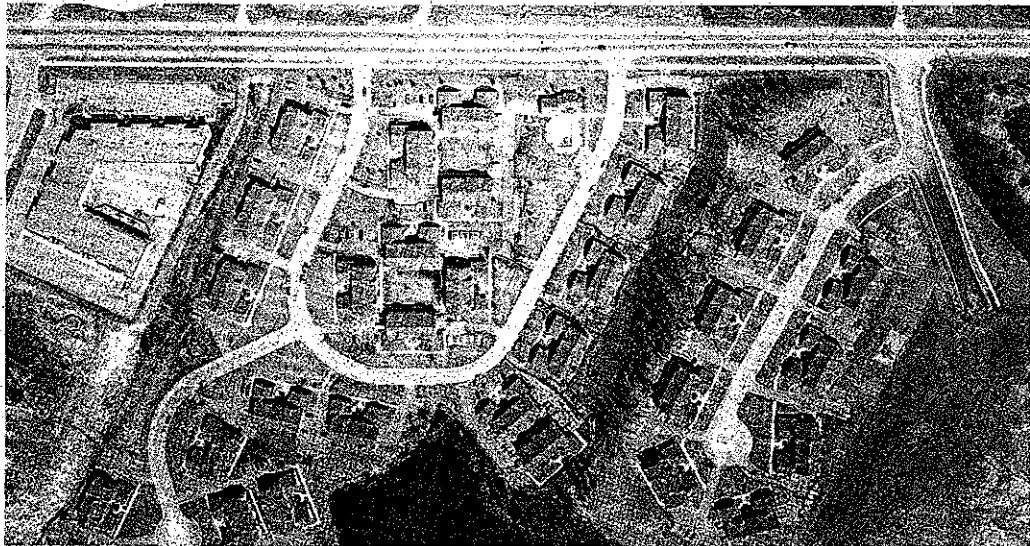


# Communities by Design

A Process for Building a Sustainable Future



Minnesota Sustainable Development Initiative

October 1994

 ENVIRONMENTAL QUALITY BOARD

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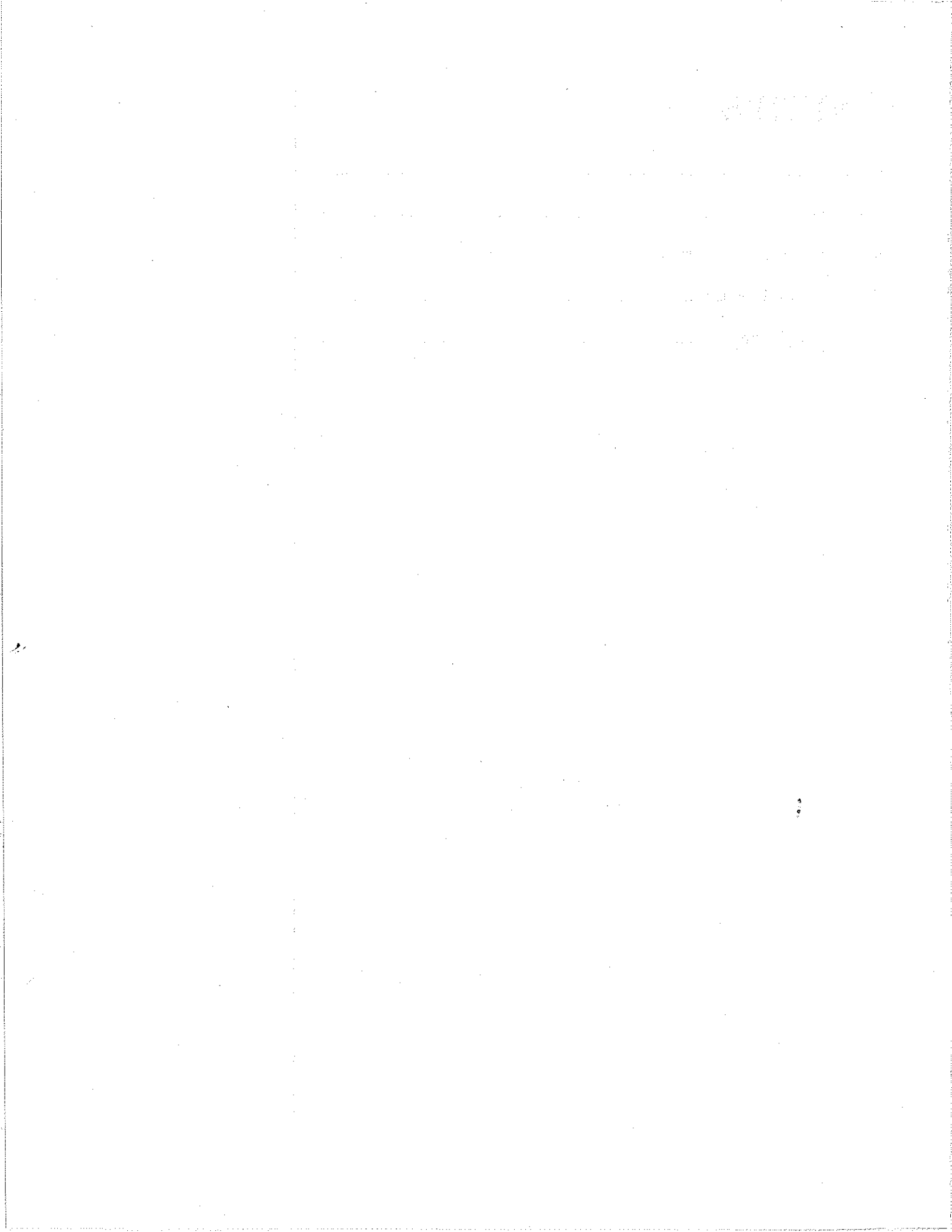
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# Summary

A study of the relationship between land use and nonpoint source pollution in Minnesota, *A Question of Balance: Managing Growth and the Environment*, found that unplanned and poorly managed development in Minnesota results in significant environmental and fiscal costs. It concluded that Minnesota's state and local framework for planning and managing land use change is fragmented and uncoordinated. Many areas are unprepared to plan for the growth and change in their communities. Multiple entities at all levels of government make critical decisions affecting land use without regard for their broader consequences. Many issues are regional, yet there is no consistent management approach to deal with relevant environmental, infrastructure or social needs that cross local political boundaries.

If Minnesota is to secure the goals of environmental quality and thriving communities envisioned in *Minnesota Milestones*, the state must adopt a more comprehensive approach to land use and resource protection.

The Minnesota Sustainable Development Initiative provides the basis for this new approach to managing Minnesota's land and community resources. Planning for sustainability forces Minnesotans to ask whether they can meet their needs today without impeding future generations from meeting theirs. Planning can help avoid future problems — it is costly to clean up pollution after it occurs, and some environmental damage is irreversible. Tight budgets and finite natural resources require state and local governments to plan wisely for change.

And change surely will come. Population trends will have profound effects:

- Minnesota's population has grown by more than 7 percent per decade since 1970.

- The state has 44 percent more housing units in 1990 than in 1970.

- Population growth is expected to slow slightly to around 6 percent per decade for the next 30 years, with much of the new growth occurring within or just outside the seven-county metropolitan area.

- Some areas of the state outside of the metropolitan area will see explosive growth — greater than 40 percent in the next 30 years.

- Other areas of the state will continue to lose population but will face questions of land use changes, service provision and infrastructure utilization.

