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Advancing Local and State Policy for an Equitable Economy

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What is the Center?

The Center for Economic Inclusion is a St. Paul-based nonprofit dedicated to creating an equitable economy through closing Minnesota's racial gaps. We work with public units of government and private enterprises to help them meet their self-identified equity goals with a set of bespoke services that drives results.

Some of our clients include:

- Ramsey County
- Greater St. Cloud
- Itasca Project
- Excel Energy
- Metropolitan Council
- St. Louis County
- Mille Lacs Corporate Ventures



What are the Racial Gaps?

- As of 2019, 2.1% of business owners identified as black versus 77.8% for those that identified as white.
- As of 2019, 93.6% of all small business loans go to majority-white neighborhoods versus 6.4% to neighborhoods of color.
- As of June 2022, unemployment in MN stood at 7.4%, 3.4%, and 2.4% for Black, Hispanic, and White Minnesotans respectively.
- As of late 2021, median household wealth for White, Hispanic, and Black Minnesotans stood at \$139,000, \$19,990, and \$12,780 respectively.



How we do our work.

Equity Consulting

We work with our clients to identify their progress towards their self-selected equity goals, map a path to meet these goals, and sheppard them through the project.

To do so, we employ a host of consulting tools and results-based, bespoke services to public and private institutions. We focus on systemic approaches that allow our clients to meet their own equity goals in an accountable and results-based approach.



Some of Our Tools

Inclusive Economy Indicators

- Employment Rate
- Access to Capital
- Homeownership
- Broadband Subscription

2022 Racial Equity Dividends Index Report

- A comprehensive tool to measure businesses progress toward an inclusive workplace.

Race-Based Accountability

- Using a framework that looks at the root causes of our systemic racial gaps.



What is Equity?

United Way

- Equity is the process of eliminating racial disparities and improving outcomes for everyone.

Dartmouth College

- Rural health equity means that all people living in rural areas are able to live their healthiest life possible.

Center for Economic Inclusion

- The guarantee of fair treatment, access, opportunity, and advancement while at the same time striving to identify and eliminate barriers that have prevented the full participation of some groups. The principle of equity acknowledges that there are historically underserved and underrepresented populations, and that fairness regarding these unbalanced conditions is needed to assist equality in the provision of effective opportunities to all groups.

Equity in Policy

How does equity show up in public policy.

Federal Level

- Departmental assessments evaluating services.
- Developing agency action plans.

State Level

- Creation of equity action plans for departments (MN).
- Creation of equity officer to improve state operational equity (IND).



Municipal Equity Policy

Municipalities have been laboratories of public policy. This is for several reasons:

- Political environment is often easier.
- Cities embody high levels of disparities.
- Proximity to residents allows for greater understanding of their needs.
- Local services are more present in residents' lives.
- Allows for autonomy over decision making.



What Are Some of the Policies

Common areas of equitable policy on the municipal level.

- Creation of Equity Divisions
- Budgeting for Racial Equity
- Data Collection
- Community Stakeholder Initiatives on Racial Equity
- Racial Equity Training for Elected Officials and Staff
- Diversification of City Staff
- Policing
- Housing
- Procurement

Commonalities:

- Increasing staff diversification across City-wide enterprises, especially as baby boomers retire.
- Confronting difficult realities across city enterprises.
- Focused on racial equity within cities, often rural equity in rural areas.
- Commitment of resources to drive systemic changes.

Minneapolis, Minnesota

- Creation of Division of Race and Equity within City Coordinator.
 - Diversify spending, increase racial representation in workforce, using race-based data, engaging with diverse communities, prioritizing housing, economic development, and public safety.

Austin, Texas

- Creation of Office of Equity (2015).
 - Provide racial lens on access to and the function of City programs.
 - Evaluate City hiring for minority representation.

Philadelphia, Pennsylvania

- Creation of Office of Diversity, Equity, and Inclusion (2016).
 - Umbrella office with several smaller offices for people with disabilities and LGBT issues.

Dallas, Texas

- City Council passed a new law to build 20,000 new homes in select neighborhoods for revitalization.

