

City of Saint Paul 2013 Legislative Agenda

REVENUE

<u>Local Government Aid</u>: The City of Saint Paul supports fully funding the certified 2014 LGA allocation. The city has suffered a loss of \$167 million as a result of a decade of cuts in state funding, and continues to bear a disproportionate share of the State's budget balancing burden.

<u>Levy Limits</u>: Saint Paul does not support state-sanctioned levy limits which undermine the relationship between local officials and residents in determining the appropriate balance of taxation and service delivery.

ECONOMIC STIMULUS

<u>Capital Investment</u>: Saint Paul will advocate for the passage of the following bonding projects in 2013:

- 1. Minnesota Children's Museum: \$12m
- 2. Como Park Transportation Improvements: \$7m
- 3. TPT Renovations: \$9m
- 4. Regional Public Safety Building and Indoor Range: \$6.5m
- 5. Watergate Marina Design/Engineering: \$1.4m
- 6. Como Exhibit Asset Preservation Seals and Sea Lions Exhibit Design/Engineering: \$2.1m

TRANSPORTATION

The City of Saint Paul supports continued advancement of the Central Corridor project, high speed rail from Chicago to Saint Paul's Union Depot, and continued investment in the East Metro transit ways, including Gateway, I-94, Rush Line, Red Rock and Robert Street. The City of Saint Paul supports increasing and diversifying revenue to fund future transit projects in the city including, but not limited to, streetcars and other transit modes.

Policy Priorities and Things to Watch

Education and Workforce Development: Support State program funds for cradle-to-career education and training.

<u>Green Energy Investment</u>: The City of Saint Paul supports additional State resources and policies to encourage green energy investment for revitalizing communities and creating jobs.

<u>2013 Things to Watch</u>: Technical change to CIB authority; foreclosure prevention efforts; redesign/reform initiatives; job creation and business support efforts; loan forgiveness on the Xcel Energy Center and comprehensive tax redesign.

ECONOMIC STIMULUS

Capital Investment:

Saint Paul will support and advocate for the following projects in the 2013 state bonding bill, including:

Minnesota Children's Museum Expansion ~ \$12 million

This request is for \$12 million to renovate and expand the Minnesota Children's Museum flagship building. Working primarily within the museum's current footprint, a 50 percent increase in galleries and programming area will create capacity to serve 550,000 visitors annually.

Como Park Transportation Improvements ~ \$7 million

This request is for \$7 million in state funding to pre-design, design, and construct transportation and access improvements to Como Regional Park. Como Regional Park welcomes more than 4 million visitors annually and transportation and accessibility are critical issues.

TPT Renovations ~ \$9 million

This is a request for \$9 million in state bond funding to construct new public spaces as well as refurbish and equip existing spaces in the current Twin Cities Public Television building. TPT has been serving the state of Minnesota for over 50 years and has an opportunity to reuse its current home to reach more viewers and bring more awareness to its services.

Regional Public Safety Building and Indoor Range ~ \$6.5 million

This request is for construction of a regional public safety facility and indoor firing range in the City of Saint Paul. This fills a need to house a permanent public safety facility site for communications, maintenance, training facilities and narcotics and vice unit. Total projected cost is approximately \$13 million.

Great River Passage - Watergate Marina Design/Engineering ~ \$1.44 million

This request is for \$1.44 million in state funding to pre-design and design a waterfront marina along the Mississippi River. This is a continuation of planning for the Great River Passage, a true connection of all 17 miles of Mississippi riverfront in Saint Paul. Total estimated cost of the marina is \$18,907,000.

<u>Asset Preservation of Exhibit Renewal – Seals and Sea Lions Exhibit Design/Engineering</u> ~ \$2.090 million

This request is for \$2.090 million in state funding for planning and design of the renewal of the Seals and Sea Lions exhibit at Como Zoo. The Seals and Sea Lions exhibit has been a fixture at Como Zoo for over 50 years; yet due to changing federal regulatory requirements for marine mammals, asset preservation of the exhibit is needed. The new exhibit will provide year-round use that meets or exceeds all regulatory and collection management requirements. Total estimated cost of the renewal exhibit project is projected to be \$10 million.

