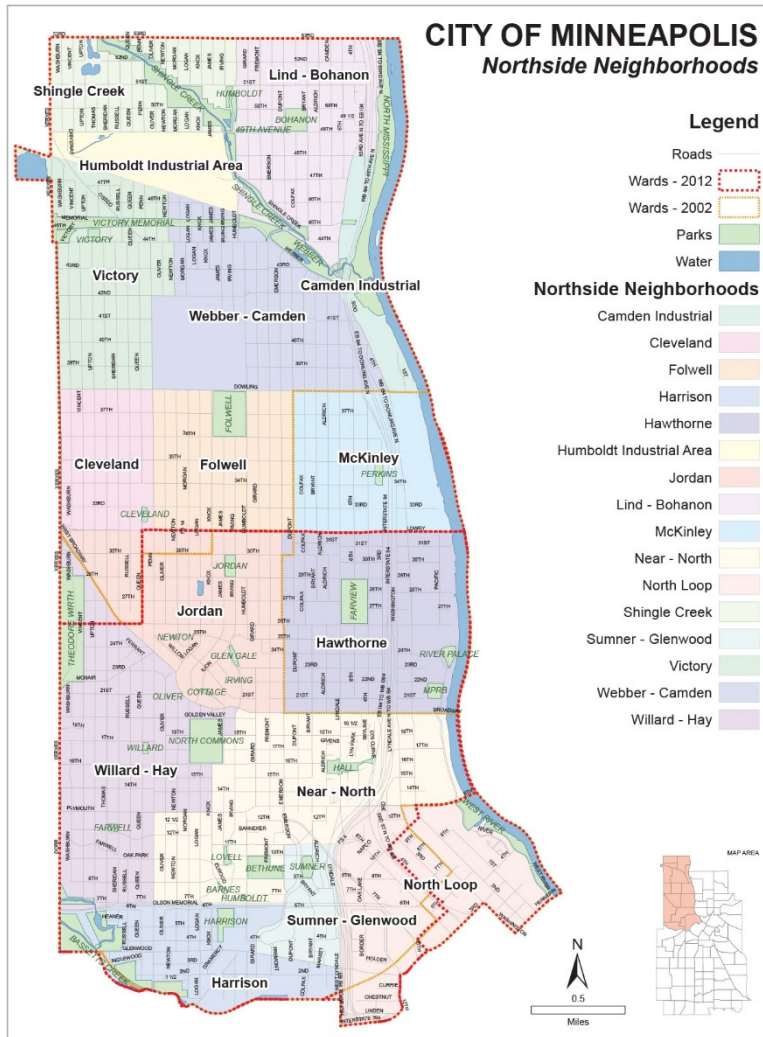


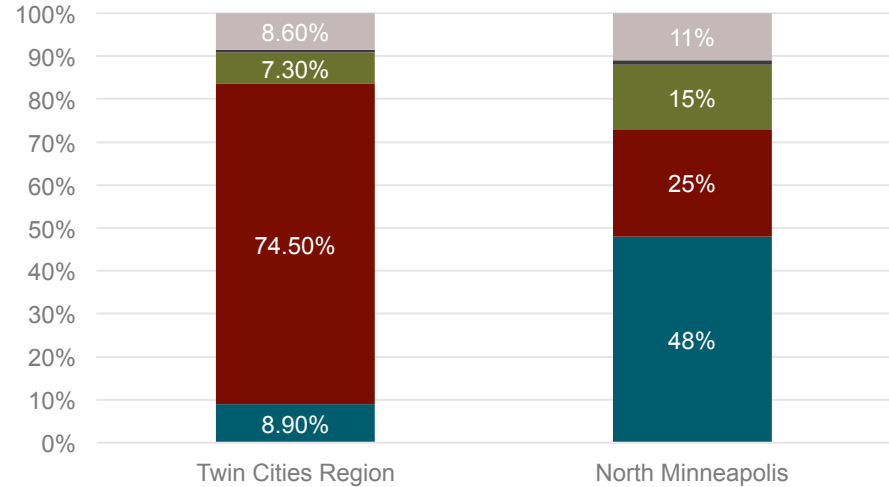
CHARACTERISTICS OF NORTH MINNEAPOLIS

African Americans comprise a significant portion of the North Minneapolis population. Uplifting African Americans will elevate the entire North Minneapolis region to economic prosperity.

