

Community Development 2021-2026 Capital Program

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Community Development Committee 10/5/2020



Budget Development Schedule

July	CDC: Initial 2021 Budget Conversation (July 8) CDC: 2021 Preliminary Operating Budget (July 20)
August	Council: Staff Present Preliminary Operating Budget / Levies (Aug 12) CDC: 2021 Operating Budget Targeted Topics & Initial Capital Conversation Council: Adopt Preliminary Budget / Levies (Aug 26)
October	CDC: Capital Program Conversation (originally scheduled September)
Q4	Council: Capital Program Presentation (Oct 14) CDC: HRA Rent Standards & Utility Allowance CDC: LCA and Equity Grant Programs Council: Adopt Final Budget/Levies (Dec 9) CDC: Start Annual Division Workplanning
Q1, 2021	CDC: Finalize Annual Division Workplan

For Today

Overview

Family Affordable Housing Program

Regional Parks & Open Space

Budget Development Feedback

Framing

- Council's Regional Role
- Data Analysis and Research
 - Disaggregated data when available
- Equity Impacts
- General Economic Conditions
- Leverage Funds
- Timely Financial Impacts

Looking Ahead

- Forecasting 2020 Revenues and Expenses
- Forecasting 2021 and Beyond
- Special Session
- State Forecasts
- 2021 Council Targeted Initiatives

Council Unified Budget

- Capital Program
 - Multi-year plan that represents authorized and planned projects. Current capital program is 2020-2025.
- Authorized Capital Program (ACP)
 - Multi-year authorization for projects where funding has been secured and the Council has given final approval to proceed.
- Capital Budget
 - Represents the amount from the Authorized Capital Program that is expected to be spent in a given year. We are currently in capital budget year 2020. This budget is amended throughout the year.
- Capital Improvement Plan (CIP)
 - Six-year plan for projects where funding sources have been identified but not yet secured and the Council has not given final approval.

Twin Cities Metropolitan Area

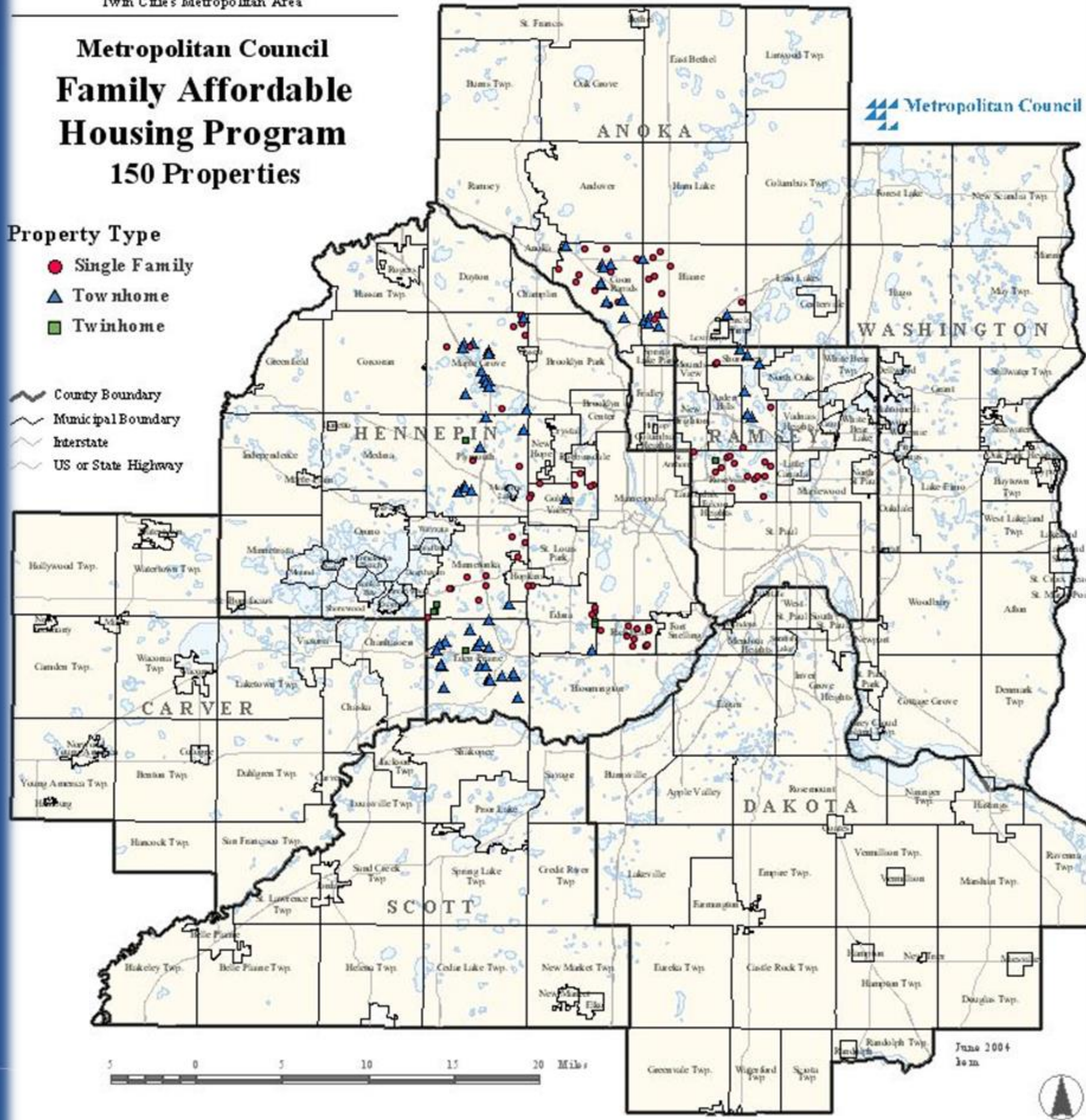
Metropolitan Council Family Affordable Housing Program 150 Properties



Property Type

- Single Family
- ▲ Townhome
- Twinhome

- County Boundary
- Municipal Boundary
- Interstate
- US or State Highway



Family Affordable Housing Program (FAHP)

