

Seward Redesign 2000 Business Survey

Conducted on behalf of
Seward Redesign

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Seward Redesign

2000 Business Survey

Executive Summary

This report presents the results of an interview study conducted in an attempt to address the needs and concerns of business owners in the Seward neighborhood. Participants were asked questions regarding neighborhood likes and dislikes, future business plans, employment, and finance. They were also asked to evaluate the effectiveness of Seward Redesign's business assistance programs and to make recommendations for future neighborhood programs and services. While most participants were satisfied overall, the results suggest that Seward Redesign and the Seward Neighborhood Group could better assist businesses in the area by keeping them better informed and by redirecting the focus of their current programs.

Data collection for this project was based on a survey consisting of eighteen open-ended questions. Participants were selected from a database of all business owners in the Seward neighborhood. Of the 160 business contacted, 128 agreed to participate. Interviews were conducted in person (87%), by telephone (8%), and by mail-in response (5%). Interviews ranged from thirty minutes to two and a half hours in length. The average in-person interview lasted one hour.

128 members of the Seward business community were interviewed throughout the months of November 2000 to March 2001, representing sixty-three percent of the businesses in the area. Result highlights are depicted below.

WHAT BUSINESS OWNERS LIKE MOST ABOUT OPERATING A BUSINESS IN SEWARD

Location	the central location and access to freeways
Neighborhood	the small town feel, sense of community
Businesses	the variety of small business, cooperation of owners

WHAT BUSINESS OWNERS LIKE LEAST ABOUT OPERATING A BUSINESS IN SEWARD

- Lack of room to expand**
- Lack of parking**
- Graffiti**
- Inebriate traffic on Franklin Avenue**

FUTURE BUSINESS PLANS

Expansion	most business planning to expand
Staying	most businesses plan to stay in the neighborhood
Moving out	although they would like to stay, lack of space may force some to leave

POTENTIAL CONCERNS AND OBSTACLES TO ACHIEVING FUTURE PLANS

Inability to finance
Downturn in the economy
Lack of space for expansion could limit growth or force to move

ABILITY TO OBTAIN QUALIFIED EMPLOYEES

Hard to find for everyone except micro-businesses
Easier to keep wholesale, manufacturing, service business
Hard to keep retail and nonprofit
Word of mouth best way to find employees

ABILITY TO FINANCE BUSINESS NEEDS

Easy wholesale and manufacturing
Hard retail
Suggestions for Redesign to help:
 Provide loans/grants
 Advise/consult business owners value our expertise
 Provide Resources Referrals business owners value our contacts
 Act as Liaison for Businesses businesses trust us

FAMILIARITY WITH SEWARD REDESIGN'S PROGRAMS

Identity Crisis much confusion distinguishing between Redesign and SNG
Visibility need to increase visibility of the Redesign and its programs/services
Perception people who have used programs and service generally like/value them

EVALUATION OF SEWARD REDESIGN

Communicate better
Get the info out/increase visibility
Suggestions for useful programs fell into these categories:
 Business Assistance
 Community Involvement
 Addressing Neighborhood Concerns
 Education

Community feedback obtained from the business survey will be used to guide future planning.

Key Issues

- 1. Lack of space to expand – everyone, especially manufacturing, industrial**
- 2. Lack of parking – mainly on or near Franklin Avenue**
- 3. Graffiti an issue throughout the neighborhood**
- 4. Inebriate traffic along and near Franklin**
- 5. The high level of difficulty in finding qualified skilled or unskilled employees – everyone, except micro and family businesses**
- 6. Availability of capital not a major issue for most businesses – new, micro, retail, and services exhibited greatest need**
- 7. Confusion or lack of knowledge regarding Redesign’s identity, mission, programs and services**
- 8. Top 5 additional goods and services desired:**
 - Post office**
 - High quality sit down restaurant**
 - Copy Center (Kinko’s)**
 - Pharmacy/Drug store**

Business Survey Analysis

What do you like most about operating a business in this neighborhood?

The neighborhood’s location in the Twin Cities, the small town feel of the neighborhood and the “nice” people in the neighborhood were the most common responses. Other areas of response were the type and mix of businesses, the involvement of the residents in neighborhood organizations and issues, recent improvements and growth of new businesses in the neighborhood, especially along Franklin Avenue and at the corner of 26th Avenue and 26th Street, and the development of the arts in the neighborhood.

The central location and easy access to the neighborhood via freeways and bus lines were important to all types of businesses for ease of customer and employee access. Freeway and highway access was especially important for industrial, manufacturing and wholesaling businesses. The availability of parking, except for along Franklin, where parking is limited, was extremely attractive to the businesses.

The neighborhood was perceived as having a small town feel, with a good mix of residential, small retail and industrial businesses. The diversity of its residents was viewed as an asset. Most people thought the neighborhood was relatively safe, clean, and quiet. A number of the respondents felt the resident involvement created a strong sense of community.

