



City Council Memorandum

To: Mayor Hicks and City Council
From: John Hinzman, Community Development Director
Date: November 21, 2016
Item: Authorize Signature: Metropolitan Council Comprehensive Plan Grant

Council Action Requested:

Authorize signature of the attached Grant Agreement between the City and Metropolitan Council for receipt of a \$32,000 grant to update the Comprehensive Plan.

A simple majority vote is required.

Background Information:

Minnesota State Statutes require submittal of the Comprehensive Plan update to Metropolitan Council by December 31, 2018.

Financial Impact:

Grant funding will assist in offsetting the estimated \$170,000 cost of updating the plan.

Advisory Commission Discussion:

N\A

Council Committee Discussion:

N\A

Attachments:

- Grant Agreement

Grantee: City of Hastings

Grant No.: SG05790-01

Grant Amount: \$ 32,000

End Date: December 31, 2019

Council's Authorized Agent: LisaBeth Barajas

**METROPOLITAN COUNCIL
LOCAL PLANNING ASSISTANCE PROGRAM
GRANT AGREEMENT**

THIS GRANT AGREEMENT is made and entered into by the Metropolitan Council (“Council”) and the metropolitan-area governmental unit identified above as the “Grantee.”

WHEREAS, Minnesota Statutes section 473.867 authorizes the Council to establish a planning assistance fund for the purpose of making grants and loans to local governmental units to help local governmental units in the seven-county metropolitan area conduct and implement comprehensive planning activities, including the “decennial” review of local comprehensive plans and fiscal devices and official controls as required by section 473.864, subdivision 2; and

WHEREAS, on May 25, 2015, and on April 27, 2016, the Council adopted initial and additional need-based eligibility criteria for awarding available local planning program assistance and established potential grant amounts for eligible grantees to help grantees review and update their comprehensive plans as required by the “decennial” review provisions of Minnesota Statutes section 473.864, subdivision 2; and

WHEREAS, on December 10, 2014, the Council authorized an initial transfer of funds to the planning assistance fund, and on December 9, 2015, the Council authorized an additional transfer of funds to the total planning assistance fund for grants or loans to local governments under Minnesota Statutes section 473.867;

WHEREAS, the Grantee is an eligible city, county, or town in the metropolitan area as defined in Minnesota Statutes section 473.121, or is an eligible metropolitan-area city or town acting in partnership with at least 4 other cities or towns and is authorized to submit a joint application and execute this Agreement on behalf of the partnership or consortium; and

WHEREAS, the Grantee submitted an application for local planning assistance grant funds and was awarded a grant to help fund eligible comprehensive planning activities identified in the application.

NOW THEREFORE, in reliance on the representations and statements above and in consideration of the mutual promises and covenants contained in this Agreement, the Grantee and the Council agree as follows:

I. DEFINITIONS

1.01 Definition of Terms. For the purposes of this Agreement, the terms defined in this paragraph have the meanings given them in this paragraph unless otherwise provided or indicated by the context.

- (a) “***Comprehensive Development Guide***” means the comprehensive development guide for the seven-county metropolitan area adopted by the Council pursuant to Minnesota Statutes section 473.145. The *Comprehensive Development* guide includes: *Thrive MSP 2040* and the *Housing Policy Plan* (as amended) adopted by the Council pursuant to Minnesota Statutes section 473.145; the *Master Water Supply Plan* adopted by the Council pursuant to Minnesota Statutes section 473.1565; and the “metropolitan systems plans” adopted by the Council pursuant to Minnesota Statutes sections 473.146 and 473.147.
- (b) “***Comprehensive plan***” means a local comprehensive plan update required under Minnesota Statutes section 473.864, subdivision 2 that complies with Minnesota Statutes sections 473.858 through 473.865 and other applicable laws, including those provisions in section 473.859 requiring housing elements and housing implementation programs.
- (c) “***Metropolitan Land Planning Act***” means the land use planning provisions of Minnesota Statutes Chapter 473, including Minnesota Statutes section 473.175 and sections 473.851 through 473.871.
- (d) “***Metropolitan system plans***” means the transportation portion of the *Comprehensive Development Guide*, and the policy plans, and capital budgets for metropolitan wastewater service, transportation, and regional recreation open space.

II. GRANT FUNDS

2.01 Grant Amount and Conditions. The Council will provide to the Grantee the “Grant Amount” identified at Page 1 of this Agreement which the Grantee shall use for authorized purposes and eligible activities. The grant funds are made available to the Grantee subject to the following terms and conditions:

