

THE BARRIOS' MERCADOS: The Creation and Transformation of
Commercial Space in Mexican American Communities

by

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Submitted to the Department of Urban Studies and Planning in
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ABSTRACT

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As shown by economic and demographic data, standard practice in local economic development (or redevelopment) has failed to spur significant economic development for the Mexican American community in National City, California. "The Development Game" in National City practices standard development strategies often described as partnerships between public and private sectors, because they link targeted public expenditures for private development projects, benefiting only a narrow set of property owners, developers and entrepreneurs, particularly in the short-run.

The two case studies presented suggest that Mercados in Mexican American communities may generate their own economy and culture and further serve as a model for community development. The National City Swapmeet exemplifies the indigenous economic culture that exist within the Mexican American community and provides community empowerment. In addition, the Swapmeet case study indicates how "The Development Game" players of National City see any indigenous economic activity in a place they already defined as a barrio as further evidence of blight and set out to eradicate those places. The second the *Mercado del Barrio*, provides a model comprehensive community development, which: 1) provides business opportunities 2) includes Mexican Americans in the development process; and 3) is a place-based and people oriented initiative.

However, the analysis of the case study framework indicates that the Mercado initiative alone will not empower the community, because it focuses on the product and deliverance and not the process. Thus, the framework created by the case studies is further enhanced by the notion of empowering community. National City's Mexican American community must exercise control of development in its barrios. It must do this by first recognizing the resources of community and reinforcing them. Then it must provide a definition of the community that goes beyond the surface level of understanding. Furthermore, it must understand that together a community can control development, thus, building community and rebuilding barrios.

Thesis Supervisor: Dr. Leticia Rivera-Torres

Mi Compromiso

My commitment to my family recognizes neither borders nor limits:

My mother, Maria Hilda Avalos, has three children who are more the sons and daughters of Don Quixote than of Sancho Panza. My father, Francisco Avalos, like Che Guevarra told his children two things: 1) to study the technology that dominates nature, and 2) the true sign of a revolutionary is to feel every injustice anywhere in the world against anyone. We, Adriana, Pablo and I always strive to be *Hidalgos*, sons and daughters of our deeds and actions.

Though we try to be expert at life projects, we are not used to dealing artfully with grace. Responding to the grace of relationship, it is important to appreciate, to give thanks, to honor, to celebrate, to tend and to observe. ... Every relationship that touches the soul leads us into a dialogue with eternity. If we can find the whole world in a grain of sand, we can also find the soul itself at the small point in life where destinies cross and hearts intermingle. (Moore 1994)

Christa Laib, MA. for teaching me the true meaning of friendship.

Gabriel Muñoz, M.D., who literally pushed me to run two Boston Marathons, to play with "the big boys." Thank you, for truly believing in living out *el sueño*. The mothers of East Los Angeles should find some solace in knowing that their gunshot-wounded children will be treated by this native son. **Jaime Garcia, M.D.**, whose friendship I found somewhere in the middle of this thesis; your words of encouragement made me fight the good fight. It is a brighter day for all the children of Oakland. **Robert Areolla**, my HARVARD homeboy from NC: he and I left many Chicanos behind to come "back East" and be educated Chicanos, we left our brothers and sisters to the streets, the gangs and everything that world provides. Last summer, going home offered us the greatest test of our educational careers. How do two East Coast educated Chicanos come back home? I still have not found an answer-but there is an airplane leaving for San Diego in two weeks.

Celebration of Friendships

*On the outskirts of Havana they call friends **mi tierra**, my country, **mi sangre**, my blood.*

*In Caracas, a Friend is **mi pana**, my bread, or **mi llave**, my key: **pana** from **panaderia**, bakery, the source of wholesome bread to sate the hunger of the soul; **llave**, from "key from key", Mario Benedetti tells me.*

And he tells me how, when he lived in Buenos Aires in times of terror, he would carry five alternate keys on his key ring: The key to five houses, to five friends the keys that proved his salvation. (Galeano 1991)

In the two years in Cambridge, I carried with me more than five keys. Anne and Bill Keddy who provided me a place to stay my first night in the East Coast. Ricardo Mireles, M.C.P. who brought me to MIT-gracias. Belinda Martinez and Carlos Fierro and the rest of the Latino MIT undergraduates for offering me the keys to *familia*. Maria Diaz, M.P.P. and Chris Bencomo, M.D./M.P.P., as well as Maribel Medina, M.P.A./J.D and Luis Arteaga M.P.P. and the rest of the Latino community at the K.S.G. provided me with the keys of *amistad*. This summer, Paul Desrochers and the CDC staff, Barbara, Carey, Tom, Dan and Dave, Marta, Gloria, Regina, Xavier Shirley and Angie and the two Normas who offered me the keys of experience to finalize this document.

Rigoberta Menchu said, that only those of us who carry our cause in our hearts are willing to run the risk: Dr. Leticia Rivera Torres is what drove this paper the last months. Without her this thesis would never have been possible. Thank you for the key to unlock knowledge. Mel King has my commitment to take this to key the people.

PROLOGUE

*cyclic time is another way toward absorption,
Transformation and sublimation,.....
In ancient rites, it is not memory that remembers the past, but the past
that returns . This is what I have called in another context, the
incarnation of images. (Paz 1974)*

This thesis is the quest for an understanding of a living portion of the past and as such time returns. In the immersion of reconstructing images, we recover the past to reincorporate it into the future. Hence, as individuals and as members of communities, we invoke a collective memory to share with other communities, thus constructing "communities of memory." As a Chicana, I am torn by the need to give voice to many different occurrences in our community. This experience is separated by "borders," whether real or unreal, which often make any choice painful. In the telling of one story so many other stories arise to the surface level. Furthermore, in the world of the sublime these stories are never fully articulated.

In academia, we as minorities construct the myth that we are "privileged" insiders, with the exclusive license to study our own communities. This claim represents the assumption that we possess a harmonious relationship with those we leave behind. We fail to understand the university has changed who we once were. Thus, when we re-enter our communities we must be careful not to impose our "education" on the people and be wary of the temptation to romanticize life in the barrio. It is this tenuous relationship between these two worlds of Chicano students, that inspires my self-imposed responsibility to develop planning policy with ethical and intellectual integrity.

Urbanism may be read as text in order to explicate the urban form of a community; metaphorical and literary images help traverse many borders. Among these are the physical border, the US.-Mexican border, the borders created by paradigms and of course the borders of competing discourse. More importantly the analysis presented in this thesis destroys borders. Octavio Paz's cyclic time justifies this journey. It challenges to seek the place most lodged in the memories of the people of the community, be they intellectuals, professionals, activists, or most importantly the Mexican American women. These Mexican American women will inevitably be the final judges of the accessibility of what together we build.

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PART I. OVERVIEW

They call it condemnation I call it confiscation. They're taking the land so they can turn it over to some favorite car dealers. The estimate is that this will cost the taxpayers \$1.5 million dollars. I guess they will get \$1.5 million back from the sales taxes on the cars in the next 50 years. (Allan Olson, Property owner, National City Council Meeting May 2, 1989)



CHAPTER 1. THE DEVELOPMENT GAME IN NATIONAL CITY, CALIFORNIA.

1.1. Introduction

Traditional community development approaches are ineffective because they are fragmented. (Chazdon 1991) This fragmentation exacerbates social disintegration, physical degradation, and economic decline in inner-cities. Traditional community development strategies produce mixed results. The following are examples of the weaknesses of three traditional community development approaches: 1) social service agencies promote the social integration of families, but often fail to understand the impact of a deteriorating physical environment; 2) economic development agencies promote small business development, but overlook coordination with local human capital development initiatives; 3) traditional redevelopment agencies often underestimate the social relationships associated with a particular place.

Scholars of comprehensive neighborhood-based initiatives suggest community development should take a holistic locally based approach. (Brown 1993) Neighborhood-based initiatives build bridges between the different community-based development strategies which attempt to prevent social disintegration, economic decline and physical deterioration. (Brown 1993) This holistic neighborhood-based initiative identifies a neighborhood, coordinates or implements community-based strategies to develop the entire neighborhood. (Brown 1993) A place-based and people-oriented approach, such as these neighborhood based initiatives, is essential to effectively deal with the urban crisis.

In this thesis I create a framework to evaluate a Mercado initiative for National City's Mexican American community. This Mercado initiative is a place-based and people-oriented initiative that attempts to incorporate the advancement of the entire community.

The case study of the National City "The Development Game" in this introduction serves as an example of a traditional economic development strategy. "The Development Game" attempts to improve the physical conditions within National City, California using tax increment financing funds and a redevelopment plan. This case study underscores three aspects of this current process of redevelopment in National City: a) lack of comprehensive analysis of community needs; b) benefits accrue only to the "Business Elites"; c) economic opportunities are not shared by the community as a whole. In addition, this case study will highlight the need of a holistic development strategy for National City's Mexican American community. Finally, this case study serves as a basis for evaluating the potential of a Mercado initiative for National City.

1.2. Background

To understand redevelopment in National City it is important to explain why inner cities leveraged public money for private development. The economic decline of the previous decade weakened local governments' infrastructure investment opportunities. In addition, cutbacks in federal programs such as Urban Development Actions Grants (UDAG) left cities unable to pay for essential infrastructure development. Private disinvestment of inner cities also adversely affected the potential for economic development. This economic tightening led cities to look for new methods for economic development. This problem was exacerbated in depressed urban areas plagued with obstacles that discouraged private investment. Thus, economic development became dependent on the ability of inner-city communities to forge new relationships with the private sector. These new relationships resulted in private-public partnerships which found themselves at odds with each other. (Folser and Berger 1982) The private sector's motivation for profit compromised the public sphere's goal of a "public good" to ensure economic stimulus for all citizens. (Folser and Berger 1982)

The notion of achieving a "public good" contains three specific goals:

a) generation of employment both in the short-term through construction jobs and in the long-term through employment; b) improvement of the urban scene and; c) improvement of the financial situation through increased property taxes and sales revenues. (Blair 1991)

The economic growth and benefits of publicly leveraged private developments are not equally distributed among communities. Harvey Molotch, argues that local development and growth disproportionately benefit a select few instead of the entire community. "The growth machine" or "Business Elite" which is composed of land developers, land-use attorneys and real estate brokers benefit directly from development of inner-cities. (Molotch 1988) In this context, the case study in National City "The Development Game" will examine how well intentioned development creates a mechanism which benefit only a few. How does this happen? Who benefits? Who suffers?

1.3. The Development Tool

To answer the question of how this happens, the following section explains tax increment financing which is one of the main tools of "The Development Game." Tax increment financing helps cities remain effective in the face of reduced federal assistance. It allows redevelopment agencies to access money to redevelop blighted communities. It provides local entities with large amounts of money to stimulate private development. Tax increment financing borrows against expected increases in tax revenues; it is a self sustaining process. (Paetsch and Dahlstrom 1990)

However, tax increment financing is also a complicated process in which implementation varies widely. This case study uses the procedure outlined under California Redevelopment Law. First, a preliminary redevelopment plan documents blight and proposes changes in land use. After approval of the preliminary redevelopment plan, an area is declared a "Redevelopment Zone." Property values in the declared redevelopment zone are assessed, freezing the tax value of the land for a certain period of

time. In California, redevelopment zones are under tax increment financing for a 35 year period. When the redevelopment agency declares an area a redevelopment zone it is given the power of eminent domain to assemble land and coordinate infrastructure development to attract private investors. The redevelopment process mandates that a city form a "Project Area Committee" to provide a mechanism for public participation. Private investment in a redevelopment zone increases assessed values. The property tax revenue is not distributed to the taxing agencies; it goes directly to the redevelopment agency. It takes this process many years to accumulate substantial money. Therefore, the redevelopment agency estimates expected increase in tax revenues, issues bonds, and borrows against them to finance public investment in the project area.

