

Small Business, Big Opportunity:

Language Access for Businesses in Austin

Agenda

Economic Impact – Contribution of immigrant-owned businesses to Austin's economy.

LEP Entrepreneurs – Understanding the scale of Limited English Proficiency (LEP) business owners in Austin.

Language Access Barriers – Challenges LEP entrepreneurs face when navigating City of Austin resources.

Current State – Overview of Economic Development Department initiatives for immigrant-owned businesses.

Recommendations – Strategies to improve language access and support for LEP entrepreneurs.

Small Businesses are a large portion of American cities' economies

Small business is an economic engine

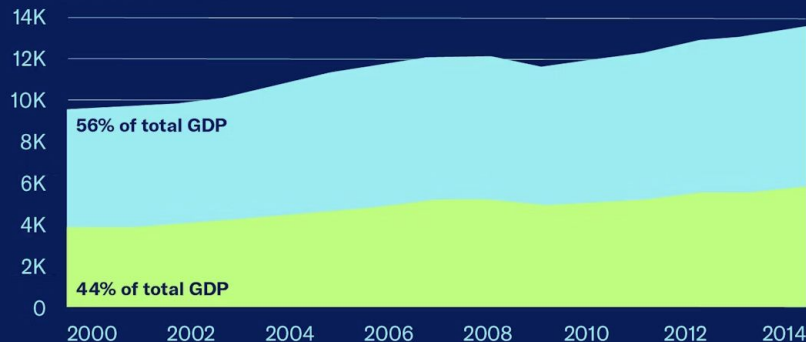


■ Small business GDP

■ Large business GDP

Source: Small Business Administration

Billions of dollars of GDP



Data from 2023 SBA Office of Advocacy FAQ on Small Business.

(LEP) Limited English Proficiency

"Individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English"

Foreign Born Entrepreneurs Strengthen Austin's Economy

**15% of all
businesses in
Austin have owners
not from the US**

American Business Survey 2018

Confidential

**These people are:
foreign born, naturalized
citizens, lawful permanent
residents, and
undocumented residents**

American Business Survey 2018

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**178,000 people
19% of Austin's
Population are
immigrants**

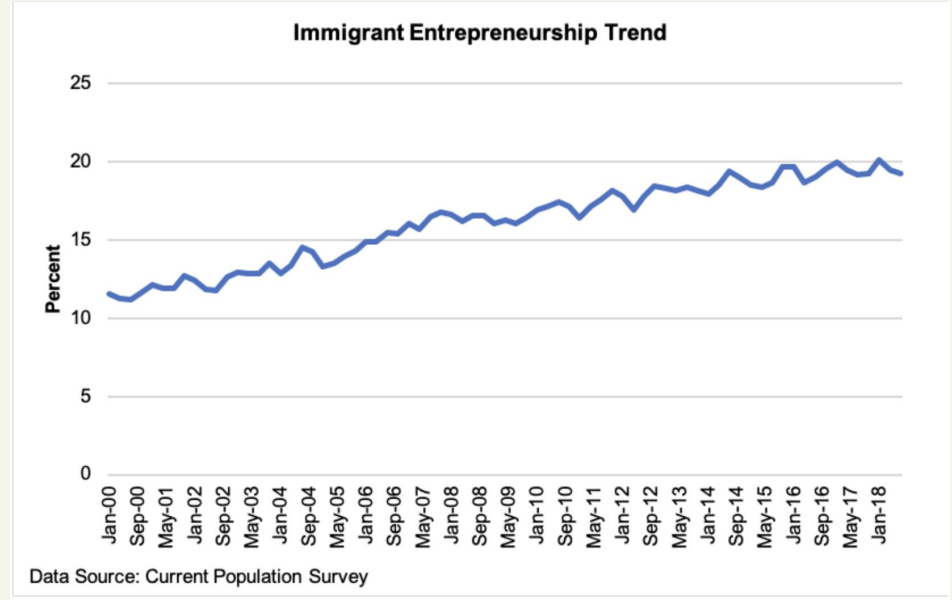
American Community Survey
2023

Amidst Limited Data, We Know Immigrants Create Businesses and Jobs

- **"24 percent** of all new businesses in Austin are founded by foreign-born entrepreneurs" (2018 Austin Welcoming City Initiative).
- **31,426 immigrant entrepreneurs** reside in this metro area (New American Economy).
- Austin's **41,653 businesses** with paid employees and Austin's employed **workforce of 873,449** (Austin Chamber of Commerce 2021).

