REPORT TO THE STEANS FAMILY FOUNDATION

AN ECONOMIC DEVELOPMENT INITIATIVE
FOR NORTH LAWNDALE

PREPARED BY:
DONNA DUCHARMÉ
APRIL, 1997
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REPORT TO THE STEANS FAMILY FOUNDATION
AN ECONOMIC DEVELOPMENT INITIATIVE FOR NORTH LAWNDALE

INTRODUCTION

This report provides an overview of the economic development characteristics of North Lawndale. It also identifies the current and future economic development strategies with potential to improve the economy of North Lawndale. It recommends how the Steans Family Foundation can best use its resources to foster economic development in North Lawndale.

Thirty-eight (38) interviews with people who are knowledgeable about North Lawndale helped in this assessment. (See Appendix 1 for a list of those interviewed). Existing plans and economic and demographic data provided additional background information and insights.

This information, mixed with my own economic development experience, led to identification of a comprehensive initiative that is made up of five (5) objectives and 36 strategies. These strategies provide a roadmap for achieving the objectives. See pages 52 to 56 for a summary of the objectives and strategies.

Steans should move forward with all five objectives in a coordinated fashion. The effectiveness of individual organizations, each taking on a portion of the work, will be limited unless their work is integrated with the portions taken on by others. Steans is in a position to help the community weave their individual strands of economic development activity together into a strong economic fabric.

Job placement and training strategies are enhanced or limited by the number and kind of jobs nearby and by the relationships needed to access them.

Increased wages and spending by industry or hospitals will help the community capture more dollars and build its asset base if there are local residents working there and a base of locally owned businesses to purchase from.

New or expanding industry cannot bring new jobs or spending power into the community if there are no competitive sites for them. They will not come if their employees feel threatened by crime and neighborhood decay. Similarly, those that are already in the community wall themselves off from it and contribute little.

Organizations are needed in communities like North Lawndale with the capacity to help in this process. They must be able to build on the assets and find ways around
the barriers, such as race or public policy, that dampen the market. They must bring resources into the community to seed community development strategically. Without trained, ready workers, networks to jobs, a diverse local business base, relationships to that business base, and capable organizations, the development that does occur will not benefit the existing community.

Steans is in a unique position to pull together the pieces to make these critical economic connections.

NORTH LAWNDALE ECONOMIC DEVELOPMENT CHARACTERISTICS

DESCRIPTION OF AREA

For the purposes of this study, North Lawndale's boundaries are the Eisenhower Expressway on the north, Cermak Road on the south, Western Avenue on the east and the City Limits on the west. Map One shows the boundary of the study area as it relates to the formal boundaries of the North Lawndale Community Area. In addition, because of its high number of jobs and proximity to North Lawndale certain economic data have also been collected for the Illinois Medical District (IMD) area. The boundaries of this study area are the Eisenhower Expressway on the north, Roosevelt Road on the south, Ashland Avenue on the east and Western Avenue on the west. Map Two shows the Illinois Medical District Area.

North Lawndale is well situated for development. It is next to the Eisenhower Expressway and just three miles west of downtown. It is also immediately west of the near west side that includes the IMD. Over 20 major new projects involving $2 billion in investment are in planning or under construction for the near west side area.

According to the Project 80 Plan, North Lawndale is approximately 4.4 square miles in size. Roughly 41% of the land is used for streets, alleys, and railroads, 21% for housing, 13% as vacant land, 12% for industry, 10% for public and semi-public uses and 3% for commercial use.

ECONOMIC CHARACTERISTICS OF NORTH LAWNDALE RESIDENTS

Income and Employment

Cespite North Lawndale's excellent location, it has lost population over the last 20+ years although the rate of decline has slowed and may have reversed itself in recent years. In 1970, there were 94,891 residents of North Lawndale. This dropped to 61,534 in 1980 and dropped again to 47,296 in 1990. In 1970, 96% of North Lawndale residents were African-American-- the same percentage as in 1990.
billion to the local economy and serve as major economic engines for new growth and development.
The Near West Side is alive with new hope and development as government, institutions and community work together. Over 20 major new projects involving $2 billion are in the planning and construction phase and include over 1000 new homes.

1. United Center Complex
2. CHA Homer Redevelopment
3. West Haven Community Develop
4. UIC Mile Square Clinic
5. Madison Street Corridor
Thus, the population loss has consisted of African-Americans leaving North Lawndale for other communities.

According to the 1990 Census, 31,833 residents of North Lawndale were 16 years or older. Slightly less than half (49.3%) were in the labor force. Of those in the labor force, 72.7% were employed and 27.3% were unemployed. The vast majority of residents are of low and moderate income as indicated in the key statistics below.

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of adults receiving public assistance</td>
<td>23.5</td>
</tr>
<tr>
<td>Percent of households with income less than $10,000</td>
<td>38.2</td>
</tr>
<tr>
<td>Percent of households with less than $20,000 income</td>
<td>65.6</td>
</tr>
<tr>
<td>Percent of households with incomes of over $35,000</td>
<td>8.7</td>
</tr>
<tr>
<td>Percent of residents below poverty</td>
<td>48.3</td>
</tr>
</tbody>
</table>

Households with children under 18
- husband and wife | 23.7 |
- female only | 68.0 |
- male only | 0.3 |

Educational level (persons over 18)
- Less than a high school diploma | 51.1 |
- High school diploma & some college | 42.2 |
- College degree (associate, bachelor or graduate) | 6.7 |

Education level (adult AFDC recipients)*
- Less than a high school diploma | 73.0 |

* Source, Western Local IDPA Office

**Occupation**

Given the educational levels and income of adults in North Lawndale, most residents have low skill and low wage occupations such as the service sector and handlers and laborers. Table 1 shows whether residents of North Lawndale are over or under represented in the major occupational categories. Occupations with ratios higher than 1.0 have a higher proportion of Lawndale residents than the metro area. Similarly, a ratio of less than 1.0 shows that they are under represented in that occupation.
TABLE 1
PERCENT OF NORTH LAWNDALE RESIDENTS VS. METRO AREA RESIDENTS
EMPLOYED IN KEY OCCUPATIONAL CATEGORIES

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>Residents</th>
<th>AFDC*</th>
<th>Metro Area</th>
<th>Res/Metro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managerial/Professional</td>
<td>13.0</td>
<td>0.0</td>
<td>32.0</td>
<td>0.41</td>
</tr>
<tr>
<td>Technicians/Sales</td>
<td>9.6</td>
<td>5.0</td>
<td>12.0</td>
<td>0.81</td>
</tr>
<tr>
<td>Administrative Support</td>
<td>20.5</td>
<td>13.0</td>
<td>19.0</td>
<td>1.08</td>
</tr>
<tr>
<td>Various Service</td>
<td>23.6</td>
<td>25.0</td>
<td>9.0</td>
<td>2.62</td>
</tr>
<tr>
<td>Precision Production, Craft Repair</td>
<td>7.0</td>
<td>5.0</td>
<td>10.0</td>
<td>0.70</td>
</tr>
<tr>
<td>Machine Operators</td>
<td>10.8</td>
<td>0.0</td>
<td>7.0</td>
<td>1.52</td>
</tr>
<tr>
<td>Transportation, Materials</td>
<td>6.6</td>
<td>0.0</td>
<td>4.0</td>
<td>1.65</td>
</tr>
<tr>
<td>Handlers, Laborers</td>
<td>8.1</td>
<td>48.0</td>
<td>4.0</td>
<td>2.04</td>
</tr>
<tr>
<td>All other</td>
<td>4.0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* IDPA Data on the work experience of Western Local Office adult AFDC recipients who have previous work experience. Of Western Local Office adult AFDC recipients, 44% have no previous work experience.

Industry Sector Employment

The average variance of North Lawndale residents’ occupations to metro area residents' occupations (.624) is more severe than the average variance of the industries in which they work (.316). Thus, while North Lawndale residents work in many industries, they tend to work in lower paying jobs in those industries. Still, they are under represented in the higher paying construction and wholesale trade industries. Similarly, they are over represented in the service sector-- business services, health, and public administration-- which often pays less than other sectors of the economy. This is evident on Table 2.
CHART 1

PERCENT OF NORTH LAWNDALE RESIDENTS
BY OCCUPATIONAL CATEGORY

- Other
- Laborers
- Transport/Material Handling
- Machine Operators
- Precision/Craft/Repairs
- Various Services
- Administrative Support
- Technical/Sales
- Managerial/Professional

0 5 10 15 20 25
TABLE 2
PERCENT OF NORTH LAWNDALE RESIDENTS VS. METRO AREA RESIDENTS
EMPLOYED IN KEY INDUSTRY SECTORS

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>RESIDENTS</th>
<th>METRO AREA</th>
<th>RES/METRO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>2.54</td>
<td>5.00</td>
<td>0.58</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20.13</td>
<td>19.00</td>
<td>1.06</td>
</tr>
<tr>
<td>Transportation/Communication</td>
<td>9.64</td>
<td>8.00</td>
<td>1.21</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>3.47</td>
<td>6.00</td>
<td>0.58</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>17.47</td>
<td>16.00</td>
<td>1.09</td>
</tr>
<tr>
<td>FIRE</td>
<td>7.29</td>
<td>9.00</td>
<td>0.91</td>
</tr>
<tr>
<td>Services Business/Personal</td>
<td>8.88</td>
<td>5.00</td>
<td>1.78</td>
</tr>
<tr>
<td>Entertainment and Recreation</td>
<td>0.68</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Health</td>
<td>11.28</td>
<td>8.00</td>
<td>1.41</td>
</tr>
<tr>
<td>Education</td>
<td>7.44</td>
<td>7.00</td>
<td>1.06</td>
</tr>
<tr>
<td>Other Professional/Religious</td>
<td>5.16</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Public Administration</td>
<td>4.85</td>
<td>3.00</td>
<td>1.62</td>
</tr>
<tr>
<td>Other</td>
<td>1.17</td>
<td>13.00</td>
<td>NA</td>
</tr>
</tbody>
</table>

**Upward Mobility**

The Chicago Urban League recently conducted a study, "Jobs and Employment Networks in the Chicago Empowerment Zone." In the study, they interviewed 362 residents of the North Lawndale and Grand Boulevard communities about their work history. They found that few residents receive on-the-job training or promotions when they work. Only 17% of those interviewed had received on-the-job training that lasted more than two weeks and only 32% had received any on-the-job training in their last three jobs. This suggests that few residents have benefited from employer investments in their work force and that, for many workers, the types of employment
North Lawndale Residents
Percent Employed By Industry Sector

- Other
- Public Administration
- Other Professional/Religious
- Education
- Health
- Services/Business/Personal
- FIRE
- Retail Trade
- Wholesale Trade
- Transportation/Communication
- Manufacturing
- Construction

0 5 10 15 20 25

CHART 2
held do not require significant job-specific training . . . Only 12% of respondents said that they had received a promotion that increased their pay from their current employer and only 25% had received a promotion in any of their previous three jobs."

