

Equitable Growth Profile of the Omaha-Council Bluffs Region

Summary (2018 updated analysis)

PolicyLink



MAPA



The Omaha-Council Bluffs region continues to undergo a demographic transformation that has major implications for how the region charts a future of sustainable, inclusive prosperity. Communities of color – particularly a growing Latino population – are driving population growth in the region, making their ability to participate in the economy and thrive central to the region’s success.

Equitable growth is the path to prosperity. Our updated analysis finds that closing wide racial gaps in income could have boosted the regional economy by nearly \$4.8 billion in 2015. Recent community success to reduce racial inequities reveals the potential of larger-scale collective action and policy change. By connecting people with good jobs, raising the floor for low-wage workers, and building communities of opportunity metro-wide, the region’s leaders can put all residents on the path toward reaching their full potential, and secure a bright economic future for all.

Foreword

The Heartland 2050 vision calls for a growth model that is driven by equity – full inclusion for all residents in the region’s economic, social and political life. While the Heartland region is home to tremendous resources and a high quality of life, many are not fully participating in the region’s economy. Our growth projections show our region becoming increasingly diverse, with people of color becoming the majority of Douglas County’s population by 2040. As communities of color continue to drive growth in our region, ensuring that people of color are fully participating in our economy is an urgent priority.

This 2018 profile updates the data from the 2014 Equitable Growth Profile which showed significant disparities in education, earnings, and poverty. The work of the Heartland 2050 Equity and Engagement Committee led to identifying additional indicators to track, including affordable housing, access to transportation, and health indicators, as we work to create local recommendations to resolve long-standing disparities. This profile supports the idea that we realize stronger, more sustainable economic growth when we have greater economic and racial inclusion.

Elected officials, organizations, foundations, institutions, faith-based groups, residents, and others are working to address the root causes of persistent poverty and inequities. Recent success stories such as rising graduation rates, a decline in the crime rate in the urban core, youth summer employment and work experience opportunities, and access to healthy foods show that these efforts are having an impact. This is a time to lift up what works by highlighting existing efforts in our region that begin to paint a picture of a more just and inclusive Heartland. This can only be done through partnership, collaboration, and trust. Success among communities of color is essential to our region’s continued development and to ensure that all residents, including those yet to come, will find the Heartland a place where opportunities are in abundance for all.

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Introduction

Over the past several years, many more Omaha-Council Bluffs leaders have come to recognize the centrality of equity in building a stronger, more prosperous, more inclusive region for all. PolicyLink defines equity as just and fair inclusion into a society in which all can participate, prosper, and reach their full potential. Realizing equity in a community means ensuring full inclusion of all residents in the economic, social, and political life, regardless of race/ethnicity, nativity, age, gender, neighborhood, or other characteristics.

In the Omaha-Council Bluffs region and across the country, profound demographic shifts, including the growing diversity of the population and the aging of the predominantly White baby boomer generation, are increasing the necessity of racial inclusion. Nationwide, the majority of children ages six and under are children of color and demographers predict that people of color will be the majority by 2044. The region is less demographically diverse than the nation as a whole, yet the same trends exist. Between 2000 and 2015, communities of color contributed the majority of population growth, increasing their share of the population from 16 to 22 percent, and by 2050, 41 percent of the region's residents are expected to be people of color.

As the share of schoolchildren, workers, and consumers who are people of color increases, ensuring that people of all races and ethnicities can participate in the regional economy and reach their full potential is both a moral imperative and an economic imperative that is critical for the region's continued growth and prosperity. Research now shows that inclusion and growth go hand in hand: economic inequality hinders economic growth and prosperity, while economic and racial inclusion fosters greater economic mobility and more robust and sustained growth.¹ The research also shows that the nation as a whole would be stronger and more competitive globally, with increased college-going rates and more buying power, if opportunities were expanded to those in the bottom fifth of the national income distribution. Furthermore, opportunities for social mobility for those in the lowest income bracket are also associated with increased rates of innovation, which is also a benefit to society at large.²

Embedding equity into local and regional development strategies is particularly important given the history of metropolitan development in the United States, and the Omaha-Council Bluffs region is no exception. America's regions are highly segregated by race and income, and these historic

patterns of exclusion were often created and maintained by public policies at the federal, state, regional, and local levels. In the decades after World War II, housing and transportation policies incentivized the growth of suburbs while redlining practices and racially restrictive covenants systematically prevented Blacks and other people of color from buying homes in new developments and simultaneously starved older urban neighborhoods of needed reinvestment.

This segregation and isolation resulting from redlining, blockbusting, and racially restrictive housing covenants played out on a local level in Omaha, creating pockets of concentrated poverty, particularly in the now largely Black neighborhood of North Omaha. Limited public transit stops and housing options in the redlined community exacerbated physical distress in the neighborhood, while discriminatory policies disenfranchised residents. The effects of these conditions over time reached a breaking point, culminating in civil unrest in the late 1960s and early 1970s, and leaving scars in the form of burned-out buildings and empty spaces that are still visible today.³

The razing of large swaths of the community to make way for the construction of Highway 75, which physically cut the neighborhood in half, served to further isolate the neighborhood.⁴ The decline in manufacturing jobs and the distance required to reach those jobs that remained made it difficult for residents of the once-thriving community to access good jobs. White residents with resources left the neighborhood for new homes financed by government-backed mortgages in the suburbs, and businesses followed suit.⁵

Many other factors – continued racial discrimination in housing and employment, segregated schools,⁶ exclusionary land-use practices that prevent construction of affordable multifamily homes in more affluent neighborhoods, and political fragmentation – have reinforced the geographic, race, and class inequities in Omaha-Council Bluffs.

Today, the region is a patchwork of concentrated advantage and disadvantage, with some neighborhoods home to good schools, bustling commercial districts, services, parks, and other crucial ingredients for economic success, and other neighborhoods providing none of those elements. Overcoming these forces of inequity and building a stronger region requires an intentional strategy to ensure that all neighborhoods are communities of opportunity that provide their residents with the tools they need to thrive.

Given the importance of greater inclusion for the future of the regional economy, community efforts to envision and bring about greater prosperity must focus simultaneously on economic opportunity and economic growth. A critical step is to understand the current state of equity (and inequity) in the region and then to put in place strategies, policies, investments, and new business models that remove barriers and make it possible for all to participate and reach their full potential.

