

# Inno.ED Microgrants

GMAC 2021

DSLBBDD

DEPT. OF SMALL & LOCAL BUSINESS DEVELOPMENT



# Who is speaking?

---

## Kate Mereand

Program Manager



---

## Shannon Taylor

Project Manager, Made in DC

---

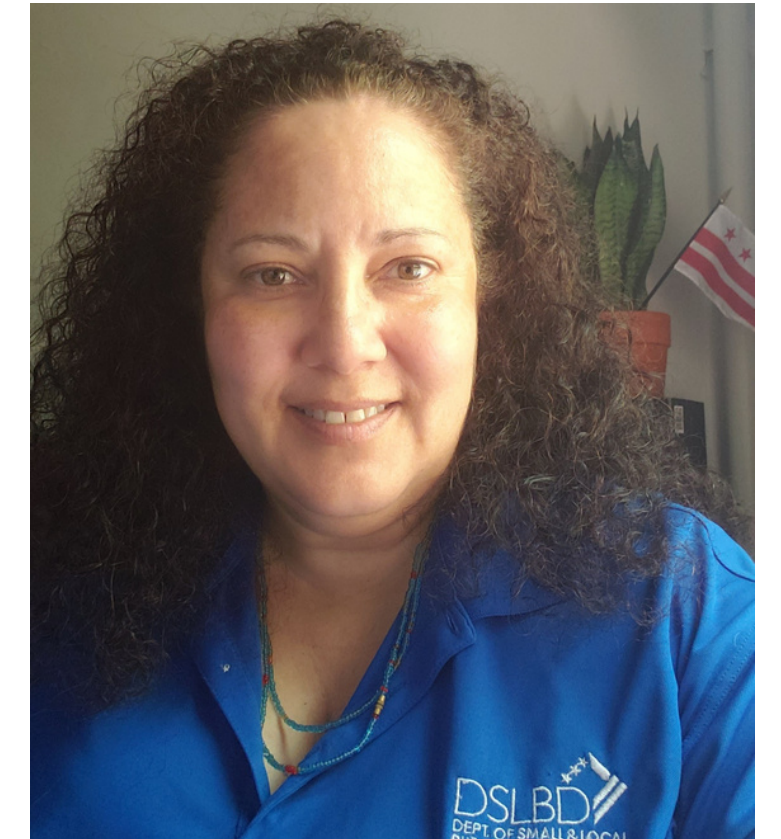
## Caroline Howe

Aspire Coordinator

---

## Camille Nixon

Project & Capital Access Manager



---

## The Inno.ED Team

Reach us at [Inno.ED@dc.gov](mailto:Inno.ED@dc.gov)

# TODAY'S AGENDA

---

Mission

History

Themes

---

Dream Grants

Robust Retail Grants

Aspire Pitch

Kiva (not a grant!)

Made in DC Market Access

**We are  
appreciative of the  
opportunity to make  
these grants & serve  
micro businesses**

—



# DSLBD & INNO.ED MISSIONS



---

## **DSLBD**

The Department of Small and Local Business Development (DSLBD) supports the development, economic growth, and retention of District-based businesses, and promotes economic development throughout the District's commercial corridors.

---

## **Inno.ED**

The Inno.ED division of DSLBD is tasked with helping build the entrepreneurial ecosystem in the District of Columbia. Inno.ED has several statutory programs as well as agency initiatives under its wing, each designed with the goal of removing barriers to entrepreneurship.

