



# Planning Assistance Grant Program and Small Communities Planning Program

Land Use Advisory Committee

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# Today's Agenda



## Updates to Planning Assistance Programs

Background for the Planning Assistance Grant Program

Elements of Analysis and Need

Potential Updates to Programs and Eligibility Criteria

Timelines, Next Steps, and Discussion

# Statutory Authorization

## Minn. Stat. §473.191 Local Planning Assistance, subd. 1

- Enables the Council to enter into contracts or make other arrangements with local governments units to provide services or assist with comprehensive planning.
- Primary purpose:
  - local comprehensive plans
  - fiscal devices
  - official controls

## Minn. Stat. §473.867 Planning Assistance; Grants; Loans

- Establishes the Planning Assistance Fund
- States that in making grants and loans, the Council shall base its decisions on the recipient's demonstrated need and available financial resources.\*
- Directs the Council to give priority for the use of funds for comprehensive plans, fiscal devices, and official controls.

*\*Underlining added to slide for emphasis*

# Background for the Planning Assistance Grant Program





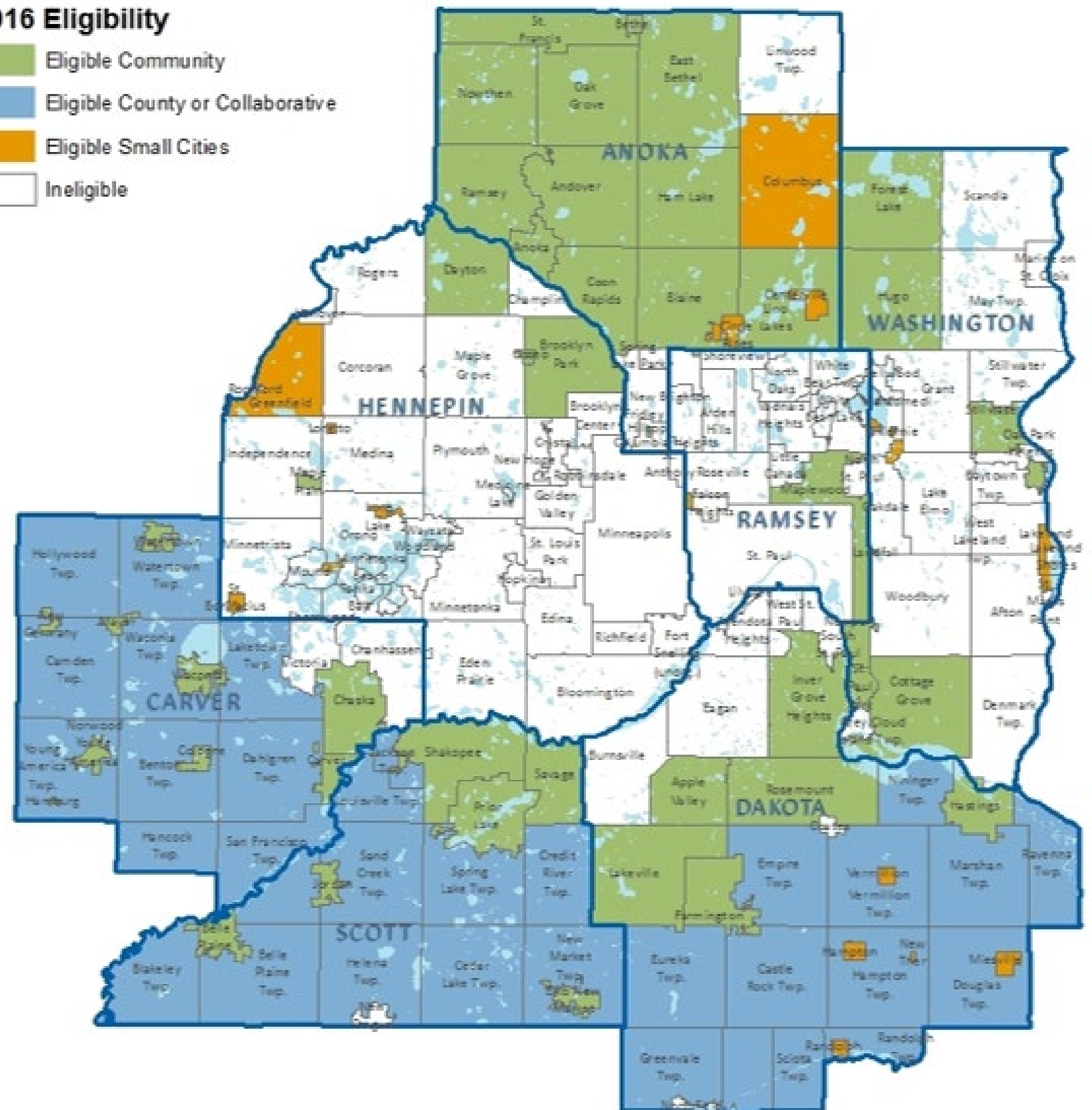
# Planning Assistance Grant Program Background

