

# Department of Economic and Community Development



## Nurturing Connecticut's Home-based Economy

**Joan McDonald**

DECD Commissioner  
Connecticut Innovations Chair



# Economic Development

DECD is the lead economic development agency — CDA, CI and others are partners.

- DECD provided \$20M in direct financial assistance to CT companies in fiscal 2009.
- This leveraged \$248 million in private funds.
- For every state dollar invested, \$12 was invested by private industry. (12-1 return on investment)

# How We Help

- Technical Business Assistance
- Financing
  - ED partnerships (CDA, CI)
  - Non-traditional lenders (CEDF, Urbank)
- Tax Incentives
  - Job Creation Tax Credit, Enterprise Zone, R&D, Urban and Industrial Sites Reinvestment Tax Credits, Angel Investor, etc.

# Economic Impact

Non-employers, which include home-based businesses, make significant contributions to the state's economy:

- As of 2008, more than 250,000 firms
- \$14.7 billion in receipts

# In the News

## Just this month...

- Bank of America announces it will provide \$10 million in grants to nonprofit lenders who provide loans to small and rural businesses.
- Women's Business Development Center hosting free seminars to those wishing to start/improve a business.
- “Hours, Pay Rise at Smallest Businesses” – NHR
- New Opportunities Inc. and the Waterbury Regional Chamber have new program that provides start-up grants – targeted to minorities and women.

# Jobs Bill

## Small Business Assistance Revolving Loan Program

- Loan amounts up to \$500,000
- Eligibility Criteria:
  - less than 50 employees
  - must be in business at least 12 months prior to application
- Can be used for machinery and equipment, real estate acquisition, new facility construction, rehabilitation of existing facility, leasehold improvements, inventory, etc.

# Jobs Bill

## Qualified Small Business Job Creation Tax Credit Program

- Three-year tax credit (taxable years 2010-12)
- Tax credit is \$200 per month for each new employee
- Business must have less than 50 employees
- At least one new full-time job must be created
- Full-time job is at least 35 hours per week for not less than 48 weeks in a calendar year and does include temporary or seasonal positions
- Applies to all business structures

# Small Business Resources

## DECD's Office of Small Business Affairs

- New Web page in development ([www.decd.org](http://www.decd.org))
- contact: Tricia Paesani (860) 270-8215 or  
[Patricia.Paesani@ct.gov](mailto:Patricia.Paesani@ct.gov)

## Small Business Development Centers

- [www.ctsbdc.org](http://www.ctsbdc.org)
- funded by DECD, two staff in DECD office

## Connecticut Venture Group ([www.cvg.org](http://www.cvg.org))

# Small Business Resources

## Revolving Loan Programs – Statewide

- Community Economic Development Fund (CEDF)
  - [www.cedf.com](http://www.cedf.com)
- Connecticut Community Investment Corporation (CTCIC) – [www.ctcic.com](http://www.ctcic.com)

## Revolving Loan Programs – Regional

- Middlesex County Revitalization Commission – [www.middlesexchamber.com](http://www.middlesexchamber.com)
- SeCTer ([www.secter.org](http://www.secter.org)) had over \$4 million available to lend as of 1/15/09

# Small Business Resources

## Entrepreneurship Programs

- University of Hartford Entrepreneurial Center  
([www.hartford.edu/ec](http://www.hartford.edu/ec))
- Women's Business Development Center([www.ctwbdc.org](http://www.ctwbdc.org))

Procurement Technical Assistance Program (PTAP) -  
[www.ctptap.org](http://www.ctptap.org)

Connecticut Innovations ([www.ctinnovations.com](http://www.ctinnovations.com))

Connecticut Licensing Info Center ([www.ct-clic.com](http://www.ct-clic.com))

# Case Study: SBIR

SBIR helps small companies, including home-based firms, receive federal funding to develop innovative, technology or IT-based products.

- provide about one million dollars per project – does not have to be repaid
- can win more than one per year
- In 2009, 135 awards totaling \$47 million were won by 65 companies.

# Exporting in CT

Connecticut businesses exported \$14 billion in 2009. Up 16% so far in 2010.



Approximately 89% of Connecticut companies that export are small and medium-sized businesses.

# Export Opportunities

DECD's Office of International and Domestic Affairs can help navigate the intricacies of the export process:

- Obtain market research
- Identify country standards and regulations
- Investigate export licensing
- Access to trade finance
- Discuss legal aspects/intellectual property rights
- Locate freight forwarders

Contact: Laura Jaworski at 860-270-8068 or [laura.jaworski@ct.gov](mailto:laura.jaworski@ct.gov)



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