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<https://metrocouncil.org/>

### AT A GLANCE

- 3,153,000 residents in the seven-county area in 2019 (56% of total state population)
- 82.5 million transit rides provided by Metro Transit in 2019 [(91.6 million rides provided by all transit providers in region, including Metro Transit)]
- 2.4 million rides on Metro Mobility in 2018
- 250 million gallons of wastewater treated daily
- 110 communities provided with wastewater treatment service in 2019
- Nine treatment plants and 600 miles of regional sewers
- 63.3 million regional park visits in 2019
- 63 regional parks, park reserves, and special recreation features, totaling 55,000 acres, plus 400 miles of interconnected trails
- 7,200 low-income households provided affordable housing by the Council's Metro HRA in 2019
- From 2020 to 2040 the Council forecasts the region will grow by:
  - 485,000 more people
  - 210,000 more households
  - 213,000 more jobs

### PURPOSE

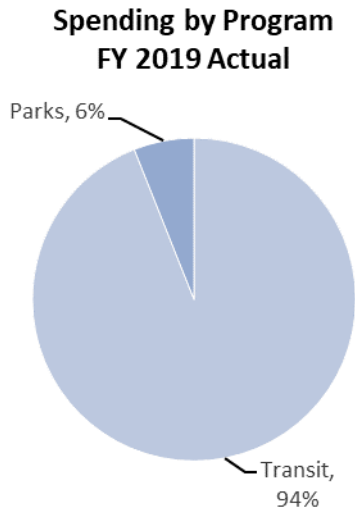
The Metropolitan Council is the regional policy-making body, planning agency, and provider of essential services for the Twin Cities metropolitan region. The Council's mission is to foster efficient and economic growth for a prosperous region in partnership with more than 180 communities and seven counties. We provide cost-effective transit and wastewater services, assist households with low and moderate incomes to find affordable housing, and support communities as they plan for anticipated growth.

As our region grows and its demographics change, the Council is working in partnership with communities to ensure we are prepared to support the continued growth of our region. As the economic engine of the state, the metro region's health and vitality has a statewide impact. Through our planning activities and the provision of regional services, we contribute to the following statewide outcomes:

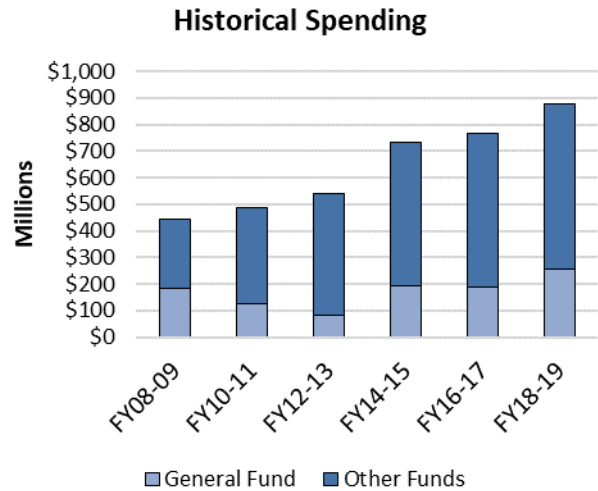
- A thriving economy that encourages business growth and employment opportunities
- A clean, healthy environment with sustainable uses of natural resources
- Sustainable options to safely move people, goods, services, and information
- A livable and attractive place for people of all races, ethnicities, incomes, and abilities to call home and prosper.

The charts on the next page show appropriations to the Metropolitan Council recorded in SWIFT. The Council's unified operating budget for calendar year 2020 is \$1.1 billion. State appropriations for transit and parks operations and water supply planning provided approximately 38% of agency funding in CY20. The majority of our operating funding comes from charges for services (wastewater fees and passenger fares), federal funds, property taxes and local funds.

## BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

## STRATEGIES

Our governing body – the 17-member Metropolitan Council – plays a key convening role, bringing together communities to develop policies and a shared vision for the region. To achieve our mission, we carry out planning initiatives and provide essential services to the region.

### Planning Initiatives

- Our Thrive MSP 2040 initiative engaged residents to create a framework for a shared vision for a prosperous, equitable, and livable region.
- Our regional planning initiatives encompass transportation, parks, water resources, community planning, and housing.

### Transportation

- Our Metro Transit bus and rail systems provide more than 80 million rides every year, getting people to work, school and services, and managing road congestion so businesses can move their goods efficiently.
- Our Metro Mobility and Transit Link services transport people who are unable to use regular-route transit service.
- Our Transportation planners play a key role in collaborating with thriving communities to create our vision for roads, airports, and transit, to ensure effective and cost-efficient investments.

### Parks

- We partner with 10 park implementing agencies to plan, acquire land, and develop facilities for regional parks and trails, preserving natural resources and providing recreational opportunities throughout the region.

### Clean water and wastewater treatment

- We foster a safe and healthy environment through our award-winning and cost-effective wastewater treatment services, water supply planning and water quality monitoring initiatives.

## **Planning and development**

- Our Livable Communities grants help fund affordable housing; clean polluted land for redevelopment; and create new models for livable, walkable, connected neighborhoods and transit-oriented developments, stimulating and leveraging private investment and increasing communities' tax base.
- We coordinate local communities' local comprehensive plans, providing technical assistance and resources, to ensure coordinated, orderly and efficient development in the region.

## **Housing**

- Our Housing Policy Plan identifies regional housing needs and priorities, connects housing to other Council system plans, and provides guidance for local housing planning.
- Our Metro HRA provides housing stability through rent assistance for more than 7,200 low-income residents in nearly 100 communities

The Metropolitan Council supports the following priorities by:

## **Children and families**

- Assists families with Housing Choice Vouchers to find housing in areas of opportunity, while providing them with supportive services to help achieve self-sufficiency and success in their new neighborhoods.
- Through Metro Transit's bus pass program, provides students with a convenient and affordable way to get to jobs, internships, classes, and education events before or after school hours.

## **Equity and inclusion**

- Designates a portion of its regional parks bonds that support regional park implementing agencies to carry out capital projects that strengthen equitable use of regional parks and trails by all our region's residents – across age, race, ethnicity, income, national origin, and ability.
- Provides more than 2 million rides to people with disabilities through the Metropolitan Council's Metro Mobility service.
- Through its urban scholars program, provides summer internships that enable students from diverse backgrounds to gain critical real-world experience through mentorship, guided projects, and leadership-development workshops.

