

# Going for Growth

## Promoting Immigrant Entrepreneurship in Massachusetts Gateway Cities

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### I. INTRODUCTION

Over the last few decades, the state's older industrial Gateway Cities have benefited from the largest wave of immigration since the early 1900s. Those arriving a century ago filled factories and populated tight-knit residential neighborhoods in these small to midsize urban centers; New Americans settling into Gateway Cities today find far fewer opportunities to earn the family-sustaining wages factory work once provided. Fortunately, they come with the same healthy appetite for risk and reward that has been a hallmark of immigrants to the US throughout history. Current economic conditions, combined with these entrepreneurial traits, lead new immigrants into self-employment at increasingly higher rates.<sup>2</sup>

The contribution of these new entrepreneurs is visible in many Gateway City downtowns and Main Street districts. Immigrant-owned businesses occupy once-vacant storefronts, breathing new life into commercial areas wounded by manufacturing job loss and the suburbanization of retail trade. Immigrant merchants have become central to the revitalization of fragile urban retail markets. They contribute both seed capital and cultural authenticity, which gives these areas a distinct character critical to their success.

While commercial area revitalization has been a

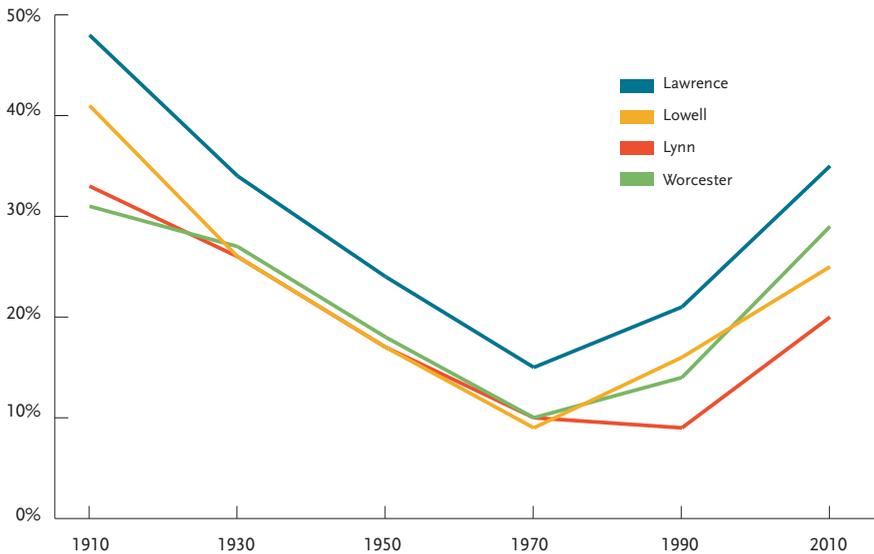
Gateway City economic development goal for decades, it is finally within reach. Storefront immigrant entrepreneurs complement (and augment) the maturing "buy local" movement and new marketing technologies, which are changing the economics for small Main Street shopkeepers. These positive trends have major implications for Gateway Cities, as strong commercial districts become an amenity that makes their housing more enticing to working families and their downtowns more attractive to larger employers.

Immigrant entrepreneurs are also creating enterprises off of Main Street. These operations are not as visible, but they could have equal or even greater potential for Gateway Cities and their regional economies. Evidence nationally shows that immigrant entrepreneurs often take advantage of networks and knowledge of local markets in their home countries to export products overseas. By exporting at much higher rates than non-immigrant businesses, they can draw new dollars into local and regional economies and spur job creation.<sup>3</sup> With tepid forecasts for long-term growth in domestic markets, these linkages to rapidly developing countries are vital for increasing wealth in Massachusetts.

The key to successful urban economic development is recognizing a community's unique strengths and layering strategy upon strategy to capitalize on them.

Figure 1

The foreign-born population in many Gateway Cities is trending back toward the peak of a century ago



Source: US Census Bureau

Following this logic, Gateway Cities across Massachusetts are increasingly looking at their growing immigrant populations and asking whether they can do more to nurture emergent business leaders.

The answer is yes. Immigrant entrepreneurs face unique barriers that economic development agencies can take down to support the growth of ethnic commercial districts and immigrant-owned businesses. Fully capitalizing on the potential of immigrant entrepreneurs calls for a comprehensive approach that will help Gateway Cities make their diverse, inclusive, and dynamic urban environments a valuable brand.

To achieve this goal, Gateway Cities will need full engagement from immigrant business leaders. Building these bonds will require a well-thought-out plan. Most Gateway Cities have immigrant groups that are far from monolithic; even those originating from the

same country may vary considerably. Many immigrant entrepreneurs are successful precisely because of their close-knit social circles and the peer support they provide; engagement from outsiders, no matter how potentially useful, may be dismissed.

Economic development leaders working to promote immigrant entrepreneurship must also be prepared to ask and answer some difficult questions. Self-employment may not actually be the best route for many immigrants, even those who are inclined to pursue it. Cooperation in wider commercial area revitalization efforts may produce retail gentrification that is harmful to some immigrants in the long run. And targeting outreach and services to meet the unique needs of immigrant businesses without excluding native-born entrepreneurs can be challenging.

While cities across the country are increasingly experimenting with immi-

## GATEWAY CITIES AND A PROFILE OF THEIR IMMIGRANTS

"Gateway Cities" is the name commonly used to describe the small to midsize mill towns that have historically been the engines of regional economies across Massachusetts. In 2010, the Massachusetts Legislature codified the term "Gateway Municipality" with a formula that includes both demographic and economic factors. This method currently captures 26 communities.<sup>4</sup>

While "Gateway" connotes many themes, including gateway to regional economies and gateway to the middle class, the notion that these communities have historically served as gateways for new immigrants is important to its use as a descriptor.

The significance of immigrants to Gateway Cities continues to be strong. Between 2000 and 2012, the state's 26 Gateway Cities gained approximately 100,000 foreign-born residents. Without this influx of immigrants, the population of these communities would have declined by approximately 3 percent (instead, their combined population grew by 3 percent).

Those born abroad or in Puerto Rico represent one in four Gateway City residents. Newcomers make up a particularly large share of the population in Gateway Cities located within Greater Boston, including Chelsea (50 percent), Lawrence (48 percent), Everett (44 percent), Malden (43 percent), Revere (34 percent) and Lynn (33 percent).<sup>5</sup>

These figures understate the true influence of immigrants in Gateway Cities chiefly because they don't include those living in households with immigrant members.<sup>6</sup> While born here in the US, these first-generation family members are very much a part of the immigrant community. Census figures show that one-third of Gateway City youth under age 18 have at least one immigrant parent; in eight cities, half

or more of all youth are children of immigrants.<sup>7</sup>

Most Gateway Cities with large immigrant populations contain a diverse mix of residents from around the globe. One notable exception is Lawrence, which is home to predominately Dominican immigrants. Some cities do have one or two particularly large groups. In Brockton, for instance, Cape Verdeans and Haitians make up more than half of all immigrants. Newcomers with ties to Portugal continue to represent a sizeable share (60 percent) of immigrants in New Bedford. Southeast Asians make up just under half of Lowell immigrants (43 percent). A few Gateway Cities draw their immigrants primarily from one region. Most immigrants originate from Latin America in Chelsea whereas Quincy's immigrants are largely from Asian countries.

Across Gateway Cities, there is some variation in how recently immigrants arrived. On average, 40 percent of foreign-born Gateway City residents settled in the US in the year 2000 or later. In Westfield, Malden, Chelsea, and Lynn about half of immigrants are recent arrivals (entering in 2000 or later). In contrast, for the Southeastern Massachusetts Gateway Cities (Attleboro, Fall River, New Bedford, and Taunton), recent arrivals make up fewer than one-quarter of all immigrants.

