



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: February 8, 2013
Subject: Grant Requests

Enclosed please find four (4) items that the Joint Fiscal Office has received from the administration, including the establishment of three (3) limited service positions.

JFO #2607 – \$994,716 grant from the U.S. Centers for Disease Control and Prevention to the Vermont Department of Health (VDH). These funds will be used build resilience against the effects of climate change through the formation of a stakeholder's group, the forecasting of climate impacts, and identifying opportunities to work with other programs that address climate sensitive disease or risk factors. **Two (2) limited service positions** are associated with this request.

[JFO received 02/06/13]

JFO #2608 – \$86,678 grant from the U.S. Environmental Protection Agency to the Vermont Agency of Agriculture, Food and Markets. These funds will be used assist Vermont farm operators in reducing agricultural pollution, particularly water pollution, by providing farm operators with education and technical assistance.

[JFO received 02/06/13]

JFO #2609 – Request to establish **one (1) limited service** position in the Vermont Green Mountain Care Board. This position will be responsible for supporting enhanced reviews of health insurance rate filings. Funding for this position was approved in JFO #2463.

[JFO received 02/06/13]

JFO #2610 – \$62,089 grant from the U.S. Department of Agriculture to the Vermont Department of Economic, Housing and Community Development (DEHCD). These funds will be used to provide technical assistance to small businesses in 2009 designated disaster counties. This funding is being transferred to DEHCD due to the U.S. Department of Agriculture closing a similar grant with Community Capital of Vermont.

[JFO received 02/06/13]

Please review the enclosed materials and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for legislative review. Unless we hear from you to the contrary by February 22 we will assume that you agree to consider as final the Governor's acceptance of these requests.



State of Vermont
 Department of Finance & Management
 109 State Street, Pavilion Building
 Montpelier, VT 05620-0401

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Agency of Administration

SFO 2610

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

Grant Summary:		This grant provides funds for technical assistance for eligible small businesses. The remainder of this grant is being transferred by the federal government from Community Capital of Vermont to ACCD. It is specifically for providing technical assistance to small businesses in 2009 designated disaster counties.			
Date:		1/21/2013			
Department:		Agency of Commerce and Community Development, Department of Economic, Housing and Community Development			
Legal Title of Grant:		Rural Business Enterprise Grant			
Federal Catalog #:		10.769			
Grant/Donor Name and Address:		USDA Rural Development, 89 Main Street, Montpelier, VT 05601			
Grant Period:		From:	To:		
		1/1/2013	12/31/2013		
Grant/Donation		\$62,089			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$11,859	\$50,230	\$	\$62,089	
Position Information:		# Positions	Explanation/Comments		
		0			
Additional Comments:					
Department of Finance & Management				<i>[Signature]</i>	(Initial)
Secretary of Administration				<i>[Signature]</i>	(Initial)
Sent To Joint Fiscal Office				1/29/13	Date

RECEIVED
 FEB 06 2013
 JOINT FISCAL OFFICE



STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
1. Agency:	Commerce & Community Development			
2. Department:	Economic, Housing and Community Development			
3. Program:	Business Support			
4. Legal Title of Grant:	Rural Business Enterprise Grant			
5. Federal Catalog #:	10.769			
6. Grant/Donor Name and Address:	USDA Rural Development 89 Main Street, Montpelier VT 05601			
7. Grant Period:	From:	1/1/2013	To:	12/31/2013
8. Purpose of Grant:	Technical Assistance for Businesses			
9. Impact on existing program if grant is not Accepted:				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 13	FY 14	FY	
Personal Services	\$2,794	\$2,794	\$	
Operating Expenses	\$	\$	\$	
Grants	\$22,651	\$95,940	\$	
Total	\$25,445	\$98,734	\$	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$2,794	\$2,794	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$11,859	\$50,230	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant (source Business)	\$10,792	\$45,710	\$	
Total	\$25,445	\$98,734	\$	
Appropriation No:	7110010420	Amount:	\$62,089	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	
		Total	\$	

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

PERSONAL SERVICE INFORMATION

11. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: _____ Agreed by: _____ (initial)

