

Re-imagining Metrics for Small Business Support

Baltimore Data Day | July 19, 2024



BASE Network

A coalition of **15 partners** who support small and micro business owners in Baltimore City. Together, we are building a more connected, collaborative & equitable entrepreneurial ecosystem.

We Believe

Entrepreneurship increases generational wealth, civic wealth, and quality of life for all residents.

Systems change is essential for entrepreneurs to succeed & thrive.

Our Solution

BASE partners connect dots, build trusted relationships, and advocate for more equitable systems.

We commit to integrate equity into our culture, practices & principles.

Our Panel



Andy Cook
Made in Baltimore



Michelle Geiss
Impact Hub Baltimore

Brennan Murray
Baltimore Development Corporation



Charlotte Clark
Economic Development Corps



Data Metrics Present

Maryland & Baltimore City

Budget Predicted vs. Actual
Unemployment Rate
Median Household Income
Crime Rates
Average Time to Citizen Requests

Organizations that Support Businesses

Amount of Capital Deployed
Business Starts
Clients Served
Coaching/Mentoring Hours
Programs & Events

Businesses

of Customers
Monthly Sales
Customer Acquisition Cost
Net Profit
Annual Revenue

Community

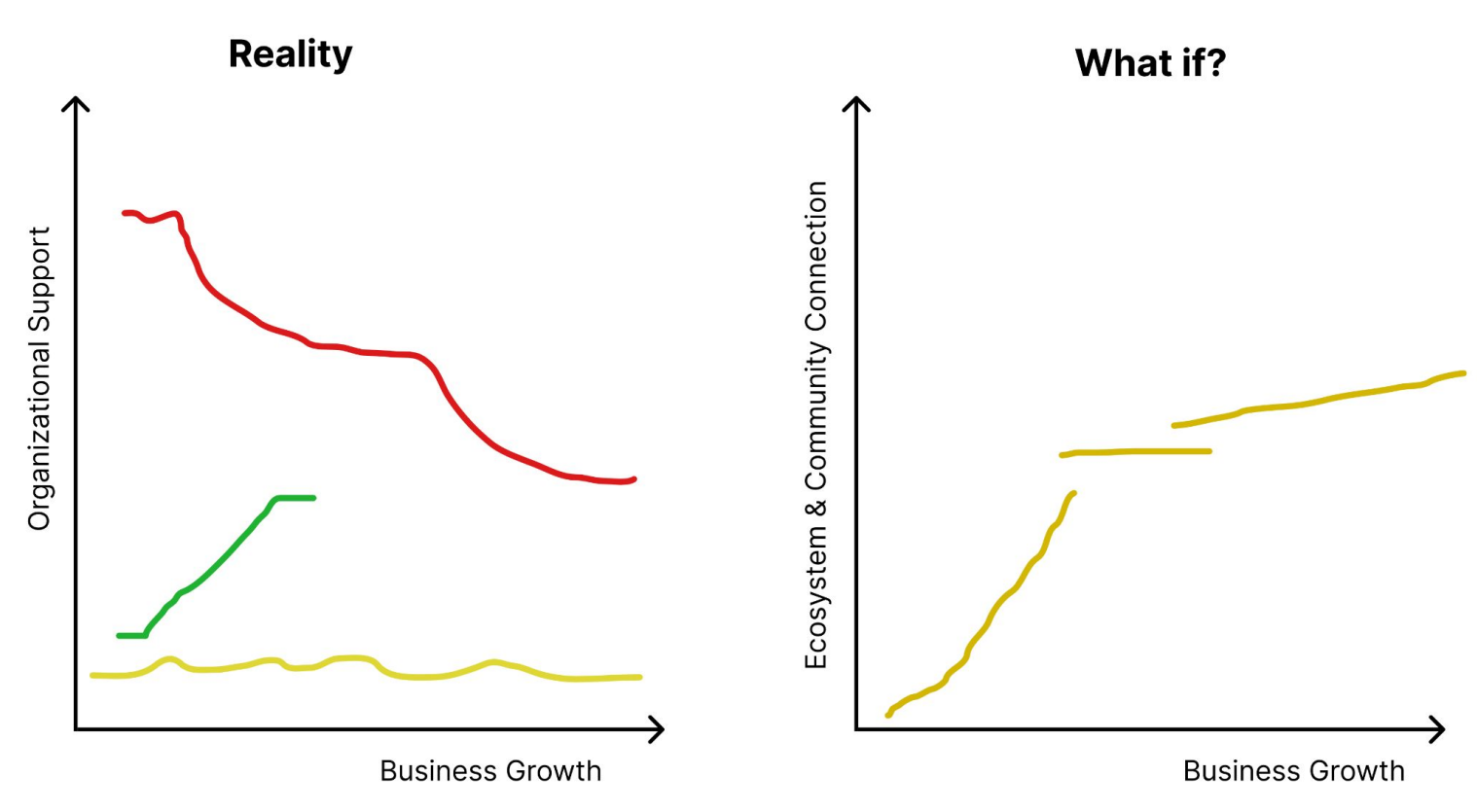
New Businesses
Rent vs. Own Rates
Public Safety Perception
Broadband Access Rates
Resident Satisfaction

