



Illinois Department of Commerce & Economic Opportunity

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Local Journalism Task Force Meeting Minutes August 15, 2023

Event/Meeting: Local Journalism Task Force Meeting

Date/Time: August 15, 2023, at 2:00 p.m.

Location: Teleconference via Webex

Members Present: Jordan Abudayyeh, Jesús Del Toro, Jenna Dooley, Randy Eccles, Sam Fisher, Prof. Tim Franklin, Prof. Dong “HD” Han, Mark Jacob, Josh McGhee, Tim Myers, Jason Piscia, Sen. Steve Stadelman, Christopher Willadsen, Mayor Julie Moore Wolfe

Appointed Members Absent: Sen. Donald DeWitte, Allison Petty, Adam Rhodes, Rep. Dave Vella

Illinois Department of Commerce and Economic Opportunity (DCEO) Staff Present: Emily Bolton, Eliza Glezer, Brittany Davis

Call to Order: Meeting began at approximately 2:05 p.m. with brief overview.

Roll Call: 14 members were present; quorum was met.

Adoption of the Minutes: Minutes from the June 15, 2023, Local Journalism Task Force Meeting were unanimously adopted via voice vote.

Introduction Remarks: Chairman Stadelman started off with brief remarks to give overview of the three presentations for the day.

Presentation from Stephanie Lulay: Executive Editor, Co-Founder of Block Club Chicago

- Encouraged to see everyone engaged on this important issue.
- Mission of Block Club Chicago – nonprofit, non-partisan newsroom, digital only. Founded 5 years ago. Dedicated to delivering in-depth, original, daily coverage of Chicago’s diverse neighborhoods.
- Mission – Build trust with communities they cover. Embed reporters in the neighborhoods they cover (typically 2-3 neighborhoods/reporter) – dive deep in issues and build trust.
- Founded after demise of DNA Info – another hyperlocal neighborhood news site shuttered by Ricketts. After that, staff got together because readers were talking about how they came to rely on this kind of coverage. Started with 8 journalists – 3 editors and 5 reporters. It’s since grown to 31 full-time staffers.
- The Block Club Difference:
 - o Hyperlocal coverage of Chicago’s diverse neighborhoods

- A lot of trust lost or never gained in communities because of how the media was covering these neighborhoods – they would parachute in when a crime happened then they were gone. They weren't developing relationships in these neighborhoods. Block Club reporters are in these neighborhoods every day and forge relationships with neighborhoods. This builds trust over time and leads to the most accurate portrayal of neighborhoods and what neighbors care about. No particular beats, but reporters cover what the neighbors care about. There could be a different topic every day, but it's driven by what the neighbors care about.
 - Reporters are spread across city. More than half of the areas they cover are majority Black or Latino neighborhoods on South and West sides.
 - Multi-channel approach that meets communities where they are
 - Study done by City Bureau said most south and west sides get their news from TV, so Block Club needed to do more than just put stories on the web in a digital-first nature. They partnered a lot to pursue other ways of storytelling. Excited about collaboration with WCIU to stage "On the Block" TV show – weekly news magazine program that focuses on issues Block Club focuses on in a TV format.
 - Slew of podcasts, including It's All Good – weekly podcast focusing on good news in Chicago neighborhoods. The Ballot podcast ahead of the election helped people learn about the candidates and their choices for mayor and various choices for alderman across the city. During COVID, they staged a free, bilingual COVID-19 hotline to help their neighbors one-on-one – people could call and ask questions about what to do in certain situations. They were a direct resource for people during that time.
 - We reach people:
 - 2.7 million page views/month
 - 130,000 newsletter subscribers
 - 500,000 social media followers
 - 1,300 text alert subscribers
 - Community-supported reporting that demonstrates value.
 - Supported by community they serve – over 19,500 paid subscribers. Thousands of individual donors. Also supported by a number of foundations in Chicago area and nationally.
 - Proud of diverse revenue mix.
 - 70% funded by readers last year
 - Today, due to large multi-year investments from local foundations, they're 40% funded by readers (subscriptions and small-scale donations), 50% grants, 10% advertising. Merchandise has been successful too.
 - Recent big investments from American Journalism Project to build out revenue wing. Up until a year ago, there was only one person on staff other than co-founders focused on revenue. Now they have the runway to hire professionals to focus on building revenue in specific areas – member services, advertising, wealthy people reaching out to large-scale donors, still working with small-scale donors. Another recent large commitment from McCormick Foundation to build out investigative team focused on south and west sides – debuted yesterday.
- Proud to give readers varied coverage that reflects their lives. Some days they're interested in a feature about interesting neighborhood character or a large investigative scoop.
- News with Impact: Public Health.



