



MEMORANDUM

To: Saint Anthony Village City Council
From: Minette Saulog, Sustainability Coordinator
Date: February 10, 2026
Request: Metropolitan Council Private Property I/I Program – 2026 Grant Agreement

BACKGROUND

Attached is a resolution authorizing the City to enter a grant agreement with the Metropolitan Council Environmental Services (MCES) for the 2026 Private Property Inflow and Infiltration (I/I) Grant Program. This effort is related to the ongoing I/I Program between the City of Saint Anthony Village and MCES.

The 2026 Private Property Inflow and Infiltration Grant Program provides \$1.5 million in wastewater revenue for grants to private property owners to help with repairs that will remove and prevent clear water from entering the wastewater treatment system. The Minnesota Legislature amended statute 471.342 in 2022 to allow MCES to provide grant funding to local municipalities to assist private property owners with costs associated with repairing sewer infrastructure on their property.

Excess I/I is removed from the regional interceptor system through repairs of the sewer lateral or foundation drain on the property. With the average cost to repair or replace a private sanitary sewer service lateral at approximately \$9,000 or greater, this grant gives local communities the ability to help property owners in alignment with the grant program guidelines.

The City received the Private Property I/I grant in 2025 and applicants were screened for funding eligibility based on established criteria. At the end of the program year, 9 homeowners received grant awards worth a total of \$35,000 towards their repairs. The City paid the contractor on behalf of the grantee for the total amount of their grant award. Grant dollars were received in the form of reimbursement from MCES on a quarterly basis.

Additional details for the 2026 program are as follows:

- Grants to private property owners shall be for a percentage of actual, reasonable, and verifiable I/I mitigation costs. No costs of studies, engineering, or planning shall be eligible.
- Grant reimbursement shall be 50% of eligible costs, up to \$5,000, for applicants not meeting equity criteria set by the participating municipalities. Eligible work includes:
 - Private lateral repair and/or replacement
 - Foundation drain disconnections and new sump pump, if associated with the foundation drain disconnect
 - Lateral televising and cleaning costs only if:
 - Applicant meets the equity criteria or
 - Televising and cleaning result in repair or replacement of sewer lateral
- Grants of up to \$10,000 may be given to private property owners meeting the municipality's equity criterion.
- The private service line or foundation drain must be active and serving an occupied building.

- All repairs and replacements must be made with materials and methods consistent with local codes and permit requirements.
- Qualified spending on eligible work must occur between January 1, 2026, and December 31, 2026.

The program is administered by eligible cities, which are those that have had a measurable flow rate within 20 percent of the permitted flow limit, and which Saint Anthony is one of those cities. Cities applied for a block of funding and are responsible for determining eligibility of applicants and administration of funds.

SAINT ANTHONY PROGRAM CRITERIA

The City's application was submitted to MCES on November 20, 2025. Staff were notified on December 15, 2025 that St. Anthony was awarded \$38,000 for the 2026 program year. The MCES program guidelines are attached to this memo for reference.

The City will use the following criteria for the 2026 program year:

- City will accept applications online starting on April 1. Applications will be reviewed on a rolling, first-come first-served basis until all funds are allocated.
- Property must be owner-occupied and not used for rental purposes.
- Prioritize applications meeting equity criteria (income verified with 2025 Federal tax return).
- Grant awards may be 50% of eligible costs up to \$5,000. For private property owners meeting their municipality's equity criterion, the grant award may increase up to \$10,000.

To include an equity criterion component for the program, staff used the FY2025 income limits summary utilized by the Metropolitan Council, which are based on the Federal Housing of Urban Development (HUD) limits. Then graduated the maximum assistance based on those limits as presented below:

FY 2025 Income
Limit Area

Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro

Median Family
Income

\$132,400

FY 2025 Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
Extremely Low Income Limits (\$)	\$ 27,800	\$ 31,800	\$ 35,750	\$ 39,700	\$ 42,900	\$ 46,100	\$ 49,250	\$ 54,150
Very Low (50%) Income Limits (\$)	\$ 46,350	\$ 53,000	\$ 59,600	\$ 66,200	\$ 71,500	\$ 76,800	\$ 82,100	\$ 87,400
Low (80%) Income Limits (\$)	\$ 72,950	\$ 83,400	\$ 93,800	\$ 104,200	\$ 112,550	\$ 120,900	\$ 129,250	\$ 137,550

Reimbursement \$ Max	Persons in Family								
	1	2	3	4	5	6	7	8+	
Extremely Low Income	\$ 8,600	\$ 8,800	\$ 9,000	\$ 9,200	\$ 9,400	\$ 9,600	\$ 9,800	\$ 10,000	
Very Low (50%) Income	\$ 7,000	\$ 7,200	\$ 7,400	\$ 7,600	\$ 7,800	\$ 8,000	\$ 8,200	\$ 8,400	
Low (80%) Income	\$ 5,400	\$ 5,600	\$ 5,800	\$ 6,000	\$ 6,200	\$ 6,400	\$ 6,600	\$ 6,800	

RECOMMENDATION

Staff recommends approval of the grant agreement to participate in the 2026 program.

ATTACHMENTS

- Grant Agreement
- Program Guidelines
- Resolution 26-018