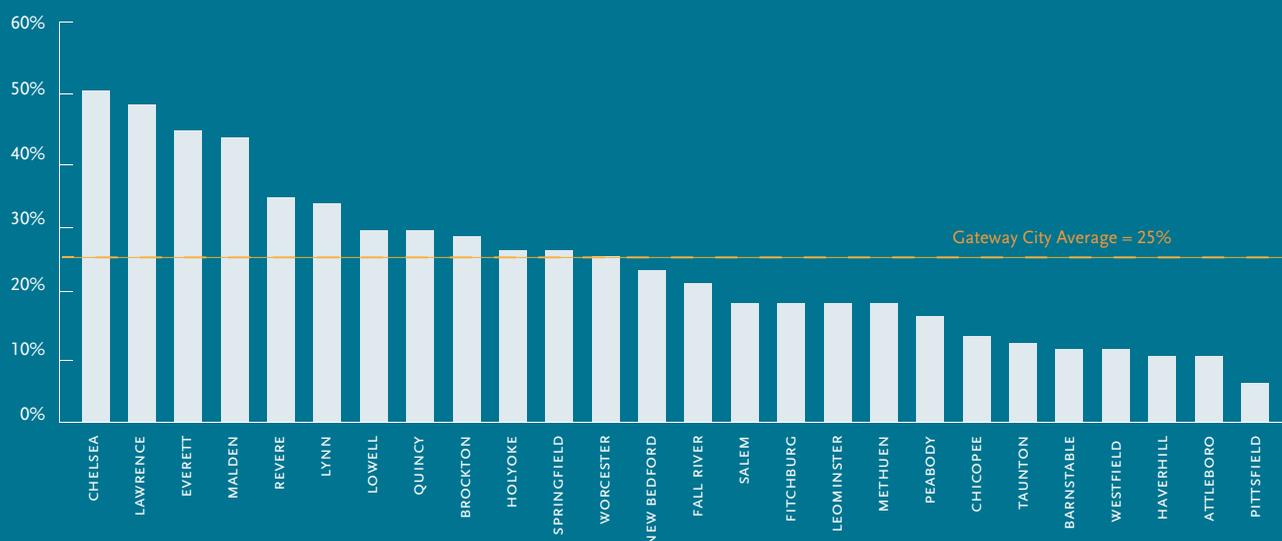
About 40 percent of immigrants living in Gateway Cities have completed some college, compared with 55 percent of native-born residents; immigrants are twice as likely to lack a high school degree (33 percent versus 14 percent).

More than half (58 percent) of immigrants living in Gateway Cities report that they speak English less than "well." Residents with limited English skills make up a particularly sizeable share of the foreign-born population in Chelsea (78 percent), Lawrence (76 percent), Everett (69 percent), and Revere (66 percent).

While the Census data on the foreign-born available for Gateway Cities give a limited view of the economic status of these residents, it appears that their economic conditions relative to native-born residents vary from city to city: In Attleboro, Lynn, Malden, Methuen, and Westfield, immigrants have poverty rates that are at least 20 percent higher than native-born residents; conversely, immigrant poverty rates are at least 20 percent lower than poverty rates for native-born residents in Brockton, Chicopee, Leominster, New Bedford, Pittsfield, Revere, and Springfield.

Taking stock of economic status by comparing those at the bottom of the income distribution is a very narrow field of view. This is just one of the many ways in which Census data provide a limited picture of immigrants in these communities. The Census does not publish other important financial variables like homeownership status or labor market information, such as work status, occupation, and industry of employment. Because these cities are relatively small and have small samples in the Census' American Community Survey, data that are reported for Gateway City immigrants often have very wide margins of error.

**Figure 2**  
Percent of Gateway City Residents Born Abroad or in Puerto Rico, 2012



Source: American Community Survey, 2010-2012

grant entrepreneurship initiatives and many have grappled with these questions, there is no common formula, and research looking directly at this area is very limited. Consequently, this short policy brief aims to provide Gateway City leaders exploring immigrant entrepreneurship strategies with a range of approaches and considerations. The ideas presented in the pages that follow are informed by economic development literature, interviews with leaders from a dozen organizations serving immigrant entrepreneurs, and a pilot program conducted in partnership with the City of Lynn, the Immigrant Learning Center, and the Massachusetts Association of Community Development Corporations. We have done our best to contextualize the narrative to the conditions of small to midsize cities. As with all of our work, this paper should be read as fodder for an emerging policy dialogue.

## II. APPROACHING IMMIGRANT ENTREPRENEURSHIP FROM VARYING DIRECTIONS

Gateway City leaders looking for strategies to leverage immigrant entrepreneurs as economic development assets will find it helpful to examine a range of models that have a history of involvement with New Americans. In addition to providing lessons about incorporating immigrants into the social, civic, and economic life of the community, these approaches may provide viable strategies for organizing new efforts to promote immigrant entrepreneurship, building off of existing resource streams and organizational capacity. Three areas stand out as particularly promising:

placemaking, small business development, and entrepreneurship education.

### 1. Placemaking

Over the past two decades, urban revitalization efforts have focused heavily on creating vibrant spaces that attract both residents and businesses. These models leverage the unique architectural and cultural heritage of cities, fostering authentic environments that distinguish urban neighborhoods from suburban office parks, shopping malls, and subdivisions. In drawing out and celebrating local culture, these placemaking strategies provide lessons for communities seeking to channel the entrepreneurial energy of immigrants. While there is considerable overlap, Main Street programs, creative placemaking initiatives, and place branding efforts each provide insight into engaging immigrants in efforts to spur economic development by reimagining urban spaces.

#### *Main Street Programs*

Immigrant entrepreneurs across Massachusetts are improving urban Main Street business districts. Their efforts are beneficial because these districts are an amenity that boosts the value of surrounding residential property.<sup>8</sup> Increasing business activity in main street retail districts provides a highly visible signal that an area is improving, stimulating reinvestment more broadly.<sup>9</sup>

As research by the Immigrant Learning Center has pointed out, often the economic development spinoff of immigrant Main Street businesses comes from the immigrants themselves. These entrepreneurs become homeowners in the community, adding stability to neighborhoods. Frequently immigrants

who get their start with a small shop graduate to owning and operating larger enterprises.<sup>10</sup>

Communities looking to channel the energy of immigrants investing in businesses in their commercial districts have a wealth of material to draw from. Focused efforts to revive Main Streets began more than three decades ago with leadership from the National Trust for Historic Preservation. Since 1980, the trust's National Main Street program has worked on revitalization efforts in more than 2,000 commercial districts across the county.<sup>11</sup> While these initiatives sometimes struggle to gain traction, when they take root, the results can be impressive. On average, a successful urban Main Street district generates about \$20 million in investment and 350 new jobs.<sup>12</sup>

The National Trust's Main Street model has four components: 1) developing an organization that can foster cooperation among businesses in a district; 2) promoting the district through advertising, special events, and retail promotions; 3) undertaking design work to create a safe, inviting environment for shoppers, workers, and visitors; and 4) promoting economic restructuring to generate a balanced commercial mix.<sup>13</sup>

Working with consultants or a small staff, Main Street organizations provide businesses with basic technical assistance, ranging from general business development to help in securing city licenses and assistance with facade improvements. Their visibility and place-based focus can make these organizations particularly strong models for delivering business development services. By targeting a district, it is possible to reach immigrant entrepreneurs with-

out explicitly limiting programs to immigrants, which is often politically challenging for city governments.

