

OPPORTUNITY NEIGHBORHOODS FOR REGIONAL PROSPERITY OUTLINE

SCOPE

We invite you to join us in developing a targeted pilot strategy to develop a system for increasing economic opportunity for low-income people of color by coordinating and aligning multi-jurisdictional economic development, workforce development and transit corridor improvement strategies, with a unique focus on the untapped potential for employer leadership. This will be built on the lessons learned from the Partnership for Regional Opportunity Shared Prosperity agenda, grounded in collective impact and infused with public sector innovation.

In an effort to accelerate the number of North Minneapolis adults earning family-sustaining wages, we will advance systems-level, people-focused strategies. In particular, we will advocate that these strategies are aligned in purpose, measurable indicators, and interconnected systemic shifts across programs, organizations and jurisdictions. In addition, these strategies will be informed by and responsive to qualitative and quantitative data analysis that specifically addresses the needs, challenges, and aspirations of low-income people of color in North Minneapolis.

The targeted population for this proposal is intentionally narrow and specific. The work of this proposal builds on the Living Cities-funded work of the last four years by focusing specifically on the most economically challenged neighborhoods in the city of Minneapolis as a strategy for regional growth and prosperity.

The success or failure of North Minneapolis is of regional importance. The economic and social drain brought on by the isolation of North Minneapolis is not confined to those neighborhoods; it has implications for the entire region, as evidenced by the many studies highlighting the Twin Cities region's racial disparities across a myriad of issue areas. With laser focus and aligned strategies, this drain on the region can be converted to one of the biggest boosts to the regional economy that we've experienced in decades. We know that if our city, county and regional bodies are better equipped to both meet the needs of and recognize the potential of North Minneapolis residents, they will be better equipped to create economic opportunity for everyone in our region.

Thanks in part to increased awareness of the economic impact of our region's persistent and glaring racial disparities, each of the major public, private, philanthropic and community-based systems operating in and serving North Minneapolis are on the brink of innovative action that could result in great improvement in the support and services available to low-income people of color. Yet, while many institutions are embarking on

unique paths, we have yet to *fully* explore the opportunities for collective, transformational, systemic impact. This year, we will use the Results Based Accountabilities process and a collective impact model to explore and prioritize strategies for alignment, integration and collective impact for the following local initiatives:

- **Bloomberg Foundation Innovation Team:** The city of Minneapolis I-Team, funded by the Bloomberg Philanthropies, is designed to help agency leaders and staff through a data-driven process, assess the equity of all city services and generate responsive new interventions and partnerships to deliver measurable results. (Launch 2015)
- **Center Cities Strategy:** A project resulting from the Partnership for Regional Opportunity Shared Prosperity workgroup, this strategy will include actions to accelerate job creation and investment in the core cities of Saint Paul and Minneapolis.
- **Hennepin County Workforce Leadership Council:** Established by Hennepin County Administrator David Hough, the council exists to promote economic competitiveness and resilience in any economy, as well as to create a more diverse workforce among employers from the public, private and educational sectors.
- **Minneapolis St. Paul Regional Workforce Innovation Network (MSPWin):** MSPWin is committed to strengthening the workforce by 2020. This philanthropic collaborative is pursuing metro-wide, industry-specific employer partnerships, paying particular attention to the opportunities created by WIOA legislation.
- **West Broadway Education & Career Center (Minnesota Department of Employment and Economic Development; DEED New Workforce Center):** An institution that will provide coordinated and culturally relevant workforce services (ABE, Workforce, Healthcare Careers Training, Physical and Mental Health Services).
- **North@Work:** A strategy driven by a collaborative of NFG members, employers, workforce trainers, and public-sector organizations committed to connecting 2,000 low- and middle-skilled African American men, ages 25-40 to employment by 2020 through a series of systemic disruptions.
- **Northside Job Creation Team (NJCT):** This collaborative works in partnership with Minneapolis Community Planning and Economic Development to attract and expand business in North Minneapolis with a specific focus on businesses committed to hiring Northside residents. NJCT has established a goal of attracting 1,000 jobs to the neighborhood by 2019.
- **Regional Transit Strategies:** The region's transit network is expanding and through Community Works strategies we can look beyond the rails for opportunities to leverage transit to strengthen paths to economic prosperity.

