

CITY OF BURLINGTON
COMMUNITY DEVELOPMENT BLOCK GRANT - 2018 APPLICATION

Organization/Agency: Mercy Connections

Project Name: Women's Small Business Program (WSBP)

I. Demonstrated Need

1. What is the need/opportunity being addressed by this program/project and how does that contribute to CDBG's national objectives? *

The Women's Small Business Program (WSBP) addresses "Economic Development," the CDBG national objective that supports the creation of small and micro businesses. Although small business development is a proven strategy to move people out of poverty, there is a gender disparity documented by both the US Census and Change the Story VT. Change the Story found that although Vermont is ranked as one of the top ten most entrepreneurial states, men own nearly twice as many businesses as women. If Vermont women chose business ownership at the same rate as men, the result would be more than 10,500 new businesses. Women in Vermont own 23,417 businesses, employ 36,326 people, and generate annual revenues of approximately \$2.2 billion. Although growing at a faster rate than businesses owned by men (15 percent for women versus 6 percent for men), women-owned firms are fewer in number, smaller in size, and lower in annual revenues. Women-owned businesses generate 9 percent of gross revenues and employ 12 percent of workers in privately-held Vermont firms and generate only 19 cents to every dollar generated by male-owned firms. Clearly, we can do better – and the WSBP is a significant contributor to turning around these disappointing statistics. We reduce economic barriers by providing proven, successful programs that benefit primarily low- to moderate-income female entrepreneurs. When women are provided access to supportive entrepreneur education opportunities, the gender gap in self-employment narrows, women are empowered toward greater success, and the entire community benefits.

II. Program/Project Design

1. Give us a short summary (2 sentences) that describe the program/project.

The Women's Small Business Program (WSBP) has supported women's entrepreneurial ambition and financial security since 1989. Through intensive coursework, coaching, and support we have served over 1,800 women and boast 150 active businesses owned by our alumnae.

2. Explain why the program activities are the right strategies to use to achieve the intended outcomes. Why is the program designed the way it is? (cite evidence, best practices, or community input)*

WSBP's activities include Getting Serious (a 9-hour introductory business course), Start Up (a 15-week comprehensive business planning course for women), and Introductory Entrepreneurship (co-ed business program and sales opportunity targeted to those with limited skills and resources). We deliver proven, gender-sensitive, adult-learning opportunities at various levels of entrepreneurial readiness. Those in poverty struggle to access training opportunities, technology, and a support system. The Kauffman Foundation believes that entrepreneurship is a fundamental human right – and promotes "Zero Barriers." We have embraced this initiative by actively breaking down participant barriers – from securing VSAC scholarships to offering programming nights and weekends to operating a supported computer lab. The Kauffman model of entrepreneurial training emphasizes high levels of participation in an immersive environment. As such, our program content focuses on experiences - resulting in the active participation of

diverse learners. WSBP’s non-competitive classrooms quickly build community so entrepreneurs gain the personal confidence and technical skills necessary to take successful action toward self-employment.

3. How will this program/project contribute to the City’s anti-poverty strategy?

WSBP’s comprehensive program supports the City’s anti-poverty strategy. Burlington’s Strategic Plan states that “The City nurtures small companies...and entrepreneurs to thrive and grow in Burlington... (SP-1).” In addition, it focuses on the Neighborhood Revitalization Areas “To support workforce development and asset building opportunities for low- and moderate-income residents, nonprofits deliver job training and microenterprise programs...(SP-6).” Mercy Connections delivers this comprehensive entrepreneurial training to those who seek a more stable financial life.

4. How do you use community and/or participant input in planning the program design and activities?*

We actively assess program quality and student outcomes by soliciting feedback from program participants, instructors, volunteers, and alumni through written evaluations, interviews, focus groups, and surveys. Feedback is reviewed by an active Board Program Committee as well as WSBP program and management staff, resulting in ongoing program improvement.

III. Proposed Outcomes

1. What are the intended outcomes for this project/program? How are people meant to be better off as a result of participating?

WSBP’s primary outcome is that participants gain the skills and insights to make informed decisions about business ownership. We emphasize entrepreneurial success based on each individual’s own definition of success and their discoveries as a result of program participation. Intended outcomes include increased confidence and effectiveness in the workplace, greater life satisfaction, increased sense of community, educational progress, and improved financial stability. WSBP adheres to evidence-based strategies to help people toward greater self-sufficiency.

