

**DRAFT**



# Legislative Policies

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# Table of Contents

## Municipal Revenue & Taxation (I)

State and Local Fiscal Relationship (I-A)	1
Levy Limits (I-B)	1
Restrictions on Local Government Budgets (I-C)	2
Local Government Aid (LGA) (I-D)	2
Local Government Aid Reform (I-E)	2
State Property Tax Relief Programs (I-F)	3
Market Value Homestead Credit (I-G)	3
Property Valuation Limits/Limited Market Value (I-H)	3
Fiscal Disparity Fund Distribution (I-I)	4
Constitutional Tax and Expenditure Limits (I-J)	4
State Property Tax (I-K)	4
Class Rate Tax System (I-L)	4
Personal Property Taxation: Electric Utility (I-M)	5
Sales Tax on Local Government Purchases (I-N)	5
City Revenue Stability and Fund Balance (I-O)	5
Public Employees' Retirement Association (PERA) (I-P)	5
Aggregate Mining Fee (I-Q)	6
State Program Revenue Sources (I-R)	7
Post Employment Benefits (I-S)	7

Health Care Insurance Programs (I-T)	7
State Budget Stability (I-U)	7
Online Travel Companies and Taxes (I-V)	8

## **General Government (II)**

Mandates, Zoning & Local Authority (II-A)	9
City Enterprise Activities (II-B)	9
Firearms on City Property (II-C)	9
911 Telephone Tax (II-D)	9
800 MHz Radio System (II-E)	10
Building Codes (II-F)	10
Administrative Fines (II-G)	10
Residential Care Facilities (II-H)	11
Annexation (II-I)	11
Housing Ordinance Enforcement (II-J)	12
Statewide Funding Sources for Local Issues with Regional Impact (II-K)	12
Synthetic Marijuana Regulation (II-L)	12

## **Housing & Economic Development (III)**

Introduction	13
City Role in Housing (III-A)	13

City Role in Affordable and Life Cycle Housing (III-B)	13
Inclusionary Housing (III-C)	14
Metropolitan Council Housing Targets (III-D)	14
State Role in Affordable Housing (III-E)	15
Federal Role in Affordable Housing (III-F)	16
Vacant and Boarded Properties (III-G)	17
Economic Development and Redevelopment (III-H)	18
Economic Development (III-H (1))	18
Redevelopment (III-H) (2)	19
Tax Increment Financing (III-I)	20
Eminent Domain (III-J)	21
This Old House/This Old Shop (III-K)	22
Business Subsidy Policy (III-L)	22
Internet Technology (III-M)	23
City Role in Environmental Protection and Sustainable Development (III-N)	23
Impaired Waters (III-O)	24

#### **Metropolitan Agencies (IV)**

Purpose of Metropolitan Governance (IV-A)	25
Roles and Responsibilities of the Metropolitan Council (IV-B)	25
Selection of Metropolitan Council Members (IV-C)	26

Funding Regional Services (IV-D)	26
Regional Systems (IV-E)	26
Review of Local Comprehensive Plans (IV-F)	27
Local Zoning Authority (IV-G)	28
Regional Growth (IV-H)	28
Comprehensive Planning Schedule (IV-I)	29
Natural Resource Protection (IV-J)	30
Inflow and Infiltration (I/I) (IV/K)	31
Water Supply (IV-L)	31
Service Availability Charge (SAC) (IV-M)	32
Funding Regional Parks & Open Space (IV-N)	33
Livable Communities (IV-O)	33
Density (IV-P)	34

## **Transportation (V)**

Transportation and Transit Funding (V-A)	35
Regional Transit System (V-B)	35
Transit Operating Subsidies (V-C)	35
Street Improvement Districts (V-D)	36
Highway Turnbacks & Funding (V-E)	36
"3C" Transportation Planning Process: Elected Officials' Role (V-F)	37
Photo Enforcement of Traffic Laws (V-G)	37

Airport Noise Mitigation (V-H)	37
Cities Under 5,000 Population (V-I)	38
County State Aid Highway (CSAH) Distribution Formula (V-J)	38
Municipal Input/Consent for Trunk Highways and County Roads (V-K)	38
Plat Authority (V-L)	39
City Speed Limit Control (V-M)	39
Speed Limits Surrounding City Parks and Schools (V-N)	39
MnDOT Maintenance Budget (V-O)	39
Transit Taxing District (V-P)	39
Complete Streets (V-Q)	40

### **Committee Rosters (VI)**

2010 Housing & Economic Development Committee	41
2010 Metropolitan Agencies Committee	42
2010 Municipal Revenue & Taxation Committee	42
2010 Transportation & General Government Committee	43

# **Municipal Revenue & Taxation (I)**

## **I-A State and Local Fiscal Relationship**

Metro Cities supports a strong state and local fiscal relationship that emphasizes adequacy, equitability and accountability for public resources, and effective communication between the state, its cities, and the public about the roles and responsibilities of state and local governments. Metro Cities believes that the state and local relationship is in decline, as expressed through continued reductions in state aids and credits, and increasingly unpredictable levels of those aids and credits. The diminishment of the state and local partnership has forced the funding of city services to be disproportionately reliant on the property tax and has placed an undue burden on city cash flows. Increasingly, cities are also bearing more of the responsibility for the costs for services that have historically been the responsibility of the state.

Metro Cities supports a state and local fiscal relationship that affirms the goal of all citizens receiving adequate levels of basic public services at relatively similar levels of taxation, that compensates cities for service costs created by non-taxpaying users of city services, that reduces tax burden disparities among communities, and that assists cities with high needs and relatively low fiscal capacities.

Metro Cities supports a strong state and local fiscal partnership that emphasizes the following principles:

- Strong financial stewardship and accountability for public resources that emphasizes maximizing efficiencies in service delivery and effective communication between the state and local units of government, and to the public, about state and local roles and responsibilities;
- Certainty and predictability in revenue sources including the property tax and local government aids;
- Adequate revenue sources available to cities that allow the needs of cities to be met, mandates to be funded, and that maintain our state's economic vitality and competitiveness;
- Recognition that a 'one size fits all' system that limits cities to the property tax as the major non-state aid revenue source does not fit all and to permit access to other tax and revenue sources that are not currently accessible as well as oppose reductions or limitations on the use of various license, development, or other general fees to pay for related services;

## **I-B Levy Limits**

Metro Cities strongly opposes levy limits. Levy limits undermine local budgeting processes, planned growth, and the relationship between locally elected officials and their residents

by allowing the state to decide the appropriate level of local taxation and services, despite varying local conditions and circumstances.

### **I-C Restrictions on Local Government Budgets**

Metro Cities opposes the imposition of artificial mechanisms such as valuation freezes, payroll freezes, reverse referenda, super majority requirements for levy, or other limitations to the local government budget and taxing process.

### **I-D Local Government Aid (LGA)**

The LGA program, originally enacted in 1971, was created with the goals of providing property tax relief, and ensuring a sufficient level of revenues for local government needs. Metro Cities supports Local Government Aid (LGA), the only form of general purpose state aid to Minnesota cities, as a means of ensuring that all cities are able to provide basic public services without over-burdening the property tax.

In response to the state's budget deficits, LGA has been continually reduced. These reductions have fallen disproportionately on metropolitan area communities. Overall, reductions to local government aids and credits have been greater on a percentage basis than reductions made to other areas of the state budget. The level of reductions and unallotments and the unreliability of funding from year to year undermine the goals of the LGA program. Metro Cities strongly opposes the continued reductions of Local Government Aid for the purpose of balancing state budget deficits.

Metro Cities supports the restoration of LGA, adequate funding of the LGA program and the continuation of LGA to those cities whose public service needs and costs exceed their ability to pay.

### **I-E Local Government Aid Reform**

Metro Cities supports reforming the LGA program and distribution formula to address geographic disparities, the issue of volatility, and the needs of metro area cities not addressed through the current formula and distribution.

As a result of modifications and reductions to LGA, aids to metro area cities have been reduced on a per capita basis by almost 50%. Metro Cities supported the formula modifications and LGA increase in 2008. However, the LGA formula continues to be geographically disparate and volatile, and the level of funding inadequate to support the goals of the LGA program.

Metro Cities supported the establishment of the LGA study group, passed by the 2008 Legislature, to conduct an analysis of the LGA program that includes an examination of existing geographic disparities in the distribution of Local Government Aid, an analysis of current need and capacity factors and consideration of alternative factors, an analysis of

the formula used to calculate aid for small cities, volatility in the local government aid distribution and the impact of including the unique needs of rapidly growing cities on the LGA formula. Metro Cities supported the extension of the study group to December, 2012. Metro Cities further supports having the study group consider the LGA program in the context of the overall state and local fiscal relationship.

### **I-F State Property Tax Relief Programs**

Metro Cities supports state funded property tax relief programs that are paid directly to homestead property taxpayers such as the circuit breaker and enhanced targeting for special circumstances. Metro Cities supports the update of the Department of Revenue's "Voss" database to link income and property values, and the consideration of income relative to property taxes paid in determining eligibility for state property tax relief programs.

Metro Cities supports an analysis of the State's property tax relief programs to determine their effectiveness and equity in providing property tax relief to individuals and families across the state.

### **I-G Market Value Homestead Credit**

Metro Cities supports the Market Value Homestead Credit Program, a state aid to individual homestead property taxpayers, as a direct credit to the taxpayer, rather than a reimbursement to local units of government. The current MVHC reimbursement structure undermines accountability in a number of ways, most directly by enabling the state to reduce or even eliminate the reimbursement to local units of government while preserving the benefit of the credit to the homeowner.

