

# City of Brooklyn Center Socioeconomic Opportunity Profile

JULY 2016

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## Introduction

The City of Brooklyn Center, established in 1911, has 105 years of rich history. As a “first ring”, small suburb, the city has some unique challenges and opportunities in this time of changing demographics. Minnesota’s populations of color are increasing dramatically while our labor force is shrinking due to retiring baby boomers. There is an urgency to address the full utilization of Minnesota’s talent pool in order to prepare ourselves for this change.

The City of Brooklyn Center has taken a bold step to begin the process of analyzing its strengths and areas of opportunity in order to prepare to meet the needs of the changing demographics in the upcoming decades. The purpose of this report is to look at baseline indicators of the city’s education, workforce, and business landscape.

The target groups we will be taking a look at are communities of color, women, and generation type. Data indicators for each target group will revolve around three main topic areas: demographics, education, and economic vitality. The analysis and insights provided in this report are a result of preliminary data provided from valid sources such as the Department of Employment & Economic Development, the Minnesota Department of Education, Metropolitan Council, Survey of Business Owners, and the American Community Survey and other census data tools.

We close with a synopsis framed in terms of risks, resilience, innovation, and strategy. The intention here is to use these four themes as guideposts for our dialogues with you throughout this year. The four questions:

- What risk factors may impede the City’s committed progress to racial equity?
- What resilience factors are in place, that, if amplified allow advances in equity realization?
- What innovations are proposed for consideration that help the City of Brooklyn Center be both an exemplar among cities of its size around the nation, and a catalyst for equitable opportunity within the Twin Cities metropolitan region? and
- What strategies are suggested as next critical steps in the journey toward equity in the city and region?

**DEMOGRAPHICS**

**Key Findings**

**Race/Ethnicity**

- Over half of Brooklyn Center residents are persons of color, with the majority being Black or African American.

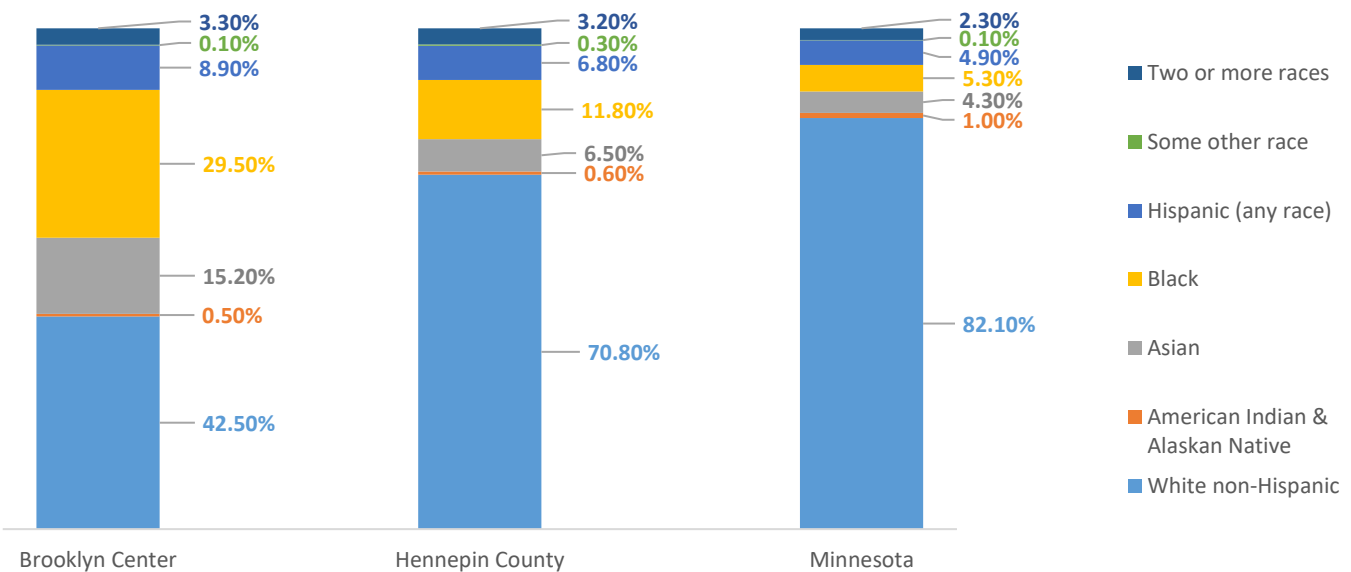
**Age & Sex**

- The current median age of residents is 32.3 years old.
- The majority of residents are ages 25-34 years old. Most of the residents in that age group are women.
- There is also a large young population of children 9 years old and younger.

**Race/Ethnicity.** Brooklyn Center is among the few cities in which the majority of its residents are persons of color. The current total population of Brooklyn Center is 30,549 persons (American Community Survey) or 29,889 persons according to the State Demographic Center. Of this total, over half are persons of color (57.5%) compared to White non-Hispanic persons (42.5%). The largest Of-Color population in Brooklyn Center is:

- Black/African American (29.5%) followed by
- Asian (15.2%),
- Hispanic or Latino (8.9%),
- Two or More Races (3.3%),
- American Indian & Alaskan Native (0.5%),
- And lastly Some Other Race (0.1%) (Figure 1).

Figure 1. Population by Race/Ethnicity



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

The total population is projected to grow by about 2,000 persons each decade and will reach a total population of 35,400 by 2040 according to the Metropolitan Council’s community profiles. Historically, the city has seen

an influx of populations of color in the past decades, especially among the Black/African American and Asian community with more than a 300% increase from the 1980s up until the 2000s<sup>1</sup>. From 2000-2013, Brooklyn Center was among cities that experienced the largest net increase in residents of color with 8,000 or more. The majority of the increase came from Black (58%), Asian (23%), and the Latino population (18%)<sup>2</sup>. The trend of increasing populations of color has been prevalent in Brooklyn Center since the 1980s.

**As the total population increases over time, the city will continue to see the trend of increasing populations of color. If the region's current pattern of persistent employment and asset disparities persist, this will likely have a downward effect on earnings and assets of the population overall, within the city over the next 20 years.**

#### County and State comparison: Race/Ethnic Populations

- Brooklyn Center has more than double the share of Black or African American and Asian residents than Hennepin County.
- Brooklyn Center has almost six times the share of Black or African American residents, almost four times the share of Asian residents, and two times the share of Hispanic (of any race) residents than the state overall.
- The share of American Indian & Alaskan Native, Some Other Race, and Two or More Races are similar across Brooklyn Center, Hennepin County, and Minnesota.

**Age Group & Sex.** The largest age group among Brooklyn Center's total population is 25-34 year olds where the median age of residents sits at 32.3 years old (Figure 2).

The female population makes up the majority of residents at 51.7%, while male residents are at 48.3%. Of those ages 25-34, the majority is female followed by male. These Millennials are in their prime time either, fresh out of college, looking for a job, or starting to build their career.

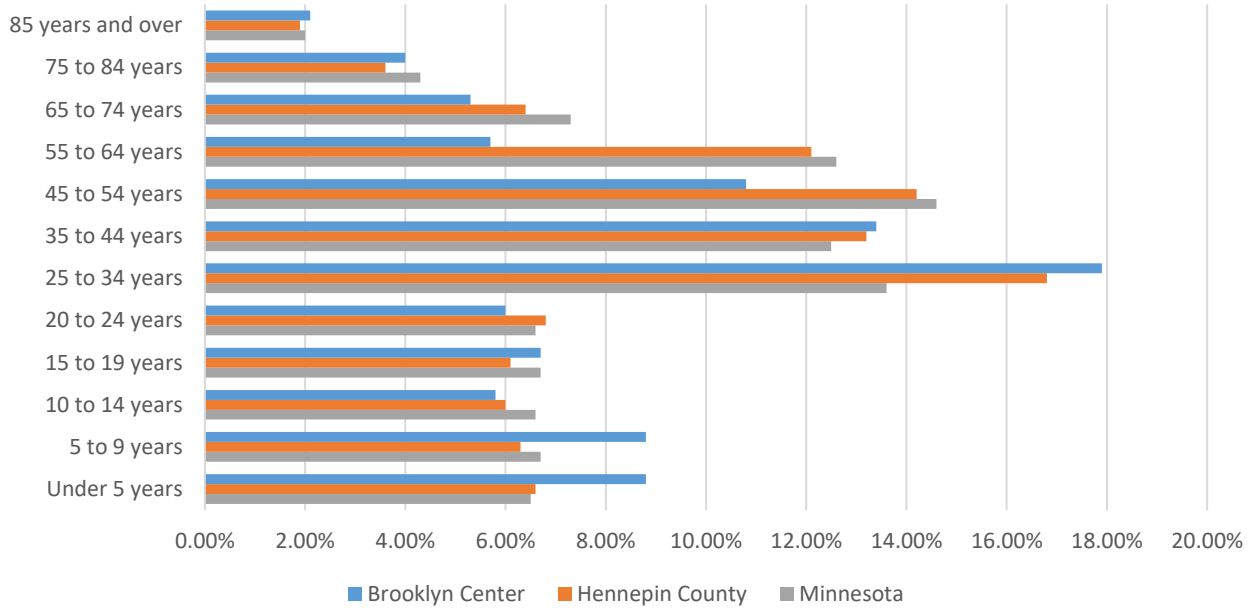
The second largest age group are children ages 9 and under. The majority of children ages 5-9 are male and the majority of children under the ages of 5 are female. When it comes to older populations, male residents make up the majority of those ages 35-54 while the majority of older residents ages 55 and older are women, (Figure 3).

The majority of household types are family households which 40% are married couples ages 35-64 with young children under the age of 18. These children will grow to be the city, county, and state's future workforce.