Iowa City, Iowa

- City Council created the Social Justice and Racial Equity fund to assist Iowa for-profit and nonprofit organizations. Grant program lists six priority service areas that includes education, building community, housing, criminal justice, health, and employment.

Charlottesville, Virginia

- Creation of Equity Package and Business Equity Fund that received a \$4 million equity package in 2017 for marginalized communities to fund public housing redevelopment, GED training for public housing residents, scholarships for low-income and public housing, and a Black male achievement staff person.

St. Paul, Minnesota

- In 2015, Mayor Coleman called on City departments to develop racial equity plans, which included data collection and disaggregation.
- Use of Racial Equity Assessment Tool to examine how policies, procedures, services, and budget decisions affect communities of color.

Baltimore, Maryland

- Creation of Equity Assessment program in 2018 for City departments and agencies to conduct equity assessments, designating city staff responsible for this work, and develop utilization metrics.
- Grant program lists six priority service areas that includes education, building community, housing, criminal justice, health, and employment.

Salt Lake City, Utah

- Creation of Salt Lake City Commission on racial Equity in Policing with residents to examine practices, culture, and budget of the SLC Police Department.
- Commission provided recommendations to the City.

Baton Rouge, Louisiana

- Creation of Commission on Racial Equity and Inclusion to promote accountability and coordination in city-wide initiatives involving Economic Development, HHS, Government Agencies, and Arts.

Lexington, Kentucky

- Creation Commission on Racial Justice and Equity creates a space and establishes sub-committees to discuss and recommend policies for racial equity.

Montgomery, Alabama

- Passed city ordinance establishing the Racial Equity and Social Justice Act that requires 8,000 government employees to receive equity training.

Austin, Texas

- Creation of Office of Equity to teach City staff about institutional racism.

Philadelphia, Pennsylvania

- Office of Diversity, Equity, and Inclusion to focus on training city officials on implicit and explicit.

Philadelphia, Pennsylvania

- Office of the City Controller released a 2020 report on enterprise-wide staff diversity. This report noted improvement since 2018.

Boston, Massachusetts

- The Boston Office of Diversity uses a diversity board to understand City demographic information.
- This effort includes benchmarking, action steps, and a dashboard updated monthly to monitor progress.

Albany, New York

- The Albany Common Council passed an ordinance in 2017 that requires officers to present a business card with identifying information when stopping residents.

Asheville, NC

- The City Council authorized the police chief and city manager to create a policy requiring affirmative consent for searches of residents without reasonable suspicion.

Washington, DC

- The Comprehensive Policing and Justice Reform Emergency Act requires body-camera footage be made public sooner after officer-involved shootings, and bans police from purchasing military-style equipment.

Minneapolis

- In 2018, the City Council passed a comprehensive plan to permit three-family homes and an expansion of high-density buildings to abolish restrictive zoning.

Portland, Oregon

- In 2019, passed an ordinance that limited the use of credit and criminal histories, changes in incomes, and forbids requirements for government issued IDs for tenant screening.

St. Paul, Minnesota

- Passed rent stabilization in 2021 to cap rent increases at 3 percent. Currently being amended.

Chattanooga, Tennessee

- City has hosted multiple "purchasing expos" to help facilitate bidding on city contracts while stream-lining processes and procedures for vendors to perform services for the city.

St. Paul, Minnesota

- Developed a new online platform for a transparent and easily accessible way to download bids free of charge. Vendors can register as a WBE or DBE through one-day community workshops.

Boston, Massachusetts,

- Created Office of Economic Development with sub-offices to drive equity by providing technical assistance to businesses. Also established Equitable Procurement Plans for City Departments.

