

Helping Small Businesses Survive Light Rail Construction

Once you're on a comfy couch at The Edge Coffee House, surrounded by the warm, eclectic environment that owner Patricia Ya Ya has created—you can see why the place is called a coffee *house* rather than shop. Add to that charming ambience, Ya Ya's homemade soups, sandwiches, and fresh baked goods; the use of local vendors and fair trade coffee; and live music on weekends—and the Edge is someplace you don't want to leave.



But leaving isn't the problem right now. Along with every other business along University Avenue's Central Corridor—the problem is *getting there*. Massive, long-term light rail construction along the corridor has made it hard for people to reach hundreds of small businesses that depend on local patrons. These small ethnic and “ma and pa” businesses make up the face, the economic heart, and social vitality of the Central Corridor.

Thanks to the efforts of [U7](#), a nonprofit collaborative created by the

[Neighborhood Development Center](#) at the request of Mayor Coleman, the Edge Coffee House has gotten very creative in order to survive. Ya Ya has begun preparing box lunches for delivery. If the customer can't make it to her business, she'll go to them. U7 staff have also helped her create a logo, business cards, take out menus, and catering menus to promote her new delivery service, and shown her how to use social media platforms to get the word out that she's open during construction with plenty of side-street parking.

“U7 came to me and I'm so happy that they did, because I'm one person doing a whole lot,” says Ya Ya. “They can make something out of nothing. You give them an idea and they put their creative minds together and make it happen. It's going to be a big help.”

Four years ago, St. Paul Mayor Coleman foresaw the extreme stress light rail construction would put on small businesses along the corridor and requested NDC's help. NDC invited several community development organizations to join forces, and the University Avenue Business Preparation Collaborative (nick-named U7) was born. They use a two-pronged strategy: preparing the business owners and connecting those owners with region-wide resources. U7 wants to make sure that that light rail will enhance the communities and small businesses along the avenue, rather than irreparably damage them.

To help prepare the business owners, NDC launched a [Small Business Resource Center](#) at the Rondo Library in the Central Corridor as a means of addressing the "digital divide." NDC believes digital inclusion for low-income entrepreneurs represents empowerment at the most basic level. The center provides small business owners with computer access and one-on-one mentoring in using business software, establishing a website, web-based marketing, and creating print-based marketing materials.

Despite continuing challenges, U7 partners have lots of success stories like the Edge Coffee House. They've originated over 800 loans to over 700 small businesses representing capital of over \$10 million. Collectively, they've also provided 28,000 hours of technical assistance to more than 1,200 small businesses.

But U7 and five Twin Cities business resource centers aren't NDC's only services and projects. The Center, founded in 1993, works in eight ethnic communities and 25 low-income neighborhoods in Minnesota. It's helped build community support around the idea of creating, financing, and supporting resident-owned small businesses as a means of revitalizing inner city neighborhoods. As NDC President and CEO Mike Temali would tell you—it's all about building neighborhood economies *from within*.



Owner of small business along University Avenue.

NDC works with entrepreneurs and community organizations to concentrate the power of micro-enterprise development around dynamic "hubs" of community revitalization, linking the energy of people to the vitality of places. This "network of hubs" allows NDC to generate and sustain large-scale impact while communities retain ownership of the process and the results. And those results are pretty impressive.

NDC's entrepreneurs return \$68 million to the Twin Cities economy annually, of which \$36 million goes directly back into their own neighborhoods. In one neighborhood alone—a one-mile ring around Minneapolis' Midtown Global Market (which NDC helped create)—127 NDC alumni are open for business. They've created nearly 500 jobs, and return \$13.4 million to that neighborhood every year. What's more, 40 of those owners also serve on community boards, using the small business skills learned through NDC to improve their neighborhoods.

U7 PARTNERS

African Economic Development Solutions
Aurora/St. Anthony NDC
Greater Frogtown CDC
Selby Area CDC
Hmong Chamber of Commerce
Sparc
Metropolitan Consortium of Community Developers
Neighborhood Development Center

Twin Cities LISC total support to the Neighborhood Development Center to date: \$1,342,575