

SESSION HALFTIME

| April 15, 2024

**USE THE Q&A FUNCTION
FOR QUESTIONS!**

CGMC PRIORITIES



SHORE UP FRAGILE EMS SYSTEM



SECURE PASSAGE OF A BONDING BILL



PUMP THE BRAKES ON NEW POLICY

A blurred background image of an ambulance with its emergency lights flashing. The word "AMBULANCE" is visible in reverse on the front of the vehicle.

EMERGENCY MEDICAL SERVICES

Passage of an **immediate \$120 million emergency ambulance service aid** appropriation that will keep services operating until 2025.

**OUR
REQUEST**

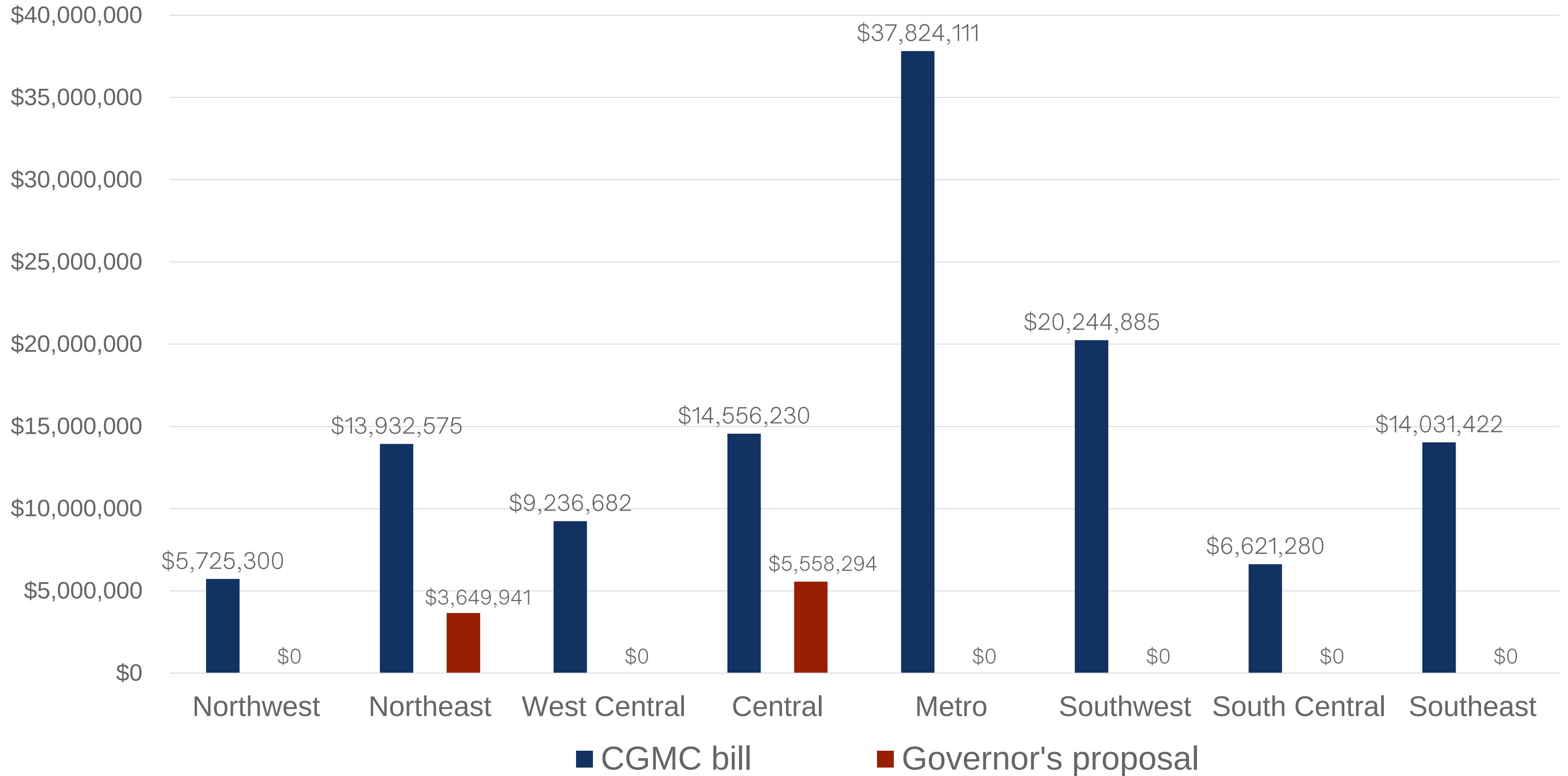
WHERE WE STAND

- Coalition built

 Allina Health www.allinahealth.org	 American College of Emergency Physicians, MN Chapter www.mnacep.org	 Arrowhead EMS Association www.arrowheadems.com
 Association of Minnesota Counties www.mncounties.org	 Aster Health EMS www.asterahealth.org	 Avera Granite Falls Ambulance www.avera.org
 Bemidji Ambulance Service www.bemidjiambulance.com	 Browerville Ambulance Service www.browerville.govoffice.com	 Cloquet Area Fire District www.cloquetareafiredistrict.com
 CentraCare www.centracare.com	 Coalition of Greater Minnesota Cities www.greatermncities.org	 Cromwell-Wright Area Fire District www.cromwellwrightfire.us
 Dodge Center Ambulance www.ci.dodgecenter.mn.us	 Essentia Health www.essentiahealth.org	 Hennepin County Association of Paramedics & EMTs www.hcape.org
 Hennepin EMS www.hennepinems.org	 Hibbing Fire Department www.hibbingmn.gov	 International Falls Fire & Rescue www.ci.international-falls.mn.us
 League of Minnesota Cities www.lmc.org	 M Health Fairview EMS www.mhealthfairview.org/ems	 Mayo Clinic Ambulance Service www.mayoclinic.org
 MEDS-1 Ambulance Service www.meds-1.com	 Metro Cities www.metrocitiesmn.org	 Minnesota Ambulance Association www.mnems.org
 Minnesota Association of Small Cities www.maosc.org	 Minnesota Association of Townships www.mntownships.org	 Minnesota Inter-County Association www.mica.org
 Minnesota Rural Health Association www.mnruralhealth.org	 Minnesota State Fire Chiefs Association www.msfc.org	 City of Nashwauk www.nashwaukmn.gov
 National Association of EMS Physicians, MN Chapter www.naemsp.org	 North Memorial Health www.northmemorial.com	 Northfield Hospitals & Clinics www.northfieldhospital.org
