

## The 2017 ULI Minnesota Housing Summit elevates a regional economic imperative.

At the 9th Annual ULI Minnesota/Regional Council of Mayors Housing Summit in July 2017, a panel of regional business leaders identified **the economic imperative of connecting housing, transportation and workforce through policy, practice and leadership.** As reported in the Star Tribune, they provided a “sobering message” about how “a lack of affordable housing and the labor shortage” are “throttling the growth plans of suburban-based employers.”

## Our region is falling behind in providing housing choices, expanding transportation options, and growing our workforce.

Our region is falling behind in providing housing choices, expanding transportation options, and growing our workforce. GREATER MSP predicts a labor shortage of more than 100 thousand workers by 2020 across all industries. This shortage is largest in lower skill jobs, for example: health care, restaurants, hospitality, construction, and warehousing. **The gaps in our transportation network and disconnects between where jobs are and where people can afford to live have the greatest impact on low-wage workers.**

This is an issue of proximity and cost. **Cities must think about and plan for where workers can live and how they will get to jobs so businesses in their communities can grow and thrive. This interchange is critical to our region’s future prosperity.**

## Housing Choices

The ULI Minnesota Housing Initiative has promoted the regional importance of providing a full range of housing choices.

### What happens if we don’t have enough housing—of the right types, in the right places at the right prices?

An affordable region needs a full range of housing choices. That means adding and preserving a variety of housing types at all price points across the region.



## Transportation Options

Employers and workers depend on a transportation network that efficiently connects job centers and housing choices.

### What happens if we don’t have robust transportation options connecting where people live and work?

A robust transportation network provides options that benefit everyone and a competitive advantage in the recruitment and retention of workers at all skill and wage levels.



## Workforce Strength

GREATER MSP research projects a shortfall of 114K workers and surveys identify housing and transportation as critical to growing our regional workforce.

### What happens if businesses don’t stay, expand or locate here because they cannot find workers for their jobs?

The strength of our economy depends on providing the housing choices and transportation options workers seek.



# A Regional Economic Imperative

Research Partners: GREATER MSP



The MSP region does not have enough workers to fill available jobs, and lower skill workers make up most of the shortfall.

## MSP Ranks 19th of 25 in Attracting Talent

Behind Denver, Seattle, Portland, Austin, Atlanta and San Francisco.

### The good news?

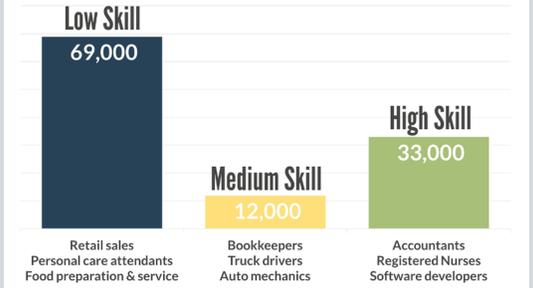
MSP ranks first in retaining professionals once they get here.



Source: GREATER MSP, Myles Shaver, Carlson School (ACS U.S. Census Data)

## 114K Worker Talent Gap at All Skill Levels

Low skill jobs make up 60% of our shortfall. Failing to fill these roles means businesses cannot grow and may relocate or fold. New businesses will not locate here if they can't find workers.



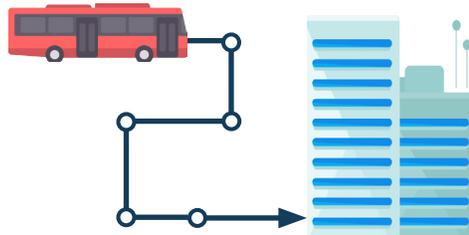
Source: GREATER MSP, Emsi, Q4 2016

These workers often face a disconnect between where jobs are located and where they can afford to live.

## Transportation Options Impact Job Access

Just 5% of MSP residents live within 30 minutes of 100,000 jobs by transit or walking.

This is as important for the North Loop as it is for Shakopee, and other regions are improving this metric while we remain stagnant.

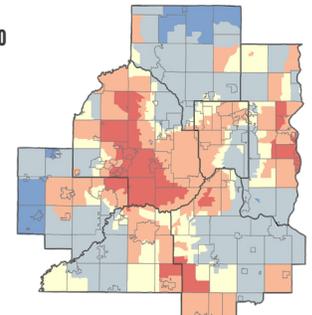


Source: GREATER MSP, Regional Indicators Dashboard, 2017

## Housing and Jobs are Mismatched

Large portions of the region don't have enough housing units affordable to low-wage workers near where these jobs are located (red areas).

### Affordable Housing to Low-wage Jobs Ratio

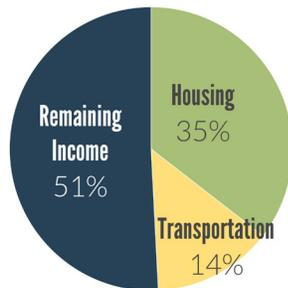


Source: METC, Comprehensive Housing Affordability Strategy and Longitudinal Household Employment

Our region must expand housing choices and transportation options for workers to enable our economy to thrive.

## Combined Costs Strain Budgets

The average MSP household spends half its income on housing and transportation. Limited options force reliance on expensive auto travel even for those who would choose other modes.



Source: GREATER MSP, ESRI Household Budget Expenditures Report for 2016 and 2021

## Housing and Commute Among Top Concerns

Workers preparing to move to MSP cite where to live and how they will commute as their 2nd and 3rd most important considerations.

1. Making Friends
2. Housing
3. Commuting
4. Career
5. Weather

Source: GREATER MSP, Make It MSP, "MSP Welcome survey", 2016

WHAT CAN I DO? WHAT CAN WE DO TOGETHER?

81 South 9<sup>th</sup> Street  
Suite 310  
Minneapolis, MN 55402

612-338-1332  
[minnesota.uli.org](http://minnesota.uli.org)

