



## AGENDA CITY COUNCIL WORK SESSION

December 8, 2025 - 6:00 PM

Lakeville City Hall, Marion Conference Room

Members of the public can participate in person at Lakeville City Hall, Marion Conference Room. Members of the public may join the meeting via [Teams Meeting](#), Meeting ID: 276 485 596 886 or by calling Toll Number 1-323-433-2142; Conference ID: 432 130 403#. The mayor will allow for public comments and questions at the appropriate time.

The City Council is provided background information for agenda items in advance by staff and appointed commissions, committees, and boards. Decisions are based on this information, as well as City policy, practices, input from constituents, and a council member's personal judgment.

1. Call to order, moment of silence and flag pledge
2. Citizen Comments
3. Discussion Items

|        |                                           |                               |
|--------|-------------------------------------------|-------------------------------|
| 20 min | a. Lake Marion Greenway Trail Update      | Joseph Masiarchin             |
| 25 min | b. Short-Term Rental Continued Discussion | Tina Goodroad, Kati Bachmayer |
| 20 min | c. Local Affordable Housing Aid (LAHA)    | Tina Goodroad                 |
| 20 min | d. Waste Hauler Services Update           | Allyn Kuennen                 |
| 25 min | e. 2026 Legislative Priorities            | Taylor Snider                 |
| 15 min | f. USA 250 Celebration                    | Justin Miller                 |
4. Items for Future Discussion
5. Committee/ City Administrator Updates
6. Adjourn



**Date:** 12/8/2025

## Lake Marion Greenway Trail Update

### Proposed Action

No action required - informational only.

### Overview

The Dakota County Lake Marion Greenway Master Plan was completed in 2013. Once this greenway/trail system is totally constructed, it will travel 20 miles through Burnsville, Savage, Credit River Township, Lakeville and Farmington. The trail sections that traverse Lakeville would include the trailway through Casperson and Ritter Farm Parks. The construction and management of the greenway is a joint effort between the City of Lakeville and Dakota County, Joint Powers Agreements for the project were reviewed and approved in May 2023 by the Mayor and City Council.

The City and Dakota County contracted with WSB to complete a feasibility study and develop trail alignments for the proposed trail segments within the City, starting in Downtown Lakeville and extending to Ritter Farm Park. Representatives from WSB presented the proposed alignment to the Parks, Recreation and Natural Resources Committee for comment at their May and November meetings. Staff, in coordination with Dakota County and WSB, also hosted two open houses and one informational pop-up event for stakeholders and neighbors of the greenway to gather feedback on the project. Comments from these groups have been incorporated into the final trail alignments where possible. Most recently, a tree survey was completed for Ritter Farm Park, which has also impacted the trail’s alignment.

The greenway project will be funded through the JPA with Dakota County, Park Dedication and grant funding received through a Legislative-Citizen Commission on Minnesota Resources as well as a grant through the Minnesota Department of Natural Resources. Staff will present the most recent trail alignment and the project timeline.

### Supporting Information

None

**Financial Impact:** \$ **Budgeted:** Yes **Source:** Park Dedication, Dakota County, Grant Funds

**Envision Lakeville Community Values:** Access to a Multitude of Natural Amenities and Recreational Opportunities

**Report Completed by:** Joe Masiarchin, Parks and Recreation Director



**Date:** 12/8/2025

## **Short-Term Rental Continued Discussion**

### **Proposed Action**

Provide final direction to staff on how to proceed with short-term rental ordinance language.

### **Overview**

A preliminary discussion regarding an update to the City's short-term rental ordinance was held during the July 28, 2025 Work Session. The City of Lakeville currently allows short-term rentals subject to approval of an administrative permit under the following requirements:

Renting of rooms within an owner-occupied dwelling unit to not more than two (2) individuals who are each unrelated to the principal family as an accessory use provided that:

1. The property owner shall not enter into a rental agreement with more than two individuals within a 30-day period.
2. There shall be one off-street parking stall provided for each rental occupant of the property in addition to the parking stalls required by chapter 19 of this title.

This language is included in the Uses by Administrative Permit section in all the residential zoning districts.

Staff has prepared the attached draft ordinance to continue the short-term rental discussion and provide the City Council with more specific policy language to review, based on feedback received during the July meeting.

