



**Date:** November 6, 2023

**To:** Wanda S. Page, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Edward Nixon, Senior Community & Economic Development Manager  
**Subject:** Agreement to Fund the Establishment of the Bull City Equitable Development Fund Operated by Built2Last Innovations Lab, Inc. Using City of Durham Grant Funds

**Executive Summary**

Built2Last Innovations Lab, Inc. (Built2Last) will partner with consultants to assist in the development and strategic execution of an equity fund. The Bull City Equitable Development Fund will leverage financial support from strategic partnerships or alliances forged with majority- and minority- owned banks, credit unions, community development financial institutions, and philanthropic organizations. These strategic relationships will provide opportunities to create impact investment funds that will be used, in large part, to financially support historically underutilized businesses, empowering small commercial property owners, and businesses to realize opportunities within their communities.

**Motion**

To authorize the City Manager to execute an agreement with Built2Last Innovations Lab, Inc. to fund the establishment of the Bull City Equitable Development Fund in the amount of \$180,000.

**Background**

Built2Last Innovations Lab, Inc. is a nonprofit organization that works to create a more inclusive entrepreneurial and business ecosystem in Durham, with an emphasis on women and underrepresented minorities. They assist individuals in marginalized communities to gain the skills and experience needed to fully participate in economic prosperity. Built2Last provides assistance to historically underutilized businesses, people residing in marginalized communities and the working poor.

**Issues and Analysis**

The recent COVID-19 pandemic has amplified the difficulty minority and other traditionally underrepresented entrepreneurs and business owners face in trying to access capital to launch, maintain, grow, and adapt their businesses. Forging strategic partnerships with majority- and minority- owned banks, credit unions, community development financial institutions (CDFIs), philanthropic organizations, small business investment companies, and social impact funds are activities necessary to fully bring the business owners into the business support ecosystem and to create resiliency to withstand economic interruptions, be it natural disasters, civil unrest or pandemics. The most difficult capital for new, emerging, and early phase entrepreneurs is patient capital to seed the growth and expansion of “home grown” historically underutilized businesses, including those identified as potential vendors in the supply chain management system. The Bull City Equitable Development Fund will provide such capital, thereby aligning with the overall strategy of Built2Last to create jobs, sustain jobs and grow wealth in the identified sectors and geographic sites identified.

Built2Last will invest in historically underutilized companies that are either startups, emerging, early phase or encore in need of capital to succeed. They will partner with various financial institutions willing to invest in the nonprofit and will manage risk by partnering with majority- and minority- owned banks, credit unions, CFDIs and a host of other such institutions that can show consistent earnings, diversified supplier and customer bases and attractive cash flow characteristics.

**Alternatives**

Council could decide not to authorize the City Manager to execute the agreement, which could delay the timeline for the establishment of the fund.

**Financial Impact**

\$180,000 is available for the funding for this agreement from the following account: 19206ARP-728600-B2L29.

**Equal Business Opportunity Summary**

This is an agreement. Due to the nature of this agenda item, a review by the Department of Finance - Underutilized Business Compliance 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**

- Agreement to Fund Establishment of the Bull City Equity Fund Operated by Built2Last Innovations Lab, Inc. Using City of Durham Grant Funds
- Exhibit A: Program Scope and Description
- Exhibit B: Budget City Funded Expenditures
- Exhibit C: Deliverables