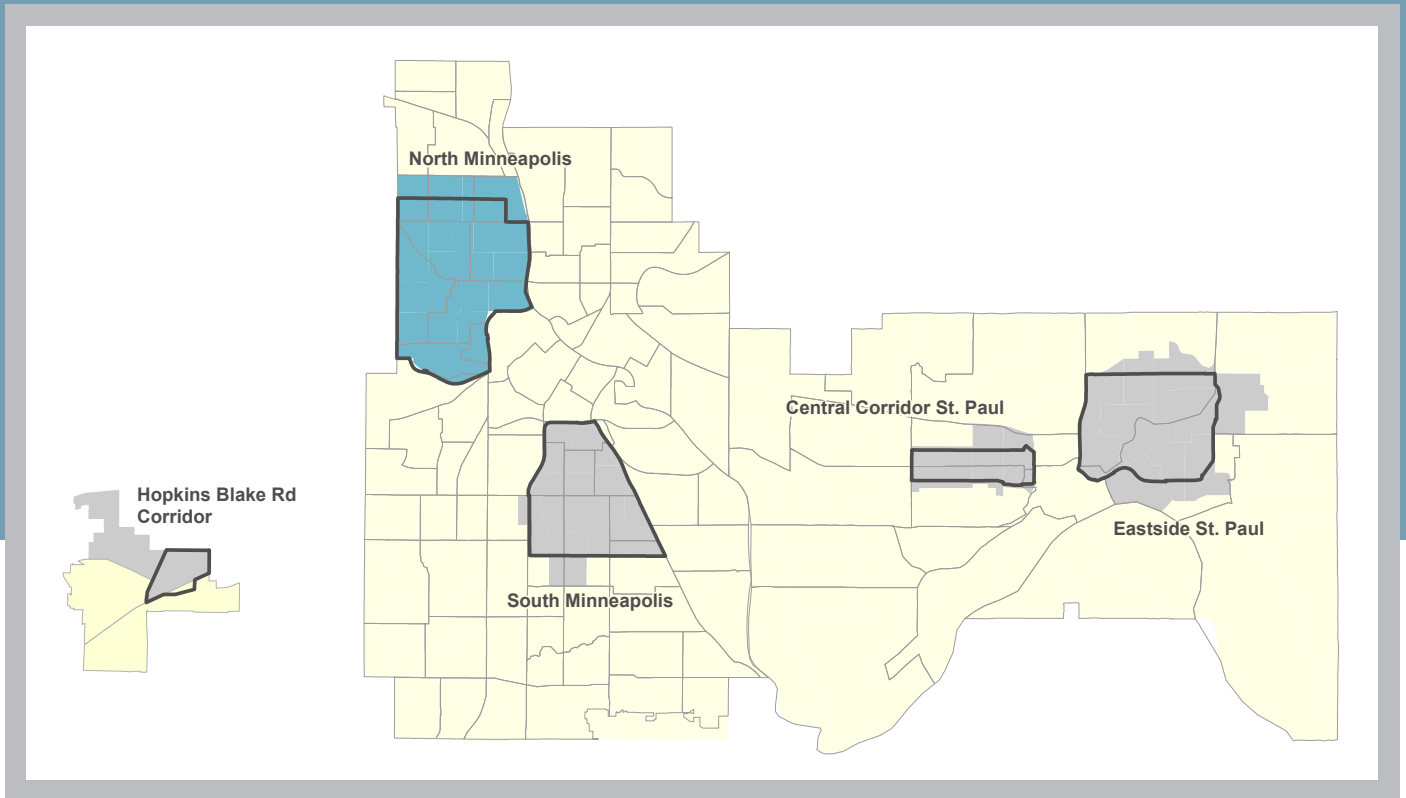


# Moving Beyond the Gap

## *Racial Disparities in North Minneapolis*

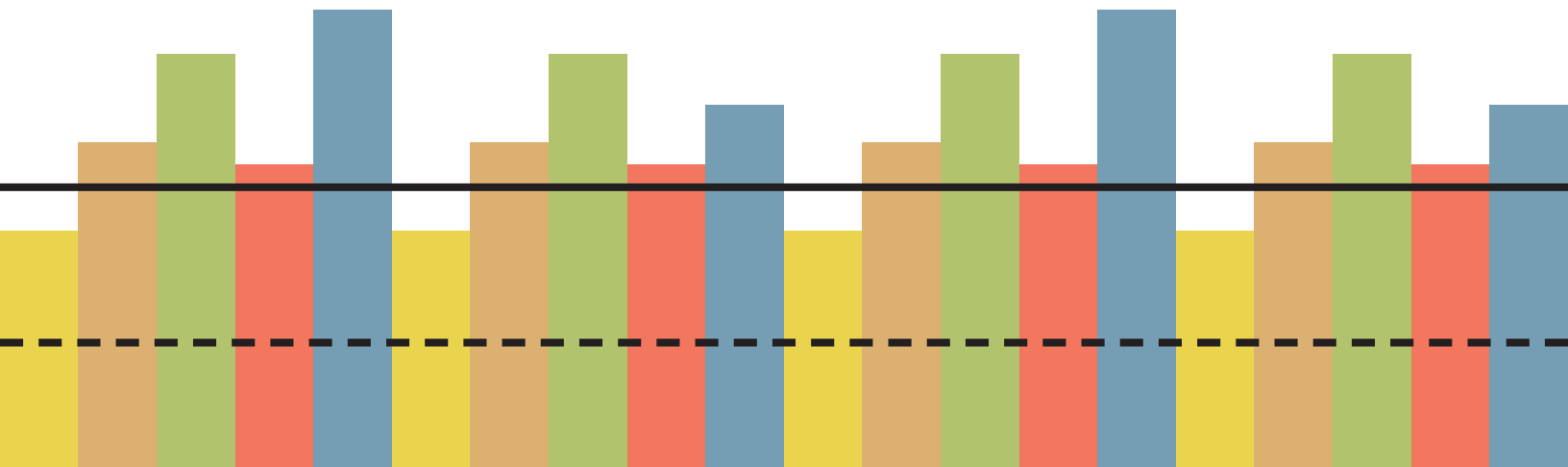
September 2014



**LISC**  
Twin Cities  
*Helping people  
and places prosper*

Center for Urban and  
Regional Affairs (CURA)

