



HECHO EN USA: SMALL BUSINESS

‘Puro cash’: Latinos are opening more small businesses than anyone else in the US

Despite the opportunity gap between Latinos and other Americans, Latinos have become the fastest-growing small business owners across the U.S.

Kate Cimini, The Salinas Californian

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The USA TODAY Network series Hecho en USA, or made in America, focuses on the nation's growing Latino community. Roughly 80% of all Latinos living in the U.S. are American citizens, but media coverage of Hispanics tends to focus on immigration and crime, instead of how Latino families live, work and learn in their hometowns. Hecho

SALINAS, Calif. – On the weekends, food truck owner Orlando Osornio, 30, and his wife, Denise, sell mile-high tortas, filled with California fusion-inspired ingredients: hot Cheetos, bacon, mango-habanero sauce, or pineapple. Some come for the birria torta, or the chicken-bacon-alfredo torta.

A line of customers winds its way around the side of his tent as meat sizzles on the grills. On the other side of the mesh, Osornio and his crew pack and stack toasted buns as fast as they can.

Two years ago, when Osornio, who is Mexican-American, was contemplating launching Tortas al 100, he knew one thing: He didn't want to apply for a loan. Osornio had racked up "about \$30,000" in credit-card debt as a teenager and said when life smacked him in the face in his early 20s, he got serious about paying it down and fixing his credit score.

That experience, he said, was what prompted him to forgo applying for a small-business loan. Instead, Osornio estimated he and his wife spent at least \$50,000 of their salaries on the burgeoning business, including food, four grills and a tent, during its first year of operation.



Study: Latino-owned small businesses are outpacing U.S. economy

Latino small business owners are the fastest-growing group of entrepreneurs in the U.S. even as they battle systemic racism.

USA TODAY

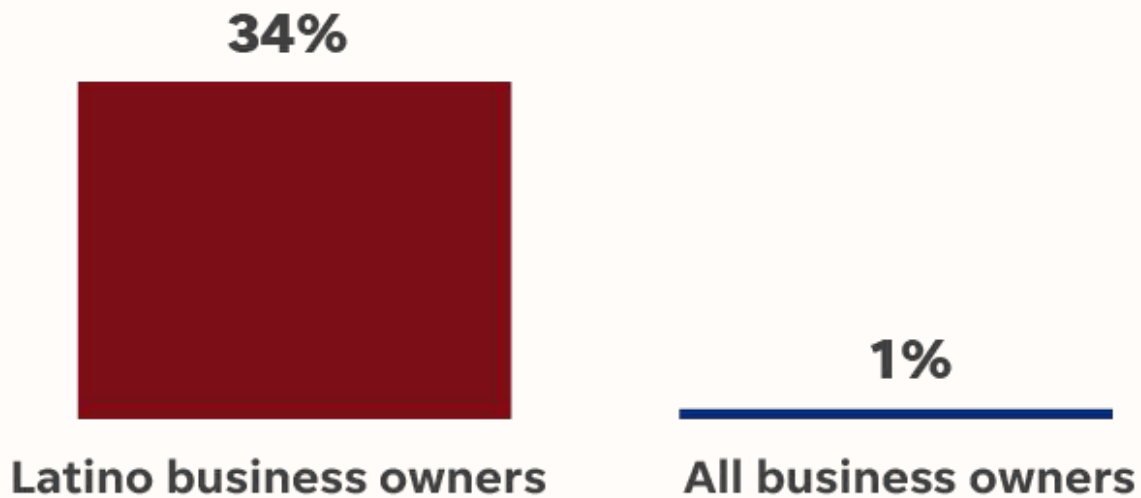
entrepreneurs in the U.S. even as they battle systemic racism that has resulted in lower incomes and loan rates. Over the past 10 years, the number of Latino business owners grew 34%, compared to 1% for all business owners in the United States, according to a recent study from Stanford University. And more Latinos than ever are applying for small business loans to launch or grow their operations.

The growing success of Latino small business owners comes as Latinos are increasingly becoming an economic force in the U.S. The same Stanford study found Latino-owned businesses contributed about \$500 billion to the economy in annual sales.

A 2019 report to Congress based on data from 2017 found almost 60 million Latinos in the United States already account for \$2.3 trillion in economic activity in total, which on its own would rank as the eighth-largest economy in the world. And Latinos are projected to make up 30% of the U.S. population by 2020, meaning the group's contributions are only likely to grow.

Latino-owned businesses employ more than 3 million people, according to the 2019 State of Latino Entrepreneurship report by the Stanford Latino Entrepreneurship Initiative (SLEI), a Stanford University research initiative centered around Latinos in business. All told, Latino-owned businesses account for about 4% of U.S. business revenues and 5.5% of U.S. employment.

business owners grew 34%, compared to 1% for all business owners in the United States



SOURCE SOLE - The International Society of Logistics

However, Latino-owned companies remain smaller than white-owned firms, averaging \$1.2 million in revenue compared with \$2.3 million brought in by a white-owned company. That is a problem, said Jerry Porras, a professor emeritus of organizational behavior and change at Stanford Business School; co-founder of the Latino Business Action Network, a nonprofit out of Stanford University focused on empowering Latino business owners; and co-director of SLEI.

"I think that there's really a positive story when you look at Latino businesses across the country," he said. "The number is smaller as a base but it's growing very rapidly. Latinos are oriented towards starting businesses and are doing it at a significant rate."

If Latino-owned employer firms were given the same chances, Porras said, they would generate an additional \$4 billion in revenue and 1 million jobs.



Diane Haro, left, and Herminia Cervantes both wait for a customer to pick up their order at Tortas Al 100 on Feb. 08, 2020.

DAVID RODRIGUEZ/THE SALINAS CALIFORNIAN

■ Latino small business owners tend to be younger

Across the U.S., Latinos are represented in all the major industry sectors, owning businesses in manufacturing, education, health services, finance, construction and more.

Latino business owners tend to be younger than non-Latino business owners. Roughly 33 percent of Latino entrepreneurs are younger than 45, compared to just 22% of non-Latino entrepreneurs.

For every 100,000 Latino adults in the United States, on average 510 became entrepreneurs each month in 2018.

However, research by the Institute on Assets and Social Policy, an institute that studies economic opportunities for people of color, shows that historic disenfranchisement of people of color has led to those very people having less generational wealth than white people.

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When Latinos have been able to buy homes, they have historically been relegated to neighborhoods where the

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Furthermore, policies that favor the affluent have continued to widen the gap, particularly between white families and black or Latino families.