In 2014, the Omaha-Council Bluffs region took this step by working with the National Equity Atlas team at PolicyLink and the Program for Environmental and Regional Equity (PERE) at the University of Southern California to produce a study of equitable growth, the Equitable Growth Profile of the Omaha-Council Bluffs Region. Among other findings, the analysis highlighted how the region stood out for its admirably low unemployment rate (3.6 percent), yet not everyone in the region was thriving. The unemployment rate for Black workers was closer to 12 percent: three times the regional average. The profile also revealed that although communities of color were driving the region's population growth, more and more Latino, Black, and Native American residents were unable to make ends meet, even when they were working.

Many regional leaders used the profile data to educate residents and local leaders about the state of equity in the region and inform grantmaking, business development, and employment efforts. The value of the analysis led regional leaders to request updated data and analyses to help them continue to build greater awareness about the importance of equity as well as to develop more specific, actionable policies and recommendations to advance equitable growth.

This update to the Equitable Growth Profile of the Omaha-Council Bluffs Region examines demographic trends and indicators of equitable growth through 2015 (the most recent data available at the onset of this research), highlighting strengths and areas of vulnerability in relation to the goal of building a strong, resilient economy. Like the first profile, it was developed by the National Equity Atlas team at PolicyLink and PERE in partnership with the Equity and Engagement Committee for Heartland 2050, which is a community-driven initiative working toward a common vision for the Omaha-Council Bluffs region. This updated profile includes new data on measures of health and wellness, access to affordable housing and transportation, additional data disaggregated by sex in addition to race/ethnicity, and more county-level data. In addition to the data analysis, the research team interviewed

several local leaders during a site visit and solicited feedback on the profile from advisory task force members during a two-hour feedback session. The summary also includes a set of recommendations that were developed with the input of leaders on the task force.

This summary document highlights key findings from the analysis and shares policy recommendations. The full profile, including a detailed methodology section, can be found at <http://nationalequityatlas.org/reports/equity-profiles>.

Data and Methods

This profile draws from a unique Equitable Growth Indicators Database developed by PolicyLink and PERE. This database incorporates hundreds of data points from public and private data sources, such as the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, and Woods & Poole Economics, Inc. The database includes data for the 100 largest cities, 150 largest metropolitan regions, and all 50 states, and includes historical data going back to 1980 for many economic indicators as well as demographic projections through 2050. It enables comparative regional and state analyses as well as tracking of change over time.

Most of the indicators in the updated profile reflect a 2011 through 2015 average (the previous profile covered a 2008 through 2012 average). Because the data from the two profiles include overlapping years, we are unable to make distinct comparisons across the two profiles, but time series data are available within the profile update to capture change over time.

Note that while we are able to disaggregate most indicators by major racial/ethnic groups (i.e., White, Black, Latino, Asian or Pacific Islander, and Mixed/other), figures for the Asian/Pacific Islander population as a whole often mask wide variation on educational and economic indicators for subgroups such as Hmong, Vietnamese, and others. Also, there is often too little data to break out indicators for Native Americans.

For the purposes of this profile and data analysis, we define the Omaha-Council Bluffs region as the eight-county area included in the original Heartland 2050 regional vision developed by the Metropolitan Area Planning Agency and partners. The region comprises Cass, Douglas, Sarpy, Saunders, and Washington counties in Nebraska and Harrison, Mills, and Pottawattamie counties in Iowa. All data presented use this regional boundary. Any exceptions because of lack of data availability are noted in the "Data and methods" section of the complete profile.

Profile Highlights

The region is undergoing a major demographic shift

While Omaha-Council Bluffs is less diverse than many other metropolitan regions in the United States, its population is quickly becoming more multiracial and multicultural. In 1980, 90 percent of its 650,000 residents were White, and the remaining 10 percent were predominantly Black. By 2010, the share of the population that was people of color had more than doubled, rising to 21 percent of the region's 865,000 residents, and a more diverse mix.

In the growing region, nearly all racial/ethnic groups are growing in absolute numbers, including the White population, but it is communities of color – particularly Latinos but also Asians, people of Mixed/other backgrounds, and Blacks – who are driving the region's population growth and change. Communities of color contributed 59 percent of net growth between 2000 and 2015 and accounted for most new residents in five of the region's eight counties. Between 2000 and 2010, the Latino share of the population increased from 5 percent to 9 percent.

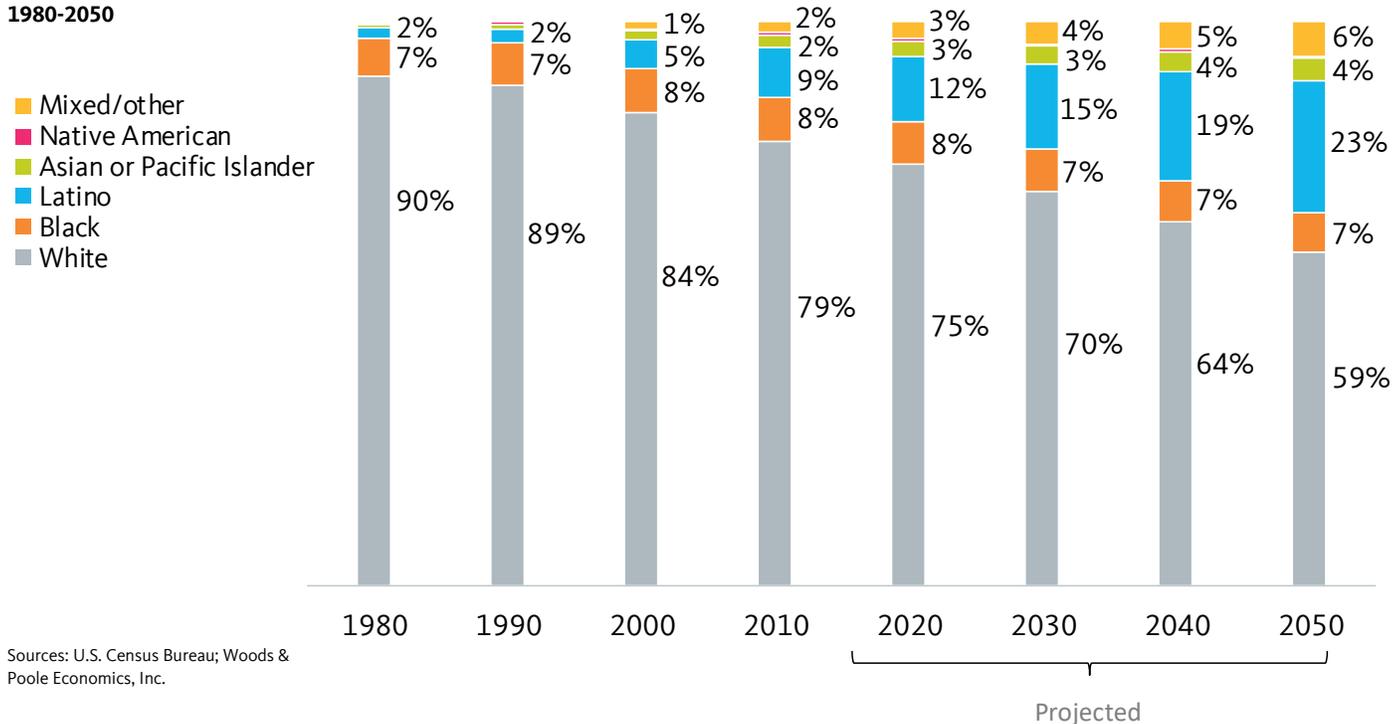
Immigrants are also contributing to growth, with 23 percent of the growth in the region between 2000 and 2015 coming from immigrants, the overwhelming majority of whom are immigrants of color.