12. Limited Service Position Information:	# Positions	Title
Total Positions		

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <i>Robert M. Polan</i>	Date: <i>10/21/12</i>
	Title: <i>Deputy Secretary</i>	
	Signature: _____	Date: _____
	Title: _____	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/>	Approved:	(Secretary or designee signature) <i>Clara Deputy</i>	Date: <i>1/28/13</i>
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15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/>	Check One Box: Accepted	(Governor's signature) <i>[Signature]</i>	Date: <i>1/29/13</i>
<input type="checkbox"/>	Rejected		Date:

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

- | | |
|---|--|
| <input checked="" type="checkbox"/> Request Memo
<input type="checkbox"/> Dept. project approval (if applicable)
<input checked="" type="checkbox"/> Notice of Award
<input checked="" type="checkbox"/> Grant Agreement
<input checked="" type="checkbox"/> Grant Budget | <input type="checkbox"/> Notice of Donation (if any)
<input type="checkbox"/> Grant (Project) Timeline (if applicable)
<input type="checkbox"/> Request for Extension (if applicable)
<input type="checkbox"/> Form AA-1PN attached (if applicable) |
|---|--|

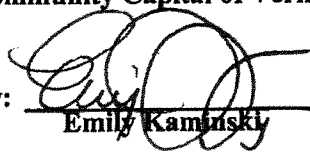
End Form AA-1

(*) The term "grant" refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).

WORK COPY

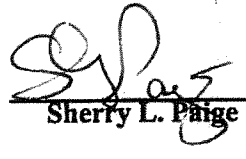
This Scope of Work is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Scope of Work without prior written approval by the grantor.

Community Capital of Vermont (CCV) (GRANTEE)

By: , Director July 15, 2009
Emily Kaminski (Title) (Date)

This Scope of Work is hereby approved by USDA - Rural Development.

USDA - RURAL DEVELOPMENT

By: , Business Programs Specialist July 15, 2009
Sherry L. Paige (Title) (Date)

Scope of Work

Rural Business Enterprise Grant Application Community Capital of Vermont, Inc.

Community Capital of Vermont is applying for a Rural Business Enterprise Grant (RBEG) from Rural Development (hereafter referred to as "grantor"), an Agency of the USDA. The following Scope of work will be used to measure the performance of Community Capital of Vermont (hereafter referred to as "grantee").

1) The specific purposes for which grant funds will be utilized:

The name of the project is: The Management Assistance Program or MAP. Funds will be used to assist small and emerging businesses within Addison County (#1778, #1790), Franklin County (#1778), Caledonia County (#1784, #1790), Grand Isle County (#1784), Lamoille County (#1784, #1790), Orange County (#1790), Washington County (#1790), and Essex County (#1790).

Purpose: MAP will stabilize and strengthen micro and small businesses in Vermont through the provision of time-limited, customized, and targeted one-on-one or group-based consulting for start-up and existing Vermont-owned micro and small businesses. Consulting will focus on industry-specific needs, business competency enhancement, and other targeted consulting to groups of businesses to work cooperatively in addressing shared issues such as market access, distribution, and purchasing.

Goals:

- 75% of program participants (or 54 businesses) will attribute the creation of at least one job or the retention of at least one job to their participation in the MAP initiative as measured annually by Community Capital using qualitative and quantitative tools. At least 54 jobs will be created for a per job cost of \$2,725 (number of jobs created compared to total project cost).
- 100% of program participants (or 73 businesses) will report an increase in self-esteem and confidence, feeling more motivated and encouraged, and experience an improved personal outlook as measured annually by Community Capital using qualitative and quantitative tools.
- 75% of program participants (or 54 businesses) will experience an increase in their business revenue, net cash flow, household income, business net worth and/or net profits as measured annually by Community Capital using qualitative and quantitative tools.

Objectives:

- Provide 48 micro and small businesses in the designated service area with up to 30 hours of individualized and targeted technical assistance.
- Provide an additional 25 micro and small businesses in the eligible areas with up to 60 hours of group-based consulting.

MAP is a two-year project that represents an augmentation and expansion of Community Capital's existing technical assistance program which currently provides a limited amount of specialized assistance solely to its loan borrowers. Community Capital will

use MAP to expand the scope of its current technical assistance program in order to meet increasing demand amongst micro and small businesses specialized and industry-specific assistance particularly as it relates to growing their business to the next level and helping them respond to the new challenges of the economy.

