Introducing



A tool for helping the Kansas City metropolitan area make better progress

A Satellite View of the Journey of Lewis and Clark



A Satellite View of the Kansas City Area



Current Land Use

 Current development pattern, which accommodates a population of 2 million people:



Future Land Use

- How much land are we planning to consume?
- An aggregation of local plans:



Future Land Use

- If we consume land as planned, we will have enough urbanized land for 5 million people.
- We are only going to have 2.5 million by 2040
- Building roads and infrastructure for twice as many people as we'll have is not sustainable.
- Fuels a sprawling development pattern with growth and wealth on the outside and decline and poverty concentrated inward.
- Also creates problems of air pollution, water quality, and solid waste

So What Does One Do?

- Metro Outlook is our answer
- Take a broader look at progress than mere economics
- Is there any net wealth creation going on if we rebuild anew on the urban fringe what we are abandoning in the urban core?
- What kind of wealth are we talking about, then, if not just economic wealth?



It used to be that regions were good places to live if they were good places to work.

Increasingly, they are good places to work only if they are great places to live.



What makes a good place to live? Resident survey results:

"Very important" quality-of-life factors:

Safe neighborhoods	(95%)
Good health	(88%)
Loving relationships	(82%)
Time for family	(80%)
Clean/safe/healthy environment	(80%)
Good public schools	(77%)
Strong families	(75%)
Adequate income	(72%)
Successful children	(71%)
	Good health Loving relationships Time for family Clean/safe/healthy environment Good public schools Strong families Adequate income

Issues most important for the KC region to address

1.	Education	(82%)
2.	Violence	(79%)
3.	Illegal drugs	(76%)
4.	Health care quality/accessibility	(73%)
5.	Maintain existing roadways	(66%)
6.	Poverty	(60%)
7.	Equal opportunity	(59%)
8.	Air quality and the environment	(56%)
9.	Affordable housing	(56%)
10.	Early childhood education	(56%)

Result: An Overall Regional Goal

- Rising quality of life for everyone
 - Not progress for some at the expense of others
 - Not progress now at the expense of future generations
 - Not economic wealth at the expense of natural or social health
- Rather, we seek continuous, lasting improvement in the region's quality of life
 - Growth, yes, but in the quality, not just the quantities, of life

More than a decade ago, I was sitting in my office when I received this message . . .

HELP! Conditions have gotten progressively worse over the last 50 years. They now appear beyond our control!

We have traced the cause to decisions YOU are about to make. How do we know? Because we are sending this message from 100 years in your FUTURE!

I know this sounds impossible to you, but PLEASE, you MUST change your decisions and policies regarding

And then the space/time continuum went blank . . .

How would <u>you</u> complete that thought?



To create a tool sensitive enough to "hear" messages from future generations. Impossible?

If we can figure out what went wrong in the past, we ought to be able to figure out what might happen in the future, where are we most vulnerable now, and take appropriate action.





How <u>Do</u> Region's Produce Their Residents' Quality of Life?

- It's hard to increase something when you don't know how it's created.
- So we developed a model that captures our current understanding, integrating 3 systems



METRO OUTLOOK 2.0 Creating a Great Region Energy Goal: A region whose quality of life attracts, retains and develops talented people Natural Natural Processes Ecosystems Life Capital Conservation Protection Restoration Existing Businesses-Economic Savings / Production Profit & Trade Capital **New Businesses** Investment Income Policy & Spending Decisions Taxes / ····· Contributions Consumption Investment in: Place Human People ommunities. Institutions Capital Neighborhoods •Educational •Individuals •Public •Urban center •Families •First suburbs Business •Developing suburbs Religious •Non-profit •Charitable Social Capital Cultural Connection to others •Trust •Ability to identify and solve common problems

Economic System Social System Natural System All Three Systems



The Metro Outlook Poem

"People choose attractive communities Whose institutions create opportunities To participate in a competitive economy Without harming Nature's autonomy."

• For some reason, this didn't make it into the final report...

