



December 14, 2021

Dear Members of the Legislative Commission on Housing Affordability,

Metro Cities appreciates the opportunity to provide initial comments on provisions of the Comprehensive Housing Affordability Act (2SS-CG001-3) authored by Rep. Steve Elkins, that have specific applicability for cities in the metropolitan region. Metro Cities is concerned about the bill's potential to obstruct processes that exist to ensure a coordinated and productive framework by regional and local officials necessary for ensuring the orderly and economic growth of the region and needs for infrastructure required to serve this growth.

Existing processes and regional requirements for local governments exist to ensure the adequate provision of regional infrastructure to serve growth while allowing municipalities to remain largely self-determining with respect to local density and land uses. While city officials and the Metropolitan Council at times disagree, generally they work successfully toward the shared interest of making sure that regional infrastructure and operations such as wastewater and transit are adequately planned, provided, and paid for to serve citizens in the region.

Metro Cities supports processes that ensure regional and local coordination as well as provide for local appeals in the setting of regional requirements. Such processes recognize both the need to provide regional infrastructure efficiently and the importance of local autonomy over local land uses. Laws and processes that govern regional policy and funding authority are significant but also limited over local land use policy and decision making.

For all cities, local comprehensive plans represent a city's long-range vision, plans and intentions. Cities in the metropolitan region are also required to submit local plans to the Metropolitan Council, again, to ensure plans are compatible with regional systems.

Article 3, Section 6 of the bill would require that official controls, such as local zoning policy, be at once consistent with all identified uses in a local comprehensive plan. This requirement would negate a city's ability to plan for and stage developments and uses of land and would effectually disallow many existing land uses. As such, this requirement is inconsistent with the goals of local long-term planning to identify and plan for a community's long-term vision, goals and needs and to work within local fiscal capacities and constraints. This section would require cities and local taxpayers to prematurely address and pay for infrastructure to serve growth that has not yet occurred and may not be expected to occur for years down the road.

Article 3, Section 5 would require that only parcels consistent with policies of the Metro Development Guide and zoned for multifamily housing may qualify for a metropolitan city's affordable and life cycle housing goals. This requirement would eliminate processes used by regional and local officials that are appropriate to the setting of housing goals that determine eligibility for programs specific to the seven-county region and paid for by local taxpayers.

Article 6, Section 1 would impose by state law a one-size-fits-all regional development mandate and eliminate regional and local processes that set varied densities for cities for purposes of determining the needs and timing for providing regional infrastructure. This could put significant, premature cost burdens on metropolitan taxpayers and possibly have negative environmental and other consequences for local communities.

Article 7, Section 1 would require that specific communities be charged a higher level of regional SAC (sewer availability charge) than others, based on their location in the metropolitan region. While state law addresses broad parameters that allow the regional sewer charge, SAC is structured as a user fee, calculated on current and projected use of the regional wastewater system. Metro Cities policies strongly support a SAC program that is fair and transparent among all users and opposes using SAC to subsidize specific state or regional goals and objectives.

Metro Cities understands the stated goals of this proposed legislation to increase housing affordability, and the association shares this overall goal for the region and state. It is difficult, however, to see how these provisions lead to more affordable housing, given the potential for significant and premature public investment in regional infrastructure that are the likely outcome if these provisions became law. There may be limited cost savings to builders, but there is no guarantee of reduced housing prices or actual affordable housing production.

Thank you for the opportunity to provide comments on sections of the bill that have specific applicability and significance for cities in the seven-county metropolitan region.

Sincerely,



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