GREATER MSP

Minneapolis Saint Paul Regional Economic Development Partnership

PROSPER:

MOMENTUM IS BUILDING
GREATER MSP HISTORY, VISION AND MISSION

VISION
The Greater MSP Region is recognized as a globally leading economy where business and people prosper.

MISSION
*Accelerate job growth and capital investment* in the Greater MSP region.

- JOB RETENTION, EXPANSION, & ATTRACTION
- REGIONAL ECONOMIC DEVELOPMENT STRATEGY
- MARKETING, BRANDING, & PROMOTION

PROSPER: MOMENTUM IS BUILDING
OUR REGION

16-COUNTY REGION
PRIORITIZE TALENT

- Create talent retention & attraction initiative
- Connect & integrate human capital pipeline

BUILD GLOBAL SECTORS

- Create Food Sector Team
- Localize Economic Development Strategy
- Connect strategy analysis & policy priorities

TELL OUR STORY

- Equip leaders to tell the regional story
- Build regional competitive intelligence unit

CREATE A SHARED REGIONAL DASHBOARD

PLANNED & ACTIVE PROJECTS

- Localize Economic Development Strategy

May 2015

COMPLETED
PROJECT DESCRIPTION

WHAT
A set of shared, objective metrics to track the Greater MSP region’s overall success on critical economic, environmental and social outcomes.

WHY
• Clearer view of our competitive position today & look ahead
• Shared definition of “competitiveness”
• Better coordination of existing work & more effective priority-setting
• Enhanced accountability for results
• Global best practice
THE TEAM

- MN Partners
- Wilder Regional Chamber of Commerce
- ITASCAproject
- Metropolitan Council
- Minnesota Compass
- Minnesota State Demographic Center

THE PROCESS

- 14 months
- 50+ Partner Organizations
- 30 Stakeholder Input Sessions
- 25+ Dashboards Reviewed (US & Global)
- 1,000+ Potential Metrics Considered

MSP Regional Indicators Dashboard
BUILDING THE DASHBOARD

CATEGORIES: The new dashboard is a customized set of measurements most important to leaders in this region.

- Economy
- Business Vitality
- Talent
- Education
- Infrastructure
- Environment
- Livability

MSP Regional Indicators Dashboard
BUILDING THE DASHBOARD

**METRICS:** Rigorous set of criteria used to select metrics to populate categories. Data should be:

- **OUTCOME**
  - Not input
- **UNDERSTANDABLE**
  - Not technical
- **CURRENT & ACCESSIBLE**
  - Metro measure comparable to peers
- **ACTUAL NUMBER,**
  - Not relative ranking
- **POTENTIAL**
  - To influence through action
- **PREDICTIVE,**
  - Not backward-looking
11 PEER REGIONS

Competitive Benchmarking

- BOSTON
- DALLAS
- AUSTIN
- ATLANTA
- MSP
- CHICAGO
- PITTSBURGH
- DENVER
- PHOENIX
- SAN FRANCISCO
- SEATTLE
- PORTLAND
- AUSTIN
- MSP
## VITAL STATS

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
<th>Rank</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Domestic Product</td>
<td>$228B</td>
<td>7</td>
<td>Increasing</td>
</tr>
<tr>
<td>Total Jobs</td>
<td>1.9M</td>
<td>6</td>
<td>Same</td>
</tr>
<tr>
<td>Unemployment Rate-Annualized®</td>
<td>3.9%</td>
<td>1</td>
<td>Decreasing</td>
</tr>
<tr>
<td>Population</td>
<td>3.5M</td>
<td>8</td>
<td>Increasing</td>
</tr>
<tr>
<td>Population Growth</td>
<td>1.1%</td>
<td>8</td>
<td>Same</td>
</tr>
<tr>
<td>Labor Force Participation Rate</td>
<td>72.2%</td>
<td>1</td>
<td>Same</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$67,194</td>
<td>4</td>
<td>Same</td>
</tr>
<tr>
<td>Top Tier Tax Rates</td>
<td>9.8%</td>
<td>2</td>
<td>Same</td>
</tr>
<tr>
<td>Corporate Tax</td>
<td>9.8%</td>
<td>2</td>
<td>Same</td>
</tr>
<tr>
<td>Personal Income Tax®</td>
<td>9.85%</td>
<td>3</td>
<td>Same</td>
</tr>
<tr>
<td>Population 55 Years +</td>
<td>24.0%</td>
<td>8</td>
<td>Same</td>
</tr>
<tr>
<td>Population of Color</td>
<td>22.0%</td>
<td>10</td>
<td>Same</td>
</tr>
</tbody>
</table>