- **Penn Avenue Community Works Strategy:** A comprehensive plan led by Hennepin County, and a steering committee representing the interests of the city of Minneapolis, Hennepin County, state of Minnesota, Metropolitan Council, philanthropic organizations, neighborhood organizations, and community-based organizations. Designed to stimulate economic development, beautification, livability and job creation along Penn Avenue, a major north-south corridor, from the Southwest Light Rail Transit Penn Avenue Station at I-394 to Osseo Road and 49th Avenue North.
- **Bottineau LRT- Metro Blue Line Extension:** Slated to open by 2020 the 13-mile line will have up to 11 stations and connect north Minneapolis, Golden Valley, Robbinsdale, Crystal, and Brooklyn Park to downtown Minneapolis and the regional transit system. Bottineau LRT is projected to carry 27,000 riders daily by 2030.
- **Southwest LRT:** The Southwest light rail is scheduled to open in 2019 and will run from downtown Minneapolis to Eden Prairie. The line will provide many opportunities for growth, including jobs, and residential and business development. Hennepin County's Southwest Community Works, as part of a partnership, is planning for those opportunities, including station areas and surrounding amenities.
- **Promise Neighborhood-Northside Achievement Zone:** A collaboration of organizations and schools partnering with families in a geographic “zone” of North Minneapolis to prepare children to graduate from high school ready for college. Funded by the federal Promise Neighborhood program.
- **Promise Zone Strategy:** A city-led strategy to reduce racial inequities in public services and institutions, reduce serious and violent crime, improve cradle to career outcomes, build a more inclusive economy, create jobs and promote stable housing. (Launch 2015)
- **Riverfront Redevelopment:** A strategy to add more than 3,000 jobs in the as the Upper Mississippi Riverfront is developed and transformed. While North Minneapolis residents are geographically well positioned to take advantage of these employment opportunities, over the last 10 years, riverfront employment of nearby residents has decreased 15 percent. This collaborative team will assess employer willingness and readiness to hire low- and middle-skilled Northside residents.

We will bring these initiatives and others together to prioritize opportunities for accelerating systemic change, develop common local and regional indicators, and move forward shared strategies for aligning and strengthening public, private and philanthropic investments toward the goal of increasing economic opportunity for low-income North Minneapolis residents.

Success in North Minneapolis will lead to direct positive outcomes for other regional communities. Furthermore, our success will build out the regional and local systems that will allow government entities to bring this work to scale for even broader regional impact. Agencies will be able to build on what works to bring an equity-minded growth lens and a more collaborative working model to addressing challenges in other Twin Cities communities.

BACKGROUND-THE CASE FOR THIS FOCUS

While each of our public sector entities are committed to strategies to increase economic opportunity for North Minneapolis residents, we do not have a regional business case for expanding this concentration or addressing the challenges with systems and population-level strategies. This project will build our collective understanding of North Minneapolis as integrally connected to the success of our greater region.

