

The logo for the ITASCAproject, featuring the word "ITASCA" in a serif font and "project" in a cursive font, set against a background of blue and white concentric circles.

ITASCA*project*

Mind the Gap: Reducing Disparities to Improve Regional Competitiveness in the Twin Cities

Allison Barmann, Itasca Project Director

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ITASCA PROJECT INTRODUCTION

What is Itasca?

An employer-led civic alliance focused on:

- Building a thriving economy and quality of life in our region
- Reducing and eliminating socioeconomic disparities

Who is Itasca?

50-plus cross-sector community leaders

- Private sector CEOs
- Public sector leaders: the Mayors of Minneapolis and St. Paul, Chair of the Met Council, the leaders of the University of Minnesota and MNSCU
- Leaders of major foundations and United Way

THE ITASCA PROJECT AND SOCIOECONOMIC DISPARITIES

Addressing the region's socioeconomic disparities was one of the first issues the Itasca Project took on when it was founded in 2004.

With support from the McKnight Foundation, Itasca worked with the Brookings Institution Metropolitan Policy Program to better understand the nature and magnitude of our socioeconomic disparities.

This report was used to raise awareness of the troubling disparities and to motivate change in our community. It was followed by a documentary produced in partnership with Twin Cities Public Television (*tpt*) to bring the disparities highlighted in Mind the Gap to life.

CLOSE THE GAP DOCUMENTARY

DISPARITIES IN OUR REGION ARE GROWING, AND THREATEN OUR ECONOMIC HEALTH

In Minnesota, not all children are “above average.” In fact, large populations are struggling

In spite of our historical economic strength, there are 3 stark and growing socioeconomic gaps in the Twin Cities – gaps tied to race, class, and place – which threaten to undermine our region’s future

Closing these gaps now is not just the right thing to do, but the smart thing to do

RACE DISPARITIES CUT ACROSS ALL SOCIOECONOMIC INDICATORS. THEY AFFECT ALMOST ALL NONWHITE RACE AND ETHNIC POPULATIONS . . .