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Loan Forgiveness:

Saint Paul will be advocating for state loan forgiveness on the Xcel Energy Center. The funds will be used to reinvest in the downtown entertainment district, providing for jobs and economic development opportunities. The reinvestment of funds will allow the Xcel Energy Center to better compete against the Target Center, which provides for arena equity and a stronger metropolitan economy.

Support Items

- Metropolitan Parks Capital Improvement Request.
- Ramsey County: 694 and Rice Street interchange.
- Ramsey County: Bonding for the TCAAP site cleanup and transportation.
- Saint Paul Port Authority: Reconstruction of a failed dockwall.
- Metropolitan State University Infrastructure Request.
- Minnesota Amateur Sports Commission request for planning dollars to design an Urban Regional Sports Center.
- Support the goals and legislative efforts of the Minnesota Homes for All Coalition, including funding for programs to address homelessness, transitional housing and rental and homebuyers assistance, among others.
- Efforts by state agencies to fund Asian Carp mitigation and population control programs.

REVENUE

Local Government Aid:

The City of Saint Paul supports full funding of the certified 2014 LGA allocation. The city has suffered a loss of \$167 million as a result of a decade of cuts in State funding, and continues to bear a disproportionate share of the State's budget balancing burden.

Over the past decade, city spending growth has been slower than inflation with increases concentrated in Police and Fire personnel. However, significant reductions in permanent State aid funding for Saint Paul have threatened its ability to maintain public safety investments and other critical public services. LGA in Saint Paul goes directly into the City's General Fund, nearly two-thirds of which is used to support public safety services. Subsequently, reductions in LGA have a direct negative impact on public safety resources, with property taxes being the only other viable revenue source available to balance spending reductions.

City Position:

The State of Minnesota should restore previous cuts to LGA, reduce the year-to-year volatility of aid levels that cities receive and consider adding a growth factor for the cost of providing city services. Should the State fail to increase critically- needed funding for Local Government Aid, it must provide local governments with options to generate additional revenue to reduce reliance on local property taxes.

Levy Limits:

Saint Paul does not support State-sanctioned levy limits which undermine the relationship between local officials and residents in determining the appropriate balance of taxation and service delivery.

City Position:

The City will oppose the extension of or the use of State-sanctioned levy limits.

CIB Authority:

The City of Saint Paul has a Capital Improvement Budget (CIB) program that allows the city to bond for publicly-owned infrastructure projects - police and fire stations, park buildings etc. We have had the authority since 1971.

City Position:

Extend the authority for an additional 10 years - it is set to expire in 2013.

Fiscal Disparities:

The City of Saint Paul supports a continued discussion about the importance of fiscal disparities and the need to equalize tax base to provide for a common level of services.

City Position:

Support the fiscal disparities program and participate in discussions to enhance its effects.

Clarify Language related to the building of the Regional Ballpark:

The City of Saint Paul will be introducing language consistent with the 2012 legislative session regarding tax issues surrounding the development of the ballpark and clarifying portions of the Vikings bill.

City Position:

- Extend the city's half-cent sales tax to 2045.
- Ability to use the \$3.5 million (STAR Funds) to pay principal on bonds for capital projects beyond December 31, 2014.
- Flexibility to use the 40 percent portion of our half-cent sales tax for economic development purposes if the amount necessary to meet obligations at the RiverCentre are less than 40 percent.
- Request the new Regional Ballpark be property tax exempt, consistent with the Xcel Arena and the Twins Stadium.

Equitable Distribution of New Arts and Environment Sales Tax:

In November 2008, Minnesota voters approved a constitutional amendment increasing the State sales tax by 3/8 of 1 percent. Proceeds of the tax are to be distributed into four funds:

- 1. 33 percent to the Outdoor Heritage Fund;
- 2. 33 percent to the Clean Water Legacy Fund;
- 3. 14.25 percent to the Parks and Trails Fund; and
- 4. 19.75 percent to the Arts and Cultural Heritage Fund.

