

Table of Contents

Metropolitan Council - Environment

<i>Agency Profile</i>	1
<i>Agency Expenditure Overview (REVISED)</i>	5
<i>Agency Financing by Fund (REVISED)</i>	6
<i>Agency Change Summary (REVISED)</i>	8
<u>Change Item(s)</u>	9
<i>Parks and Trails Legacy Appropriation Increase (REVISED)</i>	9
<i>Clean Water Legacy - Metropolitan Area Water Supply Sustainability Support</i>	12
<i>Clean Water Legacy - Water Efficiency Support Program Increase</i>	15
<i>Modernizing Regional Parks and Trails</i>	18
<i>Metro Parks Maintenance Increase</i>	21
<i>Mapping Infrastructure Climate Risk and Resiliency Opportunities</i>	24
<u>Program</u>	31
Environment	31
<u>Activity</u>	31
Water Sustainability	31
<i>Activity Narrative</i>	31
<i>Activity Expenditure Overview</i>	34
<i>Activity Financing by Fund</i>	35
Parks and Trails	36
<i>Activity Narrative</i>	36
<i>Activity Expenditure Overview (REVISED)</i>	38
<i>Activity Financing by Fund (REVISED)</i>	39
<u>Additional Documents</u>	40
<i>Federal Funds Summary</i>	40

<https://metro council.org/>

AT A GLANCE

- 3,186,349 residents in the seven-county area in 2021 (Met Council April 2021 estimate based on 2020 Census)
- 35.9 million transit rides provided by the Council in 2021
- 1.8 million rides on Metro Mobility in 2021
- 250 million gallons of wastewater treated daily
- 110 communities provided with wastewater treatment service in 2021
- Nine treatment plants and 600 miles of regional sewers
- 64.9 million regional park visits in 2021
- 119 regional parks/trails, 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 2021
- 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

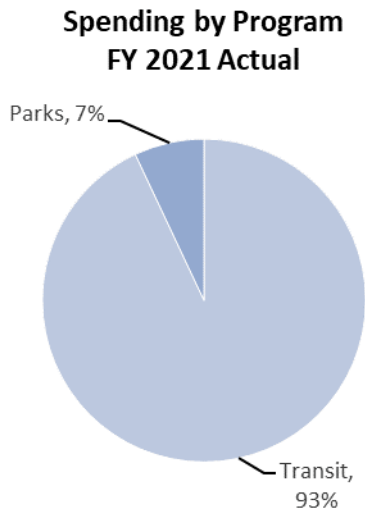
The Metropolitan Council is the regional policy-making body, planning agency, and provider of essential services for the Twin Cities metropolitan region. The Council's mission is to foster efficient and economic growth for a prosperous region in partnership with more than 180 communities and seven counties. 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:

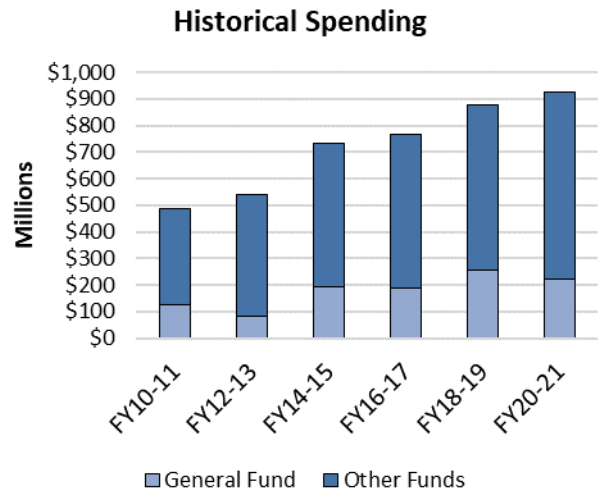
- A thriving economy that encourages business growth and employment opportunities
- A clean, healthy environment with sustainable uses of natural resources
- Sustainable options to safely move people, goods, services, and information
- A livable and attractive place for people of all races, ethnicities,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

The charts on the next page show appropriations to the Metropolitan Council recorded in the state's financial system. The Council's unified operating budget for calendar year 2022 is \$1.235 billion. State appropriations for transit and parks operations and water supply planning provided approximately 40% of agency funding in CY22. 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 35 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 Housing and Redevelopment Authority 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 about 1.8 million rides annually 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 35 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 of the region's residents and local economies.
- Awards funding and develops an overall plan for the metropolitan area's 55,000-acre system of 63 regional parks, park reserves, and special recreation features as well as 400 miles of interconnected trails – all of which attract nearly 65 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 38 consecutive years.

Minnesota's environment

- Treats and cleans an average of 250 million gallons of wastewater from 2.7 million residents daily at rates 35% lower than peer regions across the country, while earning state and national awards for environmental achievements.
- Is developing a climate action plan for our operations to reduce the Council's contributions to the region's greenhouse gas emissions, adapt our facilities and infrastructure to existing and foreseeable climate impacts, and ensure the sustainability of the region's investments over the long term.
- 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 about 7,200 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
- Partners with the Painter's Union, the American Federation of State, County, and Municipal Employees, and St. Paul Technical College to hire and train Environment Services industrial painters and interceptor workers from BIPOC and underrepresented communities.

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.

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

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	2,540	2,682	2,540	2,540	2,540	2,540	22,040	5,040
2050 - Environment & Natural Resources	617	2,040		3,250				
2108 - Metro Pks & Trls Lott In Lieu	6,600	6,600	7,450	7,450	7,450	7,450	7,450	7,450
2302 - Clean Water	1,375	1,375	1,544	1,544			1,875	1,875
2303 - Parks and Trails	19,819	20,277	21,712	22,149			28,575	25,523
3015 - ARP-State Fiscal Recovery			133	467				
Total	30,951	32,974	33,379	37,400	9,990	9,990	59,940	39,888
Biennial Change				6,854		(50,799)		29,049
Biennial % Change				11		(72)		41
Governor's Change from Base								79,848
Governor's % Change from Base								400

Expenditures by Program

Environment	30,951	32,974	33,379	37,400	9,990	9,990	59,940	39,888
Total	30,951	32,974	33,379	37,400	9,990	9,990	59,940	39,888

Expenditures by Category

Operating Expenses							5,000	
Grants, Aids and Subsidies	30,951	32,974	33,379	37,400	9,990	9,990	54,940	39,888
Total	30,951	32,974	33,379	37,400	9,990	9,990	59,940	39,888

Metropolitan Council - Environment

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Direct Appropriation	2,540	2,682	2,540	2,540	2,540	2,540	22,040	5,040
Expenditures	2,540	2,682	2,540	2,540	2,540	2,540	22,040	5,040
Biennial Change in Expenditures				(142)		0		22,000
Biennial % Change in Expenditures				(3)		0		433
Governor's Change from Base								22,000
Governor's % Change from Base								433

2050 - Environment & Natural Resources

Balance Forward In	2,728	2,111	1,000	3,250				
Direct Appropriation		1,000	2,250					
Cancellations		71						
Balance Forward Out	2,111	1,000	3,250					
Expenditures	617	2,040		3,250				
Biennial Change in Expenditures				593		(3,250)		(3,250)
Biennial % Change in Expenditures				22				
Governor's Change from Base								0
Governor's % Change from Base								

2108 - Metro Pks & Trls Lott In Lieu

Direct Appropriation	6,600	6,600	7,450	7,450	7,450	7,450	7,450	7,450
Expenditures	6,600	6,600	7,450	7,450	7,450	7,450	7,450	7,450
Biennial Change in Expenditures				1,700		0		0
Biennial % Change in Expenditures				13		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2302 - Clean Water

Direct Appropriation	1,375	1,375	1,544	1,544	0	0	1,875	1,875
Expenditures	1,375	1,375	1,544	1,544			1,875	1,875
Biennial Change in Expenditures				338		(3,088)		662
Biennial % Change in Expenditures				12		(100)		21
Governor's Change from Base								3,750
Governor's % Change from Base								

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
--	----------------	----------------	----------------	------------------	----------------------------	--	---	--

2303 - Parks and Trails

Direct Appropriation	19,819	20,277	21,712	22,149	0	0	28,575	25,523
Expenditures	19,819	20,277	21,712	22,149			28,575	25,523
Biennial Change in Expenditures				3,765		(43,861)		10,237
Biennial % Change in Expenditures				9		(100)		23
Governor's Change from Base								54,098
Governor's % Change from Base								

