



Regional Council of Mayors

May 13, 2013

PRESENTATIONS

The Great Recession is Over . . .

. . . so why are we still talking about it? asked Bill Melton of the State Board of Economic Advisors. "This was the largest business cycle downturn since the 1930s," he said. "It still has ramifications." The Great Recession officially began in January 2008 and ended in June 2009, he said, but nationally, GDP is still about \$1 trillion below potential.

Minnesota did better during the downturn and began recovery earlier, Melton said. Nationally, he said, "We were living with mass unemployment for six long years. It will take several years to get to full employment again. But in Minnesota, it's much better than that." Melton said young people coming out of college who are not able to find a good job for several years are likely to be permanently scarred.

The problem with the economy now is a "liquidity trap," Melton said: "A lot of people and a lot of companies don't have the courage to get out there and spend."

Locally, nationally and globally, he said, politicians are focused on long-term debt reduction—"the reverse of what we need." Some shifts are starting to occur as countries realize that austerity measures in order to achieve debt reduction are making their economies worse.

To escape the Great Recession, Melton said, "investment is crucial." Minnesota can't just go its own way, he said, but it can make itself different. However, he said, that is not easy for politicians. "I had hoped we would see a substantial bonding bill, but it doesn't look like that will happen," he said of the current legislative session. "I see that as a significant loss of opportunity."

Thrive MSP 2040

Thrive MSP 2040, the Metropolitan Council's long-range plan for the seven-county metropolitan area <http://www.metrocouncil.org/Planning/Projects/Thrive-2040.aspx>, sets the high level vision for the region, said Libby Starling, manager

of Regional Policy and Research. Ultimately, the vision should be reflected in individual cities' comprehensive plans.

For Thrive MSP 2040, the Metropolitan Council has been actively seeking input from not only civic leaders and planners but citizens of all kinds. So far, there have been more than 50 conversations or events (including two presentations to the Regional Council of Mayors) with more than 1,200 participants, Starling said.

The mission drafted at this point is: Working together towards a prosperous, livable and sustainable region where all will thrive. The broad outcomes hoped for are prosperity, livability and sustainability. Goals are:

- Preservation protects natural areas and resources for use and enjoyment today and into the future.
- A vibrant and globally competitive economy creates opportunities for residents and employers.
- Land use, development patterns and infrastructure align to make the best use of public and private investment.
- Housing options give people in all life stages and of all economic means viable choices for safe, stable and affordable homes.
- A multi-modal transportation system safely and reliably connects people and freight with destinations in the region and beyond.
- A resilient region minimizes its contributions to climate change and is prepared for the challenges and opportunities of a changing climate.

Starling said the goals are still open for revision. "At this point, we would like to know, do they work?" she said.

Mayor Terry Schneider of Minnetonka asked when there would be metrics that would allow success (or failure to succeed) to be measured. Starling said that over this summer, drafts of the plan will be developed that include indicators.

Several mayors indicated concern about whether the Metropolitan Council will be, with the plan, attempting to expand its reach, particularly as it pertains to water usage. Others said that it's important that the region begin to work to make sure there are sustainable water resources.

How Transit Decisions are Made

Decisions about where and what kind of transit (if any) to create in the region are made using a process that actively involves those in the potential transit corridor. "Every project needs project champions," said Arlene McCarthy, director of Metropolitan Transportation Services. "If the locals don't want it, it probably won't happen."

The process starts with the identification of potential corridors. In 2008, 29 potential corridors were put on the table. At the corridor level, an Alternatives Analysis (AA) is done to identify and analyze the benefits, costs and impacts of alternative modes and paths. The AA can be led by a local agency or transit

provider; often, it's led by counties. This process was required by the Federal Transit Administration for federal funds, but that requirement recently has been dropped. Still, McCarthy said, the process is a good one that ensures that the locally preferred alternative will be chosen.

The AA process was just completed for a Bottineau corridor that would run from Minneapolis north. In that case, the transit path was selected for light rail.

Although there may be many options for both paths and modes of transit, McCarthy said the analysis of each is expensive, so the process attempts to narrow options before doing the detailed evaluation. Multiple modes on one path may be studied.

All options are evaluated against a no-build option, which simply means continuing whatever transit exists (or doesn't exist) currently on the corridor.

For more information on the process, go to [the presentation](#).

LEGISLATIVE UPDATES

A full reinstatement of the sales tax exemption for cities' purchases is "on the table," said Patty Naumann, Metro Cities <http://www.metrocitiesmn.org>. "We are hopeful," she said, but she warned that everything is in flux—and likely will be until the Legislature's required adjournment on May 20.

She said she's also hopeful about \$80 million for Local Government Aid, but "it's going to be a very fluid week," with conference committees meeting round the clock.

Naumann said this is being seen as "the education session," with much of increased revenue going to all levels of education.

Ethan Fawley of Fresh Energy <http://fresh-energy.org> said the House transportation bill contains no new funding for transit and "the core rumor is that we don't believe there's support in the House for a comprehensive bill." The governor continues to be opposed to an increase in the gas tax to fund transit.

