



**WORK SESSION
RICHFIELD MUNICIPAL CENTER, BARTHOLOMEW ROOM
JANUARY 23, 2024
5:30 PM**

Call to order

1. Review of the results from the Racial Equity Dividends Index (REDI) that the City participated in through the Center of Economic Inclusion (CEI) this fall.
2. Discussion on including the NorthSTAR Bill in the City's 2024 Legislative platform.

Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.



STAFF REPORT NO. 03

WORK SESSION

1/23/2024

REPORT PREPARED BY: Brittany Bartlett, Equity Coordinator

DEPARTMENT DIRECTOR REVIEW:

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
1/17/2024

ITEM FOR WORK SESSION:

Review of the results from the Racial Equity Dividends Index (REDI) that the City participated in through the Center of Economic Inclusion (CEI) this fall.

EXECUTIVE SUMMARY:

The City opted to participate in the REDI in order to analyze our current programs, policies, and procedures relating to racial equity. Staff plan to use the data from the REDI as a foundation for creating an equity plan, including citywide and departmental goals. CEI's mission is committing to closing racial employment, income, and wealth gaps, and building racially inclusive and equitable regional economies.

DIRECTION NEEDED:

None

BACKGROUND INFORMATION:

A. HISTORICAL CONTEXT

The REDI was compiled by the City's equity coordinator, Management analyst, City Manager, and department directors. 22 local organizations participated, with the City being included as a small city (population less than 75,000). Our scores were compared with 11 other peer, small cities. The Index consisted of 67 multiple choice questions, each weighed equally to provide a score out of 100. Demographics data for city staff was included for each organization, but not scored.

B. EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS

The REDI will provide a foundation for the creation of an internal equity plan, which will determine goals for departments to work towards in order to better serve underrepresented populations.

C. POLICIES (resolutions, ordinances, regulations, statutes, exc):

None

D. CRITICAL TIMING ISSUES:

None

E. FINANCIAL IMPACT:

The City participated in the REDI for a total cost of \$1500 covered by the adopted 2023 budget.

F. **LEGAL CONSIDERATION:**

None

ALTERNATIVE(S):

None

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

	Description	Type
▣	REDI Score Report - Richfield	Backup Material
▣	Public Sector REDI Report	Backup Material
▣	REDI Presentation	Presentation



2023 RACIAL EQUITY DIVIDENDS INDEX SCORE REPORT

City of Richfield

2023 OVERALL SCORE: **28.1 out of 100 points**

2023 PERCENTILE (ALL ORGANIZATIONS): **64%**

2023 PERCENTILE (PEER ORGANIZATIONS): **83%**

Introduction

By completing the *2023 Racial Equity Dividends Index for the Public Sector* survey, you and your organization have taken an important step to assess your progress toward building and benefitting from the dividends of racially equitable workplaces and communities.

The Center for Economic Inclusion developed the Racial Equity Dividends Index for the Public Sector for city, county, and other local governments. The score report includes your organization's full set of answers accompanied by quantitative scoring and peer comparison with other participating organizations to give leaders in government a clear sense of current progress and future opportunities for inclusive, antiracist action, leveraging local governments' power as employers, service providers, and policymakers.

Thank you for being a partner in the goal of building racially equitable and inclusive workplaces in Minnesota.

Scoring

All 67 multiple-choice questions about racial equity standards in the survey are weighted equally and scored out of 100 possible points. Organizations score full points for each "Yes" answer given, indicating the presence of a racial equity standard, and zero points for other answers. Questions with answers of "not applicable" are excluded from scoring. Racial equity outcomes data related to workforce demographics and procurement spending are included for comparison purposes and do not affect an organization's score.

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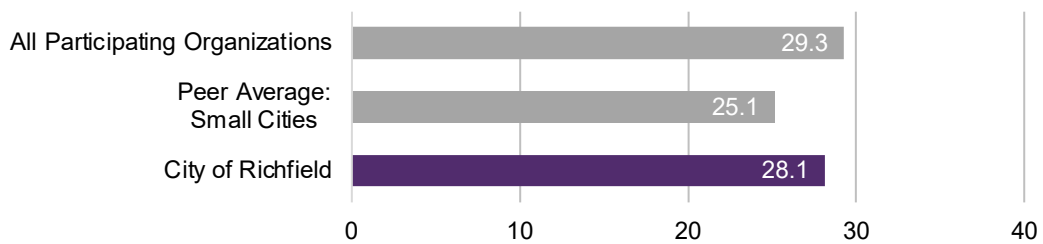
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Peer Comparison

This score report benchmarks City of Richfield’s scores against other participating **Small Cities**.

PEER DEMOGRAPHICS	Resident population	Resident racial demographics	Full-time employees	Government Type
Small Cities	36,493	23.4% Black, Indigenous, Hispanic, or Asian	191	City
City of Richfield	36,899	40.1% Black, Indigenous, Hispanic, or Asian	203	City

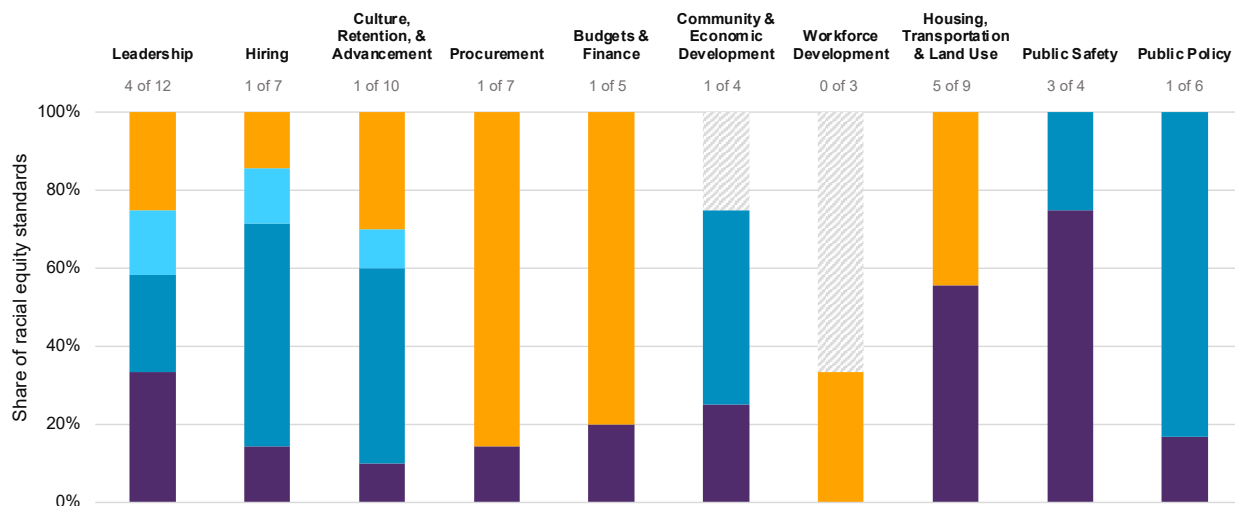
INDEX SCORE COMPARISON



City of Richfield Score Overview

18 out of 67 racial equity standards fully in place





■ Yes
 ■ Somewhat
 ■ Somewhat less
 ■ No
 ■ Not sure
 ▨ Not applicable










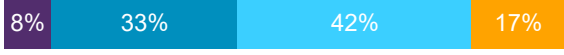













Dimensions of the Racial Equity Dividends Index

LEADERSHIP

Your Score: 4 out of 12 (peer average: 2.8) ■ Yes ■ Somewhat ■ Somewhat less ■ No ■ Not sure

Question	Your Answer	Peer Answers
Does your organization have a Chief Diversity, Equity, and/or Inclusion Officer , or a full-time senior-level employee dedicated to advancing inclusion and racial equity across the organization?	■	
Does your government participate in cross-sector partnerships or civic organizations that have explicit goals to reduce racial inequities and support racial equity?	■	
Does your organization provide internal teams working on racial equity with an annual budget and executive-level sponsors?	■	
<p>Actions your organization currently takes:</p> <p><i>We have one or more internal teams working on racial equity, diversity, and inclusion within our organization</i></p> <p><i>We provide annual budgets for internal teams working on racial equity, diversity, and inclusion</i></p> <p><i>We have identified at least one executive sponsor for internal teams working on racial equity, diversity, and inclusion</i></p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>91% of peers took this action</p> <p>64% of peers took this action</p> <p>64% of peers took this action</p>
Does your organization collect data and take action to ensure that appointed board and commission members are representative of the racial demographics of the community the board is intended to serve?	■	





<p>Does your organization regularly publish data on the demographics of your workforce disaggregated by race and ethnicity?</p>		
<p>Does your organization currently have an organization-wide racial equity strategy?</p>		
<p>Does your organization follow a regular process at the onset of major projects and initiatives to determine how to engage residents, particularly among Black, Indigenous, Hispanic/Latine, and Asian communities, in order to incorporate their perspectives throughout?</p>		
<p>Does your organization regularly publish population-level data on resident demographics, economic outcomes, and quality of life, disaggregated by race/ethnicity, on your organization's website?</p>		
<p>Does your organization follow a consistent process to measure community satisfaction with services, disaggregating resident perspectives by race, and take action to improve services?</p>		
<p>Has your organization conducted a racial equity assessment within the past 3 years?</p>		
<p>Does your organization actively maintain an Open Data Portal that publishes datasets that disaggregate data by race or otherwise relate to racial equity across your organization?</p>		



















<p>Does your organization's senior leadership reflect the current racial demographic of your region?</p> <p>Leadership demographics match or exceed regional demographics for:</p> <p><i>Black</i></p> <p><i>Indigenous</i></p> <p><i>Hispanic</i></p> <p><i>Asian</i></p> <p><i>White</i></p>	     	 <p>0% of peers answered yes</p> <p>0% of peers answered yes</p> <p>8% of peers answered yes</p> <p>17% of peers answered yes</p> <p>100% of peers answered yes</p>
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HIRING

Your Score: 1 out of 7 (peer average: 2.9)

■ Yes
 ■ Somewhat
 ■ No
 ■ Not sure













Question	Your Answer	Peer Answers
<p>Does your organization publish salary information for job postings?</p>		
<p>Has your organization eliminated the use of prior salary information to inform pay and hiring decisions?</p>		

<p>Does your organization take ongoing actions to remove bias from application processes?</p> <p>Actions your organization currently takes:</p> <p><i>Reviewing job qualifications and removing unnecessary criteria on a regular basis</i></p> <p><i>Consistently creating racially diverse hiring committees</i></p> <p><i>Focusing background checks on job-specific factors</i></p> <p><i>Implementing second-chance hiring practices</i></p>	    	 <p>100% of peers took this action</p> <p>25% of peers took this action</p> <p>92% of peers took this action</p> <p>33% of peers took this action</p>
<p>Does your organization invest in local talent pipelines through paid internships, training partnerships with community colleges or workforce development providers, scholarships for students who are not related to employees, and/or other substantial career exposure opportunities?</p>		
<p>Does your organization intentionally recruit from racially diverse talent pools, including schools, workforce development programs, and other community-based organizations with high shares of Black, Indigenous, Hispanic/Latine, and/or Asian people?</p>		
<p>Does your organization set enterprise-wide goals for hiring, retaining, and advancing Black, Indigenous, Hispanic/Latine, and Asian workers and hold organizational leadership accountable for meeting these goals?</p> <p>Actions your organization currently takes:</p> <p><i>We set goals across our organization for hiring a racially diverse workforce</i></p> <p><i>We set goals across our organization for retaining employees of color</i></p> <p><i>We set goals across our organization for promoting employees to produce racially diverse leadership teams</i></p> <p><i>We take action to hold leadership accountable for meeting these goals</i></p>	    	 <p>42% of peers took this action</p> <p>8% of peers took this action</p> <p>8% of peers took this action</p> <p>0% of peers took this action</p>
<p>Does your organization require hiring managers to consider a racially diverse slate of candidates during the application and interview stages?</p>		

CULTURE, RETENTION, & ADVANCEMENT

Your Score: 1 out of 10 (peer average: 1.8) ■ Yes ■ Somewhat ■ Somewhat less ■ No ■ Not sure

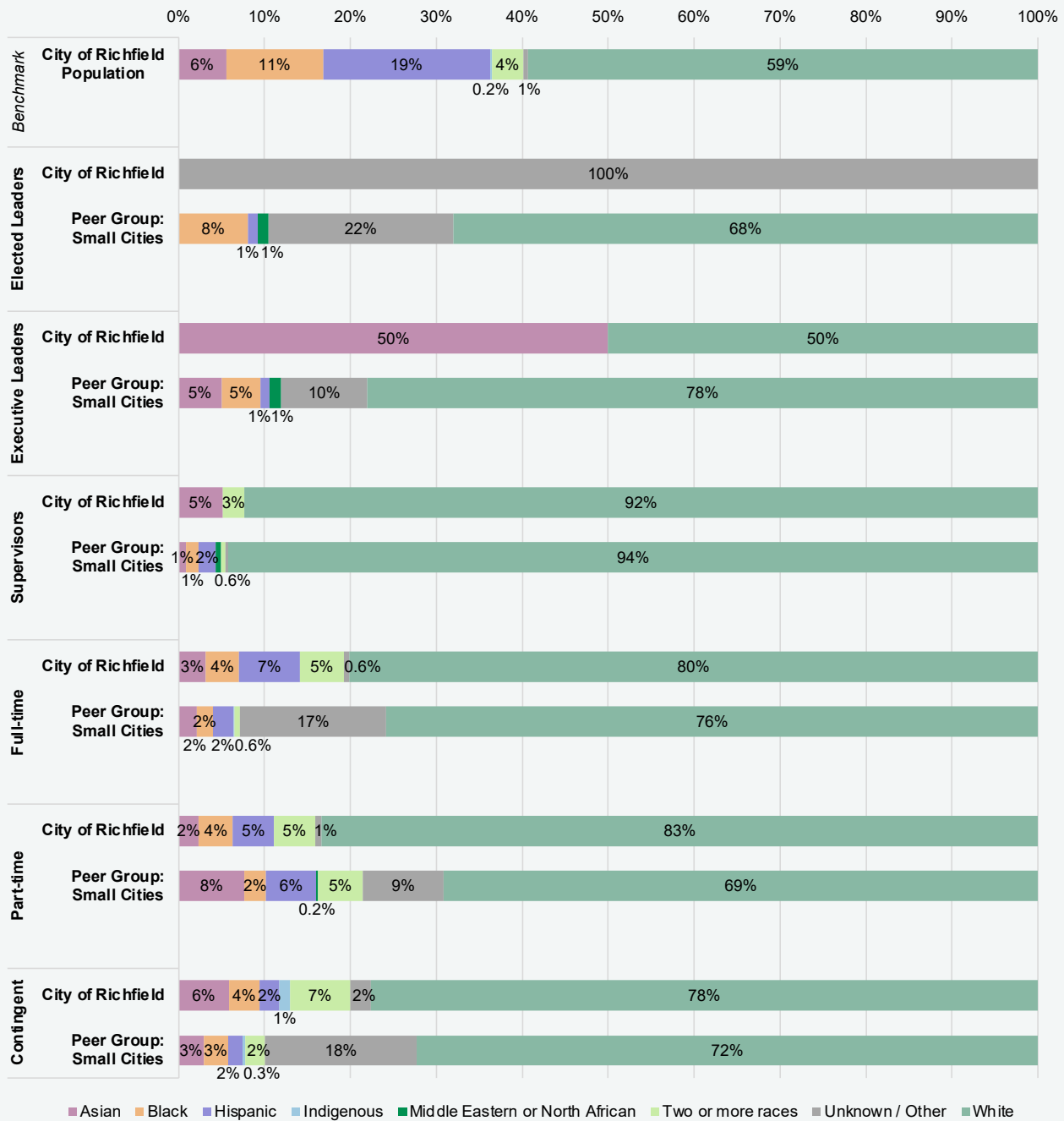
Question	Your Answer	Peer Answers
<p>Does your organization provide benefits to all full-time employees?</p> <p>Benefits provided by your organization:</p> <p><i>Health insurance</i></p> <p><i>Paid leave</i></p> <p><i>Paid family leave</i></p> <p><i>Access to a retirement account</i></p>	<p style="text-align: center;">■</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p>	<p style="text-align: center;">100%</p> <p>100% of peers provide this benefit</p> <p>100% of peers provide this benefit</p> <p>92% of peers provide this benefit</p> <p>100% of peers provide this benefit</p>
<p>Does your organization have clear standards for promotions that are shared with all employees?</p>	■	<p style="text-align: center;">33% 50% 17%</p>
<p>Does your organization take steps to increase the economic wellbeing of non-exempt employees?</p> <p>Actions your organization currently takes:</p> <p><i>We provide schedules at least one week in advance to all non-exempt employees and strive to keep schedules consistent week-to-week</i></p> <p><i>We offer all non-exempt employees the opportunity to work full-time if desired</i></p> <p><i>We provide all non-exempt employees a minimum number of hours per week</i></p>	<p style="text-align: center;">■</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">⊘</p> <p style="text-align: center;">⊘</p>	<p style="text-align: center;">8% 92%</p> <p>92% of peers took this action</p> <p>17% of peers took this action</p> <p>50% of peers took this action</p>
<p>Does your organization regularly survey employees about their sense of belonging and equity in the workplace, disaggregate results by race, and share insights with employees?</p> <p>Actions your organization currently takes:</p> <p><i>We have surveyed employees about their sense of belonging and inclusion in the past two years</i></p>	<p style="text-align: center;">■</p> <p style="text-align: center;">✓</p>	<p style="text-align: center;">8% 67% 25%</p> <p>67% of peers took this action</p>

<p>We have disaggregated survey results by race</p> <p>We have shared insights from employee surveys back with employees</p>	<p>🚫</p> <p>✓</p>	<p>17% of peers took this action</p> <p>58% of peers took this action</p>
<p>Does your organization pay all employees a family-sustaining wage for Minnesota?</p> <p><i>Note: The Center for Economic Inclusion defines a family-sustaining wage for Minnesota based on the MIT Living Wage Calculator. In 2023, this is \$24.98 per hour, or approximately \$52,000 for a full-time employee.</i></p>		
<p>Does your organization have employee resource groups or similar entities specific to Black, Indigenous, Hispanic, and/or Asian workers for the purposes of enabling mutual support, mentorship, professional development, and more?</p>		
<p>Does your organization measure employee pay by race and ethnicity at least once per year and taken action to ameliorate any pay gaps between workers in similar roles with equivalent skills, experiences, and qualifications?</p>		
<p>Does your organization invest in professional development opportunities for workers including certificates, tuition reimbursement, educational grants, and coaching and measure participation in these opportunities by race and ethnicity of employees at least once per year?</p>		
<p>Does your organization provide formal mentorship opportunities specific to Black, Indigenous, Hispanic, and/or Asian workers?</p>		
<p>Does your organization offer regular learning opportunities for staff to understand and apply antiracist practices to their work and make efforts to increase organization-wide participation?</p>		

Racial Equity Outcomes Data: Workforce

The following section displays data on racial equity outcomes within your organization across several critical dimensions. Workforce-related data includes the racial demographics of your organization's workforce and leadership, number of workers earning a family sustaining wage, and hiring, retention, and promotion rates by race and ethnicity compared with peers.

Workforce by Race and Ethnicity¹²



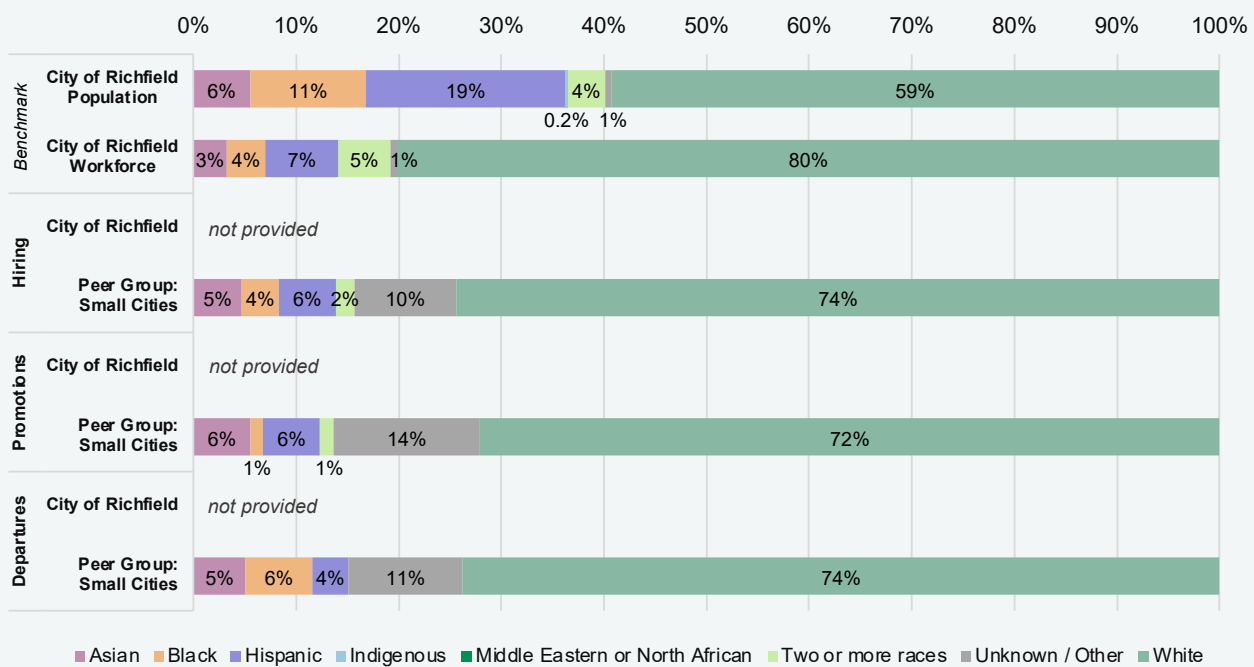
¹ Population data for the City of Richfield comes from the 2021 5-Year American Community Survey

² 0.5% of Supervisors in this peer group identify as Two or more races and 0.4% identify as Unknown/Other. 0.1% of Full-time staff in this peer group identify as Indigenous.

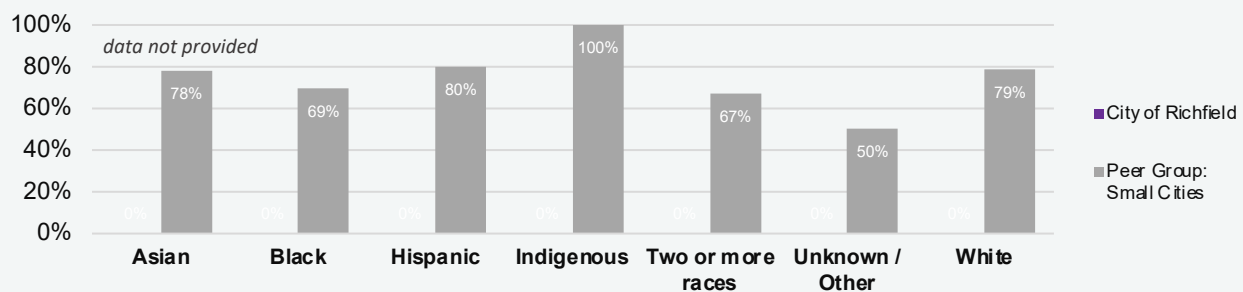
City of Richfield Workforce by Race and Ethnicity

	Asian	Black	Hispanic	Indigenous	Middle Eastern or North African	Two or more races	Unknown	White (non-Hispanic)
Elected leaders	0	0	0	0	0	0	6	0
All senior appointed leaders	1	0	0	0	0	0	0	1
All managers of at least 1 full-time employee	2	0	0	0	0	1	0	36
All permanent full-time employees	5	6	11	0	0	8	1	125
Permanent part-time employees	3	5	6	0	0	6	1	105
Contingent workers	5	3	2	1	0	6	2	66

Hiring, Promotion, and Departure rates by Race and Ethnicity³



Percent of Employees Earning a Family-Sustaining Wage by Race and Ethnicity⁴







³ Hiring data displays the racial demographics of full-time employees who were hired in the past year. Promotions data displays the racial demographics of full-time employees who were internally promoted in the past year. Departures data displays the racial demographics of full-time employees who left the organization in the past year.







⁴ The Center for Economic Inclusion defines a family-sustaining wage for Minnesota based on the MIT Living Wage Calculator. In 2023, this is \$24.98 per hour, or approximately \$52,000 for a full-time employee.

PROCUREMENT

Your Score: 1 out of 7 (peer average: 0.3)

■ Yes ■ Somewhat ■ No ■ Not sure

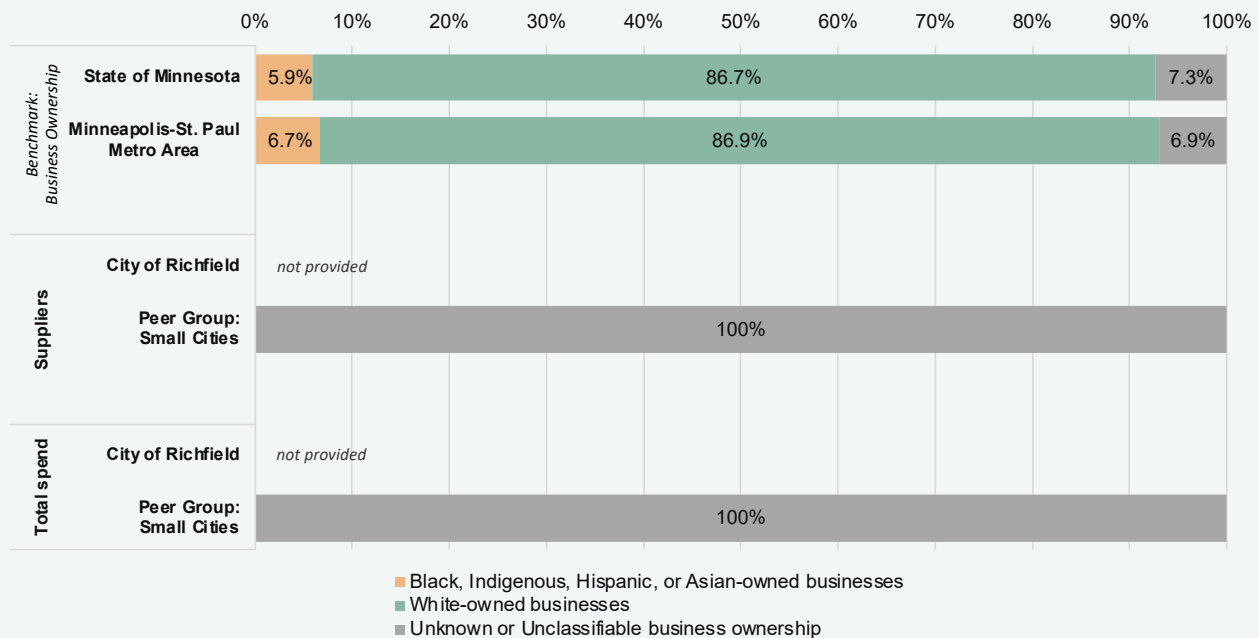
Question	Your Answer	Peer Answers
<p>Has your organization taken action to reduce prohibitive barriers for suppliers, including reducing the size of contracts, lowering annual revenue or bonding requirements, simplifying submittal processes, and shortening supplier payment terms to 15-30 days?</p> <p>Actions your organization has taken:</p> <ul style="list-style-type: none"> <i>We have taken action to reduce the size of our contracts to enable smaller suppliers, including ones led by Black, Indigenous, Hispanic, or Asian owners, to compete</i> <i>We have taken action to lower our minimum threshold for suppliers' annual revenue</i> <i>We have taken action to adjust insurance requirements</i> <i>We have taken action to simplify submittal processes for bids from suppliers</i> <i>We pay most or all of our suppliers on a monthly basis</i> 	<p>■</p> <p>✓</p> <p>⊘</p> <p>⊘</p> <p>✓</p> <p>✓</p>	 <p>25% 58% 17%</p> <ul style="list-style-type: none"> 25% of peers took this action 8% of peers took this action 17% of peers took this action 42% of peers took this action 75% of peers took this action
<p>Does your organization have a Minority Business Enterprise (MBE) procurement strategy with measurable goals?</p>	<p>■</p>	 <p>17% 83%</p>
<p>Does your organization require that all RFP and bid processes track the number of bids received from Black, Indigenous, Hispanic, and Asian-owned business and seek out additional bids if no bids from these groups have been received?</p>	<p>■</p>	 <p>17% 83%</p>
<p>Does your organization invest financial and human capital resources in building a racially diverse pipeline of suppliers via a dedicated budget, staff time, and education for procurement leaders within your organization?</p>	<p>■</p>	 <p>8% 92%</p>

<p>Does your organization regularly collect and share data internally on the racial diversity of its suppliers?</p>		
<p>Does your organization measure the racial diversity of its Tier 2 suppliers?</p>		
<p>Has your organization participated in a disparity study within the past 5 years to evaluate the outcomes of race-neutral supplier diversity programs and provide legal justification for race-conscious strategies?</p>		

Racial Equity Outcomes Data: Procurement

The following section displays data on racial equity outcomes across several critical dimensions. Procurement-related data includes the number of suppliers owned by Black, Indigenous, Hispanic, and Asian individuals and the amount of total procurement spending going to these suppliers.

