

Pending Committee Approval

Bronx Community Board 8
Economic Development Committee
Meeting Minutes May 26, 2022

- **Attendees:**
 - Committee: Nick Fazio (Chair), Moses Esema (Vice Chair), Joy Campbell Priveterre (Vice Chair), Julie Gomez, Camelia Tepelus
 - Absent: Constance Barnes
 - CB08 Board Members: David Gellman
 - Community Attendees: Larry Heier, Vanessa Ortis, Ari Oshinsky, Rafael Roger (BOEDC – Acting President). Osvaly Jimenez (BICNY), JR Dorsainvil (SoBro)
- **Called to order: 7:02pm**
- **Moment of Silence observed for those dealing with (and affected by) the school shooting in Uvalde, Texas**

Presentation - JR Dorsainvil, South Bronx Overall Economic Development Corporation (SoBro), Entrepreneur Service Manager

- SoBro team provides customized services and microlending to business in the Bronx.
- Assists new and veteran businesses (including helping them obtain MWBE Certification).
- Industrial Business Services provider for NYCs Small Business Solutions.
- Also provide assistance to folks who are seeking grants and capital financing (example: PPP).
- Small Business Impact Loan Fund (in-house):
 - Funds are from the Empire State Development Corporation (ESD).
 - Terms include a flat interest rate of 8%.
 - Business must be in operation for at least 1 year.
 - Businesses less than 15 employees are eligible.
 - Borrower must be able to contribute at least 10% of the amount needed for utilizing the funding.
 - Businesses must be located in the Bronx and must be independently owned.
 - Underwriting does look at financial history but there is no baseline minimum credit score.
 - Example: Is the business managing rents and expenses relative to cash flows and can it service the loan.

- Questions:
 - **Moses Esema:** Is there a specific name for the SoBro loan program? Is there a target amount you want to provide?
 - “Small Business Impact Fund”
 - While no specific target, \$2500-\$5000 is a typical loan amount.
 - **C.Tepelus:** What is the main difference between South Bronx Overall Economic Development Corporation (SoBro) and the Bronx Overall Economic Development Corporation (BOEDC)? How are you guys funded? Have there been business in our Community Board that have utilized your services?
 - SoBro was initially founded help business in the South Bronx.
 - Bronx Overall Economic Development Corporation primarily coordinate from the Borough President’s Office.
 - SoBro is not limited exclusively to South Bronx.
 - SoBro is 501C3 and has worked extensively with business in the Northwest Bronx.
 - SoBro is primarily funded through grants (including from Fed, City, and State).
 - They also seek private funding through private grants and philanthropy.
 - SoBro is also a Community Development Financial Institution (CDFI), which is a certification from the Department of Treasury.
 - CDFI’s are mandated to provide banking and financial services to communities that have been underserved.
 - Includes technical assistance to small businesses.
 - Example: ESD may receive funding and then disperse it through CDFI partnership organizations like SoBro.
 - Mr. Dorsainvil will share information and flyer.
 - CB 8’s Economic Development Committee will circulate to the merchant community.

- **Presentation - Osvaly Jimenez - Business Initiative Corporation of New York (housed under BOEDC) - Access to Capital Presentation – 504 Lending Program**
 - BICNY has been in operations for nearly 25 years.
 - Licensed by SBA to administer the 504-loan program.
 - <https://www.sba.gov/funding-programs/loans/504-loans>
 - They are a CDC: Market and process loans (fixed rate).
 - Fixed Assets, including commercial real estate.
 - Loan Eligibility:
 - US based businesses
 - At least 2 years of operations
 - For profit entities
 - Need must be demonstrated that needs cannot be met through traditional lenders
 - No religious organizations or private clubs
 - Require 10% equity alongside loan (higher for some categories)
 - Income less than \$5MM over 2 years
 - Will provide second lien on a loan to help businesses that may otherwise have challenges accessing capital through a traditional bank.
 - Loan limits are \$5MM.

