

SF4719 - 0 - Blue Line LRT Extension Antidisplacement Program

Chief Author: **Scott Dibble**
 Committee: **Transportation**
 Date Completed: **4/2/2024 4:01:38 PM**
 Lead Agency: **Metropolitan Council**
 Other Agencies:
 Transportation Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Transportation Dept						
General Fund	-	10,000	10,016	10,011	10,011	10,011
State Total						
General Fund	-	10,000	10,016	10,011	10,011	10,011
	Total	-	10,000	10,016	10,011	10,011
			Biennial Total	20,016		20,022

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Transportation Dept					
General Fund	-	-	.09	.06	.06
	Total	-	-	.09	.06

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/2/2024 4:01:38 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Transportation Dept						
General Fund	-	10,000	10,016	10,011	10,011	10,011
Total	-	10,000	10,016	10,011	10,011	10,011
	Biennial Total		20,016		20,022	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Transportation Dept						
General Fund	-	10,000	10,016	10,011	10,011	10,011
Total	-	10,000	10,016	10,011	10,011	10,011
	Biennial Total		20,016		20,022	
2 - Revenues, Transfers In*						
Transportation Dept						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-		-	

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	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/2/2024 11:45:43 AM
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Biennial Total			-			-
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Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The Blue Line Extension Light Rail Transit Project’s Anti-Displacement Community Prosperity Program establishes funding to preserve and enhance affordable housing, small business support, job training and placement, economic vitality, and the sense of community to benefit the people in the communities along the Blue Line light rail transit extension corridor. Funding would be used for existing residents and business owners to support the following aims:

Maintaining and providing affordable housing options along alignment;

Supporting the economic viability of new and existing local commercial businesses before, during and after construction

Public realm enhancements;

Job placement and placement within the light rail project.

The proposed bill would provide \$10 million per year over a 6-year period from the general fund to the Commissioner of Transportation who would administer the grant to Hennepin County.

Assumptions

Assume that the Met Council has no required fiscal responsibility for this funding. The bill does require a match that Met Council can participate in, but it is assumed the Met Council fiscal contributions for match would come from available grants or federal funding the Council receives that is eligible for match from the Blue Line Extension project.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

This bill would introduce additional costs to local municipalities by requiring “an equal amount of funding from nonstate sources, including but not limited to federal, local, Metropolitan Council, or philanthropic funding.”

References/Sources

Nick Thompson METRO Projects Division Director 612 349 7507

Agency Contact: Nick Thompson 612 349 7507

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 Agency: **Transportation Dept**

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Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

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Biennial Total			20,016			20,022

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LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/2/2024 4:01:01 PM
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State Cost (Savings) Calculation Details

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2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-			-

Bill Description

Fiscal Note SF 4719 - the Blue Line Extension Light Rail Transit Project's Anti-Displacement Community Prosperity Program establishes funding to preserve and enhance affordable housing, small business support, job training and placement, economic vitality, and the sense of community to benefit the people in the communities along the Blue Line light rail transit extension corridor. Funding would be used for existing residents and business owners to support the following aims:

- Maintaining and providing affordable housing options along alignment;
- Supporting the economic viability of new and existing local commercial businesses before, during and after construction;
- Public realm enhancements;
- Job placement and placement within the light rail project.

The proposed bill would provide \$10 million per year over a 6-year period from the general fund to the Commissioner of Transportation who would administer the grant to Hennepin County.

Assumptions

The bill requires that the prescribed board members (of which MnDOT is not included) “must not approve an expenditure of program money for any purpose unless that purpose also receives at least an equal amount of funding from nonstate sources, including but not limited to federal, local, Metropolitan Council, or philanthropic funding.” This seemingly exempts MnDOT from the match requirement.

Grant administration would fall under MnDOT’s responsibility. Cost for this work include:

- 40 hours of grant initiation and meetings with Hennepin County for Transit Director and 20 hours of initial set up/support for Grant Administrator (FY25 only).
- 2 hours per month for any administrative tasks and grant support by the grant administrator staff person.
- 8 hours per month of grant administration/support meetings for Transit Director.
- 16 hours of grant closure activities by both the Transit Director and grant administrator staff person in FY 2030
- The fiscal note assumes costs through FY 2030, the life of the request.

Expenditure and/or Revenue Formula

Activity	Transit Director			Grants Administrator			Subtotal
	Hours/Year	Hourly Rate	Loaded Rate (150%)	Hours	Hourly Rate	Loaded Rate (150%)	
FY 2025 Grant Initiation/Admin	136	\$67.00	\$101.00	44	\$38.00	\$57.00	\$16,244.00
FY 2026 Grant Admin	96	\$67.00	\$101.00	24	\$38.00	\$57.00	\$11,064.00
FY 2027 Grant Admin	96	\$67.00	\$101.00	24	\$38.00	\$57.00	\$11,064.00
FY 2028 Grant Admin	96	\$67.00	\$101.00	24	\$38.00	\$57.00	\$11,064.00
FY 2029 Grant Admin	96	\$67.00	\$101.00	24	\$38.00	\$57.00	\$11,064.00
FY 2030 Grant Admin	96	\$67.00	\$101.00	24	\$38.00	\$57.00	\$11,064.00
FY 2030 Grant Closure	16	\$67.00	\$101.00	16	\$38.00	\$57.00	\$2,528.00
Totals	632			180			\$74,092.00

Long-Term Fiscal Considerations

MnDOT anticipates ongoing costs to administer the grants through FY30.

Local Fiscal Impact

This bill would introduce additional costs to local municipalities by requiring “an equal amount of funding from nonstate sources, including but not limited to federal, local, Metropolitan Council, or philanthropic funding.”

References/Sources

MnDOT Metro District Transit Section.

Agency Contact:

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