

Workforce Development Strategies for Brooklyn Park, MN: Group 3 Report



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Workforce Development Strategies for Brooklyn Park

Sarah Arnold, Daniel Herriges, and Jared Staley

Introduction

Brooklyn Park is a second-tier suburb of Minneapolis. Despite its rank as the sixth largest city in the state of Minnesota with 79,149 residents, the city still has vacant land left to develop - rare for a mostly urban and populated area. This land in the northwestern part of the city will prove itself beneficial to the city as its population continues to grow and the need for commercial, retail, office, or industrial space increases. The population of the city is projected to increase into the next several decades. Along with this population growth in the city comes a shift in demographics. As of the 2010 census, the racial makeup of Brooklyn Park had decreased to 47% white from 72% white in 2000.¹ The population of people of color in the city is estimated to continue its growth in the coming years, so it's important that local officials and municipal employees work to make Brooklyn Park inclusive to all of its residents. This inclusivity should cover everything from providing Brooklyn Park residents with the resources they need to live, work, and play in the city, as well as services such as training and advancement for its workforce. It is estimated that 12.8% of Brooklyn Park residents are living below the federal poverty line, and 26.5% of residents make less than \$35,000 annually, which is cause for alarm, concern, and solutions.

The state of Minnesota is currently experiencing a workforce shortage. Companies and businesses around the state express concerns that they are not able to fill all of the open positions as their companies due to the lack of experienced, educated, or certified workers. This is a problem that could lead to companies and tax dollars leaving the state. Workforce development is the answer to this problem, particularly in Brooklyn Park. There is a need for these strategies to create an environment in Brooklyn Park that can support all of its residents, particularly its new lower-income workers. As the new Blue Line extension moves into the city in the next few years, it will become more and more important for the workforce environment to feed into development and investment along transit lines, and for the workers of Brooklyn Park to have transit access to their jobs.

The Value of Workforce Development

Within the fields of planning and economic development, solutions are offered based on an approach that improves communities through investment, rather than one that improves the lives or the economic standing of individuals. An approach that focuses on investment in people rather than investment in place is Workforce Development. Workforce Development can be defined as “the policies, programs and institutions that assist workers and employers in connecting with one another, making future-oriented investments in labor force skills, and promoting career advancement and mobility toward goals of

¹ United States Census Bureau, 2010

household, business and community and regional economic prosperity.”² In Minnesota, planning and economic development is usually performed by local or regional governments, whereas workforce development is implemented on a statewide level. Because of the different bodies that perform these duties, there is sometimes a disconnect between the two fields - even though they outwardly seem to go hand in hand. This separation can be detrimental to economic prosperity on a local level as it causes “disconnected thinking, less opportunity for collaboration, and inability to identify and pursue common interests”.³ Despite the fields using different methods, the goals are the same: community and regional economic prosperity, thus a connection between workforce development and planning and economic development is necessary and valuable.

Challenges of a Suburban Context

Due to Brooklyn Park’s size and location, they experience the problems of an urban area, a suburban area, and a rural area. The city experiences areas of concentrated poverty like an urban area might, a small jobs to population ratio and limited transit accessibility like a suburban area might, and has undeveloped land and dispersed population and services like a rural area might. Within the context of Brooklyn Park as a suburb, they are experiencing the issues that many inner or second ring suburbs are experiencing across the country: new populations of lower-income residents that cannot afford the urban core anymore, but have no access to the same services or goods. Suburban life can be one of convenience for households that have a vehicle able to commute to grocery stores and employment opportunities, but the suburban poor in many ways is “stranded...without the kind of transit or assistance that they might once have found in cities”.⁴ These issues are mirrored in Brooklyn Park. Specific areas of concern for the city are:

- Transit Accessibility to jobs is low
- First and Last Mile connection gaps
- Limited existing employment base (More residents than jobs in the city)
- Service providers have a harder time serving a dispersed population

Two Forms of Job-Worker Mismatch

The Twin Cities region as a whole is experiencing low unemployment. However, local pockets within the metro have much higher unemployment rates: one of these is the

² Schrock, Greg, "Connecting People and Place Prosperity: Workforce Development and Urban Planning in Scholarship and Practice" (2014). Urban Studies and Planning Faculty Publications and Presentations. Paper 105.

³ Harper-Anderson, Elsie. "Measuring the Connection Between Workforce Development and Economic Development: Examining the Role of Sectors for Local Outcomes." *Economic Development Quarterly* 22 (2008): 119-35. Sagepub. Web.

