# SMALL BUSINESS
# DEVELOPMENT OFFICE

**Small Businesses are encouraged to do business with the City of Little Rock:**

The Small Business Development Office (SBDO) designs, implements and monitors programs and activities that facilitate economic development by helping to create, sustain and expand the number of successful small, minority-owned and women-owned businesses. Highlights of the four programs administered by the SBDO are as follows:

## SMALL BUSINESS INCUBATOR SERVICE SYSTEM (SBISS)

The SBISS is an economic development tool designed to assist and nurture small companies until in their efforts to move to the next level of business operation. The SBISS currently has 19 business clients.

- Increased SBISS Client businesses from 12 in 2000 to 19 in 2001;
- Combined gross sales by SBISS Client businesses increased 105% ($3,048,193 in 2000 to $6,258,556 in 2001);
- Combined employment increased 71% (49 employees in 2000 to 84 employees in 2001);
- Leveraged investments – (Total City program cost $157,722 – Combined SBISS Client businesses invested $167,159).

**For a detailed explanation of this program and an application go to SBISS.**

## RIVER MARKET CAPITAL ENHANCEMENT PROGRAM

The River Market Capital Enhancement Program is an economic development tool designed to assist businesses located in or moving to the River Market Pavilion with the purchase of capital equipment items that will enhance the vendor's space and overall operations. The program has 2 business clients.

- Established $50,000 River Market Capital Enhancement account; and
- One start up business utilized $10,000 for capital equipment lease-purchases.

**For a detailed explanation of this program and an application go to River Market Capital Enhancement.**

## ENTREPRENEURIAL TRAINING PROGRAM

The Entrepreneurial Training Program is a 12-week course designed to provide practical training in establishing business management systems for start-up and existing businesses.

- Conducted 2 training courses, consisting of a total of 40 participants; and
- 50% (20 participants) completed the courses, (the industry norm is a 25% completion rate).

For more information on this program and an application go to **Entrepreneurial Training**

## PROACTIVE PROCUREMENT AND CONTRACT OUTREACH

The City of Little Rock proactively encourages businesses to do business with the City.

- The SBDO participated in, or co-sponsored, 26 marketing and outreach forums.
- Disseminated over 31000 pieces of SBDO literature; and
- Posted ads in local print media

## For More Information

**James E. Turner, Administrator**
**Small Business Development Office**
**3805 West 12th Street, Suite 208**
**Little Rock, AR 72204**
**501-379-1505**

### MISSION Of The SBISS

To establish and provide business assistance services, that meet the capacity building services needs for new and existing small, minority-owned and women-owned businesses in the City of Little Rock.

In order to carryout the mission our focus is on the provision of business services that are designed to meet the needs of small, minority-owned and women – owned businesses within the City of Little Rock. Minority business enterprise means a minority (female or male) having 51% or more of ownership in the business. Women-owned business means a Woman (Caucasian) having 51% or more ownership on a business. Small business as defined by Small Business Act of 1975, as an independently owned and operated enterprise, which has fewer that 100 employees or has less that $5,000,000 in Gross Annual receipts.

All City of Little Rock small business owners are eligible for SBISS assistance. All SBISS support services will be based on need. Applying businesses must demonstrate the need for professional and administrative assistance. The SBISS will focus on new business ventures, young companies (24 months or less), and the expansion of very small business. SBISS also targets innovative firms that lack management, technical or financial ability to survive without some assistance. The SBISS is an economic development program with an objective of creating jobs and economic wealth by helping create, sustain, and expand the number of successful small, minority and women businesses

## PRIMARY FOCUS

The SBISS primary focus is to provide: state-of-the-art computer lab offerings; customized training packages and; customized professional and technical assistance. These activities are provided through a business development network system which features coordinated referrals, professional and technical service contracts, working agreements with educational and technical resources (classroom training, workshops and counseling sessions). All of our services are designed to assist the businesses in acquiring the hard and soft skills necessary for long-term success.

