



Minnesota Regional Transit  
Board: Records.

**Copyright Notice:**

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit [www.mnhs.org/copyright](http://www.mnhs.org/copyright).



REGIONAL TRANSIT BOARD

270 Metro Square Building  
St. Paul, Minnesota 55101  
612/292-8789

MEETING OF THE REGIONAL TRANSIT BOARD  
Monday, December 16, 1985  
Council Chambers  
4:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. REPORT OF THE POLICY COMMITTEE Todd Lefko,  
Chair
  - a. Metro Mobility Recommendations *amended*
  - b. Regional Transit Board Review of the Metropolitan Development and Investment Framework\* *o ←*
  - c. Review of Final Environmental Impact Statement for Construction of the Minneapolis City Center Phase II in Downtown Minneapolis  
*THAC Advisory Committee*
4. REPORT OF ADMINISTRATION AND FINANCE COMMITTEE Ruth Franklin,  
Chair
  - a. Nicollet Garage\*
  - b. 1985 Budget Adjustments, Resolution No. 85-23
5. OTHER BUSINESS
  - a. Chairman's Report
  - b. Members' Reports
  - c. Staff Reports
6. PUBLIC COMMENT

Elliott Perovich  
Chairman

\* Please bring committee packets to meeting.

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council Chambers  
December 16, 1985

BOARD MEMBERS PRESENT: Elliott Perovich, Chairman; Kenneth Bedeau, Doris Caranicas; Ruth Franklin; Alison Fuhr; Paul Joyce; Edward Kranz; Todd Lefko and Bernard Skrebes

OTHERS PRESENT: Ghaleb Abdul-Rahman, Mary Fitzgerald, Judith McCourt, Julie Opsahl, Randy Rosvold, Mark Ryan, Ed McMenomy and Jerry Brechlin, Regional Transit Board Staff; and Charles Weaver and Larry Wertheim, legal counsel; Arnie Entzel

The meeting was called to order at 4:00 p.m. and roll taken. Skrebes moved approval of the agenda; Fuhr seconded the motion. Motion carried unanimously. Lefko offered a friendly amendment to the agenda, adding the approval of the Transportation Handicapped Advisory Committee. The mover and seconder accepted the amendment. Motion carried unanimously.

REPORT OF THE POLICY COMMITTEE

Lefko referred to his memorandum, dated December 10, 1985, which proposes additions to Recommendation 8 of the staff recommendations dated October 23, 1985. Lefko said we are beginning a process that will continue through the summer and into October 1986, when the final decision for implementation will be made. He said he is proud to be a member of this group; no one has been shy about his or her concerns and people have approached this from a perspective of how to build the highest quality service in the most cost-effective manner. It has not been easy. It is not an issue where there is good and evil. He is impressed with the dedication and commitment of the drivers. One of our major tasks will be to insure the commitment and quality of the service at the same level they have demonstrated. The committee heard from a great many people. This is an issue that touches people as perhaps no other we will deal with and we have heard questions for which we do not yet have complete answers, but we will have those answers before we make a final decision. We have committed that, if major questions and issues of quality of service are outstanding, this board will not act. We will not act unless we have reasoned judgment that a high quality level of service can be provided.

Lefko said the questions and issues raised by committee members have been reflected in the recommendations. The marketing and training programs were added to the proposal because of Joyce's concern for call-ins by the speech-impaired. Bedeau's concern for costs for the low-income users and affirmative action will be seriously dealt with, as will Kranz' concern that the MTC not be shut out of bidding, but that requirements for participation by providers be fair to all. Lefko is convinced that MTC has not only a challenge but an opportunity, if they wish to view it that way, and he encourages their high level of participation.

Lefko moved approval of the recommendations as amended; Caranicas seconded the motion that.

1. The Regional Transit Board directs its staff to develop an implementation plan by June 1, 1986, to propose and organize the specific operational details for implementing the following actions. This plan should be developed in conjunction with the Minnesota Department of Transportation, the Metropolitan Transit Commission, and reviewed by the RTB Transportation Handicapped Advisory Committee. This implementation plan should contain a comprehensive monitoring and evaluation element so that improvements in Metro Mobility service can be monitored by the board on a regular basis. A draft timetable and outline of tasks necessary to accomplish this effort follows.
2. Beginning in October 1986, the Metro Mobility program should be reorganized to operate on a modified user-side subsidy basis, as described by Option X in the staff memo dated October 23, 1985. This option promises the greatest travel benefits for users, while at the same time, presents the greatest opportunity to reduce per trip costs. The modified user-side subsidy arrangement would allow users to contact providers directly to arrange for their ride requests. All qualified providers would be able to participate in the program and the Metro Mobility Transportation Center would monitor trip requests. Competition among providers promises cost savings as well as increases in service quality.

It is further recommended that the Metro Mobility Transportation Center be retained to certify eligible users, monitor daily performance of providers, provide computer facilities and deal with consumer concerns. The Transportation Center should continue to be operated by the Metropolitan Transit Commission. Additionally, it is recommended that a consumer liaison be added to the Transportation Center staff to assist users with trip plans and concerns.

3. The Regional Transit Board should pursue dialogue with social service agencies to determine how the needs of their clients can best be met and what level of financial support they can provide to support their clients using Metro Mobility service. The best way to provide large group trips should also be a key agenda item of this discussion.
4. A monitoring system should be established by the Transportation Center to adequately measure the quality of service to assist in the identification of additional and necessary ongoing service improvements. Information relating to consumer satisfaction and service performance should also be used to evaluate service on an ongoing basis.

5. Metro Mobility service should be expanded throughout the transit taxing district with the savings realized from this restructuring effort. Expansion should take place in a staged manner as funding permits. The RTB should work toward ensuring transportation services for elderly and handicapped persons throughout the seven-county area, emphasizing coordination with existing community providers.
6. Using the Service Needs Assessment as a starting point, the Regional Transit Board should conduct a review of county transportation programs to evaluate service quality and adequacy. Once these evaluation efforts are completed, agreement on the type and extent of coordination with Metro Mobility should be outlined.
7. The RTB should similarly begin discussions with other providers of transportation for handicapped persons to determine the level and type of coordination required to best meet the needs of the disabled community. An effort to define the appropriate role of these providers in relation to the Metro Mobility program should be a key element of these discussions.
8. Based on the forthcoming results of the Metro Mobility user survey and a refined monitoring system, attention should be focused on finding solutions to deal with issues related to quality of service and user satisfaction. Attention should be focused on user concerns expressed at public meetings.

- confirmation of ride requests in a timely manner;
- inconvenient call-in requirements;
- late pick-ups;
- prohibition on additional standing orders;
- limited weekend hours;
- developing of a marketing plan to ensure that riders are knowledgeable of changes to Metro Mobility service;
- transfers, if necessary, will be scheduled and made with the greatest ease to both users and providers;
- as part of the implementation plan, staff shall determine the transitional costs associated with the changeover;
- the RTB is committed to working with community groups throughout the development of the implementation plan;
- investigating the standardization of service hours throughout the entire service area in the development of the implementation plan;
- addressing the concerns of service quality during the development of standards for Metro Mobility providers, including:

- driver training
- staff competency
- vehicle specifications
- provision for backup service
- order-taking capacity and quality
- confirmation of rides in a timely manner
- timely arrivals and departures

9. The Regional Transit Board should consider Metro Mobility fares as one of the issues to address as part of its overall consideration of fare policies later this year. The following general guidelines should be considered in this discussion. Metro Mobility fares should be established at an affordable rate, easy to understand, but should be greater than fares charged to users of regular route transit service to improve the revenue to cost ratio. Fares should be designed to create a disincentive for long trips. A hardship policy should be established for those unable to pay the established fare. Discussion about premium fares for standing orders or longer trips should also take place to determine impacts on revenue recovery and service provision.

Skrebes cautioned the board that it will be difficult to acquire increased funding and it must make a determined effort to ensure that expenditures are cost-effective. He is concerned that private providers will come in higher every year. The chairman said that can be controlled the the process of setting zones and maximum fares that can be charged in each area. The board will control the subsidy of the fare and will have full control. Drivers must be trained and that cost will go into the system.

Lefko said another factor is discussed in Item 4 on page 14 of the staff report. The amount and kind of information people had in the past was not adequate to check on trends. The monitoring system will help define the relationship between service and cost.

Caranicas said staff has been directed to develop an implementation plan in cooperation with the Minnesota Department of Transportation and the Metropolitan Transit Commission. She views this document as beginning development of improvement in Metro Mobility.

Joyce said he had concerns earlier that have been resolved, but the board has to choose to do something with the system or do nothing. The funds are shrinking and the system will collapse if something is not done.

Lefko said he met on Saturday, December 14, with the Transit Access Coaliton. All the drivers will have jobs. People are worried about the role of MTC and the idea that they have to bid. Because of their service, if they can agree with the union, they will have an opportunity to examine their operations and continue to enjoy strong support in the community.

Arnie Entzel said that from public testimony at four or five meetings, in overwhelming numbers, indications are that people want to keep the service in general as it is now. Only at the last meeting did people speak in favor of what was suggested here. If that has weight, he would like to consider that.

Vote was taken; the motion carried unanimously.

REGIONAL TRANSIT BOARD REVIEW OF THE METROPOLITAN DEVELOPMENT AND INVESTMENT  
FRAMEWORK

Lefko reviewed the committee report dated December 16, 1985, and moved:

That the Regional Transit Board submit the comments contained within the memorandum on the Metropolitan Development and Investment Framework to the Metropolitan Council for their consideration.

Fuhr seconded the motion. The motion carried unanimously.

REVIEW OF FINAL ENVIRONMENTAL IMPACT STATEMENT FOR CONSTRUCTION OF THE  
MINNEAPOLIS CITY CENTER, PHASE II, IN DOWNTOWN MINNEAPOLIS

Lefko reviewed the committee report dated December 16, 1985, and moved:

That the Regional Transit Board find the Minneapolis City Center Phase II Final Environmental Impact Statement consistent with the Regional Transit Board's Interim Implementation Plan, but expresses its concern that three important transit elements of the project are addressed. These are the reestablishment of a bus stop and shelter on Marquette between Sixth and Seventh Streets, the capacity of the transit system to accommodate the projected transit riders, and the developer's commitment to the transit and rideshare program, including the priority parking for rideshare vehicles.

Caranicas seconded the motion.

The chairman said the board has a number of concerns that should be discussed at a joint meeting of the Regional Transit Board, Metropolitan Council and Metropolitan Transit Commission. Abdul-Rahman said the council is doing a transportation study of Downtown Minneapolis. When the report is published the RTB will review it and will be heavily involved in the evaluation of downtown transit service.

Vote was taken; the motion carried unanimously.

TRANSPORTATION HANDICAPPED ADVISORY COMMITTEE

Lefko reviewed the committee report dated December 16, 1985, and moved:

That the Regional Transit Board approve each board member's appointees to the Transportation Handicapped Advisory Committee. It is further recommended that two-year terms be established for the committee members with the at-large and District A, B, C and D terms initially expiring in January 1987, and appointments from Districts E, F, G and H initially expiring in January 1989.

Fuhr seconded the motion. The motion carried unanimously.

## REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

### NICOLLET GARAGE

Chair Franklin reviewed the committee report dated December 16 and moved:

That the Regional Transit Board temporarily delay action on the Nicollet Garage project with the understanding that, when further analysis of the alternatives is complete and the Metropolitan Transit Commission takes action on the Nicollet project, the Regional Transit Board will act expeditiously in considering an amendment to the Metropolitan Transit Commission's capital budget.

Joyce seconded the motion. The motion carried unanimously.

### 1985 BUDGET ADJUSTMENTS, RESOLUTION NO. 85-23

Chair Franklin reviewed the action taken by the committee and moved approval of Resolution 85-23. Joyce seconded the motion. Roll call vote was taken; the motion carried unanimously.

### OTHER BUSINESS

#### CHAIRMAN'S REPORT

The chairman reported that the bylaws require that the board officers be elected at the first meeting in January each year. He asked the board for requests and recommendations.

The chairman reported on the recent legislative hearings on outstate transit programs, transit subsidy and Metropolitan Transit Commission contracts. The Semi-States Committee will hold hearings next week. He made a trip to southwest Minnesota to visit three outstate legislators who are interested in transit. That series of trips is completed. Approximately 29 legislators were visited. The chairman met today with Senator Ramstad, who is very interested in Metro Mobility. Caranicas commended the chairman on his activities; from the board's perspective, the trips were valuable.

There will be an executive session of the board after the regular meeting on January 6 to discuss salary and fringe benefits for staff. By January 27 the benefit package will be ready for board action so salary adjustments can be made.

#### MEMBERS REPORTS

The annual Christmas party, organized by Alison Fuhr, will be tentatively scheduled for January 25.

Kranz said, with regard to changes to Metro Mobility, he would like to see MTC's involvement encouraged in the planning process and would like to see board involvement as well. Lefko said there should be a half-day session for the board to talk about the modifications.

PUBLIC COMMENT

Ruth B. Steele said that trying to get a Metro Mobility ride is very difficult. People are kept on hold for a long time and sometimes disconnected. Lefko said the committee heard repeatedly that there should be more people taking the calls. Tim Anthony said there should be a phone answering service to print out the information instead of waiting for an operator. He also recommended a 24-hour service for people with severe problems who need to visit doctors frequently. There should be 24-hour phone service for emergency cases and Medi-cab should be considered.

Franklin moved that the meeting be adjourned; Caranicas seconded the motion. Vote was taken; meeting adjourned.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD  
ROLL CALL AND ATTENDANCE SHEET

DATE: RTB - 12/16/85

BOARD OR COMMITTEE \_\_\_\_\_

85-123

MEMBER NAME	PRESENT	VOTE	VOTE	VOTE	VOTE
Chairman	✓	✓			
Kenneth Bedeau	✓	✓			
Doris Caranicas	✓	✓			
Ruth Franklin	✓	✓			
Alison Fuhr	✓	✓			
Paul Joyce	✓	✓			
Edward Kranz	eh	✓			
Todd Lefko	✓	✓			
Bernard Skrebes	✓	✓			

ROUTING SLIP

<input type="checkbox"/> READ	<input type="checkbox"/> FORWARD
<input type="checkbox"/> HANDLE	<input type="checkbox"/> RETURN
<input type="checkbox"/> APPROVE	<input type="checkbox"/> KEEP OR FILE
<input type="checkbox"/> REVIEW WITH ME	<input type="checkbox"/> OR DISCARD

FROM:

Perovich	<input checked="" type="checkbox"/>
Abdul-Rahman	<input checked="" type="checkbox"/>
Brechlin	<input type="checkbox"/>
Ecker	<input type="checkbox"/>
Fish	<input type="checkbox"/>
Fitzgerald	<input checked="" type="checkbox"/>
Grant	<input type="checkbox"/>
Hinze	<input type="checkbox"/>
Hollander	<input type="checkbox"/>
Johnson	<input type="checkbox"/>
Kuehn	<input type="checkbox"/>
McCourt	<input type="checkbox"/>
Opshal	<input checked="" type="checkbox"/>
Rosvold	<input checked="" type="checkbox"/>
Ryan	<input checked="" type="checkbox"/>
Smothers	<input type="checkbox"/>
Turnbull	<input type="checkbox"/>
File	<input type="checkbox"/>

EA.

REGIONAL TRANSIT BOARD

270 Metro Square Building, St. Paul, Minnesota 55101

Minutes of the Meeting of the  
REGIONAL TRANSIT BOARD  
Metropolitan Council Chambers  
December 2, 1985

BOARD MEMBERS PRESENT: Elliott Perovich, Chairman; Kenneth Bedeau, Doris Caranicas; Ruth Franklin; Alison Fuhr; Paul Joyce; Edward Kranz; Todd Lefko and Bernard Skrebes

OTHERS PRESENT: Ghaleb Abdul-Rahman, Judy Hollander, Elba Zuniga, Bob Dietrick, and Mary Fitzgerald, Regional Transit Board; Natalio Diaz and Robert Davis, Metropolitan Council; Greg Andrews, Metropolitan Transit Commission (MTC); Larry Wertheim, Holmes and Graven

The meeting was called to order at 4:00 p.m. and roll taken. Skrebes moved approval of the agenda; Caranicas seconded the motion. Motion carried unanimously. (Kranz not present.)

Lefko moved that the minutes of the November 18, 1985, meeting be amended to reflect Arnie Entzel's remarks on the Metro Mobility project. Entzel had disagreed with the staff recommendations. Skrebes moved that the minutes of the meeting of November 4 and the minutes, as amended, of the November 18, 1985, meeting be approved; Caranicas seconded the motion. Motion carried unanimously. (Kranz not present.)

PRESENTATION ON METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK (MDIF)

Davis distributed a handout highlighting major aspects of the MDIF and used maps to illustrate the Metropolitan Urban and Rural Service Area up to the year 2000. The Metropolitan Council will use its regional forecasts to develop all regional plans and programs and to make investments. It will monitor variations between forecasts and development to determine where planning changes are needed to achieve regional goals and investments. Regional investments directed by the Council will provide urban-type services only to people in the urban service area, which will be the area open for urban development until the year 2000. Franklin expressed concern about the impact on future growth potential for smaller communities; only part of Brooklyn Park is included in the urban service area. Davis said the Council had decided it did not have facts or figures to indicate that will be a new region to start up and has no reason to promote it. It will concentrate its efforts on highway and transit for those areas where investment merits service. (Kranz arrived.) The Council welcomes comment.

Franklin said she would take issue with the philosophy and the expectation that the potential for growth has gone south rather than north. The Council is writing off the northern part of the Metropolitan Area for future expansion, which is unfair and not in keeping with potential plans for light rail transit. It has been proven that development follows transportation and light rail. Perovich agreed. In response to Lefko's remarks, Davis said the Council is concerned about where growth will go in the next 20 years. This is an

attempt to set priorities within the MUSA, where the greatest private and public investment is at present. Franklin asked if communities outside the MUSA line will be taxed at a lower rate. Davis said it is based on their staging and their comprehensive plans. The whole MUSA area is smaller. Franklin said it will affect planning for transit.

Lefko asked what this will mean in terms of playing it out in transit investment. Davis said the focus is primarily on the two CBDs, which have had the greatest investment. Another area for transit and paratransit effort should be fully developed areas that are 85-percent developed. Then the remaining planning should be done inside the urban service area in freestanding growth centers in concert with the comprehensive planning. Lefko said there is a good chance some investments will be around the fringes and there may be a high use of paratransit. There should be clear understanding early on that the RTB will attempt to ensure that local governments are planning their investment in terms of transit. Perovich said there is growth and investment in areas like Coon Rapids and Anoka and they are not reaping the benefits. Davis said the plans will include this information, determine needs and develop financial plans. Perovich said it is the responsibility of the RTB to determine where transit goes. Davis said that is not the intent; the framework always looks ahead 20 years and attempts to provide direction in these policy areas. Caranicas said it appears that this depends on comprehensive plans from the communities. If those are changed, the map will also change. Davis said the map looks at the year 2000 with a five-year excess supply.

In response to Skrebes' remarks, Davis said economics are now being thrust into this process. If it is decided that a new airport should be built, the Council will have to propose to amend the framework to add to the MUSA and connect new areas to the metro systems. Lefko said if movement is away from the subregions, that will affect how we do our planning and raises questions about what we are doing. We may need to talk internally about this. It is good to come out of these discussions with a clear understanding of where levels of planning should be. There should be a clear understanding of what the words and concepts mean before we get into it. Davis reviewed the process leading to public hearings in February. Hollander said it will be discussed at committee and come to the board for action on December 16. Davis said the RTB will have to deal with needs and adequacy.

Davis said the framework says light rail transit decisions should focus on serving the two downtowns, but the board may decide there is more need to put corridors to outside areas because of whatever justifies the configurations. Fuhr asked if more emphasis on transit could be included. Davis said this should be worked out through the transportation planning process.

#### CONSENT LIST

Lefko moved approval of the consent list dated November 26, 1985; Franklin seconded the motion. Motion carried unanimously.

#### REPORT OF THE POLICY COMMITTEE

Committee Chair Lefko said there will be another public meeting on the Metro Mobility recommendations on December 4 with board action expected on December 16, 1985.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

1985 AUDITOR SELECTION

Committee Chair Franklin reviewed the committee report dated November 26, 1985, and moved:

That the Regional Transit Board approve the firm of Deloitte Haskins and Sells for the 1985 Annual Financial Audit at an annual fee not to exceed \$6,600, including out-of-pocket expenses.

Kranz seconded the motion; motion carried unanimously.

ACCOUNTING PROCEDURE STATEMENTS

Committee Chair Franklin reviewed the committee report dated November 26, 1985 and moved:

That the Regional Transit Board approve the following administrative policy and procedures statements:

Petty Cash Fund  
Capital Expenditure Requests  
Rent and Lease Agreements  
Accounting for Fixed Assets  
Property and Fixed Asset Disposal

Joyce seconded the motion; motion carried unanimously.

DEPOSITORY COLLATERAL APPROVAL

Committee Chair Franklin reviewed the committee report dated November 26, 1985 and moved:

That the Regional Transit Board approve the depository collateral pledged and the place of safekeeping as shown on the statement of investments, escrow and pledged depository collateral.

Joyce seconded the motion; motion carried unanimously.

1986 REGIONAL TRANSIT BUDGETS APPROVAL, RESOLUTION NO. 85-22

Committee Chair Franklin reviewed the committee report dated November 26, 1985, and explained that the Metropolitan Transit Commission is preparing information and a cover letter regarding the proposed Nicollet Garage. They will present it to the committee at its meeting of December 12. The committee has recommended that the project be eliminated from the budget. The board can act on the Nicollet Garage item at its meeting of December 16, 1985. Abdul-Rahman said MTC will recommend two sites, one near the Heywood facility and the other

at Hiawatha. Staff has asked for more analysis. Development of the existing site has been ruled out. Franklin directed staff to amend the title throughout the documents to "Metropolitan Transit Commission 1986 Budget" rather than "Twin Cities Metropolitan Transit Commission 1986 Budget." She moved:

That the Regional Transit Board adopt Resolution 85-22, granting final approval, in the total amounts detailed therein, to the Regional Transit Board 1986 Work Program and Budget and the Metropolitan Transit Commission 1986 Budget.

Joyce seconded the motion and a roll call vote was taken. Motion carried unanimously.

#### DISADVANTAGED BUSINESS ENTERPRISE/WOMEN'S BUSINESS ENTERPRISE (DBE/WBE) PLAN

Committee Chair Franklin reviewed the committee report dated November 26, 1985, and moved:

That the Regional Transit Board approve the Disadvantaged Business Enterprise/Women's Business Enterprise (DBE/WBE) Plan.

Skrebes seconded the motion; motion carried unanimously.

Franklin noted that the next meeting of the committee will be December 12, 1985.

#### OTHER BUSINESS

##### CHAIRMAN'S REPORT

Chairman Perovich reported on the UMTA-sponsored conference on public and private partnerships that he and Katherine Turnbull attended in Orlando. Ralph Stanley told the attendees that UMTA has a new policy that five-percent regular route transit must be put out for bids and that percentage will increase by five-percent every year. The penalty will be loss of capital grant money. There was disappointment that the british put service out for bids and most of it is back with public providers. However, they have achieved savings because the public sector has become more cost-conscious. Joel Ettinger thinks that the Twin Cities Metropolitan Area is a prime area to put this into effect and UMTA will support the effort to get something going. We have written to them expressing our interest. The key is to try to maximize the percentage of subsidy that gets to the user.

##### MEMBERS' REPORTS

Fuhr discussed her memorandum regarding spreading the word about transit throughout the Metropolitan Area because we need to develop a constituency. Lefko said it is worthwhile to build advocacy for transit but the board must be perceived to be dispassionate. If the board is seen as only promoting light rail transit, the Legislature will question its role. When the Service Needs Assessment is completed the board must evaluate various systems. Thought might be given to building advocacy groups that are related but not a part of the board.

Joyce said this is a policy body. It made a decision with regard to proceeding with preliminary engineering. Some people were disappointed with the actions of the Legislature, but the board must be careful not to cross the line. Fuhr said she is very conscious of that. The purpose of the group she suggested is to develop private involvement. The chairman agreed with Lefko and Joyce that by becoming associated with that kind of group we would become advocates by default. An advocacy for transit in general must be developed. Lefko said the question of a strategy for better transit was raised. The board should discuss how to become more effective.

Abdul-Rahman reviewed the schedule of meetings for the coming weeks. There being no further business, Lefko moved to adjourn. Joyce seconded the motion. Motion carried unanimously. The meeting adjourned at 6:00 p.m.

Respectfully submitted,

Mary Fitzgerald  
Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 10, 1985  
TO: Members of the Regional Transit Board  
FROM: Todd Lefko, Policy Committee Chair  
SUBJECT: Metro Mobility Recommendations

A number of important issues have been raised during testimony on changes in Metro Mobility. Many of these sought to insure that the RTB carefully consider the impact of any decision. I am recommending that many of these issues be included within our work plan for examination before the implementation plan is finalized in June 1986. Inclusion of these issues would clarify for the community our desire to have a carefully developed plan and operation before change is adopted.

Since the issue is so major and since many of the Board members participated in the hearings, it seemed logical to bring this matter to the Board for action on the 16th without committee action. I plan to move the staff recommendation, with the following additions to recommendation 8, on page 14 of the October 23, 1985, document. These additions to recommendation 8 would include:

1. The development of a marketing plan to ensure that riders are knowledgeable of changes to Metro Mobility service.
2. Transfers, if necessary, will be scheduled and made with the greatest ease to both users and providers.
3. As part of the implementation plan, staff shall determine the transitional costs associated with the changeover.
4. The RTB is committed to working with community groups throughout the development of the implementation plan.
5. Investigating the standardization of service hours throughout the entire service area in the development of the implementation plan.

Page 2  
December 10, 1985

6. Addressing the concerns of service quality during the development of standards for Metro Mobility providers, including:

- A. Driver Training
- B. Staff Competency
- C. Vehicle Specifications
- D. Provision for Backup Service
- E. Order-Taking Capacity and Quality
- F. Confirmation of Rides in a Timely Manner
- G. Timely Arrivals and Departures

If you have any comments, please let me know. We have spent one year on the development of a recommendation and have worked closely with the public. I believe we can build an outstanding system and continue the excellent planning and discussion we have developed. See you next Monday.

MR:jmo

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: October 23, 1985  
TO: Policy Committee  
FROM: Judith Hollander, Director of Planning and Programs *JH*  
SUBJECT: Staff Recommendations for Improving Metro Mobility Service

ACTION REQUESTED:

It is requested that the Regional Transit Board approve the staff recommendations outlined in this memorandum for improving Metro Mobility service.

BACKGROUND:

Since the inception of Metro Mobility in 1979, ridership, service area, number of providers and total cost of the system have all grown dramatically. Total monthly ridership has more than doubled between 1979 and 1984 and the annual costs have increased over 200 percent during the same period. The system continues to grow, and in the past year, ridership has increased by 18%. The system is at or near capacity and yet new requests for certification continue at the average rate of 300 per month.

As a result of capacity and budget constraints, service quality and availability have declined. The Urban Institute, a consultant to the Minnesota Department of Transportation (Mn/DOT), noted in their evaluation report,

As capacity is reached by the Metro Mobility Transportation Center, Project Mobility, or the other providers, users will face longer waits on the telephone, longer waits for vehicles, and longer riding times. More requests for occasional service will continue to be declined, and virtually all requests for regular service will continue to be denied. Without more system capacity, the outer suburban communities within the metropolitan area cannot be served without degrading the existing service quality.

In an attempt to identify the steps necessary to increase the amount of service and improve cost-effectiveness of the service, Mn/DOT initiated a comprehensive evaluation of the Metro Mobility program in late 1983.

The Urban Institute, retained by Mn/DOT as the consultant to the project, completed its evaluation of the Metro Mobility program, and developed recommendations for actions to be taken to improve service. Mn/DOT took no action on these recommendations, considering that the Regional Transit Board would soon be assuming responsibility for the Metro Mobility program.

The Regional Transit Board, given the responsibility for administering Metro Mobility service in its enabling legislation, began its review of the Metro Mobility program in December, 1984. Starting with the Mn/DOT evaluation report, the RTB has reviewed the Metro Mobility program in a comprehensive manner. Twelve meetings have been held, including four meetings where over 50 Metro Mobility users or their representatives presented testimony about their experiences with the service. Information presented to board members about the service included statistical data about users, federal and state regulations affecting operation of the service, and descriptions of non-Metro Mobility county and coordination programs serving elderly and handicapped persons.

Now that this comprehensive presentation of information has been completed, a review of options to improve the quality and cost-effectiveness of Metro Mobility can occur. Five service options, including the three options proposed by the Urban Institute, and two other options developed locally, are evaluated in this memorandum to show how service quality and cost-effectiveness may be improved by modifying different elements of the Metro Mobility service delivery structure. These five options are:

- o Option A: Improvements to Current Service
- o Option B: Centralized Management System
- o Option C: User-Side Subsidy System
- o Option X: Modified User-Side Subsidy System
- o Option Y: Improvements to Current System with Competitive Component

A general discussion continues about how these different options would impact the resolution of the following major Metro Mobility issues identified by the RTB in their discussions about the program:

- o Ridership/Certification Increases
- o Service Area
- o Reliability/Responsiveness
- o Fares
- o Centralization vs. Decentralization of Metro Mobility Management
- o Social Service Agency Financial Involvement
- o Interface with Other Providers
- o Rising Operating Costs
- o Rationing Limited Service

Finally, the report is concluded with staff findings and recommendations for future action.

#### ISSUES:

During the RTB's extensive review of Metro Mobility, many different kinds of issues were raised by individuals and groups involved with either using or providing Metro Mobility service. Because the concerns raised vary greatly both in terms of scope and substance. In order to summarize these key concerns, ten major issues have been identified by RTB for purposes of this discussion.

## 1. Ridership/Certification Increases

### Issue:

The Metro Mobility system is at or near capacity and is not able to meet all existing demands for service or is service expansion possible.

### Discussion:

Metro Mobility has experienced a significant increase in ridership demand, particularly during the latter part of 1984. In 1983, Metro Mobility provided 412,400 trips. Total ridership for 1984 was 486,800 trips, an increase of 18%. Even though the system is at or near capacity, requests for certification continue at the average rate of 300 per month. Over 11,000 persons are currently certified to use Metro Mobility service.

Ridership on Metro Mobility has increased not only because of the growth in certification but also because increases in productivity have expanded the system's capability to provide more trips. However, when ridership demands exceed the ability of the system to respond effectively, service quality declines. For example, demand for trips exceed capacity during peak periods for lift-equipped service, resulting in significant number of trip denials and non-availability of standing orders. In an effort to accommodate as many trips as possible, routing may sometimes be circuitous and trips overly time consuming. The Urban Institute suggests that ridership will grow as a function of service quality and system capacity, and that increasing the system's efficiency will expand capacity and promote quality and growth. Conversely, the Institute expresses the concern that lack of MTC cost control over Project Mobility will reduce capacity and threaten quality and growth. They suggest that ways to control cost include competitive bidding, negotiated contracts with providers and/or daily competition among providers operating in a user-side subsidy system.

Ridership could be controlled, if necessary, by tightening eligibility criteria, prioritizing trips, tying fares to trip distances and/or limiting the number of trips taken by an individual within a certain time period.

## 2. Service Area

### Issue:

Portions of the Metropolitan Area are not served by Metro Mobility or by any other provider of transportation services for elderly and disabled persons. Numerous groups and individuals have requested service expansion into these areas.

### Discussion:

Nearly unanimous agreement can be reached that there is a need to expand transportation services for elderly and handicapped persons beyond the existing Metro Mobility service area boundaries throughout the entire transit area. However, how that expansion would take place and be coordinated with other service providers has not been resolved.

The Metro Mobility Management Policy Committee (MPC) has held the position over the past few years that expansion should not occur unless additional funding is allocated for the project so as not to "dilute" service in the existing service area. Although this remains a concern, support now seems to be building for service expansion that would be "financed" through the savings expected to be achieved as a result of changes to be made to the existing service. The ability to expand service, given this approach, then becomes a function of the level of savings achieved by reorganizing the existing program.

One option to help alleviate the concerns about expanding Metro Mobility service, is that coordination with non-Metro Mobility providers in outlying areas could be used to facilitate service expansion. Coordination can take place in a variety of ways including, for example, transfer privileges between providers, shared vehicles and facilities, and agreement among providers to serve different market segments.

### 3. Reliability/Responsiveness

#### Issue:

Many users have testified that Metro Mobility is not always reliable or responsive to their travel needs.

#### Discussion:

Individuals who depend on Metro Mobility transportation have testified about a variety of concerns related to service quality and reliability. Clearly, the inability to arrange a ride because system capacity has been reached is a key concern for users. Trip denials, last minute cancellations, vehicle breakdowns, busy phone lines at the Transportation Center, inconvenient advance call-ahead requirements, etc., are also a few of the problems identified by users. These concerns are frequently expressed by users, although it is difficult to access the magnitude or frequency of these problems because little information has been collected about consumer satisfaction and limited data has been collected regarding service performance details.

Establishing an improved monitoring system that would enable providers and managers of Metro Mobility to better monitor how well the needs of the users are being met is strongly supported by all groups. On-time performance, duration of trip, ride comfort, etc., are examples of data that could be collected to provide a better gauge of system performance. The MTC has already begun to collect information about consumer satisfaction through a survey of Metro Mobility users. This information will soon be available.

Deciding which service delivery option will best improve the quality of service, on the other hand is more difficult to assess. As mentioned earlier, under the existing system, quality is determined by the performance of both the Center and the provider. In a brokerage situation,

quality will vary according to service area; it is hoped that service monitoring will allow the Transportation Center to identify and deal with poor providers. Under a user-side subsidy scheme, quality is expected to be a key in whether users select certain providers.

When the element of competition is introduced, it has been argued that service responsiveness to users will increase as providers attempt to attract users to their service under a user-side subsidy arrangement, or when providers are competing with one another to secure service contracts.

Users have also stated that they felt the Transportation Center is not always responsive to their needs. For several years, the Transportation Center had employed a consumer liaison to deal with user concerns. This position was eliminated during a period of budget cutbacks. Several individuals testified before the RTB that they think that this position is necessary to deal adequately with consumer complaints and suggestions about service.

#### 4. Fares

##### Issues:

Metro Mobility fares are not related to the length or quality of the trip, nor do they reflect the actual cost of service.

##### Discussion:

Metro Mobility fares are identical for long or short trips and for standing orders or demand orders. Fares account for only about six percent of the total operating costs. In addition, fares are not related to a person's ability to pay.

The Urban Institute has recommended that higher fares be charged to reflect the higher costs of longer trips and to account for the different quality of service compared to regular fixed route bus service. Furthermore, they suggest that fare policies should be considered to minimize the need for implementing other kinds of trip-making restrictions such as trip prioritization or trip rationing. Reaction to these recommendations have been mixed.

Several individuals and groups have shown support for increasing fares provided that a hardship allowance was provided for those unable to pay the fare. The Metro Mobility MPC and ATF, for example, have stated that, "the basic fare should be increased with additional fare required for longer trips and standing orders. A reduced fare should be set for hardship cases..."

Objections have also been raised with regard to increasing fares both generally and in the manner recommended by the Urban Institute. The State Council for the Handicapped has strongly indicated that fares should not exceed those charged on regular route transit service. The MTC expressed a concern that tying fares to trip distance will greatly complicate the fare structure and thus it may be better to charge a single fare.

The determination of fares is not necessarily linked to the selection of a particular service delivery option, although some have suggested that premium fares should be charged for standing orders, longer trips, special group loads, etc., to reflect any choice services that are offered as part of any option.

#### 5. Social Service Agency Financial Involvement

##### Issue:

Many agencies operating day activity centers, sheltered workshops and other programs for disabled persons, have shifted the transportation of clients to Metro Mobility. A minimum of 40 percent of all standing orders and 16 percent of total Metro Mobility trips are for this purpose. Currently, agencies may pay the passenger fare, but none contribute to the actual cost of the service.

##### Discussion:

The evaluation consultant has recommended that efforts should be made to obtain financial commitments by social service agencies for their client-related travel. The MPC and ATF support this position as does the State Council for the Handicapped.

There are others, however, who are concerned about instituting this practice. The MTC raises the question whether or not client rides to subsidizing agencies would be guaranteed, thus in effect creating a priority for subsidized trips and also suggests that administration may be burdensome. Others have raised the broader question as to whether or not social service agencies have sufficient funds to participate in the recommended manner and how credit would be given for other sources of funding.

In Portland, Pittsburgh and Lancaster, efforts to obtain social service agency financial involvement have been quite successful, especially when incentives such as fare discounts and premium service are offered.

As with fares, the determination of a policy regarding social service agency involvement is not necessarily linked to a particular service delivery option.

#### 6. Interface with Other Providers

##### Issue:

There are a number of existing providers in the Metropolitan Area, including those social service agencies participating in the three coordinated programs, as well as state subsidized projects in Anoka, Carver, Dakota, Scott and Washington counties. Service parameters for these systems vary significantly. The question of how to interface with other providers will become an increasingly important issue if Metro Mobility expansion occurs.

Discussion:

Many of the non-Metro Mobility providers offering transportation service to the elderly and handicapped want to maintain local community and county government control. While program operators have expressed an interest in improving coordination between Metro Mobility and their individual programs, the nature of this "improved coordination" has been difficult to define; i.e., would transfers between systems be allowed, could vehicles and facilities be shared, should more than one provider serve a certain clientele, etc.

Currently the five county programs provide a significant local share (between 10 and 17% of total operating costs) and enjoy having the control associated with participating financially. They are concerned that increased coordination with metro Mobility will mean that they will lose the ability to define their programs to meet local needs. Furthermore, concern has been expressed that competitive bidding or allowing many providers to operate service as part of a user-side subsidy scheme would threaten the continued existence of the county providers.

7. Rising Operating Costs

Issue:

Except in the case of Morley Bus Company, providers have not been selected on a competitive basis. In the absence of competition, there has not always been the incentive to conserve costs or improve quality or productivity. Project Mobility, operated by the MTC, receives approximately fifty-four percent of the total budget. Operating costs for Project Mobility has increased about ten percent annually. If this rate continues, Project Mobility operating costs will grow to over 60 percent higher than the current budget. If the increases average only about 7 percent per year, then total costs will go up about 40%. In contrast, taxi rates have remained stable for the last three years and Morley Bus Company continues to provide service at its original 1982 rate.

Discussion:

The Urban Institute argues that,

The general assumption has been in order to expand system capacity and serve more users or expand the service area, more funding is required. Without real competitive pressures to both increase provider and control center productivity, this assumption is realistic. As long as annual contracts guarantee payments, regardless of the actual performance, these managers, driver (sic), and other employees will have no true incentives to serve more travelers at less cost.

Competitive bidding is expected to result in reduced costs and improved service quality which can be utilized regardless of the delivery structure. Under a centralized management scenario, providers could be

selected on an annual or biennial basis and the Center would exert competitive pressures on all providers to maintain service quality. Under a user-side subsidy option, competition would take place with every trip requested since users would choose providers and select others if quality deteriorates.

Reports of competitive bidding by other systems have indicated positive results. In 1980, Portland decided to switch from transit agency provision of special bus service to contract with non-profit organizations and taxi operators. It has been reported by the Urban Institute that the drivers' union did react strongly and some users were upset about losing familiar drivers but the transition to a less costly service did take place.

A second option to consider in place of competitive bidding, although perhaps not as effective, is the possibility of periodically negotiating contracts with providers in an effort to encourage them to reduce their costs.

#### 8. Centralization vs. Decentralization of Metro Mobility Management

##### Issue:

The centralized structure of Metro Mobility offers users a high level of personal travel assistance although it adds significantly to the costs of the program. Decentralized dispatching appears to be more cost effective, although major responsibilities for arranging travel shifts to the user. The per trip cost for services provided by the Center, including certification and project administration, is approximately two dollars. The Urban Institute study has indicated that in 1983, it would have been less expensive to pay each taxi rider's exclusive fare than to use Center resources for setting up tours, and that the call-taking and tour-building functions of the Transportation Center could probably be more cost effectively integrated into the operations of individual providers.

##### Discussion:

The basis for centralized dispatching and scheduling functions at the Transportation Center is to increase the productivity of Metro Mobility service. However, as indicated above, it appears that it would be more cost-effective to have paid every taxi rider's exclusive fare than expend dollars to set up taxi tours. Furthermore, it has been suggested that because the Transportation Center receives trip requests, allocates trip requests to providers and creates vehicle tours, many quality aspects are more dependent on how the Center performs than how the individual providers perform and thus, it is argued that through decentralization, quality would improve.

On the other hand, others are concerned that many users require a high level of service and will experience difficulty if the providers they call directly are not able to give them the necessary help with their travel arrangements. Many users have advocated for the decentralized approach. The Metro Mobility Management Policy Committee (MPC), for example, has recommended that the Transportation Center be retained only as an

administrative unit, and that users should make ride reservations directly with the provider. The Transportation Center provides a variety of services ranging from certifying eligible users to dispatching vehicles. Regardless of the level of certification, many of these functions will continue to be necessary.

## 9. Rationing Limited Service

### Issue:

Because Metro Mobility must operate within an established budget, the possibility exists that the demand for service will at times exceed available resources. At issue is how to ration limited service fairly among users.

### Discussion:

A variety of options for rationing trips, should it become necessary, exist. These include prioritization by means such as trip purpose or number of trips. No explicit trip restrictions are currently imposed upon Metro Mobility users. Users appear to strongly object to prioritization by trip purpose or by limiting the number of trips, as indicated by the Metro Mobility MPC/ATC recommendations. As this group has stated:

"For most persons, Metro Mobility represents the only transportation option, the only means for individual participation in daily life activities. All persons have varied interests and differing needs for transportation. A young individual's priority which might be school or work, may not be relevant for the older passenger wanting to visit a spouse in a nursing home. For this reason, public transit should not prioritize trips by purpose."

The Urban Institute suggests that in an effort to avoid trip prioritization, fares be tied to trip distance to discourage some tripmaking, particularly with a strict user-side arrangement, since there is very limited control over the number of rides that are provided within a certain time period.

As the system currently exists, demand is rationed by reducing service levels, denying trips and limiting standing-orders. Trip rationing has occurred when funds were short and also in cases where demand exceeded supply.

## OPTIONS

The Urban Institute originally developed three options for consideration in making Metro Mobility service improvements. They recommended Option C, the User Side Subsidy option, as the alternative having the greatest potential for expanding the amount of service available, improving cost-effectiveness and improving the quality of service to users. They suggested that improvements

in service could be achieved by modifying the existing system, but suggested that even greater travel benefits and lower costs could be achieved by making major service delivery changes.

The three options presented by the Urban Institute represent generalized alternative approaches toward providing specialized service for the disabled. Each option, with modifications appropriate to the area, has previously been implemented elsewhere. Generally speaking, there is no consensus that there is a single best way for communities to provide this type of service. Rather, each community has chosen to provide the service in a manner that seems to best meet the needs of its users, and is most consistent with local values, and available resources.

