

**Recap of the Joint Minneapolis Downtown Council and
East Town Business Partnership Business Forum on
The Economic Opportunities of Engaging Homelessness
Thursday, March 21, 2019, 11:30 a.m. – 1:00 p.m.
Dorsey & Whitney, LLP, 50 South 6th Street, Suite 1500
Downtown West Neighborhood of Minneapolis**

I. Welcome and Announcements

Steve Cramer, President and CEO of the Minneapolis Downtown Council, thanked the audience for attending, and in referencing the *Star Tribune* article “Minnesota’s homeless population reaches record high number” (<http://www.startribune.com/minnesota-s-homeless-population-reaches-record-high-number/507437932/>), he noted today’s topic couldn’t be more timely. For those following the NCAA Final Four, he announced Minnesota 33, Louisville 31 with 1 minute left in the first half so a long way to go. He then recognized panelist Angela Conley, Hennepin County 4th District Commissioner, who co-chairs Heading Home Hennepin Executive Committee. Lastly, he announced the following MDC member events:

- *Monday, March 26, 7:30-8:45 a.m.:* Coffee & Conversation|Legislative Session Check-in with Dave Johnson, Partner at Faegre Baker Daniels and the MDC’s legislative liaison (<https://www.mplsdowntown.com/registration190326/>).
- *Wednesday, April 3, 11:30 a.m.-1:00 p.m.:* Member Forum|Connect, Engage & Grow at Bassford Remele (<https://www.mplsdowntown.com/registration190403/>).
- *Tuesday, April 10, 4:30-6:30 p.m.:* Happy Hour Presentation|MN Film & TV Board with Melodie Bahan, Executive Director at Cambria Gallery (<https://www.mplsdowntown.com/registration190410/>).
- *Tuesday, April 23, 11:30 a.m.-1:00 p.m.:* Member Forum|Advancing Mpls into a Smart City with panel of experts at Hilton Minneapolis (<https://www.mplsdowntown.com/registration190423/>).
- *Saturday, May 18, 10:00 a.m.-5:00 p.m.:* Explore Downtown Living, a collaboration of a number of downtown living communities (<https://www.exploredtliving.com/register/>).
- *Saturday, May 18-Sunday, May 19, 10:00 a.m.-5:00 p.m.:* Doors Open Minneapolis, a behind-the-scenes look at over 100 exciting venues, including the MDC office, to tell stories about Minneapolis’ past and show where it’s headed (<https://www.doorsopenminneapolis.org/>). They are seeking volunteers to act as greeters.

Dan Collison, Executive Director of East Town Business Partnership and Director of Downtown Partnerships for the Minneapolis Downtown Council, welcomed the audience and announced the following ETBP member events:

- *Thursday, April 18, 11:30 a.m.-1:00 p.m.:* Annual Meeting|Advancing Arts & Entertainment in East Town with elections to the Board of Directors at the Normandy Inn (<https://easttownmpls.org/etbp-annual-meeting-on-april-18-at-1130-a-m-at-the-normandy-inn/>).
- *Monday, April 1-Friday, April 26, 10:0 a.m.-2:00 p.m.:* MDC Retail Pop-up|Chameleon Shoppes, a partnership with West Broadway Business and Area Coalition with 40-50 talented and diverse vendors, on the ground and skyway levels at Gaviidae Common (<https://www.chameleonconsortium.com/shopping-spreel/>). A special call out to Neka Creative for all of the branding work.
- *Saturday, March 30, 8:30 a.m.-12:00 p.m.:* ENACTUS (<https://enactus.org/>) Small Business Conference at North Central University (<https://www.eventbrite.com/e/small-business-conference-minneapolis-registration-53080780042#>).
- *Friday, April 5-Monday, April 8:* 2019 Minneapolis NCAA Men’s Final Four at U.S. Bank Stadium, and other events and activities at The Armory, Minneapolis Convention Center, and along Nicollet Mall

between 8th and 12th Streets (<http://www.finalfourminneapolis.com/>).

