BACK TO THE FUTURE
Aligning the Twin Cities Metro to a new economy
Preserving prosperity and quality of life
How do we become energy independent?

Why are our roads always congested?

How can we protect our climate?

Why are our communities becoming so sprawled?

How do we pay for better options?

Where can we walk and bike?

How do we keep our bridges in good condition?

How can we get better public transportation?

Why doesn’t the bus run more frequently?

How can we keep our streets safe?

When will gas prices rise again?

How can we accommodate an aging population?

How can we remain economically competitive?

Bad economy? Energy insecurity? Climate change?
Competitive regions must score high in:

The stakes are very high

1 Stephanie Potts: “Smart Growth and Sustainability: Forces for Change,” 2009
We put a lot of pressure on our infrastructure.
People who live in neighborhoods with a mix of shops and businesses within easy walking distance are 7% less likely to be obese.

*University of British Columbia, 2003*

Urban sprawl is taking a toll on America’s hearts, lungs, air, drinking water, sense of community, physical well-being and physical safety.

*Emory University, 2004*

Each additional hour spent in a car per day is associated with a 6% increase in the likelihood of obesity.

*Georgia Tech, 2003*

Sprawl significantly predicts chronic medical conditions and health-related quality of life.

*RAND Corp., 2003*

Our auto-dependent lifestyles may even harm public health
How we rank in land-use efficiency

We are not efficient in our land use

Reid Ewing, University of Maryland.
NEW REALITY: We’re in a structural change

Winning metros will invest in infrastructure and create quality places
Metro Transit ridership has risen 33 percent since 1995, nearly double the rate of population growth. Metro Transit delivered 82 million rides in 2008, more than in any year since 1981.¹

Infill accounted for 30 percent of development in the Metro Twin Cities in 2007, compared to the Met Council’s target of 27 percent.²

The market is changing
Decline of households with children, 1960-2025

Population characteristics are changing

Older, more singles, more immigrants, fewer households with children.

1 U.S. Census
Baby Boomers seeking active lifestyles, more interaction

*Boomers have made “third places” like Starbucks, Barnes and Noble, and Borders their “community center”*
Overall, it is estimated that Gen Y influences “as much as half of all spending in the U.S. economy”

Over 35% of Gen Ys households earn above $75,000

Over 80 million Gen Ys today (1979-96)

~75 million Baby Boomers (1946-64)

They represent $1.6 trillion in earning power

Gen Y represents the greatest magnitude and spending power

Represents almost 30% of today’s population
Gen Y seeks diversity, walkability, and proximity to jobs

In-town areas and inner suburbs will remain on an upward trajectory

2/3 say that living in a walkable community is important

1/3 will pay more to walk to shops, work, and entertainment

Gen Y will shift toward homeownership in 2012

Robert Charles Lesser & Co. LLC.
2003 housing supply versus 2025 housing demand

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2003 Supply</th>
<th>2025 Demand</th>
<th>Net New Units Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attached</td>
<td>17,000</td>
<td>44,000</td>
<td>27,000</td>
</tr>
<tr>
<td>Small lot</td>
<td>18,500</td>
<td>40,000</td>
<td>21,500</td>
</tr>
<tr>
<td>Large lot</td>
<td>56,000</td>
<td>55,000</td>
<td>-1,500</td>
</tr>
</tbody>
</table>

Nationally, changing demands will change product types. Demand for attached and small-lot homes will increase.

BACK TO THE FUTURE: Rediscovering the traditional town form

Compact living will not replace the existing form, but add choices and variety to communities to meet the changing market.
The huge, aging system is outstripping resources.

We have plans for roads and transit…

…but resources haven’t been committed
We can’t depend on obsolete models

You can’t sell Oldsmobiles to a hybrid world
60% of all buildings expected to be on the ground in the U.S. by 2050 are not yet built.

1 Stephanie Potts, “Smart Growth and Sustainability: Forces for Change, 2009
The question for Minneapolis-St. Paul is this: Will you be relevant in the 21st Century? Because if you cling only to the old way you’ll be lapped.

Christopher Leinberger, Brookings Institution

BACK TO THE FUTURE:
Aligning the Minneapolis-Saint Paul Metro to a new economy
What are the barriers in our laws, regulations and practices that discourage the kinds of places that the new market is asking for?

Changes and alignment are needed at all levels.
“Our new policy for selecting major transit projects will work to promote livability rather than hinder it. We want to base our decisions on how much transit helps the environment, how much it improves development opportunities and how it makes our communities better places to live.” – U.S. Department of Transportation Secretary, January 13, 2010
✓ Position our region to compete for federal funds that now focus on livability criteria
✓ Use HUD-DOT-EPA partnership on sustainable communities to align state and regional efforts
✓ Support transportation reauthorization reforms that support fully integrated transportation and land use planning.

Changes are needed at all levels
Reform policies and funding criteria to link transportation and land use investment

Fund and accelerate the build out of a multi-modal regional transportation system

Establish one regional transit office with a land development function to bring TOD to scale

Adopt complete streets policies and align with place-making strategies

Adopt regulatory mechanisms that support mixed use development and maximize transportation investments.

Changes are needed at all levels
Foster public-private partnerships to leverage and align talent, experience and resources

No one sector can do it alone
THANK YOU

This presentation was assembled by ULI Minnesota, the Regional Council of Mayors, and the Itasca Project.
BACK TO THE FUTURE
Aligning the Twin Cities Metro to a new economy