The Economics of Land Use

Final Report

Equitable Growth Evaluation for the Denver Region

Prepared for:

Mile High Connects
and
Denver Regional Council of Governments

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1. EXECUTIVE SUMMARY

Introduction

This study by Economic & Planning Systems (EPS) was commissioned by Mile High Connects, a partner in the $4.5 million Sustainable Communities Initiative (SCI) Grant received by the Denver Regional Council of Governments (DRCOG) from the U.S. Department of Transportation, Environmental Protection Agency, and Department of Housing and Urban Development. Mile High Connects is a broad partnership of organizations from the private, public, and nonprofit sectors that are committed to increasing access to housing choices, good jobs, quality schools, essential services, and economic opportunity via public transit.

DRCOG's SCI Grant is providing funding for a Regional Economic Strategy, also prepared by EPS, as well as a Regional Housing Strategy. Both strategies are to be used to inform updates to Metro Vision 2040, and to provide guidance to DRCOG on important policy issues and partnerships. This report was prepared for DRCOG and Mile High Connects as a supplement to the Regional Economic Strategy. The purpose of this study is to:

- Identify issues that are inhibiting equal access to economic opportunity across race, ethnicity, place of residence, and socioeconomic status;
- Provide examples of best practices from other Regional Planning Agencies (RPAs) in addressing regional equity;
- Make recommendations to DRCOG on how to more effectively address regional equity issues both in the Metro Vision plan and through its functions as an RPA, a natural venue for convening discussions and identifying solutions for complex regional growth and equity issues; and
- Document trends in Metro Denver that threaten the region's continued economic vitality.

Report Organization

This report contains five chapters including this Executive Summary (Chapter 1), which summarizes the major findings from the research and analysis, and makes recommendations for DRCOG. Chapter 2 describes and defines an economic vitality framework for the Denver Region and discusses the importance of equity in economic vitality. Chapter 3 documents several major demographic trends occurring in Metro Denver and discusses their implications for economic vitality and equity. Chapter 4 presents an analysis of employment and wage trends and projections in Metro Denver. Chapter 5 describes impediments to job access by people with low incomes, including transportation gaps ("last miles" connections) and housing costs. Chapter 6 profiles the equity related activities of five Regional Planning Agencies (RPAs): The Mid America Council in the Kansas City region; the Metropolitan Council of Minnesota in the Minneapolis-St. Paul region; the Central Puget Sound Regional Council in greater Seattle; the Association of Bay Area Governments in the San Francisco Bay area; and the Maricopa Association of Governments in greater Phoenix.

Summary of Findings

Economic and Demographic Change

1. ***Population growth and racial and ethnic change are occurring fastest in Metro Denver's suburban cities and counties. These trends which highlight the importance of engaging these communities in support of economic vitality.***

   Metro Denver added nearly half a million people from 2000 through 2012, with 70 percent of that growth occurring in largely suburban Adams, Arapahoe, and Douglas counties. Due to a variety of market, land capacity, and transportation factors, the Metro Denver suburbs are expected to be the location of the majority of the region's growth. In addition, racial and ethnic diversity is increasing faster in the suburbs than in Denver's urban core.

2. ***People of color and Hispanic and Latino origin are the largest components of population change in Metro Denver.***

   Data from the U.S. Census shows that from 2000 through 2010 47 percent or nearly 1 out of every 2 new Metro Denver residents were of Hispanic origin (white and non-white). Of the 384,000 people that were added to the region's population, 180,135 describe themselves as being of Hispanic or Latino origin. The State Demographer's Office projects that by 2040, 44.5 percent of Colorado's population will be non-white compared to 28.9 percent today.

3. ***Racial and ethnic diversity is increasing faster in Metro Denver's suburban communities than in the central city.***

   In Adams County, the Hispanic population increased by 63.6 percent from 2000 through 2010, by 83.2 percent in Arapahoe County, and by 45.8 percent in Jefferson County. In Denver, the Hispanic population increased by just 8.7 percent. The non-white and foreign born population is concentrated in some of Metro Denver's poorest areas, including Commerce City, unincorporated Adams County north of Denver, Southwest Denver, Lakewood, and Aurora. Many of these areas of concentration have poverty rates of 25 percent or higher.

4. ***In addition to being the fastest growing ethnic group in Metro Denver, the Hispanic and Latino population has on average low levels of education.***

   More than 80,000 residents, or nearly a third of Metro Denver's Hispanic and Latino population, have less than a high school diploma. The percentage of the population without a high school diploma for other non-whites and non-Hispanic whites ranges from 3.4 percent for Native Hawaiians and Pacific Islanders to 7.6 percent for Blacks and African Americans, and 10.5 percent for American Indians and Native Alaskans. Lack of access to good education correlates with high poverty rates and high demands for social services. There is a risk that increasing social service costs will crowd out public investment in productive economic assets. If there is sufficient investment in all residents, they will become an asset and create a larger pool of skilled labor.

5. ***The number and percentage of the population living in poverty increased in every county in Metro Denver from 1990 through 2012.***

   In Arapahoe and Adams Counties, the number of people in poverty more than doubled from 2000 through 2012, with an increase of 39,000 and 46,000 people in poverty, respectively. Denver had 41,000 more residents living in poverty since 1990, although the percentage of the population in poverty did not change significantly between those years. Generally affluent Boulder and Douglas Counties also saw large absolute and proportional increases in people in poverty, with an increase of 18,000 in Boulder County and 11,000 in Douglas County. Continued economic recovery will hopefully reduce the number of people living in poverty.

6. ***High housing costs in Central Denver and other job-rich centers and corridors push the poor into areas with difficult access to good paying jobs.***

   The cost of rental housing in Metro Denver has been growing at a rate of 2.6 percent per year from 2005 through 2013, slightly higher than the 2.0 percent annual wage growth that occurred during this same period. The largest increase was in the City and County of Denver, where average rental rates grew from $804 to $1,065 per month, a rate of 3.6 percent per year. Boulder and Broomfield have the highest average rents at just under $1,200 per month, and grew at 3.0 percent per year from 2005 through 2013. The average wage needed to afford the average rent in the 7-county metro area grew from $16 per hour to $20 per hour, compared to the average wage of $25.82 per hour.

   Home prices in neighborhoods around major job centers and close to transit lines are among the highest in Metro Denver. On the Southeast light rail lines, Central corridor lines (between approximately Colorado Station and Auraria Station) and along the US 36 Corridor, many of the neighborhoods surrounding light rail stations and express bus stations (on the US 36 corridor) have home prices above $250,000 and even above $500,000. These historically expensive neighborhoods have become even more expensive in recent years. The newer West, I-225, and East rail lines, however, provide an opportunity to connect lower income neighborhoods with the region's major job centers.

   The greatest price appreciation, up to 50 percent since 2001, has occurred in The Highlands area of Northwest Denver, other areas of Central and Southeast Denver, and Highlands Ranch and northern Douglas County. These areas have generally good access to the region's major job centers. K-12 school quality is generally higher in these areas compared to less affluent areas. Children raised in these areas will often have better access to good schools than those raised in poorer areas.

7. ***The region's inventory of income restricted affordable housing is located primarily in the City and County of Denver.***

   The City and County of Denver has more than 18,000 units of subsidized income restricted housing, or 51.3 percent of the inventory in the 7-County Metro Area. Arapahoe County has nearly 4,900 units of affordable housing, followed by Jefferson County with 4,200 units, and Adams County with 4,000 units. Boulder, Broomfield, and Douglas Counties have the least amount of affordable housing, with 3,000, 272, and 1,200 units, respectively.

8. ***The Great Recession had a negative impact on many industries with middle skill jobs.***

   Traditional "middle skill" jobs that pay living wages of greater than $15 per hour for moderate skill and education workers have traditionally been defined as construction, manufacturing, transportation and distribution, and some retail and hospitality management level positions.

Depending on household sites, the self-sufficiency standard is approximately $15 to $20 per hour. From 2001 through the second quarter of 2013, there were major job losses in these middle skill industries. Construction lost more than 27,000 jobs and manufacturing lost over 26,000 jobs; both industries have average wages over $20 per hour. A number of complex factors are also contributing to worker shortages, particularly in construction. After the Great Recession, some skilled tradespeople have not re-entered the labor force. In addition, fewer young people are entering these trades to pursue other careers or four-year degrees.

9. ***Nearly half of the job growth in the 2001-2012 time period has been in lower wage industries below $17.45 per hour and approximately one-third was in jobs that pay $9.00 or less.***

   From 2001 through 2012, 49 percent of new jobs, or 36,250 jobs, were in industries that pay less than $17.45 per hour ($36,000 per year). The accommodations and food services industry added 23,800 new jobs at an average of $8.94 per hour (not including gratuities). Middle wage jobs in the $17 to $25 per hour range accounted for 21,000 jobs, or 29 percent of new job growth.

   There was negligible job growth at $25 to $38 per hour wage levels compared to 15,000 new jobs paying more than $37.84 per hour. These include real estate, government, manufacturing, wholesale trade, and finance and insurance. These industries were severely impacted by the Great Recession and have not recovered in Metro Denver.

10. ***The majority of existing and planned FasTracks stations, including those under construction, already have a large number of jobs and employers that pay living wages. There is thus a major opportunity to expand access to good paying jobs by improving last mile connections***

    An analysis of employment data within a half-mile radius of FasTracks stations shows that the average wage is approximately at or above $20 per hour on the Central Corridor (Broadway & I-25 to Auraria), I-225 Corridor, Southwest Corridor, West Corridor, East Line, Gold Line, North Metro Line, and Northwest Corridor. The highest wages are in Downtown Denver, where there are over 100,000 jobs with an average wage of $38.55 per hour, or $80,000 per year. Outside Downtown Denver, station areas along the Southeast Corridor (Southeast I-25) have the highest average wages, $73,000 per year or $35 per hour.

    These corridor averages mask some low wage levels (below approximately $15 per hour) that exist at individual stations. Lower wage stations include Central Park Boulevard Station on the East Line; Olde Towne Arvada on the Gold Line; US 36 and Church Ranch Boulevard on the Northwest Corridor; Southmoor Station on the Southeast Line; and Lamar Street, Sheridan Boulevard, and Wadsworth Boulevard stations on the West Line. Many of the stations with lower wages are in locations where the primary commercial land uses and business types are retail and retail-type services.

    While there are many living wage and higher paying jobs within a half-mile radius of transit stations, this analysis does not mean that these jobs are all easily accessible by transit due to infrastructure barriers. This analysis highlights the importance of connecting jobs to transit stations and the opportunity that better connections will create.

Recommendations

1. ***Incorporate a greater focus on equity issues in both Metro Vision and in DRCOG's planning and decision making framework.***

   The current version of Metro Vision, Metro Vision 2035, is weak in addressing affordable housing, racial and ethnic diversity, education and labor force gaps, and access to jobs. The updated plan, Metro Vision 2040, is being drafted and is expected to include specific plan elements that contain specific goals, objectives, and policies for Changing Demographics, Access to Opportunity, Community Health and Wellness, and Economic Vitality. Following the examples of Plan Bay Area (Bay Area Association of Governments) and Thrive MSP 2040 (Metropolitan Council of Minnesota), DRCOG should ensure that these issues are given voice in Metro Vision 2040. While Metro Vision is not an implementation document, it sets the tone of Metro Denver's priorities and the increased exposure and dialogue will influence local and state policy and implementation actions.

2. ***Create and adopt an "equity lens" framework for evaluating planning, funding, and organizational structure decisions.***

   The Mid America Regional Council's (MARC) Regional Plan for Sustainable Development (RPSD) includes a Social Equity Lens that contains strategies for engaging diverse populations, and for evaluating policies and investments for their impact on "education achievement and success," access to a healthy environment, attracting a range of job opportunities for a range of skill levels, providing a clear jobs training and career pipeline, and supporting housing choice. It also emphasizes the need for a transportation system that connects residential populations with jobs, including regional transportation and improving neighborhood access to jobs. The revised Metro Vision 2040 should include such a framework, or DRCOG could define and adopt a standalone decision framework that defines how DRCOG will engage with and consider the impacts of its decisions on low income residents.

3. ***Define a set of metrics to track progress on regional equity.***

   The region would benefit from increased awareness of the gaps in education, income, poverty and job access by race and ethnicity and place of residence. Where people live within the region should not pre-determine their future success. While as a whole Metro Denver has a strong economy, the benefits are not being enjoyed equally. DRCOG should define a set of measurable goals addressing housing costs, income distribution, educational attainment, and job growth in living wage jobs, access to jobs, household income, employment productivity, average wage levels, unemployment, educational attainment, and any number of social health and equity indicators. These indicators would track important measures of economic and social health and the differences by location within the Denver region to inform the equitable distribution of resources and investment. They should be updated regularly and published or presented at DRCOG-sponsored or other regional events.

   DRCOG's collaboration with Mile High Connects, Reconnecting America, and the Piton Foundation on the Regional Equity Atlas is a productive partnership. DRCOG should continue to promote and contribute to this work in order to keep it relevant. A number of the more progressive RPAs profiled in this Report provide economic sustainability indicators and benchmarks including the San Diego Association of Governments, the Mid America Regional Council (greater Kansas City), and the Metropolitan Council of Minnesota (Twin Cities region).

4. ***Directly engage with disadvantaged populations and their advocates to strengthen and expand DRCOG's role as a convener of forums on regional growth and equity issues.***

   Staff from other RPAs interviewed for this study described their organizations' roles in the economy as "a hub of collaboration" or "conveners and analysts." There is an opportunity to strengthen DRCOG's role and visibility in Metro Denver by engaging and collaborating with a wider cross section of groups and interests beyond the infrastructure and land use planning realm.

   Other RPAs profiled in this research and in the Regional Economic Strategy engage with housing advocates, homeless advocates, minority populations, educators, and workforce service providers. While the RPAs are not typically involved in direct implementation, regulatory, and funding actions, they serve to help identify innovative work or successes in their regions, connect people with expertise on similar issues, and generally increase the visibility of economic sustainability and equity issues and solutions. Progress begins with broader knowledge and understanding of the threats and opportunities.

5. ***Last mile connections are critical to improving jobs access for the transit dependent population.***

   There is awareness among economic and community development organizations that poor first and last mile connections are an impediment to maximizing the utilization and economic benefits of the Region's developing transit system. For people who depend on transit—such as the elderly, people without cars, people with disabilities, and children—the lack of safe and convenient non-automotive connections to and from transit stations is a major impediment to securing and maintaining any kind of employment.

   Improving last mile connections must take into account localized conditions including the station area road, bike and pedestrian system, property ownership, infrastructure locations and barriers, and existing and future development plans. DRCOG is currently exploring ways to revise the Transportation Improvement Program (TIP), the region's annual five-year funding plan for transportation projects to include last mile projects.

   DRCOG can also provide an important role as a convener and facilitator between local communities, station area developers, and RTD. DRCOG should form a technical committee charged with identifying best practices and funding sources for implementing last mile solutions. This would also result in more information sharing and highlighting of best practices, thereby raising the collective knowledge on how to address last mile challenges in their local communities. This last mile committee should include representation from minority and low income groups so that their specific concerns can be addressed in planning and funding decisions.

   There are some local initiatives underway to help solve last mile issues. Lone Tree is partnering with large employers near Lincoln Station (Charles Schwab, Sky Ridge Medical Center) and Denver South TMA to fund and operate a circulator shuttle. Denver South EDP also reported receiving an increasing number of inquiries from employers on improving access to and from stations and improving bus or circulator service. Englewood has been running its local free "circulator" shuttle since light rail opened in 2000. "ART" transports riders to 19 stops connecting Englewood City Center, businesses in downtown Englewood, and the medical facilities in and near Craig Hospital and Swedish Medical Center. The shuttle runs every fifteen minutes. In RTD's experience, a constraint to circulators is that they have historically not met the ridership thresholds to be feasible without a supplemental funding source.

6. ***Partner with economic developers and local jurisdictions to identify special projects, plans, or studies to help expand middle skill jobs, improve job access, and other needs.***

   DRCOG's expertise in land use and transportation planning, economic analysis, and grant and project management can be leveraged to work more closely with local jurisdictions and economic developers on creating targeted plans and strategies to address regional economic challenges. A specific example could be an industrial lands study to determine in more detail Metro Denver's competiveness for middle skill jobs, and if there are enough suitable sites to meet demand. The Puget Sound Regional Council is conducting such a study; numerous similar studies have been completed elsewhere in the U.S. as well. The upcoming Gold Line and East Line Market Readiness Studies (sponsored by DRCOG) will address these issues on these two corridors, but a regional analysis of this issue has not been completed to date.

