The Corridors of Opportunity (CoO) initiative was established to create two kinds of change: equitable transit-oriented development and systems-level change in how transit-related planning and development are done in the Twin Cities. It was funded from two sources: a Sustainable Communities Regional Planning Grant from the U.S. Department of Housing and Urban Development (HUD), and grant and loan funding from The Integration Initiative of Living Cities, a consortium of 22 of the nation’s largest philanthropies and financial institutions.

To create the intended changes, the initiative funded a suite of activities ranging from corridor planning and direct project investment to policy analysis and community engagement. This work has brought together cross-sector leaders from multiple jurisdictions, content areas, and community perspectives to focus on guiding equitable growth along the region’s transitways.

The initiative operated from January 2011 through December 2013. The evaluation’s purpose was to assess progress toward its overall goals, rather than detailed outcomes of specific projects. The final report addresses the question, “What difference did the investments make?” This summary describes some of the key outcomes and learnings from the CoO’s three years.

**Immediate outcomes**

Projects financed and supported

CoO funds supported a handful of transit-oriented development (TOD) projects on three of the seven transitway corridors that were part of the initiative. These projects are intended to catalyze additional development in weak market areas, test new strategies and tools for TOD, and demonstrate the potential of TOD to benefit residents of all income levels.

- CoO financed seven TOD and multi-family affordable housing projects that are slated to create 637 units of housing (75% of which are affordable) and 18,000 square feet of commercial space. They are also expected to leverage $150 million in additional public and private investment.
- CoO financed five single-family developers who will be rehabbing or constructing up to 40 single family units.
- CoO provided grants, technical assistance, and other support to eight mixed-use projects that are projected to have 470 units of housing and substantial commercial space (including a theater project and a largely commercial-driven development).
A set of Local Implementation Capacity (LIC) grants provided additional funds from the HUD grant to support three of the seven loan-financed projects. LIC grants also supported five non-site-specific studies that aim to increase development opportunities along the three corridors.

**Small business assistance**

CoO and Central Corridor Funders Collaborative funds supported the U7 Partnership and Neighborhood Development Center to help small businesses along the Central Corridor survive the loss of business during construction and prepare to make the most of new opportunities after the light rail line begins to operate.

- 9 matching grants helped 15 businesses to upgrade their façades
- 6 low-cost loans helped small businesses make internal and external enhancements to their buildings
- Technical assistance helped 353 owners with accounting, legal questions, bookkeeping, marketing and signage, and energy efficiency
- Of the 353 businesses that were helped, only 4 closed during the two years of heavy construction (2011-12), which included major reductions in customer traffic due to the light rail construction
- Organizations providing small business assistance greatly increased their capacity to provide help

![New façade of May’s Market, at the corner of University and Western Avenues, incorporating the “Little Mekong” theme for the station area.](image)

**A stronger financing system for equitable TOD**

Three financing intermediaries managed the TOD/Affordable Housing Loan Fund: Family Housing Fund, Twin Cities LISC, and the Twin Cities Community Land Bank. As a result of CoO, these organizations now work more closely with each other, have identified gaps in the development finance system in the region, and have begun to fill those gaps with new capacities and tools.

Among this group’s many innovations are Predevelopment Funders Roundtables to bring funders, developers, and other stakeholders together from an early stage of a proposed development to work collaboratively to solve development and financing issues.

**Integrated planning on Southwest LRT corridor**

The initiative funded several projects and activities to augment planning processes for the Southwest corridor. One purpose was to bring community perspectives, from residents and developers, into the design process early; another was to better integrate land use planning with transitway engineering. These efforts are expected to increase the value of the line to corridor residents and employers. Short-term results of these efforts include:

- Engineering and land use planning staff for the corridor were collocated and the Project Office hired a land use planner to work on joint development projects
- Transitional Station Area Action Plans were developed and adopted, guiding how planning could best be done incrementally during the preliminary stages of the corridor to maximize the opportunities to enable transit-oriented development (TOD) once the trains begin operating
- Plans included significant community input, from residents as well as developers
- Cities along the corridor adopted specific TOD recommendations and implementation strategies
- A housing inventory and gaps analysis was completed, a housing strategy was adopted to address fair and affordable housing, and a project pipeline was developed to track progress (for both production and preservation), all at the corridor-wide level
Community engagement

