



**City Council Workshop Meeting
Central Park, Valley Creek Room
8595 Central Park Place, Woodbury, MN
June 29, 2022 | 6:40 p.m.**

This City Council Workshop meeting is taking place virtually and in the Valley Creek Room at Central Park. Members of the public may attend the meeting in person and may also join the meeting using a PC, Mac, iPad, iPhone or Android device.

[Watch the Live Meeting](#)

Public comments will be accepted during the meeting both in person and by using the link to the virtual meeting to join the meeting and then submit your questions via the online Q&A feature within the meeting.

Questions regarding the meeting will be taken between the hours of 8:00 a.m. to 4:30 p.m. at 651-714-3524 or at council@woodburymn.gov. Questions received after 4:30 p.m. will be responded to in the next three to seven business days.

Please note that all agenda times are estimates.

6:00 p.m. Dinner – Central Park, Tamarack Room

Workshop Agenda

6:40 p.m.	1.	Post 2022 State Legislative Session Review	22-186
7:20 p.m.	2.	Community Engagement Strategy	22-187
8:20 p.m.	3.	Break	
8:25 p.m.	4.	Financial Reporting to City Council, Draft Council Directive	22-188
8:45 p.m.	5.	Administrator Comments and Updates ¹	
8:50 p.m.	6.	Mayor and City Council Comments and Commission Liaison Updates ¹	
8:55 p.m.	7.	Adjournment	

¹ Items under comments and updates are intended to be informational or of brief inquiry. More substantial discussion of matters under comments and updates should be scheduled for a future agenda.

The City of Woodbury is subject to Title II of the Americans with Disabilities Act which prohibits discrimination on the basis of disability by public entities. The City is committed to full implementation of the Act to our services, programs, and activities. Information regarding the provision of the Americans with Disabilities Act is available from the City Administrator's office at (651) 714-3523. Auxiliary aids for disabled persons are available upon request at least 72 hours in advance of an event. Please call the ADA Coordinator, Clinton P. Gridley, at (651) 714-3523 (TDD (651) 714-3568)) to make arrangements.

**City of Woodbury, Minnesota
Office of City Administrator**

Council Workshop Letter 22-186

July 29, 2021

To: The Honorable Mayor and Members of the City Council

From: Clinton P. Gridley, City Administrator

Subject: Post 2022 State Legislative Session Review

Summary

Now that the state legislative session is over following their May 23rd adjournment, this agenda item is to review progress toward our 2022 legislative initiatives. The Governor and Legislative Leaders have discussed the possibility of a special session, but no deals have been reached. The Governor has the power to call the special session and typically only calls Legislators back when a deal is struck. Once the special session begins, it is up to the Legislators to compromise on the deal and up to the Legislators when to adjourn. It is very unlikely there will be a special session.

The City Council regularly reviews our Woodbury legislative program items for communication benefit to our legislative delegation and legislative strategy. The City of Woodbury has three expressions of our legislative priorities:

- A. City of Woodbury Legislative Program
- B. Municipal Legislative Commission ¹
- C. Metro Cities ²

Our capital representatives, Tom Poul of Messerli Kramer's Government Relations group representing the MLC and Ann Lenczewski, State Government Relations in Lockridge Grindal Nauen, will be present to discuss the results of the legislative year and progress on our legislative initiatives.

Recommendation

Staff recommends Council review the 2022 legislative program and provide any early direction for the 2023 legislative program and future legislative strategy.

¹ The MLC was established in 1984 to provide a voice at the Capitol for a group of suburban communities who share common demographic, economic, and tax base characteristics. The association became a forum for city managers and mayors to promote best practices, enhance accountability, and find solutions to challenging issues around tax policy, economic development, as well as improving customer service to local residents. The MLC association currently has 19 member cities.

² Metro Cities (the Association of Metropolitan Municipalities) is a membership organization representing cities in the seven-county metropolitan area at the Legislature, Executive Branch and Metropolitan Council. It is the only metro-wide entity that monitors regional and advocates for cities at the Metropolitan Council and that represents the interests of metro area cities at the state levels of government. The Metro Cities association currently has 93 member organizations.

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Fiscal Implications

Generally, enactments of the MLC and Woodbury legislative programs have a positive budget impact. In particular, diversifying the funding sources for the Central Park project is one of our key objectives.

Governance Mode

All three modes of governance are applicable to this item:

- Fiduciary - Stewardship of tangible assets, oversees operations and ensures efficient and appropriate use of resources, legal compliance and fiscal accountability.
- Strategic - Setting priorities, reviewing and modifying strategic plans, and monitoring performance against plans. Focus is the “ends” rather than the “means”.
- Generative - Identifying key questions, anticipating future challenges, framing of issues, development of options. Problem-framing. What to pay attention to, what it means, and what to do about it. How does it fit with our mission, vision and values?

Public Process

This item was last reviewed and adopted at the December 8, 2021 Council meeting. The City of Woodbury 2023 program will be next reviewed at the November 16, 2022 workshop.

Written By: Clinton P. Gridley, City Administrator
Attachments:

1. 2022 City of Woodbury Legislative Agenda
2. MLC 2022 Legislative Session Summary
3. MLC Legislative Program Summary



2022 Legislative Agenda

1. PARKS & RECREATION FACILITIES

The City of Woodbury is the largest Washington County city, and is the eighth largest city in the state of Minnesota. As a result, it has a number of parks and recreation assets and programs that are available and used by the region. In particular, the Central Park multi-use indoor facility, constructed in 2002, provides a regional focal point and is an important gathering space for Woodbury, the east-metro area and the entire state. Central Park facilitates community-building by linking many resources and people. It is an outstanding example of successful joint partnerships among various public and private stakeholders, including the Washington County Public Library, the 833 School District Community Education program (ECFE), Great Rivers Adult Education Consortium, the YMCA, Stonecrest Senior Living and the City of Woodbury. Now 20 years old, serving a community and region that has grown substantially since first constructed, the facility needs significant upgrades and improvement so it can meet the current and next 20 years of needs. The following legislative items are necessary to help support this critical renovation capital program.

- a. The City of Woodbury supports special legislation regarding State Statutes 469.190 **Local Lodging Tax** that would allow Woodbury more flexibility to utilize the lodging tax as follows:
 - i. Woodbury version of 2019’s SF1040 and HF877.
 - ii. Two-thirds of the revenues from this special lodging tax to be used for capital improvements to public recreational facilities and the remaining one-third used as allowed under the law - to fund a local destination marketing organization.
- b. The City of Woodbury supports \$15 million of state bonding to help fund **expansion and renovation of the Central Park** capital project to be included in the 2022 State of Minnesota bonding bill during the upcoming legislative session.
- c. The City of Woodbury supports **general obligation (G.O.) park and recreation or building bonds authorization for the future Central Park** project. The Central Park project may not be G.O. qualified, short of issuing general obligation abatement bonds. If so, we may otherwise have to use non- G.O. debt (higher interest costs) for this project. To anticipate this potential, we are requesting state legislative authorization for G.O. authority for the Central Park project to reduce our project interest costs.
- d. The City of Woodbury supports a **sales tax exemption** for construction material purchases for the **Central Park capital project** (City, County and ISD 833) between January 1, 2023 and December 31, 2024.
- e. The City of Woodbury supports special legislation to allow **tax increment from TIF District No. 13 to be used for the “maintenance and facility and infrastructure upgrades” to Central Park**. All

increment used for this purpose will be treated as in-district expenditures. Additionally, that the City may elect to extend the duration of Tax Increment Financing District No. 13 by five years.

2. LOCAL CONTROL

Local governmental entities are closest to their constituents, are most knowledgeable about its jurisdiction, and are most invested in the welfare and success of its community. Therefore, elected local governmental officials are best suited to making important decisions about its finances, operations, regulations and activities. The following are specific areas of home-rule authority pre-emption that the City of Woodbury opposes.

- a. The City of Woodbury supports the principle of representative democracy that allows city councils to formulate local budgets and therefore oppose **state-imposed levy limits**.
- b. The City of Woodbury State opposes imposition of artificial limitations such as the “**taxpayer’s bill of rights**”, **valuation freezes, reverse referenda, fund balance restrictions, limits on use of G.O. bonding authority, super majority** requirements or other limitations to the local government budgeting and taxing process are not supported by the City of Woodbury.
- c. The City of Woodbury supports **exempting cities from local government compensation limits** per Minnesota State Statute 43A.17 which limits the compensation of a person employed by a political subdivision of this state. The salary cap has made it difficult to recruit and maintain the high-quality employees it needs to operate the city, and is an impingement on city home rule authority. Furthermore, the Legislature has exempted the state university system, school districts, the MAC, hospitals and clinics owned by a government organization.
- d. The City of Woodbury supports **expanding the state sales tax exemption** to include general vehicle purchases (marked squad cars and emergency vehicles are exempt), fuel purchases, lodging and prepared foods, and municipal golf course purchases. (MS297a.70 see subd 2 subparagraph b regarding exemptions).
- e. The City of Woodbury opposes **the use of fiscal disparities to fund housing, social or physical metropolitan programs** (e.g., Bloomington Mall of America). Fiscal disparities should be solely used for tax base redistribution.
- f. The City of Woodbury supports **property tax relief via the Circuit Breaker** (Regular Homeowner's Homestead Credit Refund) as opposed to Local Government Aid (LGA).
- g. City of Woodbury supports flexibility to use **State Fire Aid**, which subsidizes pension costs for fire relief associations, for all fire associated pension costs.

3. HOUSING AND DEVELOPMENT REVIEW

- a. The City of Woodbury opposes legislation that reduces or eliminates the City’s authority in the areas of **local land use controls** - local zoning, land use, comprehensive planning, utility and transportation planning, etc. These types of regulations have significant impacts to local neighborhoods. Cities are best positioned to govern these matters and have effective processes for hearing and addressing concerns of affected citizens. The City’s adopted 2040 Comprehensive Plan is based on broad

community input that articulates the community's goals. Interference with these effective local processes impedes the City's ability to effectively implement its Comprehensive Plan.

