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***BUILDING DOWNTOWN NETWORKS THAT FOSTER
ENTREPRENEURSHIP AND INNOVATION
DECEMBER 11, 2019 - SKOWHEGAN, MAINE***

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**MAINE
DOWNTOWN
CENTER**



OBJECTIVES FOR THE DAY

- + Learn more about the current state of Entrepreneurship Ecosystem from different perspectives
- + Identify Assets and Gaps within the Ecosystem
- + Outline the Ecosystem Through an Audit Process
- + Identify/Prioritize Main Street's and Its Partners' Role
- + Identify/Prioritize Projects to Strengthen the Ecosystem

ENTREPRENEURIAL ECOSYSTEMS AND THE ROLE OF COMMERCIAL DISTRICTS

WHAT IS AN ENTREPRENEURIAL ECOSYSTEM?

By most definitions, entrepreneurial ecosystems refer to the strategic alignment of a variety of public and private efforts—including government policies, funding and finance, human capital, and regulatory frameworks—to provide necessary financial, social, and human capital to foster entrepreneurship in innovative and creative ways. Frequently overlooked in these definitions is **the value of place and the physical environment as central factors in creating and growing successful enterprises.**

By emphasizing the creation and support of great places and spaces for people to live and work, commercial districts can attract new businesses and new ideas, thus contributing directly to the development of the local entrepreneurial ecosystem.



FACTORS OF AN ECOSYSTEM - DEFINED

- + **Place-Based** (Places for Entrepreneurs; Public Amenities; Pop Up Programs)
- + **Government Policy/Regulations** (Permits; Codes; Zoning)
- + **Financial Capital** (Full Spectrum – Banks to Crowdfunding to Contests)
- + **Social Capital** (Networks/Mentors; Referrals)
- + **Education and Training** (Schools, SBDCs)
- + **Culture** (Risk Environment; Positive Exposure for Entrepreneurs)
- + **Human Capital/Workforce** (Remote Worker Recruitment, Talent; Availability of Workers)

THE REALITY....

- + Every community has an operating support system (“ecosystem”) for entrepreneurs....
- + The issues with most ecosystems:
 - Often inefficient
 - Often incomplete
 - Often not aligned with its partnerships
 - Often not recognized by the users (entrepreneurs)
 - Often not driven by nor for local market strengths
 - Often not a focus nor owned by any organization

ELEMENTS OF A HEALTHY E-ECOSYSTEM

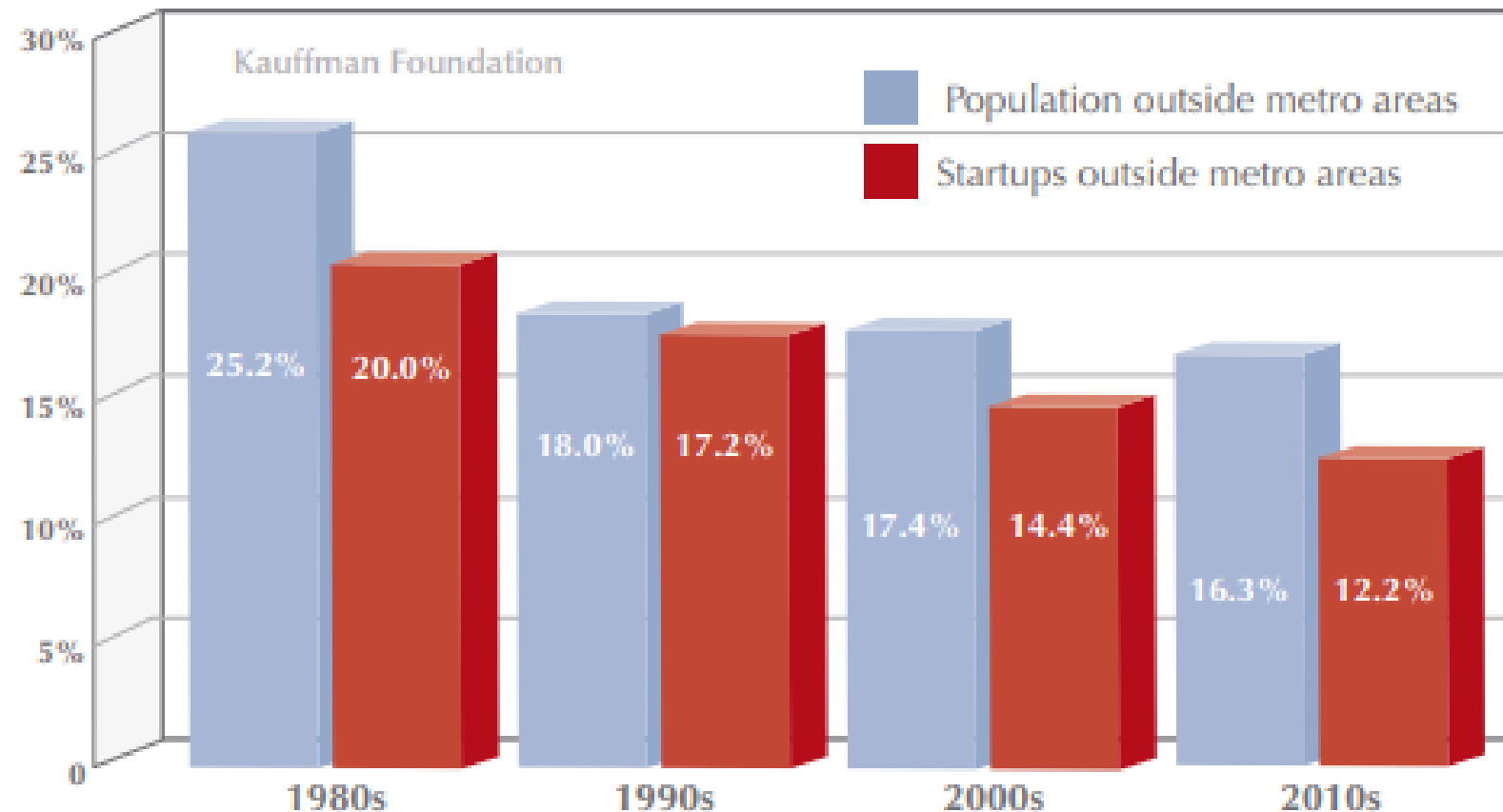
- + is tailored around its own unique environment – it does not seek to be something it isn't, like the “next Silicon Valley”
- + operates in an environment with reduced bureaucratic obstacles
- + actively encourages and invites investment into new ventures
- + is relatively free from, or is able to change the cultural biases against failure or operating a business
- + promotes successes, which in turn attract new ventures
- + is supported by dialogue among various of the entrepreneurship stakeholders