Community Type	2030 Regional Development Framework		Thrive MSP 2040	
	# of grant communities	Grant Amounts per community	# of grant communities	Grant Amounts per community
<i>Unsewered</i>	11	\$ 15,000	3	\$ 20,000
<i>Sewered</i>	36	\$ 20,000	43	\$ 32,000
<i>"Small Cities"</i>	NA	\$ --	21	\$ 10,000
<i>County/Consortium</i>	3	\$ 50,000	3	\$ 84,000
<b>TOTALS</b>	<b>50</b>	<b>\$ 1,035,000</b>	<b>70</b>	<b>\$ 1,898,000</b>

Focus on rural and  
suburban  
communities

## 2016 Eligibility

- Eligible Community
- Eligible County or Collaborative
- Eligible Small Cities
- Ineligible



# Who Needs Help?

## What we learned from the 2040 Plan Update Cycle

1. Grant assistance is very appreciated by recipient communities
2. Total planning expenditures for grantee communities varied widely, even across communities of similar size and conditions
3. Very small communities struggled to update plans, even with planning grant assistance

## Indicators of Need

1. Population is a strong indicator of local capacity to plan – staffing and budgets increase with population
2. Financial capacity relative to similarly sized communities
3. Planning for fast growth or for infill & redevelopment are similarly challenging

# Proposal for a Small Communities Planning Program



## Program Intent

- Provide direct professional planning services to the region's smallest communities to help update local comprehensive plans.

## Program Goal

- Reduce burden of comprehensive plan updates for the communities with the least capacity to manage them.

## Program Method

- Create staff capacity on Local Planning Assistance team to lead technical work of comprehensive plan updates for up to 30 communities.



# Elements of Analysis and Need



# Previous Eligibility Criteria for Planning Grant Program



## Criteria used for grant eligibility in 2030 and 2040

1. **Net Tax Capacity** of a community compared to the region's median capacity [NTC]
  - In 2030, the criteria was the overall NTC of a community
  - In 2040, the criteria was NTC per capita for a community
2. **30 Year Population Growth Rate** of a community compared to regional growth [Growth Rate]
3. **Current Population** of a community [Population]
4. **Consortium** planning approach for a county or coalition working collaboratively to update plans for 5 or more communities under one grant [Consortium]

# Elements of Analysis

## 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.



# Potential Updates to Programs and Eligibility Criteria





# Draft Criteria for Planning Grants and Small Communities Planning Program

## 2040 Grant Criteria

Current population less than or equal to 5,000  
&  
Net Tax Capacity per capita less than or equal to 125% metro median

OR

30-Year Growth Rate greater than or equal to metro median  
&  
Net Tax Capacity per capita less than or equal to 100% metro median

## Draft 2050 Grant Criteria

Current population 2,500 – 14,999  
&  
Net Tax Capacity per capita less than or equal to 125% metro median

OR

Current population 15,000 – 35,000  
&  
Net Tax Capacity per capita less than or equal to 100% metro median

