



# City of Lakeville

## 2023 Legislative Priorities



Adopted: December 5, 2022

## TABLE OF CONTENTS –

### Primary Legislative Priorities

- A. Regional Public Safety Training Facility Pages 3-4
- B. State Mandates on Local Authority
- C. Post Office Improvements
- D. Storage of Railroad Cars within Urban Residential Areas
- E. County Road 50/Interstate 35 Interchange Capacity

### Additional Legislative Priorities

#### Local Control, Municipal Revenue, and Taxation Pages 5–6

- A. Regulation of Cannabinoid Products
- B. Expansion of Beer & Wine in Grocery/C-Stores
- C. Absentee Voting
- D. Met Council Governance
- E. Revenue Restrictions
- F. Data Practices Act
- G. Fiscal Disparity Fund Distribution
- H. Targeting Tax Relief Directly to Individuals

#### Transportation: Page 7

- A. Transportation System Improvement and Maintenance Funding
- B. Dan Patch Commuter Rail Corridor

#### Economic Development: Pages 7-8

- A. Expansion of Job Creation Fund and Minnesota Investment Fund
- B. Expansion of Broadband Highspeed Internet
- C. Tax Increment Financing (TIF)

#### Housing: Page 8

- A. City Role in Housing

## Primary Legislative Priorities

### **A. Regional Public Safety Training Facility:**

A public safety training facility does not currently exist for use by public safety personnel in the south metro area and adjacent cities and counties. A regional public safety training facility would help ensure our safety personnel have the highest degree of training possible to serve the public. The Minnesota Legislature has clearly stated that public safety personnel need to be better trained and equipped to respond to the growing demands placed on them. The biggest challenge for mid-sized departments is the funding and ongoing maintenance required of a permanent training facility. Public safety personnel often use local businesses, schools and vacant facilities as temporary training sites since there is not a permanent site that fits all the training and classroom needs. A permanent, dedicated site within Dakota County, available to all jurisdictions within the south metro and Greater Minnesota area, would improve their ability to train public safety employees consistently and routinely, as well as maintain certifications.

Many of the jurisdictions within Dakota County and the south metro area, including Burnsville, Apple Valley, Farmington, Northfield, Eagan and Rosemount, have indicated their written support for the public safety training facility. This project would have no impact on State Operating Subsidies as the City of Lakeville would own and operate the facility, with the other jurisdictions providing operational support through membership or user fees to ensure the operational costs are shared among the jurisdictions benefiting from the facility. If bond funding for the project is granted, the city would engage a construction management company and architect to complete the plans and specifications for constructing the facility with an anticipated project completion in 2024.

### **B. State Mandates on Local Authority:**

Lakeville opposes statutory changes which erode local control and authority including, but not limited to:

- Mandates that limit the city's ability to manage our development standards, zoning regulations and the use of right-of-way
- Unfunded mandates that cause increased property taxes which impede the city's ability to fund traditional services
- Salary and compensation limits
- Regulations prohibiting the imposition of infrastructure fees so new development pays its fair share of the off-site, as well as the on-site, costs of public infrastructure to adequately serve the new development

### **C. Post Office Improvements:**

In March of 2021 the United States Postal Service released its 10-year plan, 'Delivering for America,' to return the organization to financial sustainability and achieve service excellence while maintaining universal six-day mail delivery and expanding seven-day package delivery. The Lakeville Post Office currently struggles to make consistent daily deliveries to residents, much less expanding to delivery seven days a week. The report indicates the successful implementation of the 10-year plan requires partnership from legislative and regulatory stakeholders. The City of Lakeville has contacted our local elected federal representatives and requested a review of the operations of the Lakeville Post Office. It is essential, for a growing city of over 72,000 residents, that the Federal Government implement improvements to Lakeville's Post Office including the renovation and expansion

of the sorting and distribution facility, upgrades to technology, increased staffing and training, and updated vehicle fleet and logistics to provide improved customer service and consistent and reliable handling, sorting and delivery of mail services.

**D. Storage of Railroad Cars within Urban Residential Areas:**

State and federal resources should be provided that will incentivize rail car storage areas within industrial areas and outside of residential neighborhoods. An active but little used section of freight railroad track runs through the City of Lakeville. Most of the track runs through residential neighborhoods or is adjacent to residential homes. While the railroad track is classified as an active line, several sections are in poor condition and is only used for the storage of inactive rail cars. Expanding rail capacity within industrial areas has the potential to increase development opportunities and addresses the concerns of our residential property owners regarding safety and visual blight.