WHY IS THIS IMPORTANT TO YOUR DISTRICT?

- + According to the Small Business Administration's Office of Advocacy:
 - Small Businesses accounted for 60% of net new jobs since the end of the recession (mid-2009 to mid-2013)
- + Growth from within has higher ROI (N.C. St. Study)
- + Entrepreneurs provide character and create community identity

DECLINES IN ENTREPRENEURSHIP

Percent of Population and Startups in Non-Metro Areas



The percent of startups in rural communities has dropped from 20 percent in the 1980s to 12.2 percent today.

SOURCE: Arnobio Morelix, Kauffman Foundation calculations from Business Dynamics Statistics and U.S. Census Bureau, 1960 Census, 1980 Census, 1990 Census, 2000 Census, 2010 Census 35

WHY IS THIS IMPORTANT TO YOUR DISTRICT?

+ Need to replace the Baby Boomer Businesses...

- Nearly 10,000 baby boomers retire each day...each day through 2019. (Pew Foundation)
- 78 percent of small business owners have told their advisers they plan to sell their businesses to fund their retirement, but only 30 percent have written a specific plan. (NFIB)
- 11 percent of those that have a plan indicate they will simply dissolve the business (BoA)



WHY IS THIS IMPORTANT TO YOUR DISTRICT?

- American retail is overbuilt by about 50 percent. With about 24 square feet per capita, the U.S. has by far the most retail space of any country in the world, with about 25 percent more than the next closest country, Canada. (That data comes from the publicly traded real-estate group GGP and the financial blog Zero Hedge.)
- Further strained by growth of Online Shopping (15% growth in 2018, and accounted for 64% of the overall growth.)

ENTREPRENEURSHIP DEFINED

- + **“ Entrepreneurship is the transformation of an idea into an opportunity.”**
- Jeff Timmons, Babson College

- + **“Any attempt to create a new business enterprise or to expand an established business.”**
- Jay Kayne, Miami University

- + **“Essential agents of change who accelerate the generation, application and spread of innovative ideas and in doing so...not only ensure efficient use of resources, but also expand the boundaries of economic activity.**
- Global Entrepreneurship Monitor

ENTREPRENEURSHIP FACTOIDS...

- + **We do not know how many among us have the entrepreneurial urge. Chances are the numbers are quite high ranging from 30% to 50% and even higher among young persons. Our experience in the field suggests that in places with supportive environments, these numbers rise. (Kauffman Foundation)**
- + **One in 10 American adults is actively engaged in entrepreneurship, Included in the other 90% of all adults are those with limited potential to ever become entrepreneurs along with those who may have unfulfilled entrepreneurial potential. (Kaufmann Foundation)**

ENTREPRENEURS...WHO ARE THEY?

ENTREPRENEURS BY THE NUMBERS

- + There are 582 million entrepreneurs in the world.
- + In 2016, there were 25 million Americans who were starting or already running their own business.
 - **Of those 15 million are full-time self-employed.**
- + By 2020, America will have 27 million self-employed professionals. One in five workers plans to completely change her career once she gets into entrepreneurship.
- + 1 in 5 or 22.5% of small businesses fail within the first year.
- + (Source: Fresh Books)

ENTREPRENEURS BY DEMOGRAPHICS

- + **60% of people who start small businesses are between the ages of 40 and 60.**
- + (GuidantFinancial)
- + This is based on the 2019 small business study by Guidant Financial which surveyed more than 2,700 small entrepreneurships in the US. Interestingly enough, 4% of entrepreneurs were actually over 70 years of age. Clearly, it's never too late to start your own business.
- + **Youth:** Now that millennials have overtaken Baby Boomers as the largest generation out there, expect to see more fresh faces pitching their companies. In addition to the new boom of millennials, we're starting to see Generation Z innovating in the marketplace. They're pragmatic and socially conscious. More social ventures? (Inc Magazine)

ENTREPRENEURS BY DEMOGRAPHICS

- + **The majority of entrepreneurs in the US (64%) are white.**
- + (Babson)
- + 14% are African-Americans, while 8% are Latino/Hispanic.

- + **Diversity:** Entrepreneurs are growing more and more diverse, proven by the 40 percent of 2016's new entrepreneurs, who were African American, Latino, Asian, or other non-whites. We need people of every age, gender and race to start innovating, because we all have different needs and different points of view. (Case Foundation)

ENTREPRENEURS BY DEMOGRAPHICS

- + **Women:** 2016 was a banner year for female entrepreneurs, as the number of women starting businesses reached a 20-year high. Although gender parity is still not there, women are starting 40 percent of all new businesses. (Inc Magazine)

MORE LOOKING AT ENTREPRENEURSHIP AS A CAREER OPTION

- + **62% of adults believe entrepreneurship is a good career.** (Babson College)
- + There seems to be a growing understanding of the benefits of entrepreneurship among people across the world. According to Global Entrepreneurship Model entrepreneurs statistics from 2018/2019, more than half of people feel starting one's own business is a good career move.
- + There may also be some misconceptions because an astonishing 40% of respondents think it's easy to start a business, and 49% believe they have what it takes to do it.