## Draft 2050 Small Communities Program Criteria

Current population under 500 &  
NTC/capita  $\leq$  175%

OR

Current population 500 - 999 & NTC/capita  $\leq$  150%

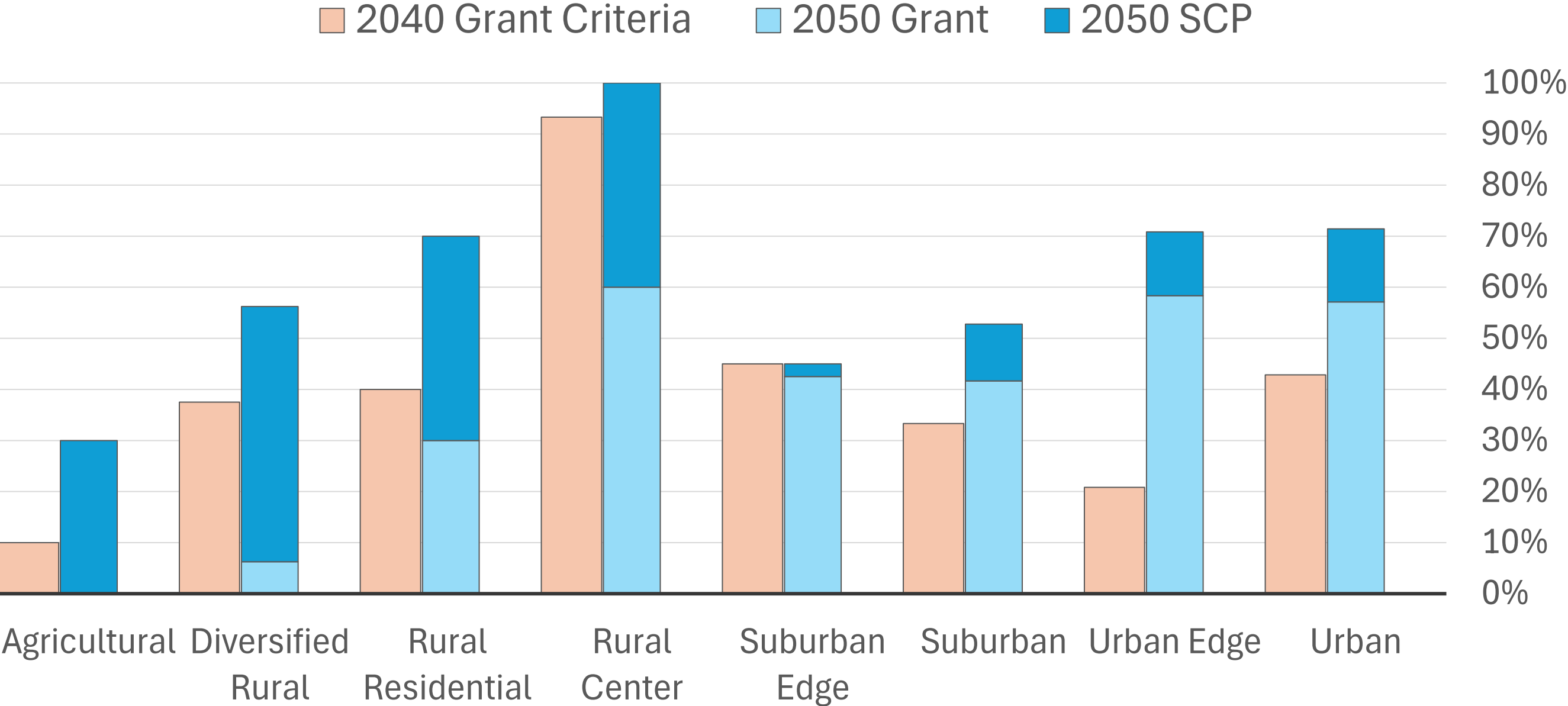
OR

Current population  $\leq$  1,000 to 2,500 &  
NTC/capita  $\leq$  125%

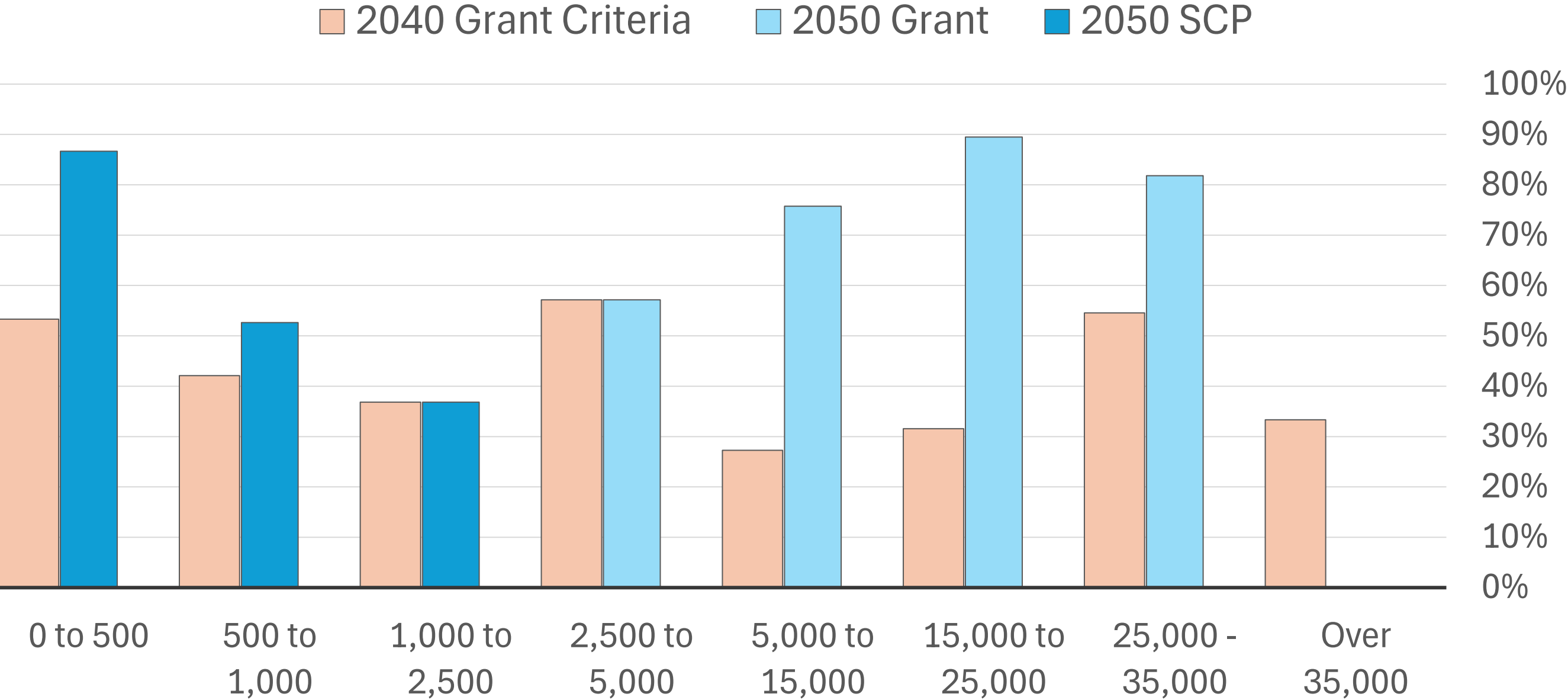
# Draft Program Eligibility Criteria with 2040 Comparison

	Current Population	NTC/capita (metro median = 100%)	30-year Population Growth Rate compared to metro median	# of Communities Eligible for these programs
<b>Planning Assistance Grant Program</b>				
<b>2040 Planning Grant Program</b> <i>Current Adopted Eligibility Criteria</i>	Less/equal to 5,000	Less/equal to 125% metro median	N/A	63
	OR			
		Less/equal to 100% metro median	Greater/equal to metro median	
<b>2050 Planning Grant Program</b> <i>Draft Eligibility Criteria</i>	2,500 to 14,999	Less/equal to 125% metro median	N/A	63
	OR			
	15,000 to 35,000	Less/equal to 100% metro median	N/A	
<b>2040 and Draft 2050 Planning Grant Program County/Consortium</b>		County or consortium of 5+ communities working collaboratively on comprehensive plan updates		At least 2
<b>Small Communities Planning Program</b>				
<b>*NEW* 2050 Small Communities Planning Program</b> <i>Draft Eligibility Criteria</i>	Under 500	Less/equal to 175% metro median	N/A	30
	OR			
	500 to 999	Less/equal to 150% metro median	N/A	
	OR			
	1,000 to 2,500	Less/equal to 125% metro median	N/A	