Total revenue generated by the new sales tax is estimated at approximately \$275 million per year. The new law also states that the funds are to supplement, not supplant, existing State funds into those areas represented by the four categories.

The City of Saint Paul works closely with nine other metro regional park implementing agencies to ensure an equitable funding formula for the Parks and Trails Fund, generating approximately \$4 million over the biennium for the City.

Projects funded directly or indirectly by Legacy Dollars include:

- Improvements to the Mississippi River
- Green Infrastructure for Central Corridor
- Como Zoo Exhibits
- Improvements at Regional Parks

- Saint Paul Libraries system improvements
- Bike and walkway trails improvements
- Solar investments
- Myriad of educational programs

City Position:

Overall Fund – Support the equitable distribution of all funds.

Parks and Trails Fund – Support projects with clear regional or statewide significance and that will ensure equitable funding across metro, outstate, and DNR programs.

Lessard-Sams Outdoor Heritage Fund – Support more equitable geographic distribution of this fund, recognizing the unique circumstances the Metropolitan area presents related to gaming, habitats, wetlands, prairies, and forests.

Arts and Cultural Heritage Fund – Support distribution of the Arts and Cultural Heritage Fund in a fair and equitable way. Support improved funding for Como Zoo, and fund the Minnesota regional library systems to provide educational opportunities in the arts, history, literary, and cultural heritage of Minnesota.

Support Removal of Sales Tax on All City Purchases

The State of Minnesota requires cities pay sales tax on supplies, materials and equipment they purchase. These payments are inefficient transfers of money from one level of government to another, reducing the resources cities have available to provide public services.

For example, the Saint Paul Public Works Department pays to the State approximately \$1 million annually in taxes on street construction & maintenance supplies, equipment and materials purchases. Put into context, if the money that Public Works pays in State sales tax were kept in the Public Works budget, each year the City could:

- Pave another eight blocks of neighborhood streets in the Street Revitalization Program;
- Complete 10 substantial traffic calming projects in neighborhoods;
- Resurface West 7th Street from the Mississippi River to Randolph Avenue;
- Repave Grand Avenue from curb to curb from the University of Saint Thomas to downtown;
- Construct five new traffic signals;
- Buy 150 speed display signs to warn drivers when they're going too fast; or
- Paint street lighting and traffic signals on a six-year cycle rather than the current 20-year cycle

City Position:

The City will work with municipal advocacy groups to remove the municipal sales tax on street and road supplies, public safety and water utility supplies, and all other equipment and material purchases.

TRANSPORTATION

Tax Increment Financing (TIF) for Transit Oriented Development (TOD)

BACKGROUND INFORMATION AND PROGRAM PROPOSAL: Legislation has been introduced in the past which creates a new type of tax increment financing (TIF) district to finance improvements and cost related to rail and bus rapid transit lines. These proposed districts would have a 25-year duration limit. Increments from the districts may be spent on public and private costs related to transit, such as funding public infrastructure (e.g., station and related improvements, but not the transit line or rolling stock itself) and encouraging private development adjacent to the line (e.g., more dense land uses).

The legislation defines a "transit improvement district" as a new type of TIF district. For an area to qualify as a transit improvement district, the development authority must make two findings:

- Each parcel in the district is within one-half mile of a qualifying transit line; and
- Establishing the district is in the public interest because it will help finance improvements or services that increase the effectiveness of the transit.

A qualifying transit line is defined as:

- Light Rail transit
- Commuter rail
- Bus rapid transit, identified and operated by the Metropolitan Council or MNDOT
- Streetcar

Legislation would authorize increments from a transit improvement district to be spent for the same purposes permitted for a housing district or a development district. In addition, increments may be spent for:

- Acquiring and improving transit stations
- Acquiring and improving green space related to transit improvements
- Streetscape improvements related to the transit
- Operating paratransit or circulator transit that serves the line
- Making transit improvement loans
- Implementing transit improvement plans
- Paying capital and operating costs of a streetcar line
- Financing mitigation cost related to the line

City Position:

The City will support legislation that furthers the goals of Tax Increment Financing for Transit Oriented Development.

