



COMMUNITY BUSINESS LAUNCH

FY2027

PROGRAM GUIDELINES



TABLE OF CONTENTS

4 Introduction

4 Available Funds

4 CBL Requirements

Uses of Funds

Required Grantee Matching

Targeted Area: Available Vacancies or Underutilized Properties

Prizewinning Business Requirements

7 Business Plan Competition Guidelines

Market Analysis and Outreach

Business Curriculum

Pitch Competition & Business Plan Evaluation

Retention and Repetition

9 Application Requirements

9 Application Questions

10 Outcomes

11 Grant Scoring Criteria

12 Timeline

12 Additional Information & Requirements

Important Dates

Applications Accepted in CAMS Starting:
April 15, 2026

Last Day Applications Accepted on CAMS:
June 17, 2026

CBL Projects Must be Complete:
One (1) year from contract signature

Introduction

The Community Business Launch (CBL) is a place-based entrepreneurial development strategy that meets a critical need or gap in the community's market by filling a concentration of vacancies or reactivating white elephant buildings or underutilized properties with expansion or start-up ventures. Local CBL programs train entrepreneurs, creatives, producers, and small business owners on best practices in business planning and operations. This training culminates in a group of finalists pitching their ideas to a panel of judges, with winners receiving grant funding and community support services to kick start or expand their ventures.

The grant is often a starting point for multiple cohorts of entrepreneurs to attend the targeted training curriculum after the community has successfully executed the DHCD-funded CBL. When preceded by thorough market awareness and holistic outreach then followed by ongoing business retention efforts, a CBL program is a foundational building block in a coordinated, comprehensive, and sustainable entrepreneurial ecosystem of community-based entrepreneurs and small businesses at all stages of life. Communities that continue to offer services and curriculum to new and existing businesses are most likely to cultivate an enduring business community within their footprint, creating a culture of local wealth building.

Available Funds

There is \$180,000 available for fiscal year (FY) 27. The maximum CBL award is \$60,000 per community/applicant, depending on matching funds from the applicant. The Virginia Department of Housing and Community Development will administer these funds under the CBL Program.

CBL Requirements

The following entities are eligible to apply for CBL:

- Local governments
- Non-profit economic development organizations
- Main Street organizations
- Regional economic development groups
- Chambers of commerce

Uses of Funds

Grant money for CBL programming may be used for:

1. Administration: Coordination of all program details and calculated wages associated with such work. Pay stubs or documentation of hours worked must be submitted during program monitoring, reporting, and closeout. No more than 10% of the total CBL grant may be allocated to the program's administration.

2. Marketing and outreach: Communicating market demand, priority business types, and recruiting entrepreneurs. Grantees will use videos, newspaper ads, social media campaigns/boosts, website landing pages, direct in-person outreach, and/or printed materials to promote the program.
3. Business Curriculum: Includes the trainers and facilitators of business classes, educational materials, and mentorship/business retention activities and services for class participants. Fees for training and mentorship programs are included in this category. No more than 30% of CBL funding may be used for this category.
4. Business Awards: A minimum of 50% of the total CBL request must go to business competition winners in the form of cash prizes. Prize funds for the competition winners may be used for working/operating capital, rent/real estate, renovations, equipment, inventory, and wages and benefits for new employees.

Applicants may subcontract for services, such as curriculum providers, to complete a CBL. Applicants interested in subcontracting services for CBL must follow their organization's procurement policy in acquiring subcontractors. Subcontractors cannot receive more than 30% of the applicant's total CBL funding request.

Required Grantee Matching

CBL applicants may request up to \$60,000 in funding. All applicants are required to provide a 50% match, 40% of which must be cash. For example, if an applicant is requesting \$60,000, they must provide \$30,000 in match, \$12,000 of which must be cash.

In addition to cash prizes, DHCD recommends that communities use the CBL program to identify in-kind support--such as professional services, business group memberships, trade discounts, and build-out budgets for their retail space--and offer discounted or prorated rent schedules for winning businesses. Proof of match must be provided as an attachment to the application. Grantee cash match must go toward business prizes for the pitch competition.

Examples of acceptable match proof can be, but are not limited to, a letter of support from the sponsoring organization, a copy of the deposited check, etc.

In-kind support may include, but is not limited to:

- Staff/volunteer hours to implement CBL programming
- Landlord/tenant rent negotiation packages, such as 3-6 months reduced lease payments
- Pro bono services to businesses provided by local attorneys, accountants, contractors, etc
- Free business association or Chamber of Commerce memberships

DHCD recommends that applicants provide additional financial assistance and resources to business participants looking to capitalize their business idea, regardless of whether they are

selected for grant awards. Additional financial assistance and resources can include, but are not limited to:

- Local funding pools, such as revolving loan funds
- Community Development Financial Institutions in the service area offering low- to no-interest loan funds
- Local or regional investor circles, etc.

