



City of Grand Island

Tuesday, July 25, 2006

Council Session

Item G27

**#2006-213 - Approving Submittal of Grant Application to the
Nebraska Department of Economic Development Under the
Building Entrepreneurial Communities Act**

Staff Contact: Gary Greer

Council Agenda Memo

From: Gary D. Greer, City Administrator
Meeting: July 25, 2006
Subject: Building Entrepreneurial Communities Grant
Item #'s: G-27
Presenter(s): Cindy Johnson, Grand Island Chamber of Commerce
Don Smith, Chamber Board Member

Background

The State of Nebraska passed LB 90 on May 25th, 2005 which makes \$250,000 available per year to Nebraska Communities to help fund programs aimed at building entrepreneurial activities. The Grand Island Chamber of Commerce has prepared an application for funding and is asking for community support as required to receive the grant.

Discussion

Attached is the application prepared by the Chamber of Commerce that will be submitted to the State of Nebraska. The application is very well written and fully explains the program. Additionally, representatives of the Chamber will be on hand to answer any questions about the proposal. The Grand Island Chamber of Commerce is applying for \$25,000 over two years to create training sessions and a business development series for minority businesses in our community, primarily Hispanic businesses. The City is not being asked for any funding concerning the project, only approval of the concept and authorization for the Mayor to sign a letter of support to accompany the application

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee

3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the request of the Grand Island Chamber of Commerce to support their application to the State of Nebraska for a Building Entrepreneurial Communities Grant.

Sample Motion

Motion to approve the request of the Grand Island Chamber of Commerce to support their application to the State of Nebraska for a Building Entrepreneurial Communities Grant and give the Mayor authorization to sign all documents.

State of Nebraska

**Building
Entrepreneurial
Communities
Act**

Application Guidelines

**STATE OF NEBRASKA
BUILDING ENTREPRENEURIAL COMMUNITIES ACT
APPLICATION GUIDELINES
2006**

Introduction

LB 90 was passed by the Nebraska Legislature on May 25, 2005 and signed into law by Governor Dave Heineman. LB 90 makes \$250,000 available per year for two fiscal years (FY 2006-2007 and FY 2007-2008) for building entrepreneurial communities. This document provides for the implementation of LB 90, Building Entrepreneurial Communities Act.

This publication consists of three parts, which provides information concerning the submission of an application, project selection process, and granting procedure for the Building Entrepreneurial Communities Act (BECA).

Contents

Part I. Overview of General Requirements. This information includes definitions, eligible applicants, eligible activities, match requirements, funding levels, and application deadline.

Part II. Application Instructions. This section includes official application format, instruction for completing an application, and project review criteria.

Part III. Supplemental Information. This supplemental information includes a copy of LB 90, Building Entrepreneurial Communities Act, a list of qualifying communities and counties, and other information related to the purpose of this Act.

For More Information

Please review the application materials carefully. For more information, contact:

Linda Fettig
Rural Development Commission
308-749-2291 (phone and cell)
308-749-2223 (fax)
linda.fettig@ded.ne.gov

Part I. General Overview of Requirements

Purpose of the Building Entrepreneurial Communities Act (BECA)

The purpose of the Building Entrepreneurial Communities Program is to support economically depressed rural areas of Nebraska in building entrepreneurial communities through grants that will create community capacity to build and sustain programs to generate and retain wealth in the community and region.

The Department of Economic Development (DED), with assistance provided by the Rural Development Commission (RDC), shall establish and administer a grant process to provide grants to two or more municipalities or counties that are collaborating on a project related to the purpose of the Building Entrepreneurial Communities Program with priority given to projects that best alleviate chronic economic distress.

Eligible Applicants

Eligible applicants include every local government (municipality or county). At least two local governments must collaborate on the project. At least one of the local governments must have chronic economic distress as indicated by:

1. An unemployment rate which exceeds the statewide average unemployment rate;
2. A per capita income below the statewide average per capita income; or

3. A population loss between the two most recent federal decennial censuses.

Eligible Activities

Eligible activities must be projects that address one of the following:

1. Provide education and technical assistance to energize small business development and entrepreneurship;
2. Provide technical assistance to facilitate small business transfer;
3. Build community business capacity and leadership programs;
4. Generate opportunities that will attract and retain young people and families;
5. Provide education about philanthropy and intergenerational transfer of wealth; and
6. Build community endowments to support these activities.

Match Requirements

Grant recipients shall provide a dollar-for-dollar cash match. Matching funds shall be from sources other than state and federal programs.

Funding Levels

The maximum amount for an award per collaboration project is \$75,000. A total of \$250,000 has been allocated for each program year. There are approximately \$350,000 available for the August cycle due to funds unallocated in the first cycle. Grant recipients have two years to expend the grant funds. No municipality or county shall receive funding for more than one project.

