

# FINANTA and the Welcoming Center for New Pennsylvanians

## *Outcome Evaluation*

Authors: Amanda Hane, Laura Schauben, and Jessie Austin

**A P R I L 2 0 2 0**

451 Lexington Parkway North | Saint Paul, Minnesota 55104  
651-280-2700 | [www.wilderresearch.org](http://www.wilderresearch.org)

**Wilder  
Research®**  
Information. Insight. Impact.

# Contents

Introduction.....	1
Build from Within Alliance .....	1
FINANTA and the Welcoming Center .....	1
Methodology .....	2
About this report .....	2
Overview of FINANTA and the Welcoming Center members’ performance.....	3
Profile of business owners assisted by FINANTA and the Welcoming Center .....	4
Demographics .....	4
Financial status.....	4
Assistance received from FINANTA or the Welcoming Center .....	5
Businesses assisted by FINANTA or the Welcoming Center .....	6
Current status of businesses assisted by FINANTA or the Welcoming Center .....	6
Yearly gross revenue and debt.....	7
Business expansion since FINANTA or Welcoming Center assistance.....	8
Expansion of pre-existing businesses .....	8
Neighborhood impacts of businesses assisted by FINANTA and the Welcoming Center .....	9
Building and property-related impacts of businesses .....	9
Employment impacts of businesses .....	9
Other contributions to neighborhood economy and quality of life.....	10
Impacts on owners’ children and families .....	12
Children’s education and career experience .....	12
Financial security .....	12
Health.....	13
Views of FINANTA and the Welcoming Center assistance .....	14
Figures of results.....	15

## Figures

1. Impact of rent, business expenses, contributions, subcontractor payments, payroll, and sales tax from January 2019 through December 2019 .....	3
2. Demographic profile of business owners assisted by FINANTA or the Welcoming Center .....	15
3. Financial status of business owners assisted by FINANTA or the Welcoming Center .....	16
4. Services received from FINANTA or the Welcoming Center .....	17
5. Current status of business .....	18
6. Yearly gross revenue and debt .....	19
7. Business status based on owner self-report and business registration .....	20
8. Growth of pre-existing businesses <sup>a</sup> since FINANTA or Welcoming Center assistance .....	20
9. Building/property-related impacts of businesses <sup>a</sup> .....	21
10. Employment impacts of businesses <sup>a</sup> .....	22
11. Other contributions to neighborhood economy and quality of life .....	24
12. Children of business owners assisted by FINANTA or the Welcoming Center .....	27
13. Children and family-related impacts of businesses .....	28
14. Children's involvement in businesses .....	28
15. Views of FINANTA assistance .....	29

# Introduction

## Build from Within Alliance

The aim of Build from Within Alliance's (BfW) work is to help individuals and neighborhoods become economically healthy and prosperous, as well as active contributors to the development and revitalization of their own neighborhoods. The nature of this work is not driven by outsiders or public investments and subsidy, but by a long-term commitment to develop entrepreneurs from within these neighborhoods. Through implementation of the model, FINANTA and the Welcoming Center members address economic disparities and inequities by providing access to opportunity to start and grow a business for low-income individuals and families with a culturally competent, asset-based, entrepreneurship-focused, and place-based approach.

At the time of data collection, the BfW included nine programs across the United States. This report describes program outcomes for FINANTA and the Welcoming Center in Philadelphia, Pennsylvania.

## FINANTA and the Welcoming Center

FINANTA aims to promote the growth and economic expansion of diverse communities through the infusion of capital and the provision of business, consumer, and homebuyer consultation services, in a manner that is uniquely aware of the cultural, social, and language challenges immigrant and minority populations encounter. FINANTA serves 11 counties in the Philadelphia region: Berks, Bucks, Chester, Delaware, Lancaster, Montgomery, and Philadelphia in Pennsylvania; Camden in New Jersey; and Kent, New Castle, and Sussex in Delaware.

The Welcoming Center offers numerous practical tools to assist new and emerging small business owners who have recently arrived in Pennsylvania. The Business Training Program assists start-up and new businesses to obtain business training, financing, and other support within their own communities. Hands-on assistance helps business owners to understand city regulations, develop a business plan, understand business operations, identify capital, create a marketing strategy, and much more. Global Craft Market is a collective of immigrant artists and publicly showcases the wealth of crafts created or imported by the Welcoming Center's participants from across all its programs. At the time of this report, according to their website, the Welcoming Center has served over 17,000 people from over 150 countries.

# Methodology

This evaluation is based on information from telephone surveys conducted by Wilder Research interviewers with business owners assisted by FINANTA and the Welcoming Center as well as data from both group's records.