1. Policy Complexity

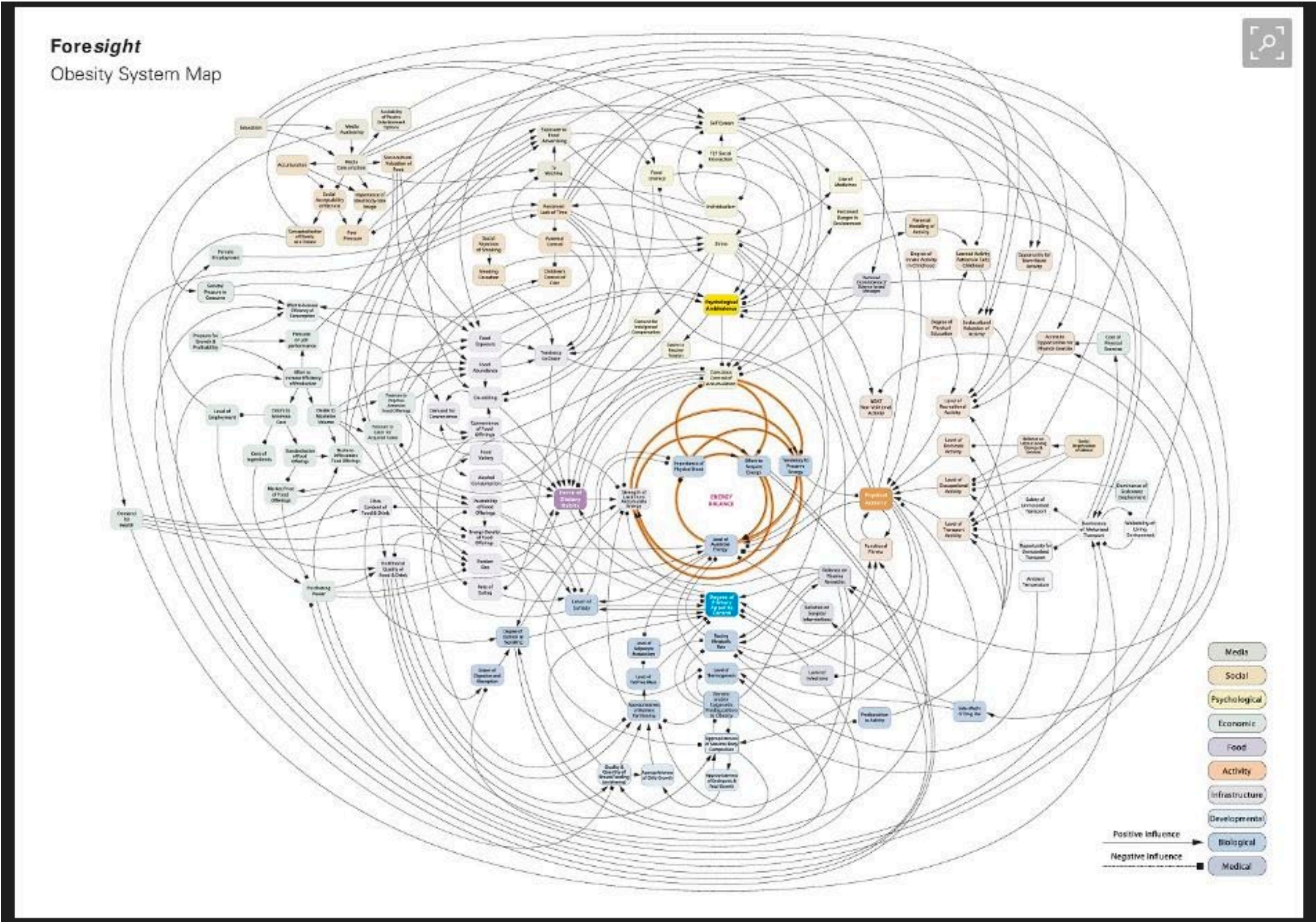
- Complicated root problems.
- Interconnected policies cross non-integrated public institutions.
- Public and private institutions respond to different incentives.
- So much policy, so little time...

...Don't Boil the Ocean!

