

Close the Gap

The Minneapolis Delivery System

Presentation to Health, Energy and Environment Committee

December 10, 2007

Presented by:

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City of Minneapolis



“A growing body of economic research suggests that the fates of large cities and their metropolitan areas are intertwined – they grow together or they decline together.”

***“Mind the Gap”
Brookings
Institute***



“The supply of potential new workers coming through the K-12 educational pipeline will begin shrinking just as baby boomers start retiring. Students of color and low-income students will be an increasing percentage of this pipeline, and their current achievement in high school and higher education is uneven and often inadequate. Our success in higher education depends on their success.”

***“Trouble on the Horizon”
Citizens League, 2004***



“All Minnesotans need to be prepared to compete globally – and this education and training will come from a variety of sources at a variety of times throughout their lives: from high school, to traditional campuses, to instruction in the workplace, to online learning late at night. Higher education is essential to the greater public good of Minnesotans, no matter where or how it is provided.”

***“Trouble on the Horizon”
Citizens League, 2004***



“Stable employment is critical to economic security. Unemployment rates are tied to all three types of disparities – race, class, and place. For instance, there is nearly a full point difference in the unemployment rate between city and the suburbs. For those who are employed, underemployment can be a major issue – 20 percent of Latino workers are in management occupations versus 40 percent of white workers.”

