

# Regionally Significant Economic Places

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## Overview

The Metropolitan Council works with local governments to ensure the orderly and economical development of our region, particularly in coordinating land use among local governments, transportation, aviation, wastewater and regional parks. Employers choose locations to optimize their efficiency – whether that means access to materials, markets or employees. The Council’s regional planning, investment in infrastructure and services help create the places where employers can compete and prosper.

## Considerations (Did you know?)

- ❖ Private enterprises need **access to the global economy**; and highway interchanges, railroads, intermodal freight terminals (train to truck), the airport, and river ports connect our region to regional, national and global markets. 70 percent of the region’s jobs are within ½ mile of a major highway; 28 percent are within ½ mile of existing or under construction transitways. Industrial and commercial businesses that need access to a navigable river or railroad have limited choices. Once other uses crowd out these access points, they are difficult to recreate in the same places. This increases the costs of connecting to the global economy – for the business and for the community.
- ❖ Jobs in the Twin Cities have decentralized, and residential uses are moving into **vacant industrial sites** – such as apartments in Saint Paul’s Schmidt Brewery or the emerging residential uses in Roseville’s Twin Lakes area. As buildings and neighborhoods transform from industrial to residential, it becomes harder for existing industrial uses to remain because of both rising land prices and neighborhood compatibility concerns.
- ❖ People of color are four times more likely than whites to live in poverty; the region’s black unemployment rate is three times the white rate. Industrial jobs in production, distribution and repair offer the highest wages for workers without a college degree. Anchor institutions, such as educational institutions and hospitals, provide **career ladders**. Where these jobs are relative to where people live influences household budgets.
- ❖ **Development on undeveloped land** often requires investment for new infrastructure (roads, wastewater, etc.); **redevelopment on previously-developed or infill land** generally needs less new major infrastructure, but often necessitates demolition of previous uses, realigned connectivity, and remediation of polluted land – creating a different set of costs.

## Discussion

As you respond to the following questions, consider how the Thrive outcomes, principles and goals inform your responses as well as what tensions you discover that might inform public policy. How do we recognize success?

1. **What kinds of connections and locations are significant to the regional economy and why? Should there be regional expectations for future land use in locations that connect the region to the global market?**
2. **How might business and employer voices inform regional and local planning processes? When business needs conflict with resident desires, what balance should planning decisions strike?**
3. **How could land use and infrastructure decisions enhance access to opportunity for workers at all skill levels and communities of color across the region?**
4. **How might the region develop common priorities for development sites across the region to align infrastructure, public investment and attract private investment?**

# Water Supply and a Thriving Region

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## Overview

Our groundwater sources are in trouble! Aquifer levels are going down, city wells are drying up, and pollution is appearing in more areas. At the same time, regional growth will need more water for homes, businesses, and agriculture. The region needs a new approach to supplying water.

## Considerations (Did you know?)

- ❖ The region uses 1.3 billion gallons per day of water from two sources:
  - Surface water – mostly from treatment plants in Minneapolis and Saint Paul.
  - Groundwater – pumped from underground aquifers, the main source in communities developed in the last 50 years.
- ❖ Water pumped from aquifers has risen from approximately 20 percent of the region's supply in 1950 to 70 percent today.
- ❖ Aquifer levels are declining, in some locations as much as one foot per year, demonstrating the depletion of a scarce resource.
- ❖ Conservation strategies have had an effect. Some communities have documented up to 20 percent less water use per person over the past decade. This will extend the capacity and life of existing water systems.
- ❖ By 2040, the region will add 893,000 residents, whose water use will outpace water savings from individuals.
- ❖ To accommodate growth and protect aquifers in the long term, the most feasible strategy is to use more water from rivers. Benefits include groundwater protection and increased community resiliency. Concerns include treatment expense and the addition of new pipe infrastructure – which together create the need for funding, new institutional structures and legislation.
- ❖ To protect aquifer water quality in the long term, the most cost-effective approach is to manage aquifer recharge areas. Benefits include the protection of drinking water quality and public health. Concerns include new restrictions on land use in certain areas.

## Discussion

As you respond to the following questions, consider how the Thrive outcomes, principles and goals inform your responses as well as what tensions you discover that might inform public policy. How do we recognize success?

### 1. How could the region build differently?

How could the region preserve groundwater recharge areas and increase the quantity of groundwater recharge while still accommodating growth? What would be the implications of planning growth around water conservation?

### 2. How could the region expand the use of surface water, and who should be involved?

What are the problems? Opportunities? What are the cost implications? Who pays? What would be equitable? Who should be at the table in addressing these issues? Who's in charge? Who decides? What are the roles of the individuals, cities, counties, the region and state?

