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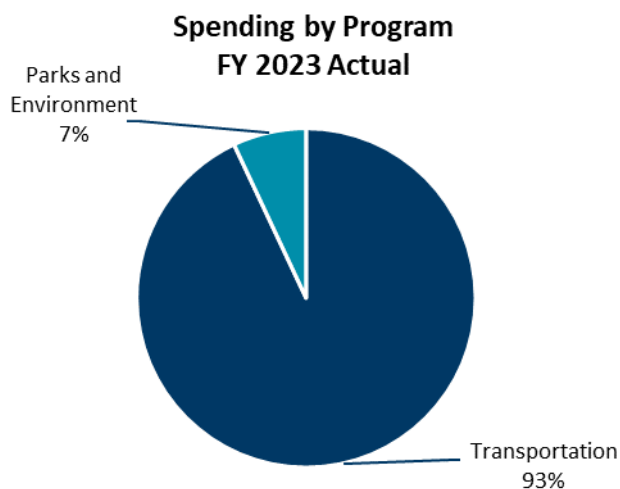
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AT A GLANCE

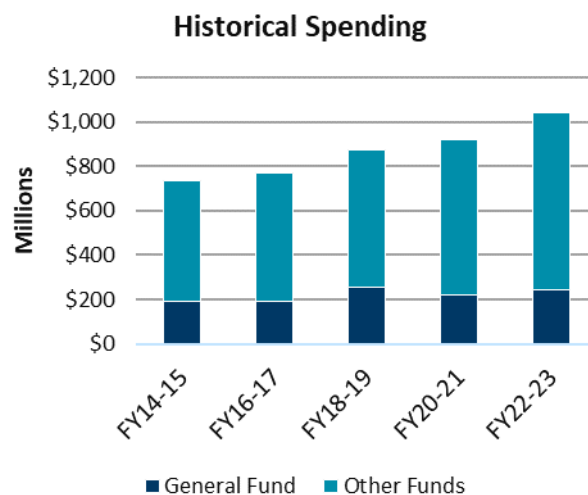
- 3,207,000 residents in the seven-county area in 2023 (Met Council March 2024 estimate based on 2020 Census)
- 48.7 million transit rides provided by the Council in 2023
- 2.1 million rides on Metro Mobility in 2023
- 290 million gallons of wastewater treated daily
- Over 100 communities provided with wastewater treatment service in 2023
- Nine treatment plants and 600 miles of regional sewers
- 69 million regional park visits in 2023
- 119 regional parks/trails, park reserves, and special recreation features; totaling 52,500 acres, plus 450 miles of interconnected trails
- 7,200 low-income households provided affordable housing by the Council's Metro Housing and Redevelopment Authority in 2023
- From 2020 to 2050 the Council forecasts the region will grow by:
 - 657,000 more people
 - 324,000 more households
 - 493,000 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.

BUDGET

Source: Budget Planning & Analysis System (BPAS)
Reflects only funds flowing through the state accounting system



Source: Consolidated Fund Statement
Reflects only funds flowing through the state accounting system

The charts on the previous page show appropriations to the Metropolitan Council recorded in the state's financial system, which represent a subset of the Council's total budget. The Council's Unified Operating Budget for 2024 is \$1.42 billion. State funding for transit and parks operations and water supply planning provided approximately 39% of agency funding in CY24. Most of our operating funding comes from charges for services (wastewater fees and passenger fares), federal funds, property taxes, and local funds.

Funding reflected above is for both the "Metropolitan Council – Transportation" and "Metropolitan Council – Environment" state budgetary entities. Funding from the state general fund is provided for: Metro Mobility special transportation service (beginning in FY 2026, a forecasted amount), transit system operations (base funding of \$32.5 million/year which is used to fund a portion of light rail and commuter rail service), parks (base funding of \$2.5 million/year), and occasional varying amounts for specific transportation and park projects. Other funds flowing through the state's financial system to the Council that are a result of either ongoing statutory appropriations or occasional legislative appropriations include Transit Assistance Funds (derived from a portion of Motor Vehicle Sales Tax proceeds), parks and trails legacy funds, lottery in-lieu-of-sales tax funding for parks, clean water funds, environment funds, and certain onetime federal pandemic relief funds.

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, primarily through the Imagine 2050 process.

The Metropolitan Council is required by M.S. 473.145 (<https://www.revisor.mn.gov/statutes/cite/473.145>) to prepare and adopt, after appropriate study and necessary policy hearings, a comprehensive development guide for the metropolitan area.

It consists of policy statements, goals, standards, programs, and maps prescribing guides for the orderly and economical development of the metropolitan area and future developments which will have an impact on the entire area. It includes but is not limited to such matters as land use, parks and open space land needs, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, and other public buildings.

Building off Thrive MSP 2040 and feedback from residents, the Metropolitan Council is listening to people from across the metro region as we collectively envision the future we want. Imagine 2050, the next regional development guide, builds on the principle that together we can tackle challenges that individual communities may not be able to take on alone.

As the seven-county metro region's long-range plan, Imagine 2050 includes a vision and goals, and will set the policy foundation for land use, housing, transportation, water resources, and regional parks. It will also address critical issues that cross policy areas: climate, equity, natural systems, and public health, safety, and well-being. The guide will shape how this region grows in the next 30 years.

The Metropolitan Council endorsed the vision statement for Imagine 2050: "A prosperous, equitable, and resilient region with abundant opportunities for all to live, work, play, and thrive." The statement builds off the regional values and goals set by the Council to guide our policy work.

Regional goals

The Metropolitan Council has endorsed these goals for our region to achieve through our policies, practices, programs, and partnerships.

Our region is equitable and inclusive

Racial inequities and injustices experienced by historically marginalized communities have been eliminated; and all people feel welcome, included, and empowered.

Our communities are healthy and safe

All our region's residents live healthy and rewarding lives with a sense of dignity and wellbeing.

Our region is dynamic and resilient

Our region meets the opportunities and challenges faced by our communities and economy including issues of choice, access, and affordability.

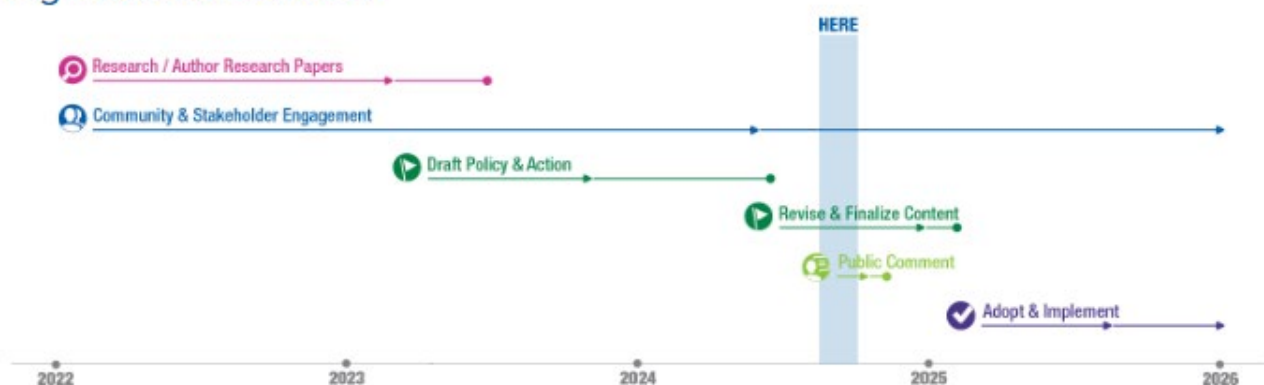
We lead on addressing climate change

We have mitigated greenhouse gas emissions and have adapted to ensure our communities and systems are resilient to climate impacts.