The surveys were conducted from August through December 2019. Wilder Research began with a list of 62 potential business owners identified by each organization. Each potential owner was mailed a letter from FINANTA or the Welcoming Center describing the purpose of the evaluation and asking for their cooperation. Wilder Research then tried to reach each business owner up to seven times by phone.

From the original sample of 119 business owners (102 from the Welcoming Center and 17 from FINANTA), potential respondents were removed from the sample due to incorrect contact information (N=17) or being ineligible for the study (N=24) because they said they were not in business (N=10), were not yet in business (N=12), or they didn't receive services from either of the two groups (N=2). In addition, seven respondents were listed twice. Finally, there were 33 potential owners who did not answer the phone after multiple tries and had no voice mail option. An estimate was made of how many of these potential respondents were likely in business based on the percent of owners that were eligible for the study.

Of the estimated 38 potential respondents determined to be in business and for whom contact information was available, 17 participated in the survey for a response rate of 45%.

## About this report

This report provides information based on the responses of the 17 business owners surveyed. As the total number of people who answered any given question varied, Ns for each question may also vary. When four or fewer people responded to a question, data is excluded for confidentiality. Throughout the report, text highlights key findings. Full data tables (i.e., figures) can be found at the end of the report. In some cases, in text and tables, totals do not add up to 100% due to rounding.

# Overview of FINANTA and the Welcoming Center members' performance

Results from the 17 surveyed owners were used to estimate some of the impacts of the 48 owners estimated to be in business at the time of data collection. FINANTA and the Welcoming Center businesses contributed approximately \$1,174,147 dollars to their state, including \$525,258 dollars to their neighborhoods, in rent, cash and in-kind contributions, payments to subcontractors, business expenses excluding rent and payroll, payroll excluding payroll taxes, and sales tax (Figure 1). Notably, these businesses also contributed property taxes and payroll taxes, although the amounts are not included due to the low sample size.

## 1. Impact of rent, business expenses, contributions, subcontractor payments, payroll, and sales tax from January 2019 through December 2019

Neighborhood impact	
Estimated dollars returned for <b>all</b> businesses based on survey responses:	
Rent	\$134,411
Business expenses (excluding rent and payroll) in neighborhood	\$290,471
Cash/in-kind contributions in neighborhood	\$80,047
Payments to subcontractors and cash workers	\$20,329
<b>Total annual return to neighborhoods</b>	<b>\$525,258</b>
Average per business for one year	\$10,943
State impact	
Estimated dollars returned for <b>all</b> businesses based on survey responses:	
Rent	\$134,411
Business expenses (excluding rent and payroll)	\$442,588
Cash/in-kind contributions in neighborhood	\$80,047
Payroll of all business owners (excluding payroll taxes)	\$435,219
Payments to subcontractors and cash workers	\$20,329
Sales tax	\$61,553
<b>Total annual return</b>	<b>\$1,174,147</b>
Average per business for one year	\$24,461

<sup>a</sup> Figures are for all 48 businesses based on responses from the 17 surveyed business owners.

In total, the 48 estimated businesses were responsible for about 79 jobs, including the owners themselves and their employees.

# Profile of business owners assisted by FINANTA and the Welcoming Center

## Demographics

### *Respondents' gender, age and race/ethnicity*

Of the 17 business owners who responded to the demographic questions, 65% identified as women and 35% identified as men (Figure 2). Most identified as African American or black (53%) or Latino or Hispanic (41%).

### *Number in household*

Most surveyed business owners lived by themselves (29%) or with one other person (29%; Figure 2). The average and median household size was two people, with a range from one to five people.

## Financial status

### *Income*

The average annual household income of respondents was about \$72,000, and \$60,000 in median (Figure 3). More specifically, 12% of owners reported an annual income of \$18,001 to \$30,000, 18% reported \$30,001 to \$70,000, and 24% reported more than \$70,000. Forty-seven percent of respondents chose not to provide this information (6%) or did not know it (41%).

### *Income increase as a result of business*

About half of respondents said their household income increased as a result of their business (47%; Figure 3). For these owners, the average increase was about \$6,600 and the median \$5,000. In sum, the business owners surveyed increased their income by over \$39,550.

### *Financial independence as a result of business*

When asked if they are more financially independent now than they were the previous year as a result of their business, 24% of surveyed business owners said “quite a bit” (Figure 3). An

additional 41% responded “somewhat,” and 18% said “a little.” Eighteen percent responded “not at all.”

