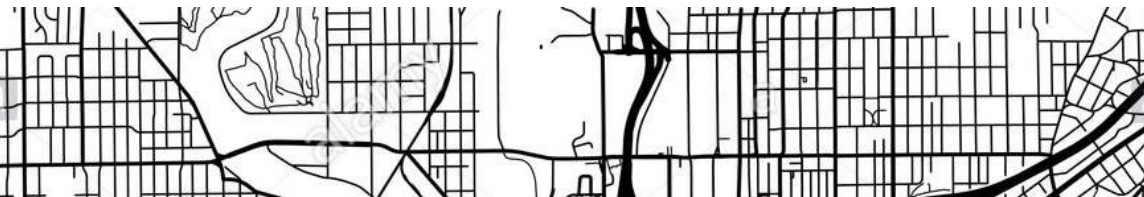


Indianapolis

Small Business

Ecosystem Assessment



Proposed Path Forward + Final Materials

November 2020



COMMONFUTURE.

next street

JPMORGAN CHASE & Co.

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- + Small business landscape research
- + Business capital and services landscape research
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Project Overview

With the support of the JPMorgan Chase & Co., Common Future and Next Street worked to co-develop insights with local stakeholders to catalyze the development and implementation of *impactful and inclusive strategies for supporting underserved small businesses owned by people of color in Indianapolis, with a focus on recovery from COVID-19 and recent civil unrest*

Our objectives for this work are:

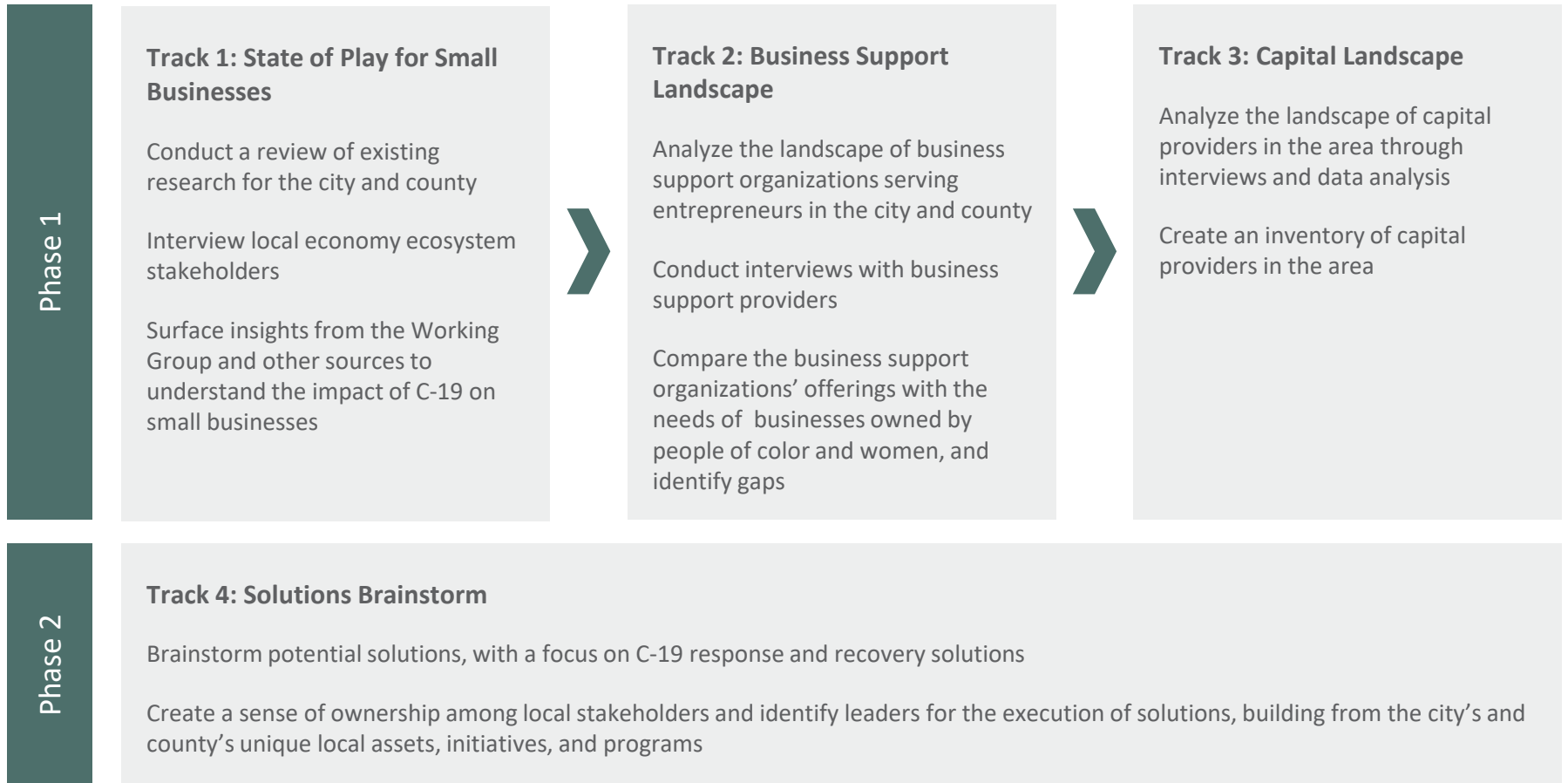
- 1 Understand the economic and social context in Indianapolis, the **business and capital needs** for businesses owned by women and people of color, and the **gaps in the small business support system existent before and during the COVID-19 crisis**
- 2 **Provide a forum** through which local stakeholders can **share resources and establish coordinated responses to the COVID-19 crisis and the impact of recent civil unrest**
- 3 Co-create strategies with local stakeholders to **address the historical inequities being deepened by the COVID-19 crisis**, including programs that could be developed or amplified such that the ecosystem produces **equitable outcomes** and opportunities for collaboration, grantmaking, and investment
- 4 Catalyze the implementation of the strategies identified by **fostering a network of people and organizations** on the ground prepared to take up the work

The primary goal of this work is to activate solutions to *narrow racial gaps in business ownership, revenue, and employment across all of Indianapolis within the next five years*, with the long-term goal of closing racial gaps



Our Project Approach

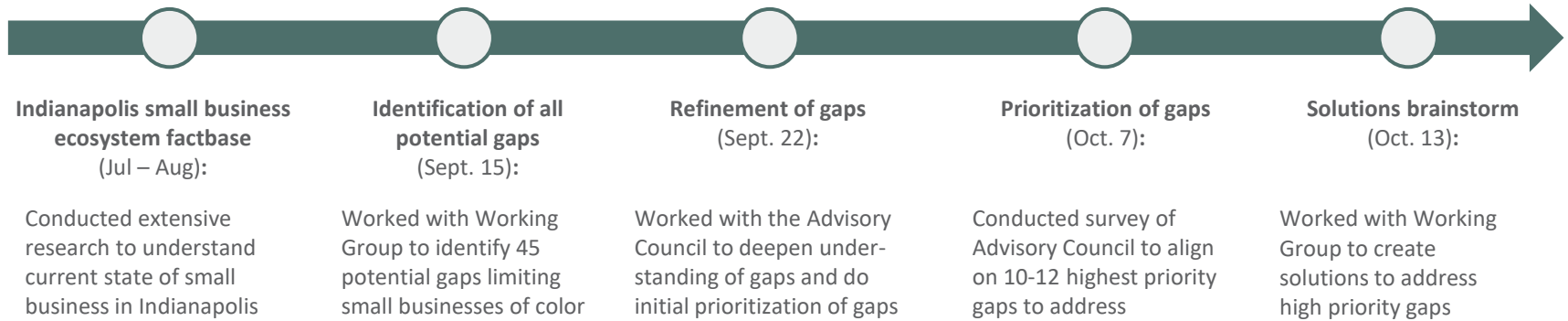
From July to October 2020, we engaged in four tracks of work, split into a research phase and a solutions brainstorming phase



Solutions Development Process

Following the research phase, we worked through an iterative and collaborative process to identify the highest priority needs in the Indianapolis small business ecosystem and create a robust set of solutions over the past several months

Where we have been...



...Where we are going



Key research parameters

To assess the local small business ecosystem, we set the following key parameters to focus our research on the elements that most impact underserved small business owners

Geography

Based on availability of quantitative data, focus on **Marion County**; we will supplement with additional insights based on the qualitative research through interviews and focus groups

Demographic Breakdown

Double down on **business owners of color** (with a specific focus on Black and Latino(a) business owners and intersectional women business owners in both demographic groups)

Defining “Small Business”

Define small businesses as **businesses with <50 employees**; we will include micro-businesses, mom and pop businesses, sole proprietor / non-employee businesses, and business owners without business licenses in our analysis when possible

Industry Focus

Given availability of quantitative data, primarily focus on availability of **debt**; we will also produce insights around the availability of **equity**, where available



Project inputs

Our work built upon findings from previous studies and was informed by (and done in coordination with) existing working groups, partnerships, and programs

Key reports

Brookings Institution, Advancing Opportunity in Central Indiana (2015)

- Objective: To investigate and consider ways in which Central Indiana can advance economic opportunity by focusing regional strategies on creating good and promising jobs
- Output: Four key implications to grow good jobs, improve job quality, prepare people for good jobs and support working families

BBC, City of Indianapolis and Marion County Disparity Study (2019)

- Objective: To help ensure that minority-, woman-, veteran-, and disabled-owned businesses have an equal opportunity to participate in City contracts and procurements
- Output: Refinements of the city's MBE/WBE/VBE/DOBE Business Utilization Plan, including aspirational goals for participation in City contracting

Key initiatives

Opportunity Investment Consortium (ongoing, launched in 2018)

- Objective: To boost long-term capital investment in low-income communities to transform Opportunity Zone neighborhoods into vibrant places for residents and businesses
- Output: Greater coordination between public and private investors and community partners through the facilitation of an online pairing tool

Forward Cities Community Entrepreneurship Accelerator (ongoing, launched in 2018)

- Objective: To accelerate inclusive economic growth within Indianapolis through convening community partners to create and implement strategies that lower barriers to access in the entrepreneurial ecosystem
- Output (ongoing): One output from the accelerator was the creation of an innovative 0% interest revolving loan fund for entrepreneurs in the Northeast corridor, Near Northwest, and Near West neighborhoods.

Indianapolis Small Business Recovery Grant for Minority, Immigrant and Women-owned Businesses (2020)

- Objective: To provide grants to minority, immigrant and women-owned microbusinesses to sustain operations during COVID-19
- Output: \$5,000 grants to 50 minority, immigrant and women-owned microbusinesses through partnership with Forward Cities, Kheprw Institute, Indy Chamber Hispanic Business Council, Indy Black Chamber of Commerce, and the City of Indianapolis



Key Research Sources

For this assessment in Indianapolis, we interviewed local stakeholders and leveraged numerous secondary sources to inform our research and findings

Secondary research sources

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • BBC Research & Consulting • Brookings Institution • Federal Financial Institution Institutions Examination Council • Federal Reserve Small Business Credit Survey • Forward Cities • Indy Chamber of Commerce • LISC Indianapolis | <ul style="list-style-type: none"> • Opportunity Insights • PolicyLink • PwC MoneyTree & CB Insights • Recast City • Small Business Administration 504 and 7(a) lending • State of Indiana • U.S. Census American Community Survey (ACS) | <ul style="list-style-type: none"> • U.S. Census Bureau, County Business Patterns • U.S. Census Bureau, Nonemployer Statistics • U.S. Census Bureau, Survey of Business Owners and Self-Employed Persons • U.S. Census Annual Survey of Entrepreneurs • U.S. Department of Treasury CDFI Fund |
|---|---|--|

Local stakeholder interviews

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Senior Community Leadership Officer, Central Indiana Community Foundation • President, City County Council • Deputy Mayor of Community Development, City of Indianapolis • Principal Program Manager, City of Indianapolis, Department of Metropolitan Development • Director, City of Indianapolis, Office of International and Latino Affairs • Director, City of Indianapolis, Office of Minority Business Development | <ul style="list-style-type: none"> • Indianapolis Fellow, Forward Cities • Director, Hispanic Business Council • Interim Executive Director, Immigrant Welcome Center • Program Director, Immigrant Welcome Center • Director, Indiana Avenue Cultural District • Business Broker, Indiana Business Advisors • Executive Director, Indy Chamber Business Ownership Initiative • Program Officer, LISC Indianapolis | <ul style="list-style-type: none"> • Economic Development Director, Near East Area Renewal • Founders and President, New City Development • SVP, Community Development, PNC Bank • Director, Polyphonic Solutions • Business Owner, Tiny Urban Escapes • Senior Director of Social Innovation Fund , United Way of Central Indiana |
|--|--|--|

Local engagement

We engaged local stakeholders at three different levels, establishing relationships with project leads, a Working Group, and an Advisory Council

	Project Leads	Working Group	Advisory Council
Who	2 Individuals who possess both equitable economic development skills and knowledge of the local ecosystem conditions	9-12 members, supporters, funders, and policy makers with expertise in the needs of business owners of color and women and an understanding of and connections to the local small business ecosystem.	30-50 representatives of the local entrepreneurial ecosystem for business owners of color and women, with a particular focus on historically marginalized voices.
What	Primary points of connection between the project team and the communities. Work directly with the project team to support key elements of the research.	Resource, advisor, and connector throughout the engagement, data collection, and recommendation phases of the project.	Represent the needs and intelligence of the local community, shaping identification of the gaps and solutions for the local ecosystem and developing the relationships and common vision needed for solutions implementation.



Advisory Council Members

The Advisory Council consisted of 48 stakeholders, inclusive of small business owners, capital and service providers, anchor and philanthropic institutions, and city and county government agencies

Indianapolis Small Business Ecosystem Advisory Council

- **Adam Hoeksema, Bankable**
- Angela Blackwell, Central Indiana Small Development Council
- **Angela Smith Jones, Health and Hospital Corporation**
- Anne Hathaway, National Assoc. of Women Business Owners
- **Ava Taylor, City of Indianapolis, Office of Minority & Women Business Development**
- Camille Blunt, City of Indianapolis, Office of Minority & Women Business Development
- Carolyn Mosby, MidStates
- Chris Barney, Team Cruiser Supply LLC
- Courtney Zaugg, Plaka+Associates
- Debbie Oatts, Nubian Construction Group
- Debra Simmons Wilson, Engaging Solutions
- **Denise Herd, Herd Strategies**
- **Diane Schussel, Central Indiana Community Foundation**
- Dolly Serrant, Hispanic Business Council
- Drew Kincius, One Million Cups
- Emil Ekiyor, Innopower
- **Emily Scott, LISC**
- **Fahad Beg, City of Indianapolis, Office of Minority & Women Business Development**
- Gloria Crawford, Lake City Bank
- **Gloria Jimenez, Indiana Latino Expo**
- Guadalupe Pimentel Solano, Central Indiana Community Foundation
- **Ian Nicolini, Indianapolis Chamber of Commerce**
- **Imhotep Adisa, Kheprw Institute**
- Jadira Hoptry, First Merchants
- Julie Heath, The SpeakEasy
- **Kaliah Ligon, Forward Cities**
- **Kelli Jones, Black Hatch Fund**
- **Kendrea Williams, PitchFeast**
- Kristen Cooper, The StartUp Ladies
- **Larry Williams, Black Chamber of Commerce**
- Mackenzie Higgins, City of Indianapolis
- Maia Siprashvili, IDOA-Supplier Diversity (MBE/WBE/VBE)
- Mambu Sherman, JPMorgan Chase & Co.
- Marshawn Wolley, BlackOnyx Management
- Michael Kaufmann, Eskenazi Health
- Morgan Allen, ISBDC
- Nashara Mitchell, Studio B Creative Exchange / Butler University
- Natalia Rodriguez Hilt, LISC Indianapolis
- Pat Gamble Moore, PNC
- Polina Osherov, Pattern / Start up 317
- **Rhonda Bayless, Center for Wellness for Urban Women**
- Ronald Minnis, Minnis Consulting
- **Starla Hart, Independent Consultant**
- Steve Thrash, Source River West
- Tamara Cypress, BlackOnyx Management
- Terri Wada, Collabo Creative
- **Wendy Parker, Edna Martin Christian Center**

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- + Small business landscape research
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- + Ecosystem needs assessment and prioritization

Pillars for the Ecosystem

We propose the following pillars for the Indianapolis and Marion County small business ecosystem to focus on over the next five years to **lift up and catalyze small businesses owned by people of color**

Pillars of the Indianapolis Small Business Ecosystem



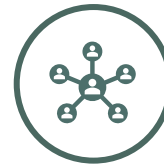
Continuum of Capital

Increase availability of flexible capital across the continuum by strengthening responsible capital providers and enhancing financial literacy



Recovery and Resilience

Build resilience among small businesses and the supporting ecosystem by promoting quality business services to recover from the COVID-19 pandemic and adapt to the “new normal”



Equitable Access in Networks

Expand access to networks of quality services and avenues to customers to business owners of color seeking growth opportunities and form peer-to-peer networks



Ecosystem Building

Establish and sustain coalitions and navigator platforms to connect business owners, service and capital providers, funders, and other stakeholders across the ecosystem



Indianapolis: Proposed Solutions



The following set of solutions are designed to improve access to capital, customers, and services and build a more cohesive ecosystem in Indianapolis, as informed and refined by the Working Group

Continuum of Capital	Resilience and Recovery	Equitable Access in Networks	Ecosystem Building
Form and sustain an evergreen “fund of funds” that encourages new fund formations led by people of color and/or with a dedicated focus on entrepreneurs of color	Form an ecosystem-wide COVID-19 resiliency and recovery initiative that fosters that coordinates emergency funding and services and builds capacity among BSOs during and beyond the pandemic	Create accelerator to provide tailored coaching and mentorship to help businesses owned by people of color develop a strategy, secure capital, and form connections with large customers	Form and sustain an ecosystem-wide coalition body to coordinate ecosystem initiatives, collective policy agendas, and track and report ecosystem-wide metrics, led by designated ecosystem champions
Establish new or enhance existing loan loss reserve funds and credit enhancement programs to expand lending through community financial institutions	Hire team of small business liaisons dedicated to proactively engage with small businesses, build trust, and connect them to the appropriate services	Create and sustain network of small businesses owned by people of color with shared advocacy agenda, coalition structure, and programs for entrepreneurs to engage and connect	Develop and sustain a searchable online resource navigator of all small business resources and services in the city and county
Pair credit-building capital products with one-on-one financial advising to help business owners of color access affordable, non-predatory capital	Create and fund a collective of professional services providers (e.g., tax preparation, accounting, legal, HR) to provide expert advice to business owners of color		



Solutions: Continuum of Capital

The following solutions are designed to improve access to capital in Indianapolis, with local context and funding required as informed by the Working Group:



Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
1 Form and sustain an evergreen “fund of funds” that encourages new fund formations led by people of color and/or with a dedicated focus on entrepreneurs of color	<ul style="list-style-type: none"> Prior to COVID-19, local CDFIs (e.g. Build Fund) have secured federal grants (including CBDG, EDA, and OCS grants) to support commercial lending in target Indianapolis neighborhoods Throughout this year during COVID-19, local providers led by people of color have established new funds (e.g. Kheprw Integrated Fund) designed to provide flexible capital across the capital continuum to entrepreneurs of color in the region Meanwhile, a local feasibility study commissioned by the City of Indianapolis and LISC will begin to help determine how a Black-led financial institution might be formed in Indianapolis These funds and financial institutions require fund-raising to fully launch This presents further opportunities for local funders to establish and sustain mechanisms through a “fund of funds” that consistently supports fund formation and expanded fundraising 	<p>\$\$\$</p>	<ul style="list-style-type: none"> The Business Equity Fund (BEF) at the Boston Foundation is designed to address longstanding barriers to growth financing that have limited opportunity for entrepreneurs of color The fund is structured in an evergreen structure, such returns on investment are recycled into the fund to enable BEF to make additional investments and grow the fund over time BEF is currently actively seeking grants and contribution funding from foundations, government entities and others to broaden pools of capital available for investment <p>   </p>

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Solutions: Continuum of Capital

The following solutions are designed to improve access to capital in Indianapolis, with local context and funding required as informed by the Working Group:


Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
2 Establish new or enhance existing loan loss reserve funds and credit enhancement programs to expand lending through community financial institutions	<ul style="list-style-type: none"> Local CDFIs (including LISC, Bankable, Build Fund, and Business Ownership initiative) have formed a CDFI collaborative, funded by JPMC Philanthropy, which has provided credit enhancements to increase their lending to small businesses with a focus on business owners of color in target neighborhoods In addition, Indiana's Capital Access Program also provides credit enhancements for eligible CDFIs, where the Indiana EDC matches the loans placed in the pool; the program, however, remains limited due to low capitalization and operating capacity Individual CDFIs have also partnered with regional funders (i.e. Bankable with Old National Bank) to form funds structured with loan loss reserves New investments into existing or new loan loss reserves would help local CDFIs further de-risk investments and increase lending to entrepreneurs of color 	\$\$\$	<ul style="list-style-type: none"> The Cuyahoga County government committed a loan loss guarantee to the Urban League of Greater Cleveland through its financial arm, UBIZ Venture Capital This capital injection supports UBIZ's ongoing Capital Access initiative, which is a partnership between Cuyahoga County and the Urban League of Greater Cleveland to provide critically needed loan funding to small minority owned businesses throughout Cuyahoga County <div>   </div>