We protect and restore natural systems

We protect, integrate, and restore natural systems to protect habitat and ensure a high quality of life for the people of our region.

Imagine 2050 Timeline



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

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
<u>Expenditures by Fund</u>								
1000 - General	2,540	2,540	23,290	6,165	2,540	2,540	2,540	2,540
2050 - Environment & Natural Resources		529		5,721				
2108 - Metro Pks & Trls Lott In Lieu	7,450	7,450	8,950	10,850	8,950	8,950	8,950	8,950
2302 - Clean Water	1,544	1,544	1,875	1,875			2,125	2,125
2303 - Parks and Trails	21,712	22,149	28,572	29,167			25,855	26,867
3015 - ARP-State Fiscal Recovery	133	467						
Total	33,379	34,679	62,687	53,778	11,490	11,490	39,470	40,482
Biennial Change				48,407		(93,485)		(36,513)
Biennial % Change				71		(80)		(31)
Governor's Change from Base								56,972
Governor's % Change from Base								248

Expenditures by Program

Environment	33,379	34,679	62,687	53,778	11,490	11,490	39,470	40,482
Total	33,379	34,679	62,687	53,778	11,490	11,490	39,470	40,482

Expenditures by Category

Grants, Aids and Subsidies	33,379	34,679	62,687	53,778	11,490	11,490	39,470	40,482
Total	33,379	34,679	62,687	53,778	11,490	11,490	39,470	40,482

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation	2,540	2,540	23,290	6,165	2,540	2,540	2,540	2,540
Expenditures	2,540	2,540	23,290	6,165	2,540	2,540	2,540	2,540
Biennial Change in Expenditures				24,375		(24,375)		(24,375)
Biennial % Change in Expenditures				480		(83)		(83)
Governor's Change from Base								0
Governor's % Change from Base								0

2050 - Environment & Natural Resources

Balance Forward In	1,000	3,250	2,721	2,721				
Direct Appropriation	2,250			3,000	0	0	0	0
Balance Forward Out	3,250	2,721	2,721					
Expenditures	529			5,721				
Biennial Change in Expenditures				5,192		(5,721)		(5,721)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2108 - Metro Pks & Trls Lott In Lieu

Direct Appropriation	7,450	7,450	8,950	10,850	8,950	8,950	8,950	8,950
Expenditures	7,450	7,450	8,950	10,850	8,950	8,950	8,950	8,950
Biennial Change in Expenditures				4,900		(1,900)		(1,900)
Biennial % Change in Expenditures				33		(10)		(10)
Governor's Change from Base								0
Governor's % Change from Base								0

2302 - Clean Water

Direct Appropriation	1,544	1,544	1,875	1,875	0	0	2,125	2,125
Expenditures	1,544	1,544	1,875	1,875			2,125	2,125
Biennial Change in Expenditures				662		(3,750)		500
Biennial % Change in Expenditures				21		(100)		13
Governor's Change from Base								4,250
Governor's % Change from Base								

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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2303 - Parks and Trails

Direct Appropriation	21,712	22,149	28,572	29,167	0	0	25,855	26,867
Expenditures	21,712	22,149	28,572	29,167			25,855	26,867
Biennial Change in Expenditures				13,878		(57,739)		(5,017)
Biennial % Change in Expenditures				32		(100)		(9)
Governor's Change from Base								52,722
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)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	6,165	6,165	6,165	12,330
Base Adjustments				
All Other One-Time Appropriations		(3,625)	(3,625)	(7,250)
Forecast Base	6,165	2,540	2,540	5,080
Total Governor's Recommendations	6,165	2,540	2,540	5,080
Fund: 2050 - Environment & Natural Resources				
FY2025 Appropriations	3,000	3,000	3,000	6,000
Base Adjustments				
All Other One-Time Appropriations		(3,000)	(3,000)	(6,000)
Forecast Base	3,000			
Total Governor's Recommendations	3,000			
Fund: 2108 - Metro Pks & Trls Lott In Lieu				
FY2025 Appropriations	10,850	10,850	10,850	21,700
Base Adjustments				
All Other One-Time Appropriations		(1,900)	(1,900)	(3,800)
Forecast Base	10,850	8,950	8,950	17,900
Total Governor's Recommendations	10,850	8,950	8,950	17,900
Fund: 2302 - Clean Water				
FY2025 Appropriations	1,875	1,875	1,875	3,750
Base Adjustments				
One-Time Legacy Fund Appropriations		(1,875)	(1,875)	(3,750)
Forecast Base	1,875			
Change Items				
Clean Water Legacy - Metropolitan Area Water Supply Sustainability Program		1,375	1,375	2,750
Clean Water Legacy - Water Efficiency Grant Program		750	750	1,500
Total Governor's Recommendations	1,875	2,125	2,125	4,250
Fund: 2303 - Parks and Trails				
FY2025 Appropriations	29,167	29,167	29,167	58,334
Base Adjustments				
One-Time Legacy Fund Appropriations		(29,167)	(29,167)	(58,334)
Forecast Base	29,167			
Change Items				
Parks and Trails Legacy Appropriation		25,855	26,867	52,722

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Total Governor's Recommendations	29,167	25,855	26,867	52,722
Revenue Change Summary				
Non-Dedicated				
Fund: 2108 - Metro Pks & Trls Lott In Lieu				
Forecast Revenues	8,350	8,611	8,808	17,419
Total Governor's Recommendations	8,350	8,611	8,808	17,419

Metropolitan Council

FY 2026-27 Biennial Budget Change Item

Change Item Title: Parks and Trails Legacy Appropriation

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Parks and Trails Fund				
Expenditures	25,855	26,867	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	25,855	26,867	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. Funding is relied upon by the Metropolitan Council, the Minnesota Department of Natural Resources (DNR), and the Greater Minnesota Regional Parks and Trails Commission (GMRPTC) to improve parks across the state. The Governor's budget includes the following apportionment of the Parks and Trails Legacy fund for the FY26-27 biennium and is consistent with recent apportionments:

- 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 \$25.855 million in state fiscal year 2026 and \$26.867 million in state fiscal year 2027. 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 Parks and Trails Fund 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 fiscal agent for this funding and does not receive a direct allocation of funds.