In response to the state's budget deficit, MVHC payments to local governments have been continually reduced and unallotted, resulting in an unreliability in the reimbursement, and a shift of the state's property tax relief program onto cities. Metro Cities opposes state funding reductions to the current Market Value Homestead Credit Program for the purpose of balancing state budget deficits, as these reductions shift the burden for funding a state mandated program onto local governments.

If the state reduces funding for the program, there should be a corresponding reduction in the credit received by the taxpayer.

### **I-H Property Valuation Limits/Limited Market Value**

Metro Cities strongly opposes the use of artificial limits in valuing property at market for taxation purposes, since such limitations shift tax burdens to other classes of property and create disparities between properties of equal value.

## **I-I Fiscal Disparity Fund Distribution**

Metro Cities supported the passage of 2010 legislation to conduct an analysis of the Fiscal Disparities Program. The study will be conducted by the Commissioner of Revenue and is due February 1, 2012. The study shall analyze the benefits of economic growth across the region, the program's impact on tax rates across the region, the impact of homestead property tax burdens across jurisdictions, and the relationship between the impacts of the program and overburden on jurisdictions with properties that provide regional benefits. Metro Cities supports the continuation of the fiscal disparities program unless an appropriate replacement is developed. Metro Cities opposes the use of fiscal disparities to fund social or physical metropolitan programs since it results in a metropolitan-wide property tax increase hidden from the public.

## **I-J Constitutional Tax and Expenditure Limits**

Metro Cities strongly opposes including tax and expenditure limits in the state constitution. This would eliminate any flexibility on the part of the Legislature or local governments to respond to unanticipated critical needs, emergencies, or fluctuating economic situations. When services such as education, public safety and health care require increased funding beyond the overall limit, experiences in at least one other state indicate that other publicly funded services receive less than adequate resources. Constitutional limits result in a reduced base during times of economic downturn and the inability to recover to previous service levels when economic prosperity returns.

## **I-K State Property Tax**

The 2001 Property Tax Reform Act shifted general education funding to the state, and funded it, in part, with a new state property tax on commercial/industrial and cabin property. The statute governing the state levy was subsequently amended so that the levy is no longer dedicated to education, and the levy is automatically adjusted by the rate of inflation as measured by the implicit price deflator.

Since cities' only source of general funds is the property tax, Metro Cities strongly opposes extension of a state-levied property tax to additional classes of property. Metro Cities supports efforts to have the state provide information on the property tax statement regarding the state property tax.

## **I-L Class Rate Tax System**

Metro Cities opposes elimination of the class rate tax system, or applying future levy increases to market value, since this would further complicate the property tax system.

## **I-M Personal Property Taxation: Electric Utility**

The Minnesota Department of Revenue has revised its regulations for calculating the taxable market value of electric and natural gas utility property. This affects property taxes paid by investor-owned utilities (IOUs) not only to the state, but also to local governments. Provisions in the previous regulations, such as depreciation limits and prescribed weights for the cost and income approaches to value, helped to preserve the taxable value of this property over the many decades it is in service.

IOUs enjoy a guaranteed rate of return on their capital investments, but host cities experience the costs of environmental damage, nuisance and lost economic development as the result of this property. IOUs argued that their property is over-valued and that depreciation limits should be removed. However, changes to the utility property valuation rules will drastically reduce the taxable market value that helps compensate host cities for hosting base load electric generation facilities.

Metro Cities opposes changes to the utility property valuation rules that result in a significant decline in the taxable market value of utility property. Metro Cities supports state appropriated aid to cities to keep them financially whole and to compensate for the economic and environmental costs of hosting base load electric generation facilities, rather than through increases in property class rates or other mechanisms.

## **I-N Sales Tax on Local Government Purchases**

State law currently requires local governments, with the exception of public schools, nursing homes, hospitals and public libraries, to pay sales tax. The law exempts certain local government units from some specific purchases such as ambulance vehicles and equipment, road and bridge maintenance, emergency rescue vehicles, and others. Metro Cities supports a reinstatement of the sales tax exemption for all local government purchases, since such charges represent a double tax upon our citizens.

## **I-O City Revenue Stability and Fund Balance**

Metro Cities opposes state attempts to control or restrict city fund balances. These funds are necessary to maintain fiscal viability, meet unexpected or emergency resource needs, purchase capital goods and infrastructure, provide adequate cash flow and maintain high level bond ratings.

## **I-P Public Employees' Retirement Association (PERA)**

Metro Cities supports employees and cities sharing equally in the cost of necessary contribution increases, the standard for the PERA General Plan, and a 60% employer/40% employee split, the standard for the PERA Police and Fire Plan. Metro Cities also supports state assistance to local governments to cover any additional contribution burdens placed on cities over and above contribution increases required by employees. Cities should

receive sufficient notice of these increases so that they may take them into account for budgeting purposes.

In 2010, pension stabilization legislation was enacted to begin addressing the funding deficiency in the PERA pension plans. The modifications will increase employer contributions by \$16 million annually, but the overall legislative package, including a reduction in the annual retiree adjustment, an increase in vesting to five years, and a reduction in interest rates on refunds will reduce the unfunded liability in the plans by \$300 million annually.

To help ensure the fiscal health of the PERA system, Metro cities supports the legislative changes made in 2010, and opposes benefit improvements for active employees or retirees until the financial health of the PERA General Plan and PERA Police and Fire Plan are restored.

Metro Cities supports modifications to help align PERA contributions and costs, and reduce the need for additional contribution increase, including a modification of PERA eligibility guidelines to account for temporary, seasonal and part time employment situations, the use of pro-rated service credit, and a comprehensive review of exclusions to simplify eligibility guidelines.

Metro Cities will monitor legislative proposals, plan design changes and the joint study of the state's public pension plans and when necessary and appropriate, respond in a manner that supports this policy and provides for the fair treatment of employees and the protection of municipalities' interests.

### **I-Q Aggregate Mining Fee**

In order to provide an incentive for the extraction of local aggregate resources prior to urbanized development, and in order to help offset the negative impacts of aggregate mining on local communities, the state should authorize cities and townships to collect a per ton host community fee from the operators of aggregate mines with the fee proceeds to be deposited in the municipality's general fund.

The 2008 Legislature adopted an Aggregate Resource Preservation Act as an incentive for the extraction of local aggregate resources prior to urbanized development, as well as a modified tax structure that requires 42.5% of the aggregate tax to be distributed to host cities and townships. Metro Cities supports legislative efforts to assist aggregate host cities in offsetting the negative impacts of aggregate mining on local communities. Metro Cities would prefer that cities and townships be allowed to collect a per ton host community fee from the operators of aggregate mines with the fee proceeds to be deposited in the municipality's general fund. The Legislature may wish to consider an examination of the negative impacts of aggregate mining on cities adjacent to host cities.

## **I-R State Program Revenue Sources**

Metro Cities opposes any attempt by the state to finance programs of statewide value and significance with local revenue sources such as municipal utilities or property tax mechanisms. These local revenue sources are created to finance local government services. Statewide programs, such as the Clean Water Legacy Act, serve important state goals and objectives, and should be financed through traditional state revenue sources such as the income or sales tax.

## **I-S Post Employment Benefits**

Metro Cities supported 2008 statutory changes that allow local governments to establish trusts from which to fund post-employment health and life insurance benefits for public employees, with participation by cities on a strictly voluntary basis, in recognition that cities have differing local needs and circumstances. Cities should also retain the ability to determine the level of post employment benefits to be provided to employees.

## **I-T Health Care Insurance Programs**

Metro Cities supports legislative efforts to control health insurance costs, but opposes actions that undermine local flexibility to manage rising insurance costs. Metro Cities encourages a full examination of the rising costs of health care and the impacts on city employers and employees. Metro Cities also supports a study of the fiscal impacts to both cities and retirees of pooling retirees separately from active employees.

## **I-U State Budget Stability**

For the last several years, the State has experienced budget deficits and increased volatility in state revenues. To address state budget shortfalls, the Legislature and Governor have focused their efforts on reductions in expenditures, shifting of costs to other units of government, school payment delays, and drawing down the state budget reserve. Many of these options will not be available to address future state budget shortfalls and the Legislature and Governor must seek solutions that achieve structural budget balance.

In 2007, the Legislature and Governor created the State Budget Trends Study Commission to study the implications of state demographic trends on the state's tax base and revenue collections, as well as trends in spending for state programs. The Commission was charged with examining the state budget with regard to budget stability and flexibility and making recommendations for state tax and budget changes that include changes in the tax base, mix of tax types, state and local finance relationships, entitlements and the budget structure. The Commission identified several major demographic and fiscal trends and recommendations to address achieving balance in state revenues and expenditures and managing state budget volatility.

Metro Cities strongly supports changes to the state's revenue system that enhance and improve stability, flexibility and adequacy in the system. Such changes should focus on changes that reduce the volatility of state revenues and improve the long term balance of state revenues and expenditures. Metro Cities supports a statutory budget reserve ceiling that is adequate to manage risks and fluctuations in the state's tax system and a cash flow reserve account of sufficient size so that the state can avoid short term borrowing to manage cash flow fluctuations.

Metro Cities also supports an examination of the property tax system and the relationships between state and local tax bases, with an emphasis on recent state budget cuts and their impact on property taxes.

### **I-V Online Travel Companies and Taxes**

Metro Cities opposes legislation that allows online travel companies a tax exemption that terminates obligations to pay hotel taxes to state and local governments, or otherwise restricts legal actions by states and localities.

# **GENERAL LEGISLATION (II)**

## **II-A Mandates, Zoning & Local Authority**

Metro Cities opposes statutory changes which erode local control and authority or create mandated additional tasks requiring new or added local costs without a corresponding state appropriation or funding mechanism. Metro Cities believes that zoning issues should be made at the local level. Metro Cities supports legislation that gives local officials greater authority and discretion to approve variances to remain flexible in response to the unique land use needs of their own community. New unfunded mandates potentially cause increased property taxes which impede cities ability to fund traditional service needs. To allow for greater collaboration and flexibility in providing local services, Metro Cities also encourages the removal of barriers or hurdles to cooperation and coordination between cities and other units of government or entities.

