



Thrive MSP 2040 Working Group

DATE: August 30, 2012
TO: Members of the Metropolitan Council
FROM: Gary Van Eyll, Chair, Thrive Working Group, on behalf of the Thrive Working Group
SUBJECT: Committee of the Whole meetings in September

The members of the Thrive MSP 2040 Working Group have been collaborating with Metropolitan Council staff to plan our two Committee of the Whole meetings in September. To respond to Council Member interest in digging into the policy conversations before us sooner rather than later, we will be spending our September meetings developing principles and goals to guide our work on *Thrive MSP 2040*. **We hope that you will come to these meetings prepared to work!**

First, some definitions. We are defining Principles as overarching principles or values that cut across and guide all Council policy in *Thrive MSP 2040*. Principles might be viewed as how we will perform under *Thrive MSP 2040*. We are defining Goals to be the outcomes around specific areas of policy focus.

Council staff have invited in Barbara Raye to facilitate our two meetings. By the end of the Committee of the Whole meeting on **September 5**, we hope to have identified the full range of possible principles and be able to articulate what adopting those principles would mean to us and to *Thrive MSP 2040*. Council staff will take our conversation and provide us additional options on how to define those principles as preparation for the next Committee of the Whole meeting. By the end of the Committee of the Whole meeting on **September 19**, we hope to have prioritized and articulated a set of Working Principles – including how we define and interpret them – to guide our next stages of work on *Thrive MSP 2040*. Additionally, we will begin laying out language on Working Goals. With the Listening Sessions and other outreach and engagement activities that are occurring throughout September, the Working Principles and Working Goals are of course subject to additional revision, but it's time for us to start laying out a general vision and direction for our work on Thrive MSP 2040. After all, if we don't know where we're going, any road will take us there.

As a Council, we have already had a number of conversations that have given us an extensive background for next week's discussion on Principles and Goals. These include:

- Our planning sessions at the Dodge Nature Center (June – October 2011)
- Conversations last winter at the Committee of the Whole to develop a vision for *Thrive MSP 2040* (November 2011 – February 2012)
- Framing presentations last spring at the Committee of the Whole (March – May 2012)

These documents are included in this packet for your review. In addition, we encourage you to review the summaries of the previous Regional Development Framework and the three systems plans (attached separately).

The Thrive MSP 2040 Working Group has reviewed these documents and has pulled out some possible principles as a starting point for next week's Committee of the Whole discussion. Our initial thoughts are included as the last page of this packet.

On behalf of the Thrive Working Group, I look forward to a **vibrant, engaged discussion next week.**

Mission/Values/Priorities

Our Mission

- To foster efficient and economic growth for a prosperous metropolitan region.

Our Values

- We work in partnership with our citizens and communities.
- Our actions demonstrate respect and integrity.
- We are effective stewards of valued resources.
- We strive for excellence and are accountable for results.

Our Priorities

- Create a financially sustainable 21st century transportation system.
- Promote dynamic housing opportunities for all.
- Leverage investments that drive regional economic development.

Developed following the Council's planning sessions held in 2011 at the Dodge Nature Center
Last revised 11/07/2011



Our Mission

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Successful Outcomes of the Thrive MSP 2040 planning process

In the next 30 years, the Metropolitan Council envisions a greater Minneapolis-Saint Paul region whose competitive, vibrant economy affords advantages and opportunities for a diverse and growing population. Strong local communities that enhance our standard of living and a vital region that works on all levels make our community the outstanding metropolitan region in the nation, unmatched in its economic potential and quality of life. Through its superior livability, coordinated planning and efficient public service delivery, the region attracts and retains talent, jobs and economic prosperity, thus enhancing our quality of life.

In order to maintain and improve upon the advantages of the region, the Metropolitan Council is committed to using the Thrive MSP 2040 planning process to strengthen the region's competitiveness and expanding opportunities and equity through policies that create or improve upon:

- efficiency and innovation in the delivery of regional services;
- effective stewardship of public dollars, natural resources and the existing built environment;
- availability and quality of housing choices to accommodate the unique needs and diversity of our population;
- a multimodal transportation system that connects people to jobs, school and services and that offers opportunities for long-term economic development;
- use of resources in a way that meets the needs of the present without jeopardizing the region's future needs.

