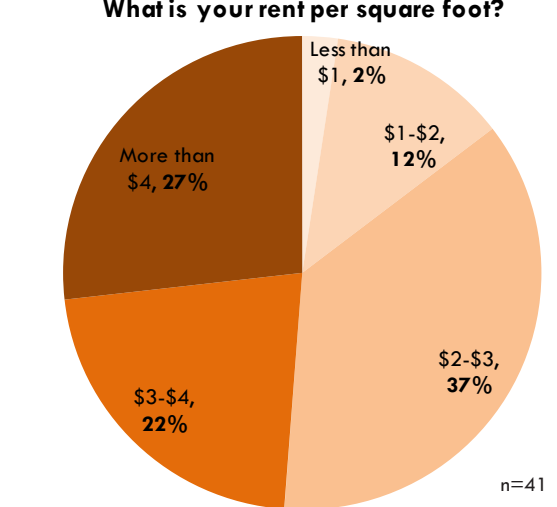
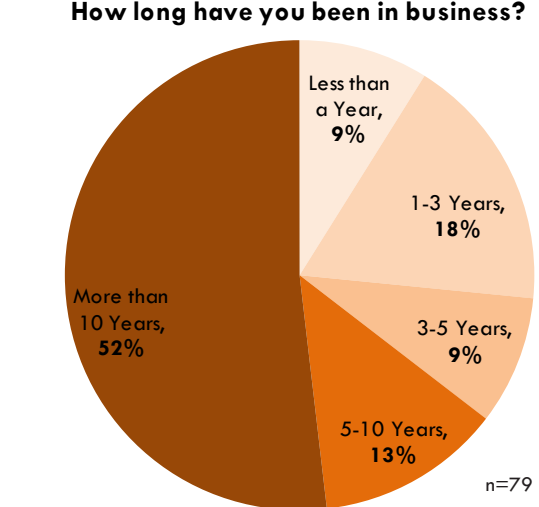


Characterizing Small Businesses in Central Hollywood North

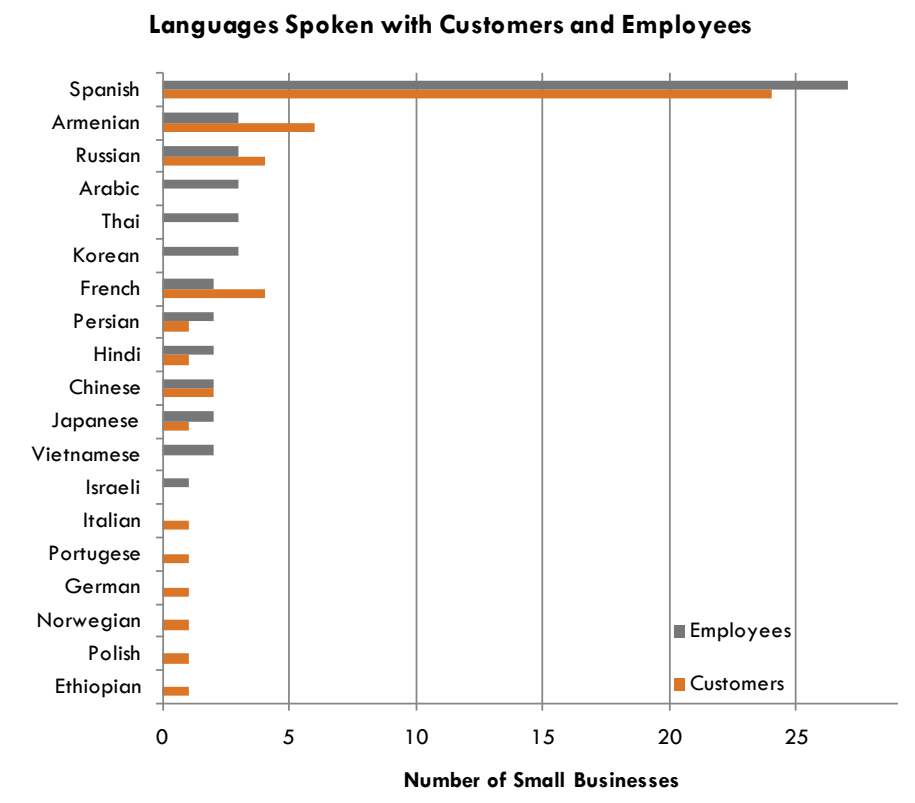
1. There is a large range in length of time businesses have been open. Nine percent of businesses have only been open less than a year, but over half of businesses have been open for more than ten years.

