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CGMC to Legislature: Seize this opportunity to invest in Greater Minnesota

With state on solid economic footing, group says lawmakers must set aside partisan squabbles and focus on passing bonding bill, making other key investments

ST. PAUL—With the state sitting on a $1.3 billion budget surplus and a AAA bond rating, Greater Minnesota city leaders are urging lawmakers to return to St. Paul next week with a renewed focus on investing in infrastructure across the state.

“As any mayor in Greater Minnesota can tell you, our communities have a lot of infrastructure needs,” said Greg Zylka, mayor of Little Falls and vice president of the Coalition of Greater Minnesota Cities (CGMC), during a pre-legislative session conference call with statewide media this morning. “The Legislative and Governor should take advantage of the state’s strong financial footing and work together to make key investments in our communities.”

CGMC Executive Director Bradley Peterson noted that most lawmakers appear interested in passing a sizable capital investment bill this year. However, he has some concerns that other divisive, partisan topics like marijuana legalization and voter ID requirements will outshine “bread-and-butter” issues cities face such as aging water treatment facilities, deteriorating roads and a lack of child care options.

“At the end of the day, Greater Minnesota will judge our legislators not by what they talked about, but what they actually passed and funded,” Peterson said.

Bonding bill of ‘at least $1.5 billion’ top priority for 2020

In the months leading up to the legislative session, which begins Feb. 11, Greater Minnesota city officials have been vocal about the need for a large bonding bill (also known as the “capital investment bill”) of at least $1.5 billion. With $5.3 billion in requests – including $1.3 billion from local governments alone – it is clear infrastructure needs throughout the state are significant.

“From our perspective, the cornerstone of any bonding bill needs to be at least $200 million in funding for water infrastructure grant and loan programs,” Zylka said, noting that more than 300 cities currently have projects in the works to upgrade their wastewater or drinking water facilities. “I know from first-hand experience that water infrastructure projects are extremely important, but they are also extremely expensive,” he added. “We need the state to be a strong partner in helping cities pay for these multi-million-dollar upgrades.”
In addition to water facilities, the CGMC is also urging the Legislature to put substantial funding in the bonding bill for other top rural priorities including local roads and bridges, child care facilities, housing, and economic development programs such as the Greater Minnesota Business Development Public Infrastructure Grant Program which provides grants to help cities pay for public infrastructure needed for job and business growth.

“Passing a bonding bill will require bipartisan cooperation,” Zylka said. “Governor Walz set a good benchmark with his $2 billion bonding proposal. Now we need the Legislature to follow suit.”

‘This is a massive cost for our small city’

Foley, a city of approximately 2,700 residents located about 20 minutes outside of St. Cloud, is among the hundreds of cities in Greater Minnesota that need to upgrade their wastewater or drinking water systems. On the call with the media, Foley City Administrator Sarah Brunn shared details about her city’s project.

Brunn said Foley is out of capacity in its existing wastewater treatment ponds and a moratorium is currently in place for sewer extensions. After weighing the city’s choices and considering current and future water quality standards, city leaders have decided that the best option for the long-term viability of the city is to connect to the St. Cloud wastewater system – a project estimated to cost upwards of $22 million.

“This is a massive cost for our city,” Brunn said. “If we don’t receive funding through the state, our sewer rates will increase by 300%. An increase of this size will cripple our residential and business community.”

She noted that this project is especially important because Foley is home to a wet industry, PouchTec Industries, which employs 200 people and wants to add more jobs, but the city’s current wastewater system is unable to handle its needs. Moreover, nearly all construction on new housing has been put on hold until the sewer capacity issue is resolved.

“We have no choice but to upgrade our system, so this funding is absolutely critical,” Brunn added. “Foley and other cities who are in a similar position can’t wait – we need a bonding bill to pass this year.”

Child care shortage stifles growth in Greater Minnesota

The CGMC is also continuing its push to alleviate the child care shortage in Greater Minnesota, where there is currently a need for 40,000 more spots. The CGMC has partnered with the Minnesota Initiative Foundations (MIFs) to pursue several options aimed at addressing two main goals: stabilizing the child care industry by providing support services for providers and expanding access by creating new child care businesses.

“The child care shortage has significant economic impacts not only for families who can’t find care for their children, by also for the communities they live in and the local economies that affect that region,” said Don Hickman, vice president for community and workforce development at the Initiative Foundation in Little Falls.

“We have hit the point in Greater Minnesota where child care is one of the top factors – if not the top factor – for whether a family decides to move to or stay in one of our communities,” he added.
In 2019, the state invested $1.5 million in the MIFs’ child care initiatives and Department of Employment and Economic Development child care grants, more than 70% of which went to Greater Minnesota. This money has been utilized in a variety of ways including business planning and financing for child care providers, workforce development to attract and retain providers, challenge grants to the private sector to create economic stability in the child care field and capital grants to help centers or home-based providers improve their facilities.

This year, the CGMC is urging the Legislature to increase its investment in both programs. It is also seeking $20 million in bonding for a new grant program aimed at constructing additional child care facilities in Greater Minnesota.

“The child care shortage has reached a crisis level in Greater Minnesota,” Hickman said. “We hope to work closely with the Legislature to pursue several different options to begin to reduce that 40,000-slot shortfall.”

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The Coalition of Greater Minnesota Cities is a nonprofit, nonpartisan advocacy organization representing more than 100 cities outside of the Twin Cities metropolitan area. The Coalition educates legislators about issues important to Greater Minnesota. Visit the CGMC online at greatermncities.org and follow us on Twitter @greatermncities.