

*This document provides some background information on each of the three strategic priorities we will discuss during the **CEDS Committee workshop #4**. A short presentation will be given to help committee members understand what has shifted in each of the strategic priority areas since development of the 2020 CEDS document.*

## **AFFORDABILITY**

***Twin Cities is a relatively affordable place compared to peer regions:*** Ranked 7 (Minneapolis) and 10 (St. Paul) in affordable cost of living among 30 metropolitan areas.

***Housing costs in the Twin Cities are generally lower than peer regions:*** Ranked 6 (St. Paul) and 8 (Minneapolis) in housing affordability among 30 metropolitan areas. The region has the 2nd lowest housing cost burden, and the level of cost burden has remained steady.

***Limited supply of dedicated affordable housing and severe shortage of deeply affordable housing:*** Region struggles to produce enough housing at the deepest levels of affordability to meet the need and demand. Deeply affordable units are not well distributed across the region, resulting in a jobs-housing mismatch. There is a limited supply of affordable housing near lower wage jobs, straining employers' ability to find workers in the area.

## **NEW CLIMATE ECONOMY**

***Minnesota's climate goal of 100% carbon-free electricity by 2040 provides economic and workforce opportunities with proper planning and readiness:*** As the state scales up clean technologies and implements climate mitigation, adaptation, and resilience measures across sectors, a coordinated workforce strategy is essential to ensure the creation of high-quality jobs and pathways for all Minnesotans to participate in and benefit from the economic transition. Climate-adaptive and energy-economizing opportunity areas include:

- Buildings - energy efficiency improvements, retrofits, and clean technology upgrades
- Electrification - grid reliability, modernization, and resilience
- Manufacturing - improving energy efficiency, reducing emissions, and modernizing equipment and processes
- Transportation - decarbonizing across transportation modes; supporting future infrastructure investments

In 2023, there were 38,380 clean energy jobs in the Twin Cities, accounting for 62% of all clean energy jobs in the state. The highest share of jobs (72%) was in energy efficiency.

**Resource planning and reducing carbon-intensity:** Public policy and private industries have interest in reducing carbon-intensity by shifting sources and fuels for electricity generation, industrial facilities, transportation and buildings. Development and deployment of clean and efficient technologies, practices, and infrastructure brings economic benefits.

## TRANSPORTATION

**Workers in the region benefit from relatively low commute times:** In 2025, 68% of workers had a commute time under 30 minutes, the shortest commute time among 12 peer regions.

**Transit dependent workers are geographically limited in their ability to reach employment opportunities:** Employers located outside the transit network struggle to fill lower wage positions due to the limited transportation options for the workforce. Some transit routes to the suburbs have been eliminated since Covid, as telework cut into ridership.

**Trucking is the primary means of distributing goods and services in the region, utilizing a road network that prioritizes personal vehicles:** Lack of designated truck routes and traffic bottlenecks frustrate trucking companies in the region.

**Minneapolis-St. Paul International Airport provides excellent passenger service while lagging as a cargo hub:** Most of the region's air cargo is trucked to Chicago and flown out of O'Hare.