

CITY OF PLAINFIELD

515 WATCHUNG AVENUE, 2ND FLOOR
PLAINFIELD, NEW JERSEY 07060
(908) 266-2513 - FAX (908) 226-4909



MEMORANDUM

Office of Economic
Development

Jacques A. Howard
Assistant Director

To: Daniel Williamson, Corporation Counsel
Marc D. Dashield, City Administrator
Jennifer Wenson Maier, Director of PW & UD

From: Jacques A. Howard, Asst. Dir. ED

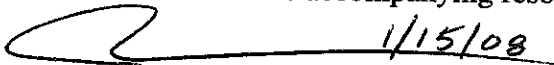
Date: January 15, 2008

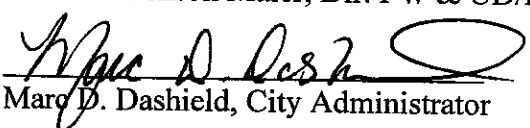
Re: Resolution Authorizing an Application to the Urban Enterprise Zone Authority for Funding a Phase IV Small Business Development Center Satellite Office in Plainfield in the Amount of \$50,000

The attached resolution requests City Council approval to fund a third year of the Kean University SBDC in Plainfield. The satellite center located at 320 Park Avenue has evolved to include certificated programs in small business management and entrepreneurship (see attachments). The program has provided ready access to a spectrum of clients that have either opened or expanded their business (see attached list). A fourth phase funding will serve to complement a certificated program for entrepreneurial studies, further qualifying entrepreneurs with the skills to grow and sustain businesses in a changing and challenging urban economy.

Attached programs and curriculum information details the extent of services offered by the SBDC in Plainfield. The current request for funding will pay for operating expenses that include rent, computers, telephones and other incubator support services offered at 320 Park Avenue.

I have reviewed the accompanying resolution and attest to its accuracy and viability.


1/15/08
Jennifer Wenson Maier, Dir. PW & UD/ED


Marc D. Dashield, City Administrator

RESOLUTION TO AUTHORIZE AN APPLICATION TO THE NEW JERSEY URBAN
ENTERPRISE ZONE AUTHORITY FOR PROJECT FINANCING NOT TO EXCEED
THE AMOUNT OF \$50,000 TO FUND PHASE IV OF THE KEAN UNIVERSITY
SATELLITE SMALL BUSINESS DEVELOPMENT CENTER IN THE CITY OF
PLAINFIELD

WHEREAS, the City of Plainfield is a designated Urban Enterprise Zone municipality where qualified businesses are eligible to collect sales tax at the reduced rate of 3.5% as opposed to the full rate of 7%; and

WHEREAS, the revenue collected at this reduced tax rate is deposited in the Urban Enterprise Zone Assistance Fund by the New Jersey Division of Taxation and is available for use by the City of Plainfield for programs and projects designed to promote economic development; and

WHEREAS, there is a need for free or discounted professional business guidance to develop and manage small businesses; and

WHEREAS, the SBA Small Business Development Center at Kean University is a certified business development center with a track record for personalized entrepreneurial training, and has successfully administered over 100 hours of business counseling services and workshops to Plainfield residents, minorities and entrepreneurs seeking to start, expand and otherwise improve business practices in Plainfield; and

WHEREAS, the Kean SBDC Satellite Office will expand its services and forge additional partnerships to include the Federal Service Corps of Retired Executives (SCORE), the Union County Work Investment Board (WIB), local banking institutions and the Union County Economic Development Corporation (UCEDC) to increase and diversify business counseling services; and

WHEREAS, Site access and location are critical to developing a client base, and the Kean University SBDC will select the ideal site for the satellite SBDC program; and

WHEREAS, the City recognizes the importance of strategic partnerships and supports the Kean SBDC with needed funding in the amount of \$50,000 to underwrite rental expenses and professional staff to operate part of the Center's functions; and

WHEREAS, the proposal is an eligible use of Urban Enterprise Zone Assistance Funds under the provisions of the Urban Enterprise Zone Act, P.L. 1993, Chapter 367 and there is sufficient funding, as evidenced in the Urban Enterprise Zone Account Status Projects report dated, November 30, 2007 to advance the implementation of this project;

NOW THEREFOR, BE IT RESOLVED by the City Council of the City of Plainfield that the Mayor and the City Clerk are hereby authorized to submit an application to the Urban Enterprise Zone Authority in the amount of \$50,000.00 to provide business counseling services and workshops and to underwrite rental costs for the Kean University Small Business Development Center and to execute such contract documents as may be required subject to the review and approval of the Corporation Counsel.

