



The Florida Senate

Local Funding Initiative Request

Fiscal Year 2019-2020

LFIR#: 1740

1. **Title of Project:** Entrepreneurship Centers and Statewide Loan Fund

2. **Senate Sponsor:** Perry Thurston

3. **Date of Submission:** 01/31/2019

4. **Project/Program Description:**

The Regional Entrepreneurship Centers, Statewide Small Business Loan Fund, and Financial Empowerment Centers provide financial empowerment and asset-building programs and services to small businesses, particularly minority-owned, and low-to moderate income families and individuals throughout the State of Florida. The Urban League seeks an evergreen contract to allow for the reinvestment of the dollars to establish a revolving loan fund.

5. **State Agency to receive requested funds :** Department of Economic Opportunity

State Agency Contacted? Yes

6. **Amount of the Nonrecurring Request for Fiscal Year 2019-2020**

Type of Funding	Amount
Operations	2,000,000
Fixed Capital Outlay	
Total State Funds Requested	2,000,000

7. **Total Project Cost for Fiscal Year 2019-2020 (including matching funds available for this project)**

Type of Funding	Amount	Percent
Total State Funds Requested (from question #6)	2,000,000	88.89%
Federal	0	0.00%
State (excluding the amount of this request)	0	0.00%
Local	0	0.00%
Other	250,000	11.11%
Total Project Costs for Fiscal Year 2019-2020	2,250,000	100.0%

8. **Has this project previously received state funding?** Yes

Fiscal Year (yyyy-yy)	Amount		Specific Appropriation #	Vetoed
	Recurring	NonRecurring		
2018-19		710,000	1232	No

9. **Is future-year funding likely to be requested?** Yes

a. If yes, indicate non-recurring amount per year. \$2,000,000

10. **Details on how the requested state funds will be expended**

Spending Category	Description	Amount
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Administrative Costs:		
Executive Director/Project Head Salary and Benefits		
Other Salary and Benefits	VP of Finance, VP of Philanthropy, VP of Programs, Marketing and Fiscal Administration - This represents administrative staff who will provide oversight, develop policies, implement marketing and fundraising efforts, compliance, maintain accounting records, negotiate with banks, follow up with funders, as well as leading the Loan Fund and other consultants during outreach and fundraising activities.	200,000
Expense/Equipment/Travel/Supplies/Other		
Consultants/Contracted Services/Study		
Operational Costs:		
Salary and Benefits	This represents Urban League of Broward County staff who are directly responsible for coordinating activities relating to the Financial Empowerment Center, Community Engagement and Outreach Efforts, financing and accounting with the loan fund, all activities of the Entrepreneurship Center, Housing Counseling and workforce development. These positions include, but are not limited to, the Entrepreneurship Center Division Manager, Project Coordinator, Case Manager, and Housing Counselor.	600,000
Expense/Equipment/Travel/Supplies/Other	ULBC leases its servers and network equipment from a third party vendor. ULBC also uses outside consultants to manage its network and IT needs. This includes remote network monitoring, cloud back-up, remote Helpdesk Support, and on-site assistance. Allocation costs are based primarily on labor hours to determine occupancy and indirect costs. A statewide best practice training will be implemented.	150,575
Consultants/Contracted Services/Study	Statewide subcontracted services for Financial Empowerment Centers and Entrepreneurship Centers to Urban League affiliates in Central Florida, Pinellas, Palm Beach, and Jacksonville. Also, consultants to provide legal, accounting, and technology expertise to small business clients through individual and group sessions. Loan Fund Consultants for administration of small loan fund.	1,049,425
Fixed Capital Construction/Major Renovation:		
Construction/Renovation/Land/Planning Engineering		
Total State Funds Requested (must equal total from question #6)		2,000,000

11. Program Performance:



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a. What is the specific purpose or goal that will be achieved by the funds requested?

