

FINDINGS AND CONSERVATION OPTIONS FOR THE FUTURE

Central Minnesota's wealth of natural resources has been a driving force in the region's vitality since the times of European settlement. Formerly providing raw materials to support the region's growth, natural habitats today provide the foundation for the region's high quality of life. Increasingly, however, growth is threatening these very resources. The fact that natural resources both attract growth, and are often consumed by that growth, poses important and unaddressed conservation challenges.

Key Findings

Finding 1: DNR's Central Region retains a diversity of important natural habitats scattered throughout its region that provide conservation opportunities for the future. Although about 40 percent of Central Region's total surface area is considered as having sensitive natural resources, an estimated 14 percent of the entire region is covered with remnant land and water habitats of highest sensitivity that merit serious conservation consideration.

Finding 2: Water availability is an invisible and often forgotten resource constraint to growth and development, especially beyond the reach of the core region's deep aquifers. As development in the Twin Cities metropolitan area moves outward, it becomes increasingly reliant on shallow and poorly identified buried and surficial sand aquifers rather than deep aquifers. While surface water sources are available beyond the core region, there are increased costs and uncertainty associated with these water supplies.

Finding 3: Current patterns of low-density development are consuming land at a much greater rate than population is growing. In the core 7-county region, previously undeveloped land was converted to urban uses at a rate one and a half times the population growth rate between 1984 and 2002.

Finding 4: Continued low-density development potentially threatens sensitive natural areas throughout DNR's Central Region. In both the metropolitan and non-metropolitan portions of the region, water, woods, and open views are highly valued and sought after for the value they add to properties and quality of life. The increasing trend of dispersed, small job centers and home-based employment enables spread out, low-density living

that often jeopardizes sensitive natural habitats and scenic open spaces. If projected development in the metropolitan area, in particular, continues at densities like the recent past, the region faces a no-win situation resulting in inefficient expansion of the urbanized area, loss of much of the region's remaining, non-publicly-owned, sensitive natural areas, or a combination of the two.

Finding 5: The fiscal resources available to local governments vary widely across the region; many of the areas directly in the path of growth lack resources needed to protect sensitive natural areas on their own. Current forecasts project that 67 percent of growth in the 7-county core region during the next three decades will occur in middle class communities with modest fiscal capacities. These municipalities also contain 85 percent of the unprotected sensitive natural areas in the region.



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Conserving Sensitive Natural Areas in a Growing Region: Options for the Future

The intent of this assessment was to gain greater understanding of the implications of growth and development on remaining sensitive natural resource areas in DNR Central Region and to identify reasonable, proactive approaches that might be tried by the DNR and others in the region to conserve vital resources.

Reconciling the requirements of a growing metropolitan region with the need to conserve sensitive natural areas constitutes a complex challenge because:

- *Regional planning is fragmented in the Central Region, with only municipalities in the 7 core counties guided in their growth by the Metropolitan Council, with its staged provision of infrastructure – wastewater treatment facilities, sewers, roads, airports, regional parks and park reserves.*
- *The forces driving growth, development, and loss of sensitive resources differ between the 11-county metropolitan areas and the six non-metropolitan counties.*
- *The region retains a wide diversity of sensitive land and water habitat patches that both attract development, and increase land prices, making conservation measures very expensive.*

Many of the social and economic pressures on natural resources examined by this joint research effort span governmental boundaries, policy boundaries, and disciplinary boundaries. Potential solutions must do the same. Above all, it is imperative that there be increased cooperation among the many public and private actors in order to plan and budget for the conservation of sensitive natural habitats that contribute to a healthier, more secure regional future.

Working Across Boundaries

An important element of natural resources conservation in today's fragmented landscapes is recreating connections, whether it is to facilitate the movement of water, organisms, or air. Just as roadways and sewer systems work best when planned for at a regional scale, so to do natural habitats. Working across boundaries can produce better outcomes.

The primary planning issue in the 11-county metropolitan area is how to accommodate large numbers of new households without excessive expansion into sensitive areas that remain just beyond the already urbanized part of the region. In the near term, much of this growth is expected within the 7 counties, where the Metropolitan Council provides a regional voice in the planning process. However, the four collar counties are also expected to experience rapid growth. Coordinating growth planning in the collar counties with Metropolitan Council policies will become more and more important as the region expands. Bringing the collar counties into the Metropolitan Council's planning process is one way to do this. Short of that, greater cooperation among the collar counties to facilitate closer coordination with the Metropolitan Council, and the Mn DNR, is an alternative to achieve a balance between growth and conservation.

Closer collaboration between DNR's Central Region and the Metropolitan Council in the identification and acquisition of natural areas that are beyond the interest or financial wherewithal of local governments could markedly enhance regional conservation efforts. The DNR's 7-county regional ecological assessment (2003), funded in part by the Metropolitan Council, provides a sound foundation on which to base regional conservation collaboration within the metropolitan area.

Internally, DNR's Central Region needs to expand its identification and prioritization of natural resource areas deserving of protection and restoration to its entire 17-county region. By working with its various agency disciplines and local communities, sensitive resources in the path of rapid growth can be prioritized for attention.

In addition to regional templates for conservation action, the DNR, Metropolitan Council, and other conservation-oriented organizations need to encourage natural resource-based comprehensive planning at the local level

to support regional plans. Strong encouragement needs to be provided to every municipality to apply natural resources information in order to identify sensitive natural areas for conservation, to direct development to less sensitive areas, and to incorporate natural resources into plans, budgets, and designs for physical infrastructure like roads and utility corridors. In this way, communities will become more aware of the need to consider conserved natural areas as “must haves”, not just “nice things to have”.