Both state and local governments will need to meet the challenges these changes present. The Growth Management Project identified five key issue areas that limit Minnesota's ability to achieve sustainable communities:

- *Lack of statewide policies and goals.* State and local governments make land use decisions without clear policy direction from the state. Population increases, land use changes and growth put pressure on all systems, accentuating the need for coordinated decision-making to preserve and enhance the elements that make Minne-

- *As more development takes place, wise use of our land, water, forests and farm land is dependent on thoughtful planning.* — Elected official, Crow Wing County

- *I feel that development pressures must be controlled and channeled for the sake of our environment and our farm land especially....A complete rethinking of these issues is long overdue.* — Citizen, Ramsey County

sota desirable. This requires the state to articulate a unified statement of what Minnesota wants for its future.

■ *Lack of local plans.* Many communities do not have up-to-date comprehensive or land use plans that articulate their goals and strategies for development and guide local decision-making. As a result, local governments must often react to unexpected environmental and financial problems from poorly planned or unmanaged growth. Official controls such as zoning often are updated or changed without guidance from a comprehensive plan, even though plans form the legal basis of controls. The need for comprehensive planning is underscored by the fact that the fastest growing areas of Minnesota are some of the most sensitive to resource degradation from growth-related land-use changes.

■ *Inadequate plans.* To be effective guides for decision-making, plans must be comprehensive and realistic. In Minnesota, state law provides little guidance on what local plans should cover and what management approaches are appropriate to meet local and state goals. Local governments need information regarding environmental, social and economic conditions to make realistic decisions about land use changes.

■ *Interjurisdictional conflicts.* Pressures of population growth, significant statewide and regional resources and many other issues often do not follow political boundaries. This can lead to conflicts among local units of government and inadvertent effects on resources. These problems can be minimized through local government cooperation, yet there are few incentives for coordination.

■ *Inconsistent implementation and enforcement.* State and local plans and regulations are not always applied consistently. Many communities lack the financial, technical and information resources to implement and enforce existing regulations and make consistent land use decisions. Public support of planning and land use controls requires a better understanding of the impact of lifestyle choices. Plans developed with local input and backed by credible information provide a firm legal and ethical basis for making difficult decisions.

To overcome these barriers, the Growth Management Project sought input from more than 500 local government officials, state agency staff, and citizens. From those discussions came a set of recommended goals for land use management in the state:

■ State, local and regional planning in Minnesota will be guided by a common set of policies and goals.

■ All parts of the state will be governed by up-to-date comprehensive plans.

■ Plans will adequately address environmental, economic and social needs.

■ Planning will be coordinated to avoid conflicts and recognize nonlocal impacts of development.

■ Plans and ordinances will be consistently applied across jurisdictions and priority areas.

To meet these goals, this report sets forth specific strategies for creating a collaborative, statewide, integrated framework for planning and land use management. These strategies stem

from the findings of the Settlement Team of the Minnesota Sustainable Development Initiative and the input of participants in the Growth Management Project. They call for planning at all levels of government, with appropriate incentives and linkages to ensure greater coordination. Citizen involvement in the decision-making process must be guaranteed and encouraged.

## **State Level**

The first and crucial part of the planning framework would be the development of an integrated state plan and guidelines for local planning. The state plan should outline statewide goals and priorities for state and local decision-making. This presupposes an open and inclusive planning process, so the plan reflects what Minnesotans want for the state. Planning guidelines for local governments would follow, with local government participating fully in their development. State agencies would provide information and coordinated assistance to support local planning efforts. In addition, state agencies would ensure that agency plans and actions conform to the state strategic plan.

## **Areawide or Regional Level**

Part of the integrated state plan would include criteria for delineating areas that have urgent planning needs, such as growing areas susceptible to groundwater contamination. Jurisdictions in these priority planning areas would develop joint plans or binding goals for the system that prompted the priority designation. Planning would continue to be required in the metropolitan area, under the guidance of the state priorities and goals and the Met-

ropolitan Council. The state would provide incentives for local governments to work together in managing local issues, and other regional approaches would be encouraged.

## **Local Level**

Under the strategies, all counties will develop comprehensive plans, adhering to state goals and guidelines. Cities in priority planning areas will plan as well, guided by state goals and guidelines. Local governments that regulate land use will have to upgrade plans and ordinances as necessary so that they are consistent with one another and statewide goals and policies. Guidebooks and interactive computer aids will provide help for this planning.

## **Intergovernmental relations and appeals**

To ensure cooperation and coordination in plan preparation and implementation, local governments will consult with neighboring jurisdictions during the planning process. An appeals body will be established to mediate disputes among local units of government developing plans and, when asked, rule on consistency of plans and actions with state and local plans.

*Communities by Design* presents an overview of Minnesota's changing landscape and the governmental, environmental and economic issues surrounding land use and community development. It recommends a new approach for achieving sustainable communities in Minnesota. It presents goals for the state to meet in five broad issue areas and suggests specific strategies to implement those goals.

■ *Growth should be concentrated where infrastructure is adequate. Rural areas are being ruined by sprawl. Minnesota's countryside is its greatest and most abused asset.* — Citizen, Winona County

# Introduction

Minnesota's communities are changing continually. New houses, roads and shopping centers are altering the way they look and feel. How Minnesota manages change — in its land use, population and economy — influences the health of the environment, the economic vitality of the state and the quality of life for all its citizens. Minnesota does not have an overall approach to manage these changes while safeguarding the state's valuable assets — forests, agricultural lands, lakes and ground water — for future generations.

*Minnesota Milestones*, created in 1992 with the help of thousands of citizens, articulates a vision for communities in the state. It calls for economically vibrant cities and towns, revitalized small towns and rural areas, the preservation of viable farms and resource-based industries, attractive and clean communities, clear air and water and plenty of open space. In this vision, urban growth will be managed to conserve resources and enhance the quality of life while preserving rural Minnesota. The Minnesota Sustainable Development Initiative — a statewide effort to re-define how Minnesota integrates social needs, environmental quality and economic development — has laid important groundwork for achieving this vision. This report advances many of the strategic directions established through the Initiative.

The protection and management of Minnesota's natural resources are of

interest to all citizens, not just those who live near them or profit by their use. Minnesotans share a compelling interest in designing communities that reflect their collective vision. While the state has the responsibility to protect those interests, it also has an obligation to foster and participate in a collaborative process to make that vision a reality. Ultimately, citizens will determine the future of their local communities and the larger community of the state.

This report presents recommended goals for achieving an integrated, cooperative and comprehensive process for Minnesota communities to define and reach a more sustainable future. It suggests specific strategies to achieve those goals, including the development of a statewide plan and guidelines for local planning. Built through a collaborative process, these plans will reflect what Minnesotans want for their communities and the state as a whole.

The aim of this report is to publicize the challenges facing the state and its communities, and to spur discussion of possible solutions. The strategies here represent one approach for meeting the recommended goals. The development of the state plan and planning guidelines may reveal other strategies for reaching the goals articulated here. However it is done, achieving sustainable communities will require that local governments, state agencies and, most important, citizens work together to decide how the state will develop and change.



# Minnesota's Changing Landscape

Minnesota has seen nearly two decades of relatively constant population growth. Growth averaged more than 7 percent in the 1970s and 1980s. Housing units have increased by more than 44 percent since 1970. The fastest growing areas of the state lie in a corridor running roughly from Rochester through the Twin Cities and St. Cloud and up into the lakes regions. Most other areas of the state reached their peak populations before World War II and have been declining ever since.

The growing areas are expected to continue to increase in population, though at a slower rate — almost 16 percent between 1990 and 2020. Population growth will be most rapid in the Twin Cities, Rochester and St. Cloud areas.

