

GUIDE TO **IMMIGRANT** ECONOMIC DEVELOPMENT

by Steve Tobocman



© photo credit: Montgomery Coalition for Adult English Literacy (MCAEL), Stephanie Williams, photographer

.....
WELCOMING
AMERICA



.....
▲ *Building a Nation of Neighbors*



© photo credit: Welcoming Rhode Island

TABLE OF CONTENTS

A	FORWARD	3
I	INTRODUCTION	5
2	GETTING STARTED	11
3	ENTREPRENEURSHIP	17
4	INTERNATIONAL STUDENT RETENTION	25
5	WORKFORCE DEVELOPMENT	32
6	HIGHLY-SKILLED WORKER INITIATIVES	43
7	CONNECTOR PROGRAMS	50
8	RURAL DEVELOPMENT	56
9	IMMIGRANT INVESTOR VISAS	62
10	EXPORT PROMOTION	66
11	CORPORATE DIVERSITY AND INCLUSION	70
12	ENCOURAGING IMMIGRANT HOMEOWNERSHIP	76
13	URBAN AGRICULTURE	81
14	INTEGRATION SERVICES	86



FORWARD

FORWARD

Many American cities and towns have long been shaped – and reshaped – by people from across the globe. Cities like New York and Chicago have a long and rich history of immigration that continues today to be a vital economic force. From new businesses opened by immigrant entrepreneurs, to the new ideas, talent, and diverse perspectives that immigrants contribute, to the greater cultural vitality that makes a community an attractive place to live and work, immigrants have been and continue to be a source of prosperity.

Common wisdom has been that people came to places like Chicago, Illinois because they were already attractive, successful hubs of economic activity – which is partially the case. But what we are also learning is that cities and towns that intentionally design themselves to be open and welcoming can actually shape their economic destinies. In fact, cities that lead in the 21st century will be those that intentionally attract and incorporate diverse people and ideas, and create the means for talented people from around the world to not only come, but to put down roots. Communities across the world are in a competition to attract the human capital that will allow them to thrive in a global economy. Becoming a more welcoming place for immigrants will give them a leg up in that competition and help retain talented people of all backgrounds. And for many cities in the midwest and northeast with declining populations, a strategy to attract and retain new taxpayers and families is a matter of survival.

Recognizing this economic necessity of our new century, we have seen a growing movement of communities that are looking to gain a competitive edge by welcoming immigrants. Cities like Nashville, Tennessee and Dayton, Ohio have discovered that adopting a more immigrant-friendly approach has been a key driver of their economic growth.

Welcoming America is an organization that exists to support communities in gaining this edge. Our vision is of an inclusive nation, in which all people, including immigrants, have the opportunity to reach their greatest potential, engage with their community, and fully contribute their talents – expanding prosperity and well-being for all. Since 2009, we have brought together a broad network of non-profits and local governments from across the U.S. and strengthened their work with the know-how, tools and incentives to transform their communities.

Today, more than 80 communities have initiatives aimed at creating more welcoming policy and culture. Among them are 50 Welcoming Cities and Counties – local governments that are advancing local policy change efforts to capitalize on the social and economic contributions of immigrants. Recognizing the imperative, the private sector and civil society are partnering with the public sector to develop innovative strategies that make the most of both foreign and U.S.-born talent in local communities. Given

.....
*“It’s precisely because of
immigration that we’ve
gone from a beach town
to a global city.”*

— Alberto Ibargüen, CEO of *The
Knight Foundation* and former
publisher of *Miami Herald*
.....

the fast growing interest and demand for such work, in 2015, we teamed up with Global Detroit to co-launch the WE Global Network (the WE stands for “Welcoming Economies”), which focuses specifically on those communities in the Rust Belt that are developing immigrant-focused efforts through an economic development lens.

Local communities have long been the laboratories of innovation for good policy and practice in the U.S., and the efforts of communities to focus on economic development and immigrant inclusion in a more holistic and integrated way are no exception. As economic development agencies and initiatives look to attract corporations with global talent needs, expand trade and investment, and ensure that their communities have a prepared and savvy workforce, organizations that work closely with immigrants can be a tremendous resource to meet those goals. Likewise, organizations who have traditionally focused on expanding opportunity and inclusion for immigrant communities can find new strategies, resources and tools at their disposal by connecting their efforts to economic development partners and institutions.

It has been extraordinary to witness the incredible innovation being driven by local communities when it comes to immigrant economic development. While it would be impossible to capture the efforts of every community now working on this issue, or the breadth of knowledge they are informed by, we do hope that this guide can serve as a valuable compass to some of the country’s most promising practices and as a resource to point policymakers and practitioners toward the research basis and practical examples that can support their future efforts.

This immigrant economic development guide is a milestone in the development of this work as its own emerging field represented by the organic emergence of local economic development efforts that welcome immigrants and the opportunities they create into the local economic plans for their communities. These local economic development efforts seek to generate greater economic growth, job creation, and prosperity for their entire region and recognize that immigrant-focused economic development makes their region more competitive, prosperous, and attractive.

Historically, the fields of immigrant integration and economic development have been two very distinct areas of work with not much of a sense of shared interests. The last half-decade has seen an exciting watershed moment connecting traditional integration service providers, immigrant rights advocates, refugee services, economic development practitioners, chambers of commerce, businesses, and a wide array of others in mutual efforts to integrate immigrants and refugees into the economy in ways that significantly benefit regional growth, as well as the opportunities for incumbent communities. Regardless of one’s background, it is our hope that readers of this guide will develop a new understanding of what is possible in developing robust approaches that bridge economic development and immigrant integration.

Numerous individuals helped make this guide possible, but our special appreciation goes to its lead author, Steve Tobocman of Global Detroit and his team, including Francis Grunow, Sloan Herrick, Kyle Murphy, Beth Szurpicki, Kate Brennan, and Raquel Garcia Andersen. We also thank the number of individuals who worked with Steve and his team to provide details on their local efforts, including Amanda Bergson-Shilcock, formerly of the Welcoming Center for New Pennsylvanians, Betsy Cohen of St. Louis Mosaic, Todd Adams at Visibility Marketing, Paul McDaniel at the Immigration Policy Center, and Robyn Webb of the Greater Halifax Partnership. We also want to thank Susan Downs-Karkos and Rachel Peric who provided extremely valuable editing to the document.

We hope you will find this guide to be a useful resource in your work, and that you will stay connected by sharing your ideas and joining our growing network of partners across the United States. For more information, or to get involved, please visit us at www.welcomingamerica.org. You can find more information about the local immigrant economic development organizations in the Rust Belt, many of which are featured throughout this guide, through the WE Global Network at www.weglobalnetwork.org.

“You look around at other cities around the country that are thriving, they are doing it because they are diverse and welcoming to immigrants. We can have that here in Baltimore.”

— Stephanie Rawlings-Blake,
Mayor of Baltimore



Chapter 1

INTRODUCTION

INTRODUCTION

DESCRIPTION OF THE MOMENT

This guide is a product of a young and growing movement of local economic development efforts that welcome immigrants and the opportunities they create into the local economic plans for their communities. These local economic development efforts seek to generate greater economic growth, job creation, and prosperity for their entire region and recognize that immigrant-focused economic development makes their region more competitive, prosperous, and attractive.

The United States is in the midst of historic growth in its immigrant population. According to the U.S. Census, the nation increased from 9.6 to 40 million foreign born between 1970 and 2010—growing from 4.7 percent to 12.9 percent of the population during that time—increasing 317 percent over 40 years. As opposed to the historical trend of immigration concentrating in just a handful of traditional gateway cities, growth in immigration in the last decade was spread out over dozens of metro areas.¹ Moreover, a greater percentage of immigrants in metropolitan areas now live in suburbs rather than in cities.²

America and the local communities that comprise it are changing. Roughly one in six American workers is an immigrant, and immigrants comprise between 20 and 40 percent of the national workforce in computer, mathematical, and medical professions, as well as farming, fishing, forestry, construction, cleaning, and food preparation.³ With this historic growth in immigration come new opportunities and new challenges.

And with the reality of how integral immigrants are to the U.S. economy, an important dichotomy emerges: While immigration is a federal legal and policy issue still often referred to as the “third rail of American politics,”⁴ immigration and the integration of immigrants, refugees, and international visitors is experienced at the local level.

¹ Jill H. Wilson and Audrey Singer, “Immigrants in 2010 Metropolitan America: A Decade of Change,” *brookings.edu*. The Brookings Institution: Center on Urban and Metropolitan Policy, October 13, 2011, http://www.brookings.edu/~media/research/files/papers/2011/10/13%20immigration%20wilson%20singer/1013_immigration_wilson_singer.pdf.

² Audrey Singer, “The Rise of New Immigrant Gateways,” *brookings.edu*. The Brookings Institution: Center on Urban and Metropolitan Policy, February 2004, <http://www.brookings.edu/research/reports/2004/02/demographics-singer>.

³ “Strength in Diversity: The Economic and Political Power of Immigrants, Latinos, and Asians,” *immigrationpolicy.org*. Immigration Policy Center Fact Sheet, May 2014, <http://www.immigrationpolicy.org/just-facts/strength-diversity-economic-and-political-power-immigrants-latinos-and-asians>.

⁴ Molly Ball, “Obama’s Long Immigration Betrayal,” *The Atlantic*, September 9, 2014.

.....

“These local economic development efforts seek to generate greater economic growth, job creation, and prosperity for their entire region and recognize that immigrant-focused economic development makes their region more competitive, prosperous, and attractive.”

.....

INTRODUCTION

Local communities experience the impact of immigrants, the economic activity they generate, and the diverse culture they bring. Washington, D.C. is mired in gridlock with regards to modernizing immigration policy. Meanwhile, local communities are generating very different and much more proactive responses about the growth in immigration that they experience every day.

Over the last half-decade, a movement of local immigrant-welcoming initiatives have been created and are beginning to define the national character around immigration at the local level. Welcoming America and its local members, cities and counties that declare themselves welcoming, and a number of other institutional or programmatic endeavors that specifically embrace new immigrants are testament to this movement.

Historically, the fields of immigrant integration and economic development have been two very distinct areas of work with not much of a sense of shared interests. The last half-decade has seen an exciting watershed moment connecting traditional integration service providers, immigrant rights advocates, refugee services, economic development practitioners, chambers of commerce, and a wide array of others in mutual efforts to integrate immigrants and refugees into the economy in ways that significantly benefit regional growth, as well as the opportunities for incumbent communities. Regardless of one's background, it is our hope that readers of this guide will develop a new understanding of what is possible in developing robust approaches that bridge economic development and immigrant integration.

Over the last half-decade, a movement of local immigrant-welcoming initiatives have been created and are beginning to define the national character around immigration at the local level.

Evidence of this new movement can be found in well over a dozen local immigrant economic development initiatives that also developed organically and independently at the same time. New York City's former Mayor Michael Bloomberg is a clear leader in the movement, having created a Mayor's Office of Immigrant Affairs within city government, as well as the Partnership for a New American Economy, a national collaboration of mayors and corporate CEOs advocating for common-sense, pro-business immigration reform.⁵ More recently, the immigrant gateways of Houston, Los Angeles, and Chicago launched their own programs.⁶

Possibly even more noteworthy is the development of pro-immigration economic development initiatives in unlikely places—both in new immigrant gateways like Nashville, as well as relatively low-immigration centers like Dayton, Detroit, Philadelphia, Pittsburgh, and St. Louis. These regional immigrant economic and community development initiatives couple local sensibility and pragmatism with the need to address each region's unique problems to create an unlikely approach to the controversial issue of immigration—one that differs significantly from the national discourse on immigration that focuses on conflict and controversy. All these local initiatives recognize that the U.S. is a rapidly aging nation with stagnant population growth, but incredible historical assets. The nation's agriculture, manufacturing, technology, and other economic sectors are all benefitted by robust immigration.⁷

Specifically, research over the last half decade documents the important contributions American immigrants make to the growth of the economy and the United States' leadership in the new economy. Immigrants are responsible

⁵ See City of New York, <http://www.nyc.gov/html/imm/html/home/home.shtml> and Partnership for a New American Economy, <http://www.renewoureconomy.org>, respectively.

⁶ See City of Houston, <http://www.houstontx.gov/oic/>; Kate Linthicum, "Garcetti aide is face of city's outreach to foreign-born residents," *latimes.com*. Los Angeles Times, September 21, 2014, <http://www.latimes.com/local/la-me-ff-garcetti-immigrants-20140922-story.html>, and; City of Chicago, http://www.cityofchicago.org/city/en/depts/mayor/provdrs/office_of_new_americans.html, respectively.

⁷ John Austin and Brittany Affolter-Caine, "The Vital Center: A Federal-State Compact to Renew the Great Lakes Region," brookings.edu. The Brookings Institution: Center on Urban and Metropolitan Policy, 2006, http://www.brookings.edu/~media/research/files/reports/2006/10/metropolitanpolicy%20austin/20061020_renewgreatlakes.pdf.

INTRODUCTION

for approximately one-quarter of all of the high-tech startups, and nearly half of the high-tech startups in Silicon Valley.⁸ Immigrants or their children founded over 40 percent of the 2010 Fortune 500 companies, and seven of the ten most valuable brands in the world come from American companies founded by immigrants or their children.⁹ Immigrants' contributions extend beyond the high-tech, new economy, and Fortune 500 firms. Immigrants start small businesses at more than twice the rate of native born Americans—a critical fact for many struggling cities with significant retail needs in disinvested, low-income communities.¹⁰

While each local immigrant economic development effort builds on the unique assets and challenges of its particular locality, all share a refreshing notion that immigration is a powerful economic driver and would greatly strengthen their particular regional economy. Many focus on skilled and highly educated immigrants, but several explicitly target and support working-class immigrants. Most build upon the locality's cultural roots and experiences, and include an element of welcoming. Some enjoy support from elected officials. Some seek to change the regional culture of native-born Americans; some seek explicitly to build alliances with the African-American community; others seek to connect with, attract, and retain immigrants. Some stress traditional immigrant integration services (e.g., ESL, citizenship, legal services, etc.). But all share a desire to embrace immigrants, refugees, and other newcomers as catalysts for economic growth and job creation.

Policymakers, thought leaders, and elected officials are beginning to take notice. In 2013, the International Economic Development Council (IEDC), a 4,000 member nonprofit organization serving economic developers (the largest organization of its kind) published its own manual on immigration's impacts on economic development.¹¹ This was the organization's first publication on immigration, noting that "[e]conomic development organizations in the U.S. and other countries are starting to actively engage in immigration related matters in their own communities. Their efforts range from sponsoring or supporting training programs that are already available in the community, to matchmaking immigrant applicants to jobs at local businesses."¹²

For decades the fields of immigration—immigrant rights, immigrant and refugee services, and integration efforts—and economic development have been two very distinct fields with little, if any, interaction. That has changed in a remarkable way in the past few years. This guide is designed to provide readers—whether from the economic development community or immigration field—with a new understanding of what is possible when immigrants are welcomed and embraced into regional economic development plans and strategies. Not only do new programmatic opportunities arise, but the positive impacts generated from the drive, entrepreneurial spirit, talent, and diversity that immigrants bring quickly accrue to non-immigrant workers and families - raising incomes, creating jobs, and fostering robust growth. This guide chronicles a number of local initiatives that already embrace robust and innovative approaches, bridging economic development and immigrant integration in their own community and supporting an ongoing collaboration across these and other sectors.

This guide is designed to provide readers—whether from the economic development community or immigration field—with a new understanding of what is possible when immigrants are welcomed and embraced into regional economic development plans and strategies.

⁸ Vivek Wadhwa, AnnaLee Saxenian, Ben Rissing, and Gary Gereffi, "America's New Immigrant Entrepreneurs," *berkeley.edu*. Duke University and University of California-Berkeley, January 4, 2007, http://people.ischool.berkeley.edu/~anno/Papers/Americas_new_immigrant_entrepreneurs_I.pdf.

⁹ Partnership for a New American Economy, "The 'New American' Fortune 500," June 2011.

¹⁰ Luisa Kroll, "Immigrant Entrepreneurship Has Stagnated For First Time In Decades, Says New Study," *Forbes*, October 2, 2012.

¹¹ Emily Brown and Swati Ghosh, "The Economic Development Impacts of Immigration," *iedconline.org*. International Economic Development Council, July 10, 2013, <http://www.iedconline.org/book-store/edrp-reports/the-economic-development-impacts-of-immigration/>.

¹² Ibid. p. 7.

OVERVIEW OF THE GUIDE

As local economic development actors begin to tackle the opportunities that immigrants generate for regional growth and job creation, it has become apparent that there has been little, if any, effort to chronicle best practices, strategies, and models from which to draw. The Welcoming America Guide to Immigrant Economic Development begins to fill this void. The Guide is intended to share the issues, opportunities, challenges, and best practices of over a dozen specific approaches that local economic development actors might consider.

In an emerging field that is developing as rapidly as immigrant economic development, there are bound to be new approaches that emerge even within the months of the Guide's publication. It is our hope that additional study, research, and best practice sharing emerges within the economic development field, as well as among those working in immigration to continue to build upon this Guide.

The Guide includes chapters ranging from how to employ highly-skilled immigrant talent, as well as less formally-trained immigrant talent, to chapters on immigrant entrepreneurship programs. It includes some more traditional economic development initiatives, like attracting foreign direct investment capital and boosting regional export, as well as non-traditional programs in welcoming immigrant talent, retaining international students, urban agriculture, and rural development. The chapter topics are selected based upon the most common practices in this growing movement of immigrant-focused economic development.

The Guide is designed to have universal appeal. It should provide value to cities and metropolitan areas with significant foreign-born populations, as well as those with populations much smaller than the national average. It should benefit regions with strong technology sectors, those with strong industrial heritage, and even rural communities.

The organic and independent nature of the immigrant economic development initiatives developed in the past half-decade and highlighted in this Guide underscore the importance of ensuring that such endeavors get tailored to local needs, opportunities, and challenges. The Guide provides ideas and strategies broadly and is intended to inspire local action in one or more areas of economic development. Within each area, however, readers will be introduced to new ideas and provided a few noteworthy examples, but would need to do additional research about the programs mentioned

Immigrant economic development initiatives not only focus on how immigration can positively affect the economics of host communities; they also represent a unique opportunity for immigrants, refugees, and immigrant rights advocates. They are a new and critical component of shifting public attitudes about immigration from one of fear and opposition, to one of understanding and encouragement. Although these efforts do not directly target the immigration policy debates, they make a profound case for federal, state, and local laws that welcome immigrants, not drive them away or make it infeasible for communities to tap into their economic contributions.

These immigration economic development efforts have much to offer immigrants and refugees in terms of tangibly improving their quality of life. In fact, many of the initiatives embrace enhancing traditional integration services (ESL, citizenship programs, legal services, job training, etc.) as a means of being more welcoming. Many local immigrant economic development initiatives bring new energy and innovation to traditional integration services, approaching the work from an asset-based perspective—viewing immigrants and refugees as opportunities, rather than as struggling victims. The initiatives have developed innovative programs, such as so-called “welcome mats” that guide immigrants and refugees to needed services, as well as a focus on building the capacity of the entire integration services field.

INTRODUCTION

to ensure they are appropriate for the local context. Local actors seeking to employ some of the strategies outlined in this Guide must customize the model to their own local institutions, economic and labor environments, and private industry mix.

One reason that this work might be considered part of a new movement is that the work often arises from a new and unique perspective—focusing on how the regional (non-immigrant) population and economy can benefit from immigration, rather than just focusing on immigrants. Most often, these initiatives have not emanated from the immigrant rights or social service sectors—although there can be quite a lot of overlap and collaboration with work from those movements. Instead, these immigrant economic development initiatives have a diverse range of creation stories that are more likely to include local chambers of commerce, economic development agencies, and business than they are to include activists for immigrant rights. The initiatives view immigrant communities as assets to be nurtured and grown as a means of producing economic opportunity for the entire region.

It is no accident that Welcoming America has become a natural ally to many of these local economic development efforts. Welcoming America has long embraced the notion that true integration depends as much on addressing the concerns, fears, and aspirations of incumbent or receiving communities, as it does on addressing the concerns, fears, and aspirations of immigrant communities. Similarly, the immigrant economic development movement cares as much about broad prosperity and growth and the impacts on incumbent communities, as it does on immigrant prosperity and growth.

Asking the question of how a local economic development strategy can incorporate and benefit from the immigrants within the region, as well as future immigrants, can be a paradigm shift. It can highlight new opportunities. And it can inspire new actors and partnerships. We hope that this Guide provides you with some basic tools, insights, ideas, and models to assist you in this journey.

VISIONS FOR A PROSPEROUS AMERICA

The past four decades have witnessed historic immigration to the United States. The world's nations are more connected and interrelated than at any time in human history. These connections are not just technological, or through media and information, but are grounded in economics and by the exchange and flow of people as they move around the globe. America has prospered for the last three centuries because of its ability to attract a diverse population of industrious, skilled, and innovative people from across the globe and—while far from perfectly or ideal—did well at integrating these newcomers into the economy. American prosperity in the 21st Century depends, in part, on its ability to continue to lead as a destination for the world's talent seeking economic opportunity.

While the future of federal immigration reform remains uncertain, local economic development efforts appear to have increasing importance. Were some form of comprehensive immigration reform to pass, similar to what Congress considered in 2014, areas with immigrant economic development initiatives would have a head start at reaping some of the benefits of federal reform. Yet, even without federal immigration reform, local immigrant economic development initiatives help regional leaders tap into the incredible economic assets brought by our nation's growing immigrant community.

The past four decades have witnessed historic immigration to the United States. The world's nations are more connected and interrelated than at any time in human history.

America is a nation of immigrants. The importance of immigration to America's economic growth cannot be overstated. James Fallows, *The Atlantic's* national correspondent, is one of the nation's many leading thinkers who believe that immigration is a pillar of America's past and future prosperity:

INTRODUCTION

Everything we know about future industries and technologies suggests that they will offer ever-greater rewards to flexibility, openness, reinvention, “crowdsourcing,” and all other manifestations of individuals and groups keenly attuned to their surroundings. Everything about American society should be hospitable toward those traits—and should foster them better and more richly than other societies can. The American advantage here is broad and atmospheric, but it also depends on two specific policies that, in my view, are the absolute pillars of American strength: **continued openness to immigration**, and a continued concentration of universities that people around the world want to attend.¹³

This Guide is a first-of-its-kind effort to provide local economic development actors with the ideas and opportunities to create their own programs and initiatives to tap into this age-old American competitive advantage.

¹³ James Fallows, “How America Can Rise Again,” *The Atlantic*, January/February 2010.



Chapter 2

GETTING STARTED

GETTING STARTED

A truly exciting trend in immigrant-focused economic development is the number of broad-ranging initiatives that have been developed by local communities to embrace immigrants for their economic and community development potential. Since 2010, initiatives like Global Detroit, St. Louis Mosaic, Welcome Dayton, Vibrant Pittsburgh, the Michigan Office for New Americans, and the Chicago Office of New Americans have been created from scratch. Each program centers on a broad economic and/or community development mission and has developed several initiatives to assist in achieving that mission. They are more extensive than, for instance, a single international student retention program or micro-entrepreneurship program, seeking to build or enhance an entire regional infrastructure to welcome, support, nurture, and integrate immigrants and refugees to the region.

.....
“The other exciting trend among these initiatives has been the new partnerships that have been created across sectors that may have little, if any, history of collaboration.”
.....

The other exciting trend among these initiatives has been the new partnerships that have been created across sectors that may have little, if any, history of collaboration. Universities are connecting with international institutes, which in turn are working with municipal governments and refugee resettlement providers. Faith groups are talking to chambers of commerce and immigration lawyers suddenly have more friends and interest in their expertise than ever before.

So how did these regional efforts, each of which developed organically and independently, achieve such breadth and such innovative results? The chapter seeks to outline a number of the key elements that have been used to develop these regional initiatives. While this chapter focuses on developing a new, comprehensive immigrant economic development initiative within your region—which might include a number of related programs such as those described elsewhere in this Guide—elements of the following recommendations could also be used to develop a more limited program. Moreover, some regions will have greater existing infrastructure, assets, opportunities, and challenges than others. It is important that local initiatives look to models not for pure replication, but with an understanding of and concentration on local needs, attributes, and opportunities. Ultimately, successful immigrant integration is a local and individualized experience.

KEY ELEMENTS TO BUILDING A STRONG AND SUCCESSFUL REGIONAL IMMIGRANT ECONOMIC DEVELOPMENT INITIATIVE

I. EMPHASIZE THAT THIS IS ECONOMIC DEVELOPMENT

Perhaps more important than any other building block, it is critical that in planning a regional economic development initiative seeking to tap into immigrants that all parties

GETTING STARTED

align upon an economic development mission. While these initiatives can provide significant benefits for enhancing social services, social justice, and immigrant rights work, they lose their authenticity and impact when those other (important and valid concerns and approaches) are the focus. The reality is that many of the initiatives chronicled in this Guide have broken new ground, brought new partners to the table, and generated new energy because of their economic development focus.

This Guide was conceived by Welcoming America because of the exciting and innovative developments that have occurred in the economic development arena when focused on immigrants. Never before have economic development practitioners focused on this population, and never before have immigrant rights and others working on immigration issues worked extensively with economic development agencies.

An economic development focus suggests that the ultimate goal is to produce jobs, regional growth, and regional prosperity not just for immigrants and refugees, but for non-immigrants, as well. Adopting an economic development focus is critical to fostering an environment in which economic development practitioners, chambers of commerce, business leaders, and other non-traditional partners are eager to participate. The economic development focus can be an important factor in capturing the attention of local government and elected officials. An economic development focus can also help build broad public support for immigrant welcoming initiatives that not only appeal to people's charitable and social justice ideals, but to their own economic self-interest.

Finally, an economic development focus can be critical in establishing new opportunities and innovative ideas. Immigrant rights and social service agencies have accomplished tremendous results in their decades of labor. They are valuable contributors and partners in this work. Their work is under-resourced and an important component of building a region's immigrant economic development infrastructure. But the focus on economic development of the entire region brings a new perspective to the equation. New opportunities for collaboration and new resources call regional actors forward into action, and have produced the exciting new initiatives featured throughout this Guide.

Establishing a firm focus on economic development opportunities can be accomplished in several ways.

First, developing a mission statement for the effort that clearly identifies the initiative as having an economic development focus is important. Second, ensuring that the business community, chamber of commerce, and economic development actors are included, invited, and represented is important. In Global Detroit's creation, an early and deliberate decision was made to house the study process at the Detroit Regional Chamber of Commerce, rather than a university or racial justice organization that also were considered. Additionally, the initial Global Detroit study Advisory Board included a broad array of economic development institutions, ethnic chambers of commerce, universities, foundations, and elected officials, but did not include the traditional immigrant rights or social service agencies.¹

Adopting an economic development focus is critical to fostering an environment in which economic development practitioners, chambers of commerce, business leaders, and other non-traditional partners are eager to participate.

¹ While admittedly the final outcome of a Global Detroit study would have been strongest with all parties at the table, including immigrant rights and social service agencies, deep relationships between the business, corporate, and economic development and the immigration communities did not yet exist. Immigration was completely new to the business, corporate, and economic development actors and it was important that they be brought to the issue within an environment that appealed to their interests and that was safe and welcoming to them. The fact that the effort was led by Steve Tobocman, an immigrant rights champion in the State Legislature, made working with immigrants rights and social service community easier once the study was completed.

2. ASSEMBLE A BROAD COALITION

One of the most exciting and important developments among the cadre of immigrant economic development initiatives has been the broad support and leadership they have enjoyed, as well as the number of new actors they have brought to the table. Welcome Dayton utilized an open, participatory process focused on community conversations to include and attract new partners, as well as diverse views. Chicago's Office of New Americans utilized an advisory board of 50 community leaders. St. Louis Mosaic is managed by the St. Louis Economic Development Partnership, World Trade Center St. Louis, and a 22-member committee. Global Detroit's planning study utilized an advisory board of 35 leaders and included over 100 local interviews.

Cutting-edge immigrant economic development initiatives have been launched because of the cross-section between interests, industries, sectors, and experiences. Global Detroit's international student retention program emerged from new conversations Global Detroit fostered between talent initiatives at the Detroit Regional Chamber, universities with evolving international student needs, and nascent efforts at Ann Arbor SPARK, a local business accelerator program. St. Louis Mosaic's Connector program relies upon professional networks and trade associations, the corporate community, as well as immigrant and refugee service agencies.

Local immigrant economic development initiatives are strongest when they bring new ideas for collaboration to the table and when they include a broad array of actors who are affected. It's not that the faith community, law enforcement, or business community have not discussed the immigration issue—it's that they haven't discussed it together. In addition to engaging these partners, it is important to ensure that impacted communities also be at the table to express their concerns and to understand how their interests will be furthered by the positive economic development outcomes. This means that organized labor, the African-American community, government, the education community, health care providers, philanthropy, law enforcement, and others should be invited as well.

3. ENGAGE THE COALITION IN A PLANNING PROCESS

Before jumping into project implementation, developing an immigrant economic development initiative begs for a robust planning process. Often the programs that will be pursued are new endeavors to the region. They may involve new partnerships and new thinking. As such, they may require additional planning not only to iron out the necessary elements for their implementation, but also to root the programs into the network's larger context, goals, and mission. This planning process ensures that all programs and subprograms—rather than growing on their own with their own internal metrics of success—are tied together for maximum regional and economic development impact.

The planning process should include understanding the data, demographics, and economic impacts and opportunities of the regional immigrant population and how they connect to the region's strengths, needs, opportunities, and resources. The planning process also should take the time to assess existing local partnerships and resources upon which to build. It might consider a formal structure and roles, both within the planning process and for implementation and monitoring. The final plan should include concrete goals and objectives. Finally, the importance of a wide array of immigrant voices to a robust and successful planning process cannot be overstated. Those voices should include small business owners, international students, and representatives who can authentically represent various other immigrant interests.

Part of what makes the rash of new immigrant economic development initiatives so exciting is that most are not just launching a specific program or two, but are concentrated on creating an entire infrastructure that will make the immigration experience to their region more welcoming, as well as more impactful to the local economy.

A robust planning process helps to ensure that specific initiatives are connected to other elements of the complete agenda. Part of what makes the rash of new immigrant economic development initiatives so exciting is that most are

not just launching a specific program or two, but are concentrated on creating an entire infrastructure that will make the immigration experience to their region more welcoming, as well as more impactful to the local economy. Integration goes well beyond any one specific program or element, but includes a range of opportunities to connect immigrant talent, investment, and personal contact to those within the region eager to receive them—and vice-versa.

A regional planning process can highlight the unique assets, opportunities, and challenges of a local economy. Each region has different immigration experiences, different immigrant, refugee, and ethnic populations, and different demographic challenges (e.g., aging population, depopulating central city, sprawl, etc.). Moreover, each region has its own economic development assets, opportunities, and challenges. The regional industry mix, talent needs, educational assets, and growth opportunities must be understood and integrated into a final immigrant economic development plan.

Finally, a planning process can be instrumental to tackling deeper implementation challenges, including measuring success, achieving sustainability, and tackling public perceptions. Without broader impact goals, an array of immigrant-focused economic development programs can easily devolve into a series of uncoordinated program outputs that build more nonprofit infrastructure or programs without producing macro impacts desired. Without a broad array of supporters, sustaining investment into an ambitious economic development effort will be difficult. Finally, without a range of champions spanning many sectors and interests, as well as a communications plan, any immigrant economic development initiative is bound to bump against public perceptions about immigration that are formed by a national media narrative on immigration at odds with the real economic data about the tremendous contributions that immigrants make to our economy.

4. LET THE DATA DO THE TALKING AND SET THE FOUNDATION

Many people are indeed surprised by the economic data surrounding immigrant contributions to our economy. Many of those involved in the immigrant economic development initiatives highlighted in this Guide already possessed an already favorable impression of immigrants and their economic contributions, but experienced genuine astonishment at the strength of the data highlighting the powerful impacts immigrants have on the economy. Even advocates are sometimes swayed by the national media narrative concerning immigration, focusing more on the needs and challenges of the immigrant and refugee communities than on the strengths and resourcefulness that those individuals and communities possess.

A strong data analysis will include the number and composition of a region's immigrant, refugee, international student population, and key ethnic communities. It will highlight educational attainment, entrepreneurship rates, working age demographics, geographic settlement patterns, and other critical information about the region's foreign-born communities. It should also include information on foreign-owned businesses and trade relationships.

DATA AND RESEARCH STARTING POINTS

The U.S. Census obviously has a wealth of demographic data that can serve as the foundation for analyzing your region's immigrant population and many of their characteristics. The Migration Policy Institute, various Brookings Institution reports, and the American Immigration Council's Immigration Policy Center provide an array of reports that highlight demographic trends around the nation's foreign born. Additionally, a number of specific elements on immigrant entrepreneurship, high-tech entrepreneurship, and workforce contributions can be found in specific reports from the Robert Fairlie's research at the Kauffman Center, Vivek Wadhwa's research at Duke University, and David Dyssegaard Kallick at the Fiscal Policy Institute, respectively. Finally, the Partnership for a New American Economy (PNAE) has assembled an incredible array of research and specific topical reports highlighting the positive economic contributions of immigrants. PNAE's reports are often produced with other national research partners.

Much of this research can be found on Global Detroit's website at www.globaldetroit.com/research.

5. CONSIDER COMMUNITY CONVERSATIONS

In addition to the notion of a traditional planning process, immigrant economic development initiatives may benefit from more intentional “community conversations” that seek to be inclusive of immigrants and non-immigrants and to build an ethos of welcoming that by nature takes on the potential concerns within the community. These concerns would likely include both concerns from non-immigrants about growing numbers of immigrants and refugees in the community and the impact they may have on the economy and quality of life, as well as concerns of immigrants, refugees, and newcomers about being welcomed.