<sup>1</sup> Brooklyn Center Comprehensive Plan, February 2010.

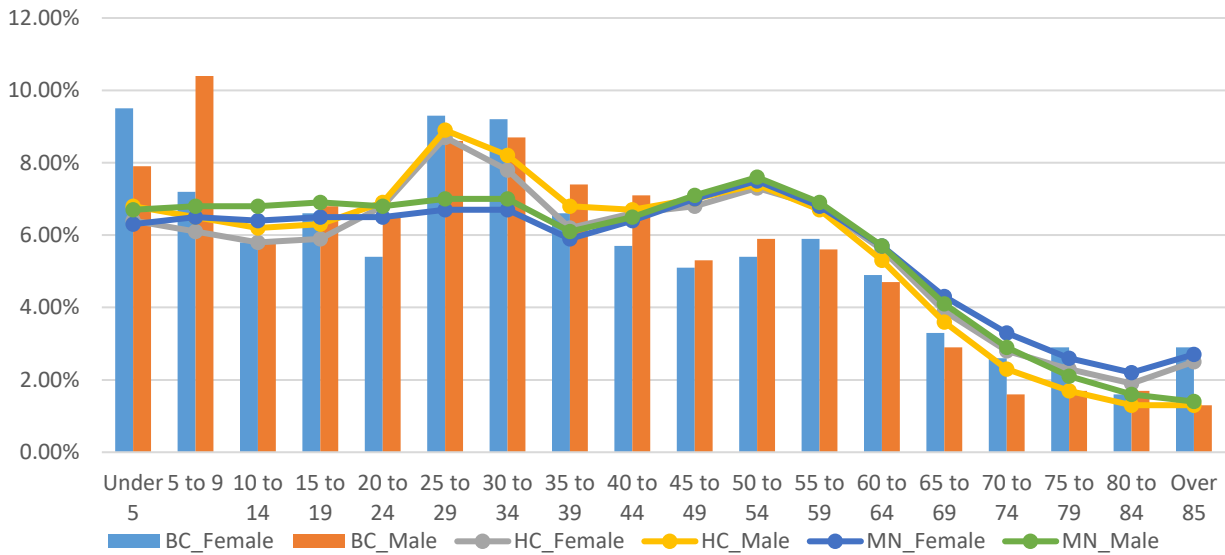
<sup>2</sup> Growing Racial and Ethnic Diversity in the Twin Cities Region Today. Metropolitan Council, 2014

Figure 2. Population by Age



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Figure 3. Sex by Age



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

#### **County and State Comparison: Age and Sex**

- Brooklyn Center has a larger share of young residents ages 9 and under and residents ages 24-44 compared to Hennepin County and Minnesota. The majority of those ages 24-44 are female.
- In contrast, Hennepin County and Minnesota has a larger share of older residents who are Baby Boomers ages 45-74. However, this pattern starts to change in the age groups 75 and older where Brooklyn Center, Hennepin County, and Minnesota begins to even out. The majority of those older residents are also female.
- Hennepin County and Minnesota have a larger share of population ages 45-69 for both female and male residents.
- The median age of Brooklyn Center is 32.3, which is four to five years younger than Hennepin County 36.1 and Minnesota 37.6.

**EDUCATION**

**Key Findings**

**Enrollment**

- 4 out of 5 students living in Brooklyn Center are of color.
- Black or African American students are the largest students of color living in Brooklyn Center enrolled within all four school districts.

**Academic Achievement**

- Students in all four school districts are performing just as well as Hennepin County with only about 4 percentage point less compared to the state. However, only half of all students exceed or meet 3<sup>rd</sup> grade reading and 8<sup>th</sup> grade math standards.

**Graduation Rate & Trend**

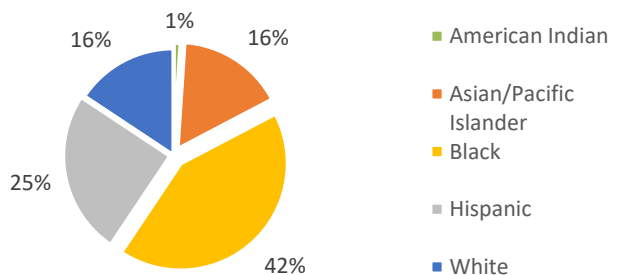
- White non-Hispanic students have the highest graduation rate while Black or African American students have the lowest graduation rate.
- Female students have slightly higher graduation rates than male students.
- Graduation trends for all racial/ethnic groups showed an increasing pattern except for Black or African American students.

**Enrollment.** Brooklyn Center has schools within three other districts along with Brooklyn Center public school district: Anoka-Hennepin, Osseo, and Robinsdale. The data provided and analyzed below are aggregated from these four school districts.

In the school year 2014-2015, a total of 73,035 students enrolled in the Four Districts from all grade levels. 1,352 of those students are residents of Brooklyn Center (Figure 4).

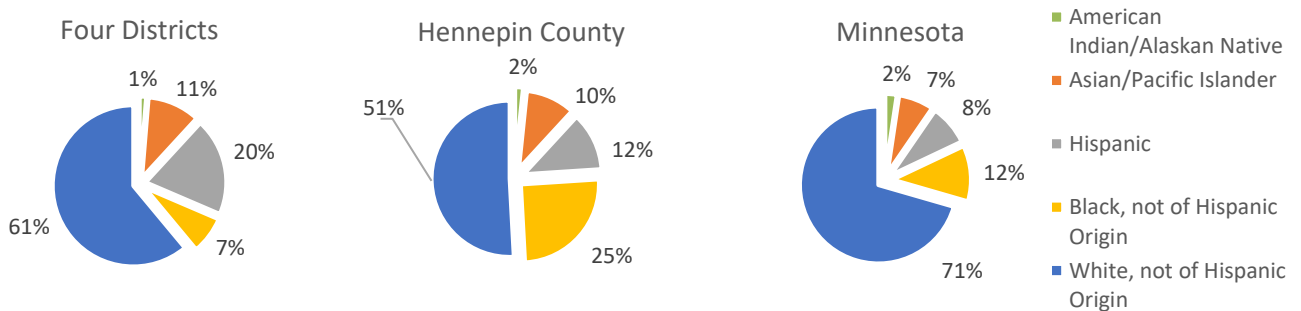
- Black students were the majority at 42%
- Hispanic students followed at 25%
- Asian or Pacific Islander and American Indian students matched up at 16%

Figure 4. Student Resident Enrollments by Race/Ethnicity 2014-2015



Source: Minnesota Department of Education

Figure 5. Enrollments by Race/Ethnicity 2014-2015



Source: Minnesota Department of Education, Brooklyn Center, Anoka-Hennepin, Osseo, and Robinsdale, Hennepin County, and Minnesota



**County and State Comparison: Enrollment**

- Brooklyn Center students overall are more diverse compared to the Four Districts, county, and state (Figure 5).
- The Four Districts covering Brooklyn Center had the least share of Black students at 7%.
- Hennepin County had a larger share of students of color enrolled compared to the Four Districts and Minnesota where 1 out of 2 students enrolled are of color.
- Minnesota had the largest share of White non-Hispanic students and less share of students of color than both Brooklyn Center, the four school districts, and Hennepin County.

**Academic Achievement.** A little more than half of all students are meeting or exceeding 3<sup>rd</sup> grade reading and 8<sup>th</sup> grade math standards. Achievement levels in the Brooklyn Center area four public school districts and in Hennepin County are very close. There is about a 3 point percentage difference in 8<sup>th</sup> grade math achievement level, where Hennepin County is performing slightly better (Table 1 & 2). Compared to state achievement levels, both Brooklyn Center and Hennepin County are at about 4 percentage points behind, except Hennepin County is doing better than Brooklyn Center in 8<sup>th</sup> grade math. The state overall is performing slightly better than both Brooklyn Center and Hennepin County.

Table 1. 2015 All Students Achievement Level

Districts	Count	Percent	Gap from State
Four Districts			
Meeting or exceeding standards in 3 <sup>rd</sup> grade reading	2,924	54.0%	4.8 pts
Meeting or exceeding standards in 8 <sup>th</sup> grade math	2,979	54.5%	4.3 pts
Hennepin County			
Meeting or exceeding standards in 3 <sup>rd</sup> grade reading	7,318	54.4%	4.4 pts
Meeting or exceeding standards in 8 <sup>th</sup> grade math	6,853	57.4%	1.4 pts

Source: Minnesota Department of Education, Brooklyn Center, Anoka-Hennepin, and Osseo & Robbinsdale Public School Districts

**County & State Comparison: Academic Achievement**

- Students within all four school districts are performing just as well as Hennepin County.
- Hennepin County is performing slightly better than the four school districts in 8<sup>th</sup> grade math by 3 percentage points.
- Compared to state achievement levels, both the four districts and Hennepin County are at about 4 percentage points behind, except Hennepin County is doing better than Brooklyn Center in 8<sup>th</sup> grade math.
- The state is performing better overall in both meeting and exceeding 3<sup>rd</sup> grade reading and 8<sup>th</sup> grade math.