This program provides technical assistance and access to capital via a revolving loan fund for start-up and expanding businesses, particularly minority-owned, in metropolitan areas throughout Florida. This program also provides financial education, asset building strategies, and employment support services for low-to-moderate income working families to increase their financial capabilities, self-sufficiency through employment and training, and asset building through homeownership. The Urban League seeks an evergreen contract to allow for the reinvestment of the dollars to establish a revolving loan fund.

b. What are the activities and services that will be provided to meet the intended purpose of these funds?

This request supports programming in the following counties and surrounding communities: Broward, Palm Beach, Orange, Pinellas, and Duval counties. The four components of this request: 1) The Regional Financial Empowerment Centers (FEC) address financial stability, homeownership, small business education, and employment and income supports. 2) Regional Entrepreneurship Centers (ECs) provide opportunities for small business owners and entrepreneurs to gain access to market prospects, technical support, and capital to improve and grow their businesses. 3) Statewide Small Business Loan Fund - Administered by ULBC, Loan Fund provides lending throughout the state to small businesses, in particular minority-owned, who have difficulty accessing capital from traditional sources. 4) Community Engagement provides platforms to engage residents, ULBC staff, businesses, and community organizations on vital community issues that affect the state, in particular economic and community development.

c. What are the direct services to be provided to citizens by the appropriations project?

1) Financial Empowerment Centers provide individual/family coaching and group workshops; 2) Entrepreneurship Centers provide marketing, outreach events, and individual business assessment, technical assistance, and group trainings; 3) Statewide Small Business Loan Fund provides outreach and origination to underwriting, disbursement, and collection of loans; 4) Community Engagement outreaches to key stakeholders and attends community events that addressing economic and community development.

d. Who is the target population served by this project? How many individuals are expected to be served?

The majority of the funds will serve minority economically disadvantaged persons and jobless persons seeking financial stability and asset building through homeownership, employment, and small business development. If fully funded, this program expects to serve over 3,000 residents across the state, including the following counties: Broward, Palm Beach, Orange, Pinellas, and Duval Counties and their surrounding areas.

e. What is the expected benefit or outcome of this project? What is the methodology by which this outcome will be measured?

1. Increase in number of new and/or expanded businesses; increase in revenues of existing businesses - Incorporation documents; documented revenue/financial statements 2. New jobs created through start-up or expanded businesses - number of new jobs and wage level, as reported by business owners 3. Increase in assets through home purchase; increase in family income through new or additional employment; increase in individual credit scores - Number of homes purchased and total value; number of individuals who obtain new employment and their related wage - self reported/pay stub; changes in credit score as documented by credit reporting agencies.

f. What are the suggested penalties that the contracting agency may consider in addition to its standard



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penalties for failing to meet deliverables or performance measures provided for in the contract?

The current penalties for failing to meet deliverables or performance measures are adequate.

12. The owner(s) of the facility to receive, directly or indirectly, any fixed capital outlay funding. Include the relationship between the owner(s) of the facility and the entity.

n/a

13. Requestor Contact Information:

- a. **Name:** Germaine Smith-Baugh
- b. **Organization:** Urban League of Broward County
- c. **E-mail Address:** gsbaugh@ulbcfl.org
- d. **Phone Number:** (954)584-0777

14. Recipient Contact Information:

- a. **Organization:** Florida Consortium of Urban Leagues/Urban League of Broward County
- b. **County:** Broward
- c. **Organization Type:**
 - For Profit
 - Non Profit 501(c) (3)
 - Non Profit 501(c) (4)
 - Local Entity
 - University or College
 - Other (Please specify)
- d. **Contact Name:** Germaine Smith-Baugh
- e. **E-mail Address:** gsbaugh@ulbcfl.org
- f. **Phone Number:** (954)584-0777

15. Lobbyist Contact Information

- a. **Name:** Yolanda Cash Jackson
- b. **Firm Name:** Becker & Poliakoff
- c. **E-mail Address:** yjackson@beckerlawyers.com
- d. **Phone Number:** (954)985-4132