There are disadvantages to tax increment financing. Initially, a city might find itself unable to increase public services because a large portion of its tax base remains frozen. Second, fiscal problems (i.e., defaults) might result in expected tax revenues not ever being generated. Finally, analysts suggest that tax increment financing focuses only on economically stable areas to attract private investment, thereby neglecting economically depressed areas within the redevelopment zone. (Knight; Paetsch and Dahlstrom 1990)

Through the redevelopment process, developers benefit from cheap land and loans made possible by a "Disposition and Development Agreement." The "Disposition and Development Agreement" facilitates the use of tax increment financing funds to redevelop blighted communities. (Desrochers 1994) Redevelopment agency uses the "Disposition and Development Agreement" to sell land to developers at a lower price than originally purchased. The document may suspend land use regulations for the project property. (Cotton/Beland 1993) In addition, the redevelopment agencies provide loans to the private developer to fill the "financing gap" which allow the project to move forward.

This section showed how over the past years, tax increment financing has become a popular tool for underwriting the infrastructure for new or renovated developments, but

it is a blunt instrument that looks only at property-tax increases as a criterion for success. Tax increment financing deprives the general public of unencumbered use of those revenues until the financing is paid back out of the perspective new increment of property taxes, which itself is not guaranteed. The following case of "The Development Game" in National City further illustrates this disparity.

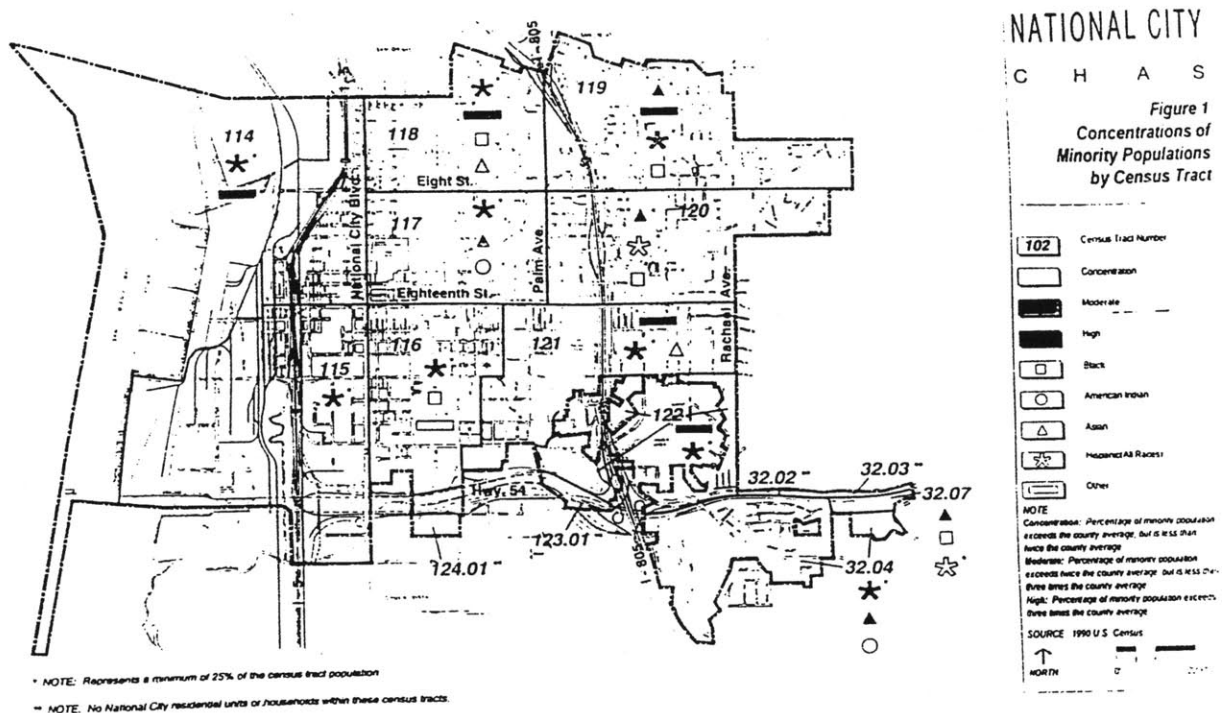
1.4. National City: A Case Study

National City is used as the case study to illustrate how tax increment funds and redevelopment plans are implemented. First, it is important to present some data on National City. National City, California is an 8.6 square mile city bordering Southeast San Diego and Chula Vista. It is ten miles from the US-Mexican border. The city's population in 1993 was 58,632 inhabitants. (National City Chamber of Commerce 1992) National City is a council and manager form of government made up of four members and an elected mayor serving overlapping terms. The following section briefly describes; 1) population growth trends and demographics; 2) major employers of National City's labor force and; 3) development players in National City.

From 1980-1990, National City experienced the smallest population increase in all of San Diego County. (US. Census 1990) The stability of the population has to do with the fact that National City has very few vacant lots. In fact, most of the construction that took place was in redevelopment.

National City has a high concentration of minorities, Mexican Americans (Note: I use Mexican Americans as opposed to Latinos because Census figures indicate that 97% of the Hispanic population is Mexican American, in addition, Census figures are given for Mexican American population) constitute 48% of the population, Whites constitute 25% and Asians 17% with Blacks being the smallest group at 8%. Figure 1.1. below shows a map of National City as well as the spatial concentration of the different racial groups.

Figure 1.1.



Source: taken from Cotton/Beland 1993

National City is known primarily as an industrial and manufacturing center which has 740 acres zoned for industry, industrial parks, and more than 10 manufacturing plants. The leading industries and manufacturers are meat processing, retail furniture, lumber, aerospace parts, ship building, and the largest auto sales center in the county. (National City Chamber of Commerce 1992) Yet, National City's population is predominately employed by the Navy and the retail and service sector. The area is served by a major regional shopping center which is the only major enclosed shopping complex in the South Bay, the south San Diego area. In addition, there are two shopping centers and many small shopping areas, plus eight major food markets. As a result, more than 60 percent of National City residents are employed in retail and service. (US. Census 1990)

National City shares its bay front with the US. Navy. National City residents' only access to the bay is on 24th Street, a small boat launching pad. The Navy is a strong influence in the National City economy. The 32nd Naval Station is one of the largest military installations on the West Coast. San Diego's Navy Station is not scheduled to close. 49% of all Whites and 52% of all Blacks who are residents of National City are employed by the Armed Services compared to 11% of Filipinos and 6% of Mexican Americans. (US. Census 1990)

There are several agencies within the City administration which coordinate the development process. It is important to describe them here because they play a key role in the decision making process of "The Development Game." The following is a brief description of each agency:

The Development Service Group

The Development Service Group replaced the old format of a splintered city development department with a coordinated system of inter-departmental staff.

The Planning Department

The Planning department administers the General Plan, and long range physical development and zoning ordinances. The Planning Department provides technical advice to the Planning Commission.

The Planning Commission

The Planning Commission is made up of businessmen and staff of the local politicians and citizens. The Planning Commission determines land use policies.

The Community Development Commission

The Community Development Commission (CDC) is in charge of development. Its commissioners are the City Council members. The CDC has an Executive Director who supervises both the redevelopment agency and the housing authority. Funding for the CDC comes from tax increment proceeds and Community Development Block Grants. The CDC administers the HOME Program, housing rehabilitation, and redevelopment activities. It also coordinates Housing Rental Assistance, Section 8 Certificates and Voucher Programs, and the Federal Rental Rehabilitation Program. The goals of the CDC are "to create a better living environment for residents and promote a healthy business climate." (National City Chamber of Commerce 92)

1.5. National City's Development Game

1.5.1. The Players

National City, located in the Greater San Diego Metropolitan area is a city in which the redevelopment agency, the Community Development Commission, uses tax increment financing funds for redevelopment. The following section highlights two questions: a) Who are the "Business Elites?"; b) Why are the small percentage of "Business Elites" criticized because they benefit from publicly leveraged funds? These questions are important when reading the case study because the answers provide more in-depth understanding of the players in "The Development Game." The "Business Elites" for this particular case are: the National City "Mile of Cars," a ribbon of commercial car

centers, and Barkett Development Company, a local developer. Both of these "Business Elites" have benefited from the redevelopment policies of the city.

First, it is important to understand that the use of public funds for private development does not make the "Business Elites" inherently evil. Barkett Development Company benefited economically from the development of the Radisson Hotels while the Community Development Commission, itself, suffered a substantial economic loss. Furthermore, investment on the National City "Miles of Cars" did not generate new income for the city or create new employment for its citizens. Thus, leaving blighted communities unable to attract tax increment funds for private investment. The following paragraphs illustrate how benefits and risks of these public funds are not distributed evenly, substantiating the criticism that redevelopment policies of National City benefit the "Business Elites."

The first example of how redevelopment benefits the business elite is the improvement and redevelopment of the National City "Mile of Cars." The San Diego Visitors Bureau distinguishes National City as an important commerce center and its "Mile of Cars" as one of the largest car sales centers in California. The "Mile of Cars" showrooms are the City's greatest source of income generating 25% of all tax receipts. (Desrochers 1994) In 1993, the Mile of Cars generated \$229 million in taxable sales. (National City Chamber of Commerce 1992)

In order to further expand this commercial center "Disposition and Development Agreements" were offered to auto dealerships to aid in the construction of their facilities. The city also invested in the infrastructure of National City Boulevard by providing more lighting for this strip and creating two billboard advertisements visible off the two major freeways. In addition, an architectural firm was hired to create an urban design scheme which called for investment in banners and billboards to make the strip more attractive.

The following is an explanation of why the city initiated a plan to compete with San Diego's tourism based economy to attract tourists to stay in National City which

benefited the Barkett Development Company. The Greater San Diego Chamber of Commerce eagerly promotes the tourism industry as one of the strongest sectors of the San Diego Greater Metropolitan Area economy. The development of a convention center within a few minutes from the retail development Horton Plaza and the galleries and coffee shops of the Gaslamp Quarter make San Diego an ideal tourist destination. National City is within ten miles of San Diego's Downtown tourist attractions. Given its proximity to San Diego, several years ago, National City recognized this thriving tourist sector as a source of potential income generation for the city. It created a development plan focusing on penetrating San Diego's tourist industry.

Thus, City officials entered into a "Disposition and Development Agreement" with Barkett Development Company. The city purchased the property along a deteriorating business corridor for \$22 per square foot and sold it to Barkett for \$8 per square foot. (Desrochers 1994) Barkett Development was also awarded a \$500,000 loan at 10 percent interest. (Desrochers 1994) Barkett Development circumvented design and planning specifications to build a ten story-180 room and a twelve story-176 suite hotel structures diagonally placed for Radisson Hotels. The Barkett Company awarded contracts to a general contracting firm and development firm based outside the city. Thus, the jobs in the construction phase were not generated for the residents. While other cities such as San Diego and Boston obligate developers to contract with locally based contractors and generate employment for the community, National City does engage in this practice.

An inadequate urban design and an economic recession left the city unable to recover this \$500,000 investment. In addition, the city is now marred with two eyesores which are out of scale with the rest of the city. The design for the parking structure was so inadequate it has taken more than four years to make the structure safe to occupy. Radisson Hotels operating losses resulted in the selling of one of the two towers to Holiday Inn. Thus, the tax revenue and forecasted jobs never materialized.

