

***Regenerating Local Economies: Environment, Equity and Entrepreneurship in America's Post Industrial Cities***

A publication series produced by the MIT Community Innovators Lab  
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***Strengthening Local Economies and Civic Life:  
The Untapped Power of Small Businesses***

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## About CoLab

The Community Innovators Lab (CoLab) is a center for research, teaching, and practice within the MIT Department of Urban Studies and Planning (DUSP). CoLab supports the development and use of knowledge from excluded communities to deepen civic engagement, improve community practice, inform policy, mobilize community assets, and generate shared wealth.

We believe that community knowledge can drive powerful innovation and can help make markets an arena for supporting social justice. CoLab facilitates the interchange of knowledge and resources between MIT and community organizations. We engage students to be practitioners of this approach to community change and sustainability. For more information, visit our website at: <http://web.mit.edu/colab/>.

## About this series

This guide is part in a series of publications on equitable economic development strategies for America's post-industrial cities, funded in part by the Barr Foundation. Other titles in this series include:

*City Scale Retrofits: Learning from Portland and Oakland*

*Sustainable Economic Democracy: Worker Cooperatives for the 21st Century*

*Network Power: Building Collaborative Partnerships for Energy Efficiency and Equity*

This series is written for community partners and urban planners who are working to build a more equitable and sustainable economy.



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# ***Strengthening Local Economies and Civic Life: The Untapped Power of Small Businesses***

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# Research Model

## *Using teaching and research to inform practice:*

This series is one product flowing from a year-long collaboration among students, staff at the Community Innovators Lab, and Professor Lorraine Hoyt, all of whom participated in the pedagogical experiment called, “The Collaborative Thesis Project.”

The Collaborative Thesis Project was initiated by Professor Hoyt and emerged from her observation that many students find the thesis process harrowing and, to some extent, unsatisfying, in part because theses usually meet their end on the library shelves. In hopes of making the process less isolating and more rewarding, and of making the products more useful, Hoyt invited six students to pursue their research as a collaborative unit under her supervision.

Each student researched a different post-industrial American city or set of cities and their use or potential use of stimulus funds for regenerating local economies. The group met regularly throughout the academic year to share discoveries, learn across cases, and co-develop recommendations for action.

Beyond the required thesis document, the students agreed to create media products and practice-oriented guides that could be broadly distributed to community partners, policy-advocates, and policy-makers.

CoLab faculty, staff, and affiliates supported the project by brokering relationships with community partners, hosting reflective meetings, co-advising students, co-authoring and editing written products, providing media support, and co-organizing public presentations.

The Collaborative Thesis Project has been a great vehicle for directing institutional research capacity toward a deeper understanding of equity, environment, and entrepreneurship and their connection to democratic engagement. Through this project we’ve tried to mobilize academia for action and expand our range of impact. For more information visit our blog feed at: <http://colabradio.mit.edu/?cat=317>.

Small businesses are part of the fabric of every city. On main streets their window displays inspire shoppers to buy new pairs of sneakers, get their hair cut, or stop in for lunch. In downtown high-rises, they offer legal advice and produce new technologies. In industrial parks and on the outskirts of town, construction companies and manufacturing shops help us grow and maintain our infrastructure. We use the goods and services produced by small businesses everyday. Yet, it can be easy to overlook the value that these entrepreneurs bring to economic and civic life. By better understanding small business owners and the obstacles they face, we can start to build better connections between them and leverage their capacity to strengthen local economies and public life in cities.

During this time of economic recession, cities are struggling. The situation is even more acute in post-industrial cities where the loss of manufacturing jobs has led to long-term decline and population loss. Given the national context, we are faced with a question:

## **What is sustainable economic development?**

In popular media, public figures often celebrate small businesses for their ability to create jobs, but this is only one of many values that small businesses offer. Small businesses expand local economic activity, help stabilize neighborhoods, and develop local leaders. They also tend to start-up quickly and stay open through hard times.

For these reasons, small businesses are an important part of sustainable urban development.

