THRIVE MSP 2040 INDICATORS: FINAL REPORT

June 2025

METROPOLITAN
COUNCIL

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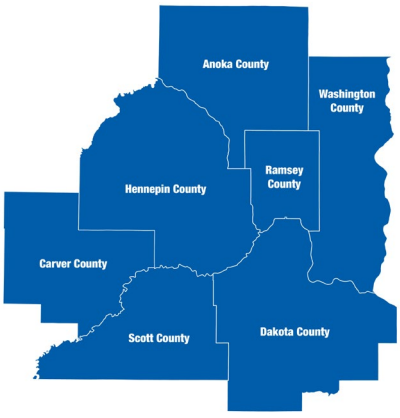

The Metropolitan Council is the regional planning organization for the seven-county Twin Cities area. The Met Council operates the regional bus and rail system, collects and treats wastewater, coordinates regional water resources, plans and helps fund regional parks, and administers federal funds that provide housing opportunities for low- and moderate-income individuals and families. The 17-member Council board is appointed by and serves at the pleasure of the governor.

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Background

Under Minnesota Statutes section 473.145, the Metropolitan Council is required to create a comprehensive development guide to establish the "policy statements, goals, standards, programs, and maps" to guide the growth and development of the Twin Cities metro region. Thrive MSP 2040 is the regional development guide adopted by Met Council in 2014. It established a regional vision and land use policies for the seven-county Twin Cities region through 2040, and laid the foundation for the regional systems plans (Park, Water Resources, and Transportation) and regional policy plans (Housing and Water Supply) that followed.

Thrive MSP 2040 expressed its regional vision through five outcomes:

- Stewardship
- Prosperity
- Equity
- Livability
- Sustainability

Additionally, three principles for guiding the implementation of Thrive MSP 2040 were identified in the guide: integration, collaboration, and accountability. A commitment to develop a set of indicators to serve "as a foundation for continuous improvement and public accountability" was positioned as the cornerstone of accountability.[1]

Indicator development and adoption

Between 2013 and 2016, community development research staff compiled over 75 data points from which to select indicators. Researchers engaged a cross-divisional staff workgroup created for Thrive MSP 2040 implementation to develop the following characteristics for the indicators:

- Clear connection to Thrive MSP 2040's five outcomes and 19 strategies
- Intentionally limited in number
- Deliberately high-level and supplemented by other indicators and the Council's own performance measures
- Quantifiable, maintainable, and meaningful over time
- Easy to understand
- Informed by evidence-based practice and research

These characteristics and an initial proposal of Thrive MSP 2040 indicators were presented to the Management Committee in 2017.[2] The committee suggested a dedicated work group form

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[1] Metropolitan Council. (2014). Thrive MSP 2040, p. 75-78. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.

[2] Metropolitan Council. (April 12, 2017). *Thrive Indicators.* Information Item presented to the Management Committee. https://metrocouncil.org/Council-Meetings/Committees/Management-Committee/2017/4-12-17/INFO-3-(1).aspx

to continue the work of refining the indicator proposal ahead of adoption.[3] After eight months of discussion and collaboration with community development researchers, a final proposal was approved by the Management Committee (October 10, 2018) and adopted by the Metropolitan Council on October 24, 2018.[4] The twenty-five Thrive MSP 2040 indicators were published in an interactive dashboard on the Met Council's website (metrocouncil.org) shortly thereafter.

Conclusions

Thrive MSP 2040 indicators were intended to inform regional conversations around the following questions:

- What do the indicators tell us about the state of the region and Metropolitan Council's policies?
- Which policies are working well?
- How might we revise our policies where performance is less than our expectations? [5]

Despite good intentions to leverage indicators into a tool for accountability and conversation, the Thrive MSP 2040 indicators largely fell short of those stated objectives. Reflections on the indicators and the processes used to develop them were shared in a presentation to Council Members in January 2024. The learning themes are summarized below to provide context for the conclusions we can draw from the Thrive MSP 2040 indicators in this final report.[6]

Learning themes for continuous improvement

The following observations from 2040 indicator projects will inform the outcomes measurement approach for the new regional development guide, Imagine 2050, adopted on February 12, 2025.

This work is about dialogues, not (just) data

Developing measures to evaluate outcomes requires difficult work upfront, which can eclipse momentum for later phases like commitments to when and how this information will be used, reporting tools, and regular updates. This puts indicators at risk of becoming a collection of information that fades into the background rather than a powerful tool for data-driven decisions.

In other words, we can't just talk about data; we must talk about how and when and why we want to talk about data. Engaging stakeholders in communications planning and product

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[3] Metropolitan Council. (April 12, 2017). Management Committee minutes. https://metrocouncil.org/getdoc/d9b2f685-789e-4a29-b3bd-249ab612ad1f/Minutes.aspx.
[4] Metropolitan Council (October 24, 2018). *Adoption of the Thrive Indicators*. Approved Business Item No. 2018-266. https://metrocouncil.org/Council-Meetings/Committees/Management-Committee/2018/10-10-18/2018-266-F.aspx.
[5] Metropolitan Council. (2014). Thrive MSP 2040, p. 77. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.
[6] Metropolitan Council. (January 10, 2024). *2040 Indicator Projects – Updates and Next Steps*. Information Item presented at Metropolitan Council meeting. https://metrocouncil.org/Council-Meetings/Committees/Metropolitan-Council/2024/01-10-2024/1-10-24-2040-Indicator-Projects-PPT.aspx.

design—even as measures are under development—can build shared expectations and understandings for this work that keep it useful and meaningful.

Frameworks are crucial

Measuring Met Council's regional policy and planning impacts can be difficult as much of this work involves partnerships and indirect influence. Frameworks can provide context for understanding why an indicator matters.

Articulating how policy objectives intersect and build on each other, as well as describing broader regional conditions, can help us understand progress (or lack thereof) more clearly. They also allow for flexibility and iteration, which is essential over a 10-year effort.

Frameworks don't have to be complicated or full-scale theories of change. A framework could be how measurement is structured. For example, each measurement topic could include similar information: a description of the issue generally through regional indicators, at least one way Met Council advances the goal or object, and another measure that captures the efforts of partners to realize the outcome.

Set targets

Thrive MSP 2040 did not make specific commitments to degrees or scales of change and instead relied on directional trends to describe progress generally.

Targets serve an important purpose, however—they call on us to describe the future in detail, not just a vision of it. They can drastically change how we interpret change by considering the scale and pace required to meet an outcome. By setting targets, we not only build additional accountability, but a more complete and accurate picture of progress in the region.

These principles and other best practices will be used to inform the 2050 measurement program.

Thrive MSP 2040 indicator trends

Working within the limitations described above, we can still broadly characterize the trends of Thrive MSP 2040 indicators as:

1. Aligning with 2040 outcomes or policies; data are "moving in the right direction" even if the scale or rate of change is small or slow; or
2. Inconsistent with 2040 outcomes or policies; the trends are at-odds with descriptions of progress in 2040 plans.

However, there are several Thrive MSP 2040 indicators that we left uncharacterized. Most commonly, this was because the measure itself had too many "moving parts" to see a definitive overall trend or because the underlying dynamics may be inconsistent with 2040 outcomes or policies even if the top-level trend suggests alignment. Further, the unprecedented disruption resulting from the COVID-19 pandemic in the 2020s made interpreting some trends between 2014 and 2024 all the more difficult.

Nevertheless, we've characterized each indicator into one of these three categories in the tables below to offer a high-level summary of progress as expressed in Thrive MSP 2040.

Table 1 – Trends aligned with Thrive MSP 2040 outcomes

Indicator	Thrive MSP 2040 Outcomes
Average daily vehicle miles traveled (VMT) per person	Stewardship, Livability
Protected acreage located in regionally significant ecological areas (RSEAs)	Stewardship
Share of all commuters who travel less than 20 minutes to work	Prosperity, Livability
Share of new residential development that is redevelopment	Prosperity
Increased racial and ethnic diversity in hiring at Metropolitan Council	Equity
Share of all households experiencing moderate housing cost-burden	Equity, Livability
Share of residential construction that is affordable housing	Equity, Livability
Average commute times for all workers	Equity, Livability
Regional solicitation funding in support of bicycle infrastructure	Livability
Visits to the Regional Parks and Trails System per capita	Livability
Growth of the Regional Parks and Trails System	Livability
Levels of small particulate matter in the air (PM2.5)	Sustainability
Water permit exceedances issued to the Metropolitan Council	Sustainability
Average daily municipal water usage per capita	Sustainability
Regional greenhouse gas emissions per capita	Sustainability
Greenhouse gas emissions of Met Council's transportation and environmental service operations	Sustainability

Table 2 – Trends inconsistent with Thrive MSP 2040 outcomes

Indicator	Thrive MSP 2040 Outcomes
Average number of jobs reachable within 30 minutes via transit or walking	Stewardship, Livability
Number of impaired lakes and streams	Stewardship
Share of regional highway pavement in poor condition	Stewardship
Net gain of residents aged 25 to 34	Prosperity
Share of all households experiencing severe housing cost-burden	Equity, Livability
Racial/ethnic inequities of households experiencing housing cost-burden	Equity, Livability
Share of needed new affordable housing that was built	Equity, Livability
Racial/ethnic inequities in average commuting times	Equity, Livability
Increased racial and ethnic diversity in promotions at the Metropolitan Council	Equity
Share of workers commuting via walking, biking, transit, or rideshare	Livability

Table 3 – Uncharacterized Thrive MSP 2040 indicator trends

Indicator	Thrive MSP 2040 Outcomes
Share of capital expenditures spent on wastewater infrastructure preservation and rehabilitation	Stewardship
Share of commuters who travel less than 20 minutes to work by race and ethnicity	Prosperity, Livability
Share of transit-oriented development (TOD) that is affordable	Equity
Share of the region's population in poverty living in areas of concentrated poverty (ACP) and concentrated affluence (ACA)	Equity
New housing construction built in areas of concentrated poverty (ACP) and concentrated affluence (ACA)	Equity
Share of eligible spending at Metropolitan Council Underutilized Business (MCUB) program	Equity

Outcome: Stewardship

Stewardship is the responsible and strategic use of the region's resources, and advances the Metropolitan Council's longstanding mission of orderly and economic development by:

- Responsibly managing our region's finite resources, including natural resources, financial resources, and our existing infrastructure investments
- Moving from expanding toward maintaining our region's wastewater and highway infrastructure
- Leveraging transit investments with higher expectations of land use[7]

Progress summary

Of the six indicators related to this outcome, two demonstrated trends that can be characterized as aligned with Thrive MSP 2040's vision of progress on stewardship. Both indicators, the average daily vehicle miles traveled and protected acreage of regionally significant ecological areas, changed on a small scale, albeit in the "right" direction.

Three indicators were inconsistent with progress on regional stewardship, however. Most significant was considerable growth in the number of impaired lakes and streams located in the region over this time period. The other two indicators, highway conditions and jobs reachable by transit or walking were also characterized as inconsistent with Thrive MSP 2040 but based on small-scale changes.

Lastly, we did not characterize the trend concerning wastewater expenditures. Despite a largely consistent trend over this period, it is unclear if the balance of preservation and rehabilitation was aligned with policy objectives absent a specific goal or target.

Indicators

Six of the adopted Thrive MSP 2040 indicators were selected to reflect progress toward stewardship. Of those six, two were associated with a second outcome (livability):

- Average daily vehicle miles traveled per person
- Average number of jobs reachable within 30 minutes via transit or walking

Maintaining infrastructure

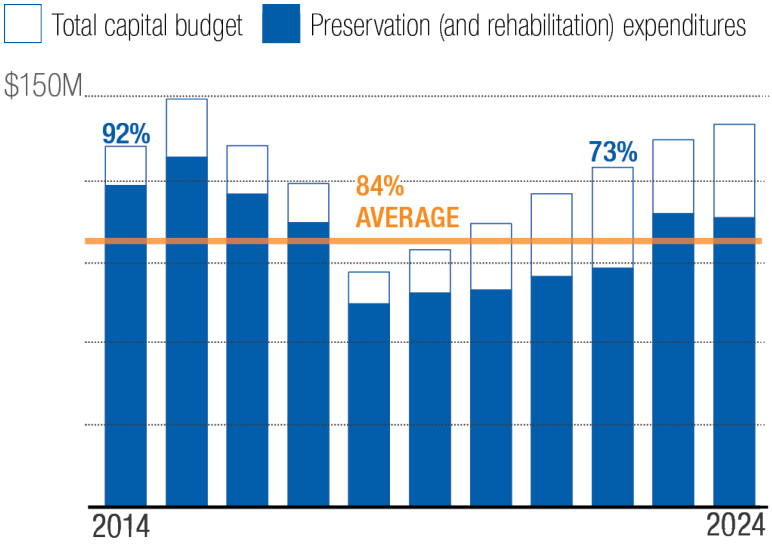
As the Twin Cities regional sewer and transportation networks mature, reinvestment is needed to keep them functioning smoothly. Tracking budget trends tells us whether we are making investments today that will maintain high-quality infrastructure throughout the region. Done well, residents and businesses will have increased choices of where to live, work, and travel.

Between 2014 and 2024, the majority of Metropolitan Council's annual wastewater capital expenditure was spent on infrastructure preservation and rehabilitation, averaging 84% over

[7] Metropolitan Council. (2014). Thrive MSP 2040, p. 18. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.

the decade (Figure 1). The largest share of preservation and rehabilitation expenditure was in 2014 at (92%), but the highest annual expenditure was $128 million in 2015 (89% of that year's capital budget). In total, Met Council invested over $1.08 billion in wastewater infrastructure preservation and rehabilitation during this period.

Figure 1 – Share of capital expenditures on wastewater infrastructure preservation and rehabilitation



Source: Metropolitan Council's Environmental Services Capital Program.
Note: The "preservation and rehabilitation" category describes funds used to rehabilitate or replace assets to preserve value and performance of wastewater infrastructure. The highest and lowest shares over the time period are labeled.

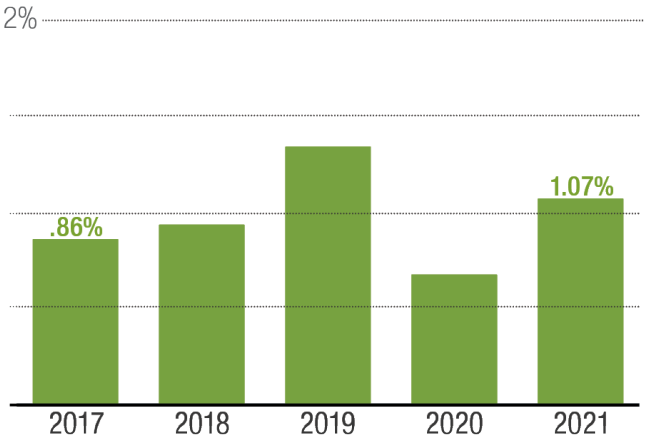
Highway conditions affect the flow of goods for businesses, vehicle repair costs, and the satisfaction of residents.

