A bold, new organizational solution for building a more equitable, prosperous and sustainable region for all.
The case for something new...
Despite strong programs, Our regions progress is incremental & often transactional

Multiple neighborhood specific, often single sector, programmatic, short-term solutions

Programs jump-start collaboration and innovation, but don’t lead to sustainable, replicable population level change, and haven’t produced the type of cross-sector leadership on policy issues to shift the systems

Central Corridor Anchors Partnership
Partnership for Regional Opportunity
MSPWin
North@Work
Eastside Funders Group
Make It MSP
East Metro Strong

Corridors of Opportunity
Center Cities
Northside Funders Group
Itasca Northside Partnership
Promise Zone (&Predecessors)
Northside Home Fund
Etc….
### Significance gap in poverty rate. We are #1 with white residents and 10/12 with people of color.

### Access to good jobs is a barrier for our regions neediest and an issue for employers and jobseekers alike

### While our employment gap is improving, our wage gap is increasing.
Design Team

- Mary Kay Bailey, Eastside Funders Group
- Tawanna Black, Northside Funders Group
- Justin Freiberg, McKinsey/Itasca Project
- Peter Frosch, GreaterMSP
- Beth Kessler, US Bank
- Neeraj Mehta, University of Minnesota Center for Urban & Regional Affairs
- Ann Mulholland, Minnesota Philanthropy Partners
- Shauen Pearce-Lassiter, Center Cities Competitiveness Initiative
- Lee Sheehy, McKnight Foundation
- Julia Silvis, McKinsey/Itasca Project
Design Journey

- November 2016- Initial Idea & Thought Partners Consulted
- January 2017- Economic Inclusion Peer Learning Trip to Chicago – 14 Local cross-sector leaders from visited Metropolitan Planning Council, MacArthur Foundation, Chicago United, Chicago Anchors for a Sustainable Economy
- February 2017-Today – on-going design & feasibility study; consulting from Living Cities, Rockefeller Foundation, Brookings, and Metropolitan Planning Council
- April 2017- Began feasibility testing
The Proposed Solution
Mission

The Center for Economic Opportunity is a cross-sector organization committed to strengthening the region’s civic infrastructure and collective capacity to disrupt systems, influence market forces and catalyze shared prosperity and an inclusive economy.
Theory of Change

Acting Local, Thinking Regional

Our regions economic growth can be accelerated by investments in the talent, infrastructure and business vitality in communities of color, and low-income neighborhoods.

Race + Place + Income

Addressing economic prosperity and opportunity through the intersectional lens of racial, spatial, and economic inequality.

Cross-Sector Leadership

Permission & expectation for each sector to lean in at every level and stage of the organization; Leveraging opportunities for private sector investment and engagement in low-income communities of color.

Strengthening Civic Infrastructure

Intentional network building and power and influence weaving to ensure that our regions decision makers reflect the political, racial, gender, geographical, and generational diversity of the region and the leaders of organizations like the Center have a relevant at level of social, political and financial capital and a willingness to leverage it.
How does the Center Work?

1. **Advocacy**: Leading voice for innovative, data-driven policy solutions to advance shared prosperity.

2. **Consistent, Intentional Communications**: Elevates new narratives that drive thought leadership and action.

3. **Collaboration**: Establishes and promotes best practice models for collaboration, accountability, and achieving shared results.

4. **Research**: Distributes and amplifies in-depth, best-in-class applied research to help catalyze action-oriented solutions.