1.5.2. The Spectators

National City's economic development efforts have failed to achieve a "public good" for two reasons. First, "The Development Game" does not actively encourage participation by, nor address the needs, of a large segment of the community. Economic development is guided by the Community Development Commission. The Executive Director of the CDC has failed to solicit the input of the "Project Area Committee." In addition, the Community Development Commission, which is made up of the Mayor and City Council, discourages public participation on these policy matters, resulting in a development process which is directed solely by the interest of a few in the city structure. The redevelopment plan and the tax increment financing policies are created and administered in boardrooms with outside consultants who do not consider the full scope of the problems in National City. The consultants come into the community and provide ready-made solutions to solve the problems of National City. While this does not imply that it is done intentionally, it does reveal a need to change the way the current system is structured to a more open and inclusive process.

Furthermore, redevelopment has failed to stimulate economic prosperity for the entire city. This failure can be attributed to two primary reasons. The city's dependency on the National City "Mile of Cars" commercial core for tax revenues which makes it vulnerable to the economic climate of that sector. For example, during the last economic recession of the early 1990's, the city's expected revenue from the sales of cars decreased significantly by 15%. (Desrochers 1994) This decrease caused a budget deficit in the city which postponed the development of other projects such as construction of additional low-income housing. In addition, employment opportunities provided by these car dealers are not an adequate match for the demographics of the communities. There is a mismatch between the highly trained labor force which showrooms require and the low skills of National City's labor force. Adequate training for city residents is not offered.

(Desrochers 1994) This use of the city's economic development funds illustrates how strategies are narrowly focused.

This economic development strategy implemented throughout the last ten years has not generated economic growth for National City residents. For the residents and employees in National City statistics indicating poverty offer no surprises. The urban scene contains signals of economic difficulties: the scrawling of graffiti, visible gang activity, high incidence of crime. (Pastor 1993) The dimensions of poverty for the city highlight a need for effective and comprehensive intervention to target the pressing problems. To answer the final question of who suffers from a development strategy that has failed to integrate the needs of the community, demographic indicators must be analyzed. An economic profile compiled (Table 1.1.) from the 1990 Census for the National City population in relation to the San Diego City population indicate the magnitude of the economic crisis.

This economic overview begins with an examination of income outcome. National City's per capita income is half that of San Diego's. In addition, Table 1.1. reveal the percentage of people in San Diego living below the federally defined poverty line in National City as twice that of San Diego. This concentration of poverty translates into 20% of National City residents on public assistance. Another indicator important to documenting deteriorated economic conditions for a community is overcrowding. Overcrowding is an indicator of housing affordability. Renter overcrowding is high (35%) compared to (18%) of owner households. (Cotton/Beland 1993) The Census defines overcrowded households with greater than 1.01 persons per bedroom. (Cotton/Beland 1993) This renter overcrowding is higher than the county wide incidence of 20%. (Cotton/Beland 1993) Housing age and condition provides insight to additional potential needs. Almost half of the City's housing stock is over 30 years old and potentially in substandard conditions. Of the City's occupied housing stock 3,236 units (22%) are classified as substandard in 1990. Of the substandard units 226 units

(about 8%) are deteriorated and need to be replaced. (Cotton/Beland 1993)

Table 1.1.

Economic profile of National City and San Diego City.

Indicators	National City (percent) Population	San Diego City (percent) Population
Unemployment rate	10.9	8.0
Families on public assistance	20.0	8.0
Poverty rate	20.9	9.7
Per capita Income	\$8, 658	\$16,401

Source: Compiled by Mirian Avalos from 1990 US. Census.

Table 1.1. illustrate how the National City population is experiencing high rates of poverty which suggests a need for an effective social service delivery system. Furthermore, unemployment rates suggest a need for an effective human capital development as well as employment generating initiatives. This increased demand for social and economic assistance is complicated by the fact that National City public agencies do not generate additional funds to face the insurmountable problems.

The Mexican American community has not benefited from the narrowly targeted economic development strategies. Mexican Americans are experiencing disproportionate economic distress compared to the White population as demonstrated in Table 1.2. (US. Census 1990) It is vital for "The Development Game" players and the community to take interest in the plight of this group.

TABLE 1.2.**Economic profile of Mexican Americans and other racial groups in National City.**

Indicators	Whites (25%)	Mexican (49%)	Black (9%)	Filipino (17%)
Percent of Population				
Unemployment	8.0%	12.8%	15.8%	6.9%
Per capita income	\$12, 568	\$6, 411	\$8, 800	\$8, 426
Poverty rate	13.2%	27.3%	29.4%	13.7%
Labor force participation	67%	60.9%	81.8%	72.0%

Source: Compiled by Mirian Avalos from the 1990 US. Census.

To ignore these economic indicators would only worsen social and economic problems for the entire city. It is critical to find comprehensive ways to reach the needs of the entire community, and especially the Mexican American community. Mexican Americans' median age is 23 years old compared to 27 year old for the rest of the City. Thus, Mexican Americans will constitute a larger portion of the labor force in the next five years. National City needs to invest in developing this human capital pool in order to assure future economic growth. Economic and social planning must maximize the potential contributions of National City's Mexican American community. How can community development improve the future of this Mexican American community?

CHAPTER 2. METHODOLOGY

The Barrios are Chicano by repeated external definition both in the past and continuously in the present. (Moore 1978)

The case study method is used with both the *Mercado del Barrio* and the National City Swapmeet, because of the following reasons; 1) it analyzes historical development of the barrios; 2) compares demographic composition; 3) documents inclusiveness in "The Development Game;" 4) identifies openness to small business; and 5) highlights a holistic approach. Initially, both cases were selected for their intrinsic interest and because they provide criteria for evaluating a Mercado initiative in National City. Appropriately evaluating the potential for a Mercado initiative requires examining the context within which institutions could either impede or promote development. These cases were selected because they illustrate the interaction of politics, development, and business and their potential impact on a Mercado initiative.

Comprehensive community development looks at the entire composition of a community and envisions it as a unit. It then looks at all the various influences on this unit which exercise power over it, direct it, affects its ability to advance the unit, and to a certain extent determine its destiny. (Poston 1976) Comprehensive community development is effective if the whole picture is analyzed. The most crucial aspect of comprehensive community development is the concept of total analysis which neither attempts to address all needs simultaneously, nor combines otherwise independent initiatives. Focusing on the interrelations among the strategies provides an understanding of the unit's needs and strengths to shape development strategies. Thus, allowing for dynamic impact over time.

The three main characteristics of place-based initiatives are used to evaluate the potential of the Mexican American community in National City. Prudence Brown (1993) summarizes place-based initiatives as "one place one people," as follows:

- a) bridge building between different community based initiatives;

b) recognition of the role of the individual within a collective cohesive initiative; all

c) targeting a specific geographic area. (Brown 1993)

In addition, Brown also outlines five important aspects of community life which are addressed in comprehensive initiatives:

- 1) Economic opportunity and security: examples of this would include neighborhood based financial institutions that fill the "capital gaps" which exist in the community. Providing a community adequate revitalized commercial services.
- 2) Adequate physical development and infrastructure: This includes providing affordable housing, re-establishing essential services to the community.
- 3) Safety and security: The emphasis lies in securing the community and using land use enforcement to make safety a priority.
- 4) Well-functioning institutions and services: Examples include improvement of schools and health services. The coordination of delivery of social services.
- 5) Social capital: The empowerment of a community, were the maintenance of social relationships is key. (Brown 1993)

While not all of these are necessary, the most fundamental quality is essentially to have respect for the inherent knowledge of the people from the community, to be creative, and to coordinate the initiative at the margins. Thus, the place-based and people oriented approach is more sensitive to "cultural issues" than the traditionally based federal programs. (Brown 1993)

As a Development Intern in National City last summer, I realized that the economic and social crisis National City's Mexican American community is experiencing is more a need for choices than it is a crisis. Mexican Americans need to be full partners in development and hence need choices to integrate into "The Development Game." The

sole economic development model in National City yields mixed results. Thus, I set out to evaluate the potential of a holistic place-based initiative using Brown's five criteria. This experience added to the evidence for the evaluation of this thesis. Additional evidence comes from interviews with Mexican American merchants, students, planners, designers, architects, National City planning and development officers, and City council members.

Mexican American barrios are held together cohesively by families and social institutions yielding less welfare dependency and fewer female headed households. (Moore 1988; Cuciti and James 1980; Melendez: 1993) Poverty for Mexican Americans is derived from low wages and barriers to economic opportunity (Melendez 1993). Given the poverty levels among Mexican Americans in National City, identifying potential for opportunities for micro enterprises and small business is important. Yet, this thesis first illustrates the barriers which contribute to the low rate of Mexican American entrepreneurs in National City.

For Mexican Americans in Southern California, Mercados whether created or transformed are inherently tied to the manifestation of their culture. This paragraph explains how Mercados embody the social fabric of commerce, identity, and culture of the Mexican American community. They encompass some of the previous characteristics of place-based initiatives. The marketplaces or the spaces where Mexican Americans come together for consumption of commodities are a conglomeration of different layers of experiences. Some view these marketplaces as spaces where commodities are consumed. Others who work in or visit these spaces view the activity as a social occasion, a festival. The following conclusions were derived from informal interviews with Mexican American students who are inhabitants of malls because of education, assimilation, and acculturation, and inhabitants of Mercados, *Pulgas*, Swapmeets and Taco trucks because of culture. These urban scenes transcend education, class, and geographic boundaries. The *tortilleria*, the *carniceria*, and the blue canvas lined store

serve as training grounds for entrepreneurial skills. In Texas they call them *Pulgas*, in Arizona they are called *Los Perros*, in Calexico they are called *Las Palmas*. These marketplaces are a common thread amongst what Mexico's most prolific of writers, Carlos Fuentes, describes as "The Third Hispanic Development," the American Southwest. (Fuentes 1993)

Opportunities and Mercados alone do not solve the problem and much has been written about the need for support to small business and the value of micro enterprises. Entrepreneurs and merchants need to be linked with a comprehensive support system of technical assistance, financial guidance and human capital development. Departing from the dominant paradigm of economic development initiatives, which advocate large scale employment. (Shorebank 1992) Scholars and practitioners of micro enterprise development support "indigenous, locally-owned, and internally driven economic growth [that] may create greater long-term stability in local economies." Within different minority groups, excluded from "ownership and wealth creation," microenterprises are beginning to be acknowledged as fundamental to "the social psychological and economic barriers that limit access to the mainstream economy." (Shorebank 1992) It is important to evaluate how a Mercado initiative with comprehensive assistance might provide Mexican Americans with access to small business and micro enterprises.

The National City Swapmeet offers a synthesis of the theories presented. The choice of the Swapmeet case study relies on a "one people and one place" approach. It shows how a community blends culture with economic activities. In addition to being a place of commerce where the Mexican American community buys and sells products and engages in business activity, the National City Swapmeet is also a place for socializing and entertainment. Furthermore, the Swapmeet also highlights the tensions between the various factions within National City. "The Development Game" players do not value the merchants or the social networks but rather they view the Swapmeet as further evidence of blight. Thus, they set out to eradicate the Swapmeet. Mexican Americans are not

included in "The Development Game" because they do not actively participate in the land use decisions surrounding the Swapmeet. The Swapmeet is inherently linked to the National City and its economic and social activities are played out in the city. The lessons learned from the case study are applied to evaluate the potential for a Mercado initiative in National City. Furthermore, the potential of the Mercado initiative considers what role the National City Swapmeet may play in the creation of a Mercado for National City. The goal is advancing the development of the whole community.

The *Mercado del Barrio* case study provides the framework for evaluating the potential of a Mercado initiative. I specifically take into account the impact of economic and social conditions for successfully stimulating community growth. *The Mercado del Barrio* utilizes a comprehensive coordination of housing, education, technical assistance and a "one place one person" model. It provides a place-based initiative for comprehensive community development for Mexican Americans in Barrio Logan. The proposed physical design of the *Mercado del Barrio* and process in which it is being developed include Mexican Americans in "The Development Game" of San Diego. Finally, the Mercado provides opportunities for Mexican Americans to start small businesses and micro enterprises and provides the support system through loans, education and technical assistance.

