JPMorganChase | Nasdaq

Advancing Regional Innovation Economies

MAPPING THE MOMENTUM OF AMERICA'S TOP ENTREPRENEURIAL REGIONS

Nasdaq Entrepreneurial Center

Evidence-to-Impact Collaborative

HEARTLAND FORWARD
A THINK-AND-DO-TANK

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Foreword: A Letter from our CEO

Entrepreneurship doesn't just power job creation, it underpins America's global competitiveness, our communities' resilience, and the promise of upward mobility. Small businesses account for nearly half of the U.S. workforce and two-thirds of new jobs. In short, when entrepreneurship thrives, economies thrive.

According to the W.E. Upjohn Institute for Employment Research, "Each new tradable-sector job, when a firm brings in outside revenue, typically supports roughly 1.5 to 2.5 additional local jobs through the local multiplier effect." In high-tech industries, the spillover is even greater, with "about five additional local jobs created for every one high-tech job."

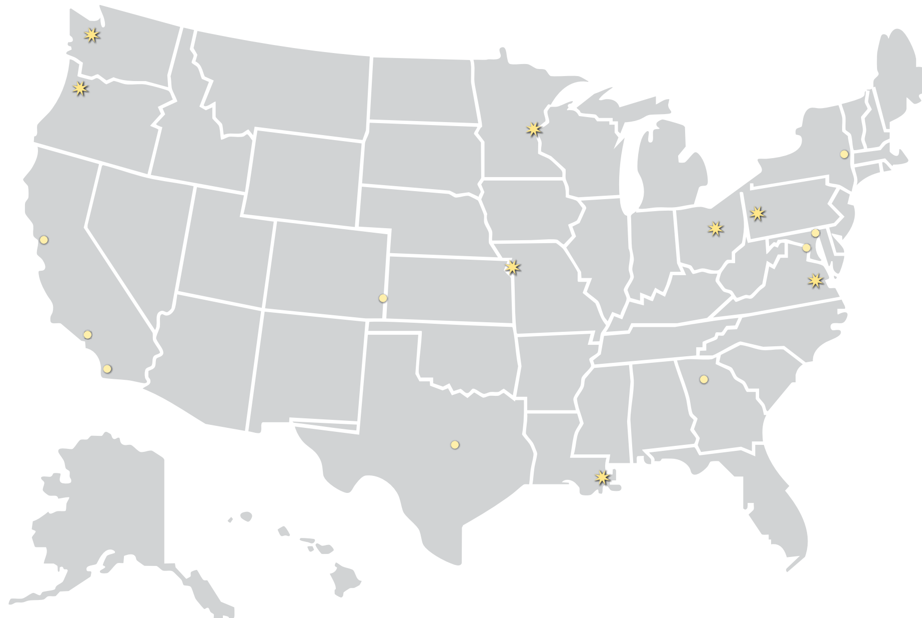
And yet, we know the opportunity to start and grow a business is not distributed equally. That's why we dug deeper: to understand, region by region and metro by metro, why some under-resourced business owners are flourishing more than others, and what we can learn from the positive factors and conditions that are helping businesses accelerate.

> One constant remains: Geography shapes opportunity

In the United States, a vast network of entrepreneur support organizations (ESOs) is blossoming in support of growing businesses. Local practitioners use the term ecosystem building, which stitches together corporate, university, and government institutions with service providers, workers, andthe entrepreneurs themselves. All champion entrepreneurship for at least three reasons: to bring ideas to market, to grow wealth, and to generate local dynamism. In all cases, one constant remains: geography shapes opportunity.

Now in its fourth year, ARIE builds on foundational research at the international, national, and state levels to zoom in on where entrepreneurial dynamics truly play out: the metropolitan level. Backed by JPMorganChase and Nasdaq and shaped by insights from our research partners at Penn State University

Foreword (continued)



and Heartland Forward and data partner at Crunchbase, this year's report, **Mapping the Momentum of America's Top Entrepreneurial Regions**, highlights a more granular understanding of how place creates distinct environments for entrepreneurs, especially those from emerging communities.

America's cities and regions are laboratories of innovation, microcosms of progress, each with unique combinations of educational institutions, industry concentrations, and policy frameworks. These elements interact to either nurture or hinder entrepreneurial success. Our findings show that entrepreneurial outcomes are patterned, not random, and that targeted interventions, public-private partnerships, and data-driven policy can unlock untapped market potential in many communities.

We invite you to use this report as both a roadmap and a call to action. A way to help spark innovation, strengthen ecosystems, and expand opportunity in every community. Together, we can create a future where entrepreneurship is driven not by geography, but by passion, persistence, and possibility.

We look forward to collaborating with you.

Nicola Corzine

Nicola Corzine
CEO & Executive Director

JPMorganChase | Nasdaq

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EVOLUTION OF ARIE: SHIFTING THE FOCUS TO THE METRO LEVEL AND THE IMPORTANCE OF GEOGRAPHY

About ARIE

Our mission

ARIE exists to expand who gets to build high-growth companies in the United States by identifying the structural conditions that enable entrepreneurial success, and by translating those insights into actionable playbooks for communities. We focus on venture-aspiring entrepreneurs: founders who are building resilient, innovation-led firms and may, over time, pursue venture capital where it fits. Our goal is not only to track growth but to improve access to the inputs of growth (navigable capital, education density, talent mobility and enabling policy) so that innovation economies work for more people.

Shifting the focus to the metro level

Launched in 2021, ARIE began by mapping barriers and opportunities for entrepreneurship across international and national contexts before turning to U.S. states. In years two and three, we sharpened the measurement of structural factors and validated early signals through field interviews and case studies. In year four, we “zoom in” to the metropolitan level, where entrepreneurial dynamics are most visible and actionable. This metro focus allows us to pair quantitative modeling with on-the-ground narratives and to show how place, including specific institutions, industries and policy environment, shapes opportunity for emerging founders.

How we work

ARIE is a collaboration convened by the Nasdaq Entrepreneurial Center (“the Center”), which serves as the lead architect and steward of the research agenda. As the authoritative voice on qualitative insights and practitioner translation, the Center guides field partnerships and ensures research findings are actionable and grounded in entrepreneurial experience. Heartland Forward advances the project’s quantitative modeling and ecosystem benchmarking, while Penn State University leads policy environment analytics and contributes methodological rigor. We are grateful for the support of JPMorganChase, Nasdaq, Inc., and additional civic and philanthropic partners who make this work possible.

Why the metro lens

Metropolitan regions are where entrepreneurship either takes root or stalls, where founders find (or miss) the relationships, resources, and capital that turn ideas into enterprises. By focusing at the metro level, ARIE reveals how ecosystems function on the ground, exposing the connective tissue that national data often overlooks. This perspective enables the identification of replicable, field-tested solutions, such as

About ARIE (continued)

coordinated capital access networks, procurement-as-validation programs, and university-anchored investor groups, that communities can adapt to their local context.

Evidence base

Our findings synthesize multiple sources of evidence, including predictive models estimating the policy and environmental factors most associated with entrepreneurial success; comparative analysis of the Top-20 metropolitan regions; and qualitative case studies and interviews illustrating how founders and ecosystem leaders foster new business formation, growth, and capital access. The Top 20 metros were selected based on income and number of businesses created to capture both the scale and quality of entrepreneurial success. For the top-performing metropolitan regions, we supplemented our analysis with Crunchbase data, overlaying venture capital investment amounts and deal counts for firms classified within high-growth sectors. (See more on Page 14.)

Our commitment

ARIE is committed to methodological transparency, plain-language communication, and collaboration with local leaders. We will continue to refine our measures, publish what we learn, and elevate practical steps that help more founders from emerging communities and resource-limited areas thrive in the places they call home.

WHAT ARIE STUDIES

We analyze how four structural factors interact to influence entrepreneurial outcomes across U.S. metros:

CAPITAL

Early-stage risk capital (e.g., angels), small-ticket/expansion finance (e.g., 504-style lending), and the navigators that help founders move through a capital continuum.

EDUCATION

The role of R1 universities, community colleges, and applied entrepreneurship programs in converting knowledge to firms and talent to teams.

RELOCATION

Domestic and international talent flows, and the housing, transit and narrative conditions that make those flows usable to startups.

POLICY

State and local environments that enable entrepreneurship, from lender channels and procurement to accountable innovation mechanisms.

Together, these forces create a flywheel: **Capital × Education × Relocation × Policy** reinforce one another, accelerating growth when they are both present and navigable.

Executive Summary

Across eight case-study metros (within a Top-20 analysis), a clear pattern emerges: regions that intentionally support founders in connecting to customers, capital, and community move more swiftly from ideas to jobs. The strongest ecosystems don't depend on a single solution: They operate a five- part playbook and share a unified narrative so others can engage and build alongside them. Many metros are already investing in parts of this model; far fewer have yet developed the communications capacity to make wins and wayfinding visible across the ecosystem.

Below are themes consistent with the regional ecosystems that have outpaced peers in the proportional number of early-stage companies that grew in valuation and employment, even among macroeconomic headwinds and volatility.

Key Terms

- **ECOSYSTEM:** The metaphor from biology is commonly used in place-based economic development circles to describe the dynamics that best support entrepreneurial activity: overlapping and self-organizing "species" of various size and function.
- **ECONOMIC DEVELOPMENT ORGANIZATIONS (EDOs):** Entities, typically either governmental or quasi-governmental, charged with business and talent attraction, workforce development and/or other place-based economic growth
- **ENTREPRENEUR SUPPORT ORGANIZATIONS (ESOs):** Nonprofits, accelerators, incubators, and other entities that provide resources, mentorship, training, and connections to help entrepreneurs start and grow their businesses.
- **R1 RESEARCH UNIVERSITY:** This is a designation from the Carnegie Classification of Institutions of Higher Education. These institutions are defined by awarding at least 70 research doctorates annually and spending at least $50 million on research.
- **504 LOAN:** A longstanding long-term, fixed-rate financing tool developed by the U.S. Small Business Administration that supports small businesses to purchase major fixed assets like real estate and equipment. In our analysis, thriving ecosystems had a disproportionately high number of these, typically originating with a series of local advisers.

Common Themes Among High-Performing Ecosystems

CAPITAL

Homegrown investor communities, exchanges with venture capitalists from financial hubs and modernized programs to access traditional lending (including engaging bankers and the Small Business Administration). Matchmake between entrepreneurs and established business to normalize procurement-as-validation and support navigation to the right financial instrument

Our Top 20 regions represent more than 60% of all formally-recognized angel groups in the country

EDUCATION

Turn education density into company density. Connect research universities, community colleges, and applied learning programs directly to angels and employers, ensuring coursework leads to customers, not just credits.

