



Executive Summary:

North Hill Economic Development Survey and Focus Group Report

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North Hill Economic Development Survey and Focus Group Report

Produced by the International Institute of Akron Economic Development Team:

Anuj Gurung

Mr. Gurung is originally from Nepal, currently working as an instructor and researcher at Kent State University while completing his PhD in political science with a field concentration in conflict resolution. He is an ardent supporter of refugee rights and is currently studying Bhutanese resettlement in Akron for his dissertation. He obtained his B.A. in Communication at Hiram College, followed by an M.A. in Conflict Resolution at Georgetown University. He is fluent in Nepali (native language), English, and Hindi. In the past, he has worked with organizations such as the United Nations High Commissioner on Refugees (UNHCR) and ActionAid.

Mark Albrecht

Mr. Albrecht has over 40 years of planning and economic development experience from economic development policy formulation and master plan development including capital budget preparation, park and recreation planning, neighborhood district planning, downtown redevelopment, brownfield redevelopment, grant writing and management. Mr. Albrecht worked at the City of Akron as its Economic Development Manager, Brownfields Manager, and Special Projects Manager. He has also worked for the national engineering and planning consulting firm of Burgess & Niple, and most recently as an economic development and planning consultant. Mr. Albrecht worked in international development with the International City/County Management Association (ICMA) and the United States Agency on International Development (USAID) on a multi-year economic mission for the City of Subotica, Serbia. Mr. Albrecht served as an Adjunct Professor of Planning and Economic Development at the University of Akron Public Administration and Urban Studies Department for over 20 years. He received his B.S. degree in Geography and Planning from Bowling Green State University and a Masters in City Planning from The University of Akron.

Susan Berg Herman (formerly Wuscher)

Ms. Berg Herman has served in multiple roles & overseen key projects at IIA since 2013 inclusive of having been IIA's Interim Director of Refugee Resettlement for eight months between 2013 and 2014. Ms. Berg Herman began her career as a Peace Corps Volunteer in Kenya back in the mid 1990's in small business development working with women's groups on income-generating projects, consulting with small business owners, and teaching a business course for teenagers (using her local language skills). She has worked in social services and community development capacities for numerous organizations, locally, in New York City, and abroad. Ms. Berg Herman has extensive international experience and a Master of Public Administration from New York University's Robert F. Wagner School of Public Service, with a concentration in non-profit management and international development.

Mona Moustafa

Ms. Moustafa is currently an international student at the University of Akron pursuing her Masters of Business Administration (MBA). Ms. Moustafa has five years of experience as a customer service representative at Telecom Egypt where she was responsible for handling customers' inquiries from beginning to end that concerned billing, service complaints, and/or having to refer grievances to designated departments for investigation. Ms. Moustafa has a Bachelor's degree in English and literature along with a profound passion for volunteering and participating in activities that could benefit communities.

Overview

The International Institute of Akron (IIA) conducted a retail business assessment of the North Hill business district in Akron, Ohio. For this project, the IIA team worked to identify structural barriers to local economic growth and to foster communication among business owners and entrepreneurs. The North Hill area is a collection of established local businesses and an emerging immigrant community. Local businesses like Alexander Body and Fender (80 years in the community), and Emidio and Sons' Pizza (60 years) have thrived in North Hill. In contrast, the majority of the emerging immigrant-owned businesses have existed for less than five years. This contrast between the non-immigrant (U.S. born) and immigrant-owned businesses is examined in the surveys. The overall assessment includes designing and distributing business surveys and subsequent focus group with the non-immigrant and immigrant business owners in order to acquire quantitative and qualitative data.



