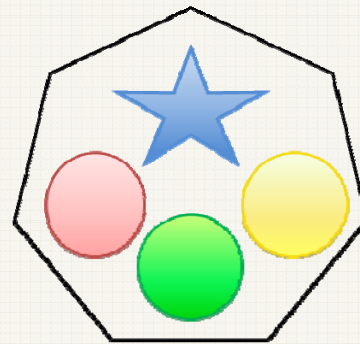


Building Our Future



**Cultivating Economic Prosperity.
Combating Concentrated Areas of Poverty.**

**Presentation to
Ramsey County MFIP/DWP Service Providers**

Janet M. Guthrie, County Manager's Office

January 2014

Setting the Stage for Success

January 2013: Ramsey County Board adopts new goal

***“Cultivate Economic Prosperity
and Combat Areas of Financial Poverty.”***

Today's Presentation:

1. **Share a common foundation** of data from which Ramsey County can approach and address issues associated with Regional Economic Growth, Countywide Economic Prosperity and Concentrated Areas of Poverty.
2. **Identify key policy themes** that present opportunities for leadership and future progress.
3. **Share timeline and plans for moving forward.**

“If you don't measure the right thing, you don't do the right thing.”
– Joseph Stiglitz (Nobel Laureate - economics)



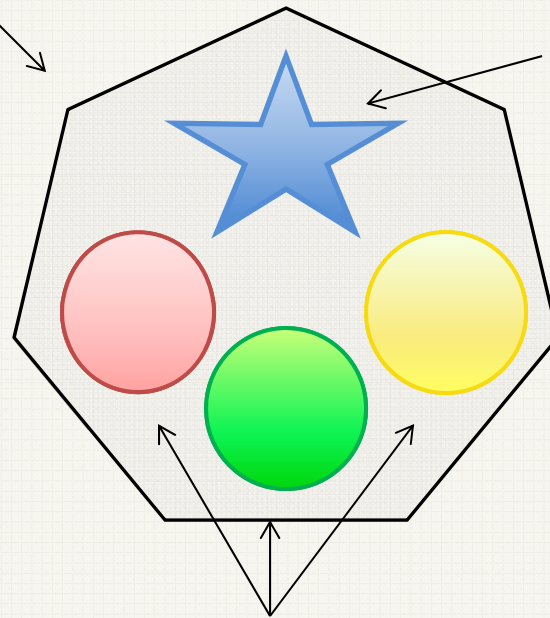
Approaching Economic Prosperity Work

- Economic prosperity work is **multijurisdictional**.
 - It must incorporate regional, county, city and neighborhood levels of analysis and planned actions. *Success requires consistent data, complimentary visions and collaborative efforts.*
- Economic prosperity work is **multifaceted**.
 - It must incorporate data measures and strategies that address different issue areas and audiences. *Success requires the creation of a general policy and thought framework that can be effectively applied to a variety of specific situations and circumstances.*
- The **creation of a conceptual model** can assist in this work.
 - Ramsey County, the Region, its cities, neighborhoods, community partners and citizens can better understand and effectively unify efforts that are intended to make progress toward greater economic prosperity.



An Economic Prosperity Model for Ramsey County

1. Start with a recognition that in many instances the seven county **Region** is the most effective entity at driving economic prosperity.
Represented by a heptagon

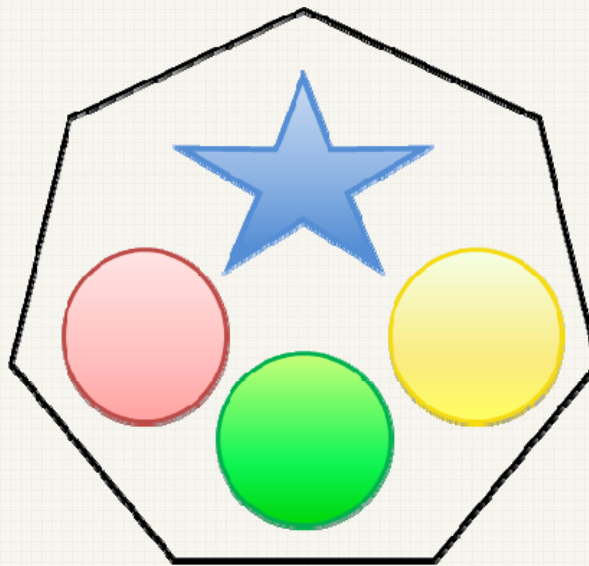


3. Incorporate a symbol that depicts the need to also address issues at the **neighborhood or census tract level**, especially those with concentrated areas of financial poverty.
Represented by a star

2. Add an element that addresses economic prosperity issues where **Ramsey County and the cities within it** are uniquely situated.
Represented by three circles

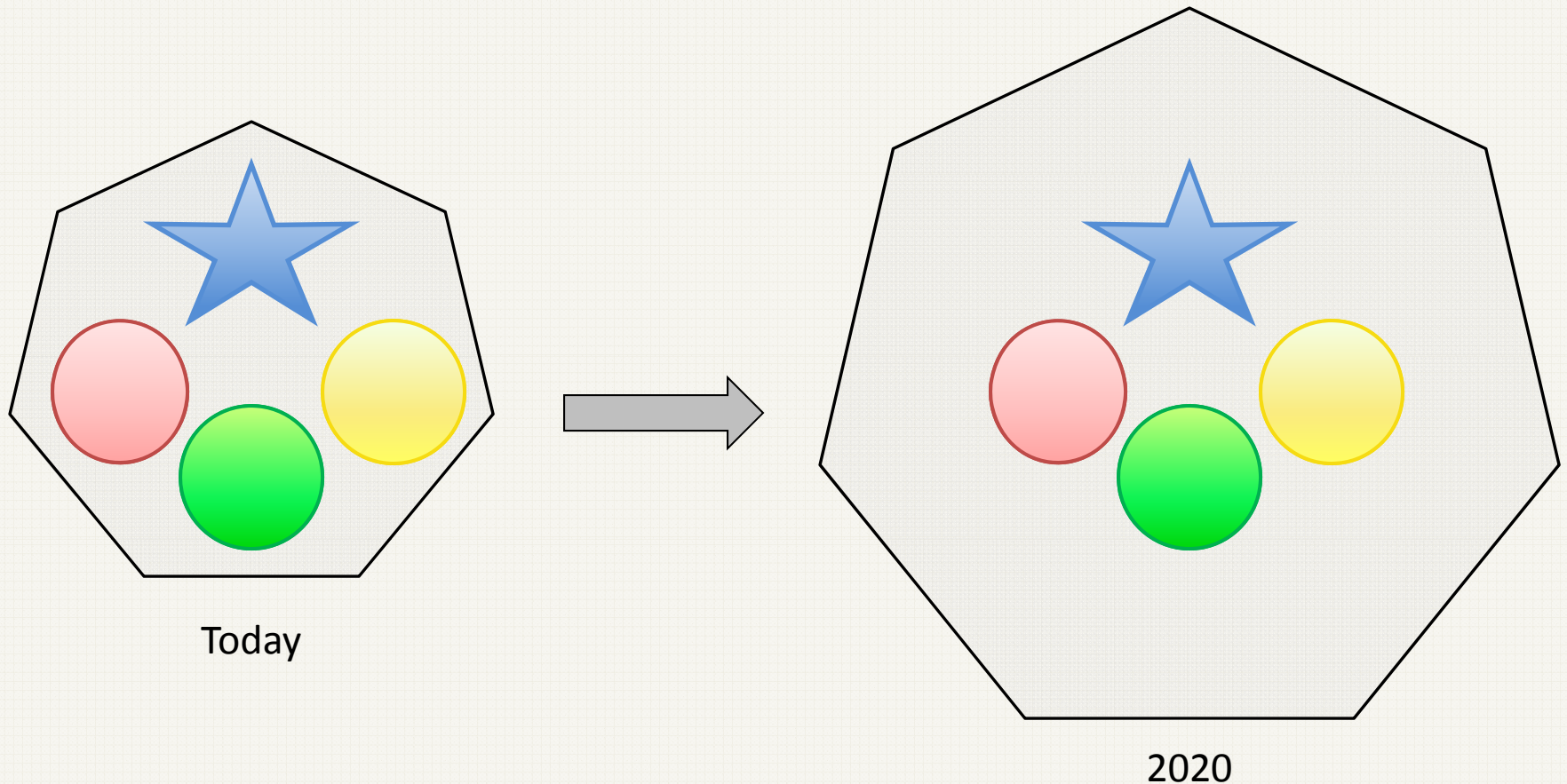
An Economic Prosperity Model for Ramsey County

This Region – County – City – Neighborhood model will be used as a reference point throughout the workshop.



The Ramsey County community is represented by everything within the heptagon, and it should aspire to grow as fast as or faster than the Region growing around it. This presentation therefore focuses on the inner elements of the model.

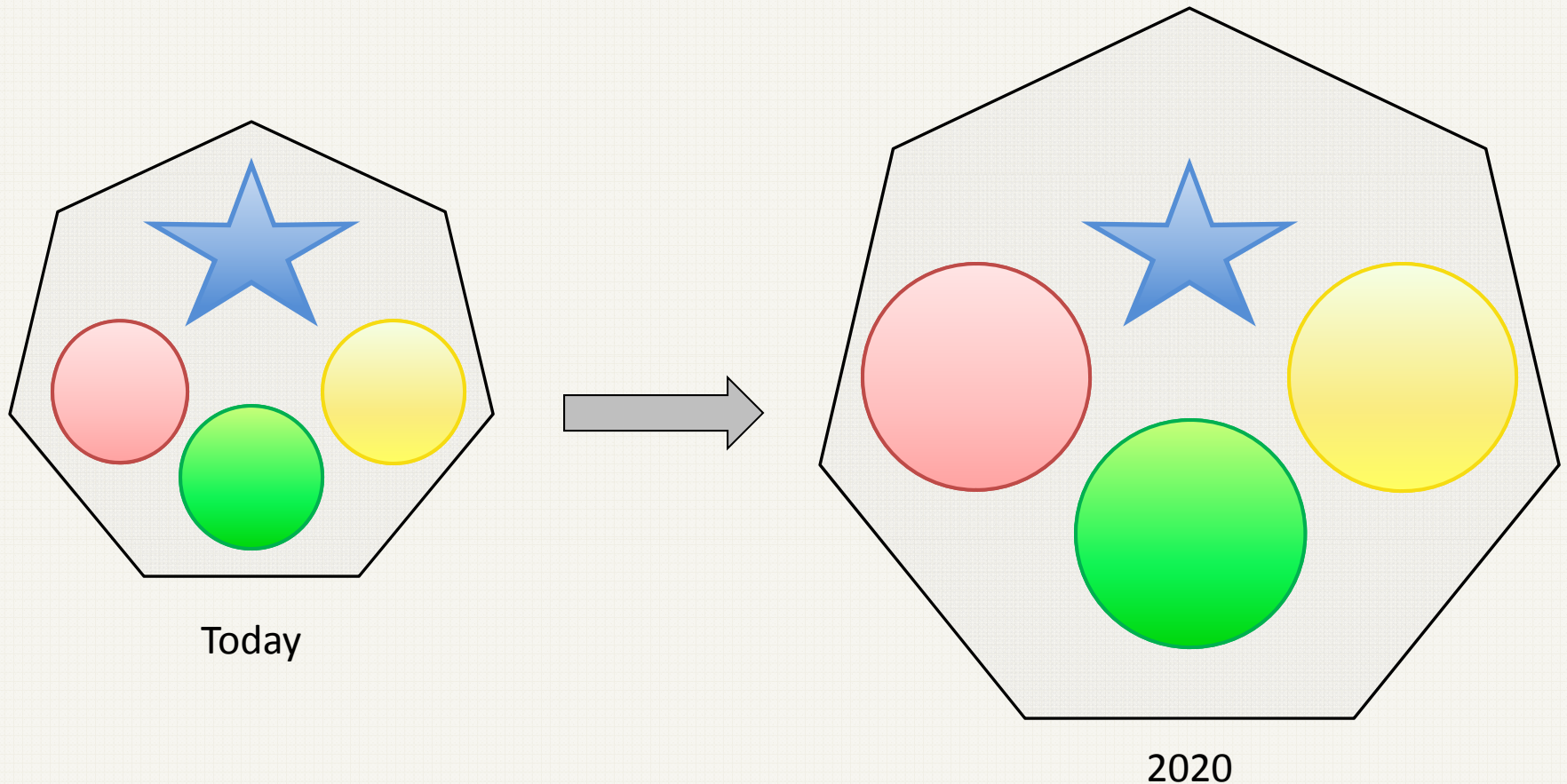
3 Applications of the Model



1. Asymmetric Regional Growth:

The Ramsey County community's unique characteristics are not addressed and it is "left behind" when future economic growth occurs in the Region.