2. Many businesses pay premium prices for rent in the walkable and tourist-rich sections of Hollywood. More than a quarter of businesses who were willing to share rent information paid over \$4 per square foot in rent.

3. Hollywood businesses rent their spaces and have short-term leases. The vast majority of businesses surveyed indicated they rent their space, with only four percent owning their space. Of those businesses that rent, 41 percent have less than three years left on their lease. About a quarter have three to five years left, and about one third of businesses have more than five years left on their lease.



4. Businesses are ethnically diverse. Hollywood small businesses reflect the ethnic diversity present in Hollywood. Forty-six percent of business owners speak a language other than English with employees, and 35 percent speak a language other than English with customers. As seen in the graph at right, Spanish is the most common language spoken, but business owners indicated an additional 18 languages, including Armenian, Russian and French.



5. Businesses may have high employee turnover rates due to a lack of growth opportunities. Many small businesses have somewhat high employee turnover; almost half of those surveyed said average retention was less than three years. This may be linked to the fact that 43 percent responded that their business has no opportunity for employee growth. Only 38 percent said there are opportunities for employee promotion resulting from activities such as growing wholesale operations or general business expansion. Fifteen percent of businesses had job openings at the time they were surveyed.

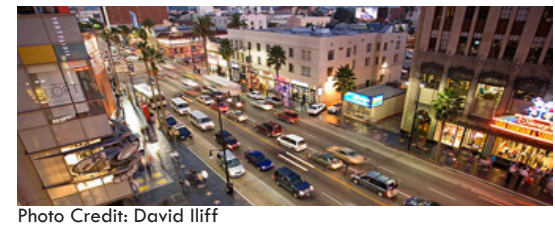
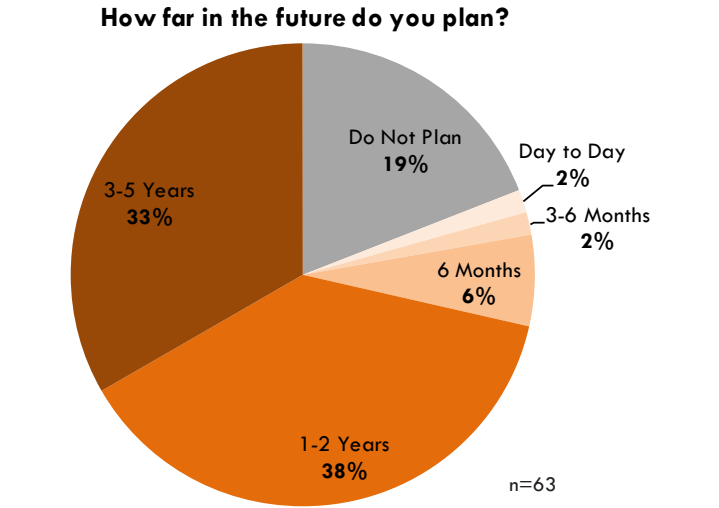