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Solutions: Continuum of Capital

The following solutions are designed to improve access to capital in Indianapolis, with local context and funding required as informed by the Working Group:

Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
3 Pair credit-building capital products with one-on-one financial advising to help business owners of color access affordable, non-predatory capital	<ul style="list-style-type: none"> Local CDFIs (including Bankable and BOI) have offered in-person financial education programs to entrepreneurs prior to COVID-19, but have lacked capacity to scale and have not yet adapted to virtual programs Meanwhile, local BSOs also offer financial management and education training, but are not fully integrated with the region's community financial institutions There is opportunity to expand existing CDFI programs or form integrated programs among CDFIs and BSOs to offer financial education programs and corresponding capital products 	\$\$	<ul style="list-style-type: none"> Justine Petersen, a St. Louis-based CDFI, offers credit building counseling, small dollar credit building loans and a secured credit card to help individuals improve their credit and enable them to start or expand a business, take out loans, and build asset wealth 

Annual funds required: **\$** <\$500k **\$\$** \$500k-1M **\$\$\$** >\$1M



Implementation: Continuum of Capital

1

Form and sustain an evergreen “fund of funds” that encourages new fund formations led by people of color and/or with a dedicated focus on entrepreneurs of color

Value proposition

Expand pools of flexible capital across the continuum of capital for entrepreneurs of color to start up and sustain their businesses

Key success factors

- **Clear focus on racial equity:** Align objectives of the evergreen fund to ensure focus on support fund managers and entrepreneurs of color
- **Seed funding:** Engage public and private funders to secure seed funding to catalyze investments from initial pools of funds
- **Active fund management:** Ensure fund has active management to deploy capital, secure repayment, and fundraise as needed
- **Impact measurement:** Establish a way to track and measure outcomes created from new funding resources (e.g., growth, new entrepreneurial activity)

Key elements for launch strategy

- **Investment thesis:** Define the appropriate investment focus for the new fund, including target social impact (i.e., business types, geographies, etc.) and financial returns (market vs. sub-market returns)
- **Fund management + structure:** Identify general partners and define corresponding fund and organizational structure (investment committee, fund management, etc.)
- **Lead funders:** Identify local public and private funders to secure seed funding commitments (including securing philanthropic grants or Community Development Block Grant funding)

Key stakeholders involved

- Capital providers (including debt and equity capital providers)
- Small business owners of color
- Funders (including local government agencies, philanthropic institutions, corporate anchors)



Implementation: Continuum of Capital

2

Establish new or enhance existing loan loss reserve funds and credit enhancement programs to expand lending through community financial institutions

Value proposition

Enhance liquidity of balance sheet capital among local community financial institutions which, in turn, increases total volumes of responsible loan capital available to small business owners of color in Indianapolis

Key success factors

- **Consortium of local community financial institutions:** Build upon existing CDFI collaboratives to continue combined fundraising and advocacy for loan loss reserves and commit to equitable lending practices
- **Sustainable funding:** Engage funders to ensure sustainable funding to expand available pools of capital in loan loss reserve funds
- **Market awareness:** Increase awareness of the value of loan loss reserves and credit enhancements for community lending
- **Integration with policy:** Need to ensure advocacy efforts to expand Indiana's Capital Access Program integrate with ecosystem advocacy platform of state government policies

Key elements for launch strategy

- **Structure + collaboration:** Define loan loss reserve structure / management and build upon existing collaborative among community-based lenders interested in accessing the loan loss reserve
- **Investment approach + rationale + pitch:** Define investment rationale highlighting value and approach for expanding loan loss reserves, building upon current credit enhancements among existing CDFI collaboratives
- **Joint fundraising:** Align on joint fundraising strategy among representatives of the existing CDFI collaborative to secure additional funds for loan loss reserves

Key stakeholders involved

- Community Development Financial Institutions (CDFIs)
- Credit Unions
- Minority Depository Institutions
- Funders (including local government agencies, philanthropic institutions, corporate anchors)



Implementation: Continuum of Capital

3

Pair credit-building capital products with one-on-one financial advising to help business owners of color access affordable, non-predatory capital

Value proposition

Enhance acumen and expertise of financial management and fundraising among Indianapolis's business owners of color, leading to greater access to and fundraising success of capital (including debt and equity capital)

Key success factors

- **Curriculum + tool development:** Need to build quality financial acumen curriculum and credit enhancement tools, pulling from best practices locally and nationally
- **Sustainable funding:** Engage funders to secure sustained funding for curriculum development, marketing, and program management
- **Neighborhood engagement:** Requires ecosystem-wide support from neighborhood-based organizations to market the solution through trusted pipelines
- **Multidisciplinary collaboration:** Build on existing collaboratives btwn. service and capital providers to co-develop program and tools
- **Engagement with entrepreneurs:** Engage business owners of color to understand how their needs can be met via this program

Key elements for launch strategy


- **Capital + services consortium:** Create a consortium of capital and service providers to lead and support curriculum development, build and bring to market credit enhancement tools, and plan and manage program delivery
- **Trusted outreach partnerships:** Identify trusted neighborhood-based partners to share program details through culturally competent outreach to local business owners of color and encourage program adoption
- **Fundraising:** Align on joint fundraising strategy among the Capital + Service consortium (see above) to secure grant funding for program and credit enhancing tool development and operating capacity

Key stakeholders involved

- Capital providers (including debt and equity capital providers)
- Business support organizations
- Small business owners of color
- Funders (including local government agencies, philanthropic institutions, corporate anchors)





Solutions: Recovery and Resilience

Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
<p>1 Form an ecosystem-wide COVID-19 resiliency and recovery initiative that fosters that coordinates emergency funding and services and builds capacity among BSOs during and beyond the pandemic</p>	<ul style="list-style-type: none"> Several C-19 relief programs (Rapid Response Loan Fund, Marion County Ready to Restart Grants) have provided small business emergency grants and loans Moreover, following recent protests, local foundations have established new philanthropic funds (including the Central Indiana Racial Equity Fund and United Way of Central Indiana's Social Innovation Fund) to address racial and gender equity in the Indianapolis region The ecosystem can build on the referral networks and new philanthropic interest by providing funding to build capacity among BSOs (particularly those run by people of color) to further recovery TA efforts and beyond 	<p>\$\$\$</p>	<p>Cook County's COVID-19 Recovery Small Business Assistance Program is a partnership of over 30 capital and service providers, funded by Cook County and four private foundations, to provide grants to local businesses and provide capacity building funding to BSOs to provide additional COVID-19 recovery business advising</p> 

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Solutions: Recovery and Resilience

	Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
2	Hire team of small business liaisons dedicated to proactively engage with small businesses, build trust, and connect them to the appropriate services	<ul style="list-style-type: none"> Local BSOs (including Indy Black Chamber and Indy Chamber's Hispanic Business Council) conduct culturally and linguistically appropriate outreach and engagement to the region's communities of color However, despite the region's immigrant population and business ownership, there are currently no services geared specifically toward immigrant-owned businesses There is an opportunity to build from the existing ecosystem and activate new points of contact to further engage with small business owners of color 	\$\$	<p>City of Columbus identified Neighborhood Small Business Liaisons and set up referral partners to market small business services as part of the Columbus Small Business Agenda</p> 
3	Create and fund a collective of professional services providers (e.g., tax preparation, accounting, legal, HR) to provide expert advice to business owners of color	<ul style="list-style-type: none"> Local BSOs in Indianapolis and Marion County often offer cohort-type workshops that cover accounting, legal and HR topics As a result of its assessment, Forward Cities launched a "minimum viable solution" pilot to fund and coordinate marketing support for local business owners in target neighborhoods The ecosystem should create an infrastructure of professional service providers who teach these workshops that can provide higher-touch, 1-on-1 assistance to small businesses, paid with a shared resource pool or via honoraria 	\$\$	<p>Start Small, Think Big pairs underserved small business owners with revenues <\$1M with free legal, financial and marketing services provided by their extensive network of volunteer providers</p> 

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Implementation: Recovery and Resilience

1

Form an ecosystem-wide COVID-19 resiliency and recovery initiative that fosters that coordinates emergency funding and services and builds capacity among BSOs during and beyond the pandemic

Value proposition

Create a more coordinated, efficient ecosystem-wide COVID-19 small business strategy, while building infrastructure that can be sustained beyond COVID-19 to continue to grow capacity of BSOs

Key success factors

- **Multidisciplinary collaboration:** Build on existing collaboratives between service and capital providers to co-develop/brand program
- **Ecosystem mapping:** Map resources across collaborative to ensure coverage of the services and capital (building from this assessment)
- **Partner impact evaluation:** Establish standard evaluation framework to assess program impact
- **Sustainable funding:** Ensure sustainable funding to maintain ecosystem-wide collaboration and increase the capacity of BSOs so they can effectively participate in program
- **Space to share learnings across partners:** Hold shared learning sessions or train the trainer sessions to support BSOs in elevating their recovery and resiliency trainings and services

Key elements for launch strategy

- **Capital + Services consortium:** Build on existing consortiums of capital and service providers to align on existing set of resilience and recovery services to build from, develop structure administer for grant funds, and plan and manage comprehensive program delivery
- **Program fundraising:** Align on joint fundraising strategy among the Capital + Service consortium (see above) to secure grant funding for curriculum / program development and operating capacity
- **Advocacy + Marketing platform:** Develop the corresponding advocacy and marketing platform to get buy-in among City and County government, along with local ecosystem stakeholders and business owners

Key stakeholders involved

- Business support organizations
- Community-based organizations (including local chambers of commerce)
- Capital providers
- Funders (including local government agencies, philanthropic institutions, corporate anchors)



Implementation: Recovery and Resilience

2

Hire team of small business liaisons dedicated to proactively engage with small businesses, build trust, and connect them to the appropriate services

Value proposition

Expand awareness and enhance quality of business services by tailoring services and extending reach of existing business support organizations to reach neighborhood-based business owners

Key success factors

- **Shared commitment in communities:** Engage local businesses and stakeholders regularly to make sure small business liaisons are serving businesses based on their pertinent needs
- **Neighborhood engagement:** Requires integration with neighborhood-based organizations to ensure buy-in in communities
- **Independent governance:** Appoint an independent leader (e.g. econ development organization, public-private organizations) to organize the collective to ensure shared objectives among hired liaisons
- **Diversified funding streams:** Raise both public and private funding to sustain liaison program in communities, starting in pilot neighborhoods

Key elements for launch strategy

- **Program sponsor(s):** Identify key sponsor organization(s) that will organize, fundraise, and administer initiative (via BSO collaborative)
- **Program design + goals:** Engage local stakeholders to align on vision and goals for community, define liaison role and responsibilities, and identification / hiring plans, communicating goals of strategy once defined
- **Collaborative among service providers:** Organize a collaborative of business support organizations with neighborhood presence to support business liaisons (building from this assessment)

Key stakeholders involved

- Business support organizations
- Community-based organizations (including local chambers of commerce)
- Funders (including local government agencies, philanthropic institutions, corporate anchors)



Implementation: Recovery and Resilience

3

Create and fund a collective of professional services providers (e.g., tax preparation, accounting, legal, HR) to provide expert advice to business owners of color

Value proposition

Support startup and early-stage businesses through tax prep, accounting legal, and HR to ultimately ensure their operations are organized and compliant, and foster additional capacity and growth

Key success factors

- **Governance / accountability structure:** Establish the appropriate governance structure to ensure services provided meet expectations of business owners and ecosystem
- **Neighborhood engagement:** Requires ecosystem-wide support from neighborhood-based organizations to market the solution through trusted pipelines
- **Navigational support for business owners:** Guide business owners through network of providers based on an assessment of needs
- **Build on existing services:** Structure program to build off existing services in the ecosystem, rather than detracting from current efforts
- **Sustainable funding:** Ensure sustainable funding to promote longevity of program

Key elements for launch strategy



- **Initiative sponsor(s):** Identify the key sponsor organization(s) that will organize, fundraise, and manage the initiative among collaborative of professional services providers and BSOs
- **Ecosystem mapping:** Catalog a list of professional service resources / providers and inquire about collaboration as part of network effort
- **Intake tool:** Develop a business needs assessment tool that will inform which service provider(s) an inbound business should be connected with
- **Seed funding commitments:** Identify long-term funding commitments among public and philanthropic funders

Key stakeholders involved

- | | |
|--|---|
| <ul style="list-style-type: none"> • Professional service providers • Business support organizations • Community-based organizations (including local chambers of commerce) | <ul style="list-style-type: none"> • Capital providers • Funders (including local government agencies, philanthropic institutions, corporate anchors) |
|--|---|



Solutions: Equitable Access in Networks

	Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
1	Create accelerator to provide tailored coaching and mentorship to help businesses owned by people of color develop a strategy, secure capital, and form connections with large customers	<ul style="list-style-type: none"> Organizations (Mid-States and Be-Nimble Foundation) offer subscription or accelerator programs to provide tailored advising to POC-owned businesses These programs, however, lack capacity and awareness needed to serve the high need in the ecosystem, presenting opportunity to engage further with funders to provide capacity support or build on the existing infrastructure of these programs 	\$\$\$	<p>Cincinnati Minority Business Accelerator establishes relationships with minority-owned businesses with average revenues of \$1M to help them excel, providing tailored support and coaching to help firms acquire business strategies, access to capital, and connections with large corporations</p> 
2	Create network of small businesses owned by people of color with shared advocacy agenda, coalition structure, and programs for entrepreneurs to engage and connect	<ul style="list-style-type: none"> Local BSOs (including the Indy Black Chamber and the Indy Chamber's Hispanic Business Council) have established peer-to-peer networks among specific affinity groups in the city These peer-to-peer networking programs lack sufficient awareness among local entrepreneurs These programs present opportunities to integrate, share learnings and form a larger peer-to-peer network that can gain additional traction in ecosystem 	\$\$	<p>Local First Arizona is a nonprofit that promotes and advocates for a strong local business community, representing nearly 3,000 locally owned businesses of all industries and sizes across the state of Arizona</p> 

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Implementation: Equitable Access in Networks

1

Create accelerator to provide tailored coaching and mentorship to help businesses owned by people of color develop a strategy, secure capital, and form connections with large customers

Value proposition

Expand access to accelerator and incubator programs and services in strategy development, accessing capital, and securing large corporate contracts for growth-oriented entrepreneurs of color in Indianapolis and Marion County

Key success factors

- **Engagement with entrepreneurs:** Engage growth-minded entrepreneurs of color to understand how their needs can be met with the accelerator and ways to create networks among like-minded entrepreneurs
- **Sustainable funding:** Ensure sustainable funding to promote longevity of program
- **Credentialing program:** Need to establish brand equity of accelerator programs to credentialize participating entrepreneurs and drive uptake of programs
- **Integration into ecosystem:** Coordinate with local capital providers, BSOs, and anchor institutions to generate awareness of program and efficient referrals

Key elements for launch strategy

- **Sponsor organization:** Identify local organizations to build additional capacity for accelerator / incubator programs with deep connections with local capital and service providers, anchors, and philanthropic institutions
- **Entrepreneur and ecosystem engagement:** Connect with growth-oriented entrepreneurs of color and corresponding ecosystem stakeholders to understand core needs and assets to build from for accelerator programs
- **Program design:** Based on entrepreneurial and ecosystem input, build and refine program design with corresponding services, capital, and market opportunities for entrepreneurs of color

Key stakeholders involved

- | | |
|---|---|
| • Incubators / accelerator and business service organizations | • Funders (including local government officials, philanthropic institutions, anchors) |
| • Capital providers (including debt and equity capital providers) | • Small business owners |



Implementation: Equitable Access in Networks

2 Create network of small businesses owned by people of color with shared advocacy agenda, coalition structure, and programs for entrepreneurs to engage and connect

Value proposition

Create peer-to-peer networks and coalitions among business owners of color to share resources, build collective action, and expand access to opportunities

Key success factors

- **Entrepreneurial engagement:** Identify needs of local business owners of color and co-develop program with their input
- **Flexible programming:** Develop program that is flexible to meet the unique needs of business owners across business stages and industries
- **Tech enabled platform:** Design program that allows for connections virtually
- **Build on existing services:** Structure program to build off and expand existing networks in the ecosystem
- **Sustainable funding and revenue model:** Ensure sustainable funding and revenue model to promote longevity of program

Key elements for launch strategy




- **Program sponsor(s):** Identify the key sponsor organization(s) that will organize, fundraise, and administer programs to facilitate networks among small business owners of color
- **Entrepreneur and ecosystem engagement:** Connect with local business owners of color and corresponding ecosystem stakeholders to understand core needs and assets to build from for enhanced networking programs
- **Marketing + outreach:** Define the value proposition to communicate the benefit of the program among business owners of color and among prospective funders of the initiative

Key stakeholders involved

- Small business owners
- Local organizing networks (including business support orgs and chambers of commerce)
- Funders (including local government officials, philanthropic institutions, corporate anchors)



Solutions: Ecosystem Building

	Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national example
1	Form and sustain an ecosystem-wide coalition body to coordinate ecosystem initiatives, collective policy agendas, and track and report city- and county-wide metrics, led by designated “ecosystem builders”	<ul style="list-style-type: none"> Various ecosystem stakeholder groups (including Forward Cities, Prosperity Indiana and the African American Coalition of Indianapolis) have established advisory boards to support small business initiatives in the Indianapolis region Moreover, new coalitions have been established (e.g. Business Equity for Indy Committee) to advance racial equity and supplier diversity programs among the region’s anchor institutions These advisory bodies, however, lack alignment across the full small business ecosystem across the entirety Indianapolis and Marion County; moreover, few had entrepreneurial representation in these bodies These advisory bodies present opportunities to integrate with the existing infrastructure from those groups (or to consider establishing a new Advisory Council as a result of this assessment); embedded in this Advisory Council is a deliberate need to ensure representation from business owners of color 	\$\$	<p>Co-led by Accion Chicago and Small Business Majority, the Chicago Inclusive Growth Coalition is collective of ecosystem stakeholders that have established initiatives to coordinate Chicago-based small business capital and services</p> <div>    </div>

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Solutions: Ecosystem Building

	Proposed solution(s)	Local context on emerging solutions	Funding required	Comparable national examples
2	Develop and sustain a searchable online resource navigator of all small business resources and services in the city and county	<ul style="list-style-type: none"> In 2017, the Indy Chamber partnered with Kauffman Foundation and SourceLink to establish the Indy Resource Navigator to organize entrepreneurial resources Building the navigator was part of the Chamber's plan to create a comprehensive, 'one-stop' portal for business growth initiatives and services The initiative, however, was discontinued due to a lack of funding (including operating grants) for ongoing management of the platform This need is in alignment with existing initiatives brought forward by Forward Cities' assessment to expand awareness of existing resources 	\$\$	<p>MOSourceLink connects small businesses to the resources they need to start and grow businesses in Missouri. MOSourceLink's resource navigator allows users to search for the network resources in in the Missouri area that can meet their needs</p> <p>MOSourceLINK.</p> <p>EcoMap is the online hub for Baltimore's entrepreneurs, creators, and community builders, with a resource repository, service ratings, community discussion board and networking opportunities. Ecomap uses artificial intelligence to aggregate and direct small businesses to over 500 relevant resources</p> <p>E C O M A P Baltimore</p>

Annual funds required: \$ <\$500k \$\$ \$500k-1M \$\$\$ >\$1M



Implementation: Ecosystem Building

1

Form and sustain an ecosystem-wide coalition body to coordinate ecosystem initiatives, collective policy agendas, and track and report ecosystem-wide metrics, led by designated ecosystem champions

Value proposition

Enhance ecosystem collaboration by forming formal modes of ecosystem-wide collaborations and communities of practice with shared metrics and collective policy agenda

Key success factors

- **Broad engagement:** Engage broad set of representatives beyond capital and service providers
- **Ecosystem mapping:** Ensure all organizations participating know what other organizations do and the resources that they have
- **Theory of Change:** Create ecosystem-level metrics to ensure that services being provided are effective and assign clear accountability
- **Sustainable funding:** Ensure sustainable funding to maintain ecosystem-wide collaboration

Key elements for launch strategy

- **Engagement and representation:** Identify a representative group of potential participant organizations to define different types of communities of practice (e.g., by neighborhood, industry, ecosystem-wide) and who participates in each
- **Governance Model + Theory of Change:** Develop the governance / accountability model for coalition, democratically elect a set of ecosystem champions to lead the coalition, and define Theory of Change and target outcomes
- **Funding + Execution Planning:** Define the funding model and develop execution plan for launch for the coalition
- **Entrepreneurial engagement:** Foster deliberate conversations between business owners and participant entities to expand access to opportunities

