



*Request for Proposals for
Rural Crowdfunding Demonstration Sites
November 11, 2016
(This will be the final opportunity to apply.)*

TO: Rural economic and community development groups interested in becoming a Demonstration Site for a new, locally-focused crowdfunding platform and incubation system.

BACKGROUND

Crowdfunding is changing the way businesses raise capital—yet America’s rural communities, where capital is needed most, are being left behind. Crowdfunders raised more than 34 billion dollars in 2015—up from 16 billion the year before. This growth rate could double again this year. Of the 1,200 platforms studied, few are focused on local or rural needs. Yet localism is the emerging response to sustainable economies. Studies show that every dollar spent with a local business equals 2-4 times the economic impact of national chain stores—more jobs, more income, more tax revenues, and more charitable giving.

The Local Crowd, LLC (TLC) has designed an innovative crowdfunding tool for rural communities that can be used to break down barriers to capital and stimulate a spirit of localism. The model has been designed for use by economic development groups as a turnkey solution that includes implementation and ongoing support. The model is more than a crowdfunding platform—it is a crowdfunding incubator that cultivates an ecosystem of community investment and support. It includes an education package for users as well as an implementation system that trains and prepares the selected community hosts and their teams to successfully operate their own crowdfunding tool.

The Local Crowd® platform has been built from the ground up with local, rural communities in mind and features locally-focused functions that are not available on big, nationally-focused platforms such as Kickstarter and Indiegogo. These features include in-kind contributions, off-line contributions, and locally-sponsored rewards. The Local Crowd’s innovative model captured the attention of the U.S. Department of Agriculture SBIR program, and in 2014 TLC was awarded a grant to test the feasibility of the model. During the test period, two pilot communities in rural Wyoming deployed the program and raised more than \$12,000 for four local businesses in about 30 days. Based on the success of the feasibility study, the USDA granted a Phase II award to roll out



the model on a national level for further testing and refinement. We are currently working with 12 communities and are seeking up to 10 more communities that would like to participate as Demonstration Sites for Phase II.

As part of the USDA grant project, The Local Crowd[®] will deploy the full TLC package including installation, subscription to software, education and support (a \$7,500 value) in the ten selected communities for no charge for the first year.

WHO SHOULD RESPOND TO THIS RFP?

We are looking to create partnerships with 10 rural communities that are excited about the Localist movement and recognize the importance of including strategies such as buy local, invest local, and shop local in their economic development plans. We want to work with pioneers and out-of-the box thinkers who are passionate about supporting their local businesses and organizations. The Local Crowd[®] provides a powerful tool that can exponentially increase the effectiveness of rural local programs and we are eager to work with community leaders who can envision this model successfully operating in their communities, and who can provide the leadership required to make it happen.

Because the SBIR Grant is funded by USDA for the purpose of rural development, the applicant community must be rural. In general, USDA considers a rural area to be **any area other than** a city or town that has a population of greater than 50,000 residents.

The applicant can be any economic development organization or community organization that is willing to take the lead on the project.

TLC IS LOOKING FOR COMMUNITIES THAT WILL:

1. Commit to the process of establishing a crowdfunding incubator and work to integrate it into their community infrastructure, organizations and social networks.
2. Create a TLC team to launch and manage the crowdfunding incubator. (Members may include one or more representatives from the host organization, a social media maven, the curator (see item #4 below), entrepreneurs, nonprofit representatives, economic development professionals and others you know who will be great workers, networkers and assets to the program.)
3. Provide a representative to serve on the TLC Advisory Group. This person will engage with participants from other communities, share ideas, provide feedback about the TLC program, and widen your community's network of supporters.
4. Identify and engage one or more persons on your team to serve a Curator. The Curator will approve the projects for the platform. The Curator needs to be a member of the host organization and must participate in training provided by The Local Crowd.
5. Identify and engage one or more persons on your team to serve as Campaign Advisor(s) to work with businesses and organizations that want to raise funds. (We recommend people already involved in business consultation such as SBDC counselors, Women's Business Center personnel, ag extension personnel and other similar professionals. The role of Campaign Advisor will give them access to a stream of new clientele in a specialty area.) The Campaign Advisor must participate in training provided by The Local Crowd.
6. Spread the word! Build a community-wide coalition of supporters for the program—people who will develop funding campaigns, provide funding for campaigns, share the campaigns with their networks, offer rewards for the campaigns and be cheerleaders throughout the process of starting and growing the program.

7. Attend the online training programs provided by The Local Crowd.
8. Assist with the research component of the project. This may include participation in focus groups, interviews, and/or surveys. We have retained the services of Michael Shuman (<http://www.postcarbon.org/our-people/michael-shuman>, economist, author and international expert on local economies, to conduct a study on the socio-economic impact of the crowdfunding incubator. In addition, we will assess the impact the incubator has on local networking activity. Participants will have access to the final research reports. We have also retained the services of Dr. Jeni Cross, CSU specialist in Networking Science to study the affect TLC has on local networks.
9. Be a resource to other communities interested in hosting the program by answering their questions and sharing your experiences.

