

Metro Cities News

October 16, 2020

Metro Cities 2021 Draft Legislative Policies

Metro Cities' Draft 2021 Legislative Policies are now online for review, click here. The draft policies were recommended by Metro Cities' four policy committees and were approved by the Metro Cities Board of Directors at their October meeting.

The policies will be adopted by Metro Cities' membership on Thursday, November 19, 2020 at 4:00 pm. Please be sure to mark your calendar and plan to attend the policy adoption meeting! This meeting will be conducted remotely, details to follow soon.

Each member city has one vote, with one additional vote for each 50,000 population above the initial 50,000. Adopted legislative will serve as the framework for Metro Cities' work at the Legislature and Metropolitan Council in 2021. Detailed policy adoption protocols will be emailed to city managers and administrators.

We hope to see you at the meeting! Comments or questions on proposed policies can be directed to jennifer@metrocitiesmn.org or 651-215-4000.

Legislature Passes Capital Investment Bill

This week, the House and Senate passed an omnibus capital investment, budget and tax bill, <u>House File 1</u>, with capital investment provisions totaling \$1.88 billion, including \$1.377 in general obligation bonding, the largest single general obligation authorization in Minnesota's history.

The bill passed during the Legislature's fifth special session of 2020, following months of speculation on whether an omnibus capital appropriations bill would come to fruition this year, and several weeks of behind-the-scenes negotiations. The bill generated votes in both bodies beyond the three fifths required to pass a capital investment bill. The bill passed the House 100-34 (81 votes are required). The bill in the House generated votes by 25 Republican House members and all 75 DFL House members. The bill passed the Senate 64-3 (41 votes are required) with all 32 DFL Senate members voting for the bill, as well as 32 Republican Senate members. Both bodies have now adjourned sine die.

There are several provisions in the bill of interest to and supported by Metro Cities, including \$5 million in inflow-infiltration grants to metropolitan cities, an initiative of Metro Cities.

The bill also includes grants for local project grants in the areas of public safety, trails, roads, airports, point source and economic development, including funding to the metropolitan cities of Crystal, Edina, Maple Grove, Minneapolis, Saint Paul, White Bear Lake, Rogers, Shakopee, Wayzata, Golden Valley, Richfield, Oak Park Heights, Champlin, Roseville, Arden Hills, West Saint Paul, Spring Park, West St Paul, South St Paul and Mendota.

Click <u>HERE</u>, <u>HERE</u> and <u>HERE</u> for tracking spreadsheets on the capital investment, taxes and supplemental provisions and <u>HERE</u> for a summary of the bill.

Provisions of HF 1 of interest to Metro Cities include:

\$5 million for inflow-infiltration grants to eligible metropolitan cities. This is an initiative of Metro Cities that will assist cities experiencing excess inflow-infiltration on local public sewer infrastructure.

\$300 million in Trunk Highway Bonds for state road construction projects, and \$324 million for other state transportation projects and programs. This includes \$70 million for the Local Roads Improvement Program and \$82 million for the Local Bridge Program. \$52 million of the Local Bridge funding is for the Kellogg Avenue bridge in St. Paul. A total of \$23 million will be allocated to the Roads Wetland Replacement program. The Metropolitan Council will receive \$55 million for two arterial bus rapid transit projects, the B and D Lines.

\$100 million in Housing Infrastructure Bonds for construction and rehabilitation of multi-family housing. The bill also includes language to allow for the use of these bonds to finance certain acquisition, new construction and rehabilitation projects for single family homes.

\$16 million in general obligation bonds for housing for preservation and rehabilitation of public housing.

\$147.5 million for local projects through the Department of Employment and Economic Development

\$269 million for water infrastructure through the Public Facilities Authority (PFA). Of this amount, \$25 million will go to the State Revolving Loan Program, and \$55 million for the Water Infrastructure Funding Program for grants to eligible cities for wastewater and drinking water projects.

Funding to address emerald ash borer (EAB) infestation. \$1 million is appropriated to the DNR for the Shade Tree Program for grants to local governments, including cities, for removal and planting of shade trees. Priority will be given to requests in areas with active EAB infestation.

\$13 million for business development infrastructure costs through the Department of Employment and Economic Development (DEED)

\$5 million for metropolitan regional parks and trails. These funds will be distributed to the Metropolitan Council and will be based on the Council's regional parks plan.

Taxes

The bill contains primarily corporate and income tax relief for farmers and small businesses in expediting income tax deductions for the costs of capital equipment purchases.

Supplemental Spending

The bill includes spending for the State Patrol, Corrections, Direct Care and Treatment, civil unrest impacts and the Bureau of Criminal Apprehension (BCA).

Governor's Blue-Ribbon Committee on Metropolitan Council Structure Holds Its Third Meeting

The Governor's Blue-Ribbon Committee considering the structure of the Metropolitan Council held its third meeting this past Monday, with a presentation on the regional transit system structure

from non-partisan legislative staff and a presentation from the Office of the Legislative Auditor (OLA) on their 2010 report on transit governance.

The presentation on the transit structure focused on modes and entities involved in providing transit, transit financing sources, and service levels and areas. The presentation also outlined the roles entities play in decision making and the provision of transit services.

The OLA discussed their 2010 report on transit governance and recommendations for restructuring the Metropolitan Council. Their report illustrated that the region's transit system performed well when compared to other systems. Although the report's focus was on transit, it spoke more broadly to the governing structure of the Council and recommended both appointed and elected members as well as staggered terms.

The next meeting of the committee will include presentations by Metro Cities, League of Women Voters, suburban transit providers, Metro Governance Transparency Initiative, and Citizens League. To view the House Non-partisan presentation on transit, click here. To view the OLA report, click <a href=here.

Metropolitan Council Receives Legislative Water Report and Clean Water Council Funding Update

The Metropolitan Council presented the Legislative Water Supply Report to the Legislative Coordinating Commission Subcommittee on Water Policy. This report was also presented to the Met Council last month. The report includes information on how the MAWSAC and TAC have worked to allow for more local input into the water supply planning process and how the region is coordinating on water supply usage and data collection. The regional water supply report and planning is directed in statute. The report highlights programs such as the MnTAP Water Efficiency Intern Program, the Water Efficiency Grant Program, and Regional Groundwater Modeling work. To view the presentation, click here. To view the report, click here. Last month, Met Council staff also updated the Met Council on the funding request they have made to the Clean Water Council (CWC). The CWC Funding Recommendation includes \$2.3 million from the Clean Water Fund to support Met Council water planning work and the Water Efficiency Grant Program. The Water Efficiency Grant Program request is for \$1 million and is for grants to cities for programs that lower the use of water in their communities. Metro Cities submitted a letter of support to the CWC for these funds. The Legislature will have the final decision on how Clean Water Funds are distributed in the 2021 Legislative Session. To view the CWC 2021/22 Funding Recommendations when they are made available, click here.

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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