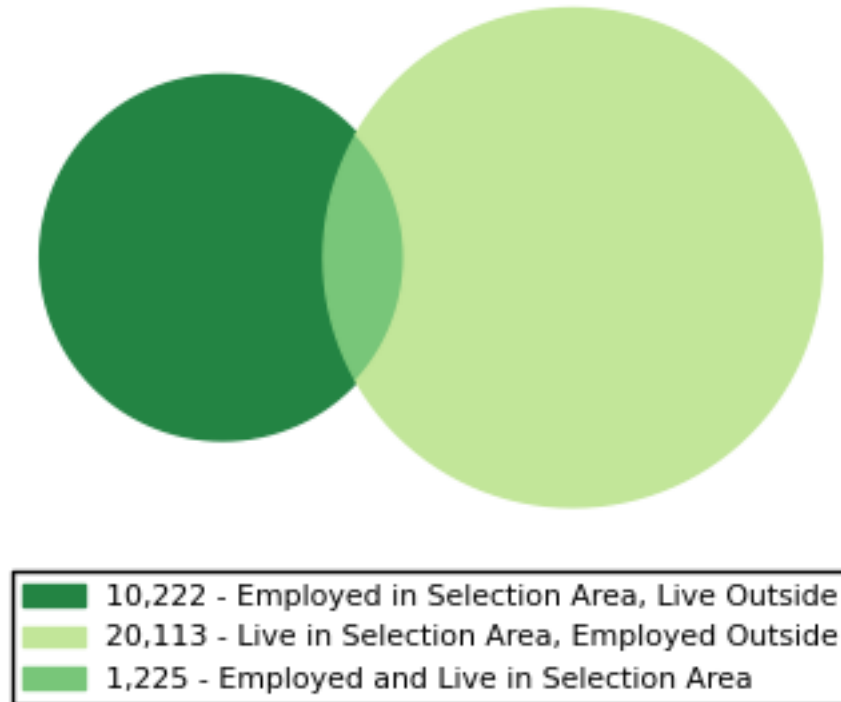
As PolicyLink's 2014 report argued, equity is the superior growth model for North Minneapolis, the Twin Cities and beyond. Data produced by the Metropolitan Council helps build the case for this strategy. The council estimates that if everyone in our region had the same access to employment as white people do, 124,000 more people in our region would be employed. Furthermore, if racial disparities in our region were erased, 274,000 fewer people would be living in poverty. The regional benefit of these improvements are clear. As one of the symbolic centers of the disparities experienced by people of color in our region, investing in North Minneapolis is a critically important strategy to decrease our region's racial disparities and boost our regional economy.

We will use the RBA process to further refine the regional impact and scalability of multiple strategies to disrupt the systems working against North Minneapolis neighborhoods and residents, building on the case for bolstering regional economic competitiveness by advancing racial equity. This is important because:

- **North Minneapolis residents are disproportionately unemployed:** The unemployment rate in North Minneapolis is 22.3 percent, more than twice the citywide rate of 9.5 percent. Taking into account discouraged workers as well as the officially unemployed, rates of those not working skyrocket, particularly among African-Americans: more than half (52 percent) of eligible North Minneapolis adults are not working. Youth unemployment is also high in North Minneapolis, most notably among African-American males ages 16-19, of whom 91.5 percent are unemployed.
- **Even with high unemployment rates, there are more working adults than there are jobs in North Minneapolis.** Despite the high levels of unemployment for

people of color in North Minneapolis, there are 20,000 working adults who live in the area. In contrast, there are only 12,000 jobs located in the area.

Inflow/Outflow Job Counts in 2011



- **The majority of North Minneapolis workers commute outside of the Northside:** The majority of North Minneapolis workers must commute out of their neighborhoods to find work. Of the more than 20,000 working adults in North Minneapolis, only 1,225 lived and worked in North Minneapolis in 2011. Only 30 percent of those jobs were filled by people of color.
- **North Minneapolis students are falling behind:** Citywide, 91 percent of white kindergartners are ready for school, but only about 25 percent of children in North Minneapolis, the majority of whom are kids of color, are kindergarten-ready. A vast majority (93 percent) of Northside children attend K-8 schools that fall in the bottom quintile on statewide testing.
- **North Minneapolis students are less likely to graduate from high school:** One quarter (25 percent) of the North Minneapolis population 25 or older does not possess a high school degree/GED, compared to just 12 percent citywide. There is a significant race gap in high school graduation rates citywide. While 67 percent of white students graduate on time, just 22 percent of American Indian,

34 percent of Hispanic and 36 percent of Black students do. At North High, the student body is 94 percent Black and just 39 percent of students graduated on time in 2014.