A “community conversation” can be as simple as an open, participatory planning process that empowers and facilitates this deeper level of dialogue. The Welcome Dayton Plan was written through a series of community conversations held in 2011 that eschewed hierarchical structures and speeches in favor of conversations where people felt recognized and on equal footing, regardless of their position in society. Tom Wahlrab, who at the time served as the Director for the City of Dayton’s Human Rights Council, describes the Welcome Dayton conversations as fostering an environment where people could have a discussion rather than hear a speech, noting that these community conversations generated greater buy-in from the business and non-profit sectors, as well as community members.²

A “community conversation” can be as simple as an open, participatory planning process that empowers and facilitates this deeper level of dialogue.

Wahlrab’s work as both a mediator and a government appointee enabled him to design the initial phase of the Welcome Dayton Initiative as a community conversation led by a government organization, rather than as a top-down government initiative. The initial conversations in Dayton allowed participants to share their expertise from personal experiences in their communities, neighborhoods, or organizations. Participants self-selected into four sub-committees, applying their sector-specific expertise to draft each of the four sections of the Welcome Dayton Plan. “My trajectory is to bring people together, support their decision-making, support their agency, and realize possibilities that no one could imagine if they would go out there and just problem solve it,” notes Wahlrab.³

Welcoming America has developed a national expertise based upon the hundreds of dialogue sessions facilitated by Welcoming America affiliates. To aid in the development of tools that facilitate meaningful community conversations, Welcoming America has worked partners at the Public Conversations Project to develop a guide that could be utilized in helping to facilitate community conversations.⁴ Moreover, Welcoming America has a number of resources that provide insights that can be utilized in developing a planning process that seeks to build more meaningful and lasting environment for integration and understanding.⁵

CONCLUSION

Launching a comprehensive immigrant economic development initiative or even a specific program in this field can be exciting. Some of these ideas and tools might even be helpful in simply rethinking and revising existing economic development programs or immigrant integration work. Regardless of where you and your region are on the spectrum of immigrant economic development programs and services, now is an exciting time in an emerging field of immigrant economic development.

² “Empowering the Immigrant Community in Dayton,” *intersector.com*. The Intersector Project: Case Study, http://intersector.com/wp-content/uploads/2014/09/R6_welcomingamerica_ohio.pdf.

³ Ibid.

⁴ Maggie Herzig, “Fostering Welcoming Communities through Dialogue: Tips from the Public Conversations Project for Welcoming America Practitioners,” *welcomingamerica.org*. Welcoming America, October 2011, <http://www.welcomingamerica.org/wp-content/uploads/2011/10/wac.dialogue.w01.pdf>.

⁵ <http://www.welcomingamerica.org>

GETTING STARTED

In addition to this Guide, the resources available to help you generate new ideas or share best practices are rapidly expanding. In addition to new programs that have launched in the last few years, still more programs are being designed, re-designed, or unveiled as of this writing in Cincinnati, Toledo, Buffalo, Seattle, and across the nation. Moreover, conferences like the National Immigration Integration Conference are enhancing their economic development offerings. New research on this topic is being launched by the Partnership for a New American Economy, the Fiscal Policy Institute, the Migration Policy Institute, Pew Center for the States, the American Immigration Council, and more.

Welcoming America has worked with a dozen local immigrant economic development initiatives from New York to Missouri—most of which are featured throughout this Guide—to house the newly-created Welcoming Economies (or WE) Global Network. This network seeks to engage in activities that strengthen the work, maximize the impact, and sustain the efforts of individual local initiatives across the Great Lakes region that welcome, retain, and empower immigrant communities as valued contributors to local economic development initiatives.

This nascent movement will have the most impact if its work is integrated into the fields of economic development, urban policy and planning, and community development. The work can benefit by a greater inclusion among chambers of commerce and the corporate sector. Finally, as local, state, and federal government tackle policies of immigrant integration, including immigrant economic development will help the insights and innovations of these programs shape a more welcoming and prosperous nation.



Chapter 3

ENTREPRENEURSHIP

ENTREPRENEURSHIP

OVERVIEW

Throughout American history, immigrant entrepreneurship has played a significant role in the U.S. economy.¹ Many supporters of immigrant economic development initiatives are attracted to the topic because of the reputation of immigrants as entrepreneurs. The U.S. Small Business Administration, Kauffman Foundation, and Partnership for a New American Economy have all published research focusing on self-employment numbers to suggest that immigrants have significantly higher rates of entrepreneurship. Some link these findings to the fact that immigrants, “risk takers by nature, are unusually successful entrepreneurs.”² Others have identified an “entrepreneurship of necessity” for immigrants who are unable to secure job in traditional employment markets and, thus, turn to self-employment as a necessity to earn income.³

The same personal motivations that often inspire an immigrant to uproot everything and move to the U.S. in search of new opportunities and a better way of life can also inspire immigrants to start businesses.⁴ Additionally, internationals from across the world bring their foods, language, culture, goods, and services, adding a rich diversity to the communities they settle in. This cultural diversity can be critical to building a diverse modern economy and to attracting knowledge economy workers critical to the 21st Century.⁵

Immigrant entrepreneurs often open businesses in underserved retail markets and neighborhoods, where others are unwilling to invest. While many entrepreneurs steer clear of markets where demand is unstable or uncertain, immigrant entrepreneurs seem to have a higher tolerance for risk. Immigrant entrepreneurs are known for seeking out labor-intensive business opportunities with low start-up costs and low barriers to entry—all of which are accessible within underserved markets. New goods and services provided by immigrant entrepreneurs can help breathe life back into struggling communities (both urban and rural) and redefine what it means to be a member of that community. By landing businesses in low-income, at risk commercial corridors, immigrant entrepreneurs across America are helping to revive and stabilize neighborhoods.⁶

¹ Paul McDaniel, “Revitalization in the Heartland of America: Welcoming Immigrant Entrepreneurs for Economic Development”, Immigrant Policy Center, American Immigration Council, 2014.

² Tamar Jacoby, U.S. Economic Competitiveness at Risk: A Midwest Call to Action on Immigration Reform (Chicago: The Chicago Council on Global Affairs, 2013).

³ Catherine Rampell, “immigration and Entrepreneurship,” New York Times, July 1, 2013.

⁴ Steve Tobocman, “Global Detroit Study.” http://www.globaldetroit.com/wp-content/files_mf/1327697728Global_Detroit_Study.full_report.pdf. August 11, 2010.

⁵ Richard Florida, *Rise of the Creative Class*. 2002.

⁶ Jonathan Bowles and Tara Colton. “A World of Opportunity.” Center for an Urban Future. 2007. <https://nycfuture.org/research/publications/a-world-of-opportunity>.

.....
“The U.S. Small Business Administration, Kauffman Foundation, and Partnership for a New American Economy have all published research focusing on self-employment numbers to suggest that immigrants have significantly higher rates of entrepreneurship.”
.....

Regardless of the motivation for starting businesses, research indicates that immigrants in the U.S. start businesses and/or are self-employed at significantly higher rates than the U.S.-born.⁷ Immigrant entrepreneurship appears to be strongest in the high-technology sector, as well as “Main Street” businesses—such as grocery stores, restaurants, and retail shops—that are considered important to the revitalization or stabilization of urban commercial districts and communities. Yet, overall business ownership in the U.S. is only slightly higher for immigrants. Nationally, about one in ten working immigrants owns a business, and there is nearly one new business start per month for every 150 immigrants, with average annual sales of \$435,000. Overall, immigrants are slightly more likely to own a business than U.S.-born Americans—10.5 percent of the immigrant work force owns a business compared with 9.3 percent of the U.S.-born work force.

These statistics suggest that immigrants have high entrepreneurship rates, as well as high turnover rates. Despite the overwhelming success of many immigrant entrepreneurs, these businesses are not immune from pitfalls and hurdles common to any startup. In fact, immigrant entrepreneurs starting a business may face additional obstacles, including the absence of personal or professional relationships to help navigate issues that inevitably arise in start-up and growth phases of business development; limited access to capital—often because of a lack of credit history in the U.S.; a less than full understanding of local laws and regulations for small businesses; and, possibly, a distrust of government. Moreover, language and cultural barriers can further exacerbate these obstacles, making it less likely for immigrants to seek help from non-profit or government programs. Finally, immigrant businesses are more likely to succeed and thrive in a community where the individuals who start them, along with the new goods and services they offer, are valued.

Immigrant businesses are more likely to succeed and thrive in a community where the individuals who start them, along with the new goods and services they offer, are valued.

Immigrant economic development initiatives may want to focus on helping immigrant business owners overcome the unique challenges they face. This chapter seeks to highlight programs focused on entrepreneurship that both seeks to capitalize on the opportunities generated by immigrants starting businesses, as well as overcome the challenges they face in sustaining and growing them. While there are many entrepreneurship training, lending, and support models, choosing the model that best fits your region should be done based on existing programs and resources, the nature of the immigrant talent present locally, and the types of businesses and industries you want to target for growth.

⁷ Robert Fairlie, “Immigrant Entrepreneurs and Small Business Owners, and their Access to Financial Capital,” U.S. Small Business Administration, May 2012. The report finds that the monthly rate of business formation among immigrants (0.62 percent, or 620 out of 100,000) is much higher than the non-immigrant rate (0.28 percent, or 280 of 100,000).

⁸ Vivek Wadhwa, AnnaLee Saxenian, Ben Rissing, and Gary Gereffi “America’s New Immigrant Entrepreneurs” Duke University and University of California-Berkeley, January 4, 2007. This research suggests that immigrants are responsible for approximately one-quarter of all of the high-tech startups, and nearly half of the high-tech startups in Silicon Valley.

⁹ David Kallick, “Bringing Vitality to Main Street: How Immigrant Small Businesses Help Local Economies Grow,” Fiscal Policy Institute and the Americas Society/Council of the Americas January 2015. This research uses Census data to conclude that 28 percent of all Main Street businesses in America are owned by immigrants, including 58 percent of dry cleaners, 53 percent of grocery stores, 38 percent of restaurants, and 32 percent of clothing stores.

¹⁰ Fairlie.

¹¹ Fairlie.

¹² Immigrants own fewer established businesses (having been established for more than three years) than non-immigrants (5 percent to 9 percent) according to survey research by Donna Kelley, Abdul Ali, Candida Brush, Andrew Corbett, Mahdi Majbourni, and Edward Rogoff, “2012 National Entrepreneurial Assessment of the United States of America,” Global Entrepreneurship Monitor at Babson College, 2012, page 37.

¹³ Ibid.

THE IMPORTANCE OF LANGUAGE AND CULTURAL COMPETENCY

Conventional business development programs—nonprofit, for-profit, and government—often falter when attempting to provide support to immigrant entrepreneurs. Cultural differences and language barriers can draw an invisible, yet very real, line between U.S.-born and foreign-born communities. Conventional business development programs can maximize their impact with immigrant entrepreneurs by developing customer-centric strategies and leveraging new partnerships to increase their success. This can include partnering with institutions that have existing resources, relationships, and cultural/linguistic competency with immigrants that can be leveraged. Like any business owner, immigrants are more likely to seek assistance from a trusted source.

Attracting immigrants to business development programs is often best achieved when orientations, trainings, and seminars are taught in foreign languages; classes and programming are hosted in an immigrant community and/or by people who share customs and culture; and delivered by organizations that have established credibility and trust with the immigrants they serve. Additionally, leading business development programs that serve immigrants establish trust and credibility in immigrant communities by getting to know community leaders, hiring multi-lingual staff, offering seminars and programs in languages other than English, marketing programs in ethnic newspapers and ethnic media, and partnering with community-based entities that have credibility among immigrants.

Our research indicates that successful entrepreneurship programs working with immigrants possess a strong cultural awareness and competency. Many of these model programs are run directly by immigrants. Others are run by non-immigrants that, either by origin stories within their own family, or simply a strong passion to support and foster diversity and economic growth, have developed strong cultural sensitivities. This sensitivity helps them find a way of establishing credibility in immigrant neighborhoods.

Attracting immigrants to business development programs is often best achieved when orientations, trainings, and seminars are taught in foreign languages; classes and programming are hosted in an immigrant community and/or by people who share customs and culture; and delivered by organizations that have established credibility and trust with the immigrants they serve.

MODEL PROGRAMS

Programs with an immigrant entrepreneurship focus are hard at work across the country, operating in a number of different geographies and markets. Some clearly stand out. We found these “model programs” offering a range of services for immigrant entrepreneurs utilize at least four different models to achieve success: some focus on supporting the immigrant entrepreneur’s role in the context of developing a healthy neighborhood community economy; others seek ways to serve immigrant entrepreneurs through case management referrals; some provide immigrants with entrepreneurship tools and services in the context of providing comprehensive wrap around service integration; finally others target services specifically to women, realizing that the needs of female immigrant entrepreneurs may require different approaches from other programs.

COMMUNITY DEVELOPMENT MODEL: NEIGHBORHOOD DEVELOPMENT CENTER, MINNEAPOLIS/ST. PAUL

The terms “community development” and the economic development corollary “community economic development” are collective processes whereby community members together take action to address community wide issues. These broad ideas seek to empower community members with the tools and skills they need to create positive change and improve the quality of life in their community.

A notable example of a program using the community development model is Neighborhood Development Center (NDC), out of Minneapolis/St. Paul, MN. NDC has been assisting aspiring entrepreneurs and activating commercial corridors in low-income, immigrant, and minority neighborhoods in Minneapolis/St. Paul since 1993. NDC works in target neighborhoods and relies heavily on community partners within those neighborhoods (e.g. a community development corporations, schools, faith-based organizations, social service agencies, etc.) to attract local residents with the vision and enthusiasm to launch a business within their neighborhood. The community partner markets the NDC training as if it were its own training and hosts classes in the neighborhood. With the community partner as the “face” of the training program, NDC can connect naturally with residents already in community partners’ networks. NDC selects community partners who are known and trusted operators in their communities. They need not have expertise in entrepreneurship, business support, real estate development, or any other aspect of the program, but must be able to connect with local residents and identify good candidates.

The NDC model is designed to help overcome barriers that low-income, minority entrepreneurs (including immigrants) face. Whereas many microenterprise development programs offer training, technical assistance, or lending exclusively, NDC runs a fully integrated, one-stop shop for entrepreneur training, small business consulting, microfinance, and business incubation. NDC’s microenterprise development programs are offered in six languages (English, Spanish, Arabic, Hmong, Vietnamese, and Somali) and are working in African-American, as well as Native American, communities.

Since 1993, NDC has trained over 4,500 entrepreneurs and has provided more than \$11 million in loans to business owners who have little access to traditional capital, financing restaurants, cafés, retail clothing stores, service industries, and bakeries, to name a few. NDC targets personal empowerment and rebuilding neighborhoods from within. With more than half of NDC entrepreneurs (about 300 businesses) opening in formerly vacant neighborhood buildings and 82 percent of NDC assisted business owners hiring neighborhood residents, the community development model is transforming neighborhoods in Minneapolis/St. Paul.

The NDC model is charting new territory in Detroit, Michigan. ProsperUS Detroit, a microenterprise development program of Southwest Economic Solutions, launched through the Global Detroit program, is the first effort to replicate the NDC model outside of Minnesota. Now in its third year, ProsperUS has trained over 300 African-American and immigrant entrepreneurs in Detroit, as well as providing micro-loans and technical assistance to graduates of the program.

CASE MANAGEMENT REFERRAL MODEL

Under a case management entrepreneurship program, immigrant business owners are assisted largely through referrals to other technical assistance providers and trainings. The program staff focuses on making the personal connection with the immigrant business owners, which can be a difficult task for owner-operated retail establishments where owners often work 80-hour weeks and in communities where there is a broad diversity of languages and cultures among business owners.

COMMUNITY DEVELOPMENT MODEL: HISPANIC ECONOMIC DEVELOPMENT CORPORATION, KANSAS CITY

The Hispanic Economic Development Corporation (HEDC) is Kansas City’s only Hispanic-focused community development corporation (CDC). HEDC leverages its status as a CDC to attract resources for neighborhood building and small business development, and to help entrepreneurs open businesses in previously vacant storefronts.

HEDC trainers facilitate FastTrac and Paso FastTrac trainings—the nation’s first Spanish language version—for aspiring entrepreneurs, entrepreneurs looking to grow their business, and technology-based ventures positioning for growth. FastTrac is an entrepreneurial training program originally launched through the University of Southern California’s Entrepreneur Program in Los Angeles in 1986 and was eventually purchased by the Ewing Marion Kauffman Foundation in Kansas City in 1997 “as a practical way to pursue its mission to accelerate entrepreneurship in America.”¹ In 2010-11, HEDC helped more than 450 entrepreneurs and over 100 businesses with programs that are tailored to the needs of Kansas City’s Hispanic community.

¹ Kauffman website on history of FastTrac at <http://fasttrac.org/en/About-Us/History.aspx>

Case management models can maximize impact of a small investment in entrepreneurship programming by relying upon other existing entrepreneurial support resources and concentrating program resources on the cultural, language, and outreach efforts necessary to connect with immigrant business owners. Case management models for immigrant entrepreneurs are particularly appropriate in communities where significant entrepreneurship support infrastructure already exists. In such cases, philanthropic, corporate, and public funders may be reluctant to invest in new immigrant-focused entrepreneurship infrastructure if they already are invested in existing programs and services.

CASE MANAGEMENT MODEL PROGRAM: WELCOMING CENTER FOR NEW PENNSYLVANIANS, GLOBAL ENTERPRISE HUB

The hallmark of the Welcoming Center's Global Enterprise Hub is its ability to recognize and decipher the "invisible capital" that immigrants, internationals, and refugees bring with them from their home country. It boils down to understanding the unique assets that each immigrant entrepreneur brings based on their skills, knowledge, passions, and experiences and understanding how these unique assets translate to new and viable opportunities in domestic markets. The Welcoming Center for New Pennsylvanians prides itself on focusing on, discovering, cultivating, and serving these unique assets, rather than trying to teach new skillsets.

The Global Enterprise Hub provides case management to immigrant entrepreneurs by making referrals to a number of technical assistance partners, including micro-lenders, entrepreneur trainers, workshop providers, and other resources after careful intake and review of the immigrant entrepreneur's needs. The Global Enterprise Hub not only focuses on its own efforts to discover an immigrant entrepreneur's invisible capital, but on coaching service provider partners about the value of invisible capital to improve the quality of the region's support services for immigrant entrepreneurs. More importantly, the Welcoming Center is helping launch new businesses and growing existing businesses often in underserved areas.

Since 2004, the Welcoming Center, with growing capacity and a staff of two-dozen, has directly assisted more than 800 individual entrepreneurs and business groups throughout the Philadelphia region.

As effective and impressive as the work being done by the Welcoming Center is, it is also important to understand that the case management approach can be effective at much reduced scale, especially with the right case manager. For example, Art Feltman, an attorney and former city councilman and state representative from Hartford, Connecticut, launched International Hartford in 2013 with a modest budget to help immigrant entrepreneurs start businesses, access credit, navigate city processes and permitting for their businesses, engage in import and export, and revitalize downtown.

SERVICE INTEGRATION MODEL

At the opposite end of the spectrum from a case management model is the service integration model. The service integration model not only seeks to meet all of an immigrant's business support needs directly, but seeks to leverage the

CASE MANAGEMENT MODEL PROGRAM: REFUGEES & IMMIGRANTS SUCCEEDING IN ENTREPRENEURSHIP (RISE), LOUISVILLE

Launched in 2013, RISE is an entrepreneurial coaching, mentoring, and education model designed for immigrant entrepreneurs in Louisville, Kentucky. RISE is a collaborative model that draws upon regional refugee and immigrant support services, federal agencies like Small Business Development Center and the Federal Reserve, the regional Chamber of Commerce, and other entrepreneurial efforts in Louisville and the region, as well as business funding sources and banks. RISE ensures that immigrant entrepreneurs are accepted these and other agencies and that they acquire essential training for business success.

The first step RISE takes is to foster relationships between entrepreneurs and business coaches. Coaches perform an initial assessment to measure what they call business "gumption," evaluating whether or not an entrepreneur has a viable vision and the mettle necessary to run a successful business.

Coaches work with entrepreneurs to identify missing pieces in their entrepreneurial skillsets and connect them with successful and seasoned entrepreneurs in the same market who can help turn a business plan into reality. This individualized approach is coupled also with support from other professionals in marketing, finance, law, etc. In February 2014 the program accepted 17 entrepreneurs of which 12 are in various stages of business. As capacity builds RISE will have 3 cohorts per year each with 15 entrepreneurs.

ENTREPRENEURSHIP

service opportunity to build related capacities in the immigrant business owner. This can include providing financial literacy training, homeownership counseling, English language classes, immigration-related legal services, computer literacy training, free tax preparation services, and other tools that immigrants may need to improve their quality of life in America.

SERVICE INTEGRATION MODEL PROGRAM: MISSION ECONOMIC DEVELOPMENT AGENCY, SAN FRANCISCO

The Mission Economic Development Agency (MEDA) is a neighborhood service center that is designed to be a one-stop shop for residents of San Francisco's Mission District - two thirds of whom are Spanish-speaking. MEDA conducts a single intake process for the range of support services it offers, which include financial literacy, homeownership, computer literacy, free tax preparation, and small business development.

More often than not, immigrants first walk through the doors of MEDA not for the small business development program, but for free tax preparation. By providing free tax preparation, MEDA staff often uncovers that community members can benefit and desire financial literacy training, workforce development, or microenterprise training. A single intake process helps MEDA staff build trust with immigrants and learn about their dreams and aspirations, often uncovering the fact that many of MEDA's clients dream of owning a business or are self-employed and in need of business assistance. MEDA enrolls aspiring entrepreneurs in a six-week business-training course. After graduation, entrepreneurs are matched with a coach for ongoing individualized assistance. Some entrepreneurs are housed in a business incubator on the first floor of the MEDA building to launch a new business.

In 2013, MEDA received an \$800,000 grant from the U.S. Department of Health and Human Services to launch a revolving loan fund for small minority businesses. Since that time, 41 loans have been packaged, amounting to nearly \$700,000 to support 36 new businesses in the district.

WOMEN ENTREPRENEURSHIP MODEL

The focus on women by some immigrant and refugee entrepreneurship programs has several supporting arguments. In fact, the Grameen Bank in Bangladesh, whose micro credit work has been honored by Professor Muhammad Yunus' award of a 2006 Nobel Peace Prize, spent many years only servicing women clients, arguing that women have proven to be the best poverty fighters. According to Grameen, studies have shown that women use the profits from their businesses to send their children to school, improve their families' living conditions and nutrition, and expand their businesses. When they use their profits to make better lives for their children, women help break the generational cycle of poverty.

U.S. entrepreneurship programs targeting immigrant and refugee women give immigrant women, who often come from cultures in which women stay in the home, a sense of purpose outside the home. By targeting services at women, the programs encourage friendship among others in the community, increase women's self-sufficiency, and improve women's self-esteem. Moreover, as you can see in the examples below, their focus on women has led to some remarkable results.

WOMEN ENTREPRENEURSHIP MODEL PROGRAM: ACRE FAMILY CHILD CARE, LOWELL, MA

Founded in Lowell, Massachusetts in 1988, Acre Family Child Care's (AFCC) mission is "to help women build licensed, home-based family child care businesses while providing community-based child care to the families of Lowell."¹⁴

Originally created in response to economic challenges in the Lowell area AFCC's program is designed to address both a lack of jobs and the need for child care. Training programs are offered to women in Spanish and Khmer,

¹⁴ www.acrefamily.org

as well as English, to help women run licensed family child care businesses in their own homes. The resulting businesses have a multiplier effect that are felt throughout the community, since child care providers can earn a living by staying home with their own young children, while at the same time offering child care to other community members who may pursue work opportunities or other job training programs.

AFCC-related services are provided in an area wide network to nearly 400 children every day. Services can include childcare for second- or third-shift parents who require overnight and weekend support. In addition, Acre staff provides monitoring through home visits to ensure quality care, as well as other support services and early childhood training programs beyond the initial business-related training.

From 2000-2008, Acre's community impact was:

- More than 1,750 children received childcare services. Acre's staff of child care specialists conducted over 3,100 visits to the family child care homes to ensure the children received safe and developmentally appropriate care.
- 100 family child care providers participated in Acre's training program. Additionally, Acre offered 620 hours of workshops and classes for professional development and continued learning opportunities.
- Over \$125,000 in small business loans were made to family child care providers to help buy educational supplies, make improvements to child care spaces, and to enroll in college courses or attend professional child care conferences.

WOMEN ENTREPRENEURSHIP MODEL PROGRAM: INTERNATIONAL RESCUE COMMITTEE AND WOMEN'S EMPOWERMENT CENTER, SAN DIEGO

Another program worth mentioning is the WE-STAR (Women's Empowerment Support, Training and Assistance to Refugee) Center for women, which is a partnership between the International Rescue Committee (IRC) and Women's Empowerment Center to create a culturally-sensitive setting for refugee women to learn about microenterprise in the United States. The STAR Center provides individualized services for refugee women including one-on-one intensive business counseling and technical assistance, targeted group trainings, and access to business loans and grants.

In 2000, IRC San Diego created the international organization's first microfinance program to offer capital to start-up entrepreneurs who, because they are new to this country, have no credit within the U.S. system. With \$267,000 in microloans funded to date and a 100 percent repayment rate, the STAR Center has served 245 women, 116 of whom have started, strengthened or expanded small businesses.¹⁵ The program also helps to develop the confidence of and ability to make better lives for themselves and their families.

WOMEN ENTREPRENEURSHIP MODEL PROGRAM: PROSPERA (FORMERLY WAGES), SAN FRANCISCO

Prospera (formerly WAGES) was formed in 1995 to help improve the lives of low-income Latina immigrants and help transform their families and communities in the Bay Area. Originally, the program focused on building

WOMEN ENTREPRENEUR RESOURCE

The Microenterprise Development – Home-Based Childcare Program at the federal Office of Refugee Resettlement (ORR) provides business opportunities to refugee women in a market where there is a shortage of childcare providers.¹

Through the grant, mentors help refugee women establish agreements or contracts with state or county child care offices so they may qualify for state/county childcare reimbursement as childcare service providers, and become successful, independent entrepreneurs. In 2012, the ORR increased funding to the program, raising it from \$2.2 million to \$5.75 million and provided grants to 34 local nonprofit agencies.

In just the first year of the project, the original 13 grantees across the country had impressive results, including: training 745 refugee women; obtaining business licenses for 172; 160 home-based child care programs; \$249,000 in grants to partially cover business startup costs (garnering an additional \$208,000 in subsidies); 207 jobs; and 79 fewer refugees on public assistance.

¹ <http://www.acf.hhs.gov/programs/orr/programs/microenterprise-development-home-based-child-care-3>

¹⁵ <http://www.rescue.org/>

ENTREPRENEURSHIP

eco-friendly housecleaning cooperatives that taught the women worker-owner entrepreneurial skills. The co-ops that Prospera developed sustain about 100 jobs in co-op businesses engaged in eco-friendly housecleaning and Prospera is in the process of developing co-ops that will operate in the food industry.

The worker-owners of these co-ops double and triple their incomes, build assets, and become financially savvy business owners. The collective ownership structure of co-ops fosters remarkable leadership development fueling social transformation. Worker-owned co-ops create waves of empowerment that begin with groups of entrepreneurs and move to spur local economies and transform entire communities. Prospera provides online tools, training events, webinars, and community workshops to share its expertise with others because Prospera believes its “model shows tremendous promise both within and beyond the Bay Area.”¹⁶

¹⁶ <http://prosperacoops.org/what-we-do>



Chapter 4

INTERNATIONAL STUDENT RETENTION

INTERNATIONAL STUDENT RETENTION

OVERVIEW

The United States is experiencing a record number of international students studying at its colleges and universities.¹ In the 2012–2013 academic year, 819,644 international students were studying in the U.S., up 7 percent from the previous year, and marking the seventh consecutive year of increase.² The current immigration system can make it challenging to retain international students, and most will need to return home after completing their studies and initial employment experiences.³ While international students help universities, often by paying top dollar for their education, our current immigration system is shutting the door on much of this talent. Nonetheless, many local communities are looking to widen the existing pathways to help navigate the legal hurdles to retaining international student talent.

.....

“International student retention programs view international students as the pathway to building the next Silicon Valley. These students can also create long-term global trade relationships and loyalties, serving as bridges between origin and destination communities.”

.....

Programs that focus on retaining international students after graduation by connecting them to unmet workforce needs, especially in the science, technology, engineering, and mathematics (STEM) fields are emerging.⁴ These programs do not answer all the challenges that international students or companies eager to hire this talent pool face, but they can create on-ramps to help navigate those obstacles. International student retention programs view international students as the pathway to building the next Silicon Valley. These students can also create long-term global trade relationships and loyalties, serving as bridges between origin and destination communities.⁵ They also can help attract more international talent to universities, by fostering a more robust and welcoming experience for international students while in the community as well as by offering some hope of post-graduation employment.

¹“Open Doors Report on International Educational Exchange,” *iie.org*. Institute of International Education, November 11, 2013, <http://www.iie.org/Who-We-Are/News-and-Events/Press-Center/Press-Releases/2013/2013-11-11-Open-Doors-Data>.

² Ibid.

³ Neil G. Ruiz and Madeline Baron, “Even Without Immigration Reform Foreign Students at Record High,” *brookings.edu*. The Brookings Institution, November 15, 2013. <http://www.brookings.edu/blogs/the-avenue/posts/2013/11/15-immigration-reform-foreign-students-ruiz-baron>.

⁴ While international students have been estimated to be three times as likely to major in STEM fields and comprise 40 to 50 percent of the masters and Ph.D.’s awarded in life sciences, physical sciences, computer sciences, and engineering, domestic students are starting to answer the call for more STEM degrees. See Allie Bidwell, “Science, Engineering Degrees Grew Twice as Fast as Others, Report Says,” *usnews.com*. U.S. News and World Report, November 21, 2013, <http://www.usnews.com/news/articles/2013/11/21/science-engineering-degrees-grew-twice-as-fast-as-others-report-says>. Clearly a call for more domestic STEM students needs to be made and answered, but it will be at least a decade before such systems can be developed, while STEM shortages in the U.S. economy are real and current.

⁵ Robert E.B. Lucas, “International Labor Migration in a Globalizing Economy,” *carnegieendowment.org*, Carnegie Endowment for International Peace, July 2008, http://carnegieendowment.org/files/international_migration_globalizing_economy.pdf.

OPPORTUNITIES

INTERNATIONAL STUDENTS OF TODAY REPRESENT THE FUTURE TECH, FORTUNE 500, AND URBAN ENTREPRENEURS THAT WILL CONTINUE AMERICA'S ECONOMIC PROSPERITY

International students make up some of the most talented and economically important workers and innovators in the world. The groundbreaking survey research by Vivek Wadhwa at Duke University and Anna Lee Saxenian at University of California-Berkeley on immigrant high-tech entrepreneurs that suggests that 25 percent of all the nation's high-tech firms created between 1995 and 2005 were founded by immigrants underscores the potential of international student retention.⁶ Follow-up research suggests that the average immigrant high-tech entrepreneur created their business 13 years after entering the U.S. and that the top reason for coming to the U.S. was to get an education.⁷ This suggests that international student retention can be the pathway to building a vibrant high-tech economy.

In this 21st century economy, the innovation and entrepreneurialism of immigrants enormously benefits the American economy. Immigrants start businesses at more than twice the rate of U.S.-born individuals, accounting for 28 percent of all new small businesses in the U.S. in 2011, despite accounting for just 12.9 percent of the U.S. population. Immigrant-owned businesses generated more than \$775 billion in sales and more than \$100 billion in income in 2010 while employing one out of every ten American workers at privately-owned companies.⁸ Immigrants to the U.S. or their children founded more than 40 percent of the 2010 Fortune 500 companies, and these companies employ more than 10 million people worldwide, generating \$4.2 trillion in revenue, which is greater than the GDP of every country in the world outside the U.S. except China and Japan.⁹

Follow-up research suggests that the average immigrant high-tech entrepreneur created their business 13 years after entering the U.S. and that the top reason for coming to the U.S. was to get an education. This suggests that international student retention can be the pathway to building a vibrant high-tech economy.

International students cluster heavily in certain metropolitan areas¹⁰ with high concentrations of colleges and universities, and 45 percent of immigrant graduates extend their visas to stay and work in the area.¹¹

INTERNATIONAL STUDENTS ARE HIGHLY EDUCATED IN THE FIELDS OF STUDY NEEDED BY AMERICAN COMPANIES

According to researchers at the National Bureau of Economic Research, STEM workers are the main drivers of productivity and growth in the U.S.¹² Since IT and engineering are the fastest growing industries, it is increasingly

⁶ Vivek Wadhwa, AnnaLee Saxenian, Ben Rissing, and Gary Gereffi, "America's New Immigrant Entrepreneurs," *papers.ssrn.com*. Duke Science, Technology & Innovation Paper No. 23, January 4, 2007, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=990152.

⁷ Vivek Wadhwa, Richard Freeman, and Ben Rissing, "Education and Tech Entrepreneurship," *kauffman.org*. Ewing Marion Kauffman Foundation, May 2008, http://www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2008/06/education_tech_ent_061108.pdf.

⁸ "Open for Business: How Immigrants are Driving Small Business Creation in the United States," *renewoureconomy.org*. The Partnership for a New American Economy, August 2012, <http://www.renewoureconomy.org/sites/all/themes/pnae/openforbusiness.pdf>.

