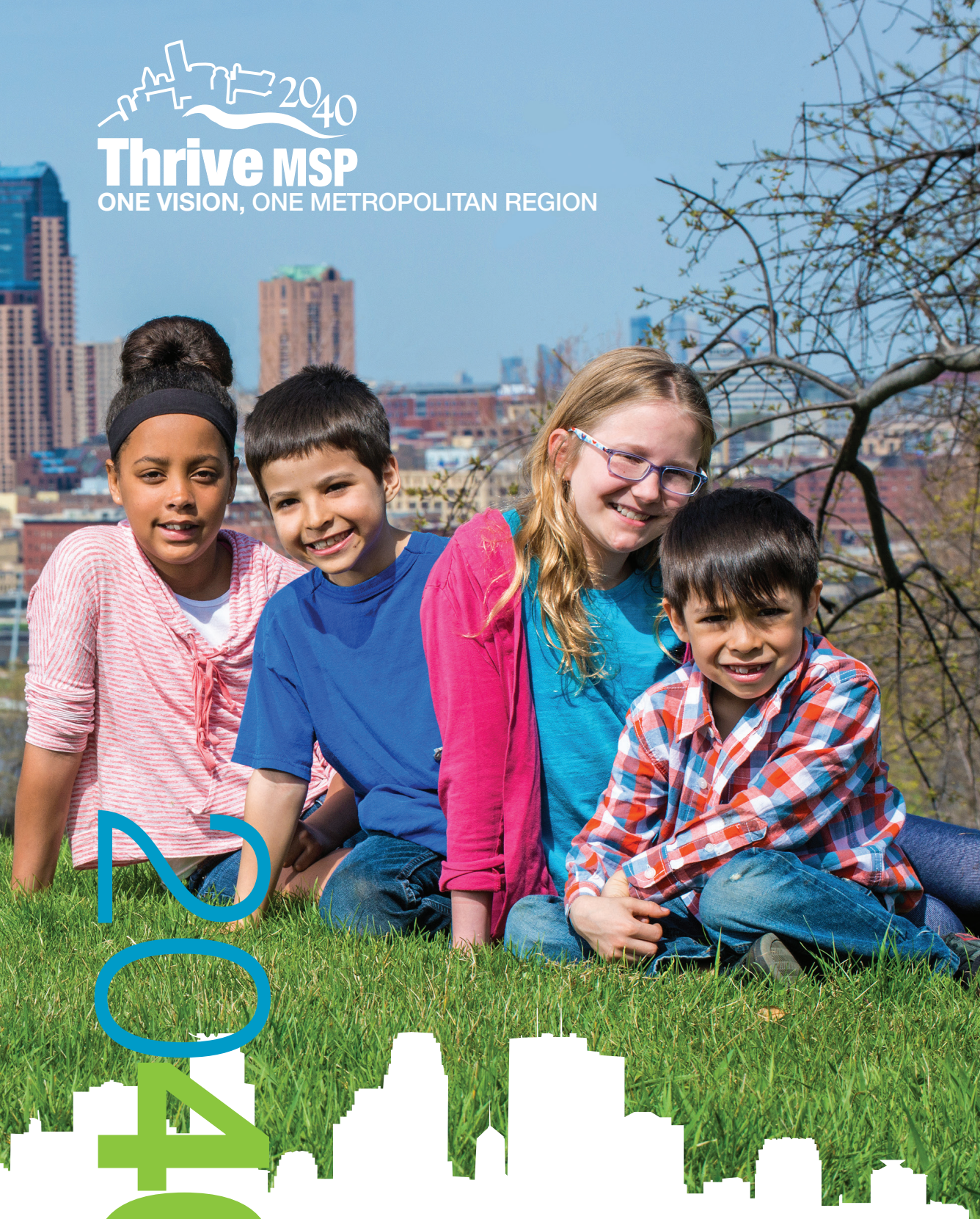




Thrive MSP

ONE VISION, ONE METROPOLITAN REGION



2040

Thrive MSP 2040 is the 30-year vision for our region.





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Thrive MSP

Thrive MSP 2040 is the vision for our region over the next 30 years. It reflects our concerns and aspirations, anticipates future needs in the region, and addresses our responsibility to future generations.







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Our region is a great place to live,
work, and do business.