To assist policymakers assess how each alternative would impact service and budget considerations, the Urban Institute attempted to show the differing impacts of each of the three options on both demand and supply. Using these same tables, staff has shown how two additional options would also impact service. These two options have been added to those presented by the Urban Institute because they help show how variations can be made to all options. All five options are briefly described below.

The three options developed by the Urban Institute follow, directly quoted from in the evaluation report:

Option A:

This alternative consists of changes to the service quality, administration, and operating characteristics of the existing system. This option limits Project Mobility service to non-ambulatory persons traveling within the cities of St. Paul and Minneapolis. Private providers will serve all other persons and will be competitively selected to serve specific geographic areas. The Transportation Center will receive all trip requests but only dispatch Project Mobility trips. It will forward all other trip requests to the providers for dispatching in each service area.

Option B:

With the same philosophy as the LIFT System in Portland, this option establishes the MTC as a manager or broker organization to certify eligibility, administer service delivery, coordinate some agency client travel monitor service quality, and market services to agencies and users. The management organization does not provide any transportation service or dispatch vehicles. It selects and contracts with the most cost-effective providers and assigns them to service areas.

Another version of this alternative, with the same philosophy as the Access System in Pittsburgh, establishes a private company as the manager or broker organization. This privately administered system will be designated Alternative B1.

Option C:

This system is highly decentralized with users and providers directly in control of each trip.

Like the Milwaukee system, it provides eligible persons charge slips or tickets at reduced rates which they can use to purchase transportation services. Each user, with guidance from social service agencies if necessary, patronizes the provider of his or her choice. The provider then redeems used tickets or charge slips for their full value from the program administrator. Providers thus receive subsidies only for the trips they serve rather than for maintaining a specified level of service. All qualified providers (for-profit and non-profit) may participate and new carriers may enter the market and compete for each trip.

The program administrator will be either the MTC or a private organization. A privately administered version will be designated Alternative C1. The program administrator will certify eligibility and issue ID cards, distribute user charge slips and tickets, administer service agreements and reimburse providers, monitor performance, and market the services to agencies and users.

Options X and Y, locally developed, are very different from one another. They were developed to show yet other ways that Metro Mobility could possibly be restructured for purposes of improving service cost-effectiveness and quality.

Option X:

Option X capitalizes on many of the advantages of both decentralized and centralized approaches of providing transportation services to the disabled, combining the characteristics of the user-side subsidy concept with some of the centralized monitoring and control mechanisms of the current Metro Mobility system.

Under this option, users request trips directly from providers and are able to choose who to call for their trips from a number of providers. What differentiates this option from a user-side subsidy is that all providers participating in the program are linked to a central facility by computer. All rides offered by each of the providers are then recorded by the central computer to determine when a daily pre-programmed budget is reached, and, furthermore, to monitor and collect data on tripmaking activity.

Responsibility of the managing organization include certifying eligibility and issuing identification cards, administering service agreements and reimbursing providers, monitoring performance, and conducting marketing and promotional campaigns involving agencies and users.

Option Y:

Metro Mobility would continue to operate in a centralized manner. Users would call the Transportation Center to request their trips; the Center would assign trips to providers. Providers would assign their own vehicles. Additional order-filling staff would be added to the Center to accommodate increased demand.

Providers would be selected by the RTB on the basis of cost and ability to provide the service.

Each of the five options presented possess different strengths and weaknesses. All of the options would introduce service improvements to the Metro Mobility program, but differ in terms of the way in which the previously identified issues would be resolved.

Common to all five options is that the element of competition has been introduced as an effort to control costs and improve service. Improvements in cost-effectiveness have been identified by Mn/DOT, and later by the RTB, as one of the key issues associated with Metro Mobility. The extent to which providers would have to compete to provide service vary with the options.

Decentralized options (Options C and X) appear to have the greatest potential for improving cost-effectiveness of the service and for increasing the number of trips. The costs of maintaining a central facility are greatly reduced by requiring each provider to tour and dispatch his/her own trips, and competition among providers to attract users will reduce costs.

Decentralized options, furthermore, appear to have significantly greater potential for improving the quality of service. Users would have the flexibility to choose a preferred provider. Competition among providers to attract users should also lead to better quality service (directness of ride, pick-up reliability, on-time arrival, etc.)

Centralized options can also introduce cost-savings although not of the same magnitude as the decentralized alternatives. Quality of service, too, can be improved, although service performance depends both on the Transportation Center and the provider. When access to the Transportation Center is limited by busy phone lines or shortage of staff, the ability to secure a ride is limited. Although the potential savings and ridership growth for centralized options are not as great as with some of the decentralized options, they do offer certain advantages. Options that retain at least some centralized component (Option Y, and to some extent, Option X) provide the maximum control in allocating program funding. Centralized service, particularly option Y, provides users with the greatest level of assistance in tripmaking and creates the "strongest safety net" for passenger emergencies. Because this option is the most similar to that currently in existence, there would also be fewer transition and implementation problems, and to some extent greater certainty about predictability of performance.

#### FINDINGS AND CONCLUSIONS

1. The Metro Mobility program provides an essential transportation service to thousands of individuals. The program, as a whole, continues to grow at a steady pace, in terms of registration ridership and cost. Changes in organization are necessary to improve service quality and increase cost-effectiveness.
2. At the present time, much of the data necessary to substantiate the magnitude or frequency of user concerns is not available. Performance data related to reliability and responsiveness of the service, e.g., length of waiting time for and on vehicles, number and type of complaints, would be helpful in making decisions regarding service improvements.

3. Compelling arguments exist for creating a competitive environment for service providers in order to achieve maximum cost-savings and improve service. Competitive bidding and/or competition among providers created through user-side subsidy arrangement appear to be the most promising cost control techniques.
4. Consumers seem to feel that the Transportation Center isn't always responsive to their concerns and that additional liaison between consumers and providers is necessary.
5. Many users have said that they would like to take increased responsibility for arranging their trips; others seem very satisfied with the existing arrangement. The cost savings, as well as the potential improvements in service quality associated with decentralizing part or all of the service; i.e., having users contact providers directly, appear significant and are an area to consider for organizational modification.
6. The need for transportation services for elderly and handicapped persons exists throughout the seven-county area.
7. The county and coordination transportation programs serve the needs of many elderly and disabled persons. The extent and level of coordination of these programs with the Metro Mobility program needs to be established.
8. Social service agency clients make up a significant portion of Metro Mobility ridership, and yet there is no financial participation from the social service agencies on behalf of their clients traveling on Metro Mobility. Dialogue with these agencies would help to identify how such participation can begin.
9. Trip prioritization is clearly not a favored approach of users for rationing limited service. Fare increases, on the other hand, appear to have greater support in this regard, as long as exceptions for those unable to pay, are implemented.

RECOMMENDATIONS:

It is recommended that the RTB adopt the following actions:

1. The Regional Transit Board directs its staff to develop an implementation plan by June 1, 1986, to propose and organize the specific operational details for implementing the following actions. This plan should be developed in conjunction with the Minnesota Department of Transportation, the Metropolitan Transit Commission, and reviewed by the RTB Transportation Handicapped Advisory Committee. This implementation plan should contain a comprehensive monitoring and evaluation element so that improvements in Metro Mobility service can be monitored by the Board on a regular basis. A draft timetable and outline of tasks necessary to accomplish this effort follows.

2. Beginning in October 1986, the Metro Mobility program should be reorganized to operate on a modified user side subsidy basis, as described by Option X in the preceding discussion. This option promises the greatest travel benefits for users, while at the same time, presents the greatest opportunity to reduce per trip costs. The modified user-side subsidy arrangement would allow users to contact providers directly to arrange for their ride requests. All qualified providers would be able to participate in the program and the Metro Mobility Transportation Center would monitor trip requests. Competition among providers promises cost savings as well as increases in service quality.

It is further recommended that the Metro Mobility Transportation Center be retained to certify eligible users, monitor daily performance of providers, provide computer facilities and deal with consumer concerns. The Transportation Center should continue to be operated by the Metropolitan Transit Commission. Additionally, it is recommended that a consumer liaison be added to the Transportation Center staff to assist users with trip plans and concerns.

3. The Regional Transit Board should pursue dialogue with social service agencies to determine how the needs of their clients can best be met and what level of financial support they can provide to support their clients using Metro Mobility service. The best way to provide large group trips should also be a key agenda item of this discussion.
4. A monitoring system should be established by the Transportation Center to adequately measure the quality of service to assist in the identification of additional and necessary ongoing service improvements. Information relating to consumer satisfaction and service performance should also be used to evaluate service on an ongoing basis.
5. Metro Mobility service should be expanded throughout the transit taxing district with the savings realized from this restructuring effort. Expansion should take place in a staged manner as funding permits. The RTB should work toward ensuring transportation services for elderly and handicapped persons throughout the seven-county area, emphasizing coordination with existing community providers.
6. Using the Service Needs Assessment as a starting point, the Regional Transit Board should conduct a review of county transportation programs to evaluate service quality and adequacy. Once these evaluation efforts are completed, agreement on the type and extent of coordination with Metro Mobility should be outlined.
7. The RTB should similarly begin discussions with other providers of transportation for handicapped persons to determine the level and type of coordination required to best meet the needs of the disabled community. An effort to define the appropriate role of these providers in relation to the Metro Mobility program should be a key element of these discussions.

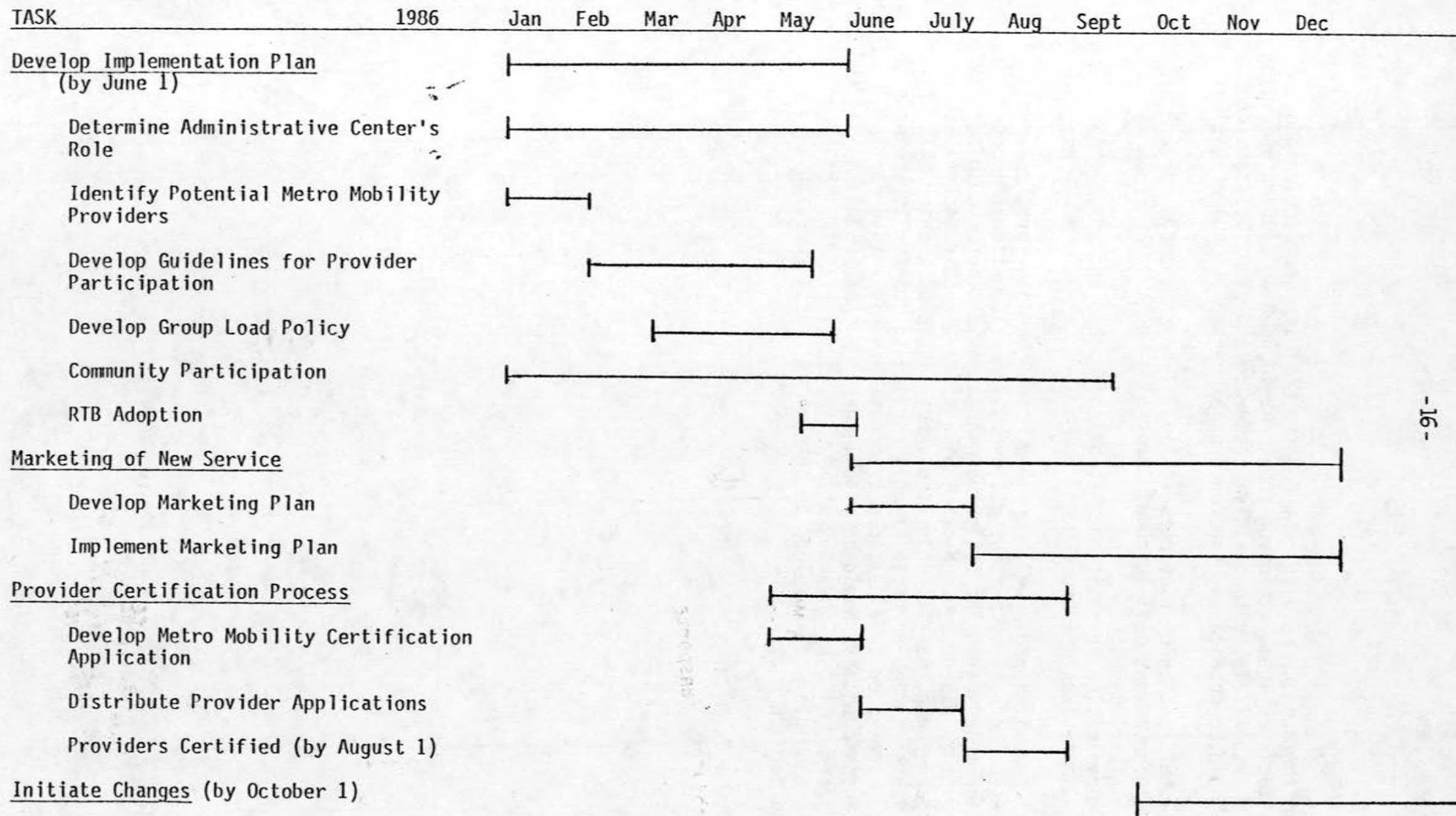
8. Based on the forthcoming results of the Metro Mobility user survey and a refined monitoring system, attention should be focused on finding solutions to deal with issues related to quality of service and user satisfaction. Attention should be focused on user concerns expressed at public meetings.

--confirmation of ride requests in a timely manner;  
--inconvenient call-in requirements;  
--late pick-ups;  
--prohibition on additional standing orders; and  
--limited weekend hours

*Amended by  
12/10 LKH  
mend*

9. The Regional Transit Board should consider Metro Mobility fares as a one of the issues to address as part of its overall consideration of fare policies later this year. The following general guidelines should be considered in this discussion. Metro Mobility fares should be established at an affordable rate, easy to understand, but should be greater than fares charged to users of regular route transit service to improve the revenue to cost ratio. Fares should be designed to create a disincentive for long trips. A hardship policy should be established for those unable to pay the established fare. Discussion about premium fares for standing orders or longer trips should also take place to determine impacts on revenue recovery and service provision.

DRAFT TIMELINE FOR METRO MOBILITY REORGANIZATION



October 1985

mb

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: November 26, 1985  
TO: Regional Transit Board  
FROM: Elliott Perovich, Chairman  
SUBJECT: Metropolitan Development and Investment Framework

Barbara Senness, a senior planner from the Metropolitan Council, will make a presentation to our board at its meeting on December 2. A copy of the report is enclosed.

The report will be discussed by the Policy Committee and comments forwarded to the board for approval at the December 16, 1985 meeting.

EP/mf

DRAFT

METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK

Working Document

For the Purpose of Public Meetings

Monday, Nov. 18, 1985, 7:30 p.m.  
Community Room, Hopkins City Hall  
1010 1st St. S., Hopkins.

Wednesday, Nov. 20, 1985, 7:30 p.m.  
Auditorium, Coon Rapids Senior High School  
2340 Northdale Blvd., Coon Rapids

Thursday, Dec. 5, 1985, 2:30 p.m.  
Metropolitan Council Chambers  
300 Metro Square Bldg.  
7th and Roberts Sts., St. Paul

Metropolitan Council of the Twin Cities Area  
300 Metro Square Building, 7th and Robert Streets  
St. Paul, Minnesota 55101  
Tel. (612) 291-6359

October 1985

Publication No. 02-85-085

CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
COMMITMENT OF THE METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK.....	4
DEVELOPMENT DECISION-MAKING GUIDELINES.....	7
THE ROLE OF FORECASTS.....	7
METROPOLITAN URBAN SERVICE AREA AND RURAL SERVICE AREA.....	9
METROPOLITAN SYSTEMS: DEVELOPMENT AND PROTECTION.....	15
OTHER AREA SYSTEMS.....	27
GEOGRAPHIC POLICY AREAS.....	28
Metropolitan Centers.....	30
Regional Commercial Industrial Concentrations.....	34
Fully Developed Area.....	40
Developing Area.....	41
Freestanding Growth Centers.....	43
Rural Centers.....	49
Commercial Agriculture Area.....	51
General Rural Use Area.....	54
SPECIAL REGIONAL FACILITIES.....	58
METROPOLITAN PLANNING PROCESS.....	59
INVESTMENT DECISION-MAKING GUIDELINES.....	66
INVESTMENT EVALUATION PROCESS.....	66
SPECIAL INVESTMENT PROCEDURES.....	73
Cost-Sharing.....	73
REGIONAL FISCAL HEALTH.....	75
METROPOLITAN AGENCY REVIEW PROCESS.....	78
APPENDIX.....	87
FORECASTS OF POPULATION, HOUSEHOLDS AND EMPLOYMENT, BY COMMUNITY (1990 AND 2000).....	87
URBAN LAND DEMAND/SUPPLY DATA SHEETS (available upon request)	

## INTRODUCTION

### PURPOSE

The Metropolitan Development and Investment Framework is a plan and program establishing an overall direction for future development in the Metropolitan Area and guidelines for making decisions about investments in regional facilities--sewers, parks, airports, transit and highways--to support orderly growth and development. It is intended to protect major regional facilities from being overburdened or overextended, while, at the same time, supporting planned development with necessary services. It is also intended to ensure that investments in regional facilities are properly matched to agreed-upon needs and priorities, and that the financing to support them is adequate and equitable.

The framework presents the Council's approach to guiding development and change in the area. It sets general directions for plans contained in other chapters of the Council's Metropolitan Development Guide--for example, those dealing with sewers, parks, airports and transportation--and in that respect, constitutes the keystone chapter of the development guide.

This document replaces two other development guide chapters--the Metropolitan Development Framework and the Metropolitan Investment Framework. These chapters emphasized making the most efficient use of regional facilities to retain a high quality of life for residents of the Metropolitan Area. The development framework focused primarily on guiding growth and development; the investment framework, on monitoring the fiscal status of regional agencies to help carry out development framework policies. The Metropolitan Development and Investment Framework combines many of the concepts in these two documents into a single one that emphasizes a broader concept--managing regional resources. This merger reflects the complementary nature of the development and investment frameworks.

The Metropolitan Development and Investment Framework establishes policies, criteria and a process the Council will use to develop plans and evaluate projects and programs. The framework's guidelines focus on 1) area development and 2) investments in regional facilities. The development guidelines establish:

- Development policy areas comprised of different parts of the region and identify the level of service they will receive from regional sewer, transportation, parks and airport systems;
- Policies for developing these regional systems to support planned development and for protecting them from being overextended or overburdened;
- A procedure for coordinating changes in regional plans and comprehensive plans of local governmental units.

The investment guidelines establish:

- A process for making decisions about investments in regional facilities, including determining needs, ranking of investments and financing;

- A program for monitoring the fiscal health of the region, including economic trends; and
- A process for reviewing the plans and budgets of regional commissions in a coordinated way and reporting on their fiscal status.

## BACKGROUND TRENDS

Since adoption of the Metropolitan Development Framework and Metropolitan Investment Framework in the 1970s, metropolitan development and investment have been affected by state legislation, changes in social and economic conditions, and concerns over relationships between the Council and the metropolitan operating agencies.

Important legislation enacted since 1975 are the Metropolitan Land Planning Act, the Agricultural Preserves Act, the Waste Management Act, the Surface Water Management Act and the Regional Transit Board Act. The Land Planning and Agricultural Preserves Acts are especially significant as they reflect the concepts and policies of the development framework and strengthen its guided-growth strategy. Under the Land Planning Act, the Metropolitan Area's 187 cities and towns prepared local comprehensive plans that were reviewed and commented upon by the Metropolitan Council. These plans are then used to help shape the Council's development policies. Under the Agricultural Preserves Act, large areas of good agricultural land have been identified and committed to continued future use for agriculture. These efforts are being supported in local plans through agricultural zoning and other measures. The provisions of the local plans and the experiences gained in preparing and carrying out the plans are incorporated into this Metropolitan Development and Investment Framework.

During the 1950s and 1960s, the region's population grew rapidly, reflecting the high fertility rates of the post-war baby boom. The region's economy was also very strong and attracted many people from outside the region (a net total of more than 100,000 in each decade). Even though population growth slowed dramatically in the 1970s, the region's rapid development continued as houses were built and jobs created to house and employ, respectively, the baby boomers as they reached adulthood. Continued increases in the rate of female participation in the labor force also contributed to job growth. These factors allowed the region's growing labor demands to be met, even though there was net out-migration during the '70s.

Another by-product of this rapid growth is a vast system of sewers, regional parks and highways. During the 1960s and 1970s, 313 miles of sewers were built to serve the growing suburban population. During this same period, most of the interstate highway system was constructed. Within the next few years the interstate system will be completed. From 1974 through 1980, the Council provided funds for the acquisition of 14,700 acres of regional parkland.

Conditions during the latter part of the 1980s and the 1990s will not be the same as during the 1950s, '60s and '70s. The baby boomers, for the most part, are now housed and employed. Low birth rates during the 1970s and first half of the 1980s means the next generation will be much smaller than the previous one. Economic growth, while still healthy, is slowing here and nationwide. Slower economic growth puts pressure on government at all levels to reduce taxes. This is reflected in the recent trends toward fiscal restraint, both nationally and locally.

Considerable recent attention has been focused on the relationships between the Metropolitan Council and the various metropolitan operating agencies or commissions. The general consensus is that the Council should increase its monitoring of the metropolitan agencies to make sure they adhere to Council policies and carry out Council plans. The Council also intends to expand its role as a communicator of metropolitan needs and issues to the state legislature. Responses to these challenges call for reasonable and firmly established procedures for dealing with referrals and investment proposals from the agencies.

#### A RESOURCE MANAGEMENT STRATEGY

The guided-growth policies the Council formulated in the 1970s to respond to legislation centered on making the best use of investments in metropolitan facilities by bringing about a tighter urban development pattern. This was to be done within a framework that would retain and build on the high quality of life and provide maximum opportunity for choice.

This document retains all the concepts and policies of the previous development and investment frameworks that continue to be applicable, as originally presented or updated to reflect current conditions. However, they become part of a broader strategy for making decisions on how to manage development and change. Instead of focusing on population growth and the provision of new regional services, the Metropolitan Development and Investment Framework focuses on carefully managing regional resources (governmental revenue collections and regional investments) to serve a more stable and maturing population for the 1980s and beyond. This new, broader strategy is called "resource management." New concepts incorporated into "resource management" are an investment philosophy and evaluation procedure, economic criteria for reviewing projects and new guidelines on metropolitan development to build a stronger, more coherent framework for decision-making.

Resource management concepts and techniques presented in this document focus primarily on the metropolitan systems defined in the 1976 Metropolitan Land Planning Act--sewers, transportation, regional parks and airports. The Council has special policy-setting and oversight roles with respect to these systems. However, this document's area-wide development guidelines, its procedures for making sound investment decisions and the orderly process for carrying out future metropolitan planning are broad enough to be applicable to other systems covered by Council plans and programs and to new ones added in the future.

## COMMITMENT OF THE METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK

### ORDERLY AND ECONOMIC DEVELOPMENT

The Twin Cities Metropolitan Area is generally viewed as one of the nation's most livable large urban centers. The image often presented in national studies dealing with quality of life is that of an area that is clean, progressive, uncrowded, safe, relatively prosperous, close to the out-of-doors and highly supportive of education and cultural activities. Local surveys indicate that residents of the area would generally concur with these descriptions. Like all big metropolitan areas, the Twin Cities Area does have problems with housing costs, neighborhood deterioration, rising taxes, crime, pollution and growing traffic congestion. With its central focus on resource management, the MDIF policies and concepts can help to retain the area's quality of life and resolve problems before a crisis occurs.

This commitment is consistent with state legislation that created the Metropolitan Council in 1967, which calls for establishment of a framework to promote the orderly and economic development of the Metropolitan Area. Orderly and economic development requires the public sector to make the best possible use of funds that are invested in regional facilities and services. An orderly and economic area is a highly livable area where problems are dealt with before a crisis is reached and quality, fairness and concern for the public welfare are paramount. The mission statement adopted by the Council in 1985 supports the concept of orderly and economic development. The mission statement is as follows:

The mission of the Metropolitan Council of the Twin Cities Area is to plan and coordinate metropolitan development cooperatively with citizens and communities, in order to make the region a better place in which to live. The Council analyzes information, listens to the public, and actively seeks consensus in the development and implementation of public policy on regional issues.

### GOALS OF THE DEVELOPMENT AND INVESTMENT FRAMEWORK

The central theme of this framework is that orderly and economic development can best be met by wisely using the human, physical and economic resources of the area to benefit the public. These limited resources will be used in a manner that helps to achieve the following goals:

- o A metropolitan area with the physical support facilities necessary to provide a wide choice of living styles. The choices include variety of natural settings, diversity in land uses and development patterns, and neighborhoods with different income levels and social environments.
- o A metropolitan area with a full range of physical and human services at levels that achieve a balance between the population's needs and demands, on one hand, and the ability of Metropolitan Area residents to pay for such services, on the other.
- o A metropolitan area with a high-quality natural environment characterized by resource preservation and cooperation with nature.
- o A metropolitan area with an economy that remains viable, growth oriented, technologically current and able to meet the employment needs of the population.

- o A metropolitan area with an established strategy and supporting processes for dealing in an orderly way with challenges and issues.

These goals will be used in evaluating the plans and programs of the Council. General policies and programs that will help to achieve these goals are found later in this document. More specific actions are recommended in the Council's systems plans and are carried out by the metropolitan agencies and other organizations that help to implement Council plans.

The resource management policies and concepts contained in this document can contribute substantially to achieving these four goals. They include:

1. The most current Council forecasts of population, households and employment and the use of these forecasts in planning for all regional systems and investment decisions. These forecasts and their corolaries, such estimates of future land uses, are used by the Council in all its system plans and programs. Updated as needs warrant, they help establish a common metropolitan perspective on the future.
2. A philosophy for managing regional investment and supporting procedures intended to provide metropolitan facilities and services in the most timely and efficient manner possible. This should enhance public benefits and contribute to a livable environment, a goal shared by all Council programs--physical, social and economic.
3. Operational procedures the Council will use in dealing with metropolitan agencies, local governments, state and federal agencies and the private sector. Procedures for making decisions in a timely fashion and resolving issues before they turn into crises are the essence of "orderly" development. These operational procedures can be used by all Council programs.
4. A regional approach to development and investment that focuses on how the plans and programs in specific functions--sewers and transportation, for example--relate to each other and how, in combination, they affect the metropolitan-wide perspective and goals. The development and investment framework is the only Council document that can establish such an overview of specific plans and coordinate their impact. The techniques and approach for such an effort are still evolving, but the process has begun.

#### REGIONAL DECISION-MAKING GUIDELINES

The following sections establish policies and identify steps the Council will follow in making decisions that affect Metropolitan Area development and the regional systems. They fall into the following categories:

- The role of regional population, household and employment forecasts;
- The definition and extent of urban and rural service areas;
- The development and protection of metropolitan systems for sewers, transportation, parks and airports; and
- Investments in metropolitan systems.

The guidelines reflect two considerations. First, they take into account that the pattern of development can affect the economics of providing regional services and that these services can, in turn, influence the pattern of development.

Second, decisions about providing regional services cannot turn on fiscal considerations alone. The Council seeks the most cost-effective results from the public funds it commits to regional facilities. However, as the framework goals stated earlier, the facilities should support variety in living conditions, adequate delivery of human services, a sound natural environment and a dynamic economy. These cannot be overlooked or sacrificed in making decisions about investments in regional facilities.

## DEVELOPMENT DECISION-MAKING GUIDELINES

This section contains the guidelines the Metropolitan Council will use in making decisions affecting the development of the Metropolitan Area. The guidelines:

- Define the role of forecasts in regional decision-making;
- Establish a metropolitan urban service area and rural service area;
- Establish policies for developing and protecting the metropolitan systems that play a crucial role in supporting development--sewers, transportation, parks and airports.

### THE ROLE OF FORECASTS

The forecasts prepared by the Metropolitan Council (contained in the Appendix) provide a measure of future land use and population, household and employment distribution. As such, they help establish a regional perspective on the future of the Metropolitan Area. They are not intended to be goals in and of themselves; rather, they are used as an aid to manage the resources needed to serve the Metropolitan Area. They reflect what is likely to happen to birth and death rates, migration in and out of the area, household size, the economy, housing preferences, including housing locations, and similar factors.

The Council's forecasts, most recently revised in 1985, estimate population, households and employment for the entire Metropolitan Area and for each of its 187 cities and townships. The forecasts for 1990 and the year 2000 are lower than those made for the 1978 revision to the Metropolitan Development Framework. They reflect a further decline in growth rates and downward revision in total numbers from the levels of the 1970s. The new figures require those who plan for the area to adjust their previous perceptions of growth.

The Council uses the forecasts to determine the location and size of that part of the Metropolitan Area where the Council intends to support urban-scale development with regional services. They are also used to estimate land demand for development. These estimates, together with information provided by local comprehensive plans, help communities determine those areas that will receive basic municipal services to support development.

The forecasts are also used in other planning conducted by the Council. For example, the forecasts are used in the regional transportation model to help determine how many trips will be made on regional highways. The results, in turn, help the Council determine where there is excess highway capacity and where deficiencies exist.

The Council will regularly monitor variations between forecasts and actual development to determine where changes in plans, programs and investments are needed to achieve regional goals and commitments. Variations between forecasts and actual development or redevelopment activity may result in a subsequent change in the time when a metropolitan investment is made.

### POLICY

1. THE METROPOLITAN COUNCIL WILL USE ITS REGIONAL FORECASTS IN DEVELOPING

ALL REGIONAL PLANS AND PROGRAMS AND IN MAKING INVESTMENTS. THE COUNCIL WILL REGULARLY MONITOR VARIATIONS BETWEEN FORECASTS AND ACTUAL DEVELOPMENT TO DETERMINE WHERE CHANGES IN PLANS, PROGRAMS AND INVESTMENTS ARE NEEDED TO ACHIEVE REGIONAL GOALS AND COMMITMENTS.

## METROPOLITAN URBAN SERVICE AREA AND RURAL SERVICE AREA

### DEFINITION AND PURPOSE

The metropolitan urban service area (MUSA) is that part of the Metropolitan Area where urbanization will be encouraged and supported by regional investments between 1985 and the year 2000 (see Figure 1). This commitment is based on Council forecasts, local plans and investments, and the direction of recent metropolitan investments in facilities and services. The rural service area comprises the remaining portion of the Metropolitan Area. The boundary between the urban service area and the rural service area is commonly referred to as the MUSA line.

The Council is committed to providing metropolitan systems within the urban service area in accord with the regional systems plans and with mutually consistent local comprehensive plans. These facilities and services include sewers, major highways and interchanges, transit service, active use parks, and major- and intermediate-level airports. The Council uses the urban service area as well as demographic and land use forecasts contained in this document to direct future planning of and investments in regional systems. Local, state and federal agencies are urged to support urban development and redevelopment only in the urban service area. Funds for urban facilities, services and programs should be directed to this area. The Council will use the urban service area concept in handling referrals from local units of government and the metropolitan agencies and in decisions on distribution of funds.

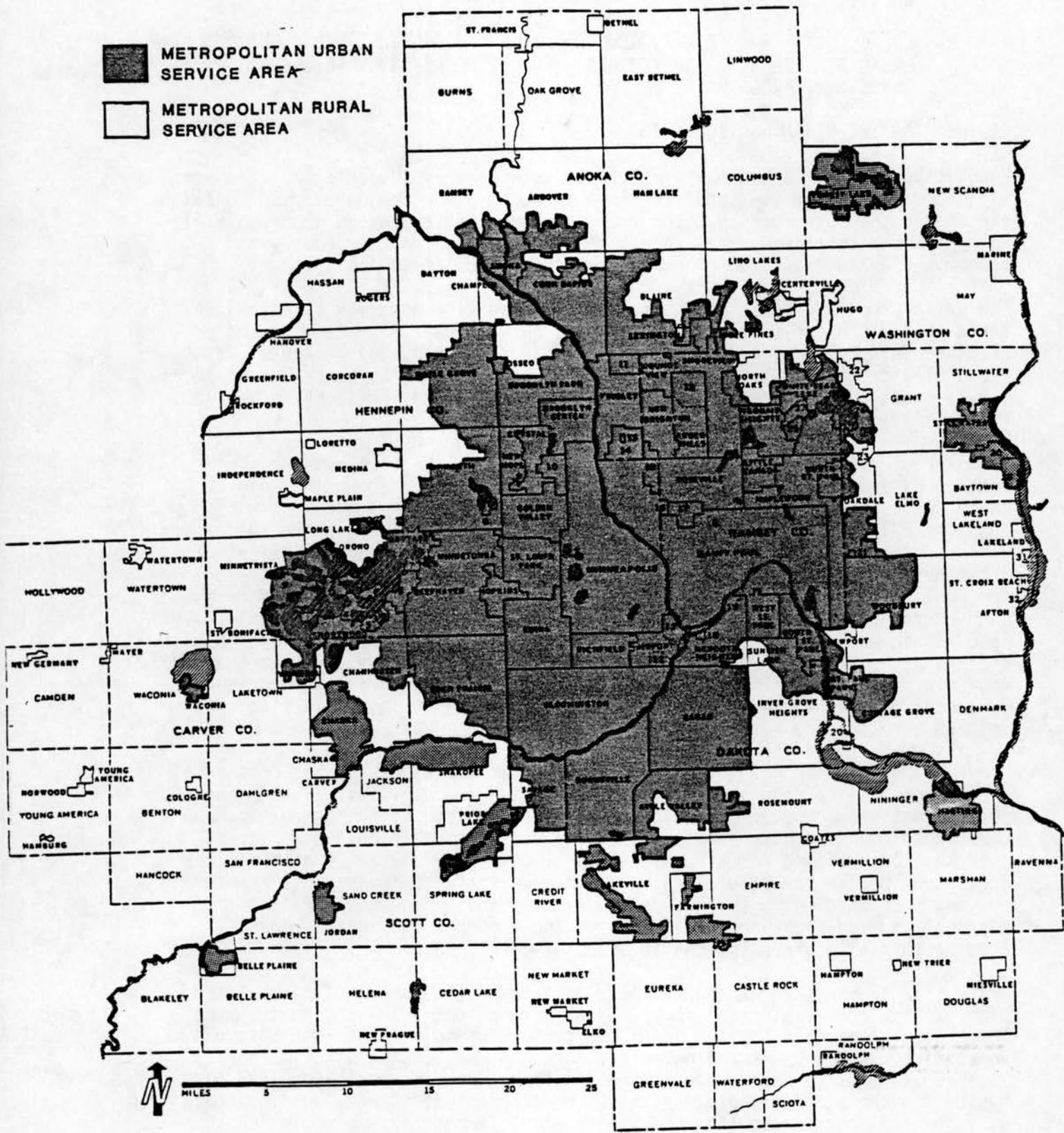
The Council originally established urban and rural service areas in its 1975 Metropolitan Development Framework. It proved to be a far-reaching decision. Since 1975, the concept of urban and rural service areas has been widely used in metropolitan planning and investment decisions, and has provided a common perspective for all of the Council's specialized programs. The initial decision to divide the area into rural and urban zones was made after extensive research indicated that, over the long run, investments in metropolitan facilities could be reduced substantially by tightening up the pattern of urban development and by staging the systems needed to serve it. Studies showed that savings in facilities and service costs would also show up at the level of the local community. The information indicated that there would be a substantial advantage to the area as a whole and all of its governmental units in working for a more contiguous development pattern that would help to contain urban sprawl.

Experience since 1975 has indicated the usefulness of urban-rural service area concept as a crucial element of comprehensive plans prepared by local communities. In this document, the concept is further refined and strengthened.

### POLICIES

2. REGIONAL INVESTMENTS DIRECTED BY THE METROPOLITAN COUNCIL WILL PROVIDE URBAN-TYPE SERVICES ONLY TO PEOPLE IN THE METROPOLITAN URBAN SERVICE AREA. THE METROPOLITAN URBAN SERVICE AREA WILL BE THE AREA OPEN FOR

Figure 1  
**METROPOLITAN URBAN AND RURAL SERVICE AREA**



**TWIN CITIES METROPOLITAN AREA  
 Political Boundaries, 1984**

URBAN DEVELOPMENT UNTIL THE YEAR 2000 UNLESS OFFICIALLY CHANGED BY THE COUNCIL PRIOR TO THAT DATE.

3. LOCAL, STATE AND FEDERAL GOVERNMENTS ARE URGED TO SUPPORT METROPOLITAN URBAN SERVICE AREA INVESTMENTS BY THEIR PLANNING, GRANTS AND INVESTMENT PROGRAMS.

#### DELINEATING THE URBAN SERVICE AREA

Population, household and employment forecasts clearly indicate that the area will need only a limited supply of land to accommodate new development until the end of the 20th century. The urban service area expresses geographically the scale and the timing that should be used to plan for the orderly and economic use and expansion of the metropolitan facilities and systems.

The basic process used to delineate the urban service area was to establish criteria that would define the proper balance between the urban land demand or need and the supply of land to be provided in the urban service area. The urban service area is to be expanded or staged over time as necessary to accommodate needs of urbanization (see "Changes in the Urban Service Area," below, for details).

To ensure the greatest choice of living conditions, the area outside the central cities was divided into eight sectors, which are shown in Table 1. These sectors are used to make sure that a sufficient supply of land with public facilities and services is planned in all directions outside the central cities. This will permit people and businesses to freely choose general locations within the area. Choice was further enhanced by providing more land for urban development in each sector than warranted based solely on forecasted land needs. The intent was to provide at least a five-year oversupply of urban land within each urban area community to encourage a realistic scale of public and private planning and yet not make the urban service area so large that the economic benefits of a metropolitan staging plan are undermined. Land supply by sector is also large enough to ward off increases in land prices attributable to a restricted supply.

Orderly and economic development was defined earlier as making the best possible use of public dollars invested in facilities and services. That means development should occur first in those areas provided with the greatest combined complement of metropolitan and local public facilities and services. New land should be staged for urbanization in a contiguous manner that minimizes additional public investments. Since metropolitan-wide investments are involved, such staging must focus on the orderly and economic provision of metropolitan-scale services, with sewers and highways playing the most important role in affecting the location of development.

Protection of the natural and man-made environment, another prime consideration, means that development should occur without degrading the environment. The natural ecological system should be preserved and efforts made to avoid unnecessary expenditures and potential hardships associated with improperly located and managed development. Preservation of the natural hydrological system and the placing and designing of development so it will be compatible with the soil characteristics and the physical terrain is a basic concept of this document.

Restrictive soil groupings where urban development is not anticipated are wetlands, floodplains and bedrock. All areas containing these characteristics were considered unsuitable for development although the ordinances of many municipalities do not presently protect and prohibit development on these lands. The characteristics of the restricted areas are as follows:

1. The wetland group consists mostly of poorly to very poorly drained soils. These soils have severe to very severe limitations for all kinds of development due to high water tables. In most cases, permits to fill or alter these wetlands must be obtained from the Minnesota Department of Natural Resources.
2. The floodplain category contains soils which are subject to occasional or frequent flooding. In addition, both wetlands and floodplains have intrinsic ecological values that merit protection.
3. The bedrock areas include places where depth to bedrock averages between three and 10 feet. Excavations for utilities, basements and footings are often difficult and extremely costly.

Steeply sloping land also needs to be carefully treated to prevent erosion and excessive runoff. The Council's surface water management plan provides guidelines that should be followed in developments that include steep slopes. The surface water plan takes the position that it is more effective to use land management techniques to control erosion and runoff than to prohibit all developments on lands with steep slopes.

The identification and mapping of these environmentally restricted land areas are intended to assist local communities in their planning. Any adopted local government environmental land protection ordinances that would legally restrict additional lands from development (including steeply sloping lands) would be accepted by the Council.

#### ESTIMATING URBAN LAND REQUIREMENTS: METHODOLOGY AND FINDINGS

The major steps in the process used to estimate and delineate land use requirements for the future are listed below:

1. Estimate residential land needs from forecasts and local comprehensive plans and Council system plans.
2. Estimate nonresidential land needs from forecasts, local comprehensive plans and Council system plans.
3. Convert land needs for the Metropolitan Area to land needs by sector and community using past utilization levels, current development densities and land for urbanization available.
4. Determine supply of land potentially available for urban use by sector and community from local plans, aerial photos, 1980 development pattern and field surveys.
5. Identify map and remove from potential supply of land the wetlands, floodplains and bedrock areas using geologic maps, local plans, aerial photos and Council system plans.

6. Identify developable lands with sewer service and high level of highway and local road accessibility using local plans, metropolitan system plans, aerial photos and land use maps. Select this land first for inclusion in the urban service area.

Tables 1 and 2 summarize the findings of the Council's sector analyses used in delineating the urban service area. The table shows the land need in each sector, the existing supply of developable land, needed additions to the urban service area and the amount of developable land in the year 2000 urban service area as shown in local comprehensive plans.

The Council's current forecasts of the area's population, households and employment are lower than those used in the 1975 Metropolitan Development Framework or the 1978 revision. As a result, there is less demand for land to accommodate new urban development in nearly all urban service area communities. Many local units of government established their own 1990 urban service areas based on the 1975 forecasts. With lower forecasts now in use, the old 1990 service areas will be adequate until the year 2000 and beyond. In addition, steeply sloping land that was considered environmentally restricted land and removed from the supply in the 1975 Metropolitan Development Framework is no longer a restricted environmental category and is now counted as part of the land supply. Thus, the available land inside the urban service area is greater in most urbanizing communities than was the case in 1975.

The urban land commitments proposed for each sector are consistent with, but significantly greater than, the actual forecasted urban land demand. The urban service area provides at least a five-year excess supply of developable land in each sector at all times through 2000. This proposed oversupply of land, served by metropolitan systems, is large enough to enable both local planning and private enterprise to function, while at the same time, retaining some reasonable control on the costs of providing regional public services.

#### CHANGES IN THE URBAN SERVICE AREA

The metropolitan urban service area will be formally evaluated every five years in conjunction with revision of the municipal-level forecasts. Shorter time periods are inadequate for use in projecting trends, and even a five-year time span is marginal for identifying trends. Communities in the developing area (including freestanding growth centers and rural centers with central sewers) must meet Council requirements that allow for adjustment to their local urban service areas through expansion of the urban service area or by way of land trades affecting the urban service area. If a community has less than a five-year overage of land, the Council will consider expanding the local urban service line. If a community wants to develop vacant land currently outside the urban service area but adjacent to it, without changing the actual size of their urban service area, then it can initiate a land trade. A land trade involves trading vacant, developable land inside the urban service area for vacant, developable land outside the urban service area, provided that metropolitan systems are not adversely affected.