- Real Estate loans range from 10-25 years.
 - **Questions:**
 - **C.Tepelus:** BIC- Are you aware of businesses in our community board that may have benefited from your programs? Also how do operations differ between BIC and BOEDC? Who is on your board of directors?
 - For BIC, SBA dictates make-up of the Board.
 - Limited percentage of bankers that can serve.
 - The Board has varying experience (including accountants, bankers, community members).
 - Just completed a loan for Fusion Electric in the CB8 community (169 W. 231st Street).
 - **N.Fazio** – 504 loans initially created to turn small business commercial tenants into landlords of their own spaces. Is the program working as intended?
 - **R. Roger:** The program is working. However, larger businesses may utilize it for their benefit.
 - Larger firms are typically more successful at leveraging the program.
 - Lender Match through SBA website will help potential borrowers find lenders such as BICNY.
 - <https://www.sba.gov/funding-programs/loans/lender-match>
- **Small Business Report - Vanessa Ortis Owner of This Bronx Girl Designs**
(<https://www.thisbrongirlsdesigns.com/>)
 - This Bronx Girl Designs is an Interior Decorator business.
 - Mission is to bring peace and positive energy into homes.
 - Largely benefited from the increased work from home environment.
 - Launched in 2020 and the business is growing gradually.
 - Challenges:
 - Determining Business name (incorporating the Bronx).
 - Startup costs were significant.
 - Getting the word out is a challenge.
 - Concerned about co-op bylaws that prohibit home-based businesses.
 - What can community do:
 - Support local business that aligns with the professed values (e.g., sustainability).
 - Consider covering costs for Press/marketing and facilitating pop-up market opportunities.
 - Community Market has been helpful:
(<https://oneyogaforall.com/communityPopupMarket.html>)
 - **Questions:**
 - **C. Tepelus:** Thank you for providing your story. Surprised to hear that there are restrictions on home-based businesses. Are there legal resources that can help ease the concern?
 - Yes, many buildings in our area need to update antiquated bylaws.
 - **JR Dorsainvil (SoBro):** We love helping small businesses and encourage you to reach out to see how they can help your business.
 - **Joy Campbell Priveterre:** Have you given any thoughts to MWBE Certification?

- We can connect with SoBro and they help with MWBE Certification process.
 - **David Gellman:** Co-op boards are mostly concerned about traffic and fire hazards. Operating a home-based business that services clients elsewhere should not be an issue for most co-ops.
- **Small Business Report - Ari Oshinky, Owner of River Videos, LLC**
[\(https://www.rivervideos.com/\)](https://www.rivervideos.com/)
 - Started in 2016
 - Proud to be a business based in the Bronx.
 - River Videos is also a home-based business (editing).
 - Production and filming are typically performed on location.
 - On track to \$120K in sales this year.
 - Received help from CB 8 Economic Development Committee in 2020 when applying for PPP funding.
 - Challenges:
 - Need for shared workspace in the Bronx.
 - New York tax and filing processes are too complex and onerous.
 - Goal is to grow to the point where we can hire more local staff.
 - Questions:
 - **M. Esema:** Have you not been able to find co-working space because they don't exist or because the ones that do exist do not meet your needs?
 - Right now, rents are expensive and spaces do not meet our current needs.
 - **David Gellman:** There are some small office spaces (former warehouse) near 213th and Broadway that River Videos may want to consider.
 - **JR Dorsainvil (SoBro):** Please connect with us at SoBro so that we can see how we can help River Videos. There are not many co-working spaces in the Bronx but they are starting to pop up. Supply still is not yet meeting the demand.
 - **Rafael Roger (BOEDC):** We have a couple of these developments (co-working spaces) that are coming to the Bronx, but are just in the design phases of development.
 - More spaces are in the works and you should get on the waitlists now.
 - CB 8 will connect Mr. Oshinsky with BOEDC and SoBro.
- **Betty Campbell Most Valuable Merchant Award**
 - Candidates:
 - Bronx Burger House -Laura Levine-Pinedo and Andre El-Saieh
 - One Yoga for All – Eduvigis Marmelejos
 - Cora Hardware – Patti Cassiere and Joe Sparacio
 - Tigrdale Automotive – Jimmy Packes (posthumously)
 - Discussion held:
 - **Julia Gomez:** Motion to vote for all four nominees. All of the businesses are deserving and anything we can do to support them is good for the community.
 - **M. Esema:** Second

- Vote:
 - **In favor:** J. Priveterre, M. Esema, J. Gomez, N.Fazio
 - **Abstention:** C. Tepelus

- **Chairs Report – Nick Fazio**
 - CB 8 is working with the 50th Precinct to address the Quality-of-Life concerns of Marble Hill Merchant Association.
 - N. Fazio thanks the Board Office for working to resolve issue with ConEd’s disruptive work in front of Bronx Publix on 231st and Albany Crescent.
 - Multiple complaints about illegal vending and Board Office is following up with DCWP.
 - Several of merchants in hospitality sector have reached out indicating the need for workers/bar tenders/servers here in our neighborhood.
 - CB 8 Economic Development Committee has connected merchants to SBS staffing resources and will also collaborate with SoBro to support local businesses’ staffing needs.

- **Outstanding Business**
 - None

- **New Business**
 - **C. Tepelus:** New information is being provided about the “Drinks To-Go” regulations for the city.
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- **Approval of Minutes from April 28, 2022**
 - Vote:
 - **Approve** – N.Fazio, J. Priveterre, M. Esema
 - **Abstentions** – J. Gomez, C. Telepus
 - **Minutes Approved**

- **Motion to adjourn: 9:02pm**

Submitted by Nick Fazio