UNIVERSITY OF MINNESOTA

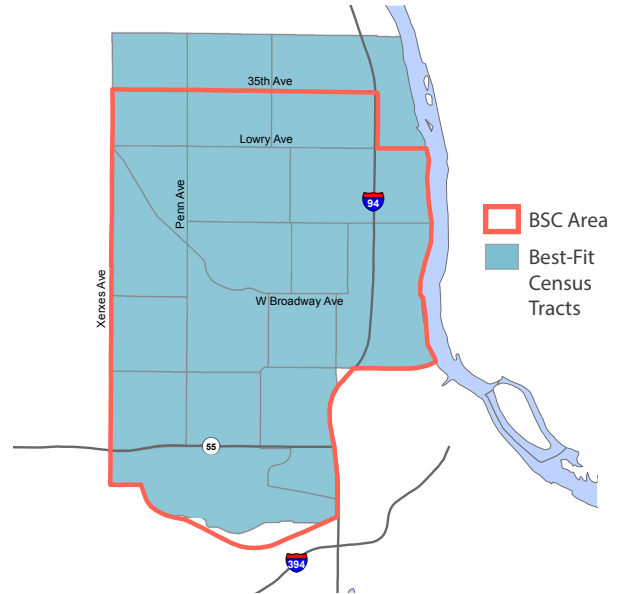


# Moving Beyond the Gap - Racial Disparities in North Minneapolis

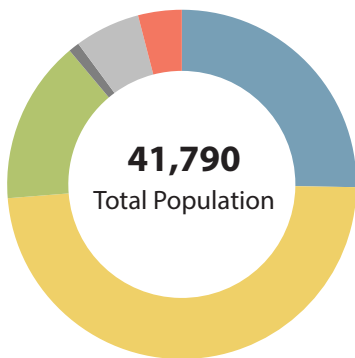
September 2014

## Overview

This report is part of a larger collaboration between the Local Initiatives Support Corporation (LISC) and the Center for Urban and Regional Affairs (CURA). It aims to inform community revitalization in the Twin Cities by analyzing neighborhood contributions to regional disparities between whites and other racial and ethnic groups. The report compares the North Minneapolis Building Sustainable Communities area to Minneapolis and the Region along a series of economic and community health indicators. It illustrates the degree to which closing the gap between whites and African Americans in North Minneapolis would contribute to narrowing disparities within the city as a whole.

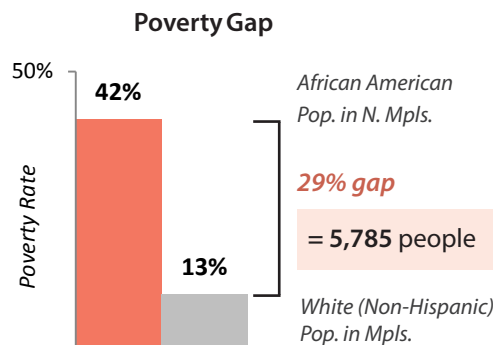
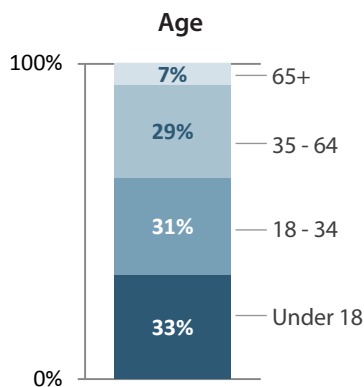
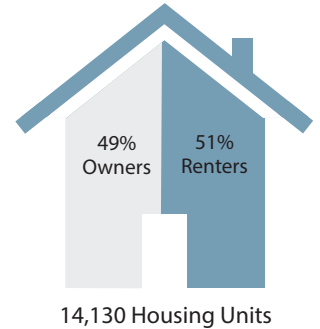


## Area Demographics

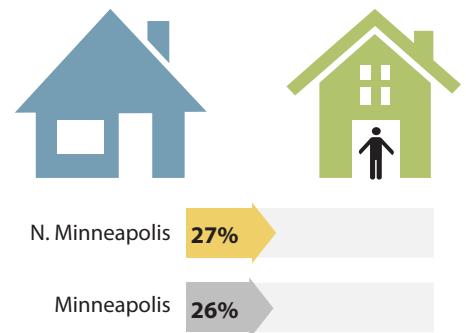


Race		
25%	White	
48%	Black or African American	
15%	Asian	
1%	American Indian & Alaska Native	
6%	Two or More Races	
4%	Other Race	
Ethnicity		
8%	Hispanic or Latino	

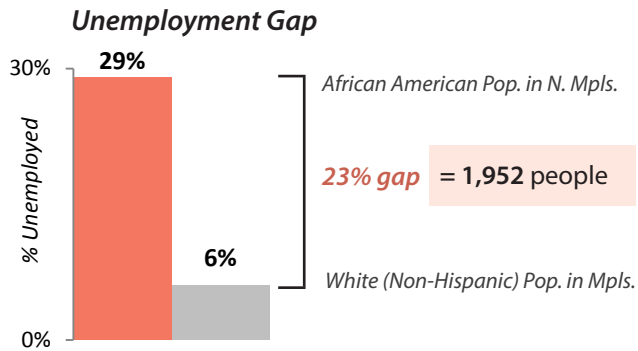
### Home Ownership



### Percent Residents Moved in the Last Year



## Jobs/Employment: Unemployment



### KEY FINDINGS

#### Unemployment Rate

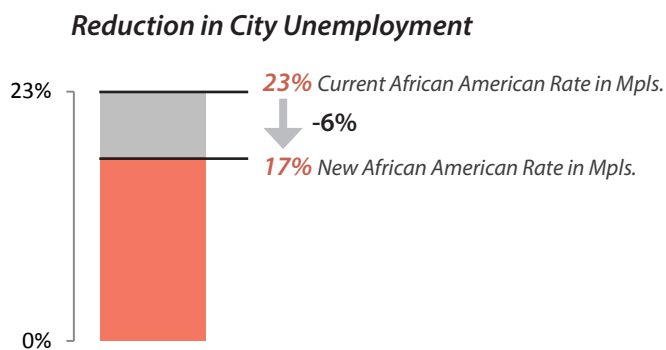
- The unemployment rate for all North Minneapolis residents is more than two times higher than the City rate
- In North Minneapolis, the African American and Asian unemployment rates are more than 10 percentage points higher than for Non-Hispanic Whites