In the more rural counties, well beyond the influence of the Metropolitan Council, development impacts due to low density development and redevelopment associated with recreational and retirement homes will continue to affect sensitive natural areas like lakeshores. In the non-metropolitan counties, where natural resources play a very important role, conservation will benefit from natural resource-based planning and more and better cooperation among DNR staff, private landowners, and county, municipal, and other local planning authorities.

Sharing the Costs of Conservation

In the context of rapid growth and increasing disparities in DNR’s Central Region, which were illuminated by this assessment, reducing the negative fiscal impacts of natural resources conservation becomes an important goal. While the many, important benefits derived from natural habitats, like flood and storm water control, water purification, and outdoors recreation are often regional in scope, many of the costs associated with conservation are borne locally. As a result, reliance primarily on local governments for natural resources conservation is likely to result in too little conservation from the point of view of the region (or state) as a whole.

Regional and statewide policies that regulate the behavior of local governments are unpopular among local officials because they usually involve costs to local governments, for which they are seldom compensated. More stringent regulations by regional or state agencies to conserve sensitive natural areas, especially at the edges of the core region where natural habitats still exist, almost certainly impose costs on local areas. Development in or near sensitive natural habitats is highly desirable, and limiting local prerogatives to develop sensitive areas imposes costs in the form of lost local tax base.

This suggests that responsibility for natural resource conservation and the associated costs need to be shared by many, including local units of government, regional institutions like the Twin Cities Metropolitan Council, state government, nongovernmental organizations, and the private sector.

The 7-county core of the metropolitan area already has a unique institution, which, if expanded, could meet at least some of the equity concerns raised by regional or state limitations on the development of sensitive lands by municipalities. The region’s Fiscal Disparities Program since 1971 has combined 40 percent of the increase in commercial-industrial tax base in each municipality into a regional pool. The pooled tax base is then redistributed to municipalities according to their population and total market value of property. The lower a place’s market value per capita, the more tax base it receives from the pool. This means that municipalities that forego development of sensitive lands (and the market value increases associated with that development) are compensated to some extent for that decision. Tax-base sharing effectively encourages sensible land use planning, especially when governance is as fragmented as it is in the Central Region.¹⁶

Coupling more regional guidance of local land use decisions with expansion of the Fiscal Disparities Program would reduce the potential costs of conserving sensitive natural areas in places rich in resources. For instance, the current Fiscal Disparities Program clearly helps the developing suburbs that are most likely to face difficult trade-offs between development and resource conservation in the coming years. Of the 102 municipalities in the 7-county core region in the Developing Job Center and Bedroom Developing classifications, 88 (or 86 percent) currently receive more tax base from the pool than they contribute.

Similarly, expanding Fiscal Disparities to include the next ring of counties likely to face these tradeoffs—Chisago, Isanti, Sherburne and Wright—would benefit the vast majority of places in those counties as well. If they had been part of the program from its inception, 78 out of the 88 municipalities would now be receiving more tax base from the pool than they contributed and a typical municipality would receive enough to increase its tax capacity by 11 percent. These communities now contain 80 percent of the population in the collar counties.¹⁷

In addition to the Fiscal Disparities Program, a variety of other fiscal incentives are also available to ease local costs associated with natural resource conservation in the Region. These include:

- *Revising the formula for the Local Government Aid system to compensate communities most affected by conservation efforts;*
- *Encouraging the Metropolitan Council to broaden its Regional Parks and Open Space mission to include acquisition of sensitive natural areas for purposes other than parks and park reserves, such as education and passive recreational opportunities.*
- *Encouraging the Minnesota Legislature to increase funding to the Minnesota Department of Natural Resources, Metropolitan Council's Parks and Open Space System, and to local units of government to accelerate land and water conservation in high growth areas of the region.*
- *Provision of monetary incentives to local units of government to conduct natural resource/land cover inventories to be used as the basis for natural resource-based local comprehensive planning;*
- *Participation in Minnesota DNR's Metro Greenways Program, the Metro Conservation Corridors Partnership, and Minnesota Habitat Corridor Partnership;*
- *Providing various kinds of tax incentives to private landowners to conserve land and water.*



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Bridging the Gaps

Conserving sensitive resources as the region grows into the future requires more than collaborative planning and financing for land conservation. It also requires new information, analyses of changing conditions, provision of assistance, and creative and innovative changes to enhance desired outcomes. While there are many gaps to address, some key issues to be considered, as suggested by this study, include:

- *Support for accelerated groundwater mapping and monitoring in selected fast-growth communities where water supply is constrained in order to avoid inefficient growth;*
- *Seed funds to support local land cover inventories for purposes of land use planning;*
- *Community outreach to fast growth communities in DNR's Central Region in order to generate greater public awareness of the importance of public and private conservation efforts to overall community health;*
- *Development of local examples that economically justify low impact development and conservation design, especially to fiscally strapped communities; and*
- *Changes to regulations, ordinances, codes, and environmental review that enable a shift from conventional planning and design in support of more creative low impact design and conservation development. Adjustments to the environmental review process could also make the review process more proactive, less burdensome, and more effective at conserving habitat by addressing area-wide rather than site-by-site development impacts.*