Metro HRA

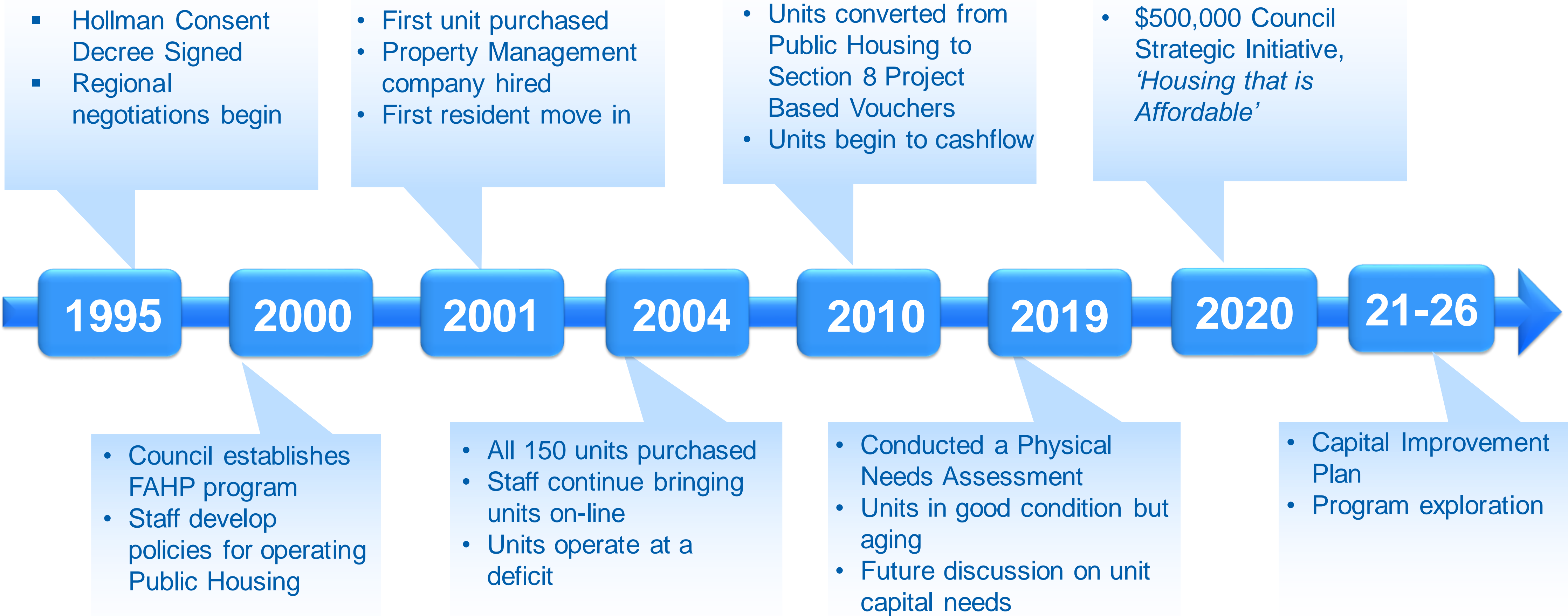


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Council Owned Housing

- Minnesota Statute 473.195 provides the Council with authority to develop housing units *with approval of municipalities*
- January 1999 Council action approved establishment of Family Affordable Housing Program
 - Development and operation of public housing units
- \$28 Million provided by U.S. Department of Housing and Urban Development
 - Transferred from MPHA to the Council
- 150 Units purchased on the open housing market between 2001 and 2004
 - 82 Single Family Homes
 - 68 Townhomes

Timeline



Asset Management

2001-2020

- Homes managed through contract with property management vendor
- Small and routine repairs programmed in operating budget
- Large improvements programmed in operating budget
- 2020: Asset assessment delayed due to Covid-19



2021 Forward

- Homes managed through contract with property management vendor
- Small and routine repairs programmed in operating budget
- Large improvements programmed and tracked in capital program
- Complete asset assessment