Compared to the average white Twin Cities resident



The **average black Twin Cities resident is:**

- Earning 48% less
- 73% less likely to own a home



The **average Latino Twin Cities resident is:**

- 4 times more likely to be uninsured
- 5 times more likely to be a teen mother

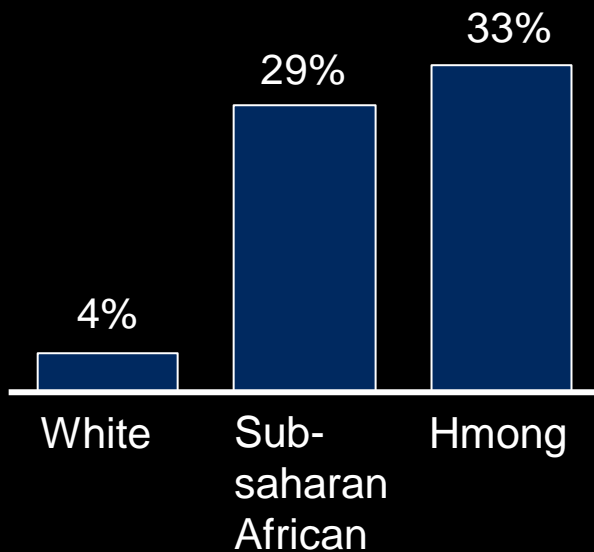


The **average Native American Twin Cities resident is:**

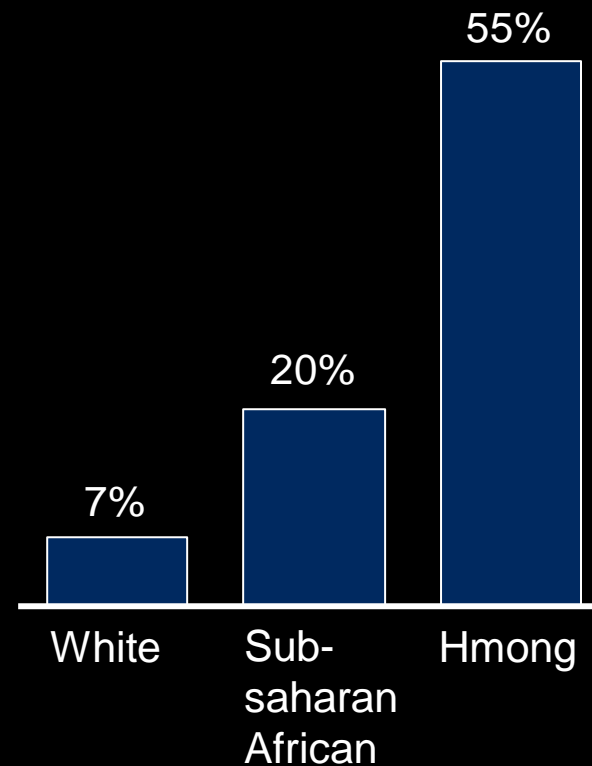
- 2.5 times less likely to have access to a car
- 5.5 times more likely to receive inadequate prenatal care

... AND SOME ARE PARTICULARLY PROFOUND FOR RECENT IMMIGRANT GROUPS

Poverty rate, 1999

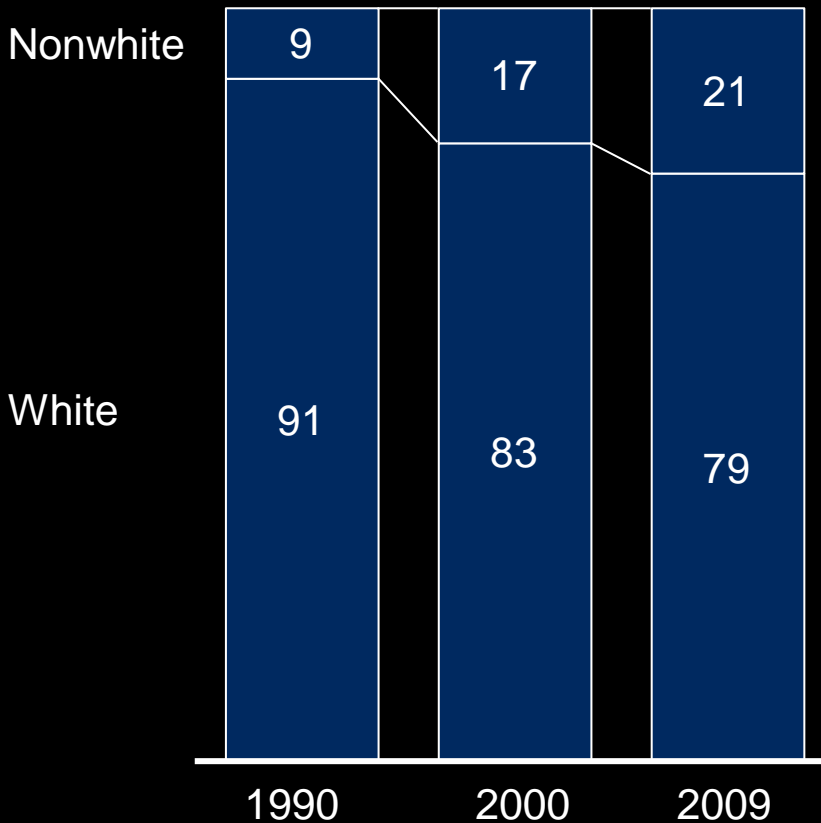


Share of 25+ population without a high school degree, 2000



WITH RAPIDLY GROWING MINORITY POPULATIONS, THESE RACIAL AND ETHNIC DISPARITIES ARE BECOMING MORE PROMINENT

Population by race
Percent



Between 1990 and 2009
the metro added over
380,000 minority
residents – a 184%
increase

BEFORE REACHING SCHOOL AGE, LOW-INCOME CHILDREN FALL BEHIND HIGHER-INCOME PEERS

Percentage of MN Children rated “not yet” performing adequately at kindergarten entrance, by household income

