

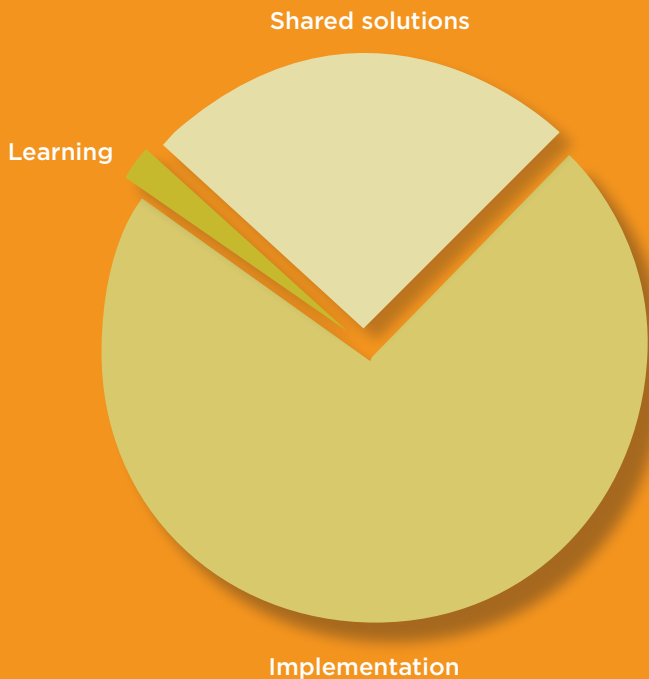
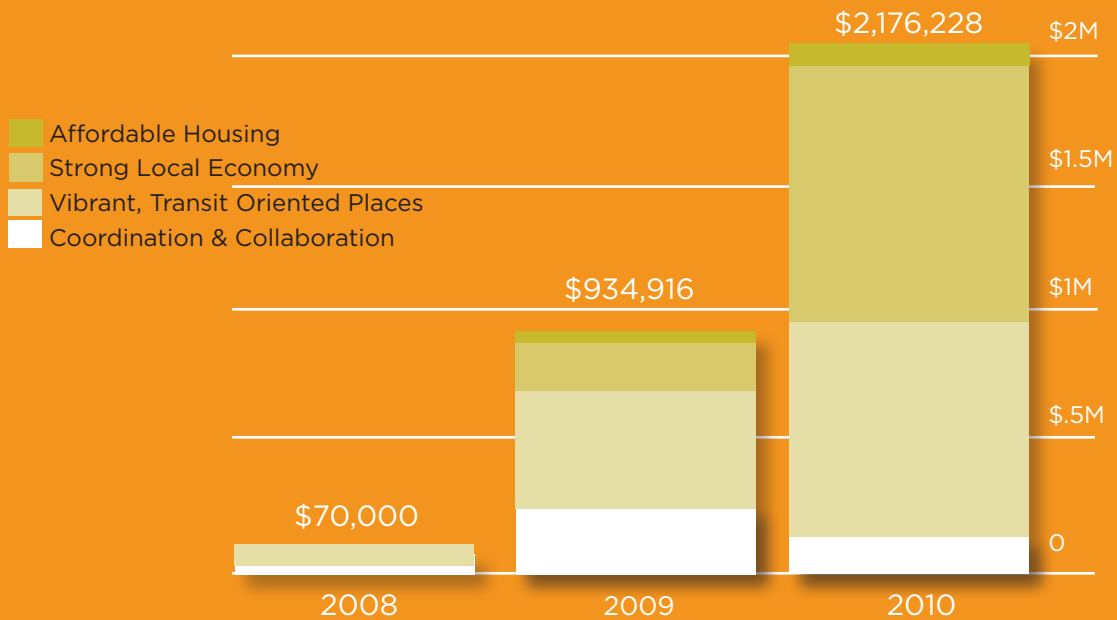
How shared solutions add up in the Central Corridor

# The Power of +

2010 ANNUAL REPORT



## Catalyst Fund Grants by Year



## 2010 Catalyst Fund Grants by Activity

The Central Corridor Funders Collaborative pursues three types of activities to encourage thinking, planning, and investment “beyond the rail.”