3015 - ARP-State Fiscal Recovery

Balance Forward In				467				
Direct Appropriation			600					
Balance Forward Out			467					
Expenditures			133	467				
Biennial Change in Expenditures				600		(600)		(600)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	2,540	2,540	2,540	5,080
Forecast Base	2,540	2,540	2,540	5,080
Change Items				
Modernizing Regional Parks and Trails		12,000		12,000
Metro Parks Maintenance Increase		2,500	2,500	5,000
Mapping Infrastructure Climate Risk and Resiliency Opportunities		5,000		5,000
Total Governor's Recommendations	2,540	22,040	5,040	27,080
Fund: 2108 - Metro Pks & Trls Lott In Lieu				
FY2023 Appropriations	7,450	7,450	7,450	14,900
Forecast Base	7,450	7,450	7,450	14,900
Total Governor's Recommendations	7,450	7,450	7,450	14,900
Fund: 2302 - Clean Water				
FY2023 Appropriations	1,544	1,544	1,544	3,088
Base Adjustments				
One-Time Legacy Fund Appropriations		(1,544)	(1,544)	(3,088)
Forecast Base	1,544	0	0	0
Change Items				
Clean Water Legacy - Metropolitan Area Water Supply Sustainability Support		1,125	1,125	2,250
Clean Water Legacy - Water Efficiency Support Program Increase		750	750	1,500
Total Governor's Recommendations	1,544	1,875	1,875	3,750
Fund: 2303 - Parks and Trails				
FY2023 Appropriations	22,149	22,149	22,149	44,298
Base Adjustments				
One-Time Legacy Fund Appropriations		(22,149)	(22,149)	(44,298)
Forecast Base	22,149	0	0	0
Change Items				
Parks and Trails Legacy Appropriation Increase		28,575	25,523	54,098
Total Governor's Recommendations	22,149	28,575	25,523	54,098
Revenue Change Summary				
Non-Dedicated				
Fund: 2108 - Metro Pks & Trls Lott In Lieu				
Forecast Revenues	7,933	7,378	7,674	15,052
Total Governor's Recommendations	7,933	7,378	7,674	15,052

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Parks and Trails Legacy Appropriation Increase

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Parks and Trails Fund				
Expenditures	28,575	25,523	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	28,575	25,523	0	0
FTEs	0	0	0	0

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-year 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 including trails and redevelop aging 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 existing system to ensure that they are safe, high-quality opportunities for current and future users. This work includes protecting and maintaining high quality natural resources as well as restoring degraded natural resources.
- **Coordinate with Partners.** The Metropolitan Council helps coordinate work across regional and state 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 most recent recommendation states that the Governor’s budget includes the following apportionment of the Parks and Trails Legacy Fund and 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 \$28.575 million in state fiscal year 2024 and \$25.523 million in state fiscal year 2025. 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’s 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, City of Bloomington, Carver County, Dakota County, Minneapolis Park and Recreation Board, Ramsey County, City of Saint Paul, Scott County, Three Rivers Park District, and Washington County.

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:

55% of Minnesota children live in the seven-county metro; a regional park or trail is their closest nature-based experience. The Parks and Trails Legacy Fund is more important than ever to provide health benefits and outdoor fun to children and their families. During the pandemic, the Metropolitan Regional Parks System saw unprecedented visitation, and more funding is required for additional maintenance due to increased use. Investment in equitable access to quality recreational opportunities for all our region’s residents is made possible through the Fund. This resource helps ensure the development of a 21st century regional parks system to serve Minnesota’s children and their families.

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.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

IT Costs

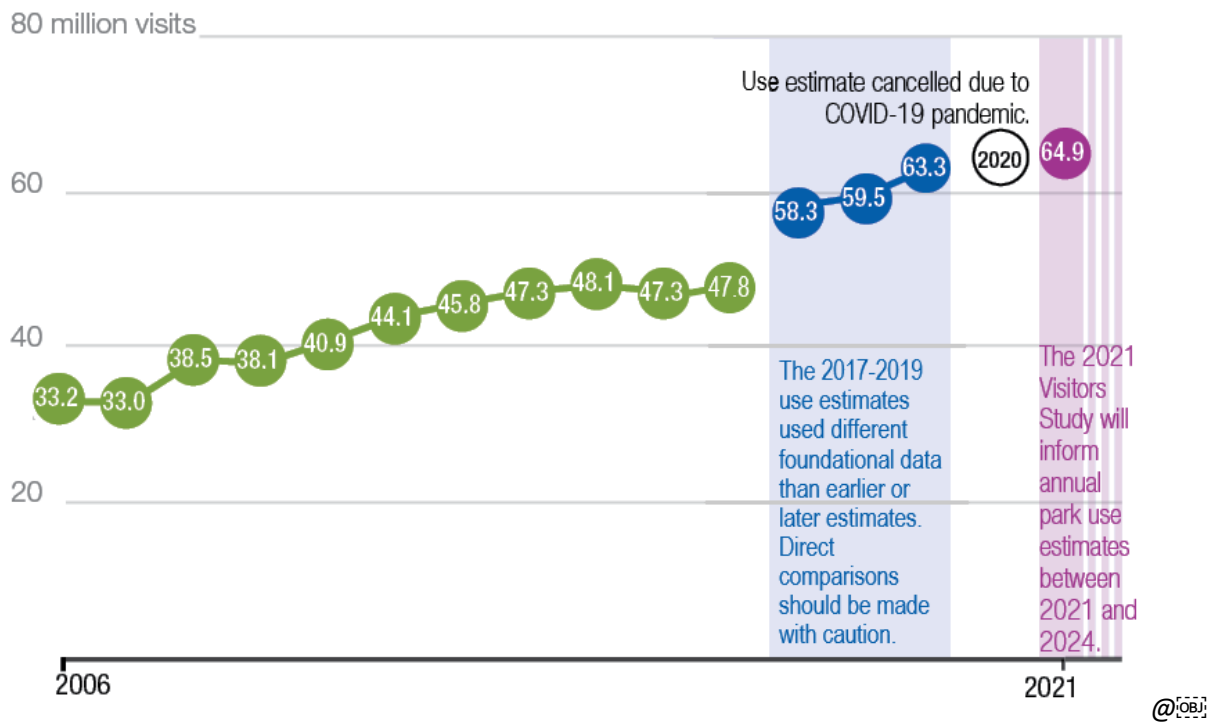
Not applicable

Results:

In 2021, people made an estimated 64.9 million visits to regional parks and trails, an increase of 2.6% percent from the 2019 estimate. Visitation on regional trails grew 11% since 2019. The regional trail system includes over 415 miles of regional trails, with annual trail use reaching more than 16 million visits. With the continued pandemic in 2021, fewer special events and programs were held in regional parks. Special events decreased by almost 1/3 from 2019 but are expected to begin rebounding.

Visitors reported positive experiences at regional parks and trails in the 2021 Visitor Survey. Almost 90% evaluated facilities as very good or excellent. Visitor satisfaction was similar across parks and trails and slightly lower in historic systems with older facilities. When asked to name one thing that would improve their visit, the most popular suggestions were basic improvements like bathrooms and drinking water access, general maintenance, trail conditions, and improved signage/information. Reflecting on the data, implementing agency partners discussed the need for adequate funding to provide the basic amenities the public needs and how bathroom and water access are key to making new and underserved visitors comfortable in the regional park system.

Figure 1. Regional Parks and Trails Visitation, 2006-2021



Statutory Change(s):

None needed.

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy - Metropolitan Area Water Supply Sustainability Support

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Clean Water Fund				
Expenditures	1,125	1,125	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,125	1,125	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$1.125 million each year of state funding in the 2024-25 biennium from the Clean Water Fund be appropriated to the Metropolitan Council’s Water Supply Sustainability Program. \$1.838 million was appropriated to the Council in the prior biennium – this request would be a 22.4% increase from the last biennium.

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.

Impact on Children and Families:

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, 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.

Equity and Inclusion:

As described above, this 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.

Tribal Consultation:

This proposal does not have a substantial direct effect on any Minnesota Tribal government.

IT Costs

Not applicable.

Results:

Part A: Performance measures

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.