2040



A Thriving Region



Our region is anchored by three great rivers, dotted by hundreds of lakes, and endowed with wide expanses of green space, giving our residents beautiful landscapes that inspire and renew. Its largest river—the Mississippi—gave birth to two frontier settlements—Minneapolis and Saint Paul. From this base, **our region has grown and prospered, and is now well known for its high quality of life, strong economy, and many assets:**

- A resilient economy
- Vibrant arts, music and theatre communities, and professional sports teams
- Rich cultural diversity
- Abundant parks, recreational trails, conserved open space, fertile agricultural land, and natural resources
- A civic tradition of shared action

Today, the Twin Cities metropolitan area—the jurisdiction of the Metropolitan Council—is a thriving region of nearly three million people living in 186 communities across the seven counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. **The region has emerged as a world-class metropolitan area—a great place to live, work, and do business.**

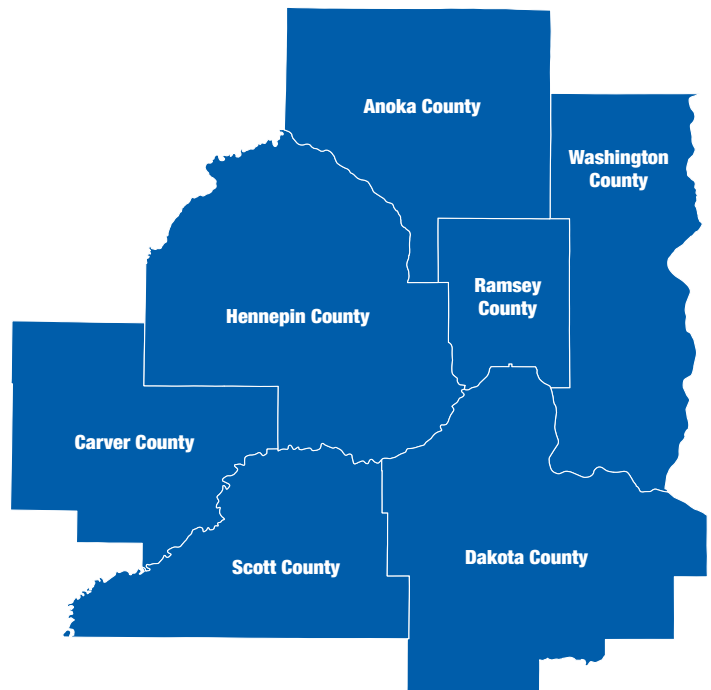
Resilient economy, diverse communities, civic tradition

Our region’s economy nimbly weathers the ups and downs of national trends. A diverse mix of high-tech and high-value-added industries calls the Twin Cities home—including the headquarters of 18 Fortune 500 companies—and benefits from our highly educated workforce and numerous educational institutions. Efficient transportation systems smoothly move people and goods to their destinations, and our residents enjoy a reasonable cost of living, benefitting from lower-priced public services.

The region offers residents a wide range of communities to call home—active urban districts, city and suburban neighborhoods, small towns, and rural areas. Residents enjoy active living and year-round outdoor activities. *Sperling’s BestPlaces* has ranked the Twin Cities as “the most playful metro in America” for the health, happiness, and low stress of its residents. In survey after survey, residents have declared our metropolitan area better or much better than other regions around the country.

Above all, our region has embraced a civic tradition of shared action by government, nonprofit and philanthropic organizations, community groups, and business leaders to enhance our communities and the region as a whole. The strengths that have made our region a success will help us meet the changes and challenges of today and tomorrow.