Transit Investments:

Union Depot is a critical hub for transportation in eastern Minnesota and Central Corridor is the lifeline of that hub. Other communities working together to build a 21st century transit and transportation system in eastern Minnesota must also garner support from the State.

Other Transportation Items of Note:

- *Support* additional funding for the *transit network* in the City of Saint Paul. Saint Paul encourages the Metropolitan Council to maintain much needed bus service during and after the construction of Central Corridor;
- *Support* MnDOT's efforts in *continued maintenance funding* and other additional resources to better meet the department's needs;
- *Support* MnDOT's project plan to construct a *MnPASS Express Lane* on I-35E between 694 and downtown Saint Paul ;
- *Support* funding for the *statewide Complete Streets policy*, requiring that all new and reconstructed streets accommodate all users of those streets, including motor vehicles, pedestrians, bicycles, and people in wheelchairs; and
- *Support* funding of a statewide effort to *educate motorists, bicyclists, and pedestrians* about the rules of the road and best practices in order to increase safety and decrease crashes, injuries, and fatalities. Support increase in penalties to those causing injuries and fatalities.
- *Support* funding of a comprehensive study/plan for implementation of streetcars.

EDUCATION & WORKFORCE DEVELOPMENT

Support a Legislative Package for Job Creation:

The City supports the extension of the Building Jobs Coalition legislative package from 2010. The City supports the incentives and job creation measures that encourage investment in both public and private infrastructure.

City Position:

Support the extension of the sunset on the Building Jobs Coalition legislative package.

Green Jobs Initiative:

The overarching objective and recommendations from the Mayors' Green Jobs Initiative is to recruit and retain green business in the core cities. A second objective is to espouse green manufacturing policies that benefit core cities (i.e., use of existing infrastructure). To these ends, these are supporting objectives:

- To manufacture green products to be used in construction.
- To assist manufactures in incorporating green practices in their production of goods.
- To use green construction products in the development of new businesses or rehabilitation of existing businesses. This would apply both to the buildings housing the business, as well as the equipment within the buildings.
- To provide funding to support these local initiatives.

City Position:

The City will advocate for policies that support green jobs and support economic growth in Saint Paul.

Workforce Training:

Residents of Saint Paul continue to face a challenging employment marketplace as state and national economies continue to deteriorate. The recent transfer of a 3M plant jobs to other cities, and the closure of the Ford Plant are but two examples of city employers who have chosen to cease operations in the City. To maintain our City's current job base and attract new employers, Saint Paul must have a well-trained workforce. While the City works with community partners to build opportunities for employment in the manufacturing, health care, and construction industries, the State of Minnesota must increase funding and provide further opportunities for city residents to receive job training that leads to employment in living-wage jobs.

City Position:

The City supports efforts to increase funding for job search assistance, skills training, childcare, and related programs to help people find and retain employment.

Restore Direct Appropriation to Youth Job Corps and Ensure Equity

The Saint Paul Youth Job Corps has a demonstrated track record in securing funds for youth jobs. These funds may only be used for year-round employment opportunities for youth who reside in Saint Paul, who are between the ages of 14 and 24, and are economically disadvantaged, or considered to be "at risk" youth. Saint Paul has consistently employed hundreds of youth with these funds.

The 2011 Legislature created a competitive grants process for summer youth job programs, causing Saint Paul to lose its direct appropriation. There are a number of flaws in the grant process that, should the grant process continue, need to be improved.

City Position:

The City supports a return to the direct appropriation for the program with a funding formula based on population of low-income youth (ages 14-24) to ensure equity and fairness.

