The 2018 Secretary's Award for Public-Philanthropic Partnerships

Greater Cedar Rapids Community Foundation

MICRO

Cedar Rapids, IA

Challenge

Cedar Rapids suffered a catastrophic flood in 2008 that inundated 10 square miles of the city, including the downtown business district and surrounding low to moderate income neighborhoods. In the years following the flood, new partnerships have been formed to work on this issue. Over time, this has grown into an effort to engage lower income and diverse communities in business development and entrepreneurial activities. However, access to capital has been an issue.

Innovation

Thanks to a collaborative effort, entrepreneurs are now being connected with the capital and resources they need to get started. The Cedar Rapids MICRO program, a diverse public-private partnership, allows individuals to borrow up to $10,000 for 3 years at 4 percent interest. Assistance is provided to the applicants for market research, development of a business plan, and completion of the loan application. Once the application is approved, resources are in place to continue to support the participant throughout the life of the loan.

Overview

The overall goal of MICRO is to support entrepreneurs and small business development, allowing a mechanism for Cedar Rapids to connect the "arc of opportunity" with the "arc of prosperity" that is referenced in a recent Federal Reserve study that included Cedar Rapids. MICRO has a highly public contact point for the program at the public library. Librarians have been specially trained to help guide would be entrepreneurs through the process of market research and finding expert resources, including the Kirkwood Small Business Development Center and the local SCORE chapter. Both aid in the development of a business plan and the completion of the loan application. Once the loan is approved, arrangements are made for a SCORE volunteer to mentor the participant. The regional planning agency, the East Central Iowa Council of Governments, administers the program.

Public-Sector Partners

City of Cedar Rapids, Cedar Rapids Public Library, Kirkwood Small Business Development Center, East Central Iowa Council of Governments

Other Partners

Local SCORE chapter

Contact Information

Jean Brenneman
(jean.brenneman@gcrcf.org)

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