



# Tawanna Black, head of the Northside Funders Group

Foundation collaborative aims to change the way philanthropy works in North Minneapolis

A Civic Caucus Review of Minnesota's Public Policy Process Interview

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## Present

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## Summary

A number of foundations and other funders who have been deeply invested in North Minneapolis for many years have not seen the change they'd like to see in that community, Northside Funders Group Executive Director Tawanna Black states. The funders decided they needed to work differently and to get to know each other to better understand places of overlap, challenges and gaps. After meeting informally for six years, 20 foundations and other funders formed the Northside Funders Group (NFG) collaborative in 2013.

NFG's mission is to change the way philanthropy works in North Minneapolis, Black says. She points out that NFG has developed three priority focus areas where it concentrates its work and funding: building thriving learning communities, building social capital and building thriving economies. NFG is one of fewer than five place-based foundations in the country. Black says NFG's place-based approach allows the organization to attempt to transform an entire neighborhood.

NFG member grants to Northside organizations, which collectively amount to \$15 million to \$20 million per year, are more focused and coordinated than they were before, Black notes. Some NFG member funders give grants to Northside organizations on their own, while the rest donate to a pool from which NFG members determine what joint grants they will make. All of the grants are investments in the organization's three focus areas.

Black calls on legislators to evaluate workforce programs by looking at participants' outcomes two years after they complete a program. Average outcomes of the programs have not been good, especially for African American men. She believes state and county governments must make data-based decisions and shift the way they decide who gets the money for workforce programs. She discusses the use of the \$35 million investment in equity appropriated by the 2016 Legislature, what difference the funding will make and how recipients of the money will be evaluated.

## Biography

Tawanna Black is executive director for the Northside Funders Group, a collaborative of 20 corporate, community, and private foundations and public-sector investors. The members are committed to aligning investments to catalyze comprehensive, sustainable change in North Minneapolis.

Black's diverse career destinations have had one common theme. She's been the chosen leader to build consensus among individuals, organizations and companies with varied backgrounds, experiences and motivations, so they can move toward one common vision with extraordinary results. She comes to the Northside Funders Group with over 15 years of groundbreaking work transforming organizations and communities in Kansas, Iowa, Nebraska and Minnesota.

Black also lends her expertise to several boards. She is president of the Minneapolis-St. Paul chapter of The Links, Inc., a board member for the Minneapolis Public Housing Authority and a trustee of the Women's Foundation of Minnesota. In 2014, Black was named a Bush Fellow.

## Background

The Civic Caucus is undertaking a review of the quality of Minnesota's past, present and future public-policy process for anticipating, defining and resolving major public problems. The Caucus interviewed Northside Funders Group Executive Director Tawanna Black to get her assessment of how foundations and other funders can collaborate to put forward or react to proposals for resolving public-policy problems.

**Information on Northside Funders Group.** The group is a collaborative of private, public and corporate funders committed to aligning investments and strategies to catalyze comprehensive, sustainable change in North Minneapolis.

The Northside makes up the northwest corner of Minneapolis. It runs roughly from Glenwood Avenue on the south to the city's northern border at 53rd Avenue and from the city's western border to the Mississippi River. See [map](#).

The following members comprise the Northside Funders Group (NFG):

- Blue Cross and Blue Shield of Minnesota Foundation;
- Carlson Family Foundation;
- City of Minneapolis;
- General Mills Foundation;
- Greater Twin Cities United Way;

- Headwaters Foundation for Justice;
- Hennepin County;
- Twin Cities LISC;
- The McKnight Foundation;
- The Minneapolis Foundation;
- Minnesota Department of Public Safety;
- Mortenson Family Foundation;
- Nexus Community Partners;
- The Jay and Rose Phillips Family Foundation of Minnesota;
- Wells Fargo Foundation;
- Women's Foundation of Minnesota;
- Xcel Energy; and
- Youthprise.

Co-chairs of NFG are Jo-Ann E. Stately of the Minneapolis Foundation and Sarah Hernandez of the McKnight Foundation.

## Discussion

**How do we change the way philanthropy works in North Minneapolis?** Tawanna Black of the Northside Funders Group said the group's 20 members (see above) include a wide range of foundations and other funders. All of them have been deeply invested in North Minneapolis for many years. But, Black said, "They haven't seen the change they'd like to see in North Minneapolis."

The collaborative came together to work on changing the way philanthropy works in North Minneapolis. "That's our mission," she said. "It's not programmatic, it's not numerical." Black said the group started by looking at the innate traits of philanthropy and the way donors have typically gone about their investments in a community.

The funders started meeting in 2008 and spent several years building relationships, exploring common funding goals and grantees, and exploring options for strengthening their philanthropy in North Minneapolis. Black said they decided it wasn't as easy as amassing a new fund, taking on an issue and issuing a request for proposals (RFP). Instead, before they came out with a strategy, they needed to work a little bit differently and funders needed to get to know other funders to better understand the places of overlap, the places of challenges and the places where there were gaps.

