

2025 STATE OF BLACK CHICAGO

A Laddered Path to Wealth Building

EXECUTIVE SUMMARY



Long-Term Growth

Achieving generational wealth

Community Prosperity

Building wealth with others

Compounding Interest

Exploring investment pathways

Stable Security

Fulfilling basic financial needs

Money Mindfulness

Cultivating a growth-focused relationship to money

The Chicago Urban League's State of Black Chicago (SOBC) report periodically examines inequities in education, employment, housing, health, and justice that hamper the ability of the city's Black residents to build wealth and enjoy a higher quality of life. Our 2019 and 2023 SOBC reports did this in detail. The statistics that highlight economic and social disparities by race are well documented and remain largely unimproved over recent decades. With this in mind, this year's SOBC takes a different approach.

Our 2025 State of Black Chicago report presents a bold vision and actionable ideas to close the wealth gap and transform Chicago into a city where all residents have the resources, opportunities, and power to thrive. We focus on solutions to the well-documented challenges.

WHY WEALTH BUILDING IS IMPERATIVE

The Chicago Urban League envisions a thriving future for Black Chicago built on wealth, equity, and generational impact.

We lift up wealth because it is a foundational determinant of opportunity. It is essential to our ability to provide food and stable housing for ourselves and our families, to pursue higher education, and to start or invest in a business.

In 2024, The New School's Institute of Race, Power and Political Economy released the *Color of Wealth in Chicago* report, which detailed that the median net worth for a Black family in Chicago is \$0, compared to a median net worth of \$210,000 for white families. Given this fact, there is serious work to do.

Even with recent shifts in population, Black people still make up nearly one-third of Chicago's residents. Disparities concentrated in predominantly Black communities extend to the whole city in numerous ways, including limited talent to fill jobs, limited resources to create new jobs, homelessness, crime, and more. That makes investing in Black prosperity imperative not only for Black residents but for all of Chicago.

This report highlights solutions that consider a wealth-building framework that we believe can help individuals and communities "ladder up," from cultivating an understanding of money to financial stability to generational prosperity. This framework, illustrated above, outlines five rungs on the way to wealth building.¹



In an era where the United States Equal Employment Opportunity Commission is being used to undermine diversity, equity and inclusion initiatives and the United States Supreme Court used the 14th Amendment of the United States Constitution to dismantle a level playing field, we could have easily leaned into the frustration and predicted gloom and doom. ...Alternatively, we have chosen to share solutions to seemingly intractable challenges.

Karen Freeman-Wilson

President & CEO, Chicago Urban League

Excerpt from Introduction of the 2025 SOBC



HOW THE 2025 SOBC IS ORGANIZED

We define wealth primarily in terms of accumulating financial assets while also recognizing how education, health, and other factors contribute to holistic wealth. Therefore, the report is organized into two core pillars: **Financial Wealth Building** and **Holistic Wealth Building**. Within each are critical wealth drivers for which we outline challenges, trends and opportunities, and propose cross-sector collaborative solutions and policy actions. Each proposed solution addresses at least one rung on the wealth-building ladder.

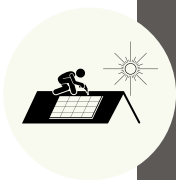
FINANCIAL WEALTH BUILDING



Entrepreneurship

Black-owned businesses are growing yet face barriers to capital, commercial property, and procurement.

COLLABORATIVE SOLUTIONS: Seed grants, property tax incentives, and procurement mandates, alongside innovation hubs and capital funds to help small businesses scale sustainably



Workforce Development

Despite educational gains, Black workers remain underrepresented in high-wage sectors.

COLLABORATIVE SOLUTIONS: Employer-led apprenticeships, portable benefits, and wage growth incentives alongside a proposed “Chicago Talent & Wealth Mobility Compact” to align training with emerging industries



Homeownership & Financial Empowerment

Chicago's 30+ point Black-White wealth gap must be addressed through innovative programs.