Key stakeholders involved

- | | |
|---|------------------------------|
| • Business support organizations | • Philanthropic institutions |
| • Capital providers (including debt providers and equity investors) | • Anchor institutions |
| • City and County government | • Small business owners |



Implementation: Ecosystem Building

2

Develop and sustain a searchable online resource navigator of all small business resources and services in the city and county

Value proposition

Expand awareness of and access to quality resources and services for all small business owners of color across the full ecosystem

Key success factors

- **User design:** Need to develop the digital platform with streamlined user design to encourage business owner adoption
- **Data integration and impact integration:** Platform and corresponding data collected will need to integrate with the ecosystem-wide impact measurement efforts (in connection with an ecosystem-wide theory of change)
- **Technical assistance with platform:** Platform needs to have complementary technical assistance to support prospective business owners with adopting and encouraging investment on the platform
- **Commitment from providers:** For the navigator to be successful, need to keep updated with accurate information from local service providers
- **Market awareness:** Need to have marketing campaign to bring awareness of platform for business owners and communities of color

Key elements for launch strategy

- **Program sponsor(s):** Identify the key sponsor organization(s) that will house, fundraise, and manage the platform, building off past efforts to develop the resource navigator (i.e. Indy Chamber and SourceLink)
- **Marketing + outreach:** Develop marketing campaign on the value of the resource navigator among business owners of color and among prospective funders of the platform
- **Seed funding commitments:** Identify long-term funding commitments (including funding for platform development and operational support) among public, private, and/or philanthropic funders

Key stakeholders involved

- Business support organizations
- Capital providers (including debt providers and equity investors)
- City and County government
- Philanthropic institutions
- Anchor institutions
- Small business owners

Implementation Sequencing

We have charted the following timeline for the proposed ecosystem solutions as a preliminary perspective on sequencing implementation and execution

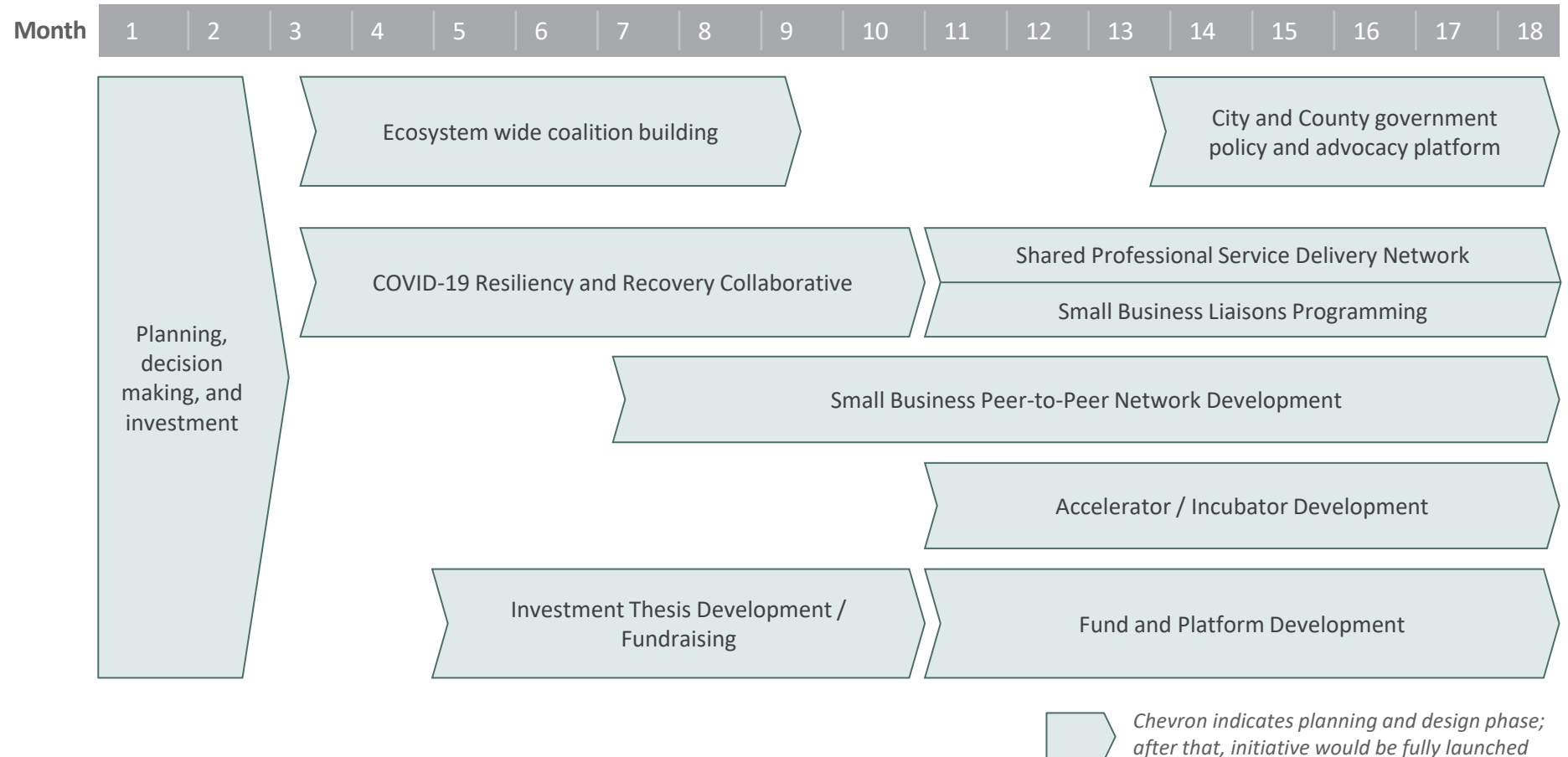


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- + Project overview + context
- + Proposed ecosystem pillars and strategies
- + **Small business landscape research**
- + Business capital and services landscape research
- + Ecosystem needs assessment and prioritization

Indianapolis: Demographics

Indianapolis has a moderately growing population, with White residents make up the largest racial segment, followed by Black residents

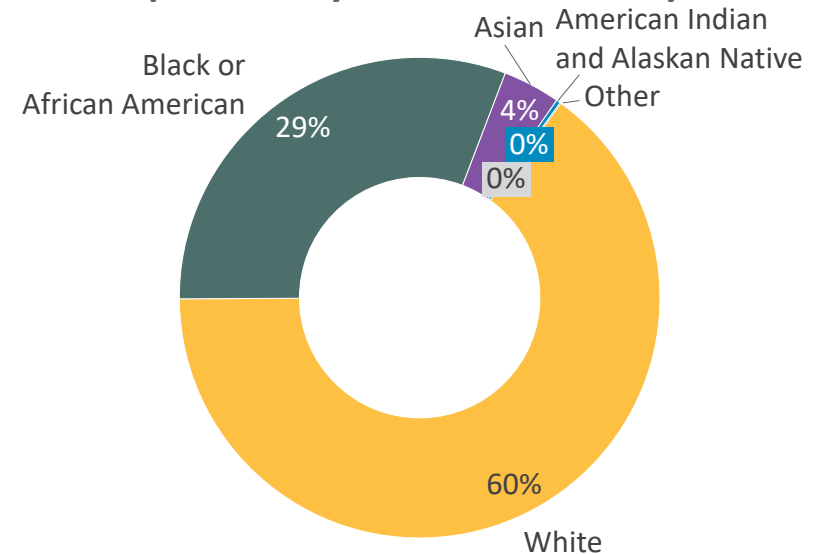
Population: **954,670**

♀ **52%** ♂ **48%**
Female Male

Foreign Born: **9%**

5-year population rate: **+0.6%**

Population by Race and Ethnicity



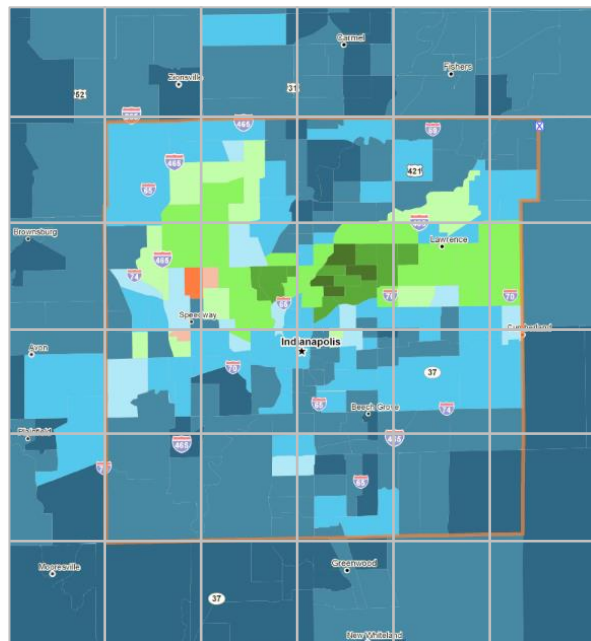
11% Latino(a)
89% Non-Latino(a)

Source: American Community Survey 1-Year Estimates (2013, 2018)

Indianapolis: Mapping

Indianapolis neighborhoods are segregated by racial and ethnic lines, resulting in uneven economic hardships and health consequences before and during the COVID-19 pandemic

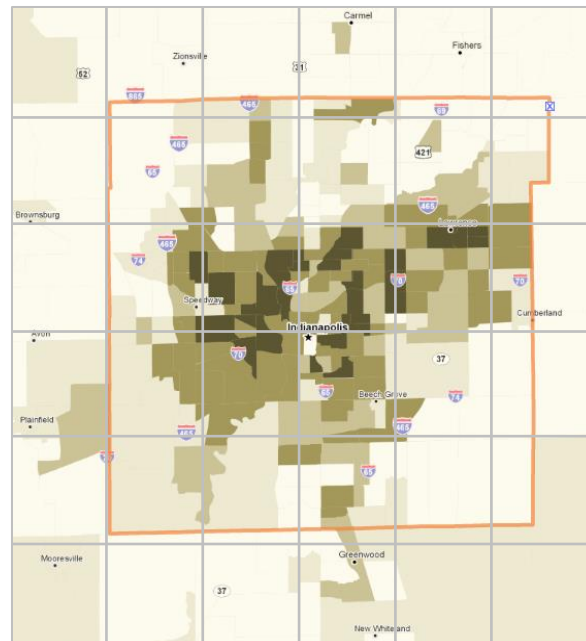
Racial demographic by census tract



Demographic

Black	Latino(a)	White
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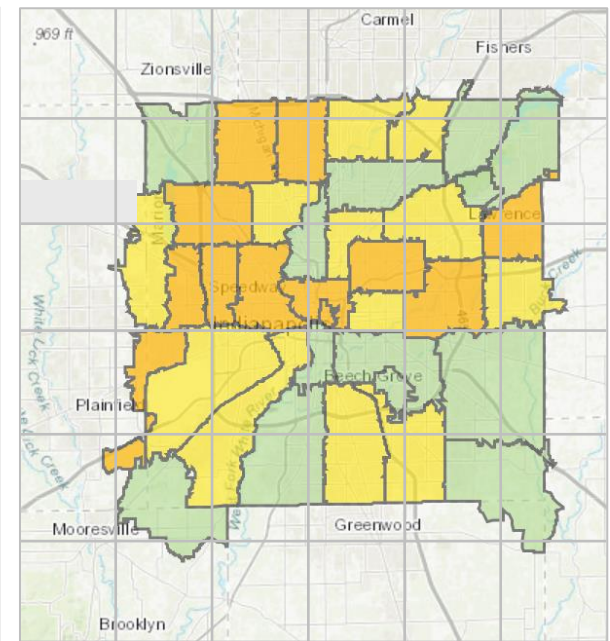
Poverty rate by census tract



Poverty rate %

0.0-7.5%	7.5-15.0%	15.0-22.5%	22.5-35.0%	35.0%+
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COVID-19 cases by city / neighborhood



Cases per 100k

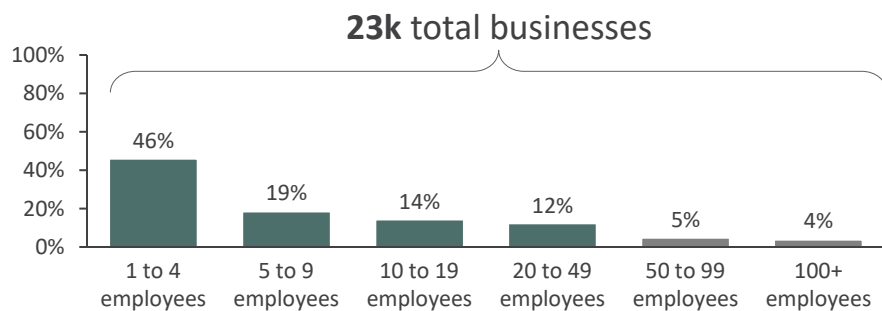
455-769	770-1,096	1,097-3,805
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Source: U.S. Census Bureau ACS, 2013-2018, accessed by PolicyMap; The Polis Center

Business Size and Owner Demographics

The size of the small business economy in Indianapolis has remained largely stagnant from 2012 to 2017; Black small business owners and entrepreneurs only make up 4% of employer business owners, compared to the 29% of the city's population

Business Size (2017)



21,403

Small businesses (<50 employees)

+0.5%

5-Year SBE Growth

97,871

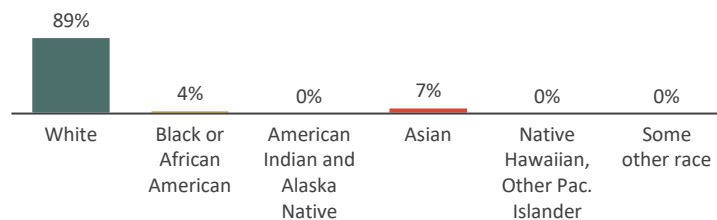
Employees of SBEs

+0.6%

5-Year SBE Empl. Growth

Ownership Demographics (2017)

By race



By ethnicity



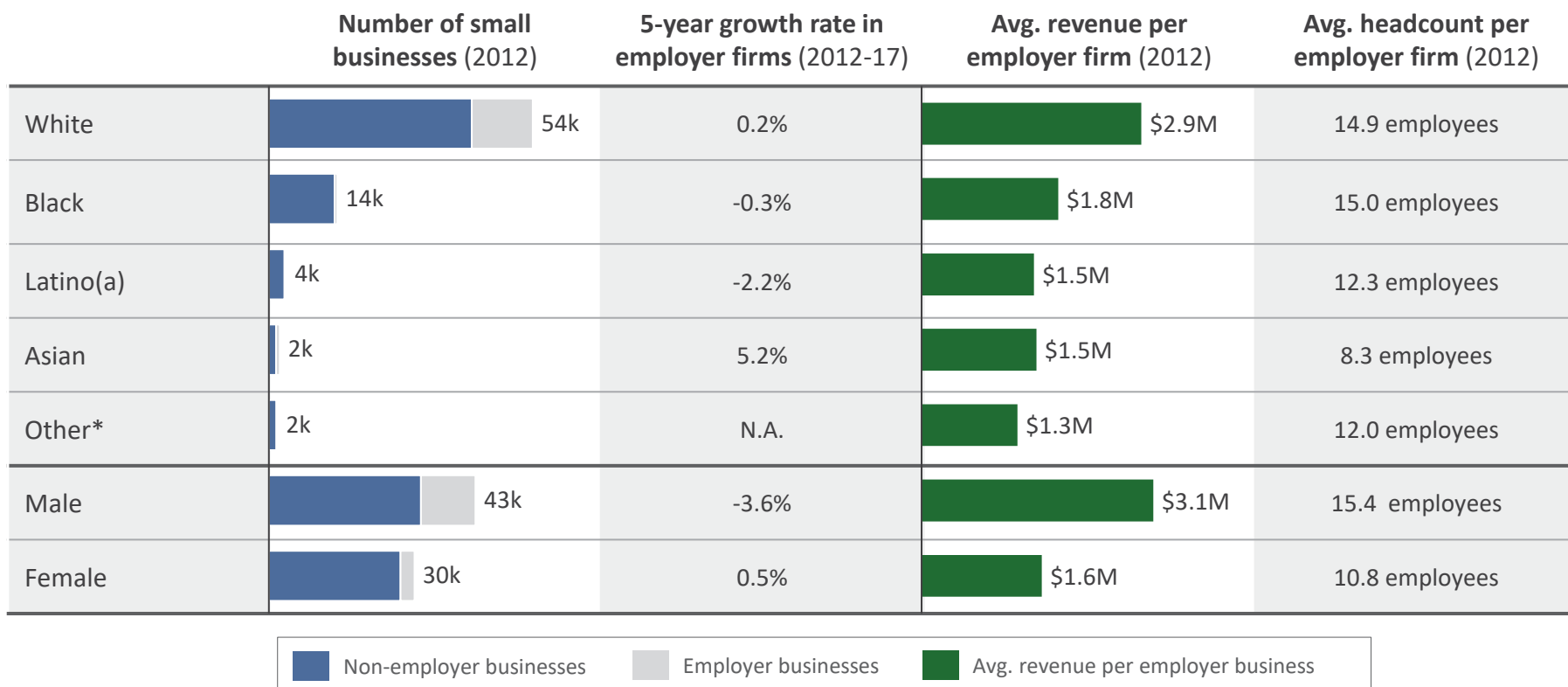
By gender



Note: * Includes businesses with equal Latino(a) and non-Latino(a) ownership representation; ^ Includes businesses with equal male and female ownership representation
Source: U.S. Census County Business Patterns Survey (2012, 2017); Annual Business Survey (2017)

Business Characteristics by Demographic

POC and female business owners have been historically underrepresented in business ownership; those who do own businesses operate with less revenue than their White and male counterparts

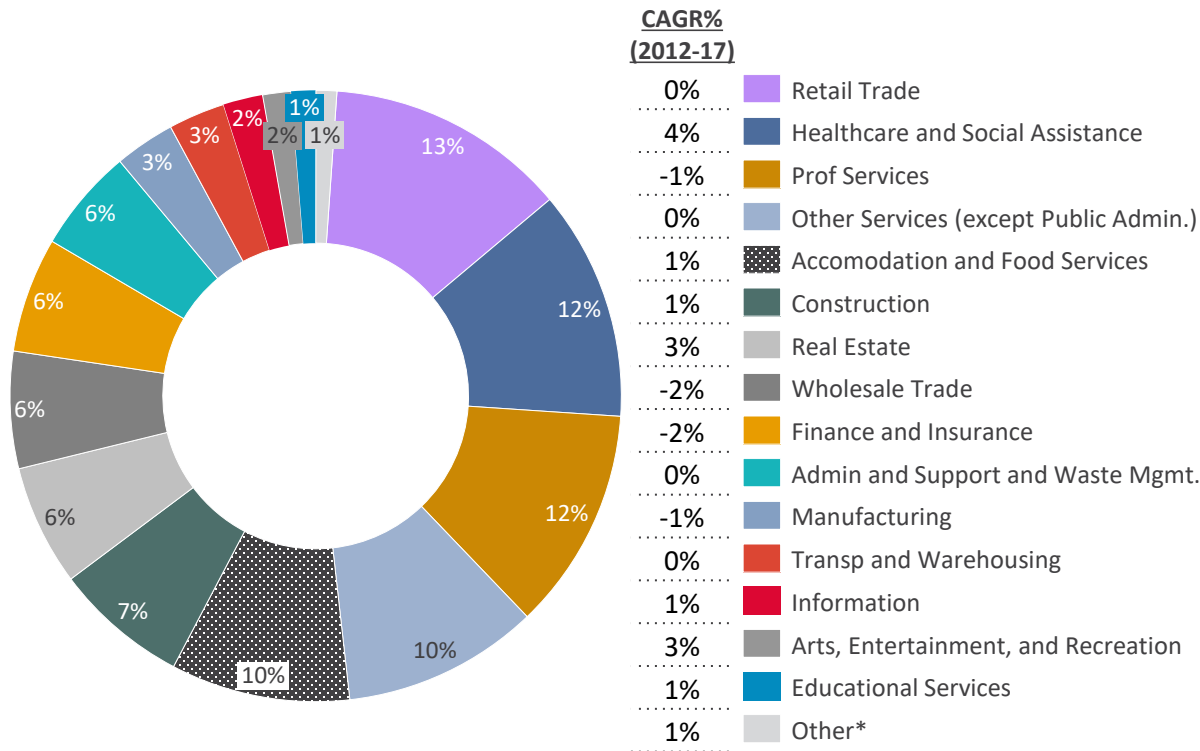


Note: * Other includes populations of American Indian, Alaska Native, Native Hawaiian, and Other Pacific Islanders, among other races not classified by the U.S. Census Bureau
 Source: U.S. Census Survey of Business Owners (2012); U.S. Annual Business Survey (2017)

Industry Breakdown and Growth

Indianapolis' small business economy is concentrated amongst its largest industries, with the five largest industries representing nearly 60% of total small businesses; the Healthcare and Social Assistance industry is among the largest industries and has experienced the highest growth over time

Industry Breakdown and Growth, by Number of Small Businesses (<50 employees) in 2017