The program administrator should directly connect or introduce businesses to these resources.

Targeted Area: Available Vacancies or Underutilized Properties

Applicants are required to identify a targeted property or properties of focus in which CBL businesses will locate or expand to receive funding.

Examples of targeted areas include, but are not limited to, urban neighborhood commercial districts and historic downtowns with clustered, move-in-ready vacancies; vacant shopping centers or buildings with multi-tenant incubator potential; and vacant lots or infill locations that can be reactivated through entrepreneurial activity. Properties ideally should be connected by unifying streetscaping and public amenities. Examples of unifying streetscaping and amenities include, but are not limited to:

- Sidewalks
- Streetlights
- Street furniture
- Crosswalks
- Trails

Applicants should demonstrate participation and support of property owners within their targeted areas and submit a property description sheet and map of the targeted area as part of the application.

Prizewinning Business Requirements

Business participants must be ready to locate inside the targeted area if they participate in the pitch competition and must open or expand in the targeted area to be eligible for CBL funding. Because the intent of CBL is to generate business activity and tax revenue for the applicant locality, non-profit participants will be ineligible for award funding.

Business Participant and Prizewinning Business Requirements include:

1. An orientation as part of programming in which businesses interested in participating in the CBL are made aware of all requirements to receive funding, as well as how their business plans and pitches will be evaluated. Business participants who intend to move forward with the curriculum should sign a Participant Agreement that outlines these requirements. View an example of a Participant Agreement. This agreement

can be presented prior to classes beginning or included as part of an application to participate.

2. A Memorandum of Understanding between the applicant organization and all business participants receiving DHCD funds that outlines the deadline for business openings, where they intend to locate, what they intend to use funds for, how many full-time equivalent jobs they intend to create or retain, and agreeing to grantee reporting requirements annually for 3 years. View an example of a Prizewinning Business MOU.

Business Plan Competition Guidelines

Market Analysis and Outreach

Building a pipeline of potential business owners is the first step to a successful CBL program. Applicants should have a strong market understanding of retail and service leakages, a community needs assessment, and an analysis of the market potential of the target area. With this data, a locally based CBL program coordinator can begin to recruit entrepreneurs who are already actively engaged in those types of businesses. Please use this **template or a similar format if a formal study has not been conducted to attach to the application.**

Marketing the program widely, including direct outreach, is key to an inclusive, successful CBL program. There is no single profile or background for a successful entrepreneur. A CBL entrepreneur recruiter should be someone who can easily talk to and open doors for a wide range of people in the community, including people who have not been asked previously to be part of the business community.

Business Curriculum

CBL grantees must host a small business curriculum (6 weeks minimum) that includes the following REQUIRED five business plan components:

- A. Legal structure
- B. Marketing, including website and social media development; sales; and advertising
- C. Operations. Including human resources and hiring, inventory management and distribution, and logistics
- D. State and Local Compliance, including licensing, permitting, health code requirements, insurance, etc.
- E. Financial Planning & Management, including bookkeeping, profit and loss statements, breakeven analysis, business taxes, and other resources for financing a business

The classes and competition must be open to anyone interested in learning how to open or expand a business and must be offered at no cost to the participants. It is preferred that the grantee hold CBL classes in person in the locality the CBL is targeting or make every effort to provide a physical space in that locality for participants to gather and learn. Classes can be recorded or offered virtually, but additional opportunities for businesses to network

with each other is encouraged. CBL programs should make every effort to be inclusive in their marketing to recruit a diverse group of entrepreneurs that reflects the makeup of the community, with extra effort to reach those entrepreneurs and small businesses that have historically lacked access to such opportunities. Applicants are encouraged to allow participation from entrepreneurs who may not intend to compete for funding.

In addition to classes, communities with successful CBL outcomes should offer long-term mentoring and business counseling to class participants for at least another year after the pitch night. Business startups often encounter unexpected difficulties during their early years. Experienced business counselors can help guide new business owners through common pitfalls and keep them on track to meet their goals.

Pitch Competition & Business Plan Evaluation

Small business curricula must culminate in a business pitch competition with a panel of judges and prizes for the winning business ideas. Businesses must be evaluated on both their business plan and their pitch, and each business plan should include all five of the required business components covered during training and referenced under “Knowledge Sharing.” Prizes must include DHCD grant funds in addition to the local partner’s matching resources, such as cash, in-kind services, and/or rent allowances. Business participants should be aware of the program’s scoring rubric and how they are being evaluated and, as much as possible, judges should be transparent in their evaluations and decision making, offering follow-up resources for non-winners to pursue to keep their ideas moving forward. Businesses should also be aware of what the program’s prize packages entail. Please use this [template](#) or a similar one for the Pitch Night Prize Package Resource Worksheet.

