

## Community Development Committee

Meeting date: April 4, 2016

**Subject:** Planning Assistance Grant Program

**District(s), Member(s):** ALL

**Policy/Legal Reference:** Minn. Stat. § 473.867

**Staff Prepared/Presented:** Council Member Jon Commers  
 LisaBeth Barajas, Local Planning Assistance Manager (651-602-1895)  
 Ryan Garcia, Senior Planner (651-602-1832)

**Division/Department:** Community Development / Regional Planning

### Proposed Action

None at this time. Staff are presenting this as an information item for discussion purposes. The intent is to provide the Committee with both the context and the forum to confirm that the criteria and approach for the program, as adopted in 2015, are in keeping with statutory guidance as well as the spirit and purpose of this regional grant program.

The question for discussion is how to distribute the additional \$500,000 the Council added to the Planning Assistance Grant Program as part of its 2016 budget action. A proposed action for the Committee's consideration will be presented at the next scheduled meeting on April 18, 2016.

### Background

To support local governments updating their decennial local comprehensive plans, the Council provides five types of assistance:

1. Direct staff assistance through the Sector Representative Program
2. Guidance, tools, and resources through the *Local Planning Handbook*
3. Mapping assistance through the Mapping Services Program and the online Mapping Tool
4. Comprehensive planning training through the PlanIt Training workshop series
5. Financial resources through the Planning Assistance Grant Program

Minnesota Statutes Section 473.867, subd. 2 authorizes the Metropolitan Council to establish a planning assistance fund to provide grants and loans to local units of government for the primary purpose of reviewing and amending local comprehensive plans, fiscal devices, and official controls, as required by the Metropolitan Land Planning Act. The Council has provided grant funding in previous decennial review rounds to identified eligible communities to update local comprehensive plans.

Minn. Stat. 473.867, subd. 3 directs the Council to base its decision on making grants and loans on the recipient's demonstrated need and available financial resources. In addition, because of limited funds available for the Planning Assistance Grant Program, the Council establishes eligibility to apply for and receive planning grants. Specifically, the Council identifies eligibility criteria to target communities most in need of financial assistance to complete their local plans.

### Adopted Eligibility Criteria

In March 2015, the Council adopted the following eligibility criteria for individual communities:

- Total Net Tax Capacity (NTC) per capita amount less than or equal to the regional median NTC per capita; AND
- Percent forecasted growth from 2010 to 2040 is greater than or equal to the regional median percent forecasted growth

The Council also included a criterion for a group of communities:

- Be a county or a consortium of at least 5 communities working collaboratively to update their local comprehensive plans

Later that year, as part of the Council’s 2016 budget discussions at Management Committee and Council meetings, the Council made an additional \$500,000 available for the Planning Assistance Grant Program, changing the fund budget from \$1.4 million to \$1.9 million. The Council did not include additional direction on how those funds should be distributed as part of that action. The Council approved the additional funds as part of the 2016 Unified Budget on December 9, 2015.

To assure that the criteria are reflective of current conditions, Council staff have applied the adopted criteria using 2015 Net Tax Capacity data and the Council’s 2015 population forecasts as adopted with the September 2015 issuance of System Statements. Table 1 shows the differences in criteria with these updated data.

**Table 1. Eligibility Criteria – 2014 and 2015 Data Comparison**

	2014 Data	2015 Data
<i>Criteria for Individual Communities</i>	<ul style="list-style-type: none"> <li>• 2014 NTC per Capita amount less than or equal to median NTC per Capita (\$1,116) –AND-</li> <li>• Forecasted growth from 2010 to 2040 is greater than or equal to the median percent forecasted growth (27%)</li> </ul>	<ul style="list-style-type: none"> <li>• 2015 NTC per capita amount less than or equal to median NTC per capita (\$1,213.78) -AND-</li> <li>• Forecasted growth from 2010 to 2040 is greater than or equal to the median percent forecasted growth (24.4%)</li> </ul>
<i>Criterion for a Group of Communities for all Options</i>	<ul style="list-style-type: none"> <li>• Be a county or a consortium of at least 5 communities working collaboratively to update their local comprehensive plans.</li> </ul>	

Table 2 compares the award amounts and total number of eligible communities using:

- As adopted criteria from March 2015, 2014 data, and the original budget amount
- The program updated with 2015 tax data and system statement forecasts, and the increased budget amount.

**Table 2. Planning Grant Program Comparison**

Community Type	As Adopted Using 2014 Data		2015 Data & Increased Budget	
	Number of Eligible Communities	Grant Award Amount per Community	Number of Eligible Communities	Grant Award Amount per Community
<i>Unsewered</i>	3	\$20,000	3	\$28,000
<i>Sewered</i>	45	\$25,000	44	\$35,500
<i>County/Consortium*</i>	3	\$65,000	3	\$84,000
<b>TOTALS</b>	<b>51</b>	<b>\$1,380,000</b>	<b>50</b>	<b>\$1,898,000</b>

\* Carver County, Scott County, and the Dakota County Township Collaborative represent 32 townships. Empire Township is separate from the Collaborative.

