

2022 Economic Report for the Mankato MSA

Annually, Greater Mankato Growth conducts an analysis of the strength of the regional economy compared to other Metropolitan Statistical Areas (MSAs) across the country. The primary datapoints we analyze for this report are population growth rate, real GDP, employment, and household income.

The Mankato MSA is one of the newest MSAs in the country, having received MSA designation in December 2008. At present, the MSA includes Blue Earth & Nicollet Counties. Out of 384 MSAs across the country, Mankato ranks 350th by population; however, our region ranks better than the population would suggest in each comparison category. Mankato ranks 319th by GDP, 291st by employment, 118th by median income, and 149th by mean income. (See **Exhibit A** for a series of charts comparing the relative positioning of the Mankato MSA.)¹ Despite ranking in the top 40% of MSAs for household income, the cost of living is 7.3% less than the national average – meaning people who live in the Mankato MSA maintain a higher quality of living than those elsewhere across the country.

Comparison Groups

Conducting a detailed comparison of the Mankato MSA to all MSAs across the country is difficult due to differences between the characteristics of the community. Comparing the performance of Mankato to New York, for example, would yield little due to the structural differences between those two communities. Instead, we compare Mankato to three key categories:

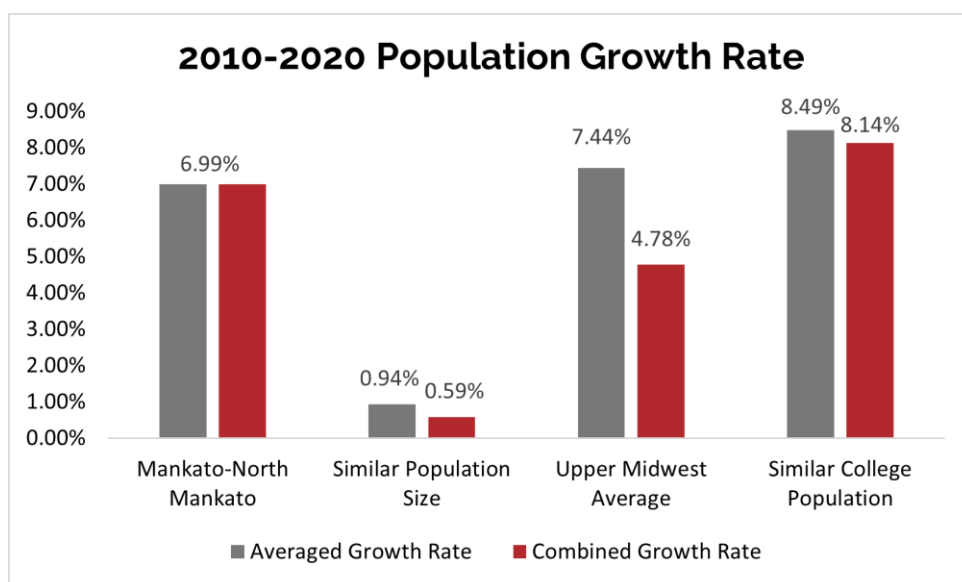
- **Communities in the Midwest** – Greater Mankato Growth compares the region to 32 MSAs that incorporate communities in Minnesota, North Dakota, South Dakota, Wisconsin, and Iowa. When reviewing relative performance, it is important to consider that the Mankato MSA is the 3rd smallest MSA of the cohort, exceeding Dubuque, IA and Grand Forks, ND.
- **Communities with a similar proportion of college aged residents (18-24)** – With 18-24 year old residents making up 18.7% of the population, the Mankato MSA ranks 17th in the nation. Greater Mankato Growth analyzes our performance against the 20 closest communities based on ratio of college-aged population (10 higher and 10 lower).

¹ Sources include Bureau of Economic Analysis – Real GDP in Chained 2012 dollars for GDP, Bureau of Labor Statistics – LAUS data for employment, and American Community Survey – 5 Year Estimates for mean & median income.

- **Communities with a similar population** – While the Mankato MSA shares many characteristics with other college-towns, comparisons are impacted by variance in population size. The Mankato MSA is the 2nd smallest of these communities, which have an average population almost twice that of the Mankato MSA. In many ways, the best way to compare performance is to review communities with a similar population size. Greater Mankato Growth analyzes the performance of the Mankato MSA with the 20 closest communities by population (10 larger and 10 smaller). The average population of these communities is just 2% higher than that of Mankato.