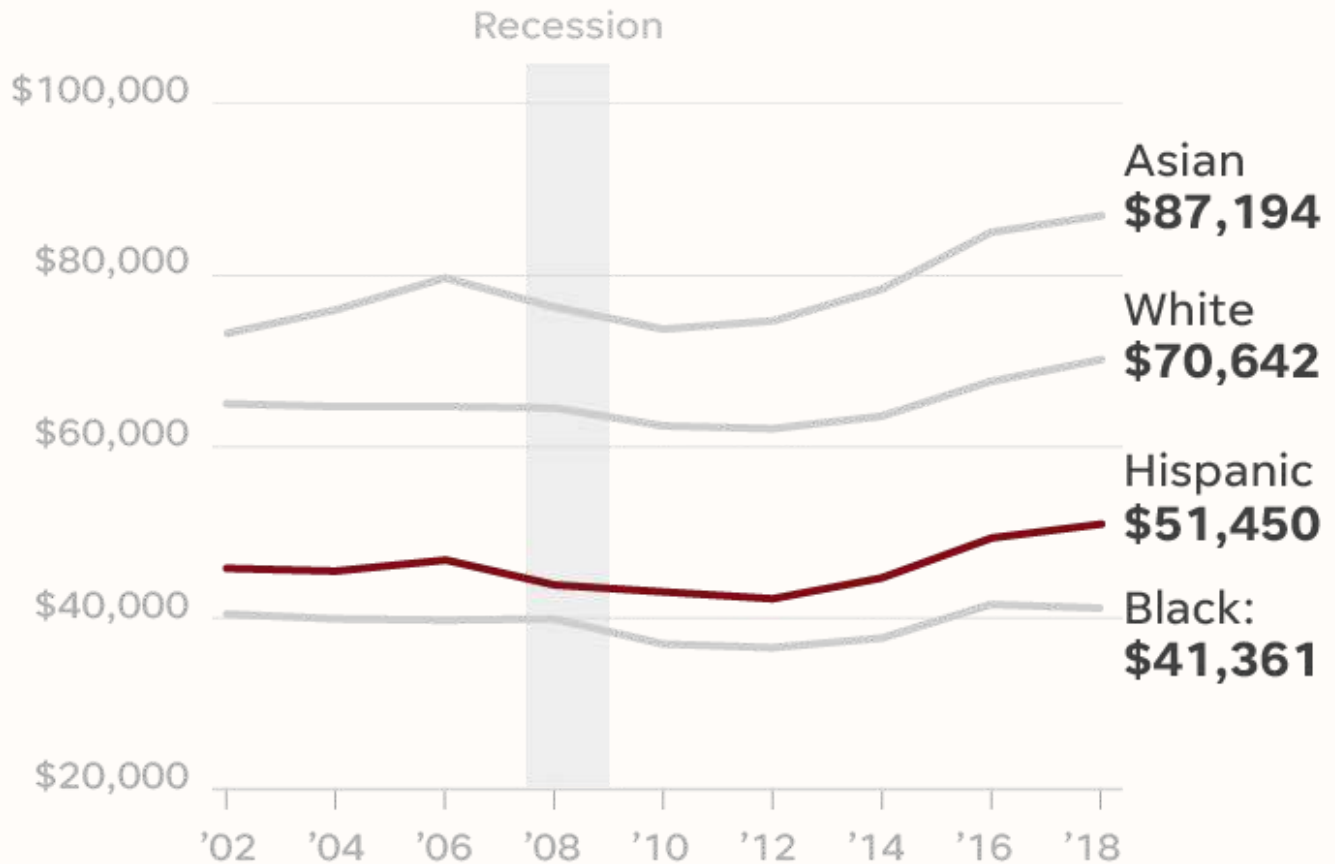
While the income gap between blacks and whites closed somewhat between 1970 and 2016, Hispanics fell even further behind at all income levels, the Pew Research Center think tank found in 2018. Even top-earning Hispanics earned only 65% as much as whites in 2016, down from 74% in 1970.

And Hispanic people on average continue to have lower salaries than white people, research out of Stanford showed.

In the end, this combination means Latinos typically have lower credit scores, which can mean higher interest rates or being turned down for loans.

According to a report submitted to the U.S. House Financial Services Committee in 2019 by UnidosUS, a nonpartisan think tank focused on the Hispanic community, banks originally had loan officers who determined the “trustworthiness” of a loan applicant. As such, people of color were often discriminated against.

(in 2018 dollars)



SOURCE U.S. Census Bureau

In the following decades, banks lost their loan officers to the war effort, and soon invented credit scores as a stand-in. However, these, too, had their issues as they were built on longstanding disparities and have resulted in communities of color, young adults, people with low incomes and immigrants having disproportionately low credit scores.

According to the 2017 Small Business Credit Study by the Federal Reserve Banks, of applicants denied credit, 45% of Latino applicants were turned down for insufficient credit history and 37% for having too low a credit score. (Applicants could choose more than one response.) In comparison, white applicants were turned away at rates of 33% and 26%, respectively.

“I think the Latino story in some ways follows the story of why black families have less wealth than white people today,” said Urban Institute research fellow Steven Brown. “There is a lack of the same kind of resources that help build wealth.”

and Latino neighborhoods were unfairly deemed too risky for loans and mortgages through redlining. That left people there reliant on speculators or private sales.

Roughly 33 percent of Latino entrepreneurs are younger than 45, compared to just 22% of non-Latino entrepreneurs. For every 100,000 Latino adults in the United States, on average 510 became entrepreneurs each month in 2018.

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“When Latinos have been able to buy homes, they have historically been relegated to neighborhoods where the homes didn't have as much value, so they're unable to build as much wealth and pass it on,” Brown said.

In more recent years, as Latinos have become more prominent in U.S. culture, their economic standing has risen.

A 2019 study of 61,000 small-business loan applications submitted to Biz2Credit's online marketplace found the number of credit applications from Latino-owned businesses rose 23 percent from 2018 to 2019.

And over the last year, Latino-owned businesses reported an average revenue growth of 14%, outpacing the growth of the U.S. economy, the Stanford report showed.



Diane Haro, left, and Herminia Cervantes both wait for a customer to pick up their order at Tortas Al 100 on Feb. 08, 2020.

DAVID RODRIGUEZ, THE SALINAS CALIFORNIAN

While revenues climbed, though, the average credit scores of Latino business owners dipped to 588 from 594 last year, according to Biz2Credit.

According to Biz2Credit CEO Rohit Arora, that could indicate business owners are using personal credit cards to fund their business growth if their companies did not qualify for loans. Furthermore, cost management can be difficult for young businesses, and that may factor into the dip in scores.

"When credit scores are less than 600, it is hard to get traditional bank loans," Arora said in the report his firm released.

Porras said the lack of credit can force Latino business owners to make riskier financial decisions, such as relying on personal credit cards to grow their business or taking out a loan on their accounts receivable.

"By and large, I think Latinos are very unsuccessful in securing loans from the more professional sources," said Porras.

"It's the smaller ones that are hurting the most," he added, referencing business size.



Fausta Ibarra, 59, owner of Tropical Cuts Beauty Salon in Salinas, California, greets a customer early morning on Feb. 7, 2020.

DAVID RODRIGUEZ/THE SALINAS CALIFORNIAN

■ Less trust of financial institutions

In other cases, Latino borrowers may be less trusting of financial institutions as a whole, based either on past experiences or a general understanding of systemic racism by lending institutions.

