



## REGIONAL COUNCIL OF MAYORS January 9, 2009

### DISCUSSION

#### How the Twin Cities region can be competitive in a new economy

Stan Harpstead, mayor of Arden Hills, offered a few sobering statistics and patterns for the Twin Cities' future. [<http://minnesota.uli.org/Regional%20Council%20of%20Mayors.aspx>] For example:

- In 2005, the Gross Metropolitan Product of the top 10 urban areas in the United States was \$3.74 trillion, which was more than the combined GMP of 35 states—including Minnesota.
- The Twin Cities GMP growth rate between 2003 and 2005 was 3.2 percent, ranking it 212 on the list of metropolitan areas. Its GMP growth was 2.8 percent in 2006 and 1.9 percent in 2007.

"If we hope to have this state grow and thrive, it is predominately going to happen in the metro area," Harpstead said. "You don't see nanotechnology starting in outstate Minnesota."

Key factors to supporting and bringing high-tech industry to Minnesota include an educated workforce, access to venture capital, a network of suppliers, proximity to research institutions and quality of life.

#### Regional collaboration—and impact—are needed

Samuel Leiken, senior director of policy studies for the Council on Competitiveness <http://www.compete.org/>, said the Twin Cities is well organized, as a region, but he asked mayors who the regional leaders are and what kind of power they have to impact decisions. "How come there isn't more collaboration here?" he asked. "Regionalism needs an organization."

He said the most successful leading regional organizations are led by businesses, but emphasized that collaboration needs to involve business, higher education and political leaders for regions to prosper.

The Council on Competitiveness currently is studying regional leadership across the United States. Leiken said it's regions, not states and not individual cities, that will be "the critical functional units in a worldwide economy." <http://www.compete.org/about-us/initiatives/rii>

Mayors and others asked themselves where regional leadership is and whether there is a role for the Regional Council of Mayors. "There's a lot of power here," said Caren Dewar, ULI executive director. "This group with its partners has the opportunity to do something very concrete."

Jim Hovland, mayor of Edina and RCM co-chair, agreed. "I feel like we're on the front end of something that's really significant here." Lee Munnich of the Humphrey Institute said RCM could play an important role in targeting competitive economic clusters and helping support them.

The key question before the mayors was: "What do we want the Twin Cities to look like in 2020? In 2030?" In other words, what is the vision for the Twin Cities region. Leiken encouraged the idea, but said it can cost \$150,000-\$200,000 to do a real visioning process.

RCM committee chairs will develop ideas for the role RCM can play and bring that back to the February meeting for discussion.

### **Ideas for the stimulus package**

Elizabeth Kautz, mayor of Burnsville and RCM co-chair, was part of a group of mayors (including Minneapolis Mayor R.T. Rybak) that met with the transition team of President-elect Barack Obama to discuss his proposed \$2.5 million stimulus package and how decisions about infrastructure projects will be made. Mayors feel the money should come directly to cities, Kautz said, because cities have projects ready to go and can make the money work right away. "The mayors are at the table," she said.

Minnesota has a specific problem, she said, because Gov. Tim Pawlenty initially said the state did not want stimulus money. Although he later changed that stance, Kautz said "what got heard was that Minnesota doesn't want the money."

Minnesota Sen. Scott Dibble suggested that RCM help develop a letter stating principles for how projects would be selected to receive the special infrastructure funds. "We do have to guard against boondoggles and bridges to nowhere," he said. Dewar said that if RCM members are willing to sign a letter that states principles, it would have real influence. Sandy Martin, mayor of Shoreview, said, "RCM can present a much more bipartisan or nonpartisan statement."

Michael Lander, president of the Lander Group, representing Transportation for America <http://t4america.org/>, suggested that RCM start with principles developed by Transportation for America and react to them, rather than starting from scratch.

Randy Gilbert, mayor of Long Lake, said that small cities like his may end up benefiting from the infrastructure funds. "We can't afford to do CIP on projects that aren't going to go anywhere soon," he said. "We're not going to get a dime of this." He said that if cities could collaborate on regional projects, it would help smaller cities.

## **COMING UP**

### **RCM February meeting**

The next RCM meeting will be Monday, February 9, 11:30am-1:30pm, Dorsey & Whitney, 50 S. 6th St., Minneapolis, 15th floor-Seattle Room.

## **ATTENDEES**

### **Mayors**

Terry Schneider, Minnetonka; William Droste, Rosemount; Phil Young, Eden Prairie, John Sweeney, Maple Plain; Gene Winstead, Bloomington; Ken Willcox, Wayzata; Stan Harpstead, Arden Hills; Mary Hershberger Thun, Victoria; Jim Hovland, Edina; Dean Johnston, Lake Elmo; Elizabeth Kautz, Burnsville; Steve Lampi, Brooklyn Park; Sandy Martin, Shoreview; Chris Coleman, St. Paul; Debbie Goettel, Richfield; Randy Gilbert, Long Lake; Elizabeth Kautz, Burnsville; Mike Maguire, Eagan;

Mark Steffenson, Maple Grove

**Staff**

Caren Dewar, executive director, ULI Minnesota; Linda Picone, publications coordinator; ULI Minnesota

**Advisors and guests**

Cathy Bennett, Bennett Community Consulting; Michael Huber, Blue Cross Blue Shield; Tina Smith, City of Minneapolis; Minnesota Sen. Scott Dibble; MN Rep. Frank Hornstein; Michael Lander, Lander Group; Erika Carter, Target; Dave VanHattum, Transit for Livable Communities; Carolyn Olson, Greater Metropolitan Housing Corp.; Luke Weisberg, Governor's Workforce Development Council; Wendy Underwood, City of St. Paul; Burke Murphy, DEED; Carolyn Roby, Wells Fargo; Allison Barmann, Itasca Group; Lee Munnich, Humphrey Institute; Tom Bodine, Hennepin-Carver Workforce Investment Board; Kathy Carney, Minneapolis Workforce Center