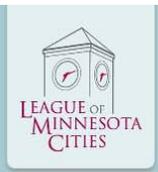


# CITIES BULLETIN



Issue 63

Nov. 15, 2016

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The legislative priorities are based on the Board's assessment of member interest, gleaned from various meetings and discussions with members.

### In Other News

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October receipts are \$25 million below projections.

#### LMC 2017 City Policies Available Now

The LMC City Policies publication is the only comprehensive statewide advocacy agenda for all Minnesota cities.

#### Minnesota Elects 44 New House and Senate Members

Reach out to your new or incumbent legislators before the 2017 session convenes.

#### PERA Seeks Board Applications for City Representative

The position is appointed by Gov. Dayton, and the deadline to apply is Nov. 28.

#### State Wetland Replacement Bank for Local Road Projects Depleted

The state will be unable to provide wetland replacement credits when local road improvements impact wetlands in some parts of the state.

#### League Forming New Learning Cohort Focused on Advancing Racial Equity

Cities and counties across the country have developed and are implementing racial equity initiatives or agendas and using racial equity tools.

#### Your Input Needed on Rule-Making for Mobile Cosmetology Salons

The Board of Cosmetologist Examiners is in the final stages of adopting rules on mobile salons, and the League would like your input.

#### MHFA Postpones Changes to 4% Tax Credit Requirements

The Minnesota Housing Finance Agency had proposed changes that could have negatively impacted cities with pending affordable housing developments.

#### Focus on New Laws: Presidential Primary in 2020

A bill that changes Minnesota's caucus system to a presidential primary election was signed into law during the 2016 legislative session.

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Metro area elected officials are encouraged to apply for the opening by Nov. 28 through the Secretary of State's office.

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## League Board Adopts 2017 Policy Priorities



The legislative priorities are based on the Board's assessment of member interest, gleaned from various meetings and discussions with members.

The League Board of Directors adopted a diverse list of legislative priorities on Nov. 10, 2016. The priorities will help focus the League's advocacy efforts during the 2017 legislative session, which begins on Jan. 3, 2017.

The legislative priorities are based on the Board's assessment of member interest, gleaned from discussions that occurred during the League's policy committee process, as well as discussions with members during the fall Regional Meetings and other membership interaction.

The priority list does not reflect the entire scope of the League's anticipated activities at the Legislature during the 2017 legislative session. Additionally, the list may be modified by Board action.

### **Priorities for 2017 are (listed alphabetically):**

- Bonding
- Broadband policy and funding
- City street funding
- Election equipment replacement funding
- Funding local government aid (LGA)
- Information Policy Analysis Division (IPAD) training
- Law enforcement and community relations
- Mail balloting
- Omnibus transportation funding
- Pension sustainability
- Public safety officer benefit
- Sales tax exemption on construction materials
- Urban forest management funding
- Water policy and funding
- Workforce housing

The Board also approved the LMC *2017 City Policies*.

- **Access the 2017 City Policies** (*Link to: <http://www.lmc.org/page/1/currentpolicies.jsp>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## State Revenue Collections Dip Below Projections Again



October receipts are \$25 million below projections.  
(Published Nov 15, 2016)

Although the semiannual Minnesota state budget forecast will not be released until early December, last Thursday, Minnesota Management and Budget (MMB) updated lawmakers with information on general fund revenue collections for the month of October and for the first four months of the state's fiscal year.

According to the report, the state's net general fund revenues totaled \$1.61 billion in October, which is \$25 million, or 1.5 percent, below forecast. The slower-than-expected revenue collections occurred in all four major tax categories. Individual income tax collections, which make up the largest share of state taxes, were \$4 million below forecast. The second-largest source of tax collections, the general sales tax, was \$7 million below projections. The largest deviation was in net corporate tax receipts, which were \$9 million below the forecast.

For fiscal year (FY) 2017, which began on July 1, 2016, the state's year-to-date receipts are now \$6.07 billion, which is \$122 million, or 2 percent, less than forecast. The recent downward trend is in contrast to the first half of the state's current biennium. The state ended FY 2016 on June 30, 2016, with revenue collections \$220 million higher than forecasted, and the Legislature ended the 2016 legislative session with a \$729 million positive budgetary balance.

On Dec. 2, the MMB will release the full state budget forecast, which includes projections of revenues and expenditures for the balance of the current biennium as well as projections for the upcoming 2018-2019 biennium.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

### Your LMC Resource

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## LMC 2017 City Policies Available Now



The LMC City Policies publication is the only comprehensive statewide advocacy agenda for all Minnesota cities.  
(Published Nov 15, 2016)

The LMC *2017 City Policies* publication was created with member input and approved by the LMC Board on Nov. 10, 2016. It is the only comprehensive statewide advocacy agenda for all Minnesota cities.