7. ***Partner with other community, civic, and equity-minded groups to advocate for legislative changes and funding solutions to improve economic vitality and equity.***

   Educators, workforce service providers, and economic developers interviewed for this Study and the DRCOG Regional Economic Strategy suggested that DRCOG could play a role in supporting legislation and policy changes that benefit the region and state. Specific areas that were mentioned included tax and fiscal policy (i.e., the Tabor and Gallagher amendments to the State Constitution), education funding, workforce development and career pipelines, and transportation funding.

2. ECONOMIC VITALITY FRAMEWORK

This Report identifies several demographic and economic trends and expectations about the future. These data support the case that economic and community development efforts in Metro Denver need more focus on ensuring that economic opportunity is accessible—without regard to socioeconomic status or place of residence—to a more diverse population and in all areas of Metro Denver.

Background

DRCOG is the regional planning agency (RPA) for the Denver Region, defined as Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Gilpin, and Jefferson Counties and the southwest portion of Weld County. DRCOG's land use and growth management functions are largely voluntary in support of local jurisdictions. Its mandated RPA functions are attached to its role as the Metropolitan Planning Organization (MPO) to manage transportation planning and funding through the State Implementation Plan and Transportation Improvement Program functions.

Since its inception in 1955, DRCOG has prepared regional plans for the Denver Metro Area including a regional land use plan and regional transportation plan. Metro Vision 2020, approved in 1997, was Metro Denver's first integrated regional land use and transportation plan. Metro Vision 2035 is the current plan to guide growth and development, transportation, and environmental quality. A Metro Vision 2040 Update is currently under development.

As a regional government with voluntary membership, DRCOG does not have a defined role or extensive funding powers in economic development or equity. However, DRCOG has a critical role in regional land use and infrastructure planning that contributes to Metro Denver's economic vitality. DRCOG can also play an important role in bringing together stakeholder groups, diverse populations, elected officials, economic developers, and major employers to address critical economic vitality and equity issues in Metro Denver.

Relationship to Regional Economic Strategy

The Sustainable Communities Partnership, a federal collaboration of the U.S. Department of Housing and Urban Development (HUD), Department of Transportation (DOT), and Environmental Protection Agency (EPA) awarded the Denver region a $4.5 million Regional Planning Grant. In partnership with a consortium of municipalities, counties, state agencies, housing authorities, nonprofits, philanthropic, and academic organizations, DRCOG's Sustainable Communities Initiative Grant (SCI Grants) will support regional, corridor, and site-level planning and implementation activities.

DRCOG's SCI Grant provided funding to develop a Regional Economic Strategy, authored by EPS, as well as a complementary Regional Housing Strategy. These two studies will be used by the DRCOG Board and Staff to update and potentially expand Metro Vision 2040 objectives and outcomes related to 1) addressing the region's housing needs, and 2) supporting regional economic vitality and workforce development by capitalizing on the location efficiency of places that connect housing, jobs, amenities, and other quality of life resources.

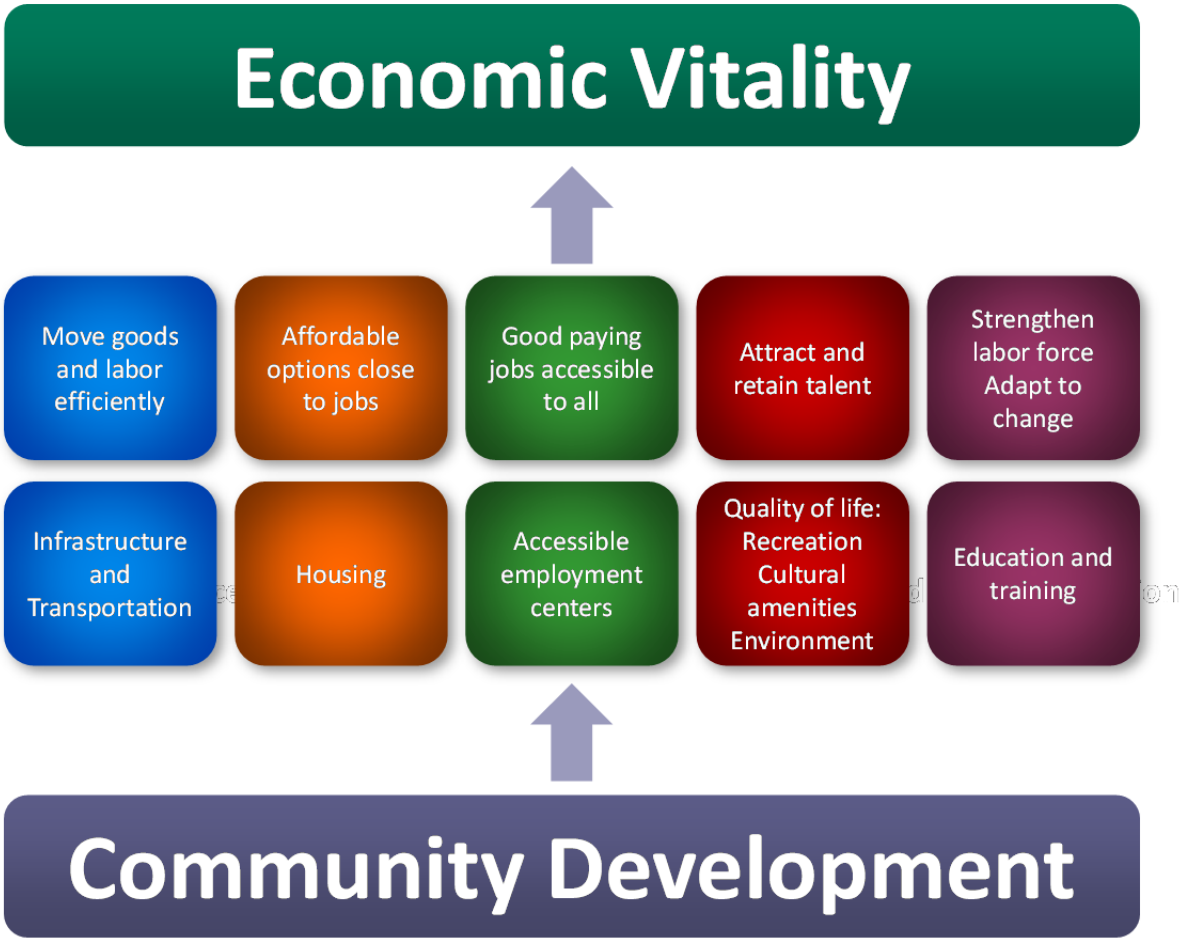
Mile High Connects was an important partner in securing DRCOG's SCI Grant and has contributed significant staff time and resources to the Metro Vision 2040 update process and transit corridor planning, as well as implementation activities. Mile High Connects has also contributed funding for this Report. This Report serves to supplement the Regional Economic Strategy by examining more closely issues related to the equitable distribution of economic opportunity, impediments to job access, and personal and family stability and economic success.

Economic Vitality

The Regional Economic Strategy is organized around the concept of Economic Vitality. It addresses all workforce, business, and quality of life requirements of a strong economy in order to enable the economy to sustain periods of growth and prosperity and adapt to change. An economic vitality strategy addresses workforce needs (education, training, access to jobs); housing; transportation; equity concerns (investing in all people equally); business and employer needs; quality of life; and the partnerships needed to create solutions and collaboration on challenging regional issues. Local governments make many of the day-to-day land use, development, and investment decisions that shape the region and influence economic vitality. DRCOG's Metro Vision Plan provides a regional framework and vision to help guide local governments' short- and long-term decisions. DRCOG therefore has a logical role in fostering continued regional collaboration towards sustained economic vitality and reciprocal equity.

The underpinnings of a healthy and prosperous economy include the region's economic development and community development functions, which are interdependent. Economic development grows the economy through business attraction, retention, and recruitment efforts. Economic growth can also be realized through the formation of new businesses. Since a skilled labor force is at the center of every strong economy, economic vitality requires attention to the needs of the entrepreneur and the workforce, including education and training and a built environment that supplies effective and functional transportation and infrastructure systems, high quality and affordable housing, and attractive and quality amenities such as parks, shopping areas, and other recreational attractions, as illustrated conceptually in **Figure 1**. Economic vitality, equity, and successful community development are interrelated and cannot be achieved without each other. DRCOG and local governments can play a role in all three of these areas, and influence equity outcomes by incorporating a broader perspective in thinking, policies, and land use and investment decisions.

Figure 1
Foundation and Building Blocks for a Sustainable Economy



Source: Economic & Planning Systems

Importance of Equity in Economic Vitality

In community and economic development, "equity" refers to fairness; even access to opportunity regardless of race, gender, ethnicity, or place of residence; and greater income equality. Since household or per capita income is associated with many social well-being and equity issues, it is a broad measure of quality of life and economic vitality. Economists have therefore taken greater interest in the relationships between income equality and economic vitality and growth.

Brenner and Pastor (2013) found that from 1990 through 2011 in areas with high income and racial segregation, and with high political fragmentation, the length of economic growth cycles was shorter. They also found that increasing income inequality created a stronger likelihood for a region to enter a downturn sooner. Federal Reserve economists (Eberts, Erickeck, and Kleinhenz, 2006) documented that a skilled workforce, racial inclusion, and improving income equality correlate strongly with economic growth. Inequality, in contrast, leads to social tension and political instability, which lowers investor confidence, investment, and ultimately economic growth (Alesina & Perotti, 1996). A study of 100 countries from 1960 through 1990 concluded that countries with more social and income equality (i.e., a strong middle class) had stronger

economic growth because they had better institutions and more skilled and educated labor (Easterly, 2001).

Threats to Economic Vitality

Metro Denver faces several emerging threats that will impede economic growth and vitality if they are not addressed. Namely, there is a large and growing population that does not have good access to quality education or job training. These people reside in locations within Metro Denver—many of them suburban—that do not have good access to living wage jobs and where poverty is often concentrated (as cited in this report, also see Denver Regional Equity Atlas[1]). This is also a national trend, but Metro Denver leaders have the greatest power to influence and reverse this trend locally and should not depend on the Federal Government to solve local problems. If it is not addressed, Metro Denver will have a larger undereducated labor force that is not equipped to compete in an increasingly knowledge, innovation, and skill based global economy. In addition, the demand for social services associated with low incomes will likely continue to grow and further constrain spending on more productive economic assets such as schools and higher education, transportation and infrastructure, and the quality of life amenities Metro Denver is known for and that have supported much of its prosperity.

Middle Skill Jobs

It should be noted that the terms "skilled labor" or "knowledge based economy" do not imply that the labor force should all be trained to be biotech, aerospace, or software engineers. In order in improve income equality, Metro Denver's economy should provide a range of job opportunities to match all skill levels, with an increasing focus on attracting and expanding employers in, training labor for, ensuring there are sites for, and increasing transportation access to, living wage and "middle skill" jobs. Middle skill jobs typically require at least a high school diploma plus on-the-job experience or post high school technical training or supplemental education, such as an associate's degree.

There is growing concern that a four-year college education does not provide as much of a ladder to economic success for all students as it has in the past. Many young graduates are finding that their job prospects are not significantly improved with a four-year degree than they would be with a high school degree and specialized training, or an associate's degree. In addition, young graduates with four-year degrees and weak job prospects frequently carry a large burden of student loan debt. Middle skill jobs, on the other hand, provide a career path that pay sufficient wages to support a family without a four-year degree. The increasing number of young people going to college may also be resulting in worker shortages in some industries such as skilled construction trades and manufacturing, as more workers are retiring than entering the labor force in these industries.

Middle skill jobs pay a living wage of approximately $15 to $20 per hour. This is benchmarked against the self-sufficiency standard for the City and County of Denver and includes the major costs associated with employment for an adult household member: food, housing, transportation, childcare, and taxes. A single adult needs to earn at least $10 per hour to cover

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[1] http://sitekreator.com/Tools/file_direct_link.html?node_id=23934489; and http://www.denverregionalequityatlas.org/

basic costs; an adult plus a preschooler would need to earn at least $20 per hour to cover childcare in addition to basic costs. An adult with two children, one school age and one preschooler, would need to earn more than $24 per hour[2]. Colorado's Minimum Wage is currently $8.00 per hour and $4.98 per hour for tipped employees. A related issue is that free or affordable child care is essential to enabling people to enter the labor force.

Metro Denver is competitive in attracting a broad range of jobs that match these skill levels, including advanced manufacturing and green technology, allied health care fields, business services, construction, and energy. Attracting these types of jobs to transit accessible locations should continue to be a focus of the land use planning and Metro Denver's regional economic development strategy.

[2] The Self-Sufficiency Standard for Colorado, 2011. Diana M. Pearce, PhD, Director, Center for Women's Welfare, October 2011. University of Washington School of Social Work. http://www.selfsufficiencystandard.org/docs/Colorado2011.pdf

3. DEMOGRAPHIC CHANGE

This chapter of the report highlights population and demographic trends affecting Metro Denver and forecasts on population, race and ethnicity. Data presented here comes primarily from the U.S. Census and the Colorado Department of Local Affairs (DOLA).

Population Trends and Forecasts

Metro Denver added nearly half a million people from 2000 through 2012.

The suburban counties of Adams, Arapahoe, and Douglas accounted for 70 percent of Metro Denver's population growth from 2000 through 2012, or 329,000 people, due to large areas of developable land and major investments in the regional highway and road network (**Table 1**, **Figure 2**). Denver added 78,000 people over this time period due to a large increase in infill and redevelopment. Jefferson County also continued to grow, adding nearly 20,000 people.

Table 1
Population Trends, Metro Denver, 2000-2012

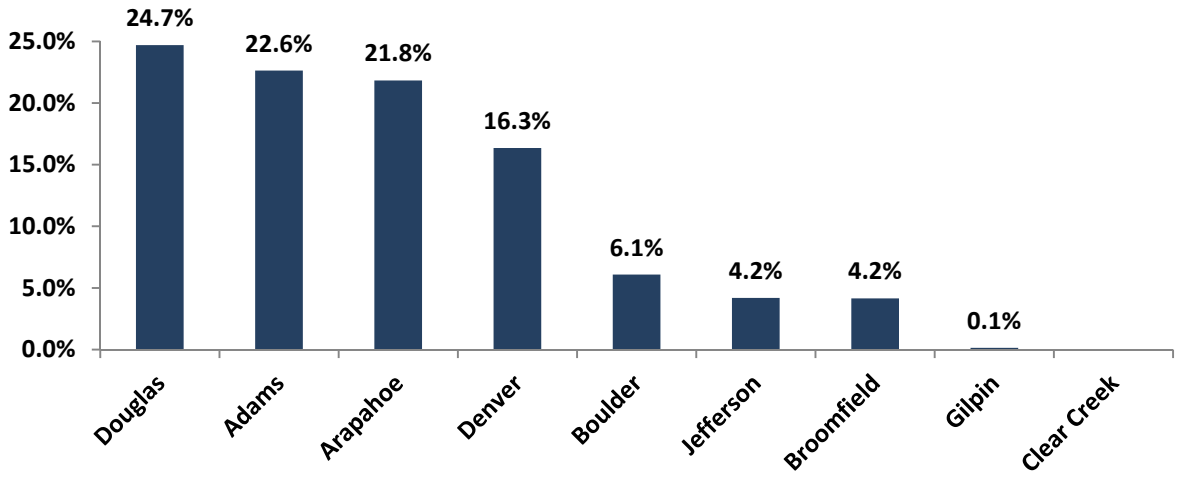
				Change 2000-2012		
County	**2000**	**2010**	**2012**	**Change**	**Pct. Change**	**Growth Rate**
Adams	351,735	443,711	459,555	107,820	30.7%	2.3%
Arapahoe	490,722	574,819	594,731	104,009	21.2%	1.6%
Boulder	276,255	295,605	305,251	28,996	10.5%	0.8%
Broomfield [1]	38,544	56,107	58,322	19,778	51.3%	3.5%
Clear Creek	9,361	9,108	8,987	-374	-4.0%	-0.3%
Denver	556,738	604,879	634,619	77,881	14.0%	1.1%
Douglas	180,510	287,124	298,167	117,657	65.2%	4.3%
Gilpin	4,803	5,463	5,464	661	13.8%	1.1%
Jefferson	526,718	535,651	546,653	19,935	3.8%	0.3%
Total	**2,435,386**	**2,812,467**	**2,911,749**	**476,363**	**19.6%**	**1.5%**

[1] Broomfield was not a county in 2000

Source: Colorado DOLA, Economic & Planning Systems

H:\143011-DRCOG Equitable Growth Evaluation\Data\[143011-Demo.xlsx]PopForecastAge_County65

Figure 2
Share of Population Change by County, Metro Denver, 2000-2012



Metro Denver will add 1.5 million people over the next 25 to 30 years. Future growth patterns indicate the growing importance of the suburbs in an equitable and sustainable growth strategy.