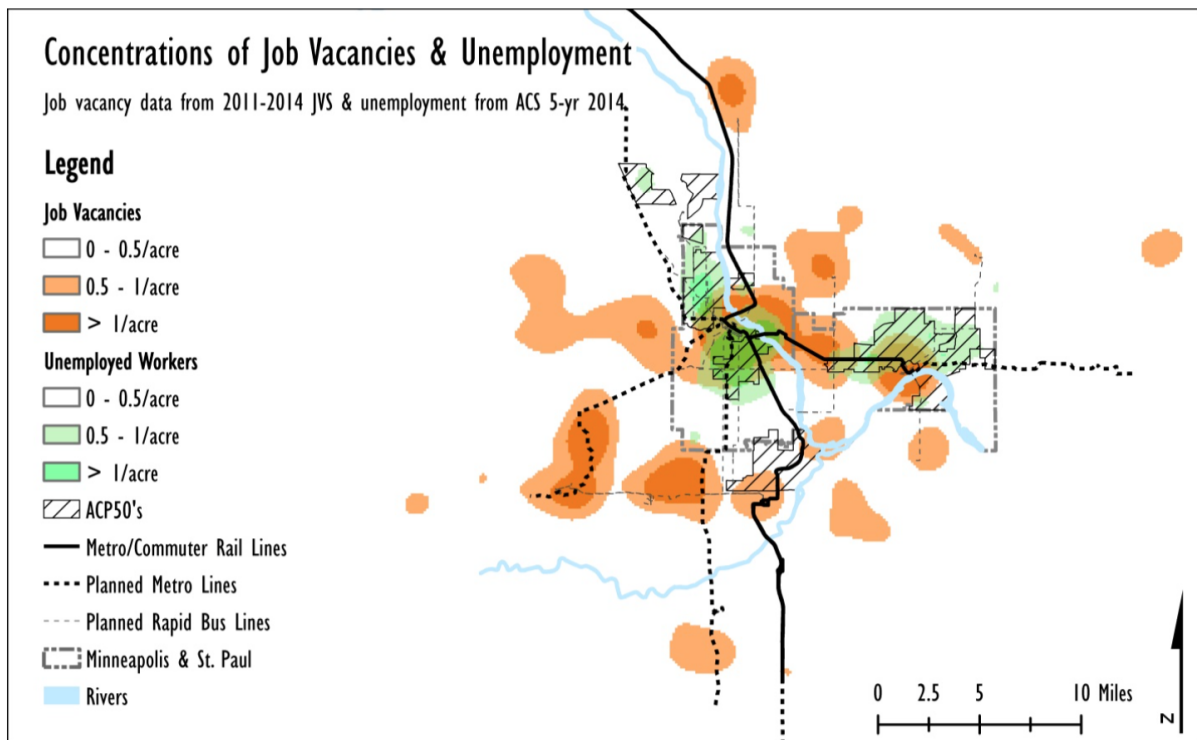
⁴ Semules, Alana. "Suburbs and the New American Poverty," The Atlantic., 1 Jan. 2015.

low-income area of southern Brooklyn Park centered on the Zane Avenue corridor. Two principal explanations for why such a concentration can exist in a generally strong regional economy are spatial mismatch, and skills mismatch. In the former case, spatial mismatch, workers are not able to access jobs for which they are qualified, because the locations of job concentrations and the locations of worker concentrations are not the same. This problem is exacerbated for transit-dependent populations.

Spatial Mismatch and Brooklyn Park

A 2016 report by the Center for Transportation Studies at the University of Minnesota evaluates spatial mismatch across the Twin Cities metropolitan area.⁵ The study identifies southern Brooklyn Park as one of the most significant concentrations of unemployed workers outside of Minneapolis and St. Paul, and one that is conspicuously remote from a significant cluster of job vacancies. (See Figure 1 below.)

Figure 1



(Source: Fan et al. 2016)

Job clusters are available along the Blue Line light rail corridor (dotted line), which has the potential to alleviate spatial mismatch for Brooklyn Park when it is constructed. However, the authors of the study take pains to note that spatial mismatch is not merely a

⁵ Fan, Y., Guthrie, A., & Das, K.V. "Spatial and Skills Mismatch of Unemployment and Job Vacancies: Opportunities for Integrated Transit Planning and Workforce Development." University of Minnesota: Center for Transportation Studies: May 2016.

matter of the existence of transit, but of the practical accessibility of jobs considering workers' complex schedules, need and ability to transfer lines, and ability to access other needs such as child care that make commuting to a job possible. "Workforce development efforts cannot simply give clients a bus card and send them on their way in suburban areas—even assuming future transit improvements," the authors caution.⁶

Skills Mismatch and Brooklyn Park

Skills mismatch may also be part of the explanation: where this exists, there is an imbalance between the jobs accessible to a neighborhood's residents and the skill set of those residents who are looking for work. Much of the literature on suburban workforce development emphasizes "middle-skill" jobs: those which typically require some college or trade-school education but not a four-year degree, and which pay a living wage well above minimum wage. The National Skills Coalition, an advocacy organization, publishes state-level report cards on middle-skill jobs: in Minnesota, it reports that 51% of all jobs are middle-skill jobs, but only 47% of workers are trained to that level.⁷ A worthwhile research project would be examining the skill levels of workers specifically within Brooklyn Park's area of concentrated poverty, and comparing them to the skill level demanded by vacant jobs accessible within 30 minutes by transit from that neighborhood. This might help identify industries to target for workforce-development efforts within Brooklyn Park. Notably, the analysis should include employers which are outside Brooklyn Park but accessible from Brooklyn Park: it is too narrow to focus efforts on workers who will both live and work within the city. The analysis should also use job vacancy data and not general employment data, as vacancies and total employment are not always closely correlated.⁸ This proposed analysis is beyond the scope of this paper.

Case Studies

Workforce development can be accomplished through many pathways, but there are three themes that dominate programs in the field: "skills formation, employment networks, and career advancement".⁹ In order to adequately suggest workforce development strategies that the city of Brooklyn Park could utilize in their future work, it is imperative to analyze approaches from areas from across the country. We have identified several programs that approach workforce development from all approaches from education to financing to transit accessibility. The 12 case studies examined provided insights to unique approaches from Minneapolis, St. Paul, Columbus, Milwaukee, Denver, and Houston, as well

⁶ Fan et al. 2016, p. 9

⁷ National Skills Coalition, "Minnesota's Forgotten Middle," 2014. Available at <http://www.nationalskillscoalition.org/resources/publications/file/middle-skill-fact-sheets-2014/NSC-Minnesota-MiddleSkillFS-2014.pdf>

⁸ Fan et al. 2016, p. 4

⁹ Schrock, 2014

as statewide or regional approaches from the states of Pennsylvania and Arkansas, and the region of South Texas. We have categorized the various programs into four main descriptors: Nonprofit Service Provision, Partnerships with Employers or Industries, Public Sector Efforts, Transit-Oriented Initiatives, and Business Incubators.

