



Document Outline

As of November 15, 2013

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Note: This outline of *Thrive MSP 2040* is intended for use in developing the December submittal to HUD to fulfill the Regional Plan for Sustainable Development submittal as part of the Sustainable Communities Regional Planning Grant. The full version of *Thrive MSP 2040*, to be finalized in January, will contain additional detail about land use policy associated with the Geographic Planning Areas and a set of *Thrive* indicators.

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1. Introduction: Challenges and Opportunities Facing the Region

As the seven-county Minneapolis-St. Paul region embarks upon planning for our next thirty years of growth, key challenges loom before us – financial resources that pale against needs, changing regional demographics, an imperative for regional economic cooperation, and emerging environmental challenges.

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

- 75 years after the Metro Plant began treating wastewater along the Mississippi River, our region's **aging wastewater infrastructure** needs ongoing maintenance and preservation to remain vital.
- Similarly, we need higher levels of investment to **preserve aging roads and bridges** – a need vividly emphasized by the collapse of the I-35W bridge. The most recent revision to the [Minnesota State Highway Investment Plan](#) (MnSHIP) shows that the region will have only \$56 million available annually from 2014 to 2022 for mobility improvements – funding less than one-quarter of the projected need. From 2023 onward, all of MnDOT's funding will be devoted to preservation of the existing system.

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

- The region's population will grow by 31 percent over the next three decades, a pace of growth consistent with historical trends. However, our region is aging rapidly: **more than one in five residents will be age 65 and older** in 2040, compared to one in nine in 2010.
- Significant racial disparities – in income, employment, poverty, homeownership, education – exist in our region while **our region's complexion is changing**, stressing the need to address these disparities. By 2040, 43 percent of the population will be people of color, compared to 24 percent in 2010. If today's disparities by race continue, our region will have 151,000 fewer people with jobs, 228,000 fewer homeowners, and 305,000 more people in poverty compared to closing the gaps.
- The region will add 458,000 new households by 2040, necessitating **over 16,000 new housing units a year** over the next thirty years – more new units than the region has built annually over the last 40 years. However, these new households are likely to have different housing needs than today's households:
 - Over half of net new households will be **single-earner households**, including both individuals living alone and single parents with children as well as some proportion of couples.
 - Less than one-third of net new households will be **households with children**.



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Regions are the primary drivers of economic growth; the region **competes economically** with other regions across the nation and the globe, upping the ante for coordination and cooperation.

- From 2000 to 2010, the region saw its first decade with net job loss since the Great Depression, losing 63,000 jobs over the decade.

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

- We are moving from the mindset of an abundance of water to a recognition that our region's reliance on groundwater is unsustainable. Municipal wells are drying up and lake water levels are dropping as continued growth is stressing **finite supplies of groundwater** in the aquifers below us.
- The region's **declining air quality** puts us at risk of sanctions for non-attainment by the federal transportation regulations.
- **Climate change** is already affecting our region as we are seeing more severe weather events and rising temperatures. In addition to the human impacts of heat waves, the rise of severe weather is already increasing homeowner insurance costs and infrastructure repair costs such as that borne by the City of Duluth in the aftermath of 2012's rainfall.

The opportunity of a regional approach

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

In 1967, the Metropolitan Council was created and tasked with planning and coordinating growth, and setting policy on regional issues. Governor Harold LeVander explained that the Council "was conceived with the idea that we will be faced with more and more problems that will pay no heed to the boundary lines which mark the end of one community and the beginning of another." Having a region-wide vision provides that opportunity to:

- address issues that are either bigger than one community,
- are similar from community to community,
- could be benefit from an opportunity to share best practices, or
- require resources that are more effectively used regionally.

Operating at a regional scale gives the Metropolitan Council a unique vantage point from which to address regional issues.

Role of Thrive MSP 2040

Thrive MSP 2040 fulfills the Council's [statutory responsibility](#) for a comprehensive development guide for the seven-county metropolitan area and provides a framework for a shared vision for the future of our region over the next 30 years.