This guide shows how including small businesses in local economic and civic development strategies can lead to more productive and vibrant cities. The authors draw upon small business development literature and interviews with sixteen small business owners in Camden, New Jersey, a post-industrial city where small business owners survive in near impossible conditions. We aim to illuminate the value of these hidden assets by sharing their stories and offering broad recommendations for how to think about small business promotion, growth, and sustainability. Rather than be prescriptive, the authors ask planners, policy-makers, and city administrators to consider the ideas and stories presented and then apply them to their own cities.



*Commercial Corridor in Camden, New Jersey.*

# *Why are small businesses important?*

Small businesses promote economic, neighborhood, and community development. During this time of economic struggle, it is especially important for cities to understand how developing and growing small businesses can help cities survive and even thrive in hard times.

## ***1) Small Businesses are the Economic Engines of the Country.***

### **Small Businesses Create Jobs.**

- According to the Small Business Administration, firms with fewer than 500 people account for 44% of the total US private payroll and they employ just over half of all private sector employees (1).
- Between 1993 and the third quarter of 2008, small businesses created 64% of the 22.5 million net new jobs (2).
- In 2004, the number of jobs created by small business equaled approximately the number of jobs lost by large firms (3).

### **Small Businesses Expand Economic Opportunity.**

- The success of one small business need not come at the expense of another. Small businesses often complement each other and generate demand for more businesses. Entrepreneurs increase the size of the economic pie rather than simply taking up a slice (4).
- Small business clusters attract other businesses to efficiently meet customer needs.

### **Small Businesses Produce Property and Sales Tax Revenue.**

- Businesses contribute tax revenue cities use for improving public services and infrastructure (5).

### **Small Businesses Generate Shared Wealth.**

- Small businesses provide opportunities for people to shop close to home allowing money to circulate within the city instead of leaking out to surrounding areas. This increases the wealth of the business owners who then employ local people.

# Why are small businesses important?

- Increased resident wealth cycles back through the city via tax revenue, which in turn increases overall city wealth. This can lead to better service and infrastructure provisions and increased quality of life.

## 2) *Small Businesses Revitalize Neighborhoods.*

### **Small Businesses Bring Life to Neighborhood Commercial Corridors.**

- Major arteries that pass through neighborhoods are ideal locations for small businesses because they are surrounded by a ready customer base and offer building sizes conducive for small businesses.
- Small business activity along these corridors gives each corridor its own character, which helps define the personality of the surrounding neighborhood. Unified signage and joint advertising further brand corridors.
- Small businesses bring life to neighborhoods by increasing foot traffic on corridors.

### **Small Businesses Stabilize and Bring Vitality to Neighborhoods.**

- Small businesses can occupy otherwise vacant properties. A critical mass of small businesses can bring vitality back to desolate blocks. Their activities and services bolster and sustain street life. Business owners function as “eyes on the street” helping to deter crime.
- Small businesses allow residents to purchase goods and services that might not otherwise be available in their neighborhood. This can promote deeper connections among residents and between residents and business owners.
- Small businesses with unique goods and services or a cluster of businesses within a certain niche market can help make the street a destination that attracts new people to the neighborhood.
- Entrepreneurs often have a strong connection to the area and local community. They are more likely to stay open when times are difficult and after larger industries leave town (6). Given their local knowledge and relationships in a place, they are also more likely to open a business when outsiders may not see the opportunity in doing so (7).



# Why are small businesses important?

## **Small Business Development Complements Housing Development.**

- Community Development Corporations often focus on building housing, yet people require more than just a roof over their heads. They need easy access to goods and services. When developers create commercial tenant space within a mixed-use development, for example, they invite neighborhood businesses to serve nearby residents and also attract outside patrons to the area.

## **3) Small Businesses Improve Civic Life.**

### **Small Business Owners Are Community Leaders.**

- Small business owners are often political and social leaders who represent the interests of a community (8). They serve on local organization boards, participate in and organize neighborhood events, and run for office (9).

