

# EQUITY GRANTS

A REPORT TO THE GOVERNOR AND LEGISLATURE

July 1, 2016 – June 30, 2018





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# EXECUTIVE SUMMARY

## BACKGROUND

Minnesota is recognized as a state full of economic opportunities, often ranked nationally in the top 10 for economic indicators of success including labor force participation rate, unemployment rate, poverty rate and educational attainment. However, Minnesotans of color have not shared in Minnesota's economic prosperity. In fact, an analysis by 24/7 Wall St. of 2015 U.S. Census Bureau and Bureau of Labor Statistics data found that Minnesota had the second-worst-in-the-nation economic disparities between white and black Minnesotans<sup>1</sup>, and a 2016 *St. Paul Pioneer Press* study reported that Minnesota had "some of the worst racial disparities in the nation<sup>2</sup>."

### MINNESOTA OVERALL RANKINGS

- 1st** in % of population with high school degree or higher
- 2nd** Best State (U.S. News & World Report, 2018)
- 2nd** highest in labor force participation
- 3rd** lowest poverty rate
- 5th** lowest unemployment rate

Sources: U.S. Census Bureau (2018); American Community Survey (2017); U.S. Bureau of Labor Statistics (2018)



### MINNESOTA RANKINGS, BY RACE

- 2nd** highest black unemployment rate
- 2nd** worst state for racial equality
- 8th** lowest black home ownership rate
- 38th** largest income gap by race
- 47th** largest employment income gap by race

Sources: 24/7 Wall St.; U.S. News & World Report; both citing 2015 and 2016 U.S. Census Bureau data

## MINNESOTA TAKES ACTION

Community leaders advocated to the Minnesota State Legislature for concrete and culturally-tailored solutions to reduce education and employment disparities. In response, Governor Mark Dayton recommended \$100 million to address these disparities. During the 2016 Legislative session, the Legislature and Governor Mark Dayton approved the Equity Article, a one-year, \$35 million supplemental package of strategic investments to fund programs. The 2017 Legislature continued most of this funding for State Fiscal Year 2018, awarding an additional \$23.9 million to equity-related programs for a total of \$58.9 million.<sup>3</sup> Known as the **Equity Grants**, these programs focused on people of color, women, youth and people with disabilities. These grants provided funding for education, training and support services needed to overcome employment barriers, and to build the capacity of organizations to better serve participants. The grants also provided small business development services aimed at increasing business access to capital, job creation and technical assistance.

Organizations received grants either through a direct appropriation or through a competitive grant program.<sup>4</sup> Eligible organizations for competitive grant funds included local government units, tribal governments, nonprofit organizations, community action agencies, business organizations, business associations and labor organizations.

This report provides these organizations' program activities and outcomes for grants executed and participants served<sup>5</sup> in State Fiscal Years 2017 (July 1, 2016-June 30, 2017) and 2018 (July 1, 2017-June 30, 2018). For more detailed workforce program outcomes, please visit the [Uniform Report Card](#)<sup>6</sup>.

<sup>1</sup> <https://247wallst.com/investing/2016/08/07/10-worst-states-for-black-americans/2/>

<sup>2</sup> <https://www.twincities.com/2016/04/29/minnesotas-racial-disparities-worsening-why-and-why-it-matters/>

<sup>3</sup> 2016 Minnesota Session Laws, Chapter 189, Article 12.

<sup>4</sup> DEED uses up to 5% of grant funds for administrative costs. Grantees are allowed up to 10% of grant funds for administrative costs.

<sup>5</sup> Workforce development outcomes were collected from DEED's case management system – WorkforceOne.

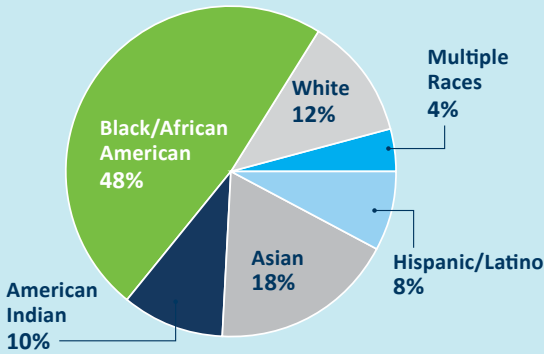
<sup>6</sup> <https://mn.gov/deed/about/what-we-do/agency-results/perform-measures/report-card/>.

## TOTAL PROGRAM OUTCOMES

- \$58.9 million in grants
- 172 grantees
- 49,415 individuals served
- 1,464 businesses served
- 182 business loans provided

## DEMOGRAPHICS\*

### Race/Ethnicity



- 51% Female
- 36% Youth (ages 16-24)
- 9% People with Disabilities
- 17% in Greater Minnesota

### OTHER DEMOGRAPHICS

- 12% Immigrant/Refugee
- 18% Criminal History
- 38% In-poverty
- 13% Homeless
- 19% No high-school diploma or equivalent
- 40% Unemployed

\* Demographics of mostly adult participants (6,302) receiving education employment, and training services as entered into DEED's case management system, WorkforceOne.

## DEFINITIONS



### Equity:

The fair and just inclusion of all Minnesotans into society so they can participate, prosper and reach their full potential.

### Racial Equity:

The fair and just treatment of people of color so that race no longer predicts life outcomes.

### Economic Equity:

The fair and equitable access to resources and opportunities that lead to meaningful employment and entrepreneurship.

# IMPLEMENTING THE EQUITY GRANTS

As the state’s principal economic development agency, DEED was responsible for implementing the Equity Grants. Committed to economic equity and keeping the goals of the Equity Grants in the forefront, DEED embarked on a grant-making process that incorporated stakeholder engagement, geographic diversity and systems alignment.

