



Legislation Text

File #: 18-0062 CRA, **Version:** 1

TO: CRA Board of Commissioners
FROM: Lori Hayward, Finance and Operations Director
THROUGH: Jeff Costello, CRA Executive Director
DATE: August 15, 2018

FY 2018-19 CRA A-GUIDE FUNDING REQUEST GREATER DELRAY BEACH CHAMBER OF COMMERCE

Recommended Action:

Direct staff to include funding for the Chamber in the CRA's FY 18-19 Budget in the amount of \$62,250.

Background:

The Chamber applied for CRA A-GUIDE Funding for FY 2018-19 under the category of Economic Development for their Business Incubator.

Funding Request Amount: \$62,250
Organization Total Budget: \$1,194,463
CRA Funds - Percentage of Budget: 5%
Amount of A-GUIDE funding established: first submission for A-GUIDE funding

Program: "A" Business Incubator

Requesting Amount: \$62,250
Program Budget: \$75,000
Percentage of Program Budget: 72%

This year's Funding Evaluation Committee consisted of CRA Executive Director Jeff Costello, CRA Finance and Operations Director Lori Hayward, and Assistant City Manager Caryn Gardner-Young. The Committee rated the application package based on the established A-GUIDE criteria. Criteria used in review of the application were grouped into six categories weighted to total 100% as follows:

Organization Capacity	20%	
Need for Project/Program		20%
Project/Program Description	10%	
Logic Model		20%
Evaluation Plan	10%	
Budget & Sustainability	20%	

The Application Evaluation Form has six categories and the majority of the items are rated on a scale of 1 to 5 (worst to best possible response) with an exception of two items. The two items are scored as follows:

- 1. Organizational Capacity- *Demonstrated experience/success with similar programs/project*** is rated on a scale of 1 to 5 (worst to best possible response). The

importance of the success of the organizations prior year goals that were established for the programs/projects funded by the CRA A-GUIDE grant funding was emphasized with additional points.

2. **Logic Model/Projected Results- *Stated program/project goal clear and relevant to CRA Overall Need*** is rated on a scale of 1 to 10 (worst to best possible response). The importance of the program/project goal being relevant to CRA Overall Need was emphasized with additional points.

The outcome of the committee's review is as follows:

1909 Accelerator Evaluation Score: 73%

In addition to the attached Application Evaluation Form and budget forms, the following documents are available upon request:

- A-GUIDE Application
- Strategic Plan
- IRS Form 990
- Audited Financial Statements

The Chamber's President and CEO Jeb Conrad will be at the meeting to make a presentation.

Attachments: Exhibit A - Application Evaluation Form; Program/Project Logic Model; Funding Evaluation Plan; CRA Combined Budget Form; CRA Program/Project A Budget Narrative Form; FY 18-19 Goals & Outcomes Report.

Program Name:		A: 1909 Accelerator		
Amount Requested:		\$62,500		
		73%		
		1	2	3
ORGANIZATION CAPACITY (20%)				
1	Length of time established, overall growth/stability	3	3	3
2	Stability/growth of organization funding	3	3	3
3	Board composition, role, commitment to program/project	3	4	4
4	Demonstrated experience/success with similar program/project	12	12	13
5	Program/project leadership and staff qualifications	4	4	4
6	Collaborative relationships/affiliations relative to program/project	3	3	5
7	Strategic planning process / current plan	1	1	1
Organization Capacity Subtotal		29	30	33
		13%	13%	15%
NEED FOR PROGRAM/PROJECT (20%)				
8	Program/project need consistent with CRA Overall Need	5	4	5
9	Program/project need consistent with organization mission	4	4	5
10	Documentation of program/project need	3	4	3
11	Uniqueness / lack of duplication, or affiliation with similar resources	4	3	3
Need for Program/Project Subtotal		18	18	17
		18%	18%	17%
PROJECT/PROGRAM DESCRIPTION (10%)				
12	Innovative vs proven approach and justification	4	4	4
13	Target population(s) clearly defined and within guidelines	3	4	5
14	Activities clearly described and consistent with logic model	4	4	4
15	Staff and resources adequate to implement activities	4	4	4
16	Activities likely to result in stated outputs/outcomes	3	3	3
17	Realistic time frame to implement program/project	3	3	4
Program/Project Description Subtotal		21	22	24
		7%	7%	8%
LOGIC MODEL / PROJECTED RESULTS (20%)				
18	Stated program/project goal clear and relevant to CRA Overall Need	8	8	10
19	Clear relationship between activities, outputs, and outcomes	3	3	4
20	Activities appropriate to program/project goal	3	3	4
21	Clear, measurable outputs	3	3	4