MAP will be available to Community Capital borrowers, non-borrowers, as well as groups of businesses as mentioned below through quarterly competitive rounds. When the two-year grant is concluded, Community Capital will be able to assess whether economic conditions and business demand warrant a continuation of MAP.

Technical assistance consulting contracts for individual businesses and groups of businesses will be limited to a 6-month period unless extenuating circumstances require longer contracts (although the maximum contract will be 1 year) and focus on providing demand-driven consulting in the industry or competency area most needed by the recipient business or group of businesses.

The following are some sample areas in which consulting is expected to be provided:

Sample Business Competencies

- Adapting To The New Economy
- Product or Service Improvement
- Market Analysis and Feasibility
- Market Strategy Development and Implementation
- Inventory Management and Budgeting
- Integrating Purchase of Sales (POS) and other Systems for Efficiency
- Financial Management and Bookkeeping (including Quickbooks training and limited assistance in setting up books and other accounting and tracking systems)
- Creating a Consumer-Supported Enterprise (CSE)
- Bidding and Securing Contracts
- Planning for Follow-On Financing

Sample Industry Areas

- Restaurant or Food-Producer Kitchen Design
- Retail Floor Plan Design
- Manufacturing Systems for Small-Scale Manufacturers
- Recipe Development and Food Safety for Small Food Enterprises
- Village and General Store Sustainability

Sample Other Assistance

Consulting may also be provided to a discrete group of businesses to help them work cooperatively to solve shared problems related to market access, profitability, and distribution. Some examples might include:

- Establishing Cooperative Purchasing Arrangements
- Enhancing Market Access (e.g. Co-Marketing, Cooperative Distribution, etc)
- Creating a Business-to-Business Lending Program

Each business that receives one-on-one technical assistance is eligible to apply for and receive up to \$2,500 in grant funds for one-on-one consulting during the two-year grant period provided that they contribute \$878 towards the project (or 26% of the total cost of the project). The maximum total project cost is \$3,378. While this is the maximum,

Community Capital expects that the average consulting cost per borrower will be \$1,750 with an average total project cost of \$2,365.

Consulting provided to a group of businesses is capped at \$5,000 per group for a total project cost of no more than \$6,756. As with the individual consulting arrangements, the group must pay for at least 26% of the total project cost. The average consulting cost per group is expected to be \$3,000 with an average total project cost of \$4,054. Businesses receiving one-on-one consulting are not barred from also participating in group-based consulting.

Demand for Services

Over the two-year grant period, Community Capital expects to serve 48 businesses with one-on-one assistance and another 25 businesses through group consulting for a total of 73 businesses served.

Demand for the kinds of consulting services outlined in this proposal is documented by the increase in use of Community Capital's post-loan technical assistance services to borrowers in every county of the State over the last year. Note that Community Capital only served three counties of the State in 2005 and 2006. Services were expanded statewide in 2007 and resulted in higher usage.

Community Capital has seen an increase in the number of businesses contacting us for a loan *because* of our grant funding for technical assistance.

TRENDS IN TA USAGE AMONG BORROWERS	2005	2006	2007	2008
# of Participants	6	8	19	19
% increase		33%	138%	0%
# of TA Hours	99	56	91	298
% increase		-44%	62%	228%
\$ of TA Hours	\$5,259.00	\$3,500.00	\$3,833.00	\$16,767.00
\$ of Success Grants*	\$ 250.00	\$1,458.63	\$1,907.89	\$ 3,757.00
Total Value	\$5,509.00	\$4,958.63	\$5,740.89	\$20,524.00
% increase		-10%	16%	258%

*Note: Success Grants are \$500 grants that borrowers receive in addition to \$1,000 worth of free specialized one-on-one consulting. Success grants will not be included in the MAP initiative.