"Latinos have to pay more for interest," said Fausta Ibarra, 59, who owns Tropical Cuts hair salon in Salinas, California. "We have to pay more for everything."

Ibarra, who calls herself a "cien por ciento" -- or 100% -- Mexican woman, had poor credit after issues with a house she and her sisters bought together in the early 1990s. When she applied for a loan in 1993 to open her hair salon, a brightly lit salon tucked into a small strip mall in Salinas, Washington Mutual Bank denied the loan. (The bank collapsed in 2008 during the financial crisis.)

She ended up borrowing nearly \$30,000 from friends, family and coworkers, slowly paying them back one by one.

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I do think that Latinos can contribute more to this country if they give us the same opportunity to better

give someone who was born here.

Fausta Ibarra, 59, owner of Tropical Cuts Beauty Salon in Salinas, California

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When Ibarra tried to purchase a home in 1996, her low credit still held her back. There was, however, another way, the real-estate agent told her. Ibarra ended up paying more than the house was on the market for, and she had to borrow from friends and family so she could put down a deposit of \$10,000, twice what she was prepared to pay out of pocket.

Ibarra felt taken advantage of.

"Los Latinos tienen que ganarse el pan cada día," said Ibarra in her native Spanish. "Yo sí pienso que los Latinos pueden contribuir más si nos dan la oportunidad para sacar adelante a nuestros hijos. Yo pienso que todos tenemos las ganas de progresar pero no se nos dan las facilidades que se les da a una persona ciudadana de aquí."

That translates in English to: "Latinos have to start all over again, every day," Ibarra said. "I do think that Latinos can contribute more to this country if they give us the same opportunity to better ourselves and our children. I think we all want to progress, but they don't give us the same tools they give someone who was born here."



Marlene and Steven Garcia serves beer from their home brewery, Brew & Krew, at the 2019 Steinbeck's Home Brew Fest.

KATE CIMINI/THE SALINAS CALIFORNIAN

■ Discriminatory lending practices continue

Today, black people and Latinos continue to be routinely denied conventional mortgage loans far more often than their white counterparts, according to Home Mortgage Disclosure Act records analyzed by Reveal for The Center for Investigative Reporting in 2018.

The analysis showed black applicants were turned away at significantly higher rates than whites in 48 cities, and Latinos in 25, even when controlling for loan size, neighborhood and income.

In other instances, black or Latino applicants were steered toward higher-cost, riskier loans.

Bank of America, for example, agreed to a \$335 million payout to the Justice Department on behalf of its mortgage lender, Countrywide. Prior to Bank of America's purchase of the lending institution, Countrywide purposely charged 200,000-plus black and Latino borrowers more for their mortgage loans than white borrowers with similar qualifications between 2004 and 2008.

The lender advised those borrowers of color to take out risky subprime loans, even when they qualified for prime loans, or simply charged them higher rates.



Fausta Ibarra, 59, owner of Tropical Cuts Beauty Salon in Salinas, California, brushes a customer's hair on Feb. 7, 2020, as the customer talks about her daily routine.

DAVID RODRIGUEZ/THE SALINAS CALIFORNIAN

■ Latinos turn to friends, family for seed money

According to the 2019 Stanford report, Latinos get loans from local banks at a much higher rate than they do from national banks.

However, local banks are disappearing across the United States, potentially leaving Latinos out in the cold. According to data provided by the Federal Deposit Insurance Corporation (FDIC), as of Dec. 31, 2001, 8,080 FDIC-insured community banks existed in the country. By Dec. 31, 2018, 5,406 remained.

"The local banks are tied to the community more tightly," said Porras. "If the community has more Latino businesses, the relationships are built up and they grow. National banks lag behind there because local banks work harder to network with the businesses in their communities."

When local banks are not available, instead of applying to larger loan institutions, many Latinos turn to friends, family and crowdfunding for seed money.

In Salinas, a small city surrounded by rich agricultural land, U.S. Census Bureau data shows 78.7% of the some-156,000 residents are Hispanic or Latino. While the city's agricultural industry thrives financially, thanks to the tens of thousands of Latino

its residents live in poverty.

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Steven Brown, Urban Institute research fellow

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Still, Latino entrepreneurship is evident in Salinas. Latino-owned restaurants, barbershops, grocery stores, showrooms and more have risen out of the landscape all over town, tucked into plazas and surrounding big box stores. Nearly 30% of all businesses in Monterey County, where Salinas rests, are owned by Hispanic or Latino people, per data provided by the Monterey County Workforce Development Board from the 2012 American Community Survey.

Marlene Garcia, 29, is the proprietor of a homebrew operation turned commercial brewery that will open in Salinas in the spring. She borrowed \$210,000 from her mother to start up her operation.

Salinas's downtown is just three blocks long, but Garcia's brewery, Brew & Krew, will open on the 100 block of Main Street, near four other Latino-owned businesses that have opened (or reopened under new ownership) in the past two years. The growth is notable on a side of town that is historically inhabited primarily by white residents.

"I am honestly so thankful for my parents, both of them," said Garcia, reminiscing about her parents' insistence that she help with the family businesses.

white-owned firms, earning only \$1.2 million in revenue to \$2.3 million brought in by a white-owned company

Latino-owned



\$1.2

White-owned



\$2.3

SOURCE SOLE - The International Society of Logistics

Her parents, Graciela and Gildardo, worked in fields after immigrating to the U.S. from Guanajuato, Mexico. Every month or so, they would go to Los Angeles, five hours away, to stock up on Mexican candy, piñatas and cassette tapes, Garcia said. Then, they would turn around and sell them at the Santa Cruz weekend flea market in central California, dragging their children with them.

It was there that Garcia learned the dedication it took to run a business, even as she told her parents she never wanted to own her own operation.

"Growing up, my entire life, we would go to the flea market," said Garcia. "We'd wake up super early, drive to Santa Cruz, and work. I remember telling my parents, 'I don't want this, I don't want to go into business.'

"Now that I'm older, I appreciate everything they did. I see why they did that."

The Garcias opened another stand in another flea market, then a taquería. Finally, they sold all their businesses and took out their first loan of \$80,000 to open a liquor store in Gilroy, a small bedroom community 30 minutes south of San Jose. They named the store La Flor de Jalisco.

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**I am honestly so thankful for my parents, both of them.
... Because of them. because of the way they saved.**

because they saved, a lot of the money that has been invested came from my mom.

Marlene Garcia, 29, the proprietor of a homebrew operation turned commercial brewery that will open in Salinas in the spring

When Garcia wanted to open her own brewery, her mother became her silent business partner.