Like Most about Operating a Business in the Neighborhood

	Businesses On Franklin		Businesses Off Franklin		Total Number of Businesses	
	#	%#	#	%		
Location	29	60%	65	81%	94	73%
People	29	60%	20	25%	49	38%
Neighborhood	24	50%	40	50%	64	50%
Businesses	9	19%	15	19%	24	19%
Activist Community	10	21%	5	6%	15	12%
Recent Improvements	4	8%	11	13%	15	12%
Nothing	0	0%	0	0%	0	0%
Don't Know	0	0%	0	0%	0	0%
N/A	0	0%	0	0%	0	0%
Missing/Non-responsive	0	0%	0	0%	0	0%

What do you like least about operating a business in this neighborhood?

Lack of parking, the presence and visibility of drunks, graffiti, crime (mainly car theft and vandalism), and communication problems with immigrants were the main areas of dislike for businesses along Franklin Avenue. Businesses located off Franklin were mainly concerned with the lack of space to expand, graffiti, and crime. Businesses off Franklin were more likely to not have any dislikes about operating their business in Seward.

No room to expand and lack of qualified employees were the main business related problems. Surprisingly, concern over lack of room to expand was not limited to industrial businesses, but also was worrisome to the mainly retail and service businesses located on Franklin. However, more of the businesses off Franklin indicated they might have to move out of the neighborhood if they couldn't find the necessary space to expand.

Lack of parking, traffic and the need for crosswalks or stoplights were the major infrastructure concerns, voiced almost exclusively by businesses on Franklin. Other infrastructure items mentioned were problems with snow removal and road construction.

Graffiti was the number one physical environment problem throughout the neighborhood, followed by the presence of litter and trash, mainly along Franklin Avenue. The clientele drawn by the liquor store on Franklin and the perception by some business customers that Franklin Avenue is a dangerous neighborhood were also mentioned by a couple of Franklin Avenue business owners or managers.

One of the top two concerns of businesses along Franklin was the presence of drunks along the Avenue. The presence of panhandlers and transients, along with the neighborhood's proximity to the Phillips neighborhood were also mentioned as negatives.

Theft and vandalism of cars was the number one crime and safety related issue. Following in order of mention were crime and safety in general, vandalism, drugs, lack of security and poor police response. Most of the auto thefts were mentioned by Franklin Avenue businesses, but vehicle related crimes, along with graffiti, were the biggest concerns of businesses located off Franklin.

The changing face of the ethnic makeup of the neighborhood has spawned some concerns with the businesses along Franklin. Communication problems due to a growing number of non-English speaking residents has led to some frustration on the part of a number of businesses. A couple of people expressed concern that there is an attempt to eliminate diversity through gentrification and that the way the community deals with the diverse cultures exhibits racism.

While tax increases, the rising cost of licenses, the bureaucratic red tape of the City, the seemingly endless set of requirements thrust upon businesses by the City, plus the poor quality of City services were also mentioned as things liked least about operating a business in this neighborhood, those issues are directed at City operations in general and are not Seward neighborhood specific.

A large number of businesses did not report any dislikes, with the majority of those coming from non-retail businesses located off of Franklin Avenue.

Like Least about Operating a Business in this Neighborhood

	On Franklin Businesses		Off Franklin Businesses		Total Number of Businesses	
	#	%#	#	%		
Business Problems	10	21%	5	6%	15	12%
Infrastructure	22	46%	20	25%	42	33%
Physical Environment	24	50%	35	44%	59	46%
Undesirable Groups	21	44%	0	0%	21	0%
Crime and Safety	12	25%	20	25%	32	25%
Problems with Residents	8	17%	0	0%	8	6%
City of Minneapolis	2	4%	11	13%	13	10%
Nothing	6	13%	25	31%	31	24%
Don't Know	0	0%	0	0%	0	0%
N/A	0	0%	0	0%	0	0%
Missing/Non-responsive	0	0%	0	0%	0	0%

Where do you see your business heading in the next five years?

Most businesses anticipated expanding. Areas of expansion included one or more of the following: acquiring a commercial building, increased sales, new or expanded products, programs, or services, number of employees, amount of space, partnerships, and hours of operation. A number of the larger, more mature businesses felt there is not sufficient space available in their current location or elsewhere in the Seward neighborhood to accommodate their expansion needs. This could force them to leave the neighborhood, although most would prefer to stay. **Note:** the response **Remaining in the same location** in the table below was not part of the question, and therefore can not be used to gauge the overall numbers of businesses that are planning to stay or leave.

Where Business is Heading in the Next Five Years

	#	%
Expanding	99	77%
Downsizing	7	5%
Remaining in same location	52	41%
Don't Know	4	3%
N/A	0	0%
Missing/Non-responsive	0	0%

What concerns or obstacles could keep you from getting there?