The Minnesota Department of Transportation (MnDOT) describes the overall condition of the state's highway system through an assessment known as the Ride Quality Index (RQI). RQI attempts to capture the experience of a typical driver, including measures of overall roughness, rutting, faulting, and cracking calculations. A descriptive category is then assigned to the pavement based on smoothness, ranging from very good to very poor. Metropolitan Council analyzes this dataset for interstates and highways within the seven-county region and determines an overall share of pavement by condition over time.

Less than 2% of the region's interstate or highway pavement was in poor condition during this time period (Figure 2). Compared with the State of Minnesota, the Twin Cities region's highways have slightly greater shares of pavement in 'poor' condition.[8]

[8] See Metropolitan Council's *Transportation System Performance Evaluation* for additional indicators about pavement condition (and other information about the regional transportation system) available at https://metrocouncil.org/METC/media/TSPE/index.html.

Figure 2 – Share of regional highway pavement in poor or very poor condition



Source: Metropolitan Council analysis of Minnesota Department of Transportation (MnDOT).

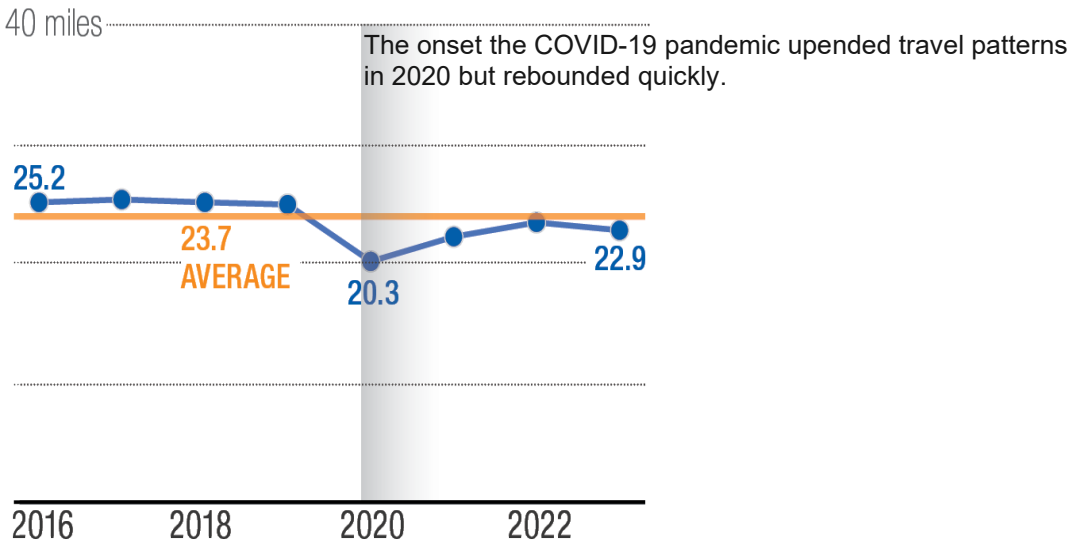
Reducing vehicle miles traveled (VMT)

The volume of local travel grows with the region's population and development patterns. This correlation is not static, however: through land use and transportation planning and expanding transportation options, it can be mitigated.

Vehicle miles traveled (VMT) is an important indicator of transportation system's contribution to greenhouse gas emissions (GHG) and negative public health impacts from burning fossil fuels. It also indicates how well the regional transportation system provides alternatives to driving alone that can reduce household transportation costs, which can be especially important to low-income populations and those who don't have access to a private vehicle.

Residents in the region averaged about 23.7 daily vehicles miles traveled between 2016 and 2023 (Figure 3). That average includes a sharp—albeit temporary—drop of 18.8% in 2020 coinciding with the COVID-19 pandemic. Daily travel patterns have since rebounded but were not back to pre-pandemic levels as of 2023.

Figure 3 – Average daily vehicle miles traveled (VMT) per person



Source: Metropolitan Council analysis of StreetLight Volume and Minnesota Department of Transportation (MnDOT)'s Yearly Volume Trends with Truck Distribution report and Average Annual Daily Traffic datasets. Population data are from U.S. Census Bureau, Decennial Census, 2010 and 2020, and Metropolitan Council's annual population estimates.

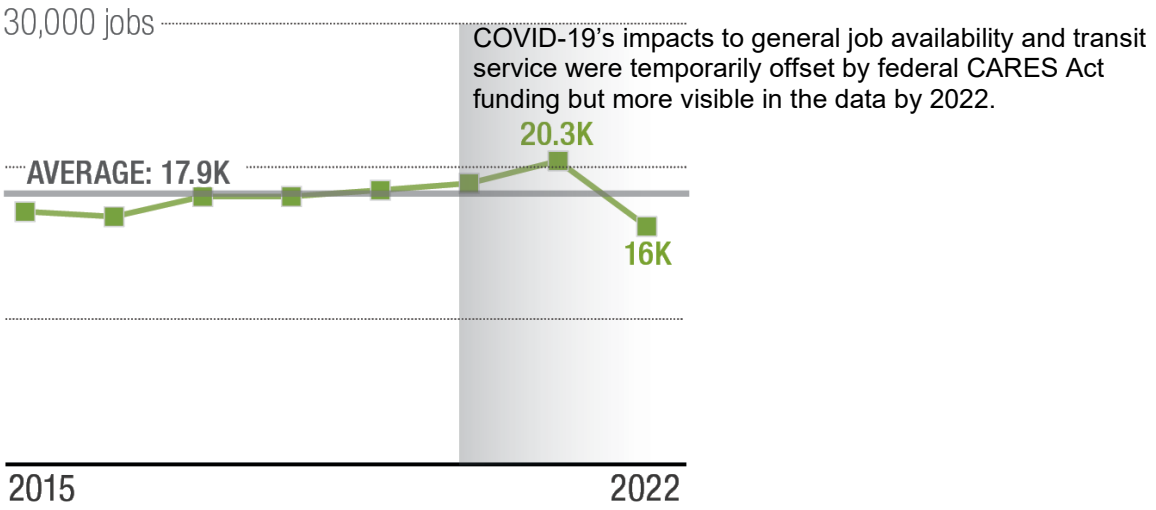
Connecting where people live and where they work is a recognized challenge for the region—one that remains even after an increase in remote work following the COVID-19 pandemic. Improving accessibility to jobs requires spatial planning that reduces distances between workplaces and residential areas, as well as increasing transportation options such as transit service and local and regional pedestrian infrastructure.

The University of Minnesota's Accessibility Observatory evaluates the ease and feasibility of reaching various destinations by transportation modes in metro areas across the country. The Thrive MSP 2040 indicator used from their analysis estimates the number of jobs reachable within 30 minutes via transit and walking.[9] Their analyses after 2021 reflect changes in transit service levels following the pandemic, along with the budget limitations in many transit agencies, including Metro Transit.

Between 2015 and 2022, the average number of jobs reachable by 30-minute transit or walking in the Twin Cities metro was around 18,000 until 2020 (Figure 4). The emergency assistance provided through the federal CARES Act kept transit agencies and services afloat during the initial onset of the pandemic, resulting in a notable uptick in 2021. As those initial adjustments have settled, the longer-term economic impacts to job availability and transit service resulted in substantial declines in job reachability for the Twin Cities metro, mirroring declines across metros nationwide.

[9] Center for Transportation Studies. (2015-2024). *Access Across America reports*. University of Minnesota. https://www.cts.umn.edu/programs/ao/aaa. We have intentionally used the term 'reachable' instead of 'accessible' to emphasis that one's ability to physically access jobs through various transportation modes does not equate to accessibility in obtaining that job.

Figure 4 – Average number of jobs reachable within 30 minutes via transit or walking within the Twin Cities metro



Source: University of Minnesota's Center for Transportation Studies, Access Across America series, 2014 - 2022. Data summarize the 15-county Minneapolis-Saint Paul-Bloomington, MN-WI metropolitan statistical area (MSA) defined by the U.S. Office of Management and Budget (OMB).
Note: The highest and lowest values over this period are labeled.

Managing and protecting natural resources

Significant ecological areas are threatened—directly and indirectly—by development. The Metropolitan Council works to protect these areas through the Regional Parks System. In addition, Met Council influences local governments to protect these areas through land use decisions.

Regionally significant ecological areas (RSEAs) are determined by the Minnesota Department of Natural Resources (DNR) and serve as important indicators of the region's ecological health.[10] RSEAs are identified using spatial models of land cover characteristics and classified by ecological principles. Generally, RSEA's are "places where intact native plant communities and/or native animal habitats occur." (See Appendix B for more information on RSEAs).

This indicator tracks changes in RSEA acreage from 2005 to 2020 (Table 4). "Protected" acreage refers to RSEA areas later designated as Park, Recreation, or Preserve lands. The data show a general expansion of all RSEA classifications in the seven-county region, with the largest gains in the "high" classification.

[10] Minnesota Department of Natural Resources. (2024). *Regionally Significant Ecological Areas (RSEA)*. https://www.dnr.state.mn.us/rsea/index.html.

Table 4 – Protected acreage located in regionally significant ecological areas (RSEAs)

RSEA Quality	Regional acreage (in 000s) 2005	2010	2016	2020	Percent change, 2005-20
High	109	112.5	116.4	119.6	125%
Higher	288	297.9	301.2	303.6	40%
Highest	1,418.9	1442.6	1,448	1,455	22%

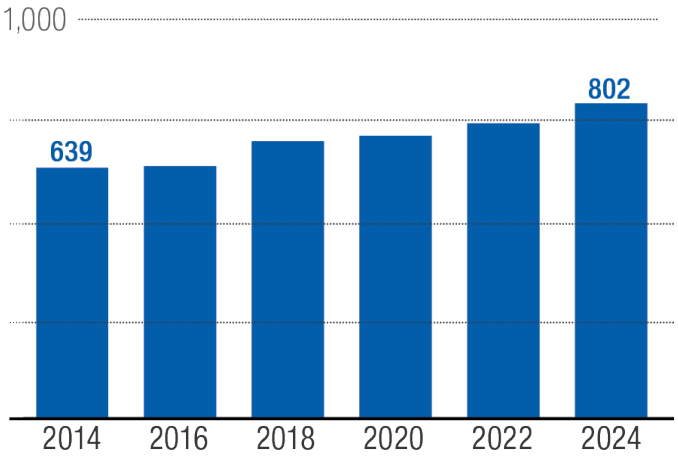
Source: Metropolitan Council's Generalized Land Use Inventories (2005, 2010, 2015, 2021) and Minnesota Department of Natural Resources' Regionally Significant Ecological Areas (RSEA).

A variety of pollution threats need to be managed and mitigated to sustain lakes and streams. Met Council has technical assistance roles in monitoring water quality but can also influence partners to protect the region's water bodies.

In Minnesota, surface waters that do not meet state water quality standards are tracked on the Impaired Waters List by the Minnesota Pollution Control Agency (MPCA). Water bodies listed as “impaired” do not meet water quality standards and do not or cannot fulfill that water body’s designated use: in other words, pollutants in the water are at levels that prevent the water body from being drinkable, swimmable, fishable, or useable in other beneficial ways.[11]

Typically, waterbodies are added due to persistent pollution, increased monitoring, or new, emerging contaminants. The number of lakes and streams located in the region listed as impaired rose steadily between 2014 and 2024 (Figure 5). This trend mirrors water impairment trends in Minnesota generally. Notably, because restoration activities take time to enact and produce measurable outcomes, waterbodies are being listed faster than they are removed. Some waterbodies are removed from the Impaired Waters List, but this kind of progress takes time.

Figure 5 – Number of lakes and streams listed as impaired



Source: Minnesota Pollution Control Agency (MPCA), Impaired Waters List 2014 – 2024.

[11] Minnesota Pollution Control Agency. (2024). *Minnesota’s Impaired Waters List*. https://www.pca.state.mn.us/air-water-land-climate/minnesotas-impaired-waters-list.

Changes to adopted stewardship indicators

Thrive MSP 2040 indicators adopted in 2018 included an additional measure concerning capital expenditures: the share of Transportation Improvement Program (TIP) spent on preservation. However, TIP project and budget data does not allow for this kind of summation and program staff recommended we exclude this indicator.

Further, changes to regionally significant ecological areas (RSEA) indicators were made based on data availability; acreage gained was easier to assess than acreage lost to development. Changes to vehicle miles traveled (VMT) calculations resulted in the exclusion of some earlier years of data.

See Appendix A for the full list of changes between adopted Thrive MSP 2040 indicators and the final set described in this report.

Outcome: Prosperity

Investments in infrastructure and amenities that can attract and retain successful businesses and a talented workforce foster prosperity. Regional economic competitiveness results from strategic, long-term public and private decisions that build on and grow our region's economic strengths relative to other regions. Advancing prosperity involves:

- Setting the stage for shared economic vitality by balancing major investments across the region
- Protecting natural resources
- Planning for and investing in infrastructure, amenities, and quality of life needed for economic competitiveness
- Encouraging redevelopment and infill development[12]

Progress summary

Three Thrive MSP 2040 indicators were associated with regional prosperity. Two of those three demonstrated alignment with this outcome: 1) the share of all commuters traveling less than 20 minutes to work slightly increased (although trends varied by commuters' race and ethnicity), and 2) the share of residential construction on previously developed land increased somewhat.

In contrast, the net gain of residents aged 25 to 34—a bellwether indicator of regional economic competitiveness—fell sharply in 2020 and did not recover, resulting in a net loss for this period.

[12] Metropolitan Council. (2014). *Thrive MSP 2040*, p. 26. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.

Indicators

Three Thrive MSP 2040 indicators were intended to reflect progress toward a more prosperous region. Of those presented here, one—short commutes—is cross-listed with the livability outcome.

