



**DRAFT**  
*FOR*  
**PUBLIC REVIEW**  
**AND COMMENT**

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This document, once adopted by the Council in late February, will be the draft of *Thrive MSP 2040* for public review and comment.

An earlier version of this document was submitted by the Metropolitan Council to the Corridors of Opportunity Policy Board for their submittal to the U.S. Department of Housing and Urban Development to fulfill a deliverable of the region's Sustainable Communities Regional Planning Grant. The Corridors of Opportunity Policy Board formally accepted the earlier document for submittal as the region's Regional Plan for Sustainable Development on December 18, 2013.

This revised document will contain additional material, including the specifics of Land Use Policy, after February 19.

Comments on this draft are welcome:

- Mail: Metropolitan Council Public Information, 390 N. Robert St., St. Paul, MN 55101
- Email: [thriveMSP@metc.state.mn.us](mailto:thriveMSP@metc.state.mn.us)
- Public Comment Line: 651-602-1500 (TTY): 651-291-0904)
- Fax: 651-602-1464

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## A Thriving Region

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The Twin Cities region, anchored by the core cities of Minneapolis and Saint Paul, is a great place to live, work, raise a family and do business. With a long legacy of success, our region is characterized by:

- Beautiful and varied natural settings and resources;
- A resilient economy;
- Rich cultural diversity;
- A variety of landscapes and urban, suburban, and rural places;
- A civic tradition of shared action.

But we face some real challenges:

- Persistent disparities by race and ethnicity in education, income and economic mobility;
- An increasing need for infrastructure preservation;
- Pressures on natural resources, including diminishing groundwater supply, impaired water quality, and threats to ecological resources.

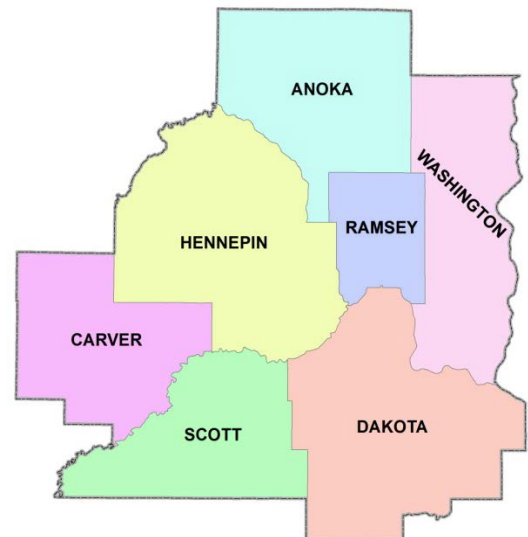
And we also foresee changes on the horizon:

- An older and more diverse population;
- Growing interest in walkable and amenity-rich communities;
- Increased risks and costs from a changing climate.

*Thrive MSP 2040* is the Metropolitan Council's plan to build on our strengths, address our challenges, and leverage the inevitable change as an opportunity for smart investments that help our region grow and prosper. We challenge both ourselves and our regional partners to work toward our shared vision of a prosperous, equitable and livable region for today and generations to come.

### ***Three million residents enjoying a high quality of life***

The Minneapolis-Saint Paul metropolitan area is a thriving region of nearly 3 million people, within 186 communities in 7 counties, encompassing nearly 3,000 square miles. The Metropolitan Council's jurisdiction comprises the seven counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, which house 87 percent of the population of the 13-county Minneapolis-Saint Paul metropolitan statistical area. The greater Minneapolis-Saint Paul metropolitan statistical area is the major center of production, trade and transportation in the upper Midwest and the nation's 13th largest metropolitan economy.



Our region is well-known for its high quality of life, strong economy and many assets:

- A resilient economy, with a diverse mix of high-value-added industries, including 18 Fortune 500 headquarters;
- A highly-educated workforce supported by numerous educational institutions;

- Vibrant arts, music and theatre communities and professional sports teams;
- Healthy residents living enjoying active lifestyles;
- A reasonable cost of living;
- Abundant parks, recreational trails, conserved open space, and natural resources; and
- Efficient transportation systems.

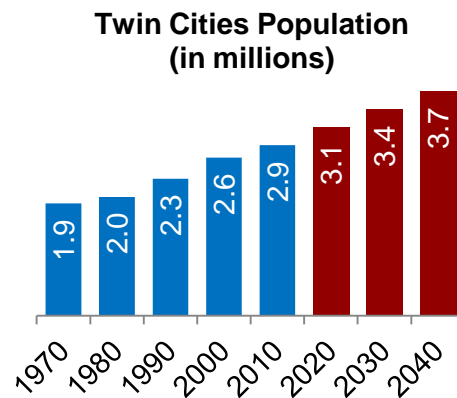
Indeed, Sperling’s BestPlaces ranked the Twin Cities “the most playful metro in America” in 2011 for the health, happiness and low stress of its residents.

Our region offers residents a range of communities in which to live. Minneapolis and Saint Paul are the two core cities of the region with histories dating back to the mid-1800s. With a population of 400,000 and almost 300,000 jobs, Minneapolis is the commercial center of the region, while Saint Paul, with nearly 300,000 residents and 175,000 jobs, is the state capital. Minneapolis and Saint Paul have roughly one in four of our region’s residents and three in ten of our region’s jobs. Another one in four residents lives in suburban cities with a population between 50,000 and 100,000. One in sixteen residents lives in rural areas and small town centers outside the urbanized area.

## **Continued population and job growth through 2040**

Since 1970, our region has added nearly one million residents, growing by over 50 percent over four decades. Over the next thirty years, our region is projected to grow by over 800,000 residents, **31 percent** more than in 2010. This pace of growth is consistent with historical trends. Two-thirds of this population growth is likely to result from natural growth – more births than deaths and longer life expectancies. The remaining one-third will come from migration as our region’s economic opportunities attract migrants from the rest of the nation and world.

With 1.6 million jobs, the Minneapolis-St Paul region is the predominant economic center for Minnesota, western Wisconsin, the Dakotas and Montana. Between 2010 and 2040, our region is projected to add **570,000 new jobs, growing by 37 percent**. Having surpassed one million jobs by 1980, our region is projected to surpass two million jobs by 2040. Our region’s broad economic base helps us weather recessions and mitigates boom-and-bust cycles. Employment growth is expected to range from 13 percent in the current decade to 9 percent in the 2030s. This growth compares to a net employment loss over the 2000s and previous gains of 34 percent in the 1970s, 22 percent in the 1980s, and 26 percent in the 1990s. The region’s Gross Metropolitan Product, the sum of value added by all industry sectors, will rise to \$400 billion in 2040—equivalent to 1.5 percent of the US Gross Domestic Product—while the region has less than 1.0 percent of the nation’s population.



Over the next three decades, our region will see more infill development, investment and intensification in the older, urbanized, and most accessible parts of the region. These changes result from a changing demographic mix, evolving residential preferences among younger households, and increasing interest in sustainable lifestyles. Suburban edge communities will

continue to grow and fill in, though more slowly than in decades past. *[Additional detail will be added here when the revised local forecasts are released on February 19, 2014.]*

## Changes and challenges that lie ahead for our region

As the seven-county Minneapolis-Saint Paul region plans for our next thirty years, key challenges lie ahead – constrained fiscal resources, demands stemming from demographic shifts, emerging environmental challenges, new regional planning priorities, and an imperative for regional economic cooperation.

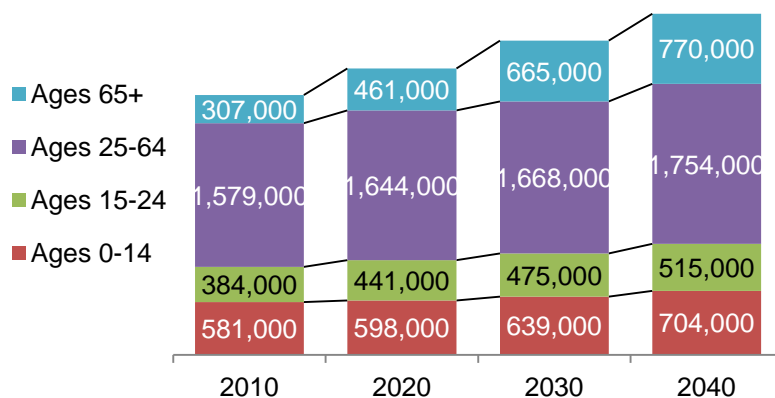
The growing need for **preservation and maintenance of aging infrastructure** is stressing increasingly limited fiscal resources:

- 75 years after the construction of the Metro Plant on the Mississippi River to treat wastewater, our region’s aging wastewater infrastructure requires ongoing investment in preservation to remain effective.
- Similarly, crumbling roads and bridges demonstrate the necessity for higher levels of investment to preserve our highway transportation system.
- The 2013 [Minnesota State Highway Investment Plan](#) shows that the region will have only \$56 million available annually from 2014 to 2022 for mobility improvements, meeting one-quarter of the projected need. From 2023 onward, all state transportation funding will be devoted to preservation of the existing system.

**Demographically, our region is changing** and evolving in key ways that will influence the shape of our future growth and development:

- Our region is aging rapidly: more than one in five residents will be age 65 and older in 2040, compared to one in nine in 2010.
- Significant racial disparities—in income, employment, poverty, homeownership, education—persist just as our region is becoming more racially and ethnically diverse. By 2040, **43 percent of the population will be people of color**, compared to 24 percent in 2010. If today’s disparities by race and ethnicity continue, our region would likely have 137,000 fewer people with jobs, 216,000 fewer homeowners, and 298,000 more people in poverty compared to what could happen if the gaps were closed.

**Twin Cities Population by Age**



- The region will gain 458,000 new households by 2040, requiring, on average, over 16,000 new housing units a year – more new units than the region has built annually on average over the last 40 years. With the changing demographics, these new households are likely to have different housing needs than today’s households:
  - Over half of the net new households will be single-earner households, including both individuals living alone and single parents with children, as well as some proportion of couples.
  - Less than one-third of net new households will be households with children.
  - Seniors will want housing to fit post-retirement lifestyles, often in walkable and transit-served areas accessible to services and amenities.

**Emerging environmental challenges** threaten the continued livability of our region:

- We are moving from the presumption of an abundance of water to recognition that our region’s reliance on groundwater sources is unsustainable. Increased groundwater pumping to support development is depleting aquifers, affecting lakes, streams and wetlands. In some areas, groundwater levels have been dropping a foot a year since the 1970s.
- Climate change is already affecting our region as we are seeing more severe weather events and temperature extremes. In addition to the human and agricultural impacts of heat waves, the rise of severe weather is already increasing homeowner insurance costs and infrastructure repair costs such as those borne in 2012 by the City of Duluth in the aftermath of severe rainfall.