### **Items of note in the draft ordinance language:**

- An annual short-term rental permit is required.
- Renting of rooms or the entire home is allowed.
- Collection of lodging tax is required.
- Requires owner or local management be Minnesota-based (for consistency with Rental Registration Program).
- Restricts number of short-term rentals operated by the same homeowner to two properties (one homestead, one non-homestead).
- Short-term rental is defined as 31 days or less.
- Occupancy is limited to two adults per bedroom, plus their dependent children.
- Parking is restricted to off-street only (in the property's garage stalls or on the paved surfaces).

- Does not restrict the number of short-term rentals within city boundaries or their location.
- Does not define long-term rental, but that change will be added to the Rental Registration chapter as part of the future City Council item.

### **Discussion**

Staff is seeking final direction on short-term rental requirements in the updated ordinance.

#### **Topics of consideration:**

1. How many short-term rental units can one person (or entity) own/operate?
2. Should the short-term rental administrative permit require an annual renewal, renewal every 2-3 years or be handled as a one-time application (similar to the rental registration program)?

Based on Council direction received during this work session, staff will prepare the appropriate zoning ordinance amendments to be brought to an upcoming City Council meeting.

### **Supporting Information**

1. Lakeville Short-Term Rental Ordinance DRAFT 12.8.25

|                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Financial Impact:</b> \$0   <b>Budgeted:</b> No   <b>Source:</b><br/><b>Envision Lakeville Community Values:</b> Safety Throughout the Community<br/><b>Report Completed by:</b> Kati Bachmayer, Economic Development Manager</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

CITY OF LAKEVILLE  
DAKOTA COUNTY, MINNESOTA

ORDINANCE NO. \_\_\_\_

AN ORDINANCE AMENDING TITLE 9, CHAPTER 10

**TITLE 9, CHAPTER 10: SHORT-TERM RENTALS**

9-10-1: Purpose

9-10-2: Scope

9-10-3: Definitions

9-10-4: Permit Required

9-10-5: General Provisions

9-10-6: Performance Standards

9-10-7: Suspension and Revocation

**9-10-1: PURPOSE**

The City of Lakeville is committed to maintaining the quality of life of its residents and has a compelling interest in protecting the character of its residential neighborhoods. The rental of homes for temporary occupancy is a commercial activity and when not properly managed, short-term rentals have the capacity to generate noise, traffic, and trash beyond what is typically present in a residential neighborhood creating a public nuisance.

The purpose of this chapter is to ensure that the short-term rental of a permitted dwelling unit is conducted, operated, and maintained so as not to become a nuisance to the surrounding neighborhood, an influence that fosters blight and deterioration, or creates a disincentive to reinvest in the community.

**9-10-2: SCOPE**

This chapter applies to any dwelling unit or portion of a dwelling unit proposed to be used as a short-term rental.

**9-10-3: DEFINITIONS**

For the purpose of this chapter, the following words and terms are defined as follows:

**BEDROOM:** A habitable room within a dwelling unit which is used, or intended to be used, primarily for the purpose of sleeping, but shall not include any kitchen, dining room, or living room.

**DWELLING UNIT:** A residential building or portion thereof intended for occupancy by one or more persons with facilities for living, sleeping, cooking and eating, but not including hotels, motels, nursing homes, tents, seasonal cabins, boarding or rooming houses, motor homes, or travel trailers.

**LOCAL MANAGEMENT OR RENTAL AGENT:** A person, enterprise, or agency

representing the owner of the short-term home rental unit. Must be a resident of Minnesota and will serve as the primary contact for the City regarding violations by the short-term rental property or its transients.

**OFF-STREET PARKING SPACE:** An area on the permitted premises or within a building on the permitted premises intended for the use of parking of a passenger vehicle which has a means of access to a public street. An area on a private street or easement may be considered an off-street parking space for purposes of this article at the discretion of the Zoning Administrator or their designee only in the following circumstances:

- (1) The area is dedicated solely for the use of the permitted premises;
- (2) The area is contiguous to the permitted premises; and
- (3) Use of the area for parking will not interfere with the use or maintenance of the private street or easement.

**OWNER:** The fee owner of the building containing a short-term rental unit as listed on the records of the Dakota County Property and Taxation Services.

**REMUNERATION:** Compensation, money, or other considerations given in return for occupancy, possession, or use of real property.