The majority of the region's population growth is expected to continue to occur in Adams, Arapahoe, and Douglas Counties, which will capture two-thirds of the region's population growth. Adams County is forecast to add 367,000 people, followed by Arapahoe County (+361,000), and Douglas County (+310,000). These three counties still have large areas of undeveloped land that is anticipated to continue to absorb growth. The City and County of Denver and Jefferson County are largely infill development locations and will grow more slowly. Denver is expected to add 183,000 people and Jefferson County will add 161,000 people (**Table 2** and **Figure 3**).

Table 2
Population Forecast, Metro Denver, 2005-2035

Year	2005	2015	2035	Change 2005-2035		
				Total #	Pct. Change	Growth Rate
Adams	409,220	507,639	776,429	367,209	89.7%	2.2%
Arapahoe	531,741	627,846	893,212	361,471	68.0%	1.7%
Boulder	294,045	319,423	392,841	98,796	33.6%	1.0%
Broomfield	46,512	58,753	92,066	45,554	97.9%	2.3%
Clear Creek	9,679	11,629	16,978	7,299	75.4%	1.9%
Denver	579,744	626,343	762,612	182,868	31.5%	0.9%
Douglas	246,866	330,596	557,034	310,168	125.6%	2.7%
Gilpin	5,123	6,290	9,485	4,362	85.1%	2.1%
Jefferson	535,837	577,303	696,350	160,513	30.0%	0.9%
Total	**2,658,767**	**3,065,822**	**4,197,007**	**1,538,240**	**57.9%**	**1.5%**

Source: DRCOG, Economic & Planning Systems

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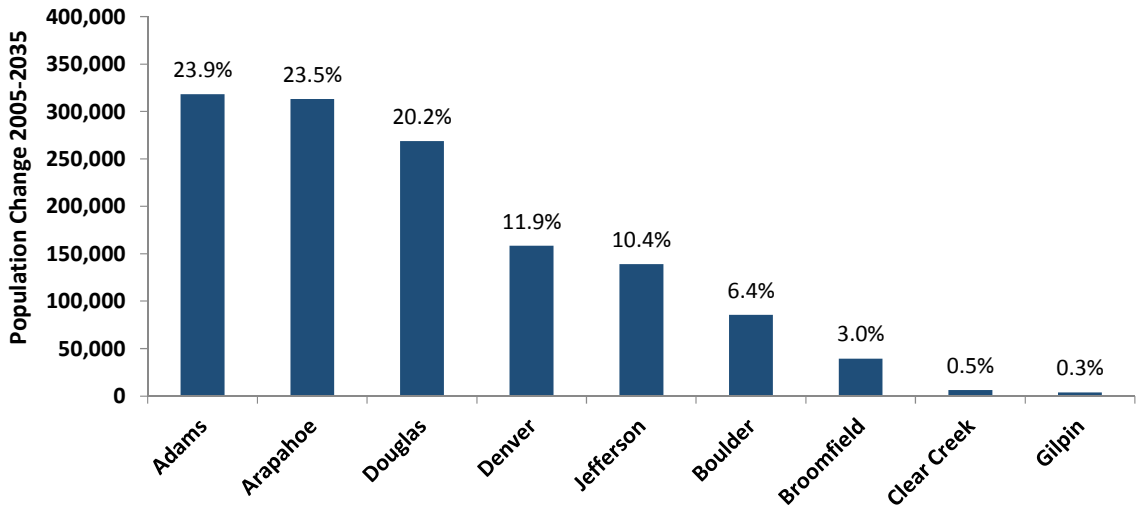
Figure 3
Population Forecast and Share of Population Change by County, Metro Denver, 2005-2040

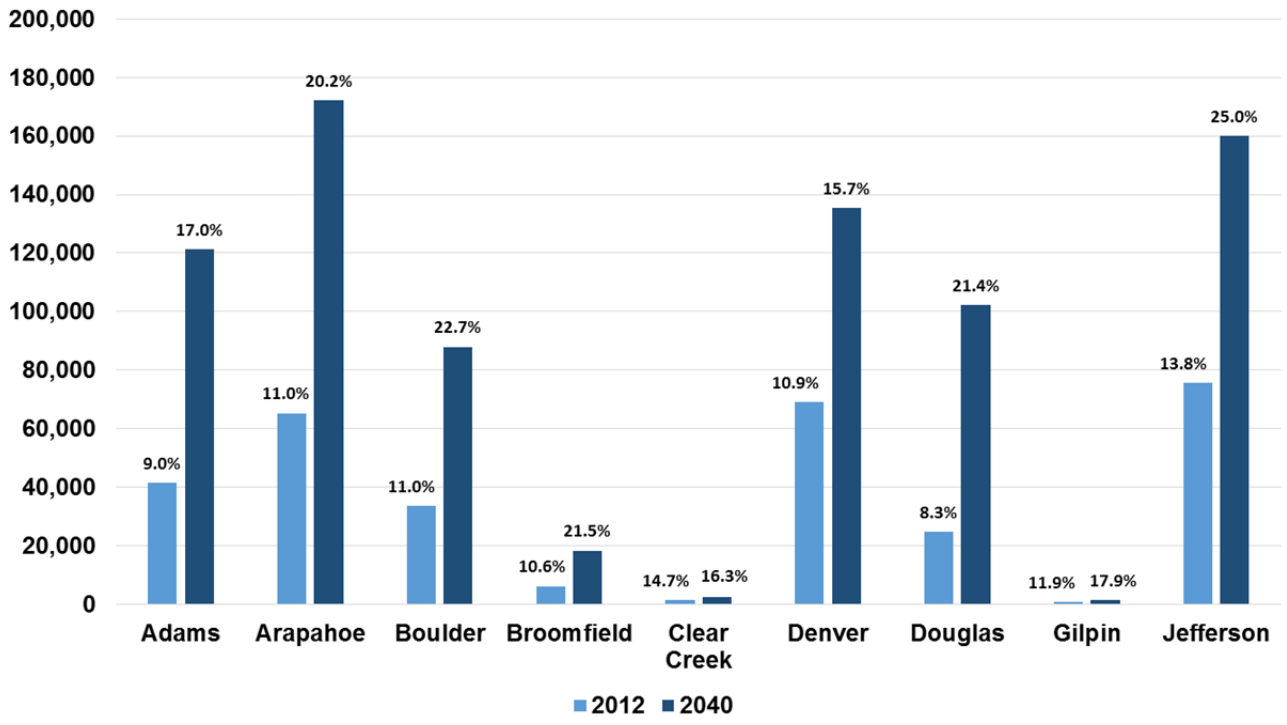


Aging Population

The highest concentrations of Metro Denver's over 65 population are in suburban communities. Metro Denver's over 65 population will increase by half a million over the next 25 years.

The largest increases in the over 65 population will occur in Adams County (+80,000), Arapahoe County (+107,000), and Douglas (+77,500), and Jefferson (+84,000) Counties, as shown in **Figure 4**. Denver will add 66,000 people over 65, and Boulder County will add 54,000. Arapahoe County, Jefferson County, and Denver each have 20 to 25 percent of the over 65 population, or 75 percent of Metro Denver's total (**Figure 5**). Most retirees and seniors will choose to age in place and stay at or near their current residence. The American Association of Retired Persons' (AARP) State of 50+ America Survey found that 79 percent of those aged 50 to 64 would like to continue to live in their current community.

Figure 4
Over 65 Population Forecast by County, Metro Denver, 2012-2040



Source: Colorado DOLA, Economic & Planning Systems

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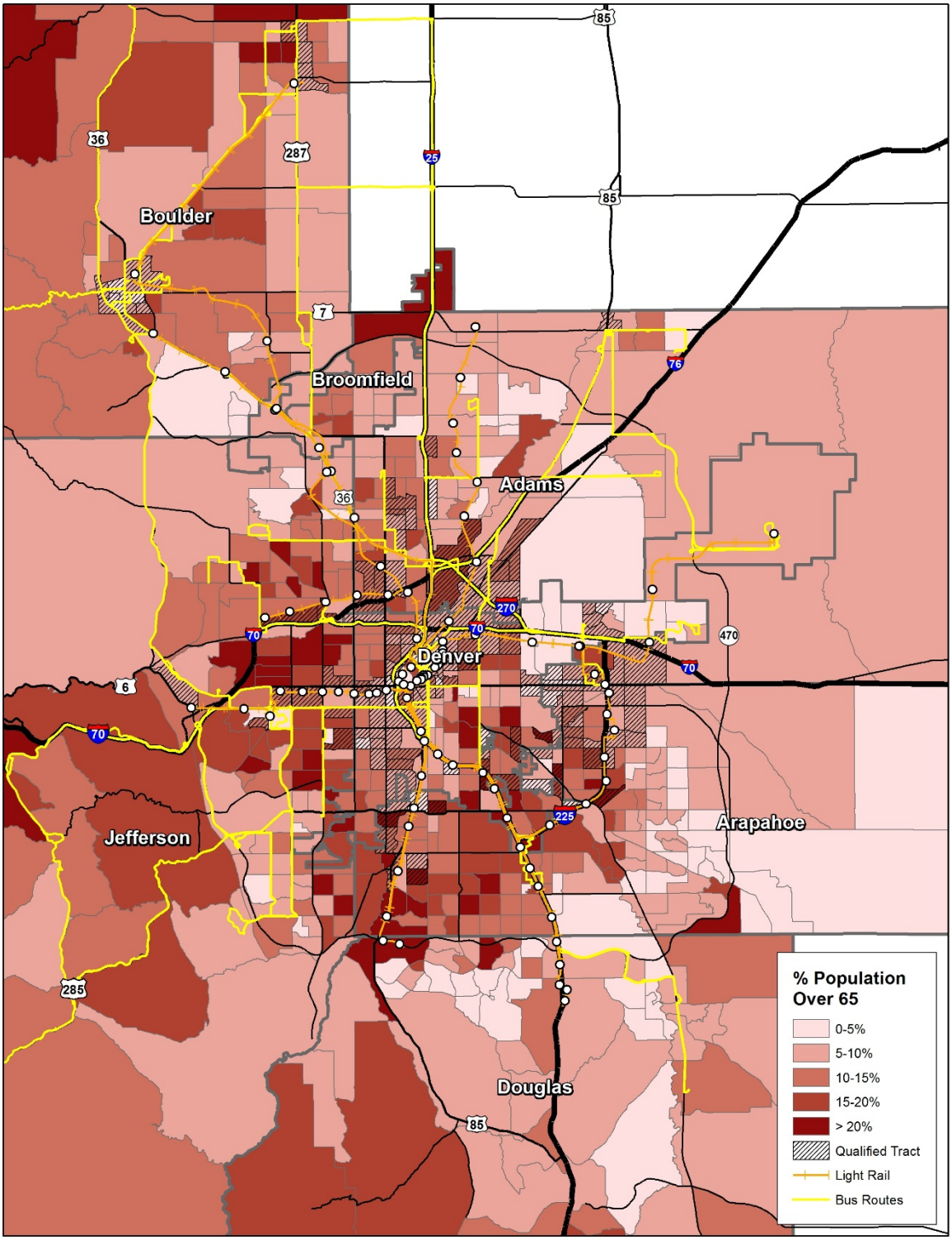
Figure 5
Percentage of Population Over 65



Qualified Census Tracts are defined by HUD as Census Tracts with a poverty rate of at least 25 percent or where at least 50 percent of households have incomes below 60 percent of the area median household income.
Source: U.S. Census ACS 2012 5 yr. Estimates, Economic & Planning Systems

Racial and Ethnic Diversity

From 2000 through 2010, nearly half of new Metro Denver residents were of Hispanic or Latino origin (white and non-white). Non-whites of any race and ethnicity accounted for one-third of new residents (**Table 3**). Racial and ethnic diversity is increasing faster in suburban communities than in Denver's urban core. In Adams County, the Hispanic population increased by 63.6 percent from 2000 through 2010, by 83.2 percent in Arapahoe County, and by 45.8 percent in Jefferson County. In Denver, the Hispanic population increased by 8.7 percent (**Table 4**).

Table 3
Population by Race and Hispanic Origin, Metro Denver, 2000-2010

			Change		
Race or Hispanic Origin	**2000**	**2010**	**# Change**	**Pct. Change**	**Share of Change**
Total Population	**2,414,649**	**2,798,757**	**384,108**	**15.9%**	**100.0%**
White	1,945,359	2,202,502	257,143	13.2%	66.9%
Black or African American	118,858	145,427	26,569	22.4%	6.9%
American Indian and Alaska Native	21,426	26,697	5,271	24.6%	1.4%
Asian	71,954	105,862	33,908	47.1%	8.8%
Native Hawaiian and Other Pacific Islander	2,357	3,216	859	36.4%	0.2%
Some other race	184,483	216,978	32,495	17.6%	8.5%
Two or More Races	70,212	98,075	27,863	39.7%	7.3%
Total Population	**2,414,649**	**2,798,757**	**384,108**	**15.9%**	**100.0%**
Hispanic or Latino Origin, Any Race	**428,255**	**608,390**	**180,135**	**42.1%**	**46.9%**
Non-White	**469,290**	**596,255**	**126,965**	**27.1%**	**33.1%**
Percent of Total					
White	80.6%	78.7%			
Black or African American	4.9%	5.2%			
American Indian and Alaska Native	0.9%	1.0%			
Asian	3.0%	3.8%			
Native Hawaiian and Other Pacific Islander	0.1%	0.1%			
Some other race	7.6%	7.8%			
Two or More Races	2.9%	3.5%			
Total Population	**100.0%**	**100.0%**			
Hispanic or Latino Origin, Any Race	**17.7%**	**21.7%**			

Source: US Census; Economic & Planning Systems

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Table 4
Percent Change in Population by Race by County, 2000-2010

Race or Hispanic Origin	Adams	Arapahoe	Boulder	Clear Creek	Denver	Douglas	Gilpin	Jefferson
2000-2010 Total Change								
Total Population	**77,746**	**84,036**	**3,279**	**-234**	**45,522**	**109,699**	**684**	**7,487**
White	42,564	25,862	-1,020	-320	51,516	94,534	668	-4,760
Black or African American	2,721	20,679	-27	7	-214	1,800	3	990
American Indian and Alaska Native	1,595	1,129	45	-10	947	467	2	746
Asian	4,269	9,818	3,218	11	4,822	6,312	44	2,001
Native Hawaiian and Other Pacific Islander	157	554	2	-3	-41	95	1	48
Some other race	21,629	17,048	-469	59	-15,273	2,381	-42	5,382
Two or More Races	4,811	8,946	1,530	91	3,765	4,110	8	3,080
Hispanic or Latino Origin, Any Race	**65,293**	**47,910**	**8,820**	**92**	**15,261**	**12,506**	**65**	**23,996**
2000-2010 % Change								
Total Population	**21.4%**	**17.2%**	**1.1%**	**-2.5%**	**8.2%**	**62.4%**	**14.4%**	**1.4%**
White	15.1%	6.6%	-0.4%	-3.6%	14.2%	58.0%	14.9%	-1.0%
Black or African American	25.2%	55.3%	-1.1%	26.9%	-0.3%	107.4%	12.0%	21.2%
American Indian and Alaska Native	36.9%	34.9%	2.5%	-14.7%	13.0%	65.2%	5.1%	18.8%
Asian	36.6%	51.0%	36.1%	32.4%	30.9%	143.3%	133.3%	16.6%
Native Hawaiian and Other Pacific Islander	36.2%	94.5%	1.2%	-100.0%	-6.3%	97.9%	11.1%	11.7%
Some other race	50.7%	77.5%	-3.4%	62.1%	-17.7%	94.7%	-57.5%	31.6%
Two or More Races	37.9%	58.0%	24.1%	81.3%	18.1%	124.7%	9.0%	26.9%
Hispanic or Latino Origin, Any Race	**63.6%**	**83.2%**	**29.0%**	**25.5%**	**8.7%**	**140.7%**	**32.2%**	**45.8%**

