



## 9. ECONOMIC COMPETITIVENESS

Direction for a healthy, robust, and equitable economy.

### INTRODUCTION

With the overall focus on sustainability in the comprehensive plan, the scope of Hopkins' economic development strategy has shifted and broadened. In the past, communities were often concerned primarily with supporting the growth and expansion of businesses and jobs through direct assistance to businesses, developers, and other supporting organizations. While these are still important strategies, the toolkit for a healthy and vibrant economy is expanding.

Hopkins has embraced a vision that cities can impact their economic health in other ways that are less focused on specific businesses, and more on the overall economic environment. With the shifts in the labor force (both in composition and mobility), attracting and retaining employees has become vital to many industries. As a result, a focus on creating a livable, walkable, amenity-rich place is a key economic development strategy for the city to attract and retain workers. Related trends, detailed in this element, show that preferences around retail and office space are moving in a similar direction.

At the same time, there is a need to ensure long term fiscal sustainability for the city. This includes initiatives and investments that stabilize and grow the city's tax base through investments in development and business activity.



## MAJOR FACTORS

Major factors to consider while planning for economic competitiveness in Hopkins include:

- **Role of downtown.** Hopkins is already well-positioned for this changing reality – in particular, with its investment in its unique and attractive downtown area. Additionally, the city is already fairly well situated in terms of access to workforce, and future development plans (particularly around the future light rail stations) will provide further opportunities to add both housing and jobs with more intense development patterns.
- **Addressing equity.** There is also an increasing awareness that not all benefit equally from increasing growth and prosperity. Disparities existing along racial, ethnic, and socioeconomic lines – and have persisted over time. Additionally, rising values in a community can displace or disqualify lower income households – and even some small businesses – from the city. This calls for intentionality in determining impacts and making appropriate policy changes to mitigate them.
- **Planning in context.** The city’s economic environment is part of a larger regional, state and national context. As such, another important element is partnerships with other agencies, who also have a role in supporting and strengthening the economy. While this plan focuses on primarily the city’s role, it will call out some opportunities for partnering on key issues – such as education and workforce development.

# TRENDS AND CHALLENGES



## AFFORDABILITY OF HOUSING

Affordability of housing in Hopkins is a historic strength, but there are multiple pressures on it now and housing values are rapidly rising. The prime location of the city and its quality of life and amenities can lead to upward pressure on property values and rents.



## AFFORDABILITY OF COMMERCIAL SPACE

Small businesses and startups often need inexpensive space, which is typically not available in new construction. The unique mix of businesses in older space may not be able to afford a new building that replaces it.



## POTENTIAL FOR DISPLACEMENT

Growth and redevelopment in a fully developed city means there's a potential for displacement of existing people, businesses, and uses; how this is addressed is an important question, particularly since those being replaced may be lower income.



## DISPARITIES IN A CHANGING POPULATION

While the population is becoming more diverse, racial and ethnic disparities persist. Increases in concentration of poverty in portions of the city is a concern as well. Consider issues of equity vs. equality.



## CHANGING FACE OF RETAIL

Retail uses everywhere are being impacted by changing patterns in how people shop, particularly as online, delivery, and take-out business gains in popularity. The future of successful retail districts will depend on creating a unique shopping, dining and entertainment experiences that bring people together in shared public environments rather than remaining in individual private spaces.



## CHANGING FACE OF OFFICE SPACE

Businesses are moving away from isolated office space campuses to more walkable urban environments. Office spaces are getting smaller, but not necessarily cheaper, as businesses trade square footage for amenities (in and near the building) that attract and retain workers. Less space is also needed due to technology – less need for file storage.



## WRINGING OUT INEFFICIENCY

Communities like Hopkins have the potential to become more efficient in many ways. This relates to land use (higher intensity uses) and other resources (ride sharing, the sharing economy in general).



## TECHNOLOGICAL CHANGES EVERYWHERE

As mentioned above, this is changing how people shop and work. It is also changing other aspects of how the economy works, in ways that are still emerging.



## TALENT RETENTION AND ENTREPRENEURSHIP

The need to attract and retain highly skilled workers has increasingly led them to locate in places where there workforce wants to be. For younger workers this has largely been in urban mixed use environments. Creating great places is an economic development strategy. For Hopkins in particular, attracting and retaining entrepreneurs with unique and nontraditional business concepts has been a strength.