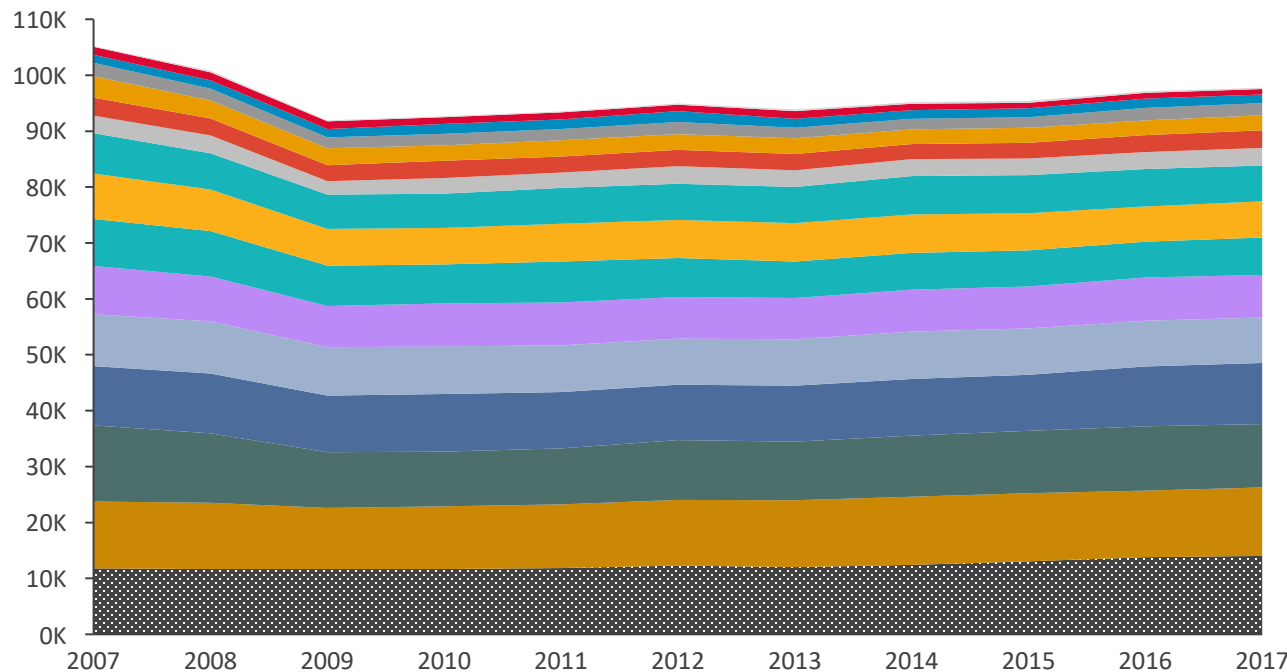
- Nearly 60% of the city's small businesses are concentrated in five top industries: Retail, Healthcare and Social Assistance, Professional Services, Other Services, and Accommodation and Food Services
- While the number of SMBs has remained nearly flat, the growth profile of industries varies, with a handful of industries experiencing higher growth rates
- The Healthcare and Real Estate both have experienced notable and relatively strong growth compared to other industries

Note: * Other includes Agriculture, Forestry, Fishing and Hunting; Mining, Quarrying, Oil and Gas, Utilities, Management of Companies, Public Admin, and Non-Classified
Source: County Business Patterns (2012, 2017)

Employment Growth by Industry

Small business employment has increased modestly in the decade following the Great Recession, with most growth attributable to Accommodation and Food, Construction, and Healthcare industries

Employment by Small Businesses, by 2-Digit NAICS Industry
(Number of jobs, 2007-16)



	<u>CAGR%</u>	
	<u>2007-12</u>	<u>2012-17</u>
Total	-2.0%	0.6%
Other	9.4%	0.5%
Information	-4.4%	-4.0%
Educ. Svcs.	6.3%	-4.0%
Arts & Rec.	-1.8%	-0.1%
Fin. & Ins.	-6.2%	-0.8%
Trans. & Whs.	-2.0%	1.5%
Real Estate	0.1%	0.1%
Manuf.	-2.0%	-0.2%
Whsl. Trade	-3.6%	-0.9%
Admin. Svcs.	-3.6%	-1.0%
Retail Trade*	-3.0%	0.5%
Other Svcs.	-2.2%	-0.3%
Healthcare	-1.4%	2.0%
Construction	-4.7%	1.2%
Prof. Svcs	-0.3%	0.8%
Accom. & Food*	0.8%	2.6%

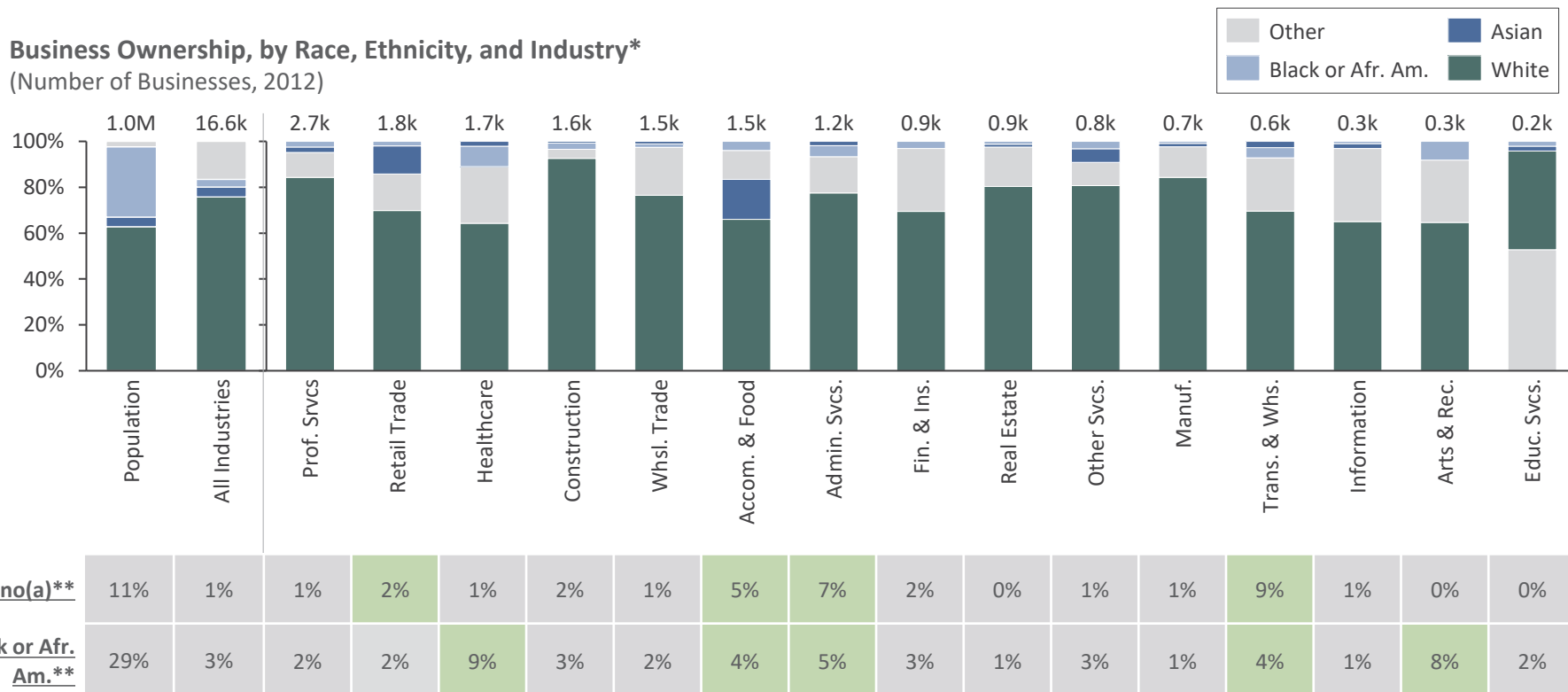
Note: * Small business employment growth rates from Healthcare and Other Services are partially attributable to a change in NAICS sub-sector classifications, resulting in shift in employment classified under each 2-digit NAICS industry; Information industry representation omitted due to insufficient data

Source: U.S. Census Quarterly Workforce Indicators (2007-16)

Industries by Owner Race and Ethnicity

The top industries for Black small business ownership are Healthcare and Administrative Services; Latino(a) small business owners are also highly represented in Administrative Services and Accommodation and Food industries

Business Ownership, by Race, Ethnicity, and Industry*
(Number of Businesses, 2012)



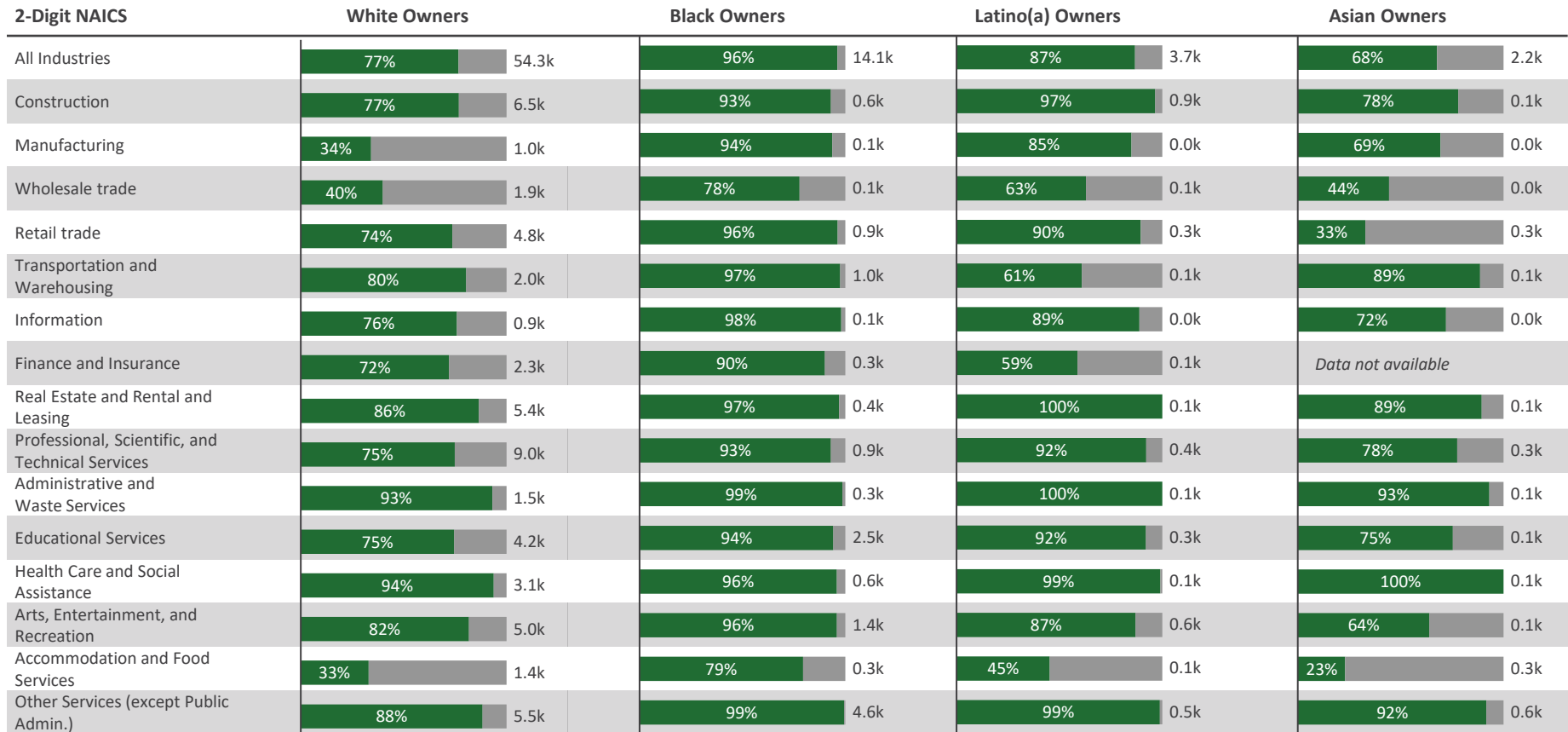
Note: * Totals represent businesses with employees and only reflect a subset of firms that are classifiable by race and ethnicity in the Census survey

** Green shade indicates industries with above average representation of Hispanic or Latino(a)-owned and Black-owned businesses

Source: US Census Bureau, Survey of Business Owners (2012)

Industries by Employer Status

Black- and Latino(a)-business owners disproportionately operate sole proprietorships when compared to their White and Asian counterparts

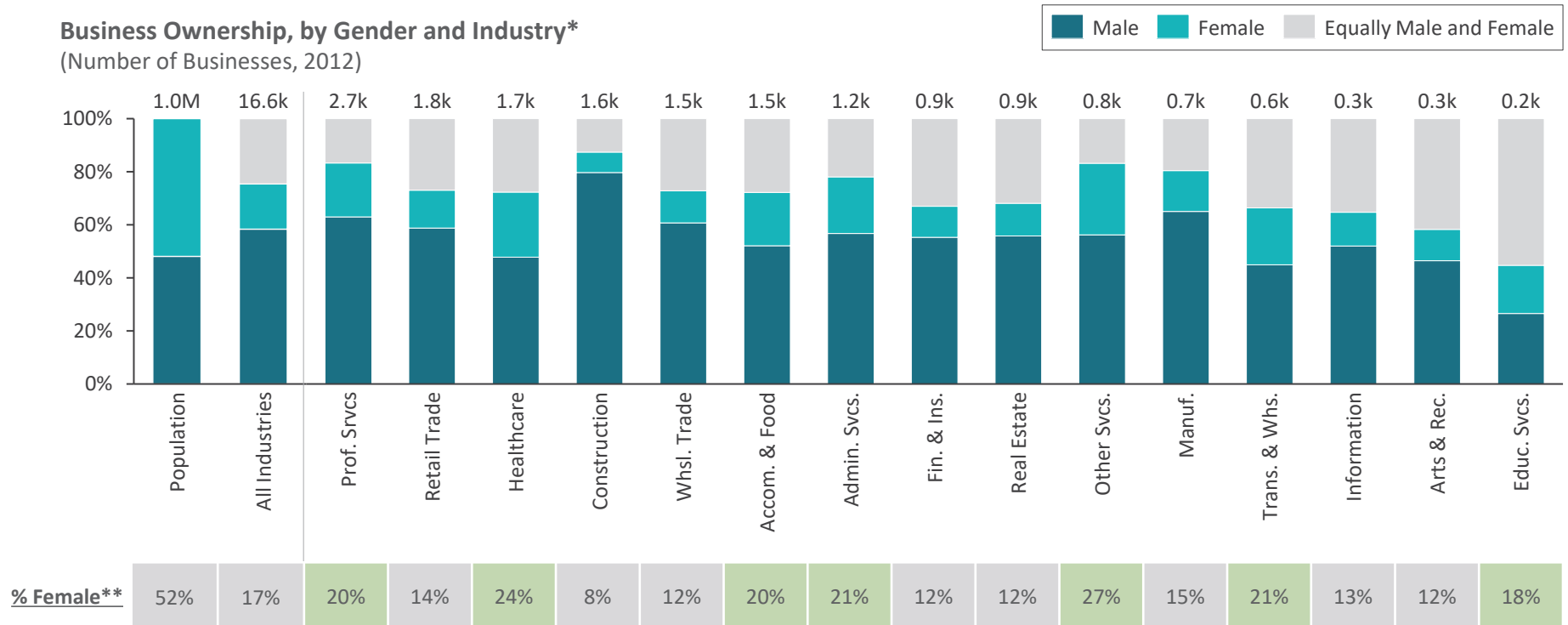


Without paid employees With paid employees

Source: US Census Bureau, Survey of Business Owners (2012)

Industries by Owner Gender

Female small business ownership is more highly represented in Healthcare and Other Services, but still lags behind in all other industries



Note: * Totals represent businesses with employees and only reflect a subset of firms that are classifiable by gender in the Census survey

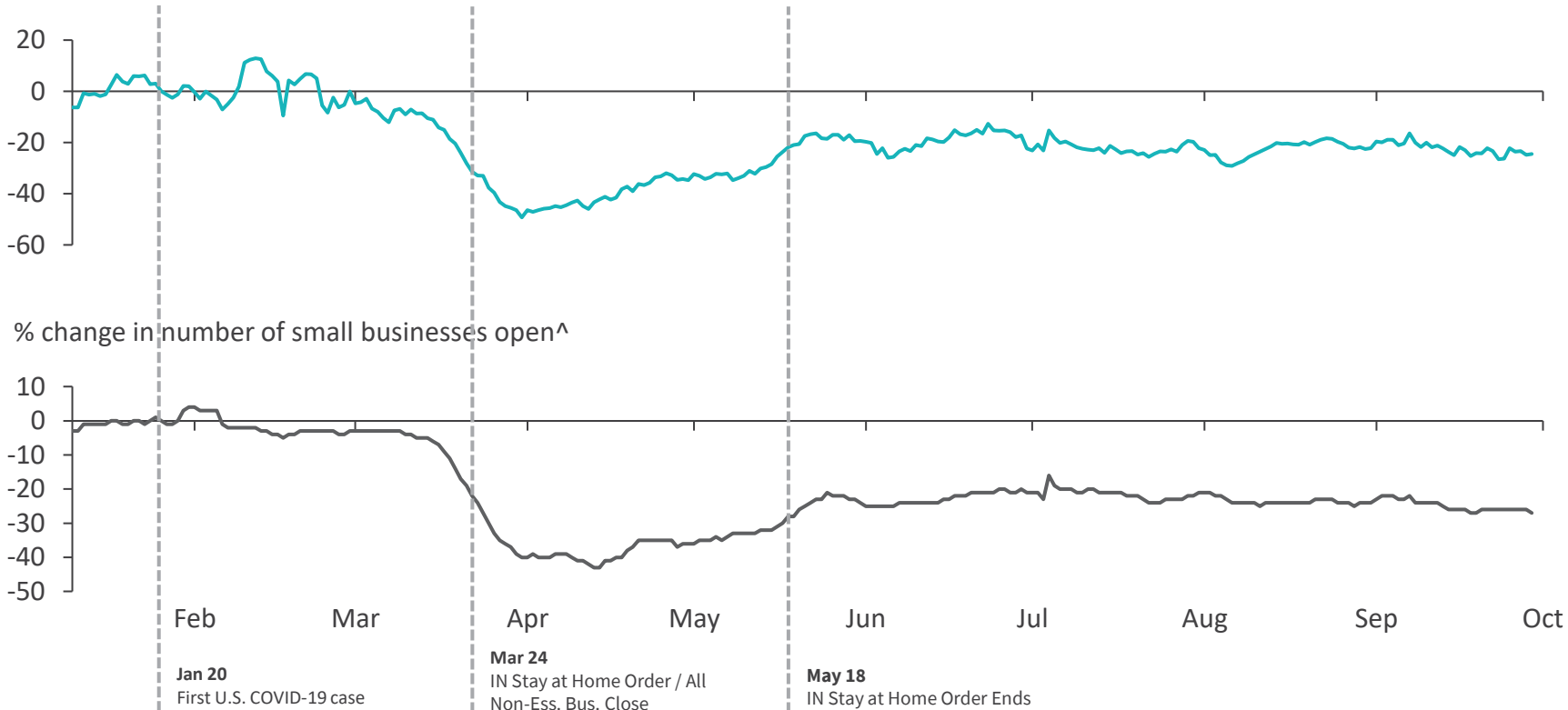
** Green shade indicates industries with above average representation of female-owned businesses

Source: US Census Bureau, Survey of Business Owners (2012)

COVID-19 Impact on Small Businesses

In Indianapolis, as of September 30, 2020, total small business revenue and the number of small businesses open decreased by 25% and 27%, respectively, compared to January 2020

% change in total of small business revenue*



Note: * Change in net business revenue for small businesses; small businesses are defined as businesses with annual revenue below SBA [thresholds](#)

^ Change in small businesses open, flagged as having financial transaction activity in the last 3 days

Source: Raj Chetty, John N. Friedman, Nathaniel Hendren, Michael Stepner, and the Opportunity Insights Team, 2020



COVID-19 Segments: Overview

During this crisis, small business needs differ by industry; we have categorized industries by the degree each has been adversely affected by COVID-19 to better understand their needs

	Hardest Hit <i>"How do I stay in business?"</i>	Impacted but Surviving <i>"How can I pivot or evolve?"</i>	Insulated with Potential <i>"How can I maintain and grow?"</i>
Description	Non-essential businesses that have had to close or significantly adjust operations and face high risk of closure	Essential businesses that have lost revenue due to reduced spending from consumers and non-essential businesses	Essential businesses that have been able to continue operations and supply critical goods and services
% of small businesses^ in Marion County ('17)	25%	28%	47%
Key industries	<ul style="list-style-type: none"> Food services and drinking places Personal and laundry services Clothing and accessories stores Motor vehicle and parts dealers Gasoline stations Misc. store retailers 	<ul style="list-style-type: none"> Specialty trade contractors Admin. and Support Services Real Estate Merchant wholesalers, durable goods Construction of buildings Truck transportation 	<ul style="list-style-type: none"> Social assistance Prof. and technical services Ambulatory and health services Repair and maintenance Insurance carriers and related activities Securities, commodity contracts, investments