FACTORS THAT CONTRIBUTE TO HIGHER RATES

+ Other Factors:

- Strong correlation between education levels and starting a business (College graduates twice as likely to start a business over those without a degree)
- Entrepreneurship is also highly correlated with having a parent or close relative own a business
- More affluent households lead to entrepreneurship
- Most sales for entrepreneurship are limited to domestic customers
- US entrepreneurs exhibit the lowest levels of fear of failure of all developed countries

*** THESE ARE SHIFTING HOWEVER....

ENTREPRENEURSHIP...CURRENT STATE

WHAT INDUSTRIES ARE MOST ENTREPRENEURIAL?

- + **The highest number of self-employed professionals (19.6%) work in the construction/trades field.**
- + Retail with 10.9%,
- + Real estate with 10.7%,
- + Consulting with 10.3%.
- + The creative professions are in 7th place according to entrepreneurship growth statistics, while marketing is at the very bottom with 1.7%.
- + Note – Small Scale Production is giving a rise to the manufacturing entrepreneur, which historically has been the most capital intensive and thus least entrepreneurial industry segment.

WHAT KIND OF BUSINESSES?

- + **Health/Beauty and Food are the two most popular industries for entrepreneurs.**
- + (GuidantFinancial)
- + This is based on Guidant Financial data that lists 5 of the most popular industries. Food is at the top with 11%, followed by health/beauty with 10%, general retail (7%), and home services (6%). In 2018, the health and beauty industry saw a significant 34% rise thanks to the various related global trends. Food and business categories also saw a rise of 14%, while automotive businesses dropped from the top five spots.

BANKS USED FOR EXPANSION...NOT START-UP

- + **69% of entrepreneurs who apply for a loan use it to expand their business.**
- + (Federal Reserve Banks)
- + Entrepreneur demographics for 2018 show us 43% of owners use the funds to cover their operating expenses and 26% need them to refinance some other loans. It appears that loans play a huge part in the world of small businesses, as enterprises rely heavily on them both to keep afloat and make crucial steps towards the future.

HOW DO THEY REALLY START FINANCIALLY?

- + **32% of business owners use cash to start their entrepreneurship.**
- + (GuidantFinancial)
- + Other popular ways of funding small businesses:
 - 13% of entrepreneurs is through their 401(k) retirement plan.
 - 12% ask their friends and family for financial help,
 - and 24% rely on various credit cards.
 - Crowdfunding seems to be the least popular option, with only 1% of owners deciding on it. Much of this is due to lack of education and locality that builds trust and understanding.

ENTREPRENEURS TYPICALLY START THEIR BUSINESSES...

- + **83.1% of US business owners started their companies.**
- + (FactFinder)
- + In the true entrepreneurial spirit, 83.1% of owners built their companies from scratch. A significantly smaller percentage (11.3%) purchased their businesses, while 7.2% inherited them or received them as gifts.

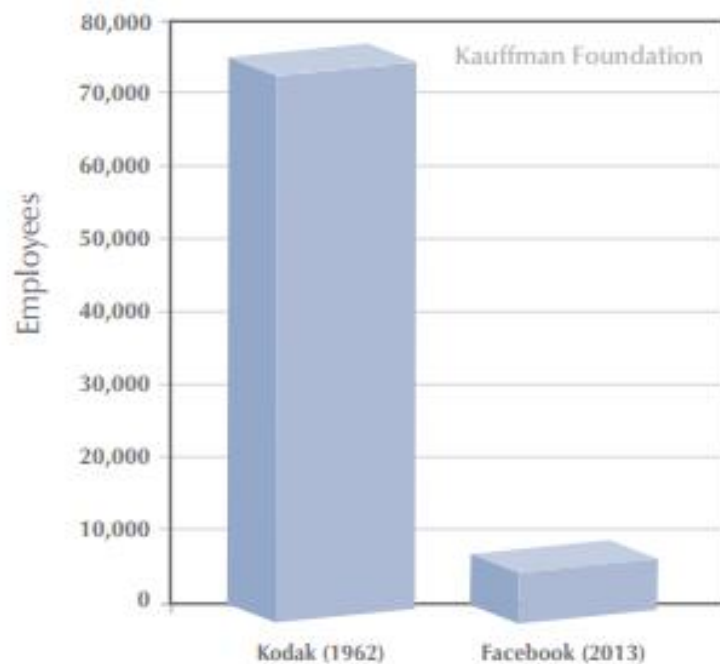
TRENDS IN ENTREPRENEURSHIP...

GROWTH IN DIVERSITY OF ENTREPRENEURS

- + There's no one-size-fits-all in the start-up world. Diversity continues to rise in terms of gender, ethnicity, age range and education among those who start new businesses.
- + For example, women started 1,821 new U.S. businesses every day and owned nearly half (40%) of all small businesses in 2018, according to American Express' [State of Women-Owned Businesses Report](#).
- + Minority business ownership has also skyrocketed in recent years. In 2018, 45% of small business owners were part of a minority ethnic group. In 2015, [minority business owners](#) comprised just 15% of entrepreneurs. The biggest boom is occurring among African American business owners. This segment grew 400% from 2017-2018. At 14%, Hispanics make up the next largest group of minority entrepreneurs.
- + Entrepreneurs also span the age spectrum, with the average start-up founder around age 42, according to [MIT](#).
- + When it comes to education, you don't necessarily need an advanced degree to achieve success. Entrepreneurs without a four-year degree outnumber those with a bachelor's degree or higher, according to a [CNBC/SurveyMonkey](#) poll.