Each of our Top 20 regions have existing higher education pipelines and/or formal collaboration from community colleges to an R1 research university

RELOCATION

Matching how people get to an ecosystem (tourism, university, events) with what keeps them there (cost of living, immigration policy and community). Consider on-ramps and tools for on-boarding new entrants.

Each of our Top 20 regions have either strong domestic inflows, or strong international demand, including from higher education and visa programs

POLICY

Statewide pro-entrepreneurship coalitions, alongside county and municipal level policy support, that focus on making it easier to start, stop and expand businesses.

All of our Top 20 regions identify some sustained, pro-entrepreneurship legislative focus at the state level, and commonly with local coordination

FLYWHEEL EFFECT

When **Capital × Education × Relocation × Policy** all click, with a communications strategy to ensure others know about it, networks accelerate the loop: angels co-invest with university mentors, procurement validates products, debt expands facilities, and policy lowers friction. A light but durable **communications function**, with shared data + success stories, keeps the flywheel spinning.

Introduction: Why Geography Matters

The place-based nature of entrepreneurial ecosystems

Entrepreneurship happens somewhere. Markets, mentors, lenders, educators, and policymakers are not abstractions; they are people and institutions arranged in **places**. Geography shapes how quickly a founder can learn, test, hire, and finance growth. Our work shows that outcomes are not randomly distributed: they follow patterns tied to local **structures**: the density of education assets, the mix of industries, and the policy environment that either lowers or raises the cost of taking entrepreneurial risk. Specialization alone is **not** destiny; access and navigation determine whether local strengths translate into firm creation and durable jobs.

Our focus on venture-aspiring entrepreneurs

This report centers **venture-aspiring entrepreneurs**, founders building resilient, innovation-led companies who may pursue venture capital when it fits their model, market, and timing. We track signals that matter to these founders and to communities: **income gains from business ownership, quality job creation and equitable access to capital and customers**. This lens keeps us grounded in the lived reality of company building and broadens the on-ramp into the innovation economy.

Building on our 2024 state analysis to focus on city/regional insights

In 2024, [we analyzed the role states play] in enabling entrepreneurship and identified policy and structural patterns associated with success. This year we zoom in to metropolitan regions, where entrepreneurs experience support (or frictions) most directly: warm handoffs, supplier access, facilities to scale, and lender/investor readiness. We use a Top-20 set of metros for comparability and developed eight ecosystem profiles to demonstrate actionable pathways that other places can adapt.

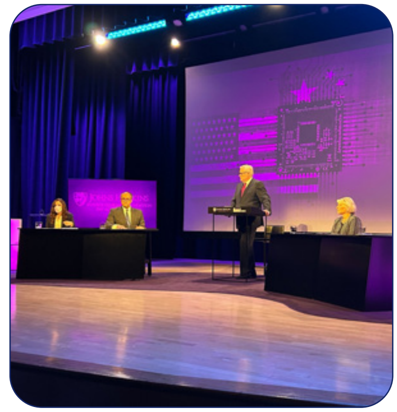
From income-based success to venture readiness

We adopted an **income-based metric of entrepreneurial success** to capture whether a metro creates the conditions for founders to reach sustainable earnings through business ownership. These conditions, paired with early risk capital and scalable expansion finance, form the groundwork for **venture readiness**. In other words: when founders can translate revenue into reliable income and reinvestment, the option set for venture financing expands, and access to institutional capital becomes more equitable.

Why Geography Matters (continued)

Structural factors that shape entrepreneurial success

We examine three core structural drivers and how they interact:



EDUCATIONAL ATTAINMENT

Research universities (R1s), community colleges, and applied entrepreneurship programs supply talent, credibility, and know-how. Where these institutions are networked with angels, lenders, and employers, knowledge converts to firms more quickly.

INDUSTRY COMPOSITION

Legacy strengths (e.g., healthcare, energy, logistics, software) create customer demand and supplier networks. But without navigable capital and talent pipelines, specialization stalls. With them, industry depth accelerates firm formation and scale.

PUBLIC POLICY FRAMEWORKS

State and local approaches (lender channel design, procurement access, incentives, land-use and transportation, accountable innovation mechanisms) either reduce or compound frictions for new and growing firms.

Relocation and mobility amplify (or constrain) all three: Talent inflows are only useful when housing, transit and welcoming networks make them usable to startups, and easy-to-find information makes them accessible.

Together, these elements frame the core question of this report: What does it take for a metro to become a place where more founders can reliably start, grow, and finance high-growth firms, and how can communities build those conditions on purpose?

Key Findings

This section summarizes what the data and fieldwork jointly suggest about what reliably moves the needle for venture-aspiring entrepreneurs at the metro level. We pair quantitative patterns with practitioner insights and highlight design choices that communities can adapt. (Metro-by-metro details appear later in the report; here we keep the focus on cross-cutting takeaways.)

Themes

1 CAPITAL

High-performing metros don't wait for capital to arrive, they grow it from within. Angels are the spark and scaffolding of these ecosystems: the early believers who write the first checks, mentor the next generation, and model how local wealth can recycle into new opportunity. Their presence creates the connective tissue between founders and the broader continuum of capital, from community lenders and SBA programs to institutional investors and coastal VC hubs.

When angels lead, metros learn to blend risk and resilience: targeted convenings with national funds expand reach without surrendering control, while modern lending and procurement-as-validation models give founders the runway to scale responsibly.

The future belongs to regions that see capital not as a series of silos, but as a shared continuum of belief, where grants, loans, angels, and venture each build upon the other to turn potential into permanence.

2 EDUCATION

Winning regions treat education as an ecosystem with strength at both ends of the barbell. At one end, R1 research universities generate ideas, credibility, and research-driven innovation; at the other, community and technical colleges cultivate applied skills, local insight, and a diverse talent pipeline ready to build and scale. Together, they form the anchors of entrepreneurial mobility; each essential, neither sufficient alone.

Themes (continued)

Between them sits the connective layer: accelerators, ESOs, and workforce programs that translate knowledge into ventures, and ventures into jobs. The multiplier comes from coordination, capstone projects that become customers, alumni angels linked to labs, apprenticeships that flow into growth firms.

Winning regions take the widest possible view of talent: they celebrate four-year degrees and stackable credentials alike, and invest in nontraditional pathways that produce founders, operators, and early hires. When institutions share playbooks and pipelines, knowledge converts into firms faster, and more people gain access to the innovation economy.

3 RELOCATION

Every metro has a front door, whether tourism, universities, military bases, conventions, sports or festivals, and a reason to stay: livability, community, immigration pathways, cost of housing. Strong ecosystems intentionally connect the two.

That means on-ramps and onboarding: newcomer meetups, talent concierge services, visa/legal support partners, and employer/ESO handoffs that plug people into teams quickly. Treat relocation like product marketing: understand who arrives, why they came, and what frictions make them leave.

Pair attraction with belonging (neighborhood anchors, affinity networks, family supports) so talent becomes residents, then founders, then employers. The goal isn't just net in-migration; it's usable inflow that strengthens startups' hiring, sales, and leadership pipelines.

4 POLICY

Winning regions treat policy as the operating system for entrepreneurship—and they build it with founders in mind from the start. In top-performing metros, every major legislative or regulatory conversation—whether about zoning, taxes, procurement, or transit—is filtered through a shared question: How will this affect the entrepreneurs who drive our region's growth?

Pro-entrepreneurship coalitions align permitting, procurement access, capital channels, and land-use rules so starting and scaling is simpler. Counties and cities make it tangible through one-stop small business offices, streamlined licensing, vendor diversity programs, predictable timelines, and data sharing with ESOs and lenders.

Themes (continued)

The most effective playbooks pair elected officials and agency staff with operators, accelerators, capital allocators, universities, so rules translate into outcomes. They measure approvals, capital flow, square footage, and jobs created, not just press releases. Durable governance structures and multi-year policy cadences prevent initiatives from stalling at the pilot stage, while public dashboards keep accountability and momentum visible to all stakeholders.

In short: top MSAs embed entrepreneurship into the policymaking DNA, not as an agenda item, but as a standing lens for every decision that shapes economic opportunity.

5 FLYWHEEL EFFECT

When **Capital × Education × Relocation × Policy** click, and a light, consistent communications layer tells the story, the network compounds. Angels co-invest with university mentors; procurement validates products; right-sized debt expands facilities; policy lowers friction; talent inflows find teams; and local media, calendars, and briefings keep everyone rowing together. The result isn't just high growth; it's high access: more founders know where to go, more investors see credible deal flow, and more institutions can say yes. Fund the flywheel and tell the story with intent: match people with data, publish case studies, brief customers and investors, and hold a monthly ecosystem call. Consistency beats heroics.

Top Cities and Regions

This report focuses on U.S. regions that have seen higher rates of growth in venture-backable, high-growth startups than their peers, especially those led by Black, Hispanic, and women founders. To compare metros on a common footing, our researchers converted each of four entrepreneurship-success metrics into a **z-score** (how many standard deviations a community sits above or below the mean) and then averaged those scores, first within each demographic group and then overall. The four entrepreneurship-success metrics averaged were:

- **Successful Founder Share of Workers:** Among all workers in a demographic group, the share earning more than the (cost-of-living-adjusted) national median income from owning an incorporated business.
- **Successful Founder Share of Business Owners:** Among incorporated business owners in a demographic group, the share earning more than the (cost-of-living-adjusted) national median income from that ownership.
- **Worker Entrepreneurship Equity Ratio:** For a demographic group, the ratio of its Successful Founder Share of Workers to the same share for a benchmark group (white, non-Hispanic for Black/Hispanic; male for women).
- **Business Owner Entrepreneurship Equity Ratio:** For a demographic group, the ratio of its Successful Founder Share of Business Owners to the same share for the benchmark group (white, non-Hispanic for Black/Hispanic; male for women).

Following is a table with the 20 regions that performed highest in this analysis. From these 20, we selected eight for deeper narratives, which appear in Section 3. The table also includes each region's national ranking in two other categories: count of venture capital deals and the total amount of venture capital invested into firms in these markets. This demonstrates that, though relevant, the raw amount of VC investing, though widely celebrated, does not directly correlate with our analysis.

