



## Cities Bulletin e-newsletter

May 5, 2025 | Issue 17

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The moratorium on creating or modifying local sales taxes would be extended to June 30, 2026.

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#### [Cities Urged To Share Transportation Needs With Congress Before May 23](#)

Encourage Congress to protect funding for local transportation programs before key decisions are made.

#### [Tell Us How Federal Funding Changes Are Impacting Your City](#)

To advocate effectively for cities' needs, the League is seeking information on how cancellations and reductions to federal grants and other funding sources are affecting your city's projects, services, and community priorities.

#### [Apply by June 6 To Serve on the LMC Board of Directors](#)

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Conference in June.

### [Deadline Extended for Local Government Salary & Benefits Survey 2025 Data Entry](#)

Cities now have until May 9 to submit salary and benefits data for the League's annual compensation survey.

## More Information and Resources

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## Contact Us

- For legislative questions: [Contact IGR Staff](#)
- For editorial or other Cities Bulletin questions: Contact Rachel Kats, Publications & Web Editor (651) 215-4032 or (800) 925-1122; [rkats@lmc.org](mailto:rkats@lmc.org)

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# Senate Committee Rejects Amendment That Would Limit Local Decision-Making Over Residential Development

May 5, 2025

**The proposed amendment would have required administrative approval for all multifamily housing development, limited parking minimums, restricted certain design standards, and impacted requirements pertaining to homeowners associations.**

On May 1, on a 6-5 roll-call vote, the [Senate State and Local Government Committee](#) rejected a [delete-everything amendment \(pdf\)](#) to [HF 2309](#) that included four provisions from [previous zoning and land-use reform bills](#). Those provisions had stalled earlier in this session in both the [House Elections Finance and Government Operations Committee](#) and Senate State and Local Government Committee.

## Testimony on the amendment

The League of Minnesota Cities, along with Eagan Community Development Director Jill Hutmacher, and Mankato City Manager Susan Arntz, testified in opposition to the amendment. Cities raised concerns — both in written and in-person testimony — about the amendment’s potential negative impacts on:

- Development standards.
- Parking regulations.
- Development design considerations.
- How cities navigate agreements and maintenance with homeowners associations.
- Due process for city residents.

The language would have impacted all of Minnesota’s 856 cities, by:

- Requiring cities to establish and follow an administrative review and approval process for all residential developments, with no more than two “community meetings” (public hearings would still be prohibited) prior to approval.
- Prohibiting cities from imposing residential design standards beyond the state building code for all residential development including large multifamily buildings, specifically regarding exterior materials, such as siding, shutters, columns, gables, decks, balconies, porches, garage size, roof pitch, and minimum number and placement of windows.
- Prohibiting cities from conditioning the approval of a residential building permit, conditional use permits, subdivision developments, or planned unit development on the

creation of a homeowners association or requiring services, features, or common property that would necessitate one.

- Prohibiting cities from imposing minimum parking requirements on all residential developments.

## LMC staff take

While the Senate State and Local Government Committee rejected the amendment, discussions around land use and zoning reform are expected to continue. These provisions could resurface later in the legislative session as a part of an omnibus bill or in other legislative conversations.

The League will continue working in good faith with the bill sponsors and legislators to balance the state's housing goals with the need for local flexibility and authority.

[Read more news articles.](#)

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Your LMC Resource

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# House Omnibus Tax Proposal Would Extend Local Sales Tax Moratorium

May 5, 2025

**The moratorium on creating or modifying local sales taxes would be extended to June 30, 2026.**

The House omnibus tax bill, [HF 2437](#), includes a provision that would extend the current moratorium on cities submitting new or modified local sales tax proposals to the Legislature. The proposal also would establish a task force comprised of four senators and four representatives to further study local sales taxes. If enacted, the extension would prevent cities from advancing proposals for the next two-year biennium.

## League response

The League will testify on this provision in the [House Taxes Committee](#) during the week of May 5 and has submitted a letter in opposition. The Senate is expected to release its tax bill during the week of May 5.