THE LOCAL CROWD CROWDFUNDING INCUBATOR PACKAGE INCLUDES:

1. Installation and a 1-year subscription to the Crowdfunding platform software (a \$7,500 value).
2. Robust onboarding system for host communities to enable successful launch and management of your own crowdfunding platform
3. Online Learning Community to increase networking opportunities, sharing of ideas and fundraising success by users of the platform
4. Ongoing education support through webinars, clinics, and videos.

PROPOSAL FORMAT

Please submit a letter of interest, no more than three pages in length (not including letters of support.) The letter should include answers to the following questions:

1. Name and address of applicant (Host Organization) and contact information for the person who will serve as team leader and liaison with TLC.
2. Population of your community.
3. Do you have any localist programs in your community, such as shop local, invest local, local foods? If so, please describe them. Also describe how you see a crowdfunding tool assisting these efforts.
4. What strategies will you use to integrate the TLC program into your existing services and programs for small businesses?
5. Who will be your curator and campaign advisors? Please provide a brief bio and rationale for selecting these persons.
6. Social media is a key pillar of crowdfunding. Does your community have an active social media culture? Do you have any social media power-users who would serve on the TLC team?
7. What are the resources available in your community to support this project?
8. Describe the makeup of your team. Who will serve, and what qualifications and capabilities do they bring?
9. How will your community make a great Demonstration Site?

In addition, please submit letters of support/commitment from your chosen curator, advisors and team members.

DELIVERY INSTRUCTIONS:

Responses to this RFP must be submitted electronically by February 1, 2017 to kim@thelocalcrowd.com, 888-465-9622.

TIMELINE:

RFP issue date	November 11, 2016
Pre-Submittal Webinar: This webinar will provide an overview of the project and introduction to the Crowdfunding Platform.	December 15, 2016 at 9 a.m. Mountain Time You can register here: http://bit.ly/2eWFT2b for the webinar. A recording will be made available if you are unable to attend the live version of this webinar.
RFP Due Date: Proposals must be sent electronically to kim@thelocalcrowd.com	February 1, 2017 11:59 PM MST
Presentations: The Local Crowd will invite the finalists to provide telephone interviews.	Week of February 13, 2017
Notification of Winners	February 28, 2017
On-Boarding Process Begins	April 19, 2017
Targeted Launch of Community Platform	September 2017

ABOUT US

Diane Wolverton is the co-founder of The Local Crowd, LLC, a company devoted to bringing new capital resources to rural America. She has served in leadership roles in economic and community development in Wyoming for the past 21 years. She was Executive Director of the Wyoming Smart Capital Network, a capital resource for Wyoming entrepreneurs for four years. Prior to that, she served as State Director of the Wyoming Small Business Development Center for 17 years, bringing many new innovations to the program including the addition of a Market Research Center and Procurement Technical Assistance Center. She is currently a member of the Wyoming Women's Business Center Board of Directors, and former board member and national Chairperson of the Association of Small Business Development Centers.

TLC Co-Founder **Kim Vincent** has worked extensively in both privately held and public service organizations. Her expertise has evolved to creating and implementing business development strategies for small businesses in Wyoming as she has worked for the Wyoming Women's Business Center and the Wyoming Small Business Development Center. She also has a variety of marketing, sales, finance and management experience in the private sector. Kim broadened her business accounting experience doing corporate tax prep for several tax seasons with a local CPA firm and worked in private industry providing accounting and support services for a portfolio of diverse companies. She has also been an adjunct marketing instructor for the UW College of Business.

The Local Crowd[®] technology and crowdfunding platform was developed by **Community Funded Enterprises, Inc.** Community Funded is crowdfunding platform developer based in Fort Collins, Colorado. They specialize in local and education based platforms. In addition to TLC, they have developed platforms for institutions such as Colorado State University, Portland State University, University of Colorado, Oklahoma State University and others.

DEFINITIONS

Crowdfunding is the practice of funding an idea, project or venture by raising small contributions from a large number of people via the internet.

Platform – the technology (i.e. website portal) that provides the connection between the projects and its supporters.

Campaign or Project Creator- the person that initiates the Project (idea, product or service) for funding.

Rewards based crowdfunding – the project creator offers a gift, perk, reward or pre-sells products or services in exchange for funds provided. The TLC Crowdfunding model currently includes rewards-based and donation-based functionality.

Donation-based crowdfunding – Donors offer funds to a project without any expectation of return or reward.

Debt-based crowdfunding – Contributors lend money to the project and expect to receive interest in return for use of their money.

Equity-based crowdfunding – Contributors invest in the company and expect to receive a return on their investment as equity owners of the company.

Localism – preference for a locality, particularly for one's own area or region. The Business Alliance of Local Living Economies defines it this way: Localism is about building communities that are more healthy and sustainable – backed by local economies that are stronger and more resilient. It means we use regional resources to meet our needs – reconnecting eaters with farmers, investors with entrepreneurs, and business owners with the communities and natural places on which they depend. It recognizes that not one of us can do it alone and that we're all better off, when we're all better off.

For more information, attend our pre-submittal Thursday, December 15 at 9:00 a.m. Mountain Time.

Register here: <http://bit.ly/2eWFT2b>



<http://www.TheLocalCrowd.com> • 888-465-9622

Kim Vincent: kim@thelocalcrowd.com