COLLABORATIVE SOLUTIONS: Increase down payment assistance, equitable lending, and heirs' property protections. Expand the 3C Chicago initiative and expand employer-backed homeownership assistance programs.

HOLISTIC WEALTH BUILDING



Education

Education is a foundational tool of wealth building.

COLLABORATIVE SOLUTIONS: Corporations can partner with schools to create more industry-aligned education tracks, support youth entrepreneurship hubs, and locate wealth-building resources within community schools.



Health

Wealth building is impossible without health equity and environmental protections.

COLLABORATIVE SOLUTIONS: Public, private, and academic partnerships can invest in green infrastructure and community-led environmental restoration, as well as strengthening the pipeline of health professionals and peer support for mental health and prevention of chronic diseases.



Leadership & Civic Engagement

Building civic power is essential.

COLLABORATIVE SOLUTIONS: Multi-sector partnerships can help develop a stronger leadership pipeline, provide mentoring and career advancement, and strengthen civic engagement and economic empowerment for individuals furthest from opportunity.



Justice

The disparate impact of crime and criminal justice on the Black community directly impacts the ability to accumulate wealth.

COLLABORATIVE SOLUTIONS: In recent years, the City of Chicago has developed the People's Plan for Community Safety and the Civic Committee of the Commercial Club of Chicago has established a Public Safety Task Force. Both propose multi-faceted, collaborative solutions to addressing and preventing crime.

POLICY RECOMMENDATIONS

SUPPORT SMALL BUSINESS OWNERS

- Provide consistent funding for direct grants to locally owned small businesses for startup costs, technology adoption, and business development for entrepreneurs furthest from opportunity and access.
- Continue implementing property tax abatements for locally owned small businesses that invest in commercial real estate in under-resourced areas.
- Promote more agreements and partnerships that would encourage major institutions in Chicago to allocate a percentage of their procurement budgets to small businesses.

SUPPORT WORKFORCE AND WAGE GROWTH

- Increase free workforce training programs focused on high-wage industries such as technology, healthcare, and renewable energy.
- Provide tax credits to businesses that commit to structured wage growth plans for workers in middle-skill occupations, ensuring long-term earning potential.

SUPPORT HOMEOWNERSHIP

- Establish a city-backed mortgage assistance fund offering competitive financing for first-time homebuyers, modeled after successful programs in cities like Atlanta and Baltimore.
- Develop alternative credit scoring systems that expand access to mortgage financing for families in under-resourced communities.
- Expand policies that allow renters in publicly-owned or subsidized housing to transition into homeownership through structured financing options.

STRENGTHEN EDUCATION

- Implement a universal policy for financial literacy in schools to ensure that every Chicago Public Schools (CPS) student, regardless of background or neighborhood, receives training in budgeting, credit, investing, and wealth-building strategies.
- Increase publicly funded workforce training programs that provide tuition-free access to trade schools and apprenticeships in high-wage industries.
- Increase investment in early childhood education and childcare to advance educational equity and boost long-term wealth-building.

INVEST IN HEALTH EQUITY

- Expand access to low-cost and community-driven healthcare services such as telehealth, mobile clinics, and community health workers.
- Increase funding for environmental justice initiatives that reduce pollution in disinvested communities and expand access to green jobs in sustainable industries.

SUPPORT CIVIC ENGAGEMENT

- Invest in initiatives that train and support leaders from marginalized communities for elected office, corporate leadership, and nonprofit executive roles.
- Increase funding for voter education, protect and expand voting rights through automatic voter registration, language and accessibility equity, and fair redistricting while investing in efforts to increase voter turnout and representation at every level of government.
- Guarantee access to free legal aid and civil rights attorneys in cases of housing discrimination, police violence, employment bias, and voter suppression.