These services can be particularly beneficial for immigrants, who often need assistance developing strategies to reach beyond the limited market of their ethnic community and grow their businesses.<sup>14</sup> Even when they serve a more diverse clientele, Main Street immigrant businesses are often convenience-oriented retailing, which by definition limits the market to a geographically small area. Main Street organizations can support businesses exploring opportunities to use marketing and new online retailing technologies to expand their reach. Main Street organizations that support economic restructuring can also be especially helpful to immigrant entrepreneurs looking at other forms of retailing that may have the potential to draw commercial activity into the district.

While Main Street organizations can add real value to community economic development efforts, Gateway Cities must understand the significant resource commitment that is required to sustain them. Main street programs succeed when they build cooperation among businesses. This is particularly hard work in multi-ethnic communities where each immigrant group brings their own unique values. Even in communities with ethnically similar immigrants, there can be subtle cultural differences or divisions. Newly settled immigrants may have different values than those with more established roots in the community. Refugee populations fleeing divided countries may have been on opposite sides of a conflict. Assembling the linguistic skills and cultural sensitivity to

operate a successful Main Street organization in these settings often requires multiple staff members.<sup>15</sup>

In addition to resourcing the organization, it is important to consider the physical condition of the district. A Main Street model marshaling immigrant entrepreneurship could provide strong return on investment in a high-capacity Main Street organization, but lessons from around the country suggest that

## Most successful downtowns in midsize cities are heavily reliant on activity generated by artists.

in neighborhoods suffering from significant decline, these services must be accompanied by large-scale investment in the early stages. Without efforts to address blighted buildings and vacant land, it will be difficult to reduce crime and overcome negative perceptions.<sup>16</sup>

While Boston has had pioneering Main Street programs throughout its neighborhoods, similar efforts have been less successful in smaller Massachusetts cities. Unlike many other states, Massachusetts does not offer a statewide Main Street program to provide matching resources for smaller communities.

### *Creative Placemaking*

Increases in cultural activity are often a precursor to reinvestment for urban areas in need of revitalization.<sup>17</sup> This is particularly true in small to midsize cities, where the economics of commercial space can be particularly challenging. Research shows that most successful downtowns in midsize US cities are heavily reliant on activity generated by

artists and cultural organizations.<sup>18</sup> The power of the arts has spawned a whole new approach to economic development known as creative placemaking.

Creative placemaking uses the arts to activate both public and private spaces. The practice can be as simple as installing public art that makes a park more inviting, launching a cultural festival that brings new visitors to a neighborhood, or restoring an old theater to

draw patrons downtown. The direct benefits of creative placemaking come from the activity these projects foster. However, the collaborative process of building and sustaining cultural initiatives often forges social relationships that have equal or greater value for community renewal.<sup>19</sup>

Recent efforts to advance creative placemaking focused initially on this social aspect. In 2002, the Ford Foundation launched the Shifting Sands Initiative, which highlighted the power of arts-based community development as a tool for achieving social integration and civic engagement. Animating Democracy, an effort led by Americans for the Arts, sought to bolster the role of artists and cultural organizations in civic dialogue, particularly in communities undergoing demographic change.

Many of these projects used the arts as a bridge to immigrant communities. Survey data show immigrants are more active in the arts than native-born residents, perhaps because the arts help them

maintain their cultural identity. Immigrant families see festivals and other forms of participatory art as a way to expose youth to their roots and maintain their native cultural traditions.<sup>20</sup> The Social Impact of the Arts Project at the University of Pennsylvania has explored the variety of ways in which organizations successfully use cultural activities as a vehicle for improving the lives of immigrants and integrating them into their new communities.<sup>21</sup>

Often these efforts are fueled by the energy of a single entrepreneurial artist. For example, Lowell ceramist Yary Livan, who immigrated to the city a decade ago from Cambodia, operates a successful studio. But he has also quickly become a leader in the community, partnering with the Lowell National Historical Park to help tell the story of Cambodian culture and teaching his traditions at Middlesex Community College.<sup>22</sup>

Some cities have found very creative ways to draw the energy of immigrant artists into their communities. An organization known as Cities of Asylum in Pittsburgh welcomes writers escaping persecution. Writers receive a place to live and a stipend until they are financially stable. The organization has developed a deep connection with the community. When a Chinese poet celebrated his newfound freedom by covering his residence with calligraphy, neighbors responded and support for the organization grew. The “House Poem” led to the development of a series of houses along one street for use by writers-in-exile, each with a text-based artwork on the facade. The street is now host to a series of monthly cultural events open to the public.

The momentum behind creative

placemaking means Gateway Cities with strategies to tap the entrepreneurial spirit of immigrant artists now have many options for financial support. In 2010, the National Endowment for the Arts (NEA) launched the Our Town initiative, which provides grant funding for projects specifically focused on creative placemaking. The NEA was also instrumental in the creation of

challenges, especially in diverse cities, where residents have different sets of values and aspirations. There are also multiple public and private organizations communicating on behalf of a city, such as local governments, independent tourism offices, neighborhood associations, major employers, and cultural organizations.<sup>24</sup>

In addition to communications from

## Cities have started to borrow the marketing and branding techniques companies use.

ArtPlace, a collaboration of 11 major national foundations, eight government agencies, and six of the nation’s largest banks. While its financial resources are more limited, the Massachusetts Cultural Council is also a national leader in this field.

### **Branding and Marketing**

As competition for tourism and other forms of economic development has increased, cities have started to borrow the sophisticated marketing and branding techniques companies use to sell products.<sup>23</sup> Gateway Cities building immigrant entrepreneurship strategies can learn from their experiences. If immigrant entrepreneurship activities are aligned to contribute powerfully to a community’s brand, the economic development return on investment in these strategies will be magnified.

Coordinating immigrant entrepreneurship promotion with city branding and marketing is no small undertaking. Place branding and marketing, as the field is known, presents unique chal-

lenges, especially in diverse cities, where residents have different sets of values and aspirations. There are also multiple public and private organizations communicating on behalf of a city, such as local governments, independent tourism offices, neighborhood associations, major employers, and cultural organizations.<sup>24</sup>

numerous groups, a variety of other elements influence a community’s brand. The physical design of a city helps define the brand, from iconic structures to the layout of streets to the style of public transport. In this sense, efforts to build immigrant commercial districts or display ethnic public art are very much part of a community’s branding.<sup>25</sup> Saint Paul’s efforts to brand District Del Sol is a widely noted example: The largely Latino neighborhood was given a new name, and a vibrant sun logo was emblazoned on adobe-style benches and trash bins. Murals and other public art were commissioned to reinforce the ethnic identity of the neighborhood. Through these efforts the area was successfully transformed into a regional destination.<sup>26</sup>

How a city functions is also fundamental to its brand. Places develop a reputation for such tendencies as responding proactively to change and projecting a welcoming atmosphere. In this regard, successful outreach to immigrant entrepreneurs that leads to

greater integration of immigrants into community life can enhance a city's brand in subtle, but very significant ways.<sup>27</sup>

With media outlets often focused on reporting negative events, cities are in the unfortunate position of having to overcome stereotypes. These portrayals can be particularly harmful for smaller cities, where external audiences likely have never visited the community and have no other information about the city to counterbalance negative reporting.<sup>28</sup> Attracting them to the community often will give them a more balanced view. For many midsize cities with modest entertainment offerings, ethnic cultural events are a major avenue for drawing visitors to the community for a positive experience.

Enduring a constant stream of negative publicity is especially challenging because it will inevitably alter the perceptions of a city's own residents. Lack of pride and low self-image can make it difficult for cities to coalesce around and commit to renewal efforts.<sup>29</sup> Cities look to branding techniques as an internal community development strategy aimed at strengthening local identity.