## **II-B City Enterprise Activities**

Metro Cities supports cities having the authority to establish city enterprise operations in response to community needs, local preferences, state mandates or to ensure residents' quality of life. Creation of an enterprise operation allows a city to provide the desired service while maintaining financial and management control. The state should refrain from infringing on this ability to provide and control services for the benefit of community residents.

## **II-C Firearms on City Property**

Cities should be allowed to prohibit handguns in city-owned buildings, facilities and parks. This would allow locally elected officials to determine whether to allow permit-holders to bring guns into municipal buildings, liquor stores, city council chambers and city sponsored youth activities. It is not Metro Cities' intention for cities to have the authority to prohibit legal weapons in parking lots, on city streets or city sidewalks.

## **II-D 911 Telephone Tax**

Public safety answering points (PSAPs) must be able to continue to rely on state 911 revenues to pay for upgrades and modifications to local 911 systems, maintenance and operational support, and dispatcher training. State funding should also support the technology and training needed to provide the number and location of wireless and voice over internet protocol (VoIP) calls to 911 on computer screens and transmit that data to police, fire and first responders.

## **II-E 800 MHz Radio System**

Metro Cities supports the work of the Metropolitan Emergency Services Board (previously the Metropolitan Radio Board) in implementing and maintaining the 800 MHz radio system, as long as cities are not forced to modify their current systems or become a part of the 800 MHz Radio System until they so choose. Metro Cities further urges the Legislature to provide cities with the financial means to obtain required infrastructure and subscriber equipment (portable and mobile radios) as well as provide funding for operating costs, since the prime purpose of this system is to allow public safety agencies and other units of government the ability to communicate effectively.

## **II-F Building Codes**

In spite of the serious downturn in the construction economy, thousands of new housing units have been constructed annually in the metro area, and when the economy rebounds, building will resume. Structural and water intrusion problems have surfaced in many houses and commercial buildings built in the last 20 years. These problems have resulted in dissatisfied homeowners and conflicts between the state, builders and cities.

Metro Cities supports an equitable distribution of fees from the newly created Construction Code Fund, with proportional distribution based on the area of enforcement where the fees were received. Metro Cities further supports a joint effort by the state, cities and builders to collectively identify appropriate uses for the fund, including education, analysis of new materials and construction techniques, building code updating, building inspector training, development of performance standards and identification of construction "best practices." Metro Cities does not support legislative solutions that fail to recognize the interrelationships between builders, state building codes and cities.

## **II-G Administrative Fines**

Traditional methods of citation, enforcement and prosecution have met with increasing costs to local units of government. The use of administrative fines is a tool to moderate those costs. Metro Cities supported expansion of the 2009 administrative fine authority to allow cities to issue administrative fines for defined local traffic offenses. While the expanded authority is a welcome enhancement, further compromise language is necessary to enhance the workability of the authority. Metro Cities continues to support cities' authority to use administrative fines for regulatory ordinances, such as building codes, zoning codes, health codes, and public safety and nuisance ordinances. Metro Cities supports the use of city administrative fines, at a minimum, for regulatory matters that are not duplicative of misdemeanor or higher level state traffic and criminal offenses. Metro Cities also endorses a fair hearing process before a disinterested third party.

## **II-H Residential Care Facilities**

Sufficient funding and oversight is needed to ensure that residents living in residential care facilities have appropriate care and supervision, and that neighborhoods are not disproportionately impacted by high concentrations of residential care facilities. Under current law, operators of certain residential care facilities are not required to notify cities when they intend to purchase single-family housing for this purpose. Cities do not have the authority to regulate the locations of group homes and residential care facilities. Cities have reasonable concerns about high concentrations of these facilities in residential neighborhoods, and additional traffic and service deliveries surrounding these facilities when they are grouped closely together. Municipalities recognize and support the services residential care facilities provide. However, cities also have an interest in preserving balance between group homes and other uses in residential neighborhoods.

Providers applying to operate residential care facilities should be required to notify the city when applying for licensure so as to be informed of local ordinance requirements as a part of the application process. Licensing agencies should be required to notify the city of properties receiving licensure to be operated as residential care facilities. Cities should have statutory authority to require licensed agencies and licensed providers that operate residential care facilities to notify the city of properties being operated as residential care facilities. The Legislature should also require the establishment of non-concentration standards not unlike those available to the core cities for residential care facilities to prevent clustering and require the appropriate county agencies to enforce these rules.

## **II-I Annexation**

The 2006 Legislature created the Municipal Boundary Adjustment Task Force to study and make recommendations on what, if any, changes should be made to the law governing municipal boundary adjustments. The task force was charged with developing recommendations regarding best practices annexation training for city and township officials to better communicate and jointly plan potential annexations. The report from the Municipal Boundary Adjustment Task Force to study and make recommendations on what, if any, changes should be made to the law governing municipal boundary adjustments was published in February of 2009. While the task force was able to define the differences between cities and townships on the issue of annexation, no significant advancements were made in creating best practices. Metro Cities supports continued legislative investigations into developing recommendations regarding best practices annexation training for city and township officials to better communicate and jointly plan potential annexations. Further, Metro Cities supports substantive changes to the state's annexation law that will lead to better land-use planning, energy conservation, greater environmental protection, fairer tax bases, and fewer conflicts between townships and cities. Metro Cities also supports technical annexation changes that have been agreed to by cities and townships.

## **II-J Housing Ordinance Enforcement**

In 2008, the Minnesota State Supreme Court ruled in *Morris v. Sax* that certain 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." Minnesota Statutes section 16B.6s subdivision 1 states:

"The state building code applies statewide and supersedes the building code of any municipality. A municipality must not by ordinance or through development agreement require building code provisions regulating components or systems of any residential structure that are different from any provision of the state building code."

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

## **II – K Statewide Funding Sources for Local Issues with Regional Impact**

In recognition of the fact that many issues faced by cities with significant local costs have impacts that reach beyond municipal boundaries, Metro Cities supports the availability of statewide funding sources to address local issues that have regional or statewide significance including, but not limited to, the implementation of a metropolitan area groundwater monitoring network, emerald ash borer eradication and the cleanup of storm-water retention ponds. Metro Cities opposes the requirement of enacting ordinances more restrictive than state law in exchange for access to these funds.

## **II – L Synthetic Marijuana Regulation**

In the absence of statewide regulation of synthetic marijuana some cities have begun investigating the ability to ban the product through the passage and enforcement of a local ordinance. Metro Cities believes the state should enforce a statewide ban on synthetic marijuana and should regulate it as a schedule 1 drug.

# **HOUSING & ECONOMIC DEVELOPMENT (III)**

## **Introduction**

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

Metro Cities' housing policies recognize and support the intergovernmental nature of this issue – including participation from federal, state, regional and local governments. Cities are responsible for much of the ground-level housing policy in Minnesota – including land-use planning, building code enforcement, and often times the packaging of financial incentives. However, the State and Metropolitan Council must also play a major role by empowering local units of government and providing a variety of funding programs and tools.

## **III-A City Role in Housing**

In the state of Minnesota, the provision of housing is predominantly a private sector, market-driven activity. However, all cities facilitate the development of housing via responsibilities in the areas of land-use planning, zoning ordinances and subdivision regulations. Many cities take on a significant administrative burden in order to play an additional role by providing financial incentives and regulatory relief, participating in state and regional housing programs and supporting either local or countywide Housing and Redevelopment Authorities. Cities are also responsible for ensuring the health and safety of local residents and the structural soundness and livability of the local housing stock via building permits and inspections.

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

## **III-B City Role in Affordable and Life Cycle Housing**

Metro Cities' supports both affordable housing and housing that is appropriate for people at all stages of life. A variety of housing opportunities are important to the economic and social well being of individual communities and the region. Cities can facilitate the production and preservation of affordable and lifecycle housing by:

- Applying for funding from applicable grant and loan programs;
- Working with developers and local residents to blend affordable housing into new and existing neighborhoods;

- Expediting review processes;
- Working to reduce locally imposed development costs; and
- Using available regulatory mechanisms to shape housing communities.

### **III-C Inclusionary Housing**

Metro Cities supports the location of affordable housing in residential and mixed-use neighborhoods throughout a city. However, Metro Cities does not support passage of a mandatory inclusionary housing law that would require a certain percentage of units in all new housing developments to be affordable to households at a particular income level because these units can't be produced without a deep developer subsidy or cross-subsidization from the other houses in the development.

While Metro Cities believes there are cost savings to be achieved through regulatory reform, density bonuses, and fee waivers, Metro Cities does not believe a mandatory inclusionary housing approach can achieve the desired levels of affordability solely through these steps. The Metropolitan Council, in creating its affordable housing targets, 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.

### **III- D Metropolitan Council Housing Targets**

In advance of the 2008 Comprehensive Plan deadline and in response to projected growth in the Metro Area, the Metropolitan Council created a methodology to determine how many affordable housing units would be needed and where those units should go. From that process, each metro area city was assigned an affordable housing "target". Further, Met Council Comprehensive Plan guidance instructs cities to guide sufficient land to accommodate the "targets".

Metro Cities supports the creation of a variety of housing opportunities for people. However, providing 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 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 that recognizes the following tenets:

- The Council's housing policies characterize individual city housing numbers as targets or a range of needs in the community.