The initiative funded $720,000 in grants to 19 community organizations and partnerships. Grants supported place-based efforts to engage and involve historically under-represented communities in decision-making around transit corridor planning and implementation. As a result of these grants,

- Over 37,000 community members, many previously unaware of transitway plans, were reached through flyers, newsletters, doorknocking, and other outreach
- Grant leaders estimate that grant activities helped about 15,000 gain new skills or confidence to express their views to policy makers
- 58 have been appointed to serve on formal or informal transitway advisory groups
- Community-based organizations gained knowledge, relationships, and capacity to be more deeply and effectively engaged in decision-making affecting their community
- Significant changes occurred in how public agencies conduct their own outreach and engagement with historically underrepresented communities
- A majority of community representatives and public agency staff agree that plans were better because of community input

Other project outcomes

Other projects have generated market studies, station area typologies, and housing inventories along specific current or proposed transitways; studies of the feasibility or potential policy levers for transit-oriented development; resources for accessing affordable housing; and replicable models for job preparation, stormwater management, and realizing housing and business cost savings through energy efficiency.

Leveraged funding

CoO partners leveraged about $12.3 million in additional funds during 2013 to support the work of the initiative. In addition, the partner organizations re-purposed approximately $3.4 million of their own funds to better align with the goals and principles of the initiative. These bring the total for all three years to over $17.5 million in leveraged funding and almost $40 million in re-aligned funding ($7.5 million not counting the Met Council’s one-time $32 million in 2011 to create the TOD Livable Communities Act grant program).

Systems change

Both the Living Cities and HUD programs placed an emphasis on new ways of doing business, including cross-sector, cross-jurisdictional planning at a regional level – not as an end in itself, but as a means of achieving better outcomes, including more equitable benefits for low-income communities.

A majority of the stakeholders who were involved in the initiative believe that the CoO has contributed to several kinds of changes in how planning is done. As shown in the figure on the next page, three-quarters or more of those in partner agencies reported that their own organization has:

- **Increased collaboration** across geographic boundaries and sectors (content areas)
- **Aligned resources** more intentionally with the CoO partners
- Increased public-private collaboration (see chart on next page)
This perception of change across many organizations and different dimensions is ratified by observers who were not themselves directly engaged in the work. In addition, around two-thirds of CoO participants reported that their organization has:

- Implemented a new strategy related to development planning or funding
- Increased the level of focus or priority to equity
- Implemented a new strategy related to equity
- Implemented a new strategy related to transit planning or funding
- Increased public-private collaboration

These changes include the formation of new cross-sector and/or cross-jurisdictional “tables” to bring diverse perspectives together to identify and solve challenges. The most significant of these new tables is the CoO Policy Board, which has been deeply appreciated by many of its participants as the only place in the region where high-level conversations can occur that address economic competitiveness and equity at the same time.

The value of this convening to its members has been such that attendance has been consistently high at the nearly-monthly meetings throughout the three years of the CoO, and partners were unwilling to give it up with the end of the initiative. To continue the unfinished work, a new initiative, the Partnership for Regional Opportunity (PRO) has been formed for 2014, including the same partners and bringing others in to participate in four related working groups.

