

Proposal for EDA's Build to Scale (B2S) Program

Lead Organization: Ann Arbor SPARK

Program Focus: Expanding the SmartZone entrepreneurial ecosystem to underserved communities in Washtenaw County, informed by the region's Comprehensive Economic Development Strategy (CEDS).

Summary:

Ann Arbor SPARK seeks funding through the Economic Development Administration's (EDA) Build to Scale (B2S) program to expand our SmartZone entrepreneurial ecosystem into underserved areas, such as rural regions of Washtenaw County and Ypsilanti. This initiative will offer a "concierge" service with dedicated program staff, provide grant writing support, and enhance access to resources for startups. Aligned with Southeast Michigan's CEDS, the program will drive technology-based entrepreneurship and create jobs in underserved areas.

Project Objectives:

- **Expand Entrepreneurial Ecosystem:**
Focus on creating a vibrant startup environment in Ypsilanti and rural Washtenaw County.
 - **Grant Writing Support:**
Hire a grant writer to assist startups in applying for funding and programs.
 - **Technology Verticals:**
Expand efforts in mobility, cybersecurity, life sciences, and emerging areas like AI, clean energy, and advanced manufacturing.
 - **Strengthen Entrepreneurship Pipeline:**
Provide "concierge" services to connect entrepreneurs with venture capital, workforce training, and technology resources.
 - **Capacity Building & Scaling:**
Scale SPARK's business acceleration programs into underserved areas, aligned with CEDS priorities.
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Program Interventions:

- **SPARK Acceleration Program:**
Expand to underserved areas, providing access to mentors and business resources.
 - **Business Acceleration Grants:**
Targeted grants for growth milestones like legal support and marketing.
 - **Mentor Network & Skills Training:**
Extend the mentor network and offer training on market segmentation and capital access.
 - **Skills Training:**
Provide targeted skills development through SPARK's Entrepreneur Boot Camp.
 - **Community Engagement:**
Organize showcases and create co-working spaces to promote a culture of innovation.
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Concierge Service Role:

Dedicated staff will guide businesses through SPARK's programs and external offerings, with support from a new grant writer to help secure funding.

Strategic Alignment:

- **Regional Economic Development Priorities:**
Aligns with CEDS goals of strengthening the entrepreneurship pipeline.

- **Support for Underserved Communities:**
Focuses on equitable access to resources in underserved regions.
 - **High-Growth Sectors:**
Targets technology verticals like mobility, AI, clean energy, and advanced manufacturing.
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Key Metrics and Outcomes:

- **Job Creation:**
Track new jobs and economic outcomes like venture launches and capital raised.
 - **New Ventures:**
Set targets for new tech startups, especially in AI and clean energy.
 - **Diverse Participation:**
Ensure resources are accessible to traditionally underrepresented groups.
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Budget Overview (\$1.5 Million):

- **Program Staff (Concierge/Support):** \$900,000
 - **Grant Writer Position:** \$100,000
 - **Mentorship Network Expansion:** \$200,000
 - **Entrepreneur Training & Workshops:** \$150,000
 - **Community Engagement & Outreach:** \$100,000
 - **Operational Costs:** \$150,000
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Local Commitment and Matching Funds:

We will secure matching funds from Washtenaw County and the Ann Arbor-Ypsilanti SmartZone to ensure the program's sustainability and regional support.

Conclusion:

This proposal aligns with Southeast Michigan's CEDS to expand Ann Arbor SPARK's ecosystem into underserved areas. By offering a concierge service, hiring a grant writer, and focusing on high-growth sectors like AI and mobility, this initiative will drive inclusive economic growth and strengthen the region's technology-driven sectors.



October 10, 2024

I am writing to confirm the Ann Arbor/Ypsilanti SmartZone's commitment to support the Ann Arbor SPARK proposal for the Economic Development Administration's (EDA) Build to Scale (B2S) Program. As an organization with nearly 25 years of experience in supporting technology-based entrepreneurship in our region, the SmartZone has been the driving force behind the growth and scaling of Ann Arbor's tech ecosystem. We are pleased to contribute an in-kind match valued at \$1 million as a matching resource for this initiative, aimed at expanding the entrepreneurial ecosystem to underserved communities in Washtenaw County.

Source of Contribution

The source of our contribution includes existing resources and infrastructure developed and maintained by the Ann Arbor/Ypsilanti SmartZone.

Contribution Details

Our in-kind contribution is valued at \$1 million, which is fully committed to the project, will be available as needed, and is neither conditioned nor encumbered in any way that would preclude its use consistent with the requirements of EDA investment assistance. This support is crucial to the success of the initiative and achieving the program's objectives. Specifically, our contribution will be used for the following purposes:

- Staffing for SmartZone activities
- Infrastructure for intake of new business queries
- Access to existing marketing channels through social and traditional media
- Data infrastructure through a customized Salesforce.com platform
- Support through an existing network infrastructure designed for technology-based companies, developed over the past 20 years

In-Kind Contribution

For in-kind support, we are committing the following resources:

- **Valuation:** \$1 million
- **Description:** This contribution includes staff time, access to established data and marketing infrastructure, and existing support systems that are crucial for engaging and assisting new businesses and entrepreneurs.

These resources are committed for the duration of the project and will support key activities such as expanding entrepreneurial access and supporting growth in underserved areas like Ypsilanti and rural Washtenaw County.

We fully support the mission of expanding access to entrepreneurial resources. By partnering with Ann Arbor SPARK on this initiative, we believe this project will drive economic growth, create job opportunities, and further strengthen our regional ecosystem for technology-based entrepreneurship.

Sincerely,

Stephen Rapundalo, PhD
Chair
Ann Arbor/Ypsilanti SmartZone