The inability to finance operations or expansion was the most common response, followed by a downturn in the economy, and the lack of space for expansion. Some other responses were a lack of qualified employees, competition moving into the neighborhood, a lack of continued

improvement, or an actual decline, in the physical neighborhood, and the communication problems presented by the change in the demographics of the neighborhood.

Retail/service and manufacturing/light industrial businesses identified somewhat different potential obstacles and concerns. Retail businesses were more concerned about the communications problems caused by the growing number of mainly East African, non-English speaking customers, a reflection of the changing demographic makeup of the neighborhood. That was not really an issue within the manufacturing/light industrial community. Other potential obstacles identified by retail owners included lack of available parking, zoning issues, road construction, lack of qualified employees, competition moving into the neighborhood, and an economic downturn.

Space for expansion, the economy, lack of qualified employees, and City-related issues such as road construction and zoning were the main concerns for manufacturing/industrial businesses.

Overall, how easy or difficult is it for you to find qualified employees?

Businesses with less than five employees (micro-businesses) had a substantially easier time finding qualified employees. Part of this can be attributed to the nature of these businesses. A number of these businesses are family businesses, which makes finding employees easier for the most part. Manufacturing and wholesale businesses seemed to have the hardest time finding qualified employees, due in part to the skills required, coupled with today’s tight labor market. Retail and services businesses also had a hard time finding employees.

Ease or Difficulty in Finding Qualified Employees by Number of Employees

	1-5 Employees		6 or more Employees		Total # of Businesses
Very Easy	10	26%	7	8%	17
Fairly Easy	8	21%	17	18%	25
Fairly Difficult	7	18%	32	35%	39
Very Difficult	7	18%	29	32%	36
N/A	6	16%	5	6%	11
Total # of Businesses	38		90		128

Ease or Difficulty in Finding Qualified Employees by Business Type

	Mgfr	Retail	Wholesale	Service For-profit	Service Nonprofit	Total
V Easy	1	1	2	7	2	13
F Easy	1	2	1	16	5	25
F Difficult	3	1	4	20	8	36
V Difficult	7	5	2	24	2	40
N/A	0	2	0	9	3	14
Total	12	11	9	76	20	128

What is your experience with finding qualified employees?

All types of businesses except micro-businesses found it hard to find qualified employees. Manufacturing companies found it the hardest, followed in order by wholesale, for profit service, nonprofit service, and retail companies. Micro-businesses (those with less than five employees) were the only segment with more than half of the respondents reporting they had either a very easy or fairly easy time finding qualified employees.

Reasons for the difficulty varied. Businesses employing people skilled in the trades cited the shortage of training programs, the strong economy, the tight labor market and the competition with other businesses for available employees.

Nonprofits cited their inability to pay higher wages and provide better benefits. Retail and some of the service businesses were affected by the tight labor market, competition from other businesses such as McDonald's that tend to pay more for unskilled labor, lack of experience or skills, lack of education, lack of work ethic, and a lack of communication skills directly related to language barriers.

The most common specified reason for having a good experience finding qualified employees was employing family and friends, followed by finding applicants with relevant experience. Also mentioned were employing local residents and the fact that the work is not difficult.

The top three reasons for having a easy experience finding qualified employees:

1. Employing family or friends
2. Applicants have experience in relevant field
3. The work is not difficult

The top three reasons for having a difficult experience finding qualified employees:

1. The tight labor market, which creates competition with other businesses for available employees.
2. Applicant’s lack of experience or skills and or difficulty in training
3. Offering low wages/benefits and the lack of work ethic

What has worked or not worked in obtaining qualified employees?

Word of mouth was by far the number one response. It was mentioned over twice as much as the next most frequent responses – networking, posting notices, City classified ads, or hiring family or friends of the owners and employees.

City classified ads were somewhat of an anomaly. They were the fifth most prevalent response for what worked in obtaining employees, but far and away the number one response for what didn’t work. Classified ads worked mainly in the for-profit service area. However, most people were fairly emphatic about their lack of results when using classified ads. Ads in neighborhood newspapers were cited almost equally as something that worked and something that didn’t work.

Worked or Not Worked in Obtaining Qualified Employees

	#	%
Getting the Word Out	81	63%
Sources	42	33%
Offering Perks	7	5%
Nothing	4	3%
Don’t Know	0	0%
N/A	17	13%
Missing/Non-responsive	3	2%

The top five most frequent methods that have worked in obtaining employees:

1. Word of mouth
2. City newspaper classified ads
3. Networking with contacts in similar organizations, programs or businesses
4. Posting notices; either in-house, on bulletin boards, in windows, or at schools
5. Hiring family or friends of the owner or current employees

The top five most frequent methods that have not worked in obtaining employees:

1. City newspaper classified ads including Star Tribune
2. Temporary agencies
3. Advertisements of any type
4. Relying on walk-ins
5. Advertising in neighborhood newspapers

If you've used outside employment sources or services, how has that gone?

