

**Bronx Business Tech Incubator**  
**Supplementary Report to the City Council May 2020**

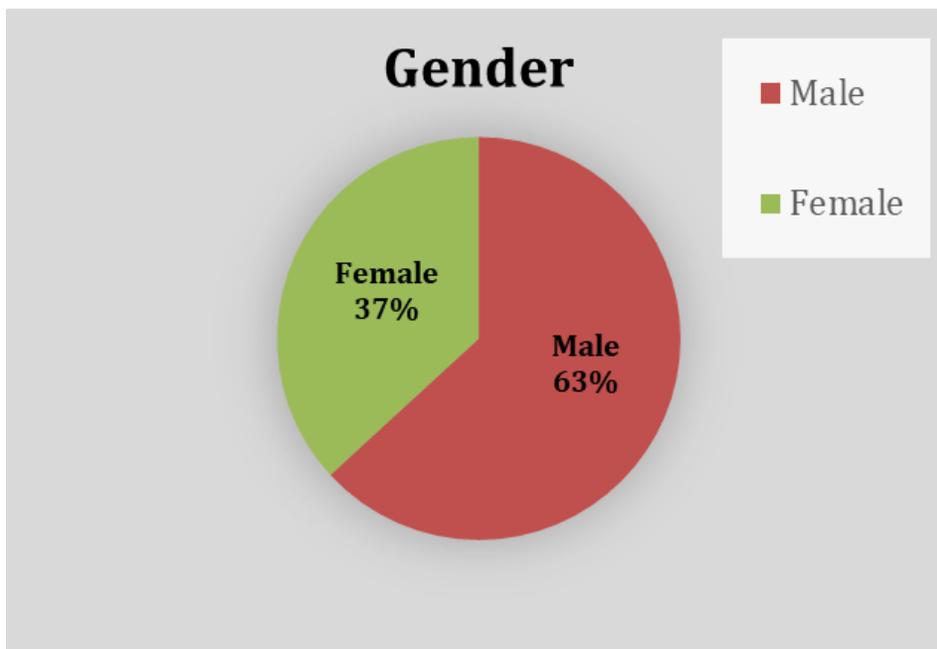
**CUNY-New York City Council-Funded Initiatives at the Technology  
Incubator and Innovation Lab,  
CUNY on the Concourse, Lehman College, CUNY**

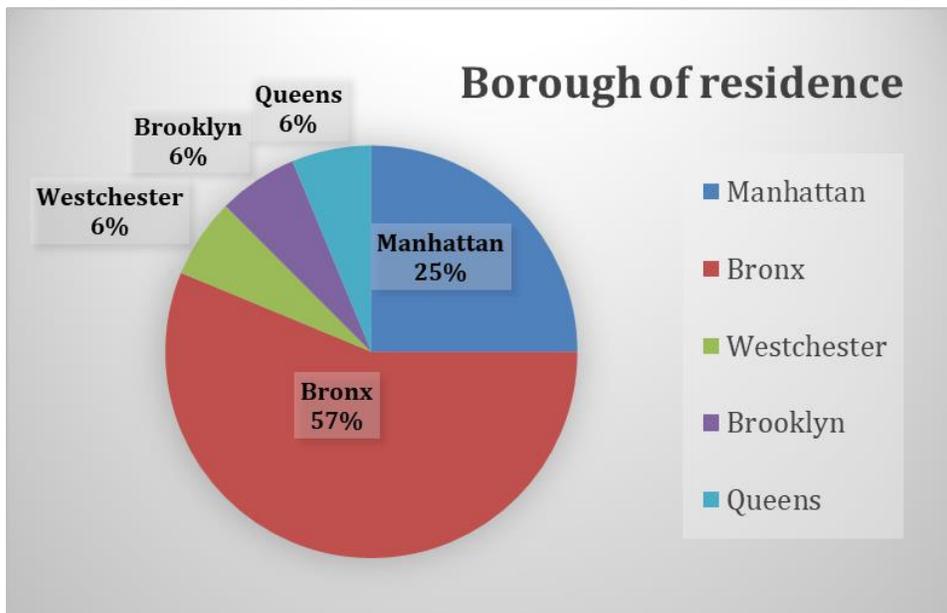


The School of Continuing and Professional Studies has decided to add this supplement to the City Council report of April 2020 in light of the impact of the coronavirus, Covid-19, on business in New York City and specifically on the Bronx. The Director of CUNY on the Concourse, Samira Bahrami, and the Dean of SCPS, Dr. Jane MacKillop, interviewed 16 of the 19 small business people, who are tenants in the Bronx Business Tech Incubator, to find out what they appreciated most about the Incubator and how the pandemic was affecting their businesses. An Excel spreadsheet summarizing the findings is attached. [BBTI progress report May2020](#)