## AGENCY OVERVIEW

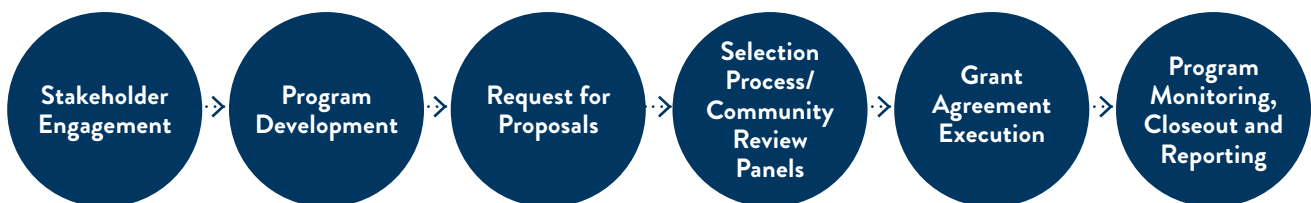
Minnesota Department of Employment and Economic Development (DEED) programs promote business recruitment, expansion and retention; international trade; workforce development; and community development.



## AGENCY MISSION

To enhance the economic success of individuals, businesses and communities.

## EQUITY GRANTS IMPLEMENTATION PROCESS



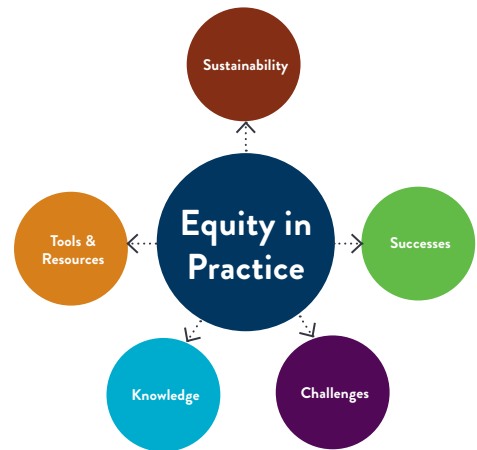


## STAKEHOLDER ENGAGEMENT

DEED was committed to a process that was accessible, accountable and transparent and set out to engage stakeholders in a way that was meaningful and informative. DEED hosted **Community Information Meetings**, in person and via webinars (400+ attendees from community-based organizations), about the grant programs. Participants were able to provide input on issues impacting their communities and recommendations on the structure of the Request for Proposals (RFPs). Using this feedback, DEED developed RFPs and provided them to the three Ethnic Councils (the Minnesota Council on Latino Affairs, the Council for Minnesotans of African Heritage, and the Council of Asian-Pacific Minnesotans), the Minnesotan Indian Affairs Council and the Minnesota Council on Disability for review and input before publication.

These were a diverse group of reviewers consisting of DEED and other state employees, and volunteers from diverse communities, the private sector and nonprofit organizations. The panels reviewed, scored and recommended proposals for funding. A total pool of 154 community members was trained to serve on grant panels alongside state employees, including 65 (or 42%) participants of color and 29 (or 19%) participants from Greater Minnesota. Based on surveys, the panels had a 93% success rate and achieved DEED’s goals of ensuring transparency and racial and geographic diversity in the decision-making process.

During the grantees’ performance, DEED held an **Equity in Practice** convening so DEED and grantees could network, share emerging best practices and provide DEED with feedback on the grant process. The convening was well received by grantees and they recommended continuing it in the future. The continued use of Community Review Panels is now an agency-wide policy on all competitive grants.



“I think it’s a great idea to open the process up to community members. It allows people outside the metropolitan area to have some input into statewide funding choices, and the experience really helped me to understand the grant review and submission process for Minnesota state grants.”

– Adam Oliansky, Donor Services Associate, Jewish Family and Children’s Service of Minneapolis



## GEOGRAPHIC DIVERSITY

DEED was diligent to ensure that geographic diversity was present in every step of the grant-making process for competitive grant programs. This included thoughtful consideration of the needs in Greater Minnesota. From outreach to selection, DEED reinforced the message of just and fair inclusion of all communities in every step of the process.

## SYSTEMS ALIGNMENT

DEED is responsible for Minnesota’s federally-funded workforce development activities under the Workforce Innovation and Opportunity Act (WIOA)<sup>7</sup>, a pillar of which is to align workforce resources to improve services and outcomes, in particular, to individuals with barriers to employment. **Minnesota’s Workforce Development Plan**, as established under WIOA, envisions that all Minnesotans have – or are on a path to – meaningful employment at a family-sustaining wage, and that all employers are able to fill jobs in demand. The state plan’s two main goals<sup>8</sup> are:

- 1) Reduce educational, skills training and employment disparities based on race, disability, disconnected youth or gender, and
- 2) Build employer-led industry sector partnerships that expand the talent pipeline to be inclusive of gender, race and disability to meet industry demands for a skilled workforce.

DEED’s implementation process of the Equity Grant’s competitive grant programs ensured that the Equity Grant resources aligned with other state workforce development activities.

## OVERALL SUCCESSES AND CHALLENGES

DEED encountered many successes and challenges in the grant-making process. The number of new grant programs and the high demand for these grants significantly increased DEED’s workload and uncovered weaknesses in DEED’s grant-making processes. DEED had to adapt and change its operational practices to incorporate feedback from stakeholders, improve its fiscal management and remove barriers to facilitate the inclusion of new and smaller grantees. This included DEED providing more technical assistance than usual, but caused delays in issuing of RFPs and executing grant agreements. This led to slower-than-usual service delivery and program outcomes.

Grantees also experienced many successes and challenges during the grant process. Grantees were able to serve more individuals than usual, serve all interested participants and achieve targeted outcomes. Challenges included overcoming participants’ training barriers, limits on the grant programs, and reporting requirements.



<sup>7</sup> WIOA is designed to help job seekers access employment, education, training and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy.