Approximately two thirds of the business had not used an outside employment source or service. Of those who did, about fifty percent had good results, thirty percent had poor results and twenty percent had mixed results. The best results were in the service sector, both for-profit and nonprofit, in organizations with over five employees.

Used or Not Used Employment Services

	YES	NO
Manufacturing	10	2
Retail	2	9
Wholesale	2	7
Service for profit	23	53
Service nonprofit	10	10
1-5 employees	11	37
6 or more employees	36	44
Total Number of Businesses	47	81

Results from Use of Employment Services

	Good	Poor	Mixed
Manufacturing	4	3	3
Retail	0	1	1
Wholesale	2	0	0
Service for profit	9	9	5
Service nonprofit	6	1	3
1-5 employees	5	4	2
6 or more employees	16	10	10
Total	21	14	12

What would help you find qualified employees?

Only half the respondents had any ideas of what else could help them find employees. Most responses fell into either getting the word out to potential employees, developing partnerships with schools, availability of some type of prescreening of applicants, being able to pay better wages and provide better benefits, or having a larger pool of applicants to choose from.

Word of mouth referrals was the number one response in the getting the word out area. It was followed closely by posting signs for job openings, along with a neighborhood job board, advertising in the Minnesota Daily and the Seward Profile, having a job site to recruit students

available at the University of Minnesota, and networking with other businesses and organizations.

Being able to pay higher wages and provide better benefits as a way of finding more employees came as no surprise in today’s tight labor market, especially in the retail and nonprofit sectors, which are historically low paying fields.

Creating partnerships, or having someone act as a liaison with trade schools, vocational schools, and colleges was the second most frequent response given to this question. Identifying and working with schools that offer relevant curriculum or teach specific skills was also mentioned in this area.

Being able to have someone else screen employees or, at a minimum, provide a list of available job seekers, along with a list of their skills and experience, was the idea of respondents in this area. Hiring a human resources person or having one available to do the screening were steps that people felt could help them increase their odds of finding qualified employees.

Having a larger pool of qualified applicants had two sides to it. First, most respondents felt that if the economy took a turn for the worse the labor market would not be so tight, thereby increasing the amount and quality of available applicants, leading to more hires. The other side was a desire for a better work ethic and sense of responsibility in current applicants.

Other responses included having the ability to provide more hours and more flexible scheduling, receiving grants, and improving the public transportation system, thereby allowing easier access to and from work for employees.

What Else Would Help Find Employees

	Number of Responses	Percent of Businesses
Getting the word out	29	23%
More qualified applicants	14	11%
Prescreening applicants	12	9%
Partnership with schools	14	11%
Better wages/benefits	17	13%
Other	5	4%
Nothing	4	3%
Don't know	4	3%
N/A	31	24%
Missing/Non-responsive	21	16%
Total	151	

Specifically, what could Redesign do to assist you in finding qualified employees?

Helping businesses network with other businesses, schools, and other organizations, along with providing a job bank or some of its functions were the top responses.

Responses tended to fall into the following general categories:

Getting the word out

Assisting with partnerships

Acting as an intermediary resource

Assistance in finding or filling space

Providing financial assistance

Maintaining or improving the physical attractiveness of the neighborhood

In the area of **Assisting with partnerships**, a desire for networking assistance cut across all sectors. Acting as an intermediary between businesses and schools in the recruitment of employees was the second most frequent response in the assist with partnerships category.

Interest in a job bank was the number one responses in the **Acting as an intermediary resource** area. Interest was expressed mainly by the retail and service businesses. There was very little interest in job bank services from the manufacturing and wholesale sectors. Interest was also expressed in having Redesign provide work readiness and job training programs.

Other suggestions in the **Acting as an intermediary resource** section included providing referrals to employment agencies, providing employer phone numbers and contact information to job seekers, and providing a database of local residents and students and their skills.

Providing a neighborhood bulletin board for job posting was the most frequent suggestion in the **Getting the word out** area. Next in order of number of responses were providing a business directory, expand our website to include job postings, and provide word of mouth advertising.

Responses in the **Assistance in finding space**, and **Maintaining an attractive and safe neighborhood** areas focused on creating a good work environment, which helps to attract, or least not turn off, potential employees.

Providing low interest loans and grant funds were the suggestions in the **Financial assistance** category.

Suggestions for Redesign to Assist Businesses in Finding Employees

	#	%
Getting the word out	32	25%
Assist with partnerships	26	20%
Act as Intermediary Resource	39	30%
Assist in finding/filling space	6	5%
Provide financial assistance	4	3%
Maintain/improve neighborhood	4	3%
Nothing	8	6%
Don't know	3	2%
N/A	6	5%
Missing/Non-responsive	3	2%
Total	131	

What is your experience with retaining qualified employees?