“Close the Gap” Itasca Project



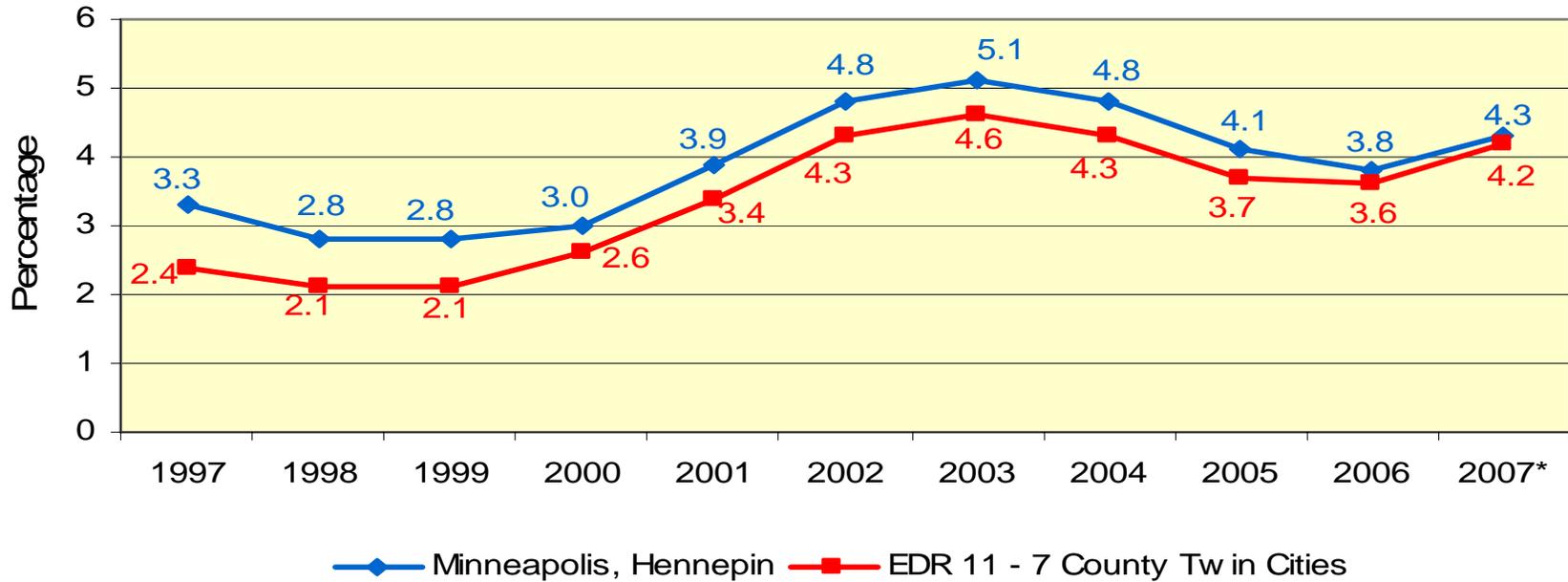
One Simple Goal

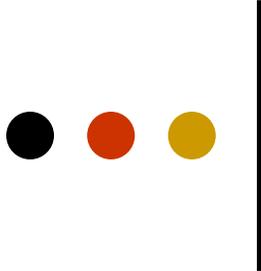
Close the Unemployment Gap Rate between the City of Minneapolis and the Seven County Metro Area

Minneapolis and Metro area: Annual unemployment rate based on averages- not seasonally adjusted