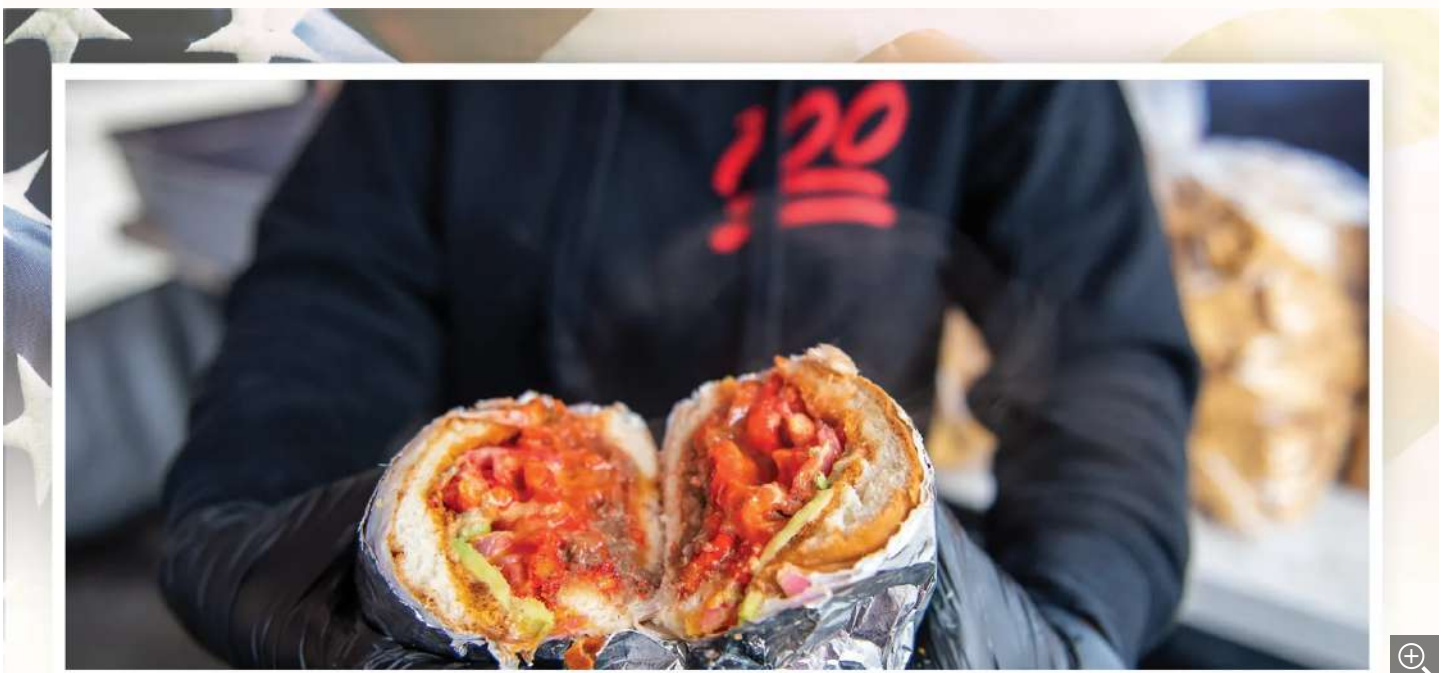
"Because of them, because of the way they saved, because they saved, a lot of the money that has been invested came from my mom," said Garcia.

Garcia is in the process of applying for her first loan — a Small Business Administration loan for \$480,000 to open her business. She credits her mother's help in allowing her to so far not rack up debt and interest rates.

Although the space is still unfinished, Garcia has big plans for her small brewery. She wants large, stainless steel canisters in the back, behind a large pane of glass so brew enthusiasts can watch the brewers at work as they sip on suds.

She hopes to connect with other business owners in the area to cross-promote, whether it be with the cinema next door or the sandwich shop across the street.

"Hispanic parents are never excited to hand out money," Garcia said, laughing. "But she believed in it, she saw that people really do like my beer. If she wouldn't seen that reaction, it would have been harder to convince her."



An employee of Orlando Osornio, owner of Tortas Al 100, in Salinas, California, holds the

■ 'Puro cash'

Osornio's family has a saying whenever they have to pay for something. "Puro cash," they repeat, laughing, or pure cash in English.

The joke is based on Osornio's father. Years ago, when he was purchasing a car for his wife, the salesman asked him if he wanted to finance.

"No," said Osornio the elder. "Puro cash."

Despite the financial savvy his father displayed, Osornio said his parents rarely talked money management with him. All he recalls was being told credit cards were for emergencies only, a lesson that, like many teenagers, he immediately disregarded as soon as he got one of his own.

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By and large, I think Latinos are very unsuccessful in securing loans from the more professional sources. It's the smaller ones that are hurting the most.

Jerry Porras, a professor of organizational behavior and change emeritus at Stanford Business School, co-founder of the Latino Business Action Network, a nonprofit out of Stanford University focused on empowering Latino business owners, and co-director of SLEI

The experience of wiggling out from under a pile of debt taught Osornio that he wanted applying for a loan to be "a last resort."

Years later, Osornio has managed to build such a successful business with his unique torta recipes that he routinely fields offers from locals to invest in or outright purchase his business -- and his recipes -- from him.

And that, advocates have said, is the hidden silver lining for Latino entrepreneurs: even more untapped potential.

According to a 2017 New American Economy report on the power of Hispanics in the U.S., Hispanic entrepreneurs own a large chunk of transportation and warehouse businesses, laying claim to more than 20% of the industry in 2012. They also owned about 12% of the country's construction firms.



An employee of Orlando Osornio owner of Tortas Al 100 in Salinas holds the Don Cheeto on Feb. 08, 2020. Osornio's Don Cheeto is one of the most popular items in his menu.

DAVID RODRIGUEZ, THE SALINAS CALIFORNIAN

Advocates say that, given a chance, Latinos could grow their portion of the economy even further. However, the "opportunity gap between Latinos or Hispanics and their white, business-owning counterparts is wide.

"Wealth is the missing ingredient in the Latino community," said Porras. "If we could add more wealth, people would consume more and grow the economy. How do we get more wealth? Grow businesses."

"It's a synergistic process," said Porras. "In the long term, it will benefit the whole country."

All Latinos need, Porras said, is a chance.

