

# **South Asian Small Business Initiative Needs Assessment**

**Presented to Chhaya CDC  
Jackson Heights, Queens**



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**Urban Development Workshop  
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Fall 2016**

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## Executive Summary

Hunter College Graduate students Adam Steele, Amy Holodak and Valerie Duchon participated in the following research project as a requirement for the Urban Development Workshop I course. William Spisak, Asset Building Manager for Chhaya Community Development Corporation, retained our services to conduct a needs assessment of immigrant small business owners in Jackson Heights, Queens.

Chhaya CDC seeks to expand their Small Business Development Initiative by providing comprehensive and relevant business support services, workshops, and trainings to local immigrant entrepreneurs and business owners. This needs assessment will address challenges South Asian business owners experience as well as how they seek assistance and support. This will help the agency to enhance current programming to help local businesses stay competitive and avoid displacement in the face of gentrification.

We collected secondary literature about small business challenges, business support services, and gentrification. New York City's Small Businesses Services literature revealed that there are several barriers to success faced by South Asian businesses, which includes language and literacy, the lack of technology, inability to access to capital, failure to understand rules and regulations, distrust of government, and the burden of regulatory fines ("Unlocking," 2014). In addition, our research indicated that there are a barrage of government and nonprofit programs that aid immigrant, minority and women owned businesses (Center for an Urban Future, 2014, p. 10). Our research provided insights into the strain that gentrifying neighborhoods places on existing business owners, and the way in which it disrupts social and economic bonds (Zukin et al, 2010, p. 48).

We also completed primary data collection through survey distribution within the target area, individual interviews with two small business owners, and three interviews with experts knowledgeable about gentrification, business ownership, and small business support. Based on survey results, our research revealed that there is an overwhelming distrust or misunderstanding in government, which may result in missed opportunities to access available support services despite their availability.

Our recommendations are based on an assessment of our primary and secondary research. We encourage Chhaya to develop a curriculum that speaks to the businesses that already exists within Jackson Heights' South Asian business community. A theme of distrust in the government indicated a major barrier in seeking out government services. Therefore, we recommend that Chhaya develop courses or curriculum that will provide business owners with information that will help them understand government rules, regulations, and services. We encourage Chhaya to consider the development of a peer-to-peer mentorship program in contrast to the formal workshop services typically provided by the city (Center for Urban Future, 2014). Many of the business owners in Jackson Heights have the same landlord, and we believe that the power of collective negotiation would help the community (A. Hossain, personal communication, November 2, 2016). Chhaya should talk to business owners about tenant rights, and how to work together to negotiate their rents. We encourage continued outreach and community involvement with small businesses to expand Chhaya's profile within Jackson Heights and beyond.

Our recommendations come with limitations, as our research was completed over one semester only. Because of our small survey sample size, our research can only speak to possible trends but is not necessarily indicative of statistically significant population-wide trends. Our methodology does not include a proper focus group.

## Introduction

### *The Client*

Chhaya CDC was founded in 2000 to advocate for New York City's South Asian community in the areas of housing and economic development. As stated on their website, their mission is "to work with New Yorkers of South Asian origin to advocate for and build economically stable, sustainable, and thriving communities" (Chhayacdc.org, "Mission and History" 2016). Their programs include housing preservation, asset building, advocacy & community organizing, and neighborhood planning & development. Services include in-person trainings ranging from small business ownership fundamentals, renter and tenant rights, financial planning, and immigration and citizenship clinics. They perform outreach and work in the community to create change at the grassroots level. In terms of our project, Chhaya aims to develop, and secure funding to support their new Small Business Development Initiative, currently managed by Asset Manager William Spisak. They want to ensure that their small business programs and training fit with the specific challenges, barriers, and interests of small business owners in their community.

### *Research Team*

Hunter College Urban Policy & Leadership graduate students Adam Steele, Amy Holodak and Valerie Duchon collaborated with Chhaya CDC to conduct a needs assessment of immigrant small business owners in Jackson Heights, Queens. The goal of this research is to help these culturally distinct businesses stay competitive and avoid displacement in the face of gentrification.

### *Research Questions*

To guide our research, we narrowed our topic and developed the following questions:

- What are the barriers to success of small business owners?
- What business support services are the most useful?
- How does gentrification affect small businesses?

As a result of our needs assessment of South Asian businesses in the 74th street area, we have gathered relevant information for Chhaya CDC to create culturally relevant workshops for business owners.

### *Neighborhood Context*

According to NYC Small Business Services, immigrants make up 37 percent of New York City's populations, but they comprise 47 percent of all small business owners ("Unlocking among socially cohesive ethnic groups due to business ownership (Kerr & Mandorff, 2016, p. 2). As Kerr & Mandorff explain, "immigrant communities can share risks among members, provide informal support and financial loans, and allow for sanctions against misbehavior" (Kerr & Mandorff, 2016, p. 3).

According to a 2015 NYU Furman Center study, the Asian population is the second largest population in Jackson Heights, representing 18 percent of the neighborhood's total population in 2014 (Austensen et al, 2015, p. 128). This figure represented an increase from 14 percent in 2000. The largest racial and ethnic population (66 percent) in Jackson Heights is Hispanic population in 2014 (Austensen et al 2015, p. 128).

### *Target Area*

The target area for our study is 37th Avenue from 71st Street to 82nd Street, and from 35th Avenue to Roosevelt Avenue in Jackson Heights, Queens (Figure 1). The epicenter of the study is the densely populated business hub on 74th Street, predominantly comprised of small businesses owned by South Asians. The 74th Street commercial strip has long been the epicenter of this community, where many small businesses sell jewelry, religious clothing, popular regional music and ethnic restaurants.

### *Target Population*

The target population of this study is the South Asian business community in Jackson Heights, Queens. Our research subjects are specifically South Asian entrepreneurs who hail from Bangladesh, Bhutan, India, Nepal, Sri Lanka, Tibet, and the Caribbean diaspora.

Figure 1: Map of Five Boroughs featuring Jackson Heights, Queens



## Literature Review

Our research team conducted a literature review of the immigrant experience in owning and operating a small business. We discovered three overarching themes in our research: barriers to success, need for business support services, and the economic and demographic changes that gentrification has on a business.

### *Barriers to Success*

According to a 2014 Federal Reserve Bank of New York survey the, forty percent of local business owners say they're struggling with managing cash flow, and twenty percent stated that securing loans was a major concern. Many business owners also said that securing loans was a major issue, even micro loans of \$100,000 or less were what was required (Rosengren, 2015).

Beyond financial concerns, our research indicated that barriers to success once a business is established remain overwhelming for many owners. As a part of Mayor Bill de Blasio's cabinet, New York City Small Business Services has expanded its business support services in each borough by providing extensive training sessions, workshops, and capital-building efforts. These efforts include a strategic priority to assist the immigrant business owners, who make up 37 percent of all small businesses citywide (2015, p. 11). The agency provided insights regarding barriers to success that impeded immigrant small business owners in their 2015 report, "Unlocking Potential: Empowering NYC's Immigrant Entrepreneurs." Per the report, the major barriers included:

- Language & Literacy

Many immigrants are unaware of language or translation services made available by the government (Unlocking Potential, 2015).

- Trouble Bridging the Technological Divide

A 2012 survey by ACCION, a financial services nonprofit, found that 87 percent of immigrant owned businesses did not have a website, and 30 percent relied only on cash transactions (Unlocking Potential, 2015).

- Limited Financial Literacy and Access to Capital

Immigrants are more likely to lack access to a banking institution or financial services (Unlocking Potential, 2015). A lack of understanding how to utilize American banking institutions

- Difficulty navigating NYC's regulatory environment

Even when written in native languages, city rules and regulations can be confusing to comprehend (Unlocking Potential, 2015).

- Proximity to city services

More than two-thirds of all immigrants in all five boroughs reside in Brooklyn and Queens (Unlocking Potential, 2015). However, government agencies and business support programs tend

to agglomerate within Manhattan and are not necessarily easily accessible for immigrant business owners.

- Distrust of government

For immigrants who have had difficult experiences with the government in their native country, a fear or distrust of government may be prevalent.

- Vulnerability to exploitative business support services

Immigrant small business owners are more likely to fall prey to predatory lending practices and exorbitant fees in exchange for services or loans (Unlocking Potential, 2015).

In addition, the Center for an Urban Future's report, "Launching Low-Income Entrepreneurs" (2013), discussed the success rates and challenges of immigrant low-income entrepreneurs. According to their research, the idea of running a small business may be a foreign concept. The article articulated that access to capital remains the key concern for many individuals who are interested in opening a business (Launching Low-Income Entrepreneurs, 2013). Furthermore, the obstacles to entrepreneurship go beyond ability to access funds, and include financial literacy and a sense of understanding how businesses are opened, managed, and made successful (Launching Low-Income Entrepreneurs, 2013). Of further concern is that potential entrepreneurs may lack a role model or personal contact who is well versed in business management (Launching Low-Income Entrepreneurs, 2013). That combined with the possible loss of governmental assistance through budget cuts in social service and welfare programming contributed to the need for research participants to take on "side hustles," or additional work to make ends meet (Launching Low-Income Entrepreneurs, 2013).

### *Business Support Services*

Small businesses employing fewer than five people grew 82.1 percent between 2000 and 2013 (Small Business Success, 2014, pg. 4). They make up a considerable portion of New York City's economy, and have helped immigrants entering the country establish themselves as entrepreneurs. However, after these businesses are established, they often experience minimal growth and very little expansion (Small Business Success, 2014, pg. 5). These immigrant-run micro-businesses sometimes suffer from obstacles that can be corrected through business support services directed at specific predicaments that they face.

Peer-to-peer counseling has been shown to be an effective support tool for reaching out to these business owners. The Bloomberg administrated created Business Solution Centers around the city where entrepreneurs seeking advice can meet with counselors, but this support service does not go far enough. The counselors can only work with an entrepreneur that meet with them on-site, and they simply do not have the power to reach out the 2,000 small businesses operating in New York City (Small Business Success, 2014, p. 5). Because the counselors work on-site, it is hard for them to assess technological issues, and this is a major source of problems for small businesses (Small Business Services, 2015).



Peer-to-peer counseling, where an individual enters a shop and works directly with the store-owner, is a direct and effective way to address any operational problems that are barriers to growth. The city should be working with small businesses where they are, instead of having the owners come to them. Neighborhood groups and community development corporations could play a major role with this support tool because they are equipped to do outreach at the local level (Small Business Success, 2014, p.11).