Procurement spending with Black, Indigenous, Hispanic, or Asian-owned businesses⁵



City of Richfield Procurement spending with Black, Indigenous, Hispanic, or Asian-owned businesses











Total number of suppliers	<i>not provided</i>
Total number of suppliers that are owned by Black, Indigenous, Hispanic, or Asian individuals	
Total number of suppliers that are owned by White individuals	
Total number of suppliers with unknown business ownership	
Total spend	<i>not provided</i>
Total spend with businesses owned by Black, Indigenous, Hispanic, or Asian individuals	
Total spend with businesses owned by White individuals	
Total spend with businesses of unknown ownership	

⁵ Data for the State of Minnesota and the 15-county Minneapolis-St. Paul metro area comes from the 2021 Annual Business Survey. Suppliers data displays the percentage of all suppliers that are owned by Black, Indigenous, Hispanic, or Asian individuals within the past year. Total spend data displays the percentage of all procurement spending going to businesses owned by Black, Indigenous, Hispanic, or Asian-owned businesses within the past year.

BUDGETS & FINANCE

Your Score: 1 out of 5 (peer average: 0.4)

■ Yes
 ■ Somewhat
 ■ No
 ■ Not sure

Question	Your Answer	Peer Answers
Does your organization invest assets in Community Development Financial Institutions (CDFIs) or other depository institutions whose missions prioritize wealth-building and investment in underinvested communities?		
Do you analyze and act to mitigate the impacts of taxes, fines, fees, and other revenue-generating activities on Black, Indigenous, Hispanic/Latine, and Asian communities?		
Do you proactively seek input from Black, Indigenous, Hispanic/Latine, and Asian communities in the early stages of developing your operating and capital budgets ?		
Do you have a standardized process for analyzing the impact of potential budgets on Black, Indigenous, Hispanic/Latine, and Asian communities (often described as a budget equity tool)?		
Does your organization invest its financial assets using Environmental, Social, and Governance (ESG) criteria or otherwise screen its financial investments to avoid organizations and sectors that perpetuate racial inequities?		

COMMUNITY & ECONOMIC DEVELOPMENT





Your Score: 1 out of 4 (peer average: 1.2) ■ Yes ■ Somewhat ■ Somewhat less ■ No ■ Not sure

Question	Your Answer	Peer Answers
Do you have community development programs that explicitly seek to support stronger social capital ties, resident voice, and neighborhood improvements in Black, Indigenous, Hispanic/Latine, Asian, and other historically disinvested communities?	■	<p>42% 25% 33%</p>
Are your economic development job creation subsidies only available to companies that create jobs that pay family-sustaining wages or a similar wage threshold? <i>Note: The Center for Economic Inclusion defines a family-sustaining wage for Minnesota based on the MIT Living Wage Calculator. In 2023, this is \$24.98 per hour, or approximately \$52,000 for a full-time employee.</i>	NA	<p>40% 20% 40%</p>
Does your organization have initiatives to support entrepreneurship and business development among Black, Indigenous, Hispanic/Latine, Asian, and other communities historically underrepresented in business ownership?	■	<p>27% 55% 18%</p>
Does your organization analyze the racial demographics of business owners receiving your economic and business development services on at least an annual basis?	■	<p>17% 17% 25% 33% 8%</p>

WORKFORCE DEVELOPMENT

Your Score: 0 out of 3 (peer average: 0.2)

■ Yes
 ■ Somewhat
 ■ Somewhat less
 ■ No
 ■ Not sure

Question	Your Answer	Peer Answers
<p>Do your workforce development programs survey past program participants about their job placement experiences, disaggregate results by race, and use this information to guide future partnerships and job placements?</p> <p><i>Actions your organization currently takes:</i></p> <p><i>Most or all of our workforce development programs survey past program participants about their job placement experiences</i></p> <p><i>Most or all of our workforce development programs disaggregate survey results by race</i></p> <p><i>We use survey results to guide future partnerships and job placements, across all or most of our workforce development programs</i></p>	NA	 <p>25% of peers took this action</p> <p>50% of peers took this action</p> <p>50% of peers took this action</p>
<p>Does your organization follow a consistent process to facilitate partnerships between local workforce training partners and local businesses to support training of Black, Indigenous, Hispanic/Latine, Asian, and other historically underrepresented communities for job opportunities?</p>		
<p>Do your workforce development initiatives prioritize placing participants into jobs that pay family-sustaining wages?</p> <p><i>Note: The Center for Economic Inclusion defines a family-sustaining wage for Minnesota based on the MIT Living Wage Calculator (in 2023, this is \$24.98 per hour) but alternative family-sustaining wage definitions also exist.</i></p>	NA	

HOUSING, TRANSPORTATION, & LAND USE








Your Score: 5 out of 9 (peer average: 3.1) ■ Yes ■ Somewhat ■ Somewhat less ■ No ■ Not sure











Question	Your Answer	Peer Answers
Does your organization have a zoning code that allows for higher density construction near commercial and transportation corridors and job centers?	■	100%
Do your transportation-related capital investments include dedicated programs using own-source revenue to expand and improve alternatives to single-occupancy cars for residents?	■	58% ■ 25% ■ 8% ■ 8%
Does your organization take action to reduce cost burdens for low-income users of public transportation , including through reduced fare programs, subsidies, and more?	■	43% ■ 43% ■ 14%
Does your organization have programs to offer homeownership opportunities for first time homebuyers , including through loans and grants, and analyze program participation by race?	■	40% ■ 30% ■ 30%
Does your jurisdiction require inclusionary zoning for housing projects developed with city funding or in-kind contributions, such as land or infrastructure investment?	■	33% ■ 42% ■ 25%
Does your organization prioritize repairs to roads and other transportation infrastructure based on a systematic evaluation of both the infrastructure grade and the disparities experienced by currently and historically underserved communities?	■	25% ■ 67% ■ 8%

<p>Do you have policies to incorporate principles of environmental justice in major new development projects you permit via community benefits agreements, permitting requirements, or more?</p>		
<p>Has your organization named the racially inequitable impact of past land use policies it has made and embraced a race-conscious, restorative framework in its comprehensive plan or similar strategic land use report?</p>		
<p>Does your jurisdiction provide a legal right to counsel for tenants facing eviction?</p>		

PUBLIC SAFETY

Your Score: 3 out of 4 (peer average: 2.3) ■ Yes ■ Somewhat ■ Somewhat less ■ No ■ Not sure

Question	Your Answer	Peer Answers
<p>Do your law enforcement agencies have use-of-force policies that meet the following guidelines from the U.S. Department of Justice?</p> <p><i>Policies that your agencies have instituted:</i></p> <ul style="list-style-type: none"> <i>Require that officers strictly limit the use of deadly force</i> <i>Require that officers be regularly trained in de-escalation tactics</i> <i>Affirm that officers have an affirmative duty to intervene to stop any officer from engaging in excessive force</i> <i>Affirm that officers have an affirmative duty to render medical aid when needed</i> <i>Require that officers receive training on the use-of-force policy on an annual basis</i> 	     	 <p>100% of peers took this action</p> <p>100% of peers took this action</p> <p>100% of peers took this action</p> <p>100% of peers took this action</p> <p>100% of peers took this action</p>

<p>Does your government invest in alternative crisis response teams to provide services to individuals with developmental disabilities, individuals who are experiencing health crises, and others who call 911 or otherwise seek help?</p>		
<p>Does your government have programs and staff focused on diversion opportunities from the criminal justice system and towards care-based services?</p>		
<p>Do your law enforcement agencies publish racially disaggregated data on law enforcement activities on at least an annual basis?</p> <p><i>Categories for which data is published on at least an annual basis:</i></p> <p><i>Racially disaggregated data on officer use of force</i></p> <p><i>Racially disaggregated data on internal and external complaints about police conduct</i></p> <p><i>Racially disaggregated data on arrests</i></p> <p><i>Racially disaggregated data on traffic and pedestrian stops</i></p> <p><i>We publish data on some of the categories above, but not disaggregated by race</i></p>	    	 <p>33% of peers took this action</p> <p>8% of peers took this action</p> <p>25% of peers took this action</p> <p>25% of peers took this action</p> <p>42% of peers took this action</p>

PUBLIC POLICY

Your Score: 1 out of 6 (peer average: 1.4)

■ Yes
 ■ Somewhat
 ■ No
 ■ Not sure

Question	Your Answer	Peer Answers								
Has your organization identified racial equity as a public policy priority?	■	<table border="1"> <tr> <td>Yes</td> <td>83%</td> <td>Somewhat</td> <td>8%</td> <td>No</td> <td>8%</td> </tr> </table>	Yes	83%	Somewhat	8%	No	8%		
Yes	83%	Somewhat	8%	No	8%					
Do you have a strategy to seek input from residents, particularly Black, Indigenous, Hispanic/Latine, and Asian residents on local ordinance development?	■	<table border="1"> <tr> <td>Yes</td> <td>42%</td> <td>Somewhat</td> <td>33%</td> <td>No</td> <td>25%</td> </tr> </table>	Yes	42%	Somewhat	33%	No	25%		
Yes	42%	Somewhat	33%	No	25%					
Does your organization advocate to other government entities (including city, county, state, and the federal government) for public policy changes that would improve economic outcomes for Black, Indigenous, Hispanic/Latine, and Asian communities?	■	<table border="1"> <tr> <td>Yes</td> <td>9%</td> <td>Somewhat</td> <td>36%</td> <td>No</td> <td>45%</td> <td>Not sure</td> <td>9%</td> </tr> </table>	Yes	9%	Somewhat	36%	No	45%	Not sure	9%
Yes	9%	Somewhat	36%	No	45%	Not sure	9%			
Do you have a strategy to communicate relevant changes to local ordinances to residents of different cultural communities and backgrounds, including through translation of documents into multiple languages when deemed necessary and through multiple communication methods (including digital, print, and in-person gatherings)?	■	<table border="1"> <tr> <td>Yes</td> <td>8%</td> <td>Somewhat</td> <td>75%</td> <td>No</td> <td>17%</td> </tr> </table>	Yes	8%	Somewhat	75%	No	17%		
Yes	8%	Somewhat	75%	No	17%					
Does your organization lobby other government entities (including city, county, state, and/or the federal government) to oppose public policies that have historically exacerbated racial inequities?	■	<table border="1"> <tr> <td>Somewhat</td> <td>67%</td> <td>No</td> <td>25%</td> <td>Not sure</td> <td>8%</td> </tr> </table>	Somewhat	67%	No	25%	Not sure	8%		
Somewhat	67%	No	25%	Not sure	8%					
For ordinances developed and passed by your jurisdiction's elected leaders, does your organization use a racial equity tool to analyze impacts on Black, Indigenous, Hispanic/Latine, Asian, and other communities of color?	■	<table border="1"> <tr> <td>Somewhat</td> <td>50%</td> <td>No</td> <td>50%</td> </tr> </table>	Somewhat	50%	No	50%				
Somewhat	50%	No	50%							

Recommendations

- **The City of Richfield can proactively seek input from Black, Indigenous, Hispanic/Latine, and Asian residents at the early stages of developing operating and capital budgets** to ensure that biennial budgets address community priorities and improve outcomes for City residents. Richfield does not currently have processes in place to understand community needs at the beginning of budgeting, when community input can have the greatest impact. Investments in focus groups and engagement sessions to test and co-create budgets with Black and Brown community members would improve the likelihood that the City's budgets meet the needs of its residents and strengthen the City's effectiveness as a service provider.
 - **The City of Richfield can improve its commitment to culture, retention, and advancement by paying all employees a family-sustaining wage.** Richfield lags its peers in achieving 1 of 10 standards in the Culture, Retention and Advancement measure. Committing to paying all employees a family-sustaining wage of \$24.98 per hour – along with strategies like hiring diverse leadership teams – will support efforts to boost retention among Black, Indigenous, Hispanic, and Asian employees and provide pathways for their growth.
 - **The City of Richfield can develop a strategy and set goals for increasing the racial diversity of suppliers to build wealth for Black, Indigenous, Hispanic/Latine and Asian owned businesses.** Richfield lags its peers in establishing a strategy to increase supplier diversity. Refining and formalizing a MBE strategy and setting goals for increased investment can help Richfield utilize its spending power to build community wealth and benefit from new ideas to deliver services.
-

Case Study

Informed by a new disparity study, the City of Boston sets bold targets for purchasing with minority business enterprises

In 2021, the Mayor of the City of Boston, Massachusetts signed an executive order “Establishing Equitable Procurement Goals in Support of Minority and Woman-Owned Businesses.” The executive order built upon the city's supplier diversity program, first established in 2008. A disparity study commissioned by the city and completed in 2021 revealed that “minority-owned business enterprises are available for 5.7% of City contract and procurement dollars,” but were awarded only 2.5% of city procurement spending.

To remedy these disparities, the City set an ‘overall annual aspirational goal’ of 10% minority-owned business enterprise utilization on ‘discretionary contract and procurement spending,’ along with accompanying goals for women-owned business utilization, through 2027.

Pursuit of this goal is aided by earlier work by the City to support diversification of supplier contracts, including: creation of a performance tracking system to measure contracts awarded to diverse vendors, paying vendors on faster timelines, reducing bonding requirements for City contractors, simplifying paperwork, “breaking up large contracts into multiple small contracts to increase accessibility for small

businesses,” and providing technical assistance to diverse vendors around capital access and announcement of contracts.

Visit [these links](#) for more information about this case study.

About the Index

The 2023 Racial Equity Dividends Index for the Public Sector (Public Sector Index) is designed to support leaders in city and county governments in their efforts to build racially equitable workplaces and communities.

The Public Sector Index was developed by the Center for Economic Inclusion and draws from the insights of expert practitioners and organizations at the forefront of racial equity in local governments, including PolicyLink, Brookings Metro, the Harvard Institutional Antiracism and Accountability Project, the Urban Institute, the Government Alliance on Race and Equity, academic researchers, and others. Center staff selected and defined standards that are recognized as policies and practices that support tangible progress towards racially equitable outcomes within local governments.

The structure of the Public Sector Index has been adapted from the Center’s Racial Equity Dividends Index for the Private Sector, which launched in 2022, and has been adjusted to reflect the unique structure and responsibilities of public sector organizations. 2023 marks the launch of the Public Sector Index for city and county governments in Minnesota. The Public Sector Index will be distributed annually going forward.

Next Steps

We hope that this 2023 Racial Equity Dividends Index score report provides you a clear assessment of the opportunities to take meaningful actions to strengthen relationships and improve outcomes for Black, Indigenous, Hispanic, Asian, and White employees, suppliers, and communities.

The Center for Economic Inclusion equips public- and private-sector leaders and employers with the knowledge and tools to build, scale, and institutionalize anti-racist workplaces. Through purposeful, research-driven action, our mission is to close racial wealth gaps and build racially equitable and inclusive regional economies. Our team of activators and strategists leverage data, insights, and wisdom from Black, Indigenous, Hispanic, and Asian communities to fulfill your vision for an organization that is good for your employees, customers, and the communities you serve.

Contact our team for support with learning more about your Racial Equity Dividends Index score, to develop strategies for moving from awareness to action and accountability, or to participate in one of our learning programs at action@centerforeconomicinclusion.org.

RACIAL EQUITY DIVIDENDS INDEX

PUBLIC SECTOR | 2023 REPORT

Local government progress toward
building racially equitable communities

NOVEMBER 2023





Greetings Partners~

100 years from now, what will Minnesotans say about the ways you and I are using our power today to design, build and invest in cities and counties where Black, Indigenous, Asian, and Latine people experience freedom, joy, and economic mobility? Will they read a story about how we improved the economy for everyone, and made Minnesota a magnet for economic investment and competitiveness? Will they tell stories about the ways we invested in building new homes in neighborhoods ravished by investors who extract wealth? Or will they tell stories about the wealth built through Black developer programs that created jobs for many while reimagining cultural corridors? Perhaps they will illustrate the actions we took to dismantle the systems of oppression, racism, and wealth extraction, that work so efficiently today to harm Black and Brown communities, and concentrate wealth in white communities and neighborhoods? Maybe you imagine them sharing stories about the partnerships we built grounded in shared power, shared leadership, and shared accountability that positioned our economy to grow thousands of jobs in new, innovative Black owned businesses.

I imagine stories of legacy-building change. I imagine stories about the trusting relationships we built that helped fortify a foundation for building businesses, homes, bridges, and wealth for Black, Indigenous, Asian and Latine communities, and their children, and their children's children. I imagine the possibilities that exist when leaders like you, not only dream big, but work those dreams, together, alongside the communities who hold the answers for achieving our region's greatest dreams.

Today marks the beginning of a new chapter in the history of our region, and every community within the region. The bold choice of more than twenty Minnesota local governments to participate in the inaugural Racial Equity Dividends Index for the Public Sector demonstrates a commitment to the collective responsibility required to dismantle systemic racism and build regional economies that work for everyone. We know that the systems we have today are producing the racist, economically exclusive results they were designed to produce. We will not fix these well-designed, oppressive systems. We will build new, racially just and equitable systems that create pathways for economic mobility and shared prosperity for all residents, utilizing these standards as our guide.

Thank you for embracing this new chapter. Thank you for your commitment to the transformative journey of building an organization that is anti-racist, and for starting with the data that can inform that journey. We are committed to working in solidarity with you to build a future we can be proud of generations from now, and we believe it is possible. Thank you for building with us!

In Solidarity

Tawanna A. Black

Founder and Chief Executive Officer, Center for Economic Inclusion

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Executive Summary

Local governments play critical roles in building racially equitable and inclusive regional economies.

Throughout history, local governments' powers have too often been used by leaders to create and maintain systems of structural racism and exclusion that harm Black, Indigenous, Hispanic, and Asian communities. Yet some cities and counties today are at the forefront of designing more inclusive, racially equitable systems. This is especially true in Minnesota, the epicenter of a global movement for racial justice following the murder of George Floyd by Minneapolis police officers in 2020.

This year, 22 local governments in Minnesota participated in the Center for Economic Inclusion's first-ever Racial Equity Dividends Index for the Public Sector, a tool to help governments evaluate current progress in implementing racial equity standards across their organizations.

Cities and counties participating in the 2023 Index collectively provide services to more than 1.9 million Minnesotans, one-third of all residents of Minnesota.

These local governments' investments in racial equity strategies are evident, and the impacts are being felt across the state. Results from the 2023 Racial Equity Dividends Index for the Public Sector also show many opportunities for further progress.

This report lifts promising practices and case studies from peer jurisdictions in Minnesota and across the country that can serve as models for leaders working to advance racial equity within their governments. The 2023 Racial Equity Dividends Index is intended to serve as a tool not just for awareness, but also for action and accountability.

With concerted effort from local government leaders acting in partnership with other sectors of our economy, a more racially equitable, inclusive, and just society is possible.



Insights from the 2023 Racial Equity Dividends Index for the Public Sector

Leadership

27% of local governments regularly publish data on the demographics of their workforces disaggregated by race.

20% of executive leaders, **15%** of supervisors, and **25%** of full-time staff at participating local governments identify as Black, Indigenous, Hispanic, Asian, or Two or more races.

Zero participating local governments have senior leadership teams that reflect the racial demographics of their communities.

Hiring

95% of local governments publish salary information for all job postings.

35% of new hires across participating local governments identify as Black, Indigenous, Hispanic, Asian, or Two or more races.

Culture, Retention & Advancement

Approximately **90%** of all full-time Black, Indigenous, Hispanic, and Asian employees at participating local governments earn family-sustaining wages.

41% of local governments have clear standards for promotions that are shared with all employees.

5% of local governments measure employee pay by race annually and take action to eliminate racial pay gaps between similar workers.

Procurement

36% of local governments have taken comprehensive actions to reduce barriers for suppliers.

9% of local governments regularly collect and share data internally on the racial diversity of their suppliers.

1% of local governments' procurement spending goes to Black, Indigenous, Hispanic, or Asian-owned businesses, though these communities own **6%** of businesses in Minnesota and represent **20%** of all residents.

Budgets & Finance

25% of local governments invest assets in Community Development Financial Institutions (CDFI's).

14% of local governments proactively seek input from Black, Indigenous, Hispanic, and Asian communities in the early stages of developing budgets.

Community & Economic Development

44% of local governments have initiatives to support entrepreneurship targeted toward Black, Indigenous, Hispanic, Asian, and other underrepresented communities.

24% of local governments only offer economic development job creation subsidies to companies that pay family-sustaining wages.

Workforce Development

15% of local governments survey workforce development program participants about their job placement experiences, disaggregate data by race, and use information to guide future job placements.

Housing, Transportation, & Land Use

89% of local governments' zoning codes allow higher density construction near commercial corridors and job centers.

18% of local governments have recognized the racially inequitable impact of past local land use policies and embraced a race-conscious restorative framework in its comprehensive plan.

Public Safety

82% of local governments invest in alternative crisis response teams.

14% of local governments publish comprehensive data on law enforcement activities disaggregated by race.

Human Services

25% of participating counties collect data on the race and ethnicity of program participants, identify underserved but eligible populations, and take action to increase participation.

Public Policy

68% of local governments have identified racial equity as a public policy priority.

5% of local governments use a racial equity tool to analyze impacts of local ordinances on Black, Indigenous, Hispanic, Asian, and other communities.

Participating governments received scores ranging from 14 to 59 points out of a possible 100, with an average score of 29. This suggests that organizations have taken strides toward implementing racial equity standards identified in the Index, and all organizations have opportunities for further progress.

Governments have already implemented many racial equity standards related to Public Safety (receiving 61% of possible points for that category), Hiring (44%), and Housing, Transportation & Land Use (33%). Participants showed the greatest opportunities for improvement in Human Services (8% of possible points), Procurement (10%), and Budgets & Finance (13%).

Scores for the Public Sector Index vary based on the size of the local government. Larger local governments scored nearly 10 points higher on average than small governments across all standards.

Collectively, local governments employ Black, Indigenous, Hispanic, and Asian individuals at every level of their organization, but in many cases, these communities are underrepresented compared to regional and state demographics. Approximately 18% of elected officials, 20% of executive leaders, 15% of supervisors, and 25% of all full-time and part-time staff identify as Black, Indigenous, Hispanic, or Asian. By comparison, approximately 20% of state residents and 25% of Minneapolis-St. Paul residents identify as Black and Brown, while many jurisdictions within the Twin Cities region are much more racially diverse. Larger local governments tend to have more racially diverse staff than smaller governments.

FIGURE 1

Across participating governments, approximately 20 percent of executive leaders and 25 percent of full-time and part-time staff identify as Black, Indigenous, Hispanic, or Asian

Total employees across all participating organizations in the 2023 Public Sector Index by race and ethnicity¹

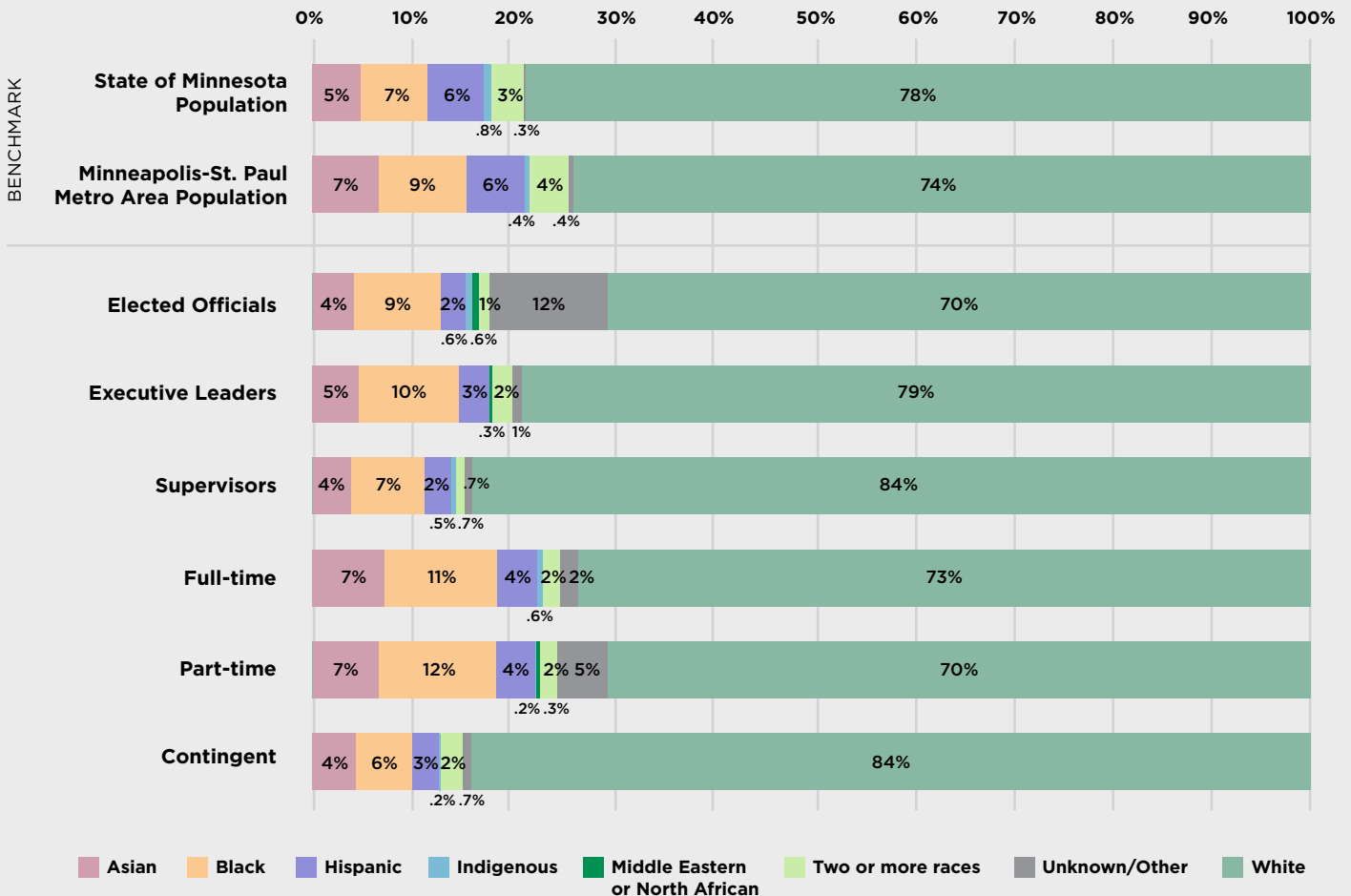
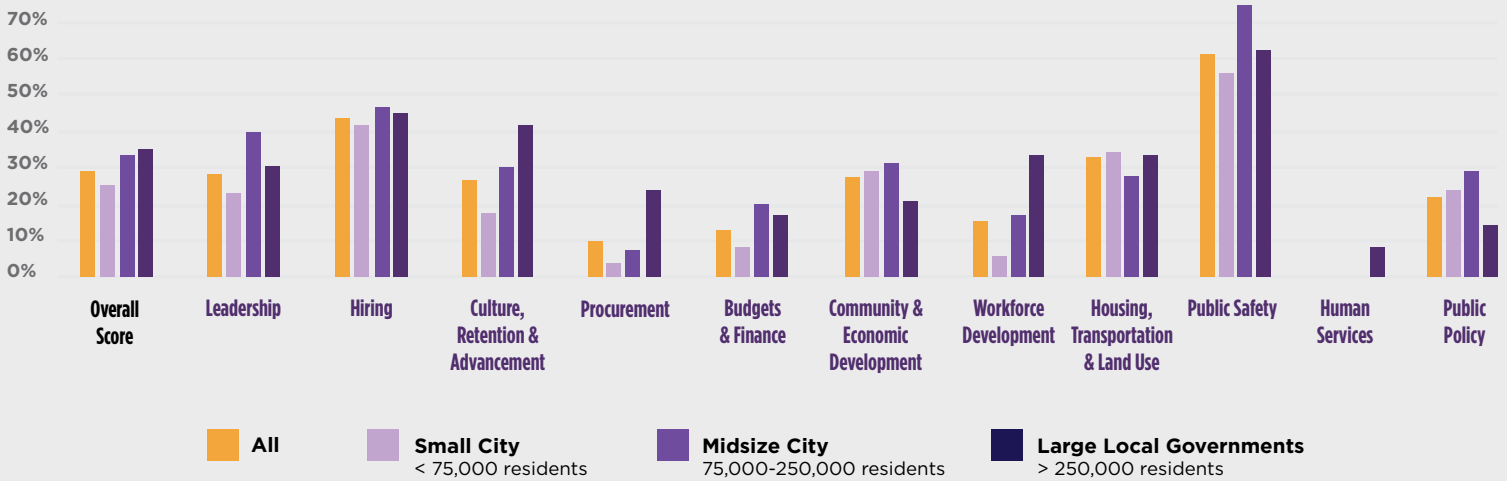


FIGURE 2

Participating local governments are most likely to have implemented racial equity standards related to hiring, housing, and public safety; procurement, budgets, and workforce development are areas with greatest opportunities for improvement

Percentage of available points scored on the 2023 Racial Equity Dividends Index for the Public Sector by organization size, on average



High-Scoring Governments by Category

The following organizations currently implement at least two-thirds (67%) of racial equity standards in the specified Index category.