## Assistance received from FINANTA or the Welcoming Center

Of the 17 respondents who identified which services they received from FINANTA or the Welcoming Center, most participated in an entrepreneur or business plan class (82%; Figure 4). In addition, 59% attended a business workshop, 53% received a loan or financing, and 47% received technical assistance or business services. In sum, 65% of respondents received a combination of services, 24% training services only, and 12% received loans and financing only.



# Businesses assisted by FINANTA or the Welcoming Center

## Current status of businesses assisted by FINANTA or the Welcoming Center

### *Age and status of business*

Based on information gathered during the evaluation process, 48 FINANTA and the Welcoming Center alumni currently operate their own businesses. This section describes the businesses of the 17 owners who participated in this evaluation.

In regard to age of the businesses, 24% had been operating for less than three years, 24% three to four years, 35% five to nine years, 12% 10 to 19 years, and 6% for 20 or more years (Figure 5). The average and median age of the businesses was seven years, with a range of 1 to 23 years.

In total, 65% of businesses were registered with the state (Figure 5).

### *Business space*

Regarding business space, 53% of the businesses were home-based and 47% were located in commercial space (Figure 5). Of the eight surveyed business owners using commercial space, six leased and two owned the location.

Seventy-seven percent of surveyed business owners lived in the same neighborhood as their business (Figure 5).

### *Percentage of business from within one mile*

Respondents were asked to estimate the amount of business that comes from within one mile of their location. Ninety-four percent said at least some of their customers do (Figure 5). Respondents said an average of 57% and a median of 75% of their business clients come from within one mile of their location.

# Yearly gross revenue and debt

## *Current yearly gross revenues*

Surveyed business owners were asked for their current yearly gross revenue. Twelve percent of respondents said they had no revenue to date (Figure 6). Of those business owners who had revenue and provided their annual gross revenue amount (N=9), the median was \$30,000. In total, business owners assisted by FINANTA and the Welcoming Center had a yearly gross revenue of \$684,500.

## *Debt*

Respondents were also asked about their business debt. About half reported having no current business debt (53%; Figure 6). Of those business owners who had debt and reported the amount, the median was \$7,000. The total amount of business debt for all respondents is about \$186,700.

All respondents were asked if the amount of their debt had changed since the previous year. More than half said it hadn't (59%; Figure 6). Twelve percent reported a decrease in debt and 18% an increase. Six percent said they were not open in the previous year and another 6% said they didn't know.

## Business expansion since FINANTA or Welcoming Center assistance

Respondents with pre-existing businesses were asked about changes in their business since receiving assistance from FINANTA or the Welcoming Center. Definitions of being in business may vary. Thus, respondents who reported having a pre-existing business were asked if their business was registered with the state at the onset of FINANTA or Welcoming Center assistance to better distinguish between established businesses and those more akin to a hobby. Only businesses that were registered were considered “pre-existing.” Based on these criteria, three businesses were reclassified as new businesses (Figure 7). The remaining nine pre-existing businesses (53%) are the subject of the following analyses.

### Expansion of pre-existing businesses

#### *Expansion of staff*

Two of the pre-existing business owners hired more employees since receiving FINANTA or Welcoming Center assistance (Figure 8).<sup>1</sup>

#### *Expansion of annual business income*

Seven of the eight pre-existing business owners reported increasing their annual business income (Figure 8). Of these owners, two increased their annual income by less than \$6,000 per year, two by \$6,001 to \$12,000, and two by more than \$12,000. One owner said they increased their income, but did not know by how much. Of those who reported the amount of increase (N=6), the average was about \$13,000; the median was \$12,000. In total, these owners increased their annual business income by \$79,000.

#### *Access to bank loans or services*

Owners of pre-existing businesses were asked whether they could now access bank loans or other bank services that were previously unavailable to them. Of the eight that responded, four said they could and three said they could not (Figure 8). One did not know.

---

<sup>1</sup> Businesses were also asked about the number of employees they added but this information was excluded from the report because of the small sample size of those who answered the question.

# Neighborhood impacts of businesses assisted by FINANTA and the Welcoming Center

## Building and property-related impacts of businesses

Thirty-five percent of the surveyed business owners reported paying rent on commercial space (Figure 9). The average was \$661, and the median \$525. In total, these business owners paid \$3,967 in monthly rent or \$47,604 annually.

## Employment impacts of businesses

### *Number and profile of persons employed by businesses assisted by FINANTA and the Welcoming Center*

About half of surveyed business owners had paid employees (47%; Figure 10). These eight business owners employed between one and two individuals. In total, the business owners employed 11 individuals. Fifty-five percent of reported employees worked 30 or more hours per week.