of Employees
Annual Revenue
Capital Secured

ECONOMIC
RECOVERY
CORPS

BALTIMORE
BASE
Business Assistance & Support for Equity
NETWORK

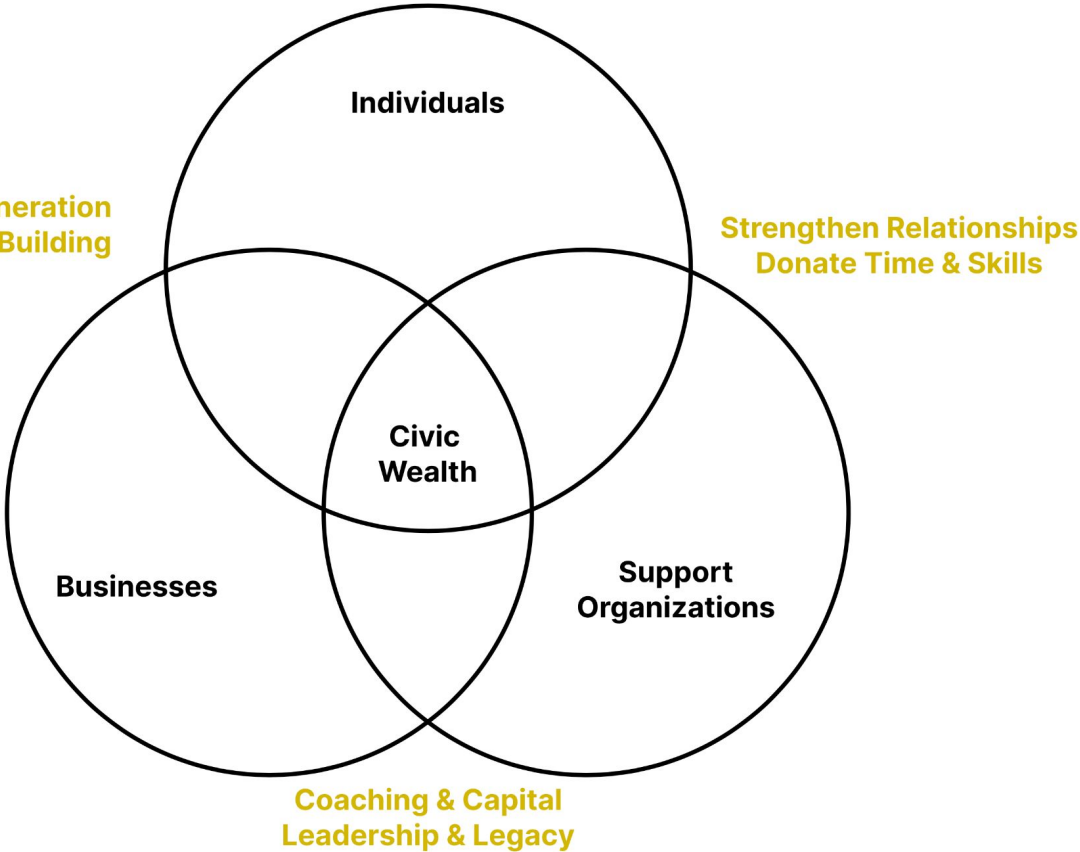
Org Support to Businesses



ECONOMIC
RECOVERY
CORPS

BALTIMORE
BASE
Business Assistance & Support for Equity
NETWORK

Civic Wealth Framework



ECONOMIC
RECOVERY
CORPS

BALTIMORE
BASE
Business Assistance & Support for Equity
NETWORK

A New Vision For Baltimore's Economy



7 Overarching Baltimore Together Goals



Build an equitable economy.

Objective: Eliminate economic racial disparities.



Be world-class leaders in key industry sectors.

Objective: Lead in life sciences, logistics, digital services, medical devices, social enterprise and creative industries.



Build a thriving innovation and small business ecosystem.

Objective: Increase job growth and investment in businesses under 500 people.



Build a stronger workforce system.

Objective: Ensure residents have career opportunities at a living wage.



Grow the city's population.

Objective: Create a more equitable tax base.



Support equitable neighborhood development.

Objective: Increase investment in formerly redlined communities.



Recover stronger from COVID-19.

Objective: Rebuild and grow negatively impacted sectors.

4 Key Baltimore Together Strategies

1.

Work Together

Break down barriers, foster collaboration, and increase efficiency.

2.

Invest in People and Places

Create opportunities for residents through strategic investments.

3.

Build from Strength

Leverage Baltimore's assets to strengthen the city's economic future.

4.

Compete to Succeed

Work with partners to address competitive imbalance and address major challenges.

www.baltimoretogether.com

“ Baltimore Together calls all of us to engage in creative solutions, collaborative efforts, and new ways of working, investing in people, places and infrastructure. Today we get to celebrate that great work. ”

- Baltimore Mayor Brandon Scott



A Platform for Inclusive Prosperity

2nd Annual Summit 2023



Number of participants

1018

(50% increase year-over-year)

Day 1 302

Guests Checked in

Workshops 716

Guests Checked-in across all breakout sessions

11

Workshops hosted in partnership with

10

different organizations



10

SPONSORS



76

moderators, speakers, panelists (50% increase year-over-year from 2022 to 2023)

22

media pieces from

15

unique outlets



Livestream views (Day 1)

864

Events held at 9

unique locations across Baltimore City

EVENT SPENDING



22

unique vendors

90%

of Baltimore City-based vendors

80%

of minority or women-owned businesses



Panelists: Maria C. Correa-Sanchez, Rosalyn Vera and Enai Ruelas

Overarching Goals, Objectives, and Metrics

GOAL	OBJECTIVE	METRICS	2019 (Base Year)	2020 (Base Year)	2021			
1	Build an equitable economy.	Eliminate economic racial disparities.	<ul style="list-style-type: none"> Black income and employment vs. white income and employment 	Unemployment Rates Black & white residents	10% Black 3.4% White	10.2% Black 3.9% White	10.1% Black 5% White	●
				Labor Participation Rates Black & white residents	58% Black 69.2% White	57.9 Black 69% White	56.6% Black 71.7% White	●
				Household Income Gap between Black & white	\$42,015	\$38,429	\$40,915	●
2	Be world-class leaders in key industry sectors.	Lead in life sciences, logistics, digital services and creative industries.	<ul style="list-style-type: none"> Employment within each specific sector. (Total # of jobs) 	Life Sciences	3,278	3,500	4,287	●
				Logistics & Manufacturing	47,545	48,582	41,642	●
				Digital Services	4,130	4,131	4,176	●
				Creative Industries	5,389	4,877	5,312	●
				Tourism & Hospitality	24,414	14,380	19,213	●
3	Build a thriving innovation and small business ecosystem.	Increase job growth and investment in small businesses.	<ul style="list-style-type: none"> Total number and revenue of BIPOC-owned businesses compared to white-owned businesses. Dollar amount of venture capital invested in city businesses. 	# of Businesses: BIPOC-owned vs. white-owned businesses	Unavailable	Unavailable	Unavailable	
				Total Revenue: BIPOC-owned vs. white-owned businesses	Unavailable	Unavailable	Unavailable	
				Dollar amount of venture capital invested in city businesses.	\$279.3 million	\$509.5 million	\$768 million	●
4	Build a stronger workforce system.	Ensure residents have career opportunities at a living wage.	<ul style="list-style-type: none"> Employment rate in communities of color. 	Employment rate within NIIF* boundary	Unavailable	Unavailable	54%	
				Employment rate outside NIIF* boundary	Unavailable	Unavailable	63%	
5	Grow the city's population.	Create a more equitable tax base.	<ul style="list-style-type: none"> Number of residents & households. 	Number of residents	593,490	602,274	576,498	●
				Number of households	242,694	242,499	254,370	●
6	Support equitable neighborhood development.	Increase investment in formerly redlined communities.	<ul style="list-style-type: none"> Dollar amount of public and private investment. 	Public investment within NIIF* boundary	\$23.5 million	\$21.5 million	\$34.3 million	●
				Private investment within NIIF* boundary	\$2.3 billion	\$585.3 million	\$1.1 billion	●
7	Recover stronger from COVID-19.	Rebuild and grow negatively impacted sectors.	<ul style="list-style-type: none"> Tourism & Hospitality metrics 	Hotel occupancy rate	63%	30%	43%	●
				Hotel tax collections	\$33 million	\$25 million	\$21.3 million	●
				Number of visitors	26.7 million	27 million	21.4 million	●



1 *The Neighborhood Impact Investment Fund (NIIF) boundaries covers approximately 2/3 of Baltimore City. Visit www.baltimoreniiif.org for details.

