



A Program of the Vermont
Community Action Agencies

The Micro Business Development Program

The Micro Business Development Program through Vermont Community Action Agencies provides training and counseling for low to moderate income Vermonters who are planning to start or expand a microenterprise.

Since 1988, MBDP has helped to strengthen the economic self-sufficiency of more than 10,000 Vermonters and the vitality of our communities. We have launched or expanded more than 2,000 Vermont businesses, created thousands of jobs, and helped entrepreneurs leverage more than \$15 million in financing.

Our program works:

With a small investment from the state, our program creates enormous returns for low income Vermonters and our communities. Many of these businesses are the core to Vermont's economic initiatives. They support our economy by collectively coming together to bring about a momentum such as the Food to Plate Initiative, the Working Lands Initiative, and the Creative Economy.

How we are different:

MBDP has state wide counselors that specialize in working with low income Vermonters who have significant barriers such as bad credit, disabilities, and /or very limited income. That is why our successes are so significant. The Micro Business Development Programs throughout the state help to bring positive change to people's lives.

How we make an impact:

In addition to business counseling, MBDP sites throughout the state offer a variety of financial education, credit building, and savings programs. We partner with other organizations to ensure that participants have the resources



necessary to become self-sufficient in all aspects of their lives.

*Flip the page
over to read recent
client success stories!*

For more information:
Annette Hoyle; BROCC in SW VT (775-0878); Margaret Ferguson, Capstone in Central VT (477-5214);
Kate Larose, CVOEO in NW VT (860-1417); Amy Robinson, NEKCA in NE VT (748-6048);

*“Business ownership is a proven pathway out of poverty, helping to increase income, create wealth, and move people off public assistance.”**

SINCE 2010

**7,047
LOW INCOME
VERMONTERS
PARTICIPATED IN MBDP**

**557
NEW BUSINESSES WERE
STARTED**

**402
BUSINESSES WERE
EXPANDED**

**713.2
JOBS (FTE) WERE
CREATED AT AN AVERAGE
COST TO THE STATE OF
\$3,598 PER JOB**

**\$8,504,390
IN CAPITAL WAS
LEVERAGED**

**Source: The Vermont*

*Department for Children and
Families - Outcomes for 2016
Agency of Human Services*

Average Annual Outcomes 2015-2017

- **132 business starts or expansions**
- **94 new FTE jobs created**
- **\$1,441,274 in business capital accessed**
- **Cost per job = \$3,538 (VT General Fund)**

How Are You Supporting the Micro Businesses in Your Community?

Farm to Plate ~ Working Lands Initiative ~ Culinary Tourism ~ Agritourism ~ The Creative Economy ~ Retail

Mio in Dorset, VT BROC-Community Action in Southwestern Vermont



Beverly Buber and Leo Ledoux previously owned Mio Bistro in Pawlet, VT. They sought out the services of BROC's Business Counselor, as they needed assistance with a business plan to

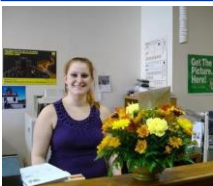
secure a loan for their new venture. The owners are looking to enjoy more of life and are downsizing from a restaurant to a high end, farm-to-table food trailer, their first take-out-only food trailer. They have a great reputation in the community, along with a loyal following, including Facebook and their email list of over 400 customers, as well as support from past customers in Dorset who begged them to reopen a restaurant.

Mio provides non-GMO comfort foods including fresh fried clams, lobster rolls, chowders and their very popular pizzas. Options are healthier and a delicious alternative to factory-farmed meat and poultry used at other local restaurants. Customers will enjoy high quality gourmet food without the cost in a typical restaurant.

The food trailer will be parked on Route 30 in Dorset and highly visible to customers due to the large volume of traffic. Their success will be enhanced by lower overhead and their ability to travel to sizable groups of potential customers, such as Farmer's Markets, SolarFest, private catering events and local tourist locations.

