2025 Housing & Economic Development Committee Members

Brett Angell	Community Development Director	Rogers
Karen Barton	Community Development Director	St. Louis Park
Tim Benetti	Community Development Director	Apple Valley
Josh Berg	Councilmember	Elko New Market
Megan Bergstrom	Councilmember	Savage
Jenn Brewington	Community & Economic Development Director	Victoria
Connie Buesgens	Councilmember	Columbia Heights
Heather Butkowski	City Administrator	Lauderdale
Aaron Chirpich	City Manager	Columbia Heights
Kissy Coakley	Councilmember	Minnetonka
Jeffrey Dahl	City Administrator	Woodbury
Samantha DiMaggio	Economic Development Manager	Chanhassen
Ryan Evanson	Councilmember	Fridley
Inderia Falana	Government Relations Representative	Minneapolis
Mitchell Forney	Community Development Director	Columbia Heights
James Fritts	Housing & Economic Development Coordinator	Woodbury
Ryan Garcia	City Administrator	South St. Paul
Andrew Gitzlaff	Community Development Director	Oakdale
Ben Gozola	Asst. Director of Community Assets and Development	New Brighton
****Shannon Guernsey**	Executive Director	Minnesota NAHRO
Janice Gundlach	Community Development Director	Roseville
Maurice Harris	Councilmember	Golden Valley
Stephanie Hawkinson	Affordable Housing Development Manager and Planning	Edina
Clint Hooppaw	Mayor	Apple Valley
Steven Huser	Government Relations Representative	Minneapolis
Cheryl Jacobson	City Administrator	Mendota Heights
Rachel James	Councilmember	Columbia Heights
****Beth Johnston**	IGR Representative	League of MN Cities
****Daniel Lightfoot**	IGR Representative	League of MN Cities
Holly Masek	Port Authority Administrator	Bloomington
Paul Mogush	Planning Director	Brooklyn Park
Loren Olson	Senior Government Relations Representative	Minneapolis
****Hannah Pallmeyer**	Government Affairs Liaison	Metropolitan Council
Danette Parr	Community Development Director	Maplewood
Eric Petersen	IGR Associate	St. Paul
Julie Pointner	Councilmember	Plymouth
Rebecca Schack	Councilmember	Minnetonka
Cara Schulz	Councilmember	Burnsville
Eric Searles	Asst. Community Development Director	Woodbury
Alex Sharpe	Planner & Economic Development Specialist	Apple Valley
Tracy Shimek	Housing & Economic Development Coordinator	White Bear Lake
Lori Sommers	Senior Planner	Plymouth
Mike Supina	Councilmember	Eagan

Jeff Thomson	Community Development Director	Burnsville
Katie Topinka	IGR Director	Minneapolis
Julie Urban	Housing & Redevelopment Manager	Richfield
Jason Wedel	City Manager	Prior Lake
Kimberly Wilburn	Councilmember	Minnetonka
****Pierre Willette**	Senior Government Relations Representative	League of MN Cities
****Owen Wirth**	IGR Representative	League of MN Cities
***Julie Wischnack**	Community Development Director	Minnetonka

*Committee Chair **Guest/Non-City Official

METRO CITIES
Association of Metropolitan Municipalities

August 20, 2025

TO: Housing and Economic Development Policy Committee Members
FROM: Julie Wischnack, Community Development Director, City of Minnetonka
SUBJECT: Meeting Notice and Agenda

Wednesday, August 27, 2025
1:00 p.m. – 3:30 p.m.
Virtual Meeting: Zoom
Join Zoom Meeting:

- Thank you for agreeing to be a policy committee member!

Attached are the materials for the second Housing and Economic Development Policy Committee meeting. Please take the time to read through the policies before the meeting and come with your ideas and suggestions.

AGENDA

1. Call to order. (Julie Wischnack, Chair)

2. Approval of minutes for the July 30, 2025, meeting.

3. Presentation and Q&A: ***Annie Reierson and Jennifer Bergman, Minnesota Housing Finance Agency on Local Government Housing Programs, including Local Affordable Housing Aid***

4. Review policy committee memo. (Ania McDonnell, Government Relations Specialist)

5. Discussion of policies and suggested modifications.

   a. Policies with no recommended changes.
   b. Policies with suggested changes from staff or committee members.

6. Discuss additional suggestions for policies, and issues for future consideration.

7. Other business.

8. Adjourn. (3:30 pm)

Future Committee Meetings:
Wednesday, September 24, 2025

Housing & Economic Development Policy Committee
Meeting Minutes for Meeting of July 30th, 2025

Present: Julie Wischnack, Stephanie Hawkinson, Megan Bergstrom, Mike Supina, Kimberly Wilburn, Mitchell Forney, Clint Hooppaw, Tim Benetti, Janice Gundlach, Ben Gozola, Julie Pointner, Cheryl Jacobson, Hannah Pallmeyer, Paul Mogush, Maurice Harris, Lori Sommers, Karen Barton, Eric Petersen, Danette Parr, Daniel Lightfoot, Connie Buesgens, Priscilla Mayowa, Tracy Shimek, Loren Olsen, Holly Masek, Katie Topinka, Samantha DiMaggio, Andrew Gitzlaff, Eric Searles, Patricia Nauman, Mike Lund, Ania McDonnell, Jennifer Dorn.

Chair Wischnack called the meeting to order at 1:02pm. Members made introductions.

Ms. Nauman reviewed policy committee protocols and processes. Ms. McDonnell reviewed the committee memo and provided an overall legislative update.

Chair Wischnack moved to agenda item # 5. Ms. McDonnell reviewed policy updates. Ms. Hawkinson asked about the preemption bills. Discussion. Ms. McDonnell stated that Metro Cities will host a housing forum this fall, to discuss work by cities on local housing needs. Chair Wischnack noted that Minnetonka is conducting a survey of cities regarding local zoning and housing work that she will share once it is complete.

Ms. Gundlach added that Roseville is having challenges with LAHA funding and asked about discussion on further refinement and reporting requirements, and discussion on loaning this money out, as well as when it counts as being spent. Ms. McDonnell stated that she agrees with the frustration on reporting and that Metro Cities will seek to get more clarity. Ms. Bergstrom asked about monies returned to the general fund. Discussion. Ms. Topinka asked about workforce development taskforces, we have a workforce development board and in recent years the money has been spent for earmarks. Are there other cities interested in doing work for funds through DEED? Ms. McDonnell noted there is not a city official on the taskforce and would like to hear from other cities if they have similar boards. Ms. DiMaggio added the counties do have workforce boards. Mr. Petersen noted policies HED-9, HED-12, and HED-14, tax credit and vacant office buildings. How do we create more housing with vacant buildings?