5. **Action**: Confronting market failure; Disrupting systems; Influencing policies and practices... in order to dramatically shift market forces to achieve shared prosperity.
The Work of the Center- Examples

- Serve as a backbone to pilot innovative strategies before embedding them into public, private or community-based organizations
  - North@Work
  - Community As Campus- No Wrong Door Service Delivery Pilot

- Partner with government to change incentives and supports toward more equitable opportunities and outcomes
  - Employer Intermediary Workforce Center Staffing Pilot
  - Make Development Easier Strategy

- Change information flows and makes information more transparent and accessible

- Equip community advocates and champions with research to advocate for equitable solutions
  - Blue Line Coalition

- Facilitate collaborative, innovative, data-driven philanthropy
  - NFG, EFG, MSPWin
The Change Agenda

*Economic Inclusion + Economic Growth*

Confronting market failure by acknowledging intentional and unintentional policies and systems that have led to devastating levels of racial inequity; Influencing policies and practices, in multiple strategic impact areas, simultaneously to dramatically shift market forces to achieve shared prosperity.
The Change Agenda- 4 Strategic Impact Areas

**Human Capital**
Connecting local talent to the regional market place.
Increasing access to living-wage work and inclusive workplaces;
Achieving parity in incomes

**Economic Development**
Transforming economic systems to create greater and more sustainable access for all, while increasing regional economic prosperity.
Investing capital in small and mid-size firms positioned to grow jobs in urban areas
Catalyzing infrastructure investment, land banking, and transit oriented development

**Transit & Infrastructure**
Regional transit solutions for workers and employers
Transit solutions that connect workers, employers, customers, and businesses and leverage our infrastructure investments.

**Opportunity & Investment**
Leveraging social and political capital to create more equitable access to public & private resources.
Measuring Impact - Inclusive Economy Indicators Developed by Chris Benner & Manuel Pastor for the Rockefeller Foundation

**EQUITABLE**
- A Upward mobility for all
- B Reduction of inequality
- C Equal access to public goods & ecosystem services

**PARTICIPATORY**
- D People are able to access and participate in markets as workers, consumers, and business owners
- E Market transparency and information symmetry
- F Widespread technology infrastructure for the betterment of all

**STABLE**
- M Public and private confidence in the future and ability to predict outcome of economic decisions
- N Members of society are able to invest in their future

**GROWING**
- G Increasing good job and work opportunity
- H Improving material well-being
- I Economic transformation for the betterment of all

**SUSTAINABLE**
- J Social and economic well-being is increasingly sustained over time
- K Greater investments in environmental health and reduced natural resource usage
- L Decision-making processes incorporate long-term costs
Measuring Impact - Inclusive Economy Indicators Developed by Chris Benner & Manuel Pastor for the Rockefeller Foundation

**Equitable**
- Ratio of highest quintile to lowest quintile household income (or Gini coefficient)
- Intergenerational income mobility (absolute terms)
- 4-year program enrollment and completion rates

**Participatory**
- Labor force participation rate
- New business density (registrations per 1,000 people ages 15-64)
- Percentage of households with internet

**Growing**
- Employment-to-population ratio (or unemployment rate)
- Per capita income growth rate
- Labor productivity (GDP per hour worked)

**Sustainable**
- Long-term health trends (e.g. hospitalization rates, life expectancy)
- Annual mean levels of fine particulate matter
- Affordable housing (median housing cost as a percent of median household income)

**Stable**
- GDP/employment volatility – standard deviation of year-to-year change
- Percent of population using banking services
- Response time for emergency services from initial call
Measuring Impact - Aligning with the Regional Indicators Dashboard

**Human Capital**
- %Jobs Family Sustaining
- Employment Gap
- Poverty Rate + Wage Gap

**Economic Development**
- Establishments surviving 5 years + (Place/ race)
- Loans to Businesses Under $1M in Rev.

**Transit & Infrastructure**
- Job Access - % of Population Living Within 30 min. of 100,000 jobs/ Commute
- Average % of HH Income Spent on Housing + Trans.

**Opportunity & Investment**
- Gross Regional Product
Measuring Impact...Aspirations

**Current State**
- Multiple, individual initiatives focused on a topic, geography
- Isolated, localized struggle (common experiences)
- Charity
- Observing, admiring and documenting failure
- A ‘comply with the status quo’ mentality

**Future State**
- One collaborative, integrated organization with results in multiple geographies, issues, and populations
- A shared, opportunity, strategy
- Economic imperative
- Intervention, focused action
- Results oriented, Reporting success & Failure, Clear metrics

**Center for Economic Inclusion**

THEM  US
Measuring Impact…How will the Region Be Different?