Should the competitive grants process remain, improve the following:

- Awards made on calendar year, not state fiscal year, to better conform with summer programs
- Establish period of grant request in August, announce awards in December to ensure proper time for program development and preparation
- Award funding in multiple years rather than one year at a time to allow for long-range planning and development

Other Education and Workforce Items of Note:

- *Support* an increase investment in all Minnesota's children by allocation of an additional \$150 million as a part of a multiyear strategy to increase investment toward effective early childhood care and education to begin to ensure all children in our state have access to effective early childhood care and education programs.
- *Support* Second Chance Coalition legislation reforming qualification requirements for *EMS Academy* and EMT applicants;
- Support tax incentives for companies that hire and retain disadvantaged workers; and
- *Support* legislation *prohibiting discrimination* for school lunch, including no child turned away, no child stigmatized, and no collection agencies for school lunch debt.
- *Support* legislation that would allow local units of government to offer domestic partnership benefits to employees.
- *Support* the school finance task form recommendations.
- *Support* efforts to implement the city's Promise Neighborhood initiative.
- *Support* the Minnesota Department of Education's: Better Schools for a better Minnesota Plan for Achieving Excellence.

PUBLIC SAFETY

Judicial Council

During the 2009 legislative session, the State's Judicial Council tried to decriminalize a number of livability and traffic crimes as a budget saving measure. This was at the expense of both the wishes of the legislative branch, as they initially designated these offenses misdemeanor level crimes, as well as of the local communities.

City Position:

The City supports legislative branch power to determine laws as well as penalties for violations, supports retention of local control of prosecution of these crimes.

Support Permanent State Funding for the Survivor Resources Program:

Survivor Resources is seeking permanent funding from the State via the Public Safety Finance bill. Funding has been provided in the past as one-time grants, making it difficult for Survivor Resources to budget and accomplish long-term planning.

Survivor Resources inspires hope, healing and wholeness after a homicide, suicide or accidental death of a loved one. It serves as the liaison between law enforcement and the family by helping them to navigate unfamiliar territory, to understand the criminal justice system, and how and why it works as it does. Long term support is provided through a variety of loss specific weekly groups.

City Position:

The City supports permanent funding for Survivor Resources.

Proposed Legislative Changes to Stop Stolen Vehicles from Being Sold for Scrap:

Cost and demand of metals has been on the rise in the United States for years. Thieves have found a way to increase their profits by stealing metal and selling it for scrap. Metal thieves remove wiring and piping in empty homes, steal central air conditioners, bronze statue figures and cars. During the past five years, theft of copper wiring from utility property also has become a serious loss problem for utilities and ratepayers. Minnesota has fallen behind the national trend in tackling crimes associated with scrapping metals. Our current laws surrounding the theft of metals in Minnesota do not require proof of ownership in most cases, do not require timely reporting of metals/vehicles to allow for adequate investigation for stolen property, and, in the case of a theft, do not allow enough time for the rightful owner to retrieve the property before being crushed. Consequently, our current laws do not protect the victims of these crimes.

City Postion:

The city supports the following legislative changes:

- Offer scrap dealers more oversight in tracking property to help law enforcement fight these crimes;
- Improve the ability of law enforcement to investigate in a timely manner;
- Allow for the recovery of a victim's illegally stolen property that was disposed of at scrap dealer facilities by monitoring daily transactions of scrap metal;

- Call for utilizing existing legislation to authorize the expansion of the Automated Pawn System (APS) to improve monitoring of scrap metal transactions;
- Require proof of ownership of motor vehicles;
- Prohibit payment on site;
- Allow for a hold before crushing metals and cars in order to facilitate law enforcement's ability to track stolen property; and, ultimately,
- Provide greater victim and consumer protection.

Proposed legislative changes would establish a partnership with law enforcement and the scrap metal industry to fight criminal activity together not seen before in Minnesota. It would greatly reduce the thefts of metals statewide impacting the consumer, the insurance industry, the utility industry and beyond.

<u>Proposed legislative changes to - MN Statute 609.7475 Fraudulent or otherwise improper</u> <u>financing statements:</u>

Some groups or individual have been filing liens against not only sheriffs, but judges and other law enforcement officials in other areas of the country. Other states and federal offices have had to change their statutes to protect their public servants from these costly and frivolous retaliations for work done in the line of duty. During the 2012 legislative session, the definition of MN Statute 609.7475 was not inclusive enough and did not include police officers.