The policies cover the League's legislative initiatives and defensive positions on a wide array of issues. They will be referenced throughout the 2017 legislative session to guide the advocacy efforts of the League and individual Minnesota cities.

- **View the 2017 City Policies (pdf)** (*Link to: <http://www.lmc.org/media/document/1/2017citypolicies.pdf>*)

League policies cover the following areas:

- **Improving service delivery** (*Link to: <http://www.lmc.org/page/1/improving-service-delivery.jsp>*)
- **Improving local economies** (*Link to: <http://www.lmc.org/page/1/improving-local-economies.jsp>*)
- **Improving fiscal futures** (*Link to: <http://www.lmc.org/page/1/improving-fiscal-futures.jsp>*)
- **Human resources & data practices** (*Link to: <http://www.lmc.org/page/1/human-resources-data-practices.jsp>*)

The city policies are crafted with input from hundreds of city officials from across the state participating in the League's four policy committees, Regional Meetings, Annual Conference, and many other member interactions.

### Legislative priorities

The League's Board also approved the 2017 legislative priorities on Nov. 10. The priorities will help focus the League's advocacy efforts during the upcoming legislative session, which begins on Jan. 3.

- **Access the list of priorities** (*Link to: <http://www.lmc.org/page/1/legislative-policy-priorities.jsp>*)
- **Read more about the policy-development process** (*Link to: <http://www.lmc.org/page/1/policy-dev.jsp>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

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## Minnesota Elects 44 New House and Senate Members



Reach out to your new or incumbent legislators before the 2017 session convenes.

(Published Nov 15, 2016)

When the Minnesota Legislature reconvenes on Jan. 3, there will be 21 new senators and 23 new representatives.

For the House, the turnover is slightly lower than the previous two elections. In 2014, there were 26 new members elected, and in 2012, there were 42 new members. The last election that included senators was in 2013, and that year, there were 23 new members elected to the Senate.

Two Senate seats, initially determined to be won by Republicans, are under automatic recount. If those recounts uphold the initial results, the Senate will switch to Republican control. During the last biennium, the DFL controlled the Senate with a 39 to 28 majority. Last week's elections shifted the majority control to the Republicans, who now have a preliminary 34 to 33 seat majority.

The House will remain in control of the Republicans, who slightly increased their 73-61 seat majority to a 76-57 seat majority. One seat will remain unfilled until a special election next February to fill a seat where a candidate was determined shortly before the general election to live outside the district.

### House and Senate leadership

The House and Senate majority and minority caucuses met late last week and elected new leadership. Sen. Paul Gazelka (R-Nisswa) was elected to be the new Senate majority leader, and Michelle Fischbach (R-Paynesville) was elected to be the president of the Senate. Senate Democrats elected Tom Bakk (DFL-Cook) to be the minority leader.

Current Speaker of the House Kurt Daudt (R-Crown) was re-elected to that position, and current Majority Leader Joyce Peppin (R-Rogers) was also re-elected. Paul Thissen (DFL-Minneapolis), the previous House minority leader, chose not to seek the position, and Melissa Hortman (DFL-Brooklyn Park) was elected to be the new minority leader.

Over the next few weeks, the House and Senate are expected to establish their respective committee structures, committee chairs, and committee members for the upcoming biennium.

### By the numbers:

- Twenty-one new senators (31 percent) and 23 new House members (17 percent). This includes 39 new legislators and five House members who successfully ran for the Senate.
- Twenty-three seats were open due to retirement—10 House seats and 13 Senate seats.
- Four incumbent legislators lost their primary election contest (three House members and one senator).
- One House incumbent was deemed not to live in the district.
- Twelve incumbents lost their seats in the general election (five House members and seven senators).
- Reps. Erik Simonson (DFL-Duluth), Carolyn Laine (DFL-Columbia Heights), Jerry Newton (DFL-Coon Rapids), Jason Isaacson (DFL-Shoreview), and Danny Schoen (DFL-St. Paul Park) won Senate seats.
- Four mayors and two councilmembers were elected to the Legislature:
  - John Jasinski, Faribault Mayor (R-Senate District 24)
  - Matt Little, Lakeville Mayor (DFL-Senate District 58)
  - John M. Poston, Lake Shore Mayor (R-House District 9A)
  - Keith Franke, St. Paul Park Mayor (R-House District 54A)
  - Andrew Carlson, Bloomington Councilmember (DFL-House District 50B)
  - Paul Utke, Park Rapids Councilmember (R-Senate District 2)
- Eight former legislators who attempted comebacks all failed to return to the Legislature.