### **Small Business Owners Believe in Giving Back.**

- Many owners open a small business with the goal of making a profit, but also with the desire to give back to their community (10). They do this by sponsoring local sports teams and by providing employment and benefits for local people. By purposefully creating appealing storefronts for passersby, they shape neighborhood culture.

### **Small Business Owners Are Role Models**

- Some small business owners directly mentor the youth and interns whom they employ. Others offer more informal guidance by giving youth a place to go after school or modeling respectful behavior for young patrons. Entrepreneurs set a good example for the younger generation.
- Some small business owners mentor potential entrepreneurs. They provide information about business plan creation, the local market, and financing.
- More generally, small business owners show others it takes hard-work, passion, and dedication needed to be successful (11). These are traits admired by local people, young and old.

City leaders and policy makers can often overlook the power of small businesses because of their size, their potential for rapid turnover, and their geographic dispersion throughout the city. However, cumulatively, a group of small businesses can positively impact the economy and civic life in cities. For these reasons they should be explicitly incorporated in city development plans and practices.



# In their own words: Voices from Camden, NJ

## On Providing Goods to Neighborhoods

*"We have a lot of funeral work, a lot of weddings, sweet sixteens, sweet fifteens. There was a need for a floral shop in this area because there wasn't one."*

**--Rhonda Mendez, Flowers by Mendez and Jackel**

## On Giving Back to the City

*"I'm from here, grew up here, went to school here. I wouldn't have my business anywhere else. I wanted to be able to give back to the city."*

**--Connie Jackson, Jackson and Associates, LLC**

## On Mentoring Youth

*"During the summertime they (the city) have programs and they always send me the kids that no one else can handle. That is no problem. This is what I do. They (the youth) learn life skills in terms of how to talk, how to walk, how to look...so it is like a training program also. If I don't do anything else, I've made a difference. Children that leave up out of here and do fantastic reflect back to what I took them through and appreciate it."*

**--Corrine Powers, Corrine's Place**

## On Uncovering Opportunity

*"It is amazing that a lot of people don't recognize the opportunities that are available in the city of Camden. They kind of look at it as a place where business doesn't occur, and to be truthful, there is a tremendous amount of business waiting to happen, but people just have to uncover the opportunity. There are so many untapped opportunities here."*

**--Tyrone Pitts, Arline Services**



Exterior of a small business in Camden, NJ.

# *What challenges do small businesses face?*

To develop a supportive atmosphere for small businesses at the municipal level, city administrators must understand the obstacles such owners face. With this knowledge, they can then formulate strategies for how best to assist, grow, and support small businesses. The challenges small businesses encounter are not the same within or across cities. Those listed below are fairly universal. Site-specific barriers must be uncovered by speaking with small business owners.

## ***1) Current Economic Recession***

During the economic downturn, people are eating at restaurants less and refraining from unnecessary purchases. This hurts small businesses. Even those prepared for the economic recession, who reduced inventory and overhead and increased savings, have felt the pinch of recession and the economy's slow recovery. Businesses surviving the recession may look and function differently now compared to when they first began.