- We promote **learning** for Funders Collaborative members and other organizational stakeholders so decisions affecting the Corridor are well informed and far-sighted.
- We help to build **shared solutions** through learning, the creation of corridor-wide strategies and goals, innovative thinking, and effective implementation.
- We invest in **implementation** of strategies aimed at achieving our corridor-wide objectives through the Catalyst Fund. In addition to funding opportunities for learning and forming strategic partnerships, we provide resources to help carry out the policies and programs identified as a result of these partnerships.

# The power of + is about creating leverage through collaboration and capital

Dear Friends of the Central Corridor:

In 2010, many of you engaged with us in support of a common goal: ensuring that the adjoining neighborhoods, residents, and businesses broadly share in the once-in-a-lifetime opportunity created by public and private investment in the Central Corridor Light Rail Line.

Throughout 2010 the Central Corridor Funders Collaborative pursued this goal by promoting learning, building relationships around shared solutions and investing in their implementation. Our role has been to support local resident organizations, community groups, nonprofit and business coalitions, and public leaders and agencies who are creating and implementing Corridor-wide strategies aimed at achieving four specific outcomes:

- Ensuring access to affordable housing;**
- Building a strong local economy;**
- Creating vibrant transit-oriented places; and**
- Promoting effective coordination and collaboration.**

The Power of + is about creating leverage through collaboration and capital. During 2010, we provided \$2.17 million to collaborations, working groups and community agencies in support of these outcomes. We're proud that our more than \$3 million invested to date in corridor-wide partnerships, plans and actions has leveraged more than \$20 million in the Central Corridor and helped attract more than \$21 million of additional transit-oriented development grants and loans to the region.

Long term, effective partnerships working toward these shared goals can turn the \$1 billion spent on LRT line construction into \$7 billion of additional public and private investment in the Corridor neighborhoods "beyond the rail."

This report highlights four different collaborations and related grants from our Catalyst Fund that are already producing results.

In 2010, in conjunction with Wilder Research, we began developing a tool and baseline data against which to measure progress toward our vision for the Corridor. We will introduce the Central Corridor Tracker in March of 2011.

Finally, we greeted two additional members last year, the Northwest Area Foundation and the Ford Foundation. Through 2010, our 13 members have committed a total of \$5.5 million to the Catalyst Fund. We welcome additional members who share our interests and goals in the Central Corridor.

Polly Talen, John S. and James L. Knight Foundation, and Ann Mulholland, The Saint Paul Foundation Co-Chairs, Central Corridor Funders Collaborative



## A plan to get ready for rail

As one of the largest public works projects in Minnesota history, the Central Corridor LRT project has potential to cause construction disruptions along the Corridor for years. Then throw in miscommunication among the parties, an extensive planning process and prolonged preparations that caused tensions to rise even before construction began.

It's no wonder that collaboration was not the first thing on everyone's agenda — especially for the many businesses and property owners who would first feel the impact of construction.

Still, the power of shared goals brought together the Funders Collaborative and 12 groups representing business organizations, nonprofit community developers and local governments across the Corridor to form the Central Corridor Business Resources Collaborative (BRC). The BRC became the first working group supported by the Funders Collaborative to carry its work all the way through to implementation.

After a year of groundwork and planning, last July the BRC introduced their joint strategy for addressing construction mitigation, business development and long-term economic

development. One part of the strategy was Ready For Rail, a Corridor-wide initiative to help small businesses throughout the LRT construction. Their core message: Prepare now to survive construction and thrive when the line is complete.

More than 1,500 business and property owners along the line received Ready for Rail packets available in five languages. Along with project contacts, construction schedules and parking information, the materials provide business owners with links to support services, loan programs and business consultants available through BRC members.

Since the launch of the program, an estimated 300 businesses have received assistance through BRC members U7, Asian Economic Development Association, University Avenue Betterment Association, African Development Center, the Metropolitan Consortium of Community Developers, the cities of Minneapolis and Saint Paul, and others.

The BRC and its members continue to move forward with joint marketing initiatives and long-term economic development efforts that advance the overall strategy.





“Having many strong businesses along a vital corridor helps us all. The Business Resources Collaborative offers a way we can all prepare for the light rail and then thrive together when LRT is here.”