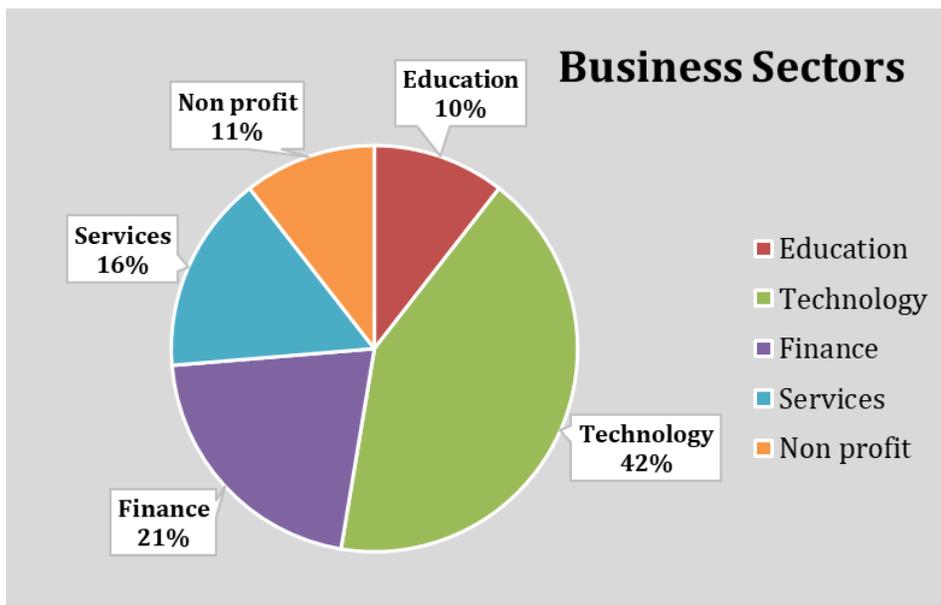
### **Incubator Businesses Overview**

A snap-shot of the businesses shows that they are predominantly male-owned (12 out of 19 or 63%) and most of the owners live in the Bronx (57%), followed by Manhattan (25%).

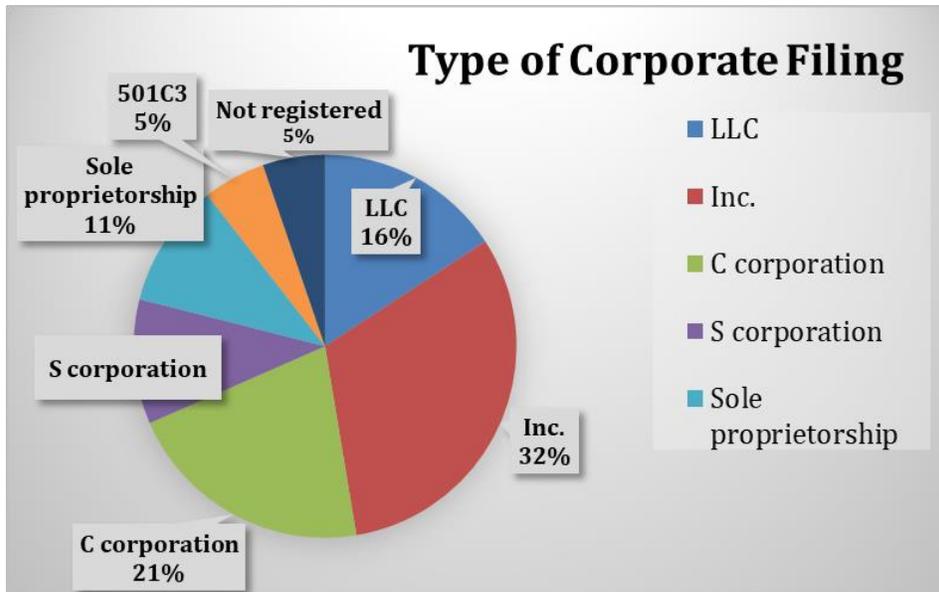




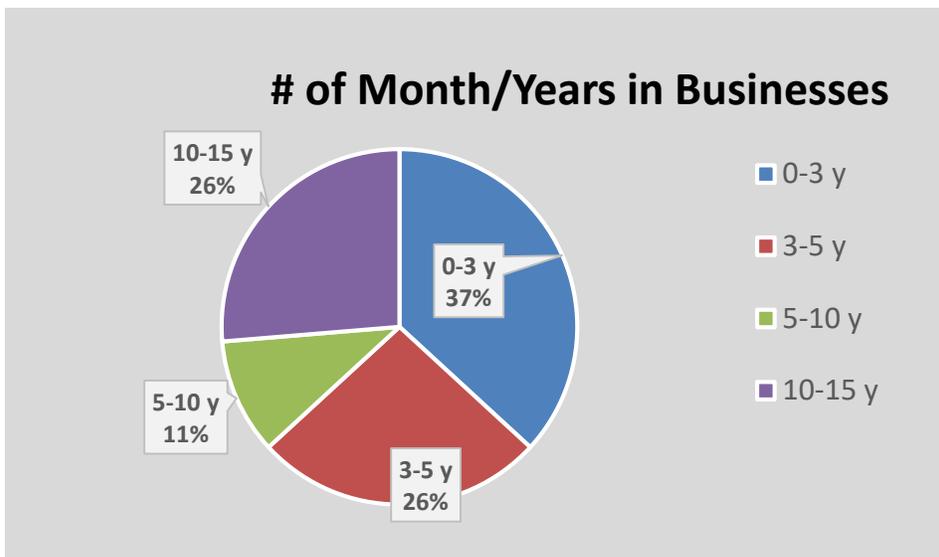
Their businesses are in five main sectors, predominantly technology, but also finance, education and various services. Two are non-profits. There is extensive overlap among the businesses' sectors. It is interesting to note the sophisticated use of IT, even in those businesses that are not technology focused.