Income

Dollars

Language and literacy

Mathematical thinking

0-35,000

17

15

35,001-55,000

10

10

55,001-75,000

8

8

75,001 or more

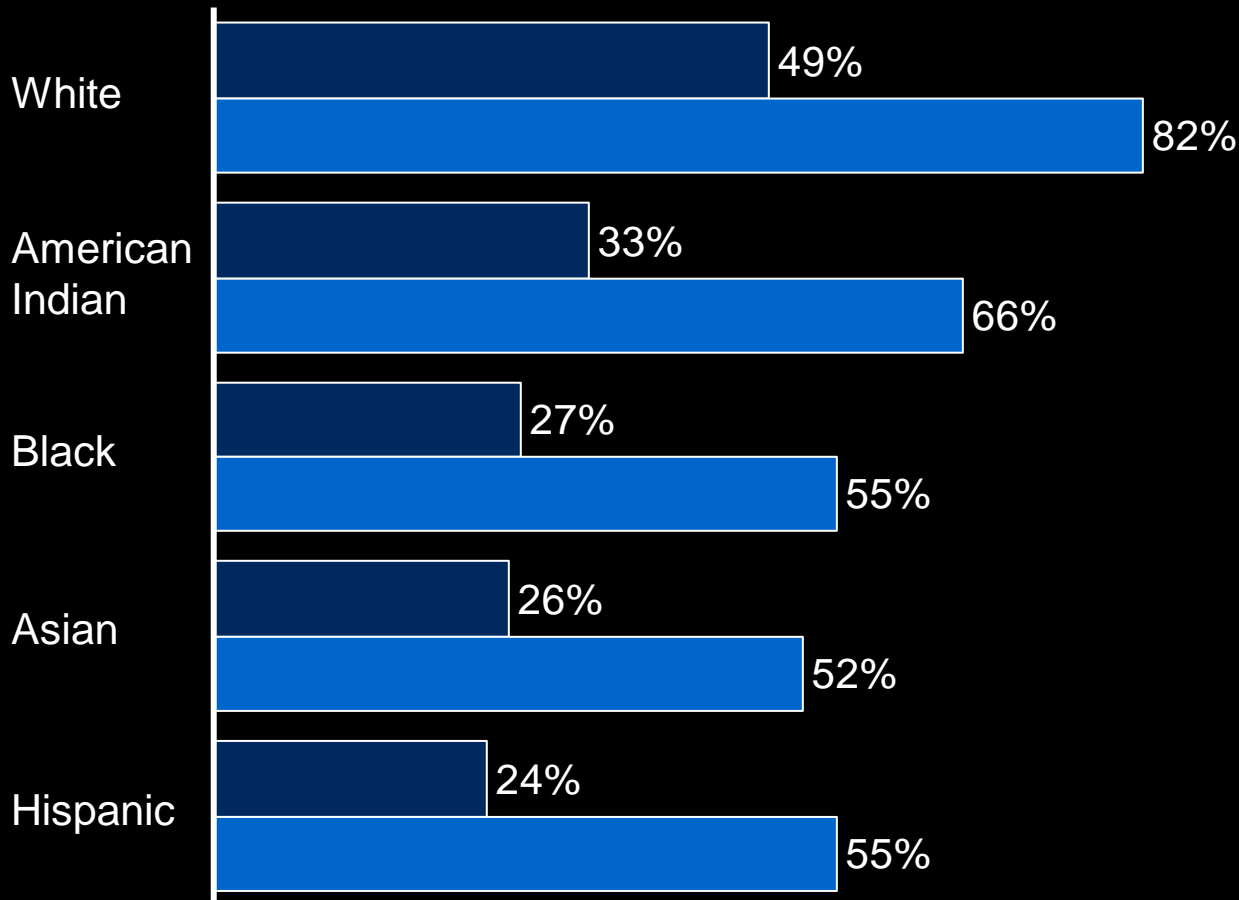
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THIS DISADVANTAGE CONTINUES THROUGHOUT THE EDUCATIONAL SYSTEM, REGARDLESS OF RACE

