



OFFICE OF THE MAYOR



July 9, 2015

US Small Business Administration
409 3rd St, SW
Washington DC 20416

Re: "Start Up in a Day" Competition - Application Submittal

To Whom It May Concern:

On behalf of the City of Peoria and our partners, we are delighted to submit the attached proposal for the "Start Up in a Day" competition. We would like to thank the U.S. Small Business Administration, the White House, and the National League of Cities for the opportunity of empowering our entrepreneurs.

One of the City's priority is to grow jobs through small/minority business development. We understand the importance of supporting our community of entrepreneurs and recently have established an Economic Development Office under the City Manager. We are also pursuing new collaborations with Peoria County and the Greater Peoria Economic Development Council to build an entrepreneurial ecosystem that facilitates business start-ups and the growth of young firms.

The award of a \$50,000 grant would be a tremendous boost to help the City and our partners to improve our service and ultimately empower our entrepreneurs to start and grow their business.

Thank you again for the opportunity of meeting an important strategic objective of growing our economy.

Respectfully,

A handwritten signature in black ink that reads "Jim Ardis".

Jim Ardis
Mayor

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Part I: City Description (20 points)

The City of Peoria IL is located midway between Chicago and St. Louis, and with a population of 115,007 (2010 US Census) is the largest City on the Illinois River and within the five county region known as Greater Peoria. Peoria's economy, as with the national economy continues to shift from manufacturing to service. Globalization and technological advancement have forced large firms to become more productive through down-sizing and/or out-sourcing, and have created startup and growth opportunities for small, technically advanced, service-based firms. Census information for the City of Peoria reflects this trend showing a 4.4% growth (7,636 to 7,971) in the number of firms from 2002 to 2007 (US Census Survey of Business Owners).

Recognizing the need to adapt, several key organizations are restructuring to support entrepreneurs, promote innovation, and facilitate the growth of jobs. In January 2015 the City established a new Economic Development Office (EDO) and by June 2015 hired three full-time employees. The Greater Peoria Economic Development Council (GPEDC), a five county regional economic development group, rebuilt their staff, rebranded themselves, and are focused on growing small businesses. Also, Startup Peoria continues to bring entrepreneurs together and establish new startup initiatives. Peoria County also launched www.gpsourcelink.com just two years ago to help entrepreneurs find startup resources. Altogether these groups along with SBDC, Bradley University, Peoria NEXT Innovation Center, and others are working to develop a culture of entrepreneurship and innovation.

Part II: Problem(s) and Solution(s) (40 points)

While the basic components of our entrepreneurial ecosystem are established, there are (a) service deficiencies within the City and (b) service gaps with our resource partners that need to be addressed to advance our entrepreneurial ecosystem to better serve entrepreneurs. The specific problems and opportunities are:

- 1. City Permit Applications** – *(Problem)* Applying on-line for permits and business resources is cumbersome. While applications are available on-line, one cannot: a) complete the application, b) submit the application, and/or c) pay for the application fee on-line. Instead applications need to be printed, completed by hand, and carried over or mailed to one of four departments for submission and payment. *(Solution)* *City departments will collaborate to: a) consolidate applications, b) convert applications into on-line forms, c) develop input capture forms for submittal, and d) create an on-line payment system.*
- 2. Strategic Alignment** – There are undefined roles and gaps in the City's entrepreneurial ecosystem due to organizational restructuring at the City's EDO, the new team at GPEDC, and other partners. *Solution - Develop a common vision of our entrepreneurial ecosystem and clarify the roles of key organizations committed to building an innovation economy in Peoria.*
- 3. Resource Partners Navigation System** – *(Problem)* The web platform designed to assist entrepreneurs find free resources (www.gpsourcelink.com) is under-utilized and outdated due to a staffing shortage. *(Solution)* *Develop an agreement with Peoria County of either updating the website and/or*

transferring the license to an organization that would adequately staff, update, develop, and promote the site to entrepreneurs. **4. Professional/Mentor Navigation System** – (Problem) Seeking mentors or affordable, discounted, and/or defined, private-sector, consulting services for startup businesses is difficult. (Solution) *Build an on-line navigation system for entrepreneurs to find mentors/advisors/consultants willing to offer free or reduced-rate services for start-ups.*

Part III: Implementation (40 points)

The implementation of our "Startup in a Day" initiative will take place in two key areas: a) Streamlining City Permits (Solution 1), and b) Synergizing Business Resources (Solution 2 to 4). While the City's EDO will serve as the overall project manager, Streamlining City Permits will be led by City's Community Development Department (CDD) and Synergizing Business Resources will be led by GPEDC/Startup Peoria.

