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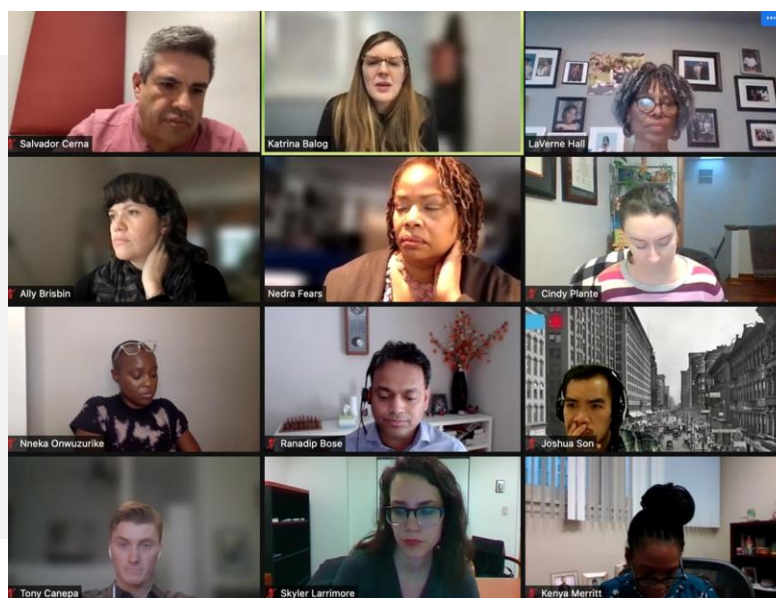
Economic Development Meeting #9

February 1, 2022, 2:00PM | 2 hours

Documented by: Karen Viado

ATTENDEES

- Katrina Balog
- Tony Canepa
- Ranadip Bose
- Cindy Plante
- Vamsi Kurakula
- Tony Manno
- Vanessa Stokes
- Amalia NietoGomez
- Romina Castillo
- Salvador Cerna
- Jasmine Williams
- Lynnette McRae
- Alec Singer
- Kindy Kruller
- Nedra Fears
- Enneressa Davis
- Michelle McClendon
- Koby Joseph Hill
- Angela Dugan
- Skyler Larrimore
- Joshua Son
- Nneka Onwuzurike
- LaVerne Hall
- Ally Brisbin
- Jessica McCarihan
- Aaron Dorsey
- Kenya Merritt



MEETING GOAL

Learn about community wealth building and develop 3-5 policies for each objective of the first two guiding questions.

WHERE WE ARE

Step 1

We Are*Setting the Stage*

Step 2

We Have and Need*Develop A Policy Toolkit*

Step 3

We Will*Set Policy Framework***KEY TAKEAWAYS****1**

Nneka Onwuzurike gave a presentation about innovative policy ideas and research for building community wealth, including worker cooperatives and community investment vehicles.

2

One breakout group discussed policy ideas for building and sustaining generational wealth in Black and Brown communities. A common theme was providing access to financial resources and education beyond buying a home. Another theme was creating a public bank and providing other alternatives to payday lending.

3

One breakout group discussed policy ideas for nurturing local businesses owned by women and Black and Brown people. One theme was increasing grants and decreasing geographic restrictions on grants and resources. Another theme was creating a modern workspace that brings good jobs closer to residents.

CONVERSATION HIGHLIGHTS

“Ownership and control lead to self-determination of communities.”

Nneka Onwuzurike | Mayor’s Office of Equity and Racial Justice, Consultant

“We need to look at the City’s regressive fine and fee structure. ... These are things that strip wealth.”

Skyler Larrimore | Office of the Mayor, First Deputy Director of Policy

“Love this idea. This could potentially be expanded outside of renewable energy infrastructure.” [written comment on Google Doc, about a policy idea to expand community ownership of renewable energy infrastructure]

Vamsi Kurakula | Slalom, Data and Analytics Consultant

NOTES

- Katrina Balog facilitated the meeting. She also shared a communications update. Based on feedback from the public, the City of Chicago is working on making the language in communications – specifically the guiding questions for each pillar – more accessible (briefer, clearer and with less jargon).

Innovative Policy Directions Presentation

- Pillar team member Nneka Onwuzurike, who works as a consultant with the Mayor's Office of Equity & Racial Justice, presented research on community wealth-building.
 - Community wealth is local, democratic, and shared assets.
 - More community power is the goal.
 - One strategy to build community wealth is to support worker cooperatives, in which workers are shared owners.
 - The Illinois Limited Worker Cooperative Association Act (effective Jan. 1, 2020) set up worker cooperatives as a legal entity for the first time.
 - The majority of worker co-ops are owned by Black and Latinx women. The pay ratio of the highest earning worker to the lowest earning worker is, on average, 2:1.
 - Challenges to worker cooperatives include access to capital, lack of awareness, lack of technical training, and lack of knowledge in structuring financing.
 - Onwuzurike shared an example of a worker co-op in Chicago: ChiFresh Kitchen, owned by formerly incarcerated people, a majority of which are Black and women. They used to operate out of Hatchery, but now have their own space.
 - Another strategy to build community wealth is a community investment vehicle (CIV), specifically for commercial real estate.
 - Community Desk Chicago has done research on them.
 - An example of a CIV is the East Portland Community Investment Trust, which has raised community wealth in two ways: Investors were paid 9%, and dividends and the value of property appreciated.
 - Policy recommendations included:
 - Passing a resolution supporting worker cooperatives.
 - Creating an Office of Community Wealth Building to sit either in the Mayor's Office or in the Department of Planning and Development.
 - Creating a tax credit for capital invested in worker cooperatives.
 - Providing CIVs first access to available auction, foreclosed, and other off-market properties.

