

RENAISSANCE

ECONOMIC DEVELOPMENT CORPORATION

An affiliate of Asian Americans for Equality

Fall 2011

"In the community, for the community."

Downtown Flushing Business Retention Loan Program Provides over \$270,000 in Financial Assistance

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In June 2011, Renaissance launched the Downtown Flushing Business Retention Loan Program to provide financial assistance to small businesses impacted by the planned mixed-use development of a Downtown Flushing, Queens municipal parking lot. The program provides small business loans of up to \$50,000 at an interest rate of 3% for terms of up to 5 years. Since launching the program, Renaissance has made ten loans for over \$270,000, with additional applications pending.



From left to right: Man-Li Kuo Lin, Christopher Kui, Ronald Goldstein, Kevin Kong, Grace Ku, and Richard Lee at the public launch of the Downtown Flushing Business Retention Loan Program

To spread the good news about this program to the community, Renaissance hosted a press conference to launch the program, which was attended by various Korean, Chinese, and English media and by representatives from the U.S. Small Business Administration, Ronald Goldstein and Man-Li Kuo Lin, as well as Grace Ku of New York State Assembly Member Grace Meng's office. Also in attendance were City Council Member Peter Koo, and Christopher Kui and Kevin Kong, Renaissance's Chair and Managing Director, respectively, as well as Richard Lee from Asian Americans for Equality.

This summer Renaissance also participated in the first Korean Small Business Symposium in Queens, which was hosted by Asian Americans for Equality, an affiliate organization. The Symposium offered Renaissance an opportunity to discuss the program and other available resources with upwards of 40 merchants in attendance.

To be eligible for this program, small businesses must operate a business with a signed lease at a location within the following geographic boundaries in Downtown Flushing: Main Street, Northern Boulevard, Bowne Street and Roosevelt Avenue, but excluding the New World Center Mall, and must retain or create at least one full-time or full-time equivalent job.

Please contact Jen Lee or Jennifer Luo at 718-961-0888 or visit Renaissance's Flushing office at 133 -04 39th Avenue, Flushing, NY for additional information.

Renaissance is generously supported by:



MetLife Foundation



2011 Renaissance Entrepreneurship Training Course

Renaissance is pleased to announce the start of its Entrepreneurship Training Course for 2011. A 15-week, 60-hour comprehensive business training course, the Entrepreneurship Training Course is designed for first-time business owners who want to develop the skills necessary to grow and maintain a healthy business. The course is led by qualified and experienced instructors in their respective fields, including representatives from the New York City Department of Consumer Affairs and the Manhattan Chamber of Commerce, certified public accountants, attorneys, and representatives from financial institutions.

Program topics include:

- Targeted Sales Strategies
- Concept Development
- Team Management
- Legal Issues & Government Regulations
- Marketing
- Financing
- Operations & Growth Management
- Income Generation & Reinvestment

Upon completion of their training, prospective entrepreneurs are well positioned to take advantage of a 1% discount on Renaissance's range of small business loan programs. Last year's program was a great success with fourteen entrepreneurs presenting their capstone business plans to community leaders in an evening led by Managing Director Kevin Kong.

The Entrepreneurship Training Course is a key component of Renaissance's Entrepreneurship Assistance Program, and its impact can be measured by the progress of its clients' businesses. In 2010, twenty-nine Renaissance Entrepreneurship Assistance Program clients, including past clients, reported a

combined sales increase of \$624,802, and twenty-two of our clients created thirty-four jobs for their businesses. Over the 12-month period Renaissance also assisted nineteen EAP clients in developing and obtaining financial packages worth \$550,000. Renaissance was recently awarded the 2011 Award for Excellence by Empire State Development for this program.

This year's course began on September 15 and will take place on Tuesday and Thursday evenings through November 29. For more information, please contact May Kuang, Education & Outreach Coordinator, at 212-964-6022.