*Our strengths
will help us meet
changes and
challenges.*



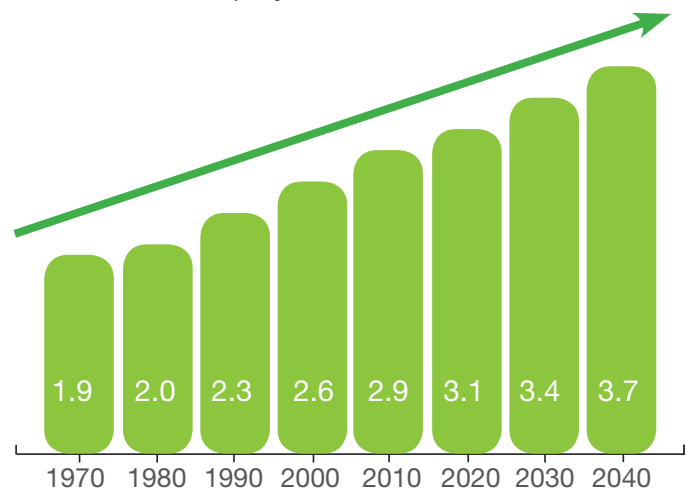
Our Twin Cities region

Continued population and job growth through 2040

More people. Over the next thirty years, **our region is projected to grow by 824,000 residents**, a gain of 29% more than in 2010. Two-thirds of this population growth is likely to result from natural growth—more births than deaths and longer life expectancies. The remaining one-third will come from migration as our region’s economic opportunities attract migrants from the rest of the nation and world.

More jobs and economic growth. With 1.6 million jobs, the seven-county Minneapolis-Saint Paul region is the predominant economic center for Minnesota, western Wisconsin, the Dakotas, and Montana. Between 2010 and 2040, **our region is projected to add 550,000 new jobs**, an increase of 36%. Having surpassed one million jobs by 1980, our region is projected to surpass two million jobs by 2040. The total value added by all industry sectors in the region—the Gross Metropolitan Product—will rise to \$400 billion in 2040. That \$400 billion represents 1.5% of the U.S. Gross Domestic Product, a major achievement considering that the region has less than 1.0% of the nation’s population. (For more information, see the Metropolitan Council’s [MetroStats: Regional Forecast to 2040](#).)

The seven-county area addressed by *Thrive MSP 2040* is the heart of the larger Minneapolis-Saint Paul-Bloomington metropolitan statistical area. Defined by the federal government, the metropolitan statistical area now adds nine additional counties—Chisago, Isanti, Le Sueur, Mille Lacs, Sherburne, Sibley, and Wright Counties in Minnesota, and Pierce and St. Croix Counties in Wisconsin—to the core seven counties that are the purview of the Metropolitan Council. According to federal estimates, the seven-county Twin Cities region is 85% of the population and 92% of the employment of the greater 16-county metropolitan statistical area. The Office of Management and Budget connects the nine additional counties to the core seven on the basis of interconnected commuting patterns; nearly six in ten workers living in the nine collar counties work in the seven-county area. As the vibrancy of the seven-county core region grows, so will the vitality of the larger metropolitan statistical area.



Twin Cities Population
(in millions)

Changes and challenges that lie ahead for our region

As we plan for our next 30 years, key challenges lie ahead—constrained fiscal resources, new demands stemming from demographic shifts, emerging environmental challenges, new regional planning priorities, and the increasing necessity of regional economic cooperation.

- The growing need to **preserve and maintain our aging infrastructure** is an increasing burden on limited fiscal resources. For example:
- Seventy-five years after the construction of the Metro Plant on the Mississippi River, our region’s aging wastewater infrastructure requires ongoing investments to remain effective.
- Similarly, crumbling roads and bridges demonstrate the necessity for higher levels of investment to maintain our highway system.



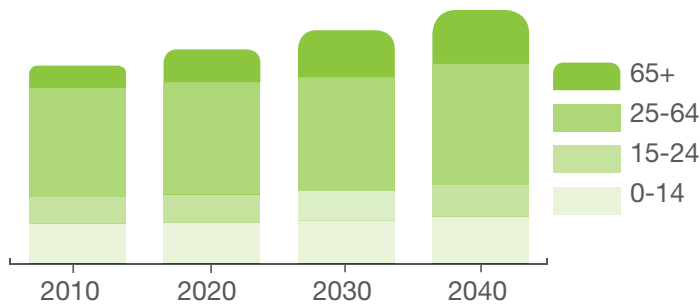
Financial resources are inadequate to fully address the region's needs:

