

# **Metro Cities News**

March 22, 2024

# Metro Cities Annual Meeting – Mark Your Calendar!

Metro Cities will hold its Annual Meeting on Wednesday, April 24<sup>th</sup> at 5:00 pm, at the Roseville Oval Skating Center Banquet Room. Please mark your calendar and plan to attend!

The meeting will feature Tom Hauser, Chief Political Reporter for KSTP- 5 as our guest speaker and will begin with a social hour with appetizers and cash bar. The event will conclude with a brief membership meeting to elect members and officers to the Metro Cities Board. RSVP to Jennifer Dorn at jennifer@metrocitiesmn.org.

# **Multifamily Zoning Preemption Bill Heard**

On Wednesday, the House Housing Finance and Policy Committee heard HF 4010 – Kozlowski that would allow multifamily residential developments to be a permitted use in any zoning district that allows for a commercial use. View the bill as amended <u>HERE</u>. Metro Cities provided opposing testimony on the bill. Thank you to Jill Hutmacher, Director of Community Development for the city of Eagan, for her testimony. The bill was passed and re-referred to the House State and Local Government Committee.

# The bill does the following:

- Defines a multifamily residential development as a single residential building with at least 13 units or a mixed-use building with commercial use on the ground floor and at least half of the usable square footage is for residential use.
- Permits a multifamily residential development in any zoning district that allows for a commercial use, except for industrial zoning districts where commercial use is not allowed, or environmental zoning districts that are located in an environmental justice area.
- Sets limits on height requirements that cities are allowed to impose.
- Limits cities from requiring no more than one off-street parking space per residential unit.
- Requires a city to permit affordable housing developments to exceed one or more maximum dimensional standards imposed by city official zoning controls as a zoning density bonus.
- Requires a city to establish an administrative review process for multifamily residential developments, subject to section 15.99.

The bill does require that developments are consistent with approved plans under chapter 103B and allows cities to require a conditional use permit if the development raises concerns related to local public health, safety and general welfare.

<u>HF 4009/SF 3964</u>, the 'missing middle' housing bills, were heard in the Housing committees and have not yet been scheduled for hearings in the House and Senate State and Local Government Committees, to which they were referred. Stay tuned for further updates on these bills.

Thank you to the many city officials who have reached out to your local legislators. This outreach is critical, and Metro Cities encourages city officials to continue reaching out to legislators to oppose these bills. To find legislators, click <a href="HERE">HERE</a>. We also encourage contacting <a href="members">members</a> of the House State and Local Government Committee, and <a href="members">members</a> of the Senate State and Local Government Committee. If you have any questions, please contact Ania McDonnell at <a href="members">ania@metrocitiesmn.org</a>.

# **Omnibus Policy Bills**

Today marks the first and second policy committee deadlines for the 2024 Legislature. Several committees are hearing and acting on omnibus policy bills this week. Below is information on omnibus policy bills advancing through the process, and provisions in bills of interest to Metro Cities.

### **Elections**

<u>HF 4772</u> (Freiberg) was passed, <u>as amended</u>, and referred to the general register. The bill contains several provisions of concern for cities as part of the Minnesota Voting Rights Act (VRA) legislation <u>heard earlier this session</u>. If passed, the bill would also allow post-secondary educational institutions to mandate counties or cities to establish polling places. The VRA language contains several provisions of concern for cities and counties.

<u>SF 4729</u> (Carlson) was passed, <u>as amended</u>, and referred to the Senate Judiciary and Public Safety Committee. The Senate bill does not contain language from the Minnesota Voting Rights Act nor post-secondary polling place language. It does contain a provision of note that would require any government that administers elections to move to a .gov domain for their website.

# Human Services Policy

HF 4392 (Fischer) was passed, <u>as amended</u>, and referred to Ways and Means. <u>SF 4399</u> (Hoffman) was passed, <u>as amended</u>, and referred to the Senate floor. Both bills contain language that would exempt group homes and assisted living facilities with licensed capacities of six or fewer individuals from local rental licensing regulations. The standalone bill containing this exemption (<u>SF 3839</u>) was heard in the Senate State and Local Government committee on Tuesday where it was laid over. Metro Cities has submitted written testimony opposing these bills as they have been considered.

# Legacy

<u>SF 5116</u> (Hawj) was passed, <u>as amended</u>, and referred to the Finance Committee. Click <u>HERE</u> to view a spreadsheet of appropriations from the various legacy funds. In addition to \$500,000 for PFAS effluent testing for municipal wastewater systems the bill contains \$3.643 million for metropolitan regional parks and trails grants.

