



Housing Policy at the #mnleg

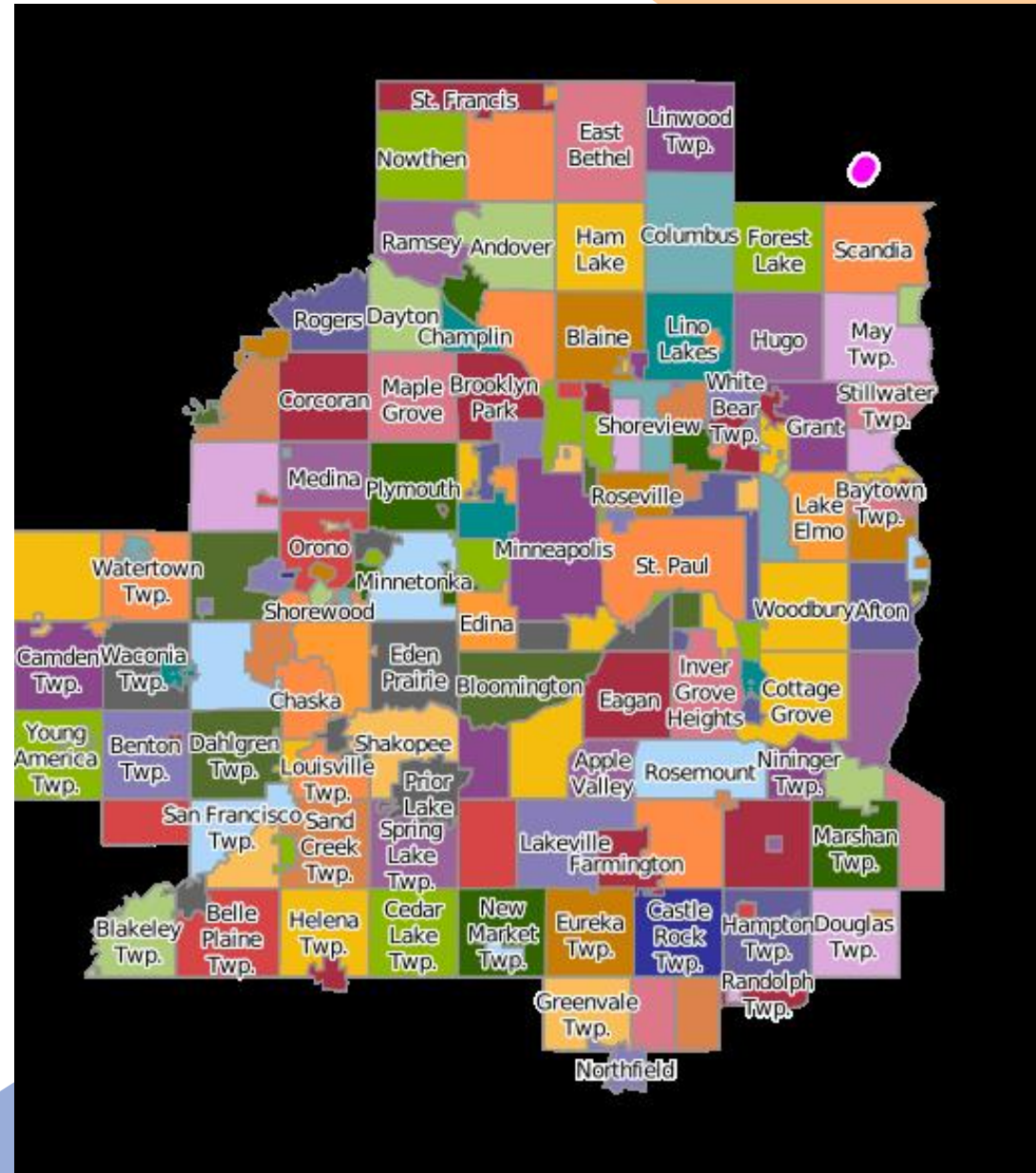
Charlie Vander Aarde
Metro Cities

Metro Cities

- Mission is to advance the shared interests of all metropolitan cities at the Executive Branch, Legislature and Metropolitan Council
- Metro Cities is the only metro-wide entity that lobbies and monitors the Metropolitan Council, and the only region-wide organization representing cities before the Legislature and Executive Branch.
- Metro Cities represents 92 member cities, comprising over 90% of the region's population, including the core cities, inner ring and developing communities.

Metro Cities

Regional
association in
the seven-
county metro



Governor Dayton's Task Force on Housing 2017-2018



RECOMMENDATIONS

- Build More Homes - Build 300,000 new homes by 2030, across all types, prices, and locations to stabilize prices and meet demand
- Increase the capacity of local leaders to implement tools and solutions to address the home-affordability needs of their communities.
- Create a statewide review panel to evaluate regulations related to building standards, land use, and environmental stewardship for their impact on housing affordability.

