

# Chapter 8. Economic Competitiveness

The City of Fridley strives to maintain a coordinated relationship with our local residents and businesses and in doing so strengthen the community by assisting industries to find workers that match their needs.



*Northern Stacks at Dusk*

# Economic Competitiveness

## 8.0 Introduction

The City of Fridley is a bustling community with an abundance of employment opportunities. Fridley’s proximity to Minneapolis, as a first ring suburb, and convenient transportation options make it a strong business community. The City thrives on employment sectors in manufacturing, research, and design. Looking forward, Fridley will need to focus on retaining advanced employment opportunities, continuing to build relationships with businesses, connecting educational institutions with business needs, revitalizing underused sites, and building a sustainable environment to maintain and improve Fridley’s position as an economic competitor.

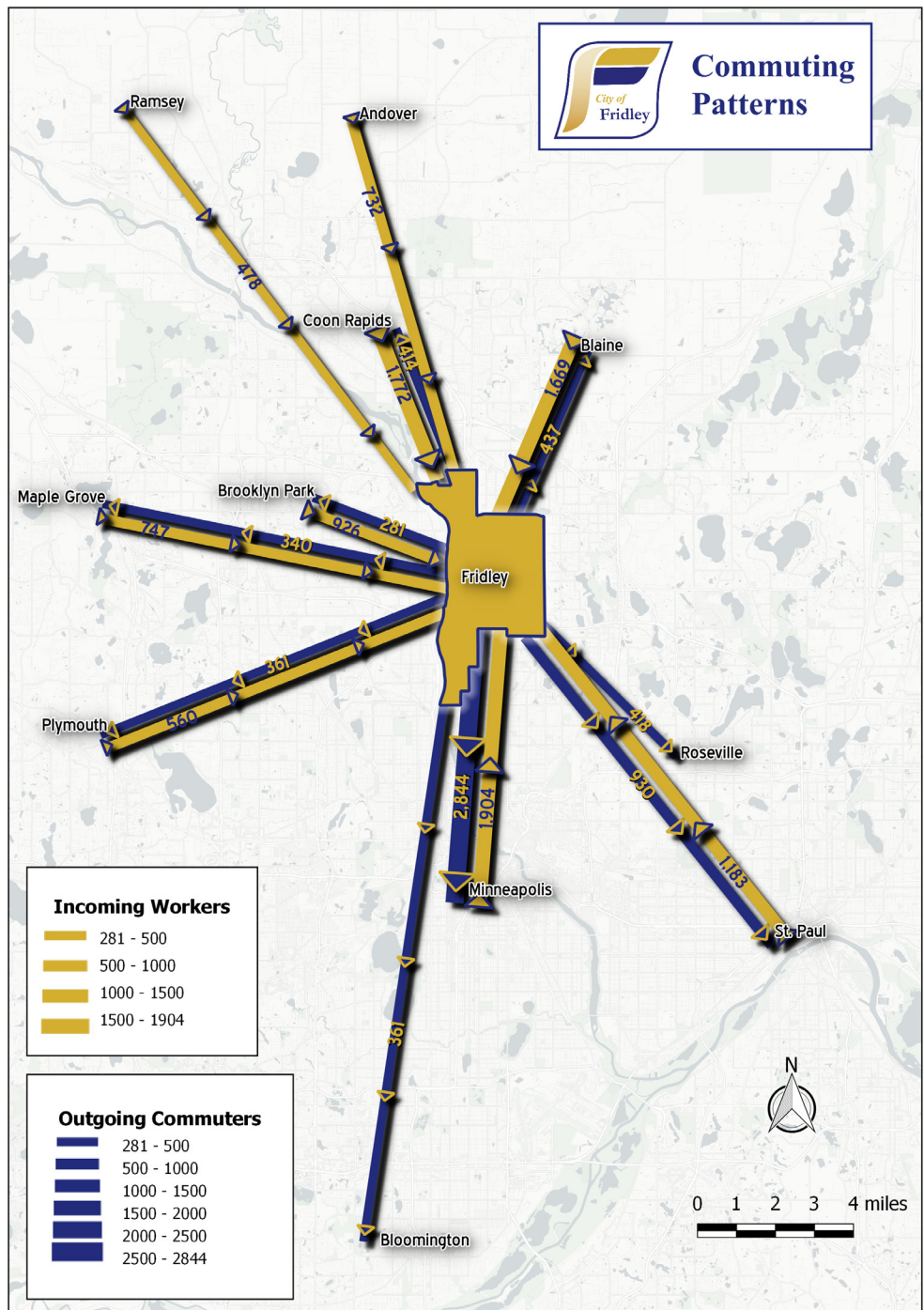
### 8.1 Fridley’s Economic Profile

The City of Fridley has an abundance of employment opportunities; in fact jobs outpace the number of Fridley residents in the workforce by approximately 7,600.