### Public Safety

<u>HF 3614</u> (Moller) is scheduled for a hearing in the House Public Safety Committee on Friday, March 22. The bill language (contained in a DE amendment) can be found <u>HERE</u>. The Senate Judiciary and Public Safety Committee is holding a hearing on Friday, March 22, but no omnibus policy bill has been heard as of today.

### Transportation

<u>HF 3436</u> (Tabke) was passed, <u>as amended</u>, and referred to the House floor. Click <u>HERE</u> for a summary of the bill as amended. There are no items of note for cities in the House bill. <u>SF 3944</u> (Dibble) is scheduled to be heard on Friday March 22. The bill language (contained in a DE amendment) can be found <u>HERE</u>.

### Commerce

HF 4077 (Stephenson) is scheduled to be heard on Friday, March 22<sup>nd</sup>. Click <u>HERE</u> for the bill language contained in a DE amendment. This bill includes language that would allow local governments to require franchise fees from a provider furnishing broadband and to receive compensation for the use of the public right-of-way. Metro Cities <u>submitted a letter</u> in support for this provision in the bill. SF 4097 (Klein) is scheduled to be heard on Friday, March 22<sup>nd</sup>. There are no items of note for cities in the Senate bill. The bill language (contained in a DE amendment) can be found <u>HERE</u>.

# Jobs and Economic Development

SF 4027 (Champion) was passed, as amended, and referred to the Senate floor. Click <u>HERE</u> for a summary of the bill. The bill contains technical changes to the Innovative Business Development Public Infrastructure Program, as well as a minor technical change to the Job Creation Fund. You can find the bill language (contained in a DE amendment) <u>HERE</u>.

#### Environment

<u>SF 2904</u> (Hansen) was passed, <u>as amended</u>, by the House Environment and Natural Resources committee and referred to the House floor. <u>SF 3631</u> (Hawj) was passed, <u>as amended</u>, and referred to the Senate floor. Neither bill contains any major provisions of note for cities.

### House and Senate Housing Committees Hear Bills to Increase HIBs

This week, the House and Senate Housing Committees heard <u>HF 4194</u> (Howard) / SF <u>4158</u> (Port), a bill that authorizes an additional \$500 million in Housing Infrastructure Bonds. The bill includes recapitalization, which is financing to address the physical and financial needs of a distressed building, as an eligible use. Metro Cities <u>submitted a letter</u> in support of the bills. Bills were laid over for possible inclusion in an omnibus Housing Finance bill.

### **Omnibus Tenant Protection Bills Heard in House and Senate**

On Thursday, the House Judiciary Finance and Civil Law Committee heard an omnibus landlord tenant policy bill, HF 3591 – Agbaje. View the bill HERE. The bill was amended to include language to prohibit discrimination against a tenant based on their source of income. View this language on page 8 HERE. The bill includes language that clarifies provisions from last year's omnibus tenant protections bill, protects a tenants right to call for police or emergency assistance related to mental health or health crises, clarifies that survivors of domestic violence can terminate a lease, allows for tenants to use an individual taxpayer identification number in lieu of a social security number, provides for the right for tenants to organize, and clarifies a variety of remedies for landlord violations, among other tenant protection provisions. The intention of this bill is to continue to bring parity to landlord and tenant law and to ensure tenants are adequately protected. The bill passed the committee and will go to the House floor next.

On Friday, the Senate Judiciary and Public Safety Committee heard SF 3492 – Mohamed, an omnibus landlord tenant policy bill. View the bill as amended <u>HERE</u>. This bill includes language

that provides for the right for tenants to organize, allows for tenants to use an individual taxpayer number in lieu of a social security number, among other provisions. The bill was passed and sent to the Senate floor.

# Office of Cannabis Management Bill Hearing

HF 4757 (Stephenson) was heard on an informational basis on Friday, March 22. The bill is the agency bill put forward by the Office of Cannabis Management (OCM). The legislation contains several changes to the law passed during the 2023 legislative session. The recommendations seek to: improve the application and licensing process, streamline the supply chain, strengthen social equity provisions, support market launch through early temporary licensing, accelerate the transition of hemp-derived enforcement, expand protections for medical cannabis patients, and make several technical revisions. Click HERE to view the OCM's presentation materials from Friday's hearing.

