



SBGI

SMALL BUSINESS GROWTH INITIATIVE

Building for the Future with Community

lakecountycf.org

 THE LAKE COUNTY
COMMUNITY FOUNDATION
Growing Philanthropy. Building Community.



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Waukegan

THE BLUEPRINT

The Small Business Growth Initiative (SBGI) is a part of The Lake County Community Foundation's (LCCF) Program & Community Investment Strategy under our Economic Justice pillar. We envision a Lake County where neighbors have the resources and power to heal and generate pride within their own neighborhoods; **where all individuals have equitable access to building generational wealth and opportunities to reimagine and create sustainable communities.**

We are intentionally shifting our philanthropic power, resources and focus to historically disinvested communities so that everyone has access, resources and opportunity.

*We envision a Lake
neighbors have the
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*the County where
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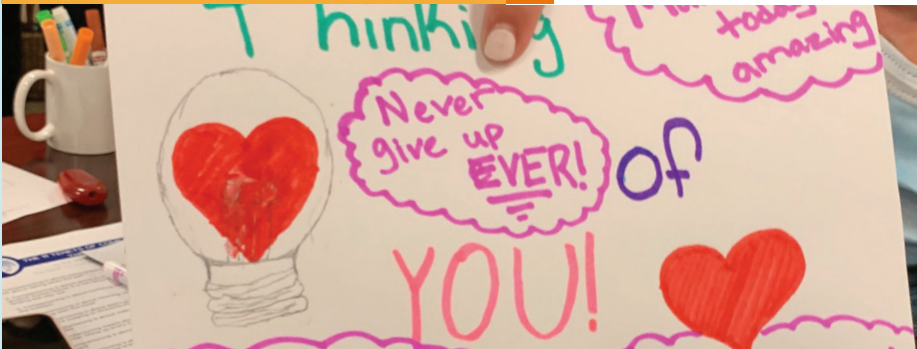
ECONOMIC JUSTICE

THE PROGRAM

COMMUNITY OWNERSHIP



COMMUNITY RESPONSIVENESS



LAYING A FOUNDATION

In 2020, our friends, partners and Lake County residents, **Amy Morrison Heinrich and Ryan Wallace**, met with us to discuss their concern about the sustainability of small businesses through the COVID-19 pandemic, particularly those in communities of color. Collectively, we realized there was a gap in financial and educational services available to entrepreneurs in Lake County, especially entrepreneurs in historically disinvested communities. We remain deeply committed to this work and are grateful to Amy and Ryan for their thought partnership and leadership that helped shape what is now the Small Business Growth Initiative (SBGI).



Amy Morrison Heinrich

“LCCF’s SBGI program is empowering by supporting and granting capital to community-minded entrepreneurs of color in historically disinvested areas. **I am already seeing the multiplier effect from our first grantees at the coffee shop, Drip & Culture, in Waukegan. They are ‘percolating’ a vision of economic revitalization and incubating other businesses in the community.** It is my hope that this initiative will be poured out as a stimulant for equitable economic vitality across Lake County.”

Ryan Wallace

“When I was 12 years old, I came home from a church mission trip and told my parents that I wanted to be a pastor when I grew up. As I grew older and witnessed the underlying sources of inequity in our community, I began to understand that striving towards true justice meant stretching beyond the satisfaction of my neighbors’ needs for today—it demanded that we reset the foundations of our shared community life to provide equitable access to resources and opportunities. This winding path led me to partner with LCCF to help create the Small Business Growth Initiative. **I can imagine a beloved community where one day every person is given the support and resources they need to live into the fullness of their humanity. SBGI is evidence that another world is possible.**”





LCCF is concentrating on the growth of our local communities and building strong economies for the future through our Small Business Growth Initiative, which collaboratively supports small businesses owned by people of color in historically disinvested communities. SBGI was piloted in Waukegan, specifically the 60085 ZIP Code, and LCCF will continue growing capacity in Waukegan before moving to other local communities.

PROGRAM GOALS

-  Provide access to social, educational and financial capital for entrepreneurs and small business owners.
-  Create collaborative space and support peer learning networks for small business owners.
-  Encourage participant businesses' viability and sustainability by taking an individualized approach to mentorship, technical assistance and support.
-  Create pipelines of entrepreneurship in historically disinvested communities.
-  Increase economic development and community engagement within low-to-moderate-income communities.

