

Building Our Future



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

**St. Paul Rotary
March 18, 2014**

Today's Presentation

- Setting the Stage for Success
- Cultivating Countywide Economic Prosperity
- Building Opportunity in Concentrated Areas of Financial Poverty
- Tying it Together: Four Key Policy Themes
- Discussing the Presentation



Previewing the Four Key Policy Themes

Our **People** are our Future.

Intensity of Land Use Matters.

New Partnerships can Drive Change.

Build on the **Existing Foundation**.

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Goals for Today's Discussion

1. **Establish a common foundation** of data from which the community can approach and address issues associated with Regional Economic Growth, Countywide Economic Prosperity and Addressing Concentrated Areas of Poverty
2. **Identify a list of key policy themes** that present opportunities for leadership and future progress
3. **Highlight key topics of specific interest and opportunities** for future collaborative efforts as we move ahead



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.



Brief Summary: The Conceptual Model

This Region – County – City – Neighborhood model is used as a reference point throughout our work



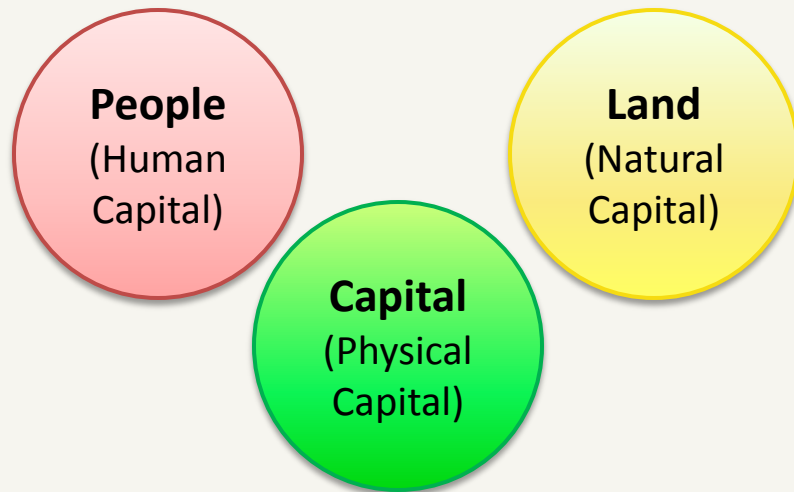
The Model's Three Components to Generate Prosperity

1. The seven county metropolitan region **represented by a heptagon**. Often an effective and efficient platform to generate equitable growth and make policy.
2. Ramsey County and the cities within in **represented by the three circles**. A point of focus when uniquely situated in comparison to the rest of the Region.
3. Neighborhoods or individual census tracts **represented by a star**. To ensure that the web of opportunity extends to all within our communities.



Brief Summary: A Closer Look at the Model

The circles examine the community assets available to use as the basis for current and future consumption and investment



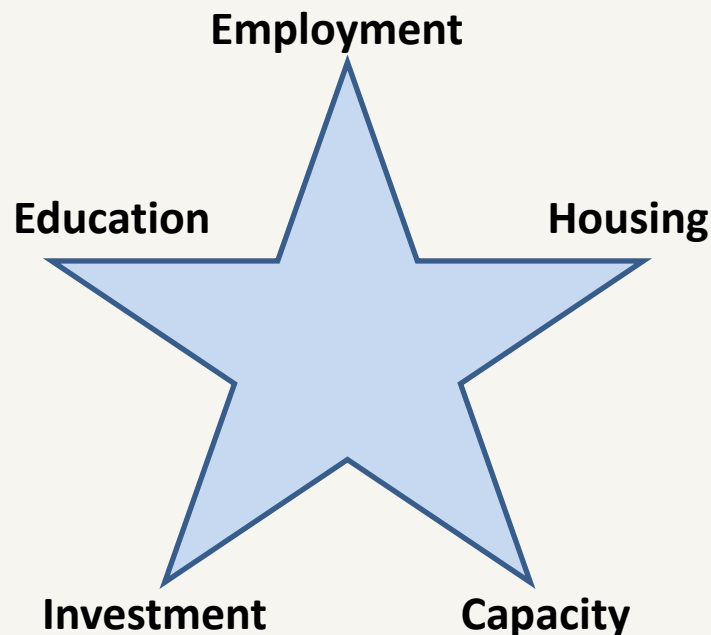
The red, yellow and green color scheme was specifically selected to highlight issue areas requiring heightened attention by the County.

Why are assets important?

- Serves as an indicator of the **current strength** of a jurisdiction.
- Greater assets—when spread across all three circles—indicates **greater resiliency and potential for future growth**.
- Risk and opportunity can be identified when the County and cities within it **appear as an outlier** within the region.

Brief Summary: A Closer Look at the Model

The star recognizes that neighborhoods or census tracts do not have equal access to opportunity – especially within our areas of concentrated poverty.



Our work focuses on neighborhood resiliency factors that lead to strong, stable communities.

