

## **I. Mexicantown Community Development Corporation Mission and Goals**

The mission of Mexicantown Community Development Corporation is to advocate for and build a stronger, more prosperous future for the historic, vibrant, and diverse Mexicantown community of Southwest Detroit through economic, business, and cultural development. To accomplish this mission, Mexicantown Community Development Corporation implements a comprehensive strategy built on proven economic growth and community development principles. With innovative programs, dynamic and results-oriented staff and volunteers, this strong team brings its strong networks to successfully build Mexicantown, Detroit into a world-class destination neighborhood.

Mexicantown Community Development Corporation's practice is to engage the maximum number of stakeholders in our programs: the federal, state and local governments, businesses, business organizations, churches, residents, local and state-wide economic development organizations, as well as other community organizations. This practice has led to the development of a shared vision - a new future for Mexicantown, the City of Detroit and the State of Michigan - that can only be accomplished through a collaborative process. Through its premiere project, the Mexicantown International Welcome Center and Mercado, it has produced innovations for tourism promotion, job development and implementation of investment incentives. It has integrated many already existing programs to provide additional leverage and strength to its collaborative goals. It has not only invited broad-based participation from a cross section of organizations, corporations and government – but the success of Mexicantown Community Development Corporation's work is fully dependent upon securing this type of participation.

Mexicantown Community Development Corporation works in the following areas:

*Mexicantown:* Building for the Future, *Mexicantown:* Improving the Business Environment, and *Mexicantown:* Sharing our Culture and Heritage.

### ***Mexicantown:* Building for the Future**

Mexicantown Community Development Corporation aims to secure a prosperous future for Southwest Detroit through real estate development projects that increase tourism, bring new jobs to the area and contribute to the image of a safe, stable and thriving neighborhood. Successful and current projects in the Mexicantown commercial district include:

#### **Mexicantown International Welcome Center and Mercado**

The Mexicantown International Welcome Center and Mercado is Southwest Detroit's premier office and retail development. Located in the heart of Restaurant Row and just two blocks north of the Ambassador Bridge, the Mexicantown International Welcome Center and Mercado offers amenities that are unmatched anywhere in the region. The building features a State of Michigan Welcome Center that provides information and facilities for travelers coming across the Ambassador Bridge from Canada or from Detroit, and houses significant retail and office space. The Mercado offers unique encounters in Latino culture along with imported and handcrafted merchandise. The Mexicantown Plaza creates a new focal point for Mexicantown. It is available for

additional Mercado vendors to set up shop outdoors, as well as open-air performances and events, weddings and celebrations.

Specifically, the Welcome Center Building will provide 30,000 square feet of retail and office space. Michigan Department of Transportation will lease 5,000 square feet of space for a State of Michigan Welcome Center to promote attractions and activities throughout Michigan. It will also house the offices of Mexicantown Community Development Corporation and its Entrepreneurial Training Suite. The remaining space will be leased to retailers and professional services providers. The Welcome Center alone will attract nearly 800,000 additional visitors to Mexicantown, nearly doubling the current number of visitors.

The Mercado will be a 15,000 square foot retail business incubator designed to nurture and strengthen entrepreneurs in Mexicantown. Services will include business training workshops, mentoring and networking opportunities, and a micro-enterprise loan fund. Approximately 20 retailers will sell hand-made and imported crafts, clothes, foods, and other goods that cater to area residents, Mexicantown's cultural patrons and Welcome Center visitors. The Mercado will also provide space for year round cultural and arts events, performances, and activities. In warm months, additional vendors will set up shop outdoors in the plaza.

The Plaza, like plazas across Mexico and the world, will be the heart of the community where people of all ages, residents and visitors, will gather to experience Mexicantown. It will host cultural events and feature public art and green space.

Together, the three venues described above are transforming Mexicantown's economy while creating a new image for the community, the City of Detroit and the State of Michigan among area visitors.

