



Funding Announced for Housing Assistance: Applications Due July 22

Governor Walz this week announced \$100 million in housing assistance for Minnesotans facing housing hardship due to COVID-19. The assistance comes from the Coronavirus Relief Fund allocated to the state through the federal CARES Act.

Cities are eligible entities to administer the program, as are FHPAP grantees, federally recognized tribes, other local units of government, and nonprofit/community-based organizations with the ability to administer rental or mortgage assistance. Minnesota Housing is currently accepting applications from entities interested in serving as administrators for the 2020 COVID-19 Housing Assistance Program (CHAP).

Grants will be made to entities that will use the funds to provide housing assistance to prevent homelessness and help maintain housing stability of individuals and families impacted by the public health-related emergency.

Applications are due by 2:00 p.m. on Wednesday, July 22, 2020. The state aims to have housing assistance available in August.

Application Materials

[Request for Proposals Instructions](#)

[Administrator Application](#) (for reference only)

[Administrator Applications must be completed via this link](#)

For more information, application materials and updates on this RFP, visit www.mnhousing.gov or contact [Diane Elias](#) at Minnesota Housing.

Updated Eviction, Foreclosure Executive Orders

Governor Walz issued [Executive Order 20-79](#) on July 14. The Executive Order modifies the eviction protections to allow evictions in additional limited circumstances. It also requires landlords to give residential tenants a seven-day notice of intent to file an eviction to help mitigate the impact upon residential tenants and encourage resolutions without court involvement.

Evictions will be allowed under the following circumstances, where the tenant: seriously endangers the safety of other residents; violates the [unlawful activities covenant in statute](#); remains in the property past the vacate date after receiving a notice to vacate or nonrenewal under paragraph 4 of the Executive Order; or materially violates a residential lease by seriously endangering the safety of others; or significantly damages property.

The Order also requests financial institutions holding home mortgages to implement an immediate moratorium on all pending and future foreclosures when the foreclosure arises out of a substantial decrease in income or substantial out of pocket medical expenses caused by the COVID-19 pandemic, or any local, state, or federal governmental response to COVID-19. Financial

institutions are also strongly urged not to impose late fees or other penalties for late mortgage payments related to the COVID-19 pandemic.

House Committee Considers Flexibility for Jobs and Economic Development Programs

The House Jobs committee heard a bill on July 17 that would provide job and investment extensions to businesses previously awarded Minnesota Investment Fund and Job Creation Fund assistance. [HF 28](#) – Mahoney would provide exceptions to the MN Investment Fund (MIF) and Job Creation Fund (JCF) economic development grant programs during a peacetime emergency.

Metro Cities provided a letter in support of the flexibility. The bill allows the DEED Commissioner to give businesses an extra year to meet the requirements.

Currently DEED can administratively spend up to \$1 million for the MIF and JCF programs. This legislation would raise it to \$2 million for one year after the peacetime emergency. The agency explained this will give more flexibility for DEED to attract and retain businesses. HF 28 was unanimously passed out of the House Jobs committee and referred to the General Register. The Senate companion bill, [SF 18](#) – Pratt, has not been scheduled for a hearing. Contact Charlie Vander Aarde at 651-366-7564 or charlie@metrocitiesmn.org with any questions.

Draft Regional Economic Framework Released – Comments Sought

The Metropolitan Council, Greater MSP and Center for Economic Inclusion have released a [draft Regional Economic Framework](#). The REF is a required attachment for applications to access Economic Development Administration (EDA) funds administered through the U.S. Department of Commerce as part of the larger CARES Act.

The draft includes nine strategic priorities, as outlined in the [July 2 Metro Cities News](#). All metropolitan cities are eligible applicants. Several project examples were named by the three partners, including: capitalization of revolving loan fund; technical assistance and financial services for underserved entrepreneurs, minority and women owned businesses within distressed and qualified opportunity zones; facilities to support workforce development; and public works projects that improve economic resiliency. Projects that can demonstrate impact on areas located in distressed census tracts or Opportunity Zones (or both) will get extra points by EDA.

Five Things To Know About the Federal EDA CARES Act Funding Opportunity:

<https://www.greatersp.org/blog/2020/06/25/main/5-things-to-know-about-the-federal-eda-cares-act-funding-opportunity/>

The Metropolitan Council reviewed the draft framework on July 15, focusing on the region's strengths, weaknesses, opportunities and threats. That presentation can be [found here](#). Comments are due by July 30. Send any comments or feedback to Michael.Larson@metc.state.mn.us. The Met Council is scheduled to vote on the framework's adoption August 12. Please contact Charlie Vander Aarde at 651-366-7564 or charlie@metrocitiesmn.org with any questions.

Metropolitan Council Transportation Committee Approves CARES Act Funding

The Metropolitan Council Transportation Committee this week approved an amendment to the Council's operating and capital budget. The amendment acknowledges receipt of \$226 million

from the federal CARES Act. The amendment notes \$106 million in losses due to COVID-19 and allocates federal CARES Act funding to make up for these losses in 2020.