# HERSTORY, REALLY OUR STORY

2016 First Aspire Pilot

2017 Many Stakeholder Groups

2017 Tech & Innovation Office

2017 First Grown in DC Grants

2018 Inno.ED Rebrand

2018 First Dream Grants

2018 Launched Build a Dream

2018 Made in DC moves to Inno.ED

2019 First Robust Retail Grants

2020 *many things happened*

2021 Access to Capital moves to Inno.ED

2021 DC Kiva Hub Launch

2021 Made in DC Market Access Grant



# THEMES

## Aspire Principles

- *Meet People Where They Are*
- *Build Community*
- *Build Community Wealth*

## Build a Dream Principles

- *Entrepreneurship is for everyone*
- *Entrepreneurs solve problems*
- *Build your dreams one step at a time*
- *Business leaders are community leaders*

Equity is in our name, and increasing equitable access to resources of all kinds for businesses, aspiring business, and entrepreneurs is a never ending pursuit.

To that end, defining equity & equitable access for us is an ongoing, collaborative effort cross-cutting many factors of identity and access.

**THEMES**



**AND....  
PARTNERSHIPS  
ARE KEY**

—

We partner quickly, often, and much.





**Let's talk grants**



# WHY MICROGRANTS?

Actually, they were assigned to us. But we quickly saw the value of making low-barrier to access grants to community change makers who are working to build the foundations of economic well-being and wealth for their families and their communities.

Folks who change the world start small. They need as much help as others who are farther along their path.

---





**Our program team is our  
grants team, which may  
be fairly unique in  
District Government**

—



*A brief pause to share our*

*respect*



*for our DMPED colleagues*



*Sign up to be notified when the*

WARD 7 & 8 MICROBUSINESS

# DREAM GRANTS

GRANTS OF UP TO \$10,000 FOR DC BUSINESSES  
RESIDENT OWNED AND OPERATED IN WARDS 7 & 8

*open for 2022*



**The purpose of the Dream Grants is  
to support sustainability and  
growth of micro businesses in  
Wards 7 & 8.**

# WARD 7 & 8 MICRO BUSINESS DREAM GRANTS

- \$10,000 Micro Grants
- For-profit
- Resident owned
- Businesses with 5 or fewer employees
- Located in DC Wards 7 or 8

---

Started in 2018  
\$750,000 awarded  
70+ businesses

Traditional competition  
Review Panels

Statutory background

# DREAM GRANT EQUITABLE ACCESS

- Open 2 Months
- Fast email replies on questions
- Multiple information sessions
- Separate paperwork boot camps
- Eligibility pre-review during grant period
- Framed as education
- Simplified, formatted RFA for readability
- Applications Qs match scoring Qs
- Key partnerships for outreach
- Early sign up for notice
- Resources for all applicants post-award
- Can purchase insurance with grant funds
- Ongoing trainings in Wards year-round (pre-Covid)

## — Eligibility Requires:

1. EIN
2. Proof of Ward residency (ID and timestamped document)
3. Proof of ownership
4. Attestation of Employee numbers
5. Business License
6. Clean Hands
7. Insurance or intent to purchase
8. W9
9. Competitive application and application budget

# ALL HANDS ON DECK

- We typically have about 200 businesses start applications for 20 final awardees
- We take no calls, but outreach is high
- Eligibility pre-review deadlines are time-consuming
- Grant turn around is required to be very fast at closing.
- In FY21 we scored, awarded, and paid in 2 weeks of the grant closing
- We worked with a 3rd party payor for processing grant payments quickly
- We conduct call teams with awardees to work directly on collecting ALL post award materials in a matter of days

---

We receive emails year-round asking about the Dream Grants

We receive inquiry from other Wards and non-profits.

And we get to see so many of the Dream Grant alumni continue to grow their businesses and work towards new opportunities.

Dream Grant alumni also frequently support each other and other small businesses, as collaboration is a key value.

# ALL HANDS ON DECK

- We typically have about 200 businesses start applications for 20 final awardees
- We take no calls, but outreach is high
- Eligibility pre-review deadlines are time-consuming
- Grant turn around is required to be very fast at closing.
- In FY21 we scored, awarded, and paid in 2 weeks of the grant closing
- We worked with a 3rd party payor for processing grant payments quickly
- We conduct call teams with awardees to work directly on collecting ALL post award materials in a matter of days

---

We receive emails year-round asking about the Dream Grants

We receive inquiry from other Wards and non-profits.

