

HUMAN AFFAIRS COMMITTEE

AGENDA

JANUARY 14, 2019

7:00 PM

Aldermanic Chamber

ROLL CALL

PUBLIC COMMENT

COMMUNICATIONS

From: Tim Cummings, Economic Development Director
Carrie Schena, UPD Manager

Re: R-18-101 - Amend Action Plan to Fund E for All

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS

R-18-101

Endorsers: Mayor Jim Donchess
Alderman June M. Caron
Alderman Tom Lopez
Alderman-at-Large Michael B. O'Brien, Sr.

AMENDING THE FY2019 HUD ANNUAL ACTION PLAN BY REPROGRAMMING EXISTING FUNDS TO “E FOR ALL”

NEW BUSINESS – ORDINANCES - None

GENERAL DISCUSSION

PUBLIC COMMENT

REMARKS BY THE ALDERMEN

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT



City of Nashua
Community Development Division
City Hall, 229 Main Street, PO Box 2019
Nashua, New Hampshire 03061-2019

Community Development 589-3095
Planning and Zoning 589-3090
Building Safety 589-3080
Code Enforcement 589-3100
Urban Programs 589-3085
Economic Development 589-3070
Conservation Commission 589-3105
FAX 589-3398
www.gonashua.com

Memo

To: Human Affairs Committee
cc: Mayor Jim Donchess; Kim Kleiner, Chief of Staff
From: Tim Cummings, Economic Development Director & Carrie Schena, UPD Manager
Date: January 7, 2019
Re: R-18-101 - Amend Action Plan to fund E for All

The City of Nashua established a micro-enterprise revolving loan fund (RLF) in 2010 using CDBG stimulus funds. The original seed money was dispersed to five businesses resulting in varying degrees of success. By design, this RLF was intended to support high-risk, small businesses get off the ground. At this time the fund has a balance of \$46,846.18 consisting of repaid loans.

The City has struggled to effectively operate this RLF, due in part to limited staffing availability to meet HUD underwriting requirements, the significant time required to market the program and identify eligible businesses. For several years we have discussed how best to administer the fund or whether it should be eliminated. To that end, a non-profit entity "E for All" approached the City with an interest in launching their initiative in Nashua. *E for All* has proven capacity and experience in cultivating micro-enterprises (small businesses), especially underserved populations. They plan to describe and present their model at the January 14, 2019 HAC meeting.

Both the Urban Programs Department and the Division of Economic Development feel this partnership is ideal to use the RLF for its original purpose, while creating more economic opportunities than possible under the existing structure.

In order for *E for All* to implement a Nashua initiative, a total of \$70,000 is recommended for their first year, with subsequent funding of \$40,000 each in years two and three (application to be submitted through Annual Action Plan). The initial funding proposed in R-18-101 reflects the full balance of the RLF; FY18 funding to Bridges who withdrew their request due to the potential of moving their operations; and the FY18 Salvation Army bathroom renovation that came in under budget.

E for All has a mission focused on entrepreneurship in mid-size cities. The program takes a cohort of 10 to 20 individuals from within the community and provides the skills and knowledge for someone to take their idea and put it into action, which in return creates a business. The program consists of a pitch contests, which leads to being placed into a business accelerator program for an approximate year of support services of various types, which hopefully allows an entrepreneur with an idea to be transformed into a new business. There are approximately 8 locations (or thereabouts within Massachusetts). The program focuses on individuals who are traditionally under-represented and under-capitalized within the community (these are your lower income populations). The premise is to empower this segment of the population to help transform the community and incrementally build an entrepreneurial ecosystem.