

Metro Cities News

December 15, 2017

Metro Cities Seeks Interested Candidates for a Transportation Advisory Board (TAB) Seat

Metro Cities is seeking interested candidates for a January 2018 effective opening on the Transportation Advisory Board (TAB). Metro Cities has statutory appointing authority for making municipal appointments to the TAB. The TAB qualifies the region for federal transportation planning, operating and construction funds, and is an official participant in the 3C transportation planning process on issues that affect transportation planning and funding in the metro region.

Municipal appointees for the TAB must be elected officials. Metro Cities' guidelines place a priority on making the TAB balanced with respect to city size and geography. The Metro Cities Board also gives preference to those who agree to serve on Metro Cities Transportation Policy Committee. The board seeks candidates who will be committed to strong attendance at meetings.

The deadline for application is <u>Wednesday</u>, <u>January 8th</u>, <u>2018</u>. Interested candidates should complete this <u>questionnaire</u> and submit a letter of interest and resume to Kim Ciarrocchi at <u>kimberly@metrocitiesmn.org</u> or by mail to Metro Cities at 145 University Avenue, St. Paul, MN 55103.

Questions? Please contact Steven Huser at steven@metrocitiesmn.org.

Metropolitan Council Transportation Committee Approves Suburban Transit Policy Change

The Met Council Transportation Committee this week adopted a new funding allocation plan for suburban transit providers (STPs) as directed by new 2017 laws. Under the change, the allocation will be distributed in the form of block grants after any state and federal mandates have been funded. The allocation will be distributed as follows: MN Valley Transit Authority 70%, Southwest Transit 24%, Plymouth 4 %, and Maple Grove 2%. Suburban transit providers must report certain data to the Metropolitan Council. The new policy eliminates the current 3.15% budget growth policy, single reserve policy, 95% budgeting rule, 1% cap on other income, restriction on investments for operating costs and allows STPs to keep any savings generated from service changes or other efficiencies. For more information, click <a href="https://example.com/here-en/allocation-plansing-lick-en/allocation-plansing-en

Metropolitan Council Committee Accepts Wastewater Reuse Task Force Findings

The Metropolitan Council's Environment Committee reviewed and accepted a Wastewater Reuse Task Force report this week, and tabled an action to set a public hearing for comment on potential policy amendments to the Water Resource Policy Plan that are part of the report, subject to a review of the report by the Committee of the Whole.

The purpose of the task force was to review regional wastewater reuse policies and make any recommendations to addressing potential opportunities and regional/local partnerships on reuse. The Task Force met four times and was comprised of 12 members including city public works, wastewater utility and finance officials, as well as Metro Cities staff.

The Task Force examined the potential regional benefits of wastewater reuse and ways in which Metropolitan Council Environmental Services (MCES) might partner with local and regional water providers for reclaimed water services.

The task force found consensus on the need for a reuse program and that reuse capabilities should be developed and that MCES should work in cooperation and not competition with local water suppliers. The task force discussed the regional benefits of wastewater reuse and agreed that regional benefits are best evaluated on a case by case basis, with criteria that might include whether a project advances water sustainability, provides environmental benefit and fosters the regional economy by attracting a project that would otherwise not locate to the region without reclaimed water. It was recommended that MCES pursue non-Council sources of funding to provide reclaimed water services.

The Task Force did not reach consensus on regional cost sharing, through use of the municipal wastewater charge, for reuse purposes. The Task Force recommends that this issue should be decided by the Metropolitan Council and that any consideration of regional funding should begin with a pilot project that would include a cost share cap, public input and user agreement.

The Environment Committee tabled action to initiate a public hearing. A public hearing is necessary to make changes to the Water Resource Policy Plan. Some members expressed concern about whether use of the wastewater charge for a wastewater reuse program would be consistent with established uses of the charge. Members also discussed how regional benefit would be defined. The committee decided that these issues warranted further discussion by the Committee of the Whole prior to setting a public hearing.

Metro Cities policies support regional efforts to pursue wastewater reuse opportunities. Metro Cities policies also stipulate that fees collected for regional services or programs must be used for the services or programs for which they are collected, and we will monitor closely any proposals that would propose to modify the use of regional fees or structures to ensure consistency with this policy. Metro Cities staff participated on the task force, and supported the consensus findings of the report.