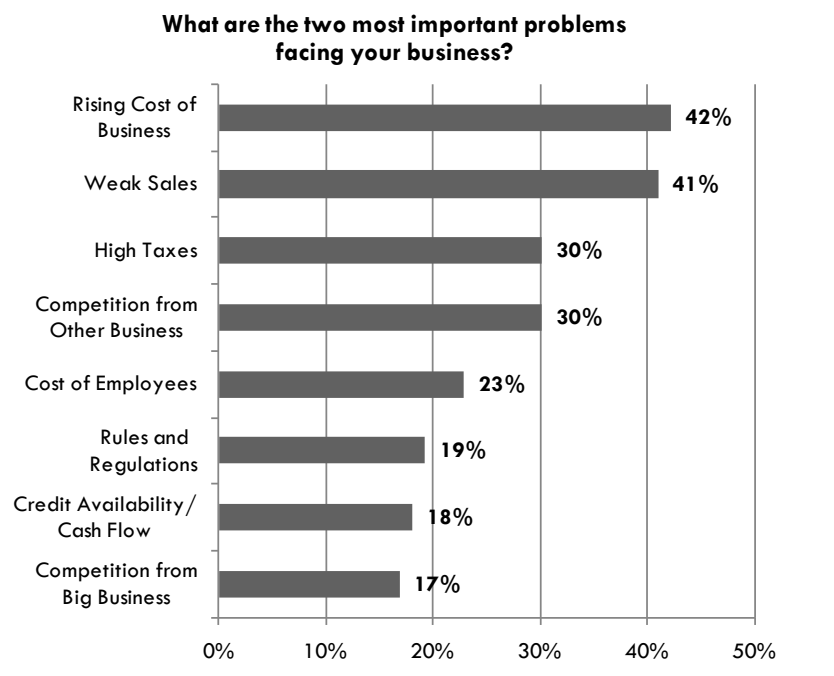
Photo Credit: David Iliff

Financial Health and Business Planning

Small businesses were hit hard by the recession, but are optimistic things will improve. Nearly two-thirds of small business owners indicated a five to ten percent decrease in sales over the past three years, citing the poor economy as the main contributor. Almost a quarter, however, claimed a five to ten percent increase in sales. Over 40 percent of business owners mentioned the rising cost of business and weak sales as the most important problems facing their business (see the chart below). Still, small business owners are optimistic that the global economy will improve. Almost half believe their sales will increase five percent or more within a year, and a third are willing to invest in technology, inventory, new products and services, expansion, and renovation.

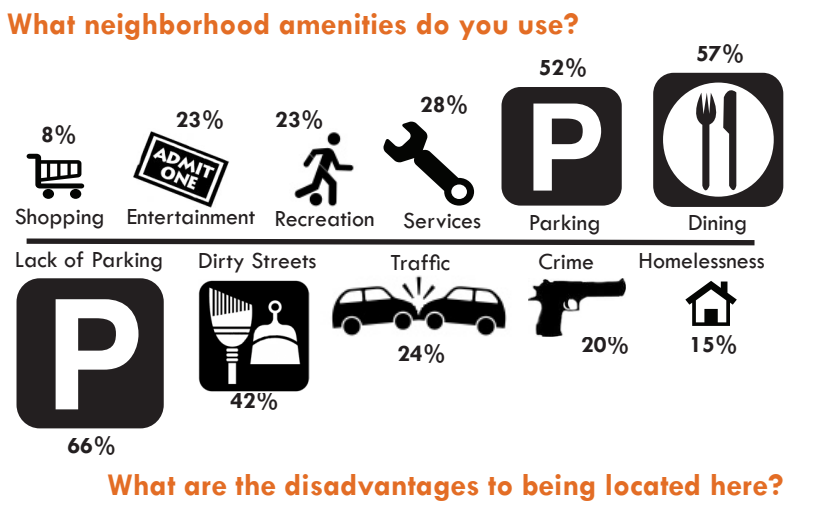


Most businesses plan for the future but need help finding sources of financial assistance. Most businesses plan at least one year into the future, and 49 percent currently engage in research about their business market on a regular basis. Many businesses look for information about marketing and advertising, increasing sales, and new products and services. Unfortunately, less than half (42 percent) of small businesses have access to credit if needed. Nineteen percent of the small businesses surveyed report financial problems, and 62 percent are not aware of business assistance programs. Of the 15 business owners who have asked the bank for a loan in the past, only three report satisfaction with the loan they received.



Hollywood could better support small businesses by addressing homelessness and parking. Over 50% of businesses utilized dining and parking amenities, followed by services, recreation/fitness, entertainment, and other amenities such as shopping and supermarkets. Two-thirds of business owners responded that lack of parking was the biggest disadvantage of being located in Hollywood. In addition, some owners said strict parking enforcement deterred customers. Although it was not a choice given on the survey, 15 percent of business owners expressed strong concern over homelessness. Despite these disadvantages, many feel that Hollywood is a great location for doing business, and that its bad reputation has been exaggerated.

Neighborhood Amenities & Problems



Suggestions for physical neighborhood improvements from small business owners

When considering the immediate physical environment surrounding their small business, many respondents feel cleaner sidewalks are a priority. Respondents also thought signage could be improved in order to facilitate recognition of businesses from the street and sidewalk.