Mr. Hooppaw added we are seeing vacant buildings, and this is a significant metro issue. Ms. Shimek suggested adding something about a disincentive for property owners that sit on vacant properties. Members noted the need to repeal the recent law on inspections with group homes.

Mr. Lund replied to the group homes legislation and there was legislation repealing this but did not move forward. We do have a policy GG-7 that covers this. Ms. Gundlach added that Roseville is struggling with property managers that are not managing. Can we look at the management of regulations? Mr. Lund added that we will have more discussion and work on this policy in the general government committee. Ms. Topinka added preemption bills, it is worth more discussion on these and the bills are not going away. Is there bill language we could get behind and that is reasonable and doesn't take away too much authority. Further discussion. Mr. Petersen added unsheltered and homelessness, and maybe a policy or discussion with the affordable housing aspect, could be considered. Mr. Harris said that in inner ring suburbs where there isn’t a lot of room for development, we need to continue to show what we doing. Would like to say, we are doing our part, be our partner not a disciplinarian. Chair Wischnack stated these are good points and I have talked to our own legislators about how to make this better and we are trying to get to the same place.

Chair Wischnack moved to agenda item #7 discuss new issues for future consideration and speaker suggestions. Members made suggestions, including MHFA, the U of M Extension service, Brookings, MHP, and a speaker on vacant buildings.

Chair Wischnack adjourned the meeting at 3:00 pm.

August 20, 2025

TO: **Housing and Economic Development Policy Committee**
FROM: **Ania McDonnell, Metro Cities Staff**
RE: **Housing and Economic Development Policy Committee Memo**

The next policy committee meeting will be next **Wednesday, August 27th**. ***Guest speakers from Minnesota Housing*** will present on programs administered through the Local Government Division at Minnesota Housing, including the Local Affordable Housing aid program.

Policy amendments based on discussion and staff review are included in this packet.

Based on discussion and no recommended changes, staff recommends adopting the following policies. Committee members may request a policy be pulled from this list for further discussion.

HED-1 to HED-10: Introduction	*No suggested changes*
HED-2 City Role in Affordable and Life Cycle Housing	*No suggested changes*
HED-3 Inclusionary Housing	*No suggested changes*
HED-4 Metropolitan Council Role in Housing	*No suggested changes*
HED-5 Allocation of Affordable Housing Need	*No suggested changes*
HED-6 Housing Policy & Production Survey	*No suggested changes*
HED-7 State Role in Housing	*No suggested changes*
HED-8 Federal Role in Affordable and Workforce Housing	*No suggested changes*
HED-9 Vacant, Boarded, and Foreclosed Properties and Properties at Risk	*No suggested changes*
HED-10 Housing Ordinance Enforcement	*No suggested changes*
HED-11 to HED-13: Introduction	*No suggested changes*
HED-11 Economic Development	*No suggested changes*
HED-14 Tax Increment Financing (TIF)	*No suggested changes*
HED-15 Eminent Domain	*No suggested changes*
HED-16 Community Reinvestment	*No suggested changes*
HED-17 Business Incentives Policy	*No suggested changes*
HED-18 Broadband Technology	
HED-19 City Role in Environmental Protection and Sustainable Development	*No suggested changes*
HED-20 Impaired Waters	*No suggested changes*

Staff recommends keeping the following policies open for additional review and discussion, based on comments at the first meeting.

HED-1 City Role in Housing	*Suggested policy language from White Bear Lake on rental licensing for micro-unit dwellings in sacred settlement communities.*
HED-12 Redevelopment	*Suggested change to move adaptive reuse language to a new policy (see HED-NEW).*

HED-NEW Adaptive Reuse	*Suggested language for new policy on adaptive reuse by Saint Paul, Minneapolis, and White Bear Lake.*
HED-13 Workforce Readiness	*Suggested policy language from the city of Minneapolis on funding for workforce development boards.*

Thank you for your participation in the committee process. I look forward to seeing you next week.

HED-1 TO HED-10: INTRODUCTION

While the provision of housing is predominantly a private sector, market-driven activity, all levels of government – federal, state, regional and local – have a role in facilitating the production and preservation of affordable housing in Minnesota.

Adequate affordable housing is a significant concern for the metropolitan region and effective approaches require participation from all levels of government, the private sector, and nonprofit groups.

HED-1 CITY ROLE IN HOUSING

Cities in Minnesota are responsible for most ground-level housing policy, including land use planning, code enforcement, rental licensing, and often the packaging of multi-level financial incentives. Cities are responsible for ensuring local health and safety and the structural soundness and livability of the local housing stock through building permits and inspections.

Cities are charged with providing public infrastructure to serve current and future residents and must assess the effects of a new development on parks, local roads, water, sanitary sewer, and stormwater capacities to ensure that additional needs for infrastructure are assumed by the new development and not current taxpayers. It is the city that assumes the future financial responsibility, management, and maintenance for improvements and infrastructure after a developer has completed a project.

It is also the responsibility of cities to periodically review local requirements such as land use regulations and ordinances, and make long range plans consistent with state statute, to ensure that they are consistent with these purposes. While local government financial resources constitute a relatively small portion of the total costs of providing housing, many cities take on a significant administrative burden by providing financial incentives and regulatory relief, participating in state and regional housing programs, and supporting either local or countywide housing and redevelopment authorities and community development agencies.

When a developer seeks to advance a development proposal that does not meet straight housing and mixed-use zoning codes and requirements, the developer may request a planned unit development (PUD) agreement with a city. PUDs, where appropriate, can provide zoning flexibility to develop a site that is otherwise not permitted by a city code. The use of PUDs may allow for more variety and creativity in land uses, increased density on a site, internal transfers of density, construction phasing, reduced setbacks, and a potential for lower development costs.

In the interest of adhering to local long-range plans and managing local health, safety, viability, and welfare needs, a city may request certain public benefits from a developer, including but not limited to additional open space, preservation of wooded land and environmentally sensitive areas, landscaping along major roadways, providing a mix of housing types, and enhanced design and landscaping features.

Cities may also provide a developer with credit for investments in public infrastructure greater than would be minimally required, including water, sanitary sewer, stormwater, or road infrastructure.

Metro Cities opposes any effort to reduce, alter or interfere with cities' authority to carry out these functions in a locally determined manner.

Metro Cities supports allowing cities to establish rental licensing for micro-unit dwellings in sacred settlement communities to give cities the ability to fulfill their responsibility to promote the health, safety and welfare of residents by ensuring the structural soundness and livability of these units are consistent with their rental housing inspection policies and programs. (Suggestion from the city of White Bear Lake).

