

**Recap of East Town Business Partnership Business Forum**  
**Thursday, June 15, 2017, 11:30 a.m. – 1:00 p.m.**  
**Ryan Companies HQ in Millwright Building, 513 South 3rd Street, Northwoods Room**  
**Downtown East Neighborhood of Minneapolis**

- **Welcome and Announcements**

Dan Collison, Executive Director for the East Town Business Partnership and Director of Downtown Partnerships for the Minneapolis Downtown Council/Downtown Improvement District, welcomed the audience and noted those who arrived early were treated to a tour of Ryan Companies' new headquarters for whom he is grateful for hosting.

Elizabeth Campbell, ETBP Board Director and Director of Emerging Business Inclusion at Ryan Companies (<https://www.linkedin.com/in/elizabeth-campbell-98487610>), welcomed the audience and expressed excitement about today's business forum topic "The Business Case for Regional Equitable Development". She explained we're sitting on roughly \$600 million worth of development which minority and women contractors participated in all phases. Ryan values that participation and wants their projects to make positive differences in the community. In addition to the work which had compliance goals, Ryan also pursues inclusion goals on its private work to demonstrate their commitment to ensuring it has a positive impact on women and people of color. It has been a great transition to the new office; it feels like she got a new job and didn't have to do the interview.

Collison then announced the two new ETBP Board Directors: Brooke Hajinian, General Manager at the Guthrie Theater (<https://www.linkedin.com/in/brooke-hajinian-9115401>); and Siyad Abdullahi, CEO of The Language Banc (<https://www.facebook.com/LanguageBanc>).

The ETBP celebrates the neighborhoods that comprise its district: Downtown East and Elliot Park. Ryan's 6-block development that includes its new headquarters was built in Downtown East, and the Minneapolis Armory, currently undergoing redevelopment into an event center, is in Elliot Park, and the two neighborhoods meet in the center at The Commons. Because of all the new commerce and excitement that has been occurring on this side of town, a couple years ago the ETBP led an initiative to create a new sense of place that would incorporate both neighborhoods without obliterating the identity of either. Thus, as the result of listening sessions, brand workshops, and community discussions, the name East Town was conceived.

Collison asked the audience to introduce themselves, after which he thanked its members and acknowledged the following platinum sponsors:

- Allied Parking
- CenterPoint Energy
- Clear Channel Outdoor
- Community Housing Development Corporation
- ESG Architects
- Hennepin County Medical Center
- House of Charity
- Kraus-Anderson
- Izzy's Ice Cream
- Minnesota Vikings
- Mortenson Construction
- Neka Creative
- NRG Energy Center
- Padilla
- Thrivent Financial
- Valspar
- Wells Fargo

- Xcel Energy

Then he announced the following East Town activities:

- *Thursday-Sunday, June 15-18:* Variety of activities at The Commons, 425 Portland Avenue (<http://www.commonsmpls.com/activities>).
- *Monday, June 26th:* Special development updates on HCMC, Kraus-Anderson, and Finnegan's hosted by Elliot Park Neighborhood, Inc., 5:00-6:30 p.m., at Elliot Park Recreation Center. Visit <http://elliotparkneighborhood.org/> for more information and other EPNI events.
- *Thursday, June 29th:* ETBP Summer Happy Hour Networking Event featuring presentations on Minneapolis Virtual Safety Network, and Sick and Safe Time Ordinance with staff from Minneapolis Area Chamber of Commerce, 4:30-6:00 p.m., at the Radisson RED.
- *July and August 2017:* No ETBP business forums, but renewals of membership are welcome!
- *Thursday-Sunday, July 13-16:* X Games Minneapolis (<http://xgames.espn.com/xgames/minneapolis/>).
- *Wednesday, July 19th:* Aquatennial Events and Torchlight Parade (<http://www.aquatennial.com/events/>).
- *Thursday, September 21st:* Joint ETBP business forum with the Minneapolis Downtown Council featuring the Nicollet Mall reconstruction project and programming.
- *September 2017-June 2018:* ETBP Business Forum Series: East Town Chapter 2 (placed at the audience's seats). These topics were chosen by the Board and membership and are subject to change.
- *Other:* For Downtown Minneapolis Neighborhood Association Board and Land Use Committee meetings visit <http://www.thedmna.org/>.