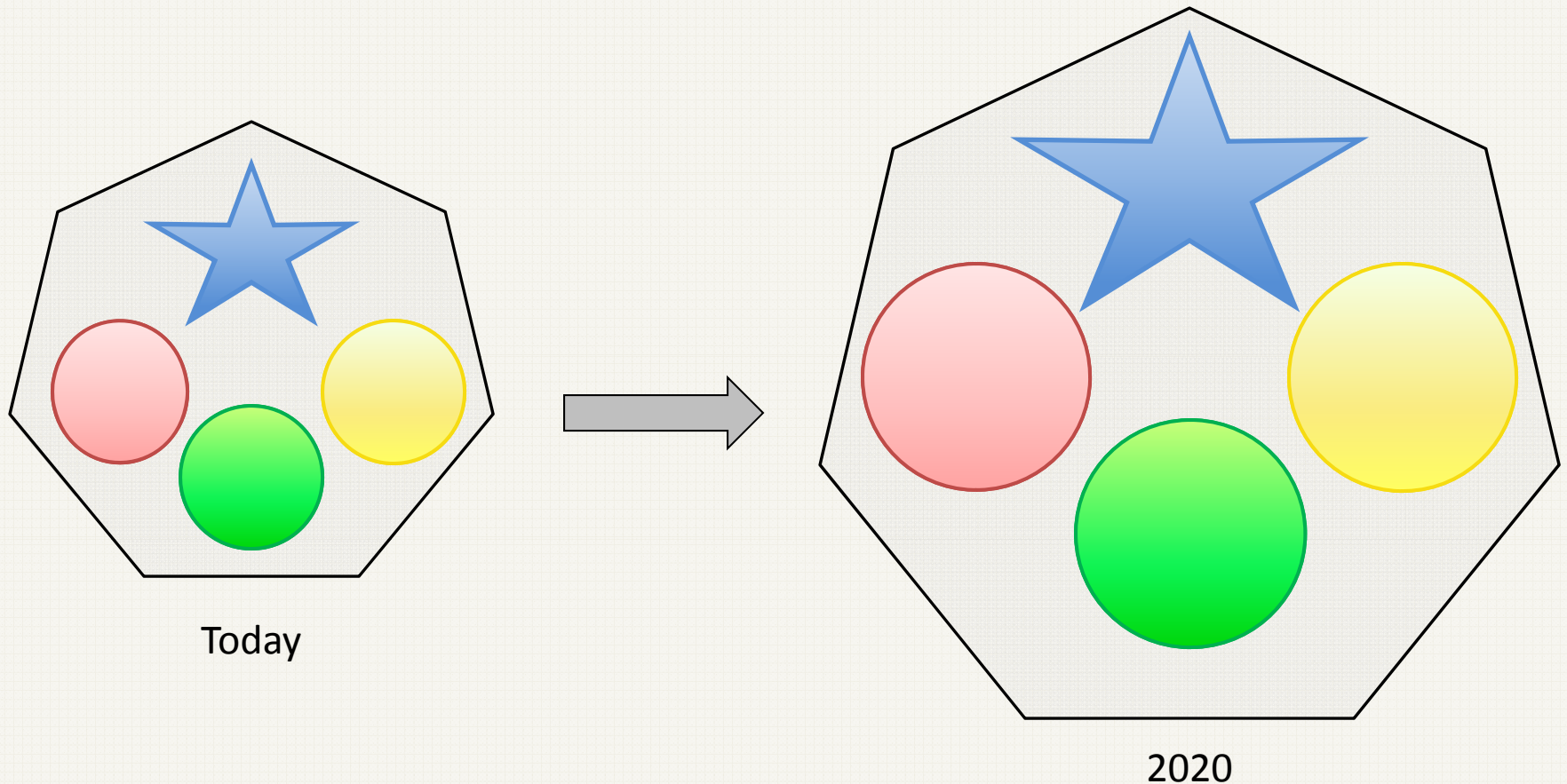
3 Applications of the Model



2. Asymmetric County Growth:

Parts of the Ramsey County community grow with the Region but the growth does not happen equitably; neighborhoods currently experiencing Concentrated Areas of Financial Poverty are left further marginalized.

3 Applications of the Model



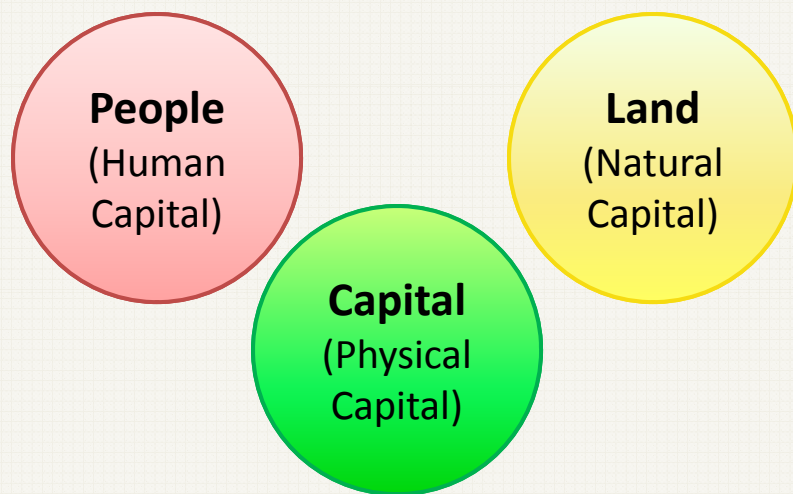
3. Equitable Growth:

The Ramsey County community grows with the Region and works collectively and individually within the Region to ensure neighborhoods currently experiencing Concentrated Areas of Financial Poverty are included.

Cultivating Countywide Economic Prosperity

An Indicator of Economic Prosperity

Wealth is defined as the assets available to use as the basis for current and future consumption and investment.



In this section we will use **people**, **land**, and **capital** to describe the concepts of wealth generation.

Why is Wealth Important?

- Serves as an indicator of the **current strength** of a jurisdiction.
- Greater wealth—when spread across all three circles—indicates **greater resiliency and potential for future growth**.
- Understanding the types of wealth contributes to preemptively **addressing areas of risk**.

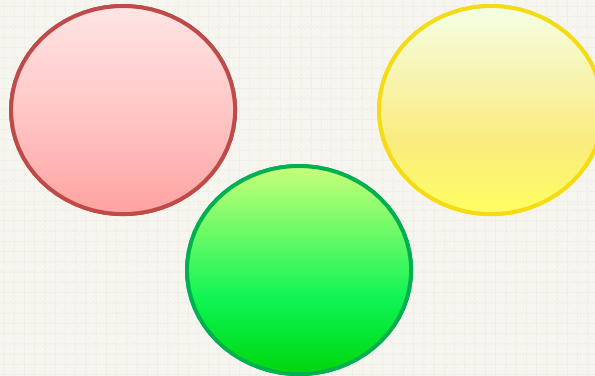


Analyzing Wealth Measures

Two patterns for Ramsey County emerge from the data in relation to its people, land and capital.

1. Similarly Situated with the Region:

- No comparative advantages or disadvantages
- Presents the best opportunity for Region-wide, collaborative efforts



2. An Outlier within the Region:

- Comparative advantages or disadvantages
- May require a county-specific or limited partnership approach

The red, yellow and green color scheme was specifically selected to highlight issue areas requiring heightened attention by the County.



Analyzing Wealth Measures

Questions to consider as Ramsey County examines data about is people, land and capital:

Assess Available Assets

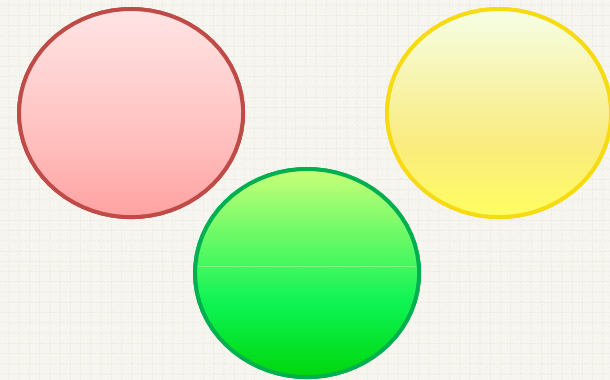
1. What is generating or could generate short and long term stability and growth?
2. In what areas is the county already a leader?
3. Where is more investment currently needed?
4. What growth strategies could build upon the county's available assets?

Recognize Inherent Limitations

5. What aspects of wealth are outside the realm of county influence?
6. What limitations are unique to the county that do not impact the rest of the Region?

Monitor Specific Trends of Interest

7. Is the county currently over reliant on a particular wealth circle for growth?
8. Is the county becoming more or less similar to the rest of the Region?
9. What trends suggest future success or trouble?



A Closer Look at within Ramsey County

Future economic growth requires an educated, trained and available workforce.

County	Population
Anoka	333,140
Carver	92,638
Dakota	402,006
Hennepin	1,168,431
Scott	132,556
Washington	241,280
Ramsey	514,696
Metro Area TOTAL	2,884,747
<i>Ramsey as % of Metro</i>	17.8 %

Source: US Census 2011 American Community Survey

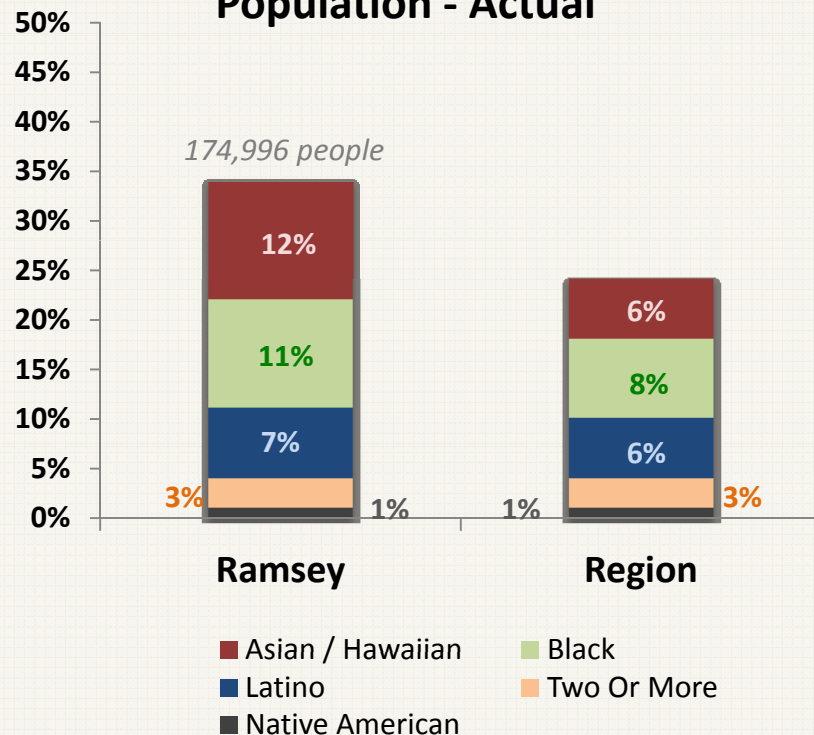
Ramsey County is the second most populous county in the Region with **more than half a million residents.**

A Closer Look at

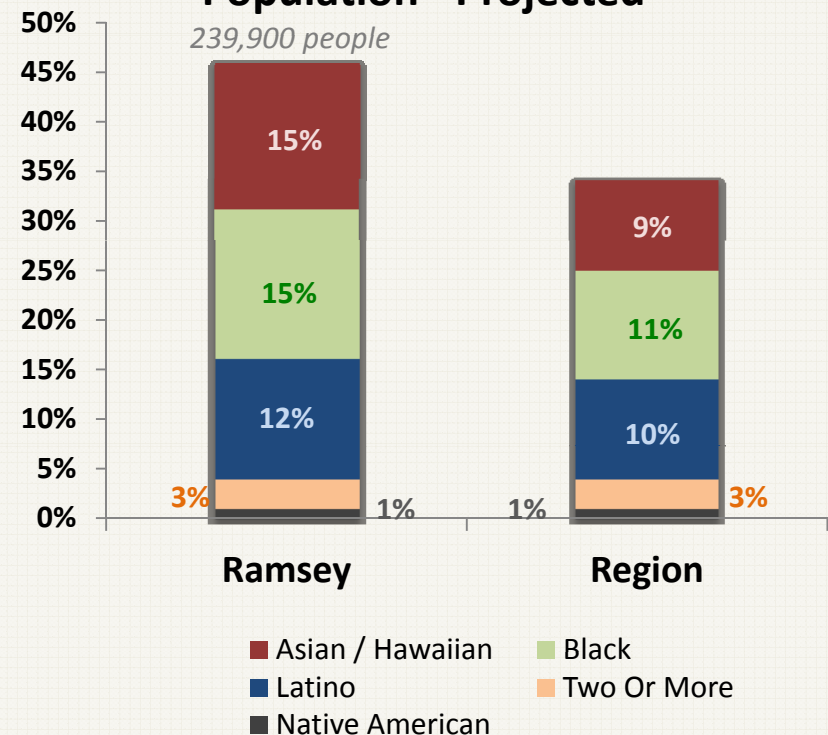
People

within Ramsey County

2010 Percent of Total Population - Actual



2030 Percent of Total Population - Projected



Census 2010 and Minnesota Population Projections by Race and Hispanic Origin, 2005 to 2035.