- *Tuesday, April 16-Wednesday, April 17:* Sawatdee Thai Restaurant's Annual Song Kran (Thai New Year) Celebration at Sawatdee Minneapolis. Percentage of proceeds will go to Second Harvest Heartland and Angel Foundation (<https://www.facebook.com/events/sawatdee-thai-restaurant/thai-new-year-celebration/404462266784435/>).
- *Spring and Fall 2019:* Elliot Park Neighborhood, Inc., in partnership with the Neighborhood Development Center, is offering free Entrepreneur Training Classes (<http://www.ndc-mn.org/what-we-do/business-training/>).
- *Wednesday, April 10-Wednesday, June 12:* Monthly series on Entrepreneurship & Equity hosted by Impact Hub MSP and Catch your Dream (<https://www.facebook.com/events/236974560558965/>).
- *Wednesday, March 27, 5:00-6:00 p.m.:* Coffee with Ward 3 Council Member Steve Fletcher at Purple Onion Café (<https://www.facebook.com/events/349467465871679/>).
- Neighborhood organizations' meetings
 - Visit <http://www.thedmna.org/> for the DMNA Board (March 25) and Land Use Committee (April 2) meetings; and
 - Visit <http://elliottparkneighborhood.org/> for EPNI Building, Land Use and Housing Committee (March 21) and Annual (May 13) meetings.
- North Central University events
 - *Thursday, March 21-Sunday, March 31:* Spring theatre production of Seussical (<https://www.northcentral.edu/events/spring-theatre-production-seussical/>).
 - *Friday, April 12, 7:30-9:30 p.m.:* Choral classics concert (<https://www.northcentral.edu/events/choral-classics/>).
- People Serving People event:

Saturday, April 13: 20th Annual Gala at Hilton Minneapolis (<https://www.peopleservingpeople.org/events/annual-gala/>).

II. Presenting Sponsor: Dorsey & Whitney, LLP

Mark Hamel, Partner and Co-head of the Real Estate & Land Use practice group (<https://www.dorsey.com/people/h/hamel-mark-e>), welcomed the audience and provided a brief overview of D&W. It was founded here in Minneapolis in 1912 by two lawyers and now has 550 lawyers in 19 locations; 13 in the U.S., 2 in Canada, and 3 in China and London. They serve clients large and small, private and public, profit and nonprofit across a wide array of practice areas. One of their core values is community and why they're hosting today's event. They've been located in downtown Minneapolis for 107 years and care deeply about a thriving Minneapolis, metro area, and state of Minnesota.

Homelessness is an issue that affects everyone, but most especially those experiencing it. As a community we must all work together to solve this issue. One of the MDC's goals in its 2025 Plan was to end street homelessness in Minneapolis by 2025. He and Joseph Desenclos (<https://www.linkedin.com/in/joseph-desenclos-a7aa9938>) are the Co-chairs of the Ending Street Homelessness Committee (<https://www.mplsdowntown.com/2025plan/2025-plan-committees/>) charged with focusing on trying to achieve that goal and they will continue to strive in that direction.

III. The Economic Opportunities of Engaging Homelessness Panel Presentation

Collison advised Daniel Gummit, CEO of People Serving People (<https://www.linkedin.com/in/daniel-gummit->

[29b7726](#)), ETBP Board member, and panel moderator, curated this all-star group of leaders and shapers of not only issues around homelessness but many other concerns in our community. Then after inviting each panelist up, he provided an abbreviated summary of their biography (listed in order of seat on panel):

- Ben Horowitz, Community Development Project Manager at the Federal Reserve Bank of Minneapolis (<https://www.linkedin.com/in/ben-horowitz-a683a825>).
- Acooa Ellis, SVP of Community Impact, Greater Twin Cities United Way (<https://www.gtcuw.org/person/acooa-ellis/>).
- Angela Conley, Hennepin County 4th District Commissioner (<https://www.hennepin.us/your-government/leadership/4th-district>).
- John Quincy, Strategic Partnerships & Community Engagement at Youthlink (<https://www.johnmquincy.com/>).

Gumnit first acknowledged Collison who he considers one of the hardest working advocates for downtown Minneapolis. Then he thanked Christie Rock Hantge, ETBP staff; Steve Cramer, Marybeth Weiseburg, and Dana Grady of the MDC; and Dorsey & Whitney for sponsoring and hosting this event.

Referencing back to the *Star Tribune* article Cramer mentioned earlier, Gumnit advised we have more than 10,000 homeless in the state, the highest figure on record. The rise in homelessness is particularly acute with adults ages 25-54 which grew by 20%, and the most dramatic increase is for adults 55 and older. Since 2015, people not in shelters – i.e., sleeping outside, under bridges, in cars and trains – rose by 62%. While we've seen a 9% jump in the Twin Cities, in greater Minnesota we've seen it rise by 13%. However, there are some bright spots, i.e.: a 5% decrease in families, youth and children experiencing homelessness which Gumnit attributes to a well coordinated and dedicated effort throughout the community; and we've made amazing progress on and are well on our way to eliminating veteran homelessness. As daunting as this problem seems, we can continue to make progress if we continue to be creative, innovative, and invest. Gumnit then posed the following questions:

Q1: What drives people to experience homelessness?