## **Thriving communities**

- Provides cities with grants, totaling \$400 million over the life of the program, that support innovative development and redevelopment that links housing, jobs, and services and demonstrate efficient and cost-effective use of land and infrastructure.
- Provides more than 80 million rides annually through its Metro Transit operations on a combined network of regular-route buses, light rail and commuter rail, thereby supporting the travel needs the region's residents and local economies.
- Awards funding and develops an overall plan for the metropolitan area's system of 63 regional parks, park reserves and special recreation features, totaling 55,000 acres, as well as 400 miles of interconnected trails – all of which attract more than 63 million visits annually.

## **Fiscal accountability and measurable results**

- Receives the highest possible ratings from Moody's and Standard and Poor's credit ratings agencies.
- Has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for 36 consecutive years.

## **Minnesota's environment**

- Treats and cleans an average of 250 million gallons of wastewater from 2.7 million residents daily at rates 40% lower than peer regions across the country, while earning state and national awards for environmental achievements.
- Develops a climate vulnerability assessment to help the region plan for a changing environment that consists of a set of data and tools to help plan and manage public infrastructure to increase its life span and reduce costs.

- Continues to advance solar energy through the Council’s subscriptions to community solar gardens on and off Council land, with solar capacity under contract equivalent to the energy needed by 3,000 homes for a year.

The Metropolitan Council supports achievement of the following goals by:

#### **Housing stability for all Minnesotans**

- Provides affordable housing opportunities to more than 7,000 households in the Twin Cities region through its Metropolitan Housing and Redevelopment Authority.

#### **Creating an inclusive workplace**

- Has completed a self-evaluation of Council facilities to identify barriers to its programs and services for people with disabilities.

#### **Hiring and workforce development**

- Conducts the Metro Transit Mechanic-Technician Program, in coordination with Twin Cities Rise!, which provides a customized degree program at Hennepin Technical College for participants, who continue to work full-time as mechanic-technician interns at Metro Transit.
- Provides summer internships under the Council’s urban scholars program, which enable students from diverse backgrounds to gain critical real-world experience through mentorship, guided projects, and leadership-development workshops

#### **Advancing equitable public contracting**

- Conducts a sheltered-market program under the Council’s underutilized-business program and establishes internal purchasing goals for the Council organization.
- Engages an expanding pool of eligible firms through certification under the Council’s underutilized business program and increases access to capacity-building resources for firms owned by women, people who are African American, Hispanic, Native American, Asian-Pacific, subcontinent Asian Americans, veterans, and people with disabilities.
- Increases the participation of women and minority owned businesses in the award of federally assisted contracts through the disadvantaged business enterprise program.

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Minnesota Statutes, Chapter 473 (<https://www.revisor.mn.gov/statutes/?id=473>) provides the legal authority for Metropolitan Council.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<b><u>Expenditures by Fund</u></b>								
1000 - General	2,540	2,540	2,540	2,682	2,540	2,540	2,540	2,540
2050 - Environment & Natural Resources	31	860	617	2,111				
2108 - Metro Pks & Trls Lott In Lieu	6,000	6,000	6,600	6,600	6,600	6,600	6,600	6,600
2302 - Clean Water	950	950	1,375	1,188	187		1,356	1,169
2303 - Parks and Trails	16,584	18,891	19,819	17,654	2,623		21,602	19,573
<b>Total</b>	<b>26,105</b>	<b>29,241</b>	<b>30,951</b>	<b>30,235</b>	<b>11,950</b>	<b>9,140</b>	<b>32,098</b>	<b>29,882</b>
Biennial Change				5,841		(40,096)		794
Biennial % Change				11		(66)		1
Governor's Change from Base								40,890
Governor's % Change from Base								194

**Expenditures by Program**

Environment	26,105	29,241	30,951	30,235	11,950	9,140	32,098	29,882
<b>Total</b>	<b>26,105</b>	<b>29,241</b>	<b>30,951</b>	<b>30,235</b>	<b>11,950</b>	<b>9,140</b>	<b>32,098</b>	<b>29,882</b>

**Expenditures by Category**

Grants, Aids and Subsidies	26,105	29,241	30,951	30,235	11,950	9,140	32,098	29,882
<b>Total</b>	<b>26,105</b>	<b>29,241</b>	<b>30,951</b>	<b>30,235</b>	<b>11,950</b>	<b>9,140</b>	<b>32,098</b>	<b>29,882</b>

# Metropolitan Council - Environment

# Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<b>1000 - General</b>								
Direct Appropriation	2,540	2,540	2,540	2,682	2,540	2,540	2,540	2,540
<b>Expenditures</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,682</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>
Biennial Change in Expenditures				142		(142)		(142)
Biennial % Change in Expenditures				3		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0

## 2050 - Environment & Natural Resources

Balance Forward In	743	3,587	2,728	2,111				
Direct Appropriation	1,500							
Balance Forward Out	2,212	2,728	2,111					
<b>Expenditures</b>	<b>31</b>	<b>860</b>	<b>617</b>	<b>2,111</b>				
Biennial Change in Expenditures				1,838		(2,728)		(2,728)
Biennial % Change in Expenditures				206		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

## 2108 - Metro Pks & Trls Lott In Lieu

Direct Appropriation	6,000	6,000	6,600	6,600	6,600	6,600	6,600	6,600
<b>Expenditures</b>	<b>6,000</b>	<b>6,000</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>
Biennial Change in Expenditures				1,200		0		0
Biennial % Change in Expenditures				10		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

## 2302 - Clean Water

Balance Forward In					187		187	
Direct Appropriation	950	950	1,375	1,375	0	0	1,169	1,169
Transfers In					187		187	
Transfers Out					187		187	
Balance Forward Out				187				
<b>Expenditures</b>	<b>950</b>	<b>950</b>	<b>1,375</b>	<b>1,188</b>	<b>187</b>		<b>1,356</b>	<b>1,169</b>
Biennial Change in Expenditures				663		(2,376)		(38)

# Metropolitan Council - Environment

# Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Biennial % Change in Expenditures				35		(93)		(1)
Governor's Change from Base								2,338
Governor's % Change from Base								