#### Unemployment Gap

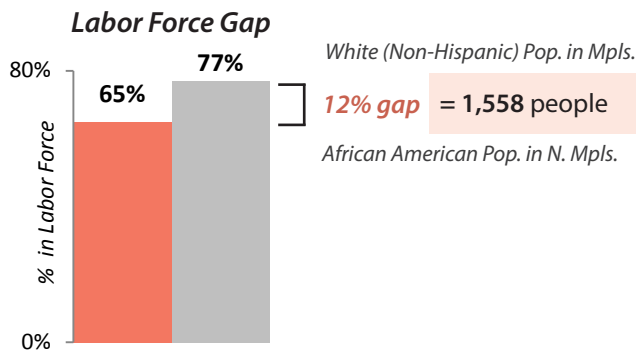
- If the African American unemployment rate in North Minneapolis were to match the city rate for Non-Hispanic whites, jobs would need to be procured for 1,952 people

#### Reduction in City Unemployment

- If jobs were procured for 1,925 African Americans the citywide African American unemployment rate would drop from 23% to 17%.



## Jobs/Employment: Labor Force Participation



### KEY FINDINGS

#### Labor Force Participation Rate

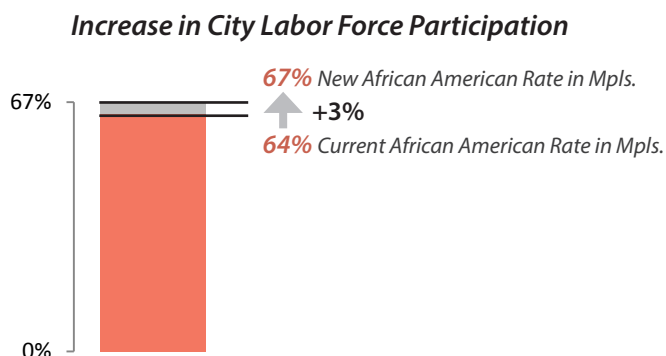
- The labor force participation rate for all North Minneapolis residents is 8 percentage points lower than the City rate
- In North Minneapolis, the labor force participation rate is at or below the City and Regional rates for all racial categories

#### Labor Force Gap

- If the African American labor force participation rate in North Minneapolis were to match the city rate for Non-Hispanic whites, 1,558 people would need to enter the work force

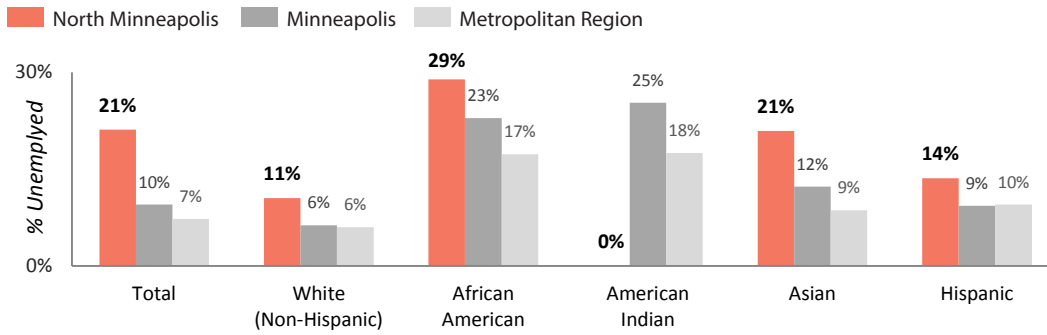
#### Increase in City Labor Force Participation

- If 1,558 African Americans entered the work force, the citywide African American labor force participation rate would increase from 64% to 67%



## Jobs/Employment: Unemployment

### Unemployment Rate by Race/Ethnicity

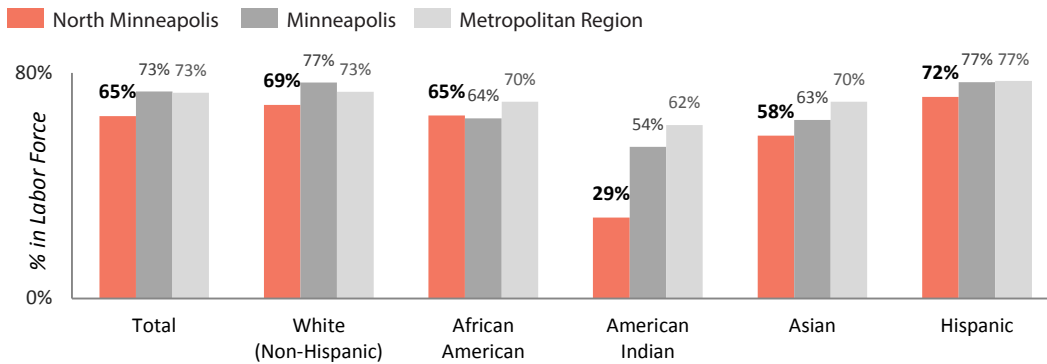


### Unemployment Gap by Race/Ethnicity<sup>1</sup>

	North Minneapolis			Target %	Impact	
	In Labor Force	# Unemployed	% Unemployed		Unemployment Gap	Reduction in Minneapolis Unemployment Rate
<b>Total</b>	<b>18,831</b>	<b>3,965</b>	<b>21%</b>	<b>6%</b>	<b>2,779</b>	<b>10% → 9%</b>
White (Non-Hispanic)	5,661	593	11%		236	--
African American	8,640	2,496	29%		1,952	23% → 17%
American Indian	98	0	0%		--	--
Asian	2,309	482	21%		337	12% → 9%
Hispanic	1,461	198	14%		106	9% → 8%

