

Environment Committee

For the Metropolitan Council meeting of May 22, 2019

Subject: 2019 Stormwater Management Grants

Proposed Action

That the Metropolitan Council approves the process for 2019 stormwater management grants described in Attachment A and authorizes staff to advertise the availability of grant funding and solicit applications for the 2019 grants.

Summary of Committee Discussion/Questions

An inquiry was made that \$500,000 for this year appears to be a decrease from prior years. Staff stated that grant funding has been available in prior years. Each year Regional Administration has solicited projects aimed at implementing Thrive principles. Many projects are submitted and there is a set amount of money available for funding projects. Due to the high number of projects submitted, \$500,000 was awarded for this program.

All cities, counties, townships, watershed management organizations and soil and water conservation districts will be notified of the availability of the program.

Council Member Wulff shared that in prior administrations a portion of the regional administration costs were paid for by the general fund. Gradually, over the past 8 years, the costs were distributed more to the various divisions, and part of the general fund was used for targeted initiatives. The Council's general-purpose levy is a small amount compared the Council's overall budget, and there are many cost pressures, so Council members will need to discuss how it should be used in the future, as part of ongoing budget discussions.

Environment Committee

Meeting date: May 14, 2019

For the Metropolitan Council meeting of May 22, 2019

Subject: 2019 Stormwater Management Grants

District(s), Member(s): All

Policy/Legal Reference: Total Watershed Management (Minn. Stat. § 473.505)

Staff Prepared/Presented: Joe Mulcahy, 651-602-1104; Judy Sventek, 651-602-1156

Division/Department: MCES c/o Leisa Thompson, 651-602-8101

Proposed Action

That the Metropolitan Council approves the process for 2019 stormwater management grants described in Attachment A and authorizes staff to advertise the availability of grant funding and solicit applications for the 2019 grants.

Background

Research and monitoring has shown that nonpoint source pollution is having a detrimental effect on the water quality of lakes, streams, and rivers in the Twin Cities Metropolitan Area. Nonpoint source pollution is polluted stormwater runoff from agricultural and urban land that enters wetlands, lakes, streams, and rivers without treatment. These grants would help fund stormwater treatment for redevelopment projects.

Rationale

Many parts of the Metropolitan Area were developed before stormwater treatment was required. Often the only opportunity to add stormwater treatment in these places is when properties are redeveloped, but these retrofits are frequently difficult due to site constraints. These grants will help fund innovative projects to treat stormwater that could be replicated throughout the metro region. Projects funded by these grants will help to protect and improve receiving water quality in the region.

MCES will strongly encourage Grantees to solicit and include businesses that participate in the Metropolitan Council Underutilized Business (MCUB) Program.

Thrive Lens Analysis

This action supports the Thrive MSP 2040 Stewardship and Sustainability outcomes and the water sustainability goal of the Water Resources Policy Plan.

Funding

This action will be funded with \$500,000 budgeted in the 2019 MCES operating budget as a targeted initiative from the Council's General Fund.

Known Support / Opposition

No known opposition.



Metropolitan Council 2019

Stormwater Grant Program

Design and Process

Overview

The Metropolitan Council (Council) will implement a stormwater grant program effective June 3, 2019. Grants will be awarded on a competitive basis to metropolitan area cities, townships, soil and water conservation districts (SWCDs), watershed management organizations (WMOs) or watershed districts (WDs). The Council will provide 75% of the program cost; the grantee must provide the remaining 25%. Grants will be made available in amounts with a minimum of \$10,000 and a maximum of \$100,000, with a maximum of \$100,00 to any applicant. Grantees will be required to provide promotional/educational signage regarding the project for the benefit of cities and the public.

Legislative Directive

The Council is authorized by Minnesota Statute section 473.505 to enter into agreements with other government bodies and spend funds to implement total watershed management. This includes the authority to make grants to other government bodies to implement total watershed management.