- The [2013 Minnesota State Highway Investment Plan](#), prepared by the Minnesota Department of Transportation, shows that, under expected funding streams, the region will have only \$52 million available annually from 2014 to 2022 for highway mobility improvements, meeting only one-quarter of the projected need. No state transportation funding is available for highway mobility improvements after 2023.
- While there is adequate funding to operate the existing bus and transitway system through 2040, there is no funding to expand bus system operations, including both new routes and increased service frequency. Capital investments necessary for bus expansion compete for limited federal resources.
- Transitway funding projections anticipate that no resources will be available to construct new transitways beyond the METRO Orange Line (I-35W South), the METRO Green Line Extension (Southwest), the METRO Blue Line Extension (Bottineau), and four Arterial BRT Projects through 2024 without local financing through the Counties Transit Improvement Board. Under current forecasts, at least 11 potential transitways and 10 Arterial BRT projects will be competing for funding for transitway construction available beyond 2024.
- The Metropolitan Council projected that the region should add 51,000 new units of affordable housing between 2011 and 2020 to meet the growth in low- and moderate-income households. Over the first two years of the decade the region added 2,272 new affordable units, meeting less than 5% of the decade-long need. From 2011 to 2013, Minnesota Housing's "Super RFP"—the state's largest single source for financing housing for low-income households—funded construction of less than 2,000 new affordable units in the metro area, far under the need.
- Financial constraints exist for many of the initiatives described in this plan—particularly for emerging policy issues such as regional bicycle infrastructure and surface water treatment.



Our population is changing in ways that will influence the shape of our future growth and development:

- Our region is aging rapidly. More than one in five residents will be age 65 and older in 2040, compared to one in nine in 2010.
- By 2040, 40% of the population will be people of color, compared to 24% in 2010. This growing racial and ethnic diversity will add to the region’s economic vitality.
- The region will gain 391,000 new households by 2040, requiring, on average, over 13,000 new housing units a year. With the changing demographics, these new households are likely to have different housing needs than today’s households:
 - Only one in five net new households will be households with children.
 - Seniors will want housing to fit post-retirement lifestyles, with some choosing to age in place and others choosing to move to walkable and transit-served areas accessible to services and amenities.
- Significant racial disparities—in income, employment, poverty, homeownership, education—persist just as our region is becoming more racially and ethnically diverse. If today’s disparities by race and ethnicity continue, our region would likely have 124,000 fewer people with jobs, 186,000 fewer homeowners, 274,000 more people in poverty, and \$31.8 billion less income compared to the outcomes if residents of color had the same socioeconomic characteristics as today’s white residents. Unchallenged, these disparities jeopardize the future economic vitality of our region.



Twin Cities Population By Age



Emerging environmental challenges threaten the continued livability of our region:

- We have long assumed that our region has plenty of water, but we now recognize that our reliance on groundwater is unsustainable. Increased pumping of groundwater to support development is depleting aquifers, affecting lakes, streams, and wetlands. In some areas, groundwater levels have been dropping a foot per year since the 1970s.
- Our region is already feeling the effects of climate change as we experience more severe weather events and temperature extremes. Severe heat waves have stressed people, agriculture, and energy supplies. Increased frequency of severe weather is already increasing homeowner insurance premiums and repair costs of public facilities.



As we approach a half-century of coordinated planning across the region, new planning challenges and opportunities are emerging:

- Growth is occurring in not only new suburban subdivisions connected to the regional wastewater treatment system, but also redeveloping parts of the region. Driving this change are our aging population, new residential preferences among younger households, and increasing interest in sustainable lifestyles. This redevelopment, infill development, and intensification in the older, urbanized, and most accessible parts of the region more efficiently uses existing regional infrastructure, but can be complex and costly for developers and local units of government.
- An aging multifamily housing stock, including the large number of rental apartments built in the 1960s and 1970s, is ready for reinvestment to both retain structural integrity and meet the housing preferences of today's households. Many of these units have aged into affordability but are at risk of functional obsolescence.
- Light rail, commuter rail, and bus rapid transit lines are changing the landscape by attracting new real estate development in station areas and, along with new bicycle facilities, are creating more choices for how people move about the region.



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

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



The opportunity of a regional approach

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

In the late 1960s when the Metropolitan Council was created, **community leaders saw value in collaborating to solve regional issues**. At that time, the Minneapolis-Saint Paul region was facing tough challenges resulting from rapid population growth and unimpeded urban sprawl:

- Rapid growth was threatening ecosystems and natural areas better suited for preservation as parks and open space.
- Inadequately treated wastewater was emptying into lakes, rivers, and waterways.
- The Twin Cities’ privately owned bus company was rapidly deteriorating, a victim of rising fares, declining ridership, and an aging bus fleet.
- Growing fiscal disparities were making it difficult for communities with inadequate tax capacity to fund essential services.