⁹ "The 'New American' Fortune 500," *renewoureconomy.org*. Partnership for a New American Economy, June 2011, <http://www.renewoureconomy.org/wp-content/uploads/2013/07/new-american-fortune-500-june-2011.pdf>.

¹⁰ Of the 100 metropolitan areas that received the greatest number of undergrad and graduate foreign students admitted on F-1 visas, 65 were among the top 100 metro areas in population size. See Neil G. Ruiz, "Immigration Facts on Foreign Students," *brookings.edu*. Brookings Institution, April 9, 2013, <http://www.brookings.edu/research/interactives/2013/facts-on-foreign-students>.

¹¹ Neil G. Ruiz, "The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations," *brookings.edu*. The Brookings Institution, August 29, 2014, <http://www.brookings.edu/research/interactives/2014/geography-of-foreign-students#/M10420>

¹² Giovanni Peri, Kevin Y. Shih, and Chad Sparber, "Foreign STEM Workers and Native Wages and Employment in U.S. Cities," *nber.org*. National Bureau of Economic Research Working Paper Series, May 2014, <http://www.nber.org/papers/w20093>.

INTERNATIONAL STUDENT RETENTION

difficult to find qualified candidates for high-level tech positions. In 2010, 96,162 of the country's international students were earning an advanced degree in a STEM field.¹³

Two-thirds of foreign students pursuing a bachelor's or higher degree are in STEM fields or business, management and marketing fields versus 48 percent of students in the United States.¹⁴ International students are estimated to comprise:

- 50 percent of all new U.S. Ph.D.'s in engineering
- 45 percent of all new U.S. Ph.D.'s in life sciences, physical sciences, and computer sciences
- 40 percent of all new U.S. master's degrees in computer sciences, physical sciences, and engineering
- 25 percent of all practicing physicians¹⁵

Employers who utilize international students as a critical component of their STEM worker strategy have an advantage over other businesses that do not recruit or even consider this talent pool.

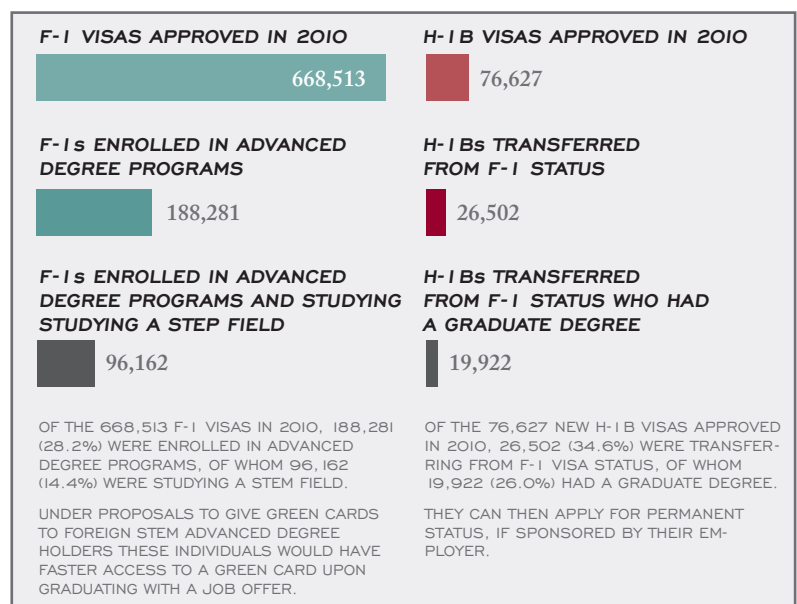
INTERNATIONAL STUDENTS PROVIDE A POSITIVE IMPACT ON THE U.S. ECONOMY WHILE STUDYING

American colleges and universities have experienced phenomenal growth in the number of international students studying in the U.S. The Brookings Institution estimates that the number of F-student visas (by far the most common international student visa for higher education) grew from 110,000 to 524,000 between 2001 and 2012—a nearly five-fold increase in international students in little more than a decade, suggesting the timeliness of this opportunity.¹⁶

These international students have a significant positive economic impact on the local communities where they study. Their tuition, fees, and living expenses meet the technical definition of an export product and collectively account for more than \$24 billion of consumption on an annual basis, supporting 313,000 jobs as a result of this spending.¹⁷ International students can represent an important source of much-needed tuition dollars to U.S. higher education. Most international students pay higher international tuition rates and the Institute of International Education's Open Doors 2013 reports that about 72 percent of all international students receive the majority of their funds from sources outside of the United States, including personal and family sources, as well as assistance from their home country governments or universities.¹⁸ Students from around the world who study in the United States also contribute to America's scientific and technical research and bring international perspectives into U.S. classrooms, which helps prepare American undergraduates for global careers and often leads to longer-term business relationships and economic benefits.¹⁹

CHALLENGES AND OPPORTUNITIES

Our current federal immigration system makes it challenging to retain international students. Only a fraction of them are able to attain a



¹³ Ruiz, "Immigration Facts on Foreign Students."

¹⁴ Ruiz, "The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations," p. 1.

¹⁵ Richard Herman and Raghav Singh, "Recruiting the Tired, the Poor, and the Wretched Refuse," *Journal of Corporate Recruiting Leadership*, September 2008, p. 18.

¹⁶ Ruiz, "The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations," p. 8.

¹⁷ "The International Student Economic Value Tool," *nafsa.org*. National Association of Foreign Student Advisors, 2013, http://www.nafsa.org/Explore_International_Education/Impact/Data_And_Statistics/The_International_Student_Economic_Value_Tool/.

¹⁸ "Open Doors Report on International Educational Exchange."

¹⁹ Ibid.

temporary skilled worker visa or secure long-term work authorization after graduating. There have been many legislative proposals to create a green card for international students receiving graduate degrees in the STEM fields that would enable them to work in the United States immediately post-graduation,²⁰ including provisions in Senate Bill 744, the Border Security, Economic Opportunity, and Immigration Modernization Act, which passed the U.S. Senate in June 2013 with bipartisan support. The Senate bill would allow students receiving a master's degree in a STEM field, as well as students receiving a Ph.D. in any field, to be fast-tracked for receiving a green card. Unfortunately, federal immigration changes of this type—while having broad bipartisan support—are caught in Congressional gridlock over the larger immigration issues, and Senate Bill 744 has never been considered in the U.S. House.

NAVIGATING THE HURDLES FROM INTERNATIONAL STUDENT TO WORK AUTHORIZATION

H-1B visas are intended to connect U.S. employers to high-skilled workers. Federal immigration (U.S. Citizenship and Immigration Services or USCIS) grants only 85,000 H-1B visas annually to private firms (65,000, plus 20,000 reserved for international workers with advanced degrees from U.S. colleges and universities). The time it takes to reach the cap has been rapidly decreasing since 2003 (when an expanded cap of 195,000 was allowed to expire). In April 2014, it took only five days for 172,500

²⁰ Ruiz, "Immigration Facts on Foreign Students."

²¹ See U.S. Citizenship and Immigration Services, <http://www.uscis.gov/working-united-states/students-and-exchange-visitors/students-and-employment>.

²² See International Student, <http://www.internationalstudent.com/immigration/f1-student-visa/#>.

²³ Ibid.

²⁴ See U.S. Citizenship and Immigration Services, <http://www.uscis.gov/eir/visa-guide/f-1-opt-optional-practical-training/understanding-f-1-opt-requirements>.

²⁵ Neil Ruiz, Jill Wilson, and Shyamali Choudhury, "The Search for Skills: Demand for H-1B Immigrant Workers in U.S. Metropolitan Areas," *brookings.edu*. Brookings Institution, 2012, <http://www.brookings.edu/~media/research/files/reports/2012/7/18%20h1b%20visas%20labor%20immigration/18%20h1b%20visas%20labor%20immigration.pdf>.

ANALYSIS OF VISA ISSUES IMPACTING INTERNATIONAL STUDENTS

Academic Student (F-1) Visa – An F-1 visa (Academic Student Visa) allows foreign-born to enter the United States as a full-time student at an accredited college, university, seminary, conservatory, academic high school, elementary school, language training program, or other academic institution or program.. They must be enrolled in a program or course of study that culminates in a degree, diploma, or certificate, and the school must be authorized by the U.S. government to accept international students.²¹ F-1 students must maintain the minimum course load for full-time student status. They can remain in the U.S. up to 60 days beyond the length of time it takes to complete their academic program, unless they have applied and been approved to stay and work for a period of time under the optional practical training (OPT) program.²²

Optional Practical Training (OPT) – An F-1 student is generally entitled up to one year of post-completion optional practical training.²³ Authorization for this type of practical training may be granted for a maximum of 12 months and only starts once you have graduated or completed your course of study. Graduates of STEM fields can extend their OPT authorization for up to 17 months (29 months total), provided their employers use the federal E-Verify system.²⁴

"Specialty Occupation" (H-1B) Visa – The temporary employment-based visa that allows U.S. employers to hire international workers on a temporary basis in specialty occupations that require at least a bachelor's degree. H-1B visas are granted for up to three-year increments with the option to extend up to six years. H-1B visas are issued to employers on a first-come, first-served basis with an annual cap of 65,000 visas, plus an additional 20,000 visas for workers with advanced degrees from U.S. institutions.²⁵ Employers are required to pay H-1B workers a prevailing wage for the job similar to what would be paid to those with similar skills and experience.

INTERNATIONAL STUDENT RETENTION

H-1B applications to be submitted for 2015 visas and this past April over 233,000 applications were filed during the five-day application window.²⁶ Because of this some U.S. companies are re-locating operations in other countries where visa availability makes it easier to hire high-skilled international workers – creating jobs elsewhere that could have been created in the U.S.²⁷ Cities whose employers faced large numbers of H-1B Visa denials experience considerably less job creation and wage growth for American born computer workers in the years that followed.²⁸

In pioneering research analyzing the international student visas from over a decade's worth of data, the Brookings Institution has highlighted the opportunity that international students present for the U.S. economy, noting that “if legislation is passed to create an easier pathway for retaining international students that obtain advanced STEM degrees at U.S. universities, the impact could be huge: about 96,200 incoming international students on F-1 visas in 2010 could have become eligible for a green card upon graduation. Currently, only a fraction of these students attain a temporary skilled-worker visa after graduating.”²⁹

The optional practical training (OPT) portion of a student visa can function as a bridge to attracting and retaining international students. Providing international students with a potential opportunity to be able to stay after graduation could draw them to studying in the U.S. By utilizing an OPT, international students have the opportunity to gain business knowledge while potentially demonstrating the needed skills that would motivate an employer to apply for an H-1B visa to retain them. An international student who returns to her home country after working for an American employer under her OPT benefits that American employer by serving as a connection to their home country and its businesses, trade, and investment opportunities.

MICHIGAN GLOBAL TALENT RETENTION INITIATIVE (GTRI)

The Michigan Global Talent Retention Initiative was created in 2011 out of the Global Detroit study. As the nation's first international student retention program with full-time staff, GTRI focuses on strengthening and diversifying the state's economy through the retention of top international talent. By retaining international students, GTRI is a catalyst to lessening the skills gap, especially in the STEM fields, and cultivating a climate in which Michigan businesses can be competitive in the new economy. GTRI works with over 30 Michigan colleges and universities to attract and retain talented international students as well as with over 60 Michigan employers to fill their unmet talent needs.

Michigan Governor Rick Snyder has noted that:

The message to international students who take part in GTRI events is simple. Michigan wants you! . . . Connecting highly skilled international students with employers and giving them the opportunity to work and live in a beautiful, vibrant state will help create a strategic advantage for our state and strengthen the Michigan economy.³⁰

GTRI provides international students and local employers with training and resources on relevant immigration regulations (including promoting awareness of the OPT program), information on finding a job in Michigan, and help with cross-cultural issues that both employers and international applicants may experience during the hiring process. Its Global Opportunity Employer (GO Employer) program allows Michigan employers to signal their willingness to hire international talent. GTRI provides guidance and assistance in hiring international talent, distributing job postings to their networks, and maximizing company talent searches by making it easily recognizable to international students as a GOemployer (via an easy-to-spot GO Employer logo that the companies can use in their postings).

²⁶ See U.S. Citizenship and Immigration Services, <http://www.uscis.gov/news/uscis-reaches-fy-2015-h-1b-cap-0>.

²⁷ Giovanni Peri, Kevin Shih, Chad Sparber, Angie Marek Zeitlin, “Closing Economic Windows: How H1-B Visa Denials Cost U.S. –Born Tech Workers Jobs and Wages During the Great Recession,” *renewoureconomy.org*, The Partnership for a New American Economy, June 2014, http://www.renewoureconomy.org/wp-content/uploads/2014/06/pnae_h1b.pdf.

²⁸ Ibid.

²⁹ Ruiz, “America's Foreign Students and Immigrations Reform”

³⁰ Letter from Governor Rick Snyder posted on the GTRI website, <http://www.migtri.org/mission/>.

INTERNATIONAL STUDENT RETENTION

GTRI also is in the process of creating a Global Opportunity (GO) Ambassador program at its partner schools. GO Ambassadors will be student-led and student-run organizations on campus who will assist GTRI in reaching out to international students, marketing the program, participating in surveys/research conducted by GTRI, assisting with career conferences, and connecting the students with the international community and assets off campus in the community.

ST. LOUIS MOSAIC CONNECTOR PROGRAM

The St. Louis Mosaic Project, a regional initiative to capitalize on the economic benefits of increasing the foreign-born population, has engaged both the international student services and career services offices of five local universities, along with the Regional Business Council, to share best practices and identify collaborative opportunities. The international student retention efforts grew out of a report from Washington University students who researched best practices of international student services and career services offices and frequently found that international student services offices and career services offices within the same university are not working together to prepare intentional students for their future careers.

The group will continue to meet for an Annual Best Practice Meeting, which rotates hosts between the universities. The goal is for the regional international student services offices to share best practices with each other and identify collaborative opportunities, for the career services offices to do the same, and for the offices to cross-collaborate.

Additionally, the St. Louis Regional Business Council (RBC) runs an RBC Mentor Network to pair local university students at each of the 14 local business and engineering schools with a CEO or top executive of an RBC company to receive practical, “real world” knowledge and post-graduate opportunities. The RBC professionals provide soft skills guidance and mentorship to the young talent. In 2014, the RBC committed to eleven of the 144 students in the project to being international students, and in 2015 the Mentor Network is committed to 22 international students for next year.

The goal is for the regional international student services offices to share best practices with each other and identify collaborative opportunities, for the career services offices to do the same, and for the offices to cross-collaborate.

GLOBAL LANSING

The Greater Lansing region has over 7,000 international students between Michigan State University and Lansing Community College, representing over one-fourth of the international student population in the state of Michigan. In 2011 alone, these international students contributed \$180 million to the Lansing regional economy.

In 2012, a group of regional partners began meeting to discuss the need for a concerted effort to create a more coordinated strategy to engage, support, and leverage the economic opportunity these international student represent for Lansing’s long-term economic growth.

The Getting Started Fellowship Program matches international students in Greater Lansing to internships and mentorships with area businesses and entrepreneurs. The three primary goals of the program are to (1) educate the community on the value of our growing international community; (2) encourage and facilitate opportunities for community members to meet and learn from these international students; and (3) empower the community to initiate and create their own programs that help to create a more connected, open, and global Greater Lansing region.³¹ In addition to placing international students in internships, the program has conducted a facilitated focus group with international students to identify their interests, concerns, and hopes for their experience in the Lansing area.

The program received a \$20,000 grant from the Michigan Economic Development Council in the fall 2012 to place international students with companies for internships. They successfully placed seven interns for the spring

³¹ See Global Lansing <http://www.globallansing.com/>.

2013 semester, some of whom continued their internships into the summer. The program assisted employers through the required work authorization process, streamlining the process and perhaps more importantly, demystifying it.

GLOBAL ENTREPRENEUR IN RESIDENCE PROGRAM FROM MASSACHUSETTS

In July 2014, Massachusetts Governor Deval Patrick proposed an ambitious answer to the visa challenges faced by international students wishing to launch businesses after graduation from Massachusetts' colleges and universities. The program proposes to allow qualified, high-skilled, international students currently in Massachusetts to stay after graduation if they are starting or growing a business. Administered by the Mass Tech Collaborative, the program will place selected students – who are eligible for H-1B visas but unable to get them due to the federal cap – as “entrepreneurs in residence” at public and private institutions and will ensure that they continue to contribute to the Massachusetts economy.

The initial program, approved by the State Legislature in July 2014, restricts the program to the University of Massachusetts. International student entrepreneurs will work for the University one day per week and build their company the rest of the week. In this fashion, the programs hope that USCIS will view it as if entrepreneurs work at the University lab, whereby they could utilize an H-1B exemption for individuals working toward a university mission. This would allow the university to apply as a company and not be subject to the cap. Building on Massachusetts' model, the University of Colorado is seeking to replicate the global Entrepreneur In Residence Program and is largely turning to private venture capital to fund its implementation.



Chapter 5

WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT

OVERVIEW

Immigrant workers, including those with lower formal education levels (hereinafter referred as working-class), are an increasingly important and critical part of the U.S. and regional labors. As the foreign-born population has significantly grown as a share of the total U.S. population, they also have grown disproportionately as a share of the U.S. labor force. In 1970, immigrants made up approximately 5 percent of the population and 5 percent of the labor force. By 2013, there were some 40 million immigrants in the U.S. who comprised 12.9 percent of the total population. The 25.3 million immigrants participating in the U.S. workforce comprised 16.3 percent of the total labor force.¹

.....

“In 1970, immigrants made up approximately 5 percent of the population and 5 percent of the labor force. By 2013, there were some 40 million immigrants in the U.S. who comprised 12.9 percent of the total population and 16.3 percent of the total labor force.”

.....

Based on the nation’s aging patterns, the importance of immigrant labor, and the labor of their children, to the U.S. labor force will only grow in the coming years.² The U.S. population is getting older³ as baby boomers enter retirement and the nation is experiencing the lowest recorded birth rates in its history.⁴ Roughly 80 percent of the 1 million immigrants who enter the U.S. annually are “working age” (classified as ages 18 to 64) compared to only 60 percent of the native-born population.⁵

Working-class immigrants fill a critical need for lower-skilled positions. In addition to getting older, the American workforce is getting better educated, depriving a number of industries and important parts of the American economy the workforce they need. Consider that today only 7.4 percent of working-age U.S.-born Americans (aged 25-

¹ Audrey Singer, “Immigrant Workers in the U.S. Labor Force,” *brookings.edu*. The Brookings Institution and the Partnership for a New American Economy, March 15, 2012, <http://www.brookings.edu/research/papers/2012/03/15-immigrant-workers-singer>.

² Frank D. Bean, James D. Bachmeier, and Susan K. Brown, “A Crucial Piece of the Puzzle,” *renewoureconomy.org*. Partnership for a New American Economy, March 2014, <http://www.renewoureconomy.org/research/critical-piece-of-the-puzzle/>.

³ See Partnership for a New American Economy, <http://www.renewoureconomy.org/issues/low-skilled-labor/page/2/>.

⁴ Joyce A. Martin, M.P.H.; Brady E. Hamilton, Ph.D.; Michelle J.K. Osterman, M.H.S.; Sally C. Curtin, M.A. and T.J. Mathews, M.S., Division of Vital Statistics. “Births: Final Data for 2012,” National Vital Statistics Report 62, no.9 (2012): 1

⁵ “The Economic Development Impacts of Immigration,” *iedcoline.org*. Economic Development Research Partners, July 10, 2013, http://www.iedonline.org/clientuploads/Downloads/edrp/IEDC_EDRP_Immigration_Summary.pdf.

⁶ Note that while immigrants are nearly as likely as U.S.-born Americans to possess a college degree, they are four times as likely to lack a high school degree (28.9 percent of immigrants lack a high school degree), See Singer, “Immigrant Workers in the U.S. Labor Force.”

64) lack a high school diploma, compared to the 1960s when that portion was more than 50 percent.⁶ U.S.-born labor force participation is on the decline⁷, particularly among lower-skilled, young (aged 25-44) U.S.-born workers. (In fact, there are 12.3 million fewer lower-skilled young U.S.-born workers in 2010 than in 1990.⁸ As a result of these trends, immigrant workers now account for 49 percent of all workers in the U.S. workforce without a high-school degree.⁹ As U.S.-born workers become more educated, the demand for lower-skilled labor has and will continue to be met by immigrant workers.

Immigrants are disproportionately represented in low-wage industries, making up more than a fifth (21 percent) of low-wage workers and almost half of workers without a high school education.¹⁰ Experts have noted that the U.S. economy is dependent on immigrant labor, in part, because immigrants are the backbone of many industries that simply would not be able to survive without their skills, labor, and innovation.¹¹ Economists Michael Clemens and Robert Lynch have argued that “[i]n some areas of the economy, lesser skilled immigrants have kept entire industries alive.”¹²

In 2013, immigrants made up 22 percent of both the construction¹³ and food service civilian employed population, and 24 percent of the agriculture workforce.¹⁴ Immigrant workers supply 49 percent of all workers found in private households, and 31 percent of those in the accommodation industry (which includes maids, housekeeping, janitors, lodging managers, cooks, and dining room/cafe/tertia attendants).¹⁵ Moreover, immigrants cluster within specific occupations within these industries, making them even more dependent on immigrant labor.¹⁶

The majority of foreign-born workers, even in low-wage industries, are work authorized (a number expected to grow considerably based upon President Obama’s November 2014 Executive Order).¹⁷ Assisting working-class immigrants to integrate into the U.S. and regional workforce is a cost effective policy solution compared to the anticipated costs of having those same individuals not participate in the workforce or working in the informal economy—losing the opportunity to build financial history or fully pay taxes. Economic development and workforce development practitioners should pay attention to the immigrant labor force because of the abusive labor practices that can exist in the informal economy, which create unfair competition for businesses that comply with tax, regulatory, and legal requirements of the formal economy. The impacts of exploitive and illegal business practices also spill over to the entire community via additional strains on public systems. Additionally, immigrant

Local economies that can best integrate the labor pool of working-class immigrants will have competitive advantages over other regions.

⁷ Stephanie Aaronson, Tomaz Cajner, Bruce Fallick, Felix Galbis-Reig, Christopher Smith and William Wascher, “Labor Force Participation: Recent Developments and Future Prospects,” *brookings.edu*. The Brookings Institution, Fall 2014, <http://www.brookings.edu/about/projects/bpea/papers/2014/labor-force-participation-recent-developments-and-future-prospects>.

⁸ Bean, et al., “A Crucial Piece of the Puzzle.”

⁹ Chhandasi Pandya, “Limited English Proficient Workers and the Workforce Investment Act: Challenges and Opportunities,” *migrationpolicy.org*. Migration Policy Institute, July 19, 2012, <http://www.migrationpolicy.org/article/limited-english-proficient-workers-and-workforce-investment-act-challenges-and-opportunities>.

¹⁰ Hector Cordero-Guzman, “Community-Based Organizations, Immigrant Low-wage Workers, and the Workforce Development System in the United States,” Draft paper for Baruch College and City University of New York (March 2014) at <https://www.gcir.org/sites/default/files/resources/Cordero-WorkerCenters-WorkforceDevelopment-3-14-out.pdf>

¹¹ Singer, “Immigrant Workers in the U.S. Labor Force,” p. 5.

¹² Michael Clemens and Robert Lynch, “Low-Wage Workers Will Benefit from Immigration Reform Too,” *The New Republic*, April 29, 2013.

¹³ “Immigrant Workers in the Construction Labor Force,” *nahb.org*. National Association of Home Builders, April 1, 2013. <http://www.nahb.org/generic.aspx?sectionID=734&genericContentID=200529&channelID=311>.

¹⁴ Singer, A. “Immigrant Workers in the U.S. Labor Force.”

¹⁵ Ibid. p. 5.

¹⁶ Ibid. pp. 8-15.

¹⁷ Unauthorized immigrants make up 5.2 percent of the U.S. labor force. See Jeffrey S. Passel and D’Vera Cohn, “Unauthorized Immigrant Population: National and State Trends, 2010,” *pewhispanic.org*. Pew Research Hispanic Trends Project, February 1, 2011, <http://www.pewhispanic.org/2011/02/01/unauthorized-immigrant-population-national-and-state-trends-2010/>.

labor often demonstrates strong loyalty to their employers and some workforce development programs focused on immigrant labor have documented higher retention rates for employers, savings thousands of dollars on hiring and search costs.¹⁸

Local economies that can best integrate the labor pool of working-class immigrants will have competitive advantages over other regions. For immigrants to contribute to the workforce, substantive integration is necessary to efficiently and effectively connect them to the labor market. It is in the interest of all Americans — native-born and new arrivals alike — that all workers' skills and knowledge are put to their highest and best use. Connecting work-authorized immigrants with jobs that suit their skills enable their full contribution to the region's economy.

STRATEGIES AND RESOURCES

The field of workforce development for working-class immigrants and refugees is vast. Adequate coverage of the depth of strategic thinking, models, evaluation, and resources is well beyond the scope of this guide. Specific areas of value and interest that economic development practitioners may want to research and incorporate in any regional economic development effort focusing on immigrants and refugees would include:

TRADITIONAL INTEGRATION SERVICE PROVIDERS – For well over 100 years, American institutions have been working to integrate newcomers and providing jobs, job search skills, English language skills, and the tools to integrate into the U.S. workforce have been a part of those efforts. These efforts have evolved and a sophisticated, thoughtful, and well-researched field of integration supports this work. Especially relevant for a toolkit on immigrant economic development is a 2006 “Toolkit for Grantmakers” developed by Grantmakers Concerned with Immigrants and Refugees, which outlines promising integration practices in nine areas of integration (e.g., economic mobility, language access, education, etc.).¹⁹ Additional integration service models are explored in a separate chapter. Also, a number of strategies noted in the section on serving highly skilled immigrants apply across the skills spectrum.

While not comprehensive, we chose to highlight the programs at the Welcoming Center for New Pennsylvanians in Philadelphia and the Mission Economic Development Agency in San Francisco in this chapter because each program represents an approach that seeks to address the workforce development needs of working-class immigrants in a fairly comprehensive manner. We also have highlighted workforce programs addressing English language acquisition in the workplace because of the importance of this topic and the high level of innovation in the field.

WORKFORCE DEVELOPMENT AGENCIES AND WORKFORCE TRAINING FUNDS –

Most workforce development funding and related work is done through federal workforce grants that are passed onto state and local workforce development agencies and nonprofit organizations. The Migration Policy Institute has done a solid analysis of how federal Workforce Investment Act programs impact the workforce, noting significant problems in serving Limited English Proficient (LEP) workers seeking workforce services.²⁰ A review of best practices supported by workforce development agencies is beyond the scope of this guide, but a collection of best practices has been developed by the Institute for Work and the Economy,²¹ including a detailed paper about best practices in workforce efforts.²² Some of the programs featured in this chapter are successful at tapping into

¹⁸ See mention of Welcoming Center for New Pennsylvanians below.

¹⁹ Daranee Petsod, Ted Wang, and Craig McGarvey, “Investing in Our Communities: Strategies for Immigrant Integration—A Toolkit for Grantmakers,” *gcir.org*. Grantmakers Concerned with Immigrants and Refugees, 2006, <https://www.gcir.org/sites/default/files/resources/GCIR%20Toolkit.pdf>.

²⁰ Pandya, “Limited English Proficient Workers and the Workforce Investment Act: Challenges and Opportunities.”

²¹ See Institute for Work and Economy, <http://www.workandeconomy.org/pastprojects/workplacelearningconf.html>.

²² Peter Creticos, James Schultz, Amy Beeler, and Eva Ball, “The Integration of Immigrants in the Workplace,” *workandeconomy.org*. Institute for Work and the Economy, 2006, http://www.workandeconomy.org/images/The_Integration_of_Immigrants_in_the_Workplace_Pre-publication_Release_7-31-06.pdf.

these funds for the programs that we have featured.²³ Nonetheless, it is important that local economic development and integration efforts focusing on workforce development reach out to local Workforce Investment Boards and other traditional local workforce development infrastructure so that efforts with immigrants are coordinated with more traditional workforce programs.

REFUGEE RESETTLEMENT AGENCIES - Refugees arriving in the U.S. are placed with private resettlement agencies (voluntary agencies, known as “VOLAGs”) that have signed a Cooperative Agreement with the State Department and, more specifically, one of the more than 350 local affiliates these agencies have spread throughout the U.S.²⁴ The affiliates are responsible for assuring that a core group of services are provided during the first 30-90 days after a refugee’s arrival, including food, housing, clothing, employment services, follow-up medical care, and other necessary services.

All refugees are eligible for federally-funded benefits and services during their first eight months. Refugees determined ineligible for the State-Federal programs that support families in need – Temporary Assistance for Needy Families (TANF) and Medicaid – are eligible for Refugee Cash Assistance and Refugee Medical Assistance for their first eight months in the U.S. These refugee programs are federally supported, but also leverage significant private and voluntary resources which can be critical components for addressing the long-term integration and welcoming of new refugee populations. These benefits are ended after the eight-month period, after which refugees must rely upon state benefit eligibility requirements that govern other legal residents.

All refugees are entitled to receive authorization for employment and enabling economic self-sufficiency is a guiding objective of U.S. refugee resettlement policy. Refugees are protected by civil rights legislation and cannot be discriminated in the workplace. In order to prepare refugees for successful contributions to the workforce, refugee resettlement programs concentrate on employment, workforce development, and job preparation services. Among the top listed best practices in these programs are developing relationships with potential and current refugee employers.²⁵ Refugee agencies also cite job readiness training workshops including resume building, workplace English training, computer training, and interview preparations as a best practice. Innovative practices like social media advertising, placing highly proficient English speakers first to train future refugee employees, collaboration with local partners and placement agencies, and financial literacy training as additional ways to increase refugee economic self-sufficiency rates.

All refugees are eligible for federally-funded benefits and services during their first eight months.

“Higher” (formerly known as RefugeeWorks) is a job placement resource to assist in finding refugee employment training programs and ideas. The agency maintains a significant inventory of downloadable tools services on their website that include a variety of English language employment tools, program design manuals for workforce development practitioners, sample employer outreach brochures, mentoring resources, facts and research.²⁶

²³ One example of how state workforce funds have been used to support local workforce integration efforts targeting immigrants is Iowa’s New Iowan Centers. Unfortunately, more in depth research into this program was unable to be completed by publication time (and, in part, due to the program’s website being under construction), but more information on the New Iowan Centers can be found at Sarah Bzdege, “New Iowan Centers One-Stop Shop for Newcomers,” *businessrecord.com*, Business Record, July 11, 2009, <http://www.businessrecord.com/Content/Default/Archives/Article/New-Iowan-Centers-one-stop-shop-for-newcomers/-3/988/38464> and Petsod, et al, “Investing in Our Communities: Strategies for Immigrant Integration,” p. 130.

²⁴ A state-by-state list of affiliate agencies is located at <http://www.wrapsnet.org/Portals/1/Affiliate%20Directory%20Posting/FY%202013%20Affiliate%20Directory/Affiliate-Public.pdf>.

²⁵ Trevor Fleck, “Finding Employment: Factors Influencing Self-Sufficiency Rates in the Office of Refugee Resettlement’s Matching Grant Program,” *unc.edu*. The University of North Carolina at Chapel Hill, March 23, 2012, http://www.mpa.unc.edu/sites/www.mpa.unc.edu/files/Trevor%20Fleck_0.pdf.

²⁶ Higher’s downloadable tools can be found at <http://www.higheradvantage.org/downloadable-tools/>

COMMUNITY COLLEGES – Community colleges can serve as critical gateways for educating, training, and preparing refugees for success in the workforce. Community colleges provide an ideal venue for educating refugees as the largest providers of adult English language instruction, an array of academic and vocational programs, as well as a full set of job skills training, civics education, and a range of academic, employment, and social support services.²⁷ The Community College Consortium for Immigrant Education (CCCIE) is a national network of 23 community colleges and other professional and research organizations that local economic development agencies and community colleges can access to attain information, research, and a network of best practices to assist in developing local programs to prepare immigrants and refugees for successful integration into the regional workforce.

Distilling the broad range of community college programs that prepare working-class Americans (both U.S.-born and immigrants) to best practices that can assist local immigrant economic development initiatives is a topic worthy of its own research and toolkit.

WORKER CENTERS – Exploitation of vulnerable immigrant workers is an issue for economic development practitioners and public policy makers not only because of the impacts on immigrant workers and their families, but the threats to honest businesses from unfair competition.²⁸ When unscrupulous employers or the underground economy are able to pay workers well below the minimum wage, take advantage of public worker compensation and health care systems, and avoid paying taxes, honest businesses in the formal economy and public systems end up paying more than their fair share.

The exploitation of immigrant workers is certainly not new—earlier waves of immigrants also faced discrimination and took up some of society’s dirtiest and most dangerous jobs. The institutions, civic groups, political parties, and especially labor organizations that once existed to help immigrant workers integrate, however, are far different today than they were a century ago. One modern emergent institution that plays an important role in helping working-class immigrants is the worker center.²⁹

Like other immigrant service organizations, worker centers engage in service provision. As work is the primary focus of life for many newly arrived immigrants, it is also the locus of many of the problems they experience. For this reason, worker centers focus on work, but also have a broad orientation and respond to the variety of issues faced by recent immigrants to the United States.

EL SOL: JUPITER, FLORIDA’S NEIGHBORHOOD RESOURCE CENTER

In Jupiter, Florida in 2006 an “open-air labor market” began to develop on Center Street. Hundreds of day laborers (primarily Mayan immigrants from Guatemala and Southern Mexico) congregated daily on Center Street in an unorganized outdoor labor market where employers picked them up for work. Neighbors complained to town officials about traffic safety, loitering, and a drop in real estate values. Laborers were subject to wage theft, unsafe work environments and abuse. The cultural tensions in Jupiter were escalating.