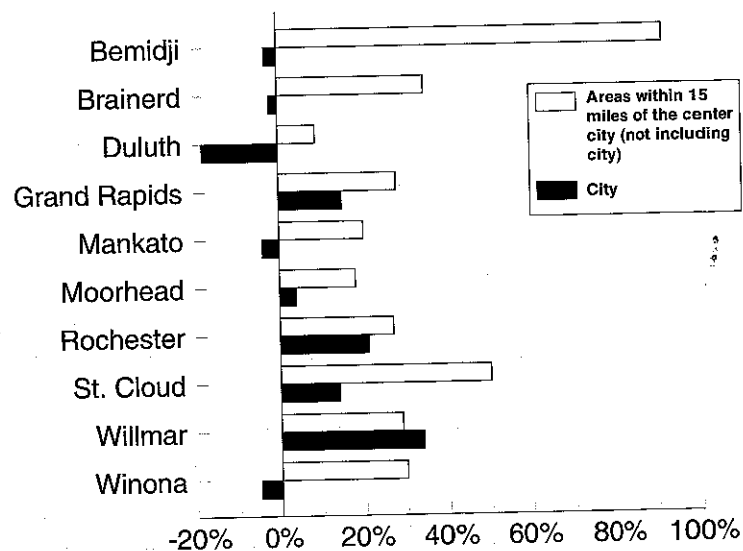
Minnesota's population is increasingly settling in or near urban areas. Regional centers, such as Mankato and Rochester, continue to grow even as the surrounding rural areas shrink in population. Despite the trends toward urbanization, growth is increasingly taking up more land. In the Twin Cities, for example, the population increased by 13 percent between 1980 and 1990, but land used for residential development increased by 20 percent.

This trend toward lower density affects both small and large cities. Many free-standing cities of less than 30,000 population are seeing declining population in their urban core combined with rapid growth in their suburban fringe, similar to trends experienced by the Twin Cities.

While land use changes are apparent in growing areas, significant changes also may occur in areas of declining population. For example, Lake County had a 20 percent population decline between 1980 and 1990, due to a downturn in the mining industry. While residential population is declining, however, seasonal or part-time residents are increasing, especially along the North Shore. Declining areas also represent underutilized public capital in wastewater treatment plants, highways and other infrastructure and shrinking budgets for environmental protection.

■ *I am against too many government programs, but in this area I feel it is necessary... Sprawl and leapfrog development must be stopped.* — Township official, Scott County

**Population Growth Near Regional Centers 1970 — 1990**



Source: Minnesota Planning

The quality of the state's land, water and air depends on where these land use changes occur and how they are managed. The growing areas of the state are also areas with fragile environments. The fractured limestone topography in southeastern Minnesota and the sandy soils north and west of the Twin Cities make it easier for pollution on the surface to reach the ground water. Scenic areas such as lakes, rivers and blufflands are prime areas for development but sensitive to erosion and pollution loading from land use changes. Population growth is increasingly focused on such high-amenity areas.

Among the environmental problems associated with growth and development are:

■ *Increased urban water runoff.* A 1991 study of the Lake Bemidji watershed identified urban runoff from development within the watershed as a major threat to lake water quality.

■ *Erosion and sedimentation.* The Mississippi River and its backwaters in Winona and Houston counties are filling with sediment, attributed to poor agricultural and nonagricultural land management practices.

■ *Water contamination from on-site sewage systems.* In Sherburne and Isanti counties, the Anoka Sand Plain study tentatively linked on-site sewage systems in several subdivisions to elevated nitrate levels in wells.

■ *Contaminated ground water from formerly agricultural lands.* Nitrate-contaminated wells in several subdivisions in Benton and Sherburne counties are linked to irrigated farmland.

■ *Loss of farmland, forests and wetlands.* The state has lost more than 200,000 acres of farmland since 1982. Forest land has decreased by 2.2 million acres in the last 20 years, and nearly two-thirds of the state's 14 million acres of wetlands have been drained. These losses were due in large part to clearing for cropland, but recently, urbanization has been a greater factor.

Environmental degradation can occur incrementally. Each land-use change, however small, can stress natural resources, adding up to widespread problems that are difficult to fix. How the land is used is increasingly recognized as a factor in protecting environmental quality.

Poorly managed development imposes fiscal as well as environmental costs. Pollution problems can be costly to clean up, and providing service to new development can often cost more than the tax revenue it creates. Some examples in Minnesota include:

■ Continued degradation of Lake Bemidji from nonpoint source pollution linked to development could cost the area up to \$3 million in tourist-related income.

■ In Otsego Township, rapid and poorly planned development resulted in stormwater flooding problems, which cost the town more than \$500,000 to fix.

■ Winona Township will spend at least \$750,000 to install a sewage treatment system for 50 houses within the township. The high cost is due in part to the lack of cooperation between the city of Winona and the township.

## Land Use Critical to Environmental Protection

The connection between land use and environmental quality is recognized in many state policies and programs. The Minnesota Environmental Policy Act (Minnesota Statute Chapter 116D.02) recognizes the "profound impact of human activity on the interrelations of all components of the natural environment, particularly the profound influences of population growth [and] high density urbanization." It also authorizes the Environmental Quality Board to "develop and implement land use and environmental policies, plans, and standards for the state as a whole and for major regions thereof through a coordinated program of planning and land use control...."

The land use-environment connection is increasingly recognized in other state policies and programs as well. For instance:

■ The Minnesota Water Plan, developed in 1991, concluded that "the land-use connection is a key to management and protection of water resources.... The [state] must encourage the use of comprehensive water plans as vehicles for linking environmental protection concerns to growth management."

■ The state ground water plan prepared by the Pollution Control Agency suggests that the state "Develop a new statewide land use approach to protect and manage ground water quality and quantity, recognizing that land use management is the primary tool for ground water protection... strong land use planning efforts are needed with environmental consideration included." The plan recommends that "all parts of the state should be covered by up-to-date comprehensive plans."

■ The Settlement Team of the Minnesota Sustainable Development Initiative concluded that the current system for land use management is fragmented and inadequate to protect natural and economic resources. It recommended state goals and countywide planning as part of an "interactive, integrated decision-making process" for balancing environmental, economic and social concerns.

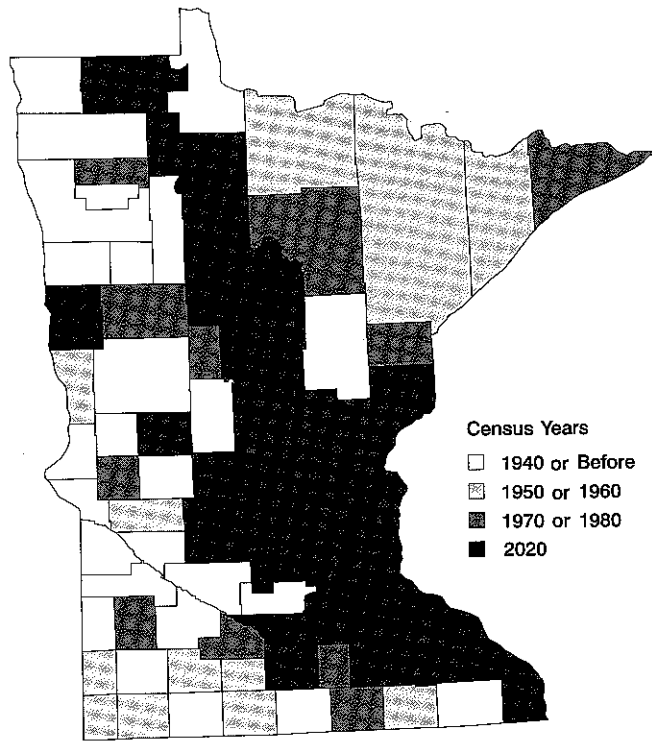
■ A study of development in Wright County found that the difference between the cost of providing services compared to the revenue generated by development is up to four times higher for rural subdivisions than for developments in more densely settled areas within municipal boundaries.

