



Economic Competitiveness & Inclusion

Ramsey County, MN

DRAFT

Steering Committee Meeting | February 2020



Meeting Agenda

01 Welcome & Introductions

02 Process and Scope of Work

03 Baseline Data Overview

04 Visioning Discussion

05 Next Steps



FOURTH ECONOMY

Fourth Economy is a national strategy firm that fosters action to create great communities, impactful organizations, and strong economies.



Project Team



**Economic Competitiveness &
Inclusion Plan**

**Housing Analysis
Economic Analysis
Implementation**



**Equitable
Development**

**Community Engagement
Strategic Advisory
Equity Framework**

URBAN3

**Fiscal Health
Analysis**

**Property Value Analysis
Comparative Analysis**

Stakeholder Groups

Steering Committee

Providing feedback, strategic direction and support for the analysis, engagement, and implementation phases of the planning process.

Working Groups

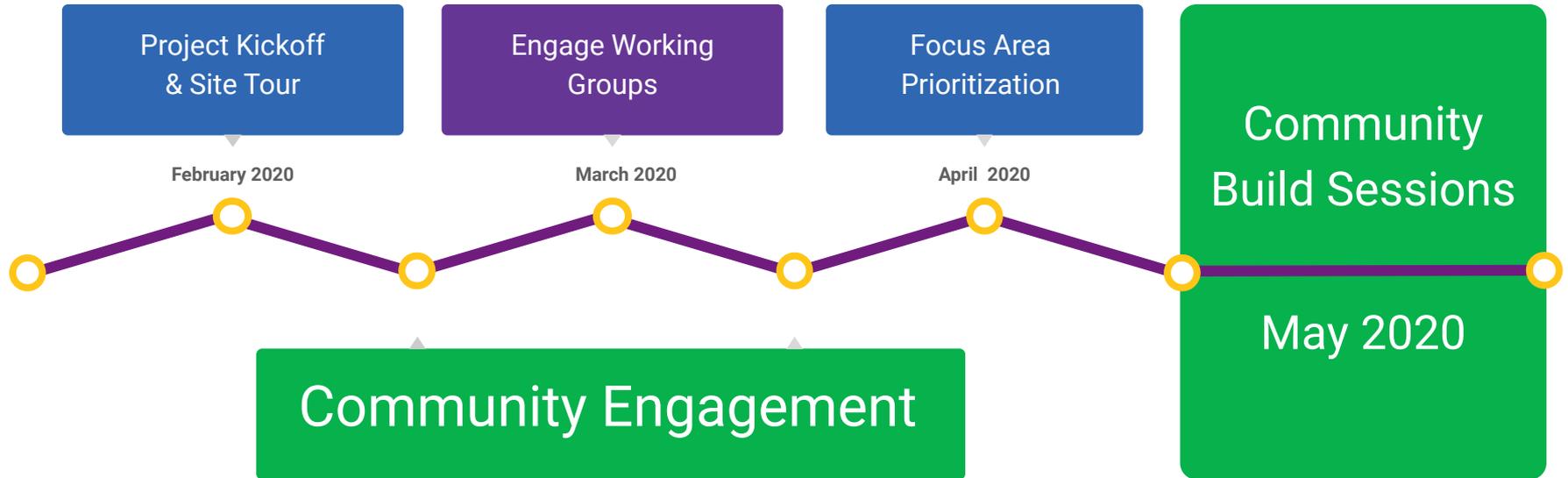
Serving as advisors to guide analysis and strategic thinking of four focus areas: ***Job Growth and Investment, Workforce Development, Housing, and Place and Infrastructure.***

Local Community

Including civic and private leaders, grassroots organizations and residents - adding context and perspective across our four areas of focus; helping to identify issues and prioritize solutions

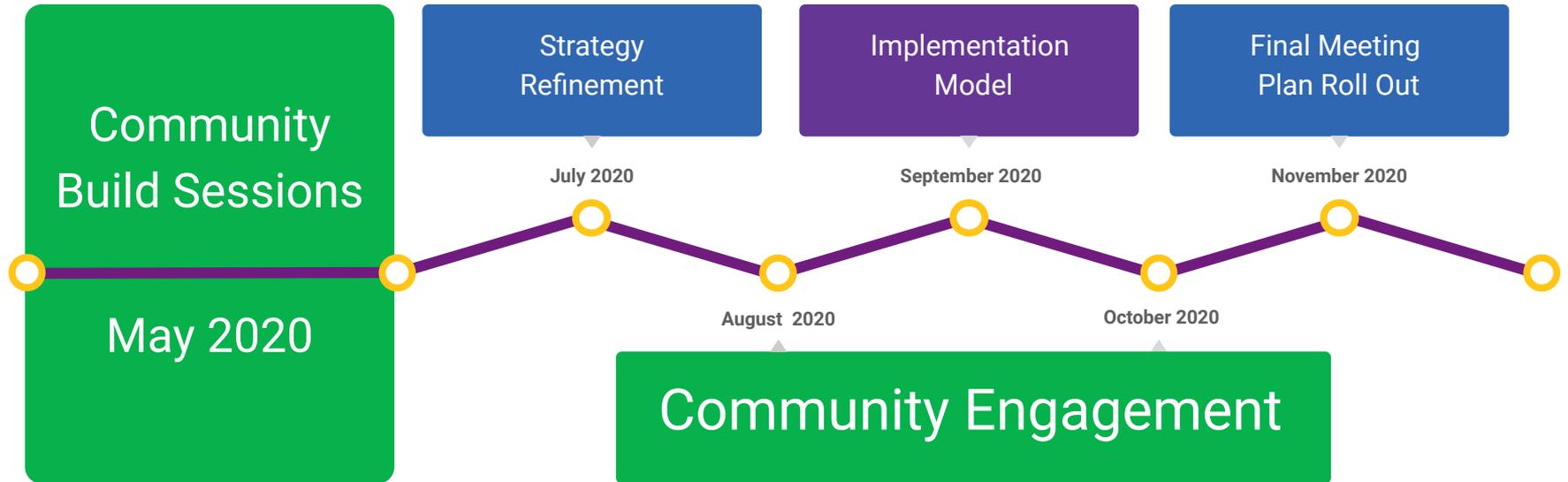
Our Timeline

(Challenges and Opportunities)



Our Timeline

(Strategy and Implementation)



Baseline Understanding

Overview

Local and Regional Trends

The context of growth and where the local economy leads or lags



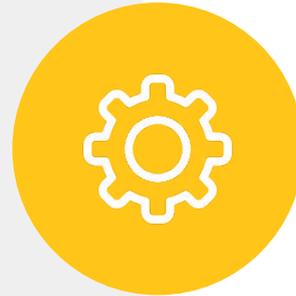
Economic Competitiveness Framework

Five critical ingredients for vibrant, sustainable communities



Drivers of Regional Growth

The industries and factors driving regional growth





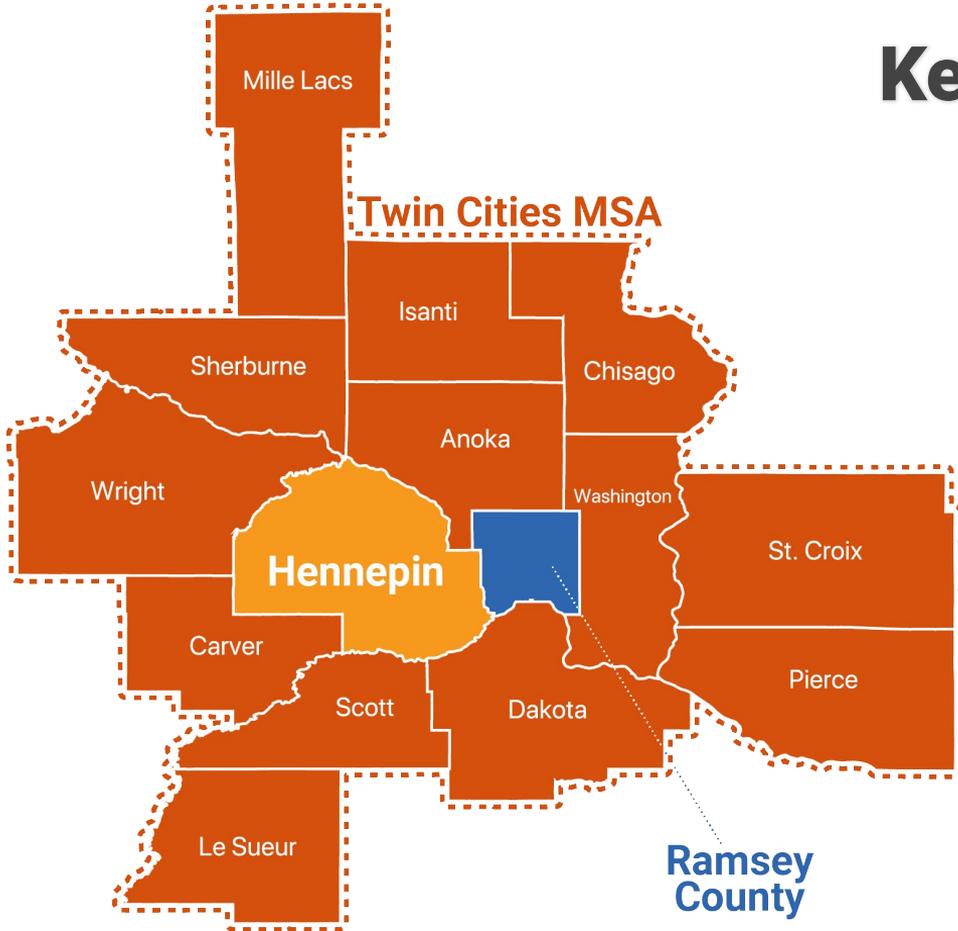
Economic Analysis

Baseline Understanding

Local & Regional Trends

- Key economic and demographic indicators
- How does Ramsey County fit within the region and state?
- Where do county and wider trends diverge?

Key Geographies



Minnesota



United States

Population



US



MN



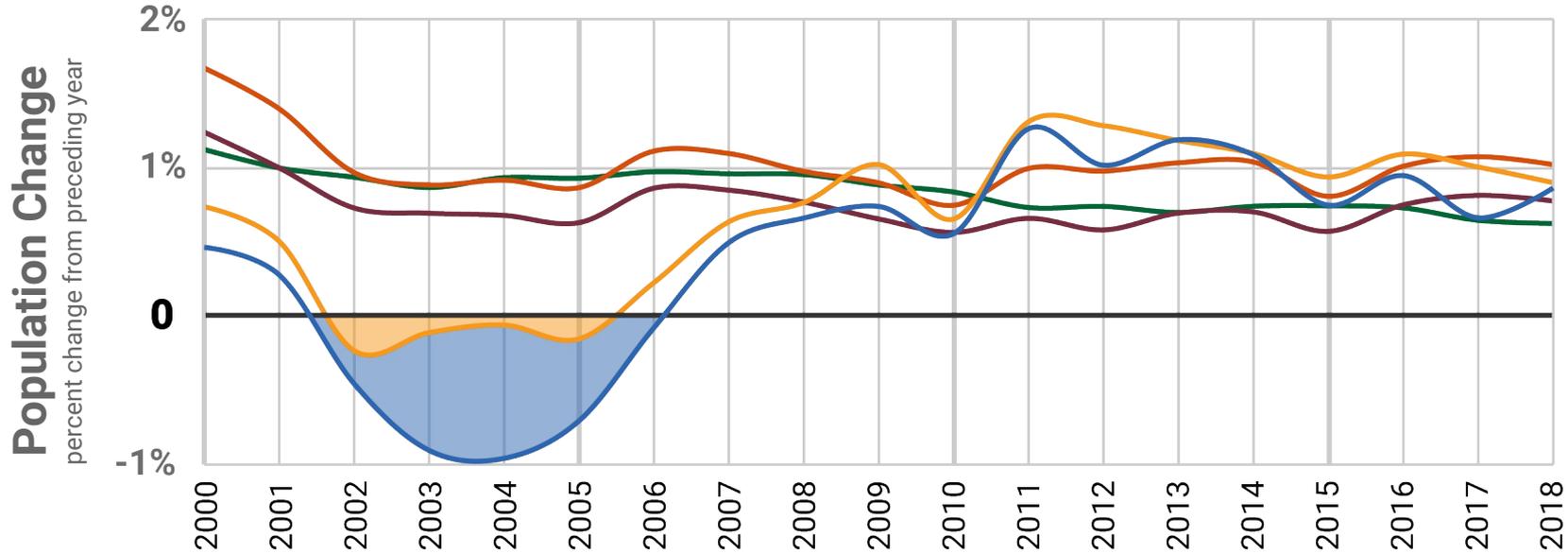
Twin Cities
MSA



Hennepin



Ramsey



Source: US Census Bureau | mid-year population estimates

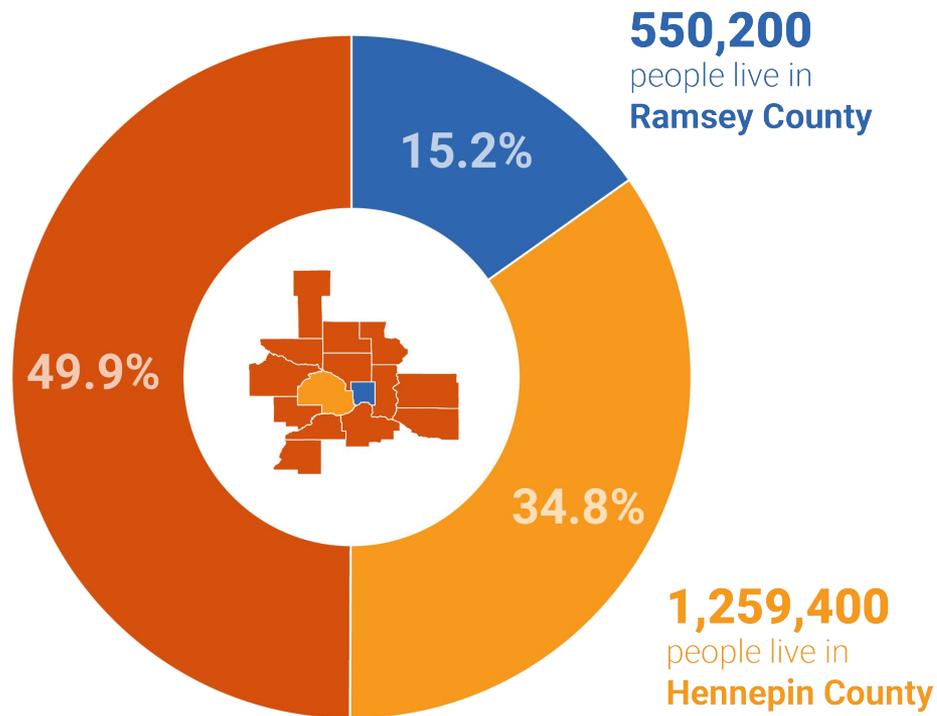
Population

Ramsey County and **Hennepin County** together account for almost exactly half of the 15-county MSA's population.

At 550,200 people, Ramsey is the 2nd most populous county in MN and the 123rd most populous in the US.

...But it is the 30th densest in the country!

1,804,500
people live in
**the remainder
of the MSA**



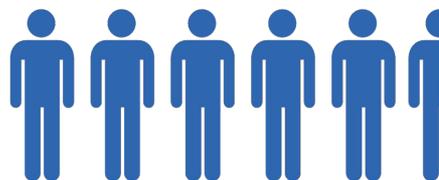
Population Density

But total population doesn't tell a complete story, for even though it is much smaller in total population than Hennepin County, it is much more densely populated.

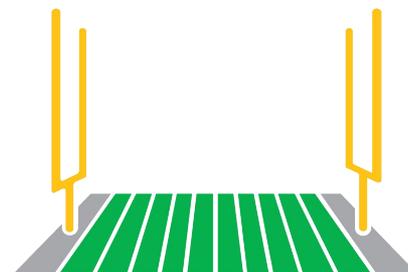
In fact, Ramsey County is the most densely populated county in the state and among the densest in the country.



Hennepin County:
3.5 People per Acre



Ramsey County:
5.6 People per Acre



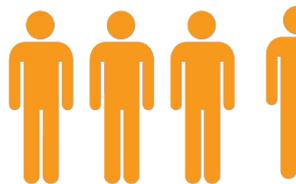
~ 1 Acre

Population Density

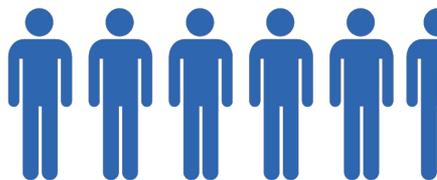
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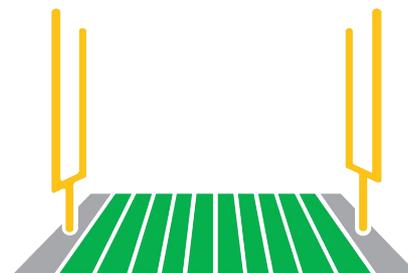
Of course, it still pales in comparison to larger, highly-urban areas...



Hennepin County:
3.5 People per Acre

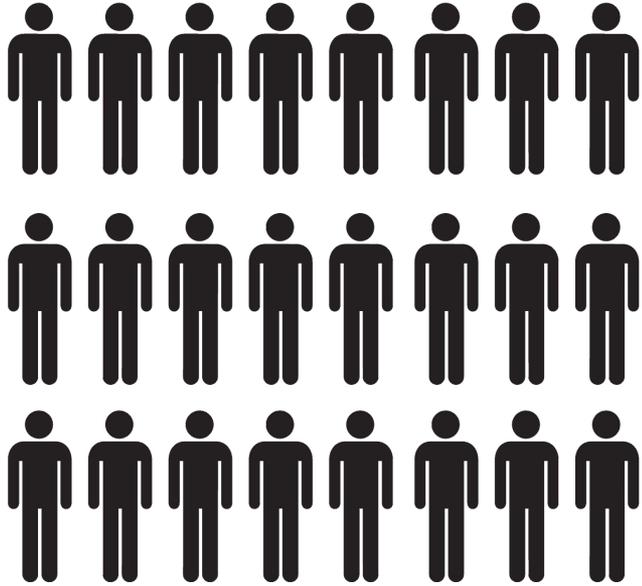


Ramsey County:
5.6 People per Acre

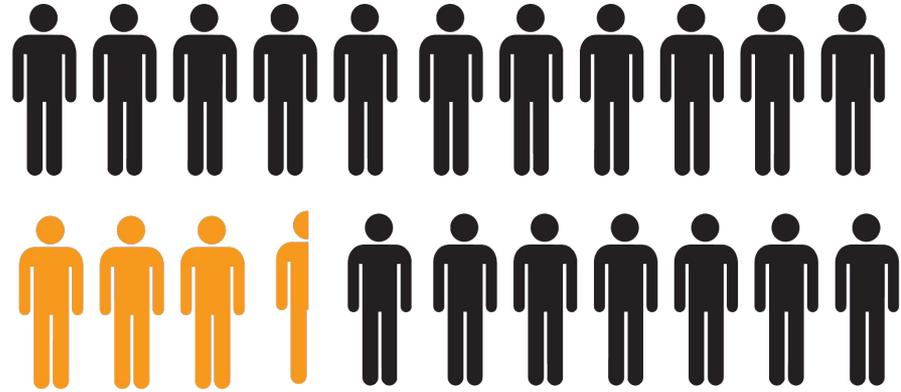


~ 1 Acre

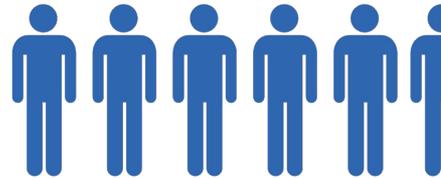
Population Density



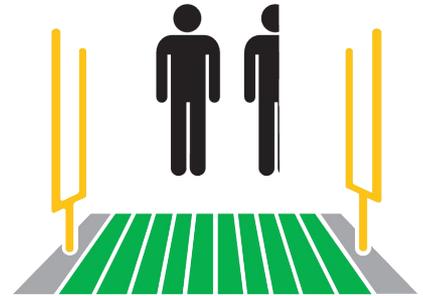
New York City (just for reference)
43.6 People per Acre