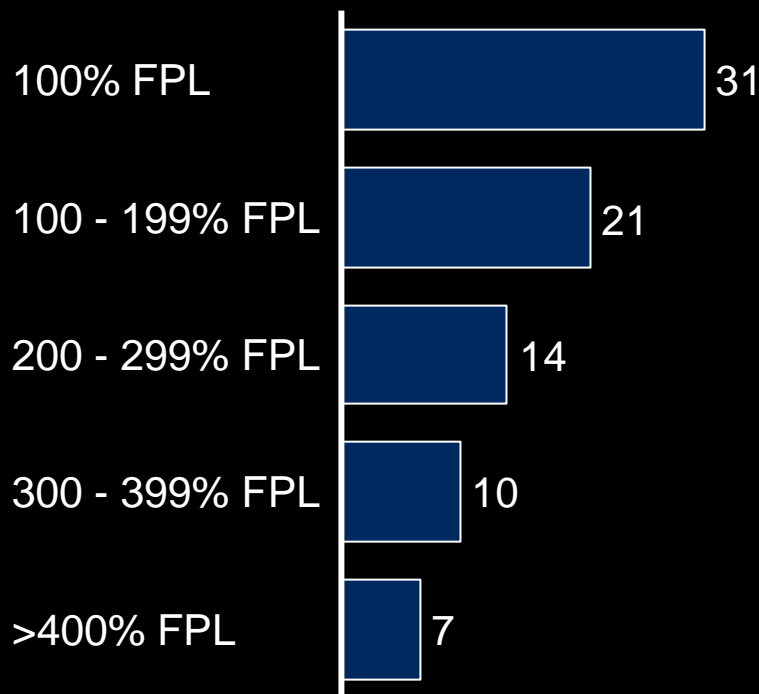
Low income (up to 185% of poverty level)
All other students

