Supporting Small Businesses and their Workers: A Quality Jobs Roundtable

Equitable Pathways to Small Business Recovery

AN ALL-HANDS APPROACH

Patricia Voltolini
SENIOR RESEARCH ASSOCIATE

Julia Duranti-Martinez
PROGRAM OFFICER FOR CAPACITY AND RESEARCH

Melissa Kim
SENIOR PROGRAM OFFICER FOR CAPACITY BUILDING

Michelle Harati
SENIOR PROGRAM OFFICER LISC POLICY

David M. Greenberg
VICE PRESIDENT KNOWLEDGE MANAGEMENT AND STRATEGY
Background

- **Goal:** Develop an ambitious yet practical playbook for equitable small business recovery tailored to government audiences in different kinds of economic, regional, urban and rural contexts.

- **Deep collaboration:** Developed through a series of cohort discussions and interviews with nearly 50 public officials, practitioners from small business support and workforce development organizations, advocacy groups, think tanks, and community-based organizations.

- **Equity focused:** Centers the needs of women and entrepreneurs of color.
Our Framework: Equitable Pathways to Recovery

- The playbook’s strategies are framed by a series of five mutually reinforcing principles that could be applied to support equitable program development and implementation more broadly:

1. **Being intentional**, defining focal small businesses and their needs
2. **Being inclusive** in strategy development and implementation
3. **Ensuring program accessibility**, by addressing barriers to access
4. **Leveling the playing field**, by accounting for capacity needs in deployment
5. **Setting up a monitoring process** with accountability mechanisms
Small Business and Worker Recovery Strategies: Paired Needs

• Many emerging entrepreneurs are employed elsewhere, so for these business owners, the boundaries between worker and owner are not clear-cut.

• Small businesses provide opportunities for workers who have been denied employment elsewhere, and the majority of new job growth takes place through small business creation or expansion.

• However, small businesses by definition have the least resources to provide quality jobs for their workers.

Helping small businesses thrive while supporting their workers is a challenging but critical policy and practice area for the community development field
## Strategies

### Access to Capital
- Create new investment vehicles to drive public funds to BIPOC entrepreneurs.
- Invest in non-extractive finance to support BIPOC entrepreneurship and shared ownership.
- Encourage private investment through loan guarantees.
- Provide direct sales opportunities for small businesses by prioritizing them for local procurement contracts.
- Amplify the impact of public dollars through public banking.

### Small Business and Workforce Capacity
- Provide incentives for small businesses to advance accessible, living wage jobs.
- Provide digital skills training.
- Reimagine cities’ role as potential workforce intermediaries.
- Leverage cities’ economic power to promote hiring access.

### Commercial Space Affordability
- Support BIPOC-owned small businesses in securing affordable commercial space.
- Provide access to free spaces like parks and parking lots for BIPOC-owned micro-enterprises and pop-up markets.
- Support commercial real estate acquisition by community-serving, BIPOC small businesses and nonprofit partners, including small business incubators and collaboratives.

Incentives to advance living wage jobs

High Road Kitchens Restaurant Relief Fund

• Partnership between High Road Kitchens and One Fair Wage

• Across the country, has provided thousands of flexible grants to restaurants and technical assistance around equity in hiring, retention and benefits

• In Boston, partnered with City’s Small Business Unit, creating focused outreach and communities of practice among businesses

• The Fund prioritized family-owned, immigrant-owned, and BIPOC-owned small and local restaurants with fewer than 25 employees. The City of Boston launched a second iteration of the program, the Restaurant Revitalization Fund, in September 2021.

• Restaurants commit to pay the One Fair Wage of $12.75/hour for tipped employees for one month, complete trainings, and share a plan for achieving parity for tipped and non-tipped employees
Leverage cities’ economic power to promote hiring access

Project labor agreement and community hiring legislation

- Agreement between Building and Construction Trades Council of Greater New York and the City
- Prioritizing hiring from zip codes where 15% of residents live below the federal poverty level or where 15% are public housing residents.
- Goal is that 30% of all hours worked will be by residents from prioritized neighborhoods
- Parallels community hiring legislation under consideration in NYS Legislature
- The bill authorizes greater connection between local workforce and construction and building service jobs, for businesses working with the city
Roundtable