Horowitz: After clarifying his opinions do not reflect those of the FRB, he responded, collective underinvestment.

Ellis: Low wages, lack of support networks, systemic racism, and health crises.

Conley: Systemic racism, wages have stayed stagnant, and the cost of living in Minneapolis is extremely expensive and the cost of living is going up across the state.

Quincy: Support systems in their lives are broken, disparities, poverty, trauma, and exploitation.

Gumnit added our lack of investment and access to quality early childhood development for families. He's seen over and over again at the shelter where we help a family find housing and work, but they can't find or lose childcare then they lose their job and then lose their housing and are back into shelter.

Q2: What are the economic costs to not addressing youth and family homelessness in our community?

Horowitz: A high priority area for the FRB is early childhood development (<https://www.minneapolisfed.org/publications/special-studies/early-childhood-development>). He can draw on his knowledge of really strong economic research and data to make the case that our underinvestment on this population is costing us dearly. Most of his comments are focused on young children, but there are really exciting things going on with adults and older children that build on some of the same research. About 15 years ago economists at the FRB took a look at the return on investment from high-quality early childhood programs with detailed long-term data sets and found there was about a 16% return on investment over the

life of the child for every \$1 spent when they were young; it's very rare to find that high level of data and such strong results that have been replicated over time in various programs that have undergone rigorous evaluation. They have also studied those relationships in other scientific fields and their work tells the story that supports the economic data and why it makes sense investments in the youngest children have positive returns. Why is this work relevant during a conversation about families and homelessness? In the last Wilder Foundation research survey, 18% of people experiencing homelessness were children 5 years or younger; 6% of the population in Minnesota are 6 years or younger. The biggest returns come when we invest in families that have the fewest economic resources, and some of the returns does go back to those children and families in the form of higher wages, better educational outcomes, but the lion share, 16% comes back to us, the public, through lower spending because of less interactions with most of our systems such foster care, criminal justice, or additional services. Therefore, when we don't invest in early childhood development programs for families with few economic resources, we spend more money on the same families in a way that is much less productive for everyone involved.

Q3: What is the economic value in addressing youth and family homelessness in our community?

Quincy: After acknowledging YouthLink Board members Steve Cramer and Alex Tittle of Hennepin County who were in the audience, and the Executive Direct Dr. Heather Huseby who was on vacation in Florida, he gave an overview of the organization (<https://www.youthlinkmn.org/about-us/>). It has a long history here in Minneapolis and Hennepin County, and the host for the Youth Opportunity Center (<https://www.youthlinkmn.org/youth-opportunity-center/>) which serves 2,000 individuals between the ages of 16 and 24 each year; 90% are people of color, 58% are women, half of those women have children of their own which ties into the discussion around investments that need to be made in early childhood development, and 20% are GLBTQ who are facing unique perspectives as they come into adulthood. YL is ground zero for some of the largest disparities – racial, economic, income, health and wellness, involvement in the criminal justice system – the community is facing. Those who come to YL do so on their own and are looking for a change in their lives such as an adult caring relationship to help navigate their journey. Back in 2011, Steven Foldes conducted a groundbreaking study (<https://www.youthlinkmn.org/the-cost-of-homelessness/>) that looked at a cohort of 1,400 youth and asked what are the annual costs imposed on taxpayers and society? The lifetime economic burden for one youth, if they fail to receive appropriate intervention, is calculated to be \$360 million to taxpayers, and \$890 million in the full societal burden. The obvious conclusion is the long-term costs to taxpayers and society is huge. The question is how many youth would need to become financially self sufficient to offset the annual costs of all the interventions for the entire cohort? The answer is 89, or less than 10% of the cohort. If they were on a path to self sufficiency – employment, education, stable housing, and family supportive networks – it would save enough of the costs for the entire cohort for a year. That we can point to a breakeven point gives us great hope and goes toward the value in making these investments now at this critical time in their lives. Investments made as a collective body with the political will, society's input, neighborhood organizations, downtown congregations and everyone pulling their weight and participating can make a dramatic difference and should be made without delay. He'd appreciate our support.

Q4: What are the opportunity costs in addressing youth and family homelessness in our community?

