



“Any locality in the United States can build a vibrant startup community if it strategically brings together the key partners who support growth.”

- Steve Case, Startup America Partnership

Envision Roseville: Entrepreneurship Strategy

A Roadmap for Growing Roseville's
Entrepreneur Ecosystem





Roseville Economic Development Department
311 Vernon Street, Roseville CA, 95678

Dear Roseville City Council,

On behalf of various members from our local business community, regional entrepreneur ecosystem, and higher education institutions, we are pleased to present our support for Roseville's Entrepreneurship Action Plan. The identified parties are interested in the creation of a roadmap that will guide the city, in collaboration with key stakeholders, in promoting a venture-development infrastructure and innovation ecosystem in the City of Roseville.

We believe this strategy will be a dynamic living document used by city staff, the Growth Factory and community partners to guide the allocation of time and resources to further build on our community's strengths. We understand the collective goal of enhancing innovation, supporting entrepreneurs, facilitating workforce development and nurturing local talent in an effort to retain them within our community. Through this effort we recommend that city performance metrics be set and progress reports provided on a yearly basis, including: actions taken during the previous year, a plan for the coming year, and recommendations to recalibrate and adjust strategy to meet the changing needs of the tech, entrepreneurial and small business ecosystems in Roseville.

The city has shown great leadership and foresight in investing in the development of objectives and strategies to grow the entrepreneurship, tech and small business sectors in Roseville. As part of this effort, it is critical that the city also engage in collaboration and partnership with local stakeholders who share the same entrepreneurial spirit. There is tremendous opportunity for the city, engaged with residents and businesses, to make Roseville the next hub for entrepreneurs and innovators in Northern California.

Sincerely,

William H. Duncan IV, Superintendent/President, Sierra College

Rana Ghadban, Roseville Area Chamber CEO

Jon Gregory, SVP, Venture Banking Manager, Five Star Bank

Cameron Law, Executive Director for the Carlsen Center

Todd Leopold, Placer County Executive Officer



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Entrepreneurship is a key driver of job creation, economic diversification and improving local quality of life.

It is a tool for poverty reduction, reducing economic disparity and creating a positive sense of community."

- Federal Reserve Bank of Kansas



Overview

Roseville, like many cities, is planning how best to diversify its economic development strategy and workforce development efforts in order to compete in a regional and global economy. Historically, programs supporting inclusive economic development and entrepreneurial education and skills building, have been seen more as philanthropic endeavors rather than economic drivers. As the global landscape rapidly shifts, innovation and entrepreneurship are increasingly recognized as critical and necessary elements of an economic development strategy that can attract capital and talent, and fuel job and tax revenue growth.

Roseville's roadmap

The corresponding plan provides a roadmap for growing Roseville's entrepreneurial ecosystem, small business community and venture backable sectors with targeted programs, community partnerships and events. The plan also notes a series of initiatives that address the role of the City and the Growth Factory, in collaboration with key partners, in supporting innovation, start-ups and entrepreneurs.

Partners

Participation from a variety of community partners will be integral to the success of this effort. Outlined below is a list of current and future (potential) partners that will be further engaged in an effort to achieve the stated goals identified herein.

- **City of Roseville - Economic Development Department (Lead)** – The City's Economic Development Department will leverage the City's organizational strengths and will collaborate with other City Departments, citizens, and constituents to help build a growing, inclusive, and sustainable economy for Roseville and the region.
- **Growth Factory (Lead)** – The Growth Factory is a nonprofit startup accelerator offering structured, cohort-based programs to provide early staged entrepreneurs with the strategic support, mentorship, and connections necessary to succeed. Additionally, the accelerator is



partnered with Growth Factory Ventures, a venture capital fund that invests capital into innovative startups with high growth potential from the Greater Sacramento region. Through this partnership, startups accepted into the accelerator program will receive financial capital to support their growth and success.