## ***2) Limited Access to Small Business Assistance***

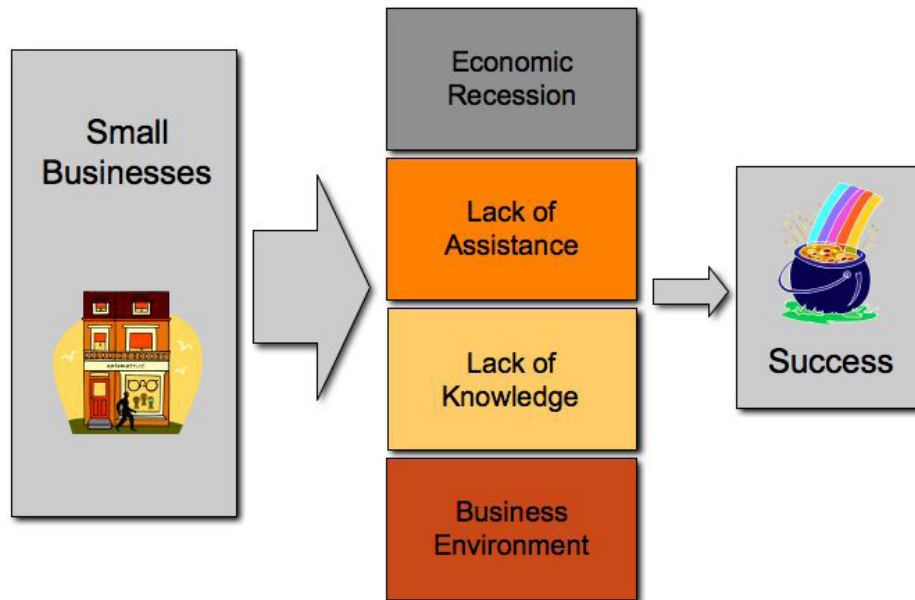
Sometimes small business owners are unaware of the resources that are available to them such as formal avenues for business assistance. They are often too busy running their business to seek out financial or technical assistance. Often, in the eyes of small business owners, the cost of taking the time to participate outweighs the benefits of such programs.

In addition, some banks have strict lending practices, which prohibits assisting certain businesses. This makes it difficult and, in some cases, impossible for some businesses to acquire capital for expansion or even survival.

## ***3) Inadequate Business Owner Experience or Knowledge***

Most successful small business owners either have previous experience in the field they currently own their business in or have learned about running a business in higher education classes (12). Owners who open a business without this experience or knowledge often struggle to handle the multiple tasks required to run a business.

# What challenges do small businesses face?



## 4) Unfriendly Business Environment

Some cities are friendlier toward businesses than others. In some places it can be difficult for an entrepreneur to find a business location or acquire licenses and permits. The process for opening a business can be confusing, time-consuming, and expensive. Cities that promote small businesses make sure that support resources are readily accessible and offer incentives to entrepreneurs, such as funds for façade improvements.

Small-business owners enjoy the freedom of being their own bosses. However, starting a business from scratch and keeping it running over the long-term is difficult. For instance, a start-up business owner may not earn a paycheck for three years, so he or she must be prepared with upfront savings to cover the cost of living over this period. Given this reality and the other challenges listed above, city administrators should try to ease and reduce obstacles to entrepreneurship wherever possible. This might mean creating new kinds of finance tools, doing more intensive outreach, streamlining permit processes, or providing incentives for expansion. In the last section of this guide, we offer some suggestions for how city administrators and economic development planners can re-think their approach to supporting small business entrepreneurship.

# *In their own words: Voices from Camden, NJ*

## ***On the Current Economic Recession***

*“With a small business, when things get slow and you may have to lay off, the burden is heavier on you because you automatically wear three, four, five hats and you now put on a couple more hats.”*

**--Connie Jackson, Jackson and Associates Group, LLC**

## ***On the Business Environment***

*“You have to operate with how they (the city) operate...some people think it is going to be easy, but it is all a struggle.”*

**-- Tyrone Pitts, Arline Services**

## ***On Limited Access to Financial Assistance***

*“If you want to start a small business and you are not a person of privilege, you can’t. You can’t afford to start one... You are not going to be credit worthy so the bank’s not going to give you any money. The banks said no because I was like a twenty four year old kid that didn’t own a house. I owned **a used car** that was worth an 8th of what I needed to borrow. So when the government says they’re going to shore up Small Business Administration lending, that’s still discretionary for banks.”*

**--Adam Woods, Camden Printworks**

# Making a way when there is no way: Small businesses in Camden

*Camden, New Jersey is a city better known for its chronic poverty, failing schools, and high crime rate, than for its small businesses. Yet, Camden's small businesses are powerful, yet hidden assets. Their owners work passionately and tirelessly to make a way where there is no way. Three of these small businesses are profiled here. These businesses exemplify the added value that small businesses bring to post-industrial cities. They also explain how they have overcome some of the challenges that confront small businesses.*

## THE SHOE KINGS

“We’re here. We’re like fixtures in the community. If you can’t do it here, if you couldn’t sell chocolate in Hershey, PA, than where else can you sell it?” Byron Gans describes his experience co-owning The Shoe Kings with his brother Darien Gans. The store, located on Mt. Ephraim Ave. in Camden, NJ, specializes in vintage sneakers and sports nostalgia that Darien first started to collect in his youth.