*Rank: 1=Largest, 12=Smallest.*
## THE DASHBOARD

### ECONOMY
- **Gross Regional Product Per Capita**: $65,852
- **Value of Exports**: $23.7 billion
- **Employment Gap (White of Color)**: 13.0 percentage points
- **Percent of Females Aged 16-64 Working**: 74.6%
- **Percent of Jobs That Are Family Sustaining**: 66.6%
- **Yearly Percent Change in Earnings**: 1.8%

### BUSINESS VITALITY
- **Average Annual Salary**: $54.8%
- **Patents Issued Per 1,000 Workers**: 1.92
- **Loans Under $1M to Businesses From Lending Institutions**: $3.8 billion
- **Annual Amount of Venture Capital**: $368 million
- **Strategic Federal Dollar**

### INFRASTRUCTURE
- **Roads Congested During Peak Travel Times**: 65.0%
- **Percent of Highway MILES SATISFIED in Good Condition**: 133
- **Percent of Bridges Structurally Deficient or Functionally Obsolete**: 12.3%
- **Per Capita Water Usage**: 127 gallons/day
- **Energy Related Carbon Dioxide Emissions Per Capita**: 17.1 metric tons

### ENVIRONMENT
- **Energy Cost**
- **Percent of Electricity That is Non-Carbon**

### TALENT PIPELINE
- **Percent of High School Students Graduating on Time (4 Years)**
- **Percent of High School Students Graduating on Time (3 Years)**
- **5 Year Graduation Rate at 4-Year Institutions**
- **6 Year Graduation Rate at 2-Year Institutions**

### EDUCATION
- **Students Achieving Reading Standards at Grade 3**: 57.8%
- **Students Achieving Math Standards at Grade 5**: 61.9%
- **First Grade Reading**: 62.0%
- **11th Grade Reading**: 52.0%

### JOB ACCESS
- **Number of Direct Routes Out of City Airport**: 133
- **Percent of Adults With Jobs**: 5.3%
- **Percent of Population with Commutes Less than 30 Minutes**: 35.0%
- **Percent of Population with Income of $50,000 or More**: 17,651

### INNOVATION CAPITAL
- **Annual Amount of Venture Capital**: $368 million
- **Strategic Federal Dollar**

### TALENT AVAILABILITY
- **Percent of Population that is White**: 9.2%
- **Population 25+ with Associate’s Degree or Higher**: 72.0%
- **Population 25+ with Bachelor’s Degree or Higher**: 47.0%
- **Population 25+ with Graduate’s Degree or Higher**: 37.0%

### POVERTY RATE
- **Percent of Households with Income of $50,000 or More**: 24.0%
- **Percent of Households in Poverty**: 6.0%
## MSP Regional Indicators Dashboard

<table>
<thead>
<tr>
<th>REGION</th>
<th>AVERAGE RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOP PEERS</strong></td>
<td></td>
</tr>
<tr>
<td>San Francisco, CA</td>
<td>4.32</td>
</tr>
<tr>
<td>Seattle, WA</td>
<td>4.58</td>
</tr>
<tr>
<td>Boston, MA</td>
<td>4.79</td>
</tr>
<tr>
<td>Minneapolis-St Paul, MN</td>
<td><strong>5.03</strong></td>
</tr>
<tr>
<td><strong>CLOSE RIVALS</strong></td>
<td></td>
</tr>
<tr>
<td>Austin, TX</td>
<td>5.59</td>
</tr>
<tr>
<td>Portland, OR</td>
<td>6.47</td>
</tr>
<tr>
<td>Denver, CO</td>
<td>6.53</td>
</tr>
<tr>
<td><strong>MORE DISTANT</strong></td>
<td></td>
</tr>
<tr>
<td>Dallas, TX</td>
<td>7.11</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>7.14</td>
</tr>
<tr>
<td>Atlanta, GA</td>
<td>7.32</td>
</tr>
<tr>
<td>Pittsburgh, PA</td>
<td>8.63</td>
</tr>
<tr>
<td>Phoenix, AZ</td>
<td>9.39</td>
</tr>
</tbody>
</table>