“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

Brief Summary: Connections that Drive Effective Leadership and Policymaking

- It is **ultimately by making connections** between the numerous jurisdictions and across the model's various elements that equitable, sustainable growth can occur.
- Ramsey County believes it has a **role as an anchor institution and anchor partner** to cultivate economic prosperity and eliminate concentrated poverty.
- The work of community partners is vital to long-term success; a **collaboratively-developed narrative and vision** will support everyone's efforts and produce meaningful change in the region.

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Analyzing Prosperity Metrics

Questions to consider when examining data about people, land and capital

Assess Available Assets

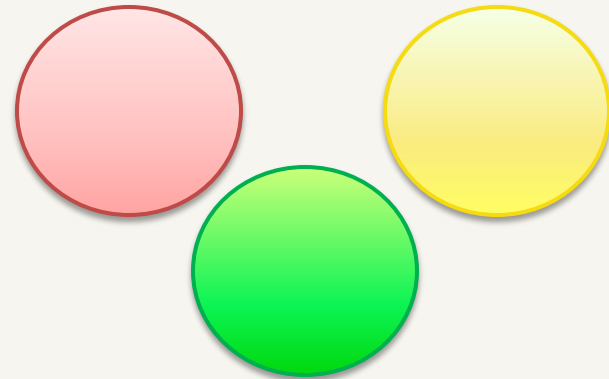
1. What is generating or could generate short and long term stability and growth?
2. In what areas is the county already a leader?
3. Where is more investment currently needed?
4. What growth strategies could build upon the county's available assets?

Recognize Inherent Limitations

5. What aspects of prosperity 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 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 prosperity requires an educated, trained and available workforce.

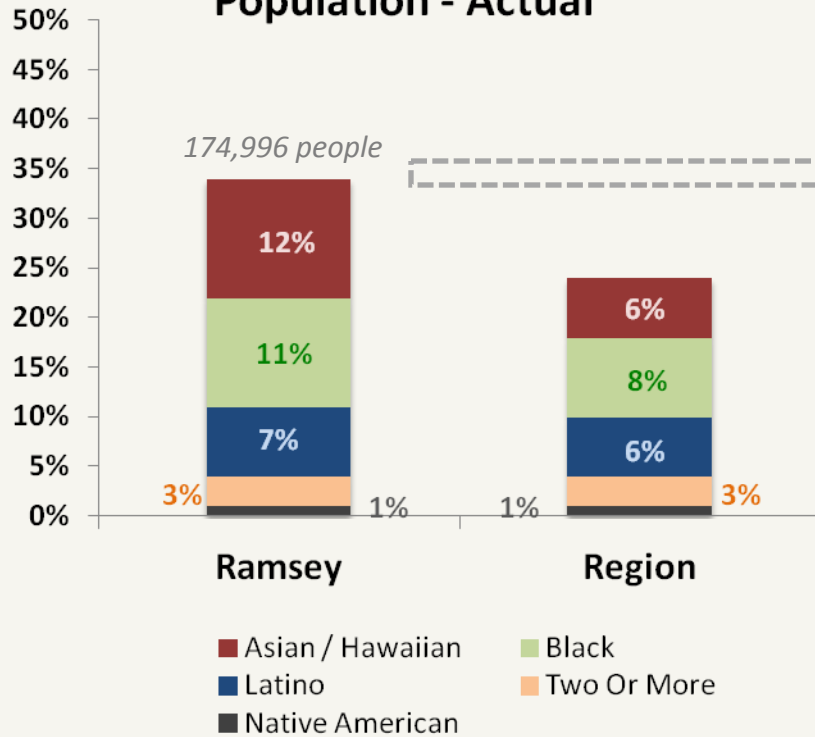
County	Population
Anoka	336,414
Carver	93,707
Dakota	405,088
Hennepin	1,184,576
Scott	135,152
Washington	244,088
Ramsey	520,152
Metro Area TOTAL	2,919,177
<i>Ramsey as % of Metro</i>	17.8 %

