EMPLOYMENT AND ECONOMIC DEVELOPMENT

# CENTRAL MINNESOTA OPPORTUNITY GRANT PROGRAM

DEED Annual Report to the Legislature

As required by 2017 Laws of Minnesota, Chapter 94, Article 6, Section 8, Subd. 5.

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# Background

2017 Laws of Minnesota, Chapter 94, Article 6, Section 8 authorizes a grant to the Central Minnesota Community Foundation in the amount of $500,000. Grant funds are to be used by Central Minnesota Community Foundation (CMCF) to eastablish a grant program and award funds through a competitive grant process to community initiatives in the St. Cloud area that will provide services, either alone or in partnership, with another nonprofit organization in one or more of the following areas:

- Economic development, including but not limited to, programs to foster entrepreneurship or small business development;
- Education, including but not limited to, programs to encourage civic engagement or provide youth after-school or recreation programs
- Housing, including but not limited to, programs to prevent and respond to homelessness or to provide access to loans or grants for housing stability and affordability.

Grant awards were made by CMCF in May, 2018 to six organizations that include United Way of Central Minnesota, The Initiative Foundation, Lutheran Social Services, Mid-Minnesota Legal Aid, the Yes Network, and Promise Neighborhood.

The following report provides details on grant program, descriptions of the projects awarded funding and the interm results of the ongoing projects.

## Qualified expenditures

Competitively awarded grant funds may be used by a community initiative for the following purposes: operating costs, including but not limited to, staff, office space, computers, software, and Web development and maintenance services; (2) program costs; (3) travel within Minnesota; (4) consultants directly related to and necessary for delivering services listed in paragraph (a); and (5) capacity building.

## Eligible Recipients

Eligiable recipients include nonprofit organizations in the St. Cloud area that provide services to central Minnesota communities of color in one or more of the following program areas: (1) economic development, including but not limited to, programs to foster entrepreneurship or small business development; (2) education, including but not limited to, programs to encourage civic engagement or provide youth after-school or recreation programs; or (3) housing, including but not limited to, programs to prevent and respond to homelessness or to provide access to loans or grants for housing stability and affordability.

The service area is defined as the St. Cloud area composed of the counties of Benton, Stearns, and Sherburne.

## Reporting Requirements

As required by the authorizing legislation this report will detail the use of the grants funds including the number of individuals served and, to the extent practical, measures of progress toward achieving the outcomes which include: (1) outcomes in areas including improved job training (2) workforce development (3) small business support (4) early childhood, kindergarten through grade 12, and higher education achievement; and (5) access to housing, including loans, and any additional information requested by the foundation.

# Project Overview/Description

The St. Cloud area is defined as the three counties of Benton, Stearns, and Sherburne. The Central Minnesota Opportunity Grant provided grants to nonprofits demonstrating proven success in the areas of education, housing and increased economic opportunities for people of color through established programs which can through expansion, benefit a larger segment of the targeted population. The Central Minnesota Community Foundation, after conducting in-depth focus groups to learn about the most pressing needs among people of color including, immigrant and refugees, granted a total of $475,000 to six different organizations equipped to address economic opportunities, housing and/or education based on the grantee application process. The selection of the six grantees were conducted by the Central MN Community Foundation's Community Programs Committee which includes 19 community members. These members were trained in the grant review process. In November and December 2018, site visits of each grantee were conducted as part of the interim report process by staff of the Central MN Community Foundation and its Community Programs Committee. In October and November 2019, second interim reports were provided from each grantee illuminating updated information and impact from the grant.

The following is a brief description of the grant awards, grantees, and projects:

| Grantee Organization | Award | Focus Area | Communities Served | Project Description |
|---|---|---|---|---|
| Mid-Minnesota Legal Aid | $87,000 | Housing | East African communities, individuals with limited English proficiency | Project to prevent and end homelessness by providing legal representation, advocacy and advice on behalf of low-income people. This project increases resources to educate both Somali and limited English proficiency tenants through listening sessions, education, and direct representation to identify and address issues. |
| Lutheran Social Services | $70,000 | Housing & Education | East African communities | Provide additional supportive services to refugee families resettled in the area through an expanded education and housing program currently offered by providing rental assistance in the form of micro-grants and housing education related to tenants' rights. Also, addressed education in partnership with EAGLE (Eradicating Achievement Gap & Learning Empowerment, Inc.) |
| United Way of Central Minnesota | $88,000 | Education | Low-income communities | Neighborhood Resource Center – establishing school-based delivery sites for comprehensive sets of services including educational, recreational, social and health services. |