Metro Cities supports exceptions to the land use timelines in Minn. Stat. § 15.99 in the event of extenuating local and state circumstances. Metro Cities supports local authority determination when exercising the use of exceptions, recognizing projects may be in different stages of approval. If a state of emergency limits the ability of city staff to complete a land use review, it should not result in de facto approval of an application.

HED-2 CITY ROLE IN AFFORDABLE AND LIFE CYCLE HOUSING

Metro Cities supports housing that is affordable and appropriate for people at all stages of life. A variety of housing opportunities are important to the economic and social wellbeing of local communities and the metropolitan region. The region faces challenges in meeting the existing and future housing needs of low and moderate-income residents.

Existing housing stock is aging, with over half older than 40 years old, according to the U.S. Census Bureau. Older housing stock can be more affordable; however, it requires investments to remain viable.

Private investors have purchased subsidized and unsubsidized rental units, made improvements, and charged higher rents that have made access to previously affordable units prohibitive for low and moderate-income residents. This investor ownership has converted owner-occupied houses to rental houses, which has impacted the ability of lower-income renters to become homeowners and build wealth. Neighbors and cities have seen a lack of investment in these rental homes that has led to the deterioration of the housing stock.

The Metropolitan Council has projected the region will add nearly 60,845 households earning up to 50 percent area median income between 2020 and 2030 that will need affordable housing. Senior households bring the number of low-income households up significantly, with the number of age 65+ households growing by 51,691 during that time- period.

Cities should work with the private and nonprofit sectors, counties, state agencies and the Metropolitan Council to ensure the best use of new and existing tools and resources to produce new housing and preserve existing affordable housing. Cities can facilitate the production and preservation of affordable and life cycle housing by:

- Applying for funding from available grant and loan programs;
- Using city and county funds to support affordable housing. This can include creating a local or regional housing trust fund to support affordable housing;
- Providing information, encouraging and incentivizing participation in the Section 8 Housing Choice Voucher program to landlords;
- Working with developers and residents to blend affordable housing into new and existing neighborhoods, including locations with access to amenities and services;
- Working with the state and Metropolitan Council to recognize the relationship between housing and mobility options, including transit and pedestrian routes;
- Periodically examining local requirements, policies and review processes to determine their impacts on the construction of affordable housing;
- Considering criteria under which a city may change its fee structure in support of additional affordable housing;
- Supporting housing options that meet a city's current and future demographics, including family size, age, mobility, and ability levels;
- Supporting housing design that is flexible, accessible and usable for residents with varied abilities at multiple stages of life;
- Supporting housing with supportive services for people with disabilities;
- Employing innovative strategies to advance affordable housing needs such as public-private partnerships or creative packaging of regulatory relief and incentives;
- Using available regulatory mechanisms to shape housing communities;
- Recognizing the inventory of subsidized and unsubsidized (naturally occurring) affordable housing, and working collaboratively with buyers and sellers of naturally occurring affordable housing to retain affordability;
- Tracking the impacts of investor-owned homes on the housing market, and enacting local strategies and policies that support home purchases by owners who reside in the homes;

- Supporting policy solutions that provide cities with tools to mitigate any negative impacts on city housing stock and prospective homebuyers due to investor-owned purchasing of homes.

HED-3 INCLUSIONARY HOUSING

While Metro Cities believes there are cost savings to be achieved through regulatory reform, density bonuses as determined by local communities, and fee waivers, Metro Cities does not believe a mandatory inclusionary housing approach can achieve desired levels of affordability solely through these steps. Several cities have established local inclusionary housing policies, in some cases requiring the creation of affordable units if the housing development uses public financial assistance or connecting the policy to zoning and land use changes. The Metropolitan Council, in distributing the regional allocation of housing need, must recognize both the opportunities and financial limitations of cities. The Council should partner with cities to facilitate the creation of affordable housing through direct financial assistance and/or advocating for additional resources through the Minnesota Housing Finance Agency.

Metro Cities supports the location of affordable housing in residential and mixed-use neighborhoods throughout a city. Metro Cities supports a city's authority to enact its own inclusionary housing policy. However, Metro Cities does not support passage of a mandatory inclusionary housing state law imposed on local governments that would require a certain percentage of units in all new housing developments to be affordable to households at specific income levels.

Metro Cities supports a clarification to state statute that statutory and charter cities may collect a payment in lieu of the inclusion of affordable housing units that will be directed to a local housing trust fund to support affordable housing preservation, development, and housing stabilization in alignment with individual city goals.

HED-4 METROPOLITAN COUNCIL ROLE IN HOUSING

The Metropolitan Council is statutorily required to assist cities with meeting the provisions of the Land Use Planning Act (LUPA) under Minn. Stat. § 473. The LUPA requires cities to adopt sufficient standards, plans and programs to meet their local share of the region's overall projected need for low and moderate-income housing. The Council's responsibilities include the preparation and adoption of guidelines and procedures to assist local government units with accomplishing the requirements of the LUPA. The Metropolitan Council also offers programs and initiatives to create affordable housing opportunities, including the Livable Communities Act programs and operation of a metropolitan housing and redevelopment authority. Unlike parks, transit and wastewater, housing is not a statutory regional system. The Metropolitan Council's role, responsibilities and authority are more limited in scope, centered on assisting local governments by identifying the allocation of need for affordable housing, projecting regional growth and identifying available tools, resources, technical assistance and methods that cities can use to create and promote affordable housing opportunities in their communities. The Metropolitan Council should work in partnership with local governments to ensure that the range of housing needs for people at various life cycles and incomes can be met. Metro Cities opposes the elevation of housing to “Regional System” status. Metro Cities supports removing the Metropolitan Council’s review and comment authority connected to housing revenue bonds under Minn. Stat. § 462C.04.

In 2014, the Metropolitan Council released its first housing policy plan in nearly thirty years. A Metropolitan Council housing policy plan should include defined local, regional, and state roles for the provision of housing in all sectors, identify the availability of and need for tools and resources for affordable and life-cycle housing, be explicit in supporting partnerships for the advocacy for state and federal resources for housing, and encompass policies, best practices, and technical guidance for all types of housing. A plan should also recognize the diversity in local needs, characteristics, and resources.

Metro Cities supports strategies such as regional and sub-regional cooperation and the sharing of best practices among local governments and other entities and partners to address the region’s affordable housing needs.

A policy plan should allow for ongoing research and analysis by the Metropolitan Council to provide communities with timely and updated information on regional and local housing needs and market trends as regional and local needs change and evolve. Metro Cities supports the solicitation and use of local data, inputs and analyses and local governments’ review of such data.

Metro Cities supports continued city representation in any updated or new regional housing policy plan and other regional housing policy considerations.