I am able to apply the lessons learned in Barrio Logan to the Mexican American community in National City because both communities have similar histories of exclusion including an inability to exert control over community land use. While my evaluation does not prove that the same synergism created by the Mercado del Barrio will occur in National City, it is still useful in that it provides a model for evaluation. If the Mercado initiative in National City offers a place-based development strategy, which includes Mexican Americans in "The Development Game" and provides opportunity for small business development then potential is established. My research is qualitative and further quantitative research is needed to assess the financial feasibility of such an initiative. This

study should include development scheme (i.e., pro-forma of all hard and soft costs) and an analysis of demographics in order to assess future demands. The competition should also be analyzed. Finally, a cost benefit analysis of the public money spent to generate new employment is needed.

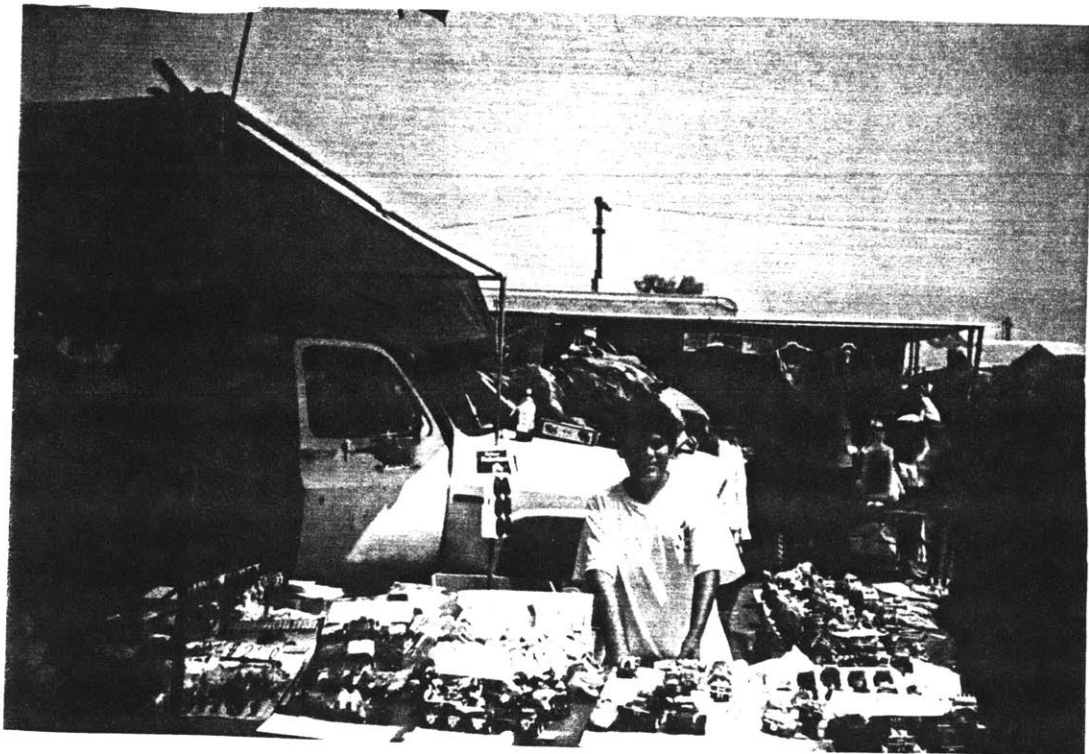
This thesis is divided into three sections. The first section discusses how Mexican Americans are excluded from the social, political and economic process in National City. The second section looks at the potential for the Mercado using the analysis of two case studies. I present the National City Swapmeet, traditionally a marketplace for Mexican Americans and illustrate how this Swapmeet provides opportunities but does nothing to incorporate Mexican Americans into "The Development Game." The case study of the *Mercado del Barrio*, includes Mexican Americans in "The Development Game" while providing business opportunities. In the last section, I present the evaluation of the potential for a Mercado initiative in National City to provide business opportunities, and include Mexican Americans in "The New Development Game."

Part II. NATIONAL CITY'S MEXICAN AMERICAN COMMUNITY

AND HOW MANY CHICANOS WILL DIE?

*A CHICANO WILL DIE TODAY OR TOMORROW
AND ALL THAT IS LEFT IS PAIN AND SORROW.
I SOMETIMES WONDER IF WE'LL EVER GET AHEAD.
WITH ALL THE VIOLENCE THAT LEAVES US DEAD.
WE SAY WE ARE PROUD BECAUSE WE ARE BROWN.
BUT WHY DO WE PUT EACH OTHER'S BARRIO DOWN?
AND HOW MANY CHICANOS WILL DIE THESE
NEXT YEARS?
ONLY TO BRING THEIR PARENTS IN TEARS?
WE DON'T FEAR THE WHITE MAN OR BLACK MAN ANYMORE
BUT ONLY THE GUYS WHO STARTED THIS WAR.
IT'S TIME WE STOOD HAND-IN-HAND.
NO MATTER WHERE YOU LIVE IN THIS LAND.
MAYBE SOMEDAY WE'LL RESPECT OUR BROTHER
AND STOP FROM SENSELESSLY KILLING EACH OTHER.*

*MELISA COSIO
MRS. LARSEN'S 5TH GRADE CLASS
PALMER WAY SCHOOL
NATIONAL CITY, CALIFORNIA
JUNE 1993*



CHAPTER 3. URBAN EXPERIENCES OF MEXICAN AMERICANS IN A BARRIO

In the Pre-Community Service Organization days, whenever a Mexican American had a problem, regardless of whether that problem was related to the police department or to various services concerned with streets, lights, health education or no matter what that Mexican-American was always referred to the dog catcher.... The post was always filled by either political party with a Spanish speaking person... Imagine, every time something came up which had anything to do with the city, we would have to go to the dog catcher. But not anymore... you saw yourself, Mr. Alinsky, at the meeting tonight. There is the mayor, the chief of police... Ever since we registered people and did all those other things lots of changes have come about." (Finks 1984)

3.1. Introduction

National City may be divided into the place of the have and have-nots; those with power and the powerless, those in control and the disenfranchised. City Hall, development, and businesses are controlled by Anglo Americans. Economic activities serving the poor are controlled by a diverse group of Filipino Americans and Korean Americans. Mexican Americans, who represent the largest population group, lack control and participation in the political machine, the development process, and the business opportunities. Mexican Americans represent a historically disenfranchised community in National City.

The goal of this chapter is to establish the context within which the potential of a Mercado initiative is evaluated. It shows how the relationship between Mexican Americans and National City's social political institutions at moments negates the existence of this community. These social structures impede cultural and racial expression, limit the growth of the entrepreneurial spirit, and restrict political power fundamental to community empowerment. This chapter is divided into five parts which include the following: 1) the historical presentation of barrio formation in National City; 2) political power and the Mexican American community; 3) land use conflicts between Mexican Americans and "The Development Game"; 4) barriers to Mexican American enterprises; 5) a discussion of comprehensive development and Mexican Americans.

3.2. Rancho de la Nación and the West Side: An historical analysis.

The history of National City's barrios illustrates the repeated external influences which shape the morphogenesis of Mexican American communities. The following is a chronological account of the major events which shaped the Mexican American community. Political, industrial, and demographic changes characterize these events. El Rancho de la Nación was the original name of National City, a land grant of 26.6 acres given to Don Juan Forestor by then California Governor Pio Pico. (Moyer 1969) In 1868, twenty years after the treaty of Guadalupe-Hidalgo (1848), John Kimball purchased the land grant for \$30,000. (Moyer 1969)

In the 1920's, the Mexican American community occupied the West side of the city. St. Anthony's Catholic Church was the center of this devout Catholic Mexican American community. Kimball school, which was in the front of the Church, served the Mexican American population. The activities of the barrio centered on the church and the school. The West side evolved as a separate and segregated community within National City. Many of the residents who established homes in the West side during the early 1920's and 1930's were political refugees escaping the Mexican Revolution.

From the 1950's through the 1960's, the west side population grew significantly to extend throughout a large part of the west side of National City. This community was surrounded by a mix of industrial and manufacturing plants. Despite its growth the barrio remained segregated. After sundown, Mexican American youths, who wanted to go to the football games were not allowed by the police to go east of National City Boulevard, the dividing line between the barrio and the rest of the City.

In the 1960's, the construction of the Interstate 5 freeway destroyed this thriving barrio of the west side. Families were forced to relocate to the east side of National City boulevard. Other minority communities in San Diego County were similarly dispersed. This disbursement resulted in community fragmentation, higher taxes and relocation into poorer housing units for higher rents. (Kurtz 1973)

The 1970's saw major rearrangements: Mexican American families clustered into housing projects; Navy families reassigned; and major employers closed. A newly constructed large low income housing complex became the center of the second generation of Mexican Americans. The BumbleBee Canary and the San Diego downtown Garment District were the places of employment for women from the West side. Thus, closing of the BumbleBee Canary left a significant number of Mexican American women unemployed. The reassignment of military personnel decreased the population by 2.6 percent. (Stutz 1986)

"White Flight" and a large influx of Mexican Americans into the city drastically changed the demographic composition of the city during the 1980's. The total growth for the decade was 11% compared to a decline of 2.6% of the previous decade. (Cotton/Beland 1993) The white population diminished by thirty percent while the Mexican American population simultaneously grew by forty percent. This change in demographic profile led to some scholars noting how National City had lost its "charm." (Stutz 1986)

3.3. Political Power and Representation

Three factors depict the political exclusion of Mexican Americans in National City, low numbers of eligible voters, voting rights discrimination and historical lack of political leadership. Voter eligibility amongst Mexican Americans is low due to language and citizen status. The predominance of the Spanish language in the Mexican American community and large number of foreign born residents has contributed to political disenfranchisement. Of the Mexican American population 85% speak Spanish of those 55% only speak Spanish. (US. Census 1990) In National City, 54% of Mexican Americans are US. Citizens. (US. Census 1990) Mexican Americans as a population have low rates of naturalization. (Chapa 1991) Thus, the Mexican American community has a large percentage of the population which pays taxes but is not able to exercise its opinions in the ballot box.

In 1989, the Chicano Federation filed a lawsuit against National City on behalf of the Mexican American population for voting discrimination contesting National City's at-large elections. The 1964 Voting Rights Act, moved voting rights from one vote one person to proportionate representation, contending minority groups have been historically underrepresented. (Desrochers 1994) The Chicano Federation v. City of National City argued that the Mexican American community could never elect a candidate of their choice because of at-large voting, as opposed to district voting where the City is divided into different districts. (Desrochers 1994) In the districts which are predominately Mexican Americans, they are able to choose a candidate that supports their interest and needs. The Chicano Federation lost the case primarily because it inadequately argued against historical voting rights violation. (Desrochers 1994) The issue of voter eligibility and language became crucial to failing to prove historical voting rights violation.

In 1988, the second Mexican American in the history of National City was elected to the city council. In 1992, another Mexican American was elected to the city council. While political representation is being achieved, there still is disproportionate underrepresentation of Mexican Americans in key city departments. Offices charged with development and the deliverance of social services have no Mexican Americans in policy making positions. (Desrochers 1994) Thus, Council member Ralph Inzunza and Council woman Rosalie Zarate must play a major role in managing the internal workings of the political structure, to provide comprehensive development within the Mexican American community. In addition, the Mexican American community must hold their political leaders accountable. This will be difficult since Mexican Americans have such a low voter turn out and low eligibility. These council members will face the common perception among other policy makers that their community's interests are not manifested in votes. Therefore, methods for community organizing are crucial for achieving political incorporation.