## Planning for Sustainable Communities

Many of these problems can be avoided or mitigated by comprehensive planning that recognizes the complex interaction between social, economic and environ-

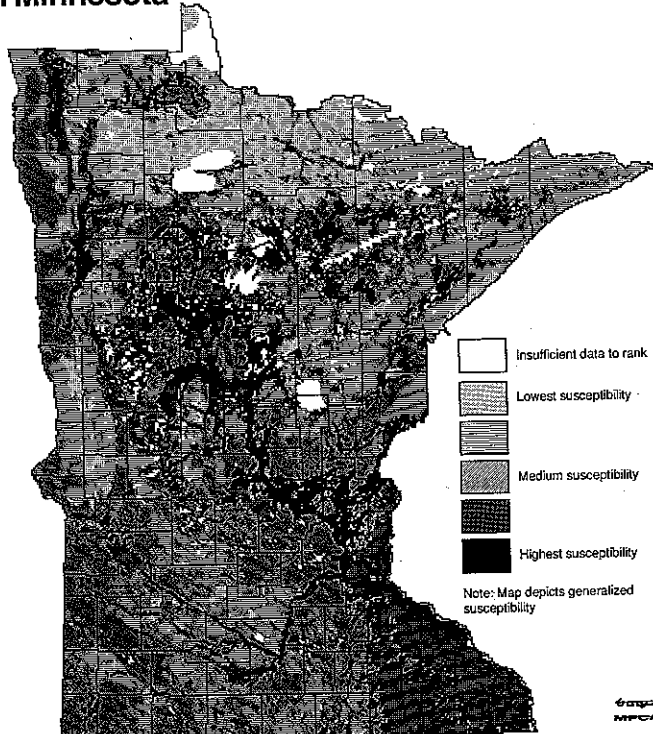
■ *The benefits of planning reach beyond the communities that do the planning. The overriding concern needs to be the benefit of the community as a whole and the environment, rather than to a few individuals.* — Citizen, Washington County

### Peak Population Years: Historical and Projected



Source: State Demographer

### Ground Water Contamination Susceptibility in Minnesota



Source: MPCA/LMIC

mental systems. The challenges facing the state require a new approach to planning. The concept of sustainable development provides a powerful organizing framework for state and local decision-making, balancing the social, economic and environmental needs of a community while preserving for future generations the full range of choices Minnesotans enjoy today.

Achieving sustainable communities requires thinking about the future. What changes will the community face? How should those be managed? What should be preserved, and how is that done? With or without planning, communities will change. Change does not necessarily mean growth — areas with declining population need to understand and plan for those changes as well. In a community without planning, changes are the result of many unguided, uncoordinated decisions — by developers, businesspeople, homeowners, industrialists, special district governments and local governments.

Sustainable communities do not happen spontaneously. They are conceived from an inclusive envisioning process and created from deliberate and thoughtful application of appropriate goals and strategies. A comprehensive plan is an expression of a state or community's vision and a strategic map to reach it. Comprehensive plans analyze existing economic, social and environmental conditions, and lay out the goals and policies that will guide future change and development. They provide the legal basis for land use controls, including zoning and subdivision regulations. It makes sense for communities to plan for change in both the short and long terms.

Comprehensive planning — at all levels — will advance a broad range of

public interests, such as improving the quality of land use decisions, saving money on infrastructure and maintenance, and identifying and protecting sensitive natural resources.

Planning will not solve all land use problems or prevent all poor decisions. But planning increases the chances that decisions will be made in the context of the community's best interest. In effect, a good planning program adds the extra ingredients to enable communities to function and change more efficiently.

## A Fragmented Response

Minnesota has a haphazard system for land use planning and management. The current system is inadequate to ensure protection of the state's resources.

At the local level, each city, county or township is given the authority to develop land use plans and adopt implementation measures, such as zoning or subdivision regulations. The state provides little guidance on what a local government land use plan should address. In addition, it is not clear in the law that local controls must be consistent with plans or compatible with neighboring jurisdictions.

Disparities in the enabling legislation for planning and land use controls exacerbate these problems. Over the years, the planning and zoning legislation for cities, towns and counties have been changed incrementally, often to satisfy the needs of a single interest group. A 1987 report by the Governor's Advisory Council on State-Local Relations concluded that these differences and piecemeal changes create an additional barrier to good planning and governmental cooperation.

The importance of comprehensive planning was recognized and widely promoted in the late 1960 and 1970s. Federal and state funding was available to help local governments plan. The 1976 Metropolitan Land Planning Act provided new authorities and funds to solve ongoing environmental and fiscal problems in the Twin Cities metropolitan area. In conjunction with the act, the state established a planning grants program for nonmetropolitan communities to replace dwindling federal dollars, but this program ended in the early 1980s.

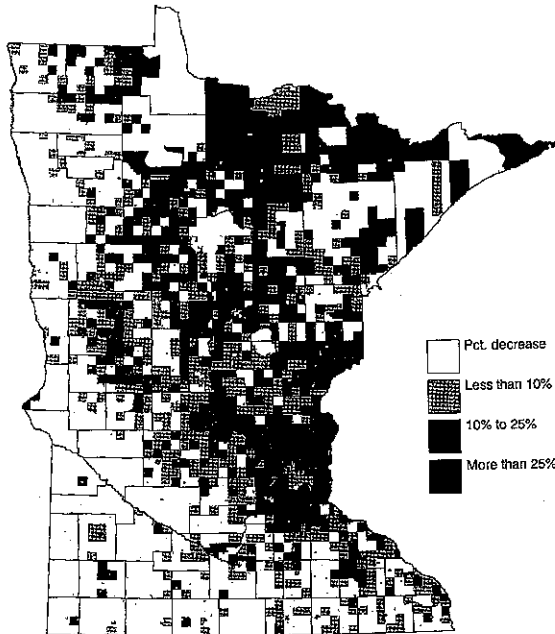
These efforts helped lay the structural groundwork for local planning in Minnesota. Participating jurisdictions established local planning boards and boards of adjustment, and developed zoning and subdivision regulations. But participation was voluntary, so many jurisdictions did not plan or implement developed plans. There were no guidelines from the state or federal level to ensure consistent planning or coordinate local plans. Finally, the combined efforts of decreased state and federal resources and increasing pressures on local budgets forced many areas to halt planning efforts.

Because comprehensive planning and land use management is, for the most part, optional for local governments, it varies widely across the state.

■ Of the 80 nonmetropolitan counties, 60 have comprehensive land use plans, but only 35 plans have been prepared or updated since 1980; 63 have zoning ordinances, 28 use density standards, and 69 have subdivision regulations. In counties without planning and zoning, townships often will plan, which may result in a larger number of uncoordinated plans.