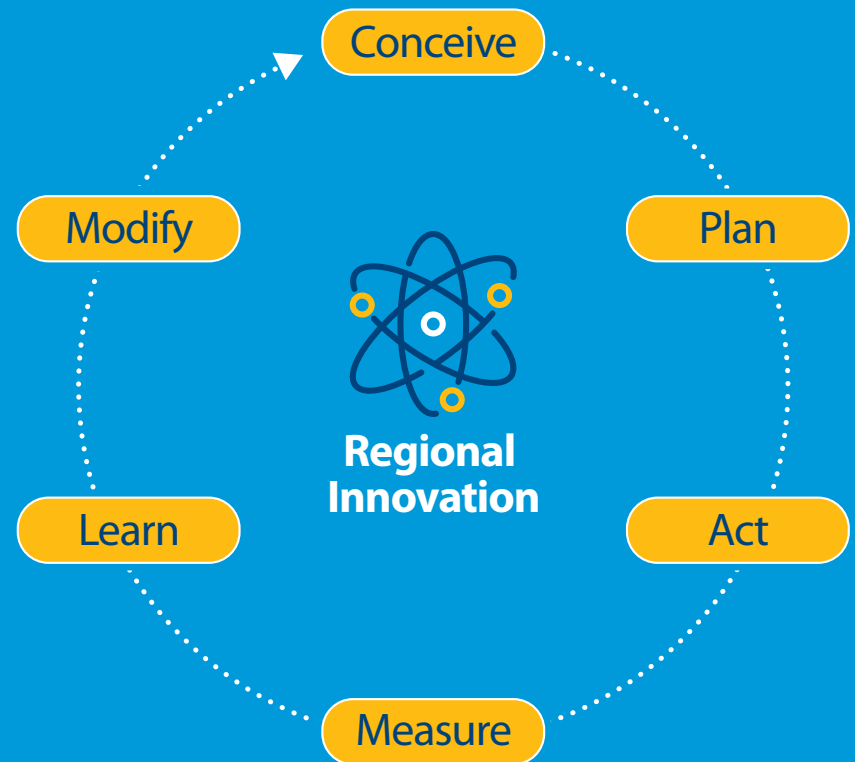
- **Community & regional partners** – The City of Roseville and the Growth Factory will work collaboratively to onboard partners that may include Sierra College, Carlsen Center, Placer County, Sacramento State, Sutter Health, Kaiser Permanente, PRIDE, Westfield Galleria and Five Star Bank. This collaborative effort will ensure leaders and subject matters experts, from their respective fields, assist in helping grow each sector through mentorship opportunities, funding resources and in-kind services.
- **Downtown merchants/restaurants** – Existing downtown businesses will be engaged in partnership with various entrepreneurial efforts. The program intends to help activate downtown by generating additional foot-traffic. Additionally, the City and the Growth Factory will work with existing merchants in an effort to offer discounts to participants of the various programs and will track the economic impact related to increased patronage of downtown businesses (partnerships may include Goose Port Public House, The Place, Monks, Nela’s Mexican Restaurant, 105 Noshery, etc.).



Strategic approach

This plan is designed to be implemented via an iterative innovation approach as represented in the graphic below. Iterative innovations are small, incremental advancements that keep notching efforts forward based on detailed examination of what is already in place and by testing ways to improve.

This plan is designed to change in response to new information garnered through piloting programs, events, and partnerships in collaboration with the Growth Factory. The plans laid out in this document are a starting point that serve as a living document and that will evolve to better deliver effective and right-fit efforts that build a robust entrepreneurial community that contributes to Roseville’s long-term economic vitality.



Plan goals

The below stated goals are intended to provide direction in advancing the City's entrepreneurial ecosystem and align with the City's economic strategy. Furthermore, the annual goals are intended to provide benchmarks that will help align efforts of participating partners engaged in the implementation of this plan.

Key Performance Indicators (KPIs) are outlined for Years 1-3 in order to help measure the success in achieving the stated goals and better direct efforts in subsequent years.