Source: US Census 2012 1-yr American Community Survey

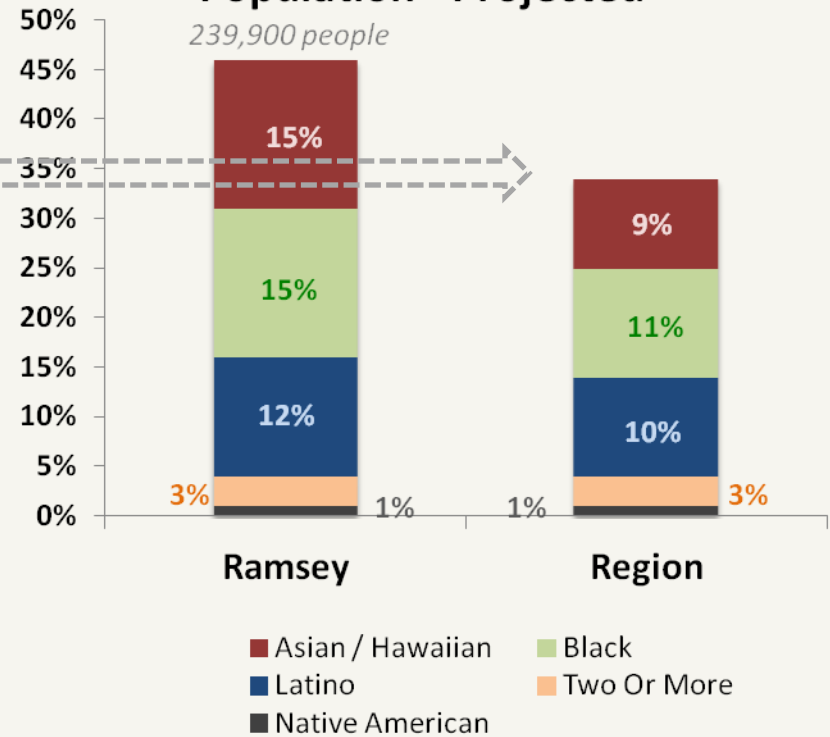
Ramsey County is the second most populous county in the Region with **more than half a million residents.**

A Closer Look at People within Ramsey County

2010 Percent of Total Population - Actual



2030 Percent of Total Population - Projected

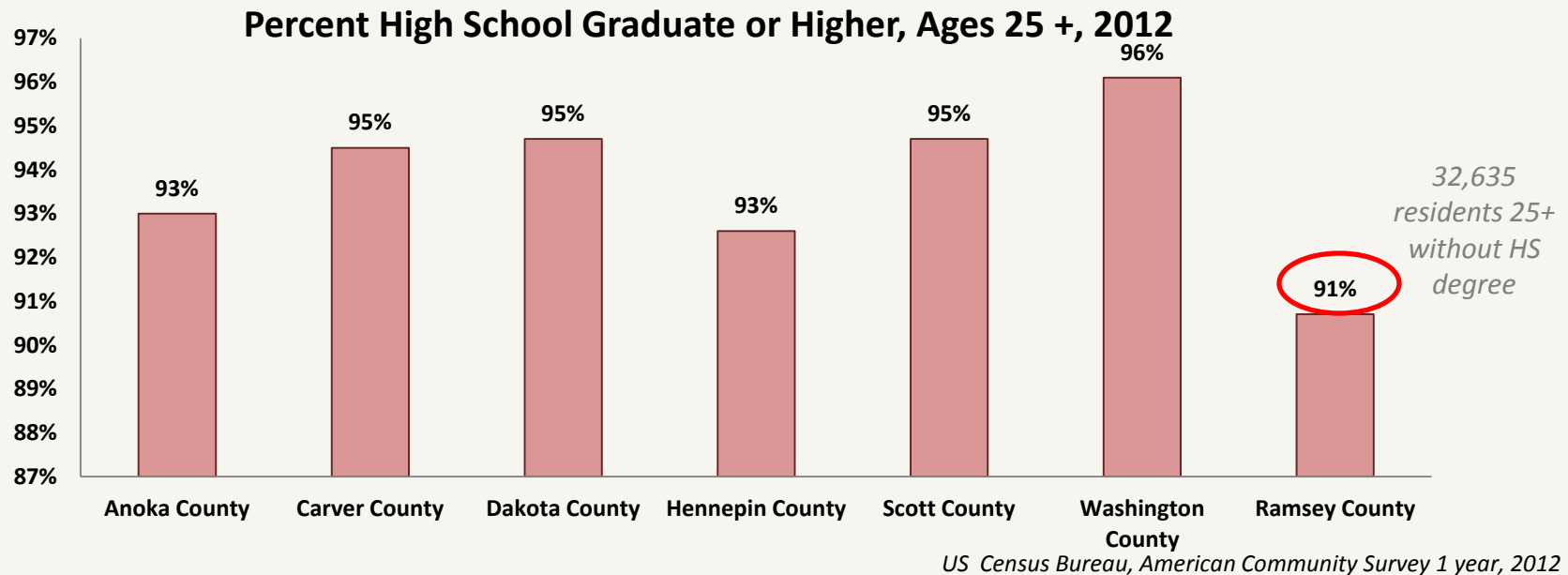


Census 2010 and Minnesota Population Projections by Race and Hispanic Origin, 2005 to 2035.

Ramsey County is and will remain significantly **more racially diverse** than the Region, meaning that **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



The lower educational attainment levels of today's workforce of residents (aged 25+) is a **short-term** 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	
Anoka	59%
Carver	77%
Dakota	61%
Hennepin	58%
Scott	67%
Washington	71%
Ramsey	51%
Metro Area AVERAGE	60%
Diff from Metro	-9

When compared to the short-term risks from the previous slide, one sees that Ramsey County’s **medium-term** educational risks are even greater. The gap with the region has now grown to 9%.