Neighborhood groups could work with small businesses and provide them with support services such as technology audits. These audits would assess a small business's technological capabilities, indicate how to improve them, and which technologies the owners should purchase. The incorporation of technology into businesses often lowers costs that businesses could put toward their growth.

There is also a need for more nonprofits who can work with small business owners on their taxes. Since many small business owners struggle with taxes, more peer-to-peer counseling focused on taxes would be an important support service (Small Business Success, 2014 p. 12). Decisions that involve tax preparation are important for businesses but this area lacks services. For example, the Brooklyn Cooperative Federal Credit Union is currently the only nonprofit in the city that helps small businesses with their tax issues.

The city is home to many business schools that can be used as resources for providing small business services. The program "MBAs without Borders" sends MBA graduates to work with small business entrepreneurs and aid them in developing a business strategy and improving their operations (Small Business Success, 2014 p. 13). New York City could use its wealth of new graduates, professors, and entrepreneurs to implement a similar program. These services would aid New York City in remaining a friendly environment for budding entrepreneurs to find success.

### *Gentrification*

A recent study by Michael Barton (2016) notes that there is a lack of agreement among academics on the definition of gentrification and that the methodology used for its study differed amongst scholars depending upon what definition of gentrification they used (p. 94). Barton explains that "quantitative studies...typically relied on census data and therefore defined gentrification through demographic changes" (p. 94). A 2015 Furman study defined gentrification in New York City by measuring changes of income and rent and then grouped trends into three categories:

Gentrifying neighborhoods consist of SBAs [sub-borough areas] that were low-income in 1990 and experienced rent growth above the median SBA rent growth between 1990 and 2010-2014; 'non-gentrifying neighborhoods' started off as low-income in 1990 but experienced more modest rent growth; and 'higher-income neighborhoods' are the city's remaining SBAs, which had higher incomes in 1990 (Austensen et al, p. 4).

The study determined Jackson Heights not to be a gentrifying neighborhood, but rather a "higher-income neighborhood" (p. 4).

Qualitative definitions are more inclusive of other trends of gentrification such as the following quoted from Barton (2016) from the work of Hamnett (1984: 284):

...[Hamnett] defined gentrification as ‘simultaneously a physical, economic, social and cultural phenomenon’ that involved ‘the invasion by middle-class or higher-income groups of previously working-class neighborhoods or multi-occupied ‘twilight areas’ and the physical renovation or rehabilitation of deteriorated housing stock (Barton, 2016, p. 93-94).

This Hammet (1984) and Barton (2016) definitions were more challenging to researchers to study because it simultaneously measured “physical, economic, social, and cultural neighborhood changes” (p. 94). According to Barton (2016) the cultural change is an important dynamic of gentrification that can impact ethnic communities. The cultural shift can be observed in the changing storefronts of a neighborhood with traditional local stores being replaced by chain stores and restaurants.

A study by Sharon Zukin et. al. (2009) describes the consequence of this phenomenon; that the arrival of chain stores that had previously featured small local shops began to disrupt social bonds. This resulted in existing businesses switching tactics to stay competitive; by upgrading merchandise, enhancing ambience, and attracting new clientele” (Zukin et al, 2009, 48). The authors point out that while residential gentrification has been viewed as a social problem, gentrification of commercial establishments has not (Zukin et al, 2009, 48).

## **Methodology**

To complete an analysis of challenges, needs, and goals of the business community, we wanted to hear directly from current small business owners to discern how Chhaya’s programming may be able to address them. To achieve this, we designed and conducted a survey, focus group, and expert interviews. Subjects were asked questions about their experience running their respective businesses. Experts provided insights on how the greater economic, social and cultural landscape may impede or support the success of immigrant business owners. The analysis of this primary research will be used to inform service delivery and content at Chhaya.

### *Small Business Survey*

We designed the survey to identify the barriers faced by this population and asked questions that related to their experience as small business owners in the areas of discrimination, city regulations, and negative effects of gentrification such as rising rents and landlord abuse. By discovering a pattern of recurring challenges, we believed that we would be able to make recommendations for creating a business curriculum.

Our target population consisted of small business owners in Jackson Heights, Queens who are of South Asian descent. Our target area’s geographical boundary is located between 72nd and 78th Streets and bounded by 37th Avenue and Roosevelt Avenue.

### *Survey Design*

Our survey included 29 questions organized into four sections: Business Needs, Business Profile, Landlord Relationships, and Demographics. The Business Profile section was designed to discover certain operational procedures of the businesses answering the survey. These questions pertained to the size of the business, their methods of advertisement, and their use of technology.

The “Landlord Relationships” section was used to directly focus on the relationship that business owners had with their landlords. Landlord harassment and rising rents are both issues that relate to our research that surround harassment and gentrification, so this section was an attempt to deepen our understanding of those issues. The Demographics section was created to find out more information about who was taking the survey. These questions focused on gender, age, language proficiency, income, education and country of origin.

The survey consists of the following types of questions: Likert scale, multiple choice, open-ended, and dichotomous questions. The Likert scale questions were scored on a five-point scale with a score of “1” indicating “not at all likely” and “5” indicating that respondents were “very likely” to engage in a certain activity for the following questions:

- How likely are you to seek business services and assistance from a government agency?
- How likely are you to use the internet to search for business support or services?

Responses to these questions with an average score of 4 would indicate that respondents were “somewhat likely” to engage in the respective behavior. We also used a Likert scale to ask respondents about demographics such as English language and literacy proficiency from beginner to advanced. The Likert scale was used to gauge respondents level of agreement or disagreement with a score of “1” given to “strongly disagree” and a “5” meaning “strongly agree.” The following questions are an example of such and were asked to identify what problems to small business owners:

- I understand the laws and regulations that affect my business.
- I believe that fines are a major concern for my business.
- I believe that government rules and regulations hinder my business.

A Likert scale enabled us to codify subjective responses numerically, allowing us to measure and prioritize what barriers were in the way of success for South Asian small business owners through interpretation of the data.

Dichotomous “yes or no” questions were used to see, for example, if small business owners had a website with a follow up question asking respondents who had answered no if they were interested in having one. Yes/no questions were asked to see if respondents were interested in expanding their business or aware of certain laws in the following example questions:

- I am interested in expanding my business by increasing my staff.
- I am interested in expanding my business by opening another location.
- Are you aware of New York's commercial anti-tenant harassment law?

We asked multiple choice questions to allow for multiple or single responses such as:

- What are the THREE biggest challenges you are currently facing as a business owner?

- What type of business do you own?
- How did you gain capital in order to open your business?

There was only a single open-ended question that was used that asked, “What type of language do you speak at home?” The open-ended question was used to allow reflect the fact that the type and number of languages spoken in New York City are extremely diversified. The various sections of the survey were designed to acquire specific information that was important to reinforce the hypothesis we developed from our secondary data.

### *Survey Administration*

A review of the survey was conducted by Chhaya’s administration prior to distribution to evaluate the questions. However, we were not able to pilot the survey with a small group from the target population due to the lack of rapport. Acknowledgement of consent was located on the first page of the survey and by checking the “I consent” box, respondent indicated their consent to be a participant in survey. To ensure anonymity, respondents were provided with a blank sealable envelope to put their completed survey in prior to collection. With the assistance of two Chhaya employees, we distributed approximately 40 surveys in person to local business owners in and surrounding the epicenter of the Jackson Heights business district, Diversity Plaza on 74th street.

Our research team individually visited businesses and attempted to engage owners, while requesting their completion of the survey. Two Chhaya employees also directly engaged with business owners to distribute the surveys. Our outreach was not well received by the community. Business owners were reluctant to speak with us, and some denied owning their business, out of what appeared to be suspicion about the purpose of our visit and survey. The outreach yielded a small pool of only twelve completed surveys, which provided us with limited data.

### *Focus Group*

The focus group was designed to strengthen the findings of our survey. We attempted to gather a group of South Asian business owners from the Jackson Heights area and hold a focus group of four people at Chhaya's office. A local former business owner, Mr. Gopal from Nepal, was the only participant that could attend the rescheduled focus group. We shifted the exchange from a focus group to an expert interview.

### *Expert Interviews*

To gain an understanding of how gentrification could be impacting South Asian small business owners in Jackson Heights, we conducted expert interviews with two college professors who have researched gentrification, Dr. Peter Kwong, a Professor of Urban Affairs and Planning at Hunter College and Sam Stein, an Urban Geographer and Adjunct Professor at Hunter College.

We conducted an interview with Afzal Hossain, who owns and manages a successful Jackson Heights coffee shop called Espresso 77, to gain his insight from his experience. He

opened his coffee shop in 2007 to fill a need that he saw in the area, and has expanded to a second location.

New York City Small Business Solutions instructor and contractor Roberto Enamorado to provide perspective on his professional experience with small business workshops. Mr. Enamorado is an Instructor and Contractor who works with New York City's Small Business Services (SBS) agency. We spoke to Mr. Enamorado to learn more about SBS's workshops and training, to discover what teaching methods have been successful, and what the city has learned through their outreach. Mr. Enamorado facilitates a variety of workshops throughout all five boroughs, and predominantly in Queens and Brooklyn. He currently has contracted with Chhaya to help them facilitate their workshops. His regular trainings are "Starting Your Own Business," "Social Media Fundamentals," "Website Fundamentals," and "Business Planning Basics." Mr. Enamorado stated that he receives overwhelming interest in training related to websites, technology, and search engine optimization. These workshops typically take place once a month or on a quarterly basis, based on demand and availability. Mr. Enamorado emphasized the importance to have an established and regularly scheduled monthly trainings "so that your name is out there and your reliability is established" within the community (R. Enamorado, personal communication, November 4, 2016).

Our last expert interview was with with Mr. Gopal, a former Jackson Heights small business owner. He was supposed to be a part of a focus group but that did not materialize as mentioned above. Mr. Gopal's mini-market closed due to a chain store moving next to him and helped us to understand the effects of commercial gentrification on small businesses.

#### *Expert Interview Administration*

William Spisak from Chhaya identified and connected us to the small business owner interviewees, Mr. Gopal and Mr. Hossain, as well as NYC Small Business Services contact Mr. Enamorado. The college professors were identified as possible interviewees by Hunter College professors. Interviews lasted anywhere from 30 to 90 minutes and most were conducted in person with the exceptions of Mr. Gopal's and Mr. Enamorado's interviews, which were conducted over the phone. The interview questions were designed to supplement our research findings and are in the Appendix of this report. All interviewees were given a consent notification form included in the Appendix.

