# Program Development Update: Small Communities Planning Program and 2050 Planning Assistance Grant Program

Community Development Committee

**Merritt Clapp-Smith and Angela R. Torres**

August 4, 2025

METROPOLITAN COUNCIL

# Today’s Agenda

## Updates to Planning Assistance Programs

- Analysis of Potentially Eligible Communities
- Small Communities Planning Program
- 2050 Planning Assistance Grant Program
- Additional Program Considerations
- Proposed Schedule

# Analysis of Potentially Eligible Communities

# Initial Analysis Considerations

## Who Needs Help?

- Which communities need the most help with Comprehensive Plan updates?
- Talked to internal staff and consultants who worked with a range of communities during 2040.
  - Population and financial capacity identified as biggest determinants of need.

## Simplify Options

- Reduce overlap in eligibility between options.
- Consolidate options:
  - Revised to 1 option for grant eligibility that serves small and medium size communities.
  - Revised to 1 option for Small Communities Program.

## Analytics

- Under revised grant options, focus of support shifts.
  - Same number of communities eligible for grants (63*).
  - More small and medium size communities served; largest cities not eligible.
  - More older, slower growing, and financially constrained communities served.

* An additional 21 townships are served under the “County” grants to Scott and Carver.

# Additional Analysis

## "On the Cusp"

- 3% variation in current population would NOT change who is eligible
- 3% variation in net tax capacity per capita would NOT change who is eligible

## 2024 Population

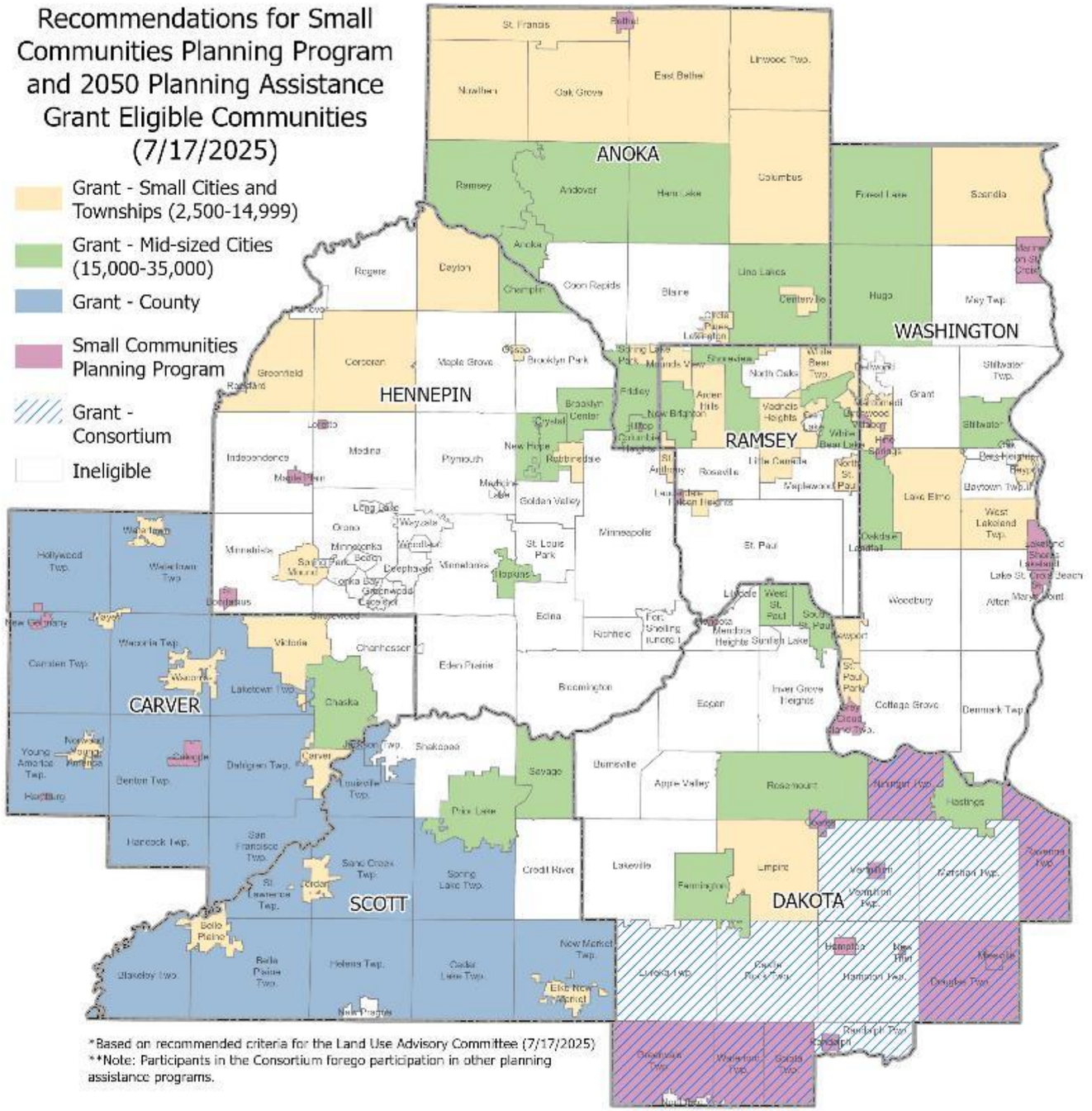
- In June, Met Council updated current population from 2023 to 2024
- Change impacted who was eligible based on population criteria and net tax capacity per capita criteria:
  - Grant eligible communities increased from 63 to 68
  - Small Communities Program eligible communities increased from 30 to 32

