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East Providence in position to capitalize on entrepreneurship - by Roberto DaSilva

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If opportunity does not knock, build a door. Much has been written about the “Great Resignation” trend where an unprecedented number of individuals have voluntarily left their jobs. Individuals shocked by the pandemic are exploring different career options and developing new attitudes towards work. This movement has created a very tight labor market that could have severe long-term adverse consequences on the national economy.

Fortunately, an equally compelling trend has also emerged post pandemic. According to a recent release by the U.S. Census Bureau, approximately 1.4 million applications have been filed to form a new business as of September 2021. This is the highest number of applications of any year on record which is 409,000 larger than in 2019 and 255,000 more than 2020. The Census Bureau notes that the surge in new business formation began in the middle of 2020 which indicates that individuals began making plans to start a new business during the initial wave of the pandemic. This trend of starting a new small business has given rise to the term of COVID-preneurs.

This dramatic increase in entrepreneurial spirit bodes well for a strong economic recovery post pandemic. These new businesses will likely be ready to hire additional workers in 2022 and seek new space to operate their businesses. This trend is in stark contrast to the Great Recession, (2008-2010) when new business formation activity plummeted which stalled a robust economic recovery. The industries with the largest gains in applications for new businesses include accommodations, food services, retail trade and health care. It is notable that many of these new business applications are being filed by women and people of color, populations which were the hardest hit by the pandemic.

East Providence is poised to welcome these new startups that can play a pivotal role in revitalizing our older commercial corridors. The city will look to green light budding business owners with a variety of tools including the strategic use of ARPA funds. In addition, the city's recent zoning reforms make it much easier to locate a business in the newly adopted mixed-use zoning districts. Relaxed parking requirements and more flexible dimensional standards will lower traditional barriers to start a new enterprise.

Finally, the city is actively considering the creation of a “co-working space” for individuals looking to launch a new business. This new co-working space can be a catalytic investment in our local economy. A cooperative working space offers many advantages to entrepreneurs including cost savings, operational efficiencies, and a shared marketing platform. Also, this incubator setting can create a thriving business ecosystem that will enhance networking and collaboration opportunities. Ultimately this can provide a fertile environment for creativity and innovations.

East Providence's zoning reform and strategic public investments are putting the city in position to capitalize on the rise of entrepreneurship which will revitalize commercial corridors and create more livable and economically resilient neighborhoods.

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