This demographic shift is projected to continue, and, by 2050, 41 percent of the region's residents will be people of color. Nearly one in four of the region's residents will be Latino and the Black population will remain at about 7 percent of the total. While the Asian or Pacific Islander and Mixed/other populations will also grow, the White population share will decline.

Youth are at the forefront of the region's rising diversity and the youth population is much more diverse than the senior population. Of the region's residents who are under age 18, 32 percent are people of color, compared with just 9 percent of those over age 64. This amounts to a 23 percentage-point racial generation gap – this is an economic risk because places that have larger racial gaps between their young and old tend to make smaller investments in the educational systems and community infrastructure that ensure youth can contribute to the region's economic growth and vitality.

The region is quickly becoming more diverse and, by 2050, four in 10 residents will be people of color.

Racial/ethnic composition, 1980-2050



More inclusive growth is the key to the region’s future prosperity

Omaha’s regional economy is relatively strong and resilient: unemployment is low and job growth is steady (though slower than it was before the recession). Although the region is experiencing rising inequality, when it comes to other measures of economic health – such as a shrinking middle class and a growing number of low-paying jobs – most of these issues are less severe in the region than they are in other metros or in the nation as a whole.

This overall positive economic outlook, however, masks growing inequities for the region’s communities of color and less-educated residents, and these inequities put the region’s economic future at risk. Several key challenges are described in the text below.

Some of the fastest-growing segments of the region’s workforce lack the education levels required for the jobs of the future.

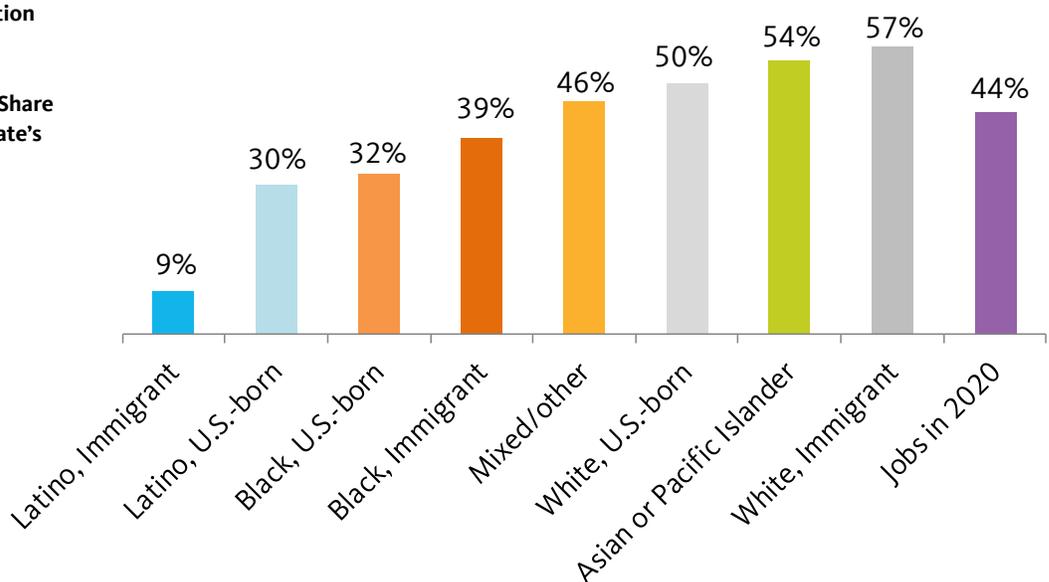
A skilled workforce is central to economic competitiveness in the 21st century’s global knowledge-driven economy, but growing segments of the Omaha-Council Bluffs workforce lack the education needed for tomorrow’s jobs. According to the Georgetown Center for Education and the Workforce, an

estimated 44 percent of jobs in the area will require an associate’s degree or higher in 2020. Today, only 32 percent of the region’s U.S.-born Black workers and 30 percent of its U.S.-born Latino workers possess that level of education. This figure is even lower for Latino immigrants, at 9 percent.

The achievement gap has deep roots in public education systems. Among youth without a high school diploma in the region, Latino youth, particularly Latino immigrants, are much less likely to have high school diplomas than their White counterparts. On the positive side, more youth of all races and ethnicities are now graduating from high school in the Omaha-Council Bluffs region than in the past, and the number of “disconnected youth” ages 16 to 24 has declined for many racial/ethnic groups since 2000. At the same time, youth of color are still less likely to earn a high school diploma and are more likely to be disconnected (13 percent) than their White counterparts (7 percent). Examining disconnected youth by sex, more young women are disconnected from school or work compared to young men. Although the number of disconnected White female youth is lower now than it was in past years, the number of disconnected Latino women and Black men increased.

There is a wide gap between the education levels of Black and Latino workers and the educational requirements of future jobs.

Share of Working-Age Population with an Associate’s Degree or Higher by Race/Ethnicity and Nativity, 2015, and Projected Share of Jobs that Require an Associate’s Degree or Higher, 2020



Sources: Georgetown Center for Education and the Workforce; IPUMS. Universe for education levels of workers includes all persons ages 25 through 64. Note: Data for 2015 by race/ethnicity/nativity represents a 2011 through 2015 average and is at the regional level; data on jobs in 2020 represents a regional job-weighted average of state-level projections for Nebraska and Iowa.