- b. If there are any new legislative limitations on local development review processes connected to housing, they should be paired with **meaningful and measurable metrics and requirements** to achieve housing affordability based on a commonly understood and agreed-upon definition.
- c. The Legislature should authorize local units of government to impose **infrastructure fees** so new development pays its fair share of the off-site, as well as the on-site, costs of public infrastructure and other public facilities needed to adequately serve new development.
- d. The City of Woodbury supports federal action to **increase the amount of private activity bonds available** in Minnesota to better leverage the 4 percent Low Income Housing Tax Credit thereby expanding cities' ability to facilitate the development of affordable rental communities.
- e. Housing is a broad and complicated system. The state should continue to invest in **both rental and ownership** tools.
- f. No governmental regulation can overpower the natural forces of the real estate market. Given the recent and sustained increase in sales of residential real estate, the state should consider a significant investment in a new **regional or statewide down-payment assistance mechanism**. A significant component of the funding can be in the shape of loans as opposed to grants. A key barrier to more affordable homeownership continues to be lack of down payment resources.

4. TRANSPORTATION

- a. Support for a **comprehensive transportation funding package**
- b. Support for long-term **I-94, I-494, I-694 interchange improvements**
- c. Support for the **METRO Gold Line** project with the following priorities as identified within Council Resolution 20-171:
 - i. The Express Bus routes currently operating in Woodbury provide a critical transit service for residents, and the METRO Gold Line should supplement and support this service.
 - ii. While outside the scope and funding of the METRO Gold Line project, the City will continue to advocate for consolidating the Express Bus park and ride lots with the end-of-line BRT station at I-494 and Guider/Woodlane Drive, and for a parking structure expansion as part of a future consolidation phase at this location to provide the best opportunity for transit-oriented development and consolidation of service.
 - iii. Safety and security at the station locations and on the METRO Gold Line busses is of utmost importance. City of Woodbury Public Safety Department should have representation during Gold Line Project Office meetings regarding safety and security of the METRO Gold Line operations.
 - iv. Aesthetics and community context are important, and the stations should be consistent with Woodbury's design standards.

- v. The City will work with the Met Council to explore development opportunities at the Woodbury Theatre site in conjunction with the relocation of the park and ride to the end-of-line BRT station.
- vi. The City's station area master planning process will include public review from both businesses and residents along the corridor.
- vii. The City will continue its efforts to reach a fair and equitable ownership and maintenance agreement between all benefitting parties.
- viii. The City supports an efficient and effective feeder bus network to serve the broader Woodbury community. Further planning should occur in the near term to plan and implement the role of the feeder system¹.
- ix. Support for the METRO Gold Line does not diminish the City's support for transportation improvements in the east metro.
- x. The METRO Gold Line's potential impact to service levels on city streets should be minimized to the extent possible.
- xi. The City, through its representation on the various METRO Gold Line committees, will continue to stay engaged and involved in this process.

5. WATER RESOURCE MANAGEMENT:

- a. The City of Woodbury supports legislative action resulting in more **flexible approaches to water reuse regulations** that meet economic and environmental goals including addressing overlapping, duplicative, and conflicting requirements from the MDH, MDNR, and other state agencies in the current system.
- b. The City of Woodbury supports state and federal legislative action promoting and funding the **cleanup, treatment, removal and/or disposal of PFAS**.
- c. Recent testing results for per- and polyfluoroalkyl substances (PFAS) from the Minnesota Department of Health (MDH) show notable and continuing increase in the health index (HI) values of Woodbury wells. This upward trend creates substantial concern for Woodbury's water system resiliency. The State Co-Trustees Conceptual Drinking Water Supply Plan (CDWSP) provides funding from the 3M settlement to treat City wells over the HI value of .5. The City strongly advocates for providing treatment for all existing municipal wells in the East Metro settlement area. The Science and understanding of PFAS is evolving and the contamination seems to be moving and efficiencies can be made in making this forward-thinking capital investment now, providing equitable water distribution and treatment to all residents. The City would not be in the position to build treatment but for PFAS.
- d. As future details of the Co-trustees CDWSP are refined, the City of Woodbury supports:
 - i. Protecting water quality and quantity for all residents in the Twin Cities east metropolitan area irrespective of current PFAS health-based value levels.
 - ii. Providing treatment for all existing municipal wells, in the settlement area.
 - iii. Health Index to be lowest threshold feasible equally applied to all communities.
 - iv. Compensate Woodbury for lost production of the City of Woodbury idled water production wells and the depreciation of Woodbury's other wells that have been overtaxed to make up for the loss of impacted water wells and any other damages.

¹ Metro Transit's extensive public outreach for feeder service for new transit-ways typically starts closer to construction.

- v. Indemnify all LGUs and private owners for ownership and disposal of treatment material.
- vi. An advisory board be assembled, consisting of representative from each of the East Metro agencies to provide accountability and support to State’s funding decisions going forward.
- vii. Settlement funds should not be utilized for the remediation of contamination.
- viii. Financial surpluses from any category of defined funding should be used to ensure capital projects are completed and then provided in future O&M reserves, extending the time period defined for O&M for communities.

6. METROPOLITAN COUNCIL:

- a. The City of Woodbury favors a modification to the present governance model for the Metropolitan Council as follows:
 - i. The City of Woodbury favors a modification to the present governance model for the Metropolitan Council in the form of a “**council of governments**” type model utilizing elected city and county officials to serve as the metropolitan governing board with appointments being made by the local governments themselves.
 - ii. **Nominating committee** process that maximizes participation and input by local officials.
 - iii. **Bipartisan or bicameral legislative commission on Metropolitan Government**, or another entity, to monitor and review the Metropolitan Council’s activities and to provide transparency and accountability of the Metropolitan Council operations and functions.
 - iv. Metropolitan Council members should be appointed to staggered terms to avoid complete turnover as different governors are elected quadrennially.
- b. The City of Woodbury opposes:
 - i. Any expansion of Metropolitan Council powers such as the conversion of **housing, resiliency, potable waters to a “metropolitan systems”** classification as defined in the Metropolitan Land Use Planning Act.
 - ii. **Mandatory targets for affordable housing** or mandatory inclusionary housing provisions in the regional comprehensive planning process or through other regulatory processes.
- c. For the upcoming **2050 Comprehensive Plan cycle**, the City of Woodbury **opposes Metropolitan Council scope creep** and recommends that comprehensive plans focus on land use and infrastructure planning.



2022 Legislative Session Summary

MESSERLI | KRAMER

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Introduction

On Monday, May 16, with one week left in the Regular Session, Legislative Leaders and the Governor announced spending targets for each of the committees. The agreement divided up the surplus three ways between spending, tax cuts, and money left on the bottom line. The agreement included \$4 billion in spending and \$4 billion in tax cuts. The \$4 billion in spending included: \$1 billion for K-12 Education, \$1 billion for Health and Human Services, \$450 million for Public Safety and \$1.32 billion for other spending areas. The agreement also included a \$1.48 billion bonding bill, plus \$150 million in cash for capital projects.

On Sunday, May 22, the deadline for the Minnesota Legislature to pass bills came and went with little accomplished. On Sunday morning, most major bills remained unresolved and Speaker of the House Melissa Hortman acknowledged there wasn't enough time to process bills before the midnight deadline. The Speaker asked Governor Walz to call a Special Session to finish up work if agreements could be reached, however, Senate Majority Leader Jeremy Miller responded the Senate has no interest in a special session. Governor Walz, who had been consistently against calling a special session, will meet with Legislative leaders to discuss calling a special session to finish major legislative proposals left undone.

The Return to the Capitol

On January 31, the Minnesota Legislature convened for the 2022 Legislative Session. Similar to the last session, House committee hearings remained completely virtual with a hybrid approach for Floor sessions. The Senate was hybrid, with in-person and remote options for all hearings and Floor sessions. The Minnesota Senate Building was open to the public and in mid-March, the State Office Building opened partially for workers and visitors with appointments.

Prior to the session's start, Legislative leaders agreed to the following priorities: repaying the federal unemployment insurance loans and replenishing the Unemployment Insurance Trust Fund; addressing public safety concerns; and utilizing the large budget surplus. Being one of the only divided Legislatures in the country, members agreed on session priorities but differed on how to address them.

A Historic Surplus and Federal Funding

In February 2022, the Department of Management and Budget released part one of the annual budget forecast. Adding an additional \$1.5 billion to the then \$7.7 billion forecast, Minnesota's surplus rose to a historic \$9.253 billion. Typically in even-numbered years, the Legislature focuses on bonding projects and filling in the budget where necessary. With the incredible size of the surplus, a long list of new or expanded programs and tax cuts quickly made their way into conversations. The calls for cautious spending reiterated the economic forecast would not take into account outside factors such as the conflict in Ukraine, the path of the pandemic, or the rate of inflation.

Several factors can be credited to creating this historic surplus such as increased consumer spending, incomes, and corporate profits. Decreased spending played a role with the state spending

\$270 million less in the current biennium, primarily in E-12 education and health and human services. Minnesota’s consistently decreasing unemployment rate, down to 2.5% in March 2022, was also a factor.

Federal spending programs, such as the American Rescue Plan (ARP) and the upcoming federal Infrastructure Investment and Jobs Act (IIJA), played a part in creating this unprecedented budget. Minnesota received an \$8.5 billion investment from the American Rescue Plan to utilize in three categories: \$2 billion in local fiscal recovery funds including \$644 million direct to 21 urban cities; \$2.8 billion in state fiscal recovery funds including immediate COVID response, long-term pandemic recovery, and revenue replacement; and \$3.5 billion in federal programing for initiatives supporting families, students, and small businesses. The federal Infrastructure Investment and Jobs Act will allocate \$6.8 billion for Minnesota’s roads, bridges, broadband, and many other areas of infrastructure.

