



Zoning Preemption Bill Heard in House Committee

Proposed legislation, [HF 3256 – Elkins](#) that would mandate statewide and regional zoning policy and preempt city zoning and land use authorities was heard in the House Local Government Division this week. In addition to zoning preemption language, the bill would restrict planned unit developments, local aesthetic requirements, and fundamentally change requirements for the staged and orderly growth of the metropolitan region.

The bill also authorizes street improvement districts and authorizes street impact fees. Metro Cities supports similar language in stand-alone legislation being considered by the legislature.

The Division heard testimony from bill proponents who largely testified with a focus on support for the bill's zoning provisions. The 90-minute committee meeting ended prior to city officials as well as Metro Cities and League of Minnesota Cities staff being able to offer testimony. A second hearing on the bill is scheduled for Wednesday, March 2 at 8:30 am. The bill is expected to be laid over at the second hearing.

Metro Cities encourages cities to reach out to committee members and local legislators on the importance of maintaining critical local zoning, planning and land use authorities. Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

City-Related Tax Bills Heard in House

This week, the House Property Tax Division heard [HF 2928-Marquart](#) that would modify current law relating to aid incentives for local performance measurements for cities and counties. Current law provides for aid at fourteen cents per capita for cities, with 37 cities and 28 counties currently participating in the program, which is administered in the Office of the State Auditor and is voluntary. HF 2928 would replace the existing program with a new program that adds an annual citizen performance management budget workshop meeting that requires cities and counties to take input on budget measures and processes and would require cities and counties to identify two performance measures for strategic improvement. The bill would also enhance the amount of aid for participating cities and counties. For cities the new aid amount would be \$20 per capita for cities up to 2,000 and for cities above 2,000, an amount of \$40,000 up to \$250,000. The bill was laid over for possible inclusion in the property tax division report.

The House Property Tax Division also heard [HF 3381-Youakim](#), that makes technical and clarifying changes for cities seeking authorization for local option sales taxes. These changes were suggested by the League of MN Cities. The bill clarifies current law on spending for a referendum, the local resolution requirement, and legislative authority requirement before voter approval for local taxes. In particular, the LMC noted in testimony that the bill provides a clarification on the referendum requirement by requiring a referendum to be held on the first Tuesday after the first Monday in November within a two-year period from the time the legislature authorizes the tax. Current law requires a referendum to be held at a general election. The bill was laid over for possible inclusion in a property tax report.

The House Taxes Committee heard [HF 3669-Marquart](#), which contains the Governor's tax recommendations. The bill includes a provision that remedies the construction sales tax

exemption process for local governments. Metro Cities supports this provision and provided a joint letter of support signed by a broad coalition of organizations that includes city associations, counties, school boards, engineers, transportation and other stakeholders.

The bill also includes a flexible public safety aid for local governments that have police departments. See [HERE](#) for the distribution of public safety aid to individual jurisdictions. Cities would receive an overall amount of \$70 million under the bill. Metro Cities has heard from several cities about whether this aid could be made available to cities that contract for police service. The bill was laid over for possible inclusion in an omnibus tax bill.

Questions? Contact Patricia Nauman at patricia@metrocitiesmn.org

Election Administration Bills Receive Hearings

[SF 651 – Kiffmeyer](#) was heard in the Senate State Government and Elections committee on Wednesday. The bill establishes several requirements for in-person absentee voting locations. The first is that they must be located at a designated precinct polling place. Second, they must be open and staffed for the entire 46 day early voting period. Finally, these locations must be open during the same days and hours as the office of the county auditor for its early voting operations. If passed, this bill would limit a city's ability to adjust early voting locations and hours based on increased demand in a particular part of the city or at the end of the early voting period. SF 651 was laid over for possible inclusion in an elections omnibus bill.