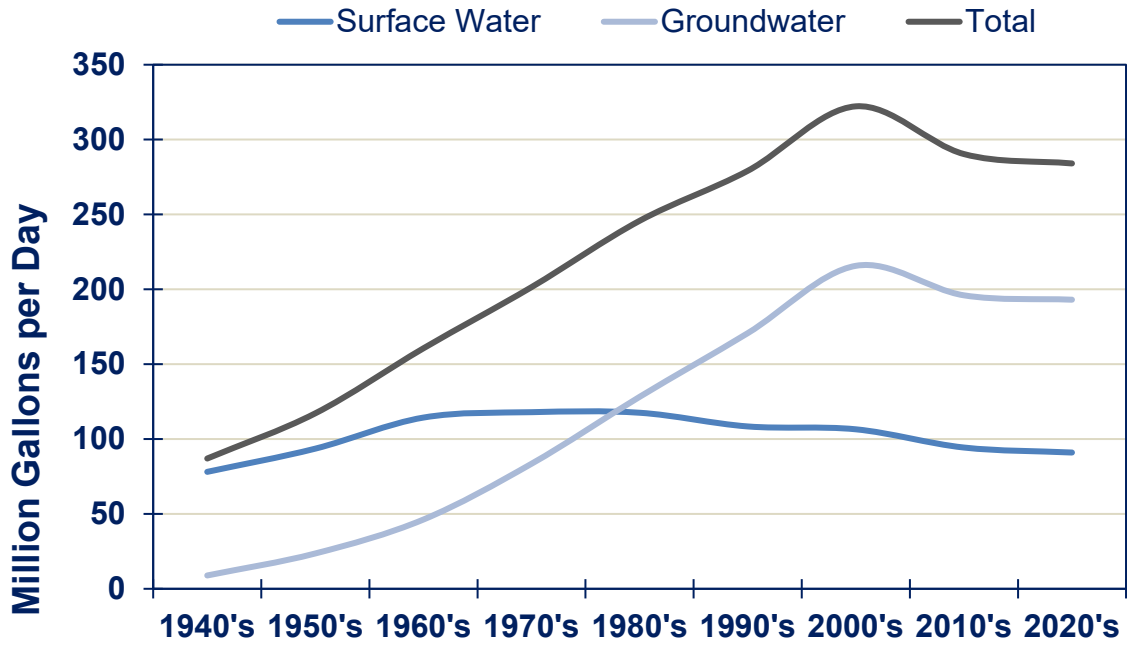
The activity outcomes will recommend measures to improve groundwater use, to reduce impacts on aquifers, groundwater quality and surface water features, highlight groundwater-surface water interaction risk factors for all communities in the metro area and provide recommendations to prevent and address these risks and achieve the drinking water security through improved water use, conservation and reuse which collectively lead to:

- Protecting groundwater from degradation- quantity and quality
- Protecting drinking water source

Success Indicators:

- From 2005 to 2020, number of communities 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. Since the 2000s, when the Council's water supply sustainability programming began, metro area municipal water use has dropped by approximately 50 million gallons per day. This has been largely driven by reduction in groundwater use.



Statutory Change(s):

Not applicable

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy - Water Efficiency Support Program Increase

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Clean Water Fund				
Expenditures	750	750	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	750	750	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$750 thousand each year in the 2024-25 biennium of state funding from the Clean Water Fund to the Metropolitan Council’s Water Efficiency Grant Program. The appropriation to the Council last biennium was \$625 thousand per year, so this reflects a 20% increase over the previous biennium. The Governor is recommending additional funding to meet communities’ needs and to support residents across the region implementing water efficiency measures, including a new program with St. Paul Regional Water Services to target low-income households.

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, state agencies and other stakeholder groups to collaboratively use this fund to address local, and regional water use issues.

Impact on Children and Families:

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 2016. The Council Water Efficiency Grant Program was designed to equitably address needs of single-family homes (targeting outdoor water use) and multi-family units (targeting indoor water use)- economic equity. Since FY16, Clean Water Fund has been the only source of funding for this program to award grants to local units of government for reducing water use. Metropolitan Council's Metropolitan Area 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 per person per day 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.

Equity and Inclusion:

As described above, this 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 2016. The Council Water Efficiency Grant Program was designed to equitably address needs of single-family homes (targeting outdoor water use) and multi-family units (targeting indoor water use)- economic equity. Since FY16, Clean Water Fund has been the only source of funding for this program to award grants to local units of government for reducing water use.

Tribal Consultation:

This proposal does not have a substantial direct effect on any Minnesota Tribal government.

IT Costs

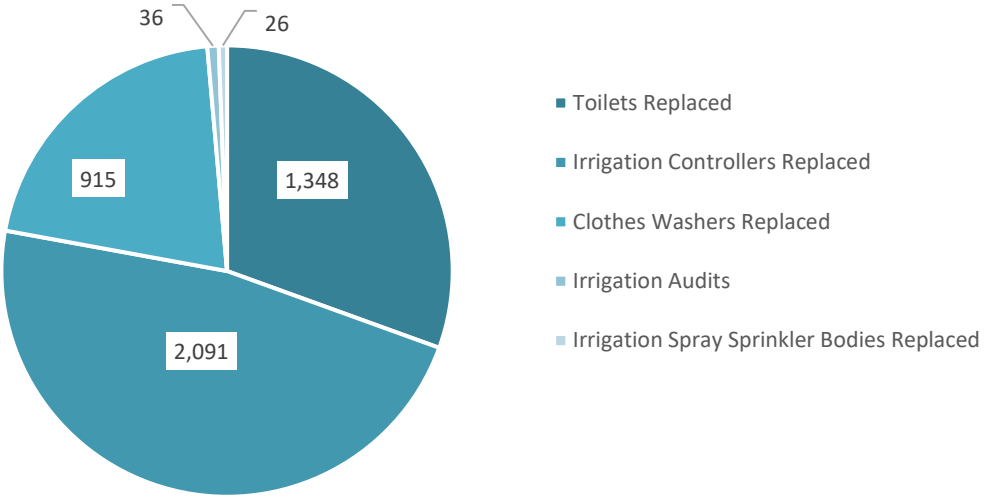
Not applicable.

Results:

Part A: Performance measures

- Measures used to understand the impact of the Water Efficiency Grant Program include number of participating communities, number and type of rebates provided, and estimated amount of water saved by replacing appliances, irrigation controllers and through irrigation audits. These measures illustrate measures implemented by communities to reduce water use, thereby reducing reliance on groundwater and related impacts on aquifers, groundwater quality and surface water features.
- A total of 38 communities are participating in the current Water Efficiency Grant Program in comparison to 19 communities participated in the first round of the program in 2016.
- Based on community reporting, required for participation in the grant program, the communities who implemented activities since 2016 have resulted in the following water savings:

Replacements and Irrigation Audits Since 2016 Save 92,671,037 Total Gallons Annually



Statutory Change(s):
Not applicable

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Modernizing Regional Parks and Trails

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	12,000	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	12,000	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends a one-time appropriation of \$12.0 million to support capital improvements for regional parks and trails. Improvements include enhancements to visitor services such as bathroom updates, water and trailhead amenities, wayfinding, trail maintenance, and natural resources improvements. The lack of a bonding bill during the 2022 legislative session, increased park usage during the pandemic, increasing frequency of and persistent inland flooding, extended heat waves, and frequent freeze thaw cycles have led to a growing need for repairs and improvements in metro regional parks and trails system. This request would be passed directly to the ten regional park implementing agencies through the Regional Parks Bonding Program distribution formula. The Council would not take any administrative funding.

Rationale/Background:

The Regional Park and Trail System is a significant benefit to the Twin Cities Region’s livability and economic vitality. As noted in the Council’s *Regional Economic Framework*, public opinion polling conducted by the Council and the University of Minnesota regularly find that the region’s residents consider its lakes, rivers, parks, and outdoor recreational areas to be its best assets. This was exemplified during the pandemic when the Regional Parks and Trails System has served as a refuge for Metro area residents. It is a safe place for people to get together outdoors with family, friends, and community, to take a walk or share a meal.

However, this use has resulted in greater wear and tear on the regional system. Changing weather patterns and a rapidly diversifying metro population drive the need to modernize outdoor recreation experiences for residents of the region to meet their growing and changing needs. This one-time cash infusion is needed to help restore and improve existing facilities, to ensure that they continue to provide the benefits that people have come to associate with the Regional Parks and Trails System for current and future generations.

Proposal:

The Council will distribute one-time funding using the Regional Parks Bonding Program formula, as defined in the 2040 Regional Parks Policy Plan:

- 70% based on the population within the jurisdiction of each agency, compared to the region’s total population
- 30% based on the number of visits an agency hosted from individuals who live outside the agency’s jurisdiction (non-local visits).