<sup>8</sup> WIOA program activities and employment outcomes can be found at <https://mn.gov/deed/about/what-we-do/agency-results/perform-measures/wioa/>.



# DIRECT APPROPRIATIONS

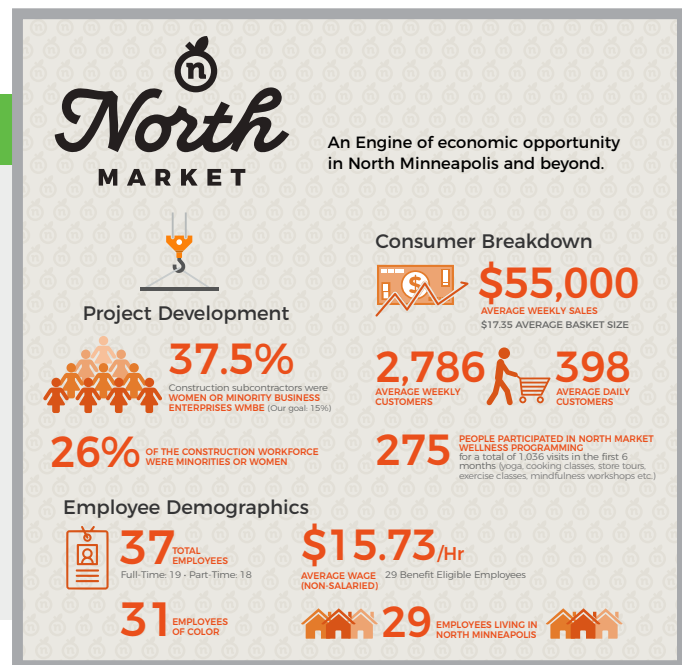
These grants provided \$23.9 million directly to 12 grantees for workforce development projects serving 22,981 participants.

Organization	Purpose	Grant Amount	Participants Served
American Indian Opportunities and Industrialization Center	To reduce academic disparities in the American Indian community.	\$1,130,000	640
Construction Careers Foundation	To support the design and implementation of Construction Career Pathways initiatives for teens and young adults.	\$3,000,000	11,600
Comunidades Latinas Unidas en Servicio (CLUES)	To expand culturally tailored education and employment programs for underserved Latino youth and adults.	\$2,250,000	2,193
EMERGE Community Development	To support the expansion of education, training, and support service for African and African Americans. *At least 50% of funds for Greater Minnesota.	\$5,250,000	1,027
Fighting Chance	To provide behavioral intervention programs for at-risk youth in an afterschool program that provides boxing, tutoring and meals	\$50,000	310
Hennepin County	To create and implement multi-employer, industry sector-based Career Connections Pathways with local government units. *Portion of fund to establish program outside the seven-county metropolitan area.	\$2,500,000	272
Minneapolis Foundation	To support a strategic intervention program (North@Work) to target and connect program participants to meaningful, sustainable living-wage employment.	\$2,000,000	283
State Services for the Blind	To advance, extend, and deepen adjustment to blindness training services for senior citizens who are experiencing vision loss.	\$1,500,000	4,893
Twin Cities R se	To train hard-to-train individuals for the Metro Transit Technician training program.	\$2,497,000	628
Ujamaa Place	To provide education, training, support services for African American men and provide organizational capacity building.	\$1,200,000	721
YWCA Minneapolis	To provide low-income individuals training services for career pathways into early childhood education.	\$1,275,000	208
YWCA St. Paul	To provide job training services.	\$1,250,000	206

■ Grantee is actively serving participants under the grant agreement.

## An Engine of Economic Opportunity

Pillsbury United Communities received a \$2 million direct appropriation for construction and renovation of a building in North Minneapolis for use as the North Market grocery store and wellness center, focused on offering healthy food, increasing health care access, and providing job creation and economic opportunities in one place for children and families living in the area.



# COMPETITIVE GRANT PROGRAMS

The Equity Grants funded six competitive grant programs to provide education, training and support services for targeted groups.

Program	Grant Funds	Number of Grantees	Number of Projects	Participants Served
Southeast Asian Economic Relief	\$2,375,000	10	13	657
Pathways to Prosperity	\$9,891,845	44	62	1,298
Support Services	\$2,570,000	26	28	11,331
Youth-at-Work	\$1,425,000	9	10	9,506
Somali Youth Community Resiliency	\$1,950,000	7	7	3,309
Women in High Wage, High Demand, Nontraditional Jobs	\$1,900,000	13	16	333
<b>Total</b>	<b>\$20,111,845</b>	<b>109</b>	<b>136</b>	<b>26,434</b>

# SOUTHEAST ASIAN ECONOMIC RELIEF

This program addressed economic disparities in Southeast Asian communities through workforce recruitment and development, job creation, increased capacity for smaller organizations and outreach.

**\$2,375,000 Awarded | 10 Grantees | 657 Participants Served**

Organization	Projects Funded	Grant Award	Participants Served
Hmong American Partnership*	Manufacturing and Jobs, Training /Custom Jobs Training Program	\$450,000	92
CAPI USA	CAPI KOM Collaboration - placing Southeast Asians into jobs and credentialed training opportunities	\$280,000	154
Hmong American Farmers Association	Piloting a Community-Owned Local Food Processing Social Enterprise	\$350,000	27
Hmong Cultural Center*	Southeast Asian Seniors Occupational English Classes/Southeast Asian Workforce Development Training	\$395,000	45
Southeast Asian Refugee Community Home	Immigrant and Refugee Employment and Training Services	\$200,000	92
Guadalupe Alternative Program	GAP IT/Customer Service Pathway Enrichment	\$250,000	60
Pathway Learning Center	Southeast Asian Training Program - IT Training	\$50,000	29
Workforce Development Inc.*	Southeast Asian Success in Southeastern Minnesota/Southeast Asian Success in Southeast Minnesota - job training and placement	\$200,000	122
Karen Organization of Minnesota	Warehouse and Manufacturing Career Pathways	\$100,000	34
Asian Economic Development Association	AEDA Building Trades Pipeline Training and Employment	\$100,000	2

\*Denotes organizations that received grant awards in FY17 and FY18

■ Grantee is actively serving participants under the grant agreement.



