

Management Committee

Meeting date: April 14, 2021

For the Metropolitan Council meeting of April 14, 2021

Subject: Advancing Racial Equity in the Region Projects

District(s), Member(s): All

Policy/Legal Reference: FM 2-2 Finance and Asset Management Policy

Staff Prepared/Presented: Marie Henderson, Acting Chief Financial Officer (651-602-1387); Mary Bogie, Acting Regional Administrator (651-602-1359)

Division/Department: Multiple

Proposed Action

That the Metropolitan Council approves the advancing equity in the region projects. 1) Advance equity in the region through contracting (\$600,000) 2) Local Housing Incentives Account Program (\$4,000,000) 3) Environmental Services Youth Job Skills Program (\$100,000) 4) Equity Evaluation of Regional Transportation Investment (\$250,000) 5) Maintenance Technical Training (\$200,000) 6) Expanding Multicultural Marketing Reach and Frequency (\$150,000) and 7) Temporary help to help execute these projects in Human Resources and Procurement. (\$300,000).

Background

Management proposed projects to the Management Committee that would advance equity in the region. One-time money from the general-purpose levy and the general fund reserves will help jump start pilot programs. Project ideas, for this funding were presented to the Management Committee at the February 24, 2021, March 10, 2021, and March 24, 2021 Management Committee meetings. The following projects were moved forward as an information item at the March 24, 2021 meeting. The Equity Advisory Committee was provided with the projects for review and input. A request is made for approval on this business item.

Advance Equity in the Region through Contracting - \$600,000

Reducing racial disparities through advancing equity in contracting. This collaborative proposal includes 1) Financial incentives for exceeding MCUB goals \$125,000; 2) Funding to support the creation of on-the-job training opportunities in the construction trades \$200,000; 3) Building capacity for MCUB business \$175,000; and 4) Supplier vendor tool for external customers \$100,000. These four initiatives work together to reduce gender and racial disparities that exist in our regional construction market.

Success will be measured by project data. Project data to be measured and reported includes: Women/BIPOC-owned business participations, contract dollars distributed to MCUBs in excess of established goal, MCUB revenue, number of women and BIPOC individuals employed on Council Projects and feedback from MCUBs. Time frame: Two years.

Sponsors: Jody Jacoby, Director, Procurement; Cyrenthia Jordan, Director, OEO; Marcy Syman, Director, HR

Local Housing Incentives Account Program - \$4,000,000

Local Housing Incentives Account (LHIA) funding can reduce racial disparities in housing stability and housing affordability by creating a full range of housing

options across the region. LHIA is an existing annual program that provides grants to create or preserve affordable housing, prioritizing deeply affordable, larger family units and supportive housing for households experiencing homelessness.

Success will be measured by the number of new units compared to forecasted need for additional affordable housing, the number of preserved units funded compared to the number of housing cost burdened households, and disparities in housing stability and access can also be tracked, though LHIA is a small portion of all available affordable housing funding. Time frame: 2021 Grant Cycle

Sponsors: Lisa Barajas, Director, Community Development; Tara Beard, Manager, Livable Communities

Environmental Services Youth Job Skills Program - \$100,000

To increase the training and hiring of people of color so Environmental Services workforce is more reflective of the region that we serve. To target youth from underserved communities that face barriers to employment and community inclusion. Environmental Services will address a missed opportunity and workforce gap by building a talent pipeline of candidates through a region-wide job readiness program for careers in wastewater operations, trades, and maintenance positions.

Success will be measured by having youths of color hired into and completing the program. This program will start with five positions. The program participants are accepted into full-time positions within Environmental Services. Time frame: two years.

Sponsors: Jennifer Zuchowski, Manager, Programs and Administer Workforce and Equity; Aaron Koski, Sr. Manager, HR Workforce Development

Equity Evaluation of Regional Transportation Investment - \$250,000

To have specific recommendations and legislation for changing transportation funding allocations and planning and programming processes to reduce structural racial inequities. This project will engage a representative Project Advisory Committee in an in-depth evaluation of state and regional funding, planning and programming processes to identify and prioritize changes and strategies that would result in more equitable transportation system decision-making and outcomes.

Success will be measured by transportation funding distribution by mode and geography, increased BIPOC representation with transportation decision-making processes, and improved BIPOC transportation engagement. Time frame: eighteen months.