Workers of color and workers with less formal education fare worse in the regional labor market than their White and more educated counterparts.

While unemployment in the region is low and falling – 3.8 percent in 2015 – Black workers continue to face recession-level unemployment rates (9.4 percent), and unemployment remains very high for White workers without a high school diploma (12 percent). The region’s Black workers are more likely to be unemployed than their White and Latino counterparts at every level of education except for those with a bachelor’s degree or higher (Latino residents had the highest unemployment rate at this level of education at 6 percent).

For the typical worker in the Omaha-Council Bluffs region – the one right in the middle of the wage distribution – wages have been stagnant (at \$19.90/hour) since 2000. Looking at wage growth by race, we found that wages were stagnant for White workers (median wage of \$20.50/hour), and just barely increased for Black workers (from \$16.30 to \$16.70/hour), while wages decreased for Latino workers (from \$15.00 to \$13.80/hour), and increased substantially for Asian or Pacific Islander workers (from \$18.50 to \$21.20/hour).

Similar to unemployment, wages tend to increase with education, but racial gaps remain even among workers with similar education levels. People of color with a bachelor’s degree or higher earn \$3 less per hour than their White counterparts, which adds up to about \$6,000 less per year. The fact that racial economic gaps remain even after controlling

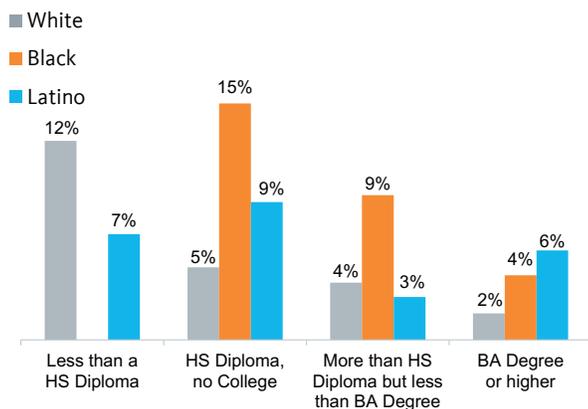
for education reveals the persistence of racial barriers to economic opportunity – including overt discrimination as well as more subtle forms of exclusion that are embedded into institutions and systems.

Native Americans have the highest rates of business ownership of any racial/ethnic group.

Expanding opportunities for people of color and women to start and grow successful businesses is critical for inclusive growth, given current inequities by race and gender. Research shows that businesses owned by people of color are more likely to hire people of color than other firms and they generate increased economic activity in communities of color. Analysis of data on business ownership and sales by race and gender reveals a bright spot: Native Americans have the highest rates of business ownership (15.9 businesses per 100 adults), which is double that of Latino and Black residents who have the lowest rates (6.0 and 8.3 businesses, respectively, per 100 adults). The rate for White residents is 11.7 businesses per 100 adults. Ownership rates among women are also low (7.3 per 100 adults) compared to men (12.2 businesses per 100 adults). Furthermore, business sales receipts are significantly lower for businesses of color and women-owned businesses compared to White business owners and businesses owned by men. Annual receipts for firms headed by Whites average \$758,000, which is 17 times as high as receipts for firms headed by Blacks (\$44,000). Average annual receipts for firms headed by men is a staggering \$1,057,000, or six times as high as firms headed by women (\$179,000).

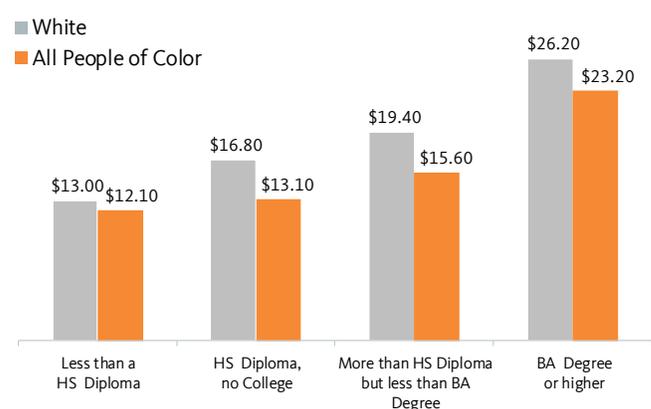
Black workers with high school diplomas or higher education are more likely than their White counterparts to be unemployed and people of color as a whole earn less than their White counterparts at the same educational level.

Unemployment Rate by Educational Attainment and Race/Ethnicity, 2015



Source: IPUMS. Universe includes the civilian noninstitutional population ages 25 through 64. Note: Unemployment for Blacks with less than a HS diploma is excluded because of a small sample size. Data represents a 2011 through 2015 average

Median Hourly Wage by Educational Attainment and Race/Ethnicity, 2015



Source: IPUMS. Universe includes civilian noninstitutional full-time wage and salary workers ages 25 through 64. Note: Data represents a 2011 through 2015 average. Values are in 2015 dollars.

The middle class is shrinking and the number of working poor is growing.

An inclusive, growing middle class is the hallmark of a prosperous region, but, following the national trends, fewer households earn middle-class incomes in Omaha-Council Bluffs now than in 1979 (40 percent in 1979 vs. 37 percent in 2015), while an increasing share of households are in the lower-income bracket (30 percent in 1979 vs. 36 percent in 2015). Middle-wage jobs, which have traditionally provided pathways to the middle class, are growing at a much higher rate in the region (16 percent) than the United States overall (6 percent). The manufacturing sector, however, which traditionally provided many good, middle-skill jobs for people without college degrees, has seen a decline in jobs since 2006, which, fortunately, has not been as severe as in most other regions. Although middle-wage jobs are growing, earnings growth for those in these jobs is slower than for those in high- and low-wage jobs. The middle class has also become more diverse, shifting from 8 percent people of color in 1979 to 15 percent people of color today, yet its composition still does not fully reflect the region’s racial and ethnic diversity.