The Council may consider revisions to the urban service area more frequently if the above conditions can be clearly demonstrated. However, it will do so only with great caution during the period between the five-year major evaluations. A cautious approach is necessary to avoid rendering meaningless the area-wide forecasts, system plans and operations, by approving many urban service area changes at the local level. Related guidelines dealing with

Table 1  
URBAN LAND DEMAND (in square miles)

Sector	Residential	Commercial	Industrial	Public	Streets & Alleys	Parks	Total
1. NW. Minneapolis							
1980-1990	8.5	1.1	0.1	0.3	2.4	0.6	13.0
1990-2000	5.8	0.7	0.3	0	1.5	0.4	8.7
2. N. Minneapolis							
1980-1990	5.8	0.5	1.1	0	1.9	0.3	9.6
1990-2000	2.6	0.3	1.0	0	0.9	0.2	5.0
3. N. St. Paul							
1980-1990	3.2	0.6	0.3	0.1	0.9	0.2	5.3
1990-2000	1.8	0.4	0.8	0.1	0.5	0	3.6
4. NE. St. Paul							
1980-1990	1.7	0.2	0.2	0	0.6	0.1	2.8
1990-2000	1.0	0.1	0.2	0	0.3	0	1.6
5. SE. St. Paul							
1980-1990	2.4	0.3	0.9	0	0.7	0.3	4.6
1990-2000	1.3	0.2	0.6	0	0.4	0.1	2.6
6. S. St. Paul							
1980-1990	7.1	0.5	1.3	0.2	1.8	0.6	11.5
1990-2000	3.5	0.8	1.3	0	0.8	0.3	6.7
7. S. Minneapolis							
1980-1990	8.7	1.8	3.9	0.2	1.6	0.8	17.0
1990-2000	6.0	1.0	1.7	0.1	1.0	0.3	10.1
8. SW. Minneapolis							
1980-1990	2.9	0.3	0.7	0	0.6	0.3	4.8
1990-2000	1.6	0.2	0.3	0	0.4	0.2	2.7
Metropolitan Area (Rounded)							
1980-1990	40.0	5.0	9.0	0	11.0	3.0	68.0
1990-2000	24.0	4.0	6.0	0	6.0	2.0	42.0
TOTAL	64.0	9.0	15.0	0	17.0	5.0	110.0

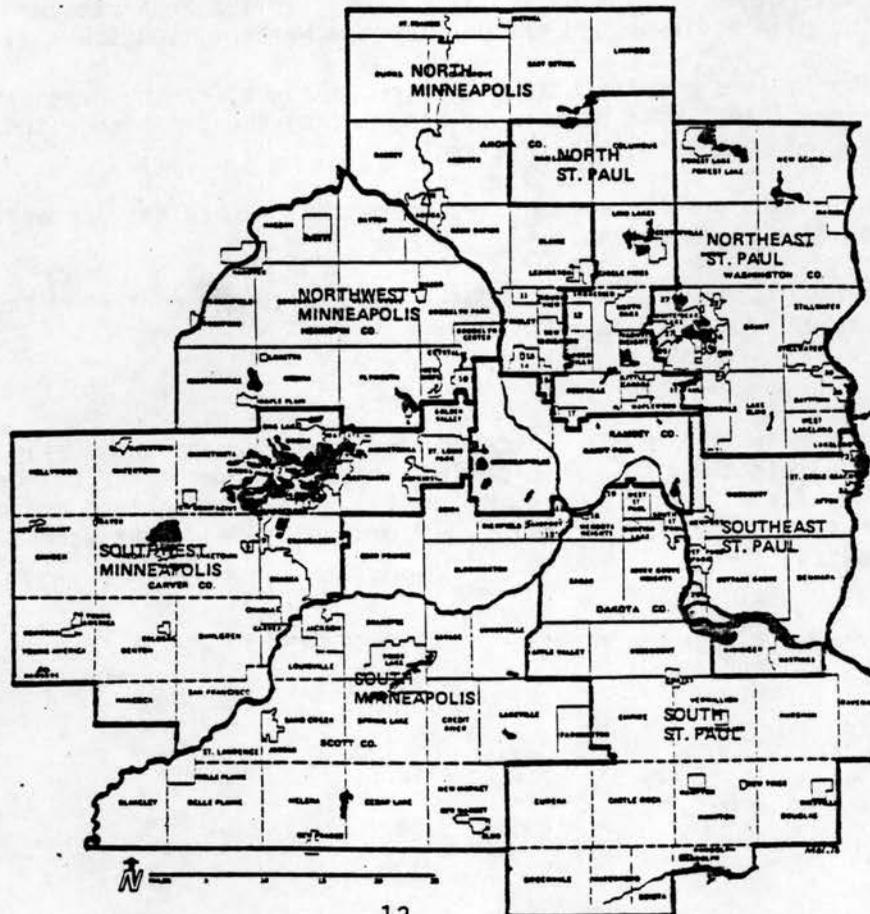


Table 2  
URBAN SERVICE AREA (in square miles)

Sector	Land Needed for Urban Development <sup>1</sup>		Additions to Urban Service Area			Year*
	1980-1990 (with overage)	1980-2000 (with overage)	Land Supply to 1990 <sup>2</sup>	Land Added <sup>3</sup>	Proposed Land Supply to 2000 <sup>4</sup>	
1. NW. Minneapolis	19.7	26.3	29.5	1.4	30.9	2010
2. N. Minneapolis	14.6	17.9	20.0	2.5	22.5	2014
3. N. St. Paul	7.9	10.3	11.5	0.8	12.3	2010
4. NE. St. Paul	4.1	5.4	9.0	0	9.0	2025
5. SE. St. Paul	6.8	8.5	20.8	0	20.8	2050
6. S. St. Paul	17.1	21.4	35.6	0	35.6	2026
7. S. Minneapolis	24.0	30.5	34.2	0	34.2	2008
8. SW. Minneapolis	7.2	8.9	14.6	0.3	14.9	2027
METROPOLITAN AREA TOTAL	101.4	129.2	175.2	5.0	180.2	

<sup>1</sup>Land demand includes a five-year excess supply, which is a surplus large enough to meet development demands for five years after the end of each period.

<sup>2</sup>Supply figure is determined by each community's urban service area recorded in the local comprehensive plan reviewed and accepted by the Metropolitan Council.

<sup>3</sup>Although each sector's land supply to 1990 appears adequate for the demand to 2000 with overage, land additions must be made to accommodate the demands of those community's urban land demands within that sector.

<sup>4</sup>Supply figure would include those communities where their urban service area was expanded to accommodate their demand.

\*Year to which the land supply would be adequate if development continued according to the rate forecasted from 1990 to 2000.

NOTE: A separate appendix to the MDIF guide contains land demand and supply figures for all communities within the MUSA, freestanding growth centers and rural centers with public sewer service. These figures are the basis for the revised urban service boundaries. Copies of the appendix or individual community land data sheets are available upon request.

changes in the urban service area are found in the "Metropolitan Planning Process" section of this document.

#### POLICIES

4. THE METROPOLITAN URBAN SERVICE AREA WILL BE FORMALLY EVALUATED EVERY FIVE YEARS IN CONJUNCTION WITH REVISION OF THE MUNICIPAL-LEVEL FORECASTS. INTERIM ADJUSTMENTS WILL BE HANDLED IN ACCORD WITH PROCEDURES DETAILED IN THE "METROPOLITAN PLANNING PROCESS" SECTION OF THE METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK.
5. THE METROPOLITAN COUNCIL WILL FAVORABLY REVIEW INDIVIDUAL LOCALLY PROPOSED CHANGES TO THE METROPOLITAN URBAN SERVICE AREA ONLY IF THERE IS AN ANALYSIS OF HOW THE TOTAL NUMBER OF INCREMENTAL PROPOSED CHANGES WILL AFFECT REGIONAL FORECASTS AND SYSTEMS PLANS AND OPERATIONS.

#### METROPOLITAN SYSTEMS: DEVELOPMENT AND PROTECTION

The guidelines in this section deal with how the Metropolitan Council will guide the overall development of the metropolitan systems for sewers, transportation, parks and airports, and ensure that they do not become overburdened or overextended. The Council does not have direct responsibility for developing or operating the systems, but it does establish overall policies and plans for their development.

The services that these four metropolitan systems provide are essential to the vitality of the Metropolitan Area. Also, because they help shape the pattern of growth, the metropolitan systems strongly influence the development and functions of many other regional facilities and services. These characteristics and the Council's planning and coordinating responsibilities make these four systems the lead ones to carry out the plan for the Metropolitan Area. Guidelines are necessary, consequently, to determine how development in these systems should be related to the urban and rural service areas and to protect existing investment in the metropolitan systems so they can continue to provide economic and efficient services. The development and protection guidelines presented here are major components of the Council's resource management process.

#### METROPOLITAN SYSTEMS PLANNING AND INVESTMENT

The development guidelines are concerned with managing metropolitan systems in a way that will help to realize the objectives for long-term development of the region and the geographic policy areas. The development guidelines are general in scope but they are a prime shaper of the more detailed policies and programs contained in the Council's plans for individual systems. The metropolitan agency review process, described later in this document, explains the procedures for carrying out the guidelines through the actions of the regional commissions.

The Council has designated urban and rural service areas to help achieve greater efficiency in the provision of facilities and services needed by an urban population and to ensure that those who want to live in the rural area will not be burdened by unwanted urban services and their accompanying costs. To achieve these goals, the Council will direct its development of the four metropolitan systems toward meeting the needs of people living in the urban service area, which includes the freestanding growth centers. Residents of the

rural service area as well as those living in the urban service area will use the airports, the parks and the highways, but future expansions and improvements in these facilities will be tied to the needs of the urban population. Central sewer facilities will not be extended into or provide service to the rural service area, nor will it receive regional rapid transit service or highway projects that open new land for development in the rural area. This will allow residents of the rural service area to continue to engage in agricultural activities and to live at low densities, free from imposition of urban facilities, services and taxes.

Some facilities that deliver services to the urban service area will have to be physically located within the rural service area even though they primarily service people living in the urban service area. This is because of land requirements, natural resources or need for inter-regional connections. For example, solid waste landfills, with requirements for very large acreages of land, will probably have to go into the rural service area; sand and gravel extraction and regional parks depend on location of the resource base and often occur in the rural service area; and highways, power lines and pipelines that tie this area to other parts of the region and nation will have to traverse the rural service area. When these intrusions of urban-serving facilities have to be made in the rural service area, they will be located, developed and operated in a manner that minimizes interference with agriculture and the rural settlement pattern. The population serviced by these facilities will be expected to pay the cost of development and operations.

Part of the Council's resource management strategy is to help provide the regional facilities and services needed to support urban population and a growing economy in the urban service area. Development of facilities substantially in excess of forecast needs is to be avoided. The challenge is to find the middle ground between the over building of metropolitan facilities and the inadequate development of essential facilities.

The Council will respond to this challenge by using the priorities listed below in making development and investment decisions about the metropolitan systems. All decisions will protect public health and welfare, and comply with state and federal laws. In the "Investment Evaluation Process" section of this document, the protection of health and welfare and compliance with law is listed as the first priority rather than as an overall condition of action because the investment process is concerned with accounting for all metropolitan funds committed and spent. Considerable funds are spent annually to protect health and welfare and comply with laws.

First Priority--maintain existing facilities and services at appropriate operational levels and achieve the best possible use out of public and private investments already in place and provide the metropolitan systems needed to support redevelopment.

Second Priority--provide the metropolitan systems needed to support the opening of new areas for planned urban development.

Third Priority--provide new or increased levels of metropolitan systems that will support major additions to the Metropolitan Area's economy.

Over a period of time, investments in metropolitan systems should be made in all of the priority levels, but when resources are tight and choices must be made, this priority system will be used.

Resource management strategy requires plans to be staged and investments to be closely tied to actual development. Metropolitan plans will incorporate the staging reflected in the local comprehensive plans that have been revised to reflect trends and forecasts used by the Council in its planning work. The legislative findings and position statement in the 1976 Metropolitan Land Planning Act support this position in calling for the "accomplishment of comprehensive local planning with land use controls consistent with planned, orderly and staged development and (with) the metro systems plans."

#### METROPOLITAN SYSTEMS PROTECTION GUIDELINES

The highest ranking for investment goes to maintaining the systems and to achieving a high level of efficiency out of public and private investments already in place. The facilities in place represent a vast investment of funds. Some of these facilities, especially those in parts of Minneapolis, St. Paul and other older settlements are well beyond their design life and will have to be replaced. However, a large portion of the metropolitan area sewers, highways, airports and park facilities are relatively new; and in many portions of the urban service area, facilities are underused. The combination of new and often underused facilities, modest growth forecasts through the end of the century and recent major reductions in federal grants emphasize the need to take better care of what we have and get greater use out of it. The course of action to be followed in carrying out these objectives is referred to here as "protection" of the metropolitan systems.

Metropolitan systems protection is concerned with the actions the Council, local governments and the metropolitan agencies can jointly take in order to ensure long and useful lives for the investments made in metropolitan system facilities. These facilities must deliver essential services to users and also be available to help support new development and change. Development proposals that might jeopardize system performance will trigger the responses indicated in the policies below. Most of the actions taken to protect the metropolitan systems have their legal basis in the Metropolitan Land Planning Act or "metropolitan significance" legislation.

#### POLICIES

6. THE METROPOLITAN COUNCIL WILL DIRECT ITS PLANNING OF THE FOUR METROPOLITAN SYSTEMS OF SEWERS, TRANSPORTATION, OUTDOOR RECREATION AND AIRPORTS TO SERVING THE NEEDS OF PEOPLE LIVING IN THE METROPOLITAN URBAN SERVICE AREA, WHICH INCLUDES THE FREESTANDING GROWTH CENTERS. THE AGENCIES DIRECTLY RESPONSIBLE FOR DEVELOPING AND MANAGING THE FOUR METROPOLITAN SYSTEMS WILL BE EXPECTED TO FOLLOW THIS SAME COURSE OF ACTION IN THEIR DETAILED PLANNING, ENGINEERING AND DEVELOPMENT WORK.
7. FACILITIES THAT SERVE THE NEEDS OF THE URBAN POPULATION BUT ARE LOCATED IN THE RURAL AREA SHOULD BE LOCATED AND OPERATED IN A MANNER THAT MINIMIZES INTERFERENCE WITH AGRICULTURE AND ITS ASSOCIATED RURAL SETTLEMENT PATTERN. THE POPULATION IN THE METROPOLITAN URBAN SERVICE AREA SERVICED BY THESE FACILITIES WILL BE EXPECTED TO PAY THE COST OF DEVELOPMENT AND OPERATIONS.

8. METROPOLITAN SYSTEM PLANS WILL USE THE STAGING FOR LOCAL SERVICE AREAS THAT IS CONTAINED IN THE LOCAL COMPREHENSIVE PLANS FOUND TO BE CONSISTENT WITH COUNCIL FORECASTS.
9. DEVELOPMENT OF AND INVESTMENT IN THE FOUR METROPOLITAN SYSTEMS WILL BE IN KEEPING WITH ADOPTED SYSTEM PLANS AND WILL FOLLOW THE PLANNING GUIDELINES AND INVESTMENT CRITERIA CONTAINED IN THIS DOCUMENT.
10. METROPOLITAN SYSTEMS INVESTMENT PRIORITIES THAT THE COUNCIL WILL USE ARE: 1) MAINTAIN EXISTING FACILITIES AND SERVICES AND SUPPORT REDEVELOPMENT, 2) SUPPORT OPENING OF NEW AREAS FOR PREPLANNED URBAN DEVELOPMENT AND 3) SUPPORT MAJOR NEW ADDITIONS TO THE AREA'S ECONOMY.

#### INDIVIDUAL SYSTEMS: DEVELOPMENT AND PROTECTION GUIDELINES

##### Sewers: Development Guidelines

Central sewer services will be provided only to land within the urban service area. Provision will be in accord with local and metropolitan staging as indicated in the Council's sewer system plan and in local comprehensive plans that are in conformity with the Council's regional plan. Central sewer services currently provided to the rural centers of Centerville, Hugo, Maple Plain and Medina will be continued at levels that will allow them to remain rural communities. The Council will do its part to provide metropolitan interceptors and wastewater treatment plants adequate to transport sewage generated by users in the MUSA and to treat it in a manner that meets the requirements set in the national pollution discharge elimination system permit for each treatment plant.

Areas currently receiving sewer services from the "metropolitan system" are assured of a continuation of service adequate to serve existing development and to allow for redevelopment that is compatible with adjacent land uses and the ability of other metropolitan systems to reasonably meet needs. In order to deliver on this commitment, emphasis will be placed on monitoring the condition of older sewers (built before 1940), on sewers with past histories of problems and on the trends in volume of sewage as compared with design capacity.

The Council will work for increased coordination between the sewer system and the solid waste system with respect to planning and project development that involves composting and co-composting.<sup>1</sup> Even the most advanced sewage treatment techniques produce a residual of sludge and sewage ash that have to

---

<sup>1</sup>While not a "metropolitan system" under law, solid waste is a very important regional systems planning program carried out by the Council.

be deposited some place. The technology for combining sewage sludge with municipal solid waste to produce a useable end product through composting looks most promising. In the years to come, this could help resolve problems confronting both the sewer and the solid waste systems.

#### Sewers: Protection Guidelines

The regional sewer system is aging, with some parts of the existing system built in the 19th century. In recent years, there have been major problems with parts of the system built in the early years of the century or before. Increased maintenance needs, plus replacement and rebuilding of the existing system, is already in competition with funds for system extensions and enlargements to serve newly developing areas. The problems will become more difficult with the passage of time and a likely reduction in federal sewer construction funds.

The Council's regional sewer plan calls for a continuous facilities inspection and monitoring program and assigns first priority on construction to maintenance and replacement of the existing system. This is a very important part of the strategy for protecting the metropolitan sewer system. Other recommended protection guidelines are presented below.

The Council will use its forecasts and requirements set forth in the national pollution discharge elimination system permits to help decide when and where it will make capital improvements to the regional sewer system. Protecting the regional sewer system means that a local unit does not exceed its Council-allocated sewer capacity and/or that it does not take any action that departs from the regional sewer plan. If actual development in any area is higher than forecast and additional sewer system capacity is needed to facilitate further development, the Council will review its priorities and its ability to respond and determine if additional capacity can be provided and in what time frame. The Council allocates sewer capacity based on regional forecasts of households and employment growth. In most cases, allocated capacity does not represent 100 percent of the capacity in the regional sewers serving area. The difference between the allocated capacity and the design capacity allows the Council to consider adjusting allocations when the following conditions occur: 1) Council forecasts are or soon will be exceeded, and 2) sufficient capacity exists in the affected regional sewers servicing a community. Communities with excessively high inflow/infiltration (I/I) that can be corrected at a cost less than that for oversizing are expected to make a commitment to I/I reduction if they want to receive an increase in capacity.

An assessment of ability and response time will also be made if an issue arises concerning compliance with a national pollutant discharge elimination system permit. If additional capacity or compliance improvements cannot be provided, this may mean a development moratorium until such time that additional capacity or compliance improvements can be made available. The Council will work closely with affected units of local government to avoid a moratorium or minimize its duration and adverse impact.

#### POLICY

11. THE METROPOLITAN COUNCIL WILL USE ITS FORECASTS AND THE NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM PERMITS TO HELP DECIDE WHEN AND WHERE IT WILL MAKE CAPITAL IMPROVEMENTS TO THE REGIONAL SEWER SYSTEM.

## Transportation: Development Guidelines

Metropolitan highway improvements will be planned and developed to serve the needs of residents in the urban service area (including the freestanding growth centers). Highways will be provided in accord with the need and staging found in the Council's regional transportation plan and local comprehensive plans. Varying levels of highway services will continue to exist in the urban service area due to travel behavior, development patterns and the nature of the highway facilities, but efforts will be made to provide a reasonable level of metropolitan highway service throughout the urban area.

The Council has no direct control over metropolitan highway development. Most of the roads in the metropolitan system are constructed and maintained by the Minnesota Department of Transportation. The Council has the authority to conduct highway planning and to approve new controlled-access highway project proposals. Highway planning is very important because the ability of people to take advantage of the opportunities the area offers and to acquire essential goods and services depends on having a good highway system and on keeping it operating well. This means roads in the existing system must be able to provide the type and level of service designated for them in the Council's regional transportation plan. Traffic-management techniques or new construction will be necessary when traffic volumes approach design capacities, when road conditions pose hazards and slowdowns, and when new developments are proposed that differ substantially from assumptions made in the regional transportation plan. It may also require changes in the location, size or scope of proposed developments.

Public transit service will probably be dominated by buses operating on the streets and highways through the remainder of the century. This does not preclude introduction of some fixed-guideway facilities in highly traveled corridors, but costs and time constraints work against a massive shift in form over the next 15 years. The level of transit service is closely associated with operational capacity of the street and highway system and the demands for services as reflected in development patterns and travel behavior. Generally, the highest levels of transit service go to the areas with the highest density of development and the greatest degree of concentration.

Locations with large numbers of households and/or high employment in relatively small areas offer very good potential for public transit service. It is also important to provide transit to the people who have no other way to move about the area. This generally means elderly, handicapped, young and low-income people. Providing service to these people will probably involve above-average subsidies.

Some parts of the urban service area with low-density development may be served only by paratransit on a demand-type basis. This is also true for some of the transit-dependent people who live in low-density areas or just can not use the public system. Metropolitan public transit service will not be provided to the rural service area, but residents of the area can arrange for and finance public transit or public paratransit on their own if they so desire. This position does not preclude the Council from becoming involved in planning for the special mobility needs of elderly and handicapped people in the rural service area or for the use of public funds especially appropriated for this purpose.

## Transportation: Protection Guidelines

The regional transportation system includes the area's major highways-- basically, freeways and expressways--and a transit system dominated by buses on fixed routes and schedules. A substantial portion of the regional highway system is reaching the end of its 20-year design life and much of the balance of the system will reach that point by the year 2000.

A review of conditions and volume-to-capacity ratios of the metropolitan highway system indicate that during the last 15 years of the century, there will be major problems with both capacity and conditions. If reliance on past funding sources continues, it is likely that funds will be limited in the future. This means that major new expansions, major overhauls and substantial upgradings of the current system will become increasingly difficult. Social and environmental pressures not to disturb highly developed areas is a further consideration in any future massive highway building program.

If future transit funding also relies on past sources, there are likely to be fewer transit dollars available in the future than there have been in the past. If no additional funding sources are made available for highways or transit, system management will have to focus on routes that are cost effective, and controls on development may become considering more prominent in the future than they have been in the past.

The regional transit system is also facing a time of change. Over the past 15 years, the region's transit service area has become larger and more difficult to serve because of the decentralization of jobs and residences. Higher car ownership and higher family incomes have also worked against transit and for additional highway demand. The major issue facing this system is service delivery--whether the region can afford to continue delivering the same service at the same level or face substantial changes in the current system.

A transit issue that will likely become more prominent as highway congestion grows is the potential that transit, especially some new form of fixed-guideway transit, might have for handling an increased share of the region's transportation demand. Bus transit on existing streets already carries a large proportion of the rush-hour traffic to and from the two metro centers, but the route structure is less developed and transit is much less significant for movements not oriented to these two centers. Consideration also has to be given to the issue of what additional stress will be placed on the highway system if there are any future reductions in transit service due to funding shortages. The ability of transit in its different forms to carry larger shares of the area's traffic is still open to question, but it will be increasingly necessary to treat and evaluate transit and highways jointly as the region's surface transportation system.

The remainder of this section on transportation is based on an assumption that future highway and transit funds will be tight, that a well-planned transportation development program will have to be established, and difficult decisions will have to be made regarding investments, as well as outside developments that could adversely impact the system. It is possible that the people of this area will want a more ambitious highway- and transit-building program than anticipated here. In this case, additional funds will have to be provided. The Council's Transportation Advisory Board is urged to take up the matter of long-range transportation (highways and transit) needs and expectations, and come up with recommendations for levels and sources of funding that can provide

for them. Long-range transportation options and their costs should be fully aired and recommendations made in a revised transportation system plan.

The Council will use its forecasts to help decide when and where improvements will be made to the regional system. If actual development in any area within the urban service area is higher than forecast, the Council intends to protect the regional transportation system. It will proceed with caution on taking action to stop development, but will do so if it appears that a particular development will adversely affect the system and there is no agreement on ameliorative action.

This approach varies from that proposed for the regional sewer system because of operational differences in the two systems. Capacity in the sewer system is measurable and it can be allocated to individual communities. Although highway capacity is measurable, changes in behavior (e.g., mode of travel, time of travel, route of travel) can have a dramatic effect on capacity as well as real versus projected volumes. The more flexible operating nature of the highway system makes allocating capacity a virtually impossible task. The presence of many points of entry to the highway system, most of them uncontrolled, only adds to the complexity of the problem.

The Council will require appropriate and efficient use of the regional transportation system. This will include, for example, a local commitment to build minor arterials parallel to a regional facility to remove local trips from the regional roadway and/or making other management improvements in the vicinity of a major new development. Local government and/or developers may be asked to establish car pooling, van pooling, flexible hours, etc. Other options, such as creating metropolitan highway corridor assessment districts or assessing major developers (as is done in Florida and California), should be studied by the Transportation Advisory Board and any recommendations included in a revised regional transportation plan. (A metropolitan highway assessment district is a defined area on both sides of a freeway that would directly benefit from access or other improvements to the freeway.) The Council will not approve plan amendments with potential transportation system impacts without the guarantee of a response from local government. The magnitude of the required response will be determined through the Council's transportation needs studies and then reflected in the regional transportation plan.

The point at which a local response will be required, namely when a substantial impact is identified, will be cooperatively defined over the next year by the Council, the Minnesota Department of Transportation and the county highway departments. In addition, transit service levels will be identified in the upcoming corridor and transit needs studies.

Beyond the general policy of making the best use of the regional system, geographic priorities will further dictate where investments will be made. The highest geographic priority is to maintain the current policy of focusing regional transportation investments inside the metropolitan urban service area. Additional policies are found in the geographic policy areas section of this document.

The Council will also work with state transportation department and affected local governments to address individual problem areas. Particularly when a development is proposed in an area where little change can be expected in the regional system, the Council will work cooperatively with the department and the local governments to identify the best possible solution to coordinate land

use, traffic and transit. Even in cases where regional improvements are possible, the Council will help local governments identify local improvements which will help maximize the use of the regional system.

## POLICIES

12. THE METROPOLITAN COUNCIL WILL USE ITS FORECASTS TO HELP PLAN WHEN AND WHERE IMPROVEMENTS WILL BE MADE TO THE REGIONAL TRANSPORTATION SYSTEM. IF ACTUAL DEVELOPMENT IS GREATER THAN FORECAST, THE COUNCIL WILL DO THE FOLLOWING: A) WORK WITH LOCAL GOVERNMENTS AND THE MINNESOTA TRANSPORTATION DEPARTMENT TO RESOLVE PROBLEMS; B) REQUIRE ACTIONS THAT WILL HELP TO GET OPTIMUM EFFICIENCY IN USE FROM THE REGIONAL SYSTEM, INCLUDING NEW MANAGEMENT TECHNIQUES AND/OR LOCAL COMMITMENTS TO CONSTRUCT DIVERSIONARY ROADS; AND C) ACT TO STOP DEVELOPMENT, IF NECESSARY.

### Parks: Development Guidelines

Establishment of a regional park and open space system was authorized by legislation in 1974. In the 11 years since 42 regional parks and park reserves have opened for public use and 15,300 acres of land have been added to the regional system.<sup>2</sup> This acreage is in addition to the 30,200 acres of existing parks and park reserves that were incorporated into the regional system. Fifteen of the 42 park areas did not exist at all in 1974 or consisted of isolated minor parcels of public land. Current long-range system plans call for the addition of 11,100 acres of land and the opening of 18 more parks and park reserves.

The regional parks and open space system includes facilities in both the urban and rural service areas. The system's recreation facilities and services intended for intensive-use types of activities will be located in the urban service area. The lands and recreation facilities located in the rural service area are to be used for nature preservation and for dispersed or low-density types of activities that do not draw large crowds. Acquisition and development of metropolitan parklands will proceed as indicated in the regional parks plan, which is aimed at meeting regional recreational needs into the next century. Need is determined by the characteristics of the area's people and is a composite of ever-changing demographic factors and individual choices. Consequently, the regional parks system is constantly evolving.

### Parks: Protection Guidelines

The regional parks system differs from the sewer and transportation systems in that it does not substantially affect where regional growth occurs; rather it provides a regional amenity. Consequently, protecting this system is much more narrowly focused than is the case for the transportation or sewer system.

---

<sup>2</sup>The term "regional" is used for the system established under the 1974 legislation. "Metropolitan" is used to include the entire system of regional, local, state, federal and private recreation open space facilities.

The Council has two primary concerns relating to protection of this regional system. The Council is concerned about completing its current proposed acquisition program, and it is concerned that land use adjacent to existing and proposed facilities is compatible with the recreation use. The Council will seek modification to local plan and plan amendments that could result in an increase in the value of land to be acquired or result in incompatible land uses.

#### POLICY

13. THE METROPOLITAN COUNCIL WILL COMPLETE ITS PROPOSED ACQUISITION OF LANDS FOR THE OUTDOOR RECREATION SYSTEM. MODIFICATION WILL BE SOUGHT TO LOCAL PLAN AMENDMENTS THAT COULD INCREASE THE VALUE OF LAND TO BE ACQUIRED OR RESULT IN INCOMPATIBLE LAND USES ON THE PARK SITE OR IN ADJACENT AREAS.

#### Airports: Development Guidelines

The Council's regional airports plan is the primary guide for the development of the airports system. Every effort will be made to get the maximum use out of the existing system. This is especially important for the "major" and "intermediate" airports, all of which are located in the urban service area. These facilities should continue to be operative and safe even if this requires substantial upgrading of existing facilities and modifications or controls on nearby land uses and development proposals. If a new "minor" airport site is needed, lands in the commercial agriculture area as defined in this document should be avoided, and the only facilities developed on or adjacent to the field should be those directly involved with making the airport useable and safe.

#### Airports: Protection Guidelines

The regional airport system includes Minneapolis/St. Paul International Airport, St. Paul Downtown Airport, an intermediate facility and several minor airports, both publicly and privately owned.

As is true for the outdoor recreation system, regional airports do not play a major role in shaping the development of the region. However, the relationship between regional airports and adjacent development is very important. It is important that airports operate safely and efficiently and it is equally important that development around the region's airports is adequately protected from airport noise. Consequently, the major concern for system protection is land use compatibility in the airport-affected areas. Land use compatibility is critical to ensure the future as well as the continued adequate operations at the regional airports.

Protecting the regional airport system also means that individual airports are managed to achieve efficiency of use. For example, Minneapolis-St. Paul Airport is the only airport in the system designed to accommodate large commercial passenger aircraft and is a resource which must be protected for the benefit of the region. Similarly, other airports in the system principally serve the business user. While both these roles are important, accommodating the commercial air carrier is the region's highest priority. Therefore, to improve system efficiency and hence protect the system, individual airports should be managed consistent with their designated role and service area within the system.

## POLICY

14. THE METROPOLITAN COUNCIL WILL USE ITS AIRPORTS LAND USE COMPATIBILITY GUIDELINES TO DETERMINE WHEN A PROPOSED DEVELOPMENT MAY RESULT IN AN IMPACT TO THE AIRPORTS SYSTEM.

## METROPOLITAN SYSTEMS WITH EXCESS CAPACITY

Although some metropolitan system facilities are, or shortly will be, overburdened and in need of relief, other facilities are operating well below their design capacity. Some of these underutilized facilities will, under current forecasts, be operating below capacity by the end of the century. The disparity needs to be pointed out to those making development decisions.

The two critical systems most involved are sewers and highways. The other systems are less involved. Transit can be tailored to levels of development and demand; regional parks are not a significant attraction for development. Airports are few in number and restricted in use, although their distance from some parts of the Metropolitan Area may adversely affect commercial and industrial development in portions of the urban service, thereby contributing to a underutilization of sewers and highways there.

The Council does not seek to direct commercial, industrial and residential development into one part of the urban service area and away from another. However, to protect the metropolitan systems and achieve more efficient use from the investments already made in them, developers and local governments should be made aware of forecasted use and capacities for metropolitan sewers and highways. It will be less costly if major developments go into areas served by underutilized facilities than in locations where capacities are or will soon be exceeded.

Figures 2 and 3 show metropolitan highways and wastewater treatment plants service areas with excess capacity.

## POLICY

15. PUBLIC AND PRIVATE DECISION-MAKERS ARE URGED TO TAKE INTO CONSIDERATION THE METROPOLITAN HIGHWAY AND SEWER SEGMENTS WITH EXISTING EXCESS CAPACITY WHEN MAKING DEVELOPMENT DECISIONS. THE METROPOLITAN COUNCIL WILL DO THE SAME IN ITS DECISION-MAKING.

## OTHER AREA SYSTEMS

Earlier sections of this framework focused on the four metropolitan systems because the Council has very special obligations and responsibilities for them and because of their special designation as "metropolitan systems" under the Metropolitan Land Planning Act. The Council also has planning responsibilities for several other systems that serve the residents of the Metropolitan Area. Currently, there are adopted Council plans dealing with housing, health, solid waste, surface water drainage, juvenile justice and water resource and major position papers on the aging, arts and development disabilities. All of these planning documents and the programs associated with them contribute to metropolitan resource management. Attention has to be given to the impact of this framework and metropolitan system plans on these other area plans and programs, as well as the extent to which these other plans and programs modify this

Figure 2

# METROPOLITAN HIGHWAYS WITH EXCESS CAPACITY





framework and metropolitan system plans. A key concept in the framework has been to maintain the integrity of the area systems or provide them with new directions. The metropolitan systems will perform the same function in their individual system plans.

Developments and service impacts of some of these other area system plans are closely related with each other and/or with metropolitan system plans. Some examples of close interrelationships are aging and health, transportation and housing, and sewers, solid waste and water resources.

For some of the other area systems, the relationships are less obvious. However, all of the systems, whether designated as metropolitan or not, have the following in common: a) assumptions about future directions of area-wide growth and change and reliance on a uniform set of forecasts; b) accountability to Council legislative mandates; c) concern with orderly and economic development; d) adherence to the same process of regional planning and decision-making; e) existence solely to serve the needs of the people living in the metropolitan area; and f) reliance on the area's population for most of their financial support.

## POLICY

16. THE PLANS AND PROGRAMS OF AREA SYSTEMS OTHER THAN THOSE LEGALLY DEFINED AS METROPOLITAN SYSTEMS WILL BE GIVEN FULL CONNSIDERATION IN ALL METROPOLITAN DEVELOPMENT AND INVESTMENT PLANNING AND IN THE PREPARATION OF ALL METROPOLITAN SYSTEMS PLANS.

## GEOGRAPHIC POLICY AREAS

The metropolitan urban service area and the rural service area contain a great deal of variety in natural resources, development and land use, age and condition of the physical plant, population characteristics and potential for future development. Because of these differences, the urban and rural service areas are not treated as two homogeneous entities. Rather, the urban service area has been divided into five geographic policy areas and the rural service area into three others to better relate metropolitan development and investment programs and policies to existing and anticipated needs.

The geographic policy areas in the 1985 urban service area are the metropolitan centers, regional commrcial-industrial concentrations, the fully developed area, the developing area, and freestanding growth centers. The major divisions of the rural service area consist of the commercial agriculture area, rural centers and the general rural use area. The 1975 policy areas identified in the Metropolitan Development Framework were the metropolitan centers, fully developed area (similar to the newly defined fully developed area), the area of planned urbanization (now the developing area), freestanding growth centers, the general rural use area, rural centers and the commercial agriculture region (which overlapped with the new commercial agriculture area). The 1975 document discussed and recommended development of major diversified centers, but did not include major diversified centers as a separate policy area. This revises that concept now called a commercial-employment center, and makes it a geographic policy area (see Figure 4).

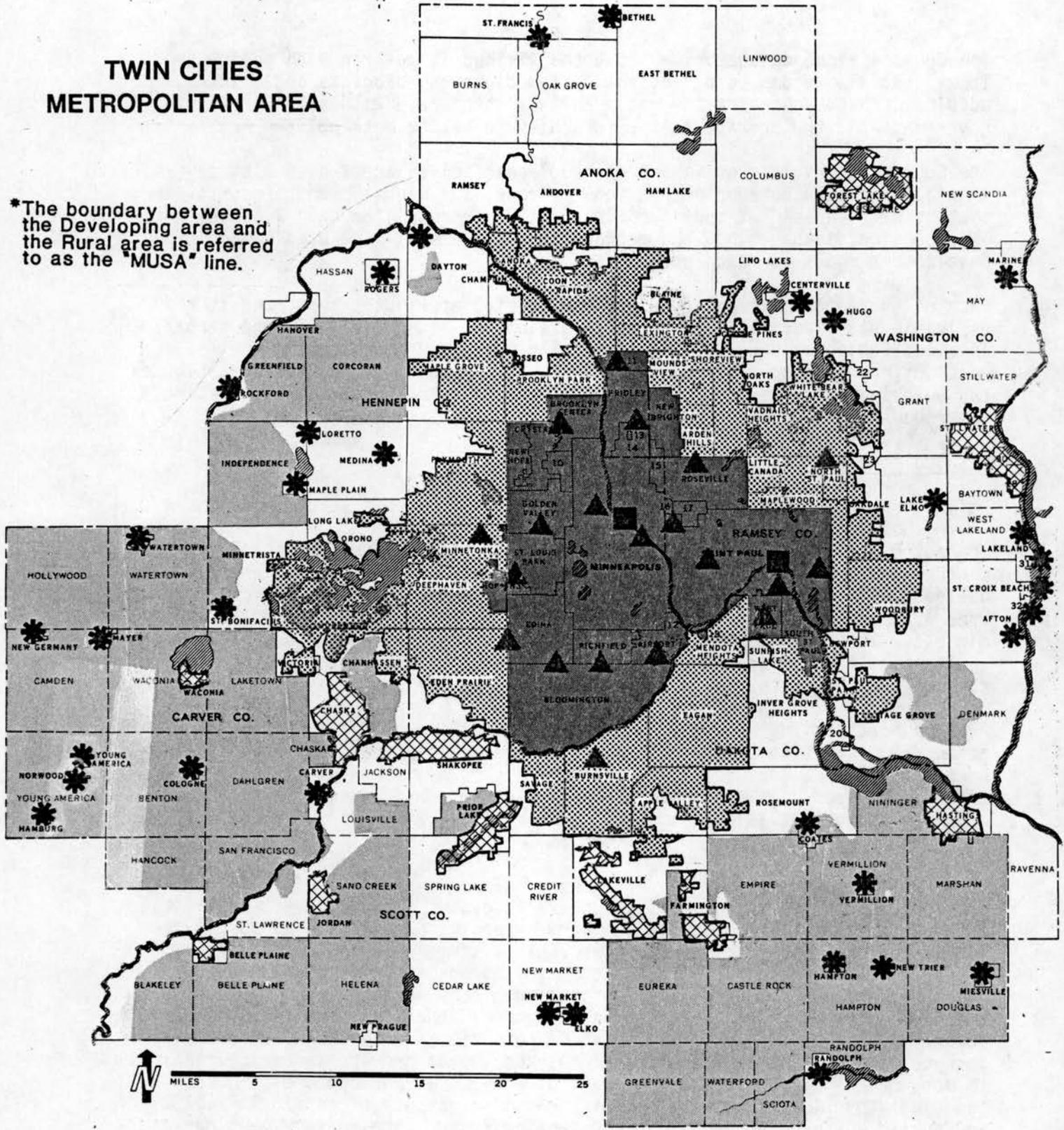
This section describes the Council's expectations and visions for these geographic policy areas. They are based on goals to ensure a variety in living style, delivery of social services, protection of the environment and maintenance of a vital economy.

Figure 4

# GEOGRAPHIC POLICY AREAS

## TWIN CITIES METROPOLITAN AREA

\*The boundary between the Developing area and the Rural area is referred to as the "MUSA" line.



- |   |   |   |                             |
|---|---|---|-----------------------------|
|  | METROPOLITAN CENTERS                          |  | FREESTANDING GROWTH CENTERS |
|  | REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS |  | RURAL CENTERS               |
|  | FULLY DEVELOPED AREA                          |  | COMMERCIAL AGRICULTURE AREA |
|  | DEVELOPING AREA*                              |  | GENERAL RURAL USE AREA      |

The Council alone cannot bring about the visions it has for each policy area. It will do all it can to direct the system plans and programs under its auspices toward achieving the goals and will cooperate with other units of government and the private sector to achieve a better Metropolitan Area.

The Council's development impact on geographic policy areas deal with sewers, transit, regional outdoor recreation, metropolitan highways and airports--the systems defined as "metropolitan" in the 1976 Metropolitan Land Planning Act. This section discusses how the metropolitan systems will be used to achieve development goals for each area.

Each of the geographic policy areas has special attributes that make it a desirable place for certain kinds of development and activities, and perhaps less desirable for others. The major attributes are discussed in the descriptions of geographic policy areas below. Understanding these attributes can help in following the process for development and investment evaluation, described later in this document.

### Metropolitan Centers

#### Definition and Location

The metropolitan centers are part of the urban service area and consist of the central business districts of Minneapolis and St. Paul. The two central business districts are the largest and most diverse activity centers in the area and comprise the government and financial centers for much of the upper midwest. They each contain highly developed shopping areas, along with substantial facilities for government, medical, finance, office space, entertainment and the arts.

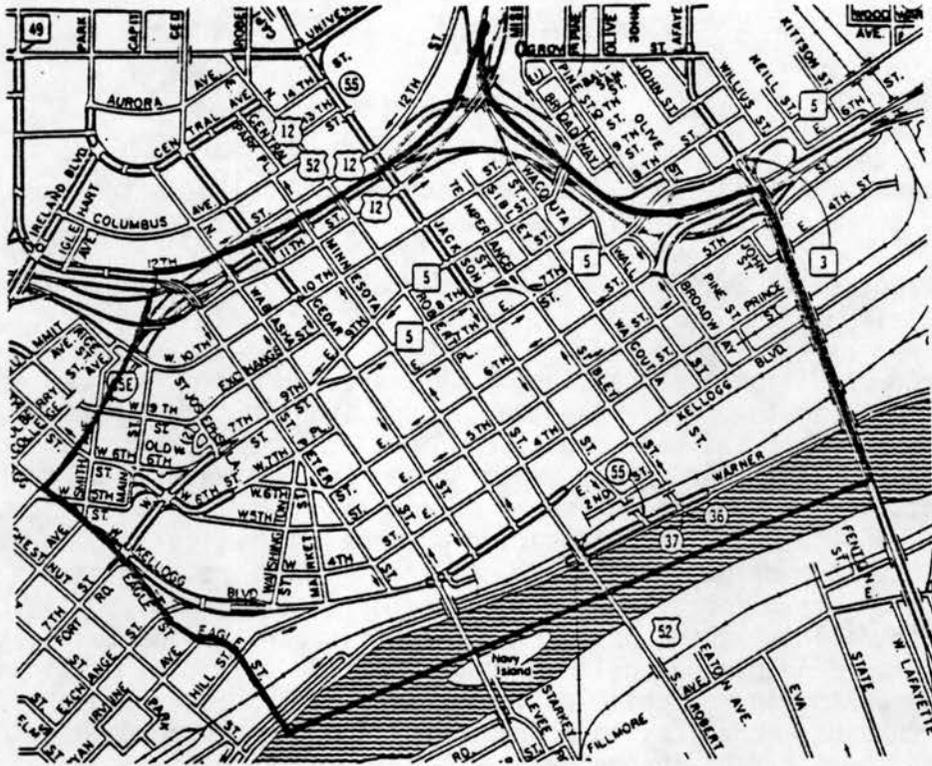
Although definitions may vary, the Metropolitan Development and Investment Framework refers to the metro centers as the area defined by the U.S. Census Bureau as central business districts (see Figure 5). This definition adequately covers the area devoted to high-density mixed-use development commonly thought of as "downtown."

