TN Placemakers assists entrepreneurs and small businesses across the state create and grow their businesses.
TN Placemakers Entrepreneurship Fund | What and Why

*Source: PAYCHEX - IHS SMALL BUSINESS JOBS INDEX*

**What is it?**
A pool of monetary resources dedicated to assisting communities across the state in developing and training entrepreneurs and small business owners

**Why does it matter?**
- Streamlines and simplifies the application process.
- Reduces time spent on multiple programs applications over multiple time periods

*Note: The programs are now part of TN Placemakers include TNECD’s Main Entrepreneur Grants and LiftTN: Microenterprise, Rural and Urban Core Editions*

**Application Deadline**
Initially: October 1-December 31, 2018, then rolling

*Note: The programs are now part of TN Placemakers include TNECD’s Main Entrepreneur Grants and the LiftTN: Microenterprise, Rural and Urban Core Editions*

(tn.gov/ecd/small-business/bero/programs-initiatives.html)
TN Placemakers Entrepreneurship Fund | Deadlines and Amounts

Tennessee ranks No. 2 in Small Business Friendliness. Source: Thumbtack, 2018 Small Business Friendliness Survey

**Contract Length:** up to 24-month
- Months 1-18: Implementation and utilization
- Months 19-24: Observation period, data reporting, and close-out of the grant

**Application Amounts**
Total available: $1,000,000
Max /Grant: $100,000

A 10% match is required by grantees
Your match may include cash, dollars from private foundations or private sources, verifiable salary/benefits, among others.

**Categories:**
1) **Assess and Plan:** Maximum funding allocation: $15,000
2) **Build and Sustain:** Maximum funding allocation: $75,000
3) **Support and Train:** Maximum funding allocation: $25,000

*Note: All projects must have a clearly defined small business/entrepreneurship focus.*
Assess and Plan
Assessing the small business and entrepreneurship landscape by assisting communities with information gathering and dissemination.

*Eligible activities:* Determine gaps in the community and plan ways to close them which may include, but are not limited to, retail development, tourism, agribusiness, coworking spaces, commercial kitchen incubators, entrepreneurship training services, etc.

Maximum funding allocation: $15,000/grantee
Build and Sustain

Increase the success of local small business and entrepreneurs through stabilization and expansion funds to grantees (and subrecipients) directly engaged in small business and entrepreneurial development.

*Eligible activities:* Furniture, fixtures, and equipment; offset of operational cost to reach sustainability (i.e. rent utilities, installation of technology like gig service into a building without it, etc.), applied primarily to physical locations, such as commercial kitchens, pop-up shops, coworking spaces, etc.

Maximum funding allocation: $75,000/grantee
Support and Train
Provide access to education, resources, and tools directly to future and existing small businesses and entrepreneurs.

Eligible activities: Small business and entrepreneurial development activities, including, but limited to, mentor-protégé program, coding classes, popup shops, craft and artisan development, food, agritourism (i.e. Etsy), pitch competitions, Co-Starters classes, Economic Gardening.

Maximum funding allocation: $25,000/grantee
Eligible Applicants
- Nonprofit
- Educational institution
- Government
  (ED, chamber, development district, public-private partnership, etc., ...)

How to apply
Details and application can be found at
[tn.gov/ecd/small-business/bero/programs-initiatives.html](http://tn.gov/ecd/small-business/bero/programs-initiatives.html)

Key dates
Application webinar
November 15, 2018 at 10am CDT/11am EDT
Recording and presentation posted

Initial Application Period
Now open until December 31
Then on a rolling basis until funds are fully subscribed
TN Placemakers Entrepreneurship Fund | Summary

...assists entrepreneurs and small businesses across the state create and grow businesses

Contract length:
Up to 24-months
- Months 1-18: Implementation and utilization
- Months 19-24: Observation period, data reporting, and close-out of the grant

Total Funds Available FY2019: $1,000,000
Max/Grant: $100,000
10% match required

Categories:
1) Assess and Plan: Maximum funding allocation: $15,000
2) Build and Sustain: Maximum funding allocation: $75,000
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Note: All projects must have a clearly defined small business/entrepreneurship focus.
“DBE” refers to businesses owned by women, minorities, veterans and persons with disabilities; as well as businesses operating in areas of low income and high unemployment in the state.