Note: Segments adapted from an industry segmentation framework developed by the Brookings Institution; ^ Includes businesses with between 1 and 49 paid employees
Source: Brookings Institution; Moody's Corporation; U.S. Census County Business Patterns (2017)

COVID-19 Segments: Industries (I of II)

We segmented industries based on the degree each industry is adversely impact by COVID-19

NAICS	Industry name	Risk level
441	Motor vehicle & parts dealers	Hardest Hit
442	Furniture & home furnishings stores	Hardest Hit
443	Electronics & appliance stores	Hardest Hit
444	Building materials & garden supply stores	Hardest Hit
446	Health & personal care stores	Hardest Hit
447	Gasoline stations	Hardest Hit
448	Clothing & clothing accessories stores	Hardest Hit
451	Sporting goods, hobby, book & music stores	Hardest Hit
452	General merchandise stores	Hardest Hit
453	Miscellaneous store retailers	Hardest Hit
481	Air transportation	Hardest Hit
483	Water transportation	Hardest Hit
485	Transit & ground passenger transportation	Hardest Hit
486	Pipeline transportation	Hardest Hit
487	Scenic & sightseeing transportation	Hardest Hit
488	Support activities for transportation	Hardest Hit
711	Performing arts & spectator sports	Hardest Hit
712	Museums, historical sites, zoos & parks	Hardest Hit
713	Amusements, gambling, and recreation	Hardest Hit
721	Accommodation	Hardest Hit
722	Food services and drinking places	Hardest Hit
812	Personal & laundry services	Hardest Hit

NAICS	Industry name	Risk level
236	Construction of buildings	Impacted but Surviving
237	Heaving & civic engineering construction	Impacted but Surviving
238	Specialty trade contractors	Impacted but Surviving
315	Apparel manufacturing	Impacted but Surviving
335	Electric equipment & appliance manufacturing	Impacted but Surviving
336	Transportation equipment manufacturing	Impacted but Surviving
337	Furniture & related-product manufacturing	Impacted but Surviving
423	Merchant wholesalers, durable goods	Impacted but Surviving
424	Merchant wholesalers, nondurable goods	Impacted but Surviving
425	Electronic markets and agents and broker	Impacted but Surviving
484	Truck transportation	Impacted but Surviving
493	Warehousing and storage	Impacted but Surviving
511	Publishing industries, except internet	Impacted but Surviving
512	Motion picture and sound recording industries	Impacted but Surviving
515	Broadcasting, except internet	Impacted but Surviving
531	Real estate	Impacted but Surviving
532	Rental & leasing services	Impacted but Surviving
561	Administrative & support services	Impacted but Surviving

Note: Segments adapted from an industry segmentation framework developed by the Brookings Institution
 Source: Brookings Institution; Moody's Corporation

COVID-19 Segments: Industries (II of II)

We segmented industries based on the degree each industry is adversely impact by COVID-19

NAICS	Industry name	Risk level
113	Forestry & logging	Insulated with Potential
114	Fishing, hunting, & trapping	Insulated with Potential
115	Support activities for agriculture & forestry	Insulated with Potential
211	Oil & gas extraction	Insulated with Potential
212	Mining (except oil & gas)	Insulated with Potential
221	Utilities	Insulated with Potential
311	Food manufacturing	Insulated with Potential
312	Beverage & tobacco product manufacturing	Insulated with Potential
313	Textile mills	Insulated with Potential
314	Textile product mills	Insulated with Potential
316	Leather & allied product manufacturing	Insulated with Potential
321	Wood product manufacturing	Insulated with Potential
322	Paper manufacturing	Insulated with Potential
323	Printing & related support activities	Insulated with Potential
324	Petroleum & coal products manufacturing	Insulated with Potential
325	Chemical manufacturing	Insulated with Potential
326	Plastics & rubber products manufacturing	Insulated with Potential
327	Nonmetallic mineral product manufacturing	Insulated with Potential
331	Primary metal manufacturing	Insulated with Potential
332	Fabricated metal production manufacturing	Insulated with Potential
333	Machinery manufacturing	Insulated with Potential
334	Computer & electronic product manufacturing	Insulated with Potential

NAICS	Industry name	Risk level
339	Miscellaneous manufacturing	Insulated with Potential
445	Food & beverage stores	Insulated with Potential
454	Nonstore retailers	Insulated with Potential
492	Couriers & messenger	Insulated with Potential
517	Telecommunications	Insulated with Potential
518	ISPs, search portals, & data processing	Insulated with Potential
519	Other information services	Insulated with Potential
521	Monetary authorities-central banks	Insulated with Potential
522	Credit intermediation & related activities	Insulated with Potential
523	Securities, commodity contracts, investments	Insulated with Potential
524	Insurance carriers & related activities	Insulated with Potential
525	Funds, trusts, & other financial vehicles	Insulated with Potential
533	Lessors of nonfinancial intangible asset	Insulated with Potential
541	Professional & technical services	Insulated with Potential
551	Management of companies & enterprises	Insulated with Potential
562	Waste management & remediation service	Insulated with Potential
611	Educational services	Insulated with Potential
621	Ambulatory health care services	Insulated with Potential
622	Hospitals	Insulated with Potential
623	Nursing & residential care facilities	Insulated with Potential
624	Social assistance	Insulated with Potential
811	Repair & maintenance	Insulated with Potential
813	Membership associations & organization	Insulated with Potential

Note: Segments adapted from an industry segmentation framework developed by the Brookings Institution
 Source: Brookings Institution; Moody's Corporation

C-19 Segments: Demographic breakdown

Black-, Asian- and Female-owned businesses in Indiana are disproportionately in the Hardest Hit industries, while Latino(a)-businesses have only slightly less exposure to the Hardest Hit industries

Number of businesses in COVID-19 Segments in Indiana, by demographics* (2012)

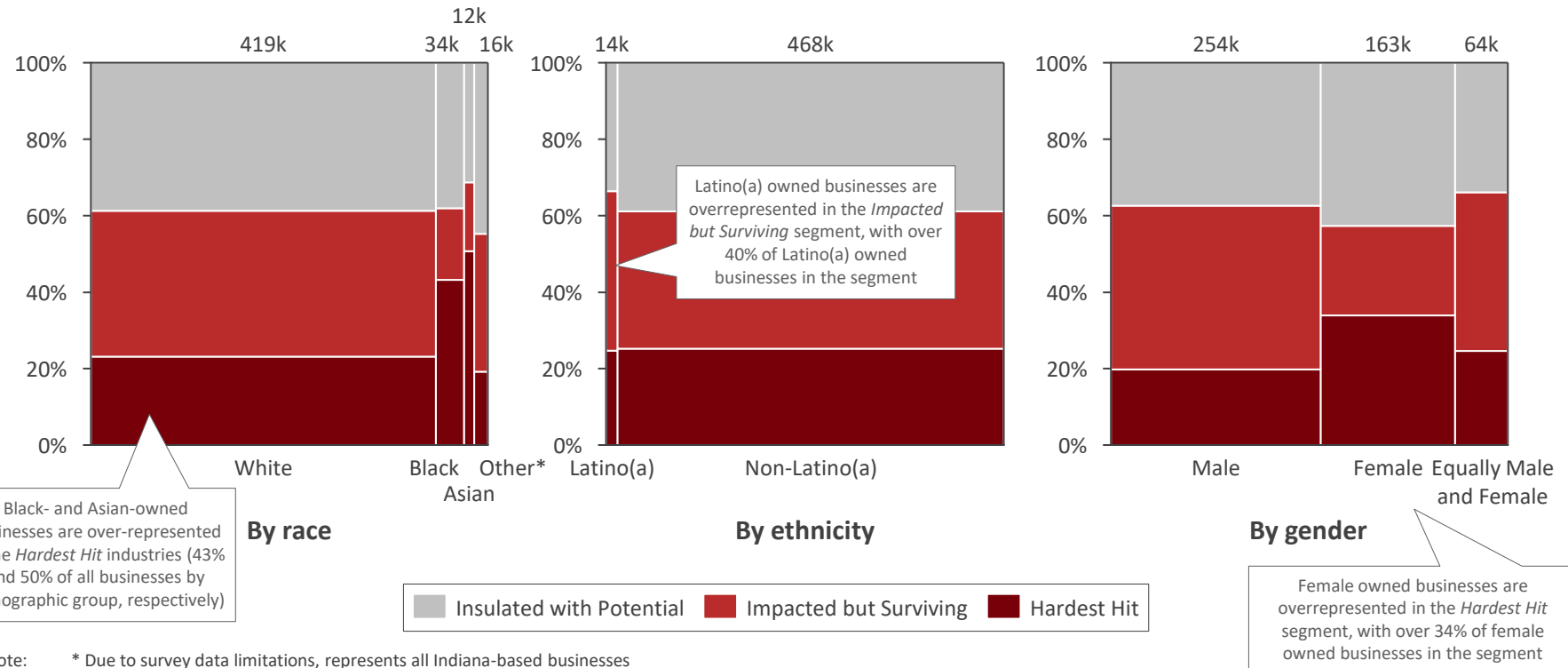


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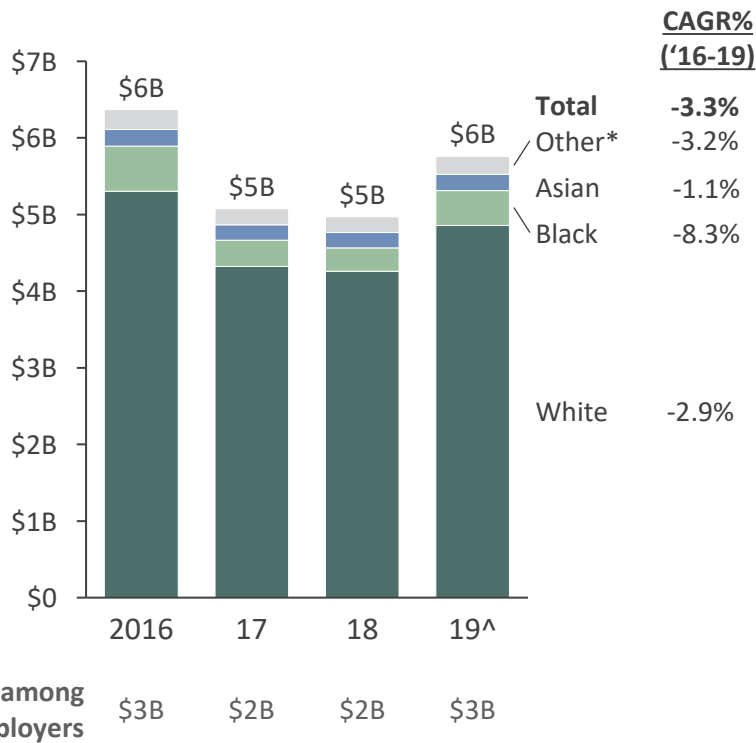
- + Project overview + context
- + Proposed ecosystem pillars and strategies
- + Small business landscape research
- + **Business capital and services landscape research**
- + Ecosystem needs assessment and prioritization

Capital demand: Historical demand

Capital demand has declined across markets since 2016, driven by the 2017 Tax Relief Bill and declining trust in traditional financial institutions among some affinity groups

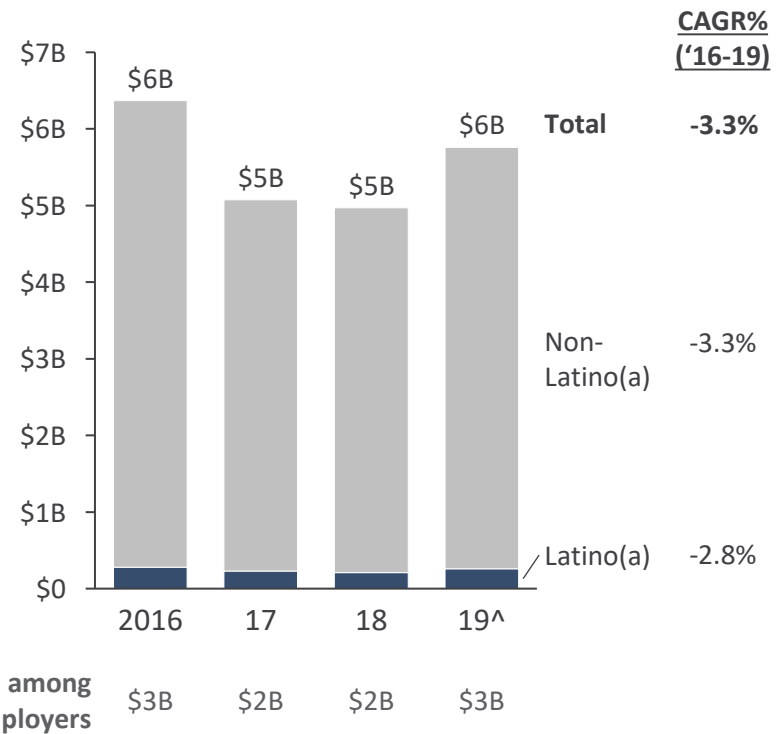
Small business capital demand in Indianapolis

By race, in billions of USD (2016-19)



Small business capital demand in Indianapolis

By ethnicity, in billions of USD (2016-19)



Source: U.S. Census County Business Patterns, U.S. Survey of Non-Employer Statistics; U.S. Annual Survey of Entrepreneurs; Federal Reserve Small Business Credit Survey

Capital demand: Methodology

We used a bottoms up methodology to estimate the demand for financing from small businesses in Indianapolis across demographic groups

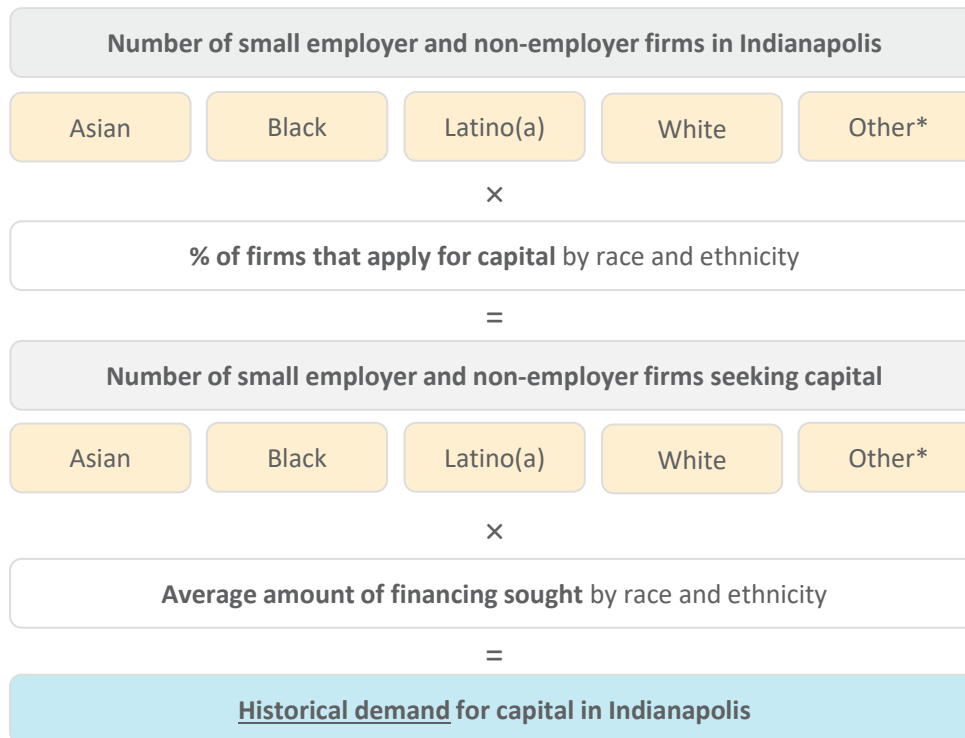
Sources

U.S. Census County Business Patterns, Survey of Non-Employer Statistics, Annual Survey of Entrepreneurs, Survey of Business Owners

Number of businesses 2018 and 2019 estimated to be increased by 2014-17 annualized growth rate

Federal Reserve, Small Business Credit Survey (2016-19)

Federal Reserve, Small Business Credit Survey (2016-19)



Capital demand: Impact of COVID-19

The effects of COVID-19 are expected to increase demand for emergency no-to-low cost funding in the near term, while reducing demand for traditional small business financing in the longer term

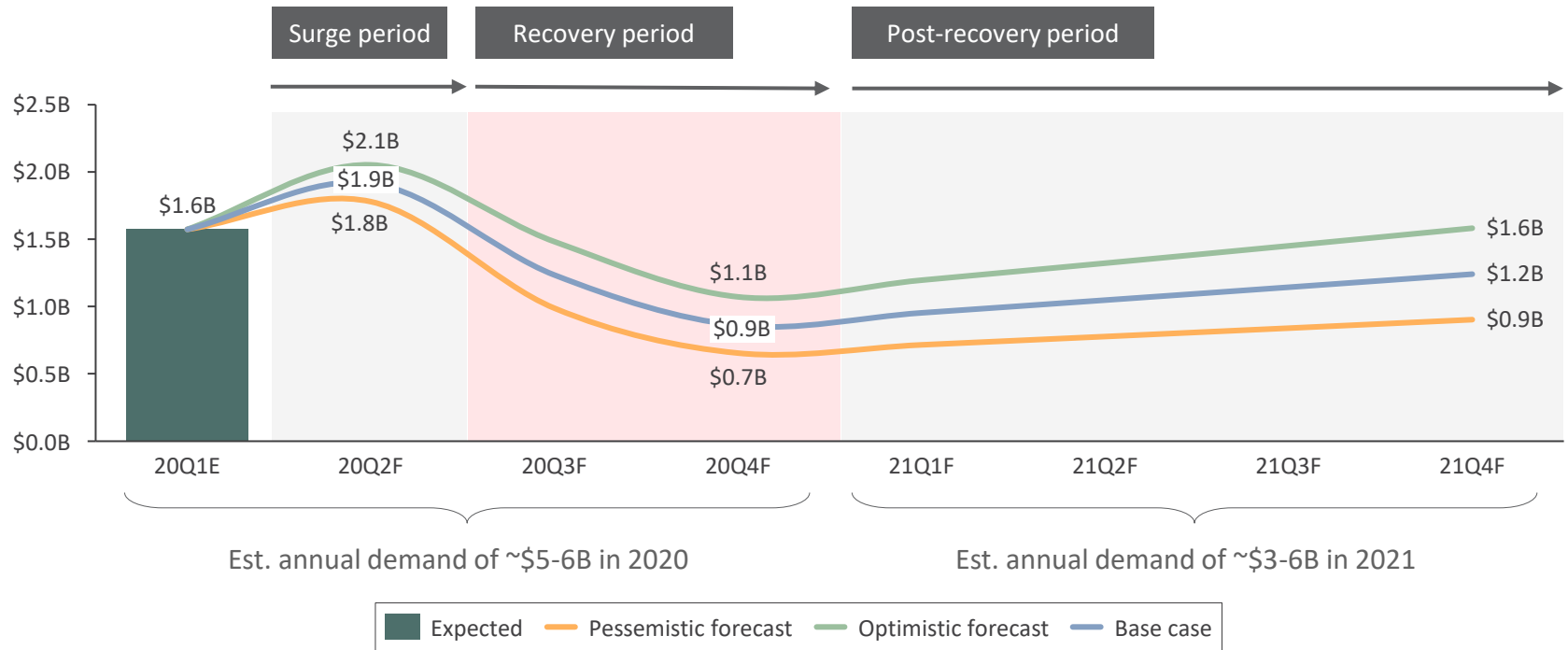
Demand Drivers	Change due to COVID-19		Est. impact on demand	
			Near-term (20Q2-20Q3)	Longer term (20Q3-21Q4)
Number of small business	Job losses will compel some unemployed to start new businesses	↗	↓	↓
	Reduced sales and limited access to emergency funding will force many small businesses to close	↓	↓	↓
Proportion seeking financing	New emergency funds and increased capitalization of existing funds will increase near-term demand for low cost debt and grants	↑		
	Small businesses pivoting their businesses models (e.g., switching to manufacturing PPE) will need additional working capital	↗	↑	↓
	Lower sales as economy recovers in medium-to-long term will lower demand for investment capital	↓		
	Emergency debt funding will increase leverage and prevent many businesses from taking on additional debt capital	↓		
Amount of financing sought	Businesses pivoting their business models will have higher capital needs	↗	↓	↓
	Uncertain sales expectations and macro economic conditions will create fears of “over-leveraging” and lower appetite in debt products, while reducing needs for working capital or growth-related investments	↓	↓	↓

Capital demand: Forecast

Demand will fluctuate in the coming months, as we are experiencing an initial emergency surge that will likely flatten to pre-COVID levels as we enter the recovery and post-recovery periods