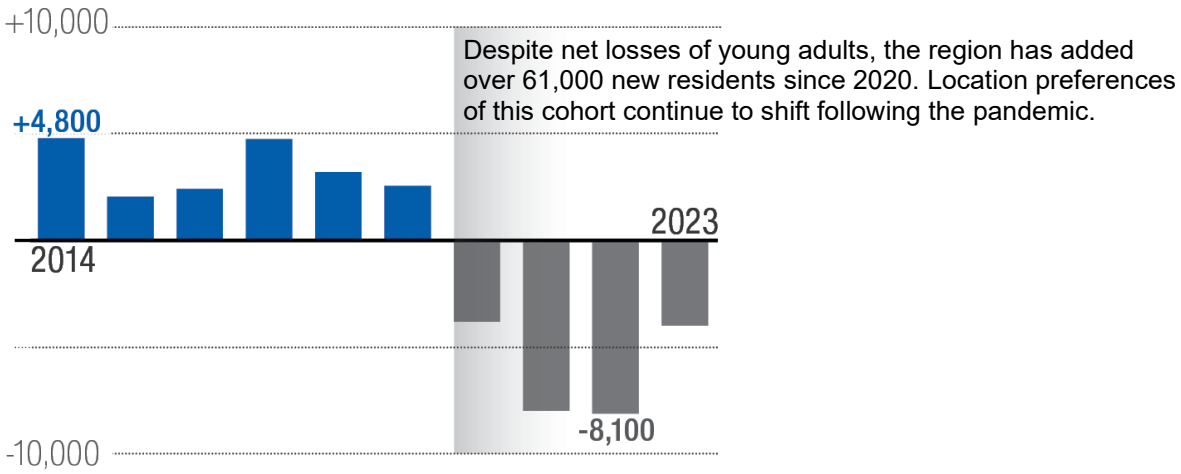
Talent attraction and retention

Thrive MSP 2040 aims to maintain the prosperity and livability of the region.

A high-level indicator of our success is the retention of existing residents and the net flow of new residents. Young adults—early in their work lives and forming their households—are judging the prosperity and livability of where they live, and they vote with their feet. To get a sense of the overall scale of talent attraction and retention, the net change in the region's population aged 25 through 34 was selected as an indicator.

Between 2014 and 2019, the region gained residents aged 25 - 34 annually (Figure 6). Over that five-year period, about 20,000 more young adults came to live in the region. That trend reversed, however, starting in 2020. Between 2020 and 2023, previous gains in this population group were completely erased and the region ended this period with an overall net loss of about 3,800 residents aged 25 – 34. For additional context, the region gained just over 61,000 residents overall between 2020 and 2023.[13]

Figure 6 – Net gain of residents aged 25 to 34



Source: U.S. Census Bureau, Annual Population Estimates by Age Sex Race Hispanicity (ASRH).
Note: The highest and lowest values over this period are labeled.

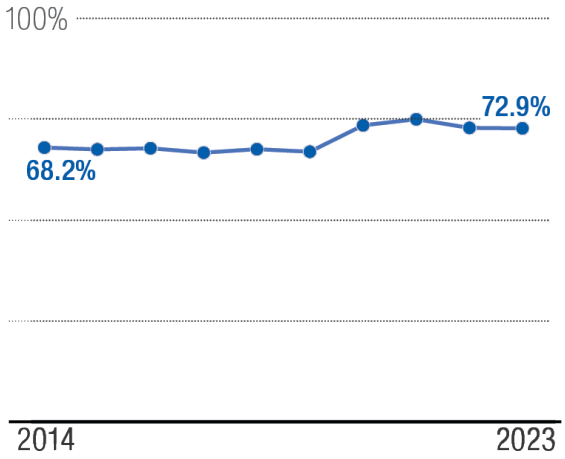
Housing and transportation choices

Long commutes challenge the region through both increased congestion and dampening residents' quality of life. This indicator distills where commuters live, where they work, and the transportation options available to them into one measure for all commuting workers in the

[13] Metropolitan Council (2024). *Lessons from 2023 Population Estimates*. Information item presented to Metropolitan Council. https://metrocouncil.org/Council-Meetings/Committees/Committee-of-the-Whole/2024/7-17-2024/INFO-1-Presentation.aspx.

region. Overall, the vast majority of the region's commuters had a "short" commute throughout this time period, and the share increased further by +4.7% (Figure 7).

Figure 7 – Share of commuters who travel less than 20 minutes to work

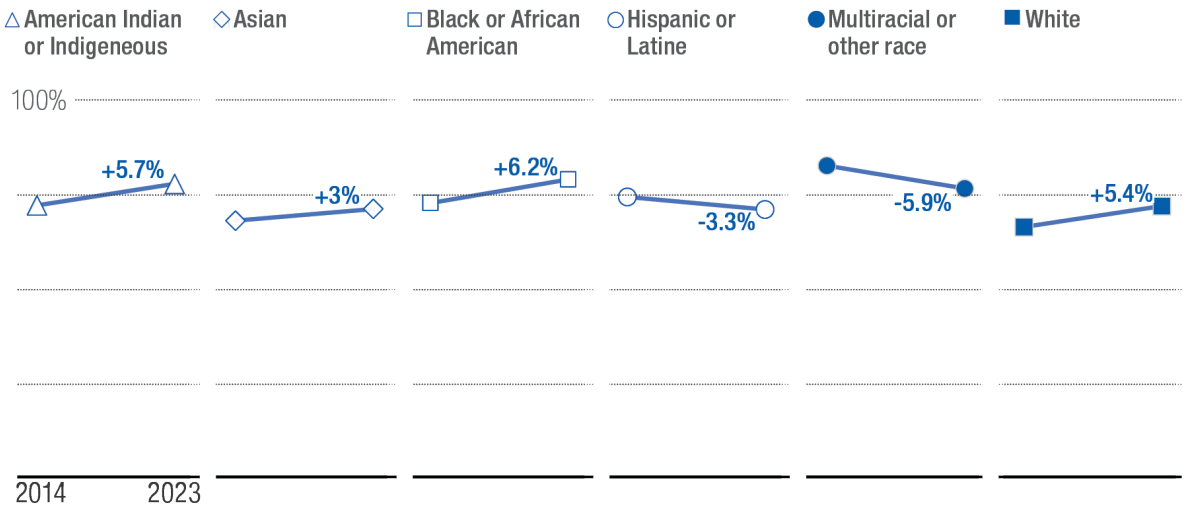


Source: U.S. Census Bureau, American Community Survey Public Use Microdata Series, One-Year Estimates, 2014 - 2023.
Note: This calculation only includes people who commute to work; it does not include those who did not work or those who worked from home.

Disaggregating commuters by race and ethnicity shows variation and departures from the overall trend (Figure 8). Some groups—Black, American Indican, and white commuters—experienced increases the share of short commuters that exceeded overall gains (Figure 7). Commuters who identified as multiracial or another race (an option unavailable in the survey) and Latine commuters experienced the opposite trend overall: their shares of short commuters fell during this time period. As of 2023, Black and American Indian commuters had the largest shares of "short" commutes at 79.1% and 77.8%, respectively.

Because this indicator involves several dynamics concerning location and transportation options, it is difficult to pinpoint the drivers of these differences without additional research.

Figure 8 – Share of commuters who travel less than 20 minutes to work by race and ethnicity



Source: U.S. Census Bureau, American Community Survey Public Use Microdata Series, One-Year Estimates, 2014 - 2023.
Note: This calculation only includes people who commute to work, it does not include those who did not work or those who worked from home. All race groups are non-Latine unless otherwise labeled. These race and ethnicity groups and terms are federal standards and do not reflect the full diversity, lived experiences, or preferred identification of the people they are meant to describe.

Redevelopment

Redevelopment and infill can have greater upfront costs in demolition and remediation but generate long-term savings in public costs by reducing the needs for infrastructure expansion.

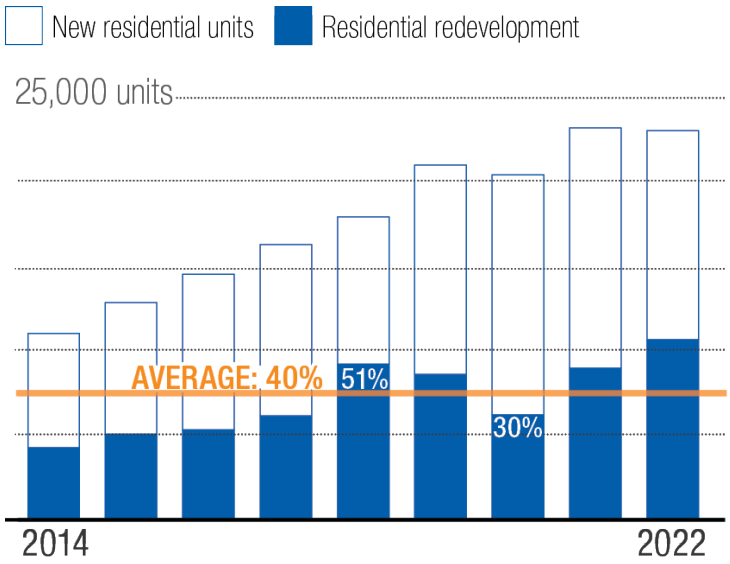
Metropolitan Council tracks detailed information about land use and development activity across the region. For this indicator, we used those sources to distinguish between parcels that were previously undeveloped versus lands that had prior uses. We then mapped new residential construction obtained from building permits and summarized the development activity by where it occurred, creating a somewhat crude measure of redevelopment and infill at a regional scale.

As shown in Figure 9, annual residential development increased considerably over this period, with just under 11,000 new housing units constructed in 2014 to nearly 23,000 units in 2022. Even as residential development increased over time, the share of new residential development considered “redevelopment” remained fairly stable, averaging 40% and ranging between 31% and 51%.

Clarifying whether this high-level trend is aligned or inconsistent with Thrive MSP 2040 outcomes and policies encouraging redevelopment and refill requires further drilldown on the location of development. We determined that the region’s Urban and Suburban communities increased redevelopment during this period, in addition to a consistently high share of redevelopment in Urban Centers.[14]

[14] These terms (Urban Centers, Urban, Suburban) refer to Thrive MSP 2040 Community Designations. See more information and a map at https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/5_ThriveMSP2040_CommunityDesignations.aspx

Figure 9 – Share of new residential construction on previously developed parcels



Source: Metropolitan Council's annual Building Permit Survey (2014-2022) and Generalized Land Use Inventory (2010, 2015, 2021).
Note: The highest and lowest values over this period are labeled.

Changes to adopted prosperity indicators

Thrive MSP 2040 indicators adopted in 2018 included redevelopment for both new residential and nonresidential construction. However, the data collected annually through Metropolitan Council's Building Permit survey and land use inventories made the latter too difficult to discern without a robust effort which was determined unachievable for this project.

Disaggregating "short" commutes by race and ethnicity was added after adoption.

See Appendix A for the full list of changes between adopted Thrive MSP 2040 indicators and the final set described in this report.

Outcome: Equity

Equity connects all residents to opportunity and creates viable housing, transportation, and recreation options for people of all races, ethnicities, incomes and abilities so that all communities share the opportunities and challenges of growth and change. Promoting equity means:

- Using our influence and investments to build a more equitable region
- Creating real choices in where we live, how we travel, and where we recreate for all residents
- Investing in a mix of housing affordability along the region's transit corridors[15]

Progress summary

Indicators adopted to describe equity can be parsed into two subgroups: regional indicators that describe trends for population groups and agency-specific data that describes equity-related initiatives of the Metropolitan Council.[16]

Regionally, progress on equity was mixed. While housing affordability improved for some households of color (as expressed by housing cost burden), new affordable housing production—near transit or otherwise—fell short of meeting needs throughout the decade, even as housing construction accelerated. Commute times fell, driven in part by the widespread adoption of remote work during the pandemic, which was unevenly available to workers. (Other complex effects of COVID-19 on the region's economy and housing market were not directly captured by these indicators.)

Trends of three indicators associated with equity were left uncharacterized:

- The share of transit-oriented development that was affordable
- Populations in poverty and housing construction trends in the region's areas of concentrated poverty (ACPs) and areas of concentrated affluence (ACAs)

As described earlier, complex indicators that obfuscate underlying dynamics are unsuitable for trend analysis. These uncharacterized indicators have a similar design flaw: they rely on an annual analysis to define the area included in the indicator. Without at least one fixed point involved, comparisons over time are less reliable.

Last, the three indicators describing equity efforts within the Metropolitan Council reflect some, albeit limited, progress. For example, Met Council's 2024 workforce more closely reflects the racial and ethnic diversity of the region than it did in 2014, a clear demonstration of progress. In contrast, employees of color were underrepresented in promotions relative to their share of Met Council's workforce. Data describing Met Council's underutilized business program

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[15] Metropolitan Council. (2014). *Thrive MSP 2040*, p. 38. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.

[16] See Metropolitan Council report, *Progress on Equity Commitments in Thrive MSP 2040* (2022) for a fuller accounting of equity-related efforts: https://metrocouncil.org/Council-Meetings/Committees/Committee-of-the-Whole/2022/04-20-2022/Info-Item-Progress-on-Thrive-Equity-Commitments-Re.aspx.

(MCUB) was only offered in multiyear summary format so trends could not be determined or characterized.

Indicators

Eight indicators were selected to describe regional progress toward equity. Of these, four are cross-listed with livability outcome:

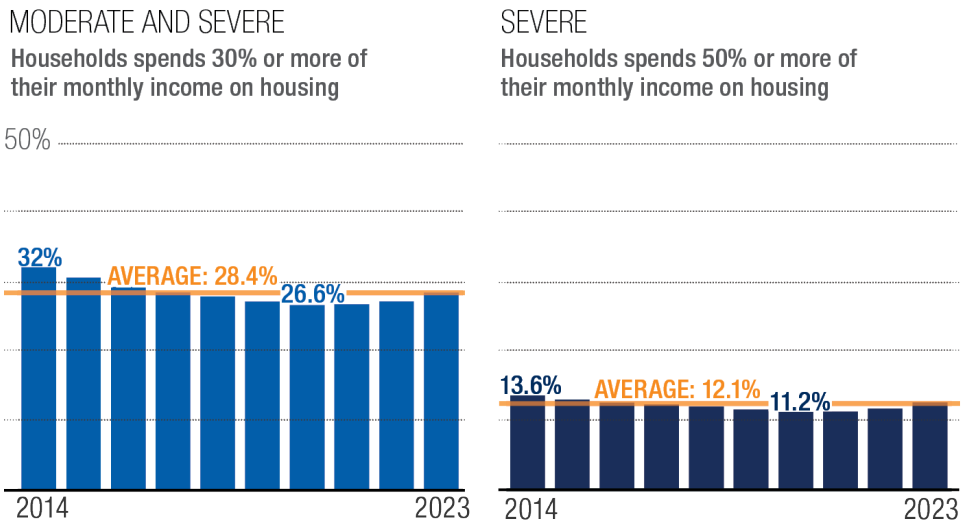
- Housing cost burden
- Share of needed new affordable housing that was built
- Share of transit-oriented development that is affordable
- Average commuting time by race and ethnicity

Housing affordability and choice

Housing costs are the largest monthly expense for most households. When households spend more than 30% of their monthly income on housing costs, they are considered cost-burdened; at 50% or more, they are considered severely cost-burdened. Cost-burdened households are at greater risk of housing instability, and may face trade-offs between food, healthcare, or other necessities in order to afford housing.

