#### TOPICS AND PRESENTERS FEDERAL FUNDING ACTION HUB – PETER FROSCH, GREATER MSP STATE'S ARPA ALLOCATION UPDATE

#### HANDOUT - ULI MINNESOTA'S BUILDING A FOUDNATION 2021-2022 COURSE & REDi 2022

Mayor Jim Hovland welcomed everyone to the September 13, 2021 RCM meeting.

The Regional Council of Mayors gives a big thank you to Jonathan Weinhagen and the <u>Minneapolis Regional Chamber of</u> <u>Commerce</u> for hosting our lunch and meeting at the Minneapolis Club.

# FEDERAL FUNDING ACTION HUB; PETER FROSCH, GREATER MSP

Mayor Jim Hovland welcomed Peter Frosch, CEO at GREATER MSP Partnership

Links:

#### **ACTION HUB HANDOUT**

#### CONNEXTMSP

GREATER MSP launches the CONNEXTMSP strategic initiative. ConnextMSP is bringing together employers, college and career readiness programs, community leaders, and higher education partners to create pathways to careers for young professionals of color. "Every year in our region, thousands of students of color graduate with degrees and certificates but face barriers to landing career-track jobs. We are excited to launch the ConnextMSP talent network, which will help break down systemic barriers, advance racial equity and build a 21st century workforce for our region." – Peter Frosch

#### **MSP REGIONAL RECOVERY HUB**

GREATER MSP built a tool to track recovery and drive attention to areas of our economy that need the most help. Data and insights will be updated weekly and monthly, so we invite you to visit often. Dive in, explore, learn, question, and act.

The American Rescue Plan Act (ARPA) was signed on March 11, 2021 This funding may be seen as once in a lifetime opportunity. What are we going to do with this opportunity?

#### Peter Frosch presented 6 ideas:

#### 1. Work together to make the most of the funding

Minnesota has dozens of Cities and Counties that have allocations. How can we share tools and resources? GREATER MSP is in the process of creating a <u>Federal Funding Action Hub</u> which includes the following components:

- A **website** to provide content and tools that focus action and enable effective execution of projects. Primary audiences include elected officials and city and county staff whose focus is to determine use of allocated federal funding.
- Webinars and other sessions to share information, bringing experts and decisionmakers to the region to answer questions and facilitate action.
- A City-County Working Group of elected officials and senior staff to gather monthly to share information, provide updates on action items, and discuss pressing questions.

• Action teams of cross-sector partners to scope ideas into projects that seek funding.

#### 2. Fund strategic priorities to fund the future

How do we use this to invest in what matters more for the future?

#### 3. Applying for and getting additional competitive funds

#### U.S. Economic Development Administration – Competitive Funding Opportunities

Under the American Rescue Plan, EDA was allocated \$3 billion in supplemental funding to assist communities nationwide in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks.

EDA has published the following funding opportunities:

Build Back Better Regional Challenge

Phase 1 deadline: October 19, 2021; Phase 2 deadline: March 15, 2022

Good Jobs Challenge

Application deadline: January 26, 2022

#### Economic Adjustment Assistance

Rolling deadline. EDA strongly encourages all applicants to start early and contact their EDA representative for assistance.

#### Travel, Tourism and Outdoor Recreation

State Tourism Grants: Application due 60 days after receiving invitation Competitive Tourism Grants: Rolling Deadline. EDA encourages eligible applicants to submit their applications as soon as possible.

#### **Indigenous Communities**

Rolling deadline. EDA strongly encourages all applicants to start early and contact their EDA representative for assistance.

#### Statewide Planning, Research and Networks

State Planning Grants: Application due 45 days after receiving invitation Research and Networks Grants: Rolling Deadline. EDA encourages eligible applicants to submit their applications as soon as possible.

**Coal Communities Commitment** 

#### 4. Find better ways to leverage public and private money

#### 5. Transit Systems

Development sites near transit.

Development sites where people can live and work in close proximity, co-locate.

