

**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 would like to thank our guest speaker, *Star Tribune* CEO and Publisher Steve Grove, for joining us.

Metro Cities' President Dan Buchholtz presided over the elections of Board officers and new Board members. Congratulations to Jeffrey Dahl, City Manager-Wayzata and current Vice President of Metro Cities on his election as President, and to Laurie Hokkanen, City Manager-Chanhassen on her election as Vice President. Metro Cities also welcomes new Board members Ryan Evanson, Councilmember-Fridley, Tom Fischer, Mayor-Little Canada, Gary Hansen, Councilmember-Eagan, Brad Larson, City Administrator-Savage, and Charlie Yunker, City Manager-St. Anthony to the Board. Terms for officers and new members begin on July 1.

**Omnibus Budget Bills Update**

This week, legislators returned from their recess and the schedule has focused on hearing a range of budget bills in the Senate Finance and House Ways and Means Committees. Taxes and capital investment omnibus bills have yet to be released. Below is a summary on the status and activity of omnibus budget bills of interest to Metro Cities.

*Housing*

This week, [SF 2298](#) – Port, the omnibus Senate Housing budget bill was heard on the Senate floor. The bill has a \$3 million target for state housing programs. View a detailed funding spreadsheet [HERE](#). During the floor session, the bill was amended to limit rental increases for projects awarded Low Income Housing Tax Credits, to limit rent increases by the lesser of the percent change in the Consumer Price Index, or the percent change in the area median income for a household size of four. This would be effective August 1, 2025. The bill was also amended to include additional reporting requirements for the Community Based First Generation Homebuyers Downpayment Assistance Program. The bill passed off the Senate floor 40-24.

The House Ways and Means Committee heard [HF 2445](#) – Igo, the omnibus Housing budget bill, this week. The bill includes \$10 million in additional one-time funding for the Challenge program, \$500,000 for a tenant education and hotline service, and authorization of an additional \$100 million in Housing Infrastructure Bonds (HIBs). View a summary of the bill [HERE](#), and a spreadsheet [HERE](#).

Metro Cities has significant concerns with policy language in the bill that proposes to prioritize competitive development program awards for all Minnesota Housing Finance Agency (MHFA) programs. MHFA would be required to develop a scoring system to allocate additional points for applications that meet the criteria for prioritization. The proposed priority criteria include that: a city allows for the development of multifamily housing in at least 75 percent of the area within the city zoned as commercial, a city allows for duplexes, ADUs, or townhouses within 75 percent of the area within the city zoned for single-family and applies an identical administrative approval process to a single-family dwelling, a city does not have parking mandates greater than one stall per unit of housing for single family or multifamily developments, a city does not mandate lot sizes larger than one-eighth of an acre and a city does not place aesthetic mandates on new

home construction in single-family housing. This includes exterior finish materials or minimum garage square footage.

Metro Cities [submitted a letter](#) to the committee stating that prioritizing state housing funding toward highly restrictive as well as ambiguous criteria would impede many cities in accessing funding for a range of housing programs.

Some committee members expressed concerns with the ability of cities across the metropolitan region and state, to compete for funds and significant infrastructure challenges. Metro Cities is also seeking feedback from cities on this language. Please contact Ania McDonnell, at [ania@metrocitiesmn.org](mailto:ania@metrocitiesmn.org) if you have any thoughts or feedback you wish to share.

The committee took up the Senate file, SF 2298, then amended the House bill language onto it, and sent it to the House floor.

### *Economic Development*

The Senate Finance Committee heard [SF 1832](#) – Champion this week, the omnibus Jobs and Economic Development budget bill. View a detailed spreadsheet [HERE](#). The bill includes base funding for the Minnesota Investment Fund, Redevelopment Grant Program, Job Skills Partnership Program, and Job Creation Fund. The bill was passed and sent to the Senate floor.

The House Workforce, Labor, and Economic Development Finance and Policy Committee still has not released their omnibus budget bill, which is one of the few bills left to be unveiled by a committee. We are expecting the bill to be released soon.