2. List your goals/objectives, activities to implement and expected outcomes

Goal/ Objectives	Activity Funded	Expected Outcomes
Empower women to be economically self-sufficient	WSBP Programs: Getting Serious, Start Up, Introductory Entrepreneurship (including	<ul style="list-style-type: none"> - All Programs: 38 Burlington participants. 90% use their new knowledge and skills to take steps toward greater self-sufficiency. - Start Up: 5 graduates complete complete business plans; 3 graduates decide not to pursue a business. - Getting Serious: 8 of 15 participants decide if self-employment is the right choice for them; 25% select a business idea to pursue further.
Create econ. opportunity	Mercy Marketplace sales opportunity)	<ul style="list-style-type: none"> - Start Up: 3 participants start a business in year 1; 3 start a business within 2-5 years. - Mercy Marketplace: 10 participants generate income from selling their products.
Improve confidence/skills for a stronger workforce		<ul style="list-style-type: none"> - Start Up: 5 participants do not start businesses but apply new insights at their current position or a new job. - Introductory Entrepreneurship, Mercy Marketplace: All participants have increased knowledge regarding the demands of self-employment. - Start Up, Mercy Marketplace: 18 participants gain new marketable skills, behaviors, insights, and confidence.

IV. Impact / Evaluation

1. **How do you assess whether/how program participants are better off? Describe how you assess project/program outcomes; your description should include: what type of data, the method/tool for collecting the data, from whom you collect data, and when it is collected. ***

Mercy Connections evaluates program efficacy in a results-based accountability (RBA) framework that includes measuring success through analyzing the answers to three simple but powerful questions: 1) How much did we do? 2) How well did we do it? 3) Is anyone better off? Data collection includes: written student evaluations, student interviews, student participation records, and business plan assessments. We surveys students twice during the Start Up course, once during Getting Serious, and at the completion of Introductory Entrepreneurship. We monitor rates of course completion, business plan completion, new skills, business start-up, business capitalization, income, career, financial mobility/stability, employment status, length of business ownership, program satisfaction, and life satisfaction. WSBP documents student changes in knowledge, attitudes, behaviors, circumstances, and sense of hope.

2. **How successful has the project/program been during the most recent reporting year for your CDBG project? Report the number of beneficiaries you intended to serve with which activities (as noted in your last Attachment A) and your final outcomes (as noted on your Attachment C) from June 2017 (or June 2016). For non-CDBG participants – report on your achievements from the previous year.**

WSBP CDBG Outcomes (July 1, 2016 – June 30, 2017)

	Total # WSBP planned to assist	Total # of Owners / Persons Assisted	Result of Assistance: # of New Businesses	Result of Assistance: # of Businesses Expanded	# Owners/ Persons at or < 30% AMI	# Owners /Persons between 30% and 50% AMI	# Owners/ Persons between 50% and 80% AMI	# Owners/ Persons above 80% AMI
Cumulative Fiscal Year	22	29	21	8	11	10	3	5
Goal, Scope of Services				Outcome				
65% of Start Up graduates will complete a bank-ready business plan.				93% of students in Start Up completed business plans; 71% of those plans were bank-ready.				
25% of Start Up graduates will make an informed decision to modify or put aside this business plan in order to be self-sufficient.				57% of Start Up participants significantly modified or revisited their original business idea or goal of self-employment; Others determined that self-employment was not the best choice now.				
25% of Start Up graduates complete a business plan that is not "bank-ready" but gain skills and resources.				19% of Start Up students handed in plans that were not yet bank-ready but have gained significant knowledge to move forward.				
25% of Introductory Entrepreneurship participants gain entrepreneurial skills with some continuing to Getting Serious to explore self-employment further.				75% of Introductory Entrepreneurship participants gained entrepreneurial confidence and skills.				

V. Experience / Organizational Capacity

1. **What is your agency's mission, and how do the proposed activities fit with your mission?**

WSBP is a program of Mercy Connections whose mission is to "live the legacy of the Sisters of Mercy, with an enduring concern for women. By compassionately nurturing self-sufficiency through education, mentoring, entrepreneurship and community, people are empowered to make significant life changes." We promote self-sufficiency through our commitment to serve individuals in life transition; people find support in each phase of their journey toward a more productive and meaningful life. The Board Integration Committee ensures mission and values alignment.

