

B3 - Buncombe Bounces Back COVID Recovery for Buncombe County Small Businesses

*RFP for Coronavirus State and Local Fiscal
Recovery Funds*

Carolina Small Business Development Fund

Zurilma Anuel
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Raleigh, NC 27604

O: 919-803-1437

Zurilma Anuel

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Application Form

Question Group

Buncombe County requests proposals for projects to help the community recover from and respond to COVID-19 and its negative economic impacts.

Buncombe County has been awarded \$50,733,290 in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding), as part of the American Rescue Plan Act. To date, Buncombe County has awarded projects totaling \$23,093,499, leaving a balance of \$27,639,791 available to award.

Visit <http://www.buncombecounty.org/recoveryfunding><http://www.buncombecounty.org/recoveryfunding><http://www.buncombecounty.org/recoveryfunding><http://www.buncombecounty.org/recoveryfunding><http://www.buncombecounty.org/recoveryfunding> for details.

This infusion of federal resources is intended to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Buncombe County is committed to investing these funds in projects that:

- Align to county strategic plan and community priorities
- Support equitable outcomes for most impacted populations
- Leverage and align with other governmental funding sources
- Make best use of this one-time infusion of resources
- Have a lasting impact

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

[Click here for the full terms and conditions of the RFP](#)

Organization Type*

Nonprofit

Nonprofit documentation

If nonprofit, attach IRS Determination Letter or other proof of nonprofit status.

[IRS Letter 501c3.pdf](#)

Name of Project.*

B3 - Buncombe Bounces Back COVID Recovery for Buncombe County Small Businesses

New/Updated Proposal*

Is this a new project proposal or an updated version of a proposal submitted during the earlier (July 2021) Recovery Funding RFP?

New project proposal

Amount of Funds Requested*

\$370,000.00

Category*

Please select one:

- Affordable Housing
- Aging/Older Adults
- Business Support/Economic Development
- Environmental/Climate
- Homelessness
- K-12 Education
- Infrastructure and/or Broadband
- Mental Health/Substance Use
- NC Pre-K Expansion
- Workforce

Business Support/Economic Development

Brief Project Description*

Provide a short summary of your proposed project.

The WWBC will launch a new initiative to support COVID impacted businesses with multi-phase services and direct funding. The program will include: a needs assessment for business owners to create a personalized action plan to address the issues they face; access to an online library of on-demand training; the opportunity to present their business and challenges to experts across the WNC small business ecosystem; and access to ongoing mentorship and coaching from industry and issue-area experts. Businesses who complete the needs assessment, training, and presentation process will be eligible for a \$6,500 grant to support the most pressing needs for their business. This intervention will provide aid to the county's small business community, with an intentional focus on marginalized entrepreneurs impacted by COVID-19. It is designed to reduce the chance of small business failures by providing a strategic combination of financial and technical assistance.

Project Plan*

Explain how the project will be structured and implemented, including timeframe.

With support from Buncombe County COVID Recovery Funding, the Western Women's Business Center (WWBC), a program of Carolina Small Business Development Fund (CSBDF), will meet the growing needs of small businesses in Buncombe County. This will be accomplished by providing accessible funding coupled with COVID-19 specific programming to empower small businesses as they continue to recover from the pandemic.

The program will offer:

1. **Business Needs Assessment.** A proven model that CSBDF has piloted in Mecklenburg County in Charlotte, Buncombe County business owners will complete a secure and interactive survey to document the impacts of COVID-19 on their business and the areas where they need support. Each business will then receive a Personalized Action Plan to support their recovery and resiliency with specific online courses, workshops, or one-on-one counseling.

2. **Access to on demand courses.** Carolina Small Business launched the Digital Learning Academy in November 2020 with over 25 on demand courses from business experts in both English and Spanish. Courses include "Access to Capital During the Pandemic", "Pivoting and Changing Business Due to a Pandemic", "Crowdfunding for Your Small Business", and many others related to small business resilience in our current environment. We continue to offer real time training and one-on-one coaching, but we have learned throughout the pandemic that many entrepreneurs want to access training on their own schedule. The Business Needs Assessment will recommend relevant training from the Digital Learning Academy. We are requesting \$12,000 to support new content on critical topics.