To view the Wastewater Reuse Task Force Report, click here.

To view a Power Point presentation on the report, click here.

To view the proposed amendments to the Water Resource Policy Plan, click here.

Questions? Please contact Steve Huser at steven@metrocitiesmn.org or 651-215-4003.

Metropolitan Council 2018 Operating and Capital Budget; Transit Funding Deficit

At their meeting Wednesday, the Metropolitan Council adopted a 2018 Unified Budget that includes funding for operating and capital programs. The Metropolitan Council has proposed an operating budget of \$1.06 billion, with \$749 million for all Council operations, \$176 million for debt service, \$122 million for pass-through programs, and \$13 million for post-employment benefits related to a now phased-out retirement healthcare benefit.

The Met Council has \$1.4 billion in outstanding General Obligation Debt, with wastewater accounting for \$1.252 billion, transit for \$188 million and parks for \$1 million. Council staff reported that the proposed 2018 payable property tax levy is \$85.3 million, a 2% increase over 2017.

At a Legislative Commission on Metro Governance hearing this week, Metropolitan Council staff discussed an increase in the FY 2020-21 transit operating deficit projected in the November budget forecast, over the February 2017 budget forecast. The deficit projected in February for FY 2020-21 was \$107 million. The deficit is now forecast for \$162 million. Motor Vehicle Sales (MVST) receipts are \$75 million lower than anticipated, and state funding allocated in 2017 did not extend funding for the next biennium. Council staff noted that the Council's 2018 budget includes using \$39 million of the \$72 million in funding provided in 2017 to reduce the deficit in the next biennium and noted that the Council recently raised transit fares, and has delayed some staff

hiring, to address the deficit.

Metropolitan Council staff informed legislators of the need for additional state funding. Some legislators expressed reluctance to commit new funding and asked if the Council is budgeting to account for projected state funding levels. Council staff noted that it was their understanding that the 2017 budget agreement was part of a preservation budget, and did not necessarily represent future funding levels.

To view the Met Council staff presentation, click here. To view the budget resolution, click here.

Questions? Please contact Steve Huser at steven@metrocitiesmn.org or 651-215-4003.

Livable Communities TOD and Affordable Housing Grant Recipients Announced

The Metropolitan Council has approved Transit Oriented Development (TOD) and affordable housing grants for several communities in the metro region.

The Council granted \$4.55 million in Livable Communities awards to TOD projects along transit corridors in Eden Prairie, Minneapolis, St. Louis Park and St. Paul. The awards will fund affordable housing units, new jobs, and increase net tax capacity. The TOD funds were oversubscribed and funding recommendations were made based on available funds and the \$2 million per city limit.

The Council also <u>awarded \$2.4 million</u> for six multifamily and four single family Local Housing Incentives Account (LHIA) grants. Projects in Minneapolis, Minnetonka, Mounds View, St. Paul, Waconia and Western Hennepin County were awarded. The LHIA awards are selected from new and/or rehabilitated affordable housing projects which apply through the Consolidated RFP. This process is done in partnership with the Minnesota Housing Finance Agency, DEED and the Greater Minnesota Housing Fund. Awards will help fund 307 new affordable housing units and preserve 30 existing units. According to the Metropolitan Council, LHIA awards will help leverage over \$32 million in private investments and almost \$41 million in other public investments to provide safe, affordable housing to low income residents in the metro area.

Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

DEED Announces Broadband Grant Recipients, Including Metro Awards

DEED has released its list of broadband expansion project <u>award recipients</u>, including two projects in the metro region. The awards were funded by a \$20 million appropriation made during the 2017 legislative session and carryover funds from previous appropriations. Two metro projects were among the 39 projects awarded a total of \$26 million. A project in Medina will receive a grant of \$62,000 and a project in rural Scott County will receive a grant of \$192,000. Both projects have local matching funds higher than the grant awards. Click here for a <u>map of the awards</u>. Metro Cities policies support metro eligibility for state broadband awards.

Metro Cities News is emailed periodically to all Metro Cities member mayors, councilmembers, city managers and administrators to keep officials abreast of important metro city issues. This information is also intended to be shared with city staff.

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