Beverly and Leo bring a wealth of knowledge, skills and a good reputation to operate yet another successful restaurant. They have the ability to satisfy every acquired taste.

Bob's Camera & Video in Barre, VT Capstone Community Action



Bob's Camera & Video has been a mainstay on Barre's Main Street and will continue to serve its loyal customers since employee Kaitlyn Mesler bought the business from Bob and Susan Sager in

2015. The Sagers started the camera and photo accessory business in 1986, but were ready to retire and sell the business to someone who had the passion and enthusiasm for the business and customers. Kaitlyn had been hired at Bob's Camera right out of Spaulding High School's Digital Media Arts Vocational program and had been an employee for four years.

"It was a perfect fit for me. I wasn't as excited about going to college as I was about working in the business," Kaitlyn says. She knew how to take care of the retail end of the

store; Bob and Susan worked with Kaitlyn to teach her about operating the business end. Showing her how taken care of cash flow, record keeping, payroll, advertising, marketing, insurance and all the other needed business details.

Kaitlyn had to come up with a business plan and then secure the financing. "It was a headache-inducing experience," she said. "But now that I have it, I can say it was really all worth it!" The business counselors from Capstone's Micro Business Development Program helped guide Kaitlyn and connected her with other community resources.

Bob's Camera is highly acclaimed for its mix of photo equipment and accessories. Sager is proud that it will continue to be so with Mesler. She is young enough to be very good with computers and social media technology to find anything she needs. It is wonderful to see a young woman purchase an existing business and retain the jobs on Barre's Main St. "It's great to have someone like Kaitlyn coming from the love of photography to be the new owner," Sager said.

Master Floor Technicians, Tony Taylor, Owner Southeastern Vermont Community Action (SEVCA)



After working for a cleaning company for five years, Tony Taylor found himself unemployed several years ago. At that point, he already had an idea he wanted to go into business for himself, but he wasn't sure where to start. Finally, he found he could qualify for a VocRehab Vermont program to help start his business, and he learned about SEVCA's Micro Business and Individual Development Account (IDA) programs soon afterward.

Fast-forward a couple of years ... Tony now has a registered business—Master Floor Technicians--that delivers a full-range of cleaning and property maintenance services, bringing in \$5,000-7,000 a month through nine different cleaning contracts and subcontracts, as well as occasional once-off jobs. He has two part-time employees and is in the process of buying a company vehicle.

Tony began saving through the IDA program before his business was up and run-ning, and he completed our Financial Fitness course to build his financial management skills. He was doing small jobs at that point that he got through existing relationships and word of mouth, so he had some income. SEVCA's assistance was instrumental in helping him to develop a cost-effective marketing plan, using low-cost or free resources wherever possible. When he completed his savings and received his match, he used it to purchase business insurance, a trailer to haul cleaning equipment (pictured above), and cleaning supplies.

Woodhaven Consulting in Troy, VT Northeast Kingdom Community Action



Over the last 6 or 7 years, I have received essential business counseling through NEKCA's Micro Business Development Program. The staff has helped me identify realistic goals, and has given me support and step-by-step guidance

toward achieving those goals. Initial start-up funds came through NEKCA's IDA savings program. MBDP also informed me of other funding sources, which eventually led to a grant to publish my book, *Spiritual Bedrock: Reclaiming Your Inner Connection to Truth*.

Throughout the development of my business, Woodhaven Consulting - which offers individual classes in computer basics and assistive/productivity software, MBDP has provided excellent mentoring and much-needed encouragement. With their assistance, I have gained the skills to create my business cards and web-sites, and to market my services. I now feel confident in determining appropriate fees, and in my abilities to work with others in a professional way. I am extremely grateful for the guidance I have received from NEKCA's Micro Business Development Program.

JZ Carpentry, LLC in Burlington, VT Champlain Valley Office of Economic Opportunity



Johannes Ziegler, owner of JZ Carpentry LLC, began working with Financial Futures' Micro Business Development Program at CVOEO in 2011. Prior to starting, Johannes was employed by a local property maintenance company.