| | | | | |
|---|---|---|---|---|
| The Yes Network | $30,000 | Education | Low-income | Expanding on-site summer school program serving meals to 23 neighborhoods and offering activities to 14 of those in low-income areas. |
| Promise Neighborhood | $50,000 | Education | Low-income communities | Program to enhance long-term economic self-sufficiency by improving educational and economic outcomes for people of color primarily through leadership training and office functioning for the organization and skill development that could transfer to opportunities in the community. |
| Initiative Foundation | $150,000 | Economic Development | East African communities | Enterprise Academy Program – support to East African Entrepreneurs with classes, business planning technical assistance, and access to capital assistance. |

Overall, 96% of program participants are from communities of color with more than half the individuals served coming from African immigrant communities (see Appendix A "Demographic Information").

## Project Outcomes or Key Successes for HOUSING

## Mid-Minnesota Legal Aid

Project Description: To prevent and end homelessness by providing legal representation, advocacy, and advice on behalf of low-income people. This project will increase resources to educate both Somali and limited-English proficiency tenants and their communities in Benton and Sherburne County about tenant rights and obligations. It will use a variety of strategies including listening sessions, education, and direct representation to identify and address issues.

Goals: Host meetings with the Somali Elders and leaders to design and obtain feedback on project strategies and outcomes, provide educational presentations about landlord/tenant obligations and rights, and identify 3 sites with systemic issues to target for additional education. And lastly, to provide advice and representation to 125

Somali and other limited English proficient clients on issues related to obtaining housing or preventing loss of housing.

Outcomes/Outputs: Legal Aid has provided help to over 273 people through housing related assistance and education. An additional 500 people were reached through a large community event at Somali Independence Day. The ability to hire (in Nov 2019) an attorney from the Somali community helps to directly impact the injustice that has occurred. While the project comes to an end, Legal Aid is now staffed by 3 bilingual professionals – an attorney and paralegal who speak Somali and English and a paralegal that speaks Spanish and English.

In one case as an example of success with this project, a Somali woman contacted the office because her security deposit was not returned and she was being billed for cleaning charges. Her first words to the Somali paralegal were, "I have pictures." Prior to this grant, many clients contacted the office with the same complaint but the ability to challenge the landlord's actions was limited because people new to our country were not aware of how to protect themselves by making requests in writing and taking pictures when they moved into and out of an apartment. As more clients are successful at pushing back against improper charges, they share this success with others in the community broadening the impact of each case.

## Lutheran Social Services

Project Description: The project provides additional supportive services to refugee families resettled in the area through an expanded education and housing program currently offered by rent assistance in the form of micro-grants and housing education related to tenants' rights and providing education to an additional 50 refugees and immigrants in partnership with EAGLE (Eradicating Achievement Gap & Learning Empowerment, Inc.).

Goals: Assist 50 vulnerable refugee and immigrant youth of color in accessing community and school resources and comfortably integrating into the community and schools, and successfully have them participate in after-school tutoring provided by EAGLE with results of improving their academic performance. Also provide training and education to 15 refugee and immigrant families of color to help them understand and access community resources related to public education and/or housing through cultural orientation and provide rental assistance to those who are at-risk of eviction and/or struggling to pay rent or security deposits.

Outcomes/Outputs: This project continues to be a partnership of trusted community providers who are well-established and respected in the refugee community to identify and enroll refugees into the program. Through the Opportunity Grant, the Central MN Education & Housing Support for Refugee and Immigrant Families of Color project has enrolled 65 students in the program who are currently receiving regular academic tutoring after school; 145 sessions (over 365 hours of tutoring and academic support) have been provided through this grant for the 65 students from November 2018 through December 2019. On average, about 15-20 students specifically from the Opportunity Grant program attend each session. Students have also attended cultural orientation sessions that are targeted to adjustment topics relevant to newly arrived refugee children, and community engagement sessions to support various integration opportunities for the youth in the program. The housing support part of the program began in November 2018 with education, rent assistance, and housing coordination and support. From November 2018 to December 2019, 17 families were supported through the Opportunity Grant for housing assistance (74 individuals). The families all received housing education, and coordination assistance to avert a housing crisis situation. Grants for families ranged from $500 to $1500 to support an immediate rent need, in addition to other housing assistance through furniture grant and volunteer donation programs. As anticipated, about 2 grants were given out each month to support housing assistance

needs. Families had a range of vulnerable statuses: refugee, asylee, special immigrant Iraqi, victim of trafficking, recent re-entry following imprisonment, and limited English-language proficiency.