#### Major Characteristics

The metro centers have the most intensive levels of capital investment in the Metropolitan Area, which included a very extensive development support system, both below ground and on the surface. This system includes sewers, water lines, electricity, gas, steam, telecommunications, streets and alleys, lighting, and in St. Paul, district heating. They have the highest level of accessibility by road and transit to be found in the area, and because of their density and number of jobs, the greatest potential for new forms of transit. Both centers have skyway-level walking systems that provide indoor connections to most major buildings, and large and diverse buildings capable of accommodating many kinds of use. This mixture and diversity of physical facilities and public and private organizations tend to foster face-to-face meetings and personal interactions. The tangible attributes of the two central business districts are unique and are not likely to be reproduced elsewhere in the area in the same form and composition. The two central business districts were the original focal points for development and the places where much of the Metropolitan Area's history was and still is being made. Local residents and people from outside the area often judge the desirability of the Twin Cities Area by the appearance and vitality of these two downtown districts.

Figure 5

ST. PAUL  
METRO  
CENTER



MINNEAPOLIS  
METRO  
CENTER



## Issues/Goals

Although there was some doubt about the continued health of the two central business districts in the early 1970s when the initial development framework was drafted, the situation has now changed. In fact, the downtown areas of both Minneapolis and St. Paul have experienced a development boom over the past several years.

The improved conditions, impressive as they are, should not induce complacency or reduced efforts to upgrade the two metropolitan centers. Much of the new downtown development has had some type of public subsidy, such as financial grants, tax benefits, land price write-downs, or a relaxation of parking requirements. Some projects have had more than one of these public subsidies. Due to the high-cost and time-consuming process of reusing land in the metro centers, some form of public-private cooperation is likely to continue to be required if downtown improvement and expansion is to continue. If federal aid continues to diminish as it has during the first part of the 1980s, there will be a greater demand placed on local government for financial participation with the private sector in redevelopment. Concerns have been raised about the uses of public funding mechanisms to attract and support private developments in the metropolitan centers and throughout the Metropolitan Area. Some changes may well be in order, but the public sector does have a role to play in helping to determine the economic future of the metropolitan centers. The big challenge to local government is to structure its relationship with the private sector in a way that gives the public high quality development for its money.

Despite, all the new development since 1975, both metropolitan centers still have some depressed areas, particularly at their fringes; the incorporation of the Mississippi River frontage into the downtown proper still needs much work in both cities; and even with the progress already made, the need for more housing for middle- and lower-income people requires continued attention. (These three issues were identified in the 1975 development framework.)

Since 1975, the skyway system has been greatly expanded in both metro centers; and it is now possible to reach nearly all major downtown activity centers in each city by way of the system. There are gaps in the skyway system due to the presence of parks or large plazas and to buildings that are too low or otherwise unsuited for skyway connections. Some street-level businesses lack convenient access to the skyways, and some skyway sections offer no easy way to get down to street-level. There is generally poor integration between the skyways and the street-level transit system in both centers. The skyways are imaginative and represent a positive development in improving the downtowns. They have greatly reduced the rigors of winter for those who use the metro centers. But there is still a need to integrate this second-level pedestrian system with the street level pedestrian walkway system and the public transit system, and to find new uses for many street-level spaces formally occupied by shops dependent on heavy pedestrian traffic flows.

There are tens of thousands of people living in the metro centers and within a mile or two of them. For many of these people, walking or riding a bicycle could be very attractive options to transit and automobiles much of the year. To encourage these alternative transportation forms, there must be safe, convenient, clearly marked systems of pedestrian walkways and bikeways, both into and within the centers. Bicycle storage areas located near major employment concentrations in the centers are also necessary.

Over the past few years, virtually all parts of the Metropolitan Area have been subject to some air, noise and odor pollution; but this problem is potentially most severe in the downtowns and adjacent areas. Much of this can be attributed to the heavy concentration of office buildings, industrial buildings, automobiles, trucks and buses in and around the downtowns. If the metro centers are to live up to their promise as convenient places to work, shop, live and be entertained, the environmental quality must be protected. The cities have taken action to reduce critical levels of pollutants in the downtowns; however, continued vigilance is necessary to preserve the environmental quality of the metro centers.

The Council wants the two metro centers to be the strong and diversified cores of the Metropolitan Area with a full complement of commercial, institutional, cultural, entertainment and housing facilities. High-quality highway and transit accessibility is essential, and the metro centers should make special efforts to keep up with the "state of the art" in communication facilities and services. Finally, the two centers should be attractive and pollution free, and continue to convey the "quality" image of this Metropolitan Area to the rest of the world.

#### POLICIES

16. THE METROPOLITAN COUNCIL SUPPORTS THE MAINTENANCE OF TWO STRONG METROPOLITAN CENTERS WITH A FULL COMPLEMENT OF COMMERCIAL, INSTITUTIONAL, CULTURAL, ENTERTAINMENT AND HOUSING FACILITIES.
17. DEVELOPMENTS REQUIRING A CENTRAL LOCATION, HIGH ACCESSIBILITY, HIGH SERVICE LEVELS AND HIGH DENSITY ARE MOST APPROPRIATE FOR THE METROPOLITAN CENTERS.
18. ENVIRONMENTAL QUALITY SHOULD BE MAINTAINED WITHIN THE METROPOLITAN CENTERS AND PROGRAMS OR STRATEGIES DEVELOPED TO MAINTAIN OR IMPROVE AIR QUALITY, WATER QUALITY AND SERVICE DELIVERY.
19. METROPOLITAN SYSTEM INVESTMENTS FOR METRO CENTERS WILL BE PROVIDED USING THE FOLLOWING GUIDELINES:
  - A. UNFINISHED METROPOLITAN HIGHWAY SYSTEM LINKS TO METROPOLITAN CENTERS SHOULD BE COMPLETED WITHIN CURRENT SCHEDULES. PROVIDE BYPASSES FOR THROUGH TRIPS SHOULD BE PROVIDED TO FREE UP CAPACITY FOR METROPOLITAN CENTER TRIPS.
  - B. METROPOLITAN CENTERS WILL RECEIVE HIGHEST LEVEL OF TRANSIT SERVICE IN THE REGION AND WILL BE THE FOCAL POINTS OF ANY FIXED-ROUTE OR FIXED-GUIDEWAY SYSTEM. TRANSIT SHOULD BE USED TO HELP ALLEVIATE CONGESTION AND PARKING PROBLEMS AND SHOULD BE INTEGRATED WITH THE SKYWAY SYSTEMS.
  - C. PROVIDING ADEQUATE SEWER CAPACITY TO SERVE REDEVELOPMENT NEEDS WILL BE GIVEN PRIORITY. RECONSTRUCTION OF SEWERS SHOULD BE COORDINATED WITH OTHER PROJECTS.
  - D. RIVERFRONT PARKS SHOULD BE USED TO PROVIDE AMENITIES, ATTRACTIONS AND ATTENTION TO THE RIVER. RIVER FRONT AREAS AND DOWNTOWN SQUARES SHOULD BE A PRIORITY FOR INCORPORATION INTO THE REGIONAL OUTDOOR RECREATION SYSTEM. THE REGIONAL TRAIL SYSTEM SHOULD

INCLUDE URBAN TRAILS CONNECTING METROPOLITAN CENTERS AND ADJACENT RESIDENTIAL NEIGHBORHOODS.

- E. THE SKYWAY SYSTEM SHOULD BE INTEGRATED WITH THE STREET-LEVEL PEDESTRIAN WALKWAY SYSTEM.
- F. HIGH QUALITY PEDESTRIAN WALKWAYS AND BIKEWAYS SHOULD BE PROVIDED INTO AND WITHIN THE CENTERS AND CONVENIENT BICYCLE STORAGE FACILITIES IN THE CENTERS.

### Regional Commercial-Industrial Concentrations

#### Definition and Location

Regional commercial-industrial concentrations are areas with a large employment or large sales volumes, or both. As such, they constitute very important outlying concentrations of economic activity. These concentrations are at a lower density and cover more territory than envisioned in the major diversified centers that were described in the 1975 Metropolitan Development Framework. They will be used in this document to replace the old concept of major diversified centers (Figure 6).

Most of the regional concentrations identified here have high concentrations of employment, large volumes of retail sales and large amounts of daily automobile trips. They contain diverse mixes of offices, hotels and motels, retail facilities and industry. The six concentrations defined on the basis of retail sales have very large volumes of retail trade and large amounts of auto trips, but fairly modest employment due to fewer office and/or industrial facilities than in the more diverse concentrations. The commercially oriented concentrations that came into being after the World War II are contemporary, auto-oriented versions of the central business districts that developed before the automobile became common.

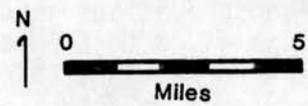
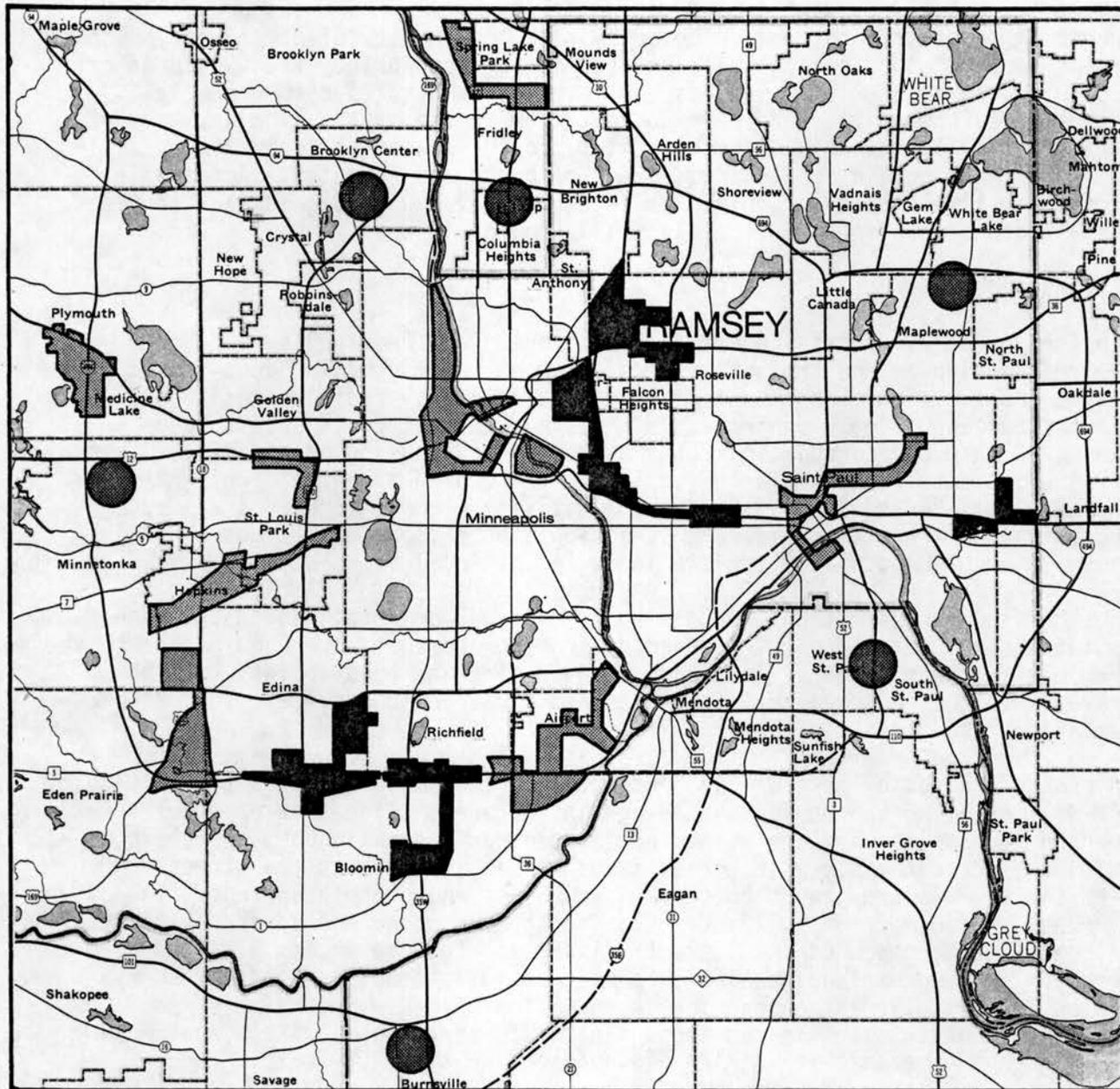
There are no particular criteria that indicate when a concentration of economic activity is large enough to be considered as "regional," but employment and sales volume data shows that the number of concentrations drops sharply when employment of 10,000 and sales of \$100 million are reached. For purposes of identifying the larger concentrations of activity where Council policies may already be useful, these levels were used as the lower limit cut off. Over time, as future expansion takes place, other places will be recognized as regional commercial-industrial concentrations.

#### Major Characteristics

The regional commercial-industrial concentrations are spread out; some extend over several square miles. They are medium-density developments located parallel to major highways with plenty of surface parking and networks of connecting streets. The conditions of local support roads is not uniform across the concentrations. Some local connecting road systems are reasonably well developed, but others are not.

The concentrations provide good locational choices for businesses and industries that do not want to or need to go into the metro centers but still want good regional highway accessibility, transit potential, perhaps railroad trackage, and a regulatory environment appropriate for nonresidential land uses and activities. Surface parking, located close to offices and stores and with

Figure 6  
**REGIONAL COMMERCIAL-INDUSTRIAL  
 CONCENTRATIONS**



-  Concentrations with employment of 10,000 or more
-  Concentrations with retail sales of \$100 million or more
-  Concentrations with employment of 10,000 or more and retail sales of \$100 million or more

no direct individual cost, is common for both employees and customers alike. Land costs and building construction costs are usually lower than for comparable facilities in the metro centers, and these savings are often passed on in the form of lower rents per unit of space occupied. Many of the concentrations allow for relatively fast and convenient trips between home and work. The regional concentrations are welcomed by most local units of government, despite their need for public facilities and services, because they are viewed as net contributors to the local tax base. They also tend to give some special identity to communities and help to "put them on the map." Finally, many of the commercial-industrial concentrations provide reasonably convenient facilities for the public in its acquisition of goods and services. Automobile travel is almost always required to obtain a full range of goods and services, but it can be confined to a fairly small geographic area.

### Issues and Goals

The commercial/industrial concentrations' principal regional service needs involve the highway and transit systems. Concentrations often occupy relatively large areas of land and cannot be readily serviced by radial transit routes that focus on a single centroid. Highway and transit goals should focus on improved internal circulation patterns and consider using paratransit. Several of the concentrations are arranged in linear fashion along major highways, especially I-94 and I-494. These high-activity highway corridors may have potential as transit corridors that could support light rail transit (LRT), busways or high-occupancy vehicle lanes fed by local bus systems.

Most of the concentrations contain employment and/or retail nodes that are strategically located within the concentration and that have good access to the regional highway system. These nodes could serve as focal points for the development of regional transit routes and paratransit services, such as park-and-ride facilities.

A problem shared by most of the concentrations identified here is the difficulty of walking among the various buildings in the area. Sidewalks or other clearly marked pedestrian ways are either nonexistent or discontinuous, and the potential pedestrian has to walk across large parking lots or in the street. Traffic signals are geared to serve automobiles, not people on foot. The often irregular placement of buildings relative to each other and to the existing street system compounds the task of walking about these areas. This failure to provide for pedestrians results in people using automobiles for very short trips. It also works against the introduction of medium- to high-speed regional transit with limited stops that could serve those within what would normally be a reasonable walking distance of the stop.

The concentrations generally have metropolitan highway access second only to that provided to the metro centers, and they need to continue to have such access to remain viable. The Council will make highway investment recommendations based on actual development and needs, not on speculative proposals. Proposed development projects will be examined to determine their impact on the metropolitan highway system. The Council will work with the communities involved and the Minn. Dept. of Transp. to try to find ways to resolve potential problems (see the section "Metropolitan Systems: Development and Protection" for more detail).

Several of the commercial-industrial concentrations in the fully developed area need some redevelopment if they are to continue to function as major regional

business concentrations. Unused and underutilized buildings, unkempt grounds and an overall atmosphere of desolation have taken over portions of these inner-area concentrations. Some of these areas are equipped with metropolitan facilities and services that could support additional development while, at the same time, representatives of peripheral parts of the urban service area are asking for an extension of metropolitan facilities so they can accommodate new commercial and industrial activities. The same problems cited for redevelopment of the metropolitan centers pertain to these inner area concentrations, but at a lesser magnitude, and some public-private pooling of resources might be the only way to upgrade them.

As the concentrations grow in size and complexity, they run the risk of degrading the environment through air pollution, noise pollution, inadequate on-site waste disposal and destruction of the natural drainage system. Air pollution poses a particular threat because the good highway access and free parking, which make them good business sites, also encourage the use of the automobile.

The concentrations vary considerably in age, layout, physical condition, function, ownership and development desirability. This Metropolitan Development and Investment Framework does not include an in-depth analysis of each one. Small area studies spearheaded by local units of government to determine how the concentrations function and their precise facility and service needs should be undertaken on an "as needed" basis. The Council can assist local governments through its action on local comprehensive plan amendments, financial grants, modifications to the regional highway and transit systems, and work on neighboring community plans.

The Council recognizes the regional commercial-industrial concentrations as major regional centers of activity that are essential to the economy of the area, and it encourages the concentrations to upgrade and remain viable business locations. Additional growth and increased densities are desirable provided the changes are planned and coordinated with the provision of supportive regional facilities and services.

#### POLICIES

20. THE REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS SHOULD BE PROVIDED WITH A COMBINATION OF METROPOLITAN-LEVEL AND LOCAL-LEVEL HIGHWAYS AND TRANSIT SERVICES SUFFICIENT FOR THEIR CONTINUED GROWTH AS THE MOST IMPORTANT BUSINESS CENTERS OUTSIDE OF THE METROPOLITAN CENTERS.
21. THE METROPOLITAN COUNCIL WILL WORK CLOSELY WITH LOCAL UNITS OF GOVERNMENT ON SUBAREA STUDIES TO DETERMINE HOW THE CONCENTRATIONS FUNCTION, AND WHAT EACH NEEDS TO REMAIN A GOOD PLACE TO WORK AND CONDUCT BUSINESS.
22. METROPOLITAN SYSTEM INVESTMENTS FOR REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS WILL BE PROVIDED USING THE FOLLOWING GUIDELINES:
  - A. HIGHWAY IMPROVEMENTS WILL BE PROVIDED AS THE NEED IS DEMONSTRATED AND NOT ON THE BASIS OF SPECULATIVE PROPOSALS. METROPOLITAN HIGHWAY IMPROVEMENTS WILL REQUIRE A LOCAL COMMITMENT TO DEVELOP SUPPORT ROADS AND TO UNDERTAKE OTHER TRANSPORTATION SYSTEM MANAGEMENT TECHNIQUES.

- B. TRANSIT CORRIDORS SHOULD CONNECT THE CONCENTRATIONS TO THE METROPOLITAN CENTERS. THE CONCENTRATIONS SHOULD SERVE AS A FOCUS FOR THE BUS SYSTEM FROM SURROUNDING AREAS. THE HIGHEST PRIORITY FOR TRANSIT SHOULD BE TO AREAS WITH CONCENTRATED EMPLOYMENT. POSSIBLE HIGH-CAPACITY SERVICE (FOR EXAMPLE, LIGHT RAIL TRANSIT) SHOULD BE PROVIDED IN CONJUNCTION WITH SERVICE TO METROPOLITAN CENTERS.
  - C. INCREASED SEWER CAPACITY TO SERVE DEVELOPMENT AND REDEVELOPMENT WILL BE GIVEN PRIORITY. EXISTING SEWER SYSTEMS SHOULD BE ADEQUATELY MAINTAINED.
23. INTERNAL PEDESTRIAN CIRCULATION SYSTEMS SHOULD BE PLANNED AND DEVELOPED AND BE CLOSELY INTEGRATED WITH TRANSIT PLANNING.

### Fully Developed Area

#### Definition and Location

The fully developed area is that part of the urban service area where the level of or need for maintenance, rehabilitation and redevelopment has surpassed the level of new development. It is defined as those communities that were more than 85 percent developed at the end of 1984 and that are contiguous to one another. Because of the tremendous investment already made in the fully developed area, the Council, through its investment and referral decisions, will seek to balance the needs of the region's older developed area with the traditional development and investment philosophy that emphasizes new construction and expansion of urbanization.

The communities that make up the fully developed area cover about one-third of the area in the urban service area, and account for over half the population of the entire region and more than 60 percent of its households. However, as development moves outward, the fully developed area as currently defined will represent less and less of this total.

While a number of other, generally small communities in the region meet the criteria of 85 percent development, they are all surrounded by developing areas. These communities often developed initially because of an amenity, such as with the communities around Lake Minnetonka or as small outlying towns, such as with Osseo. They have some of the characteristics of developed area communities and some of developing communities. Since they are farther out from the metropolitan centers, their regional service characteristics tend to be more similar to those of developing communities. On the other hand, their land use patterns and age of development are more likely to approximate other fully developed area communities. Consequently, many of the issues encountered by these communities are the same as those presented below; the Council's investment priorities will follow those of the developing area communities.

#### Major Characteristics

The fully developed area has a very large proportion of the Metropolitan Area's total investment in buildings, streets and highways, public utilities and parks, and contains the most fully developed structure and systems for the delivery of social and governmental services.

The housing supply in the area is fully diversified as to type, size, price and rental/ownership status. It is the largest source of housing for middle- and

lower-income families. More than half of the housing units in the area are detached, single-family houses, the preferred residential type in the Metropolitan Area, and well over half of the houses are moderately priced compared to new homes. Although housing in some areas has declined to the extent that it should be replaced, most of the houses in the fully developed area are of good quality and in sound condition. Many of the declining units could be rehabilitated for less than the cost of new housing.

Developed area communities also have a high level of urban services and good access to the jobs and opportunities in the metropolitan centers and other regional activity concentrations. Communities have basic services such as sewer and water systems and good police and fire departments, as well as other amenities such as well developed parks and convenient libraries. The area is well served by the metropolitan highway system and many parts of it have transit service that is the best the area offers.

### Issues and Goals

Because of the vast resources available in the fully developed area, it is important to recognize the changing demographic profile of its communities. Minneapolis and St. Paul have long been known for their higher numbers of single-person households of young adults and senior citizens, as well as female-headed households. This same pattern is now emerging in the region's older, more mature suburbs. Factors such as limited housing options in proximity to family homes and in affordable price ranges may keep older, suburban people living in homes larger than they can maintain on a daily basis or afford to keep updated. This aging of the suburban population has numerous implications for maintaining the housing stock, the school system, social services, etc. The Council's regional housing plan contains very detailed material on housing issues and recommendations.

In the fully developed area, investments have been made at different times--some with naturally shorter life spans than others, some of higher quality to begin with and some become functionally obsolete before they become physically obsolete. As a consequence, local and metropolitan planning and investment responsibilities will have to be exercised in a variety of ways and situations to help maintain the health of this policy area.

There are high public costs to both old and new urbanization. The next 15 years will very likely require more metropolitan-level investment decisions between extending regional systems into new areas and maintaining or overhauling existing systems that are reaching the end of their functional or useful life. From a regional perspective, it will be absolutely essential to find ways to maintain transportation and sewer service levels to the fully developed area.

During the latter part of the 1970s and first half of the 1980s, the lack of confidence in the future of many older neighborhoods was arrested, and genuine progress was made in maintenance and upgrading. This new spirit and its manifestations in social and physical improvements stemmed at least some of the outward flow of middle- and upper-income people who were leaving in the '60s and early '70s. However, the need for continued efforts at improvement and even just "holding the line" are still great, and creative public-private cooperation will continue to have high priority in the future.

To retain and attract the middle- and upper-income people who are needed to provide balance and stability for the developed area, public funds must be invested to correct the problems of the area and to provide additional amenities. This sets in motion the process of replacing residents who leave the area with new residents who will contribute to a stable age, family and income structure.

Substantial progress in home maintenance and improvements have been made since the early 1970s, but reliable and competitive financing sources should continue to be made available for prospective home buyers. Sufficient private investment must be attracted for the maintenance and rehabilitation of neighborhoods. Property tax policies, institutional lending practices and governmental regulations and administration should be designed to encourage the refurbishing of older homes and other buildings.

In providing metropolitan facilities to serve the developing area, it is often necessary to expand or construct facilities in the fully developed area as well. This is particularly true of linear facilities such as sewers and thoroughfares. The construction of new metropolitan facilities in the developing area may later induce capacity problems in the developed area. Because the initial improvements are made in the developing areas, there can be little awareness as to future impacts on the fully developed area. All urban service area communities should be alert as to the interrelationships and potential future impacts from expansion of linear facilities and make sure that improvement costs are fairly distributed on the basis of services provided. The caution on approving incremental changes presented in Policy 5, in the section "Changes to the Urban Service Area," is very relevant to the discussion here.

One of the most difficult challenges presented in the fully developed area is that of protecting and preserving good-quality existing development and, at the same time, making reasonable provisions for new and perhaps different kinds and densities of development that want to take advantage of the many facilities and services offered. Protection and preservation should never be allowed to become synonymous with a total freeze on change. Many locations within the fully developed area have metropolitan facilities and services that can accommodate a more dense development pattern and types of uses not presently found in those places. While these locations may be fully developed from the land use sense, they are substantially underdeveloped from the standpoint of making the best use of metropolitan investments. Local units of government in the fully developed area and private investors will play the lead role in deciding when and where land uses, densities, mixes and patterns should be changed. The Council can assist local governments in inducing change through its action on such things as local comprehensive plan amendments, financial grants, modifications to the regional highway system and improvements in the level of transit service.

The Council views the fully developed area as the backbone of the Metropolitan Area, which must be protected and upgraded on a continuing basis. The investment already in place is too large to take a chance on losing even a part of it through neglect and disinvestment. The Council believes that in the developed area protection and preservation can coexist and can be made compatible with expansion and change.

## POLICIES

23. THE METROPOLITAN COUNCIL, THROUGH ITS INVESTMENT AND REFERRAL DECISIONS, WILL BALANCE THE NEEDS FOR PRESERVATION AND REHABILITATION WITH THOSE FOR INFILL AND REDEVELOPMENT.
24. METROPOLITAN SYSTEM INVESTMENTS FOR THE FULLY DEVELOPED AREA WILL BE PROVIDED USING THE FOLLOWING GUIDELINES.
  - A. THE EXISTING INVESTMENT IN HIGHWAYS IN THE FULLY DEVELOPED AREA SHOULD BE MAINTAINED. GOOD ACCESS TO METROPOLITAN CENTERS AND REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS SHOULD BE PRESERVED. THE LOCAL ARTERIAL SYSTEM SHOULD BE PLANNED TO SERVE THE SHORTER, LOCAL TRIPS AND DIVERT TRAFFIC FROM THE METROPOLITAN SYSTEM. TRANSPORTATION SYSTEM MANAGEMENT TECHNIQUES SHOULD BE EMPLOYED TO MAINTAIN THE CARRYING CAPACITY OF METROPOLITAN FACILITIES.
  - B. THE FULLY DEVELOPED AREA IS THE MAJOR SERVICE AREA OF THE TRANSIT SYSTEM AND RECEIVES THE HIGHEST LEVEL OF SERVICE--FOR MANY AREAS, ALL-DAY FREQUENT SERVICE. THE HIGH LEVEL OF SERVICE SHOULD BE MAINTAINED OR IMPROVED. THIS AREA SHOULD ALSO RECEIVE A HIGH PRIORITY FOR PARATRANSIT SERVICE FOR GROUPS WITH SPECIAL NEEDS, SUCH AS ELDERLY AND HANDICAPPED PERSONS.
  - C. INCREASED SEWER CAPACITY TO MEET PLANNED DEVELOPMENT NEEDS WILL BE GIVEN PRIORITY. THE EXISTING SEWER SYSTEM SHOULD BE ADEQUATELY MAINTAINED.
  - D. AIRPORTS SHOULD BE SAFE AND USED ACCORDING TO APPROVED PLANS. DEVELOPMENT NEAR AIRPORTS SHOULD BE COORDINATED WITH LAND USE COMPATIBILITY GUIDELINES.
  - E. PARK FACILITIES SHOULD BE PROVIDED IN KEEPING WITH THE POPULATION CHARACTERISTICS AND NEEDS OF AN AREA AND WILL BE COORDINATED WITH ACCEPTABLE PARK AND COMPREHENSIVE PLANS
25. WHENEVER TWO OR MORE URBAN SERVICE AREA PROJECT INVESTMENTS ARE OF EQUAL RANKING BASED ON REGION-WIDE NEEDS, REINVESTMENT FOR REPLACEMENT AND MAINTENANCE OF METROPOLITAN SYSTEMS SERVING EXISTING DEVELOPMENT SHOULD TAKE PRIORITY OVER INVESTMENT FOR EXPANSION.

### Developing Area

#### Definition and Location

The developing area is that portion of the region which is in the path of urban growth. This area either has been or will be provided with metropolitan facilities and services, and most of the growth in the metropolitan area between 1985 and the year 2000 will occur here.

#### Major Characteristics

The greatest asset of the developing area is its large supply of undeveloped land that is now or will be provided with metropolitan facilities and services needed to support urban development. This gives the communities in the

developing area the unique opportunity to "do it right the first time" with respect to planning and development. They do not have to contend with large areas that were badly designed and developed in the past or with a stock of deteriorating buildings. New concepts and imaginative ways of carrying out urban development can be tried with fewer deterrents than found in the other policy areas.

The developing area offers people the opportunity to live in relatively new multifamily and single-family homes in a wide variety of natural settings and with a substantial range in prices. There is a generally adequate supply of the most essential facilities and services and reasonably good highway access to most portions of the metropolitan area. Cultural facilities, other than education and specialized human services, are not very well developed here. Public transit service is either unavailable or almost totally associated with the morning and evening work trip. The developing area is definitely automobile-oriented and, to the extent that development is of low density, even if it is contiguous, future public transit prospects are not very good. However, there are interesting possibilities for introducing various forms of paratransit and contract transit.

#### Issues and Goals

Urban expansion in the developing area should be planned, staged and generally contiguous to existing development. Communities are urged to provide for the orderly extension of services by identifying where and when lands within their local urban service area will be provided with support facilities needed to initiate urban development. The Council, in turn, will do its part to provide investment in metropolitan systems at the time, place and size needed to support locally planned and staged growth.

Considerable investments in metropolitan systems have already been made in the developing area. Some of these investments are substantially underutilized while others are or will soon be used to capacity and will have to be expanded. The underutilized investments may originally have been made to resolve issues not directly associated with local development or they may have relied on growth forecasts that were not achieved. New development cannot be forced to go in places where underutilized metropolitan investments are in place, but in keeping with the concept of orderly and economic development, the parts of the Metropolitan Area with excess capacity in metropolitan systems like highways and sewers should be considered by developers and policymakers.

The Council views the developing area as the place to build urban areas that combine the best of the past with unlimited innovation and imagination about the future. Once the initial urban pattern is set, it is time consuming and costly to change it. The best possible job of planning and development must be done the first time around, and the developing area is the place that offers that opportunity.

#### POLICIES

26. URBAN EXPANSION IN THE DEVELOPING AREA SHOULD BE PLANNED, STAGED AND GENERALLY CONTIGUOUS TO EXISTING DEVELOPMENT. THE COUNCIL WILL DO ITS PART TO PROVIDE INVESTMENT IN METROPOLITAN SYSTEMS AT THE TIME, PLACE AND SIZE NEEDED TO SUPPORT LOCALLY PLANNED AND STAGED GROWTH AS IDENTIFIED IN ACCEPTABLE LOCAL COMPREHENSIVE PLANS.

27. METROPOLITAN SYSTEM INVESTMENTS FOR THE DEVELOPING AREA WILL BE PROVIDED USING THE FOLLOWING GUIDELINES:
- A. METROPOLITAN HIGHWAYS WILL BE PROVIDED TO SERVE FORECASTED DEVELOPMENT. METROPOLITAN HIGHWAY IMPROVEMENTS WILL REQUIRE A LOCAL COMMITMENT TO DEVELOP SUPPORT ROADS AND TO UNDERTAKE OTHER TRANSPORTATION SYSTEM MANAGEMENT TECHNIQUES TO PRESERVE THE EFFICIENCY OF THE METROPOLITAN FACILITY. METROPOLITAN HIGHWAYS SHOULD PROVIDE GOOD ACCESS TO METROPOLITAN CENTERS AND REGIONAL COMMERCIAL-INDUSTRIAL CONCENTRATIONS.
  - B. FIXED-ROUTE TRANSIT IN THE DEVELOPING AREA WILL BE PROVIDED WHERE DENSITIES AND THE CONCENTRATIONS OF ORIGINS AND DESTINATIONS PERMIT THE EXTENSION OF SERVICE. TYPICALLY, THIS MEANS RUSH-HOUR SERVICE TO METROPOLITAN CENTERS OR COMMERCIAL-INDUSTRIAL CONCENTRATIONS, UNLESS OTHER SERVICE IS ALSO SHOWN VIABLE. PARATRANSIT OPTIONS SUCH AS CAR POOLING, VAN POOLING AND PARK-AND-RIDE LOTS ARE EMPHASIZED IN THE DEVELOPING AREA. LOCAL EFFORTS SHOULD IDENTIFY OPPORTUNITIES FOR PARATRANSIT APPLICATIONS.
  - C. SEWER SERVICE AREAS IN THE DEVELOPING AREA SHOULD BE SIZED ACCORDING TO THE DEMAND FOR LAND NEEDED TO ACCOMMODATE FORECASTED DEVELOPMENT. SEWER SERVICE AREAS SHOULD CONTAIN A FIVE-YEAR OVERAGE OF SUPPLY OVER DEMAND TO PERMIT THE OPERATION OF THE MARKET AND TO AVOID INCREASING LAND PRICES. THE REGION WILL SEEK TO AVOID VOLUME/CAPACITY CONSTRAINTS THAT WILL LIMIT LOCAL DEVELOPMENT. LOCAL UNITS OF GOVERNMENT SHOULD INDICATE THEIR COMMITMENT TO PROVIDING SERVICE BY SCHEDULING LOCAL IMPROVEMENTS WITHIN THE LOCAL CAPITAL IMPROVEMENTS PROGRAM.
  - D. AIRPORTS SHOULD BE SAFE AND USED AS PLANNED. DEVELOPMENT NEAR AIRPORTS SHOULD BE COORDINATED WITH LAND USE COMPATIBILITY GUIDELINES.
  - E. SUFFICIENT PARKLAND TO MEET THE NEEDS OF PLANNED DEVELOPMENT SHOULD BE PRESERVED. REGIONAL PARKS ALREADY ACQUIRED SHOULD BE DEVELOPED FOR USE, AND THIS DEVELOPMENT SHOULD BE IN ACCORD WITH ACCEPTABLE LOCAL PLANS.

### Freestanding Growth Centers

#### Definition and Location

Freestanding growth centers are the larger urban centers located within the rural portion of the seven-county Metropolitan Area. They originated as outlying trade centers. Some have accommodated suburban development in recent years. Some include large areas of open land as a result of the annexation of former townships.

In this Metropolitan Development and Investment Framework, 11 communities located in the rural portion of the area are designated as freestanding growth centers. The centers range in size from Waconia, with a population of 2,640, to the Stillwater-Bayport-Oak Park Heights area, with nearly 19,000. No one size is typical. Five have populations under 5,000; two have populations between 5,000 and 10,000; and four have populations over 10,000 (Anoka and Rosemount, formerly freestanding growth centers, have been incorporated within the boundary line of the urban service area.

Freestanding growth centers are very similar to communities within the urban service area in that they have a full range of services and are thus able to accommodate a full range of land uses, i.e., urban density residential, commercial and industrial. The distinction, however, is that freestanding growth centers are physically separated from the larger urban area by undeveloped land. Also, they have an employment base within the community that is large enough to provide work (in numerical terms) for the local population. They are more than just residential communities in both location and their economic bases.

#### Major Characteristics

All freestanding growth centers have central sanitary sewer and other services, and characteristics that enable them to serve an urban population. Services available include sewer, water, schools and higher levels of police and fire protection. In addition, all communities provide at least full convenience retail services and have a significant number of other kinds of employment opportunities available for their populations.

Freestanding growth centers provide an alternative to large city living and are communities that have the services and capacities to accommodate an urban population. Because they are so similar to urban service area communities, and because they also accommodate regional population growth which might occur in unserved areas, the region supports investments in these communities.

Figures 7A, 7B and 7C show the urban service areas of the freestanding growth centers.

#### Issues and Goals

The centers have, on a reduced scale, the characteristics of the Metropolitan Area as a whole. They have a downtown and older core, a developing fringe and a surrounding rural area. Consequently, many of the issues and problems that urban service area communities face are encountered by freestanding growth centers on a smaller scale. Rehabilitation and revitalization of older core areas is one example; the management of growth on the fringe, protection of agricultural land, and control of unserved development in the rural area are others.

Freestanding growth centers' plans to accommodate population growth should also be accompanied by local efforts to expand employment opportunities. There are two reasons for this: 1) employment opportunities help to maintain the individual identity of freestanding growth centers as more than just residential centers; 2) freestanding growth centers provide a location for residential, commercial and industrial development that might otherwise occur in unserved locations.

Most of the freestanding growth centers do not have large amounts of vacant land within their boundaries. Any substantial new development will have to go on lands currently under township government, where the cities lack authority to do advance planning for facilities and services associated with urban expansion. As a general rule, urban services should not be extended into unincorporated areas that do not have the government structure or administrative capabilities to oversee urban development and service delivery. The freestanding growth centers and their rural neighboring communities need to work together for coordinated development.