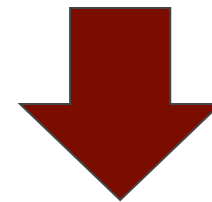
NORTH MINNEAPOLIS DEMOGRAPHICS



Racial diversity



■ African American ■ White ■ Asian ■ American Indian ■ Other Race

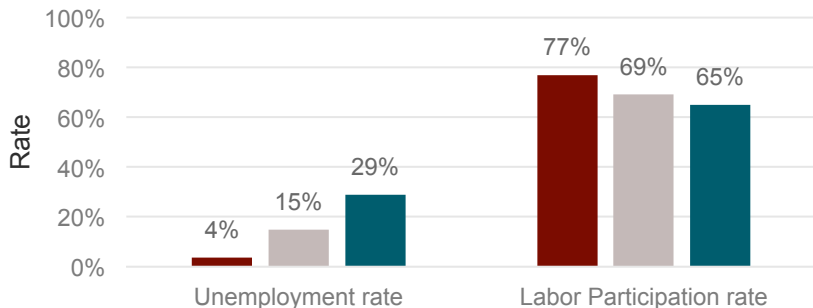


Though African Americans are a very small part of the Twin Cities population, they constitute almost half of North Minneapolis population.

African Americans are lagging behind in terms of employment and labor participation. Even those African Americans who are employed, earn substantially lower income than the Minneapolis average.

NORTH MINNEAPOLIS DEMOGRAPHICS

Unemployment and labor participation rates

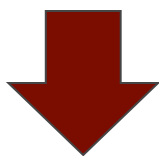


Region / race
 ■ Minneapolis
 ■ North Minneapolis
 ■ African American (NMPLS)

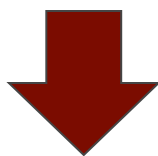
African American Population in North Minneapolis = 28,000

12% gap

$12\% * 28,000 = \sim 3,000$

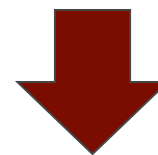
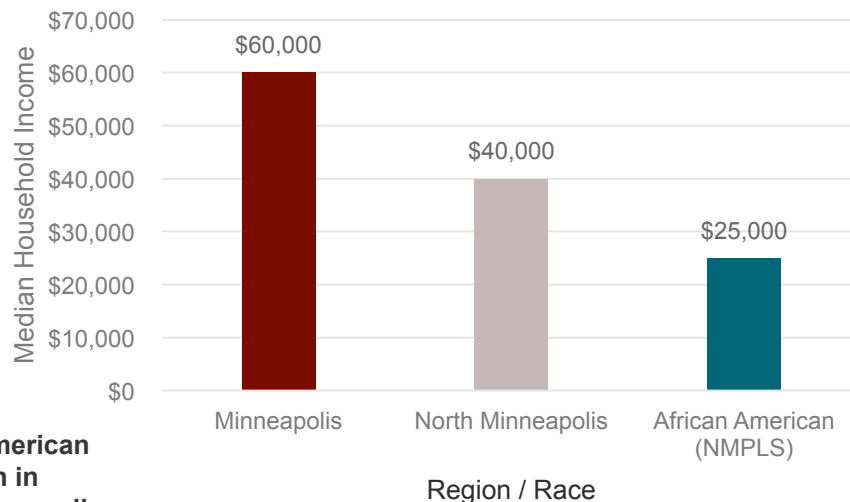


Unemployment rate of African Americans is 7x Minneapolis average



If ~3000 African Americans enter the labor force, labor participation will reach parity.

