

1/26/2021

item 1-C




City Council Meeting

Item No. 1.C - Update on Worker Cooperative Initiative


RTC 21-1270

January 26, 2021

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Santa Clara's Story



Month	Year	Event
July	2019	Study Session
Nov.	2019	\$100k
March	2020	Resolution
June	2020	Project Equity
Sept.	2020	Initial Findings
Sept.	2020	Release SOQ
Dec.	2020	DAWI

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Why is This Important?



A majority of businesses in Santa Clara are small businesses and are the **backbone of our community**



Employee ownership is an option that allows owners to retire well while **keeping the business locally rooted**



Traditional **economic development strategies rarely look at succession planning** let alone providing resources to educate businesses about what options exist



It helps **distribute wealth, increase resiliency,** and supports a more engaged workforce



The Team

CITY OF SANTA CLARA CITY MANAGER'S OFFICE	PROJECT EQUITY	DEMOCRACY AT WORK INSTITUTE*
Ruth Shikada Assistant City Manager	Hilary Abell Co-Founder	Zen Trenholm Program and Policy Manager
Robyn Sahid Assistant to the City Manager	Donna Sky Business Development Manager	Mo Manklang* Policy Director, U.S. Federation of Worker Cooperatives
	Jason Eby Operations & Regional Business Dev. Manager	Yassi Eskandari-Qajar* Policy Director / Staff Attorney, Sustainable Economies Law Center

Santa Clara Worker Ownership Initiative

Business Landscape Analysis
and Initiative Presentation -
City of Santa Clara

January 26, 2021

Hilary Abell
Donna Sky
Zen Trenholm



Future worker-owners at A Slice of New York design their transition to a worker cooperative during a workshop with Project Equity in 2017.

{ Project Equity }



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Business Landscape Analysis

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Small business landscape analysis

- ✓ Commercial business data via Hoovers, Dun & Bradstreet downloaded in July 2020
- ✓ Analysis helps inform potential impact, engagement strategies, and targeting efficiency for our outreach
- ✓ Data analysis tools that can be shared with City staff & program collaborators
- ✓ 6,388 small businesses in Santa Clara reporting more than 60,000 employees and \$10.9B in revenues

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Data Analysis

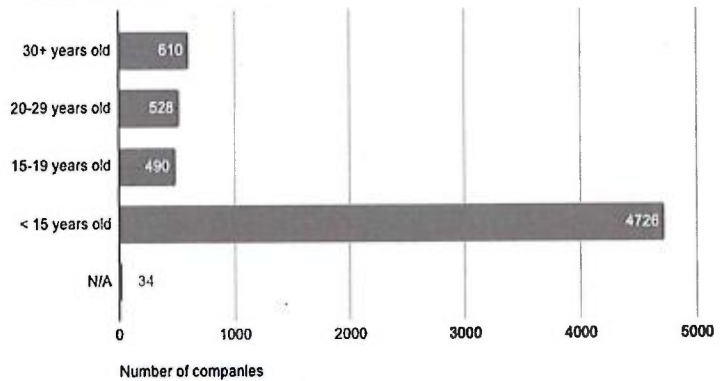
ZIP CODE All ▾

INDUSTRY All ▾

AGE RANGE All ▾

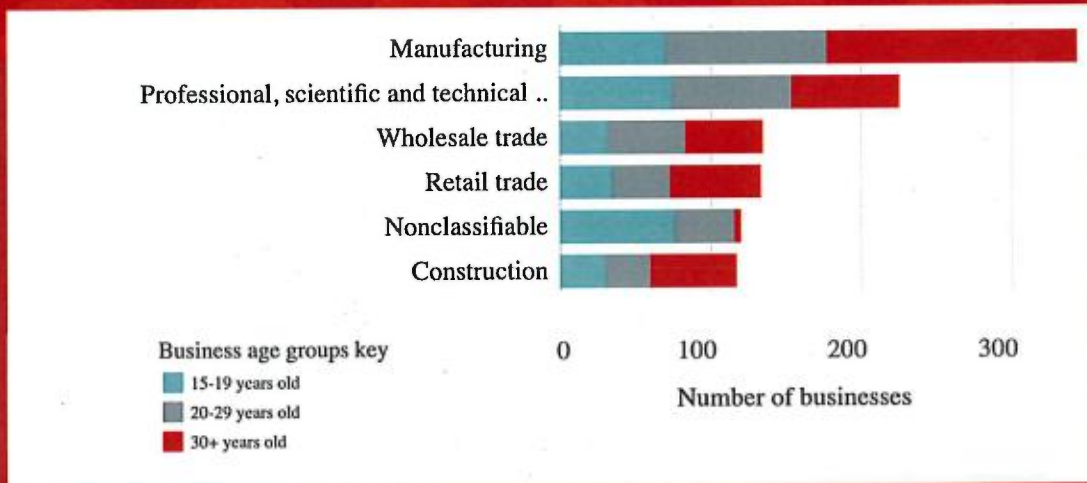
		<i>% of total</i>
Companies	6,388	100%
Employees	60,108	100%
Revenue	\$10.9B	100%

