

**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
COMMUNITY DEVELOPMENT DIVISION  
2007**

	OPERATING FUNDS									DEBT SERVICE	PASSTHROUGH			Memo Total	
	GENERAL FUND						Subtotal Comm Dev (General Fund)	FAHP Operations	Special Revenue Fund HRA *		Total Operating	Special Revenue Funds			
	Local Planning Assistance	Parks	Regional Systems Planning & Growth Strategy	Livable Communities	Division Management								Parks, Radio		General Fund
<b>Revenues</b>															
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,510,930	\$ 2,510,930	\$ -	\$ -	\$ 2,510,930	\$ 7,822,660	\$ -	\$ -	\$ 11,746,115	\$ 22,079,705	
Federal Revenues	-	-	-	-	-	-	405,272	3,985,565	4,390,837	-	-	51,091,903	-	55,482,740	
State Revenues	-	-	-	-	118,701	118,701	-	122,220	240,921	370,191	8,630,000	1,329,780	366,085	10,936,977	
Local Revenues	-	-	-	-	-	-	430,812	235,800	666,612	-	-	-	-	666,612	
Investment Earnings	-	-	-	-	100,000	100,000	-	150,000	250,000	122,000	-	-	792,000	1,164,000	
Other Revenue	-	-	-	-	-	-	-	155,000	155,000	-	-	2,358,000	-	2,513,000	
<b>Total Revenues</b>	\$ -	\$ -	\$ -	\$ -	\$ 2,729,631	\$ 2,729,631	\$ 836,084	\$ 4,648,585	\$ 8,214,300	\$ 8,314,851	\$ 8,630,000	\$ 54,779,683	\$ 12,904,200	\$ 92,843,034	
<b>Expenses</b>															
Salaries & Benefits	\$ 955,234	\$ 167,075	\$ 205,242	\$ 541,546	\$ 451,101	\$ 2,320,198	\$ 76,977	\$ 2,170,726	\$ 4,567,901	\$ -	\$ -	\$ -	\$ -	\$ 4,567,901	
Consulting & Contractual Services	10,000	50,000	25,000	-	60,000	145,000	601,905	158,000	904,905	-	-	-	-	904,905	
Rent	51,428	10,346	7,376	28,018	30,611	127,779	-	181,079	308,858	-	-	-	-	308,858	
Printing	12,000	4,500	12,500	13,000	3,000	45,000	-	72,000	117,000	-	-	-	-	117,000	
Travel	19,500	4,500	7,900	9,000	11,400	52,300	1,500	42,000	95,800	-	-	-	-	95,800	
Insurance	-	-	-	-	-	-	120,000	-	120,000	-	-	-	-	120,000	
Other Operating Expenses	27,830	4,330	5,130	22,364	14,680	74,334	112,950	1,259,898	1,447,182	-	-	-	-	1,447,182	
Pass-Through Grants & Loans	-	-	-	-	-	-	-	-	-	-	8,630,000	54,779,683	17,000,000	80,409,683	
Debt Service	-	-	-	-	-	-	-	-	-	8,059,865	-	-	-	8,059,865	
<b>Total Expenses</b>	\$ 1,075,992	\$ 240,751	\$ 263,148	\$ 613,928	\$ 570,792	\$ 2,764,611	\$ 913,332	\$ 3,883,703	\$ 7,561,646	\$ 8,059,865	\$ 8,630,000	\$ 54,779,683	\$ 17,000,000	\$ 96,031,194	
<b>Other Uses</b>															
A-87 -HRA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 568,000	\$ 608,000	\$ -	\$ -	\$ -	\$ -	\$ 608,000	
Planning Chargeback Revenue	-	-	-	(34,980)	-	(34,980)	-	-	(34,980)	-	-	-	-	(34,980)	
Transfers from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	(1,500,000)	(1,500,000)	
Transfers to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	500,000	500,000	
<b>Total Other Uses</b>	\$ -	\$ -	\$ -	\$ (34,980)	\$ -	\$ (34,980)	\$ 40,000	\$ 568,000	\$ 573,020	\$ -	\$ -	\$ -	\$ (1,000,000)	\$ (426,980)	
<b>Total Expenses and Other Uses</b>	\$ 1,075,992	\$ 240,751	\$ 263,148	\$ 578,948	\$ 570,792	\$ 2,729,631	\$ 953,332	\$ 4,451,703	\$ 8,134,666	\$ 8,059,865	\$ 8,630,000	\$ 54,779,683	\$ 16,000,000	\$ 95,604,214	
<b>Surplus/(Deficit)</b>	\$ (1,075,992)	\$ (240,751)	\$ (263,148)	\$ (578,948)	\$ 2,158,839	\$ -	\$ (117,248)	\$ 196,882	\$ 79,634	\$ 254,986	\$ -	\$ -	\$ (3,095,800)	\$ (2,761,180)	

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## ***Community Development Division***

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### **MISSION**

To provide high quality services that support the development of coordinated plans, policies, and programs to guide the region's growth and shape its future;

- To administer sections of the Metropolitan Land Planning Act;
- To provide planning assistance to local communities;
- To identify and analyze strategic regional issues and solutions;
- To facilitate collaboration with and among governmental units;
- To guide the development of the regional parks and open space system; and,
- To implement the Livable Communities Act; and,
- To deliver housing assistance to eligible persons by administering existing federal, state and local programs through the Metropolitan Council Housing and Redevelopment Authority.