JOBS NOT MATCHING REVENUES FOR MOST VENTURES

Jobs by Company at the Same Revenue — \$8 Billion in Today's Dollars



In 1962, Eastman Kodak employed 75,000 people. At the same revenue scale in 2013, Facebook employed only 6,300 people.

A RISE IN SOCIAL ENTREPRENEURS

- + Entrepreneurs recognize that they can gain a business edge when they aim to deliver social and environmental benefits along with exceptional products and services.
- + A [Cone Communications](#) report reveals that 87% of consumers would buy from a company that supports the causes that matter to them. Three-quarters would refuse to buy a product from companies that support issues contrary to their beliefs.
 - Consider TOMS, for example. The shoe company differentiates itself and makes a difference in the world through its “One For One” business model, which donates a pair of shoes to an impoverished child for each pair of shoes it sells.
- + According to a [PwC report](#), committing to running a socially responsible company might even help you attract better candidates. Millennials, who will comprise 75% of the workforce by 2025, want to work for employers with a strong social purpose. More than half (64%) of Millennials will pass up on a job if the company doesn't have strong corporate responsibility practices.

EXPERIENTIAL RETAILING MEETS NICHE ENTREPRENEURS

- + Selling to niche markets allows for more cost-effective marketing since you're targeting a particular audience rather than marketing to the masses.
- + By selling to a niche market, entrepreneurs can also build a stronger brand by providing more personalized content and customer experiences. This pays off with stronger brand loyalty. When you achieve a 5% increase in customer retention, you can boost your profits 25-95%.
- + According to ecomdash.com, some of the hottest niche markets in 2019 include subscription boxes, equipment for high-intensity interval training and personalized planners and journals.

NEW TERMS: “SOLOPRENEURS”

- + The gig economy and independent contractor increases are leading to the rise of “solopreneurs.”
- + “solopreneurs” are individuals who rely on contractors and freelancers rather than maintaining a consistent workforce. Because of the incredible flexibility this model affords small business owners are increasingly turning to as-needed workers instead of hiring full-time employees.
- + To attract this group, quality of life for living and co-working spaces/third spaces are a must!

WORKFORCE AND ENTREPRENEURSHIP TIED MORE DIRECTLY

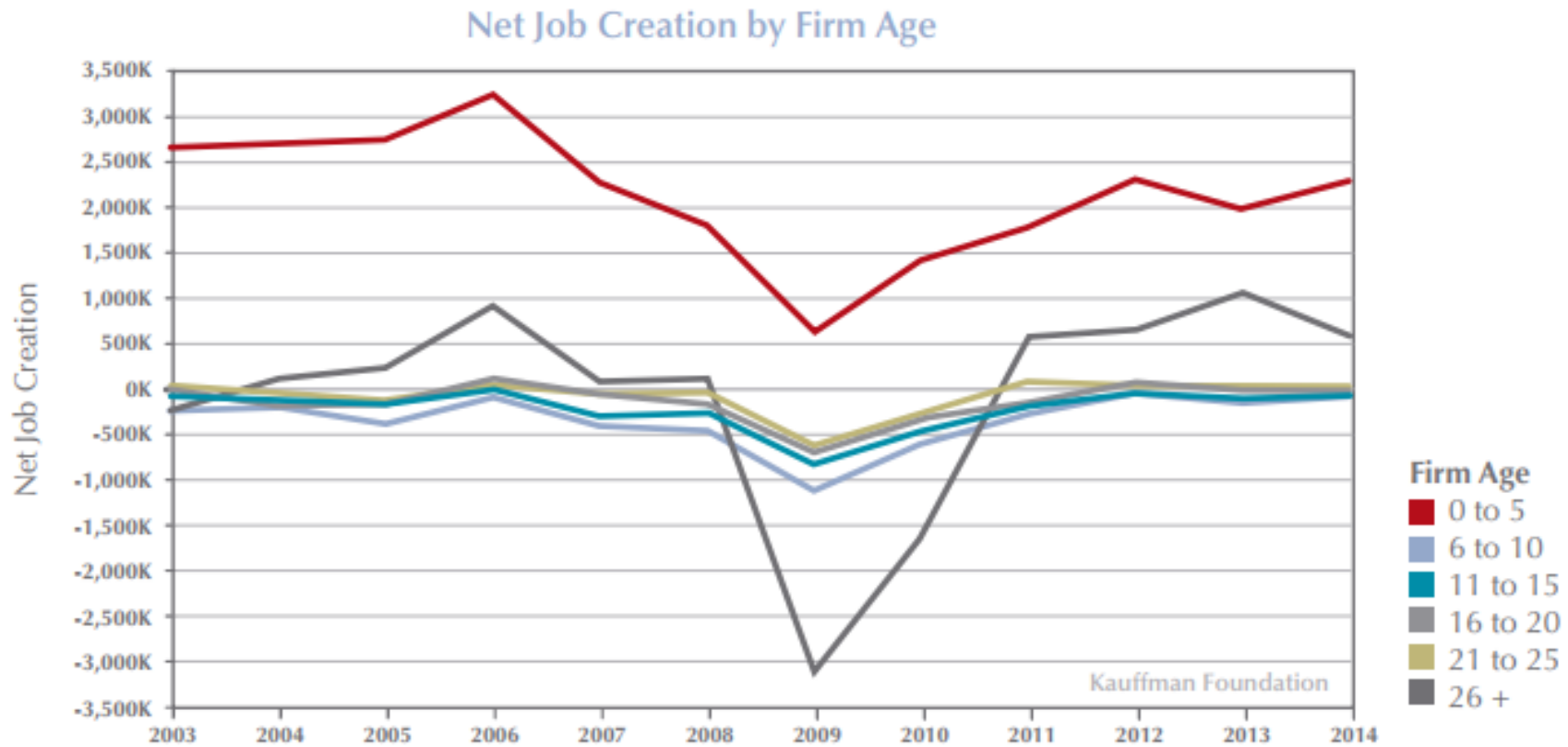
- + **62% of small businesses don't have any staff.**
- + (FreshBooks)
- + This stat makes sense considering a lot of entrepreneurs feel it's quite difficult to find the right, high-quality staff for their companies. Because of that, many decide to simply go solo. The same report shows 28% of businesses have 1-5 employees, while only 10% have over 5 employees.