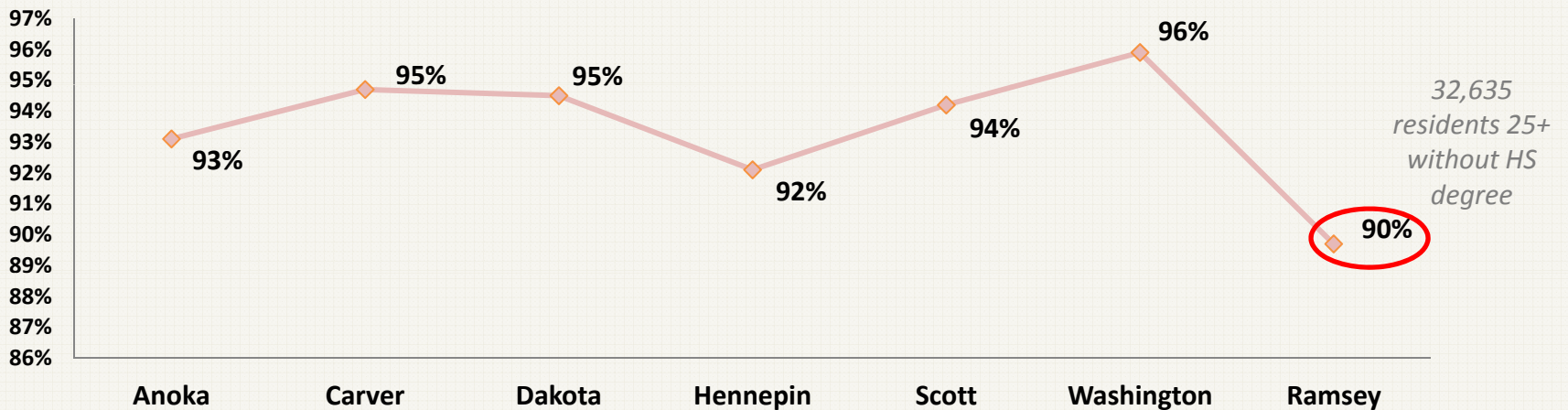
Ramsey County is and will remain significantly **more diverse** than the Region, meaning that any **ongoing, race-based disparities will have a greater impact.**



A Closer Look at within Ramsey County

A highly educated workforce builds a sustainable, resilient economy and presents new growth opportunities for businesses.

High School Graduate and Above



US Census Bureau, American Community Survey 2011

The lower educational attainment levels of today's workforce of residents (aged 25+) is an **immediate** risk for economic growth and resiliency. Workers without at least some college experience were significantly more likely to lose their job during the recent recession and continue to disproportionately struggle today.

A Closer Look at within Ramsey County

“There is a widespread belief that learning is the core factor
[that increases] human capital.”

- 2009 OECD World Forum on Statistics, Knowledge and Policy

Countywide Proficiency Data 2013

	8th Grade Math Proficiency	3rd Grade Reading Proficiency
Anoka	59%	60%
Carver	77%	69%
Dakota	61%	63%
Hennepin	58%	55%
Scott	67%	62%
Washington	71%	64%
Ramsey	51%	44%
Metro Area AVERAGE	60%	57%
Diff from Metro	-9	-13

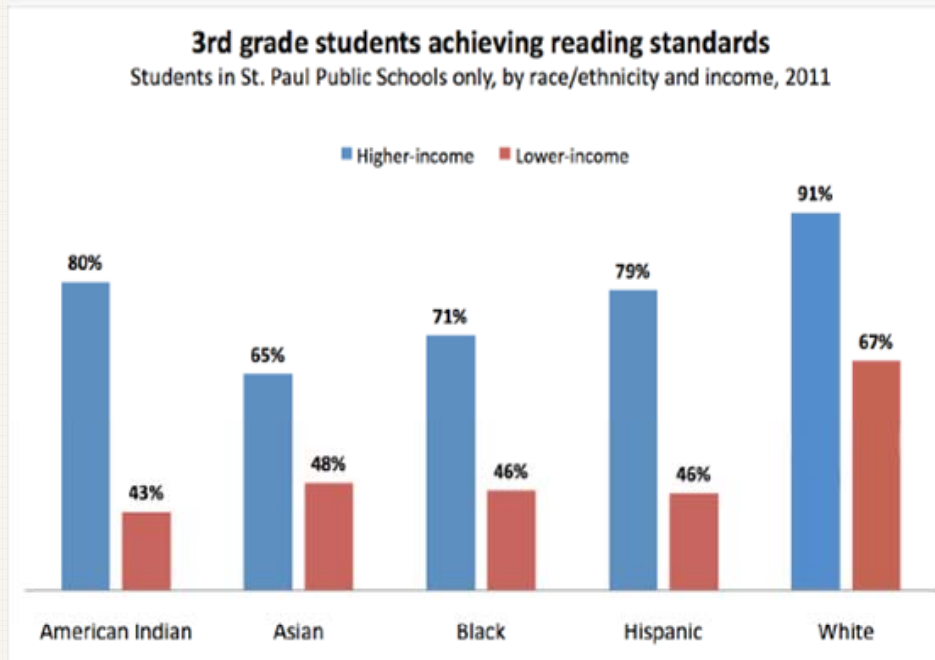
The chart shows that there are **medium-term** risks to ensuring that Ramsey County's citizens are prepared to thrive in an economy increasingly featuring technical, high-wage careers.

MN COMPASS. Compiled from the MN Dept of Education. 2013.

A Closer Look at within Ramsey County

As demographics shift, ongoing disparities threaten to become even more pronounced and greatly impact the **long-term** outlook for future workers within the County.

Race and income



Saint Paul Children's Collaborative Master Youth Plan Baseline Data 2012

St Paul School Enrollment Data

SPPS Grade Level (34,489 Students)	Students of Color	Free/Reduced Price Lunch
Elementary	76%	74%
Junior High	76%	73%
Senior High	80%	75%

Saint Paul Public Schools 2012 Enrollment Data



A Closer Look at within Ramsey County

Available land is a key wealth generation factor and a predictor of future development and economic growth.

County	Land Area (acres)
Anoka	269,543
Carver	226,390
Dakota	362,296
Hennepin	353,334
Scott	224,663
Washington	244,980
Ramsey	98,410
Metro Area TOTAL	1,779,618
Ramsey as % of Metro Area	5.5 %

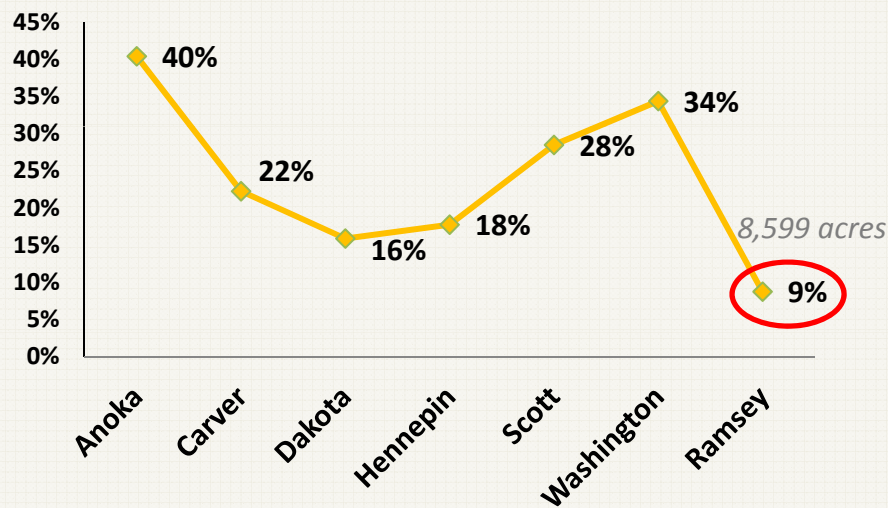
Metropolitan Council 2010 Land Use Data

Ramsey County is **less than 100,000 acres** in size and contains **5.5% of the total land area** in the Region.

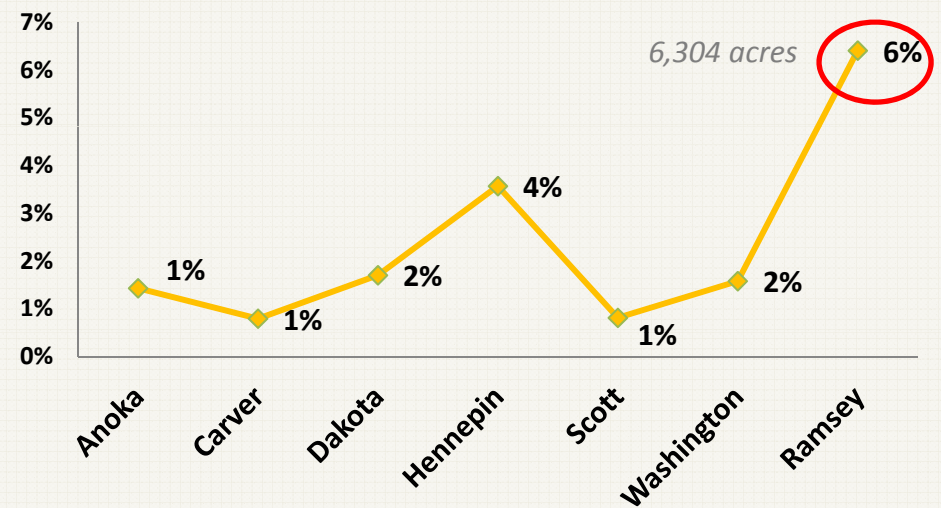
A Closer Look at within Ramsey County

Undeveloped land offers an easy source for future economic growth;
Institutional land is already developed and non-taxable.

Percent Undeveloped Land



Percent Institutional Land



Metropolitan Council 2010 Land Use Data

“State Capitol Communities” often have higher proportions of institutional land use.
And when combined with little undeveloped land, **every development and redevelopment opportunity** in the County and its partner cities is significant.

A Closer Look at within Ramsey County

A diversified and balanced mix of uses is important for economic growth and sustainability within a community.

Percent Dedicated to Select Land Uses

County	Residential	Institutional & Parks	Commercial & Industrial
Anoka	24.8	15.6	3.8
Carver	7.1	6.6	1.2
Dakota	15.7	9.0	4.2
Hennepin	37.4	16.1	8.2
Scott	10.9	8.9	2.4
Washington	20.7	10.9	2.7
Ramsey	48.2	21.3	13.7
Metro Area AVERAGE	22.2	12.0	4.6
<i>Difference from Average</i>	<i>+ 26.0</i>	<i>+ 9.3</i>	<i>+ 9.1</i>

Metropolitan Council 2010 Land Use Data

Finding the Right Mix

Development Type	Expenditures per \$1.00 of Revenue
Residential	\$1.06 - \$1.15
Commercial	\$0.77 - \$0.94
Industrial	\$0.60 - \$0.69

Saint Paul Port Authority, An Industrial Strategy for the City of Saint Paul, 2012

The County is also **disproportionately residential**. When coupled with being a “State Capitol Community”, the spread between residential and commercial/industrial becomes even more significant and presents future opportunities.