3.4. Land Use Conflicts

Land use conflicts center around three important issues: the siting of toxic materials near Mexican American Barrios; redevelopment policies; and, low home ownership rates. Resulting in land use decisions which does not incorporate the Mexican American urban experience in National City. While the "Mile of Cars" is being redeveloped, the West side is marred with zoning discouraging community development and encouraging industrial activity. It lacks infrastructure development such as street lighting, sidewalks and has poor delivery of public services. (Desrochers 1994) These factors contribute to the further deterioration of this barrio.

Several factors contribute to a marginal and a transitory existence for Mexican American communities in National City. Redevelopment plans implemented by the city negatively impact Mexican American neighborhoods. Development plans specifically advocate for changing the demographics of the city. Land use regulations encourage high density housing resulting in very large percentages of absentee land owners. The Mexican American population has an extremely low ownership rate of 32% as compared to Whites who have a 54% owner occupied rate. (US. Census 1990) In addition, to redevelopment, hazardous material siting in the West side further substantiates the lack of interest in this Mexican American community. Thus, the State of California continues to award permits to the Navy to place hazardous waste next to the West side community.

In the period between 1987 through 1993, three toxic spills caused Mexican Americans to evacuate the barrio of the West side. The following is an account of testimony presented by residents in a State Department of Environmental Protection hearing:

In the middle of the day, National City police cars began to announce in English of an evacuation of the West side. Needless to say, the large number of Mexican American elderly which neither understood English nor had access to transportation were left in the area until relatives or neighbors were able to evacuate them. Kimball school children were bused to neighboring cities and parents were expected to pick them up, some mothers had no access to cars had to wait until the evening for relatives to pick up the children. Toxic siting in this community must be stopped, this has occurred three times. (EPA hearing 1993)

Last summer, the State DEP held a hearing in National City to determine whether to extend the permits for toxic storage to the Navy. Residents of the City and experts presented testimony on the above incidents. The federal officials and environmental activists reprimanded both the police's failures to respond adequately and the local authorities disregard for the Mexican American community.

In the 1980's several redevelopment plans resulted in 75% of National City placed under a Redevelopment Zone. The city implemented measures encouraging the transformation of National City into a retirement community. Two events substantiate this statement: 1) the building Morgan Senior Towers and Kimball Tower; 2) the proposing the Geriatric Center. At the time large amounts of federal money were available for elderly housing. The Downtown Redevelopment Plan was awarded grants to develop mixed income elderly housing. The city used the money to remove Mexican American families and build two large senior housing centers. The logic behind this can only be explained by a desire to change the demographic composition. The elderly population in National City was the smallest and the population of National City was the youngest in San Diego County. Thus Morgan Senior Towers, named after the mayor at the time, and the elderly center was constructed. In addition, the City attempted to condemn the National City Swapmeet and construct a "state of the art" Geriatric Center. These two examples highlight the effect of redevelopment on the Mexican American community.

3.5. The Business

Externally and internally, the scenes on the streets, outside homes, in churches and in the shopping centers make National City a Mexican American place. However, the Mexican American community lacks opportunities which result in small business ownership. The 1990 census data show that only 408 Mexican American persons were self employed. Other minority communities, such as the Filipino American community owns a large number of the small businesses. Of the 2,000 businesses it is estimated that

15% are owned by Mexican Americans and 40% owned by Filipino Americans.

(Desrochers 1994) Mexican Americans in National City engage in entrepreneurial ventures. However, Mexican Americans face barriers to entrepreneurial growth which include: land use regulation, barriers to access to capital, and lack of networks or inter business relationships.

A significant amount of the Mexican American small business can be classified as micro enterprises which operate in the informal sector. This demands technical assistance for all Mexican American entrepreneurs to maneuver the permit process and comply with land use regulations. These barriers along with a high rate of linguistically isolated households are some reasons for why the Mexican American population is blocked access to beginning enterprises. This requires "networking" between the Mexican American owned business and the formal business community. It is crucial for the Mexican American community to make the National City Chamber of Commerce recognize the importance of building partnerships with the community's merchants.

National City has 6 banks, 2 savings and loans firms and 1 saving and loan operations center. (National City Chamber of Commerce 1992) Of the major banks in the area, only Union Bank has made a strong Community Reinvestment Act (1974) commitment to the Mexican American community to offer assistance in first time home ownership programs. (Desrochers 1994) The significant low rate of home ownership in National City and low equity values limit the cash flow for business development. Studies show small business owners usually take out home equity loans or second mortgages on their homes to raise capital for business. (Sternlieb 1993) Basic business skills such as record keeping and drafting a business plan are essential to attract investment and loans. Thus, the low number of Mexican American businesses is attributed to little access to capital and insufficient knowledge of basic business skills. (Bergess interview) This is exacerbated by local banks not willing to make micro enterprise loans because of the high cost of processing an application. (Sternlieb 1993)The Mexican American firms that exist

in National City face obstacles of expansion, and lack of access to government contracts, they have difficulties breaking into established supplier relationships. (Desrochers 1994) The large major supermarket stores buy locally made Mexican food items for example most of the tortillas, sauces, and other Mexican grocery items come from Los Angeles.

Everyday, a small brown van stops outside a pink tenement building. The van opens up and inside there are vegetables, tortillas and other food items which the Mexican American merchant sells to the residents. The Mexican American community embodies entrepreneurial spirit. On weekends, Mexican men and women, take-over abandoned lots to sell merchandise. They have weekly garage sales to sell appliances they have repaired. Mexican women establish networks to sell hand made items such as ceramics and tapestry. They also make food which is sold to different businesses and residents. However, "The Development Game" players continuously enforce policies to impede these practices. The police and City officials crack down on these Mexican merchants and fine them for not having a business license.

3.6. The Business, Development, and Politics

Just as comprehensive development takes in the various influences on the unit, this chapter documented the various influences on the Mexican American community in National City. It detailed politics, business, and development and their exercise of power over the Mexican American community. It analyzed how these institutions affect the Mexican American community's ability to achieve ownership in business enterprises. Similarly, it analyzed the effect both positive and negative these institutions have over Mexican Americans to be able to determine their barrio's destiny.

This chapter also highlighted several needs within the Mexican American community: a) control land usage; b) increase home ownership; c) increase business opportunities and technical assistance and networking. A comprehensive development initiative does not require all needs be met simultaneously, but advocates for the connections between the spheres of business, development and politics. Focusing on these

interconnections will provide an adequate stage from which to evaluate proposed initiatives for this Mexican American community.

PART III. THE POTENTIAL OF THE MERCADO

Cultural typologies: probably the most common source of images and the most powerful unifying force for the community is "collective memory" and experience. (Black Environmental Design Student Association 1992)



CHAPTER 4. THE NATIONAL CITY SWAPMEET

That ran shackled flea market now sited on the old dump site- make shift display racks, tent shelters, rickety tables- may be here a few days and disintegrated at the season's end. Or it may tap a larger market, become stabilized, go through successive changes, adding a filling station, owner's trailer, and then trailer court, fetching piped city water and sewers, and soon the first franchise chicken hamburger drive- in. It all happens over time. (Clay 1989)

4.1. Introduction

Grady Clay called his flea market an ephemeral place that comes and goes and for a brief moment captures a cultural form. This paragraph paints an image of the National City Swapmeet which is also an ephemeral place. The importance of this place lies in its social fabric. To walk the aisles of this outdoor week-end Swapmeet is to experience a multi-sensory invasion, the smell of burritos and at once you are assaulted by the vocal advertisements of the merchants yelling, "3 T-shirts for 10 dollars!" The bass coming from the woofer speakers is enough to make your heart skip a beat. You can experience trying on new clothes in the open air of a canvas draped dressing room. One sign outside the shop states ENGLISH IS SPOKEN HERE! Most startling is the sight of Mexican women walking with their children, each one, holding two or three white bags full of merchandise.

This section presents a case study of the National City Swapmeet. This case study offers important insights into the power Mexican American merchants have when organized. Simultaneously, it offers insight on how little leverage Mexican Americans have in "The Development Game." The case study elucidates the nature of commercial spaces needed for development of small business and micro enterprises for Mexican Americans in National City. It also provides insight on how Mexican Americans have transformed this business. The case study is divided into three parts. First, explanation of

place, presents the merchants, merchandise, space business activity, operation and provides the rationale for each. Secondly, it outlines the Swapmeet's four development phases: 1) the creation of the Swapmeet; 2) Mexican American influence; 3) National City's Swapmeet in decline; 4) attempts to close the place. Finally, it provides lessons for evaluating the potential of a Mercado initiative for National City. Fundamental to this is the role the Swapmeet may play in this initiative.

4.2. Explanation of place

Many people who sell there now, if forced out would go on public assistance. Many families would see their American dream of running their own business shattered. I want to be there at the National City 50 Swapmeet years from now. (City Council 1989)

This section presents the merchants, the merchandise, the space, and the business activities of the National City Swapmeet. It also presents internal logic and social fabric of National City Swapmeet. The activity of merchants is important because it provides an explanation of what "networks" the Swapmeet merchants have to other outside institutions. This section also provides insight into the kind of assistance merchants need in developing entrepreneurial skills. Merchandise is important. What is sold? Where it is purchased? Is it wholesale or retail? The answers to these questions provide understanding of commodities within the Mexican American culture. The activities operating in business space indicate configurations which work for National City merchants.

4.2.1. Merchants

Merchants who sell their own personal assorted items are allowed to do so no more than three times a year without purchasing a business license. They need to purchase a selling ticket, fill it out and return it to the management. After more than two times a year the merchant must possess a valid National City Business License. (National City Swapmeet 1978)

Merchants begin in the Swapmeet with small stands. They drive to Los Angeles during the week to purchase merchandise wholesale from the warehouses and then sell the merchandise either retail or wholesale. Some customers buy wholesale, others retail. The merchants hire day laborers, Korean American or Middle Eastern merchants hire Mexican workers when they begin working in the Swapmeet and after a while they learn the essentials of the Spanish language. When they provide distinct quality merchandise, they develop a customer base. As their income grows they are able to set up shops in other places. Some National City merchants open a retail store in a shopping center strip close to the border so that their clients can cross the border and purchase their merchandise during the week. Others open a small store in the barrios and extend invitations to their Swapmeet customers.

4.2.2. Merchandise

The demand for the Swapmeet grew out of a need for two specific types of merchandise, 1) ethnically-oriented merchandise 2) low priced goods. Ethnic goods include, such items as Spanish language music; some of which is pirated. Jewelry and clothing are important because they cater to the customers' tastes. Televisions, radios, phones and other household goods are sold at the Swapmeet. The mix of low priced merchandise in the National City Swapmeet ranges from hardware, jewelry, cards and gifts to family shoes, ladies lingerie, hosiery, and fresh fruits and vegetables.

4.2.3. Business Spaces

During the week, the Swapmeet is a vast deserted land; white lines on the black asphalt determine the lot merchants' spaces. The only permanent structure is a green building which houses the management office. On an average weekend day at the National City Swapmeet more than 30,000 people attend. Yet, the city only collects \$30,000 dollars from the property owners from a 1% sales tax. (Desrochers 1994) Some merchants have small lots, others have large ones, but are content with the fact that they hold leases for a much longer period of time. Each merchant must clearly display their

business license. Even though some have permanent stalls, the management does not allow selling or displaying activity from an enclosed space. All activity is open.