Part I – Business Survey

Survey Objective & Format:

The business survey was designed to identify problems, opportunities, business trends, level of interaction among North Hill businesses, and willingness to participate in the future planning of North Hill business development. The business survey contained 20 questions, divided into three sections; general business questions, general market questions, and follow-up inquiry of the focus group¹. Thirty surveys were completed, the majority of which were filled out during the IIA team's regular visits to local businesses. Only three of these surveys were mailed in or dropped off at IIA. Inferences from the survey point to an overall stable business environment, with the rising influence (as well as acceptance) of the immigrant population. 43% of the thirty completed business surveys were filled out by immigrant owners. Bhutanese business owners comprise 70% of the immigrant respondents, emphasizing the rising socio-economic profile of the Bhutanese community in North Hill.

Summary of Survey Results:

- 80% of the surveyed non-immigrant-owned businesses have existed for five years or longer. In contrast, only 23% of the immigrant-owned businesses have been operational for that duration. Immigrant business are typically retail, and on average, employ three employees. The immigrant retail businesses typically offer groceries and garments, targeting the local immigrant population. In contrast, U.S.-born businesses employ around 12 employees (with their average number of full-time employees around 5) The non-immigrant businesses provide a diverse range of retail, commercial and professional services to the community.
- 85% of immigrant-run businesses lease their buildings. 73% of non-immigrant respondents own their businesses (Figure 1).
- When asked about overall satisfaction, 67% of all business owners were satisfied with their business location. Of the immigrant business owners, about 50% were satisfied. Some immigrant business owners were unsure as the businesses were only a few weeks old. 76% of non-immigrant owners expressed satisfaction with their location.
- 70% of all businesses reported a stable revenue trend in the last three years. Only four survey respondents reported some fluctuation in their revenue. The reasons for the reported fluctuation were: reduction of clientele, increasing competition, and new business. 62% of immigrant businesses witnessed a stable revenue trend. 76% of the non-immigrant business owners also reported stable revenue trend (Figure 2).
- Both non-immigrant and immigrant businesses benefit from a high repeat customer turnout. 69% of immigrant businesses attract 50% or higher rate of repeat customers. Immigrant-run businesses attract repeat customers primarily from the immigrant clientele. There is some reported overlap within immigrant communities, specifically between Bhutanese, Karen, and African businesses. 82% of U.S.-born businesses reported 50% or higher repeat customer base.
- 85% of immigrant businesses have an immigrant customer base of 60% or higher (62% with immigrant customer base of 90% or higher). In contrast, 30% of non-immigrant businesses claim immigrant client base of 50% or more.
- 46% of immigrant business owners reported interest in increasing sales and expanding their customer base, while 65% of the non-immigrant business owners were interested in increasing sales and expanding their customer base.
- The survey inquired of the businesses about their membership in a business association, as well as gauging their interest in creating one. 77% of the respondents revealed that they weren't part of any business association. 50% of the overall respondents expressed some level of interest in being part of a business association.