## Jobs/Employment: Labor Force

### Labor Force Participation Rate by Race/Ethnicity



### Labor Force Gap by Race/Ethnicity<sup>2</sup>

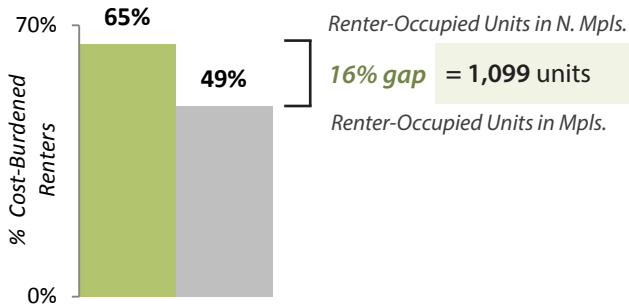
	North Minneapolis			Target %	Impact	
	Pop. Over 16	# In Labor Force	% In Labor Force		LF Participation Gap	Reduction in Minneapolis LF Participation Rate
<b>Total</b>	<b>29,171</b>	<b>18,831</b>	<b>65%</b>	<b>77%</b>	<b>3,514</b>	<b>73% → 74%</b>
White (Non-Hispanic)	8,247	5,661	69%		656	--
African American	13,313	8,640	65%		1,558	64% → 67%
American Indian	341	98	29%		163	54% → 57%
Asian	4,003	2,309	58%		757	63% → 68%
Hispanic	2,043	1,461	72%		104	--

1 Unemployment: The Unemployment gap is the number of people of a given race or ethnicity who need to find work in order to match the citywide or regional rate for non-hispanic whites. The reduction in unemployment rate is the change in the citywide/regional rate for that racial/ethnic group if the gap were closed.

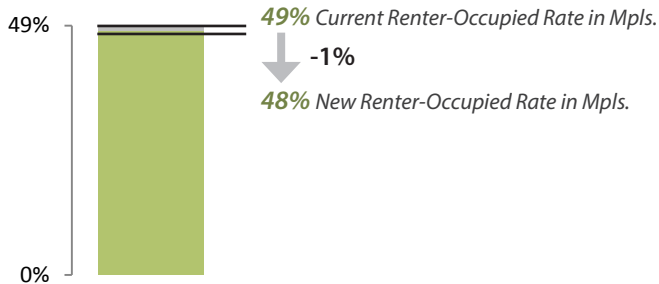
2 Labor Force: The Labor Force gap is the number of people of a given race or ethnicity who need to enter the labor force in order to match the citywide or regional rate for non-hispanic whites. The increase in participation rate is the change in the citywide/regional rate for that racial/ethnic group if the gap were closed.

## Housing: Cost-Burdened Households (Renters)

### Cost-Burdened Gap (Renters)



### Reduction in City Cost-Burdened Households (Renters)



### KEY FINDINGS

#### Cost-Burden Rate

- The cost-burden rate for renters in North Minneapolis is 16 percentage points higher than the city rate

#### Cost-Burdened Gap

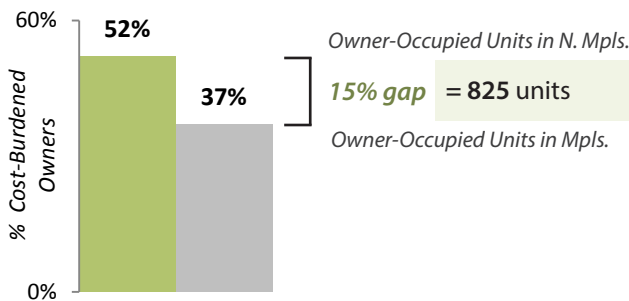
- If the cost-burden rate for renters in North Minneapolis were to match the city rate, 1,099 renters would need to move out of cost-burdened status

#### Reduction in City's Cost-Burdened Households

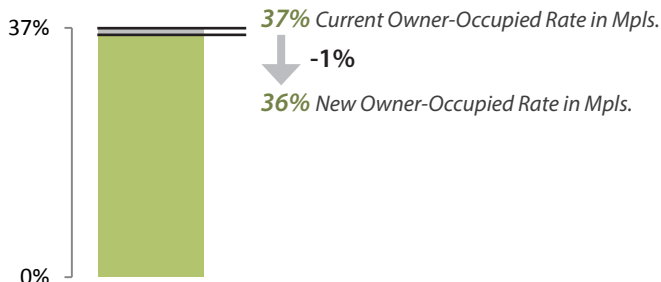
- If 1,099 renters moved out of cost-burdened status, the citywide cost-burden rate for renters would drop from 49% to 48%

## Housing: Cost-Burdened Households (Owners)

### Cost-Burdened Gap (Owners)



### Reduction in City Cost-Burdened Households (Owners)



### KEY FINDINGS

#### Cost-Burden Rate

- The cost-burden rate for owners in North Minneapolis is 15 percentage points higher than the city rate

#### Cost-Burdened Gap

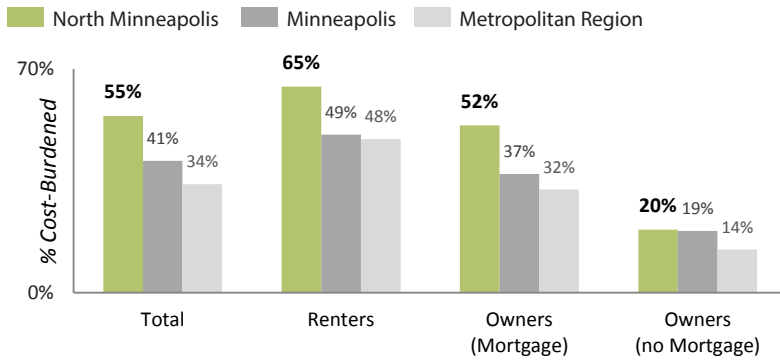
- If the cost-burden rate for owners in North Minneapolis were to match the city rate, 825 owners would need to move out of cost-burdened status

#### Reduction in City Cost-Burdened Households

- If 825 owners moved out of cost-burdened status, the citywide cost-burden rate for owners would drop from 37% to 36%