WHY ENTREPRENEURS ARE IMPORTANT TO OUR WORK...

WHY ENTREPRENEURS MATTER TO LOCAL ECONOMIES

- + **In a period of 21 years (from 1992 to 2013), small businesses accounted for 63.3% of new jobs in the US.**
- + (Office of Advocacy)
- + It appears entrepreneurship is generally good for the economy of the whole country, as more than half of net new jobs came from these small businesses. In the aforementioned period, there were only two recessions, from 2001 to 2002 and 2007 to 2009, when the share was -47% and -61%, respectively.

NEWER VENTURES CREATE MOST JOBS



Source: Arnobio Morelix, Kauffman Foundation calculations from the U.S. Census Business Dynamics Statistics

ENTREPRENEUR FOCUS GROUP – BREAK AND WELCOME

GETTING STARTED

- + Tell us your Name
- + Tell us a little bit about your Business

+ FACILITATED QUESTIONS

LOCAL ENTREPRENEUR FOCUS GROUP SUMMARY

+ Areas of Strength?

- + Place-Based
- + Government Policy/Regulations
- + Financial Capital
- + Social Capital
- + Education and Training
- + Culture
- + Human Capital/Workforce

• Areas of Need?

LUNCH

LOCAL PROVIDER FOCUS GROUP

+ Getting Started:

- Name and Who You Are Representing
- Primary Programming/Services, Etc.

LOCAL/REGIONAL ENTREPRENEURSHIP SERVICE PROVIDER FOCUS GROUP SUMMARY

+ Areas of Strength?

- + Place-Based
- + Government Policy/Regulations
- + Financial Capital
- + Social Capital
- + Education and Training
- + Culture
- + Human Capital/Workforce

• Areas of Need?

ENTREPRENEURIAL ECOSYSTEM COMMUNITY ASSESSMENT AUDIT



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Hands-On Exercise:

Entrepreneurship
Ecosystem Audit

ENTREPRENEURIAL ECOSYSTEMS

What is an “Entrepreneurial Ecosystem” and what it can contribute to economic vitality?

- + Entrepreneurial Ecosystems align a variety of public and private efforts, networks, and other factors including government policies, funding and finance, social capital, place assets, regulatory frameworks, and more.
- + Taken together, these elements provide the necessary financial, social, and human capital to foster inclusive, local entrepreneurship in innovative and creative ways. In this way, the ecosystem model mobilizes the entire community to support local business start-ups. From technology to marketing and from business law to financing, the idea is to surround the start-up with key elements for success.

ENTREPRENEURIAL ECOSYSTEMS

- + This *Entrepreneurial Ecosystem Community Audit* can help determine where a community is on the spectrum of support for entrepreneurs.
- + We use four Entrepreneurial Ecosystem levels: Dormant, Emerging, Thriving, and Sustainable. Based on the outcome of the audit, a customized approach to building a stronger entrepreneurial environment can be developed.

ENTREPRENEURIAL ECOSYSTEMS

How the audit is structured and how to score your community:

- + The following audit provides an evaluation tool of specific indicators that will help community leadership determine where they fall on a spectrum of support for local entrepreneurs and more importantly, where efforts can be made to strengthen that support.

The audit is divided into seven factors:

- Place-Based
- Government Policy/Regulations
- Financial Capital
- Social Capital
- Education and Training
- Culture
- Human Capital

PLACE-BASED FACTORS

How would you rate the number of new business startups in the past three years?

Low 1	3	Moderate 5	7	High 9	Your Score
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Is there enhanced local digital infrastructure, including cell, fiber, and WIFI networks and/or a local planning process/group engaged in expanding high speed internet?

Limited 1	3	Moderate 5	7	Strong 9	Your Score
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Does your district have dedicated space for emerging entrepreneurs, such as an incubator, accelerator, and shared work spaces such as coworking/maker space, etc.?

No or Weak 1	3	Limited 5	7	Strong 9	Your Score
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PLACE-BASED FACTORS

Does your district have adequate vacant space to accommodate new business startups?

No or Seldom 1	2	Sometimes 3	4	Yes 5	Your Score
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Does your district operate an entrepreneurship pitch-it and/or "Shark Tank"-like contests for new entrepreneurs?

No or Seldom 1	2	Occasionally 3	4	Regularly 5	Your Score
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Does your district leverage proximity to other entrepreneurial hubs, such as a regional city, metro area, etc.?

No or Seldom 1	2	Occasionally 3	4	Regularly 5	Your Score
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PLACE-BASED FACTORS

Does your city allow for outdoor café/bar/restaurant dining along the sidewalk and in alleyways?

No or Little 1	3	Sometimes 5	6	Yes 7	Your Score
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Is there a diversity of district housing available (workforce, market, condo, apartments, etc.)?

No or Little 1	3	Moderate 5	6	Strong 7	Your Score
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Has your community examined the market and identified target entrepreneurship opportunities that are aligned with your community (assets, anchors, geography, economic strengths)?

