



Small Communities Planning Program and 2050 Planning Assistance Grant Program: Funding Considerations

Land Use Advisory Committee

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Today's Agenda

Small Communities Planning Program and the 2050 Planning Assistance Grant Program

Funding Considerations

Water Planning Engineering Service Needs

Program Budget and Funding Scenarios

Discussion and Next Steps

Funding Background

Planning Assistance Grants

- Minnesota Statutes section 473.867, subd. 2: Establish a Planning Assistance Fund to provide grants/loans to local governments
- Non-competitive
- Eligibility established by the Council
- Two-part distribution of funds
- Plans must be consistent with regional policy, conform to regional system plans, and be compatible with plans of affected jurisdictions

Small Communities Planning

- Minnesota Statutes section 473.191, subd. 1: Enabled to enter into contracts with local governments to provide services or assist with comprehensive planning
- New program for smallest communities with most demonstrated need
- Engineering services, local cost-share options
- Not intended to cover the full scope of costs for the local planning requirements
- Local government responsibility to meet statutory planning requirements

Water Planning Engineering

Wastewater Plan

Service needs based on different community types:

- Regional or local sewer service, or unsewered
- 16 communities with regional or local sewer service
- 13 unsewered communities with SSTs
- Cost estimate: \$1,032,000

Water Supply Plan

Service needs based on different community types:

- Public water supply or private wells
- 15 communities with some type of public water supply system
- 14 communities with private wells
- Cost estimate excluding add'l modeling: \$312,000

Surface Water Management Plan

Service needs based on different community types:

- The type, quality and quantity of water bodies in communities varies
- Local watershed district or water mgmt. org. capacity
- Impaired waters
- Other agency planning requirements/ timelines
- 29 communities
- Cost estimate: \$870,000

Engineering Estimates

Small Communities Planning Program

Plans	Type of Community	No. of Communities	Estimated Plan Cost	Cost Estimate
Wastewater Plans				\$1,032,000
	Regional or Municipal Sewer	16	\$58,000	\$928,000
	Unsewered (SSTS)	13	\$8,000	\$104,000
Water Supply Plans				\$312,000
	Public water supply	15	\$18,000	\$270,000
	Private wells	14	\$3,000	\$42,000
Surface Water Management Plans				\$870,000
TOTAL				\$2,214,000

Program Budget and Funding Scenarios

Overall 2050 Planning Assistance Grant Fund Budget is \$5.64 Million

Includes:

- 2050 Planning Assistance Grants for 67 eligible grantees
- Incentive grants for eligible grantees to advance regional goals and encourage early plan completion
- Small Communities Planning Program cost-share estimated budget for water resources engineering

# of Eligible Participants* Community type		Scenario A		Scenario B		Scenario C	
		2040 Plan Levels	Total	Inflation-Adjusted	Total	Adjusted for Programs	Total
60	Sewered	\$ 32,000	\$ 1,920,000	\$ 43,000	\$ 2,580,000	\$ 40,000	\$ 2,400,000
4	Unsewered	\$ 20,000	\$ 80,000	\$ 27,000	\$ 108,000	\$ 25,000	\$ 100,000
3	County/Consortium	\$ 84,000	\$ 252,000	\$ 112,000	\$ 336,000	\$ 110,000	\$ 330,000
67		\$ 2,252,000		\$ 3,024,000		\$ 2,830,000	

**Based on recommended criteria from 9/18/25 (LUAC) using 2024 Population Estimates and 2024 ANTC per capita*

Comparison of Funding Scenarios

Scenario A

- Provides the same level of funding as the previous planning cycle
- Updated to reflect the 2050 eligibility criteria
- Lower level of support than in the previous planning cycle when inflation is considered

Scenario B

- Adjusts upward the funding amounts committed in the previous planning cycle to account for inflation
- Updated to reflect the 2050 eligibility criteria
- Meets the intent of the program commitments
- Balances support between grants, incentives, and small community needs

Scenario C

- Adjusts upward the funding amounts committed in the previous planning cycle to account for inflation
- Updated to reflect the 2050 eligibility criteria
- Prioritizes support for small community needs

Planning Assistance Incentive Grants

Advancing Regional Goals

- People-centered regional goals like:
 - Our region is equitable and inclusive.
 - Our communities are healthy and safe.
 - Our region is dynamic and resilient.
- Opportunities to support Regional Goal Frameworks for Equity, Environmental Justice, Anti-Displacement, Community Centered Engagement, and Commitments to American Indian communities
- **Recommendation:**
\$10,000 each grant eligible community

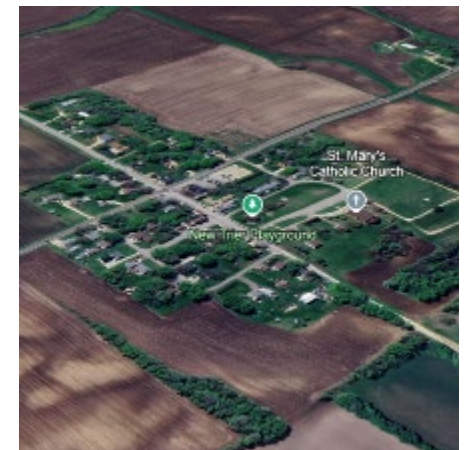
Process Efficiencies: Early Plan Submission

- Statutory requirement for a 15-day plan review
- Staggered deadline spreads out 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
- **Recommendation:**
\$4,000 each grant eligible community

Engineering Considerations

Small Communities Planning Program Engineering Services

- Minimum planning requirements only (conformance, consistency, compatibility)
- Financial assistance meant to supplement, not replace, local government's responsibilities
- Provided through the Met Council via contracted services; not directly provided to local governments
- Cost savings and efficiencies within the Council and within the Program
- Reduces time needed from local government staff with limited capacity
- The initial cost-sharing approach:
 - local government retain full financial responsibility for surface water management plan update
- Surface water management plan engineering services estimated at \$30,000 for each community
- Adds approximately \$870,000 to budget need



Engineering Funding Options

What level of support do you want to provide for Engineering Services?