HED-5 ALLOCATION OF AFFORDABLE HOUSING NEED

The affordable housing need allocation methodology determines the number of needed affordable housing units for the metropolitan region and distributes the need by assigning each city its fair share through an affordable housing need number. Minn. Stat. § 473.859 requires cities to guide sufficient land to accommodate local shares of the region’s affordable housing need. Metro Cities supports additional Metropolitan Council resources to assist cities in meeting cities’ share of the region’s affordable housing needs.

Metro Cities supports the creation of a variety of housing opportunities. However, the provision of affordable and lifecycle housing is a shared responsibility between the private sector and government at all levels, including the federal government, state government and Metropolitan Council. Land economics, construction costs, labor costs, and infrastructure needs create barriers to the creation of affordable housing that cities cannot overcome without assistance.

Therefore, Metro Cities supports a Metropolitan Council affordable housing policy and allocation of need methodology that recognizes the following tenets:

- Regional housing policies characterize individual city and sub-regional housing numbers as a range of needs in the community;
- Cities need significant financial assistance from the federal and state government, as well as the Metropolitan Council, to make progress toward creating additional affordable housing and preserving existing affordable housing;
- Metropolitan Council planning and policies must be more closely aligned to help ensure that resources for transportation and transit are available to assist communities in addressing their local share of the regional affordable housing need and to ensure that all populations have adequate mobility to reach jobs, education and other destinations regardless of where they live;
- The Metropolitan Council will not hold cities responsible if a city does not meet its affordable housing need number. However, efforts to produce affordable housing may be considered when awarding grants;
- The Metropolitan Council, with input by local government representatives, should examine the allocation of need methodology with respect to the relationship between the regional allocation and the local share of the need. The formula should also be routinely evaluated to determine if market conditions have changed or if underlying conditions should prompt readjustment of the formula;
- The Council should use a methodology that incorporates data accumulated by individual cities and not limited to census driven or policy driven growth projections;
- The formula should be adjusted to better reflect the balance and breadth of existing subsidized and naturally occurring affordable housing stocks; and
- The Council should work with local governments through an appeals process to resolve any local issues and concerns with respect to the need allocations and the plan review process.

HED-6 HOUSING POLICY AND PRODUCTION SURVEY

The Metropolitan Council annually calculates a city's housing production. Production information is collected through an annual city survey as well as Council data. Cities participating in Livable Communities programs are required to include their housing action plan and ALHOA funding amounts in their survey responses. Beginning in 2022, the Council began compiling the data in a report to share city practices and funding sources that support the creation of new affordable housing units.

Metro Cities supports a regular review of the survey questions and use of data, with city input. Any proposed new, deleted, or expanded uses or programs in which data from the Housing Policy and Production Survey would be used should be reviewed by local officials and Metro Cities. Metro Cities supports a consistent schedule for sending the annual housing production survey to cities.

HED-7 STATE ROLE IN HOUSING

The state must be an active participant in providing funding for housing, including direct funding, financial incentives, and initiatives to assist local governments and developers to support affordable housing and housing appropriate for people at all stages of life.

State funding is a major and necessary component for the provision of housing. Current resource levels are insufficient to meet the spectrum of needs in the metropolitan region and across the state.

Primarily through programs administered by the Minnesota Housing Finance Agency (MHFA), the state establishes the general direction and prioritization of housing issues, and financially supports a variety of housing, including transitional housing, privately and publicly owned housing, supportive housing, senior housing, workforce housing, and family housing.

Minnesota's low-income rental property classification, commonly known as class 4d(1), allows landlords to certify qualifying low-income rental property. The state must continue to be an active partner in addressing life cycle and affordable housing needs. Any program expansion proposals for state mandated class-rate reductions should include a full analysis of the impacts to local property tax bases before their enactment. Metro Cities opposes any changes to the 4d(1) program that substantially increases the tax responsibility for residents and businesses or increases the tax benefit for landlords without including increased benefits for renters of 4d(1) units. Metro Cities supports a property owner being required to receive city approval where the property is located, for all 4d(1) property that has not in whole or in part been classified as 4d(1) property. Metro Cities also supports ongoing 4d(1) aid, and lowering the threshold of eligibility for cities to receive 4d(1) aid. Metro Cities supports the continuation of a reporting process for landlords benefitting from the 4d(1) class rate reduction to ensure deeper affordability or property reinvestment, and a sunset period for any changes made to the program to evaluate the range of impacts that expanding the program may have.

Workforce housing is generally defined as housing that supports economic development and job growth and is affordable to the local workforce. A statewide program, administered through the Minnesota Housing Finance Agency, supports workforce homeownership efforts in the metropolitan area. State policies and funding should recognize that affordable housing options that are accessible to jobs and meet the needs of a city's workforce are important to the economic competitiveness of cities and the metropolitan region. In addition, significant housing related racial disparities persist in Minnesota, especially as it relates to the percentage of households of color who pay more than 30 percent of their income in housing costs and as it relates to the significant disparity gap in homeownership rates.

A 0.25% metropolitan area regional sales tax enacted in 2023 provides Local Affordable Housing Aid (LAHA) to cities over 10,000 in population in the metropolitan region, and cities received the first distribution of LAHA in 2024. A report to the Minnesota Housing Finance Agency on LAHA uses and expenditures is due on December 1, 2025, and every year thereafter.

Given the variability in sales taxes collected each year, Metro Cities urges the Legislature to consider extending the timeline in which cities must expend funds. Metro Cities further supports having funds be considered expended if they are deposited into a local housing trust fund, which provides flexibility for cities in maximizing public resources for housing projects. Metro Cities supports a sunset to the LAHA reporting requirements, including reporting on locally funded housing expenditures.

Metro Cities supports:

- Increased, sustainable and adequate state funding for new and existing programs that support life cycle, workforce and affordable housing, address homeownership disparities, address foreclosure mitigation, address housing for families with children, and support senior, transitional and emergency housing for the metro region;

- An ongoing state match for local and regional housing trust fund investments and local policies in support of affordable housing. State funds should be issued on a timeline that works with a city's budget process;

- Private sector funding for workforce housing;

- Housing programs that assist housing development, preservation and maintenance of existing housing stock, including unsubsidized, naturally occurring affordable housing that is affordable to residents throughout the low-to- moderate income range;

- State funded housing assistance programs to help with affordability;
- Housing programs designed to develop market rate housing in census blocks with emerging or high concentrations of poverty, where the private market might not

otherwise invest, as a means of creating mixed-income communities and reconciling affordable housing with community development goals;

- Continuing the policy of using the Minnesota Housing Finance Agency's investment earnings for housing programs;

- City input into state legislation and administrative policies regarding distribution of tax credits and tax-exempt bonding;

- Exemptions from, or reductions to sales, use and transaction taxes applied to the development and production of affordable housing;

- Consideration of the use of state bond proceeds and other appropriations for land banking, land trusts, and rehabilitation and construction of affordable housing;