## 2303 - Parks and Trails

Balance Forward In					2,623		2,623	
Direct Appropriation	16,584	18,891	19,819	20,277	0	0	18,979	19,573
Transfers In					2,623		2,623	
Transfers Out					2,623		2,623	
Balance Forward Out				2,623				
<b>Expenditures</b>	<b>16,584</b>	<b>18,891</b>	<b>19,819</b>	<b>17,654</b>	<b>2,623</b>		<b>21,602</b>	<b>19,573</b>
Biennial Change in Expenditures				1,998		(34,850)		3,702
Biennial % Change in Expenditures				6		(93)		10
Governor's Change from Base								38,552
Governor's % Change from Base								



(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
FY2021 Appropriations	2,682	2,682	2,682	5,364
<b>Base Adjustments</b>				
All Other One-Time Appropriations		(142)	(142)	(284)
<b>Forecast Base</b>	<b>2,682</b>	<b>2,540</b>	<b>2,540</b>	<b>5,080</b>
<b>Total Governor's Recommendations</b>	<b>2,682</b>	<b>2,540</b>	<b>2,540</b>	<b>5,080</b>
<b>Fund: 2108 - Metro Pks &amp; Trls Lott In Lieu</b>				
FY2021 Appropriations	6,600	6,600	6,600	13,200
<b>Forecast Base</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>13,200</b>
<b>Total Governor's Recommendations</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>13,200</b>
<b>Fund: 2302 - Clean Water</b>				
FY2021 Appropriations	1,375	1,375	1,375	2,750
<b>Base Adjustments</b>				
One-Time Legacy Fund Appropriations		(1,375)	(1,375)	(2,750)
<b>Forecast Base</b>	<b>1,375</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change Items</b>				
Clean Water Legacy - Water Supply Sustainability Program		919	919	1,838
Clean Water Legacy - Water Efficiency Grant Program		250	250	500
<b>Total Governor's Recommendations</b>	<b>1,375</b>	<b>1,169</b>	<b>1,169</b>	<b>2,338</b>
<b>Fund: 2303 - Parks and Trails</b>				
FY2021 Appropriations	20,277	20,277	20,277	40,554
<b>Base Adjustments</b>				
One-Time Legacy Fund Appropriations		(20,277)	(20,277)	(40,554)
<b>Forecast Base</b>	<b>20,277</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change Items</b>				
Parks and Trails Legacy Appropriation		18,979	19,573	38,552
<b>Total Governor's Recommendations</b>	<b>20,277</b>	<b>18,979</b>	<b>19,573</b>	<b>38,552</b>
<b>Revenue Change Summary</b>				
<b>Non-Dedicated</b>				
<b>Fund: 2108 - Metro Pks &amp; Trls Lott In Lieu</b>				
Forecast Revenues	6,723	6,538	6,644	13,182
<b>Total Governor's Recommendations</b>	<b>6,723</b>	<b>6,538</b>	<b>6,644</b>	<b>13,182</b>

# Metropolitan Council

## FY 2022-23 Biennial Budget Change Item

### Change Item Title: Clean Water Legacy - Water Supply Sustainability Program

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Clean Water Fund				
Expenditures	919	919	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	919	919	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Recommendation:

The Governor recommends \$919 thousand each year from the Clean Water Fund for the Metropolitan Council's Water Supply Sustainability Program.

### Rationale/Background:

- The Twin Cities metropolitan area is home to three million people, over half of Minnesota's population. 74% of the region's population relies on groundwater resources for their source of water supply. Securing their safe and plentiful drinking water, while protecting the region's diverse water resources, requires coordinated and ongoing effort.
- Although the seven-county region is relatively water-rich, the region's steady population growth, increased groundwater pumping, changing land use, and variable weather and climate is challenging some communities' ability to meet current and future demand.
- Our rising dependence on groundwater for drinking water, particularly since 1980, has become a significant issue. In parts of the region, groundwater levels are declining. In some cases, it is affecting, or has the potential to affect, lake and wetland levels. Additionally, groundwater quality is a challenge that many cities are trying to address.

### Proposal:

- Met Council will continue to support communities implementing projects that address emerging drinking water supply threats, provide cost-effective regional solutions, leverage inter-jurisdictional coordination, support local implementation of wellhead protection plans, and prevent degradation of groundwater resources.
- These Activities will provide communities with:
  - Potential solutions to balance regional water use through utilization of surface water, storm water, wastewater and groundwater
  - Analysis of infrastructure requirements for different alternatives
  - Development of planning level cost estimates, including capital cost and operation cost
  - Identify funding mechanisms and equitable cost-sharing structure for regionally beneficial water supply development projects

Through established and proposed workgroups, the Council will collaborate with local units of government, state agencies and other stakeholders' groups to collaboratively address local, and regional water supply issues.

### Equity and Inclusion:

The program goal is to ensure that all residents of the Metropolitan Area have access to reliable, clean and affordable water supply now and in the future. This program did not exist before 2010. Since FY10, the Clean Water Fund has been the only source of funding for this program to support studies, tools, and projects. Metropolitan Council’s Master Water Supply Plan (2015) identified goals and strategies to ensure drinking water supply sustainability for 2040 in the metro area. To achieve these goals, water supply sustainability studies, tools, and projects supported by this program are essential to ensure the reliability and protection of water supplies.

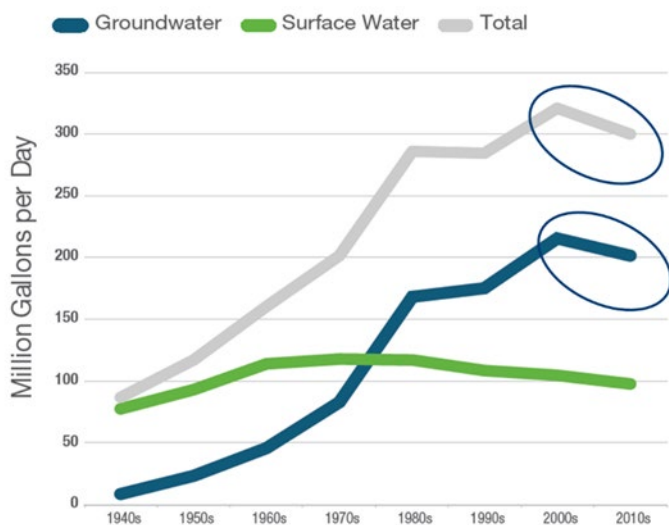
### IT Related Proposals:

Not applicable.