The Minnesota Legislature took unprecedented action to address these challenges. In 1967, the Legislature created the Metropolitan Council and gave it responsibilities for planning and coordinating the region’s growth and setting policies to deal with regional issues. On signing the bill, then Governor Harold LeVander observed that the Council “was conceived with the idea that we will be faced with more and more problems that will pay no heed to the boundary lines which mark the end of one community and the beginning of another.”



A region-wide perspective provides the opportunity to address issues that:

- Are bigger than any one community can address alone.
- Cross community boundaries to affect multiple communities.
- Could benefit from an opportunity to share best practices.
- Require resources that are most effectively used at a regional scale.

Four additional actions created today's regional organizational structure:

- 1969: The Legislature created the Metropolitan Sewer Board to consolidate sewer systems, reduce costs, and modernize the system.
- 1969: The Legislature created the Metropolitan Transit Commission to acquire the privately held transit system with the charge to overhaul the system, buy new buses, and improve signage, shelters, and bus stops.
- 1974: The Legislature designated more than 31,000 acres of existing city and county parks to be a new regional parks and open space system.
- 1994: The Legislature gave the Council operational control over transit and regional wastewater systems—consolidating planning, services, and operations into a single agency.

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





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

Under state law, the Council is responsible for preparing a comprehensive development guide for the seven-county metropolitan area. Thrive MSP 2040 provides a framework for a shared vision for the future of our region over the next 30 years. While the Council is responsible for developing Thrive and the plans for the three statutory regional systems—wastewater, transportation, and regional parks—the vision within Thrive can only succeed through partnerships with local governments, residents, businesses, philanthropy, and the nonprofit sector.

As a regional plan, Thrive addresses issues greater than any one neighborhood, city, or single county can tackle alone to build and maintain a thriving metropolitan region. At the same time, the future's increasingly complex challenges demand innovative strategies and greater collaboration. Building on our region's past planning successes, the Council will adopt more collaborative and integrative approaches to allocating limited funds and addressing the demanding challenges that lie ahead. [Protecting our resources and investments](#), Thrive provides the foundation for a prosperous, equitable, and livable region for today and generations to come.

Thinking ahead—and working together—helps the region achieve a high quality of life, economies of scale, high-quality regional services, and a competitive edge envied by other metropolitan areas.



Thrive MSP 2040 and the role of the Metropolitan Council

Under state statute, the Metropolitan Council is responsible for developing the comprehensive development guide:

The Metropolitan Council shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development guide for the metropolitan area. It shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for the orderly and economical development, public and private, of the metropolitan area. (Minn. Stat. 473.145)

The Council develops a comprehensive development guide at least once a decade following the updates to the long-term forecasts that follow the Decennial Census.

This document, Thrive MSP 2040, establishes the policy foundation used to complete regional systems and policy plans, development policies, and implementation strategies that together form the comprehensive development guide. State statute defines three metropolitan systems plans:

- Transportation Policy Plan (Minn. Stat. 473.146);
- Water Resources Policy Plan (Minn. Stat. 473.146 and 473.157);
- Regional Parks Policy Plan (Minn. Stat. 473.147).

In addition to the three statutory metropolitan systems plans, the Council is also producing a Housing Policy Plan. The Housing Policy Plan will provide an expanded policy framework to inform the Council's review of the housing elements and housing implementation programs of local comprehensive plans required in statute (Minn. Stat. 473.859, subd. 2 and subd. 4).

In 2005, the Minnesota State Legislature authorized the Metropolitan Council to take on planning activities to address regional water supply issues (Minn. Stat. 473.1565). As part of its overall planning efforts, the Council is currently updating the Master Water Supply Plan.

The policy direction in Thrive—and the systems and policy plans that follow—assist local governments to create consistent, compatible, and coordinated local comprehensive plans that together strive to achieve local visions within the regional policy framework, and help ensure efficient and cost-effective regional infrastructure.

The Council reviews local comprehensive plans based on the requirements of the Metropolitan Land Planning Act, state and federal guidelines referenced in this document, and the comprehensive development guide (Thrive MSP 2040 and the metropolitan systems plans). The Council considers each local comprehensive plan's compatibility with the plans of neighboring municipalities, consistency with adopted Council policies, and conformance with metropolitan system plans. If the Council finds that a community's local comprehensive plan is more likely than not to have a substantial impact on or contain a substantial departure from metropolitan system plans, the Council can require the community to modify its local plan to assure conformance with the metropolitan system plans (Minn. Stat. 473.175).