Contact Ania McDonnell at [ania@metrocitiesmn.org](mailto:ania@metrocitiesmn.org) with any questions.

### *Adult-Use Cannabis*

As of 4/25, [SF 2370](#) (Dibble) is waiting for a vote by the full Senate. Click [HERE](#) for a summary of the Senate bill. The House companion, [HF 1615](#) (Stephenson), was heard and passed by the Ways and Means Committee on 4/22. Click [HERE](#) for a summary of the house bill. Both bills authorize municipalities to hold both a lower-potency hemp business license and an adult-use cannabis retailer license.

Contact Mike Lund at [michael@metrocitiesmn.org](mailto:michael@metrocitiesmn.org) with any questions.

### *Environment*

[SF 2077](#) (Hawj), the Senate environment and natural resources finance and policy bill is awaiting a hearing in the finance committee. The bill contains funding for metropolitan area parks and a small amount for the ReLeaf program. The bill increases water appropriation permit fees and makes changes to scoring criteria for water infrastructure financial assistance programs. Click [HERE](#) for a summary of the bill and [HERE](#) for the budget spreadsheet.

[HF 2439](#) (Heintzeman), the House environment and natural resources bill, was heard and laid over by the Ways and Means committee on 4/22. The bill contains base funding for the metropolitan regional parks and trails. Click [HERE](#) for a summary of the bill and [HERE](#) for the budget spreadsheet.

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### *Legacy*

[HF 2563](#) (Vang), the House Legacy finance bill was passed by the Ways and Means Committee on 4/22. The bill includes funding for Metropolitan regional parks and trails. Testifiers representing metropolitan parks, state parks, and greater Minnesota parks all raised concerns about a nonprofit

organization having some funding come out of the parks and trails fund. Click [HERE](#) to view the House Legacy spreadsheet. This bill is scheduled for consideration on the House floor on Friday, 4/25.

[SF 2865](#) (Hawj), the Senate Legacy finance bill, was passed, as amended, by the Finance Committee on 4/22. Click [HERE](#) for the associated budget spreadsheet.

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#### *State and Local Government and Elections*

[SF 3045](#) (Xiong), the Senate state and local government finance and policy bill was passed, as amended, by the finance committee and sent to the floor. The state government bill contains several provisions of note for cities. It amends the open meeting law to allow unlimited remote participation in meetings without making one's location accessible to the public (removing the three times per year cap). The bill also repeals a section of state law that currently prohibits cities and other local governments from banning stores from providing disposable plastic or paper bags. Finally, the bill includes language regarding public meeting posting requirements in a qualified local paper. Click [HERE](#) for the budget spreadsheet.

Before being sent to the floor, SF 3045 was amended to include the contents of [SF 3096](#) (Westlin), the Senate elections budget and policy omnibus bill. The elections bill includes \$200 thousand to match federal Help America Vote Act dollars and several changes to election administration law. Click [HERE](#) for the elections budget spreadsheet.

SF 3045, the combined state and local government and elections bill is scheduled for consideration on the Senate floor on Friday, 4/25.

[HF 2783](#) (Klevorn), the House state government finance bill, was laid over, as amended by the Ways and Means committee on 4/23. Click [HERE](#) for a summary of the bill and [HERE](#) for a budget spreadsheet.

[HF 2098](#) (Freiberg), the omnibus local government policy bill is waiting to be voted on by the full House. The bill includes changes to parts of Minnesota law that deal with investigation or complaint data that is made public and the definition of "public official" (including those working for the Metropolitan Council) in that context. The House bill also contains language regarding public notice requirements for cities when no qualified newspaper is available. The bill contains language that requires cities to provide a copy of the attorney general's landlord-tenant guide to landlords being issued a rental license or having a license renewed.