The Philadelphia born and Camden raised brothers know business comes first. “We have bills and obligations to take care of,” shares Byron. “We don’t have the luxury of playing house or playing store owner. Either you make it or you don’t.” Yet they believe money can be made in a way that also improves and gives back to the neighborhood. Their store length front window showcases sneakers and draws attention from the rest of the block’s boarded up buildings. Byron talks about the positive feedback they’ve received. “People say, ‘it looks nice in here. I just never thought I could afford shoes out of here because it looks so expensive.’ I said no, we have stuff for forty or fifty dollars. It’s not for free, but we have reasonable prices. And I say why can’t we have a nice store? Why should it be cold?”



*The Gans brothers showcase their merchandise.*



## Making a way when there is no way: Small businesses in Camden

And why should I serve you something through Plexiglas? I say we're not doing that to the people around here."

The brothers share the same sense of responsibility when it comes to local youth. "A lot of kids come in here," Darien mentions. "They come in just to say hello. They see us running the place. And I think it kind of inspires them." Darien and Byron look out for these youth and others in the neighborhood. Eric Spearman, a friend of the brothers, says some other store owners "really don't care about my son that's walking these streets. You have the neighborhood drug dealer in your store and my son coming in. You don't care as long as he has a dollar in his pocket." The Gans brothers are different. "Half the people that come in here are people that went to school with us or they played for Camden High. We're all affiliated with one another. We know who's who and we know who's who," Byron remarks, alluding to people who are negative influences.

Darien and Byron have big plans for the future. "We do a lot of custom work now, painting sneakers and all, but we want to learn how to make shoes and help create jobs," Darien explains. "We're headed downtown. Our goal is to take the chips that we've made here. Do well business-wise, economically-wise, and buy a property there so we can continue what we're doing. We'll always be in the community, but we also have big plans," which includes stores in other cities.

With opening The Shoe Kings, the Gans brothers are taking advantage of the



*Sports memorabilia lines the wall of The Shoe Kings store.*

opportunity they see in Camden. Their friend Eric notes, "being from here we get categorized. Once you hear Camden, soon as you mention it to the corporations, immediately we're on the defensive. Don't walk down Mt. Ephraim Ave., don't say 'hi', because of the wrap. But when you open the orange up, peel the orange, see the real fruit, then it's a different taste." The Shoe Kings are just one example of the sweetness found in the city.

### **MARCELLUS CONSTRUCTION**

Marcellus Hill has been in the construction field for over twenty years. For the last eight years, he's owned his own construction business in Camden, NJ. Like many people, Marcellus has been struggling through the economic recession. "I started trying to get other jobs, just

## *Making a way when there is no way: Small businesses in Camden*

the economy was so bad. So I just redirected my energy into the weatherization because I got a whiff that was going on. From the paperwork I had, I said, I would go get the National Weatherization Corporation (NWC) certificate, and join a union, and govern myself in a whole circle where as though it could work out for everybody – work out for the union, work out for the people that want to join a union, and work out for homeowners.”

Marcellus is currently bidding on weatherization work around the state of New Jersey, made available through the American Recovery and Reinvestment Act’s expanding of the Weatherization Assistance Program (WAP). He has won one job in East Brunswick, NJ so far and is waiting to hear on three others. From his perspective, the stimulus can reach its goals of creating jobs and restarting the economy. “We got a lot of people out here who want to work, they just don’t get a fair share and opportunity.” But as Marcellus later explained, the stimulus is changing that. “It’s a fairly easy trade (weatherization) to get involved in. We can train people off the street, show them how to do it, and they’ll grasp it fairly quick. Everybody gets paid \$190 a day and that’s to start off. For a person to make almost \$50 (thousand) a year from making \$16,000 a year is a big difference. You can get an apartment, house, go buy a car, you know, just take care of your family, put food in your refrigerator.”