Four of the eight businesses with employees hired neighborhood residents (Figure 10). On average and in median, 50% of the staff of each business were neighborhood residents. Of the 11 total employees, 45% lived in the same neighborhood as the business they worked for.

### *Wages and payroll*

Surveyed business owners with paid employees were asked about hourly wages. Three of the eight employees earned hourly wages of less than \$10 an hour, and five earned hourly wages of \$10 or more (Figure 10). Employees earned \$10.38 an hour on average, and \$10 an hour in median.

Respondents with paid employees were also asked for the amount of their monthly payroll. Three of the eight businesses who had employees had monthly payrolls of less than \$5,000, and two between \$5,001 and \$10,000 (Figure 10). Three didn't know. Of those who provided an amount (N=5), the mean payroll per month was \$2,616 with a median of \$21,416. The total monthly payroll of these business owners was \$21,416 or about \$256,992 annually.

None of the employers offered health insurance, and two of the eight businesses owners with employees offered paid time off (Figure 10).

### ***Subcontractors and cash workers***

Thirty-five percent of respondents have hired subcontractors or cash workers in the prior year (Figure 10). For those business owners who provided the amount spent on these hires, the median was \$500. In total, business owners paid \$7,200 to outside subcontractors or cash workers.

## **Other contributions to neighborhood economy and quality of life**

### ***Estimated total yearly business expenses***

Surveyed business owners were asked to estimate their total yearly business expenses, not including rent and payroll. Thirty-six percent said they spent less than \$5,000, 12% spent 5,000 to \$9,999, 12% spent \$10,000 to \$24,999, and 12% spent \$25,000 or more (Figure 11). Twenty-nine percent did not know the amount. Of those who provided an amount (N=12), the average was about \$13,063 and the median \$4,000, with a range from \$250 to \$80,000. In total, these business owners estimated spending about \$156,750 annually.

Surveyed business owners were also asked what percentage of their annual business expenses, excluding rent and payroll, was spent within one to two miles of their business. On average, businesses reported 52% of their yearly expenses were spent within one or two miles, in median 40% (Figure 11). Of all businesses, 83% spent at least some of their money with neighborhood vendors.

In terms of dollar amounts, 12% of surveyed business owners did not spend anything in the neighborhood (Figure 11). The average amount spent annually on business expenses in the neighborhood, excluding rent and payroll, was \$9,352, the median \$1,500, with a range of nothing to \$80,000. The total amount spent annually was about \$102,875.

### ***Sales tax***

Surveyed business owners were asked to estimate the amount of sales tax they pay annually. Twenty-nine percent said they do not pay sales tax (Figure 11). Of business owners who paid sales tax and provided the amount (N=5), the mean was \$4,360 and the median \$1,600, with a total of \$21,800.

### ***Contributions to neighborhood events or activities in past 12 months***

Eighty-two percent of surveyed business owners reported contributing some time, money, or in-kind support to neighborhood events or activities in the previous 12 months (Figure 11). Specifically, 71% donated in-kind support, 53% donated time, and 53% donated money.

Surveyed business owners were asked to assign a dollar value to their contributions. Among business owners who felt their contributions over the prior year had monetary value (N=14), 36% reported contributions between \$1 and \$500, 21% reported contributions between \$501 and \$1,000, and 36% said they contributed over \$1,000, including 7% who donated over \$5,000 (Figure 11). The average estimate was \$2,181, and the median \$1,000, with a range between \$150 and \$12,000. In sum, respondents estimate that they made approximately \$28,350 worth of contributions to neighborhood events and activities during the prior year.

### ***Business owners as role models and leaders***

Surveyed business owners were asked if they serve as role models for youth or young adults. All of the business owners felt that they did, and 29% surveyed said they served as leaders for groups or organizations in their neighborhood or ethnic community (Figure 11).

### ***Gathering place for the community***

About one-third of all respondents said their business serves as a gathering place for the community (Figure 11).

## Impacts on owners' children and families

Sixty-five percent of surveyed business owners said they are a parent, guardian, or primary caretaker for at least one child (Figure 12). The average number of children was two, with a median of one or two children. The greatest number of children in a family was six, and the total number of children for all business owners was 31.

About one-third owners had at least one child living in their household (36%; Figure 12). The highest number of children in a household was three, and the average was one child, with a median of 0. In total, nine children were living with respondents.

## Children's education and career experience

Thirty percent of respondents with children said owning a business increased their family's ability to participate in activities outside of school, and 10% said it improved their family's ability to help their children do well in school (Figure 13). Most of the remaining respondents said their ability didn't change, but was fine as is.