The interviews were conducted before we completed the survey. The information we learned from the interviews helped us formulate survey and focus group questions.

## **Research Findings**

#### *Demographics of Survey Respondents*

Our survey respondents (n=12) were all male business owners in the Jackson Heights neighborhood. Figure 2 shows that 42 percent of our respondents were from Nepal. One quarter of our respondents were not from our target population, and indicated on the survey that their country of origin is Brazil (n=1) and Korea (n=2). Figure 3 shows that 66 percent are over the

age of 45. They had a wide range of incomes and were more slightly more educated than the average of the population: Approximately 67 percent of the respondents have a college degree ranging from an Associates to a Doctorate degree. We found that educational attainment did not correlate with income level, and there were incomes ranging from under \$20,000 per year (20 percent) to over \$100,000 per year (30 percent).

Approximately 58 percent of our respondents indicated their business provided “Personal Care Services,” which includes laundromats, salons, or housekeeping businesses. Approximately 25 percent operate restaurants. The third largest category of business types at approximately 17 percent respectively was Financial Services. Another seventeen percent of business owners chose the category of other, which included shipping and printing, travel & money transfer. Figure 7 shows that 58 percent of business owners surveyed employ one to three people and approximately 42 percent of respondents employ their relatives. Figure 6 shows that 83 percent have owned their business for over 5 years.

Men were overrepresented in our sample population. Despite our attempts to engage female business owners during survey distribution, we did not receive any completed surveys back from women.