A Closer Look at within Ramsey County

Capital highlights the current foundation of economic activity while measuring opportunities for future wealth generation.

- **Includes items that are made** (manufactured or constructed) to do an organization or society's work. It includes items such as equipment, structures, and infrastructure.
- **Makes available people and land more productive.** For example, employees work with equipment in structures to create goods and service. Areas with strong capital therefore often experience similarly strong employment.
- **Tends to have a long life.** However, its value or usefulness can decrease over time, meaning renovation, upgrades and replacement is important to track.

It is **difficult to measure** capital at the county level because most available wealth measures are national or state focused.

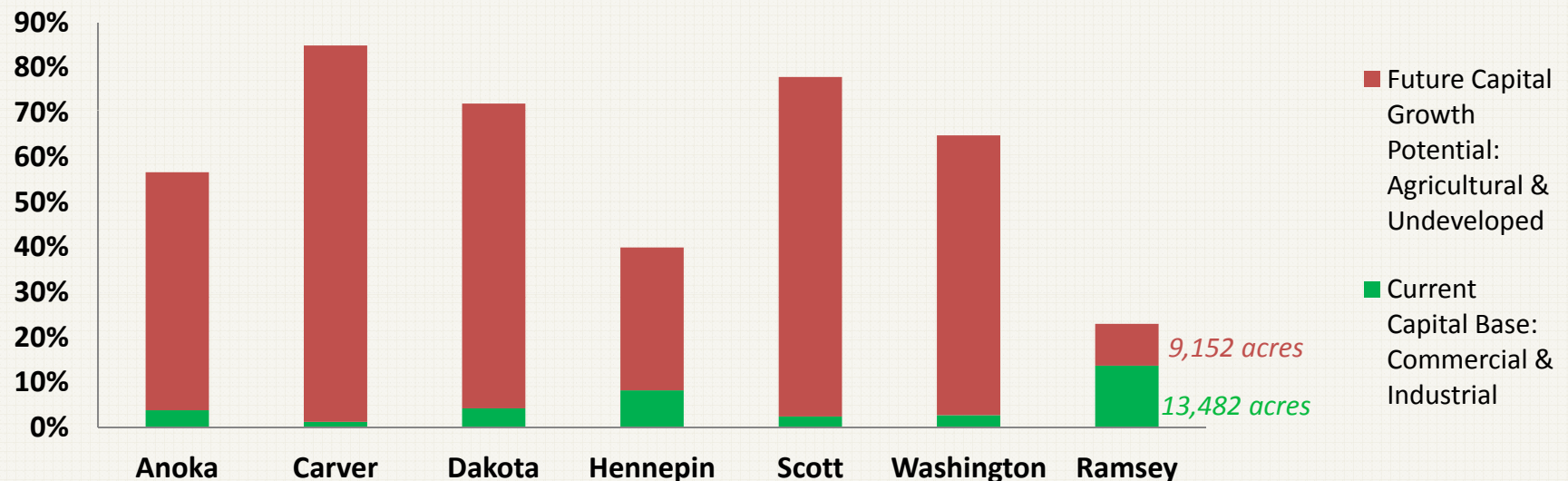
But **looking at existing infrastructure and employment** helps one understand what type of economic foundation already exists to support future growth opportunities.



A Closer Look at within Ramsey County

Assessing the current and future capital land base provides a measure of capital growth potential.

Percent of Total Land Available for Current and Future Capital Use



Metropolitan Council 2010 Land Use Data

Ramsey County has the lowest proportion of undeveloped land to use for future capital expansion, meaning that the **intensity of use on that available land** matters more than in any other county within the Region.

A Closer Look at within Ramsey County

Current employment figures are an indicator of the presence of capital from which future wealth generation can occur.

County Employment Figures

	Total Employment	Employment Per Square Mile
Anoka	107,456	254.0
Carver	32,831	92.7
Dakota	170,470	303.3
Hennepin	822,641	1,484.9
Scott	41,522	116.6
Washington	72,974	190.0
Ramsey	316,297	2,080.9

Employment and Wages-QCEW 2011

Ramsey County is **one of two employment centers in the Region**. This is a strength from which the County can build – if there are qualified workers and a transportation system that connects them with employment opportunities (both remain ongoing challenges).

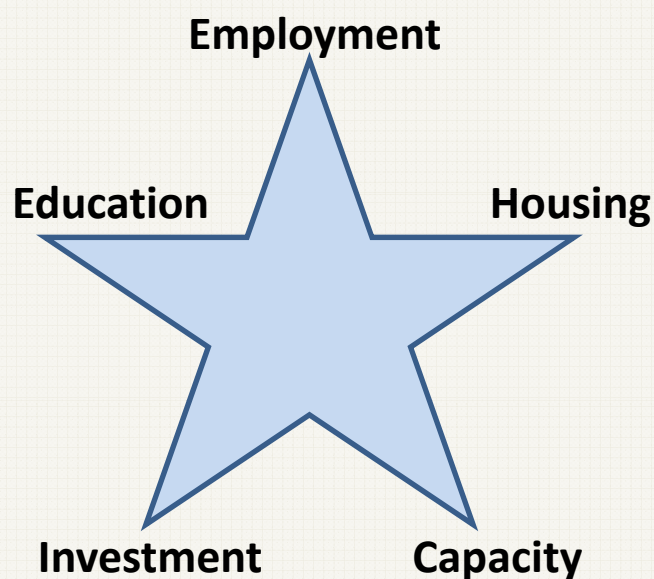
Key Highlights:

Cultivating Countywide Economic Prosperity

- Countywide prosperity can be measured and planned for in the context of **three wealth circles** – people, land and capital
- The wealth circles **provide a comparative tool** that allows that County to assess where unique future challenges and opportunities exist
- The **biggest future challenges are in the people circle**, with **policy opportunities in the land circle** and a **foundation from which to build in the capital circle**



Building Opportunity in Concentrated Areas of Poverty: Prosperity Means Opportunity for Everyone



In this section we will focus on neighborhoods resiliency factors to assess the **web of opportunity**.

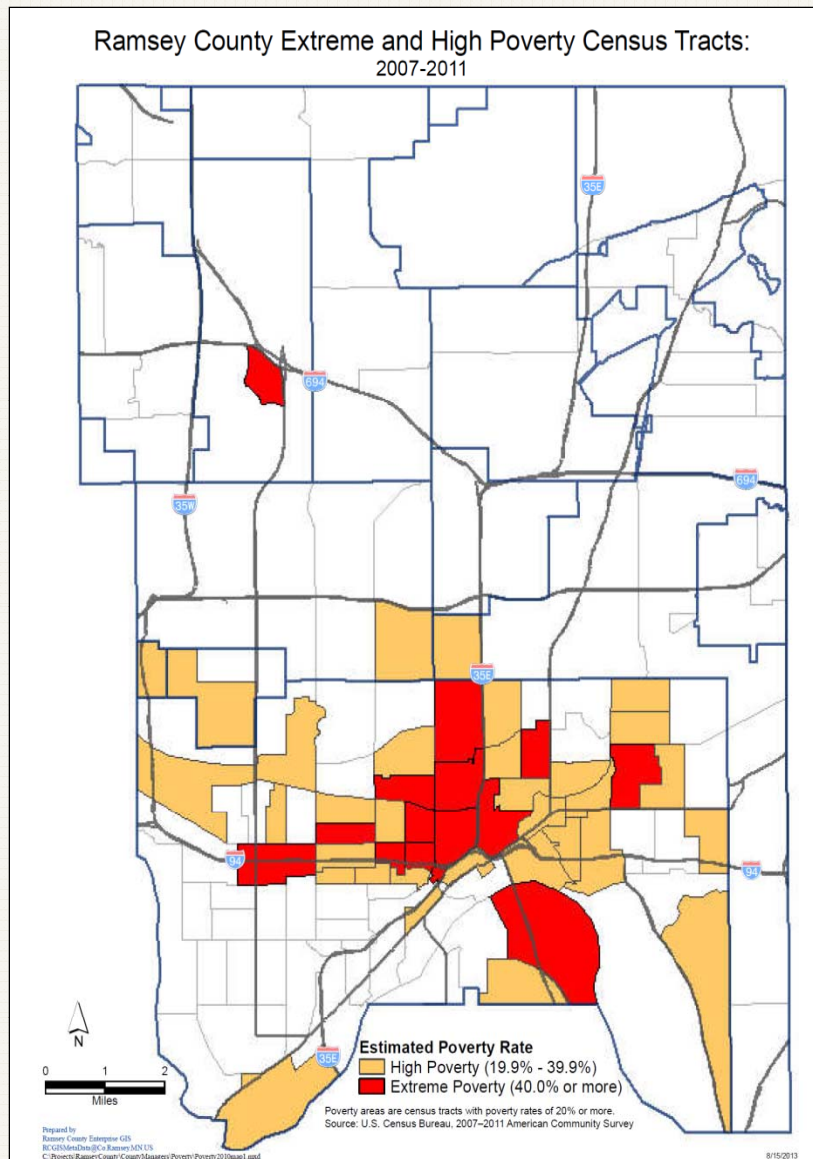
In order to successfully cultivate economic prosperity, we must ensure that everyone in our community can take advantage of opportunities to grow.

“Life is lived in a **web of opportunity**. Only if we address all of the mutually reinforcing constraints on opportunity can we expect to make real progress.”

- Dr. John Powell
Chair, Civil Rights & Civil Liberties - Moritz
College of Law, Ohio State University



Understanding Concentrated Areas of Financial Poverty



Key Definitions

- **Poverty Threshold** - federally defined term for amount of money expected to meet basis needs.
(2012 - \$18,480 for family of 3)
- **Concentrated Poverty** - select neighborhoods have disproportionately high poverty levels.
- **High Poverty Area** - census tract with +20% residents below federal poverty line. (See **TAN** on map.)
- **Extreme Poverty Area** - census tract with +40% residents below federal poverty line. (See **RED** on map.)



Understanding Concentrated Areas of Financial Poverty

Ramsey County has the **highest proportion** of census tracts in the Region identified as Concentrated Areas of Financial Poverty.

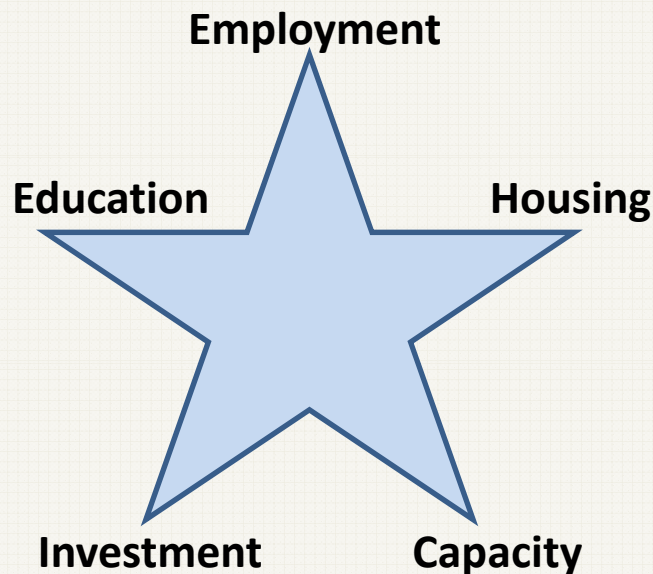
- Concentrated areas of financial poverty do not just create challenges for people living within them; the opportunity divide **impacts broader economic growth and community connectivity.**
- **Mostly within Saint Paul** but also in Ramsey County suburbs (Maplewood, Falcon Heights, Roseville & Arden Hills).
- **Hennepin County is the only other county** in the Region with concentrated areas of financial poverty (Minneapolis, Brooklyn Park, Brooklyn Center & Richfield) .

National research identifies **five neighborhood resiliency factors** that, when present, create a **web of opportunity** that enables residents to prosper, thus combating concentrated areas of financial poverty.



Neighborhood Resiliency Factors

Concentrated areas of financial poverty exhibit an opportunity divide that can be measured using the five-pointed resiliency star.