Overall ranking based on average of all metrics.
<table>
<thead>
<tr>
<th>Category</th>
<th>Score</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>3.7</td>
<td>#1</td>
</tr>
<tr>
<td>Livability</td>
<td>4.0</td>
<td>#1</td>
</tr>
<tr>
<td>Environment</td>
<td>4.0</td>
<td>#1</td>
</tr>
<tr>
<td>Education</td>
<td>3.5</td>
<td>#3*</td>
</tr>
<tr>
<td>Talent</td>
<td>6.2</td>
<td>#5</td>
</tr>
<tr>
<td>Business Vitality</td>
<td>6.5</td>
<td>#7</td>
</tr>
<tr>
<td>Economy</td>
<td>6.5</td>
<td>#8</td>
</tr>
</tbody>
</table>
OVERALL, THE MSP REGION IS IMPROVING

Number Of Indicators By Trend

1 Not all indicators have trend data available
<table>
<thead>
<tr>
<th>Category</th>
<th>Rank</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>INFRASTRUCTURE</td>
<td>#1</td>
<td>-3</td>
</tr>
<tr>
<td>LIVABILITY</td>
<td>#1</td>
<td>0</td>
</tr>
<tr>
<td>ENVIRONMENT</td>
<td>#1</td>
<td>.4</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>#3*</td>
<td>.7</td>
</tr>
<tr>
<td>TALENT</td>
<td>#5</td>
<td>.4</td>
</tr>
<tr>
<td>BUSINESS VITALITY</td>
<td>#7</td>
<td>.7</td>
</tr>
<tr>
<td>ECONOMY</td>
<td>#8</td>
<td>.5</td>
</tr>
</tbody>
</table>
• Our economy is performing well today

• Competing well within a strong set of regions

• “Raw materials” abundant now, but becoming limited

• Weakness in key talent measures

• Lag peers in racial inclusion
REATIONS

LOCAL & NATIONAL RESPONSE
Dashboard outlines path for Twin Cities economic development

By: Kaela Weinmann  May 29, 2015  3:17 pm  0

A new set of metrics, mined over the past 14 months by a consortium of economic development organizations, could shape a roadmap for Twin Cities employers, elected officials and educators.

Greater MSP, the regional economic development nonprofit, on Friday released a detailed analysis of how the Twin Cities region compares to 11 other cities around the country.

The purpose of creating the “Regional Indicators Dashboard” is to have statistics that can be compared and tracked over time on economic, environmental and social outcomes.

“The new dashboard is a huge part of working together as a region,” said Michael Langley, CEO of Greater MSP, in a news release. “These shared metrics will help us gauge our region’s strengths and weaknesses as we continue to coordinate our efforts for a prosperous future.”

The information and rankings were unveiled Friday morning in downtown Minneapolis at an event hosted by the Minneapolis Regional Chamber of Commerce.
INDICATORS AT WORK

- Major Regional Employers & HQs
- St. Paul Area Chamber Board
- Minneapolis Regional Chamber Critical Issues
- Real Time Talent alignment
- Catholic Charities Board

EARLY ADOPTION
Many cities struggle with regional coordination. Leaders in greater Minneapolis-St. Paul made a different bet: Agree on the end game, and regional alignment will follow.

“Many cities struggle with regional coordination. Leaders in greater Minneapolis-St. Paul made a different bet: Agree on the end game, and regional alignment will follow.”
NATIONAL INTEREST

Calls to discuss the new MSP Indicators Dashboard
A NEW TOOL TO HELP LEADERS ALIGN AROUND ISSUES
THE WORK CONTINUES

• Foreign Direct Investment
• Freight movement
• Capital investment
• Environmental permitting
• Water availability
REGIONAL COMPETITIVENESS
WORKING GROUP

MEMBERS
GREATER MSP
ITASCA PROJECT
MINNESOTA BUSINESS PARTNERSHIP
MINNESOTA CHAMBER OF COMMERCE
MINNEAPOLIS REGIONAL CHAMBER OF COMMERCE
SAINT PAUL AREA CHAMBER OF COMMERCE
METROPOLITAN COUNCIL
THE MCKNIGHT FOUNDATION
REGIONAL COUNCIL OF MAYORS
CHARGE

REGIONAL COMPETITIVENESS WORKING GROUP

KEEPERS OF THE DASHBOARD

USE IT | IN THEIR OWN ORGANIZATIONS
COMMUNICATE IT | TO OUTSIDE GROUPS AND LEADERS
MEET | TO ANALYZE DASHBOARD DATA
TRACK | IMPORTANT ISSUES NOT MEASURED IN DASHBOARD
REQUEST | NEW OR BETTER DATA FROM LOCAL, STATE AND NATIONAL GROUPS
REPORT | SHARED PRIORITIES, CONCERNS AND QUESTIONS
QUESTIONS

- How will the RCM use the dashboard?
- How could it be useful in your communities?
- In response to the data, what actions would you like to see in the region?
REGIONAL INDICATORS DASHBOARD 2015 #MSPMeasures
What do the macro-indicators tell us about our region’s current competitive position?

