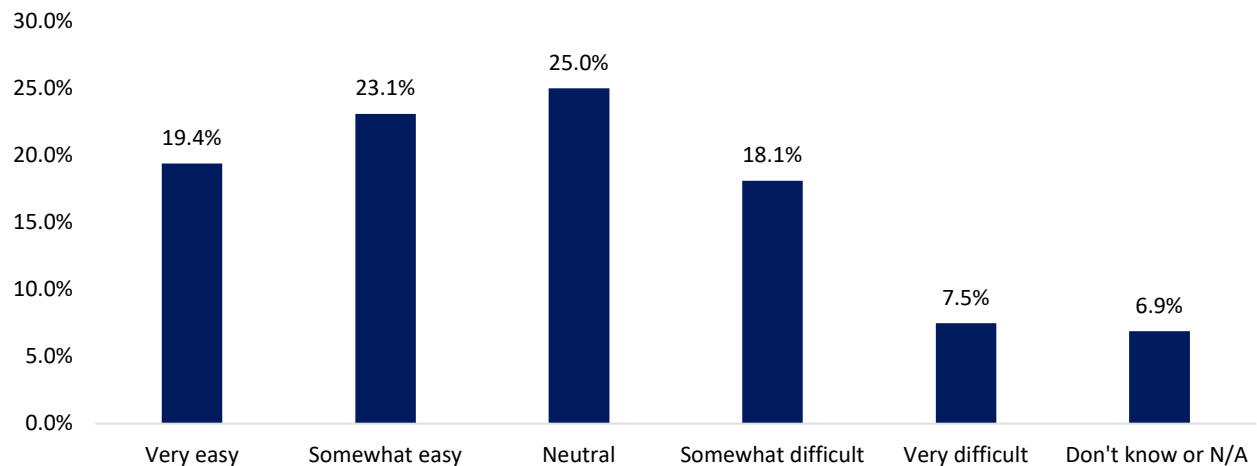




Q16: Overall, when starting your business in Mecklenburg County, how user-friendly was the process of legally getting your business up and running? (Process is inclusive of all forms of permits and licensing required)

Of the 160 respondents, 25% said that the user friendliness of legally starting up their businesses was “neutral.” Following that, 23.1% said that the process was “somewhat easy.” Only 7.5% said that the process was “very difficult.”

Figure 7: User-Friendliness of Legally Starting Up Small Businesses





Q17: Have you used any of the following small business assistance or professional organizations?
Of the 116 respondents, 40.5% have used the Charlotte Chamber of Commerce, followed by the Small Business Administration at 33.6% and the Charlotte Mecklenburg Library at 31.9%. For the “Other” section, respondents cited using the Employer’s Association, PIES, SCORE, NC HUB Program, and others.



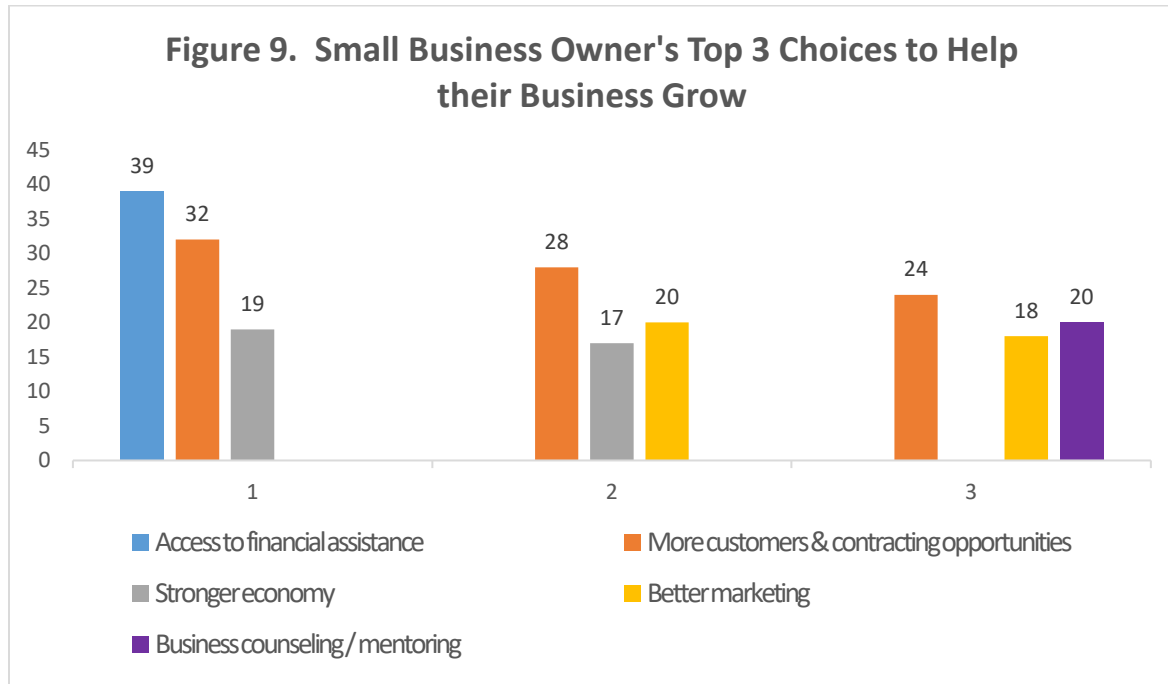
Q18: Across all service providers, what services have you found to be the most helpful? (business counseling, mentoring, training, etc.)

Of the 214 total respondents, 91 individuals responded to this question. Most responded that mentoring and networking were the most helpful services for them in starting their small business. Others cited specific organizations such as the Charlotte Chamber of Commerce, the Employers Association, the National Association of Women Business Owners (NAWBO), SCORE, and the Small Business and Technology Development Center (SBTDC).



Q19: What would help you grow your business the most in the next 12 months? Rank your top three.

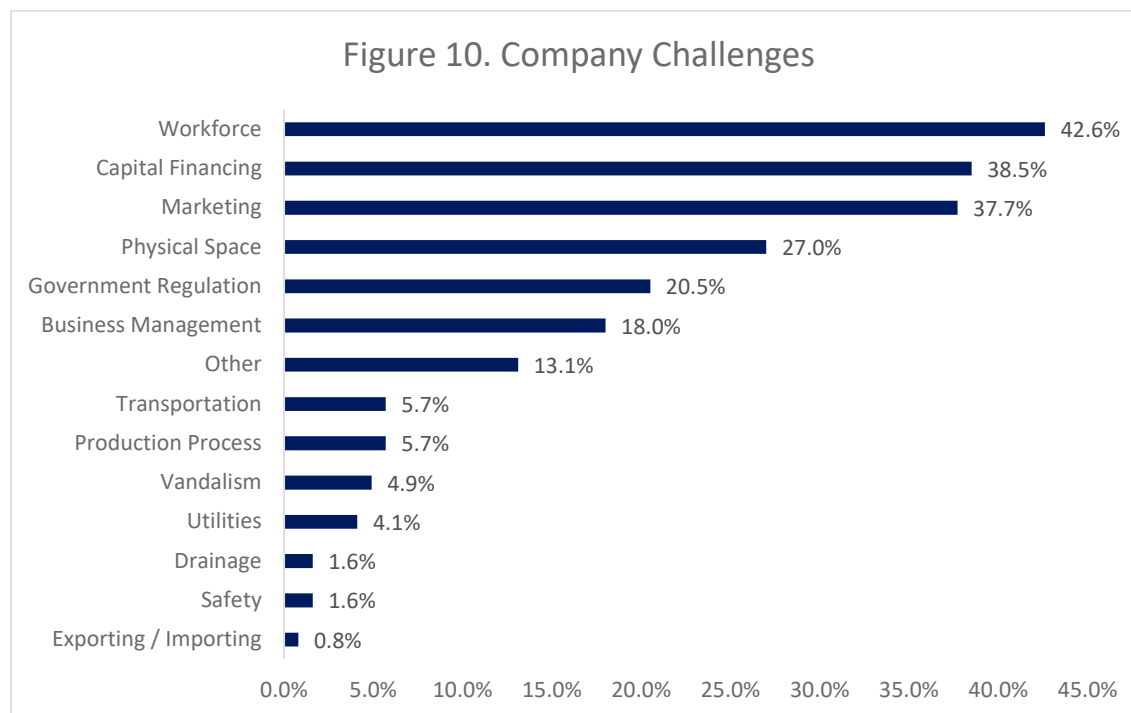
Of the 141 respondents to this question, the number one item that respondents ranked as most helpful was “access to financial assistance”, with 39 respondents ranking this as their highest need. The next most-selected answer was “more customers & contracting opportunities.” Other frequent responses, like “better marketing”, “stronger economy”, and “business counseling/mentoring” are shown in the chart below. Answer responses that were infrequently selected included “more business education training”, “networking opportunities”, and “international market expansion.”





Q20: Is your company currently challenged by any of the following issues?

The next question asked respondents to identify whether certain issues were currently challenging their business. This was answered by 122 individuals. The top three barriers for respondents include Workforce (42.6%), Capital Financing (38.5%), and Marketing (37.7%). For the “other” selection, respondents cited the high cost of health care, lack of oversight of awarded contracts by the county, technology, and Internet security.



Q21: Please describe the most critical issue facing your company.

Out of the 214 total respondents, 120 responded to this question. The key theme of these responses included the high costs for real estate, the need for more marketing and networking, and managing growth wisely.

Others cited the need to get in front of large targeted companies and issues with clients and marketing. Some cited that they had issues gaining access to capital and financing for various business ventures. The need for a qualified, competent workforce to draw from for their employees was also a common concern. A sample of responses include:

- Hiring skilled programmers
- Lack of business/exposure; inability to educate people about what we do
- Redevelopment and \$30 to \$40 sq. ft. rental space
- Competition from large stores and inability to purchase products at competitive prices
- Keeping up with Technology and trends, staying vibrant and networking
- Taxes and government regulations
- Economic stability
- How to develop a growth plan and stick to it
- Blue line construction affecting traffic



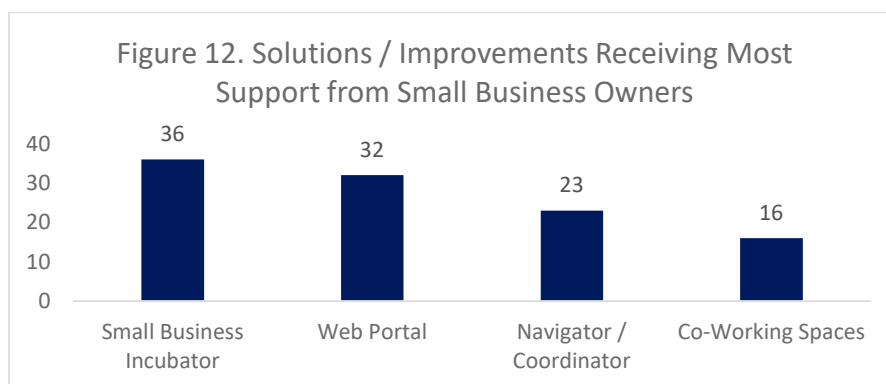
Q22: If your current employees need training, what types of training do they need? Select all that apply.

The top responses for this questions were split three ways – basic communication, employee management, and “other.” For the “other” category, small business owners were looking for specific training such as programming, portfolio management, financial planning, and others.



Q23: Below please find a list of possible solutions/improvements that could be implemented in Mecklenburg County to help small business owners. Please rank from 1 to 4, with 1 being not plausible/won't work for small business owners and 4 being very plausible/will work for small business owners.

Of the 116 responses, the potential solution that received the most support from respondents was a Small Business Incubator; 36 respondents indicated that it would be very plausible and work well for small business owners in Mecklenburg County. Following that, 32 respondents suggested the creation of a Web Portal to assist small business owners.





Q24: Please share any suggestions for solutions you have to help small business owners in Mecklenburg County.

Of the 65 respondents to this question, there were several themes related to education, access, and adequate support – financially and otherwise – for small business owners. Though responses varied significantly, several prominent themes are shown below:

- Streamlining official resources
- Opening up County contracting to smaller companies
- Tailoring programs and mentoring to individual industries
- Providing small business incubator space
- Providing personalized assistance, especially with permitting
- Increasing access to funding

Q25. Do you have any comments you'd like to add?

Of the 36 responses to this question, key themes included desire for updated policies and tax codes that favor small businesses. Some cited having a positive experience operating a small business and that Mecklenburg County was a good place to start a business, while others cited having difficulties, such as competition from larger businesses. Others expressed gratitude toward the survey itself, citing that it showed Mecklenburg County was committed to small businesses, and one respondent claimed it exposed their business to new opportunities.

Q26. Contact information

Of 214 respondents, 95 provided one or more of the following: Name, Company, Address, City/Town, State/Province, Email Address. 85 respondents provided the name of their company. Many of the companies that responded fall under the categories of consulting services, or food and beverage services. Other companies range from assisted living, grocery stores, bicycle shops, and construction services.

Q27. In order to connect your business with Business Resource Providers that are able to address the needs that you have identified, can we share your contact information with Charlotte Business Resource providers?

Of 214 respondents, 113 provided a response. 83, or 73.5% responded “yes”. 30, or 26.5% responded “no”.

Q27. Responses:

	Response Percent	Response Count
Yes	73.5%	83
No	26.5%	30



Section 2: Evaluation of Data and Program Response Development

Where Section 1 summarized the methodology and results of TPMA's data collection process, Section 2 analyzes those results and translates them into program recommendations.

Data Evaluation of Focus Groups and Survey Responses

This section includes findings based on focus groups and interviews conducted in August - October of 2016. In addition, this report includes findings for the 214 online surveys completed by local business owners.

Organizations and Groups Included

Charlotte Business Resources
Small Business Lenders
Mecklenburg County Small Business Economic Advisory Board
Charlotte Chamber of Commerce
Minority, Women, and Small Business Enterprises (MWSBE)
Lake Norman Economic Development Corporation
Northern and Southern Communities: Towns Davidson, Cornelius, Matthews, Pineville
NoDA Neighborhood Business Association
Charlotte Mecklenburg Black Chamber of Commerce
Carolina Asian-American Chamber of Commerce
Commissioner Vilma Leake's Small Business Consortium
Latin American Chamber of Commerce of Charlotte

Interviews

Elaine Fairman, BEFCOR
Jerrienne Jackson, City of Charlotte
George McAllister, UNC SBTDC
Paul Wetenhall, Ventureprise
Bill Gill, Service Corps of Retired Executives (SCORE)
Renee Hode, Central Piedmont Community College (CPCC)
Ebenezer Gujjarlapudi, Land Use and Environmental Services Agency (LUESA)
Natasha Warren, Charlotte Works
Dale Gillmore, Viking Mergers & Acquisitions

Surveys

214 online surveys completed



Focus Group and Interview Findings

Overview

From August to October 2016, there were 14 focus groups conducted with a wide variety of Mecklenburg County community stakeholders – including county commissioners, chambers of commerce, small business support organizations, and small business owners themselves.

Strengths & Opportunities

Across the 14 focus groups with various community leaders and small business owners, one strength was made abundantly clear: Charlotte and Mecklenburg County have fostered a small business community that is welcoming, supportive, and approachable. However, it should be noted that this result somewhat differs from the findings of the survey.