**Job Search Techniques**

This study also found that few residents use job placement agencies of any sort. Their job seeking methods were:

- Asking friends and relatives 86%
- Reading help wanted ads in the newspaper 69%
- Directly contacting employers 53%
- Contact temporary help agencies 17%
- Use private employment agencies 16%
- Use community organizations 14%
- Use state employment services 12%
- Use school placement services 3%

Eighty-one percent (81%) reported looking for work in their neighborhood, 68% in the Loop and 47% looked for work in the suburbs.

**Place of Work**

The map on the next page shows where those North Lawndale residents interviewed by the Chicago Urban League work. Notice the high concentrations of residents who work on the west side and in the Loop. This mirrors their job seeking activities.

According to the 1990 Census, 75% of North Lawndale residents work in the City of Chicago. Based on Empowerment Zone data, approximately 20% work in the Loop and 20% work in the suburbs. Eighteen percent (18%) travel over one hour to get to work. Twelve percent (12%) get to work within 15 minutes. The average commute is 36 minutes.

The Woodstock Institute's 1996 publication Breaking Down Barriers explores the prospects for linking Empowerment Zone residents with jobs in the Zone. It provides interesting information about North Lawndale relative to other parts of the Empowerment Zone.
Place of Work

North Lawndale Residents

Chicago and Suburban Cook County
According to the Woodstock Institute Tables\textsuperscript{VII} and \textsuperscript{VIII} as well as Figure 16 (provided on the next two pages), in the Lawndale portion of the West Cluster, African-Americans hold a larger percent of jobs (41\%) than the percent of African-American job holders in the Metro Area (14\%). This is a much lower percentage than their proportion of the North Lawndale population (99\%). Employers are hiring African-American but not from this area. Only 4\% of the residents in the area work in the area. This was lower than any other part of the Empowerment Zone. Latinos who represent 0\% of the residential population here hold 18\% of the jobs.

In the Near West/Lawndale portion of the Pilsen/Little Village Cluster, African-Americans make up 58\% of the residential population and hold 29\% of the jobs. This is larger than the percent of African-American job holders in the metro area (14\%), but lower than their representation in the residential population. Latinos who represent 32\% of the population, hold 27\% of the jobs. Despite the racial composition of the workforce, only about 8.5\% of area residents work in the area.

In the Greater Grand Boulevard and the Woodlawn/Washington Park areas of the South Cluster, 63\% and 52\% of the job holders respectively are African-American. These areas also reported the highest percentages of residents working in the area--14\% and 12\% respectively. The authors of the report suggest that these higher percentages are likely to be the result of a higher level of African-American owned businesses in these areas.

\textbf{OTHER ECONOMIC ASSETS}

In addition to low wages and high unemployment, few North Lawndale residents have substantial personal assets. For example, twenty-three percent (23\%) of households own their homes. The average value of a home in North Lawndale is $46,983. According to the Department of Housing, home values have recently begun to rise in parts of North Lawndale.
Table VII
Comparison of Race and Ethnicity of Residents vs. Job-Holders in EZ* Subclusters

<table>
<thead>
<tr>
<th>Subcluster</th>
<th>Associated Community</th>
<th>Residents</th>
<th>Job-Holders</th>
<th>Residents</th>
<th>Job-Holders</th>
</tr>
</thead>
<tbody>
<tr>
<td>w-1</td>
<td>Austin</td>
<td>98%</td>
<td>30%</td>
<td>1%</td>
<td>20%</td>
</tr>
<tr>
<td>W-2</td>
<td>Garfield/Humboldt</td>
<td>98%</td>
<td>35%</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>w-3</td>
<td>Near West</td>
<td>47%</td>
<td>22%</td>
<td>39%</td>
<td>18%</td>
</tr>
<tr>
<td>W-4</td>
<td>Lawndale</td>
<td>99%</td>
<td>41%</td>
<td>6%</td>
<td>18%</td>
</tr>
<tr>
<td>plv-2</td>
<td>Little Village</td>
<td>11%</td>
<td>5%</td>
<td>84%</td>
<td>38%</td>
</tr>
<tr>
<td>s-1</td>
<td>Stockyards</td>
<td>1%</td>
<td>28%</td>
<td>75%</td>
<td>20%</td>
</tr>
<tr>
<td>s-2</td>
<td>Greater Grand Blvd</td>
<td>99%</td>
<td>63%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>s-3</td>
<td>Woodlawn/Wash. Park</td>
<td>96%</td>
<td>52%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>Metro Area</td>
<td></td>
<td>19%</td>
<td>14%</td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Approximated Empowerment Zone: All data from 1990 Census CTPP Chicago

Table VIII
Calculation of Black Employment Index for Jobs in EZ* Subclusters

<table>
<thead>
<tr>
<th>Subcluster</th>
<th>Associated Community</th>
<th>Area Residents</th>
<th>Area Job-Holders</th>
<th>Metropolitan Residents</th>
<th>Metropolitan Job-Holders</th>
<th>B/C</th>
<th>Black Employment Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>w-1</td>
<td>Austin</td>
<td>98%</td>
<td>30%</td>
<td>1%</td>
<td>20%</td>
<td>1.41</td>
<td>2.22</td>
</tr>
<tr>
<td>w-2</td>
<td>Garfield/Humboldt</td>
<td>98%</td>
<td>35%</td>
<td>1%</td>
<td>20%</td>
<td>1.51</td>
<td>2.53</td>
</tr>
<tr>
<td>w-3</td>
<td>Near West</td>
<td>47%</td>
<td>22%</td>
<td>39%</td>
<td>18%</td>
<td>1.50</td>
<td>1.90</td>
</tr>
<tr>
<td>W-4</td>
<td>Lawndale</td>
<td>99%</td>
<td>41%</td>
<td>6%</td>
<td>18%</td>
<td>1.22</td>
<td>2.92</td>
</tr>
<tr>
<td>plv-1</td>
<td>Pilsen</td>
<td>1%</td>
<td>18%</td>
<td>1%</td>
<td>1%</td>
<td>1.31</td>
<td>1.31</td>
</tr>
<tr>
<td>plv-2</td>
<td>Little Village</td>
<td>11%</td>
<td>15%</td>
<td>14%</td>
<td>10%</td>
<td>1.01</td>
<td>1.01</td>
</tr>
<tr>
<td>plv-3</td>
<td>Lawndale/Lawndale</td>
<td>56%</td>
<td>29%</td>
<td>16%</td>
<td>14%</td>
<td>2.04</td>
<td>2.04</td>
</tr>
<tr>
<td>s-2</td>
<td>Greater Grand Blvd</td>
<td>99%</td>
<td>63%</td>
<td>1%</td>
<td>1%</td>
<td>4.45</td>
<td>4.45</td>
</tr>
<tr>
<td>s-3</td>
<td>Woodlawn/Wash. Park</td>
<td>96%</td>
<td>82%</td>
<td>11%</td>
<td>11%</td>
<td>3.65</td>
<td>3.65</td>
</tr>
<tr>
<td>Metro Area</td>
<td></td>
<td>19%</td>
<td>14%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
* Approximated Empowerment Zone: all data from 1990 Census CTPP-Chicago.
NORTH LAWNDALE BUSINESSES AND JOBS

According to the City of Chicago Department of Planning and Development’s data base there were 25,946 jobs in North Lawndale in 1994. Table 3 shows the distribution of jobs by sector. Lists of all businesses in North Lawndale and the IMD area are included in Appendix 2.

<table>
<thead>
<tr>
<th>SECTOR</th>
<th># OF FIRMS</th>
<th># OF EMP</th>
<th>% OF EMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGRICULTURE</td>
<td>2</td>
<td>2</td>
<td>0.0</td>
</tr>
<tr>
<td>CONSTRUCTION</td>
<td>59</td>
<td>492</td>
<td>1.9</td>
</tr>
<tr>
<td>MANUFACTURING</td>
<td>158</td>
<td>7,002</td>
<td>27.0</td>
</tr>
<tr>
<td>TRANSPORTATION</td>
<td>50</td>
<td>366</td>
<td>1.4</td>
</tr>
<tr>
<td>WHOLESALE TRADE</td>
<td>98</td>
<td>2,451</td>
<td>9.4</td>
</tr>
<tr>
<td>RETAIL TRADE</td>
<td>271</td>
<td>1,227</td>
<td>4.7</td>
</tr>
<tr>
<td>FIRE*</td>
<td>37</td>
<td>375</td>
<td>1.4</td>
</tr>
<tr>
<td>HEALTH SERVICES</td>
<td>46</td>
<td>4,662</td>
<td>18.0</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>54</td>
<td>2,276</td>
<td>8.8</td>
</tr>
<tr>
<td>SOCIAL SERVICES</td>
<td>31</td>
<td>812</td>
<td>3.2</td>
</tr>
<tr>
<td>RELIGIOUS SERVICES</td>
<td>177</td>
<td>594</td>
<td>2.3</td>
</tr>
<tr>
<td>OTHER SERVICES</td>
<td>241</td>
<td>1,825</td>
<td>7.0</td>
</tr>
<tr>
<td>GOVERNMENT</td>
<td>7</td>
<td>3,862</td>
<td>14.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,231</strong></td>
<td><strong>25,946</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* FIRE= Finance, Insurance and Real Estate
North Lawndale Jobs
Percent By Sector

Public Administration
Other Professional/Religious
Education
Health
Services
Business/Personal
FIRE
Retail Trade
Wholesale Trade
Transportation
Manufacturing
Construction
Industrial Jobs

Manufacturing is by far the largest employer (27%) of all people who work within the North Lawndale community. Of the jobs in North Lawndale, 37.8% are "industrial." Industrial employment combines Manufacturing with Wholesale Trade (employing 9.4%) and Transportation (employing 1.4%). Together they employ 9,819 people.