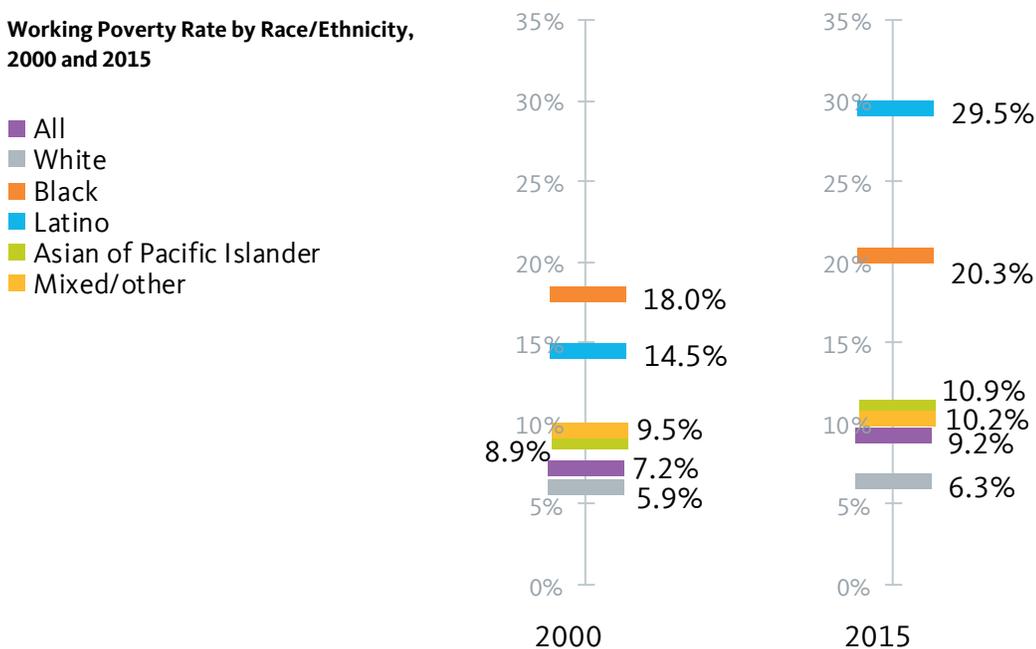
With a growing low-wage sector, the region’s ranks of the “working poor” – defined as the share working full time with a family income below 200 percent of the federal poverty level, among all workers – is also growing (9.2 percent in 2015, up from 7.2 percent in 2000). Workers of color are more likely than Whites to be working poor. Almost one in three Latinos and one in five Blacks in the region are working poor, compared with one in 16 Whites.

Stark disparities in rent burden exist by gender and race.

Rent burden is a measure of housing affordability that looks at the proportion of renter households that are paying more than 30 percent of their income on housing costs (which is contract rent and utilities). Of renter households in the region, 45 percent are rent burdened. For people of color, specifically Black renters, this figure is much higher (57 percent) and is even more stark when disaggregated by gender. Renter households headed by women of any race are far more likely to be rent burdened than those headed by men. Among households headed by women, Black women are most likely to spend more than 30 percent of their income on rent (69 percent) while White women are the least likely (50 percent). Still, White women have a higher rate of being rent burdened than men of any race (i.e., among renter households headed by men, those headed by Black men had the highest rate of rent burden at 39 percent).

Working poverty is on the rise and is particularly high for Latino workers.

Working Poverty Rate by Race/Ethnicity, 2000 and 2015



Source: IPUMS. Universe includes the civilian noninstitutional population ages 25 through 64 not living in group quarters who worked at all during the year prior to the survey. Note: Data for 2015 represents a 2011 through 2015 average.

Households of color overall face greater barriers in accessing jobs and services throughout the region.

Having access to a vehicle, particularly in areas with fewer transit options like in the Omaha-Council Bluffs region, can expand job opportunities and economic security for individuals and families. With nearly one in five Black households without a vehicle, these households have less access to job opportunities in the region compared to White households where only 5 percent are without a vehicle. Among people of color overall, 13 percent lack access to a vehicle.

Racial and economic inclusion would strengthen the economy

The Omaha-Council Bluffs region’s rising inequality and its racial gaps in income, wages, education, and poverty are not only bad for communities of color but also hinder the whole region’s economic growth and prosperity. According to our analysis, if there were no racial disparities in income, the region’s GDP would have been \$4.8 billion higher in 2015. Unless racial gaps are closed, the costs of inequity will grow as the Omaha-Council Bluffs region becomes more diverse.

Implications

The region’s growing, diverse population can be a major economic asset – if its leaders invest in ensuring that all of its residents can access good jobs and contribute their talent and

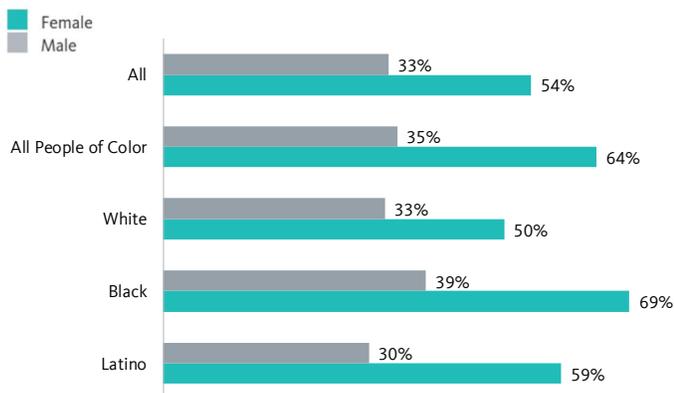
creativity to building a strong economy. The Omaha-Council Bluffs region has demonstrated economic resilience, but persistent inequities for its communities of color and low-income residents are a threat to future prosperity. Our analysis suggests that focusing on priority goals will spur more equitable growth in the region. Below we describe these goals and the strategies that regional leaders might pursue to advance them, along with examples from other regions.

Foster racial inclusion and leadership across sectors

As the region continues to diversify, leaders across sectors must proactively take steps to ensure communities of color can participate and contribute their knowledge and experience to decision-making and leadership. This starts by eliminating barriers to participation (for example, by making community meetings accessible for people with disabilities and providing childcare). In addition, local leaders should foster leadership development programs, including youth-focused efforts, to develop pipelines that would bolster civic participation and political representation of marginalized groups on local decision-making bodies, such as boards and commissions. Leadership development efforts, such as young professionals groups through the Urban League of Nebraska and the Greater Omaha Chamber of Commerce, are good examples of how the region is growing a diverse cadre of business, organizational, and civic leaders.

