

City of Minneapolis 2014 Budget Background Information

Community Profile

Minneapolis combines the Dakota word for water ("minne") with the Greek word for city ("polis"), a fitting name for the City with 22 of Minnesota's 12,034 lakes. Minneapolis is renowned for combining the best of urban life with the neighborhoods and quality of life found in smaller towns. Residents enjoy exciting cultural and recreational opportunities in beautiful natural surroundings.

History

In the mid-17th Century, French explorers searching for the Northwest Passage were the first Europeans to visit the region. In the 1820s, at the confluence of the Minnesota and Mississippi rivers, soldiers from Fort Snelling constructed a saw-mill and a flour mill at the St. Anthony Falls. By the 1850s, the village of St. Anthony had been established on the east bank of the Mississippi and the village of Minneapolis on the west bank. The two towns were soon linked by a suspension bridge. Minneapolis' first volunteer fire company was organized in 1862, and the community was incorporated as a city in 1867. In 1872, Minneapolis and St. Anthony were united to form one city.



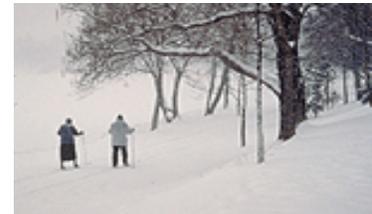
Location



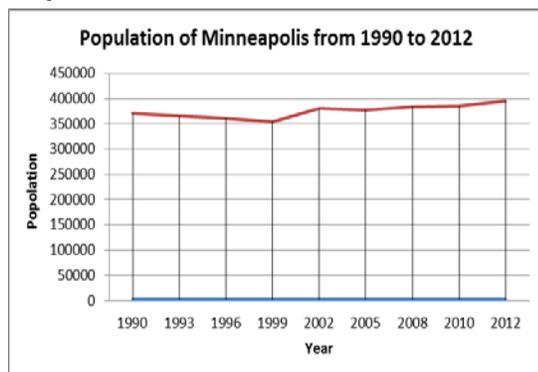
Minneapolis is the largest city in Minnesota and the center of finance, industry, trade and transportation for the Upper Midwest. At 44.58°–north latitude and 93.15°–west longitude, Minneapolis is 59 square miles (153 square kilometers), including 3.6 square miles (9.4 square kilometers) of inland water. It drapes along the banks of the nation's largest river, the Mississippi.

Climate

Minneapolis has an average summer temperature of 70° F, and an average winter temperature of 16° F.¹ Minneapolis has four distinct seasons, with moderate spring and fall weather. Summer is comfortable because lakes and trees serve as natural air conditioners.



Population



Minneapolis is home to an estimated 393,000 people. Males and females each make up approximately 50% of the population. Children and youth under 18, seniors aged 65 and above, make up 20% and 8% of the population respectively. African Americans comprise 19% of the population, with Hispanics making up 11% of the population. People of American Indian and Alaska Native descent comprise 2% of the population and people of Asian ethnicity make up 6% of the population.

¹ Source: Minnesota DNR, www.dnr.state.mn.us/faq/mnfacts/climate.html

People of another race, or those of two or more races, make up 4% of the population.²

Economy

In the early years, Minneapolis' economy was based on a booming lumber industry and the processing of Minnesota grain with the tremendous power-generating capabilities of St. Anthony Falls. Large flourmills along the river evolved into the international corporations of Pillsbury, Washburn Crosby (General Mills) and Cargill. In 2010, the ten largest Fortune 500 Companies headquartered in the metro area were as follows:³

Employer	Revenue \$ Billions
United Health Group	110.6
Target	73.3
Best Buy	45.1
CHS	40.6
Super Valu	36.1
3M	29.9
U.S. Bancorp	22.2
General Mills	16.7
Medtronic	16.5
Land O'Lakes	14.1

As of the third quarter 2012, the City's largest employment sectors were health care and social assistance (17%), professional and technical assistance (10%), educational service (9.6%), and finance and insurance (9.5%), and accommodation and food service (8%). The fastest growing employment sectors from first quarter of 2011 to first quarter of 2012 were real estate and rental and leasing, administrative and waste services, and accommodation and food services.⁴ With twenty-one accredited colleges and universities in the Minneapolis-St. Paul area, and four ABA-accredited law schools, the City's highly educated workforce continues to be a driving force of a strong economy. The University of Minnesota's highly acclaimed medical school, and the City's seven hospitals, has made Minneapolis a leader in the medical field.