3. **Connection to mentorship.** Entrepreneurs will have the opportunity to present their business and COVID related challenges to a captive audience of experts at monthly Catapult events. These are hosted by Spark Tank, a collaborative of service providers in Western North Carolina. The business will receive advice in real time on steps to take for business success, as well as connection to a mentor or coach with industry or issue area expertise. This one stop shop gives them access to the many small business support services in WNC. We are requesting funding for both mentors and the cost of Catapult meetings.

4. **Grants to businesses for up to \$6,500.** Businesses who complete the Business Needs Assessment, at least one training from the Personalized Action Plan, and the presentation to Catapult, will be eligible for a grant of up to \$6,500. Grants will be made upon proof that the business has paid for an eligible expense including: business tools such as QuickBooks, marketing tools such as web design, or working capital for inventory or other expenses. Where possible, we will provide a list of local small business vendors who can provide services to further support the local small business community. We are requesting \$195,000 in funding to cover the cost of these grants.

Statement of Need*

Describe the need that this project will address. Include data to demonstrate the need, and cite the source of the data.

By some indicators, the recovery from the pandemic has been as swift as the fallout. But such data narratives belie a more nuanced economic reality. Historically underserved entrepreneurs were (1) disproportionately more likely to suffer severe economic damage from the pandemic and are now (2) disproportionately less likely to recover at the same rate as white entrepreneurs. Without targeted assistance, these small businesses may never recover – echoing in many ways the lasting damage caused by past economic shocks like the 2008 financial crisis.

For these reasons we designed this program to provide up to \$6,500 funding that is easier to access, while working closely with businesses to understand and address their needs through existing resources in the WNC entrepreneurship ecosystem. Throughout the pandemic, this strategic combination of technical assistance and grant aid has been a proven model for the WWBC.

We know that the demand for COVID relief funding continues to outpace supply. Small businesses are run very leanly, and the pandemic has caused mass financial instability. We frequently hear from small businesses who need relatively small amounts of additional support to get them through as they continue to recover. Our on-the-ground experiences have been validated by economic modeling. Grant-based aid, even in relatively small amounts, increases the chances that a business will both stay open and retain jobs (Bartik et. al., The Impact of COVID-19 on Small Business Outcomes and Expectations, PNAS, 2020).

The County's small businesses need help now to prevent permanent business closures and job losses. It's unclear how the recession caused by COVID-19 will ultimately impact the County, but data from the last recession in 2008 can provide some guidance. Between 2008 and 2010, the county saw a 4% decline (-293) in total business establishments and an almost 8% decline (-8,026) in jobs (Business Dynamics Statistics, US Census Bureau, 1978-2018).

Link to COVID-19*

Identify a health or economic harm resulting from or exacerbated by the public health emergency, describe the nature and extent of that harm, and explain how the use of this funding would address such harm.

Based on the Federal Reserve's 2021 Small Business Credit Survey, there is a high chance that many of the County's small firms could fail without assistance. Over 7 in 10 entrepreneur respondents to the survey in North Carolina said they had experienced revenue declines in the last year. Looking forward, almost 9 in 10 expected revenue declines of at least 10%. And 23% projected their revenues would decline by more than half. Even though many small businesses received help through PPP aid, 33% reported laying off employees. With 45% of small firms saying their financial condition was "poor" or "fair," the economic harm caused by COVID-19 in the state is extensive and far reaching. It is perhaps unsurprising then that 61% of North Carolina's small businesses stated they still needed emergency assistance.

There is a strong consensus that firm closures and revenue declines during the pandemic have disproportionately accrued to minority and women entrepreneurs ("The Impact of COVID-19 on US Firms," National Bureau of Economic Research, 2021). For example, business closure rates for Black-owned firms could be up to 25% higher than for other types of firms ("COVID-19, Small Business Owners, and Racial Inequality," National Bureau of Economic Research, 2020).

