

Workforce Employment Plans

Connecting Economic Development and Workforce Development

MWCA Best Practices

WIB Name/WSA: Minneapolis Employment and Training Program
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In the fall of 2003, after years of abandonment and neglect, redevelopment of the Sears administrative and retail building located on the northeast corner of the Chicago Avenue and Lake Street intersection in South Minneapolis began. Even before the first workers arrived on site, the City of Minneapolis' Community Planning and Economic Development executed what became known as a *Workforce Employment Plan* with the Ryan Construction Company; the first plan of its kind in the State of Minnesota.

The general objectives of the plan were to work closely with a company that had received public assistance to assure that employment opportunities at the site were provided to neighborhood residents, many of whom are minorities and low-income and to ensure that Minneapolis youth were given a chance to see and/or experience a real construction worksite.

The principles of the agreement were four-fold:

1. to maximize minority, women, and neighborhood hiring in the project's construction (either as contractors, subcontractors, laborers, or skilled craft persons),
2. to build and expand business partnerships with Minneapolis Public School students and youth workers,
3. to create opportunities for construction apprenticeships and student internships within the project, and
4. to gain access to job openings at Allina Health Care and with other tenants of the newly remodeled Midtown Exchange Company after the rehabilitation of original Sears building was complete.

Out of these four principles, the *Workforce Employment Plan* developed into a non-binding seven-point plan that provided:

- a goal for the number of hours worked by apprentices,
- construction employment opportunities for neighborhood residents,
- aggressive hiring goals for skilled minority, unskilled minority, and female workers during construction,
- subcontracting goals for construction supplies and services,
- summer youth employment opportunities,
- participation by the general construction contractor and developer in Minneapolis public high school construction classes, and
- ongoing services to the building's final business tenants.

Following the success of the initial *Workforce Employment Plan*, the City of Minneapolis has entered into three more *Workforce Employment Plans*, which are all currently active. The three plans include the construction of Coloplast's North American Headquarters in North Minneapolis by Kraus Anderson, the construction of Fairview University Hospital's new Children's Hospital in the Cedar Riverside neighborhood by Kraus Anderson, and the construction of the new Children's Hospital in

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South Minneapolis by Knutson. The scope and scale of these projects, along with the degree of public subsidy, created an excellent opportunity to once again create and implement *Workforce Employment Plans*.

Jobseeker Impact:

Workforce Employment Plans are first and foremost a tool for local entities to connect jobseekers with work opportunities related to specific development projects. This is done in three primary ways, by:

- connecting applicants with job openings in the construction trades through community-based construction skills training opportunities, and
- providing opportunities during construction to connect with minority owned service vendors to create educational programs related to construction, develop partnerships between majority and minority contractors, and foster long term relationships between these contractors and the City.

Community Impact:

- Neighborhood residents impacted by the construction project are part of the process to develop/redevelop their own neighborhoods.
- In neighborhoods heavily impacted by job loss and high unemployment, a *Workforce Employment Plan* offers an opportunity for local residents to benefit from positive economic changes within their own neighborhood.
- Minority owned companies, often located within the neighborhood impacted by the construction, can be hired to supply labor, parts, and materials to the project, providing that company with an opportunity to grow and prosper.

Entities Involved:

- City of Minneapolis departments: Civil Rights and Community Planning and Economic Development - Minneapolis Employment and Training Program, Business Finance, Business Development
- Private sector business community
- Construction companies and sub-contractors
- Non-profit workforce development agencies, including community-based construction specific training programs
- Minneapolis Public Schools
- Higher education

Leverage/Alignment:

- *Workforce Employment Plans* leverage the opportunity that economic development activities (tax increment financing, land sales, brownfield remediation grants or conduit tax-exempt bonds) provide as it relates to local employment and workforce development. *Workforce Employment Plans* allow local government to connect economic development with workforce development.

Ideas for Replication/Lessons Learned:

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- The basic principles of a *Workforce Employment Plan* are replicable at many scales; any entity that invests in development or redevelopment projects can create partnerships with contractors/business owners to enhance local workforce and educational opportunities. Further, each plan should be tailored to meet the particular needs of the development project and neighborhood characteristics.