Top Cities and Regions (continued)

Table: Regional performance in venture-backable entrepreneur success does not correlate directly to VC performance

ARIE RANK	MSA	NO. OF VC DEALS	AMOUNT OF VC CAPITAL
1	Albany–Schenectady–Troy, NY *National rank:*	111	95
2	Austin–Round Rock, TX	6	6
3	San Diego–Carlsbad, CA	17	7
4	San Francisco–Oakland–Hayward, CA	1	1
5	Pittsburgh, PA	37	23
6	Atlanta–Sandy Springs–Roswell, GA	44	45
7	Charlotte–Concord–Gastonia, NC–SC	96	75
8	Columbus, OH	53	36
9	Seattle–Tacoma–Bellevue, WA	12	11
10	Baltimore–Columbia–Towson, MD	60	62
11	Virginia Beach–Norfolk–Newport News, VA–NC	180	171
12	Riverside–San Bernardino–Ontario, CA	229	197
13	Los Angeles–Long Beach–Anaheim, CA	14	18
14	New Orleans–Metairie, LA	117	126
15	Richmond, VA	61	63
16	Minneapolis–St. Paul–Bloomington, MN–WI	48	47
17	Washington–Arlington–Alexandria, DC–VA–MD–WV	32	25
18	Orlando–Kissimmee–Sanford, FL	85	70
19	Portland–Vancouver–Hillsboro, OR–WA	36	46
20	Kansas City, MO–KS	77	73

Venture Readiness and Structural Drivers

Across the Top-20 metros, **income-based entrepreneurial success** and **venture readiness** rise when:

- Founders can progress along a **capital continuum** with trusted navigation.
- Education assets are **plugged into** capital and employer demand.
- Talent inflows are **made usable** by housing/transit and welcoming networks.
- Policy is **durable** and paired with operators who execute.
- A **flywheel effect** takes place with light coordination between these efforts, and a means for others to identify programs, resources and local identity via an information provider.

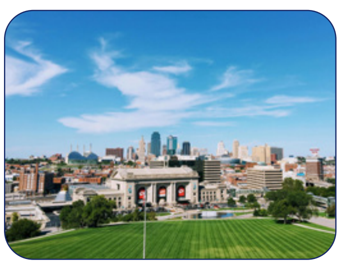
We present these relationships visually and, where appropriate, note correlations and effect directions; detailed methods appear in Section 2.

City & Regional Spotlights

In Section 3, we profile eight ecosystems that each stand in for a broader lesson (e.g., research-anchored growth with capital access and readiness; workforce development and entrepreneurship support via community college and other well-communicated programming; statewide coalitions formed by aligning on capital and policy). Each profile concludes with a collective next goal communities can adapt.

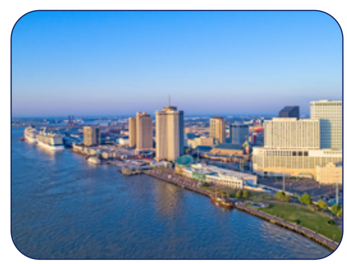
COLUMBUS, OH

KANSAS CITY, MO–KS



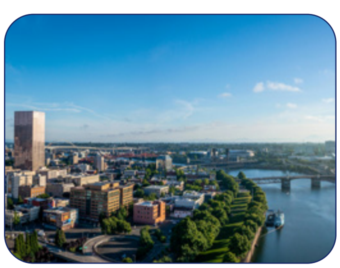
MINNEAPOLIS–ST. PAUL–BLOOMINGTON, MN–WI

NEW ORLEANS–METAIRIE, LA

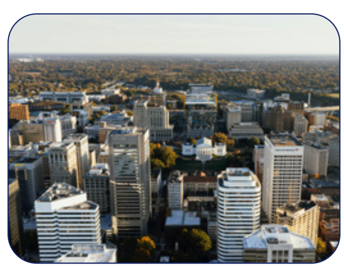


PITTSBURGH, PA

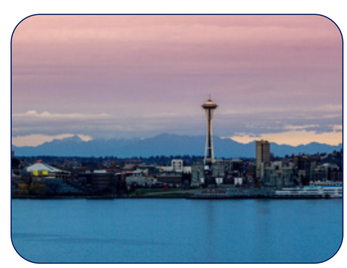
PORTLAND–VANCOUVER–HILLSBORO, OR–WA



RICHMOND, VA



SEATTLE–TACOMA–BELLEVUE, WA



RESEARCH METHODOLOGY

Our Predictive Model

This section describes the empirical approach used to identify the policy and environmental factors most closely associated with entrepreneurial success across U.S. metropolitan regions. It reflects the methodological choices shared by our research partners and uses language consistent with prior VEP reporting.

Data Sources

The model and descriptive analyses draw from the following sources:

- U.S. Census Bureau American Community Survey (ACS)
- Crunchbase Venture Capital data
- Quorum policy analysis, among related policy datasets

Additional partner datasets support education, migration, and ecosystem context where relevant.

Metropolitan Statistical Area (MSA) Selection Criteria

Analyses focus on a set of U.S. MSAs meeting coverage and quality thresholds suitable for cross-metro comparison. The Top-20 metros are highlighted throughout the report for consistent reference.

Defining Income-Based Entrepreneurial Success and Venture-Aspiring

We developed an income-based metric for entrepreneurial success. This approach is based on our hypothesis that a healthy entrepreneurial environment begins by enabling business owners to achieve higher incomes through business ownership. By establishing conditions in which entrepreneurs can reach income stability and growth, metros create the groundwork for eventual venture capital attraction. This report emphasizes venture-aspiring entrepreneurs: founders building innovation-led firms who may pursue venture financing when appropriate.

Analytical Approaches

- Structural Factor Assessment Framework
- Geographic Variation Analysis

Limitations and Considerations

Methodological choices, data availability, and comparability across geographies introduce limitations that are noted in context throughout the report. Interpretation should be guided by the emphasis on explainability and the use of multiple, complementary analytical approaches.

Factors

This section distills the structural factors most associated with metro-level entrepreneurial success, translating insights from the predictive modeling and the 2024–2025 case-study corpus into design choices communities can act on. Each factor includes: (a) what we see in the data/field, (b) a design principle, (c) indicative measures to track and (d) example actions adapted from ecosystems in practice.

1) Capital Access & Navigation

WHAT WE SEE

Metros that perform well combine early risk capital (angels/sidecars/pre-seed) with small-ticket/expansion finance (e.g., 504-style lending, growth lines). Founders move faster when navigation is visible: warm handoffs across ESOs, lenders, and angels; procurement used as non-dilutive validation; and blended public–private capital. Different regions have different strengths and weaknesses in the capital stack, from personal networks to bank lending to venture capital and private equity. To encourage accessibility, information providers must be in place to help wayfinding through existing programs and resources.

DESIGN QUESTION

How might we build a capital continuum that is navigable? How might we help communities recognize demand and procurement as powerful forms of investment, and build shared data tools to unlock them for founders?

INDICATIVE MEASURES

Angel group presence and activity; approval/closing rates for small-ticket loans; time-to-capital; share of firms validated via procurement pilots; navigator case throughput.

EXAMPLE ACTIONS

Stand up capital navigator guilds; formalize angel–lender referral loops; launch procurement sandboxes; pair facility finance with job-creation milestones; pilot fee buy-downs tied to outcomes. High-functioning public-private partnerships are especially adept at responding to regional gaps.

Factors (continued)

2) Support & Ecosystem Infrastructure

WHAT WE SEE

Intentional density, both physical and programmatic, raises collision rates in spread-out metros. The "ecosystem" metaphor is used for a reason: Differently sized species of organizations that at-times overlap work together. No one organization dominates but many hands row toward a unified goal of shared prosperity. Regional conveners coordinate across institutions; scalable models extend to rural/micropolitan communities, including collective narrative and identity building.

DESIGN QUESTION

How might we invest in places and platforms that spark more connections and reduce the time it takes founders to find what they need? How might we use storytelling to make entrepreneurial pathways clear and strengthen a shared regional identity?

INDICATIVE MEASURES

ESO network coverage; facility utilization; inter-org referral velocity; rural/micro participation; founder satisfaction with navigation.

EXAMPLE ACTIONS

Hub-and-spoke programming; shared services (legal, sales ops); regional calendars; micropolitan satellite cohorts; common intake + triage.

3) Policy & Programs

WHAT WE SEE

Policy lowers (or raises) the cost of starting and scaling. Durable multi-year cadences, accessible lender channels, procurement access, and accountable equity mechanisms improve throughput from pilot to scale.

DESIGN QUESTION

How might we pair clear state-level signals with regional operators to align resources, priorities and actions?

INDICATIVE MEASURES

Policy adoption and renewal rates; lender channel throughput; procurement pilot-to-contract conversion; permitting/space timelines.

EXAMPLE ACTIONS

Supplier diversity compacts; fee buy-downs; land-use/space activation for scale-ups; standardized data-sharing and accountability dashboards.

Factors (continued)

4) Access & Opportunity

WHAT WE SEE

Metros prosper when a higher share of their residents get a chance to reach their economic potential. Local data analysis can spot particular gaps, and programs and policies should respond to them. Workforce and economic development strategies, and ecosystem-style entrepreneur support programming, are most effective when aligned with state and local policy. Capital access and entrepreneur programming relates to pro-entrepreneur policies on occupational licensure, non-compete agreements, early-childhood education and parental leave.

DESIGN QUESTION

How might we create measurable, relationship-rich systems that make entrepreneurial access easy to see and navigate?

INDICATIVE MEASURES

Demographic shares in applicant pools and awards; warm-intro conversion; childcare/re-entry program uptake; inclusion KPIs for capital programs.

EXAMPLE ACTIONS

Community-based capital navigators; childcare stipends for accelerators; re-entry lending products; targeted warm-intro platforms; founder councils for feedback; strategies for reinforcing who benefits from these programs.

Factors (continued)

5) Measurement & Evaluation

WHAT WE SEE

Metros advance faster when they track ecosystem-level numbers, not just program outputs, and integrate continuous learning (e.g., CRM-based performance systems), and ensure key stakeholders know about these outcomes with a communications strategy.

DESIGN QUESTION

How might we close the feedback loop between policy actions and outcomes to understand what accelerates growth?

INDICATIVE MEASURES

Jobs per $ financed; contract conversion; time-to-first-customer; longitudinal firm survival and revenue; portfolio diversity.

EXAMPLE ACTIONS

Shared KPI frameworks; centralized CRM for ESOs; quarterly learning reviews; public dashboards. Pick numbers to move and then transparently track progress toward them over time.