Our proposed intervention addresses both the immediate and long-term needs of small business owners. Research shows that to survive and thrive long-term after a disaster, entrepreneurs must have access to customized training (Yoshida and Deyle, Determinants of Small Business Hazard Mitigation, 2005). And by providing cash aid awards to participants, the program will also help alleviate some short-term distress. One of the primary goals of the program is providing culturally competent assistance, which is a proven best practice for small business assistance in marginalized communities (Schulman, Best Practices for TA Programs Serving Black and Hispanic Entrepreneurs and Small Business Owners, 2018).

Population Served*

Define the population to be served by this project, including volume and demographic characteristics of those served.

Buncombe County is home to 8,401 small businesses, which we define as private sector firms with between 1 and 50 employees (County Business Patterns, US Census Bureau, 2019). This is 94% of all employer firms in the County. Public data do not provide county-level demographics of small firm owners. But we can infer the size of the County's diverse small business community by looking at data of private sector employers across all firm size categories (Annual Business Survey, US Census Bureau, 2017, the latest available). This data show large numbers of Buncombe County businesses are owned by entrepreneurs from

historically underserved backgrounds. This includes 2,611 women-owned, 474 minority-owned, and 230 Hispanic-owned firms (comprises all firms with $\geq 50\%$ ownership).

Without additional assistance, the economic recovery from COVID-19 may take too long to reach the county's underserved small business owners. About 39% of small businesses say they will be unlikely to survive, defined as returning 20 2019 revenue levels, without additional public sector assistance (2021 Small Business Credit Survey, Federal Reserve). The proportion of small businesses that will fail in the next year is likely higher in the county. This is because Buncombe's 8,401 small firms employ 4,314,180 individuals (County Business Patterns, US Census Bureau, 2019). These businesses are concentrated in customer-facing service industries that have been hardest hit by the pandemic. For example, the retail trade sector is highly vulnerable - and it is the source of 494,843 jobs. Small businesses account for 70% of the jobs (344,720) in this sector. Other sectors facing potential mass job loss due to small business failures in the county include accommodation and food services (448,891 employees, 89% of which come from small firms). The holistic approach of our proposal, combined with direct cash aid, will provide help that is critical during this recovery period.

Results*

Describe the proposed impact of the project. List at least 3 performance measures that will be tracked and reported. If possible, include baselines and goals for each performance measure.

- 75 small business owners complete the COVID-19 recovery assessment and receive a personalized action plan
- 40 small business will complete at least one training course recommended in the personalized action plan
- 40 small business owners will present their business to a captive and supportive audience of experts at Spark Tank and access ongoing coaching and mentorship from one of the service providers
- 40 businesses will receive up to \$6,500 in reimbursable grants to pay for a business resource or tool.

Evaluation*

Describe the data collection, analysis, and quality assurance measures you will use to assure ongoing, effective tracking of contract requirements and outcomes.

This program will utilize existing original data collection systems via FormsAssembly, Qualtrics, and Salesforce. These systems have been successfully used for years to monitor interactions with clients and track information about outputs and outcomes. Information collected by FormsAssembly and/or Qualtrics is securely pushed into our Salesforce database. The WWBC will draw on CSBDF's dedicated research staff to ensure best practices are observed in designing the data collection instruments for this initiative. Once the program is launched, data collection is proactively monitored by our database administrator. Summary descriptive statistics will be calculated via dedicated Salesforce reports and dashboards. Where possible data analyses will include statistical testing via difference of means and/or ANOVA, which will ensure any observed changes in longitudinal data values are statistically significant at $p < 0.05$. Data analysis quality checks include identification and removal of outlier values using the Mahalanobis distance methodology.