This proposal complements the DNR funding request to modernize recreational facilities across the state of Minnesota. Like the DNR proposal, this one-time investment would create a more welcoming environment for our users by revitalizing existing facilities, increasing accessibility to the outdoors and outdoor recreation infrastructure for people with physical disabilities, and modernizing infrastructure so that it is reliable, available, and meets the recreational needs for current and future generations. Potential projects could include system modernizations, such as mobility/accessibility work, responding to persistent flooding/heating events, and managing invasive species like Emerald Ash Borer. Other projects may include modernizing bathroom facilities, providing drinking water, and increasing shade. All these improvements address issues and concerns raised in the 2021 Regional Parks System Visitor Study. A more detailed list of eligible activities will be determined ahead of fund distribution and in continued consultation with the Regional Parks implementing agencies. The Council has been engaging with the Implementing agencies on the results of the 2021 Visitor Study to both share results and discuss potential next steps.

Impact on Children and Families:

This one-time cash investment provides critical support to the Regional Parks and Trails System, helping ensure that the park implementing agencies can keep up with the on-going and changing needs of our visitors, particularly children and families. This funding will help support the restoration and redevelopment of our park and trail facilities, ensuring they are safe, and high-quality for current and future users. Throughout the pandemic, people have relied on our system for safe, healthy, and welcoming recreational opportunities. With the on-going pandemic and limits on social interactions, the provision of close-to-home, safe outdoor opportunities for children and families have never been more critical.

Equity and Inclusion:

This item will benefit residents across the Twin Cities metropolitan region by responding to what park and trail users shared with us during the most recent Visitor Study. Improving the quality of recreational options available that result from increased investment in the metropolitan regional parks and trails system. The metropolitan region is growing and changing. By 2040, approximately 39 percent of residents will be black, indigenous, and people of color. Currently, our region has among the largest racial and 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, working in partnership with the ten regional park implementing agencies, is committed to increasing the equitable use of the regional parks and trails system. The Metropolitan Council, in partnership with the ten agencies, is committed to meaningfully engaging communities in planning and decision-making, to ensure this system continues to meet the needs of our region.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

IT Costs

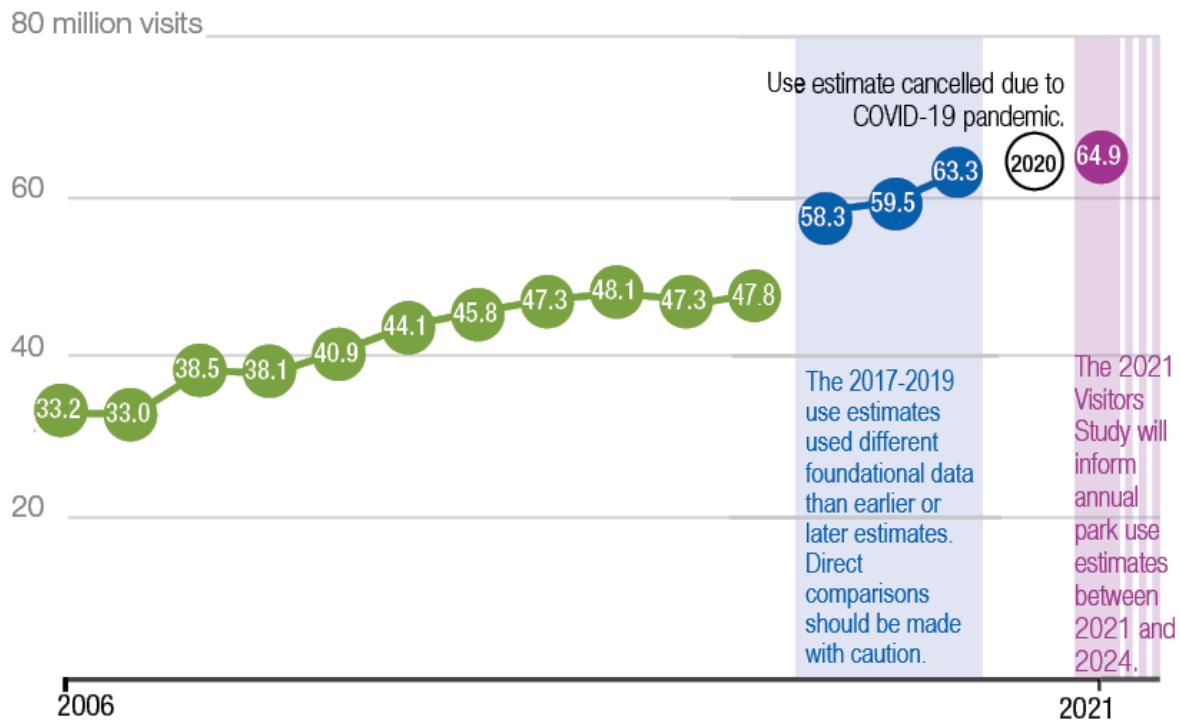
Not applicable

Results:

In 2021, people made an estimated 64.9 million visits to regional parks and trails, an increase of 2.6% percent from the 2019 estimate. Visitation on regional trails grew 11% since 2019. The regional trail system includes over 415 miles of regional trails, with annual trail use reaching more than 16 million visits. With the continued pandemic in 2021, fewer special events and programs were held in regional parks. Special events decreased by almost 1/3 from 2019 but are expected to begin rebounding.

Visitors reported positive experiences at regional parks and trails in the 2021 Visitor Survey. Almost 90% evaluated facilities as very good or excellent. Visitor satisfaction was similar across parks and trails and slightly lower in historic systems with older facilities. When asked to name one thing that would improve their visit, the most popular suggestions were basic improvements like bathrooms and drinking water access, general maintenance, trail conditions, and improved signage/information. Reflecting on the data, implementing agency partners discussed the need for adequate funding to provide the basic amenities the public needs and how bathroom and water access are key to making new and underserved visitors comfortable in the regional park system.

Figure 1. Regional Parks and Trails Visitation, 2006-2021



@OB

Statutory Change(s):

Not applicable.

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Metro Parks Maintenance Increase

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	2,500	2,500	2,500	2,500
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,500	2,500	2,500	2,500
FTEs	0	0	0	0

Recommendation:

The Governor recommends an increase of \$2.5 million per year in the appropriation for the operations and maintenance of the metropolitan regional parks. This would result in an on-going \$12.4 million annual investment in the Metropolitan Regional Parks System’s Operations and Maintenance funding beginning in FY 2024. Total operational expenditures for the system exceeded \$120 million in 2021. The total annual visitor use of the Metropolitan Regional Parks System reached an all-time high in 2021, exceeding 64 million visits. The value of the Regional Parks System has only grown during the pandemic, yet this much-loved system is wearing out.

Rationale/Background:

Since 1985, the State of Minnesota has appropriated money under [Minnesota Statutes, section 473.351](#) that the Council disburses to the agencies to pay for a portion of the cost of providing for the operation and maintenance of waters, lands, and facilities that are part of the Regional Parks System. The funds for the Operation and Maintenance Program are appropriated from state appropriations from the General Fund and “lottery in lieu of sales tax earnings. The Council distributes all Operation and Maintenance funding to the Agencies according to the formula established in [Minnesota Statutes, section 473.351](#). The statutory language states that “each implementing agency must receive no less than 40 percent of its actual operation and maintenance expenses to be incurred in the current calendar year budget as submitted to the parks and open space commission.” O&M appropriations have historically been much lower than 40 percent of actual costs, ranging between 5 and 15 percent of actual costs. This proposal will bring the agencies closer to the 40 percent stated in statute.

Proposal:

The Council distributes all Operation and Maintenance funding to the agencies according to the formula established in [Minnesota Statutes, section 473.351](#):

- 40% based on each agency’s proportion of total regional system visits, as estimated in the Council’s annual use estimates.
- 40% based on each agency’s proportion of total regional system operation and maintenance expenditures in the previous calendar year.
- 20% based on each agency’s proportion of total regional system land acreage, with (a) park reserve resource management land divided by four and (b) excluding the acreage under any facilities the Council considers inconsistent with recreation activities and facilities, including enterprise facilities (Strategy 1 of the *2040 Regional Parks Policy Plan*).

The Metropolitan Council serves as the fiscal agent for this funding source and does not receive a direct allocation of the funds. All O&M funds are disbursed to the ten implementing agencies: Anoka County, City of Bloomington, Carver County, Dakota County, Minneapolis Park and Recreation Board, Ramsey County, City of Saint Paul, Scott County, Three Rivers Park District, and Washington County.

Impact on Children and Families:

Parks Operation and Maintenance funding 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 and its related societal behavioral changes, this funding source has never been more important. With park and trail visitation rapidly growing, ongoing operations and maintenance of the parks system and its facilities is critical to the upkeep of the system. With limits on social activities and increased costs for entertainment and travel, the provision of close-to-home opportunities for children and families is even more critical. The O&M funding seeks to increase equitable access of quality recreational opportunities for all our region’s residents.