- Vanessa Stokes shared her support of worker co-ops. She helped create the Austin Community Food Co-op and is in the process of creating another worker co-op in Austin. “I know this model works.”
- Amalia NietoGomez asked how community investment vehicles get started. Onwuzurike said what she’s seen in Chicago and other places have been developer-led models, but the ideal is that CIVs are community-led. Education is needed so people can develop models on their own. There are hopes to develop a community education series.

Pillar Working Groups

- Ranadip Bose shared the goals of the meeting, to brainstorm 3-5 policies per objective for the pillar’s first two guiding questions.
 - He said that a good policy identifies the policy lever and includes a measurable action. It also uses the Health and Racial Equity Impact Assessment (HREIA) framework.
 - City policy levers are actions the City can take, such as funding and direct provision, rules and regulations, research and exploration, and information and support.
 - Bose also advised the group to consider both short and long-term policies and think about performance metrics, though they would not decide performance metrics in this meeting.
- Each breakout group was given access to a working document, which listed each objective for the guiding question the group was working on. It listed innovative policies from other cities, relevant policies from past City plans, and policies brainstormed in previous discussions. It also included questions for team members to consider and answer for each objective:
 - What policies resonate with you?
 - How can we use the policy toolkit to improve or add to these? What can we keep, delete, edit, or refine to make it Chicago-centric?
 - What is missing from this list?
- Breakout Group #1 discussed policies for the objectives of Guiding Question #1: How can we build and sustain generational wealth and shared prosperity in Black and Brown communities?
 - Objective 1: Increase access to responsible capital and financial services.
 - One idea the group liked was for the City to pilot banks in libraries located in neighborhoods with a high percentage of unbanked and under-banked residents.
 - Another policy idea was to reduce reliance on payday lending and increase access to low-cost small consumer loans.

- Lynnette McRae said that there needs to be an understanding of the problem before identifying policies and strategies. What does the data tell us about access to capital and financial services?
- Objective 2: Improve financial literacy.
 - One policy idea was to include personal finance and fiscal management as core curriculum in Chicago Public Schools (CPS) and City Colleges.
 - Another policy idea was to include a financial literacy packet or course as part of any new employment in the City of Chicago.
 - Members agreed that the policies for this objective should focus on personal and business finances rather than homeownership.
 - Skyler Larrimore said it was important to have access to financial counseling at all levels rather than just in the process of buying a home.
- Objective 3: Grow individual and household wealth through asset ownership.
 - One policy idea was to increase homeownership rates. McRae said this is a goal, not a policy. What are the strategies to get there? She said she was sure this was being addressed by the Housing + Neighborhoods pillar, but wanted to make sure the Economic Development pillar is being more prescriptive about the “how.”
 - There are complexities with how the guiding questions are so all-encompassing – jobs, income, and business ownership are all components of wealth-building. This makes it confusing when talking about growing individual and household wealth.
 - There were feelings that the guiding questions need to be more granular.
- Breakout Group #2 discussed policies for the objectives of Guiding Question #2: How can we nurture women-, Black- and Brown-owned local businesses throughout Chicago?
- After the breakout sessions, the team reconvened. They did not share ideas and discussions from their breakout sessions. The next meetings will be similar to this one. They asked for feedback about the policy breakout session structure. Salvador Cerna said he appreciated that the facilitators send out notes ahead of time so people could prepare for meetings.

RESOURCES**ILLINOIS LIMITED WORKER COOPERATIVE ASSOCIATION ACT**

[State law setting up worker cooperatives as a legal entity](#)

CO-OP ED CENTER RESOURCE GUIDE

[Chicago-based resource guide to starting worker cooperatives](#)

COMMUNITY DESK CHICAGO

[A nonprofit organization working to foster capital investment in Black and Latinx neighborhoods](#)

CHIFRESH KITCHEN

[A food service worker-owned cooperative](#)

EAST PORTLAND COMMUNITY INVESTMENT TRUST

[A real estate community investment vehicle based in Portland, Oregon](#)

AUSTIN COMMUNITY FOOD CO-OP

[Facebook page for cop--op Vanessa Stokes helped start](#)

NEXT STEPS

- Team members were encouraged to continue to add comments and ideas about policies on the working documents used in the breakout sessions.
- The pillar team will meet again on Tuesday, February 22, 2022, to brainstorm policies for the next batch of guiding questions.