



Actualizing Equity 2020

From Relief to Reconstruction

Advancing Equity for Small Business

The impacts of the COVID-19 pandemic and the uprising around the murder of George Floyd devastated many Black, brown, indigenous and immigrant-owned businesses in the Twin Cities. We know that these businesses play an essential role in building and sustaining the culture, wealth and economic vitality of BIPOC and immigrant communities, and funding from government, philanthropic and private sources are investing in our local “recovery” and “rebuilding.” In our **June 2020 Actualizing Equity event**, we explored: How do we ensure that short-term relief centers the needs of BIPOC- and immigrant-owned businesses and that new processes and policies around economic development advance the ownership and agency of our communities?

Speakers included

- » Mercedes Jaime, Latino Economic Development Center
- » Idris Mohamed, African Economic Development Solutions of MN
- » Tabitha Montgomery, Powderhorn Park Neighborhood Association
- » Va-Megn Thoj, Asian Economic Development Association

Values

Our communities contain brilliant business acumen and entrepreneurial talent.

While the models and processes may look different than white-normative American capitalism, BIPOC and immigrant business owners and entrepreneurs are creative, effective and innovative.

Our communities do not need to conform; economic systems need to adapt.

Our communities and businesses do not need programs and technical assistance to assimilate; we need real and meaningful resources to thrive on our own terms.

Our businesses are the heart of our cultural communities.

The products and services our businesses provide are the material sustenance and spirit that sustain our cultures and traditions.

Our cultural corridors are essential to the vitality of our cities and region.

We are invaluable anchors for employment, commerce and community spaces that cement the viability of our cities and region.

Vision

Government systems move from wealth extraction to targeted investment.

Public resources for economic growth shift from supporting large corporations and development projects to systemic and sustained investment in small, BIPOC- and immigrant-owned businesses.

Our businesses and entrepreneurs have access to capital and financing that meet their needs.

Lending institutions recognize racial disparities and honor cultural differences to provide financing and loans that meet the needs of our businesses and entrepreneurs.

Our communities have ownership of property and land to create resiliency for our businesses and cultural corridors.

Our businesses, entrepreneurs and artists do not fear displacement because they are anchored in place by ownership stakes in the physical spaces that support their commerce and craft.

We embrace and engage in collaboration across cultural communities.

Our communities work together to understand shared barriers but ensure that our unique cultures are elevated not essentialized into broad BIPOC categories that uphold white dominance.

How We Get There

What are policy and systems changes that will get us to our vision for thriving small businesses that provide stability and wealth for our BIPOC and immigrant communities? Our speakers lifted up ideas that would shift from short-term recovery of the status quo to long-term reconstruction of a fundamentally different system and outcomes.



DEDICATE STATE FUNDING:

Small, BIPOC- and immigrant-owned businesses play an essential role in the economic and civic health of our communities, providing significant employment and cultural resources. Like the arts and environment, Minnesota should have a **dedicated funding source** to support, sustain and grow our small businesses.



INCREASE POWER OVER PLANNING:

Minnesota should establish a **Metropolitan Area Redevelopment Corporation** to create community redevelopment plans that foster equitable economic development and prevent displacement of low-income residents, and our small businesses. This body must be comprised **entirely of BIPOC and immigrant leaders**.



CENTER CULTURAL KNOWLEDGE:

Simply translating materials into additional languages is not adequate outreach — or an expression of equity. Our businesses must have access to **technical assistance and engagement** that is *from and by* our communities and programs that **build our unique capacity**, not expect our businesses to fit into dominant models.



FLIP LOCAL FUNDING FORMULAS:

In many cities, public resources and economic development programs are heavily weighted towards larger corporations and downtown districts. These programs must **flip the eligibility, scoring and funding formulas** to prioritize our cultural corridors and small, BIPOC- and immigrant-owned businesses.



EXPAND ACCESS TO CAPITAL:

Access to capital is a chronic challenge for small BIPOC and immigrant businesses. Lenders, including Community Development Financing Institutions, must **radically reform financial products** to recognize cultural relationships to debt and historical barriers to credit, and meet the needs of our businesses.



INVEST IN OWNERSHIP MODELS:

Too many of our businesses rent the spaces they rely on and face perennial fears of displacement. We must invest in building capacity and increasing resources to establish BIPOC- and immigrant-led **cooperatives, commercial land trusts and other types of community ownership** to anchor and build equity for our businesses.

Principles for Funding

In response to COVID-19, Hennepin and Ramsey counties engaged with **cultural and place-based business association and community organizations** to ensure relief, re-opening and recovery funds reached small, BIPOC- and immigrant-owned businesses. That table identified **key equity principles for such emergency financial responses** from governments and other institutions.

1. Ensure **funding prioritizes** support for smaller BIPOC- and immigrant-owned businesses
2. Ensure that funding...
 - a. is in the form of **grants**
 - b. is put out over a **period of time** that ensures smaller BIPOC and immigrant businesses have access to supports needed to respond
 - c. includes **compensation to cultural organizations** to provide outreach and technical assistance to ensure businesses understand funding programs and successfully apply
 - d. creates **jobs for our communities**; use BIPOC and immigrant vendors and workers
 - e. goes to **businesses who may lease their space** — and ensure property owners who own the spaces do not use funds to raise rents or sell properties to outside investors
3. Ensure landlords **allow businesses who can re-open to re-open** and not lock them out, preventing them from earning revenue
4. Ensure resources and intention go into **community visioning** to strengthen cultural corridors and BIPOC and immigrant businesses
5. Ensure community is an authentic partner with **shared decision-making** role