



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

SBSH 2.0 APPLICATION QUESTIONS

Overview

The Small Business Support Hubs Program will deploy \$11.3 million in state-appropriated funding, administered by the Michigan Economic Development Corporation (“MEDC”) on behalf of the Michigan Strategic Fund (“MSF”), to support small businesses and advance local economic and community development across the state of Michigan.

The Michigan Strategic Fund (MSF) is seeking applications from organizations that identify as entrepreneurial hubs to deliver these services.

In this second round of funding, the SBSH program has been refined to strengthen regional alignment and improve access to high-quality, effective services for entrepreneurs. This includes implementation of a coordinated, regionally based **hub-and-spoke model**, as well as an increased emphasis on driving meaningful business outcomes—particularly for early-stage and growth-oriented companies.

Objectives

- Strengthen and establish locally relevant, regionally based ecosystems to cultivate a more inclusive, accessible and effective entrepreneurial ecosystem
- Advance technology adoption and optimization
- Ensure statewide access to services across all Michigan Prosperity Regions
- Expand the geographic reach and access to business assistance for entrepreneurs in underserved, rural and underrepresented areas
- Support measurable business outcomes, including sustainability, growth, and job creation
- Raise the national profile of Michigan’s small business ecosystem

Important Information

1. Small Business Support Hubs will deploy \$11.3 million in state appropriated funding, administered by the Michigan Economic Development Corporation (“MEDC”) on behalf of the Michigan Strategic Fund (“MSF”). Small Business Support Hubs selected to participate with this program will need to adhere to state mandated expenditure deadlines, quarterly compliance and reporting requirements, and any other requirements deemed necessary by the MEDC.

2. The MEDC anticipates that awardees will be selected by July 31, 2026. Disbursement of funds awarded to Hubs will begin October 1, 2026. All work must be completed by 12/31/27.

Eligibility

- Self-identified as a Business Service Organization (“BSO”) / Entrepreneurial Service Organization (“ESO”)
- Able to demonstrate a history of serving as an entrepreneurial hub, business accelerator, business incubator, or tribal entity
- A non-profit organization
- Headquartered in Michigan
- In good standing with the State of Michigan
- Registered or have the ability to register for a federal UIE number
- Eligible to do business with the federal government

An entrepreneurial hub is defined as an entity that has a physical space that provides training and resources to entrepreneurs through a combination of direct service (i.e., on-site through staff, contractors, or strategic partnerships), remote service (i.e., off-site through field staff, contractors, or strategic partnerships), and referral relationships (i.e. organizations, entities or individuals with distinct or complementary technical or culturally competent expertise) to support the launch, sustainability and/or growth of entrepreneurs. The types of training and resources provided to entrepreneurs through Hubs include one-on-one coaching, consultations, workshops, seminars, cohort-based learning, incubation activities, accelerator activities, networking and mentorship opportunities and events.

Grant Allocations

Funding allocations have been established to ensure equitable distribution of resources across Michigan while reflecting the unique characteristics and needs of each region. Award ranges for each Michigan Prosperity Region were determined through a data-informed methodology that considers both population concentration and geographic scale. This approach is intended to balance service demand in densely populated areas with the increased cost and complexity of delivering services across larger, more rural regions.

Applicants must propose budgets within the designated funding range for the region they intend to serve. Final award amounts will be determined based on application quality, demonstrated capacity, proposed outcomes, and alignment with program objectives.

Prosperity Region	Grant Allocation (Low)	Grant Allocation (High)
1 Upper Peninsula	750,000	1,000,000
2 Northwest	500,000	750,000
3 Northeast	500,000	750,000
4 West Michigan	1,475,000	1,850,000

5 East Central	500,000	750,000
6 East Michigan	750,000	1,000,000
7 South Central	500,000	750,000
8 Southwest	750,000	1,000,000
9 Southeast	900,000	1,250,000
10 Detroit Metro	2,645,000	3,000,000
Statewide	500,000	1,000,000

Application Questions

1.0 – Organizational Overview and Capacity

1.1 Organizational Mission and History

In 200 words or fewer, summarize the mission of your organization, how long it has been in operation, and how it supports small business and entrepreneurial development.