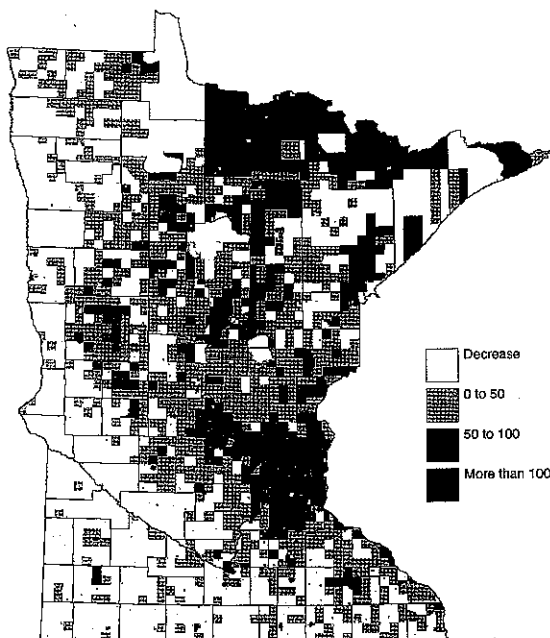
■ *Intergovernmental relationships need to be examined. The state has virtually no role in land use management, cities are islands unto themselves, counties have primary authority outside of cities and townships have authority under the county umbrella. Are those roles appropriate?*  
— Staff, local government association

### Percent Change in Number of Housing Units, 1980 — 1990



Source: U.S. Bureau of Census, 1990

### Absolute Change in Number of Housing Units, 1980 — 1990



Source: U.S. Bureau of Census, 1980 & 1990

■ There are 715 cities outside the metropolitan area. Twenty-four have populations greater than 10,000, but most have populations less than 500. Many do not have comprehensive or land use plans. In those that do, plans often are outdated or inconsistent with zoning ordinances.

■ Of the 1,761 townships outside of the Twin Cities, about 100 have comprehensive plans, and less than 200 have zoning ordinances.

■ The Legislature mandated local and regional planning within the metropolitan area. There are no such requirements for the rest of the state, even though growth and development occur beyond the Metropolitan Council borders.

■ Since 1980, housing units increased by 13 percent in the state, but units not connected to a public sewer increased 22 percent. Only 48 counties have adopted countywide technical standards for on-site sewer systems, leaving the construction and maintenance of many on-site systems unregulated.

■ In the late 1960s, 11 regional development commissions were established across Minnesota (including the Metropolitan Council) to aid regional considerations. Subsequently, RDCs 10 (southeast Minnesota), 7W (central Minnesota) and 4 (west central Minnesota), all in environmentally sensitive areas, were abolished. The Metropolitan Council has the authority to guide development in the metropolitan area. Other RDCs have limited authority to align governmental actions within their regions.

■ Growth outside city limits can result in problems because land use controls often are weaker and urban services such as sewer and water may not be available except at great cost.

As a result, development in the urban fringe area often is a contentious issues.

Minnesota's piecemeal approach to growth management results in inconsistent resource protection, varying plans and land use controls, and inter-governmental conflicts. Under the current planning process, communities can follow their own goals without having to consider effects on neighboring areas. State law and policy provide little guidance and few incentives for cooperation.

At the state level, policies and programs can have different, and sometimes competing, goals and strategies. They are not guided by a clear articulation of the goals the state hopes to achieve and the priorities for state and local action. State programs can directly or indirectly affect how land is used and how communities change and develop. Programs with direct effects include the shoreland management and floodplain management programs, which outline specific practices and actions in environmentally sensitive areas. Ones with indirect effects include economic development loan programs and highway construction projects, which can affect growth and demand for services over broad areas.

Many of these programs have been successful in achieving their programmatic goals. The local water planning process that has taken place across Minnesota has raised the awareness of water protection issues. The state's Shoreland Management, Floodplain Management and Wild and Scenic Rivers programs provide much-needed consistency for managing development in those sensitive areas.

But there are limits on the effectiveness of individual programs. Some address only pieces of the problem. Shoreland regulations, for instance, only manage land uses within 1,000 feet of the lake shore, even though land use in the rest of the watershed affects lake water quality. Gaps exist between programs, leaving some resources unprotected or underprotected. For instance, strong state laws preserving wetlands may push development into important woodland areas.

In the long run, the state may not be able to bear the costs of poorly managed settlement. Tightening federal and state budgets do not allow for increased expenditures on the infrastructure needed to support widely scattered development. It is imperative that the state make an effort to plan for change to avoid these future costs.

## **A New Beginning**

Over the past several years, Minnesotans have worked together to formulate their vision for the state. Through *Minnesota Milestones*, the Minnesota Sustainable Development Initiative, and the *Minnesota Economic Blueprint*, a consensus is developing on what people want for Minnesota's future. They want prosperity and jobs, but they also are concerned with mounting congestion, dwindling open space, environmental problems, habitat loss and economic stress associated with sprawl and unwise development.

The EQB's Growth Management Project arose from a series of questions about the state's ability to reach these visions of Minnesota's future. What are the environmental impacts of growth and development? What policies are

guiding the choices of where Minnesotans live and work, and what their communities look like? Are public policies adequate to protect the environment while encouraging economic vitality and efficient investment? What new directions are needed?

The first phase of the Growth Management Project identified the problems with the current system of land use planning and management. It defined five key issues that prevent the state from building sustainable communities:

- Lack of statewide policies and goals
- Lack of plans
- Inadequate plans
- Interjurisdictional conflicts
- Inconsistent implementation and enforcement

The second phase sought to publicize these findings and develop recommendations for needed changes. Project staff consulted with a variety of interests. A group of expert practitioners, scholars and local government officials helped staff fashion a range of alternative land use policies. Recommendations from the Settlement Team of the Minnesota Sustainable Development Initiative provided a base on which to build. Using presentations,

group meetings and questionnaires, project staff solicited the opinions of more than 500 state and local government officials, citizens and professional planners on a range of policy options to refine goals and develop possible strategies for reaching those goals. Finally, four focus groups were held to refine and clarify the strategies offered in this report.

The goals and strategies that came out of those discussions represent a challenge to decision-makers. The issues they seek to resolve are complex and often contentious. They call for a new approach in how the state and local government deal with change and conflict. State and local governments need to move toward building more sustainable communities.

The problems identified by the project are not new. Similar studies in the 1970s and 1980s came to many of the same conclusions. The incremental changes in law that followed those studies, however, have done little to alleviate the underlying problems. That is why this report recommends more sweeping changes.

It is time to put together a better way to guide state and local decision making. Much planning happens in crisis, after a problem has occurred. Minnesota has the opportunity to avoid these crises. The groundwork has been laid; now is the time to follow up.



# A Challenge for the Future

Minnesota does have an unstated growth and development strategy, implicit in a wide range of public and private policies that are not always consistent with one another. The challenge is to develop an explicit and consistent strategy.

This report presents one way to achieve this. Its recommendations are guided by a set of principles that should apply to any efforts to improve the planning and land use framework in Minnesota. These principles are:

■ *Citizen involvement.* Citizen involvement in the decision-making process must be guaranteed and encouraged at all levels of government.

■ *Collaboration.* Any statewide criteria and guidelines must be developed with full input from communities across the state.

■ *Adequate resources.* Adequate funding and technical assistance will be needed to improve both state and local decision-making.

■ *Knowledge and education.* Education for both citizens and decision-makers will be critical to the success of any widespread planning effort.

■ *Consistent application.* State guidelines for planning and implementation must apply to state programs, and state policies and programs must be better coordinated.

The Growth Management Project identified five key issues that hinder Minnesota's ability to achieve sustainable communities: a lack of statewide

policies and goals; lack of local plans; inadequate plans; interjurisdictional conflicts; and inconsistent implementation and enforcement.

This report offers the Governor, the Legislature and Minnesota citizens strategies for overcoming these problems and preserving the environmental quality and economic vitality of Minnesota's communities. Goals are recommended for each of the five issues, followed by strategies for achieving the goal.

## Lack of Statewide Policies and Goals

State and local governments make land use and other resource decisions without clear policy directions from the state. Population increases, land use changes and growth put pressure on all systems. This requires coordinated decision-making based on a unified statement of what Minnesotans want for their future and a strategy to preserve and enhance the elements that make Minnesota desirable. An integrated statewide plan, with overall goals and guidelines for planning, is needed to better guide state and local decision making.