In order to stay true to our primary focus the SBISS will not develop new programs, instead we customize services for SBISS Clients to utilize existing programs to meet their individual capacity building needs. To that end we function as collaborators or partners with existing service providers that are currently providing small business education, technical assistance and professional services. Our focus is continuously geared towards development of business operation skills, capacity building opportunities, assistance with start-up activities and specialized training designed to enable local residents to become successful business owners.

## KEY FEATURES OF SBISS CLIENT SERVICES

1. Customization of service delivery packages according to the needs of the individual small business owner.
2. Confidential and customized counseling
3. Database of Professional Service Providers – developed, maintained and monitored by the SBISS staff
4. Limited financial assistance for professional or technical services – chosen from the Database of Professional Service Providers
5. Limited "on-site" services and assistance: access to "state-of the-art" computers and other office technology, business software; space for one-on-one business meetings and conference room space for 6-8 people
6. Assistance in locating site space for new or expanding business.

## GENERAL SCREENING AND SELECTION CRITERIA

All applicants for SBISS services screened by the City of Little Rock Small Business Incubator Board of Advisors (SBIBOA) and the SBISS staff. The SBIBOA and the SBISS staff are responsible for developing, maintaining and updating basic screening criteria, they have the latitude to interpret, revise or amend criteria as broad as they deem necessary for an effective and efficient screening process, the general screening process will consist of commitment to provide or adhere to the following:

1. Provide proof of ownership of business and the business structure
2. Business history of owner and/or management
3. Review of the Business Plan

4. Review of Business References
5. Demonstration of knowledge of the business' product or services
6. Demonstration of knowledge of market and competition
7. Commitment to adhere to the SBISS customized capacity building plan

**REQUIREMENTS FOR ASSISTANCE**

SBISS participating business must sign business assistance operating agreement. This agreement will include the terms and conditions of any and all SBISS assistance. SBISS assistance operating agreement will include but not be limited to the following:

1. Quarterly review of business accounting, and operating statements by SBISS Administrator.
2. Quarterly review of SBISS capacity building business plan to demonstrate adherence to the plan.
3. Quarterly review of corrective action plan for area of business requiring improved performance or corrective action
4. Annual Assessment and Evaluation of Business plan.

**EXIT/GRADUATION REQUIREMENTS**

SBISS participating business will be assessed and evaluated on the anniversary date of their entry into the SBISS. The purpose of the assessment and evaluation will be to determine if the business has adhered to it's original business plans and to determine if the business might benefit from additional SBISS assistance. The SBIBOA and SBISS staff will make determination on continued services based primarily on the progress or lack of progress of the business and the probability of the business succeeding with additional SBISS assistance.

- The very successful business could be denied additional SBISS services because it has demonstrate that it no longer will need SBISS services to remain a viable business.

- The maximum time period for SBISS's assistance to a particular business is 24 months.

- Graduating Businesses will receive public relations assistance and one year's paid membership to the Greater Little Rock Chamber of Commerce

- Graduates will also be encouraged to serve as mentors for other SBISS participating business and to service as Advocates of the SBISS.

# CITY OF LITTLE ROCK
# SMALL BUSINESS INCUBATOR SERVICE SYSTEM
## (SBISS)

## PRE-ENTRY APPLICATION

**Name of Business:**_____

**Owners Name/Title:**_____

**Address:**_____

**City, State**: Little Rock, AR **Zip Code**:_____

**Phone:**_____ **Fax:**_____ **E-Mail:**_____

**Type of Business/Product:**
_____

The information that you provide in this application will be confidentially reviewed and evaluated to determine your eligibility for consideration in the SBISS program. If the requested information is not available, please provide an explanation.