Marcellus plans to hire locally for the bids he wins. “My plan is to get all the guys I can get, not just from Camden, but if I’m in New Brunswick, go to New Brunswick,

open up shop, give people that live in the neighborhood a shot. I get them busy in some of the work I’m doing and then get them into the union from there.” Once in the union, the new workers can take advantage of additional training and more work.

In terms of his own business, “I believe this (the stimulus) actually will be my turning point. There is a lot of funding out there and you can do a lot of things, good things, for people. And everyone can come out and stimulate the economy. And that’s what it’s built for.”

So far Marcellus gives President Obama an A+ for the stimulus package. “If it weren’t for that (the stimulus), I wouldn’t have the opportunity to do what I’m doing right now. He actually set the standards.” The advice he offers to other business owners and community members? “Vote for the president again. Because without that, in another two and a half, three years, this program will go down if he doesn’t get back in office. And this is just a starting point. What a lot of our people have to do is get educated and get out there and vote.”

While some in the city say he’s a success, Marcellus is not yet ready to accept the label. “I came up poor, lived in Camden my entire life. I’m still poor. But I have a great opportunity to make an impact on the city as far as to make money for myself and to help other people make money and maybe start their own small business. But I’m not successful yet. I’m only trying and striving to be.”



# Making a way when there is no way: Small businesses in Camden

## CITY EYES

Esther Williams is a New Jersey licensed optician and owner of City Eyes, an optical retail store on Broadway next to Cooper University Hospital in Camden, New Jersey. Williams sees small businesses as integral to building healthy neighborhoods in Camden, and so she's willing to help other small business owners find their niche there.

"I want to be known for being a community optical. City hall workers could come here, professionals from the hospital, doctors, everyone will know this optical is open for them. There are people that live in the city, and then you get some 40-60% flux in population during the business hours with people that come to the city. We could be valuable to that population, but also to the neighborhood population so they don't have to catch the bus to go to Cherry Hill or Philadelphia. They can come right here to a neighborhood optical," explains Williams.

Williams made a deliberate decision to locate her business in this part of Camden. "There is no other optical store in Camden. There are three immediate doctors around me, but there is no optical store. I've connected myself with Cooper, the biggest entity in Camden, just by my location. For myself, I don't think I would have been able to start this business off if I had not been connected in this area of the city. I think it would have been a lot harder for me to made it this far."



*Reception area at City Eyes in Camden, New Jersey.*



*City Eyes offers a wide variety of frame styles.*

## *Making a way when there is no way: Small businesses in Camden*

Doing extensive research and forming partnerships with businesses and organizations also made the process of opening a business easier. “The initial process was probably about a year of just doing demographic homework — finding out who’s in the city, the major traffic on the highway, that kind of thing and then doing homework about how to start up the actual business. I know friends of mine who are opticians who own their own franchise store. I reached out to them.”

Esther also points to a partnership with Broadway Main Street, a part of the Greater Camden Partnership, as instrumental in supporting her as a first time small business owner. “They help us anywhere from the direction we need to go when we got to city hall, to lighting, to logo for your signage, just

a host of things.” She also works with the organization to help other commercial corridor retailers by hosting business owner meetings. “We bring together the businesses that are in the area so that we can come up with ideas of how we can become more successful, how we can partner to let each other know about the businesses that are here. And sometimes you just need to be with people who understand what you are going through.”

As far as Camden’s negative reputation, Esther says, “I can’t be naïve. I’m cognizant of the fact that there are some negatives to the city, but then there were negatives to Voorhees,” the New Jersey town she worked in for years. “It’s just when the spotlight is put more on one area than on the other, it just stands out. That is the difference.”