- Programs that help avoid foreclosures, improve homeownership rates and reduce racial disparities through homeownership assistance programs and counseling services, including down payment assistance and pre-purchasing counseling to improve financial wellness and inform homeowner and potential homeowners of their rights, options, and costs associated with owning a home;

- State tenant protection policies as well as a city's ability to enact tenant protections to support access to affordable housing and housing stability for tenants
- Prohibiting landlords from denying housing opportunities to residents based on their source of income;
- Housing stability for renters through policies that mitigate the impact of or reduces the number of evictions filed;
- Policies that encourage public housing authorities and owners of federally assisted housing to consider a holistic approach to selecting tenants during the application and screening process, and avoid excluding tenants solely based on criminal records;
- Exploring best practices toward increased housing affordability for residents, housing maintenance standards and providing quality housing for residents. Cities should work with rental housing owners and operators when establishing best practices;
- The state housing tax credit to support local governments and the private sector to help spur construction and secure additional private investment; and
- Maintaining existing municipal authority to establish a housing improvement area (HIA). If the Legislature grants multi-jurisdictional entities the authority to create HIAs, creation of an HIA must require municipal approval.

HED-8 FEDERAL ROLE IN AFFORDABLE AND WORKFORCE HOUSING

Federal funding plays a critical role in aiding states and local governments in their efforts to maintain and increase affordable and workforce housing. Providing working families access to housing is an important piece to the economic vitality of the region. Metro Cities encourages the federal government to maintain and increase current levels of funding for affordable and workforce housing. Federal investment in affordable and workforce housing will maintain and increase the supply of affordable and life cycle housing as well as make housing more affordable through rental assistance programs such as the Section 8 housing choice voucher program.

In July 2015, the U.S. Department of Housing and Urban Development (HUD) released a final rule on affirmatively furthering fair housing (AFFH) with an aim to provide communities that receive HUD funding with clear guidelines to meet their obligation under the Fair Housing Act of 1968 to promote and reduce barriers to fair housing and equal opportunity. HUD has since provided new guidance to comply with the AFFH rule.

Metro Cities supports:

- Preserving and increasing funding for the Community Development Block Grant Program (CDBG) and the federal HOME program that are catalysts for creating and preserving affordable housing;

- Preserving and increasing resources and incentives to sustain existing public housing throughout the Metro Area;

- Maintaining the federal tax credit program to help spur construction and secure additional private investment, including making the four percent Low Income Housing Tax Credit a fixed rate as was done with the nine percent credit in 2015;

- Creating and implementing a more streamlined procedural method for local units of government to participate in and access federal funding and services dealing with grants, loans, and tax incentive programs for economic and community development efforts;

- Additional resources to assist communities to meet obligations to reduce barriers to and promote fair housing and equal opportunity;

- Maintaining and increasing resources to Section 8 funding and to support incentives for rental property owners to participate in the program;

- Federal funding programs for renters with limited income or fixed income;

- Rental increase caps when the rent increase exceeds a 5-year running average; and

- Federal funding to provide short-term assistance for HRAs to facilitate the sale of tax-exempt bonds.

HED-9 VACANT, BOARDED, AND FORECLOSED PROPERTIES AND PROPERTIES AT RISK

Abandoned residential and commercial properties can harm communities when vacant buildings result in reduced property values and increased crime. The additional public safety and code enforcement costs of managing vacant properties are a financial strain on cities.

Metro Cities supports solutions to vacant and boarded properties that recognize that prevention is more cost effective than a cure, the causes of this problem are many and varied, requiring a variety of solutions, and cities must not be expected to bear the bulk of the burden of mitigation, because it is not simply a "city" problem. Further, Metro Cities supports:

- Registration of vacant and boarded properties;

- Allowing cities to acquire vacant and boarded properties before deterioration and vandalism result in unsalvageable structures, including providing financial tools such as increasing eminent domain flexibility;

- Improving the ability of cities to recoup the increased public safety, management, and enforcement costs related to vacant properties;

- Improvement of the redemption process to provide increased notification to renters, strengthen the ability of homeowners to retain their properties, and reduce the amount of time a property is vacant;

- Expedition of the tax forfeiture process;

- Increasing financial tools for neighborhood recovery efforts, including tax increment financing; and

- Year-round notification by utility companies of properties not receiving utility service.

HED-10 HOUSING ORDINANCE ENFORCEMENT

A Minnesota State Supreme Court ruling, Morris v. Sax, stated that provisions of the city of Morris' rental housing code were invalid because there were subjects dealt with under the state building code and the city was attempting to regulate these areas “differently from the state building code.”

Minn. Stat. § 326B.121, subdivision 1 states: “The State Building Code is the standard that applies statewide for the construction, reconstruction, alteration, repair, and use of buildings and other structures of the type governed by the code. The State Building Code supersedes the building code of any municipality.” Subdivision 2 states: “A municipality must not by ordinance, or through development agreement, require building code provisions regulating components or systems of any structure that are different from any provision of the State Building Code. This subdivision does not prohibit a municipality from enacting or enforcing an ordinance requiring existing components or systems of any structure to be maintained in a safe and sanitary condition or in good repair, but not exceeding the standards under which the structure was built, reconstructed, or altered, or the component or system was installed, unless specific retroactive provisions for existing buildings have been adopted as part of the State Building Code. A municipality may, with the approval of the state building official, adopt an ordinance that is more restrictive than the State Building Code where geological conditions warrant a more restrictive ordinance. A municipality may appeal the disapproval of a more restrictive ordinance to the commissioner.”

Metro Cities supports the ability of cities to enforce all housing codes passed by a local municipality to maintain its housing stock.

HED-11 to HED-13 INTRODUCTION

The economic viability of the metropolitan area is enhanced by an array of economic development tools that create infrastructure, revitalize previously developed property, provide incentives for business development, support technological advances, support a trained workforce, and address disparities in economic development and workforce development. It should be the goal of the state to champion development and redevelopment by providing adequate and sustainable funding to assure competitiveness in a global marketplace. The state should recognize the relationship between housing and economic development. Access to affordable childcare supports working families and allows parents to enter or remain in the workforce. Economic development and redevelopment are not mutually exclusive – some projects require a boost on both counts. The State of Minnesota should recognize cities as the primary unit of government responsible for the implementation of economic development, redevelopment policies, and land use controls.

HED-11 ECONOMIC DEVELOPMENT

For purposes of this section, economic development is defined as a form of development that can contain direct business assistance, infrastructure development, technical assistance, and policy support with the goal of sustainable job creation, job retention, appropriate state regulation or classification, or to nurture new or retain existing industry in the state. The measure of return on investment of public business subsidies should include the impact (positive or negative) of “spin- off development” or business development that is ancillary and supportive of the primary business.

