



# A Hub of Economic Activity and Innovation

Strategies with our City and regional partners are aligned, leading to economic success

## What strategies are working?

### DEVELOPMENT ALONG TRANSIT CORRIDORS CONTINUES TO GROW.

- We have had great success stimulating economic development along the METRO Green Line.
- Corridors of Opportunity, the initiative aimed at accelerating development along the transit system, has increased awareness of development issues and needs.

### REGIONAL COLLABORATIVE EFFORTS ARE LEADING TO DEVELOPMENT SUCCESSES.

- The regional export initiative has begun a lot of great work in the last decade, and that work is being sustained.
- Greater MSP, the Minneapolis Saint Paul Regional Economic Development Partnership, has established a framework for collaboration. A number of economic initiatives for the core cities and the region have come out of this partnership.
- We are learning from one another. Saint Paul has had the opportunity to revisit its economic development strategy and is learning from Minneapolis.
- City and business partners are meeting to talk about job strategies, access to capital, etc.
- We are making investments that will lead to future economic development.
- A collaborative effort between businesses and nonprofits led to a successful Lake Street marketing campaign that showcased Lake Street restaurants and the area's cultural vibrancy. This campaign benefitted from the groundwork laid by the Great Streets program, a City program that supports commercial activities in selected neighborhood business districts.
- A product marketing cooperative was created thanks to the efforts of farmers and local businesses.
- Minneapolis is benefitting from a hot development market.

### WE RECOGNIZE THE COMMUNITY-WIDE BENEFIT OF SUPPORTING MINORITY BUSINESSES.

- Minneapolis has put the issue of equity on the map. We're talking about the problem and what should be done to address this issue.
- We are shifting how we view assistance for minority businesses. Viewing minority business initiatives as economic engines — rather than social welfare efforts — will have an enormous economic development impact.
- The State of Minnesota recognizes the importance of minority entrepreneurship and has released funds for technical assistance.

## What strategies are not working?

### WE APPROACH ISSUES IN A DISJOINTED WAY, AND WE DON'T THINK BIG ENOUGH.

- We have lots of great projects, but our approach is disjointed. We have numerous housing initiatives and transportation plans (the Green Line, a Bottineau transitway, streetcars, etc.), but we aren't talking about how all these efforts will mesh. We aren't talking about the whole picture and what resources are needed to fill in the gaps, especially in areas with high concentrations of poverty.
- There is no master plan that connects land use and economic development. We're not connecting the dots. Individual community plans are developed, but these plans don't connect with the plans developed by adjacent neighborhoods. There are too many ad hoc efforts out there.
- We throw ideas out there, but we don't connect them. For example, we don't have a plan on how to address all the small lots scattered throughout Minneapolis. If lots aren't contiguous, we can't do anything with them.
- We don't have a strategy for addressing the issue of absentee landlords. We won't make real improvements

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until we address this problem.

- When it comes to regional investments and economic development initiatives, policymakers sometimes focus too much attention asking “what have you done for us?” rather than looking at the big picture.
- We aren’t finding ways to move people from entry-level jobs to jobs requiring greater skills. The path isn’t clear. The City of Minneapolis isn’t doing enough to optimize its workforce to fill the skills gap.

## **WE NEED TO IMPROVE OUR APPROACH TO SPURRING DEVELOPMENT ALONG TRANSIT CORRIDORS.**

- We make billion dollar transportation investments using a “build it and they will come” ideology. When we debate economic development after we’ve already made transit investment decisions, we end up spending more than is necessary. We’re thinking about economic development too late in the process.
- The Corridors of Opportunity initiative has ended.

## **WE DON’T DO ENOUGH TO PREPARE PROPERTIES FOR DEVELOPMENT OR HELP EXISTING BUSINESSES EXPAND.**

- Cleanup funds are not available to properties that don’t yet have a development proposal on the table.
- It’s easier for the exurbs to attract new investment because it’s difficult to find land in the core cities.
- In our regional economic development efforts, we put too much focus on encouraging businesses from other areas to locate here. We forget that business retention and expansion projects are just as important, even if they’re not as glamorous as new projects.
- We talk about making investments around existing institutions, but it’s hard to do.

## **MORE FOCUS IS NEEDED ON THE CORE CITIES.**

- Too much of the efforts of Greater MSP has benefitted the suburbs. The core cities need more attention.
- Core cities don’t have a pipeline of deal-ready parcels that are ready for development.

