

Supporting Small Businesses and their Workers: A
Quality Jobs Roundtable

Equitable Pathways to Small Business Recovery

AN ALL-HANDS APPROACH

LISC

NEXT
CITY

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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.

<https://report.lisc.org/equitable-pathways-small-business-recovery/home/>

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