EXECUTIVE DIRECTOR'S REPORT

Housing Summit

The annual Housing Summit on Thursday, June 6, 8-11:30 am, will explore "Housing Choice: an accelerator of regional economic competitiveness." Keynote speakers Arthur (Chris) Nelson, director of the Metropolitan Research Center, City and Metropolitan Planning, University of Utah, and Melina Duggal, senior principal at RCLCO, a real estate expert on mixed use land development, will detail why a full range of housing choices is an essential component of an

economically competitive region. A panel of local experts, led by Steve Cramer, president and executive director of Project for Pride in Living, will focus on the challenges and opportunities in the region.

The event, supported by the McKnight Foundation and the Family Housing Fund, is jointly presented by ULI Minnesota and the Metropolitan Council. It will be at the Bloomington Center for the Arts. Admission is free. Register at <http://housingchoice.eventbrite.com/#>.

Greater MSP Ahead

The Twin Cities region needs a shared vision statement, “a common way we would talk about ourselves,” said Caren Dewar, ULI Minnesota executive director. “Other regions do a much better job of having this common voice.”

To that end, the Greater MSP Ahead initiative has been pulling together a diverse group of public and private leaders to develop a shared vision and then to find ways to achieve it.

There were 265 people at an April 19 meeting, Dewar said. About 100 will meet again on May 31 to further refine the work ahead. The draft vision statement developed is: “The Greater MSP region will be a bold leader in creating healthy communities where people thrive and prosper.”

<http://minnesota.uli.org/uncategorized/greater-msp-ahead/>

Draft priorities for the initiative are:

1. Build a regional identity for the 16-county “competitive unit” of the Twin Cities.
2. Cultivate an ecosystem adept at fostering and commercializing innovation, exporting and entrepreneurship.
3. Promote the retention, creation and attraction of quality jobs.
4. Move net domestic migration to the positive (currently it is negative, although international migration helps the region continue to grow) and grow the workforce.
5. Improve community placemaking, connectivity and resiliency. “What makes people feel attached to their cities?” Dewar asked.
6. Develop resilient infrastructure, eg. transit build-out, roads, bridges, airports, electrical grid, high speed broadband, which connects regional job centers.
7. Conserve and leverage our natural resources as a key regional asset.
8. Address the achievement gap.

A ninth priority, a robust education system, might be added.

Greater MSP Ahead is an initiative of The Greater MSP Partnership a public-private non-profit partnership of business and civic leaders. You can see the initiative materials on ULI MN’s website: <http://minnesota.uli.org/>

Sandra Krebsbach, mayor of Mendota Heights, said the April 19 meeting “was probably the most authentic meeting I’ve been to in years. That day was really a breakthrough.”

Mary Giuliani Stephans, mayor of Woodbury, said the priorities seem to cover everything. “I think we need to do a little more focusing.”

COMING UP

The next RCM meeting will be Monday, July 8; there will be no meeting in June. RCM meetings are held on the second Monday of every month at Dorsey & Whitney.

Mayors are encouraged to email caren.dewar@uli.org with their suggestions for topics to add to the agenda.

ATTENDEES

The following individuals were in attendance on May 13, 2013:

Mayors

Jim Adams	City of Crystal
Bill Droste	City of Rosemount
Jerry Faust	City of St. Anthony
Tom Furlong	City of Chanhassen
Mary Giuliani Stephans	City of Woodbury
Kathi Hemken	City of New Hope
Jim Hovland	City of Edina
Tim Hultmann	City of Long Lake
Marvin Johnson	City of Independence
Elizabeth Kautz	City of Burnsville
Sandra Krebsbach	City of Mendota Heights
Scott Lund	City of Fridley
Mike Maguire	City of Eagan
Sandy Martin	City of Shoreview

Lili McMillan	City of Orono
Tim McNeil	City of Dayton
R.T. Rybak	City of Minneapolis
Terry Schneider	City of Minnetonka
Mark Steffenson	City of Maple Grove
Brad Tabke	City of Shakopee
Nancy Tyra-Lukens	City of Eden Prairie
Ken Willcox	City of Wayzata
Janet Williams	City of Savage
Gene Winstead	City of Bloomington
Scott Zerby	City of Shorewood

Guests

Mark Casey, City of St. Anthony; Matt Clark, US Bank; Frank Dutke, United Properties; Jim Erkel, MCEA; Michael Huber, Blue Cross/Blue Shield Minnesota; James Lehnhoff, Metropolitan Council; Arlene McCarthy, Metropolitan Council; William C. Melton; Patricia Naumann, Metro Cities; Marc Nevinski, City of Coon Rapids; Carolyn Olson, Greater Minnesota Housing Corporation; Guy Peterson, Metropolitan Council; Libby Starling, Metropolitan Council.

Staff

Caren Dewar, Cathy Bennett, Katie Anderson, Aubrey Austin, Linda Picone