### **EXPECTED RESULTS**

- The Council receives comprehensive analysis of and recommendations about policy, planning and related financial issues to assist the Council in the actions required to implement the Metropolitan Land Planning Act.
- Local communities view the Council as a valuable resource for dependable information and as an effective facilitator of collaborative community efforts to guide regional growth and investment.
- Information for targeted Council audiences and customers is accurately prepared and published in a timely manner.
- Regional citizens and visitors rely on the parks and open spaces as venues for leisure time and entertainment choices, as well as means of preserving natural amenities.
- Communities participating in Livable Communities Act grant programs find them valuable resources for assistance with cleaning up polluted sites, expanding housing choices, and developing projects that offer a mix of land uses connected by a variety of transportation options.
- Eligible low-income households receive rent assistance to help ensure affordable housing through existing Council rent assistance programs.
- Family Affordable Housing Program units are well maintained and fully occupied.

### **PERFORMANCE MEASURES**

- Council committees are provided with on-time presentations that include clearly stated analysis of policy and planning issues and well-supported recommendations for Council action.
- All communication with Council members, local community officials, legislators, interested stakeholders, and the general public is accurate, comprehensive, timely, and appropriate in its context.
- Review and analysis of local comprehensive plan updates, amendments and other materials submitted in accordance with the Land Planning Act and related state laws are conducted expeditiously and completed in a timely manner. Local officials are promptly notified

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regarding questions or issues and are formally informed of committee and Council meetings and actions.

- Community Development Division staff contribute to the work of other Council divisions as needed and appropriate.
- The regional parks and open space system is publicly regarded as an outstanding feature and asset.
- All communities likely to benefit from participation in Livable Communities Act programs choose to participate.
- Selection criteria, selection process, grant agreements, and payment request procedures for Livable Communities Programs are clearly stated and readily accessible to participating communities.
- Federal, state and local funding for tenant-based rent assistance programs maintain full utilization of all available subsidies for the provision of affordable rents for program participants.
- The Council's federal Section 8 Housing Choice Voucher Program and all additional specialized housing assistance programs administered by the Council are operated in a manner that provides the most efficient and effective use of available resources to assist clients.
- All units administered through the Family Affordable Housing Program are occupied and a sufficient waiting list is maintained to ensure continued full occupancy.

### **ORGANIZATION OF THE DIVISION**

The Community Development Division is responsible for the Council's regional growth strategy. It implements the *Development Framework* through planning and local planning assistance, regional parks and open space system planning, and capital investment.

The division implements the Livable Communities Act programs, and operates the Housing and Redevelopment Authority. The HRA activities include federal, state and local tenant and project based rent subsidy programs and federal public housing through its Family Affordable Housing Program (FAHP).

### **FUNCTIONS**

Community Development Division departments are organized into the following work units:

- **Division Management:** Provides overall policy direction and leadership to the division, policy alignment with operating units, and positive collaboration with external interests and local community officials.
- **Regional Systems Planning and Growth Strategy:** Develops policy initiatives and effective outreach services to implement the *2030 Regional Development Framework* policies and strategies. Conducts long-range planning of the regional park system to meet the future needs of the region, reviews park master plans and manages the Capital Improvement Program (CIP). Helps the Council shape its regional growth plan—the *Regional Development Framework*—and helps coordinate outreach efforts related to the plan. This unit also includes the Council's parks and open space program, which helps the Council oversee the acquisition and development of regional parks. The parks are operated by 10 partnering agencies.

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- **Local Planning Assistance:** Reviews local comprehensive plan updates, amendments, environmental assessments, and grant applications; provides local comprehensive planning information and guidelines to communities. This unit includes the Sector Representatives, liaisons between the Council and local jurisdictions, and coordinates the review of comprehensive plans prepared by local governments.
- **Livable Communities:** Implements the Livable Communities Act, which provides funding for cities to invest in and support local economic revitalization, affordable housing initiatives, and development or redevelopment demonstration projects.
- **Housing and Redevelopment Authority (HRA):** Administers federal, state and local tenant and project based rent assistance programs. Uses the existing private rental market to provide decent, safe, and sanitary housing for over 6,700 low-income seniors, disabled individuals, families and singles at an affordable cost. The HRA also operates 150 federal scattered site public housing units through the Family Affordable Housing Program (FAHP).