City Position:

The city supports further expanding the definition section of this statute to cover police officers.

Other Public Safety Items of Note:

- *Support* inclusion of Saint Paul public safety services in the planning and design of a *Statewide Emergency Operations Center*, and use of the current statewide plan for regional training centers.
- Support establishment of a Disaster Contingency Fund.
- *Support* a classification for criminal intelligence data consistent with our partners in law enforcement.
- Support appropriations changes to the Minnesota Fire Safety Account to fund critical services.
- *Support* initiatives in favor of *community policing*.
- *Monitor* legislation dealing with *Secure Communities* and immigration issues.
- *Support* efforts to reduce prostitution and human trafficking, streamline statutes in order to more effectively prosecute prostitution-related offenses, and support legislation designating funding for treatment and creation of transitional housing programs to support prostituted people.

• *Support* the League of Minnesota Cities in clarifying data practices law which would allow local units of government to withhold citizens' email addresses who have submitted them in an official capacity from third parties for marketing, soliciting, campaigning or other purposes.

ECONOMIC & COMMUNITY STABILITY

Housing Recovery and Foreclosure Prevention:

Cities throughout the state continue to bear the brunt of the impact of the national mortgage foreclosure epidemic. While several positive measures have taken place supporting homeowners in an effort to prevent foreclosed and abandoned properties, there is still need to address properties once they have been foreclosed on and/or abandoned.

City Position:

Advocate for the passage of local government tools to address housing and community challenges brought on by the mortgage foreclosure crisis.

Regional Parks Funding:

The City of Saint Paul is one of 10 parks implementing agencies supported by the Met Council's Metro Parks and Open Space Commission. This agency is funded by the Legislature. The Minnesota Constitution requires the State to meet Parks financial needs by 40 percent; current Parks funding by the State is at 11 percent.

City Position:

The City supports fully funding the Metro Parks biennial budget at 40 percent. Additionally, it opposes cuts to the budget.

Other Community Stability Items of Note:

- *Support* land use and economic development incentives to benefit redevelopment and job creation at the *Ford Plant Site*.
- *Support* State funding for operations and capital investment at *UEL*. Encourage the University of Minnesota to recognize UEL as part of the University's overall bioscience corridor;
- *Support* dedicated State funding for programs at the Department of Employment and Economic Development *focusing on women and minority-owned businesses, redevelopment areas and transit improvement areas*;
- *Support* the *removal of property tax exemptions* for property of the Metropolitan Airport Commission surrounding the airport at Holman Field;
- *Support* UFCW efforts to create a fund for construction of *grocery stores in underserved neighborhoods* in urban and rural areas;
- *Support* modifications to liquor laws clarifying *a city's ability to impose license restrictions*.

- Renewable and Distributed Generation: *Support* incentives, mandates, and policies that increase distributed generation technologies, such as solar photovoltaic, solar thermal production, wind, combined heat and power for both public and private entities;
- *Support* expansion of programs to provide low cost financing to improve the energy efficiency of existing homes and buildings, particularly those in low and moderate income communities hit hard by the foreclosure/vacant housing crisis;
- *Support* programs to fund loans and *grants to businesses along Central Corridor* during construction of Light Rail Transit;
- *Support* efforts to ease restrictions and allow future growth of *composting of organic material*;
- Support the Saint Paul Port Authority's New Market Tax Credit initiative;
- *Oppose* elimination of the *Solid Waste Management Tax*;
- *Oppose* all *constitutional amendments* as a way to circumvent the legislative process;
- *Monitor* activities regarding *governance of the Metropolitan Council*;
- *Monitor* efforts to change current practices with *regional watershed districts*;
- Monitor legislation affecting Minnesota Critical Areas and its current rulemaking process; and
- *Support* Ramsey County's efforts to fund the environmental response fund (ERF) program.
- *Monitor* legislative activities related to parkland dedication and support legislative changes that comply with Saint Paul ordinances and economic development goals.
- *Support* the Saint Paul Saints request for a liquor license for the new Regional Ballpark.