

April 21, 2023

The Honorable Darrell Clarke City Council President City Hall, Room 490 Philadelphia, PA 19107

Dear Council President Clarke,

This letter is in response to questions raised by Councilmembers regarding the Proposed FY24 Operating and Capital Budget.

Councilmember Gilmore-Richardson: Can you provide a list to the chair of the Workforce Professional Alliance?

Response:

WPA Members Contact List.xlsx

WPA Active Members List

- 1 Community Integrated Services
- 2 Community College of Philadelphia
- 3 Congreso
- 4 Eckerd Connects
- 5 EDSI
- 6 Education Works
- 7 Esperanza
- 8 Free Library
- 9 Impact Services
- 10 JEVS Human Services
- 11 OIC
- 12 Per Scholas
- 13 Peirce College
- 14 Project Home
- 15 PYN
- 16 SPIN
- 17 Project Search
- 18 Uplift



- 19 Urban League
- 20 Welcoming Center
- 21 West Philadelphia Skills Initiative
- 22 YouthBuild
- 23 Philadelphia Works
- 24 Drexel
- 25 Episcopal Community Services
- 26 HopeWorks
- 27 CareerWork\$
- 28 Coded By Kids
- 29 Launch Code
- 30 Phila Energy Authority
- 31 1199C

Councilmember Thomas: Can you provide the data on Commerce contracts in terms of local and MWDSBE participation rates?

Response: In FY23, Commerce's contracts total \$488,000. Of that amount, \$309,875 is awarded to MBEs. Commerce FY23 MWDSBE participation rate is anticipated to be 63.5%.

Councilmember Gauthier: What resources are needed to expand the support given to help vendors become licensed?

Response: The Department of Commerce's Office of Business Services multilingual business service managers provide all entrepreneurs, including vendors, with one-on-one support, education and customer service. Staff meet each entrepreneur where they are, help connect with City services and available resources citywide.

Having a dedicated staff person to work with vendors, proactively visiting them as well as responding to calls and requests, would cost approximately \$65k in Class 100 (plus benefits) per year.

The rules and opportunities for vendors are varied and can be complicated to maneuver. Therefore, we have begun the process of mapping the variables and each required City process. A consultant could also be hired to assist with process mapping, identifying pain points that could be streamlined, and implementing amended ordinances, regulations, and permit processes. We estimate a consultant for this work could cost roughly \$50k in Class 200.

Additional support could be provided by an organization that could provide technical assistance and coaching that is specialized and dedicated to the vending community to help them establish and run, and potentially grow, their business. Such an organization could potentially identify market managers and



market opportunities. Commerce would need to use an RFP to select a local vendor to do this work for roughly \$100k Class in 200.

Councilmember Harrity: What programs are available to teach Philadelphians how to open a business?

Response: There are a number of organizations in Philadelphia who provide classes and one on one assistance to individuals who want to launch a business. These can be found on our online Business Resource Finder (<u>https://www.phila.gov/commerce/business-resource-finder/</u>), but we also urge constituents who are interested in finding out what is available and what might best meet their needs to contact the Office of Business Services. The Department of Commerce's Office of Business Services multilingual business services managers provide entrepreneurs with one-on-one support and customer service. Staff meet each entrepreneur where they are, help navigate City processes, connect with City services and available resources citywide. We are here to support businesses and help them thrive! The goal is to increase economic opportunity for all.

The Commerce Department also partners with many providers throughout the city who support businesses at the idea or start up stage. LA21 CDC's Scale Up Program, SCORE, the Urban League's Entrepreneurship Center, and The Welcoming Center's entrepreneurship program all assist early- stage entrepreneurs in formalizing and growing their businesses. These partners are funded by Commerce's Business Technical Assistance Program. Outside of our funding, additional programs exist to support startups. Temple University's Small Business Development Center (SBDC), Widener University SBDC, and the Community College of Philadelphia's Small Business Resource center all places to start for small business owners.

A new initiative that Commerce is funding is Build From Within, operated by Neighborhood Progress Fund. This is a national model designed to support early-stage businesses and start up entrepreneurs and is meant to support the businesses well beyond the participation in the training. The program is built on four integrated pillars:

- 1. Training: Annually there are 4 twelve-week cohorts with weekly sessions and 1 on 1 assistance sessions with trainer
- 2. Lending: Entrepreneurs are eligible for a \$15,000 forgivable loan at the completion of the cohort
- 3. Business Advisory: graduates receive pre and post-financing advisory consulting and services
- 4. Real Estate: Graduates received real estate assistance including assistance with lease negotiations, advisory services for location, and construction budget consultations.

If you have any business-related questions, contact our Office of Business Services by emailing business@phila.gov or calling 215-683-2100.