COMPANY AGE RANGE



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Key Industries with 100+ older businesses



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Industry clusters (Manufacturing)

Industry key (click an industry to highlight on the map)

- Accommodation and food services
- Administrative and support and waste management and remediation services
- Arts, entertainment, and recreation
- Business and professional services
- Construction
- Education services
- Finance and insurance
- Health care and social assistance
- Information
- Manufacturing
- Management of companies and enterprises
- Nonclassifiable
- Other services (except food services)
- Retail trade
- Science and technical services
- Transportation and warehousing
- Trade
- Wholesale trade

Select zip code(s)

- All
- 95050
- 95051
- 95054

Select business age groups

- 15-19 years old
- 20-29 years old
- 30+ years old

{ Project Equity }

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Industry clusters (Construction)

Industry key (click an industry to highlight on the map)

- All other construction
- Architecture, engineering & construction
- Construction
- Construction equipment
- Electrical, electronic & communications equipment
- Food & beverage
- Furniture & home furnishings
- General merchandise
- Health care
- Information & communications
- Machinery, equipment & supplies
- Metals & metal products
- Nonmetallic mineral products
- Petroleum & coal products
- Plastics & rubber
- Printing & related products
- Textile, apparel & leather goods
- Transportation equipment
- Wholesale trade

Select zip code(s)

- All
- 95050
- 95051
- 95054

Select business age groups

- 15-19 years old
- 20-29 years old
- 30+ years old

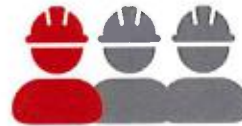


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Impact of legacy businesses in Santa Clara




1,138 businesses (**18%**)
are over **20** years old.
They account for **57%** of
small business revenues



These businesses
employ more than
1 in 3 of workers

According to a Project Equity study, Measurements indicate total businesses included in the study and do not include nonprofits, publicly traded companies, franchises, public sector and related companies.

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Worker Ownership Initiative

Small Business Outreach & Engagement
Enabling Worker Ownership Growth & Development

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(Project Equity)

Business outreach



Advertising & Media



Business Connectors



Direct Engagement



Outreach Events

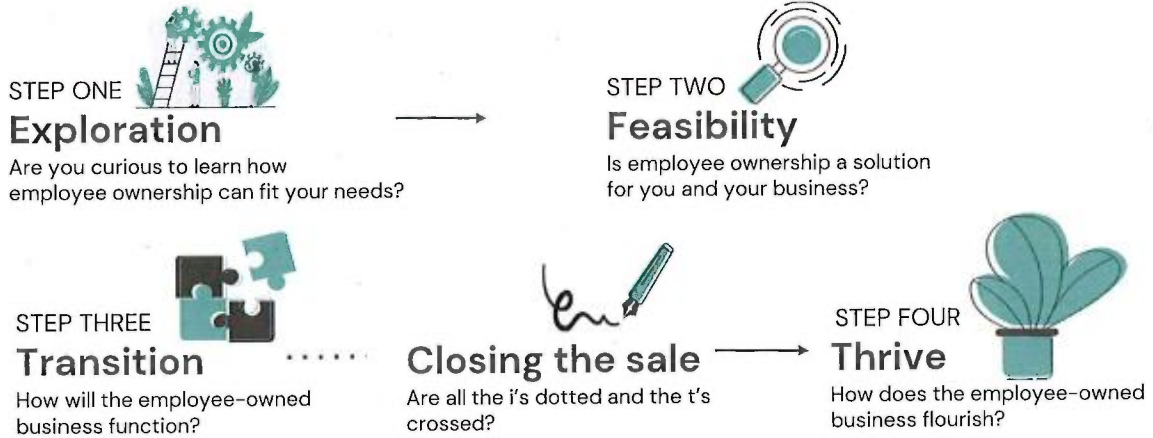


Community Event

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Project Equity's Transition Program



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Supporting thriving worker owned firms

- ✓ **Screening for success**
Good financial health, management bench, demonstrated experience, and aligned with goals
- ✓ **Cultivating referral network**
Connecting to other services and professionals, as needed and no matter where in transition
- ✓ **Ongoing support**
Staying connected with transitioned businesses



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**Sustainable
Economies
Law Center**



City: Advise the city on the most effective way to support long-term citywide impact for this initiative



Businesses: Provide informational sessions and technical assistance workshops in partnership with Project Equity



Ecosystem: Equip service providers and business facing city staff with the information they need to provide referrals and basic technical assistance

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