[HF 1943](#) (Freiberg), the elections finance and government operations finance bill, was heard and laid over by the Ways and Means committee on 4/24. The bill includes some operating adjustments for the Secretary of State's office and the Campaign Finance Board. It also appropriates \$200 thousand to match federal Help America Vote Act dollars. Click [HERE](#) for a summary of the finance bill and click [HERE](#) for the budget spreadsheet. The contents of [HF 1378](#) (Freiberg), the omnibus elections policy bill were amended into the finance bill by the committee before passing the bill out to the floor. Click [HERE](#) for a summary of the policy provisions in the bill.

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#### *Public Safety*

[SF 1417](#) (Latz), the Senate judiciary and public safety budget and policy bill was passed, as amended, by the Senate finance committee on 4/25. Click [HERE](#) to view a summary of the bill as it came into the finance committee. Click [HERE](#) to view the budget spreadsheet.

[HF 2432](#) (Novotny/Moller), the House public safety budget bill was passed, as amended, by the Ways and Means committee on 4/22. The bill includes funding for officer training reimbursement, radio and other equipment grants, and necessary funding for the maintenance of the statewide Allied Radio Matrix for Emergency Response (ARMER) system. The contents of HF 2300 (Scott), the House judiciary bill was amended into HF 2432 before it was moved to the floor. Click [HERE](#) for the budget spreadsheet for HF 2432. Click [HERE](#) for a summary of the public safety and judiciary finance bill. This bill is scheduled for consideration on the House floor on Friday, 4/25.

[HF 1354](#) (Moller), the omnibus public safety policy bill is scheduled for consideration on the House floor on Friday, 4/25. Click [HERE](#) for a summary of the bill.

Contact Mike Lund at [michael@metrocitiesmn.org](mailto:michael@metrocitiesmn.org) or 651-215-4003 with any questions.

#### *Transportation*

[SF 2082](#) (Dibble), the omnibus transportation finance and policy bill is scheduled to be heard in the finance committee on 4/25. The bill appropriates federal funds for state road construction, authorizes \$100 million in trunk highway bonds, increases the base for the corridors of commerce program, cuts the base general fund appropriation for transit in the metropolitan area and temporarily decreases the percentage of auto parts sales tax revenue allocated to the Highway User Tax Distribution Fund, which impacts municipal state aid amounts.

The bill also earmarks funding from the metropolitan regional sales tax for improvements to the Washington Avenue Bridge and several Transportation Management Organizations (TMOs). Finally, the bill includes modified language from a bill addressing state-aid engineering design standards and the variance request process. Click [HERE](#) for a summary of the bill and [HERE](#) for the budget spreadsheet.

[HF 2438](#) (Koznick), the omnibus transportation finance and policy bill was passed, as amended, by the Ways and Means committee on 4/23. The bill includes increases in state road construction funding, funding for the Corridors of Commerce program, \$15 million each year for Transportation Economic Development Program, \$10 million in FY2026 for the Local Government Road Wetland Replacement Program, and compensation for deputy registrars and driver's license agents completing no-fee transactions. The bill also cuts general fund appropriations for metropolitan area transit operations. Finally, the bill delays the implementation of greenhouse gas emissions reduction legislation passed in the previous biennium. Click [HERE](#) for a summary of the bill and [HERE](#) for a budget spreadsheet.

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### **2025 Metro Cities Policy Committees**

Metro Cities 2025 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 2026. 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!

## Bills of Note

[HF 3193](#), Coulter: Bill allows a TIF authority to stop payments after finding that a developer, contractor, or subcontractor has violated state or municipal labor law.

[HF 3237](#), Roach/[SF 3424](#), Lieske: Bill prohibits the addition of fluoride in drinking water.

[SF 3412](#), Howe: Bill limits the period of time that an employer must provide health insurance coverage for peace officer and firefighter duty disability benefits.

[SF 3414](#), Frentz: Bill allows for sports betting and prohibits local restrictions.

[SF 3418](#), Gustafson: Bill requires cities over 10,000 in population to enact zoning changes related to residential density and permitted uses, limits city aesthetic requirements, allows for cities to charge street impact fees.

[SF 3429](#), McEwen/[HF 3179](#), Jones: Bill requires certain municipal buildings to meet specific energy efficiency standards.

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