		1	2	3	
22	Clear, measurable outcomes	3	3	4	
23	Program/project results likely to lead to stated Impacts	3	3	3	
	Logic Model/Projected Results Subtotal	23	23	29	
		13%	13%	17%	
EVALUATION PLAN (10%)					
24	All CRA-funded activities addressed	3	3	4	
25	Outputs presented with measurable indicators	2	3	4	
26	Outcomes presented with measurable indicators	3	3	4	
27	Evaluation processes clearly described (who, how/tools, when)	3	3	4	
28	Evaluation processes reasonable, appropriate	4	4	4	
30	Implementation responsibility/process clearly defined	3	3	4	
31	Application/usefulness of evaluation results	3	3	4	
	Evaluation Plan Subtotal	21	22	28	
		6%	6%	8%	
BUDGET & SUSTAINABILITY (20%)					
32	Adequate, appropriate expense budget to implement program/project	4	4	5	
33	Line item costs explained/justified in narrative	3	3	4	
34	Use of CRA funds clearly identified, may be tracked	3	3	4	
35	Sufficient mix of funding secured to implement program/project	3	3	4	
36	Mix & status of non-CRA funding solicited / pending	2	2	3	
37	Financial documents demonstrate responsible financial management	3	3	3	
38	Realistic plans to sustain program/project	2	2	4	
	Budget & Sustainability Subtotal	20	20	27	
		11%	11%	15%	
TOTAL		132	135	158	
		68%	70%	80%	
NOTES AND COMMENTS					
Committee Chair:					

Delray Beach CRA – Program/Project Logic Model X A B

Organization: Greater Delray Beach Chamber of Commerce / Palm Beach Tech Contact Person: Jeb Conrad / Joe Russo

Program/Project Name: The 1909 Accelerator

Funding Period: October 2018 – September 2019

Program/Project Budget:

Request:

CRA Need Area: Economic / Business Development – Business Incubator facilities/programs

Brief Description: We seek to answer the question, “Where do entrepreneurs in Palm Beach County go?”

Through Coworking, Acceleration and Mentorship, we believe we can provide bridges to all these gaps and begin a new era of innovation indicative of the history of Palm Beach County.

GOAL: Build Delray Beach into a Creative & Innovative Community by creating a space that supports entrepreneurs of all backgrounds to build their companies in our City.

Key Activities	Outputs	Outcomes	Impact(s)
<p>Accelerator Six month program helping entrepreneurs bring their ideas to reality through education, mentorship and micro-financing.</p>	<p>2 months – Weekly education course using the Co.Starters curriculum.</p> <p>4 months – Directed mentorship using the UNION software platform developed by the 1776 Accelerator.</p>	<p>Graduate 50 people with the intent to support the launch of at least 10 companies.</p>	<p>Increase tax base from startups.</p> <p>Increased employment opportunities, especially in the tech sector.</p> <p>Delray Beach to become known as a leading innovation City.</p>
<p>Mentorship Mentees will have the opportunity to learn one on one (in person or virtually) from successful entrepreneurs who have built companies in Palm Beach County.</p>	<p>Mentees will get advice on business plans, team building, marketing and raising capital.</p> <p>Utilize Metric Tracking of Key Performance Indicators (KPIs) to track mentorship.</p>	<p>Onboard 25 local mentors that can commit to 1hour per month of office hours.</p> <p>Many more mentors will be onboarded beyond this countywide.</p>	<p>Ability to attract and retain talent in Delray Beach, by allowing current success to be passed down.</p>
<p>Coworking Leverage current partnerships with coworking facilities in Palm Beach county including The KTCHN.</p> <p>Collaborate to create dedicated space in Delray Beach.</p>	<p>Introduce coworking passport to allow members some access to other spaces each month.</p> <p>Focus attention on building a longterm coworking space in Downtown Delray Beach</p>	<p>Establish dedicated space in Delray Beach to foster tech entrepreneurs.</p> <p>Support the current community of coworking members and expand the program to new members.</p> <p>Enable startups to utilize coworking until their business grows enough to warrant larger space.</p> <p>Ensure that the mentees find a space in Delray Beach</p>	<p>Increase tax base.</p> <p>Utilization of empty or under-used real estate space.</p> <p>Ensure businesses are in the pipeline to occupy new space that comes on the market.</p>