For more information on the 2017 Legislature, preliminary election directories are available on the Legislature website:

- **Minnesota Senate Election Directory (pdf)** *(Link to: <http://www.senate.leg.state.mn.us/members/2017-2018/info/electiondirectory.pdf>)*
- **House of Representatives Election Directory (pdf)** *(Link to: <http://www.house.leg.state.mn.us/hinfo/leginfo/elecdir16.pdf>)*

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## PERA Seeks Board Applications for City Representative



The position is appointed by Gov. Dayton, and the deadline to apply is Nov. 28.

(Published Nov 15, 2016)

After 11 years of service on the Public Employees Retirement Association (PERA) Board of Trustees, including four years as the Board president, White Bear Lake Finance Director Don Rambow has decided to “retire” from the position. His decision creates an opening for a new city representative on the Board. The deadline to apply is **Nov. 28**.

The PERA Board of Trustees consists of 11 members. The state auditor is a member of the Board by statute. Five trustees are appointed by the governor, including a representative of cities, a representative of counties, a representative of school boards, a representative of retirees, and a member of the public knowledgeable in pension matters.

The remaining five members are elected by the PERA membership at large to represent the general active membership, Police and Fire plan members, and all benefit recipients. All elected and appointed Board members serve four-year terms.

Meetings are held on the second Thursday in each of the following months: February, April, May, June, August, September, October, and December. The meetings are located at the association office in St. Paul.

Applications may be submitted online, by email to **open.appointments@state.mn.us** (*Link to: <mailto:open.appointments@state.mn.us>*), or by mail or in person to:

Office of the Minnesota Secretary of State  
180 State Office Building  
100 Rev. Dr. Martin Luther King, Jr. Blvd.  
St Paul, MN 55155-1299

- **Access the online application form on the Office of Secretary of State website** (*Link to: <http://www.sos.state.mn.us/boards-commissions/current-vacancies/application-form/>*)
- **Get more information about the position (pdf) (see page 57)** (*Link to: <http://www.sos.state.mn.us/media/2757/november-2016.pdf>*)

Please contact League staff at **liaison@lmc.org** (*Link to: <mailto:liaison@lmc.org>*) if you are interested in applying.

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## State Wetland Replacement Bank for Local Road Projects Depleted



The state will be unable to provide wetland replacement credits when local road improvements impact wetlands in some parts of the state.

(Published Nov 15, 2016)

The Minnesota Board of Water and Soil Resources (BWSR) announced on Nov. 1 that two of the state wetland bank districts will be closed and no longer providing service to local road projects in their area. That closure will soon extend to other districts as the wetland bank credits are depleted, and no new funds are available to replenish them.

- **View BWSR's announcement (pdf)** (*Link to:*

[http://www.bwsr.state.mn.us/wetlands/wetlandbanking/LRWRP\\_Notice\\_v2\\_11-1-16.pdf](http://www.bwsr.state.mn.us/wetlands/wetlandbanking/LRWRP_Notice_v2_11-1-16.pdf))

### Background

In 1996, the state of Minnesota created the Local Road Wetland Replacement Program (LRWRP), which provides an exemption from wetland replacement requirements for certain types of local government road projects. Instead of leaving this mandate on local government, BWSR took responsibility for the state arranging appropriate replacement wetland credits and for streamlining the permit process used by the U.S. Army Corps of Engineers to approve those projects.

Unfortunately, that program has a long history of being underfunded and, combined with the failure of the 2016 Legislature to complete a bonding bill, it has started to be unable to continue to function in some parts of the state.

### Impacts of underfunding

In September, BWSR notified the Minnesota Department of Transportation—along with the League and other local government associations that have pushed for adequate state funding for this program—that wetland credits are currently depleted for projects in some wetland bank districts, and will be depleted for other districts soon. Only districts 3 (Northwest), 5 (North Central), and 8 (Southeast) have adequate reserves to meet the needs of local projects for the next two construction seasons.

The result will be that local road projects that previously would have benefitted from this program will now have to arrange and purchase their own wetland replacements and will have to go through a longer U.S. Army Corps approval process before they can proceed with construction.

While this program generally affects only a few city projects any given year, this

change could have a significant impact on the timing and cost of those it does affect. It also means that the state is defaulting on its statutory obligation to cover these issues for local government projects.

### **Next steps**

For the program to function for the start of the 2017 construction season, it needs a cash infusion of at least \$5 million, because it is too late for bonding funds to be made available and used by then. In addition, there is a documented need for \$10.3 million over the coming biennium to properly fund the wetland replacement credits and program management needed for the state to meet its legal obligations.