Source: Info for Source Goes Here

People + Systems

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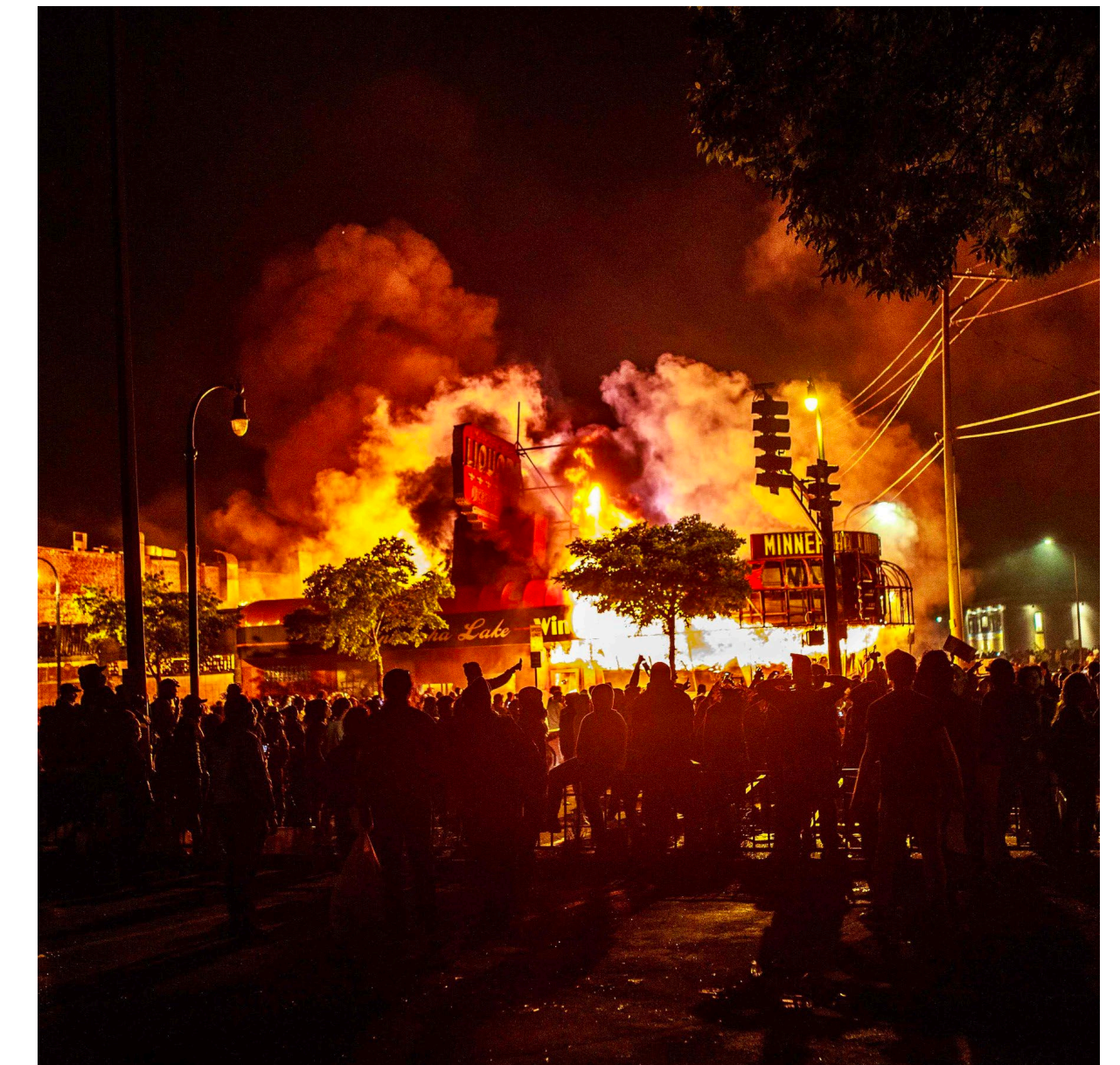
"You forgot the new coversheet for your TPS report...did you see the memo about this?"

2. Bureaucratic Inertia

- Public institutions have established SOPs.
- Staff operates within limited purviews depending on the level of government.
- Internal tensions within departments and staff.
- External political tensions can change departments missions and/or operations.

3. Political Divisiveness

- Increased political volatility.
- Changing perceptions of public policy problems.
- Challenges to the legitimacy of governmental institutions.
- Lack of conversation between people in opposite parties.





Cities Will Lead

- Cities have advantages over state and federal governments.

Businesses Continue to Buy In

- Businesses are increasingly turning to equity because they are beginning to see the business case for equity.