“Entitlement and Non-Entitlement”
State CDBG funds cannot be used in Entitlement communities including Shelby County and Memphis, Jackson, Clarksville, Davidson County, Murfreesboro, Oak Ridge, Knox County and Knoxville, Chattanooga, Cleveland, Morristown, Kingsport, Bristol, Franklin, Hendersonville, and Johnson City. Entitlement communities receive funding directly from HUD; these communities are encouraged to work with their local governments to access their annual CDBG funds. The state and other communities can be of assistance in setting up this program. All other communities in the State are non-entitlement.

“Environmental Review/SHPO Clearance” is required for all federally funded projects must complete an Environmental Review; for projects that do not involve construction the environmental review will be quick. TNECD will provide training for grantees on the Environmental Review process.

“Low and Moderate Income” (LMI)
This initiative is funded through U.S. Department of Housing and Urban Development’s (HUD) Community Development Block Grant (CDBG) dollars, which means some federal guidelines, must be met, specifically LMI. Detailed LMI information:

LMI is a CDBG National Objective that principally benefits persons of low and moderate income (LMI). For quick reference, LMI is defined as a household whose income is less than 80% of the area median income and located in a non-entitlement area.
There are a few ways that LMI may be met:

The grantee can document that this project benefits the entire community and that the community consists of more than 51% of people that are designated as low and moderate income. Communities that meet this requirement according to the 2010 census are on the [TNECD CDBG website](http://example.com). If a community is not included in this list, they can randomly survey residents’ incomes to see if the 51% threshold is met. If a community-wide CDBG Regular Round or Disaster application has been submitted in the last two (2) years, those surveys could be used. Please us to see if a community qualifies as low-income.

The grantee can document that the business owners assisted are low income. This can be done by documenting the income of the business owner and comparing that to the community’s average income as provided by HUD.

The grantee can document that people hired with grant funding are low income. If the project will result in new hires, the business can commit to hiring at least 51% low-income people as documented by their incomes before starting the job compared to the county’s average income.

LMI Caveat: LMI data is independent of other income related data such as free and reduced lunch programs, unemployment and/or poverty rates, etc.

How to Count LMI Participants

Applicants seeking to provide education, tools and resources to a set group or cohort of microenterprises/business owners, LMI status should be based on the individual owners. Applicants who propose to offer education, tools and resources that do not have a set group or cohort may wish to base LMI status on the service area. Any questions concerning the LMI requirements should be directed to TNECD before submitting an application.

“Procurement” effects all contractors and services must be competitively procured according to federal or local procurement standards, whichever is more restrictive. Minority and female contractors should be invited to bid. For projects that involve construction, Davis-Bacon requirements must be included in bid documents. Bids must be opened publicly, and minutes must be kept of the meeting. Bids should be awarded to the lowest, most responsive bidder. If an organization elects not to use the lowest bidder, justification must be made to and approved by TNECD.
The grantees from the past rounds have some thoughts to pass along that may help as you consider your application for this program. You will note that there are some common threads – take them in account.

**What they recommend:**
Be proactive, don’t assume, and communicate as you go along.
Encourage partnering among grantees – some programs dovetail each other.
Think through the guidelines (uses of dollars) and logistics on the frontend.
Understand your capacity and its limits – the plan is only as good as the participants.
Run the grant through your organization like a for-profit business – understand what you can and can’t spend your dollars on before you spend them!

**Where they found challenges:**
Getting the word out and ramping up the program took longer than anticipated
Didn’t think through grant thoroughly enough (logistics, etc.)
Alignment of time, opportunity and expertise

**Where they found successes:**
Knowing you could reach out (to TNECD) with questions
The check-in calls – hearing the other grantees discuss their challenges and what they learned
Program promotion by TNECD through newsletters, social media, word of mouth, etc.
Reimbursement is easy, not cumbersome
Propel, Mentor-Protégé, Regional

Rural and Urban Core: East, Northeast and Southeast regions  (knoxvillechamber.com)

SEEDCo, Savannah

Rural: TN Main Street Community  (seedco.net)
Etsy, Regional (east)

Rural: Northeast, East, Southeast and Upper Cumberland regions  (knoxec.com)

Casa Azafran, Nashville

Urban Core: Nashville  (conexionamericas.org)
Sub-to-Prime Program, Memphis

Urban Core: Memphis (memphistn.gov)

High School Entrepreneurship, Chattanooga

Urban Core: Chattanooga [Regional partner] (launchchattanooga.org)
Opportunity Zones are a new community development tool.