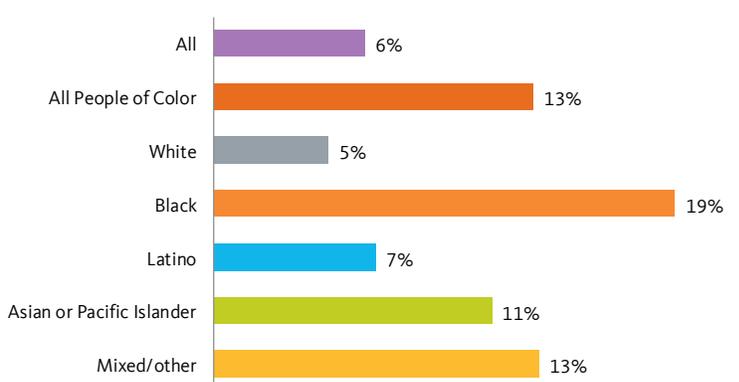
Women and people of color face higher rent burdens, and people of color overall face greater barriers in accessing jobs and services throughout the region.

Renter Housing Burden by Race/Ethnicity and Gender, 2015



Source: IPUMS. Universe includes all renter-occupied households with housing costs. Note: Data represents a 2011 through 2015 average.

Households without a Vehicle by Race/Ethnicity, 2015



Source: IPUMS. Universe includes all households (no group quarters). Note: Data represents a 2011 through 2015 average.

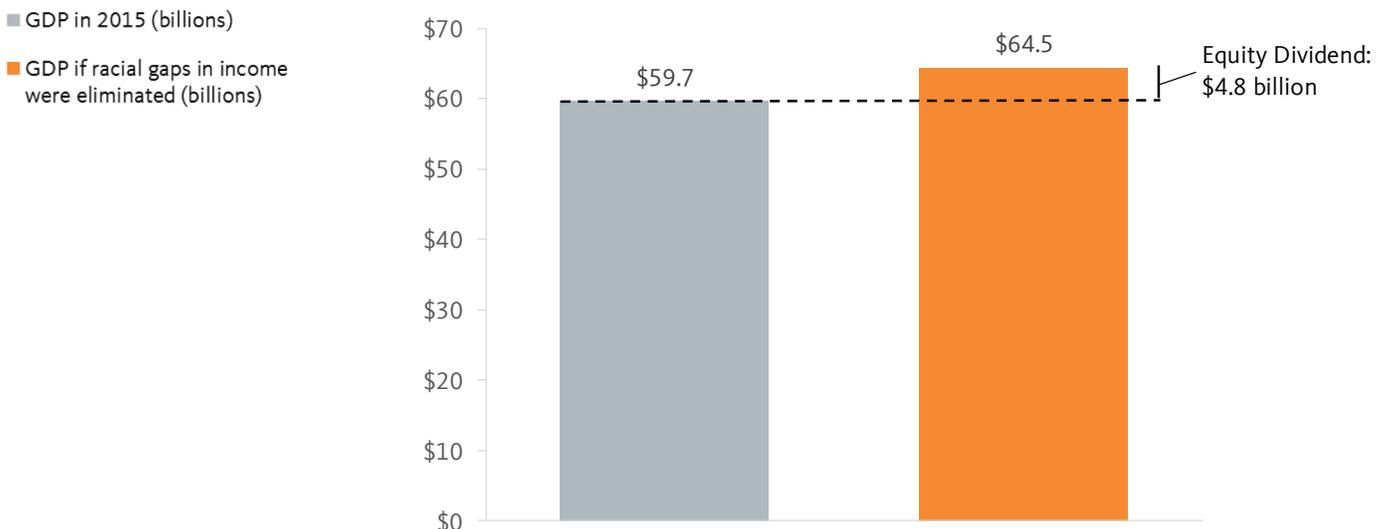
The region has made strides in increasing its diversity of civic leaders within the state legislature, city council, and school board.⁷ However, several local leaders and residents we spoke to described local politics as an “old boys’ club” that excludes people of color. A recent survey corroborates this sentiment. Surveying roughly 180 young Black professionals in Greater Omaha, results showed that this group was far less likely than their peers of other races to recommend Greater Omaha as a place to live, work, and play. As one survey respondent put it, “Omaha is a family town, social circles are tight, and advancement seems to be about who you know, not what you know.”⁸ A committee of volunteers developed several recommendations in response to the survey results, including developing a coalition of employers to advance diversity and inclusion in the workplace, and a diversity and inclusion strategy that companies could adopt.^{9, 10} One recommendation that came out of the Heartland 2050 advisory task force included measuring the return on investment for a business in hiring a diverse workforce.

The Twin Cities trains leaders of color in securing positions on publicly appointed boards and commissions. Nexus Community Partners Boards and Commissions Leadership Institute (BCLI) is a seven-month leadership program that supports, trains and places people of color and other underrepresented community members on city and county publicly appointed boards and commissions that influence and impact equity in the Twin Cities Metro Area in economic development, health, housing, transit and workforce development. The program was modeled after the Boards and Commissions Leadership Institute created by Urban Habitat in Oakland, California.¹¹

Integrate immigrants into the regional economy
Immigrants are contributing to growth in the region, and 15 percent of children have immigrant parents, yet they face barriers to fully participating in economic and civic life. Across the country, many communities have recognized the importance of immigrant integration and have adopted policies to facilitate access to services, education and training, entrepreneurship, and jobs and to become more welcoming to

The Omaha-Council Bluff region’s GDP would have been \$4.8 billion higher in 2015 if there were no racial disparities in income.

Actual GDP and Estimated GDP without Racial Gaps in Income, 2015



Sources: Bureau of Economic Analysis; IPUMS. Note: Data represents a 2011 through 2015 average

immigrant residents. One strategy some communities, like New Haven, Connecticut, have adopted is offering municipal IDs. In the Chicago region, several regional organizations collaborated to develop an “Immigrant Integration Toolkit” to support municipalities in adopting best practices for immigrant inclusion.¹² The Heartland 2050 advisory task force recommends a focus on community education and narrative change efforts to increase knowledge and understanding of the region’s shared history across Omaha’s urban and rural communities.