No or Little 1	3	Somewhat 5	6	Strong 7	Your Score
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PLACE-BASED FACTORS

Does your district offer access to a range of transportation options (e.g., passenger rail, bike lanes, neighborhood sidewalks, recreation trails, bus, cabs/uber/lyft, interstate highway access)?

No or Little 1	3	Sometimes 5	6	Yes 7	Your Score
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Is your community actively engaged in supporting entrepreneurial pipelines (e.g., Farmer's Markets, Incubators/Accelerators, Maker Spaces, Etsy Vendors, Pop-Ups - (temporary retail opportunities); Mobile Retailers)?

No or Little 1	3	Sometimes 5	7	Yes 9	Your Score
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Has your district launched a pop-up program?

No or Minimal 1	3	Limited 5	6	Yes 7	Your Score
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PLACE-BASED FACTORS

Does your district have a diversity of "Third Spaces" (e.g., Third Spaces can be churches, libraries, granges, coffee shops, gyms, hair salons, post offices, main streets, bars, beer gardens, bookstores, parks, community centers, and meet-up spaces)?

No 1	3	Some 5	6	Many 7	Your Score
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Does your district have access to free design services and/or funding in support of entrepreneurs locating to district properties?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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GOVERNMENT POLICY/ REGULATIONS FACTORS

Does current zoning allow for a diversity of business types in downtown, such as small-scale manufacturers, mixed-used housing developments, and breweries?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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Does your city make the permit process easy for new businesses?

No 1	3	Sometimes 5	7	Yes 9	Your Score
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GOVERNMENT POLICY/ REGULATIONS FACTORS

Does your City and/other Economic Development leadership place a priority on local entrepreneurship by committing capacity and resources in comparison to incentivizing the recruitment of businesses located in other communities?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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Does your City and/other Economic Development leadership place a priority on attracting talent through the Boomerang campaign or working to recruit remote workers?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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FINANCIAL CAPITAL FACTORS

Does your community operate a local crowdfunding program for real estate and/or small business investments? (Eg, Bowdoinham Community Development Institution)

No 1	2	Limited 3	4	Yes 5	Your Score
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Does your local banking community offer SBA and any other federal small business development funding tools?

No 1	3	Limited 5	6	Yes 7	Your Score
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FINANCIAL CAPITAL FACTORS

Does your district offer incentives to drive targeted new entrepreneurial investments (e.g., Grants, Microloans, Contests, etc.)?

No 1	3	Limited 5	6	Yes 7	Your Score
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Does your district have a group of local angel investors formed or other non-family equity sources available for entrepreneurial investments?

No 1	3	Limited 5	7	Yes 9	Your Score
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SOCIAL CAPITAL FACTORS

Are current business owners supportive of entrepreneurs through relationship-building, mentorship, referrals, etc.?

No 1	2	Limited 3	4	Yes 5	Your Score
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Is there an active SCORE Chapter and/or other mentor program operating in your community?

No 1	3	Limited 5	6	Yes 7	Your Score
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Are there any district-related clubs or networking activities for young professionals and entrepreneurs (i.e., Fusion Bangor, Propel Portland, the Kauffman Foundation's 1 Millions Cups)?

No 1	3	Limited 5	6	Yes 7	Your Score
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EDUCATION AND TRAINING FACTORS

Is the local private business service sector actively involved in supporting new businesses (e.g., marketing/social media, design, accounting, legal, contractors, web development, architects, etc.)?

No 1	3	Sometimes 5	6	Yes 7	Your Score
---------	---	----------------	---	----------	------------

Is there local technical assistance available, provided by the public sector, to support small business development (e.g., succession planning; business plan development, financial analysis, feasibility analysis, multi-channel marketing)?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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Are Small Business Development Centers and/or other entrepreneurship technical assistance efforts offered in the community?

No 1	Occasional 3	Regional 5	Local (Not in District) 6	District 7	Your Score
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CULTURE FACTORS

Is there ample social capital amongst existing and aspiring entrepreneurs (i.e. strong networks and a spirit of collaboration, cooperation, and trust amongst existing and aspiring entrepreneurs, like hosting dinners, happy hours)?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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Are new entrepreneurs actively engaged in civic and other community groups, boards, committees, etc.?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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Does the local media commonly run features and/or articles on local entrepreneurs?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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HUMAN CAPITAL FACTORS

Does your school system offer entrepreneurship programs for area children (Eg. Washington Academy's makerspace and apprenticeship program?)

No 1	3	Limited 5	6	Yes 7	Your Score
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Does your district have a local college and/or university that offers degree or certificate programs in entrepreneurship?

No 1	3	Somewhat 5	6	Yes 7	Your Score
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What percentage of local entrepreneurs are women or minorities?

Under 25% 1	2	25 to 50% 3	5	Over 50% 7	Your Score
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HUMAN CAPITAL FACTORS

Does your workforce development office provide entrepreneurship training funds to dislocated workers?

No 1	3	Sometimes 5	6	Yes 7	Your Score
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What percentage of local business owners are near or past retirement age?

Over 75% 1	3	50%-75% 5	7	Less than 50% 9	Your Score
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SCORING YOUR ENTREPRENEURIAL ECOSYSTEM COMMUNITY AUDIT

		Minimum Possible Score	Maximum Possible Score
Place-Based Factors Score	<input type="text"/>	16	116
Government Policy/Regulations Factors Score	<input type="text"/>	5	37
Financial Capital Factors Score	<input type="text"/>	4	28
Social Capital Factors Score	<input type="text"/>	3	19
Education and Training Factors Score	<input type="text"/>	3	21
Culture Factors Score	<input type="text"/>	3	21
Human Capital Factors Score	<input type="text"/>	5	37
TOTAL SCORE	<input type="text"/>	39	279

EVALUATING YOUR COMMUNITY'S PROGRESS

ORGANIZING STAGE

SCORES BELOW 100

A community in this range is not well-organized to support local entrepreneurs and new business startups.