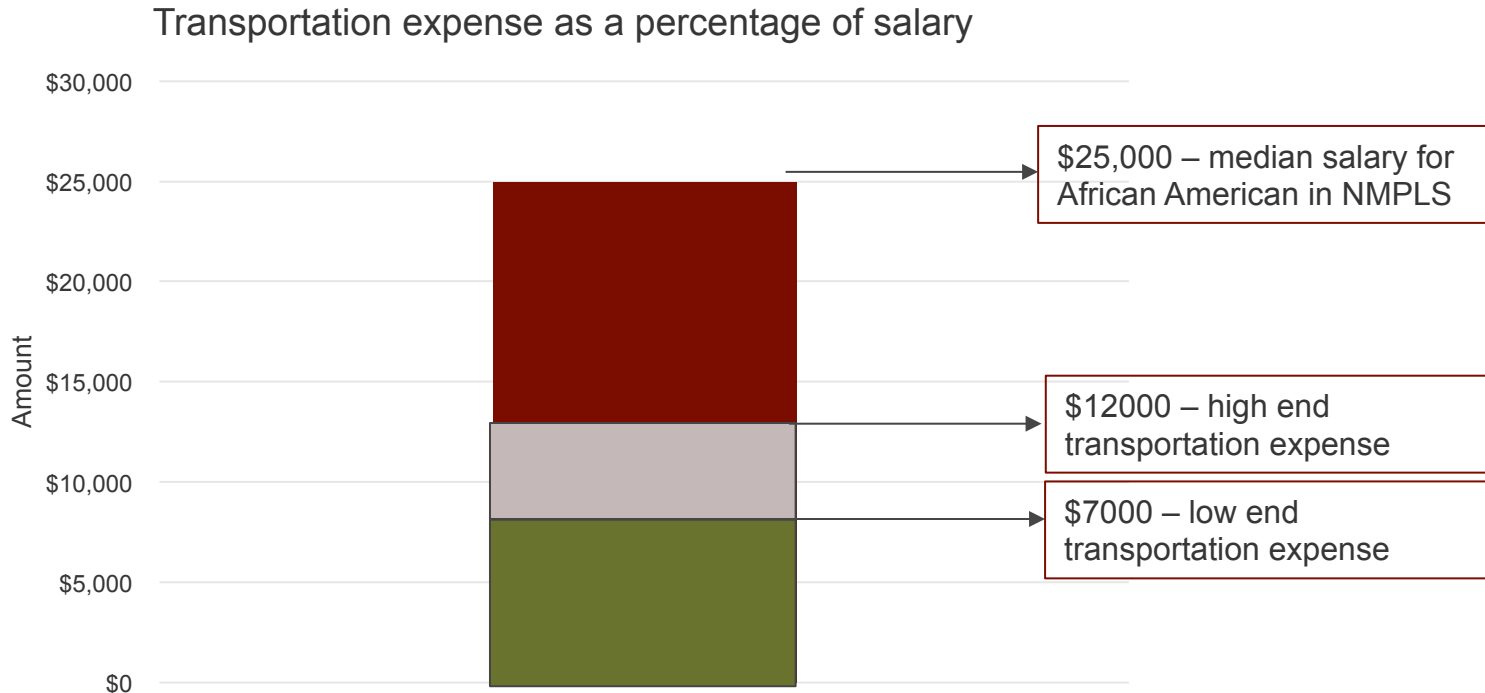
Median Household Income



African Americans earn 40% of what Minneapolis residents earn, on average.

Transportation expenses make up a significant portion of an employee's expenses, especially if the income is low.

TRANSPORTATION EXPENSE



Transportation expense as a % of median household income in MN – 19.9%
Median household income in MN – \$60,828

$$\$60,828 * 19.9\% = \$12,105$$

Transportation expense as a % household income for lower income single parent families – 28%
Median household income for African Americans in NMPLS – \$25,000

$$\$25,000 * 28\% = \$7,000$$

Many programs and partnerships have methods in place already to help overcome these barriers, but some issues need to be addressed more broadly and/or effectively.

BARRIERS TO EMPLOYMENT FOR AFRICAN AMERICANS

<h3>Education attainment</h3>	<ul style="list-style-type: none"> • Only 36% of North Minneapolis African Americans who have finished high school go on to get a graduate degree • Credential creep will leave African Americans out of contention for several jobs 	<ul style="list-style-type: none"> • Programs that help with getting an associate's degree • Relaxation of unneeded degree requirements by employer
<h3>Lack of skills</h3>	<ul style="list-style-type: none"> • Lack of prior work experience in relevant field • Inability to sustain in employment because of steep learning curve • More 'advantaged' candidates would perform better and progress faster 	<ul style="list-style-type: none"> • Job and career specific skills imparted through certification programs • Corporate partnerships with inside track on job openings and requisite skills
<h3>Criminal background</h3>	<ul style="list-style-type: none"> • Having a criminal background disqualifies candidates for specific jobs in certain industries • Ex-offenders become socially stigmatized and withdraw from job search 	<ul style="list-style-type: none"> • Direct constituents to jobs in industries that would accommodate and train them • Educate employers and employees to ease fears and adopt privacy practices in regards to criminal records
<h3>Worker displacement</h3>	<ul style="list-style-type: none"> • Constituents displaced from physical labor find it difficult to get back to employment • Younger workers replace them • Do not possess the skills to transition from physical labor to white collar work 	<ul style="list-style-type: none"> • Older workers need to be retrained and redeployed into more productive career roles
<h3>Transportation</h3>	<ul style="list-style-type: none"> • Transportation expenses form a major part of a typical African American's monthly income • Workers in certain jobs like in construction cannot get to sites without a means of transportation and hampers ability to keep a job 	<ul style="list-style-type: none"> • Help securing a car with favorable finance terms • Organizing ride shares or job-site carpooling
<h3>Family composition</h3>	<ul style="list-style-type: none"> • 36% of North Minneapolis African Americans are single parents • This poses serious challenges in managing work and personal life 	<ul style="list-style-type: none"> • Wraparound services like childcare and counseling would be a big support for single parents