- **There are untapped resources in the pool of educated workers in North Minneapolis.** Despite the troubling education statistics presented above, 81 percent of North Minneapolis' African American residents have at least a high school degree or equivalency. In fact, 36 percent of African American residents have attended some college or obtained a 2-year degree and 12 percent have a bachelor's degree. These trained workers can be paired with appropriate jobs to bring great benefit to the Northside and the greater region.
- **North Minneapolis residents are disproportionately exposed to violence:** A staggering 50 percent of all the city's gun violence occurs in North Minneapolis. Further, 39 percent of all juvenile violent crime arrests in Minneapolis take place in the 4th Precinct.
- **North Minneapolis residents lack safe and healthy housing:** North Minneapolis has highest rate of single-family ownership conversion to rental in the city; 49.5 percent of all condemned and vacant buildings within the city are on the Northside.

Problems of this magnitude are too large for organizations and institutions to solve on their own. In addition, North Minneapolis holds enormous potential that is being underutilized because of the economic and social isolation of residents. North Minneapolis would benefit from a coordinated economic and workforce development strategy that brings multiple stakeholders together to learn, act and innovate together.

SHARED GOALS (updated December 2015)

Vision: North Minneapolis is equipped and position to make measurable contributions to the vitality of the region through a ready and capable talent-base and ready and marketable business development sites.

Quantitative Indicators – Aligned with Regional Indicators Dashboard

- Employment Gap
- Poverty Rate
- Investments (Aligned to Dashboard Venture Capital Measurement)
- Average number of jobs reachable in 30 minute commute (proxy for # of jobs in north mpls)
- Population growth in North Mpls
- % of people with an Associates degree or career-certification

Qualitative Indicators

- Change in perception of safety and livability (North Mpls: residents/employees/visitors)

- Change in perceptions and awareness of economic opportunity among Northside residents

Potential Tactics

- Increase aligned philanthropic and government funding for best practices
- Align workforce development and economic development systems
 - Establish 3-5 metro-wide sector-based employer partnerships
 - Establish career pathway networks who commit to forming a common agenda
 - Establish a shared participant tracking and referral system
 - Coordinated barrier mitigation
- Create 1,000 Jobs in North Minneapolis by 2019
- Connect 2,000 African American men to meaningful, living-wage metro-wide employment by 2020
- Integration of this body of work within government institutions by 2018

ADDITIONAL INDICATORS TO CONSIDER

If we are able to align and leverage our efforts, we will have a profound impact on specific indicators on both the Northside and the greater region. By 2020, we will increase job creation and employment among people of color at the neighborhood, city and regional level:

Shared result goals	Northside
Job creation	1,000/+8.2%
Employment among people of color	3,000/+14.1%

We will also coordinate a comprehensive community development approach with specific economic and workforce development strategies. A sample of metrics follows:

Economic development		Workforce development	
Commercial corridor & node development	Transit	Training & employment	Sector strategies (employer engagement)

<p>Indicators</p> <ul style="list-style-type: none"> • Decrease in vacancy rate • # of businesses with 5+ employees at family-sustaining wages. • Loans to local MBE's for business expansion • Exports- Goods & Services 	<p>Indicators</p> <ul style="list-style-type: none"> • Bus rapid transit launch • Small business development near transit • Innovative transit options for 2nd and 3rd shift jobs in 1st and 2nd ring suburbs 	<p>Indicators</p> <ul style="list-style-type: none"> • % adults employed by race & retained 18 months post-placement • % pt. employment gap between whites and people of color • % adults earning family-sustaining wages by race • Exports- talent 	<p>Indicators</p> <ul style="list-style-type: none"> • % of "hard to fill" job vacancies due fully or in part to skill mismatches, by industry • Employer supported strategies (i.e. TransitLink) aimed at closing the gap
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OPPORTUNITITES FOR ALIGNMENT

As described above, multiple partners of this initiative have already developed programs to chip away at the inequities experienced in North Minneapolis. These promising efforts will benefit from more coordination with other government resources as well as community institutions with more on-the-ground experiences and relationships in North Minneapolis.