# *How can cities promote, grow and sustain small businesses?*

With the value of small businesses and the challenges already discussed, we now turn to the topic of how to promote, grow, and sustain small businesses. We recognize that all cities are different and therefore a single prescriptive set of recommendations cannot be broadly applied. That said, below we offer a process and a set of questions that can lead to new ideas on how to better understand and then connect with small businesses. This process is meant to help planners and administrators arrive at an appropriate small business development strategy that makes sense for their own city.

## ***1) Analyze the Current Small Business Landscape.***

Determine the state of operating small businesses in the city. Map where most of the small businesses are located. This may require a foot survey, as many small businesses are not publicly listed.

- Is there a specific area in which they are clustered? Why might this be?
- In what sectors do small businesses operate? Is there diversity in business type? If not, is there a way to encourage small businesses to open in other sectors?

## ***2) Speak Directly with Small Business Owners.***

Stop by businesses and ask owners questions such as the following:

- From whom and where do small businesses get support?
- What are the major concerns of small business owners?
- Which resources are most useful to small business owners?
- What are other small businesses owners in the area do you know?

## ***3) Build a Small Business Network.***

Based on the responses to some of these above questions, determine if and how small business owners know one another. If owners are not well-connected to each other, strategize ways to build and strengthen the small business network.

# *How can cities promote, grow and sustain small businesses?*

- Foster opportunities for small business owners to mentor one another and share best practices and information about resources.
- Look for opportunities for collective action. As an organized group, entrepreneurs may be able to better advocate for small business interests and perhaps develop shared service agreements for less expensive purchasing (13).

## **4) *Connect Small Businesses to Other City Assets and Institutions.***

One way to promote small business development is to leverage existing assets within the city. As an example, Camden, New Jersey has a strong network of hospitals and universities. These institutions can contract with local small businesses for procurement needs. Other complimentary businesses can also build off the market demand generated by these existing institutions. The presence of a hospital, we have shown, means there will also be a need for pharmacies, doctors offices, late night cafes, and flower shops.

To determine city assets, consider the city's competitive advantage. What makes the city unique? Then brainstorm how small businesses can connect with those leaders, markets, and industries. Make a detailed plan for the desired connection that includes civic leaders and elected officials, benchmarks and timeframes, and immediately actionable next steps.

## **5) *Connect Small Businesses with Youth.***

Youth are the entrepreneurs of the future. When partnered with current small business owners, they gain knowledge about how to run a business and experience that illuminates abstract concepts presented in school (14). Through such partnerships, small business owners function as role models, showing youth the value of hard work. In return, small business owners get an extra set of hands for running their business.

Formal ways to connect youth with small business owners include: after-school entrepreneurship programs, in-school internships, and summer employment. These programs require commitment from the school district and/or commitments from dedicated teachers and parents.

# *How can cities promote, grow and sustain small businesses?*

## **6) Evaluate Interactions Between Government and Small Businesses.**

Is city government making it easier or more difficult for a small business to start? Talk with current government directors who interact with small business owners and with small businesses themselves to get insights on their relationships.