The CoO has also led to more holistic (or integrated) planning for development along the transitways. This is seen in efforts to broaden the typical vision from an individual parcel to a district-wide concept,

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**As a result of the Corridors of Opportunity, has your organization changed any institutional practices in any of the following ways?**

<table>
<thead>
<tr>
<th>Change Description</th>
<th>Yes (%)</th>
<th>No (%)</th>
<th>Don't Know (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased collaboration across geographic boundaries?</td>
<td>88%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Aligned resources more intentionally with other Corridors of Opportunity partners?</td>
<td>85%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Increased collaboration across sectors, for instance, housing and jobs, or land use planning and arts?</td>
<td>82%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Increased public-private collaboration?</td>
<td>76%</td>
<td>24%</td>
<td></td>
</tr>
<tr>
<td>Implemented a new strategy related to development planning or funding?</td>
<td>69%</td>
<td>31%</td>
<td></td>
</tr>
<tr>
<td>Increased the level of focus or priority on equity?</td>
<td>64%</td>
<td>30%</td>
<td>6%</td>
</tr>
<tr>
<td>Implemented a new strategy related to equity?</td>
<td>64%</td>
<td>33%</td>
<td>3%</td>
</tr>
<tr>
<td>Implemented a new strategy related to transit planning or funding?</td>
<td>64%</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>Found new ways to raise or deploy resources to support development?</td>
<td>36%</td>
<td>61%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Source:** Interviews with 33 key project stakeholders, Dec-Jan. 2013-14
from an individual station area to an entire corridor, and from an individual corridor to the entire region. The integration has also increased the extent to which planners simultaneously consider the full mix of land uses needed for a healthy community. For example, housing developers are more aware of the importance of including small local businesses as part of the mix in a vital neighborhood.

New funding streams have also been created to support new ways of working. These include funds in the Metropolitan Council, McKnight Foundation, Hennepin County, and Twin Cities LISC to incentivize and support TOD.

Do you believe the CoO has ...

| Sparked new conversations about equity and equitable development in the region? (N=33) |
|---------------------------------|-----------------|-----------------|
| Yes, big difference             | 97%             | 30%             |
| Yes, small difference           | 67%             | 30%             |
| Yes, don't know how much        | 3%              | 3%              |
| No, but it will in the longer term | 2%             | 22%             |
| No, and it will not in the longer term | 3%             | 2%              |
| Don't know                      | 3%              | 3%              |

| Made the development process easier in transit corridors? (N=32) |
|-------------------------------------------------------------|-----------------|-----------------|
| Yes, big difference                                         | 69%             | 3%              |
| Yes, small difference                                       | 34%             | 34%             |
| Yes, don't know how much                                    | 9%              | 3%              |
| No, but it will in the longer term                           | 31%             | 3%              |
| No, and it will not in the longer term                       | 22%             | 22%             |

| Resulted in development that is more equitable overall? (N=33) |
|---------------------------------------------------------------|-----------------|-----------------|
| Yes, big difference                                           | 55%             | 39%             |
| Yes, small difference                                         | 24%             | 3%              |
| Yes, don't know how much                                      | 15%             | 3%              |
| Yes, don't know how much                                      | 12%             | 3%              |
| No, but it will in the longer term                            | 6%              | 3%              |
| No, and it will not in the longer term                        | 3%              | 3%              |
| Don't know                                                    | 3%              | 3%              |

Source: Interviews with 33 key project stakeholders, Dec-Jan. 2013-14

Durable changes

It is one thing for work to be done differently during the lifetime of a grant where there is substantial funding to support new ways of doing business. Living Cities and HUD were interested in creating conditions through their grants that would lead to lasting systems changes. It is impossible at the time when the initiative has just concluded to predict with certainty which changes will last and which will not. However, there is considerable evidence to suggest that many significant changes will be lasting. These include:

- **A new approach to the planning of development** in transitway corridors. This involves earlier involvement of residents and private developers, the simultaneous consideration of land uses at the same time as preliminary engineering, and the use of an “investment framework” to identify the public investments that will make the most difference to spark private investment.

- **Structural changes in organizations**, including new TOD units, staff, or funding at the Metropolitan Council, Hennepin County, Saint Paul, and Minneapolis.

- **Policy and/or zoning changes** in cities that received TOD grants from the Metropolitan Council. Four of 14 cities have fully adopted all of the threshold criteria for TOD and equitable development principles, and 3 more are missing only one.

- **New engagement skills and practices** in many public agencies, supported by an increased perception of the value of in-depth engagement.