[HF 1815 – Klevorn](#) was heard in the House State Government and Elections committee on Friday morning. The bill makes several changes to election deadlines. Most substantively, the bill allows elections administrators to open and count absentee ballots 14 days before election day. Currently, these ballots can begin to be counted 7 days before election day. The bill also authorizes voters to cast an in-person absentee ballot during that same 14-day period. Secretary of State Simon testified in favor of the bill. During the 2020 General Election there was a major uptick in absentee voting largely due to the COVID-19 pandemic. This bill would give local elections administrators more time to count absentee ballots to ensure that preliminary results can be made available on election night. HF 1815 was passed and moved to the General Register.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Transportation Funding Legislation Passes Senate Committee

The Senate Transportation Committee heard three bills related to transportation funding during their meeting on Tuesday. [SF 3081 – Newman](#) allocates 100% of revenue from the tax on motor vehicle repair and replacement parts to the highway user tax distribution fund (HUTDF). Currently, a flat amount (approximately \$12 million) is transferred to the HUTDF monthly. Barring a statewide decrease in the purchase of vehicle parts, the bill would potentially result in millions more deposited into the fund, under the most recent budget forecast that expects revenues from this tax to grow in the coming years.

Also heard was [SF 3086 – Howe](#) that would allocate 76% of the revenue from the tax on motor vehicle repair and replacement parts to the highway user tax distribution fund (HUTDF). 12% of the tax revenue is transferred to the Small Cities assistance account and 12% to the town road account. This legislation would provide stable funding for the small cities assistance account which until now has relied on sporadic one-time appropriations since its creation in 2015.

Finally, the committee heard [SF 1602 – Howe](#), which imposes a tax on electric fuel at electric vehicle charging stations. The bill would establish something that functions like the gas tax for combustion engine vehicles. The bill also repeals the \$75 surcharge on all-electric vehicles.

The bills passed out of the committee. SF 3081 and SF 3086 were referred to the Senate Tax Committee and SF 1602 was referred to the Energy and Utilities Finance and Policy Committee. Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

House Considers Additional \$330 Million for Rental Assistance Funds

The House Housing Finance and Policy committee approved an additional \$330 million in federal COVID relief funds for emergency rental assistance. [HF 3667](#) – Hausman would recapitalize the state’s RentHelpMN program, which ended in late January due to lack of funding. The bill was referred to the Ways and Means Committee. There is no Senate companion. Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

Metropolitan Council Accepting Regional Solicitation Applications

The Metropolitan Council has released the 2022 Regional Solicitation and is accepting applications for federal transportation funding **until April 14 at 4:00 PM**. After technical experts from across the region rank and score the projects, the Transportation Advisory Board (TAB) will recommend projects for funding in late 2022. Approximately \$180 million in federal transportation funds will be available for allocation in 2026 and 2027.

Eligible metropolitan-area applicants include the seven counties, cities and townships, state agencies, American Indian tribal governments, transit providers, and other organizations partnering with government agencies.

To learn more about the Regional Solicitation and to apply online, please visit the [Regional Solicitation website](#). This page also includes information on online application trainings being held in March as well as a recording of a Metropolitan Council-hosted virtual workshop held earlier this month.

Projects will be selected from 11 application categories.

1. Traffic Management Technologies (Roadway System Management)
2. Spot Mobility and Safety
3. Strategic Capacity (Roadway Expansion)
4. Roadway Reconstruction/Modernization
5. Bridge Rehabilitation/Replacement
6. Transit Expansion
7. Transit Modernization
8. Travel Demand Management (2024 and 2025 funds)
9. Pedestrian Facilities
10. Safe Routes to School
11. Unique Projects (2024 and 2025 funds)

Questions about the Regional Solicitation can be directed to Elaine Koutsoukos at 651-602-1717 or elaine.koutsoukos@metc.state.mn.us.

2022 Livable Communities Act Funding Takes Shape

The [2022 Fund Distribution Plan](#) was approved by the Community Development Committee this week. The plan includes funding for all Livable Communities accounts as well as updated scoring criteria. Metro Cities submitted a letter to the committee in advance of the hearing, listing questions and concerns. That letter can be found on the last page of the [committee packet](#). Thanks to all the cities that provided feedback to Metro Cities.