# Housing: Cost-Burdened Households

## Cost-Burdened Rate by Tenure



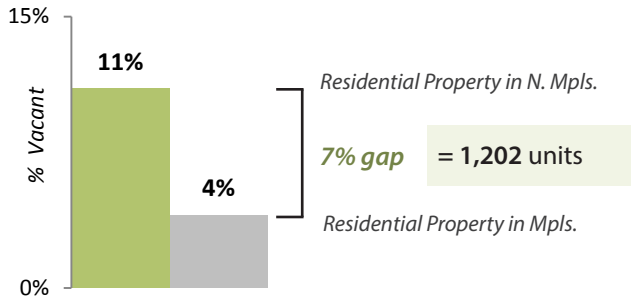
## Cost-Burdened Gap by Tenure<sup>3</sup>

	North Minneapolis			Target %	Impact	
	# Households	# Cost-Burdened	% Cost-Burdened		Cost-Burden Gap	Reduction in Minneapolis Cost-Burden Rate
<b>Total</b>	<b>14,130</b>	<b>7,813</b>	<b>55%</b>	<b>41%</b>	<b>1,924</b>	<b>41% → 40%</b>
Renters	7,273	4,692	65%	49%	1,099	49% → 48%
Owners (Mortgage)	5,431	2,840	52%	37%	825	37% → 36%
Owners (no Mortgage)	1,426	281	20%	19%	0	--

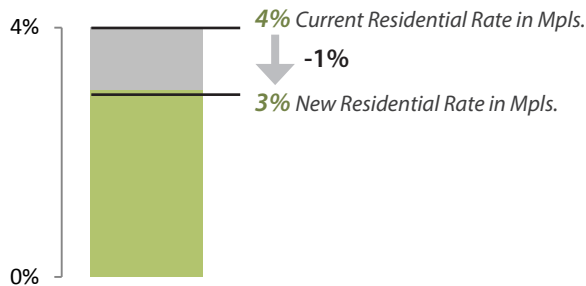
<sup>3</sup> The Cost-Burdened gap is the number of households of a given tenure status which need to spend less than 30% of their household income on housing expenses to match the citywide or regional rate for that tenure status. The reduction in Cost-Burden rate is the change in the citywide/regional rate for that tenure status if the gap were closed.

## Housing: Vacancy

### Vacancy Gap



### Reduction in City Vacancy



## KEY FINDINGS

### Vacancy Rate

- The residential vacancy rate in North Minneapolis is more than twice as high as the city rate and three times as high as the regional rate
- In North Minneapolis, 70% of residential vacant units have been vacant for at least two years, and 50% have been vacant for at least three years

### Vacancy Gap

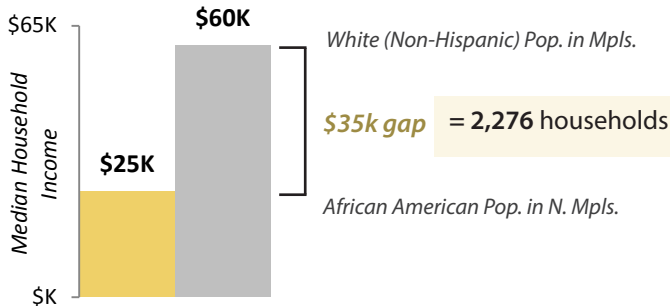
- If the residential vacancy rate in North Minneapolis were to match the city rate, 1,202 houses would be occupied

### Reduction in City Vacancy

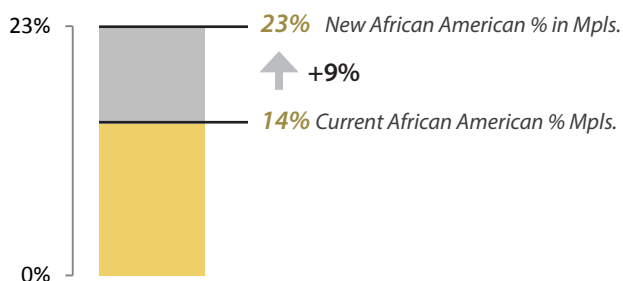
- If 1,202 houses became occupied, the citywide residential vacancy rate would drop from 4% to 3%

## Income: Median Household Income

### Income Gap



### Increase in City Income



## KEY FINDINGS

### Median Household Income

- The median income for all North Minneapolis households is more than \$17k lower than the city value
- In North Minneapolis, the income for Non-hispanic whites is more than \$15k higher than all other racial/ethnic categories

### Income Gap

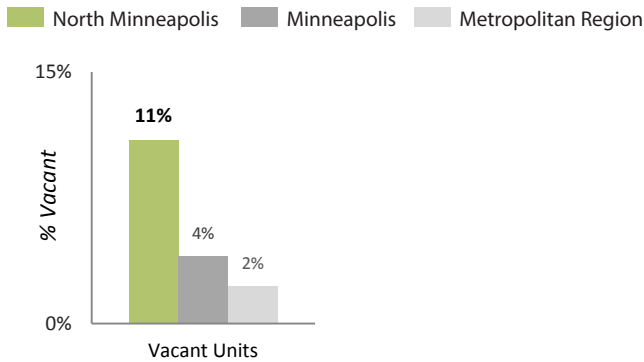
- If median incomes for African Americans in North Minneapolis were to match the city value for Non-hispanic whites, the median would need to increase by \$35k, an equivalent of 2,276 households of color moving to or above the city value

### Increase in City Income

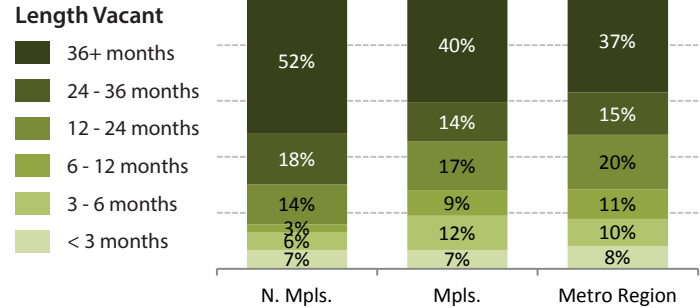
- If 2,276 African American households in South Minneapolis matched the city median value, the citywide number of African American households at or above the Non-Hispanic white median would increase from 14% to 23%

