

# Metro Cities News March 28, 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.

## Leaders Agree to Global Budget Targets

Governor Walz and legislative leaders in the majority parties have agreed to global spending targets that include \$544 million in new general fund spending for FY24-25 and FY26-27. This amount is higher than what was proposed in the Governor's supplemental budget that included \$227.1 million in new spending. Spending targets are allocated by budget areas and for some specific items, including \$16 million for Emergency Medical Services (EMS) aid. Committees will consider how to allocate spending targets over the next few weeks. To see the global targets, click <u>HERE</u>.

## Legislature Recesses Until April 2

Last Friday, March 22, marked the first and second committee deadlines for policy bills. The Legislature is now in recess until next Tuesday, April 2<sup>nd</sup>. The deadline for finance and appropriations bills is Friday, April 19. The number of introduced bills for this biennium now tops 10,000, a state record. Metro Cities publishes a "Bills of Note" section in each newsletter on recently introduced bills that have potential significance for metropolitan cities.

Metro Cities appreciates the outreach by city officials on a number of bills that would be highly consequential for metropolitan cities, and local decision-making authority, particularly bills that preempt local zoning and land use decision making, public processes and other local considerations. Your continued outreach will be very important over the next several weeks as bills are further considered.

## Infrastructure Advisory Council Bill Heard

On Tuesday, the House and Senate State and Local Government Committees heard HF <u>4025</u> – Koegel /<u>SF 4108</u> – Hauschild, which would establish a Minnesota Advisory Council on Infrastructure. This would be a non-regulatory, advisory council responsible for the future of Minnesota's infrastructure and provides for its management, coordination, and investment as well as requiring a plan for statewide asset management. Both bills were <u>amended</u> to move the advisory council from a small independent office to the Department of Administration to bring down the cost of the bill. HF 4025 was passed and sent to the House Ways and Means Committee. SF 4108 was laid over for possible inclusion in an omnibus State and Local Government bill.

#### **Bill Exempting Cities' Comprehensive Plans from MERA Heard**

<u>SF 4183</u> – Fateh was heard on Tuesday in the Senate State and Local Government Committee. The bill provides that elements of a city's comprehensive plan that authorize increased residential density are exempt from review under the Minnesota Environmental Rights Act (MERA). Recent litigation, if successful, could require local comprehensive plans to meet the standards of the Minnesota Environmental Rights Act (MERA). Metro Cities <u>submitted a letter</u> to the Committee in support of the bill. The bill was laid over for possible inclusion in an omnibus State and Local Government bill. The companion bill, <u>HF 4028</u> – Jordan has been heard in the House Environment and Natural Resources Finance and Policy Committee.

## Bill Removing Prohibition on Banning Merchant Bags Heard

On Tuesday, the House State and Local Government Committee heard <u>HF 3345</u> – Jordan which repeals the current prohibition on local governments from imposing a ban on the use of paper, plastic, or reusable bags for packaging for a good purchased from local merchants. Metro Cities <u>submitted a letter</u> that supports local decision-making authority. The bill was laid over for possible inclusion in an omnibus State and Local Government bill.

# FAQ for Local Affordable Housing Aid

Minnesota Housing has published a <u>Frequently Asked Questions</u> document about the Local Affordable Housing Aid Program. The FAQ provides details on reporting requirements, qualifying projects and expenses, affordability requirements, ineligible uses, and others. Minnesota Housing plans to continually update this document as they receive more questions and continue to get clarification on the program.

To learn more information about the Local Government Housing programs, you can visit the Local Government Housing Programs <u>webpage</u>. You can also <u>sign up for updates</u> on the Local Government Housing Programs to get the latest news.

Questions? Please contact Ania McDonnell at ania@metrocitiesmn.org.

# Legislative Auditor Releases Report on Down Payment Assistance Programs

On Wednesday, the Office of the Legislative Auditor released an evaluation report on the Minnesota Housing Finance Agency's down payment assistance programs. The goal of the evaluation was to assess the goals of the down payment assistance programs, to what extent the agency has met them, how Minnesota Housing establishes requirements for the programs, how it ensures compliance, and how these programs compare to those in other states. The report found that Minnesota Housing has generally performed well in implementing the programs but recommends some improvements. Recommendations include establishing priorities for the programs, establishing policies to better protect participating home buyers from unreasonable fees and closing costs, and instituting penalties for inadequate performance in loan servicing contracts. View a summary of the report <u>HERE</u>, and the full report <u>HERE</u>.

# **Bills of Note**

<u>HF 5141,</u> Zeleznikar: Bill provides for the placement of automated license plate readers in trunk highway rights-of-way.

<u>HF 5144</u>, Howard/<u>SF 4724</u>, Rest: Bill makes technical clarifying changes to the class 4d(1) low-income rental housing language.

<u>HF 5152</u>, Vang: Bill renames the Office of Broadband Development to the Office of Broadband Development and Digital Equity, modifies the duties and reporting requirements of the office, establishes a multifamily dwelling grant program, and appropriates funding.

<u>SF 5177</u>, Pratt: Bill allows employers to request a refund of special assessments for employee training.

<u>SF 5190</u>, Gruenhagen: Bill allows local units of government to collect unpaid service charges for certain sewer projects as special assessments.

<u>SF 5194</u>, Klein: Bill proposes a refundable credit for the conversion of underutilized buildings and allows for grants in lieu of the credit.

<u>SF 5218</u>, Putnam/<u>HF 5170</u>, Brand: Bill provides funding to the Department of Employment and Economic Development to contract with a vendor of child care business management solutions.

<u>SF 5221</u>, Housley/<u>HF 4435</u>, Myers: Bill prohibits state agencies from promulgating rules increasing costs of residential construction by more than \$3,000 per unit.

<u>SF 5224</u>, Draheim: Bill requires consultation and reports on economic development or workforce grants that exceed \$500,000.

**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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