Third-graders proficient in reading, 2001-02 – Minneapolis and St. Paul

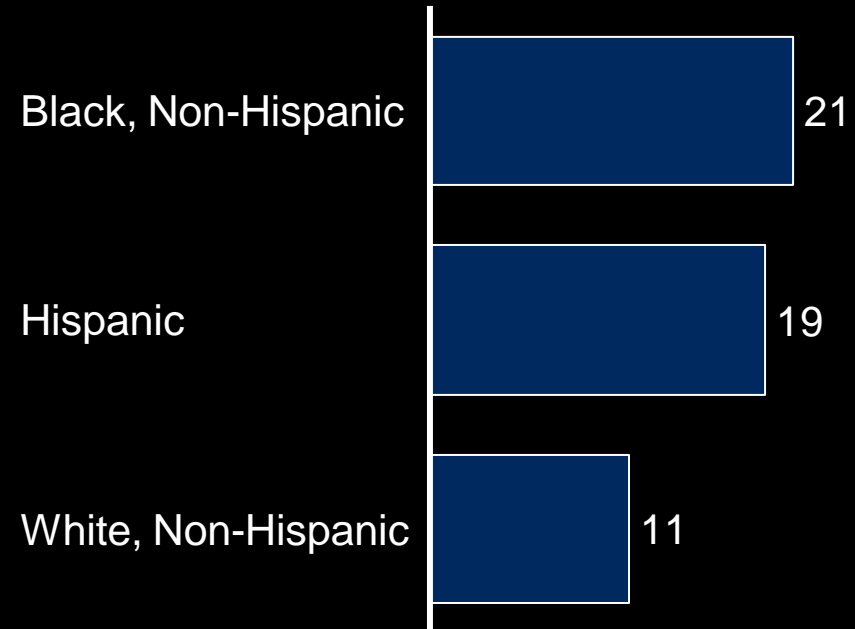


INCOME, LIKE RACE, IS TIED TO A MULTITUDE OF OTHER SOCIOECONOMIC INDICATORS – FOR EXAMPLE, HEALTH

Percent in Poor/Fair Health by Income*



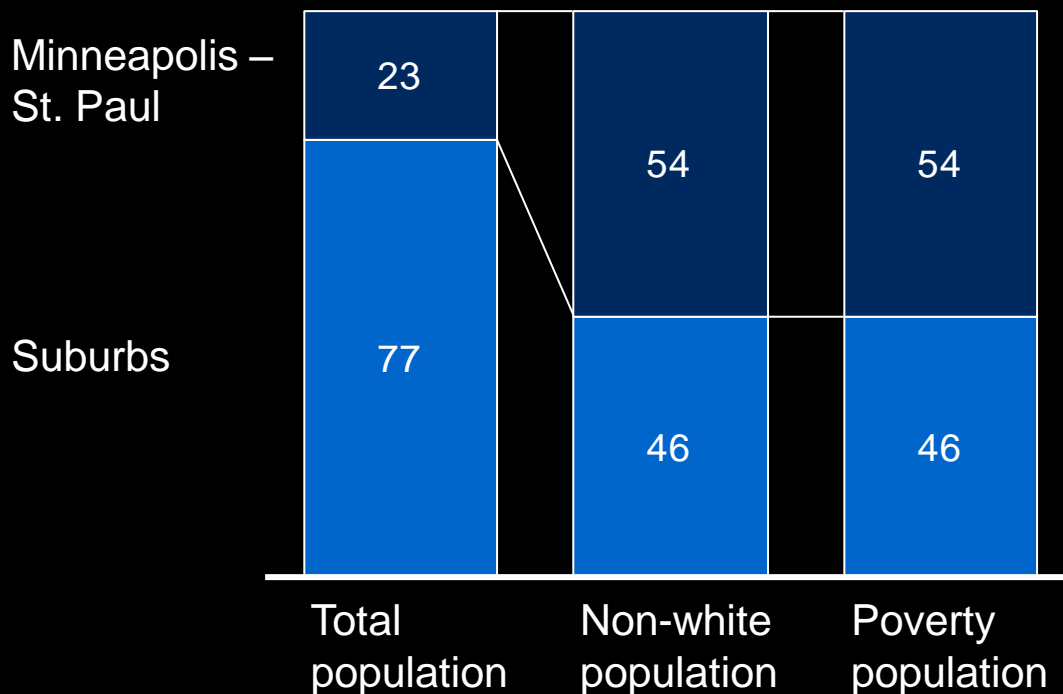
Percent in Poor/Fair Health by Race



* Defined by relation to Federal Poverty Level (FPL)

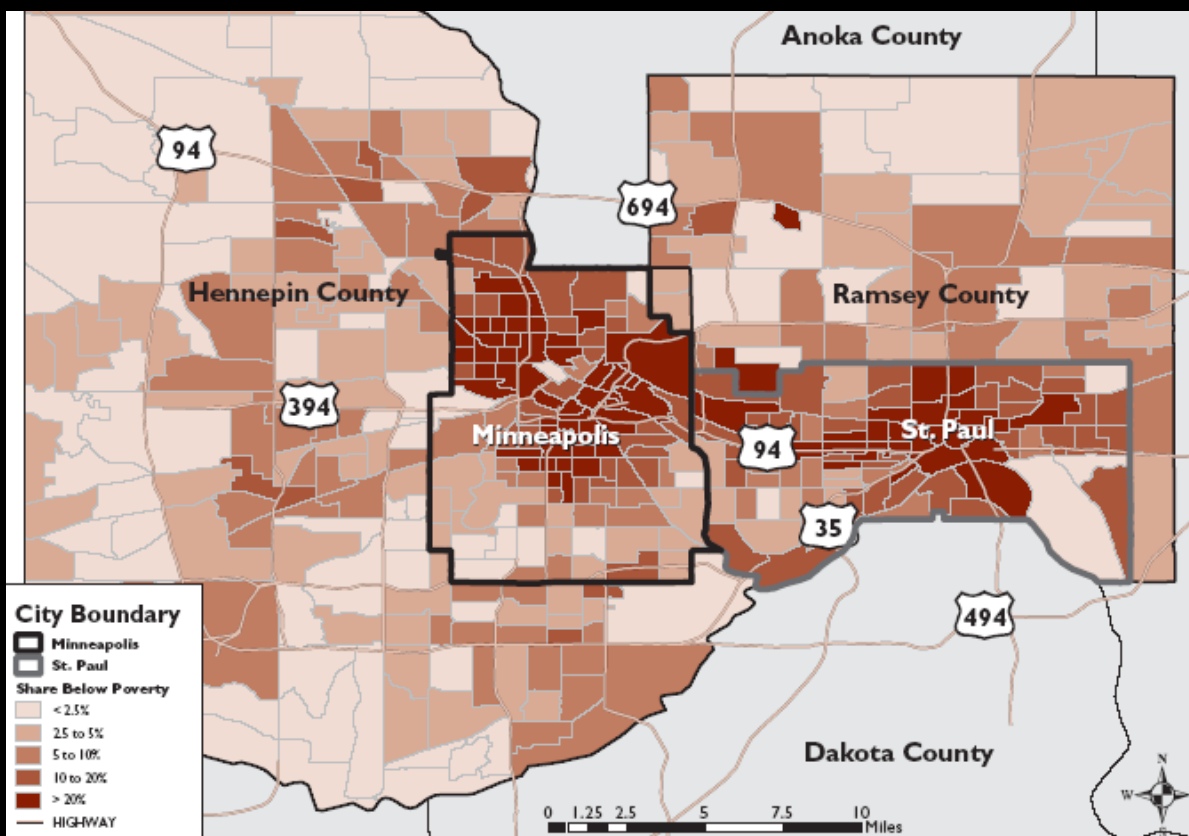
THE CENTRAL CITIES HAVE HIGHER CONCENTRATIONS OF POPULATIONS THAT STRUGGLE WITH RACE AND CLASS DISPARITIES

