

Metro Cities News

September 20, 2019

Metro Cities Participates in Forum to Respond to Builders' "Priced Out" Paper

Metro Cities and several city officials participated this week in a Sensible Land Use Coalition panel to respond to the Twin Cities builders' association's Priced Out industry paper that was released earlier this year. Metro Cities staff and officials from the cities of Lakeville, Cottage Grove and St. Louis Park shared information on local residential development processes, with local officials providing examples of how they work with builders and developers to advance shared goals of meeting local housing needs.

The panel was designed to provide local perspectives and reactions to the paper and narratives being pushed by developers concerning regulations and the public costs associated with homebuilding in the metro region as well as statewide.

The <u>City of Lakeville provided</u> numerous specific criticisms on the paper's omissions, inaccuracies, numerical analysis, conclusions that can not be replicated, misleading statements of regulatory requirements, and lack of context on overall home availability and affordability. Lakeville City Administrator Justin Miller explained how the sale of newly built homes is one part of the home sales market and noted that homes at lower sale prices are available for first-time homebuyers. He noted that 29% of sales in the city in 2018 were for homes priced under \$250,000 and an additional 15% of home sales were under \$300,000.

Cottage Grove City Administrator Jennifer Levitt shared information on what cities can and cannot do in the residential market. She explained how the major inputs into homebuilding such as land costs and sale prices, construction materials, labor and construction workforce are not controlled by individual cities. She discussed cities' roles in land use and zoning, citywide planning and vision setting through the comprehensive plan update process, determining local housing needs and responding to changing demographics and market trends and working with developers and builders on specific projects. She highlighted Cottage Grove's efforts to expedite plan reviews, provide clear and concise standards and policies, and to ensure public health and safety through inspections. She stated that the city has added seasonal inspectors, added staff to release escrows faster, and enhanced software for online permitting. Ms. Levitt also explained that a key decision the city makes is how to pay for infrastructure driven by new home construction and adding new residents, including roads, sewer pipes and water supply. She explained that Cottage Grove, like many others, subsidizes new infrastructure needs for development even with cost recovery structures in place. Cities carry costs up front and defer assessments, which further increases costs and is paid for by existing taxpayers.

The <u>City of St. Louis Park provided</u> detailed examples of what cities are currently doing to include, promote and preserve affordable housing. Community Development Director Karen Barton highlighted a range of city initiatives on the front end of development to support new homes, while also explaining preservation strategies to keep existing homes affordable and maintained to safe standards. City actions such as reducing lot sizes, adjusting setbacks, reducing parking minimums and increasing density can all reduce the amount it costs to build a home. Other city initiatives focus on residents, including down payment and first-time buyer assistance, land trusts, rehabilitation and preservation loan programs, rental subsidies and tenant protection ordinances.

Metro Cities staff shared updates on the two legislative committees that were established this year to examine housing affordability. As reported in Metro Cities News, a Senate Select Committee is

focused on homeownership strategies while a bicameral legislative commission has a broader focus of housing affordability for both renters and homeowners. Metro Cities expects interim discussions from the two committees to inform policy debates at the Capitol during the 2020 legislative session. Metro Cities also discussed the overall roles of the local government and private sectors with respect to the provision of housing.

Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

Metropolitan Council Livable Communities Act (LCA) Fall 2019 Deadline Approaching

Cities seeking Livable Communities funding for the fall 2019 round must submit applications by 3:00 pm November 1, 2019. The Community Development division of the Metropolitan Council announced availability of \$568,000 for Pre-Development grants, \$2.9 million for brownfield cleanup grants including up to \$125,000 for environmental site investigation, and \$444,500 for investigation or cleanup grants in Areas of Concentrated Poverty.

2019 application guides are available on the <u>LCA website</u>. Application forms are available on WebGrants.

Metro Cities supports the Livable Communities funding programs and last year convened a work groups to review the program and make recommendations to ensure the funding is available and awards are structured to meet city needs and statutory goals.

Contact LCA staff with questions:

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Clean Water Council Opening

The MN Secretary of State is seeking city government applicants for an opening on the Clean Water Council. The term ends January 2021. The Clean Water Council advises on the administration and implementation of the Clean Water Legacy Act. By December 1 of each even-numbered year, the Council is required to submit a report to the Legislature and Governor that includes recommendations for Clean Water Fund appropriations for the purposes stated in Article XI, Section 15 of the Minnesota Constitution and Minn. Stat. § 114D.50, an evaluation of progress made by the Clean Water Fund, and future funding needs.

The Clean Water Fund may only be spent to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation. At least five percent of the Clean Water Fund must be spent only to protect drinking water sources. Meetings are held on the third Monday of the month at the Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul. Members are compensated \$55 per diem plus expenses.

How to Apply:

- Visit the Open Positions page.
- Scroll down to find the correct Agency/Board/Council.
- Choose the correct seat type, and click button that says APPLY. The system will walk you through creating an application profile.
- Page 2 of the application will now allow you to attach the following documents:
 - Letter of Interest
 - Resume or Biography

Applicants are encouraged to use the online application as the Appointing Authority will have access to your information as soon as it is submitted. Applications submitted via downloadable application may experience some delay in reaching the Appointing Authority.

Paper applications may be submitted by email to Open Appointments or by mail or in person to: Office of the Minnesota Secretary of State 180 State Office Building 100 Rev. Dr. Martin Luther King, Jr. Blvd. St Paul, MN 55155-1299

Questions may be directed to Paul Gardner, Administrator, Clean Water Council, (651) 757-2384, paul.gardner@state.mn.us.

Metro Cities News is emailed periodically to all Metro Cities member mayors, councilmembers, city managers and administrators to keep officials abreast of important metro city issues. This information is also intended to be shared with city staff.

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