The \$25 million in 2022 includes the following funding levels:

\$9 million – Livable Communities Demonstration Account
\$5 million – LCDA TOD
\$2 million – LCDA Predevelopment
\$3.5 million – Local Housing Incentives Account
\$5 million – Tax Base Revitalizations Account (regular category)
\$0.5 million – Seeding Equitable Economic Development

These totals include proposed spending above the base annual budget in 2022:
\$0.5M of reserves programmed to the Tax Base Revitalization Account.
\$3M of reserves programmed to the Livable Communities Demonstration Account.
\$2M of reserves programmed to the Local Housing Incentives Account.

The funding recommendation now heads to the full Metropolitan Council for action on March 9. Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

2022 Livable Communities (LCA) Webinar

Local community development staff are invited to participate in a March 3rd webinar explaining each of the four LCA programs, address changes for 2022, and announce 2022 program details.

Date: Thursday, March 3, 2022, Time: 12:00 pm – 1:00 pm

[Register here](#)

2021 Local Housing Incentives Account (LHIA) Awards

The Metropolitan Council approved awards for the [2021 funding round](#) from the Local Housing Incentives Account. Six multifamily and four single-family applications were funded for \$8 million total.

This includes 549 new multifamily homes and 88 preserved multifamily homes in Edina, Minneapolis, Rogers, Saint Louis Park, and Saint Paul. The single-family awards went to Dakota County CDA, Minnetonka, Saint Louis Park, and Washington County CDA for eight new homes and 21 preserved homes. Several of the projects also received financial awards from Minnesota Housing. Contact Charlie Vander Aarde at 651-215-4001 or charlie@metrocitiesmn.org with any questions.

Metro Cities Board of Directors Openings

The Metro Cities Board of Directors has openings for Board seats for terms beginning July 1. The Board is 19 members and comprised of elected and appointed officials. The association's by-laws require the Board to be balanced by city size and population. The Board is responsible for overseeing Metro Cities' operational budget, strategic goals and legislative policies and priorities. The Board also has statutory authority for appointing municipal officials to the Transportation Advisory Board (TAB) and TAC. A nominating committee will meet in March to recommend candidates for election at the April annual meeting. Interested applicants are asked to provide a (1) resume, (2) cover letter and to complete an (3) [application form](#). Applicants may also provide letters of reference. For more information, contact Patricia Nauman, Executive Director at patricia@metrocitiesmn.org. Applications should be sent to Jennifer Dorn at Jennifer@metrocitiesmn.org by March 10th.

Bills of Note

- [HF 3609](#), Petersburg/[SF 3058](#), Newman: Bill would require any federal funds received by the state from the IIJA be spent via direct appropriation by the legislature.
- [HF 3612](#), Huot/[SF 3252](#), Putnam: Bill establishes a peace officer's property tax credit.
- [HF 3635](#), Davnie/[SF 2910](#), Housley: Bill requires safe accessibility training for transit operators.
- [HF 3646](#), Swedzinski/[SF 3086](#), Howe: Bill allocates the revenue collected via the tax on motor vehicle repair parts to the HUTD fund (76%), the small cities assistance account (12%), and the town road account (12%).
- [HF 3654](#), Masin: Bill authorizes the Metropolitan Council to compensate members of advisory committees.
- [HF 3667](#), Hausman: Bill establishes a rental assistance program.
- [HF 3689](#), Heinrich: Bill requires ID for voting and voter registration. Bill also establishes a provisional ballot system.
- [HF 3695](#), Lee/[SF 3695](#), Bakk: Bill appropriates \$2 million in bond proceeds for the safe routes to school program.
- [HF 3718](#), Hausman: Bill makes several changes to statutes dealing with transit in the Metropolitan Region.
- [HF 3747](#), Lippert/[SF 3017](#), Howe: Bill appropriates \$25 million for the small cities assistance program.
- [HF 3779](#), Hansen: Bill authorizes the Metropolitan Council to levy a property tax for regional recreation open space capital costs.
- [SF 3280](#), Port/[HF 2874](#), Hanson: Bill repeals the moratorium on activities related to the Dan Patch commuter line.
- [SF 3282](#), Murphy/[HF 3024](#), Boldon: Bill would have absentee ballots automatically sent to eligible voters.
- [SF 3285](#), Port: Bill creates a common interest community ombudsperson.
- [SF 3286](#), Port/[HF 2873](#), Hanson: Bill authorizes a rail transitway feasibility study in a corridor from St. Louis Park to Savage.
- [SF 3307](#), Bigham/[HF 3180](#), Jordan: Bill prohibits PFAS in certain home and commercial furnishings.
- [SF 3308](#), Bigham/[HF 3601](#), Huot: Bill authorizes expanded use of tracking devices during stolen vehicle investigations.
- [SF 3322](#), Coleman: Bill modifies the open meeting law, removing the requirement that a member of the body participate from a location that is open and accessible to the public.