Application Deadline

All applications must be **received** at either the Nebraska Department of Economic Development Lincoln office **or** the Nebraska Rural Development Commission North Platte office by 12:00 p.m. (noon) (CDT) Tuesday, August 1, 2006. One (1) original application and seven (7) complete copies must be submitted. Staple sets in the upper left corner; do not bind. You do not need to include copies of the application guidelines or distress criteria spreadsheet in your application. No faxes or email copies will be accepted. NO EXCEPTIONS.

Nebraska Department of Economic Development

Fourth Floor, State Office Building

P.O. Box 94666

Lincoln, NE 68509-4666

OR

Nebraska Rural Development Commission

402 East State Farm Road

P.O. Box 310

North Platte, NE 69103

Part II. Building Entrepreneurial Communities Act Application Process

The following grant application process will be followed:

- Step 1. **Complete attached Application Form. Substitute forms are not acceptable. Application must be typed. Additional pages may be added to the application. Please limit total application to no more than 10 pages (letters of match commitment do not count in page total).**
- Step 2. **Applications will be reviewed for completeness and eligibility.**
Incomplete and/or ineligible applications will not be considered for funding.
- Step 3. **Applicants may be asked to provide additional information by requiring**
more detail on the project, budget, benefits, match, etc.
- Step 4. **All applications must be received either at the Nebraska Department of**
Economic Development office or the Nebraska Rural Development Commission North Platte office by 12:00 p.m.
(noon) (CDT) Tuesday, August 1, 2006. One (1) original application and seven (7) complete copies must be submitted.
Staple sets in the upper left corner; do not bind. You do not need to include copies of the application guidelines or
distress criteria spreadsheet in your applications. No faxed or email copies will be accepted. NO EXCEPTIONS.
- Step 5. **An evaluation panel will review the application and recommend funding.**
- Step 6. **DED Director will make final funding decision.**
- Step 7. **A public announcement of funding decisions will be made.**

Project Review Criteria

Eligible applications will be evaluated using the following criteria:

Match amount and commitment of match

Project sustainability

Specification of measurable goals and expected outcomes

Specification of an evaluation and impact assessment process

Extent of which the project responds to the purpose of the Act

Ability of the project to be completed within a two year period

Part III. Supplemental Information

Legislative Bill 90 – Approved by Governor Heineman May 26, 2005

Be it enacted by the people of the State of Nebraska,

Section 1. Sections 1 to 3 of this act shall be known and may be cited as the Building Entrepreneurial Communities Act. The act terminates on January 1, 2011.

Section 2. **The purpose of the Building Entrepreneurial Communities Act is to support economically depressed rural areas of Nebraska in building entrepreneurial communities through grants that will create community capacity to build and sustain programs to generate and retain wealth in the community and region. Specifically, the act will:**

- (1) Provide education and technical assistance to energize small business development and entrepreneurship;
- (2) Provide technical assistance to facilitate small business transfer;
- (3) Build community business capacity and leadership programs;
- (4) Generate opportunities that will attract and retain young people and families;
- (5) Provide education about philanthropy and intergenerational transfer of wealth; and
- (6) Build community endowments to support these activities.

Sec. 3. (1) **The Department of Economic Development, with assistance provided by the Rural Development Commission, shall establish and administer a grant process to provide grants to two or more municipalities or counties that are collaborating on a project related to the purpose of the Building Entrepreneurial Communities Act with priority given to projects that best alleviate chronic economic distress. At least one of the collaborating municipalities or counties shall have chronic economic distress as indicated by:**

- (a) An unemployment rate which exceeds the statewide average unemployment rate;
- (b) A per capita income below the statewide average per capita income; or
- (c) A population loss between the two most recent federal decennial censuses

(2) **Grants shall not exceed seventy-five thousand dollars per collaborative project. Grant recipients shall have two years to expend the grant funds. No municipality or county shall receive funding for more than one project. Grant recipients shall provide a dollar-for-dollar match in money for grant funds. Grants shall be awarded directly to one of the municipalities or counties representing the collaborative project. The department shall act as the fiduciary agent for the grants.**

Note: see spreadsheet following the Application Form for the distress criteria information.

Building Entrepreneurial Communities Act Application Form

** Proposals must be kept to 10 or fewer typed pages (including attachments
with the exception of cash match support letters) **

Project name: Latino Business Partnership

Applicant Names(s)/Organization(s): Describe the partnership that will support this project: *names of communities, organizations, agencies (public and private)*. A signed letter of commitment from each partner detailing their cash match support is required with the application, and is not in the 10-page maximum .