- Cities need significant financial assistance from the federal and state government, as well as the Metropolitan Council, in order to make progress toward creating additional affordable housing;
- Public transit infrastructure and the provision of affordable housing are connected. The allocation of affordable housing goals should reflect the actual level of resources available for transit infrastructure and operations. The Council should provide and advocate for resources for public transit infrastructure in order to enhance opportunities for affordable housing;
- Absent significant resources to assist cities, the Met Council will not hold cities responsible if the goals can't be met, and the Met Council will reassess biennially the targets or goals to recognize the deficiency;
- The formula, and the methodology used to create it, should be routinely evaluated to determine if market conditions have changed or if underlying conditions should prompt readjustment of the formula;
- The formula should continue to reflect the balance and breadth of existing affordable housing stocks; and
- The Council should engage in a "post" project analysis in order to measure the effectiveness of that project.

### **III-E State Role in Affordable Housing**

Primarily through the programs of the Minnesota Housing Finance Agency (MHFA) the state establishes general direction and prioritization of housing issues. Further MHFA should collaborate with the Department of Employment and Economic Development (DEED) in order to connect affordable housing and economic development goals. The state financially supports a variety of housing types including homeless shelters, transitional housing, supportive housing, senior housing, and family housing. The state must continue to be an active partner in addressing lifecycle and affordable housing issues.

#### **Metro Cities supports:**

- Increase funding, including state general funds and, possibly, alternate sources of revenue, for programs that support lifecycle, affordable housing, foreclosure mitigation, senior, transitional and emergency housing. The state should consider establishing a non-competitive program to create a pipeline to match city-subsidized affordable housing projects;
- Support housing programs that assist housing development throughout the low-to-moderate income range;

- As a means of reconciling affordable housing with community development goals, Metro Cities supports housing programs designed to develop market rate housing in census block grants with high concentrations of poverty, where the private market might not otherwise invest;
- Continue the policy of using MHFA's investment earnings for housing programs;
- Metro Cities will monitor the debate regarding bonding allocation and tax credit programs to ensure city input into state legislation involving distribution of tax credits and tax exempt bonding;
- Provide exemptions from, or reductions to sales, use and transaction taxes applied to the development and production of affordable housing;
- Consider providing state tax credits to incent cross-subsidized affordable units in a market rate development project. This incentive could be used in conjunction with city, regional, or other state incentives; and
- Consider the use of state bond proceeds and other appropriations for land banking and land trusts.

### **III-F Federal Role in Affordable Housing**

Metro Cities encourages the federal government to maintain and increase current levels of funding for affordable housing. Federal investment in affordable housing will increase the supply of affordable and life cycle housing as well as increase the inter-jurisdictional collaboration between the two levels of government. Federal funding plays a critical role in aiding states and local governments in their efforts to maintain and increase affordable housing throughout the state. Metro Cities strongly encourages the following:

- To preserve and increase funding for the Community Development Block Grant Program and the federal HOME program, which are catalysts for creating more affordable housing;
- To create and implement a more streamlined procedural method for local units of government to participate and access federal funding and services dealing with grants, loans, and tax incentive programs for economic and community development efforts;
- To preserve resources to sustain existing public housing throughout the Metro Area;
- To commit resources to Section 8 funding. It is a flexible, cost effective, and successful program that has helped nearly two million families find housing through promotion of self-sufficiency and stability; and

- To support federal funding to provide short-term assistance for HRAs in order to facilitate the sale of tax-exempt bonds.

### **III-G Vacant and Boarded Properties**

There has been an epidemic of mortgage foreclosures in the state, and the number of foreclosures continues to increase as more homeowners cannot afford to pay their existing mortgages, and as many homeowners find themselves “underwater” in their mortgages, with the result that some homeowners are choosing to walk away from their homes rather than paying more than the home’s value. As the economy continues to be challenged, and recovery is expected to be slow, foreclosure levels are expected to continue to rise over the next couple of years.

While mortgage foreclosures are responsible for a significant portion of vacant and boarded properties, they are not the only cause. Abandoned residential and commercial properties can be devastating to communities when the presence of vacant buildings results 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 three things: (1) Prevention is more cost effective than a cure. (2) The causes of this problem are many and varied, thus the solutions must be as well. (3) It is not simply a “city” problem so cities must not be expected to bear the bulk of the burden of mitigation.

Further, Metro Cities supports some specific proposals:

- 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;
- Expedite the tax forfeiture process;
- Improve the cost assignment process to ensure that cities can recoup their costs of managing vacant properties;
- Improve ability of cities to recoup the increased public safety and enforcement costs related to vacant properties;
- Increase financial tools for neighborhood recovery efforts, including tax increment financing;
- Identification of the various causes of vacant and boarded properties;

- Provide tools that allow cities to acquire vacant and boarded properties before deterioration and vandalism result in unsalvageable structures, including increases eminent domain flexibility; and
- Registration of vacant and boarded properties, if this is deemed to be an effective approach to dealing with the problem.

### **III-H Economic Development and Redevelopment**

The economic viability of the Metro Area is enhanced by a broad array of economic development tools that create infrastructure, recycle previously developed property, provide incentives for business development and support technological advances. It should be the goal of the State to champion development by providing enough sustainable funding to assure competitiveness in a global marketplace. 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. State assistance to cities for development is required in two broad areas: (1) Economic Development – direct business assistance; and (2) Redevelopment/Development – real estate development. They are not mutually exclusive—some projects require a boost on both counts.

#### **III-H (1) Economic Development**

For purposes of this section, economic development is defined as a form of development that contains direct business assistance with the goal of sustainable job creation, job retention 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. Metro Cities supports;

- Continued competitive funding for the Minnesota Investment Fund;
- Continued funding for the Urban Initiative Program and other state programs to support minority business start-ups;
- Continued support for the Bioscience partnerships between cities, companies and University of Minnesota;
- Development of green opportunities for green job development and related innovation and entrepreneurship; and
- Economic tools that facilitate job growth without relying solely on the growth of property tax base;
- The Regional Competitiveness Project, a collaboration of the Regional Council of Mayors and the Business and Workforce investment Boards (DEED) with the goal of

implementing a regional economic and workforce development competitiveness strategy for short and long-term economic growth

- The Itasca Project, an employer led project to drive regional efforts to keep the Twin Cities economy and quality of life competitive with other regions; and
- The Metro Business Plan initiative, a pilot project designed to highlight the emergence of metropolitan areas as the dominant source of economic and cultural power in modern America.

### **III-H (2) Redevelopment**

Redevelopment involves the development of land that requires “predevelopment.” The goal of redevelopment is to facilitate the development of “pre-used” land, thereby leveling the playing field between green field and brown field sites so that a private sector entity can rationally choose to locate on land that has already been used. The benefits of redevelopment include a decrease in Vehicle Miles Traveled (VMTs), more efficient use of new or existing public infrastructure (including public transit), ameliorated city costs due to public safety and code enforcement, and other public goods that result when land is reused rather than abandoned and compact development is encouraged.

#### **Metro Cities supports:**

- Increased funding and flexibility in the Metropolitan Council’s Livable Communities Programs. Metro Cities strongly opposes funding reductions, transfers of Livable Communities Program funds to other program areas and constraints on eligibility and program requirements. Metro Cities supports allowing a maximum levy amount for this program, as provided for under Minnesota Statutes;
- Increased, flexible and sustained funding for the Contamination Cleanup and Investigation Grant Program, administered by DEED;
- New financing and regulatory tools to nurture Transit Oriented Development, including funding for Transit Improvement Areas (TIAS) as defined in state statute, as well as increased flexibility in the use of TIF for this purpose;
- Increased and sustained general fund and state bond funds for the Redevelopment Grant Program, administered by DEED, dedicated to Metropolitan Area projects.
- The evaluation of SAC fees to determine if they hinder redevelopment;
- Allowing for cities to “bank” SAC credits to use elsewhere within city;
- Expansion of existing tools or development of new funding mechanisms to correct unstable soils; and

- Extension of the sunset of the state income tax credit for preservation of historic properties.

### **III-I Tax Increment Financing**

Tax Increment Financing (TIF) has been and continues to be the primary tool available for local communities to assist economic development, redevelopment and housing. Over time, several statutory changes have made this critical tool increasingly difficult to use, while recent property tax reform has resulted in a decreased state financial stake in city TIF decisions. At the same time that TIF has become more restrictive and difficult to use, federal and state development and redevelopment resources have been steadily shrinking. The 2006 eminent domain changes will make redevelopment significantly more expensive in some cases, and impossible in others. The cumulative impact of TIF restrictions, shrinking federal and state redevelopment resources, and changes to eminent domain laws will restrict a city's ability to address problem properties and will accelerate the decline of developed cities in the Metropolitan Area. With huge state and federal budget deficits, 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:**

- Extend the sunsets for the TIF provisions in the 2010 "Jobs" bill to fully realize the construction potential as the economy moves toward recovery, and as the lending market becomes more compatible with commencing construction projects;
- Not adopt any statutory language that would further constrain or directly or indirectly reduce the effectiveness of TIF;
- 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;
- Increase the ability to pool increments from other districts to support projects;
- 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 around transit stations but not for construction or maintenance of the public transit itself;

- 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 green house 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 the to the distribution of the benefits of the redevelopment project.
- Support TIF for neighborhood recovery efforts in the wake of the foreclosure crisis;
- 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; and
- Metro Cities encourages the State Auditor to continue to work toward a more efficient and streamlined reporting process.

### **III-J Eminent Domain**

Eminent domain law changes made by the 2006 Legislature resulted in a significant philosophical and legal shift in Minnesota. Whereas prior to 2006, Minnesota law provided extensive deference to local governments, statutory changes enacted in 2006 provide significantly greater deference to property owners. Eminent domain actions for traditional public uses such as streets, parks or sewers will cost more. And except for the most extreme cases of blight or contamination, eminent domain for redevelopment purposes will be nearly impossible at any cost.