Immigrants are Highly Entrepreneurial

- Latino immigrants over index in business ownership, **representing 52% of all Latino/a-owned firms** (2023 State of Latino Entrepreneurship)
- Immigrants are **24.1% more likely** to be entrepreneurs than US Born Residents (New American Economy)



Texas Leads the Nation in LEP Entrepreneurship

Figure 2: Immigrant Entrepreneurs With Limited English Proficiency in Select States

Share of Immigrant Entrepreneurs With Limited English Proficiency	
National Average	23.8%
Texas	35.2%
Arizona	28.1%
Louisiana	27.8%
Tennessee	27.3%
California	27.3%
South Carolina	26.3%
Florida	25.7%

Source: NAE analysis of 1-year sample from the 2018 American Community Survey

LEPs Live and Work Across Austin

City Council District	CM Member	Limited English Proficiency Population	Immigrant Population
1	Natasha Harper Madison	16%	22%
2	Vanessa Fuentes	17%	19%
3	Jose Velasquez	12%	18%
4	Jose Chito Vela	28%	32%
5	Ryan Alter	5%	10%
6	Krista Laine	9%	25%
7	Mike Seigel	7%	17%
8	Paige Ellis	5%	13%
9	Zohaib Quadri	3%	12%
10	Mark Duchan	4%	14%
	City	10%	
	MSA	9	

Austin Metro

Language	Number of Speakers*
Spanish	446,429
Asian and Pacific Island Languages ¹	91,058
Other Indo-European Languages ²	77,815
Other Languages	28,582

City of Austin

Language	Number of Speakers*
Spanish	189,513
Asian and Pacific Island Languages ¹	39,050
Other Indo-European Languages ²	32,154
Other Languages	13,117

Natural trends can be used to estimate local data

Figure 1: Immigrant Entrepreneurs With Limited English Proficiency

	Number of Immigrant Entrepreneurs	Share of All Immigrant Entrepreneurs
Limited English Proficiency	772,925	23.8%
- UNABLE TO SPEAK ENGLISH AT ALL	181,776	5.6%
- UNABLE TO SPEAK ENGLISH WELL	591,149	18.2%

Source: NAE analysis of 1-year sample from the 2018 American Community Survey

Language Access Policies in Place in Austin

- Council Resolution 20131017-038 (2013)
 - Directing the City Manager to develop a plan for a universal translation and interpretation service protocol(s) to serve Limited English Proficient (LEP) individuals
- Language Access Policy of 2022
 - Passed and covered data collection, signage, translation, interpretation, training, contractors
 - Meets minimum requirements of addressing basic needs of business owners
- Title VI of the Civil Rights Acts of 1964
 - [Title VI](#) of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin in programs or activities that receive federal financial assistance.

Regulations

A. Data collection

All City of Austin departments and offices must collect data on demand for City of Austin services in non-English languages. This data collection serves three purposes:

- 1) to track City of Austin department, office, or program's frequency of contact with limited English proficient (LEP) persons;
- 2) to determine whether the department, office, or program is serving a number of LEP persons that is proportional with the number of eligible clients in the program or department's service area based on Census data; and
- 3) to record the client's preferred language of communication in their case files, ensuring that further interactions with previously identified LEP clients include appropriate language accommodations.

Accordingly, departments, offices, and programs shall document all City of Austin encounters with LEP clients. The departmental Language Access single point of contact (SPOC) shall report the resulting data to CPIO annually or as requested. At the end of each fiscal year, CPIO in consultation with departmental language access SPOCs, shall submit a report identifying the non-English languages that meet the City of Austin's threshold languages and the City resources available to the LEP populations who speak these languages. The list of threshold languages will be available to City departments in the Language Access Center on City Space.

Many immigrant entrepreneurs face major hurdles in their entrepreneurial endeavors. ***While immigrants are twice as likely to be self-employed, higher business failure rates suggest that immigrant entrepreneurs have unmet needs***—business planning experience, access to capital, information about regulations, and the importance of networking and marketing—that deserve our attention. In part, supporting immigrant entrepreneurs is about valuing the things they know and recognizing the things they do not.

Many immigrants may have had businesses in their country of origin, but are now in a new environment, often isolated from information, and in need of more context about business culture, city hall, and financing than other entrepreneurs. ***Language and cultural barriers, lack of information, and limited personal and professional networks exacerbate the challenges of starting and growing a business.***

Figure 3: Immigrant Entrepreneurs With Limited English Proficiency in Select Industries

	Number of Immigrant Entrepreneurs With Limited English Proficiency	Share of Immigrant Entrepreneurs With Limited English Proficiency
General Services	192,986	35.3%
Construction	176,924	30.8%
Hospitality	48,998	29.1%
Manufacturing	20,268	23.1%
Professional Services	132,261	21.1%
Retail Trade	48,888	19.7%

Source: NAE analysis of 1-year sample from the 2018 American Community Survey

LEP Entrepreneurs are an overlooked area of economic potential.

Investing in these communities can strengthen the Austin economy, help increase its resilience to economic downturns, increase tax collections and create more jobs.