Indianapolis small business capital demand forecast

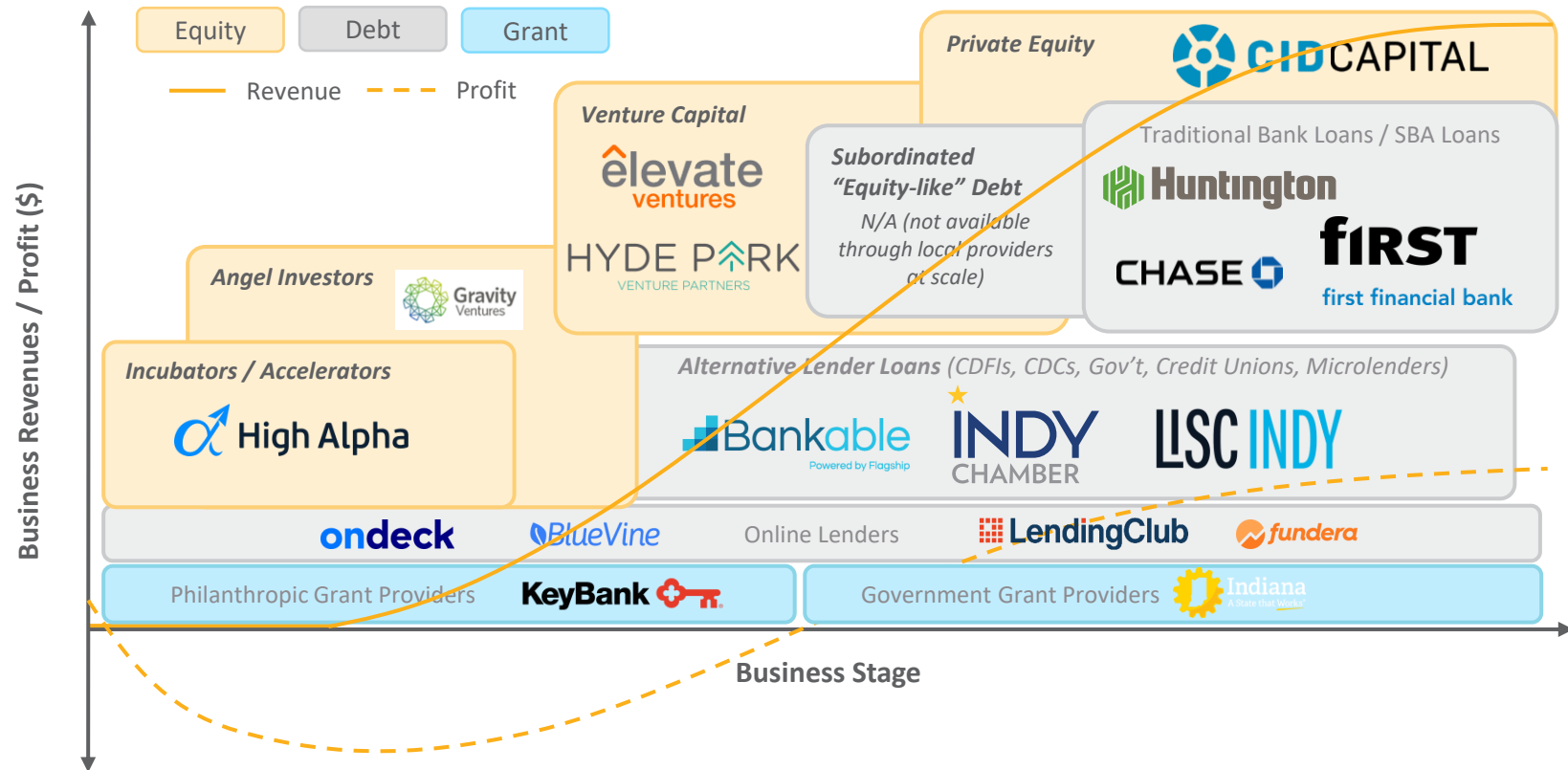
(2020-21F, Billions of USD)



Source: U.S. Census County Business Patterns, U.S. Survey of Non-Employer Statistics; U.S. Annual Survey of Entrepreneurs; Federal Reserve Small Business Credit Survey

Capital supply: Overview of providers

Indianapolis has a broad mix of capital providers serving businesses across different stages, but there is a dearth of alternative lenders despite recent market entries

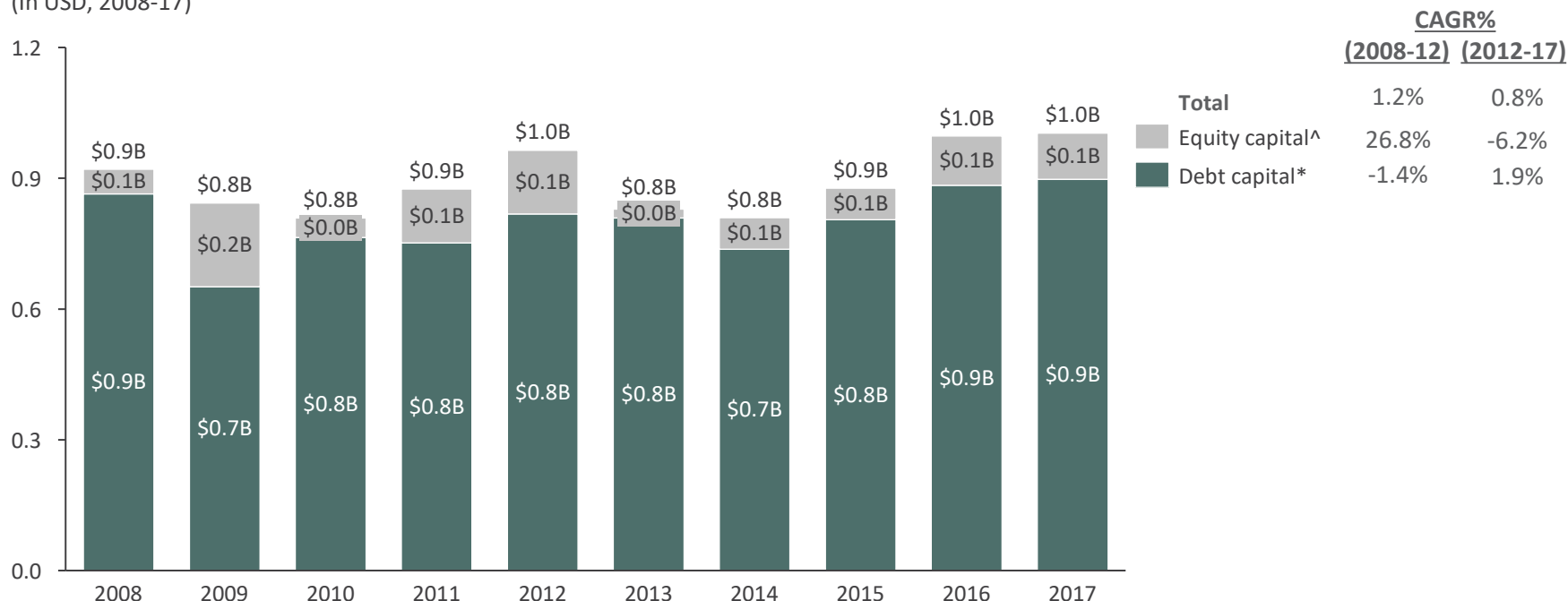


Capital supply: Historical overview

Capital supply has grown slightly since the financial crisis, driven by traditional non-SBA bank lending; however, there is still an annual gap of ~\$4.1-5.3B between supply and demand, with Black and Latino(a) business owners having the highest levels of unmet demand

Small business investment in Indianapolis, by capital type

(In USD, 2008-17)



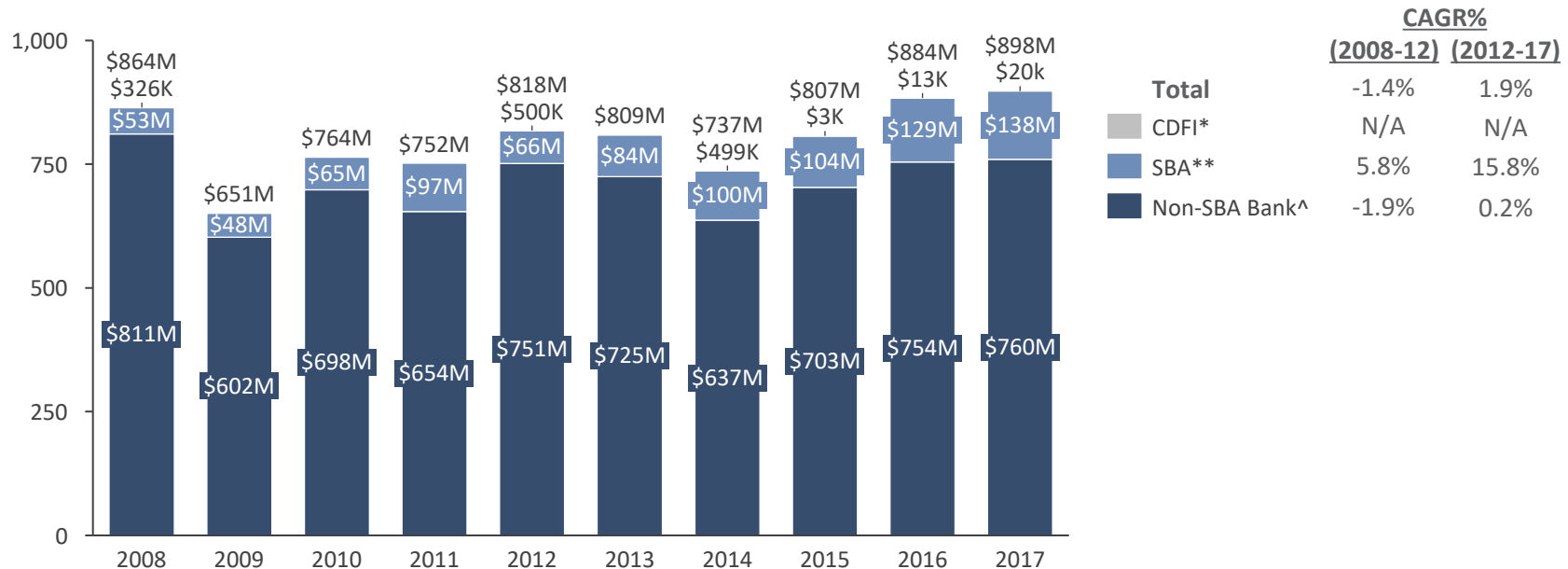
Note: * Figures include lending from traditional sources (non-SBA bank lending, SBA lending, and CDFI lending) on a county-level; ^ Figures calculated on a Metropolitan Statistical Area level
 Source: Freedom of Information Act (FOIA) to the Small Business Administration for all 504 and 7(a) lending data, CDFI Fund; PwC / CB Insights MoneyTree Report

Capital supply: Debt capital overview

Small business lending in Indianapolis is primarily sourced from non-SBA bank lending, which stayed relatively flat in the aftermath of the financial crisis in 2010; while CDFI lending makes up the smallest source of funding in Indianapolis, new market entries suggest a significant growth since 2017

Small business lending in Indianapolis

(In USD, 2008-18)



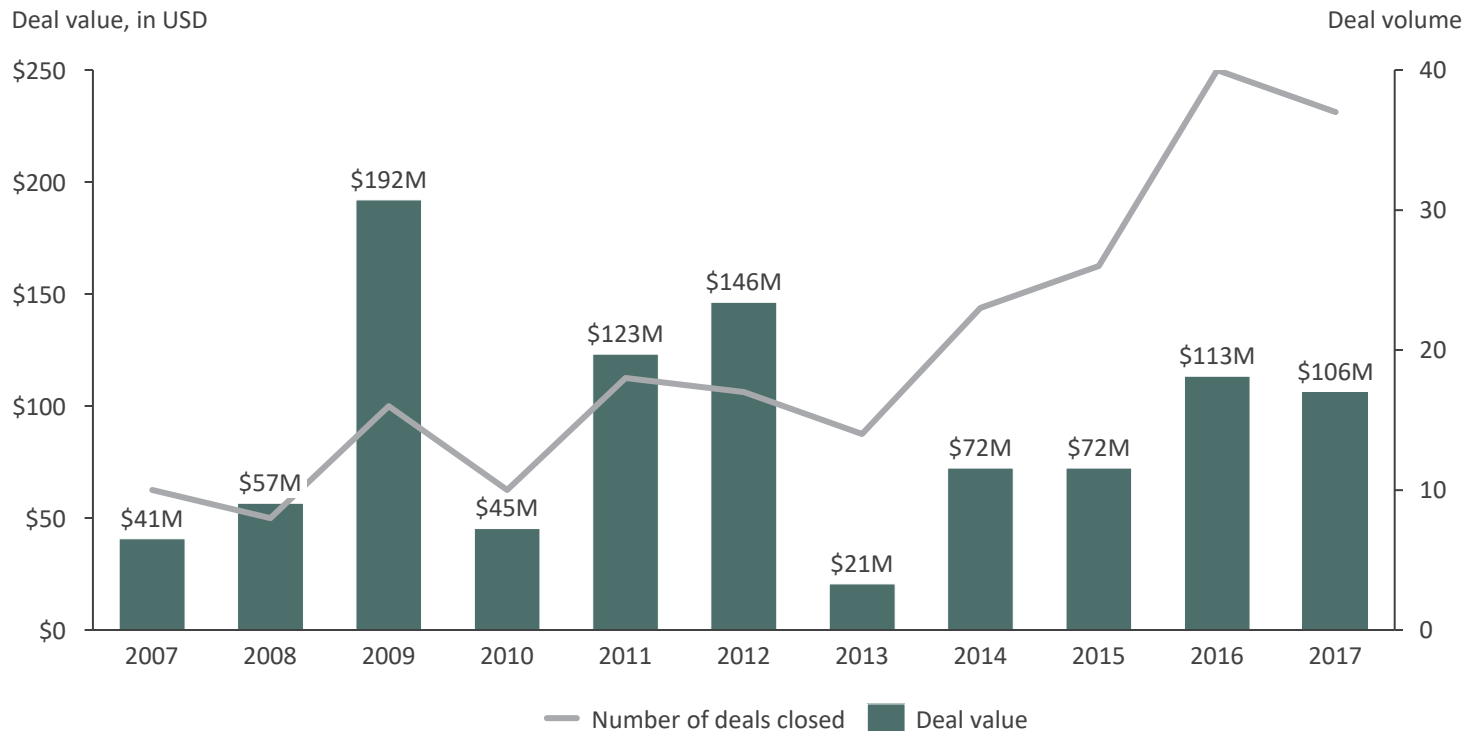
Note: * CDFI Lending includes all lending by CDFI Fund recipients; ** SBA Lending includes SBA lending, excluding SBA loans made by CDFIs; ^ Non-SBA Bank Lending includes all bank lending, except for SBA loans made by banks or FFIEC institutions

Source: Freedom of Information Act (FOIA) to the Small Business Administration for all 504 and 7(a) lending data, CDFI Fund

Capital supply: Equity capital overview

The volume of equity investment deals has risen steadily since the aftermath of financial crisis; however, the total value of equity investments has fluctuated, reaching a high of \$192M in 2009

Indianapolis Angel Investment and Venture Capital Deal Value (\$) and Volume (#) (2007-18)

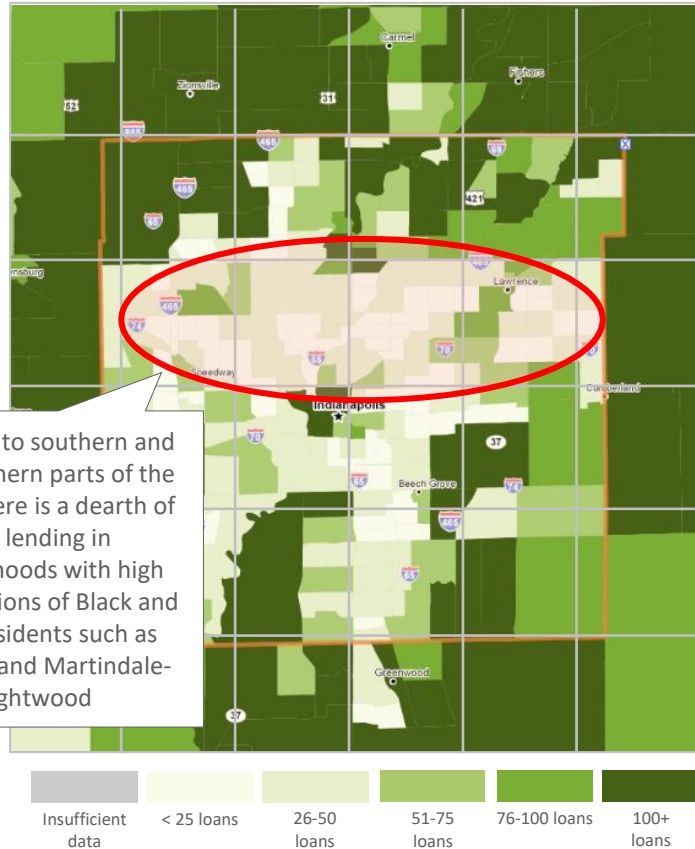


Source: PwC / CB Insights MoneyTree Report

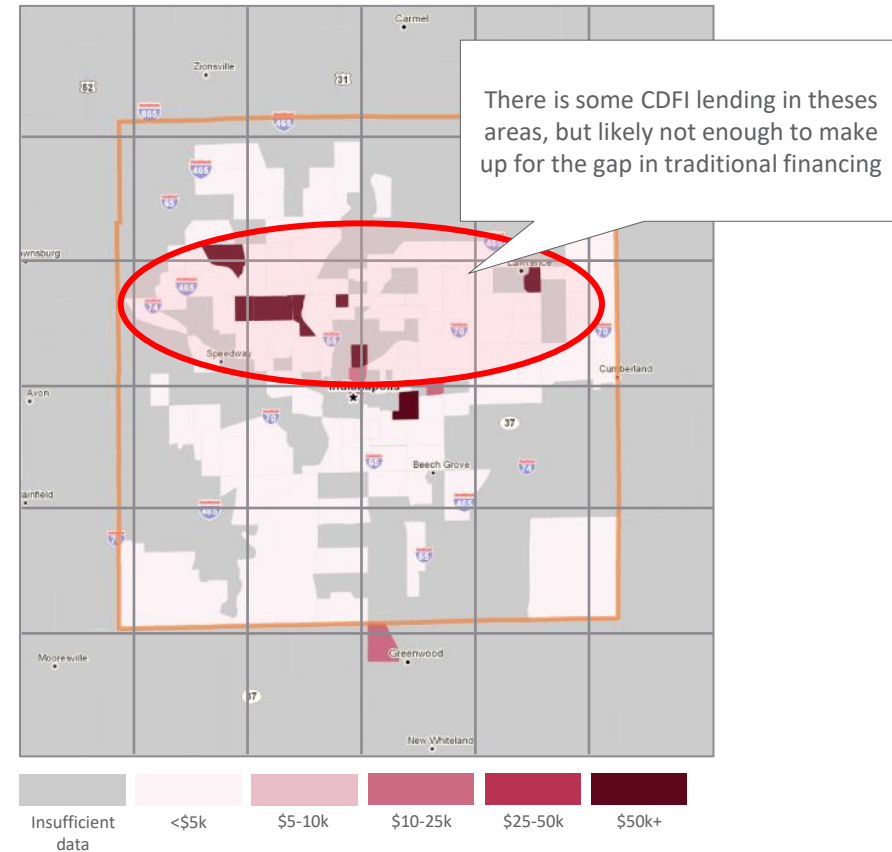
Capital supply: Lending by geography

There are disproportionately low rates of bank lending in neighborhoods with high concentrations of Black and Latino(a) residents; CDFI lending has filled some gaps, but significant unmet demand remains

Small Business Bank Loans under \$100k (2017)



Aggregate CDFI Business Lending (2017)



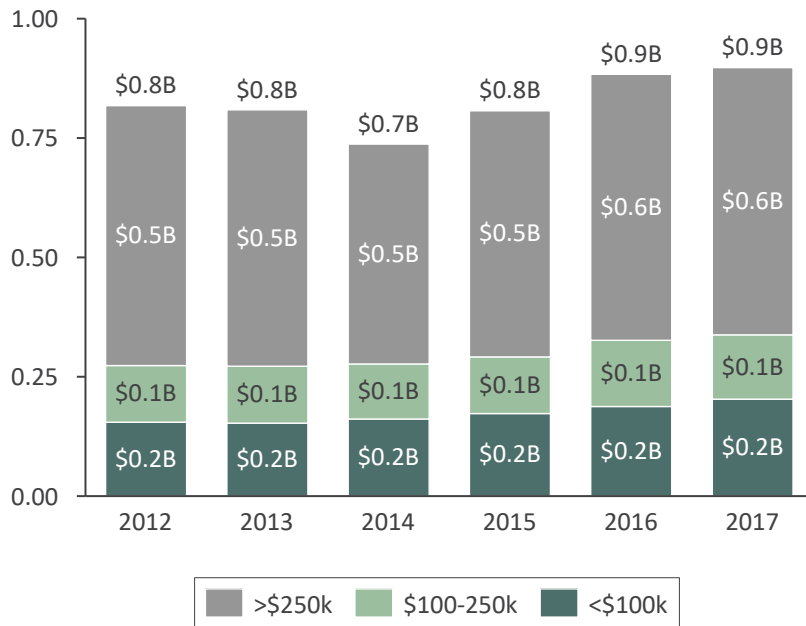
Source: CRA and CDFI Fund data for Indianapolis (2017), accessed through PolicyMap