The lack of a match between skills and jobs available, and absence of wraparound services are the major barriers to employment.

BARRIERS TO EMPLOYMENT FOR AFRICAN AMERICANS

Educational attainment	“I do not have a graduate degree. Many jobs I want require graduate degree. I do not have the time to go to school because I have to earn now”.
Lack of skills	“I have worked in several jobs in various industries but I do not have the necessary skills to build a career in an industry.”
Criminal background	“I found it difficult to get a job after my years of hustling for money. Once I got a job my manager was very supportive initially. But someone who knew me told her about the details of my crime and then I found that I was constantly overlooked for promotions and pay raises and felt sidelined and was eventually forced to quit. I did not get any support within the company”.
Worker displacement	“I was working for years in construction. I lost my job during recession and then found it difficult to get back into construction because all the younger people had taken over my job. I am now learning to be a community healthcare worker.”
Transportation	“I was working in construction but the site was so far away that I was regularly late for work and I had to eventually quit as I did not have a car.”
Family composition	“I became a mom when I was 17 years old. I have 4 kids now. I find it difficult to work while taking care of my kids. Childcare is very costly to pay for.”

Source: Quotes are from focus group discussion held at Summit OIC and constituent interviews conducted with program participants

Although some industry presence exists in North Minneapolis, the majority are small companies which imposes constraints on advancement and compensation and limits scalability of corporate partnerships.

CORPORATE PRESENCE IN NORTH MINNEAPOLIS*

SMALL INDUSTRY PRESENCE

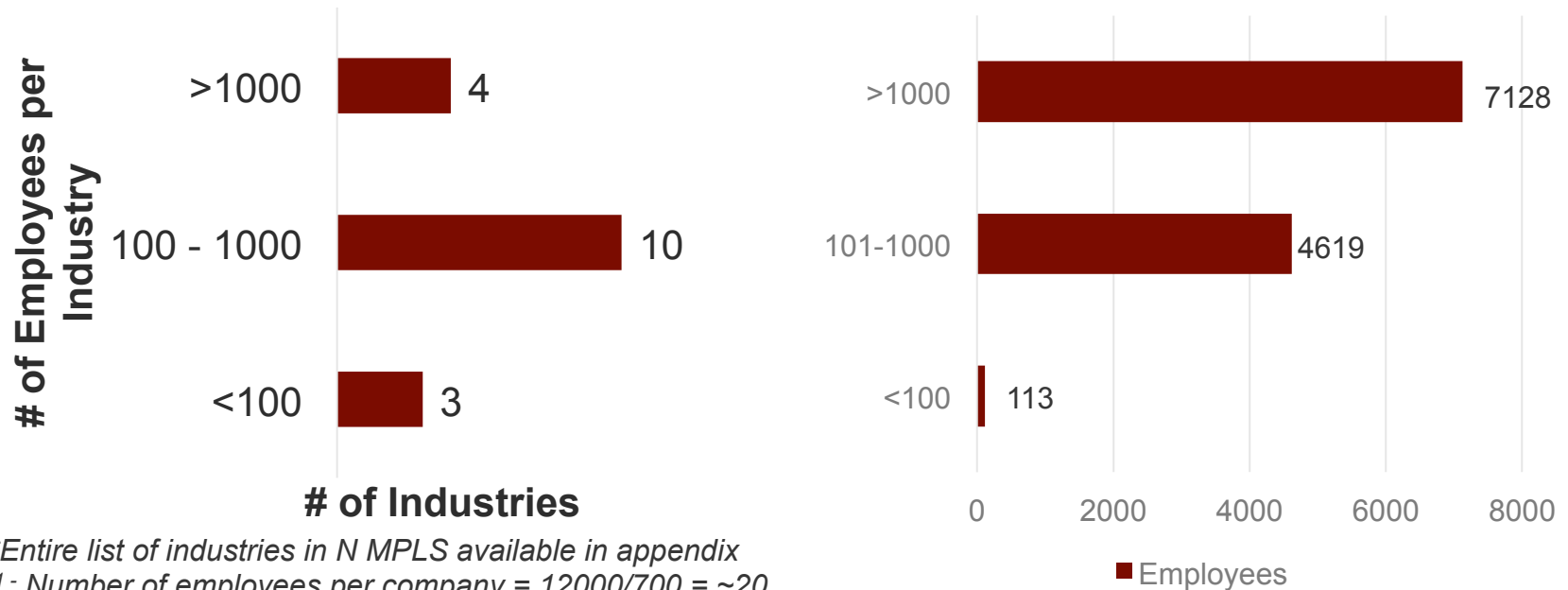
- 17 industries have their presence in N MPLS

