

Project/Program Profile

Name: Individual Business Counseling

Organization: Asian Pacific Islander Small Business Program (API SBP)

Location of Project/Program: 231 E. Third Street, Suite G-106, Los Angeles, CA 90013

Year Project Completed/Program Began Operation: 1999

Funding Sources: U.S. Small Business Administration, Wells Fargo, Cathay Bank, U.S. Bank, Chase, Citibank, Union Bank, Project by Project Southern California, U.S. National Park Service, others

Populations Served: Primarily small business owners and immigrant entrepreneurs of the Chinese, Filipino, Japanese, Korean and Thai business communities

Number of Staff: 7

Total Cost of Development/Operation: Approximately \$250,000

Partners: Chinatown Service Center, Koreatown Youth & Community Center, Little Tokyo Service Center, Community Development Corporation, Search to Involve Filipino Americans, Thai Community Development Center

Services Provided: Provides business counseling to individuals seeking assistance with business plan development, general operations, financial management, marketing strategy, loan packaging, contracts and licensing. Provides in-language technical assistance, translation assistance, resources or referrals to entrepreneurs and business owners

California Community Economic Development Exemplary Practices Project

BUSINESS DEVELOPMENT: Technical Assistance for Small Businesses

(Italicized portions offer further explanation. If the standard is not fulfilled by the project, it is noted in the italicized explanation. Crossed-out portions are not applicable.)

Level 1: Program Feasibility Assessment

These basic criteria determine the feasibility of a technical assistance program for small businesses. The focus is on the organizational and financial readiness of the program.

1. NEED

a. Community Need

i. The program serves a need for small business technical assistance.

1. *The program provides bilingual business counseling.*
2. *The program helps address the economic needs of low-income immigrants.*
3. *The program helps produce jobs in the community and establish sustainable small businesses while serving as a link between these ethnic small businesses and the mainstream economy.*

b. Market Study/Needs Analysis Study

No market study was conducted.

i. The study confirms the need for, and viability of the program.

1. *Although no specific market study or needs analysis was performed, there is much academic research that confirms the importance of technical assistance for entrepreneurs.*

ii. The study informs the organization about competition, demographics of the potential entrepreneurs, and barriers to entry.

1. *Follow up surveys with clients provides the organization with useful feedback for the program.*

c. Local Support

i. Neighbors and local community members support the program.

ii. The program is in alignment with local city, county, state and/or economic development goal(s).

1. *The program encourages small business development, which helps create jobs and improve the economy, which is the focus of the City of Los Angeles' Office of Small Business Services.*

2. ORGANIZATIONAL READINESS

a. The organization is willing and able to do this program.

- i. *Not only is the organization willing and able to do the program, but it excels in operating its program. In 2011 the U.S. Small Business Administration awarded its sole National Women's Business Center of Excellence Award to the organization.*

b. The program is in alignment with the mission of the organization.

- i. *The mission of API SBP is "to assist the development of small and micro businesses in Los Angeles with a particular focus on the Chinese, Korean, Japanese Thai and Filipino business communities, especially those of low income immigrants."*
- ii. *The program helps improve the lives of community members by assisting them with their business endeavors and helping them achieve better financial and economic standing.*

c. The Board of Directors embraces a CED strategy and/or embraces the program as a part of the CED strategy.

d. The organization and/or its partners have a track record of participating in similar programs.

- i. API SBP has successfully implemented small business assistance programs since 1999.*
 - e. The organization has the financial and operational capacity to undertake the proposed program.
 - ~~i. The organization can support the additional debt (if any) created by the program.~~
 - 1. *There is no debt created by the program.*
 - ii. The organization has qualified staff that can undertake the program.
 - 1. *Business Counselors speak Tagalog, Japanese, Cantonese, Mandarin, Thai, Korean and English and have real estate, merchandising, retail, restaurant/food services, marketing, import/export, licensing, banking and small business experience. Business counselors are familiar with the communities that they serve and are knowledgeable about competition, opportunities, and contacts.*
 - iii. The organization has access to reliable, qualified vendors and service providers.
3. FINANCIAL FEASIBILITY
 - a. Program cost
 - i. The program is affordable to the organization, and the projected cost is appropriate to the concept.
 - 1. *The organization raises funds for the program so that it can offer its services free of charge to clients.*
 - ii. The operator or staff providing the cost estimates is qualified and experienced with technical assistance programs.
 - b. Funding sources
 - i. There are enough sources of funding for the uses.
 - ii. The organization has endeavored to secure all available competitive and noncompetitive funding sources for which the program qualifies.
 - iii. The actual disbursement of each source is timely and in sync with the needs of the program.
 - iv. The organization is aware of the compliance implications of each source.
 - c. Cash flow
 - ~~i. The program produces enough cash flow to support the proposed debt structure (if any).~~
 - 1. *There is no debt created by the program.*
 - ii. The program minimally pays for itself over time. It has a sustainable cash flow.
 - 1. If the program is low-cost or free, it is subsidized enough to sustain the program.
 - a. *The program is free, and it is subsidized continuously by funding sources.*

Level 2: Practical Considerations

These criteria are essential for a successful, operating TA program.