Adopted by the City Council

January 24, 2008

Laddie Wyatt, City Clerk

Approved as to Form:


Daniel Williamson, Corporation Counsel

**Proposal for Phase 4:
Renewal Funding for
SBDC Plainfield Satellite Office**

Introduction:

This proposal constitutes a request for renewed funding for Kean University Small Business Development Center's (K SBDC) satellite office in Plainfield so that it may continue to provide its business development services to Plainfield residents and business owners.

Uniquely positioned and chartered by the U.S. SBA to provide comprehensive, expert confidential business assistance to those entrepreneurs otherwise unable to purchase such services, the Kean SBDC has served as a beacon of information, guidance and hope to those Plainfield residents who have used its services. As our October, 2005 Survey of Plainfield clients also revealed (see 2006 proposal) it functions as a welcome safety net to the local risk – taking entrepreneurial community. They are grateful to the City for its role in providing it. The center provides counseling, training, referrals to partnering organizations, community support groups, and professional entities, a library of “How to” guides, demographics, software, state and federal documents, videos, etc: in short, full access to the universe of resources needed to start or grow a small business

While the SBDC provides consulting and training in all aspects of business start up and growth (except legal discussions), including International Trade, accounting needs and software programs, e-commerce areas including how to do business on-line and setting up websites, how to commercialize a new product or idea.....the following are offered as the most active/most requested areas of business development:

***** PROCUREMENT/GOVERNMENT CONTRACTS**

By prequalifying clients, then assisting them with the entire process of becoming certified and/or registered as MBE's, SBE's for state, federal or city contracts, clients are positioned for these government contracts, or as subcontractors to larger companies. Clients are also assisted with securing contracts (locating bid opportunities, marketing to project officers/buyers, and performing on contracts actually obtained). Clients are also assisted in the entire process (securing bid performance bonds for certain government requisitions requiring them.

***** FORMAL START UP**

For those clients who are just beginning the formal start up process, (at least 50% of all clients), SBDC has assisted them to formally/legally form their businesses, helping them to select the appropriate legal structure (reviewing both liability issues and tax consequences and maintenance of these structures), prepare the documentations for that legal structure, including applying for relevant permits or licenses and federal and state EIN.s, etc. Client are further assisted in establishing a recordkeeping system and opening a bank account, collecting and remitting relevant taxes, using employees or subcontractors, etc....

***** START UP FEASIBILITY**

Clients interested in starting a business are assisted with determining the feasibility of their ideas. Is this particular business a good "fit" for them? What does it take to successfully run this kind of business? What is the marketing potential for this product/service? What is the income potential? How realistic is the entrepreneur's vision of these areas? What are the location, cash outlay, and personnel requirements? Etc.....

****** START UP: PURCHASING A BUSINESS OR FRANCHISE**

Clients are assisted with both the business valuation process and market potential of established business, including identifying and reviewing what is needed from the seller to make a reasonable offer, site analysis, negotiating with the seller, how to select and work with their attorney and/or accountant, and other due diligence aspects relevant to purchasing..

***** FINANCING**

When clients are seeking financing, SBDC assists them with the entire process, (short of providing them the funds). This process includes reviewing the credit/loan process and requirements and making a determination as to their creditworthiness/ability to repay. The screening process includes reviewing their current credit reports, explaining them, correcting items or preparing letters of explanations to lenders, or remediating credit, as indicated. If ability to repay appears sufficient, (including adequate equity and collateral), a loan application is prepared, including business plan, cash flow projections, personal financial statements, etc., tailored to the most appropriate loan program identified. Both public and private loan programs are reviewed, including investment equity scenarios, as appropriate.

***** MARKETING AND SALES**

Clients seeking to increase customer/client base are given marketing and sales assistance. This includes reviewing existing strategies and tools, preparing and administering market surveys, reviewing or preparing marketing mix tool, repositioning in the market place, preparing marketing and sales plans, etc....

Special Events Delivered in 2007

August 4th SBDC co-sponsored and served as panelist for the “Business Empowerment Conference” held at the Heardone Complex. Coordinated by the Business One-Stop and attended by various public (including Mayor Briggs) and private sectors entities interested; in new methodologies to promote government-private, sectors collaborations. The conference was an initial effort to launch this unique dialogue.

On June 2nd, the SBDC co-sponsored a large “Financial Fair” with Shiloh Baptist Church Community Life & Cultural Arts Center. The SBDC helped co-create the conference; spoke about entrepreneurship, and publicized the event. 52 individuals attended.

“The SBDC in the UEZ” - Helping Established Businesses Grow” was held by SBDC and its Headquarters NJSBDC on June 13th, attended by over 20 individual and various community support representatives it provided a forum for SBDC and some of its clients to speak about its business dev. efforts in Plainfield. Mayor Briggs and Assemblyman Green spoke about economic development projects and SBDC's role in them, as did NJ Dept. of Commerce & Economic Growth.