A strength of the regional economy is its economic diversity. Multiple industry clusters and sectors employ a specialized, trained workforce and support entrepreneurs in developing new businesses. Partnerships and collaborations among the state and local levels of government, higher education and industry should continue to develop, to commercialize new technologies and to support efforts to enhance the economic vitality of the region.

While cities are the unit of local government primarily responsible for the implementation of economic development, counties have an interest in supporting local economic development efforts. Any creation of a county CDA, EDA or HRA with economic development powers should follow Minn. Stat. § 469.1082 that requires a city to adopt a resolution electing to participate. Cities can work with the public and private sectors to support the region’s economic growth by reducing barriers to economic participation by people of color.

Metro Cities supports state funded programs that support new and expanding businesses, infrastructure development and public-private partnerships. This includes the Minnesota Investment Fund, Job Creation Fund and Angel Tax Credit. Programs using statewide funding should strive to award funds balanced between the metro region and greater Minnesota. Metro Cities supports competitive funding for statewide grant programs such as the Minnesota Investment Fund (MIF) as opposed to direct legislative appropriations for projects from these funds.

Metro Cities supports a percentage of MIF loan repayments to cities. The state should provide administrative support and technical assistance to cities that administer these programs. Applications for state MIF funds should allow a city to indicate support for a MIF grant or a loan.

Metro Cities supports economic tools that facilitate job growth without relying solely on the property tax base; green job development and related innovation and entrepreneurship; programs to support minority business start-ups; small business financing tools including a state new markets tax credit program mirrored on the federal program; tools to attract and retain data centers and other IT facilities; access to affordable child care; and maintaining existing municipal authority to establish a special service district (SSD). Metro Cities supports further study of allowing mixed-use buildings that have both commercial and residential uses to be included in an SSD.

HED-12 REDEVELOPMENT

Redevelopment facilitates the re-use of previously developed land, thereby leveling the playing field between greenfield and brownfield sites so that a developer can choose to locate on land that has already been used.

Redeveloping properties supports community vibrancy and revitalization. Redevelopment increases the local property tax base, increases land values, provides more efficient use of new or existing public infrastructure (including public transit), reduces urban sprawl, and enhances the livability of neighborhoods. Jobs are created three times – at demolition and cleanup, during construction, and ongoing jobs tied to the new use.

Redevelopment may occur on non-polluted land or on brownfields. Brownfields are abandoned, idled, or underused industrial and commercial properties where financing or redevelopment is complicated by actual or suspected environmental contamination.

Federal, state, regional and local governments fund investigation and cleanup of blighted or other brownfield properties that allows for redevelopment without risking human health or potential environmental liabilities. Correcting and stabilizing polluted soils and former landfill sites allows cities to redevelop and reuse properties. For many cities in the metropolitan region, redevelopment is economic development.

Metro Cities supports increased funding from federal, state and regional sources. The Metropolitan Council's Livable Communities Act programs fund redevelopment activities that support cleanup and tax base revitalization. Metro Cities supports allowing a maximum levy amount for this program, as provided under law. Metro Cities supports increased and sustained state funds for DEED-administered programs like the Redevelopment Grant and Demolition Loan Program, dedicated to metropolitan area projects, innovative Business Development Public Infrastructure grants, as well as increased, flexible, and sustained funding for the Contamination Cleanup and Investigation Grant Program.

The expansion of transit service throughout the region brings opportunity for redevelopment and transit-oriented development (TOD).

Tax Increment Financing (TIF) to nurture TOD. Metro Cities supports funding Transit Improvement Areas (TIAs) and ensuring that the eligibility criteria encourage a range of improvements and infrastructure and accommodate varying city circumstances and needs.

Metro Cities supports expansion of existing tools or development of new funding mechanisms to correct unsuitable soils as well as city authority to redevelop land previously used as landfills and dumps. If a city receives initial approval from a state regulatory authority, a city's redevelopment project approval should be considered final. Local governments and cities may choose to revitalize historic structures rather than construct new buildings.

Metro Cities supports extension of the sunset of the state income tax credit and maintaining the federal tax credit for preservation of historic properties. Metro Cities supports collection of the state refund for the historic expenditures over one year.

~~The COVID-19 pandemic changed the way Americans work. As more employees are working from home on a full-time or hybrid basis, more and more employers are downsizing their office spaces. As a result of this national trend, cities are experiencing significant commercial vacancy issues, especially in their downtowns. At the same time, cities are facing a shortage of housing, and a severe shortage of affordable housing. This is a national issue. According to an article published in the New York Times in December 2022, there is about 998 million square feet of vacant office space in cities across the U.S. This presents an opportunity to convert vacant, functionally obsolete, and/or underutilized commercial space to housing units, and many U.S. cities and states are responding to this opportunity by creating incentives for these conversions. Metro Cities supports state funding, tax credits and policy tools that will assist with the conversion of vacant commercial space to residential or new types of uses that support economic growth of cities.~~ (Suggested change to create new policy on adaptive reuse, see below).

Metro Cities supports state funding to allow cities and/or their development authorities to assemble small properties so that business expansion sites will be ready for future redevelopment.

HED-NEW ADAPTIVE REUSE

Cities in the metropolitan region are experiencing significant commercial vacancy issues in both downtown districts as well as in other commercial areas and need tools and resources to support efforts for the adaptive reuse of vacant, functionally obsolete, and/or underutilized commercial spaces to housing units or other higher uses.

~~The COVID-19 pandemic changed the way Americans work.~~ As a result of the COVID-19 pandemic, more employees are working from home on a full-time or hybrid basis, and more and more employers are downsizing their office spaces. As a result~~ of this national trend~~, cities are experiencing significant commercial vacancy issues~~, especially in their downtowns~~ across the metropolitan region in both downtown districts as well as in other commercial areas. At the same time, cities are facing a shortage of housing, and a severe shortage of affordable housing. ~~This is a national issue.~~ According to an article published in the New York Times in December 2022, there is about 998 million square feet of vacant office space in cities across the U.S.

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~~incentives for these conversions.~~ Cities are utilizing a variety of local tools to respond to this issue but need additional tools and resources to address this growing problem across the metropolitan area. The costs for the adaptive reuse of vacant and underutilized properties is expensive and complex.

Metro Cities supports state funding, tax credits and policy tools that will assist with the ~~conversion~~ adaptive reuse of vacant commercial space to residential or new types of uses that support the economic growth of cities.

Cities need additional policy tools support efforts to:

- Disincentivize corporate owners from holding vacant properties;
- Target opportunities to increase the city property tax base;
- Encourage additional housing in commercial corridors; and
- Authorize tax increment financing to support the conversion of existing commercial non-residential property, including vacant properties, into multi-family housing or new types of uses.
  (Suggested policy language from the cities of Saint Paul, Minneapolis, and White Bear Lake).