2. Proposed Regional Outcomes

Thrive MSP 2040 asserts five desired outcomes to define policy priorities:

Stewardship ∞ Prosperity ∞ Equity ∞ Livability ∞ Sustainability

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

Stewardship

Stewardship continues the Council’s longstanding mission of orderly and economical development, responsibly managing the region’s natural and financial resources and making strategic investments in our region’s future. This means:

- Being responsible stewards of our region’s finite resources, including natural resources (e.g., water supply, agricultural land), financial resources, and our existing investments in infrastructure;
- Pivoting from expanding our region’s infrastructure – especially wastewater and highways – to maintaining the infrastructure we have before building more;
- Making smart strategic investments with limited financial resources, particularly in transportation;
- Expecting increased land use intensity to leverage our investments in transit and wastewater infrastructure.

Prosperity

Prosperity results from investments in infrastructure, amenities and quality of life that create regional economic competitiveness, thereby attracting and retaining successful businesses, a talented workforce, and consequently wealth. This means:

- Fostering the conditions for shared economic vitality by balancing major investments across the region;
- Planning for and investing in infrastructure, amenities and quality of life with an eye to what the region needs to be economically competitive:
 - Cost-effective wastewater treatment that reduces costs of doing business here;
 - Efficient transportation networks, including MnPass highway lanes that provide congestion-free alternatives for those willing to pay;
 - Amenities, including transit, and great places that attract and retain businesses and

workers;

- A strategic approach to protecting water supply for the long-term;
- Well-sited industrial land with access to workers, transportation networks and markets.
- Connecting our regional economy to the national and international markets via both a healthy vibrant aviation system and a resilient freight system that offers a mix of trucks, rail and barges;
- Reducing the cost differential between redevelopment and greenfield development sites.

Equity

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

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

Livability

Livability focuses on the experience of our people and how places and infrastructure create and enhance the high quality of life that makes our region a great place to live. This means:

- Giving people access to nature and outdoor recreation through regional parks and trails;
- Supporting the regional bicycle network to promote bicycling for transportation, recreation and healthy lifestyles;
- Providing housing and transportation choices for a range of demographics and economic means;
- Aligning resources behind transit-oriented development and walkable, urban places.

Sustainability

Sustainability protects our regional vitality for generations to come by taking a long-term perspective to preserve our assets, resources, and strengths. This means:

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

3. Proposed Action Principles

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

Integration ∞ Collaboration ∞ Accountability

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

Integration

Integration leverages multiple policy tools to address complex regional challenges and opportunities. This means:

- Moving beyond silo-ed approaches to leverage all of the Council's divisions, roles and authorities in addressing regional issues;
- Coordinating effectively with partners and stakeholders across and throughout the region.

Collaboration

Collaboration recognizes that shared efforts move our region forward most effectively toward shared outcomes. This means:

- Taking an open and collaborative position, seeking shared strategies;
- Bringing together the region's best thinkers, experts, and stakeholders to address complex regional issues beyond the capacity or authority of any single jurisdiction or institution;
- Expanding the information and technical assistance provided to local governments to support local planning and decision-making.

Accountability

Accountability requires a commitment to monitoring and evaluating the effectiveness of our policies and a willingness to adjust course.

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



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4. Next Steps

Detailed policies implementing the *Thrive* policy direction and advancing the five *Thrive* outcomes will emerge and be formally adopted in the *Thrive* systems and policy plans:

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

The Council will distribute systems statements to local jurisdictions in fall 2015, kicking off this decade's round of local comprehensive plan updates due back to the Council in 2018.

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

- Investments through Livable Communities Act grants (Livable Communities Demonstration Account, Local Housing Incentives Accounts and Tax Base Revitalization);
- Working with the Transportation Advisory Board on the Regional Solicitation for Transportation Funds;
- The Council's financial tools, such as the Sewer Availability Charge.