## Background

In 2023, the Legislature established a task force to review and make recommendations on local taxes. The [task force submitted recommendations \(pdf\)](#) to the Legislature in 2024, many of which are reflected in the House tax bill, sponsored by committee co-chairs [Rep. Greg Davids](#) (R- Preston) and [Rep. Aisha Gomez](#) (DFL-Minneapolis).

Under current law, cities may seek voter approval to impose a local sales tax — up to 0.5% — to fund regional projects such as libraries, public safety facilities, parks and trails, community centers, and athletic complexes.

The League supports modernizing and streamlining the local sales tax process by allowing cities general authority to bring proposals directly to voters without requiring a special law from the Legislature.

Earlier this session, the [Senate Taxes Committee](#) heard [SF 375](#), ([Sen. Ann Rest](#), DFL-New Hope), a bill that is modeled after the task force recommendations.

## Your next step

Contact your legislator to share your concerns about the proposed extension of the local sales tax moratorium.

[Read more news articles.](#)

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Your LMC Resource

**Beth Johnston**

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# House Passes Local Government Omnibus Bill Without Opposition

May 5, 2025

**The legislation includes changes to public notice rules, audit thresholds, and utility oversight.**

The House of Representatives passed the local government omnibus bill, [HF 2098](#) as amended, 132-0 on May 1. Sponsored by [Rep. Mike Freiberg](#) (DFL-Golden Valley), the bill would make a handful of policy changes that benefit local governments.

Co-chair [Rep. Duane Quam](#) (R-Byron), commended both the [House Elections Finance and Government Operations Committee](#) and Freiberg for their work in giving local governments more flexibility to meet their communities' needs.

“That’s the sum of what we did — local option, empowering the local people,” Quam said.

Provisions in the bill would:

- Allow the establishment of public utilities commissions with three, five, or seven members.
- Permit cities to post required public notices on their websites when their qualified newspaper closes. [Read a previous article about public notices.](#)
- Authorize public water and sewer districts to install lines and ancillary infrastructure within public road rights-of-way.
- Raise the annual audit revenue threshold to \$1 million starting in 2025, with future annual adjustments for inflation. [The current threshold is \\$276,000, according to the Office of the State Auditor.](#)

The Senate’s state and local government omnibus bill, [SF 3045](#), ([Sen. Tou Xiong](#), DFL-Maplewood) contains similar provisions on newspaper publication requirements, water and sewer lines in rights-of-way, and increasing the annual audit revenue threshold. The bodies will reconcile the differences during the conference committee process.

[Read more news articles.](#)

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Your LMC Resource

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# Cities Urged To Share Transportation Needs With Congress Before May 23

May 5, 2025

**Encourage Congress to protect funding for local transportation programs before key decisions are made.**

The 2021 Infrastructure Investment and Jobs Act (IIJA) delivered critical federal funding for infrastructure improvements, with [cities leading more than 1,500 transportation projects across the country.](#)

Now, Congress is preparing to renew key federal transportation programs — and some proposals could reduce funding for initiatives that are important to cities. Local leaders have a short window to make their voices heard and ensure those priorities stay on the table.

Before the end of May, members of Congress can submit an unlimited number of transportation priorities to the committees drafting the next legislation. That's why the [National League of Cities \(NLC\)](#) is encouraging city leaders to speak up by **May 23** and share what their communities need most.

[View the NLC transportation priorities summary \(pdf\).](#)

For more information, NLC is hosting a virtual meeting on May 9, at 11 a.m. Central Time to help local officials better understand federal transportation policy and how to engage with Congress.

[Join the virtual NLC meeting on May 9.](#)

[Read more news articles.](#)

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Your LMC Resource

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IGR Director

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# Tell Us How Federal Funding Changes Are Impacting Your City

May 5, 2025

**To advocate effectively for cities' needs, the League is seeking information on how cancellations and reductions to federal grants and other funding sources are affecting your city's projects, services, and community priorities.**

Recent actions by the Trump administration have resulted in cancellations, reductions, or pauses on some of the federal grants and other funding that had previously been allocated to local projects and initiatives. The League is closely tracking these developments to better understand the impacts on Minnesota cities. We are committed to providing updated information as more details emerge through resources like our [Executive Orders and Actions FAQs webpage](#).