Future Spending \$1.1M

Authorized

- \$500,000
- Funded by General Purpose Levy



Planned

- \$600,000
- Funded by FAHP Program Income



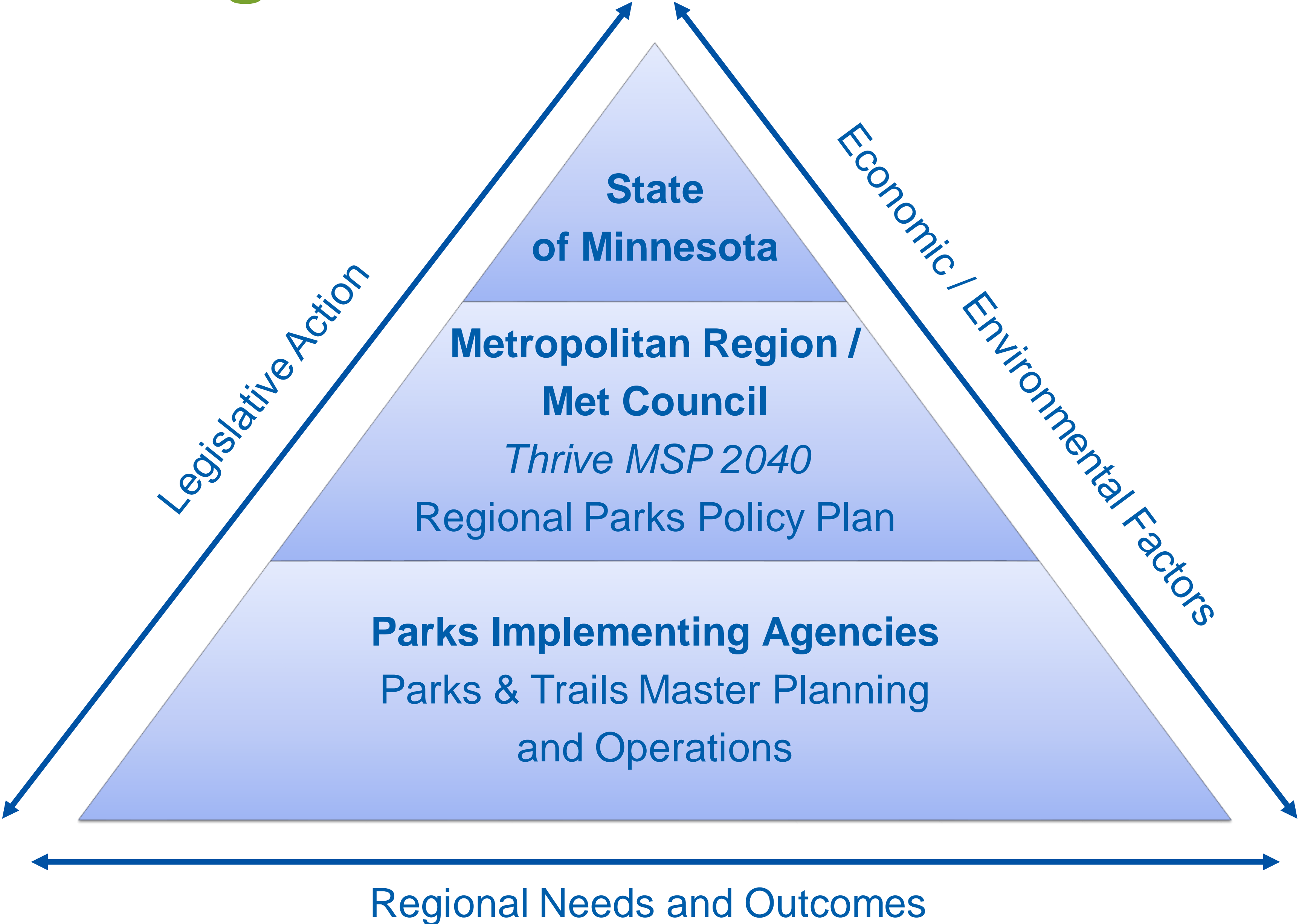
Parks and Open Space

Parks & Open Space

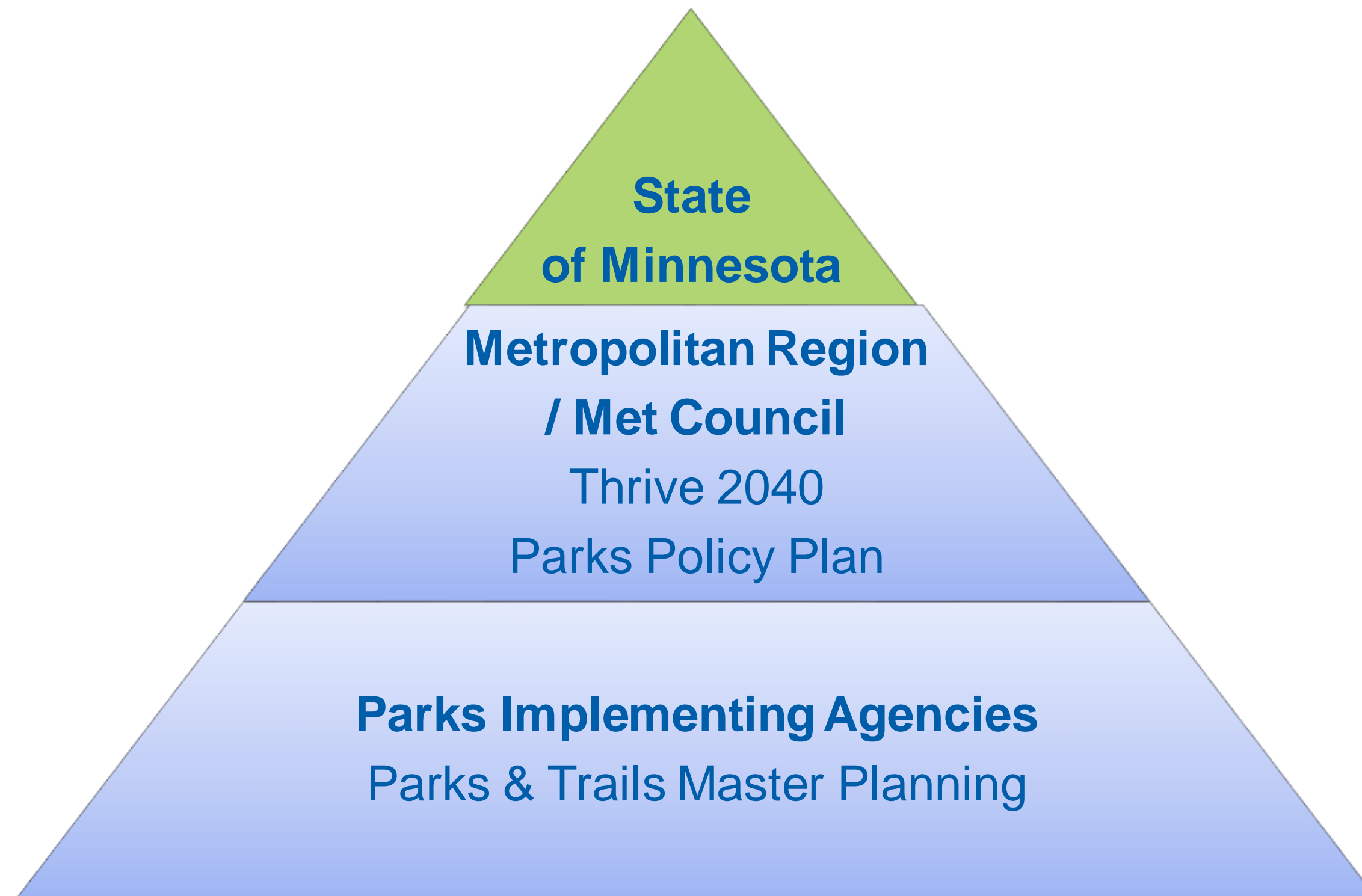


- **Regional Parks System Serves**
 - 7-County Twin Cities Metro Area
 - Over 3 million people
- **Regional Park System**
 - Over 63 million visits in 2019
 - 56 regional parks & park reserves totaling more than 54,000 acres
 - 8 special recreation features
 - 49 regional trails, with nearly 400 miles of interconnected trails

System Alignment

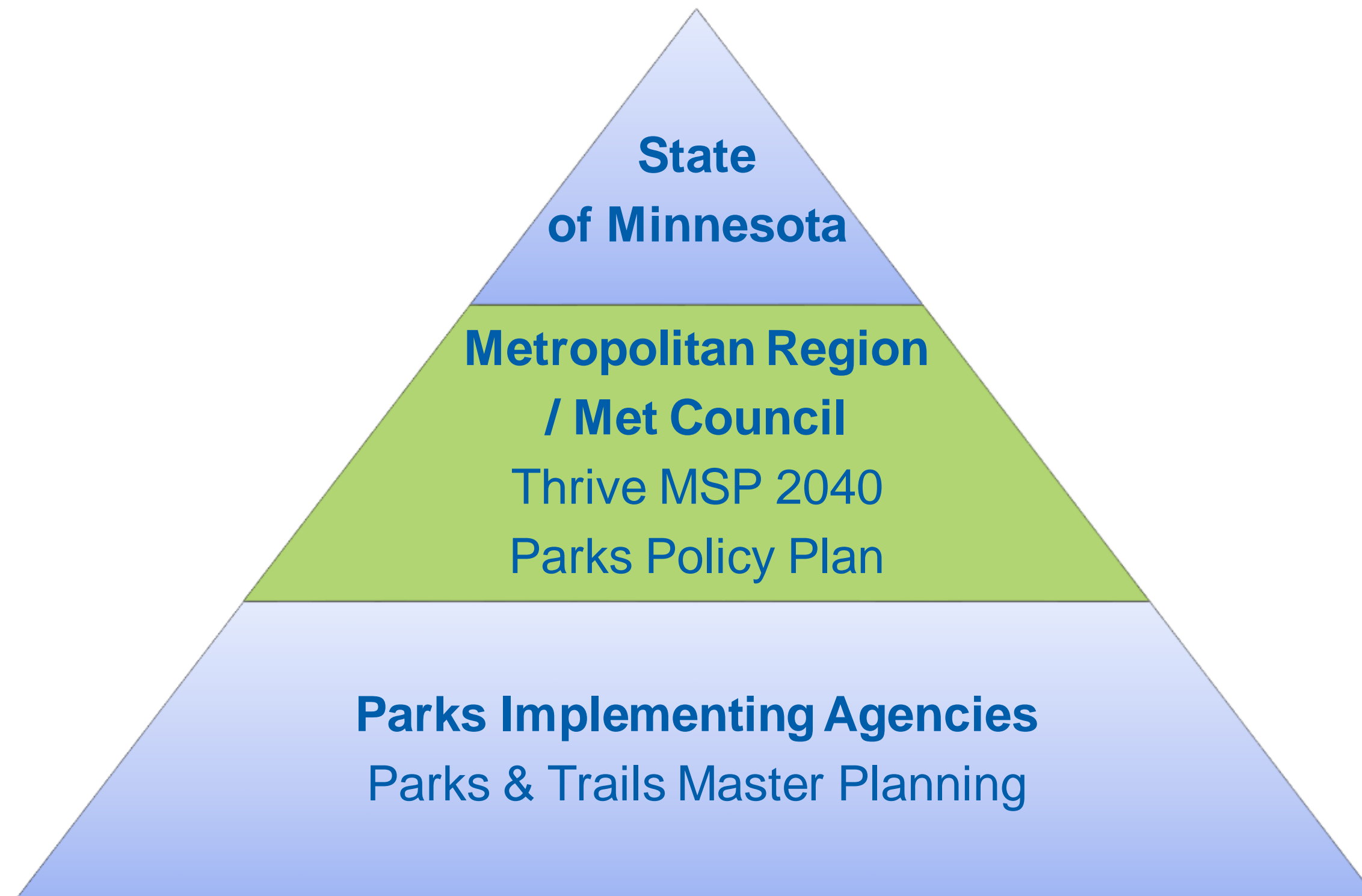


System Alignment



- Legislation
 - Create regional parks and open space system
 - Define role and authority of Council in parks and open space system
 - Appropriate funding