Dashboards
Locate small business and entrepreneurship data from reliable sources.
Locating Resources | Business Data for You
resources about entrepreneurs and small businesses under Dashboards

Nonemployer Firms

Economic Inclusion of Businesses
(data on businesses with and without employees)

Small Business Employment

TN.GOV/ECD/BERO
Opportunity Zones

Opportunity Zones are a new community development tool established by Congress in the Tax Cuts and Jobs Act of 2017. This new tool is designed to drive long-term capital to low-income communities. The new law provides a federal tax incentive for investors to re-invest their capital gains into Opportunity Funds, which are specialized vehicles dedicated to investing in designated low-income areas, specifically 176 census tracts.

[tn.gov/ecd/opportunity-zones.html](http://tn.gov/ecd/opportunity-zones.html)
- resources -

Tennessee SmartStart

A simplified step-by-step guide for small businesses in print and an online applications.

(tnsmartstart.com)

Dashboards

- Economic Inclusion of Businesses (data on businesses with and without employees)
- Small Business Employment
- Nonemployer Firms

TN.GOV/ECD/BERO
Watch this video to learn how to use the app, and/or visit the website at tnsmartstart.com to get started now.
Checklist
It provides a simplified step-by-step guide to registering a business in Tennessee.

Business Model Canvas
Users complete a canvas that may be customized to the specific business.

Canvas Starter
Our target customer is primarily women/females between the ages of 32-40 with an average income of $38K to $90K and they work in the marketing business/industry.

Other steps that are under consideration are soft referrals and virtual mentorship.
How to Start a Business | Smart Businesses Start Here

1. CHOOSE A NAME
   - Search: TN Secretary of State

2. CHOOSE A LEGAL STRUCTURE
   - Recommendation: Consult an attorney, CPA, business counselor

3. TAXPAYER ID NUMBER
   - SSN or FEIN: Sole Proprietor/General Partnership (Social Security Administration or IRS)
   - FEIN: Corporation, LLC, LLP, LP (IRS)

4. REGISTER THE BUSINESS
   - Sole Proprietor/General Partnership (Municipal/County Clerk)
   - Corporation, LLC, LLP, LP (TN Secretary of State and Municipal/County Clerk)

5. TAXES
   - Register: TN Dept. of Revenue
   - County Tax Assessor, Possibly others...

6. EMPLOYEES
   - Yes/No: TN Dept. of Labor and Workforce Development

7. REGULATIONS/LICENSES?
   - Based on business: ABC, Ag, Commerce and Insurance, TDEC, Health, Labor, WFD, ATF, USDA, etc.

8. OPEN FOR BUSINESS
   - There are Resources available to help you!

This information is a general guideline for registering your business. Aspects of your business may require additional steps, registrations or licenses. You may need to consult an attorney, CPA or business counselor.
Rural Opportunity Fund
Access to at least $18.75M over the next five years for Tennessee's rural small businesses.
(pathwaylending.org)

Mobile Labs
A mobile resource for youth & adults designed to create awareness and provide technical assistance for future and existing small businesses.
(tndrivinginnovation.com)

Economic Gardening
Targets existing second stage small businesses with assistance on strategic issues and provides customized research so they can grow.
What is a “No Wrong Door” Community?

It is a community that partners with BERO to support a thriving entrepreneurial environment by being trained in the utilization of available tools and resources for local entrepreneurs.

How does your community become one?

- Attend a 30-minute certification process – online and/or in person.
- A minimum of 3 unique members representing your community
- Maintain communication with BERO

What is the benefit?

- A Resource Toolkit:
  - SmartStart Books
  - Stickers
  - No-Wrong-Door Community' Decal Sticker
- Value to your community*
- Increased customer satisfaction*
- Thriving entrepreneur environment*

It all sounds good, but why…?

*This is part of making Tennessee the easiest place in the country to open a business, and a way you can make your community a welcoming place for it to happen.

Want more information? Ready to sign-up your community? Great!

Email BERO at ecd.bero@tn.gov to get started.
Talent is everywhere. Opportunity is not. (Nicholas Kristof)
Be a Placemaker.

Placemakers leverage local assets (human and natural) in a way that impacts the cultural, economic and social aspects of their community to intentionally create a good sense of place, and enhance a strong sense of community and wellbeing.

Be a Placemaker