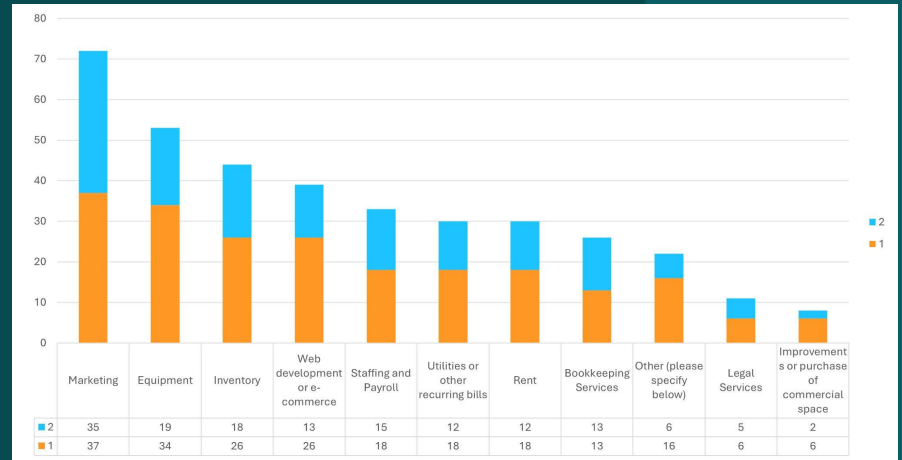
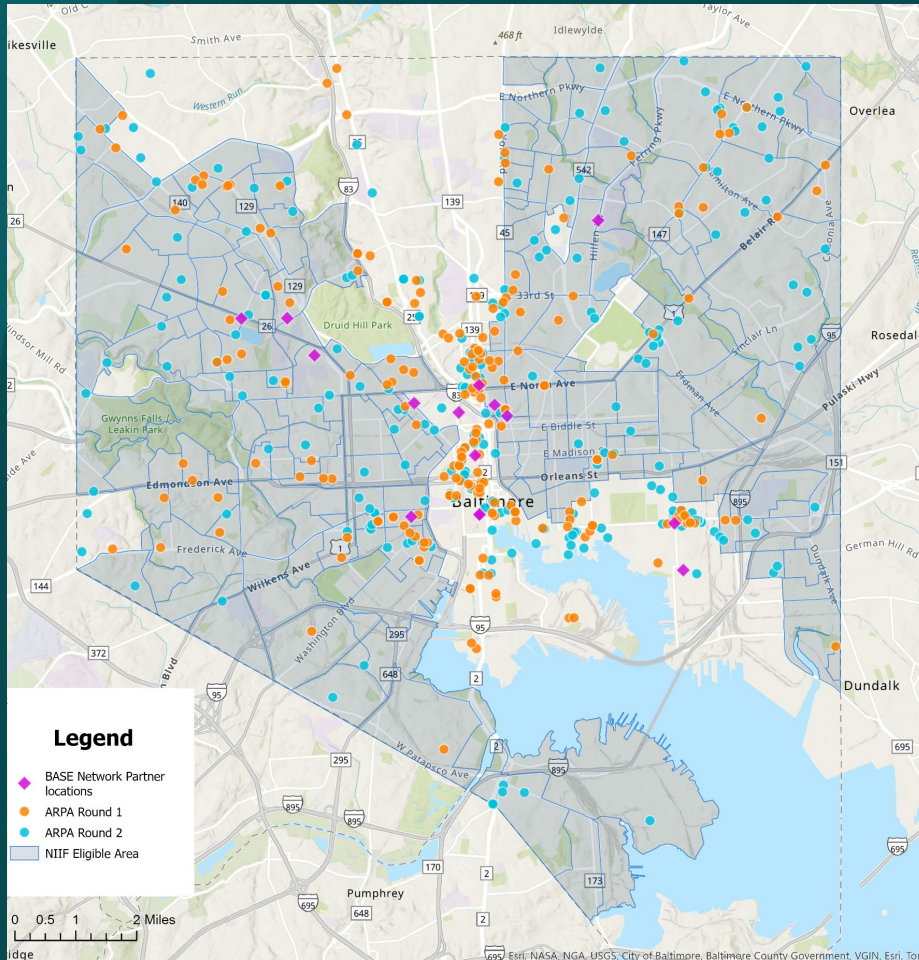
STRATEGY 1: Work together—break down barriers, foster collaboration, and increase efficiency

	Track Data More Effectively		Reimagine & Rebuild the Local Small Bus. Ecosystem	
#	1.10	1.11	1.12	1.13
Strategy	Annually compare Baltimore Together goal metrics with regional indicators dashboard on Baltimore Together website.	Explore environmental, social and governance (ESG) reporting	TA (technical assistance) network; continue to convene network of small business support system to share information, coordinate and improve delivery of service by TA network members	Build partnership between TA network and existing African-American led financial institutions such as Harbor Bank shares Corporation, Brown Capital Management, MECU, and Meridian Management Group.
Priority	Moderate	Low	High	Moderate
Impact	Low	Moderate	Moderate	Moderate
Difficulty	Easy	Difficult	Easy	Moderate
Lead Reporting Partner(s)	BDC	BDC	BDC	BDC
Active Collab Partner(s)	(Need Partners)	DHCD	Baltimore BASE Network	Baltimore BASE Network
Ecosystem Partner(s)	(Need Partners)	(Need Partners)	MOED, CBOs, Various Non-Profits	(Need Partners)
Progress Status	Need Info and/or Attention	No Progress	Positive Progress	No Progress
2022 Progress	(Need Information)	(Need Information)	Now called the <u>BASE Network</u> , the program received \$11.7 million in <u>ARPA funds</u> to provide grants to small businesses. \$4.7 million was awarded to over 200 businesses of which 88% were BIPOC-owned.	BASE Network did not expand in 2022. It focused on grant awards and existing partnerships.
2023 Progress	(Need Information)	(Need Information)	The Base Network (15 partners) is now retooling itself coming out the COVID-19 Pandemic response. Goals include defining governance structure, better tracking and metrics, investing in storytelling, defining or redefining partner roles. <u>Baltimore in the top ten cities for COVID recovery.</u>	ARPA funding will be expended by the end of FY24 (June 30, 2024). Efforts are underway to determine the future of the BASE Network and funding to support it;