Note: Broomfield was not a county in 2000

Source: US Census; Economic & Planning Systems

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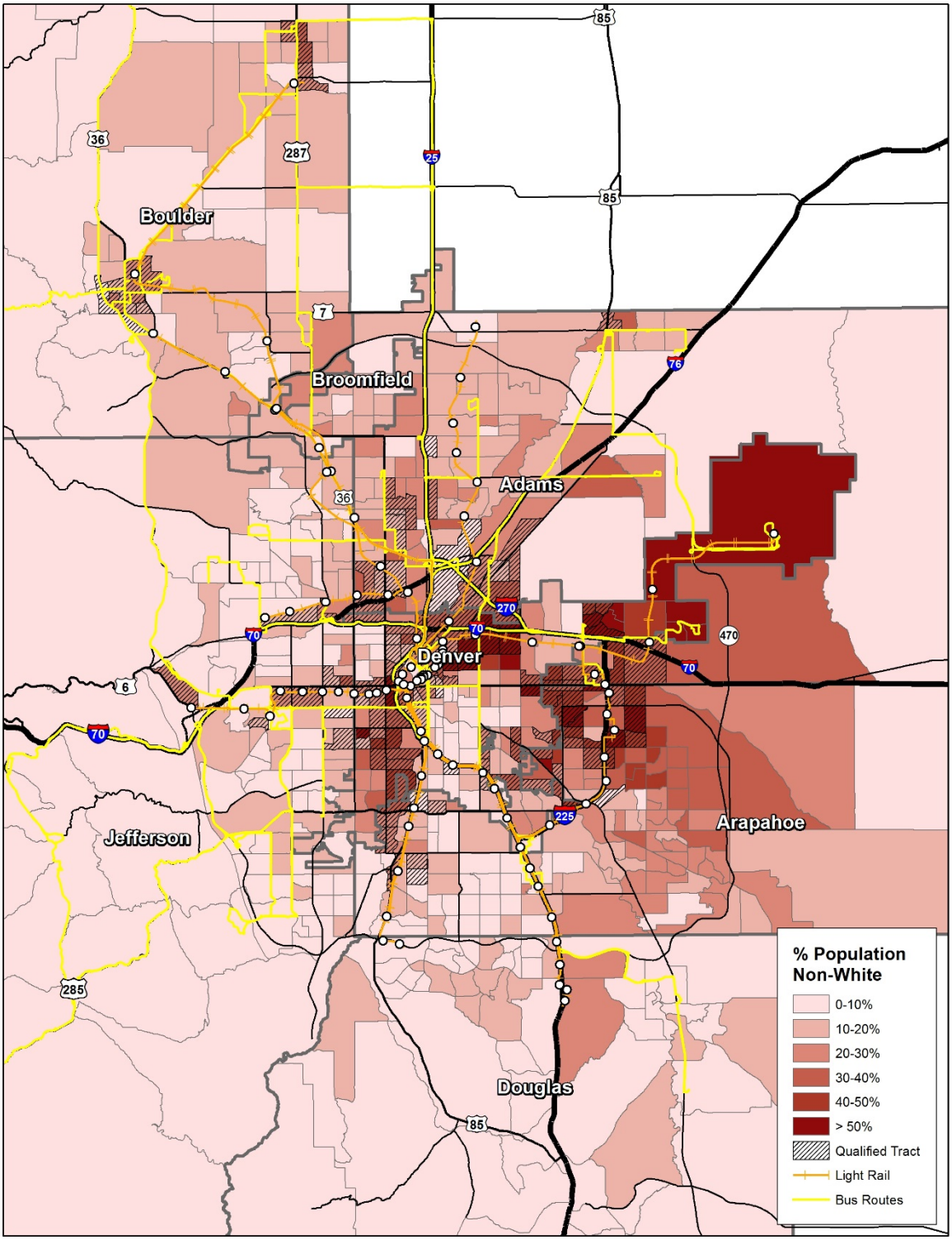
The non-white, Hispanic, and Latino population is concentrated in areas of Metro Denver that have high poverty rates and low household incomes. As a way of mapping poverty and for administering related programs, HUD defines Qualified Census Tracts (QCTs) as locations in which the poverty rate exceeds 25 percent, or half or more of the households earn less than 60 percent of the Area Median Income (AMI). The federal poverty rate is $24,000 per year for a family of four and $16,000 per year for a two-person household. Sixty percent of AMI is $46,000 for a family of four, or approximately $39,000 for an average household size of 2.5. In **Figure 6**, the percentage of the population describing themselves as non-white is overlaid with QCTs. As shown, areas with high concentrations of people of color coincide with areas with high poverty rates and low average household income.

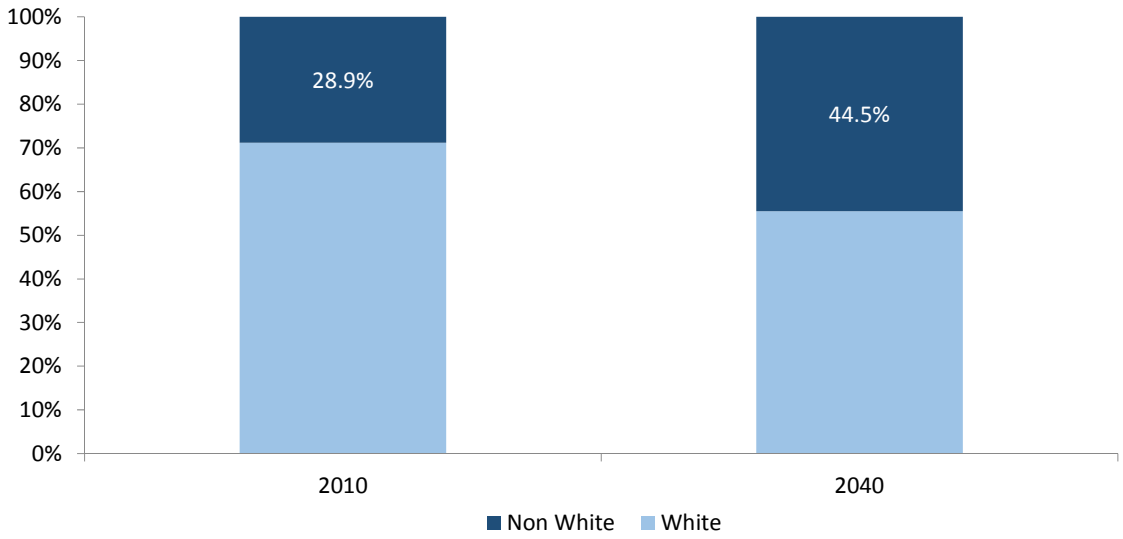
Figure 6
Non-White Population as a Percentage of Total by Census Tract, 2012



Qualified Census Tracts are defined by HUD as Census Tracts with a poverty rate of at least 25 percent or where at least 50 percent of households have incomes below 60 percent of the area median household income.
Source: U.S. Census ACS, Economic & Planning Systems

The State Demographer's office within DOLA has estimated that the non-white population will increase from 28.9 percent in 2010 to 44.5 percent of the population in 2040 (**Figure 7**). Based on the distribution of population within Colorado, it can be expected that the majority of the new non-white population will live in the urban areas along the Front Range including Metro Denver.

Figure 7
Statewide Forecast of Non-White and White Population, 2010-2040



Source: Colorado DOLA, Economic & Planning Systems

A number of first ring suburbs have emerged as "landing points" for immigrants. These areas also correspond with areas of high poverty and low incomes.

From 2000 through 2010, Americans born in Asia increased by 21,000 or 37.9 percent (**Table 5**). The population born in Africa doubled, with an increase of 8,500. People from the Americas (North and South America outside the U.S.) increased by 37,000 or 24.4 percent. Note that this statistic does not report the total population of a race or ethnicity, such as Hispanic or Latino origin, as one can be of Hispanic or Latino origin but be born in the U.S. Like the Hispanic and Latino and non-white population, the foreign born population is concentrated in poor areas of Metro Denver (**Figure 8**).

Table 5
Foreign Born Population by Place of Birth DRCOG Region, 2000-2010

Place of Birth	2000	2010	Change	Pct. Change
Europe	42,795	44,610	1,815	4.2%
Asia	55,536	76,600	21,064	37.9%
Africa	8,306	16,771	8,465	101.9%
Oceania	1,871	2,649	778	41.6%
Americas	152,192	189,310	37,118	24.4%
Total	**260,700**	**329,940**	**69,240**	**26.6%**

Source: US Census, US Census ACS; Economic & Planning Systems

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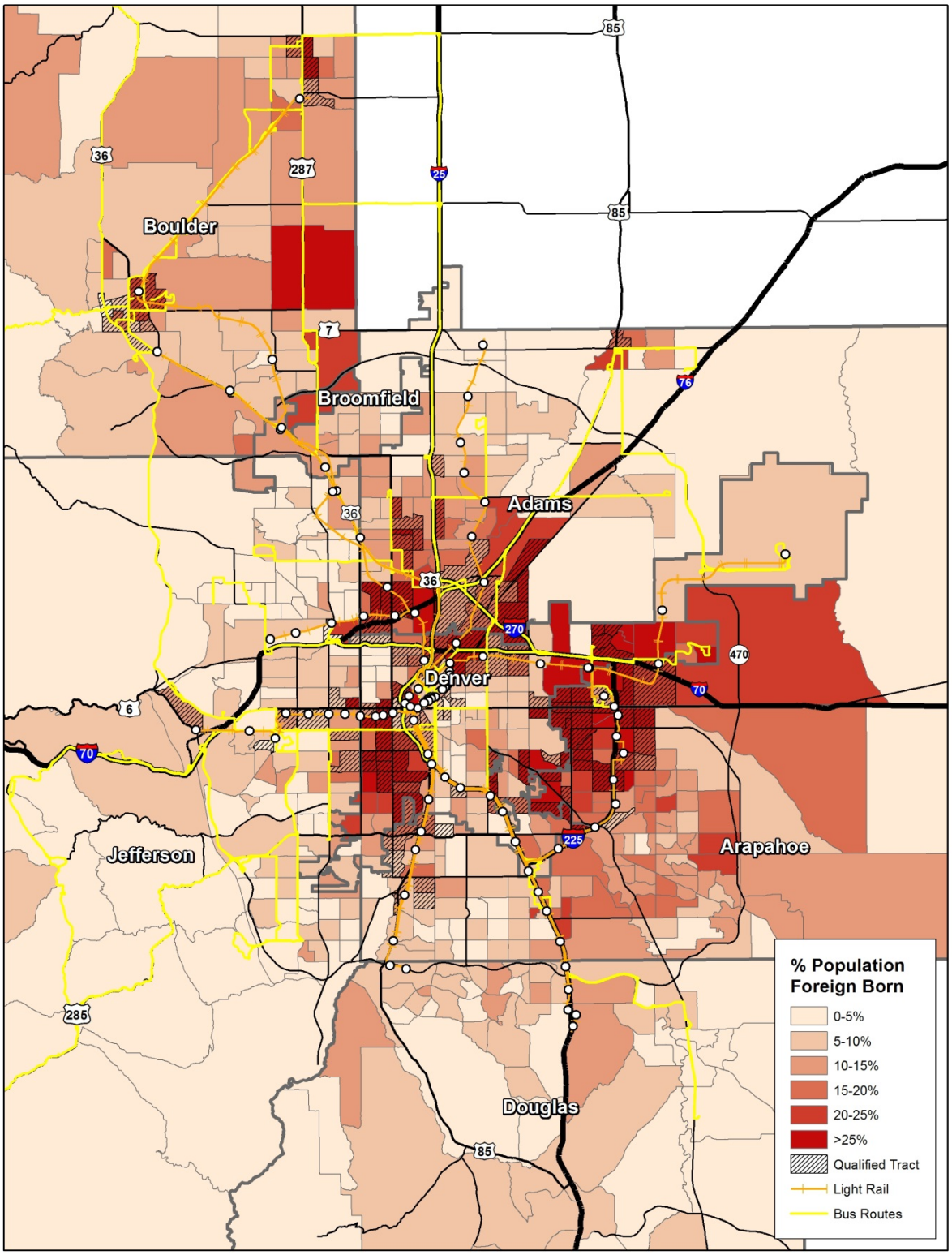
Figure 8
Foreign Born Population by Census Tract, 2012



Qualified Census Tracts are defined by HUD as Census Tracts with a poverty rate of at least 25 percent or where at least 50 percent of households have incomes below 60 percent of the area median household income.
Source: U.S. Census ACS, Economic & Planning Systems

Poverty Rate

The number and percentage of people living at or below the poverty line has increased in every County in Metro Denver since 1990. The most recent data available are through 2012, and thus before the end of the Great Recession. Economic recovery will hopefully reduce the number of people living in poverty. In Arapahoe and Adams Counties, the number of people in poverty more than doubled from 2000 through 2012, with an increase of 39,000 and 46,000 people, respectively (**Table 6**). Denver had 41,000 more people living in poverty since 1990 and 2000, and this population in poverty did not change significantly between those years. Generally affluent Boulder and Douglas Counties also saw large absolute and proportionally large increases in people in poverty, with an increase of 18,000 in Boulder County and 11,000 in Douglas County.

Table 6
Percentage of Population in Poverty by County, 1990-2012

County	1990	2000	2012	Change 1990-2012
Total Below Poverty Level				
Adams	27,267	32,036	66,177	38,910
Arapahoe	22,973	27,987	68,560	45,587
Boulder	23,738	26,818	41,860	18,122
Broomfield	---	---		---
Denver	78,515	77,813	119,580	41,065
Douglas	1,895	3,706	12,878	10,983
Jefferson	24,926	26,821	48,286	23,360
% Below Poverty Level				
Adams	10.4%	8.9%	14.8%	4.4%
Arapahoe	5.9%	5.8%	11.8%	5.9%
Boulder	11.0%	9.5%	14.4%	3.4%
Broomfield	---	---	7.9%	---
Denver	17.1%	14.3%	19.7%	2.6%
Douglas	3.2%	2.1%	4.4%	1.2%
Jefferson	5.8%	5.2%	9.1%	3.3%

US Census; Economic & Planning Systems

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Educational Attainment

There are wide gaps in educational attainment in Metro Denver according to race and ethnicity, and to place of residence. People without access to quality education are not prepared to enter the labor force, which reduces Metro Denver's pool of skilled labor.

Metro Denver's Hispanic and Latino populations have some of the lowest levels educational attainment, with 32.2 percent having less than a high school diploma (**Table 7**). Recent figures from the U.S. Census estimate that more than 80,000 Hispanics and Latinos have not completed high school. The percentage of the population without a high school diploma for other people of color ranges from 3.4 percent for native Hawaiians and Pacific Islanders to 7.6 percent for Blacks and African Americans, and 10.5 percent for American Indians and Native Alaskans. The white population is the most highly educated, in which less than three percent has not completed high school.

Table 7
Population with Less than a High School Diploma by Race, 2012

Race	Adams	Arapahoe	Boulder	Broomfield	Clear Creek	Denver	Douglas	Gilpin	Jefferson	Total
Population Without HS Diploma										
Hispanic or Latino	22,785	14,990	5,640	285	10	31,055	575	0	7,100	82,440
White	8,245	5,110	1,900	515	120	4,655	1,750	160	8,225	30,680
Black	485	2,115	15	0	0	2,045	0	0	230	4,890
American Indian/Alaska Native	190	90	30	0	0	130	65	0	190	695
Asian	1,105	1,490	310	215	0	1,155	80	0	735	5,090
Native Hawaiian/Pacific Islander	30	0	0	0	0	0	10	0	0	40
Total	**32,840**	**23,795**	**7,895**	**1,015**	**130**	**39,040**	**2,480**	**160**	**16,480**	**123,835**
% of Total										
Hispanic or Latino	33.7%	33.9%	34.1%	10.4%	4.3%	37.8%	6.2%	0.0%	21.2%	32.2%
White	6.3%	2.6%	1.5%	2.2%	2.3%	2.5%	1.4%	5.4%	3.5%	2.9%
Black	8.7%	8.0%	1.5%	0.0%	0.0%	7.6%	0.0%	0.0%	10.6%	7.6%
American Indian/Alaska Native	13.4%	6.8%	5.9%	0.0%	0.0%	7.4%	22.4%	0.0%	15.1%	10.5%
Asian	14.6%	10.6%	5.2%	12.8%	0.0%	10.8%	1.5%	0.0%	10.4%	9.7%
Native Hawaiian/Pacific Islander	13.6%	0.0%	0.0%	0.0%	0.0%	0.0%	29.4%	0.0%	0.0%	3.4%
Total	**15.5%**	**8.3%**	**5.2%**	**3.6%**	**2.4%**	**12.6%**	**1.7%**	**5.0%**	**5.8%**	**8.7%**