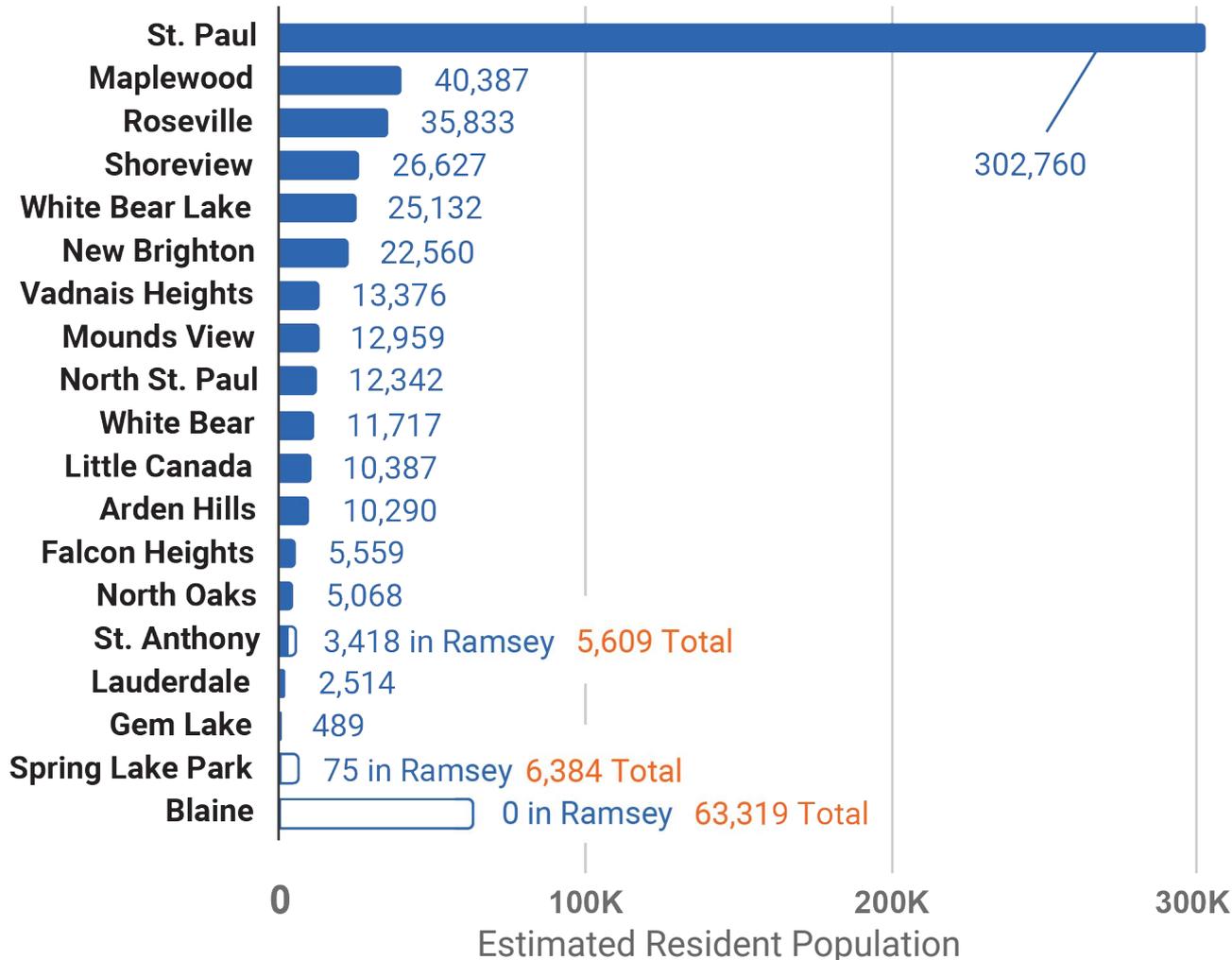
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Ramsey County:
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~ 1 Acre



Population:



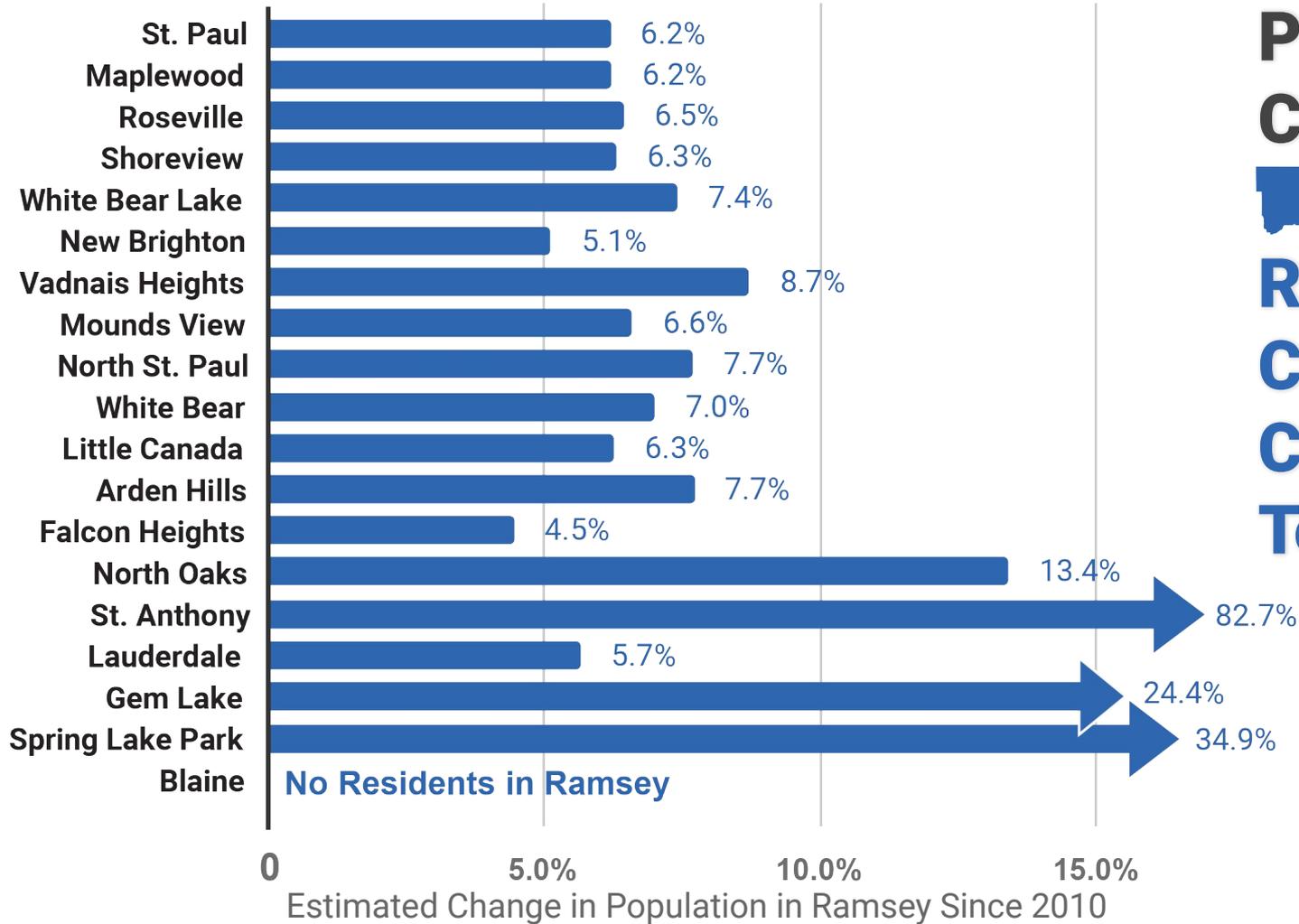
Ramsey County Cities & Towns

Source: US Census Bureau
2014-2018 ACS estimates

Population Change:



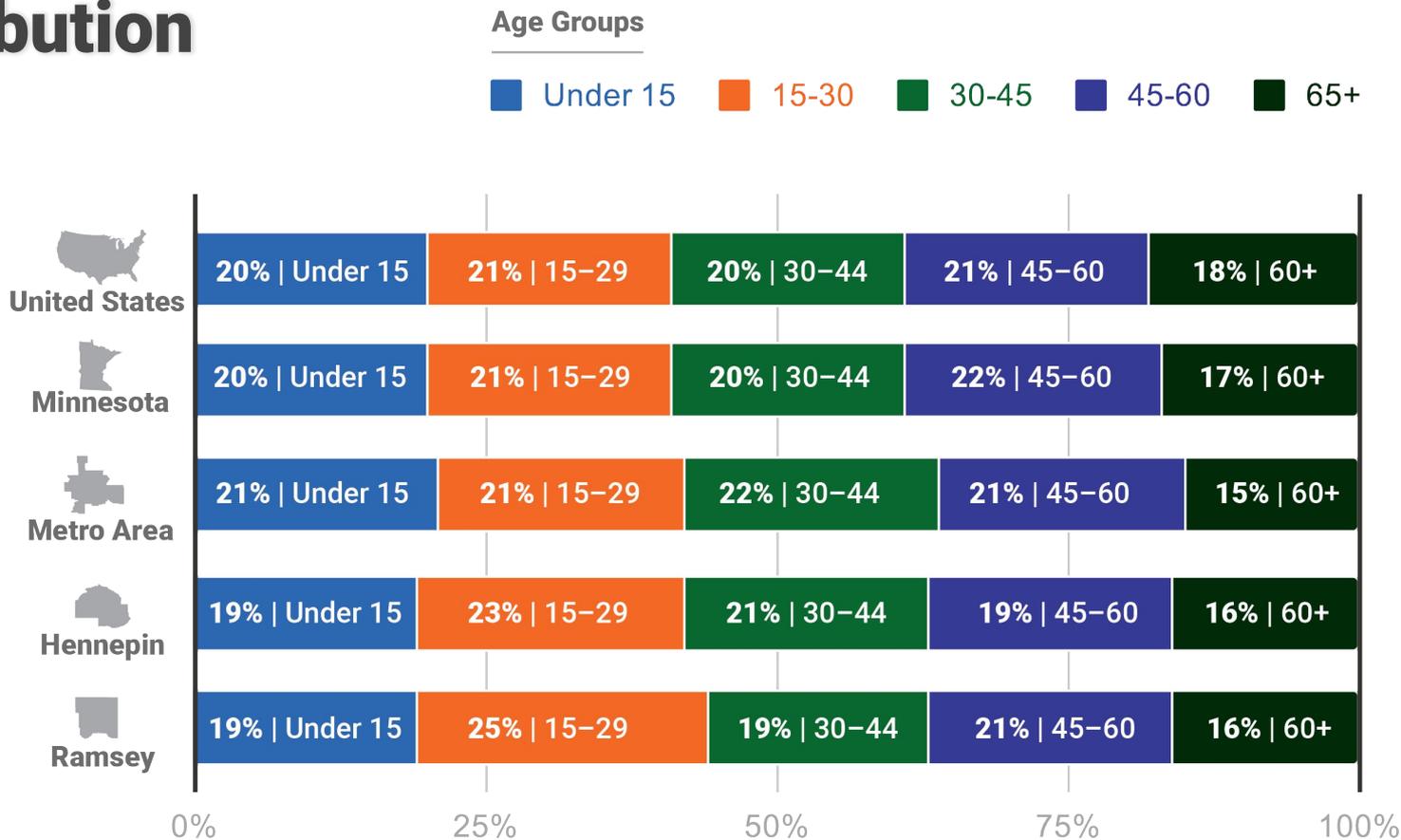
Ramsey County Cities & Towns



Source: US Census Bureau
2014-2018 ACS estimates

Age Distribution

Ramsey County has relatively few 30–45 year-olds, and it has a lot of young people (15–29 years-old).



Source: US Census Bureau | 2014-2018 ACS estimates

Household Income

Households in **Ramsey County** have slightly higher levels of income than the US at large, but relatively lower levels than elsewhere in the state and metro area.

Relatedly, the **cost of living** in the area, though lower than many urban areas, is higher than the US average, with goods and services on average cost about 2% more than US average.

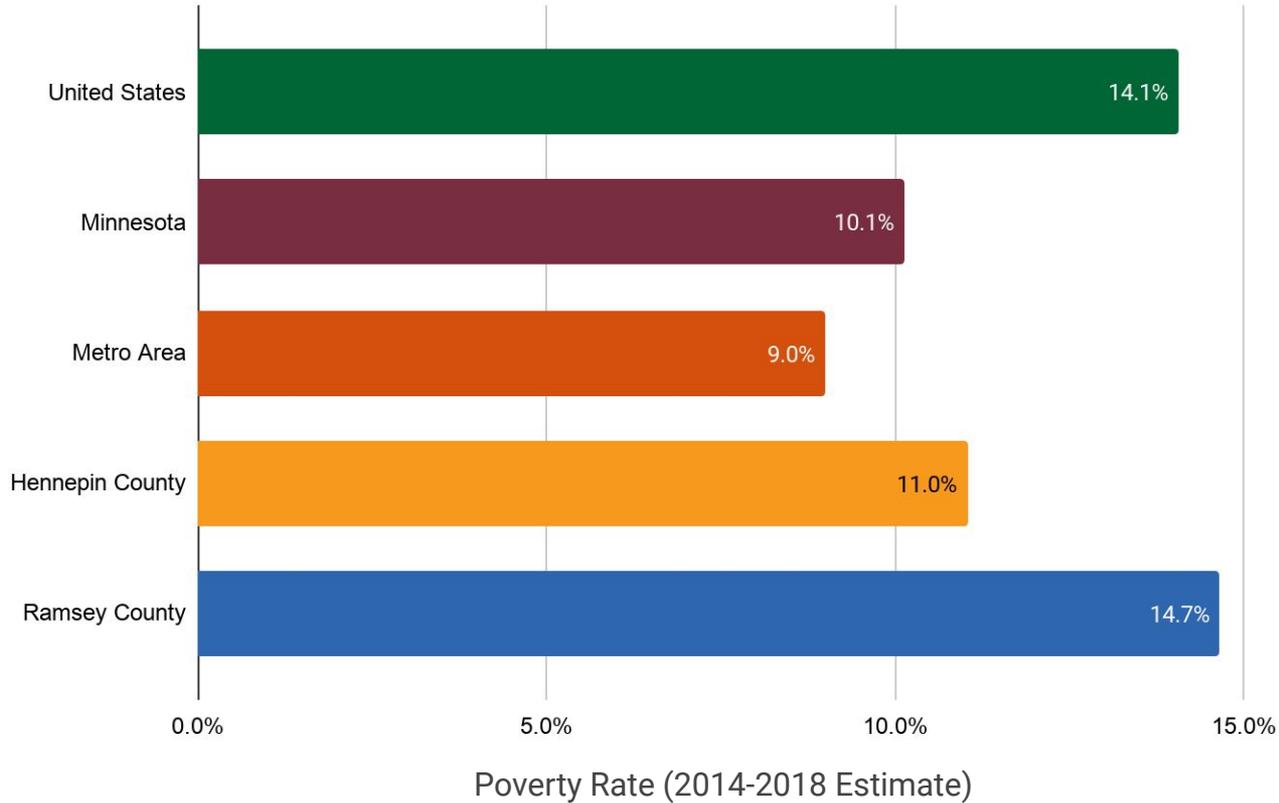


Median Household Income (2014-2018 Estimate)

Poverty

Despite slightly higher household income, poverty in Ramsey is slightly higher than in the US at large.

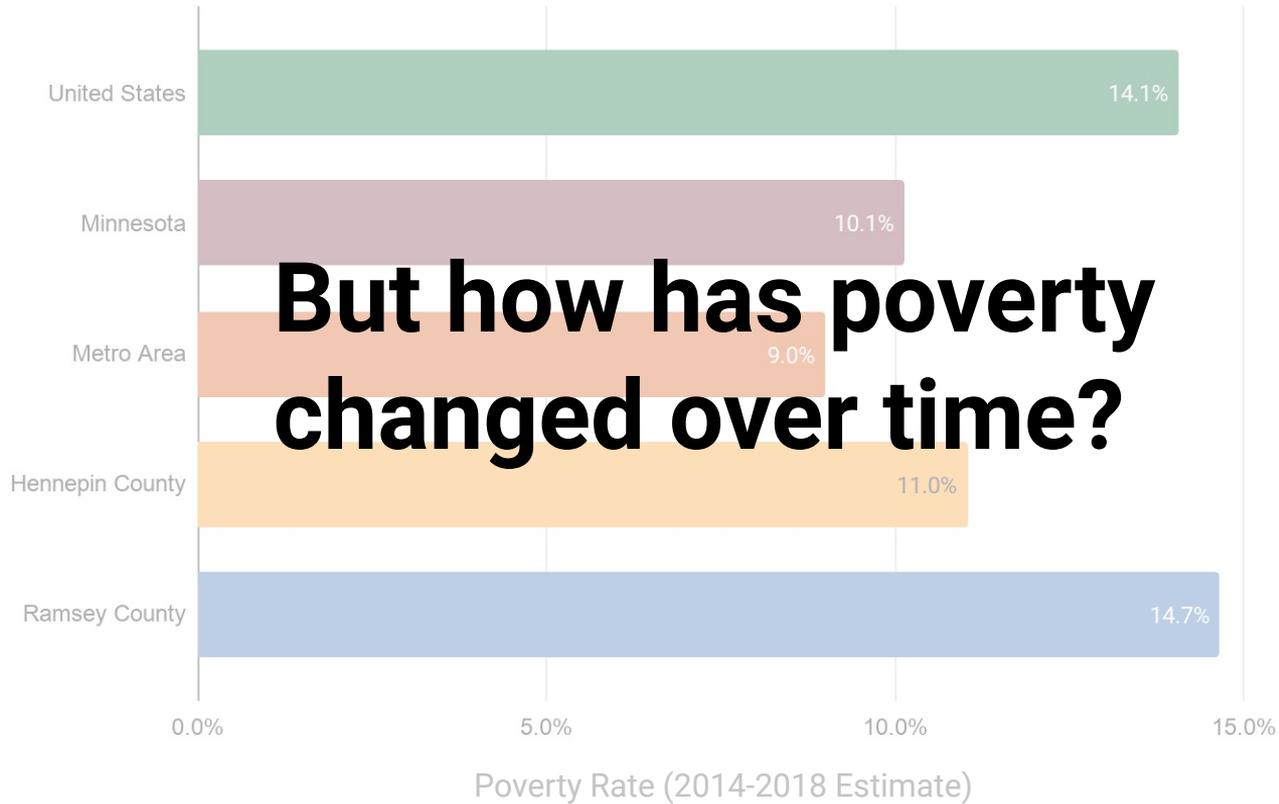
Poverty in Ramsey County is also much more pronounced than in Hennepin or the remainder of the Metro Area.



Poverty

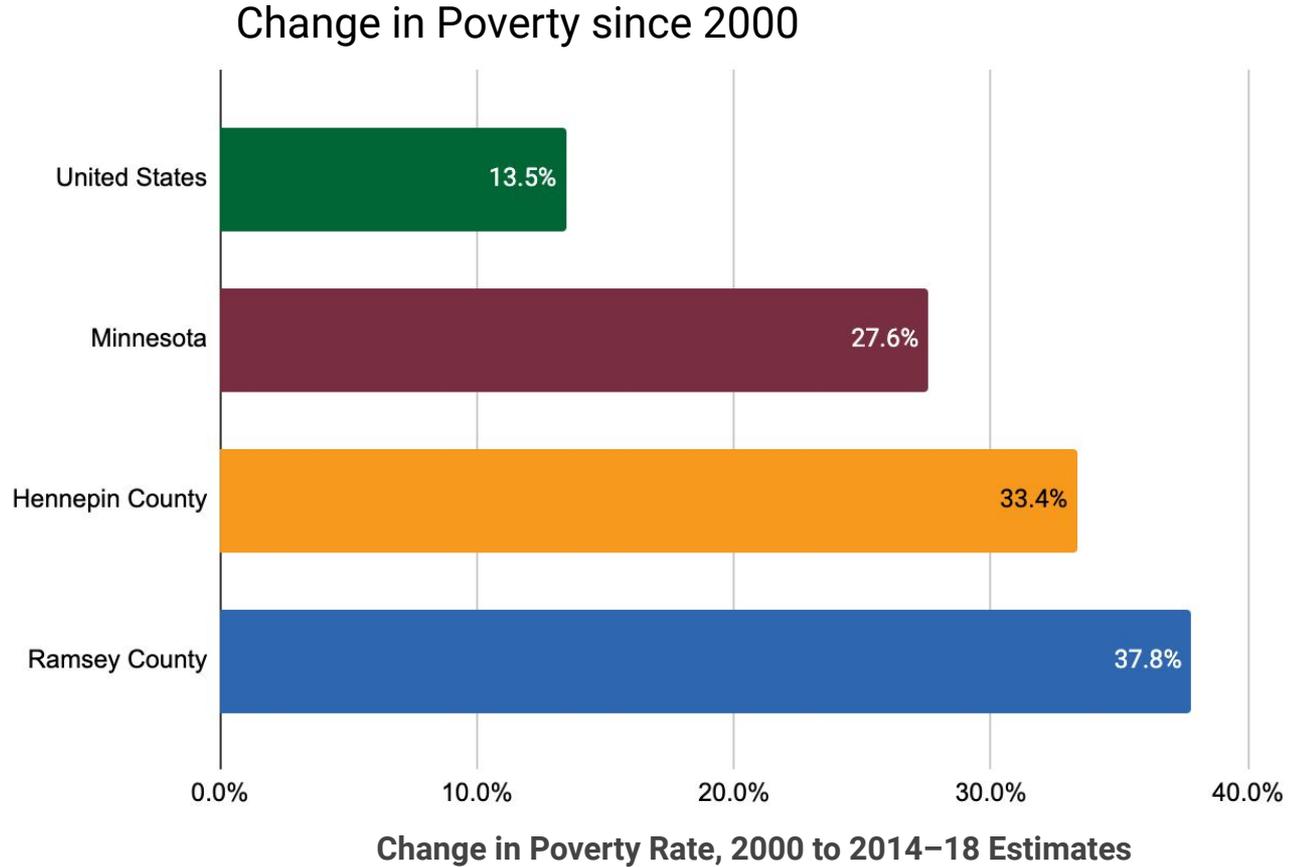
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Poverty

Ramsey County has seen a dramatic increase in poverty in the last two decades. Although the country at large also saw an increase, Ramsey's rate of increase was much higher.