55% of Minnesota children live in the seven-county metro; a regional park or trail is their closest nature-based experience. Parks funding is more important than ever to provide health benefits and outdoor fun to children and their families. During the pandemic, the Metropolitan Regional Parks System saw unprecedented visitation, and more funding is required for additional maintenance due to increased use. Investment in equitable access to quality recreational opportunities for all our region’s residents is made possible through this funding.

Equity and Inclusion:

This item will benefit residents across the Twin Cities metropolitan region by improving the quality of recreational options available that result from increased investment in the operation and maintenance of the metropolitan regional parks and trails system. The metropolitan region is growing and changing; by 2040, approximately 39 percent of residents will be black, indigenous, and people of color. Currently, our region has among the largest racial and 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 working in partnership with the ten regional park implementing agencies, is making a concerted effort to increase the equitable use of the regional parks and trails system. Through the *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 committed to fully engaging communities in decision-making in accordance with the Metropolitan Council’s Public Engagement Plan when setting regional parks policy.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

IT Costs

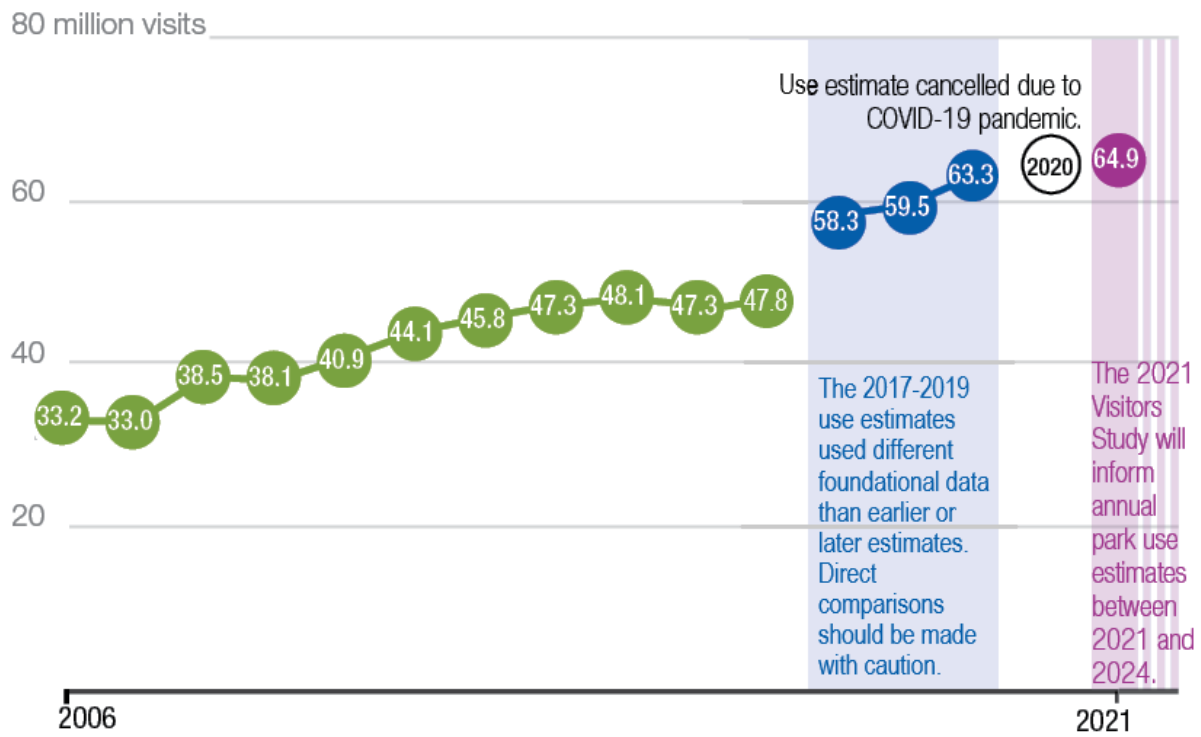
Not applicable.

Results:

In 2021, people made an estimated 64.9 million visits to regional parks and trails, an increase of 2.6% percent from the 2019 estimate. Visitation on regional trails grew 11% since 2019. The regional trail system includes over 415 miles of regional trails, with annual trail use reaching more than 16 million visits. With the continued pandemic in 2021, fewer special events and programs were held in regional parks. Special events decreased by almost 1/3 from 2019 but are expected to begin rebounding.

Visitors reported positive experiences at regional parks and trails in the 2021 Visitor Survey. Almost 90% evaluated facilities as very good or excellent. Visitor satisfaction was similar across parks and trails and slightly lower in historic systems with older facilities. When asked to name one thing that would improve their visit, the most popular suggestions were basic improvements like bathrooms and drinking water access, general maintenance, trail conditions, and improved signage/information. Reflecting on the data, implementing agency partners discussed the need for adequate funding to provide the basic amenities the public needs and how bathroom and water access are key to making new and underserved visitors comfortable in the regional park system.

Figure 1. Regional Parks and Trails Visitation, 2006-2021



@OBI

Statutory Change(s):

None needed, not applicable

Metropolitan Council

FY 2024-25 Biennial Budget Change Item

Change Item Title: Mapping Infrastructure Climate Risk and Resiliency Opportunities (MICRRO)

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	5,000	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$5 million from the General Fund for the Metropolitan Council project *Mapping Infrastructure Climate Risk & Resiliency Opportunities*. This 4-year effort will create an online planning/decision support toolset and associated datasets to help local planners and engineers effectively protect their communities from the adverse effects of climate change. The effort will include updating key datasets to reflect current on-the-ground infrastructure conditions and future climate scenarios, leading to creation of climate risk indices that communities can use to perform risk assessment. The toolset will be developed in partnership with local, regional, and state agencies.

Rationale/Background:

Unprecedented, extreme weather events that have occurred regionally and nationally over the past decade are a visceral reminder that our climate is changing. In 2012, Duluth saw over 10 inches of rain over two days, ripping up roadways, damaging sewers, and killing zoo animals. Hurricane Harvey in Houston (2017), Hurricane Ida along the east coast (2021), and most recently Hurricane Ian in Florida (2022) saw significant flooding and massive destruction of roads and homes caused by heavy precipitation, storm surges, and undersized water infrastructure, leading to loss of life. At current count, ninety-two lives were lost in Florida and eleven lives were lost in New York due to inland flooding in areas previously thought to be at low risk for such flooding disasters.

In the Twin Cities region our climate threat is real, even if we are unlikely to face danger from hurricanes. The climate threat in this region is quieter and slower, a ‘silent tsunami’ of the additive impacts of repeated wet years and intermittent periods of drought. Over the period from 2014 to 2019, the Twin Cities experienced the equivalent of seven years of rainfall in six years. The collective amount of water over this period stressed our built environment: basements flooded, rivers, and streams left their banks, and “localized flooding” became common terminology. This was immediately followed by the 2021-2022 drought, which resulted in metro-wide water restrictions and required Metropolitan Council needing to oxygenate the Mississippi River to keep fish and other aquatic life from dying due to insufficient oxygen in the water in the autumn of 2021.

We know we are at risk. A recent study in the journal *Science* found that if the world continues to warm at current projections, today’s 6-year-old children will experience 3.4 times more river flooding and 2.3 times as many droughts than someone born in the 1960s. Climate threats present increasing dangers to the residents and businesses of the Twin Cities region, which covers over 3,000 square miles and represents over half the population of Minnesota. Flooding, severe weather, and even drought will impact transportation, power, internet, water, sanitary and stormwater infrastructure in Minnesota just like it has in other parts of the country and the

world. Most of our stormwater systems in the Twin Cities were designed on 1960s precipitation statistics. They are not properly sized for current precipitation events, much less the predicted increased rainfall amounts and intensity in a changing climate. Overwhelmed stormwater infrastructure has rippling effects throughout affected communities - we will see more frequent flooding of roadways and structures posing an increased risk of drowning; more flood damaged homes and sewer backups threatening acute and chronic health problems; and less reliable transit, power, and internet services limiting access to work and school. After the flood waters recede, dangers persist due to the mobilization of pollution as well as the lingering threat of mold-related illness. The impacted waterbodies, land, and buildings are heavily utilized by metro area residents, and these flood risks becomes even more significant for disadvantaged and historically disinvested neighborhoods.