- (a) ***Timely Plan Update Submission.*** Notwithstanding the December 31, 2019 “End Date” identified on Page 1 of this Agreement, the Grantee must review and update its comprehensive plan as required by Minnesota Statutes section 473.864, subdivision 2, by December 31, 2018.
- (b) ***Consultation with Council and Adjacent Review.*** The Grantee must submit its draft plan update to adjacent governmental units for a 6-month adjacent review period as required by Minnesota Statutes section 473.858, subdivision 2 prior to submitting the plan update to the Council for review. Prior to submitting its draft plan to adjacent units, the Grantee must consult with the Metropolitan Council Sector Representative for its district at least twice to update the Council on plan progress and potential policy conflicts.
- (c) ***Consultation with Watershed Management Organizations.*** The Grantee must ensure local surface water management planning requirements of Minnesota Statutes sections 473.859, subdivision 2 and 103B.235 are met by the December 31, 2018, deadline.
- (d) ***Completeness; Plan Content.*** The comprehensive plan submitted by the Grantee must be “complete” as described in the Council’s *Local Planning Handbook*, which is available online at metro-council.org/handbook.aspx, and must comply with the plan content requirements of Minnesota Statutes section 473.859 and other applicable law. If the plan is not complete as described in the *Local Planning Handbook*, the plan must be made complete within three (3) months of the incompleteness determination, or as otherwise mutually agreed to by the Council and the Grantee.
- (e) ***Conformance to Metropolitan System Plans and Policy Plans.*** The comprehensive plan submitted by the Grantee must conform to metropolitan system plans of the Council. The comprehensive

plan is deemed to comply with this condition if the Council concludes after its review that the plan is not likely to have a substantial impact on or contain a substantial departure from metropolitan system plans and allows the plan to go into effect without a plan modification.

- (f) **Consistency and Compatibility.** The comprehensive plan update submitted by the Grantee must be consistent with the adopted policies of the Council, including housing policy. In addition, the comprehensive plan must also be compatible with the plans of adjacent and affected jurisdictions.

2.02 Disbursement Schedule. The Council will disburse fifty percent (50%) of the Grant Amount to the Grantee within thirty (30) days after final execution of this Agreement. The Council will disburse the remaining fifty percent (50%) of the Grant Amount after:

- (a) the Grantee has submitted, as appropriate, either (i) the entire current comprehensive plan and the certification required under Minnesota Statutes section 473.864, subdivision 2(a); or (ii) submitted the entire updated comprehensive plan and amendment or amendments to its comprehensive plan necessitated by its review to the Council for review; and
- (b) the Council has reviewed and acted upon the Grantee's submission; and
- (c) the Grantee has complied with the terms and conditions stated in Paragraph 2.01.

2.03 Authorized Use of Funds. The grant funds provided to the Grantee under this Agreement shall be used only for the purposes and eligible activities described in the Grantee's work plan and budget as approved by the Council. A copy of the Grantee's approved work plan and budget is attached to and incorporated into this Agreement as Attachment A. Eligible activities include, but are not limited to, staff pay, consultant and professional services, printing, and publishing. Grant funds may not be used for per diem payments to appointed or elected board or commission members. Grant funds also may not be used to purchase or acquire equipment or other tangible, nonexpendable personal property, or for activities inconsistent with the Council's *Comprehensive Development Guide*, the Metropolitan Land Planning Act, Minnesota's Critical Areas Act, or other applicable state laws. The Grantee agrees to promptly remit to the Council any unspent grant funds and any grant funds that are not used for the authorized purposes specified in this paragraph.

III. REPORTING, ACCOUNTING, AND AUDIT REQUIREMENTS

3.01 Progress Reports. The Grantee will provide to the Grantee's assigned Sector Representative a written midpoint progress report and a written final progress report describing the status of the work plan activities described in Attachment A. These reports ensure the grant funds are appropriately expended as described in the work plan and budget. The reports shall be subject to the following content and schedule requirements.

- (a) **Midpoint Progress Report.** At approximately the midpoint of the Grantee's work plan activities, the Grantee must submit to the Council a written midpoint progress report which includes: a summary of the work plan activities completed; a summary of work plan activities to be accomplished during the remaining months of the work plan with associated anticipated completion dates; and a summary of unanticipated issues and opportunities that affect the work plan, time schedule for project completion, or budget. The midpoint progress report also must include a summary of project costs and sources of funds for those expenditures, and a list of itemized expenditures of funds received from the Council and matching funds by category in the budget.
- (b) **Final Progress Report.** Upon completion of the work plan activities described in Attachment A, the Grantee must submit to the Council a written final progress report which includes: a summary

of the work plan activities completed since the submission of the midpoint progress report; a summary of project outcomes, total project costs and sources of funds for those expenditures including both this grant, city funds, and other sources of funds; and a list of itemized expenditures of the grant funds.

3.02 Accounting and Records. The Grantee agrees to establish and maintain accurate and complete accounts, financial records, and supporting documents relating to the receipt and expenditure of the grant funds. Notwithstanding the expiration and termination provisions of Paragraphs 4.01 and 4.02, such accounts and records shall be kept and maintained by the Grantee for a period of six (6) years following the completion of the work plan activities described in Attachment A. If any litigation, claim or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved or until the end of the regular six-year period, whichever is later.

3.03 Audits. The books, records, documents, and accounting procedures and practices of the Grantee that are relevant to this Agreement are subject to examination by the Council and either the Legislative Auditor or the State Auditor, as appropriate, for a minimum of six (6) years following the completion of the work plan activities described in Attachment A.

