

**TOOLS | RESOURCES | BEST PRACTICES**

**Equitable Small Business Development:  
D.E.I. Best Practices Driving Economic Growth**

**Presenters:** [Sylvie Howard, Equitable Cities Consulting, Founder & CEO](#)  
[Lenin Agudo, Widener university SBDC, Director](#)

**Table of Contents**

A. IDEAS TO STEAL! - Innovative Programs and Models that are Working..... 2

B. Best practices: application of DEI principles Entrepreneurship & Wealth Creation...3

C. Articles of Interest .....8

A final presentation and materials will be accessible for download. Use this QR Code.



[www.widenersbdc.org/presentation](http://www.widenersbdc.org/presentation)

## 1. IDEAS TO STEAL! Innovative Programs and Models that are Working

- **BIZ ON WHEELS**: A group of chambers and organizations serving BIPOC businesses transformed a van into a business services hub: There's a small conference table, a screen for viewing presentations, and a printer, scanner and copier station.
- **BOOST YOUR BUSINESS FUND**: Boost Your Business provides funding to help diverse entrepreneurs in Philadelphia scale their businesses. Selected businesses will receive a \$50,000 forgivable loan. The loan will be forgiven when the business meets its stated growth goals: new contracts, revenue, and employee growth.
- **MOST DIVERSE TECH HUB PHIL**: Program to support Black and brown business startups with grants, as well as stipends to cover the placement of Black and brown interns in startups.
- **MAKING SPACE, REIMAGING RECREATION**: This initiative is supported by the Knight Foundation, Philadelphia Parks & Recreation, and a creative coworking space - REC Philly – that provides local entrepreneurs with free space to run their businesses in recreation centers while also giving back to the next generation of creators and makers. Selected winning entrepreneurs will mentor, inspire, & teach young people at the same that they stand up or run their business in the centers.
- **LA OPTIMIZED**: This City-run program, started in 2020, pairs small businesses owners impacted by the pandemic with creative professionals. Graphic designers, artists and others received a \$500 city grant in exchange for services to brick-and-mortar businesses that were harmed by the stay-at-home orders. The focus of the program is getting companies online with digital marketing tips and helping build or improve websites to boost ecommerce sales, while also supporting local creative professionals.
- **PROSPERUS DETROIT**: This program funded through the New Economy Initiative provides a holistic package of supports to businesses at all stages of their development, including coaching, training, loans, and grants, as well as a directory of supports that even includes resources for food, mental health, financial management and housing.
- **PHILADELPHIA ANCHORS FOR GROWTH AND EQUITY**: is a partnership between the Economy League, the City of Philadelphia and more than a dozen Philadelphia-area institutions that works to increase local purchasing by large institutional buyers to grow Philadelphia businesses., strengthen the local economy, create jobs, and build wealth.

## B. BEST PRACTICES: APPLICATION OF DEI PRINCIPLES Entrepreneurship & Wealth Creation

D

### Our Agenda

#### Equitable Small Business Growth

**MMBC**

Private Partners

**GUCI**

CLEVELAND'S  
GREATER  
UNIVERSITY  
CIRCLE  
INITIATIVE

A Partnership Between Philanthropy,  
Anchor Institutions and the Public Sector

Multi - Anchor

**WYOMISSING  
FOUNDATION**

Philanthropy

**TISHMAN SPEYER &  
HARVARD**

Equity Participation

# 05

CASE STUDIES:  
OBTAIN ASSETS &  
GROW WEALTH

MMBC  
GUCI  
Wyomissing Foundation  
Harvard +Tishman Speyer

**S B D C** Small Business Development Center  
PENNSYLVANIA Widener University

44 Equity + Growth

- 1. Mid-South Minority Business Council Continuum (MMBC Continuum)**  
*Major Supply chain purchases*
- 2. The Greater University Circle Initiative (GUCI) in Cleveland**  
*Multi-anchor institution strategy supporting local communities of color*
- 3. Wyomissing Foundation Investments**  
*Maximizing the IRS 4942 rule (5%minimum distribution rule) to Support Equitable Small Business Development & Worker Skills*
- 4. TISHMAN SPEYER & HARVARD**  
*Equity participation in large deals by imposing Diversity, Equity and Inclusion (DEI) requirements on investors & developers.*

## **1. Mid-South Minority Business Council Continuum (MMBC Continuum)** ***Major Supply chain purchases***

The Mid-South Minority Business Council Continuum (MMBC Continuum) was established as part of the Memphis Area Chamber of Commerce in 1973. In 1989, it became a self-sufficient freestanding organization as The Mid-South Minority Business Council with an independent Board of Directors comprised of senior executives of member corporations. The name evolved to the MMBC Continuum, which today serves as the Mid-South's foremost minority business development organization.

Highly respected by the corporate community as a trusted source of knowledge and expertise, MMBC Continuum is a valued strategic partner by municipalities, major corporations and community agency organizations fostering diversity and inclusion.

The MMBC Continuum is organized to provide professional customer service to its members. It connects Minority and Women-Owned Business Enterprises (M/WBEs) with major corporations, and, in parallel, supports large corporations seeking to enhance their supplier diversity programs and expand expenditures with M/WBEs.

As an M/WBE economic accelerator, the MMBC operates with the overarching goal of connecting its members with major CEOs and corporations, mayors and municipalities, the U.S. Department of Commerce, other levels of government, and regional economic development agencies. The organization counts more than 650 women- and minority-owned business members representing a broad spectrum of industries, along with more than 120 corporate members, partners and strategic alliances.