Retention of employees appeared to be a lot easier than finding them. Turnover was the highest in the retail and nonprofit service sectors, where approximately half of the businesses indicated problems with retention. The wholesale, manufacturing and for-profit service sectors had fairly low turnover rates.

Retention was relatively easy for professional and managerial staff across all the business types. Retention was usually high for skilled trades people, but competition inside particular industries caused the loss of some employees.

In the nonprofit sector the turnover was attributed to low wages and benefits, and mainly limited to entry-level people, while managerial and other professional tended to stay considerably longer. Retail, along with restaurants and bars, normally have a higher turnover rate than other sectors, due to traditionally lower wages and benefits, and the view of many of the retail employees that the jobs are transitional.

Not surprisingly, retention levels were considerably higher for fulltime employees than they were for part time employees.

Overall, how easy or difficult is it for you to retain qualified employees?

The ability to retain employees was very good in the wholesale, manufacturing, for-profit service sectors, and not very good in retail and nonprofit organizations. The retention level for retail follows with the nature of that sector, where turnover is expected. The same holds true in the nonprofit sector.

Ease or Difficulty in Retaining Employees

	Mgfr	Retail	Wholesale	Service For-profit	Service Nonprofit	Total
V Easy	4	2	5	15	4	30
F Easy	10	5	4	33	8	60
F Difficult	4	7	1	10	6	28
V Difficult	0	2	0	1	2	5
N/A	0	2	0	3	0	5
Total	18	18	10	62	20	128

What has worked or not worked in retaining qualified employees?

For what has worked good wages and benefits, a good work environment, and management that is respectful and considerate of the needs of its employees were the categories that almost all responses fell into.

Being respectful of employees, showing flexibility in addressing employees needs, flexible work schedules, a good work environment in general, and work that is meaningful and rewarding were the most common responses.

In the compensation area increases in wages, and better benefit packages were the main responses.

As far as what has not worked, low wages, lack of benefits, little chance for advancement, and hiring the wrong people for the job were the main responses.

What would help you retain qualified employees?

The ability to offer better wages and benefits, improved working conditions, a larger pool of qualified applicants to hire from, and neighborhood improvements were the areas all the responses fell into. Improved working conditions included flexible scheduling, good work location, provide a chance for advancement, providing long-term employment opportunities, less on-the-job pressure and stress, and the opportunity for professional development through workshops, seminars, and classes.

Improvements to the neighborhood that were seen as having the potential to affect the retention of employees and the number of times each was suggested are as follows:

Better image or reputation of the neighborhood	3
Improved safety of the neighborhood	1
Friendlier customers	1
More neighborhood businesses	1
Better transportation	1

What Would Help in Retaining Employees

	Number of Businesses	Percent of Businesses Interviewed
Ability to Offer Better Wages	44	34%
Improved Working Conditions	24	19%
Larger Pool of Qualified Applicants	4	3%
Neighborhood Improvements	14	11%
Nothing	6	3%
Don't Know	6	3%
N/A	32	25%
Missing/Non-responsive	3	2%

Specifically, what could Redesign do to assist you in retaining employees?

Keeping the neighborhood clean, attractive, pleasant, well maintained and free of graffiti or derivations thereof was the number one response. In a virtual tie for the number one spot was the request to keep the neighborhood safe and secure, including in some cases a request to increase the police and security force patrols.

Direct financial assistance, direct non-financial assistance, and indirect assistance by making improvements in the neighborhood and the quality of neighborhood life were the basic areas of response.

All the suggestions are listed after the next table.

What Redesign Can Do to Assist in Helping Retain Employees

	Number of Businesses	Percent of Businesses Interviewed
Direct financial assistance	12	9%
Direct non-financial assistance	18	14%
Neighborhood Improvement	68	53%
Nothing	10	8%
Don't Know	4	3%
N/A	24	19%
Missing/Non-responsive	10	8%

Following are all the responses to the question “Specifically, what could Redesign do to assist you in retaining employees?”

Provide Direct Financial Assistance to Businesses

- Provide financial/money management help to businesses
- Help find, provide funding for businesses
- Offer low-interest loans
- Help with employee benefit packages
- Help business owners buy property
- Provide financial classes

Provide Direct Non-financial Assistance to Businesses

- Help provide, develop, fix up more business/office space
- Hiring programs/assist with recruitment
- Provide support for early childhood education
- Provide classes/education
- Extend lease on business space

Provide Indirect Assistance Via Neighborhood Improvement/Maintenance and Improvements in the Quality of Life

- Provide help/services to the neighborhood environment
- Bring in more businesses
- Keep neighborhood clean, attractive, pleasant, well maintained, free of graffiti
- Provide traffic control
- Help with parking problem
- Provide green space
- Improve Franklin Avenue
- Keep Franklin Avenue a lively commercial area
- Provide help, services to neighborhood residents/provide sense of community
- Provide safety, security in the neighborhood/increase police patrol
- Help provide affordable housing
- Encourage integration of diverse cultures
- Continue community events (Celebrate Seward/King’s Day/Job Fair)
- Improve communication with/provide information to residents and business owners: notification of meetings/announcement of events
- Hold/sponsor neighborhood job fair
- Focus NRP II on Franklin Avenue as a commercial corridor
- Provide child care/after school programs

Overall, how easy or difficult is it for you to finance your business needs?