The City of Grand Island and the City of Omaha are supportive of efforts to provide education and technical assistance to assist small businesses and emerging entrepreneurs. To this end, the City of Grand Island, on behalf of the Grand Island Chamber of Commerce, and the City of Omaha, in conjunction with the Juan Diego Center in Omaha, are submitting a grant application under the Building Entrepreneurial Communities Act to assist small businesses.

The Grand Island Chamber of Commerce, Grand Island, Nebraska, will facilitate the programs in collaboration with the Juan Diego Center. The Juan Diego Center has a successful history of providing services to entrepreneurs and has developed a Latino Business Partnership to assist this emerging business population. As a partner, the Grand Island Chamber has received permission from the University of Nebraska – Omaha, Nebraska Business Development Center, to utilize the prepared curriculum and to obtain materials (books, flyers, etc.) for use in the Grand Island program.

Administrating Agency/Entity: *(This will be the entity receiving the funds and responsible for the monitoring and reporting.)*

The Grand Island Area Chamber of Commerce
Post Office Box 1486
Grand Island, NE 68802

Contact Person from Administrating Agency/Entity: Cindy K. Johnson			
Mailing Address: Post Office Box 1486 Grand Island, NE 68802			
Phone: 308-382-9210		Fax: 308-382-1154	
Email: cjohnson@gichamber.com			
Grant Amount Requested: \$25,000 (\$12,500 for 2006-2007 and \$12,500 for 2007-2008)			
Project Summary: <i>(Please provide a concise summary - approximately 25 words or less - of your project suitable for use in news releases.)</i>			
The development of training sessions and a business development series for minority businesses in our community, primarily Hispanic businesses.			
List measurable project goals. Describe how they will be documented and measured. (Use precise measurements, not general terms.)			
GOAL : The development of training sessions and a business development series for minority businesses in our community, primarily Hispanic businesses.			
Objective	Activity	Outcome	Who/When
1. Enhance business practices, including technology capabilities, of at least 90 percent of the Latino businesses who participate in the project	Provide educational/informational mini-sessions to Latino business owners and staff 1a. Develop a series of 10 sessions based on identified needs of Latino businesses	Latino businesses will successfully pass a business knowledge test upon completion of the training session.	Training instructors will administer the tests and staff will compile results by December 2008.

	Develop and provide hands on learning sessions involving computers, software usage, etc.	Latino business owners will increase their use of technology in running their businesses.	Chamber staff will monitor technology use and report by December 2008
2. Increase dialogue between minority and Anglo business owners by representation of at least one minority representative to each chamber committee.	Develop program to include minority business owners in the chamber. Increase number of bilingual communication materials such as signage, brochures, and newsletters. Initiate coaching opportunities between successful business owners and new business owners	Increased communication, increased business and cultural knowledge.	Chamber board will identify candidates and make appointments for fiscal 2007-2008.
3. Increase Anglo traffic in Latino businesses from an estimated 10-15% currently to 30% by completion of the grant.	Publicize new Chamber partnerships in advertisements Print Spanish business directory Conduct a minority business survey to measure Anglo customer percentage.	Increased awareness of product value in new cultures.	Chamber staff will publicize partnerships via web site, newsletter, weekly updates, and hold ribbon cuttings or grand opening promotional event. Chamber committee will plan the survey by December 2007. Staff will complete survey by August 2008.
5. Increase number of Latino business owners involved in Chamber training programs from 1 to 5 by the end of the grant period.	1a. Identify and successfully engage 6-10 individuals to develop Chamber programs 1b. Establish protocols for participation, leadership opportunities	Programs would be developed by minority business owners for their peers	Chamber committee will plan by July 2007 and staff will complete by December 2008.

How will the project address program purposes?

The Grand Island Chamber of Commerce is committed to ensuring an adequately trained and prepared workforce exists for its business community. To this end, the Chamber has developed, in partnership with Economic Development Corporation, Central Community College, Workforce Development, and key manufacturing companies, a welders training program designed to increase the number of trained welders in the workforce. Additionally, the Chamber is coordinating the development of a drafting/detailing pathways program that will be implemented in Grand Island Public High School and Central Community College. This program will address the concern of a primary employer on the shortage of drafters necessary for their business growth. This

workforce focus continues to expand as needs are identified by the business community.

The Latino Business Partnership specifically is geared towards addressing the informational and educational gaps in the minority business community. These gaps are hindering business growth and development. The program will assist business owners with long term goals of remaining in the community, are here legally, and are interested in growing their business.