STRATEGY 3: Build from Strength - Implement Strategies to Develop BIPOC-Owned Business

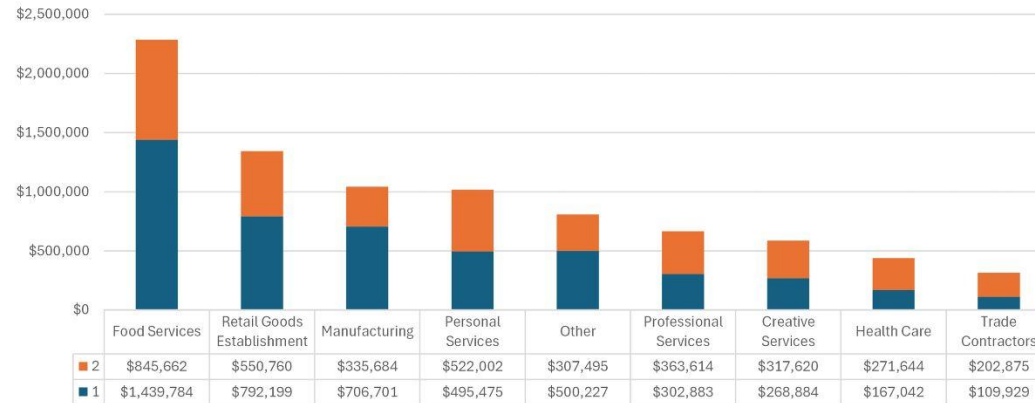
	Key Industry Clusters: Hospitality and Tourism		
#	3.26	3.27	3.28
Strategy	Develop a "reopening" plan for downtown and neighborhood commercial districts to welcome workers back, develop public safety strategies, address transit etc.	Attract, support, and Invest in the small businesses located in Lexington Market and the Public Market System in Baltimore City.	Promote Black historical assets as a tourism destination.
Priority	High	Moderate	Low
Impact	High	Moderate	Low
Difficulty	Difficult	Moderate	Easy
Lead Reporting Partner(s)	DPOB, BDC	Baltimore Public Markets, BPM	(Need Partners to Track & Report)
Active Collab Partner(s)	DOP, DHCD	BDC, BASE Network	Visit Baltimore (VB)
Ecosystem Partner(s)	MCB Real Estate (MCB), Waterfront Partnership (WPB), Main Streets, CDCS	DOP, DHCD, Local Developers	MCAAHC, GBBCC, BAD, NGBWM, Reginald Lewis Museum
Progress Status	Positive Progress	Complete	Some Progress
2022 Progress	Many businesses were reluctant to bring back their employee for many reasons, WFH lifestyle, city safety perception, lack of downtown amenities (retail, f+b), employee retention.	October of 2022, Baltimore Public Market system's flagship market, Lexington Market opens with soft opening. The new Lexington Market opened with four stalls and five kiosks.	(Need Information)
2023 Progress	MCB and their stakeholders are developing a supplemental plan "Project Livable" which will address the placemaking and amenity concerns around Downtown for the Inner Harbor and North Harbor areas. On the heels of that plan DPOB is also developing a Masterplan for Downtown from the Inner Harbor to State Center.	In the past two years not only has Lexington Market seen major redevelopment but so will most of the Public Market system's facilities pulling in over \$52 million of reinvestment. \$40 million - <u>Lexington Market Redevelopment</u> \$4.9 million - ARPA funding for Lexington Market \$9.6 million redevelopment (shaping up to be 5 mil) - <u>Avenue Market Redevelopment</u> \$2.1 million - <u>Hollins Market Redevelopment</u> Broadway Market Plaza Redevelopment	Visit Baltimore features the The National Blacks in Wax in the Inner Harbor Visitor Center to publicizes the museum's 40th Anniversary



Grant Recipient Summary

Metrics	Total	Round 1	Round 2
# Small Business Grants / Awards	495	221	274
\$ Amount	\$8.5 Mil	\$4.8	\$3.7
Avg Award Amount	\$17,173	\$21,643	\$13,567
BIPOC-Owned	433 (87%)		
Black-Owned	339 (68%)		
Women-Owned / Non-Binary	345 (70%)		
Avg # of Employees	3.88	3.98	3.79
Total # Solo-Entrepreneurs	138	75	63

Awards by Industry



Industry Breakdown

Industry	Total	Round 1	Round 2
Food Service	26.89%	19.94%	9.95%
Retail Goods Establishment	15.8%	9.32%	6.48%
Manufacturing	12.26%	8.31%	3.95%
Other	9.5%	5.88%	3.62%
Personal Services	11.97%	5.83%	6.14%
Professional Services	7.84%	3.56%	4.28%
Creative Services	6.9%	3.16%	3.74%
Health Care	5.16%	1.97%	3.2%
Trade Contractors	3.68%	1.29%	2.39%

Baltimore BASE Network Partners





KEY FINDINGS

PEOPLE

106

BUSINESSES
SURVEYED

594

JOBS
SUPPORTED

48%

POC-OWNED

PROFIT

\$23M

REVENUE

\$7.8M

HIGHEST
EARNING INDUSTRY:
*Metalwork, Machining,
& Fabrication*

14:1

DISPARITY
*difference in median revenue
between businesses owned by
white men : black women*