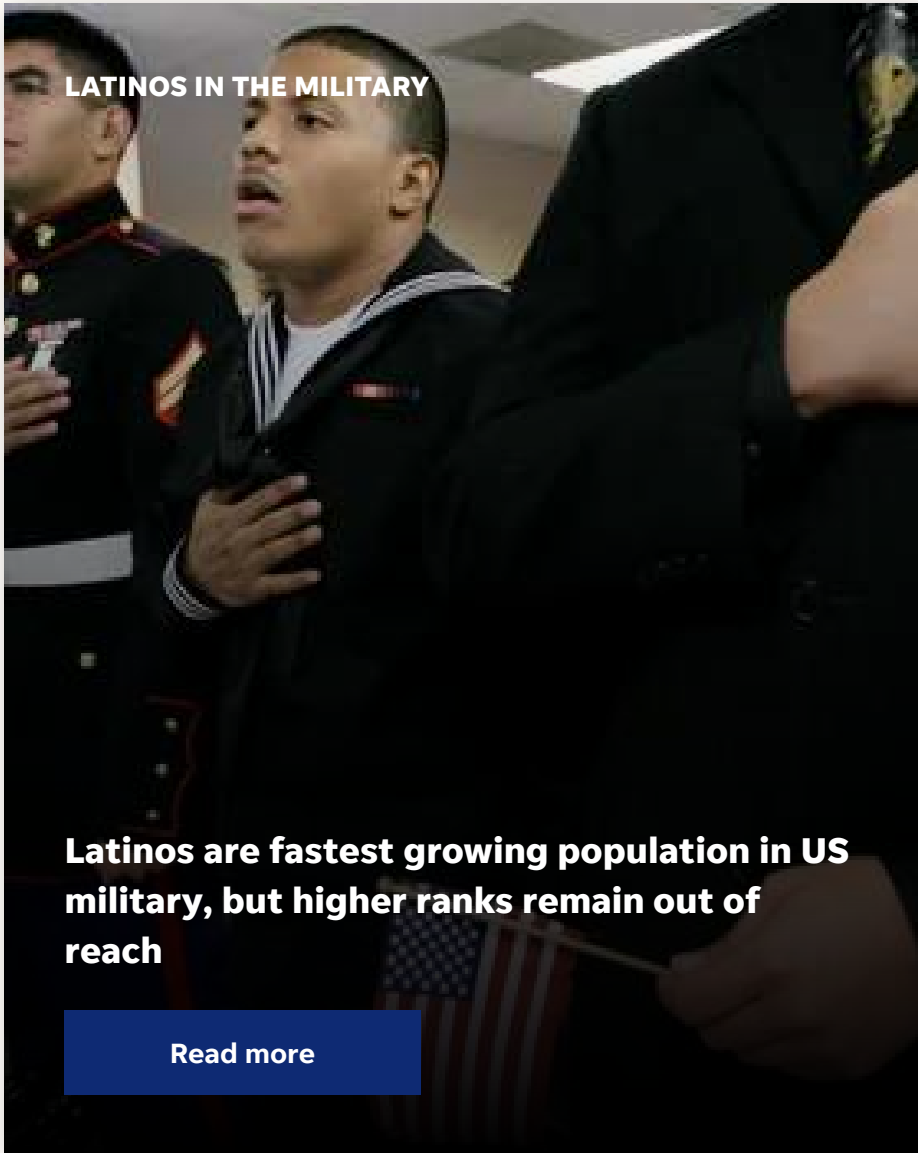
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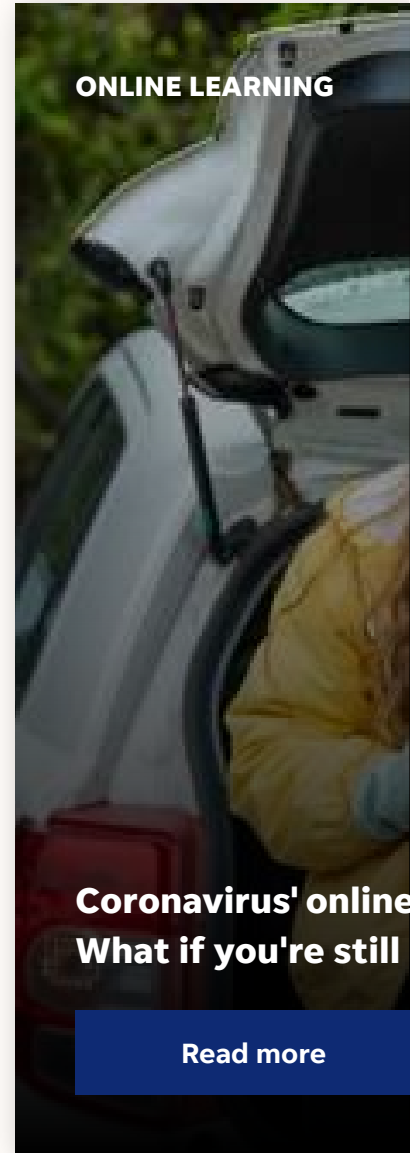
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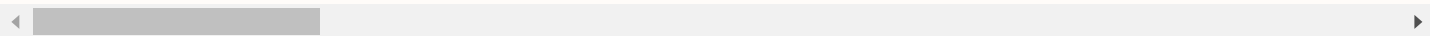
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HECHO EN USA: LITTLE HAVANA

Before Super Bowl, Miami's Little Havana faces exodus of Cubans, pressure from developers

The once predominantly Cuban enclave is changing fast, with Cubans moving out and high-rise developers trying to move in.

Alan Gomez, USA TODAY

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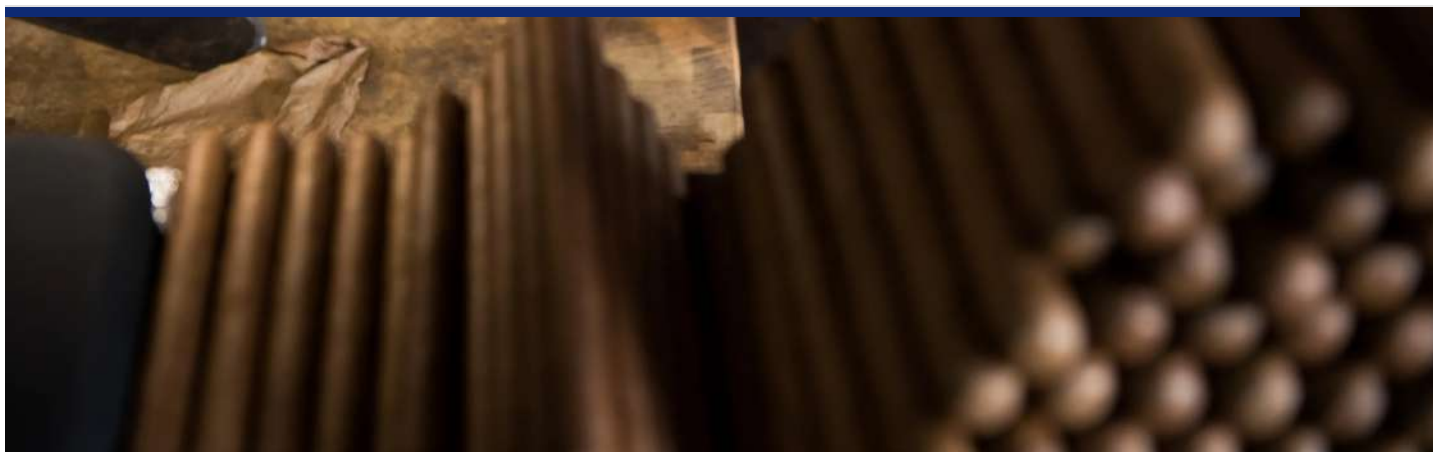
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IAMI – Just past the row of Cuban restaurants, past the park where Cubans spend their days playing dominoes, past the crowing roosters and the Bay of Pigs Memorial, there's a cigar shop in the heart of Little Havana.

But the tobacco leaves used to roll those iconic stogies hold a secret: The seeds are from Cuba, but the plants are grown in Nicaragua, Ecuador and the Dominican Republic. The store itself has another surprise: Its owner, René Diaz, isn't Cuban either. He's from Chile.