SUPPORT COMMUNITY SAFETY

- Implement the City of Chicago's The People's Plan for Community Safety.
- Pass the Clean Slate Legislation.
- Chicagoland corporations: Commit to supporting the work of the Commercial Club's Public Safety Task Force.
- Activate the Chicago City Council's Task Force on Women as Victims of Violence.

COLLABORATIVE SOLUTIONING IN ACTION

FINANCIAL LITERACY FOR ALL

Steps on the Wealth-Building Ladder: Money Mindfulness

Edward Jones

Kredit
ACADEMY

 Chicago
Urban League

The two primary ways to obtain wealth in this country are ownership in a home or equity in a business. So, our thought is that by helping to develop financial literacy, we can contribute to a growing number of homeowners and invest in wealth building. –Evan Leaphart, Founder, Kredit Academy

The Chicago Urban League is partnering with Edward Jones and Kredit Academy to implement the use of Kredit Quest, an innovative mobile application that rewards users of all ages for becoming more financially literate. Offering immersive learning modules through gaming and real-world financial scenarios, the platform can be catered to credit unions and other organizations to educate their customers who receive points for participation. The points are redeemable for rewards like gift cards or even a reduced interest rate on an auto loan, based on increased literacy.

The Chicago Urban League will offer one-on-one or group financial coaching to supplement the digital tool. Edward Jones provides funding that enables nonprofits and credit unions to provide the Kredit Quest program to their clients. The overall effort aims to introduce demonstrated financial education as an alternative consideration for lenders that currently rely largely on credit history and assets—a practice that disproportionately disadvantages Black people given the generational and systemic challenges to wealth building

“How can we quantify financial knowledge?” Leaphart ponders. “What if this person has demonstrated an explicit understanding of how a credit card works? Can we give that person an unsecured card with a higher limit than normal? Or what if this person has faced some employment challenges in the past but is now in a good space and really understands the workings of a 30-year term mortgage? Kredit Quest allows us to do that.”

A NEW AFFORDABLE HOUSING PARTNERSHIP

Steps on the Wealth-Building Ladder: Stable Security, Compounding Interest

 ANI REAL ESTATE

Kinexx
MODULAR CONSTRUCTION

 Chicago
Urban League

“If we create 50 to 100 more homeowners across Chicagoland annually, the ripple effect on generational wealth and community stability is huge. That’s the kind of impact we’re looking to have.” – Lutalo McGee, Owner, Ani Real Estate

The Chicago Urban League has partnered with Kinexx, an industry leader in modular construction, and Ani Real Estate, a residential and commercial real estate firm serving the Chicago metropolitan area, to offer access to homeownership. Kinexx designs, manufactures, and delivers modular homes at a high volume within a three-month period. Ani Real Estate is committed to community impact and development while serving buyers in need of quality, affordable homes. Kinexx and Ani will work with the League to develop a pipeline of affordable homes for pre-qualified purchasers. Individuals will identify the area of their desired home and choose a lot. Kinexx will purchase the lot, build the home, and deliver it to the chosen lot within sixty days.

“The housing challenge is a national one. It’s no longer just a challenge of affordability. We’re now seeing a crisis of supply,” said Kinexx CEO Scott Upshaw. “Certainly, this is a challenge worthy of teamwork. This program constitutes an innovative response with sincerely motivated partners at each stage of the process working together to deliver a single home to a qualified buyer. It’s a process we’ll measure, iterate, repeat, and scale. By simplifying the scope and responsibilities, we hope to achieve some measurable impact here in Chicago.”

Scheduled to launch in May 2025, the partnership aims to build 10 houses in the first year, 40 in year two, and up to 70 in year three. The Chicago Urban League envisions expanding the concept to Urban League affiliates across the country.

¹ The Laddered Path to Wealth Building framework was developed by Aundrey Page, a 2024-25 Chicago Urban League Executive Leadership Fellow and 2025 Education Leadership Doctoral Candidate at the Harvard Graduate School of Education.

Read the full 2025 State of Black Chicago report here