## BASIC SCREENING CRITERIA

1. IS YOUR BUSINESS: _____ NEW _____ EXISTING
   ***Please provide a current Business Plan, if you have one.***

2. IS YOUR BUSINESS A:

   _____PROPRIETORSHIP _____ PARTNERSHIP _____CORPORATION
   ***Please provide complete proof of ownership documentation.***

3. IF AN EXISTING BUSINESS:
HOW LONG? _____ NUMBER OF EMPLOYEES: _____

4. GIVE NAME, ADDRESS AND PHONE NUMBER OF PARTNER OR MAJOR STOCK HOLDERS.
***Please attach applicable information.***

5. PROVIDE A LIST OF BUSINESS REFERENCES INCLUDING EXISTING CUSTOMERS OR CLIENTS.
**Please attach applicable information.**

6. DESCRIBE YOUR PRODUCT OR SERVICE.

_____

_____

_____

7. DESCRIBE YOUR TARGET MARKET AND COMPETITION.

_____

_____

_____

8. PROVIDE BUSINESS HISTORY OF OWNERS AND MANAGEMENT.

_____

_____

_____

9. PLEASE EXPLAIN YOUR NEEDS FOR THE FOLLOWING SERVICES:

CLERICAL; ACCOUNTING; MARKETING; LEGAL; BONDING; INSURANCE; OTHER:

_____

_____

_____

10. PLEASE EXPLAIN SPECIAL TRAINING REQUIRED IN THE FOLLOWING AREAS:

COMPUTER; MANAGEMENT; ACCOUNTING; BUSINESS PLAN WRITING; MARKETING; OTHER:

_____

_____

_____

11. INITIAL CAPITALIZATION OF YOUR BUSINESS:

$0 - $50,000; $50,000 - $100,000; $100,000 - $ 150,000; OVER $ 150,000

12. PLEASE EXPLAIN YOUR REQUIREMENTS FOR FIXED ASSET FINANCING.

_____

_____

_____

13. IF YOUR PRODUCT OR SERVICE IS A SPINOFF OR TRANSFER OF TECHNOLOGY, PLEASE EXPLAIN.

_____

_____

_____

14. PLEASE EXPLAIN HOW YOUR PRODUCT OR SERVICE WILL ASSIST LOCAL INDUSTRY.

_____

The City of Little Rock Small Business Incubator Service System was created to foster small business development activities and to provide a customized capacity building plan for the development and expansion of your small business.

Clients may remain in the incubator for up to 24 months and be expected to show progress in accordance with an approved capacity building plan. Clients will be required to demonstrate commitment to the goals identified.

This form represents only a pre-entry application on the part of the client and is a request for entry. Acceptance of this form will not imply acceptance for entry into the City of Little Rock Small Business Incubator Service System.

I have read this form thoroughly. _____
INITIALS

_____
SIGNATURE

_____
TITLE

DATE: _____ ACCEPTED BY:
_____
SMALL BUSINESS DEVELOPMENT ADMINISTRATOR

***PLEASE FORWARD APPLICATIONS TO:***

James E. Turner, Administrator
Pearl Varnado, Administrative Technician
Small Business Development Office
City of Little Rock
3805 West 12th Street, Suite 208
Little Rock, AR 72204
Office Phone: (501) 379-1505
Office Fax: (501) 379-1504

**LITTLE ROCK RIVER MARKET**

## CAPITAL ENHANCEMENT PROGRAM

## PURPOSE

To establish a program for current or potential businesses in the River Market which encourages recommendations for capital improvements which will enhance the productivity and quality of the vendor base within the River market while, at the same time, provide specific businesses with capital improvements necessary to fulfill these goals. This program is intended to be flexible and is structured to meet the changing needs of the River Market vendors.

## ELIGIBILITY

Funding is limited to capital equipment items that will enhance the vendor's space and overall operations as they relate to capital investment activities within the River Market.

(A)

(1) Any business that has been accepted as a participant in the City of Little Rock, Arkansas, Small Business Incubator Service System program ("SBISS"), shall be eligible to submit recommendations for this program.

(2) Any business in the River Market may submit a recommendation for this program, if it is determined that appropriate SBISS applications have been first considered, and funds for additional improvements to the River Market are still available.

(B) River Market Vendors can recommend the purchase of capital equipment to enhance the River Market in any amount up to $10,000. Preference will be given to: start-up businesses and businesses with a new product line.