A group of residents, immigrants, faith-based groups, and university and town officials coalesced to address the problem. In 2006, that grassroots, public/private coalition resulted in the creation of El Sol, Jupiter’s Neighborhood Resource Center. El Sol was formed as a result of a community effort to transform the problem of an unsafe and contentious open-air day-labor market into a safe and productive resource center in which all people can achieve their highest potential. In 2012, El Sol matched 10,616 workers with employers — pumping about \$1.2 million into the local economy.

²⁷ Jill Casner-Lotto, “Increasing Opportunities for immigrant Students: Community College Strategies for Success,” *ccie.org*. Community College Consortium for Immigrant Education, November 2011, p. 1, http://www.cccie.org/images/stories/Increasing_Opportunities_for_Immigrant_Students_2011.pdf.

²⁸ “Under Siege: Life for Low-Income Latinos in the South,” *splcenter.org*. Southern Poverty Law Center, April 2009, <http://www.splcenter.org/sites/default/files/downloads/UnderSiege.pdf>.

²⁹ Janice Fine, “Worker Centers: Organizing Communities at the Edge of the Dream,” *epi.org*. Economic Policy Institute, December 13, 2005, <http://www.epi.org/publication/bp159/>.

The range of service provided by centers is extensive. They include direct services such as help with filing wage claims, English classes, and other immigration-related assistance. They also include referrals for health care and connecting workers with services provided by other agencies. While legal assistance and ESL classes are the most common services provided, individual centers tailor their offerings to specific needs of their local areas.³⁰

Though some economic development practitioners, chambers of commerce, and corporate leaders may bristle at the direct organizing tactics that worker centers have traditionally taken to attain fair wages and make back wage claims, there are several examples where worker centers have worked to establish a more orderly, humane, and collaborative system to connect working-class immigrants to important work opportunities—benefitting employers, immigrant workers, and the community. These centers have helped organize day labor connections to employment opportunities and worked to ensure fair treatment and payment of workers, providing a needed protection to honest employers who are complying with tax, wage, and fair labor practice standards.

COMPREHENSIVE WORKFORCE DEVELOPMENT PROGRAMS

As noted, working-class immigrants and refugees face a variety of personal and external barriers to developing employment and careers that can sustain them and their families. The best workforce training programs seek to provide a comprehensive set of solutions and opportunities to assist their client. They do not necessarily delay job placement while an entire array of wraparound services are provided, but they have a wide array of solutions available to address challenges that their clients face to attaining, retaining, and succeeding in the job market.

MISSION ECONOMIC DEVELOPMENT AGENCY

Mission Economic Development Agency (MEDA) is a community economic development organization that works to improve economic and social conditions for San Francisco's low- and moderate-income residents. MEDA's free workforce development program helps low- and moderate-income job seekers, including immigrants and refugees, obtain and retain living-wage, long-term employment, complemented by access to opportunities for career growth.³¹ All services are provided in English and Spanish in the Mission neighborhood of San Francisco, although MEDA will refer clients to other partner organizations when there is an unmet need.

MEDA offers four training programs that are designed to provide entry points into the construction, retail, financial, and technology sectors. All of MEDA's training programs include the following components:

- **Assessment:** Assistance in determining skill level, interests, aptitudes and abilities, as clients begin to define/redefine career goals.
- **Job Coaching:** Individual planning and case management services that help clients meet their unique educational and occupational goals.
- **Job Readiness Training:** Training services that prepare job seekers for work experience and employment, focusing on honing resume/cover letter writing, interview and job search skills.
- **Financial Capability Integration:** Financial education classes and coaching that build the skills necessary to achieve economic self-sufficiency. MEDA also offers entrepreneurship, homeownership, free tax preparation, and technology/internet training services and programs.

The best workforce training programs seek to provide a comprehensive set of solutions and opportunities to assist their client.

³⁰ Ibid.

³¹ See Mission Economic Development Agency, <http://medasf.org/programs/workforce-development-program/>.

WORKFORCE DEVELOPMENT

- Job Placement: Services that support job seekers to conduct an effective employment search, plus direct connections to appropriate employment opportunities.
- Retention Services: Follow up support, to ensure economic success, for clients who are already working and/or in educational activities.
- Supportive Services: Referral assistance to guide eligible clients to other supportive services, including childcare, transportation, asset building, and other workforce programs.

WELCOMING CENTER FOR NEW PENNSYLVANIANS

The Welcoming Center for New Pennsylvanians began as a centralized resource and employment center for immigrants in Philadelphia. Since its inception, the Welcoming Center has served over 10,000 immigrants from 140 countries worldwide. Because immigrants have comprised nearly 75 percent of the growth in the Philadelphia region's workforce from 2000 to 2010, the Welcome Center has been an integral component of the region's workforce development infrastructure.³²

THE WELCOMING CENTER'S COMPREHENSIVE PROGRAM SERVICES TO IMMIGRANT WORKERS INCLUDE:

- Orientation and introduction to the American workplace
- Intake and skills assessment
- Individual career consultations
- Interview tips
- Preparation for the first day on the job
- Job placement and job retention support
- Assessment and career readiness services for existing jobholders provided through individual consultations
- Vocational literacy, teaching workplace English language skills
- American workplace culture trainings
- Monthly legal clinics about the immigration process and other aspects of the law, with materials available in 14 languages.

The Welcoming Center's programs and practices have produced remarkable results, including higher retention and placement rates for its foreign-born clients (a group that the Commonwealth of Pennsylvania struggled to serve through its state workforce development programs), surpassing those of other regional workforce development programs working with the mainstream population. In 2009-2010, 75 different companies in industries such as healthcare, warehousing, manufacturing, retail and hospitality hired 310 Welcoming Center jobseekers. In aggregate, those who were recorded as having obtained a starting job through Welcoming Center earned average wages of nearly \$10 per hour and average annual salaries of over \$18,500. Two out of every three (65 percent) employers hiring Welcoming Center graduates have returned to seek additional employees.

Two out of every three (65 percent) employers hiring Welcoming Center graduates have returned to seek additional employees.

³² "Shared Prosperity: How the Integration of Immigrant Workers Creates Economic Benefits for All Pennsylvanians," *welcomingcenter.org*. Welcoming Center for New Pennsylvanians, 2014, p. 5, http://www.welcomingcenter.org/sites/default/files/imagefield_thumbs/shared-prosperity-full-report.pdf, and "Gateway Jobs in Our Economy: Helping Newcomers Succeed in the American World of Work," *welcomingcenter.org*. Welcoming Center for New Pennsylvanians, 2014, p. 14. <http://www.welcomingcenter.org/sites/default/files/Gateway%20Jobs%20Report.pdf>.

INDUSTRY-SPECIFIC PROGRAMS

As noted, immigrant labor can be critical to a number of industries in the American economy. Industry-specific workforce development programs for immigrants and refugees can take advantage of developing industry-specific English language training, connecting with a targeted set of employers for job placement, focusing on a limited number of needed job skills, and developing strategic pathways to help immigrants establish and advance careers within the industry.

While this chapter focuses on industry-specific immigrant workforce programs in the restaurant and health care industries, similar initiatives could be considered for other industries where foreign-born labor predominates. In the buildings and grounds maintenance sector, for example, the average immigrant worker (8.6 percent of immigrant workforce) is almost three times as likely as a U.S.-born worker (3 percent) to work in the sector. Similar to the design of the Restaurant Opportunities Centers described below, these training programs could focus on English language acquisition, helping immigrants advance within the industry beyond entry-level, subsistence jobs, developing job placement with specific employers within the industry. Other potential industries that a regional economic development initiative might consider tackling could include construction, manufacturing, agriculture, and personal care occupations, where immigrants and refugees are much more likely to work.³³

In developing an industry-specific immigrant workforce program, one should consider the adverbs that are being made across the country in industry partnerships that seek to strengthen and improve career opportunities and pathways through transformed workforce systems, proven employer practices, and the removal of employment and career barriers. The National Fund for Workforce Solutions is an excellent place to find such partnerships, as well as a national funding intermediary for local partnerships.³⁴

RESTAURANT OPPORTUNITIES CENTERS UNITED

The mission of the Restaurant Opportunities Centers (ROC) United is to improve wages and working conditions for the nation's restaurant workforce. It is a member-based organization with 13,000 restaurant workers, 100 employers, and thousands of engaged consumers united for raising restaurant industry standards. While ROC is not for immigrants specifically, the majority of its members are immigrants and people of color. ROC was created after the September 11th tragedy, to provide support to restaurant workers displaced as a result of the World Trade Center bombings and now operates in 12 cities.

Foreign-born workers (7.7 percent) are 40 percent more likely than native-born workers (5.3 percent) to be employed in food preparation and service occupations.³⁵ For many immigrants and refugees, the food service industry is a gateway to the American economy and stepping-stone to achieving the American Dream.

ROC works with both employers and employees to create a sustainable, profitable, mutually beneficial workplace environment.

The restaurant industry doesn't contain a clear career ladder (outside of chefs), and moving up is precarious - typically both front and back of house restaurant staff make lateral moves to a similar position in a new restaurant, and it is usually entry level. Immigrants often enter the restaurant industry in the back of the house, where wages are usually lower.³⁶ ROC's job training programs seek to train individuals to the highest level (front-of-house and fine dining position) and provide them with the most opportunity to advance their position. Courses provide both soft and hard skills training. ROC works with both employers and employees to create a sustainable, profitable, mutually beneficial workplace environment.

³³ United States Department of Labor, Bureau of Labor Statistics, *Labor Force Characteristics of Foreign-born Workers Summary*, 2013.

³⁴ See <http://www.nfwsolutions.org/find-workforce-partnership>.

³⁵ Ibid.

³⁶ F. Matesanz, F., telephone interview, August 13 2014.

MASSACHUSETTS AREA HEALTH EDUCATION CENTERS NETWORK

The Massachusetts Area Health Education Centers (MassAHEC) Network provides learning opportunities for more than 6,000 youth, students, and health care professionals each year, focusing on ensuring (1) culturally competent and skilled health care workers; (2) greater access to quality health care for all Massachusetts residents; and (3) increased diversity in the health care workforce and the population it serves.³⁷ The Mass AHEC network operates through six regional offices and local advisory boards providing guidance and input and assuring responsiveness to local health care workforce needs.

Mass AHEC's Medical Interpreter Training (MIT) program began in 1999 and has trained 200-300 people per year, producing over 3,000 interpreters to date. Trainers have been trained in English and 30+ languages. The curriculum requires 60 hours of instruction in a classroom setting and has received national recognition by the National AHEC. The cost of training is largely underwritten by the state's Medicaid program as a vital service to improve access for LEP patients, with a per student cost of \$1,100.

In 2007, MassAHEC Network began organizing an annual conference that attracts some 250 individuals (80% of whom are graduates of their MIT training) for interpreters, their supervisors, and interpreter department heads. The program has worked with some community colleges to insure MIT participants can get community college credit. Many graduates have continued on to careers in medicine and nursing. Because of the rigorous testing within the program, the local health care community recognizes the program as the gold standard on medical interpreting. Local health care providers have come to realize that many of their interpreters cannot pass the English portion of MIT exams and are sending all new hires to the program and underwriting the program's co-payment.

WELCOME BACK INITIATIVE

The Welcome Back Initiative (WBI) is a San Francisco-headquartered organization with nearly a dozen centers across the United States that help build a bridge between the need for more culturally and linguistically diverse health professionals and the untapped resource of immigrants and refugees trained abroad.³⁸ By leveraging the training, experience, and language skills of immigrant and refugee health care workers and professionals, WBI helps them to move from low-skilled work to high-demand jobs in a health care profession that already is experiencing labor shortages and will face new demand as the U.S. population continues to age.

Despite their medical and health care backgrounds in their home countries nearly two-thirds (64 percent) of WBI's clients are not working in the health sector at the time they contact WBI. Nearly half (46 percent) have been in the U.S. fewer than three years. Most (60 percent) are between 30 and 49 years old and have decades of work to contribute to unmet needs in the health sector. WBI provides a one-on-one intake assessment that helps identify the skills, opportunities, and barriers that these workers face. Through partnerships with community colleges, community organizations, and local governments, communities have created WBI offices and linked them with health care sector employers with unmet talent needs.

As of the third quarter of 2014, nearly 4,000 WBI clients have had their credentials validated, and more than 2,000 have passed licensing exams and obtained employment in the U.S. health care sector. Over 1,000 WBI clients have obtained their license in their original profession and 126 MDs have been accepted into medical residency programs. WBI participants have seen an annual income increment of 255 percent from initial contact to completion of their goals.³⁹

³⁷ See University of Massachusetts Medical School, <http://chpr.umassmed.edu/our-programs/massahec-network>.

³⁸ While WBI's clients often are unemployed or filling jobs that do not require significant skills or education at the time they contact WBI, and, thus, would be identified as working class immigrants and refugees in the American workforce, many, if not most, go onto careers in the health care sector that would be considered skilled positions.

³⁹ See Welcome Back Initiative, <http://www.welcomebackinitiative.org/wb/outcomes/WBI-Presentation.pdf>.

VOCATIONAL AND WORKFORCE ENGLISH LANGUAGE PROGRAMS

English language proficiency is critical to economic integration and research demonstrates that immigrants and refugees with better English skills earn more and work in more skilled positions than those with low proficiency, even after controlling for differences in education and skills associated with language ability.⁴⁰ Most English language programs are focused on providing “survival skills” or helping immigrants and refugees achieve conversation fluency, just one of the many specific skills they will need to succeed in the workplace.⁴¹ These programs are tailored to serve a sweeping range of participants, including both those seeking to enter the workforce and non-workers for whom immediate survival, basic English, or the ability simply to talk to a family member’s doctors or teachers are their more pressing priorities. In most communities, English language instruction is significantly under-resourced, and there are often long waiting lists to learn the language. In addition, there is a need for resources and programs focused on better connecting English literacy and workforce systems, as well as providing vocational-focused English instruction. Today, there are a growing number of initiatives producing innovative programs with admirable results. The Migration Policy Institute has developed a list of best practices for work-focused language instruction programs.⁴²

ENGLISH FOR NEW BOSTONIANS

The Mayor’s Office of New Bostonians launched English for New Bostonians (ENB), a public-private-community collaboration, to address the urgent need for increased English language learning opportunities for adult immigrants in Boston. ENB develops new strategies to reach more learners at home, at work, and in the community and reaches 1,200 immigrants annually.⁴³

ENB’s vocational English programs utilize state Workforce Training Funds⁴⁴ to target and market to businesses their ability to use these funds for ESOL training. Employers using these funds are asked to provide space and pay for workers to take ESOL classes at the workplace and funds are used to pay the trainers. ENB promotes ESOL to these enterprises as a business growth tool. Increasing ESL opportunities at work provides a unique opportunity for individuals that cannot access community-based ESL classes, as well as allows courses to focus on the language content they need at their job. Improved English language skills enhance workplace communication among co-workers, allow individuals to more fully participate in the workplace environment, and reduce errors due to language barriers.

BUILDING SKILLS PARTNERSHIP

Believing that learning English is the fundamental step to acquiring individual success for immigrants and refugees, Building Skills Partnership (BSP)’s founders sought to develop a worksite class model that provided instruction during paid-work time to help workers overcome traditional learning obstacles, such as class schedules, family obligations, transportation issues, lack of childcare, second and third jobs, and numerous other challenges associated with adjusting to a new country and culture.⁴⁵ In 1994, Service Employees International Union-United Service Workers West (SEIU-USWW) union collaborated with Hewlett Packard to pilot a workplace class in Vocational English as a Second Language (VESL) in Northern California. HP’s immigrant janitors were provided with English language programs and workplace training. The evidence of a successful pilot program encouraged Hewlett Packard to outreach and recruit other Bay Area and Silicon Valley companies to host workplace training.

⁴⁰ Margie McHugh and A.E. Challinor, “Employment Prospects through Work-Focused Language Instruction,” *migrationpolicy.org*. Migration Policy Institute, June 2011, p. 2, <http://www.migrationpolicy.org/research/improving-immigrants-employment-prospects-through-work-focused-language-instruction>.

⁴¹ Ibid. pp. 2-3.

⁴² Ibid.

⁴³ See English for New Bostonians, <http://www.englishfornewbostonians.org/>.

⁴⁴ See Massachusetts Labor and Workforce Development, <http://www.mass.gov/lwd/employment-services/business-training-support/wtfp/>.

⁴⁵ See Building Skills Partnership, <http://www.buildingskills.org/>.

WORKFORCE DEVELOPMENT

Close to 400 immigrant janitors, security officers, maintenance and custodial workers, and stadium and airport workers graduate each year from BSP's intensive, six-month ADVANCE program, blending Vocational English as a Second Language (VESL) curriculum with job skills instruction. Classes are held at over 30 large, corporate worksites on work paid time, ensuring high attendance and graduation rates of over 80 percent (despite the fact that fewer than 30 percent have been formally educated beyond the 6th grade in their native countries). Janitors who graduate from the 50-100 hour intensive courses are often promoted to higher paid day cleaning, event service, building maintenance, clean room, and supervisory positions. At many sites, ADVANCE participants are also paired with volunteers from client corporations or universities for one-on-one English and computer tutoring, bridging enormous cultural divides.



Chapter 6

HIGHLY-SKILLED WORKER INITIATIVES

HIGHLY-SKILLED WORKER INITIATIVES

OVERVIEW

BACKGROUND ON THE SKILLS GAP

The skills gap isn't a myth. According to the 2014 Skills Gap study³, the majority of employers have trouble finding the qualified talent they need. Eight in ten employers claim they have difficulty filling job vacancies, and more than half of employers say they have an open job for which they cannot find qualified candidates.

Not only are employers struggling to find the right talent – they're losing money because of it too. Employers estimate that, on average, they lose more than \$14,000 for every job that stays vacant for three months or longer, and 1 in 6 companies say they lose \$25,000 or more.⁴

The pending retirement of many baby boomers, low U.S. birth rates, and the shift toward the knowledge economy are combining to leave many regional economies without the highly-skilled workforce¹ they need to grow and attract business. Local and regional economic development practitioners have long focused on “talent” as a key foundation for attracting, retaining, and growing local businesses, but the real talent equation challenging American communities concerns highly-skilled labor (defined here as possessing a four-year degree or more) and, to be more specific, highly-skilled labor in the science, technology, engineering, and mathematics (STEM) fields. By 2018, the postsecondary system will have produced 3 million fewer college graduates than demanded by the labor market.²

¹ This chapter uses the term “highly-skilled” to reflect workers who possess at least a four-year college degree or its equivalent. Many economists, as well as traditional workforce and economic development practitioners, use the term “skilled” labor to define this class of workers. The traditional use of the term “skilled” labor, however, has the unfortunate impact of suggesting that those without a four-year degree are “unskilled.” In fact, many economists define “unskilled” labor as possessing less than a four-year degree. In reality, the U.S. and global economies possess millions of very talented and skilled workers who possess less than a four-year college degree. For example, the U.S. agriculture industry employs hundreds of thousands of farmworkers who are able to perform tasks that most other Americans could never accomplish.

The false dichotomy between workers possessing a four-year college degree and those with less formal education is even more pronounced in the immigration context. In fact, programs and strategies highlighted in this chapter utilize techniques and tools for highly-educated immigrant and refugee workers that are being used to help workers with little formal education. There can be reasons for specific strategies addressing college-educated immigrant labor that differ from those with little formal education, but we support the adoption of the “highly-skilled” terminology so as not to inadvertently demean workers without formal education. Throughout this chapter we attempt to leave the terminology of various research reports and model programs in tact. Thus, at times, we use the term “skilled” labor to refer to those possessing a four-year college degree when we are citing or referring to others’ work.

² Anthony Carnevale, Nicole Smith, and Jeff Sprohl, “Help Wanted: Projections of Jobs and Education Requirements through 2018,” georgetown.edu. Georgetown University Center on Education and the Workforce, June 15, 2010, p. 16, <http://cew.georgetown.edu/jobs2018>.

³ “The Shocking Truth about the Skills Gap,” *careerbuildercommunications.com*. Career Builder, 2014, <http://careerbuildercommunications.com/skills-gap-study2014/>.

⁴ “Companies Losing Money to the Skills Gap According to CareerBuilder Study - Leading Companies Make Commitments to Help Reskill Workers,” *careerbuildercommunications.com*, Career Builder, March 6, 2014, http://www.careerbuilder.com/share/aboutus/pressreleasesdetail.aspx?sd=3/6/2014&siteid=cbpr&sc_cmp1=cb_pr807_&id=pr807&ced=12/31/2014.

OPPORTUNITIES

Highly-skilled immigrant labor can be an important part of answering this challenge. With more than 60 percent of the over 800,000 international students studying in STEM or business fields (one-and-a-half times the average of domestic students), international students offer an ongoing supply of highly-skilled labor that can be integrated into local economies.⁵ With some 1.8 million work-authorized immigrants and refugees who are under-employed or unemployed (at 1.5 times the rate of similarly educated native born workers), better integration of existing international talent offers another ripe opportunity.⁶

The benefits of tapping into these pools of highly-skilled immigrant labor are well documented. A recent study from the American Enterprise Institute and the Partnership for a New American Economy suggested that each international student retained in the STEM fields is associated with more than 2.5 additional jobs for U.S. natives.⁷ Independent research of more than 500 skilled⁸ immigrant clients served by Upwardly Global, a national nonprofit specializing in integrating skilled immigrants workers, suggests that the full employment of these workers created nearly 1.4 additional jobs for each jobs skilled immigrants fill in their professional capacity.⁹ Moreover, the increase in wages by fully-employing these skilled immigrant professionals (which also creates job openings as they leave their current positions as nannies, cab drivers, wait staff, and cashiers) itself will have a positive impact on local economies. If just five percent of these under-employed immigrant professionals nationwide could be placed into professional-level jobs paying \$40,000 per year, they would add \$6 billion in tax revenues alone over five years.¹⁰ Increased professional integration can spur other positive outcomes, including home-ownership, civic participation, and citizenship.

Highly-skilled immigrant integration efforts address critical workforce needs in the current U.S. economy that are projected to grow over time.

Highly-skilled immigrant integration efforts address critical workforce needs in the current U.S. economy that are projected to grow over time. When American companies can employ the talent they need to develop products and grow their business, additional American jobs are created throughout the economy. While the STEM shortages call for deep investments and reform in the U.S. educational systems, utilizing highly-skilled immigrant talent should be pursued in the immediate term. Effectively employing highly-skilled immigrant talent is not a substitute for investments in U.S.-born talent, or a question of favoring immigrants over U.S.-born workers, but a means of creating opportunities for all of us.

⁵ Neil Ruiz, “The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations,” *brookings.edu*. Global Cities Initiative: A Joint Project of Brookings Institution and JP Morgan Chase, August 29, 2014, p. 11. <http://www.brookings.edu/research/interactives/2014/geography-of-foreign-students>.

⁶ Qngong Ji and Jeanne Batalova, “College Educated Immigrants in the United States,” *migrationpolicy.org*. Migration Policy Institute, December 27, 2012, <http://www.migrationpolicy.org/article/college-educated-immigrants-united-states>.

⁷ Analyzing data comparing employment among the fifty states and the District of Columbia from 2000 to 2007, this report found that an additional 100 foreign-born workers in STEM fields with advanced degrees from US universities was associated with an additional 262 jobs among U.S. natives. Madeline Zavodny, “Immigration and American Jobs,” *renewoureconomy.org*. Partnership for a New American Economy and the American Enterprise Institute, December 2011, http://www.renewoureconomy.org/sites/all/themes/pnae/img/NAE_Im-AmerJobs.pdf.

⁸ We utilize the term “skilled” instead of “highly-skilled” here to respect the terminology used by Upwardly Global in its work.

⁹ Note some of the workers assisted by Upwardly Global may have been underemployed and may not have been in STEM fields, suggesting that these findings may indeed be consistent with the findings of the Partnership for a New American Economy on H-1B and international student impact in the economy. “A Look at Skilled Immigrant Workers in the U.S.: Tapping into Global Talent Already Here Results in Clear Economic Benefit for Immigrants and for Nation,” *upwardlyglobal.org*. Upwardly Global, April 2013, <http://www.upwardlyglobal.org/UpwardlyGlobalEconomicImpactReportApril2013.pdf>.

¹⁰ See Imprint, <http://www.imprintproject.org/>.

IMPLEMENTATION AND MODEL PROGRAMS

More than half of the seven million high-skilled immigrants in the U.S. were trained abroad and can face common barriers to their integration into the U.S. economy, including non-recognition of foreign academic credentials, limited English proficiency, and lacking cultural workplace and job search skills necessary to obtain employment.

CREDENTIALING AND LICENSING FOREIGN-TRAINED PROFESSIONALS

No nationally established standards for assessing educational credentials obtained abroad have been established in the U.S. Much of that responsibility lies with the state and local government, along with private groups and professional associations.¹¹ Internationally trained job candidates must find their own ways to prove that their coursework or skills are valid, and there is a lack of information on services available to help immigrant professionals.

A number of organizations are working to address this issue. With 40 years of experience, World Education Services (WES) is the premiere evaluator of foreign credentials, verifying the authenticity of documents, and providing a U.S.-equivalency for foreign degrees, diplomas, or studies.¹² WES provides more than 100,000 evaluations each year that are widely accepted by academic institutions, employers, licensing and certification boards, and government agencies in the U.S. and Canada. WES's Global Talent Bridge provides a number of online resources, webinars, and other tools to service individual immigrants, refugees, and internationals, as well as community partners, such as those designing and implementing local immigrant economic development initiatives.

Upwardly Global provides a series of online professional licensing guides to help job seekers understand the legal steps required to earn a state professional license or credential to return to the full practice of their regulated profession.¹³ These guides are written to make the statutes and regulations more easily understood. State-specific licensing information has been developed by Upwardly Global for ten or more common professions in California, Illinois, Michigan, and New York, with a New Hampshire guide for health care professions.¹⁴ The Welcoming Center for New Pennsylvanians (Welcoming Center) has developed detailed career guides for four high-growth industries in Pennsylvania (accountant, mechanical engineer, systems analyst, and teacher). Each guide outlines the process for becoming a certified professional and provides information about various types of jobs within each field, regional employers who hire these professionals, salary ranges, and employment resources.¹⁵

Internationally trained job candidates must find their own ways to prove that their coursework or skills are valid, and there is a lack of information on services available to help immigrant professionals.

Additional licensing and credentialing tools are available online for highly-skilled immigrant job seekers from any region of the world. These resources can be promoted by any local immigrant economic development initiative:

- Upwardly Global and the Welcome Back Initiative¹⁶ have collaborated on developing a series of *online healthcare trainings* targeted for physicians, nurses, pharmacists, and dentists, which are now available for users to complete online at their own pace.

¹¹ Peter Creticos, Michael Fix, Jeanne Batalova, Amy Beeler, and Rob Paral, "Employing Foreign-Educated Immigrants," *workandeconomy.org*. Institute for Work and the Economy, 2007, <http://www.workandeconomy.org/Employing%20Internationally%20Educated%20Final.pdf>.

¹² See World Education Services, <http://www.wes.org/>.

¹³ See Upwardly Global, <http://www.upwardlyglobal.org/search?SearchableText=online+licensing+guides>.

¹⁴ Ibid, www.upwardlyglobal.org/job-seekers/american-licensed-professions. Upwardly Global does have offices open in Chicago, Detroit, New York, San Francisco, and Silver Spring, Maryland.

¹⁵ See Welcoming Center for New Pennsylvanians, <http://welcomingcenter.org/publications/publication-downloads>.

¹⁶ See Welcome Back Initiative, <http://www.welcomebackinitiative.org/wb/index.html>.

HIGHLY-SKILLED WORKER INITIATIVES

- World Education Services (WES) provides a number of both fee-based and free online tools for internationally-trained individuals:
 - o Credential evaluation (fees apply)¹⁷
 - o Degree Equivalency tool to preview the U.S. degree equivalency of a foreign degree (Free)¹⁸
 - o Grade Conversion tool to convert marks or grades to a U.S. grade point equivalency (GPA) (Free)¹⁹
 - o Information and resources for pursuing further education, employment and licensing at WES Global Talent Bridge (Free)²⁰

Extensive information and resources for pursuing further education, employment and licensing, as well as direct outreach through Pathways to Success® seminars and webinars for immigrants and refugees seeking employment or career growth.

CASE MANAGEMENT MODELS

Many immigrant professionals lack job-interviewing skills and professional networks, and have little or no understanding of the U.S. business culture. These new arrivals have a difficult time finding employment or work commensurate with their education, experience and skill levels. A number of nonprofits offer one-on-one assistance and counselling.

Upwardly Global and the Welcoming Center for New Pennsylvanians offer a variety of training programs for job seekers with a bachelor's degree or higher, including resume writing, job interviewing skills, familiarity with American business culture, and access to employers and employment opportunities. Upwardly Global offers face-to-face training in the four cities where they have locations (San Francisco, New York, Chicago, Detroit). They also service job seekers nationally through their online employment-training program.²¹ To date, Upwardly Global has coached approximately 5,000 skilled immigrants and have assisted more than 2,000 re-enter their career fields. They help job seekers rebuild their network by facilitating connections with more than 1,500 American professionals serving as Upwardly Global volunteers and over 500 members of its employer network.²² Upwardly Global job seekers must have a bachelor's degree or higher, have a minimum of two years working experience outside the U.S., live in the U.S. for less than 5 years, have a green card or refugee/asylee status, possess computer skills and intermediate English language skills, and be highly motivated and able to attend the training program.

Many immigrant professionals lack job-interviewing skills and professional networks, and have little or no understanding of the U.S. business culture.

English proficiency is necessary to attain the vast majority of professional positions in the U.S. The Welcoming Center for New Pennsylvanians offers vocational literacy programs specifically designed for eligible clients looking to learn workplace English language skills and American workplace culture. It should be noted that the 100 workers placed by the Welcoming Center in 2007 generated a total annual economic impact of 207 jobs. State funding that supports the Welcoming Center's job placement program yielded a projected return on investment of \$1.66 for every dollar spent (over 10 years).²³

Both Upwardly Global and the Welcoming Center work with clients to build their long-term career pathways, which may include pursuing more viable job options within their fields. The Welcome Back Initiative²⁴ does much

¹⁷ See World Education Services, www.wes.org/immigrants/index.asp.

¹⁸ Ibid, www.wes.org/immigrants/preliminary.asp.

¹⁹ Ibid, www.wes.org/students/igpascal.asp.

²⁰ See Global Talent Bridge, www.globaltalentbridge.org/info.

²¹ See Upwardly Global, <http://www.upwardlyglobal.org/job-seekers/online-training-programs>.

²² Ibid.

²³ See Welcoming Center for New Pennsylvanians, <http://welcomingcenter.org/impact/economic-development>.

²⁴ See Welcome Back Initiative, <http://www.welcomebackinitiative.org/wb/index/html>.

the same thing, but specializes in working with internationally trained health workers living in the U.S. Much like Upwardly Global and the Welcoming Center, they provide one-on-one case management services, educational interventions, group activities, and referrals to help participants develop a career pathway building on their healthcare background and experience. The Welcome Back Initiative has ten locations from San Diego to Boston.²⁵

To help internationally trained immigrants currently underemployed gain U.S. employment in their original field the New York City Economic Development Corporation (NYCEDC) developed the Immigrant Bridge Program.²⁶ The initiative is made up of two components. First, a Case Management program helps immigrants navigate the process of re-entering their former fields through partnerships with three local non-profits (Goodwill NY/NJ, CAMBA, and Upwardly Global). Second, the initiative offers low-interest loans between \$1,000 and \$10,000 administered by Amalgamated Bank to help fund the costs of necessary exams, training courses, and basic living expenses incurred during the program participation. The program will cost \$1.5 million to help between 200-400 immigrants over the next two years. It is funded by NYCEDC and Amalgamated Bank, with additional support from foundations.

NETWORK BUILDING

Networking is an important asset in building a career and finding professional employment in the U.S. Immigrants, refugees, international students, and other international workers also lack the networks that those born and/or raised in the U.S. Global Detroit, St. Louis Mosaic,²⁹ and the Welcoming Center for New Pennsylvanians all provide professional connector or networking programs for skilled immigrant professionals looking to develop such networks.

The Welcoming Center provides networking and business skills workshops designed to give immigrants the opportunity to practice their “small talk” skills and meet new people. It is also a chance to learn and practice their networking skills and their professional English.

St. Louis Mosaic’s Professional Connector and Global Detroit’s Cultural Ambassadors efforts are based on a program initiated in Halifax, Nova Scotia. These volunteer initiatives designed for well-connected and globally minded professionals (Professional Connectors) in the local regions to share industry and job-seeking advice with foreign-born, degreed professionals (participants). More information on these

IMPRINT: A VALUABLE RESOURCE²⁷

IMPRINT is a coalition of five organizations active in the field of Immigrant Professional Integration (each of whom is mentioned throughout this chapter). IMPRINT members provide a wide range of services to immigrant professionals, including:

- o Credential evaluation
- o Soft-skills and specialized technical training
- o Educational advising
- o English language instruction
- o Professional acculturation
- o Employment placement
- o Networking skills

Whether working together or individually, the IMPRINT organizations can offer advice, support, and consulting to those organizations interested in helping skilled²⁸ immigrants find work commensurate with their education, experience and skills. IMPRINT offers a number of publications, webinars, and materials to assist local economic development efforts focused on integrating immigrant professionals.