Many cities have marketed their communities' welcoming spirits toward immigrants. To ensure that their pitch aligns well with reality, they have added interpreters in public offices, added foreign-language books in local libraries, and funded more English classes. Leaders in these communities have also worked to help find ways for skilled immigrants to gain certifications so they can practice their professions in the United States.<sup>30</sup>

## 2. Business Development

Efforts to support immigrant-owned businesses directly could bear fruit as a local economic development strategy given the concentration of these enterprises in Gateway Cities and the potential to further their growth by helping them overcome the unique barriers that they face.

One of the most common obstacles immigrant entrepreneurs encounter is access to mainstream lenders. The Immigrant Learning Center's research has found that few immigrant-owned businesses use banks or credit unions or government resources for start-up capital.<sup>31</sup> Immigrants are often unfamiliar with US lending practices. They

generally have limited credit histories and many face language and other cultural barriers. Discrimination may play some role as well. Several studies have found unexplained differences in loan denials to minority-owned small businesses.<sup>32</sup> Lacking connections to local governments and chambers of commerce, immigrant entrepreneurs are often overlooked by existing programs to support small businesses.<sup>33</sup>

Economic development organizations working to break down these barriers can begin with fairly low-cost steps, such as translating business development materials and hiring bilingual staff. They can also build relationships with immigrant-serving organizations to

### PARTNERING WITH NATIONAL INTERMEDIARIES

Gateway Cities working to develop immigrant entrepreneurship strategies can look to national intermediaries with experiences serving these businesses for support and successful models:

#### National Association for Latino Community Asset Builders

NALCAB's National Latino Entrepreneurship Program invests in the expansion of small business assistance in Latino communities across the country. Grantees reduce barriers with small business training and technical assistance, micro-lending, incubators, and public markets.

#### The Democracy Collaborative and Other Coop Builders

The Democracy Collaborative at the University of Maryland, the leading force behind Cleveland's Evergreen Cooperatives, is sharing experiences with communities around the country. There are also a number of longstanding cooperative intermediaries, many of them with roots in our region. This list includes the Brookline-based ICA Group, the Cooperative Development Institute out of Shelburne Falls, and the Cooperative Fund of New England in Amherst.

#### Interise

Boston-based Interise offers a nine-month training course for established business owners in underserved communities. Participants develop a three-year growth strategy. After completing the program, they continue to receive support through the Interise network. Interise currently offers programs in Fall River, Lawrence, Lowell, New Bedford, and Worcester.

#### Network for Teaching Entrepreneurship

Formed by an entrepreneur turned high school math teacher in the late 1980s, the Network for Teaching Entrepreneurship trains teachers to deliver its entrepreneurship education curriculum to youth from low-income communities. NFTE currently operates programs with five Gateway City school districts: Chelsea, Lawrence, Malden, New Bedford, and Quincy.

## LEARNING FROM COMMUNITIES IN MASSACHUSETTS

Several Gateway Cities have pioneered immigrant entrepreneurship strategies that provide lessons for others looking to develop programs of their own:

### **New Bedford: International Marketplace**

The Community Economic Development Center of Southeastern Massachusetts (CEDC) is an established community development corporation in New Bedford that specializes in providing services to immigrants seeking to start or expand businesses. CEDC is located in the Acushnet Avenue Corridor and is working with city leaders, who have a strategic vision for branding and marketing this immigrant-rich area as New Bedford's unique "international marketplace" commercial district. Already the city has made significant infrastructure investments and streetscape improvements.

### **Lowell: Cambodia Town and Beyond**

Lowell has worked hard over the last several years to make immigrant entrepreneurship a central economic development strategy. In 2012, the city officially designated the "Cambodia Town" district in the Highlands neighborhood to recognize and celebrate Cambodian culture and at least 200 Cambodian-run businesses in the area.<sup>41</sup> The city is creating an ambassadors program to sustain outreach and support to newcomers. Ambassadors will be members of immigrant communities knowledgeable about small business resources. A number of organizations are partnering with the city to develop and train ambassadors. These partners also contributed to the city's ambitious submission to the Federal Reserve Bank of Boston's Working Cities Challenge competition.

### **Lawrence: Lending Circles**

The nonprofit Lawrence CommunityWorks (LCW), in partnership with Mill Cities Community Investments, a Community Development Financial Institution (CDFI), has taken a common peer-to-peer resource in immigrant communities, the "lending circle," and formalized it in a pilot program. Lending circles involve a group of participants pooling their money to help one another and taking turns drawing out accumulated money. The LCW Lending Circle program incorporates financial literacy education, monthly peer support meetings, financial counseling, and matched savings. With Community Service Block Grant funding through the Massachusetts Department of Housing and Community Development, the LCW Lending Circle pilot program began in February 2013 with a group of eight low-income participants.

**Framingham Downtown Renaissance, Inc. (FDR)** is an exemplary small city Main Street program. The organization began in 2003 as a monthly discussion group convened by municipal community and economic development agencies. In 2008, FDR became a formal nonprofit and its first full-time executive director was hired in 2012. The organization is supported through a combination of CDBG funds, a generous contribution from Framingham State University, and donations from local businesses. FDR has been fundamental to the development of the Downtown Vision and other planning studies, the creation of a downtown website and marketing program, and public investments in new lighting, streetscaping, and other downtown infrastructure improvements. FDR's most important contribution has been organizing 85 local businesses whose owners speak 20 different languages. The organization supports these immigrant entrepreneurs by referring them to resources, such as Framingham State's small business incubator and the town's facade improvement program. FDR has also found a strong partner in Welcoming Framingham. Together the two organizations have provided business owners with storefront signs that read "Every One is Welcome Here" and they have helped market the downtown as an opportunity for residents to globetrot right in their own backyard.

gain a more nuanced understanding of local immigrant entrepreneurs. Cities that lack such organizations generally have "hometown" associations or mutual benefit associations that can provide connections to immigrant entrepreneurs.<sup>34</sup>

With a better understanding of the needs of immigrants, local officials may be able to take relatively simple steps to help immigrant businesses. For example, Somali immigrants in Lewiston, Maine, whose religious beliefs prohibit the payment of interest on loans, are now growing their businesses using a fee-based financial product created by a community development financial institution in the region. Communities looking for innovations like these can leverage the expertise of a growing number of regional and national intermediaries focused on supporting immigrants (text box at left).

Immigrant entrepreneurs often cluster in the same industries.<sup>35</sup> Learning more about the needs of immigrant businesses may also lead to the development of strategies to deliver effective sectoral support.

Providing more intensive service to immigrant entrepreneurs will likely require greater capacity than economic development agencies in small to mid-size Gateway Cities can marshal. Having sophisticated partners in community development corporations can play an important role helping Gateway Cities use immigrant business development as an economic development strategy. CDCs have specialized in serving immigrants for decades. As immigrant populations have grown in cities across the country, many have developed a niche serving immigrant entrepreneurs.<sup>36</sup> High-capacity CDCs undertake

the regular outreach necessary to develop trust to increase the participation of immigrant entrepreneurs in business development programs.

With strong CDC partners, Gateway Cities could experiment with more ambitious efforts, such as the creation of immigrant worker cooperatives. This strategy has been gaining attention across the country through Cleveland's Evergreen Collaborative. For new immigrants seeking informal work, employment through a cooperative offers protection from exploitation and safer working conditions. Because cooperatives often have a social mission, they help workers become civically engaged and provide them with a stronger collective voice.<sup>37</sup>

Gateway City economic development can also build partnerships with financial institutions that are looking for new ways to serve immigrant communities. Examples include Eastern Bank, the first bank to open a new branch in Lawrence in over 20 years, and HarborOne, which has received widespread recognition for the success of its MultiCultural Banking Center in Brockton.