– BRC member Chris Ferguson, owner, Stadium Village Dairy Queen/Orange Julius and Bywater Business Solutions



### **Strong Local Economy Grants: \$1,042,500**

#### SMALL BUSINESS SUPPORT

##### **Corridor-wide business development strategy and rollout**

\$90,000 — Central Corridor Business Resources Collaborative

##### **Training, technical assistance and financing for small businesses**

\$200,000 — University Avenue Business Preparation Collaborative (U7)

##### **Small Business Loan Fund matching funds**

\$500,000 — Cities of Saint Paul & Minneapolis

##### **“Buy local” grassroots marketing plan**

\$50,000 — Metropolitan Consortium of Community Developers

#### JOBS & SMALL BUSINESS OPPORTUNITIES

##### **LRT Works Project connecting women & people of color to construction jobs**

\$100,000 — Metropolitan Council

##### **Contracting for Success to build capacity of Disadvantaged Business Enterprises**

\$100,000 — Metropolitan Economic Development Association

##### **Consultation on manufacturing job creation**

\$2,500 — University United

For a more comprehensive listing of Catalyst Fund grants to date, visit [funderscollaborative.org/investing](http://funderscollaborative.org/investing)



VIBRANT  
TRANSIT-  
ORIENTED  
PLACES



## Collaboration: Kumbaya is not mandatory

In the late 1950s, freeway construction ripped out Rondo Avenue, the main artery running through the heart of Saint Paul's vital African-American neighborhood. The I-94 project displaced about 650 families and permanently divided their once thriving community.

Working under federal rules for cost-effectiveness and trying to meet a tight LRT construction budget, planners originally left one-mile gaps between stations in the old Rondo neighborhood, now home to some of the region's most transit-dependent residents. For people along the east end of University Avenue, the lack of stations at Hamline Avenue, Victoria Street and Western Avenue understandably looked like a return of the forces that had destroyed homes, businesses and a proud community 50 years before.

These "missing" stations became a powerful symbol of the transit project's bypassing minority-owned businesses and low-income residents who need transit the most. And the eventual inclusion of stops at Hamline, Victoria and Western illustrate the power of purposeful collaboration.

A Stops for Us coalition of neighborhood, religious, housing, transit, environmental and labor organizations pushed long and hard for the three stations, creating pressure that reached all the way to Washington, where a new federal administrator took a fresh look at the construction funding formula. Meanwhile, responsive local leaders and the Funders Collaborative supported practical steps to prepare for the stations, including funding station area plans. When the Federal Transit Administration lifted the restrictive policy, local funding partners, including the

COMMUNITY ADVOCATES

RESPONSIVE LEADERS

FEDERAL POLICY



“Probably no project more than the Central Corridor convinced us to make this change.”

– Peter Rogoff, administrator, Federal Transit Administration

Funders Collaborative, were ready with a \$7.8 million package needed to match additional federal construction dollars and make the three stations a reality.

The collaboration cliché evokes endless meetings and joint Kumbaya sessions. But this collaboration worked more like a series of coordinated handoffs among parties that sometimes battled. No single group could have brought about this change or implemented it so quickly. Nor could it have happened without each partner playing its critical part in a timely way.

## Vibrant, Transit-Oriented Places Grants: \$911,900

### NEW STATIONS AND INFRASTRUCTURE

**Final local match for construction of stations at Hamline, Victoria and Western**

\$520,000 — Metropolitan Council

**Study to prioritize infrastructure investments to complement West Bank station area planning**

\$60,000 — Hennepin County and City of Minneapolis

### PLANNING WALKABLE COMMUNITIES & UNIQUE DESTINATIONS

**Stadium Village Station Area Plan**

\$60,000 — City of Minneapolis, Hennepin County and University of Minnesota

**Corridor-wide Public Art Plan**

\$175,000 — Public Art Saint Paul

**Greater Lowertown Master Plan**

\$50,000 — CapitolRiver Council

**South Saint Anthony Park Cultural District Development Plan**

\$19,900 — Saint Anthony Park Community Council

**Joint application to U.S. EPA Areawide Planning Pilot Program for the Central Corridor**

\$12,000 — Cities of Saint Paul and Minneapolis

**Getting it Done workshop series on transit-oriented districts and walkable communities**

\$15,000 — Local Initiatives Support Corporation (granted in Dec. 2009 for 2010 workshops)

For a more comprehensive listing of Catalyst Fund grants to date, visit [funderscollaborative.org/investing](http://funderscollaborative.org/investing)



## Learning together aids working together

Many stakeholders — renters, homeowners, landlords, transit agencies, employers, developers and cities — are involved in affordable housing, but their interests are not always aligned. Unless all are at the table, one group may not see how its interest affects others. And without this understanding in the room, actions and policy decisions can produce unintended outcomes.