Leadership

City of Bloomington

Hiring

City of Robbinsdale
The Metropolitan Council
Olmsted County

Culture, Retention, & Advancement

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Procurement

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Budgets & Finance

City of Bloomington

Community & Economic Development

City of Mankato
City of Minnetonka

Workforce Development

City of Minnetonka
The Metropolitan Council

Housing, Transportation & Land Use

City of Minnetonka
Ramsey County

Public Safety

City of Bloomington
City of Brooklyn Park
City of Cottage Grove
City of Mankato

City of Minnetonka

City of New Brighton
City of Plymouth
City of Richfield
City of Roseville
Dakota County
The Metropolitan Council
Olmsted County
Washington County

Human Services

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Public Policy

City of Bloomington
City of Northfield



Introduction

Local governments play critical roles in building racially equitable and inclusive regional economies. Many employ hundreds or thousands of workers; set policies related to economic and workforce development, housing, transportation, public safety; sustain local businesses through procurement contracts; and provide essential services to residents. They serve as conveners of cross-sector partnerships, liaison with community members, and advocate for local interests at the state and federal levels.

These powers are not neutral. Throughout history, local governments' powers have too often been used by leaders to exclude, disinvest from, marginalize, and harm Black, Indigenous, Hispanic, and Asian communities. Zoning codes, policing, human services, transportation policy, economic development subsidies, and other local powers have been weaponized to produce and sustain the systems of structural racism and inequity that harm Black and Brown communities.

Yet some cities and counties today understand the tremendous value that is created by building diverse, equitable, and inclusive communities, and are at the forefront of developing new strategies for racial equity and shared economic prosperity. The need to reorient local government policies and practices to support racially equitable outcomes is especially salient and true in Minnesota, the epicenter of a global movement for racial justice following the murder of George Floyd by Minneapolis police officers in 2020.

In 2023, twenty-two local governments in Minnesota chose to participate in the Center for Economic Inclusion's first-ever Racial Equity Dividends Index for the Public Sector, a tool to help local governments evaluate their current progress in implementing racial equity standards across their organizations and build awareness of the strategies that can build inclusive, just, and equitable communities.

Cities and counties participating in the 2023 Index collectively provide services to more than 1.9 million Minnesotans, one-third of all residents of Minnesota.

These local governments' investments in racial equity strategies are evident, and the impacts are being felt across the state. A majority set goals for building racially diverse workforces and these governments are collectively hiring racially diverse teams, with more than 1 in 3 new hires identifying as Black, Indigenous, Hispanic, or Asian. They pay approximately 90% of their full-time Black, Indigenous, Hispanic, and Asian employees family-sustaining wages. More than two-thirds of local governments name racial equity as a public policy priority. More than 80% are investing in alternative crisis response teams to reduce unnecessary community interactions with law enforcement. Many have first-time homebuyer, entrepreneurship, and workforce development programs targeted towards historically disadvantaged communities.

Results from the 2023 Racial Equity Dividends Index for the Public Sector also show many opportunities for further progress. Only a few participating local governments regularly collect and analyze their procurement spending based on the demographics of their suppliers, and just 1% of combined procurement spending goes to Black, Indigenous, Hispanic, or Asian-owned companies. Most do not proactively seek input from Black and Brown communities at the onset of their budget processes. And none of the participating local governments have senior leadership teams that reflect the racial diversity of the communities they serve.

This report identifies and quantifies progress made toward racial equity standards by participating local governments, as well as opportunities for further gains. It also lifts promising practices and case studies from peer jurisdictions in Minnesota and across the country that can serve as models for the leaders working to advance racial equity within their governments. The 2023 Racial Equity Dividends Index is intended to serve as a tool not just for awareness, but also for action and accountability.

With concerted effort from local government leaders acting in partnership with other sectors of our economy, a more racially equitable, inclusive, and just society is possible.

About the Racial Equity Dividends Index for the Public Sector

The Racial Equity Dividends Index for the Public Sector helps local governments evaluate their progress on 70 racial equity standards spanning 11 dimensions: Leadership; Hiring; Culture, Retention, and Advancement; Procurement; Public Policy; Finance and Budgets; Community and Economic Development; Workforce Development; Public Safety; Housing, Transportation, and Land Use; and Human Services. The Public Sector Index is designed to offer local governments the opportunity to examine their existing policies and practices and equip them with the information to catalyze systemic actions for racial equity, inclusion and inclusive economic growth.



FIGURE 3

Organizations can build racial equity across 11 dimensions of government activity



The Public Sector Index contains ‘racial equity outcomes’ data sections that gather workforce data at different levels, including senior leadership, supervisors, full-time staff, and part-time staff; the number of workers who have been hired, received promotions, and depart within the past year by race and ethnicity; and the number of workers earning family-sustaining wages for Minnesota. It also gathers governments’ investment in Black, Indigenous, Hispanic, or Asian-owned suppliers.

METHODOLOGY AND SCORING

The 2023 Public Sector Index survey, which was distributed to registered local governments in July 2023, gathered data from participants on their progress on each of the 70 racial equity standards through multiple-choice questions.² The Index survey also included open-ended questions for each category to gather additional insight into existing strategies that participants have implemented to support racial equity within their organizations, and gathered data related to each organization’s workforce racial demographics and supplier diversity.

All 70 multiple choice questions in the 2023 Index survey are weighted equally and organizations are scored out of 100 possible points. All other questions on the 2023 Index survey, including open-ended questions and data on company workforce demographics and supplier diversity, do not factor into participants’ scores.

Multiple choice questions asked whether participants were currently implementing the racial equity standard. Consistent with methodologies from other indices, organizations scored full points for each “Yes” answer indicating the full implementation of a racial equity standard, and no points for all other answers. As some racial equity standards may not be applicable to all participating organizations (for instance, a small city may not engage in public policy advocacy), organizations could respond with “not applicable” to select questions. Questions with “Not applicable” responses were not factored into in an organization’s overall score, and weighting of other questions was adjusted accordingly – an organization selecting “not applicable” for one or more questions could still receive a maximum of 100 points.

All participants receive a customized 2023 Racial Equity Dividends Index score report which details their organization’s scores compared with peers and identifies opportunities for growth.

² One dimension of the Index, Human Services, was completed by County governments only, reflecting their unique responsibilities in this service area.

Participating Organizations

Twenty-two public sector organizations participated in the 2023 Racial Equity Dividends Index for the Public Sector. Collectively, these local governments employ 27,000 Minnesotans, approximately 19% of all non-education sector local government employees in the state.³ This includes 19,000 full-time employees, 5,000 part-time employees and 3,000 non-traditional or contingent workers.

Cities participating in the 2023 Public Sector Index serve more than 1.1 million residents, while participating counties serve more than 1.4 million residents. More than 1.9 million Minnesotans live in a city or county participating in the Index, approximately one in three residents in the state. The Metropolitan Council, which serves as the regional provider for public transportation, water and wastewater, parks, housing, and planning services for the 3.2 million residents of the 7-county Minneapolis-Saint Paul metro area, also participated in the 2023 Public Sector Index.

Participating organizations serve racially diverse communities. Approximately one third of all Black residents, one quarter of Hispanic residents, half of Asian-American residents, and one-twelfth of Indigenous residents in the state of Minnesota live within the jurisdiction of a city or county participating in the 2023 Public Sector Index, as can be seen in Figure 6. This means that participating cities and counties hold responsibility for the well-being of more than 128,000 Black, 3,800 Indigenous, 95,000 Hispanic, and 130,000 Asian-American Minnesotans.

The 2023 Public Sector Index was completed by local governments of all sizes in Minnesota. Participants this year ranged from small cities with populations of less than 20,000 to large local governments serving hundreds of thousands of residents.

All local governments can implement racial equity standards. As local governments differ in terms of their staff capacity and resources to do this work, this report defines three local government peer groups to provide meaningful peer comparisons. In 2023, 6 Large Local Governments, 4 Midsize Cities, and 12 Small Cities participated in the 2023 Public Sector Index.

Most participating organizations (80%) are located in the seven-county Minneapolis-St. Paul metro area. The remaining 20 percent are located in Greater Minnesota.

FIGURE 4

Local governments of all sizes in Minnesota participated in the 2023 Racial Equity Dividends Index

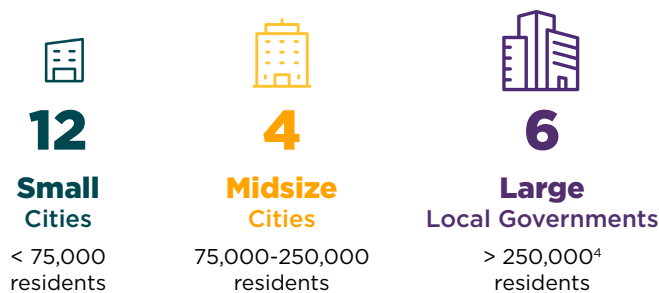


FIGURE 5

Participating organizations employ more than 27,000 Minnesotans and serve more than 1.9 million residents

Employees		Residents	
Full-time	19,255	Participating cities	1,122,118
Part-time	4,569	Participating counties	1,410,986
Non-traditional	3,296	Regional agencies	3,197,231
Total employees	27,120	Total city and county residents	1,910,551
		Total residents	3,422,471

Source: 2023 Racial Equity Dividends Index, 2021 Census population estimates

FIGURE 6

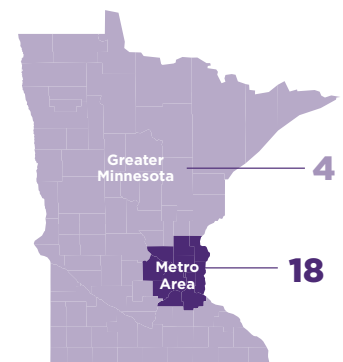
Participating cities and counties serve approximately one in three Black residents, one in four Hispanic residents, and close to half of Asian residents in Minnesota

Percentage of state residents living in cities and counties participating in the 2023 Public Sector Index, by race/ethnicity

	Cities	Counties
Asian	45%	46%
Black	35%	32%
Hispanic	24%	30%
Indigenous	7%	8%
Two or more races	25%	29%
Other	27%	26%
White	17%	23%

FIGURE 7

Most, but not all, participating organizations are located in the Minneapolis-St. Paul metro area



³ According to the Minnesota Department of Employment and Economic Development (DEED), as of March 2023 there were approximately 141,000 local government jobs excluding education in Minnesota. <https://mn.gov/deed/newscenter/publications/trends/march-2023/public-sector.jsp>

⁴ One county government within this peer group has a resident population just below the Large Local Government threshold, but was included as well for improved peer comparison

FINDINGS

Scoring Summary

Participating organizations received scores ranging from **14 to 59 points out of a possible 100**, with an average score of 29.

This suggests that organizations have taken strides toward implementing racial equity standards identified in the Index, and all organizations have opportunities for further progress.

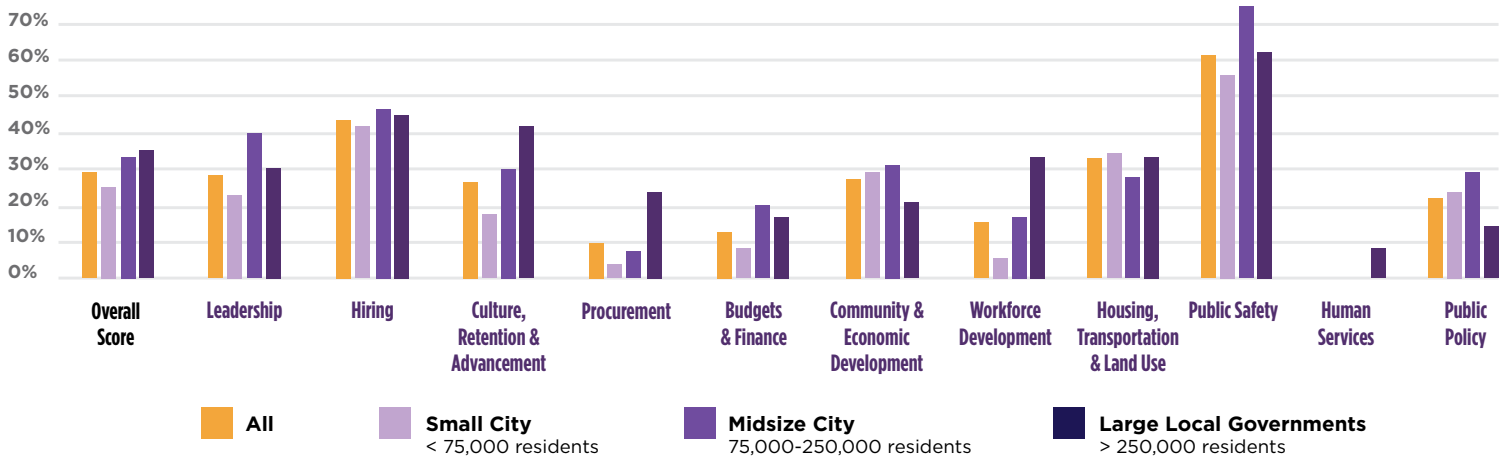
Governments have already implemented many racial equity standards related to Public Safety (receiving 61% of possible points for that category), Hiring (44%), and Housing, Transportation & Land Use (33%). Participants showed the greatest opportunities for improvement in Human Services (8% of possible points), Procurement (10%), and Budgets & Finance (13%).

Scores for the Public Sector Index vary based on the size of the local government. Larger local governments scored nearly 10 points higher on average than small governments across all standards.

FIGURE 8

Participating local governments are most likely to have implemented racial equity standards related to hiring, housing, and public safety; procurement, budgets, and workforce development are areas with greatest opportunities for improvement

Percentage of available points scored on the 2023 Racial Equity Dividends Index by organization size, on average



Scores for the Public Sector Index vary based on the size of the local government. The average score for Large Local Governments was 34.9, compared with 33.2 for Midsized Cities, and 25.1 for Small Cities.

Large Local Governments particularly outperform smaller jurisdictions in Procurement (6.7 times higher than Small Cities), Workforce Development (6 times higher), and Culture, Retention, & Advancement (2.4 times higher). Standards related to Human Services were specific to counties; as all counties are included in the Large Local Governments peer group, data on this category does not exist for other peer groups.

Across other Index categories, government size did not seem to play a substantial role in organizational scores. In the categories of Leadership, Budgets & Finance, Public Safety, and Public Policy, Midsized Cities scored on par with or even slightly above Large Local Governments, while both Midsized and Small Cities have implemented a slightly larger share of racial equity standards related to Community and Economic Development than Large Local Governments.

Leadership

Building a racially equitable organization requires commitment at the highest levels. Senior elected and appointed leaders are best positioned to set bold organizational goals for racial equity and encourage the collaboration across teams that is necessary for tangible, enduring progress.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 3.4 of 12 racial equity standards related to Leadership.

Nearly all participating local governments (90%) have one or more internal teams working on racial equity, diversity, and inclusion. Approximately two in three governments provide these teams with annual budgets (71%) and an executive sponsor (67%), practices that have been shown to solidify organizational commitments and equitable outcomes.⁵ Fifty-nine percent of participating governments have integrated racial equity into organizational leadership by having a Chief Diversity, Equity and/or Inclusion Officer.

A substantial number of local governments actively implement racial equity standards related to partnerships with community members. Forty-one percent of organizations collect data and take action to ensure that appointed board and commission members are representative of the racial demographics of the community the board is intended to serve. More than one-third of organizations (36%) participate in cross-sector partnerships or civic organizations that have explicit goals to reduce racial inequities and support racial equity. Slightly fewer than one third of organizations (32%) follow a regular process at the onset of major projects and initiatives to determine how to engage residents, particularly among Black, Indigenous, Hispanic, and Asian communities, in order to incorporate their perspectives throughout. The local governments implementing these standards are charting a new, more inclusive path to community engagement, one that departs from local government engagement processes which have historically amplified the voices of whiter, wealthier homeowners at the expense of other residents.

Disaggregating data by race and ethnicity is also a critical step for local governments, as it enables government leaders and community members to understand existing economic dynamics, develop tailored strategies, and hold governments accountable for progress. Approximately one in four participating organizations (27%) regularly publish their workforce demographic data disaggregated by race and ethnicity. The same percentage of organizations publish population-level data on resident demographics, economic outcomes, and quality of life, disaggregated by race/ethnicity. Around one in five participating local governments (18%) increase the accessibility of data to community members by actively maintaining an Open Data Portal with data disaggregated by race and ethnicity or otherwise relate to racial equity.

Other racial equity standards in Leadership are less commonly implemented. One in four organizations (27%) currently have an organization-wide racial equity strategy. Few organizations (14%) have conducted a racial equity assessment within the past three years or followed a consistent process to measure community satisfaction with services, disaggregating resident perspectives by race, and take action to improve services (9%), actions that are critical to meeting community needs.

None of the participating organizations currently have a senior leadership that reflects the current racial demographics of their region across Black, Indigenous, Hispanic, Asian, and White communities. A handful of organizations do reflect current racial demographics for Black (18% of organizations), Hispanic (18%), and Asian (9%) communities.⁶

⁵ Organizations needed to have taken all three of these actions to receive full points for implementing this standard.

⁶ Organizations needed to have senior leadership teams that reflect the racial demographics of their region across at least three non-White communities to receive full points for implementing this standard.






FIGURE 9

A majority of participating local governments provide internal teams working on racial equity, diversity, and inclusion with annual budgets and executive sponsors; no government’s senior leadership team fully reflects the racial demographics of their communities

Implementation of racial equity standards related to Leadership among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ Somewhat Less ■ No ■ Not Sure

QUESTION	PARTICIPANT RESPONSES
<p>1. Does your organization have a Chief Diversity, Equity, and/or Inclusion Officer, or a full-time senior-level employee dedicated to advancing inclusion and racial equity across the organization?</p>	
<p>2. Does your organization provide internal teams working on racial equity with an annual budget and executive-level sponsors?</p> <p><i>Actions your organization currently takes:</i></p> <p><i>We have one or more internal teams working on racial equity, diversity, and inclusion within our organization</i></p> <p><i>We provide annual budgets for internal teams working on racial equity, diversity, and inclusion</i></p> <p><i>We have identified at least one executive sponsor for internal teams working on racial equity, diversity, and inclusion</i></p>	 <p>90% of organizations took this action</p> <p>71% of organizations took this action</p> <p>67% of organizations took this action</p>
<p>3. Does your organization collect data and take action to ensure that appointed board and commission members are representative of the racial demographics of the community the board is intended to serve?</p>	
<p>4. Does your government participate in cross-sector partnerships or civic organizations that have explicit goals to reduce racial inequities and support racial equity?</p>	
<p>5. Does your organization follow a regular process at the onset of major projects and initiatives to determine how to engage residents, particularly among Black, Indigenous, Hispanic, and Asian communities, in order to incorporate their perspectives throughout?</p>	
<p>6. Does your organization regularly publish data on the demographics of your workforce disaggregated by race and ethnicity?</p>	
<p>7. Does your organization regularly publish population-level data on resident demographics, economic outcomes, and quality of life, disaggregated by race/ethnicity, on your organization’s website?</p>	

<p>8. Does your organization currently have an organization-wide racial equity strategy?</p>	
<p>9. Does your organization actively maintain an Open Data Portal that publishes datasets that disaggregate data by race or otherwise relate to racial equity across your organization?</p>	
<p>10. Has your organization conducted a racial equity assessment within the past 3 years?</p>	
<p>11. Does your organization follow a consistent process to measure community satisfaction with services, disaggregating resident perspectives by race, and take action to improve services?</p>	
<p>12. Does your organization's senior leadership reflect the current racial demographics of your region?</p>	
<p><i>Leadership demographics match or exceed regional demographics for:</i></p>	<p>18% of organizations answered “yes”</p>
<p><i>Black</i></p>	<p>0% of organizations answered “yes”</p>
<p><i>Indigenous</i></p>	<p>18% of organizations answered “yes”</p>
<p><i>Hispanic</i></p>	<p>9% of organizations answered “yes”</p>
<p><i>Asian</i></p>	<p>100% of organizations answered “yes”</p>
<p><i>White</i></p>	

Promising practices for racial equity in Leadership

Beyond the racial equity standards identified by the Index, participating governments have implemented numerous strategies to support racially equitable leadership processes.

The **City of Bloomington** has established a Community Outreach and Engagement Division that is focused on reducing barriers to participation in local government, building relationships, and increasing participation among historically underrepresented communities, as well as involving the voices of residents in the city’s policy development and decision-making processes. The City has also deepened its commitment to racially equitable strategies in recent years. In 2020, it adopted a Racial Equity Business Plan. In 2021, the City established a Racial Equity Strategic Planning Committee to review city policies and practices across economic stability, education, health, the built environment, and the community that are most critical to reducing racial disparities; based on its review, the Committee offered a series of proposals and initiatives that were unanimously approved by the City Council. And in 2022, the City established an Office of Racial Equity Inclusion and Belonging and hired an additional full-time staff member to support ongoing work. This multi-tiered approach to deepening the impacts of the City’s racial equity impact gives employees, community members, and business leaders many City of Bloomington to advance racial inclusion, equity and justice and ensures it is not simply ‘one person’s job.’

The **Metropolitan Council** implements equitable community engagement practices such as compensating community members and organizations when the Met Council needs the community’s input to inform decisions. By applying this practice, the Met Council examines its relationships between money, decision making, and power, and incentivizes staff to establish clear needs for information, to identify who is best positioned to provide that information, and be intentional about seeking that information from the communities who can offer it. As they compensate communities for their time and expertise, the Met Council is stopping the cycle of wealth and information extraction from Black, Indigenous, Hispanic and Asian communities and is thereby less likely to exacerbate racial inequities.

Olmsted County embeds accountability for DEI initiatives by incorporating an equity component into every category for performance evaluation and having Directors meet with representatives from *One Olmsted*, the County's internal diversity, equity, and inclusion initiative to develop DEI goals for their department that they are responsible for tracking throughout the year.

Ramsey County has established a Community Engagement Fund, a \$1 million fund for departments and service teams to use to improve their community engagement practices in decision-making and shared community power, including through direct compensation of community members for their time and expertise.

CASE STUDY

The City of Roseville establishes a Strategic Racial Equity Action Plan to guide actions to build racial equity across city operations

Since initiating intentional work around racial equity in 2018, the City of Roseville, Minnesota formalized their commitments in a Strategic Racial Equity Action Plan (SREAP), whose purpose is to “help us measure and significantly improve results for all our community members with culturally diverse workforce, businesses, representation, and programming.”

Roseville's SREAP priorities are regularly assessed and updated, with periodic reports published to document progress toward goals and planned activities.

The current SREAP Priorities seek to ameliorate issues with:

1. Workforce Diversity - “Roseville City Government staff - across its entire breadth and depth - does not reflect the racial, ethnic, and cultural makeup of residents.”
2. Commission Diversity - “People who participate in Roseville City Government boards and commissions do not reflect the racial, ethnic, and cultural makeup of residents.”
3. Racial Equity Toolkit - “There is no process for senior leaders to analyze policies, programs, and services with an equity lens.”

Data and measurement are foundational to this work. Roseville's [2022 Workforce Report](#), the city's first, evaluates current demographic data as “a baseline for intentional progress from ongoing diversity, inclusion, and equity improvement initiatives.” In 2022, 84% of Roseville's workforce identified as White, compared to 71% of city residents. Disaggregated by department, Black, Indigenous, and People of Color (BIPOC) staff in Information Technology represent 35% of the overall department; all other departments underrepresent the city's BIPOC populations in staffing. Reports like this are crucial for monitoring progress, setting goals, and determining what actions are needed to remedy the status quo.

For more information, view Roseville's [2022 Workforce Report](#) and [2021 Strategic Racial Equity Action Plan](#).

HIGH-SCORING ORGANIZATIONS

The following organization currently implements at least two-thirds (67%) of racial equity standards related to Leadership:

- **City of Bloomington**

RESULTS BY CATEGORY

Hiring

People are an organization's best asset. A government's staff must have the experience and skills to meet constituents where they are, which includes reflecting the racial diversity of the communities they serve. Research repeatedly finds that organizations with racially diverse teams outperform more homogeneous teams.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 3 of 7 racial equity standards related to Hiring.

Racial equity standards related to salary information are implemented by most organizations. Nearly all participating governments (95%) publish salary information for all job postings, and two thirds of organizations (68%) report having eliminated the use of prior salary information to inform pay and hiring decisions, a practice that studies show limit people's upward mobility, particularly for women and Black workers.

Approximately four in ten organizations (41%) have taken significant action to remove bias from the application process. While nearly all (95%) review job applications and remove unnecessary criteria on a regular basis and many (73%) take action to focus background checks on job-specific factors, fewer consistently create diverse hiring committees (32%) or have implemented second-chance hiring practices (23%).

Racially equitable procurement practices are implemented across less than half of organizations, including investing in local talent pipelines (41%) and recruiting from racially diverse talent pools (32%), practices that research affirms are effective at leveling wage gaps, overcoming bias, and increasing the racial diversity of managers over time.

Approximately half of organizations set goals across the organization for hiring a racially diverse workforce (55%). Fewer set goals for retaining or advancing workers of color (27% and 18%, respectively), while just one in ten hold leadership accountable for meeting these goals (9%), which research finds to be an effective way to increase the share of Black leaders in management.⁷

Just 5% of organizations currently require hiring managers to consider a racially diverse slate of candidates during the application and interview stages, suggesting that this is an opportunity for nearly all local governments to implement.

Research shows that the use of salary histories has been a key driver of wage gaps. One study found that after the implementation of salary history bans, workers who changed jobs saw their pay increase by 5 percent more than comparable workers who changed jobs in the absence of a ban, with even larger benefits for women and African Americans.

Workers are sometimes excluded from good jobs because of formal credential requirements that do not reflect the real requirements of a job. One study found that 63 percent of new job postings for production supervisor jobs required a college degree in 2015, but only 16 percent of incumbent production supervisors in 2015 had that degree.

⁷ Organizations were considered to have implemented this standard and given full points if they took at least 3 of 4 of these actions.

FIGURE 10

Nearly all participating local governments publish salary information for job postings and regularly review job qualifications; fewer than one in four set enterprise-wide goals for hiring, retaining, and promoting Black and Brown workers

Implementation of racial equity standards related to Hiring among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ No ■ Not Sure

QUESTION	PARTICIPANT RESPONSES
<p>1. Does your organization publish salary information for job postings?</p>	 <p>95% 5%</p>
<p>2. Has your organization eliminated the use of prior salary information to inform pay and hiring decisions?</p>	 <p>68% 5% 9% 14% 5%</p>
<p>3. Does your organization take ongoing actions to remove bias from application processes?</p> <p><i>Actions your organization currently takes:</i></p> <p><i>Reviewing job qualifications and removing unnecessary criteria on a regular basis</i></p> <p><i>Focusing background checks on job-specific factors</i></p> <p><i>Consistently creating racially diverse hiring committees</i></p> <p><i>Implementing second-chance hiring practices</i></p>	 <p>41% 55% 5%</p> <p>95% of organizations took this action</p> <p>73% of organizations took this action</p> <p>32% of organizations took this action</p> <p>23% of organizations took this action</p>
<p>4. Does your organization invest in local talent pipelines through paid internships, training partnerships with community colleges or workforce development providers, scholarships for students who are not related to employees, and/or other substantial career exposure opportunities?</p>	 <p>41% 50% 9%</p>
<p>5. Does your organization intentionally recruit from racially diverse talent pools, including schools, workforce development programs, and other community-based organizations with high shares of Black, Indigenous, Hispanic, and/or Asian people?</p>	 <p>32% 55% 14%</p>

6. Does your organization set **enterprise-wide goals for hiring, retaining, and advancing workers of color** and hold organizational leadership accountable for meeting these goals?

Actions your organization currently takes:

We set goals across our organization for hiring a racially diverse workforce

We set goals across our organization for retaining employees of color

We set goals across our organization for promoting employees to produce racially diverse leadership teams

We take action to hold leadership accountable for meeting these goals

7. Does your organization **require hiring managers to consider a racially diverse slate of candidates** during the application and interview stages?

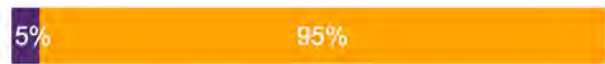


55% of organizations took this action

27% of organizations took this action

18% of organizations took this action

9% of organizations took this action



Promising practices for racial equity in Hiring

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable hiring processes.

The **City of Bloomington** has embraced a commitment to having its municipal workforce mirror the diversity of the population it serves, including by embedding racial equity as a core competency and value in city job descriptions.

The **City of Brooklyn Park** provides all hiring managers with analysis showing the demographics of the candidate pool, including by race and ethnicity, gender, and veteran status, so that hiring managers can understand whether they are selecting from a diverse candidate pool before moving forward.

