

EXECUTIVE SUMMARY

This assessment of DNR's 17-county Central Region was conducted by Ameregis and the Minnesota Department of Natural Resources with a grant provided by the Bush Foundation. The purpose of the research and analysis was to place the region's remaining sensitive natural areas into the context of future regional growth and development so that more informed approaches to development and conservation are possible.



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The methods used in the assessment included preparation of two natural resource maps based on existing data; analysis of a variety of social and fiscal factors, using cities and townships as the units of analysis; application of cluster analysis to group similar communities together based on social, fiscal, and physical attributes; and creation of alternative regional growth scenarios to examine how projected growth could affect the region's remaining sensitive natural areas.

Historically, natural resources have been an important source of growth in Central Region's economy. Although today's economy relies much less on raw materials for growth, resource-related natural amenities make very significant contributions to the area's quality of life. Lakes, rivers, streams, wooded areas and the wildlife they support are magnets for residential development both in the metropolitan area and beyond. Undeveloped natural areas also fill many other important, and often free, functions, including water and air purification, flood and stormwater control, wildlife habitat, and outdoor recreation.

Fortunately, Central Region still retains a diversity of natural resource areas. GIS mapping suggests that about 40 percent of the region's total area remains in forests, grasslands, lakes, rivers, streams, and wetlands classified by this work as sensitive. Yet while Central Region still retains natural habitats, some with very high ecological integrity, only 14 percent of the region's sensitive natural areas is publicly protected. In the 11-county metropolitan area, for example, 12 percent of the sensitive area is classified as urbanized, and 16 percent is protected from development. This means that nearly three-fourths of the remaining sensitive natural areas in the metropolitan area are potentially threatened by development.

This threat is real. Of greatest concern are those sensitive, undeveloped, and unprotected natural habitats at the fringe of the 7-county core region and in the neighboring "collar" counties. During the 16 years between 1986 and 2002, the amount of land classified as urban in the 7-county core region grew significantly more quickly (one and one-half times) than did population and population growth is expected to continue. Nearly 900,000 more people (or 460,000 new households) are expected in the 7 core counties by 2030 and another 100,000 people are projected for the four collar counties.

The context for this growth is a highly fragmented metropolitan area with hundreds of municipalities exhibiting a wide range of fiscal and social characteristics. The suburbs, often portrayed as uniformly prosperous, are in fact a very diverse group of communities. Based on the community classification developed for this work, just under half of the metropolitan area's households live in places showing various signs of fiscal stress, while only a fifth live in places with robust tax bases and few social stresses. The remainder (or about a third of households) lives in relatively low-density, middle-class communities with modest fiscal resources.

According to current projections, it is in this last group of middle-class communities where the majority of new growth is likely to occur. These communities also contain the lion's share of the region's remaining sensitive natural areas. Home to just 33 percent of the 7-county area's households in 2003, these communities are projected to receive 67 percent of regional growth between 2003 and 2030 and they contain 85 percent of the sensitive areas in the region that remain undeveloped and unprotected. In addition, a number of these communities, especially those on the edges of the region, face the possibility of water supply constraints, due to the changing nature of the region's aquifers and the availability and predictability of potable water sources needed to meet new demands resulting from growth. Beyond the core region, water-bearing bedrock aquifers disappear and groundwater supply needed to meet new demands resulting from growth becomes less predictable and reliable.

Pressures on sensitive natural areas in the non-metropolitan counties differ, but are directly related to growth and demographic changes in the metropolitan area. Continued income growth coupled with the onslaught of the baby boomer generation is expected to continue to drive demand for retirement homes near natural amenities.

Not surprisingly, many growing communities in DNR's Central Region will face hard choices between accepting development and conserving sensitive natural areas. If projected future growth in the region occurs at housing densities like those in the recent past, then a significant portion of remaining sensitive natural areas will be at risk. Protecting sensitive natural areas is costly. Much of the cost is borne locally in the form of lost tax base. The benefits of protection, on the other hand, are spread much more widely across the broader region and the state.

From the point of view of a single community in the process of making local land-use planning decisions, the benefits of conserving sensitive natural areas will, therefore, rarely exceed the potential fiscal benefits of development. Because the benefits of conservation are shared on a regional scale, so the costs must also be shared.

To ensure conservation for the future in such a diverse region will require a concerted effort to:

- *Plan collaboratively across jurisdictions and disciplines for natural resource conservation;*
- *Share in the costs of conservation by expanding existing programs such as the Fiscal Disparities Program or by augmenting and pooling relevant funding streams to strategically protect sensitive resource areas;*
- *Encourage and provide incentives for municipalities to plan for development in ways that consume as little undeveloped sensitive land as possible; and*
- *Support research and monitoring to update and extend knowledge on the interaction between sensitive natural resources and development.*



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