- **The Business Case for Regional Equitable Development**

Collison introduced the two guest presenters, Shauen V.T. Pearce-Lassiter, Director of the Center Cities Competitiveness Initiative for GREATER MSP (<https://www.greatermmsp.org/staff-directory/>), and Mayor Betsy Hodges ([https://en.wikipedia.org/wiki/Betsy\\_Hodges](https://en.wikipedia.org/wiki/Betsy_Hodges)), by providing a brief biography on each.

- **Center Cities Competitiveness Initiative.** Pearce-Lassiter explained in early 2014, what started as a conversation transformed into a collaborative project with the Cities of Minneapolis and Saint Paul, Counties of Hennepin and Ramsey, the Minneapolis and Saint Paul Regional Chambers of Commerce, the Saint Paul Port Authority, McKnight Foundation, Minnesota Philanthropy Partners (<https://www.mnpartners.org/>), and GREATER MSP to accelerate job creation and capital investment in Minneapolis and Saint Paul (i.e., the Center Cities) with a priority focus on North and Northeast Minneapolis and Saint Paul's East Side and Midway areas to build and sustain shared prosperity through economic development. Together they should seek to:
  - Create more jobs in Minneapolis and Saint Paul for residents of all skill-levels;
  - Increase investment in – and the development potential of – our Center Cities, especially in target areas of high-market potential and concentrated poverty; and
  - Increase collaboration among core partners.

These partners worked into the fall of 2014 to agree upon the project scope, develop an RFP, and select a consultant. TIP Strategies out of Austin, Texas (<http://tipstrategies.com/>) was selected to accomplish the following tasks:

- SYNTHESIZE conclusions/actions from recent economic development plans, data, and partnerships;
- SUMMARIZE national and international urban economic development best practices (e.g. policies, programs, strategies) that use sector-based approaches;

- GATHER missing data and complete analysis; and
- CREATE a draft strategy framework.

The consultant selection team was Mary Kay Bailey, MK Bailey Consulting; Kevin Dockry, Hennepin County; David Griggs, GREATER MSP; Val Vannett, GREATER MSP; Louis Jambois, St. Paul Port Authority; and Cathy Polasky, Government and Business Consultant.

In response to the findings, the partners established four shared strategic goals that provide scope and focus to the CCCI, and committed to working together in new and innovative ways to achieve the following:

- *Build the brand:* Communicate a compelling story of the tremendous investment opportunities in our focus geographies. Capitalize on the unique brand of each city to strategically strengthen talent and businesses. Increased perception and reality of safety + Outstanding investor ambassadors + Pro-community + Pro-business = prosperity.

Pearce-Lassiter would argue that in North and Northeast Minneapolis, as well as Saint Paul's East Side and Midway areas, we don't need to tell a different story, but rather to talk about the assets of those communities. The reality is these areas have some of the most engaged residents, e.g., from the Upper Harbor Terminal to the Basset Creek Valley Park, it was the residents of North Minneapolis, in partnership with the City and others, that had some of our superfund sites cleaned up. And in conversations with people who come in from Seattle, Denver and other places we typically look toward, they say we have everything we need to do business. Fundamentally, CCCI believes if we harness and align all the resources we have in place in this process with the realities around the geography and transportation infrastructure, the conversation moves from the problems of inequity to the opportunities to bring about equity within our communities.

- *Business retention and expansion:* Grow jobs with effective BR&E (<http://www.extension.umn.edu/community/business-retention/>) effort targeting economic sectors of opportunity and the talent. Shared practice and goals + expanded toolbox + regional strengthen via growth from within and national investment.
- *Create market-ready sites:* Increase the inventory of redevelopment opportunities. Start with North and Northeast Minneapolis and the East Side and Midway areas of Saint Paul. Redevelopment opportunities are known + clear development processes + investment lands in historically disinvested areas.

Between North Minneapolis and the East Side of St. Paul, there are over 24 active sites, i.e., buildings that are ready to be moved into, pad sites, and smaller parcels that may or may not be publicly held. Part of CCCI's strategy is to move those parcels forward.

- *Close more deals:* Increase job creation and capital investment transactions. Increased job creation and capital investment transactions = Increased tax base + More people employed + Changed "market."

Because we have robust, built-out Central Cities, she has found out that getting a deal closed in less than 18 months will continue to be a challenge. The perception is there is an issue with government, but there's an entire ecosystem that can be improved upon to streamline the process and there's a clear focus on landing investment in our disinvested areas. If we are serious about growth, we can no longer afford to argue about the litany of painful problems we've experienced, we have to be each other's partner.