Three quarters of the businesses found financing to be very or fairly easy. Manufacturing and wholesale companies had little problems with financing, with retail businesses having the greatest degree of the difficulty, followed in order by for-profit businesses and nonprofit businesses and organizations.

	Very Easy	Fairly Easy	Fairly Difficult	Very Difficult	N/A	Total
Manufacturing	4	8	0	0	0	12
Retail	4	2	5	0	0	11
Wholesale	4	4	0	1	0	9
Service for-profit	16	28	9	9	14	76
Service nonprofit	0	9	3	3	5	20
Total	28	51	17	13	19	128

What has worked or not worked in financing your business needs?

For profit businesses most often cited loans from small neighborhood oriented banks, self-financing, and loans from the MCDA as what has worked, while banks in general was the number one response to what has not worked. Not surprisingly, grants, donations, gifts, and membership contributions were the top responses in the nonprofit sector. However, grants were also mentioned by for-profit businesses. Included were Redesign’s paint and fix-up grants and neighborhood NRP grants.

Other sources of financing that worked were loans from private parties, private investors, subsidies, use of bonds, vendor financing and support from the parent organization.

For what has not worked, banks was the seven to one favorite over all other responses. Retail and service businesses, including restaurants made up a majority of the negative respondents. Also cited was trying to get financing through the MCDA, and having too small of a profit margin and therefore not being able to borrow money. The inability to raise enough operating funds to compensate for project specific funding was also mentioned by a nonprofit organization.

Worked or Not Worked in Financing Your Business

	Number of Businesses	Percent of Businesses Interviewed
Loans	44	34%
Grants	16	13%
Self-financing	38	30%
Other	28	22%
Nothing	30	23%
Don’t Know	0	0%
N/A	12	9%
Missing/Non-responsive	2	2%
Total Responses	170	

Have you used financing sources other than banks? If so, how has that gone?

The financing sources other than banks are the same sources identified in the discussion portion of the previous question. The only difference would be that approximately thirty-five percent of the loans listed in the last response are from non-bank sources. Over half the non-bank loans came equally from two sources – the MCDA and from neighborhood loan programs. The remaining non-bank loan sources include a credit union, a cooperative loan fund, a membership loan fund, and family and friends.

What would help you finance your business needs?

Low or no interest loans, grants, and funds for renovation or building improvements were the top three responses. Loans for expansion, subsidized loans, lines of credit and neighborhood loans were the other responses that fell under the heading of loans.

Grants for expansion, neighborhood grants, grants for churches, increased membership giving, and gifts/donations were also mentioned. Two thirds of the general grant responses were from for-profit businesses.

Other responses including help locating funding sources, help with business planning, not being a new business, and having a history of being profitable were all viewed as having the potential to help with financing. So was establishing a cooperative for small businesses to purchase computer equipment, and helping banks to understand certain types of businesses, such as co-ops, and business philosophies, such as the Islamic concept of Reba, which does not allow Muslims to pay or receive interest.

Thirty percent of the businesses couldn't think of anything that would help or found the issue not applicable, indicating a comfort level with their current financing situation.

What Would Help Finance Your Business Needs

	Number of Businesses	Percent of Businesses Interviewed
Loans	34	27%
Grants	32	25%
Other	30	23%
Nothing	36	28%
Don't Know	0	0%
N/A	18	14%
Missing/Non-responsive	4	3%
Total Responses	154	

Specifically, what could Redesign do to assist you with your financing needs?

Responses fell into five categories: The top three categories were requests to tap into staff's financial and business expertise or perceived expertise. The other two categories were requests for direct financial assistance from Redesign in the forms of loans or grants.

The majority of requests were for Redesign staff to use their knowledge and connections to help provide advice and consultations, act as a clearinghouse for resources, provide referrals and introductions, act as liaison between business owners and bankers and the other powers that be, and provide educational information provide referrals

All of the responses to the question “**Specifically what could Redesign do assist you with your financing needs?**” are listed after the next table. The top four responses were:

Help find resources for financing by helping business network and connecting them with the appropriate services and service providers.

All sectors except manufacturing asked for this.

Provide information on available sources of grants, loans, and financial aids and how to qualify.

A majority of these requests came from very small for-profit and nonprofits, which may not have had much experience or might be intimidated with the financing process and requirements.

Help build relationships bankers and business owners.

Help finance or provide matching funds for expansion, construction or renovation.

