

Proposal to the Headwaters Fund: Mini-Grant

Applicant Information:

Applicant Name: StartUp Humboldt

Lead Organization: Cal Poly Humboldt (on behalf of the StartUp Humboldt Consortium)

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Project Title

Title: StartUp Humboldt Competition

Proposal Narrative:

The consistent lack of access to capital in the Northcoast often hinders entrepreneurs from starting or growing their companies. Talent flight after graduating from Cal Poly Humboldt is an endemic problem that drains resources and decreases economic resilience. Even when capital is available it sits idle because the deal flow does not exist in rural, small economies. The capital flows to the highest rates of return in places like Silicon Valley, Sacramento, Los Angeles. Capital acts as a push – a catalyst, while the deal acts as the pull in economic development.

We believe through *strong collaborative partnerships* we can overcome these challenges to better support the entrepreneurial spirit of the Northcoast with a wholistic program that provides both the push and pull needed in rural communities. The Northcoast has many *emerging opportunities* that prime our area for economic growth. The conversion of Humboldt State University to a Cal PolyTechnic University, the landing of a trans-Pacific fiber optic cable, foreign and local aquaculture development, cutting edge microgrid expertise and collective focus on market solutions for sustainable forest and timber management; are but some of the opportunities for new ventures rooted in the Northcoast.

In this context, StartUp Humboldt was born. It is a collaboration between Cal Poly Humboldt, College of the Redwoods, Norcal Small Business Development Center (SBDC) Network, North Coast SBDC and Lost Coast Ventures, along with a growing list of program sponsors like BlueTech Valley, Blue Lake Rancheria and Redwood Capital Bank. In December of 2024 the consortium joined together to open a coworking and educational facility called StartUp Humboldt Innovation Hub in Arcata, CA. Our Mission is to cultivate an entrepreneurial ecosystem that fosters scalable ventures, rooted in the Northcoast. Our goal is to incubate and accelerate the growth of new businesses. This will be done through training, mentorship programming, pitch competitions and connecting startup ventures with capital providers.

StartUp Humboldt leverages the expertise of all the founding organizations. The Norcal SBDC Network serves California's 36 northern counties through 15 local centers. The North Coast SBDC is one of those centers that serves Humboldt and Del Norte counties. The SBDC partners will bring a large network of business advisors and decades of experience delivering technical assistance trainings and programs.

Cal Poly Humboldt and College of the Redwoods will support programming as well create new opportunities to build up student entrepreneurs and link academic knowledge to potential commercial ventures.

Lost Coast Ventures is a mission driven, nonprofit, angel investment firm focused on incubating and accelerating local, scalable startups.

BlueTechValley (BTV) innovation initiative is another important partner. The BTV Initiative was established in Fresno in 2011. It strategically leverages the region's resources and assets to create a fertile environment for entrepreneurs to turn vision into real world solutions. The BlueTechValley Innovation Cluster builds on the Initiative by providing access to commercialization services that will dramatically accelerate the rate of innovation and growth of water and energy-oriented companies in the 39 counties from central to northern California that the project is covering.

Cal Poly Humboldt serves as one of BTV's many hubs. Through this initiative, AWESome Business Model Competition was created. Now, AWESome Business Model Competition has teamed up with StartUp Humboldt to offer more than a pitch competition – the StartUp Humboldt Competition. It is an immersive program providing both the push and pull of economic development. With an advisory committee built from past judges and mentors from Economic Fuel, a Decade of Difference and AWESome Competition, we are taking what we collectively learned from past competitions and are developing a more impactful program designed to help find and support the next scalable business rooted in Humboldt. The program consists of mentorship with experienced business advisors, workshops on all aspects of the startup life-cycle, rigorous pitch practices, milestone-based seed money.

The Headwaters mini-grant is a small piece of a long-term effort to increase access to capital for the North Coast region and better support innovative ventures. In the short term, we are asking Headwaters Fund for a \$5,000 grant to cover the Public Outreach & Marketing of year 1 in our full program:

| Budget Category | Year 1 | Year 2 | Year 3 | Total |
|------------------------------|-----------------|-----------------|-----------------|------------------|
| Staff & Advisor Coordination | \$20,000 | \$20,000 | \$20,000 | \$60,000 |
| Public Outreach & Marketing | \$5,000 | \$5,000 | \$5,000 | \$15,000 |
| Milestone-based Investments | \$50,000 | \$50,000 | \$50,000 | \$150,000 |
| Total | \$75,000 | \$75,000 | \$75,000 | \$225,000 |

Public Outreach & Marketing (\$5,000)

The grant will fund a comprehensive outreach campaign to engage North Coast entrepreneurs—including rural, tribal, and underserved communities. Activities include media buys, content development, university engagement, event promotion, and local economic development partnerships. The goal is to increase regional awareness, diversify applicant pipelines into the Startup Humboldt Competition, and strengthen public-private sponsorship interest. The Headwaters grant is crucial to building this capacity until it can re-invest from returns on initial wining and successful ventures.

In the long-term, StartUp Humboldt plans to submit a proposal to secure funds from the Community Investment Fund. With CIF support, the proposal outlines how the StartUp Humboldt Competitions incubator and accelerator program can become self-sustaining with connection to Humboldt County Workforce Development OJT and WEX programs, newly developed networks of local and regional investors and leveraged funds that continue to support the entrepreneurial ecosystem with both the *push* and *pull* needed in Humboldt County.