The Council can balance its transportation budget for 2020/21 with reserves and CARES Act funding but is facing a fiscal cliff in 2022. Council staff informed the committee that an estimate of this deficit is hard to specify because the current Motor Vehicle Sales Tax (MVST) forecast goes through June of 2021 and currently projects a 17% loss. MVST is currently \$39.3 million under projections for the current year. Transit fare receipts for 2021 are also difficult to estimate. Transit fares are currently down 64% across all modes. Staff gave a rough estimate that the deficit will likely be more than \$125 million for Metro Transit only. Metro Mobility is also facing a fiscal cliff that has not been fully estimated yet.

The budget amendment approves \$12 million to suburban transit providers. Council staff said that they have been working with providers on the grants. These grants require no local match and are valid until expended. Distributions were based on a federal formula established practices. The full Council is expected to consider this amendment at its next meeting. To view the business item, click [here](#). To view the staff presentation, click [here](#).

The Transportation Committee also approved a business item to purchase Metro Transit Police body cameras for \$2 million. 220 body cameras will be purchased and will provide coverage for all officers in the transit police force.

Metropolitan Council Environment Committee Adopts Wastewater Rates

The Metropolitan Council Environmental Services (MCES) adopted the 2021 rate charges. The proposed municipal wastewater charge (MWC) is to increase 2% for 2021, and the Sewer Availability Charge (SAC) is proposed to remain flat for 2021-22. The total operating budget of MCES is \$323 million, with \$240 million coming from the MWC. The Met Council will consider rate setting at their July 22nd meeting. Metro Cities will post the webinar slides once they are available. Charge estimates were sent to cities in May. MCES staff reported that rate setting Webinars were very well attended.

To view the committee business item, click [here](#). To view the staff presentation to the committee, click [here](#).

Senate Joint Committee on Civil Unrest

The Senate Judiciary and Public Safety and Transportation Committees held its final joint committee meeting on civil unrest this week. On Wednesday the committees heard from testifiers related to highway closures and the local law enforcement response to the unrest. The committees heard from Col. Matt Langer from the MN State Patrol and Transportation Commissioner Margaret Anderson Kelliher on the decision to close some highways related to the civil unrest. Chair Newman expressed his concern that closures can lead to disruption of emergency response and free movement of people not involved in the unrest. Commissioner Anderson Kelliher explained that the decision to close some highways was based on ensuring safety of travelers on the highway. The department worked with DPS and the State Patrol when making these decisions. Col. Langer reminded the committee that it is illegal to walk on a freeway and explained the challenges that the State Patrol faces in enforcing the law based on how many people are engaged in protesting on the freeway.

Members also heard from Minneapolis police officers who provided testimony on their experiences during the unrest. The officers spoke to concerns about directives from city leaders, and instructions to not use their full riot gear. Officers spoke to questions about police response in certain areas of the city, and their concerns about police safety. Officers also testified about the directives on the Third Precinct and resulting looting and burning. All testifiers agreed that more dialogue was needed for the city to move forward.

Ways and Means Committee Meets to Discuss Bonding, Public Safety, and other Spending Bills

On Tuesday the Ways and Means committee took up a capital investment and other bills and sent bills to the general register. The first bill they took up was [HF14-Carlson](#), which includes around \$58 million in spending from Governor Walz's supplemental budget. Chair Carlson told members that this bill was still a work in progress and that adjustments will likely be made when it is taken up on the House floor. Click [HERE](#) for a summary of HF14, as amended. HF14 passed 25-1.

The committee also considered the latest bonding proposal. [HF3-Murphy](#), as amended, reflects the most recent round of negotiations between the House and Senate. Rep. Murphy told the committee that negotiations have been ongoing since the end of the regular session in May. The latest proposal by Senate Capital Investment Chair Senjem, worth \$1.275 billion in general obligation bonds, was used as a starting point. Additional items were then added based on agreement from all four caucus leaders. The bill now includes a net general obligation bond impact of \$1.35 billion. Click [HERE](#) for a spreadsheet describing each of the bonding projects included in the latest bonding package. Click [HERE](#) for the latest bill language as of Tuesday's committee.

The bonding package also includes several tax provisions. One provision moves Minnesota toward full conformity on Section 179 which has to do with business expensing. The student loan credit is now refundable. Short-term rentals have been moved to a 4b classification and some changes have been made to the property tax exemption for disabled veterans (and their surviving spouses). Click [HERE](#) for a spreadsheet on the tax portions of this bill. It remains to be seen whether the proposal will generate the required three fifths majority in either chamber. HF3, as amended, passed out of the committee with a vote of 18-10.

The last major piece of legislation heard in Tuesday's hearing was [HF1-Mariani](#). This is the package of police reform provisions heard during the last special session. It includes the same language that was acted on last month. Like the other bills heard on Tuesday, the goal was to move the bill out of the committee while further adjustments are made based on the continuing negotiations. HF1 passed 17-11.

Other bills heard during Tuesday's Ways and Means committee include:

- [HF35-Liebling](#), which uses \$5 million from the Coronavirus Relief Fund to help dental offices cover the cost of their PPE. Passed 28-0.
- [HF34-Liebling](#), which extends the modifications made as a result of the peacetime emergency related to economic assistance program applications. Passed 27-1.
- [HF33-Cantrell](#), deals with disability service providers retention grants. Passed 27-1.

Metro Cities staff will keep you updated as these bills move further through the process. Follow the Metro Cities [Newsletter](#) and [Twitter](#) for the latest changes to these bills.

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