1.2 Organizational Financial Stability

Describe your organization's primary funding sources and overall financial model. Include the approximate percentage of revenue from:

- *Government funding*
- *Philanthropy*
- *Earned revenue*
- *Corporate or private sponsorship*
- *Other sources*

Explain how your organization ensures long-term financial sustainability independent of this program.

1.3 Experience Managing Public Funding

*Describe your organization's experience managing **state or federal funding programs**, including grant administration, compliance, reporting, and subrecipient oversight.*

Provide a minimum of 2 examples of funding programs managed within the last five years.

1.4 Staff Capacity and Leadership

Describe the key staff who will be responsible for implementation of this program. Include:

- *Roles and responsibilities*
- *Relevant expertise*
- *Years with the organization*
- *Experience supporting entrepreneurs or managing economic development programs*

1.5 Professional Credentials and Industry Engagement

Identify any professional credentials held by your organization or team members related to entrepreneurship or economic development. Examples may include:

- *IEDC (International Economic Development Council)*
- *INBIA (International Business Innovation Association)*
- *1 Million Cups organizers*
- *Other relevant certifications or leadership roles*

2.0 – Regional AND State-wide Leadership

Are you applying as a Regional Applicant or a State-wide Applicant?

2A.1 Prosperity Region Identification (*required for Regional Applicants)

*Identify the **Michigan Prosperity Region** your organization is applying to serve as the regional hub.*

2A.2 Regional Ecosystem Leadership (*required for Regional Applicants)

Describe your organization's experience convening partners and leading regional initiatives.

2A.3 Proposed Hub-and-Spoke Model (*required for Regional Applicants)

*Describe how your organization will implement a **hub-and-spoke model** within your assigned Prosperity Region, and how you will ensure that programming and services reach communities across your Michigan Prosperity Region.*

Your response should include:

- *Identification of potential spoke partners (Organization name)*
- *Type of organization (e.g., accelerators, chambers, universities, lenders, industry associations)*
- *Geographic coverage within the region, by county*
- *Role in regional ecosystem*
- *Target population or geography served*
- *Anticipated services or activities*
- *Describe Expected outcomes or deliverables*

2A.4 Proposed Hub-and-Spoke Accountability Model (*required for Regional Applicants)

Describe how coordination and communication will occur among partners, and describe how your organization will monitor and manage the performance of spoke partners.

For existing grantees, please provide a description of your organization's current model of coordinating among existing SBSH partners.

For new applicants, please provide examples of models your organization uses to coordinate within a regional or state-wide partner network.

2A.5 Customer Intake

Describe your organization's end-to-end process for client intake, engagement, and tracking across your internal operations and partner network. Your response should include:

- **Client Intake Process**
How clients initially access services (e.g., intake forms, referrals, walk-ins), and what information is collected at intake.
- **Client Tracking and Case Management**
The systems, tools, or processes used to track clients over time, including how you monitor progress, maintain ongoing engagement, and conduct follow-up or check-ins.
- **Coordination Across Partner Network**
How client information is shared (as appropriate) and how clients are tracked when referred to or served by spoke partners within the regional ecosystem.
- **Referral Processes and Tracking**
How your organization connects clients to other service providers, including:
 - *Small business support partners within the ecosystem*
 - *External or complementary services (e.g., workforce development, capital access, or public services such as Michigan Works!)*
Include how referrals are documented and whether outcomes are tracked.
- **Continuity of Service and Client Experience**
How you ensure a coordinated, seamless experience for clients across multiple providers, including strategies to prevent clients from being lost to follow-up.

2A.6 Partnership Documentation (*optional for Regional Applicants)

Upload Letters of Collaboration from each key ecosystem partner who will serve as part of your regional hub-and-spoke network. Letters should outline the organization's role and scope of work within the regional ecosystem.

NOTE: During contract implementation, Awardees will be required to develop a Memorandum of Understanding for each spoke partner relationship.

2A.7 Governance and Decision Making (*required for Regional Applicants)

Describe how decisions will be made across your hub-and-spoke network including:

- *Selection of spoke partners*
- *Allocation of funding*
- *Ongoing governance and communication*
- *Conflict resolution among partners*

NOTE: Hubs must ensure that rates paid to sub-awardees, vendors, contractors, or service providers under the program are reasonable, competitive, and reflective of prevailing market conditions unless explicitly negotiated as in-kind or pro bono.