Source: US Census ACS, Economic & Planning Systems

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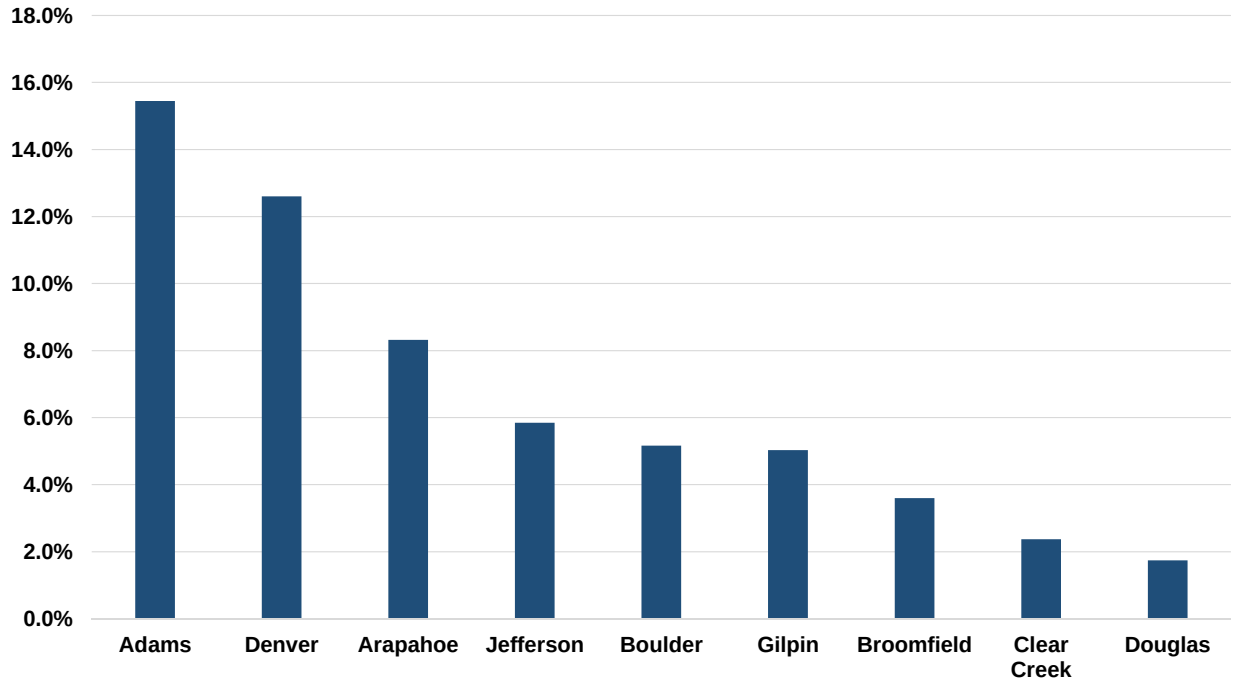
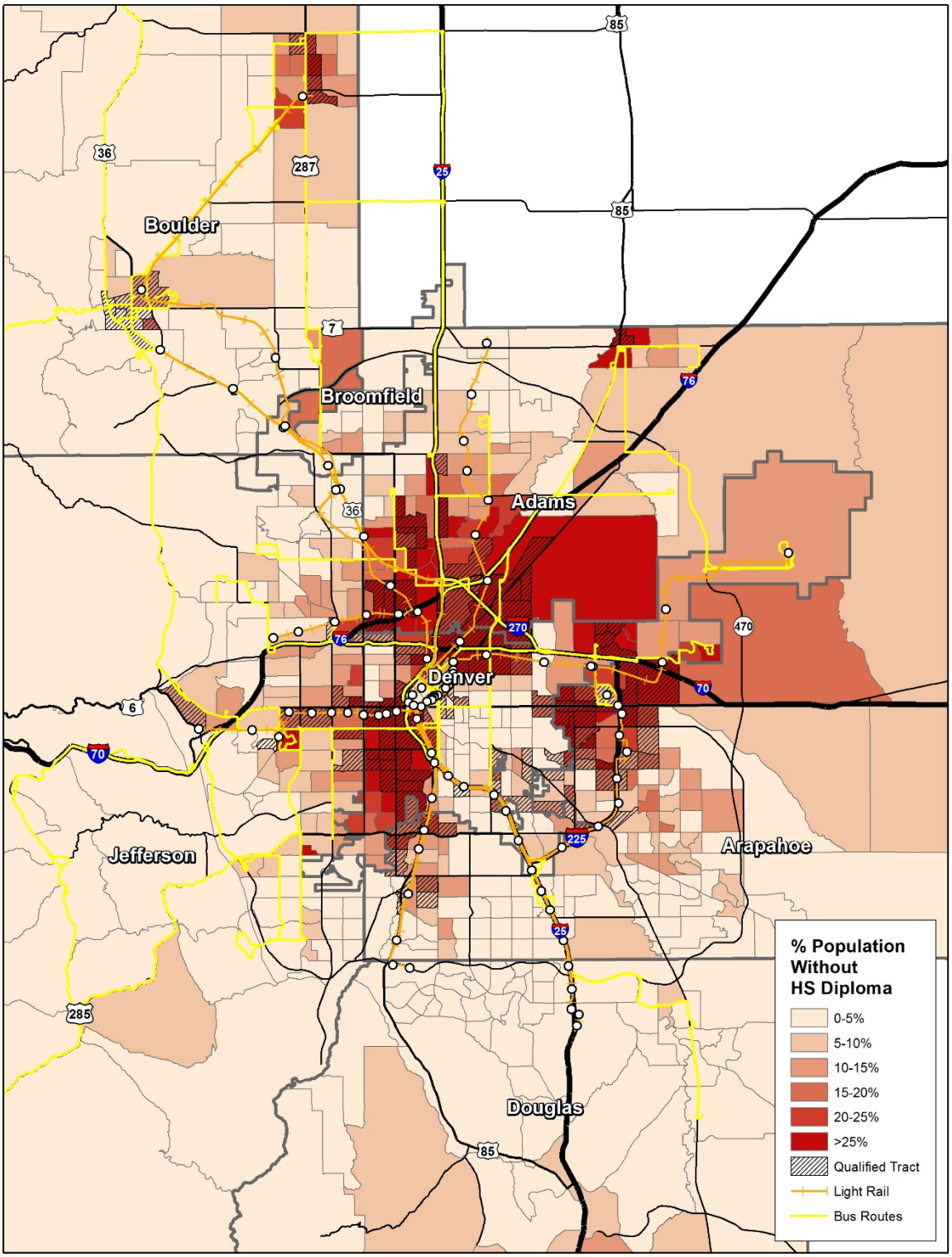
By location, Adams County's population lags the rest of Metro Denver in educational attainment with 15.5 percent having less than a high school degree. In the City and County of Denver, 12.6 percent have not completed high school, compared to 8.1 percent in Arapahoe County (**Figure 9**). The highest rates of high school completion are in Jefferson, Boulder, Gilpin, Broomfield, Clear Creek, and Douglas Counties, where no more than six percent of the population has not completed high school. Areas of Metro Denver with low educational attainment also coincide with areas with high rates of poverty (**Figure 10**).

Figure 9
Percentage of Population without High School Diploma by County, 2012



Source: U.S. Census ACS, Economic & Planning Systems

Figure 10
Percentage of Population without High School Diploma, 2012



Qualified Census Tracts are defined by HUD as Census Tracts with a poverty rate of at least 25 percent or where at least 50 percent of households have incomes below 60 percent of the area median household income.
Source: U.S. Census ACS, Economic & Planning Systems

4. JOBS AND JOB ACCESS

This chapter documents employment trends by industry and wage level in Metro Denver using data from the U.S. Bureau of Labor Statistics. A particular focus is employment (job) trends in middle skill and living wage industries, and the lack of wage growth at the lowest wage levels when adjusted for inflation.

Employment and Wage Trends

Metro Denver's economy is recovering. However, the Great Recession had large negative impacts on many industries that pay living wages ($15 to $20 per hour).

Middle skill jobs that pay living wages for moderate skill and education workers have traditionally been defined as construction, manufacturing, transportation and distribution, and some retail and hospitality management level positions. From 2001 through the second quarter of 2013, there were major job losses in these industries. Construction lost more than 27,000 jobs and manufacturing lost more than 26,000 jobs; both industries have average wages above $20 per hour (**Table 8**).

Table 8
Wage and Salary Employment, 2001-Q2 2013, 7-County Metro Area

Industry Sector	Q2 2013 Avg. Wage [1]	2001	Q2 2013	Change #	Change Ann. %
Agriculture	$12.69	2,588	2,638	50	0.2%
Mining	$62.64	5,526	10,577	5,051	5.8%
Utilities	$42.74	4,233	4,130	-103	-0.2%
Construction	$24.47	98,864	71,406	-27,458	-2.8%
Manufacturing	$31.68	107,457	80,952	-26,505	-2.4%
Wholesale Trade	$35.63	73,981	70,464	-3,517	-0.4%
Retail Trade	$13.70	141,624	142,198	574	0.0%
Transportation and Warehousing	$24.57	59,823	51,864	-7,959	-1.2%
Information	$43.56	82,539	52,440	-30,099	-3.9%
Finance and Insurance	$37.84	74,106	73,853	-253	0.0%
Real Estate and Rental and Leasing	$25.05	29,156	26,179	-2,977	-0.9%
Professional and Technical Services	$40.77	113,021	138,427	25,406	1.8%
Management of Companies and Enterprises	$55.10	14,379	29,382	15,003	6.4%
Administrative and Waste Services	$16.83	94,190	96,302	2,112	0.2%
Educational Services	$18.94	45,375	58,769	13,394	2.3%
Health Care and Social Assistance	$23.27	111,214	157,499	46,285	3.1%
Arts, Entertainment, and Recreation	$16.54	18,130	25,130	7,000	2.9%
Accommodation and Food Services	$8.94	108,805	132,629	23,824	1.7%
Other Services, Except Public Administration	$17.45	40,560	43,519	2,959	0.6%
Government and Government Enterprises	$28.27	54,519	64,072	9,553	1.4%
Other/Unclassified	$25.14	72,305	94,299	21,994	2.3%
Total	**$25.82**	**1,352,395**	**1,426,730**	**74,335**	**0.5%**

[1] Annual wage divided by 2,080 hours per year.

Source: Bureau of Labor Statistics; Economic & Planning Systems

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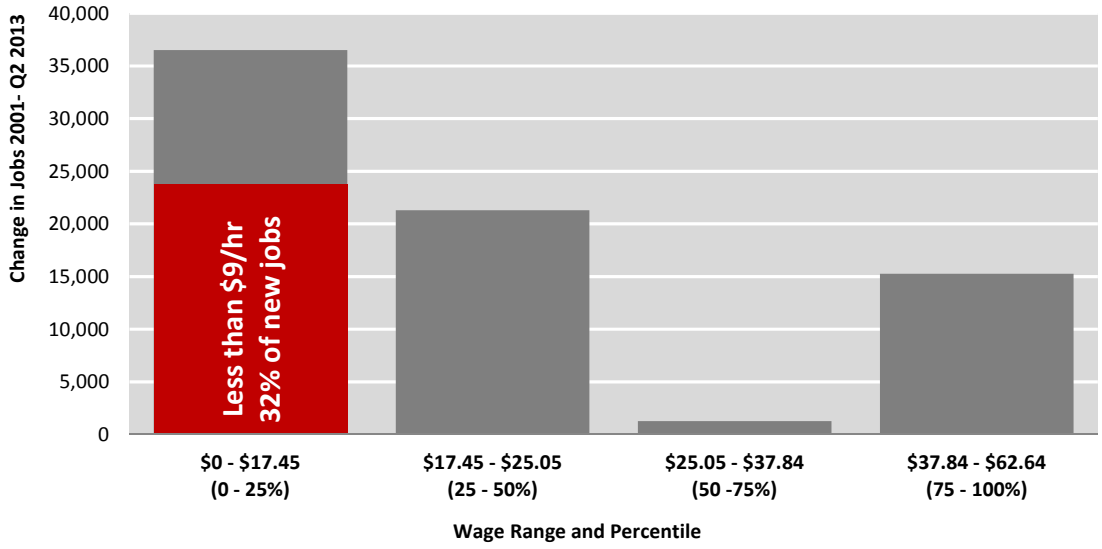
While there has been net job growth since 2001, nearly half of it has been in lower wage industries below $17.45 per hour, and approximately one-third was in jobs that pay $9.00 or less.

From 2001 through 2012, 49 percent of new job growth, or 36,250 jobs, was in industries that pay less than $17.45 per hour ($36,000 per year). Jobs that pay less than $17.45 per hour are in the bottom 25th percentile of jobs by wage level. Within this bottom 25th percentile, the accommodations and food services industry added 23,800 new jobs at an average of $8.94 per hour (not including gratuities). Middle wage jobs, shown here in approximately the $17 to $25 per hour range, accounted for 21,000 jobs, or 29 percent of new job growth (**Figure 11** and **Table 9**).

Job growth by wage level in Metro Denver is bifurcated above and below the 50th to 75th percentile wages, or between $25.05 and $37.84 per hour. There was negligible job growth at these wage levels when compared to 15,000 new jobs paying more than $37.84 per hour. The industries that pay between $25.05 include real estate, government, manufacturing, wholesale trade, and finance and insurance, which were severely impacted by the Great Recession and have not recovered.

Figure 11
Change in Employment by Wage Range and Quartile, 7-County Metro Area, 2001-Q2013



The implications of these trends are not clear. On one hand, Metro Denver appears to be creating and attracting a significant number of higher wage jobs, as 29 percent of the job growth was in industries paying $17 to $25 per hour. On the other hand, the growth in low wage jobs below $17.45 per hour—concentrated below $9.00 per hour—accounted for nearly half of the job growth. Therefore some bifurcation of the economy is occurring, with growth in high wage industries and lower wage industries, and less growth in middle wage industries.

Enrico Moretti's *New Geography of Jobs* (2012) explores the bifurcation of the economy into high and low wage job in greater detail. A key recommendation from his work is the importance of developing an export-based advanced manufacturing sector to support more jobs in the middle wage and skill levels.

Table 9
Change in Employment by Wage Level, 7-County Metro Area, 2001-Q22013

Industry Sector	Q2 2013 Avg. Wage [1]	Change in Empl. 2001 - Q2 2013	Pct. Change
Mining	$62.64	5,051	195.2%
Management	$55.10	15,003	271.5%
Information	$43.56	-30,099	-711.1%
Utilities	$42.74	-103	-0.1%
Prof. and Tech. Services	$40.77	25,406	23.6%
Finance and Insurance	$37.84	-253	-0.3%
Wholesale Trade	$35.63	-3,517	-2.5%
Manufacturing	$31.68	-26,505	-44.3%
Government	$28.27	9,553	11.6%
Other/Unclassified	$25.14	21,994	29.7%
Real Estate and Rental and Leasing	$25.05	-2,977	-10.2%
Transportation and Warehousing	$24.57	-7,959	-7.0%
Construction	$24.47	-27,458	-191.0%
Health Care and Social Assistance	$23.27	46,285	49.1%
Educational Services	$18.94	13,394	29.5%
Other Services	$17.45	2,959	2.7%
Admin. and Waste Services	$16.83	2,112	11.7%
Arts, Ent., and Rec.	$16.54	7,000	6.4%
Retail Trade	$13.70	574	1.4%
Agriculture	$12.69	50	0.1%
Accomm. and Food Svcs.	$8.94	23,824	32.9%
Total	**$25.82**	**74,335**	**5.5%**

[1] Annual wage divided by 2,080 hours per year.

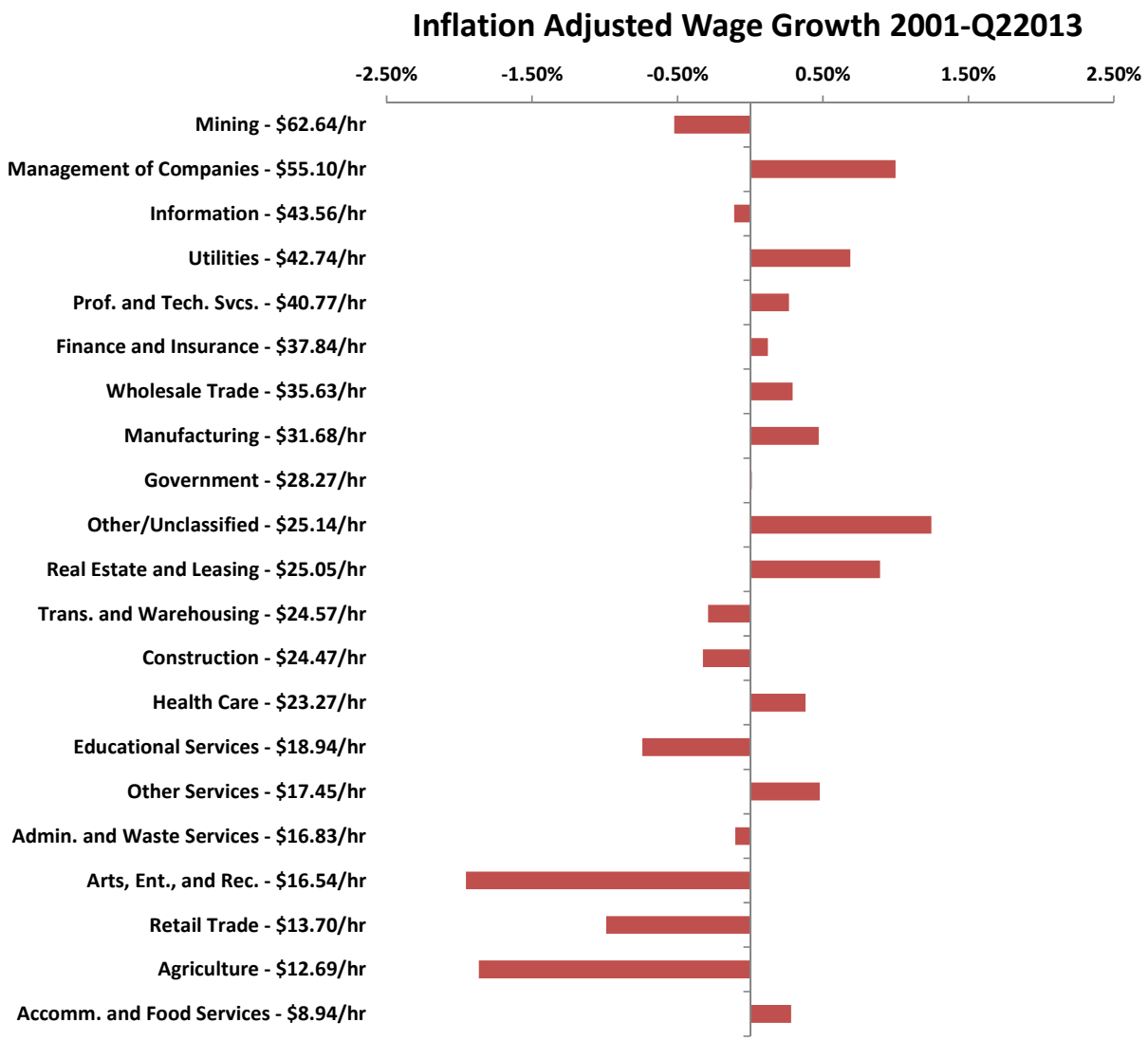
Source: Bureau of Labor Statistics; Economic & Planning Systems

\\epsdc02\Proj\143011-DRCOG Equitable Growth Evaluation\Data\[143011-BLS Empl.xlsx]Change by Wage

Real wages (adjusted for inflation) have declined in most industries that pay average wages below $25 per hour. The decline was most pronounced below $20 per hour.

