



Community Business Launch (CBL)



2020
ANNUAL
REPORT



**"We are seeding and nurturing
strong local entrepreneurial
ecosystems that will support
current and future small
business growth beyond their
grand opening**



Community Business Launch is a resourceful program that offers training to entrepreneurs to prepare small business owners for the rigors of operating in today's rapidly changing commercial climate. I look forward to new businesses opening and current businesses expanding, filling vacancies and enhancing the vibrancy and quality of life in each of these downtown districts.

Community Business Launch truly involves the community in identifying entrepreneurs and businesses needed in their downtowns. By combining training with a business plan competition, we are seeding and nurturing strong local entrepreneurial ecosystems that will support current and future small business growth beyond their grand opening.

- Governor Ralph Northam



FUNDING PRIORITIES



Critical mass of vacant storefronts clustered together



Research-based target business types



Safe, maintained pedestrian infrastructure



Ongoing cohesive promotion and management of the district



Deep outreach to homegrown potential entrepreneurs

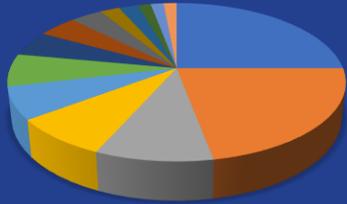
OVERVIEW

The Community Business Launch (CBL) is a place-based entrepreneurial development strategy that fills a critical mass of vacant storefronts with expansion or start-up ventures. Local CBL programs train entrepreneurs, creatives, and small business owners about business planning practices. This training culminates in a group of finalists pitching their ideas to a panel of judges, with winners receiving grant funding and support services from the community to kick-start their new venture.

A CBL program generates excitement while educating the community business opportunities for local people. A CBL grant from DHCD leverages other financial and in-kind resources to prepare multiple entrepreneurs to operate successful businesses, whether they win or lose the pitch competition. Additionally, many CBL grantees replicate the CBL strategy repeatedly without DHCD resources to amplify job and business creation. When preceded by a thorough market analysis and relentless outreach, then followed by ongoing business retention efforts, a CBL program is a key building block in a coordinated, comprehensive, and sustainable entrepreneurial eco-system of community-based entrepreneurs and small business at all stages of life.

CBL DATA POINTS

Business Types 2015-2020

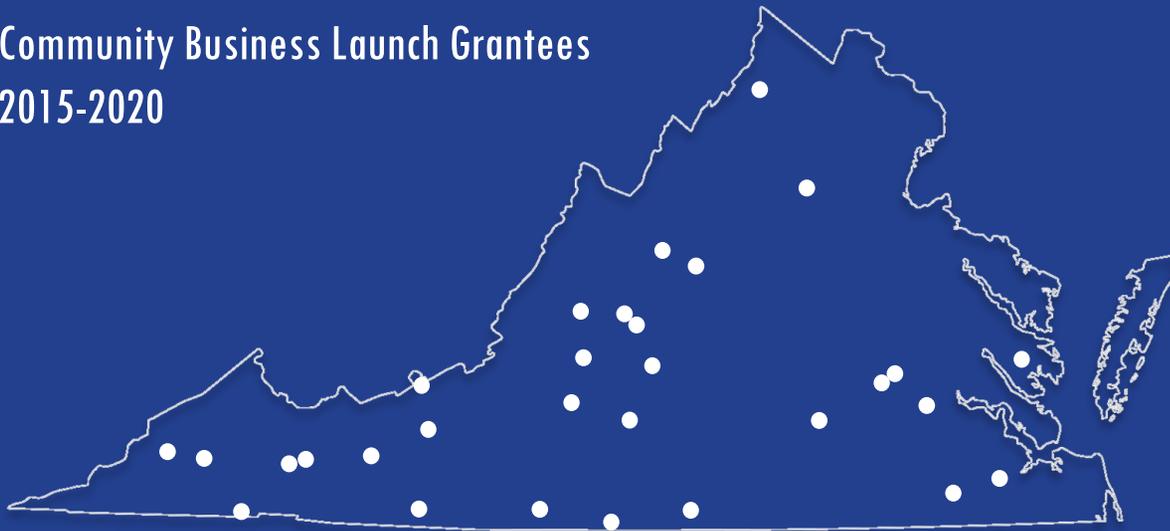


- Specialty Retail
- Restaurant
- Professional Services
- Brewery/Craft Bev
- Experience
- Fitness
- Art
- Coffee/Tea
- Market/Grocery
- Auto
- Trades
- B&B
- Healthcare
- Miscellaneous

