

Metro Cities News

August 14, 2020

August Policy Committees Meet Next Week

Metro Cities' four policy committees will meet next week, beginning Monday. With the exception of the Housing and Economic Development Committee, which meets in the afternoon, all meetings begin at 9:00 am. All committees will host speakers. Please see www.metrocitiesmn.org for additional information on the policy committees.

The committee speaker line-up is as follows: Luther Wynder, Executive Director, MN Valley Transit Authority (Transportation and General Government), Eric Nauman, Lead Fiscal Analyst, MN State Senate (Municipal Revenues), Tara Beard, Livable Communities Program Manager, Metropolitan Council (Metropolitan Agencies), Senator Richard Draheim and Representative Peter Fischer (Housing and Economic Development). Presentations will respectively cover suburban transit authority operations, state budget reserve and laws on un-allotment, Metropolitan Council LCA grant programs and housing work group, and housing/builders' related bills.

If you have not yet signed up but would like to join a committee, please contact Jennifer Dorn at jennifer@metrocitiesmn.org

State Revenues See Uptick in July

The state's July revenue review, issued this week by MN Management and Budget, shows that net general fund revenues for the month were \$178 million, or 15.4 percent, above what was forecast. The revenue review states that receipts from all major tax types exceeded projections. July marks the first month of the 2021 fiscal year. MMB notes that the review is subject to revision and variances should be treated with caution. See HERE for the memo.

The next complete state budget and revenue forecast will be released in early December. Questions? Contact Patricia Nauman at patricia@metrocitiesmn.org

One-Day Special Session

The Legislature held a one-day special session, its third this year, on Wednesday, August 12th. A session was required to allow the Legislature an opportunity to weigh in on the Governor's emergency authority order, following an extension of the order. The House voted to continue the state emergency order while the Senate voted to eliminate it. The Legislature did not consider a capital investment bill. A recent state bond sale requires a 'blackout' period that temporarily precludes enactment of budget related bills. (See Metro Cities' August 7 newsletter for more information on this requirement).

In addition to separate actions on the emergency order, the House and Senate passed two bills. HF 1 Cantrell/SF 1 Abeler appropriates over \$30 million to disability service providers. The bill appropriates \$20 million for grants to providers to pay employees and maintain safety standards and \$10 million for public health grants to help providers with resources to reopen safely. The bill awaits Governor Walz' signature.

The Legislature also passed legislation to modify several dates in the public safety reform legislation that passed in July. HF 2 Mariani/SF 2 Limmer moves the date of the first meeting of the Ensuring Police Excellence and Improving Community Relations Advisory Council from September 1st to October 15th, 2020. The bill also mends the deadline by which a police chief

must submit certain data to the POST Board from January 15th to July 1st, 2021. The legislation also makes changes to deadlines related to in-service and preservice trainings. The bill awaits the Governor's signature.

The Senate voted to refuse to confirm the appointment of Department of Labor and Industry (DOLI) Commissioner Nancy Leppink. Senate members in the majority cited the commissioner's regulatory actions related to COVID-19 and other issues as reasons for refusing to confirm the appointment. Members of the Senate minority expressed opposition and provided examples of support for the commissioner from labor and business groups. The motion to consent failed on a 34-32 vote.

Two bills of interest to Metro Cities were introduced on Wednesday:

<u>HF 8-Marquart:</u> allowing local governments to distribute coronavirus relief funds to individuals, private businesses, and non-profit businesses. The bill was referred to the Committee on Ways and Means.

<u>HF 13</u>-Elkins: increases the amount transferred to the Livable Communities tax base revitalization account (TBRA) from \$5,000,000 to \$10,000,000. The funding for the TBRA is financed through a distribution from the fiscal disparities pool. The bill was referred to the Property and Local Tax Division.

Metro Cities will provide further information on the bills as they are considered.

Legislative Commission on Metropolitan Government Discusses Housing and Equity

The Legislative Commission on Metropolitan Government met remotely August 13 to review the Metropolitan Council's roles in housing and homelessness as well as the work of the Council's Equity Advisory Committee.

Council staff presented an overview of the Council's housing work and housing planning in several different areas – Metro HRA, the Livable Communities Program, the Housing Policy Plan and 2040 comprehensive plan updates, and the Council's activities working with people experiencing homelessness. The Council's presentation can be <u>found here</u>.