KSBDC Plainfield Partners:

The SBDC for has established long – term relationships with a variety of Public and Private sectors organizations which assist in fulfilling or augmenting its services to clients. These partners include: City of Plainfield, State UEZ, U.S. SBA, NJ Commerce and Economic Growth Commission; NJSBDC, Kean University, NJAWBO; Union County WIB; PNC, Unity; Chase and various banks and lenders; SCORE; NJ Dept. of Labor; One Stop and Business Resource Center, Plainfield Chamber of Commerce; PC TV 74 Cable Television; NJ EDA, and ETI Program; Plainfield Public Library; the Tri County Journal.

Additional Local Partners Candidates:

Accion International; Plainfield Korean and Hispanic Chamber of Commerce; local houses of worship, especially Shiloh Baptist Church.

Additional Initiatives for 2008:

The SBDC intends to continue offering its consulting services at least two days and one night per week in Plainfield, as well as its ambitious training program of various workshops customized to the community's needs

Initiated in the summer of 2005 the center will continue its “door-to’ door” program of visiting local businesses and banks to promote SBDC services and visibility, as well as to ascertain their small business needs and service preferences. Banks are also being visited to strengthen potential training partnership.

In 2008, local non – profit and religious organizations will also be contacted to further promote SBDC services to members.

Also in 2008, the SBDC plans to coordinate several special programs in Plainfield, arranged to either showcase its partnerships and their resulting benefits to the business community, or to address special needs of this community. These include a downtown walking tour (involving local, state, and federal government officials, media and business owners) and targeted Community groups such as Hispanic business owners or contractors.

The resounding success of the Center's “Mini-Certificate” program (offering an entrepreneurial certificate for attending a series of start-up workshops) is generating new efforts.

In 2008, the SBDC will explore the feasibility of establishing a credit-based entrepreneurial training program. A higher-level and more time-intensive course of studies, the intention of the curriculum is to provide a” Mini MBA in Entrepreneurship”. This type of program offers a unique learning opportunity and reward to the community. Discussions have already been initiated with Kean University senior personnel to assist in developing such a program with the SBDC.

CLIENT SUMMARY: Plainfield-Located* Businesses Served by Kean SBDC
1/1/07 – 12/31/07

COUNSELING:

-70 distinct clients

TRAINING:

- 18 workshops
- approx. 332 attendees

DEMOGRAPHICS OF PLAINFIELD-LOCATED CLIENTS COUNSELED:
(CATEGORIES ARE NOT MUTUALLY EXCLUSIVE)

Women: 51%
Hispanic: 18%
African-American: 82%
White: 2%
Asians: 2%
Veterans: 2%

Business Demographics:

Home-Based: 27%
On-Line: 8%
Wholesalers: 0%
Mfg: 3%
Retail: 8%
Construction: 6%
Transportation
And Whse: 5%
Real Estate Mgmt.
And Investing : 9%
Health Care and
Social Assist.: 5%
Arts, Entertainment.
And Rec.: 8%
Finance and Insurance:
2%
Food Service: 8 %
Ed. Svcs. 9%
Other Svcs. 39%

Pre-Business Ventures: 58%
In-Business: 42%

(* Clients reside or have businesses in Plainfield)

2007 WORKSHOPS HELD IN PLAINFIELD

TITLE	DATE	#ATTENDEES
Legal Aspects of Starting & Running a Small Business	1/12/2007	8
Developing a Winning Business Plan	1/19/2007	13
Financing your Small Business	1/26/2007	6
Marketing Strategies for Small Business	2/2/2007	15
Selling to Corporate America	2/9/2007	10
Get online now	2/16/2007	10
Business Networking Forum	2/21/2007	9
Women & Minority owned business doing business in N.J.	3/20/2007	55
Surefire Marketing Techniques	5/8/2007	8
The Ins and Outs of SBA Loans	5/16/2007	8
Developing a Winning Business Plan	5/22/2007	19
Being at the Top of Your Financial Game	6/2/2007	52
Building and Financial your Business with the SBA	6/7/2007	16
SBDC in the UEZ Helping Establishing Businesses Grow	6/13/2007	21
Is Business Ownership right for you	6/19/2007	6
Business Empowerment Conference	8/4/2007	32
Developing a Winning Business Plan	10/26/2007	19
Small Business Tax Workshop	12/4/2007	25
TOTAL		332

KEAN SATELLITE OFFICE BUDGET: 2008

The following expenses are based on a year of operations:

Administrative/Rent: \$22,700

Professional Services:*
Consulting and/or
Training; Outreach
And Special Projects \$22,000

Marketing and
Training Materials \$5,300

Budget Total: \$50,000

(*Professional Services are based on providing 2 days of consulting and/or training services per week at a standard rate of \$50/hr at 10hrs/week for 48 weeks.)



