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ABOUT ECONOMIC GROWTH INSTITUTE:
The Economic Growth Institute has provided innovative economic development programming and applied research for almost 40 years. Through our work, we build more resilient businesses and communities, connect university innovations with small and medium-sized enterprises, and provide student learning experiences for the next generation of community and business leaders.

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EXECUTIVE SUMMARY

OVERVIEW

As recent reports have shown, immigrants and refugees positively contribute to local economies and help revitalize cities. Immigrants continue to be the primary source of population growth in Wayne County; therefore it is imperative to consider strategies for both community and economic development of these communities. Small business growth provides a multi-pronged approach that delivers culturally-specific services while also growing immigrant business ownership, local employment, and wealth creation opportunities. Within Wayne County, immigrant populations demonstrate a strong propensity for entrepreneurship: the immigrant worker participation rate is 9.7 percent, higher than the 6.0 percent rate for U.S.-born workers.

Diverse, successful commercial corridors can offer a vibrant and unique setting for economic development and small business growth. Currently, there is no nationally-organized network or governmental entity that identifies appropriate tools and resources, case studies or mentoring opportunities for emerging ethnic commercial corridors. This research study, therefore, addresses a critical gap in both practitioner resources and academic literature.

Through a comparative case study analysis, the research team evaluated successful corridors for the City of Hamtramck as it considers economic development strategies for its ‘Banglatown’ area. The strategies that emerged from the analysis provide an initial survey to better understand best practices of these communities that can foster their development.

COMPARATIVE COMMUNITIES

For the study, ethnic commercial corridors were defined as commercial enclaves of established and growing immigrant-owned businesses that represent and serve a local ethnic community, and appeal to and engage the surrounding region. The analysis was limited to comparable communities to minimize the outside influence of other communities on the present characteristics of Hamtramck itself. Comparatives from the West or East Coast introduced too much variance since these cities and their respective ethnic communities experienced drastically different political, economic, and social forces than cities in the middle of the country since the 1970s. With these prerequisites, the team identified the following neighborhoods as comparables, to a reasonable degree: Eat Street in the Whittier neighborhood in Minneapolis; South Grand Boulevard in St. Louis; Asiatown in Cleveland; Clarkston, Georgia; Broadway-Fillmore neighborhood in Buffalo.

Data collected for each community included secondary data, literature review, and interviews with leaders in the community. From this, the team conducted the comparative case study analysis. The four strategies identified provide an overview of strategies that can be applied to Hamtramck. These strategies are as follows:

1. **Flowers by Miss Bertha**: Opened in 1961, this business is one of Eat Street’s oldest businesses. In 1990, a family of Cambodian immigrants who worked with Miss Bertha took over the business and continue to run it today.

   Photo: Whittier Alliance Facebook page


3 New American Economy, “New Americans and a New Direction: The Role of Immigrants in Reviving the Great Lakes Region.”

4 Overall, there is very little academic research on ethnic commercial corridors. Most of the research focuses on individual communities and how a specific trend or theory describes the formation of ethnic businesses in that specific case study. A few extrapolations can be made about businesses in ethnic communities, but the creation of ethnic commercial corridors remains elusive. In addition, the literature seems to have multiple terms (multiculturalism, immigrant, ethnic) to describe a similar phenomena (businesses in immigrant communities) which leads the literature to remain sporadic and not well developed in terms of connections within the field.

5 Currently, most of the corridor is concentrated on Conant Street between Caniff Street and Carpenter Avenue. This stretch straddles Hamtramck and Detroit, features signage of "Bangladesh Avenue" on the Hamtramck-side and "Banglatown" on the Detroit-side.

of the common themes among the comparable communities. The study groups these four areas into grassroots support, cross-cutting funding, planning & investment, and anchor attractions & marketing. The comparable communities represent different spectrums of activity within these four areas.

**GRASSROOTS EFFORTS SUPPORTED**

Ethnic commercial corridors emerge from clusters of businesses that open and grow to serve the local populations. Corridors sustaining long-term success in the communities were supported by a variety of local organizations. Some started as informal groupings of business leaders while others are formal external organizations with specific objectives to assist the residents and businesses. Each of the comparative communities started with a few businesses and/or residents coming together to improve their area.

An additional aspect of this strategy is that along with the development and evolution of the local organization, an intermediary emerged. This key role is a person (or people) who are able to engage outside stakeholders - government leaders, nonprofit leaders and a broader consumer audience - to advocate for the value of the area, as well as translate the needs and concerns of the external stakeholders back to the business owners. For example, the Whittier Alliance is a grassroots organization that advocates for Eat Street and its businesses.

**CROSS-CUTTING FUNDING**

The organic development of the organizations and business associations only leads to long-term sustained development when it is accompanied by relevant funding. In each community, a diversity of programs and funding mechanisms support specific initiatives and business development.

For example, funding through Downtown Development Authorities (DDAs) or Community Improvement Districts (CIDs) has often led to the establishment of more consistent, cohesive and strategic development efforts that leverage local expertise. Additionally, universities and/or nonprofits have funded initiatives specific to their community. For example, South Grand Avenue is supported through a CID that receives funding through state and property taxes.

Additionally, there are two active nonprofits near the district that provide business support and housing assistance.

**PLANNING & STRATEGIC INVESTMENT**

Ethnic commercial corridors are sustained and developed through planning and investments by the public sector that promote and serve businesses, residents, and visitors. This strategy points to the importance of public planning and investment into infrastructure. Those communities most effectively moving forward in this strategy leveraged a variety of public funds from federal, state, county and/or city sources.

For example, Clarkston is currently undergoing a $6.5 million streetscape revitalization project, funded through a combination of federal, state, county and city monies. This combination of leveraging monies was critical in assisting a small community with such a large project. The project improves sidewalks, roads, landscaping, street lighting, pedestrian mobility, transportation access, bus shelters, and more. These infrastructure projects are critical to sustaining and growing the corridors.

**ANCHOR ATTRACTINGS & MARKETING**

Anchor attractions are vital components of ethnic commercial corridors. These provide activities for visitors beyond eating and shopping and often are the initial pulls to the area. In some communities, the ‘anchor’ attractions are events while for others these attractions are more traditional, such as museums. For example, the Cleveland Asian Festival, held annually in May, provides an opportunity for the community to celebrate itself while also providing another venue for local ethnic businesses to advertise and sell their goods and services.

Marketing and a cohesive identity of the district is also a key component for drawing in regional visitors to restaurants, stores, and local anchor attractions. Many of the communities installed logoed signs in the corridors and created maps detailing the locations of immigrant businesses and attractions.

For more information on the findings and examples, visit our website for the full report: www.economicgrowth.umich.edu/research