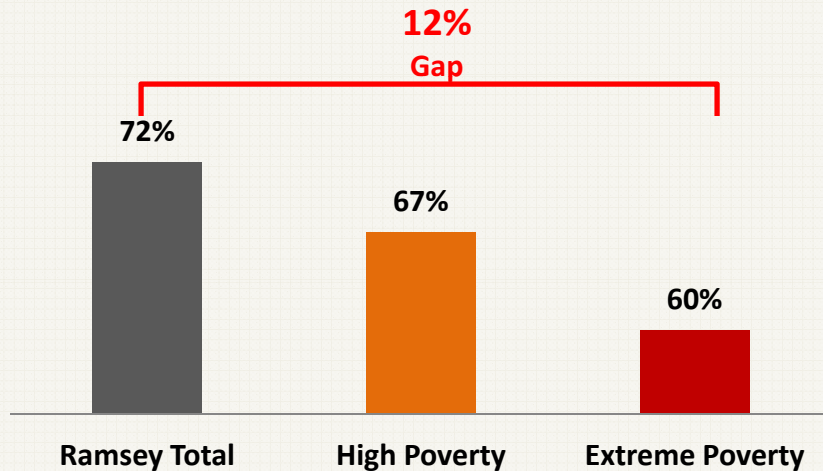


Without focused attention on increasing the web of opportunity within neighborhoods, national research and case studies suggest that concentrated areas of financial poverty are **likely to remain, intensify and even spread.**

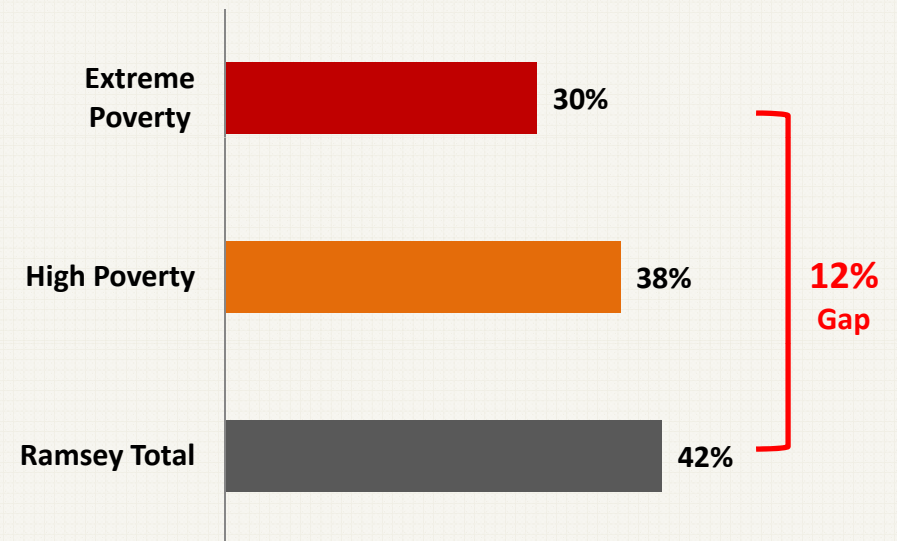
Opportunity Through Employment

Resilient neighborhoods are those in which people have opportunity and access to secure stable, full-time employment.

Any Work Experience within Last Year:
Full or Part Time



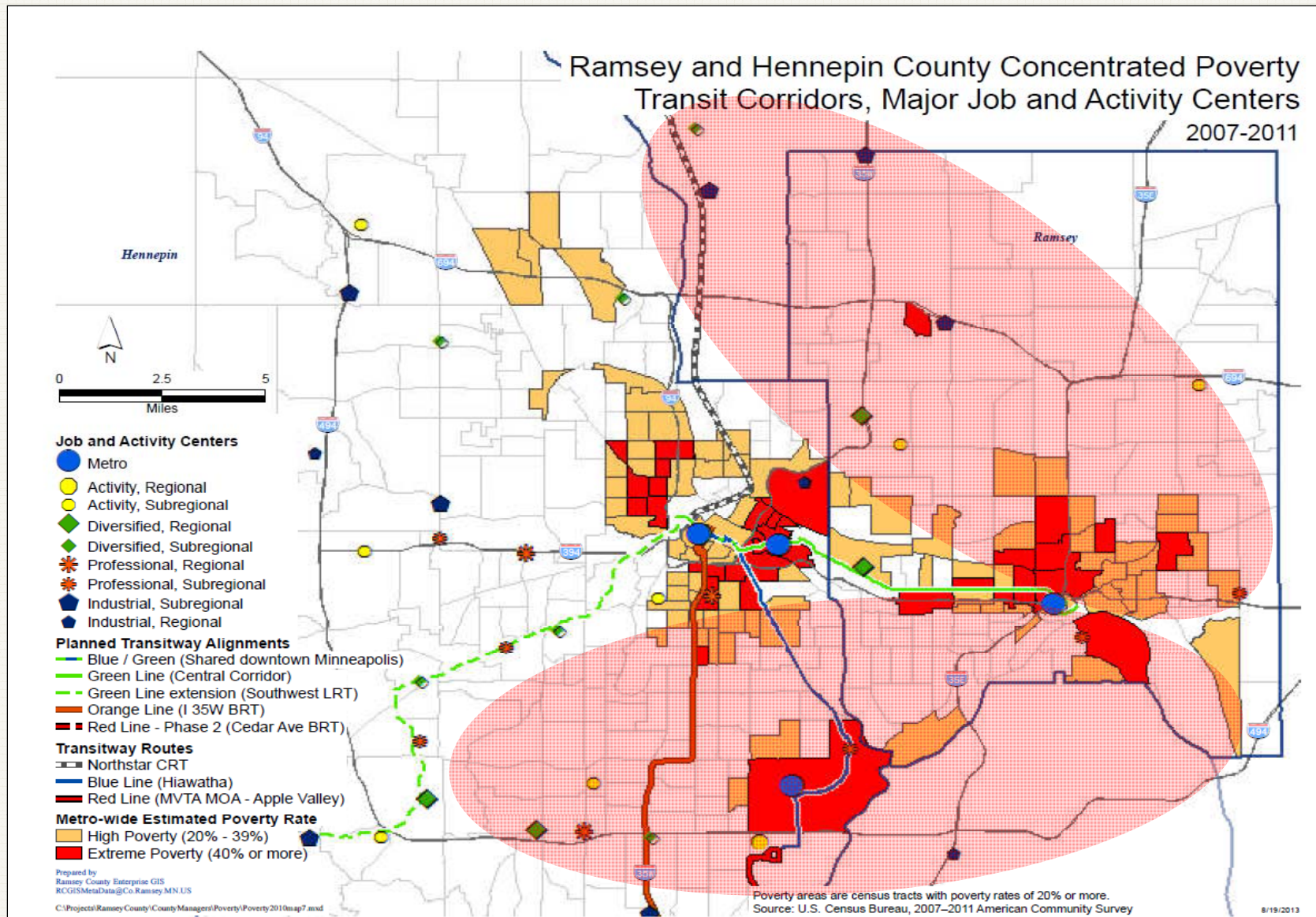
Worked All Year: Full-Time



US Census 2011 American Community Survey

Businesses locate in areas in which residents have disposable income to spend.
Neighborhood community growth and development is impacted by the income and employment level of residents.

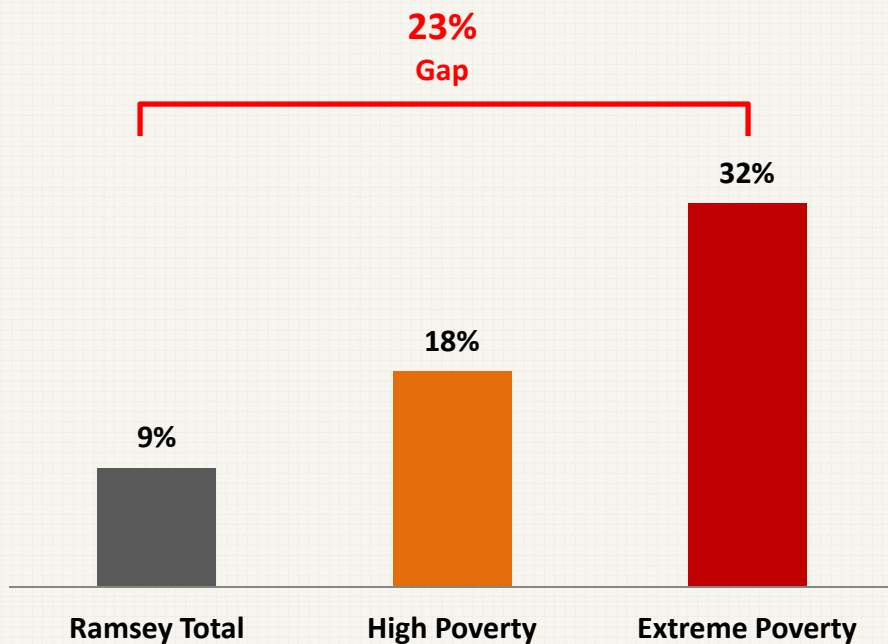
Opportunity Through Employment



Opportunity Through Education

Due to the correlation between education and employment, resilient neighborhoods have higher levels of educational attainment.

Education of Residents (25+) with Less than a High School Diploma



US Census 2011 American Community Survey

“As early as elementary school, students living in concentrated poverty underperformed on standardized tests when compared with students in their larger metro Region.”

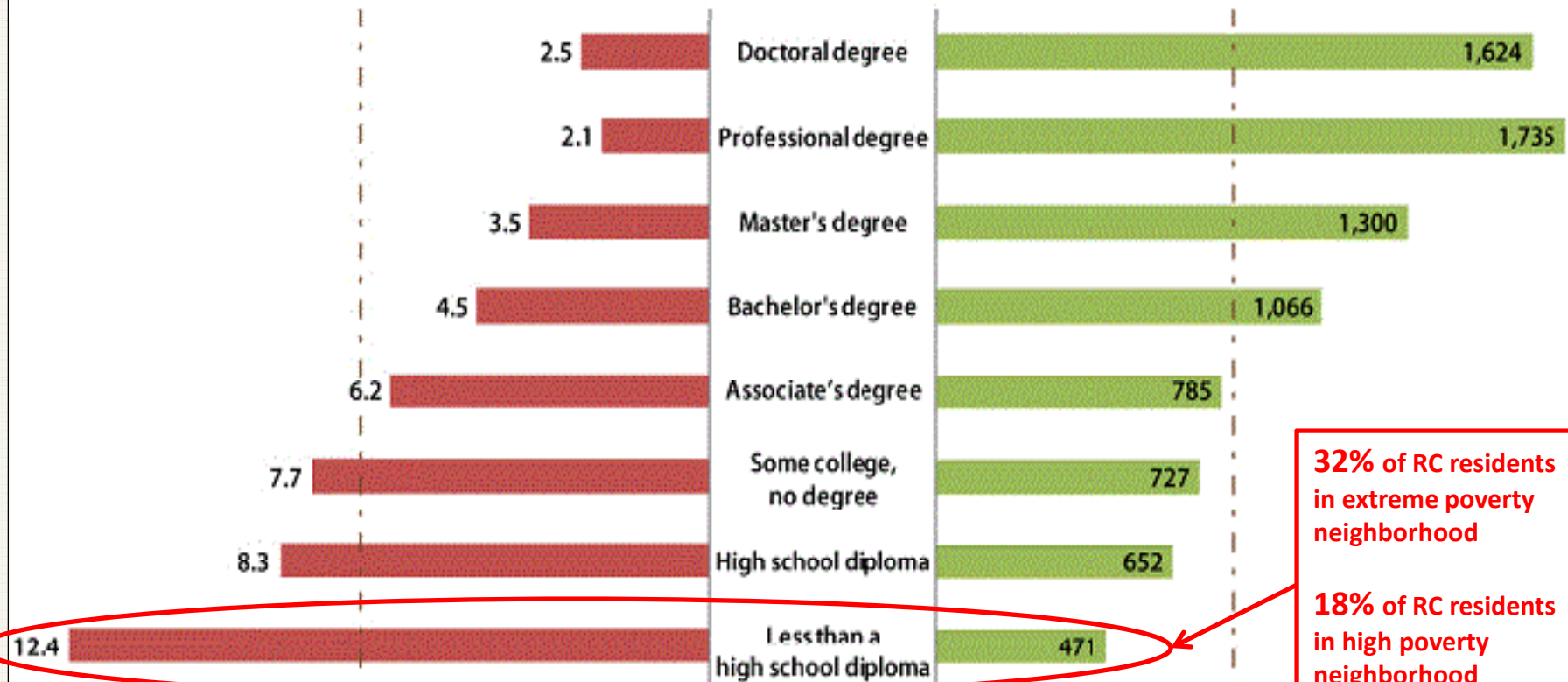
- Federal Reserve Bank of Boston,
Winter 2009 Communities &
Banking Quarterly

Opportunity Through Education

Earnings and unemployment rates by educational attainment

Unemployment rate in 2012 (%)

Median weekly earnings in 2012 (\$)



All workers: 6.8%

All workers: \$815

Source: Bureau of Labor Statistics, Current Population Survey

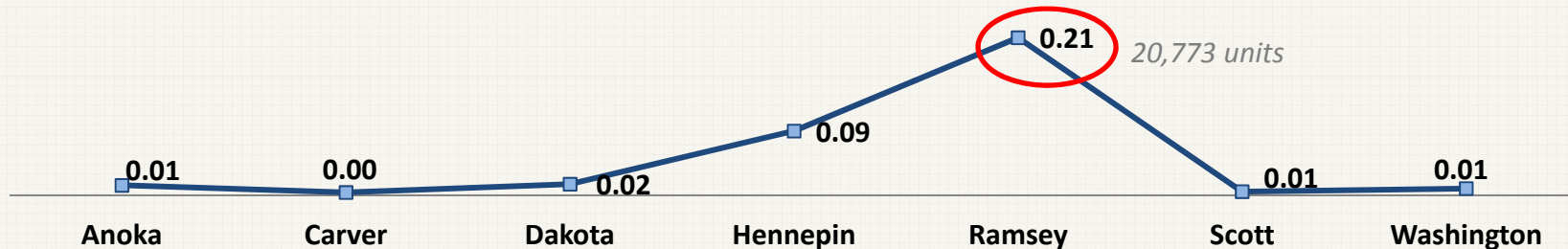
32% of RC residents
in extreme poverty
neighborhood

18% of RC residents
in high poverty
neighborhood

Opportunity Through Housing

Affordable housing is important to resilient neighborhoods, but concentrating subsidized housing can concentrate financial poverty.