At the program's end, 65 students were enrolled and attended the EAGLE sessions, which were held Monday through Thursday for about 2.5 hours each day. Attendance was tracked for each student and part of the intake process in the program includes an initial academic placement on math and/or literacy to gauge student progress in the program. Academic progress is assessed periodically throughout the year (about every month or two) to ascertain student gains and ensure that students are getting the support that they need. 100% of the youth in the program showed improvement in their academic goals during their participation in the program. These gains are tracked in their student files and shared with the parents and students to give the family a sense of the value of their work in the program.

The housing support part of the program was in conception and planning during the initial quarter of the grant period, and began activities in November 2018 with education, rent assistance, and housing coordination and support. From November 2018 to December 2019, 17 families were supported through financial support for immediate needs ranging $500-$1,500.

## Project Outcomes or Key Successes for EDUCATION

## United Way of Central Minnesota

Project Description: Neighborhood Resource Centers are the school-based delivery sites for a comprehensive set of services including educational, recreational, social, and health services. The goal is to foster academic achievement by reducing poverty barriers to educational success by addressing factors outside the classroom that affect the ability to learn. It is a project whereby schools, families, and communities work together and is managed by a Community Resource Navigator who specializes in outreach and community building at Lincoln and Discovery schools.

Goals: Increase target services academic summer school participation to 200 daily at Discovery and 100 at Lincoln to drive academic success, while also increasing student retention at both schools by 10% and parent attendance at conferences by 10% at Discovery and 15% at Lincoln. Also, by Spring of 2020, increase the percentage of students in grades 3-5 meeting or exceeding MN Reading performance standards by 15% as measured by the Reading MCA tests.

Outcomes/Outputs: This funding was instrumental not only in piloting Summer United and expanding Neighborhood Resource Centers, but perhaps even more important in proving proof of concept that allow United Way to win a six-year, $4.5 million 21st Century Community Learning Centers grant. In addition, the NRC project has created parent affinity groups, positive identity girls groups, youth leadership groups, additional unique partnerships during the school year and during the summer, and innovative use of targeted services dollars within the school district itself. Resource Navigators now serve the community at 10 sites, including Tech High School and South Junior High, as well as BG Clubs and other community-based sites. Summer United successfully transformed four weeks of half-day summer school at Discovery and Lincoln into a robust enrichment-based summer camp. Also, a new and robust data-sharing software system, CitySpan, has been purchased with new funding with the main intention of shared data on academic outcomes.

The biggest ongoing challenge continues to be not just helping current families stay in the school, but dealing with the great number of students who migrate into Discovery and Lincoln each year. Lincoln continues to retain more students each year, but the increase in school size throughout the year resulted in a lower percentage of

consistency overall. Demand for school at Discovery has grown so much that although students leaving has leveled and stabilized, the influx of new students is a new burden on program consistency and quality.

A new and robust data-sharing software system, CitySpan, has been purchased with new funding with the main intention of shared data on academic outcomes as follows:

- An increase of students Partially Meeting Standards: from 14.47% to 19.74%,
- An increase in students Meeting Standards: from 7.89% to 11.84%, and
- A very important decrease in students that Do Not Meet Standards: from 77.63% to 68.42%.

## The Yes Network

Project Description: An opportunity to increase student academic success exists through investing in the neighborhoods in which they live. This project will engage residents in three low-income sites in re-creating themselves into vibrant, loving, prosperous neighborhoods in partnership with the Yes Network staff. Through the process of organizing and implementing a summer meal, recreation and enrichment program, parents will gain new insights into their own capacity to develop solutions to problems; children and youth will increase their academic and social emotional learning; high school students will develop leadership, work readiness skills, and the social connectedness of the neighborhood will increase.