#### Bagley Streetscape Improvements

The Bagley Streetscape Improvements are currently under construction. Mexicantown Community Development Corporation initiated the project by applying for State of Michigan ISTEPA funds, lobbying the City of Detroit for the required local matching funds, and raising private contributions to develop the design and construction documents. The goal of this \$1.5 million investment is two-fold, first to create a walkable community that encourages the comfort and safety required by pedestrians who want to spend time in the restaurant, shopping and cultural district on Bagley. Secondly, the project encourages safe operation of vehicles by Welcome Center visitors, restaurant patrons and neighborhood residents.

#### The Bagley Pedestrian Bridge

Mexicantown Community Development Corporation is working closely with the State of Michigan Department of Transportation to design and build the \$1.2 million Bagley Pedestrian Bridge. Bagley Avenue, Mexicantown's "Main Street", was split in two when MDOT decided to build the I-75 freeway over 30 years ago. MDOT now plans to build a bridge to facilitate pedestrian access between the Mexicantown International

Welcome Center and Mercado and the existing Mexicantown restaurants and neighborhoods on the west side of the freeway. This link is essential to creating a cohesive restaurant, shopping and cultural district that welcomes and excites visitors, international travelers and patrons from across the region. The Bagley Pedestrian Bridge will be located adjacent to the Mexicantown International Welcome Center and Mercado. The structure will be unique in its design – it will serve as a landmark to travelers who are entering the state from Canada or passing through the city of Detroit.

#### Reuse of the Detroit Police Department 3<sup>rd</sup> Precinct

Mexicantown Community Development Corporation will purchase and re-use the Detroit Police Department's Third Precinct Building. The Third Precinct Building is located adjacent to the Mexicantown International Welcome Center and Mercado. The reuse of this important building will further rebuild the commercial areas on West Vernor between 18<sup>th</sup> Street and 24<sup>th</sup> Street. It is a vital part of the plan to connect Mexicantown's economically viable and well-known Restaurant Row on Bagley Avenue to the neighborhood-serving West Vernor Highway commercial district. This physical connection will invite economic growth in both areas.

#### ***Mexicantown: Improving the Business Environment***

In addition to the investments we are making and facilitating in Mexicantown, Mexicantown Community Development Corporation is working with local individuals and business owners to improve the business environment in Mexicantown. We do this through programs including the Mexicantown Entrepreneurial Training Program, the Mexicantown Hubbard Communities Commercial District Project, and the Mexicantown ACCION Loan Program described below.

#### Mexicantown Entrepreneurial Training Program

In 1994, the organization began offering courses in how to start a business, customer service and the retail industry. Over 250 individuals have participated in these courses and more than 60 are now operating their businesses. Mexicantown Community Development Corporation established a partnership with Michigan Small Business Technology and Development Center to develop the business training curriculum, teach the Mexicantown Entrepreneurial Training classes and to provide one-on-one business consulting services. Local entrepreneurs participate in a 12-week intensive training seminar that helps them research and write a comprehensive business plan. This is followed by one-on-one business consulting by trained professionals to aid in marketing and set-up. Mexicantown Community Development Corporation has also developed an advanced 10-week class focusing on retail trade and customer service for entrepreneurs seeking to grow and improve their businesses. Successful ventures that have recently opened in Detroit as a result of the Mexicantown Entrepreneurial Training Program include: Vicente's Cuban Cuisine, Latin Image Entertainment Services (LIES), La Madrina, El Pistache Silver and Gold.

#### Mexicantown Hubbard Communities

Mexicantown Community Development Corporation is the major force behind the Mexicantown Hubbard Communities Commercial District Program. Together with local, non-profit housing developers, Bagley Housing Association, Southwest Housing

Corporation, and other community stakeholders, Mexicantown Community Development Corporation is implementing a comprehensive, commercial district economic development program. The mission of Mexicantown Hubbard Communities is to provide customers and visitors with an inviting, exciting and satisfying shopping, dining and cultural experience. The work of Mexicantown Hubbard Communities is structured around five major focus areas. Each focus area has a committee of community stakeholders that volunteer their time and resources to the goals and objectives of each committee.