4.2.4. Workers

“Do you need some help?” Ask the young women who go around to each of the merchants seeking employment. Some are undocumented workers others are high school students too young to work legally. They spend their summers working in the Swapmeet for merchants who do not speak Spanish; they get paid \$50 dollars per weekend. Most of the women have permanent jobs there, but on occasion, do temporary work.

4.3. Development Phases

Four development phases mark the case study presentation of the National City Swapmeet. The first phase includes the creation of the Swapmeet, its initial merchant composition, and the merchandise sold. The second phase explores the increase in the Mexican American population and the rise of Mexican American merchants. The third phase provides reasons for the decline of the National City Swapmeet. The last phase offers the city's argument to close and condemn the Swapmeet. It illustrates the power of unified merchants to keep the place open, but it also further exemplifies the exclusion of the Mexican American experience from "The Development Game."

4.3.1. Phase One

The National City Swapmeet is one of the oldest Swapmeets in all of San Diego County. In 1962, Spring Valley residents Terry Derr and family established the National City Swapmeet as a weekend farmers' market. Local farmers brought fruit and vegetables to sell at the Swapmeet. Durable merchandise was also sold and was divided equally into old merchandise, such as tires and wholesale merchandise, hardware and crafts. There were approximately 170 merchants during this time. Approximately 90% of the merchants were non-Mexican, but many of the consumers were undocumented Mexican workers living in National City. At this time, the Swapmeet was locally oriented towards Mexican

Americans who were from the West side. Since, the sellers were unable to speak Spanish, many of the merchants hired Mexican American youth during the weekends and summer to act as interpreters or to sell the merchandise themselves. In addition, during this period, the Swapmeet was only half its current size of 1.5 acres and it only had two entrances located on "D" and "E" Avenues. The parking was inadequate for the Swapmeet's business and, consequently, a large overflow of street parking and traffic congestion resulted from the lack of parking spaces available.

4.3.2. Phase Two

During the 1980's, the Swapmeet grew to about 300 permanent businesses and brought in approximately 1.5 million people a year by operating only on the weekends. During this period, 11% of all National City businesses had their address listed as the National City Swapmeet. (City Council Meeting 1989) The Swapmeet also employed nearly 1,000 people, in addition to the many laborers hired by most of the 300 businesses. (City Council Meeting 1989) It was during this time period when the Swapmeet expanded to its current form; it nearly doubled in size and added 100 additional parking spaces.

The merchants, buyers, and the type of merchandise also changed during this period. At the beginning of this period, the merchandise being sold did not reflect the consumer preferences of the Mexican American community of National City. However, the increase in the Mexican American population of National City drove the supply side of the Swapmeet to meet the demands of the changing consumer base. The devaluation of the Mexican peso allowed Mexican consumers to purchase comparable goods in the United States. (National City Chamber of Commerce 1992) The National City Swapmeet was the only Swapmeet located in the South Bay area, consequently, it witnessed a greater increase in the number of Mexican consumers. The majority of the business owners were still non-Mexican, thus, many of them had to hire additional bilingual Mexican Americans living in National City. At the same time, those Mexican Americans who had been working at the Swapmeet for some time, many of them since its creation,

began setting up retail shops outside National City and others began to purchase their own businesses and sell products at the Swapmeet.

4.3.3. Phase Three

As the number of Mexican American business owners continued to increase, the capital raised from the Swapmeet allowed the Mexican Americans to hire their own workers. However, because the owners could now speak Spanish, the workers no longer had to be bilingual to sell the merchandise. Consequently, the Mexican American owners began to hire undocumented Mexican immigrants because they were willing to take lower salaries than the Mexican Americans. This resulted in a loss of jobs for the Mexican Americans of National City.

In 1990, the San Ysidro Swapmeet, located directly across from the Mexican border, opened for business. The San Ysidro Swapmeet, unlike its predecessor in National City, was established in an enclosed building. It was open daily, and for added convenience for its customers, provided a shuttle bus from the border to its facilities. The San Ysidro Swapmeet began to compete with the National City Swapmeet because of its location and selling comparable goods. It very quickly succeeded in luring many of the latter's customers who no longer had to travel 20 miles to National City.

The number of Mexican shoppers at the National City Swapmeet also declined in part due to the Immigration Reform and Control Act of 1986. The awarding of legal residency status to undocumented Mexican workers allowed to move freely across the border. They were again able to purchase the ethnically oriented goods in Mexico at better prices than were available at the National City Swapmeet.

Thus, the increased competition of the San Ysidro Swapmeet and the loss of the oligopoly on ethnically oriented goods by the National City Swapmeet resulted in a decline of about a third of the Mexican consumers who had traditionally crossed the border to shop at the Swapmeet. The National City Swapmeet was able to keep its prices down because it hired Mexican immigrants and undocumented workers. The Swapmeet now

suffers from a 20% vacancy rate because the number of similar markets has increased. The other markets offer better goods and services, and provides lower rents to merchants. This translated into lost revenue for management which is having a difficult time keeping up with the maintenance and infrastructure repairs of the Swapmeet. (Esparza interview)

4.3.4. Phase Four

With the construction of Highway 54 the land occupied by National City Swapmeet increased in value. Highway 54 has heavy traffic flow to and from San Diego and the suburbs. Thus, the city council attempted to purchase and then condemn the land. "The Development Game" players did not fully understand the essential nature of this marketplace to ethnic businesses and economic activity. In 1988, the National City Swapmeet began to charge its customers' sales tax because the City Council had threatened to close down the establishment under the allegation that some of the merchants were selling illegal items. Four years ago, the City Council proposed to buy the land in order to demolish the Swapmeet and build a Wal Mart chain store. Ralph Inzunza, the only Mexican American City Council member at that time led the fight to condemn the Swapmeet. He led the fight because he was proposing to build a geriatric center attached to an adult school. The City Council and the Department heads argued the following point in favor of the condemnation:

- A. The Swapmeet is not the best use for this prime real estate property
The Council first wanted to build a geriatric center, then a Wal Mart which would have produced jobs and higher property taxes.
- B. The construction of Highway 54 which borders the property carries substantial traffic into the suburbs of San Diego which creates an eyesore for the City.
- C. The city maintains little control over how much money is generated and alleges tax evasion.
- D. The merchants sold pirated merchandise which breeds illegal activities.

E. The design of the Swapmeet causes traffic congestion.

When the council decided to condemn the land, the community rallied in protest. On May 2, 1989, Terry Derr and 40 other merchants and residents presented the City Council a petition with more than 18,000 signatures demanding that the property not be condemned. All the merchants and employees that presented testimonies were Mexican Americans. Their statements to the Council informed of the potential loss of jobs and businesses with the closing of the Swapmeet. The merchants showed how the National City Swapmeet generated employment opportunities for the unskilled worker. They informed the City Council how condemning the Swapmeet would displace these workers and the merchants. The merchants also added how the Swapmeets is a place for consumption of affordable commodities. The merchants were victorious in their struggle and the City Council withdrew the motion to condemn the Swapmeet. Council member Ralph Inzunza suggested that a special committee be set up and to "get the best they can for the Swapmeet which would be what they have now, or better no worse." The purpose of this committee was for the merchants and "The Development Game" players to discuss the future of the Swapmeet, for example examining the best use of the Swapmeet property.

4.4. National City Swapmeet Lessons

The Swapmeet case study indicates the vastly different perspectives between "The Development Game" players and the Mexican American community. One institution's eyesore is another's "place of social cohesion." The Swapmeet centers on the informal economy which plays an important role in the Mexican American experience. Scholarship indicates the informal economy has a strong influence on social cohesion and plays an important role in the definition of family and community among Mexican Americans. (Chapa 1991)

This case study also signifies that the political power of the Mexican American community should not be handed over to Mexican American politicians. Ralph Inzunza did not fully understand the importance of the Swapmeet until the City Council meeting. Therefore, Mexican American merchants held him accountable for his actions.

The National City Swapmeet is an indigenous institution which the Mexican American community has transformed. Therefore, its decline signifies cause for great concern of the social cohesion of the Mexican American community in National City. While the Swapmeet achieved the criteria of being a place which provides opportunities, it does not include the Mexican Americans as full participants in "The Development Game." This does not diminish its importance in addressing some of the aspects of building community life for example the National City Swapmeet does create social capital through its role in maintaining social relationships.

CHAPTER 5. THE MERCADO DEL BARRIO

For 20 years, so many Barrio Logan residents and leaders have been involved in unaccomplished plans. When a community's dreams are crushed, violence rises from the ruins of dashed hopes. The barrio is being claimed by rival gangs, who hover in the shadows of the park.

"It's important to show them what our culture is, so kids in gangs have pride to help us change the perception of who are Mexicans. A commercial center to help us express our culture." Juarez says. The mercado is "a place to help us change the perception of who are Mexicans. A commercial center to help us express our culture." This venture is the most promising of all the dreams. It can be accomplished. It must not die. Arriba, el Mercado del Barrio! (The Tribune 1989)

5.1. Introduction

The analysis of the development of the *Mercado del Barrio* in Barrio Logan administered by the Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County (MAAC) is crucial to the evaluation of a National City Mercado initiative. The similarities in demographic composition of National City's community and Barrio Logan (See Table 5.1.) their proximity to one another about 10 miles allows for the comparison. What is more important is their history of exclusion from "The Development Game" and their high rate of poverty leads to the presentation of the case of a holistic locally based initiative for Mexican Americans in San Diego County.

Table 5.1.

Comparison of Mexican Americans in Barrio Logan and National City.

Characteristic	National City 48% of population (percent)	Barrio Logan 70% of population (percent)
Unemployment rate	12.8%	32%
Poverty rate	27.3%	34%
Public Assistance	24%	29%

Sources: Compiled by Mirian Avalos from US. Census 1990 and MAAC Project 1994.

This section is presented in three parts with the intent of providing a comprehensive analysis of the *Mercado del Barrio*. First it documents the development history of Barrio Logan's Mexican American community. Secondly, it presents the case study of the *Mercado del Barrio* focusing of three issues: a) the participation of the Mexican American community into the city of San Diego's "Development Game"; b) the number of business opportunities for Mexican Americans; c) the comprehensive place-based initiative. How does the *Mercado del Barrio* builds bridges?, How does this locally targeted initiative places importance on the role of the individual within the community? How does the *Mercado del Barrio* accomplish the five aspects of community life? Finally, it presents a summary of the lessons from this case study.

5.2. Barrio Logan

The *Mercado del Barrio* is located in the heart of San Diego's oldest Mexican American community. Barrio Logan's Mexican American population is 70% of the neighborhood's population. The demographic characteristics indicate there is in need for a comprehensive intervention to alleviate the high poverty rates of its population.

Table 5.2.

Comparison of Barrio Logan and San Diego County populations.

Characteristic	Barrio Logan (in percents)	San Diego County (in percents)
Poverty rate	33%	12.4%
Unemployment	29%	14%
Public Assistance	28%	9%
Single Parent Families	31%	17%
Birth to teenage mothers	36%	22%

Sources: Compiled by Mirian Avalos from San Diego City Schools and San Diego Association of Governments 1993 and MAAC Project 1994.

Lawrence Herzog (1990) called Barrio Logan " the historical nucleus of twentieth century Mexican American settlement in the San Diego region." I use his analysis to present the history of the development of Barrio Logan. Literature and movie documentaries have been published about the historic struggles over land in Barrio Logan.

In the 1920's, it evolved as a Mexican American barrio. Simultaneously, the proximity to the waterfront made this site attractive for heavy industry. In the 1930's Barrio Logan was rezoned from residential to industrial. (Gembrowski 1991) Proximity to industry and low income housing made Barrio Logan flourish into one of the largest concentrations of Mexican Americans. (Ford and Griffin 1988; Herzog 1990) The morphogenesis of this barrio exceed the small area in which it is located. In the 1960's the increase in the population forced many Mexican Americans to move out into other areas of the South Bay and Southeast San Diego.