**Graduation Rate & Trend.** The overall average graduation rate for Brooklyn Center students was 72% in school year 2011-2015 (Figure 6). White non-Hispanic students had the highest graduation rate at 82%, which

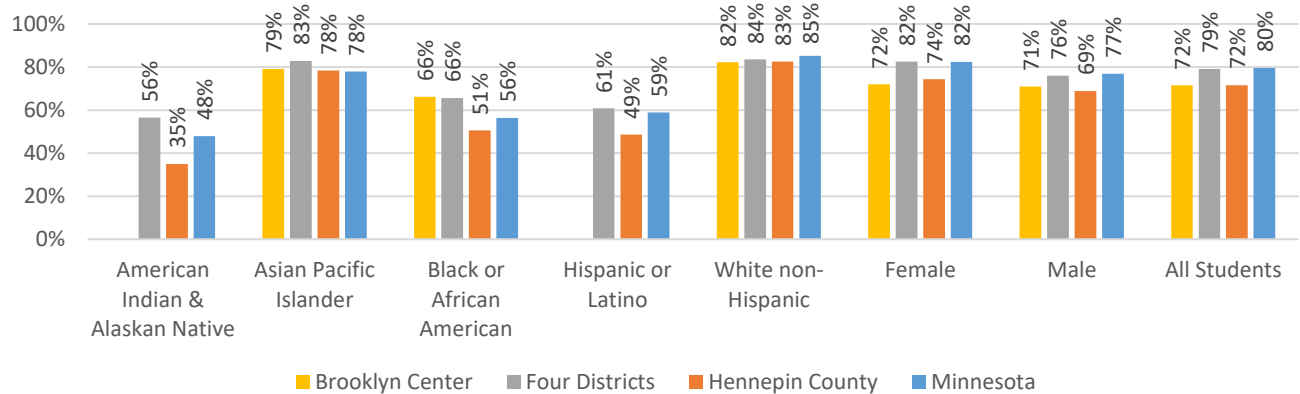
is 10 percentage points higher than the overall average. Black students had the lowest graduation rate at 66%, with a gap of 6 percentage points lower than the overall average. While, Asian Pacific Islander students graduated at a rate of 79%. Female students graduated at an average rate of 72%, only one percentage point higher than male students at 71%.

There is not enough data to show graduation trends of Brooklyn Center student residents. Instead, we have taken a look at the aggregate graduation trend from the surrounding four public school districts. All other groups relatively show an increasing graduation trend except for Black/African American students who have declined since 2013 (Figure 7).

- American Indian students have the lowest graduation rate compared to all other groups, not only in the four public school districts but also across Hennepin County and the State. The pattern of low graduation rates for American Indian students was persistent from 2011-2015 but showed the highest percent increase from 2014-2015 by 13 percentage points than all other groups. (Figure 6).
- Graduation rates for Black or African American students showed an increasing trend from 2011-2013 but has decreased since to a low of 69%.
- Hispanic or Latino students consistently showed an increasing trend since 2011 up until 2015.
- White non-Hispanic students have the highest graduation rates followed by Asian students. Both groups almost match evenly in graduation rates since 2012.
- Both female and male students show an increasing graduation trend, except female students continue to graduate at higher rates than male students.

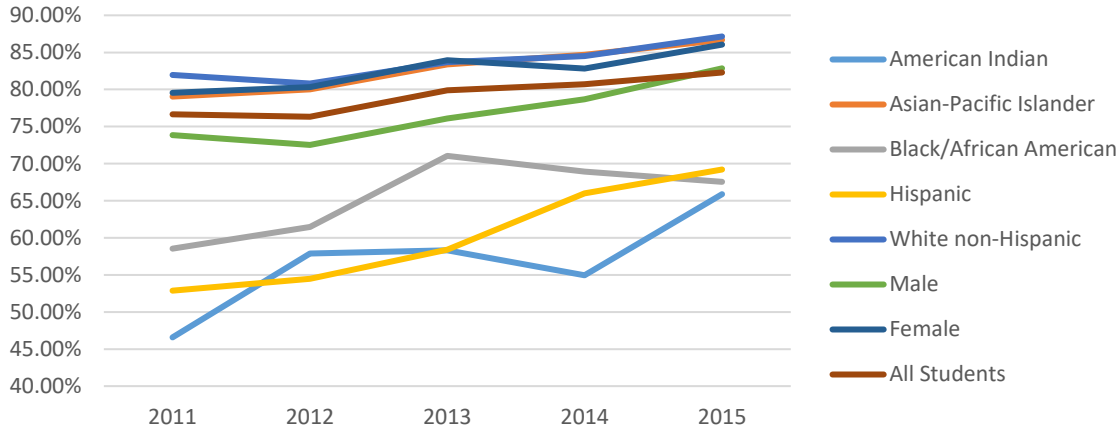
The combined four schools districts in the Brooklyn Center area are producing graduates at a higher rate in all racial/ethnic groups compared to Hennepin County and the state. However, graduation rates may vary even more widely if race/ethnic groups are disaggregated by subgroups.

Figure 6. 4-Year Graduation Rate by Race/Ethnicity & Sex, 2011-2015



Source: Minnesota Department of Education, Brooklyn Center, Anoka-Hennepin, Osseo, and Robinsdale, Hennepin County, and Minnesota

Figure 7. Graduation Trend by Race/Ethnicity, Brooklyn Center



Source: Minnesota Department of Education, Brooklyn Center, Anoka-Hennepin, Osseo, & Robinsdale School District 2011-2015

#### County and State Comparison: Graduation Rates & Trends

- Brooklyn Center’s Black or African American students are graduating just as well as the Four Districts, but exceeds Hennepin County and the state by 10 percentage points.
- Students of all race/ethnic groups in the Four Districts are graduating at higher rates than Brooklyn Center, Hennepin County, and Minnesota, especially among American Indian students. American Indian students are graduating at almost 20 percentage points higher than Hennepin County and 15 percentage points higher than Minnesota from 2014-2015. However, compared to the rest of the race/ethnic groups, American Indian students still have the lowest graduation rate.
- Black or African American students has the 2<sup>nd</sup> lowest graduation rate across the Four Districts, county, and state.
- Minnesota graduation rates surpass Hennepin County among all racial/ethnic groups but still remains below the Four Districts.
- White non-Hispanic, Asian, and female students have the top graduation rates across Brooklyn Center, the Four Districts, Hennepin County, and Minnesota.

## Economic Vitality

Key Findings	<p><b>Labor Force</b></p> <ul style="list-style-type: none"> <li>• Nearly half of Brooklyn Center’s labor force are populations of color.</li> <li>• Out of all race/ethnic groups, Black or African Americans have the highest unemployment rate.</li> <li>• The younger age population has the highest unemployment rate.</li> <li>• Men have a higher unemployment rate than women.</li> <li>• More workers employed in Brooklyn Center live outside of Brooklyn Center.</li> <li>• Majority of Brooklyn Center residents employed outside of Brooklyn Center are working in Minneapolis and Brooklyn Park.</li> <li>• Top industries in Brooklyn Center employing workers are Trade, Transportation and Utilities, Education and Health Services, and Manufacturing.</li> </ul>
	<p><b>Educational Attainment</b></p> <ul style="list-style-type: none"> <li>• Majority of residents have at least some college or Associate’s degree.</li> <li>• White non-Hispanic have the highest educational attainment while American Indians and Some Other Race have the lowest educational attainment.</li> </ul>
	<p><b>Business Development</b></p> <ul style="list-style-type: none"> <li>• 2 out of 5 firms are minority-owned.</li> <li>• Majority of minority-owned firms are concentrated in Other Services (except Public Administration), Retail trade, Health Care and Social Assistance, and Transportation and Warehousing.</li> <li>• From 2007-2012, minority-owned firms grew more than 100% in numbers.</li> </ul>

**Labor Force.** Nearly half of Brooklyn Center’s labor force are White non-Hispanic and the other half are populations of color (Figure 8). Groups with the highest labor force participation are Some Other Race, Two or More Races, Asian, and Hispanic or Latino. American Indian & Alaskan Native, White non-Hispanic, and Black or African American have the lowest labor force participation rates. The current unemployment rate is 9% for all groups, while the annual unemployment average reported from DEED for 2015 is 4.4%. Although there is a labor force available in Brooklyn Center, the same level of employment is not experienced evenly among all race/ethnic groups.

- American Indian & Alaskan Natives had the lowest labor force participation rate and employment rate among all race/ethnic groups. Although their unemployment rate is reported at 0%, there is a 24.6 percentage point margin of error. (Table 2)
- 64% of the available White non-Hispanic population are in the labor force but had the lowest unemployment rate.
- 67% of the available Black or African American population are in the labor force. Although slightly higher than White non-Hispanic, the Black or African American population has the highest unemployment rate, almost double that of White non-Hispanic when the Black or African American labor force is two times smaller.
- All other race/ethnic groups, Asian, Hispanic or Latino, Some Other Race, and Two or More Races experience relatively the same level of labor force participation and employment rate.

In 2014, the majority of Brooklyn Center residents in the labor force, 14,587 out of 15,522 persons, worked outside of the city compared to 935 workers who are employed and also live in Brooklyn Center. Another

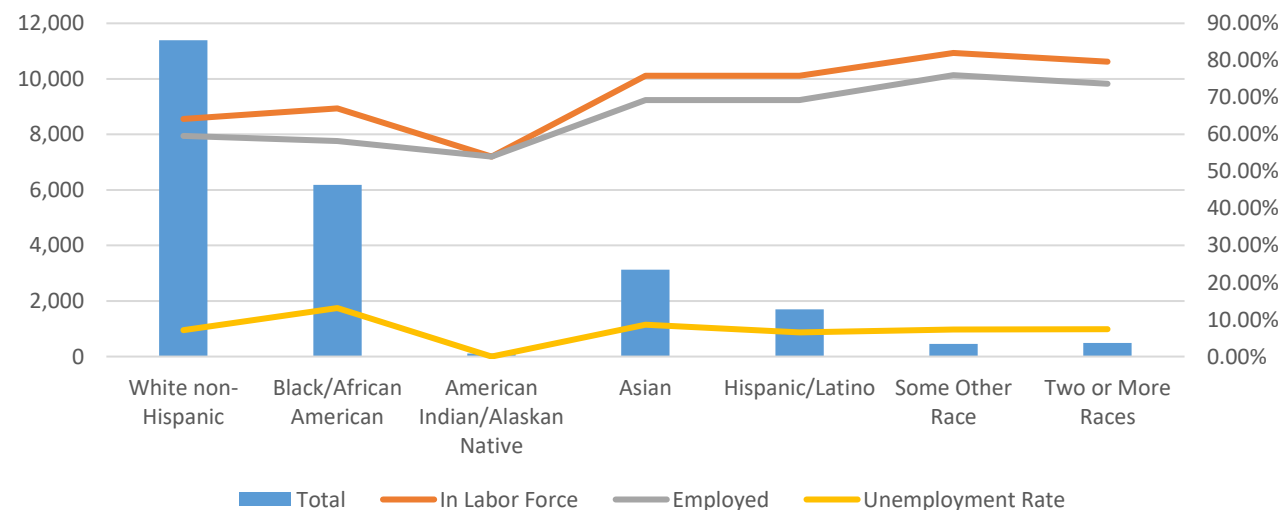
11,360 workers employed in Brooklyn Center are non-residents commuting to the city for work. Where are the 14,587 Brooklyn Center residents employed? Many residents are employed in Minneapolis and Brooklyn Park where one out of five Brooklyn Center residents employed outside of the city are employed in Minneapolis alone (22.7%) (U.S. Census Bureau, Center for Economic Studies, 2014).