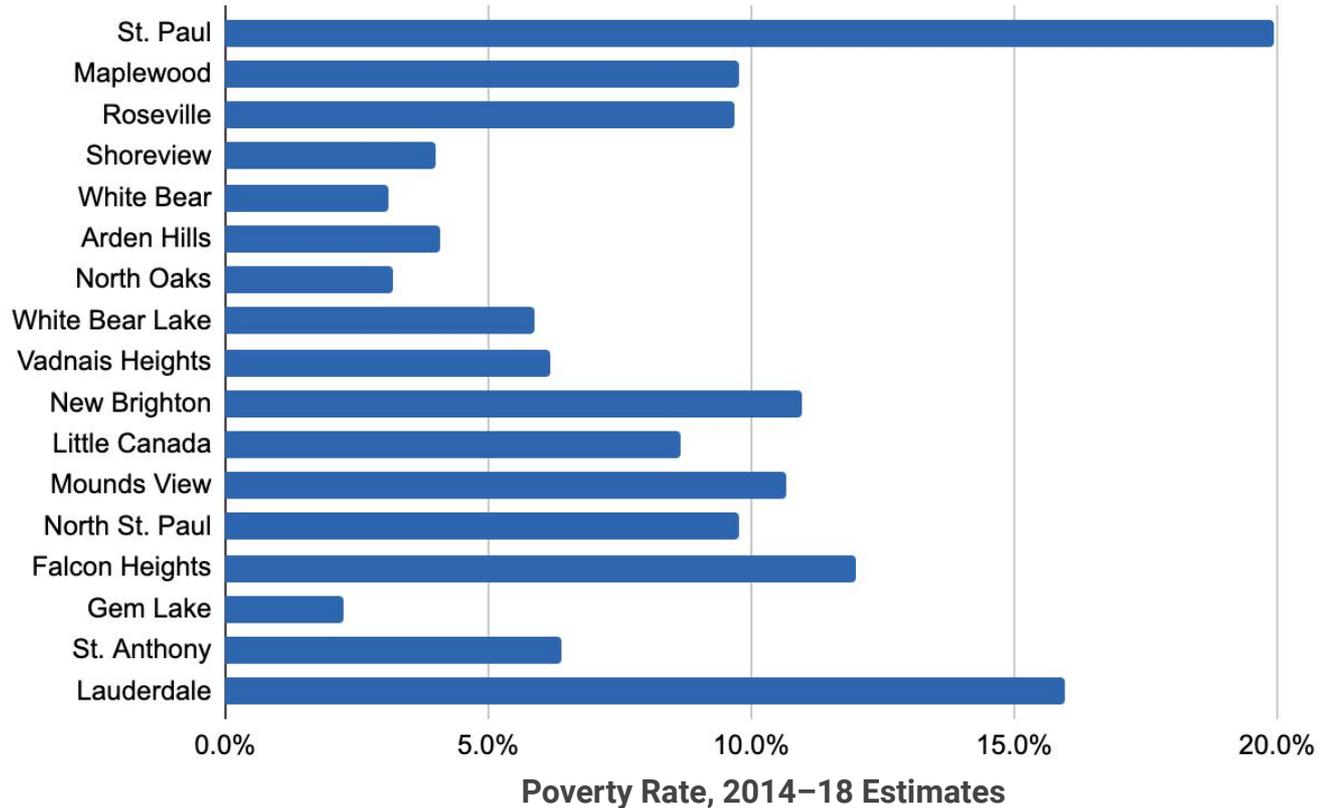


Poverty

St. Paul has by far the highest rate of poverty among municipalities in the county. Others range from very low rates to moderately high rates.

Ramsey County Cities & Towns

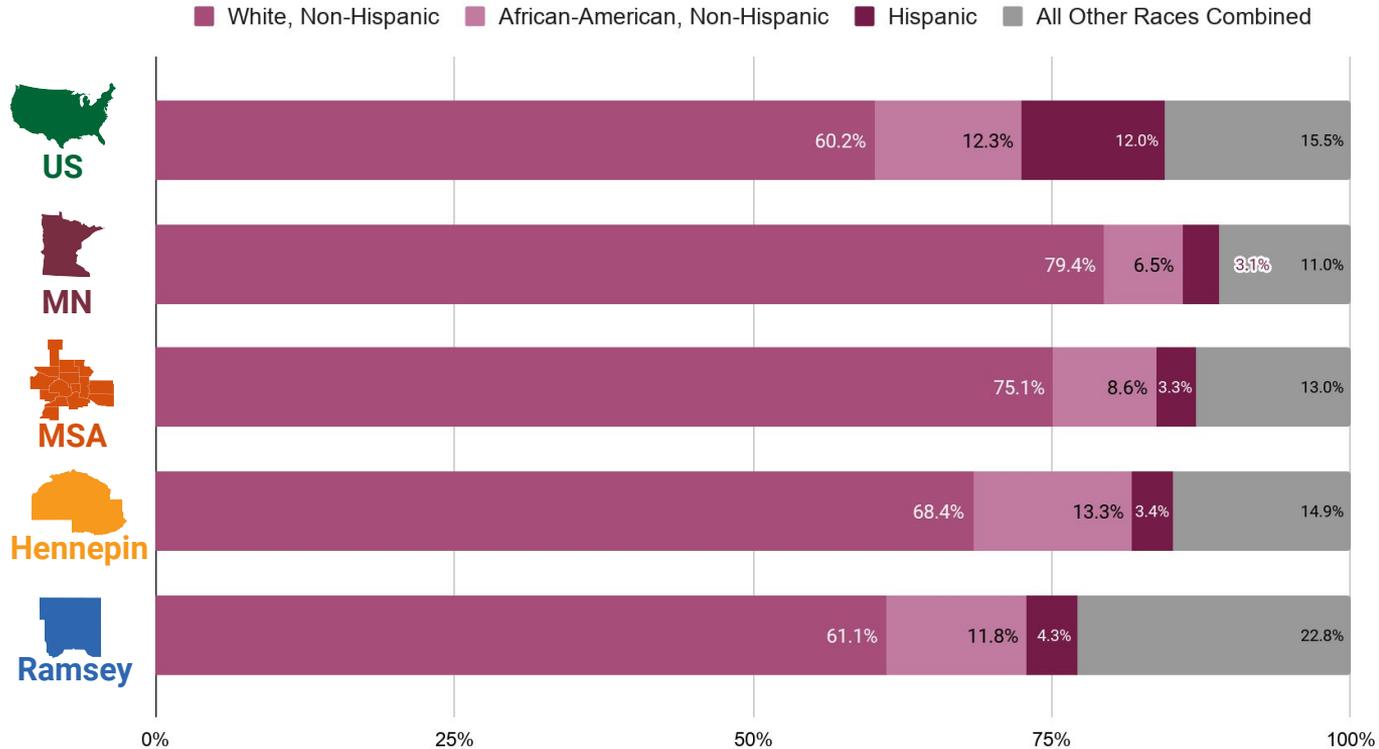
Poverty by Municipality



Race and Ethnicity

Ramsey – although majority White, non-Hispanic – is much more diverse than the surrounding area and remainder of the state.

Ramsey is also demographically similar to the United States.



Housing

Ramsey County has a lower homeownership rate – expected in an urban county – than the state, as well as a similar median value among its housing stock.

It has relatively more renters and lower-value homes than **Hennepin County**.



US



MN



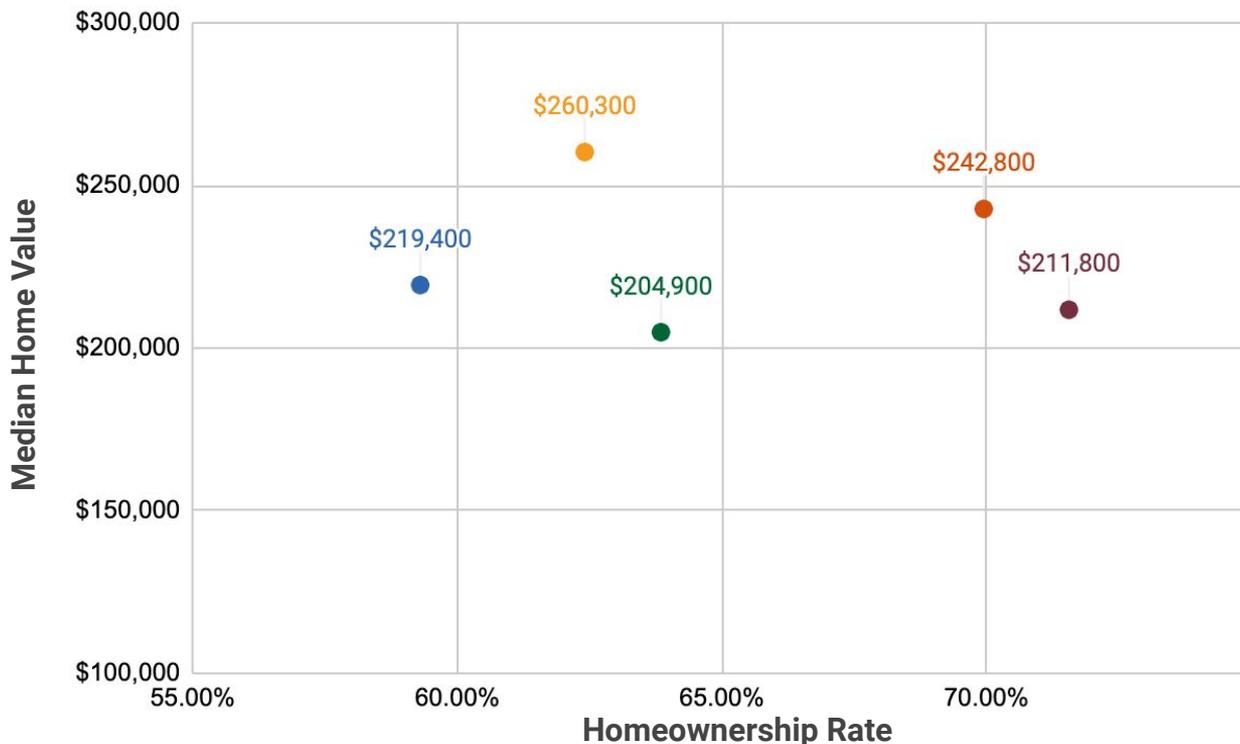
Twin Cities
MSA



Hennepin
County

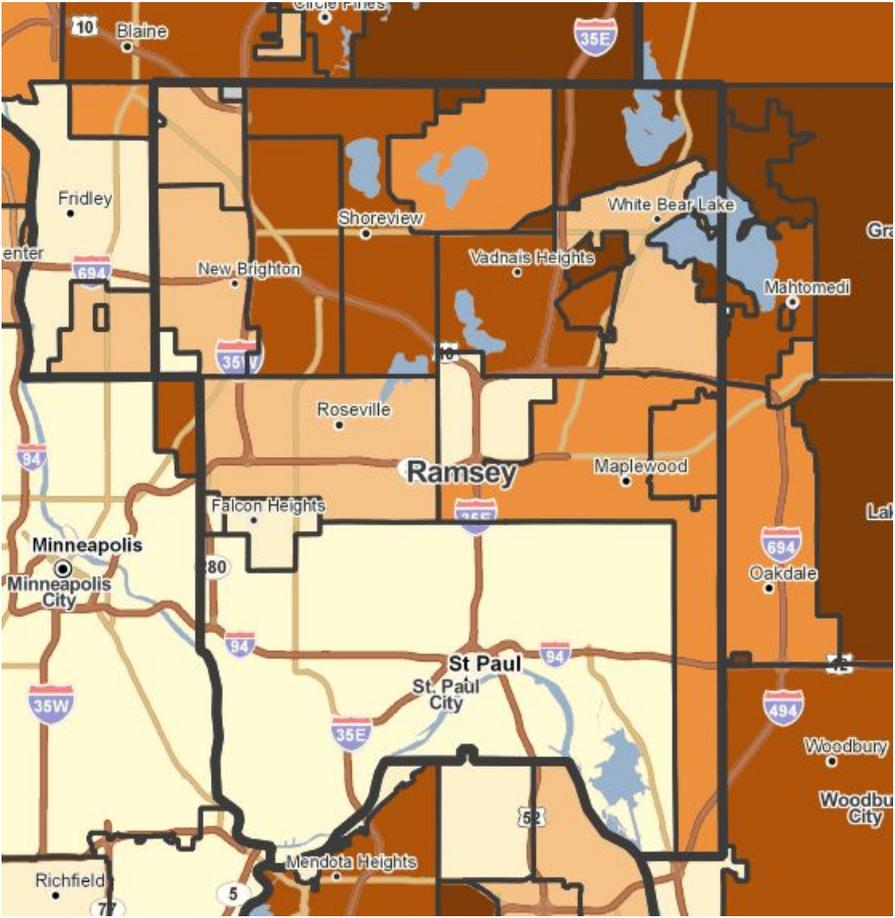


Ramsey
County

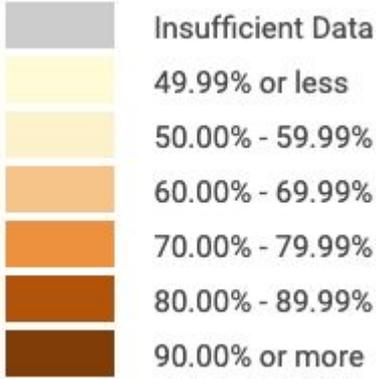


Homeownership

Ramsey County

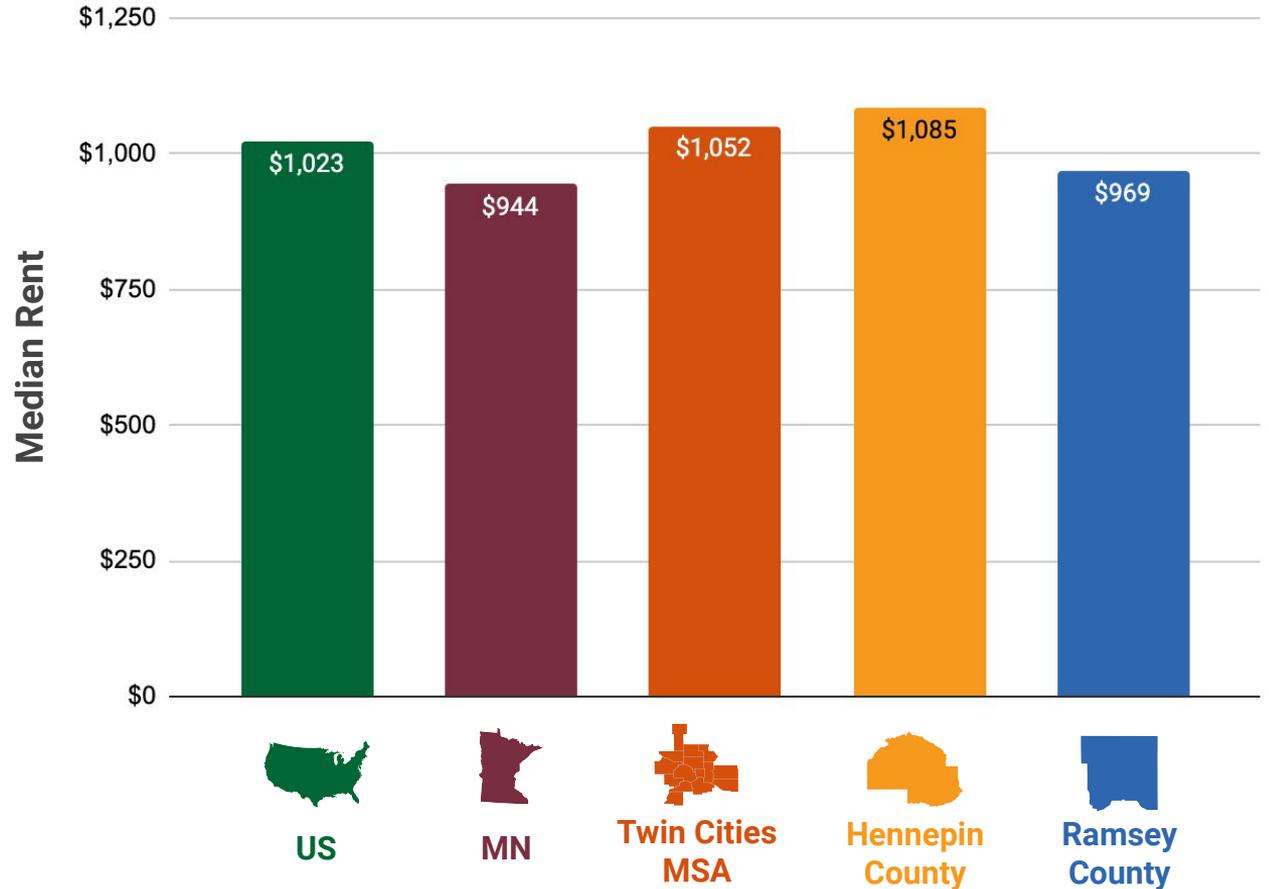


Homeownership rate (among occupied households):



Rent

Ramsey County renters pay less, broadly speaking, than do renters elsewhere in the region. We'll look more at housing costs later...



Drivers of Regional Growth



Economic Analysis
Baseline Understanding

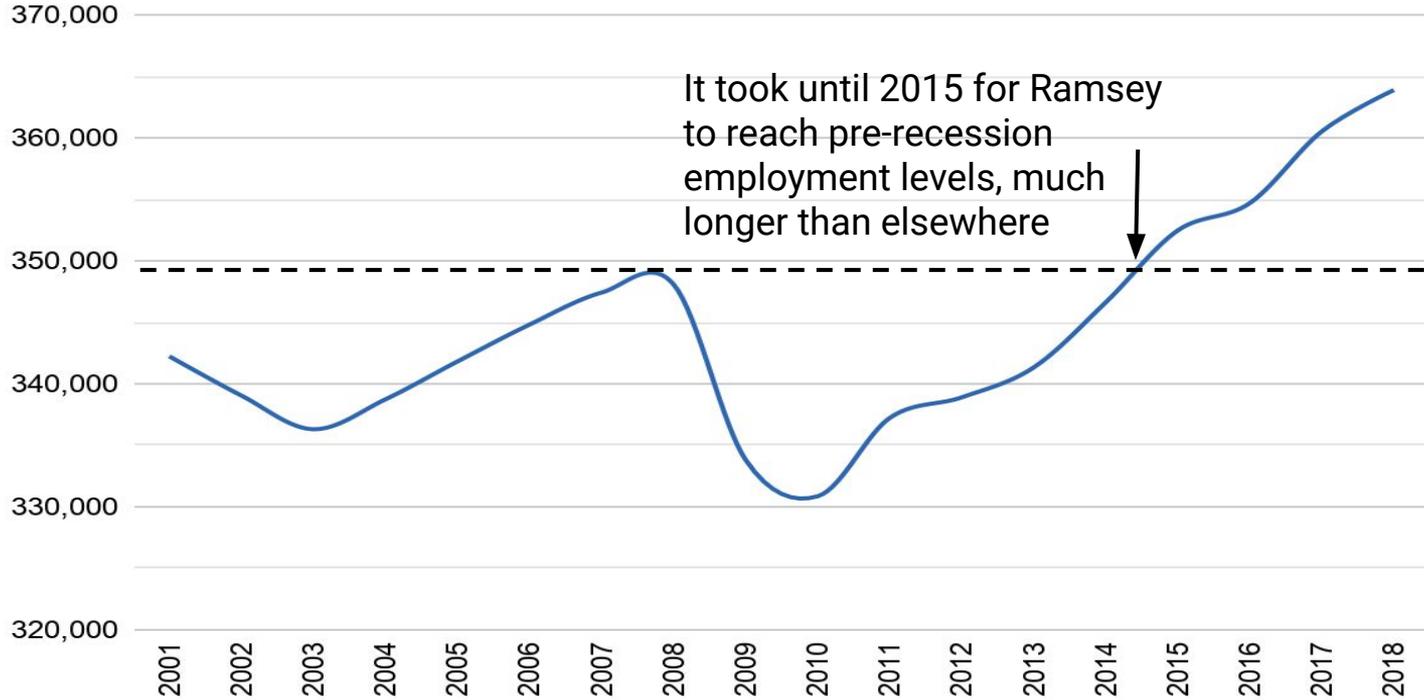
- What industries are driving regional growth?
- How does the workforce align with current and future opportunity sectors?