Part of the opportunity is in telling the story about the amazing investments being made in North Minneapolis, e.g., expansion of NorthPoint Health & Wellness (<http://www.northpointhealth.org/>) at Penn and Plymouth Avenues ([http://www.minneapolismn.gov/www/groups/public/@clerk/documents/webcontent/wcms\\_p-184724.pdf](http://www.minneapolismn.gov/www/groups/public/@clerk/documents/webcontent/wcms_p-184724.pdf)). Many thought this corridor had been forgotten, but it was under consideration for development and the City submitted several RFPs over the years. A system was set in place to break down the inequities and allow development at this corridor. It took approximately 10 years of NPH&W advocating with the community for expansion of the facility, for Hennepin County to make the investment, and in partnership with the City to move this project forward. This node goes from having a couple hundred people per day pass through to a projection of over a thousand per day; that changes ridership numbers and the way we think about federal dollars landing in the community. It is that serious public and private partnership that allowed this story to shift. Part of CCCI's goal is to make sure they're telling the stories and shifting the narratives around the perceptions and realities of crime.

CCCI is pro-community and pro-business and there's a balance that has to be met. Some of their greatest allies to economic development are community members who are heard and feel they aren't being pushed out. When there are inequities, they don't receive the capital required, and when surrounded by social services, they don't get the tax base necessary to bring other services into the community.

Part of the other reality is that our businesses tend to experience workforce shortages. A couple days ago she did an analysis of machinist and computer numerical control machinist (CNC) manufacturers in the region and discovered that a majority of them that are actively looking for work come from Minneapolis and a majority of those come from North Minneapolis. That is a fundamentally different story than what we typically hear about the skill set we have in the workforce. We have to think about how we've gotten to some of these perceptions actively try to overcome them. Remember, in this country polices were put in place that restricted people of color, women, and those without a particular status in society from acquiring permits to build and open companies. There were policies in place that intentionally encouraged schools to migrate to the outskirts of the city making them difficult to reach. Thus, if you valued education, but had limited means, you'd locate to those closest to you which may not be of good quality. This is challenging if we don't have a proper transportation infrastructure to move forward. And there were policies that led to the dismantling of our robust Twin Cities streetcar system; now we're trying to build that connectivity because our workers and those who want to commute as a lifestyle need those resources.

Pearce-Lassiter then implored us to think creatively about being equitable and understand it's not about, in particular, people who are not of color giving up a certain power, but rather it's about the business case for equity, i.e., increased production, opportunity for specialization, growth in housing market, connected communities, decrease in crime and increase in livability, and Minnesota and the Center Cities are at the forefront of our markets nationally. If we understand the policies, then we can begin to shift them to make sure issues are addressed and our ecosystem is balanced.

For more information, visit <https://www.greatersp.org/doing-business-here/center-cities-competitiveness-initiative/>, or contact Pearce-Lassiter at [Shauen.Pearce@greatersp.org](mailto:Shauen.Pearce@greatersp.org), or David Frank, the City's Director of Economic Policy and Development who was in the audience, at [David.Frank@minneapolismn.gov](mailto:David.Frank@minneapolismn.gov) or 612-673-5238.

- **The Philosophical Case for Equitable Growth.** Mayor Hodges thanked everyone, particularly Ryan Companies, for their investment in and commitment to Minneapolis. She also thanked Pearce-Lassiter for her great examples of what we are and can be doing in Minneapolis,

St. Paul, and the region to put our money where our mouth is when it comes to the need for equitable growth.

When talking about equitable growth, not everyone is moved by the moral imperative of making sure we're doing right by people of color. It eats away at the basis of a community when we have this current level of inequity, but given where the city and region is headed, if we're not doing right by children and people of color, making sure everyone is able to benefit from and contribute to our prosperity and growth, there will be no prosperity and growth.

Hodges advised on her first day in office she wrote three questions on the whiteboard that have been guiding her for the last 4 years, i.e.: (1) How does this help make the city run well; (2) How does this move the dial on growth; and (3) How does this move the dial on equity. The last two are inextricably linked because of the [demographic] shifts happening in Minneapolis and the region. We have seen 5 years in a row of over \$1 billion in development permits, an impressive instrument to measure growth, and she believes everyone here has participated in that development. But how do we know as the future moves forward that it will be equitable growth?