Assemblyman Jerry Green, NJSBDC Associate State Director Deborah Smarth, Plainfield Mayor Sharon Robinson-Briggs, NJSBDC State Director Brenda Hopper and Mira Kostak, Regional Director of the SBDC at Kean University.

SBDC in the Plainfield UEZ NJSBDC Serves Local Businesses in the Queen City.

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Funded in part through a cooperative agreement with the U.S. Small Business Administration. Additional funding is provided through the New Jersey Commerce, Economic Growth and Tourism Commission and Rutgers Business School: Graduate Programs-Network and New Brunswick. All opinions, conclusions or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA.



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NJ Small Business Development Centers

The New Jersey Small Business Development Centers (NJSBDC) network helps small businesses expand operations, manage growth or launch new ventures. With offices in every county of the state, NJSBDC consultants help small business owners finance, market and manage their ventures.



Starts January

Essex County



March 27

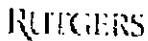
Sponsors



U.S. Small Business Administration



NJ Commerce Commission



Rutgers Business School

Small Business Events

January 2008						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

[See the full statewide calendar.](#)

Consulting

Let us help you with managing, marketing, finding financing and writing your business plan. Special programs for Procurement, International Trade and E-Business.



[Learn more](#) or [Request Consulting](#) to start working with a NJSBDC consultant.

Testimonials

"Small business development centers are helping local entrepreneurs write new success stories every day. By providing all the elements for start-ups to maximize their potential, small business development centers are able to provide real-time answers that generate long-term results.

-Senator Bernard F. Kenny
NJ Senate Majority Leader

[Read More...](#)

Impact

News

1/7/08 Legislative Awards Photos



[Brenda Hopper, Assemblyman Kevin J. O'Toole, Deborah Smarth](#)

12/21/07 Success Awards Photos



[See the photos](#)

12/21/07 "A Through Put for Innovation"
by: Vincent A. D'Elia

12/21/07 Franklin Covey "7 HABITS FOR MANAGERS" Now Offered by NJSBDC at Rutgers-Camden

12/18/07 Entrepreneur Training Online

In 2006...

- 5,998 clients were provided with one-to-one management consulting.
- Overall, more than 23,000 potential and established business owners received consulting and training services from NJSBDC in 2006.
- The network helped facilitate \$126.5 million in total loans, procurement contracts and equity investments for small businesses across the State in 2006.

Since 1979, more than 293,000 people have received direct assistance from the NJSBDC in the form of free, confidential, one-on-one management consulting and affordable education.

Client Quotes

I have received financing in the amount of \$250,000. Because of their help, we were able to move into a larger facility, expand our product lines and hire new employees.
LM, West Berlin.

" After being downsized by AT&T, SBDC counselors helped me in many ways. Through the SBDC, I gained the knowledge necessary and confidence to start my own business. If the SBDC had not been there, I definitely would not have created my own company. Due to free counseling services of the SBDC and the SEA program I gained the knowledge and confidence to start my own business that has generated over \$11,000 of NJ tax revenue that would not have been realized without the SBDC.
JS, Holmdel.

" I received SBDC assistance to help me start my business in 2006. Since then, I have received financing in the amount of \$50,000.00 due to their assistance and this has helped me expand my business with essential working capital.
MC, Clifton. [Read more](#)



Online classes for the busy entrepreneur

Classes start January. Register today.

12/11/07 Attention: Fort Monmouth Area Community
See what NJSBDC is doing to help you through the planned closing of Fort Monmouth.

11/28/07 NEWARK...NJSBDC Small Business Growth Success Award Winners Reflect the Diversity of New Jersey's Economy From Sushi Manufacturing to Education Empowerment
15 Business Leaders to Be Honored on November 30 for The Edge They Bring to Their Enterprises
NJSBDC Also Lauds Lawmakers for Their Efforts to Move Business Forward

10/23/07 NJSBDC Hosts Business Growth Tour at Datatek Applications in Somerset on October 24

10/1/07 HACKENSACK...NJSBDC at Bergen Community College is Ladder to Success for Rescue Zone A Fire Safety Activity Center for Children Opening in Bergenfield on Oct. 7

9/21/07



Success Awards

Early registration discount until Oct. 8

8/29/07 New Jersey Small Business Development Centers Sponsors Next

Stage Workshops to Help Established Businesses Grow in the Garden State

8/28/07 Legislative Update from Deborah Smarth

8/27/07



irs.gov

Small Business tax information from the IRS

8/24/07

The Small Business Voice

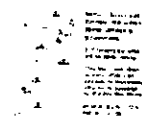
Small Business Voice newsletter



Next Stage Business Growth Training

8/23/07 Available at five locations throughout New Jersey. 10% discount before September 7.

Business Growth Tours Across New Jersey



Growth Tours Poster

6/26/07 NJSBDC's Business Growth Tours Across New Jersey Launches in West Berlin June 27 Press release

6/13/07