



The Harrison Neighborhood

How a Community Becomes Marginalized

The Harrison neighborhood is a vibrant and diverse community nestled between downtown Minneapolis and the remaining communities that make up the Northside of the city. If you live in Minneapolis, chances are you have spent some time in Harrison.

The neighborhood boasts International Market Square (the city’s destination for interior design), the expansive Theodore Wirth Park and the adjacent Minneapolis Farmer’s Market.

Harrison has a strong cultural fabric, woven from a history of African American residents who have called the neighborhood home since the 1950s. More recently, Southeast Asian immigrants have moved into the area, bringing with them new languages and traditions.

Harrison has substantially more people of color than the average Minneapolis neighborhood. As of 2010,

Harrison was home to 71 percent people of color, compared to only 40 percent of Minneapolis’s total population.

At the same time, 37 percent of Harrison residents live in poverty, compared to only 17 percent of Minneapolis residents as a whole.¹ How did this happen?

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It turns out that Harrison’s high poverty rates can be attributed in part to a series of policy decisions that

Race and Regionalism: How Growth and Development Policies Shape Racial Disparities in the Twin Cities Region



If you asked a visitor for their impression of the Twin Cities, you would be likely to receive a positive response. A high quality of life, an educated workforce and a clean environment are things that our region is known for. But for nearly a quarter of the population—our region’s population of color and indigenous community—the Twin Cities do not live up to that promise. Despite our many resources, people of color here experience some of the worst disparities in the nation.

Dig into our history, and one will find a legacy of public policymaking that favored, either intentionally or as a

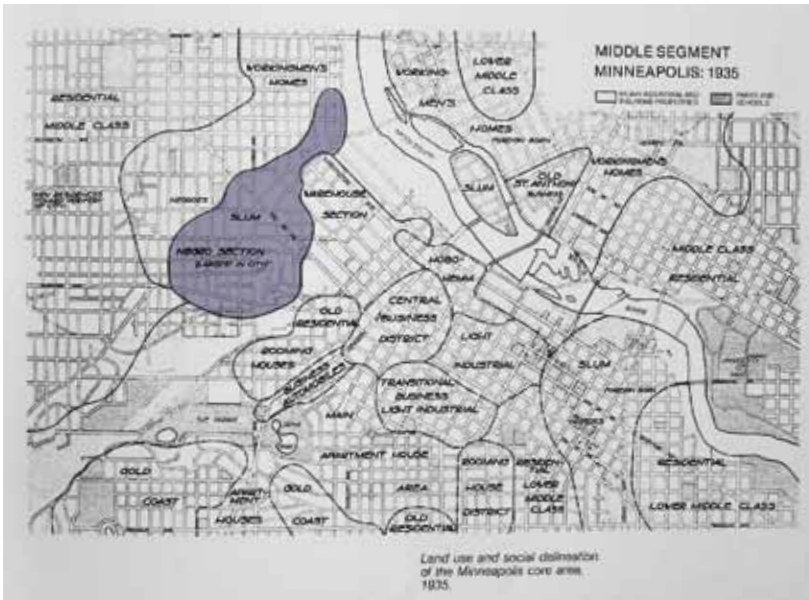
byproduct of poor decision-making, the needs of white people over those of people of color and indigenous people. An examination of some of these policies, many of which directly relate to the growth and development of our region, shows that racial discrimination was and is at the heart of what makes our region what it is today.

The good news is that there are strategies that can help reverse these disparities and sweep away the institutional barriers that have persisted. And our region has the added benefit of being able to rely on a rich network of community-based

organizations that can provide leadership and partner with policymakers to arrive at effective and sustainable solutions to these complex problems.

Over the next year, the Alliance for Metropolitan Stability will release a series of Race and Regionalism stories that illustrate some of our past failures as well as some of the ways communities and decision-makers are showing the way forward for equity.

To read other papers in the series, please visit www.metrostability.org. ■



have created systemic barriers to economic opportunity for people of color.

Public and Private Practices Segregated Communities

Restrictive housing practices in the 1950s led people of color to settle in Harrison and the other neighborhoods of North Minneapolis. More than 60 years later, the neighborhood’s population still reflects the effects of those practices. Redlining, through which banks denied or limited financial services to neighborhoods of color, limited the potential for residents to generate wealth. Real estate agents and landlords also played a role by illegally steering homebuyers to and restricting renters from certain neighborhoods. As a result, many African Americans were pushed to the neighborhoods on the Northside of Minneapolis.