Funding Evaluation Plan

Delray Beach Community Redevelopment Agency (CRA)

Organization Greater Delray Beach Chamber of Commerce / Palm Beach Tech

Contact Person Jeb Conrad / Joe Russo

Project/Program A Name The 1909 Accelerator **Funding Period** October 2018- September 2019

Project/Program B Name _____ **Funding Period** _____

PROGRAM/PROJECT <u>X</u> <u>A</u> <u>B</u>		Activity #1 Accelerator: 6 month program for Entrepreneurs
OUTPUTS / Measurable Indicators	➔	Evaluation Process - Outputs: Who, Tools, When
2 Months Curriculum		Who: Enrollees in The 1909 Accelerator Tools: Co.Starters Curriculum When: Weekly education course
OUTCOMES / Measurable Indicators	➔	Evaluation Process - Outcomes: Who, Tools, When
Graduate 50 People through the Accelerator Support the launch of 10 companies annually		See below
OUTPUTS / Measurable Indicators	➔	Evaluation Process - Outputs: Who, Tools, When
4 Month Mentorship Directed mentorship		Who: Mentors & Enrollees in The 1909 Accelerator Tools: UNION Software platform When: At mentor & mentee availability, weekly
OUTCOMES / Measurable Indicators	➔	Evaluation Process - Outcomes: Who, Tools, When
Graduate 50 People through the Accelerator Support the launch of 10 companies annually.		Who: Graduate 95% of the initial enrollees. Tools: Mentorship program for graduates supported by UNION Software platform. When: Continue to follow up with enrollees within a year of completing the 6 month course to assist in successful launch of their operations.

PROGRAM/PROJECT_XA_B		Activity #2 - Mentorship program	
OUTPUTS / Measurable Indicators	→	Evaluation Process - Outputs: Who, Tools, When	
The 1909 uses Key Performance Indicators (KPI) to track mentorship. All members will be asked to respond to a quarterly survey that identifies their level of satisfaction as well as their company's progress. KPIs include:		Who: The 1909 Mentors – successful entrepreneurs who have built companies in Palm Beach County.	
<ul style="list-style-type: none"> • Active and Total Users • Total Paying Customers • Total FTEs • Market Size • Total Revenue Generated • Capital Raised to Date • Cash on Hand • Monthly Burn Rate • Runway in Months • Average Value of Subscription, Transaction, Account 		Tools: Survey of Members; UNION Software Platform	
		When: Quarterly	
OUTCOMES / Measurable Indicators	→	Evaluation Process - Outcomes: Who, Tools, When	
Onboard 25 mentors in Delray Beach, and 100 mentors in Palm Beach County		Who: The 1909 staff	
		Tools: Recruitment	
		When: End of September 2019	
OUTPUTS / Measurable Indicators	→	Evaluation Process - Outputs: Who, Tools, When	
Mentees will get advice on business plans, team building, marketing, raising capital, etc.		Who: Members and Mentors	
		Tools: One on One coaching, both in person and virtually	
		When: Starting at month 3 of curriculum and continuing on for a year after completing the full 6 month course.	
OUTCOMES / Measurable Indicators	→	Evaluation Process - Outcomes: Who, Tools, When	
Support 50 local entrepreneurs annually		Who: The 1909 Staff	
		Tools: Survey of members	
		When: Annual review of members and status	