Figure 1: Business Ownership: Lease/Own

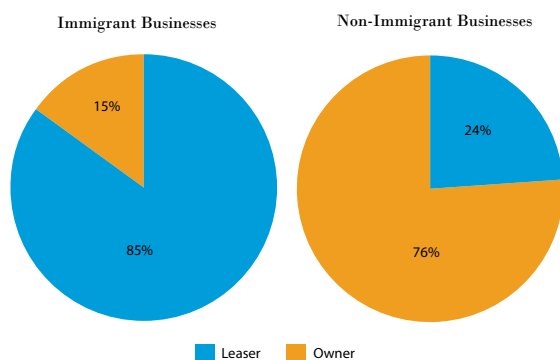
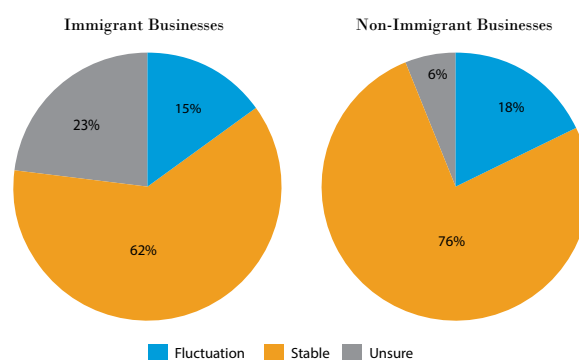
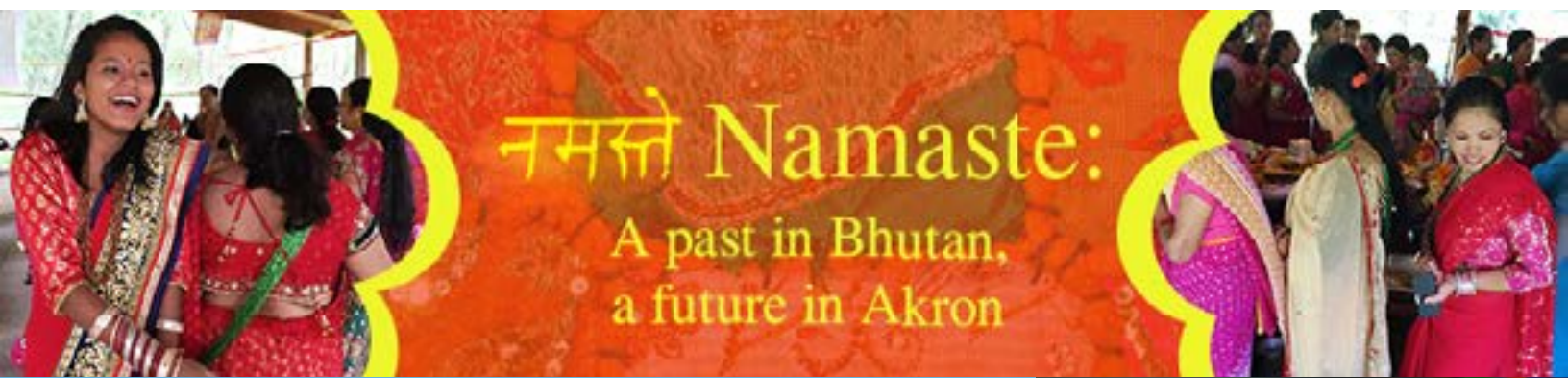
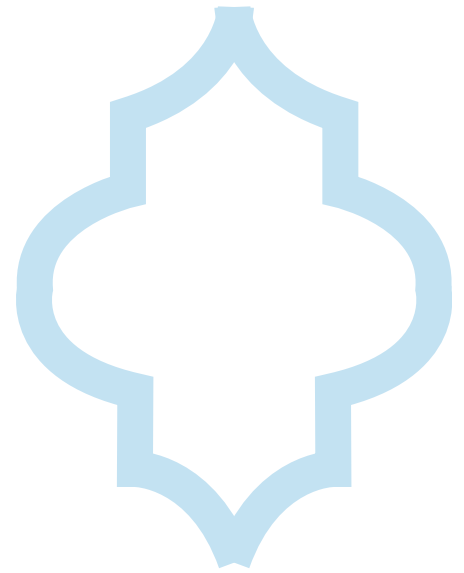


Figure 2: Business Revenue Trend



Additional Comments

- The North Hill business community overall is a stable business environment and presents potential for future growth, especially for the immigrant market.
- As new entrepreneurs, many Bhutanese businessmen appear to be challenged on two fronts: internal competition, and navigating regulations.
- The non-immigrant business community is generally receptive of new immigrant business owners.
- One non-immigrant respondent referenced that without the new immigrant entrepreneurs many of the local buildings would remain vacant or be demolished. Other businesses similarly noted that the influx of the refugee population has contributed to the reduction in the disreputable population within the community.
- A business vacancy survey conducted in November 2016 identified 8 business/property vacancies, which demonstrates overall business stability.



Part II – Focus Group

Focus Group Objective & Format:

The objective of the focus group was to supplement the survey data and establish a platform for more formal contact with the community's business owners. The IIA-team conducted a focus group on December 7, 2016, at North Hill Public Library. In order to ensure sufficient participation in the focus group, a concentrated effort was made by the team to invite business owners to the focus group throughout the survey data collection phase via visits, phone calls, and emails. Attendance at the first focus group was sparse. Although fourteen business owners and managers had RSVP'd their intended participation, only five individuals (representing four establishments) were present. Two immigrant-owned businesses and two nonimmigrant-owned businesses were represented in the focus group.