The focus areas include:

- Organization - Mexicantown Hubbard Communities relies on its strong, stakeholder-based Advisory Board to guide the policy and staff of Mexicantown Hubbard Communities;
- Clean and Safe - The Clean and Safe committee works to partner community resources with volunteers and staff to make the district clean and safe. One of the priorities for MHC is to implement an ongoing maintenance program to attract investment within the commercial district.
- Design - The Design Committee assists business and property owners with façade renovations and permit approvals to make a more aesthetically pleasing and pedestrian friendly district;
- Promotion – The Promotion Committee promotes the district through retail events and marketing activities.
- Economic Restructuring – The Economic Restructuring Committee provides business assistance, assists with business attraction while facilitating development and promoting financial incentives for investment in Mexicantown.

#### Mexicantown ACCION Micro Loan Fund

Mexicantown Community Development Corporation and ACCION USA are teaming up to develop an innovative and low-cost model for delivering credit and other business services to low-to-moderate income micro-entrepreneurs in Mexicantown and surrounding areas. The partnership is one that builds on the strength of each partner. MCDC has an intimate knowledge of the community, has strong credibility with its constituency, and has a clear vision of building the economic base of the community. ACCION USA has a strong national reputation and name recognition, has a proven track record of underwriting and servicing micro-loans and has a fully functioning loan servicing center located in Boston.

Business micro-loans to self-employed individuals without access to traditional sources of business credit will range from \$300 to \$25,000 in size with an average loan size of \$5,500 anticipated. The Credit Builder loan is made to individuals who do not have a credit history with any major credit bureau. The program is anticipated to begin lending in 2006.

#### ***Mexicantown: Sharing Our Culture & Heritage***

Mexicantown's culture is rich and vibrant and at its best when residents and visitors come together to share in celebration. Mexicantown Community Development Corporation organizes

and hosts several events and productions throughout the year. These events have special meaning for the Latino community, but they are also an opportunity to expose new visitors to Mexicantown's culture and businesses. Mexicantown Community Development Corporation hosts cultural activities to increase understanding and appreciation among the people of Southwest Detroit and the Metropolitan Detroit area. People across the region are invited to patronize the businesses and cultural offerings of Mexicantown through the Cinco de Mayo Celebration, Dia de Muertos Fiesta, Grito de Independencia. Marketing activities include media relations that result in consistent press coverage for important events in the Mexicantown community.

With the completion of the Mexicantown International Welcome Center and Mercado, Mexicantown Community Development Corporation will dramatically expand its cultural and heritage programming. In Spring 2007 we will host the most expansive Cinco de Mayo celebration to date and in Fall 2007 we will host the Smithsonian Exhibit, *Our Journeys; Our Stories*, photographs and profiles that tell of the Latino experience in the United States.

## **II. Neighborhood and Historical Context**

Mexicantown, Detroit has unique locational strengths and history. Since the 1920's Mexicantown has attracted Mexican families to work in the automobile and related industries. However, by the late 1960's Mexicantown was targeted for the I-75 freeway. While freeway construction connected Mexicantown to the entire region and Canada, blocks of houses and businesses were lost. Also, the decline of manufacturing in the city of Detroit led to three area plant closings in the late 1970's and early 1980's. By the 1980's both the Michigan Department of Transportation (MDOT) and the Detroit International Bridge Company began buying homes and businesses for demolition and future transportation industry use. The result was the desolation of an area that once housed a thriving neighborhood. Large swaths of land in Mexicantown were vacated but have, for years, remained unused for transportation or any other purpose – contributing to further blight and decline.

The purpose of Mexicantown Community Development Corporation is to address this decline and create new, economic opportunities for residents of Mexicantown, the City of Detroit and the State of Michigan. The key problems addressed include lack of economic opportunity; inadequate commercial real estate; and blighted and vacant land.

