Humboldt Park Economic Development Corporation (HPEDC)

Bank Attraction Strategy

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HPEDC

**Mission:** Our mission is to economically empower Humboldt Park residents by facilitating employment, training and entrepreneurship opportunities

**Programs**
- Workforce Development
- Commercial Revitalization
- Economic Self-Sufficiency
Humboldt Park

- Located on near northwest side of Chicago; approximately 4 miles west of downtown (15 minutes)
- 66,000 residents*
- 48% Latino (almost 50/50 Mexican/Puerto Rican)
- 47% African-American
- 5% Other

* All demographics based on MCIC Information
Humboldt Park

- Growing Mexican immigrant population
- Growing need for wire transfers, affordable retail products, i.e. checking/savings accounts
- Need for personal, bilingual, culturally sensitive service
Location
Demographics

Average household income

- White: $49,600
- Black: $29,800
- Latino: $32,200

- 71% of Latinos between 16-40
- 44% of African-Americans between 16-40
- 22% of Latinos have a HS diploma
- 17% of African-Americans have a HS diploma
North Avenue Revitalization

Goal
Strengthen our local economy/commercial corridor

Objectives
- Strengthen local businesses
- Attract new businesses
- Implement streetscape recommendations
- Actively partner w/residents & businesses
Project Background

- Conducted a consumer needs assessment
- Survey specific to North Avenue
- Identified key businesses and services needed in area
Community Organizing

West Town Leadership United

- Needed resident input: consumer base
- Wanted community to take ownership: ensure consumer demand
- Ensure accountability: consumer satisfaction
Key Services

- Post office: 23% (similar service already in place)
- Bank: 22%
- Movie Rental: 21%
- Child Care: 14%
- Travel agency: 9%
- Insurance: 6%
- Veterinarian: 5%
Key Retail Stores

- Children’s Clothing: 18%
- Book Store: 16%
- Music Store: 14%
- Sports Equipment: 12%
- Flower Shop: 10%
- Pet Shop: 10%
- Party Store: 8%
- Office Supplies: 6%
- New Furniture: 6%
Invited a number of banks
Marketing presentation highlighting business potential and untapped market in Humboldt Park
Provided a binder with demographic information & statistics
Holistic strategy to prepare residents for business, such as financial literacy classes
Community Support

- Demonstrated community support through petitions & testimonials at presentation
- Media interest & follow up facilitated bank interest
- Residents maintained momentum & pressure to continue efforts
Banks’ Response

- Those that attended were “impressed,” but non-committal
- Reasons: acquisition mode only, already expanding in other low-income areas, existing branch too close, economy weakening
- We continued reaching out to other banks
We researched banks’ CRA rating
Initially wanted those with “outstanding”
Other strategy: banks with “needs to improve”
Ensure bank would be community-sensitive and have products relevant to our residents’ needs
Charter One Bank

- Connected with Charter One
- Long-term plans included expanding into Humboldt Park
- Committed & leased space in an area we had recommended
- We ensured products and services were applicable to our community
- Offers affordable products & innovative mortgage programs
Charter One cont’d

- Community support was a strong incentive to locate in Humboldt Park
- Very responsive and enthusiastic
- Eager to recognize community’s victory in attracting investment
- Held “ceremonial groundbreaking” to celebrate Charter One’s commitment & response to community need
- Over 100 guests, including 50 community residents
Charter One cont’d

- Partnership with Charter One has been a “win-win”
- Listened to community needs, e.g. enclosed ATM space
- Plan to employ local residents
- Available for financial literacy & home ownership workshops
- Partnered to provide job readiness workshops & job fairs
Importance to our Mission

- Helps leverage additional investment, both businesses and infrastructure improvement
- Provides much needed financial services that is an alternative for the unbanked and detract from predatory companies
- Residents can begin to create and build wealth, which serves as an example for family and neighbors
- Leads to community stability