6) Innovation, Education & Research

WHAT WE SEE

Education density (R1s + community colleges + applied entrepreneurship) accelerates knowledge-to-firm conversion, especially when linked to angels and employers. This includes improved tech-transfer strategies to commercialize applied sciences and emerging technologies and support for taking industry-specific insights to market in new firms.

DESIGN QUESTION

How might we close the loop between universities, angels, employers, and customers to strengthen local innovation cycles?

INDICATIVE MEASURES

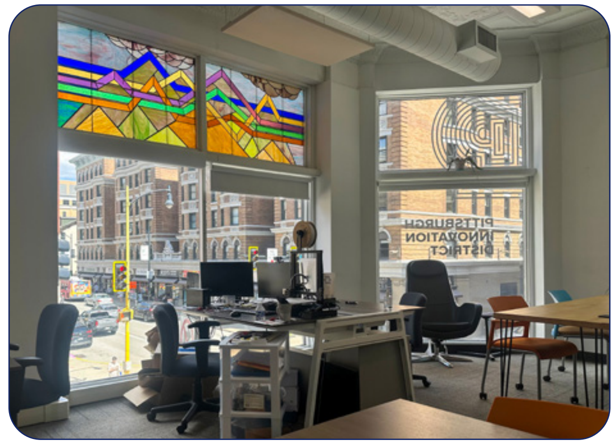
Capstone-to-company rates; alumni angel activity; internship-to-hire; industry-academic MOUs; SBIR/STTR wins.

EXAMPLE ACTIONS

University-embedded angel networks; expand career and technical education, apprenticeships and earn-and-learn models, with entrepreneurship as a pathway; sector consortiums with buyer commitments; communications strategies that share ideas across institutions.

Factors (continued)

7) Social Capital & Network Density



WHAT WE SEE

Warm-intro tech (“common-app” for investors), public innovation challenges, and coalition governance increase institutional as well as individual connectivity.

DESIGN QUESTION

How might we build dense, inclusive networks that lower barriers to entry and deepen shared trust?

INDICATIVE MEASURES

Time-to-mentor; intro acceptance rates; cross-org board participation; coalition attendance and outputs.

EXAMPLE ACTIONS

Region-wide warm-handoff protocols; investor common-app; open challenge series tied to procurement; rotating leadership councils.

8) Hybrids & Cross-Overs (Design Notes)

Some practices sit at the intersection of factors and are worth naming explicitly: evergreen financing (capital + policy), procurement-as-capital (capital + support), angel-university embeddedness (capital + education), knowledge sharing (data gathering + storytelling) and policy-philanthropy fusion (policy + inclusion). Identifying and operationalizing these hybrids is often where metros gain the most momentum.

ECOSYSTEM PROFILES

We started by scanning nearly **250 of the country's largest regions**, then zeroed in on 20 that were most dynamic by the numbers: research and development, new business formation, and capital put to work. From there, **we chose eight that illustrate different paths to economic vitality**. They're not the biggest, nor the "top" in some tidy ranking. Each has blind spots, like any place. But each has something to teach, both in the data and in how they're building their ecosystems. Informed by dozens of interviews and deeper analysis, the case studies that follow spotlight eight U.S. metros, the lessons others can borrow and examples of the practical steps communities can take next.

(Metro ordering is alphabetical.)

Columbus, OH

INSIGHT FOR OTHERS

The Ohio State University's (OSU) research gravity plus Columbus's density create a customer-rich, talent-ready metro where founders can validate with nearby buyers first and then scale, pairing predictable small-ticket/504 finance with angels and venture as traction builds.

EXAMPLE ACTIONS TO TAKE

- Formalize a **"504 → Angel → Venture"** handoff from OSU commercialization into banks/CDFIs and local angels, with clear timelines from approval to first customer and facility/equipment readiness.
- Run **structured investor roadshows** (NYC, SF, Chicago, LA) while cultivating **evergreen, locally controlled funds** and LP education so more capital compounds in-state.
- **Wire OSU to startups:** expand internships, first-hire pipelines and founder-in-residence roles linked to the Center for Software Innovation and campus pitch programs.
- **Scale inclusive finance:** back CDFI tools (lines of credit, debt-rescue refinancing) and fund navigation roles that make warm handoffs, not just more programs.
- **Safeguard equitable procurement** and lower day-to-day barriers (e.g., childcare stipends, professional services vouchers) so underestimated founders survive to become employers.
- Keep knitting Columbus, Cincinnati, Cleveland and peers via shared intake, convenings, and mobility so wins amplify across city lines.

Columbus (continued)

Narrative

Columbus competes on demand, proximity, and story. Decades of growth inside city lines have yielded a denser core and more customers within reach, now reinforced by an active downtown housing pipeline and more than $1B in mixed-use development. Layer in Ohio State University's pull and retention, and the region benefits from steady inflows of talent, especially international, at a scale many Midwest peers can't match. The on-the-ground playbook is consistent: customers first, capital second.

That customer access isn't theoretical. Across healthcare, retail, manufacturing, higher ed and a budding aerospace cluster, founders can build with real buyers early.

"If I were to score Columbus on the three biggest contributors to scale: access to capital, access to talent and access to customers," Techstars Columbus Managing Director Tim Grace put it: "Columbus is a one and a half right now."

Customers are strong and talent is growing. Capital, and a reputation for innovation which can attract more of it, lags behind, he said. The second engine is founder-led flywheels.

"The strongest belief that I have about startup ecosystems is that they are led and driven by founders. They reinvest that success back into the ecosystem," Grace said. " What I'm seeing in Columbus is that... the percentage of founders who've had success here and are actively working to build the ecosystem is extremely high."

That give-back culture shows up in mentoring, angel checks, and repeat company-building that keep experience circulating locally.

A third, equally important engine: inclusive, tool-based finance that keeps underestimated entrepreneurs alive long enough to hire and contribute to the very customer base that powers Columbus. Freedom Equity, a Black-led CDFI launched in 2022, pairs founder-friendly term loans (minimum credit score 550, no time-in-business requirement) with navigation and technical assistance.

In just over a year, it deployed $3.5M to 60 borrowers, added a debt-rescue product that can cut predatory rates to ~10% (now ~10% of its portfolio), and helped one business owner save ~$3,000/month by refinancing out of merchant cash advances.

Columbus (continued)

"We always put unreal expectations on small businesses," said Freedom Equity President/CEO J. Averi Frost, of traditional financial services. "They need tools and access, not just more programs."

And on corporate engagement: "We need corporations to invest not just money, but people power," Frost said. "Programs like JPMorganChase's Force for Good have been invaluable."

Put together, Columbus's edge right now is its capacity to keep knitting the region so growth compounds: statewide connectors that amplify wins, university-adjacent infill and zoning modernization that let graduates live near customers and labs, and practitioner-led models that convert first customers into first hires and first angels. Close the scale-stage (Series A+) gap and deepen specialized tech talent (notably AI), and the metro's customer-rich advantage accelerates. Ensure the message gets out to a wider audience.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Series A+ scarcity:** many founders still raise outside the region.
- **Specialized tech-talent depth:** especially AI, relative to growing demand.
- **Program proliferation without wayfinding:** real navigation/search costs in-ecosystem and statewide.

STRENGTHS OTHERS CAN BORROW

- **Founder-led flywheels:** exits recycle into mentoring, connecting, investing.
- **Customer access across diverse industries** for first revenue and validation.
- **Statewide "amplifier" model** (connect, promote, advocate) to reduce silos.

PLACE-SPECIFIC PRIORITIES

- Bind **Columbus, Cincinnati, Cleveland and peers** with a common entry and referral hub, shared convenings, and mobility.
- Grow **evergreen, locally controlled capital** to hold scale-ups through growth.
- **Safeguard inclusive finance** and expand equitable procurement to counter predatory products.

PEER RESEMBLANCE: NASHVILLE, TN

Business-led alignment and steady in-migration, yet with denser urban infill and a larger flagship-university anchor.

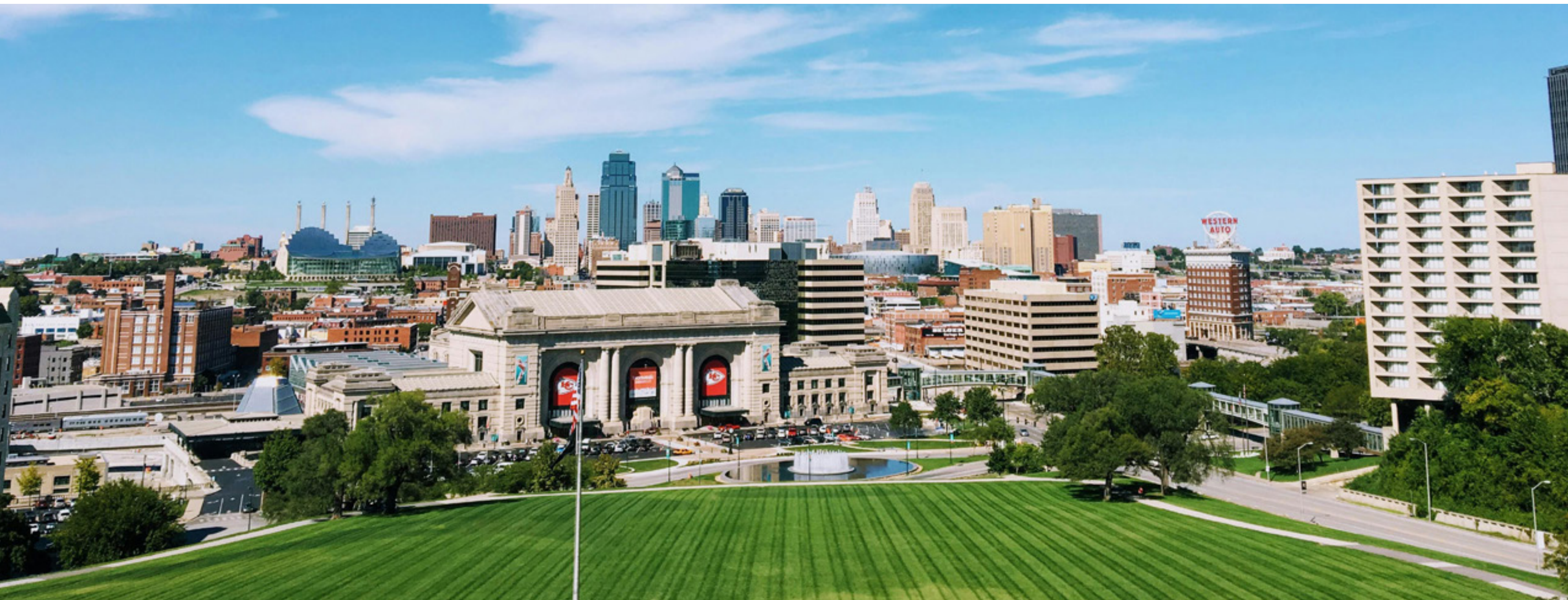
Kansas City, MO-KS

INSIGHT FOR OTHERS

A philanthropy-primed city with a lean but muscular public node (KC BizCare) and a deep bench of Main Street builders has built a small-bets playbook that moves many founders to first revenue, yet a missing friends-and-family/angel rung slows scale.