Additionally, the strong population growth in the past five years in Charlotte (9% increase) and at the county-level (12% increase) has allowed for a wider net of potential customers, networking opportunities, and business opportunities. Interestingly, Uptown Charlotte is home to approximately 14,000 people but has a day-time population of more than 65,000 people.⁹

As for opportunities, some suggestions included providing more transparency and opportunity in the procurement process for larger contracts to go to smaller, more focused companies rather than the large companies that continually get large projects. Additionally, a type of “concierge” service was suggested for small business owners countywide.

Because the stage at which individual small business owners find themselves is often varied, some participants suggested tailoring training opportunities and services to different business stages. For example, the County could establish two types of training: training that is targeted at initial start-up issues and training that is focused more on entrepreneurs that have been in business for over a year and are looking to grow or maintain their businesses.

Strengths

- Welcoming
- Approachable
- Supportive
- Population Growth

Opportunities

- Transparency in contracting
- Concierge service for small business owners
- Training targeted to business stage

⁹ Quality of Life Explorer; U.S. Census Bureau, Longitudinal Employer-Household Dynamics



Barriers, Gaps, & Threats

Small Business Support Services

Across focus groups, several common concerns were cited. Primarily, small business owners and the organizations that serve them explained that the support services available to the typical small business owners are fragmented, and often the entrepreneur is required to go from organization to organization to find the support they need. Many suggested that it would be less of a burden if most, or all of the services could be provided in one central location. Additionally, programming can often be duplicated across organizations and it was suggested that these organizations should collaborate more often to avoid duplication.

Small business owners also stated the lack of targeted opportunities – for training such as technology and software, strategy for business growth and sustainability, and leadership. Beyond training, participants cited that there is a need for more targeted networking opportunities – such as industry-specific professional organizations that connect small business owners with industry players, potential clients, and peers within the County. Because entrepreneurs are an increasingly diverse sub-group of the population, participants cited a need for opportunities tailored to audiences such as immigrants and minority small business owners.

Other Issues

Another common issue was that of promotion and outreach. Many small business owners felt that their voices were often not being heard or recognized on a larger scale. They felt that there was no advocate for small businesses – specifically business that are too small to become Chamber members. Most often, organizations that helped promote businesses were more geared towards mid-size private and non-profit entities. Additionally, many small business owners felt that they were not fully aware of all of the opportunities (free and otherwise) that were available to them in regards to counseling, financial assistance, training, etc.

Transportation was also cited as a concern among participants. Many felt that the infrastructure in place was being outpaced by population and business growth and it was creating issues in regards to connecting entrepreneurs with the larger small business community.

Barriers, Gaps, and Threats

- Fragmented network of support
- Lack of targeted training
- Lack of targeted networking
- Few services tailored to minorities
- Voices not heard
- Unaware of opportunities
- Transportation infrastructure



Survey Analysis Findings

Overview of Survey Participants

In total, 214 small business representatives, primarily owners, participated in the Mecklenburg County Small Business Owner Survey. Just over half of the businesses surveyed have been operating for over five years, and nearly a quarter have been in operation between one and five years. The businesses surveyed have relatively small staff sizes; just over a quarter employ only one to four people, and a third have no employees. Additionally, a slight majority of these businesses are woman and/or minority owned businesses. Over three quarters of these companies have a social media presence, with the vast majority using Facebook, and a small majority using LinkedIn and Twitter.

Service Utilization

The majority of small businesses are not utilizing the small business assistance services that are available to them - nearly 60% of respondents had not utilized any of these services. And, nearly two-thirds had never visited charlottebusinessresources.com. However, some businesses did report using small business assistance or professional organizations. The most commonly used, among nearly 41% of respondents, is the Charlotte Chamber of Commerce.

A very common and recurring theme among responses was that small business owners and employees who work for small businesses were not aware of free and useful services being provided to them in Mecklenburg County. However, nearly three quarters expressed the desire to have their contact information shared with Charlotte Business Resource providers. Many also explained that they did not need the available services to continue to be successful in their small business. A common problem cited was that the time slots for useful workshops or trainings did not fit with their already tight schedule, and it is therefore inconvenient for them to attend. Additionally, some felt the resources were not relevant for their business.

Among respondents who have not utilized any services for small businesses, responses were varied about what might incentivize them to do so. Many business owners suggested raising awareness of the services that are available. Other suggestions included streamlining service offerings with a tiered approach to clients served, and staffing a "small business concierge" to be the point person for small business owners to find resources and contacts across the county.

Service Utilization Feedback

- 60% not using services
- Charlotte Chamber of Commerce most commonly used
- Many not aware of service options
- Some events are poorly timed
- Small Business concierge service would increase service utilization



Small Business Environment

Strengths

The legal process of starting a business in Mecklenburg County was reported as being relatively user-friendly. Over 40% of respondents cited the process as being either very easy or somewhat easy. In contrast, only around a quarter ranked it as being either somewhat difficult or very difficult. Additionally, many responded that the mentoring and networking services provided by service providers were the most helpful in starting their business.

There was no majority consensus among survey respondents when asked about the strengths of the small business environment. Many themes did emerge though, including the ease of starting a business, a strong economy, and a collaborative environment with networking opportunities.

Weaknesses

Responses varied when participants were asked about how welcoming the small business environment in Mecklenburg County was. In contrast to the focus groups, respondents most commonly cited a neutral perception. Both welcoming and unwelcoming perceptions of the small business environment had nearly equal representation among responses, just over a third.

There was no majority consensus among respondents when asked about the weaknesses of the small business environment. Common themes in answers included difficulty in growing business, difficulty accessing capital, disadvantages for smaller businesses, and regulations such as taxes and permits.

Strengths	Weaknesses
<ul style="list-style-type: none">• Mentoring• Networking• Ease of startup• Strong economy	<ul style="list-style-type: none">• Only moderately welcoming• Difficulty growing• Favoritism for larger businesses• Taxes and Permitting

Critical Issues and Barriers

The most critical issues facing companies were the high cost of real estate, the need for more marketing and networking, and the need for assistance in managing growth wisely. The highest ranked barrier facing companies was finding funding resources and upfront capital, while the second highest ranked barrier was finding the right resources (people, organizations, etc...). The most common issues respondents were challenged by were workforce, capital financing, and marketing.

Overall, the issues that survey respondents faced were similar to those that attended the focus group. Across both groups, there are concerns about access and marketing of services available to them. Small business owners generally need assistance navigating the system and many need access to financial resources as their businesses grow.



Suggestions

Survey respondents ranked a small business incubator, and a web portal to assist small business owners as the most helpful and realistic improvements Mecklenburg County could make to help small businesses. When openly asked for suggestions that would help small businesses in the area, many responses centered around education and assistance with access to adequate support and resources, financial and otherwise. Additionally, access to financial assistance was ranked as the most helpful item that would help businesses grow. This was followed by more customers and contracting opportunities.

Critical Issues

- Access and marketing of services
- Finding funding and capital
- Workforce challenges
- Managing growth wisely

Suggestions

- Small business incubator
- Web portal
- Financial assistance

Tailored Development Opportunities

In reviewing these reports, we see the strength of small business in the large growth of the region and collaborative environment within the small business community. Some of the largest gaps are around marketing and sharing information and opportunities for small business owners. Providing more information on opportunities would help more people to learn about the supports that are available for them. Additionally, there is a lack of networking opportunities geared towards small businesses. The emphasis of the regional chambers of commerce on medium and large businesses has limited opportunities for small business owners to network with their peers.

The survey response report shows two large issues in the community with the need for additional upfront capital and funding resources. The other issue is the need for assistance in managing growth wisely. These issues are both ones that will limit the success of startups in sustaining and growing within the community. Programs emphasizing scaling of businesses and capital financing will help to combat the low survival rate of entrepreneurs in Mecklenburg County.



Small Business Development Opportunities Analysis

This section includes analysis of the Benchmark Performance Indicators, Small Business Support Programs Asset Map, and Small Business Environment Benchmarking. Each report was analyzed individually before results were compared to find common strengths and gaps. Common themes were increasing business scaling and longevity, and filling in gaps for financing and geographic distribution of services throughout the County.

Benchmark Performance Indicators

In the Benchmarking Performance Indicators report, Mecklenburg County and the Charlotte Metro area were compared to five peer counties and their respective metro areas: Pittsburgh, PA; Nashville, TN; Indianapolis, IN; Austin, TX; and Raleigh, NC. This analysis revealed useful insights for Mecklenburg County around demographics, small business ownership, entrepreneurship, and small business lending patterns.

Demographic trends indicate that Mecklenburg County stands out in only a few areas. The county has a high proportion of Black and Foreign-Born populations alongside a relatively high percentage of minority business owners. Across many small business and socioeconomic indicators, like poverty, income, and veteran business ownership, the county falls roughly in the middle of the pack. This is also true for the County's percentage of businesses with less than five employees; Mecklenburg County's distribution of businesses by size is relatively average. Two categories however, do jump out. The County has a high number of non-employers and a low proportion of businesses in the five-to-nine employee range. This supports the idea that Mecklenburg County contains many startups but they often struggle to expand.

These general demographic trends can be further illuminated with entrepreneurship and lending statistics. First, the County is experiencing high numbers of both business openings and business closings. Second, the Charlotte Metro area is faring poorly in terms of five-year survival rate for small businesses and its overall number of 5-year old small businesses. This is true in spite of high startup rates and moderate rates of non-necessity entrepreneurs. Overall, it seems that while the Charlotte Metro has a high number of startups and non-employing businesses (especially among immigrant populations), many of these businesses are not making it to the five-year mark. Some of this may be due to small business support. By one metric—SBA Loan Financing—the County has had a relatively low number of loans awarded recently, and the loans that are awarded tend to be of higher dollar value than those in its peer communities. Of course, this means that a relatively large total of loan dollars are flowing into the community but the use of less frequent, more valuable loans means that there may be a gap for finding smaller dollar-value loans.

Small Business Support Programs Asset Map

The small business asset mapping process uncovered more than 30 programs throughout Mecklenburg County that are providing a variety of small business support programs. Program categories include Business Planning; Contracting; Counseling & Coaching; Financing; Licensing & Permitting; Networking; Technical Assistance; and Training & Education. Though locations for these services are spread throughout the County, they are primarily concentrated in the Uptown Charlotte area. Even after accounting for population distributions, this leaves some gaps in geographic coverage in the Pineville, northern Charlotte, eastern Charlotte, and northwestern areas of Mecklenburg County.



There are also gaps in service coverage. Business Planning; Counseling & Coaching; Networking; and Training & Education services are reasonably well distributed throughout the County. However, some categories have very few service providers. For these categories with few organizations—like Contracting; Financing; Licensing & Permitting; and Technical Assistance—either expansion of services or increased communication about current providers may be necessary. This is particularly true of Licensing & Permitting, for which there are just two organizations providing assistance.

Small Business Environment Benchmarking Report

The Small Business Environment Benchmarking Report provided an overview of best practices in small business development from around the country. Highlights included one-stop physical resource hubs in San Antonio and Austin, Texas; online resource hubs; creative networking programs across the country; inspection streamlining efforts; and targeted programs that provide finance alongside technical assistance in Pittsburgh, PA and Savannah, GA. In particular, programs from Pittsburgh, PA and Austin, TX because they were identified as high-performing cities in the Benchmarking Indicators Report.

While Mecklenburg County is currently developing and strengthening programs in some of these areas—by streamlining inspections and creating an online resource hub—gaps remain in categories like creative networking, targeted smaller-value financing, and the marketing of physical resources throughout the County. Additionally, many small business owners are not aware of the support programs already available to them. For example, Mecklenburg assets like LUESA and Charlotte Business Resources offer promising tools but are not yet widely known.

Tailored Development Opportunities

Based on the insights from each of these reports, the top small business development opportunities for Mecklenburg County are as follows:

- Increasing startup longevity;
- Filling the gap for lower dollar-value financing;
- Helping small businesses grow from one to 10 employees;
- Increasing the distribution of small business resources throughout the County; and
- Improving marketing of the County's technical services that are currently not well-known.

Some potential models for filling these gaps are presented in the Small Business Environment Benchmarking Report: Austin's Entrepreneur Center; Seattle's In Good Company; Accion Chicago; Pittsburgh's Entrepreneurship Fund; and Savannah's Small Business Assistance Corporation. However, Mecklenburg County has its own unique characteristics and assets, and each of these factors must all be considered when tailoring a program to the County's small business needs.



Program Recommendations

This section takes the findings from the Data Evaluation of Focus Groups and Survey Responses and the Small Business Development Opportunities Analysis to provide programmatic responses for gaps and areas that need additional support. The first program response, Connect, would install systems and concierges to ensure small businesses can effectively navigate the County's web of business resources. The second program response, Establish, would provide technical assistance and micro-loans to fill gaps in the County's business development framework. The third response, Sustain, would develop educational and mentoring resources to advance businesses from early-stage development to long-term success. The final program, Promote, would use public events and outreach to demonstrate support for small businesses and change the region's business image. For Mecklenburg County, all program responses should incorporate real-time feedback and data collection to inform policy decisions around small business needs. Together, these suggestions represent a mix of current and new programming that responds to the needs of small business stakeholders across Mecklenburg County.

Connect

Small Business Concierge Service

To complement the increased profile of CBR, we propose the installation of a customer relationship management system (CRM) and an accompanying phone line for small business owners to be directed towards the resources they need. First, the CRM system would be integrated with a public website such as Charlotte Business Resources or the Mecklenburg County website. Then, a phone line would be launched—either under the 411 moniker or as a standard number—and publicly advertised as a small business resource. Users of either resource would be entered into the CRM system, from which concierges would follow up with them to direct them to pertinent agencies and small business resources. CBR and its information would be the main source for all information passed to clients but concierge staff would become familiar with a wide variety of county-wide resources. By using this two-pronged approach, Mecklenburg County could help those who are internet-savvy as well as those who do not have reliable access to the internet or feel more comfortable asking about information from a person. In addition to the phone number and CRM system, there would be the potential to create office hours for one on one meetings with information seekers. Lastly, it would provide a source of immediate feedback to the County about which resources are needed and how they should be marketed.

Rebrand and Enhance Charlotte Business Resources

In a crucial first step for increasing communication and highlighting local business successes, Mecklenburg County should take more substantial leadership of the Charlotte Business Resources (CBR) website. This, by necessity, would include financial investment in the maintenance and continued improvement of the website, as well as staff time and marketing contributions for expanding CBR's reach. While CBR has very thorough business resources, it is not currently well-known in the business community. Mecklenburg County's goal should be to increase awareness of the website and to make it friendlier for small business needs. Rather than recreating a current resource, Mecklenburg County should help take a leadership role to allow CBR to reach its full potential as the leading resource of information for small businesses in the community.

With funding from Mecklenburg County, CBR would be able to provide their own events and have a greater public presence within the community. Additionally, CBR would be able to diversify their offerings; this might include a dedicated Mecklenburg County Small Business Resources page, which



would include a description of the County's small business programs, share results of the asset map, and host archived webinars or other education pieces meeting the needs of small business owners. This would also allow for the growth of resources that are outside of Charlotte and inclusion of resources from the other towns in the county. Lastly, this would present an opportunity to integrate CBR with the CRM system described above; a more integrated network would be beneficial to all small business service providers.