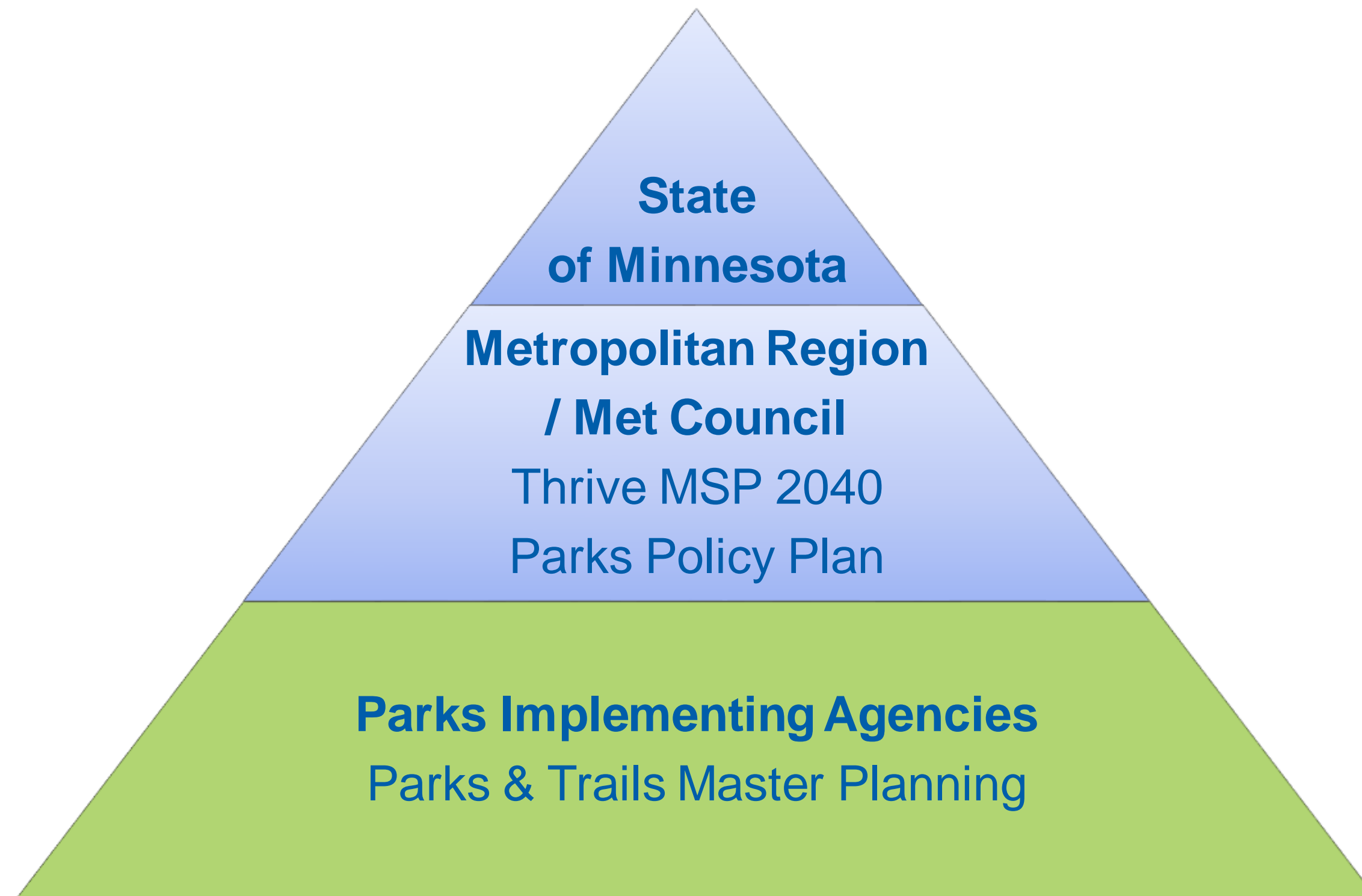
System Alignment



- **Key Roles**

- Develop regional policy: Thrive MSP 2040
- Develop Regional Parks Policy Plan
- Review regional parks and trails master plans
- Consult with Metropolitan Parks and Open Space Commission
- Fiscal agent

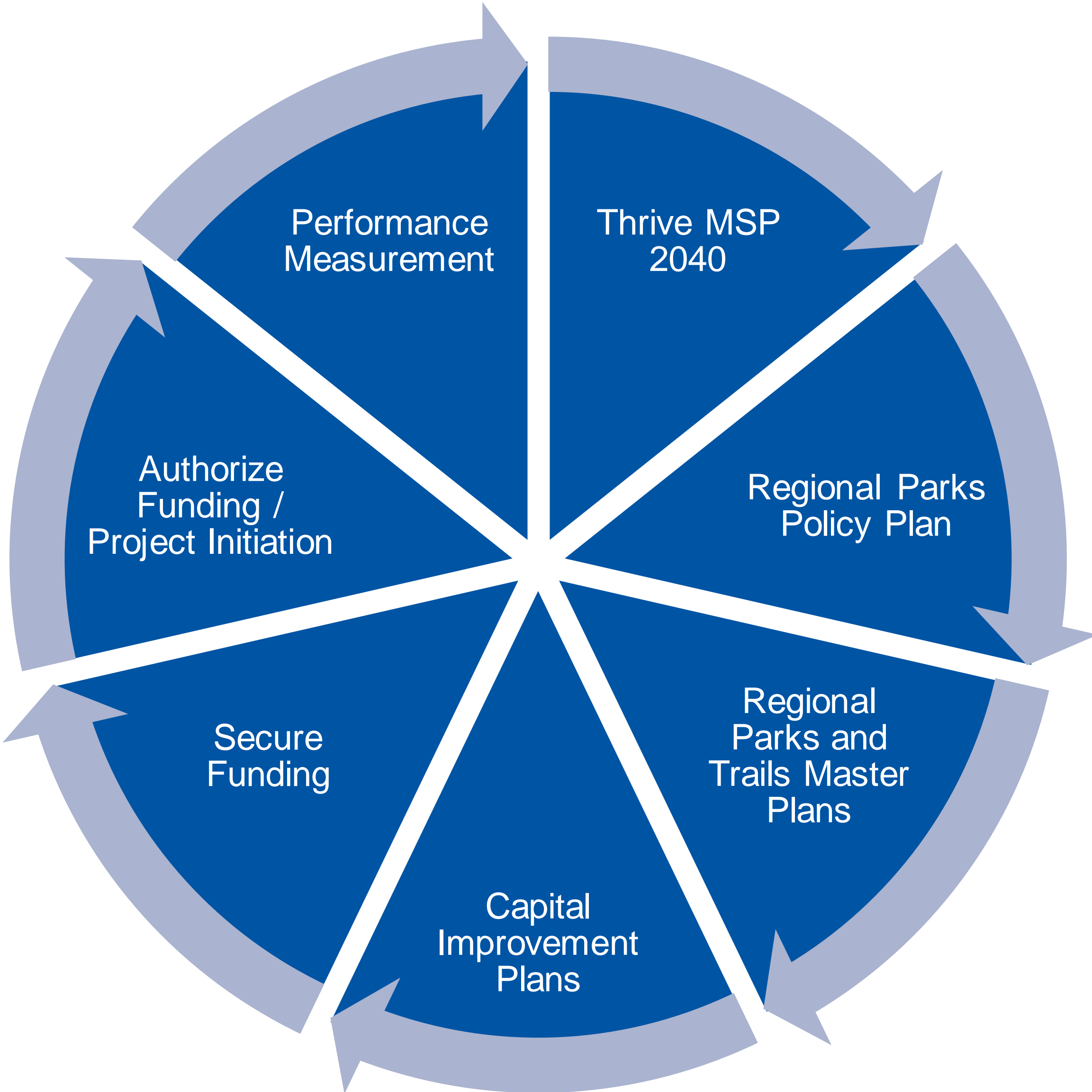
System Alignment



- **Key Roles**

- Lead regional park and trail master planning, including public engagement
- Acquire, develop, and operate regional parks and trails
- Protect and conserve natural resources
- Provide outdoor recreation for public enjoyment

Regional Parks Capital Project Lifecycle



Equity Impacts

Thrive MSP 2040

2040 Regional Parks Policy Plan

Master Planning

Project Development



Revenue Assumptions

- Parks and Trails Legacy Fund (Legacy)
 - 2% annual growth
 - 2020 base year ~\$20M
- Environment and Natural Resources Trust Fund (ENRTF)
 - No growth
 - \$0.75M annually
- State of Minnesota Bonds
 - No growth
 - \$15M in bonding years
- Council Bonds
 - Up to \$40M outstanding
 - Match \$2 to every \$3 ENRTF, State Bonds, and Legacy Land Acquisition (10% set aside)
 - Continue Regional Parks Equity Grant Program

