



The Biden-Harris Administration is committed to ensuring that the nation's small businesses receive the support they need to access federal relief programs that can help them weather the economic downturn caused by the COVID-19 pandemic. This technical assistance is critical, as small businesses have been hit hard over the course of the last year, impacting at least 400,000 businesses. Previous rounds of economic relief last year helped millions of small businesses stay afloat and keep employees on the payroll, yet too many minority-owned businesses and mom and pops found themselves at the end of the line, while larger, well-connected businesses accessed programs right away. To better reach these small businesses, SBA has launched the Community Navigator Pilot Program that will strengthen outreach to underserved businesses by partnering with organizations with deep roots in their communities.

### **1. What is SBA's Community Navigator Program?**

The program, established by the American Rescue Plan Act of 2021, will use a community navigator approach to help small businesses, with a focus on those owned by veterans, women, and socially and economically disadvantaged individuals - including in rural and urban communities. The program is comprised of a lead "Hub" at the center of a network of "Spoke" organizations that deploy community advocates to work with small businesses during economic recovery. Recovery services can include financial assistance, access to capital supports, contracting and procurement assistance, marketing, operations, and business development, export and importing, and industry specific training, among other areas of technical assistance to aid businesses in stabilization and expansion.

### **2. What is the genesis of the Hub and Spoke model?**

The Hub and Spoke model is a part of the Community Navigator model – meaning a community organization, community financial institution as defined in section 7(a)(36) (A) of the Small Business Act (15 U.S.C. 636(a)(36)(A), or other private nonprofit organization engaged in the execution of community navigator services – outreach, education and technical assistance provided by community navigators that target eligible businesses to increase awareness of, and participation in, programs of the SBA.

- The Hub and Spoke model is intended to create a network of trusted community organizations that can leverage direct access to small businesses to help them navigate resources at all stages of their growth.
- Hub – The lead organization and grantee that mobilizes grant management and a network of Spokes.
- Spoke – The organization on the ground connecting to the small businesses and meeting them where they are.

### **3. Who will Navigators serve?**

While all small businesses are eligible, CNPP's Notice of Funding Opportunity specifically acknowledged the following underserved and/or underrepresented segments:

- Socially and Economically Disadvantaged Small Businesses
- Alaska Native and Indigenous
- Asian American
- Black and African American
- Hispanic and Latinx
- Middle Eastern
- Native American
- Native Hawaiian and Pacific Islander
- North African
- Tribal Communities
- Rural Entrepreneurs
- Entrepreneurs with Disabilities
- LGBTQ Entrepreneurs
- Veterans and Military Entrepreneurs (including spouses)
- Women Entrepreneurs
- Innovative Startups
- Micro Businesses
- Socially and Economically Disadvantaged Small Businesses

### **4. How were the Community Navigators selected?**

Awardees were selected based on a rigorous review process. After an initial eligibility review, applications were scored by one of 20 regional Technical Evaluation Panels, each of which were led by a representative from the Office of Field Operations. geographies and service segments.

Once this review phase was completed, the 2<sup>nd</sup> round of review included senior-level SBA personnel who further evaluated the packages. This selection criteria included not only the scores from the Technical Evaluation Panels but also geographic diversity and diversity of service segments.

### **5. How did SBA ensure an unbiased selection of awardees?**

The SBA implemented several measures to ensure that there would be an unbiased selection process. A team of SBA officials (the “Awards Panel”) looked at every step of this process with close detail and integrity. The Community Navigator Pilot Program execution team developed a detailed methodology and review process that was reviewed by the SBA Office of General Counsel and implemented to ensure fairness and equity. The Awards Panel also underwent an implicit bias training before its evaluation and selection process. During the Technical Evaluation Panels, we ensured that Field Office representatives on each panel did not review proposals within their own region.

## **6. What was the eligibility criteria?**

Among those eligible to apply for a Community Navigator Program grant were private nonprofit organizations, resource partners, states, tribes, and units of local government. For more details on eligibility to apply and how to apply, view [here](#).

## **7. How many organizations applied for grants?**

We received 745 applications from 656 organizations. After removing duplicate applications and ineligible business types, 502 applications were reviewed and scored. Of these 502 applications, 51 were selected for funding.

## **8. How many Awardees are there and where are they located?**

There are 51 awardees broken into the following tiers:

- Tier 1: 8 Awards (max \$5M per award)
- Tier 2: 11 Awards (max \$2.5M per award)
- Tier 3: 32 Awards (max \$1M per award)

Please visit [www.sba.gov/navigators](http://www.sba.gov/navigators) to view a list of Community Navigator Pilot grantees.

## **9. Can an applicant appeal if not selected?**

No. There is no appeal process for the Pilot Program.

## **10. Will there be another round of funding in the future?**

The Community Navigator Pilot Program was authorized by Congress and the American Rescue Plan Act. There is no additional round of funding approved at this time.

## **11. How long will the Community Navigators be active?**

The Period of Performance runs from Dec. 1, 2021 – Nov. 30, 2023

## **12. Is Community Navigators duplicative with existing SBA resources?**

They are not duplicative. The Community Navigator Pilot Program enables the SBA to further maximize its efforts, leverage all possible resources, and have the greatest reach for the U.S. small business ecosystem. 20.7% of the more than 7.9 million small establishments (<500 employees) are in counties without any type of SBA service center. The Community Navigator Pilot Program will help us bridge this gap.

While SBA Resource Partners like SBDCs, SCORE, WBCs and/or VBOCs were eligible entities to apply for CNPP funding, recipients of a CNPP award must not in any way comingle funding with other awards.

**13. What are the accountability and oversight measures to ensure that the grants are being spent properly?**

Our Office of Field Operations staff will each assign a community impact liaison which will partner with each Community Navigator to provide oversight and ensure compliance. Grantees submit quarterly performance reports and associated requests for reimbursement.

**14. Why don't all states have Hubs?**

Applications went through a rigorous review to determine which would be eligible to serve as Community Navigator Hubs. Of the 502 applicants that qualified as Hubs and were scored by our Technical Evaluation Panels, the Agency review panels determined the strongest applications while ensuring diversity across geography and service sectors.

**15. Where are the Spokes located and how may I contact them?**

For Tier 2 and Tier 3 projects, Spokes will be located within the same State or counties as the Hub, with some potential overlap with neighboring states on the border. For Tier 1 projects, which are National in scope, Spokes are disbursed throughout several States. Our Hubs will be creating project websites that detail the geographic coverage of each project. For a list of Hubs (grantees), please visit [www.sba.gov/navigators](http://www.sba.gov/navigators).

**16. How are the Spokes funded? Who decides? What is SBAs role when it comes to the Spokes?**

SBA's grantor-grantee relationship is with project Hubs. Hubs act as intermediaries between the SBA and their Spokes. As part of the Community Navigator application process, Hubs provided the SBA with signed Commitment Letters and Funding Distribution Agreements between themselves and each Spoke. The Community Navigator Pilot Program Notice of Funding Opportunity outlined minimum and maximum funding amounts for Spokes.

**17. If a Spoke is in one congressional district does that mean services, outreach is exclusive to that congressional district or could someone from another congressional district have access to that Spoke's resources?**

The Spokes will strategically outreach to the surrounding areas where they can reach business owners in need. Their outreach is not limited to a particular congressional district.