EAP students discussing ideas during the 2010 Entrepreneurship Training Course

Renaissance Receives Bank of America Grant



Renaissance Economic Development Corporation is pleased to have recently received a grant in the amount of \$112,500 through Bank of America's small business loan loss reserve program. Created to enable Community Development Financial Institutions (CDFIs) such as Renaissance to maintain required loan loss reserve levels, the program increases access to loan capital, making it possible for CDFIs to provide increased financial assistance to small businesses.

To date, Bank of America has provided more than \$8.25 million in grants to CDFIs across the country, unlocking nearly \$81 million in Small Business Administration (SBA) and U.S.

Department of Agriculture capital. It is estimated that these funds will create or retain more than 10,600 jobs.

This Bank of America grant will allow Renaissance to expand our capacity as an SBA microlender, a designation our organization has enjoyed for more than ten years. In fact, the Bank of America grant will leverage additional loan funds from the SBA to provide funding for approximately 40 small business loans and the creation or retention of upwards of 200 jobs. Over the past three years, Renaissance has provided over \$5.1 million in 160 loans to eligible small businesses.

In a recent article published by the National Federation of Independent Business, a representative of the Bank of America explained the anticipated impact of this program: "Even the

smallest grant enables a CDFI to leverage as much as ten times that amount to lend to small businesses, which helps initiate a ripple effect impacting job growth, spending, and overall economic expansion."

The SBA has been a long-time supporter of Renaissance, providing technical assistance grant funds and low-interest loan capital to help our organization expand our reach to many of New York City's immigrant and minority-owned small businesses. As evidence, Renaissance has already made more loans in the first nine months of 2011 (59 loans totaling over \$2 million) than were made in all of 2010.

MWBE Certification and Contract Opportunities for Small Businesses in NYS

New York State has developed a number of initiatives administered through Empire State Development (ESD) aimed at providing greater opportunities for the state's small business owners. These programs offer increased access to state contracts as well as resources for technical and financial assistance.



Minority and Women-Owned Business Enterprise State Certification Program

The Minority & Women-Owned Business Enterprise (MWBE) state certification program, administered by ESD, is tasked with increasing the number of state-certified MWBE businesses and eliminating the barriers that preclude these firms from procurement of state contracts. To be eligible for MWBE certification, businesses must be owned, operated, and

controlled by minority members or women with the authority to manage daily operations, employ no more than 300 employees, and operate independently of other firms. Individual minority or women owners may not have a net worth of over \$3.5 million, and the business must generally be in operation for at least one year.

MWBE-certified firms are included in the MWBE Directory utilized by New York state agencies, authorities, and prime contractors, and receive increased access to loans, technical assistance, and bonding. According to the Office of the New York State Comptroller, only five percent of New York State's 160,000 eligible MWBEs are certified; and agency contracts with MWBEs increased from \$560 million to \$805 million from 2007 to 2010.

Workshops are offered twice monthly by NYC Business Solutions to provide step-by-step guidance on the MWBE certification process. For more information or to apply online for this program, visit www.nyc.gov/getcertified.

Opportunities Available through New York State Contract Reporter

The New York State Contract Reporter (NYSCR) is the official publication of state procurement opportunities available to small businesses operating in New York State. Published by ESD, NYSCR provides free access to view and search both open and archived solicitations from state agencies, public authorities, and public benefit corporations; and provides purchasing patterns and past bids. For an annual fee, subscribers can set up profiles and receive notifications of new solicitations as they appear in the system.

NYSCR also offers resources on technical assistance, such as information on Procurement Technical Assistance Centers in New York State that can help business owners develop proposals. Visit www.nyscr.org for more information.

Small Business Health Care Tax Credit

Businesses with fewer than 25 full-time (or F/T equivalent) employees may be eligible for tax credits of up to 35% of their health care contribution. Eligible small businesses must contribute at least 50% of the total premium for healthcare coverage based on the single rate. The full credit of 35% will be available for businesses with fewer than 10 employees and an average annual wage of less than \$25,000. The tax credit phases out for firms with average wages between \$25,000 and \$50,000 and for firms with the equivalent of between 10 and 25 full-time employees.