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- Loretto Hospital funneling vaccines early in COVID crisis to Trump Tower and wealthy people downtown. Led to FBI and state investigations, firing of top officials and state taking over vaccine supply.
- News with Impact: Uncovering Fraud
 - Four Chicago-based companies took advantage of pandemic and everyday people with fake, inaccurate testing
 - Led to FBI raids and 300 testing sites across country to be shut down
 - City reopened trusted local health clinics
- News with Impact: Changing Laws
 - Reporting on a west side mom's fight after school forced kid to take out braids – led to new law against discrimination
 - After student's drowning death, park district was removing life rings installed by neighbors. New state law mandates life saving devices all along lakefront on Lake Michigan.
- News with Impact: Holding Power to Account
 - Reporter found thousands of traffic stops weren't being reported by CPD as required by law. City's police superintendent admitted the department was saturating black neighborhoods with these stops and essentially treating it as stop and frisk – led to class-action lawsuit from ACLU.
- Investigative Team
 - Launched yesterday

Presentation from Amethyst Davis: Founder of Harvey World Herald

- Hyperlocal newsroom in Chicago south suburbs in Harvey. Black-owned, queer led and driven. Only newsroom in town, first to launch in 30-40 years in Harvey, which didn't have a newsroom before.
- Origin Story:
 - Amethyst is from Harvey, grew up on 152nd & Loomis. COVID hit in 2020 and she came back from NY to see her family. Everything was still abandoned and vacant in Harvey, many people were dealing with drug addiction and gun violence. After being away for 5+ years, she tried to figure out what had been happening in the community since she had been gone. Education background in policy – figured if she was confused then other community members would be too. At 24, she moved home and quit her job to build a newsroom from the ground up. Launched last January – in 2022 she held the newsroom down by herself. Started off as a one-person newsroom.
- The Vision
 - Community needed a newsroom, so she circulated a survey in summer 2021 asking people how and where they get information, what do they want to see in a newsroom, thoughts on media and how Harvey and south suburban areas are covered, who are people in community they'd like to meet, etc. Some answers were I'm a teacher and want to meet parents dedicated to seeing children thrive, interested in urban development and building properties up, or live in a community where kids have something to do. Harvey is a food desert, reckoning with generations of racially segregated poverty.
 - Used a lot of these responses to build an identity for the newsroom people could gravitate toward. In a community that doesn't trust the mainstream Chicago media – shorthand for crime and political corruption. Leaned into young people to shape the newsroom.

- Most trusted institution in Harvey is city's only public high school (Thornton), which is known for Wildcat Country, purple and white. Used that color scheme for newsroom. Harvey World Wall is a mural in downtown Harvey – commissioned to put together logo and branding kit. Leaned into nickname Harvey World, which young people named the city decades ago to push past noise of community. From the jump they wanted to build an identity that would have an emotional and psychological investment/some sort of buy in to take a leap of faith with them.
- Creating Solutions
 - Needed to begin creating concrete solutions for information gaps in the community. Digital-only. Free email newsletter, reporting available on website not behind a paywall.
 - People were complaining about not knowing who's on ballot. Put together an election center – Harvey World Votes – where people could find candidate questionnaires, research into candidates, campaign finance research that was shaping campaign, reporting on key issues driving mayoral and aldermanic races.
 - Structural approach to covering education – big lift. Harvey is 20,000 people but there are 4 school districts – reverberations of racial and economic segregation in south suburbs. What's the best way to cover four school districts as a small newsroom with one full-time staffer and a dozen free lancers? Funding has helped them look into teacher and bus driver shortages, how funds have been used, etc.
 - Started to be more authoritative in reporting this year – more accountability journalism. Recently caught most of Harvey's public bodies violating Open Meetings Act – because of this story written by a 20-year-old student, Harvey is now in compliance with the state's Open Meetings Act. Not just showing up in community when there are problems.
 - Harvey has rich arts, culture and entertainment scene – hip hop capital of south suburbs. Lupe Fiasco says he learned to rap in Harvey World streets.
 - Known for speech and drama – competitive forensics programs. Covering school plays and events, showcasing dance and art troops in city.
 - Launching digital products designed to engage Black and brown Gen Z and millennials. Worked on a new video series launching this year on Instagram designed to highlight young Black and brown creatives in Harvey to build more relationships with arts and culture scene.
- The Response
 - Nobody in the community knew what this was going to look like. People, young and old, have taken hold of this work. Overwhelmingly positive response. People are grateful to have non-partisan reporting, people are starting to reach out with tips that they would have sat on before to stop corruption and others. Trying to get residents answers.
 - “The law is on the side of the people”
- Challenges
 - Intergenerational rifts
 - Young people vs. Boomers at each other's throats
 - Got some flak from seniors early on about using Harvey World nickname because there were folks involved in city's gang activity years ago who also used that name during crack epidemic. Now these people are some of the biggest supporters. Confidently show up, do the work, show people we're here to cause good trouble and we care about the community, want to see them thrive. Non-partisan reporting can play a big role in that.
 - Digital divide
 - Deep need to produce print publication at some point because so many seniors and middle-aged people ask if it's only digital and request a newspaper because of the digital divide.
 - Distrust of media