PRODUCTION SPACE

583,942 SF

IN USE

545 SF

MEDIAN SIZE

46%

HOME-BASED
+3% from 2022



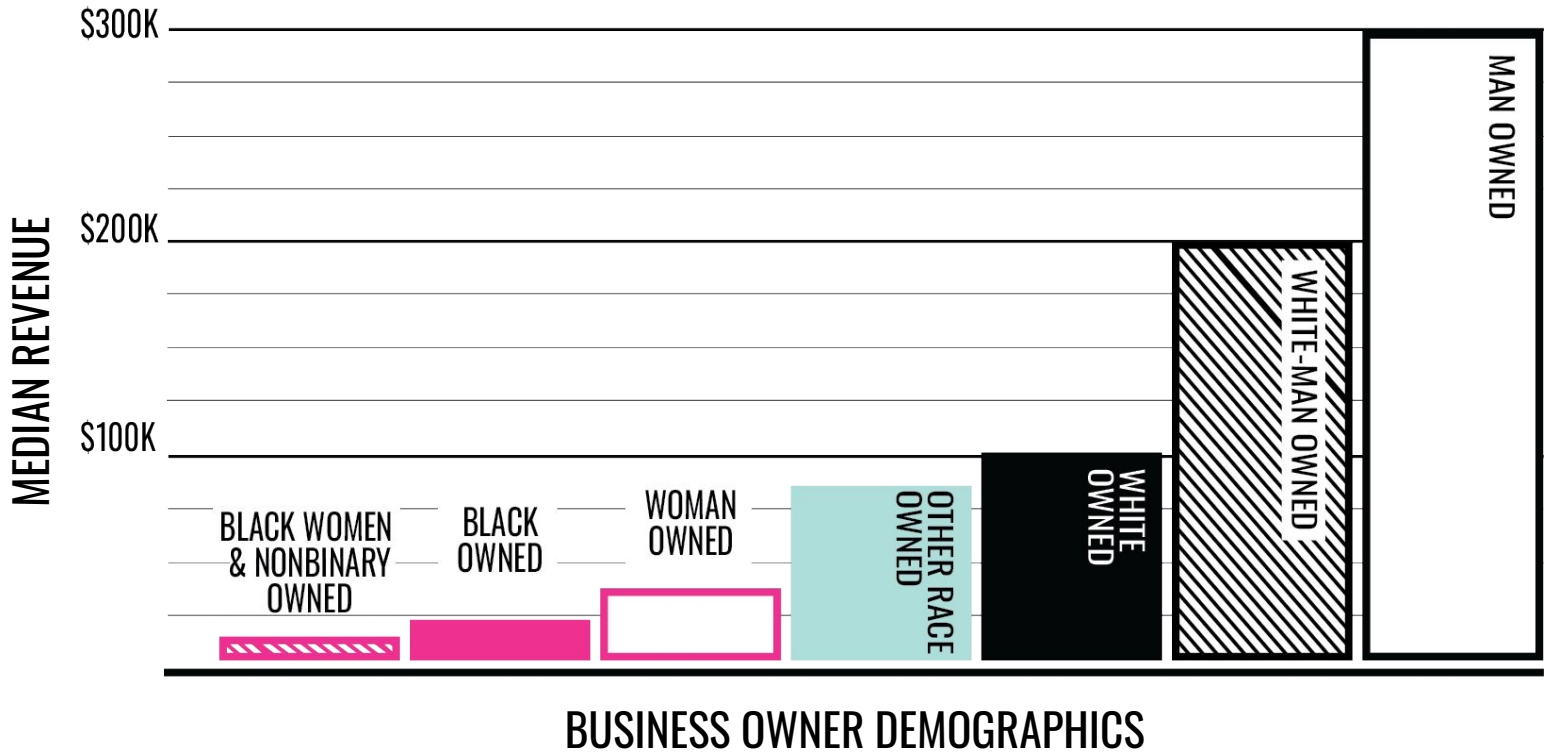
\$23,990,529

In total revenue across 70 MIB Businesses

The annual reported revenue in the MIB network is \$1M more than that reported in 2022.

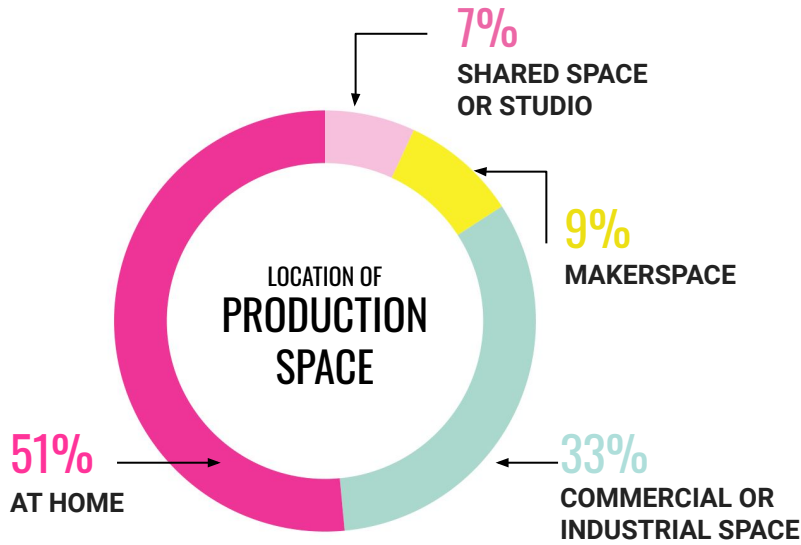
61% of Black-owned businesses reported an increase in revenue, a 4% higher rate than the network overall.

PROFIT





PRODUCTION SPACE



51%

of MIB makers are based out of the owners home.

One of MIB's permanent goals is to shift home-based businesses to commercial production space. The demographics of home-based businesses reflect existing racial and gender disparities.

