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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1887

03/16/2015 Authored by Runbeck, Wills, Scott, Pugh and Lohmer

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act  
1.2 relating to the Metropolitan Council; striking the link between the local housing  
1.3 incentives program and other funding programs; amending Minnesota Statutes  
1.4 2014, sections 473.252, subdivision 1; 473.253, subdivision 2; 473.254,  
1.5 subdivision 1; 473.255, subdivision 1; 473.859, subdivisions 2, 4.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2014, section 473.252, subdivision 1, is amended to read:

1.8 Subdivision 1. **Definition.** For the purpose of this section, "municipality" means a  
1.9 statutory or home rule charter city or town ~~participating in the local housing incentives~~  
1.10 ~~program under section 473.254~~, or a county in the metropolitan area.

1.11 Sec. 2. Minnesota Statutes 2014, section 473.253, subdivision 2, is amended to read:

1.12 Subd. 2. **Distribution of funds.** The council shall use the funds in the livable  
1.13 communities demonstration account to make grants or loans to municipalities ~~participating~~  
1.14 ~~in the local housing incentives program under section 473.254~~ or to metropolitan area  
1.15 counties or development authorities to fund the initiatives specified in section 473.25,  
1.16 paragraph (b), ~~in participating municipalities. A grant to a metropolitan county or a~~  
1.17 ~~development authority must be used for a project in a participating municipality.~~ For the  
1.18 purpose of this section, "development authority" means a statutory or home rule charter city,  
1.19 housing and redevelopment authority, economic development authority, or port authority.

1.20 Sec. 3. Minnesota Statutes 2014, section 473.254, subdivision 1, is amended to read:

1.21 Subdivision 1. **Participation.** (a) A municipality may elect to participate in the local  
1.22 housing incentive account program. If the election to participate occurs by November 15  
1.23 of any year, it is effective commencing the next calendar year; otherwise it is effective

commencing the next succeeding calendar year. An election to participate in the program is effective until revoked according to paragraph (b). A municipality is subject to this section only in those calendar years for which its election to participate in the program is effective. For purposes of this section, municipality means a municipality electing to participate in the local housing incentive account program for the calendar year in question, unless the context indicates otherwise.

(b) A municipality may revoke its election to participate in the local housing incentive account program. If the revocation occurs by November 15 of any year, it is effective commencing the next calendar year; otherwise it is effective commencing the next succeeding calendar year. After revoking its election to participate in the program, a municipality may again elect to participate in the program according to paragraph (a).

~~(c) A municipality that elects to participate may receive grants or loans from the tax base revitalization account, livable communities demonstration account, or the local housing incentive account. A municipality that does not participate is not eligible to receive a grant under sections 116J.551 to 116J.557. The council, when making discretionary funding decisions, shall give consideration to a municipality's participation in the local housing incentives program.~~

Sec. 4. Minnesota Statutes 2014, section 473.255, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) "Inclusionary housing development" means a new construction development, including owner-occupied or rental housing, or a combination of both, with a variety of prices and designs which serve families with a range of incomes and housing needs.

(b) "Municipality" means a statutory or home rule charter city or town ~~participating in the local housing incentives program under section 473.254.~~

(c) "Development authority" means a housing and redevelopment authority, economic development authority, or port authority.

Sec. 5. Minnesota Statutes 2014, section 473.859, subdivision 2, is amended to read:

Subd. 2. **Land use plan.** (a) A land use plan shall include the water management plan required by section 103B.235, and shall designate the existing and proposed location, intensity and extent of use of land and water, including lakes, wetlands, rivers, streams, natural drainage courses, and adjoining land areas that affect water natural resources, for agricultural, residential, commercial, industrial and other public and private purposes, or any combination of such purposes.

(b) A land use plan shall contain a protection element, as appropriate, for historic sites, the matters listed in the water management plan required by section 103B.235, and an element for protection and development of access to direct sunlight for solar energy systems.

(c) A land use plan ~~shall~~ may also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing.

(d) A land use plan shall also include the local government's goals, intentions, and priorities concerning aggregate and other natural resources, transportation infrastructure, land use compatibility, habitat, agricultural preservation, and other planning priorities, considering information regarding supply from the Minnesota Geological Survey Information Circular No. 46.

Sec. 6. Minnesota Statutes 2014, section 473.859, subdivision 4, is amended to read:

Subd. 4. **Implementation program.** An implementation program shall describe public programs, fiscal devices and other specific actions to be undertaken in stated sequence to implement the comprehensive plan and ensure conformity with metropolitan system plans. An implementation program must be in at least such detail as may be necessary to establish existing or potential effects on or departures from metropolitan system plans and to protect metropolitan system plans. An implementation program shall contain at least the following parts:

(1) a description of official controls, addressing at least the matters of zoning, subdivision, water supply, and private sewer systems, and a schedule for the preparation, adoption, and administration of such controls; and

(2) a capital improvement program for transportation, sewers, parks, water supply, and open space facilities; and

~~(3) a housing implementation program, including official controls to implement the housing element of the land use plan, which will provide sufficient existing and new housing to meet the local unit's share of the metropolitan area need for low and moderate income housing.~~

Sec. 7. **APPLICATION.**

Sections 1 to 6 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.