

**Proposal Summary**  
**Meeting Date: 6/5/2019**

**Rebuild Foundation Request # 115929**

<b>Project Title:</b>	The Arts & Makers Community Business Academy
<b>Duration:</b>	22 months
<b>Request Amount:</b>	\$200,000
<b>Recommended Amount:</b>	\$216,113
<b>Program Area:</b>	Education\Continuing Education\Adult\Entrepreneurship
<b>Population Served:</b>	Economically Disadvantaged
<b>Type of Support:</b>	Salary Support
<b>Location:</b>	Chicago, IL

**Organizational Background**

Rebuild Foundation is a platform for art, cultural development, and neighborhood transformation. Its projects support artists and strengthen communities by providing free arts programming, creating new cultural amenities, and developing affordable housing, studio, and live-work space. Its mission is to demonstrate the impact of innovative, ambitious and entrepreneurial arts and cultural initiatives. Its work is informed by three core values: black people matter, black spaces matter, and black objects matter. Rebuild was founded and is led by artist and University of Chicago professor Theaster Gates.

**Finances**

	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	12/31/2019	12/31/2018	12/31/2017
<b>Revenues</b>	\$1,193,000	1,018,234	\$2,949,647
<b>Expenses</b>	2,631,947	3,163,274	3,072,917
<b>Surplus (Deficit)</b>	(1,438,947)	(2,145,040)	(123,220)
<b>Net Assets</b>		\$4,953,773	\$7,098,813

**Annual Revenue Sources**

Grants	8%
Fees	0%
Government	0%
Private Support	79%
Earned Income	0%
Other	13%

**Program Description**

Rebuild’s founder and executive director Theaster Gates often says that “no one is without skill,” meaning that inside all of us is a creative and an artist. During tough times and circumstances, people’s inner skills and abilities are revealed and take shape. The South Side of Chicago, a predominately black community, has suffered from generational disinvestment and lack of economic opportunities. In many cases the traditional pathways of employment are unavailable or are not provided at a large scale to the South Side workforce.

In 2015, Otis College of Art and Design completed a study on the creative economy, defined as the businesses and individuals involved in producing cultural, artistic, and design goods and services. It reported that Chicago is the third largest metropolitan creative economy behind Los Angeles and New York; 3.5% of Chicago’s total salary and wages and 133,800 jobs are represented by creatives in Chicago. In addition to those employed by the creative industry in Chicago there are innovation spaces such as 1871, 2112 at the Fort Knox music complex in Portage Park, and Stage 18 at Cinespace Film

Studios in North Lawndale that are making Chicago a prime location for creatives to test their entrepreneurial passions and ideas, negating the need for such talent to move to the coasts.

Rebuild offered two “business 101” co-horts in 2018 delivered by a local consultant in order to provide entrepreneurial training tailored to artists and creatives. The co-horts were filled quickly by 35 and 30 individuals respectively. Outreach for the program was done using Rebuild’s public media sites and cultural sites. Feedback from co-hort participants was positive as many expressed appreciation for the tailoring of business concepts with examples to which they could more easily relate. Examples of the creatives in the program included wood furniture makers, photographers, visual artists and graphic designers.

Although the program appeared a success, Rebuild believes that the experience could have been stronger. Therefore, Rebuild and Sunshine Enterprises (SE) are excited to potentially partner and provide tailored business academy and business coaching services for creative entrepreneurs to encourage their entry into Chicago’s creative economy. The program will be for self-described artists and creatives, as well as for the many individuals that have been forced out of the traditional pathways of employment and are tapping into their creative skills and individual initiative to bring additional incremental income to their homes.

Starting in Fall of 2019, Rebuild and SE would conduct two Arts and Makers Community Business Academy (CBA) cohort offerings in the South Shore neighborhood, serving 180 clients, and offer follow on business coaching, mentoring, shared office space, procurement training, and supplemental workshops for graduates. The CBA consists of a twelve-session (36-hour) course in basic business planning and management, taught by experienced instructors, delivered using best practices in adult participatory learning, and tailored to the needs of start-up entrepreneurs with diverse backgrounds. 50 clients will proceed through the curriculum, simulations, and perform an industry-specific competitive analysis, totaling 1800 hours of classes delivered for the year. After graduation, consultants work with entrepreneurs to help them set goals, develop action plans, and overcome obstacles. Additionally, a year-round schedule of seminars and master classes for graduates offers networking, group coaching, and interactive sessions on advanced topics.

SBA classes will be held at Rebuild’s cultural sites, including St. Laurence School once renovations are complete in 2020. St. Laurence is a formerly abandoned elementary school being transformed into an arts incubator that will contain updated classrooms, technology and fabrication labs, storage facilities, and foster a community of like-minded creatives. For each co-hort Rebuild will host a pop-marketplace to enable CBA participants to get selling and customer service experiences while receiving feedback from potential buyers, provide one-year access to St. Laurence school at no cost, and provide information on tradeshow, art fairs, and creative work shops.

The proposed budget funds staff at SE (1.8 FTE) which includes a dedicated resource for this project as well as at Rebuild (0.2 FTE) for coordination of the school site where the program would be held.

### Strengths / Weaknesses

#### Strengths:

- Rebuild focuses on place-making and SE focuses on entrepreneurship education, a compelling combination that levers core competence of each partner
- St. Lawrence School project just received \$1.6MM award from City of Chicago which would build-out program space
- JPMorgan Chase entertaining support of program costs not addressed through this proposal

#### Weaknesses:

- SE’s CBA curricula is licensed from another organization and formal changes are constrained by the existing license agreement. Customization for creatives will be determined as part of the

project and likely will be additions to the curriculum rather than significant modifications of the existing program.

- SE will need to hire an instructor who can deliver its curriculum to arts entrepreneurs.

**Why Fund**

We were introduced to Rebuild by JPMorgan Chase who funded the initial cohort program and sought additional funders for the St. Lawrence school capital project. After discussions, we introduced Rebuild to SE and were glad to see strong interest from both parties. The proposed collaboration is a prime example of the type of ecosystem-building activity envisioned in EIN Strategy 3 by which we seek opportunities to fund organizations that work together, contributing their strengths and partnering with those who complement their capacities.

**Prior Grants**

This would be CFI’s first award to Rebuild Foundation

<b>Grants Budget (if not general operating)</b>			
<b>Expenditure Category</b>	<b>Recommendation</b>	<b>Other Sources</b>	<b>Total</b>
Salaries - Rebuild	\$19,444	\$15,556	\$35,000
Salaries - SE	112,778	90,222	203,000
Facilities maintenance	27,780	22,222	50,000
Supplies and other	20,001	15,999	36,000
Promotion/Marketing	8,333	6,667	15,000
Overheads (at 15%)	27,777	22,223	50,000
<b>Totals</b>	<b>\$216,113</b>	<b>\$172,887</b>	<b>\$389,000</b>