Impact on Children and Families:

56% 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 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 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?

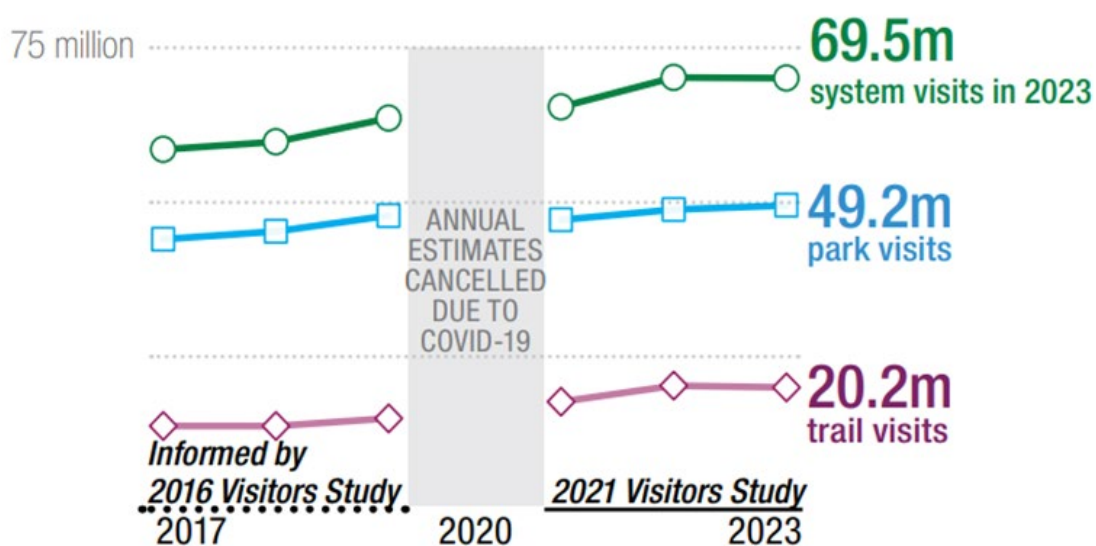
☐ Yes
☒ No

Results:

In 2023, people made an estimated 69.5 million visits to regional parks and trails, an increase of 7.1% percent from the 2021 estimate. Visitation on regional trails grew 25% since 2021. The regional trail system includes over 523 miles of regional trails, with annual trail use reaching more than 20 million visits.

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, 2017-2023



Source: Metropolitan Council's annual parks and trails use estimates (July 2024).



Metropolitan Council

FY 2026-27 Biennial Budget Change Item

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

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Clean Water Fund				
Expenditures	1,375	1,375	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,375	1,375	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$1.375 million each year of the FY 2026-27 biennium from the Clean Water Fund be appropriated to the Metropolitan Council's Metropolitan Area Water Supply Sustainability Program. \$1.125 million per year was appropriated to the Council in the prior biennium, so this represents a 22% 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 water 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 and overall water sustainability, provide cost-effective regional solutions, leverage inter-jurisdictional coordination, support local implementation of wellhead protection plans, and prevent degradation of groundwater and surface water resources.

These activities will provide communities with:

- Potential solutions to better connect land use impacts on water supply and overall water sustainability
- Ways to balance regional water use through utilization of surface water, storm water, wastewater, and groundwater
- Analysis of infrastructure requirements needed to maintain and strengthen the reliability of water systems
- Development of planning level cost estimates, including capital cost and operation cost

- Funding mechanisms and equitable cost-sharing structure for regionally beneficial water supply development projects
- Information and tools to use to address climate change impacts on overall water supply systems and overall water sustainability
- Ways to reduce impacts on our groundwater system through funds to assist communities to reduce water use through stormwater reuse grants

Through established workgroups, the Council will collaborate with local units of government, state agencies, and other stakeholders' groups to collaboratively address local and regional water sustainability 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 and sustainable water resources 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 in the metro area. The 2015 plan is in the process of being updated with input from our many partners in the region. The 2050 plan will include a new list of goals and strategies to ensure sustainable water resources and drinking water supplies for the region. 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 and water resources in general.

Equity and Inclusion:

As described above, the program goal is to ensure that all residents of the metropolitan area have access to reliable, clean and affordable drinking water supplies and water resources now and in the future. However, we have learned through Clean Water Funded research that not all our residents experience and value water in the same way. We commit to building on the information gathered from the water values effort to continue engaging with diverse cultural communities within the metro to hear their water concerns and work together with our residents and regional water partners to find ways to address them.

Tribal Consultation:

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

☐ Yes
☒ No

This proposal does not have a substantial direct effect on any Minnesota Tribal government, yet we know that our region is home to many culturally significant waters. We commit to including Tribal perspectives and input into our work.

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; ensure we are making progress in having sustainable water resources overall in the region, and foster regional collaboration to address water supply challenges and limitations and protection of our water resources in a manner that takes advantages of regional and sub-regional economies of scale.

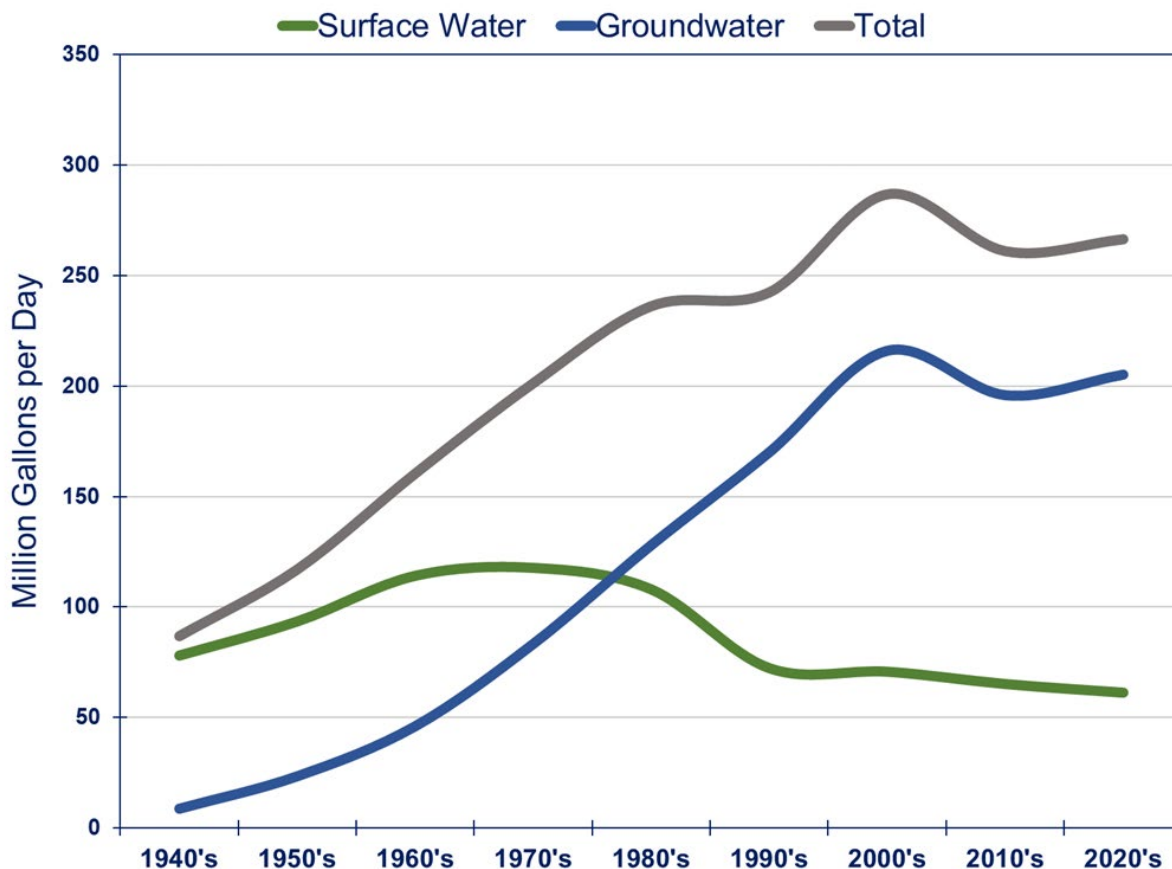
The activity outcomes will recommend measures to improve groundwater use, to reduce impacts on aquifers, groundwater quality and surface water features, highlight groundwater-surface water interaction risk factors for all communities in the metro area and provide recommendations to prevent and address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