- Equitable opportunity for all Twin Cities residents
- Regional scope, with localized impact
- Leadership to address policies that maintain spatial and racial inequality
- True Cross-sector Partnership & Leverage
- Trade short-term efforts, in exchange for sustained, systemic impact

- Decrease the number of organizations and collaboratives addressing shared prosperity, economic inclusion and opportunity
Building the Infrastructure for a New Organization - What’s Next?
Testing The Region’s Appetite to Solve a Bold Challenge with a Bold Solution

THE NEWS ABOUT Racial INEQUITIES ISN’T NEWS ANYMORE!

- 2010 Economic Policy Institute- Black/White Wage Gap Persists At Every Educate Level

- 2014, Policy Link -Minnesota’s Tomorrow: Equity is the Superior Growth Model= Closing Racial Equity Gaps Could = $16 billion boost to Minnesota’s 2011 GDP.

- 2015 MN State Demographer Says African Americans Are The Only Population to Lose Household Income

NOW is the time~ But it will require a critical, cross-sector mass of leaders to lean in
What’s Next?…Leadership

Identifying and recruiting a knowledgeable, influential, credible, and committed team of Center leaders (future board) who reflect the political, racial, gender, geographical, and generational diversity of the region and a relevant level of social, political and financial capital and a willingness to leverage it.

- **C-Suite Level & Influencers**
- **Industry Leaders**
- **People Who Get the Vision & Want to Build It**
What’s Next…Refining desired results

Establishing the most strategic level of intensity and balance between place-based strategies and regional strategies that have the ability to both grow the regions economy and create impact in multiple places and/or low-income communities of color.

- Building the change agenda
- Modeling the 3, 5, and 10 year forecasts
- Partnering with stakeholders, Cities, Counties, GreaterMSP, Met Council, and community-based organizations to refine what results are achieved as a result of the Center, or in collaboration
What’s Next

ESTABLISHING INTEGRATED ORGANIZATIONS

We can maximize and accelerate impact by integrating successful collaborative organizations in the Center.

CANDIDATES FOR INTEGRATION
Northside Funders Group, Eastside Funders Group, MSPWin, Central Corridor Anchor Partnership, Blue Line Coalition, Itasca Northside Partnership.

TIMELINE
• Decisions: December 2017
• Integration: June 2018

BUILDING INCLUSIVE, STRATEGIC NETWORKS

To reach optimum impact, the Center will retool connections between fragmented workforce, economic development, and TOD organizations, chambers, business groups, and public sector organizations; and develop and operate an intentional network building and governance model, with high levels of peer-to-peer learning and accountability.
What’s Next...Operations

➢ **Structure & Budget:** We have intentionally focused on the why, what, and the how before assuming an inappropriate structure, budget, and operating model.

   ➢ *Estimate:* 15 staff beginning- grows up to 25; $4 million-$5 million budget.

➢ **Resource Development:** Attracting the financial and human capital needed to launch and sustain

➢ **Organizational Development:** Refining the staffing, governance and operational models.

➢ **Building buy-in** and a broad base of interest, insight and engagement
Timeline

Now: Design, Feasibility & Interest Conversations

- 2017 – Organizational design, recruit leadership
  - Now-December- Fund Development
  - August- Decision
  - September- Key Leaders Engaged
  - December- Organization Formally Created

- 2018 – Launch, test strategies, recruit partners
  - January- Launched
  - July- Integrated Organizations Engaged Under Umbrella

- 2019 – Scale up, increase impact, recruit partners
Stay Tuned...Convening's

August -November: Together in Learning Convening's to build better understanding

- Shared prosperity
- Acting local, thinking regionally
- Community voice & leadership in systems change
- Business voices & leadership in community change

- If The Center Advances- November/December
  - Inclusive Economy Convening with Rockefeller Foundation
    ~ Manuel Pastor & Chris Benner
How can you engage?

