



## Micro Business Development Program

The Micro Business Development Program of the Vermont Community Action Agencies provides training, counseling, and access to financing 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 as well as the economic vitality of our communities. We have launched or expanded more than 2,100 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.

### *We are different:*

MBDP has statewide counselors that specialize in working with low income Vermonters who have significant barriers such as bad credit, disabilities, and/or very limited income, but have the desire to use self-employment and business ownership to provide income to support their families. We bring together human services and economic development. The Micro Business Development Program throughout the state helps to bring positive change to people's lives.

### *How we make an impact:*

In addition to business counseling, MBDP programs throughout the state offer a variety of financial education, credit building, and savings programs. We partner with other organizations, such as business lenders, to ensure that participants have the resources necessary to become self-sufficient in all aspects of their lives.

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

\*Source: The Vermont Department of Children and Families - Outcomes for 2018, Agency of Human Resources - Department for Children and Families

**Average Annual Outcomes 2017 -2018**

- **111 business starts or expansions**
- **82 new FTE jobs created**
- **\$1,439,256 in business capital accessed**

**SINCE 2010**

**7,524**  
LOW INCOME VERMONTERS PARTICIPATED IN MBDP

**610**  
NEW BUSINESSES WERE STARTED

**436**  
BUSINESSES WERE EXPANDED

**777.7**  
JOBS (FTE) WERE CREATED

**\$9,750,126**  
IN CAPITAL WAS LEVERAGED

**Cost per job = \$3,736**  
(VT General Fund)

For more information:  
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# How Are You Supporting the Micro Businesses in Your Community?

*Farm to Plate ~ Health ~ Business Consulting ~ Day Care ~ Tiny Home ~ Farmers Market ~ Manufacturing*

## Northeast Kingdom Community Action

### Spice Box—Danville



Val Elliott grew up helping out in her Sicilian family's kitchen. Hend AL-Raimi grew up in Yemen and moved to Danville in 2016. Her love of cooking includes a wide range of foods from traditional Yemeni

dishes to the Korean specialties of her father-in-law.

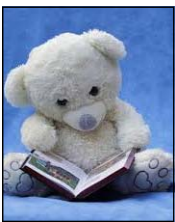
Together they are bringing Middle Eastern food to the Northeast Kingdom, using fresh and local produce when available. This past year has been full of wonderful accomplishments for their business. In addition to being at the Farmers Market in Danville, they have added a pop up restaurant in St. Johnsbury, which has been a huge success. They were also chosen as a recipient of the Prosperity Fund, which will enable them to make upgrades to their kitchen equipment.

Val and Elliot came to NEKCA's Micro Business Development Program for marketing assistance. Their biggest obstacle has been introducing dishes that are not widely experienced in the Northeast Kingdom.

"Amy (from NEKCA) suggested that we also pay attention to the décor at our pop up restaurant to make the experience authentic. It was a huge success".

## BROC-Community Action in Southwestern Vermont

### Little Steps Daycare—Rutland



When Bethany was young, she possessed a very nurturing and compassionate demeanor towards others. When she had the opportunity to care for a small child, she was very excited! Being the youngest, she couldn't care for any

younger siblings, but friends of the family brought their small babies with them when they would visit. She would watch and imitate their mom as she changed diapers, fed and rocked the baby.

To provide income for her family with the ability to move from dependence on 3Squares VT, Bethany knew it was time to open Little Steps Day Care, LLC creating a safe loving environment for children while their parents are working or at school with the added bonus of spending the day with her son.

Little Steps Day Care, LLC meets the needs of parents looking for a quality day care. Little Steps Day Care, LLC is a warm and welcoming home, while providing a Montessori (real life experience) and Waldorf (imaginative) environment. This gives the children the ability to learn from real-life experiences and use their imagination.

## Champlain Valley Office of Economic Opportunity

### Yoga with Krista—Burlington



Krista was a successful business owner with her husband in the Caribbean, where they owned and operated a fishing charter. After she and her husband divorced, though, the business ended, and Krista was left without a means to make a living.

She eventually found herself in Vermont with an addiction to alcohol, homeless, and hopeless. Krista found help with her addiction through a yoga teacher training program specifically geared toward people in recovery. In her words, she saw firsthand how yoga helped her restore her body, heart, and mind to sanity.

She saw an opportunity for a unique business and turned to Financial Futures (at CVOEO) for help in May. Since then, she has been relentless in pursuit of her dream: making yoga accessible to everyone.