Beginning in 2014, the full credit available for small businesses will increase to up to 50%. This credit also

applies to tax-exempt organizations, which are eligible for a 25% credit (increasing to 35% in 2014). Those who are ineligible for the credit include sole proprietorships, partners in partnerships, shareholders with more than 2% ownership, and family members. Eligible contributions are limited to the average cost of health insurance in the state. The Small Business Health Care Tax Credit also includes a provision to enable businesses to carry credits backwards for five years and forward for twenty years, and works to provide increased choice among health plans.

The tax credit offers a great opportunity for small business owners to save money while providing important ben-

efits for employees. According to White House estimates, small businesses face health care premiums that are 18% higher on average than the amount large businesses pay for the same coverage, making it very costly for them to provide coverage for their employees. The Council of Economic Advisors estimates that some 4 million small businesses nationally are eligible for this credit.

To take advantage of this opportunity, contact your financial advisor. More information is available online at www.irs.gov.



Renaissance Success Story: M&M Environmental

Established in 2001, M&M Environmental is a leading, eco-friendly pest control company located in Manhattan's Lower East Side. M&M has been certified by the New York State Department of Environmental Conservation and received certification in QualityPro and GreenPro designations from the National Pest Management Association. The company currently employs around 30 full-time workers, and serves commercial clients from industries such as hospitality, retail, food & beverage, hospitals, and finance, as well as a number of residential clients.

The company offers a variety of eco-friendly solutions, and stays on the forefront of bedbug extermination by using all of the latest industry technol-

ogies such as heating, freezing and working with teams of NESDCA-certified bed bug detecting canines. M&M has been interviewed in a wide range of television and print media, and provides updates on pest control news and anecdotes on their company blog, M&M Buzz, and on the M&M Environmental Youtube Channel.

Since enrolling in the technical assistance program at Renaissance, M&M's technical director Timothy Wong has benefited from more than 13 hours of business counseling on topics such as management of working capital, machinery purchasing and credit counseling. After working extensively with our business counselors, M&M successfully secured \$75,000 in financing from Renaissance to increase business capacity for the 2011 spring bedbug season.



Timothy Wong in front of M&M Environmental in Manhattan

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Visit Renaissance on the web at
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Renaissance Business Services:

Direct Lending - Renaissance offers three- to five-year loans to New York City businesses that need funding to grow existing enterprises or to launch new ones. Renaissance underwrites low-interest financing of up to \$100,000 to small businesses for inventory, equipment, or working capital.

Individual Business Counseling - Business owners and entrepreneurs receive free counseling including financial management and planning, market research, marketing plan development, lease and contract negotiations, loan packaging and brokering services.

Professional Advisory Sessions - Renaissance pairs clients with legal and financial professionals who offer one-on-one pro-bono advice.

Single Subject Workshops and Seminars - These sessions cover topics such as understanding taxes; bookkeeping; technology implementation; obtaining and negotiating commercial leases; and financial literacy.

Training Series - Renaissance offers multiple-session workshops such as our 15-hour Computer Software Training Course.

Entrepreneurial Training Course - Offered as part of Renaissance's Entrepreneurial Assistance Program, this is a 60-hour course focused on helping entrepreneurs develop the skills necessary to launch and grow successful businesses. Clients also receive 15 hours of individual counseling or training.

About Renaissance:

Renaissance provides direct technical and financial assistance services to small businesses throughout New York City, with an emphasis on increasing business opportunities for immigrant, minority, and women entrepreneurs in communities where cultural and language barriers and lack of access to conventional credit have stymied the growth of small businesses. To date, Renaissance has lent over **\$28,000,000** in affordable loans to more than 700 small businesses and entrepreneurs. In the most recent 5 years, we have provided business counseling to over **3,000 entrepreneurs**.