Abbott Northwestern Hospital
(Piper Breast Center)

Since 2009, the City's unemployment rate has been falling. Details follow:⁵

	2008	2009	2010	2011	2012	2013
Total Labor Force	215,673	217,941	218,733	214,254	212,979	216,257
Employment	204,704	201,774	204,234	201,281	201,016	205,487
Unemployment	10,969	16,167	14,499	12,973	11,963	10,770
Unemployment rate	4.4%	7.4%	6.6%	6.1%	5.6%	5.0%

² Source: US Census Bureau 2012 estimates, <http://quickfacts.census.gov/qfd/states/27/2743000.html>

³ Source: Official Statement, November 1, 2013, City of Minneapolis for General Obligation Various Purpose Bond Series 2013

⁴ Source: "Minneapolis Trends" available at

<http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcms1p-100744.pdf>

⁵ Source: Official Statement, November 1, 2013, City of Minneapolis for General Obligation Various Purpose Bond Series 2013

The City's top ten payers of property taxes in 2010 follow:⁶

Taxpayer	Type of Business	Net Tax Capacity*	% of Total Net Tax Capacity
Northern States Power Co.	Utilities	\$6.4M	1.78%
Target Corporation	Office Buildings and retail	\$4.2M	1.12%
MB Mpls. 8 th Street LLC	Office Buildings	\$3.6M	0.95%
NWC Limited Partnership	Commercial/Industrial Buildings	\$3.3 M	0.88%
Minneapolis 225 Holdings LLC	Office Buildings	\$3.2M	0.87%
SRI Ten Center LLC	Office Buildings and Residential	\$3.0M	0.82%
Wells Operating Partnership LP I	Office Buildings	\$2.8 M	0.73%
First Minneapolis-Hines Co.	Banks	\$2.7M	0.71%
Hilton Hotels Corp.	Hotel/Hospitality	\$2.4M	0.64%
Hines Global Reit 50 So. 6th St LLC	Office Buildings	\$2.2M	0.59%
Total		\$33.9M	9.09%



Neighborhoods

Minneapolis has 81 residential neighborhoods offering 177,309 residential housing units.⁷ The City is well known for its concerned and active citizenry which has engaged in partnerships with government and business to improve neighborhoods and create economic opportunities. The City shares the nation's current challenge to increase the number of affordable housing units and preserve housing stock in the face of foreclosures.

Downtown

According to the City's analysis of the data from the State of Minnesota, approximately 132,000 jobs were located in downtown Minneapolis as of 2010.⁸ Second-story skyways keep downtown busy and thriving even on the coldest days. Nicollet Mall, a 12-block-long shopping area closed to automobile traffic and flanked by some of the nation's finest department stores and specialty stores is the retail heart of Minneapolis, with many stores located in Gaviidae Common, City Center, and the Crystal Court.



The Arts



Minneapolis is second only to New York City in per capita attendance at theater and arts events. Minneapolis has more than 30 theaters. The Guthrie Theater and the Children's Theatre Company are recognized as two of the country's best. In June of 2006, the Guthrie Theater celebrated the opening of its \$125 million theater on the banks of the Mississippi River on the northeastern edge of downtown. The City also boasts two world-class art museums, the Minneapolis Institute of Art and

⁶ Ibid

⁷ Source: Minneapolis Assessor, January 2012

⁸ Source: CPED analysis of DEED data as of 2010

the Walker Art Center, and is home to the internationally acclaimed Minnesota Orchestra. Neighborhood arts activities including festivals, galleries and events play a growing role in resident art participation.

Education



The Washington Avenue Bridge crosses the Mississippi River and connects the University's East and West Banks

The City offers several vocational training and specialty schools. The main campus of the University of Minnesota sits on the banks of the Mississippi just minutes from downtown. It is a major land-grant research institution with a long tradition of community and public service, and it ranks among the top 20 universities in the U.S. It is also one of the largest. In addition to the University of Minnesota, other institutions of higher education include Minneapolis Community and Technical College, Dunwoody Institute, Minneapolis College of Art and Design, Augsburg College, Metropolitan State University, the University of Saint Thomas, St. Mary's University, the College of Saint Catherine, and Capella University.