After nearly a half century of coordinated planning across the region, **new planning challenges and opportunities** are emerging:

- Growth is occurring not only in new suburban subdivisions connected to regional wastewater system extensions, but also in redeveloping parts of the region already served by the wastewater system. This redevelopment uses existing regional infrastructure more efficiently, but the challenges and opportunities of infill, intensification, and redevelopment can be complex and costly for local units of government.
- An aging multifamily housing stock, including the large number of rental apartments built in the 1960s and 1970s, is ready for reinvestment to both retain structural integrity and meet the housing preferences of today’s households. Many of these units have aged into affordability but are at risk of functional obsolescence.
- Light rail, commuter rail and bus rapid transit lines are changing the landscape by attracting new real estate development in station areas and creating new choices for how people move about the region.

In today’s economy, regions are the primary drivers of **economic growth**. Our region competes economically with other regions across the nation and the globe. To thrive in this competitive environment, our region’s public jurisdictions and private interests must be strategic and coordinated.



- From 2000 to 2010, the region saw its first decade with net job loss since the Great Depression, losing 63,000 jobs over the decade. While our region was not alone losing jobs, our region responded by strengthening our focus on a shared economic competitiveness strategy and creating the regional economic development partnership GREATER MSP.
- In the next 20 years, employers will face a retirement boom. Workforce turnover, skilled workforce preparedness and succession planning will be major challenges for employers – not just for the Twin Cities, but for the nation as a whole. While the Council does not play a role in education, it recognizes that a skilled, educated workforce is a key factor in maintaining a competitive region.

## ***The opportunity of a regional approach***

As a region, we can react to these challenges, or we can ***plan for these challenges***. The coordinated regional planning approach underlying the Metropolitan Council and institutionalized in the Metropolitan Land Planning Act uniquely equips our region to transform challenges into opportunities to thrive.

In the late 1960s when the Metropolitan Council was created, **community leaders saw value in collaborating to solve regional issues**. The Minneapolis-Saint Paul area was facing rapid population growth and unimpeded urban sprawl. Severe environmental concerns related to inadequate wastewater treatment and disposal raised an alarm as untreated waste was discharged into lakes, rivers and waterways. The Twin Cities' privately owned bus company was rapidly deteriorating, a victim of rising fares, declining ridership and an aging bus fleet. Rapid growth was threatening ecosystems and natural areas better suited for preservation as parks and open space. Growing fiscal disparities were making it difficult for communities with inadequate tax capacity to fund essential services.

The Minnesota Legislature took several unprecedented actions in response to these challenges. In 1967, the Metropolitan Council was created and tasked with planning and coordinating growth, and setting policy on regional issues. Upon signing the bill, Governor Harold LeVander observed that the Council “was conceived with the idea that we will be faced with more and more problems that will pay no heed to the boundary lines which mark the end of one community and the beginning of another.” Having a region-wide vision provides the opportunity to address issues that:

- are bigger than any one community can address alone;
- cross community boundaries to affect multiple communities;
- could benefit from an opportunity to share best practices; or
- require resources that are most effectively used at a regional scale.

Four additional actions created today's regional structure:

- 1969: The Legislature created the Metropolitan Sewer Board to consolidate sewer systems, reduce costs, and modernize the system.
- 1969: The Legislature created the Metropolitan Transit Commission to acquire the privately held transit system with the charge to overhaul the system, secure new buses, and improve signage, shelters, and bus stops.

- 1974: The Legislature designated over 31,000 acres of existing city and county parks as part of a new regional parks and open space system.
- 1994: The Legislature gave the Council operational control over transit and regional wastewater systems, consolidating services, operations, and planning functions for the seven-county area into a single agency.

For nearly 50 years the Metropolitan Council has played a key role in coordinating regional growth and planning, providing essential services such as transportation and wastewater treatment, and convening partners to achieve ambitious goals unrealistic for a single community but possible as a region. Thinking ahead—and working together—helps us achieve economies of scale, high-quality regional services, and a competitive edge envied by other metropolitan areas.

### ***Thrive MSP 2040: Planning a prosperous, equitable, and livable region for today and generations to come***

Pursuant to the Council's [statutory responsibility](#) for a comprehensive development guide for the seven-county metropolitan area, *Thrive MSP 2040* provides a framework for a shared vision for the future of our region over the next 30 years. While the Council is responsible for developing *Thrive* and the plans for three specific statutory regional systems—wastewater, transportation, and regional parks—the vision within *Thrive* can only succeed through partnerships with local governments, residents, businesses, philanthropy and the non-profit sector. As a regional plan, *Thrive* addresses issues greater than any one neighborhood, city or single county can address alone to build and maintain a thriving metropolitan region. But the future's increasingly complex challenges demand greater collaboration and innovative approaches to allocating limited funds. Building upon our region's past planning successes, the Council will adopt more collaborative, integrative approaches to address the complex multi-dimensional nature of the challenges that lie ahead. Protecting our resources and investments, *Thrive* provides the foundation for a prosperous, equitable, and livable region for today and generations to come.

## Thrive: Outcomes

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*Thrive MSP 2040* asserts five desired outcomes to shape our policy priorities:

**Stewardship** ∞ **Prosperity** ∞ **Equity** ∞ **Livability** ∞ **Sustainability**

These five outcomes define our shared regional vision. Plans, policies and projects that balance and optimize all five of these outcomes will create positive change, while efforts that advance only one or two outcomes at the expense of the others may be disappointments over the long term. Policymakers make tough decisions at the intersections of these five outcomes, weighing the benefits and costs of their options against these five outcomes. Focusing on outcomes allows for flexibility in implementation—both for the Council’s systems and policy plans and for local comprehensive plans—while prioritizing a shared strategic vision.

With *Thrive MSP 2040*, the Metropolitan Council is adopting an outcomes-orientation to its regional policy, focusing on policies that demonstrably improve our region. The Council is challenging itself, local governments and its regional partners and stakeholders to describe how their work advances the five *Thrive* outcomes. Outcomes describe how our investments and our policies are enriching our region for our residents and businesses, not how much money we are investing or how many miles of highway, interceptor pipe or rail we are building.

Living out the Council’s first principle of integration, the following narrative weaves together all of the Council’s core policy authorities – from affordable housing and aviation to wastewater treatment and water supply – in the framework of the five outcomes. The *Thrive* outcomes—Stewardship, Prosperity, Equity, Livability and Sustainability—are lofty ideals that defy simple categorization into the Council’s authorities. Instead, progress toward these outcomes demands that the Council use its full range of authorities and activities in a new, coordinated way. Integrated approaches will advance the *Thrive* vision of a prosperous, equitable, and livable region for today and generations to come.



## **Stewardship**

***Stewardship advances the Metropolitan Council’s longstanding mission of orderly and economical development by both responsibly managing the region’s natural and financial resources and making strategic investments in our region’s future. Several of the major challenges that the Council was established to address—such as an aging bus fleet and inadequately treated wastewater polluting the region’s lakes, rivers, and streams—demonstrate the need for effective regional stewardship. Stewardship means:***

- ***Being responsible stewards of our region’s finite resources, including natural resources (e.g., lakes, rivers, streams, wetlands, groundwater, high quality natural habitats, and agricultural soils), financial resources, and our existing investments in infrastructure;***
- ***Pivoting from simply expanding our region’s infrastructure – especially wastewater and highways – to investing our limited resources in maintaining the infrastructure we have and expanding strategically;***
- ***Leveraging our infrastructure investments with higher expectations of land use.***

### **Being a responsible steward of finite natural resources**

The region is home to an abundance of natural resources including three major rivers, over 900 lakes, extensive wetlands, native prairie, woodland habitats, and an abundant groundwater system. These rich natural assets are part of our regional identity, enhancing our quality of life and supporting a strong economy. Natural areas recharge our aquifers, clean stormwater runoff and slow its flow, reducing flood damage and improving the quality of rivers, lakes, streams, wetlands and groundwater. Natural resources also provide a variety of benefits that would be costly to replace. Tree canopies can shade our buildings and absorb carbon dioxide and pollutants. Wetlands and upland woods and prairies provide wildlife habitat and offer access to nature to nearby residents. Local research “confirms that many types of open spaces, from parks and nature preserves to greenways, wetlands and lakes, have a positive effect on nearby property values.”<sup>1</sup>

Nonetheless, challenges to the quality and extent of natural resources abound. Making natural resources an integral part of the planning and development process will help protect highly prized natural features for current and future generations. Effectively protecting natural resources from unfettered development patterns and preserving the region’s natural resources for future generations have long been an important part of the Council’s work. The Council works to preserve natural resources by partnering with local governments on land use planning, incorporating natural resources considerations in the Council’s own planning and infrastructure

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<sup>1</sup> Wilder Research, *The Economic Value of Open Space*, 2005

investment decisions, and planning and funding regional parks. The Council uses its investments in the Regional Parks and Open Space System to conserve scarce natural resources, such as habitats for endangered species, fens, unique habitats, conserved prairie, wetlands, and water resources. For example, regional park resources such as the Minneapolis Chain of Lakes and Lebanon Hills in Dakota County contribute to the preservation of important ecological and natural features. Since the founding of the Regional Recreation Open Space system in 1974, regional parks have protected natural resources, including 30,700 acres of land designated as Regionally Significant Ecological Areas. Furthermore, the Council partners with the Minnesota Department of Natural Resources, the Minnesota Pollution Control Agency and other state and local organizations to manage natural resources, especially water.

Although the region is a water-rich area, the quality of its rivers, lakes, and streams suffers from stormwater runoff that carries sediment, phosphorus and other nutrients, oils, road salt, and other pollutants. Loss of natural areas contributes to increased runoff and lowered water quality. Best management practices minimize pollutants in the region's surface- and groundwater. Proper management of subsurface sewage treatment systems is needed to minimize impacts on surface water, groundwater and public health. The Council and region will work to maintain and improve the quality and availability of the region's water resources (rivers, streams, lakes, aquifers, and wetlands) to support habitat and ecosystem health while providing for recreational opportunities. To protect natural resources, the Council will:

- Fund ongoing acquisition of priority natural resources and the last best places into the Regional Parks and Open Space System.
- Encourage local governments to locate and design new developments in a way that preserves and benefits from the natural environment and to promote growth in already-urbanized areas in order to reduce development pressures that endanger natural resources.
- Assess the quality of the regional groundwater system and vulnerability to land use changes along with identifying high potential areas for recharge.
- Monitor and assess the condition of the region's lakes, rivers and streams.
- Partner to conserve, maintain, and restore natural resources identified in natural resource inventories.
- Provide direction, guidance and technical assistance on best management practices for effective stormwater management and land use strategies that preserve and protect natural resources.
- Continue to ask local comprehensive plans to include local natural resources inventories, identify the tension points between natural resource protections and development pressures; and adopt local land uses and planning strategies for protecting natural resources and minimizing development impacts.