### FREESTANDING GROWTH CENTERS URBAN SERVICE AREAS

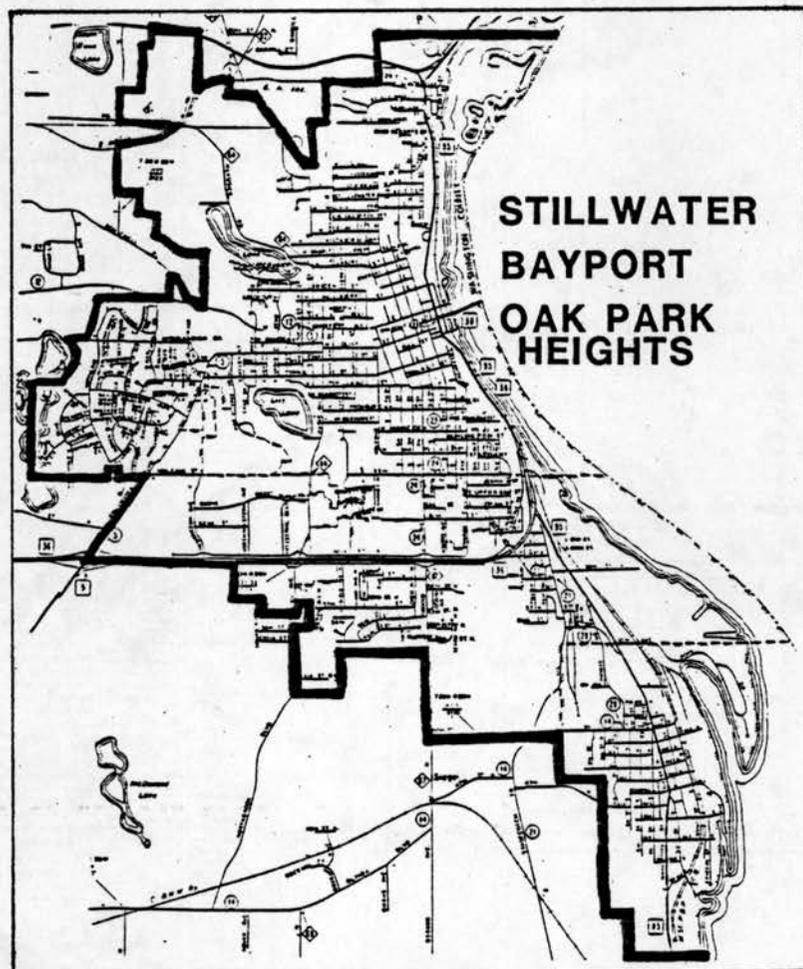
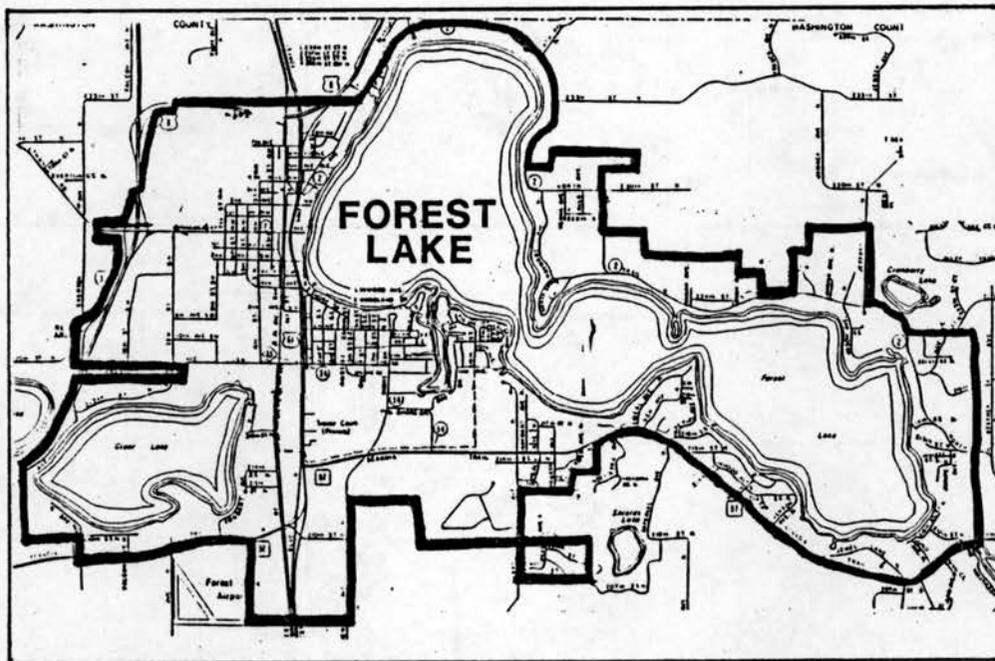
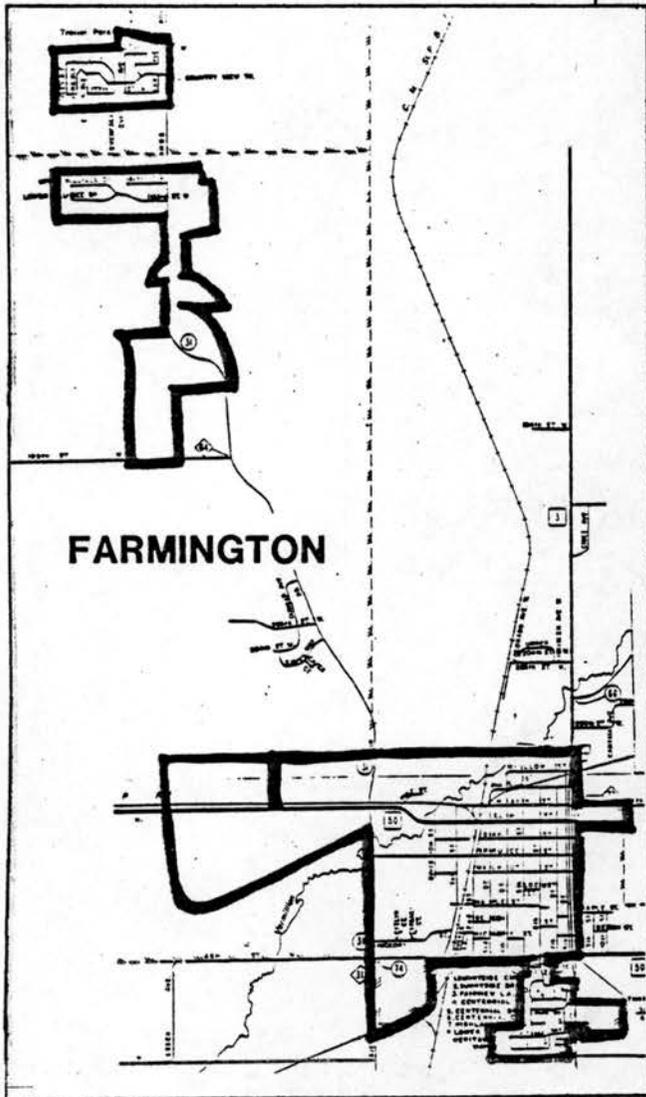
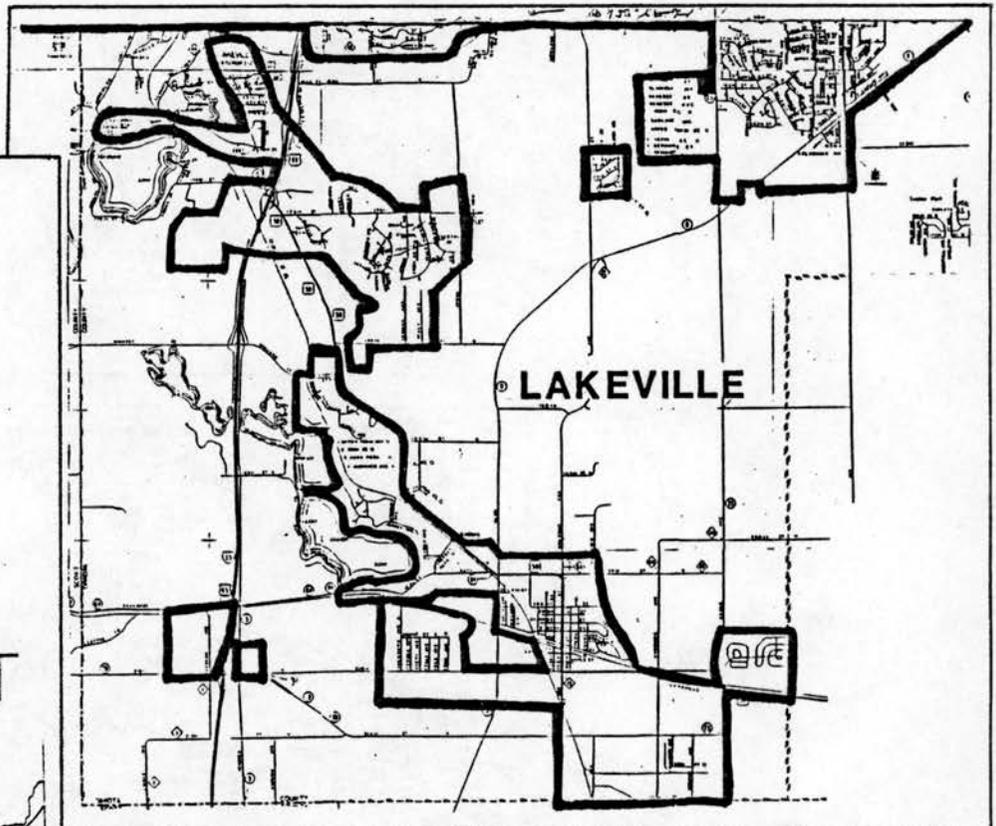
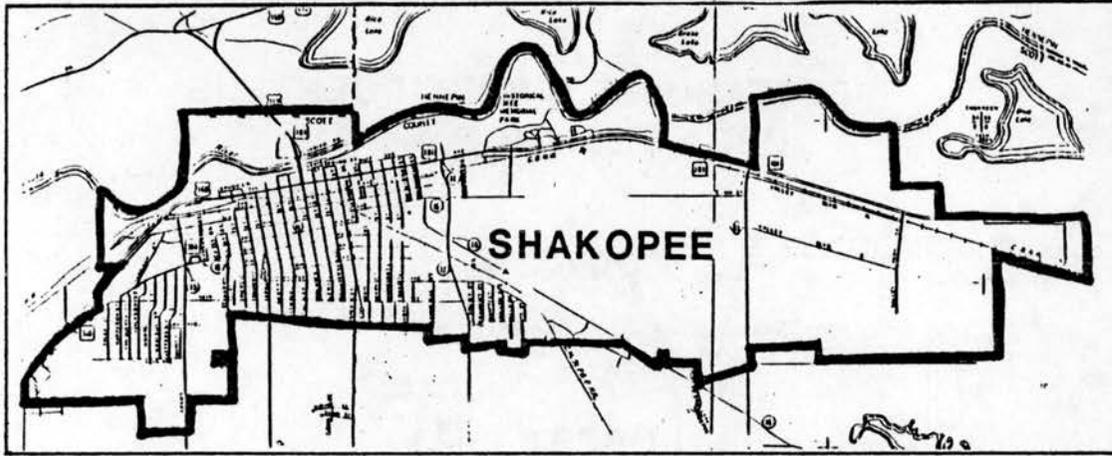
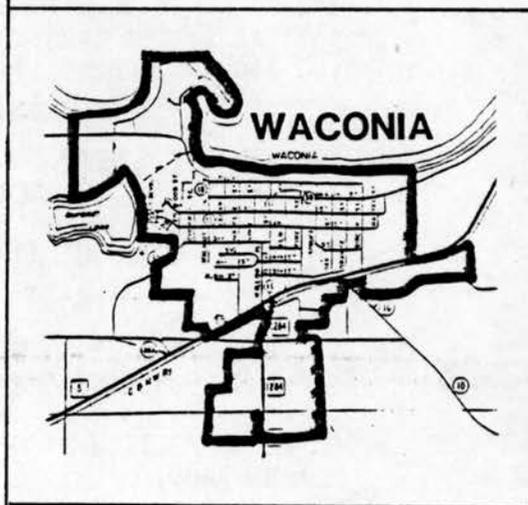
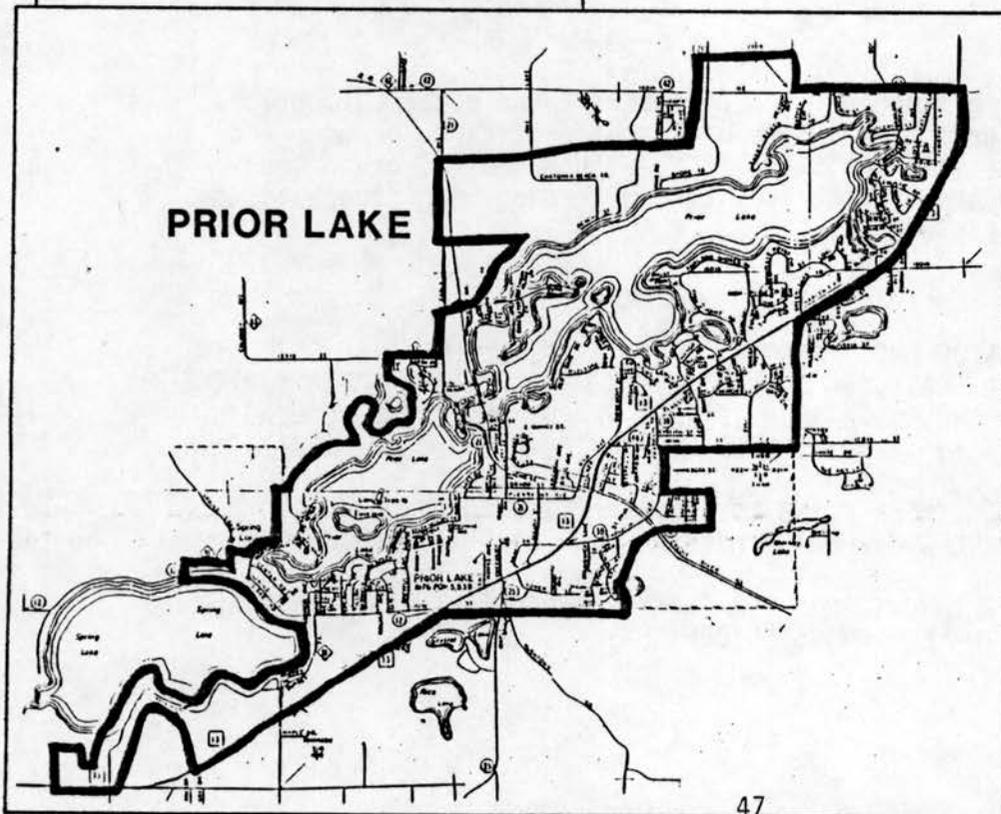
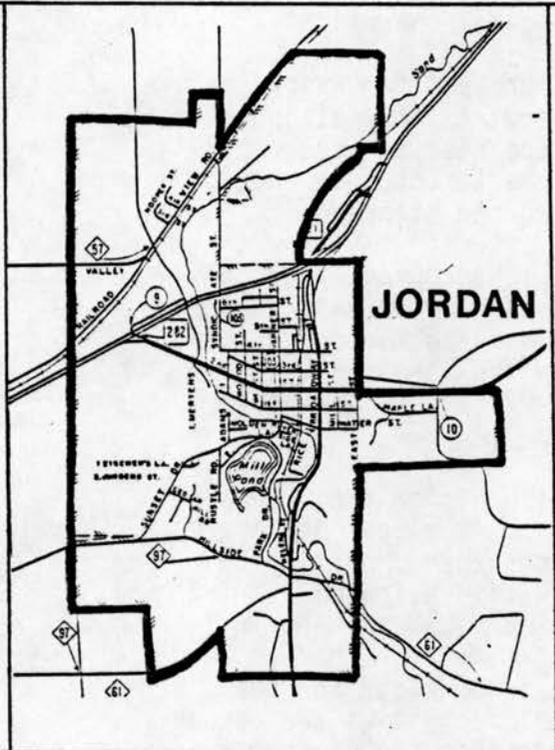
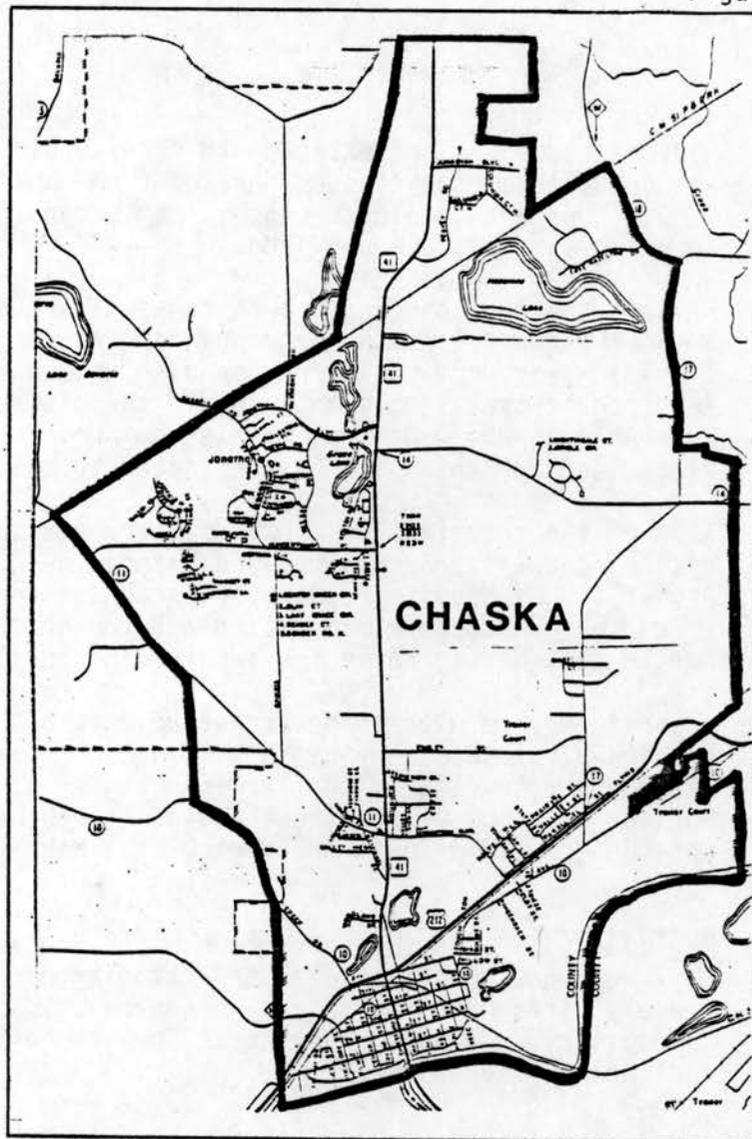
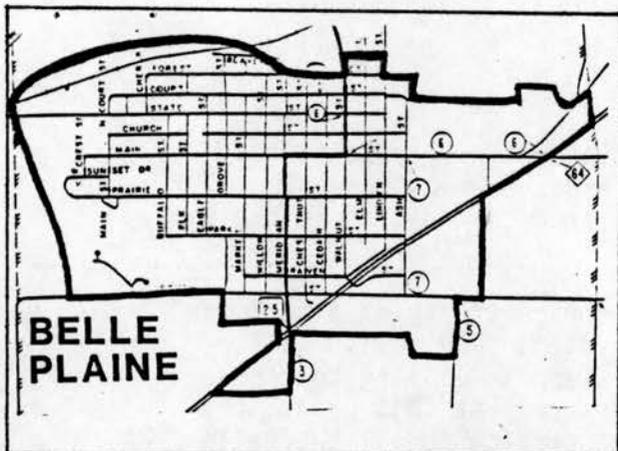


Figure 7B





Regional services are extended to freestanding growth centers. Because they are detached communities, separated from the large urban area by undeveloped land, there are some differences from urban service area communities in the way in which services are provided.

Five of the freestanding growth centers have small sewage treatment plants and are not connected to the metropolitan interceptor system. The region will provide sewer service to freestanding growth centers and is willing to acquire and operate treatment plants should the cities so desire. At this point, the Metropolitan Waste Control Commission provides sewer service to all but Belle Plaine and Jordan, which have selected to continue municipal operation.

Nine of the freestanding growth centers are served by metropolitan highways system roadways. Farmington and Waconia do not have service from metropolitan highways. Highways servicing freestanding growth centers need to have capacity adequate to accommodate existing and forecasted development, but they should not be designed to serve the intervening rural area at urban standards.

Transit service within the freestanding growth centers is encouraged and can provide a valuable service in linking, working and shopping opportunities. Fixed-route transit to the larger urban area is not to be rejected out of hand, but the distance of the freestanding growth center from the larger urban area and the generally low transit ridership make transit service very expensive to provide.

Regional parks provide recreation opportunities for residents of the Metropolitan Area, including those in freestanding growth centers. Regional parks are largely sited based on natural-resource attributes rather than proximity to populations, and most freestanding growth centers are within a few miles of a regional or state park.

The public system of airports in the Metropolitan Area is adequate for the needs of the freestanding growth centers. If additional facilities are needed, they might be located and developed in a way that complements the economy of the centers.

The Council considers the freestanding growth centers to be detached portions of the metropolitan urban service area. It wants the centers to prosper and grow and to serve as alternatives to living in the large central urban area. Metropolitan system investments will be provided in keeping with forecasts and approved local comprehensive plans.

#### POLICIES

28. URBAN SERVICE AREAS OF FREESTANDING GROWTH CENTERS SHOULD BE SIZED IN A MANNER SIMILAR TO THAT USED TO DEFINE THE METROPOLITAN URBAN SERVICE AREA. ENOUGH LAND SHOULD BE IDENTIFIED TO ACCOMMODATE THE FORECASTED POPULATION, WITH A FIVE-YEAR OVERAGE TO PROVIDE A CHOICE OF LOCATIONS.
29. FREESTANDING GROWTH CENTER PLANS TO ACCOMMODATE POPULATION GROWTH SHOULD BE ACCOMPANIED BY EFFORTS TO EXPAND EMPLOYMENT OPPORTUNITIES.
30. METROPOLITAN SYSTEM INVESTMENTS FOR FREESTANDING GROWTH CENTERS WILL BE PROVIDED USING THE FOLLOWING GUIDELINES:

- A. THE REGION WILL PROVIDE SEWER SERVICE TO FREESTANDING GROWTH CENTERS AND IS WILLING TO ACQUIRE AND OPERATE TREATMENT PLANTS IN JORDAN AND BELLE PLAINE SHOULD THE CITIES SO DESIRE.
- B. METROPOLITAN HIGHWAYS WILL BE DESIGNED TO PROVIDE SUFFICIENT CAPACITY FOR THE FREESTANDING GROWTH CENTERS BUT NOT FOR THE INTERVENING RURAL AREAS TO BE DEVELOPED AT URBAN DENSITIES. INTERSECTION OR INTERCHANGE SPACING IN THE RURAL AREAS WILL BE AT WIDER, RURAL STANDARDS. ACCESS TO THE HIGHWAY FROM ABUTTING PROPERTY WILL BE LIMITED WHERE PRACTICABLE TO PRESERVE THE CARRYING CAPACITY OF THE ROADWAY.
- C. TRANSIT SERVICE TO FREESTANDING GROWTH CENTERS SHOULD BE PROVIDED ONLY IF THE RIDERSHIP AND THE WILLINGNESS TO PAY THE EXPENSE ARE CLEARLY DEMONSTRATED. COMMUTER TRIPS FROM FREESTANDING GROWTH CENTERS TO THE URBAN SERVICE AREA SHOULD GENERALLY BE SERVED BY RIDESHARING STRATEGIES (SUCH AS CAR POOLING), RATHER THAN BY EXPANDED METROPOLITAN HIGHWAYS OR FIXED-ROUTE TRANSIT.
- D. THE CAPITAL IMPROVEMENT PROGRAM FOR REGIONAL PARKS SHOULD CONSIDER THE NEEDS OF RESIDENTS OF FREESTANDING GROWTH CENTERS.
- E. LOCAL PARK GRANT APPLICATIONS WILL BE CONSIDERED FOR COUNCIL APPROVAL ONLY IF THE FACILITY IS IN THE CITY'S URBAN SERVICE AREA.

### Rural Centers

#### Definition and Location

Rural centers historically have served as retail service centers and transportation centers for the surrounding rural area. Changes in agriculture and rapid urban expansion have changed the traditional rural service roles of many of these small centers to residential areas for urban people and locations for industries with little tie to local agriculture. The latter make use of available labor in rural areas and, by their nature, tend not to be dependent on close contact with other firms for their supplies, or critically dependent on transportation.

This framework identifies 35 rural centers, with the majority located in areas with the better agricultural soils. The population level varies from New Trier, with a population of 120, to Lake Elmo, over 5,000. Most of the rural centers are small, with 70 percent having a population under 1,000. Over half have a population under 500. Several of the rural centers have annexed the surrounding township, which also includes a considerable amount of scattered nonfarm development. This is the situation with Lake Elmo, the largest of the rural centers.

#### Major Characteristics

The services available within rural centers vary. Some have central sanitary sewer, others depend on on-site waste disposal systems. Some have central water systems. Some provide the full range of convenience retail stores, while others have only a bar or gas station. Some have small manufacturing or service businesses, others are almost exclusively residential. Metropolitan systems are not extended to rural centers because of the distance from the urban center and the small populations of rural centers.

## Issues and Goals

Rural locations in the past decade have been attractive and some, although not all, communities have experienced an upsurge in growth, principally residential development. Development trends are down from the highs noted in the early 1970s but continue at modest levels into the 1980s.

Several services are important in adequately serving additional rural center development, but sewage disposal is the most critical. Urban-density development in an unsewered rural center poses the risks of failure of systems at higher densities, contamination of groundwater and expense of new on-site or central sewer system installation. There is also the threat of a possible required extension of metropolitan sewer service through rural areas to remedy a pollution problem. These risks are larger than with other service deficiencies, but these risks are less likely to be adequately perceived. One reason is that on-site systems are seen as an individual responsibility and the combined effect of numerous individual systems is not comprehended by any one individual. Another is that on-site sewage systems are underground and tend to be out of mind: waste is discharged and "disappears." An improperly operating system may not be evident until sewage backs up. A system on porous soils may drain well but may discharge inadequately treated sewage into underground aquifers, rivers or lakes. On-site system regulations and monitoring requirements are an effort to address these problems of on-site systems, but regulations cannot mandate that systems work at the higher densities some are employed. That some on-site systems fail is not totally unexpected and should not be a surprise.

Rural centers should accommodate additional development consistent with their ability to finance and administer services, including sewer, roads, water and stormwater drainage. Residential, commercial and industrial development at urban densities should be accommodated only in rural centers with central sanitary sewers that are meeting water quality standards. Larger projects should be located in freestanding growth centers that have a full range of services.

Some parts of the rural Metropolitan Area, especially Anoka County, are receiving large amounts of scattered urban development. These areas historically have not had as many rural centers as other portions of the seven-county area. The development poses problems to serve and may, at a later date, result in very high local service costs. A strategy is proposed which offers the local governments an alternative way to structure their development involving designation and creation of a "rural center." This rural center would be a limited area enclave for urban-density land uses, facilities and services within the broader corporate boundaries. It would not be coterminous with the entire corporate community. Under this strategy, a city would identify an area to receive urban density residential, commercial and industrial development and the facilities, including sewer, needed to serve it. Areas of existing urban-density uses are likely candidates to be selected as the new rural centers.

The advantage of the strategy is that it allows a city a way in which to accommodate some of the commercial, industrial and higher-density residential development that want outer-area locations and to avoid conflicts with the Council's rural area policy. The advantage to the Council is protection of metropolitan systems, such as a highway or sewer interceptor, and protection of the rural area for rural uses. The strategy is not without its difficulties. A key problem in the past has been the reluctance of some cities to place

meaningful restriction on the location of urban uses in its rural area, a requirement of the strategy. The strategy, however, does provide an option for both a city and the Council to deal with a difficult problem. It also allows the Council to play a constructive role rather than a negative role.

The Council views the rural centers as places where those not engaged in agriculture can live in the rural area under conditions least detrimental to the continued pursuit of farming. If rural centers provide the facilities and services needed by small clusters of development, they offer valid alternatives to living in larger, more complex urban areas.

#### POLICIES

31. METROPOLITAN URBAN SERVICES WILL NOT BE EXTENDED INTO THE RURAL SERVICE AREA TO RURAL CENTERS.
32. RURAL CENTERS SHOULD ACCOMMODATE ADDITIONAL DEVELOPMENT CONSISTENT WITH THEIR ABILITY TO FINANCE AND ADMINISTER SUCH SERVICES AS SEWER, ROADS, WATER AND STORMWATER DRAINAGE. URBAN RESIDENTIAL DEVELOPMENT SHOULD NOT BE ACCOMMODATED IN THOSE RURAL CENTERS THAT DO NOT HAVE CENTRAL SANITARY SEWER.
33. TREATMENT PLANTS THAT DO NOT MEET WATER QUALITY STANDARDS SHOULD BE UPGRADED THE COUNCIL WILL SUPPORT APPLICATIONS FOR STATE AND FEDERAL FUNDS FOR UPGRADING AND WILL SUPPORT CENTERS THAT WISH TO CONSTRUCT A TREATMENT PLANT TO PROTECT WATER QUALITY, PROVIDED THE PROPOSED ACTION IS IN ACCORD WITH AN APPROVED COMPREHENSIVE PLAN.
34. THE COUNCIL WILL HELP A LOCAL GOVERNMENT PLAN A RURAL CENTER AND SUPPORT ITS REQUESTS FOR STATE AND FEDERAL GRANTS, PROVIDED THE LOCAL GOVERNMENT RESTRICTS URBAN USES FROM SURROUNDING RURAL AREAS AND WILL SUPPORT THE NEW CENTER WITH NECESSARY SERVICE INVESTMENTS.

#### Commercial Agriculture Area

##### Definition and Location

Lands certified by the local units of government as eligible to participate in the Metropolitan Agricultural Preserves Act constitute the commercial agriculture area. This definition of the commercial agriculture area places the emphasis for defining agricultural lands on local government decisions. The area included is large (about 600,000 acres in 1985), encompassing over half the farmland in the seven-county area. With Council protections policies for commercial agriculture focused only in areas where there are local government plans and protections, local and regional policies and plans support and reinforce each other; and a most persuasive case is made for other governments in the general rural use area to follow suit.

The geographic area defined as the commercial agriculture area is subject to frequent change when tied to the Agricultural Preserves Act because land can go into and out of certification when local governments decide to alter its status. Local governments may replan and zone certified areas if a change in policy is desired, but it must occur as a public process, taking effect eight years hence. For the purposes of the Metropolitan Development and Investment Framework, the commercial agriculture area is defined as the area certified as of March 1 of each year. This date is the end of each Council reporting year required under the agricultural preserves law.

## Major Characteristics

Under agricultural preserves provisions, a local resolution is passed certifying land eligible for protections and benefits and limiting housing density to one unit per 40 acres. The certified area is then considered long-term agricultural land and farmers owning land within it may enter the program. The one-per-40 density limit is consistent with and an outgrowth of previous Council policy for the lands committed to long-term agriculture. An adopted comprehensive plan must reflect this land use and zoning. The legislation also allows for a smooth transition from the existing "green acres" farm program that is based on a minimum of 10 acres.

The commercial agriculture area is a productive agricultural area. It is a place where farm operators should be confident that their investments in farming facilities will be secure for the long-term period that there will be no land use conflicts to threaten their investments. The land is not needed for urban uses now and will not be needed to support urbanization at any time in the foreseeable future.

## Issues and Goals

Within the commercial agriculture area, all land has been certified by local governments as eligible to participate in the agricultural preserves program; however, not all landowners in the certified area have decided to participate in the program. Ideally, all landowners in the commercial agriculture area have decided to participate in the program. Because participation is so important, two levels of protection in the commercial agriculture areas are recognized by the Council. These are identified as primary protection areas and secondary protection areas (Figure 8).

Primary protection areas are lands covenanted as agricultural preserves. They should receive the greatest protection possible from incompatible uses because the greatest level of commitment to farming has been established.

Secondary protection areas cover the farms in the area that have not yet formed agricultural preserves and those under expiration.

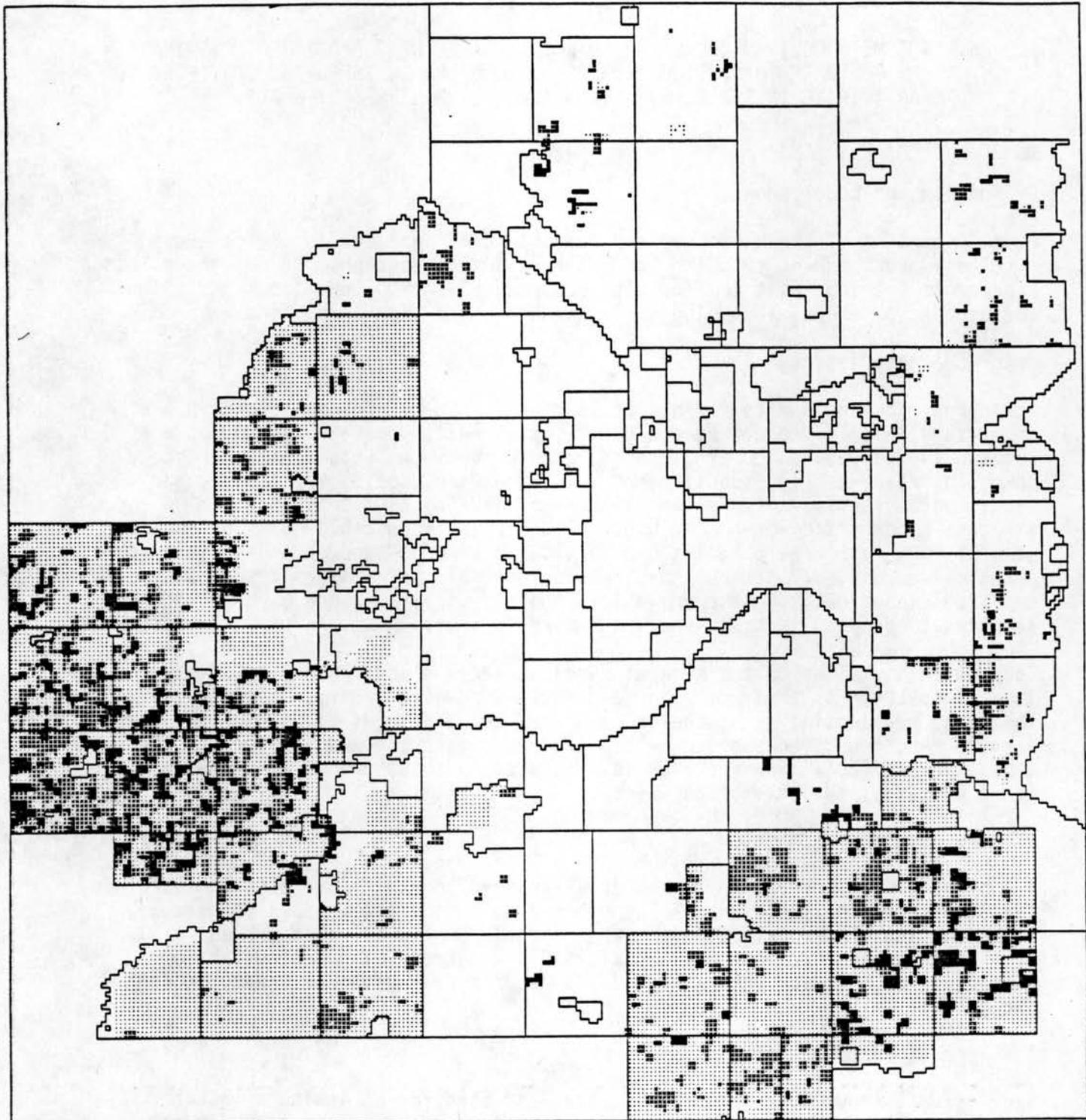
Major new programs such as the agricultural preserves act require several years, sometimes decades, before full participation is reached. The act requires a lengthy time commitment on the part of the owner and should not be entered into without careful consideration. It is expected that many of the farms not yet participating will eventually participate; but until they do, the level of commitment is less than for those who do.

The agricultural preserves act also includes a provision for leaving the program. This is known as expiration and is an eight-year period. It must be assumed that farms under expiration anticipate a discontinuance of operations. They will be treated as secondary protection areas by the Council.

The Council believes the commercial agriculture area is a place where agriculture is the permanent use for the land. Long-term investments in farm equipment and in land preservation should be made with the confidence that urban development is not going to destroy or limit these investments.

# METROPOLITAN AGRICULTURE PRESERVES

## COMPOSITE OF ALL LANDS IN AGRICULTURE PRESERVES AS OF 3/1/85



*Secondary  
Protection*

*Primary  
Protection*

■ LANDS CERTIFIED

■ LANDS COVENANTED

■ LANDS COVENANTED WITH EXPIRATIONS

1 inch = 8.7 miles

## POLICIES

35. THE METROPOLITAN COUNCIL WILL USE THE PRIORITIES LISTED IN POLICY 42 IN DECISIONS INVOLVING SITING FACILITIES IN THE RURAL SERVICE AREA THAT SERVE PEOPLE IN THE URBAN SERVICE AREA.
36. THE METROPOLITAN COUNCIL WILL NOT INITIATE OR SUPPORT PROJECTS THAT ARE CONTRARY TO CONTINUATION OF AGRICULTURE IN THE AREAS CERTIFIED TO PARTICIPATE IN THE METROPOLITAN AGRICULTURAL PRESERVES ACT.

### General Rural Use Area

#### Definition and Location

Over 40 percent of the Metropolitan Area's land is included in the general rural use area, making this the largest of all the geographic policy areas. It represents the land that remains after commercial agriculture lands and all of the urban-type areas, including rural centers, have been identified.

#### Major Characteristics

This area contains a wide variety of land uses. There are many farms in the area--some, highly productive and others, marginal. Thousands of houses are located in the general rural use area, ranging from the traditional farmstead homes in medium-density subdivisions. The area includes parks, trails, gun clubs, horse farms, sanitary landfills, sand and gravel operations, and airports among its diverse land uses. There are also sizable parts of the general rural use area that host no particular kind of land use--land that is often called unused. Most of the area looks rural, but many of its residents are tied economically to the urban area and many of its land uses provide services to people living in the urban service area.

Four major divisions of the general rural use area emerge when the existing land use pattern is analyzed. These divisions are the general farmland area, the rural residential area, the exurban area and the lands given over to urban serving functions. None of these divisions are discrete and contiguous. The urban serving facilities are especially scattered about the area in a wide range of sizes, shapes and land uses.

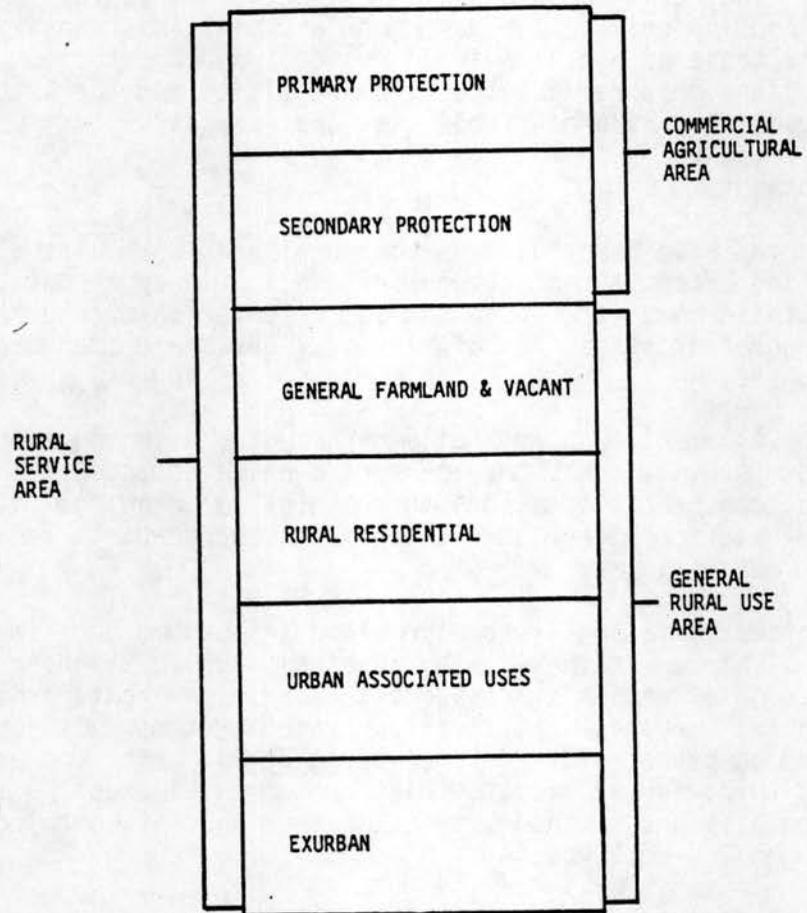
#### Issues and Goals

All parts of the general rural use area are open to additional development of facilities that primarily serve the urban part of the area. This is because, by definition, none of the land in the general rural use area has been certified as eligible for participation in the Metropolitan Agricultural Preserves Act. Consequently, any of the land is fair game for urban associated facilities.

#### General Farmland

In 1985, about 40 percent of all the land used for agriculture in the Metropolitan Area was in the general rural use area. This agricultural land still has the option to remain in farming indefinitely provided it is certified under the agricultural preserve act. Once this is done, the Council will consider the certified land to be part of the commercial agriculture area for policy purposes and for the location of urban serving facilities.

Figure 9  
RURAL SERVICE AREA SUBDIVISIONS



## Rural Residential Area

Rural residential development on very large acreages, located in the areas that are hilly, wooded or otherwise unsuited to agricultural production, and located so that it does not disrupt agricultural operations in the vicinity, is a permanent land use in the general rural use area. It is the ultimate stage of land development and not an early stage of urbanization. The primary concern is to keep densities very low and to keep out urban-type services. The recommended density for rural residential is to have no more than one housing unit per 10 acres of land. At this density, service problems become those of the individual resident and not the community at large. Local plans must reflect these low densities and the intent to avoid the introduction of urban facilities and services.

## Exurban Development

Thousands of homes have been built in the rural area with virtually no rural orientation except a septic tank or a well. In appearance, design and function, these homes are urban and the orientation of the resident is urban. These homes exist on lots of all sizes but the common range from one to three acres.

This kind of development imposes a dilemma because, although they are not within the urban service area, they present service demands to the local government that can become identical to those of an urban community. The service costs are often higher than their urban counterparts because of the comparatively low densities.

It is possible that existing exurban problems can become more severe over time. This will happen if there is an eventual need for tighter environmental controls or if economic pressures to subdivide create a need or demand for central services like sewers or water systems. If such facilities have to be retrofitted to existing development, the exurban population pay twice for services. This form of development is inefficient, environmentally unsound and a trick on the innocent homeowner who originally sought low-cost housing.

The Council's objectives for exurban areas are twofold. The first is to avoid the creation of any new exurban areas. Second is the need for local units of government to identify existing exurban areas and to take all necessary steps to reduce the probability for system failure and the resulting need for installation of central services.

## Urban Associated Uses

The Metropolitan Area will always have facilities that require isolated and spacious locations but serve primarily the urban public. These areas include campgrounds and recreational vehicle parks, regional parks, trails, waste disposal installations, racing facilities, gun clubs, festivals, mining sites and similar facilities. The major metropolitan concerns include a) services, both local (fire, police, roads, etc.) and regional (especially sewers and transportation); and b) the effect on agriculture.

For existing urban-associated uses, these effects are already visible and the environment has adjusted in both positive and negative ways. Such

areas need to be identified and their affect on the surrounding area analyzed. This analysis should include both present service requirements and implications for future service needs.

For proposed urban-associated uses, the primary objectives must be to reduce the interference with agriculture and to establish and regulate service needs. Also, it is necessary to anticipate spin-off effects, such as commercial development, that may be attracted to the urban-associated.

37. LAND SUITED FOR LONG-TERM AGRICULTURAL USE NOT CERTIFIED FOR PARTICIPATION IN THE AGRICULTURAL PRESERVES ACT SHOULD BE SO DESIGNATED BY LOCAL GOVERNMENTS.
38. LOCAL PLANS AND ZONING ORDINANCES SHOULD PROVIDE FOR FUTURE RESIDENTIAL DEVELOPMENT ONLY AT RURAL-RESIDENTIAL DENSITIES OF NO MORE THAN ONE UNIT PER 10 ACRES ON A 640-ACRE BASIS AND A FIVE-ACRE MINIMUM LOT SIZE. THE PLANS SHOULD SPECIFY THAT FACILITIES SERVING THESE AREAS WILL CONSIST OF ON-SITE SEWERS, INDIVIDUAL WELLS AND RURAL-STANDARD ROADS.
39. LOCAL PLANS SHOULD IDENTIFY ALL EXISTING EXURBAN AREAS, I.E., AREAS WITH DENSITIES OF MORE THAN ONE HOUSING UNIT PER 10 ACRES AND SPECIFY THE FOLLOWING:
  - a) PLANNED ULTIMATE DENSITIES AND LOT SIZES;
  - b) THE FEASIBILITY OF CENTRAL SEWERS AND/OR WATER; AND
  - c) SERVICE PLANS THAT INDICATE WHICH SERVICES WILL EVENTUALLY BE DELIVERED TO THE AREA.
40. LOCAL PLANS SHOULD IDENTIFY ALL EXISTING URBAN-ASSOCIATED USES IN THEIR RESPECTIVE JURISDICTIONS AND PROVIDE THE FOLLOWING INFORMATION ON THEM:
  - a) EXISTING SERVICE REQUIREMENTS, LIKELY CHANGES IN SERVICE NEEDS AND SERVICE LIMITATIONS; AND
  - b) EFFECT ON AND RELATIONSHIP WITH ADJOINING LANDS AND MITIGATIVE MEASURES TO REDUCE ADVERSE IMPACTS.
41. THE ANALYSIS FOR PROPOSED URBAN-ASSOCIATED USES SHOULD CONTAIN THE INFORMATION CALLED FOR IN POLICY 40 AND DEAL WITH THE POTENTIAL FOR SPIN-OFF DEVELOPMENT AND MEASURES TO REDUCE SPIN-OFF POTENTIAL.
42. THE METROPOLITAN COUNCIL WILL USE THE FOLLOWING RANKING IN DECISIONS INVOLVING USE OF LANDS IN THE COMMERCIAL AGRICULTURE AREA AND GENERAL RURAL USE AREA TO ACCOMMODATE FACILITIES SERVING URBAN RESIDENTS. THE RANKING RANGES FROM MOST TO LEAST RESTRICTIVE.
  1. COMMERCIAL AGRICULTURE AREA: THE PRIMARY PROTECTION AREA IS THE MOST RESTRICTIVE. URBAN-ASSOCIATED FACILITIES SHOULD BE PROHIBITED IN THIS AREA UNLESS THERE IS STRONG DOCUMENTATION TO THE EFFECT THAT NO OTHER LOCATIONS IN THE METROPOLITAN AREA CAN ADEQUATELY MEET THE SITING AND SELECTION CRITERIA.
  2. COMMERCIAL AGRICULTURE AREA: THE SECONDARY PROTECTION AREA IS SECOND TO THE PRIMARY AREA IN DEGREE OF PROTECTION. URBAN-ASSOCIATED FACILITIES SHOULD AVOID THIS AREA IF AT ALL POSSIBLE,

AND THERE SHOULD BE STRONG EVIDENCE THAT A PROPOSED URBAN USE CANNOT BE LOCATED IN THE GENERAL RURAL USE AREA.

