

I. Organization Background Information

Name of Organization:

FOUNDATION FOR PUERTO RICO

Mission Statement:

Please limit to 1000 characters. Please be aware that your content may be truncated if you are pasting from another source.

To Transform Puerto Rico into a destination for the world by driving economic and social development through sustainable strategies.

Overview of Organization:

Please limit to 2500 characters. Please be aware that your content may be truncated if you are pasting from another source.

Foundation for Puerto Rico (FPR) is a 501(c)(3) public charity founded in 2011 that promotes opportunities for social and economic development in Puerto Rico mostly focused on promoting the visitor economy and transforming Puerto Rico as a destination for the world. It seeks to unleash the island's full potential as an active participant in the world's economy using the Visitor Economy Strategy to promote opportunities for social and economic development. FPR's mission, in cooperation with other nonprofits, as well as the local and federal governments, is to increase the number of visitors to the island by 2 million and their average stay by 2 additional days. The strategy and the implementation of planned phases and projects can help double the size of Visitor Economy from \$7 billion to \$14 billion during the next decade.

Since 2011, FPR has invested over 3.3 million in the implementation of various programs and initiatives to educate, support and strengthen the development of the Visitor Economy. Moreover, in 2018 alone, it was awarded \$5.5 million in federal funds from the Economic Development Administration (EDA)/US Department of Commerce to provide specific resilience and business support services to six (6) regions across the island. It is also the partner for the US Department of Housing and Urban Development (HUD) in charge of managing the strategic planning efforts (\$35 million) included in the Puerto Rico Action Plan, funded by the Community Development Block Grant-Disaster Recovery (CDBG-DR) approved by the US Congress. FPR is also the first awardee in Puerto Rico from the Ewing Marion Kauffman Foundation with \$291,500 for business support programs.

FPR's Research and Analysis Unit measures its activities which publishes studies and white papers on their programs and initiatives. The foundation's workforce is comprised of 15 permanent employees from various disciplines including certify public accountants, economy, nonprofit management, communications, tourism management, among others. It acts as a certified fiscal agent, ensuring that other NGOs were able to handle hurricane related donations and supplies properly, and request awards and funding. FPR houses the COLABORATORIO, a 8,700 square feet, state-of-the-art technology shared area providing office space to NGOs. These organizations include some of the principal entrepreneurial, small business, cultural entrepreneurship and poverty fighting NGOs in the island.

Website:

<https://www.foundationforpuertorico.org>

II. Proposal Contacts - Please enter information for the Primary and Secondary Proposal Contacts

Primary Contact

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Last Name

Mayol

Title

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Secondary Contact

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III. Proposal Information

Proposal Title:

Small Business Support Program

Support Request (check all that apply):

Investment/Grant

Requested Dollar Amount:

\$345,000

Please list other Significant Partners in the Proposal:

FPR partners provide the technical capacity and incubation services for businesses through two multi-stage incubation programs: the Bottom Up Destination Recovery Initiative and the Emprende 360 program. Their unique expertise leads the entrepreneurs through each phase of a business, from idea to serving its first client. Partners provide the mentoring, customized and individualized coaching, which allows them to select the best participants, and graduate only those business ideas who are on the right track to become a new, successful business within the timeframe of the incubating program. They work one-on-one with the entrepreneurs to help them make the best decision to invest the seed funding, and secure the best outcomes. Partners are:

1. Grupo Guayacán, Inc. (GGI): a nonprofit that has developed a unique model that couples private equity investment with programs aimed at developing and advancing Puerto Rico's entrepreneurial ecosystem.
2. INprende: through its programs, it empower individuals with the mentality and skills necessary so that through innovation and entrepreneurship they create value for themselves, and their country.
3. Kiva Puerto Rico: Kiva is an international nonprofit, founded in 2005 in San Francisco, with a mission to expand financial access to help underserved communities thrive.
4. Centro para Emprendedores: Offer services that help the individual in their personal and social development, strengthening their capacity for business development.

Proposal Description:

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To obtain a \$375,000 grant from Investment Connection to provide much needed seed funding (up to \$15,000 per business) to support the creation of 23 new businesses in areas devastated by Hurricanes Irma and María in Puerto Rico. These areas are also underserved and economically challenged, located in towns outside the metro area, where there is little or no business support or access to capital. The seed funding provided by Investment Connection will provide the key factor needed to start a business: seed capital. New businesses, to obtain seed funding, would be the result of two FPR ongoing entrepreneurial programs: The Bottom Up Destination Recovery Initiative (Bottom Up) and the Emprende 360 program.

The Bottom Up Recovery Initiative: funded by a grant awarded to FPR by the Economic Development Administration (EDA). It serves 6 regions (12 towns) across Puerto Rico. FPR designed the program to recruit 120 entrepreneurs with new business ideas to receive workshops on how to develop the idea, create the business, obtain customer validation. Out of the 120 entrepreneurs attending the workshops and trainings, a selection committee chooses 18 business ideas that show significant potential for success, and will receive one-on-one mentorship. At least 8 new businesses will be created from this group, which will receive seed funding from Investment Connection to start/grow the business. FPR's partner INPRENDE, will remain working on a daily basis with each entrepreneur, for up to three (3) months, to secure the proper use of the funds provided, which must be directed to secure the opening of the business and serving its first client. Timeline: August 2019-December 2020.