Targets and a Budget Framework

In the final week of session, Governor Walz, the Speaker of the House, and the Senate Majority Leader signed an agreement allocating \$1.6 billion in supplemental spending and \$1.6 billion in tax cuts in the current biennium, \$2.4 billion in spending and \$2.4 billion in tax cuts in the next biennium. The budget targets for the current biennium are as follows:

Areas of Spending	2022-23	2024-25
E-12 Education	\$320 million	\$680 million
HHS	\$300 million	\$700 million
Higher Education	\$20 million	\$26 million
Ag	\$7.5 million	\$7.5 million
Housing	\$50 million	\$50 million
Environment	\$10 million	\$10 million
Jobs	\$11 million	\$14 million
Commerce	\$3 million	\$5 million
Energy	\$23 million	\$24.3 million
State Gov.	\$35 million	\$25 million
Public Safety	\$200 million	\$250 million
Transportation	\$360 million	\$486 million
GO Bond Debt Service	\$8 million	\$64 million
Cash for Bonding	\$150 million	
IIJA Flexible Fund	\$30 million	
Broadband	\$25 million	\$25 million
Drought	\$18.4 million	
Ombudsperson for Foster Youth	\$800,000	\$1.5 million
Mental Health	\$28 million	\$32 million

Looking Ahead

Even with agreed-to budget targets the Legislature was unable to come to an agreement on almost anything. The session brought pressure for parties to accomplish their individual goals and with the state budget set for the following year, there was no obligation for compromise. They adjourned without passing any of the following bills: Taxes, Education, Health and Human Services Finance, Judiciary/Public Safety, Bonding, State Government/Transportation, and Jobs/Commerce/Energy. It is yet to be seen if the Governor will call the Legislature back for a Special Session to finish their work in the coming days. If he does, he cannot control how long they stay in Session or what they do.

After the dust of the Session and potential Special Session settles, the Legislators will focus on their next endeavors: retirement or reelection. Every ten years, following a federal census, Legislative and Congressional districts are redrawn to reflect demographic changes. These new maps lead to significant turnover in the Legislature and contested races between colleagues or newcomers challenging incumbents. The Governor, all statewide offices, each of Minnesota's eight Congressional House seats, and all 201 Legislators will be on the ballot this November.

MLC Legislative Priorities

Housing and Home Ownership

- Support for Affordable Home Ownership
- Collaboratively address statewide housing cost drivers
- Preserve existing affordable homes
- Preserve local autonomy and community characteristics

Infrastructure and Transportation Investments

- Increased investments in Corridors of Commerce
- Increased investments in Transportation Economic Development (TED)
- Bonding bill including significant investment in suburban communities
- Full funding of required state match for federal investments in infrastructure
- Flexibility for cities to impose infrastructure fees

Workforce Support and Economic Expansion

- Increased investment in the Minnesota Investment Fund (MIF)
- Increased investment in the Job Creation Fund (JCF)
- Partnership and coordination at the local, state and federal level to maximize federal investments in economic development
- Support the recommendations of the Governor's Council on Economic Expansion, especially investments that help all-levels of government support businesses and innovation in their communities.

Tax Policy and Local Issues

- Simplifying the process for a sales tax exemption on construction materials
- Preserving the integrity of the Fiscal Disparities Program by not removing revenue from the pool to pay for one-off legislative priorities.
- Supporting Repeal of the Local Government Salary Cap

MLC Legislation of Interest that Passed

COVID-19 Workers' Compensation Presumption

H.F. 1203 Representative Wolgamott/Senator Howe

View the bill summary [here](#).

[Chapter 32](#)

Back in 2020, legislation established a presumption that first responders who contracted COVID-19 would be eligible for workers' compensation benefits. The presumption sunset on December 31, 2021. Beginning on January 1, 2021 a first responder who contracted COVID-19 would have to affirmatively show that they contracted it at work. The bill reestablished the presumption effective the day it was passed, February 3, and it is not retroactive. This was the first bill passed by the Senate in the 2022 Regular Session.

Southwest Light Rail Transit Project Audit

H.F. 3035 Representative Hornstein/Senator Dibble

View the bills summaries here: [House](#) and [Senate](#)

[Chapter 39](#)

The Southwest Light Rail will be a 14.5 mile extension to the current Metro Green Line, connecting downtown Minneapolis to Eden Prairie. Approved for construction in May 2018 by the Met Council and Hennepin County, the Southwest Light Rail project has since exceeded original costs and met significant delays. In 2021, three years after its approval, the project is \$200 million over budget. The project was highlighted in an independent expert review which led to the passing a bill requiring the Legislative Auditor to perform a special review the Southwest Light Rail project.

Unemployment Insurance Trust Fund and Frontline Worker Pay

H.F. 3166 Representative Pelowski / S.F. 2677 Senator Pratt

View the bills summaries here: [House](#) and [Senate](#)

[Chapter 50](#)

A top priority for many legislators this session was addressing the Unemployment Insurance (UI) trust fund. During the COVID-19 pandemic, unemployment numbers reached a record high causing many Minnesotans to apply for unemployment insurance. The UI trust fund quickly depleted the \$1.7 billion in reserve leading Minnesota to turn to the federal treasury to cover its UI obligations, ultimately borrowing \$1.2 billion.

Minnesota had to repay these federal loans but Legislators had difficulty agreeing on a path forward. The Senate passed a bill to repay the federal loans and replenish the UI trust fund in February 2022. The House passed a similar bill but added \$1 billion for frontline worker payments,

an issue from the 2021 session. The addition of frontline worker bonuses to the UI agreement was the primary reason it was a controversial issue.

During the June 2021 Special Session, the Omnibus Tax bill appropriated \$250 million for bonuses for frontline workers and created a legislative working group to determine which frontline workers were awarded the bonuses and how much the individual checks would be. They were unable to come to an agreement in 2021 so it was tasked to the 2022 Legislature to compromise. Following intense discussions, the agreement reached repaid the federal loans, replenished the unemployment insurance trust fund at \$2.7 billion, and provided \$500 million for frontline worker bonuses.

Omnibus Agriculture and Broadband Finance and Policy Bill

H.F. 4366 Representative Sundin / S.F. 4019 Senator Westrom

Conference Committee [Spreadsheet](#) and [Language](#)

The omnibus Agriculture and Broadband bill aims to support Minnesotans across the state. The broadband provisions create new programs to expand broadband to underserved communities, as well as invest significantly in the Border to Border fund. The Agriculture provisions support farmers of all ages from training grants for schools, to beginning farmer tax credits, and to funding for livestock and specialty crop producing. The bill also invests significantly in farmers hit hardest by the recent drought. Housing policy and allocations were previously included in this bill, however, there were no agreements so all housing language was removed.

Agriculture Provisions Include:

- Funding for the Agricultural Growth, Research, and Innovation Program;
 - \$1.25 million in FY23 for Bio incentive Payments;
 - \$650,000 in FY23 for Livestock Processing Facilities Grants;
- \$500,000 in FY23 for the Soil Health Financial Assistance Program;
- \$827,000 to support Emerging and Beginning Farmers;
- \$3 million to the Agriculture Emergency Fund;
- \$141,000 to the Beginning Farmer Tax Credit;
- \$500,000 for Farm Down Payment Assistance Grants;
 - \$750,000 in following years;
- \$350,000 in grants for K-12 schools to start meat cutting training programs;
- \$1 million to the University of Minnesota for equipment to test for animal diseases;
- Relief Efforts for the 2021 drought;
 - \$8.1 million for livestock farmers and specialty crop producers impacted;
 - \$2.5 million to refund the Rural Finance Authority Revolving Loan following their drought relief loans; and
 - \$5 million to the Dept. of Natural Resources to replace drought killed seedlings.

Broadband Appropriations:

- \$25 million in FY23 and \$25 million in FY24 from the general fund for the state’s Border-to-Border Broadband Development Grant program;
 - Providing 50% matching funds for broadband development costs in underserved areas;
- \$60.703 million from the federal Capital Projects Fund authorized by the American Rescue Plan Act to be used for broadband grants under the Border-to-Border Broadband Development Grant program;
 - The remaining \$50 million will be reserved for the Walz administration to spend on other eligible expenditures within the program’s guidelines; and
- Funding from the Broadband Equity, Access, and Deployment (BEAD) program to be used for the broadband infrastructure deployment under the Border-to-Border Broadband Development Grant program
 - Allocation at least \$100 million, authorized by the Infrastructure Investment and Jobs Act (IIJA)
 - BEAD provides broadband service in areas of the state where a 50% match formula is not adequate to make a business case for broadband infrastructure deployment and allows up to 75% of the total project cost to be covered by Border-to-Border broadband grant funds;

Broadband Policy:

- Creating a lower population density pilot program and reserving funds;
 - \$10 million from the Border-to-Border Broadband Development Grant;
 - \$30 million from the BEAD grant share;
- Setting aside \$15 million for a new Broadband Line Extension Program;
 - This program will fund smaller-scale broadband line extensions to individual homes and businesses lacking access; and
- Reserving \$15 million from the state’s BEAD grant share for comprehensive statewide broadband mapping efforts.

Omnibus Liquor Bill

H.F. 2767 Representative Stephenson / S.F. 3008 Senator Dahms

View the bill summary [here](#).

This year, the Minnesota Legislature passed the biggest rewrite to Minnesota’s liquor laws since Sunday sales became legal in 2017. The law expands the off-sale options for breweries and distilleries including allowing the state’s largest breweries to sell growlers, as well as allowing smaller breweries to sell four and six packs to go, up to 128-ounce daily limit per customer. Distillers can now sell larger, 750-mililiter bottles from their cocktail rooms.

Provisions of interest to cities include:

- Allowing brewers producing 7,500 barrels or less to be issued a license by a municipality for off-sale of up to 128 ounces per customer, per day;
- Allowing growler sales by breweries producing as many as 150,000 barrels annually, increasing the limit from 20,000 barrels
- Municipalities may issue an on-sale wine and on-sale malt liquor license to a baseball team within a Minnesota Baseball association league, or to individuals selling concessions and beverages at a ballpark for summer town ball games;
- Municipalities may issue the holder of a microdistillery license or distilled spirits manufacturer license a microdistillery or distilled spirits manufacturer cocktail license;
- Municipalities may issue on-sale intoxicating liquor licenses to resorts;
- Municipalities can issue one, seven-day temporary license to a county's agricultural society for alcoholic beverage sales at a county fair; and
- Municipalities can issue special permits for alcohol service through extended hours associated with both FIFA World Cups.

Omnibus Mental Health Bill

HF2725 Representative Edelson/Senator Draheim

View the Bill summary [here](#).