Equity in Public Institutions

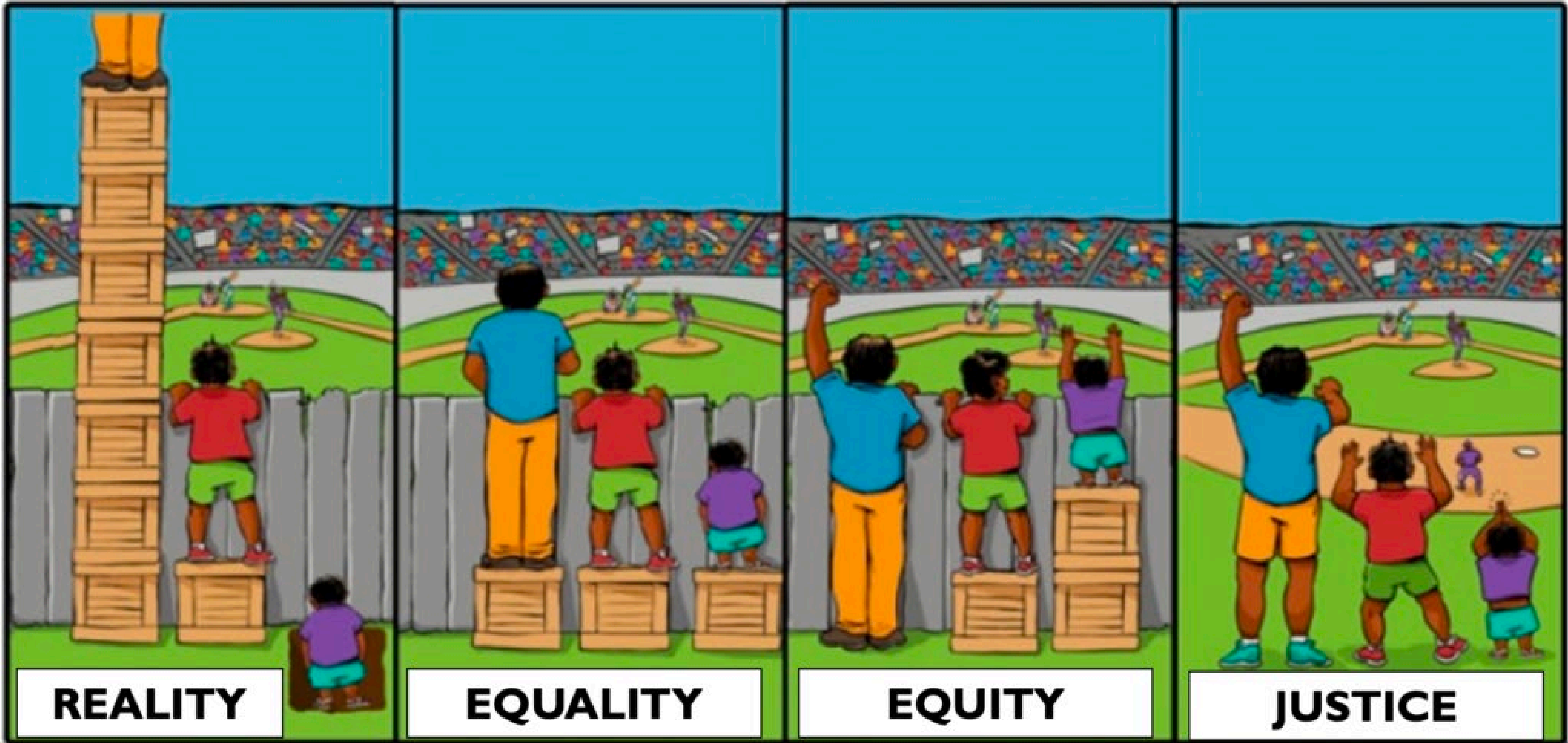
- Cities are serving increasingly diverse populations, and they need to reach them.

Need to Continue Tough Conversations

- The problems of marginalized communities are not going away.

Equity Will Continue to Have Multiple Definitions and Applications

- Different places face similar problems with different variations.



One gets **more than** is needed, while the other gets **less than** is needed. Thus, a huge disparity is created.

The assumption is that **everyone benefits from the same supports**. This is considered to be equal treatment.

Everyone gets the support they need, which produces equity.

All 3 can see the game without supports or accommodations because **the cause(s) of the inequity was addressed**. The systemic barrier has been removed.

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The Choice is Ours.