Ratio of Subsidized Units (HUD + LIHTC) by Land Acres

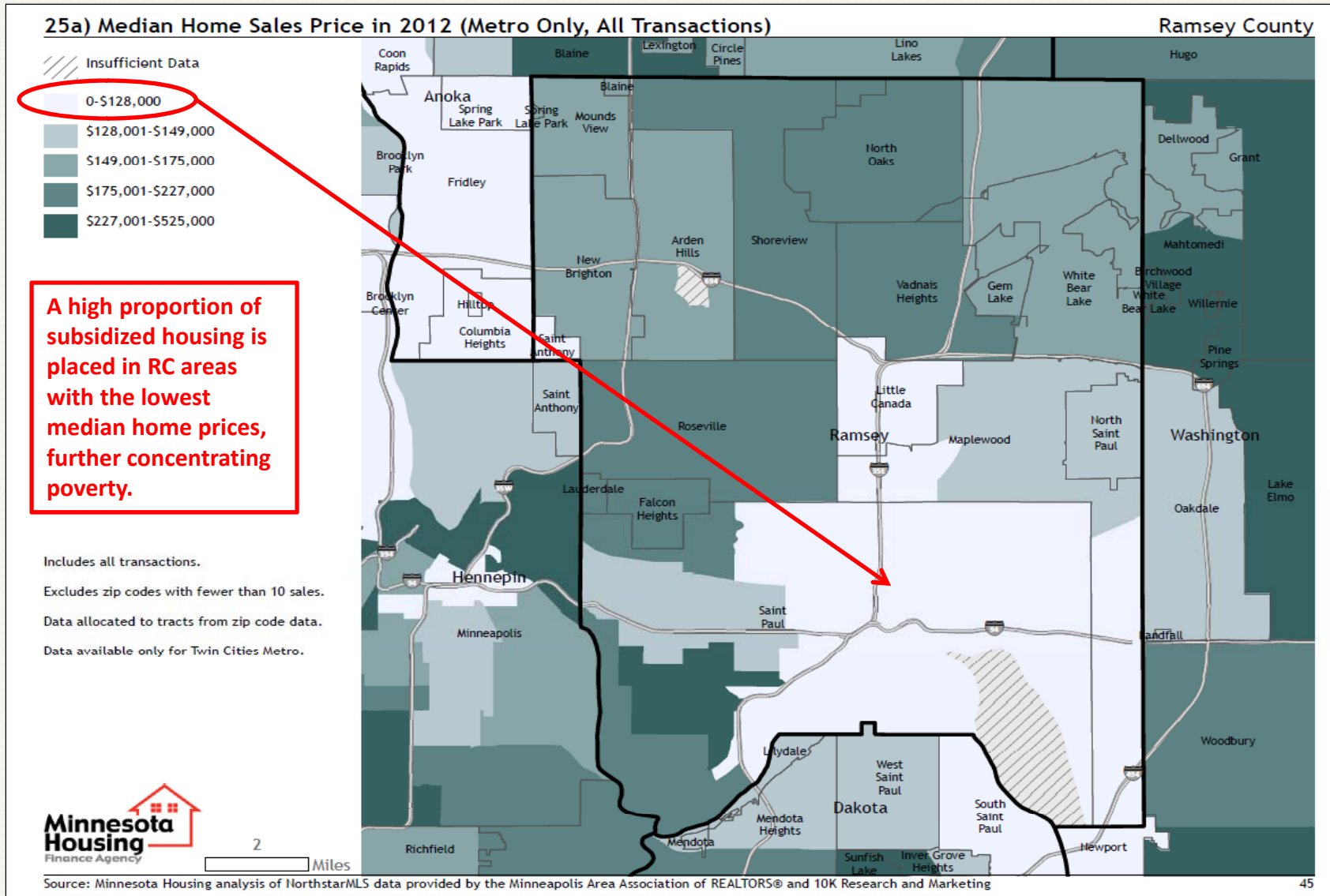


US HUD Picture of Subsidized Housing 2010 (2010 Geography); Metro 2010 Land Use Data

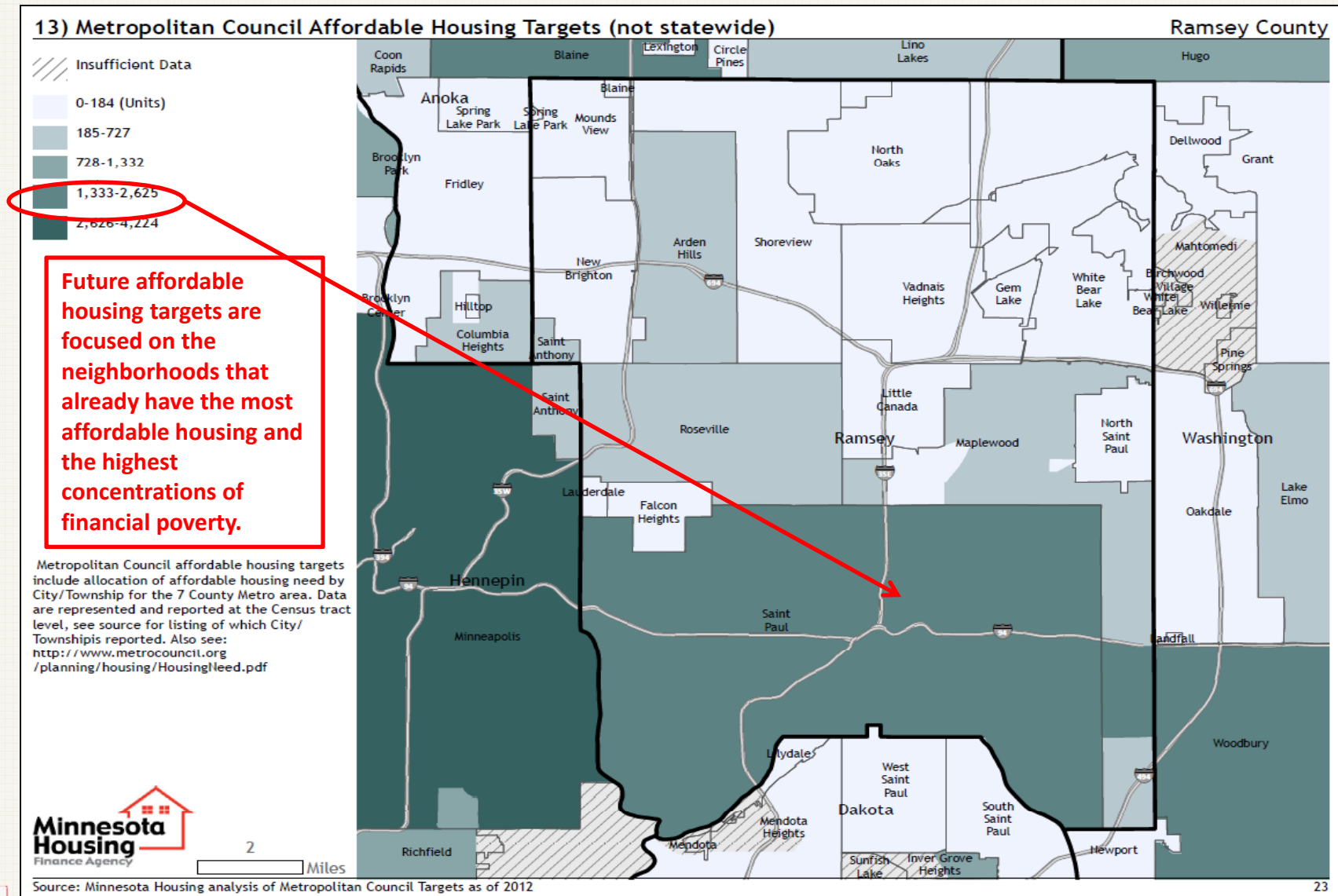
Ramsey County has 32% of the Region's federally subsidized housing units. The rate of subsidized housing is approximately twice that of Hennepin County and twenty times that of the rest of the Region.

This **heavy concentration of subsidized units**, without similar concentrations of investments to increase the web of opportunity, has the effect of increasing financial poverty within neighborhoods.

Opportunity Through Housing



Opportunity Through Housing

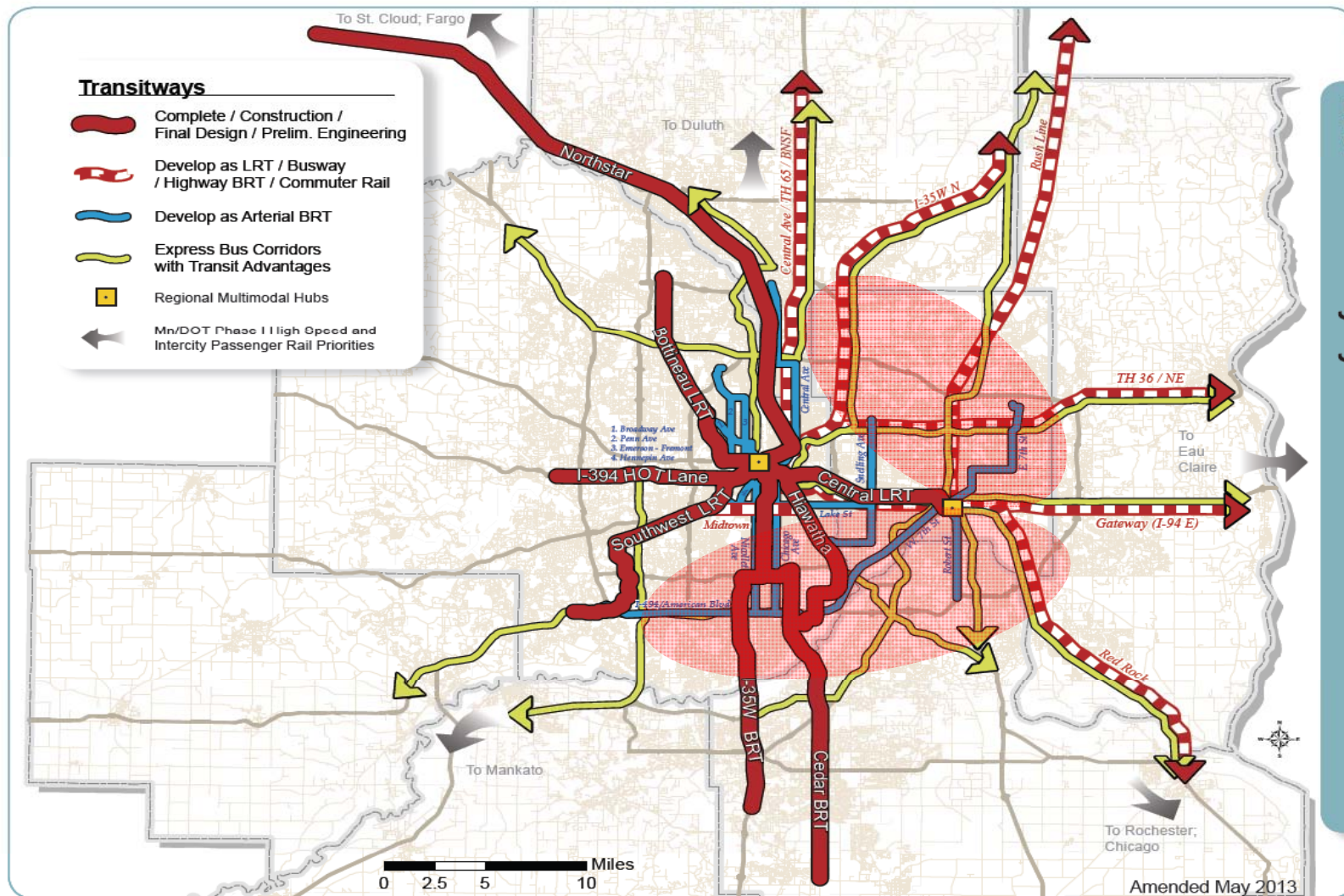


Opportunity Through Investment

Public and private investment is not easy to measure, but it is an integral component of resilient neighborhoods.