Figure 2

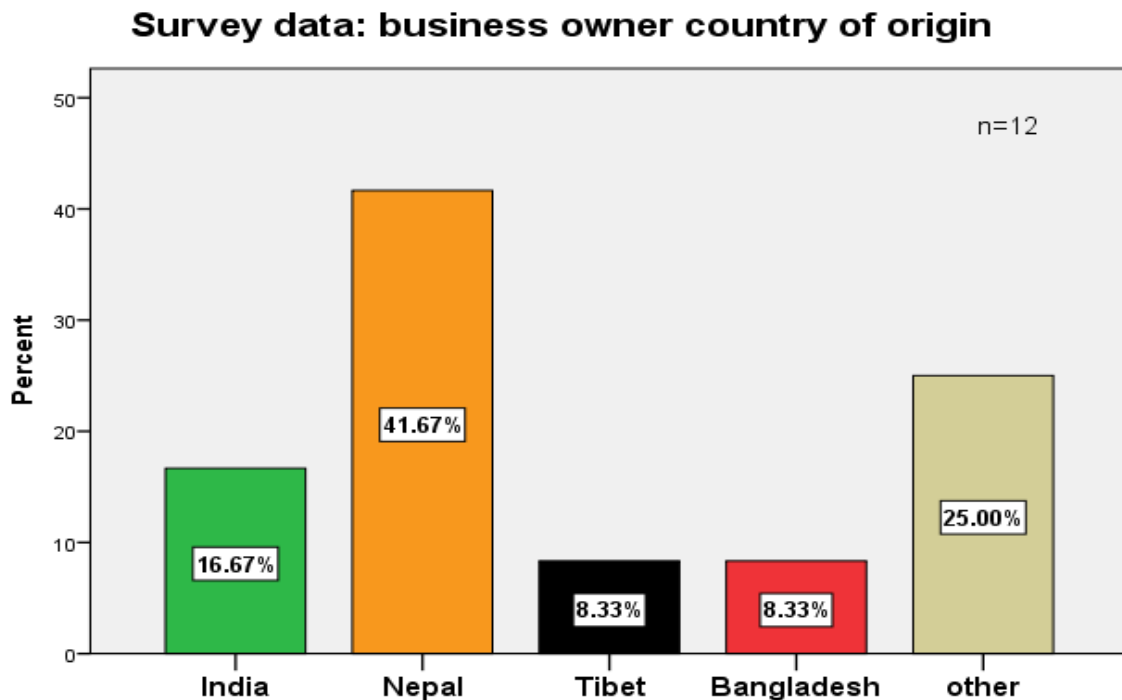


Figure 3

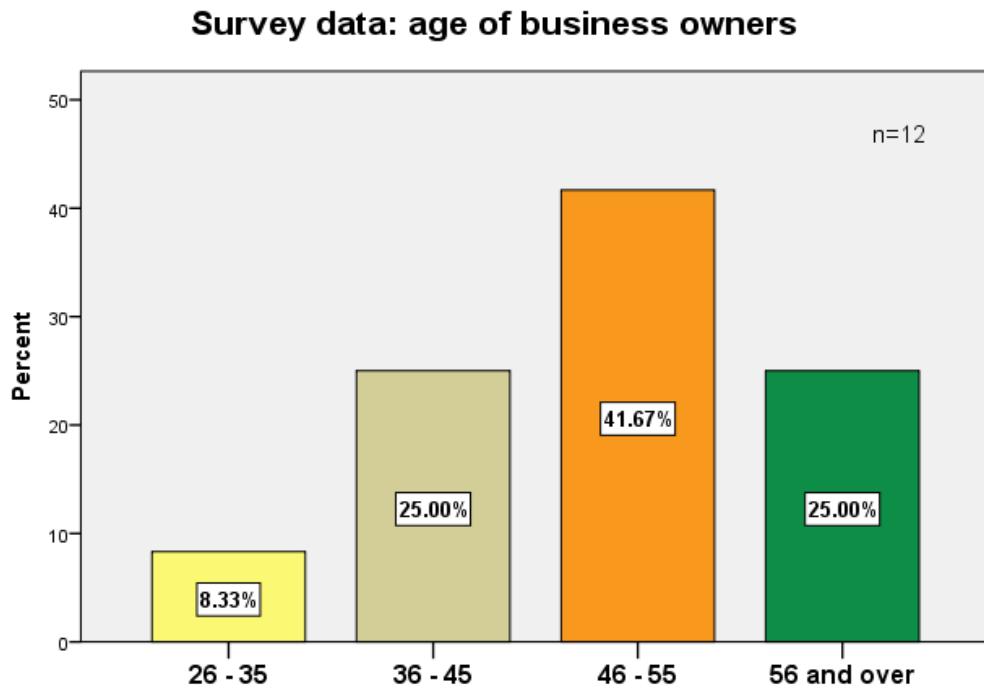


Figure 4

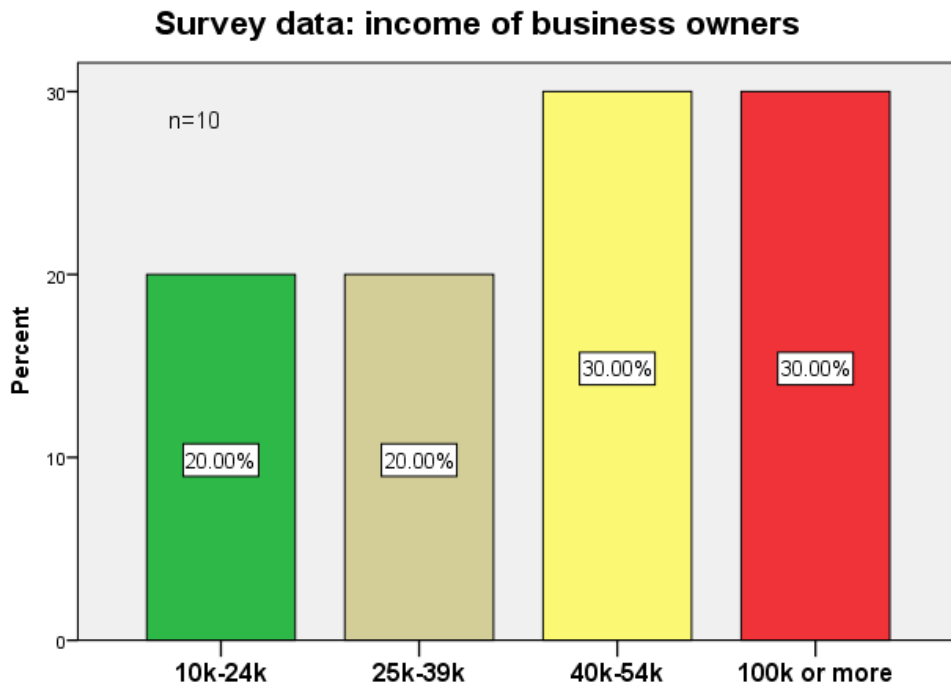


Figure 5

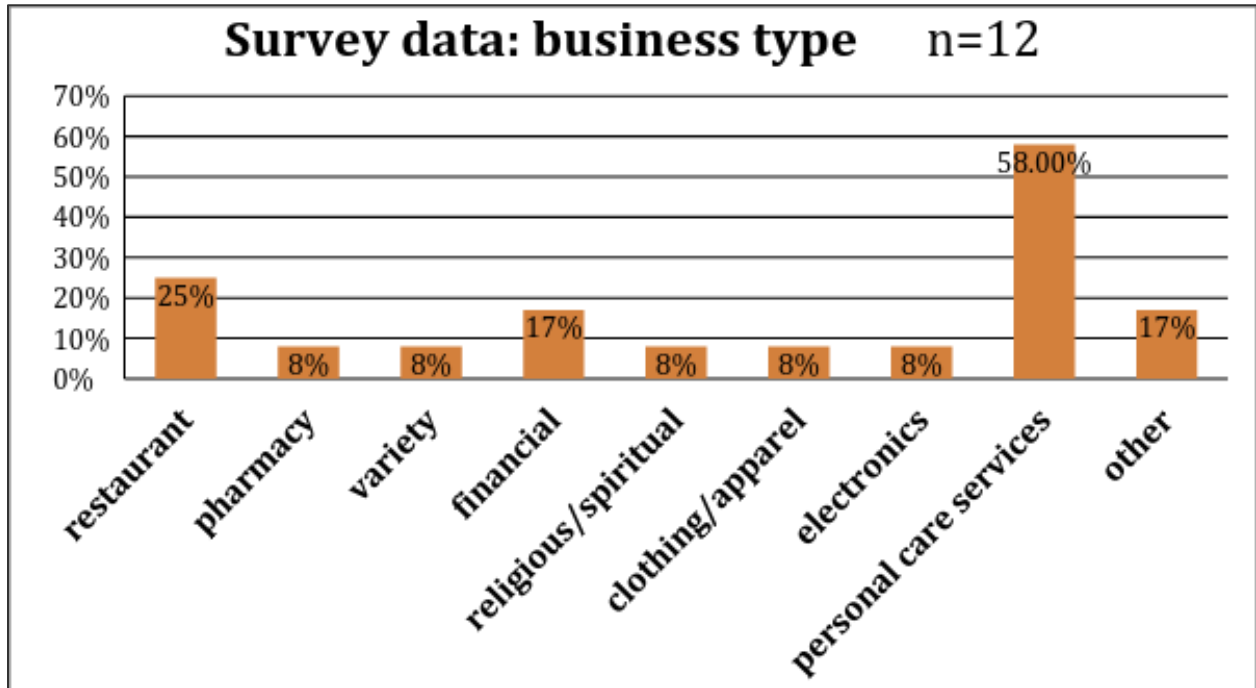


Figure 6

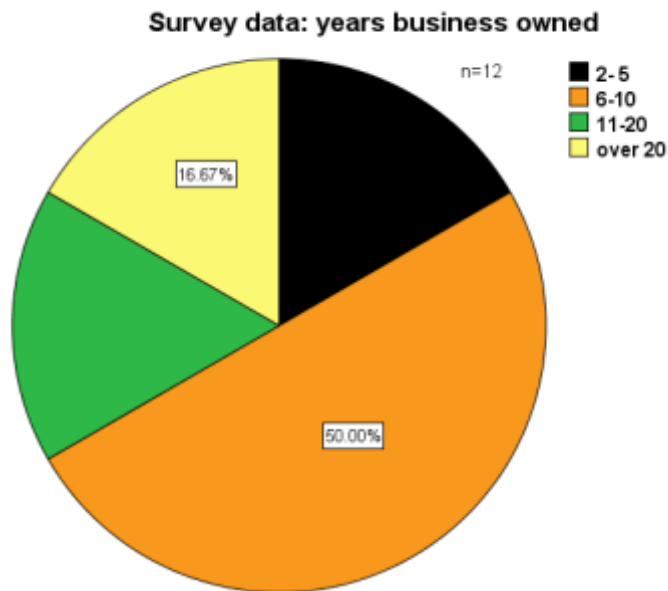
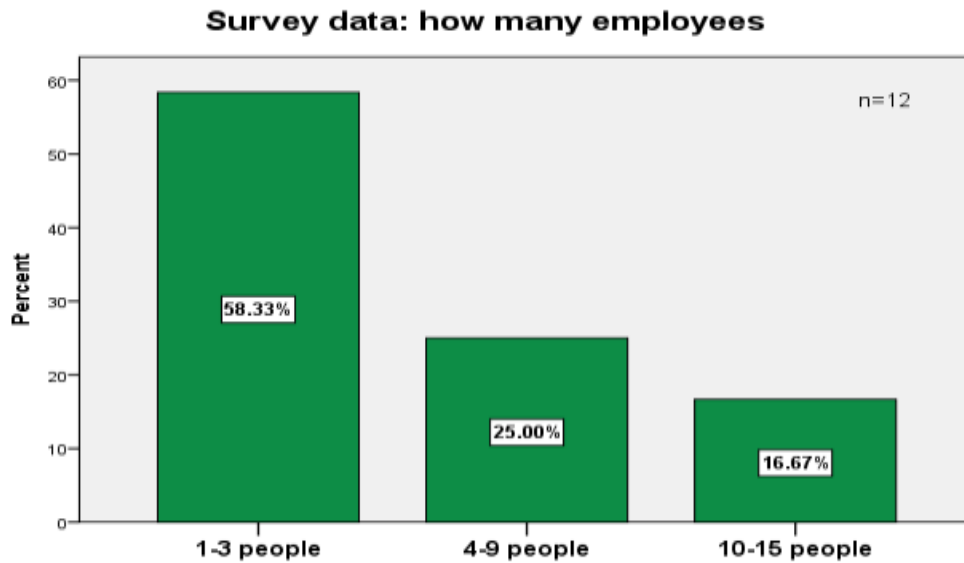




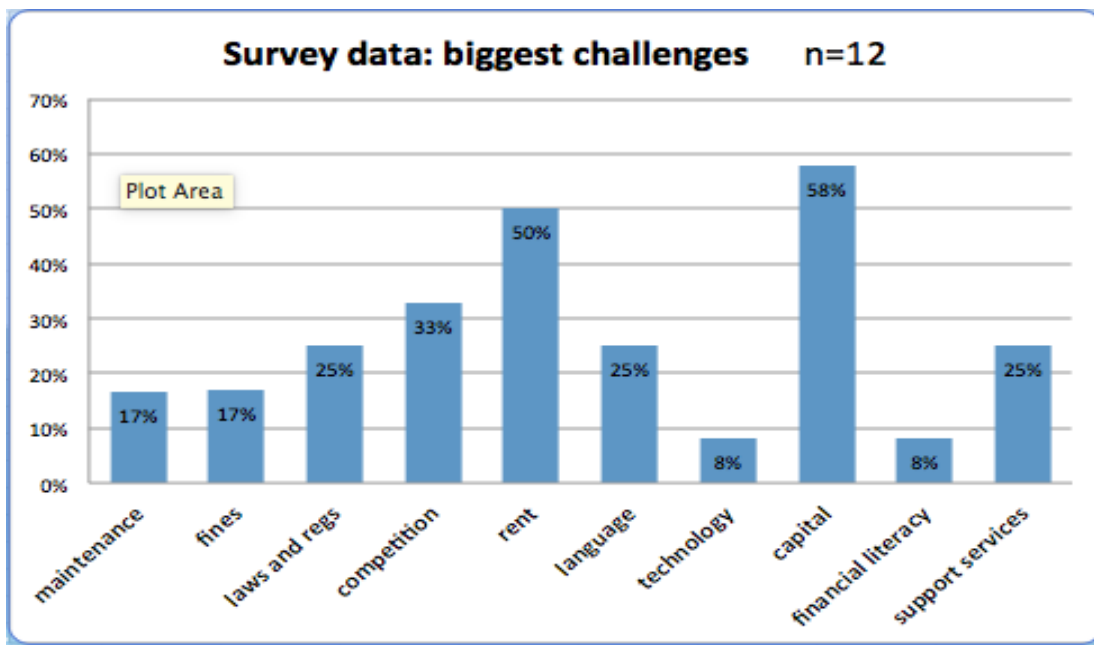
Figure 7



*Barriers to Success*

In order to determine the overarching challenges that individual business owners claim to face, we asked survey respondents to choose their top three barriers.

Figure 8



Access to capital was the most frequently selected challenge at 58 percent. Approximately 86 percent that selected access to capital as a challenge did not use a bank loan to open their business. Afzal Hossain said in his interview that “banks would not give me a loan, but I had some savings and borrowed from a family member” (A. Hossain, personal communication, November 2, 2016). Further, 86 percent of the respondents that selected access to capital as a challenge also indicated that they used a personal loan from a family member or friend, with one respondent selecting other for how they gained capital to open business. Rent affordability 50 percent and competition 33 percent were the second and third largest categories selected for biggest challenges to business owners. This will be explored under the gentrification section of the research.

Language and literacy was selected as a challenge by approximately 2 percent of respondents. Later questions in the survey asked about the respondent's ability to speak and read English. While 100 percent of the respondents selected that they were either intermediate, fluent or a native English speaker, one respondent indicated that he had none or a beginner English reading level. The respondents' ability to speak and read English does not appear to indicate that language is a challenge. Fines were selected by 17 percent of the business owners as a challenge. The question allowed for “other” responses to be filled in and one respondent wrote in “taxes” and along the margin he wrote, “Health department should not be about collecting money. Health department is all about collecting money. I wish government gave tax breaks for small businesses for 1-2 years.” Another respondent wrote, “managing time” in the margin.

It should be noted that regards to Figure 8, one respondent did not answer the question, but we did not include an option to indicate “none/no challenges.” Some respondents indicated more than three challenges. For future research, this question should be restated to read “Check All That Apply.”

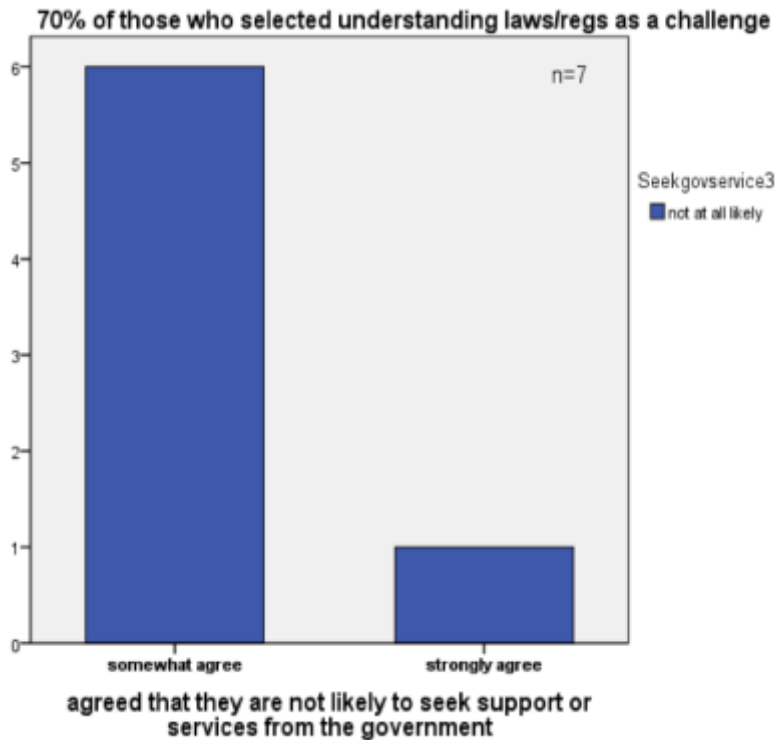
A later survey question asked respondents if they believe that fines are a major concern for their business and approximately 58 percent of respondents indicated that they agreed (somewhat or strongly) that fines are a challenge.

Another survey response option for a barrier to success was Advertising, but was not selected by any respondents. Perhaps this is related to the lack of data pointing in the direction of expansion and that these businesses cater to local customers. Referring to immigrant small businesses, Dr. Peter Kwong said “they aren't thinking about expansion as much as survival” (P. Kwong, personal communication, October 19, 2016). Afzal Hossain said that he does not do very much advertising because he does “not believe in it” and rather choose to patronage a business based on word-of-mouth recommendations (A. Hossain, personal communication, November 2, 2016).