**Further Program Background**

In April 2014, the Community Development Committee affirmed the provision of planning grants for communities to update their 2040 local comprehensive plans. The CDC also directed staff to work through the Land Use Advisory Committee to assess the funding need and to develop eligibility criteria.

Over several meetings beginning in July 2014, the Land Use Advisory Committee discussed the Planning Assistance Grant Program, potential eligibility criteria, and potential grant award amounts. Program Options discussed by the committee appear in Table 3 (Options 1, 2, and 3). All three options considered included a criterion for counties or collaborations of 5 or more communities. Based on past grant cycles, the county/collaborative groups represent 32 townships.

**Table 3. Eligibility Criteria for Proposed Grant Program Options**

	OPTION 1	OPTION 2	OPTION 3
<i>Criteria for Individual Communities</i>	<ul style="list-style-type: none"> <li>• Total Net Tax Capacity (NTC) amount less than or equal to 300% of the median NTC <b>-AND-</b></li> <li>• Forecasted growth from 2010 to 2040 is greater than or equal to the median percent forecasted growth</li> </ul>	<ul style="list-style-type: none"> <li>• NTC per capita amount less than or equal to median NTC per capita <b>-AND-</b></li> <li>• Forecasted growth from 2010 to 2040 is greater than or equal to the median percent forecasted growth</li> </ul>	<ul style="list-style-type: none"> <li>• NTC per capita amount less than or equal to median NTC per capita <b>-AND-</b></li> <li>• Forecasted growth from 2010 to 2040 is greater than or equal to the median percent forecasted growth <b>--OR--</b></li> <li>• Population less than or equal to 5,000 <b>AND</b> a NTC per capita amount less than or equal to median NTC per capita</li> </ul>
<i>Criterion for a Group of Communities for all Options</i>	<ul style="list-style-type: none"> <li>• Be a county or a consortium of at least 5 communities working collaboratively to update their local comprehensive plans.</li> </ul>		

Table 4 shows the impact of options on the number of eligible communities, potential grant award amounts, and total program cost for each of the proposed options. All of the options fell within the original \$1.4 million program budget without any proposed increases.

**Table 4. Program Summary for Proposed Grant Program Options**

Community Type	OPTION 1		OPTION 2		OPTION 3	
	# of Communities	Grant Amount	# of Communities	Grant Amount	# of Communities	Grant Amount
Unsewered	12	\$20,000	3	\$20,000	7	\$17,000
Sewered	32	\$30,000	45	\$25,000	52	\$21,000
County/Consortium*	3	\$65,000	3	\$65,000	3	\$56,000
<b>TOTALS</b>	<b>47</b>	<b>\$1,395,000</b>	<b>51</b>	<b>\$1,380,000</b>	<b>62</b>	<b>\$1,379,000</b>

\* Carver County, Scott County, and the Dakota County Township Collaborative represent 32 townships. Empire Township has been separate from the Collaborative in the past.

After much debate, the Land Use Advisory Committee forwarded a recommendation to the Community Development Committee to adopt the eligibility criteria in Options 1 and 3. Table 5 describes the program summary for the LUAC recommendation and the 2007 Planning Grant Program for comparison purposes.

In March 2015, the Community Development Committee considered the recommendation from the Land Use Advisory Committee and decided to recommend that the Council adopt the criteria of Option 2. At the March meeting of the Metropolitan Council, the Council directed staff to implement with Planning Assistance Grant Program with the criteria from Option 2.

**Table 5. LUAC Recommendation and 2007 Grant Program**

Community Type	LUAC Recommendation		2007 Grant Program	
	# of Communities	Grant Amount	# of Communities	Grant Amount
Unsewered	15	\$14,000	11	\$15,000
Sewered	63	\$16,500	36	\$20,000
County/Consortium*	3	\$50,000	3	\$50,000
<b>TOTALS</b>	<b>81</b>	<b>\$1,399,500</b>	<b>51</b>	<b>\$1,035,000</b>

\* Carver County, Scott County, and the Dakota County Township Collaborative represent 32 townships. Empire Township is separate from the Collaborative.

A summary of the program planning timeline can be seen in the attached Figure 1.

Council staff are aware of substantial support from communities regarding the Planning Assistance Grant Program. Staff regularly receive phone calls and email correspondence inquiring about the availability of the program and the potential award amounts. In addition, some ineligible communities have expressed concern regarding their ability to complete their plan update without financial assistance.

Figure 1. Summary Timeline of Program Steps

