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THE DISTRICT OF COLUMBIA:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in our Nation's Capital

In the District of Columbia, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the region's economy. Highly skilled immigrants are vital to the district's innovation industries, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their community and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute significantly to the District of Columbia's economy.

- From 2006 to 2010, there were 4,003 new immigrant business <u>owners</u> in District of Columbia, and in 2010, <u>19.2 percent</u> of all business owners in the District of Columbia were foreign-born.
- In 2010, new immigrant business owners³ had a total net business <u>income</u> of \$242 million, which is 10.8 percent of all net business income in the state.⁴
- In 2010, the foreign-born share of business owners was 33 percent in the Washington, D.C. metropolitan area, which includes the District of Columbia and parts of northern Virginia and Maryland.⁵

Highly skilled immigrants are vital to the District of Columbia's innovation industries, which in turn helps lead American innovation and creates jobs.

- Immigrants contribute to the District of Columbia's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, around 18.5 percent of STEM graduates earning masters or doctoral degrees were foreign-born, and, more specifically,26.2 percent of graduates earning PhDs in STEM fields in the District of Columbia were not born in the U.S. 6
- In 2011, the U.S. Department of Labor certified 2,957 H-1B labor certification applications in the District of Columbia, with an average annual wage of \$74,578, which is higher than the District of Columbia's median household income of \$64,267 and its per capita income of \$45,004.

- An <u>expansion</u> of the high-skilled visa program would create an estimated 2,100 new jobs in the District of Columbia by 2020. By 2045, this expansion would <u>add</u> around \$646 million to Gross State Product and increase personal income by more than \$426 million. The following is an <u>example</u> of metropolitan area demand for high-skilled foreign-born workers.
 - O The Washington-Arlington-Alexandria metropolitan area had 14,569 H-1B visa requests in 2010-2011, with 64.4 percent of visa-holders working in STEM occupations. Major employers include universities within the District of Columbia as well as other employers in the broader metropolitan region such as the National Institutes of Health, the University of Maryland, and Prince George's County Public Schools.

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local neighborhoods. In the District of Columbia, immigrant family-owned small businesses contribute to the vitality of their neighborhoods. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
 - O Describing immigration to the broader Washington, D.C. metropolitan region, Audrey Singer of the Brookings Institution, observes that "the transformation of the Washington metropolitan area into a destination and home for immigrants has proven to be an asset. The region's immigrants contribute heavily to local and neighborhood communities. They work in high-technology and communication jobs...Starting businesses, they are reviving commercial corridors that had been waning."¹²
- In the District of Columbia's <u>Adams Morgan</u>, U Street and Shaw neighborhoods, north of downtown, Ethiopian immigrants have become part of the neighborhood's economic revitalization that began in the mid- to late 1990s. ¹³
 - O According to the BBC, "as many as 250,000 Ethiopians live in and around Washington DC, more than in any urban area outside of the Ethiopian Capital of Addis Ababa itself. There are so many restaurants, shops and businesses catering to Ethiopians that the community has its own 1,000-page telephone book." 14
 - As geographer Elizabeth Chacko <u>observes</u>, Ethiopians "bought old, deteriorated buildings in the U Street area and converted them into offices, restaurants, and cafes after restoring and refurbishing them."¹⁵

