



Welcome!

MLC Legislative Breakfast
January 24, 2025





Municipal Legislative Commission Background

- Founded in 1984 as a lobbying coalition for suburbs sharing common demographic, economic, and tax base characteristics
- Includes 18 member cities
- The criteria/fit for MLC is based on the following:
 - Population
 - Receive little to no LGA
 - Impact of Fiscal Disparities
 - Tax base composition
- MLC has a limited legislative agenda
- MLC is a forum to promote best practices



Who We Are

- While our suburban communities share similar characteristics, we are not all the same
 - Some are growing rapidly while others are fully developed
 - Some are primarily residential communities while others have significant commercial developments
- Our agenda is based on shared challenges and opportunities
 - Development and maintenance of public infrastructure, and increasing demand from residents and businesses for effective public services
 - Advancing policies that are fiscally responsible, that allow for growth and development, and further enhance our strong communities

2025 MLC Member Cities

Apple Valley

Bloomington

Burnsville

Chanhassen

Eagan

Eden Prairie

Edina

Golden Valley

Inver Grove Heights

Lakeville

Maple Grove

Minnetonka

Plymouth

Prior Lake

Rosemount

Shakopee

Shoreview

Woodbury



Overview: 2025 MLC Legislative Priorities

MLC Government Relations Team

Tony Albright, Lobbyist

Tom Poul, Attorney/Lobbyist

Amy Walstien, Attorney/Lobbyist

2025 MLC Legislative Priorities

- Supporting safer communities
- Investing in infrastructure, transportation and economic development
- Strengthening the state-local fiscal partnership
- Expanding housing production and promoting affordable housing



Supporting Safer Communities

MLC supports empowering local elected leaders to effectively manage public safety issues in their communities by:

- Allocating additional one-time funding for police and fire aid programs
 - Enhancing local control of Emergency Medical Services by enabling community-specific ambulance service provider selection and establishing local performance and quality assurance oversight
-



Supporting Safer Communities

In 2024, the Legislature adopted EMS reforms including:

- A new Office of Emergency Medical Services to replace the EMSRB beginning on January 1, 2025
- \$30 million in funding for ambulance services, with \$24 million allocated for short-term emergency aid in greater Minnesota and \$6 million for a "Sprint Medic" pilot program





Investing in Infrastructure, Transportation & Economic Development

MLC supports greater, regionally balanced investments in transportation and infrastructure and sensible regulatory requirements, including:

- Supporting essential local infrastructure projects with a regional/state benefit
- Providing increased, regionally balanced investments in transportation and infrastructure
 - Fund the Corridors of Commerce program at the 2022-23 project cycle level of \$403 million
 - Fund at least \$10 million for metro cities in the Transportation Economic Development program
- Authorizing street infrastructure fees to ensure that local infrastructure can meet the demands imposed by new development

Investing in Infrastructure, Transportation & Economic Development

MLC cities are actively pursuing economic development efforts to attract businesses, create jobs, and boost local economies. According to 2020 census data, MLC cities employ over 530,000 people.

We support economic growth through targeted state investments that add new workers, retain high-quality jobs, and attract business development, including:

- Maintaining state investments in the Minnesota Investment Fund
- Maintaining state investments in the Job Creation Fund



Strengthening the State-Local Fiscal Partnership

We also support greater stability and predictability in the fiscal relationship between the state and local units of government through:

- Direct property tax relief
- Simplifying the sales tax exemption on construction materials for cities
- More frequent review of the Local Government Aid (LGA) program
- Preserving the integrity of the Fiscal Disparities Program
- Local option sales tax reform



Strengthening the State-Local Fiscal Partnership



We support providing a clearer, more predictable, and equitable process to approve local sales tax requests:

- Oppose tax equalization measures in local sales tax legislation to ensure equitable treatment for all Minnesota cities
- Oppose limitations on similar facilities within a certain distance of the proposed project and requiring support from surrounding cities
- Include metro parks and trails as pre-approved projects for the use of local sales tax dollars
- Include an inflationary escalator based on the Consumer Price Index (CPI) to give cities the funds necessary to cover actual project costs



Expanding Housing Production and Affordable Housing Options

2024 Legislation and Stakeholder Meetings

- Multiple bills introduced in 2024 to pre-empt local land use and zoning authority without city input
- MLC convened post-session meetings with stakeholders to develop workable solutions to expand housing production and promote affordable housing development



Factors Contributing to the Housing Gap



- Underproduction during the Great Recession
- Rising construction and insurance costs
- Scarcity of developable land
- Real estate market dynamics – what is getting built and at what cost
- High mortgage rates
- Limited infrastructure capacity
- Oversubscribed state funding for higher-density housing