Besides forming a major job base in North Lawndale, industrial employment is also significant in the west side neighborhoods that border North Lawndale on the north. These neighborhoods contain two industrial corridors. The Northwest Corridor in Austin has 217 industrial companies that employ 15,174 people. The Kinzie Corridor in West Town has 515 firms that employ 16,568 people. Thus, within North Lawndale and the adjacent west side communities there are over 41,500 industrial jobs.

Health and other Service Jobs

Health service is the next largest employer, employing 18% of the people working in North Lawndale. When combined with other services occupations-- FIRE (1.4%), Education (8.8%), Social Services (3.2%), Religious Services (2.3%), Other Services (7.0%) and Government Service (14.9%)--we find that 55.6% of the jobs in North Lawndale are service sector jobs. They employ 14,406 people.

Not only are there a high proportion of health service jobs in North Lawndale, but North Lawndale sits next to the largest urban medical district in the world--the Illinois Medical District (IMD). According to IMD literature, the district is 560 acres and contains more than 12 million square feet of medical, educational and research facilities valued at $4 billion. Their 40,000 employees represent an annual payroll of $750 million. They are responsible for generating $1.5 billion in sales, $60 million in sales tax revenue and $90 million in income taxes each year. "Its direct and indirect impact on the economy is more than $5 billion" each year.

The City of Chicago DPD 1994 data base identified 30,735 jobs in the IMD. (The discrepancy between this employment figure and the IMD's figure is likely to be due mostly to the exclusion of some government jobs from the DPD data base). Of the IMD jobs, 26,197 (85%) were in health services companies. Just over 30,000 or (98%) of the jobs were service sector jobs.

Between North Lawndale and the adjacent IMD there are 30,859 health service jobs. In addition, Loretto and Bethany Hospitals are next to North Lawndale just north of the Eisenhower Expressway. They employ another 1,183 people. Thus, there are 32,039 Health Service jobs in North Lawndale and the immediately adjacent area.
North Lawndale Vs. Metro Area Job Base

Table 4 shows that the industry/job bases in North Lawndale are quite different from the industry/job bases in the metropolitan area. It shows that Government, Health Services, Wholesale trades, Manufacturing, Services and Education are over represented. FIRE, Transportation, Retail Trade and Construction are under represented in the North Lawndale economic base.

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>No. Lawndale</th>
<th>Metro Area</th>
<th>No/L/Metro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>1.9</td>
<td>5.00</td>
<td>0.38</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>27.0</td>
<td>19.00</td>
<td>1.42</td>
</tr>
<tr>
<td>Transportation/Communication</td>
<td>1.4</td>
<td>8.00</td>
<td>0.18</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>9.4</td>
<td>6.00</td>
<td>1.57</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>4.7</td>
<td>16.00</td>
<td>0.29</td>
</tr>
<tr>
<td>FIRE</td>
<td>1.4</td>
<td>9.00</td>
<td>0.16</td>
</tr>
<tr>
<td>Services Business/Personal</td>
<td>7.0</td>
<td>5.00</td>
<td>1.40</td>
</tr>
<tr>
<td>Health</td>
<td>18.0</td>
<td>8.00</td>
<td>2.25</td>
</tr>
<tr>
<td>Education</td>
<td>8.8</td>
<td>7.00</td>
<td>1.26</td>
</tr>
<tr>
<td>Other Professional/Religious</td>
<td>5.5</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Public Administration</td>
<td>14.9</td>
<td>3.00</td>
<td>4.97</td>
</tr>
<tr>
<td>Other</td>
<td>.2</td>
<td>13.00</td>
<td></td>
</tr>
</tbody>
</table>

North Lawndale Residents Vs. Jobs

As previously noted, many North Lawndale residents do not work in North Lawndale. Table 5 shows that North Lawndale residents are slightly over represented in the Health Services and Manufacturing industries when compared to metro area residents. This would be expected given the large manufacturing and health services sectors of the community economy. On the other hand, North Lawndale residents are under represented in both industries when compared to the industry distribution of jobs in North Lawndale. This under representation is more pronounced when compared to the large number of manufacturing/industrial and health service jobs in adjacent areas.
TABLE 5
PERCENT OF NORTH LAWNDALE RESIDENTS EMPLOYED
VS. PERCENT OF NORTH LAWNDALE JOBS BY KEY INDUSTRY SECTORS

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>RESIDENTS</th>
<th>JOBS</th>
<th>RES/JOBS</th>
<th>RES/METRO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>2.5</td>
<td>1.9</td>
<td>1.32</td>
<td>0.58</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20.1</td>
<td>26.8</td>
<td>.75</td>
<td>1.06</td>
</tr>
<tr>
<td>Transportation/Communication</td>
<td>9.6</td>
<td>1.4</td>
<td>6.86</td>
<td>1.21</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>3.5</td>
<td>9.4</td>
<td>0.37</td>
<td>0.58</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>17.5</td>
<td>4.7</td>
<td>3.72</td>
<td>1.09</td>
</tr>
<tr>
<td>FIRE</td>
<td>7.3</td>
<td>1.9</td>
<td>3.84</td>
<td>0.91</td>
</tr>
<tr>
<td>Services Business/Personal</td>
<td>8.9</td>
<td>7.0</td>
<td>1.27</td>
<td>1.78</td>
</tr>
<tr>
<td>Health</td>
<td>11.3</td>
<td>18.0</td>
<td>.63</td>
<td>1.41</td>
</tr>
<tr>
<td>Education</td>
<td>7.4</td>
<td>8.8</td>
<td>.84</td>
<td>1.06</td>
</tr>
<tr>
<td>Other Professional/Religious</td>
<td>5.2</td>
<td>5.4</td>
<td>.96</td>
<td>??</td>
</tr>
<tr>
<td>Public Administration</td>
<td>4.9</td>
<td>14.9</td>
<td>.33</td>
<td>1.62</td>
</tr>
<tr>
<td>Other</td>
<td>1.2</td>
<td>.2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tables 1 and 2 above showed that North Lawndale residents work in diverse industry sectors, but they are over represented in the low wage, low skill jobs in those industries. Conversely, they are under represented in the semi and high skilled, higher wage positions compared to all metro area residents.

**Resident Occupations Vs. Jobs**

While information regarding the occupation structure of North Lawndale jobs is not available, information is available for the West Cluster of the Empowerment Zone. Table 6 shows the occupational structure of West Cluster jobs compared to North Lawndale residents' jobs.
TABLE 6
% OF WEST CLUSTER JOBS VS. EMPLOYED NORTH LAWNDALE RESIDENTS
BY KEY OCCUPATIONAL CATEGORIES

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>JOBS</th>
<th>RESIDENTS</th>
<th>METRO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managerial/Professional</td>
<td>25</td>
<td>13</td>
<td>32</td>
</tr>
<tr>
<td>Technicians/Sales</td>
<td>9</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Administrative Support</td>
<td>14</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>Various Service</td>
<td>7</td>
<td>24</td>
<td>9</td>
</tr>
<tr>
<td>Precision Production, Craft, Repair</td>
<td>15</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>Machine Operators</td>
<td>14</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>Transportation, Materials</td>
<td>6</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Handlers, Laborers</td>
<td>7</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>

Business Concerns

According to businesses in North Lawndale, real and perceived crime, lack of maintenance and investment in the surrounding community (especially the arterial streets leading from the expressway) and brownfield/land assembly are key factors inhibiting redevelopment. In addition, for small developers and neighborhood businesses, access to capital was another key factor cited by local businesspeople. Homan Square, Walgreens, the shopping center/Cineplex development proposed for Roosevelt and Kedzie, and the removal of the Silver Shovel mountain are signs of positive change. The industrial expansions under consideration by Gato Plating and Color Communications are also positive signs.

Some businesses feel that they should increase local hiring. They understand that an increase benefit them and the neighborhood. They feel that many North Lawndale residents are not prepared for or do not want to work. The percent of African-Americans in the North Lawndale workforce (29%) far exceed the percent of North Lawndale residents in the North Lawndale workforce (8.5%). This suggests that hiring networks and that skills/readiness/experience are limiting the benefits that North Lawndale residents get from North Lawndale businesses.
Land Availability

North Lawndale has a significant amount of well located vacant industrial land that is an important resource that presents opportunities for development. However, much of this land requires assembly and environmental cleanup to be marketable. There are four key industrial development sites - identified in the Model Industrial Corridor Plans. Three sites in the Roosevelt-Cicero Corridor total about 80 acres and one in the Western-Ogden Corridor is 70 acres. The maps on the following pages show these areas. An analysis of the ownership status of the parcels involved in assembling this land will be completed through the Model Corridor process in the next month. The Department of Planning and Development has identified an additional 40 acre site in the Roosevelt-Cicero corridor.

According to Bismarck Bracket an industrial broker/developer, there are many vacant and underutilized industrial buildings in North Lawndale with reuse potential. They would be appealing to the lower end of the market with rents of less than $2.00 per square foot. He contends that patience, lower cost equity capital, and access to users in this market niche would make these buildings work.

Vacant commercial properties abound and are potentially available for redevelopment, primarily along Roosevelt Road and Ogden Avenue. Other streets such as 16th Street and Pulaski Road also have remnants of commercial uses. Site assembly is necessary to attract medium and larger size users. However, given the low population numbers for North Lawndale, many medium and large box retailers will find the market too small for their formats.