About a third of the region's households experienced housing cost-burdened in 2014, including 13.6% who experienced severe cost-burden (Figure 10). The share of cost-burdened households then decreased for several years, hitting a low of around 26% in 2020 and 2021 before rising again to 28.4% in 2023. This is an overall decline of -3.6%. Severely cost-burdened households followed a similar trend, though the scale of change was smaller with an overall decline of -2.4%.

Figure 10 – Share of households experiencing housing cost-burden by degree



Source: U.S. Census Bureau, American Community Survey One-Year Estimates, 2014 - 2023.
Note: The highest and lowest values over this period are labeled.

Disaggregating households by race and ethnicity shows that housing cost-burden is another area of considerable inequities in the Twin Cities region, in addition to employment, poverty, and homeownership rates.

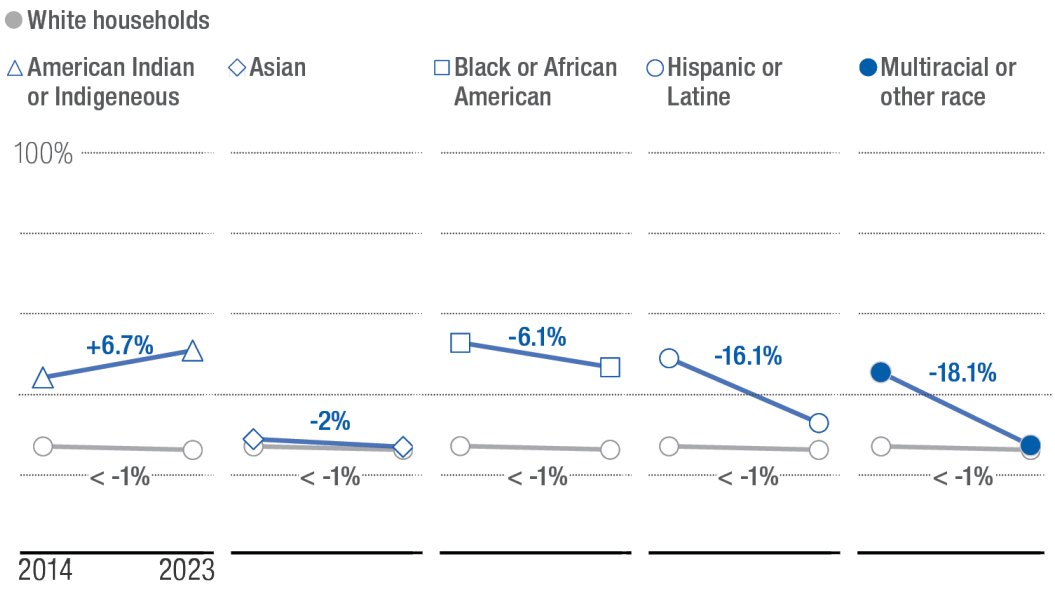
White households were least likely to experience housing cost-burden among race groups, with rates at or under 27% between 2014 and 2023 (Figure 11). However, Asian households showed similar rates, often within +/- 1 or 2% of white households.

In contrast, Black, Latine, and American Indian households experienced much higher rates of housing cost burden compared with white households, for example:

- Over half (52.7%) of the region's Black households experience housing cost-burden in 2014, more than twice the rate of white households at 27%. That share declined by 6.1% between 2014 and 2023 but remained the second-highest rate among race and ethnicity groups (46.7%).
- Latine households (at 48.9%), multiracial or other race households (45.4%), and American Indian households (44.1%) also had high shares of housing cost burden in 2014. Trends within these groups diverged over time, however. Multiracial or other race households showed the largest decrease (of -18.1%) in cost-burden rate, followed by Latine households (-16.1%). The trend for American Indian households went the opposite direction, increasing by 6.7% over this period and was 50.8% in 2023.

Even with decreases in housing cost-burden rates during this period, racial and ethnic inequities remain considerable for the region's households.

Figure 11 – Racial/ethnic inequities of households experiencing housing cost-burden



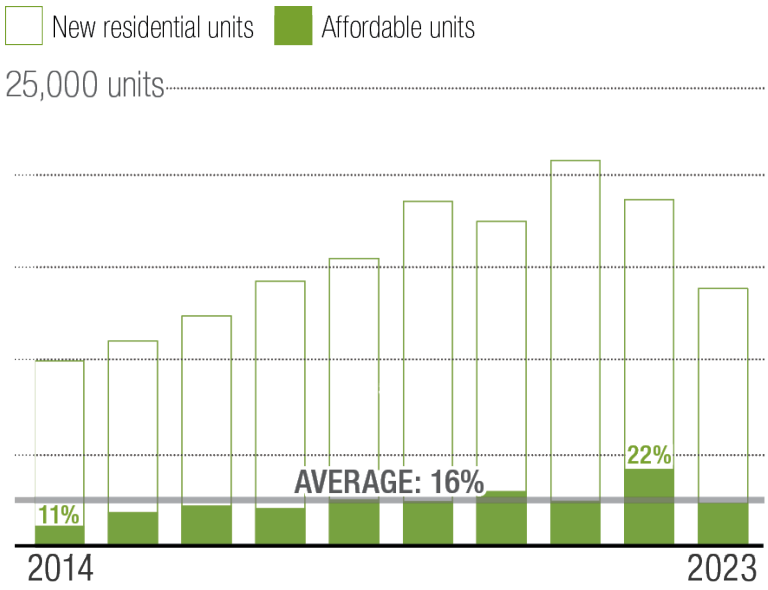
Source: U.S. Census Bureau, American Community Survey One-Year Estimates, 2014 to 2023.
Note: All race groups are non-Latine unless otherwise labeled. These race and ethnicity groups and terms are federal standards and do not reflect the full diversity, lived experiences, or preferred identification of the people they are meant to describe. The percent change in cost-burden rates between 2014 and 2023 are labeled.

Among the changing dynamics of the national and regional economy and housing market during this period, the region has faced one consistent challenge: a shortage of affordable housing units.

Metropolitan Council considers housing affordable if a low- or moderate- income household can afford the monthly costs without spending more than 30% of their monthly income—the same concept as housing cost-burden but applied to a housing unit versus a household. Typically, the cost of housing is expressed in terms of Area Median Income (AMI), an annual calculation made by the U.S. Department of Housing and Urban Development. See Appendix B for more information on AMI. Met Council tracks residential development across the region, including the number of new affordable units created.

Despite considerable growth in new residential construction between 2014 and 2023, the share of new units considered affordable ranged from 11% in 2014 to 22% in 2022 (Figure 12). While this increase is both encouraging and aligned with regional policy (which called for much more affordable housing regionwide) the sluggish pace of new affordable housing production all but guarantees continued housing cost-burden for many of the region's households.

Figure 12 – Share of new residential construction that is affordable

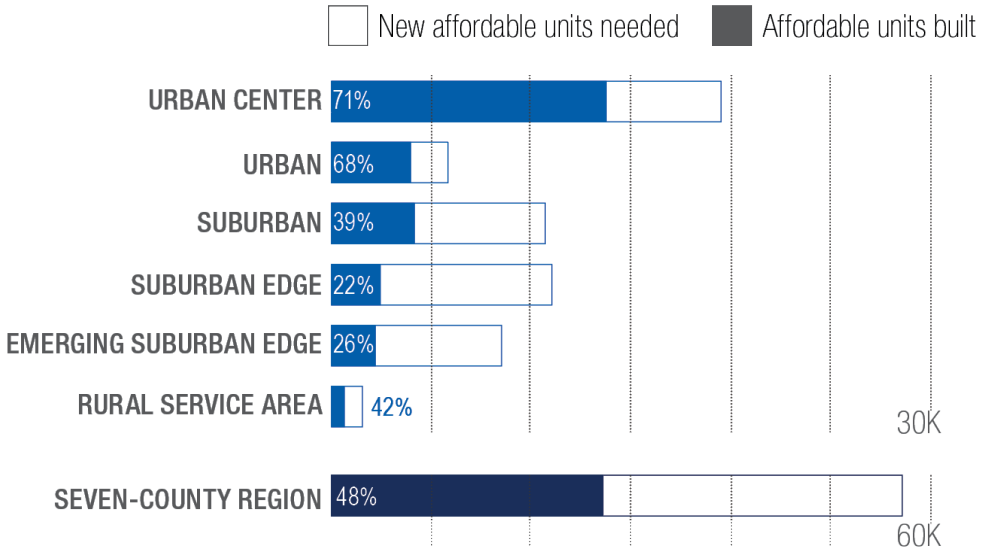


Source: Met Council's Building Permit Survey and Housing Policy and Production Survey, 2014 - 2023.
Note: Area Median income is calculated annually by the U.S. Department of Housing and Urban Development (HUD) for the 15-county Minneapolis-Saint Paul-Bloomington, MN-WI metropolitan statistical area (MSA) as defined by the U.S. Office of Management and Budget (OMB). Here, we summarize "affordable" as rental units that are below 60% Area Median Income (AMI) and/or owner-occupied units that are below 80% AMI. See Appendix B for more information on AMI. The highest and lowest values over this period are labeled.

Every decade, the Met Council generates long-range forecasts of population, housing, and employment to inform regional and local planning. Part of that process includes forecasting the growth of low- and moderate-income households in the region. This regional "need" total is then allocated across cities and townships based on local forecasts, existing affordable housing stock, and other characteristics. Local governments must plan for their share of the need for new affordable units through land use.

Despite some progress, the region did not build enough affordable housing to meet the allocated need between 2011 and 2023 (Figure 13). This trend is mirrored by all community designations in the region, with Suburban Edge and Emerging Suburban Edge communities only building 22% and 26% of their allocated need, respectively. Urban Centers and Urban communities built the largest shares over this period.[17]

Figure 13 – Share of needed new affordable that was built, 2011-2023



Source: Met Council's Building Permit Survey (2014-2023) and Housing Policy and Production Survey, (2014-2023).
Note: Area Median income is calculated annually by the U.S. Department of Housing and Urban Development (HUD) for the 15-county Minneapolis-Saint Paul-Bloomington, MN-WI metropolitan statistical area (MSA) as defined by the U.S. Office of Management and Budget (OMB). See Appendix B for more information on AMI. The regional Allocation of Affordable Housing Need calculates the number of new affordable units (and starting in 2021, by units by AMI level) that are needed in sewer-serviced cities based on household forecasts. The highest and lowest values over this period are labeled.

Thrive MSP 2040 emphasized transit-oriented development (TOD). TOD is walkable, moderate- to high-density development served by frequent transit. It often includes a mix of housing, retail, and employment choices designed to allow people to live and work with less or no dependence on a personal car, reducing transportation costs.

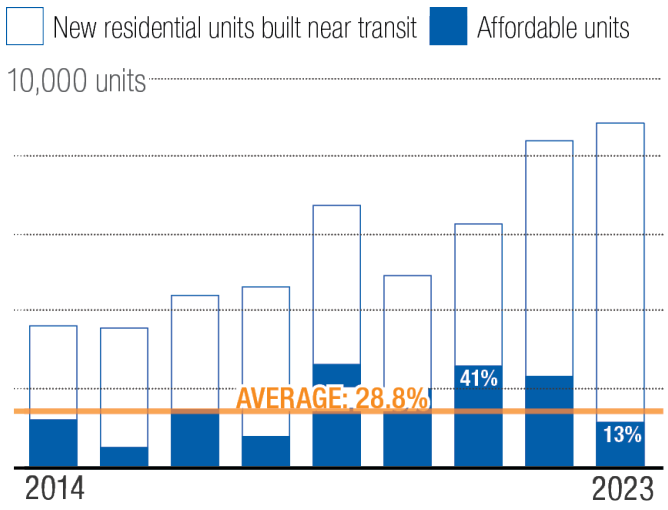
The region's transit system expanded considerably over this time period: new light rail (LRT) lines opened and the region's first bus rapid transit (BRT) service began. Additionally, more transit has been planned and approved, triggering market investments years before these investments are fully realized.

As seen in Figure 14, residential construction near planned and existing transitways has increased and on average, about 29% of those new units are considered affordable. Tracking changes in affordable TOD can be difficult to characterize because of annual changes in the geographic area of analysis. For example, shifting transit service due to COVID-19 both added—and subtracted routes—from these calculations, muddling the characterization of this indicator's trend. Further, without a defined expectation, it is difficult to assess if the level of

[17] These terms (Suburban Edge, Emerging Suburban Edge, Urban Center, Urban) refer to Thrive MSP 2040 Community Designations. See more information and a map at https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/5_ThriveMSP2040_CommunityDesignations.aspx

TOD and affordable TOD aligned with regional strategies or occurred at levels consistent with pre-Thrive MSP 2040 or peer regions.

Figure 14 – Share of transit-oriented development (TOD) that is affordable

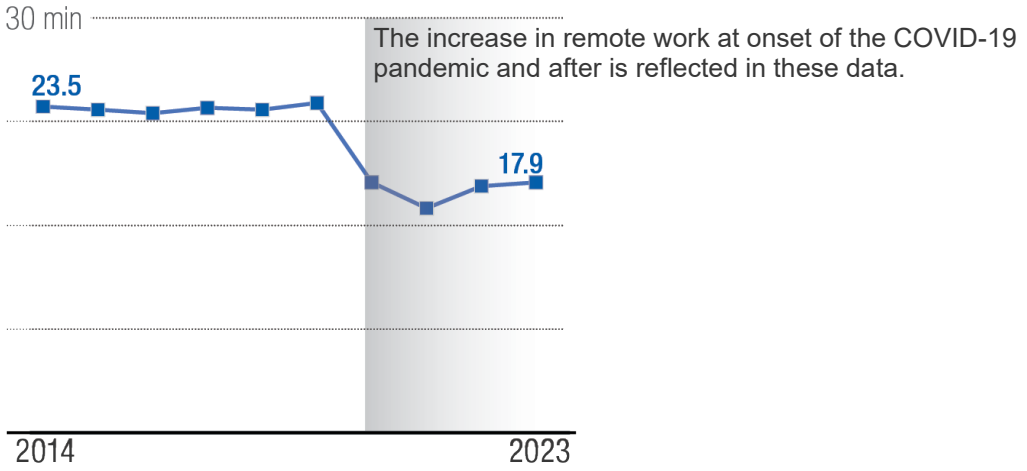


Source: Metropolitan Council's Building Permit Survey, 2014 – 2023.
Note: This analysis includes both existing/built transitways, and planned transitways that had not been built but were in the engineering stage of development. Residential development was considered TOD if it was within 0.5 miles of a transitway station or within 0.25 miles of a high-frequency bus route. Geographically, TOD was based on the transitways and high-frequency bus routes defined at the end of the previous calendar year. TOD was considered "affordable" if it did not cost burden households based on AMI. For more information on AMI, see Appendix B. The highest and lowest values over this period are labeled.