For more than thirty years, the Mexican American community in Barrio Logan and "The Development Game" players in San Diego, the Unified Port District and Planning Department engaged in continuous battles over the land. Zoning strategies, land use changes were intentionally used to push out this Mexican American barrio. (Herzog 1990)

Ultimately this culminated in a fierce clash between the Mexican American community and the city of San Diego. The city proposed the construction of a bridge which ran through the heart of the Mexican American commercial core. The community struggled and eventually began to demand access to the waterfront. *Hasta la Bahia! To the Bay!* was the battle cry of this Mexican American community. Chicano Park represents the resilience on the part of a community to actually overcome city planning policies which wanted to destroy the community. Thus, in the heart of Barrio Logan and underneath the Coronado Bridge lies the only physical cultural manifestation of the Mexican American cultural experience in San Diego county.

5.3. *Mercado del Barrio*

Within this backdrop on July of 1993, the Metropolitan Advisory Committee Project began the first phase of development for the *Mercado del Barrio*. This was to be the first development in the barrio in more than 50 years. The goal was to revitalize this inner city community but to also to comprehensively implement a place-based initiative. The *Mercado del Barrio* presentation is divided into two Principles, redevelopment and support services. The *Mercado del Barrio* is a place based initiative that focuses on the delivery of services and the building of the Mercado Apartments and the Mercado commercial center.

5.3.1. Redevelopment

The 15 year struggle to create the *Mercado del Barrio* began when the Chicano Federation, the oldest Mexican American Community Based Organization in the San Diego County submitted a Barrio Logan Community Plan which entail a strategy to revive the old barrio which was devastated by the actions of planners and politicians. A feasibility study was done and then a Redevelopment Plan was adopted as described by the California Redevelopment law. In 1991 the San Diego City Council adopted the Barrio Logan Redevelopment Plan . The Barrio Logan Redevelopment Plan called for San Diego's "Development Game" players to commit financially and legally to implement physical improvements for the community. The Mercado project is the central piece of the Barrio Logan Redevelopment Plan.

5.3.1.1. Mercado Apartments

The approved project resulted in the creation of about 300 construction jobs, . The project includes a 144 mixed unit apartment complex providing low-income housing for elderly residents and families. Odmark & Thelan was hired as the consultant for the project. The design of the project was by architect Carlos Rodriguez who grew up in

Barrio Logan. The design of the apartments blend in with the architecture of the community. Buildings are two stories and are grouped in pairs around courtyards. The design of this housing incorporates the way Mexican Americans occupy space.

Metropolitan Area Advisory Committee Project and other groups held community meetings to learn what design features they wanted. The design of the apartments took into consideration the needs of the community.

Since its original conception, the Mercado Project coordinators have actively sought the participation of Mexican American architects, designers, and planners and, as a result, the project reflects the cultural heritage of the community. The construction of the Mercado apartments achieved minority participation through subcontractors of 55%. (MAAC Project 1991) The Metropolitan Area Advisory Committee Project is a substantial partner in ownership and consequently, will have a voice in the decision making process. As a representative for the community, they will have a say in what types of businesses are established in the mercado and will have influence over the hiring practices of the larger businesses in the mercado.

5.3.1.2. Mercado Commercial Center

The second phase of the *Mercado del Barrio* project is the construction of a Mexican marketplace. It will bring 300 permanent jobs, 30 businesses and on 7.5 acres. The shopping center will consist of a major supermarket chain, a restaurant, and other smaller businesses and 10 micro-enterprises. Clustered around the Mercado will stretch several square blocks of retail shops. Early studies showed that the community wanted an informal Mexican-style open-air marketplace, but this was supplemented with a large retail supermarket.

The most important element of this phase is the current initiative to coordinate with other businesses to begin developing residents for ownership of small businesses. The community college system agreed to offer business classes to individuals who wish to start a new business or expand their existing ones. They offer technical assistance to

these individuals, explaining the risks and advantages of business ownership, explain the process of getting started and seeking funds, and also serve as mentors in assessing the potential business opportunities for prospective entrepreneurs. The *Mercado del Barrio* initiative further assist with the business opportunities of the community by establishing realistic micro enterprises, support businesses as they begin the process of opening, support businesses by providing start up capital and aiding prospective business owners to get loans. The *Mercado del Barrio* keeping with the goals of place based is implementing programs but more importantly it is coordinating efforts with established business assistance centers, revolving loan funds, innovations centers in San Diego County.

5.3. 2. Social Services

The MAAC project will open an office at the Mercado Apartments offering the broad range of social services, family counseling and emergency services. The MAAC project will also be coordinating with other nearby health based community organizations to coordinate initiatives. Child care will be provided through a Head Start program which will be provided in the Mercado Apartments.

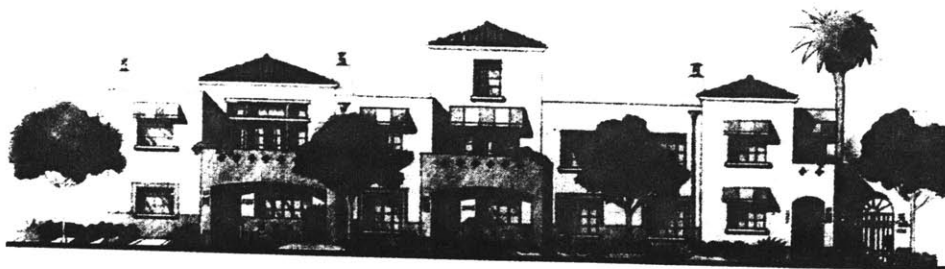
5.4. *Mercado del Barrio's* Lessons

The *Mercado del Barrio* framework builds bridges between distinct development strategies. In addition, *Mercado del Barrio* emphasis on constructing cultural typologies offers a place in which the physical form embodies cultural manifestation to further advance the community. However, the *Mercado del Barrio* still maintains the dominant notions of community development of focusing on the product and deliverance of services. Peter Medoff and Holly Sklar (1994) note how "Community development in the truest sense is only possible when the community is organized to control development."

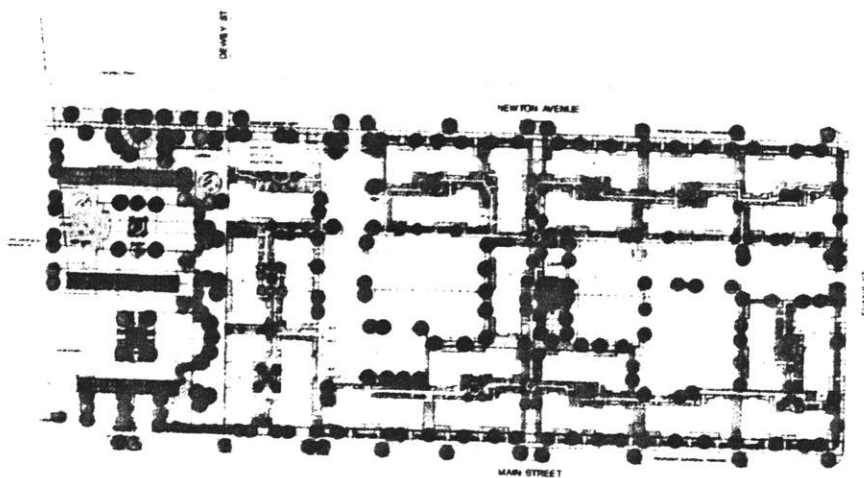
The *Mercado del Barrio* initiative is still in its first phase the results which include the completion of the 144-housing low income housing unit, as well as coordinating initiatives to create the Mercado. The challenge to this initiative lies in its ability to

organize the Barrio Logan Mexican American community to rebuild their lives and neighborhood. This case study allows the final question to be asked. What choices does the National City's Mexican American community have to come together to rebuild neighborhood and build community?

The Mercado Apartments



ARCHITECTS LORIMER-CASE



ARCHITECTS LORIMER-CASE

PART IV. A MERCADO INITIATIVE IN NATIONAL CITY?

Basic to the Chicanos struggle for equality is the land question. Throughout US. history the territory assigned to a particular group has been an indication of its wealth and status reflecting its power and quality of life. However, no matter how undesirable a location may be, residents set down roots, form communities and introduce their indigenous institutions and traditions. A consciousness of place evolves and the people develop a historical memory that helps them survive urban disorganization. The siege of communities consist of and the neglect of the infrastructure promote the ideology that the space occupied by the poor must be taken from them in order that business can use it more productively (Acuña 1987)



CHAPTER 6. "The New Development Game"

Downtown powerbrokers cannot buy culture, even in its rather expensive postmodern form. In East LA. culture is free; it blows with the wind gets scorched by the sun and it touched hand in hand or arm around shoulder. The people in the streets across the river see the office towers, and the eyes in those same towers can see these same streets. But more than a river separates a cultural community from a "cultured" society. Despite the trend towards creating spaces that separate us from each other, seeing, touching and talking face to face with each other, are forms of social interaction that still exist in East Los Angeles. In East L.A. people live to enjoy their social space. (Diaz:1993)

6.1. Introduction

There are experiences in communities of color which go against scholarly interpretation suggesting that the primordial ties that divide us as people extinguish under impacts of urbanization and modernization. (Fischer 1984) This implies that inter-group contact does not lead to assimilation as was once thought. (Fischer 1984) Communities of color have organized to no longer be the weak adjunct to the dominant coalitions of prior decades. These communities refuse to sit by helplessly watching the men which they help elect plan for barrios or ghettos from their downtown offices. The dominant structure, "The Development Game" faces a challenge to its status from below-the "Business Elites" and "The Development Game" players must rapidly adapt to the rising political awareness and expectations of racial groups that have been traditionally ignored. There are case studies of communities such as the Dudley Street Neighborhood Initiative which forced "The Development Game" players to engage in action oriented adjustments. This displaced group quickly comes to terms with the new shape of the city's social and political order which is achieved by a community organized to control development.

In addition, to celebrating their diversity, these communities of color have managed to exert control over community land use, create business opportunities and fundamentally empower its members. Moreover, this process is far from the ready-made solutions presented in boardrooms by consultants to solve the problems of inner-city

communities. However, this emphasis on process takes a long time and it is a difficult struggle to bring good intentions together.

Peter Medoff and Holly Sklar (1994) in their documentation of the Dudley Street Neighborhood Initiative identified three fundamental notions to the development of community: heart, being, and together. (Medoff and Sklar 1994) Heart refers to the fundamental desire to change the social conditions of a community, regardless of the length of time. (Medoff and Sklar 1994) Being refers to the ability to exist when no other ray of light exist, the fact that the organization which drives to solve the problems of the community is an image of the community is what constitutes being. (Medoff and Sklar 1994) Together, is what drives the process, a common experience of alienation and marginalization, and a common goal to better the social conditions. (Medoff and Sklar 1994) I take the liberty to change these words into Spanish for the Mexican American community in National City. *Con corazón y existiendo con esperanza, juntos podremos lograr nuestras metas.* With heart and being together we will achieve our goals.

The lessons from the case studies together with those of empowering communities enables us to evaluate choices for the Mexican American community in National City. How does the National City Mexican American community rebuild its neighborhood and build community? To summarize, I presented the barriers the Mexican American community faces such as political under representation, low rates of business ownership and exclusion from "The Development Game." However, to focus on the barriers will not build community. The *Mercado del Barrio* does not rebuild community in its present process it builds permanent cultural edifices. The National City Swapmeet produces community culture but does not reinforce community. The first step in building community is the ability to elevate the value of people.