### 3. Entrepreneurial Education

Introducing young immigrants to entrepreneurship is a third approach Gateway Cities can explore. Communities around the world are increasingly looking to expand their supply of entrepreneurs by creating more of them locally. Studies suggest efforts to produce home-grown entrepreneurs pay off over time. While this strategy clashes with popular belief that individuals are born with natural entrepreneurial abilities, studies

show that entrepreneurship is largely a socialized trait. Values like individualism and persistence create drive, which, combined with technical and managerial skills, make for successful entrepreneurs.<sup>38</sup>

A growing body of research provides solid evidence that entrepreneurship education can produce new business owners. Consistent with the theory that youth are socialized into entrepreneurship, providing this training in early grades seems to be particularly effective.<sup>39</sup> Organizations like Junior Achievement, Distributive Education Clubs of America, and the Network for Teaching Entrepreneurship have been

providing youth with entrepreneurship training for decades. As interest in entrepreneurship education grows, these groups have the capacity to scale quality programming. And newer companies like Young BIZ, which publishes primary and secondary school curricula are working to take advantage of emerging opportunities provided by online learning to deliver this instruction in a variety of settings.

Efforts to expose young Gateway City immigrants to entrepreneurship training make a lot of sense for a variety of reasons. As New Americans, these youth are often brimming with the energy and determination that make for a suc-

#### MODELS FROM OTHER COMMUNITIES

##### Des Moines, IA: Immigrant Entrepreneurs Summit

The Immigrant Entrepreneurs Summit in Des Moines, Iowa was created in 2008 by a group of immigrant business leaders from the community. The annual event includes networking time, workshops for immigrant entrepreneurs, and an awards ceremony. Four categories of awards highlight immigrant business owners as well as a non-immigrant making a difference for the immigrant community. The sixth annual day-long conference attracted more than 500 participants from 40 countries.<sup>42</sup>

##### Wiscasset, ME: Coastal Enterprise's StartSmart Program

Coastal Enterprise, Inc. (CEI) is a community development corporation and community development financial institution that offers financing and business assistance tailored to the needs of immigrants and refugees. Since 1997, CEI's StartSmart program has offered New Americans free assistance developing a business plan, applying for loans, navigating the license and regulation processes, and building a credit history. CEI also offers a fee-based loan for Muslim business owners whose religious beliefs bar them from paying interest. More than 1,150 immigrants and refugees have participated in the program. Together they have launched 320 Maine businesses.<sup>43</sup>

##### Philadelphia, PA: The Welcoming Center for New Pennsylvanians

The Welcoming Center for New Pennsylvanians helps New Americans access economic opportunities in the Greater Philadelphia region. Founded in 2003, the Welcoming Center has worked with more than 10,000 immigrants from over 140 countries, providing an employment and referral services. The organization also works hard to help immigrant entrepreneurs launch new ventures and expand existing businesses with a variety of services. These include English for Entrepreneurs classes to improve customer-service skills, individual technical assistance, market research data to help merchants and business associations identify opportunities, business clinics and consultations, and step-by-step guides to explain licensing and regulatory requirements.

cessful entrepreneur. Many of these youth have self-employed parents providing them with exposure to business ownership, and some will eventually take over family businesses. And while the majority of students participating in entrepreneurship training may never pursue self-employment, research suggests that experiential education is engaging and likely provides Gateway City students with improved academic outcomes.<sup>40</sup>

For those who do develop an interest, communities can work to provide additional opportunities. Bunker Hill Community College's Center for Entrepreneurship, which offers a range of learning experiences, provides a higher education model for helping students explore entrepreneurship as a career pathway.

### III. BUILDING AN IMMIGRANT ENTREPRENEURSHIP STRATEGY

From placemaking to business development to entrepreneurship education, Gateway Cities exploring opportunities to incorporate immigrants into their economic development strategies can pursue many different courses. Depending on local conditions and priorities, a variety of organizations and initiatives across the country may offer models for deeper exploration. More generally, however, we offer five overarching considerations for Gateway Cities looking to promote immigrant entrepreneurship as a growth strategy:

**1. Get to know your immigrant communities.** Before cities focus on immigrant business leaders, it is essential that they have a strong understanding

of immigrant groups, their cultures, and their needs as New Americans. For a number of reasons, Gateway Cities often have a limited understanding of these residents. In some communities, there is constant churn with new groups entering and others exiting. Anti-government sentiments that immigrants may hold from experiences in their home countries can also create barriers. And the US model of relying on community-based organizations to provide services to immigrants often means newcomers forge stronger relationships to nonprofits than public agencies.<sup>44</sup>

Community and economic development officials can gain a better understanding of immigrants by networking through police officers, educators, and other frontline public employees who have greater contact with immigrant residents. Faith leaders, community-based organizations, and immigrant mutual assistance associations can also help with connections to immigrants living in the community. Working with first-generation youth is often a promising pathway for fostering relationships with difficult-to-reach immigrant communities. Partnering with immigrant business leaders to engage newcomers in civic life could offer one approach to building relationships with entrepreneurs before venturing into economic development projects.<sup>45</sup>

For cities with large or rapidly growing immigrant populations, engagement will be heavily dependent on inclusion. Every effort should be made to ensure immigrant groups are well represented by bringing on bilingual staff, hiring part-time liaisons to immigrant communities, and recruiting immigrants to serve on city boards and com-

missions. Many cities have created offices and advisory councils specifically charged with promoting immigrant integration.<sup>46</sup>

**2. Start small, but build toward an integrated agenda.** To engage immigrant business owners with little time to spare, communities must demonstrate their ability to provide beneficial support. Starting small better positions cities for success and reduces the risk of the long-lived distrust that often results when cities are unable to follow through on the promise of an ambitious initiative.

Starting small, however, doesn't preclude cities from cultivating immigrant entrepreneurship across multiple dimensions. Efforts underway in many Gateway Cities to support arts-based economic development through cultural organizations provide one avenue to increase outreach to immigrant businesses. Education investments in Gateway Cities focused on career and college readiness with a particular focus on English Language Learners are another vehicle for establishing relationships with local immigrant business leaders, who can help make work-based learning and entrepreneurial education successful.

**3. Creatively explore all opportunities to garner resources.** While it is possible to pursue an immigrant entrepreneurship strategy with limited funding, given the complexity of the task and the cost of failure, it is best to secure adequate resources before undertaking these projects. Gateway Cities can use their well-honed instinct for identifying funding opportunities to advance their immigrant entrepreneurship strategies. Several recent developments in public

funding offer new opportunities:

- *Community Investment Tax Credits.* These new state tax credits provide community development corporations with a funding source designed specifically to support the kind of organizing and programming required to successfully serve immigrant entrepreneurs.

- *Small Business Technical Assistance Grants.* A grant program offered through the Massachusetts Growth Capital Corporation (MGCC) to support organiza-

**4. Advance state policy.** For Gateway Cities serious about devising an integrated immigrant entrepreneurship strategy, several areas of state policy are ripe for development. As the green, buy-local movement gains steam—positioning Gateway Cities to translate their authentic urban form into reinvestment and economic development—Massachusetts could benefit from a state-sponsored Main Street initiative that provides technical assistance and

## Working proactively to protect the identity of these districts is crucial for communities.

tions that provide training to underserved businesses with fewer than 20 employees.<sup>47</sup>

- *Business Improvement Districts.* Recent legislation enhanced the power of the state's BID authorizing statute. A growing number of communities are adopting these districts to resource groups, such as Main Street organizations, dedicated to strengthening downtown commercial districts.