- protecting groundwater and surface waters from degradation- quantity and quality
- protecting drinking water sources

Success Indicators:

- From the end of 2023 to early 2024, communities received technical support from the Council through facilitated sub-regional workgroups. In 2023-2024 we held 23 subregional engagements over 7 months to get input on issues and needs by subregion. Overall, over 150 people participated, and 76 cities and townships and 44 non-community organizations were represented at these meetings. We also held meetings with our Water Advisory Group, Metro Area Water Supply Advisory Committee and the Metro Area Water Supply Advisory Committee Technical Advisory Committee throughout the planning process. We plan to continue to meet with these groups and continue these discussions as we implement our new Water Policy Plan and Metro Area Water Supply Plan policies and actions after their adoption in early 2025.
- Improve groundwater use: currently 75% 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.
- Improved water sustainability for water resources in the region: area aquifers, lakes, rivers, streams, and wetlands.

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 a reduction in groundwater use.



Statutory Change(s):

None

Metropolitan Council

FY 2026-27 Biennial Budget Change Item

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

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
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 of the FY 2026-27 biennium from the Clean Water Fund to the Metropolitan Council's Water Efficiency Grant Program. The appropriation to the Council last biennium was also \$750 thousand per year; the Council is requesting to continue funding at the same level to meet communities' needs and to support residents across the region by implementing water efficiency. A portion of the funding will be targeted for efficiency programs for communities that focus on providing funds for improvements to low-income populations, consistent with the Council's equity goals.

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 are 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 tool to help communities improve water supply management practices is the water efficiency grant program. This program helps 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 that rely on groundwater as their main water supply source. This program helps to prevent groundwater degradation 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.
- In 2023, the Council piloted a program to target improving water efficiencies thus lowering the overall cost of water to low-income populations. A portion of the funding requested for this cycle would allow us to build upon the pilot and expand our efforts to provide for water efficiencies in lower income populations thus helping to reduce their water bill burden.

Proposal:

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

- Municipal, commercial, residential, and/or irrigation system audits
- Indoor water uses such as old washing machines and old inefficient toilets
- Installation of advanced metering infrastructure technology to better prevent loss of water from major water leaks
- 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's goal is to ensure that all residents of the Metropolitan Area have access to reliable, safe, 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 address the needs of single-family homes (targeting outdoor water use) and multi-family units (targeting indoor water use). Since FY16, the 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. The Metropolitan Council's Metropolitan Area Master Water Supply Plan (2015) identified goals and strategies to ensure drinking water supply sustainability 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, the program's goal is to ensure that all residents of the Metropolitan Area have access to reliable, safe 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 address the needs of single-family homes (targeting outdoor water use) and multi-family units (targeting indoor water use). This cycle, we want to ensure the program's resources are more equitably dispersed throughout the region. We commit to co-creating solutions with municipal water suppliers to target and increase participation of disadvantaged residents within the region. This will require intentionality and innovative thinking in the program design and implementation. It is our goal to reduce the burden of water expenses for our community members with limited financial resources.

Tribal Consultation:

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

☐ Yes
☒ No

This proposal does not have a substantial direct effect on any Minnesota Tribal government, yet we know that our region is home to many culturally significant waters. We commit to including Tribal perspectives and input into our work.

Results:

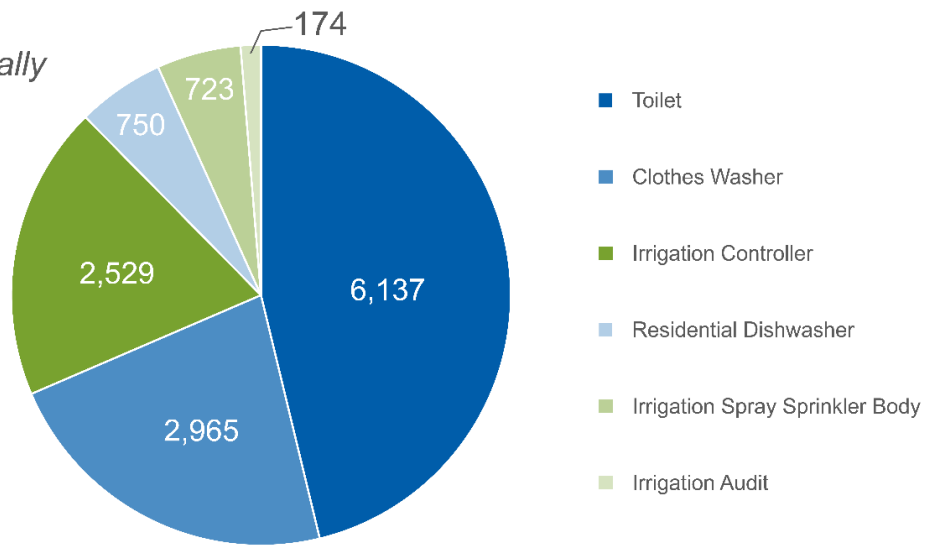
- Measures used to understand the impact of the Water Efficiency Grant Program include number of participating communities, number and type of rebates provided, and estimated amount of water saved by replacing appliances, irrigation controllers and through irrigation audits. These measures illustrate 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 41 communities have applied and been accepted to participate in the 2024-2026 (fourth round) Water Efficiency Grant Program. In comparison, 19 communities participated in the first round of the program in 2016. The second round of the program had 37 communities. The third round of the program had 38 communities.