Cross-sector leaders in Baltimore create a task force to create a more welcoming community for immigrants. In 2013, Baltimore opened its Mayor’s Office of Immigrant and Multicultural Affairs (MIMA) to promote economic growth and community well-being by creating a welcoming, supportive environment for immigrants. The city also created a New Americans Task Force of city agencies, nonprofits, the private sector, foundations, and financial institutions. This task force developed 32 recommendations to the Mayor to strengthen efforts to create a welcoming and safe environment for economic opportunity and inclusion for the immigrant community.¹³

Ensure jobs created by public dollars benefit those with the greatest need through local and targeted hiring

While the unemployment rate has improved or remained relatively stable across all groups, the region’s high level of unemployment for African Americans (9.4 percent) and Whites without a high school diploma (12 percent) calls for a strong focus on creating on-ramps to good, family-supporting careers for populations facing barriers to good jobs. Public institutions can help remedy this through efforts to ensure that a fair share of jobs created by public dollars benefit those with the greatest need, such as residents in North and South Omaha, rural communities, and other marginalized communities throughout the region. Local and targeted hiring policies can require or incentivize businesses that receive public resources, such as government contracts or tax breaks, to hire workers living in a particular geographic area (i.e., residents living near central business districts) or from specific populations, taking into account characteristics such as veteran status, sex, race or ethnicity (where allowed), residency in a low-income neighborhood, prior incarceration, disability, or long-term unemployment. This is usually done by revising employers’ hiring procedures to build in connections with referral sources that can promptly send qualified local and targeted workers in response to employer requests. These programs advance

inclusive growth by increasing job access for workers who face barriers to employment, improve economic security by increasing employment and household incomes, and benefit businesses by identifying a reliable source of local workers.

San Francisco strengthens its local hiring strategy. In San Francisco, advocates successfully campaigned to replace the city’s non-mandatory “good-faith” local hiring goals for public works construction with a mandatory local hiring requirement (now at 30 percent of work hours), which is enforceable through assessment of liquidated damages. Recent reports indicate achievement of more than 40 percent local hiring, indicating the strength of a mandatory approach, as compared with the prior good-faith approach.

Ensure equitable contracting and procurement to address racial inequities in business growth

Municipalities spend millions of dollars each year on goods and services, from major construction projects to food, supplies, consulting, and repairs. However, local governments often fail to provide fair contracting opportunities for minority- and women-owned business enterprises (MWBs), who compete with larger companies that are politically connected, able to access financing, and more familiar with navigating the bureaucratic processes of working with governments. Successful strategies to ensure more equitable contracting and procurement include the following.

- Set equity targets for MWBs
- Streamline certification processes
- Break up large contracts into smaller subcontracts
- Help subcontractors grow into prime contractors
- Remove onerous financial burdens for small businesses
- Help large anchor institutions, like hospitals and universities, develop intentional strategies to purchase more goods and services from MWBs

Given Nebraska’s ban on racial preferences in public employment, the region should consider race-neutral policies in equitable contracting and procurement (see example below).

Fulton County in Georgia makes strides in using minority- and women-owned business enterprises. Fulton County adopted a supplier diversity program to eliminate discrimination in the procurement process and increase diversity. Although its diversity program does not benefit MWBEs directly, it focuses on relationship building, and organization and reporting changes to increase the diversity of the bidding pool and help address racial inequities. Fulton County partners with prime contractors to find opportunities for MWBEs and other small businesses through professional organizations and publications. Data from 2014 show that through the diversity program the county attained 20 percent MWBE utilization, higher than the national average of 16 percent.^{14, 15}

Raise the floor on low-wage jobs and strengthen workers' rights

Across all workers in the region except for Asian or Pacific Islanders, wages have remained relatively stable or declined since 2000. As noted above, even those working full-time struggle to stay out of poverty. To address these disparities, it will be important to transform low-wage jobs into good jobs by setting high community standards for wages and benefits (including paid sick leave), preventing wage theft, ensuring fair scheduling, and supporting worker organizing. Policies that promote strong and rising wages, especially for low-wage earners, are critically needed to reduce the region's rising levels of working poverty, particularly for Latino workers, even those working full-time. With Nebraska's minimum-wage increase from \$7.25 to \$9.00 per hour, someone working full time at minimum wage would make \$18,720 (up from \$15,080, an increase of nearly 25 percent). Local and state governments in the region should consider these tools and strategies to raise the floor for its low-wage workers and ensure employers it does business with are providing good jobs.

Seattle was the first major city to adopt a \$15 per hour minimum wage. The effort began in SeaTac, near Seattle, where airline companies were shifting to pay workers as contractors, and wages declined dramatically as a result. A local Service Employees International Union (SEIU) chapter led a successful ballot initiative campaign, and voters approved a \$15 per hour minimum wage for airport-related jobs. At the request of the SEIU, the mayor of Seattle set up a task force to develop a proposal for a citywide \$15 per hour minimum wage, and the proposal was ultimately passed by the city council. In the years since Seattle began gradually raising its minimum wage to the \$15 floor, the local job market has grown far faster than the national rate, and researchers have found minimal effect on prices at restaurants, grocery stores, and other merchants.

Cultivate homegrown talent through a strong and resilient cradle-to-career pipeline

Ensuring that all youth in the Omaha-Council Bluffs region, including African Americans, Native Americans, Latinos, and immigrants, can access a good education that leads to a career is critical to developing the human capital to power the region's economy in the future. Boosting the share of Black and Latino youth who obtain at least a two-year college degree is critical to ensuring the region's workforce is ready for the jobs of the future, and tackling the higher education challenge requires strengthening the whole pipeline of educational supports for vulnerable youth – from birth through career. High-quality early childhood education is essential, as is equitable funding of public schools. Addressing the disproportionately high levels of high school dropout and lack of high school diplomas for Black and Latino youth, particularly Latino immigrants, as well as disproportionate levels of disconnectedness from work or school for young Black and Latina women is also necessary. Bilingual education and other language-access strategies can help youth who are English-language learners excel in school. Replacing overly harsh “zero tolerance” school discipline policies with strategies focused on positive behavior support and restorative justice can work to lower suspension and expulsion rates and reduce the number of disconnected youth. Increasing the diversity of educators and expanding the curriculum to be more inclusive of all students are important factors in the development and academic success of youth of color. For all students to thrive, school facilities also need to be free of overcrowding. Recently, local leaders proposed just that: a \$409.9 million bond referendum to build additional schools and make repairs to existing ones.¹⁶ It is also important to increase the availability of apprenticeships, career academies, linked learning, high-quality afterschool programming, youth

development activities, and other education and training supports. For example, the Step-Up Omaha summer jobs program provides work experience and mentorship opportunities to keep more youth on track to graduation, college, and careers. Partnerships between K-12 and postsecondary institutions to develop scholarship programs and academic support programs for students underrepresented in higher education can help ensure greater college access and success for all students.