When Black came on as executive director in 2013, the group had just put together its first blueprint for action aimed at changing the way philanthropy works.

**The Northside Funders Group (NFG) has three priority focus areas: building thriving learning communities, building social capital and building thriving economies.**

Black expanded on those three priority areas:

- Building thriving learning communities. "We're focused on assuring that all children in North Minneapolis can access both a high-quality school in their neighborhood and quality out-of-school time," Black said. Data show that Northside children who leave to attend schools outside

North Minneapolis don't perform much better in those schools than in Northside schools. "You can't just change the environment without also addressing teachers," she said. "Are teachers equipped to teach children from all backgrounds and all experiences? Is that trust there? We believe in the schools in North Minneapolis and believe that with the right supportive partnerships they can provide high-quality education. Families here should be able to access high-quality education in their backyard." The group's funders support out-of-school programs like mentoring programs, coaching and extracurricular programs. Black said NFG wants to make sure the programs they're funding are high quality for everyone.

- Building social capital. Black said often funders have been in control of meetings, but NFG wants funders and recipients to be on an equal footing as co-creators with community-based organizations and residents of the community. She noted that the funders hadn't taken on the issue of racial equity before the NFG came together formally in 2013. "For us, we feel that's the lens we have to start with," she said. "We have to see the intersection among place, race and income. It's important that we invest in building social capital with and for families in this community," Black said. "We often don't think about families having social capital, but they do. We want our grantee partners to think about how they support families and increase social capital."
- Building thriving economies. In 2013, Black said, the NFG had an economic development focus and a workforce focus that were separate from each other. She noted that fewer than 20 percent of Northside residents work on the Northside. While 12,000 people drive into the Northside to work there, 20,000 drive out to work elsewhere. "So, it's important that we have an economic development focus and a workforce focus at the same time," she said.

"We have to think about how economic development will benefit the people who live here and about training people for jobs that are available," Black said. "We should think regionally, but act locally."

In economic development, she said, we should think about having new businesses locate in North Minneapolis. And to solve the region's predicted worker shortages, we should look at the opportunities to tap talent in this region, especially among those aged 25 and over, rather than importing talent. "We very narrowly and very intentionally focus on the hardest to employ through our efforts, investments and policy work," she said.

**The Northside Funders Group launched a strategy earlier this year called North@Work to connect 2,000 African American men to meaningful, sustainable, living-wage employment over the next five years.** Black said the strategy came about when NFG asked who isn't being served at scale by the current landscape of programs. Over the course of a year, NFG brought in employers, community-based organizations, community champions, funders, public-sector leaders and black men from the community. NFG asked the men what their journey has been like and what they'd like to see in workforce programming in the community.

Literature from NFG says North@Work, which NFG both funds and runs, focuses on all facets of the workforce system-training, placement, funding, retention, cohort support and more-to create real change for African American men living on the Northside. Currently, more than half of black males in North Minneapolis are unemployed.

Black said NFG heard feedback that employers need as much training as the potential employees to make the strategy a possible solution. For this reason, employers are supported by diverse staffing experts to strengthen their skills in hiring, training and retention.

**NFG is one of less than five placed-based funder collaboratives in the country.** "People are often scared to take on place," Black said, "because it means we can measure the impact of what they're doing more easily."

**NFG has four levers it applies:**

**1. Learn.** "Our funders have to first get in the seat of learning about this community," Black said. NFG developed a model called Together in Learning, where the group convened over 220 partners in the community to ask what's happening in the community; what they want funders to do that's going to be transformational; how we honor our values of co-creation; and what the power dynamic is.

"Since our mission is changing the way philanthropy works," Black said, "my success as executive director is not how many programs we've funded, but how our member foundations have changed the way they do business."

**2. Leverage.** NFG members invest \$15 million to \$20 million collectively in the Northside every year. NFG also works with its community partners to help them court national funders.

**3. Influence** . Black said NFG has built a lot of credibility at a lot of tables in a short time, but that's only good if the organization uses it to benefit the Northside.

**4. Invest** . NFG does both pooled funding, where members put funds into NFG, which re-grants it out to other organizations, and aligned funding, where members make investments themselves in NFG's three priority areas-building thriving learning communities, building social capital and building thriving economies.

"We have a focus on collaborative work, so it'd be rare for us to fund one nonprofit by itself," Black said. "We only fund catalytic and, likely, new work."

**Contrary to many people's assumptions, the Northside is not a place of constant turnover or a place of last resort.** Black said Census data and other research show that 66 percent of the people on the Northside were in the same homes they were in the last time data were collected. "The vast majority of African American people on the Northside want to be here," Black said. "They hope they can stay here. The challenge we face is the housing stock. Your options for purchasing a home on the Northside are not as great as if you went to Brooklyn Center, Brooklyn Park, Golden Valley, St. Louis Park or other parts of Minneapolis."

She said the Northside Achievement Zone has found that some people who move out of the Northside miss the fabric of the community, so they move back. "We have to make sure all the amenities people need and want in their neighborhood are here so they can stay here, no matter what type of experience they want," Black said.

