



March 9, 2023

Dear Chair Hornstein,

The *Municipal Legislative Commission (MLC)* is a coalition of 19 cities, many, among the fastest growing in the state of Minnesota! This rapid growth brings both opportunity and challenge. Each new home build brings incremental costs to existing infrastructure. Every new home adds increased demand on parks, water, sewer and roads with 10 vehicle trips/day added to collector road infrastructure. It is for that reason that *MLC* requests your support for statutory authorization of Street Impact Fees as outlined in HF1402. It is through this legislation that the incremental costs of growth will be on the for-profit developers and not fall to existing taxpayers.

In growing areas, it is critical that new development pay for itself. The absence of a fee is not the absence of a cost; it is a transfer of cost to another.

Absent legislative action to remedy this situation, cities will find themselves in one of three difficult positions:

1. Standing firm on a position of *premature development* where we must await infrastructure build-out before welcoming new neighbors;
2. Allow growth to come and burden **existing residents with a degradation of capacity and safety on a road network sized for a smaller community;**
3. Transfer the uncovered cost of growth to existing taxpayers.

The time to address this omission in statute is upon us. HF1402 addresses the missing infrastructure piece for roads that will align with provisions for parks, water, sewer and storm water. I am hopeful that you as members of the Transportation Finance and Policy Subcommittee will support this bill with passage.

Please do not hesitate to reach out to me, or any of our MLC Cities to offer additional perspective on HF1402.

Sincerely,

A handwritten signature in black ink, appearing to read "James Hovland", with a horizontal line underneath.

James Hovland
Mayor, City of Edina
Chair, Municipal Legislative Commission

cc: League of Minnesota Cities
MLC Cities (Apple Valley, Bloomington, Burnsville, Chanhassen, Eagan, Eden Prairie, Edina, Golden Valley, Inver Grove Heights, Lakeville, Maple Grove, Minnetonka, Plymouth, Prior Lake, Rosemount, Savage, Shakopee, Shoreview, Woodbury)