**E. County Road 50/Interstate 35 Interchange Capacity:**

Over the past 10 years the city has invested over \$22 million dollars along the County Road 50 corridor and Interstate 35 interchange area in preparation for the future reconstruction of the interchange. In addition, the City invested another \$950,000, with the help of Met Council's Right-of-way Acquisition Loan Funds (RALF), to acquire a vacant restaurant and an underutilized retail building for the future construction of an off-ramp at this interchange, and another \$1.6 million was invested in conjunction with Dakota County for the relocation of the 172nd Street intersection on the west side of the interchange. Reconstructing the interchange in combination with constructing additional travel lanes on Interstate 35 will provide the needed regional infrastructure to extend the METRO Orange Line along the interstate corridor, promoting new commercial and industrial development at County Roads 50 & 70, and encouraging additional job creation and tax base.

**Additional Legislative Priorities**

## **Local Control, Municipal Revenue & Taxation**

### **A. Regulation of Cannabinoid Products:**

In 2022, the legislature passed legislation that authorized the sale of certain edibles and beverages infused with tetrahydrocannabinol (THC) extracted from hemp. The legislation provided limited regulation of these products. Cities were not consulted during the drafting of this legislation but have local concerns that need to be addressed. Though the new law has some regulations on the products, there are significant gaps in state oversight and accountability of the manufacturing and production, testing and distribution of the products. Additionally, the law does not provide any restrictions on where the products can be sold and offers no guidance for local governments to regulate the sale of the products. The new law also increases enforcement responsibilities for local governments which will result in additional costs for cities. There are also outstanding questions for cities as employers. The legal status of the new products creates challenges with existing drug-testing law and abilities. Drug tests can test for THC; however, they cannot differentiate whether a positive test for THC is the result of a legal THC edible product or an illegal cannabinoid. Additionally, unlike alcohol intoxication, there are no current tests to indicate intoxication or impairment levels from THC consumption for employees who may be showing signs of intoxication.

### **B. Expansion of Wine and Strong Beer Sales in Grocery/C-Stores:**

Lakeville opposes any legislation that would allow the expansion of the sale of wine and strong beer in grocery and convenience stores due to significant detrimental economic impacts on city revenues and the negative affect on preventing drunk driving and underage alcohol sales and consumption. Minnesota law allows grocery stores, gas stations, convenience stores and wherever beer is sold to sell 3.2 beer. Due to the same regulatory issues concerning regulation of alcohol and wine, "strong" beer (over 3.2%) can only be sold in exclusive liquor stores. If wine can be sold in grocery stores, there will be little to prevent them from eventually selling strong beer.

### **C. Absentee Voting:**

As more and more voters choose to vote early with absentee balloting, improvements must be made to increase efficiency of administering absentee balloting before Election Day, reduce the potential for errors, and to improve voter experience. The City of Lakeville supports the following revisions to the absentee voting process:

1. Reviewing the current in-person absentee ballot process to determine if paper, electronic or a combination of the two processes would be more efficient and be preferable to voters.
2. Amending state statute to allow elections administrators to begin processing accepted absentee ballots when direct balloting begins at the beginning of the seventh day before Election Day and, subsequently, concluding the "claw back" period at the close of business the day before.
3. Increasing the time that an in-person absentee voter can place their ballot directly into a tabulator from seven to 46 days. Allowing alternative in-person absentee voting sites to be established for less than the full 46 days currently required by state law.

### **D. Met Council Governance:**

The 17-member Metropolitan Council has 16 members, who represent geographic districts within the Twin Cities seven-county metropolitan area, with one member serving at large. However, they are all appointed by and serve at the pleasure of the Governor and typically fall within the current governor's party affiliation. To provide a governance structure which is more representative of our respective communities, local governments (cities and counties) should be afforded an opportunity to provide input in the selection process for members who represent local interest in regional planning efforts.

**E. Revenue Restrictions:**

The City of Lakeville strongly opposes levy limits and other financial restrictions imposed upon local governments. Local taxpayers hold their local elected officials accountable for local government spending and taxing decisions. When the state imposes levy limits, reverse referenda, or other fiscal restraints on local elected officials, it negatively impacts the ability of cities to meet the needs of their residents and removes the autonomy of local officials.

**F. Data Practices Act:**

The City of Lakeville supports common-sense changes to the Data Practices Act to protect municipalities from abusive or harassing requests, and to compensate municipalities for overly broad and burdensome requests. The Minnesota Government Data Practices Act was written before the widespread use of computers and other technology and has never been updated to reflect the exponential increase in the amount of data that every public and private entity must manage in order to conduct business. A single overly burdensome and broad request can cost a city hundreds of hours in staff time and tens of thousands of tax dollars to respond to, and the Act largely prohibits a city from recouping any of that cost. Further, some requests are made with the intent to harass a city and its employees, and some requesters never intend to collect the data, wasting time and tax dollars.

**G. Fiscal Disparity Fund Distribution:**

The City of Lakeville supports the Fiscal Disparities Program and any effort to modernize and improve the program to fund the needs of the metro area.