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- Harvey World didn't cause the harm in Harvey, but at the end of the day they're here. Institutional problems. Acknowledge position within this larger framework and be intentional about developing accountability processes.
- Funding gaps
 - One of the biggest challenges. Largely a grant-funded organization. Launching digital advertising revenue this fall. Mini fundraisers, collaborative efforts with independent newsrooms.
 - Playing the field isn't equitable in the philanthropic field. Have to struggle and suffer as tiny, Black-owned publication.
- Next Steps
 - Volunteerism
 - Get residents involved – tabling, features in newsletters
 - Community advisory board
 - Launching soon to identify stories they're missing, how to collaborate to build new relationships and grow, expand footprint in community
 - Want to create youth advisory board in future
 - Grassroots marketing
 - Build footprint in community. 1,200+ email newsletter subscribers, 2,800 readers monthly. 64% Instagram followers 14-35, Facebook skews older.
 - Flyers, banners, billboards across Harvey to deepen presence and get the word out
 - Events
 - Community events. Gun violence is a deep issue in the community, and people think the economy doesn't work for them.
 - With community advisory board, plan events and panel discussions to bring together residents and stakeholders for dialogue and to discuss solutions to make Harvey thrive.

Presentation from Lynne Campbell: Owner, Founding Editor of Community News Brief Community News & Market

- Local newspaper, community art market, local art market
- Developed newspaper in what's beginning to be a news desert. Started 40 years ago at hometown paper in Macomb. Worked with both family and corporate-owned newspapers.
- Regional publisher in southern Illinois. Wanted to save 26 small newspapers down there because they were talking about closing them. Within 6 months she was told to lay off local journalists, merge papers, close papers, etc. but she didn't think that was the path where they needed to go. A newspaper is a connection with the community.
- After leaving GateHouse as a Regional Publisher, she purchased Limestone Independent News with a business partner in 2015 and create a new start-up, the Knoxville Bulletin, in 2016
 - Increased readership by 40%
- Community News Brief – March 2017
 - People in Macomb kept asking when she was going to start something in Macomb. They were laying off local journalists so were lacking in local news. Decided to sell Limestone shares and go all in on local news in Macomb.

- Leased a commercial printer and worked with family, reached out to community. Set up to be a quick read. Community loved it and they couldn't print enough copies of the paper – kept growing.
- COVID – March 1, 2020
 - Everything was going great until COVID hit. Could no longer take papers to restaurants, there weren't events to cover. Changed content and became more engaged with local government, health department and hospitals to be the one source for ALL news.
- 2021 weekly subscriber newspaper begins
 - Paper growing, content grows, correspondent team. Friday brief morphed into weekly subscriber-based newspaper.
- Created communitynewsmarket.com
 - Post free editions
 - Created online subscription service
 - Created online hometown tees purchase service – portion of proceeds go to entrepreneurship program at local high schools
- April 2023
 - Expanded again. 2x/week Weekly edition and one free edition, raised rates, hired more correspondents including full-time sports editor. Take reader input seriously – this is your newspaper, tell us what you want.
 - Rarely asked for e-editions – print only now but may start e-editions next year. People love holding paper in hand.
 - Rural paper, don't have a lot of investigative reporting needed. Very tight community, but if something were to happen then they have the staff to handle it. Covering a couple of murder cases that hasn't happened in the county in 30 years. Different than Chicago media coverage.

