

## **Metropolitan Council Approves New Inflow-Infiltration Demonstration Project Grant**

The Metropolitan Council recently approved guidelines for a new inflow and infiltration demonstration project grant for up to \$500,000. All communities that discharge to the regional wastewater system are eligible to apply. Data collected will be used to help inform communities on the effectiveness of inflow-infiltration mitigation strategies. The project grant was originally recommended by a Private-Property Inflow-Infiltration Task Force that included city officials.

Communities are invited to apply. Proposals are due by August 31, 2018. Click [here](#) for more information on the process and how to apply.

The Metropolitan Council has also launched a new area of its website to provide a comprehensive set of tools and resources for local governments and citizens on private property inflow-infiltration. The new website contains a variety of information and resources about how to take steps to reduce I/I. Metro Cities encourages city officials to check out the new site.

Click [here](#) for more information.

## **Metropolitan Council Committee Debates Potential HRA Housing Cuts, 2019 Budget**

The Metropolitan Council CDC met Monday to review the division's draft 2019 budget. A key area of discussion was the Metro Housing and Redevelopment Agency's (HRA) housing choice voucher program budget.

The Council is facing HRA budget constraints in two areas. One is the rising costs of housing subsidy payments. The other is an administrative deficit due to changes in federal revenues that will not cover administrative costs. The Council currently assists 6,502 families with rental assistance.

Staff laid out options to address 2018 and 2019 (and ongoing) budget shortfalls. In 2018, the Council could use \$900,000 of HRA reserves to issue all housing vouchers. Or, the HRA could manage its budget by reducing vouchers through attrition. This means 200 low-income families would not be issued housing choice vouchers, thereby cutting the HRA's future voucher capacity since future appropriations are based on the prior year's spending.

In 2019 and beyond, the committee discussed the option of subsidizing the housing choice voucher program through a \$2 million subsidy from the Metropolitan Council's general levy. This would cover \$1.1 million for housing choice vouchers and \$0.9 million to cover program administration costs in 2019. This option would allow the Council to issue its current complement of vouchers without a permanent reduction. Or, the HRA could cut vouchers to 200 low-income families and reduce HRA FTEs.

The region's low vacancy rate and increasing rental rates contributed to the structural deficit. The Council reviews the market and sets rent limits annually, to match voucher levels with the current rental market. Due to the increase in fair market rents in the region, the average cost of a voucher increased from \$671 per month in 2016 to \$740 per month today, a nine percent increase over two years.

Council staff explained the HRA has recently applied for 200 new vouchers, which would contribute \$1.85 million in new federal revenue: \$1.7 million in pass throughs for vouchers and \$150,000 for administration.

Committee members expressed interest with using HRA reserves in 2018. Staff noted reserves are in place to cover such deficits. Members' concerns included addressing regional housing needs for low-income residents as well as concerns on budget implications and using the Council's regional levy to cover the 2019 deficit.

The committee did not act on the budget item and directed staff to begin conversations on regional strategies with other HRAs in the metro region. The full Council will adopt preliminary budget and levies on August 22, take public comment in the fall and adopt a final budget December 12.

Contact Charlie Vander Aarde at 651-215-4001 or [charlie@metrocitiesmn.org](mailto:charlie@metrocitiesmn.org) with any questions.

### **Metropolitan Council Requests Comments on Parks Policy Plan**

The Metropolitan Council released a [draft Regional Parks Policy Plan](#) and is seeking public review and comment. The draft is an update to the 2040 Regional Parks Policy Plan, created in 2015. Public comments are now being received and will be open through 5 p.m., Monday, September 24. Comments can be submitted via writing at:

*Metropolitan Council Public Information*  
390 North Robert Street  
St. Paul, MN 55101

Via email: Metropolitan Council Public Information at [public.info@metc.state.mn.us](mailto:public.info@metc.state.mn.us) and via voicemail messages on the Public Information Line at 651.602.1500 (TTY 651.291.0904). The draft plan update is available at [www.metrocouncil.org/parks/planning/parks-policy-plan.aspx](http://www.metrocouncil.org/parks/planning/parks-policy-plan.aspx).

The Metropolitan Council will hold **a public hearing** on the draft 2040 Regional Parks Policy Plan:

Monday, September 17, 2018  
4 p.m., Metropolitan Council Chambers, 390 North Robert Street, St. Paul, MN 55101

### **State Revenues Higher than Forecast**

The most recent economic update from the Department of MN Management and Budget (MMB) shows revenues are at \$348 million more than forecast in February. The net receipts for the end of FY 2018 are at \$22.03 billion. Receipts for individual income, corporate income and other taxes are showing higher than expected amounts.

The end of session budget balance is at \$288 million, a higher than typical end-of-session balance due to the lack of agreement between the Legislature and Governor on proposed spending items.

The next complete state budget forecast will be released in early December. To view the recent budget update, click [here](#).

### **First Policy Committee Meetings Held**

First meetings of Metro Cities' four policy committees were held this week, and committees were strongly attended. Each committee hosted a speaker: Patrick Schaffner from MnDOT for the Transportation & General Government Committee; Edward Cadman, LMC attorney, for Municipal

Revenues; Ned Smith from Metropolitan Council Environment Services for the Metropolitan Agencies Committee; and Kevin McKinnon from DEED for the Housing and Economic Development Committee.

Discussions by committees were wide ranging but also narrowed in on several topics including zoning and local authority, housing, speed limits, regional governance, water supply, state aids to local governments, and the recent Supreme Court ruling on internet sales.

Committees will hold second meetings the week of August 20th. If you are interested in participating, please contact Kimberly Ciarrocchi at [kimberly@metrocitiesmn.org](mailto:kimberly@metrocitiesmn.org).

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**Metro Cities 145 University Ave W., St. Paul, MN 55103-2044 Phone 651-215-4000 Fax 651-281-1299**  
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