Job Creation and Retention

Community Capital has historical data connecting its financing to jobs created/retained but does not have separate data connecting just technical assistance to jobs created/retained since every technical assistance project has also received financing. The average number of jobs created by a Community Capital borrower is 2.3. We expect that

Implementation Plan	Year one					Year two					GRAND TOTAL
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TOTAL	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TOTAL	
Start-up Activities											
Create Application Materials	x										
Update Website	x										
Change Policies	x										
Market Development											
Press Releases	x	x							x		
Program Delivery											
Borrowers - 1on1		4	4	4	12	3	3	3	3	12	24
NonBorrowers - 1on1		3	3	3	9	3	4	4	4	15	24
Business Groups (5 bus/grp)			1	1	2	1	1	1	0	3	5
TOTAL Businesses		7	12	12	31	11	12	12	7	42	73
Program Evaluation											
Annual Evaluation							x				
Final Report										x	
Grant Reporting											
Quarterly Reports		x	x	x	x		x	x	x	x	
Final Report										x	

3) **How the grant purposes will be accomplished.**

The program will be administered by Community Capital of Vermont, a registered nonprofit corporation in the State of Vermont.

The Director of Community Capital of Vermont shall be responsible for administrative requirements of the Program. The Director may delegate these responsibilities to other persons including the Loan Officer and the Loan Administrator both of whom are knowledgeable with Community Capital's current technical assistance program. The Director will be responsible for completing reports.

Participants in the program will apply using a request form (which is separate from Community Capital's loan application process). The request form will require a cover letter outlining the use of funds, two years of financial statements if available, and quarterly projections for two years. Applications will be reviewed by a committee of staff and/or external volunteer advisors (such as board members) on a quarterly basis. Applications for assistance will be approved based on the following criteria:

- Statement of use of funds outlines a discrete project or activity that requires a consultant's assistance. Activities that are regular business operations (e.g. ongoing bookkeeping, making sales calls, etc) are not eligible.
- Applicant clearly explains how the funding will enable the business to grow and should reference the measurements of success included here such as increased revenue, cash flow, net worth, job creation, etc.
- Applicant must demonstrate that they are financially unable to or would have difficulty otherwise contracting with a consultant.

Once an applicant is approved for assistance, a document outlining the terms and uses of the funds will be drawn up and signed by both the participant (or the businesses in the group) and Community Capital.

Community Capital will then work with the business or group of businesses to identify one or more consultants that meet their need. The consultant and participants will draw up a scope of work which must be submitted to and approved by Community Capital.

Consultants will be contracted to perform discrete scopes of work with clients. Scopes of work will be attached to contracts that are executed between the consultant and Community Capital on behalf of the participating business. The consultant will report to Community Capital on a monthly basis and submit monthly invoices for payment.

Consultants who have not been vetted by Community Capital previously must have at least two years of experience providing consulting to businesses, undergo an interview with a Community Capital staff person, and provide three references.

Participants or groups must either pay their portion of the project in advance or they can pay Community Capital installments in return for a nominal processing fee.

4) Documentation regarding the availability and amount of other funds to be used in conjunction with the grant funds.

Community Capital of Vermont will contribute \$13,378 towards MAP to cover the cost of administering the project which is roughly 10% of the technical assistance cost. The source of funds to cover administration comes from Community Capital's Vermont Job Start Loan Fund and Vermont Community Development Program operating dollars which are generated through interest earned on loans paid and are part of Community Capital's retained earnings. Verification of these funds is provided in the form of a bank statement attached to this application.

The total cost of the project to USDA is \$99,000. The match provided by recipient businesses will be \$34,784 or 26% of the total project cost. The total project cost is \$133,784. A total of 73 businesses are expected to participate in the program: 48 businesses receiving individual on-on-one assistance is 48 and an additional 25 participating in group-based consulting to solve shared problems. The total cost per borrower is \$1,356.16.

The total project cost combined with Community Capital's match of \$13,378 for administration totals \$147,162.

5) Method for evaluating the effectiveness of services to be delivered.

On an annual basis, Community Capital staff will utilize the following evaluation techniques to monitor and evaluate program effectiveness against goals:

- Quarterly collection and analysis of participant financial statements
- Annual interviews with participants to collect both quantitative data about job creation and qualitative data outlined in the project goals above.

An annual and final report including the results of the evaluations will be submitted to USDA.

6) Indicate how the project is consistent with local planning for the area.

The following excerpts from Regional Economic Development Plans show that this project is consistent with local planning for economic development in the eight counties identified for this project: Addison, Franklin, Caledonia, Essex, Grand Isle, Lamoille, Orange, and Washington

Addison County Economic Development's Comprehensive Economic Development Strategy (CEDS) recognizes on page 10 that the "greatest short term opportunities will continue to be with those companies who have already located in the region. Additionally, the emerging sectors provide significant opportunity to in-fill in our downtowns and village centers, a consistent priority from all sector groups."