## **Pivoting from expanding to maintaining our region's wastewater and highway infrastructure**

Just as important as the preservation of natural resources is the responsibility of the Council to be a wise steward of public financial resources and to strategically, effectively and efficiently guide those dollars to the greatest benefit to our region. The combination of structural and demographic changes has made public resources for infrastructure expansion and preservation significantly more limited than in the last half of the 20<sup>th</sup> century. Consequently, it becomes more critical that we make smart investments and wise financial decisions to maximize the

benefit of these scarce resources. The declining condition of pavement and the aging condition of the regional sewers demonstrate the urgency to invest significantly more resources in preserving and maintaining our aging infrastructure, particularly our roads and bridges. As a result, the Council is pivoting from expanding our systems—especially wastewater and highways—to both maintaining the infrastructure we have and maximizing the impact of limited dollars. It is time to strike a new balance between being good stewards of the infrastructure we have and building more.

The Council's effective planning, combined with slowed population growth and reduced per capita water use over the last decade, has created a regional wastewater treatment system with adequate capacity and service coverage planned through at least 2040. Prudent planning and system improvements at the regional and local levels have helped maintain and extend the capacity and life of the existing wastewater treatment system. Working with local governments, the Council has planned out the region's wastewater system through 2030, and forecasted population growth to 2040 suggests no need to expand the wastewater system's geographic footprint. As a result, the Council's attention will increasingly turn from managing the edge of the system to ensuring adequate maintenance and capacity in the redeveloping areas of the region in order to efficiently use existing wastewater investments.

Our region's highway investment strategy exemplifies the need and the opportunity for thoughtful and strategic stewardship of resources. While key gaps remain, the region's highway network is essentially built and complete. At the same time, the aging highway system has increasing needs for preservation and maintenance just as federal, state and local resources for roads and bridges are declining. For example, the fixed state gas tax loses purchasing power as costs rise over time. Demand for highway capacity projects to relieve congestion and to serve new development is well beyond the available resources to pay for highway improvements. The 2013 Minnesota State Highway Investment Plan shows that the region will have only \$56 million available annually from 2014 to 2022 for mobility improvements, meeting one-quarter of the projected need. From 2023 onward, all state highway funding will be devoted to preservation of the existing system.

Regional roadway congestion is a sign of economic activity and occurs primarily during peak commuting hours. As a result, moving more people during these times requires different solutions than just addressing the congestion. With limited fiscal resources, smart highway capacity investments across the region must take a system-wide approach and create alternatives to driving alone in congestion, rather than project-by-project expansions that often simply move the congestion "down the road". Managed lanes optimize overall highway capacity both for those who use the lanes and those who do not. Strategic capacity improvements, such as converting signaled intersections into interchanges, leverage smoother overall traffic flow out of the existing investments. The Council's policies will emphasize preserving existing highway assets and optimizing capacity through strategic investments that will be further defined in the Transportation Policy Plan:

- Preserve, manage, and optimize the capacity of the existing highway system to move more people and vehicles;
- Construct lower-cost/high-benefit safety and capacity improvement projects on highways across the region;
- Leverage preservation projects with lower-cost/high-benefit investments, such as the I-35E Cayuga bridge replacement project which is also adding capacity for managed lanes;



- Expand the regional system of managed (priced) lanes to provide a congestion-free option for those using transit, sharing rides, or willing to pay;
- Strategically enhance capacity such as converting signaled intersections into highway interchanges;
- Enhance transit projects;
- Offer modal choices.

The intersection of land use, urban form and the transportation system shapes the effectiveness of stewardship of transportation investments. The Council will work with municipalities to align development patterns and highway investments by focusing growth and investment along corridors with strong potential for future transit or managed lane investments. Areas outside these corridors may continue to develop but will receive only limited investments from federal or state sources for new or expanded highways.

### **Leveraging transit infrastructure investments with higher expectations of land use**

While the region has been building its highway system for more than 50 years, we have only started to build a new fixed-route transitway system in the last decade to supplement our extensive network of buses. Our transitway network is largely still in development with opportunities to invest in transit across the urbanized parts of our region. We have learned that effective stewardship of public transit dollars requires a more strategic coordination of regional transit investments with more-intensive surrounding land uses, connected development patterns and urban form. Since much of our region developed around roads and private automobiles, the changes in land use and urban form required to make transit successful will be significant. To effectively leverage our regional transit investments, the Council will need strong local partners who are willing to plan and invest in their communities and coordinate with neighboring communities to develop around transit. The Council will:

- Prioritize transit investments in areas where infrastructure and development patterns to support a successful transit system are either in place or committed to in the planning or development process, balancing transit ridership with added connectivity;
- Expand the geographic coverage of transit service in areas with a local commitment to transit-supportive development patterns and the market for future development;
- Stage transit modes, coverage, and service levels to match the intensity of development to minimize the risk to public resources and maximize return on public infrastructure investments;
- Define the Council's expectations for transit-supportive land use planning—including expectations for connectivity, density and intensity, environmental considerations, and zoning near major transit investments (policy will be refined in the Thrive Transportation Policy Plan);
- Collaborate with municipalities to coordinate land use and development patterns with frequent, all-day transit service and transitways to increase transit ridership, increase the likelihood of successful transit investment, and respond to new market opportunities around transit investment.

*In addition to being a responsible steward of its existing resources, we must also focus on our economic prosperity to expand our pool of resources for future investments.*



## ***Prosperity***

***Prosperity results from investments in infrastructure and amenities that create regional economic competitiveness, thereby attracting and retaining successful businesses, a talented workforce, and, consequently, wealth. Regional economic competitiveness results from strategic, long-term decisions that build on and grow the region’s economic strengths relative to other regions. How the Twin Cities region strategically positions itself relative to other metropolitan regions, both domestically and internationally, influences our region’s long-term economic prosperity. Collectively, the region must provide great locations for businesses to succeed – particularly the industries that export a product or service beyond the region and therefore bring wealth into the region. Advancing prosperity involves:***

- Fostering the conditions for shared economic vitality by balancing major investments across the region;***
- Protecting natural resources that are the foundation of prosperity;***
- Planning for and investing in infrastructure, amenities, and quality of life with an eye to what the region needs to be economically competitive;***
- Encouraging redevelopment and infill development across the region.***

Minneapolis and Saint Paul developed as cities because of strategic locations. Saint Paul was considered the navigable head of the Mississippi River, while Minneapolis found its origins alongside the hydropower provided by Saint Anthony Falls where milling blossomed. James J. Hill’s Great Northern Railway brought the agricultural wealth of the entire northwestern United States through Minneapolis and Saint Paul, creating and reinforcing the region as a financial hub. Though the economy has evolved over the last 150 years, businesses seek locational advantages, particularly access to a skilled workforce, access to markets and an overall environment that allows them to compete in the global market. Some businesses are more focused on freight and the movement of goods, while knowledge-intensive services are more focused on the movement of people to employment locations and the quality of life that attracts and maintains a highly-skilled workforce to and in the region.

The Metropolitan Council’s regional planning and provision of infrastructure sets the stage for our region’s economic competitiveness and prosperity. While economic development authorities and others conduct the transactional economic development work of interacting with specific businesses, the work of creating, attracting and retaining businesses requires coordinated efforts. The Council’s specific contributions to regional economic competitiveness lie in the arena of community development—that is, supporting the infrastructure, amenities and quality of life that are essential to attracting and retaining businesses and talent. The Council will intentionally leverage its capacity to plan for and invest in community development and consider prosperity and economic competitiveness as a lens through which to evaluate its planning, operational and investment decisions.

## **Fostering the conditions for shared economic vitality by balancing major investments across the region**

To advance prosperity across the Twin Cities, the Council will intentionally consider regional balance – that is, balancing its investments and activity across the region—in its planning, operational, and investment decisions. The Council’s intent is that no part of the region is consistently favored or consistently ignored. The regional balance issue has multiple dimensions; sometimes the issue is north and east vs. southwest, other times the issue is suburban edge vs. suburban vs. urban center. Because development patterns vary across the region, advancing regional balance does not guarantee that all parts of the region will receive the same level or intensity of investments, activity or attention. Rather, advancing regional balance will be a consideration that helps all parts of the region receive investments that promote prosperity at their stage and level of development.

## **Protecting natural resources that are the foundation of prosperity**

Location is but one of the Twin Cities region’s attributes that create economic prosperity; our metropolitan area is also endowed with rich natural resources, such as soil, water and aggregate.

*Prime agricultural soils* both support the region’s farm economy and provide for local food production. Agricultural land creates economic opportunity for a variety of residents, ranging from farmers growing crops on century-old family farms to new Americans bringing their farming experience into small-scale local food production serving farmers’ markets. About a half-million acres in the region, one-quarter of the region’s land, are planned, guided and zoned to maintain agriculture as the primary long-term land use—mainly in a crescent-shaped arc through Dakota, Scott and Carver Counties. The Council supports the preservation of agricultural land to protect the agricultural economy in the region, to provide economic opportunities for farmers, and to promote local food production. The Council limits urbanization in rural areas to reduce development pressure on agricultural lands and to avoid the premature expansion of metropolitan systems. Some of the region’s agricultural lands are identified as part of the Council’s long-term service area for post-2040 sewer development. This designation gives the Council greater authority to enable long-term agricultural uses and avoid premature development until urban densities are needed to accommodate regional growth. The Council acknowledges that local jurisdictions are best-positioned to determine how best to guide agricultural land within their borders.

From its role in the early historical development of our region, *water* is a critical prerequisite of regional growth and prosperity. Access to clean water through both groundwater and the Mississippi River will be a competitive advantage for our metropolitan area during the next century when many other regions around the globe will struggle to provide clean water at a reasonable cost. The City of Minneapolis has calculated that a shutdown of the Minneapolis water supply system would cost businesses over \$65,000,000 a day.<sup>2</sup> The Council’s long-term approach to planning water sustainability gives our region a key competitive advantage—particularly when other regions across the country are planning for water supplies in days or weeks, not decades and generations. The Council’s regional vision and approach to managing

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<sup>2</sup> 2013 analysis

our regional water resources consider the interrelationships of land use, development patterns, transportation and other regional services, and water resource protection. Managing and using the region's water resources wisely will sustain the region now and into the future.

