

Thriving Cities.

FLORIDA CONSORTIUM
OF URBAN LEAGUE AFFILIATES

PREPARED FOR
ECONOMIC DEVELOPMENT TRANSITION TEAM

PRESENTED BY
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URBAN LEAGUE OF BROWARD COUNTY



2018-2019



EMPOWERING COMMUNITIES. CHANGING LIVES.

ABOUT THE URBAN LEAGUE MOVEMENT

The mission of the Urban League movement focuses on closing the equality gaps which exist for African Americans and other emerging ethnic communities in education, economic empowerment, health and quality of life, civic engagement, and civil rights and racial justice.

ABOUT THE FLORIDA CONSORTIUM OF URBAN LEAGUE AFFILIATES

The Florida Consortium of Urban Leagues (FCUL) affiliates provide services in 19 counties across the state of Florida, representing 2/3 of the State's population.

FLORIDA COUNTIES

FCUL is comprised of the following: Central Florida Urban League, Jacksonville Urban League, Pinellas County Urban League, Tallahassee Urban League, Urban League of Broward County, Urban League of Greater Miami, Urban League of Palm Beach County and Derrick Brooks Charities (Tampa).

AREAS OF SERVICE

SMALL BUSINESS DEVELOPMENT

We believe that small businesses play an integral role in the sustainability of our neighborhoods. Our Entrepreneurship Center provides minority small business owners with the tools needed to grow and develop their businesses. Through training, workshops and individual counseling sessions, we unite an alliance of entrepreneurs, financial institutions and partners to accelerate our efforts in giving entrepreneurs access to M3 (Money, Markets and Management).

EDUCATION

We value education as a key component for living a healthier and more prosperous life. Our education and youth development programs provide young people with the critical skills they need to excel academically, avoid at-risk behavior and become engaged members in their communities.

JOBS

We are committed to strengthening the family unit by promoting economic self-sufficiency. Through training, career building, and job placement services, we help equip individuals with the tools needed to enter or re-enter the workforce, stabilize their finances and build assets.

HOUSING

We are dedicated to building thriving communities through strong economic infrastructure. Our housing programs offer families long-term, sustainable solutions that focus on building assets through savings and homeownership, financial literacy education, budgeting, credit counseling, foreclosure prevention, and loan modification.

HEALTH

We believe that health and wellness education is the key to optimal growth for our children and families. Our health programs are designed to ensure that preventative care advances and vital health resources reach those who need them most.

NATIONAL IMPACT

90 AFFILIATES | 37 STATES | 2 MILLION SERVED

FLORIDA IMPACT

8 AFFILIATES | 19 COUNTIES | 97,120 SERVED



FLORIDA SMALL MINORITY OWNED BUSINESSES

POPULATION (2017)

20,984,400

54.1% White; 45.9% Minority

From 2000-2010, Florida's Black and Hispanic population increased by 25.9 and 57.4% respectively,

FIRMS (2015)

All firms: 2,500,000

Women-owned firms 807,817

Minority-owned firms 926,002

EMPLOYMENT (2015)

Total Private Employment 7,777,990

Total Small Business Employment: 3,280,800 (42.2%)

MINORITY ENTREPRENEURSHIP



ECONOMY DRIVERS

Nationally, eight million minority-owned businesses contributed \$1.38 Trillion in revenue and 7.2 million jobs to the economy,



BUSINESS GROWTH

From 2007 to 2012, in Florida, the number of minority-owned businesses increased by 36.2%; 42% of employment is through small business firms



CURRENT DISPARITIES

Black-owned businesses generate 43 cents on the dollar compared to white-owned firms.

ACCESS TO CAPITAL & OPPORTUNITIES



LOAN APPROVAL

Minority-owned businesses are less likely to get loans. This is particularly true for businesses that have less than \$500,000 in gross receipts.

Three times higher denial rate.
- Dept. Commerce MBDA



LOAN VALUE

The value of loans for minority-owned businesses is usually less than non-minority loans - \$149,000 vs . \$310,000 (for businesses with more than \$500,000 in gross revenue).