(C) Capital equipment enhancement funds may be structured in multiple disbursements; however the aggregate amount provided at any one time cannot exceed $10,000.

(D) No business shall be eligible to recommend more than one recommendation for the purchase of capital equipment at a time. If the business has entered into a lease agreement with the City for the use of capital equipment purchased pursuant to this program, it shall not be eligible to submit an additional recommendation until the business' lease payments received by the City are equal, to or greater than, the initial cost of the equipment.

Procedures for Purchase & Repayment of Capital Investment/Enchancement Funds

Upon approval of the vendor's application and recommendation for capital investment funding, the City of Little Rock acting through the River Market Manager will purchase the approved items. The capital investment items will remain the property of the City of Little Rock. If the

vendor leases the capital equipment from the City, then once the lease payments received by the City are equal to, or greater than, the initial purchase price of the equipment, the City is free to consider a request from the vendor that it sell the equipment to the vendor at a price based upon its depreciated value. Although the City is under no obligation to sell the equipment to the vendor, it may do so if such action is deemed in the best interests of the continued development and productivity of the River Market. If the vendor is a participant in the SBISS program, there is a presumption that a sell of the equipment to the vendor is in the best interests of the continued development and productivity of the River Market if (1) The vendor has made monthly lease payments for the use of the City's equipment, and (2) The vendor has maintained, insured, and operated the equipment during the entire period of the lease.

Application

The Capital Enhancement Program application will consist of the following items:

(a) (1) Application and acceptance into the SBISS program; or,
(2) If not a participant in the SBISS program, a statement of the applicant's history of experience in the River Market, including a copy of the current lease agreement;
(b) Applicant's that are in business are to provide a current financial statement, if the applicant is a start-up business a project financial statement is required.
(c) Sources and Uses of Funds Worksheet
(d) Business Plan*

**LEASE TERMS**

Any lease for the use of equipment purchased pursuant to this program shall be subject to the following:

(A) Basic lease payment:

(1) An initial basic lease payment of five percent (5%) of the total purchase price for any piece of equipment that costs up to five thousand dollars ($5,000), exclusive of taxes, delivery, or installation costs;

(2) An initial basic payment of ten percent (10%) of the total purchase price for any piece of equipment that costs more than five thousand dollars ($5000), exclusive of taxes, delivery, or installation costs.

(B) Monthly lease payment:

(1) Monthly lease payments for a period not to exceed 48 months for equipment with a total purchase price of more than five thousand dollars ($5000), exclusive of taxes, delivery, or installation costs;

(2) Monthly lease payments for a period not to exceed 24 months for equipment with a total purchase price of more than two thousand dollars

($2,000), but less than five thousand dollars ($5000), exclusive of taxes, delivery, or installation costs;

(3) Monthly lease payments for a period not to exceed 18 months for equipment with a total purchase price of less than two thousand dollars ($2000), exclusive of taxes, delivery, or installation costs.

## UNDERWRITING CRITERIA

A credit report will be required for all capital investment/enhancement program applicants. The applicant's past ability to meet personal credit obligations will be evaluated when making capital investment decisions; however, credit will not be the sole determinant when making capital investment decisions. Vendors may be required, as a condition of the capital investment, to rectify derogatory credit accounts.

The Capital Enhancement Advisory Committee will consist of three members. The purpose of the advisory committee is to review all program recommendations and to advise and make recommendations as to the decision to purchase equipment, and the terms of any lease agreement. Advisory Committee meetings will be held prior to approving or denying any capital enhancement funding for the River Market. A majority vote of the entire committee is required.

## FEES

The Vendor is responsible for any related fees (for example – Credit Reports).

* The SBISS Program can provide assistance with this item, if necessary.