Though Minnesota has excellent environmental protection and resource management programs and tools, these can result in conflicts without the guidance of state policies and goals.

**Goal:** State, local and regional planning in Minnesota will be guided by a common set of policies and goals.

■ *In the development of a statewide land use policy, it is a must to include all parties — state agencies, local units of government, interest groups, land developers, farmers, foresters and most of all citizens and citizen groups. — Citizen, Pine County*

■ *The existence of comprehensive plans are meaningless without guidance from the state or region regarding goals and objectives. What are our values in Minnesota?*

— Citizen, Fillmore County

## **Costs and Benefits of Statewide Planning**

A study of New Jersey's planning process provides one of the most in-depth economic analyses of statewide planning. Implementation of the state plan was conditioned on a financial cost-benefit analysis. The state has spent nearly \$10 million on the planning program since 1986, including funds for developing the state plan and providing planning assistance to local governments. Rutgers University analyzed the projected benefits of the planning framework over the next 20 years versus current trends. According to the study, benefits of the planning process include:

### **Financial savings**

- \$400 million annually for municipalities and school districts
- \$740 million in road costs over the 20 years
- \$440 million in water and sewer infrastructure costs

### **Savings in land used for development**

- 130,000 acres total
- 80 percent fewer acres of frail lands, including lands containing forests, steep slopes and critical watersheds
- 30,000 acres of agricultural land and nearly 108,000 acres of prime agricultural lands

### **Pollution**

- nearly 40 percent fewer water pollutants in storm water

### **Employment and economic effects**

- job creation and economic development not reduced
- more jobs created in the urban and rural centers rather than in suburban and exurban areas

The analysis concluded that the "Interim State Development and Redevelopment Plan will bring benefits to New Jersey and its citizens that traditional development will not....[The plan], if carried forth to fruition, will sustain the economy of the State, maintain growth in all regions, redevelop Urban Centers more than they would be under traditional development conditions and strike an appropriate balance between economic and conservation measures."

■ *Develop an integrated state plan outlining broad policies and goals to guide state, local and regional planning. The plan should contain unified, integrated goals and policies. In developing these, existing goals and policies should be examined to identify and resolve conflicts and unexpected*

consequences arising from them. The plan should contain a clear expression of what Minnesotans believe is important to consider and protect in state and local planning actions. This could include environmental factors, such as critical habitat, prime agricultural lands or water quality, and economic

In addition, the plan should contain criteria for identifying "priority planning areas." These are the parts of the state that are particularly vulnerable to negative effects of development due to rapid population growth and environmental sensitivity. In these areas, local comprehensive planning and state efforts are most important. The plan could also identify specific areas of statewide concern, such as the blufflands in southeast Minnesota, and a process for state and local governments to develop a planning vision for the area.

Finally, the plan should contain a strategy for state capital investments that forwards the state's goals and policies.

■ *Develop guidelines for comprehensive plan content and outcomes.* Guidelines are needed for overall consistency, since local comprehensive plans will reflect the locality's circumstances. Although the state provides technical assistance to local governments for specific programs, no agency or effort is charged with helping them integrate all the demands and directions coming from the state.

Local governments need to participate fully in the development of the guidelines. The guidelines should not be prescriptive, and should recognize regional differences. One solution may not fit all situations and diverse approaches can accomplish the strategic planning goals. Guidelines should stress desired outcomes and suggest possible approaches. Local governments should retain the flexibility to develop specific approaches to achieve the outcomes.

■ *State agency plans and actions should reflect the goals and policies of the state plan.* This will guarantee

that overall goals will not be compromised as agencies pursue specific program goals. Agency plans also should identify resources of statewide significance and outline how they will focus on priority planning areas.

Local governments and citizens should have a forum to challenge state agency plans, programs and actions that are believed to be inconsistent with the state plan. This could be accomplished through the arbitration and appeals process outlined elsewhere in these recommendations. In Oregon, a citizen group called 1,000 Friends of Oregon has been instrumental in holding governments accountable for implementation of the statewide planning goals. An optional strategy would be to charge the body responsible for developing the state plan with reviewing state agency plans for consistency.

■ *Provide technical assistance for local planning.* Many units of government lack expertise in developing comprehensive plans and the ordinances to enforce the plans. In addition, planning for communities based on the principles of sustainable development is a new venture. Guidebooks developed in the 1970s and early 1980s to help local governments understand the steps to be followed and the issues to address are no longer appropriate and do not incorporate recent changes to Minnesota law. New guides and model ordinances should be developed that reflect these law changes and the new concepts and principles of sustainable development.

Guides should be prepared by Minnesota Planning in cooperation with other state agencies and local governments. The state should explore developing an interactive computer-based guide.

■ *There needs to be some planning standards created at the state level that would provide a framework for local planning and assure that meaningful strides in the sustainability are made by this process.* —

Nonprofit organization, Ramsey County

■ *Counties need to understand that land use planning can be used effectively without lots of unreasonable controls on land and property owners.* — Local staff member, Pennington County

## Lack of Local Plans

Many jurisdictions have out-of-date plans or no plans at all. As a result, local governments often face unexpected environmental and financial problems from poorly planned or unmanaged growth. The need for a comprehensive vision is underscored by the fact that the fastest growing areas of Minnesota also often are some of the most sensitive to resource degradation from growth-related land use changes.

Development of the state plan, along with targeted incentives and technical assistance, will do much to promote planning at all levels. But a majority of participants in the Growth Management Project indicated that required planning may be needed to ensure full coverage and adequate resource protection. The strategies below reflect that concern.

**Goal:** All parts of the state will be governed by up-to-date comprehensive plans.

■ *Prepare and adopt comprehensive plans and land use management regulations in all counties.* Counties cover a large enough geographical area to address many nonlocal effects and yet are small enough to reflect local needs and goals. They provide a logical coordinating body for lands in transition, such as urban fringe areas. Many already possess the necessary technical expertise.

County plans should reflect statewide policies and content guidelines. The county plan should cover all unincorporated land and serve as a baseline for townships that choose to plan. Small cities could choose to have the county prepare a plan for them as well.

Counties should revise their existing plans as needed to reflect state policies.

The counties should collaborate with both townships and cities in plan preparation to ensure that their goals are compatible. Counties should also work closely with state and federal agencies to ensure that county plans address potential conflicts. Counties should be encouraged to work with tribal governments in planning for all land within the county.

■ *Prepare and adopt comprehensive plans and land use and management regulations in designated priority planning areas, including the metropolitan area.* Certain areas warrant cooperative efforts for planning and land use management. These include areas with significant population growth or with sensitive or important natural resources. Criteria for these priority planning areas would be developed as part of the state plan. The actual areas would be established through state collaboration with the counties, cities and towns that meet the criteria.

All jurisdictions in the priority planning areas need to adopt individual comprehensive plans. They also should work together to develop either joint plans or common goals for those systems that prompted the priority designation. For example, if the designation is based on ground-water sensitivity, local governments could establish a joint plan for protecting ground-water quality from land use changes. Strategies for joint planning are discussed in the section on inter-jurisdictional conflicts.

In those areas designated because of population growth, joint plans or goals should address how the area will accommodate the housing, transportation, and sewer and water and other service needs of new residents. State agencies

## Goals Adopted by Other States

Several states have adopted statewide goals to guide the development and implementation of state and local plans. These goals establish state priorities to align decision-making at all levels while providing flexibility for state and local action. Below are examples of some of these goals.

### Washington

■ **Urban growth:** Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

■ **Economic development:** Encourage economic development throughout the state that is consistent with adopted comprehensive plans...and encourage growth in areas experiencing insufficient economic growth.