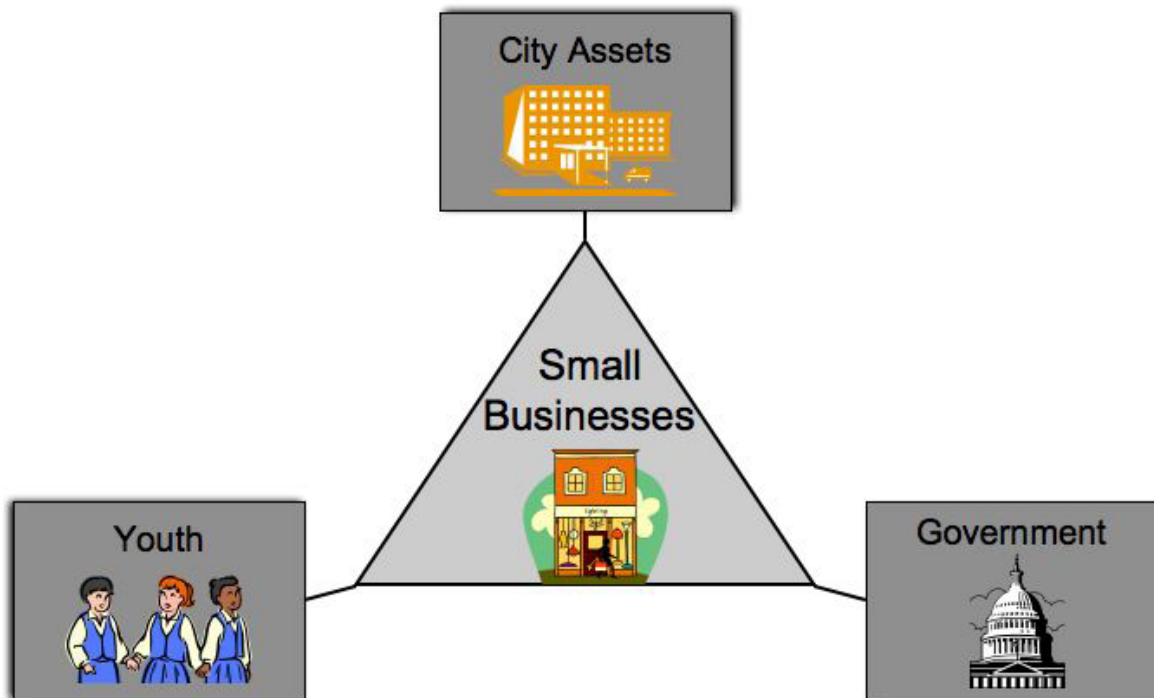
- Document the bureaucratic processes small businesses must go through in order to open and expand.
- Understand how existing small businesses connect with government when they have questions or concerns.

With an understanding of these interactions, determine if there are ways to streamline them or make them easier. Consider what steps must be taken on the government side. Questions to consider:

- Should there be one central location or office dedicated to small business concerns?
- Should there be an ombudsman in one government department with the role of interacting with small businesses?
- Does the city need to improve its signage in its city hall or rephrase instructions on its website?

Cities can encourage small business development by strengthening the connections among existing small businesses and between small businesses and local institutions, youth, and city government. This guide does not offer a fully inclusive set of recommendations for supporting small business growth, as all cities operate differently. It is instead intended to highlight the many ways small businesses bring value to a city and to offer suggestions for minimizing obstacles that can impede growth. The more support small businesses have, the more likely they are to thrive.

## Growing Small Businesses



The time is right to talk about small businesses. Politically, both conservatives and liberals support small businesses. There is increased talk of helping small businesses “on Main Street.” A new jobs bill proposes to direct funds collected from the bank bailout toward community development financing institutions that lend to small businesses. The current economic downturn has forced us to think more creatively about how to sustain life to our cities. We must examine more closely rooted city assets and leverage those that have been previously overlooked.

Small businesses are key to economic growth, neighborhood stabilization, and strong civic engagement. We must support them, incrementally, through multiple avenues – by building connections, removing obstacles, and promoting their strengths. A critical eye finds small businesses are more than just the places to buy a pair of shoes or hire a contractor. They are quiet, yet mighty economic engines in our country and vital for building a more sustainable future.



# Notes

- (1) US Small Business Administration, "Frequently Asked Questions." <http://web.sba.gov/faqs/faqindex.cfm?arealD=24>. Accessed June 16, 2010.
- (2) Ibid.
- (3) Ibid.
- (4) Light, Ivan, Race, ethnicity, and entrepreneurship in urban America. (New York: Aldine de Gruyter, 1995), 202.
- (5) Gittell, Ross, and J. Phillip Thompson, "Inner-City Business Development and Entrepreneurship: New Frontiers for Policy and Research." In *Urban Problems and Community Development*. Edited by Ronald F Ferguson and William T Dickens. (Washington, DC: Brookings Institution Press, 1999), 473.
- (6) Christiansen, Gayle, "Makin' a Way Where there is No Way: Fostering Small Business Connections in Camden, New Jersey" (MCP Thesis, Massachusetts Institute of Technology, Cambridge, MA, 2010).
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