

Senate Finance Committee Reviews COVID-19 Funding

On Thursday, the Senate Finance Committee heard a review of Coronavirus Relief Fund/COVID-19 Minnesota Fund Expenditures and Refinancing from the Office of MN Management and Budget (MMB). Legislators asked the agency for a timeline for replenishing the \$200 million to the general fund that was spent early on in the pandemic and Chair Rosen said she would like to revisit the Legislative Advisory Commission (LAC) process, which was used to distribute CRF funds to local governments last summer. Members questioned certain expenditures including a warehouse intended for a temporary morgue and what it will be used for in the future (the state was reimbursed 75% of that purchase through FEMA).

MMB said about \$1 million of CRF funds distributed to local governments has been returned as unexpended.

MN will receive an estimated \$3.146 billion from the December Federal Coronavirus Relief Bill that will be used for education, higher education, rental assistance, health vaccines and testing, substance abuse and mental health, transportation and broadband. The Metropolitan Council is expected to receive \$186.6 million for transit related expenses and MnDOT will receive \$214 million.

Capital Budget Process for Local Government Bonding Projects

In a presentation to the House Capital Investment committee this week, the Office of MN Management and Budget (MMB) presented information on the process for political subdivisions to submit projects for capital funding. The Capital Budget System (CBS) is a web-based application where local governments can enter requests and other relevant information. The CBS system will open for 2022 project submissions in early May 2021. The presentation covered what information should be included as well as a list of criteria MMB uses to evaluate projects. The department provided examples of allowable and ineligible expenditures.

The presentation concluded with a list of resources for local governments including FAQs, instructional resources, checklists, policies, and legal resources. Click [HERE](#) to access the entire presentation.

House Hears Broadband Funding Bill

\$120 million for statewide broadband infrastructure was debated by the House Industrial Education and Economic Development committee on January 20. [HF14](#) would spend \$60 million in each of 2022 and 2023 for the border-to-border broadband grant program.

Metro Cities supports funding the broadband grant program and maintaining unserved and underserved areas of the metro in program eligibility. Contact Charlie Vander Aarde at charlie@metrocitiesmn.org or 651-215-4001 with any questions.

Legislature Discusses Local Housing Roles

Metro Cities staff provided metro-specific details regarding roles cities play in addressing local housing needs at a House housing committee hearing this week. The agenda featured other

public sector entities that engage in housing, including the state's Department of Labor and Industry, the Metropolitan Council, the League of Minnesota Cities and counties.

Metro Cities highlighted the long-standing and fundamental city roles in land use, planning and zoning, and how local decision-making authority is required to allow cities to address geological, demographics, growth, land supply, infrastructure and other considerations. Metro Cities is advocating for state funding to help cities meet current and future housing needs. Contact Charlie Vander Aarde at charlie@metrocitiesmn.org or 651-215-4001 with any questions.

Metropolitan Council Continues Discussions on 2021 Livable Communities Scoring

The Metropolitan Council's Community Development Committee continues to discuss changes to the scoring criteria for its Livable Communities Program. Scheduled to be adopted in February, the changes will go into effect for the 2021 funding rounds.

At the CDC January 19 meeting, the committee centered its debate on the role of racial equity and other equity considerations (accessibility, age, underrepresented communities) in scoring criteria. Staff is proposing that an LCA application receive at least 10 of 16 possible points to advance from step one to step two of the application process. New equity criteria include makeup of the project team and project partners, community engagement, and who the project serves. The equity scoring threshold proposal received the most debate at the meeting, with concerns about projects that meet local needs such as affordable housing not advancing past step one under the proposal.

The 2021 LCA budget will also be passed in February. Base revenue for the tax base revitalization account is \$5 million, for the Livable Communities Demonstration Account is \$12.6 million and \$1.5 million for the Local Housing Incentives Account. The use of reserves to supplement these levels for 2021 is also being considered. More [information here](#).

The CDC will continue its discussion of the scoring criteria, Blue Line TOD eligibility and the budget at its February 1 meeting. The committee is planning to recommend the 2021 scoring criteria and budget February 15 with the full Council scheduled to adopt them February 24.

Metropolitan Council Begins 2050 Planning Process

The Metropolitan Council has begun high level discussions on the next regional development guide. At the January 20 meeting of the Committee of the Whole, Council staff solicited input from members on policy areas of focus, outreach and engagement, and improvements to be made from the last round, which culminated in the development and adoption of *Thrive MSP 2040* and several policy plans.

The January 21 Land Use Advisory Committee also discussed the upcoming 2050 plan process. A panel of development professionals addressed the changing marketplace for residential and commercial/industrial real estate and the nexus with city land use and zoning. Panelists encouraged city zoning flexibility to respond to a quickly changing market as well as the need for more affordable housing and addressing neighborhood concerns. Metro Cities will continue to monitor these discussions and provide updates to cities via the newsletter. Contact Charlie Vander Aarde at charlie@metrocitiesmn.org or 651-215-4001 with any questions.