Progress on Met Council Housing Goals

- On track to meet Metropolitan Council's 2030 housing targets
- Permits Issued: 172,781 over the past decade
 - 56% for multi-family units
 - 37% meeting affordability criteria (51-80% AMI)
- Over 1,500 acres designated for multi-family housing
- Potential for thousands of new medium- and high-density units by 2030





Considerations for Meeting Housing Challenges

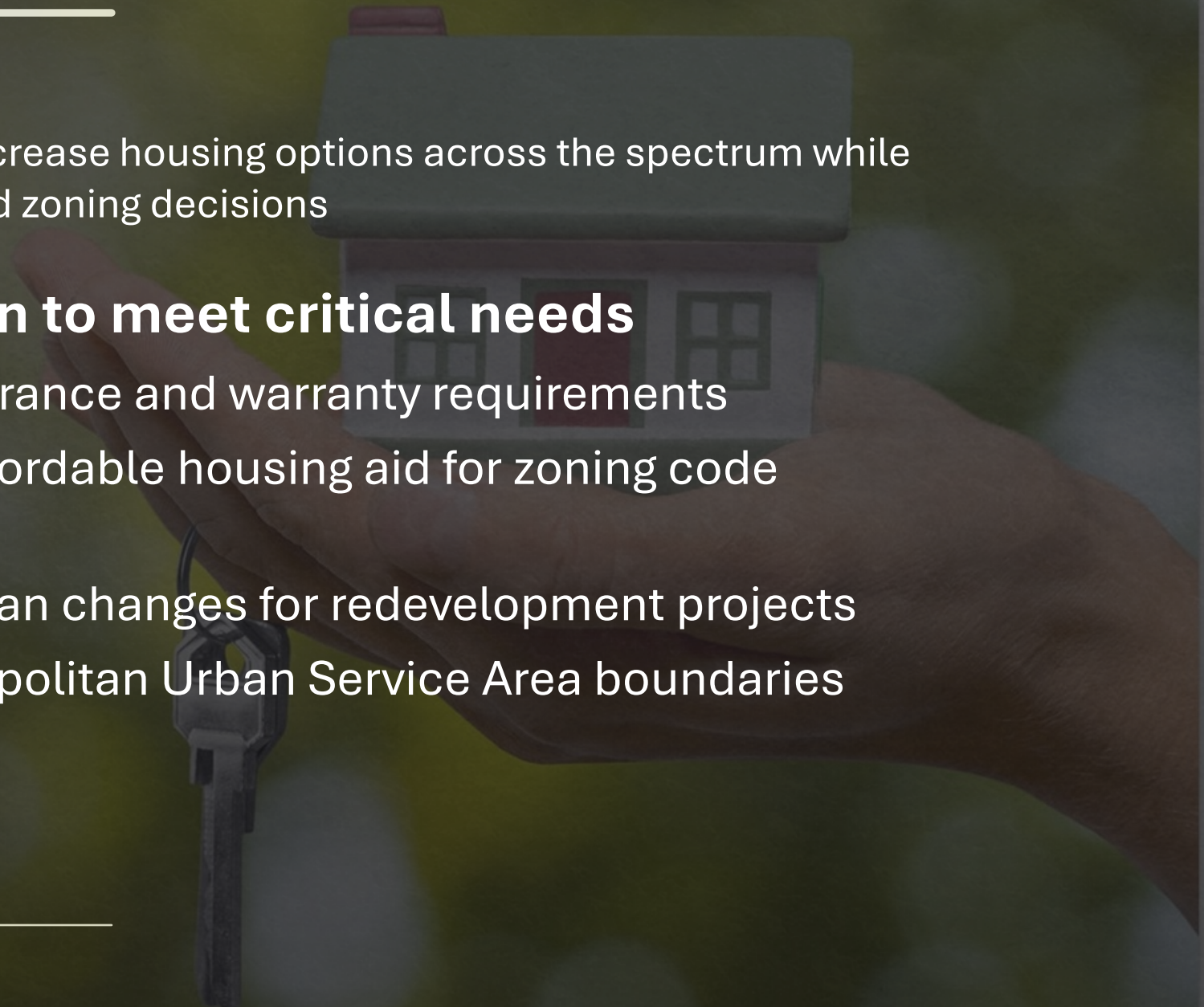
- Need targeted solutions – not a one-size-fits-all approach
- Prioritize tailored approaches for communities at different stages of development
 - Greenfield development
 - Infill development
 - Redevelopment opportunities
- Must consider impacts of higher density development on local infrastructure
- Continue to allow for community input and local decision-making within the regional comprehensive planning process