Although people of color have suffered the most lasting effects of steering and redlining in North Minneapolis, these practices actually began when Eastern European immigrants were led to relocate their families there in the early 20th century. The next wave of immigrants to the neighborhood were Jewish refugees, who began to settle their families in North Minneapolis after fleeing persecution in Europe. Discrimination against Jewish people was so bad at that time that Minneapolis was coined the “capital of anti-Semitism in the United States.”² As discrimination against Jews diminished

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post-WWII, they were able to move out of Northside neighborhoods to other areas of the Twin Cities. By then, the African American population of the city had increased substantially, and many of them were steered to North Minneapolis.

It would be easy to solely blame the private sector for these discriminatory housing practices, but there is historical evidence that the public sector was also complicit in the arrangement. In 1935, the city created a map that labeled Harrison as a “Negro slum,” more than a decade before the majority of African Americans moved into the neighborhood. In contrast, the neighborhoods of southwest Minneapolis, still some of the most affluent in the city today, were labeled as the “Gold Coast.”

Then, in 1938, the Sumner-Field public housing project was built directly adjacent to Harrison. This large-scale housing project quickly became home primarily to African American families.³ By the time the projects were demolished in 1998, a high percentage of residents were Hmong and Lao. These examples have reinforced the sense that Harrison and the greater Northside were intentionally set aside for low-income people of color.

A History of Environmental Justice Concerns

Low-income neighborhoods, disproportionately home to people of color, are often saddled with the types of developments that wealthier people do not want in their neighborhoods. It’s no surprise, then, that Minneapolis’s “Negro slum” was also the site of two major polluting industries.

Beginning in the 1920s, the Warden Oil Company began recycling and refining oil in the neighborhood. The business closed in 1992, but subsequent evalu-

ation of the site showed heavy soil and water contamination. Concerns about the health effects of the pollution have been raised, but the state determined there is no public health risk because the site was fenced off and the water was not used for drinking.⁴

In the 1950s, the Chemical Marketing Corporation built its headquarters in Harrison. The company moved its operations in 1997, but investigations of the Harrison site also revealed high levels of soil and groundwater pollution.⁵ In fact, pollution on these two industrial sites was so severe that they were later designated for the U.S. Environmental Protection Agency's Superfund program, which targets the nation's most polluted hazardous waste sites for clean up and remediation.

Polluting industries are often granted permits to operate in low-income communities and communities of color, because those areas frequently do not have the political power to oppose them. Low-income people and people of color, as a result, suffer from higher rates of associated health problems like asthma and respiratory illness than the rest of the population. Decisions like this have long-term effects, because they can cement the idea that a particular neighborhood is undesirable or dangerous. Once that narrative is created, it can lead to a new, self-fulfilling wave of segregation wherein the only people who choose to live in that neighborhood are people who can't afford to live elsewhere.

Inadequate Transportation Choices

Very few neighborhoods in Minneapolis have adequate access to public transit. Because the Twin Cities region has a relatively underdeveloped transit system, most people are dependent on personal automobiles for mobility. A recent report from the Brookings Institute demonstrated that a transit-dependent Twin Cities resident is only able to access around 40 percent of the region's employment opportunities in less than 90 minutes. This means that almost 90,000 zero-vehicle households are not reasonably able to access 60 percent of the region's employment opportunities.⁶

In a low-income community with few major employers, transportation choices are a crucial connection to jobs in other areas of a region. Many Northsiders depend on public transit to get to work, school, medical appointments and child care. In the mid-2000s, as shrinking budgets forced bus route cuts citywide, a disproportionate number of cuts were proposed to North Minneapolis routes that were

suffering from low ridership. The Minneapolis Urban League, in partnership with other organizations and community residents, led a campaign to preserve bus service in North Minneapolis. They argued that the social demographics of the ridership should be taken into account when considering cutbacks. Route cuts on evenings and weekends meant more than rearranging social calendars—it meant some people couldn't get to work for the night shift or to the grocery store on Sunday. The coalition was able to restore partial service in areas that suffered the most damaging cuts, but service to the Northside was still reduced overall.⁷

Foreclosure Crisis Driven by Reverse Redlining

The recent foreclosure crisis that swept our nation has significantly reduced wealth in many communities of color. These foreclosures were driven in part by a

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practice known as reverse redlining, through which people of color were targeted for higher priced loans than were borrowers in white neighborhoods. These subprime loans included escalating interest rates and other hidden fees that quickly ballooned monthly payments beyond what families could afford. Studies have shown that people living in communities of color were targeted for these loans, regardless of their income levels or credit scores.