That same dichotomy plays out on a larger scale throughout Little Havana. The once predominantly Cuban enclave has changed dramatically in recent years, and development threatens to plow over the historic neighborhood as the population has morphed into a hodgepodge of people from Mexico, Central America, South America and the Caribbean.





Aleida Francisco and Rodolfo Amaro Beltrán, both native Cubans, create handmade cigars at Casa del Tabaco in Little Havana. The staff are all Cuban, but the owner, René Diaz, is from Chile and wants to keep the Cuban culture of Little Havana alive. "This is the closest they'll get to the Cuban culture without going to Havana," Diaz said.

SANDY HOPPER, USA TODAY

Little Havana isn't even majority-Cuban anymore. Officials estimate that the neighborhood of 60,000 is only about a third Cuban.

Diaz said he met a lot of resistance from Cubans when he entered the cigar industry, more so when he opened his store in the middle of Little Havana last year. He made clear that he wants to preserve the Cuban rhythm of the neighborhood to honor its history – and to make sure tourists keep coming.

"This is the closest they'll get to the Cuban culture without going to Havana," he said.

Little Havana, which is set to receive a fresh wave of tourists as [Miami hosts Super Bowl LIV](#), is a microcosm of the shifts in immigration [felt throughout the country](#) and the race to revitalize – or gentrify – urban cores.

Cubans once made up the majority of immigrants in Miami, but the area has been flooded in recent years by immigrants from Central and South America. In the same way, Mexicans make up the majority of Latin American immigrants to the nation as a whole, but Central and South American migration has increased rapidly.

In 1980, there were approximately 354,000 Central Americans living in the U.S. By 2017, that number had exploded to more than 3.5 million, [according to the nonpartisan Migration Policy Institute](#), changing the makeup of cities big and small across the country.

That trend can be seen clearly in a three-block stretch of the historic *Calle Ocho* that cuts through the middle of Little Havana. There's a Honduran restaurant, a Salvadoran one, a Mexican one, even a Colombian-Nicaraguan restaurant that serves food from both countries.

"This one is Honduran, this one is Honduran; across the street, there is a Salvadoran family," Romero said outside the small house she rents with her son and grandson. "Oh, wait, that house is still Cuban."


When the owners of Mi Rinconcito Mexicano opened in Little Havana 13 years ago, critics questioned whether it could survive in the Cuban community. The restaurant thrived, employing workers from Honduras, El Salvador, Nicaragua, Guatemala, Mexico and Cuba.

"That's the beauty of Miami," said Jocelyn Mendoza, the manager at Mi Rinconcito who is originally from Mexico. "People come here and adopt each other's traditions."



each other's traditions.

Jocelyn Mendoza, manager at Mi Rinconcito Mexicano

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Sady Guerra, 29, a construction worker from Honduras who arrived in the U.S. last year with his wife and daughter to request asylum, said he thought he would land in an area dominated by Cubans. After getting to know his new neighborhood, he realized how much had changed.

"Maybe it's time to change the name," he joked. "Little Havana worked back then, but now, it's so mixed, that doesn't really apply anymore."

The fact that Little Havana's demographics are changing represents the latest evolution in the neighborhood's history.



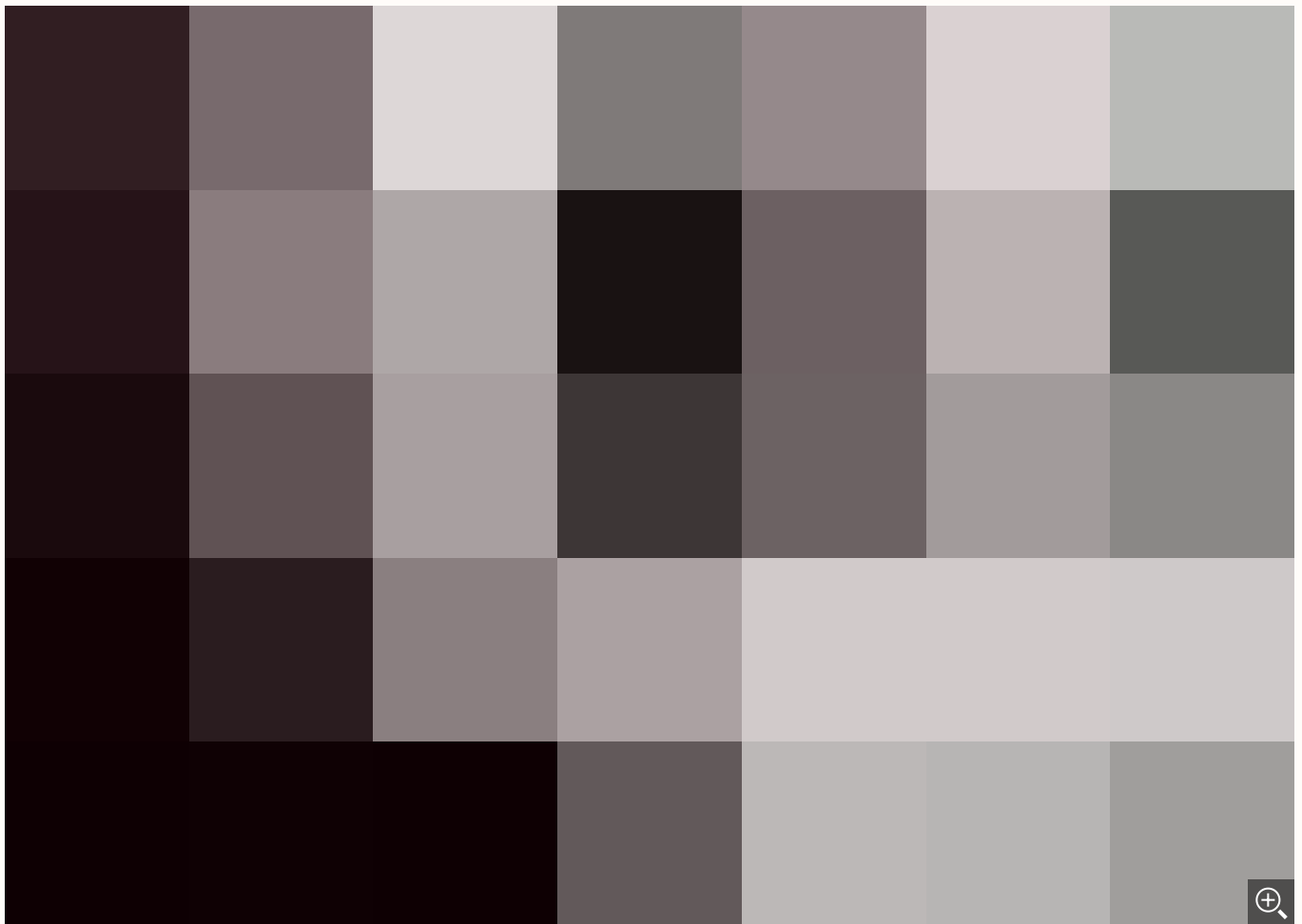
Little Havana is not as Cuban as it used to be, but still clinging to Cuban culture

Little Havana, the heart of the Cuban-American community in Miami, is no longer majority Cuban. Locals are fighting development to save their history.