What Redesign Could Do to Help Finance Business Needs by Business Type

	Manufacture	Retail	Wholesale	Service For-profit	Service Nonprofit	Total
Loans	0	9	2	3	2	16
Grants	0	1	1	4	0	6
Consult	0	10	2	8	4	24
Resource	2	11	2	17	8	40
Liaison	2	4	0	10	6	22
Total Responses	4	35	7	42	20	108

What Redesign Could Do to Help Finance Business Needs by Number of Employees

	1-5 Employees	6 or more Employees	Total
Provide Loans	4	12	16
Provide Grants	4	2	6
Advise/Consult	8	16	24
Provide Resources/Referrals	15	25	40
Act as Liaison for Businesses	9	13	22
Total Responses	40	68	108

Following are all the responses to the question:

“Specifically, what could Redesign do to assist you with your business financing needs?”

Provide financial help to businessmen financially
Provide low interest loans for small businesses
Help finance, provide matching monies for expansion/construction/renovation
Gap financing
Provide grants
SPIF grants

Provide education/advice/support services to businessmen
Provide education about financing/running a business (conferences/speakers)
Provide mentoring/advice/help people get started
Assist in writing, obtaining grants
Provide recommendations/letters of good standing
Assist with paperwork (long application/

Provide resources/referrals
Help find resources for financing/networking/help businesses connect with services
Provide information on available sources of grants, loans, financial aids, and how to qualify/advertise information: newsletter
Find/recommend private investors
Refer potential business clients
Act as a liaison between small businesses and lenders/funders
Promote and assist with partnerships with corporations
Help build relationships between bankers and businessmen
Act as a liaison between River’s Edge and leasers of business space
Partnership brokering for shared business space
Advocate for City of Minneapolis to invest in neighborhood, approve non-profit bonds
Act as a clearinghouse for equipment
Provide education to the community about cultural diversity in the neighborhood
Educate lenders on the concept Reba

Provide help to the community
Promote affordable neighborhood housing
Bring in light rail

Which programs and services offered by Seward Redesign and the Seward Neighborhood Group are you familiar with?

Familiarity with Seward Redesign and Seward Neighborhood Group Programs

	Number of Businesses	Percent of Businesses Interviewed
Franklin Redevelopment Project	22	17%
Celebrate Seward	18	14%
King's fair	20	16%
NRP funds	24	19%
Housing programs/home repair grants	12	9%
Loans from Redesign	18	14%
Entrepreneurial training class	8	6%
SCCA Newsletter	2	2%
Garage sale	6	5%
Paint and Fix/SPIF	12	9%
Block Clubs	6	5%
Crime Prevention	4	3%
Small business planning assistance	14	11%
Business development services in general	14	11%
SCCA	17	13%
LRT	8	6%
Youth programs	6	5%
Graffiti cleanup	4	3%
Arts Crawl	2	2%
Security foot patrol	2	2%
Zoning proposal review/recommendations	2	2%
None	46	36%
Missing/Non-responsive	2	2%
Total	269	

If you have used Seward Redesign’s business assistance programs and services, how effective are they?

This question underscored the ambiguity in the difference between Redesign and Seward Neighborhood Group, and the programs and services each provides. Even though asked to evaluate Redesign’s programs and services, SNG’s big community events, such as King’s fair, and the neighborhood garage sale were mentioned. The Seward Culture and Arts Network’s Arts Crawl was also listed as a Redesign event. The responses to this question for the most part elicited programs and services that were viewed as effective. All the items listed in the table below were viewed as being effective, except for the first one. Displayed specified program or service, the number of people mentioning that program or service, and then the percentage of total interviewees mentioning the program or service.

Use of Seward Redesign Business Assistance Programs

	Number of Businesses	Percent of Businesses Interviewed
Programs not good/helpful	3	2%
Programs good/helpful	22	17%
Help with landscaping	3	2%
SPIF (Paint and Fix) program	6	5%
Security foot patrol	3	2%
NRP program	4	3%
Garage sale	4	3%
Franklin redevelopment and loan assistance	14	11%
Commercial /industrial development	4	3%
Grants/loans	3	2%
Building bridges between businesses and SNG	3	2%
Finding me a tenant	3	3%
Celebrate Seward on Franklin	4	3%
King’s Fair	6	5%
Seward Civic and Commerce Association	6	5%
Entrepreneurial training class	4	3%
Work on trash container issue	3	2%
Work on graffiti removal	4	3%
Help relocating	4	3%
Zoning help	4	3%
Youth market	3	2%
Graffiti cleanup	3	2%
Help purchasing a building	2	2%
Arts Crawl	1	2%
Nothing	3	2%
Don’t Know	3	2%
N/A	46	36%
Missing/Non-responsive	4	3%
Total	172	

What could Redesign do to be more effective?