- National research cites areas with **relatively little public or private investment** as being more likely to have neighborhoods with concentrated areas of financial poverty.
- **Examples of investment** include:
 - Community banks
 - Grocery stores
 - Retail development
 - Transit/ Transportation, highways and trails
 - Community centers
- Investment **can be an initial force** that increases opportunity or **be a reinforcing agent** within a neighborhood in which the web of opportunity is already strengthening.

Opportunity Through Investment



Regional 2030 TRANSPORTATION Policy Plan - Final Nov. 2010 - Amended May 2013

Opportunity Through Capacity

Strengthening webs of opportunity within neighborhoods requires public, non-profit and private organizational capacity.

- “Being engaged with fellow citizens and participating with non-profits...makes individuals more likely to spend, invest, collaborate, and address problems in their own communities.”

-2012 Civic Health and Unemployment Report. National Conference on Citizenship

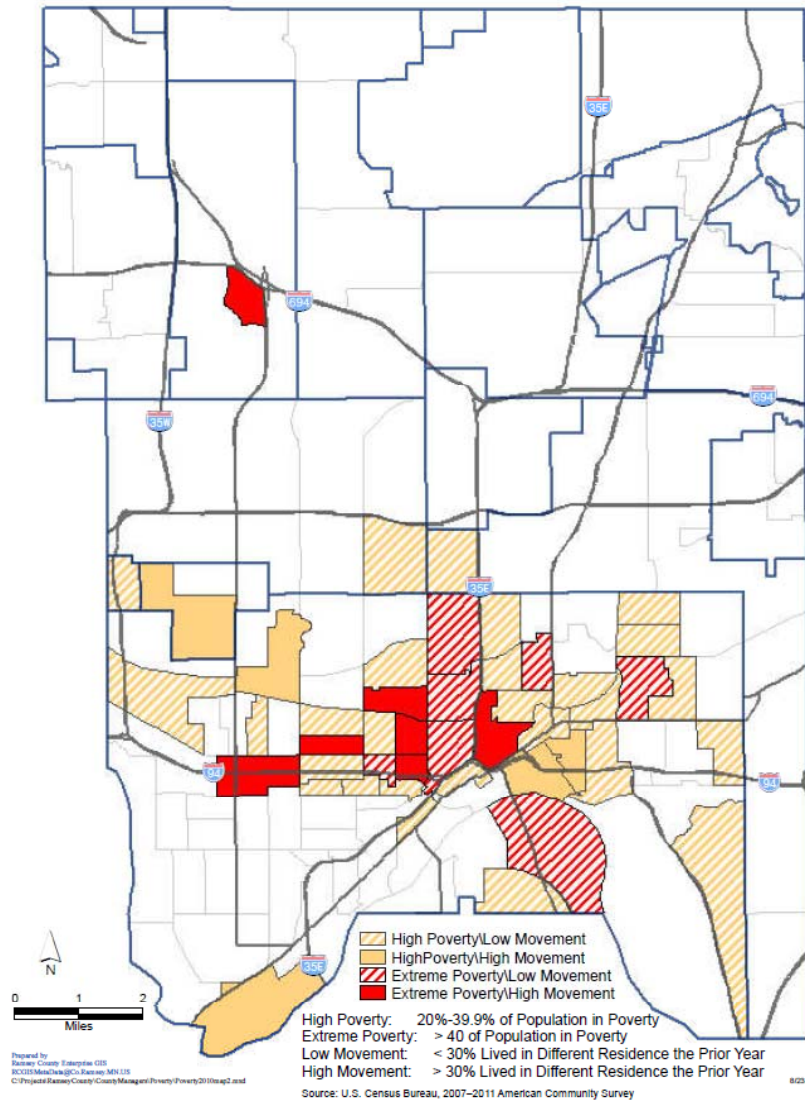
- Nonprofit activity in the Region is concentrated in Hennepin and Ramsey counties. Ramsey County was home to 30 percent of nonprofit jobs in the Region and 30 percent of nonprofit employment locations.

-2010 Minnesota Council of Nonprofits' Nonprofit Economy Report

Indicators suggest that organizational capacity is not a constraint in the Region. Instead, **leadership in and alignment around collective resources and initiatives** is the area of heightened strategic importance requiring attention.

Mobility Matters ★ Too

Ramsey County Poverty and Population Movement in Census Tracts

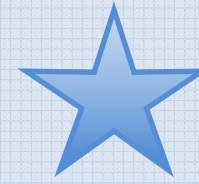


Considering Both Place-Based and Person-Based Strategies

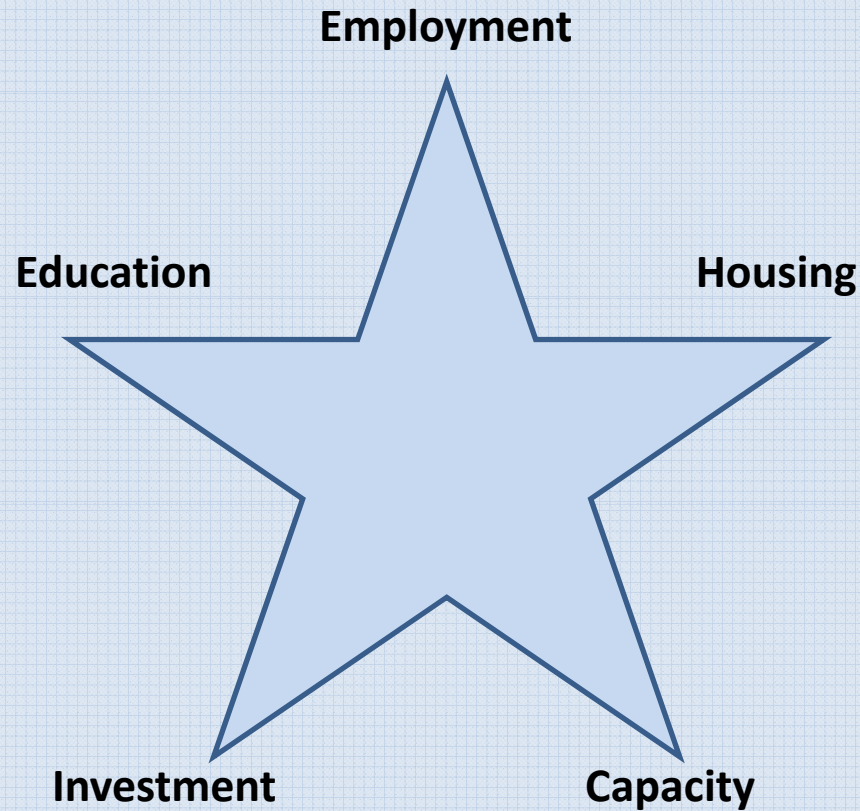
- As the County transitions into future conversations about specific strategies and initiatives, it is important to recognize the **different characteristics of different neighborhoods.**
- Areas with **low resident movement** will present different opportunities to build neighborhood resiliency than areas with **high resident movement.**



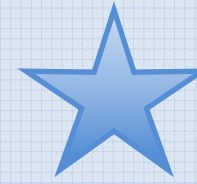
Key Highlights: Around the



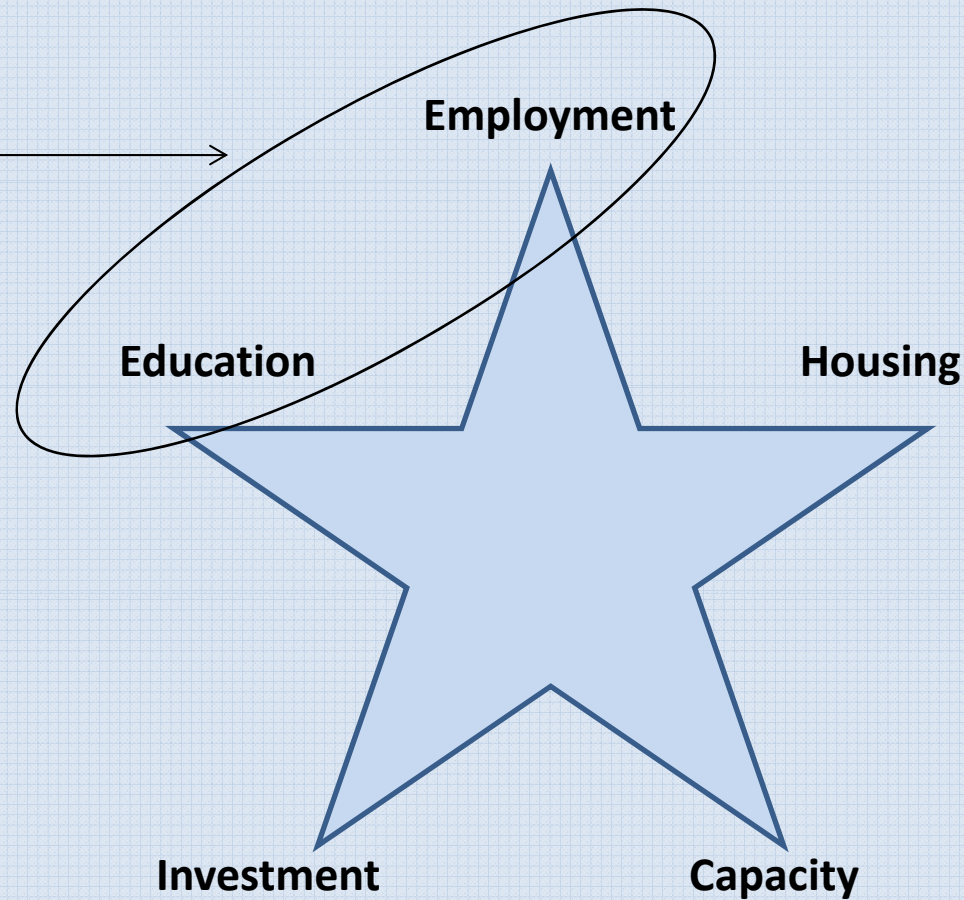
Looking around the resiliency star at three notable connections:



Key Highlights: Around the



1. The **connection between resilient neighborhoods, education and employment is strong** and appears to be the area **requiring the greatest focus** as the county seeks to build greater neighborhood resiliency in concentrated areas of financial poverty.