Legislature => 2 Committees

Legislative Commission on Housing Affordability

Established by the legislature in May 2019

Bicameral, balanced partisan membership

Legislative Commission Charge

- **The Legislative Commission on Housing Affordability was established in 2019 to:**

1. define housing affordability and study issues relating to housing affordability and the construction, preservation, and rehabilitation of owner-occupied and rental housing, including subsidized housing, existing and future government regulations impacting housing;
2. review and provide the legislature with research and analysis of emerging issues affecting housing affordability and homeownership access, including but not limited to construction work force, innovation, building practices, and building material costs;

3. review and provide the legislature with research and analysis of policies to reduce the homeownership equity gap; and
4. review and make recommendations on legislative and rulemaking proposals positively impacting personal housing affordability, access to homeownership, and other related barriers to homeownership, especially with regard to first-time homebuyers and economically disadvantaged buyers and renters.

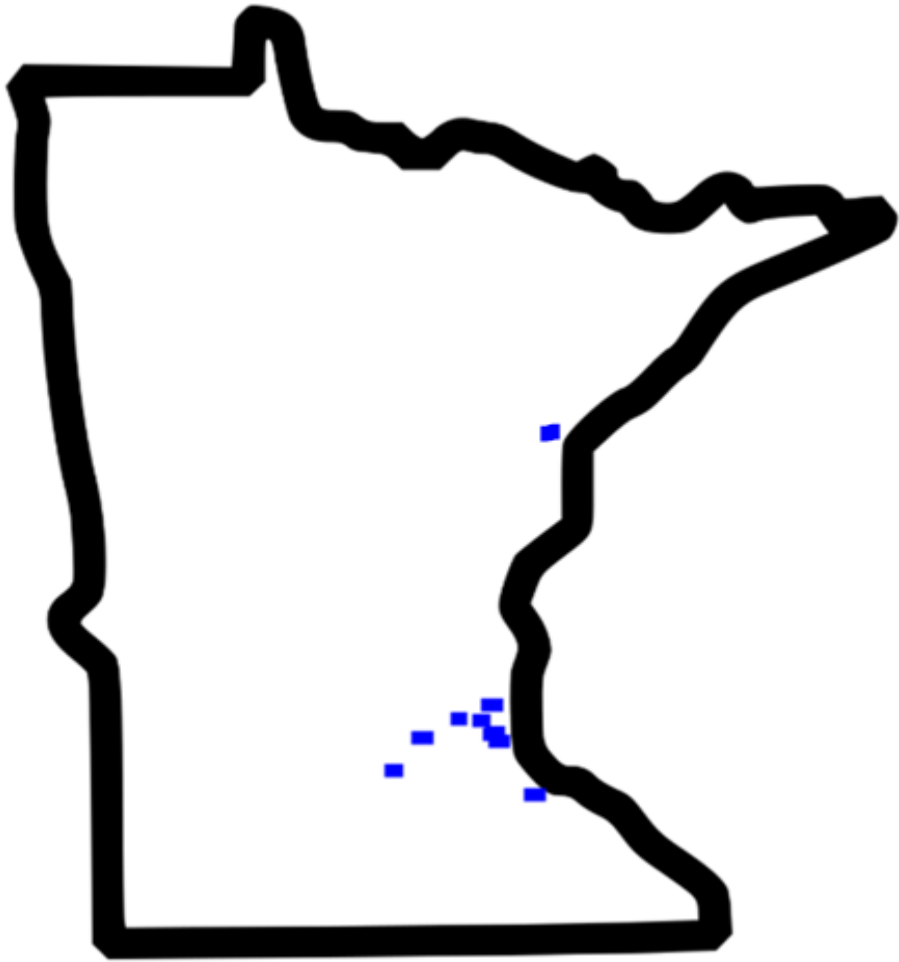
(Minnesota Special Session Laws 2019,
Chapter 10, Article 2, Section 2)

Legislative Commission on Housing Affordability

No meetings to date

First meeting expected October 2019

Legislative Commission Members



Rep. Peter Fischer (Chair, Maplewood)

Rep. Kaohly Her (St. Paul)

Rep. Jim Nash (Waconia)

Rep. Barb Haley (Red Wing)

Sen. Rich Draheim (Madison Lake)

Sen. Karin Housley (St. Mary's Point)

Sen. Erik Simonson (Duluth)

Sen. Kari Dziedzic (Minneapolis)