The Council is committed to collaborative decision-making that honors the varying viewpoints of the region.

The region competes globally and thrives locally because we function as one region, with one economy. Building upon our state's legacy of good planning, civic pride and visionary leadership, the greater Minneapolis-Saint Paul region has a government that is as good as its people. Thanks to its many assets, the region will continue to attract individuals, businesses and organizations. It is a place where we can all prosper and thrive – a wonderful place to live, to work, and raise a family.



2012 FRAMING PRESENTATIONS ISSUES & CHALLENGES

KEY MESSAGES

- ❖ *The fundamentals of our regional growth strategy are sound*
- ❖ *Additions, realignments and principles for action were recommended*

Vision

- *Regional leadership: engage and act around a regional vision*
- *Think beyond the regional systems*
- *Robust & competitive economy*
- *Livable communities for all*
- *Plan, implement and fund a truly regional multi-modal transportation system*

Principles for Action

- *Make connections across the regional systems*
- *Align policy and implementation*
- *Value and pursue partnerships and inclusive engagement*
- *Commit to sustainability and equity*
- *Evaluation lenses: sustainability, equity, efficiency and return on investment*

Understanding & Addressing Trends

- *Growing population diversity: changing needs and desires*
- *Scarce public and private resources*
- *Equity and access to opportunity*
- *Interrelation of livability, health and the economy to environment, transportation and land use*

DRAFT 6/19/2012



FRAMING PRESENTATIONS: ISSUES & CHALLENGES BY THEME

The Metropolitan Council has started on a path to create a regional comprehensive plan that will shape the course of the Twin Cities metropolitan area over the next 30 years. Throughout this journey, the Council will reach out to members of the metropolitan community for help in setting the directions and building the strategies that will serve as the foundation for this vital document – Thrive MSP 2040. To begin this process and to assist Council Members in guiding the preparation of the plan, the Council invited some observers of regional affairs to share their thoughts and perspectives about the key issues and challenges facing the region. Four meetings of the Council’s Committee of the Whole, on March 4, March 21, April 4 and May 2, were devoted to listening to the perspectives and suggestions of these stakeholders.

As we began to compile a list of the issues and challenges expressed by the presenters, some themes began to emerge. Following is a compilation of comments heard, grouped by theme.

TRENDS OF CONCERN

- ❖ Changing demographics:
 - *Population growth*
 - *A growing senior population, the “silver tsunami” age 65 and older, decreasing number of households with children, importance of aging in place services.*
 - *A more multi-ethnic population; population growth of what is now termed “minorities” in Minnesota.*
 - *Emerging trends show demographic shifts, pent up demand for a variety of housing options, and increasing diversity.*
 - *Growing numbers of disabled people; affected by growing senior population.*
 - *A large millennial generation with different assumptions about “the good life”.*
- ❖ Scarce public and private resources.
- ❖ Weak job growth.
- ❖ Education & job skills.
- ❖ Widening gap between rich and poor .

- ❖ High gasoline prices, long commutes, reduced household incomes; average low-income household in the Twin Cities spends more on transportation than housing.
- ❖ A fundamental shift occurring from the last 70 years; total car travel in Minnesota is flat; and people are riding transit, sharing rides, and bicycling far more often.
- ❖ A combination of forces is driving market demand for denser, more walkable urban places.
- ❖ Attracting & retaining new talent.
 - *The pool of talent attracts firms, particularly in the knowledge economy.*
 - *Creating attractive, mixed use communities attracts talent*
- ❖ Property values are falling; costs to maintain infrastructure are growing and are stressing local government budgets.
- ❖ As the baby boomers age, they will need more in public services. Most of them will have smaller incomes to tax than they have currently.
- ❖ Growing numbers of disabled people.
 - *People with disabilities make up 20% of the national population, anticipate adding 200,000 people with disabilities by the year 2030;*
 - *52% of people over the age of 65 have a disability. People with disabilities share many characteristics with the aging community*