Thrive MSP 2040 also aimed to reduce commute times by increasing housing and transportation options, thus reducing distances between origins and destinations. Long commutes cause congestion and diminish satisfaction with quality of life.

The average commute length for all workers decreased from 23.5 minutes in 2014 to 17.9 minutes in 2023 (Figure 15). Notably, this indicator includes all workers throughout the region (regardless of mode of commute), including those who work from home. The effect of the COVID-19 pandemic on this trend can be seen in the drastic drop in 2020.

Figure 15 – Average commute length

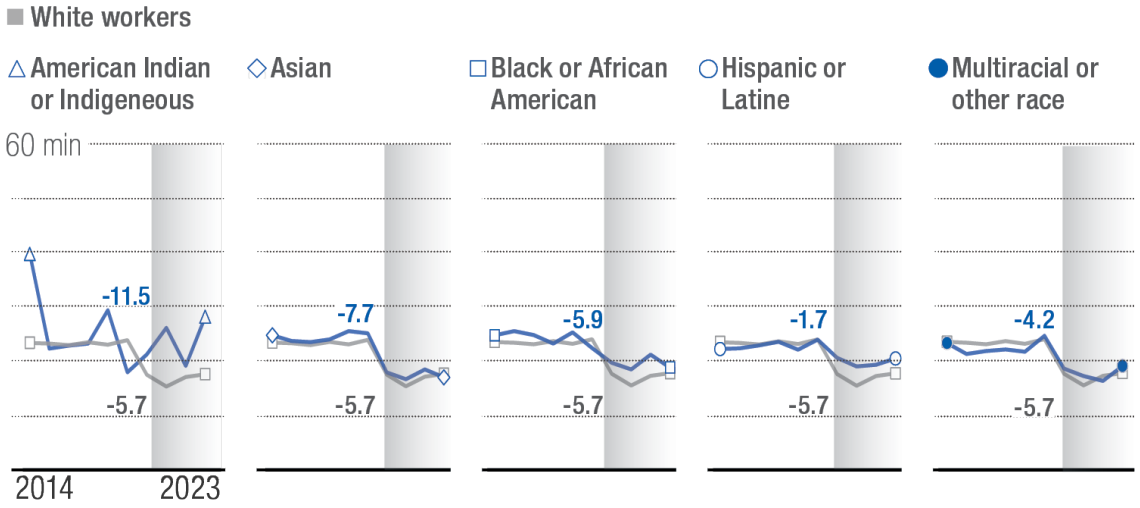


Source: U.S. Census Bureau, American Community Survey One-Year Estimates, 2014 to 2023.
Note: This calculation includes people who commute to work, regardless of transportation mode, including those who work from home (and subsequently have a commute time of zero minutes). The race and ethnicity groups and terms used for this indicator reflect federal standards. Neither reflect the full diversity, lived experiences, or preferred identification of the people they are meant to describe.

Changes in average commute time from 2014 to 2023 varied for different race and ethnicity groups across the region. While all race and ethnicity groups saw average commute times fall over this period, the magnitude of change and the impact of the COVID-19 pandemic differed:

- Average commute times for American Indian or Indigenous workers were more volatile than those for white workers. From 2014 to 2023, commute times fell from 39.6 minutes to 28.1 minutes (compared to the decline of 23.4 minutes to 17.6 minutes for white workers).
- Changes in commute times for Asian workers in the region closely mirrored trends for white residents, dropping from 24.7 minutes (in 2014) to 17 minutes (in 2023).
- From 2014 to 2023 average commuting times for Black or African American workers fell a similar amount to those for white residents. However, after the COVID-19 pandemic, commute times for Black or African American residents did not drop as dramatically as they did for white residents.
- Commute times for Hispanic or Latine residents did not change as much they did for white residents from 2014 to 2023 (only dropping from 22.1 minutes to 20.3 minutes). As with Black or African American workers, Hispanic or Latine residents did not see average commuting times fall as dramatically as they did for white workers during the COVID-19 pandemic.
- Multiracial workers or workers of another race saw their commute times change in similar ways as white workers in the region, although the change was not as great in magnitude (falling from 23.1 minutes to 18.9 minutes).

Figure 16 – Racial/ethnic inequities in average commute length



Source: U.S. Census Bureau, American Community Survey One-Year Estimates, 2014 to 2023.
Note: This calculation includes people who commute to work, regardless of transportation mode, including those who work from home (and subsequently have a commute time of zero minutes). All race groups are non-Latine unless otherwise labeled. These race and ethnicity groups and terms are federal standards and do not reflect the full diversity, lived experiences, or preferred identification of the people they are meant to describe.

Trends in the region's areas of concentrated poverty and affluence

High-poverty neighborhoods (concentrated poverty) have been a long-standing topic of conversation and study in community development and public policy.

Concentrated poverty was re-introduced into our regional policy dialogue in 2012 as Metropolitan Council completed a fair housing and equity assessment to fulfill federal grant requirements from the U.S. Department of Housing and Urban Development (and concurrent to the development of Thrive MSP 2040). The assessment, Choice, Place, and Opportunity: An Equity Assessment of the Twin Cities region, included a required spatial analysis of poverty and race. The study's findings influenced the outcomes and policies put forward in Thrive MSP 2040 and the 2040 regional system and policy plans that followed.[18,19]

> ***Areas of concentrated poverty (ACPs) are census tracts where at least 40% of residents have incomes under 185% of the federal poverty threshold.[20]***

After several years of annual tracking (2014-2018), a mixed methods review and engagement project concluded that Met Council had overemphasized concentrated poverty as an equity strategy, resulting in tangible harm to neighborhoods and residents.[21] Community development

[18] Metropolitan Council (2014). *Choice, Place, and Opportunity: An Equity Assessment of the Twin Cities region*. https://metrocouncil.org/Planning/Imagine-2050/Thrive-2040/Choice-Place-and-Opportunity.aspx.
[19] Metropolitan Council. (2014). *Thrive MSP 2040*, p. 38-42; 82. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.
[20] A subset of concentrated poverty, where the majority of residents are people of color, was also defined and adopted in Thrive MSP 2040. First known as "Racially Concentrated Areas of Poverty" then later referred to as "ACP50s." Annual reporting on ACP50s was discontinued in 2020.
[21] Metropolitan Council (2020). *Rethinking Areas of Concentrated Poverty*. https://storymaps.arcgis.com/stories/e61c8e0e54e24485b956601fdc80b63e

research staff recommended adding areas of concentrated affluence to display with concentrated poverty in an effort to 1) refocus policy and planning efforts on the level of economic segregation across the region, and 2) more responsibly and directly discuss the legacies of systemic racism and disinvestment, building on narrative work published by the University of Minnesota's Center for Urban and Regional Affairs.[22]

> ***Areas of concentrated affluence (ACAs) are census tracts where the share of people who are affluent is at least two-thirds greater than the regional share of people who are affluent, defined as individual or family income that is at least 500% of the federal poverty threshold.[23]***

Several Thrive MSP 2040 indicators involved tracking trends in the region's areas of concentrated poverty. We have included additional spatial data as grounding context for interpreting the indicators.

In 2014, 112 census tracts were identified as areas of concentrated poverty (ACPs) regionwide (Figure 17, "2014")

- By 2023, 64 census tracks of the original 112 no longer met the ACP definition, though 9 additional census tracts were identified, bringing the total to 57; and
- Fifty-four of the 86 census tracts identified as areas of concentrated affluence in 2014 continued to meet the definition in 2023, with another 9 census tracts identified in 2023 (63 total).[24]

Because the annual analysis of concentrated poverty and affluence is of tabular data—meaning that it does not link households over time—insights into this reduction of economic segregation (defined somewhat crudely here) are limited without further research.

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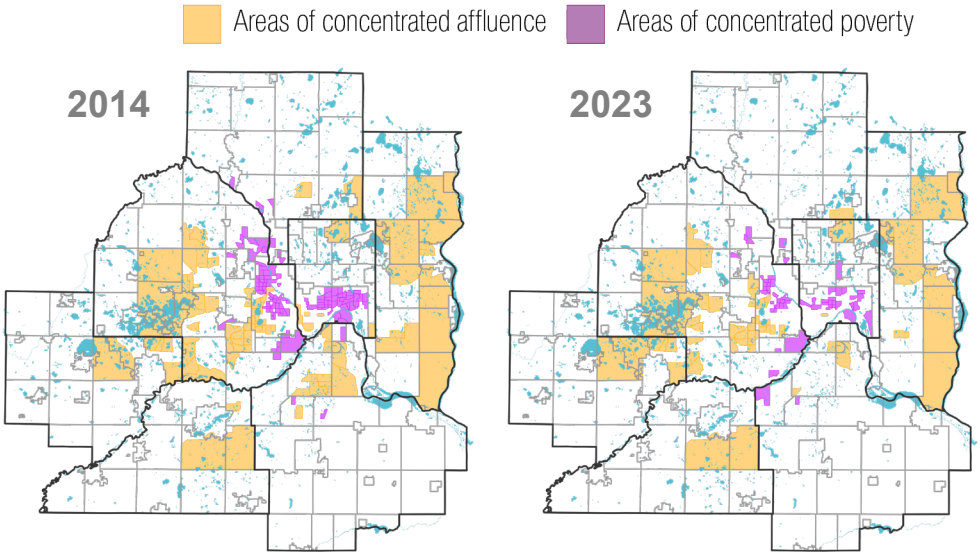
[22] Center for Urban and Regional Affairs. (2020). *Racially Concentrated Areas of Affluence*. https://www.cura.umn.edu/taxonomy/term/1116.

[23] See Metropolitan Council's *Equity Considerations for Place-Based Advocacy and Decisions in the Twin Cities region* for interactive research tools, user guide, and to download tabular or spatial datasets that describe and include areas of concentrated affluence. https://metrocouncil.org/equitydataset.

[24] The counts provided here are expressed in the U.S. Census Bureau's 2010 census tracts (704 in the Twin Cities region).

Figure 17 – Areas of concentrated poverty and affluence in 2014 and 2023



Source: Metropolitan Council analysis of U.S. Census Bureau, American Community Survey Five-Year Estimates, 2014 - 2023.
Note: Areas of concentrated poverty are census tracts where at least 40% of residents have incomes under 185% of the federal poverty threshold. Areas of concentrated affluence are census tracts where the share of people who are affluent is at least two-thirds greater than the regional share of people who are affluent (affluent is individual or family income above 500% of federal poverty threshold).

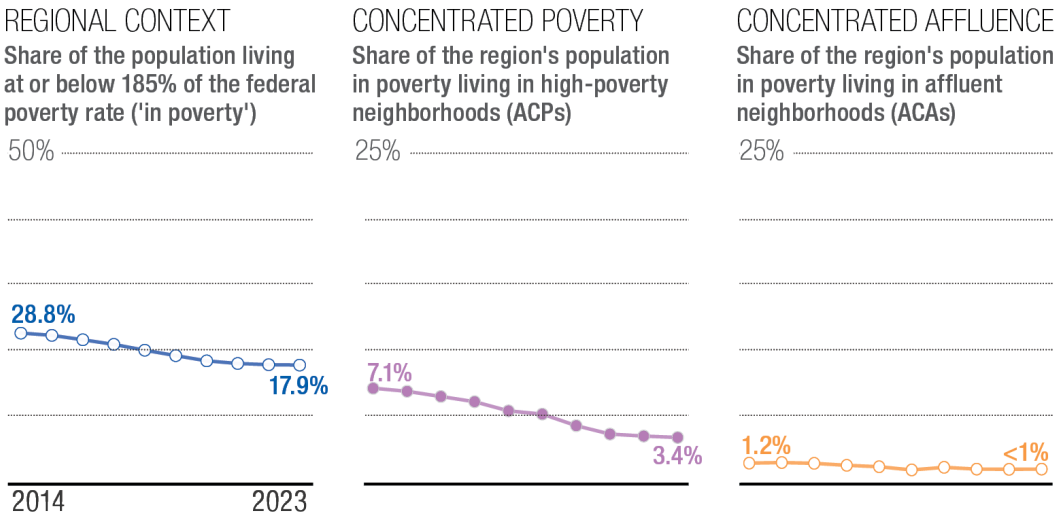
The share of the region's population in poverty (under 185% of federal threshold) living in areas of concentrated poverty is one of the adopted indicators concerning concentrated poverty—and now affluence.

For context, the region-wide poverty rate (at 185% of the federal threshold) was included in Figure 18 and slows a notable decline from 28.8% in 2014 to 17.9% in 2013. Here again, we caution that this is a top-line trend that could be the result of various underlying dynamics.

As seen in Figure 17 (above), the majority of the region is neither an area of concentrated poverty nor affluence. Of the region's 2020 census tracts, 57 are ACPs, 84 are ACAs, and 643 are not included in this analysis.

The overall reduction in the number of census tracts that meet the definition of concentrated poverty also translates to fewer of the region's people in poverty living in concentrated poverty (Figure 18). Few of the region's residents in poverty live in its high-income neighborhoods.