*Aggregate*—i.e., gravel and crushed rock—is another resource vital to the area. The regional transportation systems and the building industry need large volumes of aggregate for construction and maintenance. The local availability of aggregate helps reduce construction costs for roads, bridges and housing. Because aggregate is a limited resource critical to the construction industry, it is critical to avoid building over aggregate until aggregate has been removed. Analysis that was published in 2000 found that as of 1997, 45 percent of the region's aggregate deposits had either been built over by development or already mined.<sup>3</sup>

To protect soils, water and aggregate, the natural resources that are the foundation of economic prosperity, the Council will:

- Encourage local governments to promote and preserve agricultural land.
- Maintain and update the regional water supply plan to promote a sustainable water supply for the long-term.
- Incorporate water sustainability considerations in all areas of Council policy and actions, including overall development patterns, water management, transportation, and housing and regional parks.
- Require local governments to address water sustainability in their local comprehensive plans.
- Work with regional and local partners to identify subregional and local water sustainability solutions that balance regional needs and local objectives.
- Implement the statutory requirement that local jurisdictions with aggregate resources within their borders address their goals, intentions, and priorities concerning aggregate in their local comprehensive plans.

### **Planning for and investing in infrastructure, amenities and quality of life with an eye to what the region needs to be economically competitive**

While economic competitiveness is a new emphasis, the Council's long-range planning and infrastructure investments already advance regional economic prosperity. The benefits of the Council's regional approach include planning for the efficient movement of people and freight, providing cost-effective and efficient wastewater treatment and contributing to a quality of life and cost structure that attract and retain businesses and talent. In fact, the Council's wholesale wastewater treatment rates are as much as 40 percent lower than comparable regions. Regional transportation systems provide efficient, effective and reliable access to inputs, materials or suppliers, and regional, national and international markets. Time spent in transportation—for raw materials or finished goods—does not add value to businesses, so strategic locations require access to efficient transportation. The region's bustling international airport, rail and river freight systems, regional highways, and growing transit system all work together to support our vibrant regional economy.

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<sup>3</sup> Minnesota Geological Survey Information Circular 46, "Aggregate Resources Inventory of the Seven-County Metropolitan Area, Minnesota", 2000.

A thriving *regional aviation system* is an economic asset to the region, providing businesses and people with competitive access to the global economy. Airport access is particularly important for our region's corporate headquarters and industries dependent on travel and shipping high-value goods. Our system of reliever airports provides geographically-dispersed alternatives for general aviation across the region and creates options to using the Minneapolis-Saint Paul International Airport, the region's only commercial service airport. The Council supports airport facilities investment to keep pace with market needs and maintain the region's economic vitality.

Our region has a competitive advantage over many regions in its *multimodal freight system*. With four Class I railroads (large railroads with a nationwide or continental network) and several short line railroads, barge shipping on the Mississippi River, and an extensive highway system anchored by two interstate highways, the freight movement system ensures the accessibility of the region to markets and raw materials. Four components characterize the freight system:

- Trucks, the workhorses of the local freight system, carry 75 percent of all freight in the region. They are the most flexible mode of the system but need nearby highway access, appropriate development patterns and predictable mobility to work efficiently.
- Freight rail is used for longer-distance (500 miles or more) trips, moving materials, liquids, commodities or containerized goods, often in specialized cars, at low cost and with low carbon impact. Industries that ship these bulk products require direct access to freight rail.
- Barges on the Mississippi River move bulk commodities such as aggregate, fertilizer, or grain long distances at very low cost and with low carbon impact. Barge traffic needs continued access to ports to succeed.
- The final component of the freight system is the intermodal transfer facilities where freight can be moved between trucks, trains and barges. In addition to river ports, the region has two well-used major intermodal terminals—the BNSF Midway Hub in Saint Paul and the CP Shoreham Yard in Northeast Minneapolis—that serve the transition from rail to truck. In recent years, the rise of containerized shipping has made the transfer facilities even more critical to our freight system's efficiency. These transfer facilities have great value to regional economic competitiveness and should be recognized and protected.

This interconnected freight system contributes to economic competitiveness by offering optimal shipping options for a variety of industries.

*Industrial land* provides locations for exporting industries and good-paying jobs; the Council discourages redevelopment of industrial land in strategically important locations along rivers and railroads in the metropolitan region into other uses. Local government plans should also consider the potential conflicts and impacts resulting from residential communities, commercial districts, and parklands encroaching upon existing industrial land uses.

Some locations possess unique characteristics or assets that are significant to the regional economy—for example, airports, intermodal freight terminals, barge terminals, highways, freight railroads, and major manufacturers. Many of these locations serve region-wide needs despite a cost to the neighboring area—whether noise, nuisance or a loss of tax base to public purpose. As a regional entity, the Council will work with local communities to monitor and manage these land use conflicts and recommend solutions that balance the overall region's needs with local needs.

The Council recognizes the essential role that *highways* serve in the transportation system of the region. The region's highway investments are part of a coordinated, interconnected, and multimodal regional transportation network that safely, reliably and affordably connects people and freight with destinations in the region and beyond. The vast majority of the region's freight moves by truck. The Council works with the Minnesota Department of Transportation, counties and local units of government to preserve and improve these roadways. To improve the efficiency of the regional highway system, the Council and the Minnesota Department of Transportation are building MnPass lanes which provide a congestion-free alternative to those using transit and carpools or willing to pay. This market-based solution allows auto drivers and small trucks to price the value of their time spent in congestion and pay for a faster alternative. These managed lanes also create more capacity for larger trucks in the general highway lanes during peak traffic periods.

Employers locate worksites to maximize their accessibility and proximity to the workforce they need. We must compete with regions around the globe for attracting talented young workers who are necessary to meet the needs of the region's growing economy and replace aging baby boomers. To compete successfully for this generation, our region must provide the housing, transit, transportation and quality of life amenities that will continue to attract the talent needed by employers in our region—including an exceptionally high concentration of corporate headquarters and business service firms. The region's transportation system, including highways, transit and the emerging bicycle network, provides our residents options for commuting to their workplaces. Accessibility to transit is of particular interest to office-based employers because transit reduces both employer costs of providing parking and employee transportation costs. Employers are also interested in locations that are proximate to housing options affordable to their employees.

To plan for and invest in the infrastructure, amenities, and quality of life the region needs to be economically competitive, the Council will:

- Plan for the efficient and multimodal movement of freight globally, nationally and regionally to support the region's industries;
- Provide cost-effective and efficient wastewater treatment at wholesale rates that are as much as 40 percent lower today than comparable regions;
- Contribute to a quality of life and cost of living that attract and retain a talented workforce;
- Focus expansion of transit service to and within existing and emerging high-density job and activity centers;
- Encourage workforce housing that is affordable to a variety of income levels across the region, especially in proximity to job centers and transit;
- Plan for adequate capacity at Minneapolis-Saint Paul International Airport, and maintain, improve and preserve our system of reliever airports;
- Use its authority and provide technical assistance to protect and preserve compatible land uses around resources such as airports, railroads and industrial land;
- Conduct a metrowide inventory and analysis of industrial land to assess the supply of and demand for industrial land with freight access;
- Investigate and assess cost-effective options for regional water supply infrastructure.

## Encouraging redevelopment and infill development across the region

Development on undeveloped or agricultural land — greenfield development — traditionally costs developers or builders less because the costs of demolition or land remediation are minimal. However, development on greenfields often has higher long-term public costs as it necessitates extending regional infrastructure to new areas. Infill development and redevelopment, on the other hand, require less new regional infrastructure but can cost more for the developer upfront, both in the direct costs of demolition and land remediation as well as the increased complexity of integrating a project into existing neighborhoods. Over the long-term, more infill development and redevelopment relative to greenfield development will result in a denser, more compact region, minimizing the loss of agricultural land, reducing travel distances and enhancing the ability of the region to support transit. Redevelopment projects may require direct public subsidy or indirect support through specific infrastructure investments. Because healthy thriving regions need both a strong periphery and a strong core, the Council will work to encourage redevelopment and infill development across the region by:

- Compiling locally-identified priority sites for development and redevelopment, as included in local comprehensive plans, into a regional inventory of development priorities;
- Analyzing the market readiness of these sites and work with local and regional partners to develop investment and redevelopment strategies customized to the needs of different types of strong and weak markets, including concentrated and racially-concentrated areas of poverty;
- Using its role and authorities to streamline redevelopment processes and help equalize the playing field, including cost differentials, between redevelopment, infill development and greenfield development sites.

*To leverage the full power of our region's economic assets, we must help all of the region's residents access opportunity and participate in regional economic competitiveness.*



## **Equity**

***Equity connects all residents to opportunity and creates viable housing and transportation options for people of all races, ethnicities, incomes and abilities so that all communities share the opportunities and challenges of growth and change. To reach our region's full economic potential, all of our residents must be able to access opportunity. Our region is stronger when all people live in communities that provide them access to opportunities for success, prosperity, and quality of life. Promoting equity means:***

- ***Using our influence and investments to build a more equitable region;***
- ***Creating real choices in where we live and how we travel for all our residents, across age, race and ethnicity, economic means, and ability;***
- ***Investing in a mix of housing affordability along the region's transitways;***
- ***Engaging a full cross-section of the community in decision-making.***

Our region has some of the largest disparities by race and ethnicity of any large metropolitan area in the nation:

- In the Minneapolis-St. Paul metropolitan area, 25.7 percent of all people of color are poor, compared with 6.4 percent of white non-Latino people.<sup>4</sup> This is the largest such disparity among the 25 largest metropolitan areas. The poverty rate for African Americans is 5.7 times greater than the poverty rate for white, non-Latino people—by far the largest such disparity among the 25 largest metropolitan areas.
- The per capita personal income for Black and African American people (\$15,336) is just 40 percent of the per capita personal income for white, non-Latino people (\$37,943).
- The percentage of adults of color who lack a high school diploma is nearly six times that of white, non-Latino adults.
- The unemployment rate for people of color is more than twice that of white, non-Latino persons. The unemployment rate for Blacks and African Americans is 2.9 times the unemployment rate for white, non-Latino people—the biggest such disparity among the 25 largest metropolitan areas.
- The homeownership rate among households of color is 49 percent of the homeownership rate among white, non-Latino households. Just 22 percent of Black or African American households own their homes.

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<sup>4</sup> Data from the 2012 American Community Survey. To enable comparisons with other regions, numbers describe the 13-county Minneapolis-St. Paul metropolitan statistical area.

## Disparities by Race and Ethnicity in the Twin Cities, 2012

Measure	White, non-Latino	Persons of color	Rank of disparity among 25 largest metro areas <sup>5</sup>
Percentage of population age 25+ with a high school diploma	96.3 %	78.3 %	3
Percentage of civilian working-age population that is employed	79.4 %	64.8 %	1
Percentage above poverty threshold	93.6 %	74.3 %	1
Per capita income	\$37,943	\$18,078	4
Percentage of householders who own their homes	75.8 %	37.0 %	1

These disparities are growing at the same time the share of our region's population of color is growing. In 2010, 24 percent of our region's population was people of color; by 2040, 43 percent of our region's residents are expected to be people of color. The share of people of color increases among younger age cohorts; 54 percent of residents under age 18 will be people of color in 2040. Eliminating these disparities, on the other hand, can have dramatic benefits. If everyone in the Twin Cities in 2040 enjoyed the same socioeconomic profile as white non-Latino people do today, the social and economic impact would be significant. Compared to the disparities continuing unabated, there would be:

- 182,000 more people with a high school diploma;
- 137,000 more people with jobs;
- 298,000 fewer people in poverty;
- an additional \$34.5 billion in income; and
- 216,000 more homeowners.<sup>6</sup>

The combined impact of increased employment, income and homeownership would go far to close today's disparities in wealth by race and ethnicity. All of our region's net workforce growth will come from residents of color. In short, *all* residents of the Twin Cities region need access to opportunity if the region is to have a healthy and prosperous future.