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 will be allowed to deteriorate to unprecedented levels before the public will be able to react. Metro Cities strongly encourages the Governor and Legislature to revisit the 2006 eminent domain changes to allow local governments to redevelopment problems before those conditions become financially impossible to address. Specifically, the Legislature should:

- Clarify contamination standards;

- Develop different standards for redevelopment to include obsolete structures or to reflect the deterioration conditions that currently exist in the Metro Area;
- Allow for the assembly of multiple parcels for redevelopment projects;
- Provide for the ability to acquire land from “holdouts” who will now view a publicly funded project as an opportunity for personal gain at taxpayer expense;
- Modify the public purpose definition under Chapter 117 to allow cities to more expediently address properties that are vacant or abandoned in areas with high levels of foreclosures, so as to address neighborhood stabilization and recovery
- Review the new compensation and relocation provisions to determine whether they are reasonable and if they are fair to individuals and the public; and
- Allow for modifications to the effective date language in the 2006 legislation in order to accommodate delays in project schedules that are beyond the control of the acquiring authority.

### **III-K This Old House/This Old Shop**

Metro Cities supports the reenactment of the “This Old House” law, which allowed owners of older homestead property to defer an increase in their tax capacity resulting from repairs or improvements to the home. In particular, “This Old House”, or a similar program, should be reauthorized as an incentive for re-occupying and homesteading foreclosed or vacant homes.

Metro Cities also supports passage of similar legislation for owners of older commercial/industrial property that make improvements that increase the property’s market value by at least 12%.

### **III-L Business Subsidy Policy**

Without a thorough study, the Legislature should not make any substantive changes to the Business Subsidy Act during the next legislative session, but should look to technical changes that would stream line both state and local processes and procedures. The legislature should distinguish between development subsidies and redevelopment activities. In addition, in order to ensure cohesive and comprehensive regulations, the legislature should limit regulation of business subsidies to the Business Subsidy Act.

Metro Cities supports additional “Jobs” legislation that includes tools to help facilitate further economic development and job creation.

### **III-M Internet Technology**

Where many traditional economic development tools have focused on managing the costs and availability of traditional infrastructure—roads, rail, utilities, etc.—the new economy is increasingly dependent on reliable, redundant, cost effective, high bandwidth telecommunications capabilities. While the United States was once a leader among “wired” economies, its position has slipped dramatically as other countries have facilitated investments in fiber-optic deployment (fiber to the premises), commitments to true high speed internet capacity (100 mb to 1 gb) and improved networks (Internet 2). Recognizing that there is a policy debate regarding the role of government versus private telecommunications companies in implementing the next generation of internet capability, bringing about such capabilities is increasingly important to insure that U.S. companies in general and Minnesota companies in particular can compete effectively in the global economy.

Metro Cities endorses comprehensive and regional strategies to stimulate the implementation of high speed, reliable and cost effective internet service that is available throughout the state. Further, Metro Cities supports a change to allow a city, or group of cities, to own and operate a telephone switch by a simple majority vote in a referendum.

### **III-N 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.

Green jobs represent employment and entrepreneurial opportunities that are part of the green economy, as defined in Minnesota statute 116.437J1, 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.

### **III-O Impaired Waters**

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 metro area. 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 passed in the 2009 Legacy legislation for clean water 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.

# Metropolitan Agencies (IV)

## IV-A Purpose of Metropolitan Governance

The statutorily-defined Twin Cities metropolitan region is made up of 193 cities and townships covering over 3,000 square miles in seven counties. The effective and efficient delivery of certain public services and the continued economic growth of this region is enhanced by the existence of a regional entity to provide coordination and facilitate cooperation.

Therefore, Metro Cities supports the continued existence of a metropolitan governance system for the purpose of:

- Facilitating long-term region-wide planning with the cooperation and consideration of the affected local units of government; and
- Planning for and providing those public services that are needed by the region, but cannot be effectively and efficiently provided by local governments or the state.
- With or without the Metropolitan Council as it exists today, the region needs some entity to perform these functions. However, the Twin Cities' metropolitan Governance structure should not be granted, nor should it assume, general local government or state agency powers.

## IV-B Roles and Responsibilities of the Metropolitan Council

The primary responsibilities of the Metropolitan Council are to:

- Plan for the orderly and economical development of the metropolitan area by preparing a comprehensive development guide that includes long-range comprehensive policy plans for the transportation/aviation, wastewater treatment and recreational open space systems.
- Review local comprehensive plans for compatibility with the plans of neighboring communities, consistency with Metropolitan Council policies and conformity with metropolitan system plans.
- Provide specific regional services and administer select regional grant programs as assigned by state or federal law.
- Provide technical assistance, research and information to local units of government.

Overall, it is the Metropolitan Council's role, through the regional development guide and its accompanying policy plans, to set broad regional goals and then provide cities with

technical assistance and incentives to achieve those goals. Local governments are ultimately responsible for zoning, land use planning and development decisions within their borders.

Any additional responsibilities taken on by, or authority granted to the Metropolitan Council should be limited to a specific statutory assignment, or grant.

- Metro Cities supports a comprehensive analysis of the Metropolitan Council's current authority and governance structure, activities, services and geographical jurisdiction. The analysis should include participation by local officials.

#### **IV-C Selection of Metropolitan Council Members**

*Elected?*

Members of the Metropolitan Council should be selected via an open process that includes an opportunity for local governments and other stakeholders to provide meaningful input. Council members should understand and be responsive to the districts they represent while also serving the best interests of the region. Metropolitan Council members should serve fixed, staggered terms.

#### **IV-D Funding Regional Services**

The Metropolitan Council should continue to fund its regional services and activities through a combination of user fees, property taxes, and state and federal grants.

- The Metropolitan Council should set user fees via an open process that includes public notices and public hearings. User fees should be uniform by type of user and set at a level that supports effective and efficient public services based on commonly accepted industry standards, and allows for sufficient reserves to ensure long-term service and fee stability. Metro Cities supports the use of user fees and property taxes to fund regional projects so long as the benefit conferred on the region is proportional to the fee or tax, and the fee or tax is comparable to the benefit cities receive in return.
- Metro Cities supports user fees for regional projects so long as the fees are not used to coerce a particular response from cities.
- Fee proceeds should be used to fund regional services or programs for which they are collected.

#### **IV-E Regional Systems**

Regional systems are currently defined in statute as transportation (with aviation), wastewater treatment and recreational open space. The purpose of these regional systems and the Metropolitan Council's authority for them is clearly outlined in state statute. In order to alter the focus or expand the reach of any of these systems, the Metropolitan Council must seek a statutory change.

The system plans/statements prepared by the Metropolitan Council for these regional systems should be specific in terms of the size, location and timing of regional investments in order to allow for consideration in local comprehensive planning. System plans should clearly state the criteria by which local plans will be judged for consistency and the criteria that will be used to find that a local plan is more likely than not to have a substantial impact on or contain a substantial departure from metropolitan system plans.

Additional regional systems should only be established if there is a compelling metropolitan problem or concern that can best be addressed through the designation. Common characteristics of the four existing regional systems include public ownership of the system and its components and an established regional or state funding source. These characteristics should be present in any new regional system that might be established. Water supply does not meet these criteria.

#### **IV-F Review of Local Comprehensive Plans**

In reviewing local comprehensive plans and plan amendments, the Metropolitan Council should:

- Recognize that its role is to review and comment, unless it is found that the local plan is more likely than not to have a substantial impact on or contain a substantial departure from one of the four system plans;
- Be aware of the statutory time constraints imposed by the Legislature on plan amendments and development applications;
- Provide for immediate effectuation of plan amendments that have no potential for substantial impact on systems plans;
- Require the information needed for the Metropolitan Council to complete its review, but not prescribe additional content or format beyond that which is required by the Metropolitan Land Use Planning Act (LUPA);
- When a city's local comprehensive plan is deemed incompatible with the Met Council's systems plans, Metro Cities supports a formal appeals process that includes a peer review and encourages cities and the Met Council to work in a cooperative and timely fashion toward the resolution of outstanding issues. Metro Cities opposes the imposition of sanctions or monetary penalties when a city's local comprehensive plan is deemed incompatible with the Met Council's systems plans or the plan fails to meet a statutory deadline when the city has made legitimate efforts to meet Met Council requirements.
- Concerning 'flexible' residential development and achieving consistency with the Metropolitan Council's system plans and policies, Metro Cities supports the

Metropolitan Council working with affected cities and other organizations such as the Pollution Control Agency, Department of Natural Resources, and other relevant stakeholders to identify common ground as well as potential conflicts between respective goals for flexible development.

#### **IV-G Local Zoning Authority**

Local governments are responsible for zoning and local officials should have full authority to approve variances to remain flexible in response to the unique land use needs of their own community. Local zoning decisions, which are the implementation of cities' comprehensive plans, should not be conditioned upon the approval of the Metropolitan Council or any other governmental agency. Metro Cities strongly opposes the creation of any appeals boards with the authority to supersede city zoning decisions.

#### **IV-H Regional Growth**

The most recent regional population forecasts projects a population of 3,608,000 people by 2030. The number represents a nearly 37% increase in the population since the 2000 census.

Metro Cities recognizes cities' responsibility in planning for sustainable growth patterns that integrate transportation, housing, parks, open space and economic development will result in a region better equipped to manage population growth, to provide a high quality of life for a growing and increasingly diverse metropolitan area population and improved environmental health.

In developing local comprehensive plans to fit within a regional framework, adequate state and regional financial resources and incentives, and maximum flexibility around local planning decisions, are imperative. The regional framework should assist cities in managing growth while being responsive to the individual qualities, characteristics and needs of metropolitan cities, and should encourage sub-regional cooperation and coordination.