EMERGING STAGE

SCORES ABOVE 100 AND BELOW 175

A community in this range has begun to accumulate the needed assets to create an Entrepreneurial Ecosystem.

THRIVING STAGE

SCORES ABOVE 175 AND BELOW 230

A community in this range has a strong Entrepreneurial Ecosystem underway.

SUSTAINABLE STAGE

SCORES ABOVE 230

A community in this range has a well-established Entrepreneurial Ecosystem that has the strength to maintain a vibrant program over time.

DISCUSSION OF YOUR AUDIT RESULTS

- + What were your areas of strengths?
- + What were your areas of weaknesses?
- + Specific identified gaps?

GETTING STARTED ON IMPLEMENTATION

+ 3 Components to Building Out Your Entrepreneurship Ecosystem

- ★ – Convening – Getting to Know the Players/Partners and Building Connections
 - Conduct your own focus groups
- ★ – Assessment – Understanding Your Entrepreneurial Assets and Best Transformation Strategy (***your primary market opportunities***) Targets
 - Do some market asset mapping and market data analysis
 - Run through the audit with your local group
- Implementation – Creating targeted activities based on filling the gaps and leveraging unique market opportunities within your district

THE ROLE OF DOWNTOWN ORGANIZATION AND OUR PARTNERS IN AN ENTREPRENEURIAL ECOSYSTEM

Charlevoix Main Street's Role in the Ecosystem

	Place-Based	Government Policy & Regulatory	Financial Capital	Social Capital	Education/ Training	Culture	Human Capital/ Workforce
Primary	Main Street	City of Charlevoix	Vacant	Chamber	SBDC	CVB	Vacant
Supporter	X				X	X	X
Convener			X	X	X		X
Advocate		X				X	X
Provider	X		X		X	X	
Connector		X	X	X	X	X	
Developer	X						

EXERCISE

	Financial Capital	Social Capital	Place Factors	Govt Policy and Regulatory	Education/Training	Culture	Human Capital/Workforce
-PRIMARY							
-SUPPORTER							
-CONVENER							
-ADVOCATE							
-PROVIDER							
-CONNECTOR							
-DEVELOPER							

ECOSYSTEM BUILDING FROM A WORKPLAN/IMPLEMENTATION PERSPECTIVE

- + Projects and activities can be directly aligned with the organizational structure of the 4 Point Approach.
- + If you have a Transformation Strategy, even better
- + So let's explore all four points, and possible ecosystem type support projects/activities.

POSITIONING DOWNTOWN – 4 POINT APPROACH - ORGANIZATION

- + Invite new and/or emerging entrepreneurs onto your board or committees
(Social Capital)
- + Develop downtown clubs or networking activities for young professionals and entrepreneurs *(Social Capital)*
- + Create New Partnerships *(Social Capital)*
 - SBDCs
 - Local Universities and Community Colleges
 - Tech Groups
 - Young Professional Groups
 - Media to Market New Ventures
 - Developers

POSITIONING DOWNTOWN - PROMOTIONS

- + Conduct events designed to promote, encourage and showcase entrepreneurship. Examples include pop-up retail and “Shark Tank” events *(Place, Culture, Financial Capital)*
- + Run feature articles on new entrepreneurs locating to your district *(Culture)*
- + Use of targeted entrepreneurship marketing materials that outline local ecosystem resources *(Education/Training, Social Capital, Financial Capital, Human Capital, Place)*
- + Create a downtown blog *(Culture)*
- + Run a social media contest for favorite, most innovative or quirkiest district entrepreneur *(Culture)*

POSITIONING DOWNTOWN – DESIGN INFRASTRUCTURE

- + Enhance the local digital infrastructure, including cell, fiber and wi-fi networks
(Govt/Regulatory; Place)
- + Be Willing to Drive Innovative Uses of Space Beyond Retail, such as Small Scale Manufacturing *(Place)*
- + Provide access to Transportation Alternatives *(Place)*
(Recreation Trails, Bike/Hike Paths; car share)
- + Create live/work spaces *(Place)*
- + Place a greater focus on downtown housing on second floors and as part of infill developments *(Place)*

POSITIONING DOWNTOWN – ECONOMIC VITALITY

- + Offer technical assistance workshops in support of small business development. Eg. Going Global; Succession Planning; Product Diversification *(Education and Training)*
- + Create Incentives to Drive Technology Business Investment *(Financial Capital)*
- + Create a Downtown Incubator, Accelerator, or Drop In Space *(Place)*
- + Recruit Third Spaces businesses *(Place)*
- + Work with Local/Regional Workforce Centers on talent attraction and/or training programs for small scale production workers. *(Human Capital)*
- + Leverage proximity to Entrepreneurship Hubs (eg. Saline, MI) *(Place)*
- + Develop small grants for business plan competitions *(Financial Capital)*

PROGRESSION OF ECOSYSTEM SUPPORT

+ *Basic Support*

- Access to basic business services; legal, marketing, production, financial, accounting
- Raising awareness of role of entrepreneurs in the community;
- Networking and Mentors

• *Advanced Support*

- Entrepreneurship Classes for adults
- Financial access beyond self financing
- Promoting the community – entrepreneur attraction
- Early entrepreneurial education







PROGRESSION OF ECOSYSTEM SUPPORT

+ *High Performance Support*

- Comprehensive services offering one-on-one support for entrepreneurs
- Equity Capital resources
- Organization developed to exclusively work with entrepreneurs
- Physical Spaces for Entrepreneurs – Drop-In Spaces, Business incubators/accelerators
- Competitions

IMPLEMENTATION DISCUSSION

- + Step 1 – Build a summary of key gaps/weaknesses as identified from the inputs
- + Step 2 – Design workplan activities that addresses each gap/weakness. Designate within a work plan either as 4 Points or 7 Factors
- + Step 3 – What gaps does Main Street own?
- + Step 4 – What can you add to your plate (capacity)?
- + Step 5 – How would this align with your Transformation Strategy (***top market opportunities***)?