Provide Accessible Community Support

This would consist of monthly small business networking and troubleshooting events at three to four evenly-distributed community hubs around the county, such as community centers, libraries, churches, etc. A typical event would be approximately one hour in length, and give the small businesses in the neighborhood of the library the opportunity to ask questions, learn about small business resources, and connect with a Mecklenburg County staff member. Occasionally, these events might include stories or information from successful neighborhood business owners or small business resource providers that might be useful to each particular neighborhood. The main purpose of these events would be to provide a small business resource presence in less-targeted areas of the county, open up the flow of communication around resources that are available to small business owners, and provide a personal contact at the County so that local owners' concerns can be heard. As a complementary activity to these events, the Mecklenburg County staff member would focus on strengthening county relationships with minority, female, immigrant, and low-income small business owner groups, as well as maintaining relationships with the county's anchor institutions like Central Piedmont Community College, UNC Charlotte, and Johnson Smith University

Establish

Prepare Small Businesses for Accessing Loans and Capital

In order to help small businesses survive and become more successful in establishing themselves Mecklenburg County should provide some form of preparation support for accessing various forms of capital. This will include how to build credit worthiness and making sure that all loan requests are reasonable and based on financial history and conservative financial projections. This preparation should be available to all levels of business from pre-launch to established businesses. The help needs to help by auditing current financials and discussing with businesses about the different forms of capital and what steps are needed to get there. By creating action plans the county would be providing defined goals for the business and could work with lenders to show them that these clients have been vetted and are ready to receive funding. A key portion of this needs to make sure that there is a good feedback system from all parties so that the county can meet both the client and lenders needs in the best way.

Revolving Loan Program

There are no SBA micro-lenders based in Mecklenburg County, and the need for additional capital funding was identified by focus groups, survey responses and small business indicators. In order to fill this gap, the County should create some form of revolving microloan fund that finances in amounts less than \$50,000. A key component of any microloan program should be coupling the loans with technical assistance. In addition, there should be an emphasis on targeting populations that have traditionally seen fewer lending opportunities, such as immigrants who have a higher rate of entrepreneurship overall. The key point of this fund will be to provide smaller loans to fill a missing segment of financing for businesses that are looking to grow or start in the community. These funds are higher risk with lower



returns than financial institutions want to take on. The county will be able to create a pipeline of businesses for the financial institutions and work on creating bona fides to show successful clients. On the other side clients of the loan program will be able to go to financial institutions when they need larger amounts of capital with a successful loan history.

The loan should be administered by the county so that there is opportunity to provide flexible terms and aggressive interest rates. There is also an ability to provide payment plans that can include interest only payment schedules. There should be an independent loan committee that is separate from the Office of Economic Development. This committee will provide an impartial aspect to the lending process. The loan fund will require the county to hire a loan officer/underwriter who will administer all applications and loans. This position will be responsible for packaging and pitching loans applications to the committee and working with clients on terms and payment plans.

In creating the loan fund there should be an emphasis on providing flexible financing for businesses who cannot receive financing elsewhere. The loan terms should take a second position so that clients have additional options for gaining capital. Also, there should be alternative credit worthiness platforms that help clients build credit through the loan. This means that the application process needs to be thorough in order to offset some of the risk in looking beyond credit scores. The loan could also have terms such as job creation. This could mean that a loan can only be given in increments based on the number of jobs created or credits towards the loan for all jobs created. There could also be credits for training or employee certifications. This would help to build the workforce and create a more skilled workforce through the loans. This loan will help create and sustain small businesses and should be built in a flexible form that will help them graduate to commercial financing for their future lending needs.

Sustain

Scale-Up Education Series

The large number of non-employers and the low small business survival rate in Mecklenburg County emphasize a need to provide programmatic assistance for scaling up small businesses. Therefore, the next program recommendation is to provide support for scaling and growing businesses. The emphasis on startups has created a boom in new businesses but support for a startup is not necessarily helpful for a business looking to survive and grow. We recommend creating a webinar series that covers some of the pitfalls of businesses as they grow and provides potential support and solutions. These webinars should be stored on a resource page to allow for viewing at any time. The same website could host previously-recorded educational webinars and other resources on similar topics. Relatedly, expanding a potential partnership with Central Piedmont Community College or other higher education institution could help provide specific programming to scale up businesses. This longer-term program response would probably require a minimal amount of funding initially.

Mentor Event Program

Several of Mecklenburg County's greatest small business development challenges could be addressed by the Mentor Event Program. The Mentor Event Program would draw upon the experiences of Mecklenburg County's largest and most successful businesses to educate small business owners in a variety of business skills. Gaps that could be addressed with this program include connecting large and small businesses, advancing education and mentorship options, and developing networking opportunities.



To launch the Mentor Event program, the Mecklenburg County Office of Economic Development would accept applications from small business owners. To ensure that audience members are in the right stage to benefit from the series, only businesses that have been operating for over one year would be allowed to participate. These business owners would be invited to attend an 8-part series after regular business hours, which will be hosted bi-weekly at a regional conference center. The actual topics of each event will be determined by the Mecklenburg County Office of Economic Development and its partners but TPMA suggests that the output of the small business user support survey be used for guidance in these decisions, in particular questions 20 through 22.

The crux of the event series is ensuring active participation from a half-dozen large corporations (1,000+ employees) in attending and customizing curriculum for the events. TPMA recommends collaborating with the Charlotte Chamber of Commerce and particularly targeting businesses strong local roots. Tenured leaders at these businesses are more likely to connect with the challenges of small businesses owners because they too were once in the same position. One representative, likely from the executive level, from each large business would commit to leading one course for small business owners, and attending two other events at the end of the program. The two events at the end of the program would include:

- A round-table discussion guided by the large business representative, during which small business owners can share what they learned over the course of the program; and
- A capstone banquet where all participants from both small and large businesses would gather to celebrate their “graduation” from the program.

Though there are some similarities to the educational series mentioned in the prior recommendation, there are several key differences between the programs. The educational series will be primarily web-based and will focus on fundamental business skills such as accounting basics and marketing 101. The Mentor Event Series would focus on more advanced topics such as inventory management; business development; interviewing and hiring, etc. The Mentor Event Series would also serve as an opportunity for small business people to interact directly and learn from each other and their large business mentors.

Promote

Crowd Entrepreneurship Competition

The Crowd Entrepreneurship Competition is intended to be a way to incentivize aspiring small business owners to formalize their business plans, while at the same time generating community support and excitement for entrepreneurs. Various versions of such Crowd Entrepreneurship programs are springing up across the country. In this iteration, TPMA recommends that Mecklenburg County focus on three distinct underserved industry sectors, namely: Retail, Hospitality & Food Service; Personal Services, and Industrial/Construction.¹⁰

The competition would start with a several week period of open enrollment, during which any local aspiring entrepreneurs could submit a basic business plan through a website specifically dedicated to the program. Along with staff of the Office of Economic Development, a panel of volunteer judges would

¹⁰ Broadly speaking personal services could include numerous types of commerce that serve consumers directly (B-to-C business). A few examples of such options include gyms & yoga studios; salons; pet services, real estate services; accounting services.



reach each entry and nominate 10 to enter the Primary stage of the competition. The Primary nominees would be assigned a business plan coach to help them improve their plan and hone their pitch prior to the first live event. The primary stage live event would be hosted at a local establishment that serves food and drinks but has a stage and sufficient space to accommodate a crowd of several hundred people. The event would also be broadcast live on the internet, either directly on the program website or via Facebook Live. Advancement to the next round would be determined based on a combination of community votes (including those present and those watching the live stream), and a panel of independent judges.¹¹ The top four entrants would move the Finalist stage.

After a few weeks of additional advertising a final event would be hosted. The final event would be similar to the first but finalists would be given more time to present their ideas, and the build-up of several weeks would provide enthusiasm and buzz that would attract a larger audience. The winner of the Final vote would be awarded a \$50,000 grant, to be used for developing a physical location to open somewhere within Mecklenburg County.

This idea could also be paired with community redevelopment initiatives, if there are particular areas within the County with available commercial real estate that would be well-suited for redevelopment in any of the three sectors listed previously.

Social Media and Marketing Presence

Rounding out potential programmatic responses is the need for Mecklenburg County to publicly champion local small businesses throughout the county. This can be accomplished through programmatic elements designed to increase event planning, build relationships with small business owners, and highlight the achievements of successful small businesses.

In addition to personal relationship-building programs, Mecklenburg County should take a more public approach to supporting small businesses. This should be accomplished through targeted event planning, participation in Charlotte's Small Business Week events, and online sharing of local small business successes. Additional events should focus on the other programmatic responses around scaling businesses and capital/credit knowledge. Mecklenburg County should promote small businesses on social media and share the stories of accomplished small businesses owners on its website; in this way, small business owners throughout the County will learn from each other's experience, get marketing exposure, and know that they are supported by the County. The Office of Economic Development should work with the Public Information Office around creating an ability to champion and market successful small businesses. One potential opportunity would be to launch a "Buy Mecklenburg-Made" campaign.

Additional Emphasis

In addition to the program recommendations, we suggest tracking internal and external data. This can be a combination of public information and program response information. It might also include some form of outreach, such as an annual small business survey. Armed with this data, Mecklenburg County will be able to track successes and identify remaining gaps as they continue efforts to grow and support small business. This data will also provide evidence for securing internal and external funding.

¹¹ Though it may be technologically difficult to limit "ballot box stuffing" it is recommended that a technology be used that prevents voting by people outside the county, and prevents people from voting more than once.



Program Costs and Implementation

Phase 1

- **Connect**
 - Concierge Services
 - Rebrand & Enhance CBR
- **Sustain**
 - Scale-Up Education Series
- **Promote**
 - Social Media and Marketing

Phase 2

- **Establish**
 - Small business loan preparedness
 - Revolving Loan Program
- **Sustain**
 - Mentor Event Program
- **Promote**
 - Crowd Entrepreneurship Competition

Program	Phase 1		Phase 2	
	Annual	One-Time	Annual	One-Time
Connect				
Concierge Services	\$2,600	-	-	-
Web Enhancements	\$45,000	\$125,000	-	-
Establish				
Revolving Loan Program	-	-	-	\$2,500,000
Sustain				
Scale-Up Series	\$18,500	-	-	-
Mentor Series	-	-	\$50,300	-
Promote				
Crowd Entrepreneurship	-	-	\$217,200	\$16,500
Program Resources: Total	\$162,100	\$125,000	\$267,500	\$2,516,500

*Costs are preliminary and subject to change

**Annual Costs for Phase 1 are inferred to be carried forward as annual costs for Phase 2



Funding and Staff Needs

Staff Needs Analysis

Overall, four individuals would be required to implement the suggested programs. All employees would initially report directly to the Director of Economic Development but one of the employees might eventually need to be promoted to manage small business programs as a sub-department. One person, the Small Business Economic Development Specialist, has already started working and been accounted for in the FY2017 budget. His job is to help launch all of the small business programs. A second employee, the CRM and Marketing Coordinator, would oversee the technology aspects of the County's programs but also provide concierge services and promote small business on social media. The third person, the Community Business Development Coordinator, would provide concierge services and ensure that Mecklenburg County's services are accessible to people from all groups and locations in Mecklenburg County. The last employee would manage the microloan program, handling both underwriting and administration.

Small Business Economic Development Specialist

Starting on March 20th, 2017, the Small Business Economic Development Specialist is serving as the lead for all Mecklenburg County small business programs and report directly to the County's Director of Economic Development. They will be responsible for ensuring that all small business programs are running smoothly, managing CRM client flow, and representing small business needs in interactions with County officials, the Director of Economic Development, and the general public. This person's salary has already been accounted for in the FY 2017 budget. A sample of their responsibilities are shown below:

- Work with Director to refine and implement all new programming
- Maintain CRM client flow to concierge team and support services
- Serve as initial contact for small business inquiries
- Serve as liaison and main contact with 35 support services
- Identify and participate in events and organizations that promote small businesses throughout the County, such as National Small Business Week
- Attend Small Business Advisory Council meetings
- Develop curriculum for Scale-Up Education Series

CRM and Marketing Coordinator

The CRM and Marketing Coordinator would have three main priorities: providing technical support for the CRM system; offering concierge and coaching services to CRM and phone-inquiry clients; and marketing Mecklenburg County's small business community through CBR and social media. In addition, they would be responsible for tracking program achievement metrics, Mecklenburg County small business environment metrics, and partner interactions tracked in the CRM system. Like the Community Business Development Coordinator, this would be a Phase 1 position. A sample of their responsibilities is shown below:

- Provide concierge and coaching services
- Promote Mecklenburg County's small business community on social media
- Provide technical support for CRM
- Track data on all programming and partner interaction
- Market the County's small business services through CBR



- Tracking Mecklenburg County's performance on national benchmark performance indicators
- Contribute to Marketing components of Scale-Up Education Series; publish webinars to CBR

Community Business Development Coordinator

The second employee, the Community Business Development Coordinator, would provide concierge services and build relationships with business groups and anchor institutions throughout the county. In doing so, this person would ensure that small businesses resources are accessible to all residents of Mecklenburg County. More specifically, they would handle CRM flow for economically disadvantaged clients and clients in areas of the County that currently lack small business resources—as identified in the Asset Map. In pursuit of this goal, they will also host a monthly small business networking and education event at libraries and other locations in underserved parts of the county. This position would be added as part of Phase 1 of program implementation. A list of its responsibilities are shown below:

- Provide concierge and coaching services
- Serve as the CRM client manager for all disadvantaged and targeted area business inquiries
- Partner with the Minority, Women, and Small Business Enterprise Program Coordinator
- Provide accessible community support to all areas and populations in Mecklenburg County
- Host a monthly small business networking and education event at libraries and other locations throughout Mecklenburg County
- Build relationships between the County, anchor institutions, and disadvantaged groups in the small business community

Credit Coach and Loan Officer

Lastly, the Credit Coach and Loan Officer would be added in Phase 2 of program implementation to handle the Establish programs. Unlike the two Phase 1 positions, this person will only cover concierge services for clients who are seeking financing. Instead, their primary role will be to administer the Revolving Loan Fund and prepare clients for managing capital. This would consist of credit coaching, vetting applications, loan underwriting, and managing collections on outstanding loans. Lastly, they may contribute financial management content to the Scale-Up Education Series or other educational events. These core responsibilities are listed below:

- Administer application and approval processes for Revolving Loan Fund
- Administer all necessary Loan Committee and collection actions
- Provide credit coaching
- Connect loan recipients to other forms of technical assistance
- Provide concierge services for small businesses seeking capital
- Contributes to Financial components of Scale-Up Education Series

Other Staff Needs

The staff proposed above will cover most but not all components of the recommended Connect, Establish, Sustain, and Promote programs. For Phase 1, it is projected that all other program components can be shared between the proposed staff and the Office of Economic Development's existing staff. As events-based programming—such as the Mecklenburg Small Business Challenge and the Mentor Event Series—grows, we anticipate that additional staff resources might be required. This would likely occur during or after Phase 2; it could be filled by a small business-specific staff member, or a generic position across the Office of Economic Development.