This is not a simple task, the Chicano historian, Rodolfo Acuña suggest that in this present age it is more difficult to build organic leadership among the Mexican American community. Primarily because the needs and experiences of the poor Mexican

American communities are being articulated by what he calls the "Middle-Class Hispanics or Powerbrokers." So, the question becomes, how does the Mexican American community in National City organize to speak of their urban experiences, in a united manner? Unity is a noble goal. However, direction is more important, but direction must come from within the context of the community.

National City's Mexican American community has continuously remained and maintained its isolation carved out by development policies, it remains in the memories of families when they are able to escape. The belief among Mexican Americans in National City living in the poorest sections is similar to Rodolfo Acuña (1989) analysis of the "Sal Si Puedes" "Get out if you can" attitude. This state of mind precludes Mexican Americans from improving their neighborhoods and simultaneously themselves. (Acuña 1989) The answer to this setback lies in a fundamental mechanism which incorporates people and organizes to create solutions. I again borrow from Medoff and Sklar's analysis of the Dudley Street Neighborhood Initiative to create a strategy for community development. First, is the recognition of its resources within the community. Second, it must reinforce those resources. Third, it must encourage definition of community that goes below the surface level of understanding. The fundamental goal is for the community to focus on a process which incorporates Browns notion of "one place one people."

This chapter highlights the resources of the community and offers methods to reinforce those resources as well as providing a process of definition. First, it evaluates to what extent a Mercado initiative may include the Mexican American community as a player in "The Development Game." Second, it assesses the potential for a Mercado initiative to provide business opportunities. Finally, it evaluates the potential of a Mercado initiative to be comprehensive and achieve the goals of place-based initiative. Included are policy recommendations for how the Mexican American community may achieve the stated goals. Which leads to the ultimately goal improving the "Quality of

life" for all citizens of National City. Finally, this chapter provides a personal reflection on what direction the community must take.

6.2. Developing Community:

Currently several areas or projects exist in the National City community targeting the Mexican American community. The Metropolitan Area Advisory Committee (MAAC) Project based in National City has helped the residents of National City since 1965.

(Cotton/Beland 1993) The MAAC project is recognized for its expertise in assisting the Mexican American community but it also serves a broader range of clients.

It has four divisions which help the Mexican American community: 1) Human Services & Training ; 2) Health Services ; 3) Energy Services ; 4) Education Services.

Human Services and Training

Residents of National City may benefit from the vocational training, AIDS education program, South Bay Hire- A-Youth program providing youth with an opportunity to gain work experience and academic credit, and needed income. Clerical training includes basic office skills, typing and an introduction to computers. The Out-of-School Youth program links participants (primarily high-school drop outs) to training according to vocational interest.

Health Services

National City has the highest proportion of Mexican Americans in all the South Bay, and the rate of alcohol abuse in the Latino community is higher than all other ethnic groups. (Cotton/Beland 1993) The MAAC project offers services to the Latino patients from Alcoholics Anonymous meetings to *Casa de Milagros* and *Nosotros*, recovery homes located in National City for Mexican American men and women with alcohol related problems.

Energy Services

Energy Services, and emergency funds to pay utility bills. The MAAC Project also has Weatherization Services, which includes weather stripping and minor home repairs.

Education Services

Provides classes to meet short term education needs, set up classes to meet minimum citizenship requirements. This will allow applicants of Immigration and Control Act of 1986 amnesty provision to demonstrate competency in English, US civics and history to secure US. Citizenship.

6.3. "One People and One Place"

In the creation of the Mercado, a narrative must be used to explain the history of Mexican Americans in National City. These social activities must recreate a history to promote culture. The political recognition which entails the creation of a Mercado initiative, gives rise to a place of political social and economic influence and pride for the community. To build means to root a community. The Mercado will not sell just goods and services; it can cultivate, a social, political and economic empowerment agenda. There should exist within the Mercado a place for technical assistance for merchants, as well as business loans, and place for social services. The spaces should range from micro enterprises to large anchor stores which also include warehouse distributors of Mexican American goods. This attached to social services, non-profit agencies and health services agencies in National City will be a source of great local pride.

6.3.1. Inclusiveness

The Mercado initiative, following the framework of the *Mercado del Barrio*, is an initiative which includes the coordination of programs to alleviate social disintegration, physical deterioration, and economic decline. The process of developing a Mercado initiative must entail a change in land usage and the construction of a physical form. This process may be able to incorporate Mexican Americans in "The Development Game" of

National City, but this alone is not enough the community must change the rules of the game.

Since most of the area of National City is under redevelopment, the general redevelopment plan should be amended to include a specific community plan. This recognizes the resources in the community and of "The Development Game." The community must advocate for tax increment financing to be used to finance its development. Just as the Barrio Logan Redevelopment Plan, obligated financially and legally the development of the Mercado del Barrio, National City's Mexican American community must do the same. In order to do this the community must do the following: 1) identify existing deficiencies which have been done in this paper; 2) discuss the economic constraints; 3) identify the Mercado initiative as a redevelopment project, and clarify the legalities; 4) document blight characteristics; and 5) select where the project should be sited. In addition, the Mexican American community must pressure the City Council to obligate its developers to hire a minimum percentage of city residents, and offer contracts to National City based minority subcontracting firms.

The Mexican American community in National City must use the existing structure of "The Development Game" to its advantage. The challenge lies in marketing the program as one which will be most cost beneficial to the city. The National City Mexican American community must create its own Community Development Corporation in order to be full partner with the City. However, to create another mainstream institution is a precarious process. This Community Development Corporation must be guided by the vision of the Mexican American Community. The Community Development Corporation must not only redevelop, but manage the growth of the community.

A merchants association must be coordinated which should consider taking over the property of the Swapmeet and to improve its delivery of services. The logical place for the Mercado would be the National City Swapmeet. One may also consider a new form for the Swapmeet that will accommodate a more permanent physical space.

6.3.2. Business opportunities

As documented earlier the barriers to business opportunities in National City for Mexican Americans include the following: 1) low rates of home ownership; 2) limited access to capital; 3) zoning restrictions; and 4) inadequate business skills. All four of these interact with one another to preclude Mexican Americans from forming enterprises. However, government, banks and non profits are beginning to target National City with technical assistance and small business loans. The potential to remedy low rates of home ownership in National City exist . This summer the City Council adopted a measure to make home ownership for first time buyers a priority. It implemented the Federal HOME program. The challenge is to aggressively recruiting Mexican American families to take advantage of the program.

A second promising note is growth of Mexican American newspapers in the South Bay which helps in sustaining some business economically prosperous. The role of these newspapers in identifying a consumer base for these stores has been productive. The newspapers are also becoming a very important place for political discourse and community empowerment. These are important resources for the community to use when organizing a particular issue.

6.3. Policy Recommendations

Mexican American political power is "funneled" downward because Mexican Americans are too young to vote, they are not eligible because of citizen status. (Pastor 1993) In order to attack these problems, the Mexican American community of National City must begin a project to encourage political participation and voter registration. This should be linked with programs to aid Mexican resident aliens to become US Citizens. The community must increase the MAAC projects education program to specifically target the Mexican American community in National City. Thereby, National City's Mexican American community can increase its naturalization rate. This is essential

to the evaluation of potential because policy makers of "The Development Game" need to understand the leverage of political power this community may eventually have.

The Mercado must provide assistance for National City's distributors Mexican American goods. As noted earlier Mexican American merchants have problems breaking into the established supplier networks. A *tortilleria* (A tortilla factory) and a *panaderia* (a bakery) both of which supply wholesale goods which may be exported to other Mexican American communities are examples of resources in the community. This will position National City's Mexican American community as a place not only dependent to the internal economic structure but also position itself in the regional economy. It is important for this Mexican American community to create a process in which levels of merchants be developed in different sectors and create vertical linkages.

The Mercado initiative complements businesses for the National City Mexican American community. A community strategy for business must include the following:

- 1) identify local business which would prosper from the development;
- 2) identify the number and the types of business that would create reasonable mix is needed for the Mercado;
- 3) attain a thorough database of information in which business opportunities are identified;
- 4) provide a mechanism in which business startup requirements are identified;
- and 5) focus on Micro enterprise development.

Ownership in the Mercado is important, a Merchants Association with a community advisory board is the type of structure that can assure this ownership.

The National City Mexican American community should solicit the assistance of several local agencies but also the assistance of Latino public policy organizations, such as the Tomas Rivera Center and the National Council de la Raza that provide technical assistance. This technical assistance needs to be ongoing. The National City Chamber of Commerce and other groups must be pressured to participate in the assistance of the business owners. There are several San Diego wide programs which helps small business development the Mexican American community should propose "networking" with those

organizations. These organizations provide clearinghouses, revolving loan funds, and small business incubator support. Capital gaps which exist in the National City Mexican American community must be addressed. The Mexican American community of National City must realize that a healthy business sector will equalize the tax base. Through the strengthening of the Mexican Americans business additional employment opportunities and greater accessibility to capital will soon follow.

The National City Mexican American community is at a turning point. The new definition of community must be sought. The building of community must focus on the concept of "Con corazón y existiendo la esperanza juntos podremos lograr nuestras metas (with heart and being together we will achieve our goals) of improving the quality of the barrios. Finally this will allow for the marketing of the city. The hope is that one day National City's Mexican American community will offer a revealing case study of how community empowerment comes about through cultural manifestations and holistic development strategies.

6.4. Where do we go from here?

I include myself in this scenario because National City is my home. In addition, as a Mexican American I am deeply troubled by the economic plight of this community. The choices presented in this chapter come about through endless discussions with other Mexican American students who are also from National City. We constantly questioned our roles in implementing these policy recommendations. We challenged ourselves to begin with one person at a time, informing them of the economic, social and political status of Mexican Americans in National City. In fact, I am sure they will tell us exactly how bad it really is. The challenge lies in convincing them that together we will change what they perceive is the reality of being Mexican American and poor in this country. Mexican Americans in National City need to be informed of the stories of success like Dudley Street Neighborhood Initiative (DSNI), and about place-based and people oriented initiatives. The second step is to tell the narrative of Dudley Street

Neighborhood Initiative (DSNI) and illustrate the similar histories of exclusions. This sounds so simple, but reality is different, as educated Mexican Americans our goal is to be articulate translators of experiences. The language will be fundamental to this challenge. More importantly, is the respect of the individuals' analysis and the ability to channel these distinct visions. I believe that if this happens, mañana (tomorrow) will be a brighter day for National City's barrios.

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APPENDIX A.

LIST OF INTERVIEWEES

Robert Arreola
Harvard College Junior
National City Resident

Fred Avalos
Resident
Westside of National City

Jeanne Bergess,
Small Business Finance Corporation

Carlitos
15 years old
National City Swapmeet employee

Mr. and Mrs. Casas Quiroz
Swapmeet Merchants for 24 years

Carmen Chavez
Dulceria Peninsular

Alberto Cruz
San Diego Greater Chamber of Commerce

Paul Desrochers
Executive Director
Community Development Commission National City

Steve Estrada
Estrada Land Planning
San Diego Land Planning Firm

Chuck Flacks
MAAC Project

Nina Gruen
President Gruen and Gruen and Associates
San Francisco Real Estate Expert

Rich Juarez,
MAAC Project
Mercado del Barrio Project Manager

Ralph Inzunza
Council member National City

Lupita
Lupita's Carniceria
National City California

Marco Esparza
National City Swapmeet Manager

Joseph Martinez, A.I.A.
Martinez, Cutri and Mcardle
San Diego Architecture Firm

Sylvia Martinez
MAAC Project

Scott Orietna
President
Quatro Corporation

Angelina Sanchez-Kim
Clothing Merchant in San Ysidro Swapmeet

Aurora Yi-donoy
Clothing Merchants San Ysidro Swapmeet