Lack of economic opportunity occurs both in the form of business opportunities and employment opportunities. Once a booming blue-collar locality, the decline of the automobile industry and massive factory closures has led to severe problems of unemployment and a dearth of economic opportunity in Mexicantown. In this time of economic downturn, communities and families across the State of Michigan are sharing in this economic hardship. At the same time, Mexicantown has continued to attract immigrants who are mainly Latino families. According to the U.S. Census, the Latino population in the Mexicantown area almost doubled between 1990 and 2000 and it is still growing.

Mexicantown Community Development Corporation creates new venues for business to open their doors in Mexicantown, Detroit. Through the State of Michigan Welcome Center, the

Mexicantown Collaboration invites an additional 1.2 million annual customers to area businesses. In addition, each State of Michigan Welcome Center generates an additional \$19.5 million in tourism expenditures, diversifying the State's economic base. The additional tourists and tourism expenditures brought through the State of Michigan's partnership will greatly contribute to the successful attainment of Mexicantown Community Development Corporation's business development goals.

Inadequate quantity and quality of commercial real estate in Mexicantown proves to be a significant barrier to both economic opportunities for residents and sustaining a strong tax base in the City of Detroit. Approximately 18 blocks of commercial area along Bagley Avenue were decimated by a combination of urban blight and land banking. Land acquisition for retail development has historically been considered a costly and risky venture due to the perceived threat of continued expansion of the freeway system. Currently, Mexicantown entrepreneurs are unable to locate quality commercial space in the area and, very often, are unable to obtain start-up capital to renovate or build adequate facilities. Only forty-six percent of the Bagley Avenue parcels house operating businesses. Approximately twenty percent of the parcels on Bagley Avenue are vacant land. Less than one percent house a vacant building. Parking lots make up about 29 percent of the Bagley Avenue parcels.

The investments made by Mexicantown Community Development Corporation will provide new opportunities for entrepreneurs while increasing the tax base for the City of Detroit. The commitment of the City of Detroit and State of Michigan to make available both land and financial incentives for investment was essential to the successful advancement of the Mexicantown International Welcome Center and Mercado.

Blighted and vacant land sends a negative image about Mexicantown, the City of Detroit and the State of Michigan at this busy international border crossing with Ontario, Canada. It discourages travelers from visiting Mexicantown, inhibits development, and reduces property values. The Mexicantown Collaboration has led to investments that will greatly improve the image of the City of Detroit and the State of Michigan for international travelers, those traveling along interstate highway system, and convention visitors. While it is difficult to quantify all of the economic impacts of a bad image, we know that travelers who stop in Mexicantown currently are exposed to vacant land and buildings and a greatly underutilized commercial area on Bagley Avenue.

### **III. Achievements**

Since 2004, Mexicantown Community Development Corporation has secured 100% of the funding needed to build the Mexicantown International Welcome Center and Mercado and the other public improvements that will support its shared vision - a new future for Mexicantown, the City of Detroit and the State of Michigan. Construction began on the Mexicantown International Welcome Center and Mercado in October 2005. The ribbon cutting occurred in the Fall of 2006 and the public, grand opening will be celebrated at Cinco de Mayo 2007.

Most importantly, the achievements of Mexicantown Community Development Corporation have encouraged additional private investments in Mexicantown. These investments have been initiated by local business and property owners in anticipation of the 1.2 million additional annual visitors and Mexicantown's increased visibility as a regional tourist destination. Since the beginning of 2004, seven Mexicantown businesses have initiated or completed expansion projects. These expansions represent approximately \$3 million in private investment. In addition, \$3.1 million in residential and commercial building restoration is currently underway or planned in the Mexicantown district. Finally, seven building facades have been renovated and another two are currently underway, resulting in an improved image for Mexicantown and approximately \$1,200,000 in private investments.