



September 21, 2021

Dear Chairs and Members, Legislative Commission on Housing Affordability:

Metro Cities appreciates the opportunity to comment on the provisions of 2SS-CG001-3 (Elkins) that relate to funding for local street infrastructure.

Legislation authorizing municipalities to charge fees for future street improvements (street impact fees) would provide statutory clarity for cities to provide the requisite infrastructure to serve new development. This authorization was included in HF 527-Masin that was considered in the 2021 session and was supported by Metro Cities.

Metro Cities also supports allowing cities to create street improvement districts and to collect fees from property owners within a district to fund work on municipal streets. This authority would provide an additional tool for cities to build and maintain city streets. This mechanism was included in HF 1565-Elkins that received consideration in the session and was supported by Metro Cities.

Street infrastructure fee clarity and municipal authorization for street improvement districts address separate street infrastructure funding issues for municipalities. Metro Cities is reviewing the draft language addressing these issues that is before you today.

As the Commission continues to meet, Metro Cities looks forward to providing additional feedback on the two provisions, and additional city roles and responsibilities for the provision of local housing needs. Metro Cities looks forward to sharing information on tools, policies, and resources to aid local housing efforts that recognize diverse local characteristics, objectives, and constraints and that can help advance local efforts to meet the housing needs of Minnesotans.

Thank you for your consideration.

Sincerely,

Charlie Vander Aarde
Government Relations Specialist
Metro Cities