MEET OUR PARTNERS

Brad McConnell

Executive Director, Allies for Community Business

“Allies for Community Business believes that entrepreneurs from any background can start and grow businesses that create generational wealth for their families and communities.”



Kevin Considine

President & CEO, Lake County Partners

“Small businesses account for two out of every three jobs added in the last 25 years. There are 30,000 businesses in Lake County. The vast majority of those are small businesses. The value generated in small businesses is often held locally, and can change the economic trajectory of families and communities.”



Monty Edson

Credentialed Business Coach &
Adjunct Business Faculty, Lake Forest College

“Together with Adam and Nydia, we created a set of ‘doing to learn’ sessions for the Entrepreneurs Collective’s first cohort. I was introduced to Adam and Nydia Carson of Waukegan’s Drip & Culture by the Small Business Development Center (SBDC) of Lake County. Adam and Nydia had developed a unique concept, the Entrepreneurs Collective, designed to support the goals and dreams of aspiring Waukegan-area entrepreneurs. They were looking for a resource to help them identify and deliver relevant educational content that would help these entrepreneurs flesh out and test their business ideas.”



Drip and CULTURE

EST. SOCIALLY MINDED COFFEE 2020



We chose Drip & Culture owners, Adam Carson and Nydia Gonzalez-Carson, for the SBGI pilot to support their vision for their own business and their broader vision for Waukegan. Drip & Culture is a socially-minded coffee brand that is a catalyst for change in Waukegan and surrounding communities. The store is located inside of Supermercado Gonzalez, a family grocery store that has been in the community since 1994, which Adam and Nydia also manage.

Adam and Nydia moved back to Waukegan from Brooklyn, New York in early 2020 when they realized the impact COVID-19 would have on major cities. They came home to manage one of the family businesses, Supermercado Gonzalez. They wanted to create an extension of their home where folks feel welcomed and part of something bigger. Out of this dream, Drip & Culture was established.

Drip & Culture serves as more than just a coffee shop. Adam and Nydia have opened the space for other entrepreneurs to sell their goods. Whether it's Queen B Empanadas selling on the weekends, Oats Gone Wild selling overnight oats in the cooler, or Silva Espadas fashion and art in the lounge area; the talent of the community is always being elevated in the space. LCCF realized early on that granting to Drip & Culture was more than granting to one small business. We were granting to multiple small businesses, to kindred entrepreneurial spirits with similar backgrounds and dreams, and to the community of Waukegan.

Using a social entrepreneurship lens, Adam and Nydia believe that they must invest their profits into ventures, organizations and people working daily to transform the context of social, political, economic and environmental action. Through this commitment, the couple hopes to be an example of how organic and grassroots activity can be a model for mobilizing change in similarly underinvested communities.



DRIP & CULTURE'S PROPOSAL & PROJECT

Drip & Culture was granted \$50,000 for a construction project to expand the physical footprint of the coffee shop inside of Supermercado Gonzalez. Their goal was to create better access for customers by relocating the coffee shop to the front of the store and installing a window for outside accessibility. Due to an unfortunate contracting experience, the recession and labor shortages, Drip & Culture and LCCF quickly decided to pivot from this proposal within the first couple months. The subsequent plan and impact were more than we could imagine.

FOCUS & GROWTH GOALS

1 Increasing Awareness + Access

- Build a coffee cart & attend community events
- Create a loyalty program

2 Investing In Employees + Creating Jobs

- Hire additional employees
- Pay employees above minimum wage

3 Building Community + Entrepreneurship Pipelines

- Track small business referrals to resources
- Collaborate with 5+ additional local businesses

THE IMPACT OF SBGI ON DRIP & CULTURE

Increase Access + Awareness

- ✓ Invested in a coffee cart (mobility)
- ✓ Launched online ordering + loyalty program



✓ **8.5%**
Increased returning customer rate

✓ **160%**
Increased social media following

The Coffee Cart traveled to:



- North Chicago Farmers Market
- Highland Park Food Truck Thursdays
- College of Lake County—LakeShore Campus
- Elawa Farm's Garden Market
- North Chicago's Mosaic Hub

Investing in People + Creating Jobs

- ✓ Formal onboarding
- ✓ Created an incentivized skill matrix for employees
- ✓ Added 2 part-time employees + 1 full-time employee
- ✓ Increased minimum wage by 23%