Minnesota's first Mental Health Omnibus Bill became known to the public late on the final day of Session. It was a surprise to many because it was formed in secret. The bill appropriates \$92.7 million to fund mental health programs and initiatives ranging from establishing loan forgiveness for mental health professionals to expanding the use of mobile crisis service teams.

The bill includes a provisions to allow mental health data to be shared with law enforcement, previously approved by the House and Senate on May 22. By providing a limited amount of information, police officers will be able to better respond to mental health calls, this new law will:

- Allow law enforcement to obtain the name and phone number of a mental health provider therefore obtaining individual strategies to address the mental health crisis;
- Require the patient/client must be informed that this information has been obtained;
- Allow police chiefs and community corrections professionals to be included on adult protection teams; and
- Require law enforcement agencies to establish and enforce written policies when they seek or use mental health data. These policies must address access, retention, and data security, along with other requirements under the Minnesota Government Data Practices Act.

Additional Policy Provisions

- Expands the use of mobile crisis services teams;
- Expands mental health services to criminal defendants deemed incompetent to stand trial; and

- Establishes a State Competency Restoration Board in the Judicial Branch.

Additional Appropriation Provisions

- \$10.1 million to district courts to pay for additional competency examination costs for criminal defendants deemed incompetent to stand trial;
- \$22.3 million to hire and oversee “forensic navigators” to coordinate mental health services to criminal defendants deemed incompetent to stand trial;
- \$10.2 million for adult mental health initiatives;
- \$9.6 million for grants for adult mobile crisis services;
- \$2 million for school-linked behavioral health grants;
- \$2 million for shelter-linked behavioral health grants;
- \$1.6 million for educational loan forgiveness for mental health professionals;
- \$1.2 million for a mental health urgency room pilot program; and
- \$1 million for a grant for a licensed community mental health center specializing in services for African American children and families.

Omnibus Legacy Bill

H.F. 3438 Representative Lillie / S.F. 3701 Senator Ruud

View the bill summary [here](#).

In 2008, Minnesota voters approved the “Legacy Amendment”. This amendment increased the state sales tax by .375% with the money to be spent on the outdoors, clean water, parks and trails, and arts and cultural heritage. Of these four funds, outdoor heritage is allocated annually, while the other three are funded biannually. This spending pattern set the precedent for the 2022 omnibus Legacy bill.

The original House bill proposed spending \$225 million in FY23, the majority for the Outdoor Heritage Fund at \$159 million. From the Clean Water Fund, \$47.4 million would go to fourteen earmarked projects replacing lead water service lines. The final allocations were \$12.1 million from the Arts and Cultural Heritage Fund and \$6.5 million from the Parks and Trails Fund. This bill was passed off of the House Floor where it was sent to the Senate to be amended with the final compromise language.

Similar to the House proposal, the new language funds the Outdoor Heritage Fund at \$159M but strips all other funding. The \$159 million would fund a variety of restoration, protection and enhancement projects, with \$83.4 earmarked for habitat projects, \$35 million for prairies, \$26.8 million for wetlands, and \$13.3 million for forests. An important policy provisions allows the Clean Water Council to make recommendations for uses of the Clean Water Fund on an annual basis. It will also provide extensions and funding for projects that were slowed down due to the pandemic.

Pensions and Retirement Omnibus Policy Bill

SF 3540 Senator Rosen / HF 4017 Representative Nelson, M.

View the bill summary here: [Senate](#) and [House](#)

Chapter [65](#)

The policy legislation approved by the Legislative Commission on Pensions and Retirement (LCPR) on March 22, 2022, passed both the House and Senate Floors on May 17, 2022. The finance provisions (S.F. 3541) were referred to the Finance committee; however, the legislative session ended with no final action on the bill. Notable provisions in the bill include:

- Expands the rights of members covered by the Minnesota State Retirement System (MSRS) General, Correctional, and State Patrol plans to purchase service credit for periods of military service;
- Adds two positions to the list of positions eligible for membership in the MSRS Correctional Plan;
- Permits employees currently in the positions of Residential Program Lead and Dental Hygienist, who are eligible to join the Correctional Plan, to transfer their prior eligible service from the MSRS General Plan to the Correctional Plan;
- Permits the surviving spouse of a deceased state employee to purchase service credit and make it eligible for an annuity death benefit;
- Address the retirement benefits of employees who provide services to the Duluth Transit Authority (DTA);
- Restores segmented annuities for members of PERA who have had a break in public employment and provides for retroactive implementation for members who have retired since the provision was repealed in 2018;
- Permits retired teachers who resume teaching at a public school, charter school, or the Perpich Center for Arts Education to teach without application of an earnings limitation;
- Statewide Volunteer Firefighter Plan (SVF Plan) will offer volunteer firefighter relief associations three alternative vesting schedules from which to choose when they join the SVF Plan, and if a firefighter retires within the first five years after the firefighter's relief association has joined the SVF Plan, the firefighter's retirement benefit will be calculated using the benefit level in effect, rather than reverting to the benefit level in effect at the time the relief association joined the SVF Plan;
- Requires the state auditor to provide investment reports to volunteer firefighters relief associations;
- Authorizes certain medical professionals (APRNs) to provide disability assessments for all public pension plans;
- Make administrative changes necessary for certain investment professionals employed by the State Board of Investment (SBI) to be compensated according to the SBI's compensation plan, which was approved in 2019;

- Require the Department of Labor and Industry to study the adequacy of workers' compensation disability and pension benefits for police officers; and
- Permit teachers to purchase service credit for up to five years of teaching service in another state.

MLC Legislation of Interest that Did Not Pass

Bonding Bill

The second year of the biennium is typically a bonding year and the state had a surplus of funds. While there was nothing that the legislature was required to do this Session many legislators saw a bonding bill as a top priority.

The House Capital Investment Committee held many hearings with testimony on projects across the State. The Senate held four hearings all Session, focused on The Federal Infrastructure Investment and Jobs Act, Water Infrastructure, the Governor's Bonding Proposal, and Higher Education Asset Preservation.

On May 16 the Governor, Speaker of the House, and Senate Majority Leader set a target for a \$1.4 billion bonding bill, and \$150 million for cash projects. The House and Senate did not meet publically about a bonding bill after budget targets were released and neither body released a bill.

Sports Betting Bill

H.F. 778 Representative Stephenson / S.F. 574 Senator Chamberlain

View the House bill summary [here](#).

View the amended Senate language [here](#).

One of the more high profile bills was an effort to legalize sports betting. With bipartisan support and bipartisan opposition in both bodies, the House and the Senate were unable to come to compromise over whether the Native American tribes should get exclusive rights to run the betting operations, or whether the state's two race tracks should be allowed to get in on the action.

The bill, allowing residents age 21 and older to bet on sports and would be conducted by tribal entities, was passed 70-57 on the House floor. Seven Republican voted with the Democrats in favor, and four Democrats voted against the bill. The Senate version of the legal sports betting bill would have allowed Canterbury Park and Running Aces to offer sports betting. The Senate bill never received a floor vote.

Duty Disability for Public Safety

H.F. 4026 Long / S.F. 3943 Howe

View the amended bill summary [here](#).

In recent years, the number of public safety employees seeking duty disability determinations and workers' compensation claims for line-of-duty injuries has greatly increased. A law in 2019 made post-traumatic stress disorder (PTSD) a presumptive condition for workers' compensation resulting in cities and employers facing expensive obligations. When first introduced, the bill would have addressed PTSD while supporting local governments financially and prioritizing treatment for individuals. The bill would have established a reimbursement program from the state to public employers for the medical insurance of eligible, disabled public safety officers. The bill would have required 32 weeks of mental illness treatment for a public safety officer, prior to applying for duty disability benefits. The bill also would have required the Peace Officer Standards and Training (POST) Board to create a training course to prepare peace officers for the stressful and traumatic events common to policing, as well as provide processing and coping methods.

Following its first hearing, a delete everything amendment was adopted. The amendment shifted the bill's focus from PTSD, to all mental health claims for peace officers. There was significant pushback that this amendment broadened the scope of the bill too much and the bill only received two hearings.

Omnibus Tax Bill

H.F. 3669 Representative Marquart / S.F. 3692 Senator Nelson

[Conference Committee Spreadsheet](#)

Negotiators reached a compromise on a \$4 billion tax bill which, if passed would have been the largest tax cut in Minnesota history. The Tax Bill included a complete elimination of social security income tax. The bill would have cut income taxes, reducing the first bracket income tax rate from 5.35% to 5.1%. Costing \$277 million in the first year, this change would have impacted 2.6 million Minnesota tax filers. The bill also featured a child and dependent care credit, and would have expanded the K-12 education credit. It would have extended the historic tax credit and the new market tax credit. The bill did not include any direct rebates, such as "Walz checks." Property tax cuts would have included \$373 million in tax relief for renters, and would have moved the timeframe for filing for relief. Although there was a compromise, the bill was not voted on by either body. The tax bill was tied to the \$8 billion broader deal, where little agreement was found. MLC had several provisions of interest within either the House or Senate tax bills including:

- Sales tax exemption on construction material purchases for all units of government for 18 months;
- Establishment of a new state aid to counties and cities to fund qualifying affordable housing projects;

- Direct property tax relief to homeowners and renters through Property Tax refund and Renters' Credit:
 - Replacement of the renters' property tax credit with a refundable renters' income tax credit; and
 - Reduction of the qualifying threshold for the additional or targeting property tax refund to 10% and increasing the maximum refund to \$2,000.
- Modifications and clarifications to the following Tax Increment Financing statutes:
 - Rules on the use of administrative expenses;
 - Rules on pooling and decertification; and
 - Rules for the treatment of violations of various TIF requirements.
- Phase out of the state general levy on commercial property;
- Tourism Improvement Districts;
- 4D Housing changes; and
- Ability for certain cities to impose a local option sales tax if they so choose.

Omnibus Housing Finance and Policy Bill

H.F. 4366 Representative Sundin / S.F. 4019 Senator Westrom

View the bill summaries here: [House](#) and [Senate](#)

The Housing omnibus bills contained significant differences in both funding and policy interests. The House language allocated nearly \$230 million, and the Senate took a smaller approach to allocate \$50 million in general fund spending for new and existing programs. No agreement was reached therefore, all housing language was removed from the omnibus Agriculture and Broadband bill.