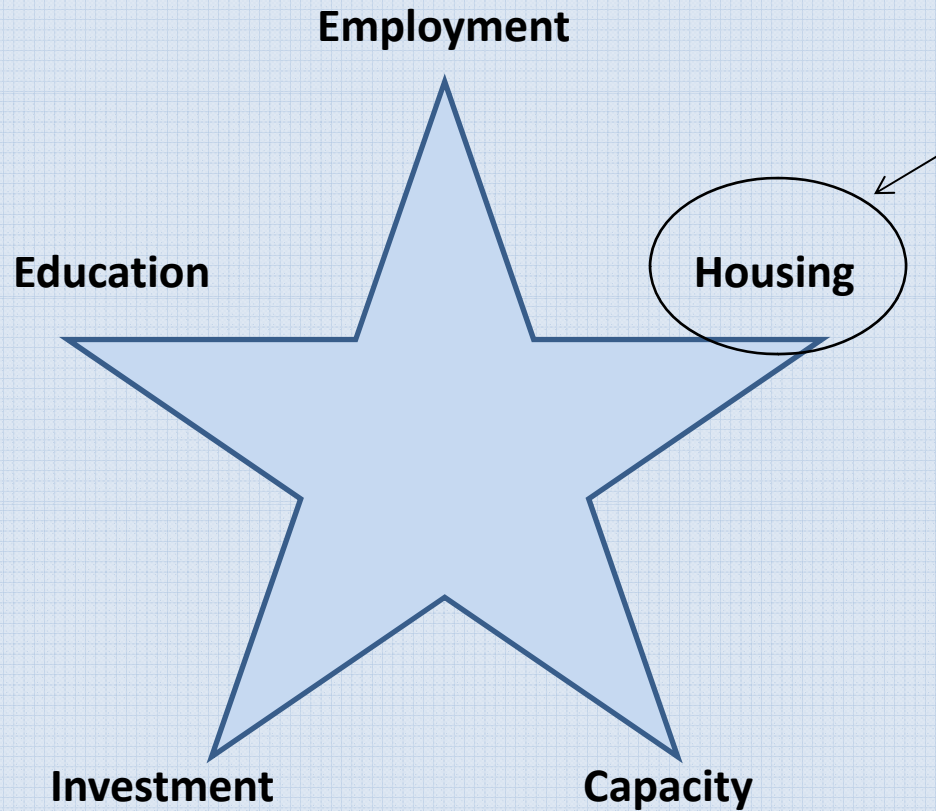
This is where MFIP has its impact.



Key Highlights: Around the



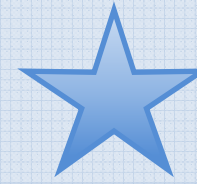
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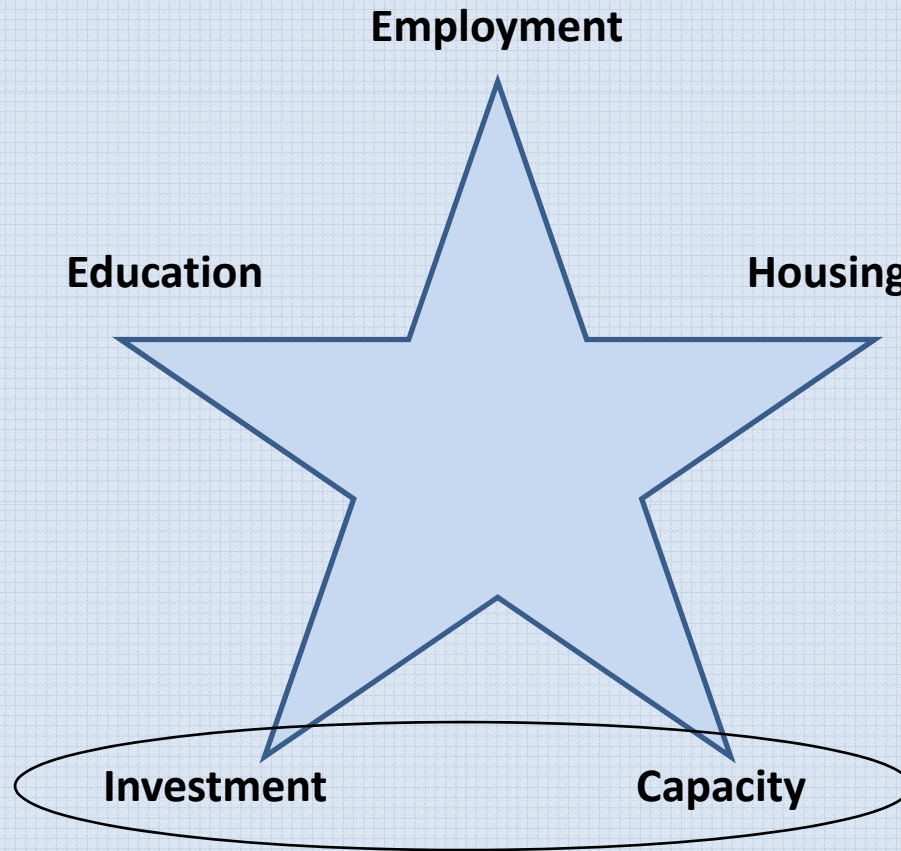
2. Creating affordable housing opportunities throughout the entire Region is important to building resilient and diverse neighborhoods. If subsidized housing is concentrated, neighborhoods with concentrated areas of financial poverty are more likely to appear.



Key Highlights: Around the



1. The connection between resilient neighborhoods, education and employment is strong and appears to be the area requiring the greatest focus as the county seeks to build greater neighborhood resiliency in concentrated areas of financial poverty.



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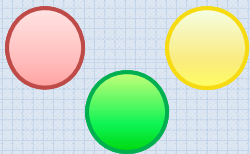
3. Future investment and capacity-aligning has the power to build webs of opportunity, but only if neighborhoods with **concentrated areas of poverty** are **always actively considered and included.**

Tying it Together: Four Key Policy Themes

1. Our People Are Our Future



As the most diverse county in the Region, the County will be the **bellwether if there are ongoing disparities issues** in race, wealth, health, education or employment. These disparities currently remain significant and are the most significant long-term risk for the County.



There are and will continue to be more available jobs than workers within the County, but there are **short, medium and long-term educational challenges** that present employment barriers for those workers unless trends are changed in coming years.


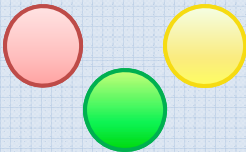



There are neighborhoods that are disproportionately disconnected from regional job and activity centers, and it will be challenging to close the opportunity divide unless better connectivity is created.




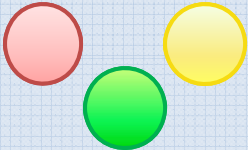

Tying it Together: Four Key Policy Themes

2. Intensity of Land Use Matters

	With only 5.5% of the Region's available land, there is every incentive for the County to work through its city partners to consider different land use strategies than the rest of the Region. Density can be a comparative strength for the community in spite of size constraints.
	As a built-out "State Capitol Community", decisions about the future spread between residential and commercial/industrial become even more important. A rebalanced spread provides opportunities for increased employment and an expanded property tax base.
	The placement of future affordable housing can create greater webs of opportunity and neighborhood resiliency , but unless regional placement plans change, they are likely to further concentrate financial poverty.


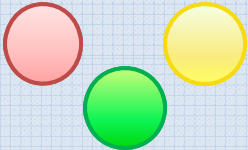

Tying it Together: Four Key Policy Themes

3. New Partnerships can Drive Change

	Due to its geographic size, diversity of residents and built-out status, the County and the cities within it face challenges that are unique to the Region and present similarly unique leadership opportunities.
	Generating greater countywide prosperity will require stronger, more aligned institutional partnerships (state, county, city, school, private, nonprofit, etc.) with the ability to at times deviate from the long-standing regional status quo.
	An opportunity already exists to form a new partnership of communities with neighborhoods of concentrated areas of financial poverty - together they can collectively devise and support efforts to increase the web of opportunity in new ways.

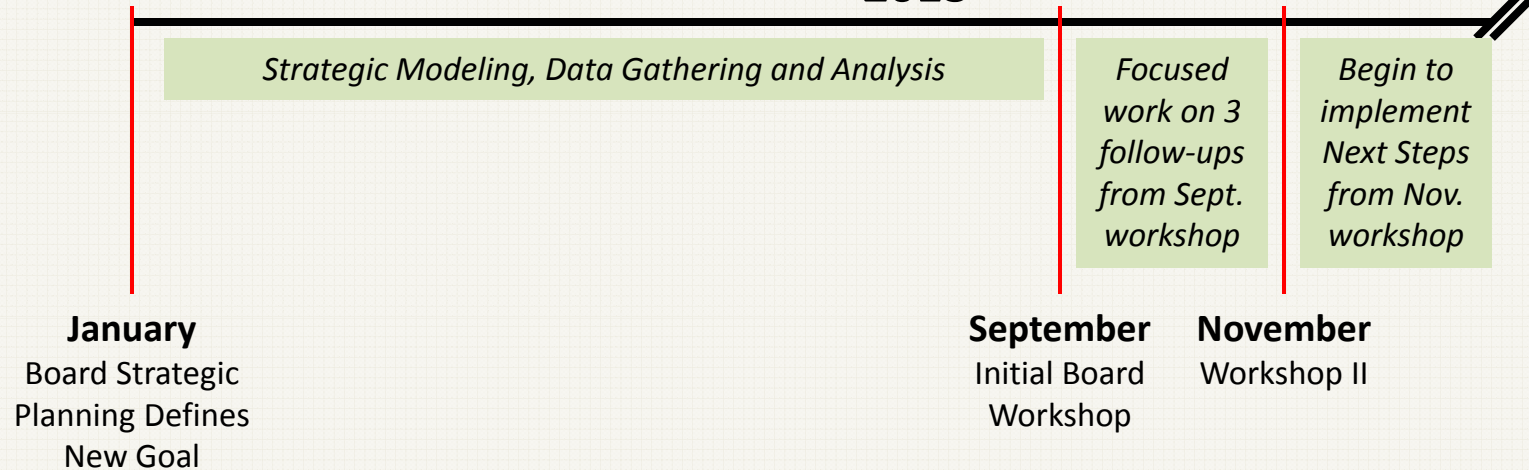
Tying it Together: Four Key Policy Themes

4. Build on the Existing Foundation

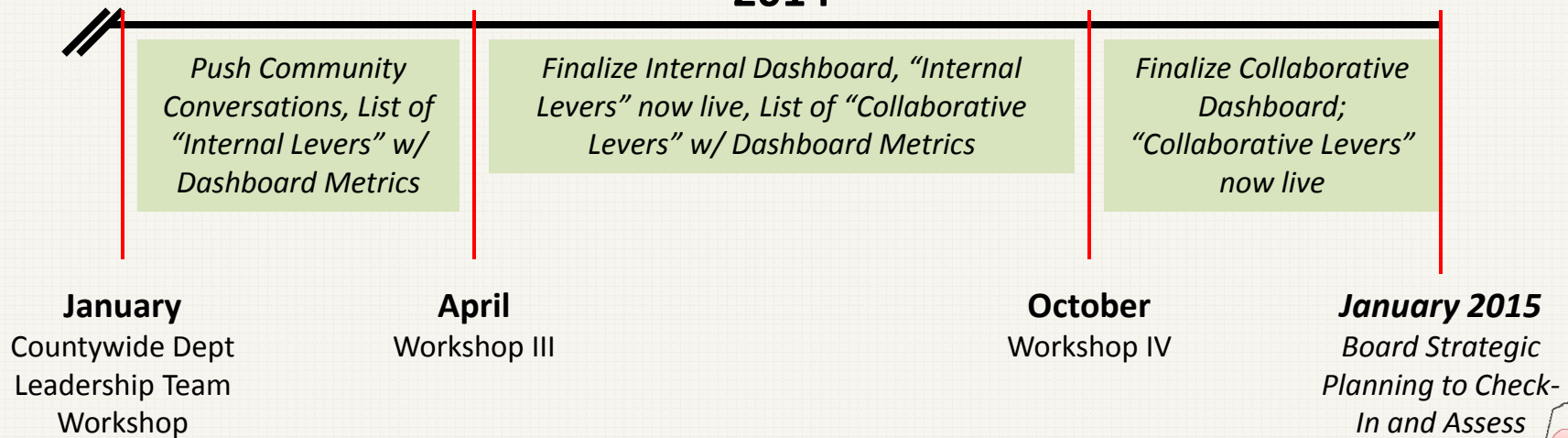
	<p>There are two job centers in the Region and the one with the most jobs per square mile is located here – there are no hidden barriers to future equitable growth if policy themes 1-3 are addressed.</p>
	<p>Without undeveloped land to spur future growth, land opportunities for wealth generation primarily exist in redeveloping and increasing the productive capacity of the current land base, which is feasible but admittedly new and challenging for this Region.</p>
	<p>Jobs will be available in the County, but only for effectively educated, trained and connected workers. If current trends continue, it is likely that an increasing percentage of people living in the County will be unable to work in the careers within its boundaries.</p>

Timeline of Activity

2013



2014



Moving Forward

- **Assessing remaining gaps** in analysis
- **Sharing information; community conversations**
- Identifying **internal levers and metrics** for County
- Shared identification of Collaborative levers / metrics
- **Monitoring future progress**
- **Iterative adaptation** / theory of change

For information, contact the Ramsey County Manager's Office
Policy and Planning Division:
651-266-8000