Grantees may combine their pitch competitions and award ceremonies into one event; however, these must be held in the locality of the CBL target area. Grantees should advertise this event to the local community in advance to generate support and excitement for the new or expanding business awardees.

Retention and Repetition

After the pitch competition ends, many CBL recipients provide ongoing business support to help retain and grow the businesses that take root during the CBL process. As the overall business community starts to see results, CBL grantees often repeat the CBL cycle with new funding sources. Applicants who think long term about business retention activities and funding sources for subsequent cycles after DHCD exits the program typically see the most durable and impactful results.

Application Requirements

All grant proposals and supporting documentation must be submitted in DHCD's grant management platform, the Centralized Application and Management System (CAMS). Organizations that have not worked with DHCD previously must register before completing an application. Registration approval can take up to 2 weeks. The registration page can be accessed [here](#). For questions regarding registration and application submission, please reference [the DHCD CAMS User Guide](#).

Applications for FY27 Community Business Launch must be submitted by 5 PM June 17, 2026, in CAMS. Proposals not submitted by then will be disqualified.

DHCD invites and encourages applicants to discuss their concepts with DHCD prior to submitting their application. Questions may be directed to the CBL Program Administrator, Jessica Hartness, at 804-837-6399 or jessica.hartness@dhcd.virginia.gov.

To be considered for funding, applicants must submit completed responses to all appropriate questions and include all required attachments. The following attachments are required at the time of submission:

- A. Map of the targeted area with available properties and/or vacant storefronts identified
- B. Property description sheet for any property and/or vacant storefront in the targeted area
- C. Proof of match
- D. Project timeline
- E. Marketing plan for Competition
- F. Draft class curriculum
- G. Letters of support
- H. Business competition scoring rubric
- I. Market Characteristic Worksheet
- J. Pitch Night Prize Package Worksheet

Application Questions

1. Describe your proposed CBL project, including a description of the targeted area/property and the reasoning for prioritizing this specific area/property, as well as the intended outcomes for the targeted area (number of new/expanded businesses, number of new/retained jobs, buildings leased/purchased, private investment, etc.).
2. Identify your implementation team and describe how and by whom the fiscal management, day-to-day management, and broad oversight/accountability roles will be filled.
3. Identify the additional community partners participating in the implementation of this program, including what roles and resources they will provide. Partners can include, but are not limited to, building/property owners, curriculum providers, local banks,

architectural and engineering (A&E) service providers, etc. Resources may include prorated rent, free business association membership, website development, design renderings, etc.

4. Identify and describe the target area illustrated in the attached project area map, including:
 - o A summary list of the total number of available spaces that are detailed in the attached property worksheets
 - o The distance between the two spaces that are the farthest apart, if multiple buildings are included in the target area
 - o Information about amenities in the project area that support retail, such as streetscaping (sidewalks, street furniture, safe/accessible parking, etc.), promotional programming/events, business development incentives, and security
5. Identify the business types this project will target for recruitment. Describe the process by which these business types were determined and provide any market analysis/retail leakage information that is relevant to your community for this project.
6. Identify the business planning curriculum that will be used and who will conduct business classes, and provide a breakdown of key course elements.
7. Identify the ongoing business retention resources and services that will be made available to businesses and entrepreneurs that participate (whether they are prize winners or not) and how will they access these resources. Resources may include additional business counseling and/or mentoring, other sources of loan or grant capital, community-minded public relations or A&E providers who will offer services to businesses completing the course, etc.
8. State whether your community applied to DHCD for CBL funding before. If yes, what has changed and/or how will this CBL project be different than before?

Outcomes

Grantees using funding for the CBL will be required to complete quarterly and final reporting, as well as report on any project outcomes, including:

- Number of participants trained
- Number of business plans completed
- Number of new and/or expanding businesses created
- Number of jobs created
- Number of previously vacant buildings leased or purchased
- Amount of previously vacant square footage filled
- Total private investment

Expected outcomes are achieved by successfully completing the business plan competition, assisting entrepreneurs with creations/expansions, and continued support after the businesses open.