The businesses are at various stages of growth, ranging from sole proprietorship to C or S Corporation to LLC to full incorporation. The non-profits are 501c.3s.



The businesses range in age from the newest, which has been at the incubator just a month to the oldest, which began in 2005.



The number of employees varies among the businesses; many of them hire contractors or specialists on an as-needed basis, others have part-time and full-time employees, or partners. They also act as mentors to the Small Business Consulting Practice interns, who work with them providing much needed assistance with social media marketing, accounting and research.

### **Bronx Business Tech Incubator**

The small businesses are particularly appreciative of the resources of the Bronx Business Tech Incubator. They described the space as affordable, safe, accessible and convenient, as it is on the Grand Concourse close to main highways and subways. They referenced the facilities, such as the office space, the conference room, classrooms, and VR training lab as well as access to all that Lehman College offers on the campus. They mentioned the administrative services supplied by the COTC staff, support from SBDC in the form of counseling, and also meetings and workshops, such as those provided by SCORE. They described the synergies that exist among themselves and between them and the campus academic departments. They especially appreciated the NYU partnership and the technology events and conferences to which they have been invited or where they themselves have presented and which enable them to stay abreast of new ideas and resources.

*"As clients of the Lehman College Bronx Business Tech Incubator space for the 2nd year, we have been able to have low cost subsidized affordable access to the ILab that has proven to be an invaluable resource for capacity building for our organization. As an emerging minority owned corporation, in operation since 2005, we are continuously looking for resources, in the form of funding and/or technical assistance, to help us grow more sustainably and profitably, until we can achieve a robust financial fiscal budget. Having low cost overhead is key for startups to be able to successfully operate without loss, until a sustainable revenue source is achieved. We are very grateful to be able to benefit from the NY City Council generous subsidy. As we are currently working to secure a new source of capital funding, and thus creating at least one full time or 2 part time staff positions, we are very confident that soon we will be able to afford an expanded physical desk space presence at the BBTI".*

*Obed Fulcar, Sherman Creek Conservancy*

### **Impact of the Covid-19 Pandemic**

The corona virus pandemic has hit the businesses hard. In many cases their client base has diminished or disappeared and they are in desperate need of assistance. They have applied for multiple loans, but none have come through to date. Only one of the businesses (Latin Groceries Delivered to Your Door) has expanded, two have not been affected and the newest business is a response to the need to stay at home (do-it-yourself manicures and stick on nails). The remaining small businesses have either totally shut down or are operating at reduced capacity. Businesses are not charged rent while the Incubator is closed due to the pandemic.

In general, the response of banks to the urgent needs of the small businesses has been disappointing, despite the government initiatives, as has the city's distribution of local Covid-19 aid, which has favored other boroughs over the Bronx. The Bronx has 8% of the small businesses that qualify for loans but a mere 1% of small business loans have gone to the Bronx according to a report of a recent City Council meeting in *Crains Magazine*. This has not gone unnoticed by the incubator clients,

such as Heidi Torres, whose business provides bookkeeping, registration, tax and payroll services solutions. Heidi noted that “banks are no longer part of the growing of small businesses in America. That has been proven without a doubt during these times when only banks’ private clients received the big majority of the SBA loans with ease. We have seen that those who did not have accounts with small banks were lucky enough to be approved.”

There are a number of different loans available at this time and the small businesses struggle to understand which is the best for them. The rules and regulations are complicated and changing; the whole process is fraught with risk. Options range from PPP loans to disaster loans to conventional financing, offered by local entities such as BOC, BOEDC and the South Bronx Loan Fund as well as SBA. The alphabet soup of lenders and all the different options are hard to navigate. Lehman College’s SBDC is assisting over 60 small businesses at this time but there is a backlog of loans being processed and so far none of the incubator clients have received loans.

Lehman College’s School of Continuing and Professional Studies is proud to be able to assist the small businesses in the incubator at this critical time in the history of New York City. The funding from the City Council has been essential in supporting innovative entrepreneurs who are providing services needed by our borough and pushing forward technology innovation within a technologically sophisticated infrastructure. We are looking forward to resuming business as soon as it is safe to do so.

Jane MacKillop, Ph.D.  
Dean, School of Continuing and Professional Studies  
May 5, 2020