

## **Fourth Special Session of 2020 Begins Friday**

This week, Governor Walz called the Legislature to a special session that begins Friday, September 11, 2020 at 12 noon. The Governor is required to call legislators into session if there is an extension of emergency orders beyond 30 days. Leaders in the House majority on Friday morning announced that they are working on a schedule for the negotiation of a capital investment bill. Metro Cities will provide updates on session activity Friday and through the weekend via twitter, @MetroCitiesMN.

Please read carefully below for information and reminders, including updated Federal guidance and FAQs, pertaining to the Federal CARES Act Coronavirus Relief (CRF) funds distributed to local governments.

## **Updates: CRF Requirements and Guidance**

August spending reports for local governments receiving Coronavirus Relief Fund (CRF) funding were due on September 10<sup>th</sup>. MMB has updated the report form for local governments to include additional categories that local governments will need to use for expenses. The updated report form and a new MMB FAQ document can be found here: [Local Governments / COVID-19 Response Accountability Office](#).

MMB has also recently authorized two exceptions related to the November 15, 2020 deadline for cities to spend their CRF distribution. The two exceptions to this rule will allow for CRF eligible payroll expenses incurred through November 15 to be allowed even if not paid until after November 15, and eligible items ordered for delivery prior to November 15 that have not been received due to supply chain disruptions are allowed even if not paid until after November 15. Metro Cities is working with other local government organizations to support additional flexibility for cities with the November 15, 2020 deadline, and will provide any updates and additional information.

The US Treasury also recently updated its [federal guidance](#) and [FAQ](#) documents for the CRF. Relevant updates begin on page five (5) and include payroll and benefits for public employees, hazard pay, administrative costs, and compliance costs. The FAQ includes new questions on hazard pay, school reopening costs, upgrades to infrastructure and expenses in a new budget year and are covered in questions 38, 53, 54, 55 and 56.

## **State August Revenues Tick Upward**

The state office of MMB issued its August revenue review this week. The review shows that net general fund revenues totaled \$1.571 billion in August, \$202 million, or 14.8%, higher than projected in the interim budget forecast released in May. Individual income, sales and corporate tax revenues were higher than anticipated, and other revenues were lower than projected by the forecast. For FY2021, revenues are \$380 million, or 15.1 percent, more than forecast. As with all monthly revenue reviews, MMB cautions that results are preliminary and subject to revision. The next complete forecast will be released in early December.

## Metropolitan Council Committee Approves 2021 Public Housing Plan

The Community Development Committee reviewed and approved the Metropolitan Council's Metro HRA 2021 [Public Housing Agency Plan](#) on September 8. The plan is an annual HUD requirement. It was formulated following input from a resident advisory board, the Council's internal housing work group which is made up of four Councilmembers, and the CDC.

The plan includes [several changes](#), including a Homework Starts with Home (HSWH) grant from Minnesota Housing. The state program supports an 18-month, temporary rent subsidy to provide housing stability for mobile students and families and those experiencing homelessness or at imminent risk of homelessness. The Metro HRA program change would provide a preference for HSWH families to transfer to the Housing Choice Voucher program after the 18-month HSWH period. The Council aims to support 20 vouchers for this program if state funding continues.

The committee also made revisions to its project-based housing choice voucher award criteria. These changes include project readiness, improved preservation of existing units in areas of concentrated poverty and increased affordable housing choice areas of affluence. The highest available points are for housing integrated with resident services for specialized populations including people with disabilities, veterans and people experiencing homelessness.

The full Metropolitan Council is scheduled to vote on the plan September 23.

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**Metro Cities (Association of Metropolitan Municipalities)**  
145 University Ave W, St. Paul, MN 55103-2044  
Phone 651-215-4000 · Fax 651-281-1299 · [www.MetroCitiesMN.org](http://www.MetroCitiesMN.org)