Several Points About This Diagram

- <u>We</u> make the policy and spending decisions that drive how the systems interact
- Bad decisions are punished by the out-migration of talent, as people are very mobile in free societies
- Economic system is pictured as completely embedded within the social and natural systems.
- Focus is on raising the wealth in all three (actually four) dimensions at once
 - Human, Social, Economic and Natural
 - Wealth is what we leave behind our legacy. Rising wealth in all dimensions is a necessary condition for sustainability

Several Points About This Diagram (cont'd)

- Life requires a profit
 - An excess of energy over needs
 - Only exogenous variable in the model is energy from the sun
- Topology is a actually a taurus (cylinder)
 - Quality of Life filling the interior
 - That is, the cylinder's diameter is meant to expand as QOL rises
 - We call it the "Cylinder of Progress" or (our favorite) "The Tube of Tomorrow"

Another Diagram

- Taken from an environmental report card we did that was based on Metro Outlook
- Uses the same idea of an economy embedded within the social and natural systems, but frames it differently.
 - Concentric circles with Quality of Life as the target
 - Social embedded within Natural
 - Economic embedded within Social



Another Diagram (cont'd)

- This looks like a topographic map. But we can't tell whether it is a hill or a hole.
- Which it is depends on what kind of Quality of Life we are aiming for.
- If we are only concerned about raising Quality of Life in the short run, then often the economic system dominates and sucks natural and social resources into it at unsustainable rates
- If we aim instead for long-run Quality of Life, then the economy is seen for what it is - a tool for quality of life improvement that needs to rest on a foundation of healthy social and natural systems.



Model is Linked to Regional Goals

- 1. Economic competitiveness rooted in innovative capacity
- 2. High levels and use of human capacity
- 3. Inherent attractiveness of place and amenities
- 4. Social cohesion
- 5. Strategic and inclusive decision-making capacity
- 6. Efficiency in the use of resources

Creating a Great Region Energy Goal: A region whose quality of life attracts, retains and develops talented people Natural Natural Processes Ecosvstems Lite Capital Efficient use of Conservation resources Protection Restoration Existing Businesses-**Economic** Savings / Economic Profit & Competitiveness Capital Investment **New Businesses** Income Strategic decision-Taxes / making capacity Contributions Consumption-Investment in: Place People High use of Human **High-Performing** Attractiveness of Institutions capacity Place •Families •First suburbs •Business •Developing suburbs Religious •Non-profit •Charitable **Social Cohesion** Cultural •Connection to others Trust •Ability to identify and solve common problems

METRO OUTLOOK 2.0

Economic System Social System Natural System All Three Systems



The Goals Are NOT Independent

- The goals are outcomes from the operation of the systems described in the model.
- The goals themselves then have structure.
 Some come before others, implying that some are more fundamental.
- In fact, the goals can be linked together into a systems model that forms the dual of the Metro Outlook model above.

Linking the Goals





Why Bother to Create A Model?

- 1. Coherence indicators link to form a story
- 2. Clarity underlying mental models are made explicit so they can be talked about
- Common frame of reference Agreement on the basic underlying story leads to more thoughtful questions and better policy construction
- Completeness the model forces holistic thinking that can uncover "hidden" but important factors, as well as identify important linkages between systems

Why Bother to Create A Model?

- 5. Can identify highest leverage interventions
 - When dealing with complex systems, solutions are often far from where the problems surface.
- 6. Continuous improvement interventions are tests of the model.
 - If you don't get desired results, model may be wrong
 - Research, improve, try a new intervention, monitor impact, repeat
- 7. Helps indicator selection
 - Too easy to see what you want to see, select indicators that prove your own judgments and values are "right"

Have we been completely successful?

- No
- The model is conceptual rather than operational, and so it can't be used for sensitivity testing
 - i.e., can't run model to see which factors produce the highest quality of life for all for the least cost
- So there is still lots of room to disagree on indicator choices
 - My boss said I was "relentless" indicators too negative
- Model is complex, making communication difficult and use by non-experts unlikely.
 - Ultimate goal would be a SimCity-like game that residents and policy makers can play together.
 - The game's engine (the model) generally remains hidden "under the hood", but can be tinkered with to run various scenarios

Metro Outlook, V.1 Indicators

- Simple indicators in 9 categories
- Examine KC metro with respect to 3 things
 - Some kind of standard
 - Its own trend
 - Some kind of gap or inequity
- Also a survey of residents' quality of life
- And so, an example:

Three dimensions of evaluation

- Where do we stand?
- Where are we headed?
- What gaps are holding us back?