\$6,583

Median revenue of a home-based business

\$29,000

Median revenue of a business at a makerspace

\$62,000

Median revenue of a business in a studio or shared space

\$178,000

Median revenue of a business in a commercial or industrial space

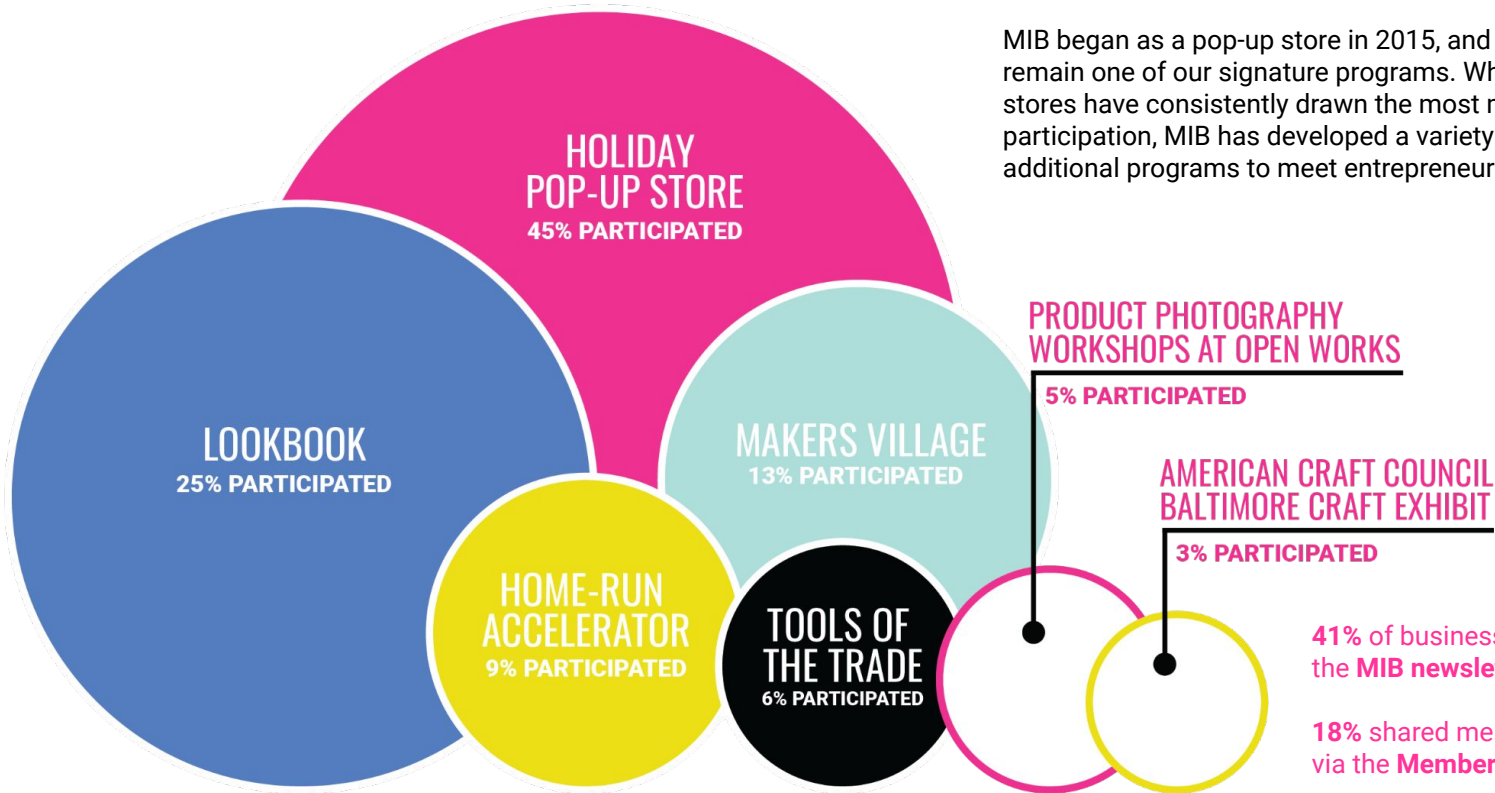
33%

of businesses in the network plan to expand their production space next year.

POC-owned businesses reported an intention to expand their production space next year at a higher rate (49%) compared to other demographics.



MIB PROGRAMS



Beyond Pop-Ups, MIB's Expanded Programming

MIB began as a pop-up store in 2015, and pop-ups remain one of our signature programs. While pop-up stores have consistently drawn the most member participation, MIB has developed a variety of additional programs to meet entrepreneurs' needs.

41% of businesses use the **MIB newsletter**.

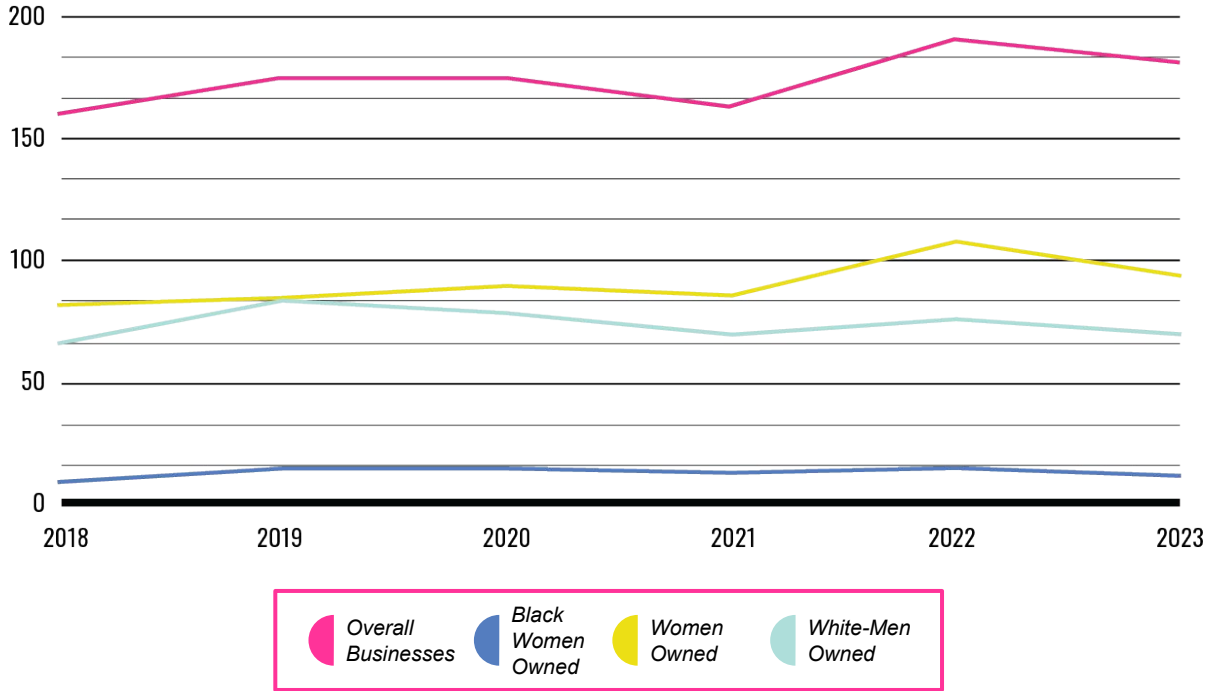
18% shared member news via the **Member News Form**



5 YEAR TRENDS: PEOPLE

TOTAL JOBS OVER TIME

N = 34 Businesses



34 businesses created 22 jobs since 2018

Men employ at roughly twice the rate of women

Trends charts look only at the businesses that have responded to the survey every year since 2018. Women-owned businesses consistently provide more jobs than any other demographic group.

Note that the total jobs of businesses owned by Black Women is represented by 6 businesses compared to 22 Women-owned businesses and 11 White-Men-owned businesses.

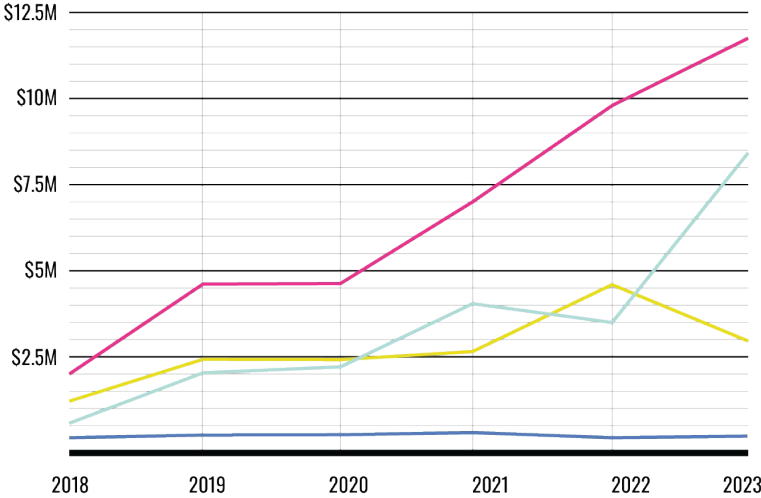


5 YEAR TRENDS: PROFIT



Number of Businesses to Provide Revenue	2018 n = 19	2021 n = 22
	2019 n = 23	2022 n = 25
	2020 n = 23	2023 n = 23