- 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:

Device Replacements and Irrigation Audits since 2016 (as of 12/31/2023)

207,800,800

total gallons annually



Statutory Change(s):

None

Metropolitan Council

FY 2026-27 Biennial Budget Change Item

Change Item Title: Expansion of Allowable Uses for Highway Revolving Loan Fund to Parks

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Met Council Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends expansion of the allowable uses of the Metropolitan Council's Highway Revolving Loan Fund to include Regional Parks and Trails. The Metropolitan Council would use up to half of the existing balance in the account (\$14.5 million) and up to half of the levy authority that currently exists for the Highway Revolving Loan Fund.

Rationale/Background:

The regional parks system began with legislation in 1974, which put the Metropolitan Council in charge of overseeing acquisition and development of regional parks. The parks are owned and operated by ten regional parks implementing agencies.

Land needed for the Regional Parks System can be lost to development because Park Implementing Agencies are unable to quickly acquire funding to purchase large or highly sought-after land parcels as they come to the market. The Regional Parks Implementing Agencies prioritize acquiring land through a willing seller approach (rarely using condemnation), which means that it usually takes many years to fully acquire the land needed for a regional trail or regional park, to make it open and available to the public.

The transportation system faced a similar dynamic. Land needed for future road right-of-way can be lost to development because MnDOT is unable to purchase highway right-of-way until a road is programmed for construction. To address this, the 1982 Minnesota legislature established a revolving loan fund program to acquire undeveloped property located within an officially mapped metropolitan highway right-of-way that is threatened by development. Subsequent modifications to legislation now allow purchase of other types of property. This program is called the Right-Of-Way Acquisition Loan Fund (RALF). More program information can be found [here](#). The enabling legislation for this program can be found here: [Minnesota Statute 473.167, Subdivision 2](#). The Council does not anticipate a strong or ongoing demand for the right-of-way acquisition program for additional highway purposes.

Currently, the Council assists regional park implementing agencies in acquiring land through the Park Acquisition Opportunity Fund. Grants are funded through a combination of the Parks and Trails Legacy Fund, the Environment and Natural Resources Trust Fund, and Council regional bonds.

If the Council had the ability to expand allowable uses for RALF it would provide additional financial resources to the parks implementing agencies to acquire land for the expansion of the regional parks and trails system.

Proposal:

The Council proposes expanding the allowable uses for the RALF program to support acquisitions for regional parks and trails in addition to continuing to use it for the existing highway program.

As currently occurs with the RALF program, the Council would determine annually whether to levy for the program, based on expected loan requests from Park Implementing Agencies and other acquisition authorities, as well as any expected loan repayments.

Impact on Children and Families:

The proposed policy directly supports children and families. Providing efficient and accessible regional parks and trails close-to-home preserves high quality resources, increases climate resiliency, fosters healthy outcomes, connects communities, and enhances quality of life. 56% of Minnesota children live in the seven-county metro; a regional park or trail is their closest nature-based experience. The ability to acquire land and expand our regional parks and trails system 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 to grow the system in response increased use and demand. Investment in equitable access to quality recreational opportunities for all our region's residents would be 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 proposal only has an indirect impact on equity and inclusion as it is administratively related. This proposal would allow the Metropolitan Council to be more responsive to timing issues for our regional park implementing agency partners, benefitting residents, and expanding access to high quality outdoor recreation across the region.

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 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 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:

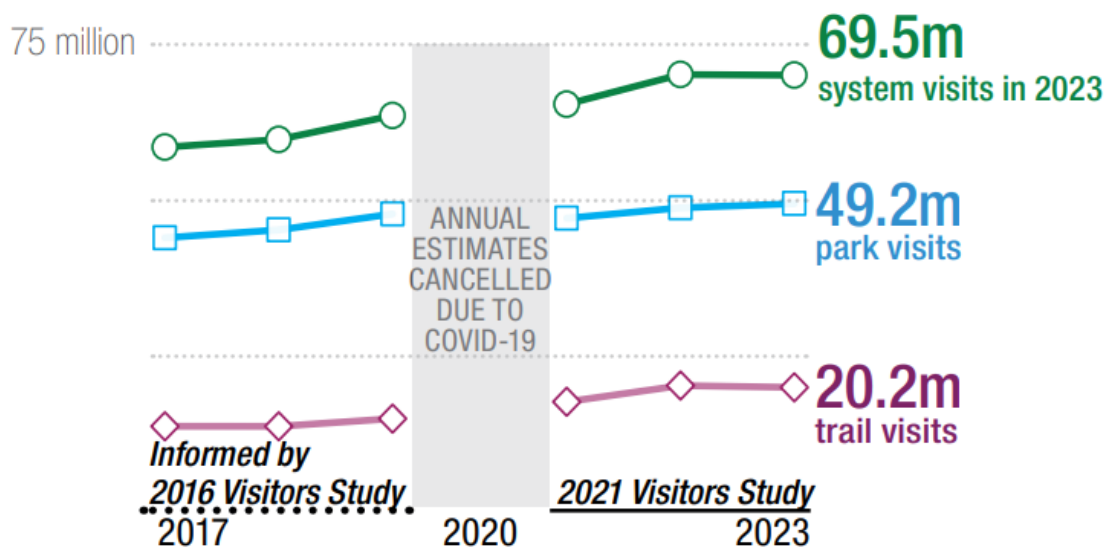
Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?


☐ Yes
☒ No

Results:

In 2023, people made an estimated 69.5 million visits to regional parks and trails, an increase of 7.1% percent from the 2021 estimate. The regional trail system includes over 523 miles of regional trails, with annual trail use reaching more than 20 million visits.

Annual visits to the Regional Parks and Trails System



Source: Metropolitan Council's annual parks and trails use estimates (July 2024). 

Statutory Change(s):
Minnesota Statutes 473.167

Metropolitan Council

FY 2026-27 Biennial Budget Change Item

Change Item Title: Expand Eligible Grantees in Community Tree Planting to Tribal Governments

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	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)	0	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends adding Tribal Governments as an eligible grantee to apply for and receive funds for community tree planting purposes directly from the Metropolitan Council, rather than as a sub-grantee of a local unit of government (such as a city or township).

Rationale/Background:

In the 2024 session, the legislature established a new Community Tree Planting program to be housed at the Metropolitan Council (Minn. Stat. 473.355). As part of the new program language, the statute identifies eligible grantees, including “cities, counties, townships, and implementing agencies.” In earlier drafts of the proposed legislation, “Tribal Governments” were included in that list, but did not make it into the final adopted language. Under the current statute, Tribal Governments must work through a willing local unit of government to access grant funding from the Council. That local unit of government (city, township, county) may or may not be willing to, or have the capacity to, develop and submit an application or to manage a subrecipient grant agreement with the Tribal Government.

The Met Council established an American Indian Advisory Council to co-create a land, water, and people acknowledgment along with recommendations for Council commitments to action as a part of the development of the regional development guide, Imagine 2050. The Advisory Council included highly respected members of the American Indian community in this region. Members represented Dakota, Ojibwe, Ho-Chunk, and Lakota communities and ranged from youth advocates to community elders.