SOLUTIONS

MLC supports the following goals to increase housing options across the spectrum while prioritizing local control of land use and zoning decisions

Expand housing production to meet critical needs

- Reforming condominium insurance and warranty requirements
- Allowing cities to use local affordable housing aid for zoning code updates
- Simplifying comprehensive plan changes for redevelopment projects
- Strategically expanding Metropolitan Urban Service Area boundaries



SOLUTIONS

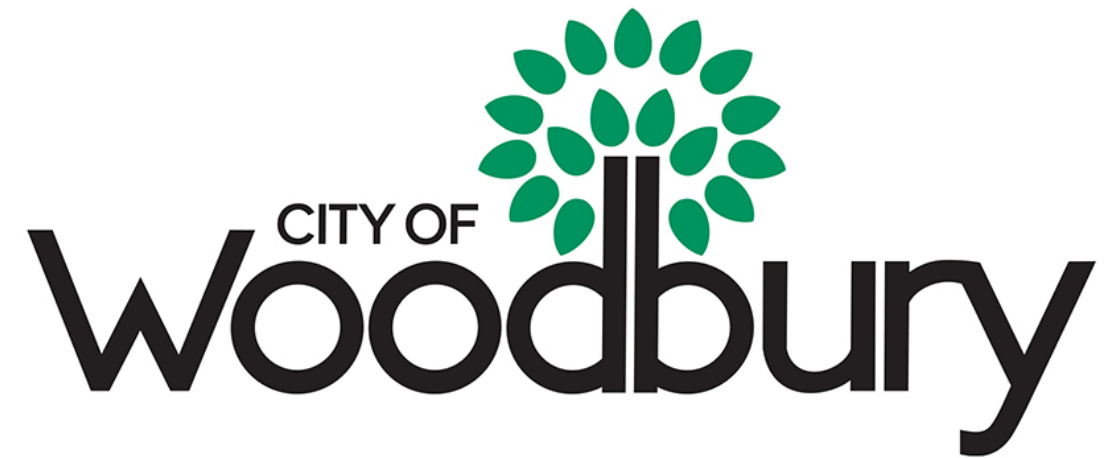
MLC supports the following goals to increase housing options across the spectrum while prioritizing local control of land use and zoning decisions:

Promote affordable housing opportunities

- Expanding investments in Naturally Occurring Affordable Housing and other critical affordable housing programs
 - Expanding authority for cities to redirect surplus TIF funds to Affordable Housing Trust Funds and allowing TIF district extensions for affordable housing purposes
 - Establishing a metro area housing infrastructure grant program
 - Promoting Housing Improvement Areas in cities with multi-unit properties
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**OPENING DOORS:
Creative Solutions to
Housing Availability
and Affordability**

