

V. ECONOMIC COMPETITIVENESS

Minnesota Statutes §473.859 Subd. 1 states local comprehensive plans “shall contain objectives, policies, standards, and programs to guide...redevelopment and preservation for all lands and waters within the jurisdiction of the local governmental unit.” This comprehensive plan will address this requirement through the implementation chapter at the end of the plan. The following sections detail basic background information on employment and income to provide current conditions for the community and to summarize public comments from the community survey, focus groups, and open houses relating to economic development.

A. Economic Competitiveness Goals and Objectives

Goal: Concentrate on retaining and expanding local businesses in and around the Village Center and existing Rural Commercial districts.

Objectives:

- Strengthen public services to attract and retain businesses and workforce.
- Identify and allow in-fill development opportunities for business expansion.
- Promote appropriately sized new businesses that create synergy with existing businesses and overarching goals.
- Use outreach/branding initiatives to retain businesses and employment in Scandia.
- Cooperate with businesses, educational institutions, community organizations, and government to provide information to local businesses.
- Create development and land use standards to guide development into the Village Center and away from a linear pattern along the highways or undeveloped rural intersections.
- Encourage businesses providing local services, as well as tourism and recreation businesses in the Village Center.
- Work with building owners to maintain and upgrade building facades and properties consistent with the Village Center’s small town image and historic character.
- Encourage public and private investment in community-oriented institutions including the community center and city hall, church, cemeteries, and Gammelgarden.

Goal: Actively support the retention and expansion of Scandia community-scale agricultural operations.

Objectives:

- Work cooperatively with other governmental agencies and community groups to develop programs to help keep agricultural land affordable in Scandia.
- Update ordinances and regulations to facilitate growth of small-scale agricultural uses.

Goal: Encourage home-based entrepreneurs and businesses.

Objectives:

- Identify opportunities to encourage home-based businesses to transition to a storefront when its market is adequately developed.
- Review standards to support home occupations while ensuring compatibility with surrounding land uses.

Goal: Expand access to internet services throughout the entire City.

Objectives:

- Encourage internet providers to expand service areas and bandwidth throughout the

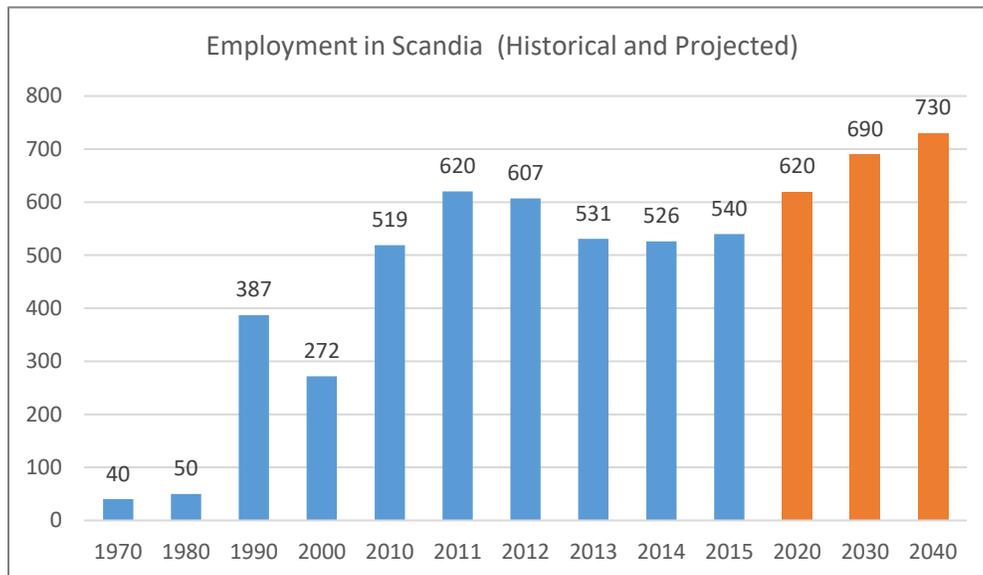
City.

- Explore potential opportunities for public investment or grants to expand internet capabilities.
- As development or redevelopment occurs, support the addition of infrastructure that will enable expansion of internet technology.

B. Employment in Scandia

Figure V-A shows the historical employment in Scandia from 1970 through 2016 and projected employment to 2040. Employment in Scandia peaked in 2011 with 620 employees. Projections show employment increasing in Scandia considerably in the next 20 years, projecting to add 190 jobs by 2040. However, this is contingent on the ability of businesses and industries in the city to support employment growth as well as the ability of the city to support new and growing businesses.