- **New conversations about equity, and specifically about equitable development**, reflecting a new and higher level of attention and commitment to action from CoO partners and others.

- Emergence of an independent and self-guiding **Community Engagement Steering Committee** with capacity to give technical assistance to community-based organizations, convene peer support and learning opportunities, work with public agencies to build their capacity for engagement, and work at the regional level not only on transit issues but also a broader set of issues related to equitable development.
One of the outcomes most often cited by stakeholders is the development of a **regional vision for equitable development**. This vision has emerged through the combination of diverse geographic interests, sectoral perspectives, and public, private, nonprofit, and philanthropic representatives as well as the voices of community residents and small business owners.

**Long-term impact: Will low-income people be better off in the longer term?**

A large majority (88%) of organizational leaders who were involved in the Corridors of Opportunity believe that low-income people in the region will be better off as a result of the initiative’s work. The remaining 12% did not disagree with this statement, but were not sure one way or the other. This view was shared, in the same proportion, by eight of the nine non-involved stakeholders who were also interviewed.

### CoO stakeholders’ perceptions of the longer-term impact of the initiative

<table>
<thead>
<tr>
<th>Do you believe low-income people in the region will be better off because of the CoO? (N=33)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
</tbody>
</table>

**Source:** Interviews with 33 key project stakeholders, Dec-Jan. 2013-14

What reason do we have to believe that the changes made through CoO will have this effect? Several interlocking pathways are leading from the CoO’s work toward this result.

- **Equity has been elevated** as a necessary component in planning for development, and economic development has been identified as a means for achieving equity. The conversation around both has changed, and the new framework is widely shared among a diverse group of stakeholders who will help to implement it as well as spread it.

- **New patterns of community engagement** have brought historically underrepresented communities to the table to advocate for what their communities need, and their views are being included in planning. Based on its effectiveness meeting needs of public agencies and communities, the new model of engagement has gained enough traction to be likely to be sustained beyond the three years of the grants.

- A new, **more holistic view of development**, that puts physical development more into context of the overall neighborhood and community, is taking root not only at the CoO table but also within many of the major partner organizations. This includes not only public agencies and philanthropies but also community development organizations. This view has also been institutionalized in the **Thrive MSP 2040 regional plan**, generation of new units of some major public agencies, and new or re-prioritized funding streams.

- The region has **increased capacity to create, preserve, and support both affordable housing and small businesses** and emerging entrepreneurs. Moreover, the housing and small business support systems have stronger relationships with each other and increased appreciation for the value that the other brings to a healthy community.

- **Relationships have been built** among leaders, and networks have been built among staff at implementation levels, **that will help to sustain these new patterns over time**.

### CoO stakeholders’ perceptions of the Partnership for Regional Opportunity (PRO)

<table>
<thead>
<tr>
<th>Do you feel the Partnership for Regional Opportunity, as it is currently planned, will result in further progress toward the original goals of the Corridors of Opportunity?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>Don't know</td>
</tr>
</tbody>
</table>

**Source:** Interviews with 33 key project stakeholders, Dec-Jan. 2013-14
Learnings

Barriers and challenges

As expected, the CoO has been challenged to maintain an appropriate balance between competing values and priorities. The four main axes along which these tensions were evident were:

- **Benefits to existing residents and businesses ↔ Creation of new development and opportunities.**
  The initiative explicitly promoted both outcomes. Tracking indicators were selected to give early indications of possible gentrification (benefits to new residents at the expense of existing ones) so corrective steps can be taken if needed.

- **Focus on immediate, concrete outcomes ↔ Longer-term goals including changes in processes and structures.**
  CoO sought to include both. Some agency staff and developers were frustrated with the pace of action, which felt slow to them. The Policy Board, while sympathetic, kept a consistent focus on the big-picture issues, within the longer-term frame of reference, and this focus helped produce both the new vision and the commitment to it.