Ultimately, a relationship between the Chamber and the minority business community will be beneficial in a multitude of other fashions. For example, we believe there are a number of underemployed minority employees who are good candidates for the welding or drafting program but who have not yet realized there are employment opportunities outside of the food processing plant. Given that employers are experiencing worker shortages, it would behoove the community as a whole to maximize the earning potential of this population.

How will the project demonstrate sustainability, or how will the project build economic development capacity?

The project will develop sustainability by educating the Hispanic business owners on the importance of following good business practices and the resulting positive impact on their net profits. Once a trust baseline is established, these business owners will then become the best promoters of services available through the Chamber. Over time, the membership fees from this business segment, as well as program fees, will provide a significant amount of the funding for this effort.

Of special note is the impact having a successful project with this current generation of business owners will have on future generations. As businesses become more successful and a trusting relationship is developed, the next generation of entrepreneurs seeking assistance will be more comfortable contacting the Chamber. This will result in a "rising tide lifts all ships" scenario.

Our current timeline:

Activity	Oct-December, 2006	January 2007 – December 2007	January 2008- December 2008
Finalize Program Criteria	X		

Finalize Curriculum with Juan Diego Center	X		
Advertise/hire/train part-time bi lingual staff person	X		
Translate general business information re: permits, licenses	X		
Continue contacts/communication with minority business community	X		
Formalize the training session logistics		X	
Advertise in Spanish newspaper and on Spanish radio		X	
Classes begin		X	
Tests administered to determine increased business knowledge		X	
Measure increased technology skills		X	X
Measure Anglo traffic in Latino businesses			X
Determine increase in # of Latino business owners involved in Chamber			X
Identify and encourage Latino representation on Chamber committees		X	X
Compile summary of impact of program			X

Has this any portion of this project ever received a grant? If yes, state grant amount, purpose and source:

No

Is this project an existing project? If so, discuss how the grant will not be used for replacement funding, and discuss how the grant will expand the project.

The project is in the development stages. The grant funds would facilitate the hiring of a contractor or part-time staff person to conduct the program. If grant funds are not received, it is unlikely the program will go forward in its current form, due to limited and competing resources of the Chamber.

All applicant partners must sign grant application:

Signature of Applicant

Date

Signature of Applicant

Date

Signature of Applicant

Date

BUDGET WORKSHEET - Prepare line item budget for all funds requested. Include copies of cost estimates for expenses and signed letters of commitment for cash match

Activity	Grant Amount Requested	Cash Match (Amt & Source)	Source & Description of Other Activity Funds	Total Funds
Lease	\$1,200	Space available at Chamber	Chamber provides	\$1,200
Telephone	\$350	Grant	Chamber provides	\$350
DSL	\$50	Chamber	Chamber provides	\$50
Materials	\$800	Grant	Chamber/grant	\$800
Insurance	\$0	Chamber supplies	Chamber provides	\$0
Printing	\$1,500	Grant	Chamber/grant	\$1,500
Office Supplies	\$500	Grant	Chamber/grant	\$500
Postage	\$500	Chamber	Chamber/grant	\$500
Dues and Subscriptions	\$200	Grant	Chamber/grant	\$200
Furniture & Equipment	0	Chamber provides	Chamber provides	0
Training/workshops/conferences	\$500	Grant	Chamber/grant	\$500
Contract services OR				
Staff (20 hours/week)	\$15,000	Grant/Match	Chamber/grant	\$15,000
Benefits	\$3,000	Grant/Match	Chamber/grant	\$3,000
Survey Tool(s)	\$900	Grant/Match	Chamber/grant	\$900
Miscellaneous	\$500	Grant	Chamber/grant	\$500
Total	\$25,000			\$25,000

RESOLUTION 2006-213

WHEREAS, on May 25, 2005, the State of Nebraska passed LB 90 which makes \$250,00.00 available per year to Nebraska communities to fund programs to build entrepreneurial activities; and

WHEREAS, the City of Grand Island, Nebraska, is an eligible unit of a general local government authorized to file an application through the Nebraska Department of Economic Development Under the Building Entrepreneurial Communities Act; and

WHEREAS, a grant application has been prepared by the Grand Island Area Chamber of Commerce to request funding in the amount of \$25,000.00 over a period of two years, which will create training sessions and a business development series for minority business in the City of Grand Island, which will focus mainly on Hispanic businesses; and

WHEREAS, the City of Grand Island will not be responsible for funding this project; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that: the City of Grand Island, Nebraska hereby approves the request of the Grand Island Area Chamber of Commerce to support its application to the State of Nebraska for a Building Entrepreneurial Communities Grant.

BE IT FURTHER RESOLVED THAT the Mayor is hereby authorized and directed to sign all documents to accompany said application.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 25, 2006.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 21, 2006	☐ City Attorney