2. Explain how your agency has the capacity to carry out the proposed activity (i.e. staff qualifications, years of experience related to this type of activity, etc.)*

Mercy Connections is a well-respected organization with an engaged Board of Directors, exceptional leadership, and professional staff. WSBP’s 29-year history proves its reliability as a high-quality, comprehensive entrepreneurial training program. Carmen Tall, the WSBP Director, joined Mercy Connections as a finance teacher in 2012, brings over 15 years of Burlington business and self-employment experience. WSBP employs two instructors, Claire Wheeler (Business Management/Professional Development) and Ashley Sandy (Marketing). Claire has a MBA in Managing for Sustainability and is a certified Results-Based Accountability (RBA) Trainer. She is the owner of Rework where she crafts custom business solutions. Ashley attended Middlebury College and speaks five languages. She is the owner of a branding firm, LONDON Middlebury. A contracted employee, Mary Johnson, teaches Getting Serious. Finally, the professional staff at Mercy Connections complements and adds value to WSBP.

3. What steps has your organization/board taken in the past year to become more culturally competent internally?

Mercy Connections is dedicated to self-examination and increasing cultural competency. We provide training for staff and volunteers in topics such as: the Evolution of Gender Identity, Class and Poverty Awareness, Gender Responsiveness, Implicit Bias, Mental Health First Aid, Human Trafficking, and Ethical Issues in Education & Treatment. Staff attends the Multicultural Resource Diversity Conference and is active in professional groups where justice, diversity, and inclusivity are addressed. The organization is committed to actively diversifying staff and volunteers and employs two people of color. The Board engages in reflection and dialogue about racism, sexism, and classism.

4. Have you received Federal or State grant funds in the past three years? Yes

5. Were the activities funded by these sources successfully completed? Yes

VI. Proposed Low & Moderate Income Beneficiaries / Commitment to Diversity

1. a. For your proposed project, please estimate how the **Burlington residents** will break out into the following income categories during the total grant period. Use the Income Table at <https://www.burlingtonvt.gov/CEDO/2017-HUD-Income-Limits>

Service / Activity (Number of Classes/Events during grant year)	Unduplicated Total # of Burlington HH/Persons to be Served	# Extremely Low-Income	# Low-Income	# Moderate-Income	# Above Moderate-Income
Getting Serious (3)	15	5	5	3	2
Start Up (2)	8	1	2	4	1
Introductory Entrepren. (1)	5	1	3	1	0
Mercy Marketplace (1)	10	8	2	0	0
TOTAL	38	15	12	8	3

b. All CDBG grantees serving limited clientele will be required to use CEDO’s CDBG Beneficiary Self-Certification form to collect beneficiary data including race, ethnicity, annual income, and family size. Is your organization willing and prepared to add this documentation to the intake process for your CDBG funded program by July 1, 2018? Yes

2. Who is the project/program designed to benefit? Describe the project/program’s target population, citing (if relevant) specific age, gender, income, community/location or other

characteristic of the people this program is intended to serve. How do you select and reach your target population?

WSBP’s participants are highly diverse in terms of education, income, age, ethnicity, sexual orientation, and life experiences. Although each person’s circumstances are unique, all have come to a crossroads in their lives and see entrepreneurship as a strategy to achieve a more stable life. Start Up and Getting Serious participants are typically ineligible for public assistance, but unable to fully meet their financial needs; some receive Vocational Rehabilitation benefits. We serve many who struggle to return to the workforce after an absence or who are entering the workforce for the first time. Most are unemployed, under-employed, or unhappy in their current employment. In addition to referrals from alumni and advertising, we reach our target population through an extensive referral network including the City of Burlington, Champlain Valley Office of Economic Opportunity, US Small Business Administration, Small Business Development Center, Vermont Works for Women, Women Business Owners Network, Community Capital of VT, Burlington Housing Authority’s Family Self-Sufficiency Program, ReSource’s Apprenticeship Programs, Reach Up (the VT Department of Children and Families), VT Student Assistance Corp., and Howard Center.

3. Describe the steps you take to make the project/program accessible, inclusive and culturally appropriate for the target population. *

Mercy Connection’s training facilities are handicapped accessible and our hiring policies are non-discriminatory. WSBP supports participants by assessing the reading, math, and computer literacy of participants to ensure respect for learning styles and disabilities. We provide support and tutoring to assure success. All instructors received Mercy Connection’s cultural inclusion orientation.

VII. Budget / Financial Feasibility

1. Budget Narrative: Provide a clear description of what you will do with CDBG’s investment in the project/program. How will you spend the money? Give specific details.