Year 1 (Launch of Roseville's entrepreneurial ecosystem hub)

- Activate downtown space by running programs at the Vernon Street location and increasing foot traffic within the downtown core.
- Engage new entrepreneurs and support the existing entrepreneurial ecosystem.
- Build collaboration effectively across public, private and non-profit sectors to increase vitality and sustainability of the community.
- Collect data and insights to gain a more accurate and complete understanding of the region's entrepreneurial potential to better recommend a strategy that includes best-fit programs for Years 2-5.
- Enhance existing marketing strategy to help promote initiatives.

Key performance targets

- Increase downtown merchant sales of partnering businesses by .5% through enhanced pedestrian traffic generated by events held at the entrepreneurial space and ancillary activity/patronage of downtown businesses.
- Engage 250 participants through a variety of events, meetings, and programs held at (or in association with) the downtown entrepreneurship center location.
- Onboard two community partners that help achieve the vision and goals noted within this strategy.
- Begin to track demographic data within 6 months of opening the center and provide a report on findings to key stakeholder by year end.

Year 2 (Strategic implementation)

- Apply information gained in Year 1 to design an effective strategy that includes the delivery of accessible, equitable and inclusive entrepreneurial programs aligned with City's objectives and needs.
- Increase support for and engagement by minority and female entrepreneurs.
- Actively recruit and onboard strategic partners to achieve stated goals and objectives.
- Increase traffic at Vernon Street location via new partnerships and program growth.
- Identify additional funding sources to apply for in Year 3 to help further sustain the strategic efforts.

Key performance targets

- Increase participating downtown merchant sales by .75% through ancillary activities driven by increased pedestrian traffic associated with events at the entrepreneurial space.
- Engage three women/minority owned businesses through the program offerings to strongly encourage participation in one or more programs.
- Identify funding opportunities totaling a minimum of \$200,000 to support continued activities associated with the entrepreneurial space.
- Implement a marketing strategy that results in a minimum of 1000 impressions (views, impressions and engagements).



Year 3 (capacity building and partner value proposition enrichment)

- Jointly apply for grants and other funding opportunities to help sustain and grow programs.
- Focus on scaling businesses identified through the Dreamers Program.
- Iterate programmatic focus based on feedback and knowledge gained.
- Build on marketing strategy: Promote case studies and outcomes from Years 1-2 efforts in order to increase awareness and engagement by entrepreneurs and civic and corporate partners.
- Develop updated KPIs and goals based on Years 1-2 activities to set targets for new business starts, capital infused, job growth, revenue growth for Years 3-5.

Key performance targets

- Increase downtown merchant sales by 1% through ancillary activities driven by increased pedestrian traffic associated with events at the entrepreneurial space.
- Launch two separate Dreamers Program with a minimum participation level of five businesses per cohort.
- Increase prior year's marketing goals by 15% in all defined categories.
- Complete recruitment and onboarding of five additional strategic partners identified since program launch.
- Apply for funding opportunities totaling a minimum of \$200,000 to support continued activities associated with the entrepreneurial space.

Years 4-5 (Program advancement)

- Continue to apply knowledge, information, and feedback gained from previous operations to better solicit partnerships, identify future funding sources and allocate resources.
- Identify additional strategic partners to help grow program participation and educational offerings.
- Consider implementation of a broader strategy of regional significance that may be incorporated in Years 5-10.
- Identify updated strategies that will help define the next five years of the program.
- Assess need for new programs, modified strategies, and updated metrics to measure success and begin drafting updated Strategy.

The proposed initiatives are intended to provide an action plan that will help achieve the stated goals above. Specifically, the initiatives are focused on establishing an entrepreneurial ecosystem, supporting small business, enhancing workforce development efforts and encouraging innovation.

The framework is broken down over a three-year period and includes six initiatives:



**Space
Activation**



**Innovation
Challenge**



**Dreamers
Roseville Program**



**Partner
Engagement**



**Community
Engagement**



**Inclusive Economic &
Workforce Development**

Funding is identified for the first three years of the program. Updated initiatives and funding for Years 4-5 of the agreement will be determined/identified, in part, based on information gained through Years 1-3.





