

# Transformative Equitable Development for Healthy Communities

## SECURING LASTING CHANGE

Transformative Equitable Development (TED) focuses on challenging the systems that perpetuate racial and economic inequities in the way land is developed. It creates a new paradigm where equity, shared prosperity, and community wealth is the norm. TED flips the script—rather than prioritizing a developer’s vision for a site, it lifts up community members as decision makers on development projects that impact their neighborhoods. Communities themselves decide where investments should be allocated and determine the types of amenities they expect to see so that as their communities are revitalized, they benefit from associated jobs and economic development. Therefore, the paradigm shift is not just about projects being community-driven. It is also about creating new opportunities within the community.

Community benefits agreements and community compacts are two tools that residents can use to promote their neighborhood visions with decision makers and developers. Community benefits agreements (CBAs) are legally enforceable contracts that hold developers accountable to employment, housing, and environmental justice goals. Community compacts function similarly, but are voluntary and based on partnerships. Both tools give community members power in guiding neighborhood development and can be effective in fighting gentrification and displacement.

At the last session in the Alliance’s TED series, presenters explored how CBAs and community compacts have been tested in the Twin Cities region and discussed whether they could be used more widely to secure more equitable development.

**The Alliance**  
ADVANCING REGIONAL EQUITY



The Alliance for Metropolitan Stability is a coalition comprised of 34 members working to advance racial, economic, and environmental equity in the way growth and development occurs in the Twin Cities region. We work at the intersection of these issues, understanding that a holistic approach to equity will lead to a more vibrant region. Our integrated approach has secured major victories for transformative equitable development.

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## COMMUNITY BENEFITS AGREEMENTS

CBAs are formal agreements between developers and communities that define specific, enforceable, pre-determined actions the developer must complete. CBAs gained considerable traction nationwide after a community coalition successfully used the tool to secure community benefits from the construction of the publicly funded Staples Center in Los Angeles in 2001. The Staples Center CBA was the first example of a developer entering a contract with a community coalition, which brought hope to people who wanted to see community priorities better reflected in large-scale development projects.<sup>1</sup>

Since then, Twin Cities advocates and residents, along with others around the country, have pursued CBAs to ensure that the investments reach communities of color and low-wealth communities—and also to mitigate the potentially harmful impacts that often accompany development.

### Urban Research And Outreach-Engagement Center

In 2006, the Northside Residents Redevelopment Council sold a shopping center in North Minneapolis to the University of Minnesota. The University proposed to develop a research facility, called the Urban Research and Outreach-Engagement Center, that would consist of centers for early education, business economic development, mental health, and family life.

Many community members felt exploited by previous research projects that took information without ever providing anything for the community—including information about research results or funding for community projects. A community developer called the Northside Residents Redevelopment Council (NRRC) formed the University Northside Partnership to ensure that the development would benefit and not harm residents. Community members advocated for the University of Minnesota to enter a CBA that supported the community's vision for the site, including:

- A long-term contract for facility ownership
- Other commercial opportunities within the facility
- Employment opportunities and a workforce that reflected the surrounding neighborhoods
- Development designs to be reviewed by community members
- Utilization of community business for contracts and services
- An environmentally sound development
- Educational opportunities for Northside residents<sup>2</sup>

Despite years of meetings, the CBA did not come to fruition. Ishmael Israel, who led NRRC at the time, said, “The unfortunate reality is that a lot of CBA efforts don’t pan out in the way that the community hopes that they will. There was simply no political will to get it done.”

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1 <http://thealliancetc.org/wp-content/uploads/2016/08/CBAREPORT.pdf>

2 <http://thealliancetc.org/wp-content/uploads/2016/08/CBAREPORT.pdf>

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### **Hennepin County Government Centers**

NRRC sought to use this model on other projects on the Northside. When Hennepin County built a government center in North Minneapolis in 2014, NRRC was able to apply the lessons learned from the UROC process. NRRC secured hiring goals for people of color and women, as well as other building improvements that might make the center more accessible to residents. “We did robust community engagement around the project,” said Israel. “We gave them a list of priorities and the things that really mattered to the community and negotiated with them. There are bike racks and art on the side of the building. These things just would not have happened if we had not cemented the community’s priorities and put them on paper.”