Besides African American and Hmong residents, Black said the Northside also includes white millennials and Generation X-ers who are choosing to move to the Northside and a sizable Jewish population.

She noted, though, that many Northside residents can't afford to live in new housing developments in their neighborhood. The largest percentage of people on the Northside makes less than \$20,000 per year, many less than \$14,000 per year. "New housing does not necessarily always translate into new opportunities for our residents here," she said. "Having quality housing that's affordable for families who aren't earning living wages is still a challenge."

**NFG's recent testimony to the Senate Equity Committee called on the Legislature to be more intentional and to make decisions based on data.**

It's important to note the following Census and DEED unemployment data:

- Twin Cities regional unemployment in 2015 was 3.8 percent.
- North Minneapolis unemployment in 2013 was 22.3 percent.
- African American male unemployment in North Minneapolis in 2013 was 52 percent.

Black told the Senate committee that the most important information to look at when evaluating employment programs is where the participants are two years after completing a program. Data from the Minnesota Department of Employment and Economic Development (DEED) show different outcomes for different communities of color, even among men who have completed employment programs.

- Only 27 percent of African American men showed stable employment after finishing a workforce program, compared with 31 percent of Asian men, 33 percent of white men, and 44 percent of Latino men.
- The average annual earnings of employed men after completing a publicly funded workforce program were \$14,281 for whites; \$11,405 for Latinos; and \$5,547 for African Americans.

Black said from the state's own data, legislators should see that the average employment program is costing the state more than the state is gaining back by increasing participants' incomes. She said the programs must be more focused and nuanced. What's going on in North Minneapolis is different from what's happening on the Iron Range or what's happening with the Somali community in Minneapolis's Cedar-Riverside neighborhood. "It is imperative that we solve for the cross-section of issues for each community of people who aren't experiencing the prosperity of our region," she said.

Hennepin County and the state have greater resources than private philanthropy does. "We need to shift the way we decide who gets the money," Black said. Because people in different circumstances need different amounts of resources, funders shouldn't grant programs the same amount of money for someone who's been out of work for six months as for someone who hasn't worked in seven years. "It just doesn't make sense," she said. "But, unfortunately, the majority of our public and private funding sources are designed that way."

"We need a marriage of what state data and NFG data show, as well as what the community is telling us," Black said. "We must be much more informed and focused and realize we can learn from what we've done that hasn't worked."

**While Gov. Mark Dayton proposed that the state invest \$100 million into equity, the 2016 Legislature appropriated only \$35 million.** "We probably need \$500 million," Black said.

The \$35 million in funding went mostly to workforce development programs, but falls outside of DEED's many competitive grant programs, Black said. "We're not naïve about one year of funding," she said. "We won't see drastically different results in that amount of time. But the Legislature doesn't want to hear a bad story after a year."

Black asked what will be different because of the \$35 million in state funding. "We have to be working differently," she answered. "It should prompt those receiving the funding to do something differently that leads to a different outcome." She was glad to see that some organizations decided to partner up on their appropriation requests. NFG is asking those groups how partnering changes the way they do their work.

An interviewer asked whether there are evaluation plans tied to the equity funding. Black responded that each organization must submit intended outcomes and a plan for evaluating its program. DEED will also evaluate the programs.

**NFG has funded several studies to look at matching Northside residents to the jobs already located there.** An interviewer asked what is keeping residents from working in Northside jobs. Black responded that to some extent, there is a skills and experience gap and mismatch. She added that some of the problem is perception and an immediate bias against Northside residents. "You must get down to the actual supervisor who's doing the hiring," she said. "We have to take that on as much as the skills gap."

"We need to match up organizations who train people for specific jobs, such as machinists or customer-service workers, with employers looking for those skills and have the city support that partnership," Black continued.

**NFG makes grants through its member foundations in two different ways.** According to Black, some member foundations make their own grants to Northside organizations. Other foundations donate to a joint NFG pool of money, which is used to make grants. Representatives from NFG member foundations sit on one of three committees that align with the organization's three focus points (building thriving learning communities, building social capital and building thriving economies). These committees make recommendations on how the joint pool of money should be spent.

When an organization comes to NFG with a proposal, Black determines whether the proposal fits within one of the three focus points and the measurable goals NFG has established. If she believes it does, she invites the organization to complete a grant application. She makes a recommendation on the grant proposal and passes it on to the appropriate focus-area committee. The committee makes a recommendation on the proposal to NFG's advisory committee, which acts as an executive committee, and makes the final decision on whether to fund the proposal.

**NFG's place-based approach allows the organization to attempt to transform an entire neighborhood to the point that the neighborhood is able to take advantage of the wellbeing of the entire region. " Getting it right in the hardest places positions us to get it right everywhere," Black asserted. "North Minneapolis and East St. Paul have challenges in common. We should see both of these neighborhoods as two of our region's greatest assets in our efforts to maintain the economic vibrancy and prosperity we're accustomed to."**