Approximately 25 percent of the respondents believe (somewhat and strongly) that government rules and regulations hinder their businesses while 50 percent disagree (somewhat and strongly). The other 25 percent believe were neutral about this concern.

Out of those respondents that indicated that they agree, either somewhat or strongly, that laws affect their businesses, 70 percent are also not likely to seek services and assistance from a government agency.

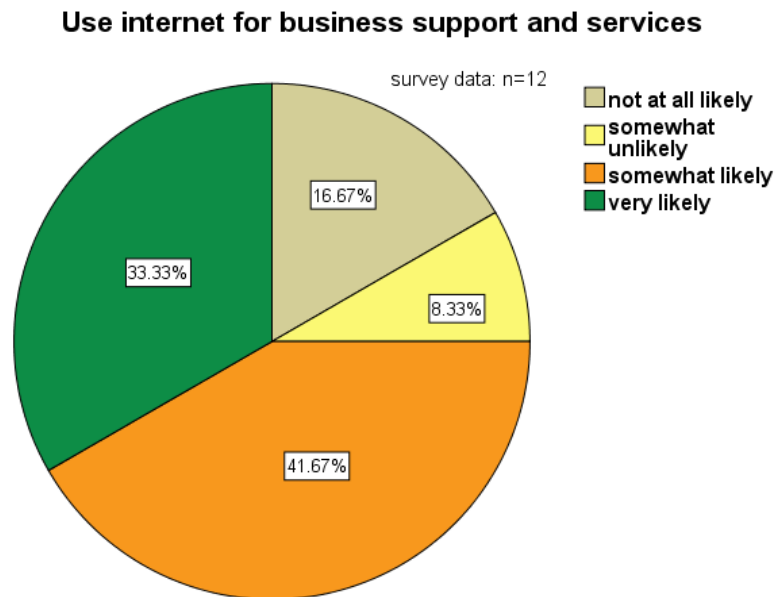
Figure 9



*Business Support Services*

Approximately 25 percent of business owners indicated that access to business support and services are challenges. Roberto Enamorado said that “immigrants or small business owners are not quick to voice their lack of access to services” (personal communication, November 4, 2016). This could explain why this was not selected at a higher rate. Approximately 83 percent of respondents are not at all likely to seek governmental services or assistance. 7 out of the 10 who are not likely to seek governmental assistance or services indicated that they are likely (somewhat and very) to use the internet for business support or services. Overall 75 percent, or 9 out of 12 responses, indicated that they would (somewhat and very).

Figure 10



Approximately 67 percent of respondents indicated that they are disinterested in joining a merchant's association or organization of South Asian small business owners. It appears that the reason why a majority of business owners in Jackson Heights are not interested in this type of organization is because of a lack of familiarity with what the organization. In addition, there is a distinct separation within merchants' groups as they tend to be divided along ethnic lines. One survey respondent wrote in the margin next to this question, "We don't know the benefits if we join. It is only Indians, Bangladeshi majority. Nepali and Tibetans minority." Twenty-five percent of business owners indicated that they are already a member of a merchant's association. One survey respondent wrote in the margins of his survey that they are a member of Jackson Heights Bangladeshi Business Association. Another respondent wrote "maybe" in the margin and did not check yes or no. Afzal Hossain expressed his disapproval of the Jackson Heights merchants' associations saying that "they are all separate: Bangladesh, Pakistan, Indian, Nepalese. I don't know what they do. The Bengali community has its own business community" (personal communication, November 2, 2016). Mr. Hossain went on to say that "no one comes to talk to me. It should not be like that" (personal communication, November 2, 2016). The associations' exclusiveness could also be due to poor networking among business owners.

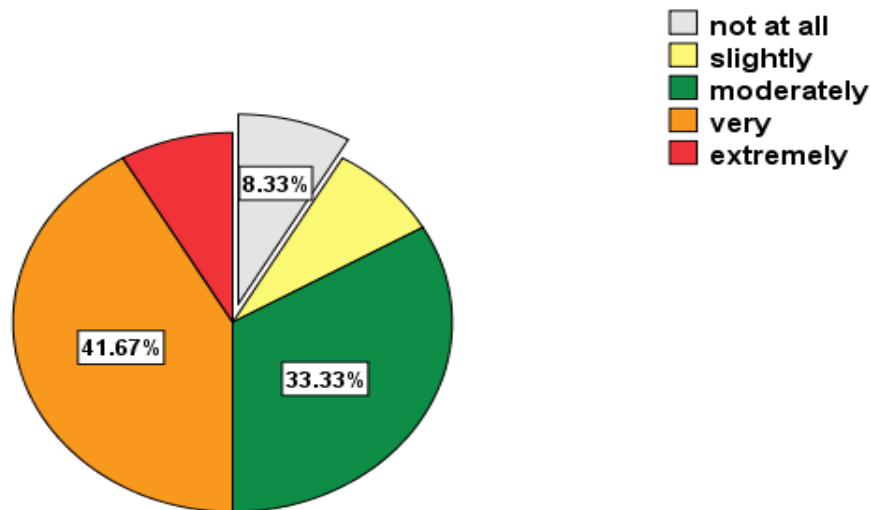
If there is not a more inclusive association with better networking, perhaps a business support model that could benefit South Asian business owners could be peer-to-peer learning. The significance of a Business Mentor is detailed in the Center for an Urban Future's report, "Launching Low-Income Entrepreneurs (2013). The report argues, "Knowing how to implement a business plan and manage a business day-to-day can't just be taught at a workshop, or even a nine-week course, because no one can anticipate all the hiccups and challenges in advance" (15). This type of mentoring programming was advocated for by Afzal Hossain, who shared that he makes time to talk with other business owners to share ideas and support. Mr. Hossain shared, "I

have a lot of coffee shop people that come to me and ask for advice.” (personal communication, November 2, 2016).

Approximately 83 percent of business owners surveyed chose moderately, very and extremely for if they found workshops and classroom based learning useful. One respondent wrote in the margin “but no time” and another wrote “weekday evening workshop better, timing always an issue.” One respondent wrote “access to capital related workshops in the margin.”

Figure 11

**Survey data: workshops/classroom based learning useful**  
n=12



*Gentrification*

Only 41 percent of those surveyed answered the following question: “Which of the following building/landlord problems have you experienced?” This could have been because we did not leave an option for respondents to check “none” or “no problems.” One respondent wrote “none” next to the question. Approximately 67 percent of the respondents that selected “rent” as a challenge also disagreed (strongly and somewhat) that their rent was affordable. Five respondents or forty-one percent indicated that their rent was raised by their landlords. Rent affordability was selected by 50 percent of the respondents as being one of their three biggest challenges, and competition with other businesses was indicated as a challenge by 33 percent.

Concerns about gentrification were compounded by insights from our focus group participant/ interview subject, Mr. Gopal, who formerly owned a small mini-market in Diversity Plaza. Mr. Gopal said that he saw his business grow steadily between 2008 to 2011, and he

would regularly expand his product lines to include additional culturally distinct items. This was based both on specific customer requests and consumer trends in his store. Mr. Gopal explained that two larger grocery chains, Associated and C-Town, opened near his store. Mr. Gopal said, “As a small business owner, I can’t compete with them price-wise” (M. Gopal, personal communication, December 2, 2016). Shortly after this outside competition came to the community, Mr. Gopal was forced to close his establishment. The impacts of commercial gentrification in Jackson Heights remain a concern for small business owners, as evidenced by Mr. Gopal’s personal story.

## **Limitations**

### *Secondary Research*

Our secondary research revealed that gentrification is commonly measured in terms of residential census changes, and therefore scholarly research did not necessarily relate to our research topic. Our survey questions were limited to asking about rent increases and affordability relative to gentrification. More research of a qualitative nature is recommended to reveal any trends or patterns indicative of a change in the cultural patterns of the South Asian business district in Jackson Heights.

### *Primary Research*

We faced limitations in regards to our focus group. We initially scheduled a four-person in-person focus group in Chhaya’s offices, but unfortunately our participants were all unable to attend once the scheduled day arrived. In the end, our focus group became a phone interview with Mr. Gopal, a Nepalese former small business owner of a mini-market in our target area. There was a language barrier that may have interrupted the flow of the interview.

In regards to the survey, we faced limitations in terms of sample size responses. Our research team distributed the surveys, but because we were unfamiliar faces, there was a sense of distrust that aided in an unwillingness to complete the surveys and return them to us. We also faced time constraints in terms of turn-around time. In the end, we only received twelve completed surveys to analyze, which means that we can only make inferences about our primary data that is mostly preliminary and we were unable to establish statistical significance for any relationships.

Our research was limited due to time constraints, as our schedule was confined to and coincided with an academic semester. If there had been more provided additional time, we would have been able to do additional primary research within the community. Our recommendations, listed at the end of this report, reflect expand upon these limitations especially when we by offering suggestions for future researchers to address.

## **Recommendations**

Based on our findings, we offer Chhaya the following recommendations.

### *Workshop Topics*

To fulfill the needs of South Asian small business owners, as well as speak to city-wide themes of barriers facing this community, Chhaya should provide the following workshops on these topics.

#### Access to Capital

Chhaya should continue to offer their Asset Building workshops. Our research indicated that personal loans dominated the type of funds which business owners used to open their businesses. We also found that for those who sought funding through a bank or traditional lending institution they were denied a loan. Therefore, Chhaya should provide information on the various lending programs available to immigrant, minority, and women-owned businesses.

#### Website Fundamentals

An understanding and access to technology was a definitive need that we uncovered. In addition to providing actual trainings on how to develop a website, Chhaya should consider offering online trainings and modules that can be accessed from home.

#### Storefront Enhancements

As Jackson Heights and the surrounding community continues the trend towards gentrification, business owners will benefit from enhancing store facilities, upgrading facades and interiors and making their establishment as appealing to pedestrians as possible. This focus will help ensure that small businesses remain viable, successful and thriving in the face of social, cultural and economic obstacles.

#### Business & Government

An overwhelming theme of our secondary and primary research indicated a deep mistrust or misunderstanding between immigrant, South Asian business owners and government agencies. While local government departments such as Small Business Services may offer a variety of applicable trainings and services, entrepreneurs are less likely to seek out their support simply because they are associated with the government. This can work in Chhaya's favor, as they are a non-governmental entity and thus may be able to attract more easily attract participants who are cautious of government involvement. Chhaya will be able to provide a tangible and deeply important service by breaking down misunderstandings and mistruths about government services, rules and regulations, fines, and other topics that may intimidate small business owners.