### 3. How should water supply strategies align with other activities to achieve local and regional goals?

For example, how should water supply strategies link to planning for transportation, housing and natural resource protection?

# Land Use and Transit

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## Overview

Over the last 60 years, our rapidly expanding region built a network of highways and grew outward around them. This new development provided jobs, homes, schools and recreation for the region's residents. However, this development pattern is not sustainable. Congestion costs residents and businesses time and money; maintaining and replacing highway infrastructure is now the majority of the highway budget. Changing demographics are leading to more interest in transit options, and businesses are increasingly looking for locations where workers can arrive by transit. To address these new realities, communities will need to create new choices for movement, living and working by carefully coordinating development and transit, especially along transitways.

## Considerations (Did you know?)

- ❖ Transportation choices are needed for the region to be economically competitive and to accommodate the travel demands of the 3.7 million residents forecasted to live in the region in 2040. Transit options can reduce household travel costs and provide travel time savings.
- ❖ Transit succeeds by connecting many people traveling to and from the same place on a regular basis, such as to locations with a large concentration of jobs. For example, approximately 40 percent of downtown Minneapolis and 25 percent of downtown St. Paul workers commute via transit. Research has shown that increasing job concentration increases transit ridership more than increasing housing density.
- ❖ Frequent and networked transit service works well with interconnected street patterns, higher development densities and major destinations. Less-connected street patterns, lower development densities and less concentrated destinations support less frequent transit service and require higher operating subsidies. High construction costs make fixed-guideway transit appropriate for routes that attract the highest ridership.

## Discussion

As you respond to the following questions, consider how the Thrive outcomes, principles and goals inform your responses as well as what tensions you discover that might inform public policy. How do we recognize success?

**1. How might the region develop common priorities for transit investment?**

What criteria should be used to decide how to allocate regional transit resources?

**2. How could the region more effectively integrate local land use decisions and regional transit investment decisions?**

How could local land use decisions improve the future viability of transit? How could transit investment decisions enhance access to opportunity for low-income residents and communities of color across the region? What role should existing or potential market demand for future development opportunities play in making transit investments?

**3. How might communities built around automobile access adapt to work well with transit, bicycling and walking?**

What are the problems? Opportunities? What are implications for land use and community development?

# Affordable Housing Priority, Location, and Need

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## Overview

Affordable housing is a critical community asset to ensure that residents, regardless of income, have safe and decent homes. The Metropolitan Council provides each community with forecasted population, housing, and employment growth along with each community's share of the regional need for affordable homes. All communities are required to prepare comprehensive plans that address their share of the regional need for affordable housing.

## Considerations (Did you know?)

- ❖ Housing is considered affordable if no more than 30 percent of gross income goes toward housing—one in nine metro-area households spend more than half their income on housing.
- ❖ In 2011, the region added 1,154 new affordable units, both owner-occupied and rental, using available federal, state, philanthropic and local funding. This compares to 131,000 households paying more than half their income on housing costs (severe housing cost burden). Households of color are more than twice as likely to experience severe housing cost burden as white households.
- ❖ The Metropolitan Council defines affordable housing as housing that is affordable to households earning 60 percent of area median income (AMI). For a family of four, this means an annual income of \$49,300 and housing that costs no more than \$1,200 per month. Firefighters, preschool teachers, and nursing assistants are among those whose wages qualify them to live in affordable housing.
- ❖ Lack of affordable housing is a major reason why families move; high mobility is linked to a 50 percent greater chance of dropping out of school. Poor housing conditions are linked to health problems such as asthma and exposure to lead-based paint that contribute to academic deficits.
- ❖ Aging housing stock poses a significant housing preservation challenge going forward. Half of all housing in the Twin Cities was built before 1976.
- ❖ The region has one of the lowest apartment vacancy rates in the country, at just 2.9 percent, limiting rental affordability.

## Discussion

As you respond to the following questions, consider how the Thrive outcomes, principles and goals inform your responses as well as what tensions you discover that might inform public policy. How do we recognize success?

- 1. Since affordable housing funding sources fall short of the need, how should resources be prioritized?**  
For example, should resources be prioritized for households with even lower incomes, households with children, people experiencing homelessness, people with disabilities, or seniors? Where should the balance be between rental and owner-occupied housing?
- 2. What criteria should determine the regional priorities for where new affordable housing should be built and existing housing preserved?**  
For example, should efforts prioritize locations along transit lines and/or places closer to amenities such as schools, job centers, social services, or parks? Alternatively, should priorities encourage new construction and preservation broadly across the region, including or especially in areas with little to no existing affordable housing? How should public policy respond to the changing affordable housing market along transitways?
- 3. How could the Metropolitan Council, state, counties, cities, and other agencies better coordinate to meet the affordable housing need?**  
What role should land use regulation play in encouraging affordable housing construction?