CDBG’s WSBP investment will contribute \$25,000 to the salary of the full-time Program Director (35.8 percent). CDBG funds will support her time for program planning/curriculum development, program recruitment and enrollment, instructor supervision, teaching and student support, and program evaluation.

2a. If you plan to pay for staff with CDBG funding, describe what they do in relation to the specific service(s) / activity(ies) in your Project/Program Design.

Specific Activity	Position/ Title	Work Related to CDBG-Funded Activity	# of Hours/Week spent on this Specific Activity	% of Hours/Week spent on this CDBG-Funded Activity
Start Up	WSBP Director	Instructor supervision	5.0	6.00%
		Program delivery	6.5	4.00%
		Student support	5.5	5.25%
		Recruitment, enrollment, alumni relations	6.0	6.00%
		Evaluation & program planning	5.5	6.00%
Getting Serious		Student Support	0.6	1.00%
		Recruitment & enrollment	4.0	2.00%
		Evaluation & program planning	0.6	1.00%
Entrepreneurial Education		Program delivery	1.0	1.50%
		Student support	0.4	1.00%
	Evaluation & program planning	0.4	1.00%	
Alumni Opportunities	Recruitment & enrollment	0.2	0.50%	
	Program planning & delivery	0.3	0.55%	
TOTAL			36	35.80%

2b. All CDBG grantees that use CDBG funds for salaries must submit timesheets that capture total time and effort of staff members funded with CDBG. These timesheets must record CDBG hours worked, other hours worked and funding sources, and a narrative for all CDBG and non-CDBG funded activities, and they must be signed by the employee and supervisor. Does your organization have the ability to implement a timekeeping system for CDBG funded staff that meets these requirements by July 1, 2018? Yes

3. Program/Project Budget

Line Item	CDBG	Other	Total
Salary: WSBP Director	25,000	44,823	69,823
Salary: WSBP Program Associate		31,670	31,670
Salary & Contracted Staff: WSBP Instructors		28,034	28,034
Salary: Support Staff (ED, Evaluation, Communications)		26,257	26,257
Scholarships		8,500	8,500
Marketing, Printing, Postage		18,260	18,260
Other Program Expenses: Supplies, Subscriptions		8,250	8,250
Administration/Overhead		18,948	18,948
Total Project Expense	\$25,000	\$184,741	\$209,741

4. Funding Sources

	Project		Agency	
	Current	Projected	Current	Projected
CDBG	21,000	25,000	21,000	25,000
State: Department of Corrections			115,500	115,500
Federal: N/A				
United Way: N/A				
Private:				
Ben & Jerry's Foundation	20,000	20,000	20,000	20,000
KeyBank Foundation	5,000	10,000	5,000	10,000
TD Bank Foundation	3,000	10,000	3,000	10,000
Kaufman Foundation	45,000		45,000	
Onda Foundation	25,000	25,000	25,000	25,000
Mercy Connections Annual Fund		59,741	373,000	400,000
Program Income	58,090	60,000	71,300	75,000
Other:				
Grants - Other			27,250	79,500
Investments			185,780	198,716
Total Funding Sources	177,090	209,741	891,830	958,716

5. Of the total project cost, what percentage will be financed with CDBG?

$$\frac{\$ \underline{25,000}}{\text{CDBG Funding}} \div \frac{\$ \underline{209,741}}{\text{Total Program/Project Costs}} = \underline{11.9\%} \text{ Percentage}$$

6. Of the total project cost, what would be the total cost per person?

$$\frac{\$ \underline{209,741}}{\text{Total Program/Project Cost}} \div \frac{\underline{70}}{\# \text{ Total Proposed Beneficiaries}} = \$ \underline{2,996} \text{ Cost Per Person}$$

$$\frac{\$ \underline{25,000}}{\text{Total Amount of CDBG Funding}} \div \frac{\underline{38}}{\# \text{ Total Proposed Beneficiaries}} = \frac{\$ \underline{658}}{\text{Cost Per Person CDBG Investment}}$$

7. Why should CDBG resources, as opposed to other sources of funding, be used for this project?
 WSBP was initiated by Trinity College and Burlington’s Community & Economic Development Office twenty-nine years ago. Preserving this legacy fulfills CDBG goals for economic development thereby making CDBG a natural fit for WSBP. We continue to aggressively explore additional funding investments.