The League has consistently worked for legislative funding for this program and continues to work with the Association of Minnesota Counties, the Minnesota Township Association, and the Minnesota Inter-County Association to fix this imbalance. A meeting was held with several key staff in the governor's office on Nov. 8 to discuss the history of this issue and the urgency of addressing it. Work will continue with the administration and the Legislature to adequately fund this program.

In the meantime, if cities have projects underway or planned that would make use of this program, please let the League know, so staff can provide examples to the governor's office and to state legislators. Cities should also make sure their legislators are aware that this program, even though fairly small, is important to local governments.

If you have questions or examples to submit, contact Craig Johnson at **[cjohnson@lmc.org](mailto:cjohnson@lmc.org)** (*Link to: <mailto:cjohnson@lmc.org>*) or (651) 281-1259, or Anne Finn at **[afinn@lmc.org](mailto:afinn@lmc.org)** (*Link to: <mailto:afinn@lmc.org>*) or (651) 281-1263.

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## League Forming New Learning Cohort Focused on Advancing Racial Equity



Cities and counties across the country have developed and are implementing racial equity initiatives or agendas and using racial equity tools. (Published )

The League, in partnership with the **Government Alliance on Race and Equity** (*Link to: <http://racialequityalliance.org/>*) (GARE), announces the formation of a new Minnesota cohort of governmental jurisdictions that will work to systemically advance racial equity in 2017. Following on the success of the 2016 cohort of 11 cities, one county, and several state agencies, the 2017 cohort will be for those jurisdictions interested in in-depth learning on the issues of racial disparities and in developing a comprehensive action plan for their own community.

- **Enroll in the Advancing Racial Equity cohort** (*Link to: <https://www.surveymonkey.com/r/MNcohort2017-enrollment>*) *or read on for more information.*

### What is the Government Alliance on Race and Equity?

GARE is a national network of government working to achieve racial equity and advance opportunities for all. GARE uses a three-pronged approach:

1. Supporting jurisdictions that are at the forefront of work to advance racial equity.
2. Building pathways for new jurisdictions to begin doing racial equity work, including cohorts of new jurisdictions.
3. Expanding and strengthening local and regional collaborations that are broadly inclusive and focused on achieving racial equity.

Government's proactive work on racial equity has the potential to leverage significant change, setting the stage for the achievement of racial equity in our communities. Supporting targeted cohorts of jurisdictions and providing best practices, tools, and resources is helping to build and sustain current efforts and build a national movement for racial equity.

LMC was the first state municipal league to establish a partnership with GARE in forming a multi-jurisdictional cohort model.

### What is an Advancing Racial Equity cohort?

Over the last decade, a solid field of practice has developed that advances racial equity and transforms government. The field of practice is based on the experiences of early adopters of racial equity within government. Cities and counties across the country have developed and are implementing racial equity initiatives or agendas

and using racial equity tools.

GARE cohorts implement proven practices and replicate success, changing the norm of what is expected and possible from government. New jurisdictions can make use of the field of practice and begin and expand work on institutional and structural equity. Based on the experiences of leaders, the new cohorts will participate in a structured curriculum that focuses on strategies that normalize conversations about race, operationalize new policies and cultures, and organize to achieve racial equity.

### **What if I have questions or my city would like to join the 2017 cohort?**

For more information or to join, please contact Kevin Frazell, League of Minnesota Cities Director of Member Services, at [kfrazell@lmc.org](mailto:kfrazell@lmc.org) (Link to: <mailto:kfrazell@lmc.org>) OR (651) 281-1215, or Julie Nelson, Director of GARE, at [jnelson@thecsi.org](mailto:jnelson@thecsi.org) (Link to: <mailto:jnelson@thecsi.org>) or (206) 816-5104.

You can also join by completing an **online enrollment form** (Link to:

<https://www.surveymonkey.com/r/MNcohort2017-enrollment>).

**Read the current issue of the Cities Bulletin** (Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)

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## **For More Information**

### **Contact Julie Nelson**

Director of GARE

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[jnelson@thecsi.org](mailto:jnelson@thecsi.org) (Link to: <mailto:jnelson@thecsi.org>)

## Your Input Needed on Rule-Making for Mobile Cosmetology Salons



The Board of Cosmetologist Examiners is in the final stages of adopting rules on mobile salons, and the League would like your input. (Published Nov 15, 2016)

As required by the 2015 state government finance bill, the Board of Cosmetologist Examiners has written proposed rules for mobile cosmetology salons. The board is accepting comments on the proposed rules until Dec. 1.