■ **Natural resource industries:** Maintain and enhance natural resource-based industries, including productive timber, agricultural and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands and discourage incompatible uses.

### Oregon

■ **Land-use planning:** To establish a land-use planning process and policy framework as a basis for all decisions and actions related to the use of land and to assure an adequate factual base for such decisions and actions.

■ **Citizen Involvement:** To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

■ **Agricultural lands:** To preserve and maintain agricultural lands.

### New Jersey

■ Revitalize the state's urban centers by investing wisely and sufficiently in improvements to their human resources and infrastructure systems to attract private investment.

■ Protect the environment by planning for growth in compact forms at locations and intensities of use that protect land and water quality, allow expeditious regulatory reviews and make sufficient transportation alternatives feasible to help achieve and maintain air quality standards.

■ Provide adequate housing at a reasonable cost by planning for location and density of housing.

would participate in the planning to incorporate their goals and strategies in the joint plans.

■ **Review and update plans and regulations at least once every five years, as appropriate.** Comprehensive plans must reflect current conditions. A majority of plans in Minnesota were

adopted before 1980 and have not been updated. Zoning ordinances often are modified to meet changing conditions, but plans are not updated at the same time. This may undermine the legal basis of local land use regulations. Regular plan review allows local governments to assess plan implemen-

■ *The central issue is not one of domination or control but of responsibility. If a community is accommodating additional development and is making public investments, there is an obligation to have a plan to see what development and investment decisions are coordinated and are in a direction of community wants.* — Citizen, Ramsey County

tation, modify development strategies and better predict future conditions.

## Inadequate Plans

Many plans developed in the early 1970s did not adequately address the interdependent and complex social, environmental and economic issues facing communities. Local plans vary widely. Some jurisdictions have effective comprehensive plans and controls, while neighboring ones may have neither. Local governments need information on environmental, social and economic conditions to make informed decisions about land use changes.

**Goal:** Plans will adequately address environmental, economic and social needs.

■ *Make comprehensive plans consistent with goals and policies of the integrated state plan and the guidelines for comprehensive plan content and outcomes.* State guidelines will help ensure that local plans address issues of statewide, as well as local, concern. Guidelines, developed in collaboration with communities across the state, will indicate those elements that must be included in local comprehensive plans. State goals and policies will provide clear guidance to local government about issues of statewide importance.

Though local planning needs vary, state goals and guidelines should ensure a level of consistency, while maintaining flexibility for local implementation. The local water planning process presents one possible model. In it, the state had rules for plan content, but local governments set their own priorities.

All local governments that choose to plan would follow state guidelines for plan content. Counties would review local plans for consistency with state guidelines as part of their coordination responsibilities outlined in the section on interjurisdictional conflicts. An optional strategy would be to have state review of county and priority planning area plans for consistency with state goals and policies.

■ *Enhance state assistance efforts by providing easily understood information on effects of various land uses and management activities.* Though state government is an important resource for environmental, economic and demographic information, that information often is not in a form usable by local governments. Deficiencies in both the quality and quantity of environmental data make it difficult to document the environmental impacts of land use changes, which in turn deters support for land use controls. Local officials and the public need a better understanding of the connection between land uses and environmental effects, as well as strategies for preventing problems.

The state should help local government by producing up-to-date guidebooks on comprehensive planning and land use regulation; preparing a comprehensive listing of state technical assistance and materials and developing new efforts and materials to fill gaps; and developing training for zoning administrators and planning commissioners.

■ *Encourage collaboration among jurisdictions to enhance efficiency and expertise.* Lack of resources is one of the major barriers to successful planning and plan implementation. State and local governments should cooperate to build local expertise and meet

planning goals efficiently. For example, several cities or towns could share planning staff. This would increase opportunities for cooperation and coordination. One model is the local water planning process, where groups of counties combined resources to hire regional water plan coordinators.

## Interjurisdictional Conflicts

Pressures of population growth, resources of statewide and regional significance and many other issues often do not follow political boundaries. This can lead to conflicts among local units of government and inadvertent effects on resources. Activities in one part of a watershed affect other parts. For example, residential development outside LaCrescent has contributed to the city's stormwater runoff problems. Plans for zoning and service provision on one side of the border can directly affect the viability of plans on the other side. Conflict arising from these differences can be minimized through cooperation and coordination.

Joint planning can help to coordinate government actions on issues that span political boundaries and avoid costly development mistakes by bringing parties together before development occurs. Joint plans and regulations can provide an orderly transition to urban uses, minimize future service costs and protect shared resources.

**Goal:** Planning will be coordinated to avoid conflicts and recognize nonlocal impacts of development.

■ *Jurisdictions within priority planning areas should develop common goals and systems plans to guide individual comprehensive plans.* Priority planning areas are those most at risk

to the negative effects of development. In these areas, it is critical for local governments to work together to protect resources and meet the needs of their citizens adequately and efficiently.

Local units may choose to develop one unified comprehensive plan for the entire area, or they can develop common goals relating to the system that made the area a priority and ensure that individual plans are based on these goals.

Existing regional organizations, including regional development commissions and joint powers boards, should participate in the development of common goals and plans.

The seven-county metropolitan area should continue to be considered a priority planning area. Planning would be required in the area under the guidance of the state priorities and goals and the Metropolitan Council.

■ *Ensure that communities consult with neighboring and overlapping jurisdictions during plan preparation.* Cooperative planning outside priority planning areas will reduce interjurisdictional conflicts. Consultation should include holding joint meetings to discuss goals and preliminary plans and identify any possible areas of conflict, and providing the opportunity to comment on final plans.

■ *Ensure compatibility among units of government through county review of all plans and controls within their boundaries.* All comprehensive plans should be responsive to the goals of the state plan, and they should recognize the goals and strategies adopted by neighboring communities. County review will ensure that local govern-

ment plans meet or exceed minimum planning standards and that areas of conflict were adequately addressed during plan preparation. There are several options for county review. The county could advise and comment on local plans, or the state guidelines could require a collaborative effort between cities and counties. Another option would be to make county approval a requirement for local plan adoption. County decisions could be appealed to the arbitration board, discussed below.

■ *Provide incentives for collaboration among neighboring jurisdictions for areawide planning.* The state needs to provide incentives to local governments to encourage joint efforts. Incentives might include technical assistance in planning or priority in funding. Priority planning areas would have the highest priority for incentives. Locally initiated planning for issues or resources of common concern should be encouraged through incentives.

■ *Provide a process for arbitrating disputes among jurisdictions.* Even with coordinated and cooperative planning efforts, local governments may disagree on what plans and ordinances or actions are most appropriate for an area of mutual concern. One jurisdiction might believe that another is taking actions that are contrary to adopted plans or state policies and guidelines. Litigation could be avoided through the availability of a dispute resolution process that would have two parts: mediation of disputes among local units of government developing plans and ruling on consistency of plans and actions with state and local plans.

Mediation would primarily be for governments in priority planning ar-

reas where joint planning and goal setting is required. It also would be available for other areas that encounter difficulty in plan preparation or issues of compatibility with neighboring jurisdictions. The Office of Dispute Resolution could provide mediation services.

Questions of consistency could be brought by neighboring communities, citizens or other units of government. Rulings on consistency could be handled by an appeals board or by staff of the entity developing the state strategic plan; decisions could be appealed to that unit's board or commission. Rulings on plans would center on whether the plan was compatible with and adhered to the state plan's goals and policies. Government actions would be evaluated by their adherence to adopted plans. State and local plans and actions would be subject to this process.