## SUCCESS STORY: REMOVING LANGUAGE BARRIERS

K., a 28-year-old single mother of two and a refugee from Thailand, took an Occupational English as a Second Language class at the Hmong Cultural Center to develop English and computer skills to prepare her for a high-wage, high-demand career. She obtained a job at a local manufacturer.

# PATHWAYS TO PROSPERITY

This program focused on helping low-wage and low-skill adults, who have multiple barriers to employment, obtain credentials and skills that prepare them for long term employment in growing fields such as health care and manufacturing.

**\$9,891,845 Awarded | 44 Grantees | 1,298 Participants Served**

- The Pathways to Prosperity program received \$7,143,000 in funds. The Minnesota Job Skills Partnership Board transferred \$3,185,000 in FY18 (from the Workforce Development Fund) to provide additional training resources for low-income individuals at or below 200% of the poverty level. This brought the total available funds for the Pathways to Prosperity program to \$10,328,000.

**Barriers include individuals:**

- lacking stable housing;
- with a criminal record;
- without a high school diploma or equivalent;
- who have been unemployed for 26 or more consecutive weeks;
- with limited English or math proficiency; or
- at or below 200% of the Federal Poverty Guideline.

Organization	Projects Funded	Grant Award	Participants Served
<b>ACTIVE PROJECTS</b>			
Project for Pride in Living*	Building Operations Technician Career Pathway Program/PPL's Competency-Based On Ramp Pathway/PPL's Public Sector Career Pathways	\$412,500	89
Hmong American Partnership*	Manufacturing and Jobs, Training/Custom Jobs Training Program	\$450,000	90
Ujamaa Place*	Ujamaa Place Transformation Program/Training in Construction/Ujamaa Place - Pathways to Prosperity	\$350,000	151
St. Paul Police Department*	Increasing Diversity-Law Enforcement Career Ladder/Increasing Diversity-Law Enforcement Career Path Academy	\$445,754	60
Accessibility Inc.	Project Connect - educational and vocational support services	\$200,000	28
African Community Services	Dariqa Program - IT and business services training	\$100,000	6
American Indian OIC	AIOIC- Health care, business, construction/health care, IT, business, construction	\$312,500	33
Anoka County	Career Connections - health care and manufacturing training	\$275,000	35
Avivo - SDA 35	Avivo Career Education at Higher Ground Saint Paul - business services and manufacturing training	\$250,000	32
CAPI	On-Ramp to Bridge Project/Bridges to Integrated Project	\$312,500	18
Career Solutions (Stearns- Benton)	Manufacturing/Welding Pathways	\$125,000	12
City of Duluth LWDA 4	Connections to Careers (in health care and construction)	\$163,108	27
City of Mpls- Minneapolis Employment & Training	Minneapolis Health Hire/Public Safety Pathways	\$300,000	62
CLUES	Bridge to Health Care Careers/On-Ramp to Health Care	\$312,500	55
Community Action Center Northfield	Northfield Works Career Pathways - On Ramp/Northfield Works Career Pathways Integrated/Northfield Works Career Pathways - Bridge - health care, manufacturing, and education in the public sectors	\$87,000	4
Goodwill Industries, Inc.- Construction	Goodwill Easter Seals Minnesota Integrated Construction Pathway/Goodwill Easter Seals Minnesota Soldering Bridge	\$311,607	18
Greater Bemidji Inc.	MI2 Pathways to Prosperity - construction and manufacturing training	\$275,000	11
Guadalupe Alternative Programs	GAP IT/Customer Service Career Pathway	\$162,500	51
HIREd	HIREd's Public Sector & Construction Pathways	\$250,000	19

*continued >>*

## PATHWAYS TO PROSPERITY

Organization	Projects Funded	Grant Award	Participants Served
International Institute of Minnesota	Medical Careers Pathway	\$312,500	117
Jewish Family and Children's Service	IT Pathways - Bridge Pathways to Prosperity	\$275,000	19
Karen Organization of Minnesota	Nursing Careers Pathways/Health Care & Public Sector Interpreting Career Pathways	\$212,500	36
Lifetrack	Lifetrack Pathways On-Ramp Program - digital literacy and customer service training	\$124,841	3
Lutheran Social Service of Minnesota	Eastside Financial Center/Eastside Financial Center - health care training	\$270,000	6
Merrick Community Services	Public Sector Pathways	\$125,000	0
Metro East Adult Basic Education	Pathway to Prosperity - IT training	\$94,575	18
Minnesota Computer for Schools	Core IT Pathways	\$137,500	11
Minnesota Valley Action Council Inc.	Region 5 Partnership for Career Pathway Success - health care and manufacturing training	\$300,000	42
Northfield Healthy Community Initiative	Pathways to Prosperity Education Fellows	\$45,960	9
Northwest Indian Community Development Center	Mino Mashkiikii Anokiwin - health and human services	\$209,000	1
Pine Technical and Community College	PTCC Kick-Start Program - health care and manufacturing training	\$150,000	13
Ramsey County Workforce Solutions	Project CLOVER/Project CLOVER - health care and public sector training	\$300,000	15
Roseville Adult Learning Center	Roseville Adult Learning Center Apprentice and Manufacturing Ready	\$100,000	13
Rural Minnesota CEP Inc.	New Americans Pathway to Prosperity - health care and manufacturing training	\$275,000	0
Saint Paul Public Schools	On Ramp to Building Maintenance Careers for EL Adults	\$125,000	0
South Central College	Career Pathways Region 6 Model 3 - P2P - health care and manufacturing training	\$100,000	0
Southeast Asian Refugee Community Home	P2P Workforce Training Initiative - manufacturing training	\$100,000	24
Summit Academy OIC	Career Pathways for the Future Workforce - construction, health care, and business services training	\$275,000	27
SW Private Industry Council/Regional Workforce Development Area 5	WIOA Region 5 On-Ramp for Careers in Demand - health care, manufacturing and transportation training	\$425,000	99
ThinkSelf Inc.	Deaf ABE On-Ramp Programming - health care and digital technology training	\$100,000	17
Twin Cities Rise	Twin Cities RISE Facilities and Maintenance Pathway	\$47,500	1
Vietnamese Social Services of Minnesota	Bridge to the Future - construction training	\$125,000	2
Washington County Workforce Center	Office Technology for the Workplace - business and technical services training	\$80,000	1
Workforce Development Inc.	Bridges to Public Sector/Carpentry Pathways/River Region Manufacturing Pipeline: Ex-Offender Pathway	\$487,500	23

