



April 30, 2021

Dear Members of the Housing Conference Committee (HF 1077),

Metro Cities appreciates the opportunity to comment on the Housing omnibus bills being considered by this conference committee. Cities recognize the importance of the state as an essential partner to meet housing needs and state funded programs to allow cities to address a range of local needs.

Preemption Provisions: Metro Cities supports local decision-making authority for land use, zoning, and planning and opposes restrictions of those authorities in the Senate bill. These authorities allow local officials to respond to local opportunities, local circumstances, and unique considerations that vary from city to city across the entire metropolitan region. Metro Cities opposes Article 2, Sections 7 and 8 of the Senate bill that would add encouragement language for comprehensive plans under M.S. 462 and limit regulations on residential development, including restrictions on planned unit developments and aesthetic conditions. Metro Cities also opposes repeal of the rent control exception statute that currently provides for a public process for city action.

Challenge Program Funding Metro Cities supports the funding increase in the House bill for the Challenge Program, which is one of Minnesota's most flexible housing funds.

State Match for Local Housing Trust Funds Metro Cities supports the state match for local housing trust funds in the House bill. This allows cities that currently have trust funds to amplify local dollars as those funds are raised and trust fund balances are spent and provides an incentive for other cities.

NOAH Preservation Metro Cities supports the funding in the House bill that will aid city efforts to maintain existing affordable and quality housing stock.

Homeownership and Reducing Disparities Metro Cities supports state funds to reduce racial disparities in homeownership, through HECAT and other appropriations in the bills, and supports funding for the workforce homeownership program.

State Funding Flexibility Metro Cities supports flexibility in Minnesota Housing's funding awards that recognize the complexities of residential development. Metro Cities appreciates the change from cost per unit preference language that was removed but remains concerned with Article 2, Sections 25 and 26 in the Senate bill that create project preference for lower cost per square foot due to factors including creative rehabilitation of existing buildings.

Thank you. Metro Cities is available to answer any questions you may have.

Regards,

A handwritten signature in black ink that reads "Charlie Vander Aarde".

Charlie Vander Aarde
Government Relations Specialist