Two Empowerment Zone funded projects -- the West Side Commercial Area Project and the Lawndale Commercial Corridor (described below on page 20) -- will help sort out where commercial development should be occurring on the west side and in North Lawndale. They will also be funding site specific development plans for Roosevelt, Ogden and 16th Street.

ORGANIZATIONAL AND INSTITUTIONAL ACTORS

CITY OF CHICAGO INITIATIVES AND THEIR PARTNERS

The City of Chicago has several initiatives underway in North Lawndale. These initiatives typically designate special boundaries and provide special powers, incentives or resources in them. Map 5 shows the Community Context and identifies the boundaries of the designations described below.
Model Industrial Corridors

North Lawndale contains the northern portions of two industrial corridors-- the Western-Ogden Corridor at the eastern end and the Roosevelt Cicero Corridor at the western end of the community. The Community Context Map shows North Lawndale with the two industrial corridors colored in purple at either end.

Both industrial corridors are part of the City’s Model Industrial Corridor Program. This program began the process of creating competitive industrial park-like environments for industry in Chicago. The City designed the Model Industrial Corridors Program to achieve five objectives they identified for all 22 industrial corridors in Chicago. They should be:

* SAFE IN PERCEPTION AND REALITY
* FUNCTIONAL AND ACCESSIBLE
* MARKETABLE AND COMPETITIVE
* ATTRACTIVE
* MANAGEABLE AND SUSTAINABLE

The City issued two RFP's (a year apart) to local industrial groups interested in participating in the program. Six corridors including the Roosevelt-Cicero Corridor were selected, in 1994-5, to participate in the first round of the program. Six corridors including the Western-Ogden Corridor were selected to participate in the second round in 1996. Each group received a planning contract. They brought together local businesses, community groups, elected officials and technical experts to create a strategic development plan for their corridor (or part of the corridor). Each strategic development plan must address the five objectives identified above. It must also recommend how to spend between $1-1.5 million in seed funds set aside by the City for their corridor to jump start the implementation of their plan.

LBLDC prepared the plan for the Roosevelt-Cicero Corridor. (See attached copy). They have recently received a second contract to begin carrying out their plan. This includes substantial resources to:

* design marketing materials and signage,
* conduct traffic and lighting studies,
* design street and landscaping for key locations,
* prepare pre-development, feasibility information for development sites,
* create a data base of businesses, jobs, etc. in the area,
* conduct a Tax Increment Financing (TIF) study for the area, and
* fund key small scale physical improvements.

Trkla, Pettigrew, Allen and Payne are managing the work of the various consultants involved in these analyses,
Model Industrial Corridor funding has helped build the capacity of LBLDC over the past two years. LBLDC has parlayed this process and funding into a new momentum that has the potential to lead to major improvements in their corridor. Model Industrial Corridor funds are seed funds; therefore, the City will not continue this increased level of support. The proposed TIF District will create ongoing funding to help with development projects. Nonetheless, LBLDC needs private sources of funding to maintain the softer sides of the effort and to provide up-front funding for projects.

Eighteenth Street Development Corporation prepared the plan for the Western-Ogden Corridor using AMPS as a subcontractor for the North Lawndale part. The City has indicated that they are not satisfied with the draft they received and have not yet approved the plan for this area. (See attached draft).

**Tax Increment Financing (TIF)**

Tax Increment Financing is a mechanism to help fund development in designated blighted areas. TIFs use future real estate taxes to pay for certain costs of development projects in the TIF District. These costs include building rehab, environmental cleanup, soft costs (e.g., for architects), public infrastructure, job training and interest on construction financing. The process for creating a TIF district can often take six months. It includes conducting a study required by the State to establish the presence of blight as well as project approval by the City Council. TIF studies for large areas (such as an entire industrial corridor) can cost as much as $100,000. This cost is reimbursable through the TIF proceeds.

TIFs do help facilitate redevelopment, but also have some characteristics that limit their usefulness:

- TIF proceeds do not become available until after the development has taken place and generates new taxes. Therefore, unless a TIF with money in it already exists there, a TIF will not provide up-front money needed to get many projects off the ground.

- TIFs can take months to put in place. In some cases this is too long to be useful in the marketplace.

- Low risk projects can be bonded to obtain up-front money. However, the City uses conservative coverage ratios. As a result, much of the potential increment is unavailable to the user.

- TIFs are of limited value for new construction since it is not an eligible cost.
City of Chicago policy limits TIF funding to approximately 20% of the overall cost of a project even if the potential increment is more.

One TIF district currently exists in North Lawndale at Roosevelt and Kedzie where the retail/cinema complex is proposed. The Department of Planning and Development (DPD) plans to create large-area TIFs in both industrial corridors within one or two years through the Model industrial Corridors Program. DPD is also preparing a TIF study for the area around Homan Square to incorporate the new housing development there. It is adjacent to the retail/cinema TIF.

**Strategic Neighborhood Action Program (SNAP)**

The Strategic Neighborhood Action Program creates districts where coordinated public spending occurs to help redevelopment. There is a SNAP District in North Lawndale established through the efforts of the Lawndale Christian Development Corporation (LCDC). It is bounded by 18th Street (north), Cermak Road (south), Central Park (east), and Pulaski (west). The primary focus of the SNAP is Ogden Avenue.

Most of the SNAP resources will be used for housing development and infrastructure improvements on Ogden Avenue. Some assistance for commercial development on Ogden Avenue is also included. (See attached presentation materials).

**Enterprise Zone**

All of North Lawndale is located within Enterprise Zone #1. The Enterprise Zone is a State of Illinois designation that carries with it various tax credits and abatements for businesses investing in the Zone. Cook County and the City have each added other incentives. The more popular incentives available through the Enterprise Zone are:

* An exemption on sales tax for all building materials purchased from a Chicago retailer if they are used in remodeling, rehabilitation or new construction of Zone real estate:

* An increase in the dollar amount of City loans at 3% interest for commercial and industrial projects.

* Access, where qualified, to a Class 6(b) property tax reduction. This reduces the assessment for newly constructed, substantially rehabbed or reused abandon industrial property. It goes from 36% of assessed value to 16% for eight years, 23% for the 9th year, 30% for the 10th year and then back to 36%.
Other incentives provide:

* Investment tax credits
* Jobs tax credits
* Machinery and equipment sales tax exemption (for large projects)
* Utility tax exemption (for large projects)
* Real estate transfer tax exemption
* Income tax deduction for financial institutions for interest earned on qualified loans
* State corporate tax deduction for contributions made to nonprofit Designated Zone Organizations

(See attached booklet for details).

Various studies indicate that many companies use these incentives to cut project costs, but they are rarely a determining factor in their location decision.

**Empowerment Zone**

Portions of North Lawndale are located within the boundaries of the federal Empowerment Zone. One part, in the West Cluster contains Census Tracts on the north side of Roosevelt Road. The other part, the Near West/Lawndale portion of the Pilsen/Little Village Cluster is in the area near Roosevelt Road and Rockwell Avenue. (See the Community Context Map).

The Empowerment Zone offers few incentives to businesses. Only one is commonly used. It is a tax credit of up to $3,000 per year for each employee who is also a Zone resident. This tax credit is available for ten years. The Empowerment Zone also provides $100,000,000 funding from the Federal Government to support activities that lead to economic empowerment of community residents. This included supports to economic development such as youth futures and access to health care.

The City issued an RFP to determine how to spend the first portion of these funds. Funding has been allocated projects selected in this round and contracting is underway. Summaries of the economic development related projects in North Lawndale are provided below. More substantial write-ups are included in Appendix 3.

**Entrepreneurship and Business Development**

*The Entrepreneurial Assistance and Training Proposal* was submitted by the West Side Business Development Consortium. The five member Consortium includes the North Lawndale group Community in Action. The training will be conducted at a central location. Consortium members, such as Community in Action, will recruit participants and help with ongoing support. The consortium will receive $549,265 to
conduct the program for one year.

The Health Empowerment Zone was submitted by the Westside Health Authority. They will receive $300,000 to increase the capacity of local businesses to respond to the contracting needs of hospitals and other health care providers.

Commercial Development

The West Side Commercial Area Project was submitted by the Westside Commercial Corridors Collaborative. The five member consortium includes AMPs from the North Lawndale area. The consortium will receive $75,000 to conduct a series of workshops for all city-funded west side CDC’s and Chambers. The workshops will result in redevelopment strategies and concept plans for key west side commercial areas.

The Lawndale Commercial Corridor was submitted by the Lawndale Development Corporation a consortium of three Lawndale organizations– LBLDC, LCDC, and AMPS. They will receive $100,000 to prepare development plans for three commercial areas. These areas include the CTA bus barn site at Ogden and Pulaski as well as sites along Ogden, 16th Street and Roosevelt Road.

Job Training and Placement

The Job Link Proposal was submitted by the Economic Development Committee of the West Cluster Collaborative. This ten member consortium includes AMPs from North Lawndale. The consortium will receive $1,316,150 to conduct a program that links residents to training and jobs for one year.

The Connections Adult Learning Center was submitted by the House of Connections. They will receive $10,000 to support their on-going job readiness, GED and computer training.

The Self Sufficiency Project was submitted by Diane’s Community Shelter. They will receive $27,000 to add a job counseling component to their on-going shelter-related services.

Child Care

The YMCA of Metropolitan Chicago Child and Family Center was submitted by the North Lawndale YMCA of Metropolitan Chicago. They will receive $500,000 to
develop a comprehensive family and child center including 220 new day care slots at 825 W. Kedzie Avenue.

The Family Resource Center Partnership was submitted by a collaboration of four organizations including Lawndale Christian Development Corp. They will receive $1,000,000 to help construct two new day care centers (one in Lawndale).

Housing Development

The Employer Assisted Housing proposal was submitted by Bethel New Life for the West Cluster Collaborative. They will receive $145,000 to develop the program.