Space activation of downtown entrepreneurship center.

Ongoing operations:

- Operating 25% of Growth Factory programs in the space
- Oversight and implementation of City sponsored programs: Dreamers Program, community events, and inclusive workforce programs
- Coordinating use of space for partner programs and events
- Coordinating with city on maintenance of space
- Promoting the space and activities in partnership with the City of Roseville



Branding and attraction effort focused on engaging innovative companies that are looking for industry specific mentors and opportunities to secure pilots to test/validate their solutions.

Potential 12-week program includes:

Application with challenge areas defined

- Corporate and civic leaders engage to identify challenges they are looking to solve and participate in vetting applications for program alongside GF team

Capacity building

- Workshop series based on leanstack to prep for pitch and pilot opportunities

Pitch competition

- Large scale hybrid event that includes startups pitching, panel of corporates and investors as judges, open to business leaders in the community
- Results in admission to GF accelerator, pilot projects, and incubation

Incubation at Roseville location:

- Up to one year of incubation space for top tier companies that go through innovation challenge.



Main Street and student business activation and support program designed to catalyze launch of new Roseville based businesses and to attract new traffic to downtown Roseville via demonstration pop-ups. Program to include:

Educational workshops:

- Drafting a one-page business plan and traction model
- Navigating local business requirements: licensing, taxes, and more
- Main Street Marketing – Driving traffic through your doors

Mentorship opportunities

- Local successful business owners
- Chamber members
- SBDC Counselors
- Growth Factory community

Concept testing & validation

- Pop ups at the Vernon Street location
- Opportunity to pop up at additional city venues (e.g. Westfield at Galleria, etc.)

Promotion & celebration event

- Community activation event that includes competition / showcase judged by business leaders and “fan voting” from residents that results in Roseville providing investment in winning company (space, incentives...)





PARTNER ENGAGEMENT

Increasing the competitiveness, effectiveness and long-term sustainability of local corporate and civic partners by providing early access to innovation for their enterprise via pilot projects with and mentorship of curated and vetted Growth Factory tech startups.



COMMUNITY ENGAGEMENT (EXAMPLES)

Potential partners and example programs*

*Partner: Carlsen Center for Innovation & Entrepreneurship
at Sacramento State University*

Program: Lean Startup Bootcamp

2-day workshop that offers the basics of what makes up a business plan and how the startup community has moved from a thick 100+ page static document with projections - to a thin, agile executive summary plan.

Partner: SBDC via Placer Business Resource Center

Program: Counseling

One mentor meetings to support local business launch, growth.

Partner: Sacramento Entrepreneurship Academy

Program: 16-week entrepreneurial education program with classes 1x / week

Miscellaneous

Social events (examples):

- StartupSac Happy Hour
- 1MC
- Meetups (tech / innovation)

Next Generation Entrepreneurs:

- Weekend startup bootcamps for student entrepreneurs that could feed into UC Davis "Little Bang" competition
- Student hackathon events

Nonprofit / Social Impact Innovation

- Social innovation workshops for local non-profits and social impact ventures

* Subject to change



INCLUSIVE ECONOMIC & WORKFORCE DEVELOPMENT (EXAMPLES)

Workforce development & capacity building

- Via community events, build awareness of and access to skills development, educational programs, and apprenticeship / internships opportunities to underrepresented citizens in the Roseville community

Plan Development and Implementation

Research, develop and help raise funds for a plan that:

- Builds on current community assets and captures current opportunities
- Improves understanding of regional entrepreneurial economy, barriers to access and the potential to engage previously underserved populations
- Generates data to inform the next generation of programs and investments