San Antonio improves academic, health, and wellness outcomes for low-income children and youth and their families.

In San Antonio, Texas, Eastside Promise Neighborhood (EPN) leaders are strengthening educational systems that have failed generations of predominately low-income children and youth of color through a cradle-to-career framework to support organizational learning within youth-serving institutions. EPN and its partners in the school district and the City of San Antonio have committed to using a results framework that provides a clear way to measure outcomes; a means for aligning partners and solutions; and a common language for communicating progress with families, residents, partners, funders, and the general public. This focus on results is paying off: the number of children age five or younger who have a consistent medical provider, other than an emergency room, has increased by 17 percent since 2013. The share of parents or family members who regularly read to their young children has doubled to 50 percent, and 77 percent of parents or family members with children in high school are helping their students plan for college and career – a nearly 25 percentage-point increase since 2013.

Coordinate housing, transportation, and economic development investments to create healthy, opportunity-rich neighborhoods

All neighborhoods located throughout the region should provide their residents with the ingredients they need to thrive. Rebuilding distressed neighborhoods and opening up high-opportunity neighborhoods to lower-income people and people of color who have been historically excluded are both important strategies. Coordinating transportation, housing, and economic development investments over the long term will foster more equitable development patterns and healthier neighborhoods across the region. Heartland 2050 task force leaders have described the lack of affordable housing near job centers, lack of a robust public transit system, inadequate infrastructure, and high unemployment and working-poverty rates in North Omaha

and South Omaha, respectively, as challenges to regional economic prosperity. It will be important to promote inclusive development that ensures new development delivers jobs, services, infrastructure, and affordable housing to residents and entrepreneurs of color through community benefits policies and agreements and commercial stabilization strategies. The Omaha Municipal Land Bank is an important redevelopment tool that has the potential to turn abandoned and distressed properties into affordable housing and homeownership opportunities. To prevent structures from deteriorating in the first place, community groups can work closely with city planning and code enforcement to address substandard living conditions while also protecting low-income tenants from displacement, as code enforcement violations levied on landlords are often passed on to tenants through significant rent increases. Strategies to develop funding sources to expand, improve, and maintain high-quality infrastructure in low-wealth communities of color include:

- Increasing access and affordability of sustainable infrastructure for vulnerable populations (e.g., expand accessible housing)
- Targeting infrastructure resources to expand opportunity in high-need, low-income communities (e.g., “Fix it first” – repair existing facilities before adding new ones; bus rapid transit that connects to job centers and vibrant entertainment districts; legislation to adjust Nebraska’s “lid law” restricting transit dollars; policies to offset cost to transit agencies to provide a no-fare option to low-income transit users)
- Maximizing the job and economic benefits of infrastructure investments (e.g., create job centers along high frequency transit lines and target hiring to residents near these centers)

Bus rapid transit investments in Cleveland connect the city's population to job centers throughout the region.

A major infrastructure investment – the HealthLine bus rapid transit system (known as BRT) – is catalyzing reinvestment and economic activity along Cleveland's historic corridor, Euclid Avenue, delivering fast, first-class transportation service to all communities along the route and connecting the high-unemployment, predominantly African American city of East Cleveland to the region's two largest job centers. Since it began in 2008, the HealthLine has provided more than 29 million riders with high-frequency, 24-hour-a-day service – 34 percent faster than the prior bus service – and has generated more than \$6.3 billion in economic activity along the corridor. That is a return on investment of \$114 for every dollar it cost to build.¹⁷ Leadership, commitment, and support from city and state officials, major employers, and residents were essential to bringing the BRT from an idea to reality.

Designate joint use facilities to build healthy communities where all residents can thrive regardless of race or income

A joint use agreement, also known as a shared use agreement, supports a collaborative effort between two or more entities to share the use of facilities and land to increase community members' access and opportunities for physical activity, recreation, and meeting space. By promoting safe and accessible recreation areas through joint use agreements, local leaders can begin to mitigate the compounding health and social inequities of residential segregation and neighborhood poverty for underserved communities. Joint use of facilities can be an important strategy for providing safe and suitable spaces for activity in low-income neighborhoods and communities of color, in cases where parks and recreational facilities are scarce, and for hosting important services and programs that do not have dedicated space in these communities. Through joint use agreements, government agencies (such as cities, school districts, or parks and recreation departments), nonprofits, and private organizations can arrange to share both indoor and outdoor spaces. These spaces can include school athletic fields, parkland, gymnasiums, pools, auditoriums, and playgrounds. In concert with other policy interventions, shared use can be an effective strategy to build healthy communities where all residents can thrive regardless of race or income. People of color and low-income families are more likely to suffer the negative health impacts linked to lack of physical activity, including obesity and increased risks of heart disease, stroke, type 2 diabetes, depression, and some cancers.

Maricopa County opens school facilities for shared use. In Maricopa County, Arizona, six elementary school districts have joined with the Maricopa County Public Health Department, community partners, and philanthropic partners to build healthier neighborhoods by opening school facilities for shared use when school is not in session. Beyond simply making playgrounds available in neighborhoods without public parks, this partnership, launched in January 2017, is using public school land and facilities to open a medical clinic two days a week in conjunction with a community hospital, build community gardens, open a farmers' market, install new outdoor fitness equipment, offer nutritional and cooking classes, and make school library resources available to the public.

Conclusion

Community leaders in the public, private, and nonprofit sectors are already taking steps to connect its more vulnerable communities to educational and economic opportunities, and these efforts must continue. To secure a prosperous future, the Omaha-Council Bluffs region needs to implement a growth model that is driven by equity – just and fair inclusion into a society in which everyone can participate and prosper. Concerted investments and policies for, and developed from within, communities of color will also be essential to ensure the region's fastest-growing populations are ready to lead it into the next economy. Existing local efforts, including Heartland 2050, and Strategic 4Sight, are working to create a more equitable future for the region by leading the charge in ensuring the Omaha-Council Bluffs region is one where all can thrive. These efforts along with other ongoing education, workforce, housing, and transportation initiatives signal a growing commitment toward progress. These efforts should be continued and expanded to work toward economic vitality for all people.

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