The OCM is seeking to move from a points-based system for awarding licenses to a lottery-based model. The change to a lottery system has proven to be controversial among advocates and testifiers who appeared before the committee on Friday. The temporary licenses proposed by the office would go to social equity applicants and would provide them a first-mover advantage in the new cannabis market. One other change of note is a proposed reordering of the application and licensing process so that applicants receive a provisional or temporary licenses before working with local governments to ensure compliance with local ordinances. If applicants receive local approval, they would then receive a fully endorsed OCM license. This change is intended to help applicants by not requiring they obtain property for a business before knowing if they will have a chance at receiving a license from OCM.

The House Commerce Committee chair previewed that several more cannabis bills are scheduled to be heard on Monday, March 25, with a cannabis omnibus bill expected to be moved out of committee on Wednesday. The Senate companion, <u>SF 4782</u> (Port) is scheduled for a hearing on Friday, March 22 in the Senate Commerce Committee.

Contact Mike Lund at <a href="michael@metrocitiesmn.org">michael@metrocitiesmn.org</a> or 651-215-4003 with any questions.

# **Open Meeting Law Bills Heard in Senate**

Three bills of note were heard in the Senate State and Local Government Committee this week dealing with the Open Meeting Law. SF 4461 (Mann) would allow for unlimited remote participation under the open meeting law. Metro Cities' policy calls for the ability of members to participate remotely in up to fifty percent of scheduled meetings each year without making their location open and accessible to the public as otherwise required under Minnesota Statutes § 13D.02, subd. 1. Metro Cities also supports amending the law to remove the three-times-per-year cap for medical and military exceptions. SF 4461 was laid over.

<u>SF 4297</u> (Mitchell) would require that when a public body allows the public to monitor meetings remotely, the entire meeting must be available for remote monitoring. SF 4297, as amended, was laid over.

<u>SF 4132</u> (Mitchell) would require all closed meetings to be recorded. The bill further requires a public body to identify on the record the legal issue or case being discussed prior to closing a meeting under the attorney-client privilege. The bill modifies the personal liability for intentionally violating the open meeting law by increasing the financial penalty and changes the conditions under which a member of a public body must forfeit office. Finally, the bill increases the potential

amount a plaintiff can be awarded for attorney fees and lowers the cap on attorney fees for a defendant if the court finds that the action was frivolous. This bill was passed, as amended, and referred to the Senate Judiciary committee. The bill was heard today, Friday, and laid over.

# 2024 Predevelopment and Policy Development Applications are Open

Applications for the Metropolitan Council Livable Communities Act (LCA) Pre-Development and Policy Development Programs are open. Pre-Development grants can be used to support early project activities like site design, community engagement, and mentoring for new developers. You can find more program details and the application <a href="HERE">HERE</a>. Policy Development grants can provide for up to \$50,000 to cities developing policies that support more affordable housing, dense development, economic opportunity, and/or environmental sustainability and that will help realize more equitable development outcomes. You can find more program details and the application for these grants <a href="HERE">HERE</a>.

# Met Council Hears Presentation on Changes to LCA Programs for 2025

On Monday, the Community Development Committee heard a presentation from Council staff on a proposed Livable Communities Act (LCA) program work plan for 2024 that will include a review of LCA programs and possible recommendations. The plan will include engagement with Metro Cities, and city officials through workshop sessions to provide feedback to the Council members and Council staff. Council staff shared some proposed goals for work in the interim on programs, including ensuring the alignment of the program design with the regional goals for Imagine 2050, as well as encouraging broad participation from communities in the region and reducing barriers to entry. The timeline includes the engagement sessions to be complete by the fall of 2024 in time to approve a 2025 work plan at the end of the year. View the presentation from Council staff HERE, and click HERE for more information on the proposed plan.

If you have questions, please reach out to Ania McDonnell at ania@metrocitiesmn.org.

# **FHWA Active Transportation Applications Open**

Applications are now open for the Active Transportation Infrastructure Program (ATIIP). The program was established as part of the Infrastructure Investment and Jobs Act (IIJA). It provides \$44.5 million for grants to state, regional, local, and Tribal governments to build active transportation infrastructure. Applications are **due by 11:59PM on June 17, 2024.** There are two webinars scheduled for the ATIIP which will be held on Tuesday April 9 and Wednesday April 10. Click <u>HERE</u> to access the ATIIP web page, which contains more information on the program, links to the notice of funding opportunity, and registration links for the webinars.