More broadly, the WWBC and CSBDF are committed to systematically evaluating and measuring our impacts. The WWBC will apply the evaluation framework that CSBDF has successfully used in other interventions for this initiative (<https://www.carolinasmallbusiness.org/post/theory-of-change>). We have a history of using a combination of dedicated research staff and external third parties to evaluate our processes, outputs, and outcomes. Our commitment to integrity in the evaluation process is demonstrated in two ways. First, the results of evaluations are always publicly posted on our host organization's website, even if they have negative findings (carolinasmallbusiness.org/program-evaluation). Second, our research staff

make anonymized versions of the data used in our program evaluations and data analyses freely available for replication purposes (dataverse.harvard.edu/dataverse/csbdf).

Equity Impact*

How will this effort help build toward a just, equitable, and sustainable COVID-19 recovery? How are the root causes and/or disproportionate impacts of inequities addressed?

The intervention will contribute to a more just and equitable recovery for Buncombe County's marginalized small businesses by removing barriers to accessing help. For many reasons, the County's underserved entrepreneurs have been unable to access existing federal and state COVID-19 recovery programs. First, aid sources like the Paycheck Protection Program required small business owners to have a principal residence inside the United States. Second, failures to timely provide application materials in bilingual formats meant entrepreneurs who speak English as a second language could not access aid. Third, the County's immigrant small business owners often had understandable concerns that applying for existing aid programs may result in adverse legal actions.

We will help remove these barriers by providing culturally aware assistance to all applicants, including bilingual services. Application materials will not ask about or consider the small business owner's immigration status. The WWBC and CSBDF have a long track record of providing this kind of culturally competent aid to marginalized communities. Staff from CSBDF's Programa Empresarial Latino (Latino Business Program), which specializes in this area of assistance, will be available throughout the program. Past evaluations of Programa Empresarial Latino have shown its activities are highly effective (<https://www.carolinasmallbusiness.org/post/latino-program>).

Project Partners*

Identify any subcontractors you intend to use for the proposed scope of work. For each subcontractor listed, indicate:

- 1.) What products and/or services are to be supplied by that subcontractor and;
- 2.) What percentage of the overall scope of work that subcontractor will perform.

Also, list non-funded key partners critical to project.

Through this project, the Western Women's Business Center will partner with Spark Tank, a collaborative group of service providers in Western North Carolina who aim to advance a cohesive, inclusive, and efficient means of fostering entrepreneurship. They accomplish this by supporting and encouraging collaboration among those agencies who have the overarching goal of providing business development services in our region. Spark Tank members include AARP, AB Tech Small Business Center, Blue Ridge Food Ventures, Mountain BizWorks, SBTDC, Score Asheville, and Western Women's Business Center. The WWBC will not directly fund this partnership through the requested funding, but have budgeted for the costs of Catapult meetings for business presentations to Spark Tank including translation, interpretation services and snacks.

When businesses present to Spark Tank at monthly Catapult events, they will be connected to a business coach or mentor. This can either be a person subcontracted through the WWBC as a business coach, or an individual from a Spark Tank partner not funded directly by this grant, but who is vetted and has expertise on that particular issue or industry. In most cases, partners have funding to provide support at no cost to COVID-impacted businesses. This grant will allow WWBC to expand the number of coaches and mentors available in Buncombe County, as well as provide ongoing services for a longer period of time to businesses in need. We are requesting funding in this grant to contract and support existing third party business consultants.

Capacity*

Describe the background, experience, and capabilities of your organization or department as it relates to capacity for delivering the proposed project and managing federal funds.

CSBDF was originally established in 1990 as the NC Minority Support Center, and became a certified CDFI with the mission of fostering economic development in underserved communities by providing capital, business services, and policy research to support small businesses. Our activities are driven by data showing that CDFIs aid in neighborhood-level revitalization, contribute to sustainable urban renewal, bolster capital access, and increase the rate of small business creation. More broadly, research shows economic development programs and policies that assist smaller firms may help lower income inequality, foster sustainable development, and promote aggregate economic growth.