- Ben's Chili Bowl has been an iconic restaurant in the District of Columbia for over 55 years. Has been an immigrant from Trinidad, and his wife Virginia, opened Ben's Chili Bowl on U Street between 12th and 13th Streets. Ben and Virginia's sons, Kamal and Nizam, now run the restaurant, which has expanded to several additional locations within the Washington metropolitan area.
 - o In January 2009, Washington, D.C. Mayor Adrian Fenty, who noted that Ben's Chili Bowl is "one of the greatest treasures in the District of Columbia," took then-President-elect Barack Obama to eat at Ben's as part of his welcome to the city.¹⁸
- Chef and restaurateur <u>Jose Andres</u>, an immigrant from Spain, ¹⁹ has made a huge impact on the District of Columbia's restaurant scene. Andres, president of ThinkFoodGroup, is often credited with popularizing the *tapas* or "small plates" dining concept in America. In addition to other locations, his popular <u>restaurants</u> in D.C. include Jaleo, Zaytinya, Oyamel, Minibar, and Barmini. ²⁰
 - o In 2012, Jose Andres <u>was named</u> one of the 100 most influential people in the world by *Time* magazine, and in 2011 he was named "Outstanding Chef" by the James Beard Foundation. In addition to his restaurant endeavors, Andres is also a culinary innovator, advocate for food and hunger issues, author, educator, and television personality.²¹
- Atieno 'Ati' Okelo Williams, an immigrant from Kenya, moved to Washington, D.C., after graduating from York University in Toronto. In D.C., she <u>founded</u> her own real estate company, <u>DC Home Buzz</u>. Her company not only exists to sell homes, but to "help buyers understand the market and educate them about the financial basics."

In the District of Columbia, some localities have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

- The District of Columbia Government houses several offices that exist to work with the area's immigrant communities. These include the Office on Latino Affairs, the Office on African Affairs, and the Office on Asian and Pacific Islander Affairs. 24
 - O The Office on Latino Affairs exists to "improve the quality of life of the District's Latino residents by addressing a broad range of social and economic needs through strategic management of public and private partnerships, expertise on policy, community relations, civic engagement and community-based grants."²⁵
 - O The Office on African Affairs was created to "ensure that a full range of health, education, employment, and social services are available to the African community in the District of Columbia." The Office's goals include planning programmatic activities and outreach, establishing a resource center, responding to recommendations, supporting community development, empowering African youth and entrepreneurs through networking, seminars, informational sessions

and outreach materials, and encouraging civic engagement.²⁶

- O The Office on Asian and Pacific Islander Affairs works to "improve the quality of life for District Asian Americans and Pacific Islanders through advocacy and engagement." The office advises the Mayor, Council, and District agencies on the views, needs, and concerns of the community. It also provides recommendations on programs and initiatives affecting the community as well as organizing various programs for the community. ²⁷
- According to the <u>Urban Institute</u>, "immigrant-serving organizations in the Washington, D.C., metropolitan area help immigrants find their way by encouraging them to participate civically and politically. These organizations are growing in number and changing with the region's demographic profile."
 - o The Urban Institute <u>found</u> that over 500 immigrant-serving non-profit organizations are dispersed throughout the Washington, D.C. metropolitan region providing a wide range of services and programs to foreign-born communities.²⁹
 - o The Urban Institute <u>also notes</u> that "immigrant communities provide leaders who create nonprofits; staff, volunteers, and board members who run these organizations; and funding and other support." Additionally, "immigrant integration through culturally sensitive services promotes newcomers' social and political mobility...These non-profits advocate for their communities and encourage constituents to voice their own concerns and issues."³⁰

Endnotes

¹ Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Success in the United States* (New York: Partnership for a New American Economy, 2012).

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³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

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Immigrant Entrepreneurs in the:

District of Columbia

In 2010, new immigrant business owners generated

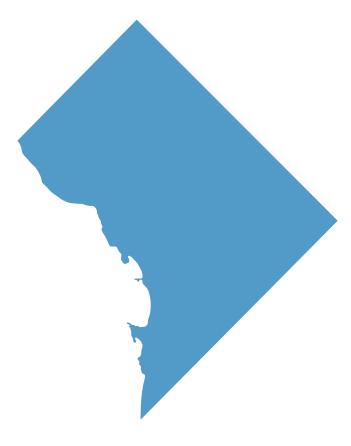
\$242 million

in total net business income



19.2%

of business owners in D.C. are immigrants



4,003

immigrants became new business owners in D.C. between 2006-2010

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