

REGIONAL COUNCIL OF MAYORS April 12, 2010

INFORMATION AND DISCUSSION

Special presentation from Dean Tom Fisher, College of Design, University of Minnesota.

"Fracture Critical"

The National League of Cities, interviewing city finance officers in a December 2009 survey, found that 91% were making spending cuts, with 82% expecting to make further cuts in 2010. When asked how they addressed prospective budget shortfalls, 67% said they laid-off staff and instituted furloughs and hiring freezes, while 62% indicated that they had delayed or cancelled capital infrastructure projects, the very projects that result in private sector investment and job generation.

According to Dean Thomas Fisher, this time of budgetary woe requires create thinking. The current model of providing more services for less money isn't sustainable and in Dean Fisher's words it is "siloed" and "fracture critical." In this view when systems are stove-piped, uniform, and without redundancy, they open themselves up to failure. Transportation, waste, utility systems—these are all discrete areas and in many cities, these systems are beginning to fail.

Using the I-35W Bridge as a metaphor, Fisher points out that it was part of a transportation system designed to be as minimal as possible to carry 1960s level traffic. More and more weight was added until the point of catastrophe. Similarly, the housing system in this country was also designed for efficiency—with homes that look alike, are the same size, and house people of roughly the same socioeconomic profile. With the burst of the housing bubble, falling prices on one house quickly sunk the value of other similar houses as a result of their uniformity.

Design for the 21st Century

In this new era, Fisher suggests that "human assets may be the most untapped wealth that we have in our cities." Fisher suggests examining how we can empower local residents to take more responsibility for care and attention to their neighborhood. Comparing the levee system in New Orleans, which is a single system run by the federal Army Corps of Engineers, and the Dutch system with more than 3,000 levees, made of local materials and maintained by local communities, Fisher notes that the local and redundant system contains and minimizes flooding, whereas one break in a "fracture critical" system completely flooded New Orleans. For Fisher, "resiliency is the watchword as we redesign public services."

It is Fisher's thesis that the 21st Century demands more local materials and economic activity and less costly, more sustainable ways to delivers services. To figure out what works, we should conduct many small experiments and share them in an open source way. If we want to avoid the bigger price tags in the end, we need to be making upfront investments in people and infrastructure.

ECONOMIC COMPETITIVENESS/JOB GROWTH INITIATIVE

Brookings Metropolitan Business Plan

Jon Commers, the project manager for the Brookings Metropolitan Business Plan effort, shared the recently developed regional vision and guiding principles included in attendee packets. Mr. Commers asked the mayors for feedback. Mayor Kautz asked that all areas be aligned with the work coming out of the Itasca Project's job growth taskforce. Mayor Wilcox suggested finding a new term for "sustainable ecosystem" that is more accurate in describing the work and goals. Mayor Droste said that he had shared the materials with the chair of his Port Authority and that they were going to adopt some of the language as their own. Mayor Coleman noted the parallels between the vision and principles and the language surrounding the Central Corridor and that is in the federal Sustainable Communities Initiative. Caren Dewar encouraged mayors to review the language and identify if there is anything that is missing.

Regional Competitiveness Project

Burke Murphy from DEED reported that action plans are in draft and that in a month teams will be presenting the conclusions to the RCM. Mayors have conducted interviews with ten CEOs—with businesses being very enthusiastic about meeting. The project team is hoping for an additional 20 interviews, targeting Fortune 1000 businesses.

Itasca Job Growth Task Force

Mayor Kautz announced that the Itasca Project would be releasing its Jobs Growth Task Force report with a recommendation that we need a new regional entity that focuses on economic development and brands and markets the region. This entity would be made up of private sector CEOs, mayors, and others with a pay-to-play model similar to metromsp.org. Other recommendations include addressing the cost of doing business and enhancing entrepreneurship and innovation.

HOUSING INITIATIVE

Mayor Lampi and Housing Initiative Director Cathy Capone Bennett shared a list of talking points for policy leaders around providing a full range of housing choices. These are based on the McKnight-funded research. The next step will be to provide policy makers with a list of tough, frequently asked questions with responses that reflect the framing of the talking points.

RCM BUSINESS

Mayor Kautz invited all to attend the Minnesota Prayer Breakfast on April 28th.

Through her work with the US Conference of Mayors, Mayor Kautz will be bringing Karen Mills, Administrator of the Small Business Administration to the Twin Cities in May—focusing on <u>SBA's</u>

<u>Matchmaking</u> program and working to restore credit lines of community banks. The Mayor is also working with DOE to encourage their ongoing support of the Energy Efficiency Community Block Grant program.

Caren Dewar reported that ULI MN/RCM has been invited to participate in a developing a funding proposal for the Living Cities Integration Initiative. In March, the Twin Cities was selected as one of ten semi-finalists for the program that will award up to an \$18million package of grants and loans. ULI MN/RCM's work will be focused on the Southwest Corridor—and the opportunities there to work across jurisdictions and let land use inform the design of the line. The work will build off of the successful collaborative model in the Central Corridor.

Ms. Dewar and Housing Initiative Director Cathy Capone Bennett met with RCM City Managers and Community Development Directors on April 8th to provide them with information about the four ULI MN/RCM initiatives. Participants requests quarterly meetings so that they can be more engaged with the work that ULI MN is doing.

June 17th is the second Housing Initiative conference. Doug Duncan, chief economist of Fannie Mae, and John McIlwain the ULI Senior Resident Fellow for Housing will be presenting. The June 14th RCM meeting has been cancelled so that mayors can make it to this important event.

Coming Up

The next RCM meeting will be Monday, May 10th, 11:30am-1:30pm, Dorsey & Whitney, 50 S. 6th St., Minneapolis, 15th floor-Seattle Room. The June 14th meeting has been canceled so that Mayors can instead attend the Housing Initiative conference on June 17th.

ATTENDEES

Mayors

Terry Schneider, Minnetonka; Elizabeth Kautz, Burnsville; Doug Anderson, Dayton; Chris Coleman, Saint Paul; John Sweeney, Maple Plain; Ken Willcox, Wayzata, Dean Johnston, Lake Elmo; Peter Lindstrom, Falcon Heights; Janet Williams, Savage; Marvin Johnson, Independence; Bill Droste, Rosemount; Steve Lampi, Brooklyn Park; Ardell Brede, Rochester.

Staff and Contractors

Caren Dewar, executive director, ULI Minnesota; Cathy Capone Bennett, ULI Minnesota, Housing Initiative; Snezhana Bessonov, ULI Minnesota, Initiatives; Mary Kay Bailey, ULI Minnesota, Communications and Policy; Kristina Smitten, ULI Minnesota, GreenStep Cities Project, .

Advisors and guests

Carol Nielsen, Target; John Bailey, 1000 Friends of Minnesota; Todd Klingel, Minnesota Chamber of Commerce; Ann Mulholland, City of Saint Paul; Jon Commers, Donjek; Burke Murphy, DEED; Jenna Fletcher, Embrace Open Space/Trust for Public Land; Gretchen Nicholls, Twin Cities LISC; Elizabeth Ryan, Family Housing Fund; Michael Huber, Blue Cross Blue Shield MN; Luke Weisberg, Greater Metro Workforce Council; John S. Adams, University of Minnesota, Emmett Coleman, Comcast; Tom Fisher,

University of Minnesota; Kevin Frazell, League of Minnesota Cities; Bob Close, Close Landscape Architecture; Guy Peterson, Metropolitan Council; Jim Erkel, MCEA, Dustin May, University of Minnesota/Carlson School/RCP.