In addition to these public resources, Gateway Cities can look to philanthropic partners. Grantmakers Concerned with Immigrants and Refugees is a good source for information on funders supporting work with immigrant communities and their current priorities. The Garfield Foundation has made grants to organizations working with immigrant businesses in Massachusetts. And as noted earlier, there are many funders that will support specific strategies, from creative placemaking to worker-owned cooperatives.

grants. Many other states offer these resources to Main Street programs in small to midsize communities.

An alternative to providing direct support for Main Street organizations is making programmatic resources available to support their lines of business. Delivering high-quality technical assistance is one essential function of a Main Street organization. Since 2006, Massachusetts has supported this work through the Small Business Technical Assistance Provider Grant, but this funding was cut deeply during the recession. Without a new state appropriation, the Massachusetts Growth Capital Corporation will have difficulty maintaining the program.

The limited state support for immigrants who need to learn English is a perennial challenge for Gateway Cities. Approximately 20,000 immigrants are currently on waiting lists for state-funded English for Speakers of Other Languages (ESOL) classes. In addition

to this challenge, many immigrants simply lack the time to earn a living and study English. For a number of years, English for New Bostonians (ENE) has run a successful campaign, English Works, to increase the provision of ESOL classes at the workplace. A complementary English for Entrepreneurs course, for which ENE is already honoring a model, could help self-employed immigrants. Making Main Street programs that provide these courses eligible for the state's Workforce Training Fund is one potential avenue for resourcing these organizations while helping immigrant entrepreneurs gain English skills to grow their businesses.

In addition to these programmatic supports, many Gateway Cities will require transformative redevelopment in commercial corridors that suffer from significant disinvestment. Previous MassINC research has noted that the policy tools to support commercial redevelopment are particularly limited.<sup>48</sup> Legislation (House Bill 311) to address these gaps is currently pending.

**5. Acknowledge and address the prospect of commercial area gentrification.** While the gentrification of commercial districts may seem like a distant concern for many Gateway Cities, when it occurs it is even more difficult to remedy than residential gentrification, given the physical challenge of expanding retail space in commercial corridors. Working proactively to protect the identity of these districts is crucial for communities that build their brand and identify upon them. Four tactics recommended by the Institute for Local Self-Reliance may be worthy of consideration:<sup>49</sup>

- *Implementing small-scale zoning.*

Limiting the street frontage or square footage of retail stores can dissuade many chain retailers from locating in a district, maintaining its small-scale character.

- *Encouraging owner occupancy.*

Gateway Cities could provide property tax incentives or low-interest loans to support retailers who purchase space.

- *Creating commercial land trusts.*

Gateway Cities could establish nonprofit corporations to buy property and hold it in perpetuity. The trust could require that buyers or lessees of buildings held by the trust be locally owned. Commercial land trusts in New Orleans and St. Paul are currently pioneering this new approach.

- *Establishing community owned retail space.* Gateway Cities could buy commercial building space and lease to local businesses at stable rents reflecting only the city's actual costs of owning and maintaining the property. Alternatively, cities could convey downtown properties that they hold to developers stipulating that retail space must be rented to locally owned businesses. This approach may be particularly appealing for communities where CDCs have the capacity to develop and manage commercial property.

Communities can also fashion strategies to capitalize on the opportunities that gentrification brings. Reinvestment removes blight, reduces crime, and draws patrons with more disposable income. For merchants, taking advantage of this new purchasing power requires the ability to adapt product offerings. Strong Main Street organizations and other technical assistance providers can assist businesses in this process.

## CASE STUDY: LESSONS FROM THE LYNN IMMIGRANT ENTREPRENEURSHIP PILOT

The City of Lynn is an ideal setting to explore the potential for promoting immigrant entrepreneurship as a local economic development strategy. Lynn has been a destination for New Americans for generations and it continues to serve as a true immigrant gateway.<sup>50</sup> One-third of the city's residents were born outside of the US mainland; nearly 40 percent of these immigrants entered the US in the year 2000 or later. Lynn draws newcomers from every corner of the globe. The largest numbers have ties to the Dominican Republic, Southeast Asia, Eastern Europe, Puerto Rico, and Guatemala.

Immigrant-owned storefront businesses serving the community's diverse population are a defining feature of Lynn's relatively large historic downtown. Culturally sensitive economic development services could strengthen these businesses, adding value to the commercial district as a whole. There are also many immigrant-owned businesses operating in other parts of the city. With successful outreach and appropriate assistance, these enterprises could increase their growth rates and produce additional economic activity in the local and regional economies.

Lynn has several public and nonprofit agencies that offer an array of small business development services. However, these organizations have limited capacity to tailor their work to better serve the many different ethnic groups in the community. In 2012, The Immigrant Learning Center (ILC) partnered with the City of Lynn, the Massachusetts Association of Community Development Corporations (MACDC), and MassINC to convene local leaders and explore opportunities to develop pilot projects to support Lynn's immigrant entrepreneurs.

### Beginnings

The roots of this initiative trace back to the Metropolitan Area Planning Council's (MAPC) 2008 MetroFuture plan for Greater Boston. This plan placed specific emphasis on positioning immigrants as a key asset in the region's economy. In 2010, MAPC was awarded a federal Sustainable Communities grant to support the implementation of the MetroFuture plan. As a component of this grant, ILC, MACDC, and MassINC were awarded funds to pilot and study an effort to engage immigrant entrepreneurs in the City of Lynn.

The project began with a training session provided by the Welcoming Center for New Pennsylvanians in April 2012. This workshop was open to communities throughout the region and over 60 leaders attended. They represented a number of cities with large immigrant populations, including Boston, Chelsea, Lawrence, New Bedford, Somerville, and Worcester. Welcoming Center trainers demonstrated how they quantify the economic value of immigrant merchants in Philadelphia neighborhoods, perform outreach and develop relationships with these communities, and tailor services to meet their unique needs.

The following day the Welcoming Center facilitated a session in Lynn for a group of 13 community leaders recruited by The Immigrant Learning Center with the City of Lynn's assistance. This group included the director of a local community develop-

ment corporation, the director of a regional Latino business association, a leader from a group representing the city's Asian businesses, a leader from a group representing Iraqi and Arab residents, a leader from a grassroots community group for new immigrants, three representatives from city agencies, and two from the local community college.

In addition to providing a condensed version of the previous day's training, the Welcoming Center led a discussion about a "vision" for what this group of community leaders could accomplish working together on immigrant entrepreneurship within a five-year horizon. They also helped the group identify strengths and challenges in relation to achieving this vision and a list of stakeholders to engage in order to bring it about. Lastly, they worked with the group to identify short- and long-term goals.

The vision developed by the group described an inclusive city that values and supports a thriving immigrant small business community. Strengths for achieving this vision included the resources the project brought to the community, the group of leaders that had been assembled, and the city's commitment to the effort. The challenges identified included the difficulty associated with bringing the city's diverse immigrant groups together, anti-immigrant sentiments that could be present in the community, and local politics.

At the conclusion of the session, the leaders expressed their willingness to meet regularly over the course of a year to develop a better understanding of immigrant businesses in the community and identify funding sources to sustain the work of a community coalition over the long term.<sup>51</sup>

### Reaching Out to Immigrant Entrepreneurs

Three weeks later (mid-May) the group gathered for a second meeting to review the vision and discuss next steps. They decided to focus their initial effort on learning more about storefront entrepreneurs in the city's downtown commercial district. A native Spanish-speaking consultant with a background in small business assistance carried out an initial round of outreach in July, going door-to-door and asking merchants about their marketing efforts, membership in business associations, and access to financial services and other business development resources.<sup>52</sup> This survey revealed that most merchants did not participate in a formal business association. By a large margin, the most common need expressed by business owners was support with marketing to attract more customers.