In order to accommodate this growth in a manner that preserves the region's high quality of life:

- Natural resource protection will have to be balanced with growth and development/reinvestment;
- Significant new resources will have to be provided for transportation and transit;
- New households will have to be incorporated into the core cities, first and second-ring suburbs, and developing cities through both development and redevelopment.

- In order for regional and local planning to result in the successful implementation of regional policies:
- The State of Minnesota must contribute additional financial resources, particularly in the areas of transportation and transit, reinvestment, affordable housing development, and the preservation of parks and open space. If funding for regional infrastructure is not adequate, cities should not be responsible for meeting the growth forecast set forth by the Metropolitan Council.
- The Metropolitan Council must work to pursue levels of state and federal transportation funding that are adequate to meet identified transportation and transit needs in the metropolitan area.
- The Metropolitan Council must recognize the limitations of its authority and continue to work with cities in a collaborative, incentives-based manner, and
- Metropolitan counties, including the collar counties and school districts, must be brought more thoroughly into the discussion due to the critical importance of facilities and services such as county roads and public schools in accommodating forecasted growth.
- Greater recognition must be given to the fact that the "true" metropolitan region extends beyond the traditional seven-county area and to the need to work collaboratively with the twelve adjacent counties in Minnesota and Wisconsin, and the cities within those counties. The region faces environmental, transportation, and land-use issues that cannot be solved by the seven-county metro area alone. Metro Cities supports an analysis to determine the impacts of Metropolitan Council's growth management policies and infrastructure investments on the growth and development of the collar counties, and the impacts of growth in the collar counties on the metropolitan area.

#### **IV-I Comprehensive Planning Schedule**

Cities are required to submit comprehensive plan updates to the Metropolitan Council every 10 years, the most recent of which was due in 2008.

Any future changes to the schedule for local comprehensive planning should be accompanied by the statutory establishment of a complementary schedule for regional planning. This schedule should:

- (1) protect cities from being forced into a state of perpetual planning in response to regional actions; and;
- (2) ensure sufficient time for cities to understand and incorporate regional policies into their local planning efforts.

Metro Cities recognizes that there is merit in aligning comprehensive plan timelines with the release of census data. However, the comprehensive plan process is expensive, time consuming and labor intensive for cities, and the timing for the submission of comprehensive plans should not be altered solely to better align with census data. If sufficient valid reasons exist for the schedule for the next round of comprehensive plans to be changed or expedited, cities should be provided with financial resources to assist them in preparing the next round of plans. Metro Cities encourages the Council to review its comprehensive planning process to make sure that the process is streamlined and efficient, so as to assist in alleviating excessive cost burdens or duplicative or unnecessary planning requirements by municipalities in the comprehensive planning process.

Metro Cities supports a 10-year time frame for comprehensive plan submissions.

#### **IV-J Natural Resource Protection**

Metro Cities supports the Metropolitan Council's efforts to compile and maintain an inventory and assessment of regionally significant natural resources for the purpose of providing local communities with additional information and technical assistance. The state has a significant role to play in the protection of natural resources. However, any additional steps taken by the state or the Metropolitan Council regarding the protection of natural resources must recognize that:

- The protection of natural resources is significant to a multi-county area that is home to more than 50 percent of the state's population and a travel destination for many more. Given the limited availability of resources and the artificial nature of the metropolitan area's borders, neither the region nor individual metropolitan communities would be well served by assuming primary responsibility for financing and protecting these resources. Metro Cities urges the state and/or the Metropolitan Council to provide financial assistance for the preservation of regionally significant natural resources.
- The completion of local Natural Resource Inventories and Assessments (NRI/A) is not a regional system nor is it a required component of local comprehensive plans under the Metropolitan Land Use Planning Act.
- The protection of natural resources will have to be balanced with the need to accommodate growth and development, reinvest in established communities, encourage more affordable housing and provide transportation and transit connections.
- Decisions about the zoning or land-use designations either within or outside a public park, nature preserve or other protected area are, and should remain, the responsibility of local units of government

#### **IV-K Inflow and Infiltration (I/I)**

The Metropolitan Council's Water Resources Management Plan established an I/I surcharge in 2007 on cities that are determined to be contributing unacceptable amounts of storm water to the MCES wastewater treatment system. Since the inception of the surcharge program, 46 cities have been identified as excessive I/I contributors. This number is subject to change, depending on rain events, and any city in the metropolitan area could be affected.

While Metro Cities recognizes the importance of controlling I/I because it affects the size, and therefore the cost, of wastewater treatment systems and because excessive I/I in one city can affect development capacity of another city that lies down pipe, we are concerned about the potential for cities to incur increasingly exorbitant costs, and decreasing benefits, in their on-going efforts to mitigate excessive I/I.

Metro Cities supports the recommendations of the 2010 I/I Demand Charge Task Force for a second phase, on-going surcharge program to address I/I mitigation in the region. Metro Cities further supports adjustments to the flow methodology used to measure excess I/I that allow for the normalizing of precipitation variability. Metro Cities also encourages the Council to work with cities on community-specific issues that fall outside the scope of the task force report and recommendations.

Metro Cities continues to monitor the surcharge program, and encourages the Metropolitan Council to support state financial assistance for Metro Area I/I mitigation through future Clean Water Legacy Act appropriations or similar legislation.

Metro Cities supports continued state capital assistance to provide grants to metro area cities for the purpose of mitigating inflow and infiltration problems into municipal wastewater collection systems.

#### **IV-L Water Supply**

The 2005 Legislature authorized the Metropolitan Council to carry out planning activities to address the water supply needs of the Metro Area, and to establish a Water Supply Advisory Committee. Its work includes analyzing technical water supply/use data, the development of a master metro area water supply plan, recommendations for clarifying roles of local, regional and state governments and streamlining and consolidating approval processes, and recommendations for funding future planning and capital investments.

The advisory committee completed work on a Master Water Supply Plan in March 2010. The plan is a framework for assisting and guiding communities in their water supply planning, without usurping local decision making processes. As the plan is implemented, many cities will conduct their own analyses for use in water supply planning. Local studies should be given equal weight in regional water supply planning.

In addition to the Metropolitan Council, there are currently at least five state agencies with water related jurisdiction. There are also several federal agencies involved in water issues. Metro Cities supports the Metropolitan Council activities associated with clarifying local, regional and state water supply roles. Metro Cities encourages the Metropolitan Council to consider the inter-relationships of wastewater treatment, storm water management and water supply. Metro Cities also supports on-going analytical work that will help streamline and consolidate the myriad and often conflicting water supply permitting processes. Any state and regional regulations and processes should be explicit in the Water Supply Plan. Further, regional monitoring and data collection benefits should be borne as shared expenses between the regional and local units of government. Metro Cities further supports efforts to identify capital funding sources to assist with municipal water supply projects.

The 2010 Legislature expanded the membership of the Advisory Committee to include four officials from the collar counties, and extended the Advisory Committee to December, 2012. The extension of the committee, which includes five metro area municipal officials, will allow the committee to continue to play a strong role in the development and direction of water supply planning activities as the Master Plan is further developed and refined with additional information and data as they become available.

Metro Cities opposes the insertion of the Metropolitan Council as another regulator in the water supply arena. Metro Cities further opposes the elevation of water supply to "Regional System" status, or the assumption of Met Council control and management of municipal water supply infrastructure. At this time, we oppose any regional taxes or fees for water supply planning.

#### **IV-M Service Availability Charge (SAC)**

Metro Cities supports a SAC program that emphasizes equity, simplification and lower rates. The Met Council adopted changes to its SAC program that were implemented in January, 2010. Under the new changes, when a redeveloping property's new use requires lower wastewater capacity than what was used in the prior seven years, SAC credits are limited to the amount needed on the site for the new use. A property developing at the same or lesser wastewater demand will not incur SAC nor get credits.

Metro Cities supported modifications to SAC rules adopted by the Metropolitan Council in 2008 that allow for a voluntary transfer of SAC credits from one metro city to another and from one site to another within a city, for projects that, without the credits, would mean that a business would move its operations out of state, under specific conditions. Metro Cities supported this change with the understanding that these transfers will be limited to economic development projects with statewide significance and as such are likely to occur only in rare circumstances.

Because of the economic recession, SAC revenues are in a steep decline. As a result, the Metropolitan Council adopted changes, phased in over three years, to the SAC program

capacity methodology in 2009, and sought SAC “shift” legislation in 2010 to allow the Council flexibility to temporarily reduce the SAC transfer, and shift the amount to the Municipal Wastewater Charge when financially necessary. While Metro Cities recognizes the Council’s need for flexibility to maintain the solvency of the regional wastewater system, we advocated for amendments to assure the new law would not be overly permissive and would allow for a comprehensive analysis of the SAC program. The amendments included a sunset of the legislation, a ‘shift back’ mechanism to the Municipal Wastewater Charge when the SAC fund is solvent, and a precise trigger that puts the process for any reduction in place. All were included in the final legislation that passed into law.

In the summer of 2009, Metro Cities recommended the establishment of a task force to comprehensively examine the SAC financing structure and provide recommendations on SAC financing for the long term. The Metropolitan Council established a SAC Task Force in December, 2009. The task force is recommending a “growth pays for growth” approach for the SAC program, as well as changes to the commercial criteria on which SAC is based, with the aim of assuring fairness and equity in the SAC program. Metro Cities supports this approach.

#### **IV-N Funding Regional Parks & Open Space**

In the seven-county metropolitan area, regional parks essentially serve the role of state parks. Therefore, the state should continue to provide capital funding for the acquisition, development and improvement of these parks. State funding should equal 40 percent of the operating budget for regional parks.