## GOALS AND POLICIES

Hopkins is focused on growing a diverse economic base as a key element of a sustainable city. This will include a strong and healthy economic environment, a diversified business mix, a well-prepared workforce, and a stable and vibrant downtown. This will be done in partnership with numerous other agencies and jurisdictions.

Additionally, the city's commitment to equity means that it will also be intentional about ensuring that residents are not excluded from the benefits of economic growth.

### Economic Environment

A livable community creates the type of place people want to live, work, invest, and build. Hopkins has a firm foundation for this already, with opportunities to further improve through redevelopment and renewal. In recent years, the toolkit of economic development strategies has been expanded, moving beyond traditional business subsidies to include creating unique and livable place that attract businesses, people, jobs, and investment.

#### Policies:

- Make strategic investments in physical and technological infrastructure, public facilities, and public spaces to support community livability.
- Identify and implement long term redevelopment projects that can catalyze revitalization and investment, particularly around strategic locations in the city.
- Periodically survey businesses and residents to provide feedback on progress and to suggest changes to economic development approach.
- Leverage available public and private resources, such as the federal Opportunity Zone program, to make long term investments in low income communities.
- Support investments and strategies that strengthen and grow the city's tax base to ensure long term fiscal sustainability.

## GOAL 1

Support the development of a strong, vibrant, livable community that attracts jobs, population, and investment.



## Business Development

Business and business districts in Hopkins are vital to a healthy economic environment. They create jobs, contribute to the tax base, provide goods and services for residents and visitors, contribute to community events, and add activity and energy on a daily basis. Supporting these businesses helps support a healthy and balanced economy.

### Policies:

- Use public sector resources strategically to leverage private investment in the community.
- Develop partnerships with other jurisdictions and agencies to support business development and economic growth.
- Continue to make improvements to city regulatory guidance and procedures to streamline the redevelopment process in Hopkins.
- Promote the development of business start-ups and entrepreneurial activities in Hopkins, and encourage small businesses in appropriate areas throughout the city.
- Encourage locations of co-working spaces to promote business start-ups, and consider office locations along side streets.
- Work with existing businesses to identify opportunities to retain or expand operations.
- Provide information to business owners about programs, resources, and opportunities that can assist them with their businesses.
- Work to attract businesses with living wage jobs to redevelopment areas, particularly those that align with the area's existing strengths, such as their industry clusters.
- Encourage the development of green jobs, as well as greening of conventional industry sites and operations where appropriate.
- Work through partnerships to encourage business development and entrepreneurship in underrepresented groups, including people of color.

## GOAL 2

Support a healthy, diverse mix of businesses in Hopkins.

## Education and Workforce

While not a primary function of the City of Hopkins, education and workforce development are essential elements of a healthy economy. Educational systems – including K-12 schools, higher education, and specialized training programs – both prepare people for jobs and enhance their quality of life and choices.

### Policies:

- Partner with schools and other educational institutions to support a range of educational opportunities in the community.
- Provide information to businesses and others about job training assistance available.
- Encourage businesses in Hopkins to hire locally, particularly in populations that are underemployed, to support the ability for people to live near where they work.
- Support work opportunities for nontraditional employees, including youth and seniors.
- Educate about what jobs are available within the city, with a focus on encouraging underrepresented group to apply.
- Support the school district and applicable state agencies in their efforts to address the achievement gap.

## Equity and Disparities

Economic growth does not automatically benefit everyone. Current circumstances, rooted in historic patterns of discrimination, result in disparate outcomes for some groups, particularly people of color, recent immigrants, and lower income households. To ensure that all have an opportunity to benefit and succeed, Hopkins must be intentional in its policies to address these gaps.

### Policies:

- Encourage the development and maintenance of affordable housing and commercial space.
- Support the expansion of public transportation and other transportation alternatives that connect workers to jobs.
- Encourage the availability of a full range of services for children, youth, and seniors in the community.
- Revisit City’s procurement policies to ensure they provide opportunities for small and disadvantaged businesses to do business with the city.
- Actively address any complaints of discrimination in the community that are related to city facilities or operations.
- Strive to create a workforce that reflects the community and population in Hopkins.
- Adopt a fair housing policy.
- Refer any reported discrimination complaints to the proper authorities
- Explore the application of Community Wealth Building to build a more equitable economy.

## GOAL 3

Support the development of a well prepared, diverse workforce.

## GOAL 4

Promote economic equity in Hopkins, to benefit residents regardless of identity or background.