Forty percent of respondents with children said their children were involved in the business in informal and formal ways (Figure 14). Of the respondents who said their children did not work for pay at the business (N=9), five thought their children would do so someday.

Eighty percent of respondents with children felt their children would own a business in the future or said their children already do (Figure 14).

## Financial security

Thirty percent of surveyed owners with children said their ability to have transportation improved, while 60% reported that change neither happened nor was needed (Figure 13). Ten percent were not sure or the question was not applicable.

None of the respondents with children said their family's ability to have stable housing improved as a result of business ownership, while 60% said it did not change, but was fine already (Figure 13). Thirty percent said there was no change occurred in regard to housing stability, but that it was warranted, and 10% were not sure or the question was not applicable.

## Health

Thirty percent of respondents with children said their family's ability to afford enough nutritious food improved as a result of their business, and 10% said their family's ability to help their children be healthy improved (Figure 13). Most of the remaining respondents said their situation remained the same and was okay as is.

Ten percent of respondents with children said their family's ability to pay for health care when needed improved, and 50% said their situation remained the same but was fine already (Figure 13). Twenty percent said it remained the same but could use improvement, and 10% of respondents felt their situation worsened.



## Views of FINANTA and the Welcoming Center assistance

Surveyed business owners were asked to choose from a list of statements the one that best describes their business relationship with FINANTA or the Welcoming Center. Fifty-nine percent of owners said their business “is as successful as it is today” largely because of FINANTA or Welcoming Center assistance, and 29% said their success is somewhat due to the program’s assistance (Figure 15). Twelve percent reported their business is neither better nor worse off, and no one felt their business was worse off.

Respondents were also asked how likely they were to recommend FINANTA or the Welcoming Center to a friend, on a scale of 1 to 10, with 10 being the most likely. Seventy-seven percent of owners said “10,” an additional 18% gave a rating of 8 or 9, and 6% gave a rating of 6 or 7.

## Figures of results

### 2. Demographic profile of business owners assisted by FINANTA or the Welcoming Center

<b>Gender (N=17)</b>	
Female	65%
Male	35%
<b>Race/ethnicity (N=17)</b>	
African American/Black	53%
Latino/Hispanic	41%
Arab	6%
<b>Number in household (N=17)</b>	
Single person	29%
Two persons	29%
Three persons	18%
Four or more persons	18%
Refused	6%
Of those who provided a number (N=16)	
Mean	2
Median	2
Range	1-5

### 3. Financial status of business owners assisted by FINANTA or the Welcoming Center

<b>Yearly household income (N=17)</b>	
\$18,001 to \$30,000	12%
\$30,001 to \$70,000	18%
More than \$70,000	24%
Refused	6%
Don't know	41%
Of those who provided their household income (N=9)	
Mean	\$72,111
Median	\$60,000
<b>Income has increased as result of business (N=17)</b>	
Yes	47%
No	41%
I do not get any personal/household income from my business	6%
Refused	6%
<b>Increased yearly household income (N=8)<sup>a</sup></b>	
Up to \$1,200	1
\$1,201 to \$3,600	1
\$3,601 to \$6,000	2
\$6,001 to \$18,000	1
\$18,001 to \$30,000	1
Don't know	2
Of those who provided an amount (N=6)	
Mean	\$6,592
Median	\$5,000
Range	\$50-\$20,000
Total increased yearly household income	\$39,550
<b>More financially independent now than last year, because of business (N=17)</b>	
Quite a bit	24%
Somewhat	41%
A little	18%
Not at all	18%

Note. Category totals may vary from 100% due to rounding.

<sup>a</sup> For categories with an N < 10, counts are provided rather than percentages.

#### 4. Services received from FINANTA or the Welcoming Center

<b>Services received from FINANTA or the Welcoming Center (multiple responses possible; N=17)</b>	
Entrepreneur/Business Plan training class	82%
Business workshop	59%
Loan or financing	53%
Technical assistance/Business services	47%
<b>Total services received from FINANTA or the Welcoming Center (N=17)</b>	
Combination of services	65%
Entrepreneur/Business Plan training class only	24%
Loan or financing only	12%

Note. Category totals vary from 100% due to rounding or, when indicated, due to multiple responses being allowed.

