

LOCAL PLANNING ASSISTANCE LOAN GUIDELINES

PURPOSE

The purpose of the planning assistance loan program is to assist local governmental units in the Metropolitan Area in implementing the Metropolitan Land Planning Act. The funding is intended to assist communities with amending or updating local comprehensive plans, fiscal devices and official controls. The guidelines outline the Council's funding objectives, criteria and the disbursement schedule.

AUTHORITY

The Metropolitan Council is authorized to prepare and adopt guidelines establishing uniform procedures for the award and disbursement of planning assistance loans under Minnesota Statutes, Sections 473.854 and 473.867.

FUNDING APPLICATION REQUIREMENTS

The following criteria are tailored to meet the *2030 Regional Development Framework* goals. Applications must describe: the activities for which the loan will be used; the persons which the applicant plan to use in performing the loan contract; the services and activities which will be paid for by funds of the applicant; and the applicant's need and ability to pay for the contract services. The Council will rank applications for comprehensive plan updates a funding priority.

WORK PLAN AND BUDGET

The Metropolitan Land Planning Act, Minnesota Statutes section 473.859 specifies the required components of local comprehensive plans. Comprehensive plans include policies, background, a land use plan (land use analysis, housing, water resources management, historic site preservation, solar access protection), a public facilities plan (transportation, aviation, wastewater, parks and open space, water supply), and an implementation program (official controls, capital improvement program).

Applicants should include a work plan itemizing specific planning activities and a budget identifying planning activities funded by the planning assistance loan. The work plan and budget (Attachment A) must accompany the funding application.

The local government should include a resolution (Attachment B) authorizing application to the Metropolitan Council for the planning assistance loan.

FUNDING AWARDS AND TIMING

The Council on an annual basis will award loans. The Council staff will review and evaluate applications for consistency with regional goals.

If the Council receives an unanticipated number of loan applications simultaneously creating a competition for funds, staff will evaluate the applications and forward funding award recommendations to the Council's Community Development Committee. The committee will forward its recommendations to the full Council.

MAXIMUM AMOUNT OF LOAN

The Council will fund up to 75 percent of the total costs and expenses of the work plan, service or activity for which a loan is awarded. The maximum loan amount is \$40,000. The local match requirement of 25 percent can be in kind services or monies.

TERM OF LOAN

Loans will be interest-free and for a term of two years. However, under special circumstances loans may be extended another year. MN Stat. 473.867, subd. 5 sets the maximum term of five years.

LOAN AGREEMENTS

The Council will execute a loan agreement with the local unit of government that addresses the funding disbursement schedule, the authorized use of funds, progress reporting requirements, accounting and records, audit procedures and loan amendments.