Evidence of Growth

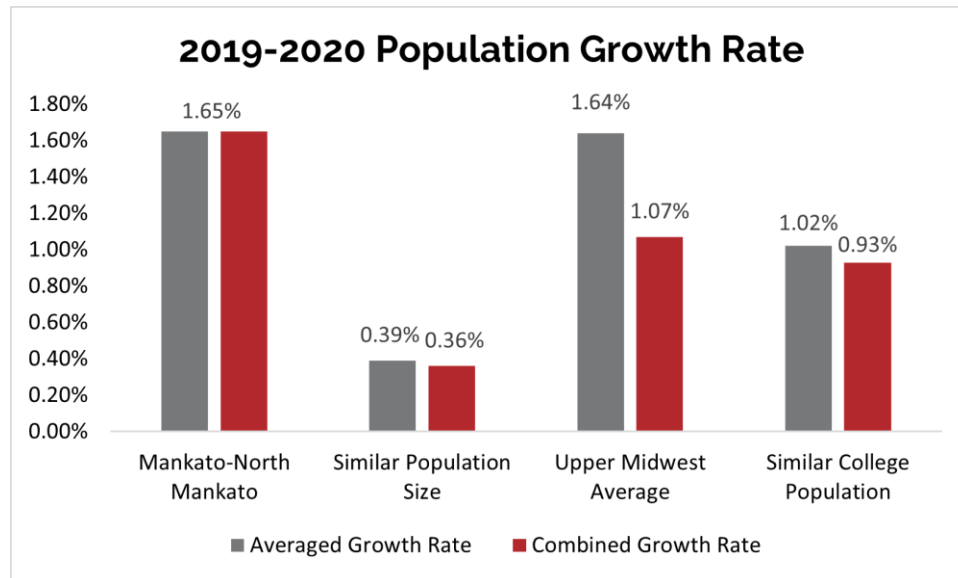
The Mankato MSA has maintained steady population growth since 2010. In the 10-year period between July 2010 and July 2020, the population of the Mankato, MSA grew by 6.99%². This exceeded the combined growth rate of the 32 communities in the upper Midwest, which grew by 4.78%.³ Over the same 10-year period, communities with a similar college-aged population exceeded this, growing by 8.14%. MSAs of similar size population grew by only 0.59%.



² Source: US Census Bureau Population & Housing Estimates

³ Unless otherwise noted, all growth represents the combined growth rate. For combined growth rate, the total population of all MSAs is included in the growth rate calculation – meaning a large MSA will have a greater impact on the data than a smaller one. For the averaged growth rate, the growth rates of each individual MSA are averaged together – meaning a small MSA with a major change in population will have a greater impact on the data than a larger MSA with a minor change in population.

Between 2019 and 2020, the growth rate of the Mankato MSA exceeded historic precedent, **growing by 1.65%**. This exceeded the growth rate of each of the comparison communities as well as the national metropolitan growth rate of 1.29% and greatly exceeded the total national growth rate of 0.98%. The Upper Midwest MSAs had a growth rate of 1.07%, communities with a similar ratio of college-aged residents had a growth rate of 0.93%, and **similarly sized MSAs grew by only 0.36%**.



Economic Strength

Just as using the population of the Mankato MSA as a baseline showed a higher than expected performance nationally, the same holds true when making a comparison against our comparison MSAs. For example, despite ranking 20th in total population for similar college towns, the Mankato MSA ranks 18th in GDP and 4th in median household income. Despite ranking in the center of communities of similar population, the Mankato MSA ranks 1st in employment.

Nationally, due to the COVID-19 pandemic only 31 of 384 MSAs had a positive 1-year GDP growth rate. The metropolitan GDP loss was -3.45%. With a loss of only -2.11% the Mankato MSA outperformed the national average as well as all comparison MSA averages. The Mankato MSA had the 145th lowest reduction in GDP, putting it in the top 38% of MSAs.

The Mankato MSA exceeded all comparison categories in both Median & Mean income growth between 2019 and 2020. (A chart showing the relative performance of the Mankato MSA can be found in **Exhibit B**)

Comparison to Communities of Similar Populations

The Mankato MSA is the 2nd smallest of the 21 communities included in the comparison based on college-aged population and is smaller than 30 of the 32 MSAs in the upper Midwest. As such, a comparison between communities of similar population is best suited for a detailed comparison. The Mankato MSA was 8th in GDP growth, 5th in job growth, and 3rd in population growth using this comparison category. The Mankato MSA also ranked 9th in both median & mean income growth. Despite comparing the 10 larger and 10 smaller communities, Mankato-North Mankato has the highest total employment.