20% OF N. MPLS RESIDENTS EMPLOYED IN NEIGHBORHOOD

- 700 companies employ 12,000 people

BY SMALL COMPANIES

- Average size of a company is under 20 employees¹



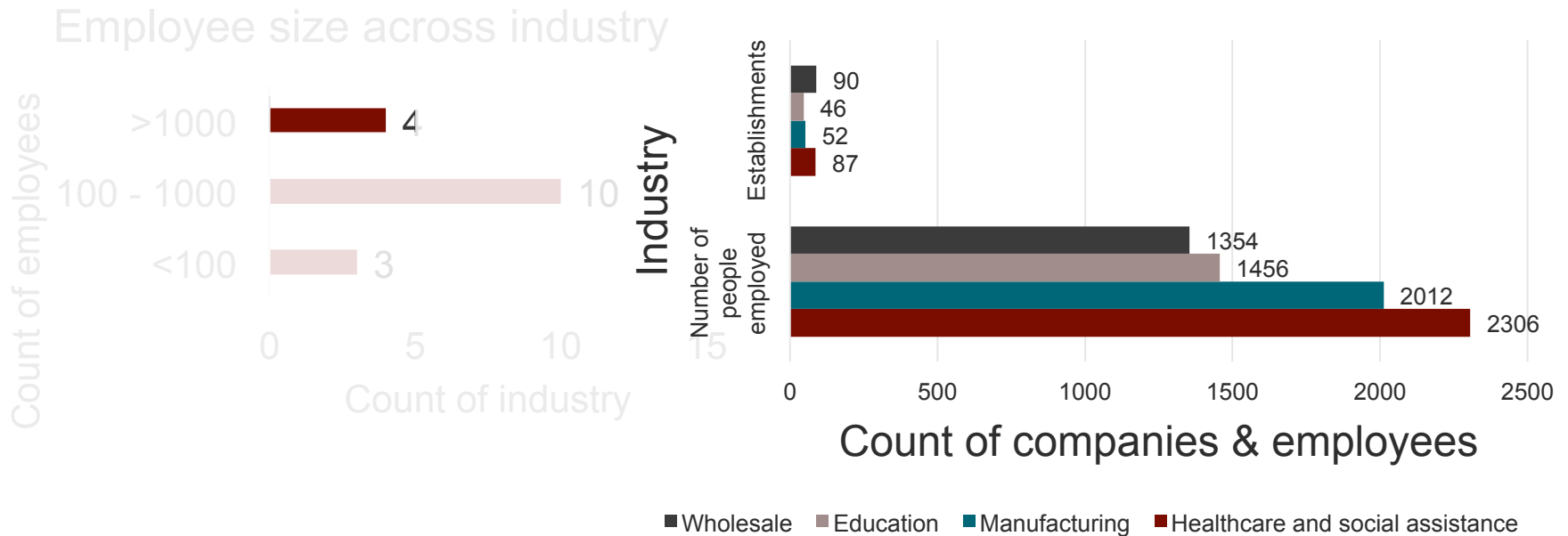
IMPLICATION

- Programs focused on N MPLS companies will not be scalable
- Most of the companies do not have the resources to accommodate a career pathway program
- Programs focused on industry might have better success rate

Very few companies in N MPLS have the resources and scale to support a career pathway program. Fortune 1000 companies will be better placed to successfully implement a career pathways program.

CORPORATE PRESENCE IN NORTH MINNEAPOLIS*

Industries with most employees in N MPLS



Information sector (65) and Management of Companies sector (40) have higher number of employees per company but employ less than 1000 people across the industry.