2B.1 Statewide Role and Value Proposition (*required for State-wide Applicants)

Describe the role your organization would distinctly play as a statewide hub fill gaps within Michigan's entrepreneurial ecosystem.

2B.2 Statewide Network and Reach (*required for State-wide Applicants)

Describe your organization's distinct, expert statewide partnerships and ability to support entrepreneurs across multiple regions (e.g. Cross industry partnerships, cultural and demographic representation, support for different stages of business, and / or ability to compliment the work of community organizations).

2B.3 Coordination with Regional Hubs (*required for State-wide Applicants)

Describe how your organization would collaborate with and complement the work of regional hubs, rather than duplicate services, and describe how your organization will coordinate with regional hubs including:

- *Alignment of services across regions*
- *Communication and decision-making processes*

2B.4 Specialized Expertise (*required for State-wide Applicants)

Describe the specialized capabilities, industries served, business stage support, or expertise your organization offers that would benefit entrepreneurs across the state.

2B.5 Customer Intake

Describe your organization's end-to-end process for client intake, engagement, and tracking across your internal operations and partner network. Your response should include:

- **Client Intake Process**
How clients initially access services (e.g., intake forms, referrals, walk-ins), and what information is collected at intake.
- **Client Tracking and Case Management**
The systems, tools, or processes used to track clients over time, including how you monitor progress, maintain ongoing engagement, and conduct follow-up or check-ins.
- **Coordination Across Partner Network**
How client information is shared (as appropriate) and how clients are tracked when referred to or served by spoke partners within the regional ecosystem.
- **Referral Processes and Tracking**
How your organization connects clients to other service providers, including:
 - *Small business support partners within the ecosystem*
 - *External or complementary services (e.g., workforce development, capital access, or public services such as Michigan Works!)*
Include how referrals are documented and whether outcomes are tracked.
- **Continuity of Service and Client Experience**
How you ensure a coordinated, seamless experience for clients across multiple providers, including strategies to prevent clients from being lost to follow-up.

3.0 – Program Design & Service Delivery

3.1 Program Strategy

Describe how your organization will design and deliver programs and services that support entrepreneurs across your assigned region (or statewide).

Your response should address:

- *Types of services provided (training, advising, mentorship, cohort programs, etc.)*
- *Alignment with the needs of entrepreneurs within the region or statewide*
- *How programs support businesses at different stages of growth*

3.2 Cultural Competency and Accessibility

Describe how your organization ensures services are accessible and inclusive relative to your assigned Michigan Prosperity Region. Information can include, but is not limited to:

- *Multilingual services*
- *Outreach to historically underserved and / or low income communities*
- *Accessibility for urban and rural entrepreneurs*

3.3 Entrepreneur-Led Program Design

Describe how current or former entrepreneurs will participate in the design, delivery, or evaluation of programs and services.

Examples may include:

- *Mentor networks*
- *Advisory boards*
- *Entrepreneur-in-residence programs*
- *Peer learning models*

3.4 Industry and Business Lifecycle Focus

Identify the industries and business stages your organization is best positioned to serve.

Examples may include:

- *Startup / early stage*
- *Early growth stage*
- *Second-stage growth*
- *Mature companies expanding into new markets*
- *Transition, Innovation, or Succession stage*

3.5 Access to Capital Strategy

Describe how your organization helps entrepreneurs prepare for and access capital. Do you deploy capital? If not, how do you choose the capital providers that you align with?

If applicable, describe:

- *Capital readiness programs*
- *Relationships with lenders, CDFIs, angel investors, or venture capital firms*
- *Any capital deployed directly by your organization*

3.6 Technology and Artificial Intelligence Integration

Describe how your organization integrates technology and artificial intelligence into its operations and programming.

Examples may include:

- *AI tools used in business advising*
- *Data analytics and performance tracking*
- *AI training or technology adoption assistance for entrepreneurs*
- *Operational automation*

3.7 Regional Ecosystem Gaps and Needs

Identify the top three gaps or challenges in your regional (or statewide) entrepreneurial ecosystem, and describe how your proposed program design and partnerships will address these gaps.