While there are 22,709 jobs only 1,388 are held by Fridley residents. Most Fridley employees come from surrounding suburbs. Residents leaving the City to get to work travel an average of 23 minutes which is equal to the state average. The average commute time in Anoka County is 5 minutes longer.

The distance people are commuting to work and where they are commuting from has an impact on the transportation demands of the community. This also poses a challenge for public transportation which focuses on getting workers to and from central cities.

Figure 8.1 Commuting Patterns





## Fridley Industries

The number of jobs in Fridley is a direct result of the City's vast business footprint. Manufacturing plays a key role in Minnesota industry and especially in Fridley where 35% of the jobs in the City are in manufacturing. Currently this sector is facing a workforce shortage as many workers begin to retire. There is also a negative perception of manufacturing which inhibits the younger generation from pursuing jobs in this field. Over the next 10 years Minnesota is expected to see 6.3% growth in machinist positions.



The business dynamic in Fridley is also shaped by large employers such as Medtronic, BAE Systems, Minco, and Cummins which continue to attract complementary business to the community. Businesses contribute to the day-time population of the City and increase spending at nearby retail centers. Businesses choose Fridley because of the proximity to the Twin Cities, multimodal transportation options including a robust roadway network, business friendly environment, and strong community vibe. Despite Fridley's success in attracting industry, there is a lack of retail employment. More residents are employed in retail, than there are retail jobs offered in Fridley. The City also faces outdated retail buildings and vacancies.

**Table 8.1** *Fridley's Top 10 Employers*

Rank	Employer	Employees
1	Medtronic	3,464
2	Cummins Power	1,210
3	Unity Medical Center	1,138
4	Target	696
5	BAE Systems	600
6	ISD#14 (Fridley Schools)	580
7	Minco Products	515
8	Walmart	312
9	Kurt Manufacturing	295
10	Treehouse Foods	206

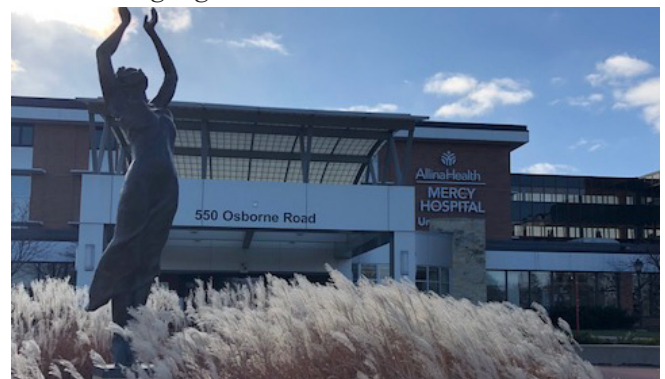
Source: City of Fridley 2016 CAFR \*Note: This data has been modified to provide updated information.