Grant Scoring Criteria

Grant applications are scored on a 0–100–point scale. Grant funds are limited, and only those proposals meeting the leverage and critical criteria and exceeding the minimum 70–point threshold will be considered for funding. Funds will be allocated from the top–scoring applications until all funds are exhausted. The project scoring methodology is as follows:

Criteria		Points
<p>Eligibility Criteria</p> <p>Includes:</p> <ul style="list-style-type: none"> • Knowledge sharing/workshops < or =30% of DHCD funds • Prizes > or = 50% of DHCD funds • Required Match (appropriate amounts of cash and in-kind) • Identified eligible targeted area 	<p>All four eligibility criteria must be met for the application to be scored.</p>	<p>Y/N to meeting all four criteriat</p>
<p>Project’s Impact</p>	<p>This category weighs the impact CBL activities will have in a district. Successful applicants will describe their intended outcomes, including the number of businesses being created/expanded, jobs created/retained, vacant real estate leased or purchased, and the potential private investment in the target area</p>	<p>25</p>
<p>District Amenities and Support for Entrepreneurs</p>	<p>This criterion considers the additional resources, outside of reimbursable cash prizes, being provided to program participants and pitch winners, such as in-kind services (marketing, accounting, legal, etc.) or pro-rated/delayed rent schedules. In addition, successful applicants should describe how support to entrepreneurs will be continued after opening.</p>	<p>25</p>
<p>Resource Efficiency</p>	<p>This criterion considers how efficiently an applicant is proposing to use the grant funding. Successful applicants will maximize funding for entrepreneurs and use creative collaborations within the community to minimize other programmatic costs.</p>	<p>25</p>

Criteria		Points
Market Analysis and Outreach	The applicant should demonstrate a thorough understanding of the market and the gaps and leakages that exist within it. Successful applicants will aim to target/ recruit businesses that fill needs within its market.	15
Organizational Capacity & Readiness	This criterion considers both the organization's capacity to undertake CBL programming, as well as the community's readiness (available, move-in ready vacancies).	10
Total		100

Timeline	
Register your organization in CAMS	ASAP
Application deadline	June 17, 2026
Application review	July 2026
Anticipated award announcement	Fall 2026
Successful projects under contract	Winter 2026
Project completion & outcomes achieved	Winter 2027

Additional Information & Requirements

Audit Requirements

All grantees, sub-grantees, Community Housing Development Organizations, sub-recipients, localities, developers, or any other organizations that receive funding during a program year and/or have projects in progress are required to submit financial statements to DHCD.

Required statements are as follows: financial statement(s),** reviewed financial statement(s) that have been reviewed by an independent CPA, financial statement(s) that have been audited by an independent CPA or an audit required by the Code of Federal Regulations (CFR), (2 CFR 200 Subpart F), audited by an independent CPA. Please see the table below to determine which documents your organization must submit.

If the entity expends awards under only one DHCD program and the program’s statutes or regulations, or terms and conditions of the award do not require a financial statement audit, the entity may elect to have a program-specific audit conducted.

The threshold requirements outlined below are the minimal standards required by DHCD.

Threshold Requirement	Document
Total annual expenditures ≤ \$350,00 (Regardless of source)	Financial statement(s) prepared by organization**
Total annual expenditures > \$350,00 (Regardless of source)	Reviewed financial statement(s) – reviewed by an independent CPA
Total annual expenditures > \$550,000 (Regardless of source)	Financial statement(s) – audited by an independent CPA
Federal expenditures ≥ \$1,000,000	2 CFR 200 Subpart F Audit – Audited by an independent CPA

**Does not require preparation by a CPA

The full DHCD Audit Policy, including an explanation of the specific document requirements, can be found online [here](#).

Memorandum of Understanding

If the application is selected for funding, a Memorandum of Understanding (MOU) between DHCD and the grantee must be executed, and the organization must be in compliance with DHCD’s audit policy (noted above), submit the applicant’s procurement policy, and complete the project orientation meeting before any funds are disbursed. The MOU will outline project deliverables, conditions, fund disbursement, and termination.

Grant Payments (Remittances)

Grant funds may only be used for eligible expenses incurred after the signing of the MOU. Funds will be disbursed as outlined in the MOU. Financial support documentation for all project-related expenses and leverage must be uploaded to CAMS no later than 90 days from the contract end date. Grantees must use the financial expenses coversheet when submitting this documentation at closeout. DHCD reserves the right to end funding at any point should the project prove nonviable. This includes, but is not limited to, a lack of progress in conformance with the approved MOU. All applicants must register for Electronic Data Interchange with the Virginia Department of Accounts to set up direct deposit of funds. Forms must be mailed via postal mail and can be downloaded [here](#).

Project Reporting

Reporting through CAMS is required for all projects. This includes quarterly progress reports and a final report as outlined in the MOU. Business participants should be made aware during orientation and in the participant agreement that by receiving grant funding, they will be required to collect and provide the following information to the applicant organization following completion of the program. Reporting data includes:

- Number of full-time equivalent (FTE) jobs created by the business
- Number FTE’s retained by business
- If a building was leased or purchased by a business
- Amount of previously vacant square footage filled
- Amount of private investment in business

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