## **Inconsistent Implementation and Enforcement**

State and local plans and regulations are not always implemented consistently. Many communities lack the resources to enforce existing regulations. Local officials often lack technical expertise to make consistent land use decisions and enough information on the environmental impacts of potential land use changes to counter public or private pressure for specific development. Some existing plans provide no guidance for local decision-makers, making it more difficult for them to resolve development disputes.

Public support of planning and land use controls requires a better understanding of the impact of lifestyle choices. Plans developed with local



input and backed by credible information provide a firm legal and ethical basis for making difficult decisions.

**Goal:** Plans and ordinances will be consistently applied across jurisdictions and priority areas.

■ *Help local governments implement and enforce plans and ordinances through enhanced technical assistance, education and training, and the fostering of collaboration among jurisdictions.* Plan implementation relies on acceptance of planning goals and control measures by both officials and the public. Enforcement will improve with better information and a greater understanding of the consequences of poor land use decisions.

Cooperative efforts among jurisdictions may help reduce the cost of planning and plan implementation by eliminating duplication and enabling smaller communities to acquire planning and enforcement expertise. Counties have authority to provide planning and zoning services to cities or town. Cities could provide similar services to towns or counties through joint powers agreements.

■ *Encourage consistency by clarifying state law to condition local government land use and management authorities on comprehensive plan*

*adoption and requiring that local government controls and decisions be consistent with comprehensive plans.* One barrier to consistent enforcement is the unclear connection between plans and land use decisions. Land use and other community development decisions should not be made in the absence of a comprehensive plan. Tying ordinances to comprehensive plans clarifies this relationship, emphasizing that plans provide the legal basis for land use controls and development decisions. This will strengthen the effectiveness of the plan, and help ensure that plans remain up-to-date and relevant.

■ *Provide a statewide or regional appeals process to arbitrate complaints on plan and ordinance enforcement.* Local enforcement requires oversight. Citizens who object to development plans or seemingly arbitrary decisions need a forum for complaints. Currently, they can only turn to the officials who made the decision in the first place or to the district court. The appeals process outlined above would be a forum for such complaints.

This process is not meant to take the place of boards of adjustment or appeals. These boards would continue to handle questions concerning administrative actions, such as local decisions on variances to setback requirements or zoning interpretations.

■ *Plans accomplish nothing if there is not adequate will and expertise to constantly implement them at the local level.* — Local planning official, Wright County

# Designing the Future

This report calls for significant changes in the way the state and local governments work with citizens to design the future of their communities. These proposed changes require further discussion about the vision Minnesotans have for the state and the best means to achieve that vision. Communities, businesses, farmers, environmentalists and public policy-makers will have to come together to develop the goals that will guide state and local action.

The Environmental Quality Board will develop these recommendations further as part of the Minnesota Sustainable Development Initiative. The goals and strategies presented here reflect the Initiative's principles and advance crucial strategic directions identified through it.

Sustainable development will not happen without a statewide conversation on what Minnesotans want to sustain and protect, or without plans and strategies to achieve those goals. The first step should be to establish a statewide task force on sustainable communities. Such a task force would:

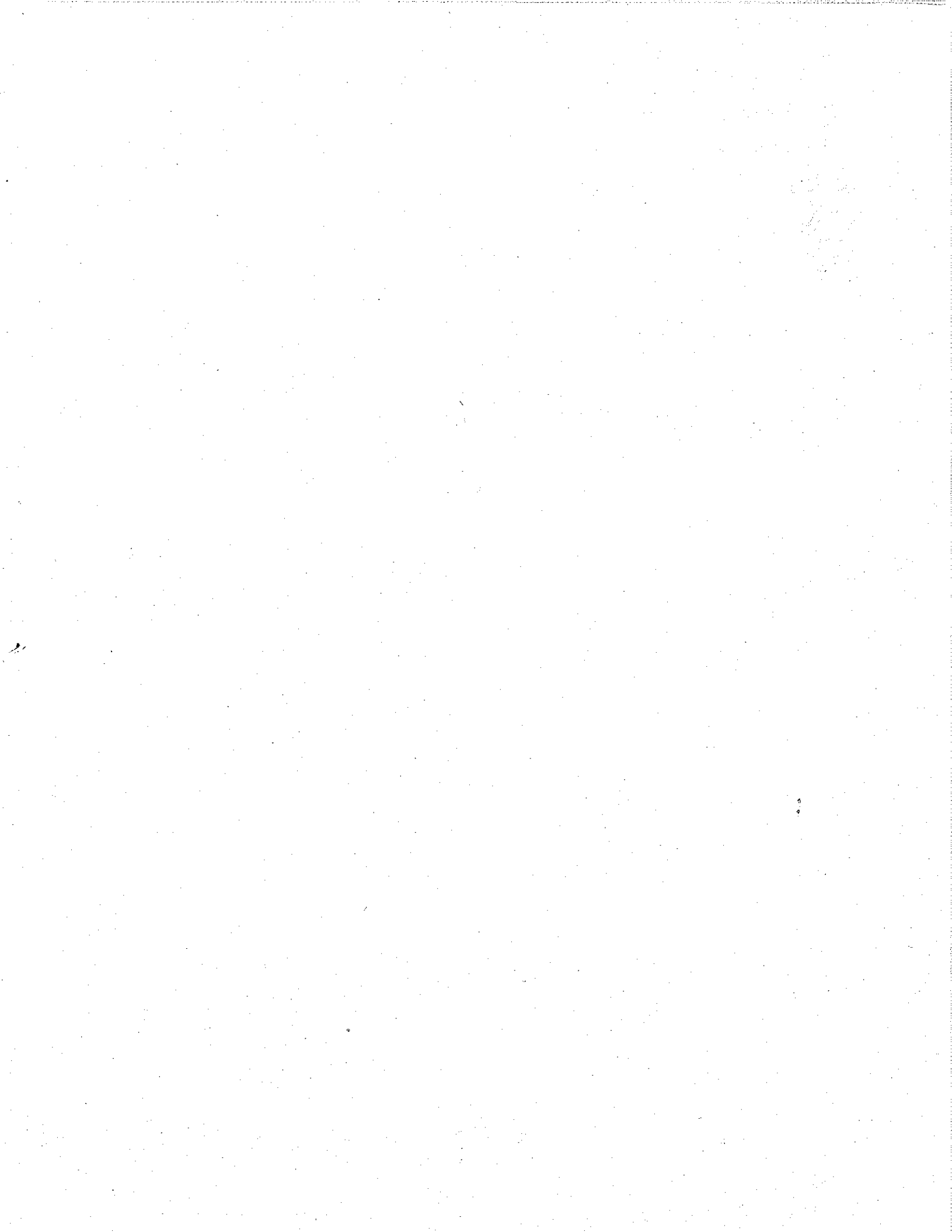
- develop statewide policies and goals on sustainable communities and land use to guide decision-making at the state, regional and local levels;

- identify a planning framework and process that will enhance collaboration at all levels to help achieve the goals; and

- explore state incentives and policies to help local governments achieve Minnesota's sustainable development goals.

Statewide goals and planning guidelines would be developed through an inclusive process that involves citizens, local governments and a variety of other interests. Application of the goals and guidelines could be tested by local pilot projects for sustainable communities. The pilot projects also could help identify the information and other resources needed for a successful planning program. State and local governments together would refine the work of the task force and ensure the planning framework is both effective and feasible.

This report calls for the state to make the crucial first steps to achieve the vision set out by *Milestones* and the Minnesota Sustainable Development Initiative. The strategies it suggests for designing and achieving sustainable communities provide the basis for further discussion—by the task force, the Legislature and, ultimately, all Minnesotans, because everyone must participate in shaping the state's future.



**EQB**

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