**GROSS REGIONAL PRODUCT PER CAPITA**
- MSP: $65,852 (RANK: 6 TRENDS: SAME)

**VALUE OF EXPORTS**
- MSP: $23.7B (RANK: 5 TRENDS: BETTER)

**EMPLOYMENT GAP WHITE-OF COLOR (AGED 16-64 YRS)**
- MSP: 13.0 PERCENTAGE POINTS (RANK: 12 TRENDS: BETTER)

**PERCENT OF FEMALES AGED 16-64 YRS WORKING**
- MSP: 74.6% (RANK: 1 TRENDS: BETTER)

**PERCENT OF JOBS THAT ARE FAMILY SUSTAINING**
- MSP: 66.6% (RANK: 6 TRENDS: BETTER)

**YEARLY PERCENT CHANGE IN JOBS**
- MSP: 1.8% (RANK: 9 TRENDS: SAME)

- **Highlights / questions raised**
  - Relatively high GRP per capita
  - Unlikely to improve through increasing labor force participation of women
  - Opportunity to improve regional economy by closing gap in employment between whites and people of color

- **Possible future improvements**
  - Add Foreign Direct Investment (FDI)
  - Add % of firms exporting

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San Francisco ($86K)

- Per Capita GRP
  - Rank: 6th
  - MSP ($66K)

Phoenix ($48K)

Seattle / San Francisco (4.0)

- Avg. Rank:
  - Economy: MSP 8th (6.5)
  - Pittsburgh (9.83)
**Highlights / questions raised**
- Opportunities to improve in capital available to newer businesses (relatively low rank in VC, Fed SBIR/STIR dollars and small business loans)
- Is the availability of capital for small/newer companies limiting the commercialization/earning potential of all the patents our residents generate? Or are other factors at play?

**Possible future improvements**
- Obtain VC $ available at metro level
- Obtain survival rate at metro level
### TALENT

Is our economy growing and increasing productivity? What’s the quality of our growth?

<table>
<thead>
<tr>
<th>TALENT</th>
<th>Portland (+14.5K)</th>
<th>Chicago (-10.5K)</th>
<th>San Francisco (2.7)</th>
<th>Pittsburgh (10.2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennial Migration Rank</td>
<td>MSP 8th</td>
<td>8th</td>
<td>(+2.15K)</td>
<td>(6.2)</td>
</tr>
<tr>
<td>Avg. Rank: Talent</td>
<td>MSP 5th</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Highlights / questions raised
- Is MSP region in danger of losing its “talented workforce” calling card?
  - Low net migration, without improvement
  - Many regions surpassing MSP in % pop with BA or higher
- Major opportunity with net migration: If we were able to achieve our overall average #4 rank here, it would mean an additional ~7,500 people per year – over many years, that’s a significant improvement in our regional talent pool

#### Possible future improvements
- Add metric of student debt
- Add metric to gauge how successful graduates are at securing employment after graduation
- Some measure of talent shortages
**EDUCATION**

Do we have the quantity and quality of talent to meet our economy’s needs? Are we attracting and retaining talented workers?

**Highlights / questions raised**
- Increases across the board – very much welcome since many of these figures are alarming
- In many categories (e.g., graduation in higher education) the state has seen significant improvements in the past decade – will the pace of these improvements get us where we need to go?