- MMBC – Shepherded for 16 years before it became independent organization.
- Chamber and corporations decided it's important (1973) aftermath of MLK – happened in Memphis.
- FedEx, Saint Jude's, Auto Zone, Holiday In, Big corporate players are part of their continuum.
- Institutional stick to it ness – needs to say this is important, we have to do it.
- Two layers: 1. Talking, encouraging, schmoozing; 2. Doing –
- Find the DOERS who are willing to stick to it.

## **2. The Greater University Circle Initiative (GUCI) in Cleveland** ***Multi-anchor institution strategy supporting local communities of color***

Is an example model for forming and executing a multi-anchor institution strategy to expand purchasing within local communities of color.

Formed in 2005, GUCI has brought together anchor institutions, philanthropies, financial institutions, community organizations, and the City of Cleveland to build a model for sizing, aggregating, and channeling local university and hospital procurement needs towards local business formation and growth. Since its inception, GUCI has expanded local procurement and investments in Greater University Circle neighborhoods, with nearly \$400 million in local procurement spending and \$4 billion in total investment leveraged among Cleveland's anchor institutions annually. How can you uplift local initiative of the chambers, corporate supplier diversity initiatives, and the City's public procurement initiatives to bring a unified approach for "procurement-ready" BIPOC entrepreneurs.

### 3. Wyomissing Foundation Investments

#### ***Maximizing the IRS 4942 rule (5% minimum distribution rule) to Support Equitable Small Business Development & Worker Skills***

**Community First Fund Reading Initiative:** Beginning in 2015, the Foundation provided start-up grants and \$1 million in capital to enable the Community First Fund to establish a \$5 million Reading investment fund. Since mid-2015, total lending has reached 135 loans for \$18 million-- creating 392 jobs, generating 240 affordable housing units, and adding 819 daycare slots.

**Greater Reading Chamber Alliance Technical Assistance:** Since 2018, the Foundation has funded a technical assistance specialist at the Greater Reading Chamber and the Latino Chamber of Commerce to support small and Latino-owned businesses through individual visits and monthly small business technical training events. During 2018-2019, 116 businesses were referred for more detailed technical assistance and 25 for financing.

**Berks Latino Workforce Development Corporation:** The Foundation has provided technical & financial support for establishment of the Berks Latino Workforce Development Corporation (based on Tech Centro on Lancaster) and its development of a bilingual technology center to provide training and increase employment opportunities for the economically disadvantaged in the Reading Latino community.

**Workforce Training:** The Foundation supports multiple approaches to improving the skills and employability of less advantaged Reading residents. The *Gateway to Opportunity* project at RACC supported 174 trainees to move to employment and advanced skills training. Other efforts focus on English literacy and attaining GED degrees.

#### 4. TISHMAN SPEYER & HARVARD

##### ***Equity participation in large deals by imposing Diversity, Equity and Inclusion (DEI) requirements on investors & developers.***

Harvard University's plan for a \$1 billion mixed-use life sciences research campus included a request to set aside 5% of the project's equity to Black and Latino stakeholders as part of the deal. People of color are often excluded from such lucrative deals due to a lack of access and networks. Penny Pritzker, former U.S. Secretary of Commerce and a board member of the Harvard Allston Land Company leading the project, stated: "There's a massive disparity in wealth creation in communities of color compared to white communities. And so, why is that? Well maybe it's access to good deals."

This request led to a "mind-blowing revelation" for Tishman Speyer, the real estate firm that won the contract. For CEO Rob Speyer, Harvard's request helped him "understand that Black and brown investors weren't getting access." The deal called for at least \$25 million from Black and Latino investors; they got close to \$31 million from 150 investors including four NBA players: Kyle Lowry of the Toronto Raptors, Andre Iguodala of the Miami Heat, Jrue Holiday of the Milwaukee Bucks and Andre Drummond of the Los Angeles Lakers.

Tishman Speyer was able to successfully accomplish this task by enlisting BIPOC developer James Simmons III, CEO of Asland Capital Partners and venture capitalist Rudy Cline-Thomas, the founder of Mastry.

#### Key Takeaways

- Commitment from Developer and ultimate Buyer: Gov. Corporation / Institution
- Pattern – People who know people Build access to and make a deliberate effort to look for subnetworks that are accessing minority investment.
- *Engage with gov and anchor institutions to build this connectiveness, commitment to make decisions to support these initiatives (CRITERIA).*
- *Pursue DEI principles for investment opportunity*

[Click here for a link to the Bloomberg News article.](#)

### C. ARTICLES OF INTEREST

[COVID-19, small business owners, and racial inequality. National Bureau of Economic Research Report.](#) December 2020.

[How Black-owned businesses can make the most out of the Biden infrastructure plan.](#) Brookings Institution. April 29, 2021.

[Disinvestment, discouragement and inequity in small business lending.](#) National Community Reinvestment Coalition. 2018.

Federal Reserve Bank of Kansas City. [Building Entrepreneurship Ecosystems in Communities of Color.](#)

Federal Reserve Bank Small Business Credit Survey: [2021 Report on Employer Firms](#)

Federal Reserve Bank Small Business Credit Survey: [2022 Report on Firms owned by People of Color](#)

[Equitable Pathways to Small Business Recovery.](#) LISC & Next City. March 2022

[COVID-19's effect on minority-owned small businesses in the United States.](#) McKinsey & Company. May 2020.

[Small Business Anti-Displacement Toolkit: A Guide for Small Business Leaders.](#) Small Business Anti-Displacement Network. August 2021.

[A Playbook for Equitable Economic Development: Guidance on identifying structural racism and implementing equitable practices.](#) International Economic Development Council. 2022

[Can We ever Have a City without Poverty & Inequality?](#) TEDx talk. Sylvie Gallier Howard. May 2022.

[U.S. Small Business Administration, Office of Advocacy. Frequently asked questions.](#) October 2020.