#16: Jobs & Employment

OPTIONAL METRIC FOR CATEGORY A & B & C CITIES

DATA ELEMENT TOPICS

Pick at least one city-defined measure for:
- 16.1 **Jobs**
- 16.2 **Employment**
- 16.3 **Income**
- 16.4 **Poverty**

DEFINITIONS

- **Jobs** are a fundamental and reinforcing part of an individual's identity, social networks and sense of purpose. A good local economy is one that creates and sustains meaningful jobs and businesses, including jobs in the "green" economy. Much data from national, state, regional and city organizations attempt to provide a snapshot each year on the number, type, location, and quality of jobs and businesses in each city. "Living wage" jobs are variously defined by federal, state and local entities and are one way of characterizing the quality of jobs in the city. (Element 16.1)

- **Employment** numbers reflect the percent of a city's population working, not working, and underemployed. Data comparisons can include unemployment rates of city-determined subsets of community members; for example, the unemployment rate of workers aged 18-26 compared to the overall unemployment rate. (Element 16.2)

- **Income** reports dollars earned by the average, or median city resident, or by household. Comparisons can be made to income relative to rents, mortgages and living wages. Income distribution data can be used to look at income inequality, as this affects the wellbeing of community members. Typically, this inequality is reported as the Gini coefficient (the gap between rich and poor), reported on a scale from 0 to 1, but calculated Ginis exist only for counties, not cities in the U.S. (Element 16.3)

- **Poverty** has many definitions and measures. While a federal poverty income level is defined, cities may use a state, county or city dollar level to better reflect, for the local context, what range of income significantly challenges community members from fulfilling their minimal potential as active participants in society. (Element 16.4)

DATA SOURCES

- Census data (American Community Survey)
- City and county data
- % labor force in green jobs methodology, based upon NAICS codes for businesses, is from the Green Goods and Services page of the Bureau of Labor Statistics (http://www.bls.gov/ggs/home.htm)
- Social income inequality and jobs per worker data at http://livabilityindex.aarp.org/categories/opportunity

CALCULATION AND PUBLIC REPORTING

- **Jobs –** suggested data points are:
  - Jobs per worker

- o Jobs per acre in mixed-use commercial and neighborhood districts
- o % of jobs that pay a living wage
- o % of labor force working the green jobs sector
- o % of business start-ups that survive 5 years
- **Employment** - depending on the size of your city, issues of concern, and availability of data, different data points might be:
  - o % of residents employed
  - o % of residents unemployment
  - o Unemployment disparity: ratio of unemployment rates between a subset of residents and the city-wide unemployment rate
- **Income –** overall city data points and disparity calculations include:
  - o Median household income
  - o Personal income per capita
  - o Income disparity: % of total personal income going to top 20% vs. bottom 80% of earners
- **Poverty –** many data points may be available; common ones are:
  - o % individuals living at or below a poverty line (defined locally)
  - o % of households living below the federal poverty line

RATIONALE

The GreenStep Cities program challenges cities to "achieve their sustainability and quality-of-life goals." While the 29 GreenStep best practices are focused on environmental issues, with a strong city-wide economic thread, jobs and employment for individuals are inherent in building greater sustainability in a city. Hence this one GreenStep Element focuses on these issues of individual work, employment and jobs.

Two disparity measures are included as options in this GreenStep metric. For unemployment, some Minnesota cities are very concerned about disproportionally high unemployment in certain subsets of community residents. And related to income, studies, including by the American Community Survey (U.S. Census: 2014) show that Americans are happier when income inequality is low. While cites have very limited ability to affect these numbers, a review of city policies and programs that incentivize certain types of businesses and jobs may identify actions a city can take to address the disparities. For example, does the city subsidize small businesses, start-ups, existing businesses, home-based businesses, big-box stores, warehouses, manufacturers?

GreenStep suggests measures but is not specifying a specific data element for each topic and leaves it to each city to choose relevant measures and report that data.

STEP 5 TARGETS

While there is no shortage of public and private organizations urging communities to hit specific targets in this jobs/employment area, and while there are funding streams related to specific targets, each city is unique and can best set realistic targets that are finely tuned to the community's history, current capabilities, and aspirations.

At a state level, the MN Dashboard (https://mn.gov/mmb/mn-dashboard), prepared by the state agency MN Management and Budget, calculates one number statewide, which cities may find of use for comparison purposes, for these indicators (data from 2016):

- % business start-ups that survive 5 years: 55%

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- % of residents unemployed: 3.8%
- median household income: $61,000
- % living at or below the Federal poverty line: 11.5%

Under the national Star Community Rating System, the target for employment density in compact, mixed-use, human-scaled, walkable centers and neighborhoods is at least 25 jobs per acre.

NEED HELP? CONTACT

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