Critical Gaps Examined	
 Place-Based	<ul style="list-style-type: none">• Space to gather for remote workers/neutral location entrepreneurs• Little to no programming that builds future pipeline of entrepreneurs
 Financial Capital	<ul style="list-style-type: none">• Lack of financing options after credit cards and personal equity
 Social Capital	<ul style="list-style-type: none">• Lack of formal network and mentor program for entrepreneurs from the outside
 Culture	<ul style="list-style-type: none">• More collaboration needed amongst current businesses
 Education and Training	<ul style="list-style-type: none">• Awareness of existing business needs
 Human Capital	<ul style="list-style-type: none">• Workforce housing for employees and potentially new entrepreneurs, remote workers, and neutral-location businesses

EX. WORKPLAN DASHBOARD FOR EE IMPLEMENTATION ALIGNED TO 4 POINT APPROACH

Tupelo, MS - Implementation Plan				
TRANSFORMATION STRATEGIES	ORGANIZATION	PROMOTION	DESIGN	ECONOMIC VITALITY
<p>Strategy: Kid-Friendly, Family Serving</p> <p>Objectives/ Measurable Goals: Overall: Create a community environment conducive to the growth and expansion of kid-friendly, family serving retail and activities as part of growing a new market downtown.</p> <p>Organization: Facilitate and build partnerships and communication tools that facilitate the growth and expansion of the target market.</p> <p>Promotions: Create promotional events and marketing/image development tools and programs that promote the growth and expansion of the target market.</p> <p>Design: Develop both building and community space improvements that create the physical environment and space for the growth and expansion of the target market.</p> <p>Economic Vitality: Create financial tools, real estate development programs, and entrepreneurship development initiatives that lead to the growth and expansion of the target market.</p>	<p>Action: Current Initiatives: 1.</p> <p>Partner Initiatives 1.</p> <p>Potential New Initiatives: 1. Review Membership for more Kid-Friendly Partners: e.g. TCT; Gumtree Art Gallery, Library, Schools, Parks and Rec, Healthworks!, Civic Clubs, Corporate, Arena, CVB, CDF, PAL, TRA</p>	<p>Action: Current Initiatives: 1.</p> <p>Partner Initiative: 1.</p> <p>Potential New Initiatives: 1. Create a communications platform to promote existing kid-friendly activities (There are a ton!) 2. Do a "Where's Waldo" like activity with Elvis. 3. Create a Kids Activities Newsletter 4. Create Additional Promotion Partnerships - Tupelo Rocks; Health WorX, Local Art Teachers 5. Possible Event Ideas: Tupelo Rocks Kids Ping Pong Tournament; Dance Off; Yoga - Mommy & Me 6. Create an Alleycats Club - w/Newsletter; Decals, Downtown Discounts 7. Possible New Events: "Princess Weekend" and Art Projects at the Gumtree Festival.</p>	<p>Action: Current Initiatives: 1. Alley Project (Tweak to bring more games and activities to be kid-friendly) 2. Refine current design review process with an eye toward kid-friendly amenities</p> <p>Partner Initiatives: 1.</p> <p>Potential New Initiatives: 1. Work with Sister Organization's to review kid-friendly downtown master plan. 2. Hardscape downtown out of the alley - Connect the dots to activities. 3. Increase Kid-friendly portions of the alleyways.</p>	<p>Action: Current Initiatives:</p> <p>Partner Initiatives: 1.</p> <p>Potential New Initiatives: 1. Bathrooms in Fair Park 2. Housing Development (Create Incentives) 3. Secondary Sidewalk connections to downtown. 4. Children's Museum (School of Rock) 5. Inventory of Current Retail Mix that Targets Kids/Families 6. Create Dual Space in Park for Staging Performances and Offering Movies in the Park. 7. Potential Businesses: Jail House Rock Café at the Old Jail; Children's Museum;</p>

YOUR MARKET – HOW DOES IT FIT WITHIN THE ECOSYSTEM?

1. What are you currently doing from an Ecosystem perspective that supports?
2. What are partners doing or could be doing to support from an Ecosystem perspective?
3. What should be priority areas for you that solve “Gap” issues but are also aligned to your target markets?
 - **Financial Capital Example – Outdoor Recreation Transformation Strategy**
 - Shark Tank Competition – Give extra points or funding
 - **Public Policy Example – Food/Restaurants Transformation Strategy**
 - Ordinance to Allow for Food Trucks or Outdoor Cafes
 - **Network (Social Capital) Example – Arts Transformation Strategy**
 - Create a Meet Up Group for Local Artists

NEXT STEPS

- + Replicate today's activities in your own community/region with a group of partners and entrepreneurs.
- + Socialize the outcomes and discuss key gaps
- + Have a discussion around your role and that of your partners
- + Structure an informal and/or formal team.
- + Summarize and align with them on ownership and project areas for them to engage.
- + Seek capacity to add a Place Factor project to your annual workplan.
- + Ensure that the project will further support and progress your Transformation Strategy.

ANNOUNCEMENT

+ Entrepreneurship Ecosystem Pilot Program

- Up to 3 communities will be selected
- RFP will be released on January 15, 2020
- RPF responses will be due on February 28, 2020
- Pilot Communities will be notified/announced by March 20, 2020
- Services Include:
 - Individualized Entrepreneurship Ecosystem Development and Planning
 - Individualized Technical Assistance for Implementation
 - Availability of Implementation Grants – 2020 and 2021

WRAP-UP: Q&A