**RENT OR RESERVATION FEE:** The remuneration charged for the temporary occupancy of a home rental unit.

**SHORT-TERM RENTAL (ACCESSORY USE):** A dwelling unit which is the primary residence of a household, in which temporary lodging (less than thirty-one (31) consecutive calendar days) in all or part of the dwelling unit is offered for remuneration, limited to a maximum occupancy of two (2) adults per bedroom, plus their dependent children—including the dwelling's residents, if present—at any one time.

**SHORT-TERM RENTAL (PRINCIPAL USE):** A dwelling unit which is not the primary residence of a household, in which temporary lodging (less than thirty-one (31) consecutive calendar days) in all or part of the dwelling unit is offered for remuneration, limited to a maximum occupancy of two (2) adults per bedroom, plus their dependent children, at any one time.

**TRANSIENT:** Any person who, at their own expense or at the expense of another, exercises - or is entitled to - temporary occupancy or temporary possession, by reason of any rental agreement, concession, permit, right of access, or any other type of agreement for a period of thirty-one (31) consecutive calendar days or less.

#### **9-10-4: PERMIT REQUIRED**

The short-term rental of any dwelling unit, or advertisement of a dwelling unit for short-term rental, shall be prohibited unless a permit authorizing short-term rental has been approved in accordance with this Chapter. Rental of all or a portion of a dwelling unit as a short-term rental by a homeowner to any transient is allowed as provided by this section following issuance of a short-term rental permit. Rental of any dwelling units for occupancy by the same transient person or persons for longer than thirty (31) consecutive days is considered a long-

term rental and requires rental registration under Chapter 9 of this Title.

**Effective Dates.** Issuance of a short-term rental permit shall authorize use of the property as a short-term rental per the following guidelines:

- a. All short-term rental permits issued between January 1 and October 31 of any given calendar year shall expire at midnight on December 31 of that same calendar year.
- b. All short-term rental permits issued between November 1 and December 31 of any given calendar year shall authorize use of the property as a short-term rental through December 31 of the following calendar year.

#### **9-10-5: GENERAL PROVISIONS**

1. No short-term rental shall operate within the city without a current, valid short-term rental permit.
2. All property owners as identified on the county property records must agree to operate the property as a rental and must sign the short-term rental permit application. The City shall be notified of any changes in ownership.
3. Property must be in compliance with all state and local laws and regulations, including exterior maintenance of the structure, yard, and driveway/parking areas, in order to be eligible for a short-term rental permit
4. The property owner must pay all federal, state and local taxes, including Local Lodging Tax under Title 3, Chapter 17.
5. A short-term rental permit is non-transferable and may not be assigned to another person or premises, including, but not limited to, any successor in title to ownership of the short-term rental or upon lease of the short-term rental to a person or persons for a period longer than thirty-one (31) consecutive days.
6. To maintain quality of life and neighborhood characteristics, no property owner is allowed to operate more than two short-term rental properties (one homestead, one non-homestead) within municipal boundaries.
7. Property owner or local management must agree that the city has permission to access exterior areas of the property when responding to a reported violation of the standards in this section, in order to ascertain if a violation has occurred.

#### **9-10-6: PERFORMANCE STANDARDS**

The following performance standards apply to all short-term rentals:

1. Listings advertising the property's availability for rent or reservation fee must state the city permit number, maximum occupancy permitted and the maximum number of off-street parking spaces that may be parked overnight on the property.
2. The maximum number of overnight occupants, including permanent occupants of the property if they are present, is limited to two (2) adults per bedroom, plus their dependent children.
3. All transient vehicles must be parked within the garage or on paved surface(s) on the short-term rental property.
  - a. Parking shall be limited to passenger vehicles. No work vehicles, trucks or trailers shall be allowed.
  - b. At no time shall vehicles be parked on unpaved surfaces or obstruct access to neighboring properties.

4. An appropriate number of waste containers must be present to accommodate the amount of trash generated by the short-term rental. Waste may not be stored outside of approved containers, and all waste containers must be stored within the garage, except on the day of collection.
5. The Good Neighbor Brochure provided by the City must be posted in a conspicuous location near the home's front entrance.

## **9-10-7: SUSPENSION AND REVOCATION**

Any short-term rental found to be out of compliance with the general provisions and performance standards of this Chapter or any city code violations shall be subject to permit suspension or revocation. Revocation of a short-term home rental permit by the City will prohibit the property owner's ability to reapply for a permit until 365 consecutive calendar days have passed from the date of revocation.