The Chicago Neighborhood Plan Program was submitted by Upward Bound Inc. They will receive $180,000 to create six affordable condominiums in North Lawndale.

Youth Employment and Entrepreneurship

Two proposals were funded to provide economic development services to youth in the West Cluster, but focus on other neighborhoods in the Cluster. They are being presented here because they may be worth replicating or expanding into North Lawndale.

The West Zone Comprehensive Jobs Center was submitted by the Boys and Girls Clubs of Chicago. They will receive $145,410 to add a jobs center to the Dr. King Club that would provide school-to-work and employment programs to west Zone residents.

The Enhancing Youth Futures Through Workforce and Life Preparation proposal was submitted by a consortium of Agape Youth Development, Bethel New Life and Community Services West. They will receive $567,064 for expanding Agape's Victory Club, Community Service West's educational and career placements for youth, and Bethel's Youth Enterprise Network (YEN). YEN provides students the opportunity to start and operate high school based businesses. According to representatives of the West Cluster Collaborative, Bethel will expand this program into Manley and Collins high schools. This expansion was not clear in the write-up.

This first round of Empowerment Zone Funding is directing nearly $2.4 million into economic development activities as well as over $1 million in supportive activities such as child care. The City's Empowerment Zone staff have indicated future Empowerment Zone funding will support concrete economic development projects.
Homan Square

The TIF District proposed for the Homan Square area will fund the cost of new streets and other infrastructure. This is needed to support the additional 500 homes proposed for the area by Shaw. The City is constructing a new police station and considering using the Allstate Building for City offices. A Home Ownership Zone application was submitted by the City to HUD. If funded, it would facilitate additional home ownership opportunities in the Homan Square area. A privately funded community center is also proposed for Homan Square. Plans for the vacant 250,000 square foot building at 3301 W. Arthington remain unclear. This building was originally identified as a "jobs" building, but no viable project has been put forward to date. Shaw is willing to give the building to a viable project. They are also considering tearing it down.

The City recently retained the Lakota Group to produce a master plan for North Lawndale. They will recommend ways to "clean up" and improve the entry ways into the community from the expressway to Homan Square as part of this plan.

Public Schools

Collins and Manley high schools are located in North Lawndale. The Steans Family Foundation has a well developed relationship with Manley High School and the grade schools in the area. The small schools at Manley hold great promise for connecting economic development activities into Manley High School. Mt. Sinai hospital has an existing relationship with Collins High School related to health careers.

Neither Malcom X Community College or the new Westside Tech Center is located in North Lawndale, but both are easily accessible.

Douglas Park

Douglas Park is 174 acres. It is located toward the eastern end of North Lawndale. Collins High School is located in the park. Plans are underway to improve the park and to develop the fieldhouse into a community attraction...

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OTHER ECONOMIC DEVELOPMENT ACTORS IN NORTH LAWNDALE

There are many organizations working in North Lawndale on economic development issues. A few have significant expertise, but most do not. No forum brings them together to focus on economic development. Diverse groups do come together in collaboratives for specific purposes. For example, the Lawndale Development Corporation— a collation of LCDC, LBLDC and AMPs— focuses on commercial development in three locations. Economic development in North Lawndale are fragmented and tensions exist between some organizations. Some of the non-profit economic development-related organizations are:

**Geographic Based Development Corporations**

**Lawndale Business and Local Development Corporation (LBLDC)—** is a membership organization. Many of the industrial and large commercial and institutional players in North Lawndale are LBLDC members. LBLDC is the City’s delegate agency for the Roosevelt-Cicero Industrial Corridor. In the future, LBLDC may become the delegate agency for the Western-Ogden Corridor as well.

LBLDC received Empowerment Zone funding for commercial development activities in the Roosevelt Road area. Robert Steele, LBLDC executive director, is interested in obtaining SNAP funding for the area around Roosevelt Road between California and Kedzie Avenues. LBLDC has extensive employment and entrepreneurial training plans that are described below.

LBLDC hired two new employees, one to implement their industrial retention and development plans and the other to implement their commercial development plans. The LBLDC Board is actively engaged in the organization and membership is growing lately. Many members described LBLDC "on the right track now" and as "doing much better, but we still need a defining event to put us on the map." Others said that LBLDC has "more capacity than most than North Lawndale organizations, but it is still limited."

Tension exists between Alderman Chandler and Robert Steele. Speculation that Robert will run for alderman is constant. Robert is willing to commit to stay at LBLDC for a specific time period if it would quell these fears and help obtain the new private support they need.

**Lawndale Christian Development Corporation (LCDC)—** is primarily a housing development corporation. But, it is also concerned with redeveloping the 40 block area surrounding their offices. LCDC is not interested in expanding their focus beyond this target area.
In the past LCDC provided job readiness and job placement programs to encourage economic development. They later decided these services were too labor intensive and change to a strategy of improving the business environment. LCDC applied for and received SNAP funding for the area. The SNAP and Empowerment Zone funding, combined with other activities (such as bringing Lou Malnati’s Pizza to the area) are designed to foster commercial development along Ogden Avenue. LCDC is purchasing commercial sites on Ogden Avenue and developing feasibility plans for these and the bus barn sites. Any commercial development here should take advantage of the site’s proximity to Little Village market area.

Lawndale Christian Development Corporation is involved in the Metropolitan Sponsors. This is the church-based sponsoring committee for the Industrial Areas Foundation's (IAF) organizing work in the Chicago area. They are excited about the leadership development training that is part of the IAF organizing process. According to LCDC, the community leaders involved in this process are developing leadership skills that can also help them become successful entrepreneurs.

Agency for Metropolitan Program Services (AMPS)—AMPS is the City’s delegate agency for the Western-Ogden Industrial Corridor. AMPS received Innovative Project funding from the City a few years ago. They contracted with Bismark Brackett for a pre-development study of the 70 acre industrial redevelopment site in the corridor. Current ownership and acquisition costs for all of the parcels were developed. (See attached Innovative Project Report).

AMPS received Model Industrial Corridor funding as a sub-contractor to the 18th Street Development Corporation (ESDC). ESDC manages the part of the Western-Ogden Corridor in South Lawndale and Pilsen. DPD expressed disappointment in the Model Corridor plan and has not accepted it yet. AMPS has not used the Model Corridor process to build a strong base of support among the companies in their area. Businesses, such as Ryerson and Mt. Sinai are members of LBLDC—not AMPS. (DPD took this area from LBLDC and funded AMPS to work there about four years ago. At that point in time LBLDC had very little capacity itself).

AMPS also received a Planning Grant from DPD and Empowerment Zone funding to study the redevelopment potential for 16th Street. DPD has questions about whether there is significant retail potential for 16th Street.

AMPS has limited capacity despite the resources directed to it by the City. The City hoped AMPS would use these resources to build their strength. The City probably not continue to invest in them for long.
Pyramid West Development Corporation— has been in North Lawndale for decades. They are mentioned prominently in the Project 80 Plan and achieved some significant accomplishments. They can be credited with helping establish the Community Bank of Lawndale and with a number of housing redevelopment projects. Pyramid West also owns the land where the retail/Cineplex center will be developed. Most of their work today is in housing. As a major landlord in the community they have helped a cleaning business get started and provide a way to reach 1,700 families.

Entrepreneurship

Shorebank Runners Club— recently began working with a select group of potential African-American entrepreneurs from around the City. They receive support from Shorebank and meet with successful entrepreneurs. The first "class" is still in progress so the impact of the program is not clear.

Entrepreneurship Institute— runs an entrepreneurship program located at Homan Square. They work with young adults and youth individually and in school settings. They want to start a wholesale wall where of products that can be purchased for wholesale prices and sold at retail prices would be displayed.

West Side Business Development Consort/Community in Action— has a large Empowerment Zone grant to provide training for would-be entrepreneurs for one year. The program has not started yet. The consortium has limited prior experience and is anticipating hiring a consultant to provide these services.

Lawndale Business and Local Development Corporation (LBLDC)— proposes to create a "youth mall" where community youth can run businesses and learn skills at the same time. For example, they approached Wolf Camera regarding a photo/framing shop where youth could learn dark room skills, picture framing, etc. They are working with the Entrepreneurship Institute on this concept.

Bethel New Life— received Empowerment Zone funding to expand their Youth Enterprise Network (YEN) to create youth-run businesses in more high schools.
Small Business Assistance

Chicago Manufacturing Center-- works with small and medium size manufacturers providing a wide variety of assistance services. CMC is interested in creating "model factories" that bring networks of small manufacturers together in one location to share state-of-the-art equipment, bid contracts together, etc.

Community Bank of Lawndale-- provides informal assistance to bank customers regarding their business operations.

Shorebank-- provides marketing assistance to manufacturers.

West Side Business Development Consort/Community in Action-- has a large Empowerment Zone grant to provide training and business assistance to small businesses in North Lawndale for one year. The program has not started yet. The consortium has limited prior experience and is anticipating hiring a consultant to provide these services.

West Side Health Authority-- has a large Empowerment Zone grant to identify products and services purchased by local health institutions. They will also assist local businesses obtain contracts. Their focus to date has been on Austin-based businesses. They get assistance from Bill Howard at CUED and plan to contract out much of the business assistance work. West Side Health Authority tried to get either Bethel or Shorebank to take this project on, but neither would.

Mount Sinai Hospital-- provides a display case at the hospital and tables at various events where local entrepreneurs can display their work. Debra Wesley-Freeman knows approximately 50 such home based entrepreneurs in North Lawndale. Mt. Sinai is also interested in directing their contracting and purchasing power to start new businesses or expand existing ones in the neighborhood.

Illinois Medical Center-- is willing to open up the doors to its members for a well thought out program that uses the purchasing and contracting power of its member hospitals to start new businesses, expand existing ones, or bring new ones to the neighborhood.
Chicago Regional Purchasing Council-- helps minority firms in the Chicago area obtain contracts and enter into new markets. Alderman Ed Smith worked for this organization when it was still called CEDCO and before he became Alderman. He recommends that we explore opportunities to work with them to provide high quality business development services to local entrepreneurs.