*Top companies in N MPLS and Fortune 1000 companies in Twin Cities available in appendix

Currently at full employment, companies in Minnesota have great reason and greater incentive to hire African Americans if they possess the right skills.

INDUSTRY ANALYSIS



INDUSTRIES IN NORTH MINNEAPOLIS

Businesses split - sector-wise		
2-digit NAICS	Number of people employed	Establishments
Healthcare and social assistance	2306	87
Manufacturing	2012	52
Education	1456	46
Wholesale	1354	90
Retail	792	89
Other services	772	86
Construction	706	46
Information	659	10
Hotel and food service	519	44
Professional and technical services	456	62
Administrative and waste services	200	33
Transportation and warehousing	182	16
Real estate and leasing	171	18
Management of company	162	4
Finance and insurance	61	11
Arts and recreation	28	7
Public administration	24	1
Total	11860	702

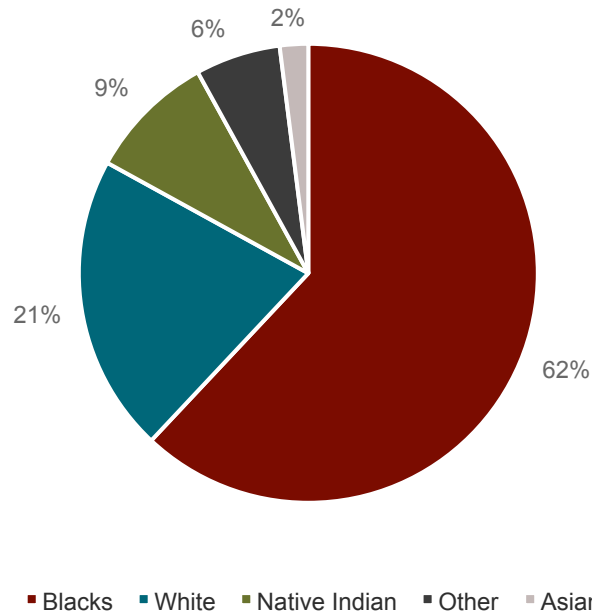
COMPANIES IN NORTH MINNEAPOLIS

Top businesses in North Minneapolis				
Business	Product/Service	Number of employees*	Ownership	HQ
Unison Comfort Technologies	Air Handling Equipment	400	Private	Minneapolis
G&K Services	Branded identity apparel and facility services	7800	Public	Minneapolis
Owens Corning	Building supply	15000	Public	Toledo, Ohio
WEBB Printing	Commercial Printer	200	Private	Minneapolis
Ambassador Press	Commercial Printer	150	Private	Minneapolis
PAI	Custom rubber seals	100	Private	Minneapolis
Walman Optical/X-Cel Contacts	Eye care	700	Private	Minneapolis
Pioneer Metal Finishing	High performance metal finishing	2000	Private	Minneapolis
Standard Heating & Air Conditioning	HVAC Systems	100	Private	Minneapolis
Premier Precision Group	Machining and Fabrication	100	Private	Phoenix, AZ
E-Tech Inc	Material handling solutions for laundry industry	100	Private	Minneapolis
Coloplast US	Medtech	10000	Private	Denmark
Northern Metal Recycling	Metal Recycler	100	Private	Minneapolis
Litin Paper Company	Paper and paper products	40	Private	Minneapolis
Brin Northwestern glass Company	Residential and commercial glass manufacturer	100	Private	Minneapolis
GAF	Roof shingles	3200	Private	Minneapolis
Discount Steel	Steel Company	120	Private	Minneapolis
Graco	Fluid handling systems manufacturing	3100	Public	Minneapolis
North Memorial Hospital	Medical	8000	Private	Minneapolis

*Refers to total employees worldwide

CRIMINAL RECORDS / EX-OFFENDER STATUS

Arrests for Part I Crime



- Total number of arrests made between 2009-2014 – 360K*
- Arrests might include repeat offenders
- 14 out of 16 juvenile homicide victims were Blacks in the same period. This speaks to the support systems available to Blacks, or lack thereof.

- Lack of awareness of jobs that might not be deterred by criminal record.
- Lack of awareness of Minnesota’s Criminal Offenders Rehabilitation Act.

* - Total number of drug related arrests made between 2009-2014 – 6906
Drug related arrests as a percentage of total arrests – 1.94%
Total arrests for Part I crimes – 6906/1.94% = 355979

** - Blacks include African Americans and immigrant population. Arrests include repeat offenders. Racial composition of arrests are maintained at the state and federal levels only and not at the city level police departments.