The City's CDD is currently involved in a "lean processing" exercise to improve its permitting process. The CDD will identify the technical challenges (3 mo.), hire the technical expertise (3 mo.), and develop the on-line forms and payments (3 mo.). Streamlining City Permitting will be completed within 9 months of grant award. Grant funds (approx. 25%) will be used to employ technical consulting services and purchase needed modules to complete this task. The CDD will match grant funds with in-kind staff hours averaging 40 hours weekly.

The GPEDC is currently restructuring to include Startup Peoria's operations as part of its organization. Synergizing Business Resources (Solutions 2 to 5) will take place in the following manner: a) Strategic Alignment – The GPEDC will convene a Startup Peoria Working Committee to develop a vision, strategic framework, and role clarification among resource partners (3 mo.); b) Startup Shop – A virtual one-stop shop will be developed and launched on-line for entrepreneurs and innovators to seek out business resources, find a mentor, promote their business, and connect with each other. This effort would include the repurposing and/or consolidation of existing websites such as www.gpsourcelink.com and www.startuppeoria.com and the development of new web-tools (9 mo.); and c) Promotional Alliances – A commitment to promote our entrepreneurial ecosystem and obtain the continued support and cooperation of resource partners will be established through the Startup Peoria Working Committee. Grant funds (approx. 50%) will be used for technical services and for staff funding. GPEDC/Startup Peoria already has engage a full-time staff to grow the Startup movement in Peoria.

The key goals to accomplish include the establishment of a strategic plan, a functioning website, and operation agreements with resource partners. The key outcome metrics that will be tracked include: a) # of city permits completed on-line, b) # of entrepreneurs enlisted, c) # of startup businesses (3 yrs. and younger) identified/registered, d) # of program referrals made, e) # of mentors/start-ups matched, f) # of minority entrepreneurs engaged, and f) the amount of funds raised and awarded to sustain our entrepreneurial ecosystem.

Part IV: Service to Priority Communities (5 point bonus)

The most recent data shows Peoria with a poverty rate of 22.5% (2013 ACS) which qualifies it as a Priority Community. While those in poverty are from all ethnic groups, statistics show that Blacks (25.8%) and Hispanics (23.2%) disproportionately live in poverty (2007-2011 ACS). This reality has a bearing on the entrepreneurial and start up business climate for minorities. Based on the most recent data (Economic Census: Survey of Businesses Owners) there has been an 11.7% growth in the number of minority firms in the City of Peoria, from 965 firms in 1997 to 1,078 in 2007. This growth suggest there is a growing demand for minority entrepreneurs to access business resources, find a mentor, promote their business, and connect with each other.

The City Council of Peoria has identified small/minority owned business development as a key priority to grow jobs. The City's EDO will utilize grant funds to engage, educate, and empower Black and Hispanic entrepreneurs and will collaborate with the Peoria County Minority Business Enterprises ad-hoc advisory committee and other groups focused on identifying and developing minority enterprises. Grant funds (approx. 25%) will be used for a target marketing campaign to engage minority entrepreneurs. Key outcomes that will be tracked include the number of minority entrepreneurs enlisted on-line, engaged in a network, and started a businesses.

Part V: Taking the Startup in a Day Pledge. (5 points bonus)

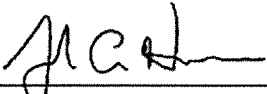
The City of Peoria and the partners listed below are committed to making it easier for every entrepreneur to start a business. We believe an entrepreneur's time is best spent developing innovative products and services, creating jobs, and growing local economies—not navigating red tape. While fair zoning rules, licenses, and permits are important to ensuring public safety and fair competition, it should not take more than a day for an entrepreneur to identify and apply, ideally through a single online tool, for all the licenses and permits they need in order to responsibly launch a business. Accordingly, we resolve to: 1) Create a "Startup in a Day" online tool within 12 months that lets most entrepreneurs identify and apply within one day for all requirements to launch a business in our City; 2) Develop a streamlined, business-friendly, online permitting system with the ultimate goal for small business owners to be able to manage and complete most of their regulatory obligations; 3) dedicate staff and funds greater than \$50,000, and 4) Share best practices to encourage other municipalities to join a community of practice administered by the Nat. League of Cities, publicizing key learnings, highlighting tangible outcomes, supporting smart regulatory simplification, and providing visibility into our actions."



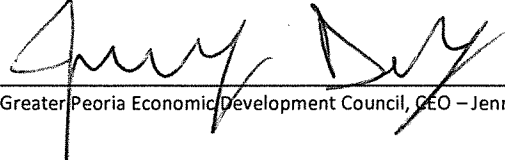
City of Peoria, City Manager – Patrick Ulrich



Peoria County, County Administrator - Scott Sorrel



Startup Peoria, Co-founder & President – Jake Hamann



Greater Peoria Economic Development Council, CEO – Jennifer Daly