File #: 240696, **Version:** 1

ORDINANCE NO. 240696

Sponsor: Councilmember Melissa Robinson

Adopting a definition of Equitable Economic Development and expressing Council intent for the comprehensive economic development policy to incorporate Equitable Economic Development along with specific Equitable Economic Development strategies.

WHEREAS, in 2019, only 3% of all SBA loans went to Black-owned small businesses and only 7% to a Hispanic-owned small businesses; and

WHEREAS, just 18.3% of small businesses with employees are owned by people of color and only 2.2% are Black-owned; and

WHEREAS, people of color are more likely to face outcomes such as bankruptcy and foreclosure during economic downturns (e.g., the Great Recession and the COVID-19 pandemic); and

WHEREAS, two-thirds of Black Americans who grew up in impoverished neighborhoods are still in those neighborhoods a generation later, whereas only two-fifths of White Americans remain in such areas; and

WHEREAS, communities of color are more likely to be geographically located in environmentally high-risk areas and an analysis of Federal flood insurance payments shows that flooding is more common in Black communities; and

WHEREAS, economic developers must learn from history and work towards trust and partnership with their community to move forward; and

WHEREAS, intentionality to increase equitable outcomes for communities of color is crucial; and

WHEREAS, cross sector collaboration is needed to increase equitable outcomes; and

WHEREAS, the Council wants to ensure equitable economic development throughout the City and wishes to codify those principals; and

WHEREAS, the Council has begun the process of developing a comprehensive economic development policy and strategic plan, as evinced by Ordinance No. 240323; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the following definition is hereby adopted for equitable economic development:

Equitable Economic Development means economic development that breaks barriers and expands opportunities for low-income and minority groups and aims to invest in people and places to help communities thrive and unlock the full potential of the City's economy.

Section 2. That the comprehensive economic development policy will incorporate Equitable Economic Development, along with specific strategies for achieving Equitable Economic Development, including but not limited to,

1. Acknowledging history, discrimination, and systems that have prevented people of color from building wealth;

2. Targeting programs and initiatives to vulnerable communities; and

3. Ending the displacement of small businesses in low and moderate-income communities of color and immigrant communities.

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Approved as to form:

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Emalea Black
Associate City Attorney

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