 Perham Area EMS www.perhamems.org	 Range Association of Municipalities & Schools www.ramsmn.org	 Ringdahl EMS www.ringdahlems.com
 Sanford Health www.sanfordhealth.org	 Southeastern Minnesota League of Municipalities www.semlm.org	 Southwest EMS www.sw-ems.org
 Stevens County Ambulance Service www.stevensems.com	 Virginia Fire Department www.virginiafd.com	

WHERE WE STAND

- Coalition built
- Strong bipartisan support
- H.F. 3992 (Lislegard) and S.F. 3886 (Hauschild)
 - Hearings in House HHS and Taxes, Senate Taxes
- Governor and DFL budget targets are inadequate



WHERE WE STAND

- Coalition built
- Strong bipartisan support
- H.F. 3992 (Lislegard) and S.F. 3886 (Hauschild)
 - Hearings in House HHS and Taxes, Senate Taxes
- Governor and DFL budget targets are inadequate
- Action Alert
- Potential endgame?
 - Think nursing home/bonding bill deal from 2023 session

BONDING



CGMC ASKS

PUBLIC FACILITY AUTHORITY WATER INFRASTRUCTURE PROGRAMS \$299M

Point Source Implementation Grant (PSIG) Program - \$130M
Water Infrastructure Fund (WIF) - \$130M
State Match for Federal Funds - \$39M

PUBLIC FACILITY AUTHORITY LEAD LINE REPLACEMENT \$180M

GREATER MN CHILD CARE FACILITIES GRANT PROGRAM \$20M

GREATER MN HOUSING PUBLIC INFRASTRUCTURE GRANTS \$20M

BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE (BDPI) \$20M

POLICY ASK

INCREASE CAP FOR PSIG FROM \$7 TO \$12 MILLION

INCREASE CAP FOR WIF FROM \$5 TO \$10 MILLION

- These programs are an important part of financing wastewater and drinking water projects
- Caps have not kept up with inflation
- S.F. 3756 and H.F. 3768 were heard in House and Senate Jobs Committee and laid over
- Senate included the provisions in their omnibus Jobs Bill, S.F. 4027, which passed off the floor last week
- Waiting for the House to propose and act on their Jobs omnibus bill

BONDING BILL

- Governor's bonding proposal:

$$\begin{array}{ccccc} \$819.4\text{M} & & \$169.6\text{M} & & \\ \text{GO bonds} & + & \text{Other sources} & = & \$989\text{M} \end{array}$$

- Heavy on state-owned assets
 - Very little (\$40M) set aside for local projects
- Debt capacity for \$980M (February forecast) vs. \$830M (November forecast)
 - More space for local projects
 - Potentially more cash for projects