Nonprofit Service Provision

Workforce development services have traditionally been provided by the nonprofit sector, or through nonprofit partnerships with employers. The Twin Cities region has a robust network of social-service providers, but many of them have traditionally focused on poor and disinvested communities within the two core cities. The rise of suburban concentrations of poverty has posed challenges for the effective delivery of the services available to inner-city residents across a broader area. The result is often an uneven patchwork of services delivered in silos by different organizations with different service areas, and difficulty providing services within easy access by transit of a critical mass of poor people. The below case studies describe nonprofit providers of workforce development services that have found ways to successfully operate in a suburban context.

Neighborhood Centers in Houston

Neighborhood Centers is the largest community development organization in Texas, with over 60 locations and an annual budget of \$270 million. A direct descendant of the city's early 20th-century settlement house movement, Neighborhood Centers' effectiveness lies in its ability to provide a comprehensive, integrated set of services, addressing the challenges of the low-income populations it serves in a holistic way. Its funding sources span a colossal range of private, philanthropic, and government sources, requiring significant administrative work to manage a massive set of funding streams and accountability requirements, but also allowing the organization considerable flexibility to provide a huge variety of programs and services.¹⁰

Workforce development is a significant portion of Neighborhood Centers' mission, but the organization's holistic approach means that it is also able to identify and assist its clients with issues unrelated to skills development that may affect their ability to obtain or hold a job. In addition, its individual locations have a lot of flexibility to set priorities based on hyper-local needs. For example, the Cleveland-Ripley center in the suburb of Pasadena, a formerly largely-white community that has undergone a similar demographic transition to that of Brooklyn Park, created a community advisory board to identify pressing local concerns. The board ultimately partnered with Harris County to create a public bus line connecting the neighborhood to the Houston public transit network.¹¹ This line increased

¹⁰ Neighborhood Centers 2015, "Our Four Innovations" Available at <http://tinyurl.com/jneo5ms>

¹¹ Kneebone, E. & Berube, A. *Confronting Suburban Poverty in America*. Washington, D.C.: Brookings Institution Press: 2013., p. 100

regional accessibility to a large English-language instruction and adult education center run by Neighborhood Centers in Pasadena.

Neighborhood Centers works extensively with corporate as well as philanthropic partners on larger initiatives. One such initiative is the New Skills at Work program (originally UpSkill Houston), a collaboration with J.P. Morgan Chase. Chase helped fund research which identified specific industries contributing to a mismatch between middle-skill jobs in the Houston area, and the number of job seekers with middle-skill qualifications. The report identifies industry-specific middle-skill career pathways, in industries including construction and petrochemical production.¹²

The dominant middle-skill industries in the Twin Cities are no doubt different than those in Houston, but similar research would be valuable to identify industries to target for a similar effort. One of the key New Skills at Work program recommendations involves establishing close partnerships between employers and community colleges to create "fast-track" programs that allow participants to receive a succession of credentials that will make it possible for them to advance along the identified career pathways. Brooklyn Park could seek to take advantage of the presence of North Hennepin Community College in a similar way.

Replicating the Neighborhood Centers Model With Multiple Organizations

Neighborhood Centers is an organization of nearly unmatched scale and ambition among its peers, with a long history of filling the gaps left by the relative paucity of public-sector safety net programs in Texas and the Houston area.¹³ It would be clearly impossible to establish something comparable in the Twin Cities out of whole cloth. However, Brooklyn Park might be able to approximate some of the benefits of Neighborhood Centers' holistic model by working with existing agencies in Minnesota to establish a single site for integrated service provision. City-owned parcels might be examined to see if any are appropriate to dedicate for this purpose.

In this model, the City of Brooklyn Park would lease space to nonprofit agencies, none of which individually provides all of the services of Neighborhood Centers (i.e. job training and networking, help applying for government benefits, English-language education, child care, and more). The goal, to the extent possible, would be to create a "one-stop shop" for many of the needs of low-income families, for whom travel to obtain services is burdensome and time-consuming. The city could then actively recruit service providers to fill identified gaps in the assistance available on-site. Its control of the land and

¹² J.P Morgan Chase & Co. *New Skills at Work: Preparing Houston to Skill Up: Addressing The Skills Mismatch To Meet Employer Demand In High-Growth Industries*. Labor market analysis and recommendation plan for the New Skills at Work initiative. 2014. Available at <https://www.houston.org/upskillhouston/pdf/NSAW-Final-Houston-Published-Report.pdf>

¹³ Berryhill, M. "Houston's Quiet Revolution." *Places: The Journal of Public Scholarship on Architecture, Landscape, and Urbanism*. March 2016.

ability to set or waive rents as needed would give Brooklyn Park flexibility in meeting the needs of nonprofits that might otherwise struggle to afford to provide services in a suburban environment.

Partnerships With Employers or Industries

Employer-assisted training and continuing education is a traditional approach to workforce development. Major corporations and local businesses alike participate in internal training services for their employees to provide them with skills to retain them and keep them within the workforce. With industry partnerships, there is that same expectation of receiving continuing training from the employer, while also making connections with training at an educational facility thanks to funding from government entities or nonprofits.

Central Pennsylvania Industry Partnership

The Central Pennsylvania Industry Partnership is governed by the Central Pennsylvania Workforce Development Corporation (CPWDC) in partnership with the Pennsylvania Legislature, the Department of Labor and Industry, and industry partners.¹⁴ A state Industry partnership program allocates resources for different regional partnerships, which the Central Pennsylvania Industry Partnership is a part of. The strategy began with the goal to find “better ways to train workers for their specific needs” and to acknowledge that “there were incumbent workers needing just that slight edge to move ahead in their careers”.¹⁵ This is a regional strategy to incorporate workforce development into some fields that are becoming increasingly important to the Pennsylvania economy. The workforce corporation’s program utilizes all three of the typical workforce development strategies listed on page 4.