We lack the insights needed to allocate limited dollars at the local level for the highest impact, especially where disparities exist. Both the extreme wet and dry conditions of the past eight years have caused local planners and engineers to field calls demanding action, but many lack the resources, information, and/or tools to move their communities toward adaptation in a changing climate. While valuable national and regional models exist (e.g., FEMA flood models, Metropolitan Council's Metro Model 3 and Localized Flood "Bluespot" Map), communities do not have a way to utilize these models and tools to identify and prioritize the critical risks posed by the changing climate and weather trends on stormwater management and other infrastructure that was not designed for today's challenges. This project will provide the information needed to prioritize and target the precious few available dollars to the best investments that will protect lives, preserve our infrastructure, and lift up communities that lack internal resources.

The proposed project will help Minnesota cities by providing information to make informed planning decisions. It also directly supports the goals of the State Climate Action Framework, specifically the Resilient Communities goal and its related initiatives:

- **Climate-smart communities:** Build the capacity of Minnesota communities to protect against and withstand the effects of climate change.
- **Healthy community green spaces and water:** Expand and protect tree canopies; parks and other green spaces; and lakes, rivers, and wetlands that provide community resilience benefits.
- **Resilient buildings, infrastructure, and business:** Help the built environment and local economies become more resilient to climate change.

Additionally, this project overlaps with multiple goals of the Minnesota Climate Subcabinet:

- Identify policies and strategies that will enhance the climate resiliency of Minnesota's natural resources, working lands, and communities and assist state agencies, businesses, and local communities to prepare for climate change impacts that cannot be avoided or mitigated
- Engage with Minnesotans on these complex issues
- Promote equitable policy solutions that can reduce current disparities in Minnesota, ensure a just transition for impacted workers and communities, and encourage green economic development and job creation

Proposal:

The *Mapping Infrastructure Climate Risk & Resiliency Opportunities* project is new initiative that will create a decision-support tool to provide local and regional planners and engineers with needed information to best identify natural resources and infrastructure at risk from hydrologic climate impacts, and to plan for and implement projects to improve resiliency. The decision-support tool will be able to be used widely: for prioritizing and awarding local, regional, or state grants, for decision-making on community public works projects, by private property owners to make informed decisions, and by communities and advocacy organizations to identify areas of risk inequity that might affect those that are economically disadvantaged. The decision-support tool will be used to prioritize projects for local and state (bonding) funding, including the proposed climate change resilient grants lead by MPCA.

The decision-support tool will be created at the beginning of the project using available information including flood risk data (FEMA floodplain maps and the Council’s Localized Flood “Bluespot” map), locations of natural resources and local and regional public and private infrastructure, and community demographic and Council equity datasets. The tool will be continually refined through an iterative process that will involve modernizing and integrating regional datasets that form the foundation for understanding the regional landscape; updating Minnesota precipitation statistics, creating climate scenarios for resiliency planning; developing risk scorecards to assist community decision-making. Ultimately the tool will improve on the information provided by existing flood risk maps by featuring a dynamic, scenario-driven model that evaluates the impacts of groundwater and surface water interactions on property and infrastructure. Only by evaluating these linked natural systems together can we adequately predict and prevent hydrologic impacts to property and infrastructure.

A tool that doesn’t meet the needs of its intended audience or that isn’t designed to integrate into existing decision processes won’t be useful to regional partners. At the front-end of this four-year effort, we will be intensifying ongoing outreach efforts with local communities, watershed partners, and state agency staff to understand immediate stakeholder needs and how this tool can be utilized in existing decision-making processes. Communication with these stakeholders will continue throughout the life of the project to ensure new tool additions continue to add substantive value. In addition, we will engage with experts in tool training and adoption to build capacity of the intended tool user base. We anticipate recruiting local stakeholders for tool usability testing.

While the decision-support tool is central to the outcomes of this project, it is also vital that the data sets created or updated through this effort are publicly open and available. The use and interpretation of good data, based on sound science, is how useful information is created. Some of the data that we are intending to produce has overlap with the National Weather Service Hydrometeorological Design Studies Center’s efforts to update the National Precipitation Frequency Standards. Federally produced climate statistics are highly valued as they are the basis for infrastructure and structural design standards. The data and climate scenarios needed for this project have a wide array of applications that can help increase our understanding of the interaction of climate, water, and built environment from a variety of perspectives.

This project will create information that helps strengthen critical infrastructure, and will help metro policy makers, planners, and residents tackle the complex issues involving water, climate, infrastructure, and equity. Where we develop our roads, bridges, bike paths, houses and other infrastructure directly affects those who live there and how they experience the impacts of climate change on their lives now and into the future. The tools and information created through this project will help set regional priorities for all metro residents, especially those living in higher risk areas, and help us all mitigate the risks of a changing climate.

The following partners have been involved in the development of this proposal and are potential project partners: MPCA, DNR Office of Climatology, MnDOT, National Oceanographic and Atmospheric Agency (NOAA), MetroGIS, and research staff at the University of Minnesota – Twin Cities. The Governor’s Climate Change Subcabinet and Interagency Coordination Team supports this proposal.

The funds requested will be used to support one new FTE to provide programmatic management of this project over its four-year cycle. The remainder of the funds requested will be used for consultant contracts to lead the engagement of stakeholders, build the tool, and modernize datasets. Please see the table for a schedule of project activities:

Activity	FY2024	FY2025	FY2026	FY2027
Build decision-support tool	X			
Engage stakeholders	X	X	X	X
Modernize and integrate regional spatial datasets	X	X	X	X
Develop precipitation inputs and future climate model scenarios	X	X	X	X
Update decision-support tool		X	X	X
Training and capacity building			X	X

Impact on Children and Families:

Children and families utilize both the natural and built environments as they access the services they need: food, education, mental health supports, and stable housing. Climate change and increased precipitation threaten the health and safety of everyone, but especially vulnerable populations like children. Flooded roadways and basements pose a drowning risk; flood damaged walls, environmental pollution, or sewer backups threaten acute and chronic health problems; an insecure or damaged environment may lead to poor mental health; and a lack of functioning transit system, power grid, or internet outage due to flooding may limit access to education. This item will provide the tools needed to target resources to the areas with the most vulnerable infrastructure and most vulnerable populations, including children and families.

Equity and Inclusion:

This tool will benefit residents across the Twin Cities region by improving our understanding of the risk climate change poses to our natural systems and critical infrastructure. We know there are disparities across the region in our understanding of flood risk and in the financial resources needed to strengthen climate resiliency. This project will help to make the best climate and resiliency planning and water information available to all metro communities, watershed organizations, and state agencies and improve upon that information as we continue to refine the data, models, and tools.

Communities most at risk for climate impacts often tend to be disadvantaged communities. This project will help allocate state and local resources to those areas that may be less resilient given historical disinvestment. Planners and engineers can target funds with increased confidence to areas and neighborhoods that are most at risk and in need of investment.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

We will engage with all tribes in the state on this effort through the Met Council’s Tribal Consultation Policy, with a special focus on the Shakopee Mdewakaton Sioux Community and the Prairie Island Indian Community which have landholdings within the metro area. All of Minnesota’s Tribal governments have connections to the metro area – both through our regional waters that hold spiritual and historical significance and through the presence of the large American Indian population within the metro area. We anticipate that this tool can provide climate risk information to assist Tribal government staff planning for development and infrastructure within their reservation and metro land/parcel holdings. We have not yet shared this project plan with the Tribes and do not know if they would consider this project a priority, but we have identified tribal input as a key stakeholder voice in early

engagement efforts. We will invite them to participate in our Technical Advisory Committee, and we will continue to engage with tribal staff at the level and frequency they request.

IT Costs

Not applicable

Results:

Performance Measures:

As a new initiative, the *Mapping Infrastructure Climate Risk & Resiliency Opportunities* project does not have current metrics or measures to indicate successful results. However, since the dataset creation and planning/ decision-making support tool will evolve and gain power over the course of the project there are a series of indicators that will lend themselves well to track project performance. The immediate measures that are quantifiable are the counts and frequency of datasets created and published, website visitors, and stakeholder comments. We anticipate increasing trajectories for datasets and visitors as we grow the capabilities of the tool. The stakeholder comments also provide insight into the quality of the products we plan to deliver as a part of this project. We intend to have a Technical Advisory Committee to help guide us, but we will also have opportunities for feedback on the project website to ensure all users can provide their input. Over the long term, we anticipate a reduction in climate-related infrastructure risk within the region and an increase in overall regional resiliency.