Hennepin County is planning another mixed-use government center in the Corcoran neighborhood of Minneapolis alongside a planned Blue Line light rail transit station. The 6.5-acre site, which is still in the development stages, was previously owned by the Minneapolis Public Schools. Most of the site has been underutilized for a long time.

“Our neighborhood saw the opportunity that came with the Blue Line Station and wanted to take advantage of the development,” said LisaBeth Barajas of Corcoran Neighborhood Association (CNA). “We began to imagine how we could shape development and address affordability issues.”

CNA saw the site as an opportunity to advance the neighborhood’s planning vision, the Midtown Revival Plan. CNA had partnered with CURA to develop market concepts that included parking, transit, retail, and affordable housing. The neighborhood also wanted to promote sustainability components, including a permanent home for the neighborhood’s popular farmers market. Neighborhood representatives knocked on doors, gathered surveys, did social media outreach, and worked with Hennepin County commissioners to shape the development vision. Significant resident negotiation with the county resulted in a final proposal that met community members’ expectations.

“It ended up being not as difficult as we thought it would be,” said Barajas. “We knew what we wanted and had a lot of resident engagement. We were persistent to the point of being annoying. And now the project’s first phase is being built as we speak.”

### **Seward Co-op Friendship Store**

What happens when the community does not agree on its priorities? In the Twin Cities, advocates and community leaders struggled with tensions while negotiating a CBA for the Seward Co-op Friendship store in the Bryant neighborhood of South Minneapolis. Residents of this historically black neighborhood were concerned that a new store could raise property values and displace residents.

The Bryant Neighborhood Organization and the Central Area Neighborhood Development Organization developed a CBA that could ensure the development yielded opportunities for community members. The community was not successful in signing a CBA, but they did negotiate for better hiring goals. Still, Ishmael said that without the formally signed document, the community lacked leverage to realize its priorities. “The key is to get these priorities on paper,” he said. “Don’t buy into the trust and legal arguments. The community needs to stand firm and be treated like any other business arrangement.”

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## COMMUNITY COMPACTS

CBAAs have had mixed success in the Twin Cities, but community compacts offer another model communities can pursue to ensure they benefit from public investments in development projects.

Community compacts are mutual agreements between a community and another entity, which can include a government agency, a developer, or another large institution such as a hospital. In a community compact, residents identify how they would like to see a development project improve their neighborhood. The institution agrees to pursue the outcomes defined by the community. While the goals and strategies noted in the compact are not legally binding, community members can negotiate agreements, memoranda of understanding, and permits as part of the compact to make certain elements legally binding.

### A National Model: The Baltimore Red Line

The Baltimore Red Line is one of the best-known community compacts in the nation. Through a series of public meetings, more than 300 community members, comprised of residents, activists, business leaders, and nonprofit representatives, came together to create a vision of the benefits they wanted to result from the infrastructure investment. Their priorities included:

- **Economic empowerment:** Aggressively engaging the community in economic empowerment opportunities. Conducting outreach and certification training for firms owned by people of color and firms owned by women, entrepreneurs, and others to broaden the pool of potential bidders for project contracts.
- **Sustainability:** Increasing green space and reducing impervious surfaces through project landscaping where appropriate. Designing Red Line buildings and facilities to conform to recognized sustainability criteria such as LEED. Creating green space along the Red Line for biking, walking, and as a natural buffer between the system and the neighborhoods.
- **Community revitalization:** Creating a public-private entity to raise funds and mobilize resources towards community revitalization. Seeking grant opportunities for state, federal, and private funding sources for public and private projects that may not have otherwise been considered part of project costs. Promoting safe, well-maintained connections for pedestrians and cyclists to and from surrounding communities. Fostering aesthetically, historically, and contextually-sensitive stations that complement the built environment in existing communities.
- **Mitigating negative impacts:** Employing liaisons from affected communities to coordinate and disseminate information among agencies/contractors and residents/businesses. Responding rapidly when issues occur. Ensuring that all project information is in accessible language and material is provided in multiple languages. Providing support to affected residents and businesses. Minimizing nighttime construction in residential areas. Requiring that contractors use best practices for low-emission construction equipment.<sup>3</sup>

While the Red Line Community Compact had buy-in at multiple levels, a new governor came into power who had different priorities and redirected the resources that were set aside for the Red Line to highway construction. Unfortunately, this illustrates the tenuous nature of community compacts.

