

New fund makes first local entrepreneurial investment

By LAURA URSENY-Staff Writer

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CHICO -- A young entrepreneur in Chico has gotten a thumbs-up from a new fund designed to bestow a free financial boost, under supervision.

Social High Rise, started by Mark Sorenson, has received \$10,000 through the Business Vitality Seed Fund, created through the partnership of local nonprofits 3CORE and North Valley Community Foundation.

It is the first grant of the new program, which was launched last year to help local entrepreneurs in need of gap funding.

The funding comes from private lenders and investors. There are no public dollars involved.

Not having to pay it back gives entrepreneurs an edge, according to Marc Nemanic of 3CORE, who has been in small business and community lending here for 22 years.

The grant gives growth businesses, especially technology businesses, a chance to position themselves financially for the future, he said.

Nemanic said Sorenson followed the application process, and then sat down with a review team. Sorenson came back a second time to answer specific questions the team had after completing extra research.

"We liked what we saw," said Nemanic, "but we wanted a more in-depth business plan, with more strategy and pricing approach."

Nemanic sent Sorenson a letter of intent for the grant last month.

Nemanic said Social High Rise's concept makes sense, having a company manage social media process and respond to comments.

Social High Rise is particularly suited to businesses, like restaurants or contractors, that are rated or receive positive or negative comments, Nemanic said.

The new fund is a support structure for young entrepreneurs. "We surround them with an ultimate business model so they can execute," Nemanic said.

Several business forums and summits have indicated that business funding is an issue for local companies.

The grant is given in chunks, and benchmark achievements are agreed upon.

While businesses that get the money don't have to repay it, they are encouraged to return the favor so other businesses can benefit.

In addition, the businesses are monitored so that if some issue trips them, the fund team is there for advice.

Investors' contributions are tax-deductible because of the North Valley Community Foundation's status, and executive director Alexa Valavanis is the contact at 891-1150.

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