PROGRAM/PROJECT X A B	Activity #3 - Coworking – Leverage current partnerships and create new ones in Delray Beach
OUTPUTS / Measurable Indicators →	Evaluation Process - Outputs: Who, Tools, When
Introduce coworking passport to allow members access to other spaces on a monthly basis. Current partnerships include The KTCHN, Social House, Flamingo House	Who: The 1909 Staff and Chamber Tools: Networking When: First 3 months of Program
OUTCOMES / Measurable Indicators →	Evaluation Process - Outcomes: Who, Tools, When
Have signed contracts for interchangeable access with Coworking partners listed above.	Who: The 1909 Staff, Chamber and management of the KTCHN, Social House and Flamingo House Tools: Contract negotiation When: March 2019.
OUTPUTS / Measurable Indicators →	Evaluation Process - Outputs: Who, Tools, When
Collaborate to create dedicated space in Delray Beach. Reach out to other non-profits or organizations with under-utilized space.	Who: The 1909 staff and the Chamber Tools: Networking When: First 6 months of program
OUTCOMES / Measurable Indicators →	Evaluation Process - Outcomes: Who, Tools, When
Sign contract on dedicated space for The 1909 Coworking Program	Who: The 1909 and Chamber Tools: Networking When: September 2019

Narrative response:

1. Describe input, if any, to this Evaluation Plan, or the Logic Model(s) on which it is based, from outside consultants, staff, Board, funders, clients, or other organization stakeholders.

This Plan has been developed by Palm Beach Tech which has already established a Business Incubator program in West Palm Beach. The 1909 is a program fostering tech startups in Palm Beach County. Palm Beach Tech is looking to expand to other key cities in the county and has chosen Delray Beach and the Greater Delray Beach Chamber of Commerce to partner with on this initiative.

2. Does the organization engage in other evaluation activities and reporting? If so, describe briefly.

The 1909 will institute a set of best in class Key Performance Indicators (KPI's) for all of its supported entrepreneurs and their companies, developed in part by the 1776 Accelerator and 500 Startups

- Active Users
- Total Users
- Total Paying Customers
- Total FTE's (*Full Time Equivalent*)
- Market Size

- Total Revenue Generated
- Quarterly Revenue
- Capital Raised to Date
- Cash on Hand
- Monthly Burn Rate
- Runway in Months (*Capital - Burn Rate*)
- Average Value of Subscription, Transaction, Account

3. Will any additional cost be incurred to implement this Evaluation Plan? ___Yes X No
If yes, describe specific items and amounts.

4. If applicable, have additional costs been included in the project/program budget?

N/A

5. Who will be responsible for coordinating the evaluation process and preparing quarterly/annual reports?

Stephanie Immelman (*Delray Beach Chamber*) and Joe Russo (*The 1909*)

6. How will evaluation data be used for internal performance improvement?

Feedback will constantly drive positive changes to the program, but results will annually be reported with the next year's identified improvements where applicable

7. Will evaluation data/reports be shared with organization staff?

Yes

8. Will evaluation data/reports be shared with the organization's Board of Directors?

Yes

9. The Delray Beach CRA requires that evaluation data relative to CRA support be reported quarterly and at the end of the year. Will the data/reports be shared with other funders?

Yes

10. Who are other organization stakeholders? Will evaluation data/reports be shared with them?

Delray Beach Chamber of Commerce, The 1909, Palm Beach Tech Association, FAU Adams Center for Entrepreneurships, FAU Tech Runway, Knight Foundation

	A	B	C	D	E	F	G	H	I	J	K
1	CRA Combined Budget Form - Funding Application FY 2018-19										
2	Organization Name			Greater Delray Beach Chamber of Commerce / Palm Beach Tech							
3	Executive Leader & Key Financial Manager Names			Jeb Conrad (Greater Delray Beach Chamber)							
4	Current FY (2017-18) Total Organization Budget			\$1.039 Million							
5	Program/Project A Name			The 1909 Accelerator							
6	Program/Project B Name			N/A							
7	Application Due Date			June 25, 2018							
8											
9	INCOME		FY 2018 Budget	FY 2018 Organization Fiscal YTD thru 5/31/18	Projected FY 2019 Organization Total Budget	FY 2018-19 Projected Total Program/Project A	FY 2018-19 Projected Total Program/Project B				
10	Fees, Tickets, Registration, etc.		602,673	505,455	620,753	12,500					
11	Corporate Grants/Contributions		20,300	14,500	20,909						
12	Individual Donations										
13	Foundation Grants										
14	Government - Federal										
15	Government- Local/County				125,000						
16	Government- State										
17	In-Kind		-								
18	Interest Income										
19	Membership		416,855	178,879	429,360						
20	CRA Actual or Requested		-		-	62,500					
21	Other:										
22	Other:										
23	Other:										
24	Total Income		1,039,828	698,834	1,196,022	75,000	-				
25											
26	CRA % of Total Income		0%	0%	0%	83%	#DIV/0!				
27											
28	NOTES:										
29	(1) The CRA Request in INCOME Column G should equal the CRA Request at the bottom of the EXPENSES budget										
30	(2) Total INCOME should equal Total EXPENSES to project a balanced budget in FY 2017-18 (Column G)										
31	(3) CRA % of projected Total Organization Income may not exceed 25% for FY 2017-18 (Column G) unless approved by CRA										
32	(4) Figures in Column I and, if applicable, Column K, should match Program/Project Budget Narrative										