The neighborhoods of North Minneapolis were the hardest hit by subprime loans, and thousands of people lost their homes. North Minneapolis only holds 16.6 percent of the city's housing stock, but has experienced between 38 and 56 percent of the city's foreclosures each year since 2006.⁸ North Minneapolis residents, including many in Harrison, have lost millions of dollars in equity.⁹ Over the past ten years, Harrison has lost almost a quarter of its population.¹⁰

Opportunity for Harrison, Opportunity for All

Considered alone, each of these stories demonstrates another barrier to opportunity facing low-income people and people of color in the Twin

Cities. Considered together, however, they point to structural deficiencies in our public decision-making that consistently reinforce the marginalization of the Harrison neighborhood and contribute to the troubling pattern of racial and economic disparities in our region.

But after decades of disinvestment, there may be major changes in store for the Harrison neighborhood. In partnership with the resident-driven Harrison Neighborhood Association, the Lao Assistance Center and other area stakeholders, the city helped create a plan that could attract thousands of new jobs and hundreds of units of housing to the neighborhood's Bassett Creek Valley.

The Bassett Creek Valley is located directly adjacent to downtown Minneapolis. Despite this central location, the land remains mostly vacant or underutilized, and much of it is owned by the city. More than 650 residents worked with the city to create the Bassett Creek Valley Master Plan, a shining example of a transit-oriented development that calls for up to 6,000 units of new housing, 4.5 million square feet of commercial office space, 500,000 square feet of retail and 40 acres of green space.

A development of this scale could provide new opportunities for residents, catalyze economic growth for the greater city and generate profit for the project's private developer. The city estimates that it could generate up to \$125 million in new tax revenue. At his recent state of the city address, Mayor R.T. Rybak reinforced the idea that new development on the Northside is critical for the entire city, say-

ing, "If the city wants to grow, the key will be North Minneapolis."¹¹

Meanwhile, two major transitways have the potential to extend the benefits of the proposed development by creating better connections between the Bassett Creek Valley and the downtowns of St. Paul and Minneapolis, as well as a number of suburban communities. If implemented with the community's input and ideas, these catalytic developments could generate unprecedented economic investment and benefits for residents of Harrison and the greater Northside. Organizations like the Northside Transportation Network and the Harrison Neighborhood Association are engaging residents in conversations about what they want and need from public transportation, and working with decision-makers to make it happen. They are helping public officials recognize that the

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only way to create public transportation that meets the community's needs is to ask the community what those needs are.

The Minneapolis City Council formally endorsed the Bassett Creek Valley Master Plan in 2007. But now, the neighborhood faces an uphill battle in realizing its vision. Hennepin County has stepped in with an alternate vision, which would use a large portion of the site's developable land as a storage yard and maintenance facility for future diesel-powered commuter rail trains. Residents argue that the county's proposed



A Local Perspective: Velva Stewart

After her husband passed away, Velva Stewart, an African American resident of the Harrison neighborhood, fought for years to keep her home. To Velva, homeownership was about more than having a place to live. It was about creating a legacy for her children and grandchildren, an investment from which

they would be able to reap benefits for years to come. Yet those dreams came to an end in 2007 when she lost her home to foreclosure.

What is so peculiar about Velva's situation was that her home was paid off, and had been for years. But when the city of Minneapolis conducted inspection sweeps under the North Initiative in 2006, Velva was required to make thousands of dollars worth of repairs within a

short time frame -- which threatened her already fragile financial situation. Residents who were cited with violations had a small window of time to make those repairs before they were charged punitive reinspection and administrative fees, from which the city profited millions of dollars.

Although Velva was able to put some of her own money into repairing her home, it was not

enough. Velva went to nearly a dozen banks to get a loan, but she had no luck. Out of options, Velva accepted a home loan with terrible terms and conditions. When she could not afford to pay back the loan, her lender attempted to repossess her home. Velva turned to the Harrison Neighborhood Association for help, hoping that with advocates in her corner she would be able to work out an >

rail storage scheme would preserve the site as an underused industrial parcel, costing the neighborhood hundreds of units of housing and thousands of jobs. The Harrison Neighborhood Association, along with other partners, is calling on the city to honor its commitment to the Basset Creek Valley Master Plan, and to oppose any variance from the plan without reasoned and demonstrable evaluation of the consequences of those land-use decisions.