From 2001 through 2013, the U.S. Bureau of Labor Statistics' consumer price index (CPI), or inflation rate, for Metro Denver was 2.03 percent. Coincidentally, the annual rate of wage growth over this same time period was 2.03 percent, meaning that there was no real wage growth after adjusting for inflation. Many industries below $25 per hour experienced negative real (inflation adjusted wage growth from 2001 through 2013 (second quarter) (**Figure 12**). The lowest paying jobs also experience the largest decline in real wages. Retail, arts and entertainment, agriculture, and education all experienced real declines of more than 0.5 percent per year. Flat wage growth is a national trend as well.

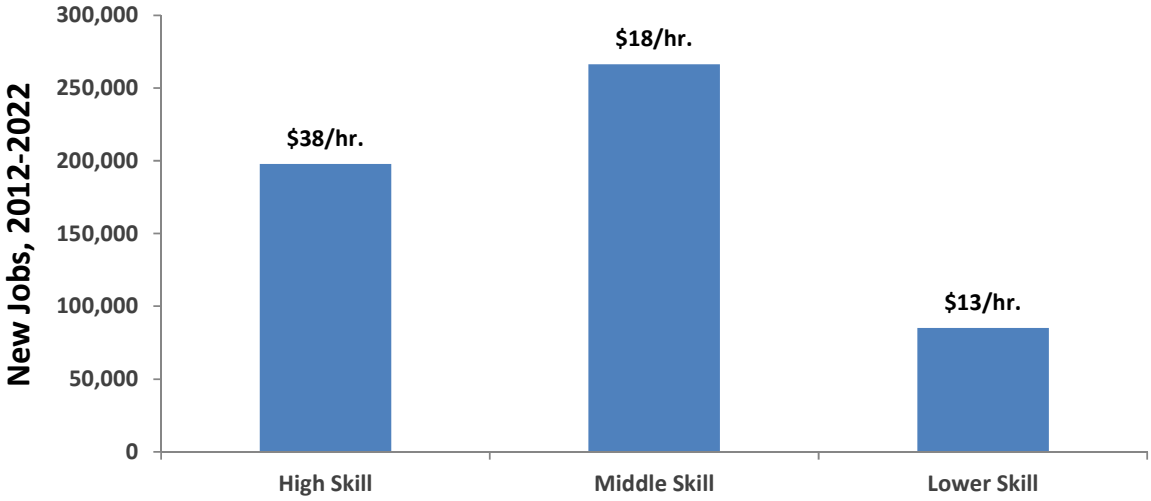
Figure 12
Inflation Adjusted Wage Growth, 7-County Metro Area, 2001-Q2013



Middle Skill Jobs

To address the declines in real wages, job losses in family wage industries, and growing student loan debt, in addition to high unemployment rates among young people, there is increasing interest in promoting growth in middle skill jobs and in the training needed to support these industries. Colorado and Metro Denver are fortunate in that the State is expected to experience continued job growth at all skill levels. High skill jobs that require at least a four-year degree include architecture and engineering, business and finance, healthcare, and STEM (science, technology, and mathematics) jobs. These jobs are expected to grow by 2.3 percent per year over the next 20 years, increasing by 198,000 jobs, according to Colorado Department of Labor projections (**Figure 13**). Besides manufacturing and construction, middle skill jobs include healthcare support, office, sales, extraction and energy-related, and sales. Demand for middle skill positions is expected to be 266,000 jobs over the next 10 years, or nearly half of new job growth. Middle skill jobs provide living wages and career growth opportunities, which are important to lift people out of poverty. Advocates for labor and disadvantaged populations suggest that Metro Denver should increase the focus on growing middle skill jobs, especially in transit accessible locations, and on increasing educating and training for these positions.

Figure 13
Projected Jobs and Average Wages by Skill Level, State of Colorado, 2012-2022



	Entry	Average	Experienced
High Skill	$20.74	$37.70	$46.18
Middle Skill	$10.63	$18.43	$22.34
Lower Skill	$8.82	$12.82	$14.82

Source: Economic & Planning Systems analysis of Colorado Department of Labor and Employment data; methodology adapted from the National Skills Coalition. http://www.nationalskillscoalition.org/resources/publications/file/s2c-colorado-report-2011.pdf

5. LABOR FORCE ISSUES AND CHALLENGES

This Chapter provides additional context on impediments to job access and the spatial distribution of these challenges based on interviews with economic developers, workforce development experts and educators, and non-profit workforce service agencies. These individuals provided their perspectives on the challenges facing low income people finding and maintaining employment. In addition, data on housing costs is presented and mapped in comparison to job locations and areas of high wages.

Last Mile Connections and Workforce Access

Among the communities that currently or will soon have light rail or commuter rail service, an issue that is seen as important is the "last mile"—the ability to conveniently and safely get to one's final destination from a transit station. Without good pedestrian, bicycle, or local bus connections to and from light rail stations outside Downtown Denver, the system "functions as a series of remote parking lots for Downtown." Interviewees noted that not enough attention has been paid to connecting the neighborhoods and businesses around the stations outside downtown. The lack of good last mile connections disproportionately affects the transit dependent population, consisting of the elderly, low income workers who may not be able to afford to drive, people who cannot drive due to disabilities, and children. Approximately 56 percent of RTD bus riders and 25 percent of light rail riders are transit dependent based on data from a 2008 RTD survey.

A desire for more and better bus, shuttle, or even streetcar or tram (similar to light rail) service is desired. These circulator services would connect shopping districts, employment districts, and housing with nearby stations and have frequent service (e.g., less than 15 minutes). It seemed that the focus on last mile connectivity was more in terms of enhanced local transit (bus) service in the suburban station communities than on enhanced pedestrian access. This focus on transit or shuttle connections may be due to the fact that many of the suburban or at least "non-downtown" stations are not in a built environment context that already supports safe bicycle and pedestrian access (e.g., small blocks, moderate to high densities, slow traffic speeds, sidewalks, cycle lanes).

Customer service employers such as call centers are sensitive to the availability of transit, including bus stops, around their facilities. Some of these jobs are lower paying positions and have a transit-dependent workforce. It was suggested that manufacturing and distribution operations choose locations based on physical infrastructure needs and generally expect that they will be find enough qualified people within a reasonable vehicle commuting distance, as these jobs pay higher wages that enable people to afford vehicles.

Housing

For lower income workers, housing affordability and stability (ability to stay in the same home) was identified as a threat to economic opportunity. More affordable-priced housing is often located farther from any employment, let alone higher paying employment, resulting in costly commutes and impacts on family life. If a family loses its housing due to a job loss or other financial event, they may have to relocate to subsidized housing in another community away from their social and economic network, which makes it more difficult to obtain support from nearby neighbors and family, and to identify new job opportunities. Dislocation also affects children, as they will most likely need to switch to a new school, which disrupts their learning and social connections.

From the employer perspective, a constraint in some locations is a lack of entry level rental housing in peripheral suburban and exurban communities. In these areas, employers have had difficulty attracting and retaining entry level employees for retail and service industry jobs.

On FasTracks corridors with interest in expanding TOD and housing diversity, the Construction Defects issues were cited as a barrier to for-sale higher density housing (condominiums). Urban style housing has been suggested to be an important asset that appeals to the younger labor force as well as empty nesters who wish to downsize from their current housing. The real or perceived fear of construction defects lawsuits was noted by economic developers working in both suburban and urban locations as a reason why for-sale condominiums were not being built. A bill was introduced in the State legislature in 2014 to address these concerns, but it did not pass.

Housing Costs

The cost of rental housing in Metro Denver has been growing at a rate of 2.6 percent per year from 2005 through 2013, slightly higher than the 2.0 percent annual wage growth that occurred during this same period (**Table 10**). The strongest growth was in the City and County of Denver, where average rental rates increased from $804 to $1,065 per month at a rate of 3.6 percent per year. Boulder and Broomfield have the highest average rents, at just under $1,200 per month. Rents in Boulder and Broomfield grew at 3.0 percent per year from 2005 through 2013.

The average wage needed to afford the average rent in the 7-county metro area grew from $16 per hour to $20 per hour, compared to the average wage of $25.82 per hour in 2013. Any worker earning less than $20 per hour will likely have difficulty paying for well-located housing; this includes workers in educational services, retail, many administrative service jobs, and the hospitality sector.

Table 10
Average Apartment Rents, Metro Denver, 2005-2013

Rental Rates by County	2005	2013	Change Total	Change Ann. %
Adams	$825	$949	$123	1.8%
Arapahoe	$820	$995	$176	2.5%
Boulder/Broomfield	$946	$1,198	$252	3.0%
Denver	$804	$1,065	$261	3.6%
Douglas	$1,056	$1,237	$181	2.0%
Jefferson	$823	$995	$172	2.4%
Metro Average	**$848**	**$1,042**	**$193**	**2.6%**
Hourly Wage Required to Support Rent Payments[1]	**$16**	**$20**		

[1] Assumes a households spends 30% of their annual income on rent.

Source: Denver Metro Apartment Vacancy and Rent Survey; Economic & Planning Systems

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The next three maps show the relations between home prices (for-sale housing), job locations, and wage levels (**Figures 14, 15, and 16**). The areas with the highest concentrations of jobs include Downtown Denver, Southeast I-25 Corridor, Downtown Boulder, US 36 Corridor, West 6th Avenue and West Rail Line Corridor, and the I-70 and North I-25 industrial areas north of Denver. On the Central Corridor, Southeast light rail lines, and US 36 Corridor, many of the neighborhoods surrounding light rail and express bus stations have home prices above $250,000 and even above $500,000 (**Figure 15**).

These historically affluent neighborhoods have become even more expensive in recent years, in part due to the expansion of light rail service, job growth in Central and Southeast Metro Denver, and in the Boulder area, and the desire to be close to urban amenities. The newer West, I-225, and East rail lines provide an opportunity to connect lower income neighborhoods with the region's major job centers.

The greatest price appreciation has occurred in The Highlands area of Northwest Denver, other areas of Central and Southeast Denver, and Highlands Ranch and northern Douglas County (**Figure 16**). These areas have generally good access to the region's major job centers, and in most of these areas with higher home prices and strong appreciation the K-12 school quality is generally higher. However, some job rich areas with low, more affordable housing prices have poor transit access, such as I-70 and North I-25.

