

Metro Cities News

Metro Cities Annual Meeting is Next Week- Join Us!

It's not too late to RSVP for the Metro Cities Annual Meeting NEXT Thursday, April 19th. The meeting is at the Como Park Zoo and Conservatory in the Bullard Rainforest Auditorium. This year's guest speakers are B Kyle, President and CEO of the St. Paul Area Chamber of Commerce and Jonathan Weinhagen, President and CEO of the Minneapolis Regional Chamber.

The evening will start off with a social hour at 5:30pm, followed by guest speakers at 6:30 pm, and will wrap with a brief (but important!) business meeting at 7:00 pm to elect members and officers to the Board of Directors. All member city staff and elected officials are welcome and encouraged to attend!

More information can be found <u>here</u>. There is no cost, but please RSVP if you plan to attend. To RSVP, or if you have any questions, please contact Kimberly at 651-215-4000 or <u>kimberly@metrocitiesmn.org</u>.

House Releases Budget Targets

The House this week released its budget targets for its General Fund FY 2018-19 supplemental finance and tax bills. The overall target totals \$329.8 million, which mirrors the state's projected budget surplus in the General Fund for FY 2018-19. Included in the House's target is \$107 million for taxes, \$101 million for transportation (roads and bridges), \$30 million for education, and \$50 million for other bills not identified, but which may include spending items related to pensions, the opioid crisis, and claims. The target's debt service appropriation provides for a capital appropriations bill totaling \$825 million. House leaders indicated that \$25 million of an omnibus capital appropriations bill will be allocated for school safety. The established budget categories will inform the spending parameters for omnibus supplemental finance, tax and capital appropriations bills. The third committee deadline for finance bills is April 20th.

Governor Dayton sent a <u>letter</u> to legislative leaders this week that highlighted priorities of fiscal stability, elder abuse, the opioid crisis, pensions and school safety. The Governor also indicated in his letter that he would insist that policy and finance bills travel separately.

The Senate has not yet released its budget targets. Metro Cities anticipates that Senate targets could be released next week.

Lyft/Uber Local Preemption Bill Update

Legislation that would preempt local ordinances for transportation network companies (TNC) such as Lyft and Uber has been considered, but appears not to be advancing in the legislative process. The bills, <u>HF 3032</u> – Layman and <u>SF 2704</u> – Jasinski, would require MNDoT to manage TNCs via statewide regulation. The most recent versions of bills continue to include language to preempt existing and future local ordinances for TNC drivers, vehicles and companies. At least six cities currently have local ordinances for such companies. Stakeholders met this week and discussed possible language to address city and MNDoT concerns. The new draft does not address primary concerns related to ordinance preemption and local authority. Metro Cities and other city organizations have submitted a letter to the bill authors and have asked that this legislation not move forward this year to allow further discussion by stakeholders. To view this letter, click <u>here</u>.

Organized Waste Hauling Bill Passes House

<u>HF 3095</u> – Smith, a bill that would modify organized solid waste collection laws, passed the House this week on a 108-18 vote. The bill stipulates that when a local government convenes a committee to examine solid waste collection options, the committee must include an examination of the existing system of collection. The bill also allows the evaluation to include an examination of the potential impacts of collection methods on the ability of residents to choose the level of service and costs. It also proposes to change the length of the initial collection agreement from three to seven years. This legislation would not apply to collection agreements in process or completed. The Senate companion has been included in <u>SF 3141</u>, the omnibus environment policy bill.

Contact Steven Huser at 651-215-4003 or steven@metrocitiesmn.org with any questions.

Bills Would Fund Construction Workforce Development

Legislation that seeks to promote construction careers was heard in the Senate and House jobs committees this week. Discussions at the Governor's Task Force on Housing have highlighted a construction worker shortage negatively impacting residential construction and public testimony in the committees explained how builders have delayed home-building projects due to a workforce shortage.

<u>SF 3430</u> - Draheim and <u>HF 3810</u> – Barr would appropriate \$1 million from the Workforce Development Fund to Project Build Minnesota for a statewide public awareness campaign to encourage middle school and high school students to consider careers in the construction industry, with a special emphasis on reaching individuals and groups that are economically disadvantaged or historically underrepresented in the construction industry. The bills were laid over for possible inclusion in later omnibus bills.

Contact Charlie Vander Aarde at 651-215-4001 or <u>charlie@metrocitiesmn.org</u> with any questions.

Funding for Redevelopment Grant Program Considered

The House Jobs committee heard a bill that would fund the Redevelopment Grant Program at \$5 million in FY2019. <u>HF 3968</u> - Mahoney is supported by Metro Cities, the Economic Development Association of Minnesota and Minnesota Brownfields. The Senate companion, carried by Senator Jeremy Miller who chairs the Senate Jobs committee, has not received a hearing.

Contact Charlie Vander Aarde at 651-215-4001 or <u>charlie@metrocitiesmn.org</u> with any questions.