And we get to see so many of the Dream Grant alumni continue to grow their businesses and work towards new opportunities.

Dream Grant alumni also frequently support each other and other small businesses, as collaboration is a key value.



**Youth Businesses**

*Hair Salons +  
Barbershops*

**Photobooths**

*Ceramacists*

**Architects**

*Physical  
Therapists*

**Urban  
Farmers**

**Medical suppliers**

*Doctors*

**Caterers**

**COMMUNITY  
LEADERS**

*Trash Haulers*

**Grocery  
Stores**

*Landscaping*

**Returning Citizen Businesses**

**Graphic  
Designers**

*Sign printers*

**Jam Makers**

*Coffee Roasters*

**Home Day  
Care**

*Wellness Coaches*

**Lawyers**

*Artists*

**50+ entrepreneurs**

**Cleaners**

**& more**

ROBUST RETAIL CITYWIDE GRANTS

2021 FUNDING ROUND OPEN

DEADLINE JANUARY 28, 2021 AT 2 PM



**The purpose of Robust Retail is to offset the rising costs of commercial rent on micro businesses and ensure access to all DC storefronts in all 8 Wards.**

# ROBUST RETAIL MICROGRANTS

- \$7,500 - \$10,00 Micro Grants
- For-profit
- Storefronts ONLY
- Businesses with 25 or fewer employees
- Citywide—to include businesses left out of geographic grants

---

Started in 2019  
\$1.26M awarded  
260+ businesses

Transitioned to lottery  
during public health  
emergency

DSLBD's General  
Grantmaking Authority

Not accounting for an  
early Main Street Round

**We closed the 2020 Grant Round for Robust Retail on March 15, 2020.**

**And we changed the grant award process to meet the immediate need of businesses. DMPED also gave us additional funds to spread more support.**



# ROBUST RETAIL IN FY2020

- Completed eligibility review and scoring in 2.5 days
- Changed grant to reimbursable grant for selected awardees
- Reduced grant amount from \$10,000 to \$7,500 to support more businesses with immediate cash on hand
- Cost were for Covid-related needs back to the start of the SBA declared emergency (February 1)
- Moved grant payment to 3rd party payor for fast turn around
- Moved to electronic signatures in ZoomGrants
- Conducted call teams to walk grantees every step
- Collected receipts and impact surveys with payment info
- First grant payments happened in 2 weeks.
- More funding to support all eligible applicants, repeated process
- Grants closed out at payment

---

Funded a total of 106 awardees in FY2020

A core team of 3 staff, with additional assigned call team staff

Call teams notified, reminded, and walked through every step

All DSLBD staff supported at various points

# ROBUST RETAIL FY2021

- Transitioned to a lottery
- Maintain cost-reimbursement model
- Ward balanced for citywide impact
- Zoom Grants failed due to overload
- Used a survey system for grant application
- Received 700+ applications
- Made 106 awards
- Employed call teams
- Employed 3rd party payor system
- Collected impact reporting & receipts prior to payment
- Made payment with funds confirmed in accounts within 2 weeks of closing
- Grant closed at payment

---

We launched the lottery in direct response to small business fatigue.

Businesses remain in dire need of support to offset the economic hit of the pandemic. But after nearly a year of struggling to stay afloat they were also tired.

We knew that demand would outstrip supply of funding, and that it would be difficult for review committees to decide when need was high across the board.