Goals: Organize work with neighborhood residents to organize 3-8 parents and teens in each of the three sites to understand, organize, implement and evaluate the summer programs. Also, to expand to 3 neighborhoods engaging 150-175 children in outdoor games and enrichment activities by hiring 18 high school students within the neighborhoods to gain leadership skills by assisting the university student activity leaders in serving meals and organizing the activities. Lastly, engage university students and high school students in hosting a monthly family picnic for resident families during the summer months to increase social connections.

Outcomes/Outputs: While the Yes Network completed the work of this grant within its March through September timeline, staff continued to build on the successes of the summer program during the succeeding months. Meals and activities continued after school 3 days per week during September and October in the three expanded sites. The focus on parents has continued and two staff will work to engage parents throughout the summer. The 2019 summer included organized games and enrichment activities in 14 neighborhood sites in conjunction with meals. The activity leaders included 6 experienced teachers from District 742 who have an understanding of the community challenges. During March 2019, the Yes Network hosted a series of 3 youth leadership development trainings at SCSU (4-hour sessions) with 53 teenagers in attendance, including 14 from the 3 expanded sites. Some of the youth that participated in these sessions found summer jobs with Career Services and resulted in increased confidence to step outside their neighborhoods.

## Promise Neighborhood

Project Description: Program to enhance long-term, economic self-sufficiency by improving educational and economic outcomes for people of color primarily through leadership training and office functioning for the organization and skill development that could transfer to opportunities in the community.

Goals: Identify and train 2 community leaders to coordinate leadership development, writing workshops, basic computer skills, and access to networks for 10 targeted community adults, provide 4 newly trained community

members with leadership opportunities at Promise Neighborhood to coordinate and implement year-round, quality out of school time for 25 youth.

Outcomes: Twelve new community members or past volunteers are currently employed and/or in leadership positions at Promise Neighborhood and 15 community members have completed trainings, workshops and experiential learning opportunities for self-improvement. Twenty youth have shown improvement and increased commitment in the classroom according to parents and teachers, and the parents have increased involvement in the child's education by attending conferences. A total of 100 youth have participated in year-round quality out of school time activities that included academic support and mentoring.

## Grant Funded Project Goals and Outcomes: ECONOMIC DEVELOPMENT

## Initiative Foundation

Project Description: The Enterprise Academy was created to coordinate existing community assets and the entrepreneurial spirit of East African immigrants and to facilitate the creation and growth of small businesses in the greater St. Cloud area.

Goals: 50 individuals to participate in "Plan-It," a class to perfect their business plans, and East African entrepreneurs will start or expand 24 businesses. To increase success, a new Enterprise Academy program coordinator from the East African community in greater St. Cloud will be hired.

Outcomes: The Enterprise Academy program has continued to deepen and broaden its impact in the Greater St. Cloud community. Cohort 4 of the Entrepreneur Training Class concluded successfully in December 2019. This cohort was the first to focus on entrepreneurs outside of the East African American community, and we were invited to celebrate their success at a graduation recognition in front of 250-plus community members at the St. Cloud Kwanzaa Celebration. The visibility given to the cohort at this event, when combined with the word-of-mouth from participants in earlier cohorts, has helped raise the profile of the program. This was evidenced as we took applications for our first cohort of 2020. In past cohorts, almost all of the applicants came from outreach done by our community partner organizations, but for this cohort, we received direct inquiries from motivated entrepreneurs from both the East African and African American communities. Because of this broad interest, Cohort 5 (started on February 15, 2020) consists of entrepreneurs from both the East African American and wider African American communities, as well as a participant of South Asian descent. This approach was supported by our community partner organizations, who have championed integrated training cohorts as part of a wider effort to build community across underrepresented groups in St. Cloud. While this was not an explicit objective of the Enterprise Academy program, we gladly support it.

Of the $600,000 of lending capital allocated to the Enterprise Academy program from 2018-2020, $270,000 remained undeployed as of December 31, 2019. The recently approved loans will deploy approximately $75,000 more, and we anticipate that the growing pipeline of Enterprise Academy lending activity will result in the remainder being deployed by mid-year. We are currently starting to assess other new sources of lending capital for the program, but do not anticipate difficulty. Challenges in our lending process include a perception among some loan applicants that the western-style loan vetting and application process is very intrusive. This has been particularly evident from clients from the East African New American community, many of whom have never taken out a business loan from anyone besides family and clan. Although our Enterprise Academy lending process is less intrusive and rigid than a commercial bank lender must be, we nevertheless ask for information that some may be hesitant to share - such as tax returns and personal financial statements. To help avoid possible misunderstandings regarding this, we have created a loan process and criteria disclosure statement that

we now review at multiple touchpoints with our class participants and those who inquire about our business loans. With the number of lending and management consulting (technical assistance) clients accelerating, we look forward to an increasing cumulative impact of jobs, wages and building of family wealth in the communities we serve.