Current Actions

1. Translation of key documents and materials
2. Interpretation services
3. Language accessibility in marketing
4. Increased Spanish outreach:
 - Press Releases and Communications: Press releases and newsletters related to all our grant programs are consistently available in both languages, ensuring that LEP individuals are informed.
 - Paid Advertising Campaigns: Direct, paid advertisement campaigns through Spanish-language platforms such as Latino 93.3 and Univision TV network ensure that the department reaches Spanish-speaking communities. EDD PIO had radio and on-camera interviews in Spanish to promote these efforts, particularly Austin Live Music Fund and Elevate/Thrive, to Spanish-speaking communities.
 - NET PIO DL: EDD Public Information Office shared with other PIO teams citywide toolkits that included graphics, sample social media content, newsletter blurbs, links to social media accounts and posts, links to webpage(s) in both English and Spanish.
 - Boards & Commissions: For each grant launch (5 – Austin Live Music Fund, Nexus, Elevate, Thrive, Heritage Preservation Grant), EDD would share the aforementioned toolkits with Boards & Commissions, specifically the Arts Commission, Music Commission, Hispanic Quality of Life, and others, via email.

Recommendations

1. Establish a community navigator program to help navigate multilingual business resources, partner with trusted community organizations to deliver
2. Increase available data. Data on services that are or that can be delivered. Conduct a survey to better understand the resources that this community needs, and how the resources that are available could better serve their needs. Publish data on the economic impact these services have on small business creation and success.
3. Conduct an audit of what resources are not automatically translated but are used frequently by other entrepreneurs that face similar obstacles such as low income entrepreneurs and entrepreneurs of color
4. Establish an immigrant entrepreneurship week to promote awareness of community resources, programs, and events
5. Develop multilingual business guides for key sectors

LOCAL CASE STUDY

The **City of Baltimore** Mayor's Office of Immigrant and Multicultural Affairs found that many immigrants could not access the existing microlending and small business programs. The City recruited the Latino Economic Development Center (LEDC), a D.C.-based Community Development Financial Institution (CDFI) with linguistically and culturally competent staff to help spur business growth in Latino, immigrant, and African American communities. While the City provided seed funding and in-kind space, and encouraged local foundations to support LEDC, it did not have to expand staff positions or budgets to fill this unmet need for immigrant entrepreneurs.



MODEL PROGRAM

The **Welcoming Center for New Pennsylvanians in Philadelphia** employs technical assistance experts that walk entrepreneurs through the process of establishing or expanding a business. Commonly, these experts help business owners understand market opportunities, licensing, inspections, zoning, and regulations associated with their business type. Additionally, the Welcoming Center authored several step-by-step guides such as *How To Start a Grocery, Coffee Shop, and Flower Shop*. These guides help expose businesses to basic regulations and tips for navigating them by including sections such as, “understanding the regulations,” and “important resources and phone numbers.”

MODEL PROGRAM

The City of Chicago, under Mayor Rahm Emanuel, created a **New Americans Plan** and **Office of New Americans** to better integrate immigrants that includes specific examples of how local business regulatory policies can be more welcoming. The New Americans Small Business Series have created “temporary one-stop-shops in community settings” where immigrant entrepreneurs can get information at neighborhood-based centers on navigating licensing processes and attaining other supports. Further, the creation of a *Restaurant Startup Guide* in multiple languages has simplified the application process and helped to reduce regulatory and zoning conflict up front. In addition to simply streamlining the number of business licenses, The New Americans Plan spurred the creation of tools and policies that benefit not just immigrant entrepreneurs, but businesses across the board.

MODEL PROGRAM

RISE Louisville supports immigrants and refugees in their entrepreneurial endeavors through a customized educational and mentoring program. Entrepreneurs are linked with a mentor, referred to as a coach, to provide hands-on guidance during the startup of his or her venture. Coaches help cultivate business ideas and assist in obtaining essential training for planning and operating a business.

Source:

Welcoming America: Building your local economy by supporting immigrant entrepreneurs

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LOCAL CASE STUDY

In **Cincinnati, Detroit, and St. Louis**, local chambers of commerce or economic development agencies have been the driving force behind the development of local immigrant economic development initiatives. In St. Louis, the Kemper Foundation funded the initial studies that paved the way for the St. Louis Mosaic Project, which is part of the St. Louis Economic Development Partnership. St. Louis Mosaic has pursued a variety of programs that include both the Regional Chamber and the Regional Business Council. It has worked to connect immigrant entrepreneurs with the entrepreneurial ecosystem plus microloan opportunities provided by the International Institute and others, greatly expanding the number of immigrant entrepreneurs using these programs.



MODEL PROGRAM

The DC-based **Latino Economic Development Center**'s microlending program offers business loans between \$5,000 and \$50,000 to qualified startups and existing businesses that are not qualified for conventional loans. Lending officers are bilingual and culturally competent, recognizing that many of their potential immigrant entrepreneur borrowers have never taken out a loan. As a CDFI, LEDC has the flexibility to meet the needs of low-income entrepreneurs. They weigh factors such as character references and proven dedication to a new or existing business, with flexible credit score requirements and loan terms that are tailored to the individual. Borrowers can also access business training and one-on-one coaching through LEDC staff.

Potential Partnerships

1. City of Austin Commission on Immigrant Affairs
2. Hispanic Quality of Life Commission
3. Asian Quality of Life Commission
4. Austin Community Health Care Initiative
5. Office of Immigrant Affairs
6. Chambers of Commerce
7. Economic Growth Business Incubator
8. Asian American Resource Center
9. Hispanic Heritage Center