**Restaurants**

**Pharmacies**

**Makers**

*Hair Salons +*

*Game Stores*

*Corner stores*

**Legacy  
Businesses**

*Barbershops*

*Dry Cleaners*

**Bars**

**Employers**

**Gift shops**

*Nail Salons*

**Family run businesses**

**Hardware**

*Boutique Fashion*

**Retail shops**

*Florists*

*Autobody*

*Cafes*

**Art Galleries**

*Fitness Studios +*

**Center based  
day care**

*Yoga*

**Cleaners**

*Shoe repair*

**Bookshops**

**Community Centers**

**& more**





# ASPIRE PITCH

A cohort of returning  
citizens entrepreneurs  
and small businesses

**APRIL - MAY 2021**

**WEEKLY CLASSES**

**MENTORSHIP**

**PITCH TRAINING**

**GROUP COACHING**

**\$2,000+ PRIZES FOR PITCHES  
AFTER COMPLETING PROGRAM**



**The purpose of Aspire is to support returning citizens as they work to open, operate, and grow their own small businesses.**

# ASPIRE PITCH

- \$2,000 - \$10,000 Micro Sub Grants
- For-profit
- Returning Citizen led
- New & Existing Businesses
- 6-12 week intensive training
- Funded pitch
- All participants receive at least \$2,000

---

Aspire started in 2016, but 2021 is the first year of Aspire Pitch.

The first initial years participants received a Project Empowerment stipend & a matched savings account.

In year 4 we operated program innovation grants.

Year 5 we were interrupted by the pandemic.

**We were preparing to launch recruitment for an in person training and pitch format in partnership with 202 Creates March 16, 2020.**

**We were unable to do so, and due to additional digital needs were unable to pivot to digital in 2020.**

# ASPIRE FY2021 PITCH

- Working with a program support grantee
- Programming is however direct from DSLBD staff
- Operated a competition to enter the program
- Modeled competition after grant rules
- 40 returning citizens accepted
- New business required 12 week intensive training
- Existing business 6 weeks, optional to join for 12
- Training covers business fundamentals
- Intensive one-on-one technical assistance
- Guest speakers & pitch coaches
- Mentorship partner for free mentoring
- Accounting supplement
- Intensive wrap around services & support
- Virtual training, in person pitch August 21
- All participants pitching will receive at least \$2k
- Some will receive more

---

The training to pitch format allows for greater support.

The competition to enter was a serious competition.

Had to underscore program commitment.

Allowed video submissions for individuals and for their letters of support.

Support was an application requirement.



# ASPIRE COMMUNITY

- Over 800 stakeholders joined first 2 years of monthly meetings
- "Each one teach one" is a recurring theme
- Social good and giving back in a recurring theme
- Supporting youth is a recurring theme
- Returning citizens continue to face barriers to employment and some professional licensing
- Returning citizens may face grant barriers if they were not able to file taxes while incarcerated
- Our program is focused on actually launching businesses, but it is OK for someone to decide to wait, pause, or choose work instead
- We stand in solidarity with so many of our cohort and alumni facing the consequences of gun violence this summer

---

As the first Inno.ED program that helped define many of our principles, we often say that Aspire is our heart.

Within that, it is important that we focus on someone's future, not their past, and encourage them to do the same.

We innovate this program regularly to continue to strive to meet people where they are.

We would love to partner with you to support Aspire.

**Chefs**

**Trash Haulers**

**Makers**

*Hair stylists*

*Senior Services*

**Music &  
Video**

*Beauty product makers*

**Social**

*Transportation*

**Landscaping**

**Entrepreneurs**

**Fiber installers**

*Fashion Designers*

**Green  
Businesses**

**Financial  
Services**

*Leathergoods makers*

*Florists*

*Security services*

*Fitness coaches*

**Urban  
Farmers**

*Event planning*

**Wellness  
Coaches**

**Cleaners**

*Electric Vehicles*

**Signage**

**& more**



# DC **kiva** HUB

**Official Launch May 17!**

**CROWDFUNDING LOANS  
0% INTEREST, \$0 FEES  
FOR DC SMALL BUSINESSES**





**We interrupt this grant narrative to share a little bit about related microfinance topics. Kiva offers no fee, no interest crowdfunding loans of \$1,000-\$15,000.**



# DC KIVA HUB

- \$1,000 - \$10,000 Micro LOANS
- Crowdfunded, crowd paid back
- DSLBD operates the DC Hub
- Kiva is international, but we support DC
- Fast turn around
- Capacity for sponsor matching funds

---

Launched in May 2021

5 businesses funded  
65 more in pipeline

We always tell businesses they need to stack finance.