HED-13 WORKFORCE READINESS

A trained workforce is important to a strong local, regional, and state economy. Cities have an interest in the availability of qualified workers and building a future workforce based on current and future demographics, as part of their economic development efforts. Cities can work with the public and private sectors to address workforce readiness to include removing barriers to education access, addressing racial disparities in achievement and employment gaps, addressing the occupational gender gap, and support training and jobs for people with disabilities. The state has a role to prepare and train a qualified workforce through the secondary, vocational, and higher education systems and job training and retraining programs in the Department of Employment and Economic Development (DEED), including youth employment programs.

Metro Cities supports:

- Increased funding for the Job Skills Partnership, youth employment programs and other workforce training programs administered by the state that lead to jobs that provide a living wage and benefits, support workers of all abilities, and help address racial disparity gaps in employment;

- Innovative workforce programs and partnerships that foster workforce readiness for a full range of jobs and careers, including skilled municipal jobs and current high opportunity areas such as manufacturing and construction;

- Investments in programs that address the gender wage gap, including training for women to enter nontraditional careers;

- Maintaining funding for local workforce development boards to support local input and direction for meeting workforce development goals as outlined in state and federal statute; (Suggestion from the city of Minneapolis)

- A payroll tax credit for job training programs that invest in employees; and

- A city's authority to tie workforce requirements to local public finance assistance.

HED-14 TAX INCREMENT FINANCING (TIF)

Tax Increment Financing (TIF) continues to be the primary tool available for local communities to assist economic development, redevelopment, and housing. Over time, statutory changes have made this critical tool increasingly difficult to use. At the same time, federal and state development and redevelopment resources have been steadily shrinking. The cumulative impact of TIF restrictions, shrinking federal and state redevelopment resources and highly restrictive eminent domain laws constrain cities' abilities to address problem properties, which leads to an accelerated level of decline of developed cities in the metropolitan area. Thus, the only source of revenue available to accomplish the scope of redevelopment necessary is the value created by the redevelopment itself, or the "increment." Without the use of the increment, development will either not occur or is unlikely to be optimal.

Metro Cities urges the Legislature to:

- Not adopt any statutory language that would further constrain or directly or indirectly reduce the effectiveness of TIF;

- Not adopt any statutory language that would allow a county, school district or special taxing district to opt out of a TIF district;
- Incorporate the Soils Correction District criteria into the Redevelopment District criteria so that a Redevelopment District can be comprised of blighted and contaminated parcels in addition to railroad property;

- Expand the flexibility of TIF to support a broader range of redevelopment projects;

- Allow and authorize tax increment financing, including property in existing TIF districts, to support the conversion of existing commercial non-residential property, including vacant properties, into multi-family housing or new types of uses that support economic growth for metropolitan cities;

- Amend MN Statutes to clarify that tax increment pooling limitations are calculated on a cumulative basis;

- Increase the ability to pool increments from other districts to support projects;

- Expand authority for all cities to transfer unobligated pooled increment from a housing or redevelopment TIF district to support a local housing trust fund for any eligible expenditure under Minn. Stat. § 462C.16;

- Modify the housing district income qualification level requirements to allow the levels to vary according to individual communities and/or to support deeply affordable units;

- Continue to monitor the impacts of tax reform on TIF districts and if warranted provide cities with additional authority to pay for possible TIF shortfalls;

- Allow for the creation of transit zones and transit-related TIF districts in order to shape development and related improvements around transit stations but not require the use of TIF districts to fund the construction or maintenance of the public transit line itself unless a local community chooses to do so;

- Allow TIF eligibility expansion to innovative technological products, recognizing that not only physical items create economic value;

- Support changes to TIF law that will facilitate the development of “regional projects”;

- Shift TIF redevelopment policy away from a focus on “blight” and “substandard” to “functionally obsolete” or a focus on long range planning for a particular community, reduction in greenhouse gases or other criteria more relevant to current needs;

- Encourage DEED to do an extensive cost-benefit analysis related to redevelopment, including an analysis of the various funding mechanisms, and an analysis of where the cost burden falls with each of the options compared to the distribution of the benefits of the redevelopment project;

- Consider creating an inter-disciplinary TIF team to review local exception TIF proposals, using established criteria, and make recommendations to the legislature on their passage;

- Encourage the State Auditor to continue to work toward a more efficient and streamlined reporting process. There are an increasing number of noncompliance notices that have overturned longstanding practices or limited statutorily defined terms.

The Legislature has not granted TIF rulemaking authority to the State Auditor and the audit powers granted by statute are not an appropriate vehicle for making administrative or legislative changes to TIF statutes. If the State Auditor is to exercise rulemaking authority, the administrative power to do so must be granted explicitly by the Legislature. The audit enforcement process does not create a level playing field for cities to challenge the Auditor's interpretation of statutes. The Legislature should provide a process through which to resolve disputes over TIF policy that is fair to all parties;

- Clarify the use of TIF when a sale occurs after the closing of a district;

- Revise the substandard building test to simplify, resolve ambiguities and reduce continued threat of litigation; and

- Amend TIF statutes to address, through extending districts or other mechanisms, shortfalls related to declining market values.

HED-15 EMINENT DOMAIN

Significant statutory restrictions on the use of eminent domain have resulted in higher public costs for traditional public use projects like streets, parks, and sewers, and have all but restricted the use of eminent domain for redevelopment to cases of extreme blight or contamination.

The proper operation and long-term economic vitality of our cities is dependent on the ability of a city, its citizens, and its businesses to continually reinvest and reinvent.

Reinvestment and reinvention strategies can occasionally conflict with the priorities of individual residents or business owners. Eminent domain is a critical tool in the reinvestment and reinvention process and without it our cities may deteriorate to unprecedented levels before the public reacts.

Metro Cities strongly encourages the Governor and Legislature to revisit eminent domain laws to allow local governments to address redevelopment problems before those conditions become financially impossible to address.

Specifically, Metro Cities supports:

- Clarifying contamination standards;
- Developing different standards for redevelopment to include obsolete structures or to reflect the deterioration conditions that currently exist in the metropolitan area;
- Allowing for the assembly of multiple parcels for redevelopment projects;
- Modifying the public purpose definition under Minn. Stat. § 117 to allow cities to more expediently address properties that are vacant or abandoned in areas with high levels of foreclosures, as well as address neighborhood stabilization and recovery;
- Providing the ability to acquire land from "holdouts" who will now view a publicly funded project as an opportunity for personal gain at taxpayer expense; i.e. allow for negotiation using balanced appraisals for fair relocation costs;
- Examining attorney fees and limit fees for attorneys representing a property owner;
- Allowing for relocation costs not to be paid if the city and property owner agree to a sale contract;
- A property owner's appraisal to be shared with the city prior to a sale agreement; and
- Appropriately balanced awards of attorney fees and costs of litigation with the outcome of the eminent domain proceeding.