Job Readiness Training and Job Placement

Suburban Job Link/Job Oasis-- runs a well established, successful job readiness/placement program. They connect North Lawndale (and Little Village) residents with manufacturing jobs in the western suburbs such as Bensenville and Elk Grove Village. They have also run a temporary labor service called Just Jobs for many years. Suburban Job Link is piloting a new welfare to work model with Tribune Direct Company. Tribune Direct contracts with them for both labor and supervision. The supervisor works with the employees to insure good work habits. Employees who work well are then hired directly by the company.

Strive-- is a well established national organization that has run a pre-employment and job search program for west side residents. It is located in West Humboldt Park. Two hundred (200) people have graduated since the program began on the west side in 1994. About 20% of their participants come from North Lawndale. Strive said that many long term unemployed have to "get used to working". It often takes up to three job placements for this to happen. The first job placement lasts, on average 13 weeks. The second job placement lasts 20 weeks. The third lasts two or more years. Thus, Strive stresses working with participants over time and through multiple job placements.

DePaul Center For Applied Research/One Stop Career Center
Illinois Employment And Training Center-- provides one stop services to people seeking job training and placement. The one stop has a computerized listing of jobs, provides skills assessment and job seeking skills, and makes referrals to educational and vocational training and support services. This is a new program. I was unable to reach them despite repeated attempts.

AMPS-- used to provide job readiness and job placement services. They placed 50 to 75 people in jobs per year until their funding was cut. They have recently been refunded through the Empowerment Zone West Side Job Link proposal.
ST. Agatha Church-- provides job placement services informally through contacts of Father Ivers. Saint Agatha’s church is also involved in the Metropolitan Sponsors.

Community In Action-- this group was formed by Alderman Chandler shortly before he won election. They recently received a contract with the Mayor’s Office of Employment and Training (MET) and TIF funding through DPD to provide job readiness training and job placement services. They will identify and train workers for the new shopping center/Cineplex development on Roosevelt and Kedzie. They have not provided these services before.

Pyramid West-- per Debra Wesley-Freeman of Mt. Sinai, Cecil Butler recently asked her to help design a job readiness and job placement service for their tenants. She indicated that 1,700 families are tenants in their buildings.

LBLDC-- ran a job placement program last summer for neighborhood youth. They plan to continue it next summer.

West Side Health Authority-- places high school students in internships at local medical institutions to learn about health careers. They have placed over 270 students in internships. They do not run this program at Collins high school because Mt. Sinai has a similar program there. It is not run at Manley High School either.

Illinois Medical Center-- is willing to open up doors for Steans to its member hospitals to establish a job training and placement program that will increase hiring of North Lawndale residents.

Skill Training

LBLDC— is receiving donation of the 36,000 square foot army reserve center at Kilbourn and 16th Street to create a manufacturing training center. They plan to use 12,000 square feet for various skill training programs including punch press and injection mold training. They are also developing training programs with specific companies. They mentioned the following possibilities: moving and packing training with Walter Payton’s relocation service, telephone and cable wiring training with Dillon Communication, collection training with the Collectors Training Institute, and environmental services and building maintenance training.

The remaining 24,000 square feet would be used for academic training, intake, computer training for employees of local companies and other organizations.
Chicago Manufacturing Center-- is exploring a number of skill training concepts in conjunction with Davis Jenkins of the UIC Great Cities Institute. The Tech Prep Bridge would provide manufacturing technology training. This training would feed into Daley College's Manufacturing Technology Program by resulting in Advance Placement credit. It would also provide paid internships in entry-level technician jobs with Chicago area manufacturers. This program was developed in conjunction with the Pilsen/Little Village cluster of the Empowerment Zone. Sewn products training is another potential program. It would be provided at the West Side Tech Center and would feed into jobs at apparel and other sewn products firms that are part of the CMC network.

Chicago Commons Manufacturing Training Institute and the Greater Westtown Community Development Corporation-- Neither program is located in North Lawndale, but both serve qualified North Lawndale residents. Both organizations provide skill training closely tied to manufacturing companies requiring the skills. Their placement rates are very high. However, many residents turned off by the longer timeframes required to complete these programs. Despite their training success they often have difficulty finding trainees.

THE COMMUNITY ECONOMIC DEVELOPMENT CONTEXT

The early sections of this report identify many characteristics of the economic base in North Lawndale for both its businesses and its residents. They also identify the economic development activities underway today and the various public and private institutions involved in them. In this section, I highlight some of the key economic development concepts, social issues and larger economic forces that also influence the objectives and strategies recommended in the final section of this report.

WHAT IS COMMUNITY ECONOMIC DEVELOPMENT?

Standard micro-economic theory holds that there are three elements of production-- land, labor and capital. Economic development is about manipulating or combining these elements in different ways to achieve certain outcomes-- usually to redistribute jobs, ownership or wealth. Strategies range from focusing on one element-- people based (e.g. supporting higher education), land based (e.g. if we clean it or build it they will come), capital based (e.g. new small businesses will be created if micro-loans are made available).
Community economic development seeks to impact the economic situation of a certain group of people in a certain place. Thus, community economic development usually focuses on strategies that blend people, place, and capital-based strategies in various ways achieve specific objectives.

While most community economic development initiatives rely on strategies that are overt economic development programs, any economic activity in a community can be structured to contribute more or less to the development of that community. For example, a program that trains youth to build houses can be structured to maximize its economic development impacts if these houses are used to provide home ownership opportunities for people who wouldn't have been able to afford them, if the trainees are then placed in jobs with career ladders that use the skills they have gained, and if the building materials are purchased in the neighborhood at a locally owned store.

Effective economic development strategies reflect an understanding of the community environment and build upon its strengths. Asset mapping, asset-based organizing, identifying the "competitive advantage of the inner city" all reflect this approach. Effective strategies also deliberately account for barriers and minimize their impact.

THE ROLE OF RACE IN NORTH LAWNDALE’S ECONOMIC DEVELOPMENT

Race has a major impact on redevelopment. Research conducted by the Great Cities Program at UIC assessed the likelihood that various brownfield sites would be redeveloped. It highlights the influence that race has on economic development. The researchers found that brownfield sites in African-American neighborhoods were 20% less likely to be redeveloped than comparable sites in white or Latino neighborhoods. No variable except race--not even the income of the surrounding community--was a significant predictor of redevelopment.

The Woodstock Institute's report, "Breaking Down Barriers," identifies a number of studies that highlight how racial discrimination impacts hiring. Researchers at the Urban Institute conducted a matched-pair audit of several hundred employers in two metropolitan areas. They found that African-American job applicants received fewer job offers (19%) than white applicants (29%) with comparable skills and work histories. This was a 53% difference in the rate of job offers due to race.

Another recent study by Harry Holzer, found that less educated African-American males are hired at substantially lower rates than Latinos, despite having a higher level of educational attainment. The proportion of less-educated African-American new hires was less than 65% of their proportion among the applicants. Latino males, on the other hand, were hired in proportions equal or greater to their proportion among
the applicants depending on the location of the employers. In addition, Holzer found that hiring rates of African-American males are substantially lower at suburban employers than at central city employers.

The economic problems in African-American communities such as North Lawndale are compounded by a lack of locally owned businesses and spending patterns that drain wealth from the community. In his April, 1990 article in the Reader, "The Color of Money", Grant Pick explores black spending patterns. He indicates that according to the U.S. Census Bureau, in 1989 blacks earned $260 billion in income, but black-owned businesses posted $21.6 billion in receipts--just 8.6% of black income. Pick notes that other common estimates are that 90% or more of black income flows out of the community. According to George Riddick of Operation PUSH "the average dollar spent by an African American goes around less than once before bouncing out of the black community, though a dollar will circulate 17 times in a tight-knit Asian neighborhood before exiting."

OTHER KEY ECONOMIC POINTS

Manufacturing jobs are widely regarded to have a more significant impact on the economy than retail or service jobs. This is because of the large variety of goods and services that go into producing and selling a product. It is also because manufacturers typically make products that are "exported" to other communities. Thus, money is "imported" into the community. The typical manufacturing job in Illinois supports 3.2 other jobs in Illinois.

Manufacturing jobs tend to pay higher wages, offer benefits and more mobility from unskilled to semi-skilled work than most retail and service jobs. However, according to Suburban Job Link, nine out of ten entry level factory jobs are in the suburbs.

Similar to manufacturing, health services offer variety of highly skilled, semi-skilled and unskilled positions. Formal schooling is often required to move from one level to the other.

Retail development tends to change patterns of where money is spent, but does not tend to contribute to overall job growth or economic development. It does however impact the quality of life in a community by adding convenience, cleaning up blighted areas, and providing visible evidence of investment.

According to the City of Chicago's retail "Market Analysis Manual" for the west side, North Lawndale is underserved in every retail category. The Retail Need Index would be much greater if Little Village was not in the same market study area. The maps and charts in Appendix 4 show the distribution of various types of retail uses in North and South Lawndale market area. Most of it is along 26th Street or Cermak Avenue.
RECOMMENDATIONS FOR A STEANS FAMILY FOUNDATION NORTH LAWNDALE ECONOMIC DEVELOPMENT INITIATIVE

PRINCIPLES

The principles adopted by the Steans Family Foundation are also important and appropriate guides in crafting a community economic development initiative. They are embedded in the objectives and strategies proposed below.

* Foster participation and ownership among residents
* Build and/or expand individual and organizational capacity
* Promote indigenous leadership
* Strengthen networks and connections among individuals and organizations, and
* Strengthen the community’s connection to outside resources

OBJECTIVES

However, my analysis suggests that the Foundation’s existing economic development objectives should be expanded to reflect the broader range of opportunities that exist in and near North Lawndale.