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<sup>5</sup> The ranks account for certain differences across metropolitan areas to make them more comparable.

<sup>6</sup> These figures are Metropolitan Council staff calculations based on 2007-2011 American Community Survey data for the 7-county Twin Cities region and the Metropolitan Council's Preliminary Regional Forecast to 2040.



## Using our influence and investments to build a more equitable region

The Metropolitan Council will use equity as a lens to evaluate its operations, planning, and investments, and explore its authority to use its resources and roles to mitigate the place-based dimension of racial, ethnic and income-based disparities.

Triggered by a federal Sustainable Communities Regional Planning Grant, the Fair Housing and Equity Assessment has led our region through a process to understand its historical and current geography of race, poverty, and opportunity and to explore whether and how public investments can effectively address a legacy of private disinvestment in select neighborhoods. The Fair Housing and Equity Assessment introduced the focus on racially-concentrated areas of poverty, defined for our region as census tracts where at least half of the residents are people of color and at least 40 percent of the residents live below 185 percent of the federal poverty line.<sup>7</sup> By 2010, nearly one in ten of our region's residents lived in racially-concentrated areas of poverty. Because racially-concentrated areas of poverty can both limit the economic mobility of their residents and discourage private investment, our region simply cannot afford to allow racially-concentrated areas of poverty to either persist or grow. The Council will:

- Work to mitigate concentrated and racially-concentrated areas of poverty by better connecting their residents to opportunity and catalyzing neighborhood revitalization;
- Work with communities to create more economically balanced neighborhoods, including strategically targeted subsidies to develop market-rate housing in select areas;
- Use Livable Communities Act resources to catalyze private investment in concentrated and racially-concentrated areas of poverty;
- Actively partner in neighborhood revitalization efforts such as Penn Avenue Community Works;
- Conduct a regional inventory of industrial land that considers the location of industrial land relative to the potential workforce eager to access nearby higher-wage job opportunities;
- Ask grant applicants to explain how their projects would advance equity, including helping residents of concentrated and racially-concentrated areas of poverty and/or lower-income households.

By using public resources to catalyze investment in areas that have seen chronic private disinvestment—specifically including the concentrated and racially-concentrated areas of poverty identified through the Fair Housing and Equity Assessment—the Council will seek to help the region grow and prosper more equitably.

Because the challenges of racial and economic equity require aligning efforts across multiple entities, the Council will convene multiple partners, including cities, counties, school districts, non-profits and philanthropy, to develop shared plans and investment strategies to address the issues of concentrated and racially-concentrated areas of poverty. The Council will play a leadership role in this strategy, bringing data to the table and co-convening conversations with partner institutions to address both effects and underlying causes. Based on these conversations, the Council may explore funding set-asides or special investment resources to help create opportunities in concentrated and racially-concentrated areas of poverty.

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<sup>7</sup> \$42,589 in annual income for a four-person household in 2011

## **Expanding choices in where we live and how we travel for all our residents, across age, race and ethnicity, economic means, and ability**

To advance racial and economic equity across the metropolitan area, the Council will work to create and protect viable housing and transportation options for the region's residents, regardless of race, ethnicity, income, immigrant status or disability. While different people will make different choices reflecting their own needs and preferences, the Council's priority will be expanding real choices for housing and transportation.

The Council wants the region to have housing options that give people in all life stages and of all economic means viable choices for safe, stable and affordable homes. To help more households have real housing choices, the Council will:

- Use its resources, including investments in transit, infrastructure and redevelopment, to help create and preserve racially-integrated, mixed-income neighborhoods across the region;
- Encourage preserving existing affordable housing across the region and encourage new additions to the affordable housing stock in areas that have an inadequate supply of existing affordable housing and are experiencing new housing construction—particularly in areas that are well-connected to jobs and transit;
- Invest in affordable housing construction and preservation in higher-income areas of the region;
- Provide competitive rent limits to enable Housing Choice Voucher holders to choose the location that best meets their needs, including those opportunities in higher-cost communities;
- Encourage increased resources for preserving existing and producing more affordable housing opportunities at the federal, state, regional and local level to help close the gap between the region's affordable housing need and the supply;
- Support research and testing related to fair housing, discriminatory lending practices, and real estate steering to determine if these discriminatory practices are occurring and limiting housing choices.

Transportation choices are as important to lower-income households as housing choices. The Council will continue to strengthen transit connections between lower-income residents and opportunities such as jobs and education. To expand the transportation choices that all households have, including in some neighborhoods the choice to live without a car, the Council will:

- Include a measure of households who do not own private automobiles—also known as “transit dependency”—as one of the elements driving the Transit Market Areas and defining the level of transit service neighborhoods expect to receive;
- Conduct Title VI service equity analyses—a federally prescribed process—to ensure that major changes in transit service do not lead to disparate impacts on low-income residents and communities of color;
- Prioritize transportation investments that connect lower-income areas to job opportunities;
- Engage neighborhood residents in transit planning to understand how to most effectively use transit service and investments to promote access to opportunity.

## **Investing in a mix of housing affordability along the region's transit corridors**

As our region makes significant investments in transit, particularly transitways, we must also ensure that the inevitable changes in neighborhoods along transit do not displace existing low-income residents. To promote a mix of housing affordability along the region's transit corridors, the Council will:

- Align its resources and work with other partners to help preserve a mix of housing affordability along the region's transit routes and corridors to help low-income households benefit from transit investments;
- Require that local jurisdictions applying for Livable Communities transit-oriented development grants adopt local policies reflecting equity in the proposed grant area;
- Promote transit-oriented development that expands affordable housing in transit station areas.

## **Engaging a full cross-section of the community in decision-making**

To move toward equity, our region needs the full range of voices at the table in order to understand issues, explore alternative approaches and proceed with action. This will require new approaches for the Council. Beyond convening regional stakeholders, the Council is strengthening its approach to outreach, public participation, and community engagement by developing a Council-wide Public Participation Plan. In the development of this Public Participation Plan, the Council will:

- Define consistent expectations of how the Council will engage;
- Evaluate what types of policy, planning and operational decisions need what levels of engagement, recognizing that not all decisions need and merit the same intensity of engagement;
- Consult with members of the community, especially historically under-represented populations;
- Focus on developing lasting relationships;
- Work toward making decisions with people, not for people.

*The commitment to address racial and economic disparities across neighborhoods demonstrates the necessity of ensuring that all residents live in a healthy, vibrant and livable region.*

## ***Livability***

***Livability focuses on the quality of our residents' lives and experiences in our region and how places and infrastructure create and enhance the quality of life that makes our region a great place to live. With abundant open space, a vibrant arts community, a range of housing options, and a reasonable cost of living, the Twin Cities region is widely recognized for its high quality of life. The Metropolitan Council's focus on livability is on creating vibrant places and underlying infrastructure, investing in regional parks and affordable housing, and collaborating with partners to achieve the full range of possibilities that make our region a great place to live. Livability adds value to our region by retaining and attracting a talented workforce, by increasing living choices, by building community identity, by highlighting the unique qualities of local places, and by informing individual decisions that reinforce those qualities. The Council is committed to increasing livability in the region through its authority, its investments in infrastructure, and its collaboration with others to sustain and increase a high quality of life. Enhancing livability means:***

- Promoting healthy communities and active living through planning and investments;***
- Increasing access to nature and outdoor recreation through regional parks and trails;***
- Supporting regional bicycle facilities to promote bicycling for transportation, recreation and healthy lifestyles;***
- Providing housing and transportation choices for a range of demographic characteristics and economic means;***
- Aligning resources to support transit-oriented development and walkable places.***

Livability helps attract and retain the people and businesses that our region needs to thrive and compete economically. Individuals are increasingly choosing regions that offer attractive lifestyles before searching for employment. Young, creative professionals today are highly mobile and can live anywhere they want. They are choosing high-amenity places that have a diverse population, a rich arts and entertainment culture, natural beauty, abundant recreation, and sufficient walkability and transit systems that allow them to travel without a car. Do we have communities that will attract and retain this desired group? Attracting younger talent through high-quality communities is also an investment in the future market for our housing stock. Many of those young urbanites will be looking for more space as they have children and their lifestyle preferences change. As existing residents age out of their homes, these younger residents will be ready to move in. Businesses also place a high value on livability. Whether it is a large company seeking a location for an office or a talented entrepreneur looking to grow an

innovative business, decision-makers want to know their employees can get to work and are happy living here.

### **Promoting healthy communities and active living through planning and investments**

Land use and planning decisions promote active living and healthy communities. Notably, populations living in walkable places are more active and therefore healthier than populations living in car-dependent areas. Given the immense costs of obesity and sedentary lifestyles to our health care system, promoting active living through planning decisions provides a key opportunity to improve both livability and our region's health outcomes. Land use decisions can create opportunities for people to walk or bike to their destinations rather than drive door-to-door, provide active outdoor recreational options, and offer access to open space. To promote healthy communities and active living through planning and public investments, the Council will work with its partners to:

- Incorporate active living considerations when evaluating competitive funding proposals, infrastructure investments and operations;
- Encourage access to safe and healthy food.

### **Increasing access to nature and outdoor recreation through regional parks and trails**

It is difficult to overstate the importance of the regional parks system in keeping our region on the top of national livability rankings. The Twin Cities area's 59 regional parks, park reserves and special recreation features plus over 300 miles of regional trails showcase the unique landscapes of the region and provide year-round recreation. Our residents have long identified the region's parks, trails and natural environment as the most attractive feature of the region.<sup>8</sup> Attracting 45.8 million annual visitors, the Regional Parks System provides access to natural space that contributes to physical and emotional well-being. Many of our region's most well-known and iconic sites—the Minneapolis Chain of Lakes, Como Zoo and Conservatory, Lebanon Hills Regional Park, Bunker Hills Regional Park, Elm Creek Park Reserve, and Lake Elmo Park Reserve—are part of the regional parks system. The Council will collaborate with the Metropolitan Parks and Open Space Commission, regional park agencies and State partners to:

- Expand the regional park system to conserve, maintain and connect natural resources identified as high quality or of regional importance;
- Provide a comprehensive regional park and trail system that preserves quality natural resources, increases climate resiliency, fosters healthy communities, and enhances quality of life in the region;
- Promote access to recreational opportunities in regional parks through regional trails, transit and local bike and pedestrian networks.
- Strengthen equitable usage of regional parks and trails by all our region's residents, such as across race, ethnicity, class, age, ability and immigrant status.