Grants are of course nice, but we also tell businesses they are highly competitive, rarely as flexible as our grants, and ultimately unreliable.

Grants should lead towards finance.

# WHY CROWDFUND

- Build a community of support
- Build up marketing
- Prepare for greater financing
- Less intimidating than traditional loans
- Kiva has a low default rate
- Kiva for start ups and first time borrowers
- Great loan terms
- (Coming soon) builds credit

---

DSLBD supports small businesses along the access to capital ladder.

It is often necessary to take smaller financing before scaling up.

Many business owners are debt adverse, for obvious reasons.

However, for many businesses financing is necessary for working capital and anytime they wish to scale.

**Microloans**

*Term loans*

**CDFIs**

*Credit Unions*

**Regional  
Banks**

*Large banks*

**Equity  
Investment**

**Finance**

*Lines of credit*

**Rewards  
Crowdfunding**

**Options**

**Credit builder loans**

**DSLBD trains and supports businesses in approaching financing at any stage for any reason. It takes time, so folks should always be researching and exploring.**

# MARKET ACCESS GRANTS

GRANTS OF UP TO \$5,000 FOR DC BUSINESSES  
**MICROBUSINESSES WITHOUT A STOREFRONT**  
MADE IN DC & MADE IN DC ELIGIBLE BUSINESSES



*Apply July 30 through August 31, 2021!*



**The purpose of the Made in DC  
Market Access grant is to support  
non-brick and mortar/non  
storefront makers.**

# MARKET ACCESS

- \$5,000 Micro Grant
- For-profit
- Made in DC Certified or Eligible with a pending application
- 5 or fewer employees
- Reimbursement Grant
- Lottery

---

## Eligibility Requirements:

1. EIN
2. Made in DC Certified or Eligible (making a product in DC, active business license on file, resident owned or 50% of employees)
3. Clean Hands
4. Insurance
5. W9
6. Several attestation

# NEW GRANT!

- Online, mobile, and home-based businesses
- Follow best practices of Robust Retail & Dream Grants
- Ward balancing, lottery
- Fast payments
- Made in DC has 300 members, with more than 900 more makers engaged
- Not all Made in DC businesses will be eligible, but received 300 sign ups in a 2 day pre-notification registration

---

Offering pre-deadline eligibility reviews

Recorded information sessions.

Made in DC registration support. This will support program engagement and other support for businesses.

Many of the pre-registrants expressed that they will both apply AND help other businesses apply.

**A lot of really awesome businesses are eligible, but we will have to wait until September to see who is awarded.**

**TBD**



# We have a lot of help and owe a lot of thanks!

DSLBD Legal

DSLBD Admin Team

DSLBD Comms

DSLBD Call Team Volunteers

DSLBD & Other Grant Reviewers

DSLBD Leadership

Thank you ...



3rd Party Payors

OCFO Budget Office

OCP/ORM

EOM/DMPED Leadership

SBTA Providers

Grantees & Applicants

**I don't think we can fully share how grateful grant recipients are for the help, but also for being seen, supported, and feeling a level of validation.**

WE ★ ASPIRE



**DC kiva HUB**  
@ DSLBD



DEPT. OF SMALL & LOCAL BUSINESS DEVELOPMENT

**SO MUCH MORE,  
BUT FOR NOW,  
THANKS!**

There is so much more we could tell you about these grant programs, or the other non-grant trainings and technical assistance we provide.

But we are probably out of time by this point. So you can reach out to us on teams, or when in doubt, email us at [Inno.ED@dc.gov](mailto:Inno.ED@dc.gov).