## 5. Current status of business

<b>New or existing business by owner self-report<sup>a</sup> (N=17)</b>	
New business	29%
Existing business (expanded, sustained or turned around)	71%
<b>Business is registered (N=17)</b>	<b>65%</b>
<b>Years since business registration (N=11)</b>	
Less than 3 years	9%
3 to 4 years	36%
5 to 9 years	46%
10 or more years	9%
Mean	6
Median	5
Range	2-18
<b>Years business in operation (N=17)</b>	
Less than 3 years	24%
3 to 4 years	24%
5 to 9 years	35%
10 to 19 years	12%
20 or more years	6%
Mean	7
Median	7
Range	1-23
<b>Current business space (N=17)</b>	
Home-based business	53%
Commercial space (N=8)	47%
Rented commercial space	6
Owned commercial space	2
Owner lives in same neighborhood as business (N=17)	77%
<b>Percentage of business clients from immediate neighborhood (N=17)</b>	
0%	6%
1% to 10%	6%
10.1% to 25%	29%
25.1% to 50%	0%
50.1% to 100%	59%
Mean percent	57%
Median percent	75%

Note. Category totals may vary from 100% due to rounding.

<sup>a</sup> Some business were reclassified based on their registration status (see Figure 7).

## 6. Yearly gross revenue and debt

<b>Yearly gross revenue from business (N=17)</b>	
No revenue to date	12%
\$1 to \$3,600	6%
\$3,601 to \$12,000	6%
\$12,001 to \$36,000	24%
\$36,001 to \$60,000	0%
\$60,001 to \$120,000	6%
More than \$120,000	12%
Don't know	35%
Of those who provided an amount > 0 (N=9)	
Median	\$30,000
Total yearly gross business revenue	\$684,500
<b>Total amount of current business debt (N=17)</b>	
\$0/No business debt	53%
\$1 to \$5,000	18%
\$5,001 to \$20,000	18%
More than \$75,000	6%
Don't know	6%
Of those who provided an amount > 0 (N=7)	
Median	\$7,000
Total amount of business debt	\$186,700
<b>Change in business debt since previous year (N=17)</b>	
Current business debt is less than previous year	12%
Current business debt is the same as the previous year	59%
Current business debt is more than the previous year	18%
Business was not open last year	6%
Don't know	6%

Note. Category totals may vary from 100% due to rounding.

## 7. Business status based on owner self-report and business registration

<b>Reclassified business status (N=17)<sup>a</sup></b>	
New business	47%
Existing business (expanded, sustained or turned around)	53%

<sup>a</sup> FINANTA and the Welcoming Center uses the business being registered with the state as criteria for being a pre-existing business. Given this, some businesses which were classified as pre-existing businesses by their owners were reclassified as new businesses and omitted from these analyses.

## 8. Growth of pre-existing businesses<sup>a</sup> since FINANTA or Welcoming Center assistance

<b>Since receiving FINANTA or Welcoming Center assistance...</b>	<b>Owners of pre-existing businesses</b>
<b>Increased number of employees (N=8)</b>	2
<b>Business income increased since receiving FINANTA or Welcoming Center services (N=8)</b>	7
Amount of increase in annual business income (N=7)	
\$1,000 to \$3,000	1
\$3,001 to \$6,000	1
\$6,001 to \$12,000	2
\$12,001 to \$24,000	1
More than \$24,000	1
Don't know	1
Of those who provided an amount (N=6)	
Mean (annual)	\$13,167
Median (annual)	\$12,000
Total increase in business income (annual)	\$79,000
<b>Expanded their business to additional locations (N=8)</b>	0
<b>Can now access bank loans or services unable to access in the past (N=8)</b>	
Yes	4
No	3
Don't know	1

Note. Category totals may vary from 100% due to rounding. For categories with an N < 10, counts are provided rather than percentages.

<sup>a</sup> FINANTA and the Welcoming Center uses the business being registered with the state as criteria for being a pre-existing business. Given this, some businesses which were classified as pre-existing businesses by their owners were reclassified as new businesses and omitted from these analyses.

## 9. Building/property-related impacts of businesses<sup>a</sup>

<b>Property taxes</b>	
Percentage who pay property taxes on commercial property (N=17)	12%
<b>Rent</b>	
Percentage who pay rent on commercial property (N=17)	35%
Amount of rent paid monthly on commercial property (N=6) <sup>a</sup>	
Less than \$1,000	5
\$1,000 to \$1,999	1
Mean (per month)	\$661
Median (per month)	\$525
Total monthly rent	\$3,967
Estimated total annual rent	\$47,604

Note. Category total may vary from 100% due to rounding.

<sup>a</sup> For categories with an N < 10, counts are provided rather than percentages.