Both Essex and Caledonia counties' fall under the Northeastern Vermont Development Association's Regional Plan for the Northeast Kingdom. This plan includes the following strategies which are supportive of Community Capital's MAP initiative (page 11):

- Provide technical assistance for new and expanding businesses, and recruit new businesses
- When possible, provide grant and technical assistance and project management to towns, organizations, and businesses throughout the Northeast Kingdom.
- Encourage and identify new startups with business strategies and tools
- Support microenterprise programs for new business identification.

The Lamoille County Planning Commission's Regional Plan identifies on page 16 that "there is an identified need to continue to support business incubation" and that the following policy should be undertaken: "Efforts that coordinate the development of business incubation in the region to support entrepreneurial activity and new business development, in cooperation with strategic partners, focusing on key regional industries are encouraged."

The Two Rivers-Ottawaquechee Regional Commission's CEDS Plan covers Orange County. Goal Six on page 59 supports activities that encourage business diversity. In particular, the following objectives are listed that support Community Capital's MAP initiative:

- Help businesses exploit export opportunities
- Facilitate expansion of existing businesses through the RDCs
- Concentrate resources on entrepreneurship in emerging industries
- Support business and industry that increases regional income, enhances regional income multiplication and improves the comparative advantage of the region's export products.

Grand Isle County's Regional Strategic Economic Development Plan acknowledges the importance of small businesses to its economy. One of its strategies is to "Implement a targeted business development program focused on small- and micro-business development in the key economic sectors of the county economy." Page 18 of the Plan outlines goals and action steps: "Small business development and recruitment are both important components of a successful economic development strategy for Grand Isle County. Ideally, this approach would include a mix of short-term and long-term

initiatives as well as incorporating both job retention and business expansion components. The major sectors identified by the group as key to the local economy are tourism, production agriculture, home based businesses and light manufacturing in the Alburg Business Park. Goals include:

- Work aggressively to support the existing regional job base through local, regional, and state institutions.
- Provide technical assistance services.
- Develop and implement a recruitment program that builds on the current assets of the county.
- Understand the needs and resources to businesses as they pertain to regulatory issues.”

The Franklin County Industrial Development Corporation’s strategic plan for economic development as referenced in the North West Regional Plan* references the goal of “Retain a vibrant base of quality jobs: Design and implement an aggressive and targeted retention program focused on regional economic driver sectors and existing significant Franklin County employers” (Page 2.16 and 2.17).

*(http://www.nrpcvt.com/nrpcvt/regional_plan_files/Regional%20Plan%202007.pdf)

Washington County is covered by the Central Vermont Regional Planning Commission. The CVRPC plan recognizes that “small, new businesses are the backbone of economic development and job creation. In Washington County, enterprises with less than 20 employees comprise 90% of total private businesses while providing for 38% of total private employment. (National figures are 87% and 26%, respectively.) Even though initial employment gains may be small, start-up businesses have immediate impacts on the local economy. Small companies tend to hire locally, buy locally and put more money into the local economy than they take out. Business development is influenced by a number of factors, as is the ability of the Central Vermont Region to nurture, attract, and retain the businesses that are crucial to the economy. The Central Vermont Regional Plan attempts to capitalize on the Region's positive factors, and also identify problems along with potential solutions.” The MAP Initiative supports the creation and expansion of small companies. The CVRPC plan goes on to include goals that focus on small business development. Page 10 references maintaining and strengthening the Region’s city, village, and growth centers through small business development.

7) What will be the final results of the grant assistance? Who will benefit and how? Be specific.

Business owners, the business itself, the employees, and the business owners’ household are expected to benefit financially from accessing the consulting services offered by Community Capital’s MAP initiative.

The following goals outline the expected results of the grant assistance.

- 75% of program participants (or 54 businesses) will attribute the creation of at least one job or the retention of at least one job to their participation in the program as measured by qualitative and quantitative evaluations. At least 54 jobs will be created for a per job cost of \$2,725 (number of jobs created compared to total project cost).
- 100% of program participants (or 73 businesses) will report an increase in self-esteem and confidence, feeling more motivated and encouraged, and experience

- an improved personal outlook as measured by qualitative evaluations.
- 75% of program participants (or 54 businesses) will experience an increase in their business revenue, net cash flow, household income, business net worth and/or net profits as measured by quantitative evaluations.