Existing Economic Development Objectives

1) Create effective job training and placement services
2) Create job linkages/placement opportunities with current employers
3) Help foster new commercial/retail development and business development/relocation in North Lawndale

"Proposed Economic Development Objectives

1) Create and support an effective, comprehensive and integrated network of education, readiness, training, and job placement services.
2) Establish effective business development and entrepreneurial training and support partnerships to create and expand successful resident-owned businesses.
3) Test a variety of strategies to retain, expand and bring new businesses (that will substantially benefit the community) to North Lawndale.
4) Initiate a variety of capacity building activities with local organizations in order to expand the scope and improve the effectiveness of economic development in North Lawndale.

5) Integrate North Lawndale economic development outcomes into other Steans Family and Foundation initiatives where possible.

These five objectives form the basis of a comprehensive economic development initiative for North Lawndale. Each is important. They should be pursued together with a careful blending of shorter and longer term; easier and more complex strategies. They focus heavily on building the organizational capacity, economic infrastructure, and trust relationships that will be needed to move forward. They also aim to multiply the financial and non-financial resources directed toward these efforts. Finally, they are designed to build upon themselves by identifying new strategies over time that take advantage of the initial ones as they unfold.

Each strategy is identified as having an immediate, short, medium or longer term timeframe for start-up. The timeframes are:

- **Immediate** = within 3 months
- **Short Term** = within 3 to 9 months
- **Medium Term** = within 9 to 18 months
- **Longer Term** = within 18 to 36 months

The immediate and many of the short term strategies are important building blocks to future activities. Some represent time sensitive opportunities.

Strategies are also identified as having a priority of one, two or three. A priority rating of one indicates that the strategy will have wide ranging impact by building up the capacity and resources to impact the economy over time. A priority rating of two indicates that the strategy will have a targeted, but important impact. A priority rating of three indicates that the real impact of the strategy is tangential or not clear.

Steans should implement a blend of priority one and two strategies so that they are moving forward with both base building and concrete activities.

**STRATEGIES**

1) **Create and support an effective, comprehensive and integrated network of education, readiness, training, and job placement services.**

1A) Establish and chair this network. It should include a variety of organizations--both local and broad based. The network should identify services needed, coordinate program development and delivery, insure quality, improve capacity,
identify additional resources, identify training opportunities, work with private employers and undertake other activities that lead to good jobs and advancement opportunities for North Lawndale residents. This network should link its members with technical resources and with private sector employers. It should also create a range effective of education, job readiness, skill training, support and job placement services for targeted groups of neighborhood residents. These groups should range from the hard to employ to successful high school students. Participants should include:

Chicago Jobs Council  
MET  
Suburban Job Link  
Strive  
DePaul Center for Applied Innovation  
Community in Action  
Chicago Manufacturing Center  
LBLDC  
AMPS  
LCDC  
Pyramid West  
Malcom X  
West Side Tech  
Manley High School  
Collins High School  
Alderman Chandler  
Alderman Smith  
Greater West Town  
Chicago Commons  
West Side Health Authority  
West Side Ministers Association  
Selected Businesses As Appropriate

This strategy is a cornerstone to success. North Lawndale residents will not benefit from the development of their community or the region if they are not prepared for or not aware of job opportunities.

TIMEFRAME: IMMEDIATE START, IMPLEMENTATION ONGOING  
PRIORITY: ONE

1B) Explore the feasibility of establishing a Jobs Center in Homan Square. This Center would facilitate delivery of a comprehensive network of employment-related services by providing affordable, high quality space for employment-related programs. Many organizations such as Suburban Job Link, Strive and the One Stop Shop all need new offices and training space. A Jobs Center at
this location would also help by providing an ongoing source of funding to support these services through revenues from a new TIF District in Homan Square. Finally, it is located in the Empowerment Zone and could receive funding through that process.

This strategy must also be pursued immediately. The TIF must be put in place before additional development occurs in Homan Square in order to capture the increment. Also, the City is considering using proceeds from a Homan Square TIF strictly to build new streets for the new houses. By using some of these proceeds to support employment programs, current residents of North Lawndale will also benefit substantially from the Homan Square development.

A second deadline will come when the second round of Empowerment Zone RFP's are released sometime this year.

TIMEFRAME: IMMEDIATE EXPLORATION, IMPLEMENTATION MEDIUM TERM
PRIORITY: ONE

1C) Develop job readiness and linkage programs/partnerships that prepare and link North Lawndale residents with a variety of jobs. This should include general and downtown focused jobs, suburban jobs, and jobs in North Lawndale businesses. Explore the potential of creating a partnership with LBLDC building the employer linkage network and with Strive providing the job readiness and support services. Also, review the progress of Suburban Job Link's new program with Tribune Direct to determine whether and how to support replication in other companies. This represents an important strategy for the long term unemployed who need experience in a sheltered work environment to become employable. It provides a promising alternative to more complex strategies of creating sheltered business/training entities.

TIMEFRAME: SHORT TERM
PRIORITY: ONE

1D) Develop a job placement program with nearby medical institutions that also takes advantage of training opportunities to increase the skill level and quality of jobs held by North Lawndale Residents. A local partner(s) is needed to implement this. There is no obvious choice at this time. A combination of an outside organization such as the Chicago Jobs Council, DePaul Center for Applied Innovations, West Side Health Authority or Strive and inside referral organizations might work. The employment network proposed in Strategy 1A should help clarify who to work with.

TIMEFRAME: SHORT TO MEDIUM TERM
PRIORITY: ONE
1E) Develop a job training and placement program with United Airlines. Partners would depend on the training design. Nancy Belew might be a good person to put this together. A local partner(s) is also needed to implement this program. The employment network should help clarify who to work with.

**TIMEFRAME:** SHORT TO MEDIUM TERM **PRIORITY:** TWO

1F) Determine an appropriate way to support the Manufacturing Training Center being developed by LBLDC so that it is successful. This should include assisting them in creating a program or partnerships with other organizations that will lead to a progressive increase in the placement of North Lawndale residents in local industrial jobs.

**TIMEFRAME:** SHORT TO MEDIUM TERM **PRIORITY:** ONE

1G) Explore ways to build upon the small school concept at Manley High School and to connect each small school to both immediate and future economic opportunities for the students. Possibilities for immediate exploration are connecting the Print Communications Program with Color Communications Company and identifying a developer (possibly Shaw) who can obtain work experience for students in the built environment program.

**TIMEFRAME:** IMMEDIATE TO SHORT TERM **PRIORITY:** ONE

1H) Create a World of Work curriculum for North Lawndale students ages 10? and up including field trips, visits from people in various occupations, job readiness, volunteer community service, work experience and paid internships where possible. Seek and develop private sector involvement in this program. Would United Airlines do this? North Lawndale Youth-- The Sky is the Limit?

**TIMEFRAME:** MEDIUM TERM **PRIORITY:** ONE

1I) Identify ways to encourage Malcom X to create or revamp their programs to connect degree and nondegree courses, meet business needs and expectations and result in job placements. There are a wide variety of interesting initiatives underway at community colleges around the country that are highlighted in the attached report prepared for the Annie Casey Foundation. I was unable to reach the head of Malcom X despite repeated attempts.

**TIMEFRAME:** MEDIUM TERM **PRIORITY:** ONE
1J) Involve the churches, block clubs, schools, large landlords and other institutions in a two way information distribution and feeder system for employment-related programs and opportunities. Support a variety of demonstration projects with the different types of organizations identified above.

TIMEFRAME: MEDIUM TERM PRIORITY: ONE

1K) Use Steans Family Foundation relationships Identify other opportunities (such as the United Airlines opportunity) to establish training programs with businesses that will hire the trainees.

TIMEFRAME: MEDIUM TERM PRIORITY: TWO

1L) Explore the potential of establishing Individual Development Accounts for North Lawndale residents to encourage further education and training.

TIMEFRAME: LONGER TERM PRIORITY: THREE

2) Establish an effective business development and entrepreneurial training and support partnership to create and expand successful resident-owned businesses.

This partnership should address the needs of three different markets for small business assistance and entrepreneurial training and support-- resident-owned businesses, aspiring resident entrepreneurs and neighborhood youth.

2A) Determine which organizations (both local and broad based) should be part of this partnership. Some potential members are:

Chicago Manufacturing Center
Shorebank.
West Side Small Business Development Center
Community in Action
Chicago Area Purchasing Council
CANDO-- Self Employment Loan Fund
Women's Self Employment Project
Chicago Workshop for Economic Development
Entrepreneurship Institute
Bethel New Life
LBLDC

Evaluate what capacity they have (and need) and what roles they will play. Determine whether Steans can influence the development of the West Side...
Small Business Development Center/Community in Action program enough to use it as a vehicle for moving forward with this objective. Consider issuing an RFP for the various components of this program if local programs are inadequate.

TIMEFRAME: IMMEDIATE START, IMPLEMENTATION ONGOING
PRIORITY: ONE

2B) Identify and work with groups of North Lawndale-owned businesses to stabilize and grow their businesses. Seek nominations from knowledgeable people and select a group of five to ten such businesses to start with. Work with partners to determine the program design and how it will benefit these small businesses. Consider what financing opportunities would be available through Steans and through other sources. Explore how the Chicago Area Purchasing Council can assist in this process. Consider hiring a market/business development specialist to work intensively with these businesses on a full time basis. Seek and develop private sector involvement as mentors and coaches. A beginning list of businesses nominated for this program is included in Appendix 4.

TIMEFRAME: SHORT TO MEDIUM TERM
PRIORITY: ONE

2C) Identify and work with groups of North Lawndale residents aspiring to be entrepreneurs and with the potential to succeed. Work with partners to determine the program design-- including both training classes, financial assistance and on-going support. Identify how it will benefit these small businesses. Identify and nurture effective feeder systems of potential entrepreneurs.

TIMEFRAME: MEDIUM TERM
PRIORITY: ONE

2D) Develop a series of entrepreneurial training and hands on business experiences for North Lawndale Youth. Work with partners to determine program designs. Involve educators in determining age appropriate activities. Potential partners include: Entrepreneurship Institute, Bethel New Life, LBLDC, North Lawndale Schools Network, Collins High School. Seek and develop private sector involvement. Over time, hundreds of community youth should be involved in these activities each year. Explore ways to use the many vacant lots in North Lawndale as a resource for open air markets, food production businesses, housing development, etc.