IMPRINT’s member organizations are:

- o Upwardly Global
- o Welcome Back Initiative
- o World Education Services (WES)
- o Welcoming Center for New Pennsylvanians
- o The Community College Consortium for Immigrant Education (CCCIE)

²⁵ Ibid, <http://www.welcomebackinitiative.org/wb/about/centers.html>.

²⁶ See New York City Economic Development Corporation, <http://www.nycedc.com/program/immigrant-bridge>.

²⁷ See Imprint, www.imprintproject.org.

²⁸ We utilize the term “skilled” instead of “highly-skilled” here to respect the terminology used by IMPRINT partners in their work.

²⁹ See St. Louis Mosaic, <http://www.stlmosaicproject.org/get-connected.html>.

HIGHLY-SKILLED WORKER INITIATIVES

programs and Great Louisville International Professionals can be found in the Connectors chapter. It is worth mentioning, however, that both the St. Louis Mosaic and Global Detroit programs encourage participants to complete the free online program from Upwardly Global to improve resume and networking skills in order to help them make the best use of their time with Professional Connectors.

JOB CONNECTING

Global Cleveland and the Michigan Economic Development Corporation have both launched innovative online job recruitment initiatives, which provide great opportunities to attract job-seeking immigrants and others from outside the region. Global Cleveland's *Virtual Job Fairs*³⁰ allow the area's employers to engage directly with out-of-market talent. Employers are able to chat online, browse job-seeker profiles, and receive direct matches to open positions. Global Cleveland also provides videos and slideshows with information to help employers understand the process of hiring immigrants. Topics include, for example, *Global Cleveland: Immigration Basics for employers*; and *Immigration Basics: What Strategic HR Professionals Should Know*. Information on the website also includes information on Employment Documents, Visa, Green Card, and Employee Rights Tool Kit.³¹ Most of the materials are available in English and Spanish.

Since Michigan Economic Development Corporation's (MEDC) first virtual job fair in 2012 – MiVirtualCareerFair – more than 90 employers and more than 11,000 job seekers have been connected without the inconvenience and expense of traditional job fairs. MEDC's 2013 DREAM Job fair worked with Upwardly Global and the Michigan Global Talent Retention Initiative to reach out to highly-skilled immigrants and refugees, as well as international students.

TRAINING WORKFORCE DEVELOPMENT AND HUMAN RESOURCES PRACTITIONERS

A number of programs focus on training the workforce development staff who work with immigrants. World Education Services' Global Talent Bridge offers online tools and resources (webinars, technical assistance, etc.) for workforce development professionals who work with highly-skilled immigrants. The Maytree Foundation of Toronto, Canada launched Cities of Migration, to improve local integration practice in major immigrant receiving cities worldwide through information sharing and learning exchange.³² The Cities of Migration website includes a number of best practices about workforce development and human resources that can maximize immigrant inclusion within private and nonprofit organizations.³³

COMMUNITY COLLEGES: BUILDING SKILLS AND RE-CREDENTIALING

Some highly-skilled immigrants and refugees will need more than simply licensing and credentialing services to integrate into the U.S. workforce. Some may need more intensive English language skills or employment-based English skills. And others may need additional education or have to retool their education and experiences to integrate into a related field or profession if their primary career paths are foreclosed. Community colleges can play a critical role in assisting highly-skilled immigrants in pursuing more lucrative and meaningful career paths based upon their skills, education, and experience. Increasingly, America's community colleges are playing an important role in preparing a workforce to address the STEM skills gap and developing their own STEM development skill programs.³⁴

³⁰ See Global Cleveland, <http://www.globalcleveland.org/jobs/job-fairs>.

³¹ See Global Cleveland, <http://www.globalcleveland.org/int.resource/int-talent/tool-kit-hiring-international-talent>.

³² See Cities of Migration, <http://citiesofmigration.ca/about-2/#Background>.

³³ Examples include Cities of Migration, http://citiesofmigration.ca/good_idea/anonymous-job-applications-help-overcome-hiring-biases/ and http://citiesofmigration.ca/good_idea/lcreating-language-empathy-in-corporate-canada/.

³⁴ Angela Baber, "Using Community Colleges to Build a STEM-Skilled Workforce," *nga.org*. National Governors Association, June 24, 2011, <http://www.nga.org/cms/home/nga-center-for-best-practices/center-publications/page-edu-publications/col2-content/main-content-list/using-community-colleges-to-buil.html>.

HIGHLY-SKILLED WORKER INITIATIVES

One critical resource for immigrant economic development initiatives seeking to tap into community colleges is the Community College Consortium for Immigrant Education (CCCIE), a national network of 23 community colleges and other professional and research organizations that have joined forces to increase educational and workforce opportunities for immigrant students. Its key activities include raising national visibility of immigrant education challenges and opportunities, sharing promising practices, and providing advocacy and outreach on critical education and career issues that impact immigrants at all skill levels.³⁵

CCCIE is developing a database of best practices in immigrant education to provide community colleges an opportunity to learn from one another, share new ideas, and expand and improve their programs to serve immigrant students. The database organizes promising practices of community colleges across the country according to five major types of programs or initiatives:

- Comprehensive Support Services
- ESL Programs
- Workforce Training/Career Development
- Community/Employer Partnerships
- Citizenship/Civics Preparation
- Inclusive Practices for Undocumented Students

CONCLUSION

Better integration of highly-skilled immigrant labor can be a significant boost of talent to a regional economy. Such labor not only helps fill unmet talent needs, but a diverse international workforce complements existing U.S. labor. As highly-skilled immigrant labor is integrated into the professional environments for which they are trained, jobs they formerly occupied elsewhere on the career ladder open up. A variety of existing programs and models to help integrate highly-skilled immigrant labor can be either collaborated with or replicated in your own region.

The benefits of better utilizing highly-skilled immigrant labor are well documented. Beth Ann Bovino, the U.S. Chief Economist for Standard & Poor's argues that employment-based immigration reform would be a boon for the sluggish U.S. economy, temporarily easing the country's "skills gap," driving new innovation, tax receipts, consumer demand, and even job growth for native-born workers. By Bovino's calculation in a new S&P report, immigration reform targeting skilled³⁶ foreign workers could add 3.2 percentage points to real GDP in the U.S. over the next 10 years. Over the same time period, it could cut \$150 billion from the deficit. Immigrants with employment-based visas, she argues, wouldn't "take our jobs" they would complement them.³⁷

Better integration of highly-skilled immigrant labor can be a significant boost of talent to a regional economy.

In conclusion, creating and expanding programs to help skilled immigrants find work befitting their education and experience can add to the growth of the economy and create a global culture that is welcoming to all.

³⁵ See Community College Consortium for Immigrant Integration, <http://www.cccie.org/community-college-immigration-promising-practices>.

³⁶ We utilize the term "skilled" instead of "highly-skilled" here to respect the terminology used by the Standard & Poors report.

³⁷ Emily Badger, "Why More Skilled Immigration would be good for American Workers too," *Washington Post*, March 19, 2014, <http://www.washingtonpost.com/blogs/wonkblog/wp/2014/03/19/why-more-skilled-immigration-would-be-good-for-american-workers-too/>.



Chapter 7

CONNECTOR PROGRAMS

CONNECTOR PROGRAMS

OVERVIEW

International business professionals and students often arrive in U.S. cities because they are among a cadre of some of the world's most talented, resourced, and connected people. Their presence can be a tremendous catalyst to the economic development opportunities for a U.S. metropolitan region. Unfortunately, one of the most significant challenges that new international talent faces to maximizing their impact on economic growth is their lack of the natural networks that innovators, entrepreneurs, investors, and professionals rely upon to be successful.

.....

“To help accelerate the development of these business and professional networks, a number of economic development initiatives have worked to create so-called connector programs.”

.....

Penetrating the business and professional communities of a U.S. city can be challenging for emerging talent and professionals new to the region. International students and immigrant professionals face additional cultural and social barriers to fully entering the workforce. The result is an underutilized, yet qualified talent pool which often must leave the region to find work elsewhere.

To help accelerate the development of these business and professional networks, a number of economic development initiatives have worked to create so-called connector programs. Recognizing the hyper-intensive time demands on successful professionals, most of these programs have foregone a more traditional, full-blown mentoring program model, in favor of a less formal and less time-demanding connector program that asks for a smaller up-front commitment from volunteers and participants. Nonetheless, the programs seek to build a better anchor and connection between new international talent in a region and the existing business and professional community eager to help.

Connector programs recognize the potential of immigrants and international students to meet labor needs, strengthen emerging talent pools, diversify thought and innovation, attract international investment, create global customers, and spark robust regional growth. They help international students and immigrants integrate into the business fabric of the region, connect with job opportunities, and foster a connection to the area – giving them a reason to stay, contribute economically, and invest in a region's workforce. Additionally, the local population is provided the opportunity to directly participate in helping integrate newcomers while expanding their own networks and helping their industry strengthen and grow regionally and globally. Moreover, the business community has direct opportunity to become more educated and sensitive to immigration issues, creating substantial attitude change.

CONNECTOR PROGRAMS

Because penetrating the ‘inner circle’ is not just a foreign-born barrier but a barrier to all young and emerging talent, these programs can also serve U.S.-born talent, casting a wider net and functioning as a more comprehensive economic development tool, better preparing a larger portion of the labor pool. Serving a broader community of young talent can make these programs a core element in fighting the brain drain that many communities are struggling with, as successful college graduates are leaving for other U.S. metros.

Once connected to the business and professional fabric of a metro region, international business and student talent can quickly become a resource and contribution to economic growth. Connector programs seek to help make the region more welcoming and to facilitate the larger integration experience in a way that will help make internationals want to stay and build the reputation among other internationals of the local region’s welcoming nature. They also can play a role in making the region more diverse, which can be a critical element to attracting domestic talent who seek such diversity.

Many U.S. cities and metros are busy investing themselves in branding and marketing exercises designed to appeal to talent. This includes the movement of branding localities as welcoming to international talent. A recent report from the Migration Policy Institute analyzing such immigrant-friendly marketing efforts stresses the importance of creating a brand that is truly representative of the values and culture of local residents, noting that inauthentic brands are not well received, and branding efforts can only be as strong as the cities they reflect.¹ Those branding and marketing efforts that see engagement with residents as a means to an end often fall into this trap. Connector programs can strengthen the resident populations’ identity as members of a welcoming and diverse city. As the resident population becomes more personally invested in the goal and brand itself, the brand inherently strengthens.

OPPORTUNITY

To get a sense of the importance of international talent to innovation one need only look at the Nobel Prize winners in science. In 2009, eight of the nine Nobel Prize winners in science were Americans, and five of those eight Americans were foreign born. In fact, foreign-born Americans won more Nobel Prizes in 2009 than all the other nations of the world combined. Similarly, in 2013, six of the eight Nobel Prize winners in science were Americans and four of those six Americans were foreign-born. Again in 2013, foreign-born Americans won more Nobel Prizes in science than all the other nations of the world combined.

New immigrant talents not only bring their own ability to innovate, but have been shown to raise the innovation rates of local, non-immigrant talent. A study by William Kerr, an Assistant Professor at the Harvard Business School, which covered two-and-a-half decades, found that as metropolitan areas became more ethnically diverse relative to other metropolitan areas, they produced more patents relative to those other areas.² The results imply that an economic region will grow its share of U.S. patenting simply by becoming more diverse.³

Connector programs can strengthen the resident populations’ identity as members of a welcoming and diverse city. As the resident population becomes more personally invested in the goal and brand itself, the brand inherently strengthens.

¹ Elizabeth Collett, “The City Brand: Champion of Immigrant Integration or Empty Marketing Tool?” *migrationpolicy.org*. Migration Policy Institute, August 13, 2014, <http://www.migrationpolicy.org/research/city-brand-champion-immigrant-integration-or-empty-marketing-tool>.

² William Kerr and William Lincoln, “The Supply Side of Innovation: H-1B Visa Reforms and U.S. Ethnic Invention,” Harvard Business School Working Paper 09-005, December 2008.

³ Steve Tobocman, “Global Detroit Study,” *globaldetroit.org*. Global Detroit, August 11, 2010, http://www.globaldetroit.com/wp-content/files_mf/1327697728Global_Detroit_Study.full_report.pdf.

HALIFAX CONNECTOR PROGRAM

The Halifax Connector Program⁷ is a referral process that matches immigrants, international students, as well as young and emerging talent (participants) with local employers, professionals, civil servants, and community leaders (connectors) based on industry experience, professional backgrounds, or the participant's interest in a specific organization. The program creates the introduction, and then participants meet with a connector for approximately 30 minutes to discuss the industry, their skills and areas of expertise, industry related news, current market demands, and potential job opportunities. Connectors are asked to refer the participant to a minimum of three people in their network, and then each of these people are asked to refer the participant to three more. These referrals may be potential employers, influential leaders within their industry, or other people who will benefit from meeting with a skilled professional.

The program aims to help participants build a professional network, connect with job opportunities, and settle successfully in the region, effectively integrating foreign-born into the “inner circle” of business networks.

Halifax faced a bleak economic situation in the mid-1990s. This was largely due to declining and aging population, as well as an anticipated slowdown in population growth and intra-regional migration, coupled with a lack of diversity—a population that was only 7 percent foreign-born with a history having some 55 percent of new international arrivals leave⁸, despite the approximately 10,000 international students located there at any one time. Research conducted for a regional immigration strategy found that a major barrier in integration into the community and workforce was penetrating established business networks—finding the right contacts and building one's own network. The program identified “connectors,” the type of people who are habitually connecting others and making introductions, as great individuals to work with and integrate internationals.

The Halifax Connector Program works with the local immigrant settlement organization, which works to prepare immigrants for the workforce with language preparation, interview preparation, and resume guidance. When immigrants are ready for the workforce, the Connector Program has 700 business networking volunteers to help them build a professional network.

IMMIGRANT INNOVATION

- Higher patent production rates—more than three out of every four patents at the top 10 patent-producing U.S. universities (76 percent) had at least one foreign-born inventor and immigrants with advanced degrees are three times as likely as native-born Americans with advanced degrees to file a patent.⁴
- Higher high-tech business start-up rates—more than one out of every four high-tech startups launched in the U.S. between 1995–2005 (25.3 percent) is estimated to have an immigrant founder or co-founder, firms that accounted for 450,000 U.S. jobs and \$52 billion in sales in 2005.⁵
- Starting venture-backed firms that succeed—more than one in four of every firm backed by venture capital that had a public offering between 1990–2005 is estimated to have an immigrant founder, including more than 40 percent of the high-tech manufacturing venture-backed firms that went public.⁶

⁴“Patent Pending: How Immigrants Are Reinventing The American Economy - Partnership for a New American Economy,” *renewoureconomy.org*. Partnership for a New American Economy, June 2012, <http://www.renewoureconomy.org/wp-content/uploads/2013/07/patent-pending.pdf>.

⁵Vivek Wadhwa, AnnaLee Saxenian, Ben A. Rissing, and G. Gereffi, “America's New Immigrant Entrepreneurs: Part I,” *ssrn.com*. Social Science Research Network, January 4, 2007, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=990152.

⁶Stuart Anderson and Michaela Platzer, “American Made: The Impact of Immigrant Entrepreneurs and Professionals on U.S. Competitiveness,” *nvca.org*. National Venture Capital Association, November 2006, <http://www.nvca.org/index.php>.

⁷See Immigrants, International, Students, Network, Jobs – Greater Halifax Partnership, <http://www.greaterhalifax.com/en/home/ourprograms/connectorprogram/default.aspx>.

⁸R. Webb and D. De Long, telephone Interview, July 18, 2014.

CONNECTOR PROGRAMS

Since the program officially launched in July 2009, participants have found 447 jobs, amounting to one job for every three participants in the program. Moreover, immigrant retention rates in Nova Scotia are also up from a mid-40 percent range a decade ago to over 70 percent in 2013. The program has been replicated in communities across Canada, creating a National Connector Program in 15 Canadian communities.⁹

ST. LOUIS MOSAIC PROFESSIONAL CONNECTORS PROGRAM

The St. Louis Mosaic Connector Program was modeled after the Halifax program and officially launched December 2013 with 20 connectors. It serves foreign-born professionals with a college degree or relevant work experience, and a long-term work permit or visa. Participants are encouraged to complete a free online program from Upwardly Global, a national nonprofit that seeks to connect work authorized skilled immigrants and professionals with professional opportunities, and to improve resume and networking skills. The Upwardly Global online tutorial is designed, in part, to ensure the foreign-born professionals are prepared to take full advantage of their time with the Professional Connectors. To date, about half of the St. Louis Mosaic Connector Program participants have utilized the online Upwardly Global training.

As of January 2015 the program had assisted 74 skilled immigrants network toward a new job, of which several had secured full-time jobs. The program celebrated its 300th Ambassador in February 2014 (after only 3 months of operation), when former Governor Bob Holden joined the program. By January 2015, St. Louis Mosaic had signed up 450 Ambassadors.

In addition to the larger Connector Program, St. Louis Mosaic has been providing services to international women who come to St. Louis through a corporate transfer (associate or spouse) by inviting them to attend a meeting of The Woman's Club of Washington University. Each international woman is assigned a sponsor for her first visit as a guest to an event. The guest is then invited to become a member of The Woman's Club of Washington University. St. Louis Mosaic has helped connect these participants socially, as well as helping them to integrate into a network of women that might otherwise be difficult to learn about or enter.

ANN ARBOR SPARK CULTURAL AMBASSADORS PROGRAM

Under the leadership of now-Governor, then-private citizen Rick Snyder, Ann Arbor SPARK created a Cultural Ambassadors Program (CAP) in 2008.

Originally, the SPARK Cultural Ambassadors Program was designed to leverage the international populace of the Ann Arbor area to (1) better attract international companies to do business in the area; (2) attract and retain international talent; and (3) promote better cultural integration of the international populace into the overall community.

The SPARK Cultural Ambassadors Program was based upon ten volunteer culture teams (e.g., Team Japan, Team India, Team Russia, Team Israel, Team China, etc.) engaged in activities to strengthen cultural networks by identifying fellow nationals in the community, those with interest or experience in the country or culture of interest, and others to enhance and market local cultural events, resources, and business connections. Each nation or region represented in the CAP had its own team of community and business members, responsible for holding meetings, advancing its culture's agenda, and promoting cultural awareness. Team members worked to strengthen cultural networks by identifying fellow nationals in the community and enhancing and marketing local cultural events. Each team also was responsible for creating ties with its country's international business community and marketing the Ann Arbor region to that community.

The CAP sought to expedite trade among the international regions and help integrate company workers into the cultural and social fabric of their new community. The program is credited for landing international firms in the Ann Arbor region, as well as providing some of early work that evolved into Michigan's Global Talent Retention

⁹ See Immigrants, International, Students, Network, Jobs – Greater Halifax Partnership, <http://www.greaterhalifax.com/en/home/ourprograms/connectorprogram/default.aspx>.

CONNECTOR PROGRAMS

Initiative—an international student retention program. The CAP was largely allowed to lapse after its founder (Governor Rick Snyder) and its staff moved onto working on the State level.

GREATER LOUISVILLE INTERNATIONAL PROFESSIONALS

The Greater Louisville International Professionals (GLIP) actively engages international talent in Louisville in order to grow this important segment of the population, and integrate them into the business community to meet workforce needs. The GLIP website showcases Louisville’s welcoming and inclusive nature by serving as a trusted source of information, conversations and connections between international professionals and the region’s business community. GLIP also offers a valuable forum for the area’s professionals or companies doing business internationally and thinking with a global perspective. Programs include events (after hours networking, social, dinners, and leadership events), mentorships, a social media website, public relations, promotion of diversity through corporate engagement, and special resource groups.

The primary function of GLIP is as a connector to the international community. A GLIP can be anyone: a foreign- or U.S.- born person, who signs up through an online form identifying their background and interest, which feeds into a GLIP email account. The GLIP website operates as a one-stop source for information about international community events, and acts as a member directory. People can join and connect with a subgroup of people from their country of origin. Group events provide the opportunity for informal connections and mentor relationships to organically develop. GLIP partners with professional organizations to host events, such as career fairs and resume workshops, and offer career development opportunities.

The GLIP Ambassador Program is one of the most distinctive features of the initiative. The program assigns one Ambassador for each country representing the international communities of the metro area to serve as GLIP’s “official go to person” for their country. With GLIP’s support, Ambassadors foster relationships with new members of the same country, serving as a trusted resource for immigrant professionals wanting to be engaged and connected with the community or jump-start their career. Ambassadors maintain content on the Country Page, which functions as a community page with social, cultural, and professional activities. GLIP officials note that all of the ambassadors have been in the region for 15-20 years, and are experts on Louisville. Finding the right people to serve in that position is critical to GLIP’s success. Good ambassadors need to possess not only the appropriate knowledge about Louisville and their ethnic community, but also openness and a willingness to share.¹⁰

The GLIP website showcases Louisville’s welcoming and inclusive nature by serving as a trusted source of information, conversations and connections between international professionals and the region’s business community.

Finally, a Mentors and Protégé Program is available to international students and foreign-born students who can be matched to established local business leaders to develop mentoring relationships.

CONCLUSION

At their most basic level, connector programs build off of the natural human instinct to be social and help one another. For immigrants who come to the U.S. with skills, new ideas, and ambition, but may lack the professional, cultural and social networks, the path to connectivity and productivity can be accelerated tremendously with the help of programs that help open doors. One theme that the programs listed above seem to share is both an awareness of the issue on the part of regional leadership (both at the individual and organizational level) and a willingness to share resources and opportunities to a wider spectrum of the community.

¹⁰ E. Brandon, Program Manager, Global Talent & Workforce Inclusion, Greater Louisville Inc., telephone interview, July 18, 2014.

CONNECTOR PROGRAMS

And while building connector programs may be a worthy goal, the social capital required to make a connector program successful in the long run is significant. Access to networks and some level of pre-existing connectivity to immigrant communities is necessary at the onset, or at least a willingness and time commitment to engage immigrants. As a first step for communities thinking about initiating a connector program, one factor to consider may be one of community capacity, and therefore conducting an informal audit of potential partners and leaders for the program may be in order to assess program viability and sustainability in the long term.



Chapter 8

RURAL DEVELOPMENT

RURAL DEVELOPMENT

OVERVIEW

For most of the 20th Century, immigration to the U.S. was primarily directed towards urban centers. Rural areas, however, are increasingly the destination for immigrants in the U.S. Starting in the 1980s and accelerating since, the rural U.S. has seen great leaps in both primary and secondary migrants.¹ The new arrivals to these areas tend to have lower levels of formal education than the national average among foreign-born, but they often possess unique agricultural and manufacturing skills,² and are more prominently Latino than the national average.³ While they face different challenges than their urban counterparts, there are clear opportunities for leveraging rural immigrant communities to boost local economic development.

.....
“While they face different challenges than their urban counterparts, there are clear opportunities for leveraging rural immigrant communities to boost local economic development.”
.....

Given their traditionally lower immigration rates, many rural areas may be largely unprepared to incorporate sudden increases in immigrants and refugees. While the absolute numbers of immigrants may be smaller, the impacts of immigration can be larger in rural communities. Even small numbers of newcomers can represent a large increase in the population of these areas. Many rural communities may not have seen new populations with different native languages, customs, or traditions for decades, if not a century and may not have the services and institutions in place to help foster integration. These communities may need assistance in connecting to new populations. Social and economic infrastructures may not be well-prepared to handle increases in the number of immigrants, and large inflows can at times overwhelm unprepared local rural integration and economic development systems.⁴ Moreover, migration to rural America is unevenly distributed. One small town may experience a large influx of immigrants, while a neighboring community none. This distribution means that some communities have had to rapidly adapt to accommodate the influx of newcomers, while others have been left relatively unchanged.⁵

¹ J. Celeste Lay, *A Midwestern Mosaic: Immigration and Political Socialization in Rural* (Philadelphia: Temple University Press, 2012).

² Leif Jensen, “New immigrant settlements in rural America: problems, prospects, and policies,” *unh.edu*. University of New Hampshire Scholars’ Repository, November 28, 2006, http://www.carseyinstitute.unh.edu/publications/Report_Immigration.pdf.

³ “The Economic Development Impacts of Immigration,” *iedconline.org*. International Economic Development Council, July 10, 2013, http://www.iedconline.org/clientuploads/Downloads/edrp/IEDC_EDRP_Immigration_Summary.pdf.

⁴ Ibid.

⁵ Mary Laeger-Hagemeister, “Social Capital Networking and Immigrant Populations in Rural Minnesota: A Qualitative Research Project,” *umn.edu*. Graduate School of the University of Minnesota, February 2011, http://conservancy.umn.edu/bitstream/handle/11299/104521/LaegerHagemeister_umn_0130E_11775.pdf?sequence=1&isAllowed=y.

OPPORTUNITIES

At the same time, most of rural America has been struggling with declining populations and flagging economies. The average age of U.S. farmers is now 57 years old, and younger generations have shown less interest in continuing the businesses.⁶ A lack of a stable agricultural workforce across the U.S. has limited the expansion of agricultural businesses.⁷ The agricultural industry, which is the main economic driver in many rural communities, has long relied on immigrant and migrant labor to fill their needs.⁸

Meat-processing plants and other food-processing industries have relocated to rural America from their former locations in urban cores. These jobs have attracted large numbers of recently arrived Latino immigrants, as well as refugees from Somalia, Sudan, and Burma in recent years, groups which tend to be lower-skilled (by traditional formal education measures) than other immigrant groups and face higher levels of cultural and linguistic barriers.⁹ Despite these barriers, these new rural migrants have helped to provide the workforce necessary to keep agriculture a growing industry, as well as to keep food processing operations in rural areas.

Meat-processing plants and other food-processing industries have relocated to rural America from their former locations in urban cores... and new rural migrants have helped to provide the workforce necessary

An added benefit of immigrant workers settling in rural areas is that they often are the only answer to stabilizing declining populations and reinvigorating flagging business districts in rural towns across the country.¹⁰ In addition to providing much-needed customers (and tax base) to shrinking rural towns, immigrant communities can provide their own business enterprises that may not only cater to their ethnic communities, but also provide services to the community at large. Several rural communities have embraced new immigrant entrepreneurs as a solution to the crisis of retiring family-owned businesses that have been closing due to a lack of leadership succession, as rural children are drawn to cities and more populous metros in their adult years.

Fear of change in receiving communities is often a great challenge in these new rural immigration gateways. Through collaboration and community building, however, as well as a shared vision that immigration can help rural areas excel economically, these fears can be overcome. Engaging incumbent residents on their own immigrant heritage and experiences as the “other” can lead to mutual understanding and better chances for successful integration and economic development.¹¹

In addition to providing much-needed customers (and tax base) to shrinking rural towns, immigrant communities can provide their own business enterprises that may not only cater to their ethnic communities, but also provide services to the community at large.

⁶ See Environmental Protection Agency, <http://www.epa.gov/agriculture/ag101/demographics.html>.

⁷ See United States Department of Agriculture, <http://www.ers.usda.gov/amber-waves/2012-june/immigration-policy.aspx>.

⁸ Migrant labor is used simply to mean labor, which moves from place to place. In an agricultural context this could movement could center on changing growing and harvesting seasons based on weather and crops. Migrant labor may intend on returning to their home countries, while immigrant is a permanent resident alien. Over time, many migrant laborers may become immigrants seeking to stay in the community permanently. Neither term is used here in its formal legal sense.

⁹ K.M. Donato, C.M. Tolbert, C.M., A. Nucci, and Y. Kawano, “Recent immigration settlement in the nonmetropolitan United States: Evidence from internal census data,” *Rural Sociology* 72 (2007): 557-559.

¹⁰ Dennis Coates and T.H. Gindling, “Hispanic Growth, Higher Rural Incomes,” *dailyyonder.com*. The Daily Yonder, November 10, 2014, <http://www.dailyyonder.com/hispanic-growth-higher-rural-incomes/2013/02/12/5652>.

¹¹ Laeger-Hagemeister, “Social Capital Networking and Immigrant Populations in Rural Minnesota: A Qualitative Research Project.”

IMPLEMENTATION

PRO-ACTIVE INTEGRATION EFFORTS

Some of the most successful rural immigrant-focused economic development outcomes come from communities where leaders proactively embraced new residents and sought to build a more integrated community. These can include efforts by town leaders to meet with local immigrant leaders, forums to discuss topics of mutual interest, home visits, and even, in the rare instance, visits to immigrants' home countries and regions. Faith leaders and educators can be important resources in helping to build cross-cultural relationships, as church and school often represent a natural place where immigrants and receiving communities come together.

Below we profile Marshalltown, Iowa as an example of how coordinated welcoming efforts can lead to better economic outcomes for rural areas experiencing an influx of new immigration. Through concerted efforts by community leaders and policy-makers, the fear of change in rural communities can be overcome, and immigrant communities can be leveraged to reinvigorate flagging economies. These efforts address places that are already experiencing an influx of newcomers, but other rural communities have taken steps to attract the foreign-born to help bolster their economies.

MARSHALLTOWN, IOWA

Marshalltown is a small town in central Iowa. As recently as the 1990's, its economy and population were on the decline, and, like many other rural American towns, its economic future was uncertain.

Between 2000 and 2010, the foreign-born population of Marshalltown more than doubled, and now makes up over 26 percent of the town's population.¹² In 1990, Marshall County had a mere 292 Hispanic residents, 20 years later, that figure had grown to over 7,000.¹³ Like most of Iowa, Marshalltown historically had a rather homogenous population, but opportunities at the Swift & Co. meat packing plant along with strong networks with Villachato, Mexico have led to a radical demographic shift.¹⁴ Today, around 30 percent of the town's businesses are foreign-owned, and immigrants have played an especially important role in revitalizing the downtown area. What was once a downtown with little economic activity is now filled with bustling stores and restaurants, many of them immigrant-owned.¹⁵

Town leaders recognized growing tensions between the incumbent population and their new neighbors and took pro-active steps to integrate them into the community.

All of the positive immigrant-driven development led former Iowa Governor Tom Vilsack to name Marshalltown a model city for its efforts in welcoming new Americans.¹⁶ Town leaders recognized growing tensions between the incumbent population and their new neighbors and took pro-active steps to integrate them into the community. The mayor and police chief travelled to the Mexican town from which the majority of their immigrants came and reported their observations back to the community. Faith leaders forged relationships between Anglo and Latino church groups and held dialogues to emphasize the shared values that both the groups held.

¹² U.S. Census Bureau.

¹³ See Pew Research, Hispanic Trends Project, <http://www.pewhispanic.org/2013/08/29/u-s-hispanic-population-by-county-1980-2011/>.

¹⁴ Anne C. Woodrick, "Revitalizing a Midwestern City: Immigrants in Marshalltown," [usembassy.gov](http://iipdigital.usembassy.gov/st/english/article/2010/10/20101019151854enna0.6003992.html#axzz38UyuUYf9). IIP Digital, November 8, 2010, <http://iipdigital.usembassy.gov/st/english/article/2010/10/20101019151854enna0.6003992.html#axzz38UyuUYf9>.

¹⁵ "Iowa sees evolving immigrant workforce," [fosterquan.com](http://www.fosterquan.com/news/iowa_sees_evolution_immigrant_workforce8042012.pdf). Fostering Global Immigration Solutions, August 4, 2012, http://www.fosterquan.com/news/iowa_sees_evolution_immigrant_workforce8042012.pdf.

¹⁶ Jan L. Flora, Claudia M. Prado-Meza, and Hanna Lewis, "After the Raid is Over: Marshalltown, Iowa and the Consequences of Worksite Enforcement Raids," [immigrationpolicy.org](http://www.immigrationpolicy.org/sites/default/files/docs/Marshalltown_Raid_012511.pdf). Immigration Policy Center, January 2011, http://www.immigrationpolicy.org/sites/default/files/docs/Marshalltown_Raid_012511.pdf.

Local schools capitalized on the new diversity of their student population to begin a bilingual curriculum.¹⁷ A local community college expanded an ESL and GED program tailored to the needs of the newcomers. And the local Chamber of Commerce sponsored cross-cultural business liaisons to increase the cooperation of the business community and recruit Latino business owners for non-profit board leadership roles.¹⁸ This combination of welcoming efforts from the public and private sectors has led to better cohesion among the Marshalltown community and to better economic results for its downtown. Marshalltown can serve as a model for other rural towns to capitalize on new demographic shifts as a catalyst to economic development.

LOCAL WELCOMING PROGRAMS OPERATING IN RURAL COMMUNITIES

Welcoming America's national network of local programs employ a variety of approaches in response to their local conditions, matching opportunities with the needs of immigrant populations and receiving communities. Two examples of local Welcoming programs operating in rural Michigan and Nebraska highlight some creative ideas to effectively engage the rural populations of these states.

In rural Van Buren County, along the Lake Michigan shore just past Kalamazoo on Michigan's west side, nearly 11 percent of the population is Latino, more than twice the state average. Most of these people were born in Mexico, and have worked for several generations as farmworkers on fruit and berry farms, many migrating seasonally. While the presence of Hispanic farmworkers in this predominately white farming community was well established, there were gaps in understanding, language and culture.

In 2012, Welcoming Michigan, a program of the Michigan Immigrant Rights Center, produced a 30-minute documentary highlighting the Latino community in new ways. Because local Latinos are often exclusively identified with "migrant" experiences, the film challenged that narrative and built community by also including the migration stories of other major cultural identity groups in the area: Native Americans, African Americans, and European Americans. Over the course of the next year and a half, Welcoming Michigan worked with dozens of Van Buren County organizations to screen the film and host discussions afterwards. One such screening took place at Lake Michigan College, and was hosted by the South Haven Area Diversity Coalition with 40 coalition members and students.