Percent share of population, 2000



POVERTY IS CONCENTRATED IN THE 2 CENTRAL CITIES

Share of persons living in poverty, 2000



FROM AN ECONOMIC COMPETITIVENESS STANDPOINT, WHY SHOULD THE TWIN CITIES REGION WORK TOWARD REDUCING DISPARITIES?

Reducing disparities among race and income groups builds a more competitive workforce

- In 2011, the baby boomers will start to retire. By 2029, the oldest baby boomers will retire
- By 2029, the region will have to replace 776,000 workers – 350,000 of these are highly educated
- The achievement gap suggests that, without intervention, the replacement workforce will not match skills of boomers

Reducing disparities among race and income has a positive economic impact

- Increase the tax base
- Reduce poverty expenditures
- Put more money in the local economy

Reducing disparities among places will make the region stronger and more competitive

- Research suggests that fates of large cities and their metropolitan areas are intertwined – they grow together or they decline together

BROOKINGS SUGGESTED 3 KEY STRATEGIES TO REDUCE DISPARITIES

Update the basics – Make sure education, healthcare, and public safety meet the needs of the region's 21st century population

Increase income and wealth – Help minority groups close the gap on economic measures (e.g., access to EITC and food stamps, homeownership, financial literacy)

Act regionally – Issues are regional and require regional solutions

IN RESPONSE, ITASCA LAUNCHED SEVERAL TASK FORCES TO FURTHER ADDRESS DISPARITIES

Socioeconomic disparities

- Understanding and Addressing Socioeconomic Disparities (Close the Gap) – Awareness building
- Building Financial Fitness

Education

- Catalyzing Education Advocacy (MinnCAN)
- Creating a World-class K-12 School System in MN
- Supporting the Strategic Re-direction of Minneapolis Public Schools
- Improving Early Childhood Development

Job growth

- Enhancing Job Growth (REDP, Business bridge)
- Strengthening University-Business Relationships
- Retaining and Growing Leading Employers
- Supporting Small Business

Infrastructure & enablers

- Setting Regional Performance Indicators
- Advancing a Comprehensive Transportation Plan

THANK YOU

APPENDIX

TO HELP PROMOTE THE INDIVIDUAL ACTIONS REQUIRED TO REDUCE DISPARITIES, WE HAVE CREATED AN EMPLOYER'S TOOLKIT

Close the Gap Toolkit

The Itasca Project and Greater Twin Cities United Way developed a business toolkit to reduce disparities, with contributions from over 100 community leaders

The toolkit includes tactical suggestions for employers in the following areas:

- Income and Asset Development
- Housing
- Employment and Underemployment
- Early Childhood Education
- Educational Attainment
- Health Care
- Transportation
- Cultural Barriers and Racism

ADDRESSING SOCIOECONOMIC DISPARITIES – AWARENESS BUILDING EFFORTS

Actions

Results

Speakers Bureau

- Created a Speakers Bureau to distribute message from Mind the Gap

- Presented to over 10,000 people (and counting)

Close the Gap toolkit

- Included tactical suggestions for employers in areas such as Income and Asset Development, Housing, Early Childhood Education, Educational Attainment, Health Care

- Distributed over 6,000
- Businesses, churches, city and county departments, and universities incorporated into strategic plans

Close the Gap documentary

- Partnered with *tpt* to create a documentary which brings to life the disparities highlighted in Mind the Gap

- Over 50,000 households have viewed all or part of documentary on air
- 8,000 visitors to Close the Gap website
- 1,500 DVD's distributed

In addition, Itasca has supported community efforts such as ServeAmerica early literacy program, EITC programs and STEP UP summer jobs