Table 2. Unemployment Rate by Race/Ethnic Group

Race/Ethnic Group	Unemployment Rate		
	Brooklyn Center	Hennepin County	Minnesota
All Groups	9.0%	6.9%	6.3%
American Indian and Alaskan Native	0.0%	15.7%	17.4%
Asian	8.6%	7.1%	7.2%
Black/African American	13.1%	16.5%	16.4%
Hispanic/Latino	6.5%	8.2%	10.1%
Some Other Race	7.3%	9.3%	11.0%
Two or More Races	7.4%	11.9%	13.2%
White	7.1%	5.4%	5.5%

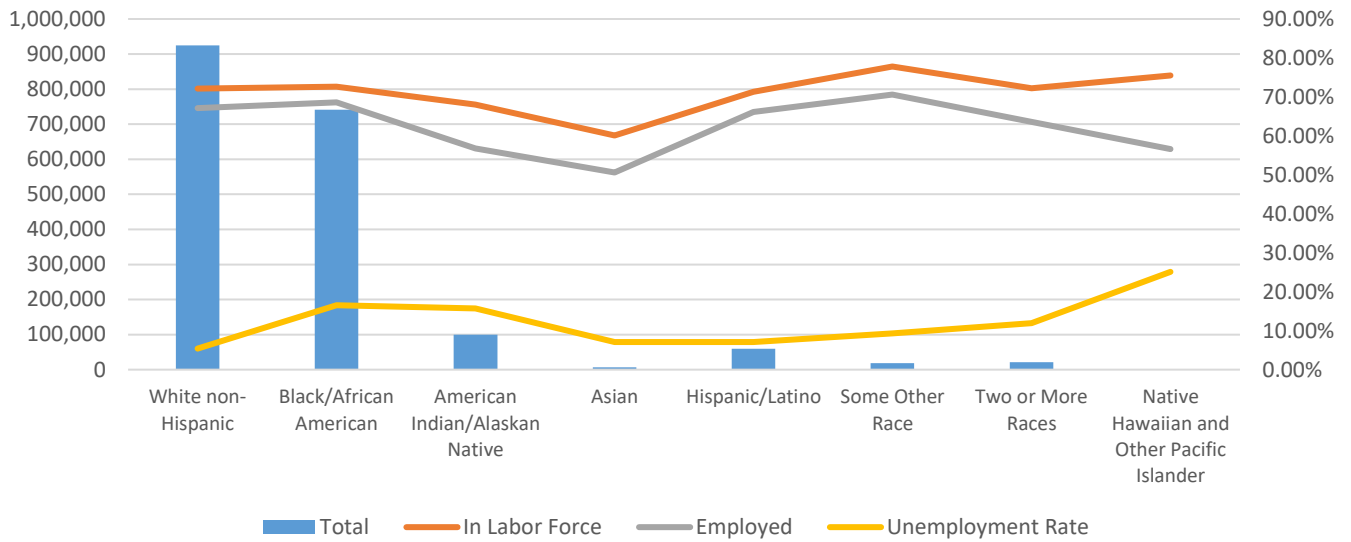
\* Reported Unemployment rate for American Indians in Brooklyn Center has a margin of error of 24.6 percentage points  
 Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Figure 8. Labor Force Status by Race/Ethnicity, Brooklyn Center



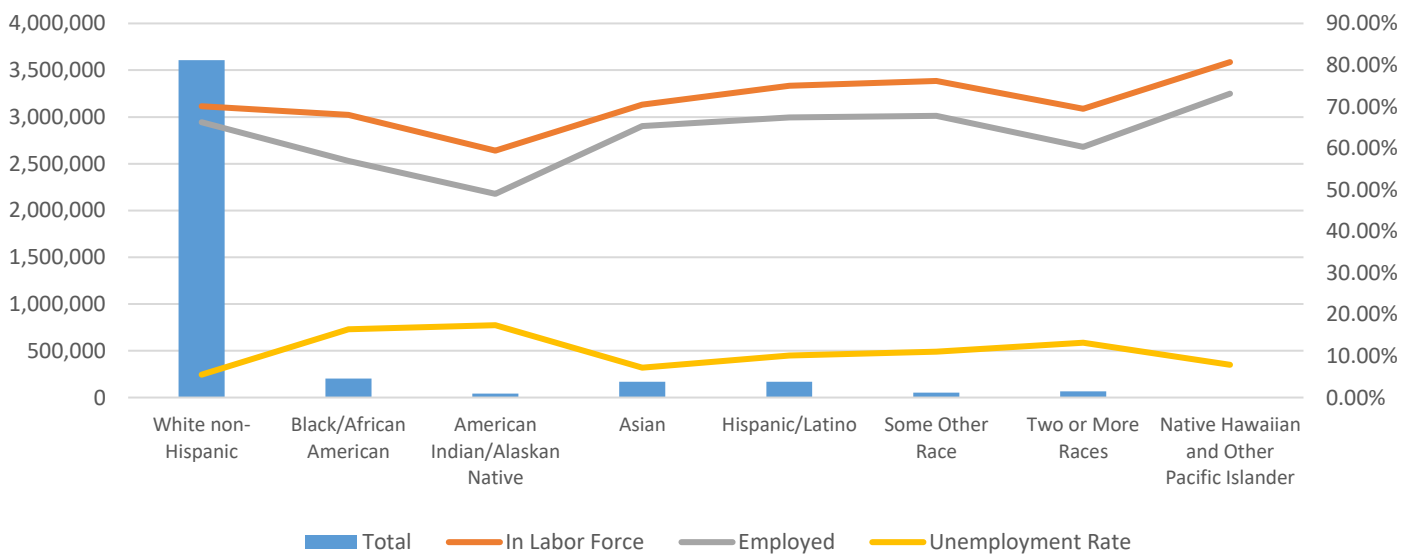
Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Figure 9. Labor Force Status by Race/Ethnicity, Hennepin County



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Figure 10. Labor Force Status by Race/Ethnicity, Minnesota



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

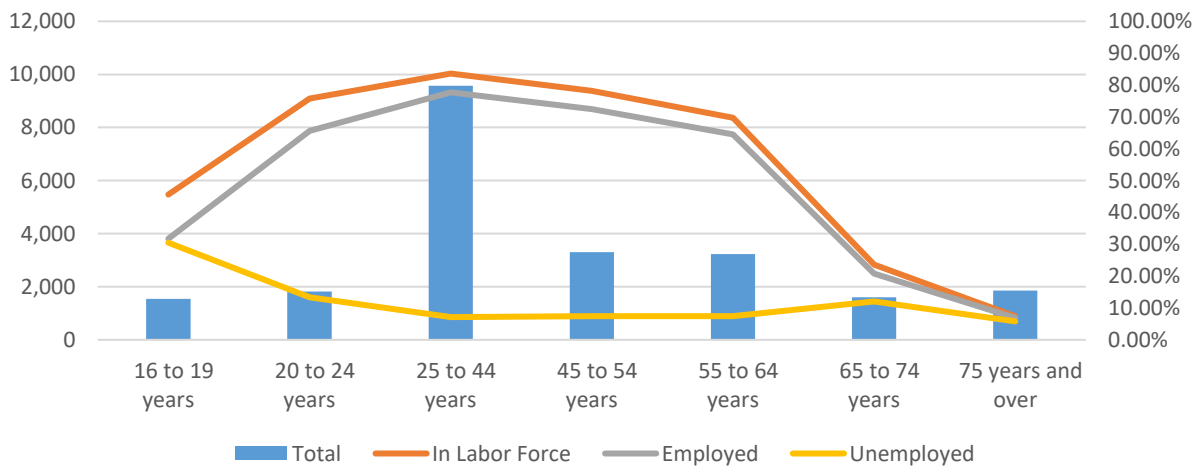


**County and State Comparison: Labor Force by Race/Ethnicity**

- The Black/African American labor force in Hennepin County and Minnesota is also at the bottom along with the American Indian and Native Hawaiian and Other Pacific Islander labor force. Unlike Brooklyn Center and Hennepin County, American Indians & Alaskan Native fare worse than Black or African Americans in unemployment in Minnesota.
- Asians have lower rates in labor force participation (60.1%) and employment (50.6%) but still have a low unemployment rate compared to the rest.
- Some Other Race group still has the highest labor force participation (77.8%) and employment rate (70.6%) (Figure 9) across Brooklyn Center and Hennepin County but falls second to Native Hawaiian and Pacific Islanders in Minnesota.
- Overall, the White non-Hispanic population has the lowest unemployment rate among all race/ethnic groups across the city, count, and state.