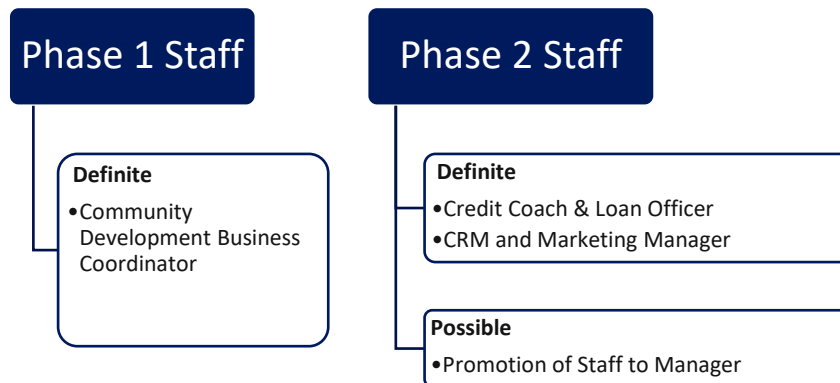


Phased Staff Budget Requirements

As mentioned above, the salary and expenses associated with the Small Business Economic Development Specialist have been accounted for in the FY 2017 budget. To estimate costs for the three Phase 1 and Phase 2 budget positions—Community Business Development Coordinator, CRM and Marketing Coordinator, and Credit Coach and Loan Officer—the County modeled the salary and associated costs of an Economic Development Specialist. The table below shows the estimated costs associated with each of the positions.

Category	Cost
Salary (90% of mkt)	\$70,000.00
Insurance	\$11,013.00
Retirement	\$5,075.00
FICA	\$5,355.00
Workers Comp	\$1,750.00
EAP	\$280.00
401k Match	\$2,100.00
Total Per Position	\$95,573.00

For all three positions combined, the total cost would be \$286,719. However, not all of this cost would be felt in Phase 1.



As the chart above illustrates, one position would be added in Phase 1, while the second and third positions would be added in Phase 2. Therefore, staff resources would cost approximately what is shown in the table below.

Description	Phase 1		Phase 2	
	Annual	One-Time	Annual	One-Time
Staff Resources				
CRM and Marketing Coordinator	\$95,573	-	-	-
Community Business Development	-	-	\$95,573	-
Credit Coach and Loan Officer	-	-	\$95,573	-
Staff Resources: Total	\$95,573	-	\$191,146	-

*Annual Costs for Phase 1 are inferred to be carried forward as annual costs for Phase 2



Additionally, one of the staff members may need to take on management duties as programs grow. If this occurs, there may be a 15-20% salary adjustment for one of the positions in order to account for their added management responsibilities.

Funding Scan

Based on the proposed programs and staff needs, a funding scan was performed to identify foundations and government grants that might be potential partners. Prospective opportunities are split into two categories: loan capitalization funding opportunities, and other potential partnerships.

Loan Capitalization Funding Opportunities

US Department of Housing and Urban Development (HUD)

Community Development Block Grant (CDBG)

https://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs

Purpose

The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs.

Beginning in 1974, the CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses.

Focus

Over the grant period at least 70 percent of CDBG funds must be used for activities that benefit low- and moderate-income persons. In addition, each activity must meet one of the following objectives for the program: benefit low- and moderate-income persons, eliminate blight, or address urgent community development needs for which other funding is not available.

Recommendations

For 2017, Mecklenburg County is projected to receive \$740,000 from the CDBG program. In the future, a portion of those funds could be used to capitalize a revolving loan fund. Before using the funds for capitalization, the loan fund should define its primary goals and see if the restrictions on fund uses match the goals of the overall fund.



US Economic Development Administration (EDA)

Economic Adjustment Assistance (EAA) Programs

<https://www.grants.gov/web/grants/view-opportunity.html?oppld=290874>

Purpose

Through the EAA program, EDA provides investments that support a wide range of economic recovery strategies and capitalization of Revolving Loan Funds (RLF) in regions experiencing severe economic dislocations that may occur suddenly or over time. EDA utilizes EAA investments to provide resources that help communities that may experience economic distress. The goal of the program is to help these communities design solutions that leverage existing economic strengths to support development and job creation.

Focus

The focus of the EAA program is to invest in areas that demonstrate economic distress. The EDA defines this distress as a 24 month unemployment average at least one percentage point greater than the national average or per capita income is no more than 80% of the national average. The entire community does not need to meet these criteria but the EDA investment must be focused within these regions. The EDA provides a funding match between 50%-80% based on the economic distress levels of the region. The average size of EAA investments is around \$820,000, with a range of \$100,000 to \$1,250,000. Historically, the EDA has funded between 70 and 140 EAA projects a year.

Recommendations

Similar to the CBDG program, the EAA program emphasizes providing investment into areas of economic distress. Additionally, all funds that are not loaned to clients need to be in an interest-bearing account and that interest must be paid to the US Treasury. An EDA investment is very useful to capitalize a fund but it needs to match the overall goals of the fund and there needs to be third-party data showing the need for the investment.



Other Potential Partnerships

Foundation For The Carolinas

<http://www.fftc.org/fftc---final/grants/grants-process>

Purpose

The purpose of Foundation For The Carolinas is to strengthen communities by working in close partnership with a variety of stakeholders to achieve charitable goals. Many types of organizations are eligible to receive grants, including 501(c)(3) nonprofits, congregations, and governmental and educational institutions. However, the foundation does not typically fund projects that are usually the responsibility of a federal, state, or local government.

Focus

The specific investment focus of a particular grant depends on the grant program. Foundation For The Carolinas offers grants in a variety of investment areas, including Higher Education and Workforce Development; Arts and Culture; Human Services; and Social Capital. In general, the foundation's investment areas are not good fits with the proposed small business programs. However, Foundation For The Carolinas also funds subsidiary organizations and initiatives, some of which may be a good fit with The Office of Economic Development's partners.

Process

For typical Foundation For The Carolinas grants, the process is broken down into six steps:



Recommendations

Though Mecklenburg County's efforts do not fit neatly into Foundation For The Carolinas's typical grant-making categories, they cast a wide net and pursue a large variety of charitable endeavors.

Mecklenburg County should consider developing a relationship with the foundation, if they currently do not have one; if a relationship already exists, they should think about ways to strengthen and expand that relationship to learn about more local funding opportunities. Additionally, they should explore potential partnerships with Foundation For The Carolinas affiliates, as described below.

*Robinson Center for Civic Leadership*<http://civic-leadership.org>*Purpose*

The Robinson Center for Civic Leadership is not a foundation but rather a program of Foundation For The Carolinas. Its purpose is to be a forum for collaboration around a variety of critical issues. Some of its initiatives that may be especially pertinent to Mecklenburg County's efforts are Entrepreneurship and Economic Opportunity.

Focus

The Robinson Center's Entrepreneurship program is a partnership with the City of Charlotte, and is focused on making Charlotte a more entrepreneur-friendly city. So far, this has included an entrepreneurial ecosystem improvement study and a partnership with the City to create a \$500,000 entrepreneurship fund. The purpose of the Economic Opportunity program is to counteract economic stagnation in the Charlotte-Mecklenburg region—especially around racial and economic segregation. Thus far, this program has commissioned a study on economic opportunity and launched a taskforce to help make economic opportunity more accessible for all Charlotte-Mecklenburg residents.

Recommendations

While the Robinson Center for Civic Leadership may not be a traditional philanthropic entity, several of its programs are certainly aligned with the goals of Mecklenburg County's proposed small business programs. If the County has not already been participating in these initiatives, they should reach out to explore the viability of partnering with the Robinson Center in their efforts to encourage entrepreneurship and increase economic opportunity. Furthermore, the existence of these programs is evidence of Foundation For the Carolinas's interest in contributing to economic development in the Mecklenburg region. If there is potential for sharing investment in any of the small business programs proposed for Mecklenburg County, the Robinson Center may be a good medium for achieving it.



Charlotte Mecklenburg Community Foundation

<http://www.fftcc.org/page.aspx?pid=534>

The Charlotte Mecklenburg Community Foundation is an endowment of Foundation For The Carolinas. The Foundation works to catalyze improvements for the civic, social, environmental, and economic health of Mecklenburg County.

Focus

The Charlotte Mecklenburg Community Foundation (CMCF) currently provides grants in five key areas:

- Children and Youth
- Environment
- Housing
- Workforce Development
- Social Capital

The Foundation conducts various open competitive grant cycles for each of these initiatives on a rolling cycle throughout the year.

Awards

In 2016, CMCF awarded \$1,415,000 in total funding. Individual grants varied from \$5,000 - \$70,000.

Recommendation

The Foundation does not support for projects that are typically the responsibility of local, state or federal governments, so any request from a government entity should be clear in identifying how the project is not a typical government project and how it would not occur without the support of the local community. TPMA would recommend contacting Brian Collier at bcollier@fftcc.org for more information. As with Foundation For The Carolinas, CMCF's priorities may not immediately align with Mecklenburg County's programs but they could still be a useful partner.

*Kauffman Foundation*

<http://www.kauffman.org/grants>

The Kauffman Foundation partners with organizations in the areas of education and entrepreneurship, in addition to Kansas City-specific efforts.

Focus

The Kauffman Foundation works across the country to support entrepreneurs by expanding entrepreneurship education and encouraging communities to create entrepreneur-friendly environments. The Foundation's main goals around entrepreneurship include entrepreneur education, scaling models of entrepreneurship support, and funding platforms that enable firm creation. They also contribute targeted investments in selected metropolitan areas to spur entrepreneurial growth.

Deadlines

Applications are accepted on a rolling basis.

Recommendations

The Kauffman Foundation's current grant opportunities are not immediate matches with Mecklenburg County's proposed small business programs. However, the County's small business efforts do fit well with the Foundation's entrepreneurial focus and programs like the Mecklenburg Small Business Challenge may be of interest to the Foundation. Relationships with this foundation take cultivation, so Mecklenburg should think strategically about approaching Kauffman to engage around entrepreneurship initiatives. The Kauffman Foundation website hosts a Grants Portal to help organizations get started in exploring potential opportunities.



Appendix A: Benchmark Performance Indicators Glossary and Sources

Data, Glossary, Sources, and Notes

Glossary Terms

Established Small Business Density

Number of established small businesses per 100,000 resident population. Established small businesses are defined as businesses over the age of five employing at least one but less than fifty, employees.

Main Street Index

Measures established small business activity – focusing on businesses more than five years old with less than fifty employees – from 1997 to 2015 for the United States.

Metropolitan Statistical Area (MSA)

A geographic entities delineated by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. It is a region with a relatively high population density at its core and close economic ties throughout the area.

Nonemployers

A nonemployer business is one that has no paid employees, has annual business receipts of \$1,000 or more (\$1 or more in the construction industries), and is subject to federal income taxes. Most nonemployers are self-employed individuals operating very small unincorporated businesses, which may or may not be the owner's principal source of income.

Opportunity Share of New Entrepreneurs

Measures the percent of new entrepreneurs who were not unemployed before starting their businesses.

Rate of Business Owners

Measures the percent of the adult population of a given area that owns a business as their main job.

Rate of New Entrepreneurs

Measures the percent of the adult population of an area that became entrepreneurs in a given month.

SBA 7(a) Loan

7(a) loans have a maximum loan amount of \$5 million. SBA does not set a minimum loan amount. The average 7(a) loan amount in fiscal year 2015 was \$371,628. The actual interest rate for a 7(a) loan guaranteed by the SBA is negotiated between the applicant and lender and subject to the SBA maximums.

SBA 504 Loan

504 Loans have a maximum debenture of \$5-\$5.5 million. The maximum amount is determined by the goals they support. There are three goal areas that in combination with a certified development company collateral permit applications for 504 loans. The first goal is job creation, which allows for a loan of \$65,000 in SBA funds for every job created or retained. The second is public policy, which allows for loans to redevelop or energy reduction. Finally, a loan can be used for small manufacturing on a basis



of \$100,000 for every job opportunity. 504 loans use a combination of third party investment with SBA funding and are set at the 5 and 10 year U.S. Treasury issues.

Startup Activity Index

Measures business startup activity (i.e., new venture creation) from 1997 to 2016 for the United States.

Startup Density

Number of startup firms per 100,000 resident population. Startup businesses here are defined as firms less than one-year old employing at least one person besides the owner.

Data Sources

Data from this report are from the following sources:

- The Kaufmann Foundation: Index of Main Street Entrepreneurship & Index of Startup Activity
- U.S. Census Survey of Business Owners
- Hoover's (Dun & Bradstreet) Database
- Economic Modeling Specialists International (EMSI), 2016.2 QCEW, Non-QCEW and Self-Employed
- U.S. Census American Community Survey 2010-2014 Estimates
- U.S. Census County Business Patterns Data
- Small Business Administration (SBA) Loan Data Reports



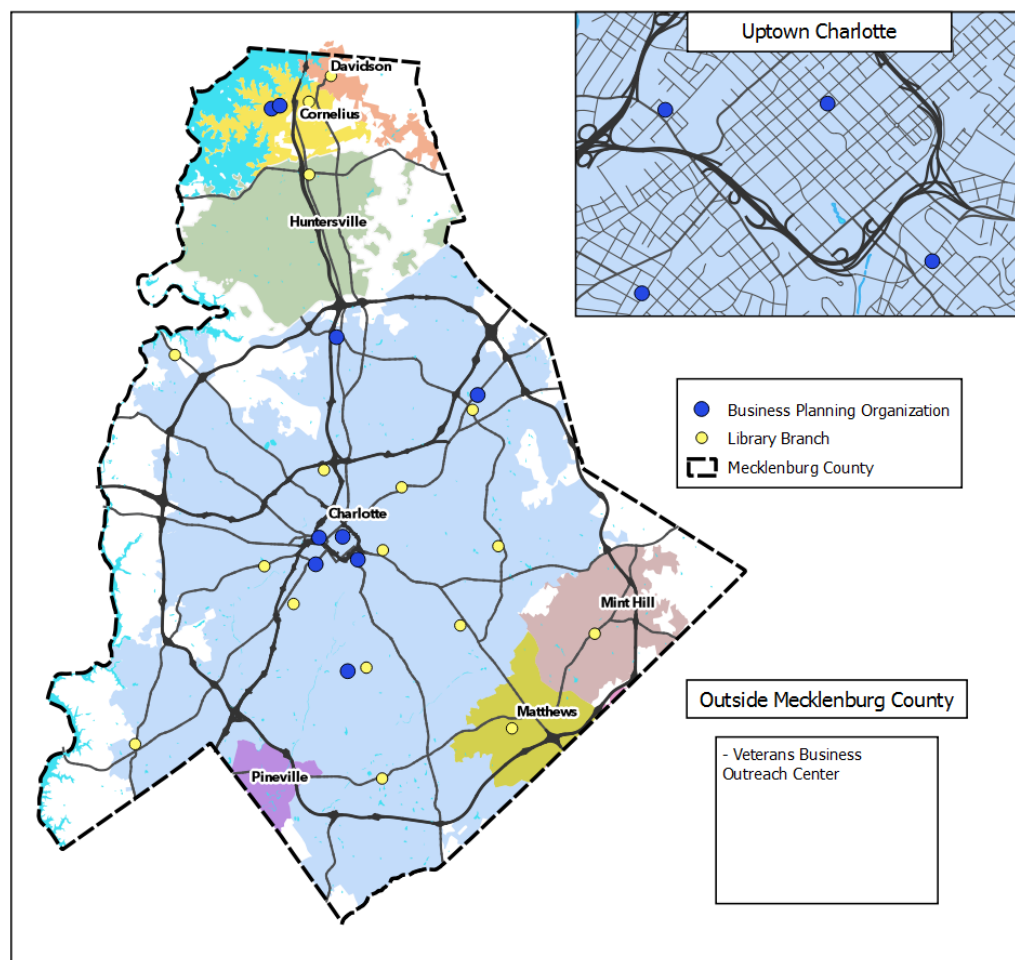
Appendix B: Asset Map List by Service Category

Asset Map Categories:

- Business Planning
- Contracting
- Counseling & Coaching
- Financing
- Licensing & Permitting
- Networking
- Technical Assistance
- Training & Education

Business Planning

Providers of business planning resources and/or one-on-one planning help



**Charlotte Mecklenburg Library***Service Area: Mecklenburg County*<https://www.cmlibrary.org>

The Charlotte Mecklenburg Library provides businesses with data, computer classes, and programs targeting their specific needs. The Library's website has business directories and databases of demographics, industry, trade, and practical how-to information. The 20 branches allow entrepreneurs to use their free Wi-Fi or computers, and get assistance from their knowledgeable staff. The Library has access to grants databases and organizational resources for nonprofits too.