Performance measures identified for this project are included in the table below.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Performance assessment method</i>	<i>Communication</i>	<i>Current Value</i>	<i>Date</i>
Quantity	Datasets created and published	Posted to state geospatial portal/MetroGIS website	Posted to state geospatial portal/MetroGIS website	0	Summarized annually
Quantity	Tool website visitor counts	Comparison to initial tool baseline	Met Council Annual Reporting	0	Summarized annually
Quality	Stakeholder feedback	Stakeholder outreach	Met Council Annual Reporting	0	Summarized annually
Results	Risk reduction – areas no longer at high risk of flooding, etc.	Comparison to initial tool baseline	Met Council Annual Reporting	Unknown	5/30/2027

Evidence-Based Results:

The purpose of the *Mapping Infrastructure Climate Risk & Resiliency Opportunities* project is to create a decision-support tool that will provide local and regional planners and engineers with needed information to best identify areas and infrastructure at risk from hydrologic climate impacts, and to plan for and implement projects to improve resiliency. From a quantitative standpoint, there are direct causal relationships between size and functionality of stormwater infrastructure, the prevalence and amount of flooding, and the impact on the social fabric of a community. This project is focused on optimizing outcomes when a well-understood scientific process with strong causal evidence (flooding) interacts with the social landscape. The funds requested will be utilized to improve tools used for targeting resources, ensuring funds are spent in the areas of most need from a climate risk and equity perspective. There is strong evidence for this proposal in several ways:

1. The scientific drivers of flooding are completely understood. Flooding is the intersection of climatic factors (i.e., rainfall intensity and duration) combined with natural landscape factors (i.e., topography, soils) and

the built environment (i.e. imperviousness, stormwater infrastructure). There is significant literature documenting drivers of flooding, see: *O'Donnell Emily C. and Thorne Colin R. 2020. Drivers of future urban flood risk. Phil. Trans. R. Soc. A.378: 20190216*, <https://royalsocietypublishing.org/doi/10.1098/rsta.2019.0216> for a recent example.

Our lack of full knowledge of where and how much flooding will occur is influenced not by a lack of understanding the process, but of uncertainty in drivers such as how much the climate will change, exactly where water will gather and how much it will infiltrate, and the exact design and condition of stormwater infrastructure. A major component of this project is improving these underlying driver datasets. By improving the quality and accuracy of flood driver data, we will better understand the exact nature of flooding in the region.

2. There is also strong evidence that industry accepted flood interventions will reduce flood damage. A 2017 FEMA report details 3 primary types of projects to mitigate the water quantity and quality impacts of floods: floodwater diversion and storage, floodplain and stream restoration, and low impact development (LID)/Green Infrastructure. The report finds that all three will effectively mitigate the impact of flood disasters (*Federal Emergency Management Agency. 2017. Innovative Drought and Flood Mitigation Projects.*https://www.fema.gov/sites/default/files/documents/fema_innovative-drought-flood-mitigation-projects.pdf).
3. An emerging area of research that impacts this project is the most effective and equitable approaches to distribute resources to address flooding. There is significant work ongoing throughout the world on targeting flood resilience work that would be reviewed during project implementation. Some examples are:
 - a. Schelfaut, K., B. Pannemans, I. van der Craats, J. Krywkow, J. Mysiak, and J. Cools. 2011. Bringing Flood Resilience into Practice: The FREEMAN Project. *Environmental Science and Policy* 14 (7): 825–833.
 - b. McClymont, K., Morrison, D., Beevers, L., & Carmen, E. 2019. Flood resilience: a systematic review. In *Journal of Environmental Planning and Management*, 63(7), 1151-1176. <https://www.tandfonline.com/doi/full/10.1080/09640568.2019.1641474?scroll=top&needAccess=true>.
 - c. Webber, JL, Chen, AS, Stevens, J, Henderson, R, Djordjević, S, Evans, B. 2021. Targeting property flood resilience in flood risk management. *J Flood Risk Management*. 14. <https://onlinelibrary.wiley.com/doi/full/10.1111/jfr3.12723>.
 - d. Kvitsjøen, Julia, Dick Karlsson, Trym Teigene, and Webjørn Finnsland. 2021. Tool for Quantitative Risk Analysis of Urban Flooding. *Water* 13, no. 19: 2771. <https://www.mdpi.com/2073-4441/13/19/2771/htm>.
 - e. U.S. Water Alliance. 2020. Water Rising: Equitable Approaches to Urban Flooding. http://uswateralliance.org/sites/uswateralliance.org/files/publications/Final_USWA_Water%20Rising_0.pdf.
 - f. Chang, H.; Pallathadka, A.; Sauer, J.; Grimm, N.B.; Herreros-Cantis, P. 2021. Assessment of urban flood vulnerability using the social-ecological-technological systems framework in six US cities. *Sustain. Cities Soc.*, 68. <https://www.sciencedirect.com/science/article/pii/S2210670721000780>.
4. Finally, a tool is only effective if it is used successfully. An emerging area of research that will be consulted during project implementation is on design of effective decision-support tools. This is an emerging research topic that blends climate science with behavioral psychology and user experience design. Examples of this recent research that will be consulted are:
 - a. Palutikof, J.P., Street, R.B. & Gardiner, E.P. 2019. Looking to the future: guidelines for decision support as adaptation practice matures. *Climatic Change* 153, 643–655. <https://link.springer.com/article/10.1007/s10584-019-02404-x>

- b. Clar, C, Steurer, R. 2018. Why popular support tools on climate change adaptation have difficulties in reaching local policymakers: Qualitative insights from the UK and Germany. *Env Pol Gov.* 2018; 28: 172– 182. <https://onlinelibrary.wiley.com/doi/10.1002/eet.1802>.
- c. Gabrielle Wong-Parodi, G., Mach, K., Jagannathan, K., Sjostrom, K.D. 2020. Insights for developing effective decision support tools for environmental sustainability, *Current Opinion in Environmental Sustainability* 42, 52-59. <https://www.sciencedirect.com/science/article/pii/S1877343520300051>.

Statutory Change(s):

Not applicable

Program: Environment

Activity: Water Sustainability

<https://metro council.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

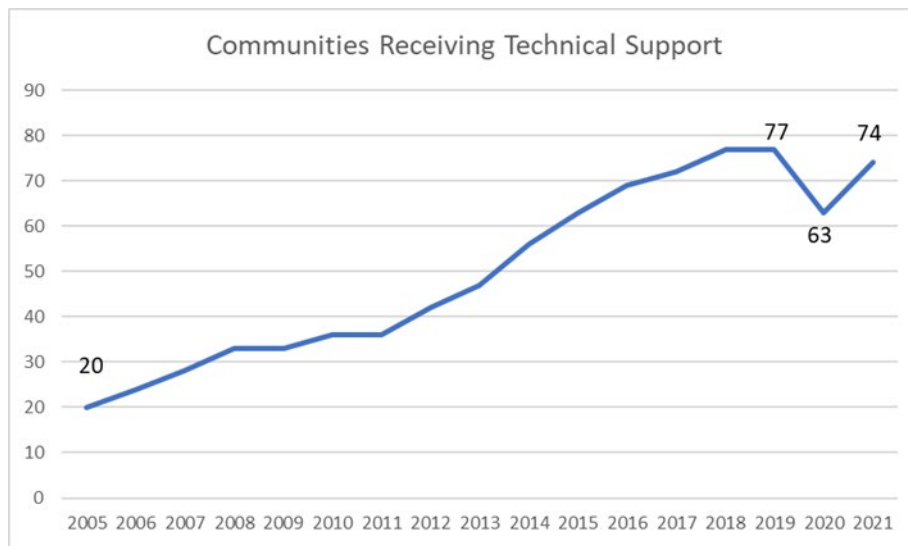
The data and tools generated, and the projects implemented by the Council’s Water Supply Planning Program benefit communities by enhancing communities’ planning processes and ensuring a more coordinated and regionally sustainable approach to water supply. Cities in the region are the suppliers of water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

Council Role in Water Supply

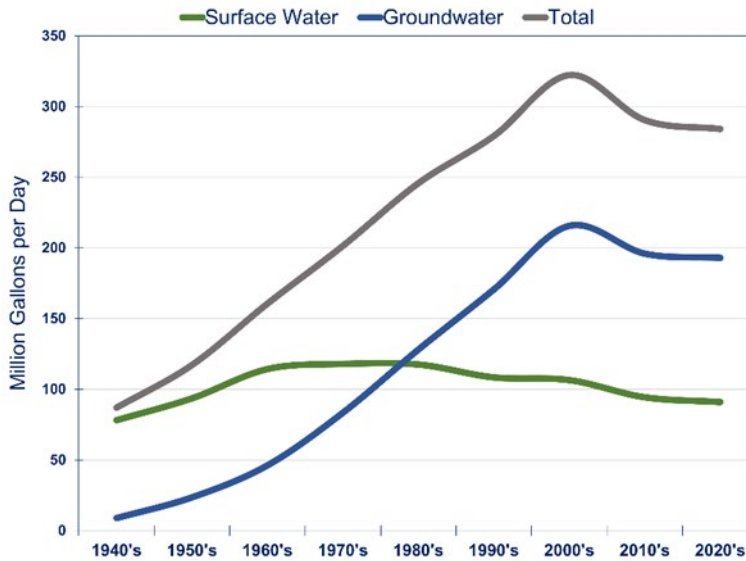
Council Role	Outcome/Goal
Provide technical assistance: information and tools	Better understanding of water supply issues and trends
Develop and update Regional Master Water Supply Plan	Guidance for local water supply systems and regional investments
Provide assistance in plan development and review 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 2019, the number of communities that received technical and financial support from the Council grew substantially, as shown in the chart below. In 2020 the number of communities had dropped due to the pandemic, but the council continued to provide technical support - especially in multi-year projects - that was needed due to the financial stress to communities because of the pandemic. Because of the 2021 drought, many of the communities requested more technical support to support their efforts to mitigate drought impact.