Sponsors; Nick Thompson, Director, Metro Transportation Services; Amy Vennewitz, Deputy Director, Planning/Finance UPWP Projects

Maintenance Technical Training - \$200,000

To reduce the barriers to maintenance technician careers. Funds will be used to complete program design, applying lessons-learned for a new approach to the Maintenance Technician Training Program. The focus of this program will be to offer a combination of required classroom and hands-on training delivered by Metro Transit staff to substitute for the college degree requirement. Equity of opportunity is front and center in providing an additional career pathway into a technical position that likely not available through another means. Candidates will be selected from non-technicians with Bus Maintenance, other employees from Metro Transit, and at least half from the communities we serve.

Success will be measured by identifying ten to twelve participants including 50% from outside the organization, by the number who complete the program and pass the pre-employment test, and by the demographics of participants and graduates. Time frame: eighteen months

Sponsors: Brian Funk, Deputy Chief Operating Officer – Bus, Metro Transit; Matt Dake, Director of Bus Maintenance, Metro Transit

Expanding Multicultural Marketing Reach and Frequency - \$150,000

To strengthen Metro Transit marketing activities and approached to more effectively reach and resonate with the diverse communities we serve. This proposal includes: 1) Multicultural focus group. Hold multicultural focus groups to learn more about how diverse communities access information and consume media in order to reduce racial disparities in our communications \$15,000. 2) Creative Services Collaboration fund. Creative Services would use this fund to partner with BIPOC artists, illustrators, influencers, and arts groups to advance equity in the visuals and language used in Metro Transit's promotional materials. It would Reduce Racial Disparities in Transportation by more closely reflecting the communities we serve, as well as providing funds for services rendered directly by the BIPOC community \$25,000. 3) Year-long contracts with multicultural media. These funds will allow Metro Transit to have a consistent presence in and share important information with the diverse communities we serve in order to reduce racial disparities in our communications \$75,000. 4) MCUB vendor recruitment campaign. Partner with OEO to create a marketing campaign to recruit more vendors for the MCUB program in order to reduce racial disparities in Metro Transit's purchasing and contracted services \$10,000. 5) To act on information received through the focus group, creative services collaborations, and our growing relationships generally as we engage in activities above \$25,000.

Success will be measured by increased presence in multicultural media and other channels identified by the focus group as having strong potential to reach BIPOC community members. Time frame: one year

Sponsors: Bruce Howard, Director, Marketing and Transit Information, Jessica Cross, Marketing Specialist

Rationale

The proposed projects are pilot programs to help advance equity in the region. This one-time money is to jump start these programs. The outcomes will be presented to the Management Committee during the progress of these projects. The projects will give measurable results on how equity was advanced in the region.

Thrive Lens Analysis

Equity – these projects will have measurable outcomes and investments to help build a more equitable region.

Stewardship - the use of Public financial resources, to be used effectively and efficiently across the projects.

Accountability – the commitment to monitor and evaluate the effectiveness of these projects toward achieving shared outcomes of advancing equity in the region.

Funding

Total investment amount is \$5,600,000 in the equity projects. This number includes \$300,000 for hiring temporary help to help execute these projects in Human Resources and Procurement. The funding

sources are: \$3,900,000 from General-Purpose Levy and proposed \$1,700,000 from the General Fund reserves.

The 2021 budget set aside \$3,900,000 of the general-purpose levy for advancing equity in the region projects. The balance of funding for these projects will come from the General-Fund reserves and will be presented in a future budget amendment.

Known Support / Opposition

This information was presented to the Equity Advisory Committee (EAC).

On the Advance Equity in the Region through Contracting project there was concern stated for paying financial incentives to large contractors to exceed goals with an interest in learning more. Input sought understanding of DBE and MCUB program certifications and goal setting to consider broadening the definition of small business. Interest was expressed in doubling down on other Council on the job training initiatives.

The Environmental Services Youth Job Skills Program received support for hiring more people of color. Interest was expressed in creating opportunity for full time positions after summer employment with attention to addressing internal culture and inclusion in the workplace.

Expanding Multicultural Marketing and Frequency received a request for commitment to work with only BIPOC led marketing and engagement firms and artists.

Additional comments supported the focus on equity driven funding. Input emphasized intentional partnerships with community or non-profits that have established programs and community connection.