



SUPPORTING SMALL BUSINESSES IN NEW HAMPSHIRE

CDFA and our program partners are focused on building the capacity of New Hampshire communities to be strong, resilient, vibrant places to live, work, and play, through investments in people, institutions and systems.

Since 2013, CDFA has seeded and grown programming through regional partners that supports the development and expansion of very small businesses (with five or fewer employees) as a pathway to full-time employment, a living wage, and wealth-building for low- and moderate-income business owners and their families. New Hampshire small businesses are a huge driver of the economy and according to the [U.S. Small Business Administration](#):

- 99 percent of the businesses located in New Hampshire are small businesses (defined as having less than 500 employees); and
- 49.8% of New Hampshire's private workforce is employed by a small business (304,765 total employees); and
- 79 percent of small businesses in New Hampshire (108,000) have no employees, only a business owner.

Small businesses and microenterprises offer a pathway to wealth and asset building, particularly in New Hampshire, where home ownership is even less accessible due to very limited supply and record-high home prices. Independent research validates both poverty reduction and increases in family wealth through micro-entrepreneurship. A [five-year study by the Aspen Institute found](#):

- 72 percent of poor micro-entrepreneurs experienced gains in household income over five years, rising from \$14,000 per year to more than \$22,000 per year;
- 53% of poor micro-entrepreneurs had household gains large enough to move out of poverty;
- Poor micro-entrepreneurs reduced their reliance on government assistance by an average of 61 percent; and
- The survival rate of microbusinesses was 49 percent after 5 years, comparable with survival rates for businesses with similar characteristics and owners.

CDFA will continue to grow supports and access to capital for this critical segment of New Hampshire's economy through the on-going implementation of the Community Development Block Grant Microenterprise Technical Assistance Program and launch of the Community Navigator Pilot Program. Alongside regional and statewide partners, CDFA aims to address challenges and break down barriers to reaching the most vulnerable and underserved community members in a meaningful way.

NEW HAMPSHIRE'S COMMUNITY NAVIGATOR PILOT PROGRAM OVERVIEW

The [Community Navigator Pilot Program](#) (CNPP) is an American Rescue Plan initiative designed to reduce barriers that underrepresented and underserved entrepreneurs often face in accessing the programs they need to recover, grow, or start their businesses. CDFA was awarded a \$2.5 million grant from the [U.S. Small Business Administration](#) to launch the program in New Hampshire. The organization is [one of fifty-one grantees selected](#) from more than 700 submissions nationwide.

CDFA will serve as the statewide "Hub" for implementation, working alongside our established microenterprise technical assistance providers, New Hampshire's SBA office, statewide training and language-access partners, and on-the-ground community partners to achieve the goals of the program. The program design builds on years of CDFA's investment in microenterprises through technical assistance community partners, including more than \$2.6 million federal Community Development Block Grant resources in the past two years.

New Hampshire's Community Navigator Pilot Program will focus on addressing the barriers encountered by social and economically disadvantaged small businesses and entrepreneurs, with a particular focus on microenterprises, cooperatives, and early-stage businesses. The CNPP will enable CDFA and partners to focus collective and coordinated efforts to reach out to small businesses that are owned or being started by historically vulnerable community members, specifically Black, Indigenous, and People of Color (BIPOC); immigrants and refugees; veterans; women; disabled, formerly incarcerated, and LGBTQ and gender non-conforming people.

The CNPP team will leverage additional resources to build on our previous program strengths and to intentionally reach into communities of high need that we have not successfully connected to capital and technical assistance providers. Critical resources and services include, but are not limited to:

- Financial assistance and access to capital;
- Contracting and procurement support;
- Marketing, operations, business planning & development, and exporting;
- Industry-specific training; and
- Other technical assistance as identified by each individual small business.

Program Partners

Through the Community Navigator Pilot Program, CDFA will invest in partner organizations around the state to advance small business development and expand wealth-building pathways in New Hampshire. Key regional partners ("spokes") include:

- Northwest (Grafton and Coos Counties): Grafton Regional Development Corporation and Coos Economic Development Corporation;
- Northeast (Belknap, Carroll and Strafford Counties): Belknap Economic Development Council and Wentworth Economic Development Corporation;
- Southeast (Hillsborough, Merrimack and Rockingham Counties): Regional Economic Development Center of Southern NH;
- Southwest (Cheshire and Sullivan Counties): Hannah Grimes Center and River Valley Community College; and
- Statewide: NH Small Business Development Center.

To learn more about New Hampshire's program and sign up for news and updates, visit www.nhcommunitynavigator.org.



MICROENTERPRISE TECHNICAL ASSISTANCE PROGRAM

The Community Development Block Grant (CDBG) Microenterprise Program helps foster economic development by supporting organizations that provide a full range of entrepreneurial training and technical assistance services to low- and moderate-income micro-business owners and start-ups (those with fewer than five employees).

New Hampshire's Microenterprise program, as administered by CDFA, has aided in creating resilient communities and empowered small business owners throughout the state to reach their goals. Without this funding, these small businesses would be unable to acquire critical services (loan and business consulting among them) at a reasonable cost.

The Microenterprise Program is a subset of the CDBG Economic Development Program. Funding for the CDBG program is provided to New Hampshire through the U.S. Department of Housing and Urban Development.

Program Impact

Empowering people to participate in the economy has significant results for people in our communities and the results of the Microenterprise Program are impressive. For example, CDFA's program partner in southwestern New Hampshire, the Hannah Grimes Center for Entrepreneurship, served 153 business owners over a five-year timeframe and reported the following impacts:

- Those 153 businesses employed 159 full-time and 200 part-time individuals and grew significantly since joining the program.
- When beginning their engagement with the Hannah Grimes Microenterprise program, 100 percent of the business owners identified as low- and/or moderate-income.
- Accessing microenterprise technical assistance over time, 94 percent of those participants reported significantly increasing the income supporting themselves and their families, and no longer identified as low- or moderate-income.

Rapid Response to Small Business Needs

CDFA recognized the need to quickly adapt to the needs of New Hampshire communities and businesses as a result of the COVID-19 pandemic. Through a generous donation of \$100,000 from Citizens Bank, CDFA was able to rapidly deploy resources through its existing network of nonprofit Microenterprise Technical Assistance Program partners to provide assistance to 67 microenterprises throughout New Hampshire impacted by the crisis. Grants of up to \$2,000 supported expenses related to resiliency planning, innovative business shifts, rent, payroll, working capital, and utilities.

Following the initial bank investment, CDFA invested \$848,730 of CARES Act funds via the Community Development Block Grant program to the existing ecosystem of microenterprise technical assistance providers for direct grants of up to \$2,500 per qualifying microenterprise to help those businesses with COVID-19-related expenses. Eligible expenses covered by the direct grants included working capital, equipment purchase, operating expenses and minor construction/modification.

CDFA continues to explore ways it can leverage resources to support microenterprises and small businesses as they are critical components of New Hampshire communities and will continue be vital to the state's economy.

Microenterprise Support During COVID-19



Drum, LLC
Peterborough

Microenterprise Support During COVID-19



Bayberry Juice Bar
Wolfeboro