SANDY HOOPER, USA TODAY

transitioned into a working-class Jewish enclave, filled with transplants from New York and other northern cities.

As those Jewish residents moved up the economic ladder, they moved out to newer suburbs developed on the western edges of Miami-Dade County. That exodus happened as Fidel Castro took over Cuba in 1959, which prompted hundreds of thousands of Cubans to flee his communist regime. So many of them landed in the homes vacated by the Jewish residents that it didn't take long before the neighborhood was dubbed Little Havana.



Little Havana locals play dominoes in historic Domino Park, "a great gathering place for older Cubans," a Miami historian says.

SANDY HOOPER, USA TODAY

"The table was set for them," said Paul George, the resident historian at HistoryMiami Museum.

Most of those Cubans came empty-handed, their possessions confiscated by the Castro regime. That meant the neighborhood maintained its blue-collar feel, only with more Spanish spoken and plantains for sale.

park that is still in operation.

"That's a great gathering place for older Cubans," George said. "Obviously, within this ethnic group, there's tremendous camaraderie, probably much more so than say the typical American who is sort of suburban-oriented."

Just as the Jewish residents of Little Havana moved up and out, so did the Cubans. As the years went on and they established themselves economically and politically, many moved to tonier neighborhoods west and south of the area.



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Photos show a deep Cuban history in Miami's Little Havana

Archival photos from the HistoryMiami Museum show common Cuban traditions in Miami's Little Havana neighborhood.

That left a gap that the immigrants from Central and South America quickly filled.

"Communities are organic things," said Carlos Fausto Miranda, a Cuban American real estate developer who is heavily invested in Little Havana. "They change and they evolve

That helps explain why Julio Cabrera picked Little Havana last year when he wanted to open a Cuban restaurant designed to capture the spirit of the legendary bars of pre-Castro Cuba. The renowned cantinero, or bartender, looked at all the hip, popular areas of South Florida and decided to open "La Trova" in Little Havana because he said the neighborhood is still the best embodiment of Miami's Cuban roots.

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The Cubans moved out, but the essence, the soul of Cuba remains here. That never left.

Julio Cabrera, a Cuba native who opened La Trova last year

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"The Cubans moved out, but the essence, the soul of Cuba remains here," said Cabrera, a Cuban native who emigrated to the U.S. 15 years ago. "That never left."

What that means for the future of Little Havana remains unclear as neighborhood leaders grapple between nostalgia and profit.

For decades, the area has been neglected by city leaders, falling into a state of disrepair throughout the 1990s and 2000s. It experienced a resurgence in the past decade as more bars and restaurants opened, and double-decker tour buses made the neighborhood a regular stop on their tours of Miami.



Construction lines Calle Ocho, a historical strip of Little Havana.

SANDY HOOPER, USA TODAY

That drew the interest of real estate developers. Miami's biggest business, aside from tourism, has always been real estate.

A couple of miles east of Little Havana along Calle Ocho sits the Brickell neighborhood, a towering collection of glass-covered, high-rise condominiums and office buildings. One by one, those gleaming towers supplanted the older buildings that made up Brickell's waterfront skyline, which looks nothing like it did when it featured prominently in the opening credits of "Miami Vice."

Many worry that Little Havana will become "Brickell West" as developers pounce on the new financial opportunities.

"We don't want displacement. We don't want to move the people out of there," said Juan Mullerat, whose Plusurbia urban design firm created [a master plan for the neighborhood](#) last year. "You need to try and protect it as much as you can."

“

We don't want displacement. We don't want to move the

much as you can.

Juan Mullerat, whose Plusurbia urban design firm created a master plan for the neighborhood last year

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Holding off eager developers is difficult for a neighborhood that's received little attention from the city. According to Mullerat, the Miami government has conducted 23 planning studies since 1997 of the nearby Coconut Grove neighborhood, which features wealthier residents, high-rise condominiums and restaurants that cater to high-priced tourists.

Over that same time, the city has conducted only one such plan for Little Havana: the master plan his firm published last year, which hasn't been adopted by the city.

Part of the problem is that Little Havana remains a working-class neighborhood, where 80% of residences are occupied by renters and more than 87% of rental properties are priced at less than \$1,000 a month, according to Mullerat's study. That's good news for Miami residents desperate for affordable housing, but it makes it difficult for residents to band together to pressure city leaders to ensure that remains the case.

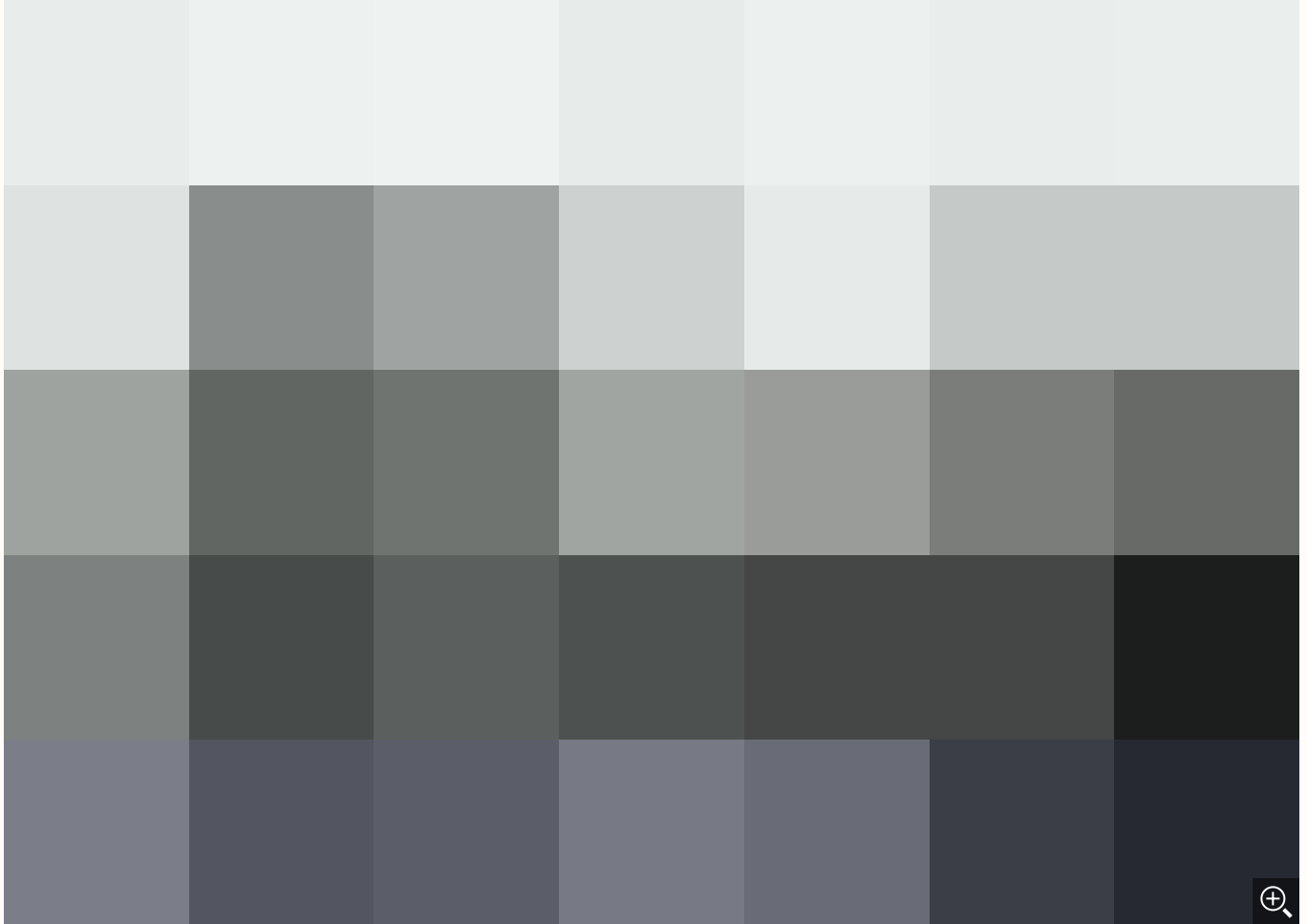
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In 2015, the National Trust for Historic Preservation, a Washington-based nonprofit group that works to preserve historic sites, listed Little Havana as one of its 11 most endangered historic places. The organization argued that the neighborhood faced "development pressure, demolition of historic buildings, displacement of existing residents, and zoning changes that could impact its affordability, cultural richness, and character."