Another screening took place at the Immaculate Conception Church in Hartford, Michigan, which is home to both U.S.-born community members and one of the largest Latino faith communities in Van Buren County. At Immaculate Conception, one screening took place after the English mass and another screening happened after the Spanish mass. Other screenings took place at Kalamazoo College, the Paw Paw Public Library, and a number of other churches and community facilities across the county, for both immigrants and U.S. born and integrated audiences. Receiving community viewers often described how the film gave them an understanding of the struggles immigrants face, as well as the challenges of agricultural work and an increased appreciation of the shared experience of migration by many groups in the area. Among Latino and immigrant community viewers, many were happy that their story was being featured prominently and that they could share it with their neighbors.¹⁹

Welcoming America's national network of local programs employ a variety of approaches in response to their local conditions, matching opportunities with the needs of immigrant populations and receiving communities.

Over 600 miles to the west of Van Buren County, in Columbus, Nebraska, another Welcoming member, Nebraska is Home, is working in innovative ways to create a welcoming community for immigrants and refugees in that state. Columbus, a city of over 22,000 in the heart of Nebraska farm country, is highly reliant on agriculture and

¹⁷ See Marshalltown Community School District, <http://www.marshalltown.k12.ia.us/dual-language.html>.

¹⁸ "Iowa sees evolving immigrant workforce."

¹⁹ See e.g., <http://welcomingmichigan.org/create-blog-entry/february-screenings-welcoming-michigan-film-journeys-stories-van-buren> or <http://www.youtube.com/watch?v=KSR69DPYCHg>.

manufacturing, since it is proximate to plentiful hydroelectric power from the Loup Project. Hispanics make up over 16 percent of the population and are well represented in the economy, working not only on farms and manufacturing plants, as well as owning a number of small businesses that serve Columbus.

One recent activity that Nebraska Is Home conducted to engage both immigrant and U.S.-born communities in Columbus was a small-business tour, where Columbus residents got to know some of the diverse local businesses that help Columbus community thrive. Participants were bussed to eight Columbus businesses where they could meet with the business owners and learn a little about each one. The group toured local businesses offering a range of services and retail options, from photography to tax preparation to massage therapy to boutiques. “Sometimes it can be hard to walk in a new store for the very first time,” said Christa Yoakum, coordinator of Nebraska Is Home. “This was a fun way for friends to visit some new establishments together — particularly cross-culturally —and for business owners to chat with community members about what they offer.”²⁰

ENTREPRENEURSHIP PROGRAMS

In addition to pro-active integration efforts, communities have developed entrepreneurship efforts to target immigrant communities in rural areas. These have included replicating fairly traditional entrepreneurship programs, as well as more innovative approaches that specifically seek to address language and cultural barriers, as well as take advantage of the unique assets of immigrant entrepreneurs and unique challenges of rural communities, including its aging challenges that are leaving numerous rural businesses without leadership succession.

Developing entrepreneurship and business supports that target immigrant communities in rural areas can be a challenge. The University of Northern Iowa conducted a study of rural Latino business owners in 2004.²¹ The goal of the study was to assess the business conditions, support programs and financing available to Latino entrepreneurs in rural parts of the state of Iowa. The study’s conclusion are well chronicled in a July 2006 guide to assist economic development practitioners working with immigrants in rural areas developed by the Iowa Center for Immigrant Leadership and Integration at the University of Northern Iowa and the U.S. Small Business Administration.²² Specifically, the guide notes:

The study found that most business development activity among Latino immigrants was spontaneous in nature: it was driven by individual entrepreneurs who were largely

²⁰ See <http://nebraskaishome.org/?p=648>.

²¹ Mark Grey, Nora Rodríguez and Andrew Conrad, “Immigrant and Refugee Small Business Development in Iowa,” *uni.edu*. University of Northern Iowa, November 2004, <http://www.bcs.uni.edu/icili/pdfs/Immigrant-and-Refugee-Small-Business-Report.pdf>.

²² Maureen Collins-Williams and Mark Grey, “A Rural Service Provider’s Guide to Immigrant Entrepreneurship” *uni.edu*. University of Northern Iowa, Regional Business Center/Small Business Development Center, Iowa Center for Immigrant Leadership and Integration, July 2006, <http://www.bcs.uni.edu/icili/pdfs/latinomanual.pdf>.

²³ See Ontario Immigrant Network, <http://oinweb.ca/site/>.

ONTARIO IMMIGRANT NETWORK – UTILIZING IMMIGRANTS TO ADDRESS RURAL BUSINESS SUCCESSION CHALLENGES

Across rural Ontario in Canada, there are numerous small-town businesses with aging owners. While profitable, these successful businesses often face closing when their owners want to retire, simply because of a lack of someone willing to take it over. The Ontario Immigrant Network works to solve this problem by connecting these business owners with immigrant-entrepreneurs looking for a business opportunity. The initiative first analyzes businesses for sale and assembles a list and the requirements for ownership. It then screens for candidates by working with community stakeholders to pre-screen ideal candidates based on their entrepreneurial skills. After connecting the entrepreneurs with the opportunities, they provide technical support for the immigrants by connecting the newcomers to mentors, business, settlement, and other social services.²³ The program benefits rural communities by finding new entrepreneurs to invest in businesses that would likely close otherwise, thus creating continuity of services and improving the local economy.

unable or unwilling to secure outside assistance with planning, operating or financing a new or existing business. There was minimal interaction between Latino entrepreneurs and the greater business community, and Latinos' mistrust of service providers from the non-Latino community was prevalent. These findings mirror research in other parts of the country concerning the immigrant entrepreneur experience in the United States. The disconnect between Latino entrepreneurs and local service providers, lenders and the rural business community needs to be addressed using unique and culturally sensitive practices. In addition, it is imperative that basic business services are extended to Latino entrepreneurs. Those services include:

- A supportive community culture;
- Business technical assistance and training;
- Access to capital at every stage of business development; and
- Peer, professional and industry networks.

LATINO ENTREPRENEURSHIP IN RURAL IOWA

Iowa State University's Extension service has also been proactive in finding opportunities for potential immigrant entrepreneurs. Through a new study, they concluded that many of the recent immigrants to Iowa are interested in staying in the state as farmers.²⁴ In addition, ISU's Community Voices project holds seminars across the state for new immigrants instructing them on opportunities and services available for them in Iowa.²⁵ The program seeks to connect New Americans to incumbent leaders, and encourage them to be involved in community life. This includes learning about business associations and ways to engage with the local economy.

TOOLS AND RESOURCES

The Rural Service Providers Guide to Immigrant Entrepreneurship provides a great starting point to establishing a rural entrepreneurship initiative to serve immigrants or even to expand an existing rural entrepreneurship program so that it can include immigrant participants.²⁶ The guide is well laid out by chapters covering how to prepare community organizations for such programs, developing effective business coaching and entrepreneurial training efforts that reach immigrant entrepreneurs (who may have limited English proficiency and cultural barriers to accessing traditional entrepreneurship programs), and offering appropriate lending programs, as well as building a network with immigrant entrepreneurs in rural areas. Each chapter concludes with simple actions steps and best practices.

²⁴ "Assessing needs and fostering agricultural entrepreneurship among immigrants in several Iowa communities," *iastate.edu*. Leopold Center for Sustainable Agriculture, 2006-07, <http://www.leopold.iastate.edu/sites/default/files/grants/M2006-07.pdf>.

²⁵ See Iowa State University, <http://www.extension.iastate.edu/communities/voices>.

²⁶ Collins-Williams and Grey "A Rural Service Provider's Guide to Immigrant Entrepreneurship."



Chapter 9

IMMIGRANT INVESTOR VISAS

IMMIGRANT INVESTOR VISAS

OVERVIEW

Immigration not only brings new talent, labor, and diversity of skills to a region but also a deeper global connection, which facilitates trade and investment. In fact, immigration growth has been found to be positively associated with increased foreign investment at the metropolitan level. Detailed research and econometric analysis suggests that increased immigration produces growth in both trade and foreign investment and that the amount of impact depends on the length of time in which immigrants have been in the local community, their skill level, and the nature of their home country economies.¹

.....

“An important factor to helping such international business welcoming committees succeed is the long-term development of local relationships so that the collaboration in greeting international visitors and investors is natural and seamless, instead of forced.”

.....

Immigration often bolsters foreign investment through the role that local immigrants play in bringing foreign firms and investors to a regional economy. Programs that seek to utilize immigrants and local networks of internationals to greet foreign companies considering investment have long existed and often include international business councils at local chambers of commerce, local councils on global affairs, local international visitors councils, local corps of foreign consulate offices, ethnic chambers, and other business groups. An important factor to helping such international business welcoming committees succeed is the long-term development of local relationships so that the collaboration in greeting international visitors and investors is natural and seamless, instead of forced.

While developing local networks of varied international interests has been an economic development strategy for decades, immigrant economic development initiatives (and the global economy) have begun to pay more attention and energy into capitalizing on various investor visa opportunities, including the EB-5 Investor Visa and E-2 Treaty Investors. Investor visas allow individual foreign investors seeking an opportunity to migrate to the region or to utilize U.S. immigration law to establish U.S. residency and citizenship, and growing immigrant populations can foster home country relations with wealthier individuals seeking to utilize this tool.

EB-5 INVESTOR VISA PROGRAM

Collectively, the Brookings Institution estimates that the EB-5 program has created 85,500 full-time jobs and attracted some \$5 billion in direct investments since the program’s inception.² The EB-5 investor visa program was created in the early 1990s

¹ Hisham Foad, “Immigration and FDI: A Regional Analysis,” *sdsu.edu*. San Diego State University, February 25, 2011, http://www-rohan.sdsu.edu/~hfoad/FDI_ARS.pdf.

² Audrey Singer and Camille Galdes, “Improving the EB-5 Investor Visa Program: International Financing for U.S. Regional Economic Development,” *brookings.edu*. February 5, 2014, http://www.brookings.edu/~media/research/files/reports/2014/02/05_eb5/eb5_report.pdf

IMMIGRANT INVESTOR VISAS

and is authorized to issue up to 10,000 visas annually. It allows foreign investors to obtain conditional residency, legal permanent residency, and, eventually, citizenship by investing \$1 million into a U.S. business that they “control” and by creating 10 U.S. jobs. Investments in “Targeted Employment Areas (TEAs)” lower the investment threshold to \$500,000. TEAs are defined as a rural area (outside of a city with population of 20,000 or greater) or an area with high unemployment (150 percent of the national average).

The EB-5 Regional Center program allows investors to pool their resources through regional centers that have developed foreign investment plans to spark regional economic growth. These plans must be pre-approved by the Department of Homeland Security. EB-5 regional centers eliminate the restrictive “control” requirements that require the single EB-5 investor to manage the business and they enable investors to use econometric models to include “indirect” job creation as part of their job creation requirements. The vast majority of the EB-5 investments have come through these regional centers because of these advantages.

The EB-5 Regional Center program allows investors to pool their resources through regional centers that have developed foreign investment plans to spark regional economic growth.

Only 16 regional centers were created in the first 15 years of the EB-5 program. Yet, today there are over 400 approved centers. The growth of regional centers has been mirrored by the extremely rapid growth in utilization of the EB-5 program over the last few years, growing from less than 1,000 visas issued in 2007 to 6,627 visas in 2012. In fact, reports in August 2014 suggest that the 10,000 EB-5 visa cap was reached during the fiscal year ending September 30, 2014 due to a large influx of Chinese nationals seeking to utilize the program.³ This growth has been entirely through regional centers as the number of direct EB-5 investments not using a regional center has declined since 2009.

CONNECTING EB-5 STRATEGIES WITH LOCAL ECONOMIC DEVELOPMENT PLANS

The 2014 Brookings report highlights the opportunities for local economic development agencies (EDAs) to work more closely with EB-5 regional centers. Local EDA staff have the best access to high-quality economic development projects and have well-established and researched economic development plans that target growth and impact industries. They also know which economic sectors and investments need low-cost capital to grow.

The Brookings report highlights the work of EB-5 regional centers and local EDAs in Dallas, Philadelphia, and Riverside-San Bernardino, California. Each provides a specific example of how local economic development agencies and local government might take advantage of the EB-5 program in a manner that will maximize long-term economic growth and job creation.

INDUSTRY OR ECONOMIC DEVELOPMENT STRATEGY FOCUS

Many Regional Centers target several key industries important to that local region. For example, Green Detroit, LLC targets green manufacturing investments in Metro Detroit and has placed EB-5 investments in a commercial vehicle engine developer that produces range extended electric vehicles (REEVs) with hybrid electric powertrain systems founded by Tesla alumni as well as a company that collects commercial waste in Detroit, mostly from the restaurant industry, and converts it into bath, facial, and napkin products as well as biofuels and fertilizer. Another example is Whatcom Opportunities Regional Center, which concentrates on assisted living facilities for the elderly in Whatcom County, Washington.⁴

³ Sophia Yan, “U.S. Runs Out of Investor Visas as Chinese Overwhelm Program,” *money.cnn.com*. CNN Money, August 27, 2014, <http://money.cnn.com/2014/08/27/news/economy/china-us-visa/>.

⁴ See www.worc.biz.

IMMIGRANT INVESTOR VISAS

The City of Dallas promotes a private Regional Center with an investment focus on urban revitalization and warehousing. According to the Dallas Morning News, “At City Hall, there is hope that the foreign money will be targeted toward some of the city’s hardest development cases, including dilapidated downtown properties . . . [and] building warehouses in southern Dallas or retail centers in the North.”⁵

ASSISTANCE IN FINDING TEAS AND GOVERNOR PROMOTION

In Vermont, which launched the first state-sponsored EB-5 regional center, successive governors have promoted the Jay’s Peak EB-5 regional center over the last several years and credit the program with bringing in \$250 million in low-cost capital from immigrant investors from some 56 countries.⁶

The Michigan Economic Development Corporation created a very helpful online tool for Michigan investors to determine if a potential investment is located in a Targeted Investment Area (TEA) and, thus, qualified for the lower \$500,000 investment threshold. This development is one of the early outputs of Governor Snyder’s Global Michigan focus.

USE OF LOCAL IMMIGRANT NETWORKS

Each region has a unique mix of international assets—immigrants, refugees, global industry ties, trading partners, international students, etc. These familial, cultural, and commercial links suggest that a metropolitan area and local regional center may attract potential EB-5 and E-2 investors from areas of the world that have not been as solicited as certain Asian communities. As competition increases for investors in Asia,⁷ local relationships with Africa, Mexico, Brazil, and other Latin American nations, Europe, and the Middle East present ripe opportunities for securing new EB-5 investors.

Regional centers and local EDAs should utilize skilled intermediaries and partners who can help secure international investors, a new regional center’s biggest challenge. Efforts should be made to capitalize on existing global trading relations enjoyed by the local region, including unique relationships with businesses and investors stemming from local industries’ global presence as well as the region’s largest immigrant populations.

Each region has a unique mix of international assets—immigrants, refugees, global industry ties, trading partners, international students, etc.

STATE ASSISTANCE FOR EB-5 CENTERS

The \$5 billion in investment capital raised to date through the EB-5 investor visa program may seem significant; however, in reality, it is small given the over \$200 billion that the U.S. brings in annually in foreign direct investment. It also must be noted that the EB-5 Regional Center model has limited ability to bring highly-talented, highly-skilled, and/or highly-capitalized foreign entrepreneurs to non-traditional immigrant gateways. Local regional centers attracting large immigrant investment pools through third-party brokers, such as the Philadelphia Welcome Fund, City of Dallas Regional Center, and Vermont EB-5 Regional Center—arguably some of the largest and most successful regional centers in the country—do not bring large numbers of talented investors to move to their local communities. Rather, they attract the low-cost investment capital from foreign investors seeking U.S. residency and/or citizenship, but the immigrant investors themselves are most likely settling in other gateway communities with established networks, such as New York City, Los Angeles, and San Francisco.⁸

⁵ Rudolph Bush, “City of Dallas Regional Center Program Trades Green Cards for Development Capital,” *Dallas Morning News*, December 2, 2009, <http://www.dallasnews.com/news/community-news/dallas/headlines/20091127-City-of-Dallas-Regional-Center-program-6470.ece>.

⁶ Ali Jahangiri, “New Public Agencies Jumping Aboard the EB-5 Train,” *The Huffington Post*, June 26, 2014, http://www.huffingtonpost.com/ali-jahangiri/new-public-agencies-jumpi_b_5530368.html.

⁷ One particular insight from the Brookings research is that almost 75 percent of the EB-5 investors have come from just three Southeast Asian countries: China (46 percent), South Korea (17 percent), and Taiwan (10 percent). Hong Kong also has generated 3 percent of the EB-5 visas, ranking fifth.

⁸ Sam Rhoads, Vice President of the Philadelphia Industrial Development Authority, interview, June 2010.

Additionally, the recent demand for EB-5 investor visas—especially in 2014 after Canada ended its investor visa program—has put tremendous stress on the administrative processing of project approvals and individual applications. Shortly after the 10,000 visa cap was reached in August 2014, the Wall Street Journal quoted a Chinese immigration consultant saying that whereas ten years ago an EB-5 visa could be obtained in a few weeks, now the approval process takes about two years.⁹ In fact, the U.S. Citizenship and Immigration Services (USCIS) website posted average processing times as taking 13.8 months to approve the I-526 Form for foreign investors to be qualified for and EB-5 investor visa and 8.1 months to approve the application to become designated as an EB-5 regional center (Form I-924).¹⁰

E-1 AND E-2 TREATY INVESTORS

Local economic developers who are seeking to utilize local immigrant populations and international communities to attract EB-5 investors may find individuals who are interested in wanting to start local businesses and obtain U.S. residency but are unable to meet the EB-5 program's substantial capital requirements and unwilling to deal with the tremendous administrative delays that have begun to characterize the EB-5 program. Some of these immigrant investors may be eligible for an E-1 Treaty Trade or E-2 Treaty Investor visa depending on their country of origin and the nature of their investment.

To qualify for such visas, the immigrant must be coming to the U.S. to engage in substantial trade, including trade in services or technology, in qualifying activities, principally between the United States and the treaty country, or developing and directing the operations of an enterprise in which the immigrant has invested a “substantial” amount of capital.¹¹ For a list of those countries that the U.S. maintains a treaty with, please see http://travel.state.gov/visa/fees/fees_3726.html. The key elements of E-2 Treaty Investor visas are that the immigrant (1) be from a treaty country of the U.S.; (2) that there be a “substantial” investment of money into a commercial enterprise whose return is significant enough to support the investor and his/her family; (3) the immigrant investor must be controlling the investment enterprise; and (4) sufficient evidence exists (e.g., business plans, contracts, etc.) to substantiate the investment as legitimate. An investment is considered “substantial” based upon the amount of funds invested, weighed against the total cost of creating the enterprise; the amount of money considered sufficient to ensure the success of the operation; and the immigrant investor being in a position to direct the business venture.¹²

To qualify for such visas, the immigrant must be coming to the U.S. to engage in substantial trade, including trade in services or technology, in qualifying activities, principally between the United States and the treaty country.

While we know of no specific local economic development program designed to cultivate E-2 Treaty Investors, it would be an important alternative to market to potential immigrant investors who may not be able to utilize the EB-5 program for whatever reason.

⁹ Jason Chow, “After Overwhelming U.S. Visa Program, Where Will China’s Emigrants Go Next?” *The Wall Street Journal*, August 27, 2014, <http://blogs.wsj.com/chinarealtime/2014/08/27/after-overwhelming-u-s-visa-program-where-will-chinas-emigrants-go-next/>.

¹⁰ Screenshot of United States Citizenship and Immigration Services (USCIS) web page, October 24, 2014, <http://www.aila.org/content/default.aspx?docid=50504>.

¹¹ See <http://travel.state.gov/content/visas/english/employment/treaty.html>.

¹² This information is based upon a Legal Memorandum prepared by The Fakhoury Law Group dated September 16, 2013 for Global Detroit’s background purposes.



Chapter 10

EXPORT PROMOTION

EXPORT PROMOTION

OVERVIEW

One specific economic development benefit of a growing immigrant population—a benefit that has scarcely been recognized and is largely untapped by economic development work—centers on export growth potential, which has the potential to generate significant economic benefit for communities. The presence of new immigrants lowers transaction costs; breaks down language access, cultural, and other informal barriers to trade; and provides local insight into new markets. It is estimated that for each additional immigrant, exports to their country of origin increase by between \$11,458 and \$22,999 for immigrants from developed countries and between \$1,468 and \$4,139 for immigrants from developing countries.¹ This effect is not dependent on the skill level of the immigrants,² and it generally outpaces increases in demand for imports from their countries of origin.³ In addition, the added exports tend to have a positive effect on the overall volume of export transactions but do not affect the average size of each transaction. This indicates that immigrant-driven export growth produces completely new opportunities rather than increasing the intensity of existing export streams.⁴

The Partnership for a New American Economy has argued that “perhaps the part of the economy benefitting most from the increased prominence has been exports,” noting that the value of U.S. exports has increased by 60 percent in the last decade alone.⁵ The PNAE report goes on to note that “this is important because, as think tanks like the CATO Institute have argued, exports are a good proxy for the state of our economy and job growth. When exports increase, so do our economic output and job creation.”⁶

.....
“The presence of new immigrants lowers transaction costs; breaks down language access, cultural, and other informal barriers to trade; and provides local insight into new markets.”
.....

¹ Catherine Co, Patricia Euzent, and Thomas Martin, “The Export Effect of Immigration into the USA,” *Applied Economics* 36, No. 6 (2004): 573–83.

² Although other studies suggest that the more highly skilled the immigrant, the greater the impact on export growth and job creation, the studies suggest that working-class immigrants impact export growth positively. There are other factors that impact the magnitude by which immigration fosters foreign investment and export growth that depend on the size of the local immigrant population, the nature of the U.S. trading relationship with the immigrant’s home country, the nature of their home country economy, and other factors. While these factors can determine the degree and nature of the impact, there appears to be widespread agreement that immigrants of any skill level from any country have positive impacts on trade and investment.

³ Ibid.

⁴ Giovanni Peri and Francisco Requena, “The Trade Creation Effect of Immigrants: Evidence from the Remarkable Case of Spain,” NBER *Working Paper* # 15625, November 2009, <http://www.nber.org/papers/w15625.pdf>.

⁵ Robert Fairlie, “Open for Business: How Immigrants Are Driving Small Business Creation in the United States,” *renewoureconomy.org*. Renew Our Economy, August 2012, <http://www.renewoureconomy.org/sites/all/themes/pnae/openforbusiness.pdf>.

⁶ Ibid.

EXPORT PROMOTION

The positive impact that immigrants have on increasing the export economy of a local region has been quite profound around the world. In Spain, research suggests that doubling the number of immigrants from a particular country leads to a ten percent increase in exports to the parent country,⁷ and in Sweden a ten percent increase in the immigrant population has been linked to a six percent increase in the volume of bilateral trade with the sending countries.⁸ Many regional economies in the U.S. are well positioned to take advantage of these benefits, and immigrant driven export promotion has the potential to be a powerful tool for creating jobs and enhancing regional prosperity.

One means by which immigrant communities facilitate trade with their countries of origin is through lowering the fixed transaction costs of trade. Immigrants can help mitigate some of the major obstacles for exporting goods such as the hidden costs to buyers from obtaining information about products and trade partners, complications from international contract enforcement, and entry into foreign social and business networks.⁹ Immigrant communities can help bolster exports through their knowledge of the business and social norms in their countries of origin as well as through leveraging their networks. Immigrants also have a high level of knowledge on host-country trading opportunities including information about available products suitable for export and contact with agencies that know of opportunities for trade. Through their high levels of cultural competence and agility, immigrants help to lower the costs of bilateral trade. What is more, the larger the difference in institutional structure and rule-of-law between a country and the U.S., the greater the added value of exports facilitated by immigrant communities.¹⁰ This is encouraging, given that the greatest increase in export opportunities is located in those countries whose immigrants can help facilitate the most trade.¹¹

But it is not just the value that immigrants provide to local businesses that help bolster exports. Often immigrants create their own businesses that become a significant part of a region's export economy. In fact, immigrant-owned businesses are more than 60 percent more likely to export than non-immigrant owned businesses. Immigrant-owned businesses are almost three times more likely to be "high-exporting companies," defined as deriving more than half of the firm's sales from exporting. According to the 2007 Survey of Business Owners, immigrant-owned firms comprised 13 percent of the sample of 1,120 firms randomly sampled but over 35 percent of high-export firms.¹² The following chart demonstrates the prominence of immigrant-owned businesses among high-exporting U.S. businesses.¹³

PERCENT OF TOTAL SALES EXPORTED OUTSIDE OF THE U.S.	PERCENT OF FIRMS THAT ARE OWNED BY IMMIGRANTS
NONE	12.7%
LESS THAN 1%	11.1%
1% TO 4%	14.7%
5% TO 9%	17.1%
10% TO 19%	20.2%
20% TO 49%	35.1%
50% TO 99%	50.5%

⁷ Peri and Requena, "The Trade Creation Effect of Immigrants: Evidence from the Remarkable Case of Spain."

⁸ David Landes, "Immigration Increases Foreign Trade Study," *thelocal.se*. The Local, September 17, 2009, <http://www.thelocal.se/20090917/22146>.

⁹ Mark Herander and Luz Saavedra, "Exports and the Structure of Immigrant-Based Networks: The Role of Geographic Proximity," *The Review of Economics and Statistics* 87, no. 2 (2005): 323-35, <http://www.mitpressjournals.org/doi/abs/10.1162/0034653053970311?journalCode=rest#.VGDOVPTF9QE>.

¹⁰ Ibid.

¹¹ Jun Nie and Lisa Taylor, "Economic Growth in Foreign Regions and U.S. Export Growth," *Federal Reserve Bank of Kansas City Economic Review*, Second Quarter (2013): 31-63, <http://www.kc.frb.org/publicat/econrev/pdf/13q2Nie-Taylor.pdf>.

¹² Fairlie, "Open for Business: How Immigrants Are Driving Small Business Creation in the United States," p. 11.

¹³ Ibid.

OPPORTUNITIES

While all immigrant communities increase exports to their countries of origin, the effect is most prominent when certain conditions are met. The export effect is greatest after immigrants have been living in the U.S. for at least 3.8 years.¹⁴ For immigrants to be effective in increasing exports, they need to have both knowledge of opportunities in their countries of origin as well as knowledge of the business climate and cultural norms of their receiving community. The lag in an immigrant's effect on exports is due to the time it takes to observe and learn about the domestic cultural context. Additionally, immigrants from lower-ancestry countries (countries that send fewer migrants to a region) boost state-level export volumes at a rate 45 percent higher than those from high-ancestry countries.¹⁵ Because strong, well-established trade relations already exist with many of the high-ancestry countries like Mexico and China, the potential for immigrant communities to increase exports is more limited. However, because there are fewer people to navigate the cultural trade barriers to low-ancestry countries (such as many African countries or nations with newer migration patterns to the U.S.), the potential for export promotion is greatest for those communities.¹⁶

Immigrant communities can help bolster exports through their knowledge of the business and social norms in their countries of origin as well as through leveraging their networks.

The Mowat Centre's 2013 Diaspora Nation Report notes that economic growth in emerging markets means new opportunities for the export of consumer goods to those markets.¹⁷ The report cites these new destinations for export, alongside higher levels of two-way flows of population, as a major source of opportunity for immigrant driven export growth initiatives.¹⁸ To maximize the potential for export growth in these new markets, it is necessary to leverage the connections and expertise of our immigrant communities.¹⁹

POSITIVE IMPACTS ON EXPORTS ARE STRONGEST AT THE METROPOLITAN AND STATE LEVEL

It is particularly important for local, state, and regional policy-makers, planner, and economic development practitioners to pay attention to local immigration patterns to understand the opportunities they create of growing the export economy. The impact of immigrant communities on exports is greatest on a state and regional level. Immigrant networks are not seamless across states, and studies show that network effects on exports are most efficient when the immigrant communities are most geographically concentrated.²⁰ Concentrated populations lower the need for intermediaries to facilitate connections with potential export clients and this effect is even greater when it involves immigrant communities within a single state.²¹

THE LACK OF MODEL PROGRAMS SUGGEST NEW OPPORTUNITIES

Unfortunately, our research uncovered no formal efforts to specifically focus on leveraging immigrant talent and relationships to increase exports. While the existence of these networks is well-known and often a much-discussed asset of ethnic chambers of commerce and other business groups, our research has failed to uncover a formal local program seeking to better organize a U.S. metropolitan area's export economy to take advantage of a local international community. Instead, local trade missions have occasionally been organized to include local immigrants and ethnic business associations but more often, however, have not thought to tap into these networks.

¹⁴ Herander and Saavedra, "Exports and the Structure of Immigrant-Based Networks: The Role of Geographic Proximity."

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Maurice Bitran and Serene Tan, "Diaspora Nation: An Inquiry into the Economic Potential of Diaspora Networks in Canada," mowatcentre.ca. Mowat Centre, September 2012, http://mowatcentre.ca/wp-content/uploads/publications/72_diaspora_nation.pdf.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Herander and Saavedra, "Exports and the Structure of Immigrant-Based Networks: The Role of Geographic Proximity."

²¹ Ibid.

EXPORT PROMOTION

Utilizing the networks of immigrant communities can increase profits and lead to new opportunities in emerging export markets. It is a smart business decision and has been promoted by the SBA and Export-Import Bank in their training materials.²² However, most of the attention of export promotion programs has been focused on the mechanics of preparing companies to export rather than on developing or leveraging immigrants' ability to facilitate increased exports.

Ethnic chambers of commerce and foreign consulates have intuitively sought to leverage their global relationships into facilitating international trade and investment. For regions seeking to build a formal program to tap into its immigrant networks to facilitate export growth, ethnic chambers of commerce and foreign consulates may be a good starting point. Many such organizations have hosted business conferences focused on networking and export skills, and because of the large presence of immigrants and those with ancestral ties to a foreign trading partner, these events have likely helped to increase local exports. Other programs have sought to teach immigrant entrepreneurs the legal and business mechanics of U.S. export. Such programs seek to speed the learning process for immigrant entrepreneurs and shorten the lag time between their arrival and their positive effect on export promotion.

While programs to educate immigrant entrepreneurs on U.S. export regulations may contribute to growing exports, our research suggests there are numerous unexplored opportunities to connect immigrants and ethnic business actors with home relationships to existing exporters and those with strong domestic product that might have export potential. Immigrant export promotion programs do not need to be full-blown initiatives to make an impact. Professional connector programs and corporate diversity programs, highlighted in other sections of this guide, provide services and opportunities to foreign-born professionals, which can help them leverage their talents and cultural competencies to boost exports. These kinds of interventions can help to reduce the time it takes for immigrants to familiarize themselves with the domestic market and help them to connect with others who are more familiar with domestic exporting practices and regulations. By speeding the pace by which immigrants build domestic professional networks, their export boosting effects can be leveraged sooner. By fostering these networks and building expertise in U.S. business entities as well as simply creating a more welcoming and integrated region, such programs can help to begin to leverage the talent and connections immigrant communities have to maximize the potential for new export relationships.²³

For regions seeking to build a formal program to tap into its immigrant networks to facilitate export growth, ethnic chambers of commerce and foreign consulates may be a good starting point.

²² Export Guide from Export.Gov, a program managed by the U.S. Department of Commerce's International Trade Administration, http://export.gov/basicguide/eg_main_043072.asp.

²³ In 2009, Steve Tobocman visited Cleveland in researching program ideas for Global Detroit and was told that BioEnterprise, the region's business accelerator for medical device, biotechnology, and health care industries, had been looking for lower-cost drug- and medical-testing laboratories that met U.S. federal standards. A connection to a group of senior gardeners active with Cleveland's Cultural Gardens led to an introduction and business trip to Romania that developed into business investment and medical technology testing greatly enhancing the competitiveness of Cleveland's biotech industry.



Chapter 11

CORPORATE DIVERSITY AND INCLUSION

CORPORATE DIVERSITY AND INCLUSION

OVERVIEW

DEFINING DIVERSITY

Diversity can be thought of as a combination of the inherent and acquired traits that shape people's approach to problems. Inherent traits come in the form of gender, sex, race, ethnicity, and other birth characteristics, while acquired traits come from experiences that have shaped the way someone views the world, including cultural influences associated with religion, community, family, education, work experience, etc.. The combination of these characteristics shape people's thinking and the experiences they use for problem solving.

This chapter is about the importance of building diversity and inclusion in the regional workforce. Of course, a key component of these efforts includes existing programs and policies of a region's business community, and corporate America more generally. While providing an in depth discussion of corporate HR policies and best practice is beyond the scope of this guide, it is important to recognize that businesses leaders across the country increasingly embrace the value of diversity, and support resources to help move companies towards a more diverse and inclusive future.¹

Research shows that a diverse corporate workforce results in better sales revenues, a greater number of customers, and more opportunities for expansion into other markets.² Diverse teams where inclusion and collaboration are encouraged are more efficient and better at finding good solutions to complex problems.³ In addition, more diverse hiring practices can lead to more open and flexible work environments, which in turn increase talent retention over the long run.⁴ It is important to frame how pursuing strategies that help create more diversity in any individual workplace also, by extension, helps feed the "bottom line" of a corporation, as well as the prosperity of a regional economy.

In fact, much has been written about the role of diversity in fostering innovation—an important asset in the new economy. The impact isn't simply limited to the enterprise or firm level, but creates more dynamism on a regional and metropolitan level as well. Researchers at the Harvard Business School and the University of Michigan looked at the impact of H-1B holders (a visa for skilled immigrant workers in the U.S.) on patent production demonstrating a strong correlation between increased numbers of H-1B visas within a metropolitan area and increased numbers of patents applications.⁵

¹ See, e.g., Fiona Citkin and Lynda Spielman, *Transformational Diversity: Why and How Intercultural Competencies Can Help Organizations to Survive and Thrive* (SHRM, 2011) at the Society for Human Resource Management, <http://www.shrm.org/>.