Capital supply: By size / series

Capital supply is historically concentrated in larger loans and equity investments, as loans have historically been over \$250k and equity investments are concentrated in later stage businesses

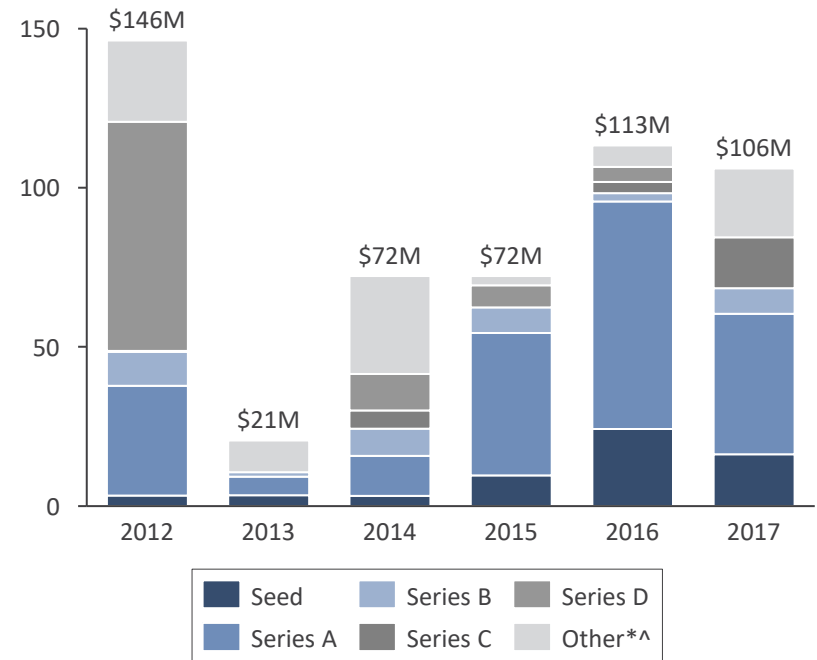
Indianapolis Small Business Lending*, by loan size

In Billions of USD



Indianapolis Equity Investments^, by series

In Millions of USD



Note: * Figures include lending from traditional sources (non-SBA bank lending, SBA lending, and CDFI lending) on a county-level; ^ Figures calculated on a Metropolitan Statistical Area level;

*^ Other includes Convertible Notes, Growth Equity, and other forms of equity capital, as defined by PwC / CB Insights MoneyTree Report

Source: Freedom of Information Act (FOIA) to the Small Business Administration for all 504 and 7(a) lending data, CDFI Fund; PwC / CB Insights MoneyTree Report

Capital supply: Peer city comparison

Indianapolis has low levels of CDFI lending relative to its peer cities, while levels of non-SBA bank lending, SBA lending and equity are comparable









Estimated Small Business Capital Supply* (2017)

	# of small businesses	Non-SBA bank lending	SBA lending	CDFI lending^	Equity investments
Indianapolis	21k SBEs	\$0.7B	\$0.1B	\$0.2M	\$0.1B
San Antonio	34k SBEs	\$1.1B	\$0.1B	\$5.1M	\$0.1B
St. Louis	68k SBEs	\$2.0B	\$0.2B	\$4.4M	\$0.2B
Dallas	61k SBEs	\$2.8B	\$0.4B	\$5.7M	\$0.3B
Atlanta	53k SBEs	\$1.6B	\$0.3B	\$12.0M	\$0.9B

Note: * Debt lending figures calculated on a county-level with the exception of St. Louis which is calculated on a Metropolitan Statistical Area level. Equity investment figures are calculated on a Metropolitan Statistical Area level; ^ CDFI lending calculated as 2012-17 average; Bankable SBA loans are categorized under SBA lending, not CDFI lending
 Source: Freedom of Information Act (FOIA) to the Small Business Administration for all 504 and 7(a) lending data, CDFI Fund; PwC / CB Insights MoneyTree Report

Capital supply: Non-traditional sources

Alternative sources and funding products will become increasingly important financing options for small businesses, as traditional sources are expected to contract in the coming months

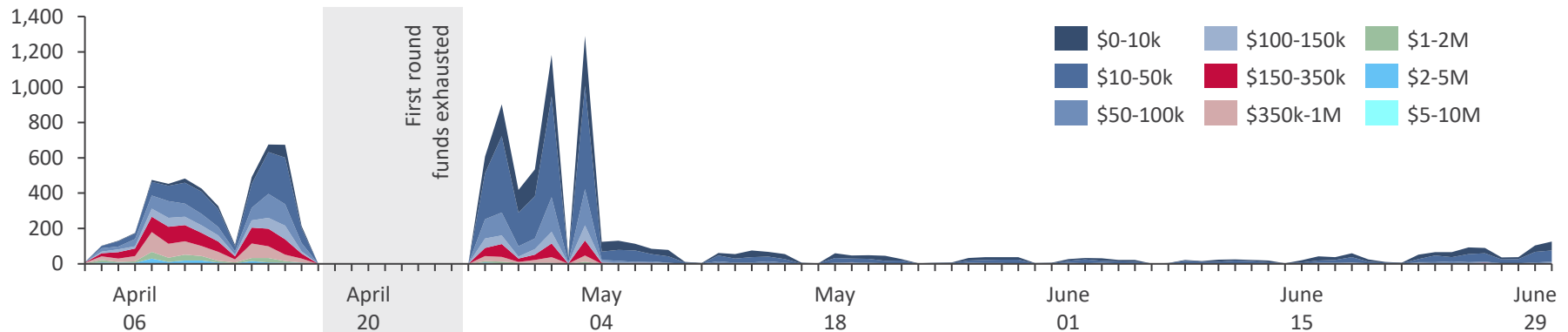
	Online lending	Grants	Revenue-Based Financing
Description	<ul style="list-style-type: none"> Online lending has played an increasingly important role in small business lending, with total online lending growing to ~\$7-8B annually across the U.S. Balance sheet lenders, peer-to-peer lenders, and invoice and payables financing providers offer traditional debt products to small businesses Multi-lender marketplaces also meet demand by matching investors to small business 	<ul style="list-style-type: none"> Small business grants are non-repayable funds directly to small businesses through public or nonprofit sources Prior to COVID-19, small business grant programs were limited and often geared towards neighborhood revitalization (e.g., store-front improvement) During and following COVID-19, supply of grants is expected to increase to support recovery 	<ul style="list-style-type: none"> Revenue-Based Financing (RBF) is a form of capital where investors provide capital to businesses in exchange for a percentage of monthly gross revenues RBFs are “equity-like” in nature, as businesses repay investors based on financial performance Unlike equity, RBFs do not require businesses to give up ownership
Illustrative providers	   		  

Source: Organization websites

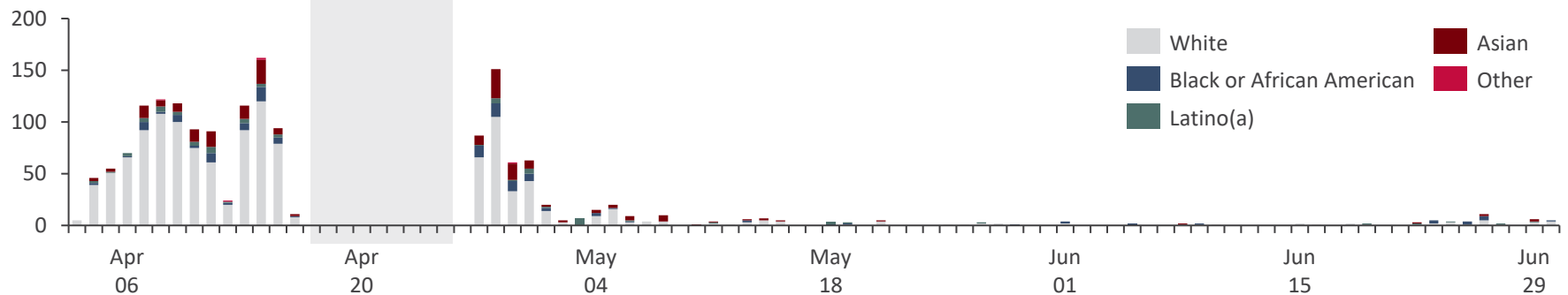
Capital supply: PPP loans

PPP loans were difficult for business owners of color in Indianapolis to access in the first rounds of funding, as lenders prioritized existing and larger borrowers with access to more support and resources – characteristics of White-owned businesses in Indianapolis

Daily distribution of Paycheck Protection Program loans in Indianapolis



Distribution of loan applicants in Indianapolis, by race and ethnicity*



Approval date

Note: * Does not include applicants who did not report race or ethnicity; 86% of borrowers in Indianapolis did not report race and ethnicity
Source: U.S. Treasury Small Business Administration

Capital supply: Local C-19 funds

Local and municipal funds are administered directly by government agencies or through a local intermediaries, providing low-cost loans and grants to small businesses

	Rapid Response Business Loan Fund	Marion County Ready to Restart Grants	LISC Grant for Minority, Immigrant and Women-owned Businesses	Indiana Small Business Restart Fund
Description	BOI-run program to provide affordable and flexible capital to businesses impacted by C-19	Partnership between the city of Indianapolis and the Indy Chamber for small business PPE Grants	LISC-run grant program to support minority, immigrant or women-owned small businesses affected by C-19	State-run grant fund designed to assist small businesses in Indiana affected by C-19
Capitalization	Initial \$3M in investments from public and private partners with goal of \$10M	N/A	\$250k in funding from LISC and the Indianapolis Foundation and Regions Bank	\$35M in CARES Act funding
Distribution time	Loans intended to be distributed as quickly as possible for small businesses in need	Grants are awarded on a first-come, first-served basis	Funding distributed in two rounds: one in June and the other in July	Grants will be awarded within 10-14 days of completed application
Distribution intermediary	Indy Chamber	Indy Chamber	LISC Indianapolis	Indiana Economic Development Corporation
Fund status	Closed	Fund closes 8/28	Closed	Fund closes 9/30

Source: Indy Chamber, LISC Indianapolis, State of Indiana

Critical Elements of a BSO Ecosystem

Impact & Measures:

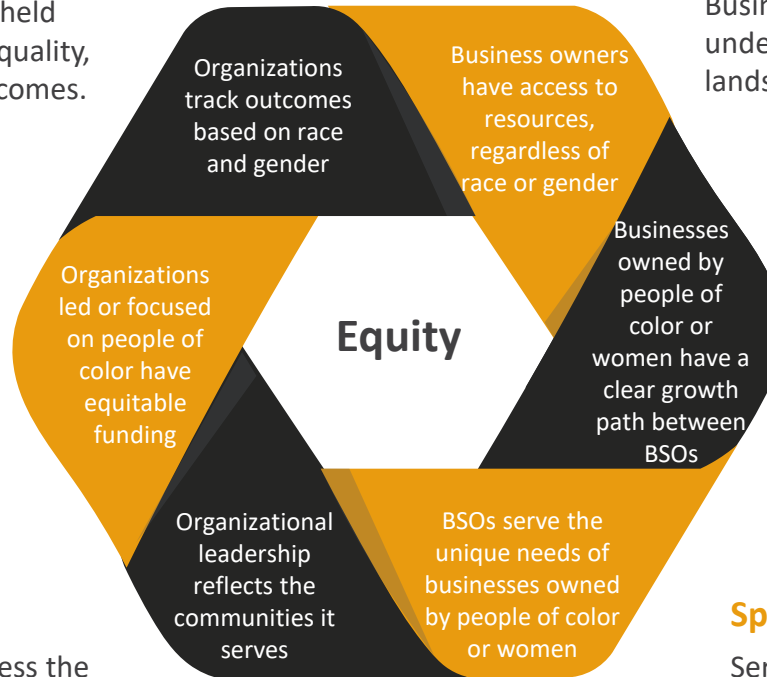
There should be mutually held measurements of service quality, reporting impact, and outcomes.

Sustained Funding

The ecosystem should have sustained funding that supports the collaboration between business support organizations.

Leadership & Talent:

The leadership should possess the talent -- such as the ability to convene, influence and innovate -- to serve the needs of the business community.



Access & Navigation:

Business owners should be able to understand, navigate and access the landscape of service offerings.

Collaboration & Handoffs:

Business support organizations should collaborate with each other and with capital providers to effectively serve business owners .

Specialization & Breadth:

Services should cover the continuum of needs. There should be a set of specialized business support organizations serving the unique needs of particular types of business owners.

Business Service Landscape Research

Methodology

Conducted desk research on sample of 42 business support organizations, sourced from the following sources:

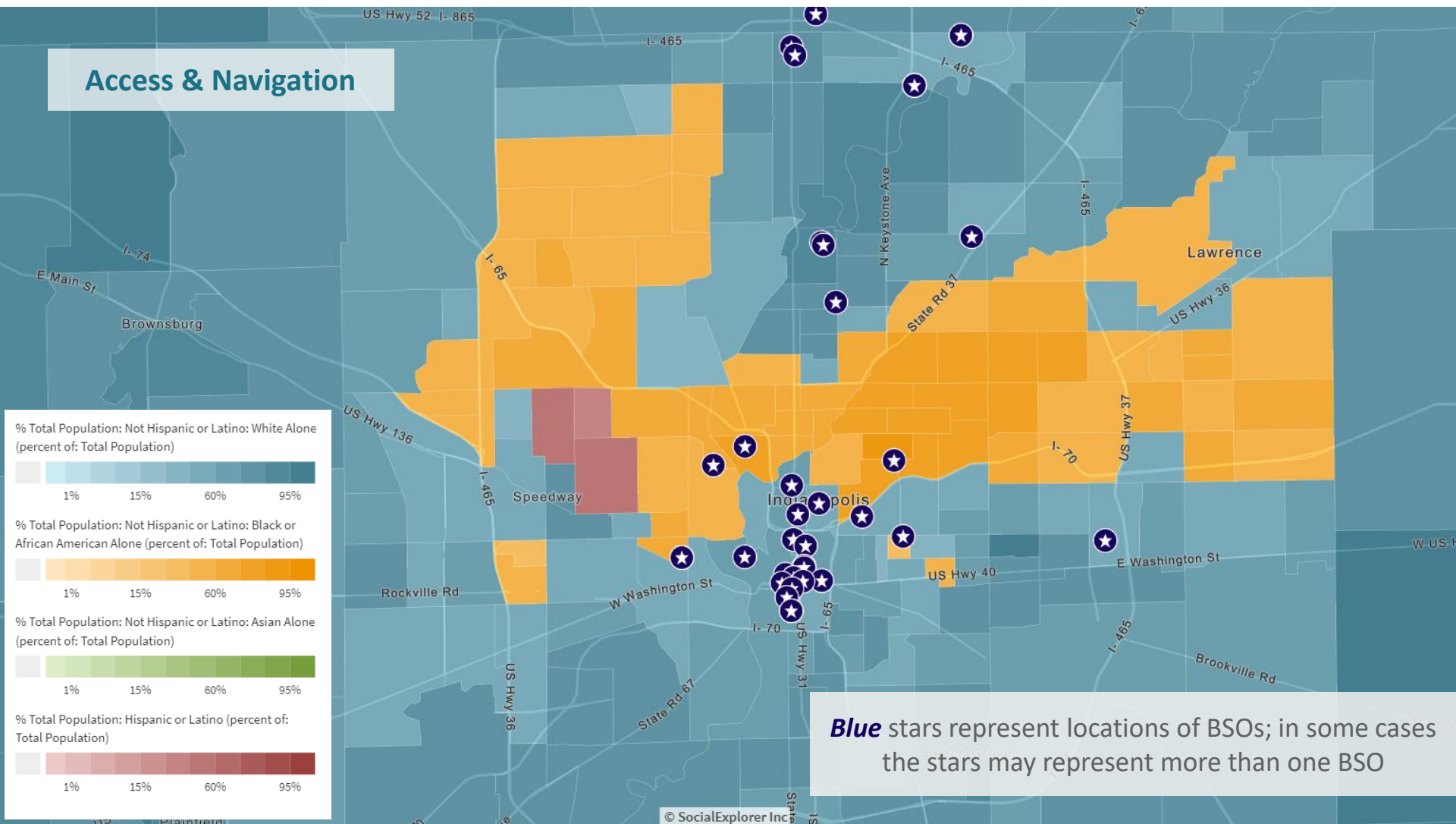
- Indianapolis Business Journal 2019-2020 “Book of Lists”
 - 24 Women Owned Businesses
 - 50 Largest Not-for-Profit Organizations
 - 25 Largest Minority Owned Businesses
 - 10 Largest SBA Lenders
- “Nonprofit & 501C Organizations Indianapolis, IN 46208.” 46208 Indianapolis Indiana Nonprofits and 501C Organizations, www.taxexemptworld.com/organizations/indianapolis_in_46208.asp.
- TRUiC. “Best Small Business Resources in the Indianapolis Area.” Startupsavant.com, TRUiC, 6 Mar. 2018, howtostartanllc.com/local-resources/indiana-indianapolis.
- Recommendations from local community
- Internet search

Supplemented desk research with primary research:

- Small business focus groups: 13 attendees
- Interviews with 7 BSOs and 2 local businesses
- Survey with 15 BSO responses

Critical Elements of a BSO Ecosystem

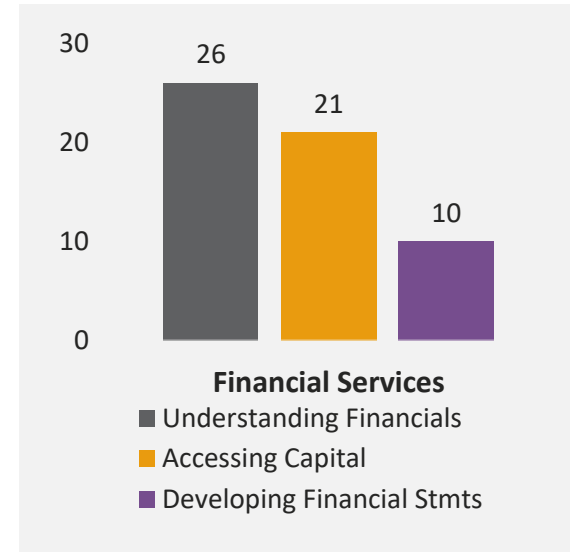
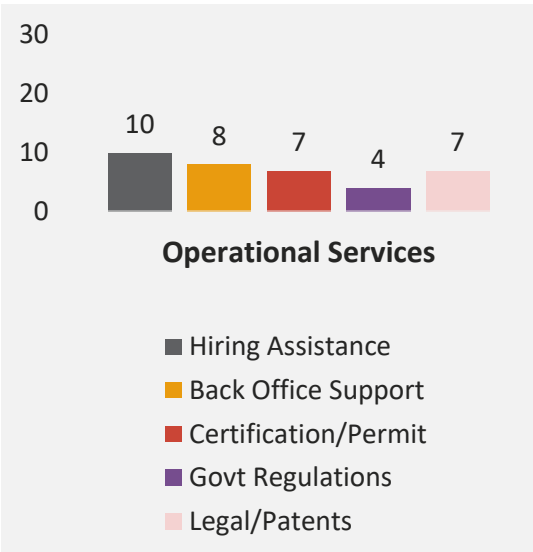
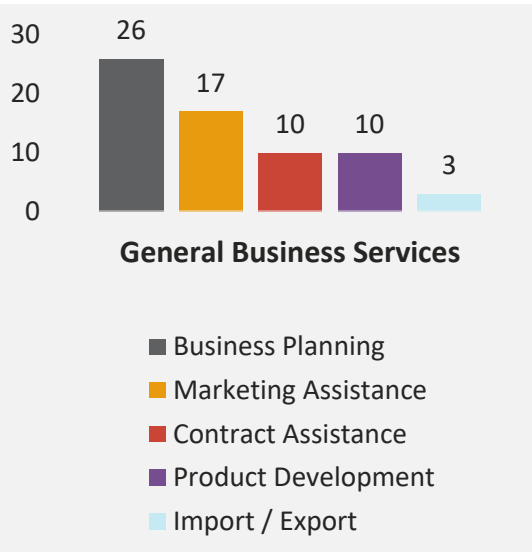
Access & Navigation



Critical Elements of a BSO Ecosystem

Specialization and Breadth

Dataset of 42 BSOs



- **Business owners of color need more peer-to-peer networks** and coalitions as well as **access to influence and opportunity**
- There is **not enough support for mid-level and high-growth/high- scale POC-owned businesses**.
- POC-owned businesses need **better access to contracts** with corporate, anchor, and government agencies
- There is a **lack of culturally- and linguistically-appropriate outreach and engagement** with business owners of color – especially Spanish language and immigrant community materials

Critical Elements of a BSO Ecosystem

Specialization and Breadth

Dataset of 42 BSOs, 15 BSOs surveyed, 13 businesses in focus groups

Most common services:	Offered by BSOs	Requested acc'd to BSOs	Focus group businesses
Mentorship/coaching	✓	✓	
Business planning	✓		
Understanding financials	✓		
Start-up assistance		✓	
Shifting biz operations COVID			✓
Marketing and customer expansion			✓

There is a lack of alignment in the services that BSOs most commonly offer, those that they report are mostly commonly requested by businesses, and the services reported as most needed by businesses in our focus groups

Critical Elements of a BSO Ecosystem

Collaboration and Handoffs

- There needs to be a stronger, centralized **digital repository** to guide business owners to resources
- **Need formal modes of collaboration** among business service and capital providers, with attention to bridging past divides
- Need an **ecosystem-wide approach for implementation of Prop 231**

Leadership and Talent

Of 42 BSOs sampled, **participation of women and people of color largely mirrors** their representation in greater city. There is **a disparity in funding for BSOs led by POCs versus white men.**

	People of Color	Women
% of population	40%	52%
% of businesses	11%	21%
% of BSO CEOs	53%	51%

Impact and Measures

- There is a **need to standardize shared metrics** to measure effectiveness and map what has been successful in growing small businesses
- Lack of shared **repository of data about the small business ecosystem**

Sustained Funding

38% of the BSO dataset had **budgets less than \$500k.** While the avg. budget size was \$2.2M, median budget was \$740k pointing to extreme high and low budgets.