#### **IV-O Livable Communities**

The Livable Communities Act (LCA) is operated by the Metropolitan Council and provides a voluntary, incentive-based approach to affordable housing development, brown field clean up and mixed-use, transit-friendly development and redevelopment. Metro Cities strongly supports the continuation of this approach, which has been widely accepted and is fully utilized by local communities. Since its inception in 1995, the LCA program has generated billions of dollars of private and public investment, created thousands of jobs and added thousands of affordable housing units in the region.

Metro Cities supports increased funding and flexible eligibility requirements in the livable communities demonstration account in order to assist communities with development that may not be exclusively market driven or market proven in their particular location and in order to support important development and redevelopment goals. Metro Cities opposes changes to this program that constrain flexibility around program requirements and criteria.

Metro Cities supports statutory modifications in the Livable Communities Demonstration Account Program to reflect the linkages among the LCDA and municipal objectives and

goals and Met Council systems objectives and goals. Metro Cities also supports statutory changes to assure that all metropolitan area cities are eligible to participate in the LCDA program.

Metro Cities strongly opposes funding reductions to the Livable Communities Program and the transfer or use of these funds for other program areas.

Use of interest earnings from LCA funds should be limited to covering the costs of administering the program. Remaining interest earnings not used for program administration should be considered part of the LCA funds and used to fund grant requests from the established LCA accounts, according to established funding criteria.

#### **IV-P Density**

Metro Cities supports a reasonable Met Council density policy that bases density projections on actual development patterns, is flexible, and accommodates cities at various development stages. Any Met Council density policy must take into account the impacts of market trends on city development and redevelopment activities.

# TRANSPORTATION (V)

## V-A Transportation and Transit Funding

Metro Cities supported passage of the 2008 Transportation Finance bill. This legislation allows for necessary resources for MnDOT, the county road system and the MSA road system, and will help make up for the lack of state resources over the last twenty years. Metro Cities was proud to be part of the effort to secure this base level funding.

However, the resources contained in the transportation finance bill represent only half of the need in our counties, cities and state. Metro Cities recognizes the need for additional transportation funding statewide, and will continue to advocate for additional resources to maintain our transportation infrastructure. In addition, cities still lack the authority to use additional tools for city street improvements; such resources continue to be restricted to property taxes and special assessments. It is imperative that alternative authority be granted to municipalities for this purpose to relieve the burden on the property tax system.

## V-B Regional Transit System

The Twin Cities Metropolitan Area needs a multi-modal regional transit system that serves both commuters and the transit dependent. The transit system should be composed of a mix of HOV lanes, Bus Rapid Transit, express and regular route bus service, exclusive transit ways, light rail transit and commuter rail corridors designed to connect residential, employment, retail and entertainment centers. The system should be regularly monitored and adjusted to ensure that routes of service correspond to the region's changing travel patterns.

Metro Cities strongly supported the ¼ cent sales tax which was passed by the 2008 Legislature. This tax will be levied in the Metropolitan Area and dedicated to transit. The sales tax represents a commitment to investment in our region's transit ways. It will be important to direct these revenues purposefully, and to avoid subsidizing areas of transit funding that are the responsibility of the Legislature and Metropolitan Council. Metro Cities is opposed to legislative or Metropolitan Council directives that constrain the ability of metropolitan transit providers to provide a full range of transit services, including reverse commute routes, suburb-to-suburb routes, transit hub feeder services or new, experimental services that may show a low rate of operating cost recovery from the fare box.

## V-C Transit Operating Subsidies

The Twin Cities metropolitan area is served by a regional transit system that is expanding to include rail transit and dedicated bus ways. Any operating subsidies necessary to support this system should come from a regional or statewide funding source. The property taxpayers of individual cities and counties should not be singled out to fund the

operation of specific transit lines or routes of service within this regional system. The Metropolitan Council must find a stable and growing revenue source to fund the operating budget for Metro Transit. MVST revenue projections have not been reliable and as a result the Met Council is continuing to operate at a funding deficit. The ¼ cent sales tax will be used, in part, to fund operating costs on designated transit ways in the Metropolitan Area. It is critical that this tax not be allocated in ways that allow the Legislature or Met Council to abrogate their responsibilities for funding operating costs for the metropolitan transit system.

#### **V-D Street Improvement Districts**

Metro Cities supports the authority of local units of government to establish street improvement districts. Street improvement districts allow for cities in developed and developing areas to fund new construction as well as reconstruction and maintenance efforts.

The street improvement district is designed to allow cities, through the use of a fair and objective fee structure, to create a district or districts within the city where fees will be raised but must also be spent. Street improvement districts would also aid cities under 5,000, giving them an alternative to the property tax system and special assessments.

Metro Cities also supports the further investigation of implementation of the Center for Transportation Studies' research on value capture. The research identifies additional tools for the legislature to explore offering to cities as options to finance transportation improvements.

#### **V-E Highway Turnbacks & Funding**

Metro Cities supports jurisdictional reassignment or turnback of roads on a phased basis using functional classifications and other appropriate criteria subject to a corresponding mechanism for adequate funding of roadway improvements and continued maintenance. Metro Cities does not support the wholesale turnback of county roads without the total cost being reimbursed to the city in a timely manner.

Cities do not have the financial capacity, other than significant property tax increases, to absorb the additional roadway responsibilities without new funding sources. The existing municipal turnback fund is not adequate based on contemplated turnbacks. The 2008 transportation finance bill will add approximately \$6 million to the Metro Turnback Fund, bringing the fund up to \$20 million, which falls short of the \$100 million needed.

Metro Cities supports additional funding for municipalities that are assuming the role of maintenance and upkeep on city streets that maintain a level of traffic consistent with state highways. Cities should be compensated for providing a service that traditionally has been borne by the state. The state has abrogated its responsibility for maintaining major roads

throughout the state by requiring, through omission, that cities bear the burden of maintenance on major state roads.

#### **V-F "3C" Transportation Planning Process: Elected Officials' Role**

Metro Cities supports continuation of the Transportation Advisory Board (TAB), with a majority of locally elected officials as members and participating in the process. The TAB was developed to meet federal requirements, designating the Metropolitan Council as the organization that is responsible for a continuous, comprehensive and cooperative (3C) transportation planning process to allocate federal funds among metropolitan area projects. This process requirement was reinforced by the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA), the 1998 Transportation Efficiency Act for the 21st Century (TEA21) and the 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

#### **V-G Photo Enforcement of Traffic Laws**

Cities should be allowed to enforce traffic laws and promote public safety on Minnesota's streets and highways through the use of photo enforcement technology.

#### **V-H Airport Noise Mitigation**

Metro Cities supports noise abatement programs and expenditures designed to minimize the impacts of Metropolitan Airports Commission (MAC) operated facilities on neighboring communities. The MAC should determine the design and geographic reach of these programs only after a thorough public input process that considers the priorities and concerns of impacted cities and their residents. The MAC and the state should seek long-term solutions to fund the full mitigation package as adopted in 1996 for all homes in the 64-60 DNL impact area. Noise abatement efforts should be paid for by fees and charges collected from airport users, as well as state and federal funds. Furthermore, unless mitigation funding is provided, Metro Cities opposes any legislation that requires a property owner to disclose those properties that lie within 64-60 DNL noise contours.

Acknowledging that the communities closest to MSP and reliever airports are significantly impacted by noise, traffic, and other numerous expansion-related issues,

Metro Cities supports the broad goal of providing MSP-impacted communities greater representation on the MAC. Metro Cities wants to encourage continued communication between the MAC commissioners and the cities they represent. Balancing the needs of MAC, the business community and airport host cities and their residents requires open communication, planning and coordination. Cities must be viewed as partners with the MAC in resolving the differences that arise out of airport projects and the development of adjacent parcels. Regular contact between the MAC and cities throughout the project proposal process will enhance communication and problem solving.

## **V-I Cities Under 5,000 Population**

Cities under 5,000 in population do not directly receive any non-property tax funds for collector and arterial streets. Current CSAH distributions to metropolitan counties are inadequate to provide for the needs of smaller cities in the metropolitan area. Criteria, such as the number of average daily trips, should be established in a small city local road improvement program for funding qualification and a distribution method devised. Possible funding sources include the five-percent set-aside account in the Highway User Tax Distribution Fund, modification to county municipal accounts, street improvement districts, and/or state general funds.

## **V-J County State Aid Highway (CSAH) Distribution Formula**

Even with the additional resources provided by the Legislature through the transportation finance bill, significant needs remain in the metro area CSAH system. The additional revenue for the CSAH system will result in more projects being completed faster, however, greater pressure is being placed on municipalities to participate in cost sharing activities, encumbering an already over-burdened local funding system. When the alternative is not building or maintaining roads, cities bear not only the costs of their local systems but also pay upward of fifty percent of county road projects. Metro Cities supports special or additional funding for cities that have burdens of additional cost participation in county road projects.

Although only 10% of the CSAH roads are in the metro area, they account for nearly 50% of the vehicle miles traveled. The new CSAH formula passed by the Legislature will better account for needs in the Metropolitan Area, and the new formula is a first step in providing additional resources for the Metropolitan Area.

## **V-K Municipal Input/Consent for Trunk Highways and County Roads**

Minnesota Statutes direct the Minnesota Department of Transportation (MnDOT) to submit detailed plans with city cost estimates at a point one and a half to two years prior to bid letting, at which time public hearings are held for citizen/business/municipal input. If MnDOT does not concur with requested changes, it may appeal. Currently, that process would take a maximum of three and a half months and the results of the appeals board are binding on both the city and MnDOT.

Metro Cities opposes any changes to the current statute that would allow MnDOT to disregard the appeals board ruling for state trunk highways. The result of such a change would significantly minimize MnDOT's desire or need to negotiate in good faith with a city for appropriate project access and alignment, and it would make the public hearing and appeals process meaningless.