Contact at: 704.416.0100

Charlotte SCORE*Service Area: Greater Charlotte Area*<https://charlotte.score.org>

As an integral part of SCORE's counseling and education activities, they provide mentoring in the development of effective business plans to be used for both day-to-day business operations and securing investment funding.

Contact at: 704.344.6576

Lake Norman Chamber of Commerce*Service Area: Lake Norman Region*<https://www.lakenormanchamber.org>

The Lake Norman Chamber of Commerce coordinates small business counseling through SCORE and provides forums and support for small business development and entrepreneurship.

Contact at: 704.892.1922

Lake Norman Small Business Network*Service Area: Around Lake Norman and I-77*<http://www.lakenormansmallbusinessnetwork.com/>

The Lake Norman Small Business Network is a mentoring, leadership, networking, and mastermind group that is free to members and totally inclusive. They manage an "e-rolodex" web page for people who need the services of Lake Norman businesses but are first and foremost a relationship organization. Their monthly First Friday meetings typically focus on business coaching, planning, and education.

Contact at: jim@imusocialmedia.com

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National Association of Women Business Owners Charlotte*Service Area: Greater Charlotte Area*<https://nawbo.org/partners/affinity-partners/one-page-business-plan-company>

The National Association of Women Business Owners (NAWBO) helps women grow businesses by providing resources, connecting businesswomen, and advocating on their behalf. NAWBO members receive free or reduced rates on various business planning tools offered by One Page Plan.

Contact at: 704.900.3067

Queen City Forward*Service Area: Greater Charlotte Area*<http://queencityforward.org/>

Through its programs, Queen City Forward helps social entrepreneurs with idea refinement, business planning, presentation coaching, mentoring, development relationships, and accessing resources.

Contact at: info@queencityforward.org

Small Business & Technology Development Center (SBTDC)*Service Area: Charlotte office of Statewide Organization*<http://www.sbtcd.org/offices/uncc/>

The North Carolina SBTDC is a business advisory resource for growing and developing businesses with a regional office at UNC Charlotte. SBTDC counselors can help with business plans and business management practices for many situations.

Contact at: 704.687.0440

Small Business Center at CPCC*Service Area: Primarily Mecklenburg County*<http://www.cpcc.edu/sbc/businesscounseling>

The Central Piedmont Community College Small Business Center provides targeted classes and seminars on developing business plans, free one-on-one counseling for small businesses and entrepreneurs, and free access to Business Plan Pro software at its onsite Resource Center.

Contact at: 704.330.6736

**Veterans Business Outreach Center (VBOC)***Service Area: NC, KY, and SC*<http://www.fsuvboc.com/>

The VBOC links veterans with a broad range of counseling, training, business planning, and financing services to assist them with starting or expanding a business initiative. Business planning resources include online tools and personal planning assistance from VBOC's counselors.

Contact at: 910.672.2683

The Women's Business Center of Charlotte (WBCC)*Service Area: Greater Charlotte Area*www.theinstitutenc.org/wbcc

The Women's Business Center offers tools and support to new and growing businesses. The WBCC provides counseling, business development seminars, business plan assistance, lender referrals, loan packaging, certification assistance, access to capital forums, and networking opportunities.

Contact at: 794.509.5884

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Licensing & Permitting

Government organizations that help small businesses maintain compliance with local regulations

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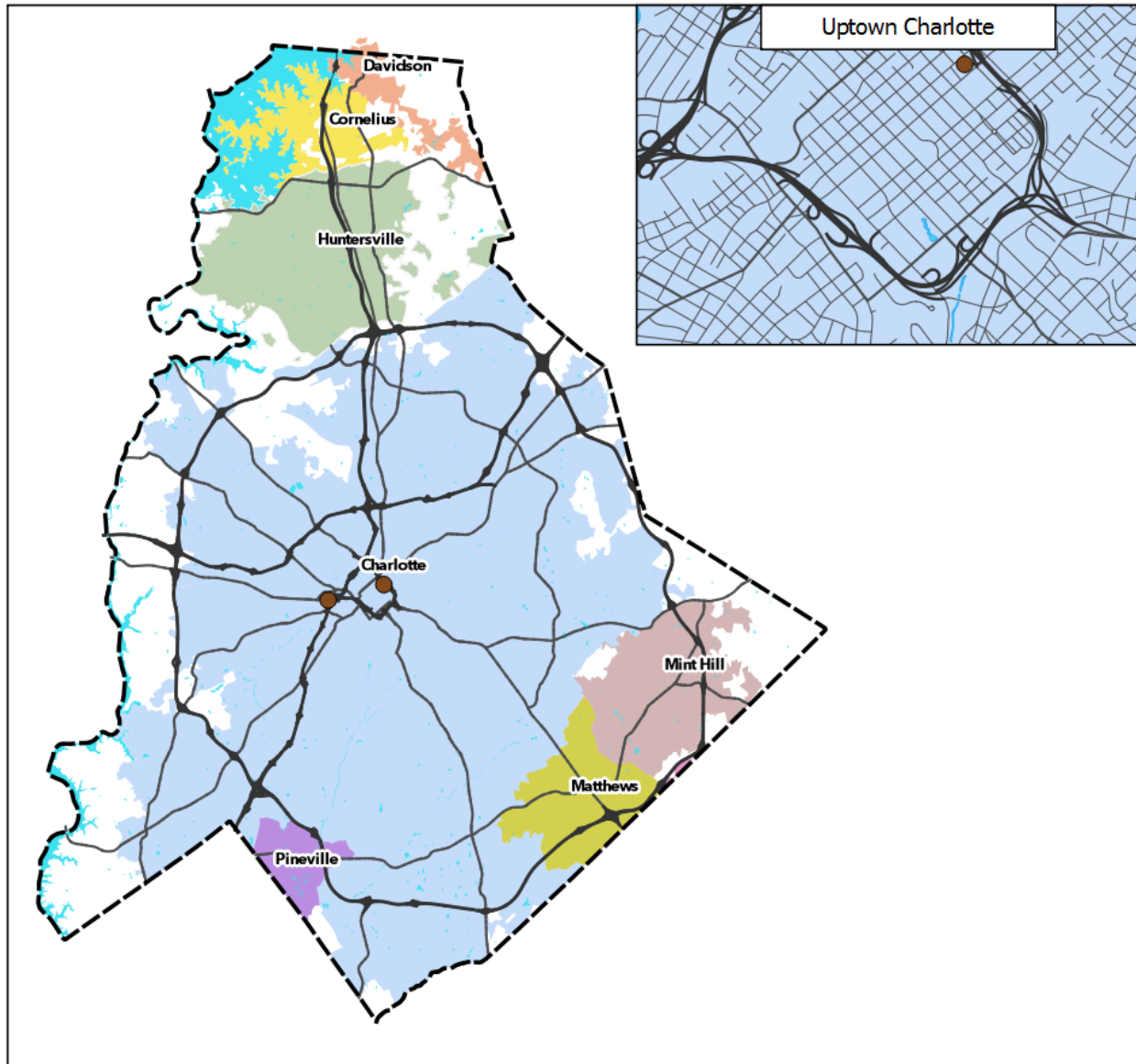
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Mecklenburg County Health Department

Service Area: Mecklenburg County

<http://charmeck.org/mecklenburg/county/HealthDepartment/EnvironmentalHealth/Pages/Default.aspx>

The Mecklenburg County Health Department's Environmental Health program issues required permits and conducts facility inspection of businesses to ensure compliance with health requirements and permitting.

Contact at: 980.314.1620



Mecklenburg County Land Use and Environmental Services Agency (LUESA): Code Enforcement Division

Service Area: Mecklenburg County

<http://charmeck.org/mecklenburg/county/LUESA/CodeEnforcement/Pages/Start-a-Small-Business.aspx>

LUESA's Code Enforcement divisions conducts plan review, issues permits, and performs inspections to check for N.C. Building Code compliance for all commercial construction in Mecklenburg County.

Contact at: 980.314.2633, follow voice prompts for "Commercial Technical Assistance Center"

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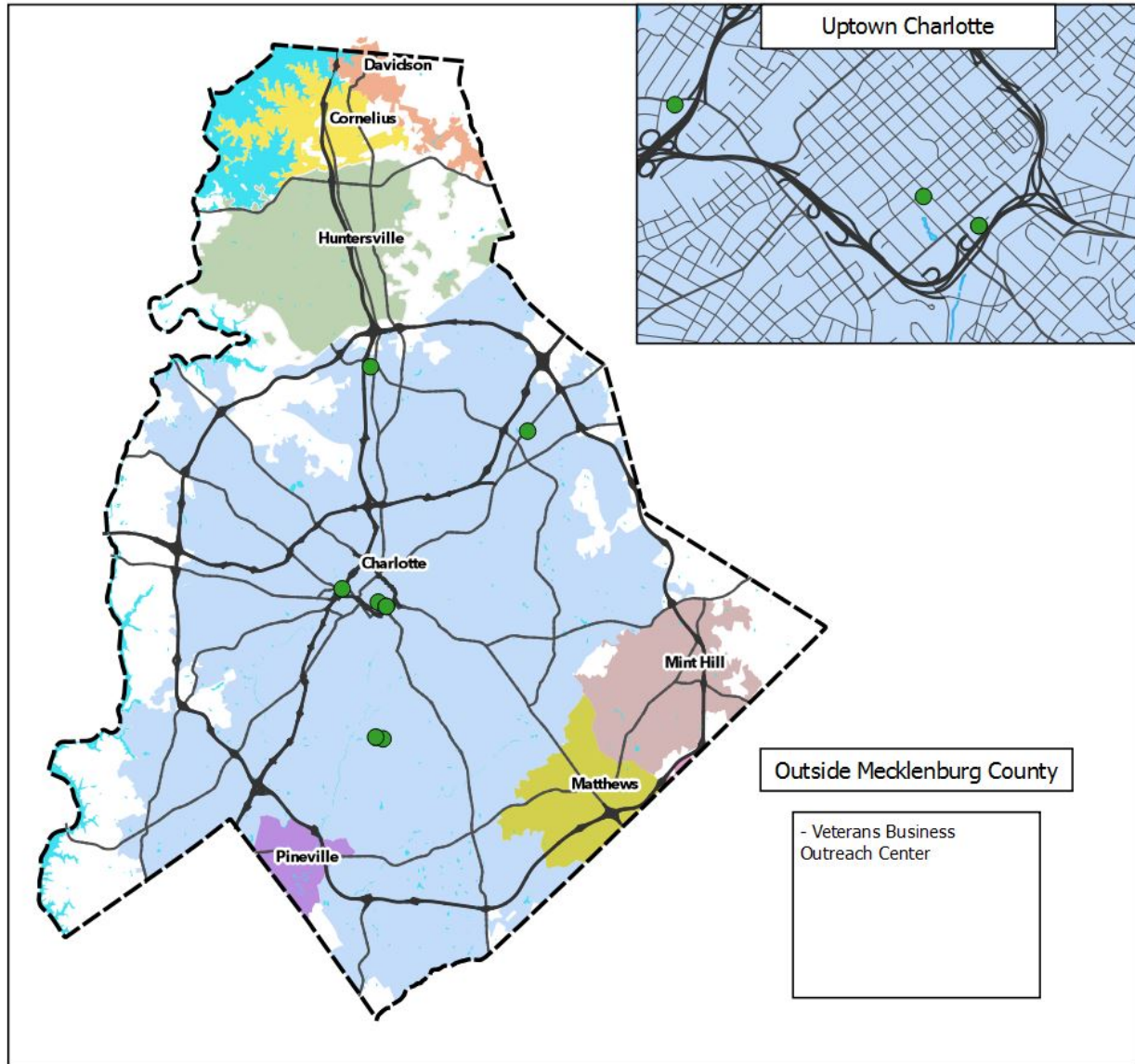
Networking

Contracting



Financing

Organizations that provide direct financing or connect business owners to funding



Business Expansion Funding Corporation (BEFCOR)

Service Area: All of North Carolina, Four S.C. Counties

<http://www.befcor.com>

BEFCOR provides long-term financing to business owners via SBA 504 Loans. Its goals are to market, process, and service loans as well as connecting businesses to resources.

Contact at: 704.414.3000

**Carolina Business Capital***Service Area: All of North Carolina*<http://www.cbc504.com>

Carolina Business Capital provides capital, knowledge, and ideas to help small and mid-sized businesses access facilities, equipment, and machinery.

Contact at: 704.373.1233

Carolina Small Business Development Fund*Service Area: All of North Carolina*<https://carolinasmallbusiness.org>

Carolina Small Business provides loans to start-ups and existing businesses for amounts up to \$250,000 for all types of businesses. This includes microloans of up to \$50,000 and loans targeted to specific disadvantaged groups

Contact at: 704.412.7031

City of Charlotte Economic Development Department*Service Area: Just Beyond the Charlotte City Limits (except for Business Investment Grant)*<http://charmec.org/city/charlotte/nbs/ed/Pages/default.aspx>

The City of Charlotte's Economic Development Department helps qualifying small businesses with targeted grants, mobilization loans, and capital funding. Business owners can also apply for the City's matching grant programs for business façade, security, and brownfield-related improvements.

Contact at: 704.336.3399

Self-Help Credit Union*Service Area: NC, CA, IL, and FL*<https://www.self-help.org>

Self-Help lends to businesses of all kinds and sizes. They offer special expertise in lending to child care businesses, clean energy projects food system businesses. They also offer specialty loans through their SBA, New Market Tax Credit and USDA programs.

Contact Charlotte Lending Office at: 800.966.7655, press 5

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Self-Help Ventures Fund

Service Area: NC

<https://www.selfhelp504.org>

Self-Help is a certified SBA 504 lender offering small businesses long-term, fixed-rate financing for owner-occupied real estate and heavy equipment.

Contact Charlotte Lending Office at: 704.409.5937

UNC Charlotte Ventureprise

Service Area: Greater Charlotte Area

<http://ventureprise.org/>

Ventureprise offers a business innovation competition, Charlotte Venture Challenge (CVC), that connects early-stage businesses with investors and mentors, and gives them the opportunity to win prize money.