**(1) First Offense.** Upon determining a short-term rental property is out of compliance with any provision of this Chapter or any city code violations, the property owner shall be ordered by City staff to correct the violation and take any/all appropriate actions necessary to prevent further violations. If the property owner disagrees with the order, he or she may appeal the decision within ten (10) days to the City Council. Said decision shall be heard by the City Council at its next regular meeting.

**(2) Second Offense.** Upon determining that a second offense has occurred within 365 days of an initial offense, the permit shall be ordered by City staff to correct the violation and take any/all appropriate actions necessary to prevent further violations. If the property owner disagrees with the order, he or she may appeal the decision within ten (10) days to the City Council. Said decision shall be heard by the City Council at its next regular meeting.

**(3) Third Offense.** Upon determining that a third offense has occurred within 180 days of the second offense, the permit shall be immediately suspended and directed to the Zoning Administrator or their designee for reinstatement, amendment, or revocation. If the property owner disagrees with the order, he or she may appeal the decision within ten (10) days to the City Council. Said decision shall be heard by the City Council at its next regular meeting.

**(4) Enforcement.**

a. An owner, operator, tenant, or occupant of any building or property in violation of the provisions of this Chapter or any city code violations may be charged and found guilty of a misdemeanor and may be held responsible for the cost of enforcement in addition to penalties.

b. The City may exercise any and all remedies at law or in equity to ensure compliance. All unpaid costs, charges, and penalties may be certified to the property for collection with the property taxes.

**(4) Appeals.** The short-term rental property owner can appeal the revocation of its short-term rental permit to the City Council. Upon receipt of the appeal application, the City shall notify

the short-term rental permit holder, in writing, of the violations triggering the revocation, and the date upon which a public hearing will be held by the City Council to consider the matter. Written notice of the public hearing shall be provided to the short-term rental permit holder and to all property owners within 500 feet of the property subject to the permit. Such notice shall be mailed to the last known address of the owners at least 10 days prior to the hearing. Following the hearing and subsequent discussion, the City Council may reinstate the permit, make amendments to the permit conditions including but not limited to establishing a maximum occupancy, or revoke the permit by adopting a resolution with findings of fact that include the basis for the revocation.

DRAFT



**Date:** 12/8/2025

## **Local Affordable Housing Aid (LAHA)**

### **Proposed Action**

Provide direction to staff on distribution of LAHA funds

### **Overview**

The 2023 Legislature passed a housing bill with \$1 billion in new funding for various housing programs. The Legislature appropriated state funds for the programs and established a metro wide sales tax for housing needs, including a portion of this tax as local housing aid for metropolitan cities.

The new law establishes a 0.25% metropolitan regional sales tax, with a portion of the proceeds allocated to metropolitan cities over 10,000 in population. Lakeville received a distribution of aid under this legislation of \$229,464 in 2024. Lakeville's 2025 allocation is \$635,458.

Cities can use this aid for emergency rental assistance, costs of operating emergency facilities, financial support to nonprofit affordable housing providers, and projects for the construction, acquisition, rehabilitation, demolition or removal of existing structures, construction financing, permanent financing, interest rate reduction, refinancing, and gap financing of housing. Cities will be able to use this aid only for affordable housing assistance to households at 115 percent of the area median income (AMI) for homeownership projects, and 80 percent AMI for rental housing projects. For a household of four, 115% AMI is \$152,250 and at 80% AMI is \$104,200 (2025 income guidelines).

Cities must spend this aid by December 31<sup>st</sup> in the fourth year following the year after the aid was received. Funds must be committed within three years. Beginning in 2025, cities must submit an annual report with documentation on any unspent funds, and documentation of qualifying projects completed or planned.

### **Uses of Funds**

Lakeville collaborated with the Dakota County CDA to administer our 2024 funds. The CDA identified two programs which build upon existing CDA programs and which the CDA could efficiently administer on cities' behalf:

- 1) Enhanced single-family home improvement loan program which would increase the number of homes improved from 60-70 per year to 115-120 per year countywide.
- 2) Radon mitigation grant program which would provide funds for radon testing and mitigation in at least 40 homes per year countywide.