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

### **Transportation Advisory Board Meeting**

The Transportation Advisory Board (TAB) met on Wednesday for their regular meeting. After acting on two business items, the bulk of the meeting was taken up by several information items of note.

See below for links to presentations from each information item:

- Regional Solicitation Workgroup Updates
- State-Aid Project Update
- Arterial Bus Rapid Transit Update
- 2050 Transportation Policy Plan Update
- Transportation GHG Emissions Impact Mitigation Working Group Report

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

### **Bills of Note**

<u>HF 4988</u>, Kraft/<u>SF 5099</u>, Morrison: Bill makes several changes to laws passed last year regarding greenhouse gas emissions assessment and mitigation.

<u>HF 5006</u>, Engen/<u>SF 5016</u>, Johnson: Bill prohibits political subdivisions from regulating transportation network companies.

<u>HF 5011</u>, Lislegard/<u>SF 4876</u>, Hauschild: Bill makes several changes to state law with regard to project permitting, environmental review, and interjurisdictional coordination.

<u>HF 5015</u>, Mekeland/<u>SF 4764</u>, Lucero: Bill provides for a refundable exemption for construction materials used for residential housing.

<u>HF 5032</u>, Bahner: Bill establishes a work group on common interest communities and homeowners associations.

<u>HF 5038</u>, Curran: Bill requires cities and counties to create policies regarding homeless encampments, provides for policy requirements.

<u>HF 5070</u>, Anderson, P.E./<u>SF 5145</u>, Duckworth: Bill repeals the regional transportation sales and use tax, the metropolitan region sales and use tax, the local affordable housing aid, and the retail delivery fee.

<u>HF 5103</u>, Robbins/<u>SF 5079</u>, Nelson: Bill modifies cannabis labeling requirements.

<u>HF 5104</u>, West/<u>SF 5139</u>, Kreun: Bill provides a distribution of the state general levy to "low-aid" municipalities.

<u>HF 5105</u>, Sencer-Mura: Bill establishes requirements on encampments in trunk highway rights-ofway.

<u>HF 5114</u>, Elkins: Bill authorizes several financing mechanisms for local governments to pay for transportation infrastructure.

HF 5138, Skraba/SF 4717, Jasinski: Bill allows the use of small cities assistance funds, larger city assistance funds, and regional sales tax revenue for local government debt obligations.

SF 4998, Port/HF 4536, Howard: Bill creates a housing infrastructure grant program to award grants to cities of up to 50 percent of the capital costs of public infrastructure to increase the residential density of cities. Bill provides for no more than \$30,000 per lot for single-family, duplex, triplex or fourplex housing developed and no more than \$180,000 per lot for multifamily housing with more than four units per building. A bill for an act relating to housing; establishing a housing infrastructure grant program; appropriating money.

<u>SF 5034</u>, Koran: Bill modifies orderly annexation and detachment provisions.

<u>SF 5043</u>, Mohamed/<u>HF 4207</u>, Hanson, J.: Bill requires that every public safety answering point maintain a program for the identification of a person in need of mental health crisis services, provides for civil remedies against governments who fail to comply, provides for personal liability of individuals responsible for operating public safety answering points who intentionally violate this section.

<u>SF 5069</u>, Pha: Bill requires a city to provide a copy of the attorney general's landlord-tenant guide at the issuance or renewal of a rental license, either electronically or physically, depending on how the rental license is renewed.

<u>SF 5077</u>, Howe/<u>HF 5071</u>, Schultz: Bill prohibits local governments (among others) from passing immigration law enforcement noncooperation ordinances and policies.

<u>SF 5096</u>, Westrom/<u>HF 5094</u>, Franson: Bill prohibits a sanctuary city from prohibiting a public safety official or employee from inquiring about a person's citizenship or immigration status, cooperating with federal officials charged with enforcing immigration laws, providing or receiving information from federal officials, or from exchanging citizenship and immigration status data with federal, state, or local government entities. The bill also prohibits sanctuary cities from receiving state aid.

<u>SF 5122</u>, Pha: Bill prohibits sellers of single-family homes from accepting offers from persons other than owner-occupants, nonprofit organizations, or government entities for the first 14 days of the listing.

<u>SF 5161</u>, Pappas: Bill requires a notice to be posted on property receiving state bond proceeds stating that the project was funded with state taxes collected statewide.

<u>SF 5163</u>, Pha/<u>HF 4440</u>, Agbaje: Bill requires landlords to provide just cause for terminating a tenancy.

**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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