

LOCAL

Local LGBTQ+ business leaders speak on challenges



by Lauren Rowello

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Philadelphia City Hall. (Photo: Adobe Stock)

Rue Landau — Philadelphia’s first openly LGBTQ+ council member — hosted a roundtable discussion for LGBTQ+ business leaders on Feb. 11 at City Hall to learn about challenges and possible improvements.

Participants included nine business owners and nonprofit leaders, as well as leaders from the Independence Business Alliance (IBA), the region's LGBTQ+ chamber of commerce.

“We intentionally keep these roundtables small to ensure honest, in-depth dialogue, and rely on partners like the Independence Business Alliance, who helped facilitate our guests today,” Landau told PGN after the meeting. “But this is part of an ongoing effort, not a one-time event. Business owners who want to participate can reach out to our office directly, whether to share concerns or request a seat at a future session.”

Cathie Berrie of BeauMonde Originals — a photography and videography agency — immediately shared concerns about the [Business Income & Receipts Tax](#). Often referred to as the BIRT tax, it applies to all for-profit businesses, charging businesses \$1.41 per \$1000 of receipts and 5.71% of net profits.

Philly's tax structure recently changed following a lawsuit alleging the city's exemption violated the Pennsylvania Constitution's “uniformity clause.” For the first time in 11 years, small businesses earning less than \$100,000 will be required to pay the tax.

That's because a business's first \$100,000 in earnings used to be exempt. Some small businesses — including multiple present at the LGBTQ+ business roundtable — don't have earnings that hit the former threshold but will now be required to pay.

Justin Mendoza of Intrins Inq — a boutique wellness, coaching and therapy studio — called the change “a huge burden” and “a killer.”

This change will cost business owners up to thousands of dollars, explained Zach Wilcha — executive director of the IBA.

Wilcha underlined how this is especially difficult for some business owners.

“They might not know how. They may not know that they even have to do it,” Wilcha said. “So it's going to create not only a lot of confusion, but there's also going to be some major financial implications for the smallest of our businesses right now — and many of our small businesses are owned by queer people or immigrants, people of color.”

Various other aspects of doing business are impacted by tax delinquencies, Wilcha said — including licensing and inspections or the ability to submit proposals to work with the city. Interest and penalties will also be added to any amounts owed. Wilcha worries about a domino effect.

“[Taxes are] the economic backbone of the city, but the smallest businesses are the ones most affected by this exemption going away,” he underlined.

Wilcha believes the small business owners who were present understand that there are limited responses the city can have to feedback about changes to the BIRT tax, but that they want leaders to understand its toll.

Councilmember Mike Driscoll has [introduced legislation that would offer relief](#) for at least some small business owners. If passed, his measure would make sole proprietors and other self-employed business owners exempt from the tax.

When introducing the measure, he noted that a \$50,000 business could face a \$3200 tax hike.

“That is not policy,” he said, according to The Philadelphia Inquirer. “That is displacement.”

Other financial concerns were also discussed at the LGBTQ+ businesses roundtable, including fees for applying to be recognized as a minority-owned business and costs for renewals. But financial stress isn’t the only hardship small business owners have to face.

Mayor Chelle Parker [launched programs in 2025](#) that aim to improve the ease of doing business in Philadelphia — but there’s still a lot of [red tape and bureaucracy that doesn’t necessarily need to be there](#).

Dan Kredensor of Happy Bear Coffee Co. — which is launching its first brick-and-mortar location this year after previously focusing only on online sales — said he’s had to navigate various “hoops to jump over and through” during that process.

Wilcha noted that some cities comparable to or situated near Philadelphia have simplified and streamlined their start-up process, while Philadelphia hasn’t changed. The process to launch a new business in Philadelphia often requires dozens of forms and visits to various departments — including redundancies that other cities have reduced or eliminated.

Complexity varies depending on industry, but news coverage on the topic shows that some [businesses have faced nearly 60 steps](#) — and some could be enduring more. Landau said she was “horrified” by this.

This echoes a sentiment shared at the roundtable meeting. Business leaders spoke about departments as though they were silos, explaining that there appears to be issues with coordination between departments. They also underlined that there seems to be no system for calls to be tracked, leading to few call-backs and

other, more general problems with customer service. Overall, they don't often receive tangible answers for their problems — leading to stalemates that don't allow business owners to move forward, especially when paperwork gridlocks occur.

One business owner said Philadelphia's procurement process is "clique-ish," and others expressed disappointment that they haven't been more included in plans to coordinate celebrations for America's 250th anniversary.

Those gathered expressed thanks for a specific LGBTQ+ city worker who has been an advocate for LGBTQ+ businesses within Philadelphia's commerce department. They emphasized that without this person's support, the department would feel even less accessible than it does today.

They hoped for more opportunities to talk to real people rather than leave messages that go unanswered or don't lead to progress.

Landau, who mentioned that these issues are partially problems that emerged during the pandemic, suggested a possible pandemic-era solution: short appointments via Zoom. Wilcha appreciated that idea.

Some business owners commended Landau for [introducing her recent ICE Out legislation](#), which passed. They also reflected on the impact of federal policies on small businesses — noting fewer client referrals from agencies that have lost funding and the reality that some communities do not feel secure enough to spend their money or safe enough to shop at brick-and-mortar stores.

Victoria Sirois of Asylum Pride House underlined the need to invest more in direct service providers who offer tangible support to vulnerable populations. She emphasized that more organizations doing on-the-ground work should be involved in anti-trafficking efforts for major 2026 events — including the anniversary celebration and the FIFA World Cup games.

Landau said her next steps include coordinating with city departments to address quick fixes and identify long-term policy and budget priorities.

"Some support, like helping businesses navigate departments and agencies, can happen right away, while broader legislative or funding changes will take collaboration and time," she said. "What's most important is that this wasn't symbolic. It's structured, continued work to ensure LGBTQ+ entrepreneurs in Philadelphia are heard, supported and sustained."

Wilcha told PGN he and other IBA leaders were inspired by the conversation and will be implementing quarterly roundtable discussions at the IBA to gather information to send to Landau's office. That ongoing communication will help her advocate for the queer business community even when she does not have the time to host meetings.

“It is such a challenging era to be working at the intersection of queer advocacy and business stability with all that's going on,” said Wilcha, who expressed gratitude for what he called a productive and respectful meeting.

“This was not meant to be a finite conversation,” he continued. “One of the things we mentioned to Rue is that it's really hard for businesses to take time out of their day, so we'd love to do this again at a time when we can get more businesses in the room and talk to them.”