

# Rochester, NY

## Mayor William A. Johnson, Jr.

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### ***Business Assistance Program*** ***Neighbors Shopping Neighborhoods*** ***Entertainment District Support*** ***Business Association Support*** ***Business Assistance After Care Program***

#### **Business Assistance Program**

The Business Assistance Program provides modules of technical assistance to established retail/service businesses who are located in the low and moderate income levels of the City of Rochester. It is funded through CDBG money.

The objective of the program is to provide one-on-one technical assistance to business owners/key staff to advise on computer selection and train on computer usage; additionally the assistance may train businesses on how to set up and maintain accounting systems and profit and loss statements. The consultant may review the tax situation of the business and advise if the business is in compliance with all laws and regulations. The consultant may evaluate a business' advertising program and make recommendations on what advertising program will maximize the business' exposure. This includes negotiating favorable rates. The consultant may evaluate the overall operations of the business and make recommendations in the following areas: store design, store operations, improving productivity, administrative cost containment, occupancy costs, advertising costs and personnel policies and procedures. The selection of consultants is done by RFP. CDBG dollars are used at about \$60,000 per year.

The purpose is to assist businesses by evaluating the day to day operations of their businesses and to make recommendations which will streamline and/or point to shortcomings in operations which can affect profitability and the competitive edge. It is designed to provide a professional advertising plan to expand the customer base. It is further designed to create accurate financial record keeping which allows businesses to monitor their sales and costs and prepare them for any financial assistance needed.

The application is one page: department staff contacts the consultant by phone and gives the background the consultant needs. By contract the consultant must contact the customer within two weeks to schedule an appointment, however, the contact is usually made the same day. The consultant works as long as necessary with the customer based on the opinion of the department's representative. A written report is submitted, and evaluation phone calls are made. The cost to the department's customer is \$50. If the consultant's recommendations are implemented within six months, the fee is refunded.

#### **Neighbors Shopping Neighborhoods**

The City of Rochester has over 4,000 businesses in its neighborhoods. Some of these are tucked away on side streets; others can be found thriving or dying on major commercial strips. The beauty of these businesses is that they are small and specialize in unique products or food and whose customer service is exemplary. In order to assist businesses to compete with the malls and national chains, the city publishes a shopping guide which includes each business broken out by neighborhood. It is double indexed by type of business and alphabet.

Over 204,000 of the guides are distributed in the daily newspaper the second Sunday in November. This is to insure that the guide is not lost in all the pre-Thanksgiving and Thanksgiving flyers. Advertising is placed in the paper for two weeks prior to the distribution of the guide advising readers to look for it. 10,000 copies of the guide are distributed through neighborhood offices, business associations, the County library system, and City Hall.

The City buys \$10,000 in the Sunday daily paper for ads during the Christmas season. It also buys Cable TV for \$20,000 during the



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***"We strongly believe in supporting our community's small business, and the number of programs we have developed to assist these companies definitely reflects that conviction. We fully understand how valuable small businesses are to the economic health and well-being of our city, and we are committed to ensuring their growth and stability whenever possible."***

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#### ***Business Assistance Program***

Program has been running six years

#### ***Neighbors Shopping Neighborhoods***

Program has been running four years

#### ***Entertainment District Support***

Program has been running two years

#### ***Business Association Support***

Program has been running one year, replaces a nine-year program

#### ***Business Assistance After Care Program***

Program has been running one year

CONTACT: Fashun Ku  
Commissioner

Economic Development  
Department

City Hall, 30 Church Street  
Room 005A

Rochester, NY 14614

(716) 428-5808

FAX: (716) 428-6042

E-MAIL:

fashun@ci.rochester.lib.ny.us

season. Additionally, ads are placed in other local newspapers and ethnically-oriented radio stations. This year's theme is "Remember Doing Business With People You Know? You still can!"

The total spent on the program is \$180,000 (CDBG), and this includes seventeen \$5,000 advertising matching grants to individual businesses who complete the Business Assistance Program. This year it also includes \$25,000 to create brochures for the Center City and one to market the Entertainment Districts.

### **Entertainment District Support**

This models the Business Association Support program. It provides organizational, advertising, promotion and physical improvements in the City's four entertainment districts. The purpose is different in that the entertainment districts are lively areas with few vacancies.

The business owners are simply too busy to spend a great deal of time promoting the areas as a whole. The organizational support allows them to hire a consultant to plan major events and handle the day-to-day advertising which allows the owners to concentrate on their businesses. It has created four distinct entertainment destinations designed to attract tourists as well as city and county residents.

The City provides \$20,000 annually to each district from CDBG funds for a total of \$80,000.

### **Business Association Support**

This program provides organizational, advertising, promotion, and physical improvements to business associations that meet criteria set by the City of Rochester. This includes the following:

- D/BIA
- By-laws
- Officers
- Checking account
- An action plan produced through the City's TQM process

Eligible commercial strips are either in non-viable areas or have demonstrated a commitment to utilizing previous funds to improve the strip. Organizations are funded from \$5,000-\$25,000. This is a matching grant which may be matched in cash or in-kind contributions, i.e., officers' time, meeting room rental, etc. The \$25,000 amount is for the most needy strips as determined by an evaluation of all the city's commercial strips. \$5,000 is given to districts who no longer need maximum support and for districts that have just formed business associations. If they use the \$5,000, they become eligible

for up to \$25,000 the following fiscal year. All districts are under contract with the City and must have department sign-off before money can be spent. There are presently seventeen business associations under contract. The total cost is \$135,000 CDBG.

Additionally, department staff will prepare agendas with the association president and will mail them. Staff will also attend meetings, take minutes and mail minutes. In the early stages of association development, staff will run the meetings until the president is comfortable doing so. The staff also does troubleshooting for the associations whether it is taking individual members through the zoning maze, getting sidewalks fixed, nuisance problems, and more.

The department holds a Presidents' Council (comprised of the presidents of each of the twenty-eight business associations) monthly. City departmental operations are explained, progress reports given, regional planning is discussed, input for new programs is given, and networking is done.

### **Business Assistance After Care Program**

In evaluating the Business Assistance Program, department staff found that not all businesses implemented the consultant's recommendations except in the advertising program. The reason customers gave the department for not implementing the programs was that they didn't have the time. Completion of the advertising program came with a \$5,000 matching grant to implement the consultant's recommendations.

Since the purpose of that program is to strengthen small businesses by maximizing the use of available resources which will increase efficiency and productivity and improve decision-making abilities, it became obvious that further support in the form of an implementation grant was needed.

The program provides the following:

- Computer module - eligible for up to \$2,000 for improving hardware or software
- Overall evaluation - eligible for up to \$2,000 for consultant to assist with implementation
- Accounting/tax review - eligible for up to \$1,000 for follow-up care
- Store design - eligible for up to \$1,000 for permanent leasehold improvements
- Advertising - eligible to use the Neighbors Shopping Neighborhoods \$5,000 matching grant

The total cost of the program is \$30,000 CDBG.