There are ongoing partnerships with three main industries: Advanced Manufacturing, Factory Built Housing, and Healthcare. The mission of the Advanced Manufacturing industry partnership is to promote the industry and its importance to the regional economy and support training for the employees within the industry to continue to advance their skills. The Factory Built Housing industry partnership aims to attract new workers to the state and “improve the market share of the industry in Pennsylvania and beyond”.¹⁶ The Factory Built Housing industry partnership collaborates both with the private sector and the public sector through a connection to the Pennsylvania College of technology. The companies, the school, and the CPWDC are working together to “solve their common workforce challenges and change the image of the industry”.¹⁷ These efforts

¹⁴ CPWDC. "Industry Focused Partnerships." *CPWDC*. Central Pennsylvania Workforce Development Corporation, Web

¹⁵ Pennsylvania Annual Report. *Industry Partnership Annual Report*. Fiscal Year 2013-2014. Department of Industry, Web.

¹⁶ CPWDC. "Factory Built Housing." *CPWDC*. Central Pennsylvania Workforce Development Corporation, Web

¹⁷ *Industry Partnerships in Pennsylvania*. April 2009. Commonwealth of Pennsylvania, Web.

anticipate a sustainable solution to the workforce and economic development challenges that Pennsylvania currently faces by creating economic competitiveness in the region. Both the Advanced Manufacturing and Factory Built Housing industry partnerships utilize the strategies of skills formation, employment networks, and career advancement through training opportunities and support for industry clustering or concentrations. The healthcare partnership adds a new strategy, which addresses a workforce shortage in some healthcare occupations. They are currently doing research and outreach to identify these occupations so that they can be marketed to increase awareness about career options throughout the state.¹⁸

Industry partnerships have been successful in the region so far. According to reports from the CPWDC, they have measured success in the amount of companies they have partnered with through this program. They estimate that nearly 200 Central Pennsylvania businesses have been involved with their three main industry partners.¹⁹ The funding the program receives has gone to providing incumbent worker training to address this rust belt area's lack of opportunity for older manufacturing employees – they report that over 2,200 employees have received training through their initiative.²⁰ This strategy is improving workforce development in the region by investing in people as a partnership to economic development and business retention strategies. The Central Pennsylvania region recognizes that their employees' skills and opportunities are of value as industries and markets change in their area.

Public Sector Efforts

Workforce development strategies in the public sector can be effective because they are created and implemented by members of the community in which they serve. Brooklyn Park, no matter which strategy or solution they emulate in their municipality, will be working as a public entity, through partnerships or through funding, to invest in the workforce of their city. It is important for a city to maintain a good relationship with possible partners, like educational entities or other government departments both regional and statewide so they can efficiently prepare their residents and workers for careers.

Arkansas Career Pathways Initiative

The Arkansas Career Pathways Initiative (ACPI) approaches workforce development from an educational standpoint. The program received funding in 2005, and since its beginning has created partnerships with community colleges around the state for applicants to attend at a lower cost to achieve new skills and educational benchmarks. This program has a focus on sustainable skills, so that recipients of the funding will be successful

¹⁸ CPWDC. "Healthcare." CPWDC. Central Pennsylvania Workforce Development Corporation, Web

¹⁹ CPWDC. "Industry Focused Partnerships."

²⁰ CPWDC. "Industry Focused Partnerships."

in their future endeavors. This is accomplished by a few measures: each student within the program is assigned a counselor and a tutor who will be available to them the entire time they are in the ACPI, the Initiative contracts with childcare providers and transportation services to ensure that the low-income students will be able to complete the program, and the students also receive job-searching skills through resume-writing workshops and other career counseling measures. Additionally, the counselors work with Arkansas' local Department of Workforce Services offices to assist with a smooth transition into other available workforce services after the student has completed the program and received their education or training.²¹

The ACPI program is still ongoing, however they have reported measures of success for the students that have completed the program. As of 2010, an estimated 7,000 Arkansas residents have participated in the program, with 90% of those students either completing 1 year of the program or completing an Associate's Degree or other certification path.²² This retention rate is high for both the typical community college rate and the retention rate in the state of Arkansas as a whole. This may be due to the way completion of the program is counted, but could also be attributed to the support that students within ACPI receive. Students that completed 1-year of the program are included in the success rate because vocational credits can be completed in as few as 12 months, even though the program is meant to fund students for up to 18 months.²³ Due to Arkansas demographics and the ease of access to apply to the program, many adults in state community colleges are eligible to enter ACPI. Applicants are eligible for the program "if they are adult caretakers of children under 21 and have incomes below 250 percent of the federal poverty line".²⁴ Because of this, the funding is limited to \$1,500 per student.

The state is determined to stay invested in the program to improve outcomes for its workforce as the population of the country shifts to accommodate retiring employees from the baby boomer generation. Those in the nonprofit, private, and public sector in the state recognize the need for workforce development as a tool for economic development and retaining business and industry in the state. The Executive Director of the Arkansas Association of Two Year Colleges is strongly in favor of ACPI. He and others around the state including former governor Mike Beebe are recognizing the value of investing in those in the state who never realized higher education was a possibility for them. They recognize that "If [they] don't have the workforce, then the businesses won't come" and that "it can be

²¹ Bone, Josh. "TANF Education and Training: The Arkansas Career Pathways Initiative." *Center for Post-secondary and Economic Success* April (2010): n. pag. CLASP Policy Solutions That Work for Low-Income People.

²² Bone, 2010

²³ Bone, 2010

²⁴ Bone, 2010

done through our educational system".²⁵ By breaking down barriers, workforce development is a priority to them.

The Workforce Baccalaureate at South Texas College

The Workforce Baccalaureate at South Texas College provides another example of how the workforce and economic development solutions can be implemented through state funded schools. This program's aim was to make its students and graduates more employable specifically in computer and information technologies. "The workforce baccalaureate is key to strong economic development for the region of south Texas, for the state, and for the country while competing in a global economy."²⁶ Since its success, South Texas College is working to expand its workforce baccalaureate to other programs as well.