“Mobile salons” are defined in **Minnesota Statutes, section 155A. 23** (*Link to: <https://www.revisor.mn.gov/statutes/?id=155a.23>*), subdivision 8a, as salons operated in a mobile vehicle or mobile structure for exclusive use to offer personal services (cleaning, conditioning, shaping, reinforcing, coloring and enhancing the head, scalp, face, arms, hands, legs, feet, and trunk of the body). They must maintain a permanent business address and notify the board of the locations and schedule of operations for the mobile salon, as required by **Minnesota Statutes, section 155A. 29, subdivision 2a** (*Link to: <https://www.revisor.mn.gov/statutes/?id=155A.29>*).

These statutes are not in effect until July 1, 2017. The board anticipates only a handful of mobile salon licenses initially; in other states where mobile salon licenses are issued, the number of mobile salons has not exceeded 10.

The proposed rules cover licensure, operation, and inspection of mobile salons, including facility requirements; safety and infection control requirements; a process for a salon licensee to notify the board of the mobile salon’s location and times of operation; requirements for supplying and disposing of water and waste products; and the scope of personal services to be provided in mobile salons.

### Requiring compliance with local laws

Of interest to cities, in addition to requiring compliance with local fire codes, the proposed rules state the following:

#### 2106.0395 Mobile Salons.

**Subpart 7. Compliance with local government law.** The mobile salon must comply with all city, township, and county requirements regarding wastewater disposal, commercial motor vehicles, vehicle insurance, noise ordinances, signage ordinances, parking ordinances, commercial or business local ordinances, and all other local government restrictions. It is the responsibility of the mobile salon owner to investigate what requirements are applicable to the mobile salon in each jurisdiction where the salon operates, and to ensure compliance with the requirements.

**Subpart 8. Penalties for violating local government law.** Mobile salons are subject to the disciplinary provisions of Minnesota Statutes, section 155A.33, when a municipality has determined that a licensed mobile salon has repeatedly violated a local government restriction regarding the time and place of operation of a mobile salon and when any local government appeal process has been completed or exhausted. In the absence of a final determination, the board must not investigate allegations that a mobile salon has violated a local government law, but must refer allegations to the local government authority.

The League believes the language sufficiently addresses potential city concerns, but if you have comments or concerns, please contact LMC Intergovernmental Relations Representative Ann Lindstrom by Nov. 21 at [alindstrom@lmc.org](mailto:alindstrom@lmc.org) (Link to: <mailto:alindstrom@lmc.org>) or (651) 281-1261.

- **View the board's Notice of Intent to Adopt Rules without a Public Hearing (pdf)** (Link to: [https://mn.gov/boards/assets/notice%20of%20intent%20RD4343\\_tcm21-260755.pdf](https://mn.gov/boards/assets/notice%20of%20intent%20RD4343_tcm21-260755.pdf))
- **View the Statement of Need and Reasonableness (pdf)** (Link to: [https://mn.gov/boards/assets/SONAR%204343\\_tcm21-260758.pdf](https://mn.gov/boards/assets/SONAR%204343_tcm21-260758.pdf))
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## MHFA Postpones Changes to 4% Tax Credit Requirements



The Minnesota Housing Finance Agency had proposed changes that could have negatively impacted cities with pending affordable housing developments.

(Published Nov 15, 2016)

Because of feedback received in the past few weeks, the Minnesota Housing Finance Agency (MHFA) is no longer recommending changes to its board for the 2017 Qualified Allocation Plan (QAP). Any proposed amendments to the 2018 QAP will be delayed until the January 2017 MHFA Board meeting.

### MHFA responds to comments

At the Oct. 19 MHFA Board meeting, Minnesota Housing released draft amendments to the 2017 and 2018 Housing Tax Credit QAPs for public comment. Since then, MHFA has heard from developers, cities, and others that the changes would negatively impact developments already underway and would give insufficient time to make necessary adjustments.

The League also heard from cities and developers that these proposed changes, if enacted, would have reduced the flexibility of the 4 percent tax credit program, a tool used by developers and cities to support a range of affordable housing construction and preservation.

In a written statement, MHFA said, “As an agency, we believe public engagement is essential to great decision making. We didn’t allow sufficient time for people to understand why these changes were being proposed and be part of the process to address our long-term challenges. We are slowing things down to ask for your feedback, listen to your concerns, and act in a way that reflects our values and mission. We value your partnership and look forward to working with you to build housing as the foundation for success.”

- **Read the full MHFA statement** *(Link to:*

*<https://t.e2ma.net/webview/neb9m/df3355058f302747ae07cf44b42076d5>*)

### Public comment remains open

The comment period was originally set to end on Nov. 16, but it has been extended because the agency would still like feedback on addressing the issues for the 2018 QAP. The agency will be discussing proposed amendments at the January MHFA board meeting.