3. GENERAL RURAL USE AREA: THIS AREA IS OPEN TO URBAN-ASSOCIATED FACILITIES BECAUSE NO STEPS HAVE BEEN TAKEN TO PROTECT AGRICULTURE AS A LONG-TERM ACTIVITY.

### SPECIAL REGIONAL FACILITIES

#### Discussion

The Council is occasionally asked to review and comment on the location, impact and other aspects of special, often one-of-a-kind regional facilities with potential major impacts on the Metropolitan Area. Special facilities are defined as large projects with a specific function or focus, such as sports or international trade, generally user-oriented and likely to affect the entire metropolitan area. Special regional facilities often generate substantial traffic, although not necessarily during the normal peak hours. They are important and/or beneficial (in fact and by perception) to many citizens of the region and perhaps the state, but certainly not just to those within the immediate vicinity of the facility. They may have special site requirements that can be satisfied at only a few locations within the metropolitan area.

#### Position

Once these facilities are constructed, they become part of the geographic policy area where they are located and will be considered in the context of the goals and policies that apply to that area. In its initial consideration of unusual regional facilities, however, the Council will review issues related to these facilities based upon the need for the facility and the requirements of the particular facility, rather than solely on Council objectives for development and redevelopment.

The Council will become involved in a proposed project if it determines that the facility is, in fact, special and with the potential for region-wide impact. The Council will examine the function or functions it serves and whom it will benefit or possibly harm. Equally important are the economic and social costs and benefits to the region and to local communities and who will be asked to pay for the facility.

If the Council decides that the facility is needed, it will indicate which locations would best serve its intended purpose, whether regional system capacity is available to serve the facility and, if not, how system investment priority will be handled. Other items to be considered are who would or should pay for system improvements and the environmental impacts. The Council is interested in playing a role in determining its location but only in the context of overall regional need, the facility's needs and the Council's development objectives. The Council will ask how the facility helps with other framework goals and objectives--all other things being equal.

#### POLICY

43. THE METROPOLITAN COUNCIL WILL INITIATE AN EVALUATION OF ANY MAJOR PROPOSAL INDEPENDENTLY OR IN RESPONSE TO OUTSIDE REQUESTS TO DETERMINE IF IT IS SPECIAL AND WITH POTENTIAL REGION-WIDE IMPACT. WHEN REVIEWING ISSUES RELATED TO SPECIAL FACILITIES THAT AFFECT THE ENTIRE

REGION, THE COUNCIL WILL FOCUS PRIMARILY ON THE PURPOSE AND NEED FOR THE FACILITY, WHOM IT WILL SERVE AND WHERE IT WILL BE MOST SUCCESSFUL, AND SECONDLY ON DEVELOPMENT OBJECTIVES FOR INDIVIDUAL POLICY AREAS.

### METROPOLITAN PLANNING PROCESS

The current era of metropolitan planning in the Twin Cities area began in 1957 with the passage of legislation that created the Twin Cities Metropolitan Planning Commission as an advisory planning group. Since that modest but important start, a large body of metropolitan planning legislation, with its supportive practices and procedures, has been built up. Today, the Council has a variety of legal tools to help it guide development in an orderly fashion and provide for the economic delivery of regional services. Additional legislation may be needed in the future, but the big challenge now is to use the existing laws creatively with a minimum amount of "red tape" and bureaucratic entanglements. This section of the Metropolitan Development and Investment Framework is directed toward achieving such an outcome.

### The Metropolitan Land Planning Act

The 1976 land planning act established a process whereby each local government was informed about the presence, effect and plans for metropolitan system facilities in the community; this is called a metropolitan system statement. Local governments, in turn, are required to prepare their own comprehensive plans with the stipulation that they be in accord with the metropolitan system plans. Remedial processes are available to resolve disagreements arising from these requirements.

During the latter part of the 1970s and early 1980s, in-depth analysis of community development was carried out by each local government, and facility plans were established for at least sewers, parks and transportation. A Council review process established the consistency or inconsistency of local plans with metropolitan plans; and, in a few cases, under authority of the act, the Council required that modifications be made to the local plans to make them consistent with the metropolitan system plans.

The original round of local and metropolitan planning carried out under the auspices of the land planning act was very successful. Out of the 195 cities, townships and counties required to prepare plans only one small city has not complied. The Council, in turn, has completed its review of all local plans submitted. As part of this process, the Council has achieved a much better understanding of local issues and of the complex interrelationships between metropolitan and local planning and development.

The land planning act, however, was not intended to be a "one time" exercise. It is an ongoing, reiterative program that requires local governments, the Council and metropolitan agencies to constantly review and modify growth expectations and corresponding service facility needs.

### Revisions to Local Plans

Local plans may require revisions and updating at any time due to local decisions to change land uses and future development patterns. Changes in local plans may also be triggered by actions at the metropolitan level due to revisions to the Metropolitan Development and Investment Framework and to any of the metropolitan system plans. The following process for updating local plans due to changes in metropolitan plans will be followed by the Council:

- A. This framework will be thoroughly reviewed and revised after the Council receives and analyzes information from each federal decennial census. A more general review will be made at five-year intervals after each major census-based revision. The census provides the data needed to revise basic population, housing and employment forecasts, which in turn, are converted into changes in land needs, facilities, etc. Adequate census data is usually available to the Council within about two years after completion of the census. Revision of the framework may require revisions to the various systems plans. Revisions of the systems plans, in turn, will result in new metropolitan system statements being submitted to local units of government for possible changes in local comprehensive plans.
- B. Metropolitan systems policy plans are required by law to be reevaluated and possibly revised at regular intervals. In addition, system plan revisions are often made more frequently due to changes in development, government requirements or emergency situations. Whenever system plan revisions are adopted by the Council, they will be transmitted shortly thereafter to local units of government. However, to reduce the burden of local plan revisions, once each year the Council will transmit all system plan revisions to local governments for purposes of starting the nine-month local plan review/revision process that is triggered by changes in metropolitan systems plans. This means all metropolitan systems plan revisions made during a 12-month period can be considered concurrently by local governments.
- C. The Council will require every metropolitan systems plan revision to include a component that clearly indicates which geographic areas and/or groups in the population will be most affected by the changes. This material will be part of the annual transmission to local governments.

The provision of a substantial amount of new data by the federal census once every 10 years offers an excellent opportunity for local units of government to review and update their comprehensive plans, irrespective of any need to do so because of changes in metropolitan systems plans. The scope and amount of local and metropolitan information available from the census cannot be duplicated elsewhere. The opportunity it offers to "take stock" should not be overlooked.

#### Compatibility with Neighboring Community Plans

The land planning act not only addressed the need for units to consider regional plans; it also directed local units to discuss the effects of their plans on adjacent governmental units and school districts. The act, in fact, required that local units circulate their plans to neighboring jurisdictions six months before they formally transmitted them to the Council. If differences surfaced between communities, the act also stated that the Council could mediate these disputes.

Although few intercommunity incompatibilities surfaced during the initial land planning act process, the Council still recognizes the on-going importance of achieving compatibility in land use and facility planning. As local plans are amended over the years, the Council will work with local governments to develop guidelines to address this aspect. If necessary, the Council will amend its administrative guidelines to clarify intercommunity planning needs. Part of such an approach might incorporate an analysis of intercommunity impacts in the plan amendment process.

### Amendments to School Capital Improvement Programs

The land planning act requires that a school district capital improvement programs be submitted to the Council for review. The capital improvement program is to include a description of existing facilities, projected population and facility needs and objectives, proposed new school sites, buildings and building additions with a cost of more than \$200,000 and the effect of the program on adjacent school districts and affected local governmental units.

The land planning act does not provide the Council with authority to require changes in school district capital improvement programs. The practical benefit of reviewing school district capital improvement programs is the disclosure and sharing of projected school facility needs. Thus, on a regular (biennial) basis, school districts may inform the local governments wherein they operate of their current population forecasts and corresponding facility needs and, in particular, proposed new school sites and buildings. A capital improvement program is essentially a money- and cost-oriented instrument. The issue raised by the capital improvement program is usually that of debt scheduling, rather than the fundamental issue of facility need projections. This leads to unnecessary work on the part of districts and inadequate information for the Council and local governments.

The Council will work with representation of the school districts and local governments to develop a new instrument (based on the outline below) to be used by school districts to analyze enrollment projections, local and regional plans and other planning documents, for the purpose of projecting future student enrollment and relating enrollment trends to facility needs. The role for the Council is to help assure that the information developed is useful and accurate. An amendment to the land planning act should be made to clarify that the purpose is to share information and that a capital improvement program is not the appropriate vehicle.

The new school district instrument recommended should include the following items:

1. Current student population in district (by grade).  
Current student enrollment in district (by grade).
2. Recent trends in student population in district (by grade).  
Recent trends in student enrollment in district (by grade).
3. Ten-year projection of student population in district (by grade).  
Ten-year projection of student enrollment in district (by grade).
4. Facility needs (new, alterations, disposals) for ten-year prospective period.
  - a. Type of facility, timing, staging, location.
  - b. Grades, space, student capacity.
  - c. Areas to be served.
  - d. Reason for action.
  - e. Support services required for new facilities.
    - 1) Public safety (police, fire, emergency medical services).
    - 2) Sewer.

- 3) Transportation (roads, highways).
- 4) Recreation.
- 5) Water and utilities.
- 6) Storm water.

The existing legislation implies that the districts need only review the capital improvement program on a biennial basis and submit only major changes to local governments or the Council. The new instrument proposed should be updated and submitted to local governments and the Council on a regular biennial basis.

#### Metropolitan Library of Local Plans

Because of the potential wide range of interest in local plans, including individuals, businesses and government agencies, a single dependable source for plan documents is needed. The Council is a logical location for such a repository. Through its review responsibilities, the Council maintains copies of all local plans and plan amendments, and needs to be sure that its own copies of these documents are complete and up to date. As a plan implementation measure, the Council will continue to make its community plan files available to the public, including all plan documents, amendments and plan reviews. The Council will periodically contact local governments to verify that the materials on file are accurate and to obtain copies of republished documents.

#### Amendment Review Process

The Council has established a plan amendment review process that has been operating satisfactorily. The process was developed jointly with local government officials and includes a procedure to determine metropolitan system impact quickly and to inform local governments about the status of the review. Most amendments are reviewed within a 10-day period. The Council is committed to keeping the review process efficient and effective and will streamline its procedures wherever possible.

A critical element of an efficient review process is the adequacy of information provided. This takes on added importance when the wide range of potential interest in plans is considered. Local officials should be aware of this wider audience when submitting materials for Council review. In all cases, plan amendment materials should present the following clearly:

1. The present condition;
2. The specific changes to be made in the plan document, including text and maps; and,
3. The plan as it will stand when the amendment is incorporated.

As a community's plan amendments accumulate, it will become difficult to reconcile the many changes coherently unless if care is taken at the start to provide clear and consistent information. The Council will promulgate guidelines which provide other details about necessary plan amendment materials and review procedures.

## The Relationship Between Planning and Zoning

Before the Metropolitan Land Planning Act was enacted, most communities used zoning as the primary tool for land use management. Planning had a distant, if not academic, role and, most important, little apparent regulatory power. The land planning act changed this because it was seen that many land use decisions, and especially service investment decisions for the various land uses, required better estimates of future needs and conditions. This was especially important for the metropolitan system investments due to their scale and cost. Service providers needed not only a better idea of future conditions, but also assurances that once investments were made that zoning and other regulatory powers as well as the actions of other levels of government did not interfere with these decisions. The act required that local government units adopt the official controls described in their approved plans. The description of such controls in the plan was required to be in such detail as to protect metropolitan systems plans. The act further required that no controls be adopted that are in conflict with the comprehensive plan or with systems plans. The prominence of planning was underscored by the requirement that local controls be changed to conform to any new plan amendments. This requirement that local controls not be in conflict with the plan became a basis for the plan review process conducted by the Council. The Council is required to determine whether there is a local conflict with any of the metropolitan systems. Based on the strict requirement of consistency between the plan and local controls, the Council has felt confident that all issues of consistency with metropolitan systems can be resolved through analysis of the local plan and that verification through review of local controls is not necessary.

A recent change in the law (Laws of Minnesota 1985, Chapter 62, sec. 4)--which provides that if the zoning and planning are inconsistent, that the zoning supersedes the plan--interjects doubt whether the Council can continue to depend solely on the comprehensive plans to protect the metropolitan systems. The Council may need to review local controls to verify consistency. This is an unattractive option for the Council, and it is hoped that it will not be necessary.

The 1985 law also causes problems at the local level where timing, staging, sequencing, or similar factors may have resulted in a legitimate difference between planning and zoning. Under the new law the zoning will simply prevail and the planning objectives will be frustrated. In a dispute, both planning and zoning issues should be considered. There is a need to clarify the relationship between planning and zoning, but not at the expense of one over the other. The tendency is to make one identical with the other, although there may be reasonable and practical reasons for a difference to exist. The staging of services and redevelopment are common examples where a difference could legitimately exist.

The land planning act should clarify this relationship. Legislation should clearly establish the plan as the basis for making decisions about zoning or any other implementing device. What needs clarification is the question of timing. Plans ought to identify the differences that exist between their vision of the future (the plans) and the land use decisions that have to be made today (zoning), including a set of criteria that describes the factors that will be applied to zoning decisions in determining whether it is appropriate to use zoning of a particular parcel to implement the plan at the time a decision must be made.

Also, the legislation should clearly recognize that planning and zoning are not necessarily identical at any given point in time and provide a way to reconcile the differences. Plans should identify all cases where the planned land uses and the present zoning are dissimilar and explain the reasons for the difference. Differences could be explained in terms of timing, staging, funding, service extension or expansion, redevelopment programs or other relevant measures. The plan should also include a description of the steps that will be taken during the time period of the plan to bring the zoning into accord with the planned land use. If a difference could not be explained in this way for the time period of the plan, then a difference should not exist.

This approach would eliminate any need for the Council to verify consistency by examination of local controls, and would contribute to the relevancy and practicality of local plans.

In the absence of legislative changes that require adoption of the planning and zoning clarification measures described here the Council recommended that local governments voluntarily follow these measures. Local governments are strongly encouraged to bring about compatibility between their plan and their zoning ordinance.

#### Local Urban Service Area Changes

The land planning act calls for staged development to be an element in local plans and this has been done by communities that still have lands open for future urban development. Occasionally a community wishes to change the staging in its comprehensive plan by adding more land to its urban service area or changing the urban service area boundaries. The council will use the following principles and procedures in dealing with these requests from local government:

- A. Increasing the size of an urban service area: The Council will not advocate that urban service areas be expanded unless there is demonstrated regional need and adequate capacity available in the metropolitan sewer system.

In responding to any urban service area expansion request, the Council first reassesses land supply and demand based on a comparison of current figures provided by the local unit and current Council forecasts. The Council will also assess the impact of the request on regional facilities. If the regional facilities are currently inadequate and metropolitan investments would be required immediately in order to honor service area commitments to other communities, the Council will deny the expansion based on the land planning act criteria that the request represents a substantial impact on or departure from metropolitan system plans. If regional facilities would be inadequate by 1990 or any updated target year, the Council will deny the request on the same basis. The community will be informed that its request will be reconsidered when additional regional capacity becomes available.

If the local land supply is below or approaching the five-year overage and regional facilities are adequate, the Council will agree to a service area expansion. The community then completes a comprehensive plan amendment incorporating the change.

- B. Changes in the Urban Service Area Configuration: The Council will consider land-trade proposals involving vacant, developable land adjacent to the

urban service area provided metropolitan systems are not adversely affected. The Council will use two options to evaluate land trade proposals.

1. The proposals must involve equal amounts of vacant, developable land with similar land use types and intensities as well as similar urban service characteristics, or
2. If the scale of land use and the intensity of potential development differ between the parcels, then proposed land trades must have similar urban service characteristics. Proposals will also be evaluated to determine their impact on the sector's five-year overage of land.

If regional facilities are adequate and no regional agency investments are required, the Council may agree to the urban service area expansion on the condition that the following conditions exist: a) consistent rural densities, b) local timing-staging corresponds to allocated usage rather than design capacity, c) up-to-date local comprehensive sewer plans, including on-site sewer management and d) assessment practices that limit vested development rights.

#### Increasing a Sewer Allocation

The Council will increase a community's sewer allocation upon demonstrated need (that is, actual usage is at or near the existing allocation) in an amount consistent with Council-determined forecasts and as long as no unplanned system improvements are required.

In responding to a request for an increased sewer allocation, the Council first compares currently projected usage to actual usage. If the community's actual usage is considerably below expectations, the Council denies the increase until the need is documented.

If usage is at or near the projection, the Council then assesses facility capabilities. If metropolitan facilities are inadequate and would need improvement (interceptor and/or treatment plant), the Council denies the increase until capacity can be programmed.

If adequate facilities are in place, the Council will increase the community's allocation consistent with the most current Council-determined forecasts.

## INVESTMENT DECISION-MAKING GUIDELINES

Many of the Metropolitan Council plans and programs are carried out through investments in facilities and services. Some of these investments, like those in sewers and transit, have very strong Council involvement throughout. In these instances, the Council plays a major role in determining the projects to be funded, the amounts to be spent and methods of financing to be used. For other facilities and services, the Council's investment role is one of strongly influencing the projects to be funded and the amount to be spent on the project, but not controlling the decision. This is done within limits set by state and/or federal organizations. The aging program and the housing program fall into this category. Other Council plans and programs are carried out without any direct involvement in facility and service investments on the part of the Council. However, even here, the Council can and does express its position on needs, priorities, timing, impacts on other functions and related concerns.

Wise decisions on investments are not easy to make, because the goals and aspirations nearly always exceed the resources available. This requires dealing with what is the most needed, whom is to benefit and how to divide up the limited supply of funds. This section provides guidelines for making investment decisions that establish an investment decision process, together with a set of investment classes and a set of economic measures. The investment classes and economic measures are to be used to evaluate from an economic perspective how this framework's policies and policy plan priorities are being carried out.

### INVESTMENT EVALUATION PROCESS

In much of its investment work, the Council will use the process described below to develop plans and to evaluate projects and proposals brought before it for review. Not all steps will always be needed. For example, when reviewing a special project, such as a stadium or racetrack, setting priorities is not an issue, but the other steps would be important considerations. When the steps are used in a review, however, they should be followed in the order listed here.

These steps are part of the normal planning process, but rather than following them implicitly, the Council wishes to make them explicit. The evaluation process is useful for developing Council plans and programs. In turn, these plans and programs, and the Metropolitan Development and Investment Framework, are used in the evaluation process.

At times, the Council is involved in reviewing projects with considerable potential for stimulating economic development and for affecting metropolitan systems plans. An economic development review should be added to the list of steps for these types of proposals. The economic development review is described after the discussion of the four, more common investment evaluation steps (Figure 10).

### THE FOUR STEPS OF THE INVESTMENT EVALUATION PROCESS

#### 1. Establish Regional Needs

The first step is to establish regional needs both in this document and, where appropriate, through the policy plans for the metropolitan systems.

Figure 10

### INVESTMENT EVALUATION PROCESS

1. Establish Regional Needs
2. Determine Regional Benefits and Contributions
3. Rank Proposals
4. Recommend/Analyze Financing Plan
5. Economic Development Review

Rank by Investment Class

1. Protect the natural environment and public welfare.
2. Maintain facilities and services and stimulate redevelopment within the MUSA to maximize use of existing investments.
3. Provide for anticipated regional growth.
4. Stimulate new development within the MUSA.

Apply Economic Evaluation Criteria

1. Equity.
2. Efficiency.
3. Use of external funds.
4. Use of public financing mechanism.
5. Use of public revenue sources.

The Metropolitan Development and Investment Framework discusses needs in a broad context and the system plans provide details for individual functions or target groups. Benefits derived from individual projects or programs must relate back to these basic plans.

## 2. Determine Regional Benefits and Contributions

Second, the Council will decide whether individual projects or programs should be undertaken. There are many factors to consider, but the most important is whether they benefit the region and make a contribution to the needs established in the framework and all relevant system plans. The Council will analyze who is being served by the proposal and where the service is going as well.

The system plans and programs play a critical role in determining benefits and contributions. These plans and programs are the only place where the Council's viewpoint on issues and the resolutions to them are spelled out in enough detail to provide real guidance and determine system needs. Metropolitan agencies and other groups involved in preparing investment proposals must have specific system plans and programs to guide them.

## 3. Rank Projects and Proposals

The second step can be done on an individual basis--project by project or program by program. The next step is to rank projects or proposals. Looking at costs in conjunction with benefits will be applied in this step of the process. The Council will initially rank them without looking at how the project will be financed. Framework policies and policy plans play the most important role in the ranking. Currently, that process will still be done at the functional level, but it will take into account two broader concerns-- what kinds (classes) of investments are being made and what are the economic implications of those investments. The investment classes and economic criteria are both discussed in sections that follow. A long-range goal of the Council is to eventually rank projects across functions. This type of ranking will become increasingly important if outside funds with categorical ties continue to decrease and more investments involve metropolitan funding sources like taxes on real property.

## 4. Recommend or Analyze the Financing Plan

Once projects have been determined and priorities set, the Council must decide how to finance them. Financing can influence ranking; thus, it may be that this step will change the ranking set previously. The Council will have to consider a variety of ways to pay for the programs or projects. Some proposals come to the Council complete with financing plans. In these instances, the Council analyzes the financing plan.

For capital expenditures, bonding is not the only means of financing. Other alternatives include some form of pay-as-you-go, creation of a capital expenditures fund in advance of needs, the use of federal or state money, charging future users, etc. The Council's concern here is to monitor how effectively these resources are being used to achieve regional goals.

The second half of a financing plan is how to pay for operating costs and debt service. Concern for who pays, who should pay, and how it affects the

region, will be the Council's focus in this part of the analysis. Criteria for evaluating these questions and those associated with capital financing are described in the economic criteria section.

## POLICY

44. A FOUR-STEP INVESTMENT EVALUATION PROCESS WILL BE USED BY THE COUNCIL TO DEVELOP PLANS AND/OR EVALUATE PROJECTS AND PROPOSALS BROUGHT BEFORE IT FOR REVIEW. THE STEPS INCLUDE 1) ESTABLISH REGIONAL NEEDS; 2) ASSESS REGIONAL BENEFITS AND CONTRIBUTIONS FOR INDIVIDUAL PROJECTS; 3) RANK PROJECTS OR PROPOSALS ; AND 4) DEVELOP A FINANCIAL PLAN.

### Economic Development Review

Traditional reviews of economic impact included in investment evaluation work tend to focus on public fiscal impacts but fail to examine what might happen to the economy. The review step described here will remedy this deficiency. It will not add significantly to the review process because it will apply only to very large or special projects that will require substantial changes in metropolitan systems plans. As such, it is highly likely that some other form of intensive examination will be required for the projects, such as environmental impact statements, and much of the information used in an economic development review will be produced as part of the required examination.

In conducting an economic development review, the Council will look at the following:

Economy Impact Review. This will assess such factors as the number of long-term jobs to be created by this proposal. Whether they will be high income, high skill, to low income, low skill jobs, or some of both; whether the project adds to regional income and to the regional or other property tax bases and whether it will generate a net increase in tax revenues; and whether the project creates new jobs besides construction jobs.

Fiscal Alternatives Assessment. For projects within the urban service area, the Council will evaluate the costs of building now, anticipating the demand based on the proposed project, or building later when the demand actually occurs. If the costs are not significantly different, and they might not be because the construction may be occurring on developed land in either case, then the Council will have more flexibility in its planning process. The Council would be able to wait and see on some developments where the proposed growth seems too optimistic.

Public/Private Cost-Sharing Agreement. There may be occasions where the private sector wants additional capacity in the regional systems within the urban service area to make a proposal feasible. There may also be occasions when private interests argue that there will be no impacts on the regional systems and the Council thinks otherwise. Rather than stopping the project, the Council and the private party might agree to share the costs to get the project going, or to share the costs when it becomes a problem. This does not mean that the Council would initiate projects based on private decisions or give up the right to say no on a regional system improvement proposal.

## POLICY

45. THE METROPOLITAN COUNCIL WILL ADD AN ECONOMIC DEVELOPMENT REVIEW TO ITS OTHER REVIEW RESPONSIBILITIES WHEN IT CONSIDERS PROJECTS THAT COULD SUBSTANTIALLY AFFECT THE METROPOLITAN AREA'S ECONOMY AND THE METROPOLITAN SYSTEM PLANS.

## INVESTMENT CLASSES FOR RANKING PROJECTS OR PROPOSALS

Step 3 of the investment evaluation process previously described is to rank projects or proposals. The following discussion on classifying investments is intended to assist those involved in making decisions on ranking.

The Council reviews a large number of proposals each year that both directly and indirectly affect investments that are made in the region--investments made by the regional agencies, the private sector and/or local government. As the regional planning and coordinating agency, the Council has the responsibility to evaluate the impact of these investments on growth and development in the region.

To analyze how proposals are influencing regional goals, the Council has developed a general set of investment classes. The classes provide a ranking system for investment decisions and a common structure for monitoring and evaluating regional investments. The classes are needed because different types of investment do different things for the region. Also, investment needs differ from one part of the region to another. The Council needs a system to evaluate similar proposals and determine whether needs are being met in these broad classes.

The classes range from the most important listed first to the least important, last. They represent a summary of the broad framework policies expressed thus far in this document. When all other criteria are equal, the Council will support investments according to the following ranking:

1. Protect the natural environment and public welfare from clear and present dangers plus any investments immediately mandated by federal or state statute. (This ranking is also referred to in the metropolitan systems section of the framework, but with this first priority treated as an underlying principle. It is given separate status here because it can account for a large share of regional investment funds);
2. Maintain facilities and services, stimulate redevelopment within the urban service area and ensure the best use investments already in place to serve both existing and future development;
3. Providing for anticipated regional growth in a planned fashion; and
4. Stimulating new development within the urban service area.

When reviewing local government or private proposals, the Council will, in addition to other factors, comment on how the proposal fits into these classes. When reviewing regional system investments, the Council will look more specifically at the monies going into each category of investment (see "Regional Agency Investment Review"). Establishing investment classes does not mean that the Council will undertake all investments in one category before investing in the top projects in another category. In practice, some investments will likely be made in each class.

## POLICY

46. WHEN REVIEWING LOCAL GOVERNMENT OR PRIVATE SECTOR PROPOSALS, THE METROPOLITAN COUNCIL WILL, IN ADDITION TO OTHER FACTORS, COMMENT ON HOW THE PROPOSAL FITS INTO FOUR BROAD CLASSES OF INVESTMENT EXPENDITURES. THESE CLASSES ARE, IN ORDER OF IMPORTANCE:
1. PROTECTING THE NATURAL ENVIRONMENT AND PUBLIC WELFARE FROM CLEAR AND PRESENT DANGERS. PLUS ANY INVESTMENTS MANDATED BY FEDERAL OR STATE STATUTE;
  2. MAINTAINING FACILITIES AND SERVICES AND STIMULATING REDEVELOPMENT WITHIN THE METROPOLITAN URBAN SERVICE AREA IN ORDER TO ENSURE THE BEST USE OF INVESTMENTS ALREADY IN PLACE TO SERVE BOTH EXISTING AND FUTURE NEEDS AND DEVELOPMENT;
  3. PROVIDING FOR ANTICIPATED REGIONAL GROWTH IN A PLANNED FASHION WHILE MINIMIZING ADVERSE MARKET IMPACTS; AND
  4. STIMULATING NEW DEVELOPMENT WITHIN THE METROPOLITAN URBAN SERVICE AREA.

## ECONOMIC EVALUATION CRITERIA

The five economic evaluation criteria presented in this section can help decision-makers to carry out steps 3 (rank proposals) and 4 (recommend or analyze the financing plan) of the investment evaluation process.

The criteria are to be used as part of the Council's general investment evaluation process, in the metropolitan agency review process and in the special reports discussed later in this section. They can also be used in general reviews, when the Council develops policies or position papers, in the Council's research efforts, or in other instances where the Council feels economic analysis would be useful.

### 1. Equity

Equity is a concept that attempts to measure fairness in the provision of goods and services or the means by which governmental revenues are collected. Equity can be discussed in two different ways--payments according to benefits received or payments according to ability to pay. The Council will attempt to consider and measure both. Whenever possible, the Council will try to trace benefits and payments back to impacts on the individual or the household. However, in some instances it may be more practical to discuss affected communities or target groups as a whole rather than at the individual level.

Benefits should be measured in terms of services: whether the service is delivered, how much of the service is received, what the quality of the service is. Payments are measured in terms of taxes, fees, or service charges. Ability to pay is a relative measure and thus must be compared to other individuals, household or communities in the region. It can be based on individual income, individual wealth, household property value, community revenue collecting capacity, or community tax base.

## 2. Efficiency

Efficiency is a concept that attempts to consider the incentives or disincentives created by government regulations or revenue collection methods. The Council will need to use this concept whenever it is looking at proposals which would impose or change taxes or when looking at the user fees of the metropolitan agencies.

It is not possible to establish criteria for measuring efficiency; rather the Council will ask specific questions in trying to determine efficiency-- for example, if a tax or fee is changed, how the behavior of individuals or firms will change; if a new tax or fee is imposed, who will be hurt or helped, and how their behavior will change; if government does not solve the problem or involve itself, how behavior will change or the problem be resolved.

## 3. Use of External Funds

This concept will be used by the Council when it reviews projects that use regional funding to leverage outside funding. The Council wants to make best use of regional dollars, but does not want outside funding to drive regional priorities. This idea will be used in step 4 of the investment evaluation process and when the Council reviews the development programs of the metropolitan agencies.

The important items to measure when addressing this criterion are the total cost of the program or project and the amounts of federal, state, regional, local and other contributions. The Council can then calculate a ratio for the leverage capacity of regional dollars. Equally important is a step which looks at the Council's priorities without using outside funding and then evaluating how the use of outside funding will change those priorities.

## 4. Use of Public Financing Mechanisms

A number of factors are generally considered when reviewing bond ratings. The Council will continue to pay attention to these factors, as maintaining a good bond rating is important. However, the Council's entire planning process is geared to making sound, long-range investment decisions for the region and for the metropolitan agencies. These investment decisions and the process used to decide them are more important than arbitrary limits on the amount of regional debt the agencies issue. The metropolitan agency debt indicators developed in the next section will be used to monitor factors that affect bond ratings of the metropolitan agencies. These include: total debt of the metropolitan agencies, total debt of other government in the region, debt per dollar assessed valuation and debt per household.

## 5. Use of Public Revenue Sources

The Council is concerned with appropriateness of the public revenue sources that are being used to finance public goods and services. Some examples are transit fees, park entry and program fees, local inspection fees, tipping fees, water and sewer charges. With respect to financing the regional agencies, the Council feels that additional revenue needs for regional services should be provided by user fees, other existing sources or new benefit-related excise taxes, if possible. Broad-based tax sources

(e.g., sales, payroll or income taxes) should be reserved for multifunctional needs rather than used piecemeal for individual functions. The Council will use this concept when reviewing proposal that involve revenue collection or taxing and when developing or reviewing proposed legislation.

In measuring this concept, the Council will look at who receives benefits, what tax sources are being considered, what fees might be used and evaluate the alternative revenue sources. The Council will also monitor the use of various tax bases in the region and the purposes behind those uses.

## POLICY

47. FIVE ECONOMIC CRITERIA WILL BE USED BY THE COUNCIL IN THE EVALUATION OF PLANS, PROGRAMS AND PROJECTS. THESE CRITERIA ARE EQUITY, EFFICIENCY, USE OF EXTERNAL FUNDS, USE OF PUBLIC FINANCING MECHANISMS AND USE OF PUBLIC REVENUE SOURCES.

## SPECIAL INVESTMENT PROCEDURES

### COST-SHARING STRATEGY

A promising way to help provide for the metropolitan systems in a period of limited financial resources is to move into local cost-sharing on projects. Cost-sharing, as discussed in this document, refers to occasions when local governments would be willing to pay part of the cost for regional facilities or even to pay the entire cost. The latter would occur when local governments believe an improvement to one of the metropolitan systems will generate enough local benefits to warrant paying the entire bill for a facility, even though it will become an integral part of the metropolitan system.

Instances where local government is willing to pay for regional systems may occur when a) local government would like the Council to size or locate a regional facility so that it could be used jointly as a part of the local system; b) local government would like to affect the timing, location, or size of regional facilities that are already planned; or c) local government would like the Council to upgrade existing facilities to provide additional capacity.

The Council might be interested in considering local cost-sharing when a) it provides a way to help finance some of the regional projects; this is especially interesting at this time due to available shrinking federal and state monies; b) it may save money overall for the region if two levels of government share facilities; and c) it may provide a means to further development and investment framework goals and obtain better local cooperation in the implementation of the land planning act.

The Council will proceed with great care in agreeing to undertake cost-sharing projects. The Council will be careful to maintain the integrity of the metropolitan systems not directly involved, to keep the potential of outside funding from significantly changing priorities for the planned projects in the regional system directly concerned, and to equitably allocate the costs and use of the "shared" facility to the local governments involved or affected. With respect to other framework concerns, the Council will review the impacts of any proposal on other area systems, its consistency with Council forecasts, and its impact on the metropolitan urban service area and the geographic policy areas.

A full description of the steps and procedures to be followed in implementing local cost-sharing is presented in the "Metropolitan Planning Process" section of this document.

#### POLICY

48. THE METROPOLITAN COUNCIL WILL CONSIDER ENTERING INTO A COST-SHARING AGREEMENT WITH LOCAL GOVERNMENT FOR PROVIDING REGIONAL FACILITIES WHEN THE FOLLOWING CONDITIONS CAN BE SATISFIED:
  - A. A NET BENEFIT TO THE REGION CAN BE DEMONSTRATED;
  - B. THERE IS CONSISTENCY WITH THE METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK GOALS AND POLICIES;
  - C. THE INTEGRITY OF THE METROPOLITAN SYSTEMS NOT DIRECTLY INVOLVED IS MAINTAINED;
  - D. THE INVESTMENT PRIORITIES FOR PLANNED PROJECTS IN THE METRO SYSTEM OF CONCERN WILL NOT BE SIGNIFICANTLY CHANGED BASED SOLELY ON THE AVAILABILITY OF OUTSIDE FUNDING;
  - E. THE COST-SHARED FACILITY WILL BE OWNED AND/OR CONTROLLED BY THE COUNCIL OR OTHER REGIONAL AGENCY;
  - F. AN EQUITABLE ALLOCATION OF SHARED-FACILITY COSTS AND USES IS ESTABLISHED.

#### Local Cost-Sharing Implementation

There are two decision steps in implementing the local cost-sharing policy. First, there must be a decision by the Council as to whether it wants to enter into such an agreement, and second, the decision made as to how to share the costs and use of the facility.

1. The Council will consider three aspects of each alternative:
  - Costs--laying out all costs and the timing of all projects, both regional and local. The costs will then be compared using a present value analysis. The Council will also examine the cost burden and allocation of costs.
  - Services--specifying the services being provided, and service levels, which communities are being served and what segments of the population within a community is being served.
  - Consistency with the Metropolitan Development Guide--evaluating the impacts on the environment, economic development, and the regional and local plans.

The Council will use the information gathered in this step to evaluate net benefit to the region, analyzing what the regional agencies would gain under such a proposal and what local government would gain.

2. If the Council determines that there are net regional benefits and that the proposal is consistent with all other regional policies, then it will

undertake step 2 of the decision-making process--deciding how the costs might be shared. The decision reached in this step will be based in part on negotiations with the local government involved. In general, the Council would like to see both parties, the regional agency and the local government, better off than without the cost-sharing agreement and the costs shared according to the measured or perceived benefits. More specific criteria may be developed in the individual functional guide chapters. They should include measures that ensure the integrity of the individual regional system and language ensuring that specifies ownership and control of the facility involved.

Once the above decisions are made, there are formal Council procedural steps that must be followed. The local government may need to amend its plan, and the Council may need to amend the system plan to include the project. Both the project and the financing must be included at this point to insure that they are evaluated for equity and efficiency as called for in the investment strategy in the framework. Following the successful completion of these steps, the project may be included in an agency development program or capital improvement program and, finally, in an agency capital budget. The development programs, capital programs and capital budgets should include a description of the financing agreed to for each project.

Separate contractual agreements covering use and financing in detail will be handled by the Council's legal staff, as needed.

#### REGIONAL FISCAL HEALTH

Another important investment-associated responsibility of the Council is to monitor the public fiscal health of the Metropolitan Area. A series of indicators has been developed and will be updated regularly to help the Council determine the soundness of the region's fiscal health.

The Council's 1977 Investment Framework developed a bonding indicator measure based on the notion that if bond ratings slipped the area was in trouble. There are many difficulties with using such a quantitative limit or threshold as an indicator for a fiscal health measure. The principal difficulty is that the values of any indicator must be compared with a predetermined optimal or normal set of values. There is little agreement on normative standards, or benchmarks, with which to judge the fiscal characteristics of a governmental unit. The 1977 investment framework failed to address the issue of whether the area's capital expenditures were too much or too little. A threshold, particularly if it is set high, is the easy out. The Council did not have to confront what should be spent.

The indicators recommended in this document are geared to giving the Council a general picture of fiscal trends in the region. The Council will exercise its own judgment on what is needed based on functional needs and the impacts new investments will have on regional fiscal trends. When the Council revises its policy plans for the metropolitan agencies, reviews development programs of those agencies, or looks at new proposals from the governor or legislature, impacts on the indicators developed in this document will be examined.

The data on regional economic indicators, metropolitan agency revenue indicators and metropolitan agency debt indicators described below will also be used in the metropolitan agency reviews and the Council's reports discussed at the end of this section (Figure 11).

Figure 11

MONITOR FISCAL HEALTH OF THE REGION		
<u>Regional Economic Indicators</u>	<u>Metropolitan Agency Revenue Indicators</u>	<u>Metropolitan Agency Debt Indicators</u>
<ol style="list-style-type: none"> <li>1. Personal income.</li> <li>2. Employment growth.</li> <li>3. Unemployment rates.</li> <li>4. Industrial mix.</li> </ol>	<ol style="list-style-type: none"> <li>1. Total regional revenue.</li> <li>2. Regional revenue per household.</li> <li>3. Regional revenue to assessed value.</li> <li>4. Regional revenue to personal income.</li> <li>5. Share of revenues by type.</li> </ol>	<ol style="list-style-type: none"> <li>1. Total debt in region.</li> <li>2. Total regional agency debt.</li> <li>3. Regional agency debt to total regional debt.</li> <li>4. Regional agency debt to assessed value.</li> <li>5. Regional agency debt to personal income.</li> <li>6. Regional agency debt per household.</li> <li>*7. Regional agency debt service.</li> <li>8. Regional agency debt service to assessed value.</li> <li>9. Regional agency debt service to personal income.</li> <li>10. Regional agency debt service to household income.</li> <li>11. Regional agency debt service as percent annual expenditures.</li> </ol>
<p>*Indicators 7 through 11 are on an annual basis.</p>		

## REGIONAL ECONOMIC INDICATORS

Four indicators have been developed to monitor the general economic health of the region. They look at personal income, employment growth, unemployment rates and industrial mix. The indicators will be used for the regional agency investment review and in the regional fiscal profile report.

Generally, the trends for these indicators are positive. Personal income in the Metropolitan Area has risen faster, and is higher, than the national average for 38 major metropolitan areas. Employment growth in the area has been faster than the national average; the region ranked 12th with a 3.4 percent growth between 1960 and 1980. Unemployment rates for the area have been consistently below the national average. However, low unemployment rates do not necessarily reflect a healthy economy. The rate is calculated using a labor force measure that counts those employed or actively seeking jobs. If a region's labor force is not growing significantly, or if people have ceased looking for jobs, then rates may not reflect the extent of unemployment in the region. The industrial mix in the area is fairly diversified. The region's economy is following national trends and shifting away from manufacturing toward service industries.

## METROPOLITAN AGENCY REVENUE INDICATORS

Five indicators have been developed to monitor revenues collected by the metropolitan agencies. These indicators will be used in the metropolitan agency review process and for two special reports--the region agency investment review and the fiscal profile report. The revenue indicators are 1) total regional revenue; 2) regional revenues per household; 3) regional revenue to assessed value; 4) regional revenue to personal income and 5) share of revenues by type.

The revenue indicators examine changes in the revenues of the regional agencies. Trends in regionally raised revenues and changes in the share of metropolitan agency revenue by source between 1973 and 1982 show that, for the most part, fiscal conditions appear to be good. The regionally raised revenues and revenues per household have been increasing since 1973. Revenues per household increased from \$116 in 1973 to approximately \$270 in 1982. However, regional revenue per \$1,000 of assessed value and per \$1,000 personal income has remained relatively stable between 1973 and 1982.

The financing of regional services depends on a variety of revenue sources. Although the share of regional revenue financed by user fees has fluctuated since 1973, they are the single most important revenue source for regional services--52 percent in 1982. The property tax share of total regional revenues has been fairly constant since 1973, averaging less than 10 percent. In 1981 and 1982, the property tax share of revenues increased to 14 and 16 percent, respectively. Conversely, the share of revenue from state and federal intergovernmental payments has declined in recent years.

## METROPOLITAN AGENCY DEBT INDICATORS

Eleven indicators have been developed to monitor both the debt and the debt service expenditures of the metropolitan agencies. These indicators will be used for the same reviews and reports that the revenue indicators will be used for.

Overall debt for the region has been increasing since 1973, while regional agency debt has been fairly level until 1980. The regional agency share of total debt has continued to decline, primarily due to the increase in debt or other governments in the region. More important, regional agency debt per \$1,000 assessed value and per \$1,000 personal income has declined continuously from 1973 to 1981. Debt per household has been slightly more erratic, with increases in 1979 and 1981.

Regional agency debt service has continued to go up with overall debt, but it exhibits the same downward trends when compared to assessed value, households and personal income as the debt indicators do. The ratio of regional agency debt service to total current expenditures for the agencies has also declined. If this ratio were increasing, the Council should be concerned and explore the nature of the increase. However, the fact that it is not increasing, does not mean there may not be future problems. It is likely that the decline in the ratio is due to substantial increases in agency operating expenditures. This is a good illustration of how the indicators should be used: they can give the Council an indication of areas to explore to better understand what is happening financially with respect to the agencies.

#### POLICY

49. THE METROPOLITAN COUNCIL WILL CONDUCT A CONTINUOUS FISCAL MONITORING PROGRAM THAT USES INDICATORS TO SHOW FISCAL TRENDS AND ASSIST DECISION-MAKERS IN DETERMINING THE REGION'S FUNCTIONAL NEEDS AND IMPACTS OF INVESTMENT ON THE REGION'S FISCAL HEALTH. THE INDICATORS WILL MONITOR THE ECONOMIC HEALTH OF THE REGION, AS WELL AS REVENUE AND DEBT TRENDS OF THE REGIONAL AGENCIES.