In response to this expressed need, the partners organized a free workshop on low-cost advertising for area businesses in October. The consultant who conducted the preliminary outreach contacted downtown merchants to inform them about the training opportunity. Eight attended the session. A month later a second training on accessing financial services was organized. The consultant performed another round of outreach and four businesses participated in the training session.

The somewhat disappointing response to these initial outreach efforts had an impact on the coalition. Attendance at meetings fell and there was uncertainty about the direction and sustainability of the effort. Limited funds from the initial grant remained

and the group had not coalesced to the point where it could pursue additional funding to continue forming the initiative with a reasonable chance of success.

Despite these challenges, The Immigrant Learning Center and the City of Lynn remained committed to the project and worked with community leaders to explore new opportunities. Economic development officials from the City of Lynn visited with City of Lowell economic development staff to learn from their more established efforts in December. ILC helped bring other organizations to Lynn to share information about services geared for immigrant entrepreneurs. The Massachusetts Growth Capital Corporation gave an overview of its Tools for Growth initiative and Interise described its Streetwise MBA program in February 2013.

Continuing to search for models to connect businesses with low-cost advertising opportunities, the ILC initiated discussions with the City of Lynn around exploring opportunities to market downtown immigrant restaurants in connection with concerts held at the municipally operated Lynn Auditorium. After many months of work, the city successfully conducted a small pilot in October 2013, which was followed by a larger promotion with more restaurants participating for a holiday concert in December.

### Takeaways

The Lynn experience is unique in that it was largely initiated and led by outside organizations. Nevertheless, there are relevant takeaways for other small to midsize cities looking to promote immigrant entrepreneurship as an economic development strategy. Foremost among these transferable lessons is the difficulty of engaging diverse immigrant businesses working in coalition. Many partners are needed, but it is also essential to have a lead agency deeply rooted in the community with the resources to staff and sustain regular outreach.

A second lesson is the amount of relationship building required before efforts are made to engage immigrants. Even simple undertakings, like asking for meaningful participation in a survey, are unlikely to yield results without first achieving a high level of trust and buy-in. Before organizations can ask business leaders for more intensive commitments, like devoting their time to participate in training, the organizations must demonstrate value. Lynn discovered a simple way to start building relationships through the promotion of its concert series. With sufficient time and forethought, communities can likely find a number of ways to support immigrant entrepreneurs and earn their trust. Efforts that generate a high level of engagement are especially critical when targeting smaller business districts, where a relatively high percentage of businesses will need to participate in order to achieve a critical mass.

Finally, the modest level of investment needed to pursue this approach represents a real commitment for small to midsize cities. To generate the focus needed to marshal these resources, supporting immigrant entrepreneurship must fit strategically into the community's larger revitalization strategy. If it is simply a nice idea, it is unlikely to receive the cross-sector focus and support required for success.

## Notes

- <sup>1</sup> Benjamin Forman is Executive Director of the Gateway Cities Innovation Institute at MassINC. Sandra Larson is a freelance journalist and a candidate for a master's degree in Urban and Regional Policy at Northeastern University. She completed research for this brief while serving as a Graduate Student Policy Fellow at MassINC during the fall of 2013.
- <sup>2</sup> While direct empirical evidence to confirm this is unavailable for Gateway Cities, nationally, foreign-born residents start new businesses at more than double the rate of native-born Americans. Entrepreneurship among the foreign-born population has grown since the mid-1990s, a period in which new business formation fell for native-born Americans. See Robert Fairlie. "Open for Business." (Washington, DC: Partnership for a New American Economy, 2012). Immigrants accounted for approximately 60 percent of new businesses formed in Massachusetts. See "Immigrant Entrepreneurs in Massachusetts." (Malden, MA: The Immigrant Learning Center).
- <sup>3</sup> See Fairlie (2012), which finds immigrant-owned business are 60 percent more likely to export than firms with native-born owners. See also Giovanni Peri and Francisco Requena-Silvente. "Do Immigrants Create Exports? Evidence from Spain." *Vox* (Jan 26, 2010); and Mark Herander and Luz Saavedra. "Exports and the Structure of Immigrant-based Networks: The Role of Geographic Proximity." *The Review of Economics and Statistics* 87(2) (2005).
- <sup>4</sup> Chapter 240 §17 of the Acts of 2010 defines a Gateway Municipality as a community with a population greater than 35,000 and less than 250,000, a median household income below the Commonwealth's average, and a rate of educational attainment of a bachelor's degree or above that is below the Commonwealth's average. Twenty-six communities currently meet this definition: Attleboro, Barnstable, Brockton, Chelsea, Chicopee, Everett, Fall River, Fitchburg, Haverhill, Holyoke, Lawrence, Leominster, Lowell, Lynn, Malden, Methuen, New Bedford, Peabody, Pittsfield, Quincy, Revere, Salem, Springfield, Taunton, Westfield, and Worcester.
- <sup>5</sup> These estimates—and all others that follow unless noted otherwise—are drawn from American Community Survey (2010–2012) tables.
- <sup>6</sup> There is also the issue of the immigrant undercount in the American Community Survey. National estimates suggest the foreign-born undercount is approximately 6 percent, which equates to approximately 20,000 additional immigrants living in Massachusetts Gateway Cities. See Michael Hofer and others. "Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2010." *Population Estimates* (Washington, DC: Department of Homeland Security, 2011).
- <sup>7</sup> The eight cities are Brockton, Chelsea, Everett, Lawrence, Lowell, Lynn, Malden, and Revere.
- <sup>8</sup> Yan Song and Gerrit-Jan Knaap. "Measuring the Effects of Mixed Land Uses on Housing Values." *Regional Science and Urban Economics* 34(6) (2004).
- <sup>9</sup> Karen Chapple and Rick Jacobus. "Retail Trade as a Route to Neighborhood Revitalization." *Urban and Regional Policy and Its Effects, Volume II* (Washington, DC: Brookings Institution-Urban Institute, 2009).
- <sup>10</sup> Ramón Borges-Méndez and others. "Immigrant Entrepreneurs and Neighborhood Revitalization: Studies of the Allston Village, East Boston, and Fields Corner Neighborhoods in Boston." (Malden, MA: The Immigrant Learning Center, 2005).
- <sup>11</sup> In July 2013, the National Trust for Historic Preservation spun off the National Main Street Center as an independent subsidiary.
- <sup>12</sup> Karl Seidman. "Revitalizing Commerce for American Cities." (Washington, DC: Fannie Mae Foundation, 2004).
- <sup>13</sup> Kent Robertson. "The Main Street Approach to Downtown Development: An Examination of the Four-Point Program." *Journal of Architectural and Planning Research* 21(1) (2004).
- <sup>14</sup> Roger Waldinger and others. "Ethnic Entrepreneurs: Immigrant Business in Industrial Societies" (Chicago, IL: University of Illinois, 1990).
- <sup>15</sup> Seidman (2004).
- <sup>16</sup> Seidman (2004).
- <sup>17</sup> Jeremy Nowak. "Creativity and Neighborhood Development: Strategies for Community Investment" (Philadelphia, PA: The Reinvestment Fund, 2007); Stephen Sheppard and others. "Buying into Bohemia: The Impact of Cultural Amenities on Property Values" (Williamstown, MA: Center for Creative Community Development, undated).
- <sup>18</sup> Pierre Filion and others. "The Successful Few: Healthy Downtowns of Small Metropolitan Regions." *Journal of the American Planning Association* 70.3 (2004).
- <sup>19</sup> Benjamin Forman and Tyler Creighton. "Building Vibrancy: Creative Placemaking Strategies for Gateway City Growth and Renewal." (Boston, MA: MassINC, 2012).
- <sup>20</sup> For example, see Pia Moriarty. "Immigrant Participatory Arts: An Insight into Community-Building in Silicon Valley." (San Jose, CA: Cultural Initiatives Silicon Valley).
- <sup>21</sup> Mark Stern and Susan Seifert. "Arts-Based Social Inclusion: An Investigation of Existing Assets and Innovative Strategies to Engage Immigrant Communities in Philadelphia" (Philadelphia, PA: William Penn Foundation, 2010).
- <sup>22</sup> Joel Brown. "Cambodian Kiln Lights Up Tradition in Lowell." *Boston Globe* (October 17, 2012).
- <sup>23</sup> Bill Baker. *Destination Branding for Small Cities: The Essentials for Successful Place Branding* (Portland, OR: Total Destination Management, 2007).
- <sup>24</sup> Mihalis Kavaratzis. "Cities and Their Brands: Lessons from Corporate Branding." *Place Branding and Public Diplomacy* 5(1) (2009).
- <sup>25</sup> Mihalis Kavaratzis. "From City Marketing to City Branding: Towards a Theoretical Framework for Developing City Brands." *Place Branding* 1(1) (2004).
- <sup>26</sup> Seidman (2004); James Carr and Lisa Servon. "Vernacular Culture and Urban Economic Development: Thinking Outside the (Big) Box." *Journal of the American Planning Association* 75(1) (2008).
- <sup>27</sup> Kavaratzis (2004).
- <sup>28</sup> Eli Avraham. "Media Strategies for Improving an Unfavorable City Image." *Cities* 21(6) (2004); David Gertner and Philip Kotler. "How Can a Place Correct a Negative Image?" *Place Branding* 1(1) (2004).
- <sup>29</sup> Avraham (2004).
- <sup>30</sup> Julia Preston. "Ailing Midwestern Cities Extend a Welcoming Hand to Immigrants." *The New York Times* (October 6, 2013).
- <sup>31</sup> James Jennings and others. "Immigrant Entrepreneurs: Creating Jobs and Strengthening the US Economy in Growing Industries." (Malden, MA: The Immigrant Learning Center, 2013).
- <sup>32</sup> Ken Cavalluzzo and John Wolken. "Small Business Loan Turndowns, Personal Wealth, and Discrimination." *The Journal of Business* 78(6) (2005); Lloyd Blanchard and others. "Do Lenders Discriminate against Minority and Woman Entrepreneurs?" *Journal of Urban Economics* 63(2) (2008);
- <sup>33</sup> Jonathan Bowles, 2007. "A World of Opportunity." Center for an Urban Future. [http://nycfuture.org/images\\_pdfs/pdfs/IE-final.pdf](http://nycfuture.org/images_pdfs/pdfs/IE-final.pdf)
- <sup>34</sup> For example, see Karthick Ramakrishnan and Celia Viramontes. "Civic Spaces: Mexican Hometown Associations and Immigrant Participation." *Journal of Social Issues* 66(1) (2010).