Municipal Innovation Alignment Opportunities

- **Equity in City Services:** Mayor Hodges recently secured a \$3 million grant from the Bloomberg Foundation to assess the delivery of city services through an equity lens. Mayor Hodges will use the resources from the Bloomberg Foundation to develop an Innovation Team to identify and address policies and practices that contribute to race-based and place-based inequities. The I-Team will use the tested Innovation Delivery approach to lead city leaders and staff through a data-driven process to assess problems, generate responsive new interventions and deliver measurable results.
- **Promise Zone:** In 2014 Mayor Hodges prioritized equity in North Minneapolis by seeking a Promise Zone designation from the White House. The Northside Funders Group sponsored the community-centered planning process and supported the Mayor's office in convening more than 170 cross-sector leaders and Northside champions to develop and accelerate efforts to reach equity in

this community. While we will learn the results of the application later this spring, the Mayor's office has already begun working with the Northside Funders Group to launch strategies.

- **Hennepin County Workforce Leadership Council:** Anticipating massive staff turnover, the Hennepin County Board approved a plan in May 2014 to partner with local educational institutions and community-based organizations to train as many as 2,200 future employees across a spectrum of job classifications. The aims are to promote economic competitiveness and resilience in any economy, as well as to create a more diverse workforce. Recognizing that the county is only one of many employers facing similar workforce challenges, county leadership established a partnership with educational institutions and local companies to replicate and extend its model to private-sector employers.
- **West Broadway Career & Education Center:** This new center is a partnership between DEED, Minneapolis Public Schools, Minneapolis Community & Technical College, and NorthPoint Health & Wellness Center. The workforce center will serve all Northside residents with unique offerings for non-traditional learners with a focus on students who have left high school before earning their diploma or who are at risk for leaving high school. It will be a place for people to re-engage and move to their next step whether that is a job/career path, training or post-secondary education.

Partnership for Regional Opportunity-Shared Prosperity Agenda

The Regional Indicators and Center Cities strategies created by the Partnership for Regional Opportunity (PRO) Shared Prosperity Workgroup have established a foundation for this next phase. Both initiatives will require attention to how the new solutions are integrated into the bodies of work referenced earlier and that sustainable models for ownership are identified and nurtured in the earliest possible stages.

- **Regional Indicators:** The Shared Prosperity Workgroup has continued to refine the components of the Regional Indicators. Under the leadership of GreaterMSP, this team has created a set of shared indicators to measure and track critical areas, spanning social, economic and environmental outcomes (to be released in April 2015). While the dashboard is designed to be a tool supported by a cross-sector, regional partnership, it can also be useful in the context of the neighborhoods where barriers to opportunity are hindering the success of the region. This partnership will provide an opportunity for these indicators to stay at the forefront of the discussion among influential regional leaders now that PRO has come to an end.
- **Center Cities:** PRO set out to develop an urban core strategy to attract business, expand and retain jobs, and support development and redevelopment in transit

corridors to achieve triple bottom line results (equity, economy and environment). The importance of a regional, multi-jurisdiction and multi-sector model in this endeavor cannot be overestimated. There is significant value in having TIP Strategies review the strengths and opportunities of both cities and elevate strategies that build on best practices and policies from each municipality. However, the complex challenge of expanding business with a strategy of increasing jobs in and for communities of color and low-income communities requires collective ownership of the strategies and intent between the regional government bodies, local community-based organizations, developers and entrepreneurs, and the philanthropic community.

Living Cities Alignment & Support Opportunities

- Public-sector innovation strategies
- Scalability of systems-level disruptions
- Strive model alignment with workforce and economic development strategies
- Leveraging other TII site strategies
- Facilitated RBA process and collective impact tools

WORKGROUPS

We have identified five potential workgroups.