In 2010, we began our loan fund and have expanded our programs and services – adding an SBA Women’s Business Center (WWBC) and a state-wide Latino Program that provides comprehensive bilingual counseling and pathways to secure financing. Since opening the WWBC in 2014, we have provided coaching to over 850 businesses in Western NC, resulting in more than \$10 million in capital investments, 30 business starts, and 200 jobs created and retained. The WWBC has delivered training to over 2,300 participants led by region’s leading business experts on a large range of business skills.

WWBC’s Director is Zuri Anuel, who is originally from Venezuela. She was previously Director of CSBDF’s Latino Program and was the Latino Program Coordinator and micro loan officer for Mountain BizWorkWith and worked for over a decade as a personal banker at Wells Fargo Bank. With her leadership, we obtained a grant from Dogwood Health Trust to further expand our services within the Latino Community. In 2022, Carlos Liriano joined CSBDF as the new Latino Program Director. He is originally from Dominican Republic and previously served as the Assistant VP of Fifth Third Bank and the Chair of the NC Hispanic Chamber of Commerce. He will utilize his expansive network of contacts in helping to carry out this initiative.

Budget*

Provide a detailed project budget including all proposed project revenues and expenditures, including explanations and methodology. For all revenue sources, list the funder and denote whether funds are confirmed or pending. For project expenses, denote all capital vs. operating costs, and reflect which specific expenses are proposed to be funded with one-time Buncombe County Recovery Funds.

Download a copy of the budget form [HERE](#). Complete the form, and upload it using the button below.

CSBDF Buncombe Budget.xlsx

Special Considerations*

Provide any other information that might assist the County in its selection.

BuncCo_AmericanRescuePlan_LOS.pdf

Since the COVID-19 pandemic hit, we have engaged in several new partnerships, including the Department of Administration Office for Historically Underutilized Businesses (HUB), which have allowed us to adapt and respond quickly to the changing needs of the small business community. During this economic downturn, CSBDF has provided emergency relief grants to 8 businesses in Buncombe county, totaling \$81,000. Half of these businesses were Hispanic or Latino borrowers.

One of the grant recipients, Asheville Rooftop Bar Tours is a unique tour company that opened in 2018 with a loan from CSBDF and coaching and technical assistance from the WWBC. Due to COVID-19, Asheville Rooftop Bar Tours had major tour cancellations and their employees’ hours were cut to zero for the

foreseeable future. Since travel bans are in place and rooftop bars are closed, Asheville Rooftop Bar Tours had to close temporarily and refunded money for tours into May. To help during this crisis, CSBDF offered the business a loan payment deferral and interest-only payments during the next few months and provided them with technical assistance. “Knowing that your lender is there for you during an economic disaster like this global pandemic is a vital part of recovery for my small business. The COVID-19 pandemic and the resulting travel restrictions have completely shut down my tour company since mid-March 2020. The contact from the WWBC from the beginning of this pandemic crisis offering assistance with resources has been invaluable to me. And with CSBDF offering loan modifications for me during these current uncertain times, it has helped me to better position my company coming out of this crisis,” said Kaye Bentley, owner of Asheville Rooftop Bar Tours.

File Attachment Summary

Applicant File Uploads

- IRS Letter 501c3.pdf
- CSBDF Buncombe Budget.xlsx
- BuncCo_AmericanRescuePlan_LOS.pdf



P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248364843
Nov. 14, 2016 LTR 4168C 0
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BODC: TE

CAROLINA SMALL BUSINESS DEVELOPMENT
FUND
3128 HIGHWOODS BLVD STE 170
RALEIGH NC 27604



012147

Employer ID Number: 58-1903219
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated Nov. 02, 2016, regarding your tax-exempt status.