- The pace of society challenges us. Only 36 percent of us strongly agree we get to spend enough time with family
- We're generous, giving increasing amounts to worthy causes at rates that exceed the national average
- But there is still a large disparity between what we spend and the needs generated by poverty

Social Investment

Time for Family

Percent strongly agreeing they have enough time Metro average relative to those with the highest and lowest quality of life



Source: Metro Outlook Public Survey



Social Investment

Charitable Giving

KC Area Total Charitable Giving 79 *bellwether non-profit organizations*



Source: Center for Management Assistance



Social Investment

Spending vs. Need

KC Area School Spending vs. Student Need Urban core and suburban school districts, 1996-97





Beautiful, but . . .

- Hard to interpret
- So we graded each graph or chart of an indicator on a 4 point scale
- Grade for each of the indicators shown on a radar graph.

Summary: Overall Evaluation



Interpretation

- If we got a perfect score, the interior of the circle would be completely filled with green
- That it is "bottom heavy" indicates that we are doing best with respect to our economic performance
- The social characteristics measured show some areas of strength but also areas of great weakness. These generally have to with the fact that the region has large concentration of poor minorities in its urban core.
- The innovation and natural systems portion is nearly vacant.
 We have significant weaknesses there.

Metro Outlook, V.2 Indicators

- Trying to increase sensitivity to "messages from the future."
- KC compared to "peer" metros, defined by cluster analysis
- Quality of life survey administered to 3 of the closest (geographically) peers
- Many more indicators (120+) and a wider variety of indicator types (e.g., maps) to tell a more complete, richer story.
- Indicators directly align with regional goals



Community/Metro Disconnection Index



Community/Metro Disconnection Index

- We asked residents in four metros Kansas City (KC), Denver, St. Louis and Minneapolis to rank their neighborhoods on a whole host of quality of life criteria
- We then asked them to rank the metro as a whole on those same criteria
- As expected, most people thought their neighborhood was doing better than the rest of the metro.
- What surprised us was how big that difference was in KC compared to the other metros
- This difference indicates our residents feel isolated from the metro as a whole, and do not view themselves as part of a larger whole.
- One reason: Racial segregation and its impacts

Racial Isolation



Whites in Poverty



Blacks in Poverty



Violent Crime



Violent Crime Rate



Fear of Crime Related to Residential Choice

- High violent crime causes the exodus of the middle and upper class from many parts of the urban core.
- Declining center, growing outskirts, continues unabated, at least up until 2000, in Kansas City
- But Denver, while starting down the same path, somehow turned it around in the 1990s.
- Their greater social cohesion, perhaps coming from sharing the natural beauty of the Rocky Mountains, allowed them to come together to reinvest in their urban core much earlier than KC decided to.









Tract 1970-1980 % Growing 57.0% % Declining 43.0%

Population Change in the Urban Area 1970-1980: Denver





Tract 1980-1990 % Growing % Declining

Population Change in the Urban Area 1980-1990: Denver





Urban AreaPopulation ChangeLossGain

Population Change in the Urban Area 1990-2000: Denver

So Metro Outlook 2.0 has some advantages, but . . .

- 120+ indicators rather than 29
- Overuse of comparisons between peers puts emphasis on competitiveness rather than quality of life
- But the funds for Version 2.0 WERE granted for the express purpose of producing something that would enhance the region's economic competitiveness.
- The overarching importance of economic competitiveness is changing as sustainability concerns comes even to the heartland of the US.
- Version 3.0 will include "Becoming America's Green Region" as one of its goals, and link indicators to the policies and actions organizations in the KC region have adopted to achieve it.

Regional Principles Supported by MARC





MARC's Mission, Role and Objectives



www.metrooutlook.org

Measuring the Progress of Metropolitan Kansas City

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Today's investments create tomorrow's quality of life

How can we create a system that helps us invest more wisely?