House Appropriations

- \$100 million in community stabilization through naturally occurring affordable housing;
- \$50 million for first-generation homebuyers assistance, including a pilot down payment assistance program;
- \$20 million for the Minnesota Housing challenge program, which provides affordable permanent rental housing;
- \$14 million for family homelessness prevention;
- \$10 million to the Housing Trust Fund for rental assistance; and
- \$10 million for the Homework Starts with Home program.

House Policy

- Modifying the Homework Starts with Home program;
- Establishing a lead-safe homes grant program;
- Authorizing the issuance of \$400 million in housing infrastructure bonds;
- Establishing a community stabilization project;

- Establishing a strengthening supportive housing model program; and
- Making several changes to landlord-tenant provisions.

Senate Appropriations

- \$35 million for homeownership investment grants to increase the supply of owner-occupied multi-family or single-family housing;
- \$10 million for workforce homeownership program which increases resources and efforts for homeownership for communities of color; and
- \$5 million to establish a targeted loan pool, the 9,000 Equities Fund, which provides affordable first mortgages or equivalent financing opportunities in underserved communities of color.

Senate Policy

- Limiting the governor's emergency powers to prohibit or delay eviction proceedings;
- Prohibiting a city from requiring a Planned Unit Development (PUD) agreement in lieu of proposed residential development;
- Prohibiting cities from conditioning any zoning approvals on material, design, or other conditions if not currently required by the State Building Code;
- Establishing a manufactured housing mortgage financing and down payment assistance program;
- Repealing the exception to rent control that allows local units of government to control rents if approved by voters in an election, retroactively from November 1, 2021; and
- Prohibiting Minnesota Housing grantees from using grant funds to hire lobbyists.

MLC supported the following provisions in the Housing omnibus bills:

- Funding for Community Stabilization grants or Naturally Occurring Affordable Housing;
- Continuing support for the Economic Development and Housing Challenge Program;
- Investing one-time appropriations to the Workforce Homeownership Programs;
- Supporting the Local Housing Trust Fund and incentivizing local funding;
- Establishing the First-Generation Homeownership Grants; and
- Creating the 9,000 Equities Fund targeted loan pool.

MLC strongly opposed the following provisions in the Housing omnibus bills:

- Restrictions placed on Planned Unit Developments (PUDs), a significant tool used in the development of smaller homes, lots and affordable housing of various types; and
- Prohibiting cities from conditioning any approvals on material, design, or other conditions if not currently required by the State Building Code, which is designed as a minimum safety standard.

Omnibus State Government, Transportation, and Pensions Bill

H.F. 4293 Representative Nelson / S.F. 3975 Senator Kiffmeyer

View the bill summaries here: [House](#) and [Senate](#)

In both the House and Senate, the State Government Omnibus contained State Government, Elections, Transportation and Pensions provisions. The policy and budgetary differences between the House and Senate proved to be too much for the Conference Committee to overcome.

The biggest sticking point was the reallocation of the auto parts sales tax. Currently, a portion of the revenue from the auto parts sales tax is dedicated to roads and bridges. The Senate bill would have dedicated all of the Revenue while the House proposed sixty percent to go to roads and bridges and forty percent to go to transit. Unable to reach a compromise on that particular issue, there was no State Government, Transportation, and Pensions bill.

State Government/Elections

House Provisions:

- Allocating \$76.9 million for State Government, targeting technology updates, and a state match for federal funding to improve the administration and security of elections;
- Allowing the Governor to declare a peacetime emergency for a cyberattack;
- Designating Juneteenth, June 19, as a state holiday;
- Expanding the requirements related to the use of absentee ballot drop boxes;
- Allowing absentee ballots to be opened and counted beginning 14 days prior to an election; and
- Additional modifications and notifications on absentee and sample ballots.

Senate Provisions:

- Allocating \$6 million for the Secretary of State for local election grants to hire temporary staff for voter registration;
- Requiring specific security markings to identify genuine absentee ballot paper and additional security and transparency measures to drop boxes;
- Requiring all legal services of the Attorney General's office to be performed only by employees, not contracted lawyers;
- Ensuring non-profits receiving grants from the State have a track record of quality financial management and changes in reporting requirements;
- Moving the Capitol Security Advisory Committee's sunset from June 30, 2022, to 2036;
- Prohibiting any "Pay to Play Clubs" which would provide lobbyists with direct access to Legislators for a fee; and
- Appropriating \$4 million to Minnesota IT Services in FY23, and \$1 million in each Fiscal Year to provide and maintain election Livestream recordings and requirements for absentee ballot boards.

Transportation

House Provisions:

- \$225 million for transportation, including an \$80 million state match for federal funding;
- Allocating funding to construct the Minneapolis-Duluth Northern Lights Express passenger rail;
- Funding high-priority bridge construction and improved, as well as Department of Transportation buildings and facilities;
- Requiring the Department of Public Safety to create an implementation plan for a speed safety camera pilot project;
- Establishing a reintegration drivers' license for persons incarcerated for at least 180 days and whose drivers' license was suspended prior to incarceration.; and
- Corridors of Commerce distribution and selection changes.

Senate Provisions:

- Providing more than \$5.7 billion in transportation funding, including \$4.32 for roads and bridges over the next five years;
- Dedicating 100% of revenue from existing auto parts sales taxes to roads and bridges;
- Terminating the Northstar Rail Line;
- Blocking state funding for any new light rail projects and requires a city council approval for new transit routes prior to construction;
- Providing \$45.1 million to purchase new helicopters and airplanes for the state patrol;
- Corridors of Commerce distribution and selection changes; and
- Requiring counties to pay full cost of guideways.

Pensions

House Provisions:

- Shifting the investment return assumption for some retirement plans;
- Creating temporary postretirement adjustments for the judges retirement plan and the unclassified employees retirement plan;
- Appropriating \$390 million from the general fund to the state's various pensions' plans.

Senate Provisions:

- N/A

Omnibus Jobs, Energy and Commerce Finance and Policy Bill

H.F. 4355 Representative Noor / S.F. 4091 Senator Pratt

View the Conference Committee report [here](#).

In the final days of Session the Jobs, Energy, and Commerce Conference Committee was able to come to a compromise on a final Conference Committee report. The bill was part of the larger \$8 billion agreement so although there was a compromise made on the bill, the bill did not get a Floor vote.

Policy Provisions:

- Establishing Immigrant and Refugee Affairs within the Department of Employment and Economic Development;
- Establishing the Canadian Border Counties Economic Relief Program;
- Regulating Combative Sport Contests;
- Modifying Window Cleaning Laws;
- Establishing a Solar Energy Contingency Account;
- Establishing a State Energy Competitiveness Account.

Appropriations Provisions:

- \$8.23 million for General Workforce Development Grants;
- \$10.45 million for Employment and Training Programs;
- \$1.2 million for Labor Standards and Apprenticeship;
- \$858,000 for Workforce Development Initiatives;
- \$300,000 for Workers' Compensation Court of Appeals;
- \$20 million for Solar Energy Production Incentive Program;
- \$4.1 billion for Solar on Schools;
- \$2.35 billion for Supplemental State Weatherization grants;
- \$1.37 billion to help the Commissioner of Commerce to administer Infrastructure Investment and Jobs Act (IIJA) Funds and to help local governments to leverage those funds;
- \$14.88 million for State energy Competitiveness Account.

Omnibus Public Safety and Judiciary Finance and Policy Bill

H.F. 4608 Representative Mariani / S.F. 2673 Senator Limmer

View the bill summaries here: [House](#) and [Senate](#)

Legislators agreed that public safety would be a top priority in the 2022 Session. Republicans took a “hard on crime” stance to support the retention and recruitment of peace officers. Democrats called for innovating public safety while funding community-based crime prevention programs.

Both Senate and House included funding for local law enforcement body cameras. The Senate would include \$5 million in grants to local law enforcement agencies for purchasing cameras and storing video images captured by them. It would require a 25% local match. The House would provide \$15 million, but would require body camera footage to be released to families within five days after a deadly force incident and to the public within 14 days.

House Appropriations:

- 6% pay increase for judges and employee compensation;
- \$50 million for public defender budget increase;
- \$55 million in emergency community safety grants;
- \$25 million in local community policing grants;
- \$10 million in co-responder (“violent interrupter”) grants;
- \$4 million in victim support programs;
- \$25,000 for prosecutor training fund;
- \$1.821 million for AG Office Criminal Enforcement Increase;
- \$2.5 million for the Department of Human Rights;
- \$1 million for public safety radio grants; and
- \$2.5 million in youth wellness support and mental health programs.

House Policy:

- Prohibiting technology companies from selling educational data or using for commercial purposes;
- Requiring manufacturers to make parts, documentation and diagnostic tools for digital electronic equipment available to independent repair providers or the equipment owner;
- Banning limiting a patient’s access to an organ transplant based on a patient’s race and ethnicity;
- Preventing employers, including labor unions and employment agencies, from requesting a job applicant’s pay history; and
- Permitting law enforcement officers to attach a mobile tracking device to a stolen vehicle prior to court approval if the vehicle owner agrees or reported the stolen vehicle.

Senate Appropriations:

- 6% pay increase for judges and employee compensation;
- \$50 million public defender budget increase;
- \$30 million for police retention and recruitment bonuses;
- \$100,000 for prosecutor training;
- \$5 million for body cameras;
- \$2 million for a gunfire detection system for the Ramsey County Sheriff’s Department; and
- \$2 million for Violent Crime Enforcement Teams statewide.

Senate Policy:

- Creating a new crime of organized retail theft;
- Establishing a standalone crime of carjacking;
- Making penalties for fentanyl possession the same as those for heroin;
- Establishing new mandatory minimum sentences for certain violent crimes; and
- Establishing the crime of fleeing a peace officer in a motor vehicle while operating the vehicle in a culpably negligent manner.