### **MAJOR 2007 POLICY INITIATIVES**

- Provide strategic leadership for implementation of the *2030 Regional Development Framework* with a focus on completing statute-required update of local comprehensive plans.
- Review and revise division administrative procedures to ensure that the stakeholders and the general public can readily access and confidently respond to various information requirements.
- Provide analysis for *Regional Policy Plan* updates.
- Report on *Regional Framework Benchmarks*, recommending revisions to existing ones as appropriate.
- Work with local communities to identify ways official controls and procedures can be developed and maintained to ensure land development is consistent with adopted plans and available infrastructure capacity.
- Identify opportunities for utilization of the digital *Natural Resources Inventory* and assessment.
- Collaborate with local jurisdictions to identify ways local plans and official controls can provide for a variety of housing.
- Work in partnership with local units of government and other funding agencies to implement the Metropolitan Livable Communities Act.
- Continue ongoing communication with counties and other units adjacent to and beyond the seven-county region.
- Coordinate with communities in preparation of the 2008 Comprehensive Plan Update submittals.

### **KEY 2007 WORK PROGRAM ACTIVITIES**

- **Division Management**
  - ✓ Implement *2030 Regional Development Framework*.
  - ✓ Ensure policy coordination with Council operating units.
  - ✓ Support inter-governmental partnerships to implement key Council initiatives.

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- **Regional Systems Planning and Growth Strategy**
  - ✓ Coordinate *Regional Development Framework* policy with the *Water Resources Management Policy Plan* and the *2030 Regional Parks Policy Plan* and *2030 Transportation System Plan*.
  - ✓ Coordinate the work of the Land Use Advisory Committee.
  - ✓ Develop and implement *Framework* policy recommendations.
  - ✓ Coordinate *Framework*-related local planning assistance to Council partners and stakeholders.
  - ✓ Provide natural resource technical assistance.
  - ✓ Analyze trends in adjacent counties.
  
- **Parks and Open Space**
  - ✓ Coordinate *2007-2011 Regional Parks Capital Improvement Program*, and coordinate the Council approval of these documents.
  - ✓ Coordinate efforts to obtain State funding for a portion of the *Regional Parks Capital Improvement Program* and to partially finance the operations and maintenance of the Regional Parks System.
  - ✓ Review master plan amendments, administer approved grants from the *Regional Parks Capital Improvement Program*, and review/comment on local comprehensive plans and related referrals regarding their compatibility with the Regional Parks System.
  - ✓ Prepare the annual Regional Parks System use estimate and conduct research on the demand for the Regional Parks System.
  - ✓ Support efforts to create alternative funding sources, such as a regional parks foundation.
  
- **Local Planning Assistance**
  - ✓ Update and maintain the *Local Planning Handbook* and related data, with attention to the accuracy and timeliness of the versions published on the Council's Internet web site.
  - ✓ Plan and implement means that enable communities to submit more local comprehensive plan information on line.
  - ✓ Prepare annual reports including the *Metropolitan Agricultural Preserves Report to the Legislature* and the *Plat Monitoring Report*.
  - ✓ Provide technical assistance and staff review of grant programs including Livable Communities Demonstration Account (LCDA), Tax Based Revitalization Account (TBRA) and Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21).
  - ✓ Provide technical support to Council members and to local communities through sector representatives.
  - ✓ Provide staff assistance to various Council, commission and advisory committees.
  - ✓ Provide staff assistance for special studies, e.g., corridors or focus areas.
  - ✓ Coordinate *Framework*-related local planning assistance to Council partners and stakeholders to help implement regional growth strategies.
  - ✓ Administer comprehensive planning loan program for local communities.

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- **Livable Communities**
  - ✓ Administer Livable Communities Act.
    - Establish annual LCA fund distribution plan.
    - Oversee the affordable housing planning requirements of the Act.
    - Prepare annual report to the Legislature including an evaluation of program effectiveness.
    - Conduct the funding accounts' application submittal, review and selection processes.
    - Execute grant agreements and amendments.
    - Administer grant agreements.
    - Monitor and evaluate projects.
  - ✓ Provide staff support for Livable Communities Advisory Committee (LCAC).
  - ✓ Coordinate with Metropolitan Housing Implementation Group, Department of Employment and Economic Development, and other LCA partners.
  
- **Housing and Redevelopment Authority (HRA)**
  - **Tenant-based Rent Assistance Programs**
    - ✓ Fully utilize all rent subsidy resources.
    - ✓ Continue implementation of Family Self-Sufficiency and HOME (Homeownership Made Easy) Programs.
    - ✓ Continue implementation of improved quality control processes, procedures and internal controls.
    - ✓ Continue to identify and implement processes that improve efficiency and customer service.
  