Q&A: Members of the Task Force posed questions to the presenters. The main themes discussed are below:

- **Q (Tim Franklin):** Admire how Block Club Chicago got started. Lots of startups get started with infusions of cash from billionaires or wealthy individuals but you started from the ground up. How did you raise initial capital to get Block Club started? For the group, what lessons can we take from your success and what would other news organizations benefit from hearing?
- **A (Stephanie Lulay):** We had no idea what we were doing when we started, had to talk about nonprofits, for profits, and how to get money to launch at all. Decided to do a Kickstarter early on. The day they announced they were going to get back together and do this they had a way for people to financially support them immediately through pre-sale subscriptions (Feb.) and didn't launch until June. Could capitalize on immediate excitement of hyper-local news coming back. There was a real way to invest in them that day. Had no idea how this was going to go. Had internal discussions because on Kickstarter you don't get the money if you don't hit your goal. Tried to decide if \$25,000 was too much and raised that within a couple of hours on that first day. Raised \$100K by the end of the second day. People showed support and were excited right away. Went to readers right away and asked for help with funding. Also successful in getting startup funding from Civil in NY who wanted to launch startups. Majority of this push came from readers and pre-sale subscriptions – sold 3,000 subscriptions before even launching. Relate to Amethyst's frustration with foundations – success with foundations this year but early on they did not have success. Foundation world has various changing priorities, and it can be hard to navigate and know where news fits in to priorities. Early on they were getting \$10K and \$25K grants.
- **Q (Sen. Steve Stadelman):** What can we take away from your experiences?
- **A (Amethyst Davis):** Building a newsroom is hard, but living in a community without one is even harder. Had a competitive mentality for a long time. Public doesn't see tangible ROI for success – how does community feel. People want to take action in their community – empirical evidence. Need public's buy in.



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Need tangible ROI for public if you want them to invest in local news. Newspapers going under has to be seen as a crisis. Newsrooms need to collaborate and see each other as partners in local news and see journalism as a public service. Fighting to be first for a story isn't helpful – future is collaboration. Also see community as a partner in building a publication or an institution that can hold other institutions accountable.

- **A (Lynne Campbell):** Agree, collaborative news is important. We collaborate with tri-states public radio, work on many stories together and will even go interview public officials together on recent events. If one of us has heard of something we make sure the other knows about it. Listen to community and what they want. Community needs to feel like this is their platform and then they'll buy into it – they love that. Respect each other and give community what they want.
- **Q (Jesús Del Toro):** As a publisher of a Spanish newspaper in Chicago, member of CIMA, I relate to a lot of your stories. What kind of policies or programs would be beneficial to help your sustainability? For example, tax reductions for small businesses to advertise or a consortium to gather funds to provide to media, philanthropic vision. What's beneficial to support your long-term sustainability?
- **A (Lynne Campbell):** Lots of controversy about legal advertising and what's required to put in print and whether it should all go online. Lots of reasons it should stay in print. Like a fox guarding a chicken house when you put it all online and not in print. A lot of revenue for little papers, so it would be detrimental for that to not be kept. These reports bring in lots of revenue. On tax credit side, read a little bit about it that they're talking about tax incentives for businesses to advertise in community newspapers and for people to subscribe and support community newspapers, so would be in favor of those things.
- **A (Stephanie Lulay):** National push for community news and Small Business Support Act – look at that push. Block Club is a member of Lion Publishers and they're supportive of that bill. Looking for anything that would help small for-profits and nonprofits. Many are only targeted at helping one or the other. Personally wouldn't want a distinction between the two because similar at the end of the day. Block Club is a CIMA member – don't have enough data to see how helpful it's been, but former head of CIMA Tracy Baim lobbied city to ensure X amount was spent with small independent publishers instead of large national publishers. This could be huge for local publishers.
- **A (Amethyst Davis):** Echoing Lynne and Stephanie's comments about tax credits. Harvey World Herald also CIMA member. Legislation requiring ad dollars going toward independent publishers wouldn't be applicable to Harvey – not a community where public bodies even have advertising budgets. Would be nice if they spent those dollars with us. Also collaboration between philanthropic world and small businesses to support local newsrooms would be good. Thinking of state transparency laws and what can be done for communities.
- **Q (Mark Jacob):** Lynne, do you get foundation or nonprofit support?
- **A (Lynne Campbell):** Started with nothing, leased a printing machine. Came from marketing/advertising background – beat the streets and got advertising support. During COVID, received meaningful gift from community foundation where community members could donate to businesses to get them through COVID. Other than that, haven't received any grants.
- **Q (Mark Jacob):** Getting foundation support, are you worried about foundation fatigue, this isn't sustainable over the years?