The response mentioned the most was to improve communication with businesses. One of the suggestions was to use email, especially for the Seward Civic and Commerce Association newsletter. Next was to raise Redesign's visibility by getting the word out, making the community more aware of Redesign's programs, services, and activities.

In the **Assist and support** section, general assistance, finding and developing office space, providing a job pool, and a business directory had multiple responses.

In the area of **Fostering neighborhood beautification** the top responses were graffiti removal and providing programs that preserved the attractiveness, beauty and green space of the neighborhood. Also mentioned were staying on track on Franklin Avenue development work, helping to maintain or fix building exteriors and improve the parking situation.

Some people felt neighborhood planning did not involve as many of the stakeholders as it could, that some meetings were held at inconvenient times, and that there needed to be more coordination and planning among neighborhood organizations and businesses. Getting more people to be involved in Seward Neighborhood Group's committees and the neighborhood NRP Phase II planning process was another response. The need for better meeting notification was mentioned. Suggestions to improve it were use of email and more timely notification.

Included in the **Other** category was a request to improve neighborhood crime prevention, which is viewed as too police oriented and too oppressive to the community. Providing more security in the form of police or security guard foot patrols was also mentioned, along with providing summer youth help and a neighborhood van.

According to one response, Redesign and its Board need to be more accountable to the community, with a better set of checks and balances. Redesign should be more upfront about the process and details of its projects; it should open up its client files to the client, and should provide a grievance procedure.

Suggestions for Making Seward Redesign More Effective

	#	%
Actively assist/support businesses in the area	26	20%
Foster neighborhood beautification	17	13%
Involve more people in planning process	10	8%
Increase info dissemination and SR visibility	50	39%
Other	18	14%
Nothing	35	27%
Don't Know	12	9%
N/A	11	9%
Missing/Non-responsive	3	2%
Total	182	

What other types of programs would be useful to your business?

Program ideas fell into the following categories: business assistance, community involvement, neighborhood concerns, and education. The specific ideas mentioned the most were arranging internship and apprenticeship programs, more community activities, and cultural events that celebrate the diversity of the community. Some of the other ideas mentioned were resources for acquiring/screening employees, facilitation of an interaction between churches and schools, cleanup crews for the outdoor environment, resolving the issues of inebriates on the streets, classes on financial planning, block parties, a Health Fair, and welcome packages for newcomers.

Programs That Would Be Useful to Businesses

	Number of Businesses	Percent of Businesses Interviewed
Business Assistance	22	17%
Community Involvement	14	11%
Neighborhood Concerns	7	5%
Education	3	2%
Don't Know	31	24%
N/A	4	3%
Missing/Non-responsive	3	2%
	84	

What other goods and services would be useful to your business to have located nearby?

The desire for, and the specific goods and services desired, were divided by location and, to some extent, type of business. A good sit-down restaurant was the number one request for businesses both on and off Franklin. Businesses located along Franklin, mainly retail and service, would like to see the addition of a variety of service businesses including a post office (#2 request), a copy center like Kinko's (#3), and an office supply store (#4). The more industrial based businesses located off Franklin Avenue expressed no desire for, and thereby

indicating no perceived need for, any of those types of businesses, rather indicating an interest in more industrial types of goods and services. Examples include a warehouse storage facility, plumbing services and a hydraulics shop.

Businesses located off Franklin Avenue also were more likely to not be able to think of anything, indicating their comfort level with the current makeup of the neighborhood.

The top five responses given by Franklin Avenue businesses:

1. Good sit-down restaurant
2. Post office
3. Copy center like Kinko's
4. Office supply store
5. Book store

The top five responses given by businesses located off Franklin Avenue:

1. Good sit-down restaurant
2. Warehouse storage facility
3. Convenience store
4. Plumbing service business
5. Gas station

The following is a complete list of the responses to the question:

“What other goods and services would be useful to your business to have located nearby?”

Any new businesses would be good for the neighborhood
Art store/gallery
Bookstore
Car wash
Convenience store
Copy center (Kinko's)
Drug store/pharmacy
Garden store
Gas station
Grocery store/coop expansion
Hardware store
Lumber company
Movie Theater
Music store
Office supply store
Photography studio/photo lab/photo inc.
Restaurants/coffee shop/buffet/sit-down restaurant
Fast food restaurants/sub shops
Specialty restaurants: health food/ethnic food

Warehouse/storage
Services
Post office
Youth club/after school programs
Fed Ex/UPS drop box
Job bank
Gymnasium
Security services
Community space/centers: for meetings/conferences/classes
Plumbing services
Library
Incentives for small businesses
Available office space
Handicap accessibility to businesses and services

Is your business a member of the Seward Civic and Commerce Association?

Yes	64
No	96

Would you like someone to call you with more information about the Seward Civic and Commerce Association?

Yes	36
No	60

Would you like Seward Redesign business development staff to you a follow-up call concerning any of your issues or concerns, or if you just want more information?

Yes	37
No	123

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