## **RACIAL DISPARITIES STILL PERSIST.**

- Despite the great work being done by organizations, Minneapolis has the highest rate of racial disparities in education, jobs and housing. Our strategy isn’t working, and it’s disheartening. Something is broken, and we aren’t figuring out what the missing pieces are.
- We aren’t focusing enough on the unemployed and the underemployed.

## **WE COULD DO A BETTER JOB SHARING INFORMATION AND WORKING WITH OUR PARTNERS.**

- Our conversations about our collaborative economic development strategies remain focused on high level staff. We aren’t regularly sharing information with the staff who implement our programs.
- The relationship between the City of Minneapolis and Hennepin County is strained. Because of jurisdiction issues, we aren’t working together the best we could. We forget that the City and County are interdependent.

## Working in partnership, what strategies could we pursue?

### **TAKE ADVANTAGE OF EXCEPTIONAL OPPORTUNITIES.**

- Take advantage of the opportunities presented by the huge block of land that will soon be available in north Minneapolis when the Upper St. Anthony Falls Lock and Dam and ports close. This location has excellent access to transportation and presents an excellent opportunity to create jobs and extend recreational amenities to north Minneapolis.
- Take advantage of our hot development market.

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## **CONTINUE TO SPUR ECONOMIC DEVELOPMENT ALONG TRANSIT CORRIDORS.**

- Make economic development part of the initial conversation when making transit investment decisions. This will maximize our investment opportunities.
- Do more regional transit-economic development projects.
- Move the Corridors of Opportunity initiative from the planning stage to the implementation stage. Talk about the leadership role the City should take in this metro-wide effort.

## **THINK BIG TO ENSURE OUR PLANS CAN BE SUCCESSFUL.**

- Create a master plan that connects land use and economic development initiatives. Get partners to the table so that housing initiatives and transportation plans mesh.
- Make sure that neighborhood plans relate to one another. Connect these efforts and find resources to fill in the gaps.
- Create a strategy to address the issue of absentee landlords to ensure we can make real improvements in areas of Minneapolis with high concentrations of poverty.
- Support the State of Minnesota's effort to set a statewide vision for reducing disparities and unemployment. Support efforts to get buy-in on a shared vision that lifts up the entire state with less competition between the metro area and greater Minnesota. Participate in efforts to define what economic success looks like and examine what programs (exports, access to capital, etc.) can be implemented so we can all succeed. Help the State become a better economic development ally.
- Help farmer-business cooperatives expand their efforts to reach large institutional buyers.

## **GET SITES READY FOR DEVELOPMENT.**

- Partner with entities that fund environmental cleanup and get sites ready for development rather than waiting for a specific development to be proposed.
- Find a way to consolidate scattered small lots into larger developable parcels.

## **MAKE BETTER USE OF THE CITY'S INTERNAL ASSETS.**

- Encourage City employees who are doing good work, and help employees develop new skills.
- View the City's regulatory process as an asset that can smooth the way for developers. Look for ways to motivate change and create a continuum of improvements.

## **BOOST EMPLOYMENT OPPORTUNITIES AND HELP MINORITY ENTREPRENEURS SUCCEED.**

- Boost minority employment opportunities. The benefits of employing minorities go far beyond the family and extend to the entire community.
- Create strategies to boost minority businesses and grow minority entrepreneurship. Currently, minority businesses generate \$1.6 billion in revenue and employ 6,500 people. Quadrupling these numbers would have a big impact on Minneapolis. Building minority businesses is key to the entire community's health.

## **SHARE INFORMATION AND WORK TO IMPROVE COLLABORATIVE EFFORTS.**

- Share information about economic development strategies more regularly with the staff who work to implement these strategies on a day-to-day basis.
- Work to ease the tension between the City and County so we can work together to achieve optimal results.
- Create a joint City-County economic development commission and identify our highest priorities.
- Emulate the Cleveland Foundation's cooperative strategy that attempts to address poverty and unemployment by building the capacity of existing institutions.
- Have a region-wide listening session.

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- *Note: Conversation participants were asked to focus on the economy and business.*

This conversation had representatives from Mayor's Office, City Coordinator's Office, Community Planning and Economic Development, Public Works Department, City of St. Paul, Minnesota DEED, Hennepin Community Works, Latino Economic Development Center, McKnight Foundation and Metropolitan Economic Development Association.