



March 7, 2023

Dear Chair Howard and Members of the House Housing Finance and Policy Committee:

Metro Cities appreciates the opportunity to comment on provisions in HF 2235-Elkins that are specific to metropolitan cities. Metro Cities represents the shared interests of metropolitan cities at the legislative and executive branches of government, and before the Metropolitan Council.

Metro Cities has concerns that certain provisions in HF 2235 would obstruct existing metro-specific processes that ensure the orderly growth of the region and required regional infrastructure to serve this growth.

Existing requirements set in state law give the Metropolitan Council important but limited authority to address regional infrastructure and systems, while allowing metropolitan municipalities to remain largely self-determining with respect to local density and land uses. Regional and local coordination is required and practiced across the scope of regional policy setting.

While city officials and the Metropolitan Council at times disagree, generally they work successfully toward the shared interest of ensuring regional infrastructure is adequately planned for and provided to the region's residents and businesses. Cities and the Metropolitan Council also coordinate on land use policies to address needs for new affordable housing construction. Metro Cities supports this coordination as well as local appeal processes in the setting of regional requirements.

Every ten years, cities in the metropolitan region submit local comprehensive plan updates to the Metropolitan Council to ensure compatibility of local plans with regional systems. HF 2235 would require that local fiscal devices and controls be entirely, and at once, consistent with all identified uses in a local plan, effectually disallowing staging of developments and many existing land uses. Such a requirement is inconsistent with the objectives of long-term planning and ignores local fiscal capacities, constraints, existing land uses and community input that inform local plans and the timing of developments. As such, cities and taxpayers in the region would be prematurely addressing and paying for infrastructure to serve growth that has not yet occurred and may not be expected to occur for years down the road.

HF 2235 restricts city eligibility for regional grant programs, by stipulating only parcels zoned for multifamily housing qualify for a metropolitan city's affordable housing goals under grant programs. Metro Cities supports flexible and accessible programs to help advance local needs for affordable housing.

HF 2235 would impose a metropolitan area zoning policy and preempt local density setting. The bill also imposes regional density requirements for the planning and provision of regional infrastructure. This mandate would negate local community characteristics that inform density requirements for the region, and would put significant and premature cost obligations on cities and taxpayers.

HF 2235 would require that certain communities be charged a higher level of SAC (sewer availability charge) based on their location in the region. SAC is structured as a user fee calculated on current and projected use of the regional wastewater system. Metro Cities policies support a fair, equitable and transparent SAC program, and oppose using the SAC charge to subsidize state goals and objectives.

Thank you for the opportunity to comment on provisions in HF 2235 that are specifically consequential for cities in the metropolitan region.

Respectfully,

A handwritten signature in blue ink, appearing to read "Patricia Nauman".

Patricia Nauman
Executive Director