- <sup>35</sup> John Logan and others. “Enclaves and Entrepreneurs: Assessing the Payoff for Immigrants and Minorities.” *International Migration Review* 37(2) (2003).
- <sup>36</sup> James Defilippis and Benjamin Faust. “Immigration and Community Development Corporations: How Do CDCs Transform—or Not—Along with the Communities They Serve?” *Shelterforce* (Winter 2012/13).
- <sup>37</sup> Minsun Ji and Tony Robinson. “Immigrant Worker Owned Cooperatives: A User’s Manual.” (Middleton, WI: The Cooperative Foundation, 2012).
- <sup>38</sup> Oliver Falck and others. “Identity and Entrepreneurship: Do School Peers Shape Entrepreneurial Intentions?” *Small Business Economics* 39(1) (2012); also see Gregg Lichtenstein and Thomas Lyons. “The Entrepreneurial Development System: Transforming Business Talent and Community Economies.” *Economic Development Quarterly* 15(1) (2001).
- <sup>39</sup> Bruce Martin and others. “Examining the Formation of Human Capital in Entrepreneurship: A Meta-Analysis of Entrepreneurship Education Outcomes.” *Journal of Business Venturing* 28(2) (2013); Laura Rosendahl Huber and others. “The Effect of Early Entrepreneurship Education” (Unpublished Manuscript, 2012).
- <sup>40</sup> Experiential education/work-based learning was a central component in the education strategy Gateway City leaders developed collaboratively in 2013. See “The Gateway Cities Vision for Dynamic Community-Wide Learning Systems.” (Boston, MA: MassINC, 2013).
- <sup>41</sup> Figures from Lowell Economic Development Office. Also see Sengly Kong. “Cambodia Town of Lowell,” reposted in the Lowell Politics and Lowell History blog richardhowe.com, August 23, 2013.
- <sup>42</sup> MassINC communication via e-mail with Dan Y. Kim, Immigrant Entrepreneurs Summit program manager; also <http://iesusa.org>.
- <sup>43</sup> See Alexandra Alvarez and Jody Harris. “Maine Communities Foster Immigrants’ Small Businesses.” *Communities and Banking* (Winter 2013).
- <sup>44</sup> Ayşe Özbabacan. “Immigrant Integration at the Local Level: Comparison between Stuttgart and Selected US Cities” (Washington, DC: Transatlantic Academy, 2009).
- <sup>45</sup> For more on outreach strategies, see Greg Keidan. “A Local Official’s Guide to Immigrant Civic Engagement.” (Sacramento, CA: The Institute of Local Government); and Matt Leighninger and Bonnie Mann. “Civic Engagement and Recent Immigrants.” (Washington, DC: National League of Cities).
- <sup>46</sup> For a strong summary, see Ricardo Gambetta and Zivile Gedrimaite. “Municipal Innovations in Immigrant Integration: 20 Cities, 20 Good Practices” (Washington, DC: National League of Cities).
- <sup>47</sup> For FY14, MGCC awarded \$700,000 in grants ranging from \$20,000 to \$65,000.
- <sup>48</sup> Alan Malach and others. “Transformative Redevelopment: Strategic State Policy for Gateway City Growth and Renewal.” (Boston, MA: MassINC, 2013).
- <sup>49</sup> See Stacy Mitchell. “Tackling the Problem of Commercial Gentrification.” (Washington, DC: The Institute for Local Self-Reliance, 2002).
- <sup>50</sup> Lynn is a coastal city of 100,000 residents located 10 miles north of Boston. Manufacturing was the traditional driver of Lynn’s economy. Production industries still account for nearly one in four jobs in the city, but this figure is significantly lower than even just a decade ago. Unless otherwise noted, all of the figures that follow are drawn from American Community Survey (2010–2012) tables.
- <sup>51</sup> It is important to note that this project was initiated by external organizations. The Lynn leaders assembled all had an interest in the idea, but they were not the driving force behind taking on this effort. The initial session was just three hours long. After introductions and the training portion, a fairly limited amount of time was left to build consensus and buy in around the project’s vision and objectives.
- <sup>52</sup> More than 100 businesses were visited during this initial outreach phase; 40 responded to survey questions.

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Massachusetts Institute for a New Commonwealth (MassINC) is a non-partisan think tank and civic organization focused on putting the American Dream within the reach of everyone in Massachusetts. MassINC uses three distinct tools—research, journalism, and civic engagement—to fulfill its mission, each characterized by accurate data, careful analysis, and unbiased conclusions. MassINC sees its role not as an advocacy organization, but as a new kind of think tank, rigorously non-partisan, whose outcomes are measured by the influence of its products in helping to guide advocates and civic and policy leaders toward decisions consistent with MassINC's mission, and in helping to engage citizens in understanding and seeking to influence policies that affect their lives.

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