* 2007: YTD average for October

Source: DEED





Heegaard Report to the City Council, January 2004

Return on Investment: METP Programs	
Program / Cost Per Placement	Annual Return on Investment
WIA Adult \$2610	23.7%*
WIA Older Youth \$2542	24.0%*

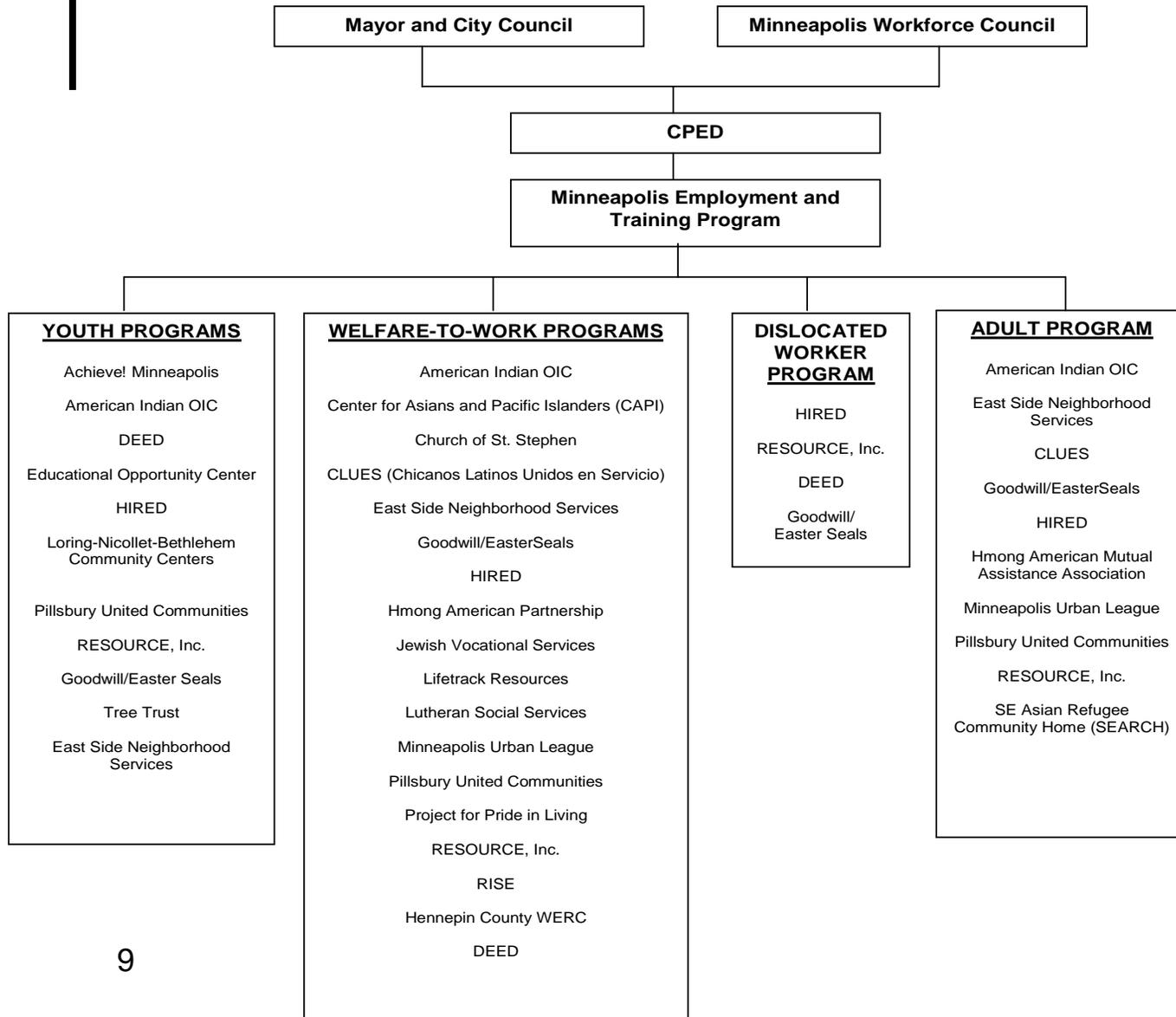
**MN Taxes paid and criminal justice savings*