A small city in the metro area has implemented an “equitable hiring scorecard” tool to support racially equitable hiring interventions across all hiring processes. This tool includes stating the team’s race equity goals at the start of interviews and diversifying hiring panels.

The **City of Roseville** has developed a “hiring manager packet” that requires hiring managers to identify necessary skills and qualifications for a role before accepting applications; surveys interview candidates to understand barriers candidates may face when attending interviews; and among some departments, defining preferred qualifications such as lived experiences that support community connections, past experience working with diverse populations, and knowing a second language.

A large local government in the metro area has taken steps to support inclusive hiring practices, including by providing aggregate demographic data of applicant pools to managers; limiting the use of background checks; and no longer asking about an applicant’s reason for leaving prior employment.

The Metropolitan Council has modified the minimum qualifications needed for various jobs, including by removing work history questions for bus and train operator roles, which have been used to eliminate qualified candidates and can disproportionately harm Black and Brown workers, and having at least two hiring managers review applications based on predetermined ‘position competencies’ criteria.

CASE STUDY

The Metropolitan Council invests in on-the-job training to meet skills needs

The Metropolitan Council (Met Council) in Minnesota's Minneapolis-St. Paul region is responding to labor shortages in their Metro Transit division with a multifaceted approach including novel workforce development strategies, revision of minimum qualifications, and community-based recruitment.

Facing a shortage of qualified candidates for technical roles, the Met Council has created training programs with a clear pathway from initial hire to training to promotion. An HR leader with the Met Council described the process:

"We have a lot of jobs that require specialized skills that not everybody has, [with a historical workforce that's] predominantly white... We are recruiting young people who don't have any experience - we don't expect them to. We don't expect them to have the education... We bring them in at a relatively lower wage. Then we pay for their school or provide them training. People who get through these programs [are promoted into] well-paid technical jobs [paying] family sustaining wages."

In addition, the Met Council has "changed minimum qualifications for a lot of positions," removing the GED requirement at the behest of a union leader who began work for Metro Transit 30 years ago without a GED. Recognizing the bias inherent in screening tests for mechanical and technical positions, the Met Council is in the process of revising these tests, "to make sure that there's no bias incorporated into those."

Finally, Met Council is leveraging designated employee ambassadors and over 100 community-based contacts to spread the word about, "Metro Transit as a great place to work. We want to draw from these [diverse] communities for our workforce... Clearly our numbers show that's what we're doing...Our ability to hire has been amazing. We've hired between 250 and 300 operators alone."

HIGH-SCORING ORGANIZATIONS

The following organizations currently implement at least two-thirds (67%) of racial equity standards related to Hiring:

- **City of Robbinsdale**
- **The Metropolitan Council**
- **Olmsted County**

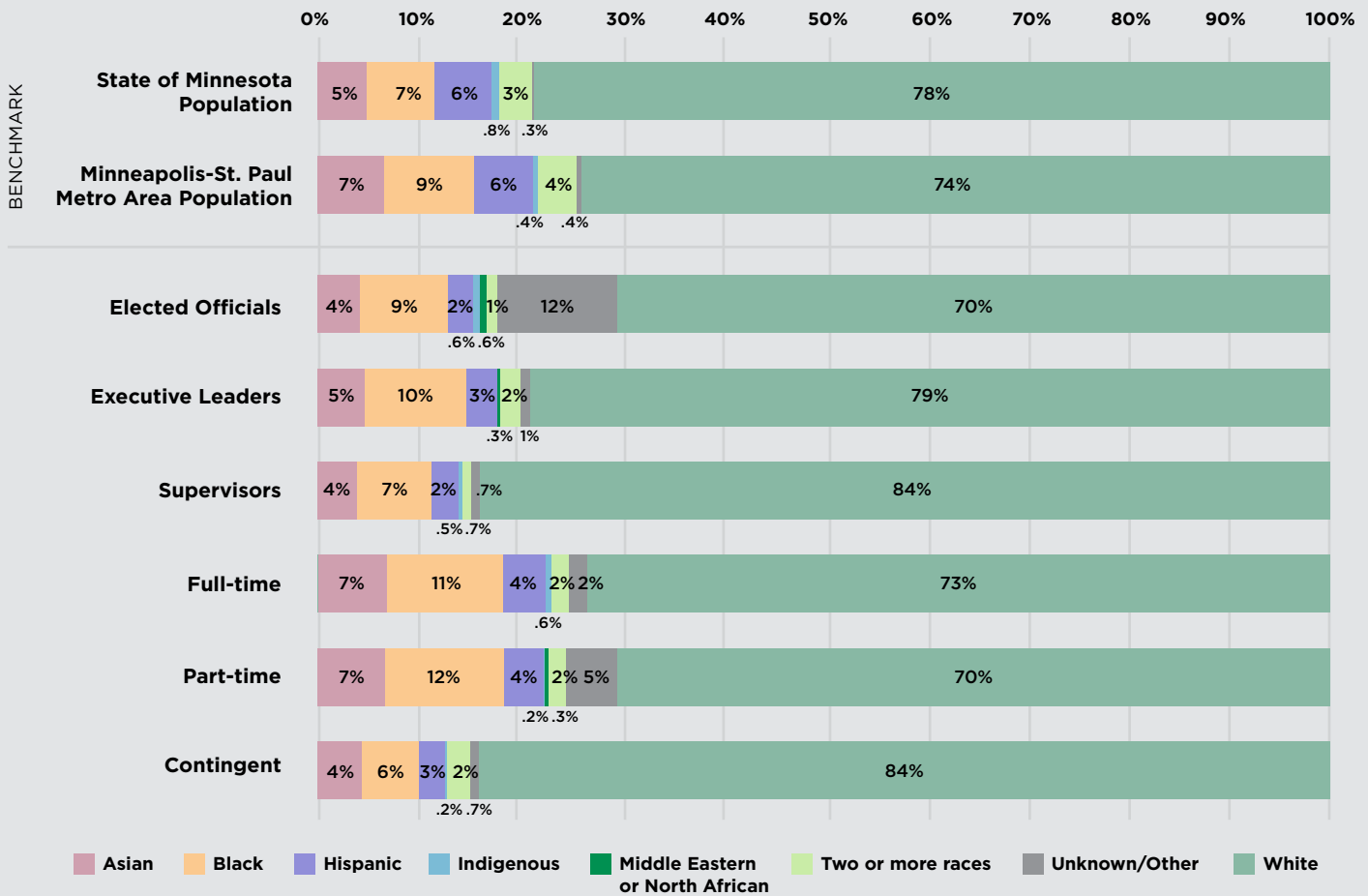
Racial Equity Outcomes: Workforce

The 2023 Index gathered data on racial equity outcomes across several critical dimensions. Workforce-related data includes the racial demographics of Index participants' workforce and leadership, the number of workers earning a family-sustaining wage, and hiring, retention, and promotion rates by race and ethnicity.

FIGURE 11

Across participating governments, approximately 20 percent of executive leaders and 25 percent of full-time and part-time staff identify as Black, Indigenous, Hispanic, or Asian

Total employees in Minnesota across all participating organizations in the 2023 Index by race and ethnicity⁸



Collectively, local governments employ Black, Indigenous, Hispanic, and Asian individuals at every level of their organization, but in many cases, these communities are underrepresented compared to regional and state demographics. Approximately 18% of elected officials, 20% of executive leaders, 15% of supervisors, and 25% of all full-time and part-time staff identify as Black, Indigenous, Hispanic, or Asian. By comparison, approximately 20% of state residents and 25% of Minneapolis-St. Paul residents identify as Black and Brown, while many jurisdictions within the Twin Cities region are much more racially diverse. Hispanic residents are particularly underrepresented within the ranks of local governments, as just 2% of supervisors identify as Hispanic, though this community represents 6% of the state's residents.

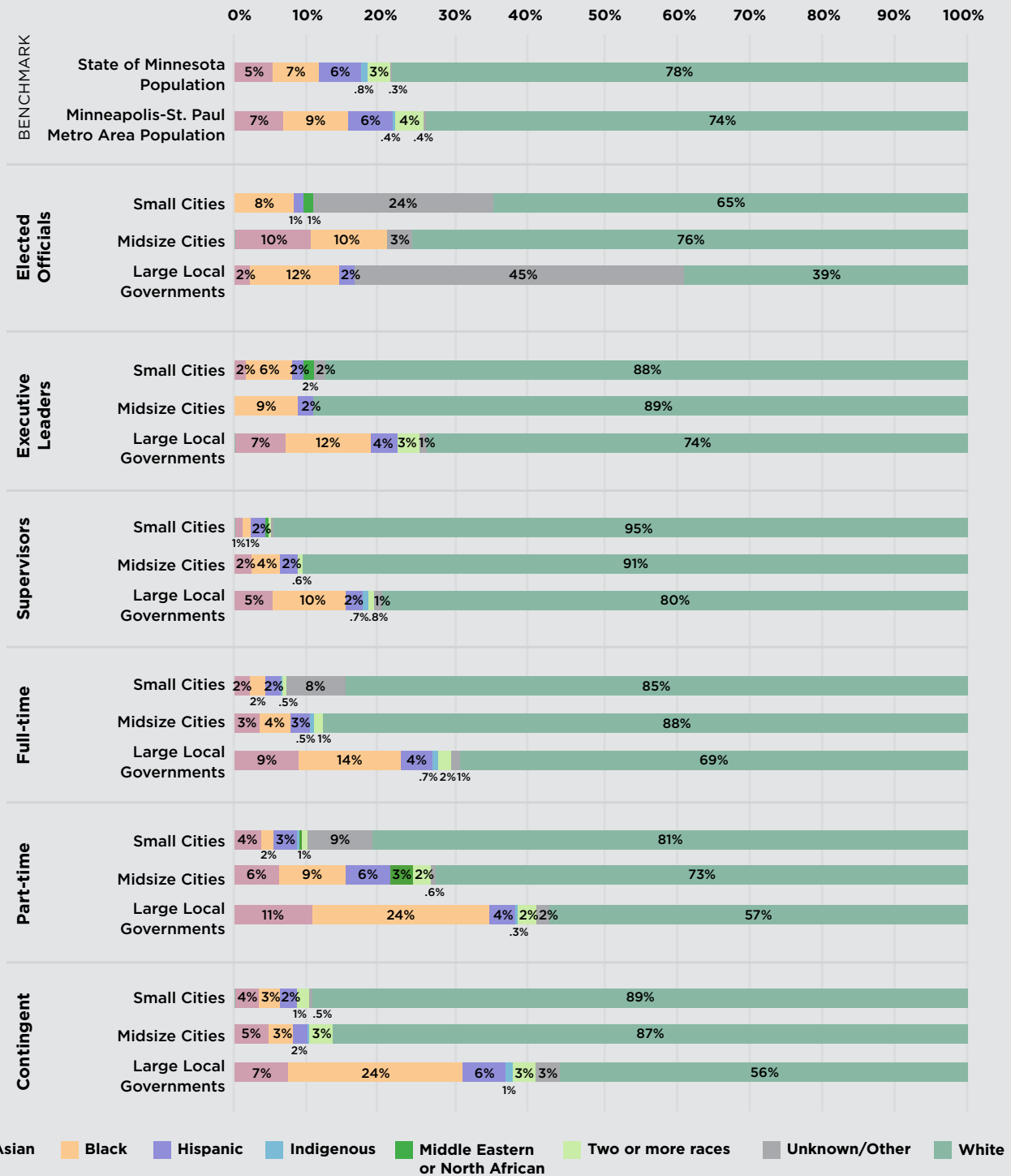
Larger local governments tend to have more racially diverse workforces than smaller governments at all levels. In local governments serving more than 250,000 residents, 25 percent of executive leaders, 19 percent of supervisors, 29 percent of full-time staff and 41 percent of part-time and contingent workers at these organizations identify as Black, Indigenous, Hispanic or Asian. Across cities serving fewer than 75,000 residents - which often have less racially diverse communities - 11 percent of executive leaders, 7 percent of full-time workers, and 5 percent of supervisors identify as Black, Indigenous, Hispanic, or Asian.

⁸ Data for the State of Minnesota and Minneapolis-St. Paul Metro area comes from the 2021 5-year American Community Survey.

FIGURE 12

Large local governments tend to have a more racially diverse workforces

Total employees across all participating organizations in the 2023 Index by race and ethnicity, grouped by organization size and government type¹²



Black workers are disproportionately represented among the part-time and contingent workforces of Large Local Governments, the roles that frequently offer the lowest pay, fewest benefits, and least stability within the public sector. Approximately one in four part-time or contingent workers are Black.

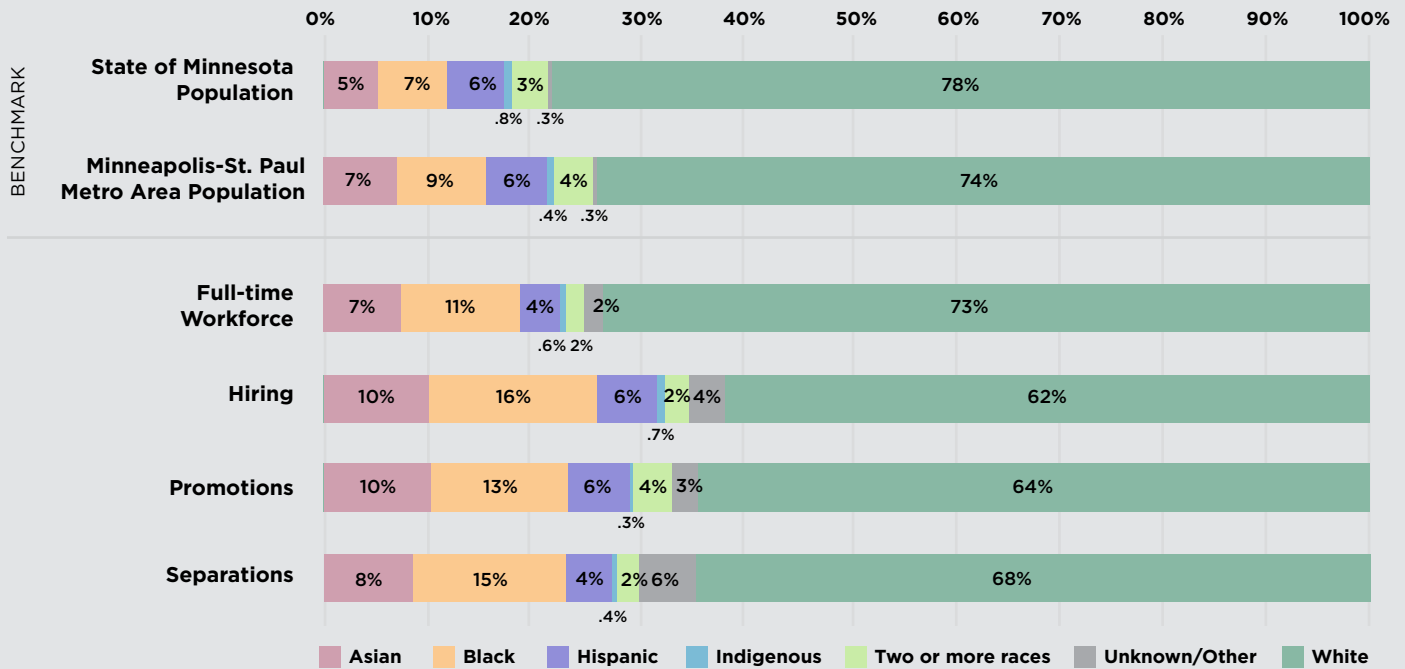
Index organizations are hiring and promoting Black and Brown employees at a higher rate than their existing workforce demographics, with 35 percent of new hires identifying as Black, Indigenous, Hispanic or Asian compared to 25 percent of existing full-time workers. Hiring outpaces the full-time workforce for all race and ethnicity groups.

9 Some data was not included in the graphic above to improve readability. 0.5% of supervisors in Small Cities identify as Middle Eastern or North African, 0.5% identify as Two or more races, and 0.2% are unknown. 0.1% of full-time employees in Small Cities identify as Indigenous. 0.1% of full-time employees in Midsize Cities identify as Unknown. 0.2% of part-time employees in Small Cities identify as Indigenous and 0.2% identify as Middle Eastern or North African. 0.1% of contingent workers in Small and Midsize Cities identify as Indigenous.

FIGURE 13

Index organizations are hiring and promoting Black, Indigenous, Hispanic, and Asian workers, but also struggle with retention of Black workers

All full-time employees at participating organizations¹⁰



A third of employees who received a promotion in the last year identified as Black, Indigenous, Hispanic, or Asian.

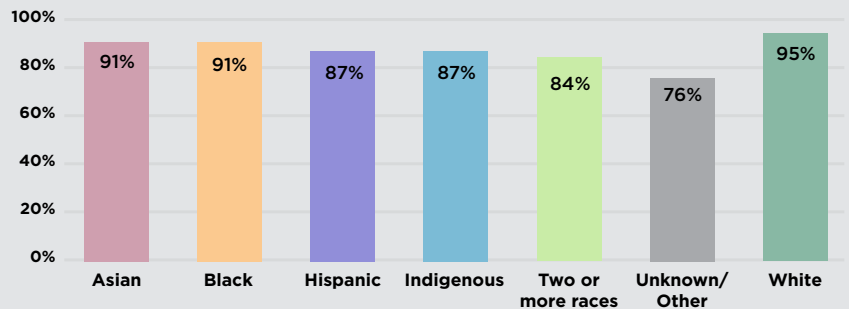
Participating organizations also experienced higher attrition among Black and Brown workers. About a third (31%) of those who departed in the last year identified as Black, Indigenous, Hispanic, or Asian. Black employees in particular were more likely to leave their organization than employees of other racial or ethnic groups.

Employees can depart for many reasons, including for a better opportunity. But turnover creates many costs for organizations, and seeing high rates of departures, especially among Black and Brown employees - who are less likely to leave due to retirement — may be evidence that existing workplaces have opportunities to be more inclusive of Black, Indigenous, Hispanic, or Asian employees and eliminate barriers to equitable career success. In short, the evidence suggests that Black and Brown employees experience barriers to career success beyond what White employees experience — underscoring why participating local governments must continue to invest in building truly equitable and inclusive workplaces.

FIGURE 14

Approximately 90 percent of Black, Asian, White, and Indigenous employees at participating local governments earn family-sustaining wages; fewer workers of Unknown race or Two or more races earn family-sustaining wages

Percent of Index participants' full-time employees earning a family-sustaining wage by race and ethnicity^{11,12}



Approximately 90 percent of full-time employees across all participating Public Sector Index organizations earn a family-sustaining wage, defined in the 2023 Public Sector Index as \$24.98 per hour, or approximately \$52,000 for a full-time employee. White, Black, and Asian employees are the most likely to earn a family-sustaining wage (92%, 91%, and 90% respectively), while those with unknown race/ethnicity are the least likely to earn a family-sustaining wage (76%).

¹⁰ Hiring data displays the racial demographics of full-time employees who were hired in the past year. Promotions data displays the racial demographics of full-time employees who were internally promoted in the past year. Departures data displays the racial demographics of full-time employees who left the organization in the past year.

¹¹ The Center for Economic Inclusion defines a family-sustaining wage for Minnesota based on the MIT Living Wage Calculator. In 2023, this is \$24.98 per hour, or approximately \$52,000 for a full-time employee.

¹² Data from several local governments have been excluded from this figure due to irregularities or non-response.

Culture, Retention, & Advancement

Organizations that invest deeply in building an anti-racist workplace and a culture where racial equity and inclusion are rewarded experience many benefits. Organizations that demonstrate the value of Black, Indigenous, Hispanic, and Asian employees and the experience, knowledge, and insights they bring by equitably compensating and rewarding all employees for their contributions can benefit from successful talent attraction, lower turnover, higher productivity, and greater employee engagement.

Participants in the 2023 Racial Equity Dividends Index have implemented 2.6 of 10 racial equity standards related to Culture, Retention & Advancement on average.

All participating organizations provide benefits to all full-time employees, including health insurance, paid leave, and access to a retirement account. Nearly all (95%) provide paid family leave to employees.¹³

Four in ten organizations (41%) have clear standards for promotions that are shared with all employees; 41% also enable mutual support, mentorship and professional development through employee resource groups or similar entities specific to Black, Indigenous, Hispanic, and/or Asian workers.

A third of organizations (32%) regularly survey employees about their sense of belonging and equity in the workplace and use quantitative results to drive action. Most have conducted surveys in the past two years (68%) and shared insights with employees (59%), while fewer disaggregated results by race (41%).¹⁴

Approximately one-fourth of organizations (23%) offer regular learning opportunities for staff to understand and apply anti-racist practices to their work, and make efforts to increase organization-wide participation.

Most organizations have taken some steps to increase the economic wellbeing of non-exempt employees, including providing schedules at least one week in advance to all non-exempt employees and strive to keep schedules consistent week-to-week (71%), providing all non-exempt employees a minimum number of hours per week (38%), while fewer offer all non-exempt employees the opportunity to work full-time if desired (19%).¹⁵ Research has shown that workers with more schedule volatility are more likely to face economic hardships including hunger, housing insecurity and difficulty paying bills.

Few organizations (5%) consistently invest in skill-building for employees of color through professional development opportunities such as certificates, tuition reimbursement, educational grants, and coaching and measure participation in these opportunities by race and ethnicity of employees at least once per year. A similar share (5%) provide formal mentorship opportunities specific to Black, Indigenous, Hispanic, and/or Asian workers.

Only one participating government in 22 pays all employees a family-sustaining wage for Minnesota, defined as at least \$24.98 per hour, approximately \$52,000 annually for a full-time worker. A majority of organizations pay family-sustaining wages to more than 75% of full-time employees. Just one organization reports measuring employee pay by race and ethnicity at least once per year and taking action to ameliorate any pay gaps between workers in similar roles with equivalent skills, experiences, and qualifications.

There is strong evidence that higher pay lowers poverty and reduces racial wage gaps. Polling by Just Capital finds that Black employees believe this strategy is the most important action employers can take to promote racial diversity, equity and inclusion.

¹³ Organizations were considered to have implemented this standard and given full points if they provided at least 3 of 4 of these benefits to all full-time employees.

¹⁴ Organizations needed to have taken all three of these actions to receive full points for implementing this standard.



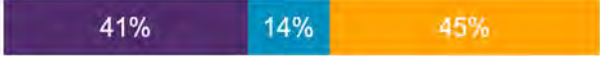



¹⁵ Organizations needed to have taken all three of these actions to receive full points for implementing this standard.

FIGURE 15

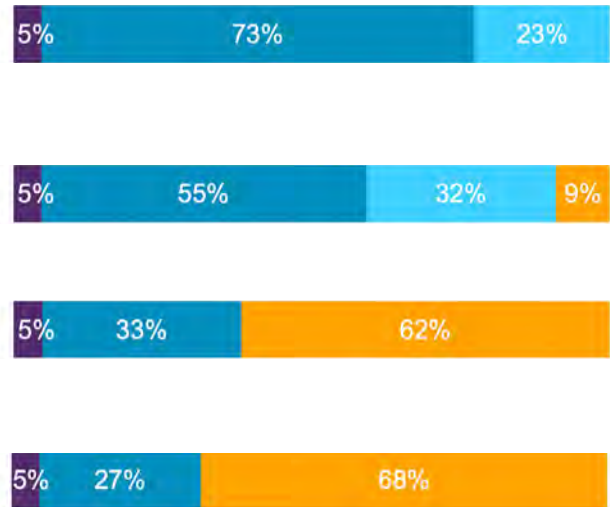
Many participating governments have clear standards for promotions that are shared with all employees; many have made progress in implementing fair policies for hourly workers, investing in professional development, and paying workers family-sustaining wages.

Implementation of racial equity standards related to Culture, Retention, and Advancement among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ Somewhat Less ■ No ■ Not Sure

QUESTION	PARTICIPANT RESPONSES
<p>1. Does your organization provide benefits to all full-time employees?</p> <p><i>Health insurance</i></p> <p><i>Paid leave</i></p> <p><i>Access to a retirement account</i></p> <p><i>Paid family leave</i></p>	 <p>100%</p> <p>100% of organizations provide this benefit</p> <p>100% of organizations provide this benefit</p> <p>100% of organizations provide this benefit</p> <p>95% of organizations provide this benefit</p>
<p>2. Does your organization have clear standards for promotions that are shared with all employees?</p>	 <p>41%</p> <p>36%</p> <p>23%</p>
<p>3. Does your organization have employee resource groups or similar entities specific to Black, Indigenous, Hispanic, and/or Asian workers for the purposes of enabling mutual support, mentorship, professional development, and more?</p>	 <p>41%</p> <p>14%</p> <p>45%</p>
<p>4. Does your organization regularly survey employees about their sense of belonging and equity in the workplace and use quantitative results to drive action?</p> <p><i>Actions your organization currently takes:</i></p> <p>We have surveyed employees about their sense of belonging and inclusion in the past two years</p> <p>We have shared insights from employee surveys back with employees</p> <p>We have disaggregated survey results by race</p>	 <p>32%</p> <p>45%</p> <p>23%</p> <p>68% of organizations took this action</p> <p>59% of organizations took this action</p> <p>41% of organizations took this action</p>
<p>5. Does your organization offer regular learning opportunities for staff to understand and apply anti-racist practices to their work and make efforts to increase organization-wide participation?</p>	 <p>23%</p> <p>9%</p> <p>55%</p> <p>14%</p>
<p>6. Does your organization take steps to increase the economic wellbeing of non-exempt employees?</p> <p><i>Actions your organization currently takes:</i></p> <p>We provide schedules at least one week in advance to all non-exempt employees and strive to keep schedules consistent week-to-week</p> <p>We provide all non-exempt employees a minimum number of hours per week</p> <p>We offer all non-exempt employees the opportunity to work full-time if desired</p>	 <p>10%</p> <p>67%</p> <p>14%</p> <p>10%</p> <p>71% of organizations took this action</p> <p>38% of organizations took this action</p> <p>19% of organizations took this action</p>

- 7. Does your organization **invest in professional development opportunities** for workers including certificates, tuition reimbursement, educational grants, and coaching and measure participation in these opportunities by race and ethnicity of employees at least once per year?
- 8. Does your organization **pay all employees a family-sustaining wage** for Minnesota?
- 9. Does your organization **provide formal mentorship opportunities** specific to Black, Indigenous, Hispanic, and/or Asian workers?
- 10. Does your organization **measure employee pay by race and ethnicity at least once per year and take action to ameliorate any pay gaps** between workers in similar roles with equivalent skills, experiences, and qualifications?



Promising practices for racial equity in Culture, Retention & Advancement

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Culture, Retention & Advancement processes.

The **City of Bloomington** has established four Employee Resource Groups (ERGs) for Ethnically Diverse, Black, Asian American Pacific Islander, and Women employees as well as several Racial Equity Action Teams. These employee-led groups are an opportunity for Black and Brown staff in particular to demonstrate leadership skills, create meaningful connections across the organization, and gain exposure and recognition that have led to further promotions for staff.

A midsize city in Greater Minnesota has full-time staff that conduct ongoing Justice, Equity, Diversity, and Inclusion (JEDI) audits for each department, reviewing policies, practices, and programs with an equity lens and offering recommendations for improvement. They have placed particular emphasis on building diverse teams, hiring a full-time HR partner focused on recruitment and retention and having departments set annual goals and metrics as part of a citywide Diversity, Equity, and Inclusion Action Plan.

The Metropolitan Council offers formal mentorship opportunities for staff across the Council through “MentoringWorks,” a 6-month mentorship program, and supports emerging leaders through internal programs including the Project Manager Development Program and the Leadership Academy within its Metro Transit division.

Olmsted County has established a *One Olmsted* team comprised of more than 80 individuals to support diversity, equity, and inclusion in each department in the County. Department teams are asked to review inequities within their departments and work to remedy them, as well as drive progress on internal metrics and goals. One workgroup within *One Olmsted* has focused on hiring and retention, including disaggregating hiring and retention rates among County staff by race.

EXTERNAL CASE STUDY

The City of Seattle reports on pay equity within its workforce to drive accountability

To support progress and hold decision-makers accountable to advancing pay equity, the City of Seattle regularly analyzes the demographic composition and pay of City employees, publishing the results in periodic Workforce Equity Reports.

This work is one manifestation of the City's focus on Workforce Equity, defined in 2016 as "when the workforce is inclusive of people of color and other marginalized or underrepresented groups at a rate representative of the greater Seattle area at all levels of City employment; [and] where institutional and structural barriers impacting employee attraction, selection, participation, and retention have been eliminated, enabling opportunity for employment success and career growth."

The 2021 report cites the current state of staffing diversity, finding that the City's workforce matches the racial demographics of the greater Seattle area, with 42 percent of employees identifying as Black, Indigenous, or People of Color (BIPOC), and examines pay equity across City employees. The report finds that 35% of the highest-ranking supervisors identify as BIPOC, as do 32% of the highest-paid employees. The City's report notes that BIPOC women are the most underrepresented at the top levels of pay and supervisory authority, finding that "BIPOC women make up 20.3% of the greater Seattle population but just 14.2% of the top level of supervisors and just 10.7% of the top level of wage earners."