Sports and Outdoor Recreation

Many major league teams call Minnesota home. Fans can watch Major League Baseball's Minnesota Twins in action at Target Field, located in the Warehouse District of downtown Minneapolis. When the National Football League's Minnesota Vikings are in town, the Metrodome can seat 64,000 football enthusiasts. The new Vikings stadium will have a sitting capacity of 65,000 football fans (expandable to 73,000). The Minnesota Timberwolves of the National Basketball Association and the national champion Minnesota Lynx of the Women's National Basketball Association play downtown in the Target Center. Minnesota's National Hockey League team, the Wild, play in St. Paul. Minneapolis has the capacity to host large events at the City's Convention Center.



Minneapolis residents not only watch sports, they participate actively. In 2008, *Men's Fitness* magazine ranked Minneapolis number two on their top ten fittest cities list. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking or rollerblading around and sailing in the City's lakes are favorite pastimes. In 2008, Bicycling Magazine awarded Minneapolis #1 Bike City.

The City's Park and Recreation Board maintain 87 miles of walking and biking paths. The City also maintains sports fields, outdoor ice rinks, tennis courts, golf courses, and supervised beaches. In the winter, residents enjoy ice skating, ice fishing, skiing, and ice



sailing. Early in Minneapolis' development, the land around five large lakes was dedicated to the public as parkland. With one acre of parkland for every 60 residents, outdoor recreation is an important part of life, and it is estimated that a City park is ready for fun no more than six to eight blocks from every home.

Nationally Recognized

Minneapolis has recently received national recognition as being a great place to visit, to live, run a business, and forge community connections. The following is a sample of some of the City's recent honors:

- ✚ 2013 Healthiest City in US – *Forbes Magazine*
- ✚ 2011 Best city in the country for workers to find employment – *Forbes Magazine*
- ✚ 2011 Best Place to Live in a Big City Designed for Getting Outside – *Men's Journal*
- ✚ Cleanest City in America 2010 – *Travel and Leisure Magazine*
- ✚ Third Best Market for Young Professionals 2010 – *Forbes Magazine*
- ✚ # 8 on America's Best Cities List – *Outside Magazine*
- ✚ Minneapolis one of the "Best Places to Live in 2010" – *Men's Journal*
- ✚ Minneapolis/Saint Paul Named Top Metro Area for Business – *MarketWatch*
- ✚ Minneapolis Best City in the Country to Find Employment - *Forbes*
- ✚ Minneapolis Identified as the "Most Affordable Place to Live Well" – *Forbes*
- ✚ One of 2007's Top Destinations – *Frommer's*
- ✚ One of World's Top Biking Cities – *Travel + Leisure*
- ✚ # 1 Bike City – *Bicycling Magazine*
- ✚ City of Minneapolis Received Gold Award for "Bike Friendly Business" – *League of American Bicyclists*
- ✚ # 4 City for Eating Smart, Being Fit, and Living Well – *Cooking Light*
- ✚ Minneapolis Named the Nation's Second Fittest City – *Men's Fitness*
- ✚ # 3 Best Cities for Singles – *Forbes Magazine*
- ✚ Most Literate City – *Central Connecticut State University*
- ✚ # 4 Smartest City in America – *The Daily Beast*
- ✚ # 2 City to Have a Baby – *Fit Pregnancy*
- ✚ Best Cities for Working Mothers – *Forbes Magazine*
- ✚ Minneapolis/Saint Paul Ranks in Top 10 Areas in the Nation for Energy-Efficient Buildings - *EPA*
- ✚ # 7 Sustainable City – *Sustain Lane*
- ✚ Minneapolis Cleanest City in the Country – *Travel + Leisure*
- ✚ Minneapolis One of the 10 Greenest Cities in the Nation – *Move.com*
- ✚ Minneapolis/Saint Paul Area Ranked Top in the Nation for Volunteering – *National & Community Service*
- ✚ # 1 National Night Out City of 2007 – *National Association of Town Watch*

For links to more information on many of these top rankings, visit www.minneapolismn.gov/visitors/