# Draft Eligibility by Community Designation

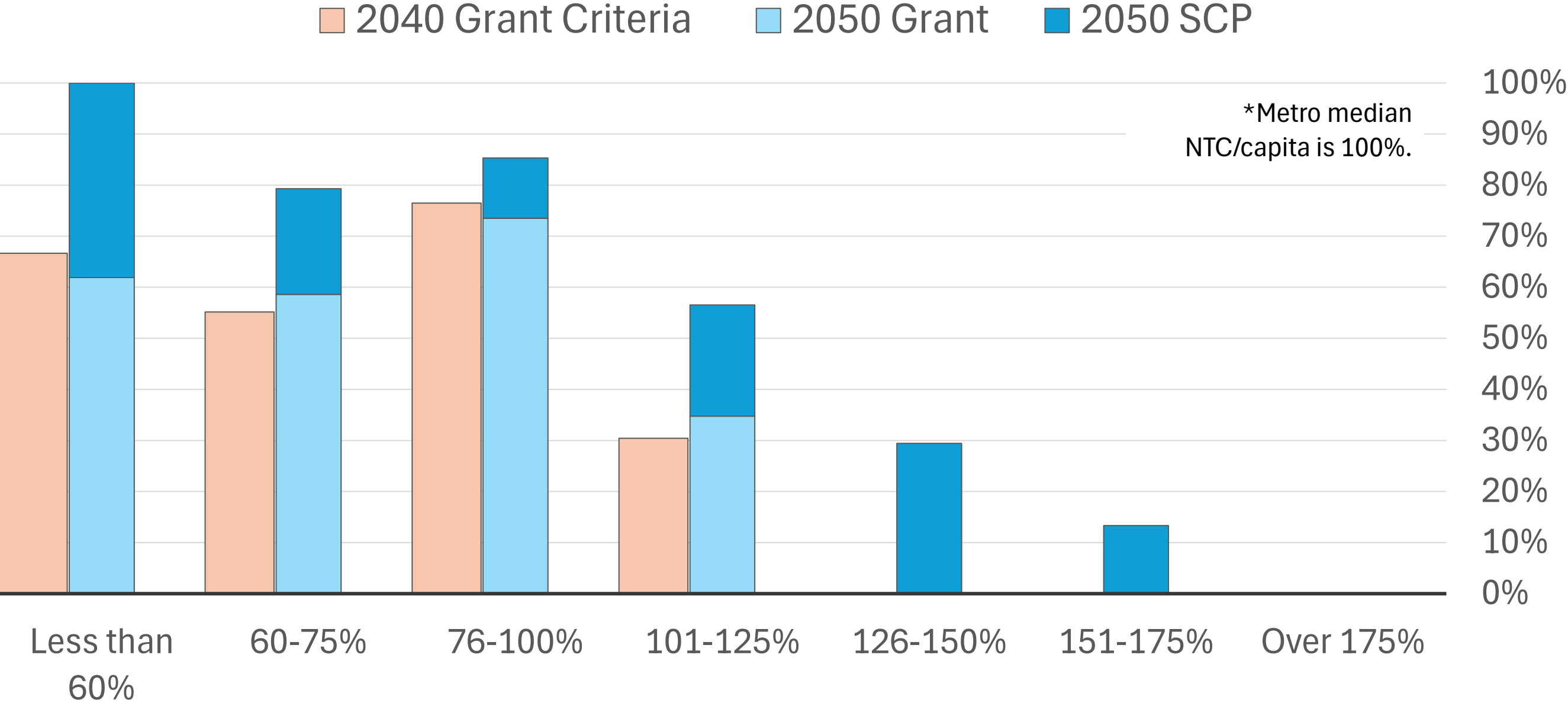


# Draft Eligibility by Current Population Size

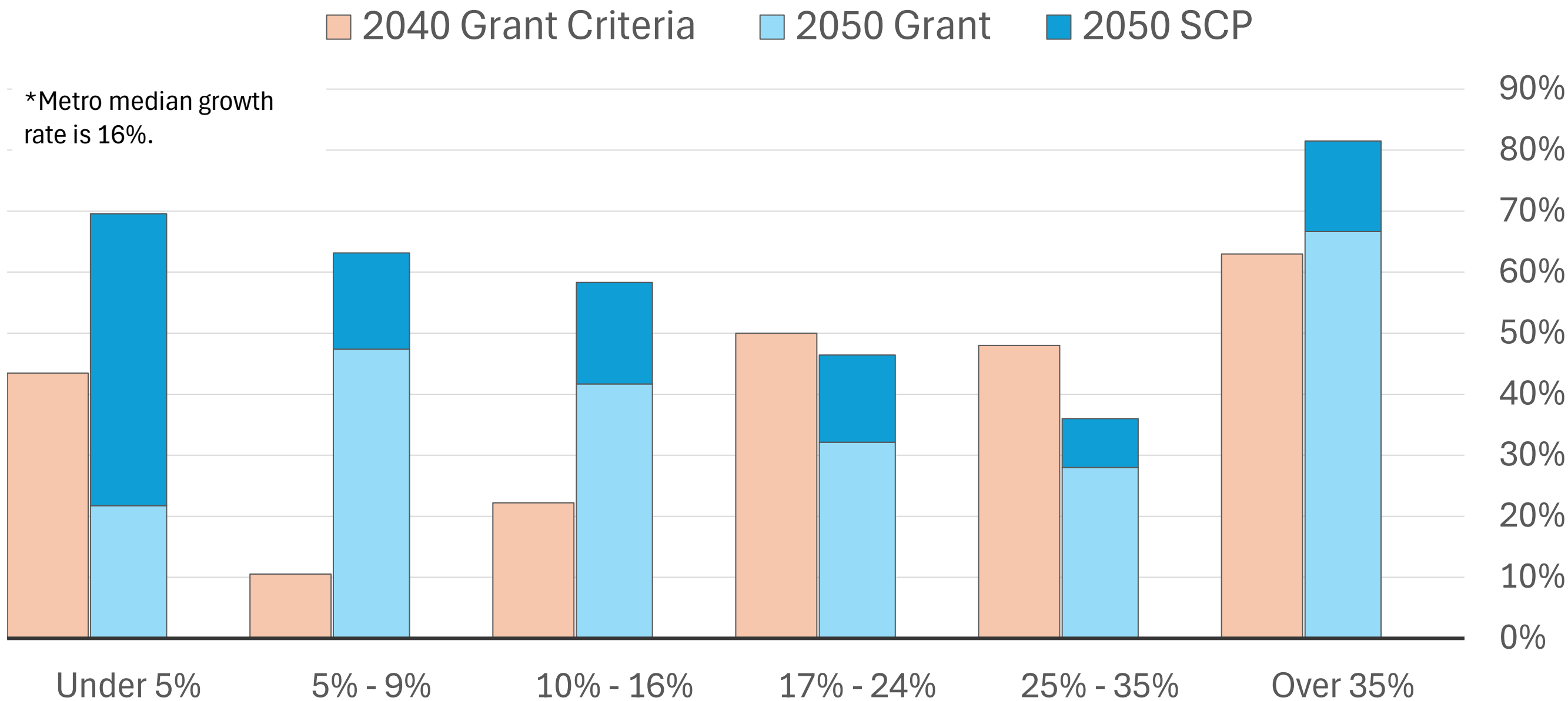




# Draft Eligibility by Net Tax Capacity per Capita\*



# Eligibility by 30-Yr Population Growth Rate\*

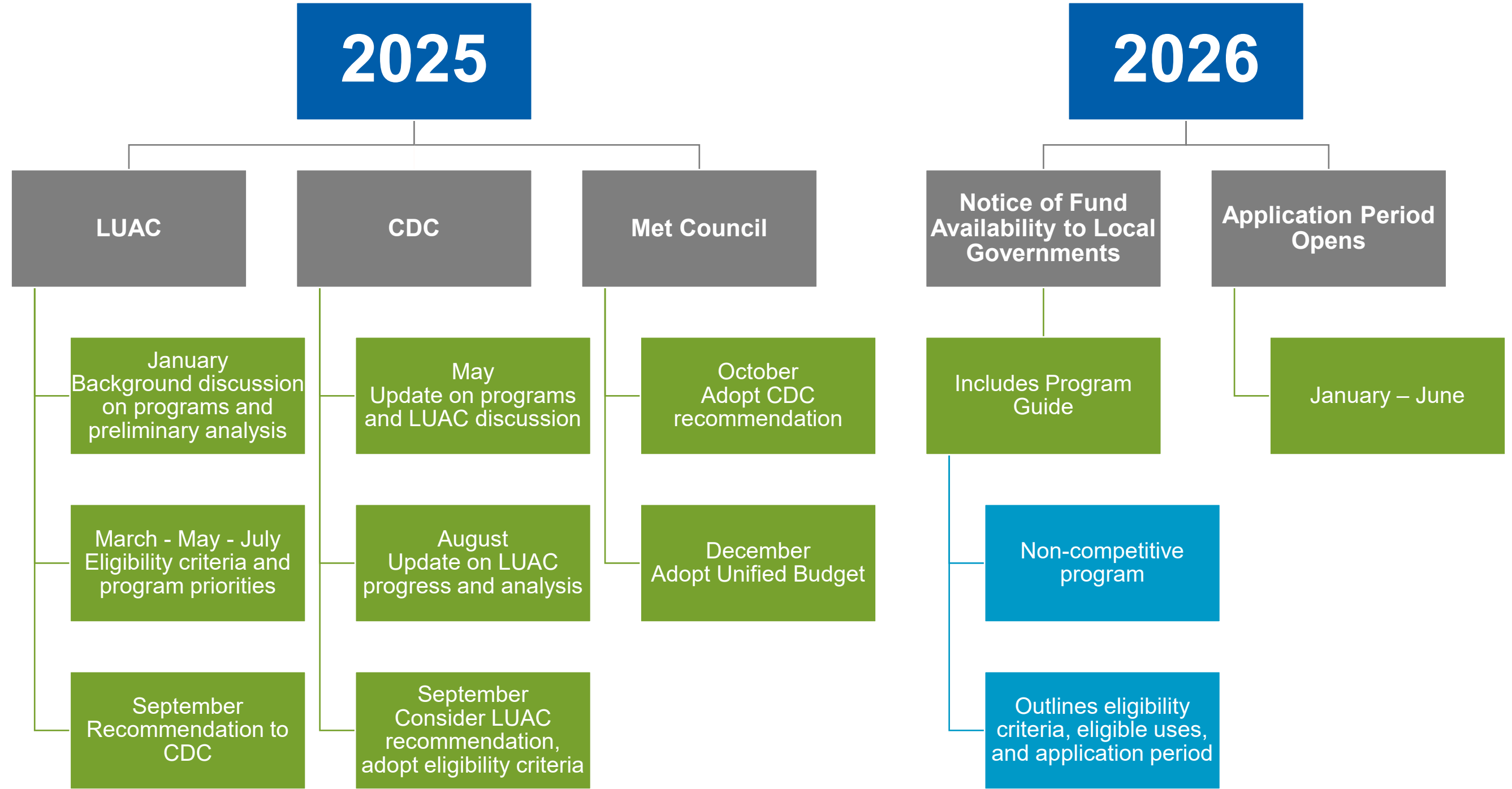


# Timeline, Next Steps, and Discussion





# Proposed Timeline and Next Steps





# Small Communities Planning Program – Next Steps



## Scope of Work for Local Plan Updates

- Identify key tasks and technical resources needed to complete the work, including how comprehensive planning requirements differ by community types.
- Assess extent of planning and engineering services needed to complete required plan elements and minimum requirements.
- Establish eligibility criteria and number of communities able to be served in the program.
- Identify staffing needs and confirm available budget.
- Develop a communications and outreach plan to engage eligible communities.



# Planning Assistance Grant Program – Next Steps



## Planning Assistance Grants

- Refine eligibility criteria and number of communities able to be served in the program.
- Identify proposed budget and secure funding.
- Develop a communications and outreach plan to engage eligible communities.
- Prepare program guidelines and initiate contract process.

# Discussion



## Question Prompts

1. What questions or feedback do you have about the new Small Communities Planning Program and its proposed eligibility criteria?
2. What questions or feedback do you have about the proposed Planning Assistance Grant Program eligibility criteria for the 2050 planning cycle?
3. In preparation for the July 17, 2025, LUAC meeting, what additional information or analysis would be helpful for the committee, in addition to a list and map of potentially eligible communities for planning assistance grants and the Small Communities Planning Program?



# Thank you

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