\*Denotes organizations that received grant awards in FY17 and FY18

Due to program restructure, grant contracts were not signed until between June 25, 2018-June 29, 2018.



### SUCCESS STORY: OBTAINING CREDENTIALS

J. was unemployed. She always wanted to be a welder so she completed an Intro to Welding Course with the Southwest Minnesota Private Industry Council Career Pathways program. J. went on to obtain a welding certificate at the Marshall Area Technical & Educational Center. She is now employed as a welder with an engineering and manufacturing company in Granite Falls making \$17.25 an hour. J. is also working towards becoming a welding instructor.

## SUPPORT SERVICES

This program focused on assisting low-income communities, young adults from families with intergenerational poverty and communities of color through job training, employment preparation, internships, job assistance to fathers, financial literacy training, academic and behavioral intervention for low-performing students and youth intervention.

**\$2,570,000 Awarded | 26 Grantees | 11,331 Participants Served**

Organization	Projects Funded	Grant Award	Participants Served
<b>ADULT PROJECTS</b>			
Minnesota Assistance Council for Veterans	Employment Assistance for Homeless and In-Crisis Veterans	\$150,000	30
African Community Services	Last Chance Employment Project	\$100,000	146
North Point Health & Wellness Center Inc.	Family Economic Stability Project	\$150,000	42
Better Futures Minnesota	Integrated-Care Model	\$150,000	9
Family Service Rochester	Employment Support Services	\$150,000	26
Minnesota Valley Action Council	Region 5 SNAP E&T Support Services Project	\$150,000	180
Lutheran Social Service of Minnesota	Eastside Financial Center-Bridges to Career Opportunities Expansion Project	\$100,000	41
Project for Pride in Living*	PPL Capacity Building Initiative/PPL Supportive Services	\$200,000	338
Karen Organization of Minnesota	Foundational Skills for Stable Employment	\$50,000	32
Leech Lake Financial Services	Building Financial Skills for Native American Families	\$50,000	0
Summit Academy OIC	Summit Academy OIC East Metro Partnership; Boys2Men	\$50,000	62
<b>YOUTH PROJECTS</b>			
Hallie Q. Brown Community Center*	Community Ambassadors Initiative/Community Ambassadors Initiative	\$194,000	6,628
Pillsbury United Communities	Urban Opportunities Youth Advocates	\$150,000	43
Harvest Network of Schools	Increasing Literacy and Numeracy at the Harvest Network of Schools	\$100,000	1,211
Model Cities of St. Paul	Community Coaching Employment Readiness Program	\$150,000	68
Interfaith Action of Greater St. Paul	Academic Enrichment: Serving Low-Income American Indian and African American Children in St. Paul	\$100,000	545
Olmsted Outreach	Project Legacy	\$150,000	88
180 Degrees	Youth Vocational Program (YoVoPro)	\$50,000	0
American Indian Opportunities Industrialization Center (OIC)	SOAR for Natives, POC, impoverished, ex-offenders, and youth	\$50,000	30
Brooklyn Park Economic Development Authority	BrookLynk Youth Employment Program	\$44,000	268
Jeremiah Program	Removing Barriers to Post-Secondary Career-Track Credentials for Young, Low-Income Single Mothers	\$50,000	85
Minneapolis Employment & Training	STEP-UP Academic Credit	\$44,000	1,179
Minnesota Valley Action Council	Region 5 Partnership for SNAP E & T Success	\$50,000	34
Oromo Community of Minnesota	Employment and Academic Support Program	\$50,000	89
Somali Community Resettlement Services of Olmsted County	DIPLOMA TO CAREER (D2): Supporting At-Risk Somali and Latino Youth to Attain a High School Diploma and Employment Experience	\$44,000	104
Workforce Development Inc.	Emerging Leaders	\$44,000	53

\*Denotes organizations that received grant awards in FY17 and FY18

■ Grantee is actively serving participants under the grant agreement.



### SUCCESS STORY: ON-THE-JOB TRAINING AND TWO CERTIFICATIONS

T. is a 40-year old man who, while in the county jail's work release program, was able to obtain multiple services through the Better Futures' Integrated-Care Model program. Through Better Futures' workforce development curriculum, T. was able to complete on-the-job training and acquire two industry-standard certifications (OSHA and forklift operations). Upon completion of his training, he was offered a full-time deconstruction position. He has been able to maintain full-time employment, stabilize his housing situation, gain custody of his son and become a licensed foster-care parent to his son's siblings.

# YOUTH-AT-WORK

This program provided employment and training services for youth of color, youth with disabilities and at-risk youth.