Wastewater and Water Supply engineering only

- Fund wastewater and water supply plans only
- Provide supportive engineering services to incorporate completed local surface water mgmt plans into comp plans
- Supports surface water mgmt plans but relies on the local govt to facilitate development
- Allows Program contingency; retains flexibility to manage unanticipated costs for all 29 communities
- Implemented using **Scenario B**

Not-to-exceed (NTE) using Scenario B

NTE engineering allocation based on community type for wastewater (sewered/unsewered) and water supply (public/private) planning:

- Local choice and prioritization
- Local governments fund any additional engineering costs
 - Implemented using **Scenario B**
 - Estimated \$11,500 allocation for each community

Not-to-exceed (NTE) using Scenario C

NTE engineering allocation based on community type for wastewater (sewered/unsewered) and water supply (public/private) planning:

- Local choice and prioritization
- Local governments fund any additional engineering costs
 - Implemented using **Scenario C**
 - Reduces the inflation-adjusted baseline planning grant awards by \$194,000
 - Estimated \$18,000 allocation for each community

Discussion



Questions

- Do you have a preferred 2050 Planning Assistance Grant funding scenario?
- How would you recommend distributing funding for engineering services as part of the Small Communities Planning Program?
 - *What level of support do you want to provide for engineering services?*
- Outside of additional funding, are there other suggestions related to local engineering costs for the Small Communities Planning Program?
- Is there additional information you might need to feel prepared to make a recommendation to the CDC?

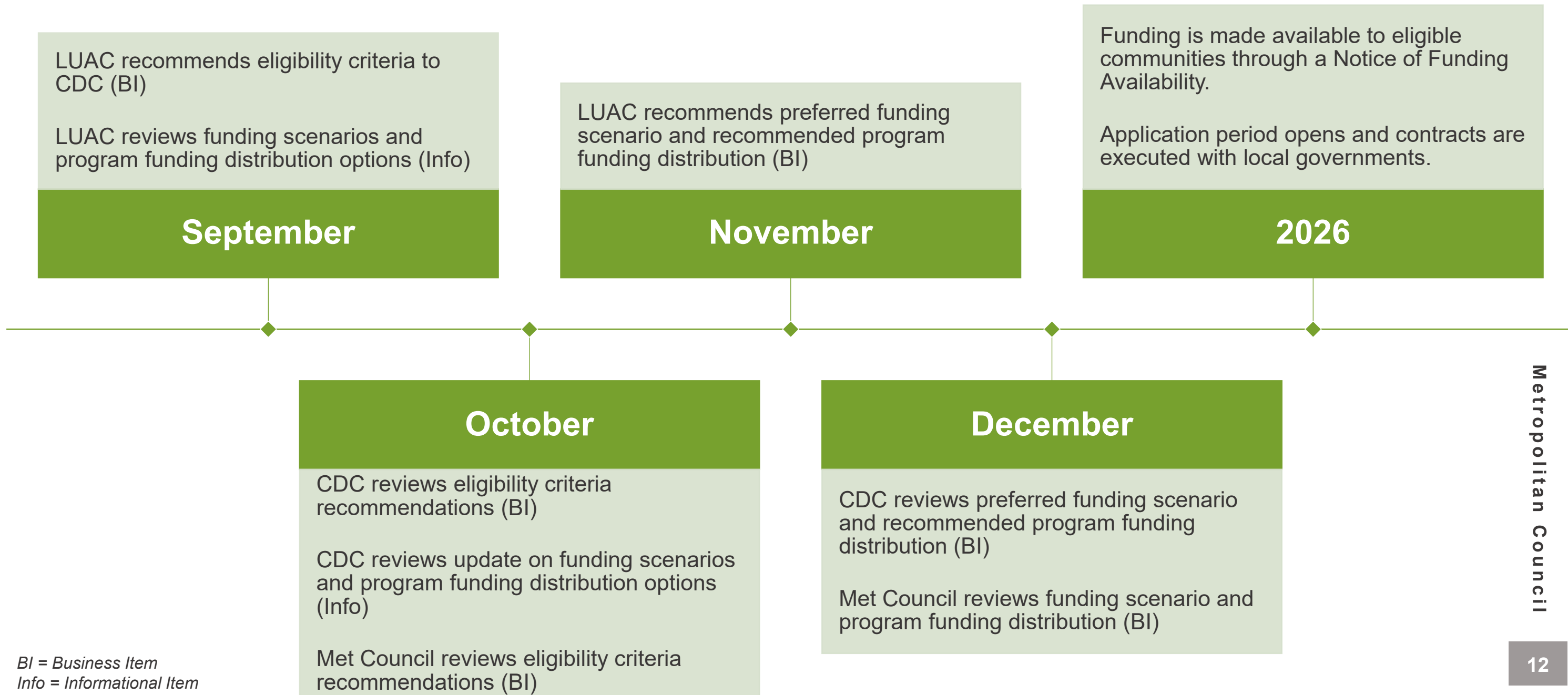
Next Steps



Preparing to take action

- The Committee is tentatively planned to make a formal recommendation for the eligibility criteria for both the Small Communities Planning Program and the 2050 Planning Assistance Grants Program as a Business Item for consideration at the November 20, 2025, Committee meeting on the following:
 - programs that advance regional goals and incentivize an efficient review process
 - Small Communities Planning Program local cost-share options

Tentative Adoption Schedule





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