Ramsey County Employment



Ramsey
County

Total Employment
In Ramsey County 2008-2018

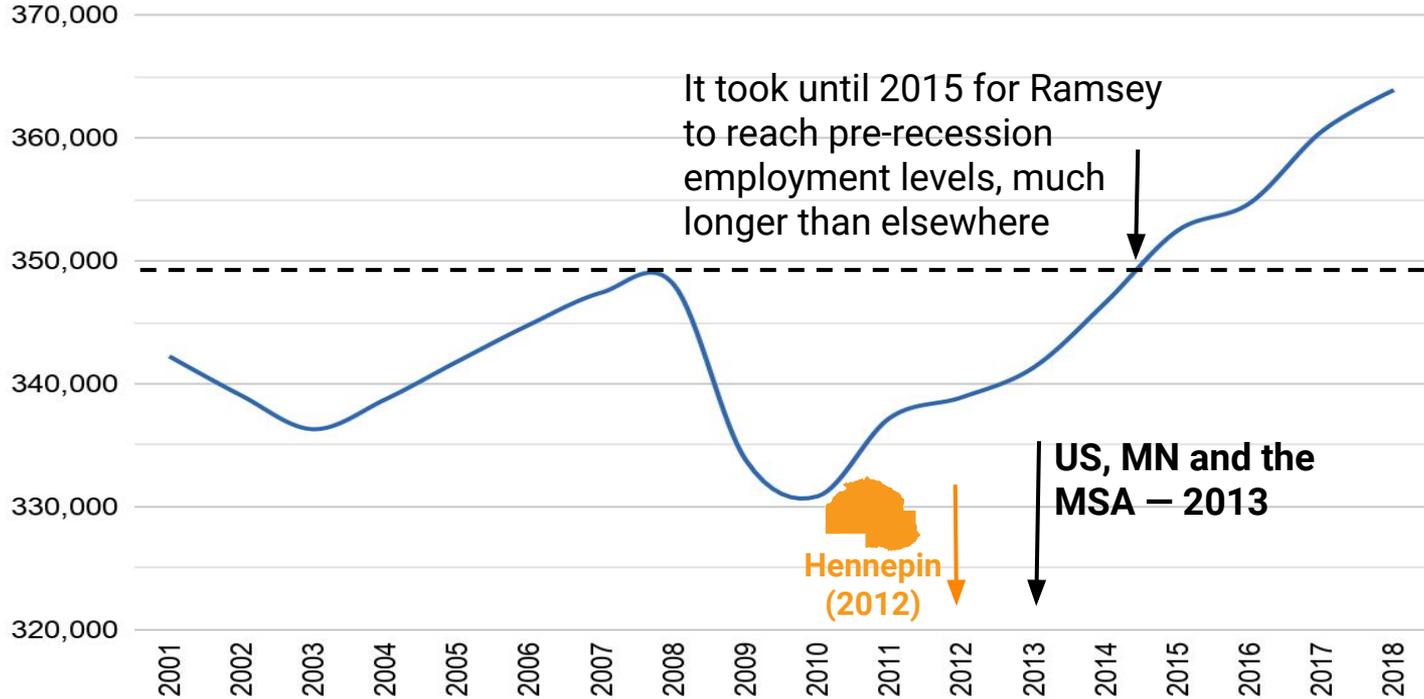


Ramsey County Employment



Ramsey

Total Employment
In Ramsey County 2008-2018



A slower recovery from the recession



US



MN



Twin Cities
MSA

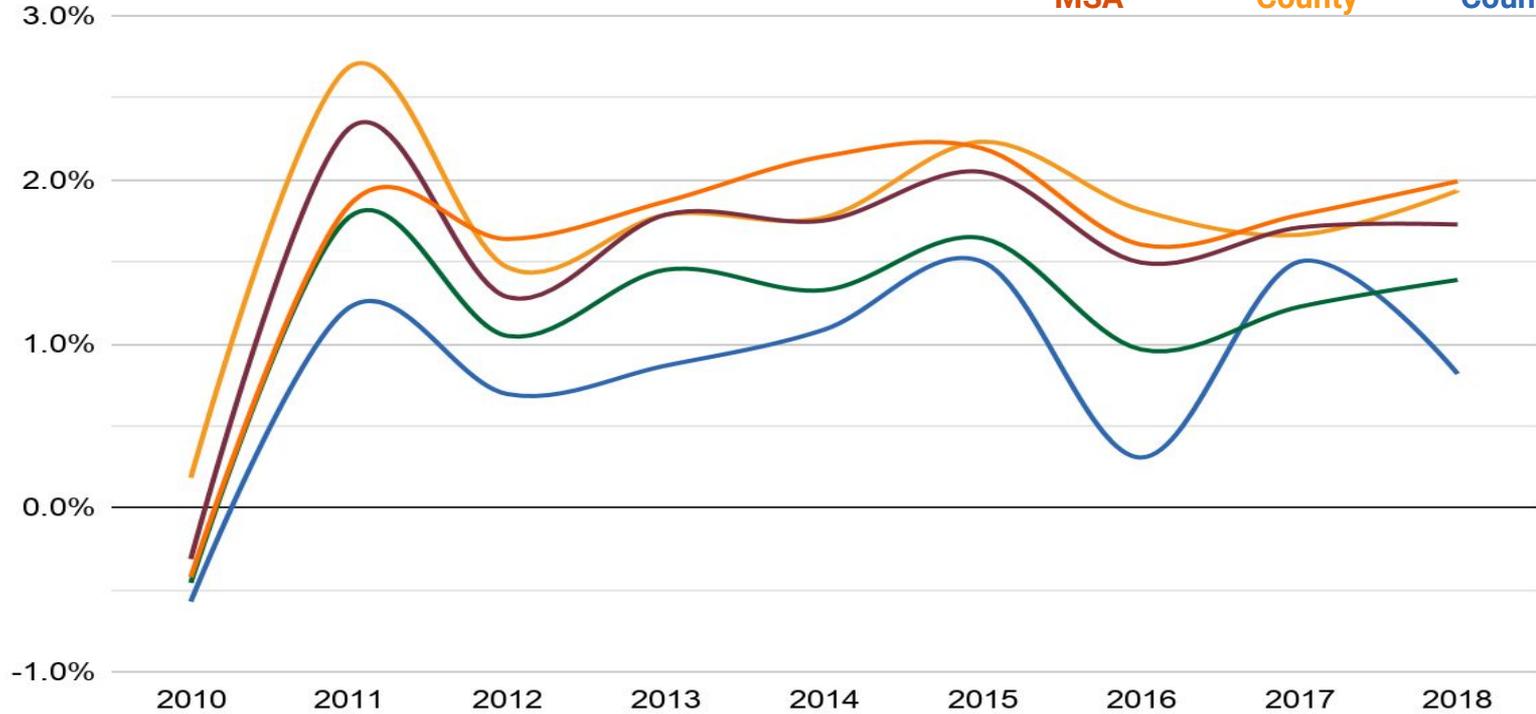


Hennepin
County



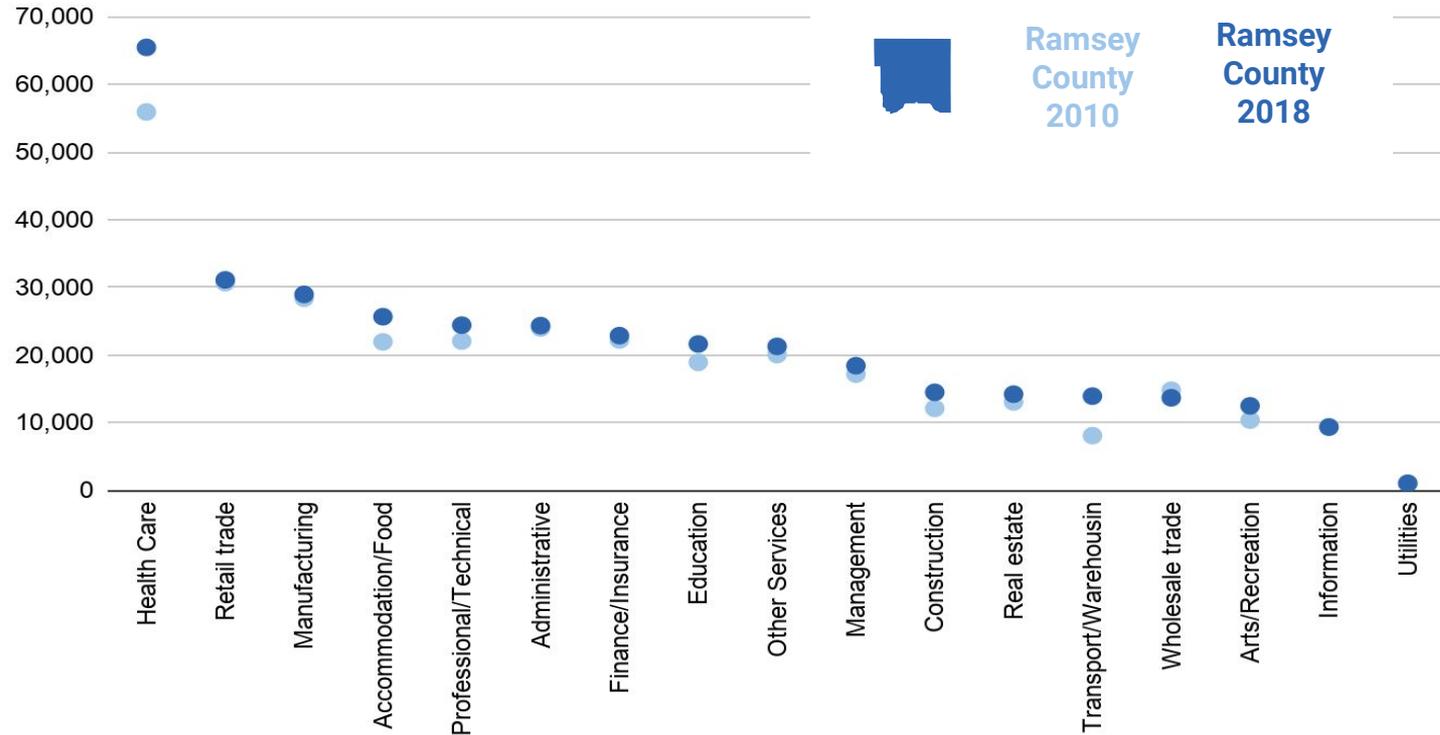
Ramsey
County

Employment Change
percent change from preceding year



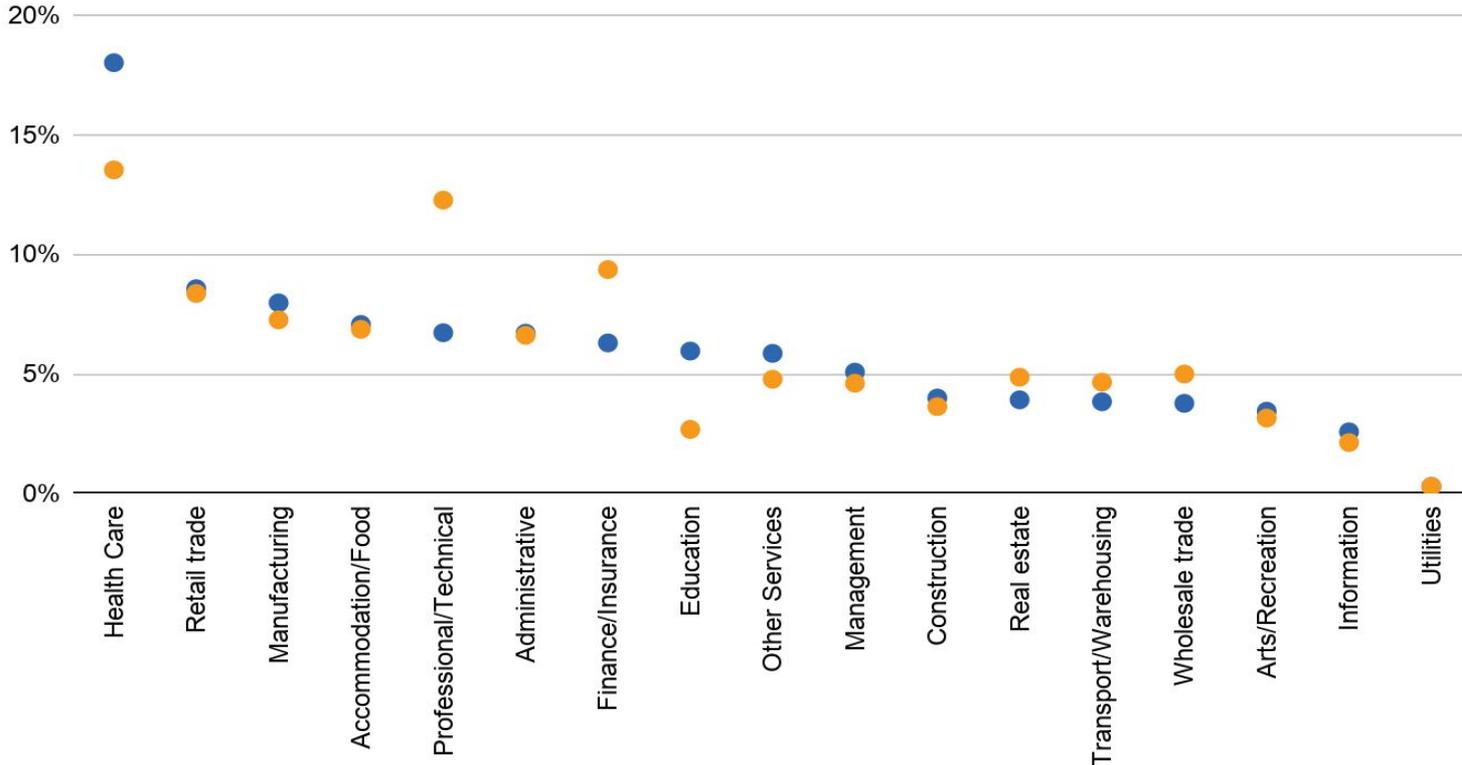
Ramsey Employment by Industry

2010 and 2018



Source: **US Bureau of Economic Analysis:**
Private Non-Farm
Employment by
Industry

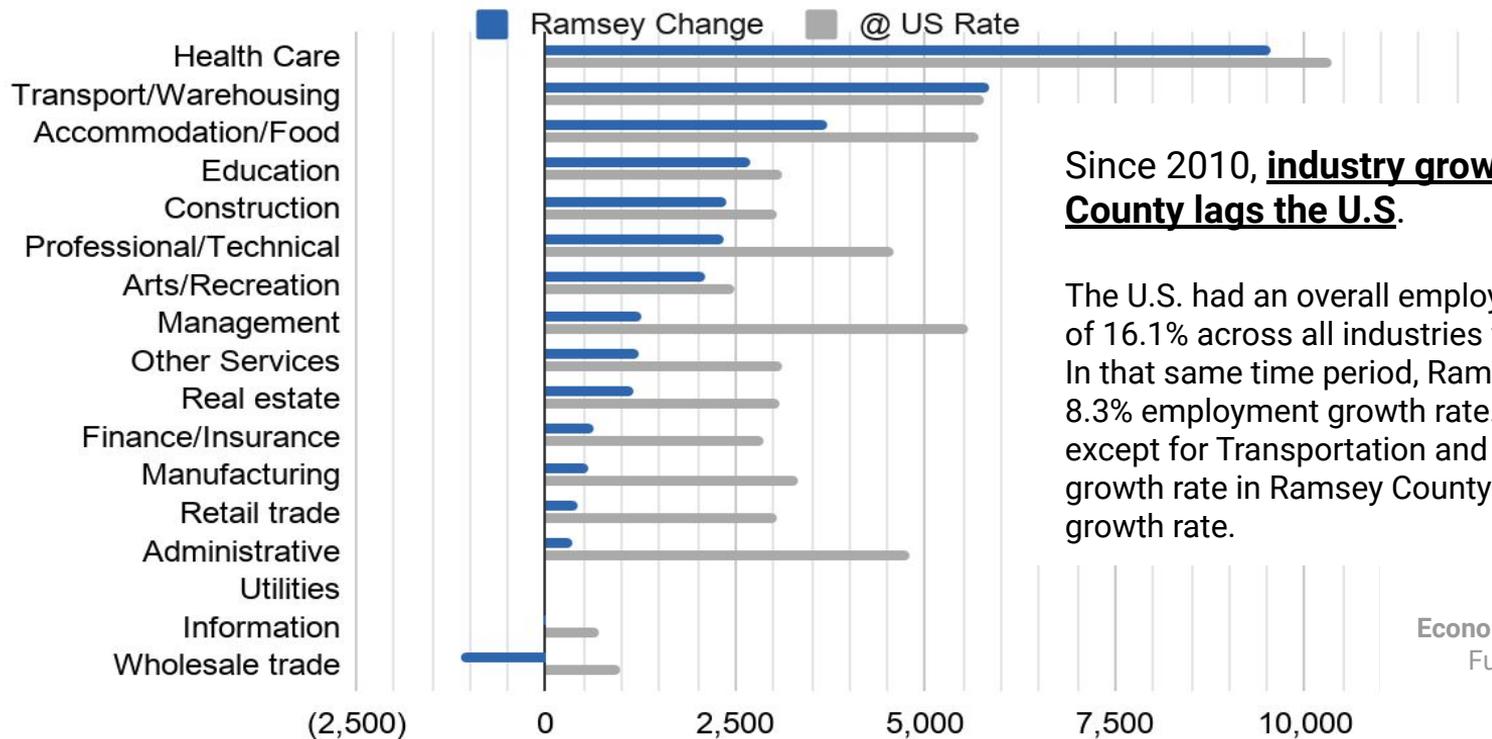
Health Care is a dominant industry



Source: **US Bureau of Economic Analysis:**
Private Non-Farm
Employment by
Industry

Ramsey County Employment Growth Lags the U.S.

Change in Employment 2010-2018, Actual in Ramsey and Projected at U.S. Industry Rate



Since 2010, **industry growth in Ramsey County lags the U.S.**

The U.S. had an overall employment growth rate of 16.1% across all industries from 2010 to 2018. In that same time period, Ramsey County had an 8.3% employment growth rate. In every industry except for Transportation and Warehousing, the growth rate in Ramsey County lagged the U.S. growth rate.

Source: **US Bureau of Economic Analysis**. Total and Full-Time Employment by Industry

Living Wage

\$50,420

\$24.24 per hour

Living Wage in Ramsey County, MN, of a two-adult family with one child and one working adult (full-time 2,080 hours per year)

Source: MIT Living Wage

Child Care

The MIT Living Wage calculator assumes an annual cost for a single child of **\$7,883 annually** for child care in Ramsey county (but this is based on the assumption that low-income families will choose the cheapest option available in the area).

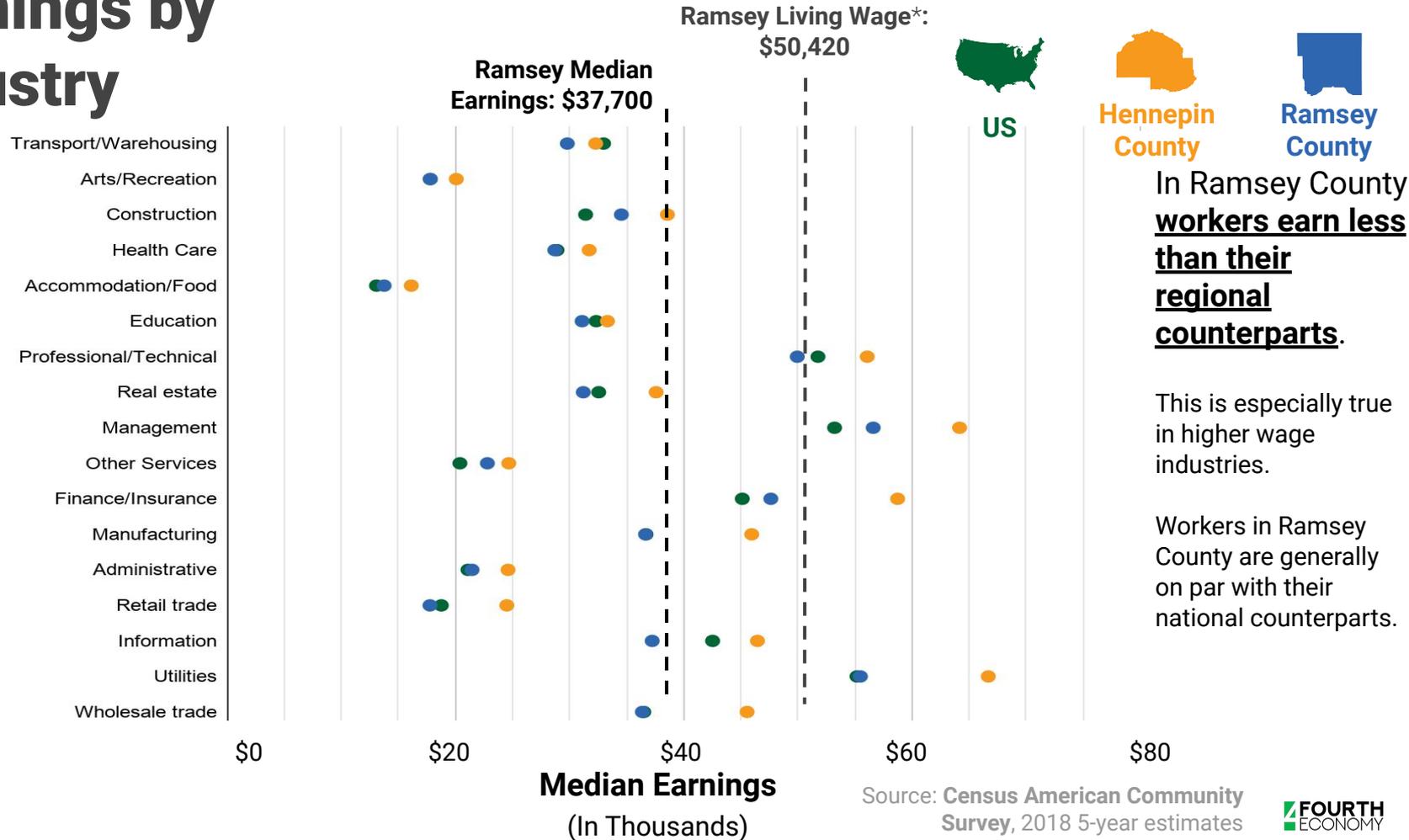
Economic Policy Institute has conducted a more rigorous study of child care costs around the country and found that the average cost in Minnesota for child care for a four-year-old is **\$12,252 annually**—fourth highest of all states.

Child Care Cost as a Percentage of Income For a median family in MN



That's over one-fifth of median pre-tax family income in MN. (HHS suggests 7% represents the threshold of affordability.)