- **Get more information on the public comment period** *(Link to:*

*<http://mnhousing.gov/wcs/Satellite?c=Page&cid=1358905254471&pagename=External%2FPage%2FEXTStandardLayout>*)

## League involvement

League staff will remain engaged on this issue and communicate with the agency and interested cities. Thank you to those cities that reached out to the League to share their concerns. If you are interested in this issue, or if your community would have been impacted by the proposed changes, please contact LMC staff member Heather Corcoran at [hcorcoran@lmc.org](mailto:hcorcoran@lmc.org) (*Link to: <mailto:hcorcoran@lmc.org>*) or (651) 281-1256.

Interested cities are also encouraged to join the League's housing member forum/listserv to receive information on housing news.

- **Sign up for the housing member forum/listserv (select IGR: Housing)** (*Link to: <http://www.lmc.org/page/1/member-forums-signup.jsp>*)

## Original proposed QAP changes

The MHFA had proposed several significant changes to the 4 percent housing tax credit program that would have become enacted in December. The proposed changes, which are currently on hold, were:

- A proposed 4 percent housing project would have to meet one of Minnesota Housing's seven Strategic Priority Policy Thresholds (Access to Fixed Transit, Greater Minnesota Workforce Housing, Economic Integration, Tribal Housing, Planned Community Development, Preservation, and Supportive Housing). These are current requirements for the 9 percent tax credit and gap financing (Challenge, HOME, and other MHFA competitive funds), but not the 4 percent tax credit.
- An increase in the minimum score needed to be eligible under the QAP. The 2018 QAP that guides the allocation of the 4 percent credits, originally required a project to receive a minimum score of 30 points. The minimum was increased to 40 points in May 2016. The new proposal would increase the minimum score required to receive an allocation of 4 percent tax credits to 50 points.
- A pre-application would need to be submitted to MHFA to determine 4 percent tax credit eligibility.
- A requirement for owners of projects to maintain the affordability of the credit units in the projects for at least 30 years, instead of the current 15 years.
- A requirement for a waiver from the Minnesota Housing Board for any project seeking 4 percent tax credits whose total development costs exceed the predictive model by more than 25 percent.
- A requirement that when Minnesota Housing is the issuer of tax-exempt bonds, bonding authority will be allocated for no more than 53 percent of a project's eligible basis.

Minnesota Housing has explained its goal with the proposed amendments is to ensure “that 4 percent housing tax credits are awarded to projects that meet the highest priority affordable rental housing needs in the State of Minnesota.”

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## **Your LMC Resource**

### **Contact Heather Corcoran**

IGR Liaison

(651) 281-1256 or (800) 925-1122

**[hcorcoran@lmc.org](mailto:hcorcoran@lmc.org)** (*Link to: <mailto:hcorcoran@lmc.org>*)

## Focus on New Laws: Presidential Primary in 2020



A bill that changes Minnesota's caucus system to a presidential primary election was signed into law during the 2016 legislative session.

(Published Nov 15, 2016)

Despite a record turnout for the 2016 party caucuses, Minnesota will change its system and hold a presidential primary election in 2020.

Over 300,000 Minnesotans showed up last spring to participate in their party caucuses and cast presidential preference ballots. When all was said and done, Minnesota lawmakers were already talking about changing Minnesota's caucus system to a presidential primary election.

During the 2016 session, that talk became a reality and, in 2020, local election administrators will conduct the presidential primary for voters to make their partisan choice. Voters will choose either a Republican or Democratic ballot to cast their preference for the party's presidential nominee.

### First Tuesday in March 2020

**Chapter 162** ([Link to: https://www.revisor.mn.gov/laws/?id=162&year=2016&type=0](https://www.revisor.mn.gov/laws/?id=162&year=2016&type=0)) (HF 3549/SF 2985) was authored by **Sen. Ann Rest** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1051](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1051))

(DFL-New Hope) and **Rep. Tim Sanders** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15316](http://www.house.leg.state.mn.us/members/members.asp?id=15316)) (R-Blaine). Section 9 of the new law creates **Minnesota Statutes, section**

**207A.11** ([Link to: https://www.revisor.mn.gov/statutes/?id=207A.11](https://www.revisor.mn.gov/statutes/?id=207A.11)), establishing a presidential primary to be held on the first Tuesday in March of a year in which the office of president is to be elected, or on an alternate date mutually agreed-to by the major political parties.

This does not change the date of the state primary for other federal and state candidates, which would continue to occur in August, as provided in current law. Also, the new law does not eliminate party caucuses. They will still meet—one week prior to the primary election—to establish party platforms, endorse statewide candidates, and conduct additional party business.