## Housing: Vacancy

### Vacancy Rate by Property Type



### Percent Vacant Residential Units by Time Vacant

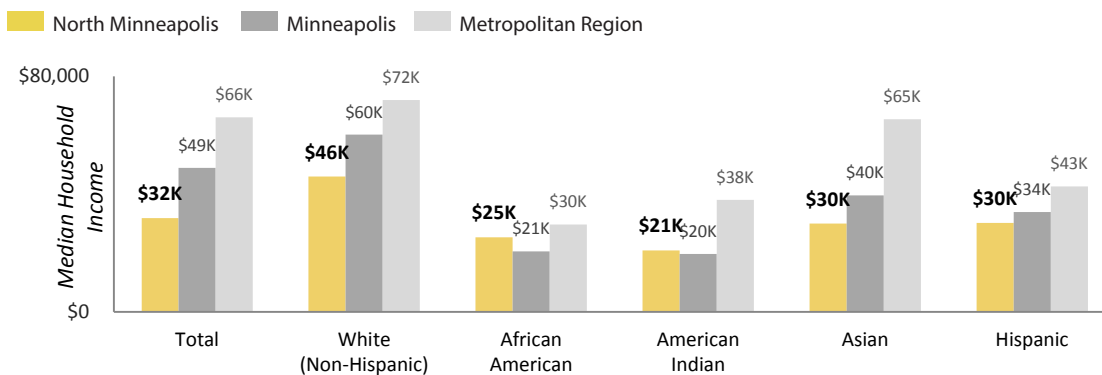


### Vacancy Gap by Property Type<sup>4</sup>

	North Minneapolis			Target %	Impact	
	# Properties	# Vacant Properties	% Vacant Properties		Vacancy Gap	Reduction in Minneapolis Vacancy Rate
<b>Total</b>	<b>19,529</b>	<b>2,120</b>	<b>11%</b>	<b>5%</b>	<b>1,208</b>	<b>5% → 4%</b>
Residential	17,445	1,906	11%	4%	1,202	4% → 3%
Business	1,230	214	17%	15%	35	15% → 14%

## Income: Median Household Income

### Median Household Income by Race/Ethnicity



### Median Household Income Gap by Race/Ethnicity<sup>5</sup>

	North Minneapolis		Target Income	Impact		
	# of HHs	Median HH Income		Income Gap (\$ Difference)	Income Gap (HHs)	Increase in % of HHs over target median income
<b>Total</b>	<b>14,130</b>	<b>\$31,798</b>	<b>\$60,195</b>	<b>\$28,397</b>	<b>3,867</b>	<b>41% → 44%</b>
White (Non-Hispanic)	4,696	\$45,923		\$14,272	861	50% → 51%
African American	6,751	\$25,301		\$34,894	2,276	14% → 23%
American Indian	139	\$20,884		\$39,311	70	18% → 21%
Asian	1,335	\$29,975		\$30,220	342	34% → 38%
Hispanic	1,331	\$30,253		\$29,942	253	-

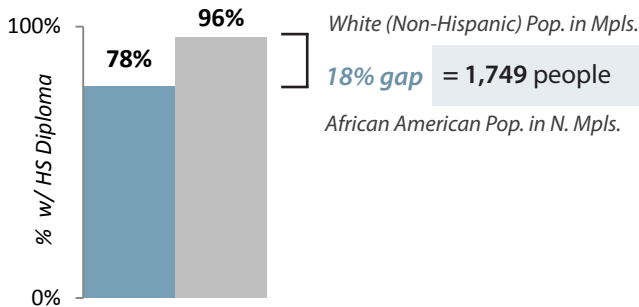
4 The Vacancy gap is the number of property units of a given type that need to become occupied to match the citywide or regional rate for that property type. The reduction in Vacancy rate is the change in the citywide/regional rate for that property type if the gap were closed.

5 The Median Household Income gap is the difference in household income between the median income of a given race or ethnicity and the citywide or regional rate for Non-hispanic whites. The Increase in Household Income is the change in citywide/regional income for that racial/ethnic group if the gap were closed.



## Education: High School Graduation

### High School Graduation Gap



### KEY FINDINGS

This indicator examines the educational attainment of the adult population and is therefore not an indicator of drop-out rates. It includes immigrant populations with self-reported degrees in addition to more traditional high school diplomas

#### High School Graduation Rate

- The percentage of individuals with a high school diploma in North Minneapolis is half that of the city
- In North Minneapolis, the graduation rate for Non-hispanic whites is more than 10 percentage points higher than the African American rate

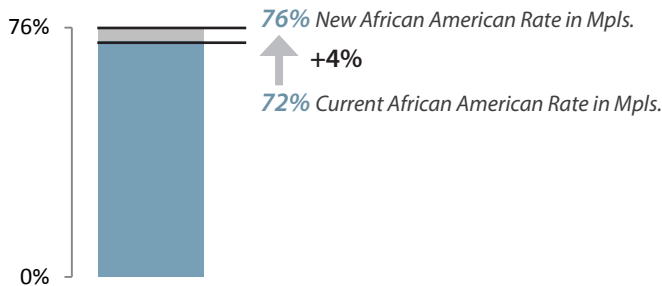
#### Graduation Gap

- If the African American graduation rate in North Minneapolis were to match the city rate for Non-hispanic whites, 1,749 African Americans would need to get a high school diploma

#### Increase in City High School Graduations

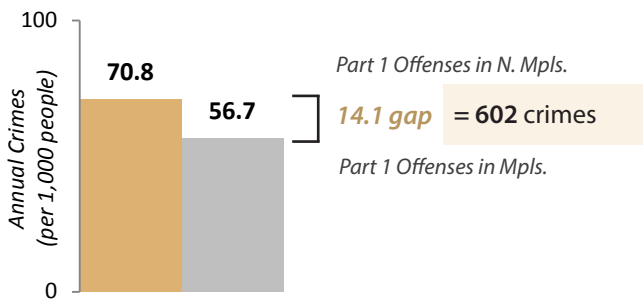
- If 1,749 African Americans were to get a diploma, the citywide graduation rate for African Americans would increase from 72% to 76%