The objectives of the program include:

- Provide 48 micro and small businesses in the eligible areas with up to 30 hours of individualized and targeted technical assistance.
- Provide an additional 25 micro and small businesses in the eligible areas with up to 60 hours in group-based consulting.

8) What methods were used in determining the feasibility of the project and how will the goals be measured. What activities will determine acceptable outcomes for a successful project?

The feasibility of the project was determined based on an increased demand amongst Community Capital borrowers for specialized, one-on-one assistance to help them negotiate the new economic realities they are facing in the marketplace. See the table showing an increase in demand for services earlier in this application.

Goals will be measured with the following indicators:

- # of jobs created or saved that can be attributed to participation in the program.
- Cost per job created as compared to the total project cost.
- # of participants reporting an increase in self-esteem and confidence, feeling more motivated and encouraged, and experience an improved personal outlook as measured by qualitative evaluations.
- # of participants experiencing an increase in their business revenue, net cash flow, household income, business net worth and/or net profits as measured by quantitative evaluations.

9) Applicant's experience in providing technical assistance.

Since 2001, Community Capital of Vermont has administered a unique and nationally-recognized technical assistance program for its business loan borrowers.

Community Capital has eight years of experience contracting with outside consultants to deliver specific services to its borrowers. As such, Community Capital has in place the underlying policy framework necessary for launching the MAP initiative as well as the internal procedures and know-how to connect clients with consultants, contract with consultants, process invoices, and evaluate the utility of the service to the borrower.

The University of Vermont's Center for Rural Studies recently completed a three-year evaluation of Community Capital's financing and post-loan assistance programs. The following are some excerpts from that report that demonstrate Community Capital's capacity to deliver a technical assistance program:

The post loan TA offered through CCV was extremely beneficial in educating clients on smart business practices, budgeting, marketing strategies, and even basic computer skills needed. Some owners found that they had business

management experience but needed help managing their business finances. Another received TA to help her open a storefront location.

The data show that clients are very satisfied with CCV services received, including having received access to funding and using services such as a private consultant and tuition reimbursement. Many indicated that they found CCV's non-financial services useful in their business development. In addition, most clients surveyed spoke favorably of CCV staff, saying that they are positive, affirming, and knowledgeable.

- 10) **Who will be carrying out the purpose for which the grant is made (key personnel should be identified).**

The project will be administered by Emily Kaminsky (Director). Kaminsky has worked for Community Capital since 2000, first as a loan officer and then as Director. She started Community Capital's post-loan technical assistance program, the model upon which the MAP initiative is based, in 2001 as part of her Master's Thesis for Community Economic Development at Southern New Hampshire University. She has a Masters in Science in Community Economic Development and was chosen as the Small Business Administration's Financial Advocate of the Year in 1995 for Vermont and Region I.

The actual technical assistance will be delivered by a pool of consultants assembled by Community Capital to meet the demands of its clients. The following is a list of consultants that Community Capital may use:

- William Farr, inventory management and retail consultant
- Barry Goodman, RMSA, inventory management and retail consultant.
- Brian Norder, Vermont Food Venture Center, specialty foods and kitchen design consultant
- Brian Degen, Fieldstone Consulting, operations, technology planning, and implementation consultant
- Richard Munkelwicz, Chittenden Ventures, marketing and capitalization consultant
- Will Keyser, Work Savvy, marketing and capitalization consultant

This list is just a fraction of the consultants that Community Capital has used for its borrowers. The entire list is constantly developing as new borrowers demand new skills and assistance. Community Capital will seek to increase its consultant list as participant projects require.

- 11) **Please explain how this project does not duplicate existing technical assistance programs of your organization or other organizations**

The MAP initiative does not duplicate any existing programs available to businesses around the State. And, it does not duplicate Community Capital's post-loan technical assistance program.