Co-locate sites- people can get good jobs where they can live. Where jobs are and where they live in the same place.

#### 6. Rethink our problems.

Can we shift from a negative to a positive? Can office and hotel space solve our housing problems? Racial equity elevates solutions to create opportunity. How do we measure success?

# STATE'S ARPA ALLOCATION UPDATE; COMMISSIONER GROVE, MINNESOTA DEED

Mayor Jim Hovland welcomed Commissioner Steve Grove

Links:

Minnesota Economic Development Resource Guide, 2021 https://mn.gov/deed/ed/ https://mn.gov/mmb/arp/

Steve Grove:

It is hard to overstate how unprecedented this is.

We have a chance to step back and ask some good questions.

There is a huge need to invest in talent.

Minnesota is ripe for a campaign about for why someone should live here and what we are about! There is an opportunity to talk about the value of Minnesota. There will be a new campaign about this launching soon which will include a website and partners that will talk about our state.

You cannot afford to be too quite or too humble when competition is so fierce.

#### Overview:

Local Fiscal Recovery Funds: Minnesota cities, counties, and towns will receive an estimated \$2.132 billion in Local Fiscal Recovery Funds as part of the American Rescue Plan (ARP). Local ARP funds are intended to help counties, cities, and towns respond to the COVID-19 pandemic. Local governments can access the <u>ARP Funds Request Form online</u>. The deadline for requests is Oct. 4, 2021.

How much money do local governments get?

**Direct federal payments to Minnesota counties**: \$1.11 billion. Contact your county for ARP planning and spending information.

**Direct federal payments to 21 large cities**: \$644 million. These 21 cities are Apple Valley, Blaine, Bloomington, Brooklyn Park, Burnsville, Coon Rapids, Duluth, Eagan, Eden Prairie, Edina, Lakeville, Mankato, Maple Grove, Minneapolis, Minnetonka, Moorhead, Plymouth, Rochester, St. Cloud, Saint Paul, and Woodbury. Contact your city for ARP planning and spending information.

**Pass-through payments to remaining cities and towns**: \$377 million. Visit the COVID-19 Response Accountability Office website for more information.

<u>State Fiscal Recovery Funds</u>: Minnesota will receive an estimated \$2.833 billion in state ARP funds to respond to the COVID-19 pandemic. State leaders agreed to divide this money into three categories:

#### Immediate COVID-19 response: \$500 million

Minnesota Main Street COVID Relief Grants - This program will make available \$10,000 - \$25,000 grants to Minnesotan owned and operated businesses that can demonstrate financial hardship as a result of the COVID-19 outbreak. A total \$64,200,000 is available for grant applications selected for consideration through a computer-generated, randomized selection process. Applications must be received by DEED by 11:59 p.m. on September 29, 2021

- Long-term pandemic recovery: \$1.150 billion
  - Governor Walz and legislative leaders agreed to set aside \$1.15 billion to address long-term needs as part of the COVID-19 pandemic response. These funds will be part of the supplemental budget process during the 2022 Legislative Session. Governor Walz will offer his recommendations in early 2022 and the Legislature will act during session.

Do you have ideas on how the long-term COVID response funds should be spent? <u>Complete this form</u> (Hmong, Spanish, Somali) to share your ideas with Governor Walz, Lt. Governor Flanagan, and their cabinet as part of their supplemental budget decision process. The public idea submission period will close September 30. Individuals and organizations can share ideas with their state legislators. Visit <u>gis.leg.mn</u> to connect.

• Revenue replacement: \$1.183 billion

#### Long-term COVID response:

<u>Federal Program Funds</u>: Minnesota will receive an estimated \$3.505 billion in program-specific federal funds as part of the American Rescue Plan (ARP).

- Supporting working families
- Ensuring students catch up on learning
- Supporting small business and driving economic recovery
- Additional help administered by the federal government

1. <u>The State Small Business Credit Initiative</u> (SSBCI) was part of the American Rescue Act (ARPA) of 2021 and included \$10 billion for state, territory and tribal business finance programs. Minnesota is expected to receive at least \$75 million for state small business financing support. This is the second SSBCI initiative – Minnesota received \$15 million through the Small Business Jobs Act of 2010.