METROPOLITAN AREA	Real GDP In Millions			Employment		Population	
	2010	2020	10 Year Growth Rate	March 2022	10 Year Growth Rate	2020	10 Year Growth Rate
Cheyenne, WY Metro Area	\$4,748.09	\$5,400.31	13.74%	48,327	9.68%	100,863	9.35%
Longview, WA Metro Area	\$4,031.58	\$4,467.11	10.80%	46,659	15.98%	111,524	8.95%
Mankato, MN Metro Area	\$4,623.89	\$5,117.93	10.68%	58,835	6.64%	103,612	6.99%
Dubuque, IA Metro Area	\$4,839.88	\$5,801.45	19.87%	53,316	2.13%	98,718	5.10%
Grand Forks, ND-MN Metro Area	\$4,359.97	\$4,941.52	13.34%	52,048	-0.57%	103,462	4.90%
Sebring-Avon Park, FL Metro Area	\$2,339.59	\$2,392.00	2.24%	32,987	-1.35%	103,296	4.73%
Hot Springs, AR Metro Area	\$2,804.03	\$2,957.26	5.46%	39,006	1.45%	100,330	4.44%
Ithaca, NY Metro Area	\$5,581.45	\$5,343.18	-4.27%	47,250	-7.47%	105,162	3.36%
Lewiston-Auburn, ME Metro Area	\$3,946.85	\$4,305.58	9.09%	52,365	-0.21%	111,034	3.09%
Fond du Lac, WI Metro Area	\$4,100.46	\$4,589.06	11.92%	56,866	9.08%	104,362	2.74%
Gettysburg, PA Metro Area	\$3,243.72	\$3,371.68	3.94%	53,063	4.16%	104,127	2.61%
Rome, GA Metro Area	\$3,684.24	\$3,488.56	-5.31%	42,698	7.69%	98,771	2.43%
Michigan City-La Porte, IN Metro Area	\$3,908.87	\$3,805.46	-2.65%	44,936	-0.83%	112,390	0.84%
Gadsden, AL Metro Area	\$2,771.24	\$2,563.31	-7.50%	38,142	-5.87%	103,162	-1.24%
Bay City, MI Metro Area	\$3,558.09	\$3,217.28	-9.58%	45,878	-5.33%	102,985	-4.36%
Lima, OH Metro Area	\$7,821.57	\$7,480.38	-4.36%	45,172	-2.04%	101,670	-4.41%
Muncie, IN Metro Area	\$3,989.00	\$3,633.09	-8.92%	50,366	1.23%	111,871	-4.92%
Kankakee, IL Metro Area	\$4,120.49	\$5,658.13	37.32%	49,483	-0.19%	106,601	-6.01%
Decatur, IL Metro Area	\$6,493.23	\$5,589.32	-13.92%	43,801	-11.56%	102,432	-7.54%
Beckley, WV Metro Area	\$4,353.31	\$3,649.78	-16.16%	44,463	-6.05%	113,698	-9.00%
Williamsport, PA Metro Area	\$4,625.57	\$5,666.89	22.51%	51,731	-11.02%	113,605	-2.25%