EXAMPLE ACTIONS TO TAKE

- Stand up a **philanthropy-backed 504 fee buy-down** and capital referral hub that stitches ESOs → angels → banks/CDFIs; expand **Kiva 0% loans with local match** and savings-match programs.
- **Streamline permitting and temporary vending**, publish vendor-readiness checklists, and implement flexible outdoor-dining rules so big events like **World Cup 2026** turn into vehicles for local business and microbusiness growth.
- **Align curricula with lender requirements** and fund wayfinding/navigation so “warm handoffs” actually travel across the bi-state metro.
- **Back AltCap-style inclusive finance** (microloans, revenue-based financing, sector funds) and organize a coalition for a **state CDFI fund** in Missouri.
- Use grantmaking partnerships (e.g., with CDFIs/EDAs) to work around state limits on direct city funding; **embed technical assistance** in every capital program.



Kansas City (continued)

Narrative

Kansas City competes by making small bets at scale. The civic habit is clear: City Hall as a node, philanthropy as a multiplier and small-dollar capital as a first step, especially for microbusinesses and neighborhood retail.

KC BizCare sits at the center of that approach. Operating from City Hall with a lean team, the office pairs compliance help with capital access and policy fixes.

“We really try to target the businesses that don’t have that influx of capital, especially starting out,” said Division Manager Janá Wagner. “Our goal is to help them leverage the grants we provide to build banking relationships and open up access.”

One visible tool is the Kiva Kansas City hub. Kiva, the international nonprofit microfinance lender, offers 0% loans, which BizCare matches 4:1.

Beyond capital, BizCare’s marketplace events, outdoor-dining grants and a World Cup 2026–ready business checklist signal a public office using procurement and permitting as growth levers. “Kansas City has a strong microbusiness ecosystem,” Wagner said. “Our job is to create opportunity, remove friction, and advocate for what our businesses really need.”

On the financing side, AltCap fills gaps traditional lenders won’t. Policy and Advocacy Coordinator Miles Zeller noted that many clients arrive after multiple bank denials, “six, seven, even ten times, ”yet go on to become “real community anchors.”

The model blends microloans, revenue-based financing for seasonal revenues, sector-specific funds for Minority Business Enterprise/Women Business Enterprise contractors and creatives, and culturally embedded outreach.

“We get a lot of people applying for loans that don’t really know what a credit score is,” Zeller said. That’s why AltCap relies on ESOs for first-touch education and loan-readiness, then tailors products to how businesses actually operate.

Kansas City (continued)

Together, these public-sector and CDFI muscles move many founders to first revenue. The bottleneck is the first-money rung (friends-and-family and true angel checks) plus the navigation costs of a spread-out, bi-state metro. The fix is less another class and more connective tissue: lender-aligned curricula, shared intake, and matched small-dollar capital that ladders into bankable growth.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Missing first money (friends-and-family/angel)** stalls promising founders.
- **Traditional finance misfit** for underestimated entrepreneurs; CDFIs backfill but capacity is finite.
- **Too many classes, not enough loan-readiness;** curricula aren't always aligned to lender asks.

STRENGTHS OTHERS CAN BORROW

- **City Hall as ecosystem node:** KC BizCare couples navigation, **Kiva 0% with 4:1 match**, grants, and policy advocacy.
- **Philanthropy as force multiplier:** dense foundation landscape funding ESOs/CDFIs and convenings, playable in mid-market metros.
- **Inclusive, sector-savvy CDFI tools:** AltCap's microloans, revenue-based financing, and contractor/creative funds.

PLACE-SPECIFIC PRIORITIES

- **Design for a spread-out metro:** cross-state coordination, with collaborative sharing and an accessible communications strategy, curricula aligned with lender priorities.
- **World Cup 2026 readiness without red tape:** streamline temporary vending, outdoor dining, and short-term lodging so microbusinesses can win in 2026.
- **Close the state-level capital gap:** organize for a Missouri CDFI fund; expand matched Kiva and fee buy-downs.

PEER RESEMBLANCE: BUFFALO, NY

Mid-market ambition, convening-heavy playbook, and interest in formal "friends-and-family accelerator" concepts.

Minneapolis–St. Paul–Bloomington, MN–WI

INSIGHT FOR OTHERS

From an HQ town with sector depth to a first-check market: backbone conveners (Greater MSP/ Forge North), responsive capital with wraparound services (ConnectUP!), and growing corporate connectivity are breaking down silos, yet Series A/B and local exits still lag.

EXAMPLE ACTIONS TO TAKE

- **Grow the top-of-funnel into outcomes:** recruit more Series A/B investors, celebrate and enable exits that provide local returns, and back a fund-of-funds strategy that lifts diverse emerging managers.
- **Scale responsive capital:** expand ConnectUP!'s integrated capital ($20K–$70K) with grant pairing, childcare support, and fractional executives to move founders from first to second and third investment rounds.
- **Train new angels** (women, Black, Hispanic, tribal, and corporate operators) and align ESO curricula with investor and lender requirements; use tools for shared navigation.
- **Corporate connectivity as a superpower:** formalize business development door-opening and pilot/procurement pathways in home-field sectors (medtech, ag/food, enterprise software).
- **Stand up ETA** (entrepreneurship-through-acquisition) pathways in North Minneapolis with formal technical assistance and patient acquisition capital; shorten procurement payment timelines for small vendors.

Minneapolis–St. Paul (continued)

Narrative

The Twin Cities punch above their weight. A dense concentration of major headquarters, a statewide culture of startup competitions and a habit of cross-sector collaboration give the region a built-in backbone.

That backbone is increasingly intentional. Greater MSP, through its Forge North initiative, plays the upstream convening role, aligning investors, corporates, and ESOs around market demand rather than duplicating programs.

“Our role is not to raise or deploy the capital, but to help others succeed,” said Matt Lewis, who emphasized that Greater MSP sits “upstream, designing the strategy, aggregating the demand, and connecting the right players so that solutions actually scale.”

On the capital front, ConnectUP! Institute is filling a nationally overlooked gap with flexible, mid-ticket finance wrapped in practical support. “We are providing capital between $20K and $70K,” said ConnectUP! CEO Y. Elaine Rasmussen. “We try to match every loan with a grant.”

The philosophy is to pair money with what makes money work (mindset coaching, childcare and fractional executive help) so founders can translate early wins into durable operations.

Corporate connectivity is the other lever. Local HQs and regional corporate venture groups are opening business development doors, pilot sites, and customer intros, which is critical for a market that still needs more growth-stage fuel. Practitioners note that this is how the region shifts from headquarters-led gravity toward venture-cycle maturity: pair first customers with the right kind of capital and talent, then convert pilots into repeatable revenue that attracts outside rounds.

Minneapolis–St. Paul (continued)

Equity work is getting more structural, too. Backbone efforts are targeting capital deserts in specific neighborhoods, while advocates push policy and procurement reforms that keep dollars circulating locally. The through-line is practical: reduce friction, coordinate the handoffs, and point inclusion efforts where the region already has demand signals.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Series A/B desert:** first checks are up, but growth-stage capital and local exits remain thin.
- **Legacy silos:** collaboration has improved, yet gaps persist between corporates, investors, and ESOs, which means the Twin Cities story isn't yet reaching outside Minnesota.
- **Capital mismatch:** responsive, mid-ticket finance ($20K–$70K) and patient acquisition capital are still scarce relative to need.

STRENGTHS OTHERS CAN BORROW

- **Backbone-first coordination:** Greater MSP/Forge North clarifies roles, aggregates demand, and speeds navigation.
- **Responsive capital with wraparounds:** ConnectUP!'s loans-plus-grants model, childcare, mindset coaching, and fractional execs.
- **Corporate–startup connectivity:** structured business development/pilot pathways that translate HQ presence into startup revenue.

PLACE-SPECIFIC PRIORITIES

- Convert the growing pipeline into **growth-stage outcomes**: recruit Series A/B, celebrate exits, and create incentives to keep talent and capital local.
- Aim equity investments at **home-field sectors** (medtech, ag/food, enterprise software) so underrepresented founders see and access demand.
- Take the **Twin Cities success on tour**, celebrating strengths and bringing in best practices from elsewhere in the country, via events, ecosystem idea exchanges and storytelling.

PEER RESEMBLANCE: DES MOINES, IA

Insurance gravity, corporate connectivity, underestimated founders; a practical peer for sector business development and capital stacking.

New Orleans–Metairie, LA

INSIGHT FOR OTHERS

Capital-efficient and culture-powered. New Orleans is wiring up a lean, traction-first venture posture that pairs inclusive procurement pathways and flexible debt with an emerging local VC thesis, yet the Series A wall and historic fragmentation still demand deliberate coordination.

EXAMPLE ACTIONS TO TAKE

- **Stitch procurement + capital readiness:** scale certification help, bid tracking, and co-located CDFIs so founders can win contracts and finance them without predatory products.
- **Anchor a local VC presence:** partner with funds backing capital-efficient founders, and formalize investor-relations touchpoints (open office hours, recurring roadshows) to keep capital proximate all year.
- **Build a bi-directional Gulf-South coalition:** standardize warm handoffs with regional partners to expand customers and co-investors beyond parish lines.
- **Publish shared wayfinding:** a common intake and referral map for lenders, ESOs, and corporates to reduce navigation costs for first-time founders.
- **Measure what matters:** track contract awards and debt graduation (from CDFIs to banks) alongside venture checks, not just program completions.

New Orleans (continued)

Narrative

New Orleans competes because its resilient culture builds companies that stretch every dollar. In a light Fortune 500 market with fewer nonstop VC flights, the city's operators focus on traction first: win the customer, then match the capital to the need. Their strength, as ever, is this region's vibrant, and beloved, culture.