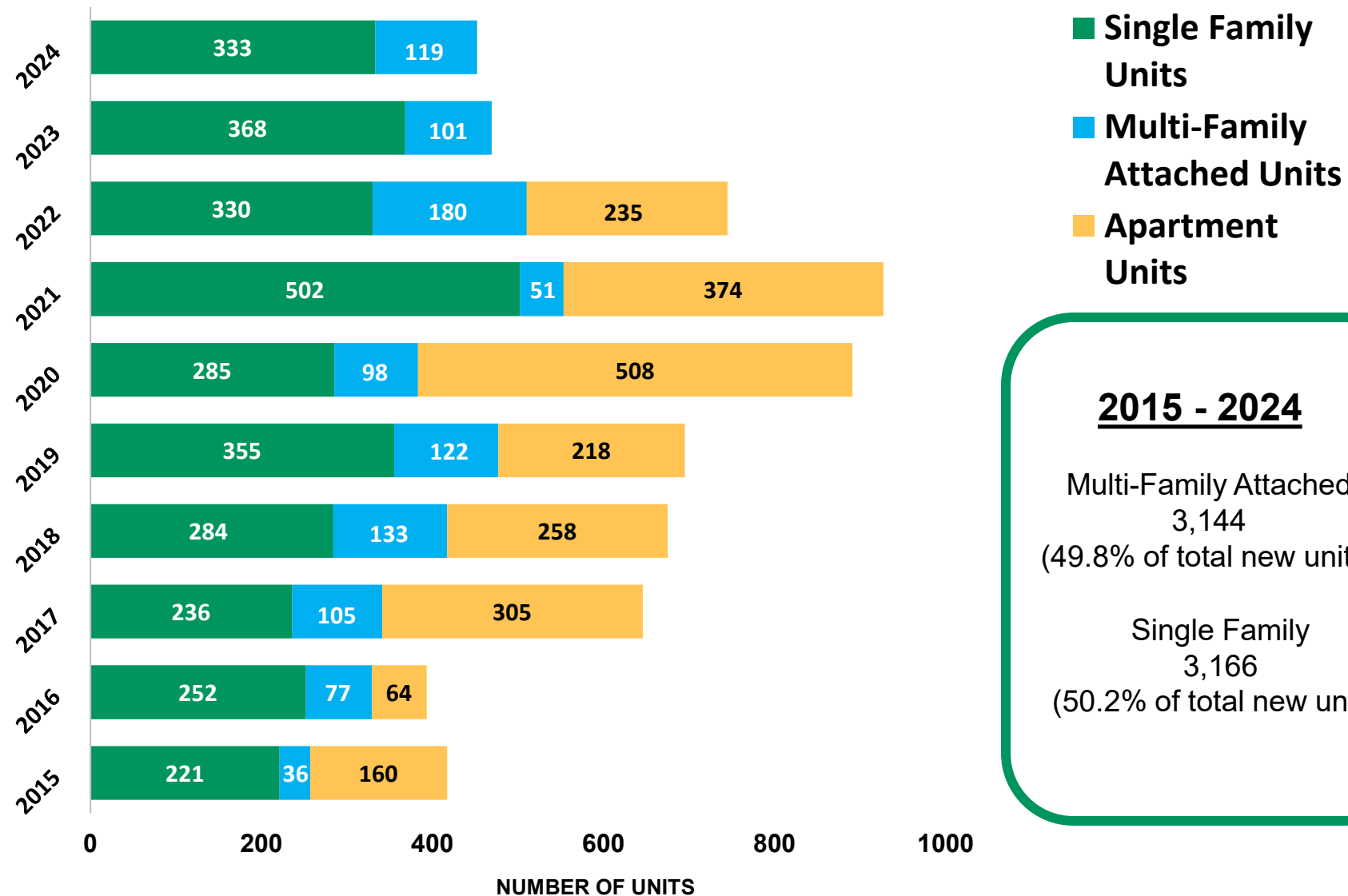




Mayor Anne Burt

Housing Diversity

NEW HOUSING UNITS BY TYPE



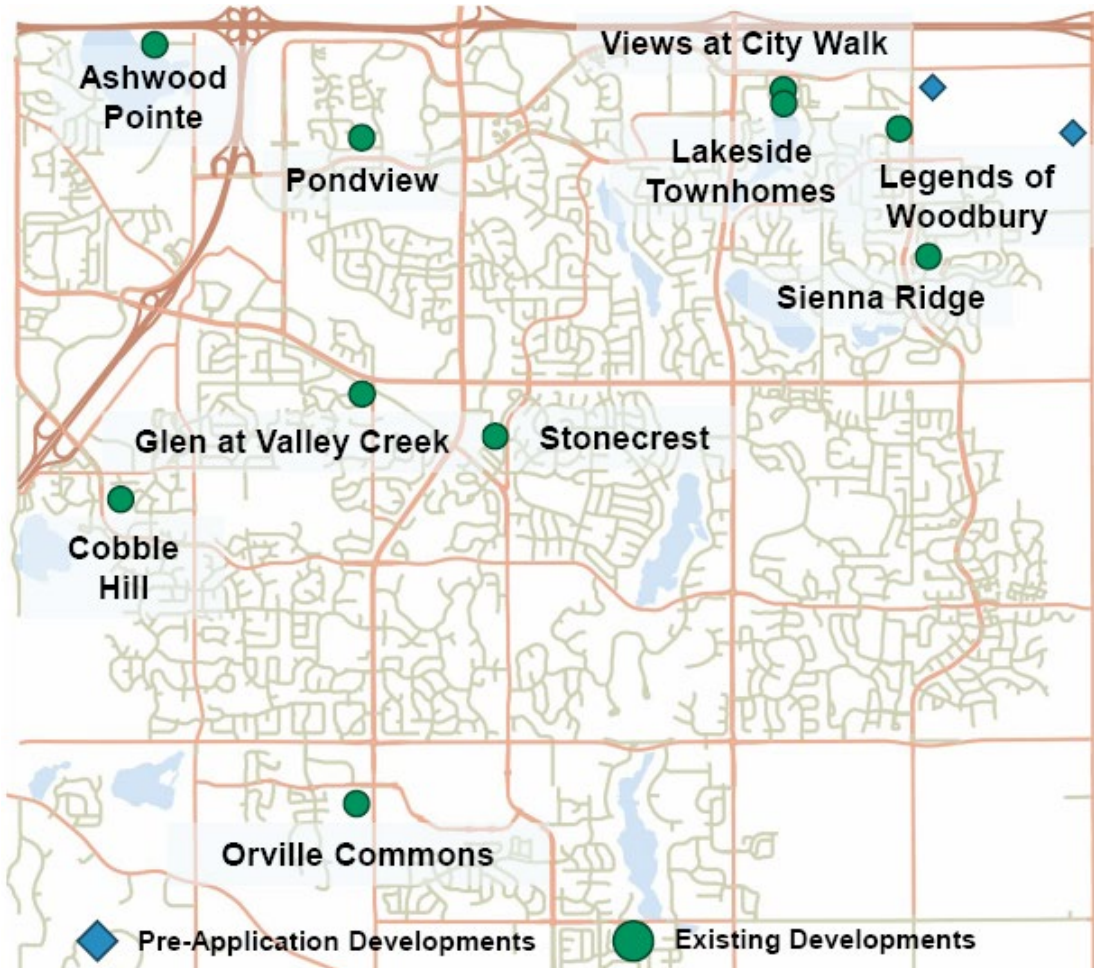
2015 - 2024

Multi-Family Attached
3,144
(49.8% of total new units)

Single Family
3,166
(50.2% of total new units)

Affordable Housing in Woodbury

Affordable Housing Developments in Woodbury



Metro Cities with Most New Affordable Housing Units

City	New Units 2018-22
Minneapolis	7304
St. Paul	3485
Minnetonka	906
Roseville	811
Bloomington	690
Woodbury	682
West St. Paul	619
New Brighton	490
Blaine	428
Maple Grove	427

From metcouncil.org

New Affordable Developments

Orville Commons (Opened 2023)



Units: 235 (24 townhomes)

Bedroom Sizes: 72 (1), 53 (2), 55 (3), 55 (4)

Income Limit: 50% Area Median Income or less

Amenities: Fitness room, pedestrian trails, playground, pool, community rooms, indoor play area, picnic areas

City Approvals: Rezoning Ordinance, Conditional Use Permit, Planned Unit Development

Financing: HRA tax-exempt bonds, Woodbury density bonus, Washington County CDA tax credits, City HOME Partnership Grant, private equity

Reserve at Settlers Ridge (Construction begins Q1 2025)



Units: 252

Bedroom Sizes: 48 (1), 128 (2), 60 (3), 16 (4)

Income Limit: 60% Area Median Income or less

Amenities: Fitness rooms, nature trail, playgrounds, soccer field, community rooms, picnic areas, dog run

City Approvals: Comprehensive Plan Amendment, Rezoning Ordinance, Conditional Use Permit, Planned Unit Development

Financing: HRA tax-exempt bonds, Woodbury density bonus, Washington County CDA tax credits, Met Council Livable Communities Grant, private equity

Shovel Ready/Financing Quandary

Meadows at Prairie Ridge