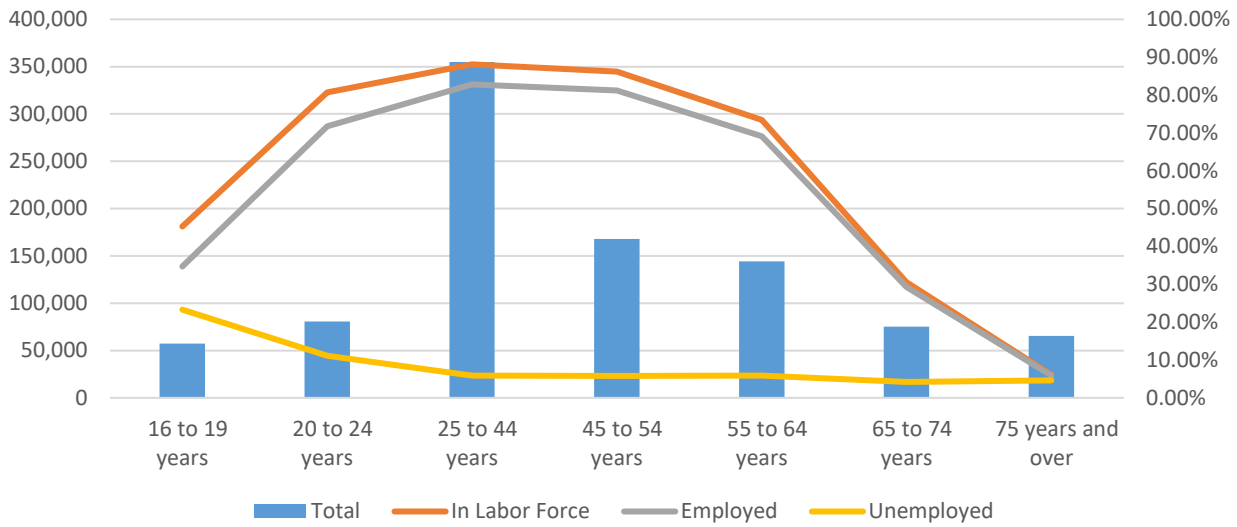
Brooklyn Center’s working age population consists largely of age group 25-44 years, also the largest overall age population, who have the highest labor force participation and unemployment rate (Figure 11). On the other hand, the younger working age population 16-24 years old experience the highest unemployment although this age group makes up a smaller portion of working age population as a whole. Labor force participation and employment rate drops drastically for those ages 55-74 while unemployment rate increases.

Figure 11. Labor Force Status by Age, Brooklyn Center



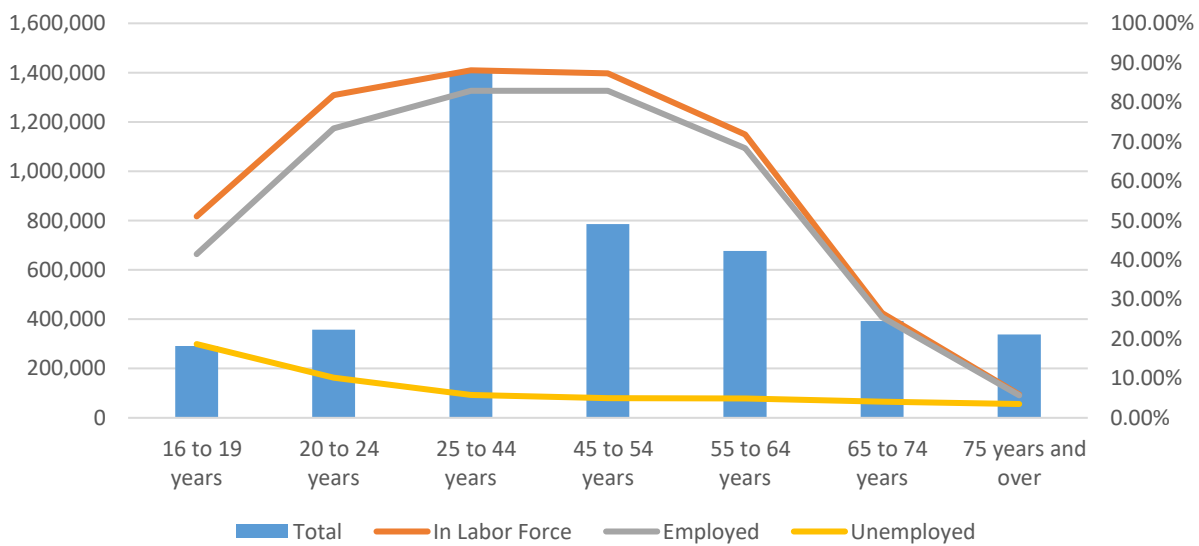
Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Figure 12. Labor Force Status by Age, Hennepin County



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Figure 13. Labor Force Status by Age, Minnesota



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates



**County and State Comparison: Labor Force by Age**

- The largest proportion of the workforce are ages 25-44 years old.
- After the age of 45, labor force participation and employment rate begins to drop across Brooklyn Center, Hennepin County, and Minnesota.
- The highest unemployment is experienced among age populations 16-19 years old followed by 20-24 years old.
- The unemployment rate begins to steadily decrease in Hennepin county and Minnesota after the age of 44, except Brooklyn Center. In contrast, unemployment rate steadily increases for those ages 44 to 74 and then drops after the age of 74.
- In contrast to Hennepin County, Brooklyn Center’s older residents 65-74 years old are also experiencing high unemployment along with the younger age group.

Brooklyn Center’s labor force has a larger percentage of men than women. Although there is less women in the labor force and less employed, they have a lower unemployment rate than men. Men have higher labor force participation and a higher employment rate, but have a higher unemployment rate.

Table 3. Labor Force by Sex

Labor Force by Sex (Population Age 20-64 Years old)	Brooklyn Center		Hennepin County		Minnesota	
	Male	Female	Male	Female	Male	Female
In Labor Force	84.10%	74.60%	88.20%	80.00%	86.90%	80.70%
Employed	76.70%	69.60%	82.10%	75.10%	81.10%	76.50%
Unemployment Rate	8.90%	6.60%	6.80%	6.00%	6.50%	5.20%

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

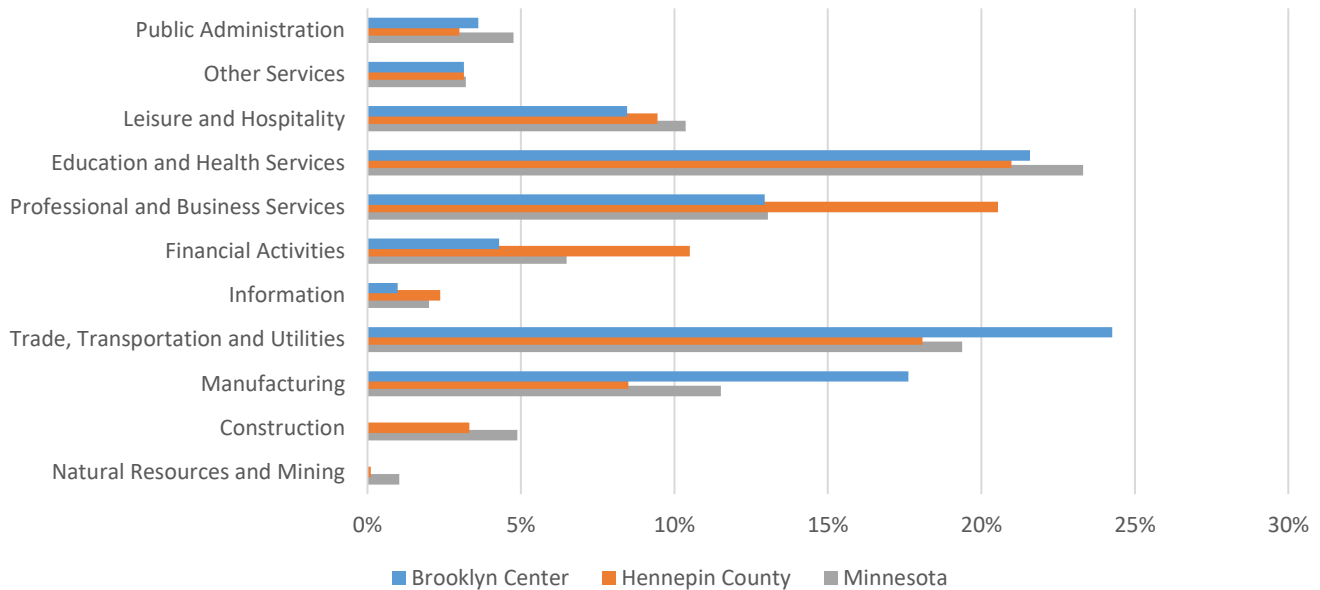
**County and State Comparison: Labor Force by Sex**

- Brooklyn Center’s male labor force has the highest unemployment rate.
- Hennepin County and Minnesota has higher labor force participation and employment of women compared to Brooklyn Center.
- Hennepin County has slightly higher labor force participation for both men and women than Brooklyn Center and Minnesota.
- Minnesota has lower overall unemployment rates for both men and women.

**Employment by Industry.** The top three industries employing the largest number of Brooklyn Center’s workforce, as reported by employers, are Trade, Transportation and Utilities, Education and Health Services, and Manufacturing (Figure 14). Within Trade, Transportation and Utilities, the majority of jobs lie within Retail Trade. The industries with the least share of workers are Information, Other Services, Public Administration, and Financial Activities of which all are under 5%. There is a total of 12,324 establishments in the city of Brooklyn Center of which 80 % are private-owned.