Ellis: She noted it's incredibly important to see so many in the room spending time during the work day and engaging on an important topic. Then she discussed the opportunity costs for not engaging; either you're engaging or not. From a school's perspective, a comment she heard on KMOJ 89.9 Radio last week really struck her, i.e., "children act their pain." She thinks about the opportunity cost of paraprofessionals who spend their time managing disciplinary actions that could be redirected to fully gaining the instruction that is being taught. Another opportunity cost is the striking increase among seniors 55 and over experiencing homelessness and providing healthcare for those individuals as well as readmission rates; if we're addressing homelessness, the readmissions rates in our public institutions providing healthcare would dramatically decreased. Another opportunity cost is innovation, i.e., for someone not realizing their

full potential. We have a real opportunity to unleash, unlock, bolster, search and discover a ton of potential in our children who are experiencing homelessness that goes unrealized because they're navigating a series of really challenging systems. An opportunity cost is when those experiencing homelessness have difficulty in securing the dollars, resources and wealth to be strong consumers and great employees. She heard the goal to eliminate street homelessness by 2025, but there's also a quality of life issue that impacts businesses as well; all those are the opportunity costs for not engaging. But there are some really cool and simple opportunities to engage: express support for housing investment with your elected officials; support the Minnesota Coalition for the Homeless (<https://www.mnhomelesscoalition.org/>) which has a robust agenda at the capitol this legislative session; and give generously to and volunteer for organizations such as Greater Twin Cities United Way, YouthLink, People Serving People, it shouldn't be an either or as it helps amplify their impact and bring us together as a collective community.

Q5: What are the innovations to addressing youth and family homelessness in our community?

Conley: Innovation means new thinking, so she wants us to think about changing our narrative. As someone who has experienced homelessness, in the last 3 months as Commissioner she has been very loud about ending unsheltered homelessness. It's a No. 1 issue for her for obvious reasons, but because we also talked about how to save money and make investments to change what's been happening over the last 4 years, this 10% increase and how we have the largest numbers in the state. The narrative she wants us to change is not assigning a dollar amount to a person sleeping on the street. What she hears is a lot of blame, i.e., this is the responsibility of someone else, different counties, the state and people who aren't making those investments. It is all of our responsibility and when we think about the moral imperative we all have a role to play because it's a privilege to be in a bed at night. We she took a ride on a train at 12:00 a.m.-3:00 a.m., she knew people were sleeping there and getting up going to work on that same train, so change your narrative, the way we think about homeless. It's our obligation to take care of folks tonight. It's not only important today, but it was important yesterday, 3 months ago, and 4 years ago. Think about what you've done, the investments you have, the philanthropic contributions over the years, and then triple that. We're in crisis and we know that and if continue to have the same conversations and look at this the same way we did 4 years ago, then we have an epidemic on our hands. We're okay with calling this a public health crisis, but in order to do something new and step out of your box, you've got to get out of the way we've been doing it for the past 4 years. We've been talking about investments and funding, she's been pushing for that at the county. For the first time ever, she pushed for unsheltered homelessness be included in our federal legislative platform. She's also working with a statewide group looking at regional homelessness; the first time we've come around the table as a region, as multiple counties, with the state at the table, to specifically address unsheltered homelessness because she represents the 4th District, the most diverse and home to the largest homelessness encampment in the state just last year, and that navigation center where the encampment moved into will close in 6 weeks. If you don't want to see that, then triple your investments and encourage downtown businesses to take a portion of a month's income for shelters so that we can end homelessness by 2025, or event 2022.

Gumnit explained the system is perfectly designed to give us the results we're seeing now. We've been making decisions over a long period of time whether the housing decisions in the early 1980s to emptying the mental facilities and not providing enough community support to adequately take care of people. Who owns the system? We do; we made it and we can fix it. At PSP they make their biggest programmatic investment in early childhood development for children experiencing homelessness because that is where they'll get a return on investment and because they believe they're our children not other people's children. It's up to us to make a difference to these children's lives. If not now, when, and if not us, who?

Then after each panelist made a final call to action, they entertained questions from the audience during which Paul Mellblom, Principal at MSR Design and President of the ETBP, highly recommended reading *Evicted: Poverty and Profit in the American City* by Matthew Desmond (<https://www.nytimes.com/2016/02/22/books/evicted-book-review-matthew->

[desmond.html?fbclid=IwAR3SfE4Tdqo8SpvsISUd-nqnXNj5R_4mqR32wWIEl10ozMgRSh9JjIvnqUs](https://www.facebook.com/desmond.html?fbclid=IwAR3SfE4Tdqo8SpvsISUd-nqnXNj5R_4mqR32wWIEl10ozMgRSh9JjIvnqUs)).

IV. Closing Remarks

Gummit thanked everyone for their questions, the MDC and ETBP for conducting a business forum on this important topic, and Dorsey & Whitney for sponsoring and hosting this event.