



NEW YORK STATE SENATOR

Malcolm Smith

Senate Facilitates Small “Food” Business Growth

MALCOLM A. SMITH June 4, 2009

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Passes grants program for small-scale food processing facilities putting people to work, utilizing NYS products in recipes.

(Albany, NY)-The New York State Senate has passed S3594, legislation that promotes the development of small businesses, particularly those in distressed communities, by enabling small-scale food processors to apply for funding from the Empire State Economic Development Fund.

This program empowers the farmer who grows tomatoes and would like to process them into a sauce or the immigrant with an old family recipe they would like to commercialize, by opening the door to a shared processing facility that would otherwise be unaffordable . Thousands of people who might not otherwise have the means to start a small enterprise, can now receive the support they need. Specifically, specialty food producers, street vendors, restaurants, caterers and food service training programs can benefit.

The program works by providing grant funding for the development of kitchen incubator/shared use facilities sponsored by not-for-profit or government agencies, to be used by small emerging food businesses. Kitchen incubators provide inexpensive shared space and services and access to financing. Facilities can be built from scratch but most often are located in underused existing buildings that already have food preparation space and equipment.

“Helping New Yorkers, particularly those in struggling communities, establish an up-and-coming small businesses right now is smart economics,” said Senator Liz Krueger (D-Manhattan), the lead sponsor of this legislation. “The investment is minimal compared to the

benefits that will come as a result of this program. Yes, this will create jobs but even better, budding entrepreneurs will receive the support they need to put their talents to use in a way that helps us get our economy back on track."

"Major food processors have virtually disappeared from New York leaving a gap in the industry that this program will fill by using the talents of individuals whose dream it is to start their own catering business or develop a specialty food product," Senate Majority Leader Malcolm A. Smith said. "Empowering New Yorkers and giving them the tools required to build small businesses and create jobs strengthens individuals, families and communities. I believe this legislation is good for New York and New Yorkers."

In New York State, small businesses provide a significant portion of jobs, particularly in rural areas, among minority and immigrant populations, as well as women. This bill enables New Yorkers from all walks of life to utilize their creativity and skills, mainly using products grown right here in New York, to develop businesses which in turn create jobs within their communities.

The shared use kitchen facility grants will provide economic stimulus throughout New York while fostering the entrepreneurial spirit of our residents.

"This bill is an opportunity to extend our economic development efforts to a larger pool of small businesses and these businesses are the kind that will work hand in hand with our farmers," said Senator Darrel J. Aubertine (D-Cape Vincent). "Small business is the base of our economy. By helping these businesses start up and grow, we will see new job growth in New York State. This bill helps both farmers and small business. It's just good legislation."