**LITTLE ROCK RIVER MARKET**
400 East President Clinton Avenue * Little Rock, Arkansas 72201
**CAPITAL ENHANCEMENT PROGRAM**
**APPLICATION**

Name of Business:_____

Owner Name/Title:_____

Address:_____

Phone:_____ Fax:_____ E-Mail:_____

Type of Business/Product:_____

The information provided in this application will be reviewed and evaluated to determine whether to fund your recommendation for the Capital Enhancement Program. If the requested information is not available, please provide an explanation. ***Attach supporting documentation for each applicable question.***

1. Provide a brief explanation of why you believe your recommendation would enhance the productivity and quality of the vendor base in the River Market and, if applicable, enhance the quality of your business.

_____
_____
_____

2. If you intend to lease the equipment recommended for purchase, provide a worksheet that identifies the proposed sources and uses of funds to meet your Capital Enhancement needs.

3. What equipment/enhancement items are you seeking from the Capital Enhancement Program?

⇒Type of Equipment:_____
⇒Equipment Cost:_____

⇒Enhancement Item:_____
⇒Enhancement Cost:_____

4. Applicant's that are in business are to provide a current financial statement, if the applicant is a start-up business a project financial statement is required.

5. Provide a copy of your Business Plan.

Application Submitted By:_____ Date:_____
**Name/Signature**

**Please return the completed application with supporting documentation to the address on the application.**

## ENTREPRENEURIAL TRAINING

Early Registration accepted for the next **12 – Week Entrepreneurial Training course.** The course is designed to improve your business operations and related business skills.

The City of Little Rock considers the Entrepreneurial Training Course to be an investment in the City's economic development activities by helping entrepreneurs reach the next level of success. Therefore, the cost for each participant is a nominal fee of only $75.00**.**

**Return completed registration/application form – only – DO NOT SEND PAYMENT AT THIS TIME.** The registration/application is required so we start planning for the course, additional information will be sent concerning payment.

**The Entrepreneurial Training Program is designed to provide basic business skill training and practical guidance in bookkeeping, marketing, financial projections and negotiations with lenders. The curriculum is detailed, standardized, flexible, community focused and cost-effective. More specifically the training will provide knowledgeable instructors, facilitators, business professionals and business practitioners as guest speakers, that will share practical information and user friendly training materials – time for one-on-one counseling and assistance as well as networking opportunities are also provided.**

**Space is limited**, get your registration/application in early. If you have questions call us at 379-1505.

**PRE-REGISTRATION/APPLICATION**

# ENTREPRENEURIAL TRAINING PROGRAM

**Name:**_____

**Business Name (*if applicable):**_____

**Mailing Address:**_____

**City/State/Zip:**_____

**Telephone:**_____**Fax:**_____**E-mail:**_____

***Type of Business (Services or Products Provided):**_____
_____
_____
_____
_____
_____
_____

**New Business Yes ( ) No ( ). If No, How Long In Business**_____
_____

**Do You Have Employees, if so, How Many?**_____

____ **Yes, I want to be on the Waiting List for the Next Course**
____ **No, I am Not Interested, at this time**

# *COURSE OVERVIEW*

**ENTREPRENEURIAL TRAINING PROGRAM**

12 - Week Course (One Night Per Week)

| | | |
|---|---|---|
| **Session** | **1.** | **Introduction, Overview & Entrepreneurship** |
| **Session** | **2.** | **Planning & Research: Entrepreneurial Essentials** |
| **Session** | **3.** | **Organizational Matters: Management & Legal Structure** |
| **Session** | **4.** | **Marketing – "Behind the Scenes": Analysis & Understanding** |
| **Session** | **5** | **Marketing – "On Stage": Strategies, Tactics & Implementation** |
| **Session** | **6.** | **Financial Overview: Books, Records & Controls** |
| **Session** | **7.** | **Managing Your Money: Financial Planning, Budgets, Assumptions** |
| **Session** | **8.** | **Managing Your Money: Developing & Using Cash Flow Projections** |
| **Session** | **9.** | **Understanding & Using Your Financial Statements** |
| **Session** | **10.** | **Financing Your Business: Alternative Sources of Money** |
| **Session** | **11.** | **The Deal Making Process: Negotiating in the Real World** |
| **Session** | **12.** | **Your Business Future: Managing Growth & Plan Completion** |