Through regular collection and publication of data on the racial demographics and pay of municipal employees, the City of Seattle's Workforce Equity Reports are a key tool for driving public accountability and informing decision-makers on where to change policy and training to build an inclusive and equitable organizational culture.

HIGH-SCORING ORGANIZATIONS

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Procurement

Companies owned and operated by Black, Indigenous, Hispanic, and Asian individuals offer unique value as suppliers - yet too many lack the contracts and capital they need to scale and greatly increase the number of jobs they create that pay family sustaining wages. Organizations that commit to racially equitable procurement practices are helping to build racially diverse supplier ecosystems that provide innovative, sustainable, and high-quality services and products.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 0.7 of 7 racial equity standards related to Procurement.

A third of organizations have taken significant action to reduce prohibitive barriers for suppliers, including by paying most suppliers on a monthly basis (77%), simplifying the submittal process for bids from suppliers (45%), reducing the size of contracts to enable smaller suppliers, including ones led by Black, Indigenous, Hispanic, or Asian owners to compete (41%), adjusting insurance requirements (32%), and lowering the minimum threshold for a suppliers' annual revenue (23%).¹⁶

Few organizations collect data on procurement spending across their organizations disaggregated by race. Just one in ten organizations (9%) regularly collect and share data internally on the racial diversity of its suppliers or measure the racial diversity of its Tier 2 suppliers. [Research from the Center for Economic Inclusion](#) finds that procuring organizations can play important roles in encouraging Tier 1 suppliers to track and adopt equitable policies for subcontracting with businesses owned by people of color.

Just five percent of organizations - one of 22 - have a consistent approach to increasing procurement spend with Black and Brown businesses through having a Minority Business Enterprise (MBE) procurement strategy with measurable goals. Just one of 22 local governments currently invest financial and human capital resources in building a racially diverse pipeline of suppliers via a dedicated budget, staff time, and education for procurement leaders within their organizations, which [research affirms are critical](#) to effectively monitor contracts and ensure compliance. Additionally, just five percent of organizations have participated in a [disparity study](#) within the past five years to evaluate the outcomes of race-neutral supplier diversity programs and provide legal justification for race-conscious strategies.

No participating organizations require that all RFP and bid processes track the number of bids received from Black, Indigenous, Hispanic, and Asian-owned business and seek out additional bids if no bids from these groups have been received, suggesting that this racial equity standard provides an opportunity for all participants to benefit from.


¹⁶ Organizations were considered to have implemented this standard and given full points if they took at least 3 of 4 of these actions.

FIGURE 16

Most participating local governments pay suppliers on a monthly basis and many take action to simplify contracting processes; few governments currently collect data on the racial diversity of suppliers or have established a MBE procurement strategy

Implementation of racial equity standards related to Procurement among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ No ■ Not Sure

QUESTION	PARTICIPANT RESPONSES
<p>1. Has your organization taken action to reduce prohibitive barriers for suppliers, including reducing the size of contracts, lowering annual revenue or bonding requirements, simplifying submittal processes, and shortening supplier payment terms to 15-30 days?</p> <p><i>Actions your organization currently takes:</i></p> <ul style="list-style-type: none"> <i>We pay most or all of our suppliers on a monthly basis</i> <i>We have taken action to simplify submittal processes for bids from suppliers</i> <i>We have taken action to reduce the size of our contracts to enable smaller suppliers, including ones led by Black, Indigenous, Hispanic, or Asian owners, to compete</i> <i>We have taken action to adjust insurance requirements</i> <i>We have taken action to lower our minimum threshold for suppliers' annual revenue</i> 	 <ul style="list-style-type: none"> 77% of organizations took this action 45% of organizations took this action 41% of organizations took this action 32% of organizations took this action 23% of organizations took this action
<p>2. Does your organization regularly collect and share data internally on the racial diversity of its suppliers?</p>	
<p>3. Does your organization measure the racial diversity of its Tier 2 suppliers?</p>	
<p>4. Does your organization have a Minority Business Enterprise (MBE) procurement strategy with measurable goals?</p>	
<p>5. Does your organization invest financial and human capital resources in building a racially diverse pipeline of suppliers via a dedicated budget, staff time, and education for procurement leaders within your organization?</p>	
<p>6. Has your organization participated in a disparity study within the past 5 years to evaluate the outcomes of race-neutral supplier diversity programs and provide legal justification for race-conscious strategies?</p>	
<p>7. Does your organization require that all RFP and bid processes track the number of bids received from Black, Indigenous, Hispanic, and Asian-owned business and seek out additional bids if no bids from these groups have been received?</p>	

Promising practices for racial equity in Procurement

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Procurement processes.

The **City of Bloomington** formed an Equitable Contracting Microbusiness (ECM) comprised of the City Attorney, Chief Financial Officer, Chief Equity and Inclusion Officer and legal and finance staff. The ECM is tasked with applying a racial equity lens to purchasing procedures to break down barriers and encourage more small, minority-owned, women-owned, and underutilized businesses to engage with the City. The group surveyed and held conversations with City employees and vendors about their experience navigating procurement processes and identified common themes to share back with staff. From this process they've begun implementing a prompt payment policy for small businesses, engaging in forecasting project opportunities with City departments twice a year, and creating a guide on how to do business with the City.

Ramsey County has engaged staff and community stakeholders to improve the county's supplier diversity. This includes transforming Ramsey County's Professional Services, Expenditure Grants, and Information Technology-related procurement functions so the process is more user-friendly, relational, equitable, transparent, and efficient. Changes such as reducing insurance requirements and decreasing timeline of the process have made significant impacts to their procurement.

EXTERNAL CASE STUDY

Informed by a new disparity study, the City of Boston sets bold targets for purchasing with minority business enterprises

In 2021, the Mayor of the City of Boston, Massachusetts signed an executive order "Establishing Equitable Procurement Goals in Support of Minority and Woman-Owned Businesses." The executive order built upon the City's supplier diversity program, first established in 2008. A disparity study commissioned by the city and completed in 2021 revealed that "minority-owned business enterprises are available for 5.7% of City contract and procurement dollars," but were awarded only 2.5% of city procurement spending.

To remedy these disparities, the City set an 'overall annual aspirational goal' of 10% minority-owned business enterprise utilization on 'discretionary contract and procurement spending,' along with accompanying goals for women-owned business utilization, through 2027.

Pursuit of this goal is aided by earlier work by the City to support diversification of supplier contracts, including: creation of a performance tracking system to measure contracts awarded to diverse vendors, paying vendors on faster timelines, reducing bonding requirements for City contractors, simplifying paperwork, "breaking up large contracts into multiple small contracts to increase accessibility for small businesses," and providing technical assistance to diverse vendors around capital access and announcement of contracts.

For more information, view [Promoting Vendor Diversity in Boston](#) and Mayor Martin J. Walsh's [Executive Order Establishing Equitable Procurement Goals](#).

HIGH-SCORING ORGANIZATIONS

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

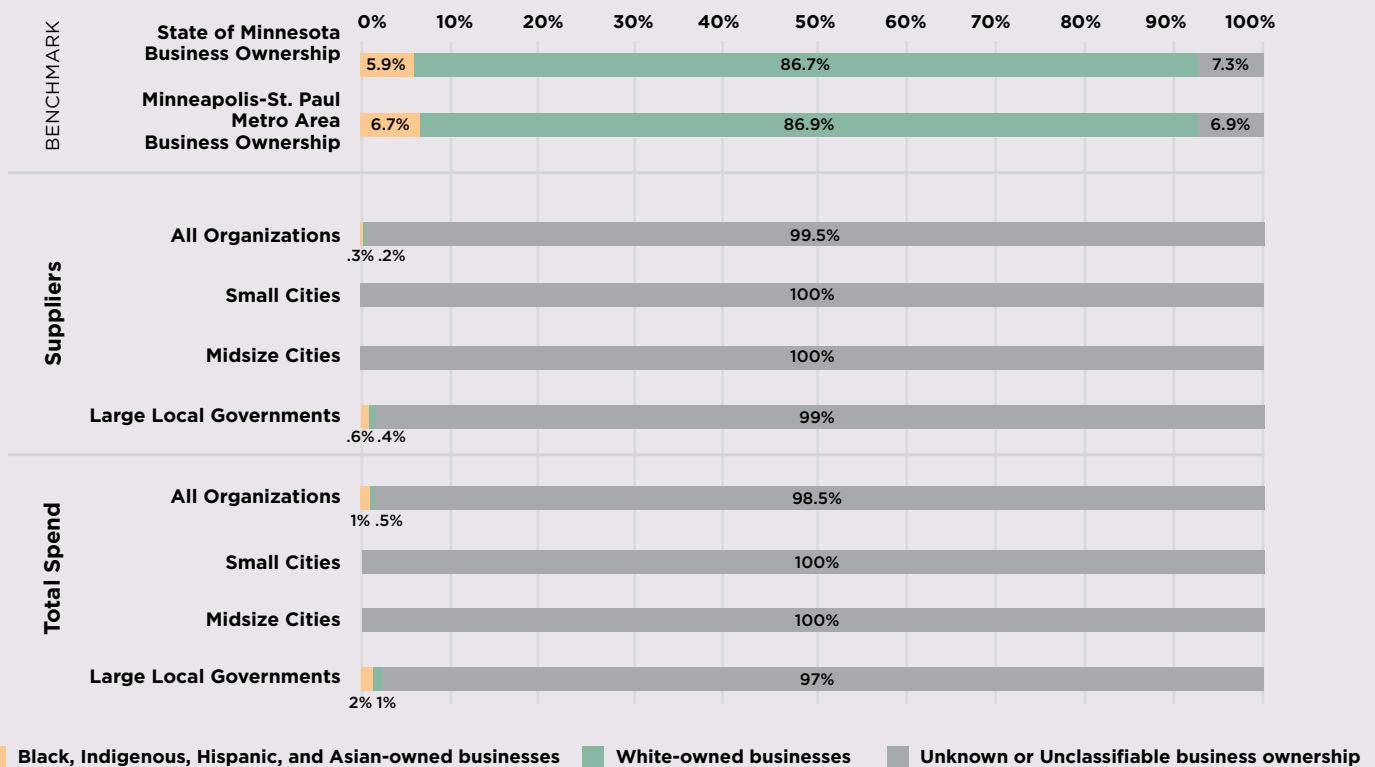
Racial Equity Outcomes: Procurement

The following section displays data on racial equity outcomes related to procurement. Procurement-related data includes the number of suppliers owned by Black, Indigenous, Hispanic, and Asian individuals and the amount of total procurement spending going to these suppliers. Not all Index participants contributed procurement data: the following chart displays spending for 14 of 22 participating organizations (64%) this year.

FIGURE 17

A small share of total procurement spending among Index participants go to Black, Indigenous, Hispanic, or Asian-owned suppliers

Total suppliers and procurement spending across all participating Index organizations¹⁷



In aggregate, Black, Indigenous, Hispanic, or Asian-owned businesses account for 0.3% of Index organizations' suppliers and 1% of their total spend. This falls substantially short of the percentage of Black, Indigenous, Hispanic, or Asian-owned businesses in the state of Minnesota (5.9%) and the Minneapolis-St. Paul Metro Area (6.7%).

Only Large Local Governments shared disaggregated data for suppliers and total spend. Among these organizations, Black, Indigenous, Hispanic, or Asian-owned businesses account for account for 0.6% of suppliers and 2% of total procurement spend. Among Small and Midsize Cities, 100% of suppliers and total procurement spend are with businesses with Unknown business ownership.

Index participants collectively reported \$2.2 billion in procurement spending within the past year, \$22.1 million of which went to Black, Indigenous, Hispanic, or Asian-led suppliers. Since roughly forty percent of participating organizations did not provide their procurement spend data, these totals undercount the total economic impact of procurement spending across Index participants.

Black, Indigenous, Hispanic, and Asian communities represent roughly 20 percent of residents in Minnesota, 25 percent of residents in the Minneapolis-St. Paul metro area, and higher shares in many of the jurisdictions participating in the 2023 Public Sector Index. These communities have historically faced barriers to business ownership, including limited access to capital, exclusion from supplier networks, and discrimination. Local governments participating in the Racial Equity Dividends Index have a major opportunity to invest in racially equitable procurement practices that will build wealth among historically disadvantaged communities while helping public sector entities provide services that are innovative, effective, and equitable.

¹⁷ Data for the State of Minnesota and the 15-county Minneapolis-St. Paul metro area comes from the 2021 Annual Business Survey. Suppliers data displays the percentage of all suppliers that are owned by Black, Indigenous, Hispanic, or Asian individuals within the past year. Total spend data displays the percentage of all procurement spending going to businesses owned by Black, Indigenous, Hispanic, or Asian-owned businesses within the past year

Budgets & Finance

A government's budget reflects its priorities. Governments that intentionally direct their financial resources toward historically underinvested Black, Indigenous, Hispanic, and Asian communities are laying the foundations for a more equitable, more prosperous, and more just society.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 0.6 of 5 racial equity standards related to Budgets & Finance.

Among participating organizations, a quarter (25%) invest assets in Community Development Financial Institutions (CDFIs) or other depository institutions whose missions prioritize wealth-building and investment in underinvested communities. Additionally, one in four (24%) analyze and act to mitigate the impacts of taxes, fines, fees, and other revenue-generating activities on Black, Indigenous, Hispanic, and Asian communities.

Approximately 14% of organizations proactively seek input from Black, Indigenous, Hispanic, and Asian communities in the early stages of developing operating and capital budgets. One government (5%) utilizes a budget equity tool to analyze the impact of potential budgets on Black, Indigenous, Hispanic, and Asian communities.

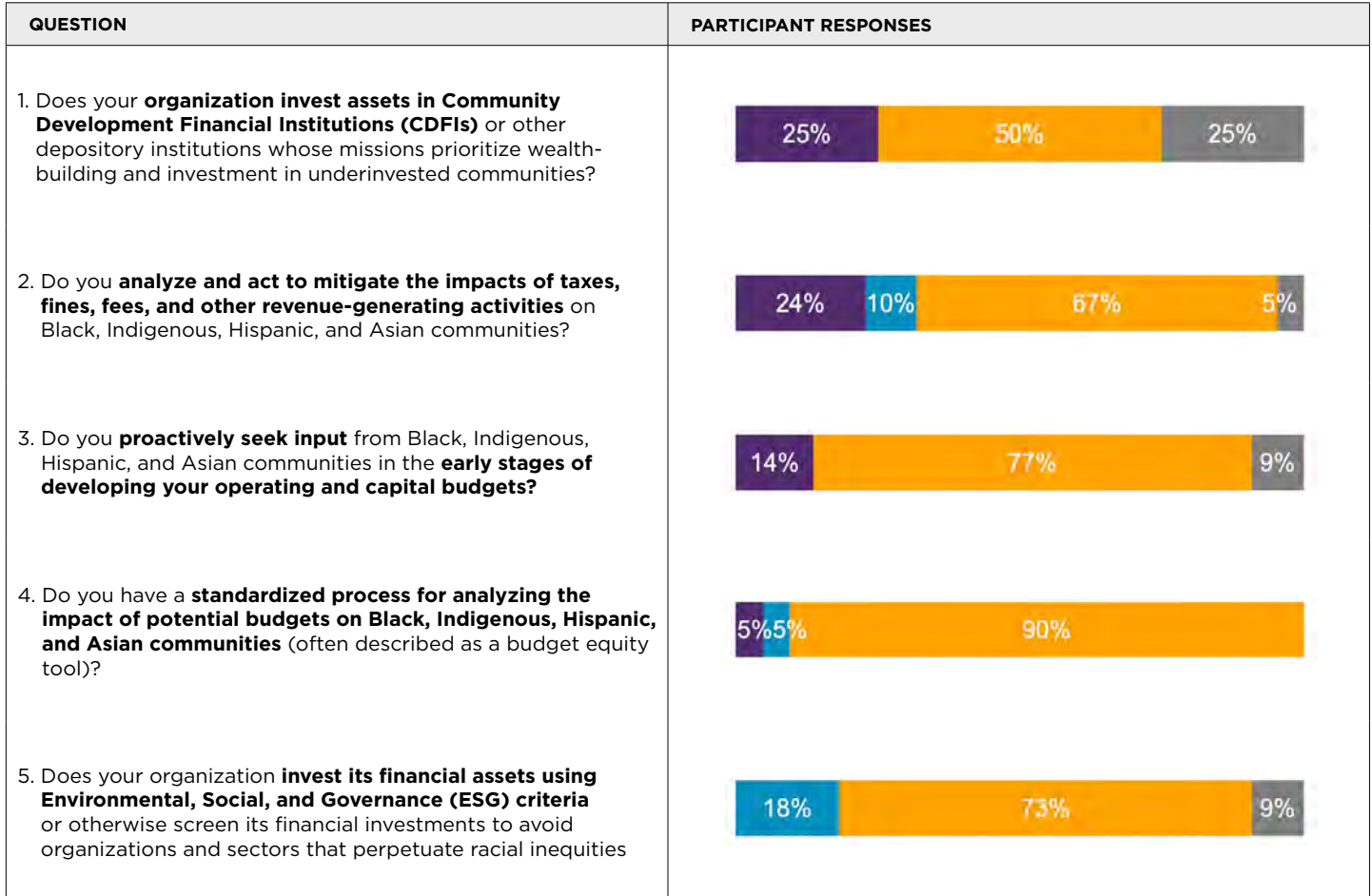
No participating organizations invest their financial assets using Environmental, Social, and Governance (ESG) criteria or otherwise screen their financial investments to avoid organizations and sectors that perpetuate racial inequities. Definitions of the companies and sectors that exacerbate racial inequities vary, but often include involvement with private prisons, prison labor, cash bail, immigrant detention, surveillance technologies, and for-profit colleges.

FIGURE 18

Some local governments participating in the Index invest assets in CDFIs; few proactively seek input from Black and Brown communities at the beginning of budget processes

Implementation of racial equity standards related to Budgets & Finance among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ No ■ Not Sure



Promising practices for racial equity in Budgets & Finance

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Budgets & Finance.

A small city in the metro area has adopted an internal citywide process to evaluate budget decisions based on how they reflect the city’s values of sustainability, health in all policies, community engagement, and race and equity. This process surfaces these values at the beginning of conversations and integrates them into decision-making.

The **City of Roseville** has committed to focus on racial equity as part of its overall operations and budget priorities. This includes requiring department heads to discuss how their budget requests address racial equity.

Olmsted County has committed to paying community members from historically marginalized communities, including Black, Indigenous, Hispanic, and Asian communities, for their input on city engagements due to the critical lived experiences they offer.

Ramsey County requires all budget requests submitted to the county manager and board to discuss the impacts of racial equity and disaggregates data by race whenever possible to guide its strategic direction and budget allocations.

EXTERNAL CASE STUDY

King County's participatory budgeting process considers impacts of historic harm to communities as a selection criteria

In 2021, King County in Washington State approved a participatory budgeting process to apportion \$11 million across five urban unincorporated areas that expressly considered historic racial harms experienced by communities, among other selection criteria.

Participatory budgeting is a democratic process in which community members directly decide how to spend part of a public budget. In King County, a steering committee comprised of members of the public who live, work, attend school, play, or worship in the identified communities, or those “displaced from there due to gentrification,” created the framework for the budgeting process and narrowed project ideas from the community into a slate of options for public vote.

Rather than dividing resources evenly between each of the five areas, committee members listened as members from each area described the impact of racism and underinvestment in their community. From there, the committee determined that two of the five areas would receive the majority of the funding due to their racial diversity and legacy of historic harm.

Ultimately, residents from the five communities age 12 and older cast more than 2,600 votes and selected 46 projects for funding from King County. With substantial community support for the process, another round of participatory budgeting is underway.

“You always hear how government can't solve everything, especially for complicated and sensitive issues such as the generational effects of racism,” Local Services Director John Taylor said. “Well, participatory budgeting provides an example of how local government actually can try to address that issue through public project funding.”

For more information, view the [Participatory Budgeting earns King County Executive's Equity, Racial & Social Justice Innovation Award](#).

HIGH-SCORING ORGANIZATIONS

The following organization currently implements at least two-thirds (67%) of racial equity standards related to Budgets & Finance:

- **City of Bloomington**

Community & Economic Development

Economic and community development are nearly always near the top of any local government leaders' priority list. Yet traditional development strategies have historically ignored or exacerbated racial inequities within a jurisdiction. Local governments must act creatively to invest in business, community, and economic development in a way that supports and elevates diverse stakeholders and builds racially equitable and prosperous communities.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 1.1 of 4 racial equity standards related to Community & Economic Development.¹⁸

Half of participating organizations (53%) have community development programs that explicitly seek to support stronger social capital ties, resident voice, and neighborhood improvements in Black, Indigenous, Hispanic, Asian, and other historically disinvested communities.

Approximately four in ten (44%) have initiatives to support entrepreneurship and business development among Black, Indigenous, Hispanic, Asian, and other communities historically underrepresented in business ownership. A quarter of organizations (24%) have economic development job creation subsidies that are only available to companies that create jobs that pay family-sustaining wages or a similar wage threshold.

Approximately one in eight organizations (12%) analyze the racial demographics of business owners receiving economic and business development services on at least an annual basis. Another 29% of organizations have analyzed the racial demographics of businesses receiving services in the past, but do not yet do so on an annual basis.

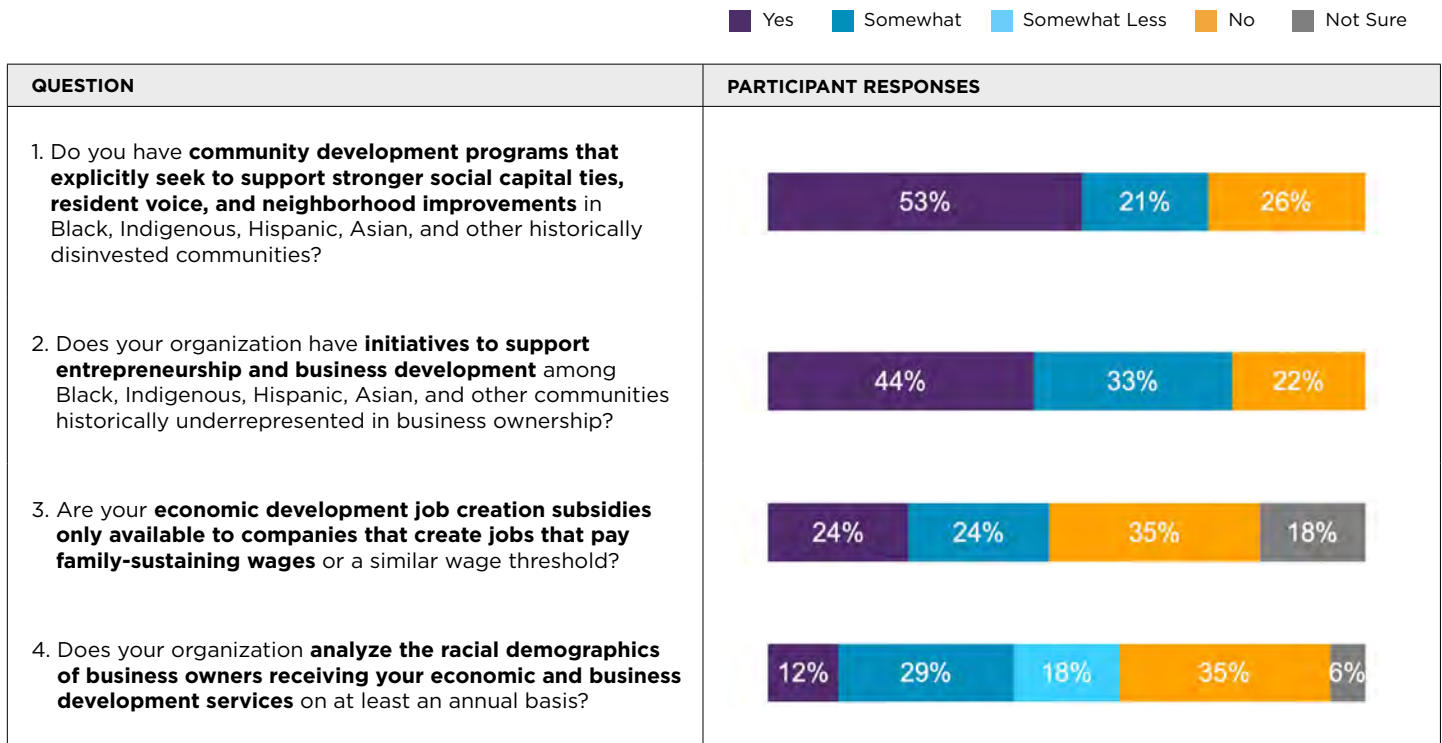
Research from the IEDC finds that targeted programs to support underrepresented communities are increasingly common in jurisdictions across the country and play a key role in inclusive economic development strategies. Local governments across the country are also tailoring economic development subsidy programs to incentivize jobs that pay good wages.

¹⁸ Counties were more likely to mark racial equity standards in this category as "not applicable." Those responses were not included in this section. For a detailed look at "not applicable" responses, see the Appendix.

FIGURE 19

Just less than half of Index participants have initiatives to support entrepreneurship targeted toward historically underrepresented communities; a handful regularly analyze the demographics of business owners receiving services

Implementation of racial equity standards related to Community & Economic Development among 2023 Racial Equity Dividends Index participants



Promising practices for racial equity in Community & Economic Development

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Community & Economic Development processes.

A small city in the metro area requires private developers using Tax Increment Financing (TIF) to make good-faith efforts to include MBE and/or WBE subcontractors on the project team.

The **City of Rochester** has committed to equitable community engagement by incorporating a co-design process for high-impact projects including the development of physical spaces, service programs, and comprehensive planning. Co-designers are community members from impacted communities with valuable lived experience who work with City staff over the course of a project. The City compensates co-designers for their time and expertise at above a living wage.

The **City of Roseville's** Economic Development Authority operates a number of programs that support racial equity, including a First Generation Down Payment Assistance program that is designed to help first-generation home buyers make a down payment, with loan funds repaid upon future sale of the home. The City's *Choose Roseville* program, which ended in 2022, provided financial support to small businesses in the form of lender-of-last-resort loans, forgivable microloans, and digital business services, and was designed with Black, Indigenous, Hispanic, and Asian-owned businesses in mind. *Choose Roseville* served 35 businesses, half of which were BIPOC-owned.

Ramsey County has developed programs to drive racial equity based on its Economic Competitiveness and Inclusion Plan, co-created with community members and the Center for Economic Inclusion, NEOO Partners, MZ Strategies, and Fourth Economy in 2021. After gathering data that revealed a deficit of deeply affordable housing infrastructure in Black and Indigenous communities, the County targeted investment toward deeply affordable rental units; developed a First Generation Homebuyers program targeted toward residents who have not historically benefitted from a legacy of intergenerational wealth; and created the *Emerging and Diverse Developers Program* to increase the pipeline of developers who benefit from government housing investments.

EXTERNAL CASE STUDY

The City of Philadelphia's Basic Systems Repair Program provides grants to low-income Black and Latino homeowners while reducing crime rates

The City of Philadelphia's program to provide low-income homeowners with city-funded repairs has been proven to have a significant impact on overall crime on blocks where such repairs occurred.

Initiated in 1995, Philadelphia's Basic Systems Repair Program (BSRP) provides grants of up to \$20,000 to "low-income owners to fix structural emergencies in their owner-occupied homes, including electrical, plumbing, heating, and roofing damage." Repairs may be substantial, going so far as replacing exterior walls to stop leakage or replacing electrical wiring.

A recent study analyzed program data between 2006 and 2013, finding that owners of the roughly 13,500 houses receiving BSRP-funded repairs "were predominantly Black (78.6%) or Latino (11.9%) individuals, and had a mean monthly income of \$993." Comparing census tracts that did not receive services from BSRP versus those that did, the study found that tracts receiving BSRP services "had a substantially larger Black population (49.5% vs 12.2%), and higher unemployment rate (17.3% vs 9.3%)."

The Basic Systems Repair Program also had a significant reduction in crime. Comparing blocks that were on the wait list for BSRP versus those who had received repairs during the study period, researchers observed "a 21.9% decrease in... total crime, 19.0% decrease in assault, 22.6% decrease in robbery, and 21.9% decrease in homicide." Researchers also identified further reductions in crime with each additional home on a given block receiving BSRP repairs.

For more information, view [*City-Funded Housing Repairs in Low-Income Neighborhoods Associated with Drop in Crime*](#) and [*Association Between Structural Housing Repairs for Low-Income Homeowners and Neighborhood Crime*](#).

HIGH-SCORING ORGANIZATIONS

The following organizations currently implement at least two-thirds (67%) of racial equity standards related to Community & Economic Development:

- **City of Mankato**
- **City of Minnetonka**

Workforce Development

Local governments are facilitators, partners, and funders of skill-building institutions, including community and technical colleges, that provide workers with the skills and credentials that help them reach wealth-building careers. When workforce and skills development efforts are designed by and for Black, Indigenous, Hispanic, and Asian workers, these critical institutions can better meet the needs of diverse communities and help build more racially equitable and inclusive economies.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 0.5 of 3 racial equity standards related to Workforce Development.¹⁹

Just over a third of participating organizations (37%) follow a consistent process to facilitate partnerships between local workforce training partners and local businesses to support training of Black, Indigenous, Hispanic, Asian, and other historically underrepresented communities for job opportunities.