TIMEFRAME: MEDIUM TERM
PRIORITY: ONE
3) Test a variety of strategies to retain, expand and bring new businesses (that will substantially benefit the community) to North Lawndale.

This focus here is on retaining the existing business base in North Lawndale, helping it to expand and improving the connections between the businesses and the community. Attracting new businesses that benefit the community is another focus of this objective. Potential benefits include local hiring, ownership structures that involve the community, business development through local purchasing, etc. These businesses should, at a minimum, provide living wages and basic benefits to their employees.

3A) Explore the potential of using the purchasing and supplier relationships of near by medical institutions as a basis for expanding local businesses, attracting businesses to North Lawndale or starting up new businesses. Visit existing programs at the University of Maryland Hospital and Johns Hopkins. Develop and revise over time a basic program design and objectives. Meet with the Illinois Medical Center to enlist their support. Develop partner relationships—possibly with the Chicago Area Purchasing Council and the West Side Health Authority as well as with the nearby medical institutions. Explore the potential role of the Runners Club in this program.

Attend IMC meeting. Hold focus group of purchasing agents to identify products and services that could be produced or provided in North Lawndale. Pursue two or three of the most promising leads that represent a variety of models. For example, identifying a large medical supply company to establish a plant to North Lawndale, or expanding an existing local company receiving through new contracts, or starting-up a new business such as a transcription service. The transcription service would involve training residents, obtaining contract commitments and helping trainees purchase computers. Pursue additional opportunities based upon these experiences.

TIMEFRAME: SHORT TERM EXPLORATION, IMPLEMENTATION MEDIUM TERM
PRIORITY: TWO

3B) Support industrial real estate development projects that make land and buildings available for industrial expansions as well as industrial attraction and development in North Lawndale.

1) Meet with Bismark Brackett to review the five or six reuse projects with immediate potential to reduce vacancies and to provide space for smaller and younger businesses. Determine whether Steans wants to be involved in assisting these projects—what the costs and benefits would be. If yes, identify who should be partners with Steans in this process—
possibly LBLDC and Shorebank or CMC.

**TIMEFRAME: SHORT TO MEDIUM TERM**

**PRIORITY: TWO**

2) Request Model Industrial Corridor presentations from LBLDC and AMPS. Assist them, the City and Clean Sites in determining which North Lawndale industrial development sites should be first round sites for the new real estate intermediary being set up through a grant from the MacArthur Foundation to Clean Sites. Assembly, pre-development feasibility, environmental assessments, packaging and marketing services could be available through this intermediary. Identify ways that Steans can support this process and assist with these projects.

**TIMEFRAME: IMMEDIATE TO SHORT TERM**

**PRIORITY: ONE**

3C) Review results of Westside Commercial Area Project workshops and the work of the Lawndale Commercial Corridor Project being funded through the Empowerment Zone. Request presentations by LCDC, LBLDC and possibly AMPS about their plans. Determine what, if any, support Steans should be providing to assist commercial development projects in North Lawndale.

**TIMEFRAME: MEDIUM TERM**

**PRIORITY: TWO**

3D) Fund the exploration of promising neighborhood oriented ownership opportunities—especially related to commercial development. Identify retailers with histories of bringing in minority partners and those that have structured ESOPs or other worker ownership opportunities. Identify which franchises have the best histories of success with African-American owners and communities. Use this information to assist in crafting a commercial development strategy that does not just drain money from the community. The first step would be to find out what of this research has already been done. UIC CUED or the National CUED might know this.

**TIMEFRAME: SHORT TO MEDIUM TERM**

**PRIORITY: ONE**

3E) Support efforts to improve the business climate in North Lawndale. The Model Industrial Corridors and SNAP initiatives are two such efforts. They address a wide range of issues facing local businesses from crime to infrastructure improvements. As noted above, Steans should request presentations on these programs and identify ways to help continue their momentum as their City funding winds down.

**TIMEFRAME: MEDIUM TERM**

**PRIORITY: ONE**
Help create a sense of positive momentum and reinvestment in North Lawndale. Take advantage of and support opportunities to present a positive image of North Lawndale such as marketing campaigns (LBLDC is developing one with Model Industrial Corridor funds) and media attention. Identify and nurture an effective area spokespeople--both businesspeople and residents. Hire professional public relations assistance from time to time.

**TIMEFRAME: MEDIUM TERM**
**PRIORITY: ONE**

Support activities that seek to improve the relationship between area businesses and local residents and organizations. Many of the businesses don't hire from the community, don't purchase from the community and don't support local organizations or schools. Most businesses are willing to get involved if presented with an easy, non-threatening way to do so. In particular, LBLDC should encourage to create these vehicles. Job link programs and school connections are often good starting points for company involvement. Steans should seed these linking efforts over time. Involving businesses in the community can increase your impact considerably. Steans might consider matching any new dollars given by local companies to local organizations or to schools up to a certain amount.

**TIMEFRAME: SHORT TO MEDIUM TERM**
**PRIORITY: ONE**

Help the Chicago Manufacturing Center develop and locate bidding and other networks of smaller companies in North Lawndale. This strategy is dependent on whether a Jobs Center is developed that could include these uses. These networks can help small businesses compete by expanding the range of contracts they can bid on and by sharing the cost of expensive equipment and skilled labor.

**TIMEFRAME: LONGER TERM**
**PRIORITY: THREE**

Use Steans business and family networks to identify other businesses that might locate in North Lawndale. This strategy aims to take advantage of existing relationships and networks in order to overcome the impact of obstacles such as race in investment decisions.

**TIMEFRAME: MEDIUM TO LONGER TERM**
**PRIORITY: TWO**
4) Initiate a variety of capacity building activities with local organizations in order to expand the scope and improve the effectiveness of economic development in North Lawndale.

4A) Provide capacity building assistance to interested Empowerment Zone funded organizations in the area. Many of these organizations will be providing these services for the first time. The Steans Foundation should help them use these significant new resources ($2.3 million) effectively. This will also help Steans get to know organizations, in order to determine which should be long term partners. (See objective 4E).

TIMEFRAME: IMMEDIATE PRIORITY: ONE

4B) Create two collaborative forums— one for education, training and job placement actors (see objective A1) and the other for small business development and entrepreneurship (see objective B1). This will increase coordination, provide a forum for increasing capacity and help integrate outside organizations into the community fabric. These forums will also help Steans get to know these organizations and determine which should be your term partners in this effort.

TIMEFRAME: IMMEDIATE PRIORITY: ONE

4C) Offer extensive fundraising and resource development training and coaching to all interested North Lawndale organizations and schools. More private and public resources— financial, in-kind and human—are needed to rebuild the economic fabric of North Lawndale. In addition, this training will help identify the best partners for this initiative.

TIMEFRAME: SHORT PRIORITY: ONE

4D) Balance the temptation/need to bring outside organizations with track records and expertise to North Lawndale with the important goal of developing the capacity of local organizations. At a minimum, organizations that are brought in and funded by Steans, should be required to build solid partnerships with local organizations and share their expertise both one-on-one and in collaborative forums. Local groups who become their partners should receive funding/support for their roles in these partnerships. This is critical. Otherwise, the outside groups will never be integrated into the fabric of the community, their impact will be limited, the exchange of learning and skills will be minimal, duplication of efforts will continue and local organizations will quickly stop trusting you.

TIMEFRAME: IMMEDIATE PRIORITY: ONE
4E) Select local partners to work with to accomplish these five objectives. Work with each partner organization to identify their capacity building, on-going support and project oriented needs--both financial and non-financial. Plan should be devised with them to obtain these resources. Invest in the plans, but require resources from other sources too. Open whatever doors you can to help. Keep in close contact with partner organizations. Review and revise the plans every year with each partner. Strategies 4A, 4B and 4C provide a testing ground to determine which groups should become your partners and for what activities.

TIMEFRAME: MEDIUM TERM

PRIORITY: ONE

4F) Experiment with ways that organizing and leadership development efforts can help create new employment-related information distribution networks, improve the quality of life in the community (including the business areas) and develop new skills among community residents.

TIMEFRAME: MEDIUM TERM

PRIORITY: THREE

5) Integrate North Lawndale economic development outcomes into other Steans Family and Foundation initiatives where possible.

5A) Identify ways to integrate economic development outcomes--jobs, ownership opportunities, asset formation, etc.--into other current and future Steans initiatives. This could include your education, housing, open space and other work.

TIMEFRAME: SHORT TO MEDIUM TERM

PRIORITY: ONE

5B) Use Steans Foundation networks to encourage other public and private investment in North Lawndale. For example, Steans can help influence the use of Homan Square TIF funds so that some of the money goes to support employment-related activities--not just streets.

TIMEFRAME: SHORT TO MEDIUM TERM

PRIORITY: ONE

5C) Use Steans Foundation relationships to influence planning, policy, program and resource decisions that will impact the community. For example, Mt. Sinai is concerned about the redevelopment of the area surrounding its facility. While this should not be a core objective of the Steans Foundation, Steans should be supportive (not necessarily financially) of appropriate plans for that area.

TIMEFRAME: SHORT TO MEDIUM TERM

PRIORITY: ONE
5D) Use Steans Foundation’s purchasing power to support economic development in North Lawndale.

TIMEFRAME: SHORT TO MEDIUM TERM           PRIORITY: THREE

These objectives and strategies are summarized on the following pages. They require that Steans continue to play the wide variety of roles-- investor, grant maker, broker, capacity expander, incubator of ideas, community advocate-- that it has been playing in other initiatives. Steans can and should also play the role of convener with regard to economic development. There isn't an institutional vehicle to pull the wide variety of players needed to rebuild the economic fabric of North Lawndale. The people I interviewed were ready and willing to come to the table, if convened by Steans. Both of the forums I have recommended could eventually be convened by another organization or become separate entities. But, for now Steans should play this role.
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