### Ballot choice will be public

Section 10 creates **Minnesota Statutes, section 207A.12** ([Link to:](https://www.revisor.mn.gov/statutes/?id=207A.12)

<https://www.revisor.mn.gov/statutes/?id=207A.12>), which includes instructions for having two separate ballots, one for each party. It requires election judges to record in the polling place roster the name of the party's ballot selected by a voter.

This aspect of the legislation was discussed at length as the bill moved through the

Legislature. Many argued that the choice of a ballot should not be public information.

Supporters of the provision maintained that when Minnesotans choose to participate in party politics—either by attending their party caucuses or, in 2020, casting a vote for their party’s presidential nominee—they are already participating in a public process. Under the new law, voters would not be bound in any way to their partisan picks in future elections, nor would they have to register with any party in advance of the presidential primary.

### **Cities will be reimbursed by the state**

Though local election administrators will conduct the election, the new law includes language in section 13, **Minnesota Statutes, section 207A.15** (*Link to: <https://www.revisor.mn.gov/statutes/?id=207A.15>*), establishing a special revenue fund to reimburse cities and counties for conducting the primary. No later than Sept. 1 of the year preceding the presidential election year, the secretary of state will certify the estimated state and local cost of the election to the commissioner of Management and Budget.

Within 15 days of certification, the commissioner will transfer those funds to the general fund. The secretary will reimburse cities and counties for the following:

- Postage for absentee ballots.
- Publication of the sample ballot.
- Preparation of polling places in an amount not to exceed \$150 per polling place.
- Preparation of electronic voting systems in an amount not to exceed \$100 per precinct.
- Compensation for temporary staff or overtime payments.
- Salaries of election judges.
- Compensation of county canvassing board members.

Cities and counties must submit appropriate forms and documentation for reimbursement to the secretary of state within 60 days of the certification of the primary results by the State Canvassing Board. The secretary of state must reimburse cities and counties within 90 days of election results being certified.

### **Still time to improve the law**

Secretary of State Steve Simon attended nearly all of the League’s recent Regional Meetings throughout the state (**read related article** (*Link to: <http://www.lmc.org/page/1/simon-regionalmeetings.jsp>*)). At one of the meetings, Simon reminded city officials that there is still time to tweak the law as needed to make sure it will work smoothly for 2020.

If you have thoughts or concerns about the new presidential primary law, contact League Intergovernmental Relations Representative Ann Lindstrom at **alindstrom@lmc.org** (*Link to: <mailto:alindstrom@lmc.org>*) or (651) 281-1261.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

### Contact Ann Lindstrom

IGR Representative

(651) 281-1261 or (800) 925-1122

**alindstrom@lmc.org** (*Link to: <mailto:alindstrom@lmc.org>*)

## City Opening on Board of Water and Soil Resources Board



Metro area elected officials are encouraged to apply for the opening by Nov. 28 through the Secretary of State's office.

(Published Nov 15, 2016)

City officials are encouraged to apply for an opening on the Board of Water and Soil Resources. This metro position was previously held by Patty Acomb, councilmember from Minnetonka. The deadline to apply is **Nov. 28**.

### Powers and duties

The board oversees and coordinates the water and soil resources management activities of local units of government (counties, soil and water conservation districts [swcd], watershed districts [wd], watershed management organizations [wmo]) through approval of local plans, administration of state grants, cost-sharing contracts, performance evaluation, and administrative appeals and hearings. Programs include RIM Reserve, local water planning and implementation, Wetlands Conservation Act, soil conservation, and clean water fund. The board's mission is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners.

### Membership includes:

- Three county commissioners (1 opening)
- Three SWCD supervisors (1 opening)
- Three WD or WMO representatives
- Two city representatives (metro opening)
- One township representative;
- Three unaffiliated citizens (1 opening)

All members must be knowledgeable of soil and water issues. Five agency members represent the University of Minnesota Extension Service, Minnesota Department of Natural Resources, Minnesota Department of Agriculture, Minnesota Department of Health, and Minnesota Pollution Control Agency.

- **See current members (pdf)** (*Link to: <http://www.bwsr.state.mn.us/aboutbwsr/boarddirectory.pdf>*)

### Meeting information

Monthly meetings are held at the board office, 520 Lafayette Road North, St. Paul. Board members are paid \$55 per diem plus expenses.

### How to apply

Metro city elected officials interested in serving on the Board of Water and Soil Resources should submit an application through the Secretary of State's appointment process by Nov. 28. Interested city officials are encouraged to also contact League staff at [liaison@lmc.org](mailto:liaison@lmc.org) (*Link to: <mailto:liaison@lmc.org>*) if they intend to apply.