What physical changes would improve the environment right outside your business? (choose all that apply)

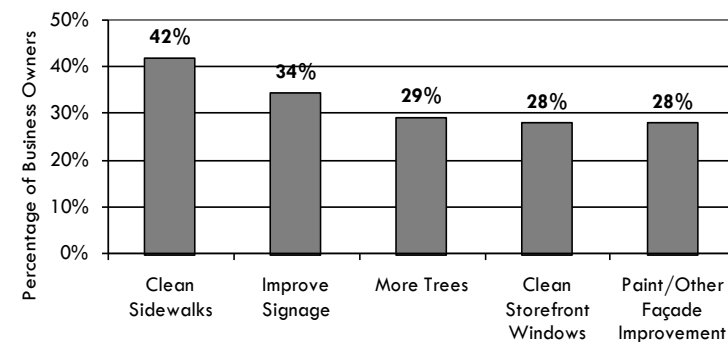


Photo Credit: www.hollywoodunbound.com

About the Hollywood Community Studio

The Hollywood Community Studio (HCS) is a community-based research and resource center that tracks the physical and social changes taking place in Hollywood. HCS helps coordinate investments in place and investment in people by linking local residents and small businesses with the opportunities that arise from redevelopment, like access to new jobs and housing. HCS partners with the Community Redevelopment Agency of the City of Los Angeles (CRA/LA), the Thai Community Development Center, Hollywood Community Housing Corporation and LA Voice to carry out its work in the community.



Acknowledgements

In community-based research, it takes a large-scale coordinated effort and an army of people to survey a neighborhood like Central Hollywood North. HCS would first like to thank all the small business owners who took time to respond to the survey. Additionally, HCS would like to thank the many interns who pounded the pavement and engaged local business owners. Interns came from local universities and colleges including Cal Poly Pomona, University of Southern California, UCLA, Antioch University, and Cal State Northridge. We thank Alexi Martin, Caitlin Sims, Christopher Jones, Dominique Kaschak, Jaime Pena, Marie Sullivan, and survey coordinator Ryan Duff for his great leadership. Without their hard work and dedicated efforts, this research would not have been possible.

Need more data?

As a community resource, HCS is more than happy to share data that can help you with grants, school projects or empowering the community. Let us know how we can help! Contact info@hollywoodcommunitystudio.org.



Central Hollywood North: Small Business Survey Results

A Continuation of the Hollywood Community Studio's Effort to Measure Change in Hollywood

The Hollywood Community Studio (HCS) finished its second year of surveying small businesses in Central Hollywood to learn about business stability and positive and negative aspects of being located in Hollywood. The study area for the project is the CRA/LA Hollywood Redevelopment Project Area. HCS divided this large area into three subareas, as indicated on the map below. This report presents what we learned last year in the Central Hollywood North subarea. Central Hollywood North is bounded by La Brea to the west, the 101 Freeway to the east, Franklin Avenue to the north and Selma Avenue to the south. We surveyed 79 businesses with 20 or

fewer employees, about 10 percent of the total number of small businesses in this area. The objectives of this survey were to (1) gather demographic, economic and social data, (2) evaluate the impact of redevelopment on small businesses, (3) assess how geography, neighborhood characteristics and proximity to amenities influence opinions about neighborhoods, and (4) track change over time. The survey asked business owners questions about day-to-day business operations, employees and clients, financial stability, and whether or not available neighborhood services met the needs of the small business community. Below are some key findings from this survey.

UPCOMING ACTIVITIES:

Summer 2011

*Conduct Central Hollywood East resident and small business surveys

Fall 2011

*Present Central Hollywood East resident and small business survey findings to the community

*Release report summarizing three years of resident and small business surveys and focus group results from three subareas: Central Hollywood South, North and East.