Figure 18 – Share of the region's population in poverty living in areas of concentrated poverty and affluence



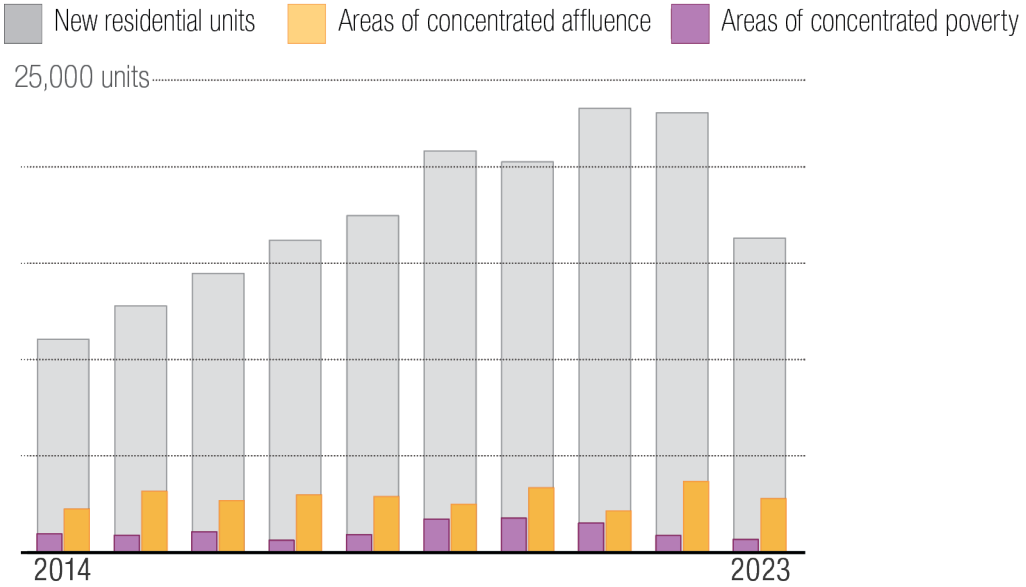
Source: Metropolitan Council analysis of U.S. Census Bureau, American Community Survey Five-Year Estimates, 2014 - 2023.

Another indicator about the region's areas of concentrated poverty was tracking development activity: Now that areas of concentrated poverty were part of Metropolitan Council's regional policy, would new investments materialize and counter decades of chronic disinvestment?

New housing construction increased across the region between 2014 and 2022, and most of this development activity (77% of new units built) was located in areas that were not ACPs and ACAs (Figure 19). Of the roughly 175,300 new units built region-wide over this time period, 16% were built in ACAs, double the share built in ACPs (6%).

That shares of new housing consistent remain fairly consistent even as the number of census tracts identified as either ACPs and ACAs was trending downward could suggest heightened market activity but not definitively so without additional analysis.

Figure 19 – Share of residential construction in areas of concentrated poverty and affluence



Source: Metropolitan Council analysis of U.S. Census Bureau, American Community Survey Five-Year Estimates, 2014 – 2023; Metropolitan Council's Building Permit Survey (2014-2023).
Note: Areas of concentrated poverty are census tracts where at least 40% of residents have incomes under 185% of the federal poverty threshold. Areas of concentrated affluence are census tracts where the share of people who are affluent is at least two-thirds greater than the regional share of people who are affluent (affluent is individual or family income above 500% of federal poverty threshold).

Advancing equity through influence

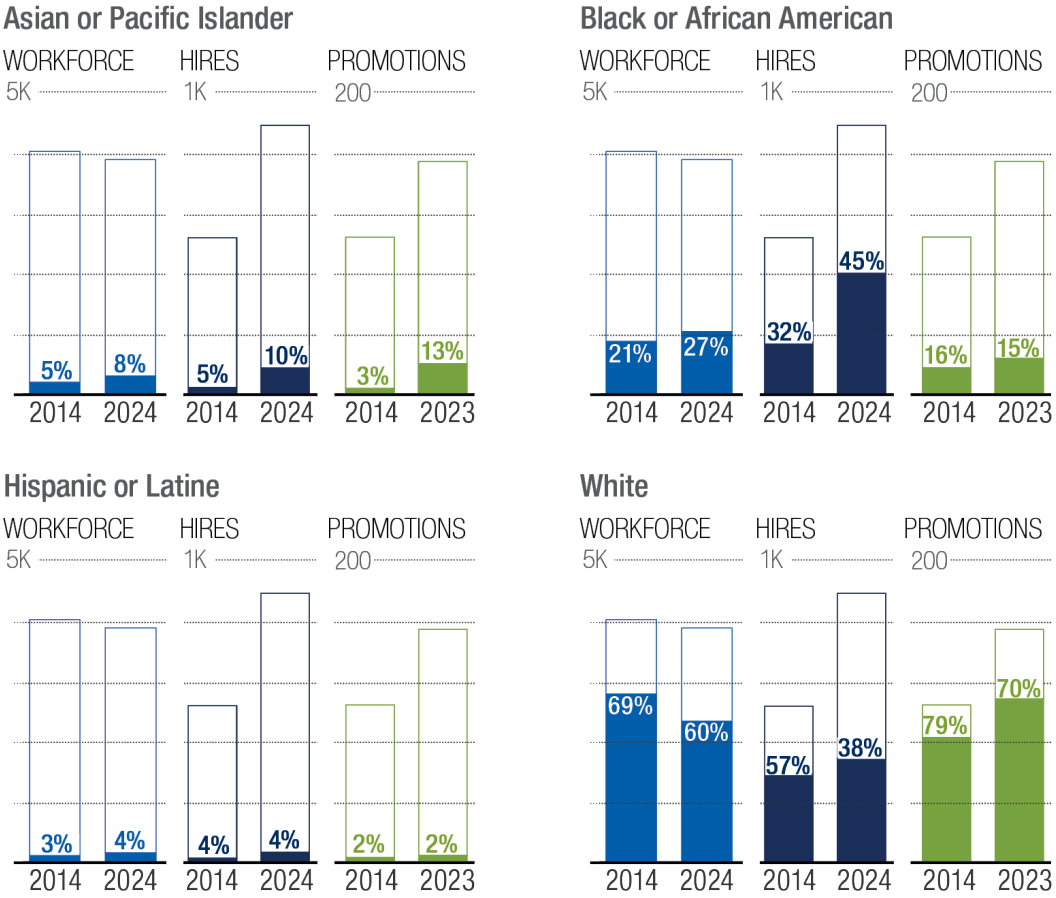
One of the key strategies outlined in Thrive MSP 2040 was using influence to build a more equitable region: one such opportunity as a large public-sector employer was to strive to have a workforce that reflects the racial and ethnic diversity of the region. The Thrive MSP 2040 indicators adopted to demonstrate our commitment to equity were the share of Met Council hires and promotions for people of color.

To provide appropriate context for these indicators, the number and shares of the workforce, hires, and promotions are provided for each race group in Figure 20. It's also worth noting that the workforce was similar in size in these two years (just over 4,000 employees in 2014, and just under in 2024). However, the number of hires and promotions was considerably higher in 2024. Trends by group are as follows:

- The share of employees who identified their race as Black or African American has increased, going from 21% in 2014 to 27% in 2024. (Hiring data strongly supports this increase is in fact due to hiring and not driven by departures of other groups.) Black employees were underrepresented in promotions relative to their share of the workforce in both years, however.
- The share of employes who identified their ethnicity as Hispanic or Latine was static at 3 to 4%, and this further reflected in hiring data which was also largely static in both years. Latine employees are also underrepresented in promotions.

- The share of employees who identified their race as Asian or Pacific Islanders went from 5% of the workforce in 2014 to 13% in 2024, and hiring data suggests this is related to new hiring. Asian employees were overrepresented in 2024 promotions relative to share in the workforce (13% to 8%, respectively) and 13% of promotions that year overall, a sizable increase in share compared with 2014.
- The share of employees who identify as white decreased in share of the workforce between 2014 and 2024 but remained the majority of Met Council's workforce. Hiring data suggests this reduction is due in part to more diverse hiring practices. Though, as the predominant employee race group, retirements and other departures are likely to play a role as well. White employees were overrepresented in promotions in both years but by a smaller magnitude in 2024.
- Metropolitan Council also has employees who identified their race as American Indian or Indigenous or who did not specify their race or ethnicity. These groups are small enough that some information across workforce data was suppressed for confidentiality.

Figure 20 – Metropolitan Council workforce, hiring, and promotions by race and ethnicity



Source: Metropolitan Council.

Thrive MSP 2040 also described its own spending through Metropolitan Council's Underutilized Business (MCUB) Program as a mechanism to further equitable economic growth in the region.

The MCUB program is designed to engage and promote Minnesota-based businesses that are owned and operated by Black, American Indian, Hispanic or Latine, and Asian people, women, veterans, and people with disabilities. For more information on the Met Council's MCUB program and the data used for this indicator, see Appendix B.

From 2020 through 2024, just under 5% of MCUB-eligible spending went to historically disadvantaged businesses (Table 5). Of that amount, over half went to businesses owned by "non-minorities" (program term), most likely non-Latine white women-owned business. (Data by year was unavailable for this indicator.)

Table 5 – Share MCUB-eligible spending by group, 2020 – 2024

Demographic group of business owner	Share of eligible spending
Asian-Pacific American	0.46%
Black American	1.09%
Hispanic American	0.10%
MBE (certified)	0.00%
Native American	0.27%
Non-Minority	2.62%
Subcontinent Asian Americans	0.06%
Unknown	0.07%
Veteran	0.06%
Total	**4.73%**

Source: Metropolitan Council.
Note: Due to data limitations, data only include eligible purchase orders and P-Card spending.

Changes to adopted equity indicators

The Thrive MSP 2040 indicators adopted in 2018 did not include any measures related to areas of concentrated affluence.

An adopted indicator referred to the share of Metropolitan Council direct spending awarded to small businesses. However, data on spending does not allow for this kind of summation. Instead, staff recommended that despite some limitations of the data, we present the share of MCUB-eligible spending by race and ethnicity.

Additional disaggregation by race and ethnicity was added to two indicators, and two additional equity-related indicators were adjusted for clarity during updates:

- The share of communities with housing options for low-income households was revised to the share of needed new affordable housing built by community designation.
- The share of transit station areas with housing options for low-income households is now the share of transit-oriented development that is affordable.

See Appendix A for the full list of changes between adopted Thrive MSP 2040 indicators and the final set described in this report.

Outcome: Livability

Livability focuses on the quality of our residents' lives and experiences in our region. Livability adds value to our region by helping to attract and retain a talented workforce, increasing living choices, building community identity, highlighting the unique qualities of local places, and supporting the individual decisions that reinforce those qualities. Enhancing livability means:

- Expanding housing and transportation choices for all residents
- Supporting and promoting bicycling for transportation, recreation, and healthy lifestyles
- Aligning resources to support transit-oriented development and walkable places
- Increasing access to nature and outdoor recreation though regional parks and trails[25]

Progress summary

Of the 14 indicators associated with livability, seven demonstrated trends in alignment with Thrive MSP 2040. Livability indicators fell into three general categories: housing affordability, commuting, and recreation.

Indicators tracking housing affordability reflected some, albeit limited, progress. For example, the share of households experiencing housing cost burden overall declined, but the share experiencing severe housing cost burden rose. Additionally, when broken down by race and ethnicity groups, not all groups experienced a decline in housing cost burden, with large inequities by race and ethnicity remaining. Affordable housing increased as a share of all residential development, but the region still fell short of building the needed number of affordable units.

Commuting patterns were disrupted due to the COVID-19 pandemic. Not all indicators related to commuting demonstrated alignment with Thrive MSP 2040's livability outcome. For example, data show a reduction in average commute times and increases in short commutes (i.e., traveling less than 20 minutes to work. However, workers were not more likely to commute via walking, biking, transit or rideshare, though this was likely influenced by the increase in remote work. The number of jobs reachable within 30 minutes via transit or walking declined, in part due to reduced transit services related to the COVID-19 pandemic. Additionally, differences in commuting times for residents of different race and ethnicity groups remained throughout the period.

Livability indicators related to outdoor recreation demonstrated trends in alignment with Thrive 2040 MSP: increased funding for bicycle infrastructure and growth in both size of and visits to the Regional Parks and Trails System grew.

[25] Metropolitan Council. (2014). *Thrive MSP 2040*, p. 48. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.

Indicators

Twelve indicators were developed to illustrate progress toward regional livability described in Thrive MSP 2040. The following indicators are discussed in their respective cross-listed outcomes:

- Average daily vehicle miles traveled (Stewardship)
- Average number of jobs reachable within 30 minutes via transit or walking (Stewardship)
- Short commutes (Prosperity)
- Overall rates of housing cost burden and cost-burden by race and ethnicity (Equity)
- Share of needed new affordable housing that was built (Equity)
- Share of transit-oriented development that is affordable (Equity)
- Average commuting length by race and ethnicity (Equity)
- Share of all new residential construction that is affordable (Equity)

The remaining three livability indicators are described below.

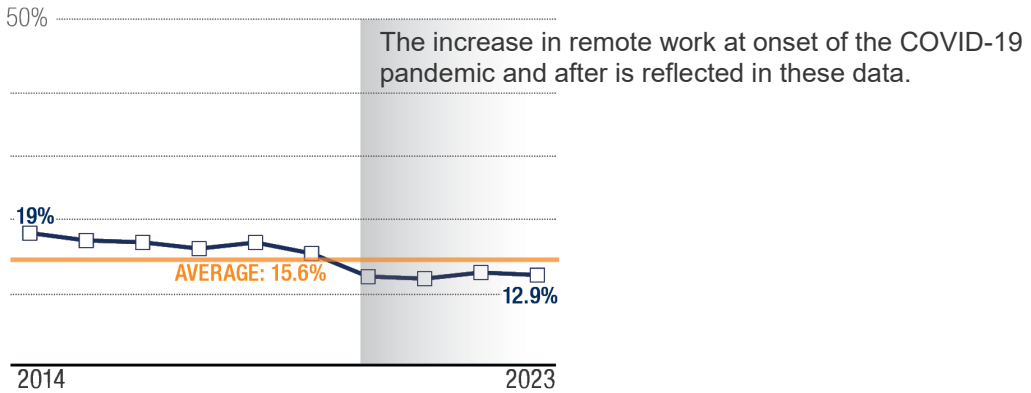
Housing and transportation choices

At a high level, Thrive MSP 2040 prioritized transit-oriented development, walkable places, and strategies and that provided housing and transportation choices.

In the context of livability, the Met Council advanced sustainability efforts and promoted more active lifestyles by emphasizing walking, biking, transit, and rideshare opportunities in Thrive MSP 2040. By emphasizing transit-oriented development in regional and local comprehensive planning, the Thrive MSP 2040 also encouraged development that allowed people to live and work without a car.

As a measure of how housing and transportation choices influenced livability, Figure 22 presents the share of workers commuting via walking, biking, transit, or rideshare. From 2014 to 2023, the share of workers commuting by these modes fell. There was a sharp decline around 2020 when remote work became more widely adopted due to the COVID-19 pandemic.

