



Date: November 21, 2022

To: Wanda S. Page, City Manager
Through: Bertha T. Johnson, Deputy City Manager
From: Robert D. Morales, Senior Grants Manager
Subject: American Rescue Plan Act (ARPA) Project - Black Wall Street Hub for Amplifying Durham's Entrepreneur Community

Executive Summary

On November 2021, Provident1898 LLC submitted proposal “Black Wall Street Hub for Amplifying Durham's Entrepreneur Community” for funding in the amount of \$256,000 from the American Rescue Plan Act (ARPA) funds to connect more Durham-based small business owners and aspiring entrepreneurs to each other and to the support their need to sustain and scale their ventures. On May 18, 2022, City Council approved \$179,200 funding for this entity. Staff has reviewed the revised proposal and recommends funding.

Motion

To authorize the City Manager to execute an ARPA subrecipient grant agreement with Provident1898 LLC in an amount not to exceed \$179,200.

Background

The original proposal from Provident1898 LLC requested \$256,000 from ARPA funds under core category of combating Negative Economic Impacts of COVID-19 on small businesses. Historically significant spaces like the North Carolina Mutual Building are critical to preserving and building upon the Black Wall Street legacy that has inspired and sustained generations of Durham’s entrepreneurs. Provident 1898 provides community space, training, and support to help jumpstart new ventures and enterprises.

Provident1898 LLC has held its critical community-centered space as a long-term, anchor tenant at the NC Mutual Building. Investment of ARPA funds would 1) enhance co-working space with additional AV technology and modular furniture designed for the balance between collaboration and productivity in a post-pandemic workplace, 2) expand physical and digital storytelling installations integrating art that would uncover and reinterpret the Black Wall Street legacy, and 3) support the roll-out of a “navigator” program that will provide aspiring business owners and entrepreneurs with training and individualized coaching to help them identify their entrepreneurial pathways and connect to technical assistance, capital, and technology resources within a framework that tracks performance for accountability and impact.

Issues and Analysis

The Entrepreneurial Ecosystem Playbook defines successful entrepreneurship as "...[the] people and the culture of trust and collaboration that allows them to interact successfully. An ecosystem that allows for the fast flow of talent, information, and resources helps entrepreneurs quickly find what they need at each stage of growth.” Provident1898 LLC, currently, provides and seeks to enhance through the proposed ARPA funding: 1) access points to the ecosystem

so that anyone and everyone can participate, 2) intersections that facilitate the interaction of people, ideas, and resources, and 3) stories that people tell about themselves and their ecosystem.

Forward Cities, a Durham-based nonprofit strengthening access to entrepreneurship in communities has identified the factors that make entrepreneurial ecosystems more or less equitable. As a local, Black-owned and Black-led private enterprise with a unique place holding historically significant space to Durham's story of entrepreneurship, Provident1898 LLC desires to make our city's future more prosperous through an equitable ecosystem for entrepreneurship.

Provident1898 LLC seeks to connect more Durham-based small business owners and aspiring entrepreneurs to the support they need to sustain and scale their ventures. Target populations are existing venture owners/leaders and those who are preparing to launch or acquire a venture. The focus will be on reaching underserved groups, including minority and female entrepreneurs who are residents of Durham. Provident1898 LLC seeks to target these groups through established co-working community space, digital marketing, as well as through affiliate marketing under collaborations with Forward Cities, the City Office of Economic and Workforce Development, NCCU School of Business, Durham Tech, SBTDC, NC IDEA and others. Provident1898 LLC programs do not target a specific neighborhood.

Alternatives

The City Council can choose not to accept the staff recommendation.

Financial Impact

\$179,200 is available for this purpose from the funding source of the ARPA federal funds. The City of Durham received \$51,881,733 in two distributions; the first distribution was received on June 1, 2021 in the amount of \$25,940,866.50; the remaining amount was received May 2022. The City will have until December 2024 to obligate the funds. Recipients have until December 2026 to spend the funds.

Equal Business Opportunity Summary

Due to the nature of this agenda item, a review by the Finance Department was not required.

Contractor Workforce Diversity & Hiring Practices

Due to the nature of this agenda item, obtaining Contractor Workforce Diversity & Hiring Practices information would not be applicable.

Attachments

Provident1898 LLC Agreement