



Catalyst Kitchen (GrandLo Café) Trip Report  
New York, New York  
September 12, 2019

#### Program Visited

- GrandLo Café, 80 Pitt Street, New York, NY 10002

#### Focusing Philanthropy Staff

- Parnia Banki

#### GrandLo Café Staff

- Robert Cordero - Executive Director
- Thanh Bui - Managing Director, Youth and community Development
- Adam Perez - Café Manager
- Wesley Dyer - Youth Job Training Manager

#### GrandLo Café

- GrandLo Café, a social enterprise of Grand St. Settlement, provides youth who aren't in school and aren't working with meaningful job skills. In addition to hard skills like kitchen math, cashiering, food handler's licensing, and cafe management, the job training program teaches soft skills like customer service, interviewing strategies, and workplace accountability. They offer Grand St. Settlement's full array of community support structure, helping trainees secure housing, education, healthcare, and childcare so they can devote more of their time to school and a career.

#### Background

- PB visited Grand Street Settlement\* in May 2017 when GrandLo Café was a concept and construction phase was just beginning. At the time Robert Cordero explained his vision for the social enterprise and the barista training program he wanted to create for opportunity youth, ages 16 to 24.
- GrandLo Café (GLC) soft opened in March 2018
- GLC is a social enterprise created by Grand St Settlement in the Essex Crossing development in the lower east side. Café will offer catering and can be rented for events
- Essex Crossing is a \$1.5 billion mixed-use development, 1.9 mil sq. ft. of space
- The area has been vacant for 50 years due to political gridlock (read Robert Moses and Power Broker)
- Under the mayor's leadership and through a community process, the area is being developed. 1000 apartment units being built 50/50 market and affordable housing.
- In 2013, GLC was chosen by Essex Crossing developers (L&M) to fulfill a city requirement for community space.
- 2,500 sq. ft. was donated by Delancy St., a subsidiary of L&M. Cost is \$1 per year (developer gets tax credit). After 5 years Grand Street Settlement can purchase the space for \$1.

#### Job training program Program





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- Students - GLC receives referrals from the Settlement's internal programs as well as The Door, Henry Street Settlement, Department of Education. They are working on a referral partnership with the Department of Probation for justice-involved youth.
- GLC mission is to create pathways to meaningful employment for low-income NY city youth who are neither employed nor attending school, ages 16 to 24.
  - Housing: If they are legally on their own, they qualify for gov't assistance and transitional homes. GS partners with various shelters
- GLC now training 8th and 9th cohort. To date they have graduated 64 students
- Each cohort is comprised of 12 to 15 students
- 5 training cycles per year, each is 9 to 12 weeks
- Students get \$1100 stipend over 11 weeks
- First 1/3 of training session is power skills, social emotional, communication, goal setting/execution financial literacy
- They learn barista for 4 weeks. Training is at Counter Culture coffee house. GLC serves Counter Culture Coffee
- Training on the ground latter half of training
- Trainees also receive training in hard and soft skills and wraparound services- referral to childcare, housing, further ed
- Trainees work with permanent staff to learn barista, food prep and customer service
- Goal is to graduate with food handling and barista certificate
- Each grad will receive a year of job placement support - members of the lower east side employment prog. Hire from community and students get priority

## Model

- Cost-effective model
- Cost of two months of job training and placement for each grad is ~\$2500 vs \$18,000 taxpayer cost of 2 months of incarceration
- Goal is that Café will be self-sufficient over time, revenue will cover business expenses and job training
- Social enterprise= \$250k/yr.
- Cost=\$550k/yr.
- Grants from Deutsche Bank, Citibank, and Wells Fargo will close the gap for time being

## Key Observations

- Robert and Thanh are very engaged, passionate and dedicated to ensuring the success of the social enterprise and training program. They are in the trial and error phase, ironing out the wrinkles
- Business is still fairly new. Their sales have been up as of late.
- There's a lot of competition with cafes and restaurants all around. PB visited The Essex Crossing marketplace- the Market Line- only a block away. It's a huge food court with a variety of food establishments. This could be a good source of employment as well.
- They're working hard on job placement. Currently, they only place about 35% of their graduates. I asked Robert about this and he said that this population is particularly challenging. And there are multiple tracks for graduates- placement is not the only option. They can go back home or go back to school for example. Strategy to improve job placement includes assessing trainees for job





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placement readiness. Level 1 is immediate connection to LESEN. Level 2 is placement in their own employer network, meaning they can do case management in coordination with the employer. Level 3 is that they are not ready and need further training and wraparound services like mental health assistance.

- PB noticed in the intro brochure the Barista certification goal was 80% and actuals are at 63%, and also the goal for food handler's certification is 100% whereas the actual is at 10%. Apparently, numbers are dated. Likewise, the percentage receiving their food handler's certification is at 58% for last two cohorts. This increase is primarily because of improvements in the curriculum based on the trainees' learning needs, and better instruction from job training manager.
- Thanh and Robert asked for my thoughts...I pointed out that in addition to the technical skills, they should spend more time training students on soft skills to improve the value of their graduates. If they build a reputation for delivering a competent, reliable, dedicated pipeline of skilled workers, then NY food establishment would pursue their graduates more aggressively.

\*Historically, settlement houses provided a safe place for poor residents to receive medical care and provided nurseries for the children of working mothers. They offered meals and employment placement services. They sponsored lectures and gave music lessons. They trained residents for jobs and offered gymnasiums to train one's body. Some settlement houses had an on-site savings bank.