- **Learn more and apply online on the Office of Secretary of State website**

(*Link to: <https://commissionsandappointments.sos.state.mn.us/Agency/Details/38>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

### Contact Heather Corcoran

IGR Liaison

(651) 281-1256 or (800) 925-1122

[hcorcoran@lmc.org](mailto:hcorcoran@lmc.org) (*Link to: <mailto:hcorcoran@lmc.org>*)

## For More Information

### John Jaschke

Executive Director of BWSR

(651) 296-0878

[john.jaschke@state.mn.us](mailto:john.jaschke@state.mn.us) (*Link to: <mailto:john.jaschke@state.mn.us>*)

# Employment-Related Deadlines and Reminders for Cities

As the end of the calendar year approaches, cities—like all employers—have deadlines for state and federal reporting associated with wages and benefits. For example, one important compliance deadline is the requirement that employees must receive Form W-2 and 1095-C by Jan. 31. The League has assembled a listing of reminders about some of these important dates and notifications.

View the Employment-Related Deadlines and Reminders (pdf) (*Link to:*  
<http://www.lmc.org/media/document/1/hrcalendarofimportantdates.pdf?inline=true>)

There are also practical suggestions—rather than deadline-driven compliance dates—that cities may find useful to incorporate into their calendars as well. For example, many cities also send end-of-year reminders to their employees about tax-related items like “use it or lose it” flexible spending accounts and completing new W-4 forms if needed.

The beginning of the calendar year is also a time when there are often changes in state and federal laws. For example, federal limits on contributions to health flexible spending accounts occur on a calendar year basis, as do changes, if any, to limits on contributions to deferred compensation plans.

The League’s list of deadlines and reminders is new this year and still a work in progress. We welcome your input, especially on any additional dates and reminders that we should consider adding.

Please note the presidential election results could eventually impact some of these laws, especially those pertaining to the Affordable Care Act and the Fair Labor Standards Act. At this time, the League recommends complying with the deadlines presented; we will keep you apprised of any changes that would affect your city’s compliance.

If you have suggestions or questions about the list of reminders, please contact the League’s human resources staff at [HRBenefits@lmc.org](mailto:HRBenefits@lmc.org) (*Link to:* <mailto:HRBenefits@lmc.org>).

Read the current issue of the Cities Bulletin (*Link to:* <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)

## Your LMC Resource

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### Contact HR & Benefits

(651) 281-1200 or (800) 925-1122

[HRBenefits@lmc.org](mailto:HRBenefits@lmc.org) (*Link to:* <mailto:HRBenefits@lmc.org>)

## Meet our city vendors!



(*Link to:* <http://www.lmc.org/ads/103911>)

## Cities Invited to Free Educational Session on Small Group Health Insurance

Cities and others that are exploring small group health insurance options are invited to attend a free educational session on Nov. 18 in Mountain Iron.

Blue Cross Blue Shield of Minnesota and the Northeast Service Cooperative are hosting two sessions, which will cover options for 2017 individual and small group health insurance. Sessions will be offered at 9 a.m. and noon at the Northeast Service Cooperative Office, 5525 Emerald Ave., in Mountain Iron.

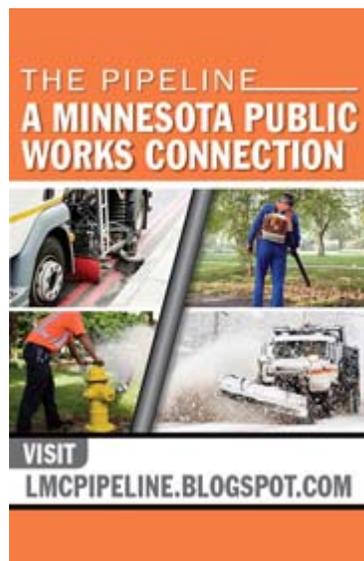
For more information, contact Jeanette Mellesmoen at [jmellesm@nesc.k12.mn.us](mailto:jmellesm@nesc.k12.mn.us) (*Link to: <mailto:jmellesm@nesc.k12.mn.us>*) or (218) 748-7617.

Read the current issue of the Cities Bulletin (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

### For More Information

Contact Jeanette Mellesmoen  
Manager, Member Services  
Northeast Service Cooperative  
(218) 748-7617  
[jmellesm@nesc.k12.mn.us](mailto:jmellesm@nesc.k12.mn.us) (*Link to: <mailto:jmellesm@nesc.k12.mn.us>*)

### New LMC Blog - The Pipeline



(*Link to: <http://www.lmc.org/ads/103201>*)