Regional Parks Capital Funding

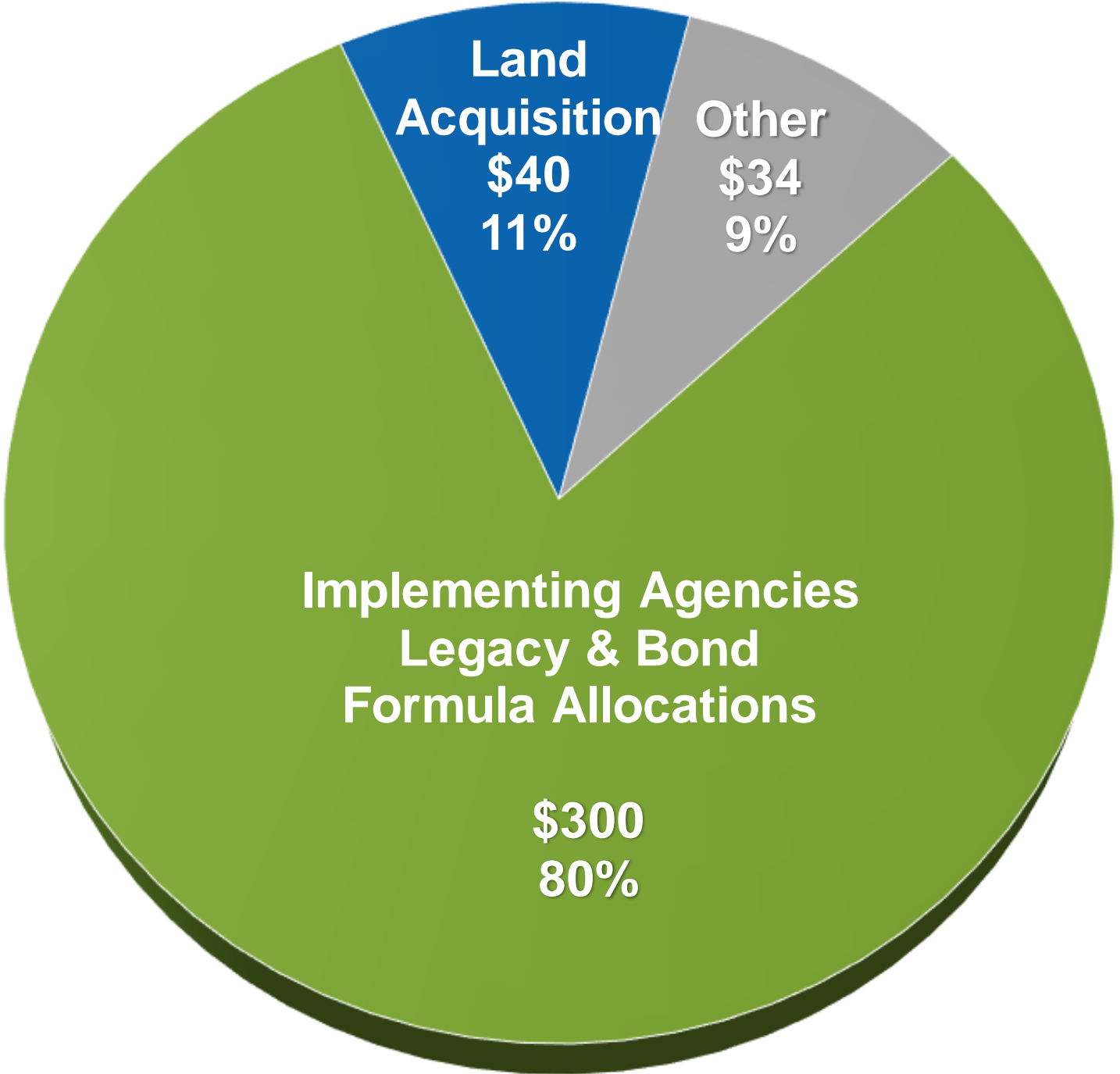
Program	<ul style="list-style-type: none">• Funding Source• Distribution Methodology
Parks & Trails Legacy	<ul style="list-style-type: none">• State matched by Council bonds• Formula
Parks Acquisition	<ul style="list-style-type: none">• State matched by Council bonds• 1st come, 1st served
Bonding	<ul style="list-style-type: none">• State matched by Council bonds• Formula
Equity	<ul style="list-style-type: none">• Council bonds• Competitive

- Grant programs are funded by multiple state sources and Council bonds
- Council passes through 100% of state funding
- Current portfolio is 211 active projects valued at ~ \$150M
- \$224M in grants are programmed in the current Council Authorized Capital Improvement Program (2021-2026)