### Increase in City High School Graduations



## Safety: Crime

### Crime Gap (per 1,000 people)



### KEY FINDINGS

This indicator examines the crime rate using Minneapolis neighborhoods and therefore uses geographical boundaries slightly different from those used in the other indicators

#### Part 1 Crime Rate

- There is an average of 14 more part one crimes being committed annually per 1,000 people in North Minneapolis than in the city as a whole

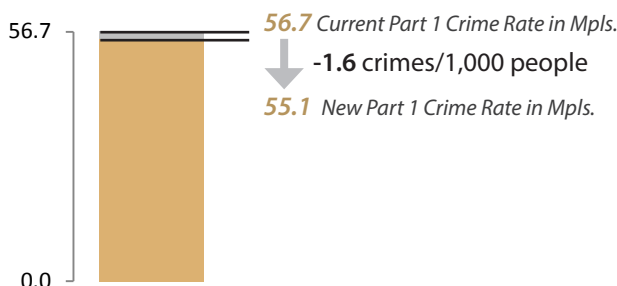
#### Crime Gap (per 1,000 people)

- If the part one crime rate in North Minneapolis were to match the city rate, the number of crimes committed annually would need to be reduced by 602

#### Reduction in City Crime

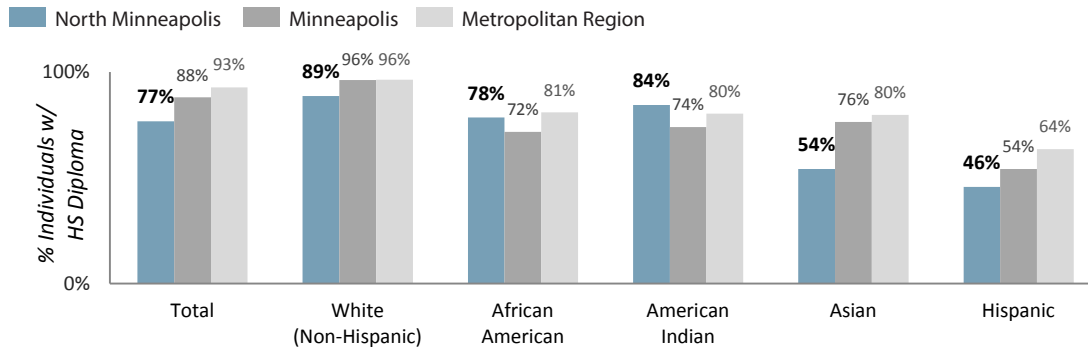
- If 602 crimes were prevented annually, the citywide part one crime rate would drop from 56.7 to 55.1 crimes per 1,000 people

### Reduction in City Crime Rate



## Education: High School Graduation

### High School Graduation Rate by Race/Ethnicity



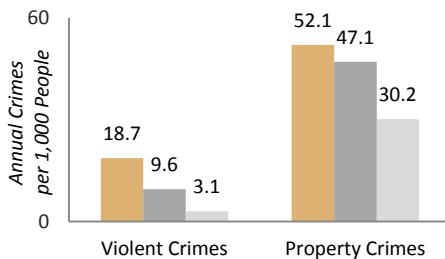
### High School Graduation Gap by Race/Ethnicity<sup>6</sup>

	North Minneapolis			Target %	Impact	
	Pop. Over 25	# w/ HS Diploma	% w/ HS Diploma		HS Graduation Gap	Increase in Minneapolis HS Graduation Rate
<b>Total</b>	<b>22,629</b>	<b>17,364</b>	<b>77%</b>	<b>96%</b>	<b>4,394</b>	<b>88% → 90%</b>
White (Non-Hispanic)	7,524	6,667	89%		567	-
African American	9,881	7,752	78%		1,749	72% → 76%
American Indian	257	217	84%		30	74% → 75%
Asian	2,526	1,369	54%		1,060	76% → 86%
Hispanic	1,724	787	46%		871	54% → 59%

## Safety: Crime

### Crime Rate by Type

North Minneapolis Minneapolis Metropolitan Region



### Crime Gap by Type<sup>7</sup>

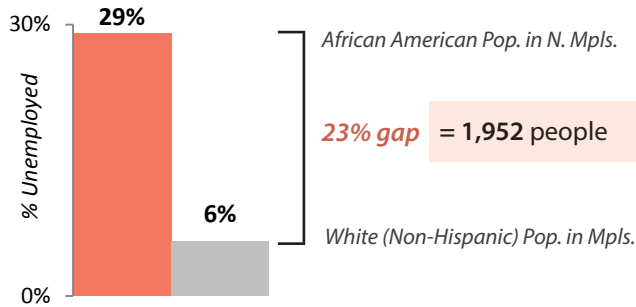
	North Minneapolis		Target rate	Impact	
	# of Crimes	Crime rate (per 1,000 people)		Crime Gap	Reduction in Minneapolis Crime Rate
<b>Part One Crime</b>	<b>3,023</b>	<b>70.8</b>	<b>56.7</b>	<b>602</b>	<b>56.7 → 55.1</b>
Violent Crime	799	18.7	9.6	389	9.6 → 8.6
Property Crime	2,224	52.1	47.1	213	47.1 → 46.6

<sup>6</sup> The High School gap is the number of people of a given race or ethnicity over the age of 25 who need to get a high school diploma in order to match the citywide or regional rate for non-hispanic whites. The increase in High School Graduation rate is the change in the citywide/regional rate for that racial/ethnic group if the gap were closed.

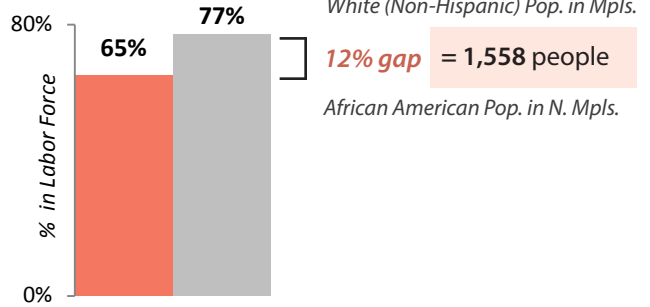
<sup>7</sup> The Crime gap is the number of crimes per 1,000 people of a given type that would need to be reduced in order to match the citywide or regional rate. The Reduction in Crime rate is the change in the citywide/regional rate for that crime type if the gap were closed.