*Medtronic Campus*



*Cummins Signage*

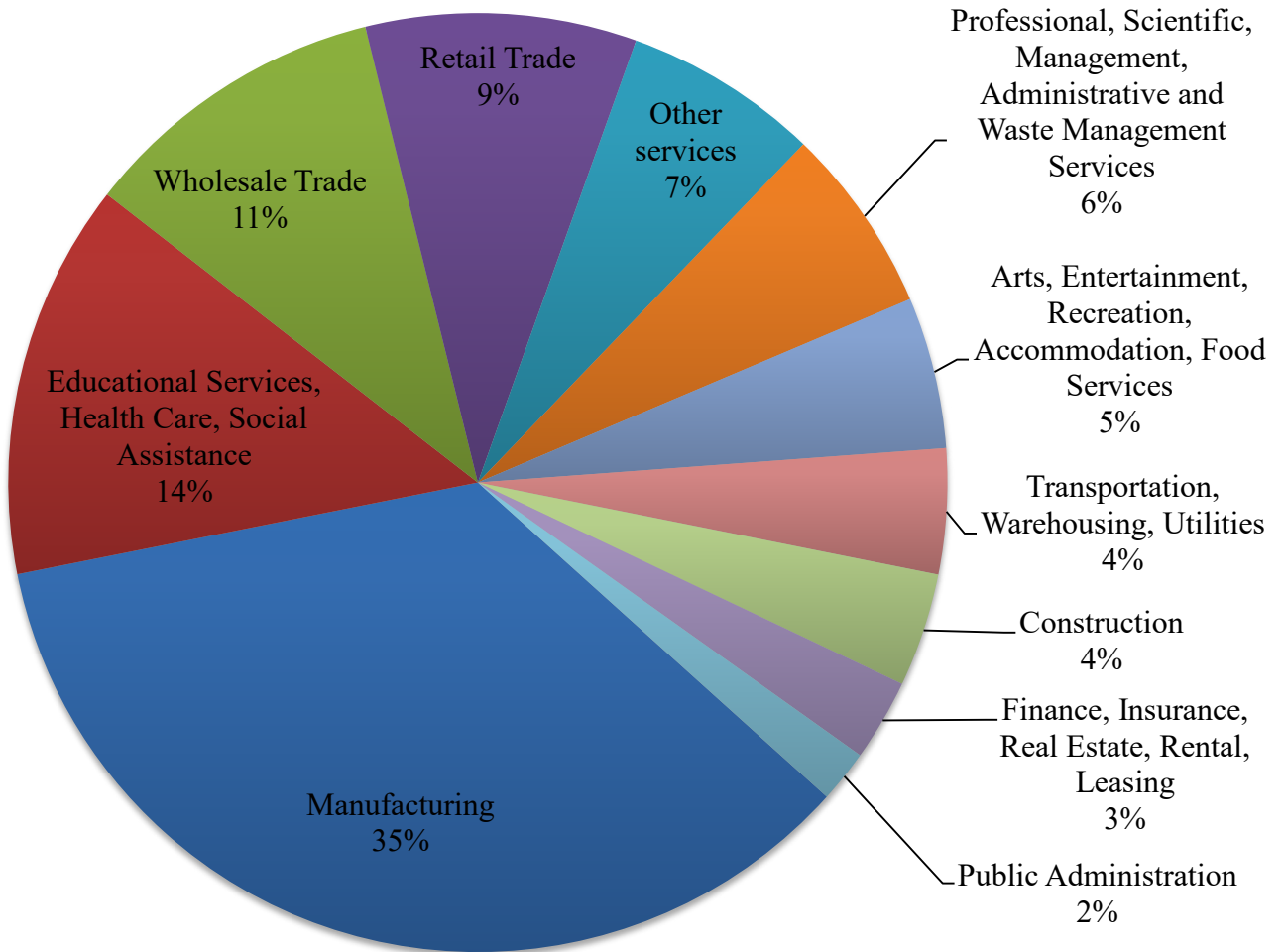


*Mercy Hospital*

## Connecting Workplace and Homeplace

In addition to a strong manufacturing base, Fridley has a variety of other industries which serve the community. Educational services, health care, and social assistance make up a large sector of jobs and account for 14% of Fridley employers.