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<sup>8</sup> For more information, see the [Metro Residents Survey](#).

## Providing housing and transportation choices for a range of demographic characteristics and economic means

Over our region's history, a variety of neighborhoods have developed to meet the needs of residents, especially those who want single-family homes, which comprise 58 percent of our region's current housing stock. Demand for this housing stock is projected to continue, but the growth segments of our population will be households that may increasingly prefer alternative forms of neighborhoods. Recent trends support this shift. Since 2000, only 43 percent of our region's building permits have been for single-family detached homes; in 2012, the region issued building permits for more multifamily units than all housing units in any of the previous three years. The livability challenge around these shifts is to create communities that offer satisfying experiences and meet the daily needs for living, shopping, working, and recreation for each group, not simply housing developments that offer a place to own or rent.

As residents age, their needs, preferences and travel behavior shift; some communities are poorly designed to accommodate their residents' future needs. Growing cohorts of residents, including international immigrants and young professionals living alone, may need housing and transportation choices beyond what our region now offers. As infrastructure ages, rebuilding will be necessary. Going forward, each jurisdiction will have to examine whether it offers satisfying living options for its current and future residents.

Some of the larger groups and the experiences they may value include:

- Seniors—the “Silver Tsunami” —will be the fastest growing segment of our population, doubling in absolute numbers by 2030 and reaching one in five of our region's residents by 2040. As people age, their housing preferences tend to change. While some choose to move to a downtown condo and others want to stay close to their places of worship, friends or family members (especially the grandchildren), most seniors share common interests in less household maintenance, smaller housing units, and easy access to nearby goods and services, especially health care. Are there adequate housing choices available for seniors to stay active, conveniently access goods and services, and/or be near friends and family?
- The Millennial generation, already the largest generation demographically, seems to have different lifestyle preferences. Millennials tend to favor urban amenities, access to transit and bicycling options, and more dense and active neighborhoods rather than the auto-oriented subdivisions of their youth. Between stagnant entry-level wages, higher student loan debt, and delayed marriage and child-rearing, Millennials are less likely to move into homeownership at the same ages as their predecessors. Critical to the region's future prosperity, will we have places that retain and attract these young individuals and households? If their living preferences continue to diverge from their parents' generation, will our region's communities continue to offer them satisfying living situations?
- New Americans move to our region from across the globe, bringing with them unique cultural histories that build the richness of our region. As these residents come to the region, will they find places that facilitate their settlement, provide affordability, community and employment, and offer opportunities to prosper?

To support the livability of our region for our changing demographics, the Council will:



- Continue to provide regional wastewater treatment services at rates that today are 40 percent below the national average for similar-sized systems;
- Encourage and invest in a wide variety of housing options throughout the region to serve the increasingly diverse population, including viable housing choices for households with low and moderate incomes;
- Invest in transit to expand transportation options, particularly to connect workers to jobs throughout the region;
- Support Complete Streets approaches to enhance transportation choices;
- Promote the preservation of existing housing, especially affordable housing, to cost-effectively maintain affordability and preserve the unique historical characteristics of the region's housing stock.

### **Supporting the region's bicycle and pedestrian facilities to promote bicycling for transportation, recreation and healthy lifestyles**

Over the last ten years, bicycling as a mode of transportation has increased as a result of growing interest in physically-active lifestyles, concern about climate change, improved connections to transit, and the preferences of the Millennial generation. Our region has earned a national reputation for bike-friendliness, in large part due to the infrastructure investments made by local governments. Data from the 2010 Travel Behavior Inventory show that bicycling's share of work commute trips has grown by 70 percent over the past decade and now represents one in 11 work commutes in the central cities. Facilities for walking—which makes up 6 percent of all trips—are also important for transit ridership, healthy active lifestyles, and safety. The Council will collaborate with local communities, MnDOT, the Transportation Advisory Board, non-profit organizations and other partners to connect and improve bicycle and pedestrian facilities. Specifically, the Council will:

- Focus its bicycle and pedestrian efforts on regional-scale issues and coordination among jurisdictions in the region, including:
  - Aggregating local bike plans into a shared regional format;
  - Identifying regionally important bicycle corridors in the Transportation Policy Plan;
  - Reducing gaps and barriers and improving links across jurisdictional borders.
- Work with its partners, including MnDOT, the Transportation Advisory Board and local jurisdictions, to expand the region's bicycle and pedestrian system and increase these modes' share of the regional trips over the coming decades by:
  - Encouraging local jurisdictions to recognize planning and building of bicycle and pedestrian facilities as a component of new development;
  - Encouraging adoption of Complete Streets solutions by local communities where appropriate;
  - Encouraging local communities to include bicycle plans and pedestrian plans in their comprehensive plans;
- Work with partners to plan, construct and maintain bicycle and pedestrian connections to regional systems (such as transit stations, highways or regional parks).

## **Aligning resources to support transit-oriented development and walkable places**

Every community can strive for more livability, but the infrastructure and place-making needs and challenges can vary widely by location. An urban core neighborhood may need wider sidewalks, shared open spaces, careful building detailing and a mix of activities to be livable. A suburban neighborhood may need increased housing options and more bike trails to access parks and transit stops. A rural center may need a traffic-calmed main street that allows pedestrians to cross more safely or the small businesses that would attract those pedestrians. Livability for all areas also takes the network of businesses—whether an ethnic restaurant owned by new immigrants or the small-town bar owned by the same family for generations—that makes our communities unique, both supporting local residents and attracting visitors from across the world. Each jurisdiction has a unique combination of natural landscape, built environment, and local culture; communities that recognize and value their particular character, needs and opportunities can more effectively invest in their future. The Council will:

- In areas with density suitable for transit, support transit-oriented development that creates vibrant, mixed-income, places where people can live without an automobile;
- In areas where density is not yet suitable for transit, encourage transit-friendly development patterns and coordination across jurisdictional boundaries to lay the groundwork for future transit-readiness and improve livability in the interim;
- In areas where low density or low connectivity does not support transit, promote walkable neighborhoods and town centers to enhance livability.



## **Sustainability**

“Our greatest responsibility is to be good ancestors.” – Jonas Salk

***Sustainability protects our regional vitality for generations to come by preserving our capacity to maintain and support well-being and productivity over the long-term. The region’s investments in prosperity, equity and livability will be meaningless over the long term if the region exhausts its natural and financial resources in the present with no investment in the future sustainability of our region. Planning for sustainability means:***

- ***Promoting the wise use of water through expanding water conservation and reuse, increasing groundwater recharge, and rebalancing surface water and groundwater use;***
- ***Providing leadership, information and technical assistance to support local governments’ thinking about climate change mitigation, adaptation and resilience;***
- ***Operating wastewater treatment and transit systems sustainably.***

### **Promoting the wise use of water**

The Twin Cities metropolitan area is water rich with a relative abundance of high quality ground and surface water. Three major rivers, vast underground aquifers, and over 900 lakes make us the envy of urban areas the world over. Aside from the beauty and recreational value of the region’s lakes and rivers, water is necessary to sustain our residents and our economic prosperity. The area’s plentiful water supplies and the proximity of navigable rivers sustained indigenous communities and supported the development of the region’s growing cities. The Mississippi River and the region’s prolific aquifers continue to provide residents with a reliable water supply; our rivers are natural highways that serve commerce; our region’s lakes, rivers, and streams nurture wildlife and offer people a variety of recreational opportunities.

Yet our water supplies are not limitless. Population growth, development, localized water shortages, the impact of groundwater withdrawal on surface waters, contamination, and drought are affecting our future water supply. Increasing reliance on groundwater as our main source of drinking water has become a significant issue. In parts of the region, groundwater levels are declining. In some cases, it is affecting, or has the potential to affect, lake and wetland levels. A pressing concern is the impact that future development might have on the reliability of groundwater as a drinking water source.

In 2010, 70 percent of our region’s drinking water came from groundwater with the remainder coming from surface water sources. Groundwater analysis indicates that our aquifers are showing signs of depletion – water levels in some locations have declined by 40 feet in the last 40 years – which in turn has begun to have impacts on our lakes and wetlands in the region. Forecasts indicate that the region will add over 800,000 residents over the lifetime of this plan. Continuing current practices of using groundwater as a primary drinking water source will lead to continued depletion of groundwater supplies across the region. Conservation measures alone are inadequate to protect the region’s water supply. Rather, the region needs to restore

balance among water sources, maintain and enhance groundwater recharge and expand the use of conservation measures. To achieve our long-term vision of the region's prosperity and livability, our region's water resources must be sustainable, supported by a regional strategy that balances growth and protection to improve and maintain the quality and quantity of our water in our lakes, rivers, streams, wetlands and aquifers.

The Minnesota State Legislature defines water sustainability as, "Water is sustainable when the use does not harm ecosystems, degrade water quality or compromise the ability of future generations to meet their own needs." The Metropolitan Council is committed to collaborating with its partners to promote the long-term sustainability of the region's water resources and water supply. This regional strategy will balance growth and protection to improve and maintain the quality and quantity of our lakes, rivers, streams, wetlands and groundwater supplies. The Council will work with state, local and regional partners to provide for sustainable water resources through effective water supply, surface water, and wastewater planning and management. To promote adequate and high quality ground and surface water supplies, the Council will:

- Promote water sustainability in communities through the Water Resources Policy Plan and the Water Supply Master Plan, and through the review of local water supply plans, surface water management plans, comprehensive plans and comprehensive sewer plans.
- Promote the wise use of water through optimizing surface water and groundwater use, conservation, reuse, aquifer recharge, and other practices.
- Collaborate with partners, including providing technical assistance to local governments related to wastewater, water supply and surface water management.
- Address the reliability, resiliency, security, and cost-effectiveness of the region's water supplies.
- Incorporate water sustainability considerations in all areas of Council policy and actions, including overall development patterns, water management, transportation, housing, and regional parks.
- Identify subregional and local water sustainability solutions that balance regional needs and local objectives.

The Council's Water Resources Policy Plan will advance water sustainability through specific policies for water supply, surface water management and wastewater.

## **Providing leadership to support climate change mitigation, adaptation and resilience**

Over the long term, climate change will be one of the greatest threats to our region's ongoing prosperity and livability. Climate change threatens our continued orderly and economical development. Our region is already seeing rising temperatures and increased severe weather events. Climate change looms large as an issue with the potential to negatively transform the region without intentional and proactive planning. Responding to climate change takes three approaches: mitigation, adaptation, and resilience. Mitigation strategies focus on minimizing contributions to climate change – for example, reducing energy use that leads to greenhouse gas emissions. Adaptation strategies start from the premise that, despite mitigation strategies, climate change is already occurring and focus on how to change policies and practices to adjust. Resilience strategies recognize the difficulty of predicting what the impacts of climate

change will be and emphasize increasing our flexibility to survive and thrive regardless of how climate change develops.