Taxes Update

The House Property Tax Division heard several bills this week relating to local aids and revenues.

The Division heard HF 3776-Loon that would modify the base year and contribution percentage for the fiscal disparities program, and diverts funds from the fiscal disparities program for a new "metropolitan congestion management program" with an annual deposit made into MNDOT's corridors of commerce program. See the <u>March 23rd newsletter</u> for more detail on the provisions of the bill. Metro Cities policies oppose diversions from the fiscal disparities program.

The House Property Tax Division also heard HF 3830-Bahr, that would reduce a city's 'unmet need' used to calculate Local Government Aid (LGA) based on a city's local sales tax revenue. Metro Cities policies support access by cities to alternative revenue sources, and the LMC testified in opposition to this bill. The Division also heard a League of MN Cities initiated bill, HF

2663-Hamilton, that would allow cities to impose a local sales tax without a special law provided that they follow other statutorily prescribed rules and procedures.

The Division heard several city-specific LGA bills as well as HF 3082-Weber, that would increase the LGA appropriation by \$30 million. Metro Cities supports increases to the LGA program and increasing the share of LGA to the metro area.

The Division also heard HF 3482-S. Anderson that would require Hennepin County to share fifty percent of the revenue from the local transportation taxes collected by the county with any requesting cities over 60,000 in population, with monies required to be used for highways and bridges within the requesting city. All bills were laid over for possible inclusion in an omnibus division bill.

Questions? Please contact Patricia Nauman at patricia@metrocitiesmn.org

Capital Investment Update

The Senate Capital Investment Committee had hearings this week to go over the Governor's 2018 Capital Budget recommendations. Member discussion and questions focused on the proposal's focus on state infrastructure and included few local projects and that the proposal does not propose a capital appropriation for transportation related needs. The Senate and House have not yet released proposed omnibus capital appropriations bills.

TAC Approved Draft Transportation Policy Plan Release for Public Comment

Last week, the Technical Advisory Committee (TAC) to the Transportation Advisory Board (TAB) recommended approval of a draft Transportation Policy Plan (TPP) for public comment. The TPP plays a central role in the regional transportation planning process and is updated every four years. Met Council staff have worked with agency and local government stakeholders to update the plan. See the draft <u>here</u>.

The draft includes updated sections on electric cars and a metro mobility task force report. Corridors of Commerce projects, expected to be announced in this month, will be added in June. Should the TAB approve its release next week, public comment will begin in July. After the public comment period, the TAB will consider final approval in September, followed by the Metropolitan Council's consideration in October.

Wastewater Re-Use Project Public Hearing and Re-use Amendment Comments Presented

The Metropolitan Council has authorized a public hearing to receive comments on a wastewater reuse project proposal. The Southeast Metro Water Reclamation Facility would reuse 2 million gallons of wastewater effluent per day for use at a proposed waste-to-fuel facility in Inver Grove Heights. The public hearing will be held in August, after preliminary design and facility plan work is completed. For more information, click <u>here</u>.

The Council is also set to consider an amendment to the Water Resource Policy Plan (WRPP) to address re-use projects and criteria. The proposed amendment that is receiving consideration is a result of the work of a Wastewater Reuse Policy Task Force that reviewed regional wastewater reuse policies and made recommendations to address potential opportunities and regional/local partnerships for re-use opportunities. Metro Cities participated on the task force and submitted comments on the proposed amendment. To view a previous article on the Task Force, click <u>here</u>.

After receiving public comments, Council staff have drafted an amendment for Council consideration that would include: (1) setting reclaimed water cost on a case by case, cost of

service model, (2) having the Metropolitan Council cooperate and partner with local communities, and (3) pursuing non-Council funding for re-use opportunities. The amendment would apply a regional cost share based on identified benefits to the wastewater system, or that the project would be inhibited by a prolonged water appropriation permit process. The amendment would cap the regional cost share at 0.75% of total annual municipal wastewater charges.

A Committee of the Whole will consider public comments that have been received and the draft policy amendment on April 18th.

To view the public comments, click <u>here</u>. To view the draft amendment, click <u>here</u>. For more information on the draft amendment, click <u>here</u>.

Questions? Please contact Steve Huser at steven@metrocitiesmn.org or 651-215-4003.

Met Council Plan It Updates

The Metropolitan Council has issued a new podcast training program through PlanIt. The podcast is <u>Episode 13: Value of Neighborhood Groups in Planning</u>, and explores the value of collaboration between neighborhood groups and cities in local planning processes. There are also new Local Planning Handbook Resources on Existing Housing Assessments and Solar Resources maps and resource calculations.