Approximately half of organizations (46%) survey past participants in workforce development programs about their job placement experiences and disaggregate survey results by race. Fewer organizations (38%) utilize survey results to guide future partnerships and job placements across all or most of their workforce development programs.²⁰

Approximately one in ten organizations (9%) have workforce development initiatives that prioritize placing participants into jobs that pay family-sustaining wages. Many other organizations (73%) have a preference for placing workforce development participants in jobs that pay family-sustaining wages, but do not explicitly prioritize it.

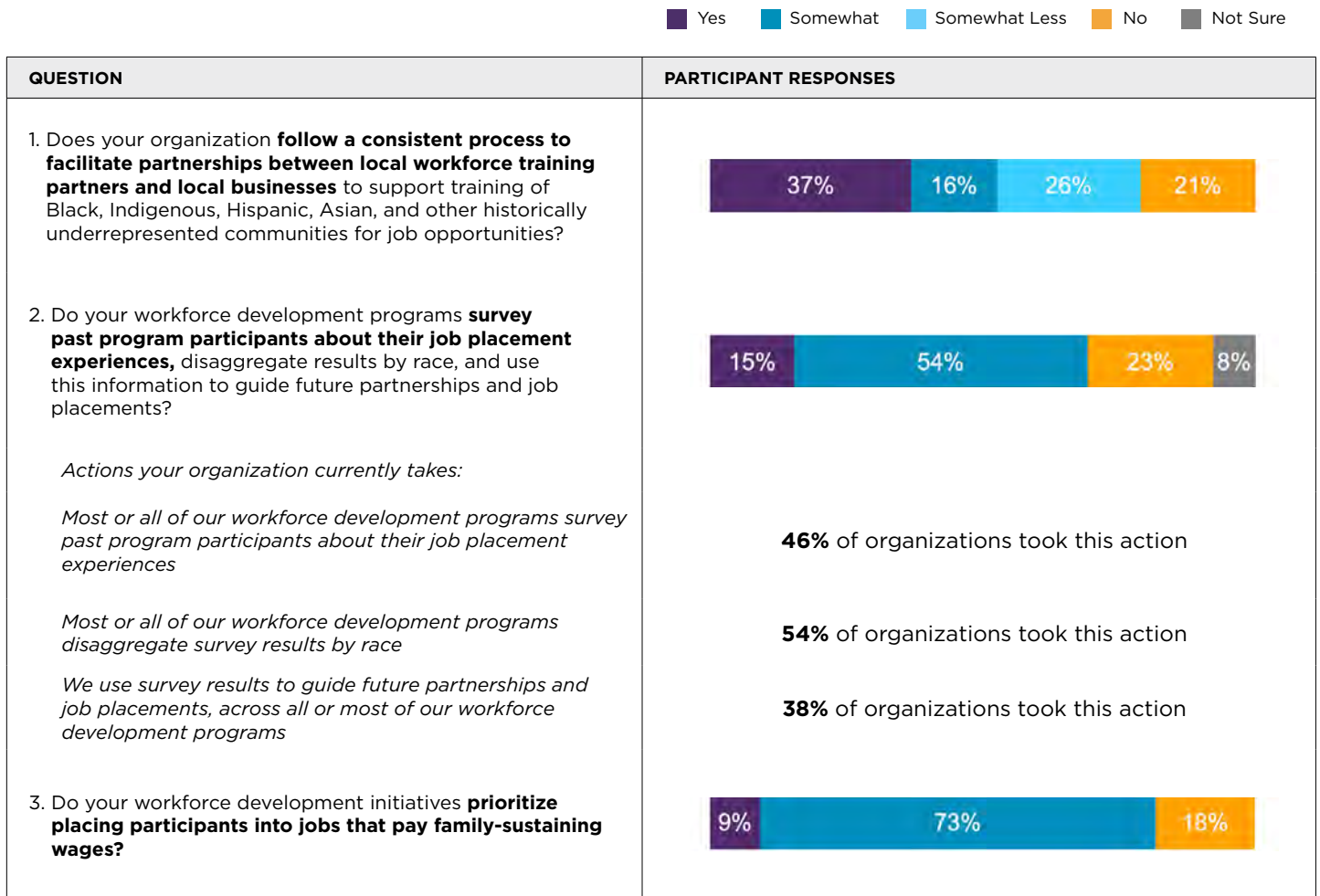
¹⁹ Cities and counties were more likely to mark racial equity standards in this category as “not applicable.” Those responses were not included in this section. For a detailed look at “not applicable” responses, see the Appendix.

²⁰ Organizations needed to have taken all three of these actions to receive full points for implementing this standard.

FIGURE 20

More than one-third of participating local governments follow a consistent process to facilitate workforce training partnerships inclusive of Black and Brown communities; Approximately half survey workforce development participants and disaggregate results by race

Implementation of racial equity standards related to Workforce Development among 2023 Racial Equity Dividends Index participants



Promising practices for racial equity in Workforce Development

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Workforce Development.

The **City of Roseville** offers paid internships directed at young professionals from underrepresented communities.

A large local government in the metro area has the *Right Track* program, which offers employment opportunities to young residents, reviews participation numbers each year by race and gender and takes action to recruit and retain participants who collectively represent the demographics of the city. To ensure that the program meets young people’s and employers’ needs, *Right Track* invests time in connecting with and listening to participating young people, including hiring participants full-time to implement the initiative.

The Metropolitan Council’s Workforce Development department has administered 6 career pathway programs since 2018, including internships, trainings, and an apprenticeship. There have been 49 graduates hired from these programs, 80 percent of whom have been Black, Indigenous, Hispanic, or Asian, and the average starting wage upon completing a Met Council workforce development program is more than \$60,000. More than 50% of program graduates have not completed college. Key elements driving these successful programs including pre-apprenticeship and pre-trainee programs, collaboration with the local Amalgamated Transit Union chapter, and relationship-based outreach with targeted communities.

EXTERNAL CASE STUDY

Niagara County creates new program to train Public Works employees for an in-demand certification

Niagara County, New York recently created a new job category that enables newly hired Public Works drivers to train for Commercial Driver's License (CDL), an in-demand certification in the public and private sectors.

In Niagara County and across the country, localities hiring for snowplow drivers and heavy highway equipment positions require applicants to have a CDL in order to be considered for openings. Openings for positions requiring CDLs are competitive; as private contractors and bus companies often offer higher salaries than municipalities, localities often face driver shortages. Niagara County responded to this environment by creating a program that trains non-CDL certified drivers while they are county employees.

Department of Public Works (DPW) Commissioner Garret Meal described the program: "The plan is to integrate the CDL training within their normal Public Works Department duties on a schedule that will take approximately 6 to 9 months to complete and then once the CDL is earned, immediately promote the worker to Truck Driver. This is what we call an 'earn while you learn' type of program and the county will cover the cost of the CDL training." New drivers are required to continue working for the Department of Public Works for a minimum of three years following completion.

Niagara County has created five new jobs: a CDL Trainer and four Truck Driver Trainee positions. County officials intend to offer the program annually moving forward.

For more information, view [Niagara County Creates Truck Driver Trainee Positions, Those Hired will Work in DPW while Earning CDL.](#)

HIGH-SCORING ORGANIZATIONS

The following organizations currently implement at least two-thirds (67%) of racial equity standards related to Workforce Development:

- **City of Minnetonka**
- **The Metropolitan Council**

RESULTS BY CATEGORY

Housing, Transportation, & Land Use

Governments' land use policies, including those related to zoning, housing, development, and transportation systems, shape the accessibility of economic opportunity in their jurisdictions. An inclusive economy enables Black, Indigenous, Hispanic, and Asian residents to afford rent in neighborhoods of their choosing, buy homes, and reach jobs, schools, and other places, and have more agency in local government decisions.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 3 of 9 racial equity standards related to Housing, Transportation, and Land Use.²¹

Nearly all organizations have a zoning code that allows for higher density construction near commercial and transportation corridors and job centers (89%). Research finds that upzoning key corridors to legalize more forms of housing can help undo historically exclusionary and racially inequitable zoning policies by helping residents secure affordable housing and access more jobs and services.

More than half of participating local governments (57%) have dedicated programs in their transportation-related capital investments using own-source revenue to expand and improve alternatives to single-occupancy cars for residents, and 50% of participants take action to reduce cost burdens for low-income users of public transportation, including through reduced fare programs, subsidies, and more.

In terms of housing policies, nearly half of local governments (47%) have programs to offer homeownership opportunities for first time homebuyers, including through loans and grants, and analyze program participation by race. Forty-two percent of local governments have inclusionary zoning policies for housing projects developed with city funding or in-kind contributions, such as land or infrastructure investment within their jurisdiction, which require developers to designate a percentage of new units to be sold or rented at below-market prices.

One-fifth of participating local governments (19%) have policies to incorporate principles of environmental justice in major new development projects through community benefits agreements, permitting requirements, or more. A similar share (19%) prioritize repairs to roads and other transportation infrastructure based on a systematic evaluation of both the infrastructure grade and the disparities experienced by currently and historically underserved communities.

Approximately one in five local governments (18%) have named the racially inequitable impact of past land use policies in their jurisdiction and embraced a race-conscious, restorative framework in its comprehensive plan or similar strategic land use report.

Just ten percent of participating local governments provide a legal right to counsel for tenants facing eviction. Another 25 percent of local governments' residents receive a legal right to counsel from another governmental body, such as a county or state government.

Research shows that Black, Indigenous, Hispanic, and Asian communities are more likely to rely on alternatives to single-occupancy cars and stand to benefit from investments in transportation that provide better access to jobs, homes, and more.

Research shows that the vast majority of tenants facing eviction do not have legal representation and that providing a legal right to counsel for tenants in cities like New York City and Cleveland has been highly effective at allowing tenants to remain in their homes. Neighborhoods with high shares of Black, Indigenous, Hispanic, and Asian renters are disproportionately harmed by eviction and displacement.

²¹ Cities and counties were more likely to mark racial equity standards in this category as "not applicable." Those responses were not included in this section. For a detailed look at "not applicable" responses, see the Appendix.

FIGURE 21

Most participating local governments zone for higher-density buildings near commercial corridors and have dedicated programs to expand transportation alternatives; fewer explicitly name historic inequities in land use policy or provide a legal right to counsel for tenants

Implementation of racial equity standards related to Housing, Transportation, & Land Use among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ Somewhat Less ■ No ■ Not Sure



Promising practices for racial equity in Housing, Transportation, & Land Use

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable public policy.

The **City of Bloomington's** Housing and Redevelopment Authority has an ongoing commitment to help families and individuals achieve their dream of homeownership. One program they offer, *Home Stretch Workshop*, is a monthly full-day workshop facilitated by Project for Pride and Living and presented by Black, Indigenous, Hispanic, and Asian real estate and mortgage professionals. Participants learn the ins and outs of the homebuying process including the costs of buying, closing, and maintaining a home. The City also provides an annual Renters Resource Fair that includes a free meal, help applying for rental assistance, legal aid, landlord dispute mediation services, and support services regarding food, health care, and more.

A small city in the metro area has a *Home Ownership Program for Equity (HOPE)* that makes city-owned vacant property available for the development of housing for affordable and equitable homeownership with the goal of reducing racial disparity in homeownership, building wealth, providing long-term affordability, and supporting Disadvantaged Business Enterprises.

The **City of Mankato** participates in a collaboration called Supporting Partnerships for Anti-Racist Communities and the Racial Equity Accountability Project (SPARC/REAP) as part of its homeless response efforts, which include data collection and listening sessions, education for homelessness providers, and the co-development of a homeless shelter and supportive housing project with people with lived experiences of homelessness.

The **City of Richfield** offers a down payment assistance program geared toward communities that have historically been excluded from homeownership. The city gives preference to applicants who are Richfield renters, many of whom are Black, Indigenous, Hispanic, or Asian, and households with children; by marketing this program to Realtors, lenders, and homeownership counselors with connections to Black, Indigenous, Hispanic, and Asian communities, and by making loan products compatible with households using Individual Taxpayer Identification Numbers (ITIN) or Sharia-compliant loans. Thanks to these efforts, approximately 75% of households receiving a loan have been Black, Indigenous, or people of color.

The **City of Richfield** also offers a local rent assistance program, *Our Kids@Home*, for working families with children attending a Richfield school. The program began with the goal of providing housing stability in order to encourage school stability and success. It's also become a means of creating community, inspiring leadership, building wealth, and bringing many other benefits to the participants.

The **City of Roseville** supports racial equity by setting amended zoning codes to allow for more missing middle housing types and reducing the minimum size for lot size requirements in an effort to accommodate a wider range of housing affordability. In addition, they offer emergency housing loans and have a Housing Coordinator to assist those who are unhoused in accessing resources. The City is also part of the Rice and Larpenteur Alliance – a collaborative effort of three cities and one county to create “safe, engaging and inviting neighborhood center that includes common spaces, a high-quality pedestrian environment and robust reinvestment for the diverse people of the surrounding communities to live, conduct business, and play together.”

Ramsey County has developed the Equitable Development Framework as a tool to vet proposals seeking County funding. The Framework helps to guide projects in areas such as TOD, environmental efficiencies/green infrastructure, and affordable housing criteria. Additionally, Public Works is developing a transportation plan that incorporates equity considerations into capital investments.

A number of local governments, including the **Cities of Bloomington, Brooklyn Park, Mankato, Minnetonka, Richfield, Roseville, two small cities in the metro area, and one midsize city in Greater Minnesota** are actively participating in the Just Deeds project with Mapping Prejudice, which seeks to identify the existence of racial covenants used to segregate local communities in Minnesota as a means to spark broader conversations about the presence and history of structural racism in the state.

EXTERNAL CASE STUDY

City of Kalamazoo, Michigan receives federal funding to reconnect historically Black northside community with Central Business District

In 2023, the City of Kalamazoo, Michigan was awarded a \$12 million federal grant under the Infrastructure Investment and Jobs Act to redesign and upgrade two high-traffic, one-way streets that have long served as a barrier between the Black community on the city's northside and the city's Central Business District.

This capital grant was awarded through the US Department of Transportation Reconnecting Communities Pilot Grant Program. The program's purpose is "to reconnect communities by removing, retrofitting, or mitigating transportation facilities... that create barriers to community connectivity, mobility, access, or economic development."

The project, designed to reverse 1960s-era infrastructure development that followed historic redlining practices, will transform Michigan Avenue, a busy four- to five-lane one-way street, "to a two way street with single lanes, dedicated left turn lanes, on-street parking, and bike lanes, as well as pedestrian infrastructure. Kalamazoo Avenue will shift from a three-lane one-way street to a two-way road with two-lanes in each direction and a center turn lane with pedestrian infrastructure and bus stops."

Removing these historic barriers and reverting to the historic two-way street design will not only reconnect communities and improve traffic safety, but will also drive economic development, with analysts predicting "an additional \$20 million in retained revenue and an estimated increase of 52,000 square feet of leasing space."

For more information, visit [Reconnecting Communities Pilot \(RCP\) Grant Program Fact Sheet](#) and [Reconnecting Communities Pilot Project for Kalamazoo and Michigan Avenues](#).

HIGH-SCORING ORGANIZATIONS

The following organizations currently implement at least two-thirds (67%) of racial equity standards related to Housing, Transportation, & Land Use:

- **City of Minnetonka**
- **Ramsey County**

Public Safety

Every resident has a right to feel safe in their home and community, and yet existing systems of public safety too often perpetuate racial inequities and inflict harms on Black, Indigenous, Hispanic, and Asian communities. A racially equitable approach to public safety would ensure that all residents are safe from harm, regardless of residents' racial identities.

On average, participants in the 2023 Racial Equity Dividends Index have implemented **2.5 of 4 racial equity standards** related to Public Safety. Across all Index categories, local governments have made the most progress to date in implementing racial equity standards related to public safety.

Nearly all law enforcement agencies at participating organizations have use-of-force policies that meet the following guidelines from the U.S. Department of Justice, including requiring that officers be regularly trained in de-escalation tactics (95%), affirming that officers have an affirmative duty to render medical aid when needed (95%), requiring that officers receive training on the use-of-force policy on an annual basis (95%), requiring that officers strictly limit the use of deadly force (91%), and affirming that officers have an affirmative duty to intervene to stop any officer from engaging in excessive force (91%).²²

A clear majority of organizations (82%) invest in alternative crisis response teams to provide services to individuals with developmental disabilities, individuals who are experiencing health crises, and others who call 911 or otherwise seek help. More than half (57%) have programs and staff focused on diversion opportunities from the criminal justice system and toward care-based services. Diversion opportunities could include referring individuals to “restorative justice programs, mental health treatment, substance use supports, and community support services,” as described by the [Vera Institute of Justice](#), instead of arresting or charging them.

Just 14% of local government law enforcement agencies publish racially disaggregated data across several categories of law enforcement activities on at least an annual basis. This includes racially disaggregated data on officer use of force (41%), racially disaggregated data on arrests (27%), racially disaggregated data on traffic and pedestrian stops (27%), and racially disaggregated data on internal and external complaints about police conduct (5%).²³ Half of organizations (45%) publish data on some of the categories above, but not disaggregated by race. The Vera Institute of Justice’s [Police Data Transparency Index](#) identified these four data categories as priorities for transparency and equitable service delivery through a research process informed by conversations with “justice advocates, service providers, and people directly impacted by the criminal legal system.”

²² Organizations needed to have taken three of the five identified actions to receive full points for implementing this standard.

²³ Organizations needed to publish disaggregated data in at least three of the four categories to receive full points for implementing this standard.

FIGURE 22

Nearly all participating local governments have foundational use-of-force guidelines and invest in alternative response teams; some publish data on policing activities disaggregated by race

Implementation of racial equity standards related to Public Safety among 2023 Racial Equity Dividends Index participants

■ Yes ■ Somewhat ■ Somewhat Less ■ No ■ Not Sure

QUESTION	PARTICIPANT RESPONSES
<p>1. Do your law enforcement agencies have use-of-force policies that meet the following guidelines from the U.S. Department of Justice?</p> <p><i>Policies that your agencies have instituted:</i></p> <p><i>Require that officers be regularly trained in de-escalation tactics</i></p> <p><i>Affirm that officers have an affirmative duty to render medical aid when needed</i></p> <p><i>Require that officers receive training on the use-of-force policy on an annual basis</i></p> <p><i>Require that officers strictly limit the use of deadly force</i></p> <p><i>Affirm that officers have an affirmative duty to intervene to stop any officer from engaging in excessive force</i></p>	 <p>95% of organizations took this action</p> <p>95% of organizations took this action</p> <p>95% of organizations took this action</p> <p>91% of organizations took this action</p> <p>91% of organizations took this action</p>
<p>2. Does your government invest in alternative crisis response teams to provide services to individuals with developmental disabilities, individuals who are experiencing health crises, and others who call 911 or otherwise seek help?</p>	 <p>82% of organizations took this action</p> <p>14% of organizations took this action</p> <p>5% of organizations took this action</p>
<p>3. Does your government have programs and staff focused on diversion opportunities from the criminal justice system and towards care-based services?</p>	 <p>57% of organizations took this action</p> <p>38% of organizations took this action</p> <p>5% of organizations took this action</p>
<p>4. Do your law enforcement agencies publish racially disaggregated data on law enforcement activities on at least an annual basis?</p> <p><i>Categories for which data is published on at least an annual basis:</i></p> <p><i>Racially disaggregated data on officer use of force</i></p> <p><i>Racially disaggregated data on arrests</i></p> <p><i>Racially disaggregated data on traffic and pedestrian stops</i></p> <p><i>Racially disaggregated data on internal and external complaints about police conduct</i></p> <p><i>We publish data on some of the categories above, but not dis-aggregated by race</i></p>	 <p>41% of organizations took this action</p> <p>27% of organizations took this action</p> <p>27% of organizations took this action</p> <p>5% of organizations took this action</p> <p>45% of organizations took this action</p>

Promising practices for racial equity in Public Safety

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Public Safety.

The **City of Bloomington's** Legal Department has formed a Racial Equity Action Team that supports the development and implementation of the department's annual racial equity work plan. One core effort is a partnership with Justice Point beginning in 2022 to implement a diversion program—a voluntary, second chance program for individuals involved in the criminal justice system that addresses the issues that contributed to their offenses to prevent future offenses while helping participants avoid negative consequences of a criminal record. The department has also collaborated with the Courts and Hennepin County to create a unique Restorative Court program tailored to serve the Bloomington community's needs. The Court launched in June 2022 and is being staffed by the Court, Bloomington prosecutors, and a dedicated worker from Hennepin County.

A small city in the metro area is going through a grant process known as the *Reimagining Public Safety Program: Reducing Harm Through Collaborative Solutions*. This process focuses on transforming traditional approaches to public safety, reducing the occurrence and severity of negative encounters between law enforcement and community members, and actively confronting racial disparities and the history of racism to improve safety, trust, and greater well-being among Black, Indigenous, and people of color residents. Based on this program, the city is currently updating its dispatch processes and conducting a racial equity audit of police department policies.

The **City of Richfield** has completed a Police Use of Force Disparity Study.

The **City of Roseville** has made changes to how the Police Department responds to equipment failures by eliminating equipment failure stops and instead sending equipment failure notices in the mail. The Appropriate Responses Initiative, in partnership with Ramsey County, diverts matters that may be better served by non-police responders, like a wellness system or a community responder. Additionally, the department has a Community Action Team (CAT) dedicated to “working alongside community partners in order to find innovative solutions to the problems affecting the quality of life of all members of our community.” The CAT is made up of 1 police sergeant, 5 police officers, 2 embedded social workers, 1 housing coordinator, and 1 mental health coordinator.

Olmsted County has a Diversity, Equity & Community Outreach (DECO) team of 6 full-time employees who respond to a variety of 911 calls. The team is effective in providing mental health, chemical dependency care, and other supports and eliminating criminal justice interventions when possible. The team's work continues to be measured to ensure positive outcomes.

EXTERNAL CASE STUDY

The Ramsey County Attorney's Office partners with municipal police departments to curtail use of racially discriminatory pretextual traffic stops

In 2021, the Ramsey County Attorney's Office (RCAO) updated policies and practices regarding traffic stops, effectively halting use of pretextual stops among the St. Paul, Roseville, Maplewood, and St. Anthony police departments, who changed their policies to align with RCAO guidance. Collectively, these departments account for 62.3% of traffic stops in Ramsey County. Pretextual stops, also known as "non-public-safety" traffic stops, "involve police officers stopping drivers for minor, non-safety-related infractions with the intent to seek evidence of a more serious crime." These stops disproportionately target drivers of color: a June 2021 analysis found that Black drivers in St. Paul were found to be four times more likely than White drivers to be pulled over and nine times more likely to have their vehicles searched. This policy change seeks to reduce racial disparities in traffic stops, increase community trust in law enforcement, and prioritize use of law enforcement resources to address public safety.

In 2023, in partnership with RCAO, the Justice Innovation Lab published a report on the impact of this policy change, finding that after this policy was implemented, pretextual stops decreased by 86% and searches during such stops decreased by 92%. The report finds that "the new traffic stop policy was successful in reducing minor, non-safety-related vehicle violation stops, that this reduction resulted in a narrowing of racial differences in traffic stops and searches, and that the policy had no discernible effect on public safety."

Reflecting on the success of the new policy, Maplewood Police Chief Brian Bierdeman said, "When members of the public believe their law enforcement organizations represent them, understand them, and respond to them, and when communities perceive authorities as fair, legitimate, and accountable, it deepens trust in law enforcement. This trust is essential to diffusing tension, solving crimes, and creating a system in which residents view law enforcement as both fair and just."

HIGH-SCORING ORGANIZATIONS

The following organizations currently implement at least two-thirds (67%) of racial equity standards related to Public Safety:

- **City of Bloomington**
- **City of Brooklyn Park**
- **City of Cottage Grove**
- **City of Mankato**
- **City of Minnetonka**
- **City of New Brighton**
- **City of Plymouth**
- **City of Richfield**
- **City of Roseville**
- **Dakota County**
- **The Metropolitan Council**
- **Olmsted County**
- **Washington County**

Human Services

Human services, including cash assistance, unemployment insurance, housing assistance, and health insurance, provide crucial foundations for families struggling to meet their basic needs. While some human service programs have been designed in ways that exacerbate existing racial inequities, when designed to support Black, Indigenous, Hispanic, Asian, and White households, human services can close racial wealth gaps and build more racially equitable and inclusive societies.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 0.3 of 3 racial equity standards related to Human Services. As human services remain primarily a county responsibility, this category surveyed county governments only.

A quarter of participating county governments (25%) take significant action to identify the race and ethnicity of participants within human services programs and evaluate this data against the racial demographics of residents eligible for these services to identify underserved populations. Seventy-five percent collect data on the race and ethnicity of program participants across most or all human services, while 50% compare program participant data with the racial demographics of residents eligible for these services to identify underserved populations or take action using these insights to increase participation among underserved populations.²⁴

No participating organizations have a process to review and remove unnecessary enrollment requirements for underserved communities to access programs and public benefits, though 25% do so infrequently. These actions align with a [2021 executive order by President Biden](#) which recognized that Black, Indigenous, Hispanic, and Asian communities have historically faced barriers to accessing public programs and directed federal agencies to evaluate and remove barriers to achieve the full participation of all eligible residents.

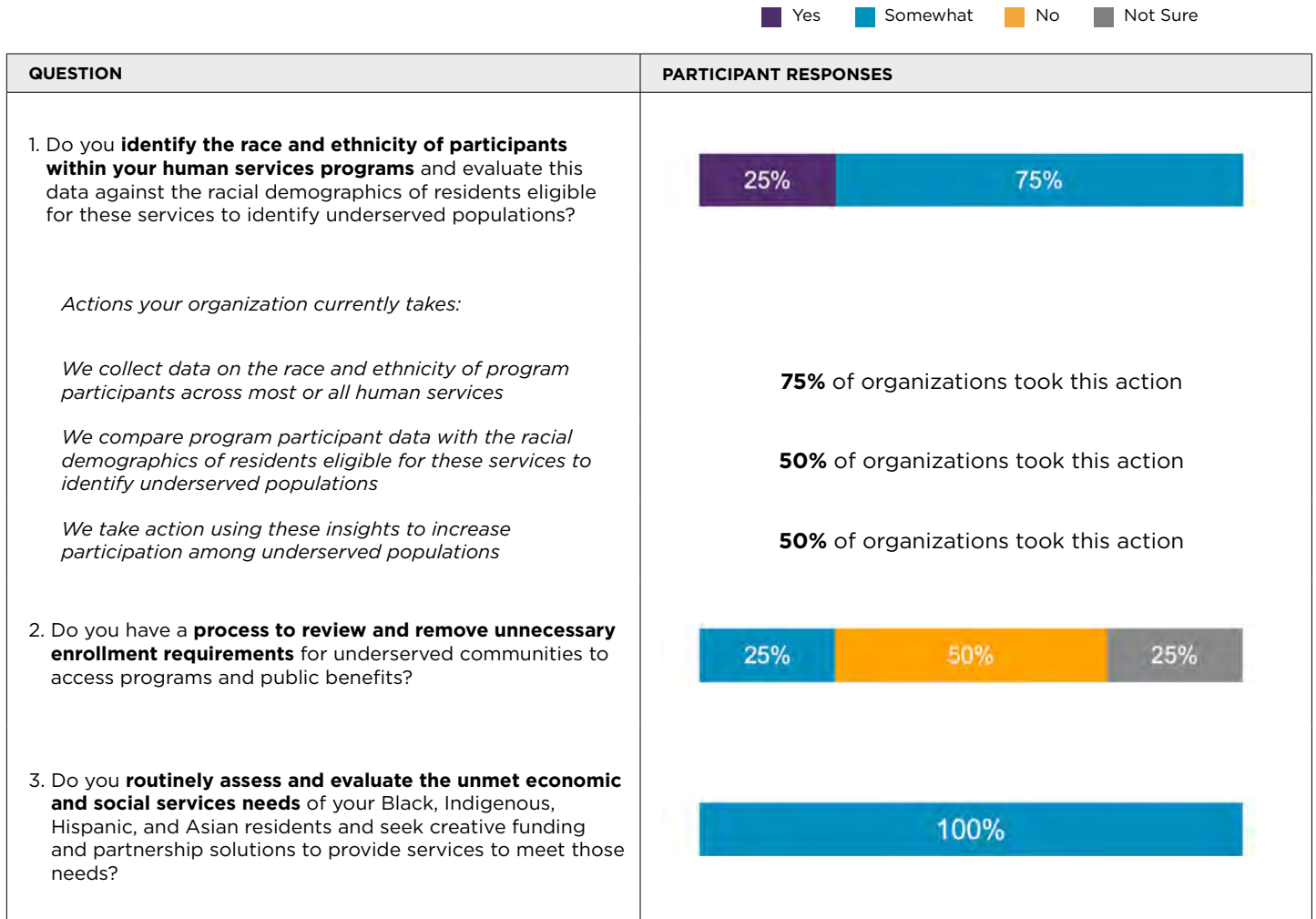
All participating county governments have used data to identify unmet needs of residents of color and seek creative solutions to provide services to meet those needs, but none follow a consistent process to do so.