Initiative summary

INITIATIVES	YEAR 1	YEAR 2	YEAR 3
Space activation during business hours	80% Growth Factory team + dedicated resource to manage space, community & partnerships	100% Growth Factory team + dedicated resource to manage space, community & partnerships	100% Growth Factory team + Full time dedicated resource to manage space, community & partnerships
Innovation Challenge	1 per year	1 per year	1 per year
Dreamers Program	2 per year	2 per year	2 per year
Partner Outreach & Engagement	2-4 partners actively using space	4-6 partners actively using space	6-8 partners actively using space
Community Engagement / Acclimation	monthly community engagement events	monthly community engagement events	monthly community engagement events
Inclusive Economic & Workforce development / Capacity Building	year 1 research / plan	Execution of programs as defined in year 1 research / plan	Refine, improve, grow programs
Total Cost (estimated)	\$275,000	\$275,200	\$225,400
Programmatic support	\$225,000	\$225,000	\$175,000
Business Incentive Grants*	\$50,000	\$50,000	\$50,000

*A detailed program will be established for business incentive grants following a needs assessment from data collected within Year 1.





Conclusion

As noted throughout, this document provides an iterative framework that aims at advancing an inclusive economy through equity, prosperity, and sustainability. The initiatives outlined within are intended to encourage the implementation of strategies, and further explore opportunities, that bolster the region's entrepreneur ecosystem.

It will be incumbent that leadership from among the ranks of Roseville's community, executives, thought leaders, and business people organize, connect and cheerlead the growth of a robust, deeply networked community that is invested in innovation and entrepreneurship.

Terms of Reference

The following terms highlight areas of particular note that are critical to the efforts outlined within the strategy:

- **Entrepreneurship** – Entrepreneurship is the act of creating a business while building and scaling profitability. Most net new jobs have come from high growth entrepreneurial companies less than five years old and with less than 20 employees. Information technology has been the number one driver of job growth; however, a robust entrepreneurial ecosystem supports a variety of business sectors and job growth in various industries.
- **Accelerator** – Startups that want to join an accelerator take part in a competitive application process to participate in programs aimed at supporting early-stage, growth-driven companies through education, mentorship and financing opportunities. Startups typically enter accelerators for a fixed period of time and as part of a cohort of companies. The Growth Factory accepts 2 cohorts per year.
- **Business Incubator** – A business incubator provides technical services and support needed in order to turn viable ideas into successful businesses. Incubators typically provide programs to help young startups innovate and grow. They usually provide entrepreneurial companies an array of business support resources and services that may include workspace, mentorship, capital, coaching, common services, and networking connections. These resources allow companies and ideas to take shape while operating at a lower cost during the early stages of business incubation. Incubators require an application process to join and usually require a commitment for a specific amount of time.
- **Workforce** – Education and workforce development efforts need to include innovation and digital upskilling as key components in order to build a competitive workforce. Business accelerators and incubators often play a key role in developing talent by providing access to valuable resources, skills focused certificate programs and connecting jobseekers with opportunities for hands-on experience in high growth tech startups. In particular, A Society of Human Resource Management report stated that 59% of hiring managers identified information technology, problem solving and critical thinking, and team leadership skills as the most sought-after skills of new hires.
- **Venture Capital** – In the Greater Sacramento region, there is a lack of education on the mechanics of angel and venture investing. Although funding opportunities have increased over the last several years, there is a tremendous gap in funding at the incubation stage. Therefore, increasing the knowledge and engagement of local high net worth individuals and outside venture capital will increase private wealth infusion into the region.
- **Tradable Sectors** – Most commonly, tradable sectors consist of industries sectors whose output in terms of goods and services are traded outside a geographical area. These industries often produce venture backable companies that have the ability to scale and grow outside their location of origin. Conversely, non-tradable sectors generally consist of locally-rendered services, including health, education, retail and construction, which are services provided to the local economy.
- **Inclusionary Workforce Development** – The assessment and development of our collective community is a critical component of workforce development and a focus on diversity, equity and inclusion (removing systemic barriers), is of utmost importance. Accordingly, this effort will serve to build a pipeline of candidates from varying socioeconomic backgrounds for employment opportunities in a variety of sectors.



Roseville.ca.us/EconomicDevelopment