Propeller turns that philosophy into infrastructure. The organization pairs procurement readiness with capital access, helping underestimated founders secure certifications, navigate bids and line up right-sized debt with co-located CDFIs. In 2024, Propeller's inclusive-procurement program helped 13 businesses secure $9.8M in contracts, and its Financial Wellness Collaborative supported entrepreneurs in accessing $1.78M in loans.

"We work with entrepreneurs to make sure they have the right certifications," said Jessica Allen, Propeller's CEO. "And we also work closely with the decision makers at a number of anchor institutions… to make sure we are aware of the opportunities."

The aim is practical: move more sole proprietors into employer firms.

On the venture side, Corridor VC is planting an institutional flag for NOLA and the Southeast. The fund backs disciplined, capital-efficient founders who prove it with traction, then scale to national markets.

"We look for capital-efficient founders who are still dreaming big and swinging big," said co-founder Kwamena Aidoo. "The Southeast doesn't need to replicate Silicon Valley. It needs to invest in what we already do exceptionally well and connect that to global markets."

The thesis meets the city where it is: founders validate locally, keep burn rates manageable, and raise with clearer paths to return.

New Orleans (continued)

Both procurement-led growth and capital-efficient venture attack the same constraint: scarce growth-stage fuel. Propeller's team notes that customized debt helps founders graduate to traditional finance, while Corridor's network connects local traction to national capital so companies can stay and scale. The through-line is reducing friction: fewer silos, more coordinated handoffs, and visible investor proximity so the Series A jump isn't a leap across the Gulf.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Series A "dead zone":** later-stage capital remains thin and often out-of-market.
- **Historic fragmentation:** trust and handoffs require persistent convening and shared navigation. New Orleans is an obvious front door for Louisiana, and beyond, but statewide coalition building is still nascent.
- **Credit/collateral barriers:** many founders still face predatory products without patient, right-sized debt.

STRENGTHS OTHERS CAN BORROW

- **Capital efficiency as thesis:** traction-first company building over spectacle raises.
- **Procurement + readiness flywheel:** certifications, bid support, and co-located CDFIs that customize debt and help firms graduate to banks.
- **Local VC posture:** an institutional fund focused on capital-efficient, local-to-global founders.

PLACE-SPECIFIC PRIORITIES

- **Formalize ecosystem governance:** a representative coalition with shared metrics, both for the region and statewide, to tell a shared story.
- **Create year-round investor proximity:** recurring roadshows, LP/VC residencies, and coordinated updates tied to major events.
- **Export business development:** structured customer intros across the Gulf-South to offset a light HQ base. Develop ecosystem exchanges in other parts of the country.

PEER RESEMBLANCE: BIRMINGHAM, AL

Capital-efficient operators, CDFI-driven procurement pathways, and a growing thesis for scaling regional founders in place.

Pittsburgh, PA

INSIGHT FOR OTHERS

A region that changed its story from legacy steel to robotics/AI and energy now sits at a connect-the-dots moment: gritty founders, research depth, and community finance are in place, but the capital middle ($3M–$10M) and a single front door remain the missing links.

EXAMPLE ACTIONS TO TAKE

- **Tighten the middle:** stand up a Middle Capital Consortium to co-invest $3M–$10M rounds with Midwest partners; align angels, banks, and CDFIs on a shared handoff.
- **Create a Regional Front Door:** one intake/triage for tech, Main Street, and creative; cut "mentor shock," publish lender/investor-ready checklists, and route warm handoffs.
- **Systematize corporate pilots:** incentivize anchors (PNC, Westinghouse and peers) to run recurring pilots and procurement paths for local startups and creative firms.
- **Broaden early rungs:** partner on community capital/crowdlending to bridge to bank/SBA; pair loans with technical assistance so more founders "graduate" to traditional finance.
- **Measure inclusion:** track capital flows by race and sector; reward joint outcomes across ESOs rather than siloed program counts.

Pittsburgh (continued)

Narrative

Pittsburgh's narrative shift is real. Outside the region, fewer people lead with "steel"; more mention robotics, AI, and energy. This was an intentional strategy that is working, and should continue.

The building blocks are here: seed and angel investing, world-class research at Carnegie Mellon University and the University of Pittsburgh, and mission lenders pairing capital with capacity. The next rung requires tightening the $3M–$10M middle and giving founders a single, trusted front door.

Pennsylvania is a wide state, and with limited infrastructure tying it together, Pittsburgh can lean into being a bridge between the industrious Midwest and the capital-rich mid-Atlantic.

"In the Midwest we know that no single firm can carry the water alone, so we band together. We share deals, have quarterly check-ins, and co-invest," said Lindsay Fairman, representing the venture side via BlueTree VC.

She added that today's attention is decades in the making: "Pitt's life sciences and CMU's robotics and AI labs have been growing since the 1980s. Uber came in 2016 because of that foundation."

Institutional strength, which tends to centralizing closed networks, has meant even the region's intentional ecosystem development is ongoing.

"People end up at different agencies, bankers or meetups. But no, there's no obvious clearinghouse," said Michael Hruska, cofounder and CEO of AI startup Baryons. Clear progress has been made, with several well-regarded entrepreneur support efforts, but especially outside Pittsburgh's densest hubs, Hruska said it is common to hear entrepreneurs say: "I don't know where to start."

A rising group of leaders and organizers work together, with convenings and collaboration to "always be connecting dots."

For underestimated owners, Bridgeway Capital has shown that capital plus capacity beats capital alone.

"Financial independence and resilience is the first step. Can we get a small business owner to generate $40,000 a year for themselves?" said Bridgeway's Adam Kenney. He also names the equity gap: "Pittsburgh is roughly 80% White and 20% Black, yet capital flows are closer to 90/10," underscoring why inclusive deployment and hands-on programming matter for equitable growth.

The creative economy is part of the engine. Greater Pittsburgh Arts Council (GPAC) acts as a sector super-connector, with grants, legal support, navigation, and procurement advocacy, to treat artists as entrepreneurs.

"Ultimately, our objective is to make people informed, resourced, and connected," said GPAC CEO Patrick Fisher, noting that municipal procurement can be a barrier artists shouldn't navigate alone.

Pittsburgh (continued)

And for the “first-money” rung, Honeycomb Credit localizes lending decisions through community investors.

“For more than half of the borrowers we’re working with, we are the first source of capital they’ve ever received,” said Honeycomb cofounder-CEO George Cook. By letting independent businesses raise from customers and neighbors, Honeycomb has moved about $50 million nationally and rebuilt the step that helps firms reach traditional finance.

Put together, the play is clear: turn research depth and gritty, capital-efficient founders into repeatable growth by closing the middle, simplifying wayfinding, and converting corporate validation into a system of recurring pilots. That’s how Pittsburgh keeps more companies, and their exits, at home.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Series A / middle-capital gap:** strong seed/angel; thin $3M–$10M locally pushes founders to raise elsewhere.
- **Siloed support & navigation fatigue:** “no obvious clearinghouse” for founders to seek support, conflicting advice, maze of referrals.
- **Undercapitalization of underrepresented owners:** mission lenders and ESOs are closing gaps, but flows still skew.

STRENGTHS OTHERS CAN BORROW

- **Capital + capacity model:** Bridgeway’s lend-with-TA approach grows durable small businesses.
- **Collaborative Midwest co-investing:** BlueTree’s deal-sharing shows how secondary markets scale together.
- **Community capital rung:** Honeycomb’s customer-funded loans bridge to banks while building financial skills.
- **Communications strategy:** Multiple Pittsburgh institutions prioritized updating the steel-town narrative, both locally and beyond, and it’s working.
- **Creative-sector super-connector:** GPAC’s grants, legal aid and navigation treat artists as entrepreneurs.

PLACE-SPECIFIC PRIORITIES

- **Systematize corporate pilots:** recurring, incentive-backed partnerships with local anchors.
- **Stand up a true front door:** unified intake/triage across tech, Main Street, and creative; reduce “mentor shock.”
- **Co-fund the middle:** regional consortium for $3M–$10M rounds; align PA tools to retain scale-ups.

PEER RESEMBLANCE: CLEVELAND, OH

Research-anchored pipeline, capital-efficient culture, Midwest syndication; a natural corridor play.

Portland–Vancouver–Hillsboro, OR–WA

INSIGHT FOR OTHERS

A patient-capital, network-first market that trains both founders and angels, with the state acting as backbone and community as driver, but it needs deeper go-to-market muscle and later-stage capital to convert a pre-seed-heavy pipeline into venture-competitive firms.

EXAMPLE ACTIONS TO TAKE

- **Move from “pre-seed strong” to “sales strong”:** stand up a metro-to-state sales acceleration track (enterprise business development, channel/partner strategy, revenue ops) layered onto Angel Oregon cohorts.
- **Build a capital navigator:** a choose-your-own-adventure pathway that helps founders pick between venture, SBA, and credit products without wasting cycles.
- **Train the money, not just the makers:** continue first-time angel training while adding go-to-market fellowships for product and sales leaders who can be embedded into startups.
- **Lock in statewide backbone support:** maintain place-based, culturally responsive technical assistance through community partners; convene quarterly to quash silos before they form. Use a communications strategy to develop a shared identity and statewide coalition
- **Keep post-raise founders local:** craft cross-river retention (co-investment, customer intros and incentives) so companies don’t relocate after funding.

Portland (continued)

Narrative

Portland is an urbanist enclave at the mouth of a statewide network. The region's edge is cultural as much as financial: patient capital first, collaboration over brinkmanship, and a habit of training (both sides of the table).

Oregon Entrepreneurs Network (OEN) has made a market by pairing capital education with first checks. Through Angel Oregon, OEN has invested $5.3M across 32 companies (average $166K per deal) and trained 700+ first-time angels.

"We just tend to be the first patient capital," said Cara Turano, OEN's president & executive director. "We see that a lot of the companies that go through our program either get sidecar investment or pull additional investment through the process and get an inordinate amount of media attention,"

Statewide reach is part of the design. OEN's programming is fully virtual and partner-driven across all 36 counties, helping rural founders plug into networks typically concentrated in the metro.

"The network is huge," As Turano put it, citing a rural founder who landed a $2M loan through a referral. "That's the network."

Public actors reinforce that backbone. As another statewide economic development organization put it, the aim is place-based "grow-your-own" strategies, delivered through culturally responsive partners rather than a dictate-down model, keeping services trusted and local.

