

Governor Walz Proposes \$276 Million for Housing in 2020

Governor Walz on Thursday released his recommendation for affordable housing funding including funding to support affordable housing construction, preservation and rehabilitation. The Governor announced his proposed housing budget as one part of his bonding package rollout this month. Metro Cities will review these and other recommendations as they are released.

\$200 million would be used to fund Housing Infrastructure Bonds (HIB), appropriation bonds that fund privately built and owned residential buildings and houses. HIB funds support new construction and renovation of existing affordable homes across the state as well as shelter for people experiencing homelessness. The funds are awarded through a competitive process administered by Minnesota Housing.

\$60 million would be borrowed through general obligation bonds to support publicly owned housing units and buildings. Funds would be awarded on a competitive basis to local public housing authorities across the state. A focus on veterans' affordable housing would be funded by \$15 million under the Governor's recommendation. These funds would support renovations and security upgrades to state veterans' homes administered by the Minnesota Department of Veterans Affairs.

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

Governor Walz Releases Water Infrastructure Proposal

Governor Walz on Friday announced the second component of his bonding recommendations, for water infrastructure, with a focus on water quality and updating state water infrastructure. The proposal includes a total of \$300 million to replace aging infrastructure and upgrade water treatment facilities. \$293 million would be funded with general obligation bonds.

The Governor's proposal includes \$5 million to the Metropolitan Council for grants to cities for inflow and infiltration (I and I) improvements on local and regional wastewater systems. Metro Cities supports funding for I/I and has initiated a \$9.5 million legislative request.

Governor Walz' proposal also includes \$25 million to match an estimated \$125 million in federal water infrastructure grants and to increase lending capacity in Clean Water and Drinking Water Revolving Funds. The Water Infrastructure Funding Program, which provides grants to communities to build clean water and drinking water projects, would receive \$100 million under this proposal. The Point Source Implementation Grants Program would receive \$75 million. The MPCA would receive \$15 million for grants to municipalities to build sustainable and resilient stormwater infrastructure and \$2 million for support to communities, including cities, for removal of sediment from stormwater ponds contaminated by polycyclic aromatic hydrocarbon (PAH).

Metro Cities will provide more information as it becomes available. Questions? Contact Steven Huser at 651-215-4003, or steven@metrocitiesmn.org.

Metropolitan Council Reviews Status of Comp Plan Updates and Trends

Metropolitan Council staff provided an update on 2040 comprehensive plan submittals at the January 6 Community Development Committee (CDC) meeting.

Of the 168 expected plans from local government units from across the seven-county metropolitan region, 151 updates have been submitted and 76 plan updates have been authorized by the Metropolitan Council, with remaining plans still in process.

Staff highlighted several specific plan components. 68 plans included economic development or economic competitiveness elements in their updates. This was an optional component for cities and counties to include, and the Metropolitan Council provided resources and tools for governments that wished to include them. Climate and energy and resiliency components were included in dozens of plans according to Council staff. 141 updates included some sort of resilience component. 75 plan updates included equity terms, goals, principles and/or policies.

Council staff will continue to review trends in the content of comp plan updates as final reviews are completed. Metro Cities will continue to monitor these trends and provide updates in future newsletters.

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

Housing Goals for Livable Communities Programs

Recently, Metro Cities, along with staff from several metropolitan cities and housing stakeholders, participated in two advisory committee meetings convened by Metropolitan Council Livable Communities Act Program (LCA) staff to discuss affordable and lifecycle housing goals for cities seeking to participate in the LCA programs. By state law, cities and the Council must negotiate such goals in order for cities to be eligible to qualify for LCA funding. The discussion in the two meetings covered the existing method for determining housing goals, as well as factors that should influence the determination of housing goals. The meetings did not produce a formal recommendation and Metro Cities' understanding is that Council staff will seek additional feedback, including feedback from city officials.

The existing method for determining housing goals for LCA programs uses as a starting point the affordable housing 'need' numbers allocated decennially to cities and is adjusted to reflect available resources for housing, determined in 2010 to be 65% in available resources to meet the need. The method uses a range rather than a single goal number. In the meetings, Council staff provided estimates showing resources are projected to be at 44% of need.

Metro Cities supported the existing method in that it allows for consistency between identified housing needs while considering the limitations of existing resources. The LCA programs provide modest but critical funding for cities in the region to meet affordable housing as well as other goals such as redevelopment, blight removal and soil remediation.

There was discussion on having the housing 'need' numbers serve as housing goals with no adjustment to reflect resource availability. These numbers differ in their purpose and definition, and Metro Cities is concerned that equating them could reduce flexibility for cities to qualify for LCA participation.

Metro Cities' policies support the LCA programs, with policies emphasizing the importance of sufficient flexibility in program criteria and requirements to ensure that all participating cities can reasonably qualify for participation in the LCA programs.

Metro Cities will seek input from city officials over the coming weeks. If you have any thoughts or feedback at this time, please contact Patricia Nauman at 651-215-4002 or patricia@metrocitiesmn.org.

EVENT: Regional Solicitation Workshops

The Metropolitan Council will host two workshop meetings (see below) to introduce prospective applicants to the 2020 Regional Solicitation for transportation projects. Approximately \$180 million in federal transportation funds are expected to be available for allocation in 2024-2025.

The application period for the Regional Solicitation is expected to be open in February, with all applications required to be submitted no later than April 16, 2020. After projects are scored and ranked, the schedule calls for the Transportation Advisory Board (TAB) to select projects for funding late in 2020. To learn more about the Regional Solicitation, click [here](#), or attend the upcoming workshops detailed below.

Workshop Times and Locations

Tuesday, January 28, 2:30 - 4:00 pm
Metropolitan Council, Lower Level A
390 Robert Street North, St. Paul, MN 55101

Friday, January 31, 9:30 - 11:00 am
Metro Cities, St. Croix Room
145 University Avenue West, St. Paul, MN 55103

Application Categories

The majority of the federal funding to be awarded through the Regional Solicitation is for projects in 2024 and 2025. Projects will be selected for the following 11 application categories:

1. Traffic Management Technologies (Roadway System Management)
2. Spot Mobility and Safety (new category for 2020 Regional Solicitation)
3. Strategic Capacity (Roadway Expansion)
4. Roadway Reconstruction/Modernization
5. Bridge Rehabilitation/Replacement
6. Transit Expansion
7. Transit Modernization
8. Travel Demand Management (2022 and 2023 funds)
9. Multiuse Trails and Bicycle Facilities
10. Pedestrian Facilities
11. Safe Routes to School

Questions about the Regional Solicitation can be directed to TAB Coordinator Elaine Koutsoukos at 651-602-1717 or elaine.koutsoukos@metc.state.mn.us.

Metro Cities Internship

Metro Cities is excited to announce that Michael Lund will join Metro Cities on January 21 as the organization's 2020 Legislative Intern. Mike is completing his Master's in Public Policy at the Humphrey School of Public Affairs at the University of Minnesota and has a Bachelor of Arts in Political Science and Government from the University of Minnesota. Mike has a strong research

background as he has recently worked as a Library Assistant in Access and Information Services at the University library system.

Mike will assist Metro Cities staff with its 2020 legislative work, taking on roles such as monitoring bills, writing newsletter articles, and researching legislative and policy issues. We look forward to welcoming him to the team and invite you to welcome and visit with him if you see him around the Capitol or at Metro Cities events.

Metro Cities News is emailed periodically to Metro Cities member mayors, councilmembers, city managers/administrators, and city staff to keep officials and staff abreast of important metro city issues.

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