### Results:

- This proposal will support efforts to ensure supplies of drinking water are adequate for the region’s current and projected population; ensure uninterrupted economic growth and prosperity; avoid competition and conflict over water supply; and foster regional collaboration to address water supply challenges and limitations in a manner that takes advantages of regional and sub-regional economies of scale.
- The activity outcomes will recommend measures to improve groundwater use, to reduce impacts on aquifers, groundwater quality and surface water features, highlight groundwater-surface water interaction risk factors for all communities in the Metro area and provide recommendations to prevent and address these risks and achieve the drinking water security through improved water use, conservation and reuse. These ultimately will help the Council to:
  - Protect groundwater from degradation (both quantity and quality)
  - Protect drinking water sources
- Success Indicators:
  - From 2005 to 2020, the number of communities that received technical support from the council through facilitated sub-regional workgroups increased 65%.
  - Improve groundwater use: currently 74% of the Metropolitan area population relies on groundwater; the intended long-term outcome is to sustainably use groundwater in the metro area in addition to other available resources.

Figure 1. The 2011-2018 average groundwater use is less than the 2007-2010 average by 15 million gallons per day.



Statutory Change(s): None.

# Metropolitan Council

## FY 2022-23 Biennial Budget Change Item

### Change Item Title: Clean Water Legacy - Water Efficiency Grant Program

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Clean Water Fund				
Expenditures	250	250	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	250	250	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Recommendation:

The Governor recommends \$250 thousand in FY 2022 and FY 2023 from the Clean Water Fund to the Metropolitan Council’s Water Efficiency Grant Program.

### Rationale/Background:

- Although the seven-county region is relatively water-rich, the region’s steady population growth, increased groundwater pumping, changing land use, and variable weather and climate is challenging some communities’ ability to meet current and future demand. Our rising dependence on groundwater for drinking water, particularly since 1980, has become a significant issue. In parts of the region, groundwater levels are declining. In some cases, it is affecting, or has the potential to affect, lake and wetland levels
- One important factor to improve water supply management practices is to reduce water use in communities through implementation of demand reduction measures. There is a need to provide financial assistance to incentivize communities to implement water demand reduction measures in municipalities to reduce reliance on groundwater which will help prevent groundwater degradation in locations around the region
- State regulators require water suppliers to reduce water use and increase water conservation and efficiency. Funding for this requirement has not been provided through other means. This grant program uses matching funds from local water suppliers to incentivize wise use of our precious water resources.

### Proposal:

Met Council will continue passing through this funding, as grants, to encourage implementation of water demand reduction measures by municipalities in metro area. This grant program uses matching funds from local water suppliers. The Council will encourage communities to implement measures that have proven to reduce water use. Some of these measures would include but not limited to:

- Municipal, commercial and residential water use audits,
- indoor water uses such as old washing machines and old inefficient toilet swap; Woodbury which is relatively a new suburb has about 10,000 old toilets, replacing these old toilets with new efficient ones would save about 50 Million Gallons per year.
- Summer peak use reduction mainly targeting irrigation water use.

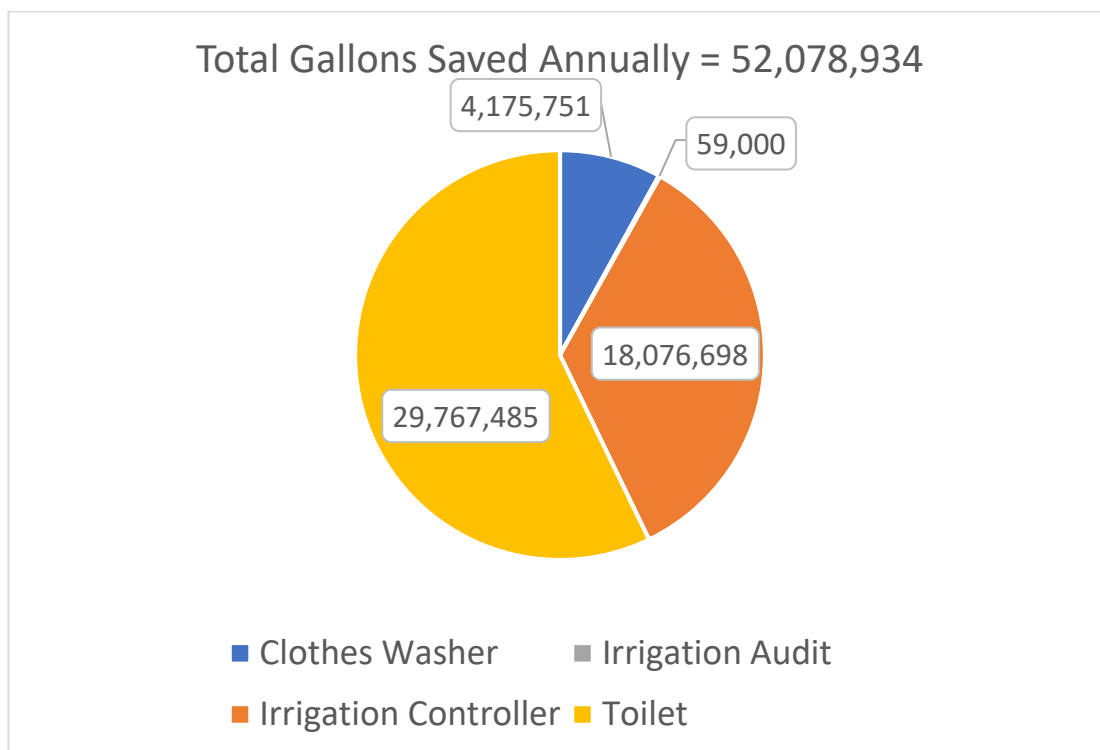
The Council will collaborate with local units of government (LGU), state agencies and other stakeholders' groups to collaboratively use this fund to address local, and regional water use issues.

**Equity and Inclusion:**

The program goal is to ensure that all residents of the metropolitan area have access to reliable, clean, and affordable water supply now and in the future. This program started in 2016 and the Clean Water Fund has been the only source of funding to provide grants to LGUs to reduce water use. Metropolitan Council's Master Water Supply Plan (2015) identified goals and strategies to ensure drinking water supply sustainability for 2040 in the metro area. One of these goals is to reduce residential water use from 95 gallons to 75 gallons per person, per day. To achieve these goals, water demand reduction grants supported by this program are essential to ensure the reliability and protection of drinking water supplies.