Building Community + Entrepreneurship Pipelines

- ✓ Increased partnerships by 35+ small businesses/orgs
- ✓ Filed for 501c3 status for Entrepreneurs Collective
- ✓ Created a start-up entrepreneurship curriculum with Monty Edson
- ✓ Launched a pilot cohort of 4 small businesses

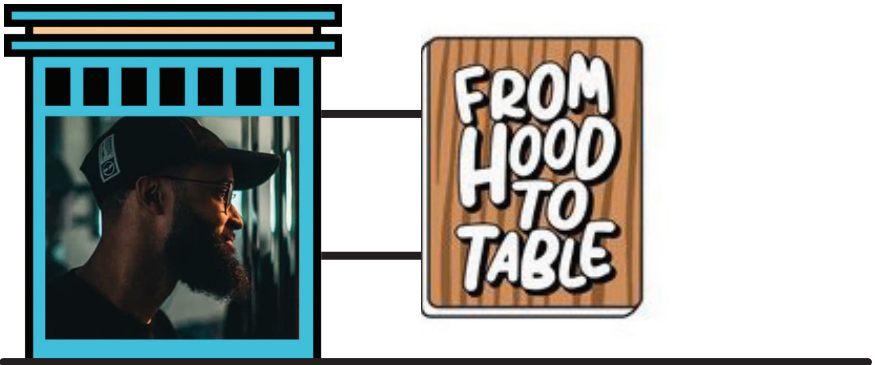
35+ small businesses Drip & Culture used to expand their business:

- Queen B Empanadas
- Oats Gone Wild
- Thicc N Vegan Cookies
- Oohlatte
- I'll Cop Those
- Heavybutlite Photography and Videography



CREATING PIPELINES & LOCAL START-UPS

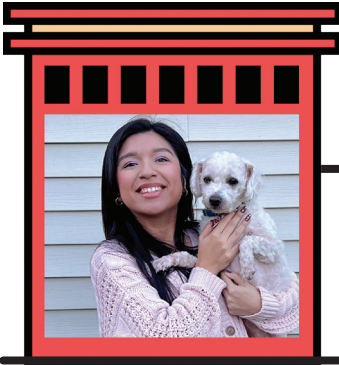
Adam and Nydia created The Entrepreneurs Collective, a new nonprofit focused on building an ecosystem of support for entrepreneurs. Their goal is to change the trajectory of communities like Waukegan, North Chicago and Zion through social entrepreneurship by providing resources to start-ups. They hope to create a movement of like-minded business owners committed to social enterprise and community engagement.



From Hood to Table

Jeffery Williams, *Owner and Founder*

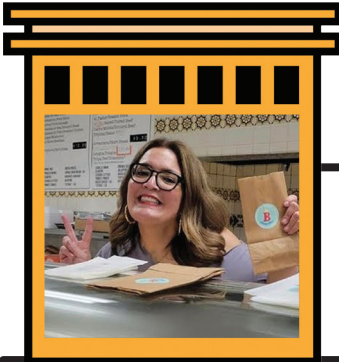
“I have a passion for gardening and experimenting with food from my garden in combination with food I grew up eating in my family’s kitchen. I want my community and urban communities alike to know where their food comes from and how to adopt healthier styles of eating and living. I am building the table and serving the food for my community, and sharing the generational wisdom to bring the community back to its roots through education.”



Treasure Treats Bakery

Michelle Calleja, *Owner and Founder*

"Treasure Treats Bakery (TTB) is a small, Latina-owned business dedicated to making doggie tails wag! I established TTB because of the love I have for my dog, Bruno, my passion for baking and the pure joy of expressing my creativity. My goal for this dog bakery is to continue to spread that same love and happiness to your pup."



Queen B Empanadas

Brenda Espiritusanto, *Owner and Founder*

"As a kid, my parents would send my sister and I to Puerto Rico during summer breaks to visit my grandmother. My abuela always used fresh, handpicked ingredients to cook with. Growing up, my mom's cooking was the norm for us, but for others, it was a treat. I want to share my love of cooking. I create Puerto Rican and Latin inspired empanada fillings, fresh and rich in flavors like generations of women before me."