● ● ● | In 2004, the City Council Invested
\$1.5 million into Close the Gap

Other Funders Include:

- Federal Government
- General Mills
- NorthWay Community Trust
- RBC Dain Rauscher

Minneapolis Jobs Delivery System





Operating Networks

CLOSE THE GAP			
Recruitment	Jobs & Private Funds	Jobs & Public Funds	Career Development
NET	Chamber of Commerce Private Businesses	Workforce Council	Achieve!



Results Management

*Pay for performance based on simple measures of progress:
Placements, Employment Retention, and Wage Goals*

Vendor	WIA Adults 7/1/07-9/30/07	CDBG Adults 7/1/07-9/30/07	Close the Gap/CTG 7/1/04-9/30/07	EZ/HUD 7/1/04-9/30/07
American Indian OIC	C 9	B 12	C- 115	
CLUES	C- 5	C 6	D 29	
East Side Neighborhood Services	A- 5	A 5	B+ 101	
Goodwill/Easter Seals	C+ 13	B 12	B- 228	
HIRED	C 3	C+ 11	B- 267	
Hmong American Mutual Assistance Association	C+ 12	B+ 6		
Jewish Vocational Services IRP Assessment and Referral	B+ 11			
METP IRP Enrollments/Placements	A- 37-9	A- 38/21		
Minneapolis Urban League – Construction Skills		C	A 6	A 1
Northside Job Connection		C 47		
Pillsbury United Communities/ Emerge	B+ 5	B- 14	B+ 165	
RESOURCE/EAC	A- 26	B+ 19	B+ 189	
SEARCH	A- 17	A+ 11	A 117	

Composite Performance Key

A = excellent; B = good; C = fair; D = poor; F = fail Numbers following the performance grade represent the total placed into employment

● ● ● | Cross-Sector Leadership





“While many cities are losing jobs, Minneapolis added 9,000 jobs last year, at twice the rate of the metro as a whole. As a result, our unemployment rate is down to 3.9% - the lowest level we’ve achieved in six years.”

***Mayor R.T. Rybak
2007 State of the
City***

Table 2: **AVERAGE NUMBER OF JOBS BY INDUSTRY** – Minneapolis

	3Q-2005	4Q- 2005	1Q- 2006	2Q-2006	3Q-2006
Total, all industries¹	288,744	292,006	290,287	296,075	296,217
Manufacturing	16,688	16,610	16,605	16,649	16,630
Utilities*	3,114	3,145	3,038	3,069	3,092
Wholesale trade	9,829	9,688	9,592	9,594	9,789
Retail trade	16,622	17,262	15,069	15,194	14,720
Transportation and warehousing*	4,311	4,576	4,372	4,337	4,236
Information	11,637	11,497	11,131	10,893	10,817
Finance and insurance*	27,948	28,016	30,333	30,459	30,483
Real estate and rental and leasing	6,433	6,365	6,219	6,299	6,343
Professional and technical services*	29,299	29,405	29,749	30,211	30,436
Management of companies & enterprises	14,589	15,223	16,108	15,992	15,791
Administrative and waste services*	14,694	15,236	14,421	15,369	15,754
Educational services	25,182	27,610	28,295	29,236	26,859
Health care and social assistance	42,656	42,594	43,159	43,437	45,104
Arts, entertainment and recreation*	4,899	4,980	4,486	5,026	5,084
Accommodation and food services	22,689	22,288	21,609	23,006	23,109
Other services*	10,654	10,702	10,226	10,625	10,546
Public administration	13,293	12,865	12,361	12,618	13,128