#### METROPOLITAN AGENCY REVIEW PROCESS

The Council and four regional agencies--Metropolitan Waste Control Commission, Regional Transit Board, Metropolitan Airports Commission and Metropolitan Parks and Open Space Commission--share responsibility for major regional services. The Council plans the services; the agencies provide them.

The metropolitan agency review process applies to investments made by these agencies. It is also designed to be applicable to any future regional commissions patterned on the general model established in the 1974 Metropolitan Reorganization Act. The 1984 legislation establishing the Regional Transit Board contained some additions to the existing process that have been incorporated into the agency review process that follows. The changes broaden both the Council and the agency perspective by including plans for services, together with plans for facilities, and by requiring longer-range financial planning.

The Council prepares the long-range comprehensive plan for the region, Metropolitan Development and Investment Framework, and more specific policy plans for each major regional service. In turn, the regional agencies prepare five-year detailed implementation plans designed to carry out the Council's plans. Each year the agencies prepare capital and operating budgets consistent with the implementation plans. Finally, the agencies also prepare a financial plan that projects revenues and expenditures for three years beyond the current-year budget.

At various intervals in this process, the Council reviews plans and proposed agency actions for consistency with Council plans. In some instances, the Council has approval authority over agency actions; in others, the Council's role is to comment on the plan or action to the legislature and to the public. The purpose of the process is twofold: to ensure consistency within the metropolitan service delivery system and to provide accountability for metropolitan governance to the public and to the legislature.

The planning and budgeting processes for the regional commissions are not identical since legislation establishing each commission has provided for some variations. For example, the Metropolitan Waste Control Commission prepares a development program; the Metropolitan Airports Commission, master plans; the Metropolitan Parks and Open Space Commission, capital improvement programs; and the Regional Transit Board an implementation plan. Despite the differences in nomenclature, sufficient commonality exists in both legal requirements and in the intent of the legislature to establish a generic process applicable to all four agencies. The generic process is called the metropolitan agency review process. It is depicted in Figure 12, along with the planning and budgeting processes established by law for each of the four major regional commissions.

The metropolitan agency review process is intended to provide greater comparability of information than currently exists. The concept is that all regional agencies are requested to provide the financial and service needs information that is currently required of the Regional Transit Board. To the extent allowed by laws governing the respective agencies, the Council would use the tools already available to it to gather and analyze information from the agencies in a consistent, comparable way. In addition, the Council would aggregate the information and report to the legislature and the public.

In those instances where the general process review calls for a type of information not presently required by law, the Council will work with the agencies to adapt existing documents to fill the gap. In other words, the intent of the review process is to use instruments presently prepared by the agencies so that they will function like the elements described in the review. In practice, this may mean individual agencies would be asked to change the substance or format of their current financial reporting documents to provide information for use in the review process. This framework does not propose amendments to laws that would change Metropolitan Council review or approval authorities.

#### STEPS IN THE PROCESS

##### 1. Metropolitan Development and Investment Framework

The Council has the responsibility to prepare the framework, which contains directions for guiding metropolitan development in an orderly and economic manner. The framework provides broad, long-range goals for the region and includes development and investment policies for achieving those goals. Broad-based priorities for regional investment are established in the framework. The timing, sizing and location of metropolitan facilities and services are planned based on forecasts of population, households and employment. Parameters and conditions are established for metropolitan services and general direction is given for further elaboration in the regional plans contained in the Metropolitan Development Guide for individual metropolitan systems.

Figure 12

PROPOSED METROPOLITAN AGENCY REVIEW PROCESS (MARP)  
 COMPARED TO EXISTING STATUTORY RELATIONSHIPS

MARP	Council	Prepares policy plans	Approves and aggregates implementation plans <sup>1</sup>	Approves capital budgets	Comments on operating budgets	Aggregates financial plans
	Regional Agencies		Prepares Implementation plans	Prepares capital budgets	Prepares operating budgets	Prepares financial plans
TRANSIT	Council	Prepares policy plan	Approves implementation plan	Approves capital budget	Comments on operating budget	Approves financial plan
	RTB		Prepares Implementation plan	Prepares capital budget	Prepares operating budget	Prepares financial plan
SEWERS	Council	Prepares policy plan	Approves development program	Approves capital budget	Comments on operating budget	
	MWCC		Prepares development program	Prepares capital budget	Prepares operating budget	
PARKS	Council	Prepares policy plan	Approves CIP and master plans			
	MPOSC		Prepares CIP; Reviews master plans			
AIRPORTS	Council	Prepares policy plan	Approves master plans	Approves capital projects <sup>2</sup>		
	MAC		Prepares CIP; Prepares master plans	Prepares capital budget	Prepares operating budget	

<sup>1</sup>Defined as projects, timing, expenditure schedule and funding source.

<sup>2</sup>Projects over \$5 million at Minneapolis-St. Paul International, over \$2 million at other airports.

## 2. Regional Plans in the Metropolitan Development Guide

The Council also prepares more specific and detailed plans to direct plans for the metropolitan systems (sewers, transportation, airports and parks). The purpose of these plans is to define the broad, long-range framework goals in terms of individual regional services that can be implemented. For the operating agencies, the system plans provide detailed direction on development and investment policies, on procedures to be followed and on reports to be made to the Council. The metropolitan system plans are the direct link in oversight between the Council and regional agencies.

The Council will conduct a comprehensive review of each regional plan at least every four years. Before adopting such a regional plan, the Council will submit it to the affected regional agency for review and comment. Amendments to the plan may be initiated by either the Council or the regional agency.

## 3. Implementation Plans

The agencies' response to the broad long-range directives of the development and investment framework and the more specific directives of the regional plans in the Metropolitan Development Guide chapters comes in the form of mid-range or five-year plans whereby the agencies analyze alternatives and recommend measures to implement the Council's long-range regional plans. In the past, these mid-range plans were called development programs and focused exclusively on capital improvements. With the establishment of the Regional Transit Board, the legislature instituted a broader approach to agency planning, called an implementation plan, which includes planning for service as well as for capital facilities.

Service plans indicating the area, level and type of service are most appropriate where capital is not fixed in its location or use; but they are also appropriate for fixed facilities in analyzing alternatives for new service or when reviewing existing facilities for rehabilitation, renovation, upgrading, expansion or abandonment. The level of detail respectively for capital and service planning for each agency will be specified in the regional system plan.

The five-year plans, updated biennially, contain fairly extensive detail required in the law to identify projects and financing. The framework and the specific regional system plans, on the other hand, plan for the year 2000. No expectation exists that the agencies can plan correspondingly to the year 2000 with the level of detail provided in the five-year plan. But the agencies need to anticipate change that affects the delivery of service. Each agency is expected to project to the year 2000 its anticipated level of expenditures and sources of revenues. These projections are to be based on the framework forecasts of population, households and employment and on the agency's awareness of technological advances or other changes that may affect future service delivery. The agency should indicate potential agency response to these changes and any action that the Council should consider to mitigate any adverse effects.

Implementation plans will be submitted to the Council on or before Jan. 1 of each even-numbered year. Council review of the implementation plans will be completed within 90 days and will focus on their consistency with the framework and with the appropriate regional system plan. The Council

may approve or disapprove the implementation plan in whole or in part. If required by Council action, the regional agency will revise implementation plans as directed and submit them to the Council for review within 60 days.

No capital improvements or services shall be undertaken by the regional agency unless authorized by the plan or specifically approved by the Council. The Council will not approve any improvement or service not in substantial conformance with the appropriate policy plan.

#### 4. Program Budgets

The program budget defines needs, develops alternatives, evaluates the most cost-effective of the alternatives and builds a budget based on the chosen alternative. Program budgeting by the regional agencies coupled with analysis of the agencies' budgets by the Council provides a systematic means of linking long-range planning to annual budgeting for service delivery. Program budgeting explicitly recognizes that planning and budgeting are complementary functions.

#### CAPITAL AND OPERATING BUDGETS

In each policy plan, the Council will develop a specific program budget format for use by the regional agencies in preparing their annual budgets. For each major service delivery area or program objective, the program budgets should address:

- a. Regional objectives to be achieved;
- b. Regional population to be served;
- c. Performance criteria;
- d. Alternatives considered; and
- e. Recommended approach and the reasons for it being chosen.

Much of this information will have been developed in detail in the implementation plan. It is summarized in the program budget for the purpose of making the budget understandable in terms of its relationship to regional plans and priorities.

#### PROCEDURES FOR CAPITAL BUDGETS

The complete budget (operating and capital) should be submitted to the Council by Aug. 1 of the year preceding its effective date. The Council will act to approve or disapprove those parts of the budget relating to revenues and expenditures for capital improvements by Oct. 1. Before Dec. 15 of each year, the agencies, after obtaining approval of the Council for any changes in the proposed capital budget will, by resolution, adopt the final budget (operating and capital), which will be filed with the Council on or before Dec. 20 of each year. Thereafter, the Council will file the agencies' budgets, together with comments, with the Secretary of the Senate and the Clerk of the House of Representatives no later than Jan. 15 of each year.

The capital budgets will include all the information required by statute and will conform to the content requirements laid out in the functional guide chapter specific to the regional agency preparing the capital budget.

## PROCEDURES FOR OPERATING BUDGETS

With the exception of the Metropolitan Sports Facilities Commission, the Council has no authority to approve the total operating budgets of the regional agencies, but it does have some responsibilities with respect to certain important operating budget components. The Council is required to review and comment upon user charges of the Metropolitan Transit Commission and the Metropolitan Waste Control Commission. It also has a strong interest in the long-term facility maintenance programs and debt retirement programs of the agencies. In addition, because of the impact of operations on implementation of regional service delivery, the Council has an interest in ascertaining whether the operating budget is consistent with Council service delivery objectives. The Council will review and comment on the operating budgets of the regional agency in three respects:

- a. Consistency with Regional Service Objectives
- b. Provision for Maintenance of Facilities

Maintenance is defined as making the improvements necessary to allow a facility to reach its intended useful life. Other improvements constitute upgrading.

Long-term maintenance programs for major facilities are necessary to ensure that the intended useful life of major facilities is reached. At certain intervals, major repairs, overhauls or the replacement of components are necessary. Estimates of long-term maintenance programs should be considered in preparing development programs. Both routine and major maintenance should be included as explicit components of the operating budget. Disregard for maintenance has a direct effect on the Council's capital financing responsibilities.

- c. Debt Service Payments

Adequate funding must be provided in operating budgets to meet the scheduled debt service payments that were agreed upon at the time of the bond sale. The Council will ensure that, in those instances where it is responsible for debt service payments, the operating budgets and any reserves include a sufficient amount to maintain the reserves for future payments.

## 5. Financial Plans

In the 1984 legislation creating the Regional Transit Board, the legislature recognized the need for financial planning to assure that adequate financing is or will be available to fund needed regional services. The financial plan uses the current operating budget as its base year and provides projections of revenues and expenditures for three succeeding years. The information from the financial plan is subject to review by the Council, which will use it in planning debt management and in commenting to the legislature on the user fee structure of the regional agencies.

The financial plan is to be submitted to the Council on Sept. 1 of each year and will be used by the Council for three purposes:

a. Projections of Revenues and Expenditures

The financial plan will include the expected level of public expenditure, both capital and operating, and the expected sources of funds including:

- (1) proceeds of bond issues;
- (2) Levels of taxes and the areas in which they will be levied;
- (3) User charges;
- (4) State and federal grants; and
- (5) Other sources including investment income.

A plan and schedule showing the distribution of funds among various services, service areas and markets, and providers is also provided.

b. Debt Management Role

The Council will provide a coordinating and information-sharing role for all existing and proposed debt of the regional agencies. The Council will establish a staff debt management and review committee to anticipate, plan and review Council-issued debt. Using the agencies' financial plans and implementation programs, the committee will anticipate bond sale programs that may be needed in the future. From time to time, the committee will review the Council and the agencies' existing debt, debt retirement programs and future debt needs and make appropriate recommendations to the Council concerning their financing of outstanding debt or exercising of early call provisions.

c. User Fee Review

The Council is required to comment to the legislature on changes in the sewer and transit user fee structure, particularly with regard to their consistency with Council policies and their impact on the Metropolitan Area. The Council also has an interest in commenting on the user fees of other regional agencies to the extent that they also have an effect on the accomplishment of regional objectives. Using the annual financial plan as the basis for information on user fees, the Council will comment to the legislature on the following:

1. The effect of any changes in fees on the persons or area paying and the benefit received.
2. The effect of any changes on the achievement of regional objectives.
3. The effect of any changes on the use of the service involved.
4. The fiscal impact on the Metropolitan Area, especially related to debt service needs, capital and maintenance funding, and the impact on revenue-raising abilities of local governments.

## COUNCIL REPORTING ROLE

### Report to the Legislature

The Council and the regional commissions are creatures of the legislature and are subject to general legislative oversight. For the legislature to exercise its oversight function, regular reporting on metropolitan service activity is needed. The Council by statute has the primary responsibility for reporting to the legislature on the status of the metropolitan governance system. It has instituted the metropolitan agency review process described above both to improve the Council's oversight of the commissions but also to provide more complete and relevant information to the legislature so that body can better exercise its oversight role.

By Jan. 15 of each year, the Council will prepare and deliver to the legislature a report that includes the following:

1. The capital and operating budgets of the regional agencies together with the Council budget. The Council will include comments on the agency budget with respect to the relationship between agency expenditures and revenues and the achievement of Council service delivery objectives.
2. A summary of projected four-year expenditures and revenues with the first year being based on the current operating budget. The Council will analyze the potential effect of changes in expenditures and revenues sources on service levels and the geographic areas and groups being served.
3. An evaluation of the user fee structure of the commission. The Council will analyze the effect of user fees on the equity and efficiency of the regional service being provided, on the relationship to metropolitan plans and on the effect of user fees on local government finance.

### Fiscal Profile Report

The financial ability of the Council and the regional agencies is affected by the financial activities of other governments in the region; in turn, regional finances affect local financial capacity. The Council will periodically publish a report covering expenditures, revenues and debt of the various levels of government in the Metropolitan Area. The report will analyze trends in the financial data. The report will also update the economic and fiscal indicators established in the investment decision-making process described earlier in the MDIF and will relate local government fiscal trends to national and regional economic trends and to revenue and debt trends.

### Regional Agency Investment Review

The investment decision-making process provides for the classification of investments based on priorities established in this framework's development policies and regional plans contained in the Metropolitan Development Guide. To monitor the investment decision-making process, the Council annually will analyze the investment decisions it has made in the metropolitan agency review process and will group those decisions into broad-based classes representing major Council priorities. Evaluation of the relative level of investment in each classification on a functional and, where possible, on a cross-functional basis may lead to reconsideration of the priority of investments and to

redirection of Council investment plans. The indicators developed in the fiscal profile report will be used in the investment analysis so that priorities can be related to economic trends or to revenue and debt considerations and adjusted appropriately.

APPENDIX

## APPENDIX

### FORECASTS OF POPULATION, HOUSEHOLDS AND EMPLOYMENT BY COMMUNITY FOR 1990 AND 2000

#### INTRODUCTION

The forecasts show continued gains in the number of people, jobs and households in the Twin Cities area through 1990 and 2000. The following increases are projected for the region by 1990: 17 percent in households, 9 percent in population and 21 percent in employment. This is slightly above the population growth rate during the 1970s, but not as high as the rates of the 1950s and 1960s. The forecasted growth rate for households and employment is down slightly from growth in the 1970s. Growth is expected to continue from 1990 to 2000 at a slightly lower rate than forecasted for the 1980s.

#### REGIONAL FORECASTS

Population and employment forecasts (a description of these forecasting methods follows the tables) were done separately and then compared. The demographically based forecasts used the cohort survival method. Regional employment forecasts resulted from a regression analysis comparing local and national trends. The demographic method yielded population, household and labor force forecasts. The labor force and employment forecasts were compared to ensure compatibility between them. The regional forecasts are shown below.

<u>Year</u>	<u>Households</u>	<u>Population</u>	<u>Employment</u>
1970	573,834	1,874,612	853,000
1980	721,444	1,985,873	1,075,000
1990	850,000	2,180,000	1,300,000
2000	920,000	2,290,000	1,400,000

#### FORECASTS FOR CITIES AND TOWNSHIPS

Growth occurs throughout the region. In most instances, change can be understood by examining local trends. In the suburbs, it is easy to spot; whole subdivisions and new office buildings appear in a short time. Construction goes on in most communities during every economic recovery, even in some areas that have been stable for years. In a few areas, growth trends run counter to these economic cycles. Business expansion even occurs during recessions. In turn, that causes construction in some areas during periods of general decline. In the older, more developed areas, growth occurs in buildings left by firms expanding to the suburbs or in buildings where other firms went out of business. Office buildings and apartments replace single-family housing. Industrial parks fill up and shopping centers try new marketing strategies and tenant mixes. The forecast for each area considers the dispersed nature of change, as well as regional and national trends.

Each minor civil division was independently forecasted. These minor civil division forecasts were totaled and compared to the regional forecasts. Individual community forecasts were adjusted so that the total of minor civil divisions would equal the regional forecast. This method reflects the regional

forecasts, as well as changes in rural areas, developing suburbs, older suburbs and the central cities.

The region exhibits two interesting housing characteristics. Housing activity has been about equal each year since 1970 on either side of a line drawn along Hwy. 12. If one divides the region approximately along Hwy. 65, the west side of the region has twice as much housing construction annually as the east. The forecasts reflect these ratios.

In each minor civil division, the procedure followed was to forecast households first, then population and finally employment. Close examination of recent trends helped determine each city's or township's forecast. For example, the household change was examined from the 1970 to the 1980 census. Annual residential building permits furnished another indicator of change. The permits showed the types of housing units constructed each year between 1970 and 1984. Finally, growth limitations were examined; for example, additional land supply and zoning restrictions. Information about these factors came from local plans and contacts with local planners.

#### CONCLUSION

The tables that follow show the forecasts. They may be revised after public meetings and hearings pending submission of additional information. Early next year, the forecasts will be adopted by the Council as part of the Metropolitan Development and Investment Framework. A more detailed discussion of the minor civil division household, population and employment forecast methodology is available upon request.

ANDKA	1980	1990	2000	1980	1990	2000	1980	1990	2000
	Household			Population			Employment		
Andover	2469	3400	3800	9387	11900	12900	310	400	500
Anoka	5382	5900	6200	15634	15400	15500	11200	13000	13000
Bethel	93	100	100	272	250	240	50	150	200
Blaine	8474	12500	15000	28558	39000	45000	5500	9000	13000
Burns T	536	700	800	1976	2300	2600	100	100	100
Centerville	214	350	400	734	1100	1200	160	250	400
Circle Pines	922	1400	1600	3321	4500	5000	520	700	800
Columbia Heights	7343	7800	8000	20029	20000	20000	5100	6000	7000
Columbus T	870	1100	1200	3232	3700	4000	100	200	200
Coon Rapids	10336	16000	19000	35826	50000	57000	10200	15000	19000
East Bethel	1955	2400	2600	6626	7400	7800	260	300	400
Fridley	10416	11000	11200	30228	31000	30000	22000	32000	36000
Ham Lake	2226	2700	2900	7832	9200	9300	310	500	600
Hilltop	453	450	450	817	810	810	310	300	400
Lexington	746	800	800	2150	2100	2000	520	700	800
Lino Lakes	1388	2100	2400	4966	7000	7700	520	800	1000
Linwood T	833	1000	1100	2839	3200	3400	50	100	100
Oak Grove T	1093	1300	1500	3926	4400	4800	100	200	200
Ramsey	2660	3300	3500	10093	12200	12600	310	400	600
St Francis	355	700	1000	1184	2100	2900	520	800	1000
Spring Lake Park	1992	2400	2500	6477	7200	7300	1900	3000	3500
TOTAL	60756	77007	86000	196107	235000	252000	60000	84000	100000

#### CARVER

Benton T	260	280	300	939	950	990	210	200	200
Camden T	257	280	300	898	900	930	50	50	50
Carver	218	250	300	642	680	780	210	400	400
Chanhassen	2075	3000	3500	6359	8500	9500	1200	3000	4000
Chaska	3006	3700	4000	8346	9600	10000	3600	5500	6500
Chaska T	59	80	100	205	260	320	160	200	200
Cologne	202	250	275	545	650	690	100	100	100
Dahlgren T	331	370	400	1225	1300	1300	50	100	100
Hamburg	173	200	225	475	500	540	50	50	50
Hancock T	108	130	150	391	430	480	50	50	50
Hollywood T	314	350	375	1100	1100	1200	50	50	50
Laketown T	521	550	600	2424	2600	2700	100	200	200
Mayer	142	150	175	388	360	400	50	100	100
New Germany	130	150	175	347	380	420	50	50	50
Norwood	442	480	500	1219	1200	1200	520	600	600
San Francisco T	194	240	275	650	740	830	50	50	50
Victoria	427	700	800	1425	2200	2400	310	600	600
Waconia	988	1300	1400	2638	3100	3200	1800	2200	2500
Waconia T	408	500	525	1402	1500	1500	50	50	100
Watertown	658	850	950	1818	2200	2300	360	600	700
Watertown T	412	450	500	1429	1500	1600	100	200	200
Young America	414	500	550	1237	1400	1500	210	200	200
Young America T	274	290	300	952	960	960	50	100	100
TOTAL	12013	15100	16700	37054	43000	46000	9400	15000	17000

DAKOTA	1980	1990	2000	1980	1990	2000	1980	1990	2000
	Household			Population			Employment		
Apple Valley	6376	10000	12000	21818	30000	36000	2000	3500	4000
Burnsville	12080	16000	18700	35674	43000	49000	13200	22000	28000
Castle Rock T	395	450	500	1340	1400	1500	50	100	100
Coates	65	80	100	207	230	280	50	50	50
Douglas T	164	180	200	614	610	660	50	50	50
Eagan	6824	15400	20000	20700	40000	50000	8400	20000	27000
Empire T	360	450	500	1224	1400	1600	100	200	300
Eureka T	373	500	600	1268	1600	1800	50	200	200
Farmington	1511	1900	2200	4370	5200	5800	2500	3500	4000
Greenvale T	190	220	250	654	700	780	50	50	50
Hampton	101	120	130	299	340	350	100	200	200
Hampton T	223	300	350	848	1100	1200	50	100	100
Hastings	4201	4700	5000	12827	13600	14000	6400	9000	10000
Inver Grove Heig	5551	7200	8000	17171	20000	22000	2600	6000	7000
Lakeville	4337	6500	7500	14790	20000	23000	2700	5000	7000
Lilydale	222	275	300	417	470	510	100	200	200
Marshan T	431	550	600	1655	1900	2000	100	100	100
Mendota	80	100	100	219	250	240	130	200	200
Mendota Heights	2210	3000	3500	7288	9000	10200	2800	6000	7000
Miesville	49	50	50	179	180	170	50	100	100
New Trier	31	50	50	115	170	170	50	50	50
Nininger T	201	250	300	774	850	990	100	200	300
Randolph	110	120	125	351	360	360	100	100	100
Randolph T	118	150	175	385	480	540	50	50	50
Ravenna T	433	500	525	1683	1900	1900	50	50	50
Rosemount	1456	2300	2700	5083	8700	9700	4300	5000	6000
Sciota T	75	90	100	242	280	300	50	50	50
S St Paul	7748	8100	8200	21235	20000	20000	7400	8000	8000
Sunfish Lake	107	125	150	344	360	410	50	100	100
Vermillion	123	175	200	438	560	620	50	100	100
Vermillion T	281	330	375	1070	1200	1300	50	50	50
Waterford T	164	175	200	486	470	520	100	100	200
W St Paul	7501	8100	8500	18527	17300	17300	7700	11000	12000
TOTAL	64091	88000	102000	194295	244000	275000	61500	101000	120000

HENNEPIN	1980	1990	2000	1980	1990	2000	1980	1990	2000
	Household			Population			Employment		
Bloomington	28660	34000	36500	81831	89000	92000	59000	75000	90000
Brooklyn Center	10751	11600	11800	31230	30000	30000	10600	14000	14000
Brooklyn Park	15268	21500	25000	43332	56000	63000	7200	15000	21000
Champlin	2733	4000	5000	9006	12400	15000	440	700	1000
Corcoran	1243	1600	1800	4252	5100	5600	230	200	200
Crystal	8977	9300	9300	25543	24000	23000	6000	6500	6500
Dayton	1161	1500	1700	4000	5000	5600	100	200	300
Deephaven	1223	1300	1300	3716	3500	3400	160	300	300
Eden Prairie	5383	11500	16000	16263	32000	43000	12200	29000	38000
Edina	17961	19500	19800	46073	45000	46000	41000	52000	54000
Excelsior	1149	1400	1400	2523	2900	2700	3000	3000	3000
Fort Snelling	17	0	0	223	200	200	20000	24000	24000
Golden Valley	7597	8200	8400	22775	22000	22000	30000	33000	33000
Greenfield	402	500	500	1391	1700	1600	50	100	100
Greenwood	234	250	250	653	630	600	100	100	100
Hanover	64	80	100	248	290	350	50	50	50
Hassan T	452	550	600	1766	2000	2100	100	500	500
Hopkins	7061	7800	8000	15336	14400	14800	19100	21000	21000
Independence	789	875	900	2640	2700	2700	100	100	100
Long Lake	586	900	1000	1747	2300	2500	1900	2000	2000
Loretto	109	150	150	297	350	350	160	250	250
Maple Grove	6239	11400	14000	20525	35000	42000	1700	4000	6000
Maple Plain	465	600	700	1421	1700	1900	1800	2000	2000
Medicine Lake	162	175	175	419	440	420	50	50	50
Medina	765	900	1100	2623	2900	3400	1100	1200	1200
Minneapolis	161858	166000	168000	370951	352000	340000	284000	295000	298000
Mnettonka	12667	17300	19500	38683	46000	49000	18000	32000	33000
Mnettonka Beach	187	225	225	575	610	590	210	300	300
Mnettrista	974	1150	1200	3236	3500	3500	50	100	150
Mound	3384	3800	4000	9280	9900	10000	2600	2200	2700
New Hope	7627	8500	8500	23087	24000	23000	9400	10000	10000
Orono	2291	2600	2700	6845	7000	7000	470	600	600
Osseo	1015	1100	1100	2974	3100	2900	4300	4500	4500
Plymouth	10491	18000	22000	31615	49000	58000	20000	34000	45000
Richfield	15258	15800	16000	37851	37000	37000	14100	14500	14500
Robbinsdale	5705	6000	6000	14422	14200	14200	3200	5000	5000
Rockford	125	170	200	380	490	560	160	250	250
Rogers	210	230	250	652	690	750	730	1000	1200
St Anthony	1935	2000	2000	5619	4600	4600	1800	2500	2500
St Bonifacius	281	400	450	857	1100	1200	260	300	300
St Louis Park	17669	19500	20000	42931	42000	43000	35000	38000	38000
Shorewood	1484	1650	1700	4646	4800	4800	520	550	550
Spring Park	684	750	800	1465	1500	1500	1100	1500	1500
Tonka Bay	495	700	700	1354	1800	1800	50	50	50
Wayzata	1560	1800	1900	3621	3900	3900	5400	5500	5500
Woodland	183	200	200	526	540	520	50	50	50
TOTAL	365534	417000	443000	941403	999000	1032000	618000	732000	780000

RAMSEY	1980	1990	2000	1980	1990	2000	1980	1990	2000
	Household			Population			Employment		
Arden Hills	2284	3400	3600	8012	10700	10900	7400	10000	10000
Falcon Heights	1894	2000	2100	5291	5100	5100	3000	3500	3500
Gen Lake	118	140	150	394	420	440	310	350	400
Lauderdale	809	1100	1100	1985	2200	2100	520	550	550
Little Canada	2936	3500	3500	7102	8100	8100	1800	3000	3000
Maplewood	8806	11000	12000	26990	29000	31000	20000	27000	29000
Mounds View	4248	4900	5200	12593	13700	14000	3000	5000	6000
New Brighton	7739	8500	9000	23269	24000	24000	8300	10000	10000
North Oaks	810	1000	1100	2846	3200	3400	100	100	100
North St Paul	3980	4500	4900	11921	12700	13300	3600	4000	4000
Roseville	12876	13500	14000	35820	35000	35000	32000	41000	43000
St Anthony	1110	1200	1300	2362	2400	2500	1900	2000	2000
St Paul	106223	112000	115000	270230	256000	253000	187000	190000	193000
Shoreview	5954	9200	10500	17300	24000	26000	3400	6000	7000
Vadnais Heights	1760	3700	4500	5111	9600	11300	830	1500	2000
White Bear Lake	7124	8000	8500	22538	24000	25000	7300	7500	7500
White Bear T	1797	2900	3400	5921	8400	9500	160	200	200
TOTAL	170468	191000	200000	459685	469000	475000	281000	312000	320000

#### SCOTT

Belle Plaine	942	1100	1300	2754	3100	3500	1040	1200	1300
Belle Plaine T	202	225	250	765	810	880	50	100	100
Blakeley T	149	170	180	515	600	580	50	50	50
Cedar Lake T	396	480	550	1507	1700	1900	50	50	50
Credit River T	637	850	950	2360	3000	3200	50	50	50
Elko	80	100	125	274	340	400	50	50	50
Helena T	321	375	400	1215	1400	1400	50	50	50
Jackson T	466	600	650	1483	1900	2000	50	50	50
Jordan	893	1200	1300	2663	3500	3600	830	1000	1200
Louisville T	232	300	350	813	1000	1100	210	300	300
New Market	99	130	150	286	350	390	50	50	50
New Market T	441	550	600	1636	1900	2000	50	50	50
New Prague	677	900	900	1898	2200	2100	1250	1400	1500
Prior Lake	2313	3800	4700	7284	11000	13200	1250	2000	2200
St Lawrence T	101	125	150	350	430	500	50	50	50
Sand Creek T	371	400	450	1516	1500	1700	160	150	150
Savage	1234	2700	3700	3954	8100	10700	2600	4000	5000
Shakopee	3226	4100	4600	9941	12100	13100	5000	8000	9000
Spring Lake T	721	850	900	2570	2900	3000	50	50	50
TOTAL	13501	19000	22000	43784	58000	65000	12900	19000	21000

WASHINGTON	1980	1990	2000	1980	1990	2000	1980	1990	2000
	Household			Population			Employment		
Afton	776	850	875	2550	2600	2600	100	200	300
Bayport	677	750	775	2932	2800	2800	2100	2100	2100
Baytown T	237	300	350	851	1000	1100	50	100	100
Birchwood	326	360	360	1059	1100	1100	50	50	50
Cottage Grove	5127	6300	6800	18994	22000	24000	4200	3500	4000
Dellwood	223	300	300	751	930	900	100	100	100
Denmark T	318	400	450	1140	1400	1500	50	50	50
Forest Lake	1752	2400	2700	4596	5700	6100	3200	4000	4000
Forest Lake T	1559	1900	2000	5331	6100	6200	420	600	600
Grant T	831	1050	1150	3083	3400	3600	100	100	100
Grey Cloud T	112	120	125	351	350	350	50	100	100
Hugo	1082	1300	1400	3771	4300	4500	420	600	800
Lake Elmo	1687	2100	2300	5296	6100	6400	830	1000	1200
Lakeland	550	650	750	1812	2100	2300	130	200	200
Lakeland Shores	65	90	100	171	210	220	50	50	50
Lake St Croix	397	450	475	1176	1200	1200	10	50	50
Landfall	310	340	340	679	680	680	50	50	50
Mathomedi	1239	1650	1800	3851	4500	4700	1140	1300	1300
Marine on St Cro	201	220	225	543	550	540	50	50	50
May T	611	750	800	2076	2400	2500	50	50	50
Newport	1153	1400	1500	3323	3600	3800	1560	1800	2000
New Scandia T	851	1000	1100	2858	3200	3400	50	50	50
Oakdale	4004	5500	6500	12123	14500	16400	1200	3500	5000
Oak Park Heights	955	1200	1400	2591	3500	3900	2180	2500	3000
Pine Springs	77	120	150	267	380	470	50	50	50
St Mary's Point	114	130	150	348	360	410	50	50	50
St Paul Park	1511	1600	1700	4864	4800	4900	750	800	800
Stillwater	4065	4600	4800	12290	13200	13300	5700	7000	7500
Stillwater T	448	600	700	1599	2000	2300	310	300	300
West Lakeland T	355	425	425	1318	1400	1400	50	50	50
Willernie	236	275	275	654	720	690	100	100	100
Woodbury	3232	4500	8000	10297	19000	23000	2500	6500	9500
TOTAL	35081	46000	51000	113545	136000	147000	27700	37000	44000
REGIONAL TOTAL	721444	850000	920000	1985873	2180000	2290000	1071000	1300000	1400000

Totals rounded

EP948M

61

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 16, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Regional Transit Board Review of Metropolitan Development and Investment Framework

At its meeting on December 11, 1985, the Policy Committee approved the review of the Metropolitan Council's Metropolitan Development and Investment Framework (MDIF) with the addition of the following Findings and Conclusions:

- The MDIF contains some specific language about the role transit should play in suburban areas and the types of services which should and should not be considered. This language appears to be too specific for a general policy document. Further, the RTB is currently evaluating transit needs and services in the suburban areas. The wording in the MDIF should not dictate the types and levels of suburban service which may be identified in the Transit Service Needs Assessment.

RECOMMENDATION:

That the Regional Transit Board submit the proposed comments contained within the memorandum on the Metropolitan Development and Investment Framework to the Metropolitan Council for their consideration.

KT:jmo  
OP004ATX1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 10, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Regional Transit Board Review of Metropolitan Development and Investment Framework

At its meeting on December 11, the Policy Committee will be discussing and taking action on the Metropolitan Development and Investment Framework. An oral report and recommendation will be presented at the December 16 board meeting.

jmo

Todd Lefko  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 6, 1985  
TO: Policy Committee  
FROM: Judith G. Hollander, Director of Planning and Programs  
SUBJECT: Regional Transit Board Review of Metropolitan Development and Investment Framework

Action Requested:

Staff recommends that the Policy Committee review the Metropolitan Development and Investment Framework and that the Regional Transit Board submit the proposed comments to the Metropolitan Council for their consideration.

Background:

As stated in its introduction, the Metropolitan Development and Investment Framework (MDIF), "establishes an overall direction for future development in the Metropolitan Area and contains guidelines for making decisions about investments in metropolitan systems--sewers, parks, airports, transit and highways--to support orderly growth and development...The framework presents the Council's approach to guiding development and change in the Metropolitan Area. It sets general directions for plans contained in other chapters of the Council's Metropolitan Development Guide--for example, those dealing with sewers, parks, airports, and transportation..."

The MDIF will set the long-range directions for transit activities and investments in the Metropolitan Area. It is, therefore, extremely important that the Regional Transit Board (RTB), who is responsible for developing its implementation plan in a consistent manner with the Framework and the accompanying Development Guide chapters, understand and support the document. Staff has reviewed the document and offers within this memorandum comments and suggestions about how the MDIF would affect transit matters.

The framework has been developed by the Metropolitan Council staff under the supervision of the Metropolitan and Community Development Committee over the past three-month period. A draft working document has been prepared for discussion at public meetings to be held with various groups and communities throughout the Metropolitan Area during November and December. Once comments have been received on the working document, Metropolitan Council staff will prepare a supplemental document summarizing those comments which will result in a revised document. The revised document will then be the subject of a series of public hearings to be held in March 1986. The Metropolitan Development Guide chapters will later be revised to reflect the new directions established in the plan.

Discussion:

The document is divided into two major sections: (1) Development Decision-Making Guidelines; and (2) Investment Decision-Making Guidelines. Within each of these major sections are a number of subcategories. The staff comments will be organized by each of these sections.

The MDIF divides the region into a metropolitan urban service area (MUSA) and a rural service area. The urban service area consists of five policy areas--the metro centers, regional commercial-industrial concentrations, the fully developed area, the developing area and the freestanding growth centers, which lie outside the boundary of the urban service area but are considered part of it. The rural service area consists of rural centers, commercial agriculture area and the general rural use area. The framework also identifies another category--special regional facilities.

Staff Comments:

INTRODUCTION	No Comment
COMMITMENT OF THE METROPOLITAN DEVELOPMENT AND INVESTMENT FRAMEWORK	No Comment
DEVELOPMENT DECISION-MAKING GUIDELINES	
THE ROLE OF FORECASTS	No Comment
METROPOLITAN URBAN SERVICE AREA AND RURAL SERVICE AREA	No Comment
METROPOLITAN SYSTEMS: DEVELOPMENT AND PROTECTION	

In this section of the MDIF, the philosophy of the document; i.e., "managing regional resources" is applied to different systems, including transportation. Several statements are made with regard to transit as supplemental material to the actual policies. The staff have found some difficulty in interpreting some of this material and, furthermore, feel that some of the judgments made about transit are too limiting and/or inconsistent with RTB mandates. Furthermore, sometimes the nature of the statements seem too detailed for the MDIF and would be more appropriate for inclusion in the Transportation Chapter which will eventually be prepared. Examples follow:

Page 20, Paragraph 3. "The level of transit service is closely associated with operational capacity of the street and highway system and the demands for services, as reflected in development patterns and travel behavior. Generally, the highest levels of transit service go to the areas with the highest density of development and the greatest degree of concentration." The first sentence is not entirely correct and, furthermore, it is unclear, as it is in the second sentence, what policy direction, if any, is being provided.

Page 20, Paragraph 4. "Locations with large numbers of households and/or high employment in relatively small areas offer very good potential for public transit service. It is also important to provide transit to the people who have no other way to move about the area. This generally means elderly, handicapped, young and low-income people. Providing service to these people will probably involve above-average subsidies." Again, it is unclear if the first statement is intended as policy direction or as a reflection upon the existing transit structure.

Page 20, Paragraph 5. The term "paratransit" is a new addition to the MDIF. We found the term difficult to understand in the document since it was not used in the same way throughout the document. We would suggest that the term is not really necessary in a document of this type. Rather, it seems more appropriate to use the more general term of transit and permit the RTB to define the specific modes appropriate to meet the needs of the public and the policies set forth in the MDIF.

Additionally, in this same paragraph appears the statement, "Metropolitan public transit service will not be provided to the rural service area, but residents of the area can arrange for and finance public transit or public paratransit on their own if they so desire." This statement of policy is not consistent with state legislation that requires the RTB to invest exurban property tax in paratransit services in exurban areas. The legislation does not restrict the use of these monies to services for the elderly and handicapped. Furthermore, it is the responsibility of the RTB to plan and fund transit services throughout the metropolitan area based on its needs. We find that this statement prejudices transit needs and suggests modes which may not actually be appropriate for the area.

Page 21, Paragraph 5. We commend the Council on recognizing the important relationship between the condition of the highway and transit systems. The RTB is committed to working toward a clearer understanding of these complementary systems and better coordination in planning and implementation efforts.

Page 22, Paragraph 3. It is unclear who would be charged with the responsibility for, "Local government and/or developers may be asked to establish car pooling, van pooling, flexible hours, etc..." Is this intended to be policy direction for the RTB?

OTHER AREA SYSTEMS

No Comment

GEOGRAPHIC POLICY AREAS - Metropolitan Centers

Portions of this subsection discuss "the poor integration between skyways and street level transit systems in both centers." The subsection continues by stating on:

Page 33, Policy 19B "...Transit should be used to help alleviate congestion and parking problems and should be integrated with the skyway systems." The policy, however, does not define responsibility for the task. Is it appropriate to define, within the MDIF, whose responsibility it would be to take the lead on carrying out this policy?

#### GEOGRAPHIC POLICY AREAS - Regional Commercial-Industrial Concentrations

A descriptive listing of these concentrations, in addition to a map, would be helpful toward understanding how transit could best be provided in these areas.

Page 36, Paragraph 2. "Highway and transit goals should focus on improved circulation patterns and consider using paratransit. Several of the concentrations are arranged in linear fashion along major highways, especially I-94 and I-494. These high-activity highway corridors may have potential as transit corridors that could support light rail transit (LRT), busways or high-occupancy vehicle lanes fed by local bus systems." The staff again finds the use of the term "paratransit" vague and, furthermore, feels that the suggestion of using paratransit as the means for improving internal circulation as too limiting.

Page 38, Policy 22B. "Transit corridors should connect the concentrations to the metropolitan centers. The concentrations should serve as a focus for the bus system from surrounding areas. The highest priority for transit should be in areas with concentrated employment. Possible high-capacity service (for example, light rail transit) should be provided in conjunction with service to the metropolitan centers.

The term "bus system" should be replaced with "transit system," allowing the RTB to establish, via its planning process, the most appropriate mode for serving metropolitan centers.

Page 49, Policy 30C. "Transit service to freestanding growth centers should be provided only if ridership and the willingness to pay the expense are clearly demonstrated. Commuter trips from freestanding growth centers to the urban service area should generally be served by ridesharing strategies (such as carpooling), rather than by expanded metropolitan highways or fixed-route transit." Again, this policy becomes specific in suggesting modes that are appropriate to serve freestanding growth centers. The mode choice should be decided by the RTB through its planning process.

SPECIAL REGIONAL FACILITIES

No Comment

METROPOLITAN PLANNING PROCESS

No Comment

With the development of subsequent drafts of the MDIF and specifically the later revisions to the Transportation Chapter, the staff of the RTB would like to take an active role in its discussion and development. We feel this is critical to the development of an effective document to guide all agencies that are under the auspices of the Metropolitan Council. Additionally, the RTB is involved in a large-scale service needs assessment. The policies developed in the MDIF will have significant impact on the types of transit services that may be provided which are being analyzed in the Service Needs Assessment.

Findings and Conclusions:

- The MDIF establishes the overall direction for the future development in the Metropolitan Area and contains guidelines for making regional investment decisions for metropolitan systems including transit.
- The Metropolitan Council will revise the draft MDIF to reflect public comment. The revised draft will be subject to the public hearing process during the first quarter of 1986.
- Staff offers no comment on the Introduction and the Commitment of the Metropolitan Development and Investment Framework, and subsections of Metropolitan Decision-Making Guidelines--Role of Forecasts, Metropolitan Urban Service Area and Rural Service Area, Other Area Systems, Special Regional Facilities and subsections of Investment Decision-Making Guidelines--Special Investment Procedures and Regional Fiscal Health.
- In general, language in the section entitled "Metropolitan Systems Development and Protection" is too detailed for the MDIF and perhaps is more appropriate for inclusion in the Transportation Chapter which will eventually be prepared. Furthermore, staff had difficulty interpreting some of this material and feels that statements contained throughout the section are limiting and inconsistent with RTB's mandates.
- In the subsection entitled "Geographic Policy Areas" subsection "Metro Centers," the MDIF should define who should take the lead role in integrating street level transit with skyways. Additionally, the subsection that discusses Regional, Commercial and Industrial Concentrations would be enhanced by a descriptive listing and a map of the concentrations.
- Throughout the MDIF references to specific modes such as paratransit, ridesharing, and bus system, should be replaced with the broader term "transit." It is more appropriate for the RTB to specify transit modes in concert with its planning process.