²⁴ Organizations needed to have taken all three of these actions to receive full points for implementing this standard.

FIGURE 23

Approximately half of participating counties evaluate communities underserved by human services programs and take action to increase participation; none have regular processes to evaluate and meet community needs

Implementation of racial equity standards related to Human Services among 2023 Racial Equity Dividends Index participants



Promising practices for racial equity in Human Services

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Human Services.

Olmsted County has programs in place that have measurably lowered the disproportionate number of Black, Indigenous, Hispanic, and Asian children in out-of-home placement.

Ramsey County’s departments within its Health and Wellness service team all have Racial Equity and Community Engagement Action Teams made up of community members and employees at all levels. These teams review and update policies, practices, and procedures for systems change related to community engagement and shared community power, service improvement, finance and budgeting, and expanding a diverse workforce.

EXTERNAL CASE STUDY

Minnesota's Department of Human Services reduces use of punitive enforcement strategies

In a pilot program of an alternative approach to child support enforcement, Minnesota's Department of Human Services (DHS) sought to embed procedural justice into enforcement strategies for noncustodial parents (NCPs) who have child support debt. Procedural justice is an alternative to punitive enforcement actions, encouraging compliance by employing practices that increase "trust, respect, fairness, and understanding around systems and processes." Status quo child support enforcement relies on punitive enforcement actions, which commonly include suspension of a NCP's driver's license.

Reviewing the data revealed disparities under current practices: "42% of American Indian NCPs and 29% of African American NCPs having at least one case with a suspended license, compared to 18% of White NCPs." Further, for low-income individuals, "rather than motivating NCPs to pay, a license suspension can prevent them from accessing employment, making it even more difficult for them to pay off their debt."

The 12-county pilot program did not alter enforcement options, but instead provided staff training in intercultural competence and procedural justice principals, specific guidance on flexible payment options, explicit permission to interrupt license suspensions when specific criteria were met, and respectful communication scripts and guidelines. In addition, workers made multiple attempts to contact NCPs and sent one additional notice by mail in clear language before license suspension. No additional state or county funding was provisioned to implement the pilot.

While evaluators have yet to complete full impact evaluation, which will assess overall outcomes, case workers who successfully contacted NCPs through the pilot framework were able to "gain a fuller picture of their barriers, work together on a case plan, and connect them with resources and supports."

For more information, visit the [Minnesota's Driver's License Suspension Pilot Descriptive Report](#).

HIGH-SCORING ORGANIZATIONS

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Public Policy

Local governments both set policy within their jurisdictions and are critical players in advocating for federal and state policy. By developing and advancing public policies that enable Black, Indigenous, Hispanic, and Asian families to build wealth and gain skills, organizations set both themselves and their communities up for success.

On average, participants in the 2023 Racial Equity Dividends Index have implemented 1.3 of 6 racial equity standards related to Public Policy.

Two thirds of local governments (68%) have identified racial equity as a public policy priority. Approximately 40% of governments have a strategy to seek input from residents, particularly Black, Indigenous, Hispanic, and Asian residents on local ordinance development.

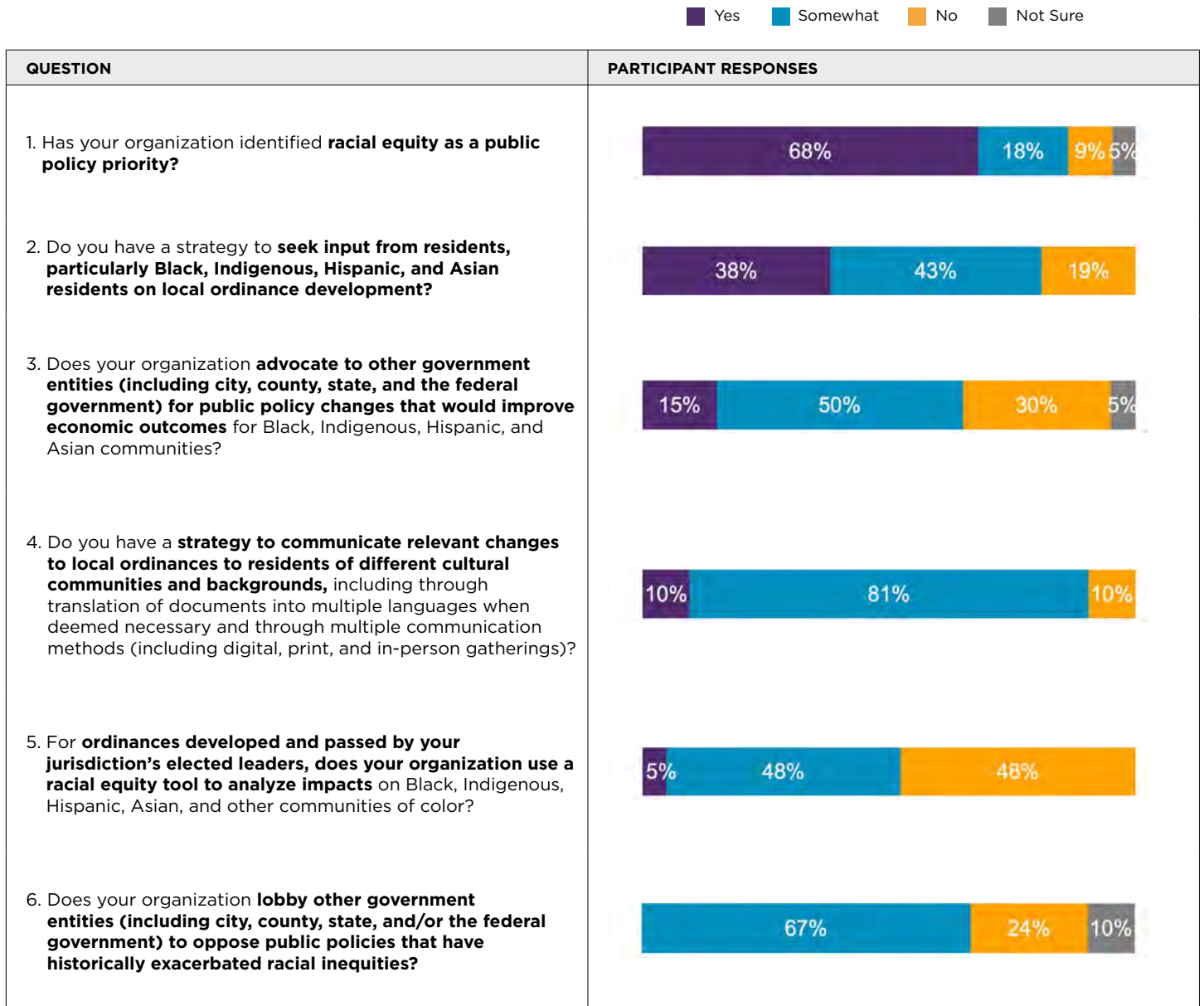
Few organizations (15%) advocate to other government entities (including city, county, state, and the federal government) for public policy changes that would improve economic outcomes for Black, Indigenous, Hispanic, and Asian communities, while none lobby other government entities (including city, county, state, and/or the federal government) to oppose public policies that have historically exacerbated racial inequities.

Ten percent of local governments have a strategy to communicate relevant changes to local ordinances to residents of different cultural communities and backgrounds, including through translation of documents into multiple languages when deemed necessary and through multiple communication methods (including digital, print, and in-person gatherings). Just 5 percent of governments consistently use a racial equity tool to analyze impacts ordinances developed and passed by their jurisdiction's elected leaders on Black, Indigenous, Hispanic, Asian, and other communities of color.

FIGURE 24

Most participating local governments identify racial equity as a policy priority; several have strategies to communicate local ordinance changes to diverse communities

Implementation of racial equity standards related to Public Policy among 2023 Racial Equity Dividends Index participants



Promising practices for racial equity in Public Policy

Beyond the racial equity standards identified by the Index, participating organizations have implemented numerous strategies to support racially equitable Public Policy.

As part of its Strategic Racial Equity Action Plan, the **City of Roseville** develops and includes Racial Equity Impact Summaries (REIS) in all Request for Council Action documents, and continuously reviews REIS to learn and improve upon this model. The City has also developed a series of local ordinances informed by racial equity considerations. These include amending zoning codes to allow for ‘missing middle’ housing types and reducing minimum lot sizes to increase housing variety and affordability; a *Snow Plow Parking Lot Program* aimed to reduce ticketing and towing of cars in areas with many apartment buildings, and therefore the financial burdens that harm Roseville renters; and a traffic warning letter program by the Police Department to replace traffic stops for equipment violations, which disproportionately impact communities of color.

Ramsey County uses a planning and review tool to evaluate potential impact of policies on residents of various racial, cultural, and social groups. The County also partners with internal and external stakeholders to create a legislative agenda with strong racial equity considerations.

In recent years, **a large local government in the metro area** has established the Office of Financial Empowerment and the Office of Neighborhood Safety to develop and test out new policies to address issues critical to racial equity. One initiative includes the Inheritance Fund, which offers up to \$100,000 in down payment assistance to descendants of residents displaced from the Rondo neighborhood, the historic hub of the city’s Black community. The city has also convened community advisory councils to consider policies related to the minimum wage and rent stabilization, among other equity-related issues.

The Metropolitan Council has an explicit Government-to-Government Tribal Relations policy that identifies both formal consultation processes for policy development and major projects, as well as staff-to-staff relationships and engagement with people who identify with a tribal and/or Indigenous community. The purpose of this policy is to involve Tribal Nations in decisions where there is a mutual interest, and to engage in ways that support the explicit racial equity outcomes of Thrive MSP 2040.

CASE STUDY

Ramsey County elevates racial and economic inclusion as a countywide strategic priority and identifies key metrics to track impact

In their 2022 Strategic Plan, Ramsey County, Minnesota included “Intergenerational Prosperity for Racial & Economic Inclusion” as a strategic priority for the first time as part of a policy to advance racial equity countywide. The policy calls on all county elected leaders and staff to integrate this policy and strategic priority into the “core functions and essential services of each unit.”

Ramsey County is holding itself accountable by identifying and tracking the following measures:

- Increase in homeownership rates for Black, American Indian and other communities of color
- Increased utilization of county funds for first-time homebuyers and home rehabilitation
- Increasing affordability of newly constructed and preserved properties with a goal of moving from the affordability threshold of 50-60% of Area Median Income (AMI) to 30% AMI.
- Diversify county procurement spending by increasing proportion of contracts awarded to small, woman-owned, and minority business enterprises
- Targeted workforce development programs with opportunities for on-the-job credential attainment focused on Black / African American, American Indian, and other racially / ethnically diverse communities.

These metrics and others are shared with the County Board and updated regularly on Ramsey County’s Open Data Portal.

For more information, visit [Intergenerational Prosperity for Racial & Economic Inclusion](#) and the [Advancing Racial Equity Policy](#).

Note: Ramsey County has contracted with the Center for Economic Inclusion on racial equity strategies.

HIGH-SCORING ORGANIZATIONS

The following organizations currently implement at least two-thirds (67%) of racial equity standards related to Public Policy:

- **City of Bloomington**
- **City of Northfield**

CONCLUSION



This report contains insights and ideas that are intended to move local governments along a continuum from awareness to action to accountability in their efforts to build racially equitable workplaces, governments, communities, and economies.

The racial equity standards named in this report have the power to measurably improve outcomes for Black, Indigenous, Hispanic, and Asian communities; if enough local governments take action, these strategies can play a significant role in setting regional economies on higher trajectories toward greater inclusion, competitiveness, shared prosperity, and racial equity.

We urge those reading this report to lead by implementing racial equity standards at the organizations and communities they contribute to.

Racially equitable communities benefit all of us in myriad ways, including through improved community health outcomes, safety, economic growth and sustainability, and social ties. Local governments across Minnesota have an opportunity to embrace the challenge of undoing systems that have excluded and harmed Black and Brown communities and build ones that support equity, shared prosperity, and fair competition. Those who invest in this opportunity will chart the course to a brighter future for their residents and for all Minnesotans.



About the Center for Economic Inclusion

The Center for Economic Inclusion (the Center) is the nation's first organization dedicated exclusively to equipping public and private sector employers and policy makers to close racial employment, income, and wealth gaps and catalyze inclusive economic growth and competitiveness. The Center is Black woman-founded and led. Since the Center's founding in 2017, we have inspired innovation and transformation across the nation by centering the assets of Black and Brown people in pursuit of an economy where all people experience upward mobility, economic opportunity, and shared power.

The Center's work has ignited a movement for systemic change and shared accountability and investments in Black, Indigenous, Asian, and Latino workers, business owners, and racial and economic justice ambassadors, who hold the keys to regional economic growth and competitiveness.

The Center is a think-and-do tank committed to accelerating systemic change. Its team of experts equip leaders to execute and institutionalize anti-racist solutions to build the capacity of businesses, governments, racial and economic justice organizations, and Black, Indigenous, Latine and Asian-owned businesses that are ready to partner to create thriving, racially equitable regional economies where all people can build wealth and economic mobility.

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Appendix

FIGURE 19

Participating cities were most likely to consider workforce development standards not applicable; Counties most likely to consider standards in community & economic development and housing, transportation, & land use not applicable

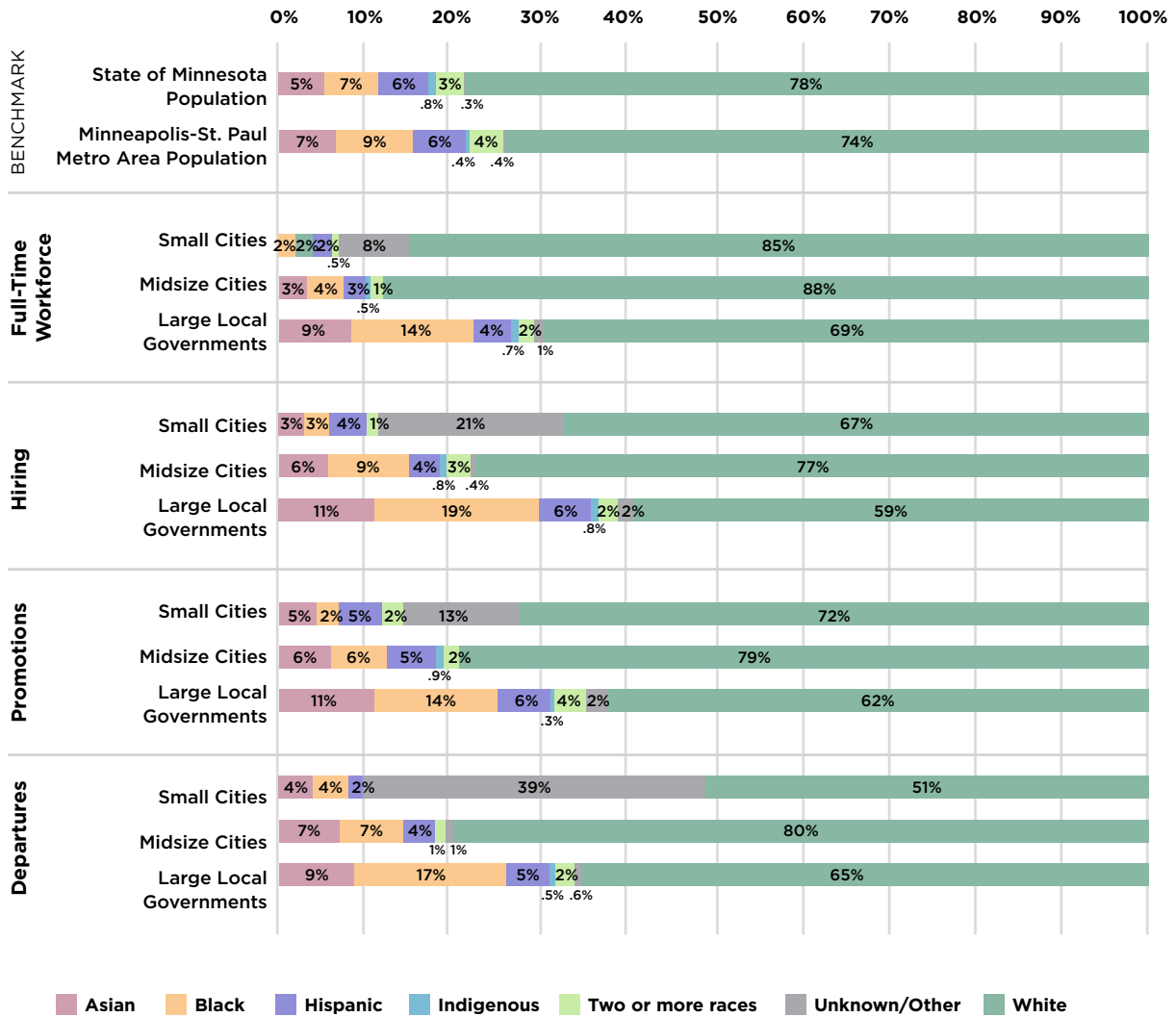
Average number of racial equity standards marked “not applicable” by Index participants

Index Category	Cities	Counties	Overall
Leadership	0.1	0.0	0.05
Hiring	0.0	0.0	0.0
Culture, Retention & Advancement	0.1	0.3	0.1
Procurement	0.0	0.0	0.0
Budgets & Finance	0.2	0.0	0.1
Community & Economic Development	0.4	2.8	0.8
Workforce Development	1.2	0.8	1.0
Housing, Transportation & Land Use	0.6	2.5	1.1
Human Services		0.0	0.0
Public Safety	0.1	0.0	0.0
Public Policy	0.2	0.0	0.3
TOTAL	2.6	6.3	3.5

FIGURE 20

Hiring, Promotion and Retention rates are similar across Small Cities, Midsize Cities, and Large Local Governments

All employees by race and ethnicity, grouped by organization size and government type²⁵



25 Organizations needed to have taken all three of these actions to receive full points for implementing this standard.





centerforeconomicinclusion.org





Racial Equity Dividends Index (REDI)

**In Partnership with the Center for
Economic Inclusion**

Brittany Bartlett, Equity Coordinator

Racial Equity Dividends Index (REDI)

- Context
 - 22 local organizations
 - Peers: Small Cities (up to 75,000 residents)
 - 67 multiple-choice questions
 - Weighted equally and scored out of 100 points
- City Context
 - Turnover in role
 - Turnaround time for data submission

Scores

FIGURE 2

Participating local governments are most likely to have implemented racial equity standards related to hiring, housing, and public safety; procurement, budgets, and workforce development are areas with greatest opportunities for improvement

Percentage of available points scored on the 2023 Racial Equity Dividends Index for the Public Sector by organization size, on average



High Scoring Organizations

High-Scoring Governments by Category

The following organizations currently implement at least two-thirds (67%) of racial equity standards in the specified Index category.

Leadership

City of Bloomington

Hiring

City of Robbinsdale

The Metropolitan Council

Olmsted County

Culture, Retention, & Advancement

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Procurement

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Budgets & Finance

City of Bloomington

Community & Economic Development

City of Mankato

City of Minnetonka

Workforce Development

City of Minnetonka

The Metropolitan Council

Housing, Transportation & Land Use

City of Minnetonka

Ramsey County

Public Safety

City of Bloomington

City of Brooklyn Park

City of Cottage Grove

City of Mankato

City of Minnetonka

City of New Brighton

City of Plymouth

City of Richfield

City of Roseville

Dakota County

The Metropolitan Council

Olmsted County

Washington County

Human Services

No participating government has implemented at least two-thirds (67%) of racial equity standards in this category.

Public Policy

City of Bloomington

City of Northfield

Our Report

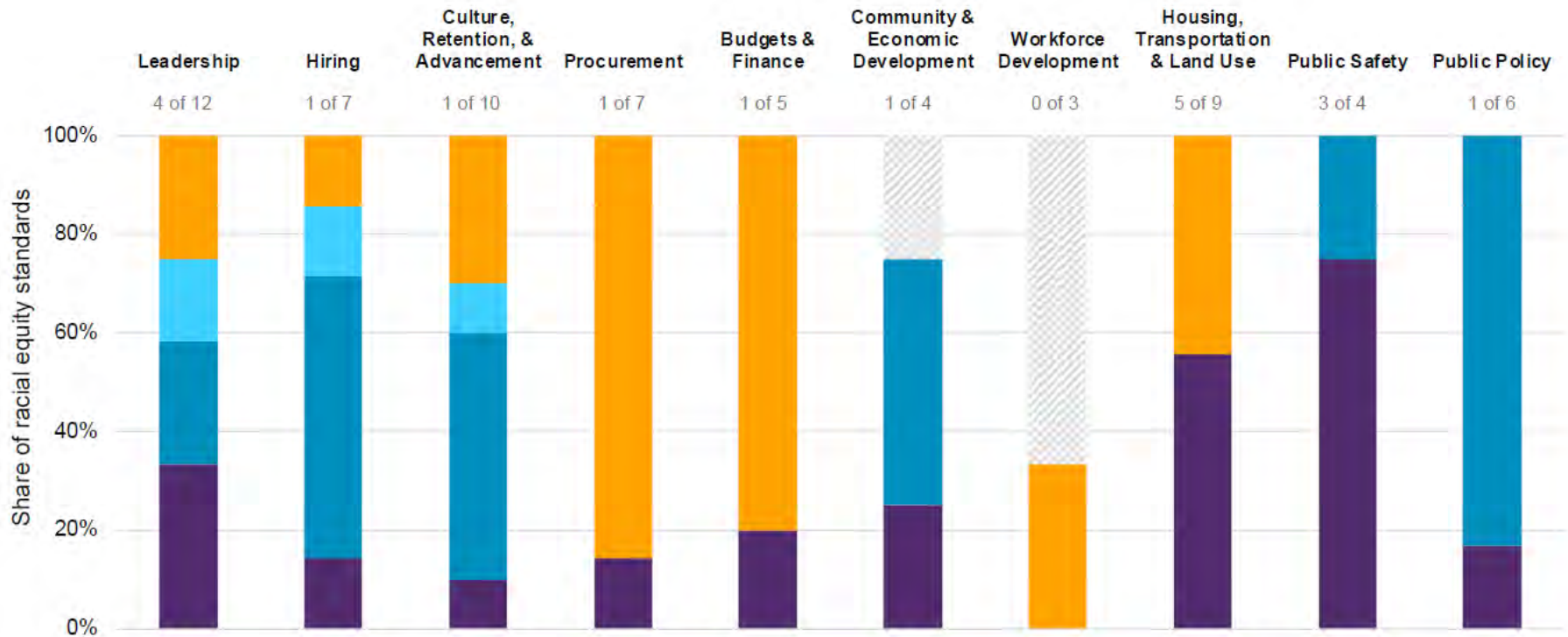
- Overall Score: 28.1 out of 100 points
- Percentile (All Organizations): 64%
- Percentile (Peer Organizations): 83%
- Areas of CEI Recommendations
 - Culture, Retention, and Advancement
 - Procurement
 - Budgets and Finance
- Area of High Scoring Organization Recognition
 - Public Safety

Our Report

City of Richfield Score Overview

18 out of 67 racial equity standards fully in place

■ Yes ■ Somewhat ■ Somewhat less ■ No
■ Not sure ■ Not applicable



Leadership

CEI Public Sector Report Insights

- 27% of local governments regularly publish data on the demographics of their workforces disaggregated by race
- 20% of executive leaders, 15% of supervisors, and 25% of full-time staff at participating local governments identify as Black, Indigenous, Hispanic, Asian, or two or more races.
- Zero participating local governments have senior leadership teams that reflect the racial demographics of their communities

Leadership

- Score: 4 of 12
 - peer average: 2.8; overall average 3.4
- Opportunities already present in the action plan:
 - Consistent process to measure community satisfaction with services, disaggregating by race
 - Organization-wide racial equity strategy
- Other opportunities
 - Regularly publishing resident data on demographics, economic outcomes, quality of life by race
 - Actively maintaining a data portal publishing data on racial equity

Hiring

CEI Public Sector Report Insights

- 95% of local governments publish salary information for all job postings.
- 35% of new hires across participating local governments identify as Black, Indigenous, Hispanic, Asian, or Two or more races.

Hiring

- Score: 1 of 7
 - peer average: 2.9; overall average 3
- Opportunities:
 - Recruiting from racially diverse talent pools
 - Goals for retaining employees of color
 - Goals for promoting to produce racially diverse leadership
 - Accountability measures for these goals
 - *Elimination of prior pay information*
 - *Law in effect as of Jan. 1*

Culture, Retention, & Advancement

CEI Public Sector Insights

- Approximately 90% of all full-time Black, Indigenous, Hispanic, and Asian employees at participating local governments earn family-sustaining wages.
- 41% of local governments have clear standards for promotions that are shared with all employees.
- 5% of local governments measure employee pay by race annually and take action to eliminate racial pay gaps between similar workers.

Culture, Retention, & Advancement

- Score: 1 of 10
 - peer average: 1.8; overall average 2.6
- Opportunities:
 - Employee resource groups
 - Learning opportunities for anti-racism
 - Clear standards for promotion
 - Employee sense of belonging survey with results disaggregated by race

Culture, Retention, & Advancement

- CEI Recommendation
 - Ensuring a family-sustaining wage for every employee
 - Strategies for retention of underrepresented employees



Workforce

- Unscored for all cities
- Short timeline for completion affected data compilation
- Hispanic population underrepresented
- Opportunities:
 - Consistent tracking of race/ethnic makeup of council, staff
 - Consistent tracking of pay, hiring, promotions, departures by race

Procurement

CEI Public Sector Report Insights

- 36% of local governments have taken comprehensive actions to reduce barriers for suppliers.
- 9% of local governments regularly collect and share data internally on the racial diversity of their suppliers.
- 1% of local governments' procurement spending goes to Black, Indigenous, Hispanic, or Asian-owned businesses, though these communities own 6% of businesses in Minnesota and represent 20% of all residents.

Procurement

- Score: 1 of 7
 - peer average: 0.3, overall average: 0.7
- Opportunities
 - Disparity study to evaluate outcomes of race-neutral supplier diversity programs
 - Tracking bids and supplier ownership by communities of color

Procurement

- CEI Recommendation
 - Developing a strategy and setting goals for increasing the racial diversity of suppliers



Budgets & Finance

CEI Public Sector Insights

- 25% of local governments invest assets in Community Development Financial Institutions (CDFI's).
- 14% of local governments proactively seek input from Black, Indigenous, Hispanic, and Asian communities in the early stages of developing budgets.

Budgets & Finance

- Score: 1 of 5
 - peer average: 0.4; overall average: 0.6
- Opportunities:
 - Standardized process for analyzing the impact of potential budgets on communities of color
 - Investing using Environmental, Social, and Governance (ESG) criteria to screen organizations/sectors

Budgets & Finance

- CEI Recommendation:
 - Proactively seeking input from underrepresented communities at the early stages of budget development



Community & Economic Development

CEI Public Sector Report Insights

- 44% of local governments have initiatives to support entrepreneurship targeted toward Black, Indigenous, Hispanic, Asian, and other underrepresented communities.
- 24% of local governments only offer economic development job creation subsidies to companies that pay family-sustaining wages.

Community & Economic Development

- Score: 1 of 4
 - peer average: 1.2; overall average: 1.1
- Opportunities:
 - Solidify initiatives to support entrepreneurship and business development among underrepresented communities
 - Consistently analyze racial demographics of business owners receiving economic and business development services

Workforce Development

CEI Public Sector Report Insights

- 15% of local governments survey workforce development program participants about their job placement experiences, disaggregate data by race, and use information to guide future job placements.

Workforce Development

- Score: 0 of 3
 - (peer average: 0.2; overall average: 0.5)
 - *Answered N/A for 2 of 3*
- Opportunities:
 - Develop a consistent process to facilitate partnerships between local workforce training partners and local businesses to support underrepresented communities for job opportunities

Housing, Transportation, & Land Use

CEI Public Sector Report Insights

- 89% of local governments' zoning codes allow higher density construction near commercial corridors and job centers.
- 18% of local governments have recognized the racially inequitable impact of past local land use policies and embraced a race-conscious restorative framework in its comprehensive plan.

Housing, Transportation, & Land Use

CEI Public Sector Report Insights

- Down payment assistance, Our Kids @ Home, and Just Deeds programs were recognized as promising practices



Housing, Transportation, & Land Use

- Score: 5 of 9
 - peer average: 3.1; overall score: 3
- Opportunities
 - Systematic evaluation of roads/transportation infrastructure repair prioritization including disparities experienced by underserved communities
 - Policies to incorporate principles of environmental justice in major new development projects

Public Safety

CEI Public Sector Report Insights

- 82% of local governments invest in alternative crisis response teams.
- 14% of local governments publish comprehensive data on law enforcement activities disaggregated by race.