Contact at: 704.687.0900

U.S. Small Business Administration (SBA) Charlotte

Service Area: North Carolina

<https://www.sba.gov/offices/district/nc/charlotte>

www.sba.gov/nc

The SBA offers small business financing through its 504 Loan program, Microloans, 7(a), and other loan programs. It is affiliated with a large network of lenders across the state and country equipped to help businesses with a variety of needs, including equipment, facilities, inventory, working capital, and disaster relief.

Contact at: 704.344.6563 or at: nc@sba.gov

Veterans Business Outreach Center (VBOC)

Service Area: NC, KY, and SC

<http://www.fsuvboc.com/>

The VBOC links veterans with a broad range of counseling, training, business planning, and financing services to assist them with starting or expanding a business initiative. VBOC administers the Veterans Advantage Loan Program to help veterans start and grow businesses.

Contact at: 910.672.2683

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**The Women's Business Center of Charlotte (WBCC)***Service Area: Greater Charlotte Area*www.theinstitutenc.org/wbcc

The Women's Business Center offers tools and support to new and growing businesses. The WBCC provides counseling, business development seminars, business plan assistance, lender referrals, loan packaging, certification assistance, access to capital forums, and networking opportunities.

Contact at: 794.509.5884

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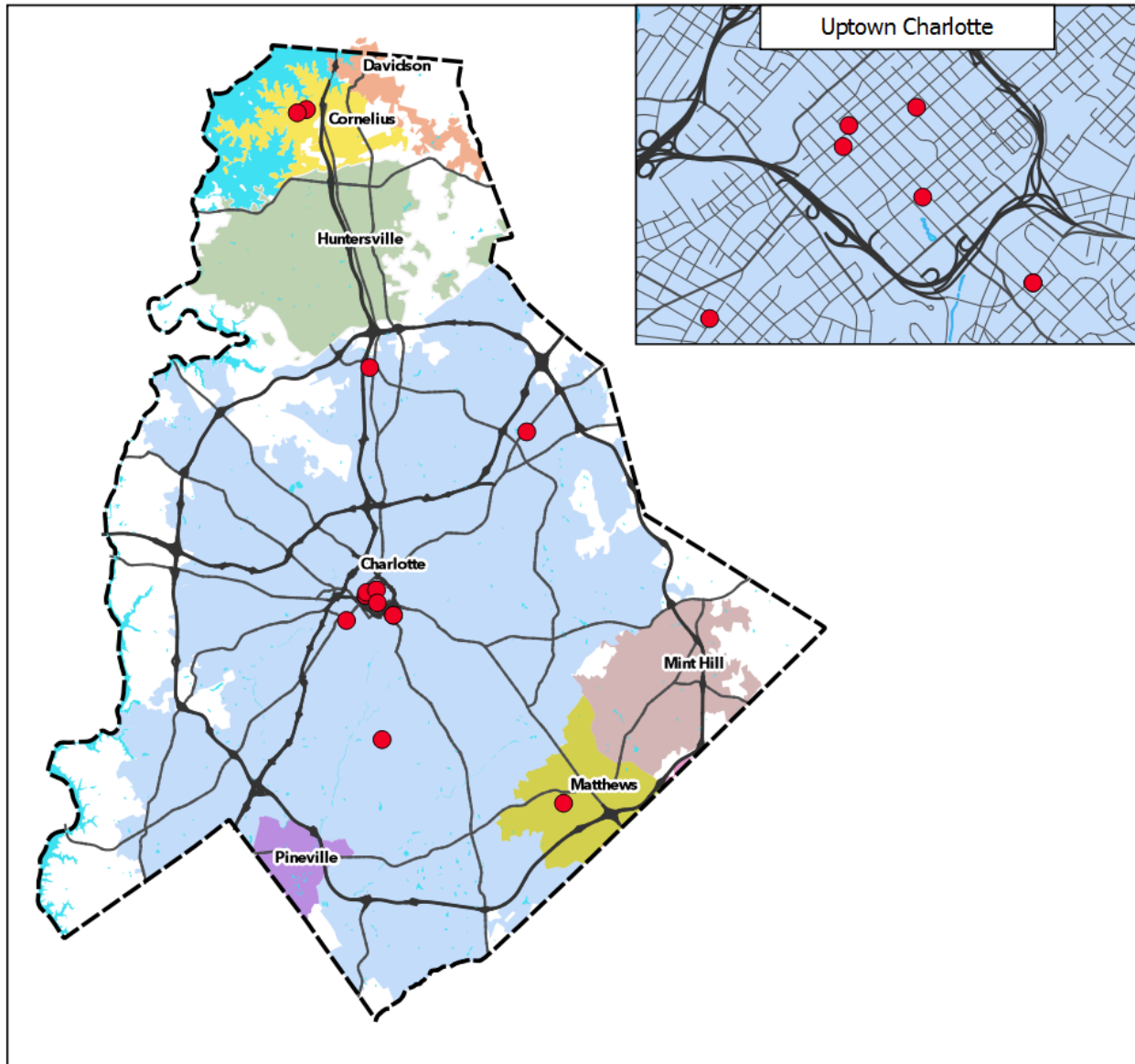
Networking

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Training & Education

Providers of courses, seminars, events, and training on small business topics



Charlotte Chamber of Commerce

Service Area: Just Beyond the Charlotte City Limits

<http://charlottechamber.com/>

Small businesses can access education and information programs in several topic areas from the Charlotte Chamber of Commerce. Relevant programs include the Charlotte Chamber Young Professionals and the GreenWorks programs as well meetings of Chamber Local Chapters.

Contact at: 704.378.1300

**Charlotte Mecklenburg Black Chamber of Commerce***Service Area: Charlotte Region*<http://www.cmbcc.org/>

The Charlotte Mecklenburg Black Chamber of Commerce serves Black-owned businesses in the Charlotte region by offering education, resources, and networking opportunities. Education programs include CMBCC Empowerment Saturday and the My BIG Program.

Contact at: 704.212.2032

Charlotte Mecklenburg Library*Service Area: Mecklenburg County*<https://www.cmlibrary.org>

The Charlotte Mecklenburg Library provides businesses with data, computer classes, and programs targeting their specific needs. The Library's website has business directories and databases of demographics, industry, trade, and practical how-to information. The 20 branches allow entrepreneurs to use their free Wi-Fi or computers, and get assistance from their knowledgeable staff. The Library has access to grants databases and organizational resources for nonprofits too.

Contact at: 704.416.0100

Charlotte SCORE*Service Area: Greater Charlotte Area*<https://charlotte.score.org>

In addition to their mentoring services, SCORE hosts frequent workshops and events to provide education about establishing and managing successful businesses.

Contact at: 704.344.6576

Commissioner Vilma Leake's Small Business Consortium*Service Area: Greater Charlotte Area*

The Small Business Consortium supports entrepreneurs, small business owners, and aspiring business owners in Mecklenburg County by equipping, educating, and empowering them. The Consortium educates small business owners through business and leadership development.

Consortium meetings are held the third Wednesday in February, April, June, August, October and December from Noon - 1:30 p.m. at the Government Building. They are free to attend and include complimentary lunch.

Contact at: LaShonda.Hart@mecklenburgcountync.gov

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**Lake Norman Chamber of Commerce***Service Area: Lake Norman Region*<https://www.lakenormanchamber.org>

The Lake Norman Chamber of Commerce hosts training seminars and business programs throughout the year to educate local business about technology tips, business practices, and public policy changes.

Contact at: 704.892.1922

Lake Norman Small Business Network*Service Area: Around Lake Norman and I-77*<http://www.lakenormansmallbusinessnetwork.com/>

The Lake Norman Small Business Network is a mentoring, leadership, networking, and mastermind group that is free to members and totally inclusive. They manage an “e-rolodex” web page for people who need the services of Lake Norman businesses but are first and foremost a relationship organization. Their monthly First Friday meetings typically focus on business coaching, planning, and education.

Contact at: jim@imusocialmedia.com

Latin American Chamber of Commerce of Charlotte*Service Area: Charlotte Region*<http://lacccharlotte.com/>

The Latin American Chamber of Commerce’s offers several different educational programs, including Development and Empowerment courses on leadership and English acculturation, and Retooling Seminars. Topics for the Retooling Seminars include business planning, finances, marketing, profitability, taxes, and immigration.

Contact at: 704.343.2525

Matthews Chamber of Commerce*Service Area: Matthews*<http://matthewschamber.org/>

The Matthews Chamber of Commerce promotes business growth in Matthews by providing networking opportunities and educational seminars throughout the year.

Contact at: 704.847.3649

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**National Association of Women Business Owners Charlotte***Service Area: Greater Charlotte Area*<http://www.nawbocharlotte.org/>

The National Association of Women Business Owners (NAWBO) helps women grow businesses by providing resources, connecting businesswomen, and advocating on their behalf. Educational opportunities with NAWBO include speakers at monthly meetings, expansion groups, and national resources like seminars and conferences.

Contact at: 704.900.3067

Small Business Center at CPCC*Service Area: Primarily Mecklenburg County*<http://www.cpcc.edu/sbc/comprehensive-courses>

The Central Piedmont Community College Small Business Center provides regular courses and free seminars on essentials for business startup and operations management. The Small Business Center also has educational resources on licensing, permitting, product development, and financing.

Contact at: 704.330.4223

UNC Charlotte Ventureprise*Service Area: Greater Charlotte Area*<http://ventureprise.org/>

Through the Ventureprise Launch program sponsored by the NC IDEA Foundation, innovation-driven entrepreneurs with promising ideas can apply to participate in an evidence-based entrepreneurship accelerator that enables rapid customer discovery, business model generation, and go/no go decisions.

Contact at: 704.687.0900

The Women's Business Center of Charlotte (WBCC)*Service Area: Greater Charlotte Area*www.theinstitutenc.org/wbcc

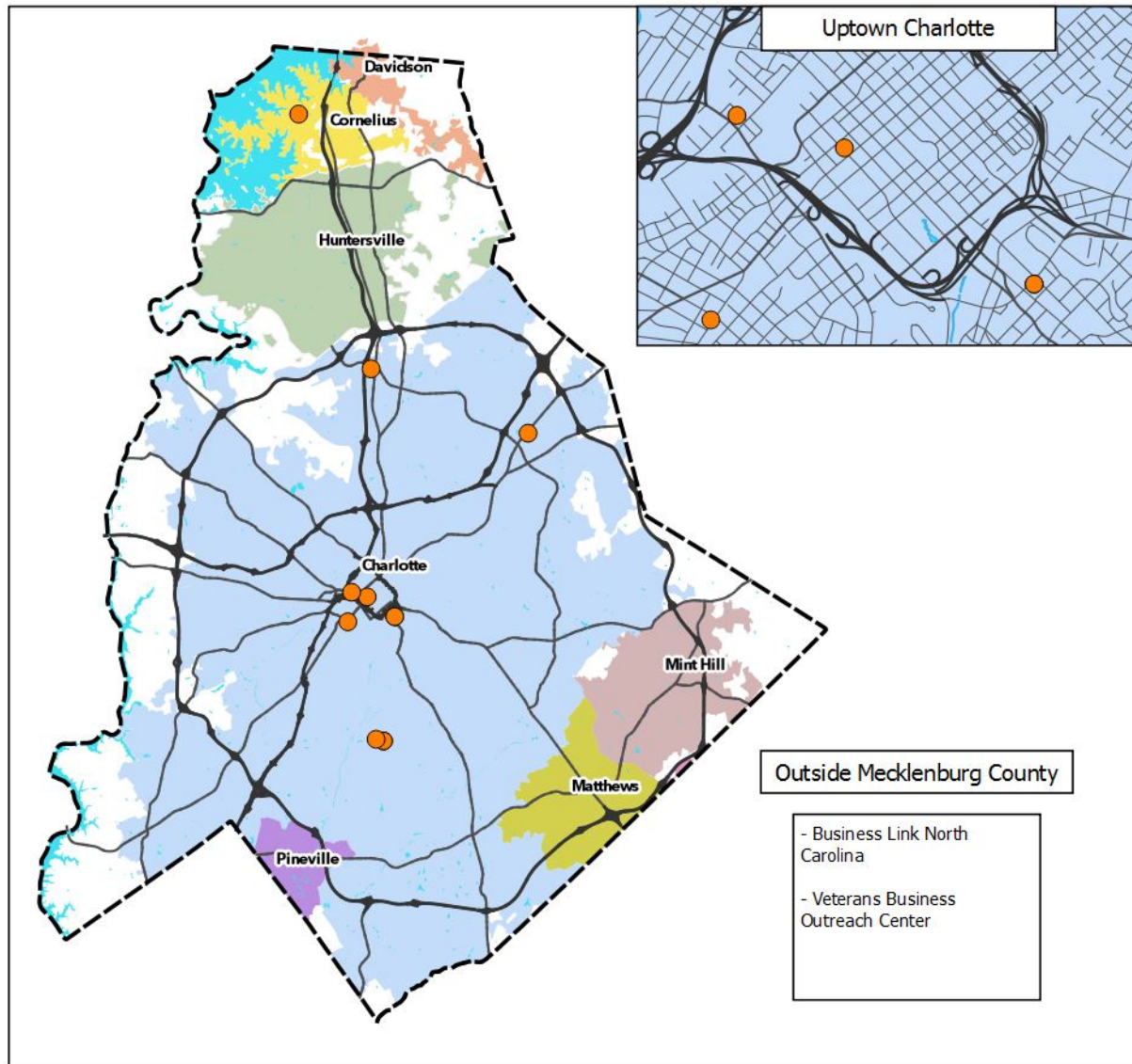
The Women's Business Center offers tools and support to new and growing businesses. The WBCC provides counseling, business development seminars, business plan assistance, lender referrals, loan packaging, certification assistance, access to capital forums, and networking opportunities.

Contact at: 794.509.5884



Counseling & Coaching

Providers of individual small business mentoring, counseling, and coaching



Business Link North Carolina

Service Area: North Carolina

<https://edpnc.com/start-or-grow-a-business/>

Business Link North Carolina, a division of the Economic Development Partnership of North Carolina, offers phone consultations to individuals interested in establishing a business start-up, small business owners in need of general support, and small-business entrepreneurs interested in moving to North Carolina.

Contact at: 800.228.8443

**Carolina Small Business Development Fund***Service Area: All of North Carolina*<https://carolinasmallbusiness.org>

In addition to its loan programs, Carolina Small Business provides one-on-one assistance and business coaching, including the Carolina Small Business CARES program designed to provide education, coaching, and assistance to small businesses in underserved communities.

Contact at: 704.412.7031

Charlotte Chamber of Commerce*Service Area: Just Beyond the Charlotte City Limits*<http://charlottechamber.com/diversity-programs/charlotte-chamber-power-of-women/>

In addition to the networking opportunities it provides, the Chamber's Power of Women program helps connect businesswomen to mentoring opportunities.

Contact at: 704.378.1300

Charlotte SCORE*Service Area: Greater Charlotte Area*<https://charlotte.score.org>

The Charlotte SCORE chapter has over 85 mentors who provide counseling to help increase the value of businesses, solve operating problems, help owners access funding, and assist non-profits.