Raising further questions about commitment to equitably developing the area is a controversy over the construction of a bridge meant to connect the new development with the many economic, cultural and educational opportunities located in south Minneapolis. The Van White Bridge project was promised in 1995, yet the current budget for the project falls \$5 million short. The city is moving ahead with plans to build a smaller bridge, in the face of residents' desire to pursue additional dollars to construct it at the original scale. The fear of many residents is that the construction of a smaller bridge signifies that decision-makers not intend to follow through on promoting large-scale residential and commercial redevelopment in Harrison. Many residents see this as another way intentional policy decisions are being made that exclude Harrison residents from opportunity.¹²

Improving our Public Policies to Eliminate Racial Bias

Our local government agencies have a chance to rectify some of the past damage public policies have done to the Harrison neighborhood. There are two

paths that could be taken. We could reinforce structural racism by using Harrison as a dumping ground for things that the more prosperous residents of our region don't want to see or live by. Or we could commit ourselves to a more inclusive public planning process that would secure truly equitable outcomes from investments in the neighborhood.

Planning for equitable development is easier than it may sound. In its Race Matters toolkit, the Annie E. Casey Foundation published these five simple steps to evaluating public policies for their potential effects on communities of color and indigenous communities:¹³

In a region that is unfortunately becoming known for its racial disparities, we can no longer afford to blindly make public policies as though they affect all people equally.

1. Who are the racial/ethnic groups in the area? For this policy/program/practice, what results are desired, and how will each group be affected?
2. Do current disparities exist by race/ethnicity around this issue or closely related ones? How did they get that way? If disparities exist, how will they be affected by this policy/program/practice?
3. For this policy/program/practice, what strategies are being used, and how will they be perceived by each group?
4. Are the voices of all groups affected by the action at the table?
5. Do the answers to #1 through #4 work to close the gaps in racial disparities in culturally appropriate, inclusive ways? If not, how should the policy/program/practice be revised? If so, how can the

> agreement with her lenders and preserve her home. However, because Velva's issue preceeded the larger foreclosure crisis, there were not as many sophisticated resources as there are now to help keep people in their homes. Ultimately, their collective efforts came up short, and she was forced to leave the home that had been her pride and joy.

Disheartened, Velva decided to get involved in organizing efforts in her community to prevent other

residents from experiencing the loss that she went through. She became a volunteer with the Northside Community Reinvestment Coalition (NCRC), a group of organizations working to build the wealth of North Minneapolis residents by advocating for fair access to credit and eradicating financial discrimination. Velva served as the coalition's chair for years, and more recently was hired as an organizer. Velva's work is focused on helping other seniors in the community to

build wealth by organizing them to confront injustices in the financial system.

NCRC has been able to save many homes from foreclosure, which is a win for the community and the individual families affected. However, Velva and the rest of NCRC recognize the need for a more systemic remedy, because there are still many homes they are not able to rescue. She believes it is no coincidence that foreclosures have hit communities of color the

hardest. It is clear to her that the institutional racism embedded in our public policies and financial institutions continue to keep this community poor and underserved. Velva and other community residents are committed to ensuring all members of the community, regardless of their race, are able to access the wealth and resources they need to thrive. To learn more about NCRC, visit northsidereinvestment.org. ■

policy/program/practice be documented in order to offer a model for others?

These recommendations clearly demonstrate how policymakers, organizers and advocates can evaluate proposed public policies for their effects on people of color and indigenous people before they are implemented. In its early work with the Harrison neighborhood, the city of Minneapolis already answered many of these questions in partnership with residents and strong community organizations. The hard work is done, now follow-through is all that is needed to ensure future development provides benefits to Harrison residents and beyond.

We should all support this. In a region that is unfortunately becoming known for its racial disparities, we can no longer afford to blindly make public policies as though they affect all people equally. As our racial demographics become more diverse, our region's economic future is ever more dependent on the prosperity of people of color. When decisions directly affect a community of color, residents of that community must be at the heart of the planning process. Residents of the Harrison neighborhood have been ignored for too long. They know their neighborhood best, and they deserve to plan for and benefit from decisions regarding their own community. ■



Alliance for Metropolitan Stability

A coalition of grassroots organizations that advances racial, economic and environmental justice in growth and development patterns in the Twin Cities region.

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