**\$1,425,000 Awarded | 9 Grantees | 9,506 Participants Served**

Organization	Projects Funded	Grant Award	Participants Served
City of St. Paul	Right Track/Right Track - youth employment program	\$602,970	5,803
Minnesota Computers for Schools	Core IT - IT training	\$180,000	243
Hmong-American Partnership	Youth at Work - health care training	\$150,000	2,456
Appetite for Change	Youth employment and training	\$125,000	33
Migizi Communications	Indigenous Pathways to Economic Independence-Green Jobs Pathways	\$82,030	74
Genesys Works	Skills training, internships, college support for disadvantaged youth	\$75,000	756
Arrowhead Economic Opportunity Agency	Anokiiwin Youth Training Program - work skills, life skills, financial literacy, and construction training	\$75,000	19
Project for Pride in Living Inc.	Learn and Earn to Achieve Potential Initiative	\$60,000	77
East Side Neighborhood Services	Future Connect	\$75,000	45



## SUCCESS STORY: PREPARING FOR A FUTURE IN IT

C. a high school junior, was enrolled in an after-school program supported by **Minnesota Computers for Schools** called 3D:IT (Ditching the Digital Divide). He learned about topics covered in the CompTIA IT Fundamentals certification exam. The IT Fundamentals certification is for those considering a career in Information Technology. He is preparing to take the CompTIA IT Fundamentals certification exam.

## SOMALI YOUTH COMMUNITY RESILIENCY

This program, focused on Somali youth, provided activities designed to increase community engagement, encourage positive development, promote resiliency and address challenges they face. It included youth prevention services and legal services. Of the \$2,000,000 that was provided for the Somali Youth Community Resiliency program, \$1,000,000 was directly appropriated to Youthprise to perform the same activities.

**\$1,950,000 Awarded | 7 Grantees | 3,309 Participants Served**

Organization	Projects Funded	Grant Award	Participants Served
Ka Joog	Guul	\$200,000	215
Brian Coyle Center	Coyle Center/African Immigrants Community Services Collaboration	\$150,000	268
Confederation of Somali Community of Minnesota	THRIVE	\$150,000	755
Intercultural Mutual Assistance Association	Somali Youth Program	\$250,000	110
United Way of Steele County	Somali Youth and Steele County Works	\$100,000	56
Afro-American Development Association Inc.	Somali Youth Project	\$100,000	81
Youthprise*	Somali Youth Services and Capacity Building	\$1,000,000	1,824

\*Youthprise received a direct appropriation to provide direct service to participants and capacity building for Somali-led organizations.



# WOMEN IN HIGH WAGE, HIGH DEMAND, NONTRADITIONAL JOBS

This program focused on encouraging and assisting women to enter nontraditional fields such as science, technology, engineering and math (STEM) or construction. It provided employment, training, support services and outreach activities.

**\$1,900,000 Awarded | 13 Grantees | 333 Participants Served**

Organization	Projects Funded	Grant Award	Participants Served
Lifetrack Resources Inc.	Women in Construction and Trucking Careers	\$196,109	22
YWCA of St. Paul*	YWCA Commercial Driver's License Training Program for Women	\$144,000	47
Dunwoody College of Technology*	Women in Technical Careers/Women in Technical Careers	\$445,200	56
Hmong American Partnership	Women in High Demand - training and supportive services	\$180,000	48
Saint Paul College	Women in Trade Careers at Saint Paul College	\$155,274	18
Washington County Workforce Center*	Nontraditional Opportunities for Women/Non-traditional Opportunities for Women (NOW) - advanced manufacturing, transportation and construction training	\$85,900	19
Honor the Earth	Mino Bimaadiziwin - solar thermal training	\$75,000	25
Pine Technical and Community College	ETC-WESA Project - welding and trucking training	\$329,017	64
City Academy Charter School	WESA CHAMP Program - career-based training, education, support and placement	\$34,583	5
City of Duluth	Creating Connections for Women in the Skilled Trades	\$70,750	13
Goodwill Easter Seals	Goodwill Easter Seals Minnesota Construction training	\$53,291	7
Merrick Community Services	Merrick Construction Training Program	\$30,877	6
Northwest Indian Community Development Center	Gidanishinaabekwenaaneg Ondaasagiwewag (Women's Transitioning Home Workforce Program)	\$100,000	3

\*Denotes organizations that received grant awards in FY17 and FY18

■ Grantee is actively serving participants under the grant agreement.



## SUCCESS STORY: FROM HOMELESS TO HIGH-WAGE

A young woman, enrolled in Dunwoody College of Technology, became homeless after her first semester. Dunwoody intervened and provided her with a Women in Technical Careers scholarship to assist with tuition. The scholarship program also helped her find affordable housing, enroll in the state's medical insurance program and obtain a student worker position on campus. Dunwoody also connected her with an industry mentor who helped her apply for jobs and expand her network. This led to a career in electrical design at a local company that paid \$25.50 an hour.

# BUILDING ORGANIZATIONAL CAPACITY

The Equity Grants included \$2,320,000 in grant funds to build-up the administrative and programmatic capacity of community-based organizations that serve targeted groups and make them more competitive for grants and state support.

Capacity Building	Total	Grantees
DEED	\$820,000	14
Centers for Independent Living	\$1,000,000	8
Nonprofits Assistance Fund	\$500,000	21
<b>Total</b>	<b>\$2,320,000</b>	<b>43</b>

## CAPACITY BUILDING GRANT PROGRAM (DEED)

### \$820,000 Awarded | 13 Grantees

- \$500,000 was awarded to Greater Twin Cities United Way\* through a competitive grant process.