Appendix



February 23, 2022

Re: City comments on HF 3256 (“Legalizing Affordable Housing Act”)

Dear Members of the House Local Government Division:

The League of Minnesota Cities, Coalition of Greater Minnesota Cities, Metro Cities, and Municipal Legislative Commission generally oppose HF 3256, but appreciate the attention in the bill to street improvement districts and street impact fees. Cities are concerned with the bill’s broad preemption of city land use and zoning authorities, particularly as they are unlikely to address important housing issues across Minnesota. Additionally, as some provisions only impact Metro-area cities, our comments focus on provisions with statewide implications for cities.

Housing is a statewide issue, and the best way to ensure that housing issues in the Metro and greater Minnesota are adequately addressed is to approach statewide solutions to housing in a comprehensive way that: (1) address the full housing spectrum, (2) support local innovation, (3) provide incentives instead of mandates, and (4) provide community-specific solutions throughout Minnesota.

HF 3256 unfortunately falls short of a comprehensive approach, and does not guarantee housing affordability or more affordable housing. Instead, it preempts city zoning and land use authority. As you may know, zoning is an important planning tool that benefits communities economically and socially, improves health and wellness, and helps conserve the environment ([Zoning: Why It’s Important](#)). This bill would limit this beneficial tool by:

- Requiring any housing proposal contemplated by a comprehensive plan in the future be accepted now, even if needed infrastructure isn’t available to support this new development (including prohibiting the opportunity to study impacts of such residential development)
- Capping land dedication and park dedication fees to 10% of the fair market value of the proposed subdivision
- Requiring land dedication for streets to be no larger than 32 feet (including for associated utilities and sidewalks) while limiting the ability for cities to require adequate off-street parking

- Requiring all cities to allow duplexes and accessory dwelling units (ADUs) in single-familyzoned areas

Thank you for consideration of our concerns. We look forward to continuing to work with Rep. Elkins and the legislature to address housing challenges in cities across the state.

Sincerely,

Irene Kao & Daniel Lightfoot
League of Minnesota Cities

Cap O'Rourke
Minnesota Association of Small Cities

Elizabeth Wefel
Coalition of Greater Minnesota Cities

Tom Poul
Municipal Legislative Commission

Patricia Nauman & Charlie Vander Aarde
Metro Cities



March 15, 2022

Re: City comments on SF 3259 (“Legalizing Affordable Housing Act”)

Dear Members of the Senate Housing Committee:

The League of Minnesota Cities, Coalition of Greater Minnesota Cities, Metro Cities, and Municipal Legislative Commission oppose SF 3259. Cities are concerned with the bill’s broad preemption of cityland use and zoning authorities, particularly as they are unlikely to address important housing issues across Minnesota.

Housing is a statewide issue, and the best way to ensure that housing issues in the Metro area and greaterMinnesota are adequately addressed is to approach statewide solutions to housing in a comprehensive way that: (1) address the full housing spectrum, (2) support local innovation, (3) provide incentives instead of mandates, and (4) provide community-specific solutions throughout Minnesota.

SF 3259 unfortunately falls short of a comprehensive approach and does not guarantee housing affordability or more affordable housing. Instead, it preempts city zoning and land use authority. Zoning is an important planning tool that benefits communities economically and socially, improves health and wellness, and helps conserve the environment ([Zoning: Why It’s Important](#)).

This bill would limit this beneficial tool by:

- Severely deteriorating the tool that allows the development of smaller homes and lots – planned unit developments
- Capping land dedication and park dedication fees
- No matter the reason – such as energy efficiency – prohibiting cities from conditioning any approvals on material, design, or other conditions if not currently required by the State Building Code (which is meant to be a minimum safety standard)
- Requiring automatic approval of building permits when delay is outside of city control, thus endangering the health and safety of residents
- And more

Thank you for consideration of our concerns. We look forward to working with Sen. Draheim and other legislators to address housing challenges in cities across the state.

Sincerely,

Irene Kao & Daniel Lightfoot
League of Minnesota Cities

Cap O'Rourke
Minnesota Association of Small Cities

Elizabeth Wefel
Coalition of Greater Minnesota Cities

Tom Poul
Municipal Legislative Commission

Patricia Nauman & Charlie Vander Aarde
Metro Cities



April 27, 2022

Dear Members, Minnesota State Senate:

The undersigned city associations, representing cities throughout Minnesota, thank you for the opportunity to comment on the housing and broadband finance and policy portions of SF 4019 –Westrom.

Adequate resources are fundamental to address both housing and broadband needs across the state. We appreciate the \$50 million target for housing and thank Senator Draheim for including these state resources in the bill. We also appreciate the broadband funding provisions in the bill that will help move Minnesota closer to ensuring all homes and businesses across the state have access to reliable broadband internet.

Our city associations support efforts to close homeownership disparity gaps. The funds in this bill, including an additional \$10 million for the Workforce Homeownership Program and \$35 million for a new Homeownership Investment Grant program, will help more potential homeowners afford a home and help them to build wealth through homeownership. However, with state funds vastly oversubscribed and two of every three local applications denied due to lack of resources, we support a higher level of resources for housing and ask for your consideration for increasing the level of resources for new and existing housing programs that address other aspects of the housing spectrum including the preservation of existing housing stock as bills advance this session.

Our city associations continue to oppose several provisions in the bill, primary among them the preemption on local authorities and the ability of cities to plan for and address local housing needs. City officials are in the best position to make these decisions, with input from the community, and 116 cities across the state have passed resolutions reaffirming support for local decision-making authority when it comes to residential development. Fundamentally, we believe that comprehensive statewide solutions to housing should: (1) address the full housing spectrum of need, (2) support local innovation, (3) provide incentives and not mandates, and (4) provide community-specific solutions throughout Minnesota.

The planned unit development language in Article 6, Section 2 prohibits cities from conditioning any approvals on material, design, or other conditions if not currently

required by the State Building Code, which is designed as a minimum safety standard. Materials and design considerations take the existing built environment into account, as well as energy efficiency and operating costs that help affordability.

The rent control preemption and repeal language in Article 6, Section 35 takes away the ability of a city and its voters to decide on matters that are specific to the community.

We are also concerned with the language in Article 6, Sections 14, 30 and 31 that would prioritize a lower cost per square foot and the speed at which a housing development would be completed. There are many factors that determine how quickly a project comes together. If this language were enacted, a housing development that meets important local housing objectives could nevertheless lose out on critical state funds.

Additionally, reallocating money from the Minnesota Housing Finance Agency's Pool 3 housing affordability fund would have the impact of redistributing limited and in-demand funds that already support affordable housing needs. We support using other state resources for the high-rise sprinkler and manufactured home park revolving loan fund purchases in the bill.

Cities support the broadband policy provisions in Article 2 that creates a new pilot program to provide broadband service to unserved and underserved areas that reduces the amount of non-state match to 15 percent of the total project cost. Greater Minnesota jurisdictions are often the hardest and most costly areas to serve and have a more difficult time attracting willing providers to deploy broadband infrastructure.

Cities also support use of the remaining \$110.7 million of Minnesota's capital projects fund to support the state's Border-to-Border Broadband grant program. We encourage additional state general fund spending for broadband on top of federal funds, which are needed if the state is to meet its 2026 statutory speed goal of connecting all homes and businesses to 100/20 Mbps service and to ensure that no construction seasons are missed waiting on federal funds to be deployed.

Thank you for your consideration of our comments. We look forward to continuing working with Senator Draheim and members of the Agriculture, Housing, and Broadband Omnibus bill conference committee as the omnibus bill advances this session.

Sincerely,

Irene Kao & Daniel Lightfoot
League of Minnesota Cities

Cap O'Rourke
Minnesota Association of Small Cities

Elizabeth Wefel & Bradley Peterson
Coalition of Greater Minnesota Cities

Tom Poul
Municipal Legislative Commission

Charlie Vander Aarde
Metro Cities



March 7, 2022

Representative Jamie Long
517 State Office Building
St. Paul, MN 55155

RE: Joint support for HF 4026 (Long): Duty disability determination timeline modified, treatment required as part of workers' compensation benefits required, peace officer and firefighter preservice and in-service wellness training required, and money appropriated.

Dear Representative Long,

Thank you for authoring HF 4026, a bill that addresses a growing issue within public safety, posttraumatic stress disorder (PTSD) duty disabilities. The League of Minnesota Cities, MetroCities, the Minnesota Association of Small Cities, and the Municipal Legislative Commission support this legislation.

Our organizations recognize the inherent dangers faced by peace officers and firefighters in the line of duty. The duties performed by public safety employees sometimes lead to physical and mental injuries.

In recent years, the number of public safety employees seeking duty disability determination through the Public Employees Retirement Association (PERA) and making workers' compensation claims for line-of-duty injuries has accelerated. This is particularly true in the wake of a law enacted in 2019 that made post-traumatic stress disorder (PTSD) a presumptive condition for workers' compensation purposes. Cities are concerned about these trends for the following reasons:

- Every injury that leads to a PERA duty disability retirement and/or workers' compensation claim impacts the employee, the employee's family and the employee's organization.
- The current system for processing and addressing duty disability benefits can be incompatible with the goal of restoring good health and returning employees to work.
- The fiscal impact of the increasing number of claims is unsustainable for employers and, ultimately, taxpayers.
- Public safety agencies, particularly those that are very small and already

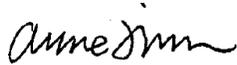
experiencing recruitment and retention challenges, will not remain viable if they continue to sustain significant personnel losses.

Given these concerns, cities across Minnesota have invested resources into mental and physical injury education, prevention and treatment. According to experts, including those experienced with treating combat veterans, with successful treatment, many injured public safety employees can achieve optimal outcomes of restoring good health for themselves and their families and returning to work.

HF 4026 contains provisions that are aimed at taking care of valued public safety employees. It contains important preventive measures that will optimize wellness in public safety agencies. It requires employees with PTSD symptoms to be treated before seeking a permanent duty disability so they can return to the job if possible. The bill does not take benefits away from employees who become injured. Lastly, it funds a state mandate that has become very costly to employers and, thus, taxpayers (the continued health insurance benefit under Minn. Stat. § 299A.465).

Our organizations urge the Legislature to enact HF 4026 in 2022.