	A	B	C	D	E	F	G	H	I	J	K
	EXPENSES										
	<i>See separate Instructions for line item definitions</i>										
33			FY 2018 Budget		FY 2018 Organization Fiscal YTD thru 5/31/18		Projected FY 2018-19 Organization Total Budget		FY 2018-19 Projected Total Program/Project A		FY 2018-19 Projected Total Program/Project B
34	Salaries & Related Taxes		685,897		233,687		826,755		40,000		
35	Fringe Benefits								7,500		
36	Professional Svcs/Consulting								4,000		
37	Insurance								950		
38	Licenses, Registration, Permits								1,300		
39	Conferences & Meetings		32,363		10,984		34,000		1,950		
40	Copying & Printing		1,500		4,275		5,000		4,500		
41	Equipment Rental/Maintenance								1,000		
42	Rent/Mortgage & Maintenance										
43	Utilities								500		
44	Telecommunication								500		
45	Office & Program Supplies								12,500		
46	Postage & Delivery								300		
47	Local Travel										
48	Capital Expenditures										
49	Gala and Delray Affair		235,976		148,081		243,055				
50	Eco Dev & Tourism		48,600		11,700		50,058				
51	membership		34,559		1,907		35,595				
52	Sub-Total Expenses		1,038,895		410,634		1,194,463		75,000		-
53	% Admin/Indirect Expense										
54	Total Expense		1,038,895		410,634		1,194,463		75,000		-
55											
56	NET INCOME		933		288,200		1,559		-		-
57											
58	Total Expenses Project A + B						75,000				
59	CRA Request						62,500		-		-
60											
61	NOTES:										
62	(1) Refer to separate Instructions for definitions of each line item expense										
63	(2) In Column G, CRA Request may be less than Total Expense as there may be other sources of revenue for the program(s)										
64	(3) Projected NET INCOME (Total Income minus Total Expense) should equal zero for a balanced budget in FY 2017-2018 (Column G)										

	A	B	C	D	E	F
1	CRA Program/Project A Budget Narrative Form					
2						
3	Organization Name	Greater Delray Beach Chamber of Commerce / Palm Beach Tech				
4	Program/Project A Name	The 1909 Accelerator				
5						
6	PROGRAM/PROJECT A INCOME NARRATIVE	Amount	Justification / basis for budgeted amount (Insert lines for significant specific funding sources beneath line item categories)	C	Date of:	
7					or	- P -Decision or
				(2)	- C - Funding	Start (3)
8	Fees, Tickets, Registration, etc.	\$ 12,500.00	Registration fees for all of our participants, covering the cost of their materials.			
9	Corporate Grants/Contributions	\$ -				
10	Individual Donations	\$ -				
11	Foundation Grants	\$ -				
12	Government- Federal	\$ -				
13	Government- Local/County	\$ -				
14	Government- State	\$ -				
15	In-Kind	\$ -				
16	Interest Income	\$ -				
17	Membership	\$ -				
18	CRA Request	\$ 62,500.00	See Combined Budget, Revenue Section			
19	Other:	\$ -				
20	Other:	\$ -				
21	Other:	\$ -				
22	Total Income	\$ 75,000.00	Equals Total Income, Program/Project A, Combined Budget (Column I)			
23						
24	NOTES:					
25	(1) Insert additional rows for significant specific funding sources beneath each line item category					
26	(2) For each significant grant, contract, or contribution, indicate if it is (C) confirmed, or (P) decision pending					
27	(3) For each item in Column E, indicate date decision is expected for PENDING and date funding begins for CONFIRMED					
28	(4) CRA Request, Column C, should match Column I on the Combined Budget					
29	(5) Total Income should equal Program/Project A, Total Income, Combined Budget (Column I)					
30						
31	COMMENTS:					