Senate Select Committee on Home Ownership Affordability and Availability

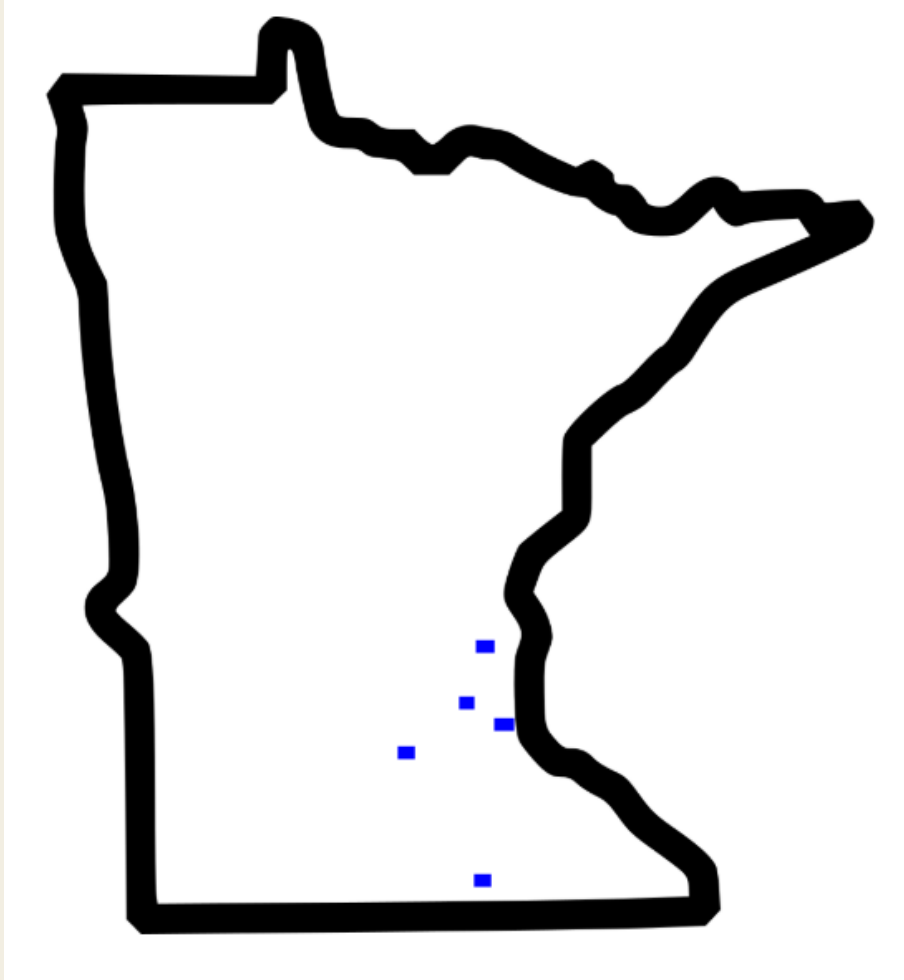
Established by the legislature in May 2019

Senate only - 3 GOP, 2 DFL members

Senate Select Committee Charge

- Established to make findings and recommendations to the Senate regarding issues affecting the availability of affordable owner-occupied housing.
- Senate Resolution 101, adopted May 14, 2019.
- The Select Committee shall be dissolved upon the adjournment sine die of the 2020 Senate, 91st Session.

Senate Select Committee Members



Senator Rich Draheim (Chair, Madison Lake)

Senator Kari Dzieczic (Minneapolis)

Senator Mark Koran (North Branch)

Senator Dan Sparks (Austin)

Senator Karin Housley (St. Mary's Point)

Senate Select Committee Activities to Date

- August 13
 - Statistics from Minnesota Housing – future demographic changes, homeownership disparities, barriers to homeownership
 - Presentations on Priced Out paper by BATC and Realtors - housing affordability and availability, sales trends, housing stock
 - Builders discussed state codes and land cost
 - Realtors noted flat household incomes have contributed to affordability challenges, with incomes not keeping pace with home prices