## 2025 Net Tax Capacity

- In late July, MN Dept of Revenue will release 2025 Net Tax Capacity data for communities
- In August, staff will update the eligibility analysis based on changes to Net Tax Capacity per Capita calculations
- It is VERY likely that list of eligible communities will change

** An additional 20 townships are served under the "County" grants to Scott and Carver.*

# Analysis results



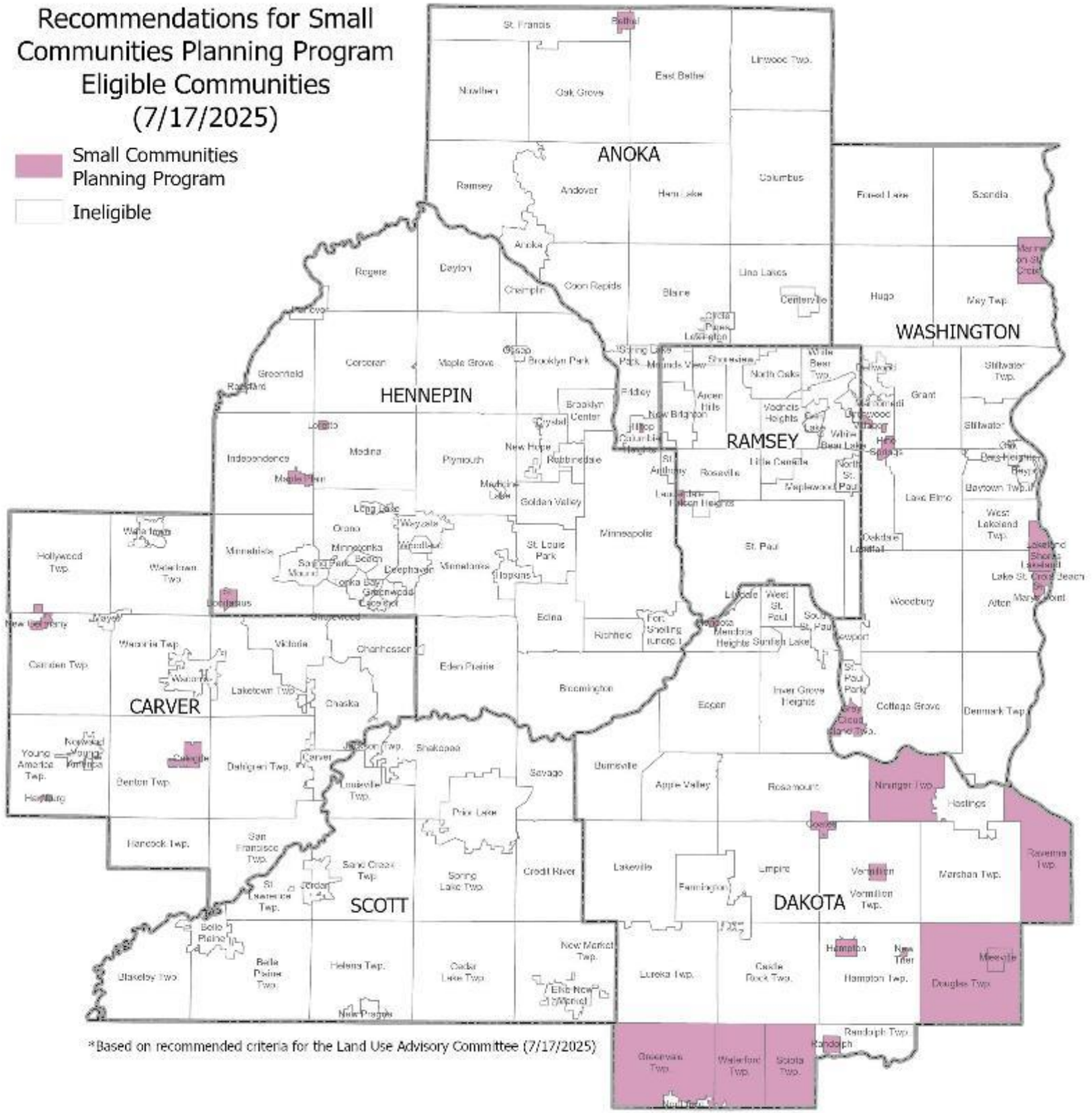
# Small Communities Planning Program

# Recommendations for 2050 Small Communities Program Eligibility Criteria

## 2050 Small Communities Program Recommendations

| | Current Population (2024) | Net Tax Capacity Per Capita (metro median = 100%) | # of Communities Eligible by Criteria | Total # of Communities Eligible for the Program |
|---|---|---|---|---|
| **General Eligibility Criteria** | Under 500 | Less/equal to 175% metro median | 13 | 32 |
| | OR | | | |
| | 500 to 999 | Less/equal to 150% metro median | 11 | |
| | OR | | | |
| | 1,000 to 2,500 | Less/equal to 125% metro median | 8 | |

# Map of Recommendations for 2050 Small Communities Program Eligibility



# Program Considerations

## Local Engineering Service Needs

- Wastewater System Plan
- Water Supply Plan
- Surface Water Management

- Service needs based on different community types:
  - Regional or local sewer service, or unsewered
  - Local water supplier, or not
  - Other agency planning requirements/ timelines (DNR, watersheds, etc.)

## Local Planning Service Needs

- Future Land Use Plan
- Mapping Services

- Service needs based on assessment of minimum requirements for small communities and expected capacity for existing or new staff to provide Program support


# Program Discussion


## Questions

- Do the proposed eligibility criteria for the Small Communities Planning Program need any further adjustments?
- Do you need any additional analysis or information in order to consider eligibility criteria recommendations from LUAC?