² C. Herring, "Does Diversity Pay? Race, Gender, and the Business Case for Diversity," *American Sociological Review* 74 (2009): 208-224.

³ Scott E. Page, *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies* (Princeton: Princeton University Press 2007).

⁴ "Only Skin Deep? Re-examining the Business Case for Diversity," *ced.org*. Deloitte – Human Capital Australia, September 2011, http://www.deloitte.com/assets/Dcom-Australia/Local%20Assets/Documents/Services/Consulting/Human%20Capital/Diversity/Deloitte_Only_skin_deep_12_September_2011.pdf.

⁵ William Kerr and William Lincoln, "The Supply Side of Innovation: H-1B Visa Reforms and U.S. Ethnic Invention," *hbs.edu*. Harvard Business School Working Paper 09-005, December 2008, <http://www.hbs.edu/faculty/Publication%20Files/09-005.pdf>.

The research also implied a positive impact on non-immigrant patents in regions where there was already a significant presence of H-1B workers, adding to the growing body of evidence that “non-immigrant knowledge workers benefit from intellectual cross-pollination and interaction with foreign workers plying the same trade.”⁶

Demographic indicators are often used as shorthand to measure workforce diversity, but it is the diversity of perspective that drives better outcomes for companies. The true value of diversity in the workplace comes not simply from the diversity of its workers, but from the creation of a diverse work environment; one in which all employees feel comfortable sharing their ideas, and where co-workers and management value their input. This inclusive environment helps leverage the unique talents and approaches of the workforce and to maximize innovation.

The programs and strategies described in this chapter may strike some professionals in the economic development community as lower priority “social, welcoming, or hospitality programs” without clear metrics or corollary economic benefit. However, to the extent that corporations do not integrate international talent, they also create a barrier to economic opportunity, not just for the immigrant, but also for the entire economy.⁷

For immigrants, these programs can make a huge difference. Conventional thinking may be that professional immigrants need to be welcomed and that there already exist a number of well-established paths to entry, honed by industry and market forces. But there are foreign-born professionals in STEM fields and corporate executives that have reported to those of us engaged in immigrant economic development that they feel invisible. When it is made explicit that immigrant professionals are a valued part of a bigger community and economy, the benefit can unfold far beyond any one person.

As an example, Dr. Sook Wilkinson, a licensed clinical psychologist and author with more than two decades of experience at a large regional health care system and the former Chairperson of the Michigan Advisory Council on Asian Pacific American Affairs, explained this experience when first encountering Global Detroit’s efforts to foster regional economic growth by welcoming immigrants during a presentation made to the Council:

I cannot describe to you how it felt to visit the [Welcoming Center for New Pennsylvanians] website. I’ve been living in Michigan since 1975. My life in Michigan has been wonderful in so many ways, but I’ve always felt that everything was an uphill battle. I’ve never felt that there was a welcome mat laid out for me as I did visiting the website. What an incredible feeling to be wanted and sought after by the leaders of a region in strategic ways!

When a state becomes known to be friendly and welcoming to immigrants, the word will spread fast. They’ll tell their friends and family members, who in turn will invite their friends and others to join them.⁸

The true value of diversity in the workplace comes not simply from the diversity of its workers, but from the creation of a diverse work environment; one in which all employees feel comfortable sharing their ideas, and where co-workers and management value their input.

THE OPPORTUNITY FOR CREATING DIVERSE AND INCLUSIVE WORK ENVIRONMENTS

Creating diverse and inclusive work environments and communities is a challenge. The proverbial American “melting pot” analogy that suggests that America has a strong capacity to assimilate newcomers into a dominant culture has given way to a more modern “salad bowl” analogy in which international cultures are merged like the

⁶ Vivek Wadhwa, “Don’t Blame H-1B Workers for Woes,” *Business Week*, February 10, 2009.

⁷ Of course this logic applies to racial integration and integration problems that exist for other groups, including, but not limited to the disabled, those discriminated against based upon sexual orientation and gender identity, age, and so on. The realities of this logic suggest that new, broader alliances between business, economic development, and civil rights advocates from a variety of groups who struggle for full integration are important to economic growth in the new economy where talent attraction and human capital are so critical.

⁸ Dr. Sook Wilkinson, email June 5, 2009.

ingredients of a salad with each maintaining its own distinct qualities. Regardless of the analogy, integration of international talent can be a challenge and usually does not fully occur without thoughtful and intentional strategies that are driven from within private and public institutions.⁹

Integration in the U.S. is almost entirely a private sector activity, as the U.S. government largely provides no funding for specific integration activities outside of some basic integration services provided to refugees.¹⁰ Yet, a great deal of potential exists for public and non-profit entities to help local companies develop more diverse integration strategies, especially in the professional and workplace settings where immigrants often have some of their most significant interaction with the general public. Larger employers with significant experience in recruiting and integrating international talent may have their own human resource programs and affinity teams to help immigrant workers. Some of these programs are excellent, while others could be improved with the help of outside programs.

Small- and medium-sized enterprises (SMEs) with small staffs often lack the resources to focus on diversity and inclusion.¹¹ SMEs generate the most new jobs and are vital to the growth of metro economies.¹² These job-creating firms are also the most in need of help to better develop diverse talent.

Attracting a more diverse team and establishing inclusive corporate cultures will help companies of all sizes leverage a more diverse talent pool, help smaller firms grow faster, stabilize larger firms, and boost regional economies.

SIX STRATEGIES FOR FOSTERING REGIONAL DIVERSITY IN THE CORPORATE SECTOR

The programs featured below highlight a number of strategies that regional immigrant economic development programs and initiatives from several cities across the country are employing to attract and integrate immigrants in social and corporate settings. A number of cities—St. Louis, Cincinnati, Louisville, and Cleveland, for example—excel in offering services. However, the work of Vibrant Pittsburgh, an organization launched in 2010 to help promote a diverse and talented workforce in Pittsburgh, is of possibly greatest note, if for no other reason than as an example of a single organization offering a range of related activities all designed to help Pittsburgh's regional economy.

I. CORPORATE DIVERSITY PROGRAMS

Corporate diversity programming, including the creation of affinity groups and multicultural training, exist in a number of larger corporate environments. As noted, developing the corporate culture, programs, and tools that make an international talent pool truly feel included and valued can be difficult and most corporate human relations experts have little training on this specific topic, as opposed to the larger notion of diversity.

One interesting and encouraging case study is a practice that **3M Canada** implemented after hearing about it at a HR conference from **Pricewaterhouse Coopers**.¹³ Many of Canada's immigrants are highly skilled, with years of training and international experience that make them an asset to any organization. But many of these immigrants also speak English as non-native speakers, which can affect communication and teamwork in the workplace. Full integration of these workers and their talents requires awareness of what it is like to speak English as a second language in the workplace.

⁹ Tomas Jimenez, "Immigrants in the United States: How Well Are They Integrating into Society," *migrationpolicy.org*. Migration Policy Institute, May 2011, p. 1. <http://www.migrationpolicy.org/research/immigrants-united-states-how-well-are-they-integrating-society>.

¹⁰ Ibid.

¹¹ Candi Castleberry, interview July 29, 2014.

¹² Brian Headd, "An Analysis of Small Business and Jobs," *sba.gov*. Small Business Administration, March 2010, [http://www.sba.gov/sites/default/files/files/an%20analysis%20of%20small%20business%20and%20jobs\(1\).pdf](http://www.sba.gov/sites/default/files/files/an%20analysis%20of%20small%20business%20and%20jobs(1).pdf).

¹³ "Creating Language Empathy in Corporate Canada: 3M Canada," *citiesofmigration.ca*. Cities of Migration, February 15, 2012, http://citiesofmigration.ca/good_idea/lcreating-language-empathy-in-corporate-canada/#sthash.hBAhAjiU.dpuf.

To address this concern, 3M Canada instituted a communications game to challenge management trainees to develop the cultural competencies required for managing a diverse workforce. All supervisors employed by the multinational technology conglomerate participate in the communications game as part of their leadership training. The exercise is simple. The trainee is asked to have a conversation with another colleague. During the course of the conversation they are asked to find a synonym with each verb used during that conversation. They discover the conversation all of a sudden becomes much more difficult and challenging. The exercise helps them understand the experiences of the skilled immigrant employees who speak English as a second language. They learn how this can affect communication and teamwork in the workplace. Incorporating exercises like this as part of every mandatory leadership training, especially in industries that include large numbers of immigrant workers, can help build corporate leadership that is more adept at capitalizing on the advantages that high levels of international diversity integration can bring to a corporation's bottom line.

2. INTEGRATE NEWCOMERS AND THEIR FAMILIES INTO EXISTING SOCIAL AND PROFESSIONAL NETWORKS

Agenda 360, an initiative of the Cincinnati USA Regional Chamber, launched **Diversity by Design** after research findings concluded that diversity and inclusion have become bottom-line imperatives for successful businesses and growing regions. Agenda 360 has several programs that seek to strengthen the diversity and inclusion present in area companies and the metro region. Its **CONNECT** Initiative brings together members of Employee Resource Groups (ERG's)¹⁴ and employees of small and mid-sized companies that may not be able to support a full spectrum of ERGs on their own to participate in a region-wide gathering centered on selected topical issues. The goal of the **CONNECT** Initiative is to foster new affinity networks, and for employees of small businesses, those without access to ERG's, to participate in an affinity group. By growing these networks, new workers to the region will have an easier time integrating into the professional culture, and the region will be better positioned to retain its diverse talent.

By growing these networks, new workers to the region will have an easier time integrating into the professional culture, and the region will be better positioned to retain its diverse talent.

Additionally, Agenda 360 started **Table of 8**, a casual networking event over dinner to better connect African American professionals in the metro area. In 2015, Agenda 360 will expand the project to include LGBT and trailing spouses. While this strategy has been used largely for African Americans, the positive impact of welcoming and bringing together new immigrants to share a meal and fostering new relationships and networks are promising practices for immigrant economic development.

In addition to the larger Connector Program (featured in the chapter on Connectors at page 50,) **St. Louis Mosaic** has been providing services to international women who come to St. Louis through a corporate transfer (associate or spouse) by inviting them to attend a meeting of The Woman's Club of Washington University. Each international woman is assigned a sponsor for her first visit as a guest to an event. The guest is then invited to become a member of The Woman's Club of Washington University. St. Louis Mosaic has helped connect these participants socially, as well as helping them to integrate into a network of women that might otherwise be difficult to learn about or enter.

Global Detroit routinely works with several regional chamber leadership programs (Leadership Detroit, Leadership Macomb, Leadership Oakland, Leadership Ann Arbor), as well as New Detroit's Multicultural Leadership program and the Michigan Political Leadership Program to connect these important programs to the region's immigrant communities. Application periods are promoted and Global Detroit has hosted staff from leadership programs to

¹⁴ Employee Resource Group's are designed to provide support, enhance career development, and contribute to personal development in the work environment. ERGs can be formed, for example, for women, people who share a similar heritage or country of origin, sexual orientation, gender, etc.

market their programs at Global Detroit events. In addition, Global Detroit is a regular presenter as part of many these leadership programs curricula, helping to spread awareness about the region's 400,000 foreign-born individuals and the economic contributions they make.

Organizing a specific event that emphasizes the region's commitment to diversity and integration and that helps develop networks for newcomers can have a profound effect. The University of Pittsburgh Medical Center (the region's largest hospital system), in partnership with Vibrant Pittsburgh and Pittsburgh Council on Higher Education held a **Trailing Partners Welcome Reception** to welcome and help connect spouses of university fellows and residents new to the region. Trailing partners who have accompanied a loved one to the region are introduced to employers, private schools for their children, and other resources available in the region.

3. CONNECT JOB SEEKERS TO REGIONAL JOB OPPORTUNITIES

Vibrant Pittsburgh regularly attends job fairs to find talented and diverse STEM-field, education, and healthcare job-seekers. Vibrant Pittsburgh helps these job-seekers find jobs by sending their resumes to corporations that participate in Vibrant Pittsburgh's "Employer Members" program. Employer Members pay an annual membership fee in exchange for assistance in diversifying their workforce and help with cultural events and other activities to create an inclusive atmosphere for employees. Vibrant Pittsburgh takes resumes of diverse job-seekers at job fairs and sends them on to Employer Members to fill talent gaps within their companies. The resumes that do not fit the immediate needs of Employer Members are posted on a private online forum for Members to search when talent needs arise.

4. HELPING CORPORATIONS FIND IMMIGRANTS TO FULFILL UNMET TALENT NEEDS

The **Michigan Global Talent Retention Initiative** (GTRI) is an international student retention program that works with both employers and international students, helping employers fill unmet talent needs. GTRI's work is chronicled in the chapter about international student retention at page 25. GTRI dispels myths that Michigan employers may have about hiring international students and spreads awareness of the competitive economic advantage of hiring from this talent pool. GTRI developed a certification process for companies interested in hiring international students. The Global Opportunity Employer (GOemployer) certification helps international students identify companies that consider all qualified applicants for jobs and will not disqualify viable candidates solely because of their lawful immigration status. GOemployers hire international students who do not require sponsorship for internships and full-time employment and consider sponsoring foreign nationals for employer sponsored work visas (i.e. H-1B).

Global Cleveland, a nonprofit regional economic development organization, helps corporations diversify by offering "Hiring International Talent" seminars, an ongoing free seminar series that is designed to help corporations understand the hiring process for foreign-born workers. Led by a prominent immigration attorney, the trainings help corporations—especially SMEs that might lack the resources to invest in immigration attorneys and a complete international hiring strategy—understand and navigate the complicated legal steps required to procure foreign talent, and build a more diverse workforce.

The Global Opportunity Employer (GOemployer) certification helps international students identify companies that consider all qualified applicants for jobs and will not disqualify viable candidates solely because of their lawful immigration status.

5. ATTRACT AND RETAIN DIVERSE TALENT IN YOUR REGION

¡Hola Pittsburgh! is a regional effort to put Pittsburgh on the map for Latinos considering relocation in the U.S. that was originally spearheaded by a small collaborative of local organizations including the Pittsburgh Metropolitan Area Hispanic Chamber of Commerce, Pittsburgh Promise, ImaginePittsburgh.com, and Vibrant Pittsburgh. ¡Hola Pittsburgh! was later endorsed by Mayor Bill Peduto and now, working with a larger

collaborative of 16 Pittsburgh community organizations, is part of broader strategy to create a more welcoming, diverse and inclusive region, which is critical to the sustained prosperity of Pittsburgh.

Representatives from this group attend conferences across the country for Latino professionals, host festivals, sponsor roadside billboards, and develop new strategies to promote the region to Latinos already in the U.S. and those considering relocating to the U.S. In June 2014, *¡Hola Pittsburgh!* sponsored a popular Puerto Rican based salsa band, El Gran Combo, to play at the fourth annual JazzLive Festival. Word about the event traveled all the way to Puerto Rico where local news stations reported on the success of the concert. The concert attracted nearly 2,000 people from across the country and helped publicize Pittsburgh as a welcoming city for Puerto Ricans relocating to the continental U.S.

6. SUPPORT WELCOMING EFFORTS FOR MORE INCLUSIVE CITIES

Increasingly large employers are working with broader welcoming initiatives to foster more open and inclusive local cultures. In Cincinnati, Cleveland, Detroit, Pittsburgh, and other Midwest metros, demand for diverse talent is increasing, but the regions are not traditional gateways for new immigrants.¹⁵ This puts these metro regions at a disadvantage when they compete with cities that have more established immigrant networks and infrastructure for immigrant workers. And it is no surprise that many of these regions that are not traditional gateways have been eager to launch welcoming initiatives and to join Welcoming America's membership network, including the *Welcoming Cities and Counties movement*.¹⁶

While this list is by no means exhaustive, it does give a sense of what is possible in markets intent on building a greater degree of diversity in the business community. Obviously, having willing partners with employers is key to the success of this overall strategy. Yet concepts articulated here also show that the barrier for businesses to try is not high. There is little risk for a business to connect to a professional network or to host a social event targeted at internationals. Moreover, the chance for a business to succeed is even greater where economic development organizations take the lead and develop programs to help the region attract, retain, and grow the diverse talent pool that regions need to remain competitive in the 21st Century.

Increasingly large employers are working with broader welcoming initiatives to foster more open and inclusive local cultures.

¹⁵ Neil G. Ruiz, "Demand for H-1B Immigrant Workers in U.S. Metropolitan Areas," *brookings.edu*. Brookings Institution, Metropolitan Policy Program, July 18, 2012, <http://www.brookings.edu/research/speeches/2012/07/18-h1b-visas-labor-immigration-ruiz>.

¹⁶ Welcoming America's affiliates can be found at <http://www.welcomingamerica.org/about-us/our-affiliates/>. Welcoming Cities and Counties can be found at <http://www.welcomingamerica.org/about-us/cities/>.



Chapter 12

ENCOURAGING IMMIGRANT HOME OWNERSHIP

ENCOURAGING IMMIGRANT HOME OWNERSHIP

OVERVIEW

Immigrants and their children make up the lion's share of U.S. population growth and are a growing component of housing and labor markets across the United States.¹ Immigrants have dispersed from immigrant gateways and settled directly in newly emerging destinations, ranging from new metropolitan gateways to more rural and suburban areas.² As a result, immigrants are playing an increasing role in determining housing demand across the heartland of America.³

.....
"Many American communities recognize that immigrants and refugees represent economic growth not only through increased spending and consumption, but also as new homeowners and taxpayers."
.....

Many American communities recognize that immigrants and refugees represent economic growth not only through increased spending and consumption, but also as new homeowners and taxpayers. With lower U.S. birth rates, retirement of the baby boom generation, and the housing crisis of the last half-decade, immigrants can be a critical source of population growth or stabilization, as well as a catalyst for spurring local housing demand.⁴ This is especially true for the Rust Belt cities of the Midwest and Northeast. Many of these cities suffered from tremendous out-migration over the last 70 years. The foreclosure crisis provided an additional and more recent level of disinvestment, creating a surplus of housing stock and land.⁵

Immigrants and refugees, however, can face unique barriers to entering the housing market. Beyond the obvious challenges of language, experience in the U.S. housing market, and limited incomes, immigrants often face challenges within the U.S. financial system. Lack of work history in the formal economy, lack of credit history, and/or lack of understanding of American financial systems reduce or retard immigrant participation in homeownership.⁶

Experts at the Migration Policy Institute stress that homeownership rates, practices, and attitudes can vary by location and ethnic group, recommending that "strategies to increase homeownership must be developed with strong regard for local

¹ Mike Maciag, "Immigration Population Grows Faster than Natives in Many Metro Areas," *Governing Magazine*, March 26, 2013.

² Audrey Singer, "The Rise of New Immigrant Gateways," *brookings.edu*. Brookings Institutions, Metropolitan Policy Program, February 2004, <http://www.brookings.edu/research/reports/2004/02/demographics-singer>.

³ Gary Painter and Zhou Yu, "Immigrants and Housing Markets in Mid-size Metropolitan Areas," *International Migration Review* 44, no. 2 (2010): 442-476.

⁴ The State of the Nation's Housing 2013, Joint Center for Housing Studies of Harvard University, 2013, page 12.

⁵ http://www.smartgrowthamerica.org/documents/ccp_land_banks.pdf

⁶ http://www.rand.org/content/dam/rand/pubs/working_papers/2012/RAND_WR923.pdf

conditions and the particular characteristics of the specific immigrant groups residing in particular cities.”⁷ For example, research on Asian home ownership indicates that while Chinese immigrants stated that owning a home was their first priority, Korean immigrants preferred owning a business to owning a home.⁸

DEVELOPING ETHNIC CLUSTERS

Strategies to help build sufficient numbers of immigrants and refugees from the same country of origin can be crucial to creating a “beachhead” that attracts other future immigrants, refugees, secondary migrants, and others of the same ethnicity or country of origin to a city or region. Encouraging and assisting newcomers in becoming homeowners can be a critical component to encourage sufficient clustering, as well as to helping immigrants make the important long-term investment and commitment involved in homeownership.⁹

Local leaders can pair traditional homeownership incentives, homeownership training programs, and other programs that assist new homeowners with local immigrant, refugee, or ethnic service providers to assist new immigrants and refugees. Such partnerships might help navigate language and cultural competency barriers. In some instances where the local housing demands, needs, and opportunities of immigrant and refugee populations are similar to those for which such homeownership assistance programs are designed, then significant ethnic clustering and new homeownership will likely follow.

Too often, however, the financial needs and cultural norms within immigrant and refugee communities might differ from those for whom traditional homeownership programs are designed. Fortunately, there are a number of homeownership programs that have been specifically designed to serve the unique financial needs, housing demands, and cultural norms of diverse immigrant populations.

Local leaders can pair traditional homeownership incentives, homeownership training programs, and other programs that assist new homeowners with local immigrant, refugee, or ethnic service providers to assist new immigrants and refugees.

CULTURALLY COMPETENT HOMEOWNERSHIP PROGRAMS AND RESOURCES

The Boston Tenant Coalition, the New York Immigration Coalition, and Asian Americans for Equality (AAFE) are good examples of local organizations that tailor homeownership programs and resources to serve immigrant populations. Each offers rights workshops, housing services, local planning, access to or planning for affordable housing, or broker access to multilingual realtors for immigrants interested in relocating to their neighborhoods or who are looking to become homeowners. Asian Americans for Equality has facilitated nearly \$300 million in mortgage financing for approximately 2,000 homebuyers in the New York City area.¹⁰ AAFE’s Community Development Fund is the first home ownership center serving the Asian American community in New York City and has provided some 8,000 people counseling, education, and outreach services. It offers comprehensive counseling and educational programs for first-time buyers. AAFE also purchases and renovates single-family homes, expanding affordable home ownership options for low and middle class residents.

⁷ Brian K. Ray, Demetrios Papademetriou, and Maia Jachimowicz, “Immigrants and Home Ownership in Urban America: An Examination of Nativity, Socio-Economic Status, and Place,” [migrationpolicy.org](http://migrationpolicy.org/pubs/ray_homeownership.pdf). Migration Policy Institute, April 2004, www.migrationpolicy.org/pubs/ray_homeownership.pdf.

⁸ Barbara Listokin and David Listokin, “Asian Americans for Equality: A Case Study of Strategies for Expanding Immigrant Homeownership,” *Housing Policy Debate* 12, no. 1 (2001): 52.

⁹ George Berkheimer, “Maryland is Welcoming Immigrant Entrepreneurs Home,” *bizmonthly.com*, Business Monthly, February 1, 2013, <http://www.bizmonthly.com/maryland-is-welcoming-immigrant-entrepreneurs-home/>.

¹⁰ See Asian Americans for Equality, <http://www.aafe.org/programs/home-ownership-cdf>.

More common programs that local economic development efforts might target in developing a local homeownership program for immigrants and refugees can be found among numerous community development and social service organizations that offer homeownership, credit counseling, and financial literacy training and assistance. Mission Economic Development Agency in the Mission neighborhood of San Francisco provides one-on-one counseling sessions and group workshop curriculum in English and Spanish, as well as a free First-Time Home Buyers program that provides low- and moderate-income first-time home buyers with relevant financial education, credit counseling, and information on mortgage assistance programs.¹¹

The National Council of La Raza (NCLR) is one of the nation's premier housing counseling agencies, assisting local homeownership organizations across the country, many of whom provide these services in language-accessible and a culturally-competent manner. NCLR has amassed more than two decades of research on the unique barriers that Latino and other communities of color face in becoming homeowners. Through 43 affiliated nonprofit partners in 20 states NCLR provides homeownership services to more than 50,000 persons annually, including helping more than 30,000 first-time homeowners.¹² NCLR's Homeownership Network (NHN) provides technical assistance and funding to community-based nonprofits that successfully apply to be part of the NHN Network.

MICROLENDING PROGRAMS AND BUILDING CREDIT FOR HOMEOWNERSHIP

Lack of a U.S. credit history can act as a barrier to traditional borrowing, entrepreneurship, and homeownership. Many immigrants and refugees find it difficult to secure meaningful employment in the formal economy and work through informal or “underground” economies based on subsistence incomes, cash payments, and higher rates of self-employment. This experience can prevent immigrants and refugees, as well as other informal economic participants, from accumulating the necessary documentation (contracts, pay stubs) required for building formal credit, especially the two years or more of work documentation often requested to qualify for mortgages.¹³ Even highly skilled immigrants sometimes continue to use financial institutions from their native countries when they first arrive in the U.S., an action that prevents them from establishing much, if any, of a U.S. credit score. There are significant unmet needs for access to non-traditional funds that help immigrants to purchase homes.

These innovative programs provide social and microloans to immigrants who typically cannot access credit or report loan repayments to credit bureaus to help applicants build a credit history.

Cooperative Latino Credit Union in North Carolina and the Mission Asset Fund in San Francisco have each created products that are flexible and meet community needs, including microloan programs, financial literacy, and financial coaching initiatives. These innovative programs provide social and microloans to immigrants who typically cannot access credit or report loan repayments to credit bureaus to help applicants build a credit history.

Created in 2000, the Latino Credit Union in Durham, North Carolina has brought 51,000 people into the financial mainstream by providing affordable, full-service financial products and services.¹⁴ With its innovative and comprehensive bilingual financial education program, the Credit Union has reached more than 9,755 low-income and unbanked immigrants hampered by language barriers, limited education, or cultural distrust of financial institutions, and has assisted 2,000 first-time homebuyers.¹⁵

¹¹ See Mission Economic Development Agency, <http://medasf.org/programs/homeownership/>.

¹² See National Council of La Raza, http://www.nclr.org/index.php/about_us/news/blog/nclr_examines_how_innovative_loan_programs_help_immigrants_become_citizens/.

¹³ Barbara Listokin and David Listokin, “Asian Americans for Equality: A Case Study of Strategies for Expanding Immigrant Homeownership,” *Housing Policy Debate* 12, no. 1 (2001): 53.

¹⁴ See Migration Policy Institute, Integration Awards 2009, <http://integrationawards.migrationpolicy.org/finalists-2009.cfm>.

¹⁵ See Cooperativa Latina Credit Union, Impact Statement, <http://latinoccu.org/about-us/impact-statement/>.

The Mission Asset Fund has replicated the Lending Circles that people around the world use to lend and borrow with each other when bank loans are not an option. With technology and credit reporting, Mission Asset Fund's Lending Circles transforms this traditional practice to help borrowers access affordable loans, build credit history, and set them up for a financially stable future. Independent research suggests that Lending Circles establish credit history with a 90 percent success rate and that the average MAF Lending Circle participant sees a 168-point increase in their credit score, as well as more than a \$1,000 average decrease in debt.¹⁶ The Lending Circle has a one percent default rate.

This innovative method, uniquely building upon the cultural experience of immigrants and refugees, can help scale the credit barriers faced by immigrants that can limit homeownership opportunities. MAF even has established Lending Circles specifically to help immigrants and refugees to meet security deposit requirements in the Bay Area's expensive housing market.¹⁷

INDIVIDUAL DEVELOPMENT ACCOUNTS

Individual Development Accounts (IDAs) are matched savings programs designed to assist low-income individuals build financial assets by providing an incentive and experience to save for significant investments, such as purchasing a home, financing a home repair, pay for college, launch a business, or purchase a car. Many of the nation's homeownership counseling, financial literacy, and community development corporations offer IDA programs and those serving immigrant, Asian, and/or Latino organizations are no different. Community development corporations that serve predominantly immigrant, Hispanic/Latino, or ethnic communities, like Del Norte Neighborhood Development Corporation in Denver and Ceiba in Philadelphia, offer IDA savings programs that can be used for homeownership and the Corporation for Enterprise Development maintains a searchable database of IDA programs across the country.¹⁹

Additionally, the Office of Refugee Resettlement (ORR) works with the Administration for Children and Families, Office of Community Services (OCS) to administer the Assets for Independence (AFI) program, which provide grants to local refugee resettlement agencies seeking to offer IDA programs and supports more than 200 local programs across the country.²⁰ AFI offers a map to determine which IDA programs operate in your home state.²¹

MISSION ASSET FUND LENDING CIRCLES: HOW THEY WORK

Mission Asset Fund's Lending Circle programs provide a zero-interest, zero-fee loan to help participants build credit and access an affordable, small dollar loan. Participants take an online financial training class before joining a Lending Circle. Six to ten people come together for an in-person formation and decide on an amount for their group loan, for example 10 participants for a loan of \$1,000. Everyone in the Lending Circle makes the same monthly payment ranging from \$50 to \$200, which MAF reports to the credit bureaus. The loan rotates each month to a different participant. In the first month, one participant receives \$1,000 and each month after that a different borrower will receive the loan, until everyone in the Lending Circle has gotten a chance. After completing the program, many participants establish credit scores for the first time or improve damaged ones.¹⁸

¹⁶ "Expanding Access to the Financial Mainstream, a Interview with José Quiñonez, Chief Executive Officer of the Mission Asset Fund," *jpmorganchase.com*. <http://www.jpmorganchase.com/corporate-responsibility/expanding-financial-access>.

¹⁷ See Mission Asset Fund, <http://missionassetfund.org/security-deposit-loan/>.

¹⁸ See Mission Asset Fund, <http://missionassetfund.org/lending-circles/>.

¹⁹ See Corporation for Enterprise Development, http://cfed.org/programs/idas/directory_search/.

²⁰ See Office of Refugee Resettlement, <http://www.acf.hhs.gov/programs/orr/programs/ida/about>.

²¹ See Assets for Independence Resource, <http://idaresources.acf.hhs.gov/Map>.

The International Institute of St. Louis (IISTL) is one example of an innovative IDA partnership. IISTL works with the local United Way to connect refugee clients with an Assets for Life IDA, matching two dollars for every dollar the participant saves. The program matches up to \$3,000 (2:1 match rate) over a 30-month period. Since its inception, IISTL's IDA Program has helped more than 600 immigrant families with matched savings totaling upwards of \$1 million.²²

LAND BANKS

Increasingly, American cities are utilizing the concept of quasi-governmental “land bank” entities to effectively manage and repurpose an inventory of underused, abandoned, or foreclosed property. In many states, municipal and county land banks are provided explicit and enhanced powers under state law that allow them to accomplish the redevelopment or reproductive use of property in ways that existing government agencies cannot. As of 2011, there were more than 75 local land banks in operation.²³ By 2014, the Center for Community Progress estimated that there were some 120 land banks in operation.²⁴

Land banks are typically operating in cities with a significant amount of distressed property. Two of the most productive and well-known land banks in operation are in Genesee County (home of Flint, Michigan) and Cuyahoga County (home to Cleveland, Ohio). A number of other land banks operate in declining population metros in Michigan and Ohio. To address similar problems in many New York communities, the New York Legislature passed sweeping land bank legislation in 2011.²⁵

In recent months, the Detroit Land Bank Authority, under the leadership of Detroit Mayor Mike Duggan, as well as the Lucas County Land Reutilization Corporation, announced programs to work with local immigrants to target these populations as owner-occupants of land bank property. Both programs are in the initial stages of reaching out to ethnic, immigrant, and refugee service providers and partners and are translating basic materials into additional languages. In the Detroit example, purchasers working with a local homeownership-counseling program can receive a 20 percent discount for their purchases. The Detroit Land Bank Authority is working with Global Detroit and others to ensure that Spanish-language homeownership counseling agencies are pre-qualified to offer their graduates this discount.

Many communities lack a land bank. In these communities local government can and should consider developing programs that ensure immigrant, refugee, and ethnic groups are able to purchase distressed residential property. Immigrants have strong histories of acquiring and improving property for their own homes, as well as for rental properties for other migrants from their home country.

Dayton, Ohio provides a model for using its city's surplus property sales for such a purpose. Over the past several years, a number of distressed properties—including vacant lots, houses that can be occupied, and houses requiring demolition—have faced tax foreclosure and have increased the public holdings of properties capable of being redeveloped. Dayton has been selling many of these properties to qualified developers and individuals. Under the city's Welcome Dayton initiative—a comprehensive initiative to promote immigrant integration that has received much national acclaim—the city has targeted the Old North Dayton neighborhood for redevelopment because of a growing Turkish immigrant community. In fact, more than 40 of the 120 City of Dayton homes sold in this targeted revitalization neighborhood were to Turkish immigrants who have become owner-occupants of these homes. Dayton is also working with a local community college to develop a six-week course on construction standards to assist immigrant purchasers with their rehabilitation projects.

²² See International Institute, St. Louis, <http://www.iistl.org/financialliteracy.html>.

²³ Frank Alexander, “Land Banks and Land Banking,” [smartgrowthamerica.org](http://www.smartgrowthamerica.org/documents/ccp_land_banks.pdf), Center for Community Progress, June 2011, http://www.smartgrowthamerica.org/documents/ccp_land_banks.pdf.

²⁴ See Center for Community Progress, <http://www.communityprogress.net/land-bank-faq-pages-449.php>.

²⁵ Erica Buckley, Benjamin Flavin, and Lewis Polishook, “Land Banking in New York Begins—How Our Towns and Cities Are Using the New York Land Bank Act to Fight Blight and Encourage Renewal,” *N.Y. Real Property Law Journal* 40, no. 4 (2012): 53.