1. MARKET BARRIERS

- a. The organization understands why past programs have not worked and instead addresses prior issues in innovative and alternative ways.
 - i. The organization has largely been successful with this program, adapting its resources and services to fit various communities.*

2. DEVELOPMENT TEAM & PARTNERSHIPS

- a. The organization has assembled the best team for the project, including translators, outreach coordinators, counselors, trainers, and management staff.
 - b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to operate the program.
 - i. *Chinatown Service Center, Koreatown Youth & Community Center, Little Tokyo Service Center, Search to Involve Pilipino Americans and Thai Community Development Center are the partners for provision of the business development services to the local communities.*
 - c. The program is supported by public sector, private sector, and community partners.
 - d. Through an open dialogue with the community, the organization has sought and incorporated community participation in the program.
 - i. *The program is the collaboration of five community organizations and each organization provides opportunity for community input.*
3. SITE CHARACTERISTICS
- a. The location makes sense for the program and the target participants.
 - i. *Business counseling services are offered in all five of the Asian and Pacific Islander communities.*
 - ii. *Business counseling services are also offered at places of businesses.*
 - b. The project is located near or adjacent to transit.
 - i. *All of the offices for the partners are located near local transit.*
4. PROGRAM DESIGN & OPERATION
- a. The program is run in the appropriate language(s) to the target population(s).
 - i. *The program works with bilingual business counselors who provide services in Cantonese, Mandarin, Korean, Japanese, Thai, and Tagalog.*
 - b. The program is culturally appropriate to the target population(s).
 - i. *The program focuses on assisting small businesses, especially those that are immigrant-owned, in the Los Angeles Asian and Pacific Islander communities using culturally and linguistically appropriate services.*
 - c. The program is tailored to the geography of the target population(s). For example, information about business licenses is in accordance with the target population's local jurisdiction regulations.
 - i. *The program provides information appropriate for business owners specifically in the Los Angeles area.*
 - d. The program assists entrepreneurs with obtaining traditional business funding.
 - i. The program helps participants establish credit worthiness.
 - ii. The program instructs participants on reorganizing financial documentation.
 1. *The program has helped participants gather and submit all necessary paperwork for loan applications.*
 - iii. The program connects entrepreneurs to funders for loans that are appropriate for small businesses.
 1. *The program does not provide loans. However, business counselors help clients obtain loans from various sources such as banks and community development financial institutions.*
 - iv. The program guides participants with the application process.
 1. *The program helps participants gather and submit all necessary paperwork for loan applications.*
 - e. The program provides information on permitting and other government requirements that are applicable to small businesses.

- i. The program helps explain tax regulations and legal requirements to small business owners.*
 - ii. The program helps small business owners with obtaining permits and licensing.*
 - f. The program connects entrepreneurs to potential clients, including the community and government contracts.
 - i. The organization holds numerous workshops and events to help entrepreneurs connect with one another. Workshop topics include government contracting and minority/women business certification.*
 - ii. All of the organization's clients and funders are invited to API SBP's annual Asian Small Business Expo, where they can market their businesses to government and legislative representatives, other businesses, financial organizations, and service providers.*
 - g. The program connects entrepreneurs to technology that is appropriate for small businesses.
 - i. Small business owners can attend free website-building workshops and learn about e-commerce and social media.*
 - h. The program provides information on marketing that is appropriate for small businesses.
 - i. Business counseling is available for specific assistance with marketing strategy.*
 - i. The program provides information on expansion.
 - i. The program helps businesses expand by assisting with new lease agreements and helping to access capital for expansion.*
 - j. The program provides information on business planning that is appropriate for small businesses.
 - i. During individual business counseling sessions, small owners can seek help for business plan development, general operations, financial management, marketing strategy, loan packaging, contracts and licensing.*

Level 3: From Feasible to Exemplary

These criteria elevate a program to an exemplary TA program.