## 10. Employment impacts of businesses<sup>a</sup>

<b>Does business have <i>paid</i> employees (N=17)</b>	
<b>Yes (N=8)<sup>b</sup></b>	<b>47%</b>
1 to 2 employees	8
<b>No, business has no paid employees</b>	<b>53%</b>
Of business with paid employees (N=8)	
Mean number of paid employees	1
Median number of paid employees	1
Total number of paid employees	11
<b>Number of hours per week worked by paid employees (N=11)</b>	
30 or more hours per week	55%
Less than 30 hours per week	45%
<b>Percentage of businesses with paid employees who hire neighborhood residents (N=8)<sup>b</sup></b>	<b>4</b>
<b>Percentage of employees who live in the neighborhood where the business is located (N=8)<sup>b</sup></b>	
0%	4
90.1% to 100%	4
Average percent	50%
Median percent	50%
Of all employees (N=11)	
Number of neighborhood residents	5
Percentage who are neighborhood residents	45%
<b>Hourly wage rates of paid employees for whom wage data were available (N=8)</b>	
Less than \$10.00 an hour	3
\$10.00 or more	5
Mean (per hour)	\$10.38
Median (per hour)	\$10.00
Range (per hour)	\$8.00 - \$15.00

Note. Category total may vary from 100% due to rounding.

<sup>a</sup> Paid employees do not include business owners.

<sup>b</sup> For categories with an N < 10, counts are provided rather than percentages.

## 10. Employment impacts of businesses<sup>a</sup> (continued)

<b>Monthly payroll of owners with paid employees (N=8)</b>	
\$1,000 or less	1
\$1,001 to \$2,500	1
\$2,501 to \$5,000	1
\$5,001 to \$10,000	2
Don't know	3
Of those who provided an amount (N=5)	
Median (per month)	\$2,616
Total monthly payroll	\$21,416
Estimated annual payroll	\$256,992
<b>Owners offering health insurance (N=8)<sup>b</sup></b>	0
<b>Owners offering paid time off (N=8)<sup>b</sup></b>	2
<b>Used outside contractors/subcontractors in prior year (N=17)</b>	<b>35%</b>
Amount paid to contractors/subcontractors in prior year (N=6) <sup>b</sup>	
Under \$2,000	3
\$2,000 to \$9,999	2
Don't know	1
Of owners who provided an amount (N=5)	
Mean (for prior year)	\$1,440
Median (for prior year)	\$500
Total dollar value of outside contractors/subcontractors	\$7,200

Note. Category totals may vary from 100% due to rounding.

<sup>a</sup> Paid employees do not include business owners.

<sup>b</sup> For categories with an N < 10, counts are provided rather than percentages.

## 11. Other contributions to neighborhood economy and quality of life

<b>Estimated yearly business expenses (excluding rent and payroll) (N=17)</b>	
\$1 to \$999	12%
\$1,000 to \$4,999	24%
\$5,000 to \$9,999	12%
\$10,000 to \$24,999	12%
\$25,000 or more	12%
Don't know	29%
Of those who provided an amount (N=12)	
Mean (per year)	\$13,063
Median (per year)	\$4,000
Range	\$250-\$80,000
Total expenses (per year)	\$156,750
<b>Percentage of yearly business expenses (excluding rent and payroll) spent within the neighborhood the business is located in (N=17)<sup>a</sup></b>	
0%	12%
1% to 25%	24%
26% to 50%	18%
51% to 90%	6%
91% to 100%	35%
Don't know	6%
Of those who provided a percentage (N=16)	
Mean	52%
Median	40%

Note. Category totals may vary from 100% due to rounding.

<sup>a</sup> Only business owners who provided a business expenses amount and percentage spent in neighborhood are included in analysis.

## 11. Other contributions to neighborhood economy and quality of life (continued)

<b>Estimated yearly business expenses (excluding rent and payroll) spent within the neighborhood the business is located (N=17)<sup>a</sup></b>	
\$0	12%
\$1 to \$99	6%
\$100 to \$499	6%
\$500 to \$999	0%
\$1,000 or more	41%
Refused or Don't know	35%
Of those who provided an amount (N=11)	
Mean (per year)	\$9,352
Median (per year)	\$1,500
Range	\$0-\$80,000
Total (per year)	\$102,875
<b>Estimated amount of sales taxes paid each year (N=17)</b>	
\$0/No sales tax	29%
\$1 to \$999	12%
\$1,000 or more	18%
Don't know	41%
Of those who provided an amount > 0 (N=5)	
Mean (per year)	\$4,360
Median (per year)	\$1,600
Total sales tax (per year)	\$21,800

Note. Category totals may vary from 100% due to rounding.

<sup>a</sup> Only owners who provided an amount for both their business expenses and percent expended in neighborhood are included in the analysis.