We issued you a determination letter in November 1990, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

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Nov. 14, 2016 LTR 4168C 0
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CAROLINA SMALL BUSINESS DEVELOPMENT
FUND
3128 HIGHWOODS BLVD STE 170
RALEIGH NC 27604

Sincerely yours,

Doris P. Kenwright

Doris Kenwright, Operation Mgr.
Accounts Management Operations 1

Strategic Partnership Grants

Proposed FY2023 Project Budget (July 1, 2022 - June 30, 2023)

Organization Name:	Carolina Small Business Development Fund - Western Women's Business Center
Project Name:	
Grant Amount Requested:	\$370,000

FY2022 Proposed Project Revenue	Amount	Committed or Pending?
Proposed Buncombe County Strategic Partnerships Grant		
List other sources:		
List other sources:		
List other sources:		
List other sources:		
List other sources:		
List other sources:		
Total	\$-	

FY2022 Proposed Project Expenses	Proposed Grant	Other Funds	Total	Notes
Personnel	\$90,000		\$90,000	Zuri, Carlos, Laura, Amy, VP Policy & Research
Training	\$12,000		\$12,000	Third party contract to provide new contact/trainings for DLA Spanish & English/Staff training
Travel			\$-	
Supplies / Materials	\$3,000		\$3,000	New program marketing materials
Meetings (Food, Interpreting, Child Care, etc.)	\$5,000		\$5,000	Spark Tank presentation interpretation services, snacks
Equipment / Furniture			\$-	
Printing / Marketing	\$2,000		\$2,000	
Licensing / Memberships / Dues / Subscriptions	\$2,000		\$2,000	
Client Support	\$195,000		\$195,000	30 grants = \$6,500 each
Contracts	\$33,000		\$33,000	
Professional Services (Legal, Accounting, etc.)			\$-	
Insurance and Bonds			\$-	
Building Maintenance (Rent, Utilities, Repairs, etc.)	\$6,000		\$6,000	
Technology	\$10,000		\$10,000	Salesforce improvements to update tracking and reporting
Benefits	\$12,000		\$12,000	FTE Benefits
List other costs:			\$-	
Total			\$370,000	

Overall Organization Budget	Amount	Notes
FY2020 Actual Year-End Revenue		
FY2020 Actual Year-End Expenses		
FY2021 Adopted Budget Amount		
FY2022 Proposed Budget Amount		

July 14, 2021

Dear Buncombe County American Rescue Plan Selection Committee:

I am writing, on behalf of the Spark Tank, Inc., Board of Directors, to convey my enthusiastic support for the Carolina Small Business Development Fund - Western Women's Business Center's (WWBC) application for the Buncombe County COVID Recovery Funding. The WWBC is a valuable partner in our community. Their programs serve as a catalyst for the success of entrepreneurs in Western NC.

Spark Tank Inc. has always had the goal of connecting entrepreneurs with resource providers, coaches, mentors, and like-minded individuals through its Catapult program. Our members understand that in order to start, grow, and thrive in a dynamic entrepreneurial ecosystem, one must have community support and easy access to those individuals who can help them do what small businesses are supposed to do – make a positive economic impact on their communities.

This funding will allow Spark Tank, Inc. to continue to develop our partnership with the WWBC by expanding access to training, coaching, and mentorship. It will also allow us the ability to further cultivate a solid group of mentors. The Personalized Action Plan will help to provide a sequential roadmap for those entrepreneurs who can be easily confused by the myriad of resources that exists within Buncombe County. The roadmap also includes an intrinsic vetting process that will ensure that participants are prepared to take full advantage of the resources that will be offered at the appropriate time. Those who face the most economic challenges are often the ones who have the least amount to access. The funding will also allow us to focus on those who have proven to be resilient in the face of economic challenges.

We look forward to working with the WWBC and our partners as this process moves forward.

Please don't hesitate to contact me if I can provide additional information.

Sincerely,

Duane C. Adams

Duane C. Adams
Spark Tank, Inc., Co – Chair
Associate Director, Small Business Center
duanecadams@abtech.edu



Asheville-Buncombe Technical Community College

Small Business Center
1465 Sand Hill Road
Candler, NC 28715
(828) 398-7950
abtech.edu/sbc