



TESTIMONY OF DELLA CLARK, PRESIDENT THE ENTERPRISE CENTER

Before the Committee on Fiscal Stability and Intergovernmental Cooperation Council of the City of Philadelphia

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Pennsylvania Minority Business Enterprise Center American Recovery and Reinvestment Act Advocacy and Outreach Initiative

Promoting Minority Business in the Economic Recovery of the United States

Good morning Chairman Clarke and members of the Committee on Fiscal Stability and Intergovernmental Cooperation.

My name is Della Clark. I want to thank you for giving me the opportunity to testify before the Committee regarding the City of Philadelphia's implementation of the American Recovery and Reinvestment Act, commonly referred to as the stimulus bill.

As many of you know, I am president of the Enterprise Center. Founded in 1989, the Enterprise Center provides access to capital, building capacity, business education and economic development opportunities to high-potential minority enterpreneurs. Through our portfolio of business acceleration initiatives, we seek to better position minority enterprises to compete in the local, regional, and global economies.

The Pennsylvania Minority Business Enterprise Center is one of the Enterprise Center's signature programs. The Pennsylvania Minority Business Enterprise Center (PAMBEC) is the region's leader in minority business development services. Funded by the Minority Business Development Agency of the U.S. Department of Commerce, PAMBEC focuses on offering three vital services to minority businesses: professional consultants, access to capital and contract procurement opportunities.

Since 2004, PAMBEC has generated over \$290,000,000 in contracts and capital for minority business enterprises and created hundreds of jobs in the Greater Philadelphia region.

The Enterprise Center and PAMBEC were recently awarded a contract by the Minority Business Development Agency to promote minority business participation in stimulus-funded projects in Pennsylvania. We are identifying procurement opportunities at the federal, state and local levels, and matching those opportunities with certified minority-owned businesses.

We are also advocating for policies, programs and best practices to ensure that minority businesses have greater access to ARRA procurement and grant opportunities.

The Pennsylvania Minority Business Enterprise Center Advocacy and Outreach Initiative is one of seven such projects funded by the Minority Business Development Agency (MBDA) to enhance the nationwide effort to create jobs and jumpstart economic growth.

In announcing the awards, MBDA National Director David Hinson noted that President Barack Obama and his Administration are committed to ensuring that minority businesses receive their fair share of contracts in rebuilding our economy. Mr. Hinson also noted that minority-owned firms play a significant role in the nation's economic growth.

Indeed, increasing opportunities for minority business enterprises is not about social policy. It's about economic growth and job creation. With the changing demographics, minority-owned businesses must grow so that the nation's economy can grow.

In Philadelphia, for instance, 58.6 percent of businesses are minority-owned. If they are to survive the Great Recession, they must have a fair chance to compete for stimulus-funded opportunities.

Last Friday, we held a business-to-business forum for certified minority business enterprises that are interested in pursuing ARRA procurement opportunities. We had representatives from state and city agencies, including PennDOT, the Department of Environmental Protection, the Philadelphia Industrial Development Corporation, the Philadelphia Housing Development Corporation, the Philadelphia International Airport, SEPTA, as well as prime contractors.

Secretary James Creedon, Chief Implementation Officer for the ARRA provided an overview of Pennsylvania's Recovery Plan.

Of the nearly 100 "shovel-ready" minority businesses in attendance, only one has received a stimulus-funded contract. Clearly, the Commonwealth of Pennsylvania and the City of Philadelphia must do better. Access to stimulus projects is critical to help minority businesses weather the economic storm.

We are deeply concerned the City of Philadelphia does not have a permanent point person to coordinate and report Recovery efforts for the City.

It has been nearly six months since the City issued an RFP for a Recovery Officer, whose duties would include "promoting long-term competitive development and allocation of experience to new or small businesses, including those owned by minority or disabled persons or by women."

We still do not know what goals, if any, have been established for minority business participation on the City's Recovery projects.

And if goals have been established, what is the strategy for achieving them?

As stated, President Barack Obama is committed to ensuring that minority businesses receive their fair share of stimulus contracts. The City of Philadelphia must have a coherent plan and accountability metrics for city agencies and prime contractors.

The failure to appoint a permanent Recovery Officer sends the message that it's business as usual. Minority-owned businesses need not apply.

I want to again thank Chairman Clarke for the opportunity to testify today. I would be pleased to answer any questions that you may have.