**Figure 8.2** *Fridley Business Workforce*

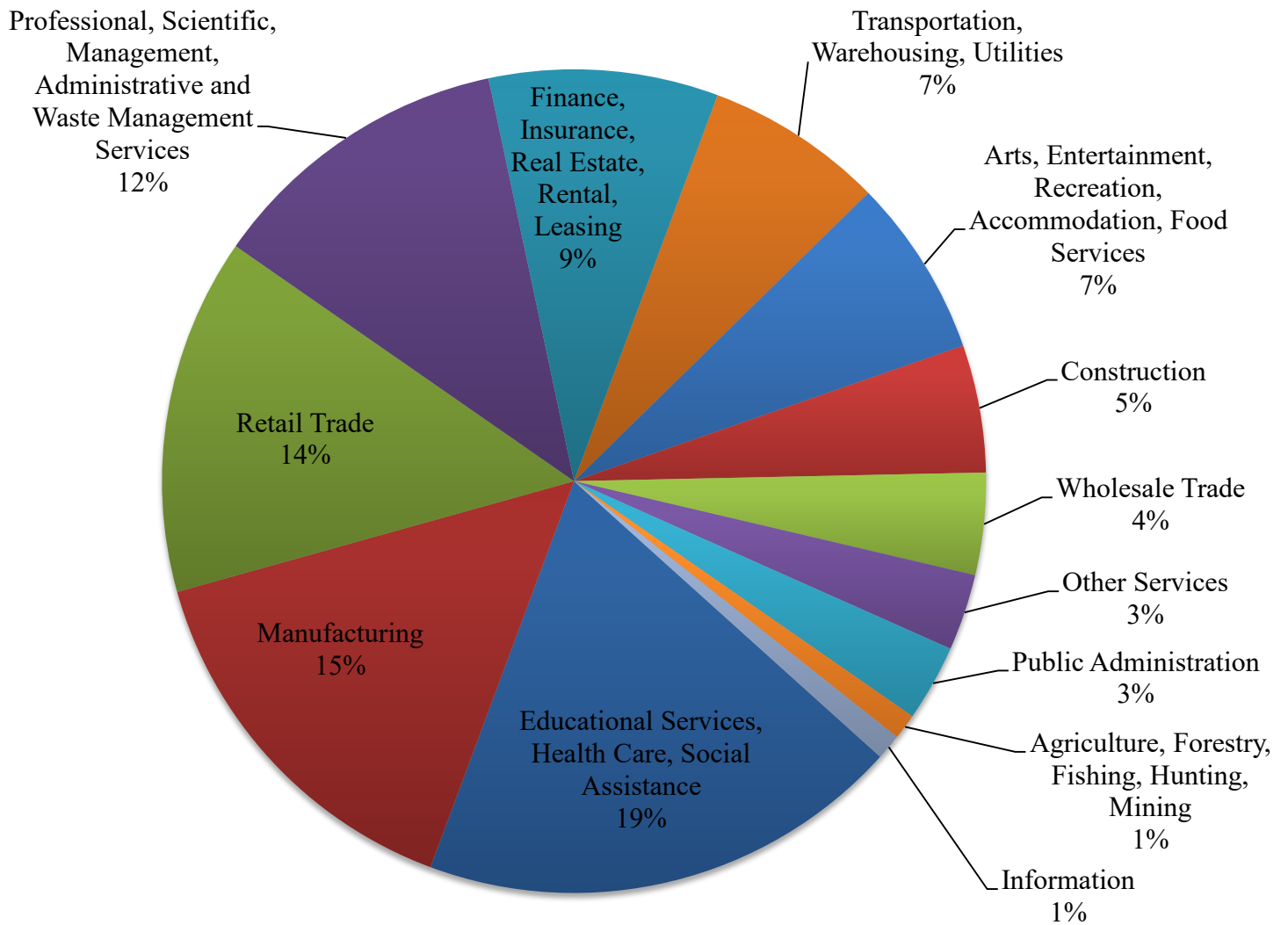


Source: ESRI Total Residential Population Forecasts for 2016

Despite a robust selection of industries in Fridley, only 1,388 residents work and live in the City. This contributes to congested streets, and impacts the sense of community between residents and businesses.

69.2% of Fridley residents age 16 and over are in the workforce. This number is higher than the national average of 63.3%. Educational attainment in Fridley is consistent with the state average. In fact, 90% of residents over age 25 have a high school diploma or higher. Also, 26.6% of residents over age 25 have a Bachelor's Degree. The jobs Fridley residents have pursued correlate with higher educational levels.

**Figure 8.3 Fridley Workforce Population**



Source: U.S. Census Bureau, 2011-2015 ACS 5 Year Estimates

## Opportunity in Fridley



*Gateway West Neighborhood*

Over 90% of Fridley’s housing stock meets affordability standards; enabling more of the population to find a home that matches their budget. Fridley has a healthy mix of ownership and rental choices. In addition, Fridley has many high tech industries with higher paying jobs. Redevelopment projects like Cielo Apartments, Gateway West, and Locke Pointe have focused on addressing higher-end and lifecycle housing needs.

There are a multitude of educational opportunities in Fridley. There are four school districts in Fridley including Fridley Public Schools. Fridley School District offers open enrollment with an emphasis on college preparatory, enriched, International Baccalaureate (IB) Diploma Programme, and Project Lead the Way courses. In addition, the City has a number of reputable private schools offering an alternative educational opportunity including Al Amal School, Calvin Christian High School, Grace Lutheran School, and Totino-Grace High School.