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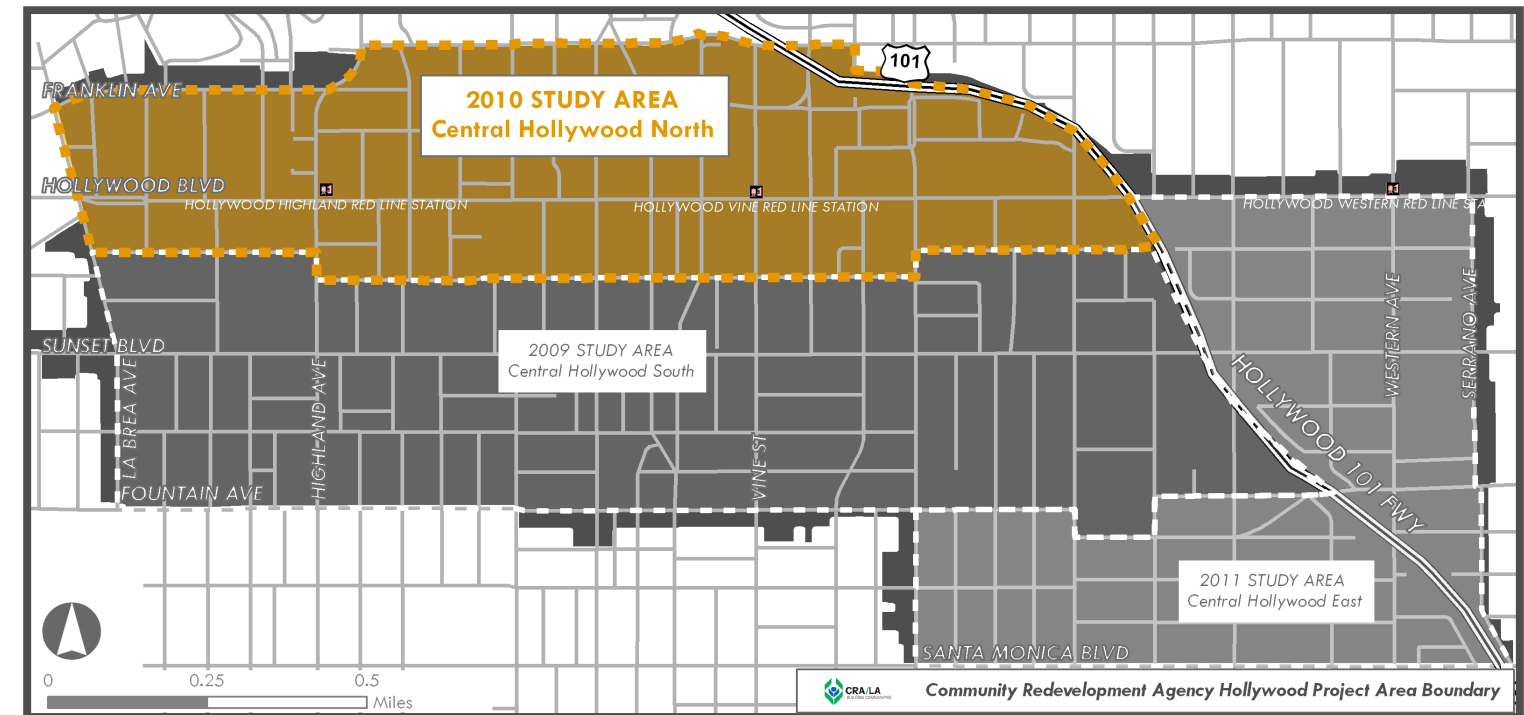
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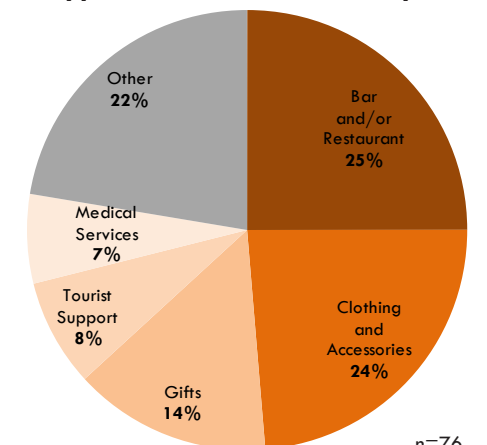


Small businesses cater to both tourists and locals.

Most businesses chose to locate in Central Hollywood North due to its high level of both tourist and local foot traffic. Top business types include bars and restaurants, clothing and accessories, gifts and souvenirs, medical services, and tourist support such as luggage shops or car rental businesses (see chart at right).

Hollywood businesses have a diverse range of customers who come from as near as around the corner and as far as around the world. Sixty-two percent indicated their regular customers are from within Hollywood. However, businesses also reported high rates of tourist clientele; 60 percent of businesses serve domestic tourists and 65 percent have international clientele.

Types of Businesses Surveyed



n=76