## Overall Results:

Overall results are summarized in the table below.

| | Mid-MN Legal Aid | Lutheran Social Service | United Way Central MN | The Yes Network | Promise Neighborhood | Initiative Foundation |
|---|---|---|---|---|---|---|
| Number of Individuals served | 273 people | 139 people | 1044 people | 330 | 150 | 44 |
| Outcomes in improved job training | | | 53 youth leadership development training | | 15 completed training | |
| Workforce development | | | | 53 youth participated in leadership dev training & some secured summer jobs | 12 employed or in leadership roles with Promise Neighborhood | |
| Small Business Support | | | | | | 4 cohorts completed entrepreneur training from East African population. 5th cohort started Feb 2020 & included African Am as well. Appx $400,000 in lending capital allocated |
| Early Childhood, & | | 65 – through EAGLE after | Leveraged $4.5 mil over 6 years. | Enrichment, games & meals at 14 | 20 youth demonstrated increased | |

| | | | | | | |
|---|---|---|---|---|---|---|
| K-12 & higher ed | | school tutoring | Academic standardized test increased by 5-6% | sites. Project leveraged an additional $25,000 for teaching artists | classroom success. 100 youth participated in out of school time activities | |
| Access to housing including loans and additional info | 273 assisted with housing education and assistance with specific support for Somali and Spanish speaking individuals | 17 families (75 individuals) with rental assistance | | | | |

# Project Sources and Uses Budget

## Overall Project

| Project Activities | Budget | Actual |
|---|---|---|
| Community Initiative Grants | $ 475,000 | $475,000 |
| Administrative | $ 20,880 | $20,880 |
| Indirect | $ 4,120 | $4,120 |
| Total Costs | $ 500,000 | $ 500,000 |

Individual project budgets are attached separately.

# Demographic Information

## Demographics Reporting Grid

| | |
|---|---|
| Name of Organization | Central MN Community Foundation |
| Project Name | 2018 Opportunity Grant |
| Total served through (Date) | Served March 2018 – December 2020 |

**Grid 1: Race and Age**

| Race > Age | 0-5 | Grades K-5 | Middle School | High School | Young Adult (19-25) | Adult (25-60) | Older Adult (60+) | Total |
|---|---|---|---|---|---|---|---|---|
| Asian Pacific | | 21 | 3 | | | 5 | | 29 |
| Black | 23 | 914 | 166 | 60 | 8 | 259 | 23 | 1,453 |
| Hispanic | 2 | 100 | 1 | | | 64 | | 167 |
| Indigenous | | 16 | | | | 1 | | 17 |
| Subcontinent Asian | | 2 | | | | | | 2 |
| White | | 205 | 16 | | | 11 | | 232 |
| Other | | | | | | | | |
| 2 or more races | | 80 | | | | 2 | | 82 |
| Total | 25 | 1,338 | 186 | 60 | 8 | 342 | 23 | 1,982 |

**Grid 2: County**

| | |
|---|---|
| Benton County Residents | 121 |
| Stearns County Residents | 1,615 |
| Sherburne County Residents | 182 |
| other | 64 |
| Total | 1,982 |

## Definition of Races

| | |
|---|---|
| Asian Pacific | Origins in Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, the Philippines, the United States Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated states of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru. |
| Black | Origins in any of the Black racial groups of Africa |
| Hispanic | Origins in Mexico, Puerto Rico, Cuba, Central or South America, or other Spanish culture, regardless of race. |

| | |
|---|---|
| Indigenous | Eskimos and Aleuts, Native Hawaiian and American Indian; (a)Eskimos and Aleuts having origins in any of the original people of North America who maintain cultural affiliation through tribal or community affiliation;(b)native Hawaiians whose ancestors were natives, prior to 1778, of the area which now comprises the state of Hawaii; and (c)American Indians having origins in any of the original people of North America who are enrolled members of Indian tribes recognized by the governments of the United States and Canada. |
| Subcontinent Asian | Origins in India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal. |