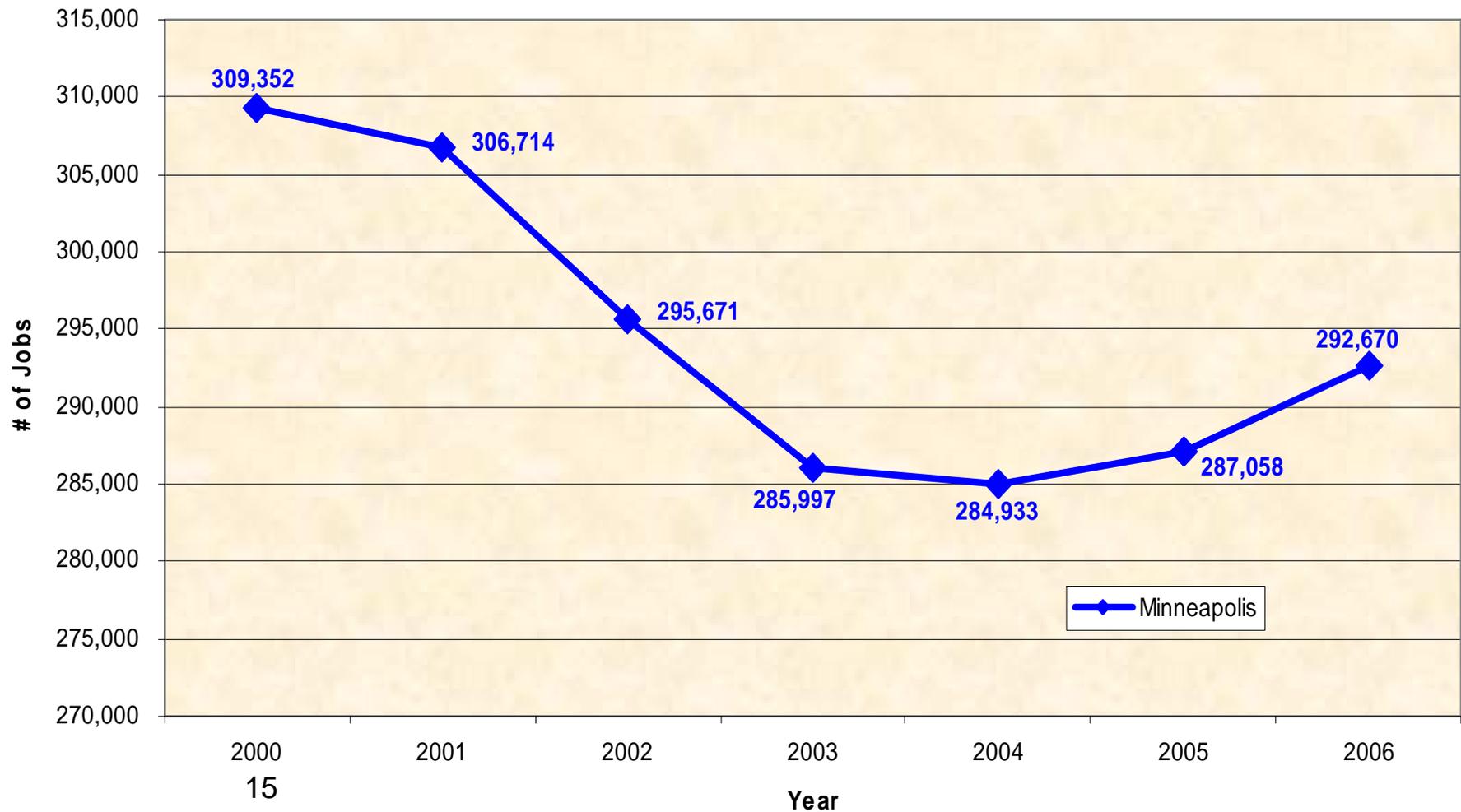
* Private jobs only

1 Natural resources-based industries and agriculture, fishing and forestry employment are not shown in the table. Some industry numbers may not be disclosed because of privacy issues, so totals do not add up. Table reflects latest revision by DEED.

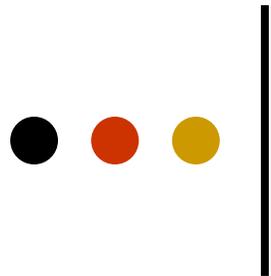
*Source: Minnesota Department of Employment and Economic Development (DEED)
- Minnesota Quarterly Census, Employment and Wages. Figures show latest DEED information.*