Augments Existing Free Services

There is currently no grant funding for technical assistance that provides individualized, one-on-one, specialized consulting to microbusinesses. There is also no grant funding for technical assistance to support the cooperative efforts of businesses. Assistance provided through the Small Business Development

Center, the Women's Business Center, the Women's Small Business Program, and the Micro Business Development Program is primarily generalist in nature and specific to how to develop a business plan and obtain financing. The MAP initiative is for businesses that need assistance that is specialized and helps them implement discrete portions of their business plan.

Expands the Scope of Community Capital's Post-Loan Technical Assistance Program

Community Capital's current post-loan technical assistance program therefore only provides its borrowers with up to 10 hours of private consulting plus \$500 in tuition reimbursement for the borrower to attend a workshop, become a member of a trade association, or cover expenses to a trade show. Most borrowers are using their consulting funds to set up their financial management system (including their books) and to provide some basic marketing assistance. However, these funds are often used in the first 6 months of the business's loan relationship with Community Capital and leave them without access to intensive and specialized assistance later on in their business's lifecycle.

Fills in the Gaps Left Behind By Other Projects

Other organizations do provide specialized technical assistance to businesses, like Vermont Community Loan Fund or the Vermont Center for Emerging Technology. However, their focus is on existing businesses that generally have access to other resources and might be larger in size with five or more employees and the potential to grow into businesses with sales over \$1 million annually.

These organizations are not providing specialized assistance to the smaller, emerging business that has 1 or 2 employees and may only grow to five to ten employees with no more than \$1 million in sales annually.

The MAP initiative is therefore meant to provide specialized consulting to businesses that would not otherwise have access to it due to their size or where they are in their business lifecycle.

- 12) **Proposed project budget narrative with a detailed breakdown in each category and an explanation of the method used to estimate the amount in the categories.**

BUDGET	Yr 1	Yr 2	USDA	Recipient Match	Community Capital	TOTAL
Program Costs						
- 1-on-1 consulting	\$ 56,757	\$ 56,757	\$ 84,000	\$ 29,514	\$ -	\$113,514
- group consulting	\$ 8,108	\$ 12,162	\$ 15,000	\$ 5,270	\$ -	\$ 20,270
TOTAL	\$ 64,865	\$ 68,919	\$ 99,000	\$ 34,784	\$ -	\$133,784
Administration						
- Match from	\$ 6,689	\$ 6,689	\$ -	\$ -	\$ 13,378	\$ 13,378

Community Capital's Retained Earnings						
TOTAL	\$ 6,689	\$ 6,689	\$ -	\$ -	\$ 13,378	\$ 13,378
TOTAL PROJECT	\$ 71,554	\$ 75,608	\$ 99,000	\$ 34,784	\$ 13,378	\$147,162

Budget Narrative

- 1-on-1 consulting: Each year 24 participants utilize individualized technical assistance worth on average \$2,365 per participant, of which \$615 is paid for by the participant and \$1,750 is paid for by the grant.
- Group Consulting: In Year 1, 2 groups of 5 participants each or 10 participants access group-based consulting worth an average of \$4,054 per group of which \$1,054 is paid for by the group's participants and \$3,000 is paid for by the grant.

Administration:

- Community Capital budgeted 10% of the cost of the project from its own resources to pay for the administration of the MAP initiative.
- 13) **Written commitment from benefiting business that business development will occur as a result of Technical Assistance grant.**

Attached are scopes of work from the following five businesses as a small sample of the businesses that will be benefiting from the MAP initiative.

Business Name	Services Requested	# of Jobs Created/Saved
Pilates Space	Market Development	5.25 full-time equivalents
Vermont Green Grocer	Inventory Management & Marketing	2 full-time equivalents
Holistica Skin Care	Market Development	1 full-time equivalent
Crucial Communications, LLC	Market Development	1 full-time equivalent
Healing Earth Vermont Herbals	Financial Management, Market Development	1 full-time equivalent
TOTAL		10.25 full-time equivalents

These documents that at the most the grant will cost no more than \$10,000 per job created or saved.

- 14) **Provide evidence or statement that the benefiting business(es) meets the definition of "small and emerging business."**

Community Capital will provide consulting services to only those private businesses that employ 50 or fewer new employees, has less than \$1 million in annual projected gross revenues and is at least 51% owned by U.S. Citizens or resident aliens.