Public Safety

CEI Public Sector Report Insights

- Use of Force Disparity Study recognized as a promising practice
- High Scoring Organization recognition



Public Safety

- Score: 3 of 4
 - peer average: 2.3; overall average: 2.5
- Opportunities
 - Solidify programs and staff focused on diversion opportunities from the criminal justice system
 - *Publish* racially disaggregated data on traffic and pedestrian stops

Public Policy

CEI Public Sector Report Insights

- 68% of local governments have identified racial equity as a public policy priority.
- 5% of local governments use a racial equity tool to analyze impacts of local ordinances on Black, Indigenous, Hispanic, Asian, and other communities.

Public Policy

- Score: 1 of 6
 - peer average: 1.4; overall average: 1.3
- Opportunities already present in the action plan:
 - Use of a racial equity tool to analyze impacts on marginalized populations for ordinances developed and passed
- Opportunities
 - Develop a strategy to communicate relevant local ordinance changes to residents of different cultural communities and backgrounds



STAFF REPORT NO. 02
WORK SESSION
1/23/2024

REPORT PREPARED BY: Chris Swanson, Management Analyst

DEPARTMENT DIRECTOR REVIEW:

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
1/17/2024

ITEM FOR WORK SESSION:

Discussion on including the NorthSTAR Bill in the City's 2024 Legislative platform.

EXECUTIVE SUMMARY:

The NorthSTAR Bill ("the Bill") is a state legislative act which separates Minnesota government resources from civil immigration enforcement. The Bill takes the constitutional position that immigration enforcement is a federal matter and state and local resources should be focused on their own responsibilities. By doing so, local governments can build trust with all residents and remove barriers to access local services. These values are discussed in the the Bill's preamble. (State Statute 629.80 Subd.2 found on page 2-3 of the Bill)

At the December 12, 2023 work session, a Council Member suggested including support for the Bill in the City's 2024 Legislative platform. Given the short turn around time to get the 2024 Legislative platform adopted before the Legislative Breakfast, Council directed staff to review the Bill and schedule a final discussion at the next possible work session.

Staff has since had time to read the Bill, as well as meeting with supporters of the proposed law. Staff is comfortable adding support for the Bill to the platform. However, there are concerns with some of the details of the language and believe this legislation will have a better chance of success if the authors/supporters work with the Minnesota Chiefs of Police Association, LMC and other organizations early in the legislative process.

Staff recommend the Council amend the City's 2024 Legislative platform to add the following language under Public Safety:

- Support for the goals of the NorthSTAR Act which clearly separates all Minnesota government resources from civil immigration enforcement as it is a federal responsibility. This clarity helps build trust with Richfield's immigrant community and removes barriers to provide important public safety, public health and other services. We encourage the bill's authors and supporters to work with the Minnesota Chiefs of Police Association, Minnesota Sheriff's Association, Minnesota Police and Peace Officers Association, League of Minnesota Cities and Metro Cities on the specific language.

The supporting documents attached to this report have been provided by the North Star Alliance.

DIRECTION NEEDED:

Provide feedback to staff on including the NorthSTAR Bill in the City's 2024 Legislative platform.

BACKGROUND INFORMATION:

- A. **HISTORICAL CONTEXT**
- B. **EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS**
- C. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**
- D. **CRITICAL TIMING ISSUES:**
- E. **FINANCIAL IMPACT:**
- F. **LEGAL CONSIDERATION:**

ALTERNATIVE(S):

PRINCIPAL PARTIES EXPECTED AT MEETING:

ATTACHMENTS:

	Description	Type
▢	DRAFT NorthSTAR Bill Language- North Star Alliance Document	Backup Material
▢	NORTH_STAR_FLIER- North Star Alliance Document	Backup Material
▢	What does the NorthSTAR Bill do- North Star Alliance Document	Backup Material

1.1 A bill for an act
1.2 relating to public safety; ensuring appropriate use of state and local resources by
1.3 limiting state and local government participation in federal civil immigration
1.4 enforcement efforts; proposing coding for new law in Minnesota Statutes, chapter
1.5 629; repealing Minnesota Statutes 2022, sections 631.50; 631.51.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. **[629.80] CIVIL IMMIGRATION ENFORCEMENT; ACTIVITIES**
1.8 **PROHIBITED; POLICIES REQUIRED.**

1.9 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
1.10 meanings given.

1.11 (b) "Civil immigration enforcement" means all efforts to investigate, detect, apprehend,
1.12 or detain an individual with the purpose of enforcing or executing federal immigration
1.13 statutes relating to removal, exclusion, or deportation proceedings, deportation or removal
1.14 orders, or removal from the United States; or to assist in the investigation of, or civil arrest
1.15 of, any persons for the purposes of enforcing federal civil immigration law, including but
1.16 not limited to violations of United States Code, title 8, sections 1182 and 1227. This definition
1.17 does not apply to efforts to assist individuals in applying for immigration benefits or efforts
1.18 to prevent deportation or removal from the United States. This definition does not include
1.19 the enforcement of criminal law.

1.20 (c) "Civil immigration warrant" means a document that is not approved or ordered by a
1.21 judge that can form the basis for an individual's arrest or detention for a civil immigration
1.22 enforcement purpose. Civil immigration warrant includes Form I-200 Warrant for the Arrest
1.23 of Alien, Form I-203 Order to Detain or Release Alien, Form I-205 Warrant of

2.1 Removal/Deportation, Form I-286 Notice of Custody Determination, any predecessor or
2.2 successor form, and all warrants, hits, or requests contained in the Immigration Violator
2.3 File of the FBI's National Crime Information Center database.

2.4 (d) "Federal immigration authority" means an officer, employee, personnel, or agent of
2.5 a federal agency that is charged with civil immigration enforcement, including but not
2.6 limited to the United States Immigration and Customs Enforcement, and the United States
2.7 Customs and Border Protection.

2.8 (e) "Government personnel" means a person employed by a government unit.

2.9 (f) "Government unit" means a state department, agency, commission, council, board,
2.10 task force, or committee; a constitutional office; a court entity; the Minnesota State Colleges
2.11 and Universities; a county, statutory, or home rule charter city, or town; a school district;
2.12 a special district; or any other board, commission, district, or authority created under law,
2.13 local ordinance, or charter provision.

2.14 (g) "Judicial warrant" means a warrant based upon probable cause issued by a state or
2.15 federal judge or federal magistrate judge.

2.16 (h) "Public safety agency" means:

2.17 (1) a law enforcement agency as defined in section 626.84, subdivision 1, paragraph (f);

2.18 (2) a correctional facility as defined in section 241.021, subdivision 1i, including juvenile
2.19 facilities governed by the commissioner of human services and provided for under section
2.20 241.021, subdivision 2;

2.21 (3) an agency providing probation services provided for under section 244.19, subdivision
2.22 3; and

2.23 (4) a public or private entity that provides security services to any of the following
2.24 entities if the entity is controlled by the state of Minnesota, including but not limited to
2.25 public schools, public universities, health care facilities, drug rehabilitation facilities, and
2.26 hospitals.

2.27 (i) "Public safety personnel" means a person employed by a public safety agency.

2.28 Subd. 2. Purpose. (a) The purpose of this section is to direct the state of Minnesota's
2.29 limited resources to matters of greatest concern to state and local government, and to protect
2.30 the safety, well-being, and privacy rights of the people of Minnesota.

2.31 (b) The legislature recognizes that the enforcement of federal civil immigration laws
2.32 are the exclusive purview of the federal government and that the state should not play a role

3.1 in the enforcement of the federal policies, including but not limited to the use of state,
3.2 county, and local resources in the detention of people not held for criminal or state purposes.

3.3 (c) The legislature finds that the resources of the state are better spent on promoting
3.4 public safety, trust in state government and its institutions, and the privacy of its residents.
3.5 Trust in state government is central to the public safety and well-being of the people of
3.6 Minnesota. Public safety and well-being are eroded when state and local government agencies
3.7 participate in federal civil immigration enforcement efforts, as these actions cause immigrant
3.8 community members to fear approaching law enforcement to report crimes and deter these
3.9 members from accessing basic services, including but not limited to health care and public
3.10 education.

3.11 (d) Nothing in this section is intended to hinder, obstruct, or prevent the cooperation
3.12 between the state and the federal government for purposes of detection, investigation, or
3.13 enforcement of criminal activity.

3.14 Subd. 3. **Government restrictions.** (a) A government unit, and the unit's personnel,
3.15 shall not:

3.16 (1) disclose, distribute, disseminate, or allow for the disclosure, distribution, or
3.17 dissemination of data or information on any individual to any federal immigration authority
3.18 if the data or information will be used for civil immigration enforcement, except as required
3.19 by state or federal law, a judicial warrant, or other court order;

3.20 (2) inquire of, ask for, or record a person's immigration or citizenship status, lack of
3.21 Social Security number, or type of government identification used, unless the information
3.22 is required to fulfill or administer a state or local program, investigate or prosecute a state
3.23 crime, fulfill consular notification requirements under international treaty, or otherwise
3.24 required by state or federal law;

3.25 (3) apply for funds from the State Criminal Alien Assistance Program, or any program
3.26 that requires increased information sharing for civil immigration enforcement purposes or
3.27 that requires any type of immigration enforcement action on the part of a government agent;
3.28 and

3.29 (4) enter into, amend any provisions of, or renew any contract, or intergovernmental
3.30 service agreement, or any other agreement to house or detain individuals for civil immigration
3.31 enforcement purposes.

3.32 (b) A government unit, and the unit's personnel, shall:

4.1 (1) terminate any contract, agreement, or intergovernmental service agreement that is
4.2 utilized to house or detain any person for civil immigration enforcement purposes no later
4.3 than

4.4 (2) terminate any provision of an existing contract, agreement, or intergovernmental
4.5 service agreement that applies to the housing or detention of any person for civil immigration
4.6 enforcement purposes by;

4.7 (3) amend contracts, agreements, and policies that allow for the dissemination,
4.8 distribution, and sharing of data and information collected by government units to private
4.9 entities or persons to include restrictions against the reselling, dissemination, or redistribution
4.10 of that data to federal immigration authorities or for the purpose of civil immigration
4.11 enforcement. No data or information may be disseminated, distributed, or shared under any
4.12 agreement that does not contain restrictions as required under this clause;

4.13 (4) ensure that data or information collected by government units may not be shared
4.14 with a person or private entity without a written certification that the information will not
4.15 be used for civil immigration enforcement, or resold or redistributed to federal immigration
4.16 authorities. This clause does not apply to data or information shared with the person who
4.17 is the subject of the data or information; and

4.18 (5) create written policies in coordination with the Office of New Americans to ensure
4.19 that:

4.20 (i) government personnel will comply with the obligations outlined in this section; and

4.21 (ii) access to any state or local programs or benefits will not be unduly restricted based
4.22 on immigration or citizenship status unless required by federal or state law.

4.23 Subd. 4. **Public safety agency restrictions.** (a) A public safety agency and the agency's
4.24 personnel shall not:

4.25 (1) comply with a detainer, hold, notification, civil immigrant warrant, or transfer request
4.26 from federal immigration authorities;

4.27 (2) make, assist in, or participate in any civil immigration enforcement operations,
4.28 including conducting an arrest or detention of any individual for the purpose of enforcing
4.29 civil immigration law, or the establishment of traffic perimeters or road checkpoints for
4.30 federal immigration authorities;

4.31 (3) apply for or receive federal funds, or participate in a program or effort, with the
4.32 purpose of using government personnel to assist or otherwise participate in civil immigration

5.1 enforcement activities, whether pursuant to United States Code, title 8, section 1357(g), or
5.2 any other formal or informal law, regulation, policy, or request;

5.3 (4) investigate, arrest, stop, or detain a person on the basis of a suspected civil
5.4 immigration violation, including but not limited to inquiries into a person's citizenship,
5.5 immigration status, or birth place, unless relevant to the investigation of a state crime, or
5.6 required to fulfill consular notification requirements under treaty obligations;

5.7 (5) ask for or use federal immigration authorities for language assistance during a traffic
5.8 stop or law enforcement encounter;

5.9 (6) provide facilities, personnel, assistance, or other access beyond what is provided to
5.10 the general public to federal immigration authorities to investigate, interview, or question
5.11 for the purpose of civil immigration enforcement a person who is detained or otherwise in
5.12 the care of a public service agency;

5.13 (7) provide access to a database or data that a public safety agency has access to, whether
5.14 or not owned or controlled by a governmental unit, to federal immigration authorities without
5.15 a judicial warrant unless otherwise required by state or federal law;

5.16 (8) transfer care or control of a person within the custody of a public safety agency to
5.17 federal immigration authorities for the purpose of civil immigration enforcement without
5.18 a judicial warrant;

5.19 (9) notify or provide information to federal immigration authorities of an individual's
5.20 pending release from a public safety agency's control, court dates, or any information about
5.21 an individual, including but not limited to address information, vehicle registry information,
5.22 or other data collected by a government unit, unless required by a judicial warrant, or state
5.23 or federal law; this restriction does not apply to a request to complete Form I-918 Supplement
5.24 B, U Nonimmigrant Status Certification, Form I-914 Supplement B, Declaration of Law
5.25 Enforcement Officer for Victim of Trafficking in Persons, Form I-854 Inter-Agency Alien
5.26 Witness and Informant Record, or other request for documentation from a noncitizen victim
5.27 of a crime;

5.28 (10) deny access to a program or benefit relating to work release, including but not
5.29 limited to the challenge program under section 244.17, or any other program that provides
5.30 release from detention, because of the existence of a detainer or civil immigration warrant,
5.31 or other notifications from federal immigration authorities; and

6.1 (11) participate in, or provide access or assistance to, a federal immigration authority to
6.2 conduct civil immigration enforcement activities at state courthouses, hospitals, health care
6.3 clinics, churches or other places of worship, or schools, without a judicial warrant.

6.4 (b) A public safety agency shall:

6.5 (1) in coordination with the Office of New Americans, create or amend written policies
6.6 that reflect the policies listed in this section;

6.7 (2) provide written notifications to anyone who is the subject of a data request or other
6.8 inquiry by a federal immigration authority, informing them that they were the subject of an
6.9 inquiry or request and what action if any the public safety agency took in response to the
6.10 request or inquiry;

6.11 (3) submit a report annually to the attorney general and Office of New Americans
6.12 disclosing any requests from the United States Department of Homeland Security, including
6.13 but not limited to Immigration and Customs and Enforcement, with respect to participation,
6.14 support, or assistance in any immigration agent's civil enforcement operation, and any
6.15 documentation regarding how the request was addressed, provided that if an agency does
6.16 not receive a request during a reporting period, the agency shall certify and report that it
6.17 received no requests;

6.18 (4) create policies in coordination with government units to ensure that all state and local
6.19 government offices, public schools, hospitals, and courthouses remain safe and accessible
6.20 to all Minnesota residents, regardless of immigration or citizenship status; and

6.21 (5) ensure compliance with all treaty obligations, including consular notification, and
6.22 state and federal laws, by explaining to any individual committed into the custody or detained
6.23 by the public safety agency in writing, with interpretation into another language if requested:

6.24 (i) the individual's right to refuse to disclose the individual's nationality, citizenship,
6.25 country of birth, or immigration status; and

6.26 (ii) that disclosure of the individual's nationality, citizenship, country of birth, or
6.27 immigration status may result in civil or criminal immigration enforcement, including
6.28 removal from the United States.

6.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.30 **Sec. 2. [629.81] VIOLATIONS.**

6.31 Subdivision 1. **Reporting; investigation.** The Office of the Attorney General shall
6.32 establish a system for the public and state and local employees to report alleged violations

7.1 of section 629.80. At a minimum, the system shall include a telephone hotline, electronic
 7.2 complaint portal, and written complaint process that is accessible in multiple languages and
 7.3 advertised to communities most likely to be affected by immigration enforcement and
 7.4 deportation activities. Upon receiving a report of an alleged violation of section 629.80, the
 7.5 office must coordinate the investigation of the alleged violation and notify any individual
 7.6 who has been affected by the alleged violation. On a semiannual basis, the office shall issue
 7.7 a public report containing aggregate information regarding any alleged violations, including
 7.8 but not limited to:

- 7.9 (1) the number of alleged violations reported;
 7.10 (2) the type of alleged violation;
 7.11 (3) the agency from which the alleged violation originated;
 7.12 (4) the ultimate conclusion as to whether the alleged violation was founded; and
 7.13 (5) the remedial and disciplinary actions taken in response to any founded violations.

7.14 Subd. 2. **Employment misconduct.** A violation of section 629.80 may be considered
 7.15 employment misconduct by an employer.

7.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.17 Sec. 3. **[629.82] ENFORCEMENT ACTIONS.**

7.18 Subdivision 1. **Entities that may enforce this section.** The following people and entities
 7.19 may seek relief for a violation of this section and sections 629.80 and 629.81 by starting an
 7.20 action in state district court:

- 7.21 (1) an agency or instrumentality of the state;
 7.22 (2) a political subdivision of the state, or any agency or instrumentality of a political
 7.23 subdivision of the state;
 7.24 (3) an individual who has suffered injury due to a violation of this section and sections
 7.25 629.80 and 629.81, or that individual's family member or domestic partner; and
 7.26 (4) an organization or other entity in the state which, as a primary part of its mission,
 7.27 assists, represents, advocates for, or otherwise serves Minnesota residents who are not
 7.28 United States citizens.

7.29 Subd. 2. **Definition.** For the purposes of this section, "injury" means having an
 7.30 individual's information or data shared in violation of section 629.80, subdivisions 3 and

8.1 4; being subject to civil immigration enforcement after a violation of this section or sections
8.2 629.80 and 629.81; or any other harm suffered as a result of a violation of these sections.

8.3 Subd. 3. **Defendants** The party bringing the enforcement action may sue any person or
8.4 entity that has violated this section and sections 629.80 and 629.81, including but not limited
8.5 to the certification provisions in section 629.80, subdivision 3.

8.6 Subd. 4. **Relief.** The court may award the following forms of relief:

8.7 (1) to all enforcing parties:

8.8 (i) preliminary and equitable relief, including injunctions, as the court determines to be
8.9 needed in order to correct or prevent further violations; and

8.10 (ii) reasonable attorney fees and other litigation costs reasonably incurred; and

8.11 (2) to the parties identified in subdivision 1, clause (3):

8.12 (i) actual damages, or liquidated damages of \$1,000 per violation, whichever is greater;

8.13 and

8.14 (ii) punitive damages upon proof of knowing, or reckless disregard of the law.

8.15 Subd. 5. **Nonrestriction of other rights.** Nothing in this section restricts the right of a
8.16 person or class of persons to seek enforcement of this section and sections 629.80 and 629.81
8.17 under any other statute or common law, or to seek any other form of relief.

8.18 **EFFECTIVE DATE.** Subdivision 4, clause (2), is effective August 1, 2024, and applies
8.19 for one year from the date of final enactment or the date on which a written policy has been
8.20 implemented in compliance with Minnesota Statutes, section 629.80, subdivisions 3,
8.21 paragraph (b), clause (4), and 4, paragraph (b), clause (1), whichever occurs first.

8.22 Sec. 4. **REPEALER.**

8.23 Minnesota Statutes 2022, sections 631.50; and 631.51, are repealed.

North Star Alliance Document



The **North STAR** Act

Safety, Trust & Respect

Effective Public Safety Requires Public Trust.

North STAR **prohibits state and local law enforcement from using state resources for the purpose of civil immigration enforcement.** This includes sharing data or accepting federal funds that would require such cooperation. **It does not prohibit collaboration the basis of investigating criminal activity.**

The role of local law enforcement is to provide public safety. Blurring the lines between law enforcement and immigration enforcement erodes trust within the immigrant community and diverts public safety resources from their intended purpose of keeping us all safe.

Immigrants Strengthen Minnesota.

There are **over 500,000 non-citizen residents in MN, hailing from every part of the globe.** They are tax paying, working and contributing members of our society who support families and enrich our state.

Immigrants spend over \$12.4 billion annually in the state of Minnesota, in addition to contributing more than \$22.4 billion to the state's GDP.

Immigrants are essential workers. Employers state-wide continue to seek workers to fill low and medium wage jobs. Many "essential jobs", including food service workers and health care workers are staffed by immigrants.

Immigrants make up almost **7%** of rural farm workers and are vital to agricultural production in the state, **feeding their families and yours.**

10%

of Minnesota's 5.7 million residents are immigrants.

20%

of Minnesota children are part of immigrant families.

75%

of all adult immigrants in Minnesota work full time, and contributed

\$2.9 billion

in federal taxes and,

\$1.5 billion

in state taxes in 2018.

Safer Without Detention.

63% of those held in ICE detention have no criminal record. Many more have only minor offenses, including traffic violations that result in local law enforcement handing them over to ICE. In some cases, people are detained by local enforcement for ICE **based on their perceived ethnicity alone.**

ICE detention often removes a primary breadwinner from immigrant households, pushing families into financial crisis. Families are safer when parents are at home to care for elders and children.

Many immigrants don't trust law enforcement because they often operate as immigration enforcers, creating a justified fear that they may be detained, deported, or turned over to ICE. Because of this, they do everything they can to remain under the radar. They don't report crimes or seek emergency services. **In fact, they are more often the victims of crimes that go unreported and unaddressed.** This is the opposite of "safety" in our communities.

We All Benefit.

Immigrants

will be more likely to engage law enforcement and emergency services without fear of detention or deportation. **They will remain valuable members of the communities they help to create.**

Employers

can expect a more stable workforce since they'll lose fewer employees to detention and deportation. Workers will continue to pay taxes and support our economy.

Minnesotans

of all backgrounds can worry less about being racially profiled and detained by law enforcement because they "look like they might be undocumented".

Law Enforcement

can use resources freed up from immigration investigation and enforcement on more appropriate public safety related tasks, leaving immigration violations in the hands of federal agencies.

The North STAR Alliance includes dozens of faith-based and social justice organizations representing more than one million Minnesota residents statewide who see this legislation as an urgent moral imperative that will benefit us all. Alliance members believe in the dignity of every human being, without exception. Enacting this legislation is the morally, economically and legally right thing to do. This legislation will make our immigrant neighbors feel welcomed and respected.

North Star Alliance Document

What does the NorthSTAR Bill do?: A Primer for Lawyers

The NorthSTAR Bill is a state legislative act which “separates” or divests any and all Minnesota government resources from civil immigration enforcement. The Bill takes the Constitutional claim that immigration enforcement is a federal matter at face value and not only preserves its own resources for state related business, but by doing so, seeks to engender trust and reliance on state institutions which are centrally important for public safety, public health and an equitable and integrated society. These values are expounded upon in the Preamble to the Bill. (629.80 Subd.2 found on page 2-3 of the Act)

State Resources Used for Immigration Enforcement is a Recent Phenomenon¹

Starting in the 1980s and ramping up in the 1990s, federal immigration enforcement began to turn towards state and localities to increase the capacity for immigration enforcement- especially in the interior of the country. This took on two major forms: use of county jails for immigration detention and data processing.

Immigration detention, which had existed in some form or another since the Founding, was on a much smaller scale in the 1990s, with an average detained population of 6785 in 1994. But after 2002 this number grew to over 20,251 on a daily basis. In 2004, Congress passed the Intelligence and Terrorism Prevention Act which *mandated* an increase of detention capacity of 8,000 beds from 2006-2010. By 2011 the average daily immigration detention population grew to over 32,000 people. This growth was made possible not only through the creation and building of private detention centers, but by converting contracts with county jails from U.S. marshalls contracts- designed to hold people in pre-trial detention for federal crimes, into immigration detention contracts. In Minnesota, Sherburne County Jail began immigration detention in earnest when it converted its IGSA contracts with the U.S. Marshalls into an ICE contract. (A contract with a 30! Year term!). By 2020, the average daily ICE population grew to over 50,000, with Minnesota housing nearly 400-600 people in detention.

In the 1990s with a change from the DOJ Office of Legal Counsel, for the first time immigration violators would be entered into the FBI fingerprint database, and 287(g) programs which allowed the federal government to deputize state and local law enforcement to act as immigration officers came into being. In 2008, the newly formed

¹ We acknowledge that States were the primary enforcers of immigration enforcement in the antebellum period before the Supreme Court began to describe immigration as an exclusive federal power. Nonetheless, the recruitment and usage by the *federal* government of state resources for immigration enforcement is a modern and recent shift.

DHS rolled out the Secure Communities program, which among other directives began to directly collect fingerprint data from states and fed them into a larger database. The “intelligence” apparatus of ICE began to grow to epic proportions, with ICE establishing several “Intelligence” processing centers that processes enormous amounts of data that the federal government uses to conduct ICE enforcement.² This data has many different sources, but one main source has been state agencies, not only data collected through criminal enforcement such as fingerprints, but also vehicle registration, drivers license data, and public utility information. In fact, ICE purchased Minnesota Vehicle registration data in 2006.³ ICE has also begun to purchase data from data brokers such as LEXIS NEXUS.

Data sharing and cooperation with federal immigration officials happen in smaller, more inconspicuous means as well. In 1995, the DOJ began a program that in exchange for information about undocumented incarcerated by the state, would then reimburse the law enforcement agencies the costs of detention for incarceration. This would result in county jails and prisons asking about immigration and citizenship status on booking forms and sharing such information to the federal government for reimbursement. In 2022 alone counties in Minnesota received 3.7 Million dollars in SCAAP funding, with counties as disparate as Blue Earth, Olmed and Ramsey County. The confusion over detainers has also caused havoc, especially for people who would otherwise be eligible for work-release, or the DOC’s Challenge program being denied simply because of an ICE detainer had been filed. Minnesota DOC since 2008 mandated inquiries into any inmate convicted of a felony or found to be mentally ill and confined to DOC facility, county jail or facility required the reporting of the person’s immigration status and share information about the person’s immigration status including date of arrival in the United States.⁴ And by state law courts must give certified copies of criminal records at no cost to immigration officials.⁵

How does NorthSTAR Bill separate Minnesota from Immigration enforcement

The drafters of the Bill all used definitions and language from other states that have passed similar legislation. In fact, as of this writing at least nine other states have passed bills with a similar purpose, California, Washington, Oregon, Colorado, Illinois, New Jersey, Connecticut, New York and Vermont. Other states such as Maryland and New Mexico had legislation passed only to have it vetoed by their respective governors. Where we could we took language from these other statutes as part of our own, being particularly influenced by Illinois, Washington, Oregon and California.

² For a quick primer on such intelligence centers, see <https://www.flipsnack.com/justfutures/ice-intelligence-centers/full-view.html>

³ American Dragnet, <https://americandraget.org/>

⁴ MN Stat. 631.50

⁵ MN Stat. 631.51

The Bill separates Minnesota from immigration enforcement in four ways. First, it bans the involvement of state agencies, employees and especially law enforcement in investigating, arresting, or cooperating with federal immigration officials unless ordered to do so by a state or federal judge. The provisions can be found at 629.80 subd.4 (a)(1)-(6), (8) and (11). The provisions all address direct involvement by any public safety agencies in either investigating, detention or arrest based on immigration status. It also forbids cooperation with ICE or CBP when investigating, questioning or detaining or transfer of people for civil immigration enforcement. While some language should be broad enough to encompass a variety of levels of cooperation, pains were taken to give specific language when addressing known examples of cooperation to provide clear guidance for state and local officials. These provisions cover any form of law enforcement in Minnesota, from police, sheriffs, to correctional facilities, including security provided to public hospitals and schools.⁶

Second, it prevents information gathering of immigration or citizenship status unless necessary for reasons other than immigration enforcement⁷ (such as eligibility for benefits or to provide legal representation to non-citizens) and the sharing of data or information with federal immigration officials.⁸ It also cuts off the ability of data brokers from selling data to federal immigration officials as a workaround.⁹ It also prevents giving access to federal immigration officials access to state databases directly,¹⁰ a practice found to have happened in Illinois after it passed its statute. These provisions are actively undergoing revision and amendments as we continue to learn how Minnesota shares its data into national databases and other agencies. As detailed below, tremendous effort is given to prevent interference or prevention of data sharing for purposes that are not related to immigration enforcement, such as providing benefits, and criminal investigations.

Third, the Bill bans any new IGSA contracts or amendments that would allow county jails to house or detain people for immigration enforcement purposes.¹¹ The Bill also forces the termination of any IGSA contracts currently being used, as well as provisions of IGSA contracts that authorize the detention of non-citizens.¹² This termination date need not occur when the Bill becomes effective, and the lag of sunseting of detention contracts can be used to address concerns about transfers out of state for current detainees.

Fourth, the Bill also tries to address equity concerns, by opening up state programs to people regardless of immigration status and prevents denial of release

⁶ See definition of public safety agencies in 629.80 Subd.1 (b).

⁷ 629.80 subd.3(a)(2), 629.80subd.4(a)(9).

⁸ 629.80 subd.3(a)(1)

⁹ 629.80 subd.3(b)(2), (b)(3).

¹⁰ 629.80 subd.4(a)(7).

¹¹ 629.80 subd.3(a)(4).

¹² 629.80 subd.3(b)(1).

from incarceration through work release or early release based on immigration
detainers or holds.¹³

¹³ 629.80 subd.3(a)(4)(ii), 629.80 subd.4(a)(10)