Sincerely,



Anne Finn
Assistant Intergovernmental Relations Director
League of Minnesota Cities



Cap O'Rourke
Executive Director
Minnesota Association of Small Cities



Patricia Nauman
Executive Director
Metro Cities



Tom Poul
Municipal Legislative Commission



May 16, 2022

To: Senator Rich Draheim, Representative Alice Hausman, and the members of the Omnibus Agriculture, Housing, and Broadband Conference Committee

RE: HF4366 Housing Provisions

Dear Conference Committee Members,

On behalf of the nineteen suburban cities comprising the Municipal Legislative Commission (MLC), we want to thank you for your work on the Omnibus Agriculture, Housing, and Broadband Finance and Policy Bill. One of MLC's primary initiatives is housing and home ownership, from supporting affordable homeownership, to preserving existing affordable homes, all while striving to preserve local autonomy and community characteristics. We hope to continue the crucial partnership between local governments and the State in addressing housing issues and as you deliberate provisions within the bill, we ask that you consider MLC's positions on the following items:

MLC Supports Homeownership Investments:

- Funding for Community Stabilization grants or Naturally Occurring Affordable Housing
- Continuing support for the Economic Development and Housing Challenge Program
- Investing one-time appropriations to the Workforce Homeownership Programs
- Supporting the Local Housing Trust Fund and incentivizing local funding
- Establishing the First-Generation Homeownership Grants
- Creating the 9,000 Equities Fund targeted loan pool

MLC appreciates the efforts made to support homeownership and our communities are committed to creating affordable housing options for all Minnesotans. We look forward to a continued partnership to accomplish this common goal.

MLC Opposes Preemption of City Zoning and Land Use Authority:

Article 6, Section 2 of the Senate Language:

- Restrictions placed on Planned Unit Developments (PUDs), a significant tool used in the development of smaller homes, lots and affordable housing of various types
- Prohibiting cities from conditioning any approvals on material, design, or other conditions if not currently required by the State Building Code, which is designed as a minimum safety standard

MLC has significant concerns with the provisions preempting local authorities and their ability to plan for and address local housing needs. We strongly urge members to oppose the inclusion of this language which would not only reduce the neighborhood character and flexibility needed to encourage new housing, but would also be a barrier to the local public hearing and decision-making process. We respectfully ask you to consider these concerns and to support our efforts in keeping zoning and planning authority on a local level.

Sincerely,
The MLC Housing Committee,



Mike Maguire
Mayor of Eagan



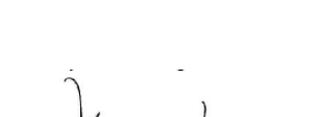
Jim Hovland
Mayor of Edina



Brad Wiersum
Mayor of Minnetonka



Kirt Briggs
Mayor of Prior Lake



Anne Burt
Mayor of Woodbury

On behalf of MLC Member Cities:

- | | |
|---------------------|-------------|
| Apple Valley | Maple Grove |
| Bloomington | Minnetonka |
| Burnsville | Plymouth |
| Chanhassen | Prior Lake |
| Eagan | Rosemount |
| Eden Prairie | Savage |
| Edina | Shakopee |
| Golden Valley | Shoreview |
| Inver Grove Heights | Woodbury |
| Lakeville | |



May 17, 2022

To: Representative Paul Marquart, Senator Carla Nelson, and the members of the Omnibus Tax Committee

RE: HF 3669

Dear Conference Committee Members,

On behalf of the nineteen suburban cities comprising the Municipal Legislative Commission (MLC), we want to thank you for your work on the Omnibus Tax Bill ([HF 3669 Marquart/Nelson](#)). One of MLC's primary initiatives is to promote stable and predictable tax policies while supporting local control. We hope to continue this crucial partnership between local governments and the State. As you deliberate provisions within the bill, we ask that you consider MLC's thoughtfully developed positions on the following items:

Construction Sales Tax Exemption: Along with cities, counties, school districts, non-profits, municipal utilities, labor and contractors, MLC supports a permanent general law change to simplify the process by which local governments and nonprofits receive the sales tax exemption on construction material purchases. The current process is not workable for local governments and increases the cost of local projects by \$70 million per year. Both bills include portions of the construction sales tax exemption, we urge the adoption of a full, and permanent sales tax exemption on construction material purchases for all units of government.

Affordable Housing Aid: MLC supports the House position establishing a new state aid to counties and cities for the funding of qualifying affordable housing projects. Barriers to affordable home ownership, such as high costs of housing transactions, underproduction of new home construction, an active real estate market, the high cost of labor and materials, as well as the scarcity of land, continue to challenge our communities. This aid will provide an additional tool for cities in achieving greater housing affordability.

Direct Property Tax Relief through the Property Tax Refund and Renters' Credit: MLC supports providing direct property tax relief to homeowners and renters through the Property Tax Refund and Renters' Credit. Most MLC Cities do not receive LGA so direct property tax relief helps reduce the tax burden on seniors, renters and low-income Minnesotans living in our cities. Both the House and Senate include some enhancements to these programs. We urge the Conference Committee to include significant property tax relief in the final agreement such as:

- Replacing the renters’ property tax credit with a refundable renters’ income tax credit; and
- Reducing the threshold to qualify for the additional or targeting property tax refund from 12% to 10% and increasing from \$1,000 to \$2,000, the maximum refund allowed.

Tax Increment Financing: MLC supports updating and modifying the current Tax Increment Financing statute, including:

- Clarifying rules on use of administrative expenses;
- Clarifying rules on pooling and decertification; and
- Clarifying rules for the treatment of violations of various TIF requirements.

Local Option Sales Tax: MLC supports the cities’ ability to impose a local option sales tax if they so choose.

Again, we thank you for your continual service and commitment to your constituents and all Minnesotans. We look forward to working with you as a final tax agreement is assembled.

Respectfully,



Jim Hovland,
Chair, MLC
Mayor, City of Edina

On behalf of MLC Member Cities:

Apple Valley	Maple Grove
Bloomington	Minnetonka
Burnsville	Plymouth
Chanhassen	Prior Lake
Eagan	Rosemount
Eden Prairie	Savage
Edina	Shakopee
Golden Valley	Shoreview
Inver Grove Heights	Woodbury
Lakeville	



Addressing Housing Requires Partnerships, Not Preemption

Limiting local fees would only benefit developers and builders, not the purchasing public

As mayors throughout the metropolitan region and state, we well appreciate the focus on housing affordability by state policymakers, citizens, businesses, stakeholders, and the media. It is a top priority for all our communities as well. Housing affordability – what people pay for housing as well as what people can afford – is a complex issue that deserves our best innovative thinking and problem solving.

The recent commentary ([High housing costs are not the problem, but a symptom](#); March 18, 2022), is not helpful in either assessing or solving the challenges of housing affordability as it continues a false and misleading narrative that has very little to do with actual housing affordability. Incendiary attacks on cities, asserting their development fees and regulations are the source of the problems of housing affordability, are not new, but they have become increasingly negative, and more importantly, they lack a nexus to the scope of the housing problem or what is required to address it.

With market forces and the cost of land, labor and building materials being the overwhelming determinants for the sale price of homes, it is a fallacy to suggest that simply limiting local fees and regulations will make an unaffordable house suddenly affordable. It will simply shift who pays for the infrastructure for a new housing development, which is what fees pay for, and it will help benefit developers and builders, not the purchasing public.

The vast majority of new, single-family housing is built by the private market in response to market demand and is not what could meet an ‘affordable’ definition. Most new housing is built by private builders, who build large houses with attractive amenities that make profitable sense. Builders are focused on building a product to meet demand and make a profit, and that is their prerogative. But it is not the responsibility of cities and local property taxpayers to buy down the public costs associated with building those new houses or creating those new subdivisions or developments simply so builders can increase their profits.

The local fees the March 18 piece labels as “tucked into housing prices” are transparent fees that pay for the requisite utilities, streets, sidewalks, curbs, drainage, sewer pipes and inspections of the construction itself to ensure a safe, code compliant home. It should go without saying that public infrastructure is not free. Its provision is not profitable for cities and by law, is

not allowed to be a source of profit. Costs of fees and regulation must, by law, reflect the cost of governmental oversight for the benefit of the public health, safety, and welfare. These fees are part of a new home's price because those buying the new housing are asked to pay for the infrastructure provided for their benefit. If the legislature limits cities from setting such fees, as has been proposed, those costs will shift to others who have already paid these costs for their own homes or businesses. Contrary to the disproven assertion in the *March 18th* commentary that fees represent one-third of the cost of a house, such city fees typically represent between three and seven percent of the sale price of a new home.

Cities play a limited but valuable role with respect to facilitating housing production. One is to ensure that local public infrastructure is sufficient. Cities also do what they can, within local fiscal capacities and without compromising public health and safety, to make housing more affordable. Cities have been proactive by reducing lot sizes, providing density bonuses, abating local taxes, eliminating building size requirements, reducing set back and parking minimums, streamlining review processes, and providing down payment assistance. More often than not, builders build the same larger, more expensive home, just on a smaller lot.

Pending legislation that would impede local fees, regulations and tools would preempt local efforts to address the varied housing needs across the state and would come with no guarantee that an affordable home will be built. One legislative proposal would, in effect, allow private developers to take over local and regional planning authorities, removing any public accountability. This would not be an outcome consistent with orderly planning of communities or the public health, safety, and welfare.

To truly assist Minnesotans by making homes more accessible and affordable, we would like to emphasize the need for state resources to reduce financial barriers to homeownership and preserve existing homes that can be more easily made affordable, the need to allow local innovation, and the need for more productive partnerships among the public, private and nonprofit sectors. Cities do not deserve the continued attacks on regulations and fees that exist to serve the interests of safety, infrastructure adequacy, fiscal prudence, and ultimately, more housing. They need allies and partners to continue to address these needs, house by house, across Minnesota.

James Hovland, Mayor, City of Edina; Brian Holmer, Mayor, City of Thief River Falls; Elise Ryan, Mayor, City of Chanhassen; Jeff Wosje, Mayor, City of Plymouth; Shelly Carlson, Mayor, City of Moorhead; Kurt Briggs, Mayor, City of Prior Lake; Mike Kuhle, Mayor, City of Worthington; Brad Wiersum, Mayor, City of Minnetonka; Doug Anderson, Mayor, City of Lakeville; Tom McKee, Mayor, City of Corcoran; Tom Weidt, Mayor, City of Hugo; Marvin Calvin, Mayor, City of Willmar.