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

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

3rd Grade Reading Proficiency	
Anoka	60%
Carver	69%
Dakota	63%
Hennepin	55%
Scott	62%
Washington	64%
Ramsey	44%
Metro Area AVERAGE	57%
Diff from Metro	-13

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

The **long-term** educational risks for Ramsey County’s workforce are even more pronounced than the medium-term risks. The gap widens to 13% and depicts a County in which more than half of its third graders (i.e. future workers) are not reading at levels deemed proficient by state tests.

A Closer Look at within Ramsey County

Available land is a key prosperity 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 %

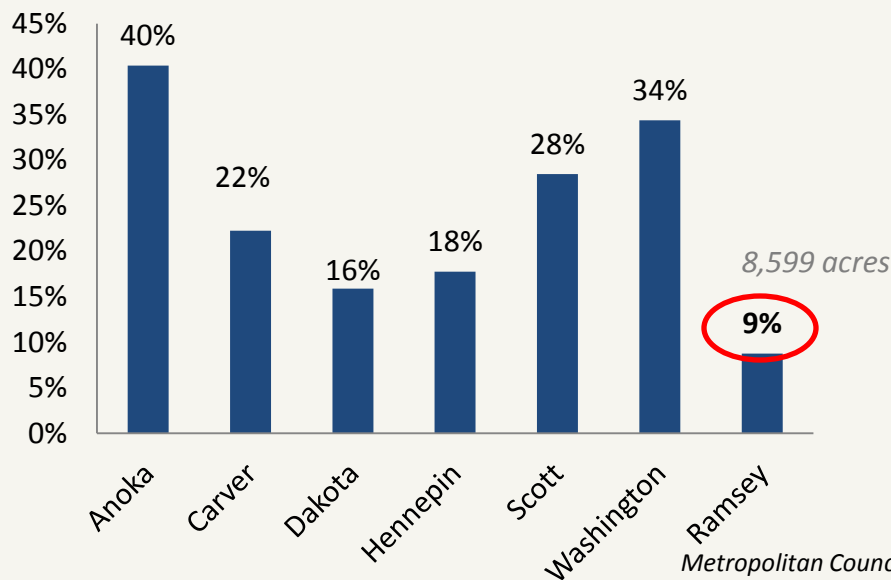
Metropolitan Council 2010 Land Use Data

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

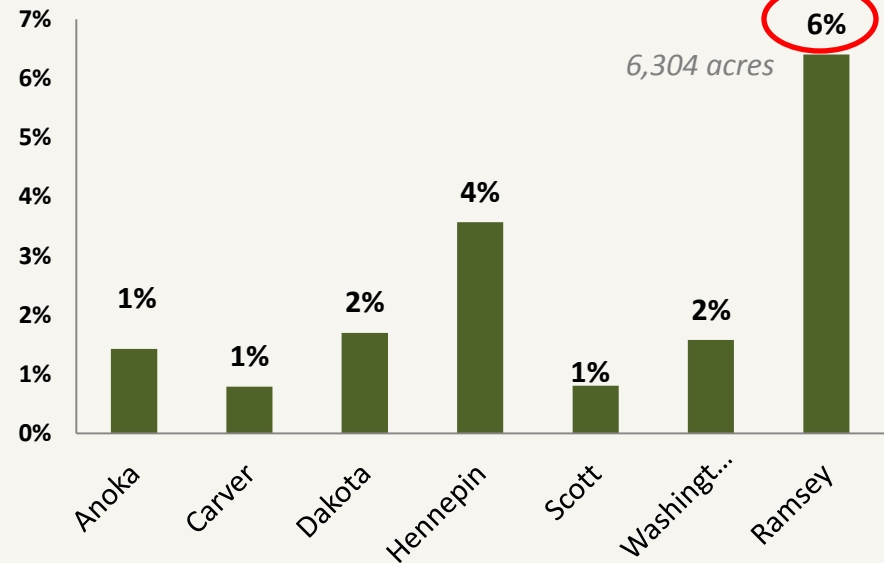
A Closer Look at within Ramsey County

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

Percent Undeveloped Land



Percent Institutional Land



“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>	+ 26.0	+ 9.3	+ 9.1

Metropolitan Council 2010 Land Use Data

Finding the Right Mix

Land Use Type	Average Property Tax Revenue Collected per \$1.00 Expended
Institutional	\$0.00
Parks	\$0.00
Residential	\$0.85 - \$0.94
Commercial	\$1.06 - \$1.23
Industrial	\$1.31 - \$1.40

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

Ramsey County has a **significantly higher proportion of its total land use dedicated to residential purposes** than other counties in the Region. This creates a unique budgetary dynamic for the County and the cities within it, which **must be carefully considered with every redevelopment opportunity**.



A Closer Look at within Ramsey County

Capital highlights the current foundation of economic activity while measuring opportunities for future prosperity

- **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 measures are national or state focused.