The focus group was a promising initial first step in building enhanced communication between the non-immigrant and immigrant business owners in North Hill as well as an opportunity to initiate regular meetings. The attendees felt the focus group was productive overall and voiced interest in future meetings. The feasibility of establishing a business association or reviving the former North Akron Board of Trade was introduced.



Summary of Results:

Barriers and challenges

- Both the non-immigrant businesses and new emerging immigrant businesses noted communication issues, including language barriers, with a potential need for interpretive services. Non-immigrant business owners highlighted the communication barrier between the immigrant population and local businesses by noting immigrants often parked in wrong spaces, or had difficulty with their money. Regardless, immigrants are often seen as polite and cultural. It was noted the immigrant businesses would benefit from successful shared business practices.
- Attendees noted that the immigration influx has brought new clients, but the language barrier has led to new challenges. One non-immigrant business owner noted that providing customer service to new customers (immigrants) had become difficult and time-consuming, even with the aid of an interpreter. Non-immigrant businesses are concerned about the demographic shift; their shrinking traditional client base, and that their current business model may not be viable for new immigrant customers.
- The focus group attendees, especially immigrant business owners, voiced concern about the local security situation. Some immigrant businesses had been robbed multiple times in the last few years. Most businesses use security systems and are in good standing with the Akron Police Department (APD). They recognized that APD's resources are limited but wished for additional community outreach. More importantly, the need for established businesses to work with new businesses to ensure they are aware of the importance of security measures in managing their businesses was voiced.

Future Vision for the North Hill Business District

- There is a general consensus on the need for the North Hill business community to communicate with one another on a regular basis, and establish an information base that can be useful for start-up businesses.
- Locals wanted a business association and an opportunity to regularly meet with other North Hill business owners to discuss their concerns. Sharing best business practices including enhanced communication, and creation of a business information base to assist start-up businesses. One immigrant business owner shared the challenges he faced in starting and sustaining his business, such as navigating various building codes, and acquiring the time-consuming permits. The business surveys also convey these concerns.
- There was a discussion of the potential for a market study in North Hill. There is a number of small grocery stores and mini-markets, especially among immigrant business owners. Some education is necessary for start-up businesses in regards to conducting research before deciding on business strategies.
 - ◊ It was noted that a coffee shop or café would be a good addition to the North Hill business district. There had been an attempt to open a tea shop, popular among the Bhutanese immigrant population but encountered code issues with renovations.

Next Steps:

1. Hold quarterly business-to-business meetings to continue dialogue among business owners.
2. Distribute the executive summary of the North Hill Economic Development Survey and Focus Group report to all North Hill businesses, affected governments institutions and foundations.
3. Complete the consumer survey with local businesses.
4. Consider a market study to evaluate and define market demand accurately.
5. Cooperate with the City of Akron on physical planning enhancements such as streetscape, parking, and availability for business improvement.

Physical Planning Issues to Improve North Hill

- Physical planning items under discussion included street lighting, streetscape improvement with better grates (issue with the old bricks), banners, street furniture, and enhancements to the pedestrian experience and traffic calming.
- It was observed that some businesses require additional land for building expansion.
- Customer traffic with businesses is a concern. This issue would require a conversation between the local businesses and the City of Akron.
- Parking issues
 - ◊ Many businesses are landlocked, the attendees agreed that improved parking services, both on- and off-street, is important. The lack of sufficient parking is a problem in regards to expansion.
 - ◊ Location and convenience of parking is an issue for some businesses. Follow-up with businesses are needed to assess needs. One suggestion was to research reverse angle parking on Main St. as a traffic reduction technique. Off-street parking lots are also a possible solution.