	A	B	C	D	E	F
	PROGRAM/PROJECT A					
	EXPENSE NARRATIVE		Amount	Item Detail/Description		
32						
33						
34	Salaries & Related Taxes:					
35			\$ 40,000.00	Program Coordinator		
36			\$ -			
37			\$ -			
38			\$ 40,000.00	Total Salaries & Related Taxes		
39						
40	Fringe Benefits:					
41			\$ 7,500.00	Benefits		
42			\$ -			
43			\$ -			
44			\$ 7,500.00	Total Fringe Benefits		
45						
46	Professional Svcs/Consulting:		\$ 1,500.00	Legal		
47			\$ 2,500.00	Additional instructors if necessary		
48			\$ -			
49			\$ -			
50			\$ 4,000.00	Total Professional Services / Consulting		
51						
52	Insurance:		\$ 950.00	Insurance Contribution		
53			\$ -			
54			\$ -			
55			\$ 950.00	Total Insurance		
56						
57	Licenses, Registration, Permits:		\$ 1,000.00	CO.STARTERS Liscense		
58			\$ 300.00	UNION Software		
59			\$ -			
60			\$ 1,300.00	Total Licenses, Registration, Permits		
61						
62	Conferences & Meetings:		\$ 1,750.00	Training Travel		
63			\$ 200.00			
64			\$ -			
65			\$ 1,950.00	Total Conferences & Meetings		
66						
67	Copying & Printing		\$ 4,500.00	Marketing		
68						

	A	B	C	D	E	F
69 70	Equipment Rental/Maintenance		\$ 1,000.00			
71 72	Rent/Mortgage & Maintenance		\$ -			
73 74	Utilities		\$ 500.00			
75 76	Telecommunications		\$ 500.00			
77 78	Office & Program Supplies		\$ 12,500.00			
79 80	Postage & Delivery		\$ 300.00			
81 82	Local Travel		\$ -			
83 84	Capital Expenditures		\$ -			
85 86	Other:		\$ -			
87 88	Other:		\$ -			
89 90	% Admin/Indirect Expense					
91	TOTAL EXPENSES		\$ 75,000.00	Equals Total Expense, Program/Project A, Combined Budget (Column I)		
92						
93						
94						
95						
96						
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99						
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101						
102						
103						
104						
105						
106						
107						
108						
109						

Exhibit "A"

Chamber - ACTIVITY # <u>A</u> : Chamber/PB Tech 1909 Accelerator	Yearly Goal	Qtr 1 Ending 12/31/18	Qtr 2 Ending 3/31/19	Qtr 3 Ending 6/30/19	Qtr 4 Ending 9/30/19	TOTAL	% Annual Goal Achieved	On target	Below expected goal
OUTPUTS									
1. Accelerator Program									
CoStarter Educational Courses	8					0	0%		
UNION 1776 Accelerator Mentorship Months	4					0	0%		
Attendees	50					0	0%		
2. Mentorship Program									
Onboard Local Mentors	25								
Mentorship Performance Indicators :	25								
Active Users									
Total Users									
Total Paying Customers									
Total FTE's									
Market Size									
Total Reveune Generated									
Quarterly Revenue									
Capital Raised to Date									
Cash on Hand									
Monthly Burn Rate									
Runaway in Months									
Average Value of Subscripion, Transaction, Account									
Mentorship Hours per Month	1					0	0%		
Attendees	50					0	0%		
Menors Onboarded Countywide									
3. Coworking Program									
Leverage Coworking Facilities in PBC- The KTCHN									
Leverage Coworking Facilities in PBC									
Create Delray Coworking Space									
Coworking Passport Monthly	0					0	#DIV/0!		
Expand Coworking Members	4					0	0%		
Expand Coworking Programs to New Members	50					0	0%		
OUTCOMES									
1. Accelerator Program									
Graduates	50					0	0%		
Compainies Lauched	10					0	0%		
Increase Tax Base from Startups									
Employment Opportunities in Tech Sector and Other									
Delray Beach known as a Leading Innovation City									
2. Mentorship Program									
Onboard Local Mentors	25								
Mentorship Hours per Month	1					0	0%		

