

October 03, 2023

**MOTION BY SUPERVISOR HOLLY J. MITCHELL**

**Celebrating National Black Brewers Day as an Entrepreneurship and Wealth Building Pathway**

The craft brewing business accounted for nearly \$29 billion in beer sales in 2022, which is almost one-quarter of the \$120 billion beer industry revenue in the U.S. But of the nearly 10,000 craft brewers in the country, only about 1% are Black individuals. In May 2023, the National Black Brewers Association was established as the nation’s first nonprofit organization to promote the Black brewing community and increase the number of African Americans in the brewing industry at all levels, while fostering the historical significance and legacy surrounding Black brewing in the U.S.

In September, the California State Senate, led by Senator Steven Bradford, voted unanimously to approve a resolution from the National Black Brewers Association to create a National Black Brewers Day. The resolution establishes October 10, 2023, as Black Brewers Day throughout the State of California, and promotes the legacy of Theodore “Ted” Mack Sr., who became the first Black brewery owner when he purchased Peoples Brewing Company in Oshkosh, Wisconsin on October 10, 1970. Mr. Mack partnered with a group of entrepreneurs and used his own savings, as well as funds from the federal government’s Small Business Administration to secure the purchase. The group of entrepreneurs were inspired by a quest for racial, economic, and cultural inclusion and equity, within the beer industry.

The brewing industry has long struggled with inclusion and racial equity. Craft breweries moving into up-and-coming communities has long been a sign of white-led gentrification. Honoring the legacy and contributions of Black brewers speaks to the diversity and cultural tapestry the breweries in Los Angeles County (County) embody. One such contributor is Crowns & Hops, a Black-owned brewery that has partnered with other Black-owned brewers, artists,

MOTION

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musicians, and designers, to both represent and create community.

The economic impact of craft breweries in the County has grown 45% since 2015; in 2017 breweries created \$96 million in economic impact, 796 jobs, and \$34 million of labor income. As the County has seen the decline of the manufacturing industry, breweries have opened in once sleepy commercial districts, catalyzing economic growth. Moreover, these small craft breweries provide business ownership opportunities as a meaningful pathway to build wealth. It is imperative that if we are to create a more representative economy in the County, we recognize the invaluable contributions of our entrepreneurs of color and provide technical assistance and capacity building through the County's programs in its Department of Economic Opportunity. While the vacant commercial properties throughout the County are ripe for breweries, the cost is often prohibitive with high rents and limited access to capital. For those who are starting a business for the first time, cost is not the only factor - so too are relationships that help owners gain access to start-up capital and legal assistance. As the County honors the contributions of Black breweries, we can celebrate their legacy by ensuring that we provide meaningful outreach, assistance and economic opportunities for those looking to grow and thrive as brewers in the County.

**I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

1. Proclaim October 10, 2023, as *Black Brewers Day* in the County of Los Angeles in partnership with the Department of Economic Opportunity (DEO) and the National Black Brewers' Association to celebrate the contributions of Black breweries and to celebrate their legacy.
2. Direct the Director of DEO, through its Office of Small Business, to develop an education and outreach program for microentrepreneurs in need of loans, grants, and technical assistance through its *Economic Mobility Initiative* and report back to the Board in writing with progress in 60 days.
3. Direct the Director of DEO to review the efficacy of its Catalytic Development Fund (CDF) and Manufacturing Revolving Loan Fund (MRLF) and report back to the Board in writing in

60 days with information including, but not limited to, the rate that the funds have revolved, number of loans granted using the Anti-Racism, Diversity, and Inclusion equity framework, median loan amount and recommendations to improve the utilization rate of the CDF and MRLF, as well as opportunities to amend fund guidelines to be more nimble and to support microentrepreneurs including the Black, female - owned brewery, Crowns and Hops, with the development of their taproom and community gathering space in the city of Inglewood.

4. Direct the Director of the Department of Public Works, in consultation with the Directors of the Department of Regional Planning, Department of Public Health, DEO, the Chief Sustainability Office, Fire, and County Counsel, to incorporate additional technical assistance as part of the *Community Serving Economic Opportunity Program* as established through the Board's July 11, 2023 motion titled, "Expediting Critical Community Benefits for Local Residents by Streamlining the Permitting Process for Small, Community-Serving Projects," which supports microentrepreneur restaurants and bars in unincorporated Los Angeles County to navigate permitting and construction processes.

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