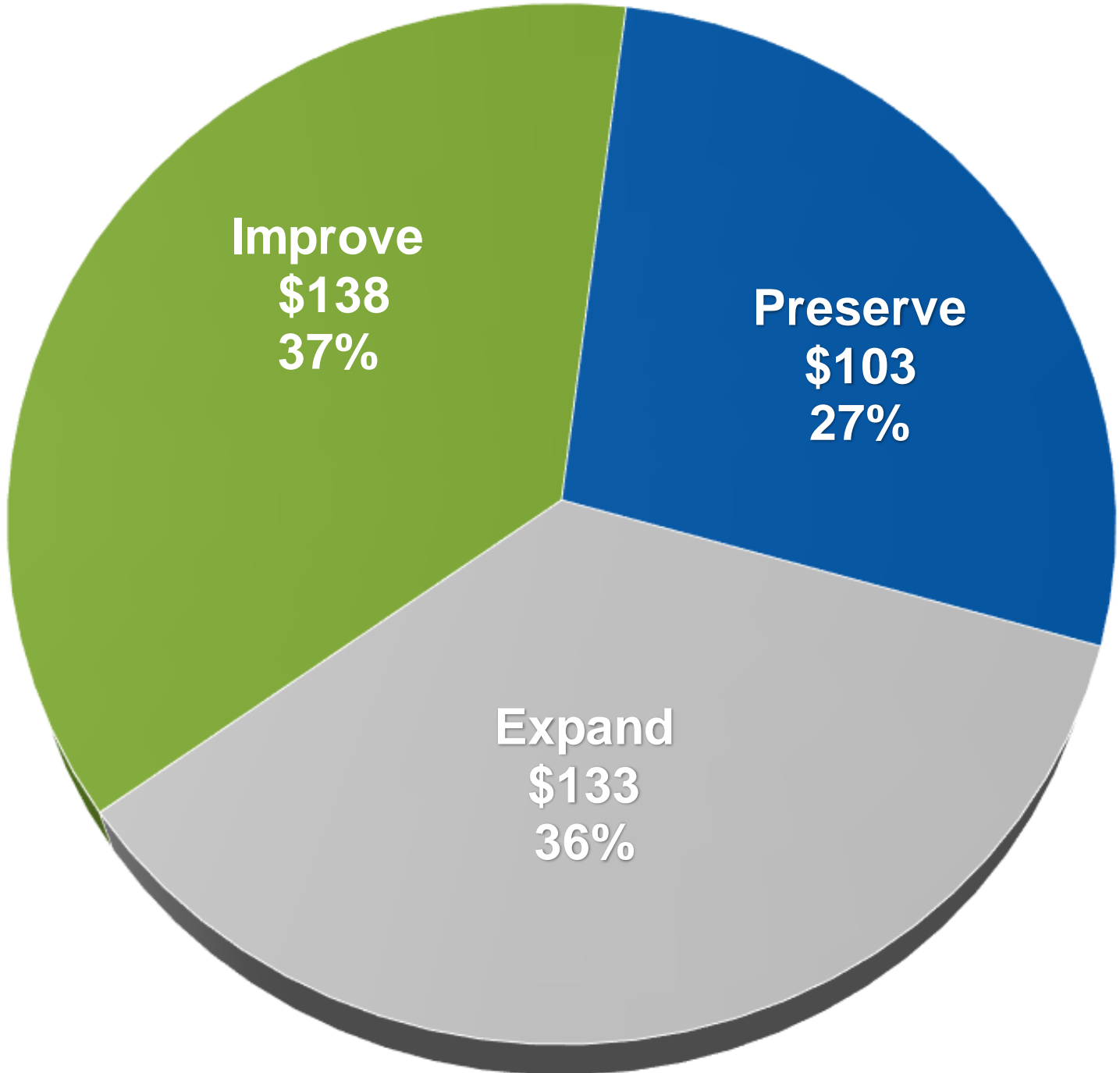


Parks Capital Program \$374M

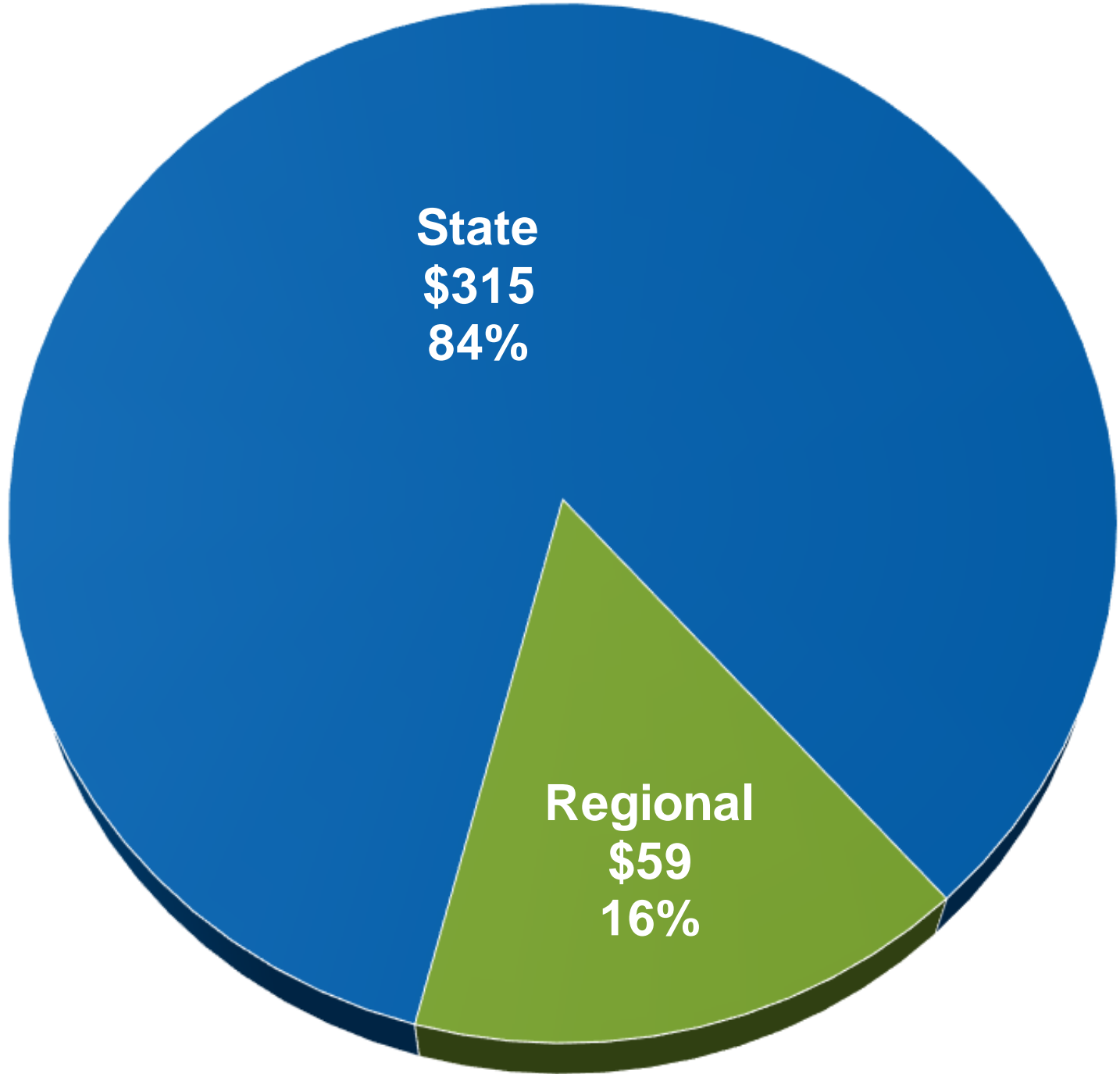
Uses



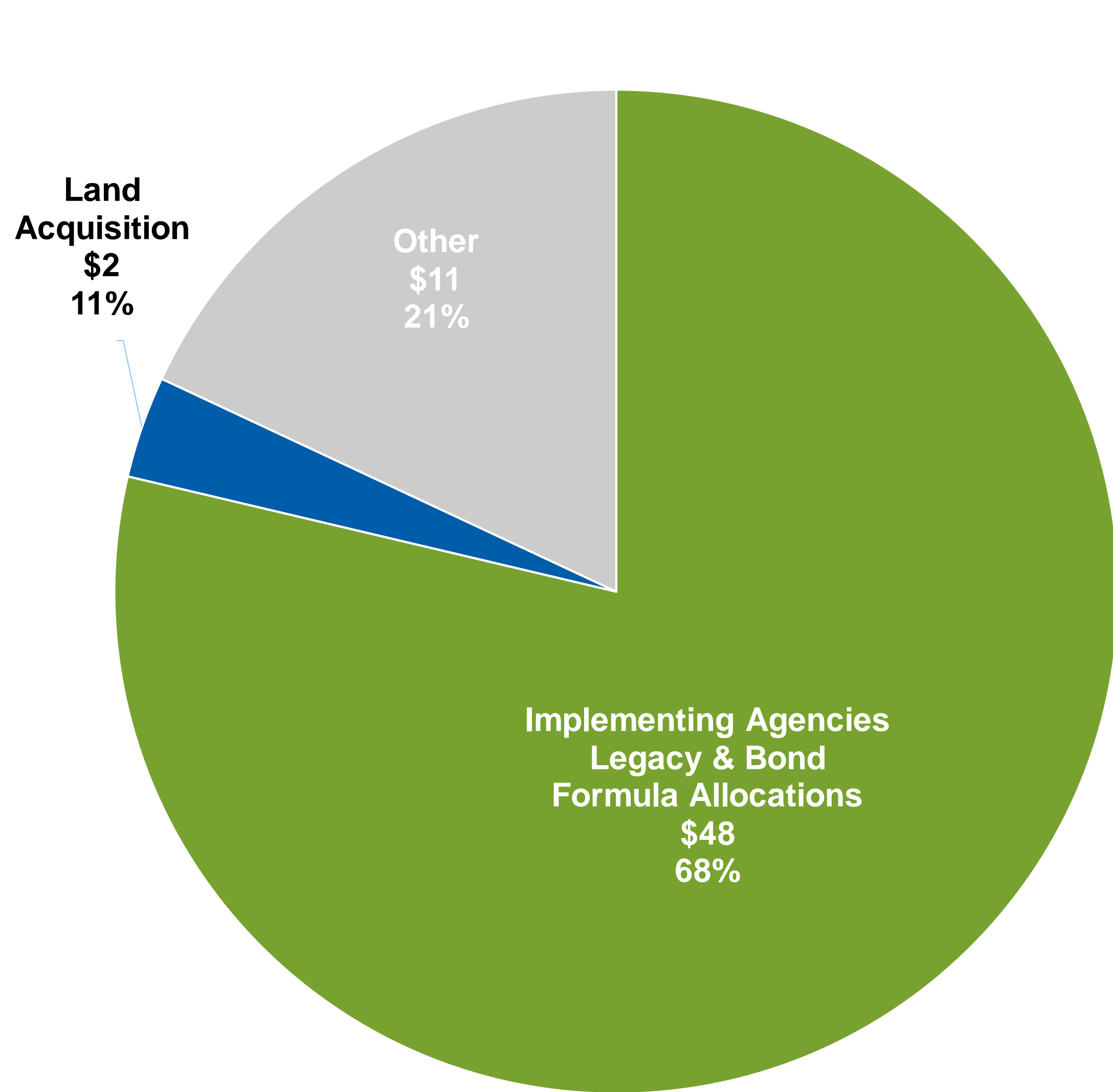
Uses by Category



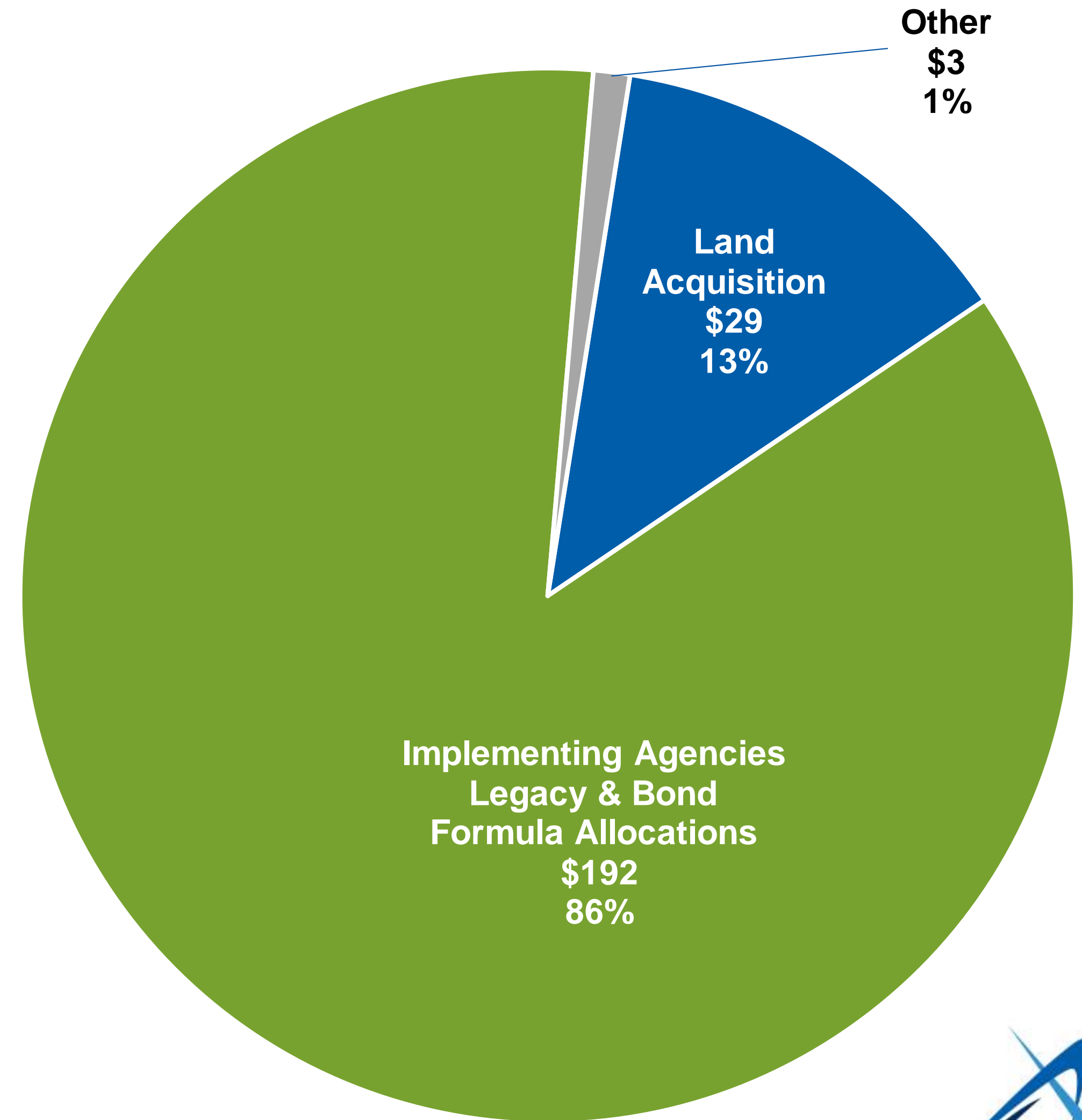
Sources



Future Spending \$285 M



Authorized - \$61 M



Planned - \$224 M

Notable Modifications 2026 Program

Council Commitment: \$12.6M

- Council match to anticipated State of Minnesota investments
- Regional Parks System Equity Grant Program Continuation



*Adjustments: Programmed

- Legacy (\$24M)
- Bonding (\$25M)
- Environment and Natural Resources Trust Fund (\$1.2M)
- Regional Parks Equity Grant Program (\$0.6M)