*Fridley Middle School*



*Springbrook Interpretive Center*

There are recreational opportunities for all ages in Fridley. The Community Center has senior programming and Tiger Club Care for preschool aged children. Springbrook Nature Center offers three miles of hiking trails and an interpretive center with interactive exhibits, and a variety of native snakes, turtles and amphibians. The Anoka County, Fridley-Mississippi Library Branch is a tranquil location to find reading materials. Banfill-Locke Center for the Arts is a nonprofit organization providing inspiration, enrichment, and education through the arts. Fridley’s 38 neighborhood parks, 5 county parks, and 8 public school facilities ensure there is always an open space to enjoy. The trails throughout Fridley including the Rice Creek Regional Bike Trail, and the Mississippi River Regional Trail all provide alternative transportation nodes and additional recreation opportunities.

Fridley is a GreenStep City. The Minnesota Pollution Control Agency operates the GreenStep City program, and awards ratings to Cities who fit the criteria. Fridley has been awarded Step One of the five step program, and is working towards the second step.



**Minnesota  
GreenStep Cities**



## 8.2 Business Retention and Expansion Program

In 2014, Fridley established a Business Retention and Expansion Program (BR&E). Fridley's BR&E Program helps local businesses stay competitive by addressing some of their key needs and concerns. Since 2014, the City has gone on over 200 business visits, and this has resulted in changes to City Code, better communication between businesses and City staff, and a stronger community connection. As a result of the BR&E program the City has made efforts to recognize small businesses, independent retailers, and manufacturers.

### Small Business Saturday

The Saturday after Black Friday celebrates shopping small, and encourages consumers to consider the impact of their dollar when spent at a small business. The City advertises Small Business Saturday on the cable program, Community Connections each year.



### Independent Retail Month

The month of July is celebrated as Independent Retailer Month. It is important to consider the impact all businesses have on the community and to recognize their efforts. The City sent thank you letters offering support and reminding businesses of the opportunity for a BR&E visit to all of the independently owned retail stores throughout Fridley.



### Manufacturing Week

Held the first week in October, Manufacturing Week celebrates the industry and works to change the perception of manufacturing. The City of Fridley began working with Minnesota Dream it. Do it. in 2017. This organization is part of a national organization that promotes tours of industries encouraging students to consider a career in manufacturing. Manufacturing makes up 35% of the employers in Fridley, and through BR&E visits the City learned of the difficulty manufacturers face in filling open positions. In 2017, the City led a Manufacturing Week initiative to help connect local schools with local businesses to encourage partnerships.



### Short-Term Objectives

- To demonstrate support for local businesses
- To help solve immediate business concerns

### Long-Term Objectives

- To increase local businesses' ability to compete in the global economy
- To retain and attract new jobs
- To build community capacity to sustain growth and development
- To create a business friendly community that nurtures business' potential

