Regional Accessibility and Economic Competitiveness

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Twin Cities Competitive Clusters

- Interconnected industries key to regional development

The basic medical manufacturing cluster

Legend:
- Anchor sectors in the identified cluster.
- Sectors that sell/supply at 2% or higher levels to the anchor sectors.
- Direction indicates a selling relationship.
Nature of Twin Cities Clusters

<table>
<thead>
<tr>
<th>Cluster</th>
<th>% of all metro jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical manufacturing</td>
<td>7.0%</td>
</tr>
<tr>
<td>Management of Companies</td>
<td>25.0%</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>46.9%</td>
</tr>
<tr>
<td>Book Publishers &amp; Printing Industries</td>
<td>12.8%</td>
</tr>
<tr>
<td>Lessors of Non-Financial Assets</td>
<td>6.9%</td>
</tr>
</tbody>
</table>

We use the broadest cluster definition possible.
Access to Cluster Jobs

Medical Manufacturing

Finance and Insurance

Illustrated the varying degrees of access by transit to the different clusters.
A Look into 2030

Map created by Kyril Negoda
Expected 2010-2030 changes in job accessibility by transit

• Given the new system in 2030 and the forecasted land use changes by the Met Council.
  – the average 30-min job accessibility by transit in 2030 will be 126,219 jobs, compared to 117,611 jobs in 2010:
    • A net positive increase of 8,808 (6.8%)
    • This increase is resulted from transitway investment only, assuming no additional land use policy change on top of the Met Council forecasts.
Testing Alternative Growth Scenarios

2030 Scenario Analysis Combinations

<table>
<thead>
<tr>
<th>Population Scenarios</th>
<th>Employment Scenarios</th>
<th>MC 2030 forecasts</th>
<th>Growth at fringe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centralizes at transitways</td>
<td>+6.9%*</td>
<td>+2.2%</td>
<td>+0.89%</td>
</tr>
<tr>
<td>Centralizes at transitways</td>
<td>+4.3%</td>
<td>Base case 126,419</td>
<td>-1.29%</td>
</tr>
<tr>
<td>MC 2030 forecasts</td>
<td>+4.5%</td>
<td></td>
<td>-1.47%</td>
</tr>
</tbody>
</table>

*Note: Non-transitway focused centralization of population and employment is only associated with a +2.74% increase.
Interviews of Business Leaders in Twin Cities Competitive Clusters

- Semi-structured Interviews in 2012 (Open-ended; 20-40 mins)

- 19 business leaders
  - C-suite executives
  - Human resource directors
  - Corporate real estate directors

- Key interview questions
  - What the interviewees see as crucial location factors
  - Where transportation and transit access fit into that set of factors
100 Most Frequent Words in the Business Leader interviews
When **business leaders** mention transit access, they also mention...
The Take-Away Messages

1. Twin Cities business leaders in competitive clusters are supportive of transitway developments.

2. Business leaders see stronger connections between transitways and long-term regional competitiveness to attract talented young professionals.

3. Locating new jobs near transitways is especially important for maximizing the positive impact of current and future Twin Cities transitways.