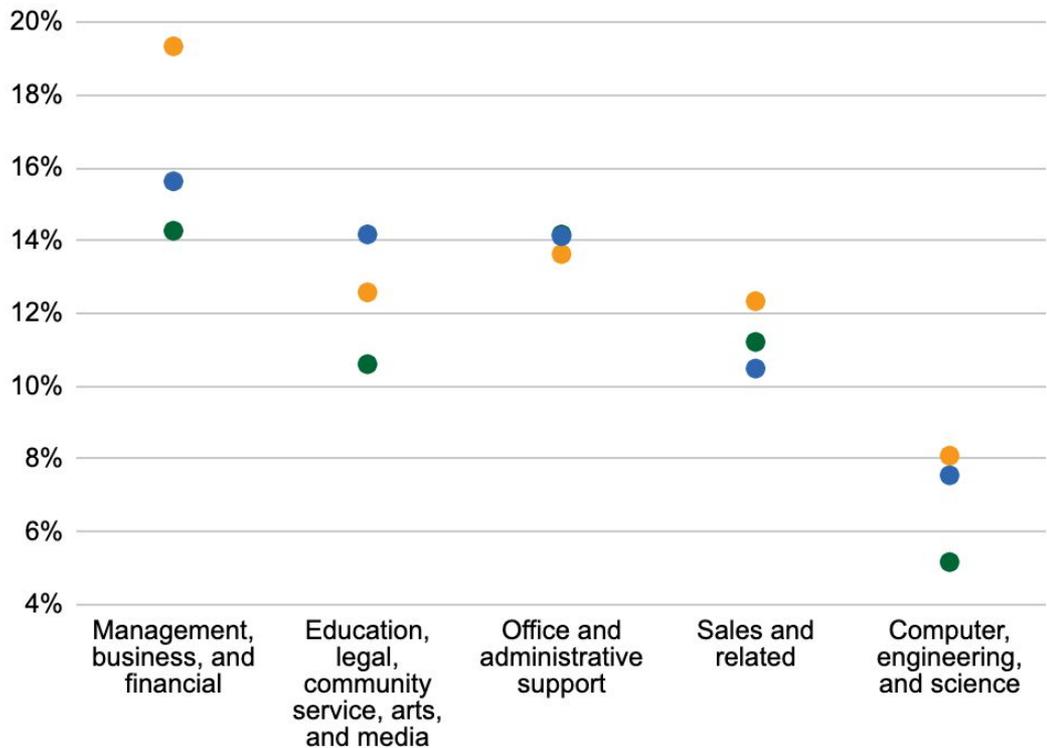
Earnings by Industry



Source: Census American Community Survey, 2018 5-year estimates

Top Occupations in Ramsey

Sorted by the five largest occupations in Ramsey County



US



Hennepin
County



Ramsey
County

● US

● Hennepin County

● Ramsey County

Comprehensive Plan review highlights industry concentrations in Vadnais Heights (23.8% Manufacturing); in Roseville (12.5% Healthcare/Social Assistance);

(FINISH ...)

Comprehensive Plan review highlights industry concentrations:

Vadnais Heights (23.8% Manufacturing);
Roseville (12.5% Healthcare/Social Assistance);
Maplewood (37.5% Manufacturing)

Unemployment



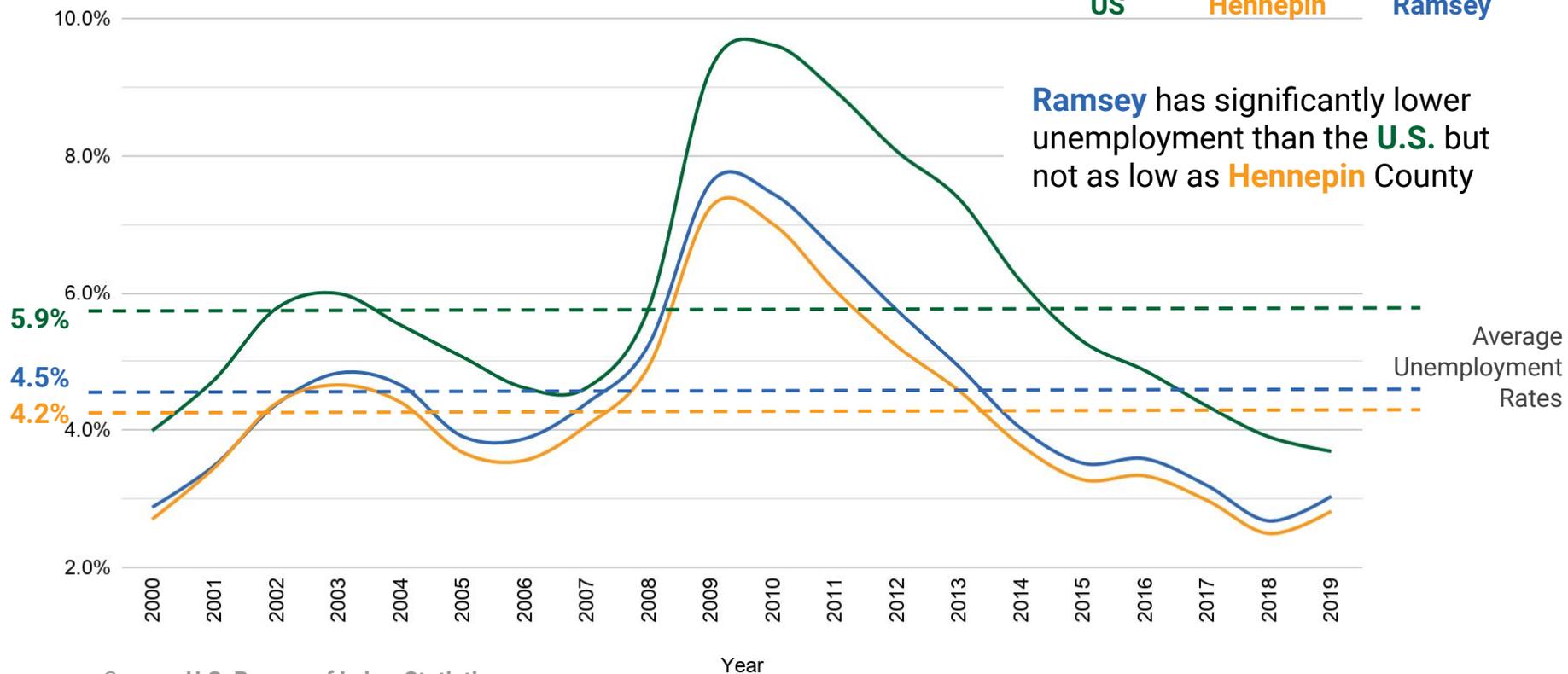
US



Hennepin



Ramsey



Source: U.S. Bureau of Labor Statistics
Accessed from fred.stlouisfed.org

Unemployment by Race and Ethnicity



US

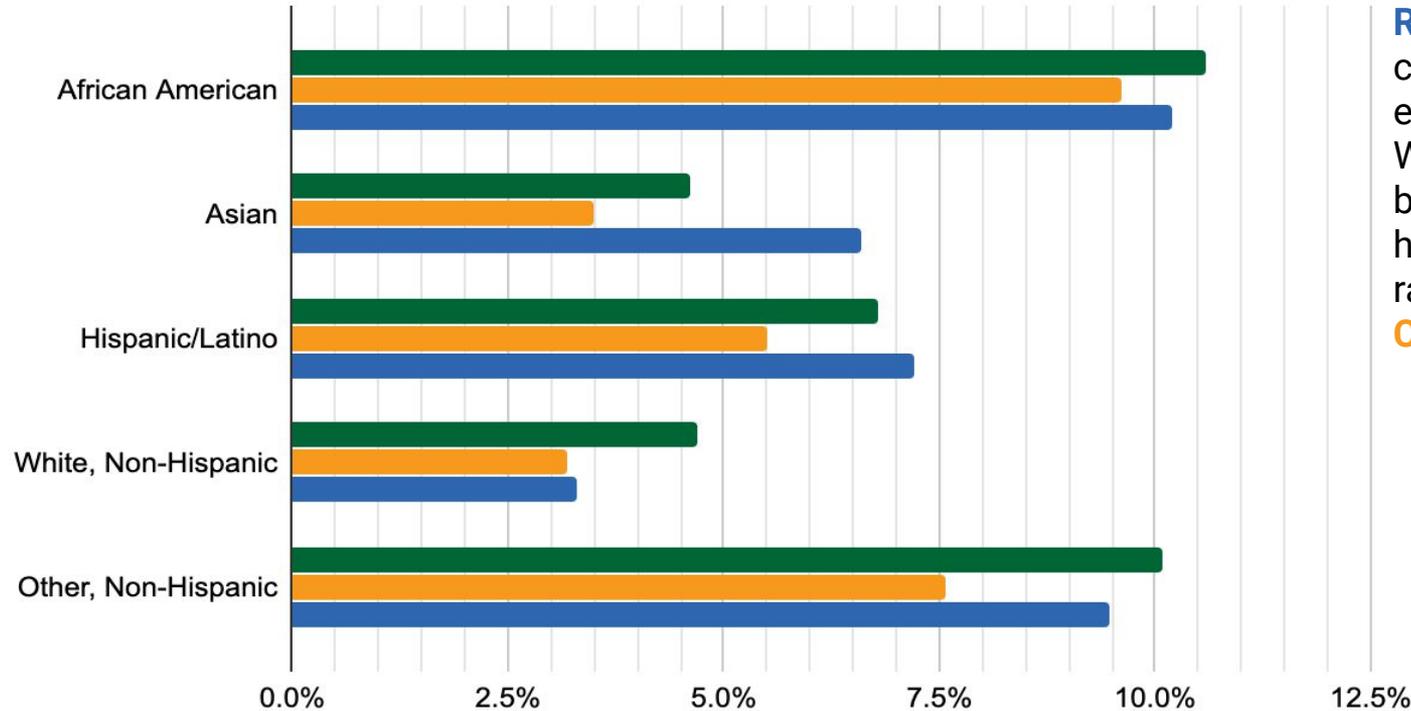


Hennepin
County



Ramsey
County

■ US ■ Hennepin ■ Ramsey



Ramsey County is comparable to the **U.S.** except for Asians and White, Non-Hispanics but has consistently higher unemployment rates than **Hennepin County**.

Source: Census
American
Community Survey,
2018 5-year



Economic Analysis

Baseline Understanding

Economic Competitiveness Framework

- Place
- Talent
- Diversity
- Investment
- Sustainability

Economic Competitiveness Framework

There is no single recipe for economic success, however, we have found that there are five critical ingredients for vibrant and sustainable communities: Investment, Talent, Sustainability, Place, and Diversity.



Investment



Talent



Sustainability



Place



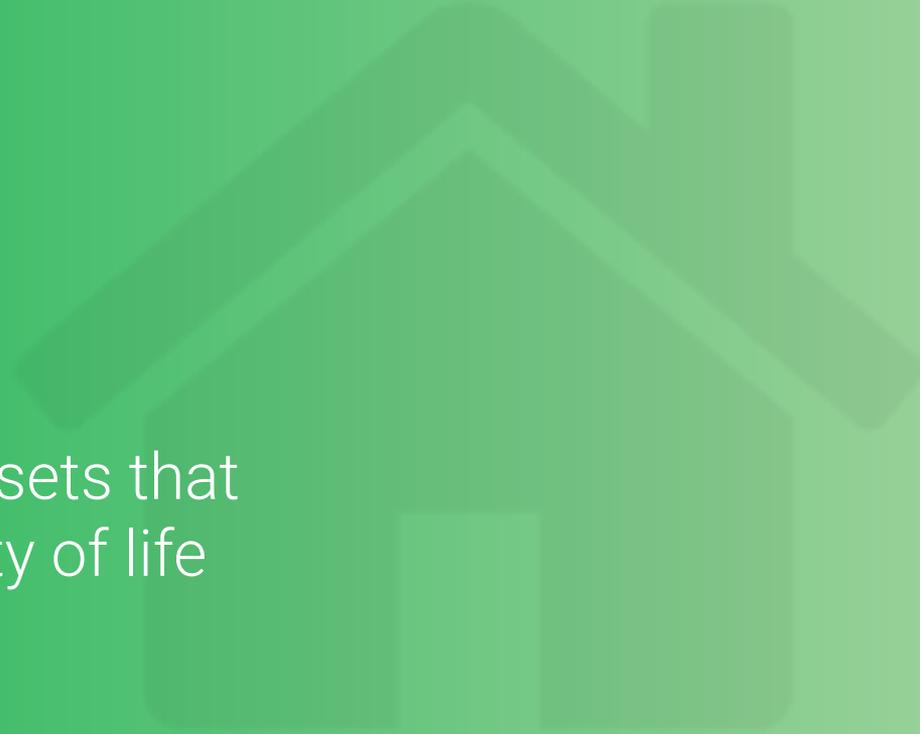
Diversity

- **Investment:** a productive regional economy with active businesses that have access to the capital, markets, and workforce they need to grow
- **Talent:** a skilled workforce, with access to education that prepares residents to participate in the local economy
- **Sustainability:** a resilient community and economy with diverse industries, sustainable infrastructure, and a healthy population
- **Place:** an active and affordable community with high levels of civic engagement and a variety of quality of life assets
- **Diversity:** an equitable community, where diverse economic activity is reflective of a diverse population

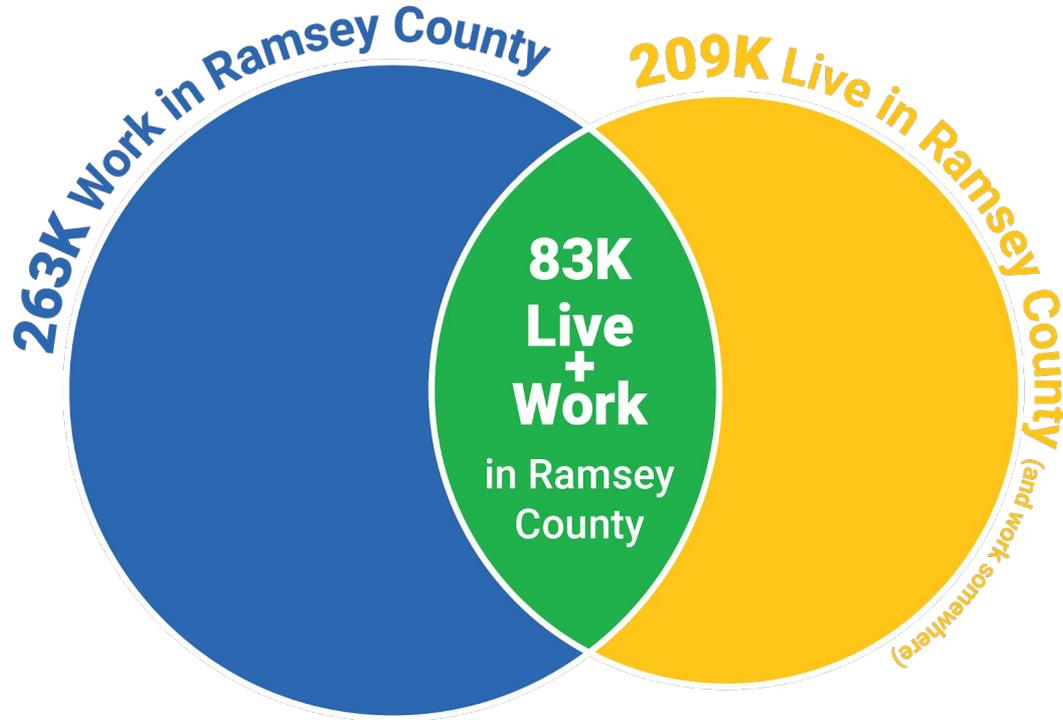


Place

Infrastructure and assets that promote a high quality of life



Live-Work Analysis



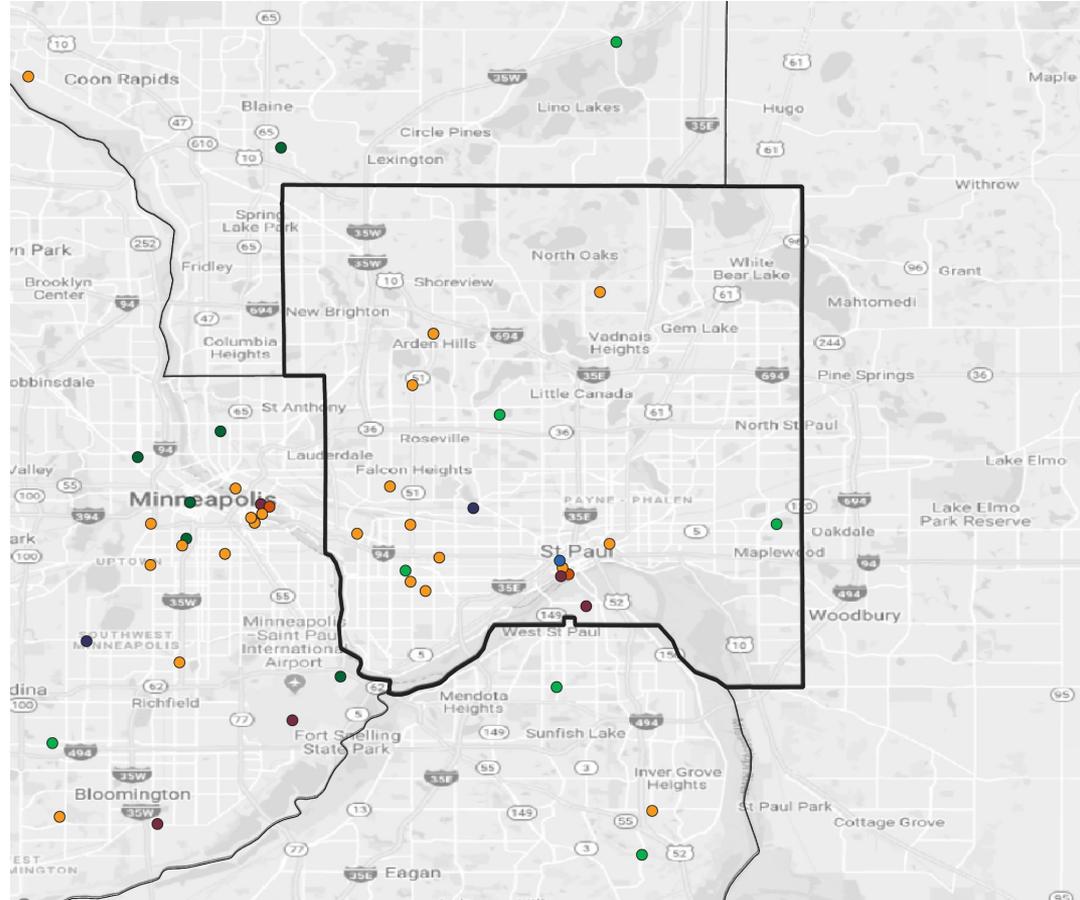
Most people who work in Ramsey County live somewhere else, and most employees who live in Ramsey County work somewhere else.

The “live-work” population represents only 17.6 percent of the total resident and employee workforce.

Cultural Amenities

Ramsey county has a plethora of cultural amenities that serve both residents and visitors.

- **Art Museums**
- **Botanical Gardens**
- **Children's Museums**
- **History Museums**
- **Natural History**
- **Science and Technology**
- **Zoos, Aquariums, and Wildlife**