### *Further Research*

Due to time constraints and other limitations placed on our research team, we encourage Chhaya to continue the research that we have begun. More research of a qualitative nature is

recommended to reveal any trends or patterns indicative of a change in the cultural patterns of the South Asian business district in Jackson Heights. However, this task is a large undertaking and may be beyond the scope of Chhaya's mission. In order to addition to the Workshop topics recommended above, we encourage Chhaya to consider the following steps moving forward.

#### Increase sample size

Due to our small and limited sample size and inability to complete a focus group, we encourage Chhaya to survey a broader and more diverse sample of a larger size. This will help to increase statistical significance, which could then be used to justify further funding and program development.

#### Community Outreach

Continued efforts to engage existing community members will be beneficial to Chhaya's efforts. By increasing their outreach and making themselves better known in the community, either through visiting businesses door-to-door to providing information, setting up an information booth in Diversity Plaza, or by creating an open-door policy in their offices, Chhaya will be able to increase the number of businesses that can attend its business programs and trainings. Outreach efforts will make this population more accessible for future research by building trust and relationships.

#### On-site Counseling

This is a two-pronged recommendation. First, we recommend that Chhaya continue their practice of individualized asset building and business management support, and we encourage expanded efforts to make this service known to the community. In addition, we recommend that Chhaya enhance services by going to businesses individually to provide individualized support on an as-needed basis. This will help local business owners become further acquainted with the services that Chhaya offers.

## **Conclusion**

New York City's historic roots include an openness to immigrant communities and an extensive network of economic, employment, and social service programs. These programs serve to uplift immigrants and help provide sustainable and long-term economic growth. The role of Community Development Corporations, such as Chhaya CDC, complements this legacy of a social policy. As New York City becomes increasingly unaffordable for low and middle income families, these types of programs become even more vital. With income inequality reaching historic levels, any services that provide a sustainable financial help line to populations eager to start own their own businesses should be supported and expanded.

As Chhaya CDC expands their Small Business Development Initiative and enhance their service delivery and content, we hope that the insights we have collected will inspire additional research by the organization.



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## CHHAYA CDC SMALL BUSINESS OWNER SURVEY

Chhaya CDC has collaborated with Hunter College to conduct a survey to assess the needs of immigrant small business owners in Jackson Heights, Queens. This information will be used to design programs and help advocate for your needs. Please tell us your views about your experience as a small business owner in your neighborhood. Please be assured that your responses will be kept completely confidential. You have the right to withdraw at any point during the study, for any reason, and without any prejudice. If you have any questions about the study or would like to discuss this research, please e-mail [shipp@hunter.cuny.edu](mailto:shipp@hunter.cuny.edu)

By checking the box below, you acknowledge that your participation in the study is voluntary, you are at least 18 years of age, that you are aware that you may choose to terminate your participation in the study at any time and for any reason, and that you have read and understood this consent form and agree to participate in this research study.

**I consent (*PLEASE CHECK THE BOX*).**

### **BUSINESS NEEDS:**

**1. What are the THREE biggest challenges you are currently facing as a business owner?**

**CHECK THREE.**

- |   |  |
|---|--|
| <input type="checkbox"/> Building maintenance and upkeep    | <input type="checkbox"/> Advertising & marketing             |
| <input type="checkbox"/> Understanding laws and regulations | <input type="checkbox"/> Language & literacy                 |
| <input type="checkbox"/> Fines                              | <input type="checkbox"/> Technology                          |
| <input type="checkbox"/> Rent affordability                 | <input type="checkbox"/> Access to capital                   |
| <input type="checkbox"/> Business competition               | <input type="checkbox"/> Financial literacy                  |
|   | <input type="checkbox"/> Access to business support services |

**The following questions ask you to reflect on your current experience as a small business owner. Please indicate your responses to the following questions by checking the appropriate box.**

**2. I understand the laws and regulations that affect my business. CHECK ONE.**

- Strongly disagree

- Somewhat disagree
- Neither agree nor disagree
- Somewhat agree
- Strongly agree

**3. How likely are you to seek business services and assistance from a government agency?**  
**CHECK ONE.**

- Not at all likely
- Somewhat unlikely
- Neither likely nor unlikely
- Somewhat likely
- Very likely

**4. I believe that fines are a major concern for my business. CHECK ONE.**

- Strongly disagree
- Somewhat disagree
- Neither agree nor disagree
- Somewhat agree
- Strongly agree

**5. I believe that government rules and regulations hinder my business. CHECK ONE.**

- Strongly disagree
- Somewhat disagree
- Neither agree nor disagree
- Somewhat agree
- Strongly agree

**6. I find workshops and classroom-based learning useful. CHECK ONE.**

- Not at all useful
- Slightly useful
- Moderately useful

- Very useful
- Extremely useful

**7. How likely are you to use the internet to search for business support or services? CHECK ONE.**

- Not at all likely
- Somewhat unlikely
- Neither likely nor unlikely
- Somewhat likely
- Very likely

**8. I am interested in joining, or am currently a member, of an association of Jackson Heights business owners.**

**CHECK ONE.**

\_\_\_\_\_ Yes \_\_\_\_\_ No

**9. I am interested in expanding my business by increasing my staff.**

**CHECK ONE.**

\_\_\_\_\_ Yes \_\_\_\_\_ No

**10. I am interested in expanding my business into a larger commercial space.**

**CHECK ONE.**

\_\_\_\_\_ Yes \_\_\_\_\_ No

**11. I am interested in expanding my business by opening another location.**

**CHECK ONE.**

\_\_\_\_\_ Yes \_\_\_\_\_ No

**BUSINESS PROFILE:**

**12. What type of business do you own? CHECK ONE.**

- |  |  |
|--|--|
| _____ Grocery store or supermarket             | _____ Pharmacy                           |
| _____ Small grocery, deli or convenience store | _____ Medical (dental, general practice) |
| _____ Food establishment (restaurant)          | _____ Discount and Variety Retail        |
|  | _____ Financial service                  |

- |   |   |
|---|---|
| <input type="checkbox"/> Health and Wellness              | <input type="checkbox"/> Personal care services (laundromat, salon, housekeeping) |
| <input type="checkbox"/> Spiritual and Religious Services | <input type="checkbox"/> Driving School   |
| <input type="checkbox"/> Apparel (clothing) and Shoes     | <input type="checkbox"/> Jewelry and Accessories                                  |
| <input type="checkbox"/> Furniture retail                 |   |
| <input type="checkbox"/> Electronics retail               |   |

**13. How long have you owned your business? CHECK ONE.**

- Under 1 year
- 2-5 Years
- 6-10 Years
- 11-20 Years
- Over 20 years

**14. Please indicate your response to this question by checking the appropriate box. The rent for my commercial space is affordable. CHECK ONE**

- Strongly disagree
- Somewhat disagree
- Neither agree nor disagree
- Somewhat agree
- Strongly agree

**15. Does your business have a website?**

Yes  No

**15a. If you answered NO to #15: Would you like your business to have a website?**

Yes  No

**16. How many people do you employ? CHECK ONE.**

- |                                       |   |
|---------------------------------------|---|
| <input type="checkbox"/> 1-3 People   | <input type="checkbox"/> 16-20 People   |
| <input type="checkbox"/> 4-9 People   | <input type="checkbox"/> Over 21 People |
| <input type="checkbox"/> 10-15 People |   |

**17. How many of your employees are also relatives?**

- 0
- 1 - 3
- 4 - 9
- 10 - 15
- 16 - 20
- Over 21 people

**18. How did you gain capital in order to open your business? CHECK ALL THAT APPLY.**

- Bank Loan
- Microloan
- Personal loan (family member/friend)
- Other (Please explain) \_\_\_\_\_

**LANDLORD RELATIONSHIPS:****19. Which of the following building/landlord problems have you experienced?****CHECK ALL THAT APPLY.**

- |   |                                   |
|---|-----------------------------------|
| ___ Gas, electric, and other<br>essential services turned off | ___ Inability to contact landlord |
| ___ Locks changed   | ___ Destroyed/defaced property    |
| ___ Rent raised   | ___ Verbal threats from landlord  |

**DEMOGRAPHICS:****21. What is your gender? CHECK ONE.**

- \_\_\_ Male \_\_\_ Female

**22. What is your age? CHECK ONE.**

- \_\_\_ 18-25
- \_\_\_ 26-35
- \_\_\_ 36-45
- \_\_\_ 46-55



**28. What is your highest level of education? CHECK ONE.**

- Less than high school degree
- High school graduate
- Some college but no degree
- Associate degree in college (2-year)
- Bachelor's degree in college (4-year)
- Master's degree
- Doctoral degree
- Professional degree (JD, MD)

**29. Is your degree recognized in the US?**

- Yes  No

**Thank you for completing this survey!**

**Please return to Chhaya CDC, 37-43 77th St #2. Jackson Heights, NY 11372**



Expert Interview #1: Mr. Afzal Hossain  
Co-owner- Espresso 77  
November 2, 2016

- Can you tell me a little bit about your professional background?

I move in country in 19 no 200 1996, and I was an immigrant with older brother, mother lived here. Brother is an artist. The whole point to come here was a good education college applied for Pratt Institute and went for 7 years architecture degree. Then I went restaurants part time jobs. Most of seven years worked in restaurant liked the environment didn't feel like work. Robert Stern architectural company met wife at time she is an architect too. Worked four years Robert Stern and was bored sitting at desk, same day thing every day. Have to do something different.

- How did you get started in this area?

Joe coffee shop one day with wife and Sunday evening like vibe. Small coffee shop on side of street and Starbucks huge on corner and people were not going there. The environment was friendly people know each other not like corporate and he thought we should have something like that in our neighborhood.

Where was Joe's?

Greenwich village

(Continued) We lived in Jackson Heights for 21 years. My wife lived on Upper East Side we met. She fell in love with neighborhood. When opening coffee shop, [my] wife said [do] you want to open up coffee shop- let me help you. Took me almost a year to find. 2007 I was looking I had no idea how much money, each rent was like 5000 or 6000. Wife posted on website we are opening coffee shop... Indian Sari store clothing store is going to go up for sale. I had this street in mind and I told my wife. Wife got email and store was half the size. We renovated the whole thing. The ceiling is original. I came in and asked the person are you guys selling and the woman was no we are not and she was offended and asked who told you that? I explained that I am from same country, I just quit my job. I am looking for a similar space that is reasonable. She is from India. She said let me call my husband and he spoke to him on the phone and said the husband said not for sale but we can sell coffee and clothes. Met with him in Sunnyside and they negotiated a deal over a couple of days. They had to go to India to get married they will come back.