Contact at: 704.344.6576

Lake Norman Small Business Network*Service Area: Around Lake Norman and I-77*<http://www.lakenormansmallbusinessnetwork.com/>

The Lake Norman Small Business Network is a mentoring, leadership, networking, and mastermind group that is free to members and totally inclusive. They manage an "e-rolodex" web page for people who need the services of Lake Norman businesses but are first and foremost a relationship organization. Their monthly First Friday meetings typically focus on business coaching, planning, and education.

Contact at: jim@imusocialmedia.com

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Latin American Chamber of Commerce of Charlotte

Service Area: Charlotte Region

<http://lacccharlotte.com/>

The Latin American Chamber of Commerce offers a few different mentoring opportunities, including matchings, facilitated meetings, and networking mixers.

Contact at: 704.343.2525

National Association of Women Business Owners Charlotte

Service Area: Greater Charlotte Area

<https://nawbo.org/partners/affinity/maui-mastermind-coaching-program>

The National Association of Women Business Owners (NAWBO) helps women grow businesses by providing resources, connecting businesswomen, and advocating on their behalf. Through one of NAWBO's partners, Maui Mastermind, members can receive business coaching in an online or local group setting.

Contact at: 704.900.3067

Queen City Forward

Service Area: Greater Charlotte Area

<http://queencityforward.org/>

Social entrepreneurs in Queen City Forward's programs receive support and coaching from mentors through one-on-one interactions. Queen City Forward also supports social and civic organizations on a case-by-case basis by connecting them to people and resources in the community.

Contact at: info@queencityforward.org

Small Business & Technology Development Center (SBTDC)

Service Area: Charlotte office of Statewide Organization

<http://www.sbtcd.org/offices/uncc/>

The North Carolina SBTDC is a business advisory resource for growing and developing businesses with a regional office at UNC Charlotte. They offer in-depth business counseling services to mid-sized company business owners and management staff. Topics include business growth, international business, and specialized financial counseling.

Contact at: 704.687.0440

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**Small Business Center at CPCC***Service Area: Primarily Mecklenburg County*<http://www.cpcc.edu/sbc/businesscounseling>

The Central Piedmont Community College Small Business Center provides free one-on-one counseling for small businesses and entrepreneurs to assist with feasibility analysis, business planning, marketing, financial management, and strategies for growth.

Contact at: 704.330.6736

U.S. Small Business Administration (SBA) Charlotte*Service Area: North Carolina*<https://www.sba.gov/offices/district/nc/charlotte>www.sba.gov/nc

In addition to financial resources, the SBA has representatives who work directly with business owners and are closely integrated with a network of partner organizations offering business counseling of all kinds.

Contact at: 704.344.6563 or at: nc@sba.gov

Veterans Business Outreach Center (VBOC)*Service Area: NC, KY, and SC*<http://www.fsuvboc.com/>

The VBOC links veterans with a broad range of counseling, training, business planning, and financing services to assist them with starting or expanding a business initiative. Business counseling is available by email, telephone, or face to face.

Contact at: 910.672.2683

The Women's Business Center of Charlotte (WBCC)*Service Area: Greater Charlotte Area*www.theinstitutenc.org/wbcc

The Women's Business Center offers tools and support to new and growing businesses. The WBCC provides counseling, business development seminars, business plan assistance, lender referrals, loan packaging, certification assistance, access to capital forums, and networking opportunities.

Contact at: 794.509.5884

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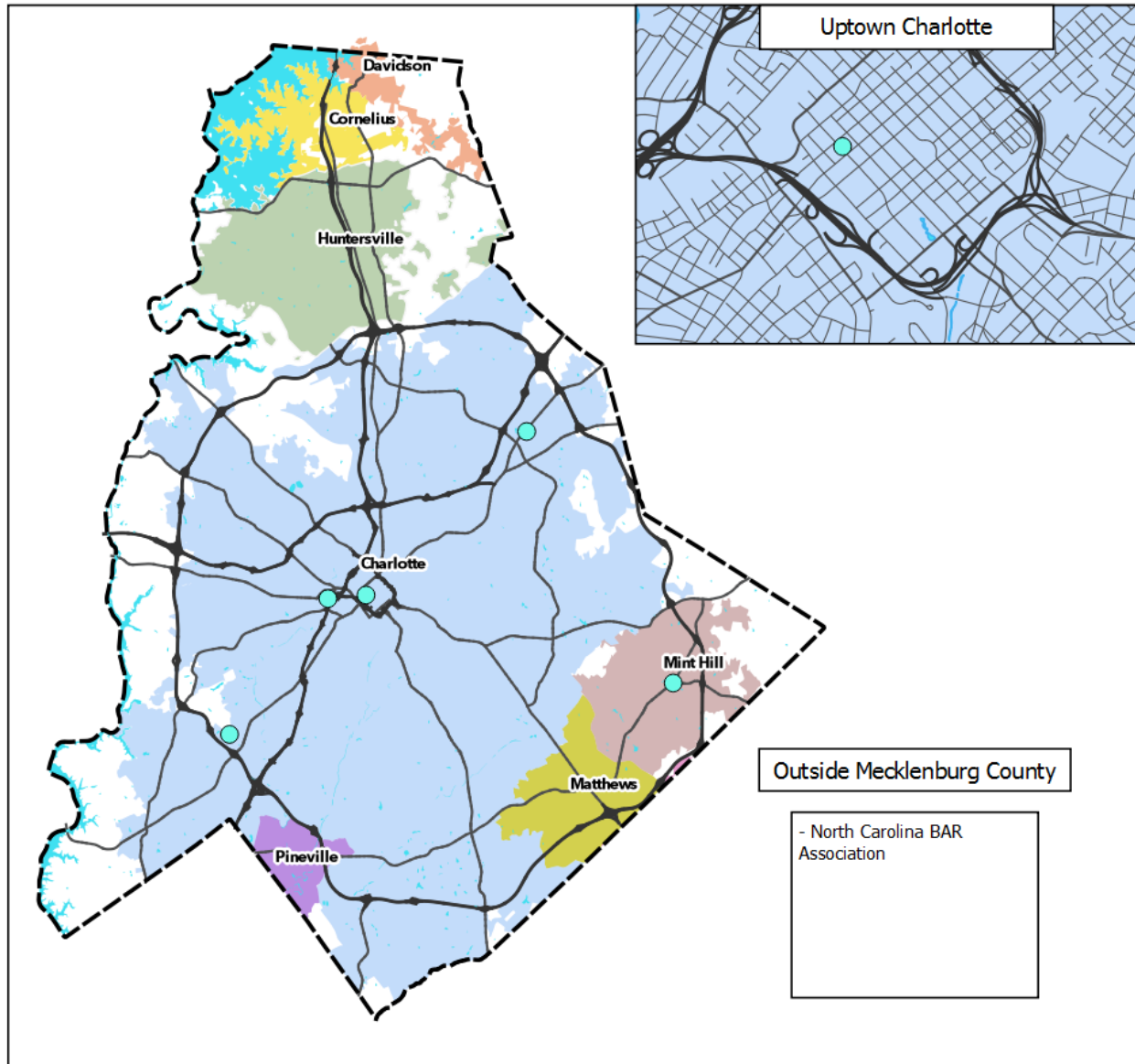
Networking

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Technical Assistance

Providers of information and assistance in specialized content areas that are pertinent to small businesses



Charlotte Chamber of Commerce

Service Area: Just Beyond the Charlotte City Limits

<http://charlottechamber.com/greenworks-program/charlotte-chamber-greenworks/>

The Charlotte Chamber provides information and resources on business practices to support sustainability through its GreenWorks program.

Contact at: 704.378.1300



The Employers Association

Service Area: Greater Charlotte Area

<https://www.employersassoc.com>

The Employers Association provides HR services, employee benefits help, and employee training resources to businesses of all sizes.

Contact at: 704.522.8011

Mecklenburg County Land Use and Environmental Services Agency (LUESA): Code Enforcement Division

Service Area: Mecklenburg County

<http://charmeck.org/mecklenburg/county/LUESA/CodeEnforcement/Pages/Start-a-Small-Business.aspx>

LUESA's Code Enforcement Division offers technical assistance on N.C. Building Code for customers working on or planning to start commercial projects in Mecklenburg County.

Contact at: 980.314.2633, follow voice prompts for "Commercial Technical Assistance Center"

Mint Hill Chamber of Commerce

Service Area: Mint Hill and Surrounding Areas

<http://www.minthillchamberofcommerce.com/>

In addition to their networking and promotional activities, the Mint Hill Chamber of Commerce partners with First Benefits to offer a worker's compensation program.

Contact at: 704.573.8282

North Carolina BAR Association

Service Area: North Carolina

<http://www.ncbar.org/public-resources/nc-leap/client-application/>

The North Carolina BAR Association offers the NC Lawyers for Entrepreneur Assistance Program. Through the program, entrepreneurs whose income does not exceed 300% of the federal poverty guidelines can apply to receive free legal services for starting or expanding businesses. Interested entrepreneurs should direct their inquiries to the North Carolina BAR Association website or the email address below.

Contact at: ncleap@ncbar.org

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**Small Business Technology Development Center (SBTDC)***Service Area: Charlotte office of Statewide Organization*<http://www.sbtadc.org/offices/uncc/>

The North Carolina SBTDC is a business advisory resource for growing and developing businesses with a regional office at UNC Charlotte. In addition to their range of business planning services, they offer resources for businesses in need of patenting.

Contact at: 704.687.0440

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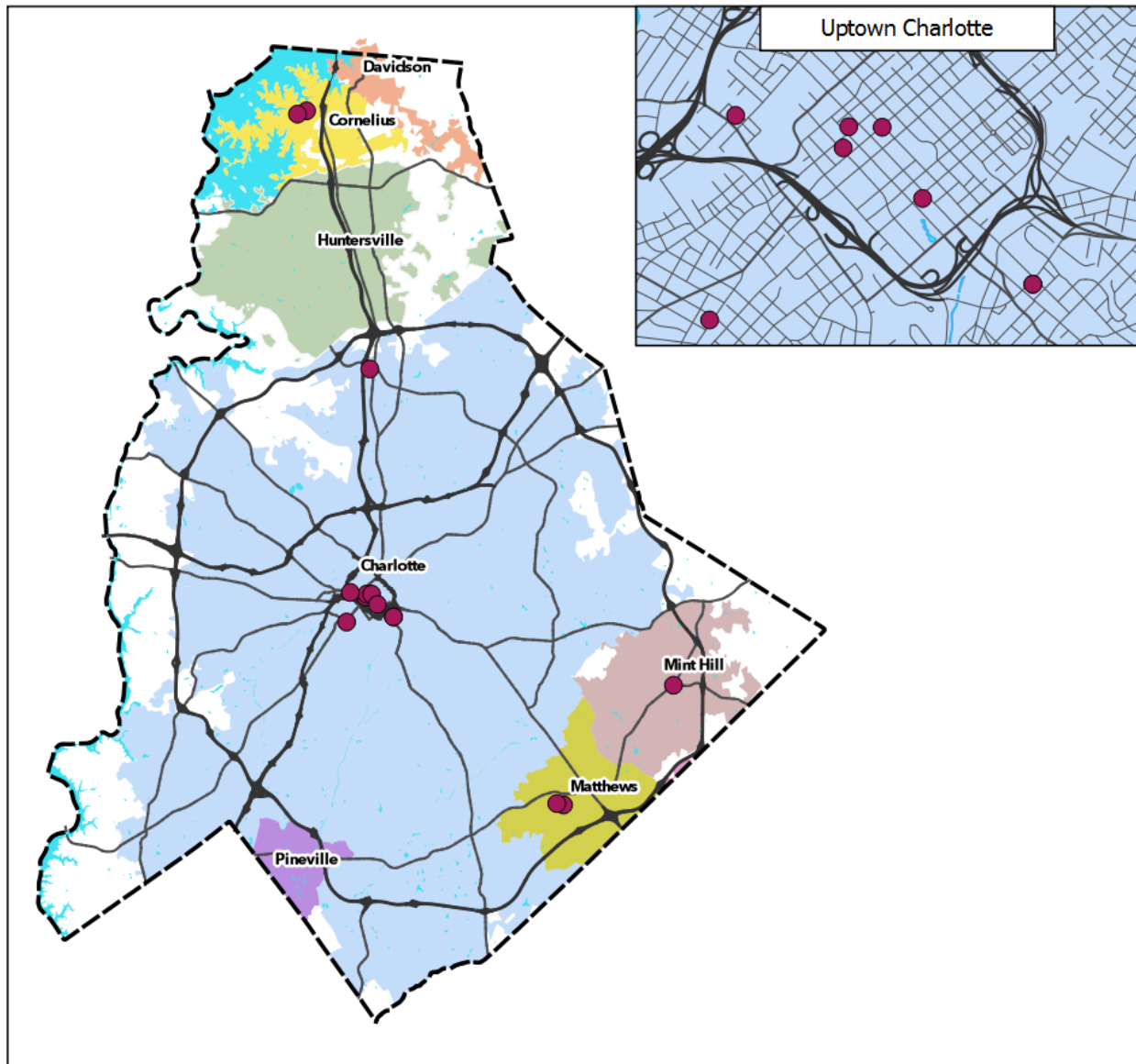
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Networking



Networking

Organizations that help connect businesspersons to others in their field



Carolinas Asian-American Chamber

Service Area: Charlotte; North Carolina; and South Carolina

<http://www.caacc.com/>

The Carolinas Asian-American Chamber hosts frequent networking events and forums among its activities to help foster cooperation within Asian communities and the community at large.

Contact at: 1.866.937.2742

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Charlotte Chamber of Commerce

Service Area: Just Beyond the Charlotte City Limits

<http://charlottechamber.com/>

The Charlotte Chamber of Commerce provides networking opportunities for businesses through their Manufacturers Council, Power of Women program, Young Professionals program, GreenWorks program, and Local Chapter meetings.

Contact at: 704.378.1300

Charlotte LGBT Chamber

Service Area: Charlotte

<http://clgbtcc.org/>

The Charlotte LGBT Chamber of Commerce uses business development, social action, and leadership to promote the economic development of the LGBT community. Members can receive LGTE certification, get marketing placement, and attend networking events.

Contact at: 980.406.5973

Charlotte Mecklenburg Black Chamber of Commerce

Service Area: Charlotte Region

<http://www.cmbcc.org/>

The Charlotte Mecklenburg Black Chamber of Commerce serves Black-owned businesses in the Charlotte region by offering education, resources, and networking opportunities. Networking events include CMBCC Connect Business AFTER Hours on the 3rd Thursday of each month.

Contact at: 704.212.2032

Commissioner Vilma Leake's Small Business Consortium

Service Area: Greater Charlotte Area

The Small Business Consortium supports entrepreneurs, small business owners, and aspiring business owners in Mecklenburg County by empowering, equipping, and educating them. The Consortium empowers small business owners by encouraging collaboration and partnerships.

Consortium meetings are held the third Wednesday in February, April, June, August, October and December from Noon - 1:30 p.m. at the Government Building; they are free to attend and include complimentary lunch.

Contact at: LaShonda.Hart@mecklenburgcountync.gov

**Lake Norman Chamber of Commerce***Service Area: Lake Norman Region*<https://www.lakenormanchamber.org>

The Lake Norman Chamber of Commerce offers business networking events, an annual business expo, and other programs to enhance economic vitality and quality of life in the Lake Norman Region.