ORIENTING AROUND A REGIONAL VISION

- ❖ Lack of a regional vision.
 - *The current Framework lacks a statement of vision. The lack of vision affects all stakeholders and reduces regional competitiveness.*
- ❖ One of the Council's main tasks is to figure out how to get this region to re-embrace a notion of a regional vision.
 - *The vision going forward should be looking at how to bend investment curves towards a shared vision of where we want to go. It is not just about adding on investments, but harnessing existing funding streams to a new model of regional development.*
- ❖ The goal of the regional systems plans is to create a place where people, businesses and households can prosper.
 - *Make strategic choices necessary to be competitive.*
 - *Education is a key piece, although it is outside the Council's normal area of responsibility.*

MAKING CONNECTIONS ACROSS THE REGIONAL SYSTEMS

- ❖ Think beyond the statutory authority of the specific system plans; the plan needs more integration.
- ❖ Reassess system plan approach – identify themes to organize a plan that offers a sustainable vision.

- ❖ Align transportation and land use investments
- ❖ The Council's functions are isolated in silos and need to be better integrated

COLLABORATION, PARTNERSHIPS AND KNOWLEDGE/RESOURCE SHARING

- ❖ Drawing on local priorities and resources
- ❖ The plan should be a reflection of trends, and local priorities and implementation strategies. The Framework should indicate who has authority and who will provide leadership.
- ❖ Increased need for reliance on regional solutions/super-regional collaboration

ENHANCING ENGAGEMENT EFFORTS

- ❖ Enhancing engagement efforts
- ❖ Equitable engagement strategies get better results
- ❖ To create a culture of inclusion in transitway planning and decision-making, and to focus on achieving equitable public participation in the process and equitable outcomes.
- ❖ It is important to set new goals and develop new processes for community engagement.

ADDRESSING AND ASSESSING EQUITY AND ACCESS TO OPPORTUNITY

- ❖ Creating racial and economic equity.
- ❖ Policies have effects on equity that are not always known.
- ❖ Disparities: the size of disparities in education, health, income, when broken down by race and ethnicity, are great.
 - *We are a metropolitan area that is growing in diversity. If we do not start dealing with these social disparities, it will affect our overall competitiveness and performance as a region.*
 - *To the extent that these social disparities are reproduced spatially, there is a role for the Metropolitan Council*
- ❖ Health equity: race and place matter.
- ❖ The most immediate problem in the region is the great disparity on the basis of race and the growing segregation seen in our region.
 - *The inequities affecting this community are some of the worst in the nation.*
 - *School segregation and housing are related.*
 - *This metropolitan area has the largest disparity in mortgage lending between white and black homeowners.*
 - *The region used to be better at creating affordable housing in the suburbs.*
- ❖ Statewide more households are burdened by housing costs; some paying 30% to 50% of income for housing.

- *This burden is disproportionately to households of color; most of the severely cost-burdened are extremely low income households*
- ❖ It's difficult to talk about race, yet it is critical to consider if we want to better understand current trends and where we are heading as a region
- ❖ Economic Disparities – How will we address economic disparities within the region and a growing jobs/skill mismatch?
- ❖ To guide society toward a just and sustainable future.
- ❖ Equitable engagement strategies get better results
- ❖ To create a culture of inclusion in transitway planning and decision-making, and to focus on achieving equitable public participation in the process and equitable outcomes.
- ❖ Have the discussion on who is involved, who benefits, who decides, who is not at the table; and how we can think strategically about the decisions to be made going forward.
- ❖ How to bridge the gap to the marginalized?
 - *The marginalized are an untapped resource in the community, and will bring the greatest return on investment.*

ECONOMIC DEVELOPMENT AND WORKFORCE

- ❖ Building on our strengths, protecting our taxpayers, and being globally competitive. Needs for a prosperous region are:
 - *Healthy and attractive central cities*
 - *Healthy colleges and universities*
 - *A “city by nature”: easy access to parks and open space*
 - *A diverse and healthy housing stock that gives people many choices for where and how to live*
 - *Quality municipal services provided at the least cost to taxpayers.*
- ❖ Building on our strengths, protecting our taxpayers, and being globally competitive
- ❖ The troubling mismatch between workers, job growth and housing location, particularly for the urban core
- ❖ If economic development is a priority, workforce development has to be in the Regional Development Framework and we have to find creative ways to make it work.
- ❖ How to lay the groundwork for a successful economy and a successful community of the Twin Cities that will continue to be the economic engine for the region and the whole state.
- ❖ Weak job growth.
- ❖ Living wages and fair opportunities for all persons.