The Workforce Baccalaureate at South Texas College originated from a close partnership and relationship between the college and its surrounding community. The effort was strengthened by the college's president's resolve to "never lose sight of the importance of being responsive to [the communities] needs, and she challenged the college community to explore ways to remove the glass ceiling for the many students... until those students were gainfully employed."²⁷ While this program required some substantial efforts on the part of the Texas Legislature, its impact has been recognized by exit surveys of STC graduates. 94% of graduate respondents, according to a self-reported survey, reported being employed post graduation from the workforce baccalaureate in computer and information technologies. In addition, since its launch in 2005, enrollment has increased which is a testament to the program's success as well as the success of its graduates.

Transit-Oriented Workforce Development

One of the most promising ways to address spatial mismatch at a metropolitan scale is through transit investment in traditionally car-dependent suburban areas. It is logical that suburban jurisdictions like Brooklyn Park, which stands to gain a light-rail line within the next half decade, would want to tie their workforce development and employment promotion efforts to transit investments and transit-oriented development (TOD). The challenge for this is that workforce development and TOD advocacy are traditionally almost completely separate silos, and in fact dominated by different sectors entirely (nonprofit versus government, respectively). Several programs nationwide have attempted to overcome this lack of coordination.

²⁵ Finkle, Nate. "2-Year Colleges Key to Economic Growth." *Arkansas Business* 24.34 (August 2007): 1. *Factivia*. Web.

²⁶ Mejia, Juan E. "The Applied and Workforce Baccalaureate at South Texas College: Specialized Workforce Development Addressing Economic Development." *New Directions for Community Colleges* 2012.158 (2012): 47-56. Web.<http://onlinelibrary.wiley.com.ezp1.lib.umn.edu/doi/10.1002/cc.20016/epdf>

²⁷ Mejia, 56.

Mile-High Connects, Denver Area

Mile-High Connects (MHC) is a partnership of private and nonprofit organizations in the Denver metropolitan area dedicated to ensuring that the build-out of the region's transit system supports equitable development. The initiative spans areas including workforce development and job access, affordable housing, education, and public health. The premise of MHC's job-related efforts is to address spatial mismatch: it notes on its website that the average metro Denver job is only accessible to 27% of its potential workforce within 90 minutes via transit.

MHC has partnered with anchor institutions in transit-accessible communities in the region to promote stronger ties with, and more hiring of, community residents. These institutions include Anschutz Medical Campus, Denver Health, and Regis University. MHC also helped develop recommendations for workforce development programs associated with the construction industry at three transit-oriented development sites. The report featuring these recommendations notes that construction industry employers report a lack of available skilled labor. In the case of these three projects, the nonprofit training organization Colorado Construction Institute (CCI), which had pre-existing training programs, was able to partner with real-estate developers to add an explicit demand-driven component linked to an employer to these programs. Contractor input and student site-visits were incorporated into the training, and 44 of 70 participants obtained construction employment upon completion.²⁸

MHC sponsored a 2013 study after the completion of Denver's Southeast Light Rail Line evaluating the success of the line in expanding economic opportunity. Its conclusions serve largely as a cautionary tale of missed opportunities, which are of relevance to Brooklyn Park given anticipated light-rail investments in the next few years.

The study found that low- and middle-skill job creation along the line remaining stagnant or decreased after construction, while most jobs added were in high-skill, white-collar occupations. Health care was the only industry with a significant share of middle-skill jobs that grew along the light-rail line. In addition, there was a significant dearth of workforce-training providers, child care providers, and affordable housing units near light-rail stations. Workforce training and other services for low-income workers in the region remained heavily concentrated around downtown Denver, not reflecting the existence of suburban concentrations of poverty. There was also very little "last mile" service provided to connect stations to final home or workplace destinations outside of easy walking distance of a station.²⁹

²⁸ Wert, Katrina. "Construction Community Workforce Programs: Recommendations From Three Transit-Oriented Developments In Denver." Mile High Connects, 2015. Available at <http://milehighconnects.org/wp-content/uploads/2015/12/2015.12-Construction-Community-Workforce-Program-Website-Version.pdf>

²⁹ Sadler, B. & Wampler, E. (2013) "Enhancing Economic Opportunity through Transit: Lessons Learned from Denver's Southeast Light Rail Line. Report from Reconnecting America and Mile High Connects." Available at

Ultimately, the study finds, employers do consider transit accessibility as a prominent factor in location decisions in the Denver Area, but the Southeast line did not significantly improve accessibility for low- and medium-skill workers to low- and medium-skill jobs. To avoid missing this opportunity, it would have been necessary to proactively address last-mile connections, and explicitly incorporate economic development and work supportive services into station-area planning.

Lessons From Denver

The experience of Mile-High Connects suggests that leveraging TOD for greater spatial and socioeconomic equity is important, and must be a deliberate strategy at the level of station-area planning and community engagement around station areas. However, some literature suggests that skepticism is warranted about the potential to leverage TOD investments for workforce development directly.

Carlson (2013) writes that TOD is too limited a scope for workforce and job-training efforts, since most people commute to jobs outside their neighborhoods: "The existing workforce and economic development systems are not currently designed to operate within transit corridors. And they are not very well equipped to meet the needs of small, fast-growing businesses in those corridors. For example, when Denver began to explore how to grow middle-skill jobs within two key transit corridors, they found very little existing information to work with. In fact, there was no system in place to regularly collect information on the needs of small businesses that have high growth potential."³⁰

It is often the case that various land-use planning practices and spatial-mismatch policy solutions work at cross purposes³¹: for example, transportation improvements which in theory improve accessibility for suburban job seekers may also raise land values around the new transit infrastructure in such a way as to exclude low-income residents. There is a very real danger, because the Blue Line route bypasses the areas of most significant poverty and unemployment / underemployment in Brooklyn Park, that its development will exacerbate rather than alleviate socio-economic disparities within the city. Even jobs suitable for lower-skilled workers that are developed in proximity of the Blue Line may be more accessible to workers from North and South Minneapolis who live along the line than to Brooklyn Park residents. Efforts to connect Brooklyn Park residents to those jobs through targeted workforce-development strategies may be operating at a disadvantage in such a scenario.