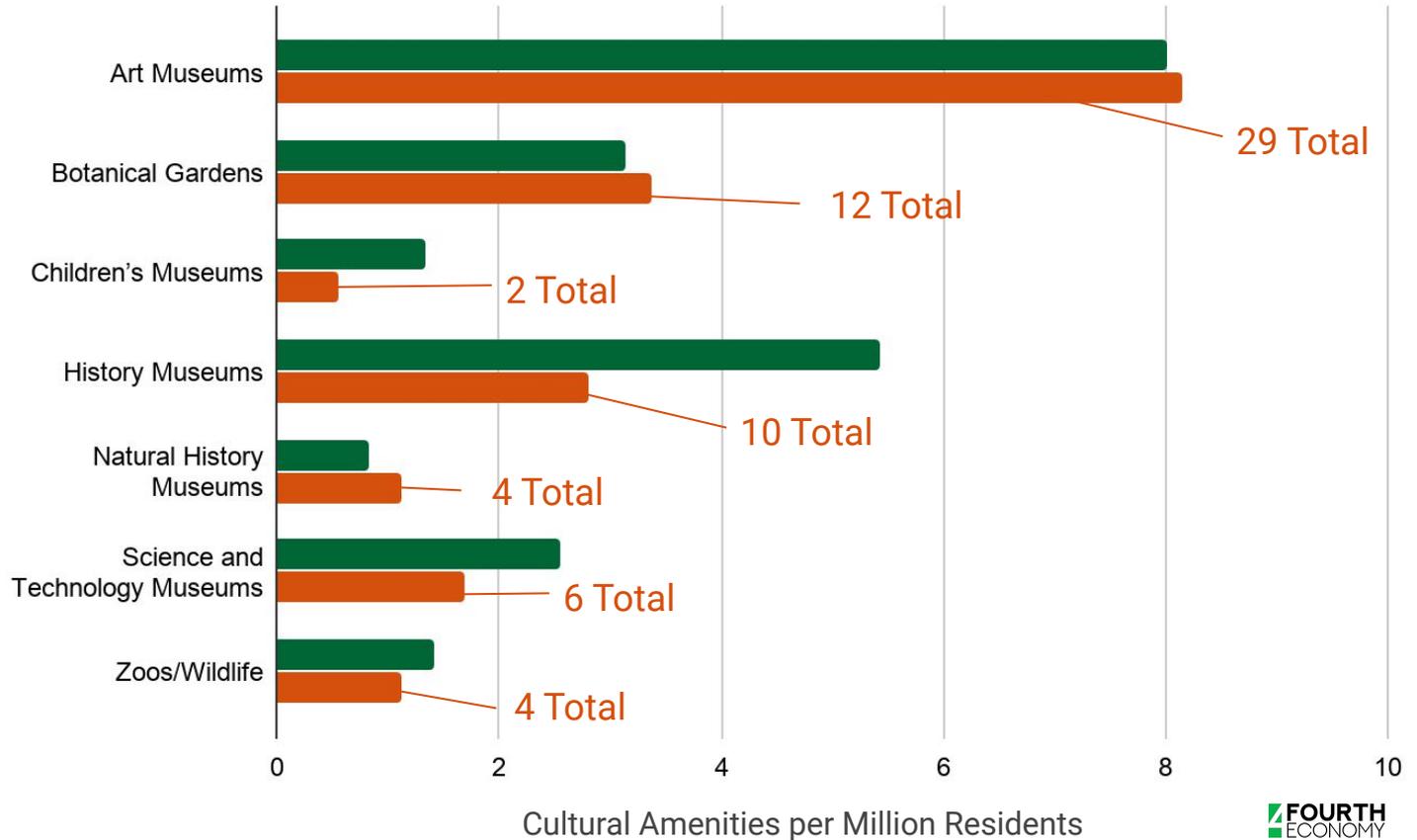


Source: Institute of
Museum and Library
Services, 2019

Cultural Amenities



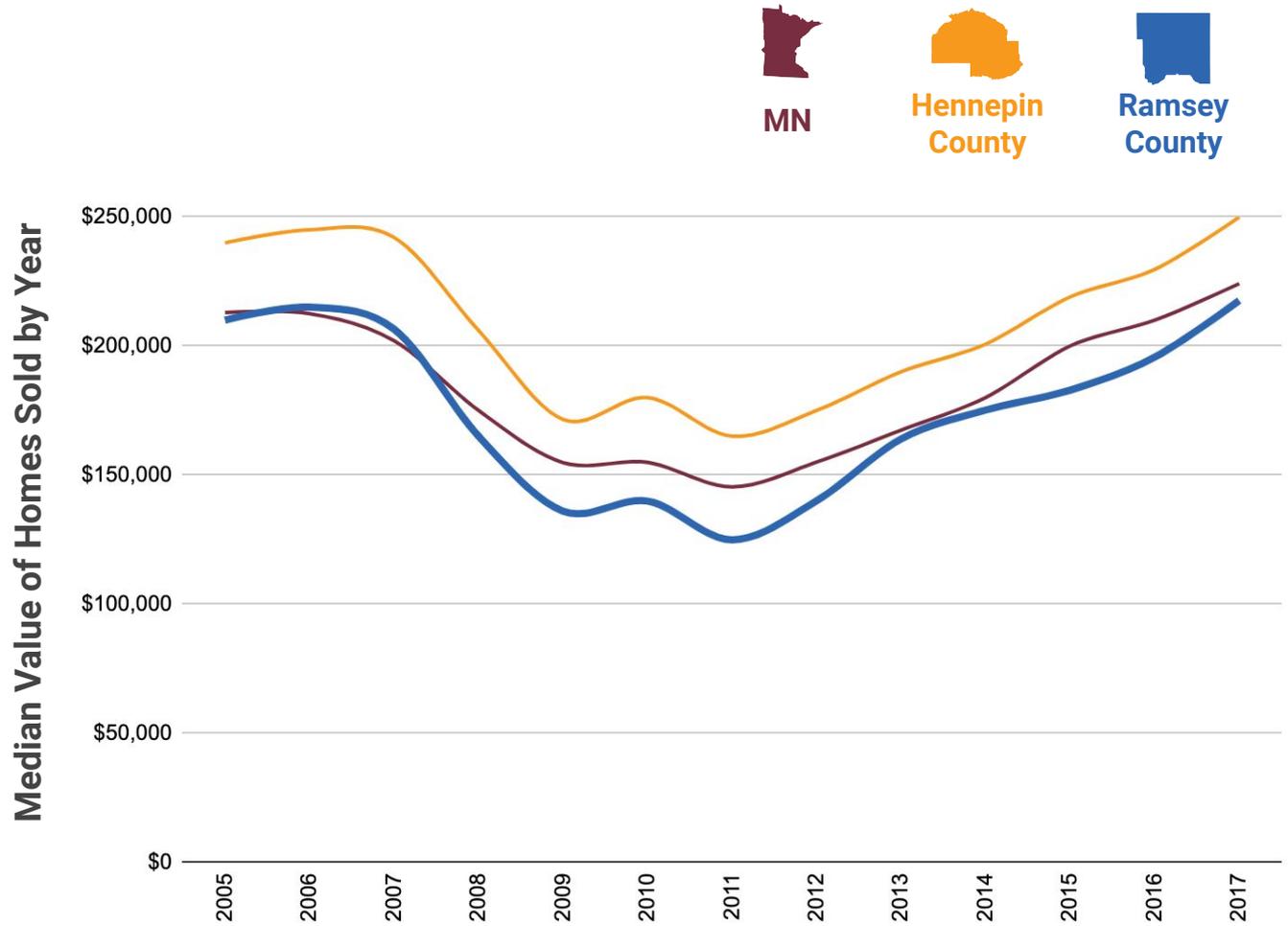
But compared to the US at large, the region's cultural infrastructure does not stand out.



Source: Institute of Museum and Library Services, 2019

Median Home Sales

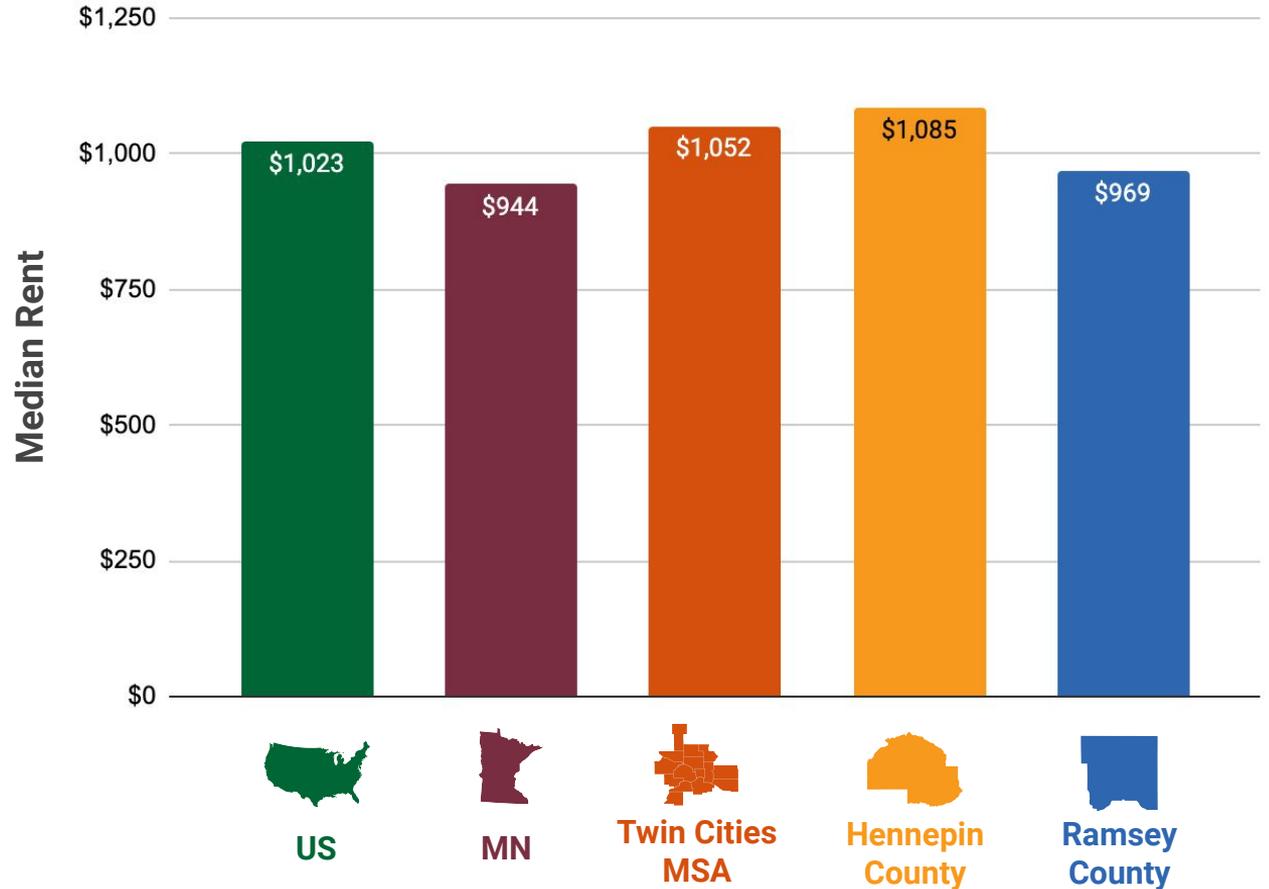
Home sale values in Ramsey have generally been on par with the state median following the recession.



Rent

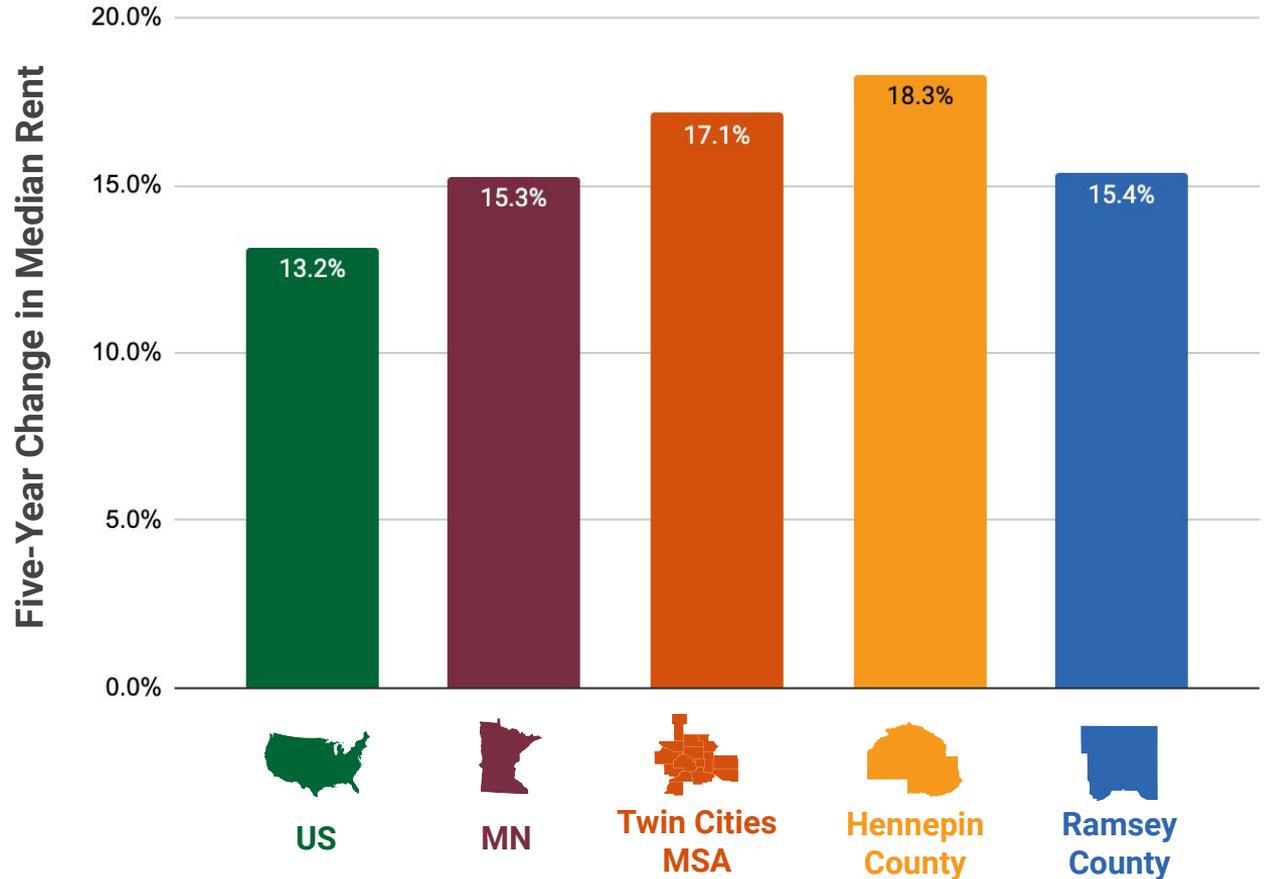
As we saw earlier, **Ramsey County** renters pay less, broadly speaking, than do renters elsewhere in the region.

Let's briefly look more at rental housing costs...



Rent

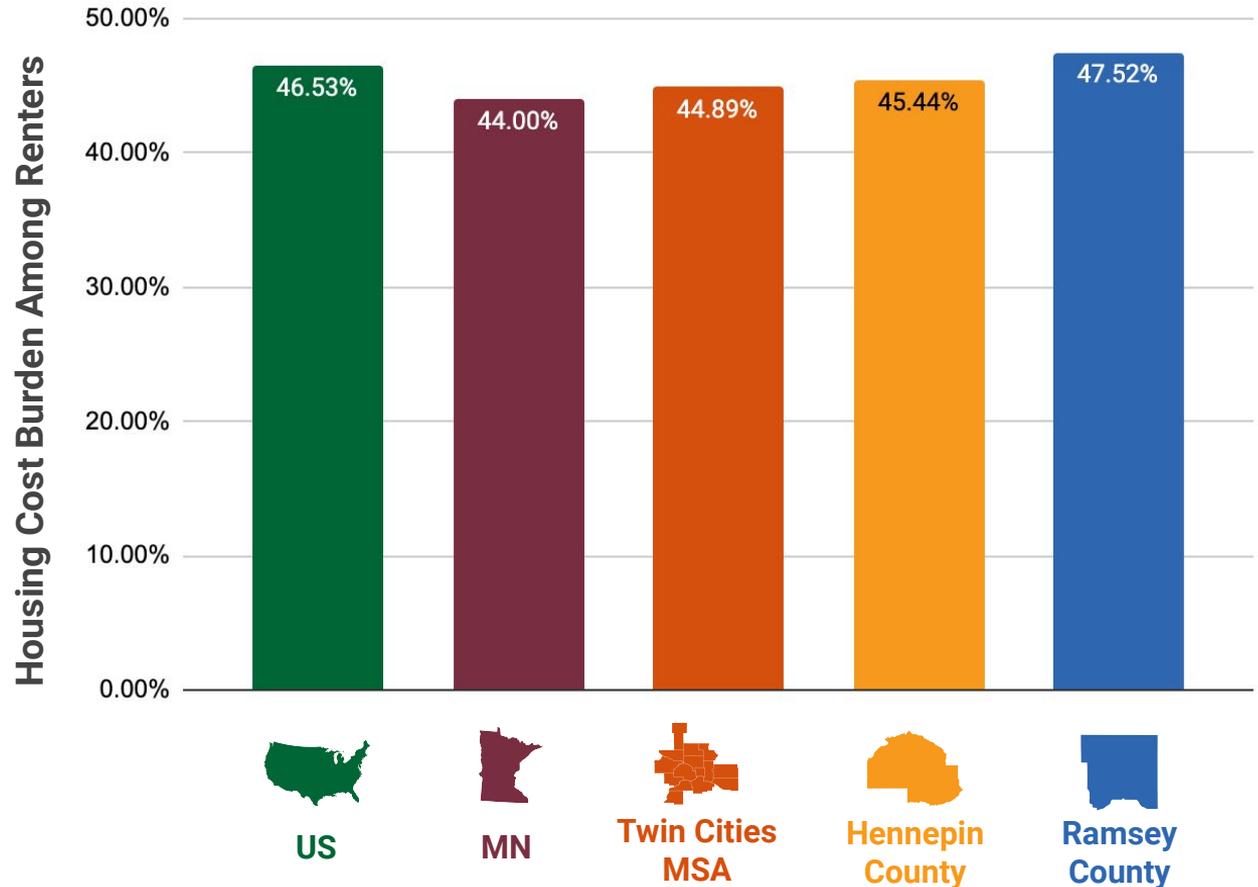
Rents in Minnesota are increasing more sharply than rents elsewhere in the country, and Ramsey has seen a similar rate of increase to the state over the last five years. However, **Hennepin County** has seen more significant increases than **Ramsey County**.



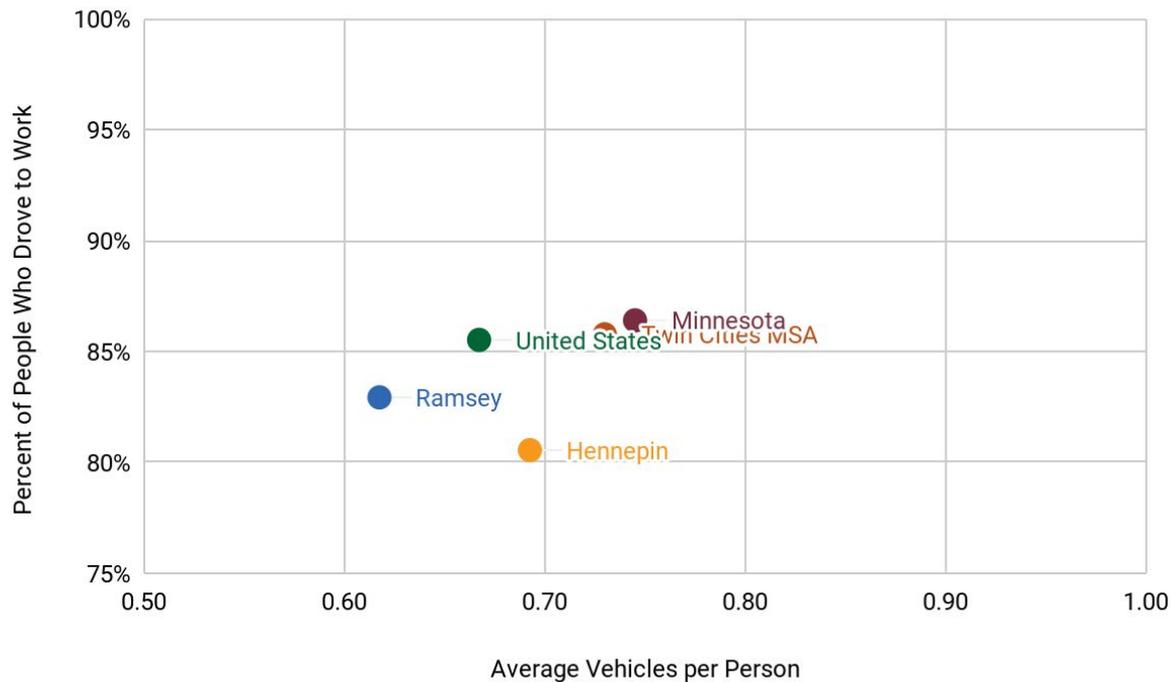
Rent

A **housing cost burden** refers to a household paying more than 30% of its income in housing costs (including rent/mortgage, utilities, insurance, etc.). Above this threshold, housing is considered unaffordable.

Despite relatively low rents and relatively low rates of rental increase in the last five years, **Ramsey County has a higher rate of housing cost burden** among its rental population than the rest of the region.

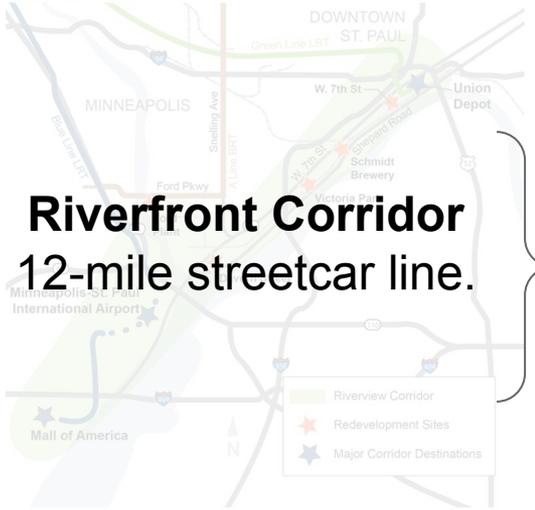


Transportation



Ramsey County has a low number of vehicles per person and a lower share of commuters driving to work than the MSA, Minnesota, and the U.S. However, despite having fewer vehicles per person than Hennepin County, it has more driver commuters.

Riverfront Corridor
12-mile streetcar line.