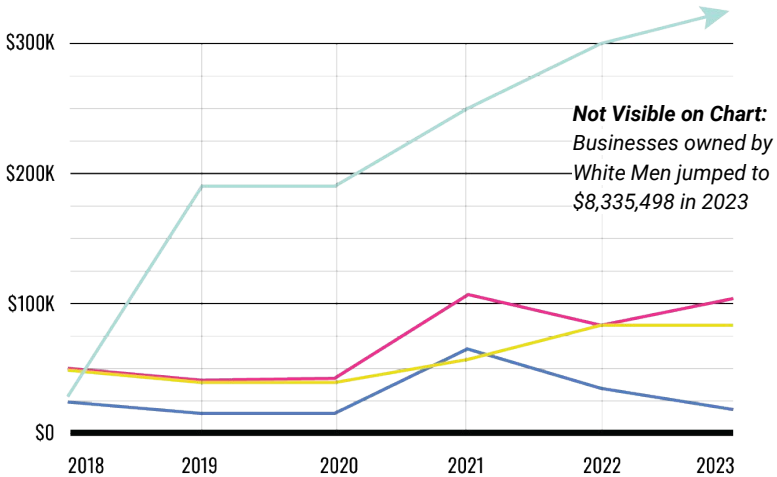
TOTAL REVENUE OVER TIME (2018-2023)



Total revenue has increased by 600%

Total revenue generated by Baltimore’s maker community that reported revenue every year has increased since 2018. Note there are only 4 Black-Women-owned businesses represented.

MEDIAN REVENUE OVER TIME (2018-2023)



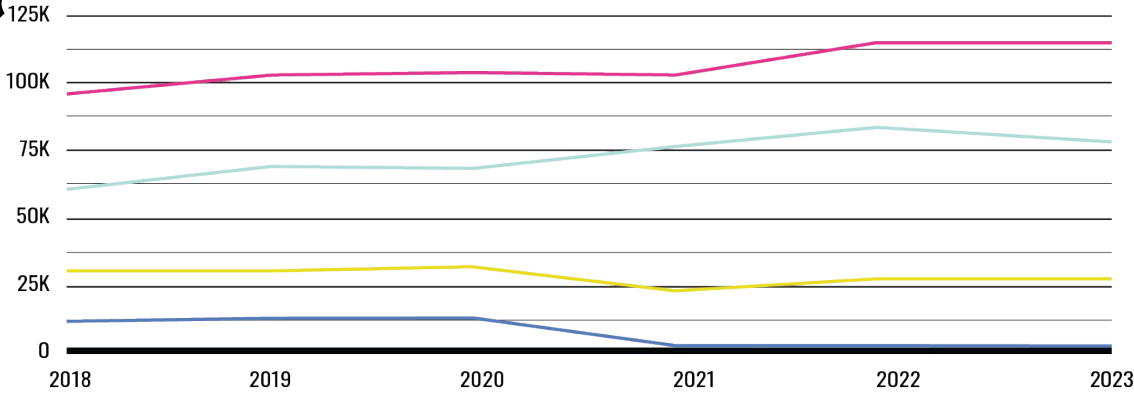
Median revenue has increased by 200%

Owner-operators tend to become employers once revenue exceeds \$100K. If revenue trends continue, job increases should follow in the next 2-3 years.



TRENDS: PRODUCTION SPACE

TOTAL SQUARE FOOTAGE OF PRODUCTION SPACE



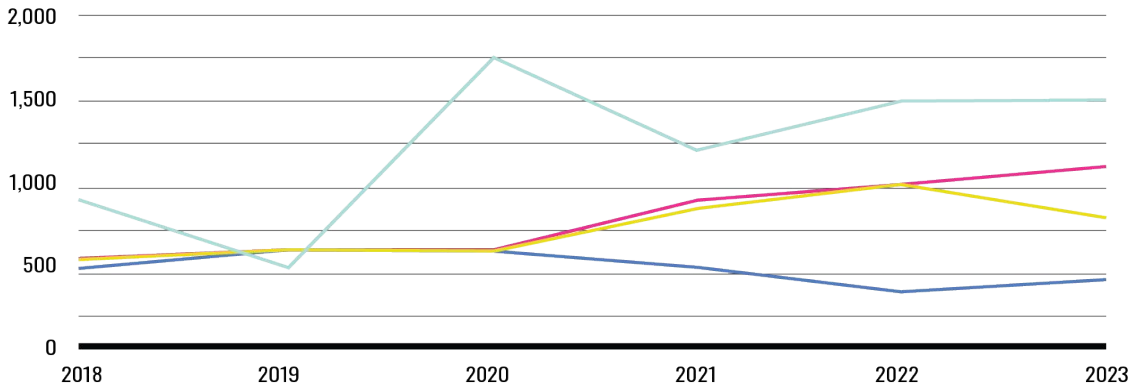
- Overall Businesses
- Black Women Owned
- Women Owned
- White-Men Owned

N = 34
Businesses

Among businesses that have responded to our survey every year since 2018, **total square footage of production space has increased by 18,554 sf.**

Women-owned businesses are still recovering space after the pandemic. Black-Women-owned businesses suffered that loss the hardest.

MEDIAN SQUARE FOOTAGE OF PRODUCTION SPACE



Since 2018, the median production space size has doubled, from 550 to 1,100 sf.

After a couple of years in declining footprint, Black-Women-owned businesses show a modest increase in the last year.



Business Milestones

The below median annual revenues on the left correlate with the business milestones on the right.

