



Metro Cities Policy Adoption Meeting is December 9 – Plan to Attend!

Metro Cities' 2022 legislative policies will receive final adoption by the association's members at the Policy Adoption Meeting on Thursday, December 9th at 12 noon. The adoption of policies will be followed by a speaker from the State Demographer's office on trends and highlights from the 2020 Census. The meeting will be held virtually and should last approximately one hour. Draft legislative policies can be viewed [HERE](#). A quorum of members is required to adopt policies.

State Revenues Update

The October revenue review recently released by the state Office of MN Management and Budget (MMB) shows that net general fund revenues totaled \$87 million more, or 4.5% than forecast in February. Receipts from sales and corporate taxes were greater than anticipated, while income and other tax receipts were lower than expected. As with all monthly revenue updates, MMB cautions that they are preliminary. The next complete state budget and economic forecast will be released in early December.

Governor's Council on Economic Expansion Discusses Draft Recommendations

Governor Walz's 15-member [Council on Economic Expansion](#) has been meeting weekly to discuss economic growth in Minnesota. The Council is in its first stage of work, with a focus on identifying immediate actions, potential policy changes, and recommendations to leverage remaining American Rescue Plan (ARPA) funding to advance equitable economic growth. The Council has heard from speakers representing industry, Native communities, education, youth, and other sectors to inform their [initial themes of focus](#).

The Council has narrowed draft recommendations to eight themes. Those include housing, workforce, entrepreneurship and small business, infrastructure and technology, child care, community, youth engagement and youth employment, and health care. Among those eight categories are over 20 subcategories. The housing subcategories include recommendations to use ARPA funds for new production, preserving existing naturally occurring affordable housing (NOAH), and increasing access to homeownership for BIPOC households.

The council will narrow those subcategories later this month prior to submitting final recommendations to Governor Walz and Lt. Governor Flanagan on December 1.

Phase Two of the Council will commence upon completion of Phase One, with more details to be released next week. Metro Cities will continue to monitor and provide updates on the work of the Council. Contact Charlie Vander Aarde at charlie@metrocitiesmn.org or 651-215-4001 with any questions.

Metropolitan Council Adopts Payment Standards for Metro HRA Rent Assistance Programs

The Metropolitan Council this week adopted payment standards for the Housing Choice Voucher and other rent assistance programs effective January 1, 2022.

The new payment standards take newly revised Small Area Fair Market Rents into account for market differences across the region. These small area rents are rent limits adopted at the zip code level instead of for the entire metropolitan area and allows for higher rent limits in higher rent areas and lower rent limits in lower rent areas of the region. Council staff and HUD explained the goal of this flexibility is to improve housing choice in all neighborhoods, increase voucher placement success, and provide for budget neutral potential in future years.

The Council reviewed three options and chose an option that would increase voucher payments in 100 zip codes and decrease voucher payments in 24 zip codes. A table of newly adopted Metro HRA Small Area Fair Market Rents by Zip Code beginning in 2022 [can be found here](#).

Congress Passes Infrastructure Investment and Jobs Act

With a vote of 228-206, the U.S. House of Representatives passed the \$1 trillion bipartisan infrastructure package that was passed by the Senate in August. [H.R. 3684](#) includes \$550 billion in new spending and addresses several infrastructure needs facing cities including roads and bridges, transit, water, and broadband. The delay in passage was largely due to House leadership's plan to tie the legislation to the [Build Back Better Act](#) which includes investments in workforce development, childcare, housing, and climate change.

Major areas of spending in the Infrastructure Investment and Jobs Act include:

- \$110 billion for roads and bridges (\$40 billion for bridges, \$17.5 billion for major projects too large or complex for traditional funding programs).
- \$73 billion for building a clean, resilient power grid.
- \$66 billion for passenger and freight rail investments (\$5 billion for rail improvement and safety grants and \$3 billion for grade crossing improvements).
- \$65 billion for high-speed broadband internet.
- \$55 billion for drinking water infrastructure with an emphasis on replacing lead pipes and dealing with contaminants such as PFAS.
- \$47 billion for building climate-resilient infrastructure
- \$39 billion for transit improvements.
- \$25 billion for improvements to airports.
- \$21 billion for environmental remediation including money to clean up superfund and brownfield sites.
- \$17 billion for ports.
- \$11 billion for transportation safety programs to help state and local governments reduce crashes and fatalities.
- \$7.5 billion for electric vehicle charging stations with a particular focus on rural, disadvantaged, and hard-to-reach communities.
- \$2.5 billion for zero emission school buses, \$2.5 billion for low emission buses.
- \$1 billion in dedicated funding for infrastructure investments with the goal of reconnecting communities like the ReConnect Rondo I-94 land bridge.

Based on [White House estimates](#), Minnesota is expected to receive \$6.8 billion total, of which \$4.5 billion is allocated for federal-aid highway programs. Minnesota is also estimated to receive \$302 million for bridge repair and replacement. \$818 million is allocated to improve Minnesota's public transportation systems. These amounts will be spread over five years and will be administered by the Department of Transportation. Another major priority in the Infrastructure Investment and Jobs Act is water. H.R. 3684 will provide an estimated \$680 million to Minnesota for safe drinking water projects and wastewater efficiency efforts. Minnesota is also expected to

receive \$68 million for electric vehicle charging infrastructure, \$100 million to expand broadband coverage, and \$297 million for airports.

President Biden is expected to sign H.R. 3684 on Monday. Metro Cities will continue to monitor how funds from the infrastructure package are expected to flow to Minnesota and its local governments. Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Priority Waters Project Update

The Metropolitan Council Environment Committee received a staff update on their Priority Waters Project. This prioritization helps the council decide which waters should be targeted for monitoring, grant opportunities, and education efforts. The work the Council is currently undertaking is building off the existing Priority Lakes List which organizes lakes based on recreational value, the water supply provider, water quality, and wildlife significance.

The new Priority Waters list will also include a separate list for rivers and streams in the region. Waters will be scored using a set of criteria including:

- Drinking Water Protection
- Recreation and Tourism
- Healthy Habitat
- Tranquil Connection
- Equity
- Industry and Utility
- Science and Education

Staff has put together a Draft Priority Water list based on category scores and the Council is now engaging in outreach efforts to get feedback from stakeholders including cities. Click [HERE](#) to view the draft list and submit your feedback. Internal and external outreach efforts will continue through the end of 2021. The list will be finalized and published in 2022.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

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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