**H. Targeting Property Tax Relief Directly to Individuals:**

The City of Lakeville supports targeting property tax relief directly to individuals as opposed to direct aid programs like Local Government Aid (LGA), and believes that income, not property value, is the most appropriate measure of "ability to pay" property taxes. Lakeville supports additional property tax relief to those in greatest need by directing dollars to the circuit breaker program from programs such as LGA. The circuit breaker income adjusted property tax relief program provides direct assistance to those homeowners in greatest need, whether those local homeowners reside in a city which receives direct aids from the State.

The City of Lakeville also supports modifications to the homestead market value exclusion program. The general parameters of the program have not changed since 2011 and recent trends in residential home values have significantly reduced the value of the exclusion for many homeowners. The legislature should adjust the program to reflect the increases in market values.

## Transportation

### **A. Transportation System Improvement and Maintenance Funding:**

The City of Lakeville supports State efforts to bolster financial resources needed to address road, highway and freight rail improvements. The City of Lakeville also supports efforts to provide cities with adequate tools to fund maintenance and improvements to local roadways. Current levels of funding for roads and highways are inadequate to maintain existing road and highway needs and meet the needs of growing areas such as Lakeville. Lakeville recognizes the need for additional transportation funding statewide and will continue to advocate for additional resources to maintain the State's transportation infrastructure. In addition, cities still lack the authority to use additional tools for city street improvements; such resources continue to be restricted to property taxes and special assessments. It is imperative that alternative authority be granted to municipalities for this purpose to relieve the burden on the property tax system. The City of Lakeville will be financing millions of dollars in street maintenance and reconstruction projects with property taxes over the next several years. Street maintenance and reconstruction projects will be the most significant contributing factors to future property tax increases. This is in addition to millions of dollars in project costs financed from other sources such as special assessments and municipal state-aid street funding.

### **B. Dan Patch Commuter Rail Corridor:**

Lakeville is opposed to any State or Federal funding that supports the study, planning, design or engineering of the Dan Patch Corridor.

## Economic Development

### **A. Expansion of the Job Creation Fund (JCF) and Minnesota Investment Fund (MIF):**

The City of Lakeville supports the expansion of state programs to allow cities the ability to provide competitive incentive packages. The Job Creation Fund provides financial incentives to new and expanding businesses that meet certain job creation and capital investment targets. The Minnesota Investment Fund provides financing to help add new workers and retain high-quality jobs on a statewide basis. Both programs have successfully been used in Lakeville and are needed economic development tools.

The City of Lakeville supports fully funding the Minnesota Job Skills Partnership and other workforce training programs administered by the Department of Employment and Economic Development, the Department of Human Services, and the various education agencies

### **B. Expansion of Broadband Highspeed Internet:**

Access to highspeed internet is essential for businesses and cities to compete in a global economy. Many commercial and residential areas within Lakeville do not have access to consistent and reliable broadband service. To promote economic development and to insure reliable highspeed broadband internet access the following steps should be implemented:

1. Fully fund the Border-to-Border Broadband Grant Program and continue to encourage public/private sector collaboration.

2. Support measures to authorize and encourage cities and other local units of government to play a direct role in providing broadband infrastructure and/or services.
3. Offer incentives to private sector service providers to respond to local or regional needs and to collaborate with cities and other public entities to deploy broadband infrastructure.
4. Remove barriers, restrict anti-competitive practices that prevent or impede cities, municipal utilities, schools, libraries, and other public sector entities from collaborating and deploying broadband infrastructure and services at the local and regional level.

**C. Tax Increment Financing (TIF):**

Cities need greater flexibility to use TIF for community and economic development that supports residents and businesses. Further restrictions of TIF would render the tool less effective and hinder local efforts to support job creation, housing and redevelopment. The Legislature should consider expanding the use of TIF to assist in the development of technological infrastructure and products, biotechnology, research, transportation and transit-oriented development, non-retail commercial projects, and modifying the various provisions of existing TIF law to better facilitate redevelopment and housing activities.

## **Housing**

**A. City Role in Housing:**

The city values living options for people of all ages and stages of life. Lakeville strives to be a community where residents can live and age in place. Lakeville will accommodate individuals and families at all stages of life and strive to meet the housing, transportation, education, shopping, access to health care and other needs of all demographic groups within the city. Funding for life cycle, workforce and affordable housing is the responsibility of State and Federal governments and should not be borne solely by local property taxpayers. In addition, the city opposes any mandated housing requirements. Cities can facilitate the production and preservation of life cycle, workforce and affordable housing by:

1. Applying for State or Federal funding from applicable grant and loan programs.
2. Working with developers and residents to blend life cycle and affordable housing into new and existing neighborhoods.
3. Establishing standards that encourage lifecycle and affordable housing.