HED-16 COMMUNITY REINVESTMENT

Communities across the metropolitan region have aging residential and commercial structures that need repair and reinvestment. Reinvestment prevents neighborhoods from falling into disrepair, revitalizes communities and protects a city's tax base.

Metro Cities supports state programs and incentives for reinvestment in older residential and commercial/industrial buildings, such as, but not limited to, tax credits and/or property tax deferrals.

Historically, the state has funded programs to promote reinvestment in communities, including the “This Old House” program, that allowed owners of older homestead property to defer an increase in their tax capacity resulting from repairs or improvements to the home and “This Old Shop” for owners of older commercial/industrial property that make improvements that increase the property’s market value.

HED-17 BUSINESS INCENTIVES POLICY

Without a thorough study, the Legislature should not make any substantive changes to the Business Subsidy Act, as defined in Minn. Stat. § 116J.993, but should look to technical changes that would streamline both state and local processes and procedures. The Legislature should distinguish between development incentives and redevelopment activities. In addition, in order to ensure cohesive and comprehensive regulations, the legislature should limit regulation of business incentives to the Business Subsidy Act.

Metro Cities supports additional legislation that includes tools to help enhance and facilitate economic development and job creation. Metro Cities supports increased flexibility for meeting business subsidy agreements during a state of emergency.

HED-18 BROADBAND TECHNOLOGY

Where many traditional economic development tools have focused on managing the costs and availability of traditional infrastructure – roads, rail, and utilities – the 21st century economy is dependent on reliable, cost effective, high bandwidth communications capabilities. This includes voice, video, data, and other services delivered over cable, telephone, fiber-optic, wireless, and other platforms.

The state has increased its role in expanding broadband infrastructure across the state by funding broadband access for residents and businesses. The Governor’s Broadband Task Force regularly recommends updates to state broadband speed goals and funding levels to expand statewide broadband access. The Office of Broadband Development in the Department of Employment and Economic Development (DEED) supports the role of broadband in economic development. The Office coordinates broadband mapping and administers state broadband grant funds.

Cities play a vital role in achieving significantly higher broadband speeds. Local units of government are contributing to increasing broadband capacity and ensuring internet connectivity, reliability, and availability. However, attempts have been made in Minnesota and other states to restrict or stop cities from facilitating the deployment of broadband services or forming partnerships with private sector companies to provide broadband services to unserved or underserved residents or businesses. Restricting municipal authority is contrary to existing state law on electric utility service, telecommunications, and economic development. Metro Cities opposes the adoption of state policies that further restrict a city's ability to finance, construct or operate broadband telecommunications networks.

Metro Cities supports:

- State policies and support programs that substantially increase speed and capacity of broadband services statewide, including facilitating solutions at the local level. The state should offer incentives to private sector service providers to respond to local or regional needs and to collaborate with cities and other public entities to deploy broadband infrastructure capable of delivering sufficient bandwidth and capacity to meet immediate and future local needs as well as policies which seek to position Minnesota as a state of choice for testing next- generation broadband;

- Metro eligibility for broadband funds, including increased capacity for areas with existing levels of service;

- Testing and review of street-level broadband speeds and updating of comprehensive statewide street-level mapping of broadband services to identify underserved areas and connectivity issues.

- Programs and projects that improve broadband adoption, achieve significantly higher broadband speeds, and support efforts to improve digital inclusion by ensuring that robust and affordable Internet connectivity is widely available to all Minnesotans.
- Municipal authority and encouragement of local governments to play a direct role in providing broadband service. The state should clarify that cities have the authority to partner with private entities to finance broadband infrastructure using city bonding authority;

- Local authority to manage and protect public rights-of-way including public and private infrastructure, to zone, to collect compensation for the use of public assets, or to work cooperatively with and respond to applications from the private sector. Cities may exercise local authority over zoning and land-use decisions for siting, upgrading, or altering wireless service facilities and exercise regulations of structures in the public right-of-way; and

- Public-private collaborations that support broadband infrastructure and services at the local and regional level, including partnerships and cooperation in providing last mile connections.

HED-19 CITY ROLE IN ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT

Historically, cities have played a major role in environmental protection, particularly in water quality. Through the construction and operation of wastewater treatment and storm water management systems, cities are a leader in protecting the surface water of the state. In recent years, increased emphasis has been placed on protecting ground water and removing impairments from storm water. In addition, there is increased emphasis on city participation in controlling our carbon footprint and in promoting green development.

Metro Cities supports public and private environmental protection efforts to reduce greenhouse gas emissions and to further protect surface and ground water. Metro Cities also supports “green” design and construction techniques to the extent that those techniques have been thoroughly tested and are truly environmentally beneficial, economically sustainable and represent sound building practices. Metro Cities supports additional, feasible environmental protection with adequate funding and incentives to comply. Metro Cities supports state funding for municipal renewable energy objectives.

Metro Cities supports sustained state funding for new and existing programs that support local climate action planning, climate resiliency, climate related infrastructure projects including funding and technical support for local level public-private planning initiatives that address climate resiliency issues that impact economic viability in the metropolitan area at a local and regional level.

Green jobs represent employment and entrepreneurial opportunities that are part of the green economy, as defined in Minn. Stat. § 116J.437, including the four industry sectors of green products, renewable energy, green services and environmental conservation. Minnesota’s green jobs policies, strategies and investments need to lead to high quality jobs with good wages and benefits, meeting current wage and labor laws.

HED-20 IMPAIRED WATERS

Local units of government should not bear undue cost burdens associated with completed TMDL reports. As recent Total Maximum Daily Load (TMDL) reports show, non-point agricultural sources are producing more runoff pollution than urban areas at a rate of 13:1. Cities must not be required as primary entities for funding the clean-up and protection of state and regional water resources. Benefits of efforts must be proportional to the costs incurred and agricultural sources must be held responsible for their share of costs.

Metro Cities supports continued development of the metropolitan area in a manner that is responsive to the market but is cognizant of the need to protect the water resources of the state and metropolitan area. Since all types of properties are required to pay storm water fees, Metro Cities opposes entity-specific exemptions from these fees. Metro Cities supports the goals of the Clean Water Act and efforts at both the federal and state level to implement it.

Metro Cities supports continued funding of the framework established to improve the region’s ability to respond to market demands for development and redevelopment, including dedicated funding for surface water impairment assessments, TMDL development, storm water construction grants and wastewater construction grants.