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3 [http://transportation.baltimorecity.gov/sites/default/files/Redline\\_community\\_compact\\_11\\_4\\_09.pdf](http://transportation.baltimorecity.gov/sites/default/files/Redline_community_compact_11_4_09.pdf)

### **A Local Example: The Southwest Equity Commitments Coalition**

The Alliance was a convener of the Southwest Equity Commitments Coalition, a group of stakeholders in our region who came together to advocate for a community equity vision for North Minneapolis and beyond as a result of the construction of the Southwest light rail line.

Residents of one of Minneapolis' wealthiest neighborhoods, Kenwood—referred to as the Gold Coast in 1935 maps of the city—did not want the Southwest LRT line to come through their community. They insisted that the line be rerouted. Other critics of the project opposed the LRT line, saying it would solely be a suburban amenity and would not offer equitable benefits to Minneapolis residents. Those who were speaking up about the project were mainly white—people of color were largely missing from the conversation.

The Alliance convened a cross section of partners to ensure people of color could provide a counter narrative about their own vision for the LRT. “Up until that point, the dialogue was void of voices from other parts of Minneapolis, including North Minneapolis,” said Alliance coalition organizer Owen Duckworth. “How people talk about an issue and look at a problem informs what becomes possible. In our organizing work, we shifted the narrative away from what was impacting Kenwood residents and toward the issues that were impacting North Minneapolis residents.”

The coalition took a multi-faceted approach to make sure resident ideas were well represented in the project. They hosted press conferences, attended public hearings, and educated city and county officials about the importance of building out the LRT line according to community priorities.

The coalition also developed a document that highlighted the specific outcomes that residents and community groups expected from the build out of the line. Called the Southwest Equity Commitments, it provided targeted strategies for creating wealth and economic opportunity, with a focus on North Minneapolis. Strategies included:

- Improving existing transit and ensuring that the Southwest Line connected and expanded bus service
- Prioritizing bus and pedestrian access; prioritizing transit-oriented development at the Van White Station
- Expanding affordable housing
- Catalyzing more economic growth throughout the community, and
- Prioritizing community residents in job creation.<sup>4</sup>

The coalition was able to secure commitments from the city of Minneapolis, Hennepin County, and the Metropolitan Council to achieve some of the goals.

“We had a multi-pronged strategy and applied needed political pressure to decision makers,” said Kenya McKnight of the Black Women’s Wealth Alliance. “It was not just about the train but about neighborhoods like ours being able to decide what they wanted community to look like.”

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4 [http://thealliancetc.org/wp-content/uploads/2016/08/Equity\\_Commitments\\_for\\_SWLRT\\_-\\_May\\_29th\\_Hearing.pdf](http://thealliancetc.org/wp-content/uploads/2016/08/Equity_Commitments_for_SWLRT_-_May_29th_Hearing.pdf)

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### **TED TOOLS LEAD TO BENEFITS BEYOND WHAT IS CAPTURED ON PAPER**

Community benefits agreements and community compacts lead to benefits well beyond what is captured on paper. Even when they have not been successfully enforced, they are an organizing tool that can be used to engage community members in developing a lasting vision for their neighborhood. This is critically important in communities where residents' opinions are not often solicited.

In addition, these tools and processes often result in incremental shifts in government agencies. In the Twin Cities region, we have seen improvements in the working relationships between communities and government. Government staff display a better understanding of racial and economic equity issues and how their agencies' own decision-making has an impact on those issues.

It is clear these tools also have shortcomings. Without legally binding requirements (and in some cases, even with them), they are susceptible to the whims of new leadership, to a changing development landscape, and to the challenge of keeping community members deeply engaged over a number of years. Still, we view CBAs and community compacts as important tools in the toolbox that can help build community vision and power for transformative equitable development. While there is a lot of work to be done and strategies yet to be tried for CBAs and community compacts to bring about the benefits we seek, these tools have helped communities look at development differently and provide hope for better outcomes in future projects.