

Metro Cities News

April 25, 2024

Metro Cities Annual Meeting and Board Elections

Thanks to all who attended Metro Cities Annual Meeting on Wednesday evening! Your presence is greatly appreciated and made for a successful meeting and event.

Metro Cities' President Jay Stroebel presided over the elections of Board officers and members. Congratulations to Dan Buchholtz, City Administrator-Spring Lake Park and current Vice President of Metro Cities on his election as President, and to Jeffrey Dahl, City Manager-Wayzata on his election as Vice President. Metro Cities also welcomes new Board members Brad Wiersum, Mayor-Minnetonka and Tom Fletcher, Mayor-Greenwood to the Board. Terms for officers and new members begin on July 1.

Metro Cities thanks guest speaker Tom Hauser for his presentation on the legislative session and political trends.

2024 Metro Cities Policy Committees

Metro Cities 2024 policy committee process will begin with first policy committee meetings in July. Your participation is encouraged. Committees will recommend the association's legislative policies for 2025. Participation is open to member city elected officials and staff, and committee descriptions and dates are on the website. Please be sure to sign up for the committee(s) you wish to attend. This will help us keep rosters accurate. We look forward to seeing you this summer!

Omnibus Bill Updates

Adult-Use Cannabis

HF 4757 (Stephenson), the first Office of Cannabis Management (OCM) agency bill was passed, as amended, by the House with a vote of 69 to 62. The bill makes several technical and substantive changes requested by the OCM as they continue to implement the law passed last session legalizing cannabis in Minnesota.

The bill moves from a points-based system for awarding licenses to a lottery-based model. This change to a lottery system has proven to be controversial among advocates and industry representatives. 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 will then receive a fully endorsed OCM license.

The bill was amended to add language ensuring that a city or county interested in operating a municipal cannabis store will receive a license from the OCM. The bill was also changed so that a municipal store could not be counted against the population-based cap on the maximum number of licenses in each jurisdiction. Click HERE for a summary of the bill as passed by the House.

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

Economic Development

The Senate Economic Development bill, <u>SF 5289</u>- Champion, was heard in the Senate Finance Committee Friday and was amended to transfer \$3 million from the \$8 million allocated last year to the Job Creation Fund, to pay for a separate provision that provides \$3 million in PROMISE Act grants to businesses in suburban counties. The bill was passed and sent to the Senate floor.

Please contact Ania McDonnell at ania@metrocitiesmn.org with any questions.

Elections Policy

<u>HF 4772</u> (Carlson) was passed by the Senate (using the Senate language from SF 4729) with a vote of 35 to 32. The bill requires every municipality that administers elections to use a .gov domain address by June 1, 2026. The bill contains the MN Voting Rights Act, which is also in the House bill. Click <u>HERE</u> for more information on the MNVRA. Click <u>HERE</u> for a summary of HF 4772 as passed by the Senate.

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

Housing

The Senate Housing Omnibus bill, <u>SF 4158</u>– Port, was heard in the Senate Finance Committee Friday, and laid over. The bill will likely be combined with the Labor and Transportation Finance bills as an omnibus package.

The omnibus House Housing Finance bill, <u>HF 4194</u> – Howard, was heard in the House Ways and Means Committee on Wednesday. The bill was laid over and will likely be combined with the Labor and Transportation bill on Thursday, as an omnibus package.

Last week the omnibus tenant protections bill was heard on the House floor. The House amended the Senate vehicle bill to include the House language. The vehicle bill in both bodies is <u>SF 3492</u>. The bill passed the House floor with a party line vote of 68-61.

Please contact Ania McDonnell at <u>ania@metrocitiesmn.org</u> with any questions.

Judiciary and Public Safety

<u>SF 5337</u> (Latz) was passed, as amended, by the Senate Finance Committee Thursday. Click <u>HERE</u> for a summary of the bill and <u>HERE</u> for a budget spreadsheet. The bill includes funding for youth crime reduction grants, but largely does not contain provisions of note for cities.

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

Legacy Finance

HF 4124 (Lillie) was heard in the Ways and Means Committee on Wednesday and laid over. The House bill includes just over \$3 million in supplemental funding for the metropolitan area regional parks and trails system.

Transportation Finance

SF 5284 (Dibble) was passed, as amended by the Senate Transportation Committee on Friday, April 19. The bill includes \$15 million for the corridors of commerce program and \$10 million for the small cities assistance account. Amendments were adopted Friday moving additional funds to both initiatives. The bill contains several policy provisions of note including changes to the greenhouse gas mitigation language passed in 2023, local authority for the use of speed and redlight cameras, zero-emission transit buses procurement plans, language around scoping for BRT projects, and pedestrian mall authority of cities. The bill also transfers responsibility for large transit projects from the Metropolitan Council to MnDOT. The bill requires the Metropolitan Council to complete an annual financial report on all transportation revenues and expenditures.

HF 5242 (Hornstein) was passed, as amended by the House Transportation Committee late last week. The bill includes \$9 million from the general fund for small cities. It also includes changes to the greenhouse gas (GHG) mitigation language passed in 2023. Click HERE for more information on these proposed changes to the GHG law. Amendments to the bill added language related to zero-emission transit buses and BRT project scoping to the bill.

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MN Housing 2024 Round 1 Application Dates

Minnesota Housing has posted the dates for the 2024 Multifamily Consolidated Request for Proposals (RFP) and the 2025 Housing Tax Credit. The Multifamily Consolidated RFP is a competitive funding round that is offered once per year, to consolidate and coordinate multiple multifamily housing capital funding resources into one application process. You can find more information and where to apply to these programs HERE.

Key application dates are as follows:

- Tuesday, May 7th: Intent to apply deadline.
- Thursday, July 11th: 2024 Multifamily Consolidated RFP/2025 HTC Round 1 applications are due.

Solar on Public Buildings Grant Program

The Minnesota Dept. of Commerce is seeking proposals for the Solar on Public Buildings Grant Program. This funding source (\$4.3 million total) was established during the 2023 legislative session to stimulate the installation of solar energy systems on public buildings within the Xcel Energy electric service territory. Grants will be awarded for up to 70% of project costs. This is a two-step application process. Step 1: Public Building Readiness Assessment, **due Monday, June 3, 2024**. Step 2: Full Grant Application, **due Monday, September 23, 2024**. The department anticipates having at least two funding rounds for this grant program. There is a <u>public webinar</u> scheduled for April 30 at 10AM where participants can learn more about the program. Click <u>HERE</u> to view the website for Solar on Public Buildings Grant Program.

Bills of Note

HF 5394, Finke/SF 4615, Pha: Bill creates a right to house youth for residential tenants.

HF 5423, Kraft: Bill sets energy requirements for buildings owned by cities (among other entities).

<u>SF 5447</u>, Boldon/<u>HF 5032</u>, Bahner: Bill establishes a working group on common interest communities and homeowners associations and requires a report to the legislature.

<u>SF 5448</u>, Kunesh: Bill provides for and regulates shared-metered utility service in residential buildings.

<u>SF 5458</u>, Pha/<u>HF 4723</u>, Bahner: Bill governs the right of common interest community unit owners to speak at board meetings and proxy voting.