**RESULTS:**

- Grants have been used to reduce water use by communities resulting in reduced reliance on groundwater and reduced impacts on aquifers, groundwater quality and surface water features.
- A total of 38 communities are participating in the current Water Demand Reduction Grant Program, which is up from the 19 communities that participated in the first round of funding in 2016. Activities from the 2016 grants have resulted in the following water savings:



**Statutory Changes:**  
None

**Change Item Title: Parks and Trails Legacy Appropriation**

<b>Fiscal Impact (\$000s)</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Parks and Trails Fund				
Expenditures	18,979	19,573	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	18,979	19,573	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Recommendation:**

The Governor recommends 40 percent of the Parks and Trails Legacy Fund each fiscal year be appropriated to the Metropolitan Council to finance grants to ten regional park implementing agencies to advance goals from the 25-year Parks and Trails Legacy Plan. The focus of the work includes:

- Connecting people to the outdoors through environmental education, recreation programming, volunteer coordination, and outreach efforts to inform the public about outdoor recreation opportunities.
- Acquiring land for regional parks and trails.
- Creating opportunities by constructing new park and trail facilities.
- Taking care of what we have by replacing worn-out facilities and restoring degraded natural resources areas.
- Coordinating with partners through shared planning and research work.

**Rationale/Background:**

The Clean Water, Land and Legacy Amendment created the Parks and Trails Fund to supplement traditional funding sources in support of park and trails of regional and statewide significance. Grants are made to the ten regional park implementing agencies and will continue to advance the four strategic directions associated with the 25-yr Parks and Trails Legacy Plan. The four strategic directions are:

- **Connect People to the Outdoors.** This work helps park agencies attract new park users and retain existing ones. Through recreational programs, environmental education programs, increased use of volunteers, and enhanced access and information about parks and the natural environment, people are connected to regional parks and trails.
- **Acquire Land, Create Opportunities.** Ten percent of the appropriation will be spent to acquire land for regional parks and trails as required by Minnesota Statute 85.53, Subdivision 3. Additionally, this appropriation will be spent to develop new recreation facilities and trails and redevelop aging facilities and infrastructure.
- **Take Care of What We Have.** Significant public investments have been made to establish and develop the Metropolitan Regional Parks System. These funds will go to reinvest in the system to ensure that there are safe, high-quality experiences for current and future users, including restoration of high-quality natural resources.
- **Coordinate with Partners.** The Metropolitan Council helps coordinate work across park agencies, including shared planning and research services to advance the four strategic directions.

**Proposal:**

The Clean Water, Land and Legacy Amendment created the Parks and Trails Fund to supplement traditional funding sources in support of park and trails of regional and statewide significance. In 2019, the State Legislature directed the Metropolitan Council, Minnesota Department of Natural Resources (DNR) and Greater Minnesota Regional Parks and Trails Commission (GMRPTC) to appoint a working group to review the apportionment of Legacy funds among the agencies. The three agencies recommend that the Governor's budget include the following apportionment of the Parks and Trails Legacy fund for the FY22-23 biennium, and potentially the FY24-25 biennium. This agreement is consistent with the past four-biennia agreement:

- 1% before apportionment, for collaborative projects and partnerships between the entities;
- 40% to the Metropolitan Council for Regional Parks and Trails;
- 40% to the DNR for State Parks and Trails; and
- 20% to Greater Minnesota Region Parks and Trails Commission for their regional parks and trails.

Based on the current state revenue forecast, the Metropolitan Council's share of the funding would be \$18.979 million in state fiscal year 2022 and \$19.573 million in state fiscal year 2023. The Metropolitan Council disburses the appropriations to ten regional park implementing agencies upon receipt of funding.

Minnesota Statute 85.53, subd. 3 directs 10% of Council Legacy appropriations to be set aside for land acquisition purposes and the Council must provide a match of \$2 for every \$3 of state funds. The remaining 90% is allocated to the ten park implementing agencies according to formula. All Legacy funds are disbursed to the ten implementing agencies: Anoka County Parks, City of Bloomington Parks, Carver County Parks, Dakota County Parks, Minneapolis Park and Recreation Board, Ramsey County Parks, City of St. Paul Parks, Scott County Parks, Three Rivers Park District, and Washing County Parks.

The Metropolitan Council serves as the fiscal agent for this funding source and does not receive a direct allocation of the funds.

**Impact on Children and Families:**

The Parks and Trails Legacy Fund is a critical source of funding to help ensure the development of a 21st century regional parks system, particularly for children and families. During the pandemic, this funding source has never been more important, with park and trail visitation rapidly growing. With limits on social activities, the provision of close-to-home opportunities for children and families is even more critical. The Parks and Trails Legacy Fund expressly seeks to invest to removal barriers and increase equitable access of recreational opportunities for all our region's residents.