Units: 237





Bedroom Sizes: 27 (1), 111 (2), 99 (3)

Income Limits: 60% Area Median Income or less

Amenities: Fitness room, indoor playroom, pool, clubroom, picnic areas, trails

City Approvals: Conditional Use Permit, Planned Unit Development

Financing: HRA tax-exempt bonds, Woodbury density bonus, Washington County CDA tax credits, Washington County CDA GROW Fund, private equity

Project Name	City Approvals	State of Minnesota Bond Financing
Reserve at Settlers Ridge		
Meadows at Prairie Ridge		



MLC Legislative Breakfast

Affordable Housing Panel

Mayor Mike Maguire
Jan. 24, 2025



EAGAN



Affordability in Eagan

- 30,100 housing units
- Nearly 1/3 of total housing is rental
- 45% of rental units affordable at 60% AMI
- 26% of units built in last five years are affordable
- 19% of ownership housing valued under \$290,000



2024

The Haven at Eagandale



- Conversion from extended stay hotel
- 120 one- and two-bedroom units
- Original design supported residential conversion
- City approved land use change and flexibility for enclosed and total parking
- Market rate rents are 60–80% of AMI
(1 BR-\$1,100/M, 2 BR-\$1,600/M)



2025

Veteran's Village



- Most residents at 50% or less AMI
(est. 1 BR-<\$1,165/M, 3 BR-<\$1,615/M)
- Density increased by 15%
- Required setbacks reduced by almost 50%
- Garages eliminated from half of units
- Recreational space significantly reduced





Summary

- No use of low-income housing tax credits or tax increment financing
- Projects do not meet statutory “affordable” definition
- Projects meet needs without deep subsidies





Dialogue with State Legislators and Regional Leaders



Thanks for participating!