Locals say that threat remains. That's why Miranda and other real estate developers have tried to preserve Little Havana's identity on their own.

we're proving, that people thirst for authenticity and thirst for vibrant, urban environments."



Historic Calle Ocho in Little Havana was once a predominantly Cuban neighborhood, but that's changed because of development and demographics. Cubans make up only a third of the population in Little Havana.

SANDY HOOPER, USA TODAY

Bill Fuller, another developer, helped ignite the revitalization of Little Havana, reopening the Ball & Chain nightclub that was a fixture in the neighborhood in the early part of the 20th century but was closed for decades. He keeps his office a block away and owns and operates many of the commercial properties in the neighborhood.

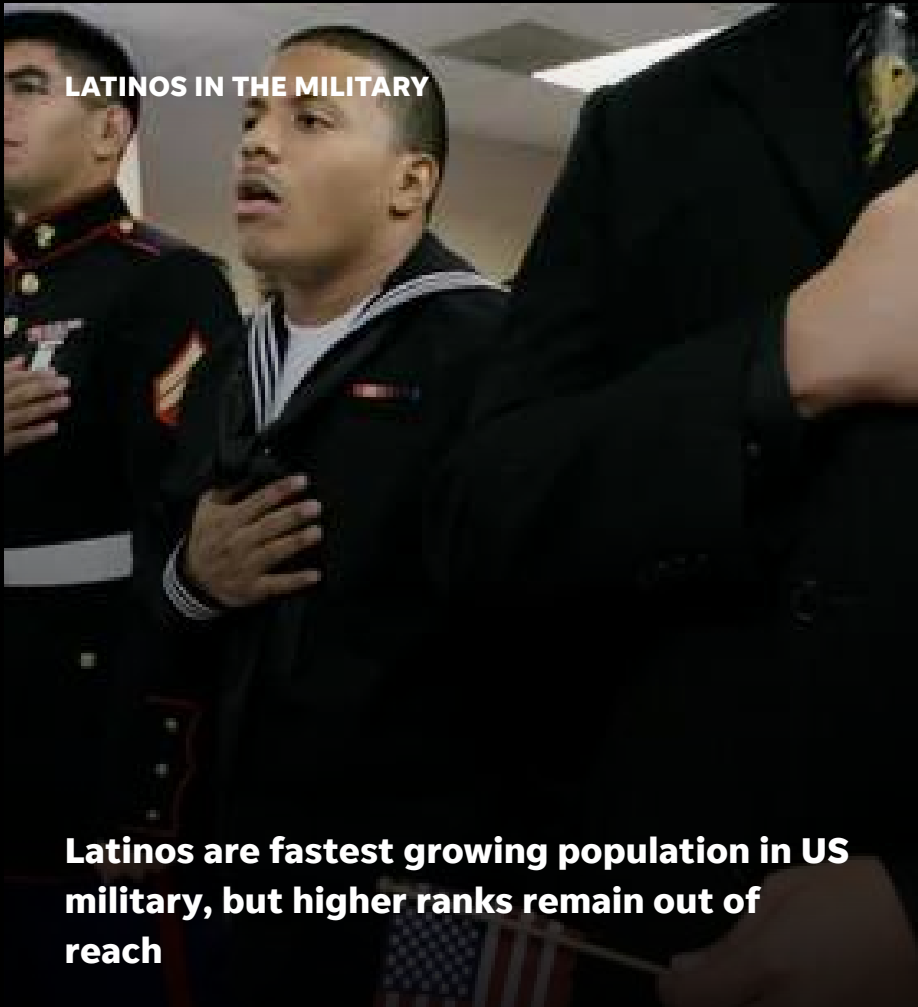
Though he calls himself an avowed free-market capitalist, he said other developers in the region know to keep their skyscrapers out of Little Havana.

"I know some of the developers that have built some of the stuff around us ... and I've told them, 'Listen, you can build where you want, and I'm not going to put up the public battle, but if you come into these three blocks, you're going to hear from me,' " he said.



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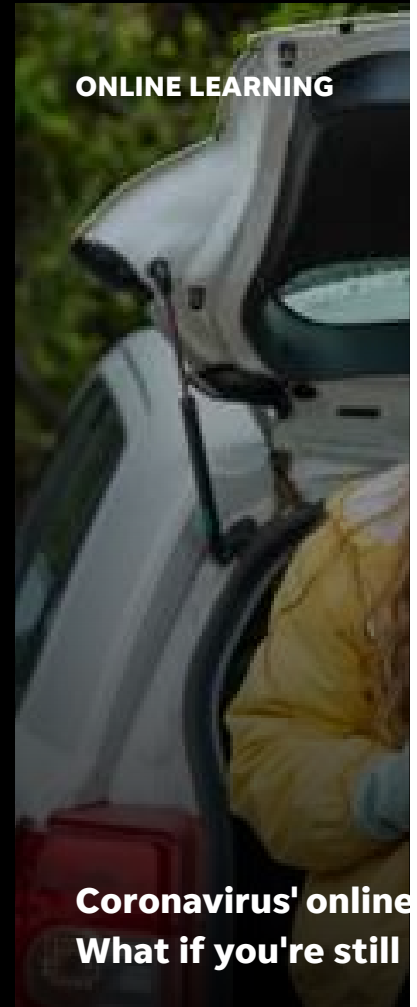
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