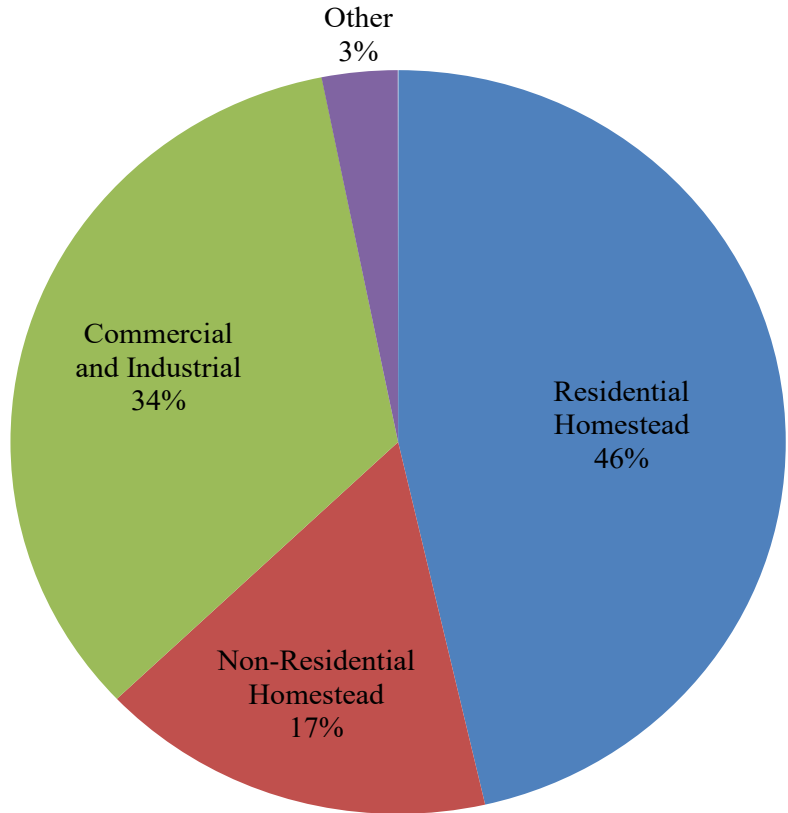
### Future BR&E Actions

- Continue meeting with businesses to establish more connections
- Maintain business relationships with an outreach program
- Continue progress with the Fridley business e-newsletter and keep businesses in the know of any community related changes.
- Continue to accurately respond to business needs.

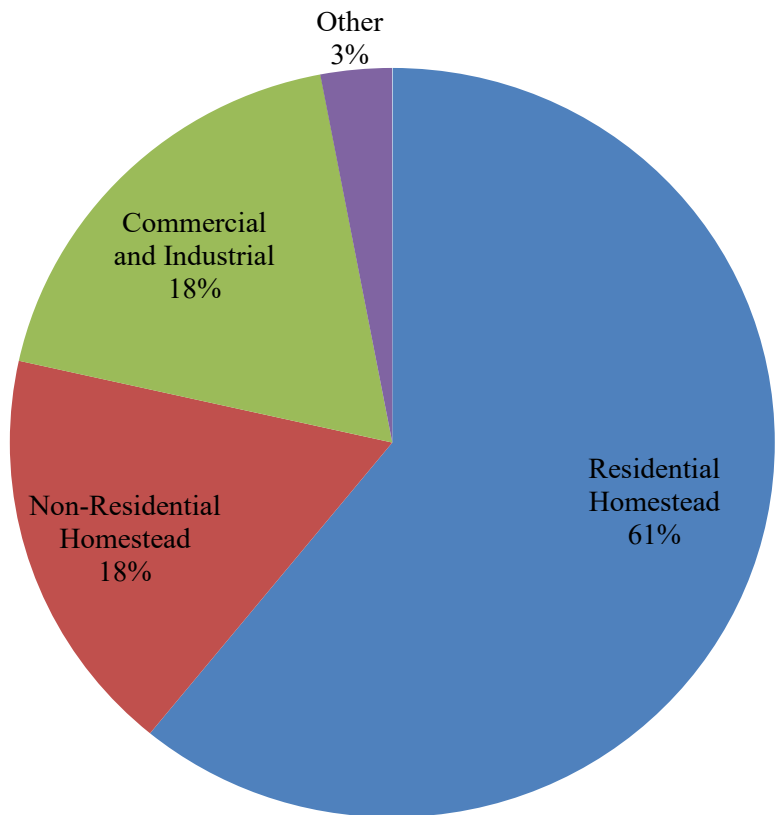
### 8.3 City Tax Base

The City has a large commercial and industrial tax base making Fridley a contributor to the Fiscal Disparities Program. Fridley's contribution reduces large differences in property tax wealth between communities with a high commercial-industrial tax base and those with a smaller tax base. Tax-base sharing spreads the fiscal benefits of commercial-industrial growth across the seven county metro area. In 2015, Fridley contributed just over \$4.5 Million to the Fiscal Disparities Program. With efforts to retain and attract new businesses, Fridley will likely continue to be a contributor to the Fiscal Disparities Program.

**Figure 8.4** *Fridley Tax Base Composition*



**Figure 8.5** *Metro Area Tax Base Composition*



**Source**

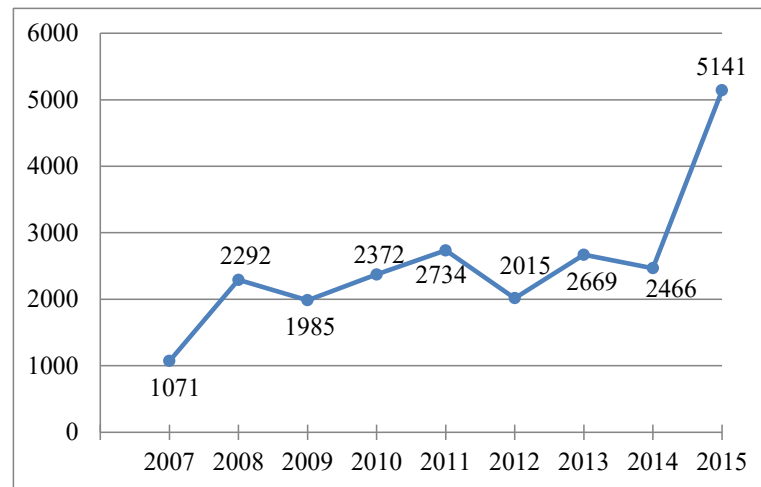
League of Minnesota Cities  
&  
Metropolitan Council



