

**UNIVERSITY OF CALIFORNIA  
LOS ANGELES**

**Public Markets as Sites for Immigrant  
Entrepreneurship in East Hollywood**

A comprehensive project submitted in partial satisfaction of  
the requirements for the degree  
Masters of Arts in Urban Planning

By  
Matthew Lum

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M.L.

## **Executive Summary**

The Thai Community Development Center, a non-profit organization dedicated to community and economic development in the greater Los Angeles area, has requested research on how public markets can act as incubators to expand opportunities for immigrant entrepreneurs. That is, can a public market housed in a multi-tenant warehouse with shared services help recent immigrant entrepreneurs?

Currently, a renaissance of redevelopment is taking place in Hollywood leading to rising commercial rents and consequently challenging preexisting businesses with increasing overhead costs. This limits opportunities for many, especially immigrants with limited capital, to start their first business. East Hollywood stakeholders are concerned that rising rents will produce similar results in Hollywood, where small businesses have been displaced. In response to these concerns, the Thai CDC is interested in creating a public market that will consist of prepared Armenian, Mexican, and Thai food; Thai arts and crafts; and Thai textiles. The proposed public market is intended to increase the number of job opportunities for East Hollywood residents. However, the Thai CDC has three major concerns about the public market project. They are as follows:

1. the economic sustainability of a public market;
2. the opportunities for upward mobility of immigrant entrepreneurs;
3. the possibility of unfair competition with local businesses.

This is primarily a qualitative study that examined seven public markets consisting of immigrant entrepreneurs in multi-ethnic neighborhoods in California and New York in

hopes of rectifying the concerns surrounding the proposed Thai CDC public market.

Seven public market operators and sixty – eight vendors were interviewed in Los Angeles, Oakland, and New York City. Additionally, focus groups were conducted with potential entrepreneurs in the local community to gauge their interests and obtain their stated preferences. Lastly, a spatial analysis using Geographical Information Systems (GIS) helped identify the types of businesses in the area in order to understand the products/services offered.

Three focus groups were held in Armenian, Spanish, and Thai languages. The focus groups results were the following: (1) The participants are interested in having a diverse group of customers that range from local community members to non-local tourists. (2) The participants are interested in reaching potential customers through ethnic based media. (3) Although some potential entrepreneurs are interested in obtaining loans, many feel that they would be denied loans because of their credit history and lack of collateral. (4) Many participants are interested in selling a wide range of products and believe that offering products at reduced prices will help attract customers to the market. (5) Many participants feel that the market should be opened daily with certain booths opened during certain hours.

The key findings of the public market vendors were the following: (1) Public markets attract primarily local residents; (2) some vendors advertise their products in popular ethnic language newspapers and radio; (3) some markets that offer ethnic products and/or services attract customers. (4) many vendors have not enrolled in business

training or financial literacy courses; however, whether this education affects the success of vendors is unclear; (5) a majority of the vendors have utilized their savings to start and maintain their businesses resulting in few bank loans.

In addition to interviewing public market vendors, public market operators were also interviewed in the aforementioned cities. Some of the findings were the following: (1) public market operators help incubate vendors by charging low rents with flexible leasing terms. Sometimes, the rent includes shared utilities, amenities, and administrative services; (2) few public markets advertise because it is very costly; (3) most of the public markets do not offer business training or financial literacy courses; however the effectiveness of such courses is unknown; (4) public transportation that is located close to the public market will attract more customers.

This study showed that, if approached carefully, a public market can provide significant benefits to immigrant entrepreneurs in East Hollywood. The next step for Thai CDC is to identify public sources of funding that will enable a full-scale planning effort.

Additionally, Thai CDC needs to identify a site for the public market and exercise a great deal of caution in major decisions such as renting or buying the building because this is the most costly portion of the project and therefore potentially the financially most risky.