Figure 14
Job Density (Jobs per Acre), Metro Denver, 2013

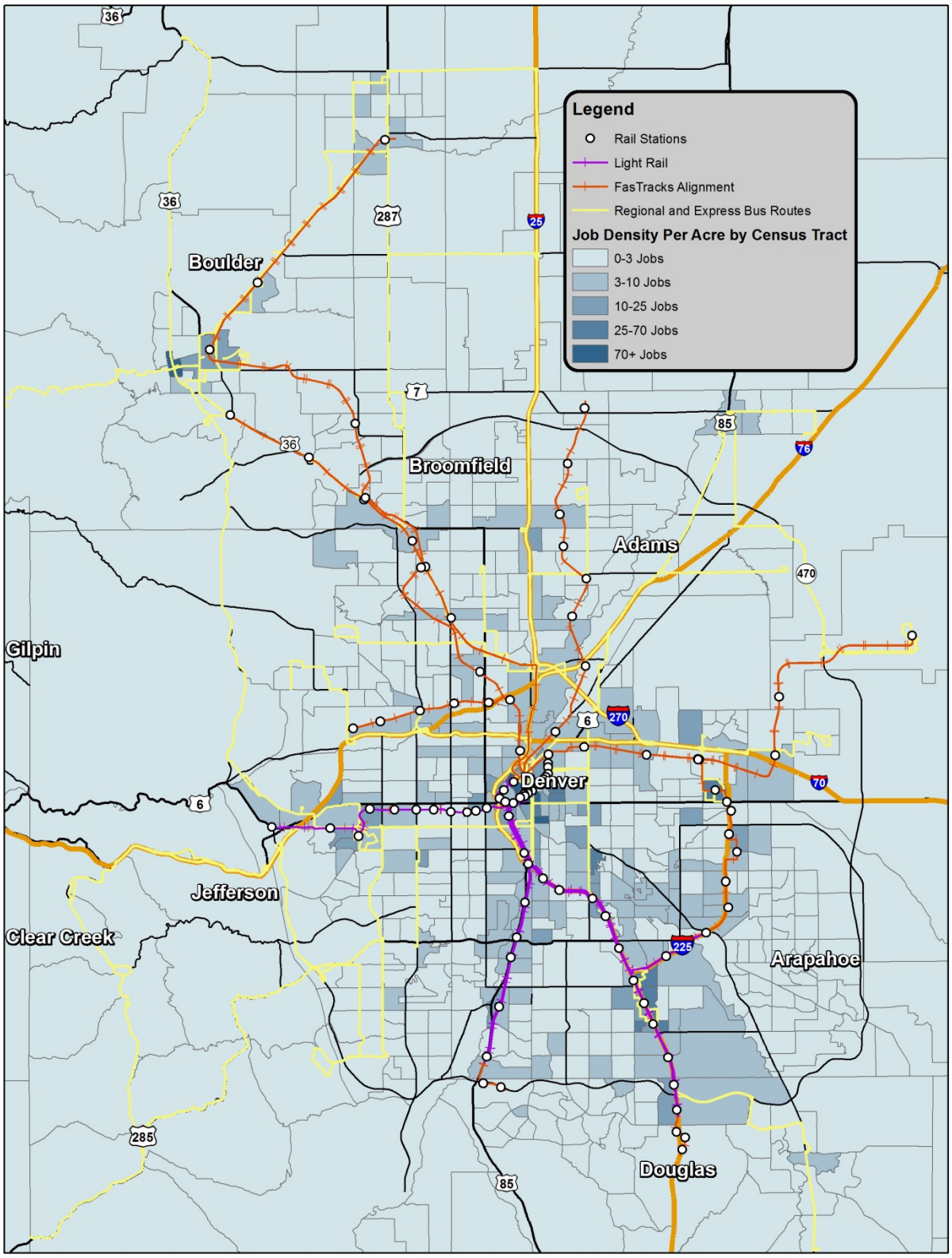


Figure 15
Average Home Price by Census Tract, Metro Denver, 2013

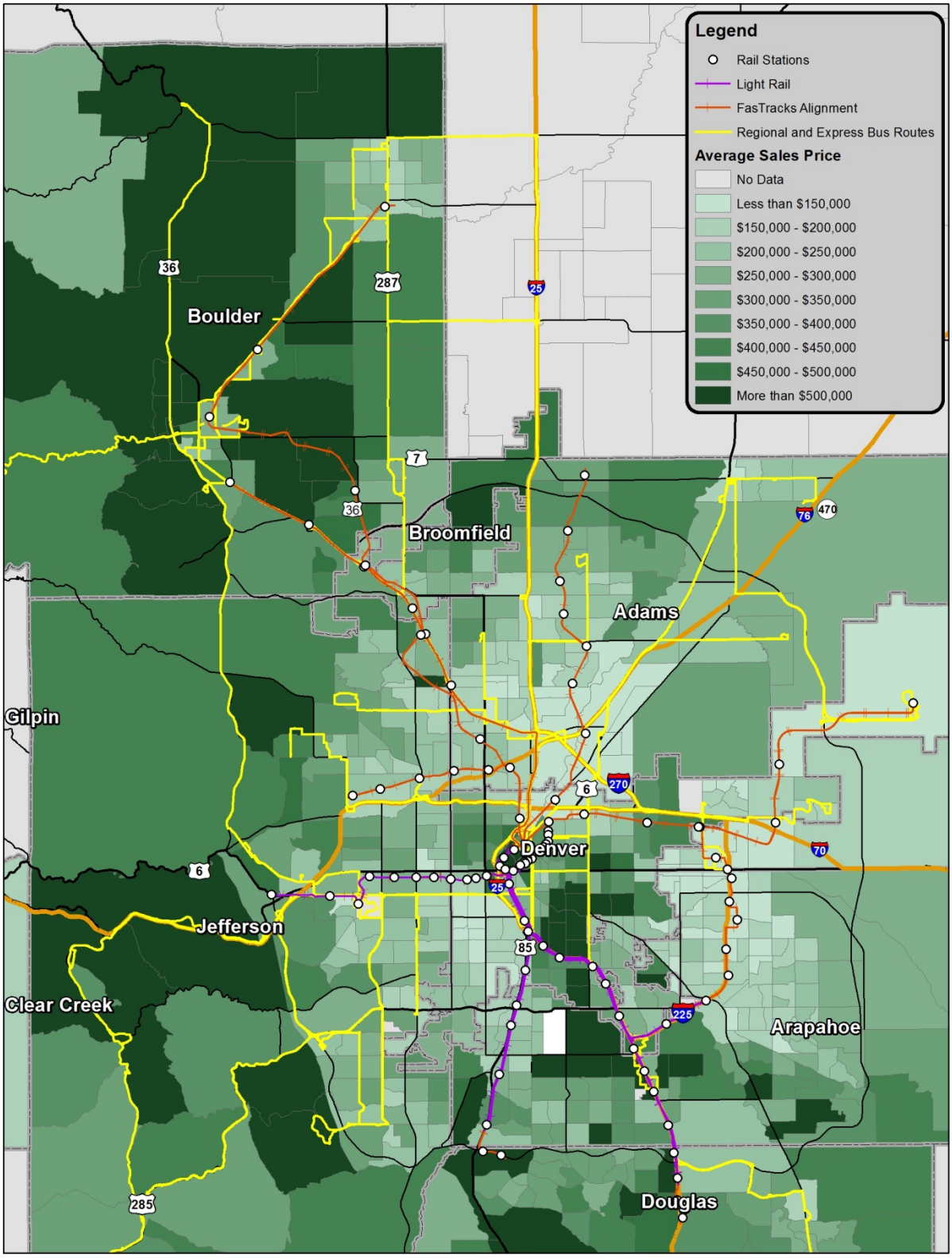
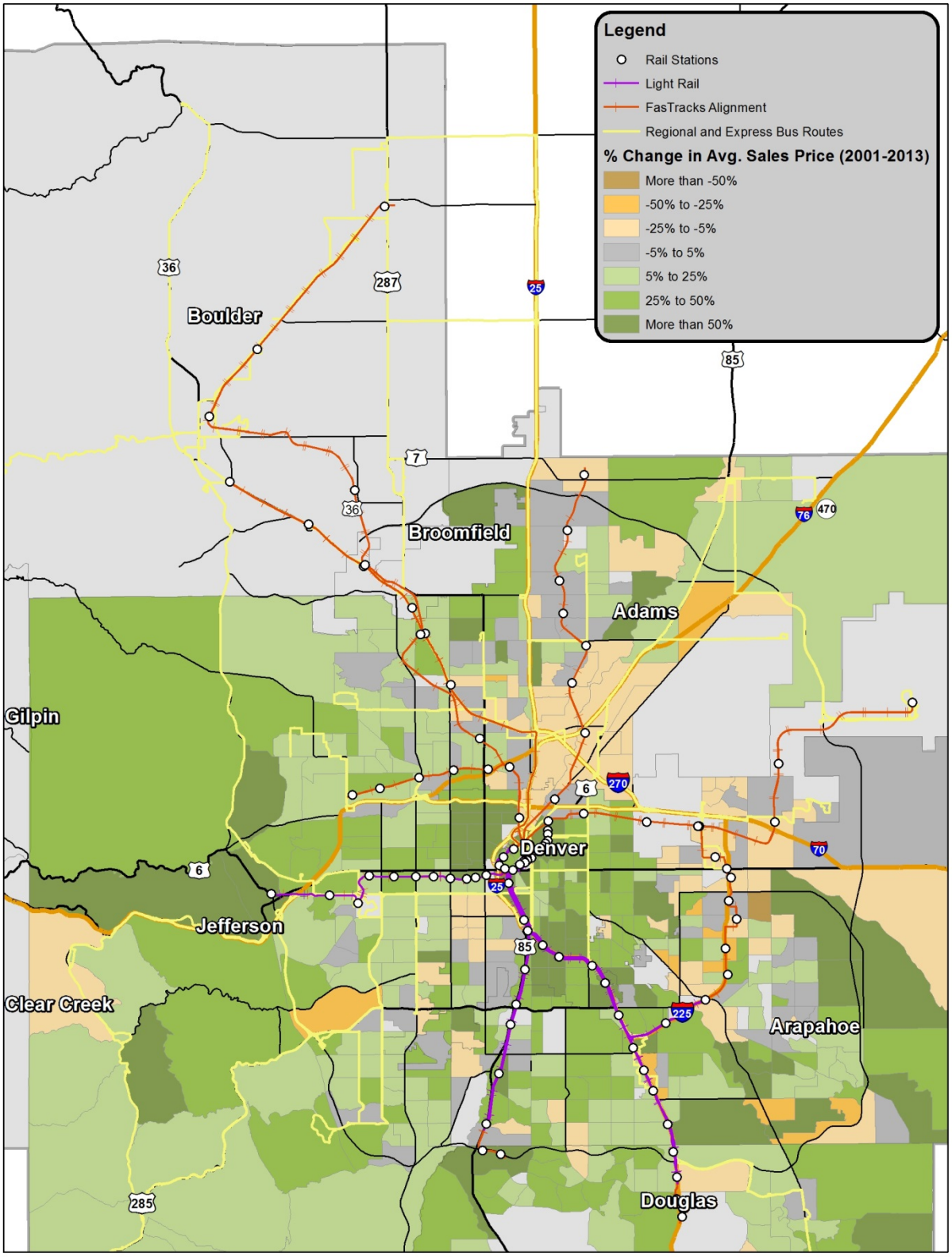


Figure 16
Percent Change in Average Home Price, 2001-2013



Affordable Housing

The region's inventory of income restricted affordable housing is located primarily in the City and County of Denver, with more than 18,000 units of subsidized income restricted housing, or 51.3 percent of the inventory in the 7-County Metro Area (**Table 11, Figure 17**). Arapahoe County has nearly 4,900 units of affordable housing, followed by Jefferson County with 4,200 units and Adams County with 4,000 units. Boulder, Broomfield, and Douglas Counties have the least amount of affordable housing, with 3,000, 270, and 1,200 units, respectively.

Table 11
Metro Denver Affordable Housing Inventory, 2012

County	Public Housing	Assisted Multi Family	Low Income Housing Tax Credit	Total Units	Pct. of Total
Adams	44	1,101	2,867	4,012	11.1%
Arapahoe	373	1,309	3,191	4,873	13.5%
Boulder	345	742	1,926	3,013	8.3%
Broomfield	---	134	138	272	0.8%
Denver	4,347	6,952	7,249	18,548	51.3%
Douglas	---	53	1,123	1,176	3.3%
Jefferson	---	1,069	3,163	4,232	11.7%
Total	**5,109**	**11,360**	**19,657**	**36,126**	**100.0%**

Source: HUD; Economic & Planning Systems

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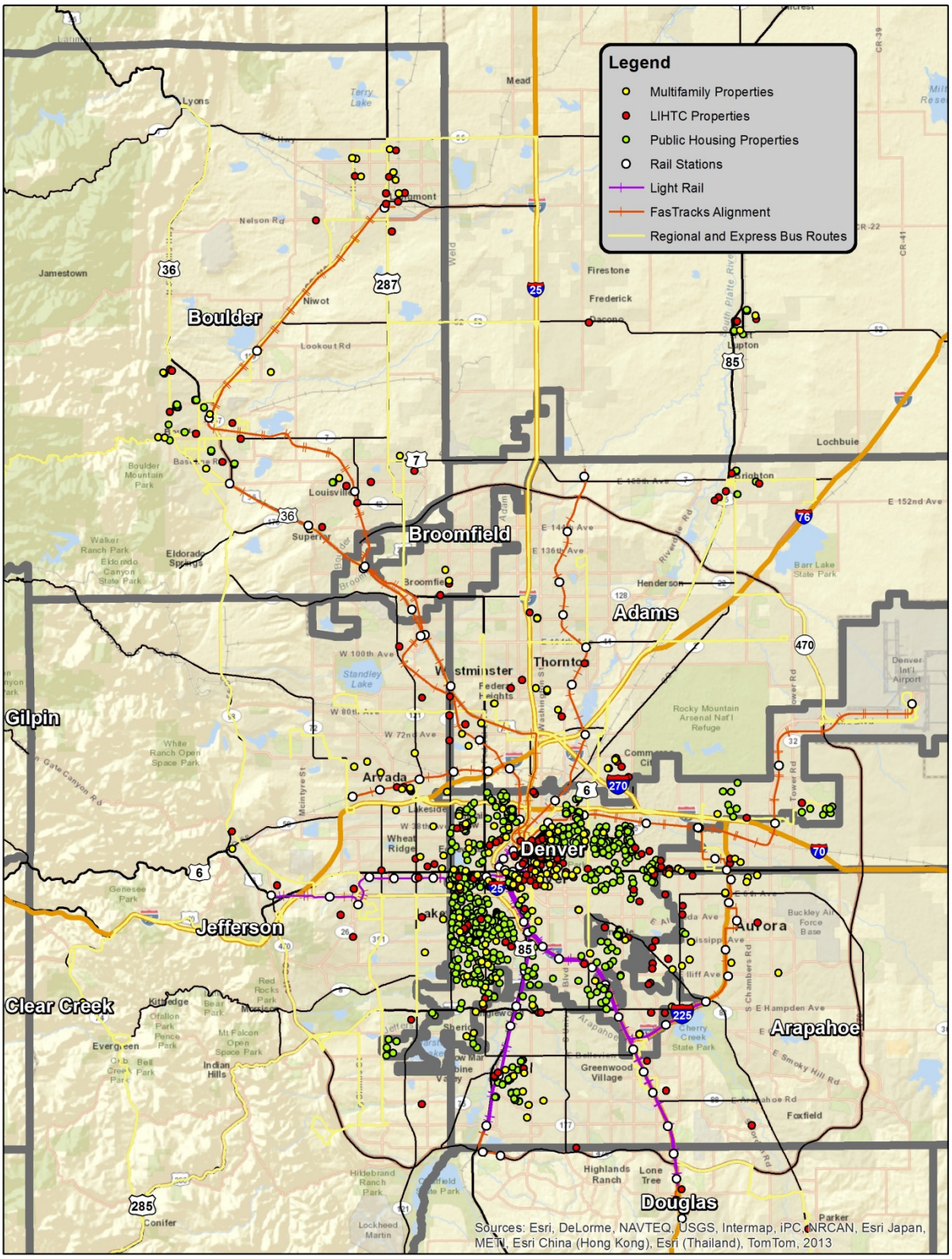
Figure 17
Metro Denver Affordable Housing Inventory, 2012



Source; U.S. Department of Housing and Urban Development; Economic & Planning Systems

Job Information Access

A practical challenge for many low income workers is simply knowing how to look for a job, where to go to look for a job, and how to get there. Opinions were mixed on the federally funded Workforce Centers that are administered by the County Governments. Some interviewees felt that these centers offer a good service; others noted that some centers are difficult to get to for transit-dependent people. Several interviewees noted that public libraries are now a critical place for low income job seekers to find internet access and assistance with job search resources. However, funding for job resources at libraries has decreased. Workforce development experts also pointed out that many job openings are not publicly broadcast but instead are made available through word of mouth and personal networks. People who do not have access to such networks do not have access to the same job information as, for example, more affluent people with social networks that include potential employers.

Transit Accessible Jobs

The importance of creating better access to and from jobs surrounding stations, and of attracting more living wage jobs to transit accessible locations, is highlighted by the fact that wage levels surrounding many FasTracks stations are already at or above the "middle skill" job and self-sufficiency benchmark of $15 to $20 per hour. Through DRCOG, EPS obtained and licensed the Colorado Department of Labor's establishment level QCEW Microdata. The data is subject to confidentiality restrictions, as it contains employment, wage, and other information on businesses which cannot be reported individually.

EPS geocoded each business using Geographic Information System (GIS) software, and selected the businesses that lie within a half-mile radius of each existing and planned FasTracks rail station. Downtown area stations and others that are within a half-mile of each other were combined. In addition, stations with fewer than three employees were combined with an adjacent station to avoid disclosing confidential data.

As expected, Downtown Denver[3] has the largest number of jobs, at approximately 100,000. While there is a wide range of wage levels in Downtown, the overall average wage is $38.55 per hour (**Table 12**). Outside Downtown, many stations have average wages above and even well above $15 per hour.

The average East and North Metro line stations (under construction) have average wages of $25.90 and $20.41 per hour, respectively. The Northwest corridor has wages averaging $20.97 per hour, and the Southwest line (following Santa Fe Boulevard and Highway 83) averages $21.05 per hour. The highest wages outside Downtown Denver are on the Southeast Line, where station area wages are on average above $30 per hour.

These corridor averages mask some low wage levels (below approximately $15 per hour) that exist at individual stations. Lower wage stations include Central Park Boulevard Station on the East Line; Olde Towne Arvada on the Gold Line; US 36 and Church Ranch Boulevard on the Northwest Corridor; Southmoor Station on the Southeast Line; and Lamar Street, Sheridan Boulevard, and Wadsworth Boulevard stations on the West Line. Many of the stations with lower wages are in locations where the primary commercial land uses and business types are retail and retail-type services.

While there are many living wage and higher paying jobs within a half-mile radius of transit stations, this analysis does not contend that these jobs are all easily accessible by transit. This analysis highlights the importance of connecting jobs to transit stations and the opportunity that better connections will create.

[3] Defined as Speer Boulevard on the west, Colfax Avenue on the south, I-25 on the north, and Broadway on the east.