Led by	Average Budget Size
White Men	\$4.1M
White Women	\$753K
POC Men	\$2.0M*
POC Women	\$2.2M
Total	\$2.2M

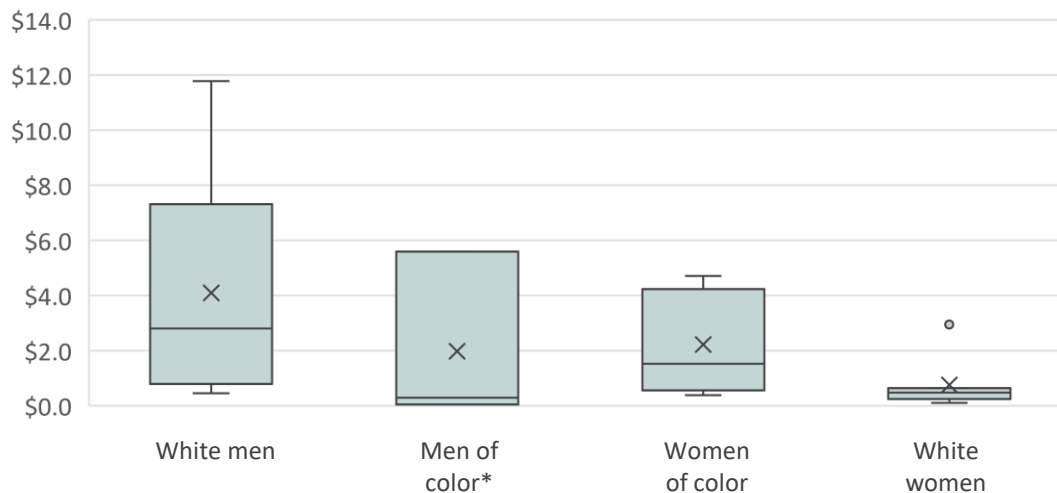
*Sample size with reported budget was significantly smaller than other leadership types. Larger sample size is needed to draw conclusions.

Services: Critical Ecosystem Elements

Leadership & Talent / Sustained Funding

Annual Business Support Organization Budgets

(2019, in Millions of USD; n = 21 BSOs)



In a **box and whisker plot**: the ends of the **box** are the upper and lower quartiles. The median is marked by a vertical line inside the **box**. The **whiskers** are the two lines outside the **box** that extend to the highest and lowest data point. The “x” represents the mean.

Ecosystem Opinion Expressed:

There is inequitable funding and support, especially for smaller organizations.

- 40% of 15 BSOs surveyed stated they believe racial bias exists in securing funding for BSO that primarily serve entrepreneurs of color or business owned by people of color
- 38% of dataset had budgets less than \$500K.
- While the average budget size was \$2.2M, the median budget was \$740K pointing to extreme high and low budgets.

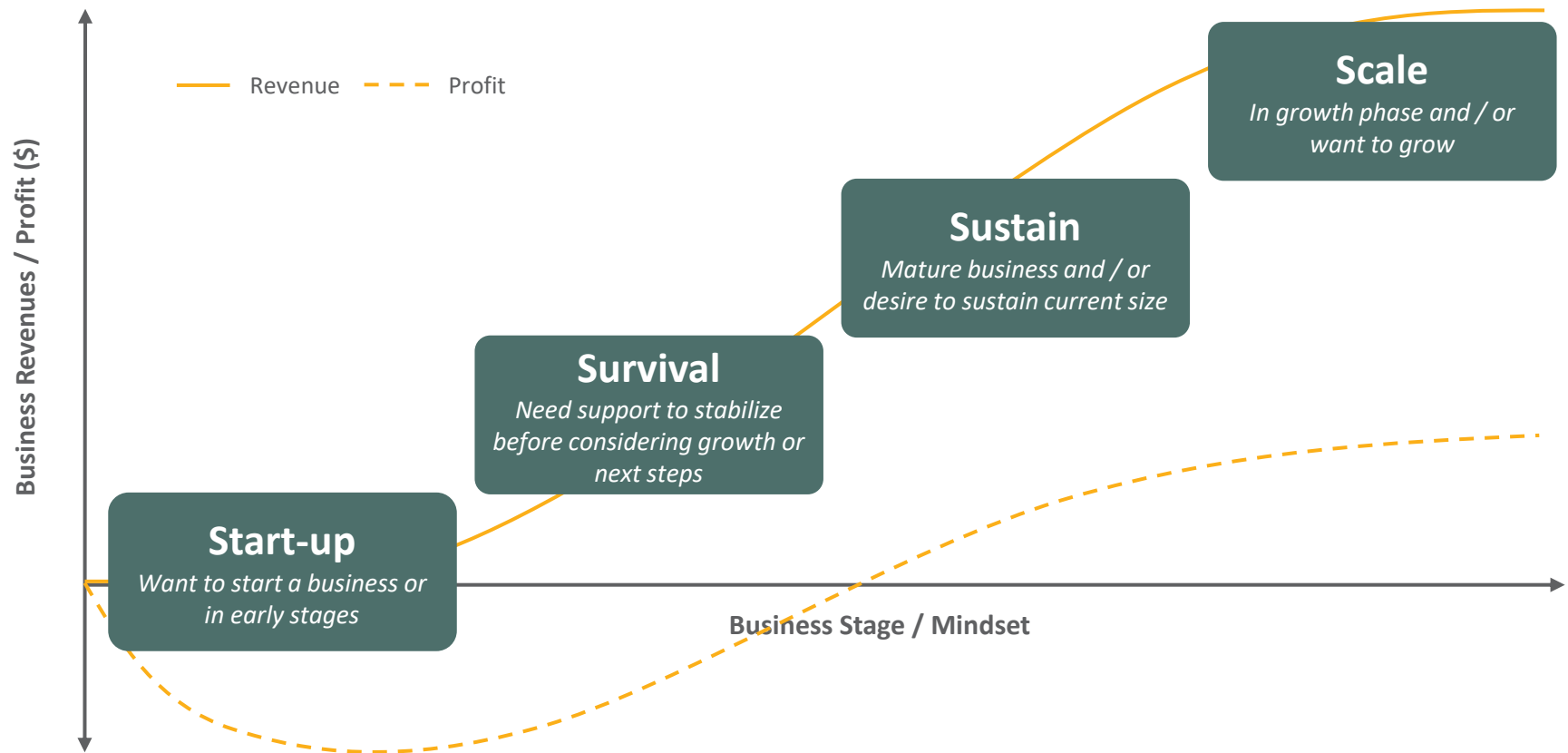
Note: * Sample size for POC males with reported budget was significantly smaller than other leadership types. Larger sample size would be needed to draw conclusions.

Table of Contents

- + Project overview + context
- + Proposed ecosystem pillars and strategies
- + Small business landscape research
- + Business capital and services landscape research
- + **Ecosystem needs assessment and prioritization**

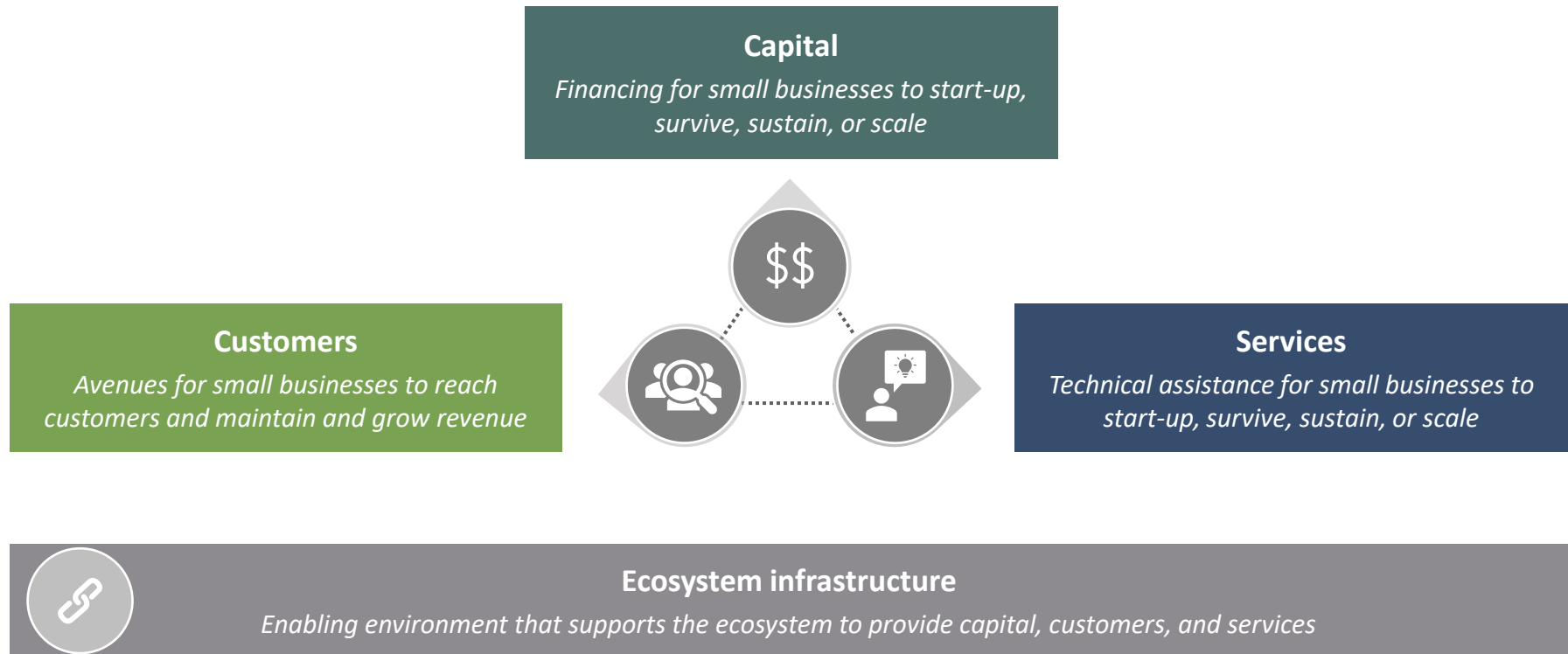
Small Business Segments

At the start of this work, we agreed to focus on small businesses (<50 employees) owned by Black, Latino(a) or Asian business owners. We will use a simple segmentation framework to better understand the gaps for these business owners and the needed solutions



Small Business + Ecosystem Needs

We categorized the priority needs and emerging solutions in Indianapolis based on small businesses' capital, customers, and services needs, along with critical infrastructure needs for the ecosystem



Emerging needs: Small business

We identified the following small business needs based on our Working Group discussions and research, many of which have been amplified by COVID-19 (I of II)

Emerging needs: Derived from small business and ecosystem gaps			Start-up	Survival	Sustain	Scale
Capital	1.1	Need more bank lending in Black and Latino(a) neighborhoods (including in Martindale-Brightwood and Eagle Dale)	✓	✓	✓	✓
	1.2	Need more community financial institutions (including CDFIs, CDCs, and minority depository institutions) lending in the market with flexible underwriting	✓	✓	✓	✓
	1.3	Need more lending for small businesses seeking microloans (<\$100k) and mid-sized loans (\$100-250k)	✓	✓	✓	✓
	1.4	Need equity and equity-like investment funds dedicated for startup businesses and for POC and immigrant business owners	✓		✓	✓
	1.5	Need local and regional small business grant programs dedicated for startup businesses and for POC and immigrant business owners	✓	✓	✓	
	1.6	Need recovery funding for small businesses adversely impacted by COVID-19		✓	✓	
	1.7	Need capital products with flexible, relationship-based underwriting standards (mirroring credit standards of Paycheck Protection Program loans)	✓	✓	✓	✓
Customers / Markets	1.8	Need neighborhood, city- and county-wide buy local marketing campaigns	✓	✓	✓	✓
	1.9	Need local e-commerce platforms for small businesses to sell products and services	✓	✓	✓	✓
	1.10	Need a streamlined, digital certification and contracting system for MWBEs	✓		✓	✓
	1.11	Need dedicated and shared resource pools for POC business owners seeking MWBE certifications and pre-qualifications for public works contracts			✓	✓
	1.12	Need an integrated ecosystem-wide approach for implementing, communicating, and enforcing newly established City and County MWBE utilization plans			✓	✓
	1.13	Need supplier diversity programs among corporate and anchor institutions (including universities and hospitals)	✓	✓	✓	✓

Need classification:  Need unique to IND  Need exhibited nationally with unique local context  Need common nationally

Emerging needs: Small business

We identified the following small business needs based on our Working Group discussions and research, many of which have been amplified by COVID-19 (II of II)

Emerging needs: Derived from small business and ecosystem gaps		Start-up	Survival	Sustain	Scale
Services	1.14 Need culturally and linguistically appropriate outreach and engagement with communities and business owners of color (particularly Spanish language outreach in Latino(a) communities)	✓	✓	✓	✓
	1.15 Need integrated technical assistance support for MWBEs to become procurement ready and elevate from subprime to prime contractors			✓	✓
	1.16 Need loan readiness and financial literacy resources and training programs for POC business owners	✓	✓	✓	✓
	1.17 Need growth-oriented services to support higher growth POC-owned businesses (including services supporting revenue diversification, marketing / customer expansion, and fundraising for growth capital)				✓
	1.18 Need more peer-to-peer networks and coalitions among business owners of color to share resources and build collective action to influence the local ecosystem	✓	✓	✓	✓
	1.19 Need additional locally based technical assistance programs to support businesses adapt and shift business models during and post COVID-19 (including business digitization programs and services)		✓	✓	
	1.20 Need a shared platform of professional services (including accounting, legal, and tax services) dedicated for startup and early stage businesses	✓	✓		
Need classification:		◆ Need unique to IND ◆ Need exhibited nationally with unique local context ◆ Need common nationally			

Emerging needs: Ecosystem

We identified the following ecosystem infrastructure needs based on our Working Group discussions and research, many of which have been amplified by COVID-19

Emerging needs: Derived from small business and ecosystem gaps		Start-up	Survival	Sustain	Scale
◆	1.21 Need a centralized, equitable, and accessible digital repository for all small business owners and ecosystem stakeholders to identify resources in the local ecosystem	✓	✓	✓	✓
◆	1.22 Need formal modes of city- and countywide collaborations / communities of practice (among BSOs, capital providers, anchors, funders) with marketing / public commitments and corresponding accountability mechanisms	✓	✓	✓	✓
◆	1.23 Need formal modes of neighborhood-level collaboration and engagement among capital providers, BSOs, community-based organizations and with small business owners and entrepreneurs	✓	✓	✓	✓
◆	1.24 Need equitable and accessible shared metrics and evaluation tools to measure the degree and efficacy of capital and service provisions	✓	✓	✓	✓
◆	1.25 Need capacity building support among local community financial institutions and equity capital investors	✓	✓	✓	✓
◆	1.26 Need capacity building support for BSOs operated by POC and women	✓	✓	✓	✓
◆	1.27 Need an ecosystem-wide platform on federal and state public policy positions that promote ecosystem objectives	✓	✓	✓	✓
◆	1.28 Need to integrate small business development within City and County workforce and community development initiatives	✓	✓	✓	✓

Need classification: ◆ Need unique to IND ◆ Need exhibited nationally with unique local context ◆ Need common nationally

Survey: Access to Capital

From the Adv Co survey, the highest prioritized Capital needs for small business include the needs for grant programs targeting POC and immigrant businesses, additional COVID-19 recovery funding, and more alternative and community financial institutional lending with flexible underwriting standards

Indianapolis Advisory Council Survey (N = 25): Highest Priority Needs

Item	Overall Rank	Rank Distribution	<div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div>Lowest Rank</div> <div>Highest Rank</div> </div>		No. of Rankings
			Score		
Need for local and regional small business grant programs dedicated for startup businesses and for businesses owned by people of color and immigrants	1		39		20
Need for additional recovery funding for small businesses adversely impacted by COVID-19	2		32		13
Need for capital products with flexible, relationship-based underwriting standards (mirroring credit standards of Paycheck Protection Program loans)	3		30		14
Need for more community financial institutions (including community development financial institutions and minority depository institutions) lending with flexible underwriting	4		28		16
Need for equity and equity-like investment funds dedicated for startup businesses and for businesses owned by people of color and immigrants	5		27		14
Need for more lending for small businesses seeking microloans (6		13		8
Need for more bank lending in Black and Latino(a) neighborhoods (including in Martindale-Brightwood and Eagledale)	7		11		5

Note: Survey question – How would you rank your top three small business capital needs by their relative importance to the Indianapolis small business ecosystem? (Please rank the needs below from highest priority (1) to lowest priority (3), by dragging and dropping them into the appropriate order)

Survey: Access to Customers / Services

Moreover, the highest prioritized Customer and Services needs focus on a platform of shared resources for early stage businesses and in response to COVID-19, offering more growth-oriented services for higher-growth firms, and increasing peer-to-peer support and outreach for POC businesses

Indianapolis Advisory Council Survey (N = 25): Highest Priority Needs

Item	Overall Rank	Rank Distribution	Score	No. of Rankings
Need for a shared platform of professional services (including accounting, legal, and tax services) dedicated for startup and early stage businesses	1		94	17
Need for growth-oriented services to support higher growth businesses (including revenue diversification, business development, and fundraising for growth capital)	2		72	15
Need more peer-to-peer networks and coalitions among business owners of color to share resources and build collective action to influence the local ecosystem	3		65	17
Need to establish new and build upon existing locally based technical assistance programs to support businesses adapt and shift business models during and post COVID-19	4		62	13
Need culturally and linguistically appropriate outreach and engagement with communities and business owners of color	5		51	11
Need loan readiness and financial literacy resources and training programs for business owners of color	6		51	12
Need for a platform of wraparound support of business owners to access secondary social services (including child care and transportation assistance)	7		49	11

Note: Survey question – How would you rank your top seven small business customer and services needs by their relative importance to the Indianapolis small business ecosystem? (Please rank the needs below from highest priority (1) to lowest priority (7), by dragging and dropping them into the appropriate order)

Survey: Ecosystem Infrastructure

The highest prioritized Ecosystem needs focus on centralizing local ecosystem resources in a digital repository, capacity building for POC- and women-led BSOs, and a shared ecosystem-wide platform on shared metrics and strategies and federal and state public policy positions

Indianapolis Advisory Council Survey (N = 25): Highest Priority Needs

Item	Overall Rank	Rank Distribution	Score	No. of Rankings
Need a centralized digital repository for all small business owners and ecosystem stakeholders to identify resources in the local ecosystem	1		59	17
Need capacity building support for business support organizations (BSOs) operated by people of color and women	2		43	15
Need an ecosystem-wide platform on federal and state public policy positions that promote ecosystem objectives	3		26	10
Need shared metrics and evaluation tools to measure the degree and efficacy of capital and service provisions	4		25	13
Need formal modes of neighborhood-level collaboration and engagement among capital providers, BSOs, community-based organizations and with small business owners and entrepreneurs	5		23	9
Need formal modes of city- and county-wide collaborations / communities of practice (among BSOs, capital providers, anchors, funders) with marketing / public commitments and corresponding accountability mechanisms	6		23	10
Need to integrate small business development within City and County workforce and community development initiatives	7		23	10

We include the need for formal ecosystem-wide collaboration due to interconnectivity with the ecosystem-wide platform of policies and shared metrics

Note: Survey question – How would you rank your top four ecosystem infrastructure needs by their relative importance to the Indianapolis small business ecosystem? (Please rank the needs below from highest priority (1) to lowest priority (4), by dragging and dropping them into the appropriate order)