Leaders are candid about the gaps. Oregon has been pre-seed heavy and underweight in later-stage venture, and many companies need sharper go-to-market execution to translate product into repeatable revenue. The opportunity now is to lock in the cultural advantages, like trained angels, statewide networks, and patient public capital, while upgrading sales and retention so the region keeps more post-raise wins at home.

And for the "first-money" rung, Honeycomb Credit localizes lending decisions through community investors.

Portland (continued)

"For more than half of the borrowers we're working with, we are the first source of capital they've ever received," said Honeycomb cofounder-CEO George Cook. By letting independent businesses raise from customers and neighbors, Honeycomb has moved about $50 million nationally and rebuilt the step that helps firms reach traditional finance.

Put together, the play is clear: turn research depth and gritty, capital-efficient founders into repeatable growth by closing the middle, simplifying wayfinding, and converting corporate validation into a system of recurring pilots. That's how Portland keeps more companies, and their exits, at home.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Thin later-stage capital and GTM depth:** pre-seed is strong; Series A/B and enterprise sales maturity lag.
- **Silo risk without regular coordination:** statewide partners need recurring cadence to keep referrals warm.
- **Bifurcated capital paths:** founders still need clearer guidance between venture, SBA, and credit.

STRENGTHS OTHERS CAN BORROW

- **First patient capital, locally:** OEN's Angel Oregon provides early checks ($5.3M, $166K avg.) that catalyze follow-on.
- **Train investors as infrastructure:** 700+ first-time angels trained; investor literacy deepens deal flow and discipline.
- **Backbone state posture:** community-delivered, culturally responsive technical assistance that reaches rural and underrepresented founders.

PLACE-SPECIFIC PRIORITIES

- **Sales-strong programming:** enterprise selling, partner-led distribution, and revenue ops layered onto existing angel/ESO tracks.
- **Capital navigation at speed:** a simple pathway that right-sizes founders into venture vs. SBA/credit without dead ends.
- **Retention across the river:** post-raise customer intros, co-investment, and community ties to offset tax migration. Coalition building statewide and with other capital-rich ecosystems.

PEER RESEMBLANCE: BOISE-NAMPA, ID

Underdog ethos, outdoors-anchored magnetism, rural-urban ties, and a grow-your-own capital orientation.

Richmond, VA

INSIGHT FOR OTHERS

Central Virginia is stitching the startup quilt, including founder-first support (Startup Virginia, Lighthouse), character-based capital and wraparound microfinance (CIC and peers), and shared navigation (regional conveners), and is poised to scale on the back of Advanced Pharmaceutical Manufacturing Tech Hub momentum if local wealth pools and cross-metro coordination and identity tighten.

EXAMPLE ACTIONS TO TAKE

- **Pool local wealth into an evergreen/endowment-style fund** (corporate + philanthropy + recycled returns) to close pre-seed/seed gaps and stem out-of-state leakage.
- **Formalize Richmond–Charlottesville–Central VA coordination** so founders experience one navigation layer beyond the informal network that exists, using shared resources like coordinated messaging and communications.
- **Stand up "middle capital" experiments** ($100K–$300K, patient terms) for locally owned, non-venture firms graduating from microloans but not yet bankable.
- **Make founder-first support the default:** expand one-to-one coaching, alumni networks, and mentor follow-through; track retry rates and post-exit reinvestment.
- **Aim Tech Hub momentum at customers:** structured pilots and procurement pathways in pharma manufacturing and adjacent supply chains.

Richmond (continued)

Narrative

Richmond is leading a constellation of Virginia startup communities that is ready for concentrated, coordinated capital. The timing is favorable: a federally designated Advanced Pharmaceutical Manufacturing Tech Hub gives the region a home-field sector, while shared spaces and conveners are turning a once-fragmented map into a clearer front door.

Operators are increasingly founder-first. Startup Virginia shifted its model to match what early teams actually need.

"Our biggest barrier... is access to capital for high-growth initiatives," said executive director Richard Wintsch, noting fewer local exits and a thinner risk appetite than elsewhere. "There's no point in teaching [founders] how to pitch... if they don't even have a business that's worth pitching. That's why we've pivoted very much to one-to-one [support]."

Place matters, too: he emphasized the value of a visible hub where high-growth ventures, lenders, and support orgs sit under one roof.

That long-view posture is echoed by Lighthouse Network, which moved beyond the classic accelerator cadence.

"When we connect with people on a real, human level and share social capital, it often leads to financial and knowledge exchange too," said executive director Debbie Irwin. No single region can give founders everything they need. That's why we're building a network of networks,"

Her take: funding complaints are often symptoms of unsustainable ESO business models, so Lighthouse invests in alumni continuity, mentor follow-through, and curated investor intros.

For Main Street and early-scale small businesses, Community Investment Collaborative (CIC) pairs education with flexible debt and real community.

President Stephen Davis put it plainly: "At the core: are you building community?"

He also flagged the missing middle: entrepreneurs who aren't high-growth enough for equity and aren't collateralized enough for banks still need $100K–$300K of patient capital "in an organized way."

Up the road, Venture Central is knitting capital and coordination for Central Virginia's innovation pipeline.

Richmond (continued)

"Because the early seed money has gone away incredible inventions aren't getting commercialized," said CEO Rebecca Haydock. "There's never been until now an entity focused on bringing it all together"

They're working toward "an entrepreneurship coalition," which will solve collective problems: From investor access and education, storytelling and policy engagement.

Taken together, Richmond's playbook is clear: founder-first incubation and alumni care, character-based and community-rooted lending, and a regional front door that routes capital and customers, now aligned to the Tech Hub's demand signals. The unlock is local wealth and cross-metro muscle memory so first checks and "middle money" happen here, not elsewhere.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Early risk-capital scarcity:** thinner angel capital, lower local risk tolerance, limited recycling from exits.
- **Fragmentation & navigation overload:** overlapping ESOs and unclear on-ramps exhaust founders. Shared communications can shape identity.
- **Grant dependence ≠ continuity:** momentum spikes, then funding cliffs. They need models that sustain the most effective programs and resources.

STRENGTHS OTHERS CAN BORROW

- **Collaborative infrastructure over one-offs:** shared hubs and coalition building as a single front door.
- **"De-risk the human" finance:** character-forward underwriting and technical assistance that rebuild trust and widen access.
- **Founder-first support:** one-to-one coaching, alumni networks, and mentor follow-through (Startup Virginia, Lighthouse).
- **Wraparound microfinance:** CIC's education + mentoring + lending + networking model.

PLACE-SPECIFIC PRIORITIES

- **Stand up a regional evergreen/endowment-style pool** fed by corporate, philanthropic, and recycled returns.
- **Lock RVA–Charlottesville–Central VA coordination** with a common entry and referral hub, capital navigation, and joint storytelling.
- **Aim Tech Hub demand at local firms** via recurring pilots and procurement; measure conversions, not just programs.

PEER RESEMBLANCE: ANN ARBOR–YPSILANTI, MI

Tier-one research assets, strong founder pipelines, heavy out-of-state capital reliance, and rising investor education.

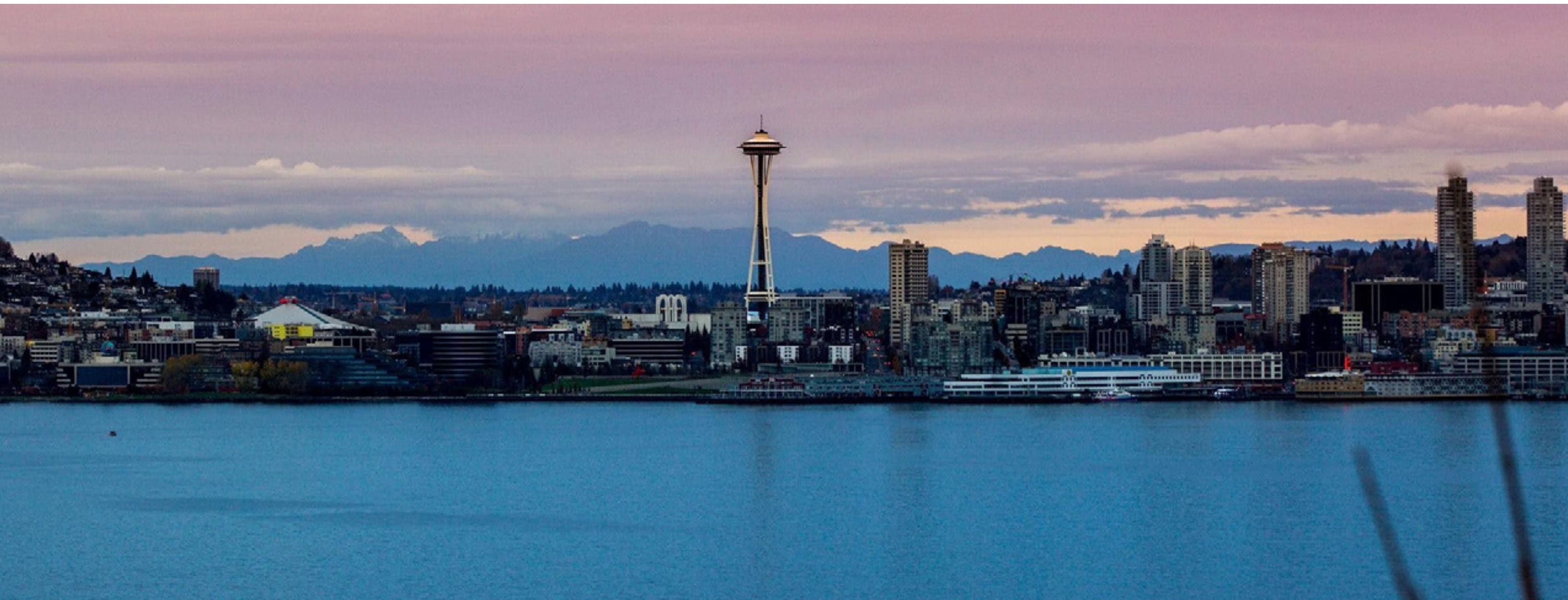
Seattle–Tacoma–Bellevue, WA

INSIGHT FOR OTHERS

A top-tier innovation hub with big-tech brains and small-city access, including studios, legal business development scaffolding, and hub-and-spoke outreach, yet early and mid-stage capital lags demand and costs strain founders.