Metro Cities opposes elimination of the county road municipal consent and appeal process for the same reasons we oppose changing the process as it applies to MnDOT trunk highway projects.

#### **V-L Plat Authority**

Metro Cities supports current law granting counties review and comment authority for access and drainage issues for city plats abutting county roads. Metro Cities opposes any statutory change that would grant the county veto power or that would shorten the 120-day review and permit process time.

#### **V-M City Speed Limit Control**

Metro Cities supports a reduction in the state-wide default speed limit from 30 to 25 mph on local residential roads. Metro Cities supports design standards that result in slower speeds on local roads. In the event of a uniform speed limit reduction, Metro Cities supports increased state funding for education and enforcement.

#### **V-N Speed Limits Surrounding City Parks and Schools**

At cities' or counties' discretion, Metro Cities supports a year round reduction of speed limits within 500 feet of any city or county parks as well as schools.

#### **V-O MnDOT Maintenance Budget**

With the passage of the transportation finance bill, much of MNDOT's maintenance budget has been restored. However, it is likely that local units of government will continue be asked to maintain state-owned infrastructure. Metro Cities' supports MnDOT alleviating cities of the State's responsibilities with the additional resources provided to MnDOT this year through the Transportation Finance bill. We also support funding that allows the State to maintain its own infrastructure.

#### **V-P Transit Taxing District**

Metro Cities supports a stable revenue source to fund both the capital and operating costs for transit at the Metropolitan Council. The transit taxing district, which funds the capital cost of transit service in the Metropolitan Area through the property tax system, is inequitable. Because the boundaries of the transit taxing district do not correspond with any rational service line, cities in the taxing district or out of the taxing district are contributing unequally to the transit service in the Metropolitan Area. This inequity should be corrected. However, Metro Cities does not support the expansion of the transit taxing district without a corresponding increase in the service. To do so would add another burden to property tax payers without a corresponding benefit.

## **V-Q Complete Streets**

Metro Cities supports options in state design guidelines for streets that would give cities greater flexibility to:

- safely accommodate all modes of travel
- address storm water needs
- ensure livability in the appropriate context for each city.

Metro Cities opposes state imposed mandates that would increase street infrastructure improvement costs in locations and instances where providing access for alternative modes including cycling and walking are deemed unnecessary or inappropriate as determined by local jurisdictions.

# COMMITTEE ROSTERS (VI)

## Housing & Economic Development

Anne Norris (Chair), City Manager, Crystal

Gene Abbott, Councilmember, Savage  
Bonnie Balach, Consultant, Minneapolis  
Karl Batalden, Housing Spec./Assoc. Planning, Woodbury  
Cecile Bedor, Planning & Econ Development, St. Paul  
Mitch Berg, Administrator, Bayport  
Gino Businaro, Councilmember, Chaska  
Ultan Duggan, Councilmember, Mendota Heights  
Rick Getschow, City Manager, Hopkins  
Amber Greves, Councilmember, Minnetonka  
Bryan Hartman, Program Manager, Bloomington  
Brian Heck, Admr.-Clerk, Shorewood  
Lee Helgen, Councilmember, St. Paul  
Jon Hohenstein, Comm. Dev. Dir., Eagan  
Schawn Johnson, Asst. to the City Mgr., New Brighton  
Dean Johnston, Mayor, Lake Elmo  
Steve Lampi, Mayor, Brooklyn Park  
R. Michael Leek, Comm. Dev. Dir., Shakopee  
Patty Lilledahl, Dir. of business Development & Finance, St. Paul  
Lorrie Louder, Dir. Of Bus & IGR, St. Paul Port Authority  
Bruce Nordquist, Comm. Dev. Dir., Apple Valley  
Tammy Omdal, Deputy City Manager/CFO, Burnsville  
Samantha Orduno, Administrator, Dayton  
Jennifer Pelletier, Planning Commission, Lake Elmo  
Terence Quigley, Councilmember, Shoreview  
Melissa Reed, Gov't Relations Rep., Minneapolis  
Mark Sather, City Manager, White Bear Lake  
Robert Schreier, Dir. of Commun. Dev., Brooklyn Park  
Mary Sherry, Councilmember, Burnsville  
Bob Streetar, Comm. Dev. Dir., Oakdale  
Wendy Underwood, Gov't Rel Rep., St. Paul  
Tony Wagner, Councilmember, Minnetonka  
Craig Waldron, Administrator, Oakdale  
Brad Wiersum, Councilmember, Minnetonka  
Pierre Willette, Government Relations Rep., Minneapolis  
Julie Wischnack, Comm. Dev. Dir., Minnetonka

## **Metropolitan Agencies**

Chuck Haas (Chair), Councilmember, Hugo

Susan Arntz, Administrator, Waconia  
David Beaudet, Mayor, Oak Park Heights  
Bob Bruton, Councilmember, North St. Paul  
Holly Dahl, Mayor, Lakeville  
Ultan Duggan, Councilmember, Mendota Heights  
Sarah Erickson, Gov't Relations Rep., St. Paul  
Cheryl Fischer, Mayor, Minnetrista  
Elizabeth Glidden, Councilmember, Minneapolis  
Tom Goodwin, Councilmember, Apple Valley  
Brian Heck, Admr.-Clerk, Shorewood  
Schawn Johnson, Asst. to the City Manager, New Brighton  
Dean Johnston, Mayor, Lake Elmo  
Dan Kealey, Councilmember, Burnsville  
Matt Kline, Water Operator, Lakeland  
Thomas Link, Comm. Dev. Dir., Inver Grove Heights  
Lorrie Louder, Dir. Of Business & IGR Affairs, St. Paul Port Authority  
Tim McNeil, Councilmember, Dayton  
Tammy Omdal, Deputy City Manager/CFO, Burnsville  
Judd Schetnan, Dir. Of Gov't Affairs, Metropolitan Council  
Terry Schneider, Mayor, Minnetonka  
Anne Smith, Councilmember, Lake Elmo  
Ady Wickstrom, Councilmember, Shoreview  
Pierre Willette, Govt. Relations Rep., Minneapolis

## **Municipal Revenue & Taxation**

Marcia Glick (Chair), City Manager, Robbinsdale

Clark Arneson, City Manager, Blaine  
Patrick Born, Chief Financial Officer, Minneapolis  
Tom Burt, City Manager, Golden Valley  
Scott Cordes, Budget Manager, St. Paul  
Charlie Crichton, Councilmember, Burnsville  
Holly Dahl, Mayor, Lakeville  
Jim Dickinson, Administrator, Andover  
Lori Economy-Scholler, Chief Financial Officer, Bloomington  
Danna Elling Schultz, Councilmember, Hastings  
Jerilyn Erickson, Finance Director, Prior Lake  
Sarah Erickson, Gov't Relations Rep., St. Paul  
Jerry Faust, Mayor, St. Anthony Village

Susan Iverson, Finance Dir./Treas., Arden Hills  
Marvin Johnson, Mayor, Independence  
Jim Keinath, Administrator, Circle Pines  
Merrill King, Finance Director, Minnetonka  
Tom Lawell, Administrator, Apple Valley  
Julie Linnihan, Finance Dir., Dayton  
Dean Lotter, City Manager, New Brighton  
Kristi Luger, City Manager, Excelsior  
Mary McComber, Councilmember, Oak Park Heights  
Steve Mielke, Administrator, Lakeville  
Tammy Omdal, Deputy City Manager/CFO, Burnsville  
Samantha Orduno, Administrator, Dayton  
Calvin Portner, Admin. Services Director, Plymouth  
Don Rambow, Finance Dir., White Bear Lake  
Gene Ranieri, IGR Director, Minneapolis  
Melissa Reed, Gov't Relations Rep., Minneapolis  
Robin Roland, Finance Dir., Cottage Grove  
Ryan Schroeder, Administrator, Cottage Grove  
Erin Stwora, Assistant to City Administrator, Dayton  
Dick Woodruff, Councilmember, Shorewood  
Wally Wysopal, City Manager, North St. Paul

## **Transportation & General Government**

Mary McComber (Chair), Councilmember, Oak Park Heights

Dick Allendorf, Councilmember, Minnetonka  
Doug Anderson (Chair), Mayor, Dayton  
Susan Arntz, Administrator, Waconia  
Frank Boyles, City Manager, Prior Lake  
Bob Bruton, Councilmember, North St. Paul  
Scott Cordes, Financial Services, St. Paul  
Steve DeLapp, Councilmember, Lake Elmo  
Ultan Duggan, Councilmember, Mendota Heights  
Steve Elkins, Councilmember, Bloomington  
Danna Elling Schultz, Councilmember, Hastings  
Sarah Erickson, Gov't. Rel. Rep., St. Paul  
Warren Erickson, Councilmember, Prior Lake  
Mike Funk, Administrator, Minnestrista  
Mary Hamann-Roland, Mayor, Apple Valley  
Bill Hargis, Mayor, Woodbury  
Tom Harmening, City Manager, St. Louis Park  
Greg Hoag, Public Works Dir., Arden Hills  
Steve Lampi, Mayor, Brooklyn Park  
R. Michael Leek, Comm. Develop. Dir, Shakopee

Linda Loomis, Mayor, Golden Valley  
Dean Lotter, City Manager, New Brighton  
Scott Lund, Mayor, Fridley  
Mark McNeill, Administrator, Shakopee  
Mike Mornson, City Manager, St. Anthony Village  
Bud Osmundson, Dir. of Public Works/City Engineer, Burnsville  
Will Rossbach, Councilmember, Maplewood  
Russ Stark, Councilmember, St. Paul  
Dick Swanson, Councilmember, Blaine  
Jon Wertjes, Director of Transportation Services, Minneapolis  
Ady Wickstrom, Councilmember, Shoreview  
Pierre Willette, Gov't Relations Rep., Minneapolis