Dear Members of the Housing Conference Committee:

The undersigned city associations, representing cities throughout Minnesota, strongly oppose any preemption language as you consider and reconcile the omnibus housing bills.

We continue to oppose preempting local authorities and the ability of cities to plan for and address local housing needs. City officials are in the best position to make these decisions, with input from the community, and 120 cities across the state have passed resolutions reaffirming support for local decision-making authority when it comes to residential development.

Restricting developer-requested planned unit developments (PUDs) would have the impact of making affordable housing more difficult to build and more expensive to build.

Fundamentally, we believe that comprehensive statewide solutions to housing should: (1) address the full housing spectrum of need, (2) support local innovation, (3) provide incentives and not mandates, and (4) provide community-specific solutions throughout Minnesota.

Thank you for your consideration of our comments.

Sincerely,

Charlie Vander Aarde
Metro Cities

Tom Poul
Municipal Legislative Commission

Daniel Lightfoot & Irene Kao
League of Minnesota Cities

Bradley Peterson & Elizabeth Wefel
Coalition of Greater Minnesota Cities

Cap O'Rourke
Minnesota Association of Small Cities

Municipal Legislative Commission

The MLC is an association of 19 suburban communities providing a voice at the capitol to promote transparency, accountability and equity in public policy decisions.



2022 Legislative Priorities

Housing and Home Ownership

- Support for affordable home ownership
- Collaboratively address statewide housing cost drivers
- Preserve existing affordable homes
- Preserve local autonomy and community characteristics

Infrastructure and Transportation Investments

- Increase investments in corridors of commerce
- Increase investments in Transportation Economic Development (TED)
- Fully fund required state match for federal infrastructure legislation
- Support City Authority to Impose Infrastructure Fees

Tax Policy and Local Issues

- Simplify process for sale tax exemption on construction materials
- Preserve the Integrity of the Fiscal Disparities Program
- Support Repeal of the Local Government Salary Cap

MLC Policy Positions

- Supports individual property tax relief through the circuit breaker program
- Opposes automatic inflationary increases in LGA
- Supports policies that preserve local control over development decisions so existing taxpayers are not required to subsidize growth
- Supports regional capital bonding equity
- Supports law enforcement arbitration reform



MUNICIPAL LEGISLATIVE COMMISSION

MLC Cities - Population and Jobs (2020 Data)

City	Population	Jobs
Apple Valley	56,374	13,016
Bloomington	89,987	73,382
Burnsville	64,317	29,675
Chanhassen	25,947	13,644
Eagan	68,855	51,341
Eden Prairie	64,198	54,841
Edina	53,494	37,468
Golden Valley	22,552	28,845
Inver Grove Heights	35,791	9,602
Lakeville	69,490	15,888
Maple Grove	70,253	31,786
Mnettonka	53,776	43,624
Plymouth	81,026	52,025
Prior Lake	27,617	5,501
Rosemount	25,650	7,072
Savage	32,465	7,427
Shakopee	43,698	24,883
Shoreview	26,921	9,545
Woodbury	75,102	21,095

Data from <https://stats.metc.state.mn.us/profile/Default.aspx>

MLC City Statistics

- Total Population: 987,513
- Total Jobs: 530,660
- MLC cities generate approximately 22.5% of sales tax in MN
- Total Legislators in MLC Delegation: 46

MLC Government Relations Team

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City of Woodbury, Minnesota
Office of City Administrator

Council Workshop Letter 21-187

June 29, 2022

To: The Honorable Mayor and Members of the City Council

From: Clinton P. Gridley, City Administrator

Subject: Community Engagement Strategy

Summary

The purpose of this presentation is to provide an overview of the work that has been conducted thus far regarding the community engagement strategy that is being developed for the City of Woodbury. At this meeting, the City Council will engage in reflective conversation about the learnings from the one-on-one interviews with both staff and community stakeholders, as well as review findings from the community engagement survey.

Dr. Irina Fursman, one of the consultants we have been working with from HueLife, will then lead a facilitated discussion to seek Council's input on community engagement in Woodbury. She will be gathering insights and feedback from the City Council to be considered during the planning phase of the project. The presentation will conclude with a brief discussion about next steps.

Recommendation

For this part of the process, staff recommends that the City Council listen to the findings thus far and share thoughts and ideas about community engagement efforts in Woodbury, which will help inform the final product.

Governance Mode

- Strategic - Setting priorities, reviewing and modifying strategic plans, and monitoring performance against plans. Focus is the "ends" rather than the "means".
- Generative - Identifying key questions, anticipating future challenges, framing of issues, development of options. Problem-framing. What to pay attention to, what it means, and what to do about it. How does it fit with our mission, vision and values?

Fiscal Implications

At this stage in the process, there are no budget impacts. However, there may be future budget requests to consider to be able to execute equitable engagement well.

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February 24, 2021

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Policy

The community engagement strategy falls under the Welcoming and Inclusive Community strategic initiative from previous years, as well as the Quality of Life critical success factor.

Public Process

May/June 2022	Consultants conducted one on one interviews with key stakeholders.
June 1-20, 2022	Community engagement survey shared with staff and the community.
June 8, 2022	Focus group with interdepartmental community engagement team.
June 18, 2022	Table and speaking role at the Juneteenth celebration where the community engagement planning process and survey was highlighted.
June 29, 2022	Two separate focus groups with community and staff.
June 29, 2022	Council Workshop (1)
July 6 – Aug. 1, 2022	Community Engagement Workshop meetings
August 24, 2022	Council Workshop (2)

Background

Earlier this year, staff began working with Twin Cities based consultant firm, HueLife, in partnership with the public relations firm, Tunheim, to create an overall community engagement strategy. This strategy will help to guide and support City staff as they conduct equitable engagement.

HueLife and Tunheim consultants have been evaluating current City practices and procedures around engagement. In addition, they have conducted one-on-one conversations with staff and community members about what is currently working around engagement and what can be improved. A community survey was launched with staff and the community to gain insight from a broader pool about what is working well and what the community would like to see future engagement look like. The survey also asked how people define the words community, engagement, and equity, so that we can create shared, working definitions of each through this process.

A working group will eventually be named to refine the plan and a final document will be created to share with staff and community after being presented to the City Council at the August 24 workshop.

Written By: Shelly Schafer, Community Engagement and Equity Coordinator
Approved Through: Clint Gridley, City Administrator
Attachment: None

City of Woodbury, Minnesota
Office of City Administrator

Council Workshop Letter 22-188

June 29, 2022

To: The Honorable Mayor and Members of the City Council

From: Clinton P. Gridley, City Administrator

Subject: Financial Reporting to City Council, Draft Council Directive

Summary

The City Council has many statutory obligations over the City's financial affairs. Staff provides a variety of plans, reports, and presentations to assist Council to meet those obligations. In addition, staff provides additional financial information for general oversight, long-term planning, rating agency recommendation, and general best practices for government financial management.

The provided draft Council Directive details the financial reporting provided to the City Council from the Finance Division in the timeframe specified. While the Division seeks to meet all needs of the Council in its role of financial oversight, it is also important for staff to have clear direction on what information shall be required for efficient and effective use of staff capacity and consultant resources.

Recommendation

Staff recommends Council provide review and direction related to the adoption of the Financial Reporting to City Council Directive as a consent item at a future City Council meeting.

Governance Mode

- Fiduciary - Stewardship of tangible assets, oversees operations and ensures efficient and appropriate use of resources, legal compliance and fiscal accountability.

Fiscal Implications

There are no fiscal implications for the implementation of the Directive. All listed reporting is currently being completed by existing staff and contracted advisors or auditors as annually budgeted.

Policy

Consistent with a number of existing Council Directives, State Statute, and requirements of the Office of State Auditor, as well as applicable guidance from the Government Accounting Standards Board (GASB).

Council Workshop Letter 22-188

June 29, 2022

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Public Process

This is the first public process for this item.

Background

The question of financial reporting has arisen. To gain the guidance from the collective Council, a Council Directive has been developed that clearly spells out the expectations of the City Council regarding the desired level of financial reporting.

Written By: Angela Gorall, Assistant City Administrator
Approved Through: Clinton P. Gridley, City Administrator
Attachment: Financial Reporting to City Council, Draft Council Directive

 Council Directive <i>DRAFT</i>	Adopted: TBD Revised:	Number: CD-FIN-5. <u> </u>
	Mayor:	City Administrator:
	For: Finance	
	Subject: Financial Reporting to City Council	

Purpose

The purpose of this policy is to provide guidelines for the required financial reporting to be provided from the Finance Division to the City Council. Such reporting is provided to assist the City Council to meet its statutory obligations over the City’s financial affairs including, but not limited to, levying taxes, adopting a budget, auditing and settling accounts, safekeeping and disbursement of public money, borrowing money and designating depositories.

Required Financial Reporting

Reporting	Timeframe	Responsible Body, Actions Requested
Capital Improvement Plan	Annually – Q2	City Council Adoption
Budget Document/Levy Approval	Annually – Q3 – Q4	City Council Adoption
Annual Audit Report	Annually – Q2 – Q3	Audit and Investment Commission Review; City Council Accept
Annual Comprehensive Financial Report (ACFR)	Annually – Q2 – Q3	Audit and Investment Commission Review; City Council Accept
Long-Term Financial Projections	Annually – Q3	City Council Review
Quarterly Financial Reporting	Q1-General Fund Q2-Q4-All Budgeted Funds	City Administrator Review, City Council Advisory
Abstract of Bills	At Council Meetings	City Council Adoption
Investment Portfolio Results	As requested, at a minimum annually	Audit and Investment Commission Review, City Council Advisory
Designating Depositories	Annually	City Council Adoption
Fiscal Implications	Indicated with each Council agenda item	City Council Advisory

In completing financial reporting, the Finance Division complies with all necessary requirements of State Statutes, the Governmental Accounting Standards Board (GASB) and the Minnesota Office of State Auditor.