*Totals include \$12.6M Council match

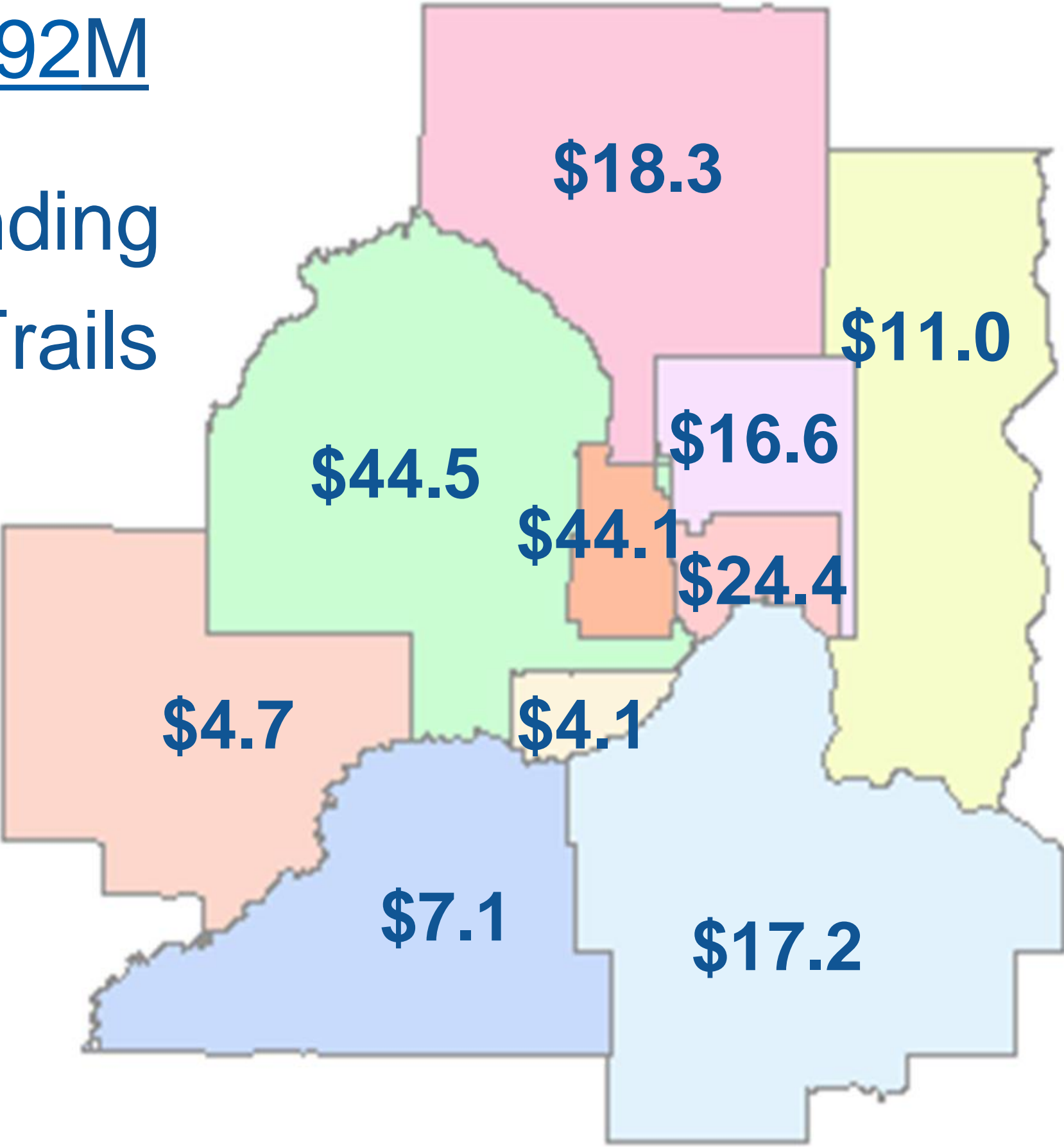
Implementing Agencies Formula \$240 M

Authorized future spending: \$48M



Planned: \$192M

- State Bonding
- Parks & Trails Legacy
- Council Match

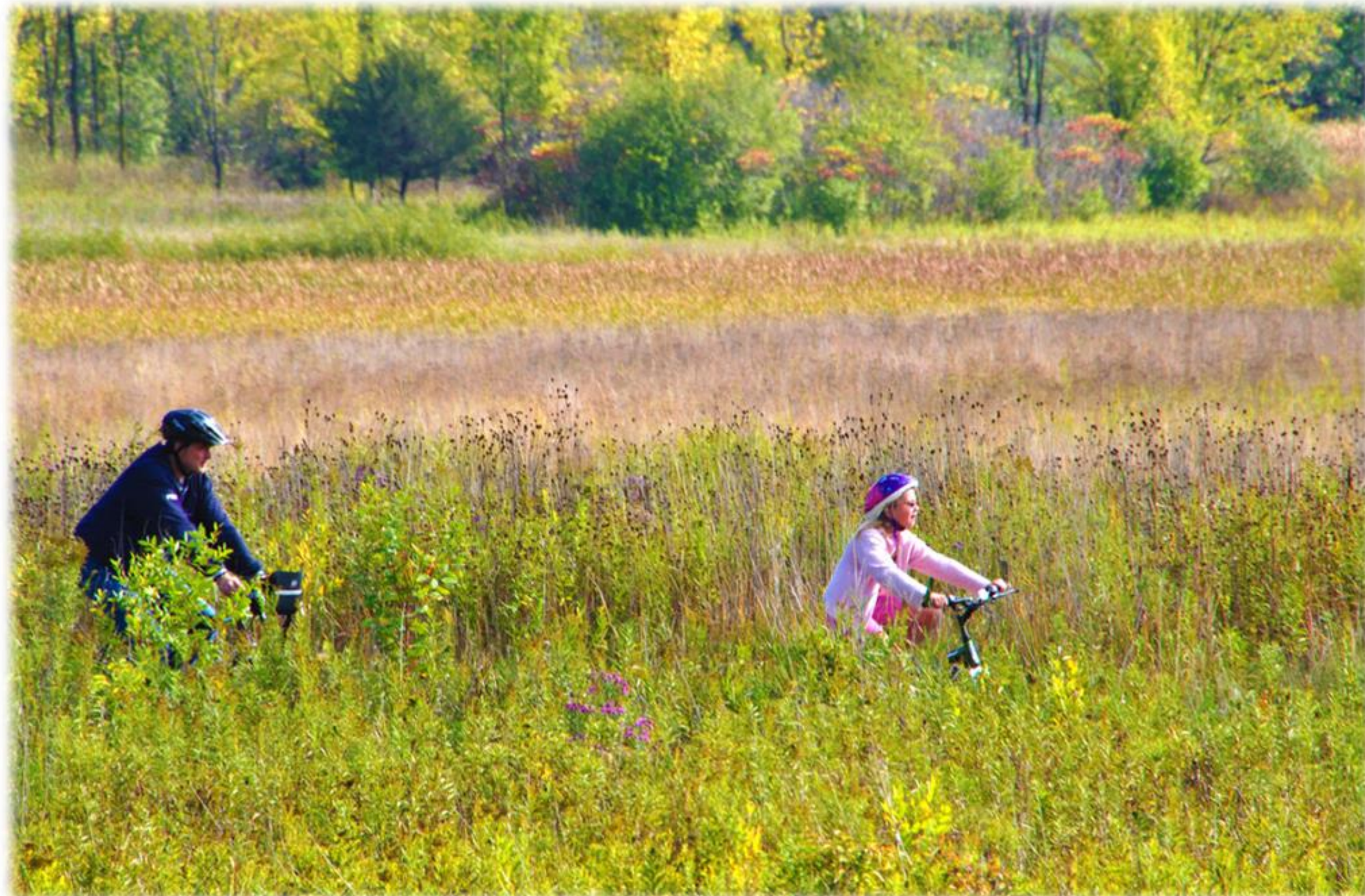


Land Acquisition \$31 M

Authorized future spending: \$2M

Planned: \$29M

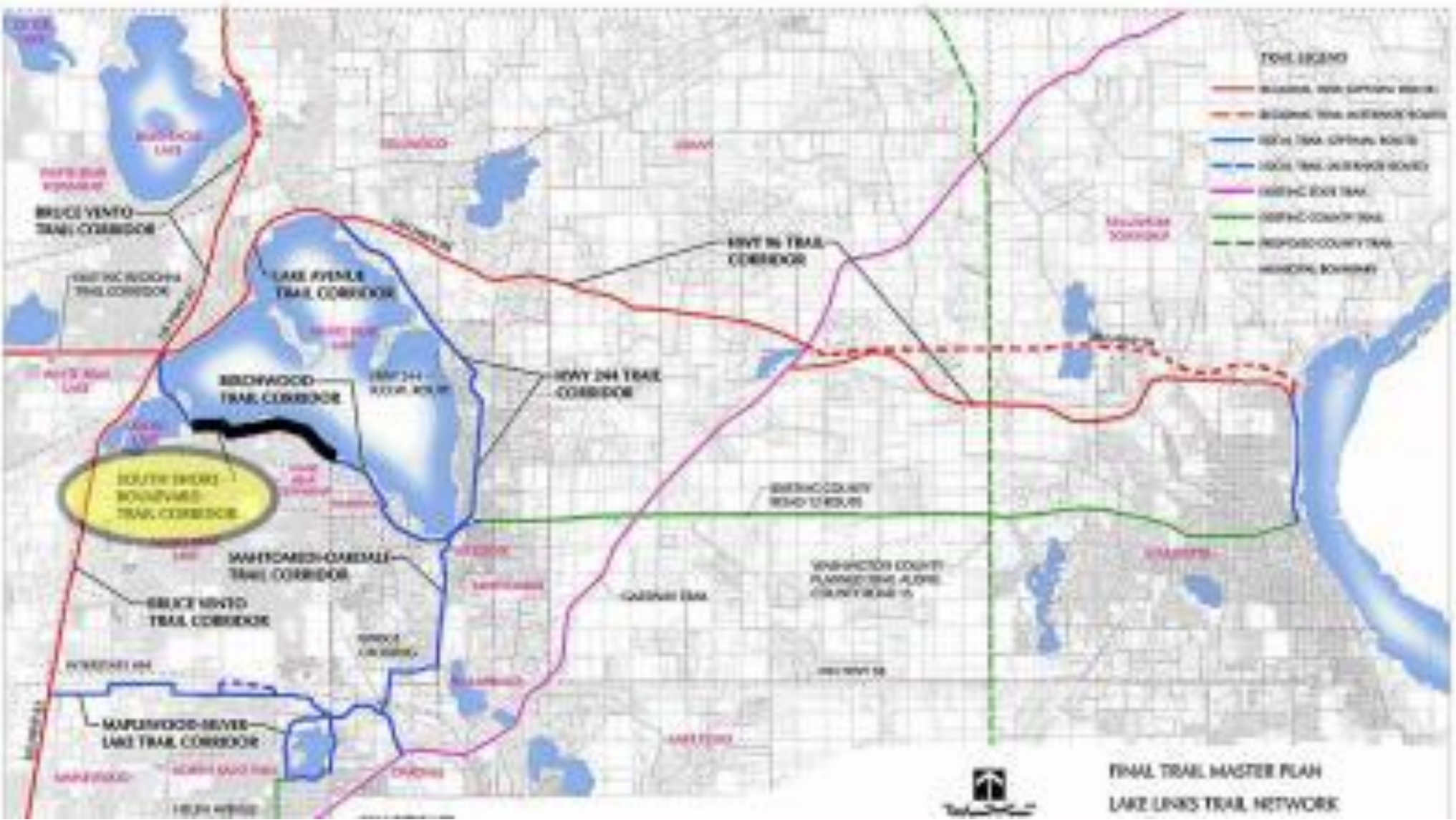
- Parks & Trails Legacy
- ENRTF
- Council Match



Other \$14 M

Authorized future spending: \$11 M

- Pass-through of state appropriations to other governmental agencies



Planned: \$3 M

- Regional Park Equity Grant Program funded by Council



Questions

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