- How many employees do you have?

Now we have seven including myself. It is very hard for a business the rent is going up and up a lot of [we are] behind costs sometimes. I don't collect my salary because I have to pay the employees. Minimum wage going up a lot of small business are closing. Almost 9 or 10 dollars I understand they need the money but the city gets tax from it. We don't get any benefit from the city from the government the politicians talk about it but none of them help us. Big business gets all the tax breaks. Sanitation fines, Health department fines, so many tickets why not educate us. Why punishment for money and it is costing us? Why not warnings and teaching us?

The challenge so many rules and regulations. Insurance is killing us. Landlord tells us property insurance... employee insurance, workers comp, 15000 - 16000 in insurance. Garbage company takes from residents but why not businesses we pay taxes.

- Why are immigrant owned small businesses important to the communities they serve? Mostly because this is an immigrant neighborhood when they see my success they think why can't i do that, gives them power, and they feel comfortable and they can go to these stores and it is important for other ethnicities to be comfortable too. People think I can't do it- I can fail, but if they see success then they know they can do it. Need help, my wife I can't do this by myself. Or an organization, can help.

A Lot of people don't speak English. This guy next door he put a canopy like mine and he got a ticket. Bakery over there they come to us. [We] have to help each other. Landlord relationships are important, [but] landlord doesn't listen. But if the community asks for something then they might listen. This block is like a landmark so there are landmark regulations. The landlord and community help each other. Italian corner deli everyone loved it and the landlord jacked up the price he moved and his business died. Landlord can be so greedy to us. We had to pay for real estate tax separately not in rent. WE pay heating bill, insurance percentage increase every year.

- What have been your biggest challenges operating a small business in Jackson Heights? Jackson Height is multicultural. That is the whole point of opening the store here because I was immigrant. Now [I'm an] American. Store that everyone can use, not just one kind of ethnicity. This is tough for this neighborhood because different cultures stick to their shops. For example, it is good to support ethnicity food you grew up with. Division should embrace togetherness- we are one family this is the same country. It is hard to bring people together if they are not open. Every person is living here longer, [the] new generation should open [a] business. How about a culture that puts them together? Shopping wise, [the] new generation [is] trying different things.

Fascinating thing when you own a business- if you go to other [area] Brooklyn, [or] Astoria, [they are] individual businesses so they can rent it. Each block is owned by one landlord in Jackson Heights. Commercial [stores] are owned by same landlord's [and] 10-15 landlords can ask whatever money they want. [It is] hard for people to get rent because lots are whole block. No competition in rent. Too many 99 cent stores [and] every block has a hair salon. 74th street is a mix [with] different kind of shops [but] very high rent too. Small jewelry stores are closing because they can't afford the rent. People are changing. The way they grow up- my family used to like buying gold but what am I going to do with that? So businesses [are] changing slowly. Roosevelt Avenue [has] prostitutes [and] drugs. No one wants to go there [because] it is dirty, [there is] not enough light and the subway track is full of junk. [This] makes me sad because we are all immigrants. It is hard for businessmen to do business because the city does not support clean up. MTA it is most busy station and if you go there you see [that the] train track [is] falling apart. The city needs a bigger role than anyone else. [In] our community, no one can talk about what they need.

Financial. You have to have your own capital. [For] every loan you [to] have experience no matter good your business plan [is]. They want profit. I don't make a profit. Lightbar, not qualified because you're not making enough money. I pay the loan. Whatever I borrow I pay back. When [we] remodeled [we used an] American Express high interest credit card]. Banks

wouldn't give a loan. I had some saving and borrowed from family member. Didn't want to wait either. Indiegogo fundraising crowdfund got [us] 15000 [so we] did nice windows with it. Brought attention through Facebook in store. Media helps if you have it use it.

Technology is important because how many people are looking at mail? Friends share with each other so social media has helped.

Most of our population [that are] business owners don't know how to get stuff. Need a business leaders

- What about the Jackson Heights Merchants Association?

They are all separate, Bangladesh, Pakistan, Indian, Nepalese. They all have their own associations and only do [a] street fair once a year. I don't know what they do. Bengali community has business community. Open close the street for a street fair [with a] big sound system. No one comes to talk to me. It should not be like that. Council member should be bringing business together. For me it is all a scam. They take money from [the] city and the city gives [them] money every year. We don't get anything. Sunnyside etc.

- Do you think that the Business Improvement District on 82nd street is good for immigrant businesses?

I like the BID because it is more cleaner. [In] 1996, I understand big business come but we need something like that. BID gives more variety. Same stores they don't know what their business are doing. Sometimes we need corporate [stores] because [they] spend more money and focus on neighborhood. Why do we not change?

Big business target 20 year lease. My friend opened a restaurant next to a starbucks and a part of the lease said no sales for coffee. Starbucks has a lease for 15 years. Rent next to Starbucks is double because they make more money there. My landlord is good- I have a 10 year lease. Most leases are 5 year leases. Before [I] opened [this] store, Starbucks was not looking in this neighborhood. A year after I opened they came to the neighborhood. Caffe Bene came too. My [store is] upgraded. I am happy they are other small business owners. Roosevelt ave is dirty.

- How do you define success as an immigrant small business owner?

Believe in yourself first. No business owner knows beginning goal is to do something for neighborhood. Work hard. We are a part of the community. I bring Jackson Heights artists [into the shop] painters, musicians, photographers and poetry. Want people to feel like they are at home they are going somewhere that is their place. Be friendly [and] learn names. Duty is how you serve the community- without community you're nothing.

- What have been your keys to success? (second store)

You must know your product. If you say I want to open coffee shop and look for cheap coffee, that is not going to work. Give the best. I've got a good product. Honesty is important- it brings customers. Good product then people will give more money. Cheap product and double margins will work for a little bit but then it will fail. Hospitality have to be nice to customer. Want them to feel good behave like every customer is important. Doesn't matter with ethnic place, but if you go to Columbian place they don't speak to you because you don't speak their language.

- How do you market your business? How are people aware of your business?

I Don't do much advertising. I don't believe in advertising. When someone gives flyer on street I throw it away. (It is mostly word of mouth) When a friend tells me I go there. Advertising is sketchy. If you build it they will come. Your mind is different than [the] customers [so] listen to what they want. Change slowly. Customer opinion matters [if] you listen they stay. Not greediness. You can see that in other communities.

- How important is community involvement for immigrant small business owners in Jackson Heights?

Most important part. A Lot of business don't do that. I am only person who does that. People come into shop and say, hey I am a musician, and [we] put them on the schedule. Sell books, sell tickets for art. Every building has a garden that is open to community once a year ran by Jackson Heights Beautification Group and we sell the tickets for them. Jackson Heights Art Club- [we] post their stuff.

- Whom do you seek advice from for your business?

Look [for] successful business. Go and talk to them make time and go talk to them. I have a lot of coffee shop people that come to me and ask for advice. Talk to people and use their experience. When I open the coffee shop we talked to people who supply our coffee and they helped us setup. Financial advisor or business advice is good. Presentation- first impression is good. A Lot of people don't know how to present it. Frontline you have to spend money to bring money in. Make store look good, good products. Updated store is good. Get [an] architect. A lot of stores space are not functional. Spend money on a professional. Not everyone is an architect. Plumber is a plumber. Corporations spend a lot of money on that and that's a reason why people go there. Your tastes might not be the best for business. Our South Asian community [makes] chicken marsala- make it unique. Nothing wrong with ethnic food but make it in a store that is clean. If you like ethnic food [like] empanadas and I want to open up [a store for them] ask for opinions on how your food tastes so everyone can come. It is about ethnic tastes and other communities. I want other people to go there not just ethnics. Proctor Brothers [has a] clean good presentation serves everybody. Good example.

Any business owner what does the neighborhood need don't open another shop if they don't need it. Do you need another hair shop or 99 cent store? Close a gap and you will be a success.

On Opening another storefront?

You can do it if you are focused on it this is my dream. I had a vision. It was so dirty before. Bakery called him because they wanted to renovate. Look is very important. People want it upgraded. Don't do the same things. We change the artwork on the walls every two months. Local artists. Try sell. [We call the shop] Gallery 77 for the artists.

Expert Interview #2  
Roberto Enamorado  
NYC Small Business Services - Instructor & Contractor  
November 4th, 2016

- What is your professional experience with immigrant-owned businesses?

I have worked specifically with immigrant owned business for over one decade-- started with Business Outreach Center Network. Invited to workshop. Started with interest in workshops that focus on outreach

Now helping established companies, or those on the brink of opening businesses (under 125 employees), help with interview process, help them place staff.

On the Job Training-- help business owners save money. Reimburse trainers. Will email me information regarding specific trainings offered.

I have less experience working with South Asian businesses, but there is immense overlap of needs and challenges.

- Why are immigrant owned small businesses important to the communities they serve?

This is a symptom of something much bigger. As a community, we value immigrant owned businesses. It is a major aspect of NYC, specifically Queens, which is the most diverse in the world. We appreciate the diversity and uniqueness they provide, but this is slowly fading away. It is too hard to compete with a huge corporation, who have partners in government. The profit margin is much larger than a small business owner.

- In Jackson Heights, there appear to be a high volume of Variety/Discount stores. Is this business model cultural? Is it sustainable? Is it born out of necessity?

A lot of what you do relates to what you're familiar with. If you're used to being frugal in your country, you may want to find the cheapest item possible. May speak to the variety stores thing. It may be related to familiarity and opposed to actually doing a lot of market research about what is needed in the neighborhood prior to opening. In my experience, immigrants tend to not do a lot of market research prior to opening a store.

In the coming years, we may see more computer/tech stores as immigrants become more familiar with these emerging markets.

- Are there any barriers that impede the operation of South Asian businesses? (for example: Language & literacy, Technology, Access to capital, Financial literacy, Difficulty navigating regulatory environment, Proximity to city services, Distrust of government, Vulnerability to exploitative business service providers).

Language & literacy: use of interpreters or online translation services is common.