15) **Additional information to justify the need for technical assistance:**

Community Capital provides services in all of the eligible counties for disaster assistance which include: Addison, Franklin, Caledonia, Grand Isle, Lamoille, Orange, Washington, and Windsor. Economic statistics are as follows:

Population. The area of Vermont to be served by this project accounts for 47% of the state's population. Two-thirds of the population in the targeted counties (66%) lives in communities of less than 5,000 inhabitants while the remaining third lives in communities with populations between 5,000 and 15,000. All of the towns in Grand Isle and Orange counties have populations of fewer than 5,000.

	2000 Population	% of State Population	Percent of Population living in towns with a total population of...		
			Under 5,000	Between 5,000 and 15,000	Between 15,000 and 25,000
VERMONT	40,856	100			
Addison	43,142	6%	77%	23%	0%
Caledonia	34,800	5%	56%	44%	0%
Franklin	41,659	7%	58%	42%	0%
Grand Isle	43,033	1%	100%	0%	0%
Lamoille	39,356	4%	78%	22%	0%
Orange	39,855	5%	100%	0%	0%
Washington	40,972	10%	47%	53%	0%
Windsor	40,688	9%	66%	34%	0%
Target Area	284,910	47%	66%	34%	0%

Source: 2000 US Census of Population and Housing, Summary File 3.

Unemployment. Four of the eight targeted counties have unemployment rates that exceed the Vermont rate of 6.0% (December 2008) with Grand Isle exceeding the state rate by 38.3% and Lamoille and Caledonia exceeding the state rate by 20%. Twenty-three percent of the targeted area's population of 284,190 lives in communities where unemployment rates exceed the state rate of 6.0% by 25 percent or more. An additional 20% of the population lives in communities where the unemployment rate exceeds the state rate by less than 25%

	December 2008 Unemployment	% of State Rate	Percent of Population living in towns with Unemployment rates	
			Exceeding State Rate by 25%	Exceeding state rate by less than 25%
VERMONT	6.0	100.0%		
Addison	6.0	100.0%	14%	30%
Caledonia	7.2	120.0%	28%	11%
Franklin	6.4	106.7%	30%	33%
Grand Isle	8.3	138.3%	36%	12%
Lamoille	7.2	120.0%	37%	41%
Orange	5.5	91.7%	21%	17%
Washington	5.7	95.0%	25%	9%
Windsor	4.5	75.0%	4%	22%
Target Area	6.0%	100%	23%	20%

Source: Vermont Department of Labor, Economic and Labor Market Information, February 2009.

Median Household Income. None of the communities in the targeted area report median household incomes that are below the poverty line. Twenty four percent of the population living in the targeted counties lives in communities where the median household income is above the poverty level but less than 85% of the state's median income of \$40,856. An additional 26% lives in communities where the local median household income is between 85% and 100% of the Vermont median household income.

	2000 Median Household Income	% of State Median Household Income	Percent of Population living in towns Median Household Incomes		
			Below Poverty Line	Above Poverty but Less Than 85% of State Median	Between 85% and 100% of State Median
VERMONT	40,856	100%	-	-	-
Addison	43,142	106%	0%	3%	45%
Caledonia	34,800	85%	0%	61%	27%
Franklin	41,659	102%	0%	13%	25%
Grand Isle	43,033	105%	0%	28%	7%
Lamoille	39,356	96%	0%	36%	27%
Orange	39,855	98%	0%	17%	42%
Washington	40,972	100%	0%	16%	22%
Windsor	40,688	100%	0%	30%	19%
Target Area	na	na	0%	24%	26%

Source: 2000 US Census of Population and Housing, Summary File 3.

16) Federal Integrity Act

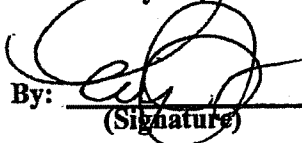
There are no known relationships or associations that Community Capital of Vermont, its employees or its Board Members with any USDA Rural Development employees.

17) Program Accessibility

Consulting services will be delivered on-site to the recipient business. Community Capital's office is located in Barre in a handicap-accessible building with an elevator. Community Capital utilizes Central Vermont Community Action Council's personnel manual which contains procedures for reasonable accommodations for people with disabilities.

This Scope of Work is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Scope of Work without prior written approval by the grantor.

Community Capital of Vermont, Inc. (GRANTEE)

By: , Director 2/6/09
 (Signature) (Title) (Date)