By 2040 our region will be 40% people of color compared to 24% in 2010; our regional workforce will be 41% people of color compared to 22% in 2010; and young people under the age of 25 will be just over 50% people of color. This is exciting for us a community; we're a cosmopolitan, bustling and growing city and diversity is a huge part of our strength, but if we're not making sure we're building our systems, including our schools, for young people of color, we will not have the systems and schools that work for our prosperity and growth into the future. In Minneapolis alone we were already 36% people of color in 2010, and by mid century we will be a majority people of color, we just need to make sure systems are in place for that growth and people of color.

We don't have to wait until 2040 to wonder what jobs our economy will need; we are short on workers now. According to the Minnesota Department of Employment and Economic Development (DEED), the metropolitan area will be short 120,000 workers by 2020, and we know the labor shortage is particularly acute in some of our faster growing sectors, i.e., the tech industry which has been overwhelmingly white and male for a long time. Part of the fun of being Mayor and what she gets to do for the region is think about how to make sure people of color and women are part of that pipeline for jobs of the future because that's where the workforce will come from and how we will grow. And the same is true at all levels of government, including in Minneapolis which it is growing at the fastest clip since the 1920s. When she started as Mayor we weren't yet at 400,000 people; we're now at 420,000 people and her goal is to get us over 500,000. This is a trend around the country and the world; for the first time in human history, more people live in cities than don't and that has huge policy implications worldwide. This growth means cities are places of opportunity and we have to make sure people in cities are doing well and thriving.

This workforce need is a "now" problem and a lot of what they are doing in the CCCI is making sure people who are available for jobs are trained for the jobs that are needed, as well as making sure people are ready to create jobs for the future; we need the workforce and entrepreneurs. We live in a region that recognizes the need for a workforce for now and the future, and where a lot of leaders recognize by increasing equity you increase growth. There will be more money in all of our pockets if we make sure everyone can contribute.

The City understands the need to eliminate disparities and create equity versus equality, and have put strategies in place to reduce inequities and meet the goal of filling a 120,000 job gap, create a bustling and thriving community, and retain employers and employees, e.g.: as she sits with all department heads to formulate the 2018 budget, all of them have pathways to a prosperous workforce because, as it is happening across the U.S., baby boomers are retiring at record numbers and they need a career pathway to fill those positions in a timely manner. Some of these career pathways that focus on young and low income people of color who are less likely to apply include

the Minneapolis Fire Department (<http://www.minneapolismn.gov/fire/jobs/index.htm>), and Minneapolis Saint Paul TechHire (<http://www.minneapolismn.gov/cped/metp/TechHire>) and the employment rate is high among the graduates. If they give a boost in the places needed, they can then fill jobs with people of color. That is equitable growth!

The other place where she wants to make sure they are helping people is in business development. The City has done amazing work and has amazing employees who are trying their best to help people out, but there are ways they make it difficult for people to do business. If it is hard for anyone who is trying to invest in a business, imagine how difficult it is for an immigrant whose first language isn't English, for someone who doesn't have family to help scrape together capital, or never wended their way through the City's regulatory process? If we can reduce those barriers, the city will do much better. Thus, she generated Business Made Simple (<http://www.ci.minneapolis.mn.us/mayor/MBMS/index.htm>) to streamline and simplify the process for business owners to invest in Minneapolis, and Business Technical Assistance Program (<http://www.minneapolismn.gov/business/B-TAP>) to provide consulting support to businesses located in the City Minneapolis.

In closing, Hodges invited the audience to think about themselves the same way, i.e., facing workforce shortages. All of our businesses would benefit from having local, homegrown talent instead of having to conduct a nation or worldwide search to fill jobs. At the City we are building inclusive growth into everything we do and encourage others to do so as well, but it requires change and no one likes change. Your businesses will face resistance, but for every resistance there is a response that can move you forward. We as a region have the best of us on the other side of that change and we get to go through it together. We will all be more prosperous, happier and have more fun in a world that has more equity, and the best path to equity is growth, and the best path to growth is equity.

- **Closing Remarks**

Collison advised he was at City Hall through the budgeting process advocating for the Small Business Facilitator/Navigator program and getting to know the team. The ETBP has seven strategic goals, one of which is to develop a small business growth strategy with emphasis on racial equity, gender inclusion, the whole ball of joy, particularly when so much development is coming downtown.

Then he thanked Pearce-Lassiter and Hodges for their presentations, Ryan Companies for hosting, and the audience for attending.