## 11. Other contributions to neighborhood economy and quality of life (continued)

<b>Time, money, and in-kind contributions</b>	
Percentage of owners reporting contribution of any time, money, or in-kind support to neighborhood events or activities in past 12 months (N=17)	82%
Type of contribution (multiple responses possible)	
Time	53%
Money	53%
In-kind support	71%
None of the above	18%
<b>Dollar value of business contributions to neighborhood events/activities in prior 12 months (N=14)</b>	
\$1 to \$500	36%
\$501 to \$1,000	21%
\$1,001-\$5,000	29%
Over \$5,000	7%
Don't know	7%
For those who provided an estimated amount > 0 (N=13)	
Mean (prior 12 months)	\$2,181
Median (prior 12 months)	\$1,000
Range (prior 12 months)	\$150-\$12,000
Total annual contributions	\$28,350
<b>Owners feel they serve as a role model for youth or young adults (N=17)</b>	100%
<b>Owners serve as a leader for groups or organizations in neighborhood or ethnic community (N=17)</b>	29%
<b>Business serves as a community gathering place (N=17)</b>	35%

Note. Category totals may vary from 100% due to rounding.

## 12. Children of business owners assisted by FINANTA or the Welcoming Center

<b>Parent or guardian to at least one child (N=17)</b>	<b>65%</b>
<b>Number of children that business owner is parent, guardian or primary caretaker of (N=17)</b>	
0	35%
1	12%
2-3	29%
4-5	6%
6 or more	12%
Refused	6%
Of those who provided a number (N=16)	
Mean	2
Median	1-2
Range	0-6
Total	31
<b>Number of children in household (N=17)</b>	
0	59%
1	24%
2-3	12%
Refused	6%
Of those who provided a number (N=16)	
Mean	1
Median	0
Range	0-3
Total	9

Note. Category totals may vary from 100% due to rounding.

### 13. Children and family-related impacts of businesses

How has owning your business impacted your family's ability to... (N=10)	Improved	No change and was fine already	No change but could use improvement	Worsened	I'm not sure/Not applicable
Have transportation to get you and your family where you want to go?	30%	60%	0%	0%	10%
Participate in activities outside of school?	30%	40%	10%	0%	20%
Afford enough nutritious food?	30%	40%	20%	0%	10%
Help your children be healthy?	10%	80%	0%	0%	10%
Help your children do well in school?	10%	60%	0%	0%	30%
Pay for health care when you or your family need it?	10%	50%	20%	10%	10%
Have stable housing?	0%	60%	30%	0%	10%

Note. Row totals may vary from 100% due to rounding.

### 14. Children's involvement in businesses

<b>Children either help with business or work for pay at business (N=10)</b>	<b>40%</b>
<b>Children help with the business (N=10)</b>	
Yes	40%
No	60%
<b>Children currently work for pay at the business (N=10)</b>	
Yes	10%
No	90%
<b>If "no," any indication children will work for pay for the business in the future (N=9)</b>	
Yes	5
No	4
<b>Whether owner believes children will take over business or own their own business one day (N=10)</b>	
Yes, they have already or I think they will in the future but do not currently	80%
No	10%
Don't know	10%

Note. Category totals may vary from 100% due to rounding.

## 15. Views of FINANTA assistance

<b>Perceived influence of FINANTA or the Welcoming Center on success of business (N=17)</b>	
My business is as successful today largely because of FINANTA's/the Welcoming Center's services	59%
My business is as successful today somewhat or partly because of FINANTA's/the Welcoming Center's services	29%
My business is successful today very little because of FINANTA's/the Welcoming Center's services	0%
My business is no better off or no worse off because of FINANTA's/the Welcoming Center's services	12%
My business would be doing much better if it were not for FINANTA's/the Welcoming Center's services	0%
<b>On a scale of zero to 10, how likely are you to recommend FINANTA/the Welcoming Center to a friend or colleague? (N=17)</b>	
0 to 1	0%
2 to 3	0%
4 to 5	0%
6 to 7	6%
8 to 9	18%
10	77%

Note. Category totals may vary from 100% due to rounding.



## Acknowledgements

The authors would like to thank the Build from Within Alliance members and their clients, as well as the Neighborhood Development Center for making this evaluation possible.

Wilder Research, a division of Amherst H. Wilder Foundation, is a nationally respected nonprofit research and evaluation group. For more than 100 years, Wilder Research has gathered and interpreted facts and trends to help families and communities thrive, get at the core of community concerns, and uncover issues that are overlooked or poorly understood.

451 Lexington Parkway North  
Saint Paul, Minnesota 55104  
651-280-2700 | [www.wilderresearch.org](http://www.wilderresearch.org)

**Wilder Research®**  
Information. Insight. Impact.