Proposal:

This proposal would add Tribal Governments as an eligible grantee to apply for and receive funds for community tree planting purposes directly from the Metropolitan Council, rather than as a sub-grantee of a local unit of government (such as a city or township). This proposal would streamline the grant application process for Tribal Governments allowing for more equitable and efficient award and administration of grant applications and agreements. The Council has programmed additional administrative capacity into its budget to manage these grant programs, whereas it is likely tribal governments may experience delays if they must be sub-grantees of a city or township.

Impact on Children and Families:

56% of Minnesota children live in the seven-county metro; a local or regional park or trail is their closest nature-based experience. Stewardship of our open spaces, and the trees within them, is more important than ever to provide health benefits and outdoor fun for children and their families. Broadening the list of grantees to include

Tribal Governments would allow more efficient management and planting of trees within the jurisdictions of the Tribal Governments where children and families could enjoy the benefits of increased, healthy tree canopies within their communities.

Equity and Inclusion:

This item is focused on adding Tribal Governments as an eligible grantee for the Council's Community Tree Planting program. Currently, Tribal Governments must work through a willing local unit of government to access grant funding from the Council. That local unit of government (city, township, county) may or may not be willing to, or have the capacity to, develop and submit an application or to manage a subrecipient grant agreement with the tribal government.

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 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 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

Through the planning process for Imagine 2050, the Council launched an American Indian Advisory Council to advise on policy recommendations for the regional development guide. One of the recommendations related to Housing Policy was that the Council "identify ways to increase investment in American Indian organizations and projects by reducing barriers to accessing grants and funding with a priority for American Indian organizations providing supportive services for residents or developing deeply affordable housing." While this recommendation was about housing, this legislative proposal is in the spirit of reducing barriers to accessing grants and funding. Particularly because this is such a new program, it did not come up in our conversation with the Advisory Council. Nevertheless, this proposal is a clear opportunity to reduce barriers at the start of a new program.

Results:

Recent appropriations support a one-time tree planting program which solely for the Regional Parks Implementing Agencies. Since its implementation earlier this year, nearly \$400,000 of the \$1,000,000 awarded has been spent on the removal and replanting of trees within the regional parks system. Over 1,700 dead or diseased trees have been removed and nearly 1,100 new trees have been planted. Six of the ten regional parks implementing agencies have submitted claims for reimbursement. The program aids agencies and communities in removing hazardous and diseased trees from their properties, removing risks posed by falling tree limbs and trees as well as the spread of disease and other pests. We expect similar results and benefits from wider community tree planting program as well.

Statutory Change:

Minnesota Statutes 473.355

Metropolitan Council

FY 2026-27 Biennial Budget Change Item

Change Item Title: Update Affordability Criteria for Investments in Inflow and Infiltration Grants

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	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)	0	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends that the affordability criteria for inflow and infiltration (I/I) grants under Minnesota Statutes 473.5491 be modified. This impacts the use of funds but does not have a fiscal impact to the State or the Metropolitan Council.

Rationale/Background:

In 2023, the legislature created Minnesota Statutes 473.5491 (Metropolitan Cities Inflow and Infiltration Grants), and this proposal seeks to modify that statute to reflect changes proposed by the legislature in 2024 that would have made the language clearer and easier to implement. This change will encourage investment in disadvantaged communities in a way that is easy to understand and implement. The criteria will rely on a census tract's "Supplemental Demographic Index", which is an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Proposal:

The Council proposes that Minnesota Statutes 473.5491 be modified so that "affordability criteria" are met if any part of the project construction location falls within a census tract with a Supplemental Demographic Index greater than the 70th percentile in Minnesota.

Equity and Inclusion:

This change will incentivize infrastructure investments in areas of concentrated poverty.

Tribal Consultation:

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

☐ Yes

☒ No

Results:

This change will encourage investment in disadvantaged communities in a way that is easy to understand and implement.

Statutory Change:

Minnesota Statutes 473.5491

Program: Environment

Activity: Water Sustainability

<https://metro council.org/Wastewater-Water/Services/Water-Quality-Management.aspx>

AT A GLANCE

- The Metropolitan Council partners with 181 cities and townships, 7 counties, other governmental entities, businesses, nonprofit organizations, and others
- Municipal water use:
 - Current average (2013-2022): 290 million gallons per day
 - 196 million from groundwater
 - 94 million from Mississippi River
 - Current average (2013-2022) water use per person per day:
 - Residential groundwater: 69 gallons
 - Total groundwater: 103 gallons
 - Residential surface water: 36 gallons
 - Total surface water: 97 gallons
 - Residential groundwater and surface water: 58 gallons
 - Total groundwater and surface water: 101 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 Council's Water Supply Planning is to support communities in the Twin Cities metro area as they plan and implement projects that address drinking water supply threats. It supports the exploration of cost-effective regional and sub-regional solutions, leveraging inter-jurisdictional coordination, and prevents overuse and degradation of groundwater resources. Activities in this program provide metro communities with:

- Potential solutions to balance regional water use through utilization of surface water, stormwater, wastewater, and groundwater
- Planning-level analyses of infrastructure requirements for various water supply alternatives
- Planning-level cost estimates (capital investments and operation)
- Identification of funding mechanisms and equitable cost-sharing structures for regionally beneficial water supply projects.

In advisory committees, work groups, and other venues, the Metropolitan Council partners with local units of government, state agencies, and other stakeholder groups to collaboratively address local and regional water supply issues in the metro area. 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.

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 coordinating discussions around water supply issues, and by its technical and financial assistance role.

Council Role in Water Supply

Council Role	Outcome/Goal
Develop and update the Metro Area Water Supply Plan with advice and direction from the Metro Area Water Supply Advisory Committee	To address regional water supply needs and provide guidance for local water supply systems and regional investments
Develop and maintain technical tools and provide technical assistance	Better understanding of water supply issues and trends
Aid in plan development and review services to local and state entities	Consistency of local water supply plans with the regional master plan now referred to as Metro Area Water Supply Plan (M.S. 103G.291, Subd. 3(b))
Analyze regional and local water supply emerging issues and provide financial assistance and support for local solutions	Local government units make informed and effective water supply decisions
Facilitate cooperation between communities and support local effort through subregional water supply engagements	Regional, cost effective, long-term, reliable, and sustainable solutions to current and potential problems

There is no budgetary base of state funding for this Activity. However, the Council receives occasional appropriations from the general fund and the clean water legacy fund for various water projects. Additionally, the Council received a onetime allocation of American Rescue Plan (ARP) State Fiscal Recovery Funds for COVID wastewater testing, the expenditure of which is reflected in the fiscal pages associated with this Activity.