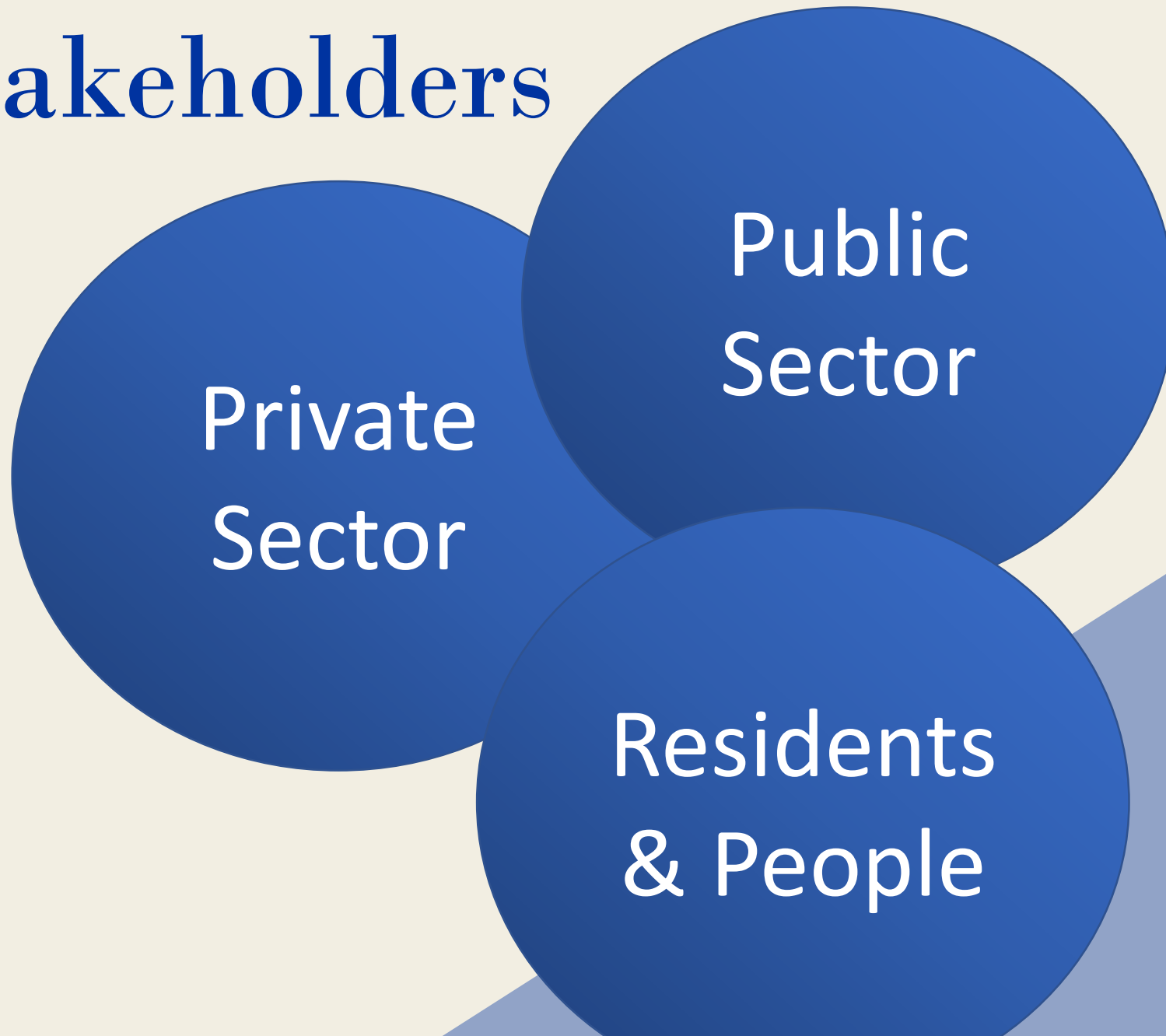
Senate Select Committee Activities to Date

- September 10
 - Site Visit to New Residential Development, Land Trust model
 - Presentation on Fee paper by BATC – limited 5-year lookback
 - City Roles in Housing – telling the city story (Lakeville, Cambridge, Corcoran, Metro Cities, League of MN Cities), who pays for growth, cost recovery via fees

Senate Select Committee Activities to Date

- Future Meetings
 - Site Visit to Manufactured Home Factory
 - Testimony by Additional Stakeholders

Stakeholders



Telling the City Story

LEAGUE OF MINNESOTA CITIES
Four Kinds of City Development Fees
www.lmc.org/development

1. Safety/Inspection
These costs are related to the review and inspection of development in accordance with state and local standards to ensure the safety and well-being of residents.
Examples: Engineering, plan review, building permit fees

2. Infrastructure
Construction of public streets, sidewalks, curbs, and drainage are needed to support new development. These fees are used instead of charging special assessments or increasing property taxes for existing property owners.
Examples: Infrastructure, street improvement, stormwater fees

3. Utilities
These fees provide for services like water and sewer for residents in the new development. They cover the costs of the new connection or increased capacity.
Examples: Sewer/water connection fees, water availability charges (WAC), sewer availability charges (SAC)

4. Park and Recreation
These fees may be required of a developer instead of dedicating private land for public park and recreation purposes. Use of these fees reflects a community's goals to protect the environment and improve quality of life.
Examples: Park dedication, tree preservation, trail fees

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Cities help developers transform unimproved land into safe and enjoyable housing for new residents!

- Educate policymakers and the public on how and why cities work with developers to manage city growth.
- Ensuring new developments are safe and meet local goals.
- Determine who will pay for growth.

To Learn More

@MetroCitiesMN

Legislative Commission: www.lcc.leg.mn/lcha

Legislative Hearing Schedule: www.leg.state.mn.us/cal

How Development Works in a City: www.lmc.org/development