Table 12
Average Wages by FasTracks Corridor and Station

Corridor or Segment and Station	# of Businesses	# of Employees	Avg. Ann. Wage	Avg. Hourly Wage
Downtown	**4,058**	**99,994**	**$80,184**	**$38.55**
Welton Corridor	**1,321**	**19,125**	**$73,154**	**$35.17**
Central Corridor: Broadway to Auraria				
Colfax at Auraria Station	106	3,244	$45,747	$21.99
10th / Osage Station	202	3,415	$47,181	$22.68
Alameda Station	280	3,738	$37,392	$17.98
I-25 / Broadway Station	123	3,002	$40,986	$19.70
Total / Average	**711**	**13,399**	**$42,715**	**$20.54**
I-225				
13th Avenue Station	30	447	$49,410	$23.75
2nd Avenue / Abilene Station	99	2,461	$38,922	$18.71
Aurora City Center Station	179	7,388	$39,400	$18.94
Colfax Station	55	2,099	$33,696	$16.20
Dayton Station	24	74	$38,035	$18.29
Florida Station	170	2,442	$47,309	$22.74
Iliff Station	150	3,157	$38,023	$18.28
Montview Station	60	17,797	$75,858	$36.47
Nine Mile Station	176	2,095	$49,742	$23.91
Total / Average	**943**	**37,960**	**$57,227**	**$27.51**
Southeast				
Arapahoe at Village Center Station	356	10,718	$84,639	$40.69
Belleview Station	547	13,456	$95,015	$45.68
Colorado Station	755	10,997	$50,676	$24.36
County Line Station	414	8,651	$39,168	$18.83
Dry Creek Station	311	8,437	$77,343	$37.18
Lincoln Station	159	5,622	$94,604	$45.48
Louisiana / Pearl Station	249	1,403	$39,817	$19.14
Orchard Station	861	20,032	$78,283	$37.64
RidgeGate Parkway Station/Sky Ridge Station	149	2,270	$67,898	$32.64
Southmoor Station	125	1,970	$23,416	$11.26
University of Denver Station	108	604	$36,999	$17.79
Yale Station	123	953	$42,039	$20.21
Total / Average	**4,157**	**85,113**	**$72,291**	**$34.76**
Southwest				
Englewood Station	352	6,882	$46,935	$22.56
Evans Station	223	2,325	$41,609	$20.00
Intermediate Station	22	501	$41,116	$19.77
Littleton / Downtown Station	335	7,426	$38,756	$18.63
Littleton / Mineral Station	80	909	$21,902	$10.53
Lucent Station	69	990	$85,938	$41.32
Oxford-City of Sheridan Station	154	2,462	$43,818	$21.07
Total / Average	**1,235**	**21,494**	**$43,778**	**$21.05**
West				
Federal Boulevard Station	70	1,417	$51,224	$24.63
Federal Center Station	354	8,006	$69,889	$33.60
Garrison Street Station	162	1,668	$29,090	$13.99
JeffCo Government Center Station	117	4,761	$53,491	$25.72
Knox Court Station	38	5,721	$62,170	$29.89
Lamar Street Station	122	2,508	$29,192	$14.03
Oak Street Station	142	3,796	$66,010	$31.74
Perry Street Station	76	271	$34,976	$16.82
Red Rocks Community College Station	45	1,567	$35,682	$17.16
Sheridan Boulevard Station	82	816	$26,714	$12.84
Wadsworth Boulevard Station	200	2,758	$32,407	$15.58
Total / Average	**1,408**	**33,290**	**$53,812**	**$25.87**

Source: CO Dept of Labor QCEW Mircrodata; DRCOG; Economic & Planning Systems

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Table 12 (continued)
Average Wages by FasTracks Corridor and Station

Corridor or Segment and Station	# of Businesses	# of Employees	Avg. Ann. Wage	Avg. Hourly Wage
East Line				
38th / Blake Station	92	1,351	$50,074	$24.07
40th / Airport Station	15	500	$87,530	$42.08
Central Park Blvd Station	81	2,355	$31,396	$15.09
Colorado Boulevard Station	103	1,940	$39,495	$18.99
DIA Station	80	10,874	$62,806	$30.20
Peoria Station	178	3,478	$45,840	$22.04
Total / Average	**549**	**20,498**	**$53,877**	**$25.90**
Gold				
41st Avenue Station	112	2,176	$39,753	$19.11
Arvada Ridge Station	95	1,485	$47,076	$22.63
Federal Boulevard Station	45	364	$42,624	$20.49
Olde Town Station	240	2,414	$25,781	$12.39
Pecos Station	30	1,317	$41,148	$19.78
Sheridan Boulevard Station	99	2,109	$47,375	$22.78
Ward Road Station	228	2,609	$58,883	$28.31
Total / Average	**849**	**12,474**	**$43,441**	**$20.89**
North Metro				
104th Avenue Station	64	625	$25,770	$12.39
112th Avenue Station	53	370	$39,392	$18.94
124th Avenue	39	243	$43,006	$20.68
144th and 162nd Ave. Stations	33	55	$70,973	$34.12
72nd Avenue Station	21	485	$62,122	$29.87
88th Avenue Station	32	373	$36,552	$17.57
National Western Stock Show	66	1,514	$44,136	$21.22
Total / Average	**308**	**3,665**	**$42,462**	**$20.41**
Northwest				
1st / Terry Station	296	8,204	$38,110	$18.32
30th / Pearl Station	443	5,490	$43,324	$20.83
41st Avenue Station	112	2,176	$39,753	$19.11
71st Ave / Lowell Station	135	1,950	$29,995	$14.42
Flatiron / 96th St Station	186	3,686	$30,635	$14.73
Gunbarrel Station	107	4,248	$88,593	$42.59
Louisville Station	229	1,918	$34,722	$16.69
Pecos Station	30	1,317	$41,148	$19.78
U.S. 36 / Church Ranch Station	75	2,618	$27,841	$13.38
Total / Average	**1,613**	**31,608**	**$43,612**	**$20.97**

Source: CO Dept of Labor QCEW Mircrodata; DRCOG; Economic & Planning Systems

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6. REGIONAL PLANNING ORGANIZATION CASE STUDIES

EPS reviewed the plans, policies, and activities of other Regional Planning Agencies (RPAs) with program and policies of relevancy to DRCOG in the realm of equity and societal well-being. The agencies profiled here coincide with the RPAs profiled in the DRCOG Regional Economic Strategy (RES) being conducted in conjunction with this study. This Chapter summarizes the findings of the research and interviews conducted.

Mid America Regional Council

The Mid America Regional Council (MARC) is the Metropolitan Planning Organization (MPO) and regional planning agency (RPA) for the 9-county two-state Kansas City region including 119 cities. The agency is governed by a 33-member board of directors (typically mayors, council members and commissioners) appointed by their respective jurisdictions. As the MPO, MARC is responsible for transportation planning for the region and produces the long-range transportation plan, Transportation Outlook, 2040, and the short-range TIP. As the regional planning agency, MARC also oversees a large number of planning programs including workforce development, the National Council on Aging, Head Start, the Metropolitan Council on Early Education, Homeland Security, and natural resource management. MARC has also been the regional provider of economic data analysis and forecasting.

It should be noted that due to the local government and economic development structure, the Kansas City region has enabled MARC to engage in a much broader range of activities than DRCOG currently does. Like DRCOG, MARC is also the recipient and administrator of a Sustainable Communities (SCI) grant.

Regional Plan

MARC's regional land use and transportation plan Smart Moves focuses largely on transportation demand related to future land use and growth. However, MARC recently adopted in 2012 and updated in 2014 a Regional Plan for Sustainable Development (RPSD). The 2014 update, or "V2.0," added specific elements for Social Equity, Public Health, Workforce Development, and Communities for All Ages. The RPSD also incorporates an Equity Profile Report and integration of social equity considerations into all plan elements.

In addition, the RPSD includes a Social Equity Lens that contains strategies for engaging diverse populations and evaluating policies and investments for their impact on "education achievement and success," access to a healthy environment, attracting a range of job opportunities for a range of skill levels, providing a clear jobs training and career pipeline, and supporting housing choice. It also emphasizes the need for a transportation system that connects residential populations with jobs, including regional transportation and improving neighborhood access to jobs. MARC is now working to better integrate Smart Moves with the RPSD.

Prior to the RPSD, MARC adopted a Strategic Planning Framework in 2010. The Framework includes programmatic goals for the environment, transportation, community development, education, public safety, community services, and effective government. Under the Societal

Principles, the Strategic Planning Framework states: "The region will support a rich diversity of cultural opportunities, encourage cooperative relations, and promote the just and equitable distribution of resources and opportunities."

Partnerships and Actions

MARC has positioned itself as a key agency in economic development and sustainability, focusing on regional economic assets, infrastructure, labor force, and regional cooperation.
MARC describes its role as an "Analyst and Convener" that builds on its history of regional transportation planning and technical assistance functions in a two-state region. In its Sector Partnerships, MARC takes an active role in workforce development by working with the private sector, the Workforce Development Boards, Kansas City Area Development Corporation (KCADC), and educational institutions to ensure that the skills needed by the private sector are being supplied by the education and training institutions.

MARC also engages in several activities around equity and societal well-being:

- **Environmental Justice** – All MPOs have an environmental justice requirement to demonstrate to the Federal Government that federally funded transportation projects do not have a disproportionate impact on low income populations. MARC has gone further than the required analysis, having completed studies documenting high accident rates in environmental justice Census Tracts and the distribution of transportation spending compared to household income levels.
- **Equity Network** – Related to MARC's SCI Grant, MARC has partnered with several organizations to engage people from diverse backgrounds and apply a "social equity lens" (included in the RPSD) to regional and transportation corridor planning. These groups include the Metropolitan Organization for Racial and Economic Equity (MORE2), the Latino Civic Engagement Collaborative, and the Urban League of Greater Kansas City.
- **Green Impact Zone** – MARC was instrumental in establishing the Green Impact Zone with the City of Kansas City, MO. The Green Impact Zone is located in Kansas City's urban core, an area that has experienced severe disinvestment and abandonment. It is a targeted area for investment in affordable housing, weatherization, workforce development, food access, transportation infrastructure, and public safety. MARC staffs an office in the Green Impact Zone that includes neighborhood outreach and capacity building specialists, a workforce and jobs access specialist, and weatherization work crews. MARC also supports grant funding applications and funding distribution.
- **Equity Analysis and Indicators** – MARC partnered with Policy Link, a non-profit national research and advocacy institute, and the Program for Environmental and Regional Equity at the University of Southern California, to produce An Equity Profile of the Kansas City Region. It is an extensive analysis of racial and ethnic change, income and poverty, job growth, unemployment, income distribution, travel time to work, and other metrics by race and ethnicity and geography within the Kansas City region.

Metropolitan Council of Minnesota

The Metropolitan Council of Minnesota (Met Council) is the RPA, MPO, and regional policy-making body for the Minneapolis-St. Paul metro area, and is comprised of seven counties and 182 communities encompassing 3,000 square miles. The Met Council is relatively powerful as it is not only a regional planning organization but also a service provider operating the Metro Transit bus and rail system, providing water and wastewater services, managing the regional parks and trails system, and operating affordable housing. It therefore has somewhat stronger influence on land use through its control of water and wastewater services and transit. Met Council's 17-member Board is appointed by the Governor; thus the goals and culture of the organization can shift with changing administrations. The Agency's current priorities are to create a financially sustainable 21st century transportation system, promote dynamic housing opportunities, and leverage investments that drive economic development.

Regional Plan

The Met Council prepares a long-range plan for the Twin Cities region every 10 years. Thrive 2040 is the new regional plan currently in Draft form under development and includes a vision for the region over the next 30 years. It will include policies and strategies on transportation, water resources Policy Plan, regional parks, and housing. These plans address regional investments that provide an economic foundation to regional prosperity. The Met Council was also the recipient of an SCI Grant that has influenced the update to the Thrive MSP plan.

The draft version of Thrive 2040 includes an Equity element or "Outcome" in the plan's vernacular. The Equity Outcome begins with the statement:

> "Equity connects all residents to opportunity and creates viable housing and transportation options for people of all races, ethnicities, incomes and abilities so that all communities share the opportunities and challenges of growth and change. For our region to reach its full economic potential, all of our residents must be able to access opportunity. Our region is stronger when all people live in communities that provide them access to opportunities for success, prosperity, and quality of life. Promoting equity means:
>
> - Using our influence and investments to build a more equitable region;
> - Creating real choices in where people live and how people travel for all our residents, across age, race and ethnicity, economic means, and ability;
> - Investing in a mix of housing affordability along the region's transit ways;
> - Engaging a full cross-section of the community in decision-making."
>
> The Equity Outcome cites data from the U.S. Census on the gaps in income, educational attainment, unemployment, and home ownership for the non-white and Hispanic population compared to the white non-Hispanic population. The Equity Outcome also states that the Met Council will use "equity as a lens to evaluate its operations, planning, and investments, and explore its authority to… mitigate the pace-based dimension of racial, ethnic, and income-based disparities."

As part of the Thrive MSP 2040 update, the Met Council produced the report, *Choice, Place and Opportunity: an Equity Assessment of the Twin Cities Region*.

Partnerships and Actions

The Met Council's major initiative in equity and regional capacity building is the Partnership for Regional Opportunity (PRO), formerly the Corridors of Opportunity initiative. PRO is tightly linked to the planning and construction of the Twin Cities' transit system, as it seeks to "accelerate the build out of a regional transit system for the Twin Cities [to] advance economic development and ensure people of all incomes and backgrounds could share in the resulting opportunities." PRO receives funding from the McKnight Foundation and other philanthropic partners.

PRO is governed by a policy board, which consists of 26 representatives from economic development, local government, real estate, non-profit and philanthropic, academic, and transportation organizations. The Chair of the Met Council also serves as the Chair for Pro; the Director is from the McKnight Foundation.

Due to the Met Council's role in planning and operating the regional transit system, PRO has had a more direct role in planning and implementing projects related to the region's transit system. However, there are related activities that may be more relevant to DRCOG:

- **Regional Equity & Community Engagement** - The RECE is creating a toolkit for regional organizations and audiences. It will include fact sheets, a process guide, and best practices.
- **Shared Prosperity** – This working group is focused on an "urban competitiveness strategy" for the urban core areas of Minneapolis and Saint Paul, and for the rail transit corridors to achieve "socially equitable and environmentally sustainable" economic growth.
- **Regional Success Indicators** – The Shared Prosperity working group is producing an indicator dashboard to track social, economic, and environmental measures. A concern in the Metro Denver economic development environment has been over potential conflicts between tracking indicators to show the region's strengths as part of the economic development marketing package, and tracking indicators to look for areas that need improvement. This working group has stated that the dashboard "is not a marketing tool, it's a regional improvement tool."
- **Equity Analysis and Indicators** – As noted above, Thrive MSP 2040 contains data on disparities within the region in the Equity Outcome plan element. The Regional Success indicators described above are planned to be an ongoing program to track progress on economic, environmental, and social well-being. In addition, PRO is tracking social and economic indicators for the rail transit corridors.

Central Puget Sound Regional Council

The Puget Sound Regional Council (PSRC) is the regional transportation, economic development, and growth management planning organization for the Central Puget Sound region, which is comprised of King, Kitsap, Pierce, and Snohomish Counties and includes 73 cities and towns. The region has a population of more than 3.5 million and is expected to grow to 5.0 million by 2040. PSRC conducts long range planning for regional growth, transportation, and economic development, and compiles data on demographics, housing, employment, and building permits.

Vision 2040 is the long range regional land use plan vision for maintaining a healthy region and promoting the well-being of people and communities, economic vitality, and a healthy environment. The theme of Vision 2040 is based on the concept of People, Prosperity, and Planet, and contains an environmental framework with six policy sections including: Environment, Development Patterns, Housing, Economy, Transportation, and Public Services. Vision 2040 does not contain a specific equity element or integrate equity considerations into the regional planning framework, other than periodic mentions of "equitable growth," "equitable siting of facilities," and "family wage jobs." The Economy chapter does, however, emphasize the relationship between shared prosperity and investing in all people by ensuring access to high quality education and training, and fostering economic opportunity in distressed areas.

Partnerships and Actions

PSRC's equity related activities are largely related its Growing Transit Communities Program funded by the region's SCI grant. Like DRCOG's SCI Grant, Growing Transit Communities is focused on leveraging the economic and social benefits of expanding greater Seattle's transit network. Within this program, PSRC formed a Regional Equity Network lead by Impact Capital, a Community Development Financial Institution and non-profit entity authorized to receive federal community development grant funds.

The Regional Equity Network aims to "ensure [that] a social equity framework is used in all aspects of Growing Transit Communities," link community and equity organizations, increase engagement and capacity of disadvantaged and underrepresented populations, and change policies to "promote equitable outcomes." Additional principles include:

- Promote living wage jobs and entrepreneur opportunities;
- Prevent displacement;
- Practice meaningful community engagement;
- Create healthy and safe communities including schools, parks, complete streets, and health care; and
- Eliminate disproportional environmental burdens.

To date, $450,000 has been invested in community organizations along the existing and planned transit corridors. Recipients have included Hispanic and Latino, East African, Somali, bicycle advocacy, and youth organizations.

Recognizing the importance of industrial jobs in providing "family wage" jobs, PSRC is also sponsoring an update to its Industrial Lands Analysis. The study will document the importance of industrial lands to the regional economy, determine if the region has an adequate and appropriate supply of industrial land for the future, and identify land use or transportation planning policies and investments that need to be addressed. This is an example of a relevant project that DRCOG could partner with local jurisdictions on, such as Adams County, Denver, Commerce City, and Aurora, which are the primary industrial locations in Metro Denver.

Other Examples

Association of Bay Area Governments

ABAG's Plan Bay Area contains an analysis of the Plan's "distribution of benefits and burdens between communities of concern and the rest of the region." The Metropolitan Transportation (MTC, the region's MPO) and ABAG (the RPO) have adopted five Equity Analysis measures to evaluate equity concerns in Plan Bay Area: housing and transportation affordability, potential for displacement, healthy communities, access to jobs, and equitable mobility. The plan also contains a specific goal to reduce by 10 percentage points the amount of household income spent on housing and transportation by low income households.

Maricopa Association of Governments

In the Phoenix, AZ metro area, MAG staff identifies their role in the region as a "Hub of Collaboration." MAG convenes several committees that collaborate on understanding and finding solutions to regional social issues including homelessness, aging, and disabled access to transit. The homelessness committee includes local elected officials, representatives of the Governor's Office, service provider agencies, business representatives, funders, the Department of Economic Security (AZ Department of Labor), formerly homeless individuals, and advocates. The Homelessness Committee creates a plan to address homelessness in the region and applies for and administers HUD funding for homeless assistance.

MAG's Health and Human Services Committee is comprised of elected officials and representatives from the boards of the Area Agency on Aging, Community Councils, the Department of Economic Security, and United Way organizations. They are responsible for the County Human Services plan and the distribution of federal Social Service Block Grant funds. In Metro Denver, these are county functions and would not be undertaken by DRCOG. However, DRCOG's Boomer Bond program is bringing together service providers and local governments from across the region to collaborate on serving an aging population.