BONDING BILL

- House and Senate committees holding hearings
- Legislators will increase amount available for local projects, but still keep a focus on “traditional infrastructure”
- No bills unveiled yet

HOUSING



“MISSING MIDDLE”/ZONING PREEMPTION BILLS

- Missing Middle appears to be dead for this legislative session
 - Original version could have required cities to allow up to 8-plexes on land zoned for single family housing
 - Bill also required cities to allow Accessory Dwelling Units by right on most residential zoned properties
 - Restrictions on design standards and parking requirements also included



“MISSING MIDDLE”/ZONING PREEMPTION BILLS

- Multifamily housing in commercial areas (H.F. 4010) may still be alive
 - Restrictions on parking minimum applied only to light rail/bus rapid transit stop
 - Existing commercial property would have to be replaced with mixed use
 - Problematic administrative review provisions remain
- House State and Local Government Committee passed amended version of H.F. 4010 to the floor
 - Four of the city groups (including CGMC) testified against
 - Not clear if there are enough votes, GOP has dropped support
 - Senate has not announced plans, likelihood of passage is uncertain

We are interested in your thoughts on the latest version. Contact Elizabeth at ewwefel@flaherty-hood.com if you have input you'd like to share!

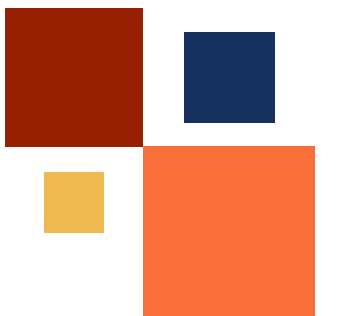


OTHER ITEMS OF INTEREST

- **LOCAL SALES TAXES**
- **TIF AND PREVAILING WAGE**
- **“REPLACEMENT FUND” BILL FOR BONDING PROJECTS**
- **MESSING WITH THE PFA**

LOCAL SALES TAX

- Current moratorium through the end of 2025
- Legislature created the Local Sales Tax Task Force during the interim
 - CGMC monitored, testified, and provided written comments
 - Task force recommended process to allow cities to impose local sales taxes without approval from the legislature
- House and Senate have both unveiled their versions of the bill



IN THE HOUSE

- Hearing last Thursday in Tax committee
- Allows for some project types to be authorized locally
- Other projects would go to legislature for authorization
- Requires resolutions of support from neighboring local governments to show “regionality”
- Creates an equalization fund for distribution to cities and counties w/o sales tax
 - Funded by collection of 15% of LST revenue going forward

IN THE SENATE

- Allows for more project types to be authorized locally compared to House bill
- Fewer requirements for imposing a tax locally or through the legislative process
- Bill hearing in Senate Taxes on Tuesday, April 16

PROGNOSIS: THERE'S A LONG WAY TO GO

TIF AND PREVAILING WAGE

- Labor proposal would apply prevailing wage requirements to TIF projects
- Especially targeting multifamily construction
- Goal: preventing wage theft and worker exploitation
- CGMC has been working & negotiating with trades to ensure necessary housing projects in Greater Minnesota are able to be financed and move forward



LOCAL GOVERNMENT REPLACEMENT FUND

- Under S.F. 3782/H.F. 3582, local governments that receive bonding funds directly or through a grant program (like the PFA) will be required to create a dedicated replacement fund
- State would control the amount in the fund and how it is used
- Senate and House versions differ slightly
- Everyone should let their legislators know that cities should have the authority to manage their own funds

MONKEYING AROUND WITH THE PFA (H.F. 4303)

- A few legislators think that too much of the PFA funding goes to Greater Minnesota and have introduced similar bills that could decimate both loan and grant programs
- In early April, we received notice at 1p.m. on a Tuesday that the bill would be heard the following morning
- We alerted the troops and prepared to testify
- Bill pulled at the last minute
- Appears dead, but may pop up as an amendment



CONCLUSION

- Legislature is moving into omnibus bill and conference committee phase
- Still time for things to come together on bonding and EMS... but the clock is ticking
- Session must end by May 20th

KEEP IN TOUCH WITH THE CGMC

Read the CGMC In Brief for weekly updates

Follow the CGMC on X/Twitter at @GreaterMNCities

Watch your email for Action Alerts

SAVE THE DATE

Mark your calendar for
upcoming CGMC events:

LMC Breakfast

June 27, 2024

Summer Conference

July 24-26, 2024

Waite Park & St. Joseph

Fall Conference

November 21-22, 2024

Alexandria

USE THE Q&A FUNCTION FOR QUESTIONS!

Bradley Peterson
bmpeterson@flaherty-hood.com
(651) 357-7369

Elizabeth Wefel
eawefel@flaherty-hood.com
(651) 492-3998