Chapter 13

URBAN AGRICULTURE

URBAN AGRICULTURE

OVERVIEW

Urban farming and the food movement (farmers markets, food justice, farm-to-table, and more diverse and specialty food products as well as more refined cooking) have taken America by storm. People in urban communities across the nation have pursued a number of food industry and urban farming economic development initiatives to achieve a variety of benefits, including (1) improving health by improving access to and consumption of fruits and vegetables; (2) improving the physical environment in urban areas by removing blight, adding green space, and building community spaces; (3) providing jobs and growing diverse industries not just in growing, harvesting, and selling crops but also in the food production system by focusing on how food products are assembled, manufactured, sold, and consumed.¹ Tapping the local food system economy as an economic development strategy is a world unto itself.² The explosion in the number of farmers markets in the U.S.—estimated to have tripled from 2,863 markets in 2000 to 7,175 by 2011, according to the Project for Public Spaces—is testament to this growth.³

OPPORTUNITIES

The urban farming and food movement offers unique opportunities and benefits for immigrants and refugees who often come from diverse agriculture traditions and who may possess skillsets and work experience of great value to this movement. Immigrant and refugee programs in urban farming and food production have the potential to combine workforce development, entrepreneurship training, and welcoming efforts and can leverage the unique skills of immigrant communities. These initiatives help immigrants and refugees to both share their unique knowledge and talents and learn new food-ways and cultures from their receiving community. Everyone eats, and the local food economy increasingly ties our communities together on a regional and local basis.

¹ Alison Hagey, Solana Rice, and Rebecca Flourney, “Growing Urban Agriculture: Equitable Strategies and Policies for Improving Access to Healthy Food and Revitalizing Communities,” *policylink.org*, PolicyLink, 2012, http://www.policylink.org/sites/default/files/URBAN_AG_FULL-REPORT.PDF.

² Kameshwari Pothukuchi and Jerome Kaufman, “Placing the Food System on the Urban Agenda: The Role of Municipal Institutions in Food Systems Planning,” *Agriculture and Human Values* 16: 213–224, 1999.

³ Greg Scruggs, “How Public Markets Support Small Businesses Owned by Women, Minorities, and Immigrants,” *nextcity.org*, Next City, June 1, 2014, <http://nextcity.org/daily/entry/public-markets-small-businesses-women-owned-minority-owned-immigrants>.

.....
“The urban farming and food movement offers unique opportunities and benefits for immigrants and refugees who often come from diverse agriculture traditions and who may possess skillsets and work experience of great value to this movement.”
.....

While immigrant urban farming programs are unlikely to create large-scale employment beyond a few dozen jobs at the most (and often just a handful of full-time employment opportunities), they can be powerful in helping immigrants and refugees integrate into their new communities. With an increasing domestic market for specialty agriculture goods, urban farming and food production initiatives can leverage immigrant and refugee skills and experience to create economic opportunities in these communities and to expand the diversity within the local food economy. In addition, the community at large gains better access to locally grown produce. Farmers' markets and urban gardens can provide a venue for cultural exchange. Finally, urban agriculture can be an important physical asset in reclaiming or repurposing vacant property in decaying or blighted neighborhoods.⁴

BUILDING IMMIGRANT BUSINESS AND ENTREPRENEURSHIP SKILLS

Urban agriculture programs have been used across the country as tools to increase immigrant business and entrepreneurship skills. Nuestros Raíces Farms in Holyoke, Massachusetts offers an eight-week training to write a business plan, after which graduates have the opportunity to begin their own production on a small plot of land.⁵ Nuestros Raíces Farms is credited with having helped some two-dozen food and agriculture businesses and adding some \$2 million of economic activity to the community.⁶ Other programs enable immigrant and refugee farmers to sell their product at local farmers markets, using the opportunity to teach basic business and accounting skills. Still other programs, like the Latino Farmers Cooperative of Louisiana (LFCL), based in New Orleans, provide education and training assistance in Spanish to address the needs of emerging Latino farmers, so that they can ultimately run their own sustainable urban agriculture micro enterprises. Participating families at LFCL also receive access to farmland, tools, and other types of support.⁷

Similarly, the Minnesota Food Association (MFA) runs a farmer training program to help immigrants adjust to the work of growing food in U.S. conditions and to navigate the details of running a successful business. The MFA program runs from January through the end of the growing season and includes intensive classroom sessions on production, marketing, and scale as well as in-field trainings on production and processing techniques. Immigrants graduate the program with the skills and certifications necessary for organic vegetable production. In addition, the immigrant participants are provided networking opportunities and access to resources to help them begin a successful agribusiness.⁸

Other programs enable immigrant and refugee farmers to sell their product at local farmers markets, using the opportunity to teach basic business and accounting skills.

VACANT PROPERTY/BLIGHT ELIMINATION

Urban communities that have suffered massive population loss like Detroit, Cleveland, Buffalo, and Philadelphia are home to populations that are half as large—or even less—than they were at their peak. Consequently, these cities have tens of thousands of vacant parcels with little, if any, market demand beyond speculation. Moreover, many of these properties are single-family residential lots scattered throughout neighborhoods, making land assembly for development extremely difficult.

Many of these cities see community gardens and larger urban agriculture as important tools in tackling the issues of vacant property and blight. The Detroit Future City report, for instance, emphasizes the need to develop “blue/

⁴ Catherine J. LaCroix, “Urban Agriculture and Other Green Uses: Remaking the Shrinking City,” *case.edu*. Case Western Reserve Faculty Paper 59, 2010, http://scholarlycommons.law.case.edu/faculty_publications/59.

⁵ See *Nuestras Raíces*, <http://www.nuestras-raices.org/aboutus/thefoundingoflafinquita.html>.

⁶ Hagey, Rice, and Flourney, “Growing Urban Agriculture: Equitable Strategies and Policies for Improving Access to Healthy Food and Revitalizing Communities,” p. 19.

⁷ *Ibid.* at 24.

⁸ See Minnesota Food Association, <http://www.mnfoodassociation.org/farmer-training-program>.

green” infrastructure to deal with its landscape of vacancy.⁹ The city already is home to hundreds of community gardens and a robust urban agriculture movement.¹⁰ Community gardens and urban farms often use previously vacant or underused urban spaces, beautifying the areas, providing a sense of safety, and serving as a place of gathering that helps generate and build community.

Immigrants and refugees are making a sizeable difference in transforming vacant land into active urban farming in Providence, Rhode Island. The Southside Community Land Trust (SCLT) holds title to five acres of inner-city land in trust for community farmers to use. Its initial holdings were both purchased for a low price and received as donations from individuals. SCLT has supported the development of a network of community gardens, farmers markets, and school gardens that serve some 750 low-income families who grow food in 37 community gardens. The growers include large numbers of immigrants from Southeast Asia, Africa, the Caribbean, and Central and South America as well as residents of the low-income neighborhoods surrounding the gardens and farms.¹¹

REFUGEE RESETTLEMENT AND IMMIGRANT INTEGRATION

A number of refugee resettlement programs have used urban agriculture as a tool to help new Americans settle into life in the States. Seattle Tilth Farmworks has been particularly successful in combining a farm incubator with refugee and immigrant integration work. The program provides small farm business training and support to immigrants and refugees as well as incumbent populations. Participants gain experience in growing food on subsidized plots and are given assistance in creating market opportunities for their goods. Key to the project’s success have been its many partnerships with local economic development agencies, Seattle Parks and Recreation, and other community allies.¹² These local partnerships help Seattle’s refugee communities connect with other long-term residents and organizations in the area.

Seattle Tilth Farmworks has been particularly successful in combining a farm incubator with refugee and immigrant integration work.

Similarly, Roots for Refugees in Kansas City is a strategic partnership started jointly by Catholic Charities of Kansas City, which runs a major refugee resettlement agency,¹³ and CultivateKC, a nonprofit working to create a sustainable local food system.¹⁴ Together, they run a training farm for refugee women, which works in conjunction with more traditional ESL and housing resettlement programs. New Roots helps immigrant refugees recognize and capitalize on the agricultural talents they bring from their countries of origin. These participants go on to start their own agricultural businesses, often growing specialty goods from their homes. This program helps empower the refugees as productive members of their new communities while enriching the local food system.¹⁵

In fact, the International Rescue Committee, an international nonprofit that services people across the world facing humanitarian crises, has fostered New Roots refugee farming programs across the country. The program is offered in many of the 22 cities where the IRC serves thousands of refugees each year. The program uses community gardening, nutrition education, and small-business farming to “provide hundreds of refugee farmers the tools and training they need to grow healthy and affordable food and become self-sufficient . . . revitalizing urban spaces, sharing their farming know-how with their new neighbors and providing healthy, fresh food to their families and communities.”¹⁶

⁹ “Detroit Future City,” detroitfuturecity.org. Detroit Future City, 2013, p.93, http://detroitfuturecity.com/wp-content/uploads/2014/02/DFC_LandUse_2ndEd.pdf.

¹⁰ Trish Popovitch, “10 American Cities Lead the Way With Urban Agriculture Ordinances,” seedstock.com, Seedstock, May 27, 2014, <http://seedstock.com/2014/05/27/10-american-cities-lead-the-way-with-urban-agriculture-ordinances/>.

¹¹ Hagey, Rice, and Flourney, pp. 23–24.

¹² See Seattle Tilth Farmworks, <http://seattletilth.org/about/seattletilthfarmworks>.

¹³ See Catholic Charities, <http://www.catholiccharitiesks.org/page.aspx?pid=491>.

¹⁴ See Cultivate Kansas City, <http://www.cultivatekc.org/>.

¹⁵ See New Roots for Refugees, <http://newrootsforrefugees.blogspot.com/p/about-us.html>.

¹⁶ See International Rescue Committee, <http://www.rescue.org/new-roots/about>.

DIVERSIFYING THE FOOD PRODUCT

A final potential benefit of an immigrant-centered urban food program is that it can add exciting diversity to the food culture of a region—enhancing the quality of life and building a destination retail opportunity. Sometimes host communities benefit from learning new growing techniques as happened in Chicago’s Albany Park Global Gardens Refugee Training Farm, which abuts a community garden.¹⁷ More common, however, are programs that highlight the diversity of ethnic food and vegetables as a means of enhancing farm markets, restaurant districts, food trucks, and food courts.

The Midtown Global Market in Minneapolis is a wonderful example of how immigrant, refugee, and ethnic food vendors can develop a food enclave that attracts as many as 4,000 shoppers and visitors a day from near and far while revitalizing an urban neighborhood.¹⁸ The Midtown Global Market is an internationally themed public market featuring fresh and prepared foods, restaurants, and a selection of arts and crafts from around the world. It was designed to build on existing economic, social, and cultural assets within the surrounding community. The goal is to have a marketplace made up of locally owned, independent businesses that nurture small business growth and the creation of job opportunities. The commercial viability of this public market gives its tenants the foothold they need to build their businesses and economic future and to put other people to work as well.

The \$18 million Midtown Global Market project was spearheaded by the Latino Economic Development Center, Neighborhood Development Center, African Development Center, and Powderhorn Phillips Central Wellness Center, all model programs in their own right serving immigrant, refugee, and minority entrepreneurs. Roughly one-third of the tenants were startup businesses started by graduates of training classes offered by these neighborhood partners. About half the vendors were “second level” entrepreneurs, who had three to five years of experience in business. The project has fostered community economic development, provided business development opportunities to low-to-moderate income entrepreneurs of many different ethnic groups, and become a community gathering space.¹⁹

Other examples do not require as much capital investment. For example, a number of farmers markets focus more simply on recruiting immigrant, refugee, and ethnic growers and vendors to make the market more interesting and exciting to market patrons. Missouri’s Webb City Farmers Market, Philadelphia’s Reading Terminal, Seattle’s Pike Place, New York’s La Marqueta in Spanish Harlem, and Minneapolis’ Mercado Central (down Lake Street from the Midtown Global Market) are all examples of how diverse vendor mix have added to the appeal and success of farmers markets.²⁰

It was designed to build on existing economic, social, and cultural assets within the surrounding community. The goal is to have a marketplace made up of locally owned, independent businesses that nurture small business growth and the creation of job opportunities. The commercial viability of this public market gives its tenants the foothold they need to build their businesses and economic future and to put other people to work as well.

¹⁷ Mike Sula, “Albany Park’s Hidden Refugee Farm,” *chicagoreader.com*. Chicago Reader, September 5, 2013, <http://www.chicagoreader.com/chicago/global-garden-farmers-market-urban-farming-refugees/Content?oid=10815893>.

¹⁸ See Midtown Global Market, <http://www.midtownglobalmarket.org>.

¹⁹ See Latino Economic Development Center, <http://ledc-mn.org/mgm.php>.

²⁰ Greg Scruggs, “How Public Markets Support Small Businesses Owned by Women, Minorities, and Immigrants,” *nextcity.org*. Next City, June 16, 2014, <http://nextcity.org/daily/entry/public-markets-small-businesses-women-owned-minority-owned-immigrants>.

TOOLS AND RESOURCES

REFUGEE FARMING GRANTS — Farming initiatives targeting refugees are eligible to apply for funding through the Refugee Agricultural Partnership Program (RAPP),²¹ a joint venture of the U.S. Department of Agriculture (USDA) and the Department of Health and Human Services (HHS) Office of Refugee Resettlement. With help from RAPP grants, initiatives like New Roots Community Farm²² and the Intervale Center in Vermont²³ have been able to use urban farming as a component of refugee resettlement and to help create sustainable economic opportunities for refugees from agrarian backgrounds.²⁴

IMMIGRANT FARMING INITIATIVE — Many farmers in the U.S. are nearing retirement age, and the younger generation has little interest in taking over operations. The average age of a primary farm operator in the U.S. is 58.3 years old and has been steadily rising for the past 30 years.²⁵ At the same time, the share of minority-owned farms is on the rise.²⁶ These demographic trends make for great entrepreneurial opportunities for immigrants with agrarian skills. The National Immigrant Farming Initiative (NIFI), founded in 2003 in conjunction with Heifer International, connects immigrants with opportunities in this arena. NIFI provides training and technical assistance for the specific needs of immigrant farmers as well as policy advocacy to support its members.²⁷

²¹ Institute for Social and Economic Development, <http://www.isedsolutions.org/projects/rapp>.

²² See International Rescue Committee, <http://www.rescue.org/us-program/us-san-diego-ca/fsch>.

²³ Patricia Leigh Brown, “Refugee Farmers Find Solace in a Floodplain,” *New York Times*, May 18, 2012, and Intervale, <http://www.intervale.org/>.

²⁴ Office of Refugee Resettlement, <http://www.acf.hhs.gov/programs/orr/resource/refugee-agricultural-partnership-program>.

²⁵ United States Department of Agriculture, National Agriculture Statistics Service, *US Agricultural Census*, February 2012.

²⁶ Ibid.

²⁷ See Immigrant Farming, <http://www.immigrantfarming.org/about.html>.



© photo credit: Welcoming Colorado

Chapter 14

INTEGRATION SERVICES

INTEGRATION SERVICES

OVERVIEW

The issues relating to the integration of immigrants, refugees, and internationals and their host communities have been the focus of work and investment that far exceeds the capacity of this Planning Guide. Organizations like the Migration Policy Institute (MPI), Grantmakers Concerned with Immigrants and Refugees (GCIR), the Center for Study of Immigrant Integration at the University of Southern California (CSII), and many others have provided a growing literature and research about numerous aspects of immigrant integration. Especially relevant for a planning guide on immigrant economic development is the 2006 “Toolkit for Grantmakers” developed by GCIR, which provides the following definition of immigrant integration:

Immigrant Integration is a dynamic, two-way process in which newcomers and the receiving society work together to build secure, vibrant and cohesive communities.

GCIR also outlines promising integration practices across nine integration pathways (e.g., community planning, language access, education, social and cultural integration, civic participation, etc.).¹ More recently, a short collection of best practices highlighting civic integration and access policies was issued by the Migration Policy Institute.² Welcoming America’s *All Immigration is Local* and *Receiving Communities Toolkit* provide a specific emphasis on ways to engage long-term, receiving communities members in immigrant integration.

Rather than repeat the literature and promising practices emerging from the growing immigrant integration field, this planning guide provides immigrant economic development programs a snapshot of options to consider when linking their work to long-term integration, giving the reader a place to begin. In the longer-term, it’s important for anyone launching new programs to consult with the literature, leadership, and practitioners in the field of immigrant integration to incorporate the latest thinking and lessons learned.

¹ Daranee Petsod, Ted Wang, and Craig McGarvey, “Investing in Our Communities: Strategies for Immigrant Integration—A Toolkit for Grantmakers,” *gcir.org*. Grantmakers Concerned with Immigrants and Refugees, 2006, <https://www.gcir.org/sites/default/files/resources/GCIR%20Toolkit.pdf>.

² Margie McHugh, “Immigration Civic Integration and Service Access Initiatives: City-Sized Solutions for City-Sized Needs,” Migration Policy Institute, September 2014.

.....
“Rather economic development has emerged as a new on-ramp and a new lens from which to consider the imperatives for and approaches to immigrant integration. A growing number of both locally-led efforts are now using an economic development perspective.”
.....

INTEGRATION VIEWED FROM AN ECONOMIC DEVELOPMENT LENS

As noted in the introduction, immigrant economic development work is a rapidly emerging field with more than a dozen independent regional programs and initiatives having launched in the past half decade. These local initiatives have brought a wealth of new partners to the field of immigration —economic development practitioners, chambers of commerce, corporate leaders, universities, and even community and economic development arms of philanthropy—which are developing new regional economic development programs to tap into the regional economic opportunities created by immigrants.

While most of the programs developed by these initiatives focus on traditional economic development strategies covered in other chapters of this guide, many of these initiatives also have sought to improve regional integration of immigrants and receiving communities. Their work in no way supplants the decades of research, insight, and learning in traditional immigrant integration community. Rather economic development has emerged as a new on-ramp and a new lens from which to consider the imperatives for and approaches to immigrant integration. A growing number of locally-led efforts are now using an economic development perspective.

PRIVATE NONPROFIT INTEGRATION NETWORKS

For over a century, U.S. nonprofit institutions (including many international institutes) have been built to help integrate immigrants and refugees to the fabric of the nation by teaching English, providing legal services, preparing residents for the citizenship exam, providing job training, and performing a myriad of other integration tasks. The federal government has provided funding for some of these organizations through the Office of Refugee Resettlement and its programs, as well as modest support for citizenship and adult education funding for English classes, that have been fairly modest in scope. In April 2015, The White House's Task Force for New Americans created a federal strategic action plan on immigrant and refugee integration. Task force recommendations focus on building welcoming communities and strengthening civic, linguistic and economic integration. This has the potential to help usher in a new era of greater federal support of local integration efforts.

A growing number of locally-led efforts are now using an economic development perspective.

As economic development initiatives focused on immigrants have sought to make their region more welcoming to immigrants and refugees, many have contributed to the region's integration infrastructure. Nonprofit-led immigrant economic development initiatives have largely focused their integration efforts on three areas: (1) development of guides to assist immigrants and those serving immigrants to navigate the array of integration services; (2) case managing immigrants through the array of integration services; and (3) fostering relationships with volunteer connectors, cultural ambassadors, and/or mentors to build relationships with more established community members.

A. INTEGRATION SERVICES GUIDES

Several immigrant economic development programs have developed online guides or searchable databases to connect newcomers to integration services providers that can meet the vast array of service needs that newcomers may have. These online guides serve the needs of working-class immigrants, refugees, business and professional immigrant workers, international students, as well as the needs of their spouses and other family members. These online integration services guides are a relevant advent in integration services, as traditionally most metros have not developed comprehensive networks of integration service providers or any form of local inventory of their services. Immigrant economic development agencies have been developed in an age where developing the online tools to make searching for integration services are relatively easy to develop.

The Welcoming Center for New Pennsylvanians may have been the first to develop such an online guide among the immigrant economic development programs.³ It has revamped its guide to offer user-friendly search functions for those seeking English classes, allowing users to search by day of the week and time of day, level of instruction, location, and whether the class has childcare available. Instructions on attaining other basic integration services (healthcare, banking, paying taxes, renting, homeownership, utility services, transportation, etc.) are provided on the website and broken down by topic.

Welcome Mat Detroit developed a searchable database of more than 200 nonprofits and 300 other important entries that provide services, arts, and cultural affairs targeting immigrant, refugee, and ethnic populations.⁴ In addition to the searchable database that allows users to search by type of service sought, language and ethnic identity, and geography, the Welcome Mat seeks to build a network among existing nonprofit integration service providers, helping to address gaps in the region's services, as well as build capacity of service organizations in emerging immigrant and refugee communities. It has offered programming in tax preparation for international students, as well as welcoming events to international students studying at Detroit colleges and universities. The Welcome Mat also serves as a gathering place for events and programs to build a multi-ethnic alliance among immigrant and refugee groups.

B. CASE MANAGEMENT PROGRAMS

Other programs help immigrants and refugees attain needed services by taking a case management approach, where individuals are assisted one-on-one through an intake process and guided through a series of referrals to existing integration service providers. The Vibrant Pittsburgh Welcome Center provides free referral services to newcomers in the Pittsburgh Region helping them connect to a broad range of resources, including translation and interpretation, ESL classes, housing, and employment as well as cultural and professional organizations representing diverse communities in the region.⁵ Over the past decade, the program has provided one-on-one referral, interpretation and translation services to more than 2,100 newcomers, immigrants, and internationals living in the Pittsburgh region.

In addition to managing an “Ethnic Quest Directory” that allows immigrants, refugees, and other internationals to search for services, restaurants, entertainment, events, and other offerings targeting specific ethnic groups, Global Cleveland provides one-on-one support through a network of volunteers it manages.⁶ Volunteer one-on-one services include job search coaches, professional connections, ambassadors (who help introduce newcomers to Cleveland's many neighborhoods), English conversation buddies, and basic translation and interpretation services for day-to-day items such as letters, emails, websites, etc. website?

Other programs help immigrants and refugees attain needed services by taking a case management approach, where individuals are assisted one-on-one through an intake process and guided through a series of referrals to existing integration service providers.

The Immigrant Welcome Center of Indianapolis also employs a volunteer network, its Natural Helpers initiative, which utilizes multilingual immigrants or refugees who are culturally sensitive to offer emotional encouragement and to help others in their community.⁷ The Natural Helper volunteers receive ongoing training to equip them with the skills necessary to connect newcomers to integration resources such as health care, legal services, social services, domestic violence advocates, employment and training services, and the like.

³ See Welcoming Center for New Pennsylvanians, <http://www.welcomingcenter.org/>.

⁴ See Welcome Mat Detroit, www.welcomematdetroit.org.

⁵ See Vibrant Pittsburgh, <http://vibrantpittsburgh.org/welcome/the-welcome-center/>.

⁶ See Global Cleveland, <http://globalcleveland.org/int-resource/newcomer/international-newcomer-support-services>.

⁷ See Immigrant Welcome Center, http://immigrantwelcomecenter.org/about_program.html.

MUNICIPAL AND COMPREHENSIVE, MULTI-SECTOR INTEGRATION MODELS

City and county governments are increasingly focused on ensuring that immigrants, refugees, and internationals have access to the appropriate integration tools, services, and opportunities. Often they are partnering with nonprofits and business to ensure that such efforts take place at the greatest scale possible, and with an eye toward both efficiency and effectiveness.

Welcoming America's Welcoming Cities and Counties initiative has identified the following components of a Welcoming City: leadership and communications; equitable access to services; economic opportunity and education; civic engagement; and safe and connected communities. A handful of examples of these practices follow. Increasingly, municipalities are using a community-wide, comprehensive approach to integration because of the ways in which these pathways connect to each other and the importance of involving a wide array of community stakeholders in order to achieve integration. City and county government can also be an important partner in designing and implementing a regional immigrant economic development initiative.

A. COMPREHENSIVE APPROACHES

In order to help ensure sustainability and cross-sector engagement in immigrant integration, cities are increasingly turning to planning processes as a way to proactively engage others on immigrant integration and create the groundwork for a welcoming climate.

Dayton, Ohio's Welcome Dayton Plan was created after government, non-profit, and business sectors engaged with residents in a series of extensive community conversations regarding immigration in the region. As a result of the conversations, the Welcome Dayton Plan was created and adopted unanimously by the City of Dayton Commission. The Plan and its ongoing implementation rely on commitments and engagement by the broader community, and not just the work of government. Since the creation of the Welcome Dayton Plan, which was recognized by the U.S. Chamber Foundation as a model program for accelerating economic growth, Dayton has successfully reversed a trend of population decline with a significant increase in the number of new immigrants settling in the city; in fact, Dayton's rate of immigrant attraction is nearly four times the national average, and today new families are moving into vacant homes and new businesses are bringing greater vitality to the city.⁸

The Welcome Dayton Plan was recognized by the U.S. Chamber Foundation as a model program for accelerating economic growth.

In 2014, Atlanta, Georgia, created a Welcoming Atlanta plan, which calls for the establishment of an Office of Multicultural Affairs and a host of strategies to engage both new and established Atlantans in city life, ranging from expanding workforce development opportunities to be more inclusive of immigrant communities to making it easier for immigrants and all residents to open a business in the city. "As Atlanta positions itself to be a global leader, attracting and retaining talent is imperative," said Mayor Kasim Reed. "The Welcoming Atlanta initiative builds upon the existing priorities for the city – public safety, welfare, economic development, civic engagement and education – and in so doing, will not only create an environment that is welcoming to new arrivals, but a stronger community for all Atlantans."

In Charlotte, North Carolina, business and nonprofit leaders joined with city officials to recognize the need for the city to become a more immigrant-friendly one. A city council resolution established a multi-sector Immigrant Integration Task Force to review the state of city services and offer recommendations for how the city can better

⁸ <http://www.welcomedayton.org/>

INTEGRATION SERVICES

address the needs of the immigrant community. The task force spent a year holding listening sessions, conducting research, and meeting with local stakeholders to assess what the city is doing well, what it could do better, and what critical needs are. In January 2015 the Task Force, made up of 29 members of city agencies, the private sector, and community groups, offered its recommendations to the Mayor.⁹

In addition to these community-wide efforts, many local governments are undertaking strategies in the areas of:

B. LEADERSHIP AND COMMUNICATIONS

A number of local governments and communities have focused on the important role of communications through concerted media and public outreach to present a positive and inclusive vision for immigrant welcoming – ranging from the Immigrants Contribute campaign featuring posters running through the Metro system in Washington, DC to the innovative communications campaigns developed by welcoming initiatives across the country, such as Welcoming Michigan and Nebraska is Home¹⁰, to programs bringing community members together through volunteerism and the arts during National Welcoming Week.

C. EQUITABLE ACCESS TO SERVICES

Many local governments recognize that providing strong customer service to all residents requires evaluating the extent to which immigrants are able to access existing programs. Allegheny County's Department of Human Services provides basic services for immigrants in Pittsburgh, and has worked through an Immigrant and International Advisory Committee to ensure that services are culturally competent and accessible. Over time, the committee has established foundational relationships between government, community based organizations, and local residents, and given participant communities a voice. The committee also has implemented a host of innovative projects that no member agency could do on its own – ranging from ensuring greater language access through translation and interpretation to deploying a cadre of Americorps members to help agencies better manage caseloads, as well as the launch of the Family Child Care Project, equipping 20 internationals to deliver in-home, culturally sensitive child care.

Many local governments recognize that providing strong customer service to all residents requires evaluating the extent to which immigrants are able to access existing programs.

Montgomery County, Maryland's Language Access Policy is one example of a policy that furthers access to services for limited English proficient residents. Implementation of the policy is focused on broad education and training; hiring bilingual staff; supporting agencies with more accessible interpretation services; and ongoing monitoring. The County also makes substantial investments in English language learning programs.

D. ECONOMIC OPPORTUNITY AND EDUCATION

Local governments are increasingly partnering with community-based organizations and businesses to support a variety of programs that address everything from financial inclusion (for example, partnering with financial institutions to increase access to banking and credit, or small business lending) to expanding workforce development and English language programming to supporting many of the initiatives addressed elsewhere in this guide.

In the realm of education, numerous efforts exist to ensure that immigrant youth are able to thrive and succeed academically and in the workforce. For example, Chicago has opened city-funded internship, volunteer, and job opportunities (including summer youth employment) to undocumented students, providing immigrant youth with experience and opportunities that can enrich their educational and career pathways. Through Chicago's broad-reaching New Americans Plan, the City is also working with Chicago Public Schools to increase access to other summer enrichment

⁹ <http://charmeck.org/city/charlotte/cic/getinvolved/Pages/Immigrant-Integration-Task-Force.aspx>

¹⁰ <http://welcomingmichigan.org/>; <http://nebraskaishome.org/>

programs, as well as ensure that that early childhood sites are well-placed and well-equipped to serve immigrant children across the city. In Boise, Idaho, the City has worked closely with the Department of Parks and Recreation to establish the International Summer Youth program, a summer enrichment program which pairs refugee students with native born peers.

E. CIVIC ENGAGEMENT

Several municipal governments have sought to foster integration of their immigrant communities by promoting citizenship and naturalization. The Cities of Nashville, Chicago, and Los Angeles have signed agreements with the U.S. Citizenship and Immigration Services (USCIS) to promote naturalization among lawful permanent residents.¹¹ Under the “Pathways for New Americans” program, Nashville will set up New Americans Corners in five Nashville public libraries and four community centers. New American Corners will provide immigrants the citizenship application, citizenship and ESL books that may be borrowed, guides for using the library’s online ESL and citizenship test tools, and citizenship study materials prepared by USCIS, as well as lists of organizations where immigrants may access free or low-cost legal assistance. Nashville has also successfully created the MyCity Academy, which trains emerging leaders from immigrant and non-immigrant backgrounds on the inner-workings of city government.

Several municipal governments have sought to foster integration of their immigrant communities by promoting citizenship and naturalization.

Cities for Citizenship (C4C) was launched by co-chairs Mayor Rahm Emanuel of Chicago, Mayor Eric Garcetti of Los Angeles, and Mayor Bill de Blasio of New York City with support from the Center for Popular Democracy, the National Partnership for New Americans and Citi Community Development. C4C seeks to increase citizenship among U.S. permanent residents by encouraging cities to invest in citizenship programs. Naturalization often provides access to better-paying jobs (on average raising salaries 8 to 11 percent), as well as access to other economic opportunity.¹² Each city has developed its own plan to facilitate increasing naturalization, but highlights include:

- New York City plans on building off existing efforts that have already helped some 7,000 New Yorkers apply for citizenship by expanding its school-based programs;
- Chicago will offer multi-lingual financial education and citizenship workshops in Citizen Corners in public libraries; and
- Los Angeles will add financial coaching elements to the LA Public Libraries Citizenship Corners and will target businesses with large numbers of eligible citizens for financial coaching and naturalization support.

C4C’s website contains a number of helpful suggestions that can help cities support increasing naturalization efforts, including several ideas for (1) dedicating and involving city personnel; (2) funding naturalization workshops; (3) funding and support direct services; and (4) publicizing opportunities and reaching out to community.¹³

Launched in Toronto, Canada by the Maytree Foundation, DiverseCity onBoard is an award-winning initiative that seeks to change the face of city leadership by working to ensure that the governance bodies of public agencies, boards and commissions, as well as voluntary organizations, accurately reflect the diversity of the people who live and work in the Greater Toronto Area (GTA). It does this by identifying qualified pre-screened candidates from visible minorities and immigrant communities for professional appointments on boards and committees. It also works to promote board recruitment and appointment processes that are responsive to the needs of the GTA’s diverse population and provide governance training and workshops for members.

¹¹ Tony Gonzalez, “Nashville Citizenship Help Aimed at 21,000 Legal Immigrants,” *The Tennessean*, June 11, 2014.

¹² Manuel Pastor and Justin Scoggins, “Citizen Gain: The Economic Benefits of Naturalization for Immigrants and the Economy,” *usc.edu*. University of Southern California Center for the Study of Immigrant Integration, December 2012, http://dornsife.usc.edu/assets/sites/731/docs/citizen_gain_web.pdf.

¹³ See Cities for Citizenship, <http://citiesforcitizenship.org/#about>.

F. SAFE AND CONNECTED COMMUNITY

In St. Louis, the Mosaic Ambassadors Program brings together immigrants with native-born St. Louisans. Ambassadors are residents of St. Louis who make a simple commitment to share information, visit at least three immigrant restaurants or businesses in the area and, importantly, make that important message of welcome real by inviting a new immigrant home for dinner. Other Ambassadors operate “pop-up” sites at local corporations with large numbers of immigrant employees where they promote St. Louis’ welcoming and integration services and distribute helpful information. Mosaic surpassed its initial goal of recruiting 50 Ambassadors, celebrating its 300th Ambassador in February 2014 (after only 3 months of operation), when former Governor Bob Holden joined the program. By January 2015, St. Louis Mosaic had signed up 450 Ambassadors.

ABOUT THE AUTHOR

Steve Tobocman spearheads Global Detroit, a regional economic revitalization strategy for the Detroit area focused on immigration. Global Detroit has leveraged more than \$7 million in philanthropic and government funding into innovative programs in micro-entrepreneurship, welcoming, international student retention, skilled immigrant integration, integration services, professional connector programs, and a number of other initiatives. Global Detroit has served as the foundation for Michigan Governor Rick Snyder's Michigan Office for New Americans.

In addition to leading Global Detroit, Steve has played the leadership role in creating, growing, and launching the Welcoming Economies (WE) Global Network at Welcoming America. This first-of-its-kind, ten-state regional network of local immigrant economic development initiatives is helping to make the Rust Belt a leader in immigrant innovation.

From 2003-2008, Steve served as a State Representative from Detroit and ended his term as the Majority Floor Leader, the second-ranking position in the Michigan House. Steve has a B.A. in Economics from the University of Virginia, a Masters in Public Policy from the Ford School of Public Policy at the University of Michigan, and a J.D. cum laude from the University of Michigan Law School.

.....
WELCOMING
AMERICA
.....



▲ *Building a Nation of Neighbors*