RESULTS

The Council's current statutory responsibility for water supply planning began in 2005. At that time, no additional funding was awarded to the Council to carry out the new responsibilities. The Clean Water Land and Legacy funding was first made available in 2010 and has made a significant impact on water supply planning and implementation in the metro area. The Council's Clean Water funded sustainability work has equitably funded water sustainability projects of municipal water suppliers through competitive contracts and grants. From 2005 to 2019, as more money was made available for this work, the number of communities that received technical and financial support from the Council grew substantially, as shown in the chart below. The number of communities receiving technical and financial support has been fairly stable since 2019 with a few noticeable dips. One in 2020 was a result of the pandemic. In 2021, the first of several drought years, many communities requested more technical assistance to support their efforts to mitigate the impact of drought. In 2023 and 2024, we held subregional engagements with 7 subregions of the Metro Area where over 150 individuals participated in the seven-month process, representing 76 cities and townships and 44 non-community organizations. We expect the final numbers for 2024 to exceed those of 2023.

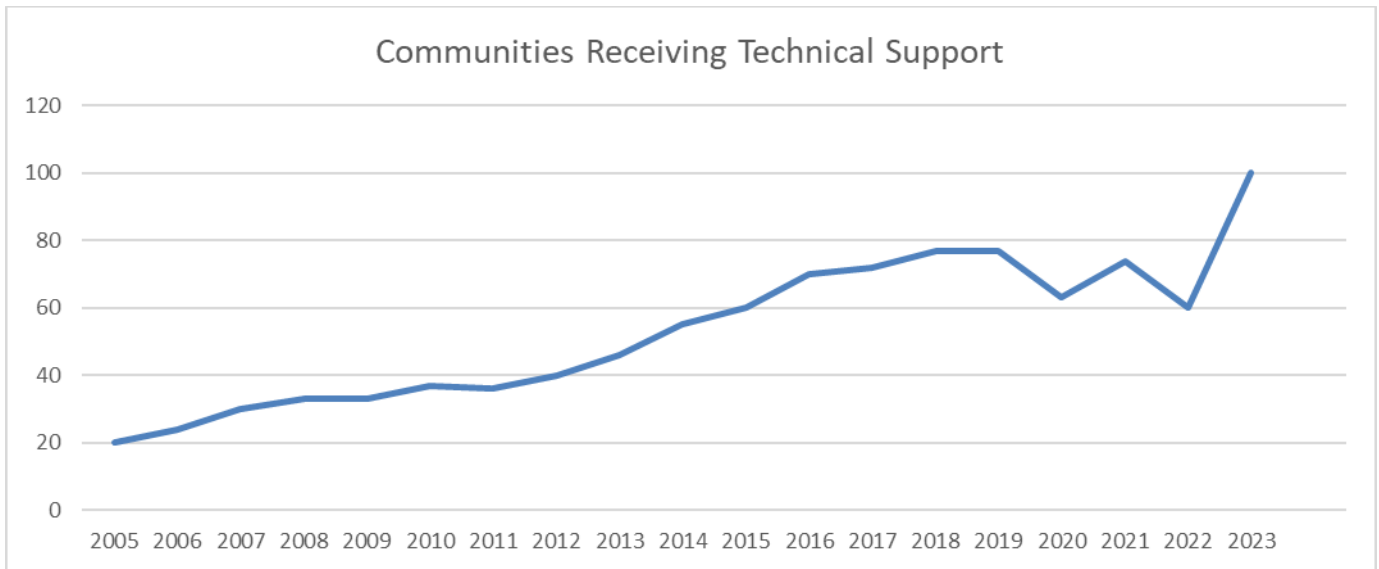


Figure 1. Communities receiving technical support from 2005-2023.

Sustainable groundwater use in the region is another measure of success for this program. One of the intended long-term outcomes is sustainable use of groundwater in the metro area. The 2011-2023 average groundwater use is significantly less than the 2001-2010 average, as shown in the chart below.

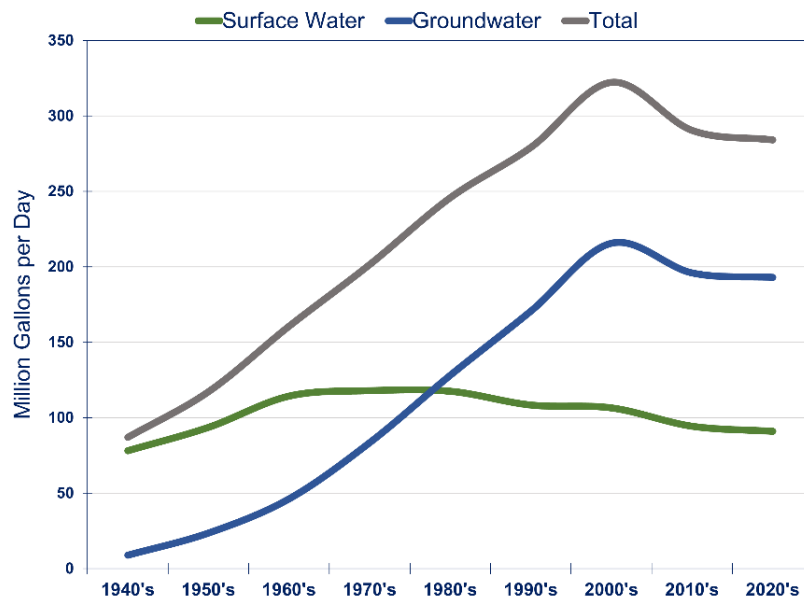


Figure 2. Municipal groundwater, surface water and total water use in the Twin Cities metropolitan area by decade from the 1940's to the 2020's.

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 metropolitan area 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 be included as part of the local comprehensive plan that is submitted to the Metropolitan Council for review (<http://www.metrocouncil.org/Wastewater-Water/Planning/Water-Supply-Planning/Master-Water-Supply-Plan.aspx>).

Water Sustainability

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26	FY27	Governor's Recommendation FY26	FY27
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Expenditures by Fund

1000 - General			4,750					
2302 - Clean Water	1,544	1,544	1,875	1,875			2,125	2,125
3015 - ARP-State Fiscal Recovery	133	467						
Total	1,677	2,011	6,625	1,875			2,125	2,125
Biennial Change				4,812		(8,500)		(4,250)
Biennial % Change				130		(100)		(50)
Governor's Change from Base								4,250
Governor's % Change from Base								

Expenditures by Category

Grants, Aids and Subsidies	1,677	2,011	6,625	1,875			2,125	2,125
Total	1,677	2,011	6,625	1,875			2,125	2,125

Water Sustainability

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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1000 - General

Direct Appropriation			4,750					
Expenditures			4,750					
Biennial Change in Expenditures				4,750		(4,750)		(4,750)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2302 - Clean Water

Direct Appropriation	1,544	1,544	1,875	1,875	0	0	2,125	2,125
Expenditures	1,544	1,544	1,875	1,875			2,125	2,125
Biennial Change in Expenditures				662		(3,750)		500
Biennial % Change in Expenditures				21		(100)		13
Governor's Change from Base								4,250
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)		0		0
Biennial % Change in Expenditures				(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 69 million regional park and trail visits in 2023
- Regional parks, special recreation features, and park reserves totaling over 52,500 acres
- Regional trails totaling over 450 miles
- Ten regional park implementing agencies that own and manage regional parks and trails

PURPOSE AND CONTEXT

The purpose of the Metropolitan Regional Parks and Trails System is to meet the outdoor recreation needs of residents and visitors and to preserve natural systems, including green space and wildlife habitat. The Regional Parks and Trails System acts as the State Parks and Trails of the metropolitan area. Parks and trails are critical to the metropolitan area's current and future livability, sustainability, stewardship, and prosperity. The Regional Parks and Trails System draws more than 69 million visits every year, which is more than the Mall of America and adds untold value to the livability of our region.