For example, one city's zoning changes and incentives to encourage affordable housing in new projects can drive developers and private capital to other communities. Actions to keep property values from rising can help low-income renters and first-time home buyers. But a sole focus on affordability can create a barrier to wealth creation for low-income people, since home ownership offers a primary path to prosperity for many families.

One challenge for the Central Corridor is engaging these diverse stakeholders in an effective working group. Another is developing perspectives that help community members understand housing issues in new ways.

Opportunities for leaders to learn together provide a basis for working together, a focus of the Funders Collaborative in 2010.

The University of Minnesota's Center for Transportation Studies has begun research to assess neighborhood and

social influences at play in four Twin Cities transit corridors. Findings will help policy makers understand what types of places are most sensitive to negative changes — as well as how to build on factors that influence who stays. For example, investing in neighborhood institutions and properties that express neighborhood identity may be more effective at preventing the displacement of low-income residents than pure affordable housing policy approaches.

Investing in shared learning now will help develop consensus and accelerate efforts to keep housing options available near the light rail line to residents of all income levels.

“Preserving affordable properties, banking land for future development and building infrastructure to support greater density must be done now to help ensure affordable housing in the future.”

- Tim Thompson, President, Housing Preservation Project

ACCESS TO  
AFFORDABLE  
HOUSING



**Access to Affordable Housing Grants: \$50,000**

**Affordable Housing Working Group planning**  
\$15,000 — Local Initiatives Support Corporation

**Study to assess neighborhood and social influences of transit corridors**  
\$35,000 — Center for Transportation Studies

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**Effective Coordination & Collaboration Grants: \$186,828**

**COORDINATION**

**Implementation of the TOD Investment Framework**  
\$124,028 — Transit-Oriented Development Investment Framework Working Group

**Promoting Cross-Sector Partnerships for Equitable Transit-Oriented Development forum**  
\$2,800 — Urban Land Institute

**COMMUNICATION**

**Coverage of Central Corridor, TOD and related development**  
\$20,000 — City of Saint Paul for The Line  
\$20,000 — MinnPost for Cityscape  
\$20,000 — Twin Cities Media Alliance for Twin Cities Daily Planet

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## New ways to make the most of transit investment

Transit-oriented development is about more than building a light rail line through the Central Corridor. It's about how to create opportunities for the region as a whole, while unlocking opportunities for those with the greatest need.

It will take a comprehensive combination of public and private investment, coordinated on a regional scale, to create the greater livability and commercial viability promised by public investment in transit projects. In a tight economy, the public and philanthropic sectors must work smarter and employ new approaches to encourage and leverage private investment that supports this broader purpose.

The Transit-Oriented Development (TOD) Investment Framework Working Group is an innovative public/private partnership that works across jurisdictions to provide such a comprehensive context for investment decisions. The framework rolls up all 34 existing community-based plans along the Corridor and considers all public investments that affect those plans, including rail stations, utilities, bikeways, parking, street and streetscape improvements and potential brownfield development sites.

This initiative is led by the heads of the six governmental units charged with implementing the community-based plans along the Corridor (Regional Rail Authorities for Hennepin and Ramsey Counties, Cities of Saint Paul and Minneapolis, Metropolitan Council and Minnesota Housing). A Corridor-wide database tool

“Although it might not always seem like it, we’ve been able to move further and faster by working collaboratively instead of in isolation — or at odds.”

– Jim McDonough, Chair, Ramsey County Regional Rail Authority and co-Chair, TOD Investment Framework Working Group

will allow participants to identify, target and coordinate critical public investments to best attract, shape and accelerate investment by private developers.

The framework has already given the Corridor a coordinated voice to support future funding needs. Near the end of 2010, the Twin Cities region was chosen for two national awards worth up to \$21 million — from Living Cities and the U.S. Department of Housing and Urban Development — to build upon substantial public investments in regional transit lines, including the Central Corridor.

Although other regions are taking a similar approach, our model is further down the tracks and demonstrates how well such collaboration and visionary planning can work to benefit community, commercial and private interests.