Hennepin County and Minnesota also shares two of the same top industries, like Brooklyn Center, in Education and Health Services and Trade, Transportation and Utilities that have the highest employment numbers. However, Professional and Business Services makes one of top 3 industries in the state, which is only slightly different from Brooklyn Center, but is heavily prevalent in the county. Industries available in the county and state that are not present in Brooklyn Center are Construction and Natural Resources and Mining.

Figure 14. Employment by Industry, 2015 Quarter 3



Source: Quarterly Census of Employment & Wages, Minnesota Department of Employment & Economic Development

The industries listed above were reported by employers in Brooklyn Center. When looking at data reported by Brooklyn Center residents, we do see a difference. Although the top industries reported by employers in Brooklyn Center are Trade, Transportation and Utilities, Education and Health Services, and Manufacturing, the top five occupations reported by residents do not fully fall within those industries. One out of five residents are either in Management, Business, Science, and Arts, Sales and Office, Service, or Production, Transportation, and Material Moving occupations (Table 4).

Table 4. Top Occupations, Brooklyn Center

Occupations (Civilian employed population 16 years and over)	Percent Employed	Median Earnings
Management, Business, Science, and Arts	28.40%	\$45,665
Sales & Office	22.50%	\$27,139
Service	21.50%	\$18,048
Production, Transportation, & Material Moving	21.30%	\$31,550
Natural Resources, Construction, and Maintenance	6.10%	\$39,931

\*Service occupations consist of healthcare support, protective services, food preparation and serving, building and grounds cleaning and maintenance, and personal care and service occupations

Source: American Community Survey 2010-2014 5-Year Estimates

**Income & Wages.** Median income per household and average wage are closely aligned in Brooklyn Center. The median income per household is \$45,200 in Brooklyn Center compared to \$65,000 in Hennepin County & \$60,828 in Minnesota. The current average annual wage for workers in Brooklyn Center is \$45,707 compared to \$62,355 for workers in Hennepin County in 2015. Median earnings for men are \$31,977 and \$27,898 for women who are employed civilians ages 16 and older.

Table 5. Per Capita Income by Race/Ethnicity

Per Capita Income in the past 12 months	Brooklyn Center	Hennepin County	Minnesota
American Indian & Alaskan Native	\$18,743	\$18,852	\$16,725
Asian	\$16,705	\$30,858	\$25,425
Black or African American	\$14,884	\$16,399	\$15,974
Hispanic or Latino	\$10,657	\$16,025	\$15,527
Native Hawaiian or Pacific Islander	-	\$14,079	\$28,972
White non-Hispanic	\$29,368	\$45,806	\$34,665
Some Other Race	\$11,219	\$13,856	\$14,102
Two or More Races	\$9,418	\$14,525	\$12,563
1. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.			

Disaggregating income by race, the largest gap is among Some Other Race and those who identify with Two or More Races who are making more than two times less that of White non-Hispanic. All other race/ethnic groups are faring worse than White non-Hispanic residents, who are making about \$11,000 - \$19,000 more. However, the county and state’s gap between White non-Hispanics and populations of color is much larger (Table 5).

The Metropolitan Council reports that 56% of Brooklyn Center residents lived in an Area of

Source: American Community Survey 2010-2014 5-Year Estimates

Concentrated Poverty (ACP) in 2010-2014. This means that 56% of residents are making 185% below the poverty level at \$44,826 for a family of four.<sup>3</sup>

The highest total wages going out to workers from Brooklyn Center employers are directly correlated with the city’s top 3 industries. Manufacturing brings in the most wages at 26%, a quarter of total wages flowing out. However, we don’t see the same correlation of high total wages from industries that were reported from Brooklyn Center residents’ top occupations (Table 4). This means that wages are being paid to non-residents who work in Brooklyn Center. Whereas Professional and Business Services is Hennepin County’s top wage paying industry and Minnesota’s second top wage paying industry (Table 6).

<sup>3</sup> Concentrations of Poverty: Growing and Suburbanizing in the Twin Cities Region. Metropolitan Council, December 2015

Table 6. Percent Wages by Industry

Industry (Super Sectors)	Brooklyn Center	Hennepin County	Minnesota
Natural Resources and Mining	0.00%	0.09%	0.83%
Construction	0.00%	3.56%	5.80%
Manufacturing	<b>25.71%</b>	9.65%	14.05%
Trade, Transportation and Utilities	<b>21.47%</b>	<b>15.94%</b>	<b>17.08%</b>
Information	0.64%	2.91%	2.57%
Financial Activities	6.73%	15.57%	9.72%
Professional and Business Services	14.51%	<b>26.74%</b>	<b>17.75%</b>
Education and Health Services	<b>17.63%</b>	<b>16.76%</b>	<b>21.45%</b>
Leisure and Hospitality	2.69%	4.08%	4.08%
Other Services	2.50%	1.85%	1.93%
Public Administration	4.73%	2.84%	4.73%

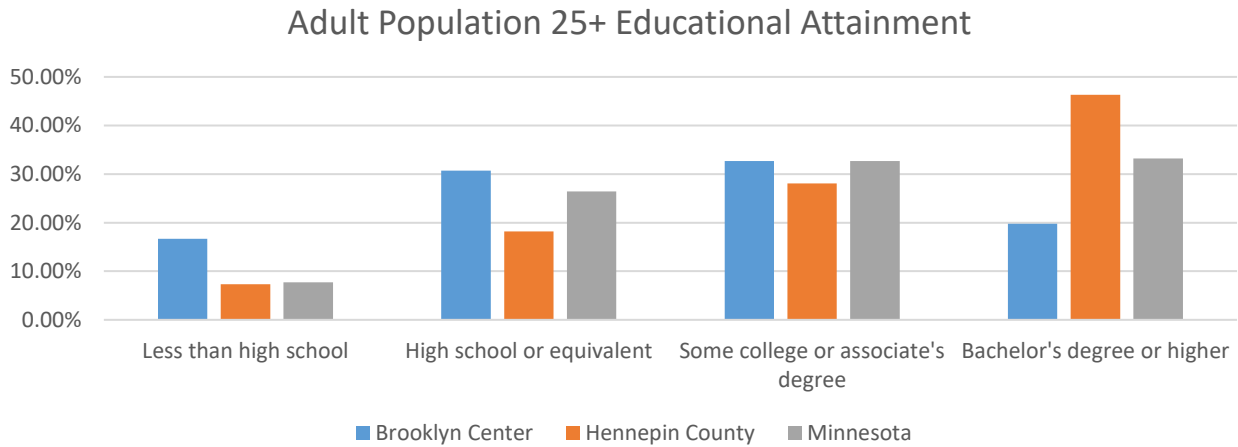
Source: Quarterly Census of Employment & Wages, Minnesota Department of Employment & Education

#### County and State Comparison: Industry, Income & Wage

- Brooklyn Center shares top industries with Hennepin County and Minnesota in Trade, Transportation and Utilities and Education and Health Services. However, Professional and Business Services, which is prevalent in Hennepin County and Minnesota is not at the top in Brooklyn Center.
- Per capita income per all race/ethnic groups in Brooklyn Center is lower than Hennepin County and Minnesota.
- Hennepin County has generally higher median earnings and per capita income per race/ethnic groups.
- Some Other Race and Two or More Races have the lowest income per capita across the city, county, and state.

**Workforce Readiness.** Looking at the total adult population 25 years and older (19,567), the majority has at least some college or associate’s degree (32.7%). The other third (30.7%) has a high school or equivalent level of education. Those with a Bachelor’s degree or higher ranks 3<sup>rd</sup> at 19.8%. Only 16.7% of Brooklyn Center’s adult population has less than high school education. However, it’s concerning that those without a high school degree is almost equivalent to those with a Bachelor’s degree or higher.

Figure 15. Workforce by Educational Attainment



Source: American Community Survey 2010-2014 5-Year Estimates

Looking at educational attainment, who are actually participating in the labor force? The largest group has some college or associate’s degree followed by high school graduates (includes equivalency) and a Bachelor’s degree or higher, which closely aligns with Brooklyn Center’s overall educational attainment (Figure 15). Some trends seen in labor force participation are (Table 7):

- The higher the educational attainment, the higher the labor force participation rate and employment rate.
- The lower the educational attainment, the higher the unemployment rate and vice versa.

Table 7. Educational Attainment in Labor Force

Educational Attainment (Population 25-64 years)	Brooklyn Center			
	Total	In labor force	Employed	Unemployment Rate
Population 25 to 64 years	16,101	79.70%	73.90%	7.20%
Less than high school graduate	2,628	63.10%	57.30%	9.10%
High school graduate (includes equivalency)	4,633	79.80%	73.70%	7.70%
Some college or associate's degree	5,598	82.30%	76.10%	7.50%
Bachelor's degree or higher	3,242	88.40%	84.10%	4.90%

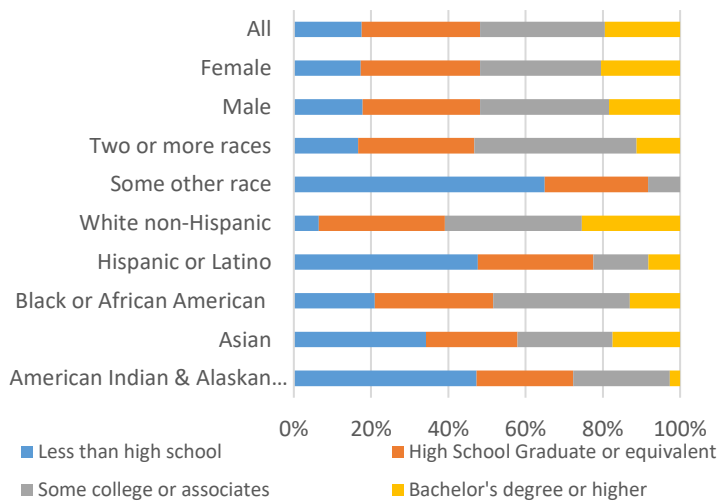
Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

When disaggregating educational attainment by race and sex, the findings are striking (Figure 14).