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



A Closer Look at within Ramsey County

Current employment figures are an indicator of the presence of capital from which future economic prosperity can occur

County Employment Figures

	Total Employment	Employment Per Square Mile
Anoka	111,085	264
Carver	33,822	96
Dakota	173,099	306
Hennepin	839,236	1,520
Scott	41,683	119
Washington	73,814	193
Ramsey	317,787	2,067
<i>Employment and Wages-QCEW 2012,, Metropolitan Council 2010 Land Use Inventory</i>		

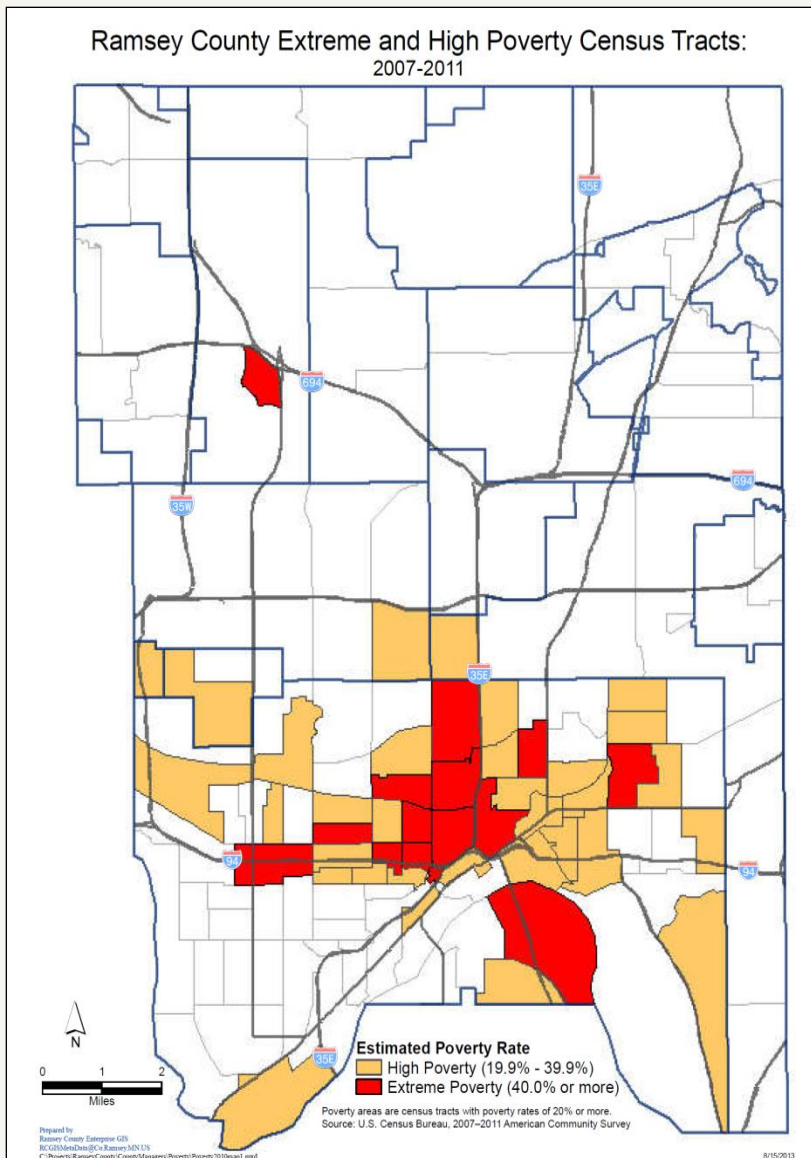
Ramsey County is **one of two employment centers in the Region**. This is a strength from which the County can build with future investments that leverage its comparatively strong employment per square mile figure.

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Mapping Concentrated Areas of Financial Poverty



Key Definitions

- **Poverty Threshold** is a federally defined term for the amount of money that is expected to meet basic needs.
- **Concentrated Poverty** is the concept that select neighborhoods have disproportionately high poverty levels.
- **High Poverty Area** is a census tract with over 20% of its residents below the federal poverty line. Identified in **tan** on the map to the left.
- **Extreme Poverty Area** is a census tract with over 40% of its residents below the federal poverty line. Identified in **red** on the map to the left.