Emprende 360: championed by FPR, it is the first program in Puerto Rico to bring together the most important local entrepreneurial organizations working together: Foundation for Puerto Rico, INprende, Centro para Emprendedores, Grupo Guayacán and Kiva. It is also the first program in the island, awarded with a grant from the Ewing Marion Kauffman Foundation, to fund the incubator. The program will focus on the towns of Coamo and Ponce and will recruit up to 100 business ideas to provide them with a multi-stage incubation program, the most complete in Puerto Rico to date. It expects to graduate and create 15 new businesses from December 2019-2020, which will receive the seed funding from Investment Connection and one-on-one coaching to secure proper investment and management.

Issues Addressed (check all that apply):

Asset Building / Financial Access, Capability and Empowerment, Community Development Finance, Small Business Development / Microlending, Stabilization and Sustainability, Workforce Development / Economic Development

If your project affects multiple states or counties, please use the CTRL key to multi-select.

Geographic Impact

State-wide

U.S. States & Territories:

Puerto Rico

Population Served:

Please limit to 500 characters. Please be aware that your content may be truncated if you are pasting from another source.

Population served are those located in areas that were devastated by the path of Hurricanes Irma and María in 2017. These towns were already economically depressed, its population presenting high levels of unemployment, or with very low, low and medium income. The goal is to create new businesses and jobs to boost the economy in the towns of Aguadilla, Isabela, Cabo Rojo, San Germán, Camuy, Arecibo, Manatí, Barceloneta, Naguabo, Ceiba, Adjuntas, Utuado, Coamo and Ponce.

Population Income by Area Median Income (AMI) and other identifiers (percentage of Free and Reduced Lunch for youth or designated "Disaster Area" or designated "Distressed or Underserved" served by proposal:

Puerto Rico was designated Disaster Area by Presidential Declarations of Major Disaster, FEMA-4336-DR for Hurricane Irma on 09/10/2017; and for Hurricane Maria FEMA-4339-DR on 09/20/2017. According to the US Census Bureau data, households in Puerto Rico have a median annual income of \$19,343, which is less than the median annual income of \$60,336 across the entire United States. This is in comparison to a median income of \$20,078 in 2016, which represents a reduction of 3.66% in annual growth.

Population Income by Area Median Income per each town in Puerto Rico to be served is the following (source US Census/ Quick Facts):

1. Aguadilla: \$16,821
2. Isabela: \$16,102
3. Cabo Rojo: \$16,667
4. San Germán: \$15,424
5. Camuy: \$17,579
6. Arecibo: \$17,328
7. Manatí: \$18,191
8. Barceloneta: \$17,113
9. Naguabo: \$18,976
10. Ceiba: \$18,998
11. Adjuntas: \$11,680
12. Utuado: \$15,931
13. Coamo: \$17,168
14. Ponce: \$16,561

Anticipated Outcomes/Impact:

Please limit to 2000 characters. Please be aware that your content may be truncated if you are pasting from another source.

Investment Connection's seed funding will support economic development in underserved and economically distressed areas:

- The seed funding will help further facilitate the creation of 23 new business related to the visitors economy.
- The seed funding will help create an estimated 70 new jobs (direct and indirect) as a result of new business operations.
- The seed funding will help boost the local economies, by creating businesses that will bring visitors to the area, providing the opportunity for other businesses to benefit, and increase the tax revenue.

Describe evaluation methods used to measure success:

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Success in each program (Bottom Up and Emprande 360) is measured by the number of businesses that actually start operations in each targeted town, and the follow up assessments to be performed by FPR during the next two years, after seed funding has been provided through the Investment Connection grant.

- At the end of both programs -Bottom Up and Emprande 360- in December 2020, and with the seed money provided through the Investment Connection grant, FPR expects to have supported the opening of a total of 23 businesses across 14 towns in Puerto Rico.
- FPR program Evaluation Unit (Research Department) will continue measuring and monitoring the businesses operations for the next two years, assessing the jobs created and sales reports.

Project time frame - Is your request for an existing or new program?

Existing Program

IV. Submit Supporting Documentation - Please attach your most recent audited or reviewed financials in PDF format to this proposal application. Your proposal application will be considered incomplete until the appropriate financial documentation is provided. By submitting a proposal application you agree to share with the Federal Reserve information regarding connections that were made with funders regarding the proposal or other work your organization conducts that was identified by a funder that used the Investment Connection platform. After you submit a proposal application, we will follow up with you to see if Investment Connection was helpful with your informational and business needs.

Upload your most recent audited or reviewed financials

(for internal uses only)

FOUNDATION+FOR+PUERTO+RICO+INC+-+Audited+FS+FINAL+2017.pdf

V. Other Supporting Documentation - You may submit a photo (jpeg) and/or a video (mp3 or mp4) that helps describe your proposal. (information available to funders)

Upload a picture or video that helps describe your proposal or organization

(information available to funders)

Investment Connection x FPR.mp4

Upload additional picture or video

(information available to funders)

FPR 2 Minutes.mp4

Add any additional links to supporting documentation

(information available to funders)

FPR's Bottom Up Destination Recovery Initiative:

<https://www.foundationforpuertorico.org/bottomup>

FPR's Experience with managing funds for seed money and business support:

<https://www.foundationforpuertorico.org/smallbusinesssupport>

<https://www.foundationforpuertorico.org/09/2018/small-business-cash-grant-program>

FPR's Press Release on the Ewing Marion Kauffman Foundation award:

<https://static1.squarespace.com/static/59e4cf35a8b2b019331ce112/t/5d80e76ff4ff1d21e70471ac/>

Video Library on FPR's projects and initiatives:

<https://www.foundationforpuertorico.org/videolibrary>

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