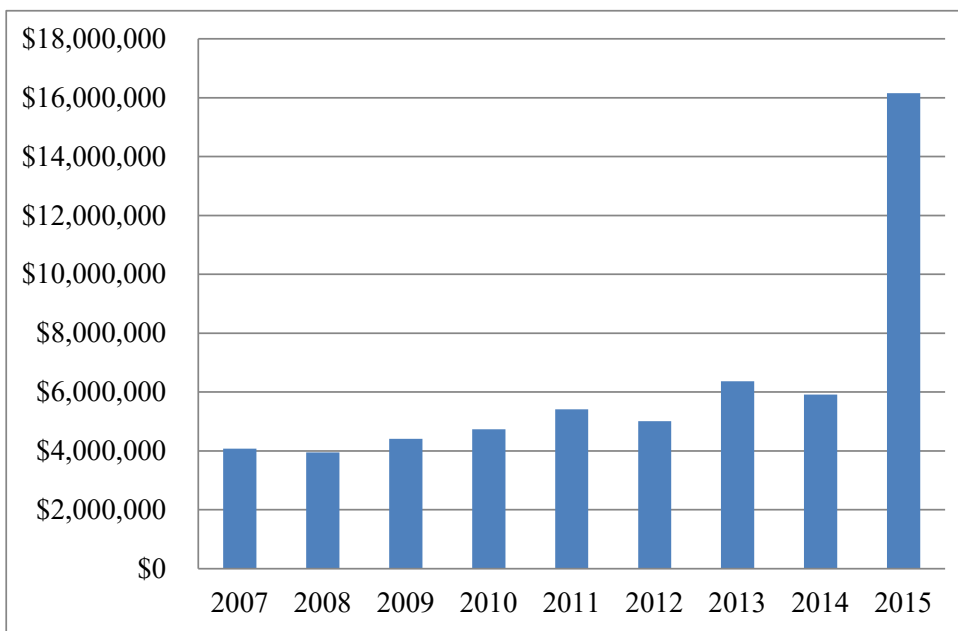
## 8.4 Building Permit Activity

**Figure 8.6 Building Permits**

The City of Fridley is a built community experiencing redevelopment and expansion of existing facilities. Since the recession in 2008, permit activity has been increasing, and saw a jump in 2015. This influx of activity in 2015 was due to roof repairs from storm damage.



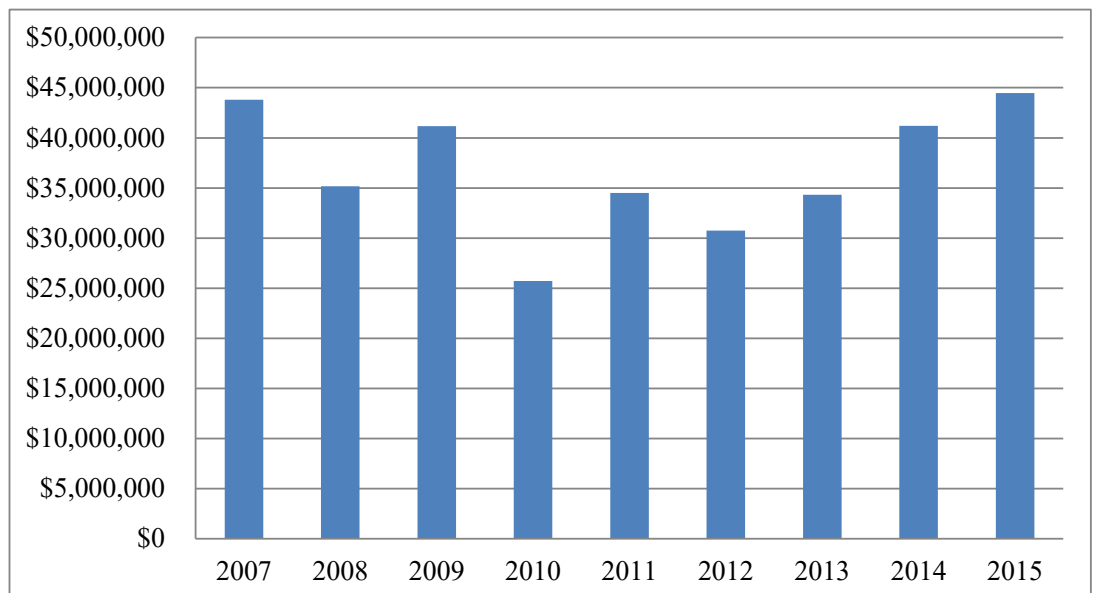
**Figure 8.7 Residential Building Permit Revenue**



