

## City Roles and Principles

### Housing and Residential Development

***Cities are responsible for responding to community-specific housing needs to ensure the health, safety, and welfare of residents. While city roles in housing development are long-standing and important, the funding for that response — collected through development fees — makes up only a small percentage of total consumer housing costs.***

***Key principles:***

1. Preserve local decision-making authority to address housing needs and oppose any state-imposed one-size-fits-all “solutions.”
2. Recognize long-standing city land use roles that allow cities to govern on behalf of local communities and address their community-specific housing needs, especially given COVID-19 pandemic considerations.
3. Establish fees for infrastructure to serve residents in new development without passing this cost on to existing individual and business taxpayers.
4. Support a federal-state-local partnership that provides consistent resources and flexible local tools for helping cities to address local housing needs.
5. Recognize that the private market is, by far, the primary driver of housing’s biggest costs – land, labor, materials – and these market factors determine the sale price of new single-family homes.
6. Support policies that provide for staged development and orderly growth. These are necessary for the efficient management of growth and its costs in the metropolitan region.
7. Preserve existing housing stock, including naturally occurring (unsubsidized) affordable housing, and support development to meet current and future housing needs in each local community.
8. Oppose diversions from the Fiscal Disparities pool to fund specific projects or objectives.

Cities are responsible for ensuring the health, safety, and welfare of residents and the structural soundness and livability of the community’s housing stock through land use planning, zoning ordinances, code enforcement, rental licensing, subdivision regulations, and building inspections.

Cities are also responsible for identifying and addressing local housing needs, and must have sufficient authority and flexibility to address aging population and lifecycle housing options, racial disparities in housing, and preservation of naturally occurring housing that is affordable to lower incomes.

State and federal resources play a critical role in funding for housing, but often the city provides financial incentives to attract certain types of housing stock. There is a need for active commitment by state and federal government partners to assist local partners in addressing housing needs across Minnesota.