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 2011-2020 average groundwater use is significantly less than the 2001-2010 average, as shown in the chart below.



Minnesota Statutes 473.1565 (<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 FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
<i>Expenditures by Fund</i>								
1000 - General		142					5,000	
2302 - Clean Water	1,375	1,375	1,544	1,544			1,875	1,875
3015 - ARP-State Fiscal Recovery			133	467				
Total	1,375	1,517	1,677	2,011			6,875	1,875
Biennial Change				796		(3,688)		5,062
Biennial % Change				28		(100)		137
Governor's Change from Base								8,750
Governor's % Change from Base								
<i>Expenditures by Category</i>								
Operating Expenses							5,000	
Grants, Aids and Subsidies	1,375	1,517	1,677	2,011			1,875	1,875
Total	1,375	1,517	1,677	2,011			6,875	1,875

Water Sustainability

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Direct Appropriation		142					5,000	
Expenditures		142					5,000	
Biennial Change in Expenditures				(142)		0		5,000
Biennial % Change in Expenditures								
Governor's Change from Base								5,000
Governor's % Change from Base								

2302 - Clean Water

Direct Appropriation	1,375	1,375	1,544	1,544	0	0	1,875	1,875
Expenditures	1,375	1,375	1,544	1,544			1,875	1,875
Biennial Change in Expenditures				338		(3,088)		662
Biennial % Change in Expenditures				12		(100)		21
Governor's Change from Base								3,750
Governor's % Change from Base								

3015 - ARP-State Fiscal Recovery

Balance Forward In				467				
Direct Appropriation			600					
Balance Forward Out			467					
Expenditures			133	467				
Biennial Change in Expenditures				600		(600)		(600)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

Program: Environment

Activity: Parks and Trails

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

AT A GLANCE

- Over 64 million regional park and trail visits in 2021
- Regional parks, special recreation features, and park reserves totaling over 55,000 acres
- Regional trails totaling over 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 64 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:

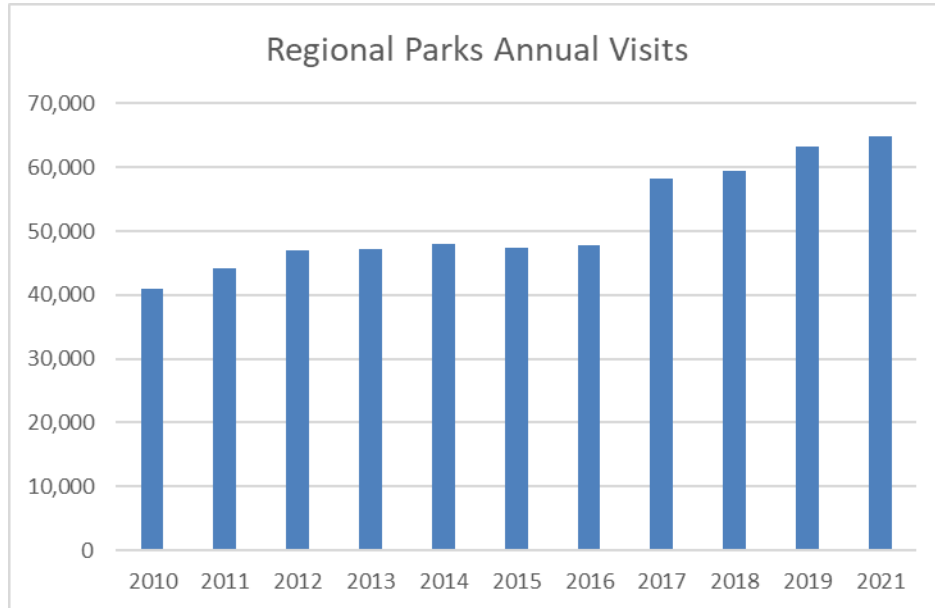
Anoka County	Washington County
Carver County	Three Rivers Park District
Dakota County	Minneapolis Park & Recreation Board
Ramsey County	City of Bloomington
Scott County	City of Saint Paul

Metropolitan Council’s responsibilities include:

- In coordination with the regional park implementing agencies, 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 set the vision for the park or trail’s future, including identifying the development concept and estimated development costs for recreation facilities and needed acquisitions.
- 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 and maintenance, recreation facility construction, and recreation programs and staff, in accordance with state law and Council allocation plans.

RESULTS

The 2021 annual use estimate was over 64 million visits across the regional park system. A visitor study was not conducted in 2020 due to the pandemic. From 2010 to 2021, annual visits to regional parks and trails increased 60%. 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 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.

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 FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	2,540	2,540	2,540	2,540	2,540	2,540	17,040	5,040
2050 - Environment & Natural Resources	617	2,040		3,250				
2108 - Metro Pks & Trls Lott In Lieu	6,600	6,600	7,450	7,450	7,450	7,450	7,450	7,450
2303 - Parks and Trails	19,819	20,277	21,712	22,149			28,575	25,523
Total	29,576	31,457	31,702	35,389	9,990	9,990	53,065	38,013
Biennial Change				6,058		(47,111)		23,987
Biennial % Change				10		(70)		36
Governor's Change from Base								71,098
Governor's % Change from Base								356
<u>Expenditures by Category</u>								
Grants, Aids and Subsidies	29,576	31,457	31,702	35,389	9,990	9,990	53,065	38,013
Total	29,576	31,457	31,702	35,389	9,990	9,990	53,065	38,013

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Direct Appropriation	2,540	2,540	2,540	2,540	2,540	2,540	17,040	5,040
Expenditures	2,540	2,540	2,540	2,540	2,540	2,540	17,040	5,040
Biennial Change in Expenditures				0		0		17,000
Biennial % Change in Expenditures				0		0		335
Governor's Change from Base								17,000
Governor's % Change from Base								335

2050 - Environment & Natural Resources

Balance Forward In	2,728	2,111	1,000	3,250				
Direct Appropriation		1,000	2,250					
Cancellations		71						
Balance Forward Out	2,111	1,000	3,250					
Expenditures	617	2,040		3,250				
Biennial Change in Expenditures				593		(3,250)		(3,250)
Biennial % Change in Expenditures				22				
Governor's Change from Base								0
Governor's % Change from Base								

2108 - Metro Pks & Trls Lott In Lieu

Direct Appropriation	6,600	6,600	7,450	7,450	7,450	7,450	7,450	7,450
Expenditures	6,600	6,600	7,450	7,450	7,450	7,450	7,450	7,450
Biennial Change in Expenditures				1,700		0		0
Biennial % Change in Expenditures				13		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2303 - Parks and Trails

Direct Appropriation	19,819	20,277	21,712	22,149	0	0	28,575	25,523
Expenditures	19,819	20,277	21,712	22,149			28,575	25,523
Biennial Change in Expenditures				3,765		(43,861)		10,237
Biennial % Change in Expenditures				9		(100)		23
Governor's Change from Base								54,098
Governor's % Change from Base								

Metropolitan Council - Environment

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
U.S Department of the Treasury CFDA 21.027	American Rescue Plan State Fiscal Recovery: Determine and Report on the Prevalence SARS-CoV-2 and Variants using Wastewater Data	\$ 133	\$ 467	\$ -	\$ -	No	-
	ARP-State Fiscal Recovery [3015 Fund] - Agency Total	\$ 133	\$ 467	\$ -	\$ -		-