EXAMPLE ACTIONS TO TAKE

- **Rebuild the middle market:** coordinate studio-plus-micro-VC syndicates and revitalize angel networks to refill pre-seed/seed while adding more local Series A/B capacity.
- **Align policy with founder mobility** (Seattle↔Bellevue): streamline taxes, IP, and incentives across jurisdictions; turn World Cup 2026 playbooks into durable technical assistance + capital partnerships for small businesses.
- **Make "capital + capacity" standard:** pair CDFI lending with sales/ops advisory; institutionalize legal + business development warm-intro hubs and countywide connector programs.
- **Housing costs are ecosystem tools:** Classic economic development tools for relieving housing strain and the high cost of living in an in-demand region are relevant for the next stage of this world-class hub.



Seattle (continued)

Narrative

Seattle's advantage starts with talent density and practical on-ramps. Studios pair capital with engineering, design, and recruiting; legal teams double as business development connectors; and hub-and-spoke outreach keeps smaller firms plugged into resources across the county.

On capital formation, the legal ecosystem is candid about gaps.

"There used to be a very vibrant angel community [in Seattle], but it has faded away," said Craig Sherman of Wilson Sonsini. "Companies go to Silicon Valley earlier than they should."

Partner John Brust added: "Those first checks usually come from a founder's local network. And they are hard to come by."

Studios help de-risk that first mile. "Part of the value of a studio is that we help start the company with you," said Greg Gottesman of Pioneer Square Labs. "We provide engineers, designers, recruiters, fundraising help. Everything to get a company off the ground,"

He called Seattle's tolerance for iteration a cultural asset: "You can fail here, and most relevant people will see it as a badge of honor."

For underestimated and first-time entrepreneurs, capital plus capacity is the stepping stone. "We really offer wraparound services," said Kyle Lovell of Business Impact NW. Half of their customers are startups. "We're not their forever bank, but a stepping stone on the way to traditional financing,"

Community-to-capital pipelines are also widening. What began as the Female Founders Alliance is now a venture platform investing in women-led startups.

"It started as a peer-to-peer community," said Ryan Hughes of Graham & Walker (FFA). "And has now become a fully fledged VC fund with a unique source of deal flow."

Regionally, outreach is getting more systematic. "Capital may open doors," said Vaughn Taylor of the Seattle Metropolitan Chamber. "But without mentorship and industry know-how, businesses often walk through unprepared."

The Seattle Chamber is notable in that it takes high-growth entrepreneurship seriously, and dedicates resources to the effort. It runs a Community Business Connector model and World Cup-ready small-business activations to leave a legacy beyond the tournament.

On the Eastside, accelerators are stretching timelines to match reality. "We're a two-year program on average," said Ron Wiener of Venture Mechanics, which secures investor interest before admitting startups and is piloting rural spillovers, "with a quarterback and 15 curated mentors per company."

Seattle (continued)

The through-line: Seattle's social-capital infrastructure is strong, from studios to legal/business development hubs, CDFIs, chambers, and specialized funds, but the middle of the stack needs more fuel so companies don't have to leave to scale.

CHALLENGES (FAMILIAR BUT FIXABLE)

- **Early and mid-stage capital gaps:** thinner angel capital and scarce Series A/B leads locally.
- **High costs + shifting demand:** raises the bar for tech adoption, go to market, and retention. Costs are high here in part because demand is high, but it still presents a meaningful ecosystem drag.
- **Bank-readiness hurdles:** many firms aren't "bankable" for ~2 years; CDFIs and technical assistance must backfill.

STRENGTHS OTHERS CAN BORROW

- **Studios as on-ramp:** Pioneer Square Labs' hands-on model de-risks first-timers with product, recruiting, and fundraising scaffolding.
- **Legal + business development as infrastructure:** Wilson Sonsini's role shows how counsel can double as capital navigators and warm-intro engines.
- **Capital + capacity flywheel:** Business Impact NW's lending paired with coaching moves founders toward traditional finance.
- **Community-to-capital pipeline:** Graham & Walker turns peer networks into investable deal flow.
- **Hub-and-spoke outreach:** Seattle Metro Chamber's connector model reaches multilingual, multi-jurisdiction small businesses.

PLACE-SPECIFIC PRIORITIES

- **Rebuild the middle:** micro-VC collaboration with studios; revive angel communities; add local A/B funds so founders don't fly south to raise.
- **Policy fit for a mobile founder base:** coordinate Seattle↔Bellevue on taxes, incentives, and IP; reduce friction for cross-lake teams.
- **Mega-event legacy → lasting infrastructure:** convert World Cup 2026 activations into permanent TA, procurement, and capital partnerships.

PEER RESEMBLANCE: DENVER–BOULDER, CO

Elite tech talent, studio/accelerator DNA, outdoor-city magnetism, and a recurring "mind the middle" capital conversation.

Conclusion

Ecosystems are living systems, constantly adapting to new challenges and opportunities. This report is designed to help those invested in entrepreneurship navigate that change, even as we continue evolving our own work alongside it. Our next step begins with a Listening Tour, to share these findings, gather critique, and sharpen what matters most in each place.

Our message is clear: across geographies, success is patterned, not random. The metros that consistently turn ideas into firms do the same things well: they make capital navigable, put education assets to work, welcome talent so it's day-one usable, and pair state policy with local execution, then amplify it all through networks and narrative.

Across geographies, success is patterned, not random.

This offers a roadmap for metro-level transformation: align state signals with regional operators; invest in navigators and warm handoffs; measure the simple chain (**approvals → dollars → space → jobs**) and communicate wins so others can join in.

Finally, the future of entrepreneurship will reward places that keep iterating. The right levers will change. To future-proof playbooks, we'll keep researching, testing, and learning which resources must be homegrown and which can ride a national support system, so ecosystems adapt as fast as the founders they serve.

Appendix: In Appreciation of Those Who Contributed

ORGANIZATION NAME	MSA	KEY LEADERSHIP
OhioX	Columbus, OH	Chris Berry, President and CEO
The O.H.I.O. Fund	Columbus, OH	Ray Leach, Co-Founder and President
Kauffman Foundation	Kansas City, MO-KS	Richard Kim, Senior Director, Entrepreneurship
The Porter House KC	Kansas City, MO-KS	Maddie Dierking, Community Based Network Navigator; Miranda Schultz, Director of Operations
American Family Ventures	Minneapolis-St. Paul-Bloomington, MN-WI	Brittany Clements, Managing Director
Association for Black Economic Power	Minneapolis-St. Paul-Bloomington, MN-WI	Debra L. Hurston, Executive Director
Greater MSP Partnership	Minneapolis-St. Paul-Bloomington, MN-WI	Matt Lewis, Vice President, Partnership Strategy
Tulane Innovation Institute (TII)	New Orleans-Metairie, LA	Kimberly Gramm, Chief Innovation & Entrepreneur Officer
Startup Alleghenies + JARI	Pittsburgh, PA	Blake Fleegle, Entrepreneurial Coach
Business Oregon	Portland-Vancouver-Hillsboro, OR-WA	Brian Plinski, Entrepreneurship Strategist; Jordana Barclay, Innovation Strategist
BPM	Seattle-Tacoma-Bellevue, WA	Davis Nordell, Tax Director, Market Leader
Orrick	Seattle-Tacoma-Bellevue, WA	Christina Catzoela, Partner
Techstars Columbus	Columbus, OH	Tim Grace, Managing Director
Corridor VC	New Orleans-Metairie, LA	Kwamena Aidoo, Co-Founder; Kelli Saulny, Co-Founder
1717 Collective	Richmond, VA	Heather Lyne, Director of Entrepreneurial Ecosystems
Wilson Sonsini - Seattle Office	Seattle-Tacoma-Bellevue, WA	Craig Sherman, Partner; John Brust, Partner
Freedom Equity	Columbus, OH	J. Averi Frost, President / CEO

Appendix (continued)

ORGANIZATION NAME	MSA	KEY LEADERSHIP
AltCap	Kansas City, MO-KS	Miles Zeller, Policy and Advocacy Coordinator
BizCare	Kansas City, MO-KS	Janá Wagner, KC BizCare Division Manager
ConnectUP! Institute	Minneapolis-St. Paul-Bloomington, MN-WI	Y. Elaine Rasmussen, CEO
New Orleans Startup Fund	New Orleans-Metairie, LA	Jimmy Roussel, President & CEO
Propeller	New Orleans-Metairie, LA	Jessica Allen, CEO
StartupNOLA	New Orleans-Metairie, LA	Evie Poitevent Sanders, Vice President of Innovation & Entrepreneurship
The Idea Village	New Orleans-Metairie, LA	Liz Maxwell, Senior Director of Strategic Initiatives
Baryons	Pittsburgh, PA	Michael Hruska, Chief Executive Officer, Co-Founder
BlueTree VC	Pittsburgh, PA	Lindsay Fairman, Partner
Bridgeway Capital	Pittsburgh, PA	Adam Kenney, Chief Programs Officer
Greater Pittsburgh Arts Council	Pittsburgh, PA	Patrick Fisher, CEO
Honeycomb Credit	Pittsburgh, PA	George Cook, Co-Founder and CEO
Oregon Entrepreneurs Network	Portland-Vancouver-Hillsboro, OR-WA	Cara Turano, President & Executive Director
Bridging Virginia	Richmond, VA	Leah Fremouw, President & CEO
Community Investment Collaborative (CIC)	Richmond, VA	Stephen Davis, President
Lighthouse Network	Richmond, VA	Debbie Irwin, Executive Director; Gina (Stelluto) Galloway, Operations and Event Coordinator; Glenna Croy, Program Director
Startup Virginia	Richmond, VA	Richard Wintsch, Executive Director

Appendix (continued)

ORGANIZATION NAME	MSA	KEY LEADERSHIP
Venture Central	Richmond, VA	Rebecca Haydock, CEO
Business Impact NW	Seattle-Tacoma-Bellevue, WA	Kyle Lovell, Chief Loan Officer; Carolina Guzman, VP of External Affairs
Female Founders Alliance	Seattle-Tacoma-Bellevue, WA	Ryan Hughes, Chief of Staff
Pioneer Square L abs	Seattle-Tacoma-Bellevue, WA	Greg Gottesman, Managing Director, Co-Founder
Angel Investor	Seattle-Tacoma-Bellevue, WA	Sage Quiamno, Angel Investor
Seattle Metropolitan Chamber of Commerce	Seattle-Tacoma-Bellevue, WA	Vaughn Taylor, Vice President of Economic Development
Venture Mechanics	Seattle-Tacoma-Bellevue, WA	Ron Wiener, CEO and "Chief Mechanic"

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