Contact at: 704.892.1922

Lake Norman Small Business Network*Service Area: Around Lake Norman and I-77*<http://www.lakenormansmallbusinessnetwork.com/>

The Lake Norman Small Business Network is a mentoring, leadership, networking, and mastermind group that is free to members and totally inclusive. They manage an “e-rolodex” web page for people who need the services of Lake Norman businesses but are first and foremost a relationship organization. They use events, meetings, and networking to make sure that people are connecting for the greater good.

Contact at: jim@imusocialmedia.com

Latin American Chamber of Commerce of Charlotte*Service Area: Charlotte Region*<http://lacccharlotte.com/>

The Latin American Chamber of Commerce offers Tapas, Lunches, Botanas, and Café y Pastel networking events throughout each month.

Contact at: 704.343.2525

Matthews Chamber of Commerce*Service Area: Matthews*<http://matthewschamber.org/>

The Matthews Chamber of Commerce promotes business growth in Matthews by providing networking opportunities and educational seminars throughout the year.

Contact at: 704.847.3649

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Mint Hill Chamber of Commerce

Service Area: Mint Hill and Surrounding Areas

<http://www.minthillchamberofcommerce.com/>

The Mint Hill Chamber of Commerce offers an online business directory, networking, events, training, education, a member discount program, tourism promotion, and community events for Mint Hill.

Contact at: 704.573.8282

National Association of Women Business Owners Charlotte

Service Area: Greater Charlotte Area

<http://www.nawbocharlotte.org/>

The National Association of Women Business Owners (NAWBO) helps women grow businesses by providing resources, connecting businesswomen, and advocating on their behalf. NAWBO networking opportunities include monthly meetings, local groups, and annual events.

Contact at: 704.900.3067

Queen City Forward

Service Area: Greater Charlotte Area

<http://queencityforward.org/>

Queen City Forward supports and hosts events in the greater Charlotte area that convene and connect social entrepreneurs, startups, civic innovators, and changemakers.

Contact at: info@queencityforward.org

Red Brick Partnership

Service Area: Downtown Matthews

<http://www.redbrickpartnership.org/>

The Red Brick Partnership promotes downtown development of Matthews while preserving its rich history. Small businesses can benefit by participating in downtown events throughout the year and getting connected to a common downtown Matthews strategy.

Contact at: info@redbrickpartnership.org

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**Small Business Center at CPCC***Service Area: Primarily Mecklenburg County*<http://www.cpcc.edu/sbc>

The Central Piedmont Community College Small Business Center offers annual events and conferences which pair networking and education to help local businesses build peer and industry connections.

Contact at: 704.330.4223

The Women's Business Center of Charlotte (WBCC)*Service Area: Greater Charlotte Area*www.theinstitutenc.org/wbcc

The Women's Business Center offers tools and support to new and growing businesses. The WBCC provides counseling, business development seminars, business plan assistance, lender referrals, loan packaging, certification assistance, access to capital forums, and networking opportunities.

Contact at: 794.509.5884

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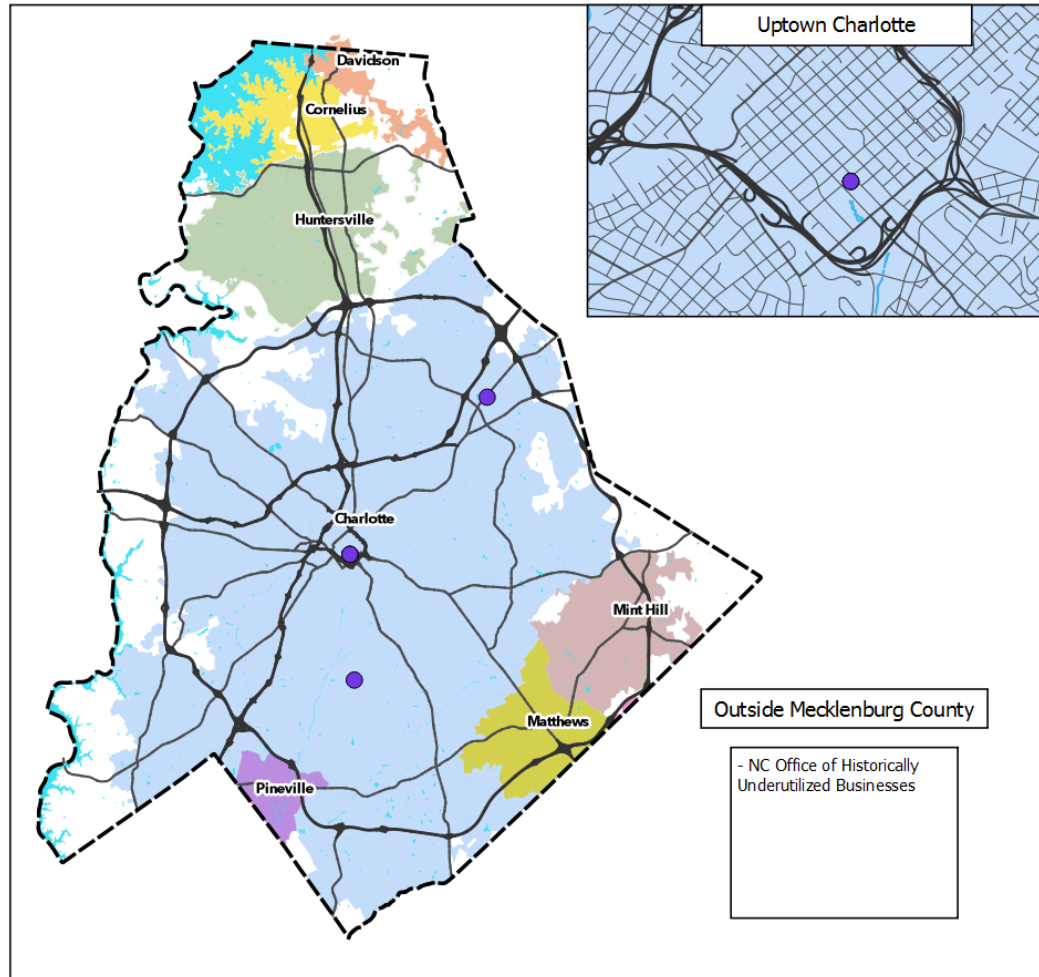
Networking

Contracting



Contracting

Public and private organizations that provide assistance with obtaining government contracts



Charlotte Business INclusion

Service Area: Charlotte Region

<http://charlottenc.gov/mfs/cbi/Pages/default.aspx>

Through the Charlotte Business INclusion program, the City of Charlotte helps enhance competition and participation of Minority, Women, and Small Business Enterprises in City contracting.

Contact at: 704.336.4137

Commissioner Vilma Leake's Small Business Consortium

Service Area: Greater Charlotte Area

The Small Business Consortium supports entrepreneurs, small business owners, and aspiring business owners in Mecklenburg County by educating and empowering them. The Consortium



also equips small business owners to take advantage of certification processes and government contracting opportunities.

Consortium meetings are held the third Wednesday in February, April, June, August, October and December from Noon - 1:30 p.m. at the Government Building. They are free to attend and include complimentary lunch.

Contact at: LaShonda.Hart@mecklenburgcountync.gov

Mecklenburg County Minority, Women, and Small Business Enterprises Program

Service Area: Mecklenburg County

<http://charmeck.org/mecklenburg/county/edo/MWSBE/Pages/default.aspx>

Mecklenburg County uses its Minority, Women, and Small Business Enterprises Program to help provide MWSBEs with equal opportunity to participate in construction or professional services contracts with the County.

Contact at: 980.314.2940

NC Office of Historically Underutilized Businesses (HUB)

Service Area: North Carolina

<http://ncadmin.nc.gov/businesses/hub>

The HUB Office works to promote economic opportunities for historically underutilized businesses in state government contracting and procurement. Qualifying firms—those majority-owned by women; racial or ethnic minorities; and other historically disadvantaged groups—can receive HUB certification and information about contracting with the State of NC.

Contact at: 919.807.2330

Small Business Technology Development Center (SBTDC)

Service Area: North Carolina

<http://www.sbtadc.org/programs/ptac/>

The North Carolina Procurement Technical Assistance Center (PTAC) is one of many services offered by the Small Business and Technology Development Center (SBTDC). It educates business associates on how to obtain contracts by providing comprehensive assistance in selling products and services to local, state and federal government agencies.

Contact at: 704.687.0443

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U.S. Small Business Administration (SBA) Charlotte*Service Area: North Carolina*<https://www.sba.gov/offices/district/nc/charlotte>www.sba.gov/nc

SBA works with federal agencies to award government contract dollars to small businesses and assist disadvantaged businesses in growing their businesses and obtaining government contracts. SBA's government contracting programs include the 8(a) Business Development program, the Service-Disabled-Veteran-Owned Businesses program, the HUBZone program, the All Small Mentor-Protégé Program, the Woman-Owned Small Businesses program, and the Small Disadvantaged Businesses program.

Contact at: 704.344.6563 or at: nc@sba.gov

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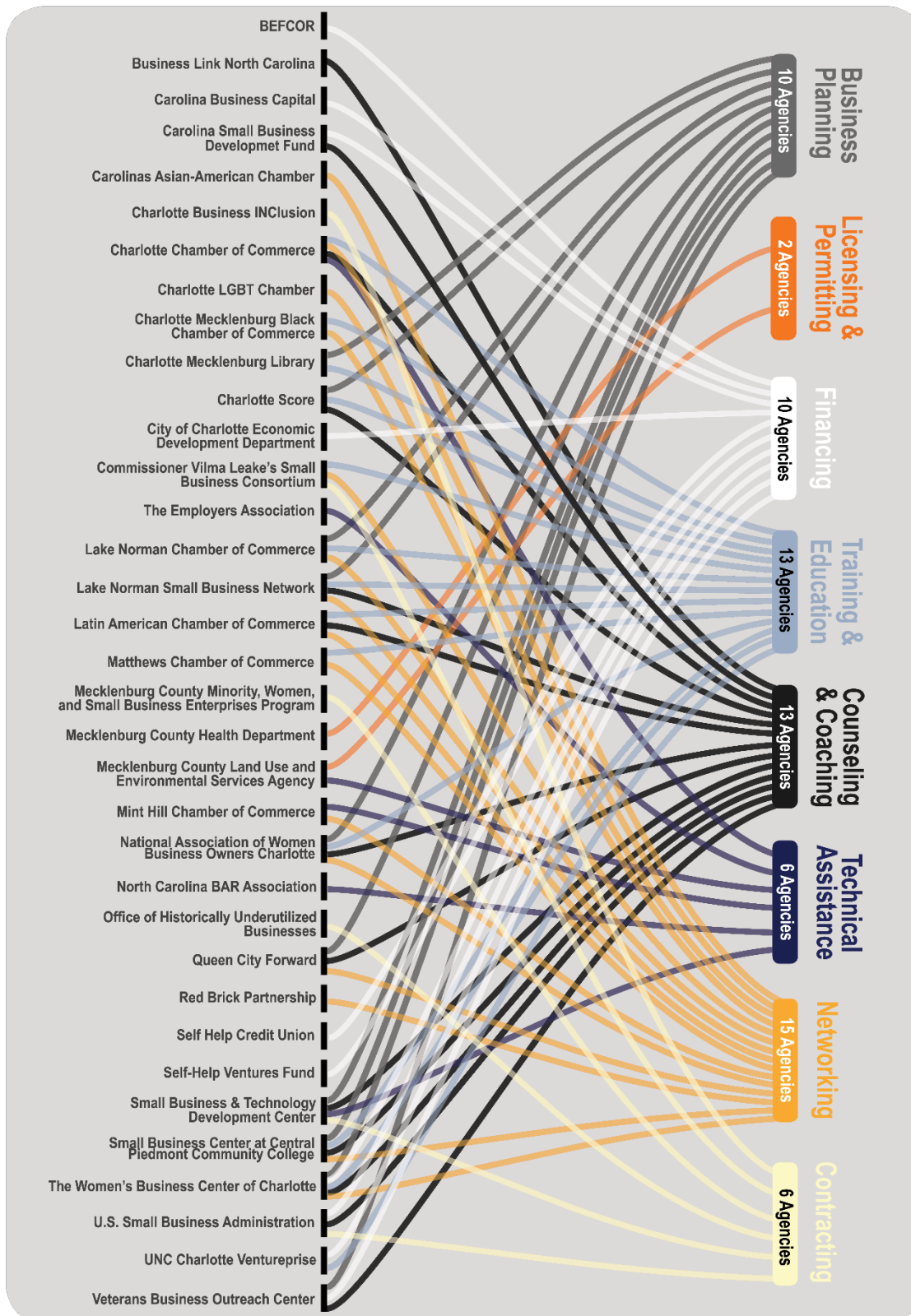
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Asset Map Summary Diagram





Appendix C: Additional Funding Information

The tables below provide the estimated program costs of all programs recommended in this analysis. Because some programs require an up-front one-time fee and others require ongoing annual expenses, two tables are provided to break out these costs.

These numbers should be interpreted as a “highest cost” scenario for the County’s budgetary planning. As alluded to throughout this report, opportunism to secure grants or sponsorship funding to support these initiatives are recommended as a first course of action. Lastly, though all estimates are backed by localized market research, there is inherent uncertainty to all such estimates. For this reason, a 20% uncertainty or “contingency” markup has been added to some unit costs included in the table.

One-Time Fee Category	Unit Cost	Units	Total Cost
Connect			
CBR Site Rebuild	\$125,000/site	1	\$125,000
Establish			
Revolving Loan Fund	Capitalization	N/A	\$2,500,000
Promote			
Web Site Design	\$16,500/site	1	\$16,500
One-Time Fees Grand Total			\$2,641,500

Annual Fee Category	Unit Cost	Units	Total Cost
Connect			
CRM system†	\$55/user/month	4	\$2,600
Added Web Enhancements to CBR	Operations & Maintenance	N/A	\$45,000
Subtotal			\$47,600
Sustain			
Mentor Event Program			
Conference Center Rental Fee	\$1,200/event	7	\$8,400
Conference Center Refreshment Catering	\$4,200/event	7	\$29,400
Banquet Event	\$50/person	250	\$12,500
Scaling up Education Series			
Advanced Webinar Service	\$100/month	12	\$1,200
Community Access to Professional Development Database (eg: Lynda.com)	\$240/month	12	\$2,880
On-Call Business Coach Professional Fees	\$240/hour	60	\$14,400
Subtotal			\$68,780
Promote			
Crowd Entrepreneurship Competition			
Reward Fees	\$50,000/winner	3	\$150,000
Poster Advertising	\$75/poster	10	\$750
Web Advertising	\$600/month	12	\$7,200
Social Media Advertising	\$0.25/like	800	\$200



Annual Fee Category	Unit Cost	Units	Total Cost
Billboard Advertising	\$3,000/month	6	\$18,000
Local TV Advertising	\$3,600/month	2	\$7,200
Web Hosting	\$120/month	12	\$1,440
Finalist Events- hors d'oeuvres/refreshments	\$8.65/person	1,200	\$10,380
Finalist Events- Rental fees	\$5,750/night	3	\$17,250
Final Celebration	\$48/person	100	\$4,800
<i>Subtotal</i>			<i>\$217,220</i>
<i>Annual Fees Grand Total</i>			<i>\$333,600</i>

† Assumes a shared cost across the County, only 4 seats paid for by the Office of Economic Development