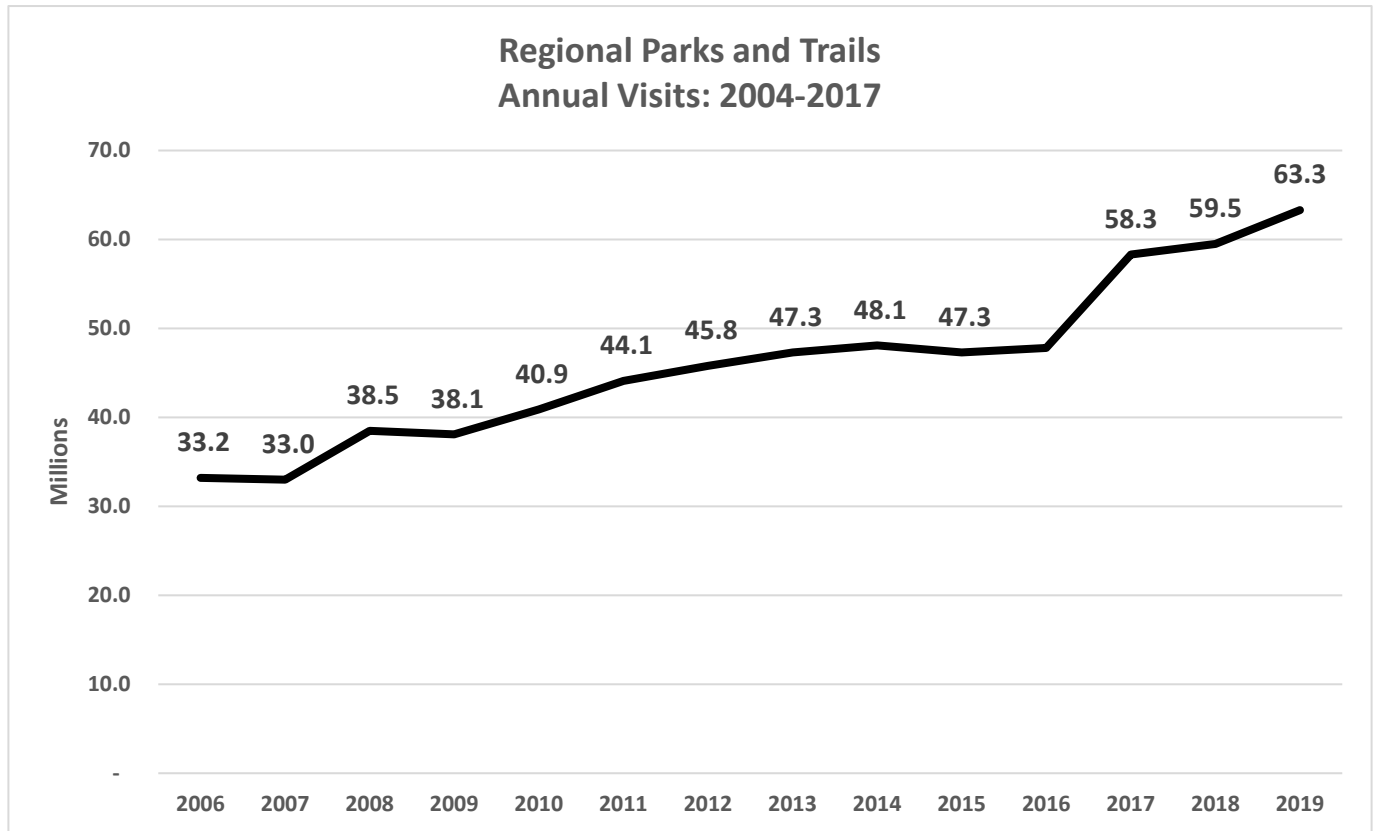
**Equity and Inclusion:**

This change item will benefit residents across the Twin Cities metropolitan region by improving recreational options through strengthening the metropolitan regional parks and trails system. The metropolitan region is growing and changing; by 2040, approximately 39 percent of residents will be people of color/indigenous peoples. However, our region has among the largest racial/ethnic disparities among peer metro areas. Recognizing that our region cannot compete economically if we are leaving a growing share of our population behind, the Metropolitan Council incorporated an "equity" outcome into *Thrive MSP 2040*, the comprehensive development guide required by state statute. Through *Thrive MSP 2040* equity outcome, the Council is committed to creating real choices in where we live, how we travel, and where we recreate for all residents, across race, ethnicity, economic means, and ability. The Metropolitan Council is also committed to fully engaging communities in decision-making in accordance with the Metropolitan Council's Public Engagement Plan when setting regional parks policy.

**Results:**

The 2019 annual use estimate was 63.3 million visits, an increase of 6.3% percent from the 2018 estimate. The increase is due in part to new, more accurate attendance estimates that demonstrate that more visits are happening in off-peak times of the year (winter) than previously thought.

Park surveys done in 2016 showed that respondents have very positive impressions of regional parks and trails facilities in terms of the quality of facilities, services and recreational opportunities. Ninety five percent of respondents rated the quality of facilities, services and recreational opportunities very good (64%) or good (31%). Less than one percent rated quality as poor or very poor. There are no longitudinal surveys on regional park quality or visitor satisfaction.





**Program: Environment****Activity: Water Sustainability**<https://metrocouncil.org/Wastewater-Water/Services/Water-Quality-Management.aspx>

### AT A GLANCE

- Serve 186 communities and 105 water supply providers
- 74% of residents use groundwater as the source of their water
- Municipal water use is the largest water use in the region:
  - Current: 350 million gallons per day
    - 250 million from Groundwater
    - 100 million from Mississippi River
  - Projected (2040): 450 million gallons per day
    - 330 million from Groundwater
    - 120 million from Mississippi River
  - Average per capita water use per day: 100 gallons

### PURPOSE AND CONTEXT

Although the seven-county region is relatively water-rich, the region's steady population growth, increased groundwater pumping, changing land use, and variable weather and climate is challenging some communities' ability to meet current and future demand.

The purpose of the Metropolitan Water Supply Planning is supporting water suppliers in the region to ensure that all residents of the Metropolitan Area have access to reliable, clean and affordable water supply now and in the future. This program supports the efforts of municipalities and industries to address threats to drinking water supplies, provides cost-effective regional solutions, boosts inter-jurisdictional coordination, supports local implementation of water supply reliability and water quality protection projects, and protects groundwater. The program supports Metropolitan Council efforts to bolster the livability of the region, foster economic growth and prosperity and to alleviate competition and conflict over water supply. No other agency or unit of government provides this type of service.

### SERVICES PROVIDED

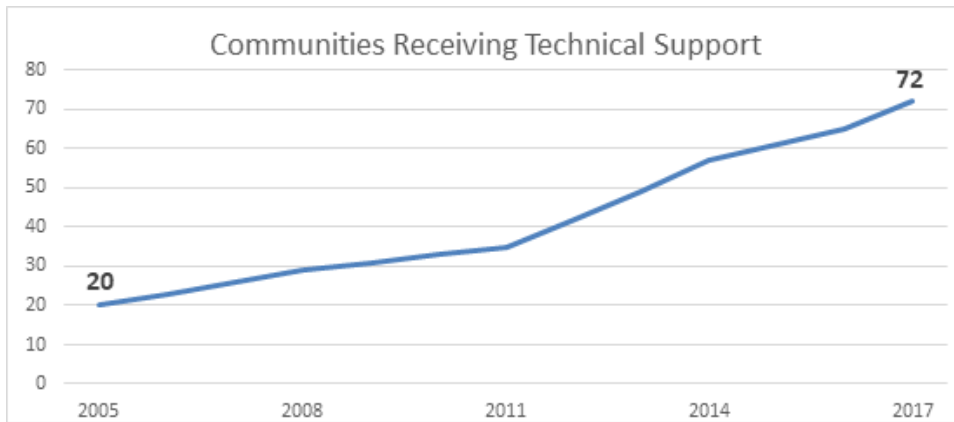
The data and tools generated, and the projects implemented by the Council's Water Supply Planning Program benefit communities by enhancing communities' planning processes and ensuring a more coordinated and regionally sustainable approach to water supply. Cities in the region are the suppliers of water to residents, and the Council provides collaborative support through a coordinating, technical and financial assistance role.