<http://milehighconnects.org/wp-content/uploads/2014/11/Enhancing-Economic-Opportunity-Through-Transit-3-4-13.pdf>

³⁰ Carlson, P. "Lessons in Linking Transit- Oriented Development with Workforce and Economic Development." *Living Cities*: 9-26-2013. Available at

<https://www.livingcities.org/blog/348-lessons-in-linking-transit-oriented-development-with-workforce-and-economic-development>

³¹ Fan 2012, p. 162

The First- and Last-Mile Problem

It is essential to address first- and last-mile connectivity to Blue Line stations to ensure that residents outside of walking distance of them reap the benefits of the LRT extension. One possibility for last-mile connectivity is to fund a circulator bus or shuttle service, either independently of or in conjunction with Metro Transit. For maximum utility to low-income and transit-dependent populations, we would recommend this service cover a small loop including Zane Avenue between I-694 and Brooklyn Boulevard, connecting that corridor to one or more Blue Line stations.

However, a regular, fixed-route service of this nature may be cost-prohibitive to run. A more unorthodox solution would involve subsidizing the use of ride-sharing services such as Uber for low-income Brooklyn Park residents.

Times outside of 9 to 5 commuting hours are an important consideration. Currently, Metro Transit service to Brooklyn Park is dominated by buses that serve a traditional rush-hour commute pattern: into Minneapolis in the morning, returning to Brooklyn Park in the late afternoon. Outside of those periods, residents seeking to travel to or from much of Brooklyn Park by bus experience long headways, and certain transfers may be inconvenient or impossible. Nontraditional transportation options such as subsidized ride-sharing may be particularly appropriate for unconventional schedules, when the volume of demand may not support a full regular bus route.

Realistically, Brooklyn Park is a largely car-dependent community as a function of its prevailing land use pattern, and the Blue Line extension will not change that. Short-term solutions to improve residents' access to jobs and services must incorporate that reality.

Subsidized Ride-Sharing

One experimental approach to solving the first- and last-mile problem and enhancing the benefits of a major transit investment in a car-dependent area is to subsidize part of the cost of ride-sharing services such as Uber and Lyft. Several municipal governments adopted this strategy in 2016 to address transit accessibility and/or parking concerns at transit stations. This approach is experimental and thus its effectiveness in addressing meaningful access to jobs has not been documented yet. However, Brooklyn Park shares many land-use characteristics with communities attempting it, including Altamonte Springs, Florida, and Summit, New Jersey—both of these cities subsidize Uber rides within a short distance of their commuter-rail stations.^{32 33}

³² Sisson, P. "This U.S. City Is Subsidizing Uber—Here's Why." *Curbed*, 3-22-2016. Available at <http://www.curbed.com/2016/3/22/11285802/uber-transportation-subsidy-altamonte-spring>

³³ King, H. "New Jersey Town is Subsidizing Uber Rides." *CNN*, 10-3-2016. Available at <http://money.cnn.com/2016/10/03/technology/uber-subsidized-commutes-summit-new-jersey/>

In Tampa (Hillsborough Area Rapid Transit) and Dallas (Dallas Area Rapid Transit), transit agencies have explored direct partnerships with ride-sharing companies to explicitly provide first- and last-mile service, with fare payment integrated with that of the broader transit system. This is another model that is experimental at present.³⁴

Brooklyn Park should monitor the results of these experiments and/or reach out to officials from these cities for more information on the results they are experiencing.

Ways to Work

Ways to Work is a Community Development Financial Institution (CDFI) based in the Milwaukee area that uses a mix of public and private funds to finance auto loans for low-income families who do not qualify for traditional forms of credit. This is an important source of mobility in car-dependent suburban communities, despite the spread of transit investments in such places. (Yingling Fan finds, in a synthesis of research on spatial mismatch, that strategies to promote car ownership are more effective than other strategies for alleviating the negative employment effects of mismatch.³⁵)

Ways to Work uses a franchise model to scale its approach to new locations: it has located loan offices where its partner organization, the Alliance for Children and Families, already operates to take advantage of existing client relationships and capacity.³⁶ Its lending services are centralized to exploit scale economies, but it leverages the capacity of partner organizations within its network to reach clients.³⁷ This sort of approach—centralizing services that are best centralized, but allowing individual locations local flexibility in the details of service provision—is essential to achieving scale for nonprofits serving dispersed poor populations in suburban contexts.

Business Incubation

The private sector can be a dynamic and efficient provider of workforce and economic development. Small, micro, and medium-sized enterprises (SMEs) are often hailed as a solution to development problems. Such programs are perceived as advantageous for being neither big, bureaucratic or corrupt.³⁸ These enterprises are considered to ensure equitable development for their broader distribution of assets, creation of jobs and increase in income; however, these benefits alone do not meet our

³⁴ Sand, L., Beckerman, S., & Blair, C. "First and Last Mile Connections: New Mobility." Natural Resources Defense Council: *Urban Solutions*, January 2016. Available at <https://www.nrdc.org/sites/default/files/shared-mobility-cs.pdf>

³⁵ Fan, Y. "The Planners' War against Spatial Mismatch: Lessons Learned and Ways Forward." *Journal of Planning Literature*, 27:2 (2012), pp.153-169

³⁶ Kneebone 2013, p. 102

³⁷ Kneebone 2013, p. 121

³⁸ Jeppesen, S. (2005). Enhancing competitiveness and securing equitable development: Can small, micro, and medium-sized enterprises (SMEs) do the trick? *Development in Practice*, 15(3-4), 463-474. doi:10.1080/09614520500076100

definition of equitable development. To truly ensure that SMEs are effective and meet our definition of equitable development, programs should be tailored and given preference to underrepresented groups, such as people of color (POC) and immigrants.

