

G. CMP – Growing Entrepreneurs in Immigration Communities (W246)

March 26, 2010

- Grantee:** Chinatown Manpower Project, Inc. (“CMP”)
- ESD Investment:** A grant of up to \$166,000 to be used to provide a portion of the cost for business counseling, technical assistance, job training, and other services to enhance small business development in the Chinatown area.
- Project Location:** New York City, New York County
- NYS Empire Zone:** Chinatown Empire Zone
- Project Completion:** September 30, 2010
- Grantee Contact:** Stephanie Lau, Assistant Executive Director
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- Project Team:**
- | | |
|--------------------|---------------|
| Project Management | Grace Padmore |
| Affirmative Action | Laverne Poole |
| Environmental | Soo Kang |

Project Description:

Background

Chinatown Manpower Project, Inc. is a private not-for-profit community-based organization founded in 1972, with the mission of providing job skills training, employment services, educational programs, vocational English classes, and economic development programs to disadvantaged Asian minorities, immigrants and refugees in New York City. Its goal is to help these groups acquire the skills and resources needed to become not only economically self-sufficient, contributing members of our society, but to become employers and job providers.

CMP’s Business Outreach Center (“BOC”) was established in 1992 with the support of the Business Outreach Center Network, to provide assistance to small businesses and new entrepreneurs within the Lower East Side/Chinatown communities. Its primary goal is to assist entrepreneurs who wish to start-up a business and to provide guidance and resources to entrepreneurs who are experiencing problems operating their businesses. The CMP BOC has grown and expanded its services and programs since its inception to meet the needs of the community, with special attention to small business owners and entrepreneurs, and immigrants and refugees who are establishing their financial lives in this country. In the aftermath of September 11th, the State of New York recognized the problems facing

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Chinatown and in 2005 designated the area as an Empire Zone to spur economic development. The CMP BOC provides invaluable consultancy to many Chinatown area businesses, helping them survive the economic downturn by directing them to relief resources.

Assistance is provided through one-on-one counseling and training programs which are complemented by seminars and workshops. The CMP BOC, whose staff speak Cantonese and Mandarin, provides start-up assistance, business information, financial planning and loan packaging, feasibility planning, import/export advice, market research and strategy, government procurement, minority services, and business plan development. The CMP BOC Client Advisory Group, which includes accomplished professionals from government agencies, banks, law firms, accounting firms, insurance brokers, and other professions, provides direct business assistance and business advice to its clients, assists in planning and conducting seminars and workshops, and helps promote the CMP BOC in the local community.

Since 2001, the ESD Directors have approved \$1.27M (legislative-sponsored grants) for CMP's economic development programs, and more than \$520,000 in MWBDL funds for the CMP's Entrepreneurial Assistance Program ("EAP"). CMP BOC has demonstrated an excellent track record in all of its programs and has won numerous citations in recent years. It has dramatically impacted small business development in Manhattan and in other areas of the City. Since opening its doors in 1992, the BOC has assisted over 2,700 new small businesses (overwhelmingly low-income, minority, immigrants, and women), made over 5,000 referrals to linkage partners and resources, provided over 7,000 follow-up case management sessions, and conducted over 300 seminars and workshops attended by more than 12,000 people. Over the past two years, the CMP BOC has served 275 new clients who already own their own business or are in a pre-start-up phase, while working with 248 on-going clients. The BOC provided a total of 1,987 follow-up services. From June 1, 2008 – May 31, 2009, it helped to secure \$52,000 in financing for two small businesses. For the most recent grant of \$166,000 (V609), approved by the ESD Directors in August 2007, the project is complete and funds have been fully disbursed.

The Project

The Growing Entrepreneurs in Immigration Communities ("GEIC") project started in 2005, and ESD funds will be used to continue its operation. GEIC will conduct entrepreneurial classroom training sessions covering American business practices and financial management skills. The training will be supplemented by intensive individual counseling to help new entrepreneurs complete business plans, personal financial plans and develop viable businesses. CMP BOC business counselors will provide follow-up services to clients after the training sessions to keep track of client progress. Clients will also benefit from the expertise of CMP's network of business professionals in the community who will teach these sessions and provide counseling services. In addition, the CMP BOC will work with existing businesses to help sustain the long-term viability of their businesses.

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The project will be administered by the CMP BOC, and ESD funds will be used for personnel costs including fringe benefits, rent, supplies, and other than personal services.

The goals of the project are to educate immigrants on successful start-up procedures and business practices in the United States, and on responsible personal and business financial management skills, and to assist immigrants in launching or expanding their own businesses. As a result of the project, entrepreneurs will feel more empowered to positively impact the business community.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Personnel costs including fringe benefits	\$289,500	ESD Grant	\$166,000	50%
Rent	6,000	CMP	80,500	24%
Purchase supplies, paper, newspapers, business cards	10,000	Entrepreneurial Assistance Program ("EAP")	73,500	22%
OTPS including payroll fees, insurance, audit fees, telephone & utilities, memberships & subscriptions, conference/PR costs, and staff travel	26,500	Program for Investment in Micro Entrepreneurs ("PRIME")	2,000	1%
		Private	10,000	3%
Total Project Costs	\$332,000	Total Project Financing	\$332,000	100%

Statutory Basis – Community Projects Fund:

The project was authorized in the 2008-2009 New York State budget and reappropriated in the 2009-2010 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:

The Grantee has provided ESDC with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.