- The largest racial/ethnic group with less than a high school degree is those who identify as Some Other Race, where 2 out of 3 persons have less than a high school degree.
- Almost 1 out 2 Hispanic or Latino and American Indian & Alaskan Native persons has less than a high school degree.
- 1 out 3 Asian persons have less than a high school degree. The rest of the remaining racial/ethnic groups are at 20% or below. White non-Hispanics are at a low of 6%.

Figure 16. Educational Attainment by Race and Sex

**Brooklyn Center**

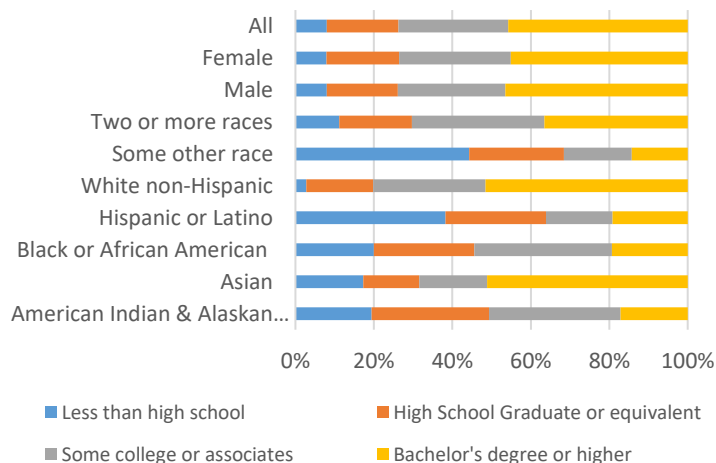


The percentage of those with a high school degree or equivalent is at or about 30% across all racial/ethnic groups in Brooklyn Center except for American Indian and Asian populations which are 5 or more percentage points lower.

The same trend shows for Brooklyn Center residents with some college or associates degrees. All racial groups, except for Some Other Race and Hispanic or Latino, are at around 30% or either 5 percentage points above or below. Some Other Race and Hispanic or Latino populations are at less than 15% with some or college or associates degree.

Source: American Community Survey 2010-2014 5-Year Estimates

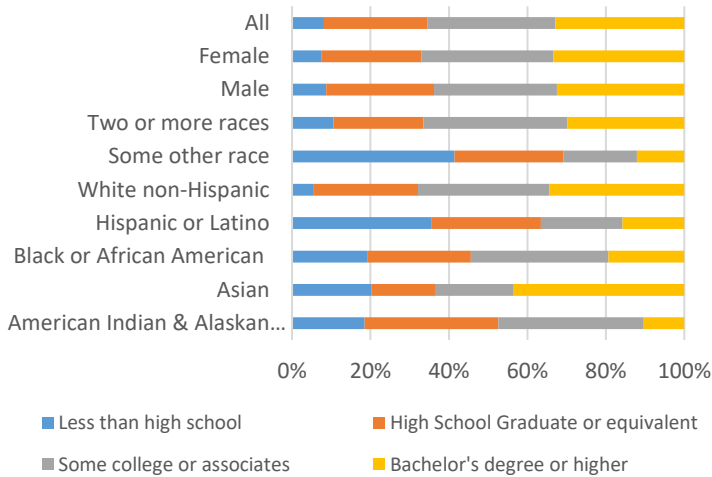
**Hennepin County**



Out of all race/ethnic groups, White non-Hispanics have the highest level of educational attainment of a Bachelor's degree or higher. While the group with the least amount of Bachelor's degree or higher is Some Other Race along with American Indians & Alaskan Natives at under 3%.



### Minnesota



Source: American Community Survey 2010-2014 5-Year Estimates

#### County and State Comparison: Labor Force by Educational Attainment

- Brooklyn Center has higher rates of high school or equivalent and some college or Associate’s degree compared to Hennepin County and Minnesota.
- However, Hennepin County has a little over two times the rate of adults with a Bachelor’s degree or higher than Brooklyn Center and also surpasses Minnesota by 13 percentage points.
- Hennepin County also has a larger share populations with a Bachelor’s degree or higher compared to Brooklyn Center and Minnesota.
- White non-Hispanic followed by Asian populations have the highest level of educational attainment across all three geographies.
- Some Other Race and Hispanic or Latino populations have the highest percentage with less than a high school degree across Brooklyn Center, Hennepin County, and Minnesota.
- Male and Female educational attainment are similar across Brooklyn Center, Hennepin County, and Minnesota.

**Business Development & Growth.** From the U.S. Census Bureau’s 2012 Survey of Business Owners, Brooklyn Center has a total of 2,132 firms (Table 8). About 41% of those firms are minority-owned firms. Over 90% of minority-owned firms have no paid employees, which is also experienced by female-owned firms. This is a 10 percentage point difference compared to all firms, white firms, and male-owned firms.

Table 8. Brooklyn Center Businesses Characteristics, 2012

	All Firms		Firms with Paid Employees				Firms without Paid Employees	
	Total # of Firms	Total Sales of Firms (\$1,000s)	# of Firms	Sales of Firms (\$1,000s)	# of Paid Employees	Annual Payroll	# of Firms	Sales of Firms (\$1,000s)
All Firms	2,132	1,962,261	414	1,917,965	10,548	434,681	1,718	44,296
Minority-owned Firms	882	99,372	82	83,747	1,176	17,106	800	15,624
Black or African American	464	24,462	20	16,654	431	4,707	443	7,808
Asian*	406	71,558	77	66,278	723	12,043	328	5,281
Other Asian	211	40,584	19	38,272	290	4,671	192	2,312
Hispanic**	151	5,188	4	S	20-99	S	146	4,372
Some other race	43	882	0	0	0	0	43	882
White	1,211	804,899	225	773,890	3,282	141,757	987	31,010
Female-owned	756	48,654	51	38,703	487	10,033	706	9,951
Male-owned	1,166	834,990	224	803,698	3,742	143,395	943	31,292
Equally Female/Male-owned	97	17,474	28	14,420	207	5,079	69	3,054

Detail may not add to total due to rounding or because a Hispanic firm may be of any race. Moreover, each owner had the option of selecting more than one race and therefore is included in each race selected.

\*Includes Chinese & Vietnamese numbers but not sales

\*\*Includes Mexican, Mexican American, & Chicano numbers and sales

S - Withheld because estimate did not meet publication standards

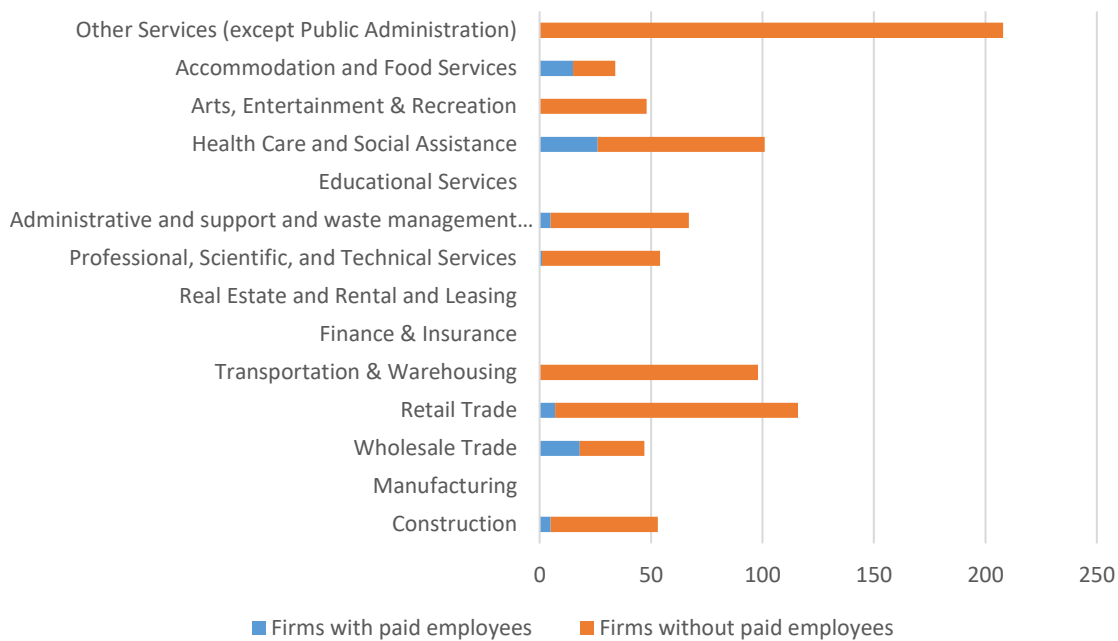
Source: U.S. Census Bureau, 2012 Survey of Business Owners

Similar to the Brooklyn Center’s top industries, minority-owned firms are concentrated in Retail Trade, Health Care and Social Assistance, and Transportation and Warehousing (Figure 16). In contrast, the majority of minority-owned firms produce other services. According to the Survey of Business Owners, other services is defined by activities such as equipment and machinery repairing, promoting or administering religion activities, grantmaking, advocacy, and providing drycleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services. These firms are largely firms without paid employees.

Minority-owned firms with paid employees are in Health Care and Social Assistance, Accommodation and Food Services, and Wholesale Trade. The presence of minority-owned firms in Educational Services, Real Estate and Rental and Leasing, Finance and Insurance, and Manufacturing appears non-existent.