**Possible future improvements**
- Adding in some measure of career and college readiness at graduation, e.g., ACT scores (when every student is taking the test)

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**Talent Pipeline**

<table>
<thead>
<tr>
<th>Measure</th>
<th>MSP Rank</th>
<th>Avg. Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of high school students graduating on time (white)</td>
<td>6th</td>
<td>3rd</td>
</tr>
<tr>
<td>Percent of high school students graduating on time (of color)</td>
<td></td>
<td>(3.5)</td>
</tr>
</tbody>
</table>

1. Since every state administers its own tests, cannot compare across regions for most of this category.

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**Rank vs. Peers**

- Boston (70%)
- Austin/Dallas (52%)
- Seattle (2.0)
- Atlanta/Dallas (10%)

**MSP Regional Indicators Dashboard**
• **Highlights / questions raised**
  o Strong position, but trend across this category is down, and infrastructure is a category where an edge, once lost, takes a lot investment, willpower, and work to improve
  o What other infrastructure metrics illuminate how easy it is for people to live their lives and conduct business in the region?

• **Possible future improvements**
  o Consider measure of mode split, e.g., workers commuting by walking/transit/biking
  o Some measure of investment needed to maintain infrastructure
  o Add metric more specific to freight movement
ENVIRONMENT

In what areas is economic growth creating environmental impacts that are likely to increase costs and effect our competitiveness?

**ENERGY COMPETITIVENESS**

<table>
<thead>
<tr>
<th>ENVIRONMENT</th>
<th>PER CAPITA WATER USAGE</th>
<th>NUMBER OF DAYS THAT AIR QUALITY WAS “UNHEALTHY FOR SENSITIVE GROUPS”</th>
<th>ENERGY RELATED CARBON DIOXIDE EMISSIONS PER CAPITA</th>
<th>ENERGY COST</th>
<th>PERCENT OF ELECTRICITY THAT IS NON-CARBON</th>
</tr>
</thead>
<tbody>
<tr>
<td>127 GAL/DAY</td>
<td>2 DAYS/YEAR</td>
<td>17.1 METRIC TONS</td>
<td>8.7 CENTS/KWH</td>
<td>45.1%</td>
<td></td>
</tr>
</tbody>
</table>

**Highlights / questions raised**
- Strong positions here – the region has clean air, responsible water use, and affordable, relatively clean energy

**Possible future improvements**
- Adding some meaningful, comparable measure of open space/parks
- Replacing AQ days metric with ambient levels of key pollutants (e.g., pm 2.5, ozone)
**LIVABILITY**

Is our community affordable, safe, healthy, engaged and trending toward widely shared prosperity?

- **Highlights / questions raised**
  - One of MSP’s strongest categories – people here are involved and active
  - However, this category is a reminder of the region’s biggest weakness – it is not lifting people of color out of poverty (or keeping them out of poverty) at the same rate as it is for white people

- **Possible future improvements**
  - Adding some meaningful, comparable measure arts/culture
  - Adding measure of income equality

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**SHARED PROSPERITY**

<table>
<thead>
<tr>
<th></th>
<th>PERCENT OF POPULATION THAT IS OBSESE</th>
<th>NUMBER OF VIOLENT CRIMES PER 100K RESIDENTS</th>
<th>PERCENT OF POPULATION 16+ WHO VOLUNTEERED PAST YEAR</th>
<th>AVERAGE PERCENTAGE OF HOUSEHOLD INCOME SPENT ON HOUSING PLUS TRANSPORTATION²</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Poverty Rate (White)</strong></td>
<td>6.0% (RANK: 1 TEND: SAME)</td>
<td>274 (RANK: 3 TEND: BETTER)</td>
<td>34.8% (RANK: 1 TEND: WORSE)</td>
<td>49.0% (RANK: 4 TEND: —)</td>
</tr>
<tr>
<td><strong>Poverty Rate (People of Color)</strong></td>
<td>24.0% (RANK: 10 TEND: SAME)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**LIVABILITY**

- **PERCENT OF POPULATION THAT IS OBSESE**
  - 23.9% (RANK: 5 TEND: SAME)
- **NUMBER OF VIOLENT CRIMES PER 100K RESIDENTS**
  - 274 (RANK: 3 TEND: BETTER)
- **PERCENT OF POPULATION 16+ WHO VOLUNTEERED PAST YEAR**
  - 34.8% (RANK: 1 TEND: WORSE)
- **AVERAGE PERCENTAGE OF HOUSEHOLD INCOME SPENT ON HOUSING PLUS TRANSPORTATION²**
  - 49.0%

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**Rank vs. Peers**

- **Obesity**
  - San Francisco (19.1%)  
  - Pittsburgh (26.9%)  
  - Avg. Rank: (23.9%)  
  - MSP (23.9%)  

- **Livability**
  - San Francisco (3.5)  
  - Phoenix (9.7)  
  - Avg. Rank: (4)  
  - MSP (4)