8. Describe your use of community resources, including volunteers. Include any resources not listed in your budget. Will CDBG be used to leverage other resources?*

Mercy Connections has 240 volunteers engaged in all levels of the organization. WSBP organizes 50 expert volunteers who review business plans and serve as guest speakers. Twice a year, business support specialists from CEDO, SBA, SBDC, CVOEO, Consumer Assistance Program, Opportunities Credit Union, local attorneys, WBON, CWE, Community Capital of Vermont, SCORE, and Launch VT, volunteer their time to share their expertise. The University of Vermont provides access to its research computer lab. MC continues to be mindful of the entrepreneurial landscape, consulting with relevant stakeholders. This allows us to leverage CDBP funding and attract new funding sources.

VIII. Collaboration/Efficiency

1. Give 1 or 2 examples of key successful collaboration(s) between your program/project and another agency/program/group to address the needs of the people you serve.

Our collaboration with Opportunities Credit Union (OCU) brings a Senior Business Development Manager to WSBP to review and provide feedback on student business plans. Students can take advantage of the expertise of a “real world” lender while also learning about OCU offerings (a credit union dedicated to serving those of modest income). Secondly, our collaboration with Community Capital of Vermont provides 3½ hours of Quickbooks training to our participants. Quickbooks is the premier financial software program for small business, understanding it is a crucial skill for successful entrepreneurship.

2. Do identical or similar community programs exist? How does this program complement or collaborate rather than duplicate services? What makes this program unique?

No other organization offers our unique programs within a culture of community, compassion, and empowerment. We are the only classroom-based, non-academic, non-traditional entrepreneurial education program serving primarily women in the greater Burlington area. We are truly a community-based program with a large local alumni network who are also neighbors, colleagues, and champions of our work. As a result of the 15 weeks invested in Start Up, our students create personal and professional networks that continue with them throughout their lives. Another unique aspect of Start Up is students have an opportunity for their business plans to be reviewed by business experts and lenders. These prominent individuals provide a new set of eyes to lend confidence and assurance to the students’ work. Our programs complement others agencies’ work - the Small Business Development Center, the Center for Women and Enterprise, and CVOEO offer assistance to people who need one-on-one assistance or short-term workshops. Local colleges and universities offer classroom-based programs that are academic and costly, and generally absent real-world application.

3. Provide 1 example of how your agency has become more efficient in achieving your outcomes or managing your project/program.

Mercy Connections and WSBP operate within an extremely lean budget. Costs are offset by significant volunteer hours, in-kind support, and fiscal management that ensure expenditures are carefully reviewed, prioritized, and planned. We are currently implementing a new data management system that will compile

participant, program, donor, and evaluation information. We are piloting a new website with the capacity to collect registration information on-line.

IX. Sustainability

1. How will this project have a long-term benefit to the City of Burlington? If this program/project ends, how will that benefit continue?

Since its founding, WSBP has played an active role in implementing the City’s economic development strategy through the tenets of supporting locally-owned businesses, nurturing inclusivity of all residents, and building social capital. We are committed to sustaining our long-term role in the community. WSBP contributes to the City’s revitalization goals through alumni who reside and operate businesses in designated neighborhood revitalization areas. There are at least three WSBP alumnae-owned businesses located on or within a block of Church Street, three on Pine Street, and three on North Avenue. Benefits continue far beyond program completion - employers benefit as the City retains program graduates who are skilled workers, and individuals benefit as there are new job opportunities close to where they live.

2. CDBG funding is intended for new or expanded services. If CDBG funding ends, will the project be able to continue?

CDBG funds are used for direct program expenses. If funding ended, participant fees would increase significantly. This increase, coupled with the recent reduction in VSAC assistance, would make the program inaccessible to those of low income. That said, Mercy Connections has consistently depended on diverse funding sources to sustain our efforts and we continue to aggressively search for additional funding. The City’s investment acts as motivation and endorsement for other funding sources.

3. How will you prioritize the proposed project activities if you do not receive the full amount requested?

WSBP has a legacy worth preserving and prioritizing. We value our partnership with the City and will do our best to avoid scaling down and limiting access to our programming.

X. Certification

To the best of my knowledge and belief, data in this proposal are true and correct.

I have been duly authorized to apply for this funding on behalf of this agency.

I understand that this grant funding is conditioned upon compliance with federal CDBG regulations.

I further certify that no contracts have been awarded, funds committed or construction begun on the proposed program, and that none will be prior to issuance of a Release of Funds by the Program Administrator. **In addition, I certify that this project is ready to proceed as of July 1, 2018.**



Signature of Authorized Official

Dolly Fleming

Name of Authorized Official

Executive Director

Title

January 5, 2018

Date