Understanding Concentrated Areas of Financial Poverty

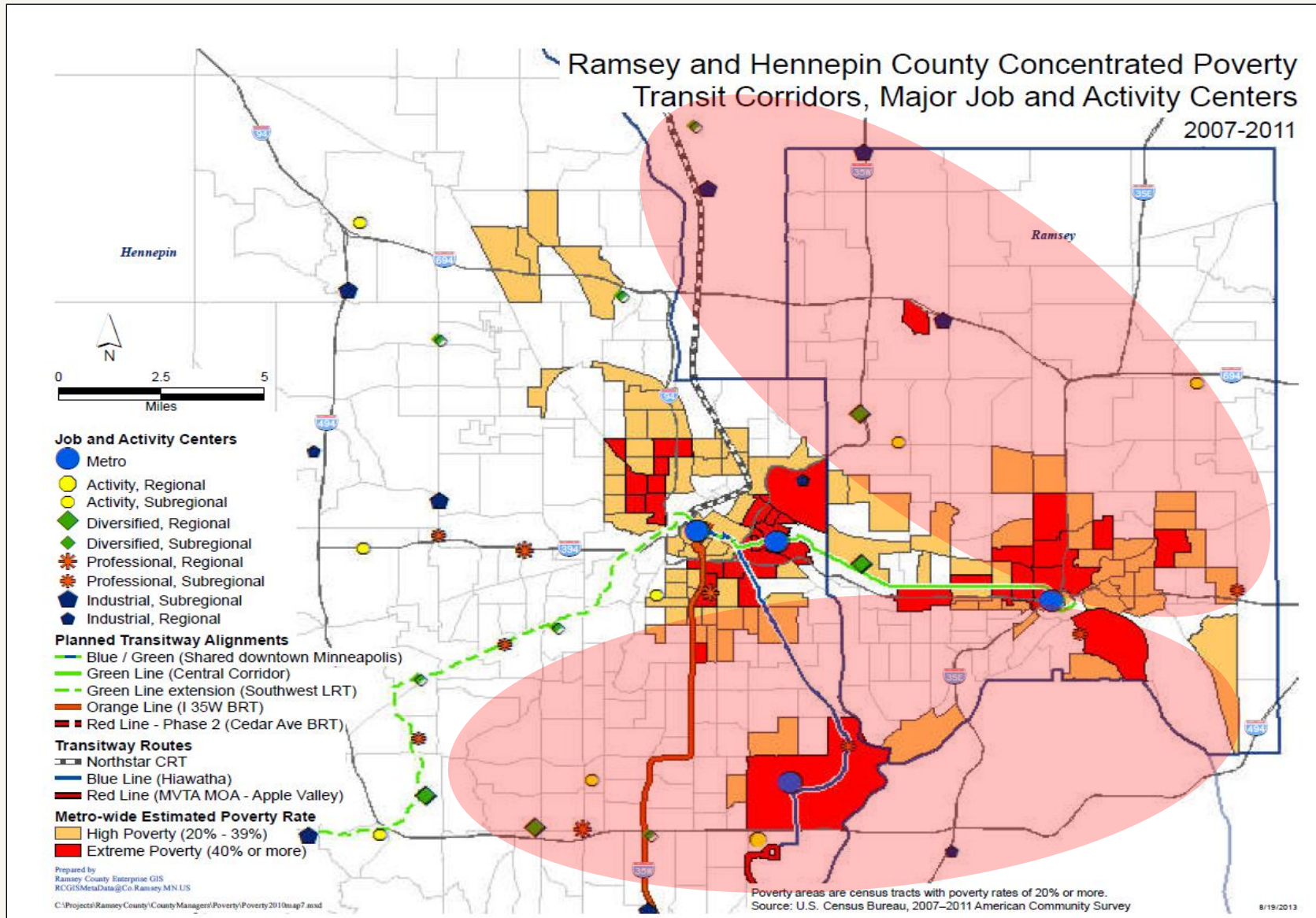
Ramsey County has the **highest proportion** of census tracts in the Region identified as Concentrated Areas of Financial Poverty

- 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.**
- The **largest contiguous area of concentrated financial poverty** within the Region exists completely within Ramsey County.
- The **greatest human capital and economic development growth potential exist within Concentrated Areas of Poverty** as they are the most underutilized and undervalued areas within the Region.

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.