Figure 22 – Share of workers commuting via walking, biking, transit, or rideshare



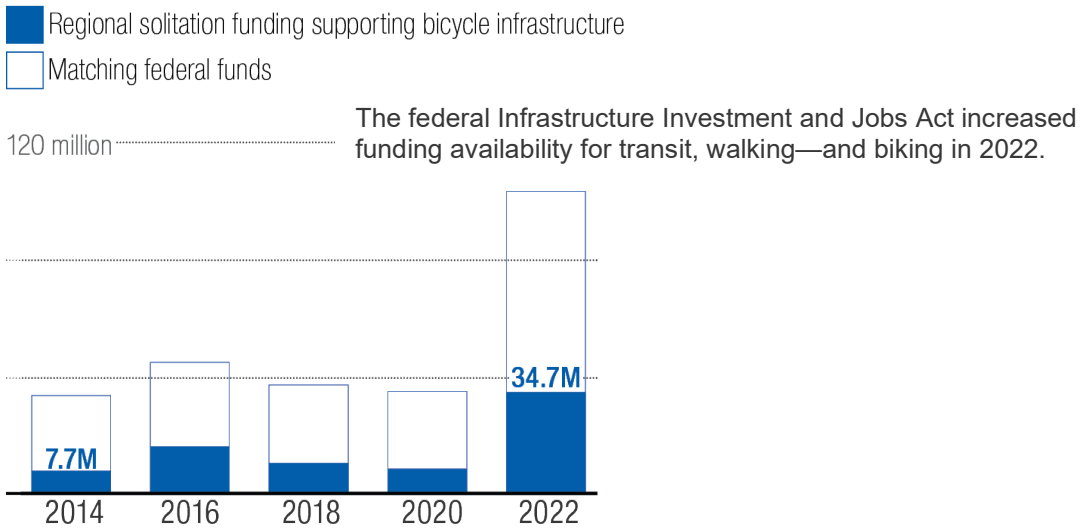
Source: U.S. Census Bureau, American Community Survey One-Year Estimates, 2014 to 2023.
Note: This calculation includes people who commute to work, regardless of transportation mode, including those who work from home (and subsequently have a commute time of zero minutes).

Thrive MSP 2040's strategies also included support for bicycle and pedestrian infrastructure.

Metropolitan Council's Regional Solicitation is a competitive process occurring every two years that award federal transportation funding to projects that align with regional transportation needs. About $250 million dollars in federal funds awarded through the Regional Solicitation, and projects have a local match component, comprised of either state, regional, county, or city funds.[26] Multiuse trails and bicycle facilities and roadways with multimodal elements are modal categories related to this indicator.

The share of regional solicitation funds awarded for bicycle infrastructure remained relatively stable from 2014 to 2020, then grew considerably in 2022 (Figure 22).

Figure 22 – Regional Solicitation funding in support of bicycle infrastructure



Source: Metropolitan Council.

Access to nature and outdoor recreation

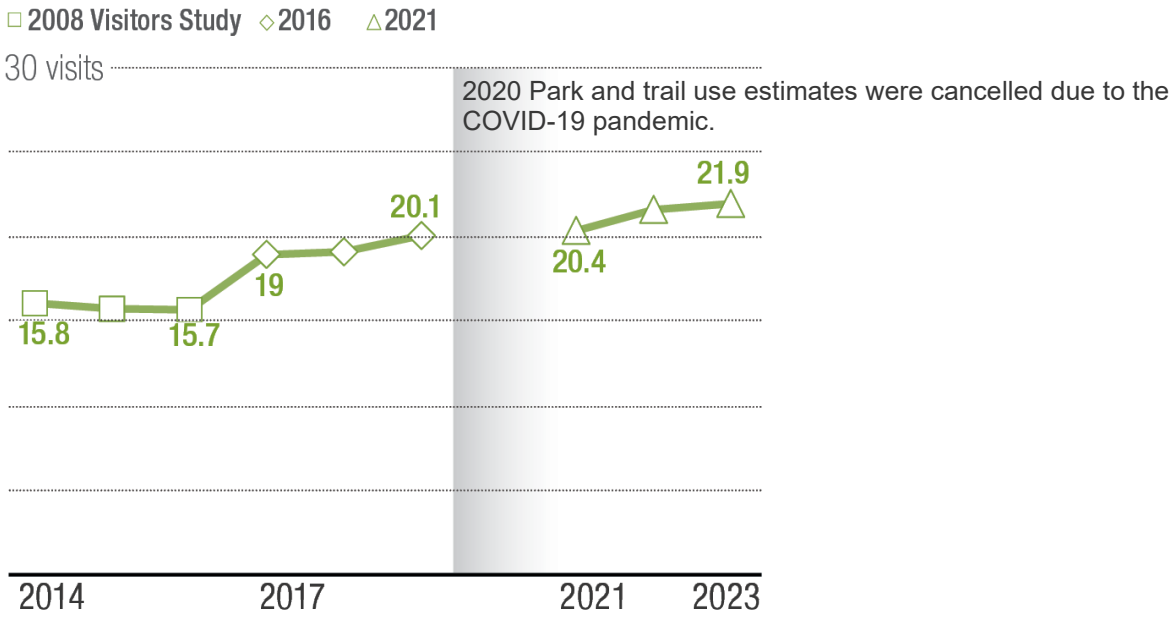
Thrive MSP 2040 describes access to regional parks and trails as a key support for healthy lifestyles and a livable region. The Regional Parks and Trails System improves the physical, emotional, and social well-being of residents by providing opportunities for outdoor activity, access to green space and nature, and space for meeting and social bonding. Because of its many benefits, the Regional Parks and Trails System helps to keep the region at the top of national livability rankings.

Met Council contributes and administers funding to ten park implementing agencies, provides centralized planning and research, and advances a coordinated and interconnected system.

The estimated visits to regional parks and trails increased between 2014 and 2023, from 15.8 to 21.9 visits per capita, respectively (Figure 23). Growth in visitations especially accelerated after the onset of COVID-19.

[26] Metropolitan Council. (2024). *Regional Solicitation.* https://metrocouncil.org/Transportation/Planning-2/Transportation-Funding/Regional-Solicitation.aspx

Figure 23 – Visits to the Regional Parks and Trails System per capita

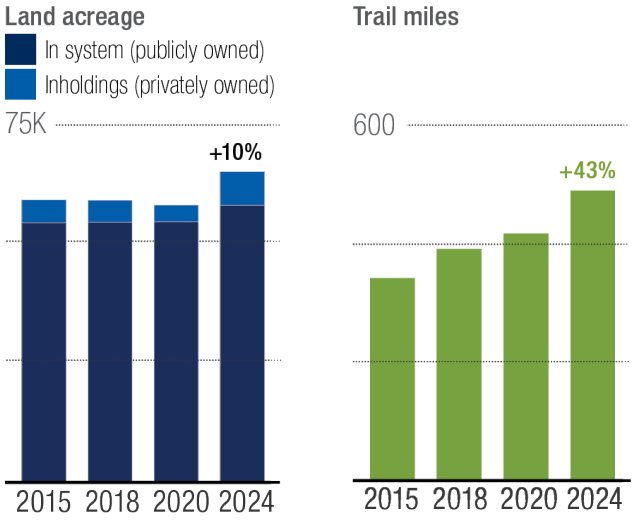


Source: Metropolitan Council's annual park and trail use estimates and annual population estimates, 2014 – 2023. Estimated visits are informed by periodic Visitors Studies; trends informed by the same study are suitable for comparison.

In addition to improving the well-being of residents, the Regional Park System also provides many environmental benefits: It helps to store water, reduce the effects of extreme heat, preserves green space for wildlife habitat, and plays an important role in addressing climate change in the region. As the system expands, so do the environmental benefits.

From 2014 to 2024, the size of the Regional Parks and Trails System expanded land acreage by 10% and trail milage by 43% (Figure 24).

Figure 24 – Regional Parks and Trails System acreage and mileage



Source: Metropolitan Council's Regional Parks and Trails System Plans and Updates (2015, 2018, 2020) and Regional Parks Implementing Agencies (2024).

Changes to adopted livability indicators

An adopted indicator—the number of bike network miles and regional trail miles open for use—was adjusted due to data limitations. After staff consultation, it was separated into two measures that reflected the Met Council's support for bicycle and pedestrian facilities: regional solicitations supporting bicycle infrastructure and regional park acreage and trails.

See Appendix A for the full list of changes between adopted Thrive MSP 2040 indicators and the final set described in this report.

Outcome: Sustainability

Metropolitan Council has responsibility to live and act sustainably in order to preserve our capacity and to support our region's well-being and productivity over the long term. Our investments in prosperity, equity, and livability will fall short if we exhaust the region's resources without carefully considering the future. Planning for sustainability means:

- Promoting the wise use of water through conservation and reuse, increasing groundwater recharge, and optimizing surface water and groundwater use
- Providing leadership, information, and technical assistance to support local governments' consideration of climate change
- Operating the region's wastewater treatment and transit systems with innovation and forethought[27]

Progress summary

Adopted Thrive MSP 2040 indicators related to sustainability are a combination of regional indicators and Metropolitan-specific measures.

Each of these five indicators demonstrated trends that aligned with regional sustainability as described in Thrive MSP 2040. High-level indicators demonstrated progress toward a more sustainable region, with air quality, average daily water usage, and greenhouse gas (GHG) emissions per capita falling slightly between 2014 and 2024.

Agency-specific indicators also trended toward progress in sustainability: greenhouse gas emissions related to wastewater and transit operations declined and water quality exceedance permits were very limited over this period.

Indicators

None of the indicators related with sustainability were cross-listed with other outcomes.

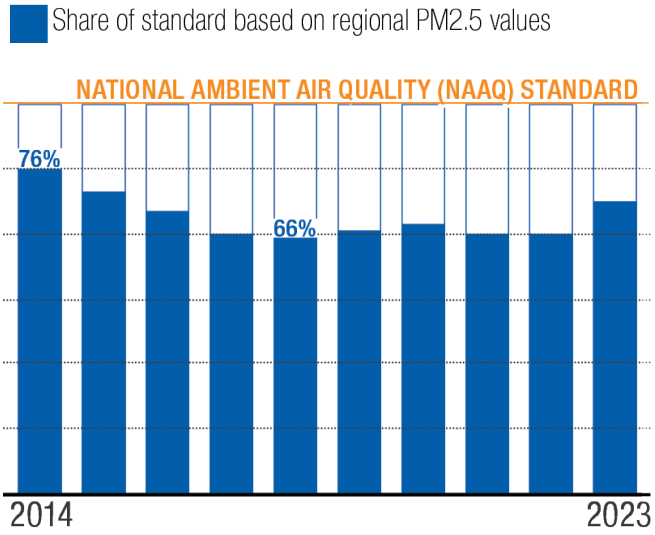
[27] Metropolitan Council. (2014). *Thrive MSP 2040*, p. 58. https://metrocouncil.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx.

Air quality

Thrive MSP 2040 describes small particulate matter, emitted by diesel engines and other sources, as a particular risk for the region's health. Because fine particulate matter (PM2.5) are small and inhalable, elevated levels can lead to significant health risks. The Minnesota Pollution Control Agency measures PM2.5 as an indication of air quality. For context, regional PM2.5 levels are expressed as share of National Ambient Air Quality standards.[28]

From 2014 to 2023, the maximum value of PM2.5 recorded in the region did not exceed the National Ambient Air Quality (NAAQ) (Figure 25). The values of PM2.5 in the region varied from 76% of the NAAQ standard in 2014 to 66% of the standard in 2018.

Figure 25 – Levels of small particulate matter in the air (PM2.5)



Source: Metropolitan Pollution Control Agency.

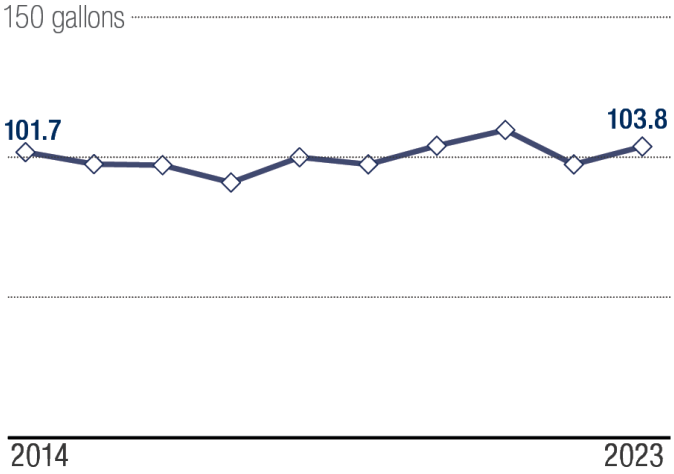
Water use and quality

Historically, both water use and groundwater withdrawals from the region's aquifers have grown with the region. Through the Metropolitan Area Water Supply Advisory Committee (MAWSAC) and the regional policy guidance put forward in Thrive MSP 2040 and the 2040 Water Resources Policy Plan, Met Council aimed to promote responsible water use throughout the region.

While water use has grown along with the region, changes in total water use have generally matched changes in population proportionally. This led to little variation in average water use per capita from 2014 through 2023 (Figure 26). Due to data limitations, water use for this indicator includes both surface water sources and groundwater.

[28] See Metropolitan Council's *Transportation System Performance Evaluation* for additional indicators about transportation-related air emissions (and other information about the regional transportation system), available at https://metrocouncil.org/METC/media/TSPE/index.html.

Figure 26 – Average daily municipal water usage per capita



Source: Minnesota Department of Natural Resources Permit and Reporting System (MPARS); Minnesota Department of Natural Resources Water Conservation Reporting System (ESPWater).
Note: Water use includes both surface water sources and groundwater and is self-reported by municipal water appropriation permittees. Population is based on the number of people served by the municipal water appropriation permit in a given year.

In addition to responsible water use, Thrive MSP 2040 also recognized the importance of maintaining high water quality in the region.

Metropolitan Council's Environmental Services (MCES) division owns, operates, and maintains the regional wastewater collection and treatment system, including nine water resource recovery facilities in the region as of 2023. On average, the regional wastewater system processes about 250 million gallons per day.