The Number of Jobs is Growing



Source: DEED

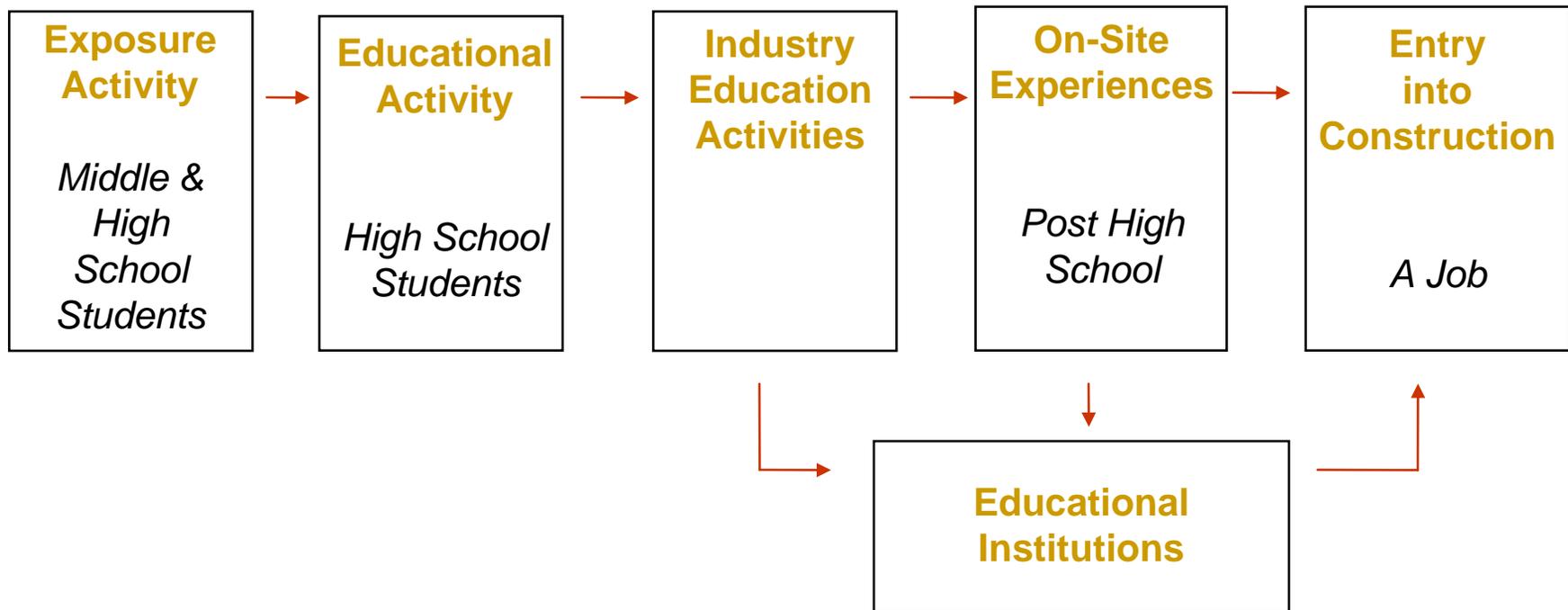


And the Partners are Improving the Delivery System

- Richard Davis of US Bank and Ben Taylor of Star Tribune grow STEP-UP
- University of Minnesota learns that STEP-UP is a reliable feeder of Minneapolis talent into freshman class:
 - 129 STEP-UP alumni
 - 1/2 apply, 2/3 enter
- Lifescience Hospitals broaden their remarkable neighborhood focus to youth from Roosevelt Medical Magnet
- Mayor proposes the Minneapolis Promise to reach 14 year olds
- Workforce Council begins to organize a workforce delivery system for construction...



Experiential Career Learning Model for Construction





“Minneapolis needs to make a great promise to our youth: if you go to school, if you work hard, if you develop a life plan, and if you graduate, we will support you. The Minneapolis Promise will get you the counseling you need to plan your future, will help you find a summer job, and will help you get the funds you need to go to college.”

***Mayor R.T.
Rybak***



The Minneapolis Promise



**Work
Hard**

Life Plan

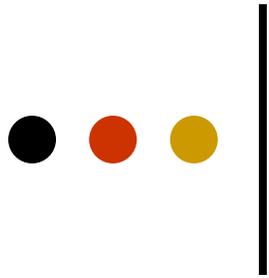
Graduate



STEP-UP

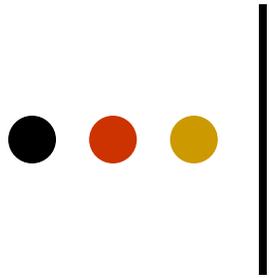
**Career &
College
Centers**

**Power of YOU!
& other
scholarships**

The logo for STEP-UP features three colored circles (black, red, and yellow) to the left of a vertical line, with the text "STEP-UP" in a bold, sans-serif font to the right of the line.

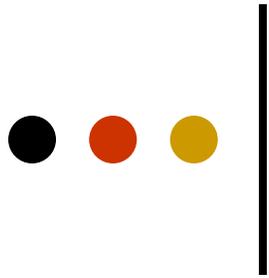
STEP-UP

- Recruits, trains and places youth, ages 14-21, in paid summer jobs with local employers and community based organizations
- Youth ages 16-21 complete a work readiness training program certified by the Minneapolis Regional Chamber of Commerce
- Youth ages 14-15 complete a 1-day work readiness training and have the opportunity to participate in educational mentorship activities and an environmental camp experience
- Summer employment program for diverse, skilled and motivated youth
- 1,234 placements for a City youth job total of 2,053



Career & College Centers

- Open in all 7 Minneapolis high schools and the Lehmann Center
- “My Life Plan” - technology, counseling, mentoring, and motivation to succeed
- Coordinators help students determine their interests and talents and find resources
- Over 73,000 visits and 2,700 plans done



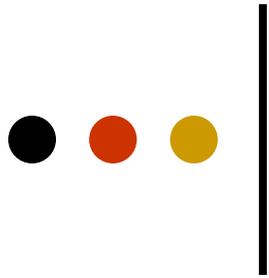
Free Tuition

Power Of You

- Graduates of Minneapolis and St. Paul high schools, and residents of either city
- Grant-based financial aid, providing tuition-free learning at MCTC and St. Paul College, with transfer opportunities to Metropolitan State University

University of Minnesota Founders Scholarship

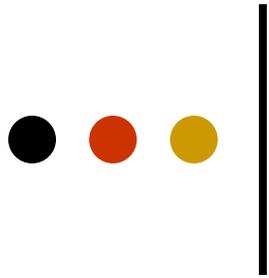
- 210 awarded to Minneapolis graduates in 2007 representing 16% of total Minneapolis graduates