3.8 Entrepreneur Journey and Service Navigation

Describe how a small business will enter, navigate, and progress through your hub-and-spoke network. Include how businesses are:

- *Referred between partners*
- *Matched to appropriate services*
- *Tracked through the ecosystem*

4.0 — Program Proposal and Budget Allocation

4.1 Program Proposal Narrative

*In **200 words or fewer**, summarize your proposed program activities using funding from the Small Business Support Hubs Program.*

4.2 Eligible Costs

NOTE: Eligible Costs for the Small Business Support Hub (SBSH) Program may be used to support activities that advance the effective administration, coordination, and delivery of services within said Program. Allowable uses of funds include the following categories:

- Administrative Expenses
- Programming & Services
- Direct Business Assistance Awards

4.3 Administrative Expenses (may not exceed 15% of the total grant award)

Applicants must itemize anticipated administrative expenses using the following format. Note there is a maximum of 20 Rows:

Expense Type	Short Description	Total Dollar Amount
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Examples of eligible administrative expenses include:

- Personnel and staffing
- Purchase of supplies, hardware, software, and technology
- Professional development and Training, including certifications, memberships, subscriptions, licenses, and continuing education
- Other costs associated with Administrative expenses requested to better support eligible small businesses will be considered on a case-by-case basis and subject to approval by the MSF board.

NOTE: There is a **\$10,000 per unit** threshold for equipment purchased and capital expenditures under this program. Items costing \$10,000 or more with a useful life of over one year require prior written approval for purchase from the Contract Manager.

4.4 Programming & Services Expenses

Small Business Support Hub Programming

*This is where applicants include expenses for **operating their own Hub programs and services**. Applicants must itemize anticipated expenses using the following format. Note there is a maximum of 25 Rows:*

Expense Type	Short Description	Total Dollar Amount
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Eligible activities may include:

- Marketing Expenses;

- Licensing of programs, curriculum, online learning platforms and other educational tools for the purposes of providing training to small businesses served through this program;
- One-on-one business coaching and advising;
- Workshops, seminars, and cohort-based learning;
- Capital readiness and financial preparedness support;
- Technology adoption and digital capacity building;
- Referral and navigation to local, regional, and statewide resources;
- Data collection, performance tracking, and continuous improvement;
- Networking and mentorship delivered by Full Time or Part Time employees, or subject matter expert contractors;
- Deployment of support services that may be delivered directly by the Hub or through third-party contracts to meet the launch, sustainability, or growth needs of the business;
- Other costs associated with hub operations and / or the delivery of programming and services will be considered on a case-by-case basis, and should be reflective of distinct local or regional needs, and are subject to approval by the MSF board.

Other Eligible activities may include:

- Build Hub Spoke Model within assigned Michigan Prosperity Region
- Establishment, administration, and oversight of subawards to regional “Spokes”
- Ensuring County-based coverage and service alignment within the assigned Michigan Prosperity region
- Resource alignment and partner connectivity among regional stakeholders
- Regional convenings and collaborative engagement with sub-awardees and other Business Support Organizations (BSOs) within the assigned Michigan Prosperity Region

Ecosystem Coordination and Partnership Development

*This is where applicants include expenses for **establishing “spokes” within their Michigan Prosperity Region**. Applicants must itemize anticipated expenses using the following format. Note: there is a maximum of 25 Rows.*

NOTE: Statewide applicants should describe how funding will support coordination across multiple regions or specialized statewide programming:

Partner Organization	Role In Regional Ecosystem	Short Description of Services	Estimated Funding Allocation
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Direct Business Assistance Awards (may not exceed 30% of the total grant award)

Organizations who are selected for serving as a Small Business Support Hub will also be awarded to receive a proportional allocation of funding to provide direct grants to small businesses who have participated in their programming/services.

“Spokes”/ Subawardees within the Hub’s network are also eligible to distribute Direct Business Assistance Awards. The Spoke’s Direct Grant Program must be approved by the Hub. The Spoke must adhere to the program guidelines for distribution of Direct Business Assistance Awards.

Organizations can opt in or opt out of receiving a lump sum award for Direct Business Assistance Awards. Please indicate your organization’s preference below.