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

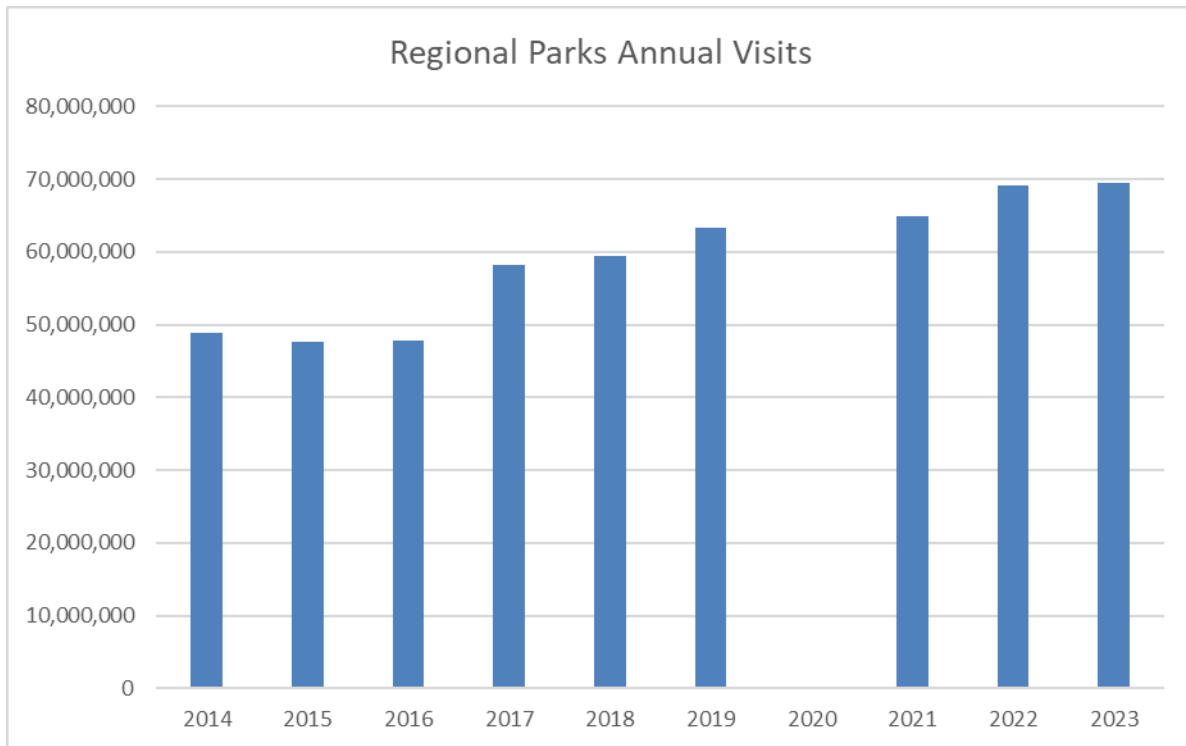
Metropolitan Council's responsibilities include:

- In coordination with the regional park implementing agencies, locate new regional parks and trails to serve the region's growing population and protect our region's natural systems.
- Review and approve park and trail long-range plans and long-range 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 equity and recreation programming and staffing, in accordance with state law and Council allocation plans.

The fiscal pages of this Activity display base general funds and lottery in-lieu-of-sales tax funding for metropolitan area parks and trails operations and maintenance, as well as occasional funding for miscellaneous projects from the environment and natural resources fund and the parks and trails legacy fund.

RESULTS

The 2023 annual use estimate was over 69 million visits across the regional park system. There was no use estimate completed in 2020 due to the pandemic. The most recent visitor study was completed in 2021. This study is conducted once every five years and is slated to be updated in 2025. From 2014 to 2023, annual visits to regional parks and trails increased 42%. 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(h)(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>) authorizes allocations of Parks and Trails Legacy Fund appropriations among 10 regional park agencies.

Parks and Trails

Activity Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
<u>Expenditures by Fund</u>								
1000 - General	2,540	2,540	18,540	6,165	2,540	2,540	2,540	2,540
2050 - Environment & Natural Resources		529		5,721				
2108 - Metro Pks & Trls Lott In Lieu	7,450	7,450	8,950	10,850	8,950	8,950	8,950	8,950
2303 - Parks and Trails	21,712	22,149	28,572	29,167			25,855	26,867
Total	31,702	32,668	56,062	51,903	11,490	11,490	37,345	38,357
Biennial Change				43,595		(84,985)		(32,263)
Biennial % Change				68		(79)		(30)
Governor's Change from Base								52,722
Governor's % Change from Base								229

Expenditures by Category

Grants, Aids and Subsidies	31,702	32,668	56,062	51,903	11,490	11,490	37,345	38,357
Total	31,702	32,668	56,062	51,903	11,490	11,490	37,345	38,357

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation	2,540	2,540	18,540	6,165	2,540	2,540	2,540	2,540
Expenditures	2,540	2,540	18,540	6,165	2,540	2,540	2,540	2,540
Biennial Change in Expenditures			19,625		(19,625)		(19,625)	
Biennial % Change in Expenditures			386		(79)		(79)	
Governor's Change from Base							0	
Governor's % Change from Base							0	

2050 - Environment & Natural Resources

Balance Forward In	1,000	3,250	2,721	2,721				
Direct Appropriation	2,250			3,000	0	0	0	0
Balance Forward Out	3,250	2,721	2,721					
Expenditures	529			5,721				
Biennial Change in Expenditures				5,192		(5,721)		(5,721)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2108 - Metro Pks & Trls Lott In Lieu

Direct Appropriation	7,450	7,450	8,950	10,850	8,950	8,950	8,950	8,950
Expenditures	7,450	7,450	8,950	10,850	8,950	8,950	8,950	8,950
Biennial Change in Expenditures				4,900		(1,900)		(1,900)
Biennial % Change in Expenditures				33		(10)		(10)
Governor's Change from Base								0
Governor's % Change from Base								0

2303 - Parks and Trails

Direct Appropriation	21,712	22,149	28,572	29,167	0	0	25,855	26,867
Expenditures	21,712	22,149	28,572	29,167			25,855	26,867
Biennial Change in Expenditures				13,878		(57,739)		(5,017)
Biennial % Change in Expenditures				32		(100)		(9)
Governor's Change from Base								52,722
Governor's % Change from Base								