Like so many people, he thought he could earn more money if he started his own business. After starting he soon realized how little he knew about business. Sales were low and he struggled to manage it. Johannes worked with his MBDP Business Coach and other business support providers to improve his organization, systems and marketing.

Committed to his personal and business success Johannes has made incredible strides! "I have consistently doubled my income for the last three years. This year my gross is so far past my wildest expectations of what I thought I could do!" Johannes is now planning to hire two employees and has purchased a home.

"Johannes had the skills, energy and commitment to create a successful business. All he needed was an investment of time, energy and knowledge to help him move forward", says his Business Coach, Simeon Geigel of CVOEO.

The Vermont **Individual Development Account** program gives low-to-moderate income individuals and families an opportunity to invest in themselves & their communities & move out of poverty.



THE VERMONT IDA PROGRAM

BUY A HOME • CAPITALIZE A BUSINESS • INCREASE EDUCATION OR JOB SKILLS



*Elizabeth Johnson, Owner
Dreamtime Designs*

Elizabeth (Ellie) Johnson launched her new business as a graphic designer and business consultant through the IDA program at Southeast Vermont Community Action (SEVCA), one of the state's five community action agencies.

Ellie, a single mother of two young children, experienced some huge obstacles to fulfilling her dream of starting her own business: a difficult pregnancy,

a serious health challenge (which turned out to be Lyme disease), unemployment, and even homelessness. Yet she was determined to succeed.

She turned to SEVCA's IDA program, opening her account and saving diligently. Next she worked with the Micro Business program to help her develop a business that would use her creativity and organizational skills while accommodating her new physical limitations.

Only a few months later, Ellie is on the verge of becoming self-sufficient. She reacted with shock when told that federal funding for the program was cut: **"It would be a travesty not to have this program! The IDA is not a band-aid, it's actually a solution, a platform for economic growth."**

The name of her business is Dreamtime Designs. Her market is small business owners, and individ-

uals who are looking for a unique take on marketing and design and consultation with a flare.

For example, Ellie helped revitalize KidsPLAYce in Brattleboro, a nonprofit that had been rundown and was on the verge of closing. She created a design of the new space and found the people to make it happen, she made posters and signage by hand and people responded; the group's profits doubled in one year.

In a letter to SEVCA, Ellie wrote, **"I couldn't have imagined such a profound shift could have happened in me from saving some money and writing a plan. I have a new-found confidence and a new-found network of people rooting for my success."**

Asset Building Cumulative Outcomes 1997-2017

959 Vermonters successfully completed the IDA program, using \$2,652,377 in savings and match funds:

**546 Business—
invested \$1,505,752**
**221 Education—
invested \$576,14**
**192 Homeowners—
invested \$570,479**

FY 2017 Outcomes

56 Vermonters invested \$148,171 in savings and match:
29 Business \$72,945
17 Education \$45,153
10 Homes \$30,037

➔ **Financial Education** is an integral part of the IDA program providing the cornerstone for financial capability. Participants gain an understanding of their money habits and beliefs, then use that knowledge to set financial goals, choose a budget system that works for them, and develop savings strategies. Additionally, they learn methods to build or repair credit, reduce debt, and plan for future financial needs.

We have seen excellent results in family and individual economic stability when participants take to heart the information, tools, and encouragement we offer in our classes and through our 1:1 coaching.

The Vermont IDA is a successful anti-poverty program poised for transition in 2018. Our community action agencies believe building and protecting assets lead to great financial security.

Therefore, we propose the creation of an expanded IDA, **The Vermont Matched Savings Program** which broadens the use of savings and match to home repairs and weatherization, automobile purchases for work, and emergency savings for piece of mind.