- **Strategize:** Help inform the change agenda for transformational place-based and regional impact

- **Recruit leaders and influencers:** Introduce us to a leader or an influencer who should be a part of the vision building for the Center.

- **Invest:** If your company or foundation can invest in the Center at $25,000 or more, let’s talk!

- **Subject Matter Experts:** Can you or your employees donate communications, marketing, IT, facilitation, event planning, or other skills to the Center over the next 12-24 months?

- **What can we build together?** What are the first opportunities for impact you would like to see the Center pursue?
So now what...

If you’re ready to help build a new organization to disrupt systems, influence market forces and catalyze shared prosperity and a truly inclusive economy contact Tawanna at tblack@northsidefunders.org or 612-351-8212, or Tweet @TawannaABlack
THE CENTER FOR ECONOMIC INCLUSION- MINNEAPOLIS-ST. PAUL

Developing a more equitable, prosperous, sustainable economy for all

The Center for Economic Inclusion is a cross-sector organization committed to strengthening the region’s civic infrastructure and collective capacity to disrupt systems, influence market forces and catalyze shared prosperity and an inclusive economy.

VALUES: Acting Local, Thinking Regional • Cross-Sector Solutions • Collaborative Solutions to Complex Challenges

Racial Equity • Data-Driven Decision Making • Shared Risk

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<th>THEORY OF CHANGE</th>
<th>HOW WE WORK</th>
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| Acting Local, Thinking Regional | Advocacy: Leading voice for innovative, data-driven policy solutions to advance shared prosperity. | Economic Inclusion + Economic Growth
Confronting market failure by acknowledging intentional and unintentional policies and systems that have led to devastating levels of racial inequity; Influencing policies and practices, in multiple strategic impact areas, simultaneously to dramatically shift market forces to achieve shared prosperity. | Inclusive Economies Indicators**: Equitable, Participatory, Growing, Sustainable, Stable |
| | Intentional Communications: Elevates new narratives that drive thought leadership and action. | Human Capital
- Connecting local talent to the regional market place.  
- Increasing access to living-wage work and inclusive workplaces;  
- Achieving parity in incomes |
| | Collaboration: Facilitates effective cross-sector and single-sector collaborations toward the alignment of regional strategies and development of relevant place-based application of those strategies. Convenes leaders from multiple sectors to develop data-driven solutions to meet the region’s most pressing economic needs so that everyone thrives. Establishes and promotes best practice models for collaboration, accountability, and achieving shared results. | Economic Development:
- Transforming economic systems to create greater and more sustainable access for all, while increasing regional economic prosperity.  
- Investing capital in small and mid-size firms positioned to grow jobs in urban areas  
- Catalyzing infrastructure investment, land banking, and transit oriented development |
| | Research: Amplify and Distribute in-depth, best-in-class applied research to help catalyze action-oriented solutions. | Transit & Infrastructure
- Regional transit solutions for workers and employers  
- Transit solutions that connect workers, employers, customers, and businesses and leverage our infrastructure investments. |
| | Action:
- Serves as a backbone to pilot innovative strategies before embedding them into public, private or community-based organizations
  o North@Work  
  o Community As Campus- No Wrong Door Service Delivery Pilot  
- Partners with government to change incentives and supports toward more equitable opportunities and outcomes
  o Employer Intermediary Workforce Center Staffing Pilot  
  o Make Development Easier Strategy  
- Changes information flows and makes information more transparent and accessible  
- Equips community advocates and champions with research to advocate for equitable solutions.
  o Blue Line Coalition  
- Collaborative, innovative, data-driven philanthropy | Opportunity & Investment
- Leveraging social and political capital to create more equitable access to public & private resources. |
| Race + Place + Income | | | Gross Regional Product |
| | The Center challenges decision makers and influencers to examine regional inequities through the lens of racial and spatial inequity and to develop solutions at the intersection of race, place & income. | Human Capital
- %Jobs Family Sustaining*  
- Employment Gap*  
- Poverty Rate + Wage Gap* |
| Cross-Sector Leadership | | | Economic Development |
| | The Centers’ success relies on each sector leaning in at every level and stage of the organization, and in every strategy, and in particular, on leveraging and maximizing the role private sector leadership. | Establishments surviving 5 years + (Place/ race)*  
Loans to Businesses Under $1M in Rev.* |
| Strengthening Civic Infrastructure | | | Transit & Infrastructure |
| | Our region must intentionally build the bench strength to solve these challenges for decades to come. | Job Access- % of Population Living Within 30 min. of 100,000 jobs/ Commute*  
Average % of HH Income Spent on Housing + Trans.* |