1. FUNDING & FUNDING REQUIREMENTS

- a. The program uses a funding program or funding source that is new and innovative.
 - i. The program uses funding from the Community Redevelopment Agency of Los Angeles and the U.S. National Park Service to provide hospitality training and education and to promote the cultural heritage of each neighborhood.*
- b. Each funding source was heavily leveraged to gain further resources.
- c. Certain features of the program were adapted to capture funding, but the program was not completely changed in order to capture one particular funding source.
 - i. By helping to create jobs in the community, the program has attracted funding, but the program was not changed for the purpose of capturing funding.*
- d. There are multiple stakeholders providing funding and this mix of funding sources maximizes the feasibility of the program.
- e. The design of the program exceeds minimum standards required by funding sources.
 - i. The program assists more entrepreneurs than required by funding sources.*
 - ii. The program assists more small businesses than required by funding sources.*
 - iii. There is deeper low and moderate income targeting than required by funding sources.*

2. FUTURE PROJECTS

- a. The program strengthens the position (financial, political, capacity, experience) of the organization.

- i. The success of the program strengthens API SBP as well as its five partner organizations.*
 - b. Through the program, the reputation of the organization was enhanced. Issues that the staff faced were dealt with in a diplomatic manner, enabling future programs.
 - i. In 2011 the U.S. Small Business Administration awarded its sole National Women's Business Center of Excellence Award to the organization.*
 - c. The success of the program will enable future funding on other programs.
 - d. The community is happy with the project and will participate in more/similar programs in the future.
 - e. The community is more knowledgeable about small businesses.
3. ENVIRONMENTAL IMPACT
 - a. The program has an educational component that teaches participants about green features, tax incentives, and green jobs that are applicable to their small businesses.
 - i. If clients express interest in greening their business, the program can provide applicable information.*
4. ECONOMIC IMPACT
 - a. The program will increase the independence of participants.
 - i. The program increases the independence of participants by giving them the resources and information they need to succeed as small business owners.*
 - b. The program creates jobs.
 - i. Jobs created provide a living wage.
 - a. The wage depends on the success of each small business.*
 - ii. Jobs created are for local hires.
 - a. Hiring practices depend on the proprietor of each small business. Generally, jobs created are for local hires because the program assists local small business owners.*
 - iii. Jobs created are for low and moderate income individuals.
 - a. Hiring practices depend on the proprietor of each small business.*
 - iv. Jobs created provide life skills.
 - a. In general, jobs provide life skills.*
 - v. Jobs created provide health benefits.
 - a. Health benefits depend on the proprietor of each small business.*
 - vi. Jobs created have potential for upward mobility.
 - a. Mobility of the job depends on the position and small business.*
 - vii. Jobs created require less funding per jobs created.
 - a. Over the last 3 years, the organization has created a job for every \$4,000 raised. Over the life of the program over 1200 jobs have been created.*
5. COMPREHENSIVENESS
 - a. The organization provides or connects to other programs that provide multiple services e.g. social services.
 - i. Each of the partner organizations offers other programs and social services, such as affordable housing and foreclosure assistance.*
 - b. The program contains or connects to other programs that provide economic literacy.
 - i. API SBP and its partner organizations provide economic literacy to business owners and/or residents.*
6. DIVERSITY
 - a. The program serves a mixed income clientele.

- i. The program focuses primarily on low-income clientele.*
 - b. The program encourages mixed age, gender, ethnic, etc. participation.
 - i. The program encourages participation from five different Asian and Pacific Islander communities.*
 - ii. The program encourages mixed gender participation. API SBP is a federal Small Business Administration Women's Business Center.*
 - c. The program encourages minority businesses.
 - i. The program offers multi-lingual assistance and works with many immigrant and minority businesses.*
7. PUBLIC BENEFITS
- a. The project provides a service that is needed by the community but is currently lacking.
 - i. The five ethnic communities that participate in this program do so out of a need to help community members and immigrants start and maintain local small businesses.*
 - b. The project stimulates long-term job creation.
 - i. By assisting entrepreneurs with their small businesses, the program stimulates long-term job creation.*
 - c. The project results in other positive physical impacts.
 - i. The project physically impacts the community by bringing new or maintaining existing businesses and attracting more people to the area.*
 - d. The project results in other positive economic impacts.
 - i. By helping small business owners start and improve their businesses, the program also helps to revitalize the local economy. New businesses have the power to attract more consumers and create more jobs.*
 - e. The project results in other positive social impacts.
 - i. Small immigrant-owned businesses help preserve the cultural heritage of the five communities.*
8. EVALUATION
- a. The organization reevaluates its programs periodically and adapts to the changing needs of the community.
 - i. The organization evaluates this program through client surveys.*
 - b. The program tracks its participants during and following the program.
 - i. Participants are tracked, but the information tracked depends on the need addressed.*
9. REPLICABLE/SCALABLE
- a. This program can be replicated in other communities, regions, and/or states.
 - i. Partnership with other organizations can greatly expand the reach and effectiveness of a small business assistance program. Other regions can replicate the partnership model used by the API SBP.*