473.505 TOTAL WATERSHED MANAGEMENT.

The Metropolitan Council may enter into agreements with other governmental bodies and agencies and spend funds to implement total watershed management. "Total watershed management" means identifying and quantifying at a watershed level the (1) sources of pollution, both point and nonpoint, (2) causes of conditions that may or may not be a result of pollution, and (3) means of reducing pollution or alleviating adverse conditions. The purpose of total watershed management is to achieve the best water quality for waters of the state receiving the effluent of the metropolitan disposal system for the lowest total costs, without regard to who will incur those costs.

Grant Program Goal

The goal of the stormwater grant program is to help fund practices to treat and manage stormwater for redevelopment projects or retrofit fully developed areas with new stormwater management practices to reduce pollution of receiving waters in the seven-county metropolitan area.

Underlying redevelopment projects for which stormwater management funds are requested must meet the definition for redevelopment from the Minnesota Stormwater Manual:

Redevelopment - any construction, alteration, or improvement that disturbs greater than or equal to 5,000 square feet of existing impervious cover performed on sites where the existing land use is commercial, industrial, institutional, or residential.

Grant Program Structure

Administration and Funding

The stormwater grant program will be administered by Metropolitan Council Environmental Services (MCES) and will be funded as a targeted initiative with \$500,000 general purpose levy funds. Grant applications will be reviewed and ranked by a panel of Council staff and an American Public Works Association (APWA) member. Rankings and funding recommendation will be reviewed by MCES management, before being presented to the Environment Committee and full Council for approval.

Grants will be awarded to cities, counties, watershed management organizations or soil and water conservation districts in amounts ranging from \$10,000 to \$100,000 for implementation of stormwater management practices. Grant payments will be for 75% of approved project costs. The applicant (or their partners) must provide the remaining 25% of the project cost. Payments for awarded projects will be made on a reimbursement basis.

Eligibility

The grant program is open to cities, counties, townships, watershed management organizations (WMOs), watershed districts (WDs), or Soil and Water Conservation Districts (SWCDs) in the seven-county metropolitan area.

Eligible applicants must apply for funding and, if approved, sign a standard Council grant agreement, before any eligible costs can be submitted for reimbursement.

Unless there are extenuating circumstances, projects awarded grant funding must be completed by December 31, 2022.

Application Process

- Applicants must be cities, townships, counties, watershed management organizations (WMOs), watershed districts (WDs), or soil and water conservation districts (SWCDs) located in the seven-county metropolitan area.
- Organizations will submit grant applications by July 15, 2019.
- Metropolitan Council will notify applicants of grant awards by August 31, 2019.
- Successful applicants will be required to submit detailed project work plans and budgets which will be included as exhibits in the standard grant agreements.
- No project expenses incurred before agreement execution will be eligible for reimbursement by the Metropolitan Council.
- No payments will be made that would cause total compensation to exceed the total grant amount. Maximum grant amount: \$100,000; minimum \$10,000.
- \$100,000 maximum per organization.
- 25 % match required.
- Cannot be used or combined with any other Metropolitan Council grant.
- **In employing professional services and contractors, the Council strongly encourages Grantee to solicit and include businesses that participate in the Metropolitan Council Underutilized Business (MCUB) Program. A list of these firms is available on the Council's website.**

Proposal Selection Criteria:

Criteria	Possible Points
Project exceeds stormwater management standards/requirements	0-20
Project includes effectiveness monitoring	0-10
Project drains to impaired water or priority lake.	0-10
Project has multi-benefits such as addressing other water issues, groundwater issues, wastewater issues, or drinking water supply issues	0-10
Project seeks to remedy the shortage of housing for low and moderate-income residents	0-10
Project occurs in an area of concentrated poverty	0-10
Project clears and redevelops blighted area	0-10
Projects is in an approved watershed management plan or local water plan.	0-5
Project leverages other funds	0-5
Project includes a long-term maintenance plan	0-10
Total possible points	100