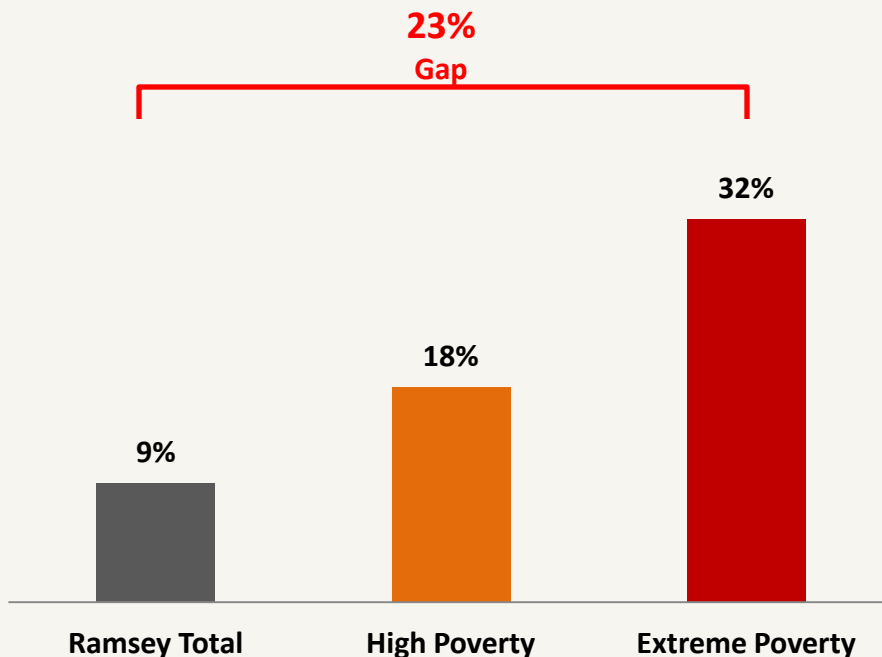
Opportunity Through Employment



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

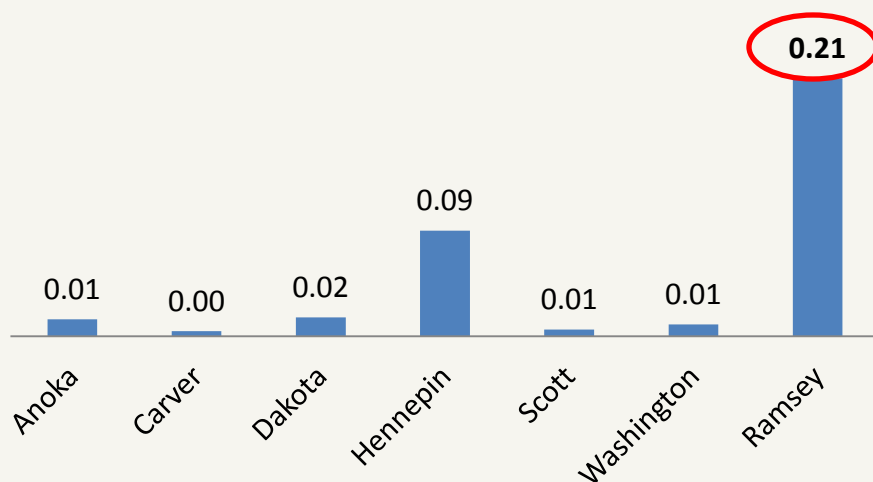
“As early as elementary school, students living in concentrated poverty underperformed on standardized tests when compared with students in their larger metro Region.”

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

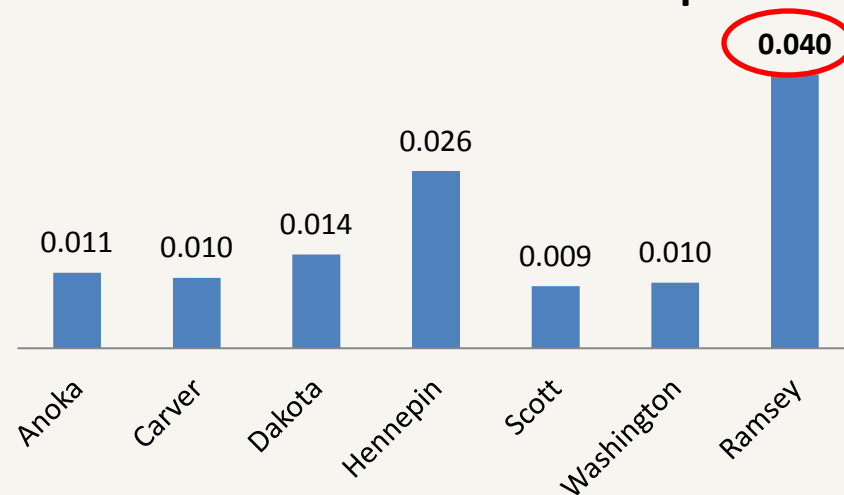
Opportunity Through Housing

Mixed income neighborhoods throughout the Region are t

HUD Subsidized by Land Acres



HUD Subsidized Units Per Capita



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

Ramsey County has a **unique affordable housing profile within the Region**, whether measured on a per capita, per total land acres, as a percent of total housing stock or per 1000 developed acres.