#### 2. U.S. Economic Development Administration

The State of Minnesota will not compete with cities for these funds and are excited to push the work the mayors are doing.

### **CONVERSATION**

- What are some of the key areas that cities are considering for the use of funds?
  - Possibility to buy down debt. Are there things we can invest in regionally?
  - Housing is a priority.
    - Focus on affordability.
    - Housing for first time buyers and and homeownership affordability are key areas.
    - Preserving NOAH housing is another key area.
    - Addressing ownership disparities. Homeownership creates opportunities for generational wealth.
    - There is a desire to be bold in what we do! Step up quickly, not perfectly.

- Broadband
- Childcare
- Climate related issues
- Education Outcomes
  - Our students are our future workforce.
  - GREATER MSP's <u>CONNEXTMSP</u>
- Transportation Connectivity
- Minority owned business support and technical assistance
  - Training programs to help business owner attract and train talent
  - Technical assistance for navigating funding and aid applications. Some owners lack even the technology basics in order to apply.
  - How do we make sure this next chapter helps everyone and the disadvantaged? If we cannot get this right on equity, our businesses will do worse.
- Talent and Jobs
  - How can we train more workers in the job that need them.
  - Regions without enough jobs = people will leave.
  - We will do everything we can to attract talent to our region, but there will still be challenges.
  - Wages issues, we need higher paid, higher skill jobs.
- COVID relief
  - Some funds can help with immediate relief while also still planning for the future.

#### Collaboration:

- What are others already doing that we can pump funding into?
- o How can we learn from each other and learn what others are already doing?
- How do we scale our collaborations?
- Leverage expertise from one city to another for the benefit of all!
  - Can larger cities with capacity for grant writing share staff hours with communities with smaller or no capacity?
  - Can we get a little bit of time from Met Council grant writers to help us get win the money?
  - The City of Minneapolis would support working on an application and adding in as many signatories as possible.
  - GREATER MSP can help facilitate funds as well.

#### Future of Office Space

- What happen as our big suburban office complexes if business do not return to the full extent?
- When will we know the status of the office market?
- From a City perspective it would be nice to be able to communicate a long term plan for what some of these commercial and office space could be transformed into.

## ATTENDANCE

#### MAYORS

James Hovland City of Edina (co-chair) City of Woodbury Anne Burt Mike Elliott City of Brooklyn Center Jacob Frey City of Minneapolis Mary Gaasch City of Lauderdale Jason Gadd City of Hopkins Lisa Jacobson City of Brooklyn Park Shep Harris City of Golden Valley Marvin Johnson City of Independence John Keis City of Little Canada City of Mendota Heights Stephanie Levine City of Maple Plain Julie Maas-Kusske Mike Maguire City of Eagan Rhonda Pownell City of Northfield Maria Regan Gonzales City of Richfield Jake Spano City of St. Louis Park **Randy Stille** City of St. Anthony Village Brad Wiersum City of Minnetonka **Janet Williams** City of Savage

#### **GUESTS**

Allison Bell, GREATER MSP; Bob Butterbrodt, Wells Fargo; Molly Cummings, Metropolitan Council; Peter Ebert, City of Minneapolis; Peter Frosch, GREATER MSP; Commissioner Steve Grove, DEED; Curt Johnson, Global Wellness Consortium; Andrea Kajer, Comcast; Brian McClung, Park Street Public; Scott Neal, City of Edina; Amanda Taylor, GREATER MSP; Jonathan Weinhagen, MPLS Regional Chamber

#### **ULI MINNESOTA**

Caren Dewar, Stephanie Brown, Rachel Keenan, Cathy Bennett

## **UPCOMING MEETINGS**

Monday, October 18 (third Monday), 11:30-1:30PM: Resilience
Westwood Hills Nature Center, 8300 W Franklin Ave, St. Louis Park, MN 55426