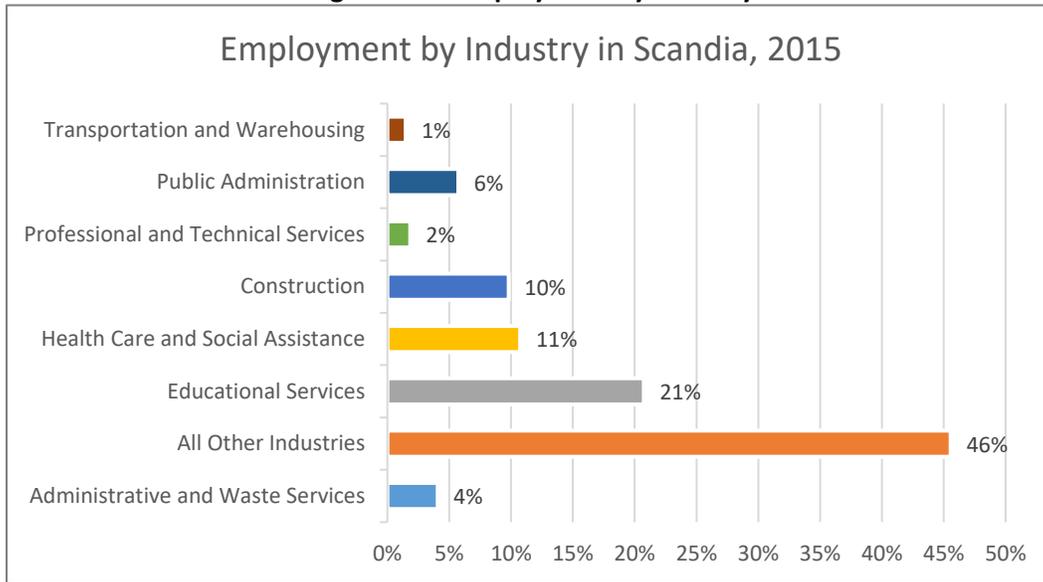
Figure V-A - Historical and Projected Employment in Scandia



Source: Metropolitan Council Tabulation of US Census and American Community Survey Data

Figure V-B shows employment in Scandia by industry in 2015. Of Scandia’s total 540 jobs, 46% fall into “All Other Industries,” suggesting a diversity of jobs within the city. The largest single industry is Educational Services, which provides 21% of jobs located in Scandia. Health care and social assistance and construction make up the second and third largest single industries in the city, respectively.

Figure V-B - Employment by Industry

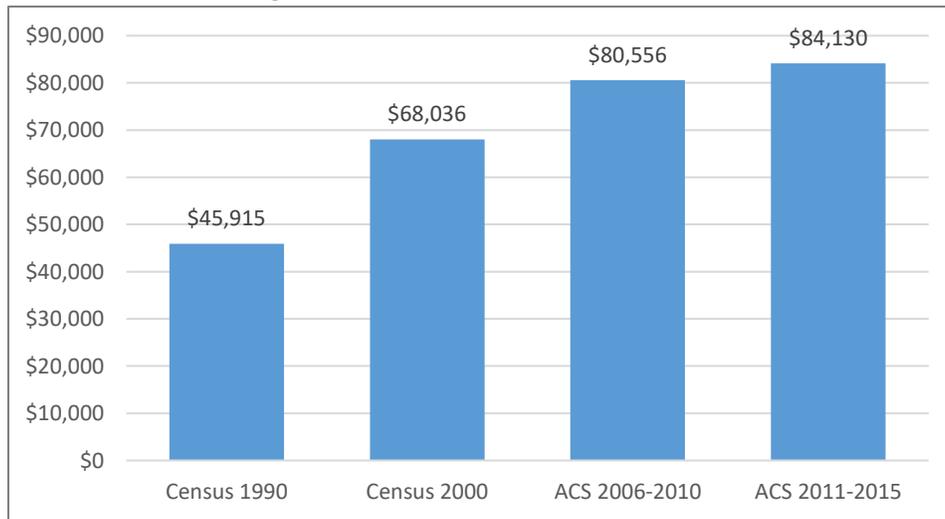


Source: Metropolitan Council

C. Income

Figure V-C shows median household income in Scandia over the last 25 years. Median household income has increased in Scandia, with the largest increase between 1990 and 2000. These medians are nearly identical to Washington County median household incomes.

Figure V-C - Median Household Income



Source: US Census and American Community Survey (Not Adjusted for Inflation)

1. Public Comments

Appendices D and E provide detailed responses regarding community and economic development. In brief, Community Survey respondents identified businesses struggling in the low-density city as one of the top three challenges facing the city and commercial growth as the number one priority for the city for the next 20 years. Residents of Scandia

want growth to match existing community character, supporting existing small businesses and the history of the community. There is interest in a range of community businesses and attractions, many of which can cater to both local and tourist markets, such as coffee shops, restaurants, and recreation. There is also interest in exploring alternative agricultural opportunities, like co-ops, and tourism as key elements of the city's economy, as traditional agriculture will become increasingly difficult to maintain. Focus groups also noted slow and sporadic internet speed as a limiting factor in business operations.