Exhibit A

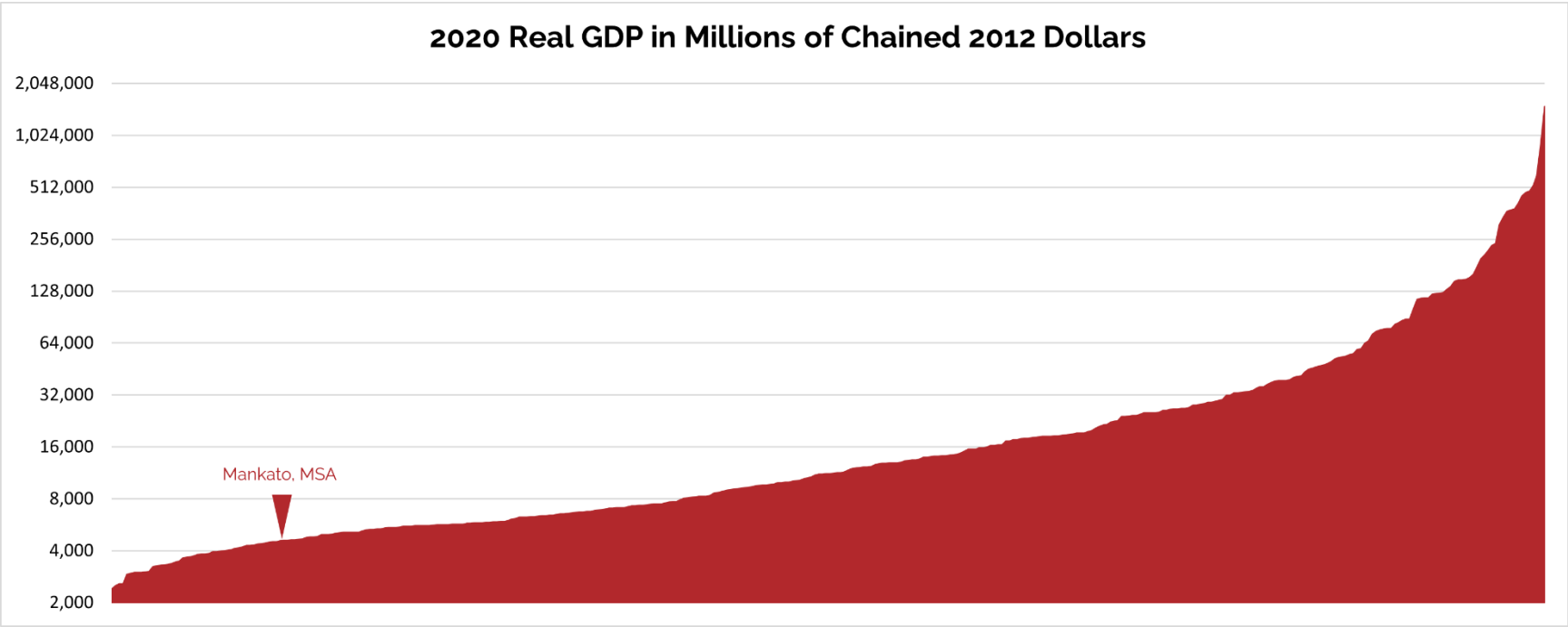
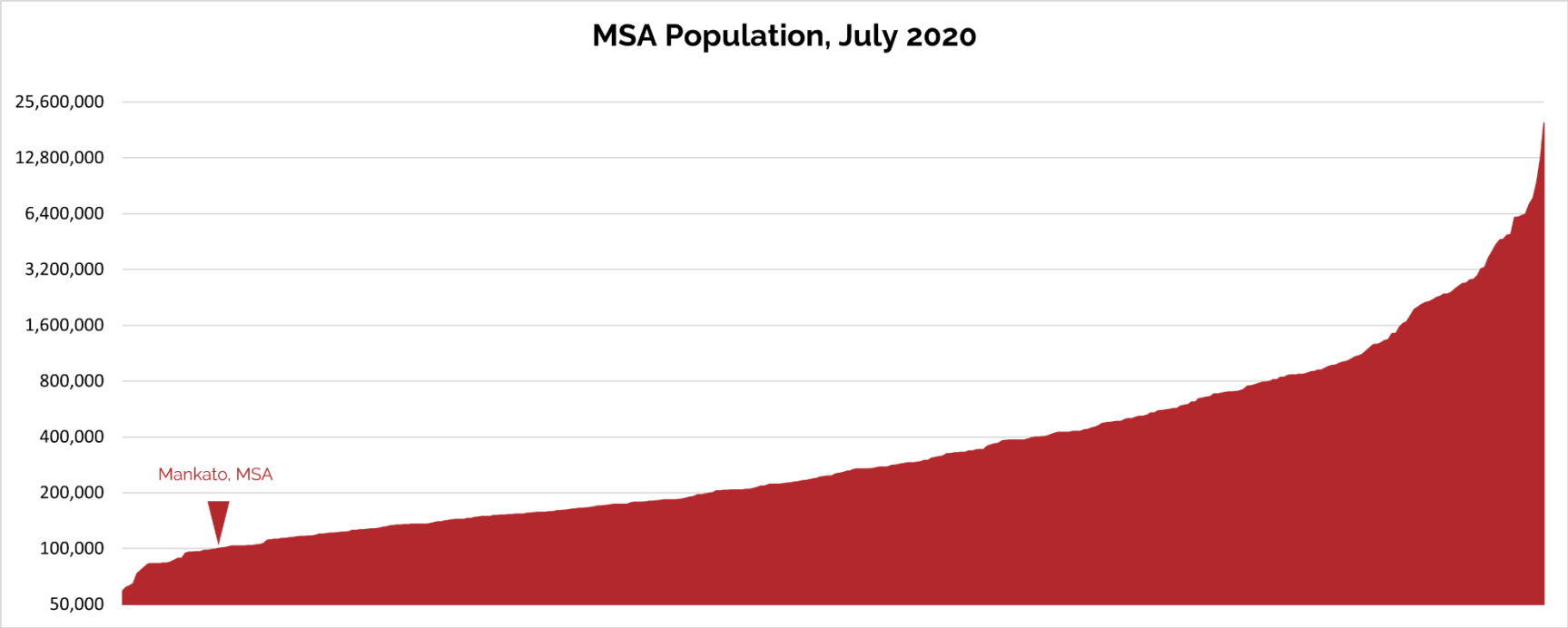