### Council Role in Water Supply

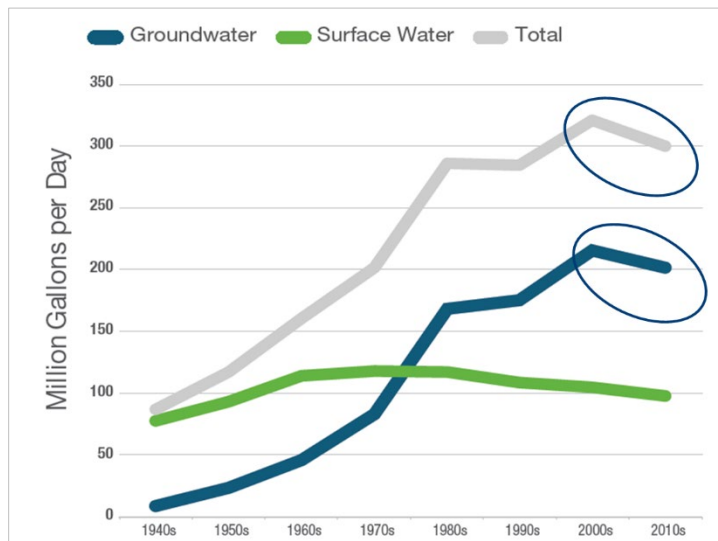
Council Role	Outcome/Goal
Provide technical assistance: information and tools	Better understanding of water supply issues and trends
Develop and update Regional Master Water Supply Plan	Guidance for local water supply systems and regional investments
Provide assistance in plan development and review services to local and state entities	Consistency of local water supply plans with the regional master plan (MS 103G.291, Subd.3(b))
Analyze regional and local water supply emerging issues and providing financial assistance and support local solutions	Local government units make informed and effective water supply decisions
Facilitate cooperation between communities and support local effort	Regional, cost effective, long-term, reliable and sustainable solutions to current and potential problems

### RESULTS

Through this program, the Council equitably funded water sustainability projects of municipal water suppliers through competitive contracts. From 2005 to 2020, the number of communities that received technical and financial support from the Council grew substantially, as shown in the chart below.



Sustainable groundwater use in the region is another measure of success for this program. To support communities in the region to thrive, one of the intended long-term outcomes is sustainable use of groundwater in the metro area. The 2011-2018 average groundwater use is less than the 2007-2010 average by 15 million gallons per day, as shown in the chart below.



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Minnesota Statutes 73.1565 (<https://www.revisor.mn.gov/statutes/cite/473.1565>) directs the Council to carry out water supply planning activities, including development of a Master Water Supply Plan.

Minnesota Statutes 103G.291 (<https://www.revisor.mn.gov/statutes/cite/103G.291>) requires that all local water supply plans in the metropolitan area, must be consistent with the Master Water Supply Plan (<http://www.metrocouncil.org/Wastewater-Water/Planning/Water-Supply-Planning/Master-Water-Supply-Plan.aspx>).

# Water Sustainability

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<b><u>Expenditures by Fund</u></b>								
1000 - General				142				
2302 - Clean Water	950	950	1,375	1,188	187		1,356	1,169
<b>Total</b>	<b>950</b>	<b>950</b>	<b>1,375</b>	<b>1,330</b>	<b>187</b>		<b>1,356</b>	<b>1,169</b>
Biennial Change				805		(2,518)		(180)
Biennial % Change				42		(93)		(7)
Governor's Change from Base								2,338
Governor's % Change from Base								
<b><u>Expenditures by Category</u></b>								
Grants, Aids and Subsidies	950	950	1,375	1,330	187		1,356	1,169
<b>Total</b>	<b>950</b>	<b>950</b>	<b>1,375</b>	<b>1,330</b>	<b>187</b>		<b>1,356</b>	<b>1,169</b>

# Water Sustainability

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<b>1000 - General</b>								
Direct Appropriation				142	0	0	0	0
<b>Expenditures</b>				<b>142</b>				
Biennial Change in Expenditures				142		(142)		(142)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
<b>2302 - Clean Water</b>								
Balance Forward In					187		187	
Direct Appropriation	950	950	1,375	1,375	0	0	1,169	1,169
Transfers In					187		187	
Transfers Out					187		187	
Balance Forward Out				187				
<b>Expenditures</b>	<b>950</b>	<b>950</b>	<b>1,375</b>	<b>1,188</b>	<b>187</b>		<b>1,356</b>	<b>1,169</b>
Biennial Change in Expenditures				663		(2,376)		(38)
Biennial % Change in Expenditures				35		(93)		(1)
Governor's Change from Base								2,338
Governor's % Change from Base								

Program: Environment

Activity: Parks and Trails

<https://metro council.org/Parks.aspx>

**AT A GLANCE**

- 63.3 million regional park and trail visits in 2019
- Regional parks, special recreation features, and park reserves totaling almost 55,000 acres
- Regional trails total nearly 400 miles
- Ten regional park implementing agencies that own and manage regional parks and trails

**PURPOSE AND CONTEXT**

The purpose of the Metropolitan Regional Parks System is to meet the outdoor recreation needs of residents and visitors and to preserve natural resources, including green space and wildlife habitat. Regional parks and trails complement State parks and trails in the metropolitan area. Parks are critical to the metropolitan area’s current and future livability, sustainability, stewardship, and prosperity. The regional parks system draws more than 58 million visits every year, which is more than the Mall of America and adds untold value to the livability and attractiveness of our communities

**SERVICES PROVIDED**

Under state law, Metropolitan Council is charged with overseeing the acquisition and development of regional parks and trails. The agency partners that own and operate the parks are called regional park implementing agencies. Together, Metropolitan Council and the ten regional park implementing agencies plan and finance the Metropolitan Regional Parks System. The ten regional park implementing agencies are:

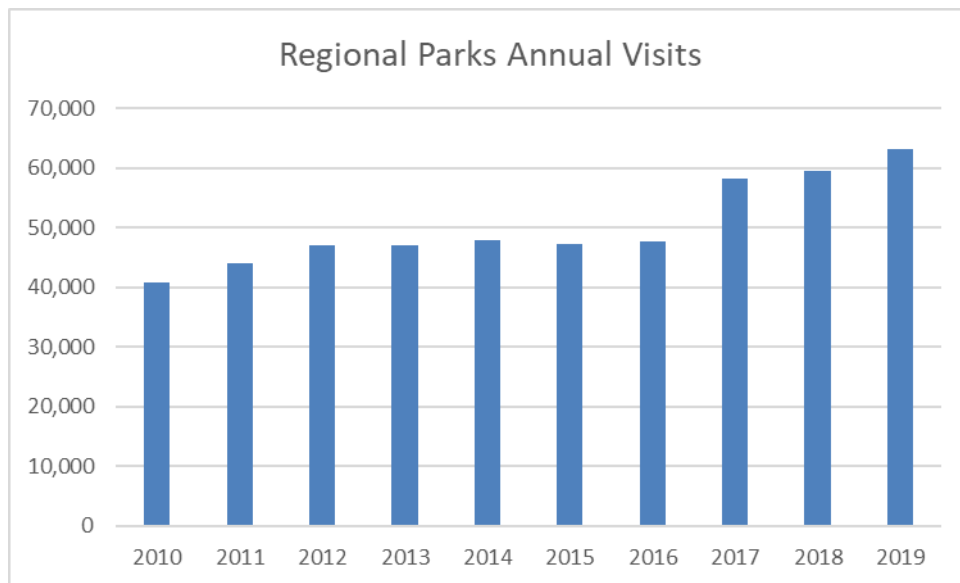
Anoka County Parks	Washington County Parks
Carver County Parks	Three Rivers Park District
Dakota County Parks	Minneapolis Park & Recreation Board
Ramsey County Parks	City of Bloomington Parks (portion of one park reserve)
Scott County Parks	City of St. Paul Parks

Metropolitan Council’s responsibilities include:

- Site new regional parks and trails to serve the region’s growing population and to protect natural resources.
- Review and approve park and trail master plans, and plan amendments that define a park and trail’s location and identify the costs for recreation facilities.
- Survey park and trail visitors to measure what activities they prefer, how far they travel, and how often they visit a park or trail.
- Disburse state and regional funds to park agencies to finance operations/maintenance, recreation facility construction and recreation programs/staff, in accordance with state law and Council allocation plans.

## RESULTS

The 2019 annual use estimate was 63.3 million visits across the regional park system. From 2010 to 2019, annual visits to regional parks and trails increased 55%. A new, more accurate attendance estimate methodology was implemented in 2017, which, among other things, showed that more system visits are happening in off-peak times of the year, like winter, than was previously thought.



The Regional Parks System is one of the most iconic park systems in the nation and is frequently cited by residents as one of the most attractive features of the region.

Beyond park visits, the System is an amenity that contributes to the region's quality of life and can help retain and attract businesses and residents. Parks and open green space boost human health and well-being, provide an opportunity for increased physical activity, and provide many social benefits. Parks and open space also have many environmental benefits, including biodiversity conservation, air and water purification, erosion control, and climate regulation.

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M.S. 473.351 (<https://www.revisor.mn.gov/statutes/cite/473.351>) and M.S. 297A.94 (e) (3) (<https://www.revisor.mn.gov/statutes/cite/297A.94>) authorize funds for operating and maintaining regional parks and trails.

M.S. 85.53, Subd. 3 (<https://www.revisor.mn.gov/statutes/cite/85.53>) authorize allocations of Parks and Trails Legacy Fund appropriations among 10 regional park agencies.

# Parks and Trails

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<b><u>Expenditures by Fund</u></b>								
1000 - General	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540
2050 - Environment & Natural Resources	31	860	617	2,111				
2108 - Metro Pks & Trls Lott In Lieu	6,000	6,000	6,600	6,600	6,600	6,600	6,600	6,600
2303 - Parks and Trails	16,584	18,891	19,819	17,654	2,623		21,602	19,573
<b>Total</b>	<b>25,155</b>	<b>28,291</b>	<b>29,576</b>	<b>28,905</b>	<b>11,763</b>	<b>9,140</b>	<b>30,742</b>	<b>28,713</b>
Biennial Change				5,036		(37,578)		974
Biennial % Change				9		(64)		2
Governor's Change from Base								38,552
Governor's % Change from Base								184
<b><u>Expenditures by Category</u></b>								
Grants, Aids and Subsidies	25,155	28,291	29,576	28,905	11,763	9,140	30,742	28,713
<b>Total</b>	<b>25,155</b>	<b>28,291</b>	<b>29,576</b>	<b>28,905</b>	<b>11,763</b>	<b>9,140</b>	<b>30,742</b>	<b>28,713</b>



## Parks and Trails

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<b>1000 - General</b>								
Direct Appropriation	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540
<b>Expenditures</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>	<b>2,540</b>
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

### 2050 - Environment & Natural Resources

Balance Forward In	743	3,587	2,728	2,111				
Direct Appropriation	1,500							
Balance Forward Out	2,212	2,728	2,111					
<b>Expenditures</b>	<b>31</b>	<b>860</b>	<b>617</b>	<b>2,111</b>				
Biennial Change in Expenditures				1,838		(2,728)		(2,728)
Biennial % Change in Expenditures				206		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

### 2108 - Metro Pks & Trls Lott In Lieu

Direct Appropriation	6,000	6,000	6,600	6,600	6,600	6,600	6,600	6,600
<b>Expenditures</b>	<b>6,000</b>	<b>6,000</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>	<b>6,600</b>
Biennial Change in Expenditures				1,200		0		0
Biennial % Change in Expenditures				10		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

### 2303 - Parks and Trails

Balance Forward In					2,623		2,623	
Direct Appropriation	16,584	18,891	19,819	20,277	0	0	18,979	19,573
Transfers In					2,623		2,623	
Transfers Out					2,623		2,623	
Balance Forward Out				2,623				
<b>Expenditures</b>	<b>16,584</b>	<b>18,891</b>	<b>19,819</b>	<b>17,654</b>	<b>2,623</b>		<b>21,602</b>	<b>19,573</b>
Biennial Change in Expenditures				1,998		(34,850)		3,702

**Parks and Trails**

**Activity Financing by Fund**

*(Dollars in Thousands)*

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Biennial % Change in Expenditures				6		(93)		10
Governor's Change from Base								38,552
Governor's % Change from Base								