#### INVESTMENT DECISION-MAKING GUIDELINES

Generally, throughout this section, the relationship between the Metropolitan Council and the Regional Transit Board is considered as the model for the appropriate relationship between the Council and its operating commissions. However, the staff finds that the Council's expectations from the Regional Transit Board are not always clear, or always consistent with our own understanding about appropriate roles and relationships. For example:

Page 66, Paragraph 1. "Many of the Metropolitan Council plans and programs are carried out through investments in facilities and services. Some of these investments, like those in sewers and transit, have very strong Council involvement throughout. In these instances, the Council plays a major role in determining the projects to be funded, the amounts to be spent and methods of financing to be used." It is true that the Council approves the capital budget and financial plan of the RTB, but it is not our expectation, for example, that the Council would otherwise take a major role in making the determinations suggested above. We believe that there is actually a very clear understanding about the appropriate roles of the Council and the RTB but feel that this language does not describe it adequately. A memorandum outlining the roles of the RTB and the Metropolitan Council has in fact been jointly developed.

#### INVESTMENT EVALUATION PROCESS

Page 66, Paragraph 3. "In much of its investment work, the Council will use the process described below to develop plans and to evaluate projects and proposals to be brought before it for review."

Page 67, Paragraph 2. "Second, the Council will decide whether individual projects or programs should be undertaken."

As stated above, it is not clear beyond the financial plan and capital budget that the RTB would bring to the Council specific projects and proposals. Perhaps in trying to relate to all commissions, the language is simply inappropriate to reflect adequately the relationships with the RTB.

#### SPECIAL INVESTMENT PROCEDURES

No Comment

#### REGIONAL FISCAL HEALTH

No Comment

#### METROPOLITAN AGENCY REVIEW PROCESS

Page 78, Paragraph 4. "...The Council plans the services; the agencies provide them." This is not reflective of the RTB responsibilities.

Page 83, Paragraph 1. "The Council is required to review and comment upon user charges of the Metropolitan Transit Commission and the Metropolitan Waste Control Commission." "Metropolitan Transit Commission" should be replaced by "Regional Transit Board."

December 6, 1985  
Page Seven

- The RTB believes that while there is a clear understanding about the appropriate roles of the Council and the RTB, language throughout the section of Investment Decision-Making Guidelines is not clear or consistent with the RTB's understanding about appropriate roles and relationships. These roles have been outlined as part of a memorandum developed jointly by the Metropolitan Council and the RTB. This language should be reviewed and clarified to reflect the RTB and the Council's understanding of respective roles.
- The subsection "Metropolitan Agency Review Process" refers in its discussion of user charges to the Metropolitan Transit Commission. This reference should be changed to the RTB who is now legislatively charged with the responsibility of setting user charges.
- With the development of future drafts of the MDIF, RTB staff involvement is critical to ensure that the document is workable and consistent with major planning efforts of the RTB, such as the Service Needs Assessment.

Recommendation:

That the Policy Committee submit the proposed comments contained within this memorandum on the Metropolitan Development and Investment Framework to the Metropolitan Council for their consideration.

JHMDIF

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 16, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Review of Final Environmental Impact Statement for Construction  
of the Minneapolis City Center Phase II in Downtown Minneapolis

At its meeting on December 11, 1985, the Policy Committee approved the review of the Final Environmental Impact Statement for Construction of the Minneapolis City Center Phase II, with the modification noted in the recommendation.

RECOMMENDATION:

That the Regional Transit Board find the Minneapolis City Center Phase II Final Environmental Impact Statement consistent with the Regional Transit Board's Interim Implementation Plan but expresses its concern that three important transit elements of the project are addressed. These are the re-establishment of a bus stop and shelter on Marquette between Sixth and Seventh Streets, the capacity of the transit system to accommodate the projected transit riders, and the developer's commitment to the transit and rideshare program, including the priority parking for rideshare vehicles.

KT:jmo

OP004ATX1

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 10, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Review of the Final Environmental Impact Statement for  
Construction of the Minneapolis City Center Phase II in Downtown  
Minneapolis

At its meeting on December 11, the Policy Committee will be reviewing and taking action on the Final Environmental Impact Statement for Construction of the Minneapolis City Center Phase II in Downtown Minneapolis. An oral report and recommendation will be presented at the December 16 board meeting.

jmo

Todd Lefko  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 2, 1985  
TO: Policy Committee  
FROM: Katherine F. Turnbull, Planning Manager  
SUBJECT: Review of the Final Environmental Impact Statement for  
Construction of the Minneapolis City Center Phase II in Downtown  
Minneapolis

Action Requested

That the Policy Committee find the Minneapolis City Center Phase II Final Environmental Impact Statement consistent with the Regional Transit Board's Interim Implementation Plan but expresses its concern that three important transit elements of the project are addressed. These are the re-establishment of a bus stop and shelter on Marquette between Sixth and Seventh Streets, the capacity of the Metropolitan Transit Commission (MTC) to accommodate the projected transit riders, and the developer's commitment to the transit and rideshare program, including the priority parking for rideshare vehicles.

Background

Minneapolis City Center Phase II (MCCII) is a mixed commercial and office space project proposed for the western 60 percent of the block in downtown Minneapolis bounded by Marquette Avenue, Sixth Street, Nicollet Mall and Seventh Street (see attached map). The project will include an office tower of approximately 797,400 square feet, a department store of 128,000 square feet, a retail mall of 174,500 square feet and parking below grade for 300 to 350 cars. Construction is scheduled to begin in late 1985. Completion of the department store and mall is scheduled for the fall of 1987 with the office tower completed in the spring of 1988.

At one time the complete block was being developed as one unit. However, the site has now been split into two developments, the MCCII and the Norwest Center. The Environmental Impact Statement (EIS) process was started when the one building was proposed. It has now been split into the two developments.

Analysis

RTB staff have reviewed the transit elements of the report. In addition, comments have been received from the MTC. The following concerns were raised during this review:

December 2, 1985

Page 3

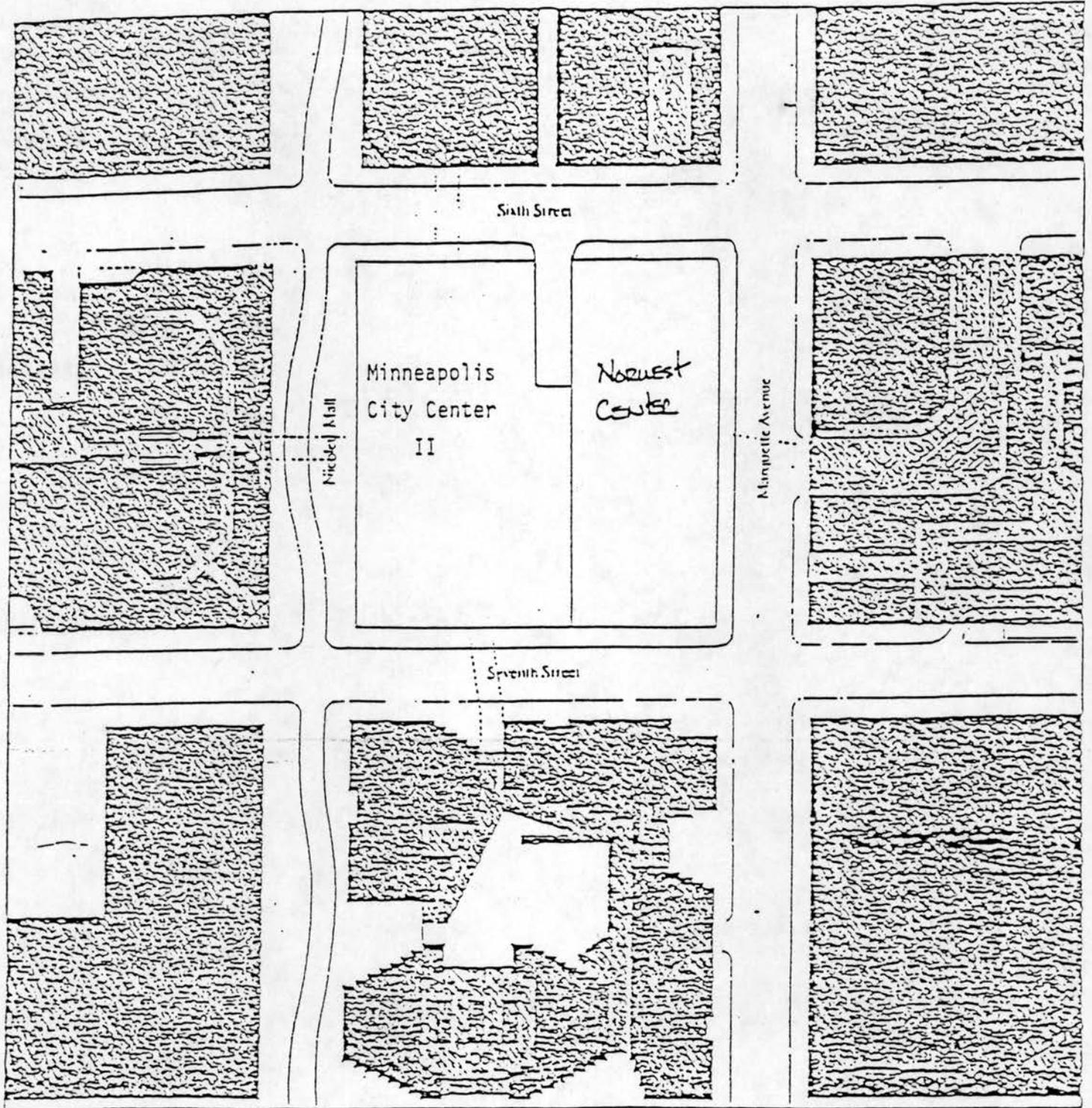
The transit and rideshare program to be developed and implemented by the developer is a critical element. The plan should include the number of parking spaces to be provided for rideshare vehicles, how transit ridership levels higher than projected will be accommodated, and the addition of Medicine Lake Lines to the providers participating in the process.

Recommendation

That the Policy Committee find the Minneapolis City Center Phase II Final Environmental Impact Statement consistent with the Regional Transit Board's Interim Implementation Plan but expresses its concern that three important transit elements of the project are addressed. These are the re-establishment of a bus stop and shelter on Marquette between Sixth and Seventh Streets, the capacity of the Metropolitan Transit Commission to accommodate the projected transit riders, and the developer's commitment to the transit and rideshare program, including the priority parking for rideshare vehicles.

KT:jmo

LOCATION OF MINNEAPOLIS  
CITY CENTER PHASE II



REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 10, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Review of the Final Environmental Impact Statement for  
Construction of the Minneapolis City Center Phase II in Downtown  
Minneapolis

At its meeting on December 11, the Policy Committee will be reviewing and taking action on the Final Environmental Impact Statement for Construction of the Minneapolis City Center Phase II in Downtown Minneapolis. An oral report and recommendation will be presented at the December 16 board meeting.

jmo

Todd Lefko  
Chair

LC

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 2, 1985  
TO: Policy Committee  
FROM: Katherine F. Turnbull, Planning Manager  
SUBJECT: Review of the Final Environmental Impact Statement for  
Construction of the Minneapolis City Center Phase II in Downtown  
Minneapolis

Action Requested

That the Policy Committee find the Minneapolis City Center Phase II Final Environmental Impact Statement consistent with the Regional Transit Board's Interim Implementation Plan but expresses its concern that three important transit elements of the project are addressed. These are the re-establishment of a bus stop and shelter on Marquette between Sixth and Seventh Streets, the capacity of the Metropolitan Transit Commission (MTC) to accommodate the projected transit riders, and the developer's commitment to the transit and rideshare program, including the priority parking for rideshare vehicles.

Background

Minneapolis City Center Phase II (MCCII) is a mixed commercial and office space project proposed for the western 60 percent of the block in downtown Minneapolis bounded by Marquette Avenue, Sixth Street, Nicollet Mall and Seventh Street (see attached map). The project will include an office tower of approximately 797,400 square feet, a department store of 128,000 square feet, a retail mall of 174,500 square feet and parking below grade for 300 to 350 cars. Construction is scheduled to begin in late 1985. Completion of the department store and mall is scheduled for the fall of 1987 with the office tower completed in the spring of 1988.

At one time the complete block was being developed as one unit. However, the site has now been split into two developments, the MCCII and the Norwest Center. The Environmental Impact Statement (EIS) process was started when the one building was proposed. It has now been split into the two developments.

Analysis

RTB staff have reviewed the transit elements of the report. In addition, comments have been received from the MTC. The following concerns were raised during this review:

December 2, 1985

Page 2

1. The section on environmental consequences, dealing with transportation, incorrectly states that there are 175 bus routes servicing downtown Minneapolis. The correct figure should be 62 bus routes. This includes both MTC and Medicine Lake Lines.
2. The figures in the report showing future bus stop locations did not show a stop on Marquette Avenue between Sixth and Seventh Streets. Historically this has been a high volume stop and staff were concerned that it was not shown.

Neil Anderson, City of Minneapolis Planning Department Project Manager, was contacted and this concern raised. According to Neil, this stop is included in the Norwest Center EIS as it is located adjacent to Norwest Center.

3. The EIS contains the Minneapolis City Center Development Company's commitment to the implementation of a transit and rideshare program. The MTC and Minnesota Rideshare will be requested to assist in the promotion of transit and rideshare use among building tenants. The developer also stated in the EIS that they will provide preferential parking for rideshare vehicles within the MCCII parking garage.

Staff commend this effort and strongly encourage that this program be completed and implemented. Staff would further request that Medicine Lake Lines be added to the providers participating in the program. Staff further view the preferential parking for rideshare vehicles to be a key element of the program which must be implemented.

4. The transit projections for the development are based on a 44 percent mode split. A 60 percent mode split was also considered in some of the preliminary work on the full site. Capacity exists in the current transit system if transit ridership generated by the project is in the 40 percent range. However, higher ridership levels could tax the system. The transit and rideshare program being developed should address this concern.

#### Findings and Conclusions

- The Minneapolis City Center Phase II Final Environmental Impact Statement has been received and reviewed by the Regional Transit Board for consistency with the RTB's Interim Implementation Plan.
- RTB review raised concern on the following issues:

The current number of bus routes service downtown Minneapolis is 62.

The bus stop on Marquette Avenue between Sixth and Seventh Streets is an important stop and should be shown. Minneapolis Planning Department staff informed the RTB that this stop is included in the design of the Norwest Center.

December 2, 1985  
Page 3

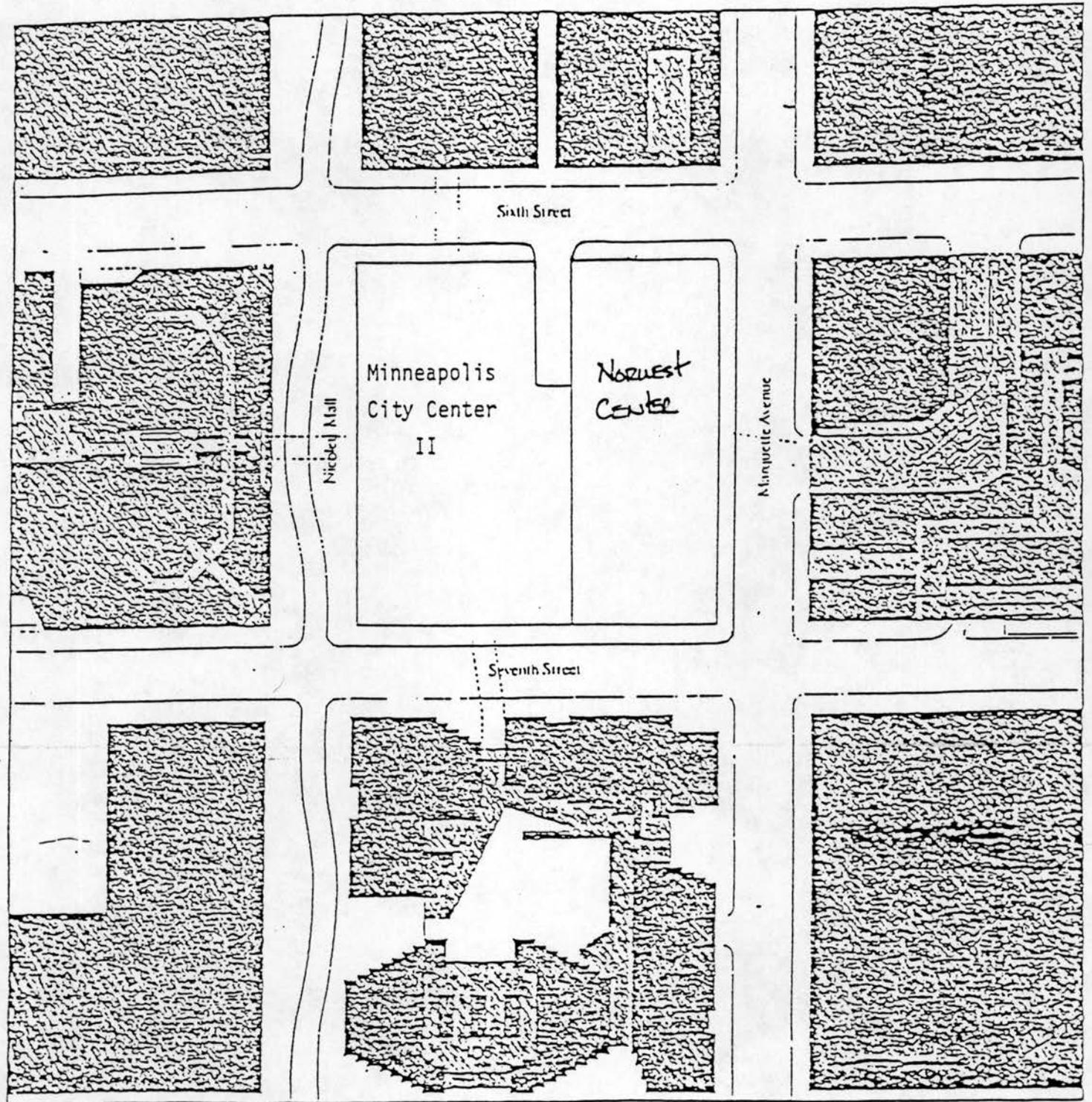
The transit and rideshare program to be developed and implemented by the developer is a critical element. The plan should include the number of parking spaces to be provided for rideshare vehicles, how transit ridership levels higher than projected will be accommodated, and the addition of Medicine Lake Lines to the providers participating in the process.

Recommendation

That the Policy Committee find the Minneapolis City Center Phase II Final Environmental Impact Statement consistent with the Regional Transit Board's Interim Implementation Plan but expresses its concern that three important transit elements of the project are addressed. These are the re-establishment of a bus stop and shelter on Marquette between Sixth and Seventh Streets, the capacity of the Metropolitan Transit Commission to accommodate the projected transit riders, and the developer's commitment to the transit and rideshare program, including the priority parking for rideshare vehicles.

KT:jmo

LOCATION OF MINNEAPOLIS  
CITY CENTER PHASE II



REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 16, 1985  
TO: Regional Transit Board  
FROM: Policy Committee  
SUBJECT: Transportation Handicapped Advisory Committee

At its meeting on December 11, 1985, the Policy Committee approved the following recommendation:

RECOMMENDATION:

That the Regional Transit Board approve each Board member's appointees to the Transportation Handicapped Advisory Committee. It is further recommended that two-year terms be established for the committee members with the at large and district A, B, C and D terms initially expiring in January of 1987, and appointments from districts E, F, F and H initially expiring in January 1989.

Todd Lefko  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 6, 1985  
TO: Policy Committee  
FROM: Mark Ryan, Project Administrator  
SUBJECT: Transportation Handicapped Advisory Committee

Action Requested:

The slate of appointments for the Transportation Handicapped Advisory Committee is presented for approval and terms of membership are suggested to coincide with RTB members appointments.

Background:

On September 3, 1985, the Regional Transit Board (RTB) authorized staff to proceed with the establishment of the Transportation Handicapped Advisory Committee (THAC) in accordance with guidelines established by the RTB.

The RTB issued a press release to solicit applications from persons interested in serving on the advisory committee. Additionally, letters and applications were sent to persons who served on both the Advisory Task Force and the Management Policy Committee. Applications were accepted through October 10, 1985.

Discussion:

The RTB received 61 applications for the THAC. All applications were reviewed by staff and were sorted according to district and consumer versus provider interests. Board members received information on applicants from their areas and subsequently selected appointees ensuring a balance of consumer and provider interests. The chairman appointed the At Large appointees and the committee chair on a regional basis. The attachment shows the recommended appointees for the THAC.

Although guidelines were established by the RTB for the THAC, one was not made concerning terms of appointment. It is, therefore, recommended that terms now be established for committee members. Two year terms are suggested; however, to align board member and appointees terms, it is suggested that the At Large and Districts A, B, C, and D appointees first term expire on January 1, 1987, and terms for appointees from Districts E, F, G, and H would expire on January 1, 1989. Subsequent terms would be two years.

December 6, 1985  
Page Two

Findings and Conclusions:

Applications were solicited from interested individuals for the Transportation Handicapped Advisory Committee. From the applications received Board members selected their appointees. The slate of appointees, presented for adoption, represents a balance of consumer and provider interests.

When the RTB approved the original guidelines for the committee, terms of appointees were not addressed. Terms of appointees are, therefore, recommended to coincide with RTB members terms.

Recommendation:

That the Policy Committee approve each Board member's appointees to the Transportation Handicapped Advisory Committee . It is further recommended that two-year terms be established for the committee members with the At Large and Districts A, B, C, and D, terms initially expiring in January of 1987, and appointments from Districts E, F, G and H initially expiring in January 1989.

JM:jmo  
JFM02

REGIONAL TRANSIT BOARD  
 APPOINTEES FOR TRANSPORTATION HANDICAPPED ADVISORY COMMITTEE

December 5, 1985

<u>District</u>	<u>Appointee</u>	<u>Appointed By</u>	<u>Term Expires</u>
A	<u>Steve Bertrand</u> United Handicapped Federation; Metro Mobility User	Todd Lefko	January, 1987
A	<u>Jurlean Smith</u> St. Paul Mayor's Handicapped Advisory Committee; Metro Mobility User	Todd Lefko	January, 1987
B	<u>Judy Hutchinson</u> White Bear Area Transit Commission	Bernard Skrebes	January, 1987
B	<u>Margaret Revoir</u> Metro Mobility User	Bernard Skrebes	January, 1987
C	<u>Leroy Marshall</u> United Cerebral Palsy; Metro Mobility User	Doris Caranicas	January, 1987
C	<u>Susan Fredine</u> Metro Mobility Transp. Center Volunteer; Metro Mobility User	Doris Caranicas	January, 1987
D	<u>Jim LeTourneau</u> Yellow Taxi Service; Metro Mobility Provider	Kenneth Bedeau	January, 1987
D	<u>Rahn Workcuff</u> Metro Mobility User	Kenneth Bedeau	January, 1987
E	<u>Jessie Ellingworth</u> North Suburban Consumer Advocate for Handicapped, Inc.	Ruth Franklin	January, 1989
E	<u>Marilyn Farinella</u> Rise, Inc.; Anoka County Transportation Advisory Committee	Ruth Franklin	January, 1989

<u>District</u>	<u>Appointee</u>	<u>Appointed By</u>	<u>Term Expires</u>
F	<u>Matthew Peterson</u> Suburban Paratransit; Minnesota Public Transit Association; Metro Mobility Provider	Alison Fuhr	January, 1989
F	<u>Thomas Haben</u> Former Chair, Metro Mobility Advisory Task Force and Management Policy Committee; Metro Mobility User	Alison Fuhr	January, 1989
G	<u>Marian Alexander</u> Westonka Rides	Paul Joyce	January, 1989
G	<u>Roger Nelson</u> Minnetonka Senior Center - Transportation Chairman	Paul Joyce	January, 1989
H	<u>Anthony Finnel</u> AARP; Metropolitan Council's Advisory Committee on Aging	Edward Kranz	January, 1989
H	<u>Bette Undis</u> Ramsey County Coordinated Transportation Program - American Red Cross	Edward Kranz	January, 1989
At Large	<u>Mark Hoisser</u> Dakota Area Referral and Transportation Service (DARTS)	Elliott Perovich	January, 1987
At Large	<u>Michael Anderson</u> Governor's Conference for the Physically Handicapped - '85	Elliott Perovich	January, 1987
At Large	<u>Oscar Carlson</u> Metropolitan Senior Federation; Metro Mobility User	Elliott Perovich	January, 1987

Page 3  
THAC Appointees  
December 5, 1985

<u>District</u>	<u>Appointee</u>	<u>Appointed By</u>	<u>Term Expires</u>
At Large	<u>Metropolitan Transit Commission</u>	Elliott Perovich	January, 1987
At Large	<u>Thomas Byrne - Chair</u> Former Chair of Metropolitan Council Long Term Care Task Force; Former Mayor of St. Paul	Elliott Perovich	January, 1987

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 16, 1985  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Nicollet Garage--1986 Capital Budget Amendment

ACTION REQUESTED

That the Regional Transit Board review and affirm the recommendation of the Administration and Finance Committee regarding the Metropolitan Transit Commission's Nicollet Garage project.

BACKGROUND

At its meeting December 12, 1985, the Administration and Finance Committee reviewed the Metropolitan Transit Commission's Nicollet Garage project.

The Metropolitan Transit Commission submitted a letter and memorandum, attached, requesting a temporary delay in action on the Nicollet Garage project in order that the project could undergo further evaluation and study before any decision be made with regards to a budget amendment.

RECOMMENDATION

That the Regional Transit Board temporarily delay action on the Nicollet Garage project with the understanding that, when further analysis of the alternatives is complete and the Metropolitan Transit Commission takes action on the Nicollet project, the Regional Transit Board act expeditiously in considering an amendment to the MTC's capital budget.

RUTH FRANKLIN  
CHAIR

Attachment



TA 12/16/85

METROPOLITAN TRANSIT COMMISSION  
560-6th Avenue North, Minneapolis, Minnesota 55411-4398 612/349-7400

December 12, 1985

Mr Ghaleb Abdul-Rahman  
Executive Director  
Regional Transit Board  
270 Metro Square Building  
Saint Paul, MN 55101

Dear Ghaleb:

The purpose of this letter is to advise you of recent information with regard to the Nicollet Garage Project. Please refer to the attached copy of a memorandum dated December 11th to Chairman Snowden from me. After discussing this with the Chairman, he has indicated his agreement with management's position.

Therefore, the MTC will accept a temporary delay in action on the Nicollet Garage project with the understanding that, when further analysis of the alternatives is complete and the MTC takes action on the Nicollet project, the Regional Transit Board would act expeditiously in considering an amendment to the MTC's capital budget.

In the preparation of the alternative analyses of the Nicollet Garage, MTC staff would welcome the assistance of RTB staff to ensure that regional transit considerations are reflected in the development of the alternative garage analyses.

If you have any questions, please feel free to contact me. We want to act as rapidly as is possible in the analysis of the Nicollet garage alternatives, as we do not want to delay the replacement of the current Nicollet Garage.

Sincerely,

John J Capell  
Chief Administrator

JJC:jw/M01

Attachment

cc Chairman Frank Snowden  
Commissiner Carolyn Cochrane  
Commissioner Bruce Nawrocki  
John Farrell  
Greg Andrews  
Greg Failor



METROPOLITAN TRANSIT COMMISSION  
560-6th Avenue North, Minneapolis, Minnesota 55411-4398 612/349-7400

Memorandum

TO Chairman Frank W Snowden  
FROM John J Capell *JJC*  
Acting Chief Administrator  
DATE December 11, 1985  
SUBJECT Nicollet Garage

On Tuesday, November 26, 1985, the Metropolitan Transit Commission (MTC) approved staff's recommendation to construct a new service garage at a new location with the size to be up to a 300 bus capacity. While the commission approved the recommendation, they did request staff to look at the possibility of alternate garage scenarios which could include satellite facilities and facilities designed to accomodate mid-day bus storage.

Staff has made some progress on the preliminary analysis and it is premature to offer any conclusion; however, it appears that there may be some additional benefits to the MTC and the region if satellite facilities and the institutionalizing of a mid-day bus storage concept are considered, as compared to the conventional 300 bus garage.

Yesterday, I had a conversation with Joel Ettinger, UMTA Region V Administrator, and discussed with him the Nicollet Garage situation. I asked him what he believed UMTA's response would be to a capital project which included satellite facilities that, in addition to the public operator, may be made available to private operators as well. He was most encouraging and stated that UMTA, he believed, would act favorably upon a project of this nature. At the recent conference in Orlando on privatization and in communications from UMTA, there is a great deal of interest in involving the private sector in the transit industry.

Section 3 funds, which is the funding source for the Nicollet Garage replacement, will be distributed primarily based upon the involvement that the private sector would have in those capital projects. He stated that, if this metropolitan area prepared a viable, justifiable capital project involving the private sector, he felt very strongly that it would be funded by UMTA.

In addition, I asked him about the more conventional 300 bus garage approach that the commission most recently acted upon and he said that would be considered by UMTA for funding but most likely would have a lesser priority.

Based on the information, it is my feeling that it may be appropriate to ask the RTB not to take formal action on the Nicollet Garage project at this time.

Chairman Frank W Snowden  
December 11, 1985  
Page Two

There definitely is a need for a 300 bus facility within the metropolitan area. However, the question now is the distribution of those 300 spaces. The current Nicollet facility is truly in a deteriorating state and any delay in replacing its existing capacity will only increase the MTC's operating expenses. However, MTC management is willing to delay the Nicollet Garage capital project at this time, pending a thorough analysis of the satellite concept. Nicollet Garage may, in fact, be replaced sooner because of the higher priority that UMTA will give a capital project involving public/private participation.

I recognize that this request is highly unusual inasmuch as it is delaying action that the commission requested be taken. However, in light of the information presented in this memorandum, I believe it is appropriate.

JJC:jw/M00

cc Commissioner Bruce Nawrocki  
Commissioner Carolyn Cochrane  
John R Farrell  
Gregory Andrews  
John Eaves  
Robert LaShomb  
Aaron Isaacs  
John Diers

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 16, 1985  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: 1985 Budget Adjustments

ACTION REQUESTED

That the Regional Transit Board review and approve Resolution No. 85-\_\_\_\_\_ amending the 1985 Budget to provide for General Fund expenditures of \$1,361,500 and Planning Grant Fund expenditures of \$75,000.

BACKGROUND

At its meeting December 12, 1985, the Administration and Finance Committee reviewed the 1985 Regional Transit Board budget revisions.

RECOMMENDATION

The Administration and Finance Committee recommends the Regional Transit Board approve Resolution No. 85-\_\_\_\_\_ amending the 1985 Budget.

RUTH FRANKLIN  
CHAIR

Attachment

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, St. Paul, MN 55101

RESOLUTION NO. 85-

RESOLUTION AMENDING THE 1985 BUDGET

WHEREAS, the Regional Transit Board (RTB) adopted a revised 1985 budget on April 1, 1985; and

WHEREAS, the RTB has incurred expenditures in variance from the expenditures as set forth in the budget adopted April 1, 1985, and additional work program and expenditures authorized in the 1985 legislative session; and

WHEREAS, the Administration and Finance Committee of the RTB has reviewed the proposed amendment of the 1985 budget;

NOW, THEREFORE, BE IT RESOLVED:

1. THAT the Regional Transit Board amend its 1985 budget, as set forth in the memorandum dated December 6, 1985, to the Administration and Finance Committee, attached hereto, and made a part hereof, to provide for General Fund expenditures of \$1,361,500 and Planning Grant Fund expenditure of \$75,000; totaling \$1,436,500.

Adopted this 16th day of December, 1985.

\_\_\_\_\_  
Elliott Perovich, Chairman

\_\_\_\_\_  
Mary Fitzgerald, Secretary

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 6, 1985  
TO: Administration and Finance Committee  
FROM: Leslie M. Johnson, Director of Administration  
SUBJECT: 1985 Budget Adjustments

ACTION REQUESTED

That the Administration and Finance Committee review for approval the attached 1985 Regional Transit Board budget revisions.

BACKGROUND

Attached is a proposed budget revision. The revision is the result of an account coding analysis, a reclassification of expenditure codings and projections of expenditures through December 31, 1985 and is necessary to have board authorization of variances from the approved budget(s).

The general fund administrative budget revision reflects a budget decrease of \$54,993. The proposal also comprehends the expenditure of state planning grant funds which were authorized in the 1985 legislative session. The projected planning grant expenditure for 1985 is \$75,000.

We will also be reviewing revenues and fund balances to provide for a more comprehensive projection of the financial status at year end 1985.

RECOMMENDATION

That the Administration and Finance Committee recommend approval of the attached 1985 Budget Revisions to the Regional Transit Board.

Attachment

REGIONAL TRANSIT BOARD  
GENERAL FUND  
EXPENDITURE BUDGET

	<u>1985</u> <u>Budget</u>	<u>Net</u> <u>Change</u>	<u>Revision</u> <u>April 1,</u> <u>1985</u>	<u>Net</u> <u>Change</u>	<u>Proposed</u> <u>Second</u> <u>Revision</u>
Salaries & Benefits	\$696,226	(\$121,395)	\$574,831	\$10,169	\$585,000
RTB Board Expenses	99,776		99,776	(15,076)	84,700
Computer Expenses	36,000		36,000	(24,000)	12,000
Services: Legal	113,643		113,643	(51,643)	62,000
Services: Consultant	152,643		152,643	(40,643)	112,000
Employ: Recruit	3,500		3,500	11,500	15,000
Employ: Training	5,000		5,000	( 4,200)	800
Employ: Fees	3,900		3,900	6,100	10,000
Employ: Dues	2,400		2,400	1,100	3,500
Travel: Non-local	18,400		18,400	( 5,900)	12,500
Travel: Local	10,000		10,000	( 2,000)	8,000
Rent & Utilities	22,000	23,000	45,000	( 1,500)	43,500
Office: Furnishings & Fixed Assets	40,000	20,000	60,000	40,000	100,000
Office: Equipment Rent	8,600		8,600	5,900	14,500
Office: Maintenance	4,200		4,200	( 2,700)	1,500
Office: Supplies	37,300		37,300	(13,800)	23,500
Communications: Phone	6,500	11,500	18,000	3,000	21,000
Communications: Postage	25,000		25,000	(16,000)	9,000
Communications: Notices	3,000		3,000	3,000	6,000
Duplicating	66,100	( 5,800)	60,300	(39,800)	20,500
Met Council Charges	200,000	(75,000)	125,000	81,000	206,000
General Overhead	10,000		10,000	500	10,500
Contingencies	173,798	(173,798)			
Sub Total					
General Fund	<u>\$1,737,98</u>	<u>(\$321,493)</u>	<u>\$1,416,493</u>	<u>(\$54,993)</u>	<u>\$1,361,500</u>
Services: Consultants:					
Service Needs Assessment				75,000	75,000
Subtotal				<u>75,000</u>	<u>75,000</u>
Total General Fund & State Planning Grant Fund	<u>\$1,737,986</u>	<u>(\$321,493)</u>	<u>\$1,416,493</u>	<u>\$20,007</u>	<u>\$1,436,500</u>

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 10, 1985  
TO: Regional Transit Board  
FROM: Administration and Finance Committee  
SUBJECT: Nicollet Garage

Action Requested

Per materials attached and referenced, the Administration and Finance Committee will consider the Nicollet Garage issue (12/12/85) and verbally present its recommendation at Monday's (12/16/85) board meeting.

Ruth Franklin  
Chair

REGIONAL TRANSIT BOARD

Suite 270 Metro Square Building, Saint Paul, Minnesota 55101

DATE: December 6, 1985  
TO: Administration and Finance Committee  
FROM: Leslie M. Johnson, Director of Administration  
SUBJECT: Nicollet Garage

ACTION REQUESTED

The Administration and Finance Committee is asked to review the Nicollet Garage issue toward making a recommendation to the full board of whether or not to amend the recently approved 1986 budget to include the Nicollet Garage as a capital budget project. Committee and board members are referred to the MTC transmittal letter attached hereto and to the "Garage Alternatives Evaluation" provided to you at the December 2nd board meeting for the background and discussion material. Executive Director Ghaleb Abdul-Rahman and staff are presently discussing these materials, the ramifications and options with MTC and Met Council staff, and Ghaleb will be present at the committee meeting December 12th to present a recommendation.

LJ21AG

Attachment: MTC Transmittal Letter



METROPOLITAN TRANSIT COMMISSION  
560-6th Avenue North, Minneapolis, Minnesota 55411-4398 612/349-7400

December 3, 1985

Mr. Ghaleb Abdul-Rahman  
Executive Director  
Regional Transit Board  
270 Metro Square Building  
St. Paul, Minnesota 55101

Dear Ghaleb:

On Tuesday, November 26, 1985, the Metropolitan Transit Commission approved staff's recommendation as contained in the Garage Alternatives Evaluation. This recommendation calls for the construction of a 300 bus servicing and storage facility on a site to be determined in the vicinity of the present Heywood Garage or on railroad property in the vicinity of 27th and Hiawatha. This facility is to be a replacement for the present Nicollet Garage at 31st and Nicollet Avenue in south Minneapolis.

A copy of the Garage Alternatives Evaluation and the details of staff's recommendation are enclosed for review and consideration by the Regional Transit Board. This letter is an overview of staff's recommendation. Where necessary for clarification, we have referenced specific page numbers in the Garage Alternatives Evaluation throughout this letter.

Background (Pages 1-7)

The present Nicollet Garage is 73 years old. It was built originally as a street-car barn and continued in that function through 1954 when the street railway system was abandoned and converted to bus operation. In 1954, the building was remodeled as a bus garage. Further remodeling occurred in 1960 when the second floor was transformed into administrative offices for the private company, Twin City Lines, Inc. The Metropolitan Transit Commission acquired the building by condemnation in 1970.

The Nicollet Garage is in very poor condition. A study in 1985 by the firm of Lindberg Pierce Architects found many building code violations and structural problems. Employee parking is not available on site. Space is leased on nearby vacant land.

Changing neighborhood conditions make the continued presence of a large bus garage less in keeping with the short and long term needs of the Nicollet-Lake community. Neighborhood groups, individuals and aldermen have expressed their concern about the long term future of the Nicollet site.

Options and Alternatives (Pages 14-40)

Five alternatives were considered regarding the Nicollet Garage. They are:

1. Minor renovation of the existing building.
2. Major renovation of the existing building.
3. Partial rebuilding.
4. New building on the existing site.
5. Construction of a 300 bus facility at a new location.

The fifth option was examined and recommended for the following reasons:

1. Future Needs (Pages 8-13, 47-50)

The Nicollet site, while adequately sized and operationally effective for a 175 bus facility, does not provide sufficient space to meet the long-term needs of the Commission.

The Commission's Bus Fleet Modernization Plan adopted in 1985 predicts an active operating fleet of 1,165 buses to support a peak of 996 buses by the year 2000. This number is based on previously studied and identified service enhancements which are likely to occur, given funding over the next fifteen years. This figure does not include services such as Project Mobility and various high subsidy routes which may be operated by private providers.

Excluding Nicollet Garage, there are 884 bus storage spaces available at the other four MTC facilities. To meet the expectations of the fleet plan, a Nicollet replacement will require an operating capacity of 281 buses, or some 106 buses above the maximum capacity of the Nicollet site. At this writing, there are some 201 buses assigned to Nicollet, creating overcrowded conditions and resultant operational problems.

Staff believes that the Commission, in order to be competitive in the future service environment, must have adequate, well-located garage facilities.

2. Site Inadequacy and Neighborhood Concerns (Page 7)

Given the need for a larger facility, substantial land would have to be purchased to provide for expansion and necessary employee parking. This would require a significant incursion on private residential land to the south of the present site. This action would conflict with the long-term plans for the Nicollet-Lake neighborhood.

3. Relocation Expenses Operating Problems (Page 40)

Any construction on the Nicollet site would involve relocating up to 380 employees and 201 buses for up to two years at a cost in excess of \$1.6 million. Such relocation would cause severe and unacceptable operational problems and overcrowding at the other four MTC facilities.

4. Condition of Present Structure (Pages 4-5)

The existing buildings are in such poor condition that any improvements are unlikely to be cost-effective. Structurally and functionally the building will remain a 1912 streetcar barn as remodeled for bus operation.

Site Selection (Pages 14-15, 40-45)

Commission staff with assistance from the City of Minneapolis examined twelve sites which showed the following characteristics.

1. Good access to downtown Minneapolis.
2. Good freeway access to areas south and west of downtown Minneapolis.
3. Frequent bus service to driver relief points.
4. Industrial zoning and/or considerable vacant land.

Sites considered offered acceptable deadhead costs.

The list of twelve was narrowed to three sites in the vicinity of Heywood Garage and a fourth in the vicinity of 27th and Hiawatha Avenue South.

Costs (Pages 44, 46)

It is estimated that a 300 bus facility constructed on a site near Heywood Garage would require an expenditure of approximately \$25,565,036.

This amount includes land acquisition, relocation costs, equipment and construction costs as well as an allowance for MTC purchased equipment, administrative costs, legal fees, etc.

This is a budgetary figure and is based on a site which, in staff's opinion, would have very high acquisition and relocation costs. At this point, there have been no negotiations or discussions with property owners or realtors regarding a specific site near Heywood Garage or 27th and Hiawatha. The actual, final amount could be less or more, depending upon the final site selection.

Mr. Ghaleb Abdul-Rahman  
December 3, 1985  
Page 4

Source of Funds

Funds for the construction of a new facility would come from a Section 3 federal grant estimated at \$19,173,777. The balance of \$6,391,259 would come from local sources.

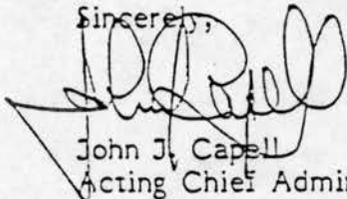
Conclusion

The Commission has considered the issues and options of the Nicollet site for many years. Commission staff has prepared numerous reports on the subject, some of which are included in the appendix of the Garage Evaluation. The Commission has also been assisted by outside consultants, the Nicollet Garage evaluation by Lindberg Pierce, Inc. being the most recent example.

We believe the process has been thoughtful and effective. We also believe that the preponderance of fact shows that the present Nicollet site is no longer adequate for the long-term needs of the Commission and that further investment in the site would be unwise.

We remain available to discuss the Garage Alternatives Evaluation with yourself, RTB staff and members of the Regional Transit Board.

Sincerely,



John J. Capell  
Acting Chief Administrator

JJC/JWD/dmk

cc: Chairman Frank Snowden  
Commissioner Bruce Nawrocki  
Commissioner Carolyn Cochrane  
John Farrell  
John Eaves  
John Diers  
Aaron Isaacs