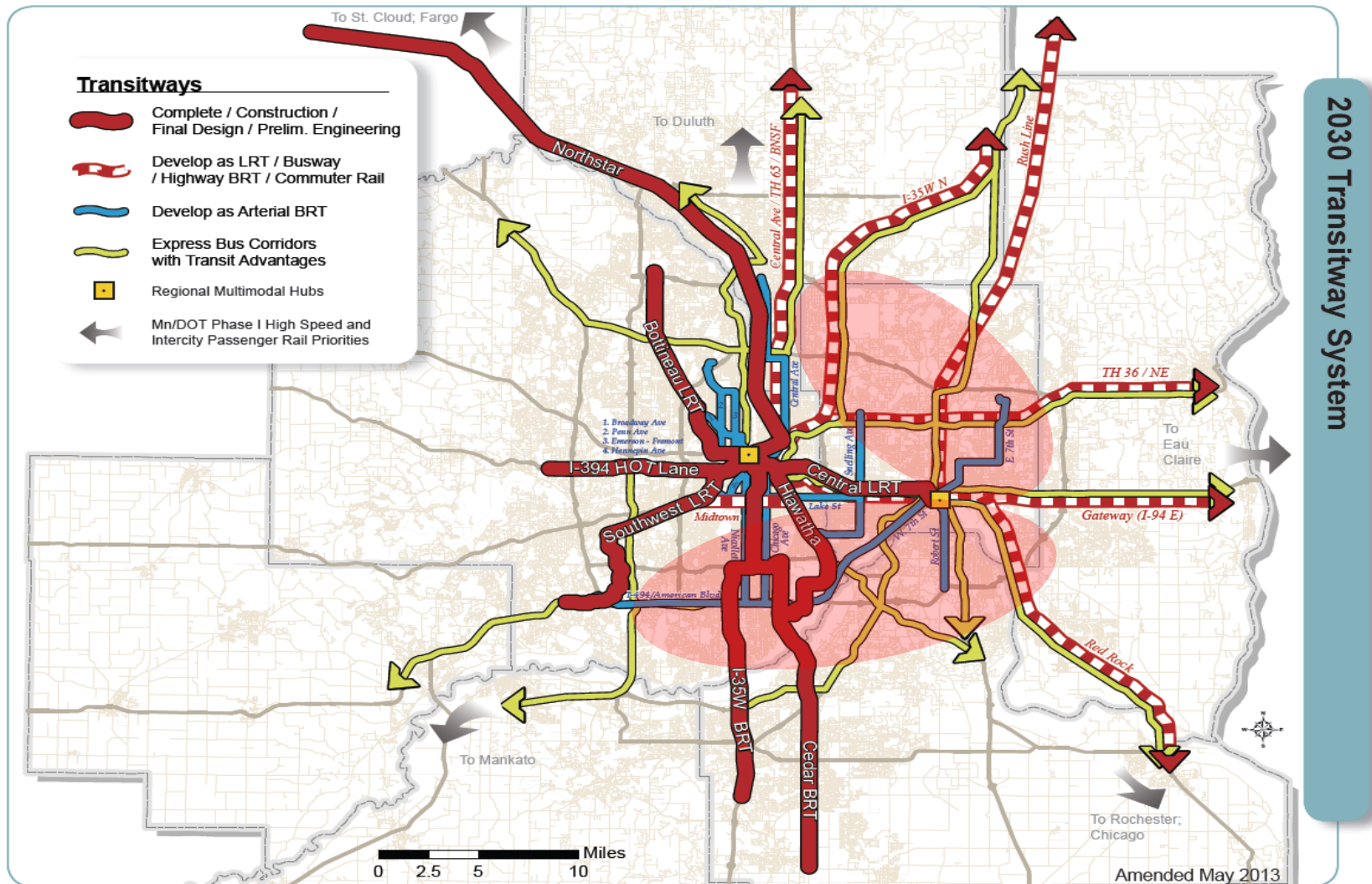
Future policy discussions about **choice, place and opportunity for residents of the Region** must take this unique profile into account.

Opportunity Through Investment

Public and private investment 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
 - Transit, highways and trails
 - Community centers
 - Retail development
- 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

- Regional indicators generally 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.
- Key non-profit leaders within the Region have suggested that while the non-profit infrastructure in the Region is strong, it must become **much more racially and culturally responsive** to better respond to the changing needs of the community.

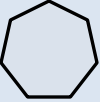
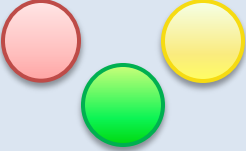

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- Discussing the Presentation and Next Steps



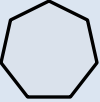
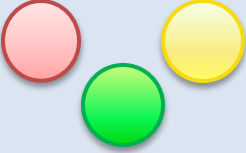

Four Key Policy Themes

1. Our People Are Our Future

	<p>As the most diverse community in the Region, the County will be the bellwether if there are ongoing disparities issues in race, income, health, education or employment. These disparities currently remain significant and are the most significant long-term risk.</p>
	<p>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.</p>
	<p>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.</p>

Four Key Policy Themes

2. Intensity of Land Use Matters

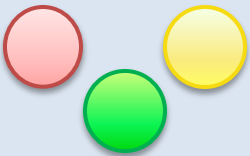
	<p>With only 5.5% of the Region's available land, there is every incentive for the community to consider different land use strategies than the rest of the Region. Density can be a comparative strength for the community in spite of size constraints.</p>
	<p>As a built-out "State Capitol Community", decisions 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.</p>
	<p>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.</p>

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.

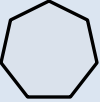
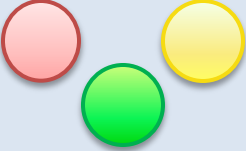



An opportunity already exists to form **a new partnership of communities** with neighborhoods of concentrated areas of financial poverty - together they can collectively devise and support efforts to increase the web of opportunity in new ways.



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 possible available and to spur future growth, land opportunities 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>

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Discussing the Presentation

So What's Next?

- The County's initial year-long effort was on conversations with community stakeholders, which will continue
- Focus has now shifted to action steps:
 - April 1 release of County's internal actions plan to move the needle toward greater prosperity
 - As a service provider/procurer/employer
 - Summer 2014 development of collaborative action plans that move the needle toward greater prosperity
- Concurrent development of measurement efforts to track progress over time



Thank You for Listening



**Produced by the Policy Analysis and Planning Division
within the Office of the Ramsey County Manager**

Additional Questions or Comments? Contact:

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