Outcomes to Date

STEP-UP for 16-21 Year-Olds

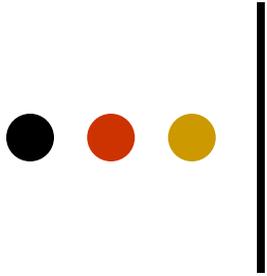
- 74% are youth of color
- 59% are eligible for free or reduced lunch
- 90% of STEP-UP seniors graduated in 2007, compared with 67% overall



Outcomes to Date

STEP-UP & the University of Minnesota

- In 2007, 67 STEP-UP students employed by the U
- They were the largest STEP-UP employer in 2007
- In 2006, 40 jobs
- In 2005, 25 jobs
- In 2004, 7 jobs
- 32% of 2007 STEP-UP graduates enrolled at the U (50 of 158 seniors)



Outcomes to Date

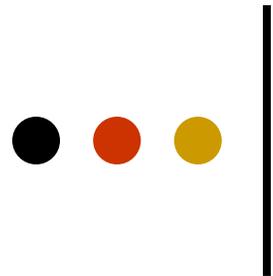
Power of YOU!

- 398 students met eligibility and enrolled at MCTC and St. Paul College in Fall 2007
- 76% are students of color
- 58% female, 42% male
- The median family income of students is less than \$30,000
- 58% eligible for Pell Grant awards and 42% received private scholarships
- Top three majors for these students are Liberal Arts, Nursing and Business Management



In Minneapolis, Nothing Big Happens Without All Sectors Aiming at a Public Good

Minneapolis Promise	Funder	Operating	Governance Board
Summer Jobs via STEP-UP	City	City and Achieve!	Mayor & Council
Career & College Centers	Philanthropic	Achieve!	Centers' Board
Power of YOU!	Philanthropic	MCTC / Metro State	MCTC Foundation



The Next Gap: Lifesciences Challenge

The Industry is Growing:

- Nearly \$1 BILLION in hospital campus expansions
- 17% of Minneapolis residents work in health care

Minneapolis Lifescience Facilities

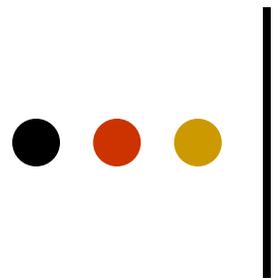


 Bioscience Subzones



0 0.125 0.25 0.5 0.75 1 Miles

Source: CPED



The Next Gap: Lifesciences Challenge

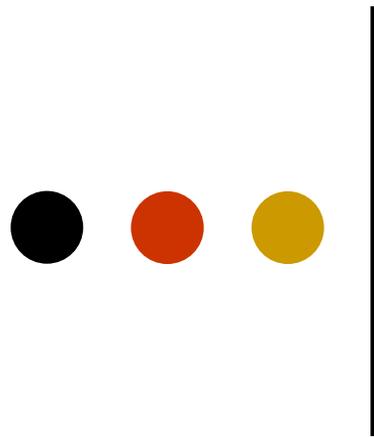
The Issue:

- Workforce increasingly credentialed; by 2010, all physical and occupational therapists must have Ph.D.
- MPS graduation rate is 67%*

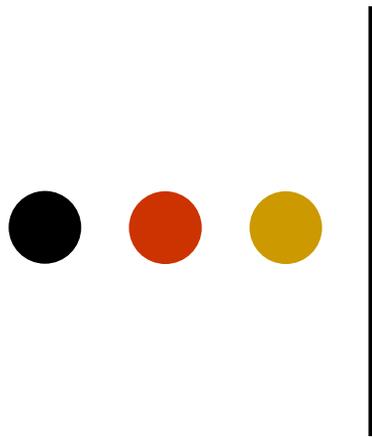
The Challenge:

- Minneapolis Promise must produce the credentialed lifescience workforce of the future
- It's a big job (so is closing the gap) – but we're up to it⁹

* Including alternative high schools



QUESTIONS?



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The Minneapolis Delivery System

Presented by:

Mike Christenson

Director of Community Planning & Economic Development

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City of Minneapolis