MICROBUSINESS DEVELOPMENT PROGRAM

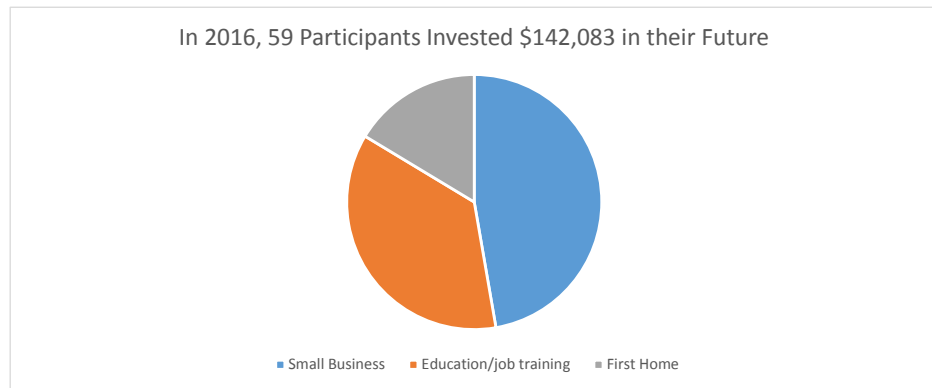
State Fiscal Year (July 1 - June 30)	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
General Fund	\$ 314,600	\$ 398,870	\$ 298,870	\$ 298,870	\$ 298,870	\$ 298,870	\$ 298,870	\$ 373,590	
SNAP Employment & Training	\$ 68,100	\$ 68,100	\$ 68,100	\$ 68,100	\$ 68,100	\$ 68,100	\$ 68,100	\$ 85,125	
Total Funding Appropriation from Legislature	\$ 382,700	\$ 466,970	\$ 366,970	\$ 366,970	\$ 366,970	\$ 366,970	\$ 366,970	\$ 458,715	
Total # of Participants Served	1145	1171	864	735	780	771	727	854	7047
New Participants	602	509	448	419	489	379	311	349	3506
# Unemployed and obtained a job	68.5	58	56	41	61	48	29	34	395.5
# of new business Start-ups	81	90	75	56	57	68	69	61	557
# of new business Expansions	12	16	24	34	103	79	60	74	402
# of Jobs Created (FTE)	105.5	102	87.5	67.5	80.7	80.5	90	99.5	713.2
% of participants who started or expanded a business	8%	9%	11%	12%	21%	19%	18%	16%	13%
\$ of Capital Leveraged	\$ 1,046,181	\$ 855,135	\$ 873,353	\$ 745,938	\$ 1,420,594	\$ 680,641	\$ 1,272,007	1610541	\$ 8,504,390
3 Squares VT participants	n/a	n/a	n/a	418	359	232	294	unk	
Average MBDP GF Investment Per Job Created	\$ 2,982	\$ 3,910	\$ 3,416	\$ 4,428	\$ 3,703	\$ 3,713	\$ 3,321	\$ 3,755	\$ 3,619.48

VERMONT INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM

State Fiscal Year 2016 (July 1 - June 30)	\$135,300
# of participants with open accounts during the year	157
Total \$ amount of savings	\$39,248
# of new accounts opened	34
# of participants who increased their savings	83
% of participants who increased their savings	53%
# of participants who invested funds:	
Small Business	26
\$ (savings & match)	\$66,751
Education/job training	20
\$ (savings & match)	\$50,900
First Home	9
\$ (savings & match)	\$24,432
Total #	55
Total % of participants investing funds	35%
Total \$ (savings & match)	\$142,083

Since 2001	
low income Vermonters	979
Saved an average of	\$892
Savings were matched 2:1 to help them INVEST	\$2,615,545
First Homes	189
Businesses	556
College	234

*Note: The Vermont IDA program is a multi-year program. Annual funding supports 35 new accounts each year and the ongoing administration of almost 200 accounts.



State of Vermont
Department for Children and Families
Office of Economic Opportunity
[phone] 802-241-0935
<http://dcf.vermont.gov/oeo>