OFFERED BY COUNCILORS TANIA FERNANDES ANDERSON AND RICARDO ARROYO, BRAIN WORRELL, BREADON, BOK, LARA, LOUIJEUNE, MEJIA, MURPHY, EDWARDS, FLAHERTY & FLYNN



CITY OF BOSTON IN CITY COUNCIL

ORDER FOR A HEARING TO EXPLORE A DIGITAL MARKETPLACE PILOT PROGRAM

- **WHEREAS,** Small businesses are the backbone of our economy. The pandemic highlighted the fact that investments in small business infrastructure are key to reducing poverty and the racial wealth gap in the City of Boston; and
- WHEREAS, Technology companies are exacerbating the situation as they grab more market share online while local businesses shutter. Large corporations like Amazon, Walmart, Instacart, etc. saw record breaking profits as stimulus dollars were largely recaptured by these conglomerates.
- WHEREAS, Small businesses that are unable to build an online presence will perish during this pandemic, leading to a wider racial wealth gap and health disparities, increased crime, and poor educational attainment; and
- WHEREAS, Small businesses cannot bear the burden of exclusion on the new "main street" or the "online highway". Small businesses generate half of this country's jobs and nearly half of its gross domestic product, and to-boot, are the largest employers of Black, Indigenous, and People of Color (BIPOC); and
- **WHEREAS,** BIPOC small business owners pay two to four times more in commercial rent and are less likely to have leases and insurance, leaving them vulnerable to evictions and loss; *and*
- WHEREAS, BIPOC small business owners are limited in economic opportunities because of lack of allowable uses such as large retail, galleries, arts & entertainment, and large restaurants due to exclusionary zoning all of which would bring more economic activity to an excluded community; and
- WHEREAS, Our work with City Economic Development Departments, Community Development Corporations (CDC's), Local Initiatives Support Corporation (LISC), Small Business Administrations (SBA's), Main Streets and universities exposed the City's inadequacies in helping the most marginalized businesses in Boston, located in neighborhoods with 30-50% poverty rates; and

- **WHEREAS,** The City of Boston must build for the future, centering small businesses to preserve local culture, reduce poverty, save the environment by producing locally, and mitigate sales leakage; *and*
- **WHEREAS,** A marketplace owned by the people would insulate communities from systemic policies that harm them; and
- **WHEREAS,** A coordinated economic development strategy to reduce poverty and revitalize neighborhoods must happen across multiple sectors, including businesses and nonprofits; *and*
- WHEREAS, In order for small businesses to thrive, they need to capture more disposable income and align with future demographics and consumption patterns by appealing to the largest demographic in their immediate neighborhood young Black people; NOW, THEREFORE BE IT
- ORDERED: That the appropriate committee of the Boston City Council hold a hearing to discuss the possibility of a pilot digital marketplace with technical assistance for minority-owned small businesses that would address operations, lack of capital, build a "public option" for a local online marketplace owned by the people, partnership with local community service providers, transition brick & mortar business operations online as well as their inventory to be offered as an alternative to online conglomerates by implementing data collection, coalition building, built environment plan for financial sustainability level, policy centering small businesses, tech adoption, and the development of the future small business infrastructure; and that representatives from City Departments to include Economic Opportunity & Inclusion, Department of Innovation and Technology, and Office of Equity and Inclusion, and other interested parties be invited.

Filed on: March 30, 2022