- **A (Amethyst Davis):** Lately been thinking about financial sustainability long term and where philanthropy fits into that picture. Philanthropies' priorities change – daunting for an organization trying to put together a business model. Still testing revenue streams much less sustaining a business model – scary. Where philanthropy fits in the long run is still up in the air. 1/3 of community at or below poverty line, so building a membership model for reader revenue is a long shot. Macro-economic picture – Harvey continues to bleed people. Developing relationships with small businesses but they're still trying to get their heads above water. Need to put together a strong business model.
- **Q (Randy Eccles):** When you got started, how did you decide which business model would work – nonprofit vs. for profit?
- **A (Lynne Campbell):** For profit. Never considered nonprofit because that wasn't my background. Background was for profit.
- **A (Amethyst Davis):** Currently for profit with aim of becoming nonprofit – specific push toward nonprofit journalism route in Chicago. This would offer residents another layer of transparency and accountability in newsroom. Right now, they don't have to disclose things like who are the biggest donors. Residents would be able to help make decisions.
- **A (Stephanie Lulay):** Faster to start up a for-profit, a lot harder to set up a nonprofit. True there's been a recent push for nonprofit newsrooms – more nonprofit newsrooms than ever before. In early days it was mostly investigative newsrooms that were founded as nonprofits but now more community-based newsrooms are popping up, not necessarily investigative. Also defense of small for-profit newsrooms because their books probably don't look much different than nonprofit books – not making much money, doing it because they care about their communities. Decided to go nonprofit because shut down by a billionaire overnight – felt no different than being singly funded by one foundation. Worried about one entity – billionaire or foundation – changing priorities and leaving newsroom susceptible to being shut down or having to scramble and don't want to see that coverage disappear. Diverse revenue streams are important. Block Club wanted to communicate out the gate that when you give money to Block Club, that's not enriching some head honcho – that's going to be reinvested into journalism. And this isn't going to be something the co-founders own – if cofounders decide to do something else, Block Club will live on and survive. Transparency is key – see where the money is going. Have to make public any donation over \$5,000 or \$10,000. Formal board nonprofit structure will help Block Club live long past them. No one size fits all solution for starting these new newsrooms.

Additional Commentary:

- **Christopher Willadsen:** Thanks panelists, we're here to support you. As a member of the broadcast community, there have been three attacks this week on broadcasters alone. If trying to save local news we need to address and bring to light the violence that's preventing people from getting the word out. Will follow up via email.
- **Sen. Steve Stadelman:** Thank you to the presenters. Will be interesting to see how you navigate changing media landscape. Revenue sources will be and need to be diverse, and that will make putting legislation together difficult. Thank you for your input and sharing your experiences.
- **Sam Fisher:** It's not only a policy thing, but also a revenue problem. Not one size fits all but need to address revenue model. Philanthropy is great, but it's here today and gone tomorrow so that's scary. Take a look at possible revenue models in addition to policy.
- **Sen. Steve Stadelman:** Revenue outside advertising.



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- **Sam Fisher:** Any way to bring revenue into newsroom.
- **Sen. Steve Stadelman:** This is not a demand for local news problem. Need to come up with a financial path for this.
- **Jesús Del Toro:** Damning effect of AI systems that are taking content from local media and selling that content. Discuss effects of this and how to protect journalists. Property, copyright, sustainability, etc. Working for community, not AI.
- **Sen. Steve Stadelman:** Yes, that's a huge growing issue.

Public Comment: No members of the public offered comment.

Adjournment: Meeting was adjourned by Chairman Stadelman at approximately 3:41 p.m.