Exhibit A

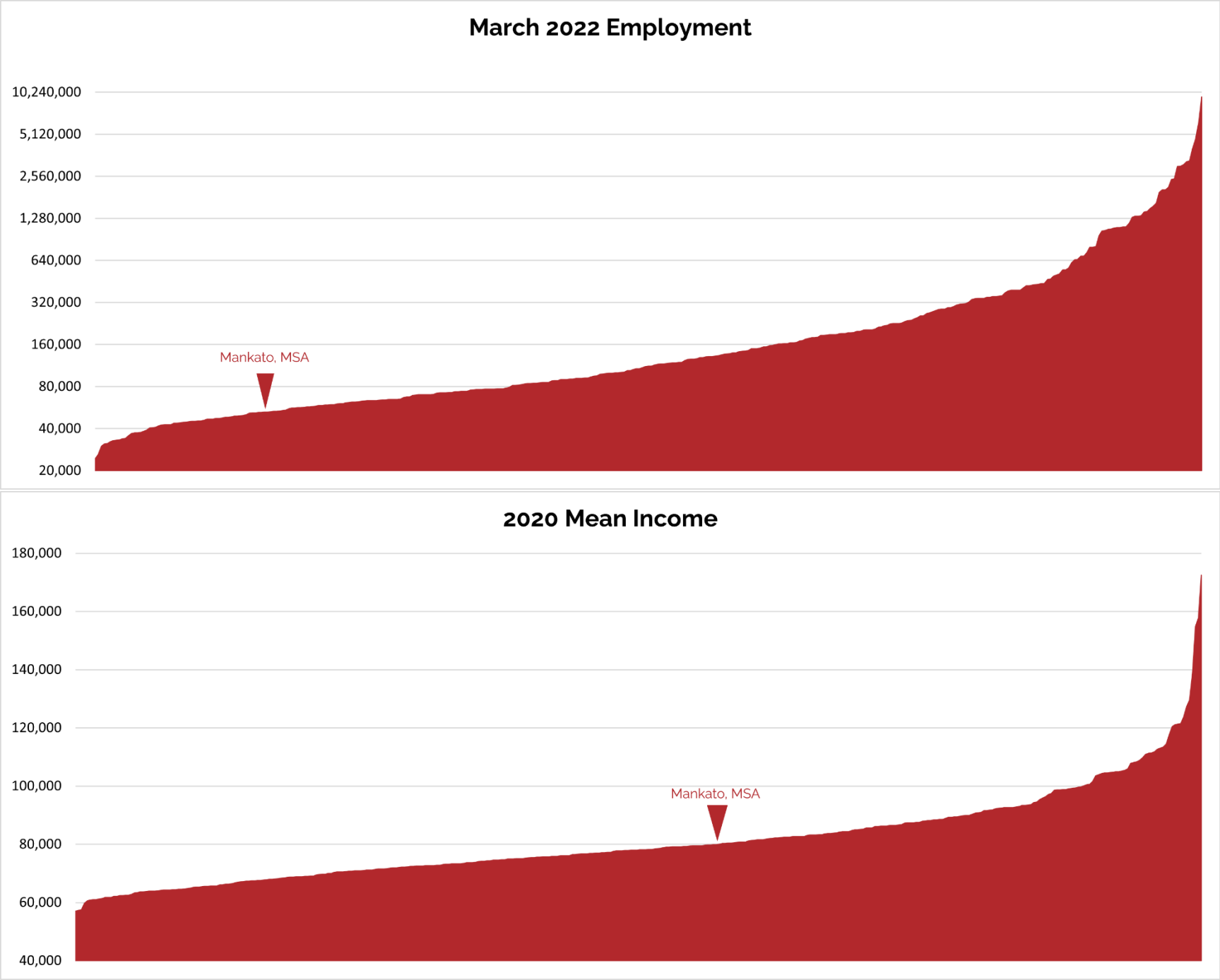


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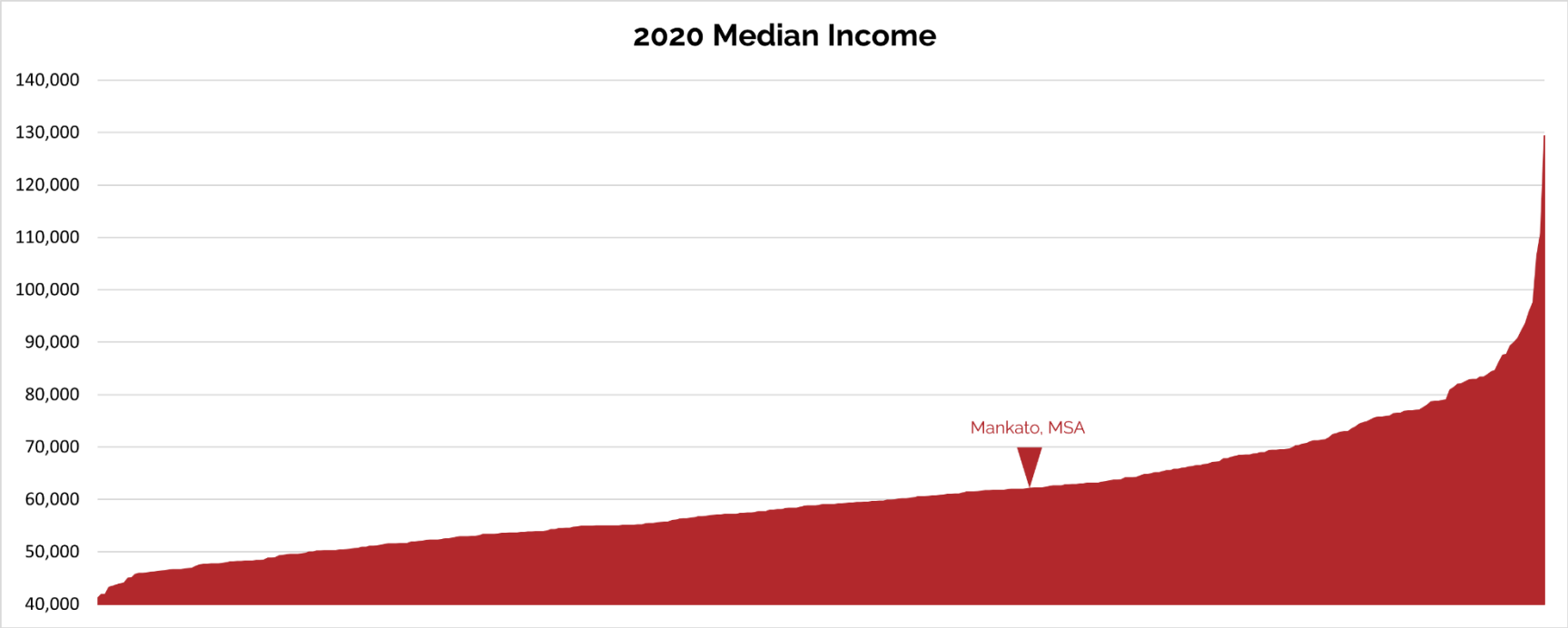


Exhibit B

Geography	Real GDP		Employment		Household Income	
	2019-2020 Growth Rate	2010-2020 Growth Rate	March 2021-2022 Growth Rate	March 2012-2022 Growth Rate	2019-2020 Median Income Growth Rate	2019-2020 Mean Income Growth Rate
Mankato-North Mankato	-2.11%	10.68%	2.33%	6.64%	4.05%	5.27%
Similar College Age Population (AVG)	-2.67%	11.27%	4.06%	9.31%	2.80%	2.56%
Similar Population (AVG)	-3.13%	3.88%	1.92%	0.05%	2.96%	2.55%
Similar Geography (AVG)	-4.30%	11.57%	4.23%	7.65%	2.68%	2.66%