Metropolitan Council staff will also present on several areas of the Council's housing work during Metro Cities' Metropolitan Agencies policy committee meeting August 19, including potential changes to the Livable Communities Program and a new Council work group.

The committee's discussion included questions from legislators on how the Council establishes and amends the Metropolitan Urban Service Area (MUSA) which is the areas served by the regional wastewater system. Legislators argued the availability of land in the MUSA is linked to regional infrastructure costs as well as land costs for single family residential development. There was also interest from legislators on future discussion of the tax levy which is a funding source for the Livable Communities programs that participating cities apply for.

Council staff explained the work of the Equity Advisory Committee (EAC), which was established in 2015. The EAC advise the Metropolitan Council in its work to advance equity in the metropolitan region and meet the Council's equity commitments in Thrive MSP 2040. The EAC's 2020 workplan includes four focus areas: accessibility, affordable housing, public transit, and Council operations. That presentation can be <u>found here</u>.

The next meeting of the Legislative Commission will likely take place in December, when it will review the proposed 2021 Council budget.

Contact Charlie Vander Aarde at charlie@metrocitiesmn.org with any questions.

Metropolitan Council Adopts Regional Economic Framework

The Metropolitan Council reviewed the <u>final version of the Regional Economic Framework</u> on August 12 and voted to adopt the document. The REF will serve as a required companion document to cities and other entities submitting applications to the federal EDA in the Department of Commerce for CARES Act funds. The Met Council was joined by the Center for Economic Inclusion and Greater MSP in drafting the document.

Metro Cities and several cities submitted <u>public comments</u> on the draft REF. Metro Cities' comments highlighted support for all cities being eligible for the funding due to the pandemic impacting the health, economy and housing of residents and businesses across the metropolitan region. In addition to federal funds distributed by the state, this federal funding through the EDA can assist cities to meet their needs for economic vitality and resiliency as a result of COVID-19. Metro Cities and others also highlighted the importance of redevelopment as a key component of economic development.

Metro Cities also urged the Metropolitan Council to acknowledge the Regional Economic Framework was developed for this specific federal funding and any other uses should only be considered after consultation with regional partners, including Metro Cities.

Council staff explained several of the changes made following public comment. These included clarifying roles played by cities and counties in economic development, reflecting comments from Metro Cities and others, as well as committing to ongoing public engagement. An emphasis of the REF is addressing racial disparities and the revised document includes new language responding to comments from Black, Indigenous, People of Color (BIPOC) organizations calling for systemic change. The document also highlights the Council's work on bias and addressing racism. There is also new references and language on BIPOC employees and entrepreneurs.

The Council also voted to direct staff to engage the Equity Advisory Committee on an ongoing basis with regard to implementation of, and future revisions or amendments to, the REF as well as use the framework to guide technical assistance to local governments and other entities throughout the region. Staff from each of the partner organizations will prepare joint quarterly reports on the implementation of the nine strategic priorities identified in the framework, including the use of EDA funds awarded to entities in the region.

Contact Charlie Vander Aarde at charlie@metrocitiesmn.org with any questions.

DEED Broadband Grant Application Process Open – First Step Due August 19

DEED's Office of Broadband Development (OBD) reminds all potential broadband grant applicants for this year's 2020 grant round that – prior to submitting a broadband grant application – every applicant must contact all existing wireline broadband providers in the proposed project area. This pre-application outreach requires each applicant to include a description of the proposed project and a map of the project area with the written outreach.

Under current law, this must be completed no later than six weeks prior to the grant application deadline of September 30, 2020. That makes the last allowable date for written (email) outreach to all existing providers in the project area to be August 19, 2020.

Detailed information regarding suggested format and informational details for this mandatory outreach is included in the 2020 Grant Instructions and Application at pages 27 – 30 and <u>located on DEED's website</u>.

For a more detailed overview of the Border to-Border Broadband Grant process, potential applicants can view a recorded webinar - 2020 Border to Border Broadband Grant Overview.
For questions regarding this required pre-application outreach or other grant submittal questions, please contact OBD Staff at 651-259-7610 or deed.broadband@state.mn.us .
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