# 2050 Planning Assistance Grant Program

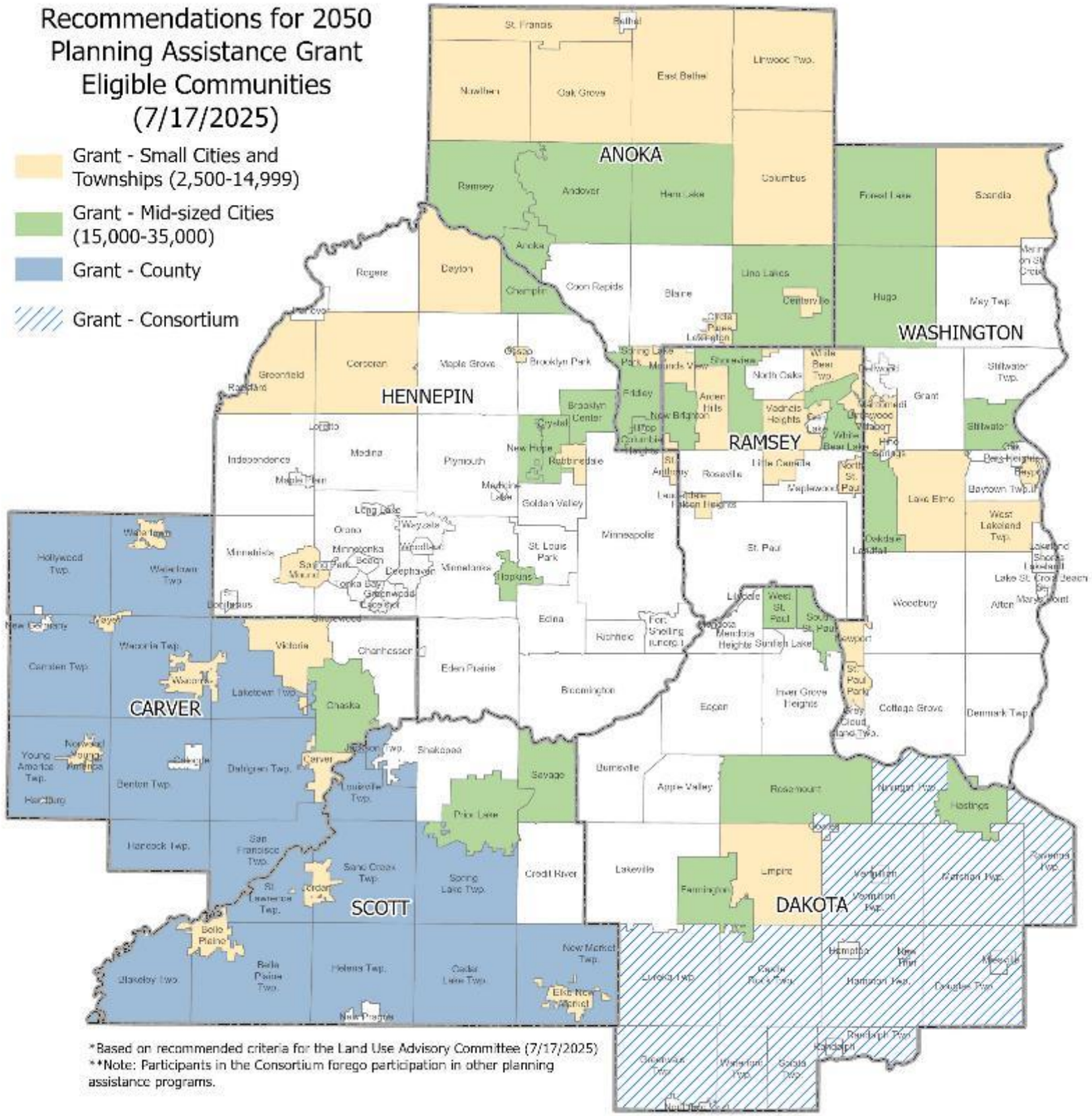
# Recommendations for 2050 Planning Assistance Grant Program Eligibility Criteria

## 2050 Planning Assistance Grant Program Recommendations

| | Current Population | Net Tax Capacity Per Capita (metro median = 100%) | # of Communities Eligible by Criteria | # Eligible for Planning Assistance Grant |
|---|---|---|---|---|
| **General Eligibility Criteria** | 2,500 to 14,999 | Less/equal to 125% metro median | 41 | 68 |
| | OR | | | |
| | 15,000 to 35,000 | Less/equal to 100% metro median | 27 | |
| **County or Consortium Eligibility Criteria** | County with land use planning authority for townships within their jurisdiction | | 20 | 2 jurisdictions |
| | OR | | | |
| | Consortium of 5 or more Dakota County communities in the Rural Service Area working collaboratively on their comprehensive plan updates* | | 17 | 1 group |