SMEs are typically enacted as a solution to economic inequities in countries with gross domestic products well below global averages – often referred to the Third World or developing countries. However, similar solutions have been employed domestically and can serve as case studies to spark the imagination of Brooklyn Park. Business incubators are a common practice in the private sector and have begun gaining traction in the public sector. Business incubators are similar to research and development parks in that they favor innovative solutions, but focus on creating new, start-up businesses and early-stage enterprises rather than furthering existing major corporations. Business incubators typically provide management services as well as office space for these blossoming enterprises. While a model exists, there is opportunity to think creatively, outside typical constraints, to support small-business as a mechanism to improve the economic strength of Brooklyn Park communities.

Mercado Central; Minneapolis, MN

Mercado Central, located along East Lake Street, Minneapolis, opened in 1999. The market began and continues as a local business cooperative. It is home to over 44 businesses, and was born and developed by the Latino community in Minneapolis. The Mercado also promoted local employment, generating 70 new employment opportunities for mostly local residents. In its first year, Mercado central generated over \$2 million in sales. Mercado central has received over \$277,000 in small business loans, but has also paid out over \$80,000 in local and state sales tax.³⁹

By promoting previously disadvantaged individual owned businesses, the city celebrates its unique cultural diversity while also showing real interest in the success of the community. It is both a vote of confidence for the community and opportunity for the city to improve its public perception. It allows for upward economic mobility without an abandonment from core principals of business development, but a refocus and belief that previously disadvantaged individuals have agency when given the appropriate opportunity.

North Market; Columbus, OH

The North Market is located in downtown Columbus, Ohio, just across the street from the Columbus Convention Center. It is a publicly owned site that previously functioned as an industrial site. Today, it is home to about 35 individual merchants ranging from eateries and fresh fish and meat markets to retailers selling cookware and gifts. The market is also home to a weekly farmer's market promoting about 18 different local farmers.

³⁹ <http://abcdinstitute.org/stories/mercado/index.html>

Several of the vendors at the market have either expanded their business to include a second stall at North Market or a brick and mortar location in the city. The North Market has a stable base as it attracts locals, but also brings in non-local money from those visiting the city for special expositions or conferences.

The market has been in operation since 1876 and has over a million visitors per year, though it has moved sites over the years.⁴⁰ While its current site is owned by the City of Columbus, the market is managed by the North Market Development Authority, a not-for-profit entity. However, it is an important case study based on the fact that it is a publicly owned site and its operating structure involves an independent non-profit. Recently, however, the city announced that it is interested in selling the property, an opportunity for the city to recoup its property taxes in future years.⁴¹ This is also a testament to the success of the market.

Though these two examples do not provide an immediate relief to the current workforce and economic environment, these are viable solutions to promote small businesses. These small business typically hire hourly employees at or close to minimum wage. These efforts will make a dent in Brooklyn Park's economic climate, but will boost young people's employability later. These opportunities are an important first step in a large workforce and economic plan.

Northeast Makers; Minneapolis, MN

The Northeast Makers opened around 2013 and is the brainchild of 6 people. The founders focused on a simple mission: to have a space that had premium, top of the line equipment, but the operation must remain sustainable.⁴² Given the top of the line equipment, monthly membership fees are set at \$200 with a minimum 3 month commitment. This is a major investment for low income people, but partnerships with area makers and others can reduce costs. The success of a makerspace relies heavily on the knowledge base of its members. The more members that join, the more collective knowledge there is that can benefit an incredible number of people.

A makerspace is not necessarily the same as SME or an incubator, but it is included in this section for its community value in providing education in skilled trades. A makerspace is a membership-based activity center that hosts resources that are either too costly for the average person/household or require too much space to be located in or on residential property. Makerspaces harness the creativity of community members and encourage collaboration, especially in terms of ideation and foundational knowledge. Yet, if approached as a workforce development center, training people with hard skills that will

⁴⁰ <http://www.northmarket.com/about.aspx>

⁴¹ <http://www.dispatch.com/content/stories/business/2016/09/14/city-seeks-developer-to-upgrade-north-market.html>

⁴² <http://northeastmakers.com/about-us/>

allow them to develop necessary skills to enter the workforce ready and prepared.

*St. Paul Public Library; St. Paul, MN*⁴³

As our society and education values evolve, many public libraries struggle to remain relevant. St. Paul Library's downtown Central branch as well as other area libraries have implemented makerspaces in order to keep up with these changes. While it is not necessary to belabor the hands-on learning approach makerspaces provide, it is important to realize that there are public service models that provide similar opportunity as for-profit and nonprofit models. The St. Paul Library offers age-specific spaces for people to tinker and create which is a great step in instilling confidence and creative intellect across the board. It is not, then, a huge leap to create a space specific to the needs of other demographics.

Research and Development Parks

A completely private system would require Brooklyn Park to take advantage of its anchor institutions such as Target, North Hennepin Community College, Hennepin Technical College and Rasmussen College-Brooklyn Park. If these institutions were to branch out and create research and development arms in Brooklyn Park, they would effectively be the same as an incubator. However these divisions would service the interests of the existing business rather than create new businesses. While Brooklyn Park would have no direct control over these types of workforce and economic solutions, it could advocate for these organizations to start R+D parks as well allow for them to be developed through land use and zoning updates.

The provided case studies should be viewed as a reference and spur the imagination of Brooklyn Park and the community for a path forward. However, it is our recommendation that the city implement some variation(s) of these programs. The vacant parcels in and near the SNAP area and near the new Target development provide valuable opportunities to site a business incubator, regardless of the shape it may take.