- Land Use Planning, Commercial Corridor and Node Development (*Broadway, Plymouth, Penn & Lowry, Penn & Broadway, Penn & Golden Valley Road, Penn & Plymouth, Riverfront*): Gary Cunningham- Metropolitan Council, Council President Johnson & Council Member Yang- City of Minneapolis, Commissioner Higgins- Hennepin County, Tawanna Black- NFG
- Capital & Philanthropic Investment: Marcus Owens- NEON, Gary Cunningham- MEDA, Mike Temali- NDC, Lance Knuckles- CRF, Andriana Abariotes- Twin Cities LISC, Tawanna Black- NFG
 - Leveraging Living Cities Capital for business development (debt @ 3-3.5%)
 - Aligning and leveraging philanthropic investments to strategies that lead to scale and sustainability
- Transit (*Bus Rapid Transit, Southwest LRT, Bottineau Corridor, TransitLink*)
- Workforce Development, including policy, training and employment
- Wealth Creation and Family Stability

LEADERSHIP & GOVERNANCE

We will assemble a multi-sector executive leadership table with shared ownership and

accountability of this strategy.

- **Funders**
- **Government**
- **Intermediaries**
- **Community Based Organizations**
- **Employers & Employment Intermediaries**
- **Workforce Training Providers**



ABOUT NORTHSIDE FUNDERS GROUP

Northside Funders Group is the local host and convener of the Living Cities Integration initiative.

A vibrant North Minneapolis is not only critical to the people who live, work, and do business there, it is important to the long-term prosperity of the entire city and region. Northside Funders Group is working to reduce disparities and build equity, assets and opportunity for everyone in North Minneapolis. Our goal is to remove barriers and make funders more accessible and accountable to one another, our partners in this work, and the Northside community.

Each year, the 19 Northside Funders Group members invest \$12 to \$17 million in nearly 200 organizations serving North Minneapolis. Despite this significant financial support, challenges persist and investments do not always lead to sustainable change and a better quality of life for residents. As a result, we're changing the way we work by aligning our vision and resources to create deeper and lasting impact. We've developed a laser-sharp and holistic approach to community investment, honing in on three interrelated priority focus areas and four strategic levers to effect comprehensive, sustainable change. Northside Funders Group members are committed to lift up North Minneapolis' assets to strengthen the entire region and ensure that this vital community is not left out of economic prosperity and opportunity.

Our Levers for Change

LEARN Our shared strategy is inspired and shaped by ideas and lessons learned from the community, from one another, and from experts in the field.

LEVERAGE We leverage the strength of our membership to benefit North Minneapolis by attracting additional investments and attention for promising work happening here.

INFLUENCE We channel our influence and the wisdom of this community to drive policies, practices and investments that build upon Northside assets and strengthen the vitality of this community.

INVEST Each year, our members invest over \$15 million in North Minneapolis. By changing the way philanthropy works in North Minneapolis, we are aligning those resources to get the biggest and best return for this community.

Priority Focus Areas



Building thriving learning communities. We invest in the academic success students need to achieve great things in school, at work and throughout community life. We strive to ensure every child graduates from high school and is equipped to pursue their life and career goals. We're committed to increasing quality education and youth development options and increasing the number of school-community partnerships that produce positive results for Northside youth.

Building thriving economies. We invest in the conditions that allow businesses to succeed, such as an educated and prepared workforce, access to capital, strong infrastructure, and a growing customer base. We engage business owners and employers, job seekers, employment trainers and placement specialists to establish a seamless workforce and economic development model that benefits local residents and contributes to the regional economy. We advocate for transit, land acquisition, parks and recreation, banking, commercial corridor and streetscape improvements, and more.

Building social capital. We invest energy and resources in building social capital throughout the networks of providers, funders, and community advocates because we know that with strong and trusting relationships, and a common understanding of the landscape and context of North Minneapolis, we're more empowered to explore opportunities that will accelerate impact. We embrace seven values to guide our work: trust, reciprocity, humility, authenticity, conscious goals, transparency, and appreciation.