The nation has seen the risks of not preparing for significant climatic events through the experiences of Duluth after its summer 2012 flooding, New York City after Superstorm Sandy, and, most recently, Colorado after the September 2013 rains. Hitting the most densely-developed parts of the nation, Superstorm Sandy may cost the federal government \$60 billion. The collective cost to the city of Duluth in infrastructure repair and replacement ran to \$80 million or \$2,000 for each city household. While each event individually was impossible to predict, the growing frequency and large-scale impact of severe weather events demonstrate the necessity of planning for resilience.

The Council is committed to building a resilient region that minimizes the region's adverse contributions to climate and air quality and is prepared for the challenges and opportunities of a changing climate. Recognizing the importance of climate change mitigation, adaptation and resilience, the Council will use climate impacts as a lens through which to examine all of its work. The Council will look for opportunities to use both its operational and planning authorities to plan for and respond to the effects of climate change, both challenges and opportunities. In addition to climate change, regional air quality factors (criteria pollutants) threaten both the quality of life and our economy as we may face severe additional regulations from the federal government.

The Council recognizes the state's goals for greenhouse gas reduction adopted in 2007's *Next Generation Energy Act*. By tracking regional greenhouse gas emissions, we will identify opportunities for emissions reduction in the region. Broadly, the Council's work supports the region's collective efforts to minimize greenhouse gas emissions by:

- Providing and promoting alternatives to single-occupant vehicle travel, including transit, carpooling, bicycling and walking;
- Promoting compact, pedestrian-friendly development patterns and funding their development through the Livable Communities Act funds;
- Protecting industrial land with access to ports and rail to encourage carbon-efficient means of transporting freight;
- Supporting the Regional Parks System to protect open spaces and vegetative cover that mitigate the impact of the urban heat island and improve local wind circulation;
- Investing in and pursuing local renewable energy generation for operations, including large scale solar facilities;
- Promoting more efficient water use and water conservation, which reduces the amount of energy used to pump and treat water, often one of a community's highest energy requirements;
- Protecting agricultural land for local food production to reduce distance-to-market travel emissions.

The Council intends to expand its role supporting local governments around climate change planning to assist their efforts toward mitigation, adaptation and resilience. The Council will:

- Expand the information and technical assistance it provides to local governments to support regional and local climate change planning;
- Work with partners to collaboratively identify and examine the feasibility of energy improvement opportunities and pursue group purchasing to facilitate energy improvements where this might provide synergy and/or an improved economy of scale;

- Develop, collect and disseminate information about climate change, including energy and climate data, the next generation of the Regional Indicators data, and a regional greenhouse gas emissions inventory;
- Provide technical assistance to the region's local governments, including identifying risks, best practices and model ordinances for climate change mitigation and adaptation and working in partnership with the Minnesota Pollution Control Agency's Minnesota GreenStep Cities program;
- Assess the risks and opportunities presented to the region from a changing climate and the potential rewards from addressing those risks and opportunities.
- Provide information to local jurisdictions about the risks of not responding to or preparing for climate change and encourage local governments to plan and prepare for climate change, including incorporating climate change planning into their local comprehensive plans;
- Create incentives to reward local governments that set and make progress on local greenhouse gas reduction goals.

The Council's approach to climate change will focus on softer approaches – such as information, technical assistance and incentives – unless and until the threat to orderly and economical development and the collective financial cost to the region of non-action justify the Council taking a stronger approach. Parallel to the potential impact of greenhouse gas emissions, the region may be approaching the foreseeable yet avoidable risk of failing to maintain air quality attainment status with the Environmental Protection Agency around fine particulate matter; the costs of air quality non-attainment would justify a stronger regional approach.

Additionally, the Council will collaborate with regional leadership and convene local governments and the broader community to address climate change mitigation and adaptation within the region. These expanded roles in information and technical assistance will help the Council serve as a resource to both local jurisdictions and the region at large. The Council intends to be a prominent player in elevating this important issue which affects the long-term viability of the Minneapolis-Saint Paul region.

### **Operating wastewater treatment and transit systems sustainably**

The Council will mitigate its own contributions to climate change by reducing its own greenhouse gas emissions. In 2012, the Council adopted a Sustainability Policy for Internal Operations and Management which states that the Council will conduct its own operations in a sustainable manner, when economically feasible, specifically to increase energy efficiency and use of renewable energy sources; reduce greenhouse gas emissions from Council operations; conserve and protect water resources; reduce solid waste generation; and reuse and recycle materials. Furthermore, the Council will monitor and track energy use and, when economically feasible, pursue opportunities to reduce energy use. The Council also will identify and pursue renewable energy opportunities, purchase energy star products, manage energy costs – review tariffs and peak control options, and track, and when feasible, reduce carbon dioxide equivalent emissions. Both Environmental Services and Metro Transit have set the goal of reducing their facility energy purchases by 50 percent from a 2006 baseline by 2020. The Council will continue to adopt innovative technologies to improve operations and use resources more sustainably. The Council will:

- Invest resources to continually reduce energy use in its building and operations and be among the efficiency leaders in the region;

- Invest in and pursue local renewable energy generation for operations, including large scale solar facilities;
- Continue to implement a regional inflow and infiltration mitigation program, which in part, addresses wastewater peak flow increases that result from significant storm events. Excess wet-weather related system flow consumes system capacity which could otherwise be used to support future growth;
- Adopt technological advancements in the Metro Transit fleet to maximize operational efficiency through engine improvements, acceleration management, electrification, and material improvements.

## ***Thrive: Principles***

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Three principles guide how the Council implements its policies both internally and externally to advance the five outcomes:

**Integration** ∞ **Collaboration** ∞ **Accountability**

These three principles reflect the Council's understanding of its roles in integrating policy areas, supporting local governments and regional partners, and promoting and implementing this regional vision. These principles govern how the Council implements *Thrive* systems and policy plans and how the Council advances these outcomes, both individually and collectively.

## **Integration**

***Integration is the intentional combining of related activities to achieve more effective, greater results, leveraging multiple policy tools to address complex regional challenges and opportunities. The Metropolitan Council is committed to integrating its activities to pursue its outcomes, achieve greater efficiencies and address problems that are too complex for singular approaches. The Thrive outcomes—Stewardship, Prosperity, Equity, Livability and Sustainability—are lofty ideals that defy simple categorization into the Council’s authorities. Instead, pursuing them demands that the Council use its full range of authorities and activities in ever-more coordinated ways. Realizing integration means:***

- ***Moving beyond institutional silos to leverage all of the Council’s divisions, roles and authorities in addressing regional issues;***
- ***Coordinating effectively with partners and stakeholders across and throughout the region.***

### **Moving beyond institutional silos**

A growing challenge faced by the region is diminishing funding. As the availability of funding decreases while the region continues to grow, the Council will have to extract more efficiency from each dollar it invests. That efficiency increasingly lies at the intersections between different systems.

For example, the Environmental Services Division of the Council provides wastewater service, surface water quality planning and coordination, and water supply information and planning for the region. While each of these activities has been conducted on its own in the past, the challenges of today, especially the emerging groundwater issues, have prompted staff to incorporate all three water topics into a new, integrated approach: water sustainability. By considering all three as available tools, the Council will be able to do more with the same amount of water: increase groundwater recharge, provide clean wastewater discharge re-use options, and decrease demands on groundwater supplies.

The principle extends throughout Council activities. Through integration of activities, the Council can leverage more benefit from each investment. The Council will pursue integration of activities and investments within and among its divisions to advance the five Thrive outcomes, find greater efficiencies in investments, and address problems that single approaches cannot address. This will include activities such as:

- Including appropriate regional trails in the designation of regional bicycle transportation corridors;
- Exploring Council-wide activities to address the effects of climate change;
- Integrating water supply activities, surface water management and wastewater management to increase sustainability;
- Requiring land use in transit corridors, especially in station areas, to be commensurate with the level of transit investment;

- Identifying critical relationships between regional systems and local investments, such as local pedestrian systems to access regional transit.

### **Coordinating effectively with partners and stakeholders**

The Council's Outcomes—Stewardship, Prosperity, Equity, Livability and Sustainability—are larger than the Council can achieve by itself. By setting out a regional vision, the outcomes define the foundation for the Council's coordination with others. Much of this coordination is discussed in the next section—Collaboration—but the Council intends to more intentionally integrate its policy authorities and organizational structure. This approach will emerge through: The Council's work with local cities, counties and townships on comprehensive planning;

- The Council's coordination with local, special-purpose units of government such as watershed districts, water management organizations, and parks districts;
- The Council's partnerships with state agencies and state boards, including:
  - Department of Agriculture,
  - Department of Employment and Economic Development,
  - Department of Health,
  - Department of Human Rights,
  - Department of Natural Resources,
  - Environmental Quality Board,
  - Minnesota Housing,
  - Minnesota Department of Transportation, and
  - Minnesota Pollution Control Agency.
- The Council's funding decisions where one resource may advance multiple policy objectives.



## **Collaboration**

*Collaboration recognizes that shared efforts advance our region most effectively toward shared outcomes. Addressing the region's issues – particularly the emerging challenges of climate change, economic competitiveness, racial disparities, and water sustainability – requires collaboration as no single entity has the capacity or the authority to do the work alone. Even when one entity is the primary funder or investor in a project, success requires the coordinated collaboration of a range of public and private entities to fully realize the development potential – witness, for example, the extensive partnerships supporting development beyond the rails along the METRO Green Line (Central Corridor). For the Council, acting collaboratively means:*

- *Being open to shared strategies, supportive partnerships and reciprocal relationships;*
- *Convening the region's best thinkers, experts, and stakeholders to address complex regional issues beyond the capacity or authority of any single jurisdiction or institution;*
- *Providing additional technical assistance and enhanced information to support local planning and decision-making.*

### **Being open to shared strategies, supportive partnerships and reciprocal relationships**

Through the implementation of *Thrive* via the systems and policy plans and the next round of local comprehensive plans, the Metropolitan Council intends to be a collaborator first and a regulator second. Technical or regulatory solutions led by a single entity cannot match the complex adaptive challenges now facing our region, driving the need for a collaborative stance. For example, the need for broad collaborative approaches to maximizing the benefit of our region's transitway investments catalyzed the Council's leading role in and active participation with the Corridors of Opportunity partnership of government, philanthropy, business, community development and advocacy. The Corridors of Opportunity transitioned in 2014 into the Partnership for Regional Opportunity, an ongoing effort to grow a prosperous, equitable and sustainable region. Another example is the Minnesota Environmental Quality Board's Climate Subcommittee, established in 2013, which includes representation from the Council, the Minnesota Pollution Control Agency and the Minnesota Departments of Commerce and Health; this effort is developing plans to help Minnesota meet the climate goals of the Next Generation Energy Act. The Council will continue to seek out opportunities for collaborative partnerships to address complex challenges in the region.