3.04 Authorized Agent. The Council's authorized agent for purposes of administering this Agreement is the individual identified on page 1 of this Agreement, or another designated Council employee. Written reports submitted to the Council should be directed to the attention of the authorized agent at the following address:

Metropolitan Council
Community Development Division
390 Robert Street North
Saint Paul, Minnesota 55101-1805

IV. GRANT AGREEMENT TERM

4.01 Term and End Date. This Agreement is effective upon execution of the Agreement by the Council. Unless terminated pursuant to Paragraph 4.02 or extended by written agreement pursuant to Paragraph 4.03, this Agreement will expire on the "End Date" identified at Page 1 of this Agreement. The term of this Agreement may be extended by written agreement of the Council, but only in conjunction with an extension authorized under Minnesota Statutes section 473.864, subdivision 2.

4.02 Termination. This Agreement may be terminated by the Council for cause at any time upon fourteen (14) calendar days' written notice to the Grantee. Cause shall mean a material breach of this Agreement and any amendments of this Agreement. Termination of this Agreement does not alter the Council's authority to recover funds on the basis of a later audit or other review, and does not alter the Grantee's obligation to return any funds due to the Council as a result of later audits or corrections. If the Council determines the Grantee has failed to comply with the terms and conditions of this Agreement, the Council may take any action to protect its interests and may require the Grantee to return all or part of the funds.

4.03 Amendment. The Council and the Grantee may amend this Agreement by written mutual consent. Amendments, changes, or modifications to the Grantee's approved work plan and budget shall be effective only on the execution of written amendments signed by authorized representatives of the Council and the Grantee.

V. GENERAL PROVISIONS

5.01 Conflict of Interest. The members, officers, and employees of the Grantee shall comply with all applicable federal and state statutory and regulatory conflict of interest laws and provisions.

5.02 Liability. To the fullest extent permitted by law, the Grantee shall defend, indemnify and hold harmless the Council and its members, employees and agents from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the conduct or implementation of the funded work plan activities. This obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which otherwise would exist between the Council and the Grantee. The provisions of this paragraph shall survive the expiration or termination of this Agreement. This indemnification shall not be construed as a waiver on the part of either the Grantee or the Council of any immunities or limits on liability provided by Minnesota Statutes Chapter 466, or other applicable state or federal law.

5.03 Compliance with Law. The Grantee agrees to conduct the work plan activities in compliance with all applicable provisions of federal, state, and local laws.

5.04 Acknowledgment. The Grantee shall appropriately acknowledge the funding assistance provided by the Council in promotional materials, reports, publications, and notices relating to the project activities funded under this Agreement.

5.05 Warranty of Legal Capacity. The individual signing this Agreement on behalf of the Grantee represents and warrants that the individual is duly authorized to execute this Agreement and that this Agreement constitutes the Grantee's valid, binding, and enforceable agreements.

IN WITNESS WHEREOF, the Grantee and the Council have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective on the date of final execution by the Council.

METROPOLITAN COUNCIL

GRANTEE

By: _____
Beth Reetz, Director
Community Development Division

By: _____
Paul Hicks, Mayor
City of Hastings

Date: _____

Date: _____

By: _____
Melanie Mesko Lee
City Administrator

Date: _____

ATTACHMENT A**Grantee's Work Plan and Budget**

This Attachment A comprises this page and the Grantee's work plan and budget as approved by the Council.

City of Hastings 2040 Comprehensive Plan Update

Proposed Work Plan

Date: 09-01-2016

	Estimated Cost (Grant Funded)	Estimated Cost (Match Funded)
TOTAL - COMPREHENSIVE PLAN UPDATE	\$ 32,000	\$ 170,200
1: Project Administration and Community Involvement	\$ -	\$ 7,000
1.1 Consultant Selection & Project Administration		\$ 4,000
1.2 Organization and Staffing of Steering Committee		\$ 2,000
1.3 Public Involvement		\$ 1,000
2: Community Character, Profile and Future Vision	\$ 9,500	\$ 17,700
2.1 Identification and Analysis of Population, Household, Employment, & other community characteristics	\$ 9,400	\$ 9,400
2.2 Identification of THRIVE Community Designation(s) and Related Policy	\$ 100	\$ 2,000
2.3 Assessment of regional and national demographic, economic, and environmental trends, issues, and opportunities		\$ 6,300
3: Plan Development	\$ 22,500	\$ 142,500
3.1 Land Use	\$ 7,000	\$ 7,000
3.2 Transportation	\$ 7,500	\$ 7,500
3.3 Water Resources	\$ -	\$ 15,000
3.4 Parks & Trails	\$ -	\$ 55,000
3.5 Housing	\$ 2,000	\$ 2,000
3.6 Resilience	\$ 2,000	\$ 2,000
3.7 Economic Competitiveness	\$ 4,000	\$ 4,000
3.8 Sewer Plan		\$ 25,000
3.9 Stormwater Plan		\$ 25,000
4: Implementation Plan		\$ 3,000
4.1 Description of proposed programs, fiscal devices, and other strategies		\$ 1,000
4.2 Implementation timeline		\$ 250
4.3 Capital Improvements Program (CIP)		\$ 1,500
4.4 Description of relevant official controls, and schedule for any needed changes		\$ 250