*Rockefeller Foundation  
**Regional Indicators Dashboard Metric
Developing a more equitable, prosperous, sustainable economy for all

The Center for Economic Inclusion is a cross-sector organization committed to strengthening the region’s civic infrastructure and collective capacity to disrupt systems, influence market forces and catalyze shared prosperity and an inclusive economy.

Planning & Design Priorities (Design Phase Now-August)

- **Leadership:** Identifying and recruiting a knowledgeable, influential, credible, and committed team of Center leaders (future board) who reflect the political, racial, gender, geographical, and generational diversity of the region and a relevant level of social, political and financial capital and a willingness to leverage it.
- **Refining desired results** and establishing the most strategic level of intensity and balance between place-based strategies and regional strategies that have the ability to both grow the region’s economy and create impact in multiple places and/or low-income communities of color.
- **Defining Strategic Partners & Integrated Partners And Refining Governance Model & Legal Structure:** The Center is designed to strengthen our region’s efforts by aligning several strong, but often disconnected or misaligned economic development, workforce development, transportation and economic opportunity strategies, and to do so, we will need to develop and operate an intentional network building and governance model, with high levels of peer-to-peer learning and accountability.
- **Integration Strategy & Governance Refining:** Powering the center with the most effective combination of new strategies, new drivers and newly integrated current efforts/organizations.

  Examples of optimal integration opportunities being explored: Opportunity Neighborhoods for Regional Prosperity, Itasca Northside Partnership North@Work, Northside Funders Group (NFG), MSPWin, Blue Line Coalition, Eastside Funders Group, Central Corridor Anchor Partnership.

- **Develop Partnership Model- Organizational Strategic Partners:** Center Cities Competitiveness Initiative, City of Minneapolis, City of Saint Paul, Hennepin County, GreaterMSP, Minneapolis Federal Reserve Bank- Opportunity & Inclusive Growth Initiative, Ramsey County, Twin Cities LISC, CDFI’s, Foundations, etc.
- **Timeline: Proposed Phasing of Scope of Work:**
  - **Center Work @ LAUNCH- January 2018**
    - Scale and anchor the work that NFG and partners do today, that has gone beyond the original scope of NFG: North@Work, Opportunity Neighborhoods for Regional Prosperity, Blue Line Coalition- (Currently Fiscal Host/ Integrated Partner), Community As Campus- No Wrong Door Convening, Advocacy/ Influence
    - Launch and anchor the work of the Itasca Northside Partnership
    - Begin New activities outlined on page 1
  - **Center Scope of Work Late 2018-2019/ If/When Ready & Appropriate to Accelerate/ Increase Impact:** -Integrate Strategic Partner Organizations & Align Strategies

- **Structure & Budget:** We have intentionally focused on the why, what, and the how before presuming an inappropriate structure, budget, and operating model. But it is critical that these items be designed soon.
- **Resource Development:** Attracting the financial and human capital (and the appropriate mix of both) needed to launch and sustain the center.
- **Organizational Development:** Refining the staffing, governance and operational models.
- **Building buy-in** and a broad base of interest, insight and engagement

Design Team: **For more information Contact Tawanna Black tblack@northsidefunders.org (612) 351-8212**

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