  - **Family Affordable Housing Program (FAHP)**
    - ✓ Direct program operations for the Council's 150 units of scattered site housing.
    - ✓ Monitor compliance with Council policies and federal HUD regulations.
    - ✓ Perform asset management duties to ensure all FAHP units are maintained according to acceptable standards.
    - ✓ Ensure there are sufficient federal funds for program operations and capital needs.

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## ***Community Development Division***

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### **FINANCIAL ANALYSIS OF DIVISION BUDGET**

#### **Revenues**

The Community Development planning functions are supported primarily by the Council property tax levy for general purposes. This levy funds administrative functions in both Community Development and Regional Administration.

HRA/FAHP revenues come from federal, state, and local administrative fee sources. For 2007, HRA/FAHP projected revenues include administrative fees of approximately \$4.39 million in federal funding primarily from the Department of Housing and Urban Development (HUD), \$122 thousand State funding from the Minnesota Housing Finance Agency (MHFA) and \$667 thousand local revenues, which includes property rental fees earned.

Community Development also allocates a portion of its planning expenses to the operating divisions as a planning chargeback. The planning chargeback is projected to be approximately \$35 thousand for 2007.

	<u>Adopted Budget</u>		<u>Percentage</u>	
	<u>2006</u>	<u>2007</u>	<u>Change</u>	<u>of total</u>
Property Tax	24,337,734	22,079,705	-9.3%	24%
Federal Grants	55,402,829	55,482,740	0.1%	60%
State Revenues	11,342,510	10,936,977	-3.6%	12%
Local	740,925	666,612	-10.0%	1%
Interest/Other	3,466,178	3,677,000	6.1%	4%
<b>Subtotal</b>	<u>95,290,176</u>	<u>92,843,034</u>	-2.6%	<u>100%</u>
Internal Cost Sharing	570,118	34,980	-93.9%	0%
<b>Total</b>	<u>95,860,294</u>	<u>92,878,014</u>	-3.1%	<u>100%</u>

#### **Expenditures**

The Community Development Division total 2007 operating expenditures including Pass-Through and Debt Service expenses are \$96,031,194 decreasing approximately \$1.9 million (2.0 percent).

	<u>Adopted Budget</u>		<u>Percentage</u>	
	<u>2006</u>	<u>2007</u>	<u>Change</u>	<u>of total</u>
Salaries & Benefits	6,657,450	4,567,901	-31.4%	5%
Consulting/Contractual Svcs.	1,051,520	1,024,905	-2.5%	1%
Other Operating Expenses	2,150,906	1,968,840	-8.5%	2%
<b>Operating Expenditures</b>	<u>9,859,876</u>	<u>7,561,646</u>	-23.3%	<u>8%</u>
Debt Service	9,023,524	8,059,865	-10.7%	8%
Pass Through	79,084,749	80,409,683	1.7%	84%
<b>Total Expenditures</b>	<u>97,968,149</u>	<u>96,031,194</u>	-2.0%	<u>100%</u>

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Operating expenditures are projected to decrease in 2007 due the movement of GIS, Research and certain other costs to Regional Administration. Debt service expenditures, primarily related to parks debt, are projected to increase approximately \$964 thousand (10.7 percent). Pass-Through expenditures are projected to increase approximately \$1.3 million (1.7 percent) caused by an increase in the HUD subsidy for housing grants. Projected 2007 Pass-Through expenditures consist of \$8,630,000 for Parks; \$54,779,683 for the HRA; and \$17,000,000 for grant programs authorized by the 1995 Livable Communities Act. Additional information on the Pass-Through Grant and Loan programs portion of the budget is available in Appendix A (p. 9-1).

The 2007 budget assumes a staffing complement of 61.05 FTE or reduction of 23.35 FTE's. The reduction is the result of moving GIS and Research staff to Regional Administration.

Department	Adopted Budget		Percentage	Major Changes
	2006	2007	Change	
Local Planning				
Assistance	1,066,897	1,075,992	0.9%	
Parks	118,998	240,751	102.3%	
GIS	1,240,366		-100.0%	Moved to RA
Research	959,247		-100.0%	Moved to RA
RSP & Growth Strategy	400,907	263,148	-34.4%	
Livable Communities	582,659	613,928	5.4%	
Division Management	682,653	570,792	-16.4%	-1 fte-RA
<b>Subtotal</b>	<b>5,051,727</b>	<b>2,764,611</b>	<b>-45.3%</b>	
HRA	3,895,854	3,883,703	-0.3%	
FHAP	912,295	913,332	0.1%	
<b>Total</b>	<b>9,859,876</b>	<b>7,561,646</b>	<b>-23.3%</b>	

Note: several departments were reorganized during 2007 with staff moving between departments making year to year comparisons difficult at the department level.