The residential development of Cielo Apartments and storm repairs in 2015 contributed to additional residential permit revenue.

**Figure 8.8 Commercial, Industrial and Other Building Permit Revenue**

Commercial and industrial development is rising steadily. In 2015 the industrial development of Northern Stacks increased additional industrial permit revenue.



Source: Fridley Building Division

## 8.5 Economic Competitiveness Policy

**Policy:** The City of Fridley will continue to maintain affordable tax rates for all residents and businesses.

**Policy:** The City of Fridley will continue to redevelop blighted and underutilized properties. The City will also continue to offer incentives to businesses for making enhancements to their property.

**Policy:** The City of Fridley will continue to improve communication to and with Fridley businesses.

**Policy:** The City of Fridley will continue to promote business partnerships with local schools to fill the labor gap and create jobs for Fridley students.

**Policy:** The City of Fridley will continue to be a top provider of high tech jobs throughout the region.

**Policy:** The City of Fridley will continue to advocate for public transportation to businesses, especially where there are gaps.

**Policy:** The City of Fridley will continue to make Fridley a desirable place to live by considering opportunities that provide evening entertainment.

**Policy:** The City of Fridley will find ways to match residents with employment by addressing the opportunities in Fridley and the weaknesses the City faces in attracting new development.

**Policy:** The City of Fridley will investigate electric vehicle networks including the implementation of charging stations in retail parking lots.

**Policy:** The City of Fridley will identify opportunities for public art throughout the City especially along central corridors. A potential area to encourage public art may be along the Mississippi River in conjunction with future redevelopment. The City will also promote fine arts centers like Banfill-Locke Center for the Arts.

**Policy:** The City of Fridley will examine accessibility to the Mississippi River to encourage recreational usage. A potential opportunity to revitalize 49ers days as a Mississippi River Celebration should be investigated.

## 8.6 Summary and Action Steps

The City of Fridley offers not only a convenient business location, but a community of opportunities. Understanding the needs of Fridley businesses and workforce enables the City to consider ideas that maximize potential. Analyzing job sector data helps target promotional efforts and improves communication. BR&E visits help address business concerns, and align future visions. In addition to business support, Fridley offers residents a variety of housing, education, recreation, and environmental opportunity. Through the Comprehensive Plan, Fridley will strive to maintain a coordinated relationship with our local residents and businesses and in doing so strengthen the community by assisting industries in finding workers that match their needs.

**Action Step:** Development Review Committee Meetings (DRC) will continue to offer residents and businesses the opportunity to meet with staff and discuss plans before proceeding to Commission and Council review. This will help identify potential issues and create a more streamlined process.

**Action Step:** Development Review Committee (DRC) will continue to review and advance recommendations on ordinance amendments to assure City regulations are current and in step with industrial and commercial owner desires, needs, and technology advances.

**Action Step:** The City of Fridley will investigate gaps in public transportation. Currently 90% of residents have transportation access within a ½ mile of their home, but businesses in Fridley face larger public transportation gaps. Commercial and industrial areas including the northern and southern edge of the City should be included in this analysis.

**Action Step:** The City of Fridley will continue Business Retention and Expansion (BR&E) efforts to create a more business friendly environment.

**Action Step:** The City of Fridley will inform schools about programs for students considering a job in manufacturing and share their willingness to partner with outside companies to match students with jobs.

**Action Step:** Manufacturing Week will continue to be an opportunity to renew and continue efforts to connect local schools with local businesses.

**Action Step:** The City of Fridley will demonstrate the importance of public art through placement on the Civic Campus and throughout the City.



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