- **Focus on local neighborhood well-being ↔ Whole corridors and/or cities ↔ Entire region.**
  This balance required ongoing negotiation of roles and responsibilities. Most participants saw the new relationships (and the larger frame of reference they entailed) as one of the most valuable aspects of CoO. Some, especially city staff, felt the more collaborative planning intruded in an unwelcome way on their own role.

- **Leverage the power of the market ↔ Plan and regulate development to assure public good including equity.**
  This tension exemplifies the ongoing challenge of combining the twin goals of equity and economic competitiveness. The CoO provided some helpful tools for managing the balance, including market analyses, investment frameworks, and station area typologies. The new relationships between public and private partners are also a resource that will help in this balancing.

Both document analysis and interviews indicate that these tensions have been managed in a way that most stakeholders perceive as well-balanced. However, the effort to do so requires considerable time and effort, and the continuation of similar collaborative work is likely to require similar attention.

Other challenges have included:

- Representing the diversity of the region’s population through a governing body made up of organizational leaders, who are mostly white
- The short time frame for accomplishing ambitious work plans
- The amount of time needed to build relationships and trust in the many new collaborative tables, and the ongoing balancing of perspectives and roles to maintain those relationships during project implementation
- The small scale of the resources available to the initiative, compared to the amount of development anticipated along the corridors and the scale of the systems changes that are intended

Factors contributing to positive results

Cross-sector relationships were common in the Twin Cities even before the initiative began. This is in part due to a local pattern in which organizational leadership moves across the public and private sectors easily. This has made the development of cross-sector and cross-jurisdictional tables easier and faster.

The 2010 elections resulted in a new governor, from a different party. The governor appointed a completely new Metropolitan Council and Council Chair who co-led the initiative. This in turn helped increase the level of commitment to the goals of the CoO.

The combination of the Living Cities and HUD awards in a single overall initiative helped bring a wider set of organizational partners to the table with a higher level of commitment to the work.

The initiative’s broad definition of its purpose in the beginning helped keep the diverse set of partners at the table while they shared perspectives and understandings of issues. Through the new conversation that emerged from this unique set of
leaders, the twin goals of equity and economic prosperity emerged as a clear focus. The CoO’s goals thus ended up being both more ambitious and more strongly committed to by partners than would have been possible if a single unifying goal had been insisted on from the start.

**Lessons learned**

Three common themes run through everything that has been described in this final report. These “red threads” embody the most important learning about what worked and why it worked.

**One table**

The convening of diverse groups of stakeholders, including public, private, business, and philanthropic partners, and spanning multiple jurisdictions and sectors of interest, has proved a powerful vehicle for new ways of understanding challenging issues. It has also promoted new strategies for addressing regional needs. It has not only sparked collective action by the partners in concert with each other, but also led partner organizations to undertake new internal approaches and practices of their own.

**Community engagement**

The community engagement strategy owes part of its effectiveness to the fact that it included multiple interlocking strategies at multiple levels (neighborhood, across public sector organizations, and regional). The leaders helped build a common understanding of the value of the new approach and provided support to community-based organizations and public agencies to start new relationships based on shared interests rather than adversarial assumptions about each other. While the Policy Board conversation was changing to embrace equity as a goal equal to economic development, the community engagement work was helping community members understand how development could benefit their neighborhoods.

![Launch of Corridors 2 Careers pilot, in partnership with community representatives. Photo courtesy of Central Corridor Funders Collaborative.](image)

**Partnerships and linkages**

The new conversation sparked at the Policy Board created new ways of understanding issues, and leaders encouraged each other to take these insights home and apply them to their own organizations. The influence of the CoO was not limited to the member organizations. The CoO also extended its reach and influence through connections to other initiatives and centers of energy in the region.