Organization	Project Description	Grant Award
Immigrant Development Center	To build financial education and credit building activities, improve financial, data collection, evaluation policies and procedures, and expand workforce	\$26,600
Somalia Rebuild Organization	To develop financial literacy and management, and for board/staff development	\$5,816
Leech Lake Financial Services	To assess the impact of Credit Builder Loan Program, increase pool of business coaches and trainers, and improve program promotion and marketing activities	\$35,000
Bridge for Runaway Youth	To support Work Ambassador program	\$12,500
Elpis Enterprises	To hire consultant to help build program curriculum	\$10,450
Progressive Individual Resources Inc.	To increase organization’s training capacity	\$11,000
Vietnamese Social Services of Minnesota	To engage in grant writing, financial assessment and IT improvements	\$50,068
Confederation of Somali Community in Minnesota	To build and diversify funding base, improve board oversight, governance and financial management	\$24,500
Aurora St. Anthony Neighborhood Development Corp.	To develop two-year staffing plan and coordinated funding plan, and improve grant writing	\$26,000
Voice of East African Women	To hire two consultants to provide capacity building and technical assistance to improve organization’s work in evaluating training and fund development	\$34,000
Merrick Community Services	To purchase a new client data software management system	\$46,379
Minneapolis American Indian Center	To support partnership development, communication/marketing, curriculum development, legal review of policies, and personnel and staff development	\$22,627
WomenVenture	To conduct community outreach and partnerships, diversity training and a media strategy	\$15,000

\*Greater Twin Cities United Way will announce grant recipients in January 2019.



### SUCCESS STORY: THE CREATION OF AN ORGANIZATIONAL DATABASE

Elpis Enterprises used its grant to develop an organizational database. Elpis hired a consultant to work with staff to help structure the database to track results with clients, customers and donors. In addition, the consultant put together a training program to allow youth interns at Elpis to become familiar with the organizational database.

## CENTERS FOR INDEPENDENT LIVING

### \$1,000,000 Awarded | 8 Centers for Independent Living (CILs)

The CILs received direct appropriations for a variety of activities, including expanding and adding new staff, promoting advocacy and awareness and conducting strategic planning or needs assessment activities. In addition, grants directly supported individuals with disabilities, through the facilitation of adaptive recreation events, improvements in assistive technology, ramps and other accessibility improvements.

Centers for Independent Living	Grant Award
Southeastern Minnesota Center for Independent Living, Rochester	\$68,125
Independent Lifestyles Inc. Center for Independent Living	\$132,526
SMILES	\$215,248
Access North	\$89,317
Metropolitan Center for Independent Living	\$68,062
Freedom	\$234,036
Southwestern Center for Independent Living	\$104,401
Options	\$88,285

## NONPROFITS ASSISTANCE FUND (PROPEL NONPROFITS)

**\$900,000 Awarded | 21 Grantees**

Organization	Project Description	Grant Award
ANEW BAM	To hire an associate director for organizational sustainability	\$40,867
Cultural Diversity Resources	To develop financial and database management systems, contract consultants to create professional training on financial database, and expand partnerships between existing organizations	\$48,560
discapitados abriéndose caminos	To improve financial infrastructure for improved management and reporting of multiple funding sources	\$48,500
Dream of Wild Health	For infrastructure development and focus on financial systems, internal communications technology, training and support	\$50,000
Family Values for Life	For support for leadership personnel and financial process improvement	\$50,000
Green Card Voices	To build a sustainable and comprehensive financial system, upgrade website, and hire development staff	\$50,000
Hispanic Advocacy and Community Empowerment Through Research (HACER)	To hire an administrative and financial associate to develop a financial system, to increase partnerships, and update the organization's technology	\$50,000
Hnub Tshiab: Hmong Women Achieving Together	To build and develop financial systems and policies that demonstrate accountability and reporting responsibilities	\$8,000
Irreducible Grace Foundation	To support development of organizational improvements	\$50,000
La Oportunidad Inc.	To increase and develop workforce capacity	\$30,000
Lao Assistance Center of Minnesota	To institute new grant management and data collections systems	\$50,000
LatinoLEAD	To contract additional personnel	\$25,000
Mentoring Young Adults - MYA	For infrastructure assistance to compete for government grants	\$50,000
Mewinzha Ondaadiziike Wiigaming	To hire Anishinaabe Doula trainer and develop financial, education, and clinic systems	\$50,000
Minnesota Indian Business Alliance	To formalize its organizational structure, expand and formalize organizational partnerships, hire a culturally aware communication consultant and purchase new integrated technology	\$48,073
Minnesota Minority Childcare Association	To establish a streamlined financial infrastructure	\$50,000
Northern Eagle Federal Credit Union	To increase its product offering to its membership	\$50,000
Public Functionary	To invest in developing formalized infrastructure systems that build capacity for administration, grant opportunities and an equitable platform for creative workforce skill-building	\$25,000
Somali American Radio: KALY 101.7	To hire consultants to develop an in-house financial management system and grants management system	\$26,000
Somali Community Resettlement Services	To hire culturally competent staff	\$50,000
WE WIN Institute, Inc.	To support improvements to operating infrastructure in the areas of financial management and capacity building	\$50,000

### Boosting Signals

With a grant from the Nonprofits Assistance Fund, Somali American Community Radio KALY created a new financial management system, imported their historical data, updated their chart of accounts, and is currently testing their internal control effectiveness. Board and staff have participated in fiduciary management training and capacity building.

# SMALL BUSINESS DEVELOPMENT

The Equity Grants provided grants for small business development services aimed at increasing access to capital, job creation and retention, and technical assistance.

Organization	Grant Award	Businesses Served	Jobs Created/ Retained	Technical Assistance Hours	Loan Amount	Number of Loans
Metropolitan Economic Development Association (MEDA)	\$3,675,000	500	134	13,327	\$1,600,000	25
Neighborhood Development Center (NDC)	\$2,250,000	667	525	12,959	\$1,390,000	90
White Earth Nation*	\$625,000	0	0	0	0	0
Enterprise Minnesota	\$2,625,000	230	2,022	5,246	N/A	N/A
Emerging Entrepreneur Loan Program**	\$1,376,000	67	343	N/A	\$1,997,992	67
<b>Total</b>	<b>\$10,551,000</b>	<b>1,464</b>	<b>3,024</b>	<b>31,532</b>	<b>\$4,987,992</b>	<b>182</b>

\*White Earth Nation was not able to utilize the funds.