LEARNING FOR THE FUTURE

The trust and relationship we built with Drip & Culture has been the key to successfully navigating challenges encountered during this pilot. As a philanthropic institution, LCCF controls the financial and social resources. We must be conscious of this power dynamic and trust that grantees (in this case, entrepreneurs and small business owners) are the experts of their business and want to see growth.

This pilot taught us to get comfortable with unforeseen circumstances, such as a recession and labor shortages, and to pivot in partnership with the community. It has taught us to hold a safe space for the community to explore and try new ideas when things don't go as planned. This is a value of our program that is vital to the success of our intentions.

Traditionally, LCCF has granted only to nonprofit organizations. As this was our first time granting to for-profit businesses, nuances emerged that we can improve upon for future programs. One such detail was the timing of the money received by grantees. Moving forward we will launch a cohort at the beginning of the calendar year to give businesses optimal time to generate revenue before they have to pay taxes for the grant they receive.

LCCF has been intentionally transitioning to more relational practices in our work, which is vital for building relationships with people and communities of color. The SBGI program was designed for historically disinvested communities. We acknowledge that much work remains to create authentic partnerships in these spaces due to historical injustice and practices of white-centric philanthropy. We believe this program will only work when rooted in the community it serves and when the people and partners involved have a strength-based mindset. **We remain committed to ensuring this program stays anchored in the community.**



Trust & Relationships



Timing



Community Anchored

LCCF PARTNERSHIP EXPANSION IN 2023



- We will support the work through an operational grant.
 - We will support start-up cohort participants with micro-grants.
-



- We will support a cohort of small business owners from Waukegan, specifically the 60085 ZIP code, with financial and relational capital.
 - Business owners will receive \$30,000 to grow their business and meet their individualized growth goals with the assistance of a business coach.
 - We will host quarterly meetings for cohort members to learn from speakers with similar backgrounds, discuss triumphs and challenges, and explore business synergy and collaboration possibilities.
 - We are committing \$100,000 across 10 small businesses in Lake County.
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- Honeycomb Credit is a small business loan crowdfunding platform where everyday people can invest in local businesses they believe in.
- We are committing \$50,000 across five small businesses.



**SMALL BUSINESS
GROWTH INITIATIVE**
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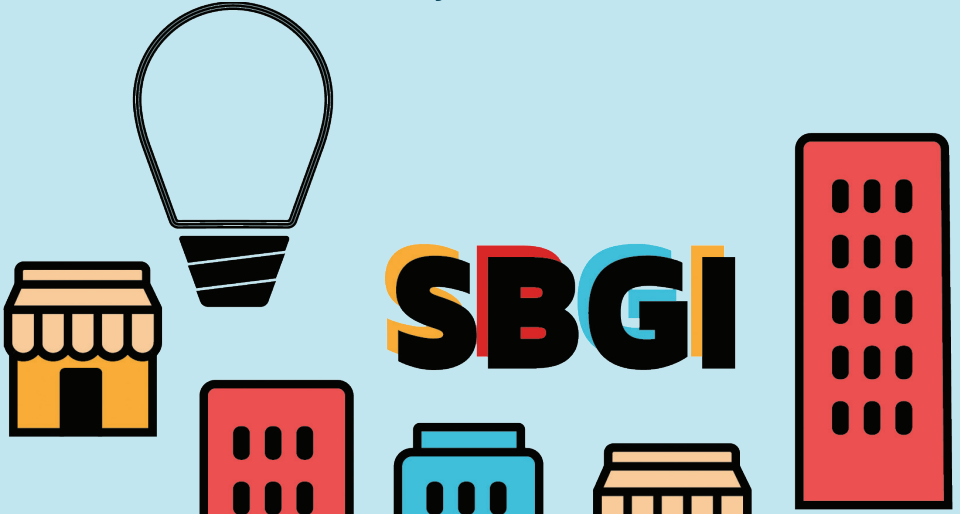


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THANK YOU TO OUR FOUNDING DONORS



First Presbyterian Church of Lake Forest
Amy Morrison Heinrich and Rob Heinrich
Ryan Wallace



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Please make your check payable to "The Lake County Community Foundation" and reference "Small Business Growth Initiative" in the memo line. Mail your check to:

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By wire transfer or gift of stock

Please contact Wendy Richter, Director of Donor Services & Operations, at wendy@lakecountycf.org to request the gift instructions.



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