LOAN INTEREST RATES

Interests rates are often high for minority business loans. Also, due to "a real or perceived likelihood of rejection," some minority- business owners avoid seeking loans.

JOB CREATION & WORKFORCE



UNEMPLOYMENT

Unemployment rate is low statewide (less than 4%); Unemployment by race shows a 2.5 Black to White ratio and 1.5 Hispanic to White ratio (Economic Policy Institute, 2018)



JOB CREATORS

85% of Black-owned small businesses had greater than 10 employees



WORKFORCE

In minority and white communities, minority owned businesses hire a more diverse workforce (85% to 32% in minority communities; 75% to 15% in white communities)

POLICY RECOMMENDATIONS

- ⊞ Expand and stimulate public and private support for loan funds and community development institutions who prioritize lending to small, minority and women-owned businesses
 - ⊞ Monitor and enforce state requirements that mandate departments to increase contracting and procurement opportunities; encourage the same action of major anchor institutions, such as universities and hospitals and local government and quasi-government entities
 - ⊞ Consider elements of the Main Street Employee Ownership Act, which improves access to capital and technical assistance to transition small businesses to employee ownership and save thousands of companies and jobs
 - ⊞ Establish an Opportunity Zone Unit within the State with the authority to coordinate actions for physical infrastructure, small business investment and workforce development projects and the capacity to engage with key stakeholders; particularly utilizing local community based organizations as a valuable resource to bridge gaps in designated Opportunity Zones
 - ⊞ Establish policies requiring collaboration with local non-profits, economic development, higher education, and workforce state agencies that translate to direct job training and workforce supports located in economically distressed communities
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Urban League Entrepreneurship Center MEASURABLE IMPACT (M3)

KEY RESULTS
2016-2018



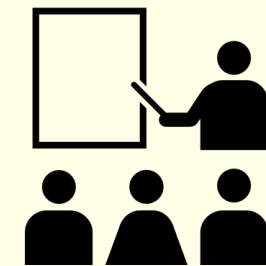
2,033

Florida residents have received job skills and workplace readiness training



481

Florida businesses received one-on-one technical assistance



2,150

Entrepreneurs have participated in group education sessions



266

New businesses created

RETURN ON INVESTMENT

\$9.25M

PRIVATE CAPITAL LEVERAGED FOR THE URBAN
LEAGUE SMALL BUSINESS LOAN FUND

4-to-1 return on state investment



SMALL BUSINESS LENDING

\$1.8M

LENT TO MINORITY-OWNED SMALL
BUSINESSES SINCE 2017

0% Default rate to date, 2018



SMALL BUSINESS DEVELOPMENT AT WORK

Success stories by Urban League clients

KEEL RUSSELL

- Keel's big break came in 2015 when he landed a major purchase order with Walmart as part of the National Urban League Conference in Fort Lauderdale.
- Although Keel secured the contract, he needed capital to fund the purchase and merchandising of products. Keel approached several banks, but he could not get a loan.



UMBREE, INC.

- The Veteran- Entrepreneur secured a \$250k business loan through the Urban League's Capital Access Fund. Keel defines the investment as, "a game-changing moment."
- The loan also enabled Keel, along with his two business partners to innovate and better market their products to other big retailers including Target and Bed, Bath & Beyond.

CONCHITA PEASANT

- After more than a decade in the beauty industry, Conchita leveraged her industry experience and launched her own line of hair care products under the Nefertiti's Secrets brand.
- To grow her business, Conchita needed help. She turned to the Urban League of Broward County's new Capital Access Fund (CAF), not only for a loan but also to learn business strategies from experts in the field.



NEFERTITI'S SECRETS

- Nefertiti's Secrets received \$50k through the Capital Access Fund of Florida, which funded the company's working capital need associated with both existing and future wholesale/retail accounts.
- Nefertiti's Secrets offers a line of high-quality hair care products for women of color. The brand has become very popular receiving product endorsements from such notable athletes as Venus and Serena Williams.

REPORTS AND REFERENCES

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Let's Talk
Reach Out to Us

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