[SF 3324](#), Coleman: Bill authorizes a portion of the senior housing units funded with housing infrastructure bonds to serve individuals of any age with intellectual and developmental disabilities.

[SF 3326](#), Marty/[HF 3075](#), Wazlawik: Bill requires notices of products containing PFAS.

[SF 3327](#), Marty/[HF 2907](#), Wazlawik: Bill prohibits PFAS in cookware products.

[SF 3328](#), Gazelka: Bill provides for bonus payments to police officers.

[SF 3329](#), Johnson/[HF 2910](#), Moller: Bill authorizes the expanded use of tracking devices during stolen vehicle investigations.

[SF 3331](#), Pappas: Bill appropriates \$30 million in bond proceeds to the Metropolitan Council for improvements to the regional parks.

[SF 3333](#), Koran/[HF 3505](#), Heinrich: Bill prohibits cities from accepting contributions from for-profit businesses or nonprofit organizations for election administration expenses.

[SF 3345](#), Dibble/[HF 3076](#), Wazlawik: Bill prohibits PFAS in apparel products.

[SF 3352](#), Mathews/[HF 3329](#), Novotny: Bill requires law enforcement agencies to report carjacking data to the commissioner of public safety and requires DPS to publish carjacking data.

[SF 3357](#), Osmek/[HF 3356](#), Johnson: Bill appropriates \$15 million for grants to local governments for body cameras. A 25 percent local match is required.

[SF 3398](#), Ruud: Bill contains a number of election provisions including voter ID requirements, provisional balloting, and requirements for polling places.

[SF 3403](#), Bigham/[HF 2906](#), Wazlawik: Bill prohibits PFAS in cosmetics products.

[SF 3414](#), Draheim: Bill preempts the process allowing voters to approve a rent control ordinance.

[SF 3420](#), Jasinski: Bill requires photo ID for voter registration and voting.

[SF 3427](#), Champion: Bill provides a grant to Build Wealth MN to establish the 9,000 Equities Fund to increase homeownership opportunities in underserved communities of color.

[SF 3435](#), Dibble: Bill requires the MnDOT commissioner to be the responsible authority for certain transit infrastructure projects.

[SF 3441](#), McEwen/[HF 2952](#), Wazlawik: Bill prohibits PFAS in ski wax products.

[SF 3476](#), Johnson/[HF 3605](#), Rasmusson: Bill establishes a program of financial assistance to extend broadband service to unserved areas; establishing a process to allow existing easements to be used for broadband service.

[SF 3481](#), Osmek: Bill abolishes the Metropolitan Council and transfers its duties to various state agencies.

[HF 3720](#) – Hassan: Bill establishes a first-generation homebuyer assistance program.

[HF 3733](#) – Noor: Bill establishes a \$15 million community wealth-building program.

[SF 3285](#), Port: Bill creates a common interest community ombudsperson.

[SF 3324](#), Coleman: Bill authorizes a portion of the senior housing units funded with housing infrastructure bonds to serve individuals of any age with intellectual and developmental disabilities.

[SF 3414](#), Draheim: Bill preempts the process allowing voters to approve a rent control ordinance.

[SF 3427](#), Champion: Bill provides a grant to Build Wealth MN to establish the 9,000 Equities Fund to increase homeownership opportunities in underserved communities of color.

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Metro Cities News is emailed periodically to Metro Cities member mayors, councilmembers, city managers/administrators, and city staff to keep officials and staff abreast of important metro city issues.

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Metro Cities (Association of Metropolitan Municipalities)
145 University Ave W, St. Paul, MN 55103-2044
Phone 651-215-4000 · Fax 651-281-1299 · www.MetroCitiesMN.org