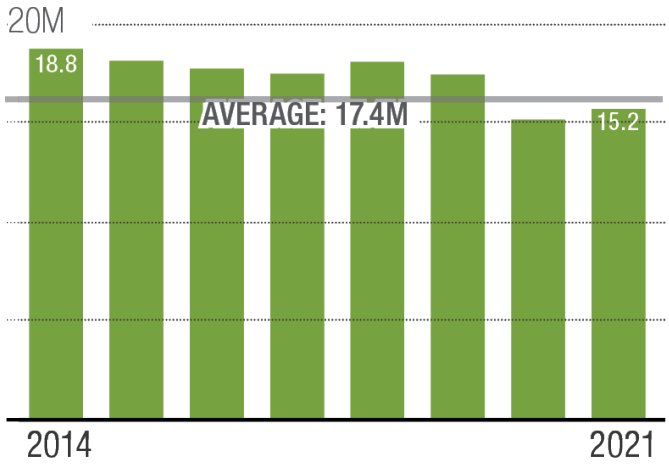
MCES ensures that pollutant loads added to the region's waters are minimal and remain in compliance with environmental regulations. Water permit exceedances are issued when facilities exceed their federal and state permit requirements by discharging more pollutants than allowed by their permit. Between 2014 and 2023, only 16 exceedance permits were issued systemwide. There was no discernible trend to display, several years had zero permits and others reported multiple permits.

Greenhouse gas emissions

Thrive MSP 2040 supported regional climate change mitigation, adaptation, and resilience. Reducing greenhouse gas emissions minimizes contributions to climate change (mitigation).

From 2014 to 2021, regional emissions decreased from 18.8 to 15.2 metric tons of CO2 per capita (Figure 27).

Figure 27 – Greenhouse gas emissions per capita (metric tons CO2)



Source: Metropolitan Council analysis of state, federal, utility, and scientific sources of greenhouse gas emissions sector data; annual population estimates, 2014 – 2021.

Thrive MSP 2040 laid the foundation for the Metropolitan Council to reduce greenhouse gas (GHG) emissions as regional policy and within its own operations, specifically in wastewater treatment and transit and transportation services, which are the main sources of GHG emissions produced by our agency.

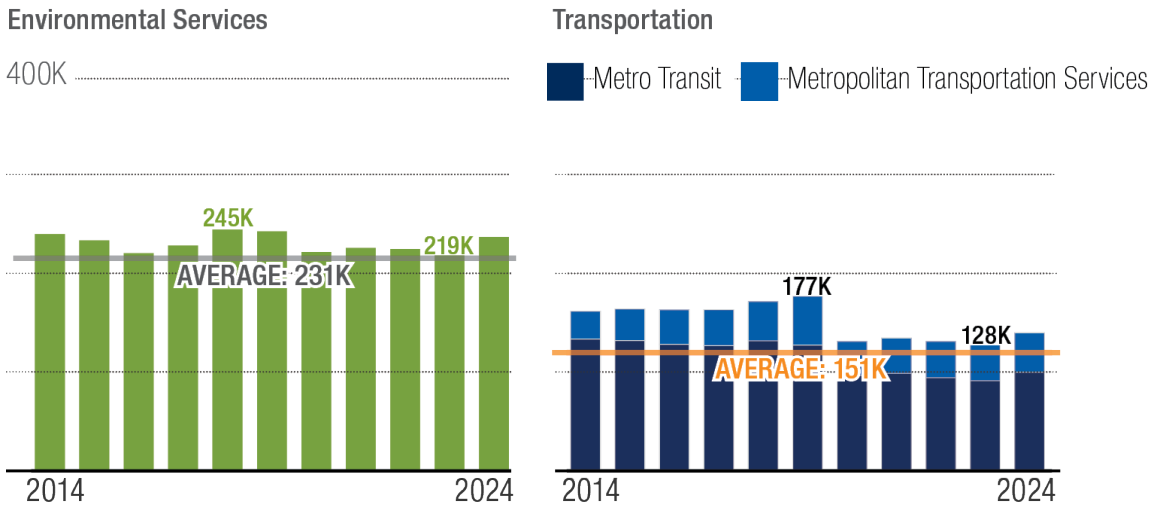
Wastewater-related GHG Emissions remained relatively stable between 2014 and 2024, averaging about 231,000 metric tons of CO2 annually (Figure 28), even as the region's population increased by about 184,000 residents between 2014 and 2023.[29] (With more people comes more wastewater processing.) That GHG emissions held steady as growth took place is noteworthy, greenhouse gases are difficult to reduce without reducing the total volume of wastewater treated.

Another primary source of GHG emissions come from Metro Transit, which operates much of the region's transit system, and transit services provided by Metropolitan Transportation Services (MTS). From 2014 to 2024, GHG emissions from these operations averaged 151,000 metric tons of CO2 annually and decreased over time (Figure 28). While some of these trends were due to reduced transit services related to the COVID-19 pandemic, the overall size of the transit system expanded during this period. These reductions were achieved by transitioning to vehicles with improved fuel economy and to an electricity grid that was less carbon intensive.

Building on the work of Thrive MSP 2040, the Met Council established a Climate Action Work Plan (CAWP) in 2022. The CAWP includes commitments, strategies, and actions aimed at making services and operations more climate friendly.[30]

[29] U.S. Census Bureau, American Community Survey Five-Year Estimates. Population estimates for 2024 were not yet available.
[30] Metropolitan Council. (2022). *Climate Action Work Plan.* https://metrocouncil.org/Planning/Climate/Climate-Action-Work-Plan/Climate-Action-Work-Plan.aspx

Figure 28 – Greenhouse gas emissions of Met Council's transit and environmental service operations (metric tons CO2)



Source: Metropolitan Council.

Changes to adopted sustainability indicators

Due to data limitations, the original indicator related to water usage from surface water sources and from groundwater was adjusted to be average daily municipal water use per capita. Data for the number of air permit exceedances was not available.

The adopted indicator tracking small particulate matter in the air was adjusted to be a percent of air quality standards. Finally, the indicator tracking Met Council's energy use in wastewater and transit operations was adjusted to reflect Met Council's GHG emissions in these operations. Revised, this indicator better reflects the Met Council's sustainability progress in the context of a growing transit system and more closely aligns with the Met Council's Climate Action Work Plan.

See Appendix A for the full list of changes between adopted Thrive MSP 2040 indicators and the final set described in this report.

Appendix A: Adopted Thrive Indicators

Outcome(s)	Adopted Indicator (2018)	Updated Indicator (2025)	Thrive strategies
Stewardship	1. Acreage lost to development located in significant ecological and wetland areas	1. Acreage lost to development located in significant ecological areas	• Responsibly managing natural resources • Protecting natural resources
Stewardship	2. Number of lakes and streams in the metro area listed as impaired	2. No change from adopted indicator	• Responsibly managing natural resources • Protecting natural resources
Stewardship	3a. Share of MCES budget spent on preservation and rehab 3b. Share of Transportation Improvement Program (TIP) spent on preservation	3. Share of MCES budget spent on preservation and rehab	• Pivoting from expanding to maintaining infrastructure
Stewardship	4. Highways in poor or very poor condition	4. No change from adopted indicator	• Pivoting from expanding to maintaining infrastructure
Prosperity	5. Talent attraction and retention: Net gain in 25-34 year-olds	5. No change from adopted indicator	• Planning for infrastructure, amenities, quality of life
Prosperity	6. Redevelopment: Share of new housing and share of nonresidential construction on previously developed parcels	6. Redevelopment: Share of new housing construction on previously developed parcels	• Encouraging redevelopment and infill
Prosperity and Livability	7. Short commutes: Share of commuters who travel less than 20 minutes to work	7. Short commutes: Share of commuters who travel less than 20 minutes to work by race and ethnicity	• Planning for infrastructure, amenities, quality of life

					• Providing housing and transportation choices
Equity	8.	Share of the population with incomes below 185% of poverty living in Areas of Concentrated Poverty	8a. 8b.	Share of the population with incomes below 185% of poverty that live in Areas of Concentrated Poverty (ACPs) Share of the population with incomes below 185% of poverty that live in Areas of Concentrated Affluence (ACAs)	• Using our influence to build a more equitable region
Equity	9.	Share of new housing and share of nonresidential construction in Areas of Concentrated Poverty	9a. 9b.	Share of new housing constructed in Areas of Concentrated Poverty (ACPs) Share of new housing constructed in Areas of Concentrated Affluence (ACAs)	• Using our influence to build a more equitable region
Equity	10.	Share of Met Council hires and promotions that are filled by people of color	10.	No change from adopted indicator	• Using our influence to build a more equitable region
Equity	11.	Small business as a share of Council direct spend	11.	Share of MCUB eligible spending by race and ethnicity	• Using our influence to build a more equitable region
Equity and Livability	12a. 12b.	Share of region's households experiencing housing cost burden Share of region's households experiencing housing cost burden, by race and ethnicity	12a. 12b.	No change from adopted indicator No change from adopted indicator	• Expanding choices • Providing housing and transportation choices
Equity and Livability	13.	Share of communities with housing options for	13a.	Share of communities that met their allocated need for new affordable housing	• Expanding choices • Providing housing and transportation choices

		low-income households Share of transit station areas with housing options for low-income households	13b.	Share of transit-oriented development that is affordable	
Equity and Livability	14.	Average commuting time, by race and ethnicity	14.	No change from adopted indicator	• Expanding choices • Providing housing and transportation choices
Equity and Livability	15.	Affordable housing as share of all new residential construction	15.	No change from adopted indicator	• Expanding choices • Providing housing and transportation choices
Livability	16.	Visits to regional parks and trails per capita	16.	No change from adopted indicator	• Increasing access to regional parks and trails • Healthy lifestyles
Livability	17.	Share of workers commuting via walking, biking, transit, or rideshare	17.	No change from adopted indicator	• Providing housing and transportation choices • Aligning resources for transit-oriented and walkable places
Livability	18.	Bike network miles and regional trails miles open for use	18a. 18b.	Regional solicitations supporting bicycle infrastructure Regional park acreage and trails	• Supporting bicycle and pedestrian facilities • Healthy lifestyles
Livability and Stewardship	19.	Vehicle miles traveled per capita per day	19.	Average daily vehicle miles traveled per person	• Providing housing and transportation choices • Leveraging transit with higher expectations of land

Livability and Stewardship	20.	Average number of jobs reachable by 30-minute transit/ pedestrian trip		No change from adopted indicator	• Providing housing and transportation choices • Leveraging transit with higher expectations of land
Sustainability	21.	Per capita water usage served from surface water sources and from groundwater	21.	Average daily municipal water use per capita	• Promoting wise use of water
Sustainability	22.	Greenhouse gases (GHG) emissions per capita	22.	No change from adopted indicator	• Providing leadership on climate change and resilience
Sustainability	23.	Small particulate matter in the air: PM2.5 per cubic meter	23.	Small particulate matter in the air: maximum value of PM2.5 per cubic meter as percent of National Ambient Air Quality (NAAQ) standards	• Providing leadership on climate change and resilience • Healthy lifestyles
Sustainability	24.	Met Council's own energy use (MBTUs) in ES and Transit operations	24.	Met Council's own GHG emissions in ES and Transit operations	• Operating wastewater treatment sustainably • Operating transit sustainably
Sustainability	25.	Number of water quality and air emission permit exceedances	25.	Number of water quality permit exceedances	• Operating wastewater treatment sustainably

Appendix B: Glossary

Regionally Significant Ecological Areas (RSEAs)

RSEAs, which are published by the Minnesota Department of Natural Resources (DNR) are important indicators of the region's ecological health. RSEAs are scored based on how well continuous natural areas meet standards for size, shape, connectivity, adjacent land use, and species diversity. They are separated into three groups: high quality, higher quality, and highest quality.

- Highest quality RSEAs tend to be larger in size, they may have greater diversity of vegetation cover types, or they may have an isolated native plant community mapped and given a score of outstanding biodiversity significance by the Minnesota County Biological Survey.
- Higher quality RSEAs tend to the moderate in size, they may have less diversity of vegetation cover types, or they may have an isolated native plant community mapped and given a score of high biodiversity significance by the Minnesota County Biological Survey.
- High quality RSEAs tend to be smaller in size, they may have less diversity of vegetation cover types, or they may have an isolated native plant community given a score of moderate biodiversity significance by the Minnesota County Biological Survey.

For more information, including a map of RSEAs, see the Minnesota DNR's website.[31]

Area Median Income (AMI)

To align with federal standards and tax credits, the Metropolitan Council uses AMI to express the affordability of housing and incomes of households. AMI is calculated by the U.S. Department of Housing and Urban Development (HUD), and changes each year based on different factors in their formula such as average national income, average income in our region, and interest rates.[32] In 2023, the AMI for the metro area was $124,900 for a family of four.

Housing units are often classified into varying levels of affordability based on how much it would cost burden households earning incomes at various percentages of the regional AMI — for instance, many define "deeply affordable housing" as affordable to households with making 30% of the AMI. Starting in 2015, the common threshold for "affordable housing" is housing that does not cost burden families at 60% of the area median income for rentals, and 80% of the area median income for ownership.[33]

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[31] Minnesota Department of Natural Resources. *Regionally significant ecological areas (RSEA)*. https://www.dnr.state.mn.us/rsea/index.html#:~:text=Page%20Menu-,Regionally%20significant%20ecological%20areas%20(RSEA),areas%20for%20conservation%20and%20protection.

[32] U.S. Department of Housing and Urban Development (HUD). (2025). *Income limits dataset.* https://www.huduser.gov/portal/datasets/il.html

[33] Metropolitan Council. (2025). *2025 Ownership and Rent Affordability Limits.* https://metrocouncil.org/Housing/Planning/Affordable-Housing-Measures/Ownership-and-Rent-Affordability-Limits.aspx

Metropolitan Council Underutilized Business Program (MCUB)

The MCUB program is designed to engage and promote businesses that are vying for Met Council projects and procurements and are owned and operated by women; Black, Indigenous, Hispanic, and Asian people; veterans; and people with disabilities.[34]

Note that data related to the MCUB program are not available for all years because the Met Council changed its tracking and reporting methodologies in 2020. Additionally, because the Met Council is not a certifying agency, the MCUB program relies on race and ethnicity data collected by other agencies.[35] Not all MCUB firms have complete ownership data.[36] Where ownership data do exist, the demographic groups reflect those used by the certifying agencies. They do not reflect the full diversity, lived experiences, or preferred identification of the business owners they are meant to describe.

[34] Metropolitan Council. *Metropolitan Council Underutilized Business Program.* https://metrocouncil.org/About-Us/What-We-Do/DoingBusiness/Small-Business-Programs/mcub.aspx

[35] To qualify as an MCUB firm, businesses must be based in Minnesota and have an active certification from one of the following agencies: the Minnesota Unified Certification Program, Minnesota Department of Administration, the City of Saint Paul, and the U.S. Department of Veteran Affairs.

[36] Due to data limitations, the following groupings were used: (a) the non-Hispanic white group includes both non-minority business owners (who are typically non-Hispanic white women) and veteran-certified businesses; and (b) certified minority-owned business enterprises (MBEs) do not have precise race/ethnicity data available and are therefore included with business owners of unknown race/ethnicity.

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