

OFFICE OF THE MAYOR CITY OF CHICAGO

FOR IMMEDIATE RELEASE October 24, 2017

CONTACT: Mayor's Press Office 312.744.3334 press@cityofchicago.org

MAYOR EMANUEL BREAKS GROUND ON INNOVATIVE FOOD BUSINESS INCUBATOR IN EAST GARFIELD PARK

The Hatchery Chicago Will Create Hundreds of Jobs and Support City's Food Entrepreneurs

Mayor Rahm Emanuel today broke ground on The Hatchery Chicago, a new food and beverage business incubator in East Garfield Park. The Hatchery is a partnership between local non-profits, Accion Chicago, ICNC and IFF, and two corporate partners, the Kellogg Company and Conagra Brands. The 67,000-square-foot facility will support local food and beverage entrepreneurs by providing them with tools and resources to reach success. The approximately \$34 million facility is expected to create an estimated 150 jobs in the first year.

"The Hatchery will create new jobs, support local entrepreneurs and strengthen Chicago's position at the forefront of the food industry," Mayor Emanuel said. "Even more importantly - this facility will extend the success of Chicago's thriving food industry directly into our neighborhoods. I look forward to cutting the ribbon next year on this new engine of economic and community development on the West Side."

The Hatchery will provide a variety of services and space for food businesses, including: food grade space for approximately 100 start-up or early stage food entrepreneurs, shared kitchens, storage, and office space, plus areas for workforce training sessions and community meetings. Members will also have access to loan capital from Accion, which will relocate its headquarters to The Hatchery. Through a partnership with the Garfield Park Community Council (GPCC), access to many of these spaces and services will be offered to West Side residents at a significantly discounted rate.

Community benefits to west side residents include: one-on-one technical assistance from Accion to current and potential entrepreneurs on the West Side, job readiness programs that will prepare community members to work for Hatchery tenant companies, free classes on relevant food & beverage industry topics, consulting services to local businesses and referrals to relevant industry experts, and discounted Hatchery memberships and use of the shared kitchen space. The Hatchery will also host Garfield Park's neighborhood market.

Over five years the Hatchery is expected to support up to 900 jobs, most of which will be highly accessible, supported by training programs conducted on-site. The new facility will be built on a currently vacant lot near the Kedzie Green Line Station. Construction is expected to be finished in 2018.

The project was made possible by \$8 million in City funding plus support through the New Markets Tax Credit. It is also receiving support from the Kellogg Company, Conagra Brands, Griffith Foods, The Lukas Walton Fund of the Walton Family Foundation, The Pritzker Traubert Foundation and The Coleman Foundation, among others.

The Hatchery will further strengthen Chicago's food and beverage industry, which is currently second largest in the nation with 4,500 companies, 130,000 employees and \$32 billion in sales. Food manufacturing accounts for the majority of the industry's regional employment and over a third of sales.

Since Mayor Emanuel took office Chicago has seen significant investment from many large companies in the industry, including Conagra Brands, ADM, Mead Johnson, Beam Suntory and Kraft Heinz have all opened corporate headquarters downtown, and McDonalds is in the process of moving their headquarters to the West Loop.

"Accion Chicago is thrilled to help bring the Hatchery to Garfield Park so that we can better serve Chicago's food and beverage entrepreneurs," Brad McConnell, CEO of Accion Chicago said. "We're equally excited to be moving our entire Accion team to work alongside the Hatchery next year. From the west side, Accion Chicago will continue to provide the capital, coaching, and connections to help entrepreneurs grow throughout Illinois and Northwest Indiana in a multitude of industries. From our new home we will continue to help create the jobs and wealth that our developing neighborhoods need."

"ICNC couldn't be happier to be a part of this project," Steve DeBretto, Executive Director of ICNC said." We run one of the nation's largest and oldest small business incubators, and our clients tell us that being part of an entrepreneurial community makes all the difference for their businesses' growth. The Hatchery puts everything a small food business needs in one place – affordable kitchen space, technical and management support, capital, and connections to food industry leaders for innovative partnerships."

Rick Bayless will utilize the shared kitchen space and classrooms at the Hatchery for his culinary training program for low-income high school and college-age students on the West Side who can't otherwise afford traditional culinary schools. Students in the program will learn basic culinary skills and receive lessons from top Chicago chefs.

"There's a reason I think this program can make a difference: I can say that some of the most valuable people in our kitchens are ones that we've brought up from the most entry-level jobs, taught basic skills and self-respect, and seen flourish," Chef Rick Bayless said. "I believe our city is

rich with untapped resources. If we can develop a way to cultivate them, both our restaurants and our community will be the better for it."

"As The Hatchery comes to life, Kellogg is proud to provide our continued support to these burgeoning food industry innovators," Clive Sirkin, Chief Growth Officer of the Kellogg Company said. "They are fueled by passion and entrepreneurial spirit, which is how our own company got its start and is a foundation that has served us well. Our partnership with The Hatchery is a mutually beneficial endeavor. We will look to them to spark new ideas and inspiration and share our expertise and best practices with them, in return. We will learn from them, as they learn from us, all while helping to facilitate business growth and development in a community that many of our own employees call home."

"We're thrilled to commemorate beginning construction of The Hatchery, which will be a terrific addition to Garfield Park," Darren Serrao, Chief Growth Officer of Conagra Brands said. "Conagra Brands is excited to drive food innovation in Chicago and beyond, and developing deeper connections with local entrepreneurs through The Hatchery is a key component of our success. With startups operating in more than 50 private food-grade production spaces under one roof, we'll have the opportunity to more efficiently collaborate and fuel the city's thought-leadership in food."

###