DEED Awards Contamination Cleanup Grants

The Minnesota Department of Employment and Economic Development (DEED) awarded \$1.13 million in grants to four cities in the metro to clean up five contaminated sites approved for redevelopment. Projects in Hopkins, Minneapolis, Saint Paul and South Saint Paul were awarded cleanup funds.

DEED's Contamination Cleanup Grants cover up to 75% of the costs of removing contamination at approved polluted sites. The remaining costs are covered by cities and counties, other units of local government and private landowners and developers.

Metro Cities is advocating for state funds this legislative session that will help cities redevelop land to meet future needs and grow the local tax base. Contact Charlie Vander Aarde at charlie@metrocitiesmn.org or 651-215-4001 with any questions.

TAB Hears Presentation on Roadway Functional Classification

At its January meeting, the Transportation Advisory Board heard a presentation from MnDOT on the department's functional classification review process for the metropolitan area. "Functional classification" determines which roadways are eligible for federal funding and the standardization of classifications allows for coordination and comparison across all states. The functional classification of a road is largely based on the travel mobility it provides and its level of access to property. These two factors tend to have an inverse relationship. Local roads have less mobility and more direct access to property than a principal arterial interstate.

The updated system is due to be submitted to the FHWA in March or April of 2021. MnDOT will be coming back to TAB for a review of the final system revisions. Click [HERE](#) to view the full presentation including data on the types of roadways found in the state of MN as well as metropolitan-specific findings from the review process so far.

Bills of Note

[HF 146](#), Nelson, M./[SF 246](#), Pappas: Bill increases the limits for contributions by governmental subdivisions to supplemental pension funds and other retirement funds on behalf of laborers, plumbers and pipefitters, and operating engineers who are covered by collective bargaining agreements.

[HF 154](#), Jordan/[SF 20](#), Dziedzic: Bill requires peace officers to be residents of Minnesota or a surrounding state.

[HF 182](#), Dettmer/[SF 259](#), Lang: Bill exempts certain property owned by congressionally chartered veterans organizations from property taxes.

[HF 199](#), Mortenson: Bill repeals the iron range and metropolitan fiscal disparities programs.

[HF 203](#), Jordan/[SF 170](#), Dziedzic: Bill refunds deposits to bond issuers on applications for bonding authority allocations from the 2020 housing pool.

[HF 210](#), Daudt: Bill authorizes counties, cities, and townships to accept certain documents or signatures electronically, by mail, or by facsimile.

[HF 211](#), Drazkowski: Bill requires voters to provide picture ID before receiving a ballot.

[HF 213](#), Drazkowksi: Bill establishes a procedure for provisional balloting.

[HF 220](#), Grossell: Bill prohibits local units of government from disarming peace officers who are in good standing.

[HF 225](#), Quam: Bill establishes the emergency infrastructure repair and replacement account for loans and grants to local governments for infrastructure damaged in disasters.

[HF 230](#), Quam: Bill establishes a microtransit rideshare pilot program.

[HF 244](#), Quam: Bill prohibits arrest quotas and the use of certain traffic stop-related and arrest-related information as criteria for peace officer job performance.

[SF 153](#), Pappas: Bill appropriates money for public housing rehabilitation and preservation.

[SF 160](#), Cwodzinski: Bill establishes a program to provide payments to firefighters with cancer or heart disease, counseling for firefighters, and firefighter training.

[SF 165](#), Champion/[HF 6](#), Noor: Bill establishes the PROMISE Act, creates a community repair panel, establishes a Metropolitan Area Redevelopment Corporation, imposes a sales and use tax, along with other provisions related to the civil unrest that occurred in Minnesota in May and June of 2020.

[SF 171](#), Champion: Bill prohibits employers from inquiring about past pay.

[SF 172](#), Champion: Bill limits the use of money bail for certain offenses.

[SF 173](#), Newman: Bill requires photo ID to register to vote and to vote.

[SF 179](#), Kiffmeyer: Bill requires voters who register on election day to cast provisional ballots.

[SF 180](#), Benson/[HF 52](#), Nash: Bill requires public comments at all open meetings of public bodies, including those conducted by electronic means.

[SF 187](#), Champion/[HF 108](#), Noor: Bill prohibits employers or prospective employers from requiring or using credit information as a condition of employment.

[SF 201](#), Dzedzic: Bill authorizes cities to adopt certain pesticide control ordinances.

[SF 261](#), Rarick: Bill modifies sales tax exemption provisions for construction materials by certain contractors including those involved in local government projects.

[SF 218](#), Eken/[HF 89](#), Elkins: Bill authorizes jurisdictions to adopt ranked-choice voting and allows municipalities to use electronic voting systems with a reallocation feature.

[SF 235](#), Cwodzinski: Bill requires property tax statements to separately list property taxes attributable to each special taxing district.

[SF 243](#), Chamberlain: Bill requires cities of the first class to reserve a portion of local government aid for public safety purposes.

[SF 261](#), Weber: Bill appropriates money to study storm water retention and infiltration and for a water storage plan.

[HF 265](#), Hassan: Expands eligibility for discretionary and mandatory expungements for eviction case court files; limits public access to pending eviction case court actions.

[SF 210](#), Draheim: Requires the DEED Commissioner to give priority to high-wage, high-demand job training programs.

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