# Gap Summary

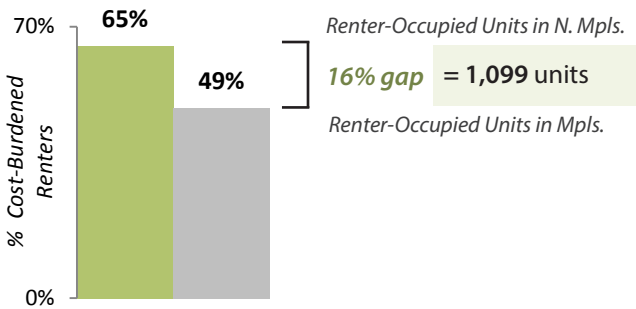
## Unemployment Gap



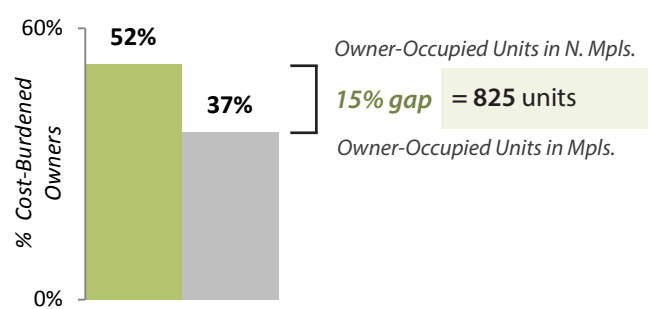
## Labor Force Gap



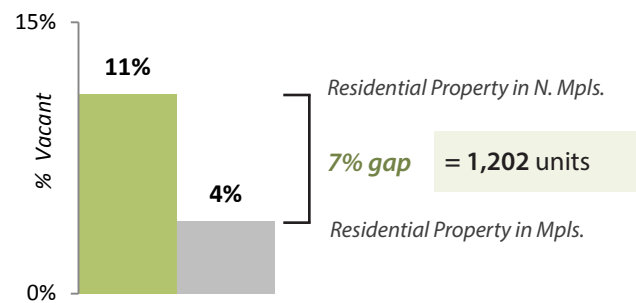
## Cost-Burdened Gap (Renters)



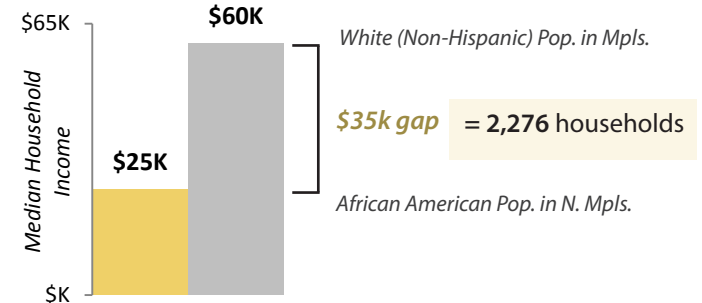
## Cost-Burdened Gap (Owners)



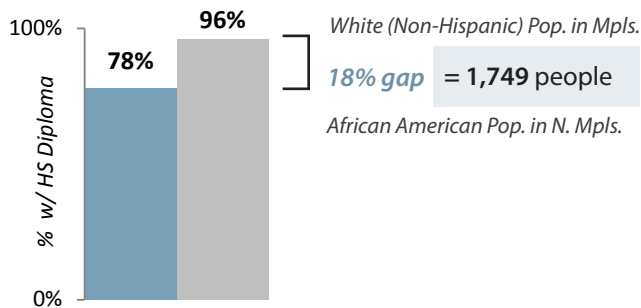
## Vacancy Gap



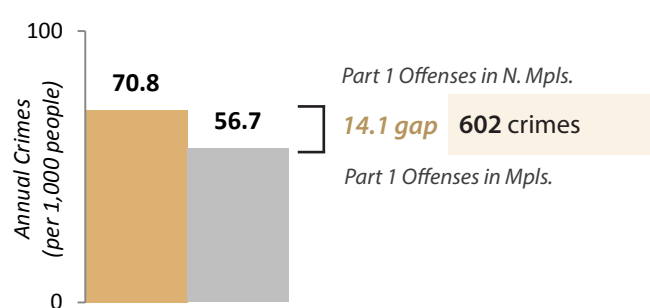
## Income Gap



## High School Graduation Gap



## Part 1 Crime Gap (per 1,000 people)



## Notes

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**Poverty** is measured as the percentage of individuals whose income falls below the poverty threshold. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Residential mobility** is calculated as the percentage of individuals who have changed residences within the last year. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Unemployment** is calculated as the number of people without work as a percentage of the labor force. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Labor force participation** is calculated as the number of people in the labor force as a percentage of the civilian population over the age of 16. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Median household income** is calculated as the median household's aggregate inflation-adjusted income. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Vacancy** is calculated as the number of vacant properties as a percentage of total existing properties. Data comes from the Department of Housing and Urban Development's Aggregated USPS Administrative Vacancy Data and was aggregated at the census tract level.

**Cost-Burdened households** are defined as households which spend 30% or more of their income on housing costs. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Educational attainment** is calculated as the education level of individuals over the age of 25. Data comes from the American Community Survey's 5-year estimates (2008-2012) and was collected at the census tract level.

**Crime** is calculated as the number of part 1 (violent and property) crimes committed between 2010 and 2012 for every 1,000 people in the given geographic region. Data comes from the City of Minneapolis' Police Reports and the FBI's Uniform Crime Reporting Program. Crime statistics were calculated using Minneapolis neighborhoods (Cleveland, Folwell, McKinley, Jordan, Hawthorne, Willard-Hay, Near North, Harrison, and Sumner-Glenwood) to approximately match the census tract boundaries of the other indicators.