Rush Line
14-mile Bus Rapid Transit



METRO Gold Line
10-mile Bus Rapid Transit





Talent

a growing workforce with education and job skills, equipped to excel in high-wage opportunities

Enrollment through Secondary Education



US



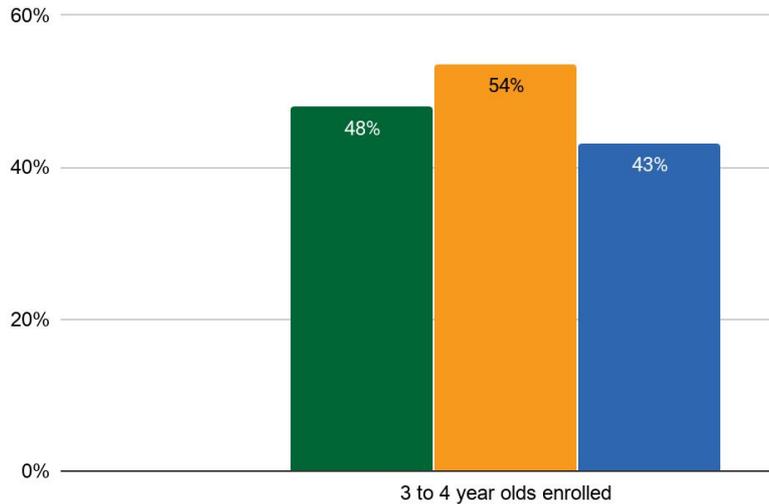
Hennepin
County



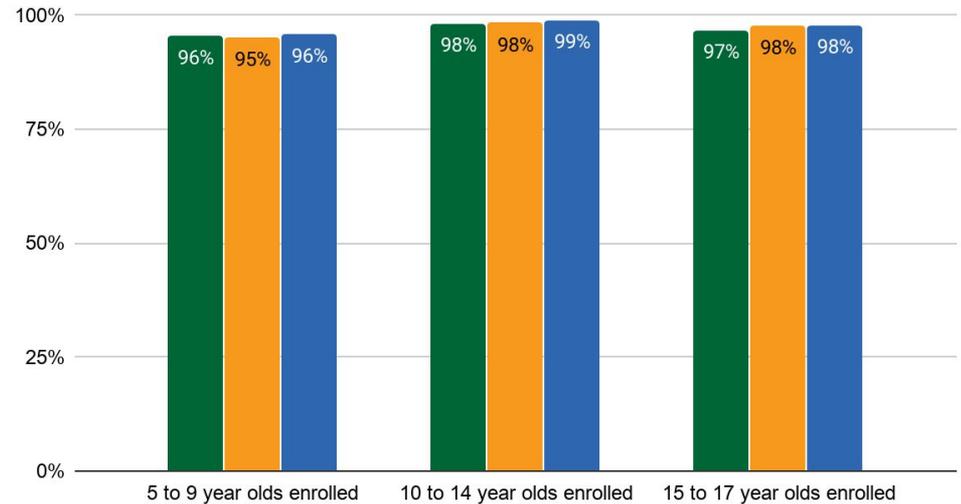
Ramsey
County

Ramsey lags in early childhood enrollment, but closes the gap by age 5

Early Childhood Enrollment



Primary and Secondary Enrollment



Data from the US Census Bureau,
ACS 2018, five-year estimates

College Enrollment is Strong



US

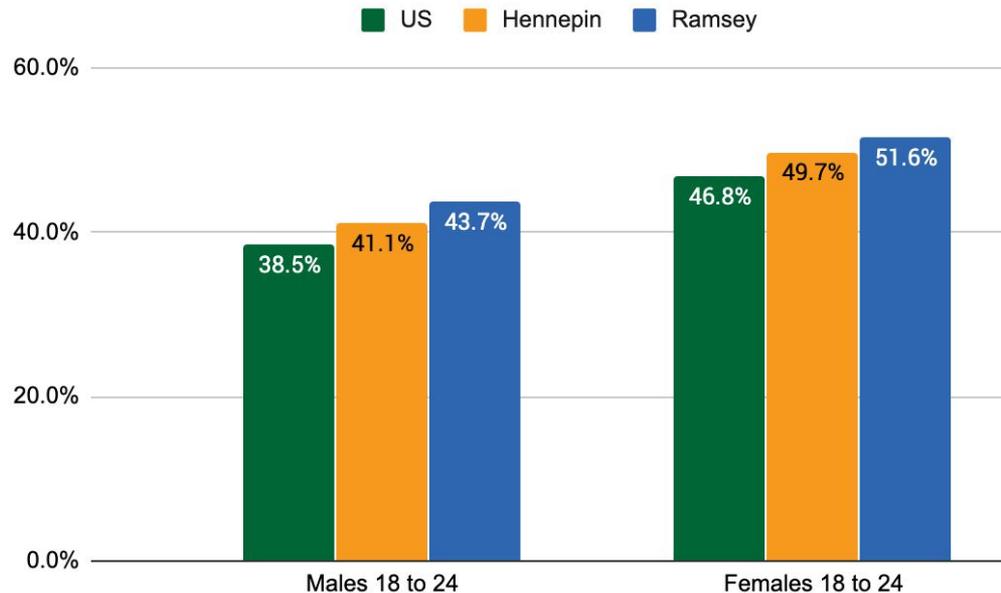


Hennepin
County



Ramsey
County

Enrolled in College or Graduate School



Data from the US Census Bureau,
ACS 2018, five-year estimates

Ramsey County's strength in post-secondary is reflected in the percent of 18 to 24 year olds enrolled.

Ramsey County has higher enrollment rates for both sexes

Education Attainment



US

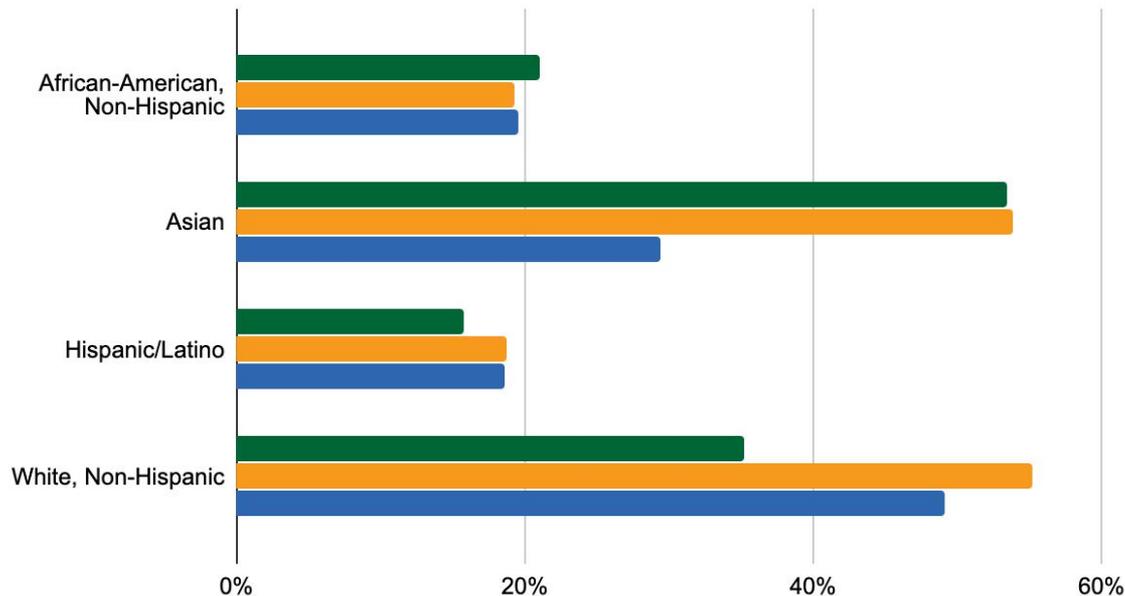


Hennepin
County



Ramsey
County

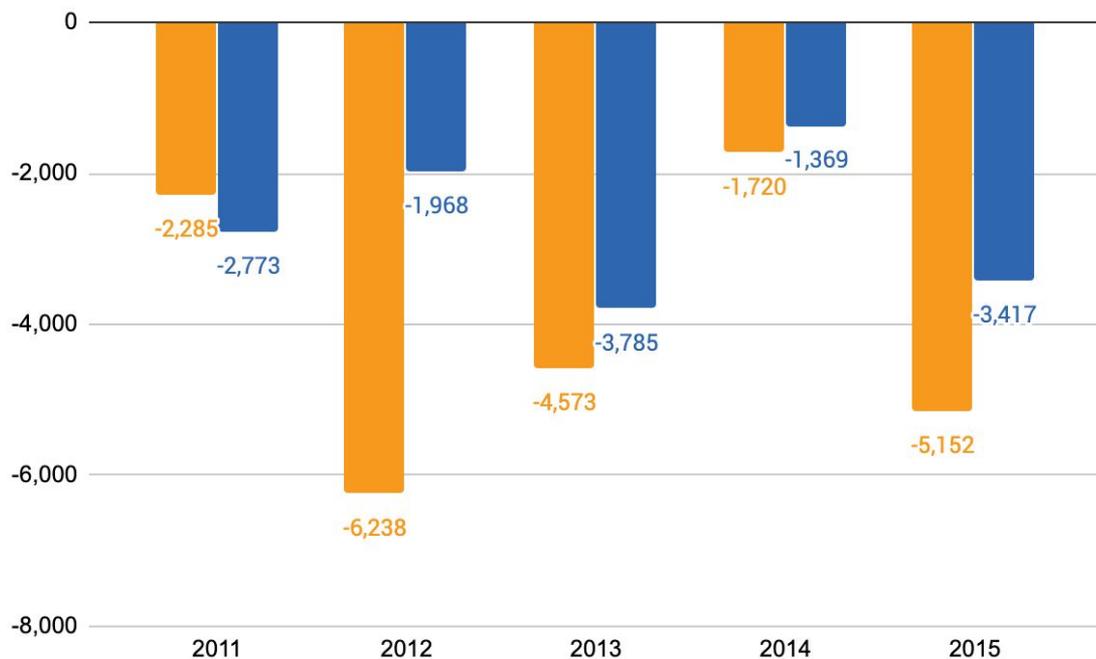
Education Attainment by Race and Ethnicity



Despite a strong education sector, Ramsey has a lower percentage of African-Americans and Asians with Bachelor's degree versus the U.S.

Net Migration

Annual net-migration flow of individuals 2011 to 2015



Average Annual Net Migration:

Hennepin: -3,994

Ramsey: -2,662

Given its smaller size, Ramsey's out-migration is more significant.

Source: IRS, Statistics on Income, Net Migration of People, 2011-2014

Trends in Labor Force and Jobs



The number of jobs exceeds the labor force in the MSA and both counties. They are job centers that import workers.

The growth in jobs is outpacing the labor force growth. This may indicate a rise in part-time jobs and workers with multiple jobs, but it is not a sustainable trend.

	Labor Force 2018	Employment 2018
Twin Cities MSA	2,001,278	2,268,272
Hennepin	703,310	1,090,438
Ramsey	288,814	363,898

Average Annual Change 2010-2018		
	Labor Force	Employment
Twin Cities MSA	14,017	35,168
Hennepin	5,235	18,203
Ramsey	2,023	3,341

Ramsey County identifies ***connecting jobseekers with employment opportunities*** as a key priority to creating a strong and inclusive economy.

There is a ***spatial mismatch*** between the labor market and available jobs

Reconsidering workforce programs and service delivery model to ***better meet needs of residents.***



Diversity

inclusivity across lines of, industry
race/ethnicity and income

Labor Force Participation



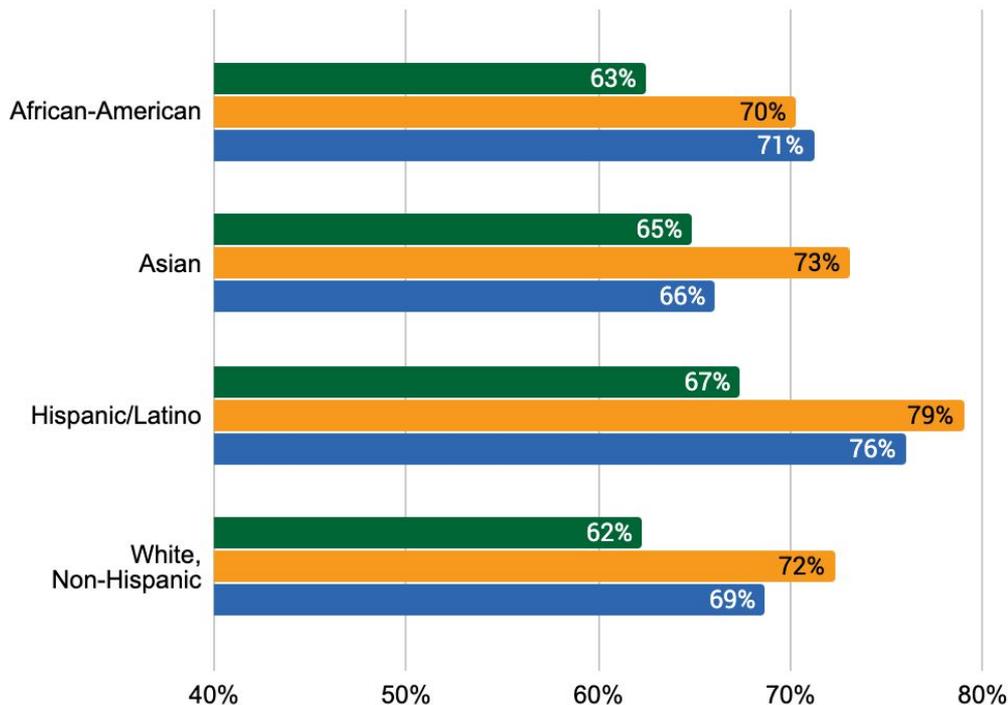
US



Hennepin
County



Ramsey
County



Ramsey County has higher labor force participation for all racial and ethnic groups than the US but its advantage for Asian residents is only 1 percent

Unemployment



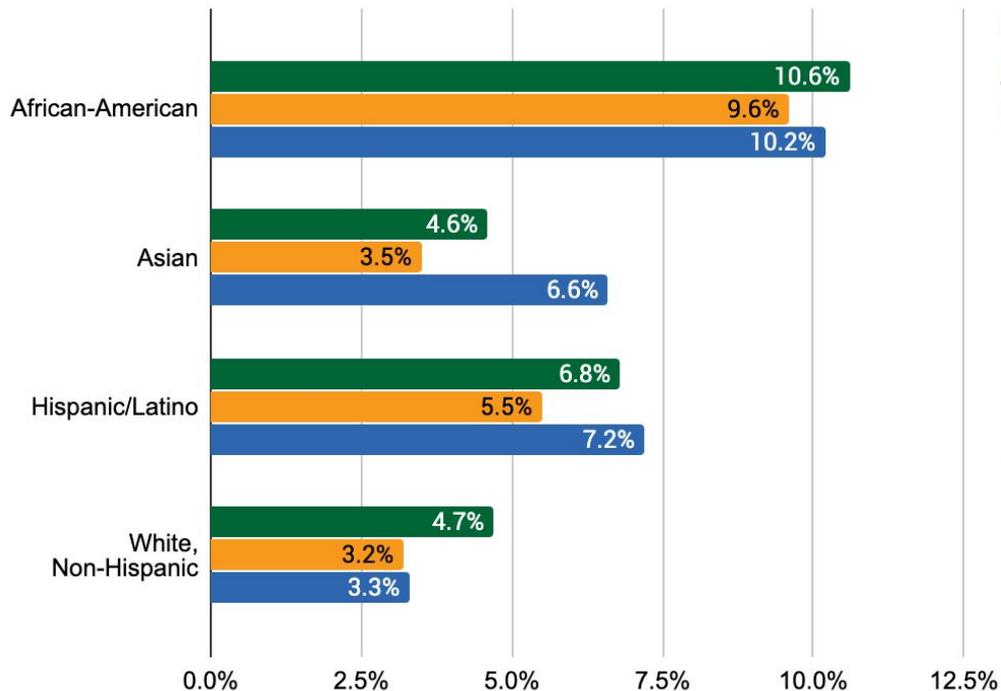
US



Hennepin
County



Ramsey
County



Ramsey has higher unemployment than Hennepin for the major population groups

Ramsey also has higher unemployment than the US for Asians and Hispanic/Latino

Minority-Owned Firms



US



MN



Twin Cities
MSA

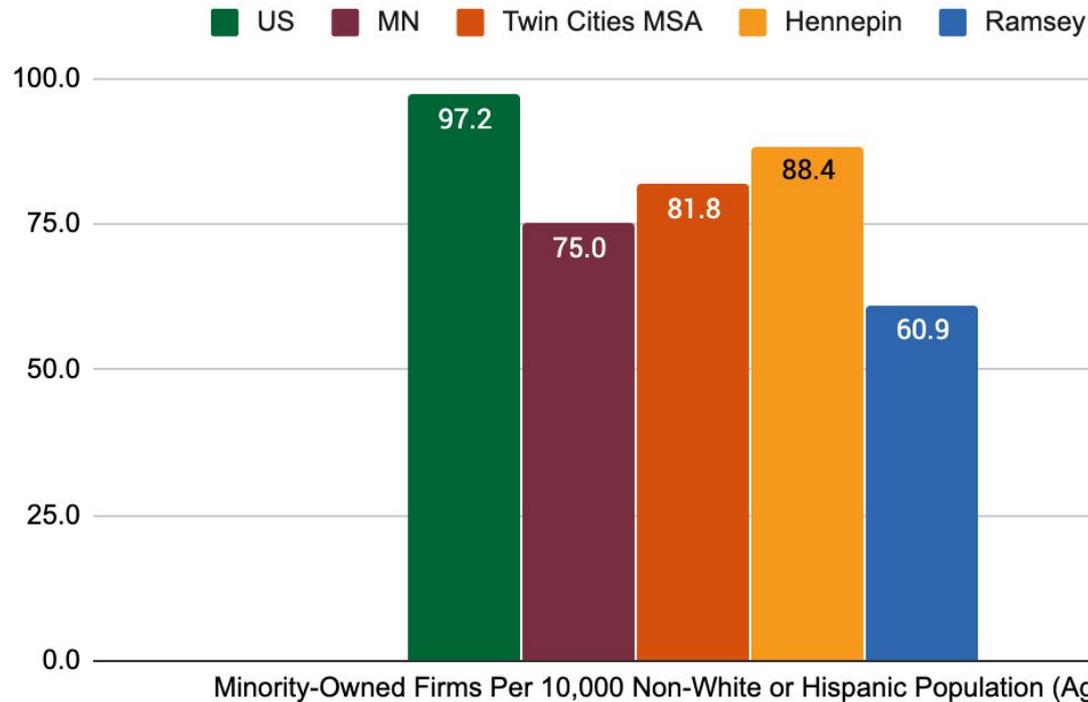


Hennepin
County



Ramsey
County

Minority-Owned Firms, 2012 (Paid Employees)



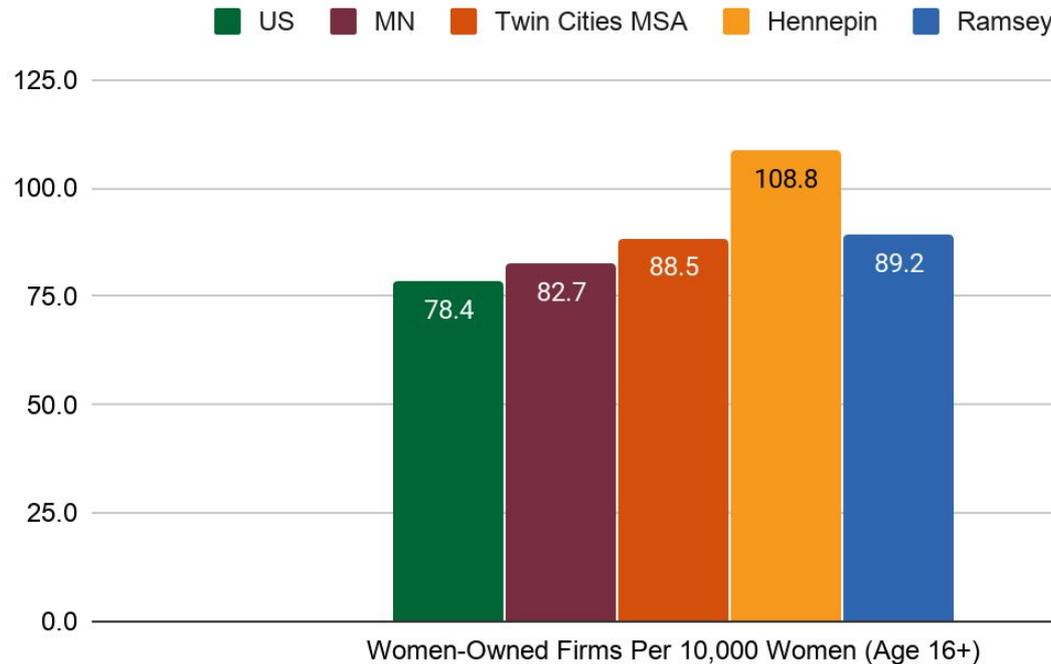
Minority business ownership is significantly lagging in Ramsey County

(2012, Census Survey of Business Owners and Self-Employed Persons, SBO)

Women-Owned Firms



Women-Owned Firms, 2012 (Paid Employees)



Women own businesses at a higher rate in Ramsey compared to the US, MN, and the MSA, but lower than in Hennepin County

(2012, Census Survey of Business Owners and Self-Employed Persons, SBO)



Investment

Investment in businesses
and the built environment

Higher Productivity



US



MN



Twin Cities
MSA

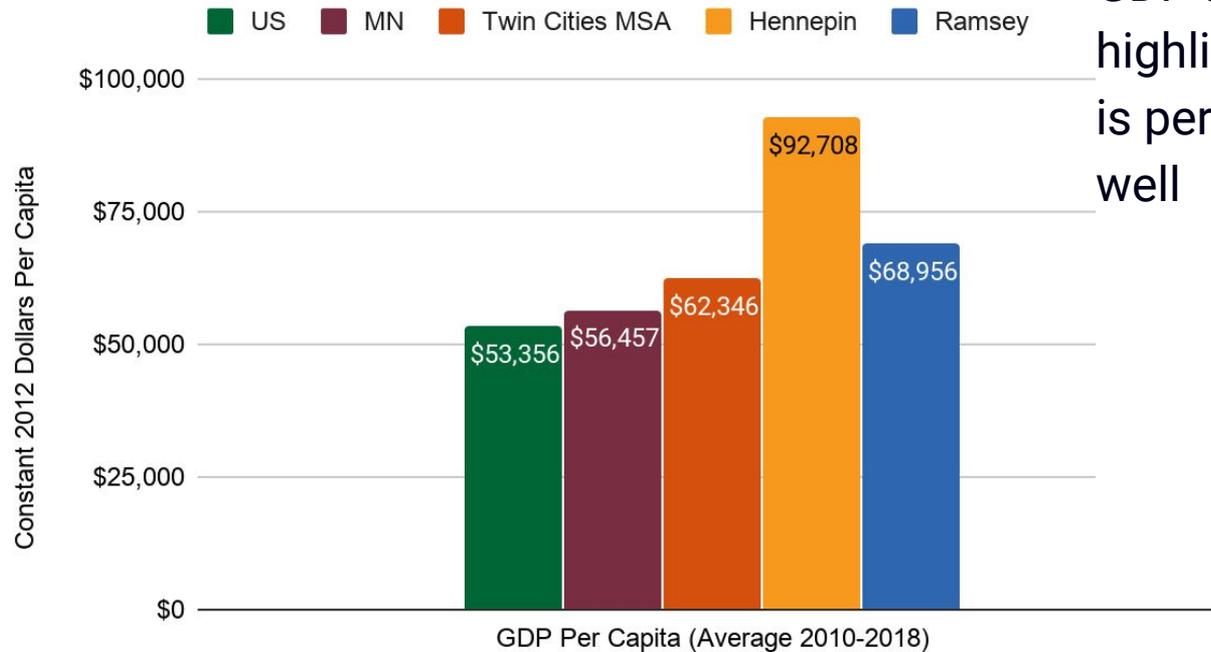


Hennepin
County



Ramsey
County

GDP Per Capita (Average 2010-2018)