\$25,000

Median revenue when a home-based business moves out into a studio or shared production space

\$100,000

Median revenue when a business tends to hire their first employee

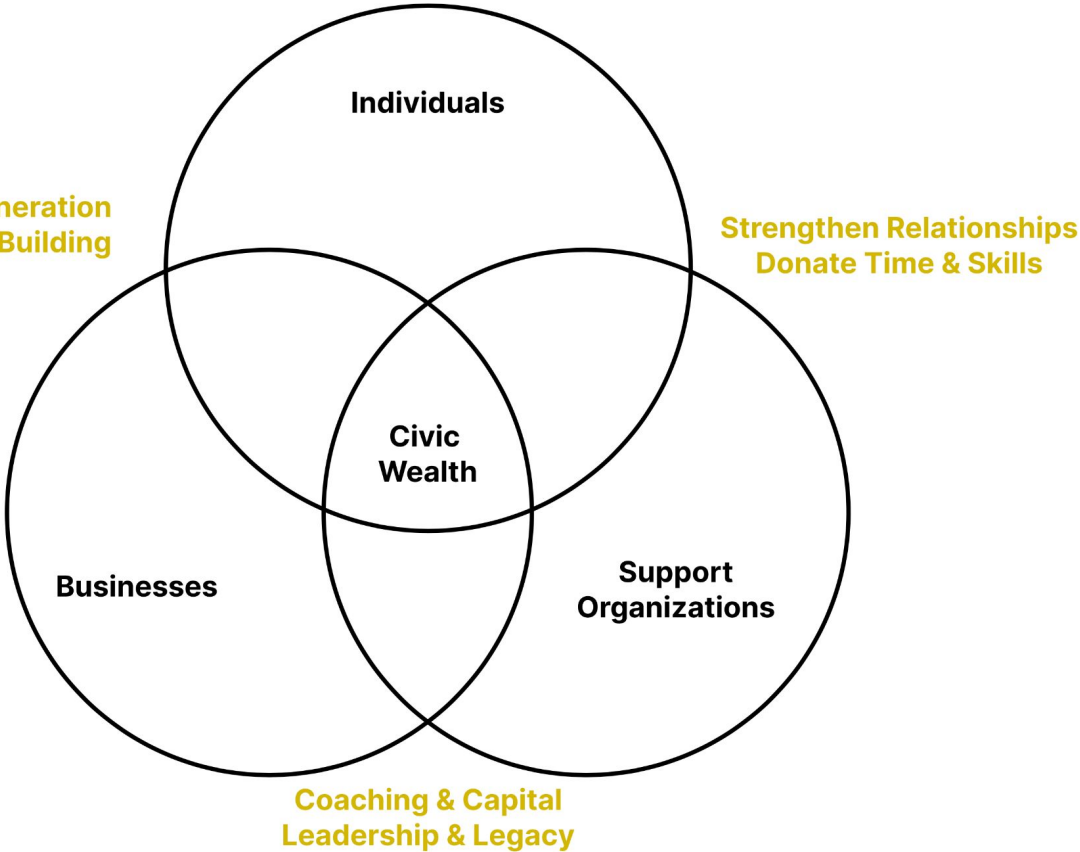
\$175,000

Median revenue when a business graduates from a shared space to a solo commercial or industrial space

\$500,000

Median revenue when 'Wholesale' replaces 'Direct To Consumer' as the primary source of revenue

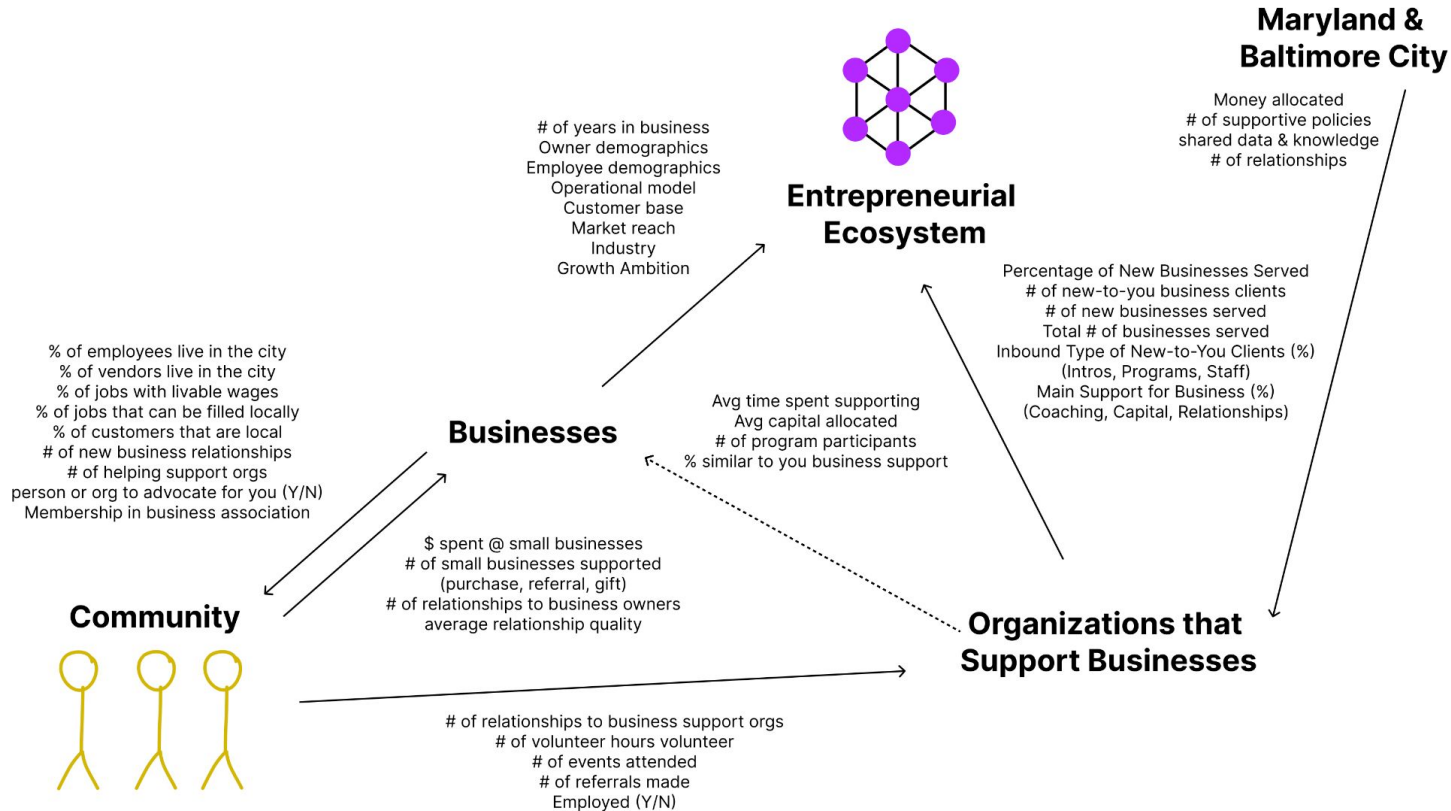
Civic Wealth Framework



ECONOMIC
RECOVERY
CORPS

BALTIMORE
BASE
Business Assistance & Support for Equity
NETWORK

Data Metrics Future



ECONOMIC
RECOVERY
CORPS

BALTIMORE
BASE
Business Assistance & Support for Equity
NETWORK



Discussion

BALTIMORE

BASE
Business Assistance & Support for Equity

NETWORK



Q & A



Thank You !

BALTIMORE
BASE
Business Assistance & Support for Equity
NETWORK