Please note that:

- *Direct Business Assistance awards to an individual business may not exceed \$10,000 (any amount higher than \$10,000 may be approved on a case-by-case basis with approval from the Contract Manager).*
- *Businesses may receive more than one Direct Business Assistance Award through this program, including from multiple Hubs or Spokes; however, awards may not be used to fund the same expense or activity. The total cumulative funding received by any single business under this program may not exceed \$10,000 (any amount higher than \$10,000 may be approved on a case-by-case basis with approval from the Contract Manager).*
- *Hub Awardees are responsible for maintaining a complete and accurate record of all Direct Business Assistance awards distributed. At minimum, this record must include the recipient company name, award amount, and a brief description of the purpose or use of funds, and must be made available to the Contract Manager during the quarterly reporting period(s).*
- *Hub Awardees must clearly identify all Direct Business Assistance awards as being funded through the **Small Business Support Hub Program** and ensure that recipients are informed of the funding source. Awardees are responsible for obtaining a signed attestation from each recipient confirming that grant funds will not be used for duplicate purposes and that the business has not exceeded, and will not exceed, the \$10,000 cumulative funding limit under this program*

(any amount higher than \$10,000 may be approved on a case-by-case basis with approval from the Contract Manager). A consolidated, program-wide report of all Direct Business Assistance awards will be shared with awardees on a quarterly basis to support coordination, prevent duplication of the same expense or activity, and ensure compliance with funding limits.

- *Direct Business Assistance awards may be disbursed as advance payments and are not limited to reimbursement-based funding, provided that all disbursements comply with program guidelines and approved uses of funds.*
- *Direct Business Assistance awards must relate to eligible programs or services provided by the Hub or Spoke. Eligible grant recipients must have completed an eligible program or service within the previous six months in order to receive a grant.*
- *Direct Business Assistance awards must be used to support the expansion, operation, and scaling of small businesses*

Please refer to the Small Business Support Hubs Program Guidelines for a full list of eligible and ineligible expenses.

4.5 Total Funding Request

Provide the total grant request amount.

If selected for award for the Small Business Support Hubs program, I understand that my organization will need to submit a formal budget, using a template provided by the MEDC, prior to entering into an official grant agreement. This template will be made available to awardees upon selection.

5.0 – Outcomes and Impact

5.1 Impact Strategy

*Describe, in narrative form, how your organization will define, measure, and achieve meaningful outcomes and impact through the delivery of your proposed programming. Applicants should clearly demonstrate a shift from reporting on volume (e.g., number of businesses served, workshops delivered) to articulating how these outputs translate into measurable outcomes and longer-term economic impact. Responses should prioritize **quality and impact over volume**, and should:*

- *Identify the **key outputs** of your proposed activities and services;*
- *Explain how these outputs are expected to lead to **specific, measurable outcomes** for participating small businesses (e.g., revenue growth, job creation, access to*

capital, market expansion, operational improvements, advancing technology adoption and optimization);

- Describe how these outcomes will contribute to **impact for businesses being served** by your programs;
- Demonstrate how your approach **prioritizes growth-oriented support** for small businesses, rather than volume-based service delivery.

Applicants are encouraged to provide clear examples or illustrative pathways that show the relationship between program activities, business-level outcomes, and longer-term economic impact.

5.2 Key Performance Metrics

Applicants must project outcomes against the MEDC-defined Key Performance Indicators (KPIs), including but not limited to:

- Total Number of businesses served
- New business starts
- Capital Formation
- Facilitated Revenue
- Number of existing jobs
- Actual Jobs retained
- Actual Jobs created
- Technology adoption & optimization

Definitions for these metrics are included in the attached Program Guidelines

5.3 Evaluation Process

Describe how your organization will evaluate program performance and effectiveness, including how outcomes and impact will be measured, validated, and continuously improved over time. Applicants should clearly articulate how they will determine whether their approach is successful in supporting growth, and against what standards or benchmarks this success will be assessed (e.g., achievement of defined growth milestones such as revenue increases, job creation, market expansion, or access to capital).

6.0 – Program Timeline and Implementation

6.1 Implementation Readiness

MEDC anticipates that contracts will be in place by September 15, 2026, and first

milestone disbursement of funds will begin October 01, 2026. All work must be completed by 12/31/27.

6.2 Organizational Readiness

*Confirm your organization's ability to comply with **State of Michigan grant requirements**, quarterly reporting expectations, and oversight responsibilities.*

7.0 – Regional Ecosystem Map (Optional but Encouraged)

Applicants may upload a visual map or diagram showing:

- *The regional hub*
- *Key spoke partners*
- *Capital providers*
- *Industry partners*
- *Entrepreneur support organizations*
- *Brief description of activities provided*