Figure 17. Minority-owned Firms in Brooklyn Center by Industry, 2012



Source: U.S. Census Bureau, 2012 Survey of Business Owners

From 2007 to 2012, Brooklyn Center had tremendous growth in minority-owned firms and female-owned firms. Minority-owned firms more than doubled in growth and sales in all firms and in firms without paid employees. This pattern of minority-firm growth is also occurring in the state.<sup>4</sup> There was not enough data for minority-owned firms with paid employees in 2007 to show growth up until 2012. While there wasn't enough data for race/ethnic groups, there was data for Hispanic-owned firms, which quadrupled in numbers and made ten times the amount of sales in 5 years. Although there wasn't enough data for race/ethnic groups in 2007, there was data for these groups in 2012 (see Table 9). This shows that there has been a great amount of recent growth among minority-owned firms. The next set of data will not be available until 2017, when the Survey of Business Owners is conducted again.

Female-owned firms increased by total numbers but decreased in total sales for firms with paid employees. Interestingly, male-owned firms decreased in total numbers but did not decrease in total sales. In fact, total sales for male-owned firms with paid employees increased. The same pattern exists among white-owned firms, where total number of firms decreased but total sales increased.

<sup>4</sup> Vilsack, R. (2015). Minority-owned firms in Minnesota. Minnesota Economic Trends, December.

Table 9. Changes in Brooklyn Center Businesses, 2007-2012

	All Firms		Firms with Paid Employees		Firms without Paid Employees	
	Growth in Total Number of Firms 2007-2012	Growth in Total Sales of Firms 2007-2012	Growth in Total Number of Firms 2007-2012	Growth in Total Sales of Firms 2007-2012	Growth in Total Number of Firms 2007-2012	Growth in Total Sales of Firms 2007-2012
<b>All Firms</b>	<b>16.7%</b>	<b>2.3%</b>	<b>-31.7%</b>	<b>1.5%</b>	<b>40.7%</b>	<b>62.7%</b>
<b>Minority-owned Firms</b>	<b>118.9%</b>	<b>126.8%</b>	<b>S</b>	<b>S</b>	<b>140.2%</b>	<b>116.3%</b>
Hispanic	459.3%	1573.5%	S	S	508.3%	1662.9%
White	-7.6%	3.3%	-41.7%	2.0%	6.7%	56.0%
Female-owned	94.8%	-34.3%	75.9%	-43.9%	96.7%	94.6%
Male-owned	13.30%	18.30%	-39.50%	16.80%	S	S

S - Withheld in 2007 because estimate did not meet publication standards. Therefore, a percentage could not be calculated

Source: U.S. Census Bureau, 2007 & 2012 Survey of Business Owners 2

## Insights

### Risks

Minnesota's demographics are changing, and one of the changes we will experience is increasing populations of color and an aging labor force. Brooklyn Center will have to address any risks that could affect the city's growth and success in the upcoming decades. Specifically, as a small city with a large population of color already, as the regional labor force pattern changes, Brooklyn Center can serve as a leading indicator of the overall pattern in the region. **This raises a research question to explore - how has the City's pattern of demographics and equity changed in comparison with that of the region as a whole? What opportunities exist in the City to be a leading indicator for reducing equity risk, and optimizing equitable opportunity?**

**Education.** Are Brooklyn Center schools successfully preparing students to be meet academic standards? Only half of students are meeting or exceeding academic standards. This means that 1 out of 2 students are falling behind in terms of achievement level. Brooklyn Center area school districts are performing just as well as Hennepin County in meeting academic standards but fall slightly behind the state's achievement level. Also, American Indian, Black or African American, and Hispanic or Latino students are consistently graduating at lower rates than the overall average. It is important to prepare students to meet the needs of future workforce and industry demand. **Would a city-specific opportunity pipeline strategy make a difference? If we think it might, how do we go about constructing one or amplifying one in motion? Further, given that American Indian students are faring worst in the City, how do we apply a targeted universalist strategy that boosts the performance and success of these students in a way that supports equitable success and thriving for all students?**

**Economic Vitality.** Is Brooklyn Center attracting and retaining a talented workforce? More Brooklyn Center residents are finding work in nearby cities, mainly Minneapolis and Brooklyn Park, rather than being employed in Brooklyn Center. The majority of the adult age working population has some college or associates degree while Hennepin County and the state's majority adult working population have a bachelor's degree or higher. Even more striking is that populations of color have lower rates of educational attainment, particularly among Some Other Race, Hispanic or Latino, and American Indian & Alaskan Native populations. Future jobs will require higher educational attainment<sup>5</sup>, which means Brooklyn Center will have to prepare residents for post-secondary attainment in order to remain competitive in the county and state. In addition, educational attainment is also linked to higher income, especially for populations of color.<sup>6</sup> **In this regard, Brooklyn Center is performing measurably worse than the County, and this data is strongly indicative of the need for a higher education and career pathways opportunity strategy. Firms of color are under-represented in**

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<sup>5</sup> Schriener, E. (2012). The Education Advantage. Minnesota Economic Trends, December.

<sup>6</sup> Leibert, A. (2015). Racial Disparities in Wage and Employment. Minnesota Economic Trends, December.

leading sectors of regional economy and a boost strategy within the City and across the region offers a very significant mutual thriving dividend.

The majority of jobs in Retail trade, the top industry in Brooklyn Center, are non-managerial with lower wages and less post-secondary credential requirements. Those employed as cashiers and retail salesperson are making less than \$11/hour in Minnesota, according to DEED's Occupational Employment Statistics data. **How might Brooklyn Center go about designing a viable labor force shift/share strategy to ensure its proportion of living wage work matches or exceeds that of the region as a whole?**

The Black or African American unemployment rate will also have to be addressed as they make up a large portion of Brooklyn Center's residents and labor force. There is not enough data for American Indians in Brooklyn Center, but we can see that they have the highest unemployment rate throughout Hennepin County and Minnesota. Brooklyn Center's youth also have high unemployment rates. As our future workforce, it is now more important than ever to connect youth to the workforce as Minnesota's labor force shrinks in the following decades.

## Resilience Factors

**Education.** Brooklyn Center schools districts are diverse and have been able to maintain its diversity. Academically, students are performing just as well as the county and not too far behind the state. Students are also graduating at higher rates than Hennepin County, especially among American Indian students. What is Brooklyn Center area schools doing differently than the county and state that could possibly contribute to the city's high graduation rates? In addition, the city continues to attract Millennials that are non-family households and married couples with children and thus creating an environment that is well suited for Pre-K to 12<sup>th</sup> grade.

**Economic Vitality.** Historically, Brooklyn Center has been a center for Retail Trade, Manufacturing, and Health Care and Social Assistance that are in-demand industries in the Twin Cities region. The city continues to attract a labor force market and bring in wages within those three industries. Revitalized developments where Brookdale Mall used to be, now known as Shingle Creek Crossing, and new developments such as the Embassy Suites, Northwest Family Service Center and the Federal Bureau of Investigation office in Brooklyn Center are examples of resilience that continues to bring in jobs within those top three industries. As the workforce ages, Brooklyn Center may be well prepared to assist retiring residents and workers.

Brooklyn Center, just recently, has been a hub for minority-firm growth, mainly among entrepreneurs. What could be contributing to this growth? Does Brooklyn Center have systems in place that helps these firms grow in size and capacity?

**What is the economic vision of Brooklyn Center? Based on that vision, what opportunities exist to shape an economic development strategy that bridges enterprise development, workforce development, and overall economic vitality in the City?**

## Innovation

**Education.** Brooklyn Center schools are highly diverse. This is an area of opportunity for the city to utilize diversity as an asset to enhance academic performance and enrich the community. The city is also at an advantage to prepare its diverse community to understand the needs of the future workforce. Partnerships with neighboring cities and programs could be valuable as a smaller city, such as Brooklyn Center and Brooklyn Park’s joint youth initiative. In addition, more can be learned about the race/ethnic populations in Brooklyn Center to learn more about current barriers and educational needs in order for students to be successful, especially in a diverse environment.

**Economic Vitality.** Is there is a direct talent pipeline to employment in Brooklyn Center? Does a career pathway strategy already exist? There is opportunity to advance its skilled workforce towards post-secondary attainment through a career pathways model. If area education institutions and the many businesses in Brooklyn Center align, a clear pathway can be developed. For example, a pipeline and pathway can be developed for workers to continue to meet the demands of the Manufacturing industry which is a prominent industry in Brooklyn Center. Since there is high unemployment among the younger working population in the city, creative partnerships and initiatives will be needed to connect youth to work. There is a great potential in Brooklyn Center for workforce and business development. There is a growing young workforce who will be replacing Baby Boomers and looking for jobs.

**Going back to the vision question posed earlier, how does the City strategically leverage its role in the regional economic innovation ecosystem? What opportunities exist to continually strengthen our leverage while reducing existing impediments to being a regional leader in innovation?**

## Strategy

Brooklyn Center is small, diverse, and not in an ideal position within the region to drive an internal growth strategy based on existing competitive advantages. We invite the City to consider framing the future starting with its greater diversity than the region as a whole as strength. In this way, Brooklyn Center becomes a keystone City in the region’s racial equity movement. As the City develops and demonstrates the value proposition of leading with equity, the rest of the region learns and follows suit. A small percentage of residents currently work in the city, so increasing opportunities for enterprise and workforce development within the City set conditions for it to grow in a mutual prosperous, inside-out fashion.

Over the coming months, we would like to build on this initial baseline and engage in developmental dialogue with key stakeholders and design and implement a strategy to shape a future for the City that shows the region and the nation how to do equity right. Our first dialogue in June 2016 will focus on reviewing the baseline data and initial questions and designing a set of quarterly benchmarks for continual progress toward definition and implementation of an equity strategy for the City.