**Conclusions and recommendations**

**Summary of findings**

As of the end of the third and final year of the initiative, the evaluation finds that specific funded projects have produced results that are at or close to the intended scale, including:

- Affordable housing creation and preservation
- Funding of a variety of catalytic transit-oriented development projects to demonstrate the potential for TOD and accelerate market readiness
- Development of frameworks, studies, and pilots suitable for use in the longer term on the corridors where they were developed, and replicable or customizable to other corridors to come
Support of diverse and locally-owned small businesses during the stresses of light rail construction

Increased engagement of historically underrepresented community residents in planning, and creation of development plans that will better serve the local communities

The results of these efforts have also increased the capacity of many organizations and communities in a variety of ways:

- The financing intermediaries are better prepared to work with each other, with developers, and with other funders including the cities. They are better prepared to address gaps in the community development finance continuum (such as strategic acquisition).

- There is more recognition of the role that small business support can play and how it can and must partner with housing and transit for sustainable community development. Providers have also increased their capacity to deliver support services and to partner with these other sectors.

- The Southwest Corridor planning process has made progress in developing a partnership between engineering and land use planners. The work has demonstrated both the promise of the collaboration and some of the continuing challenges. Those who have been involved in the partnership are committed to extending it to future corridors and beginning it at an earlier stage of the work.

- A variety of new funding streams have been created, and existing ones re-prioritized, to incentivize and promote transit-oriented development.

- The principles and vision of the Corridors of Opportunity, and learnings from how to prioritize and accomplish the work, have been substantially embedded in the Metropolitan Council’s Thrive MSP 2040 regional plan, institutionalizing the combination of equity and economic competitiveness (or “prosperity,” as it is termed in Thrive) at the regional level.

Partners widely agree that the partnership across content areas, types of organizations, and geographic jurisdictions has been a highly effective means of addressing complex community challenges at the regional level. They also report that such collaboration is increasingly seen as the assumed way to approach transit and transit-oriented development.

There are feedback loops in place to help maintain momentum by communicating the results of preliminary efforts, along with what was learned about effectiveness of the strategies for creating those results. This can help others replicate the efforts in new communities or as new opportunities arise.

Ha Tien Grocery at re-opening following renovations.
Implications for continuing efforts

Over the three years of the Corridors of Opportunity, the position of “equity” has evolved significantly. In the original formulation of the CoO’s vision and goals, equity was one of six principles to be applied across all the activities. In the reformulation of the vision document, midway through the initiative, it became one of the two main outcomes. By the third year, it had become part of the overarching framework of the Thrive MSP 2040 regional plan, and was the focus not only of one of the four work groups of the PRO, but also a necessary condition for the work of each of the other three.

These changes bespeak a significant shift in the perception of the importance of equity to the region and also a perception that it is possible as well as desirable to take concrete action to address it.

A number of regional stakeholders and observers have pointed out that the collaborative structure of CoO and PRO, and the new relationships and understandings that have been built as part of it, have become a powerful engine for accomplishing regional priorities. Now that this engine has been built, these stakeholders point out that it can be called on for other important regional priorities besides transitways – such as increasing employment opportunities or addressing educational disparities.

The evaluation sources consistently show that systems change efforts so far have not exhausted regional leaders’ interest in new ways of addressing transit, development, and equity. Rather, there is enthusiasm for the potential and appetite to apply the learning to new and complementary challenges.

The shift in the perception of equity as “the superior growth strategy” is a big change. It is a necessary, though not sufficient, condition for taking the results of the CoO to scale to assure that low-income residents share in the benefits of the new investments and systems changes. It is important to recognize that many of the systems changes have been made possible by a favorable political and economic climate. It will take adoption of this new perception by a much greater pool of thought leaders in the region before it can be considered a stable new pattern of thought.

The roll-out of the Thrive MSP 2040 plans during the January 2014 State of the Region event makes it clear that the Metropolitan Council and CoO leadership recognizes this fact, and are already preparing strategies to help others in the region achieve the same shift in perceptions as the CoO table has over the past three years. This effort must be kept at the forefront in order to maximize the chances that the Corridors of Opportunity – and the Partnership for Regional Opportunity – and Thrive MSP 2040 –and other aligned and not-yet-aligned efforts in the region to address equity and disparities – will fulfill the high hopes that so many have come to have for them and for the region.