### **Convening to address complex regional issues**

As a regional entity, the Metropolitan Council was formed to address issues that transcend local government boundaries and cannot be adequately addressed by any single governmental unit. During outreach held to inform this plan, the Council heard a desire from stakeholders for the Council to play a larger role as a regional convener around issues that the Council alone cannot

resolve, ranging from economic competitiveness to regional poverty to water supply. The Council will use its regional role to be a convener of regional conversations, in both areas where the Council has statutory authority and issues with regional significance. The Council can make a significant contribution by bringing the best thinkers, experts, and stakeholders together to collectively develop regional or subregional solutions. This includes facilitating collaboration among cities or among organizations working on similar issues. For example, in 2013 the Council, working with the Minnesota Department of Natural Resources and the Minnesota Geological Survey, hosted regional meetings in the Northeast Metro Area around the issues related to the decline in water levels in White Bear Lake. This effort is a good example where the Council has joined interested parties to help analyze problems and ultimately to develop solutions. While the challenges of the next decade may vary, the Council intends to play a role as a regional convener to advance conversations around:

- Promoting affordable housing within the region;
- Addressing climate change mitigation and adaptation within the region and elevating this important issue which affects the long-term viability of the Minneapolis-Saint Paul region;
- Developing integrated plans and investment strategies to transform racially-concentrated areas of poverty into thriving mixed-income, multi-racial neighborhoods;
- Promoting the wise use of our region's water through rebalancing surface water and groundwater use, conservation, reuse, aquifer recharge, and other practices.

As new issues emerge – such as the groundwater and surface water interaction issues in White Bear Lake – the Council is prepared to play a convening role.

The Council will collaborate with regional partners to develop a shared vision and strategic priorities to advance regional economic competitiveness. At the regional level, the Council will continue to grow its partnership with cities, counties, GREATER MSP, and other partners in economic competitiveness, including possible development of a shared economic competitiveness strategy that outlines the roles and responsibilities of each partner as well as a process for identifying select development or redevelopment opportunities whose location, scale and complexity justify a regional focus. The Council will leverage its research and analysis function to strategically examine and analyze the land use and infrastructure needs of the region's leading industry clusters and thereby inform city and county discussions land use strategies supporting economic development.

Beyond convening regional stakeholders, the Council will deepen the robustness and alignment of its approach to outreach, public participation and community engagement by developing a Council-wide Public Participation Plan.

### **Providing additional technical assistance and enhanced information to support local planning**

The Metropolitan Land Planning Act and the Council's review authority give the Council a unique role with local governments. The Council already provides technical assistance to local jurisdictions to support the local comprehensive planning process and the effective implementation of regional policies around issues as diverse as aviation-compatible land uses, natural resource preservation, and inflow/infiltration mitigation.

To supplement its traditional role reviewing local comprehensive plans, the Council intends to expand this technical assistance and its information resources to support local government in

advancing regional outcomes and addressing today's complex adaptive challenges. In addition, the Council will provide expanded technical assistance to local units of government around:

- Stronger housing elements and/or implementation plans of local comprehensive plans;
- Local government support of housing development projects (e.g., site selection, funding options, or design recommendations);
- Identifying risks, best practices and model ordinances for climate change mitigation and adaptation in partnership with the Minnesota Pollution Control Agency's statewide Minnesota GreenStep Cities program;
- Providing enhanced information and analysis on economic competitiveness, helping local jurisdictions better understand their contributions to the regional economy and therefore focus on leveraging their strengths, including through the local comprehensive planning process;
- Understanding market forces associated with economic development and leveraging local economic development authority into a broader regional vision for economic competitiveness;
- Transit-supportive land use, urban form and zoning; creating a pedestrian-friendly public realm; understanding and attracting transit-oriented development (TOD) within the constraints of the market; and cultivating neighborhood support for transit-supportive development;
- Surface water planning and management, including assistance in preparing local surface water plans, identifying the appropriate tools to use and ordinances needed to implement those plans with the goal of maintaining and improving the region's valued water resources.

In addition to technical assistance, the Council also collects, analyzes and disseminates information, including data and maps, about the region to support local government decision-making. Key highlights of the Council's existing portfolio of information include forecasting of future population, households and employment, tracking of regional trends on affordable housing production, mapping existing land use, and providing water quality data for over 200 lakes and numerous streams and rivers within the region. The Council's regional perspective allows for data collection and analysis at economies of scale across the region. As new priorities have emerged through the Thrive planning process, the Council will expand its information resources in the following areas:

- Aggregating local bike plans into a shared format;
- Developing, collecting and disseminating information about climate change, including energy and climate data; the next generation of the Regional Indicators data; and a regional greenhouse gas emissions inventory;
- Analyzing the land use and infrastructure needs of the region's leading industry clusters;
- Aggregating local redevelopment priorities into a shared regional map;
- Supporting research and testing related to fair housing, discriminatory lending practices, and real estate steering;
- Maintaining an up-to-date regional natural resources inventory and assessment in partnership with the Department of Natural Resources.

While the Council will lead with its collaborative role, the Council will continue to exercise its regulatory authority and roles when appropriate to promote the regional outcomes of stewardship, prosperity, equity, livability and sustainability.

The Council will continue to seek partnerships and relationships with residents, businesses, and stakeholders to most effectively advance the *Thrive* outcomes.

## Accountability

“One of the great mistakes is to judge policies and programs by their intentions rather than their results.” – Milton Friedman

**Accountability requires a commitment to monitoring and evaluating the effectiveness of our policies and practices toward achieving shared outcomes and a willingness to adjust course to improve performance. Thrive MSP 2040 aspires to be the foundation for regional policy that is accountable to the hopes, dreams, and vision that the Metropolitan Council heard from the region’s residents, local governments, and the Council’s regional partners throughout the development of this document. Acting accountably means:**

- **Adopting a data-driven approach to measure progress toward the outcomes;**
- **Learning from the results of measures and indicators to guide future refinements of our policies;**
- **Providing clear, easily accessible information about our progress;**
- **Deploying the Council’s regulatory authority when necessary.**

### Adopting a data-driven approach to measure progress<sup>9</sup>

Accountability focuses on managing to outcomes – how is our region better – not tasks or outputs. An outcome-oriented approach measures how effectively and efficiently our regional transportation system delivers people to their destinations – not the miles of highway built. Outputs and tasks are the day-to-day work that moves toward outcomes, but outputs without outcomes are a waste of public resources. With *Thrive*, the Council is adopting an outcomes-orientation to its regional policy and is challenging itself, local governments and its regional partners and stakeholders to describe how their work advances the five Thrive outcomes. Outcomes describe how our investments and our policies are improving the region for our residents and businesses, not how much money we are investing or how many miles of interceptor pipe we are building. Outcomes create the why and the rationale for tasks and outputs. Managing to outcomes helps us ask not only are we effectively implementing our policies but also are we implementing the most effective policies, the policies that will help our region and our residents thrive today and tomorrow.

### Learning from indicators

Accompanying our narrative of the five outcomes will be a set of *Thrive* indicators, adopted separately but parallel to this document to allow for flexibility in refining the indicators over the lifetime of *Thrive*. The Council will use the indicators to assess and monitor regional progress

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<sup>9</sup> Special thanks to Performance Accountability: The Five Building Blocks and Six Essential Practices by Shelley H. Metzenbaum, published by the IBM Center for The Business of Government in 2006, available at <http://www.businessofgovernment.org/report/performance-accountability-five-building-blocks-and-six-essential-practices>, for defining some of the key concepts in this section.

toward the five outcomes. Rather than using the indicators and accountability structure punitively, the Council will use the indicators as the foundation for inquiry – what do the indicators tell us about the state of the region and our policies? How do we leverage what's working well? How do we effectively address areas where progress towards outcomes is less than our expectations? To borrow from Shelley Metzenbaum, the Council will use “measurement to motivate, illuminate and communicate.” The Council will use the insights that emerge from these questions to guide future decisions, including adjusting policies and priorities as needed to more effectively advance the outcomes. We will actively review our measures and indicators as the basis of continuous improvement for both ourselves and our policies, striving to be the best region, providing infrastructure in a coordinated and economically feasible way.

### **Providing clear, easily accessible information**

The Council will share the annual updates of the indicators, providing clear, easily accessible information about the progress of the region and Council policies. The focus on outcomes allows us to be transparent with our partners and stakeholders – what does success look like? What kind of region do we want to create? Most importantly, the focus on outcomes creates the foundation for collaborative dialogue with partners and stakeholders – what can and will the Council do to advance these outcomes? What will other organizations do to advance these outcomes? What role will local governments play? And where are the gaps, overlaps and opportunities?

The Thrive indicators will focus on the Thrive outcomes and will reflect the intentional integration of policy areas into the Thrive outcomes. In addition, systems and policy plans will contain indicators and measures that align with the specific policy areas. Together, these indicators will build upon the 2004 Regional Development Framework's Benchmarks to create a stronger foundation for data-driven decision-making.

### **Deploying the Council's regulatory authority**

While the Council will lead with its collaborative role, the Council will continue to use its regulatory authority and roles to advance the regional outcomes of stewardship, prosperity, equity, livability and sustainability. Nonetheless, the Council will continue to seek partnerships and relationships with residents, businesses, and stakeholders to most effectively advance the *Thrive* outcomes.

## Implementing Thrive

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### *Next steps*

*Thrive* establishes the policy foundation used to complete regional systems and policy plans, development policies, and implementation strategies that together form the comprehensive development guide. Detailed policies implementing the *Thrive* policy direction and advancing the five *Thrive* outcomes will emerge and be formally adopted in the *Thrive* systems and policy plans:

- Water Resources Policy Plan (summer 2014);
- Housing Policy Plan (fall 2014);
- Transportation Policy Plan (late 2014);
- Regional Parks Policy Plan (early 2015).

The policy direction in *Thrive* and the systems and policy plans that follow assist local governments to create consistent, compatible, and coordinated local comprehensive plans that together strive to reach a common purpose. The Council will distribute systems statements to local jurisdictions in fall 2015, beginning this decade's round of local comprehensive plan updates due back to the Council in 2018.

In addition to the *Thrive* systems and policy plans, the Council will consider how to advance the Thrive outcomes through:

- Making investments through Livable Communities Act grants (Livable Communities Demonstration Account, Local Housing Incentives Account and Tax Base Revitalization Account);
- Working with the Transportation Advisory Board on the Regional Solicitation for Transportation Funds;
- Investigating the use of the Council's current funding mechanisms as tools to aid in promoting the Thrive outcomes.