Tech: Online resources are very needed. Queens Solutions Center has a printer and computer, so those services are available for use. However, in my experienced immigrants or small business owners are not quick to mention or voice their lack of access to services.

Access to capital: Has to do with outreach. A lot of the owners are unaware of their opportunities, unfamiliar with community banks or financial institutions. They tend to offer more flexibility. Should be more outreach and marketing so that business owners can learn about these services.

People have to develop trust with you if they want to learn about these services-- need to have a presence, see your face, build trust. Business owners are inquisitive but concerned about asking too many questions or being too vocal about seeking services.

Vulnerability to exploitative business service providers: Roosevelt Avenue specifically, blast from the past as far as shady businesses, human trafficking, it appears to be concentrated in this area. If business owners are more educated they may feel more confident to speak out on their community. Not a sexy topic.

- Which SBS courses do you facilitate?

Starting own business, social media fundamentals, website fundamentals (favorite), business planning basics - usually 1x month, sometimes 1x quarter. Based on demand and availability. Based on client feedback, are there courses or subject matters that are of interest for future workshop development?

Everyone always asks for SEO classes.

Starting up one soon-- Access to Financing-- ongoing.

Looking to do more workshops at their office-- they tend to not offer an abundance of services in other offices.

It is important for branding to have a standing monthly training so that your name is out there and your reliability is established-- does not necessarily matter the amount that turn up so long as your brand is out there and the time is established. Sends a message of reliability to the community.

So many services in this city, can be taken for granted

Small business owners claim to not have time-- very busy, and difficult for them to pull away from their business. Don't make the time often for those services. A lot of the workshops people go to are pre-start up, not once they are established. Would have to be a very compelling reason for them to come. The DOL would be a more appropriate venue for educational component/workshop.

- Are workshops and classroom style learning the best model? What other models have been tried?

Online stuff has more potential-- they will actually do that as opposed to not attending in-person workshops.

Workshops can be hit or miss, not a set formula. May fill the room one year but no one comes the next year.

Partner up, collaboratively target populations. Physical outreach. 3 people targeted one specific

area last year (sweat equity), 2 people show up... sometimes you send one email and have a large turnout.

“10 steps to starting up a business” always gets more foot traffic.

- How many people do you expect to come?

2-40-- no average

- What is your opinion on BIDs? Do they help or harm South Asian communities? Can you speak to the positive and negative impacts of Jackson Heights' 82nd Street BID?

Not able to speak to that-- no data and pretty unfamiliar

Expert Interview #3/Focus Group Interview  
Mr. Gopal  
Himalayan Mini Market - Former Owner  
December 2nd, 2016

- What is your idea of a successful business?

Had previous experience working in restaurants and waiting tables, learned there that good service is the key to a good business. Decided to open up a store using personal funds. Sold regular groceries. Brought Himalayan foods that are unique. Did well for 3-4 years. After that, big corporate super market opened near his store. As a small business owner, I can't compete with them price-wise. The main reason they shut down the store (64th & 37th Ave) is that C-Town & Associated opened as competition.

- In what ways has your business grown or changed since it opened?

(language barrier- didn't understand question). Have a partner too, opened with a small amount of money, and as their business grew they would add inventory as they became more successful, started with dry foods then moved to fruits, veggies, meat (added walk in freezer) per customer request.

- How do you know Chhaya?

I know Tshering (Asset Building Counselor at Chhaya). She's from my hometown (in Nepal).

- What is your preferred style of learning (mentor/classroom)?

Group style better-- easier to exchange ideas

- Are you a member of a 'network' of businesses (merchant association)?

No, and I would want to know more information about what that means before committing.

- How likely are you to seek business services from a government agency?

Did not seek when my business was open. I did not know about any services. I am not likely to seek governmental support. I was always told that government will not helpful.

- What have been your biggest challenges operating a small business in Jackson Heights?

Rent is high, deliverables, competition of other supermarkets.



Expert Interview #4  
 Professor Peter Kwong  
 CUNY Hunter College  
 October 29th, 2016

- Does gentrification impact small Asian and South Asian businesses?

Yes, they are small, marginal businesses. They are impacted by gentrification and increases in rent

- Do you know anything about the gentrification going on in Jackson Heights

This is a very important area for immigrants. When someone comes here and isn't familiar with American society, and isn't sure how to find information, or how to get started, these communities are important. These communities find information and help people find partners in business, decide what businesses are advantageous for them. Gentrification disrupts these social and economic networks

- Do you know of any businesses that have survived gentrification

Those businesses aim at tourism. When your business is aimed at your ethnic community, survival is more difficult

- Are there certain programs that immigrant businesses can learn to incorporate into their model in order to improve their finances?

Every community, based on their resources and background, has a unique way of dealing with things. Each community has its own logic. Becoming more efficient isn't necessarily an issue. They aren't thinking about expansion, they are thinking about survival.

- Are there any barriers that impede South Asian businesses?

Access to capital is a barrier, they rely on each other. When they borrow, they borrow from their countrymen. They have to rely on ethnic resources. Communities need mobilization because they usually have little resources to fight against gentrification. They are too preoccupied, and even though they know that rents are going to go up, they aren't organized

## Expert Interview #5

Sam Stein

Urban Geographer & Hunter College Professor

November 3<sup>rd</sup>, 2016

- Do you know about the gentrification that's happening in the Jackson Heights immigrant community, in relation to small businesses?

I know about the economy there, the businesses aren't focused on vertical expansion. They aren't purely focused on capitalist goals because they family members and members of their community. Oftentimes there are networks of businesses that rely on each other that have ethnic ties. For example, a business might open that just prints menus, and many local restaurants in the area will purchase their menus from this business. Without the community this business might lose its clientele and go under

- Gentrification is a major cause of stores being closed?

Yes, when an area is gentrifying, the landlords often don't want tenants of small businesses there anymore. Oftentimes there will be three small businesses that are renting out one space. A landlord would much rather tear down the walls separating the businesses and bring in a Starbucks or a Duane Reade to fill the space. Sometimes landlords will fill a space that used to be a small business with something like an art gallery. Galleries are cheap to put up and get people used to spending money a certain location. After a few years they will remove the art gallery and replace it with a bar or something that will generate even more money. The point of the gallery is to get people used to spending money in that location.

- Do you think that if immigrant small business owners attended small business workshops that they could develop skills to prevent their businesses from closing?

One of the problems with the current workshops that the city offers is that they don't teach to the agglomerative business model that already exists in the area. Small businesses in this area often form in clusters and sell similar goods, such as jewelry or religious attire. The point is that everybody knows where to get these items, so even though many stores compete for the same customers, they also benefit from the foot traffic that is being generated. An example of an agglomerative economy is the flower district in Chelsea. A bunch of sellers compete with each other, but the fact that everybody knows to go there for flowers generates enough business for everyone. The workshops offered by the city are probably teaching to a model that incorporates vertical expansion, and growth. These businesses aren't as interested in expansion. They are low cost businesses and they benefit from being smaller instead of expanding.

## Interview Consent Form

### **Purpose/Background**

Chhaya CDC has collaborated with Hunter College to conduct a needs assessment of immigrant small business owners in Jackson Heights, Queens. The needs assessment will assist Chhaya CDC in creating and developing programs to assist South Asian business owners. This is a class project for the Urban Development Workshop taught by Professor Sigmund C. Shipp in the Urban Affairs & Planning Department at Hunter College.

### **Class Study Team**

- Professor Sigmund C. Shipp, Associate Professor, Dept. of Urban Planning & Affairs Hunter College/CUNY
- Hunter Graduate students Adam Steele, Amy Holodak, and Valerie Duchon.

### **Procedures, Risks and Benefits**

Participation in this interview is voluntary, and refusal to participate will involve no penalty or loss of benefits to which you are entitled. In addition, you can choose not to answer any particular question or stop the interview at any time. The interview material may be published or used by Chhaya CDC.

If you have any questions about this study, please contact Professor Sigmund C. Shipp at 212-772-5591 or [sshipp@hunter.cuny.edu](mailto:sshipp@hunter.cuny.edu).

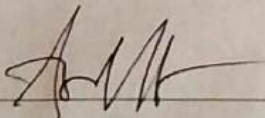
### **Consent**

I have read this form and been encouraged to ask questions. I have received answers to my questions. I give my consent to participate in this study. I have received or will receive a copy of this form for my records and future reference.

Participant's Name

Signature

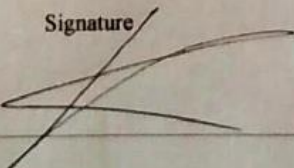
Date

AFZAL HOSSAN  11/2/12

Researcher's Name

Signature

Date

Valerie Duchon  11/2/12

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If you have any questions about this study, please contact Amy Holodak at amy.holodak88@myhunter.cuny.edu.

#### **Consent**

I have read this form and been encouraged to ask questions. I have received answers to my questions. I give my consent to participate in this study. I have received or will receive a copy of this form for my records and future reference.

Participant's Name

Signature

Date

Roberto Escamado



11/4/16

Researcher's Name

Signature

Date

Amy Holodak



11/4/16

Interview Consent Form

**Purpose/Background**

We will be interviewing experts to create a needs assessment for Chhaya CDC, in order for them to create a classroom-based workshop curriculum for South Asian business owners that will provide them with training and connect them to financial opportunities. This is a class project for the Urban Development Workshop taught by Prof. Sigmund C. Shipp in the Urban Affairs & Planning Department at Hunter College.

**Class Study Team**

Prof. Sigmund C. Shipp, Associate Professor, Dept. of Urban Planning & Affairs, Hunter College/CUNY along with Hunter students Amy Holodak and Valerie Duchon.

**Procedures, Risks and Benefits**

Participation in this interview is voluntary, and refusal to participate will involve no penalty or loss of benefits to which you are entitled. In addition, you can choose not to answer any particular question or stop the interview at any time. The interview will be used for classroom instruction. The materials interviews may be published or used by Chhaya CDC. If you have any questions about this study, you can contact Prof. Sigmund C. Shipp, the faculty supervisor, at 212-772-5591 or [sshipp@hunter.cuny.edu](mailto:sshipp@hunter.cuny.edu).

**Consent**

I have read this form and been encouraged to ask questions. I have received answers to my questions. I give my consent to participate in this study. I have received or will receive a copy of this form for my records and future reference.

Pratik Kumar \_\_\_\_\_  
Participant's Name Date Signature

\_\_\_\_\_  
Researcher's Name Date Signature