**Note: Participants in the Consortium forego participation in other planning assistance programs.*

# Map of Recommendations for 2050 Planning Assistance Grant Eligible Communities



# Planning Grant Award Categories

## 2040 Grant Awards by Category

In the 2040 process, the amount of financial support provided by the grant program was based on three general categories:

- Sewered communities ($32,000)
- Unsewered communities ($20,000)
- Counties or consortium ($84,000)

## Questions

- Do you support the clarifications to the County/Consortium eligibility criteria?
- Do you support retaining the same award categories from the 2040 planning cycle?
- Do the proposed eligibility criteria for the 2050 Planning Grants Program need any further adjustment?
- Do you need any additional analysis or information in order to consider eligibility criteria recommendations from LUAC?

# Additional Program Considerations

# Advancing regional goals

## Regional Goal Focus

- Our region is equitable and inclusive.
- Our communities are healthy and safe.
- Our region is dynamic and resilient.
- We lead on addressing climate change.
- We protect and restore natural systems.

## Opportunity Areas

Regional Goal Frameworks

- Equity
- Environmental Justice
- Anti-Displacement
- Community Centered Engagement
- Commitments to American Indian communities in the region

## Questions

- Are there other regional issues that you want to incentivize? What issues would your communities focus on?
- What level of financial incentive (with planning grant) would it take for communities to participate?

# Incentivizing an efficient process

## Challenges

- The Council must adhere to Minn. Stat.§15.99 which requires a formal response on the comp plan within 15 business days of receipt.
- Increases opportunities for errors which can have system impacts and strain relationships with local governments.
- Limits staff's ability to assist local governments

## Outcomes

- Allows a staggered deadline approach to spread out comp plan submissions
- Increases efficiency and accuracy in plan reviews.
- Allows Council staff to better serve local governments and continue high levels of service throughout the planning process
- Supports better relationships with local governments

## Questions

- What might limit the ability for communities to plan for submission prior to the deadline of December 31, 2028?
- What level of financial incentivize would it take for communities to participate?

# Small Communities Planning Program Local Cost-Share Discussion

## Engineering Service Needs

Engineering services considerations:

- Regional sewer service, local sewer service, or unsewered
- In the MUSA, or not
- Local water supplier, or not
- Watershed Districts
- Impaired waters
- Other agency planning requirements / timelines (DNR, watersheds, etc.)

## Assumptions

- Program funds sewer and water supply planning for minimum requirements only
- Local responsibility for completion of the SWMPs allows communities to contribute financially to their plan completion (local cost-share)
- Many communities adopt local watershed plans by reference
- SWMP timeline is different than comprehensive plans

## Questions

How would you recommend distributing funding for engineering services?

- Is it acceptable to expect local governments to locally fund their surface water management plans?
- Is there a different way you might suggest breaking out financial responsibilities?
- Outside of additional funding, are there other suggestions on how to define which portion of the local engineering costs would be provided as part of the Small Communities Program?

# Next Steps

# Proposed Schedule

## July

LUAC reviews final analysis and recommendations on eligibility criteria (Info)

## August

CDC Update on Program Development (Info)

## September

LUAC recommends eligibility criteria to CDC (BI)

LUAC reviews award amounts and funding distribution (Info)

## October

CDC reviews eligibility criteria recommendations (BI)

CDC Update on award amounts and funding distribution (Info)

Met Council reviews eligibility criteria recommendations (BI)

## November

LUAC recommends award amounts and funding distribution (BI)

## December

CDC reviews award amounts and funding distribution (BI)

Met Council reviews award amounts and funding distribution (BI)

## 2026

Funding is made available to eligible communities through a Notice of Funding Availability.

Application period opens and contracts are executed with local governments.

*BI = Business Item*
*Info = Informational Item*

# Thank you


**Angela R. Torres, AICP**

Senior Manager, Local Planning Assistance
angela.torres@metc.state.mn.us
(651) 602-1566

**Merritt Clapp-Smith**

Senior Planner, Local Planning Assistance
Merritt.clapp-smith@metc.state.mn.us
(651) 602-1567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IMAGINE 2050