We understand that some cities have received direct communication from the federal government regarding the status of their funding. To advocate effectively for cities' needs, we are collecting information on how these changes are impacting your city's projects, services, and community priorities.

Please fill out a brief form at [lmc.org/impactsform](https://lmc.org/impactsform) to share any information you have received and describe the potential or actual effects on your city. Specific examples — such as impacts on infrastructure projects, public safety programs, housing initiatives, or other critical services — will be invaluable in strengthening our advocacy efforts on your behalf.

Your input is critical as we work to represent and support cities during this period of uncertainty. If you have any questions or would prefer to discuss this directly, please contact the League's Research Department at [research@lmc.org](mailto:research@lmc.org).

[Read more news articles.](#)

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Your LMC Resource

Research Department

[research@lmc.org](mailto:research@lmc.org)

(651) 281-1200

# Apply by June 6 To Serve on the LMC Board of Directors

May 5, 2025

**The nominated candidates will be presented to the League's membership for final consideration at the LMC Annual Conference in June.**

Apply now to serve on the League of Minnesota Cities (LMC) Board of Directors and partner with other city officials to oversee an organization that represents over 840 member cities throughout the state.

Serving on the LMC Board is both an honor and responsibility. LMC's ability to serve its members and exhibit effective leadership by anticipating and proactively addressing challenges is the result of Board guidance that is strategic, responsible, and representative of all cities' interests.

If you are interested in serving on the LMC Board, please review the [League of Minnesota Cities Governance Handbook \(pdf\)](#) before submitting an application to ensure you are aware of the roles and responsibilities. The Governance Handbook was developed by the Board to guide the manner in which Board business is conducted and to outline the expectations of Board service.

## Board meetings and composition

Each fall, the Board approves the calendar for the upcoming year with most meetings occurring on the second or third Thursday of the month, in-person, at the League building in St. Paul. In addition, each year a two-day Board retreat is held. The 2025 retreat is scheduled for Sept. 17-19 in Walker. The League reimburses all direct meeting expenses of Board members. Mileage is reimbursed at the federally approved rate.

LMC strives to balance Board makeup by achieving a greater diversity of candidates including, but not limited to, factors of geography, community population, variety of city experience, and gender and race representative of our state's population.

## Election process

A Nominating Committee appointed by League President Justin Miller will interview candidates in person on June 24 in Duluth. The nominated candidates will be presented to the League's membership for final consideration at the LMC Annual Conference/business meeting on June 26.

League members will elect a president, a first vice president, a second vice president, and at least four directors during the annual business meeting. If a current Board member is elected to an officer position, there will be an additional opening for a director position.

# How to apply

To request an application packet, contact Kellie Sundheim at (651) 281-1214 or [ksundheim@lmc.org](mailto:ksundheim@lmc.org). The deadline to submit the Board application packet is **5 p.m. on June 6**.

If you have questions about the Board, its role, and its work, contact the League's Executive Director Luke Fischer at (651) 281-1279 or [lfischer@lmc.org](mailto:lfischer@lmc.org).

[Read more news articles.](#)

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Your LMC Resource

Kellie Sundheim

Executive Assistant

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# Deadline Extended for Local Government Salary & Benefits Survey 2025 Data Entry

**Cities now have until May 9 to submit salary and benefits data for the League's annual compensation survey.**

The League of Minnesota Cities and Association of the Minnesota Counties is delighted to announce the Local Government Salary & Benefits Survey is ready for your 2025 data entry. Data entry emails with a participation link were distributed to the top appointed officials (city manager or city clerk) or the chief HR representative (if applicable) for most cities on March 26 by Gallagher Surveys.

About our survey:

- In 2023 we pivoted from an update anytime survey to a survey where each city updates their data once per year. With this process, there is a more robust data validation procedure to build greater confidence in data reliability. We would ask that you enter your data with salary and benefits information effective as of March 1, 2025.
- It is very important to update your data during the update period **March 26 to May 9, 2025**, as participation in the survey is required for free access. An annual fee will be charged for nonparticipating entities or other organizations requesting access.
- To purchase access to the 2025 survey, [view the request to purchase access form \(doc\)](#) or contact League HR staff for more information. (2025 access will be available to purchase mid-June.)