Cities may request an extension of up to 12 months for 2040 Comprehensive Plan Updates. Interested communities need to submit an adopted local resolution (<u>sample resolution</u>) and a completed <u>extension request form</u> by May 31, 2018. Council staff will review these requests and amend any planning grant agreements, if applicable. Please contact your <u>Sector Representative</u> if you have any questions. Requests should be emailed to <u>reviewscoordinator@metc.state.mn.us</u>. If you are looking for a DNR contact regarding your comprehensive plan review, Martha Vickery, (Region 3) will facilitate coordination and comments and can be reached at <u>martha.vickery@state.mn.us</u>. Cities are required to upload water supply plans through the MnPARS system and PlanIt will continue to coordinate MRCCA plan reviews with the DNR.

Metro Cities Policy Committees

It's time to start thinking about Metro Cities' Policy Committees! Policy Committees meet in July, August, and September and cover four different policy areas: Transportation and General Government, Municipal Revenues, Metropolitan Agencies, Housing and Economic Development. Policy Committees recommend legislative policies for the next legislative session, and those policies serve as a foundation for our work at Metro Cities. Being part of a Policy Committee is a great opportunity for your city to have a voice in the processes for the policies as well as at the legislature. Please note there are NEW times for committees, as well as a NEW date change for the Housing and Economic Development Committee.

Policy committees are open to city staff as well as elected officials and the form to sign-up can be found on our <u>website</u>. Whether you are new to the process or have participated in a committee in the past, we welcome your participation in one or more of the committees in 2018.

Changes This Year:

• Committees will meet either Monday, Tuesday, or Wednesday in the morning from 9:00-11:30 am or the afternoon from 1:00-3:30. We hope this change will be beneficial for planning your schedules! The committees and dates are listed on our website <u>here</u>, and updates and additional information will be posted on these pages as it becomes available.

• This year we ask that you actively sign up for the committee(s) you wish to attend, even if you have been on the committee in the past. This will help us keep our rosters current and correct!

All meetings take place at the Metro Cities/League of MN Cities building at 145 University Avenue West, St. Paul.

Please consider serving, and encourage other staff and officials within your city to do the same!

Email or call Kimberly with questions at kimberly@metrocitiesmn.org or 651-215-4004.

Bills of Note

HF 4344, Drazkowski: Bill modifies requirements for operation of a municipal liquor store.

<u>HF 4359</u>, Allen: Bill stipulates that a city charter does not restrict the ability of a city to issue a liquor license.

<u>SF 3908</u>, Osmek: Bill prohibits the Metropolitan Council and political subdivisions, including cities, from applicating for federal funds for transit capital projects unless certain project planning criteria are met.

HF 4351, Moran: Allows for just cause eviction when it is enacted by a local government.

HF 4378, Garofalo/SF 3945, Miller: Governor Dayton's supplemental jobs and housing budget.

HF 4300, Garofalo: Rent control prohibition exception repealed.

SF 3910, Senjem: Prohibits mandatory fire sprinkler installation in a single-family dwelling.

<u>SF 3929</u>, Bigham: Allows termination of an agricultural preserve after four years, upon approval of the planning and zoning authority for the land.

<u>SF 3886</u>, Dziedzic: taxation; sales and use; expanding the exemption for firefighting equipment.

SF 3892, Draheim: broadband; making certain satellite broadband providers eligible for grants.

<u>SF 3894</u>, Eken: public safety; appropriating money for emergency management readiness grants for local planning and preparedness efforts; providing for a report.

<u>SF 3908</u>, Osmek: capital investment; establishing certain prerequisites for the Metropolitan Council and political subdivisions related to application for federal funds for transit capital projects. <u>SF 3919</u>, Westrom: telecommunications; appropriating money for the broadband grant program.

H F 4344, Drazkowski: liquor; modifying requirements for operation of a municipal liquor store;

<u>SF 3946</u>, Marty: energy conservation; establishing a grant program for cities to assist in funding energy conservation in rental properties; appropriating money.

<u>SF 3967</u>, Dibble: transportation finance; providing additional funding for certain transportation and public safety activities; modifying a fee; appropriating money.

HF 4346, Moran: local government; repealing the prohibition on rent controls.

HF 4351, Moran: local government; amending the eviction statutes to allow for just cause

evictions when they are enacted by local government; repealing the prohibition on rent controls.

<u>HF 4359</u>, Allen: local government; providing that a city charter does not restrict the ability of a city to issue a liquor license.

<u>HF 4377</u>, Mahoney: A bill for an act relating to workforce development; business development; appropriating money for an east metropolitan area pilot project; requiring reports.

HF 4385, A bill for an act relating to taxation; conformity – (Governor's tax bill).

<u>HF 4403</u>, Drazkowski: A bill for an act relating to local government; aid reductions for certain spending on illegal immigrant spending.

Metro Cities News is emailed periodically to all Metro Cities member mayors, councilmembers, city managers and administrators to keep officials abreast of important metro city issues. This information is also intended to be shared with city staff.

If you'd like to sign up to receive Metro Cities News, please email <u>newsletter@metrocitiesmn.org</u> and provide the following: Name, Title, Employer and Email address. Thank you.

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