She enrolled in Growing Money workshops, and worked on her business plan with the support of her MBDP counselor. As a result, she obtained a \$2,500 grant to finance her business start-up cost. She now has a growing list of clients. She connected with local agencies that support people struggling with drug and alcohol addictions, and volunteers her time offering weekly yoga classes.

## Southeastern Vermont Community Action

### Elizabeth Johnson—Brattleboro



Elizabeth Johnson 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.

It took the doctors quite a while to diagnose Elizabeth with Lyme disease and she entered a period of housing instability but by Spring of 2017, she turned to SEVCA for support.

She took the Financial Fitness course, redoubled her savings efforts, and worked on her business plan with one-on-one support from the Micro Business program. She had begun doing some design and organizational systems consulting with businesses, but she wasn't yet convinced she could make a living at it.

"Doing the business plan forced me to think through what my service really was, and what I would need to do to make enough money to support myself," Elizabeth says. "Once I did the plan, it really shifted how I saw myself engaged in the world, and I was able to present myself more clearly as a 'business consultant.'"

"Participating in the matched savings program and writing a business plan really gave me a newfound confidence for my success," she says. "[Before] I was not able to get out of poverty, and now I'm on the verge of doing that for the first time in 12 years."

## Capstone Community Action Rusty Cottage—Washington



Ruben Colon and his wife, Dorothy purchased their property in Washington, Vermont ten years ago. The property included the house they live in and two cabins without plumbing.

Hoping to earn extra income, they decided to rent the cabins to travelers and had some success. They felt bathrooms would increase business but were unable to get a loan.

They started working with Capstone's Micro Business Counselor (Margaret Ferguson). She helped them develop a business plan, Ruben got estimates from contractors, and Margaret connected him with Community Capital of Vermont. He was approved for a \$40,460 loan!

One of the cabins is complete with a new bathroom and is "booked solid" says Ruben. The other cabin's bathroom addition is still in progress. Ruben says they have definitely made a profit every month and it's a welcome addition to their Social Security income as well as personally rewarding.





# Volunteer Income Tax Assistance Program (VITA)

## WHAT WE DO



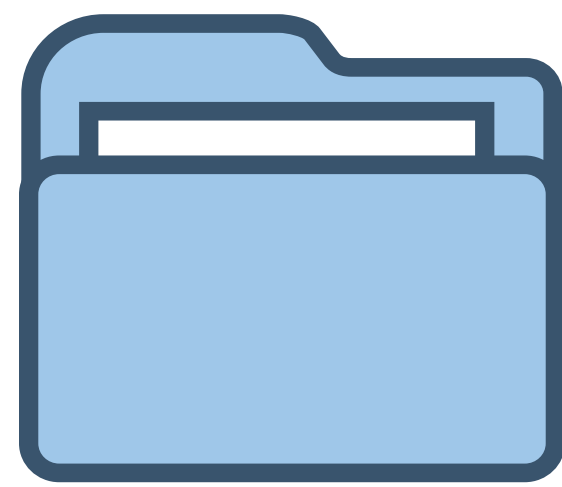
IRS Certified volunteers provide free tax preparation for anyone with annual income of less than \$54,000 at sites around the state. We take the pressure off individuals trying to negotiate the often complex tax laws that accompany even the most basic returns. And, we save Vermonters the sometimes exorbitant cost of paying for tax preparation services and falling victim to some preparers' predatory refund anticipation loans.

## -- FY 18 Outcomes --

**\$6.8 Million!**



Put \$6,827,221 back into the economy in refunds & credits, & helped to stabilize families with low income.



**7,153 Returns**

Vermont Community Action Agencies completed 3,309 Federal returns and 3,844 State returns

**In Addition...**



Assisted households with Renter's Rebate applications and Homestead Declarations

## WHO WE SERVE

Individuals w/low and moderate incomes including:



- The elderly
- Individuals with disabilities
- New Americans

We provide interpreters for those that have difficulty with English and sign language interpreters for the deaf.

**94%**

## ACCURACY RATE

VITA is proven to have the most accurate filing rate of any tax preparer nationally

## RETURN ON INVESTMENT

These outcomes are the result of one grant from the IRS of just \$49k to serve the entire state. When taking into consideration tax refunds and avoided tax prep fees (estimated to be \$676,544) that's \$153 in the pockets of Vermonters for every \$1 expended by the IRS grant.

**ROI of 1:153!**

How Are  
**Funds Used?**

The money is used for staffing to recruit, coordinate and train volunteers, to identify and establish multiple sites, to provide technical support to the volunteers, and to answer taxpayers on questions during and after tax season, along with expenses associated with outreach and reporting.