\*\*DEED transferred \$1,673,000 from the former Urban Initiative Loan Program.



## SUCCESS STORY: MEDA HELPS STARTUP ACHIEVE REGIONAL SUCCESS

Integrated Staffing Solutions (ISS) is a bilingual employment agency that has benefited from MEDA’s expertise twice in its eight-year history. First, MEDA was integral in providing startup funding and business expertise during the establishment of ISS in 2010. Then, when ISS acquired its first corporate client and needed additional business capital to grow their business, they turned to MEDA, which helped the business grow from two employees to nine and over 100 bilingual job hunters.

# EMERGING ENTREPRENEUR LOAN PROGRAM

This program provided grants to nonprofit lenders to loan to new and existing businesses owned by minorities, low-income people, women, veterans and people with disabilities. Businesses located in low-income areas are given highest priority.

## \$1,997,992 Loaned | 23 Nonprofit Lenders | 67 Loans

- The Emerging Entrepreneur Loan Program received \$1,376,000. Repayments from the former Urban Initiative Loan Program were added for a total of \$1,997,992 loaned.

Non-Profit Lenders	Loan Amount	# of Loans
Metropolitan Consortium of Community Developers	\$240,000	10
The Entrepreneur Fund	\$353,664	8
African Development Center of Minnesota	\$330,000	12
Central Minnesota Development Company	\$270,000	3
Neighborhood Development Center	\$75,000	3
WomenVenture	\$100,000	4
Metropolitan Economic Development Association	\$42,500	1
Latino Economic Development Center	0	0
First Children's Finance	0	0
Southwest Initiative Foundation	\$25,000	2
Initiative Foundation	\$72,122	2
Northland Foundation	\$145,000	3
Community and Economic Development Associates	\$60,000	1
Southern Minnesota Initiative Foundation	\$35,000	1
North Central Economic Development Association	\$99,956	6
Northside Economic Opportunity Network	0	0
Northwest Minnesota Foundation	\$15,000	1
Worthington Regional Economic Development Corporation	\$15,000	2
4-Directions Development	0	0
African Economic Development Solutions	\$49,750	4
Greater Bemidji	\$20,000	1
Immigrant Development Center	0	0
Hmong American Partnership	\$50,000	3

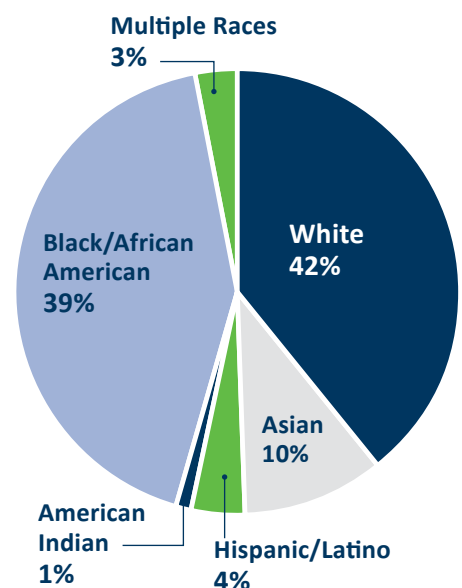


### Loans were made to business owners in the following demographics:

Demographic	Number of Loans	Percent
Minority	39	58%
Women	40	60%
Person with a disability	1	1%
Veteran	4	6%
Low-income	3	4%

\*Loan recipient may belong to more than one of these demographics.

Percent of Loans by Race



# CONCLUSION

The Equity Grants have resulted in many process improvements, challenges and opportunities in addressing the needs of Minnesota workers and businesses. DEED and the grantees have been successful in developing almost 1,500 businesses, and providing education and training opportunities that have assisted almost 50,000 people. That has helped reduce disparities across a number of economic indicators.

The full impact of the grant-funded work, given lag times in federal and state data processing, is unknown. But it is clear there has been a positive trend in lower unemployment rates for targeted populations. For example, black unemployment in Minnesota dropped from 14.7% in 2015 to 11% in 2017.<sup>9</sup> (A separate, smaller Current Population Survey (CPS) put the October 2018 black unemployment rate in Minnesota at 5.4%.)<sup>10</sup> Hispanic unemployment in Minnesota dropped from 9.1% in 2015 to 7.2% in 2017. (The CPS put it at 5% in October 2018.)

Throughout the process, DEED staff have forged new connections with a broad group of community organizations that closely serve targeted populations. Together, DEED and these organizations continue to make a difference in closing economic gaps and in training tomorrow's workforce. Inclusion strategies developed throughout the grant-making process are helping to better serve Minnesotans of color. However, the disparities still exist. For example, the unemployment rate for African Americans continues to be two to three times higher than that of whites (11% compared to 3.6% for whites in 2017; or, according to the CPS, 5.4% compared to 2.6% in October 2018). American Indian rates show an even greater gap.

Eliminating Minnesota's economic disparities continues to be a priority as Minnesota simultaneously faces a tightening labor market. According to the state demographer, the only growth in the workforce during the next 15 years will come from Minnesotans of color. To maintain the state's economic vitality, it is imperative that Minnesota continues to provide funding resources for targeted populations. Funding is needed to sustain and increase the current gains and ensure the labor needs of Minnesota's employers are met.

<sup>9</sup>American Community Survey, 1-Year Estimates; <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

<sup>10</sup><https://mn.gov/deed/data/current-econ-highlights/alternative-unemployment.jsp>



COMMENTS OR QUESTIONS?

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