Contact:

Mindy Corby  
HR Representative  
(651) 281-1217  
[mcorby@lmc.org](mailto:mcorby@lmc.org)

- The survey tool will allow you to compare salaries and benefits of your staff to those of other city and county organizations throughout Minnesota. 2025 data should be ready mid-June 2025.
- We are committed to making the data entry process as simple and convenient as possible. To help, Gallagher hosted a survey launch webinar on April 2, 2025. In case you missed the webinar or would like a refresher:
  - [View the survey launch presentation slides \(pdf\)](#).
  - [View a recording of the survey launch webinar on Vimeo](#).

- Please contact Jessica Nikunen ([jessica\\_nikunen@ajg.com](mailto:jessica_nikunen@ajg.com)) or Thomas Cummins ([thomas\\_cummins@ajg.com](mailto:thomas_cummins@ajg.com)) for a link to the kick-off webinar or with questions regarding the salary and benefits survey.
- Please contact Thomas Cummins ([thomas\\_cummins@ajg.com](mailto:thomas_cummins@ajg.com)) if you require a link to update your city's data.
- Please contact Cynthia Dolan ([Cynthia\\_Dolan@ajg.com](mailto:Cynthia_Dolan@ajg.com)) regarding your survey dashboard questions.

## 2024 Salary & Benefits Survey

If your organization participated in the 2024 survey, you can still [access the survey results via a portal on the Arthur J. Gallagher website](#). (password protected)

Gallagher, the survey administrator, provided a recorded webinar in 2024 to review the survey reporting dashboard.

- [View the webinar on Vimeo](#).

*Disclaimer: The League provides the salary survey program to facilitate the exchange of information among elected officials and management of participating organizations. The League program relies on sophisticated methodology and proprietary technology. The League and its partners contract with Arthur J. Gallagher for the survey tool and each organization is responsible for entering its own data. Participating organizations are expected to allow access to elected officials and select management staff only.*

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Your LMC Resource

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# Help Select the 2025 League Board of Directors

April 28, 2025

**The League is seeking city officials to serve on the Nominating Committee.**

Do you want to have an important role in the selection of new members for the 2025 League of Minnesota Cities (LMC) Board of Directors? If so, apply by 5 p.m. on **May 30** to be part of the Nominating Committee that interviews and recommends Board candidates.

## Eligibility

The Nominating Committee is made up of 8-12 individuals, consisting of both elected and appointed city officials, from throughout the state. Any city official interested in serving is encouraged to apply. LMC President Justin Miller, Lakeville city administrator, will choose committee appointees by June 6.

## Selection process and dates

Once the Nominating Committee has been selected and members have been notified, there will be a conference call to provide information on the selection process and guidelines for conducting the Board candidate interviews, deliberations, and decision-making steps. The meeting will be held virtually on June 17 from 10:30 a.m. to 11:30 a.m.

If you are providing a letter of reference for an individual who plans on applying to the Board of Directors, we ask that you refrain from applying to be on the Nominating Committee. This ensures that no conflicts of interest arise during the process.

The interview schedule will be finalized after the Board application deadline of June 6. The committee will convene in-person in Duluth on the morning of June 24 to interview candidates for the positions of president, first vice president, second vice president, and four director positions. The committee's recommendations will then be presented to the League's membership at the LMC Annual Conference/business meeting on June 26.

## How to apply

City officials interested in serving on the Nominating Committee should contact Kellie Sundheim, LMC executive assistant, by 5 p.m. on **May 30** at (651) 281-1214 or [ksundheim@lmc.org](mailto:ksundheim@lmc.org). If you have questions about the Nominating Committee or the process for selecting Board candidates, reach out to Kellie or LMC Executive Director Luke Fischer at (651) 281-1279 or [lfischer@lmc.org](mailto:lfischer@lmc.org).

[Read more news articles.](#)

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Your LMC Resource

Kellie Sundheim

Executive Assistant

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