SMEs and incubators are not an end all and be all solution to support workforce and economic development in Brooklyn Park. These ideas are simply a part of the larger picture. Pairing the SME and incubator recommendation with other best practices and recommendations will increase the likelihood of success. In addition, it is important to reiterate that the siting of such opportunities must be accessible by public transit. The existing site vacancies along Brooklyn Boulevard are potential options that should be seriously considered with improved transit access as well as the sites along the future Bottineau Light Rail Line

⁴³ <http://www.twincities.com/2016/03/22/st-paul-libraries-makerspaces-tech-creativity/>

While “[w]orldwide experience shows that SMEs can potentially play a substantial part in promoting economic and social development,”⁴⁴ SMEs are not without their challenges. Careful planning and thought must go into siting, structuring, and targeting POC, women, immigrants, and youth which are often some of the least employed. This will require deeper conversations between the city, community leaders, and private partnerships. Special consideration must also be given to the current market climate and potential for clustering related businesses.

Brooklyn Park Financing Resources for Incubators

The city facilitates for business incubation within its jurisdiction. The role of the city in this sector is to provide micro loans for for-profit businesses for up to \$50,000, which can be used for working capital, inventory, equipment or general operation. The loans pay fixed interest of 10%, and loan repayment terms can range from 3 to 5 years. These loans are administered through MCCD.

Moreover, the city facilitates for loan guarantee. The loan guarantee program allows new or expanding businesses to access capital that is provided by market-lenders. The guarantee is issued by Brooklyn Park Development Corporation to the lenders. The loan guarantee program is accessible by businesses with projected sales of \$5 million or less. The guarantee can be used for purchase of real estate, machinery, inventory, working capital or line of credit. In addition, the city also facilitates access to State’s investment funds. Minnesota Investment Funds provide financing for businesses that need capital to add new labor or retain high-quality jobs in the State. Minnesota Investment funds provides a maximum of \$500,000 per project and stipulates that 50% of the total project cost comes from private financing courses. The terms of the loans can be 10 - 20 years. This may serve as a likely additional resource for the residents of Brooklyn Park.

Making these opportunities and services more visible especially to those at local institutions can greatly increase the chances that new businesses are created in the area. This can be done through presentations at the local schools, colleges and universities or other community anchor institutions or through email campaigns via organizations such as business associations.

Recommendations for City of Brooklyn Park

Leverage Existing and Future Transportation Investments

- Advocate for explicit consideration of workforce needs of Brooklyn Park residents in Blue Line station-area planning. Do not assume that the existence of high-capacity transit alone will improve job accessibility for low-income residents.

⁴⁴ Jeppesen, S. (2005). Enhancing competitiveness and securing equitable development: Can small, micro, and medium-sized enterprises (SMEs) do the trick? *Development in Practice*, 15(3-4), 463-474. doi:10.1080/09614520500076100

- Address first-and-last-mile transportation needs between future Blue Line stops and existing express buses, and low-income Brooklyn Park residents.
- Implement a shuttle or circulator service, or consider subsidizing ride-sharing services, within the Zane Avenue corridor to provide reliable and frequent or on-demand connection for corridor residents to high-capacity transit.
- Work with Metro Transit to comprehensively improve accessibility for Zane Avenue corridor residents to concentrations of job vacancies outside of Brooklyn Park.
- Identify industries and employers with middle-skill job vacancies that are accessible by transit from high-unemployment areas of Brooklyn Park. These industries and/or employers should be priorities for targeted job-training programs.

Nonprofit Partnerships

- Aspire to integrated service delivery for Brooklyn Park residents, to avoid time-consuming travel to multiple locations: a “one-stop shop” for job-seeker resources, English-language assistance, assistance in accessing government programs and child care, and other services essential to low-income job seekers.
- Consider using city-owned property to establish a central location for consolidated services, to which separate public or nonprofit service providers can be recruited.
- Partner with community colleges and key middle-skill employers to provide industry-specific job training programs aimed at rapidly qualifying participants to enter in-demand career paths. Alternatively, help nonprofit and private service providers establish such partnerships.
- Integrate transit service, including first- and last-mile service, with the programs described above to ensure reliable access.

Business Incubation

There are several policy recommendations that should be considered and implemented to ensure incubators can be used as tools for workforce and economic growth in Brooklyn Park:

- Business incubators need to be located near public transit routes
- In addition to space, programs such as business development, mentorship, and financial management need to be provided
- Specific programs and venues for youth-run SMEs need to be considered and implemented
- Strong relationships with local anchor institutions need to be at the heart of the development of these SMEs and programs
- Federal, state, and local governmental and private funding sources, such as grants, loans and tax incentives need to be considered to minimize the burden on business owners

- SME owners and entrepreneurs must retain ownership of their businesses and all its assets including, but not limited to, intellectual property, personal property and real property with an exception to the real property that is provided by the city or other anchor institution
- Brooklyn Park should advocate for local hiring practices among incoming businesses and new enterprises. Whether this is through a legal contract such as a community benefits agreement or general guideline will be left up to the city. However, it is recommended that such practice is made explicit and binding such as in a community benefits agreement.

Conclusion

Brooklyn Park is a suburban municipality that is experiencing problems from all angles, and as their demographics shift they should work to create policies and partnerships that address these changes and prepare their workforce and residents for the future. Based on the analysis of case studies from around the country, there are ample opportunities for workforce development strategies that Brooklyn Park could adopt and implement to meet its growing workforce needs. Workforce development and economic development are vital for suburbs to invest in as they continue to grow and change shape throughout the years to come.

The provided case studies and recommendations are only the beginning. These serve as inspiration and a point of reference for Brooklyn Park. While it may be difficult to implement each of these and implementing all of them at once may be counterproductive, none of these, individually, are the end all and be all to workforce development. Nor do the authors suggest that workforce development strategies are limited to what is provided in this report. However, this document is meant to provide a high-level perspective on what strategies may be most effective in Brooklyn Park, though some strategies will need to be tailored to fit Brooklyn Park specifically. Literature on suburban workforce development is slim, but these cases and recommendations should provide Brooklyn Park with a better understanding of unique opportunities.