- ❖ Finding adequate and affordable housing for the Minnesota workforce.
- ❖ In a knowledge-based economy: How will we maintain and grow our competitive industry clusters? How will we provide the needed skills for a knowledge-based economy?
- ❖ Job growth has been severely impacted by the economic downturn; the disabled are less likely to be employed.
- ❖ Transportation is one of the keys to gaining employment.

ENVIRONMENT AND ENERGY

- ❖ The possibility that the region will soon go into non-attainment for air quality under the Clean Air Act.
 - *There will be costs to business for the Region's non-attainment; 1999 estimates for other regions were \$250M/year; expected current cost is \$300M/year.*
 - *This issue will play out in terms of land use, transportation and public health.*
- ❖ Environment & Transportation.
 - *Per capita carbon footprint is right around the 50th percentile of the top 100 cities, as is the vehicle miles traveled and the share of workers driving alone.*
 - *Carpool rates do not rank well. This is a reflection of our growth patterns and the transportation behaviors that are induced by those growth patterns.*
- ❖ With rising gas prices the connection between transportation, land use, and energy is more apparent than ever.
- ❖ Climate change impacts
- ❖ Local air pollution and threat of non-attainment; reduction goals – greenhouse gas emissions.
- ❖ Energy efficiency in housing.
- ❖ Energy efficiencies in housing and electric vehicles.

FINANCIAL RESOURCES

- ❖ Scarce public and private resources.
- ❖ The chronic structural deficit (counties)
 - *The cause of the structural deficit is the change in demographics. As the baby boomers age, they will need more in public services. Most of them will have smaller incomes to tax than they have currently.*
- ❖ People still strongly value home ownership; however, financing has changed.
- ❖ Cost of regulation. About 25% of the cost of building a house is due to regulation. This is unsustainable. We have to look at methods to reduce this cost as it is impacting affordability significantly.

- ❖ Financing for development projects. There has been a fundamental reset in how projects are financed. The risks are often greater than the reward and innovative projects can't get off the ground. New financing models can help spread risk.
- ❖ Affordable housing. New models are needed for providing affordable housing. Public/private partnerships are important.

GOVERNANCE, GOVERNMENT EFFICIENCY & REGULATION

- ❖ Cost of regulation. About 25% of the cost of building a house is due to regulation. This is unsustainable. We have to look at methods to reduce this cost as it is impacting affordability significantly.
 - *Density requirements and stormwater requirements interplay; it gets difficult to take land out of development for water management purposes.*
- ❖ Over time there has been a loss of interest and support from the governor, legislature and other leaders in thinking regionally minded.
 - *Instead of acting as the region's advocate, the Council has instead acted mostly as a provider of regional services.*
 - *The Council should become intentional about its role: advocate service provider or referee?*
- ❖ Because the Met Council is unelected and regional, it must always be mindful that the institution is not structured to be responsive to the concerns of local communities. Local governments are elected and, as such, best represent the views of the people who live in the community.
- ❖ The Framework should not attempt to control where growth occurs and what growth looks like, whether through central planning, strategic investment or some other method.
- ❖ Coordinating growth allows more flexibility than planning growth and is, therefore less likely to result in mistakes based on inaccurate growth projections.

PROVIDING HOUSING

- ❖ Statewide more households are burdened by housing costs; some paying 30% to 50% of income for housing. This burden is disproportionately to households of color; most of the severely cost-burdened are extremely low income households
- ❖ The Council's current goals count units affordable at 60% of Area Median Income (AMI). Housing meeting this affordability standard remains far beyond the means of the population most in need of housing assistance.
- ❖ It's troubling that compact housing developments, especially those that have an affordability component, are still meeting local resistance
- ❖ Inadequate funding for housing presents a critical barrier to achieving metropolitan housing goals and should be a Council priority
- ❖ New models are needed for providing affordable housing. Public/private partnerships are important.