GDP and/or SBA as highlights of how the county is performing comparatively well

Small Business Lending

Aggregate Amount of Small Business Loans per Capita



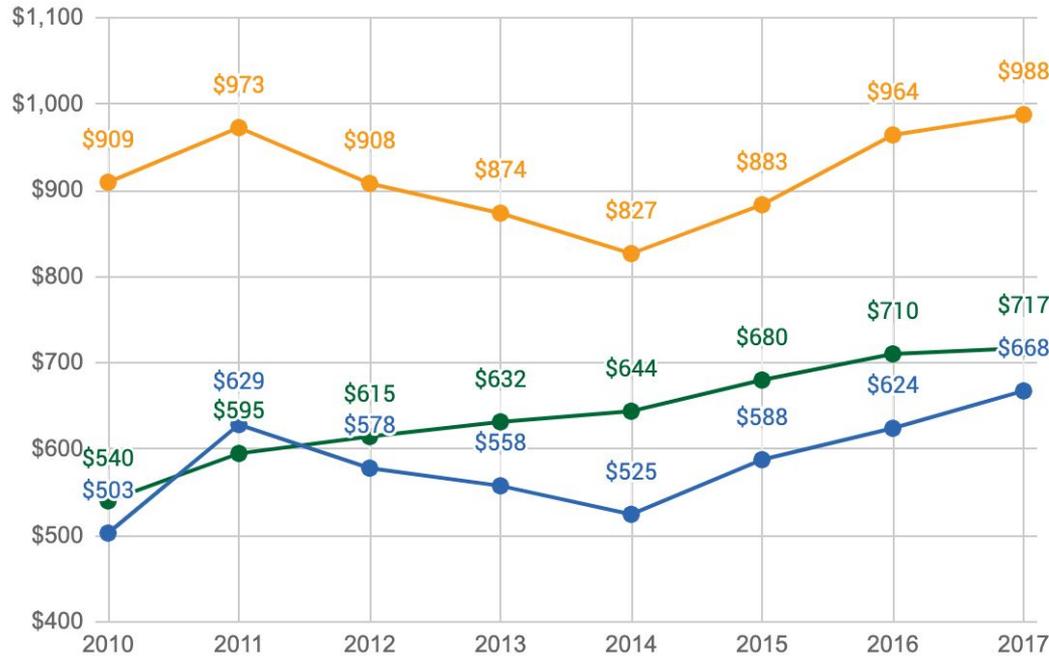
US



Hennepin
County



Ramsey
County



Per capita small business lending is lagging in Ramsey compared to the US and Hennepin County

Source: Community Reinvestment Act, 2010-2017

Business Births

Business Births, Percent of Initial Establishments in Prior Year



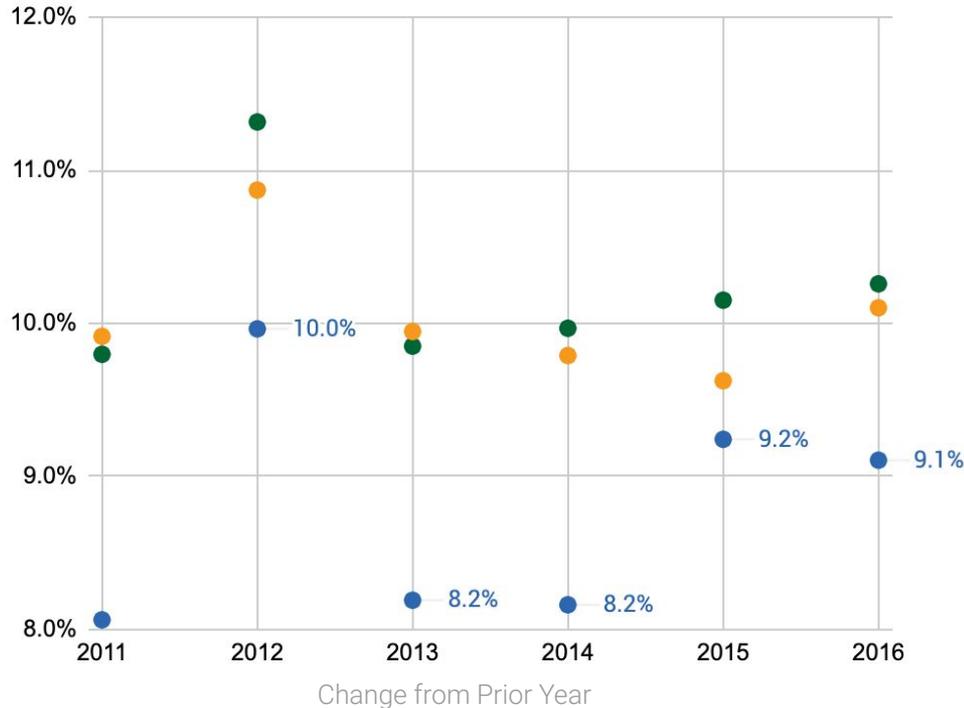
US



Hennepin
County



Ramsey
County



The rate of business births is consistently lower in Ramsey County than in the U.S. or Hennepin County



Programs such as the County's *Open to Business Program* and *Full Stack Saint Paul* present unique opportunities to strengthen support for small businesses and increase technology/innovation jobs.



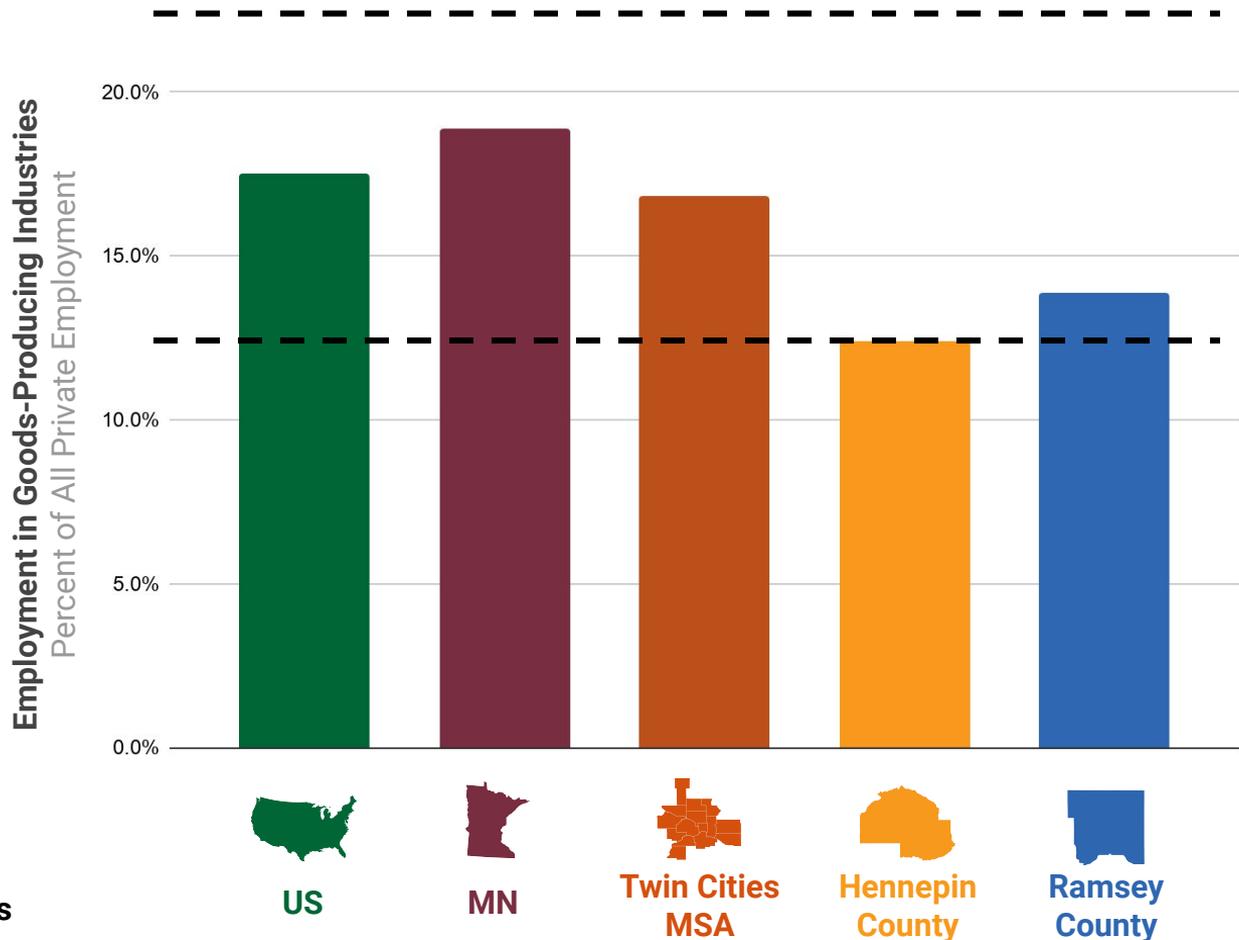
Sustainability

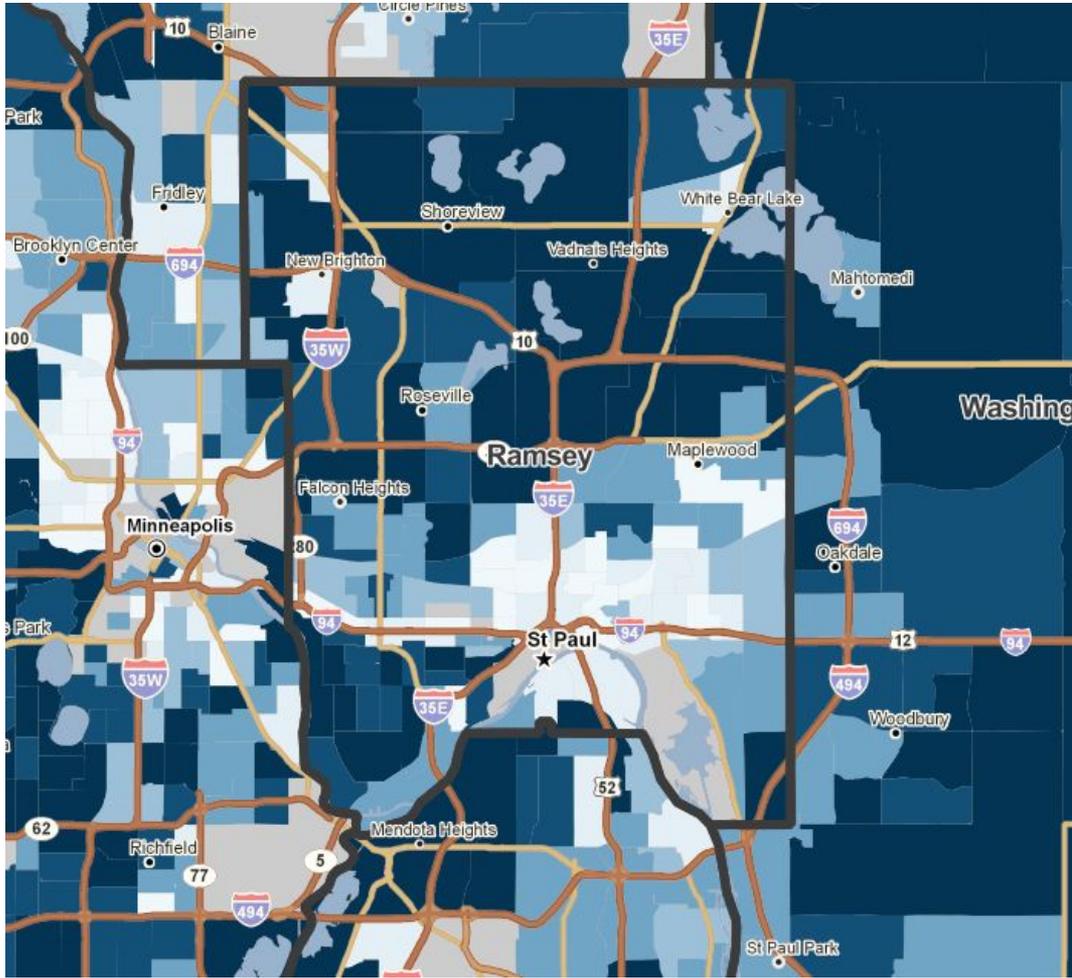
conditions that promote healthy lifestyles and a healthy environment

Industry Diversity

The region's economy has a very similar mix of goods-producing (as opposed to service-providing) activity among private businesses. This level of industry diversity is a positive marker for economic sustainability.

About a third of all US counties fall into the dashed band





Life Expectancy

Health vary across the county, but they are generally best in the north and worst in and around St. Paul.

Life Expectancy from Birth
By census tract (in years)



Source: CDC, USALEEP Program, 2010-2015

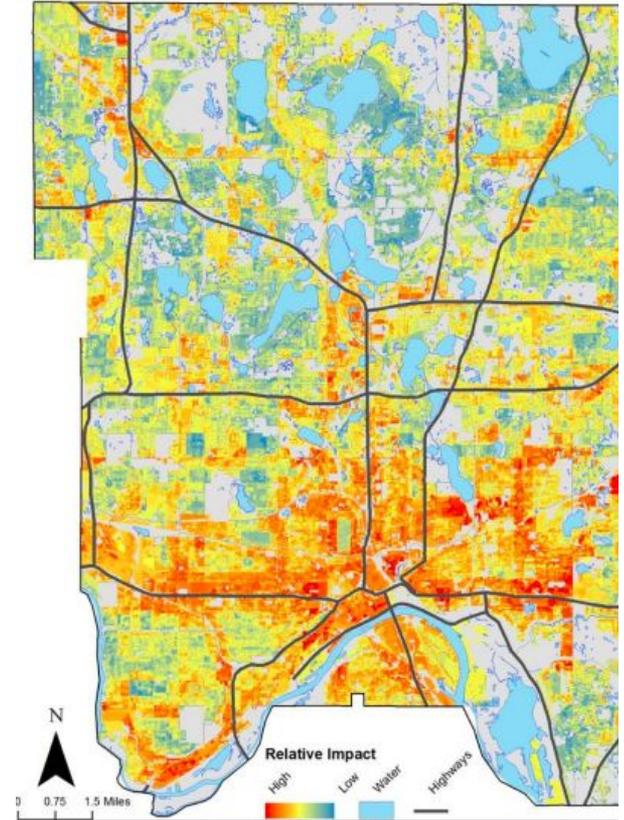
Extreme Heat

Factors for extreme heat vulnerability include:

- Heat island effect
- Reduced air quality
- Distance to cooling centers
- Distance to emergency medical services
- Distance to hospitals

Considers location of most vulnerable populations to extreme heat - Age 65+ living alone, 300% below the poverty line, living in multifamily housing units

Map of Extreme Heat Impacts



Changes in Precipitation

Flooding

Most vulnerable population: limited English proficiency, over 65 living alone, and those in extreme poverty

- Minnesota experienced a total of 860 flash flood from 1996 to 2013.
- Between 2010 and 2013 flash floods in Minnesota caused 13 deaths, almost \$13 million in crop loss, and over \$134 million in property damage (MDH)

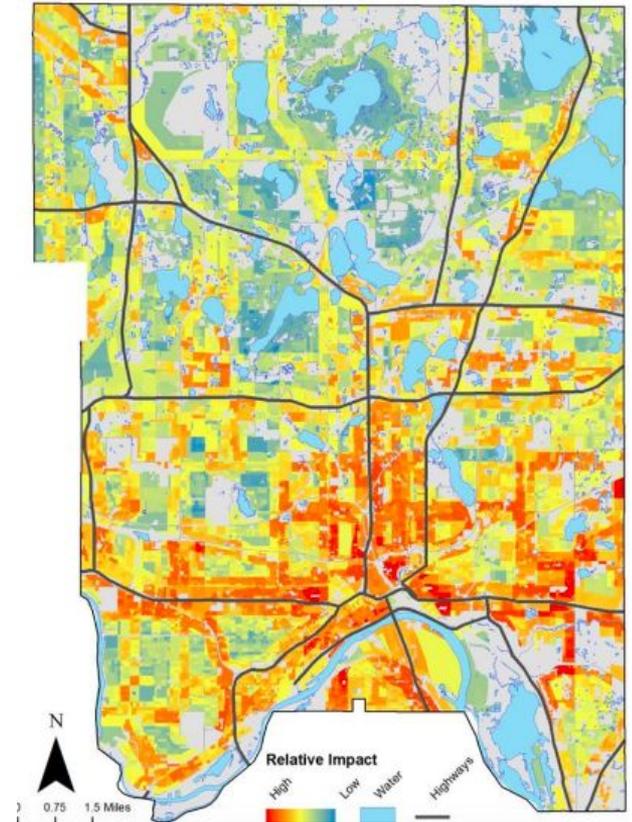


Flooding in Minnesota caused over \$134 M in property damage from 2010-2013

Air Quality

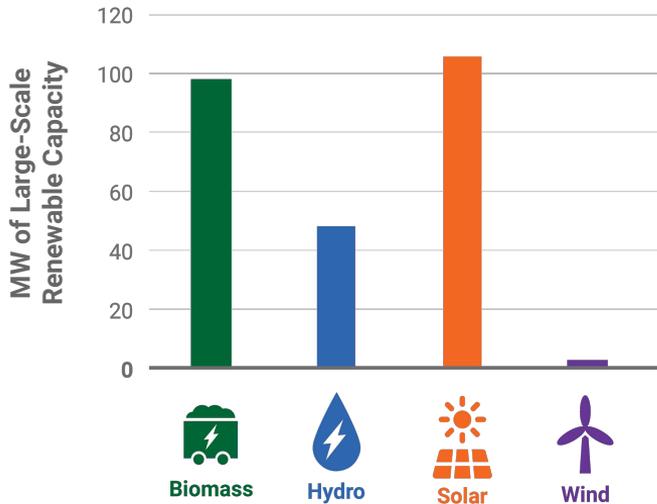
Taking into consideration those most vulnerable to poor air quality (outdoor workers), asthma hospitalizations and COPD hospitalizations

Map of Extreme Air Quality Impacts



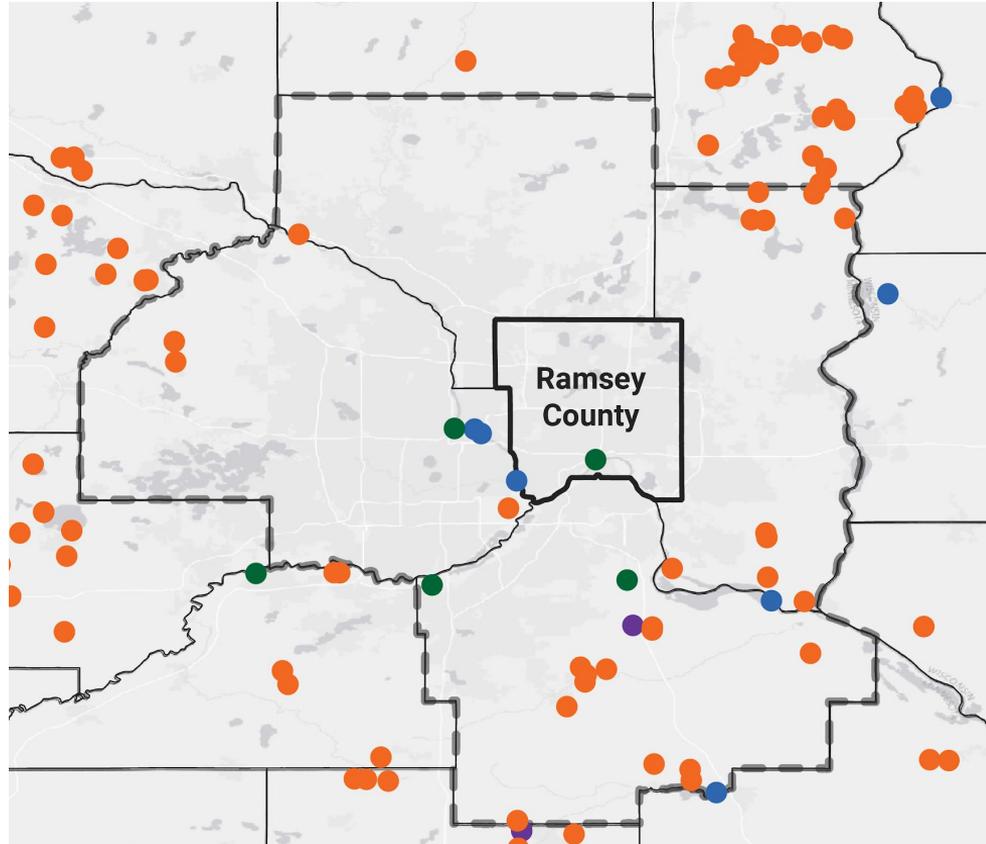
Renewable Energy

With a total of **254.5 MW** of large-scale renewable capacity installed in Ramsey and its neighboring counties, the region has 0.46 KW per capita, far less than the US at .72 KW per capita.



Note: The graphic above refers to installations in Ramsey and its neighbor counties.

Map of renewable capacity in the area:



Source: EIA | 2020 Energy Generation Facilities above 1 MW Capacity



Thanks!

Any questions?

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