FUNDING BY YEAR RESULTS

	DHCD Funding	Communities Assisted	Entrepreneurs Assisted	Businesses Created or Expanded	Jobs Created or Retained	Vacancies Filled	Private Investment Leveraged
FY15	\$300,000	3	130	13	57	16	\$769,350
FY16	\$420,000	6	201	44	160	35	\$936,555
FY17	\$300,000	5	102	24	71	15	\$902,386
FY18	\$240,000	4	68	25	76	11	\$1,031,300
FY19	\$180,000	4	107	25	54	15	\$786,330
FY20	\$90,000	2	172	15	43	6	\$236,170
Total	\$1,530,000	25	780	146	461	98	\$3,797,367

Community Business Launch Grantees 2015-2020



Average Cost / Job

= \$3,319

Private Investment Leveraging

= \$1 : \$2.48



Since 2015, over 140 businesses have opened as a direct result of CBL funding and technical assistance. The program defines businesses as successful and in compliance with grant requirements as long as they remain open for an entire year. Of the businesses that have closed, the majority made that decision after the one-year period ended.



SURVIVAL RATES

According to the U.S. Small Business Administration (SBA), about 80% of businesses typically survive their first year. Prior to the pandemic, the majority of CBL businesses that closed did so because of personal choice rather than mismanagement or failure. Some businesses opening in the 2019 CBL cohort experienced less than one month of “normal” before the pandemic altered business patterns forever. Businesses in the 2020 CBL cohort have been similarly impacted. Both cohorts are considered together to account for this exceptional time period and will be monitored together in the future.

**The 2019-2020 cohort’s results will be revisited after pandemic era restrictions are lifted.*



Danville Dream Launch

PROJECT STARTED SPRING 2019

With support from DHCD's CBL program, the River District Association of the city of Danville held the first Dream Launch Bootcamp and Pitch Competition in spring 2019. More than 75 individuals participated in some or all of the bootcamp classes, with nine completing all the requirements to take part in the pitch competition, and four businesses ultimately being awarded a total of \$75,000 in funding to expand or open their new businesses: KG Graphics, Firefly Studios, Grizzly's Hatchet House and River City Escapes. All four businesses that were awarded funding in 2019 have survived the pandemic.

"We were extremely excited to work with these businesses" said Diana Schwartz, director of the River District Association. "While the grant funds will go a long way to help us move these businesses forward, there are now several other new offerings in the pipeline. We had a tremendous response to the Dream Launch Bootcamp, and we saw other businesses open their doors throughout the region as result of the bootcamp classes. The opportunity to give a large number of people knowledge and understand the journey to business ownership and self-sustainability is one of the most important parts of this program."

In addition to DHCD's CBL funds, the 2019 program was also supported by the city of Danville and the Danville Regional Foundation via matching funds. The proven success of the Danville's Dream Launch has resulted in ongoing support for the program in the downtown district, as well as other parts of the city and region and supported by funding from the city of Danville, the Dan River Region Entrepreneurial Ecosystem, the Danville Regional Foundation, and in 2021, Danville Pittsylvania County Chamber of Commerce.

In 2019 and 2020, more than 150 individuals have participated in some or all of the bootcamp classes, and 12 businesses were awarded a total of \$145,000 in grant funding to start or expand a business in the River District and the wider region. The next iteration of Dream Launch kicks off in spring 2021, with a prize pool of \$100,000.

"Through this program, we can provide start-ups the tools, information and assistance to give them the best possible opportunity for success," Schwartz said.

2019-2020 RESULTS

150 Local Entrepreneurs Engaged

7 Businesses Started or Expanded

25 Jobs Created or Retained

5 Vacancies Filled



PROJECTS UNDERWAY

Culpeper Competes! | Town of Culpeper

CBL Award: \$45,000

Outreach Began: Dec. 2020

Pitch Night: April 2022

Prize Pool: \$45,000 cash plus in-kind services

Target Business Types: Nightlife, entertainment, outdoor recreation, lodging and restaurants

Buena Vista CBL | City of Buena Vista

CBL Award: \$45,000

Outreach Began: Jan. 2021

Pitch Night: May 2021

Prize Pool: \$29,900

Target Business Types: Women's apparel, coffee shop, ice cream, antiques, bar and lodging

Norton Business Challenge | City of Norton

CBL Award: \$45,000

Outreach Began: Feb. 2021

Pitch Night: May 2021

Prize Pool: \$50,000 cash plus in-kind services

Target Business Types: Recreation, restaurants, lodging, artisans and small-scale manufacturing

Blackstone Business Launch | Town of Blackstone

CBL Award: \$45,000

Outreach Began: March 2021

Pitch Night: July 2021

Prize Pool: \$45,000 cash plus in-kind services

Target Business Types: Niche food markets, coffee shops, restaurants, apparel and arts



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