- ❖ Affordable, accessible housing is an important issue to the disabled community.
- ❖ Finding adequate and affordable housing for the Minnesota workforce.

PARKS

- ❖ Three demographic changes require a new view of parks
 - *The “millennials” – that large demographic group that will replace the Baby Boomers as the dominant demographic – will be seeking an active, dense lifestyle; walkability and access are critically important.*
 - *The silver tsunami are seeking increased parks and trails*
 - *Increasing populations of color who want different park features.*
- ❖ Reframing is needed on our thinking about parks. The regional park system is more than quality of life amenities that provide recreation.
 - *Parks as green infrastructure, trails as transportation –(beyond their traditional roles*
 - *Our current regional park system is weighted towards rural and suburban communities.*
 - *Parks are infrastructure*
 - *There should be concurrent park investments with transitway investments*

REGIONAL SUSTAINABLE DEVELOPMENT & LIVABLE COMMUNITIES

- ❖ Regional Sustainable Development – economic growth, environmental protection, social cohesion.
- ❖ Aging infrastructure amidst increased need.
- ❖ Density requirements are going to be an issue going forward.
- ❖ Increasing rates of obesity.
- ❖ Health Equity: Race and Place Matter.
- ❖ The possibility that the region will soon go into non-attainment for air quality under the Clean Air Act.
- ❖ Our overall densities are still relatively low – it’s difficult to save on infrastructure costs and better serve people with transit if we don’t progress in this area
- ❖ It’s troubling that compact housing developments, especially those that have an affordability component, are still meeting local resistance
- ❖ Homeowners want a sense of performance in their homes (to know what is in the walls, roof and floors) and demand energy efficiencies.
- ❖ To guide society toward a just and sustainable future.
- ❖ Commit to sustainability.
- ❖ Living wages and fair opportunities for all persons.
- ❖ Farming and farmland preservation
 - *Issue is to keep farm land available and affordable, which contributes to healthy communities.*

- *When planning for transit and housing be aware of agriculture*
- *The Council's decisions shape urban and rural communities, and how effectively we meet our region's real and pressing food security needs.*
- *Farmland within the seven-county metro area has been lost at a significantly higher rate than farmland throughout the rest of the State*
- *Need an ongoing way for farmers to be involved in this planning process from the creation of the framework to the ultimate approval of the plans.*

TRANSIT AND TRANSPORTATION

- ❖ Transit and transportation. This is a huge issue and an area where resources are out sync with needs. This needs addressing the new Framework.
 - *Transit needs a stable and focused revenue source.*
- ❖ The goal of a city or region is to connect things: to connect people to other people, to jobs and to other activities. Achieving this occurs by addressing the following:
 - *Land Use - is how you arrange the things people connect to; and*
 - *Transportation - is how this is done.*
- ❖ Transportation is the single most important issue for the economic success of this region.
 - *Transit in particular, but also all modes; this includes light rail, bus rapid transit and high speed rail to Chicago.*
- ❖ Planning, implementing and funding a truly regional multi-modal transportation system.
- ❖ How we can use the transitways to define the next generation of growth and development and prosperity;
 - *The transitway system can be the backbone in terms of infrastructure and building for the future.*
 - *The Council should create new archetype—for this region and for the country.*
 - *There are great efficiencies to melding land use and transportation systems together.*
- ❖ New Transportation Paradigm – How will we manage, maintain and pay for a multimodal transportation systems? How will we assure a competitive transportation and information technology infrastructure for the region?
- ❖ The transportation system should reflect where people choose to live and work. To move the most people, the transportation system should adapt to where people choose to live.
- ❖ The central goal of the transportation system should be to move the most people and goods at the least cost.
- ❖ Transportation and Land Use.
 - *Transportation is one of the keys to gaining employment;*
 - *Providing public transportation and paying attention to land use are very important.*

FRAMING PRESENTERS

University of Minnesota, Humphrey School of Public Affairs:

Carissa Schively Slotterback, Associate Professor

Transit for Livable Communities:

Barb Thoman, Executive Director

Envision Minnesota

Sally Wakefield, Executive Director

Metro Cities

Patricia Nauman, Executive Director

ISAIAH

Lars Negstad, Strategic Campaigns Coordinator

Minneapolis Regional Chamber of Commerce

Todd Klingel, President

Trust for Public Land

Jenna Fletcher, Program Manager

Greater MSP

Michael Langley, Chief Executive Officer

Association of Minnesota Counties

Jeff Spartz, Executive Director

Builders Association of the Twin Cities

David Siegel, Executive Director

University of Minnesota, Center for Urban & Regional Affairs

Edward Goetz, Director, Professor

University of Minnesota, Center on Race & Poverty

Myron Orfield, Executive Director, Professor

Minnesota Housing Partnership

Chip Halbach, Executive Director

Panel:

Jim Erkel, Land Use & Transportation Program Director, Minnesota Center for Environmental Advocacy

Russ Adams, Executive Director, Alliance for Metropolitan Stability

Ethan Fawley, Transportation Policy Director, FreshEnergy

University of Minnesota Center for Transportation Studies

David Levinson, NeXus Research Group

St. Paul Area Chamber of Commerce

Matt Kramer, President

Counties Transportation Improvement Board

Peter McLaughlin, Chair

TwinWest Chamber of Commerce

Bruce Nustad, President

Blue Cross and Blue Shield of Minnesota

Vayong Moua, Senior Advocacy Consultant

University of Minnesota, Humphrey School of Public Affairs

Lee Munnich, Senior Fellow

Farmers' Legal Action Group

Jennifer Jambor-Delgado, Senior Staff Attorney

Local Harvest Alliance

Ann Houghton

Alliance for Sustainability

Sean Gosiewski, Program Director

Taxpayers League of Minnesota

Phil Krinkie, President (invited)

Center of the American Experiment

Kim Crockett, Chief Operating Officer and Peter Nelson, Director of Public Policy

The Cornerstone Group

Colleen Carey, President

Panel:

Repa Mekha, Executive Director, Nexus Community Partners; CET member of the CoO Policy Board

Asad Aliweyd, Executive Director, New American Academy

Rick Cardenas, Executive Director, Advocating Change Together

Anne White, District Councils Collaborative Governing Council

NAIOP-Commercial Real Estate Development Association

Frank Dutke, President and CEO of United Properties

Minnesota State Council on Disability

Joan Willshire, Executive Director

Panel:

Kevin Lindsey, Commissioner, Minnesota Department of Human Rights

Donovan Bailey, Chair, Council on Black Minnesotans

Hector Garcia, Executive Director, Chicano Latino Affairs Council

Ilean Her, Executive Director, Council on Asian-Pacific Minnesotans

AnnaMarie Hill, Executive Director, Indian Affairs Council (invited)



Thrive MSP 2040 Working Group

DATE: August 29, 2012

TO: Members of the Metropolitan Council

FROM: Gary Van Eyll, Chair, Thrive Working Group, on behalf of the Thrive Working Group

SUBJECT: Possible Principles for *Thrive MSP 2040*

The Thrive Working Group reviewed source materials that could inform Working Principles for *Thrive MSP 2040*, including summaries from:

- Our planning sessions at the Dodge Nature Center (June – October 2011)
- Conversations last winter at the Committee of the Whole to develop a vision for *Thrive MSP 2040* (November 2011 – February 2012)
- Framing presentations last spring at the Committee of the Whole (March – May 2012).

From these documents, we have identified the following possible principles and related themes:

- Accessibility, Affordability, Equity
- Accountability
- Alignment / Integration
- Collaboration / Partnership
- Community / Sense of Community / Sense of Region
- Connectedness
- Effectiveness
- Engagement
- Flexibility / Adaptability
- Innovation
- Resiliency
- Responsiveness
- Stewardship
- Sustainability

We look forward to a conversation about what principles are missing, what these ideas might mean to us and our work on *Thrive MSP 2040* and how we prioritize these principles moving forward.