The CDA has provided a letter demonstrating how the funds have been used to date. The CDA

would like to build on the success of 2024 and continue collaboration on administering these two housing preservation programs and is requesting a commitment of \$250,000 of the city's 2025 allocation.

If the City Council supports this request, the city will have the remaining \$385,458 to commit to a qualifying project(s). Considering this, staff have been in conversation with CDA to build a senior apartment building on a portion of the remaining Fischer property recently purchased. Remaining funds could be used to support the construction of this building, including extension of utilities that will serve the entire site.

Funds could also be used for other qualifying projects based on State Statute (attached). The City could also hold the funds for future gap financing for future affordable housing development.

Policy Questions

1. Does the City Council support collaboration with the Dakota County CDA for continued administration of the Home Improvement Loan Program and Radon Mitigation Grant Program?
  
2. Does the city support setting aside funds for the construction costs related to future construction of a senior housing building by the CDA?

**Supporting Information**

1. LAHA.Collaboration.Memo.2025
2. LAHA Annual Allocations
3. State Statute
4. 2025-AMI-Chart-Effective-05.12.2025

**Financial Impact:** \$    **Budgeted:** No    **Source:**  
**Envision Lakeville Community Values:** A Home for All Ages and Stages of Life  
**Report Completed by:** Tina Goodroad, Community Development Director



**To:** City of Lakeville

**From:** Dakota County Community Development Agency (CDA)

**Date:** October 22, 2025

**Re:** 2025 Local Affordable Housing Aid (LAHA) Collaboration

Thank you for your collaboration on the city's 2024 Local Affordable Housing Aid (LAHA) funds. The City of Lakeville entered a joint powers agreement with the CDA on March 25, 2025, to administer \$229,465 of the city's 2024 LAHA funds. To date, the CDA has obligated and expended the following Lakeville LAHA funds:

| CDA Activity | 2024 Lakeville LAHA funds | \$\$ LAHA Obligated | \$\$ LAHA Expended | # Households Served |
|--------------|---------------------------|---------------------|--------------------|---------------------|
| HO Rehab     | \$137,679.00              | \$133,630.00        | \$24,420.00        | 4                   |
| Radon        | \$ 91,786                 | \$ 3,222.00         | \$ 3,222.00        |                     |

The CDA collaborated with nine Dakota County cities to administer \$1.3 million of 2024 LAHA funds on housing preservation projects. To date, the CDA has obligated 64 percent (\$834,114) of the \$1.3 million in five months to 30 households.

The ability to obligate the LAHA funds quickly is a testament to allocating funds to well implemented, high-demand housing programs for income eligible homeowners – the CDA's Home Improvement Loan Program and Radon Mitigation Grant. As a reminder, 2024 LAHA funds must be obligated in three years (December 2027) and expended in four years (December 2028). The CDA will expend Lakeville's 2024 LAHA funds well before the December 2028 deadline.

The CDA would like to build upon the success of 2024 and continue our collaboration with the 2025 LAHA funds administering two housing preservation programs on your behalf: 1) the Home Improvement Loan Program (HO Rehab program); and 2) the Radon Mitigation Grant program that will be paired with the HO Rehab program. The CDA is also open to assisting cities with a gap financing program (for preservation and/or new construction projects), if that is of interest.

The City of Lakeville's certified 2025 LAHA amount is \$635,458. The City has three years to obligate these funds (December 2028) and expend in four years (December 2029). The CDA estimates we can realistically expend \$250,000 on the HO Rehab and Radon Mitigation Grant programs. **This is a conservative amount and dependent upon the future of other HO**

**Rehab funding sources.** We will keep in close contact with you and your staff on the status of other funding sources and if more LAHA is needed for HO Rehab.

LAHA funds cannot currently be used to pay for administrative expenses. The CDA will utilize current staff and add staff, as needed, to distribute LAHA funds. The use of LAHA for administration dollars will be tracked, evaluated, and advocated for at the State to be an eligible use. If statutory authority ever allows LAHA to be used for administrative expenses, the CDA will determine a formula and will amend agreements with cities.

As an administrator of LAHA funds on behalf of the city partners, the CDA will be responsible for: administering the programs; appropriately allocating and expending LAHA funds on eligible uses; hiring and supervising staff; providing regular updates to city staff; and completing reporting requirements for the LAHA funds administered by the CDA.

The CDA is requesting a formal response from cities no later than **Friday, February 28, 2026**, stating if the city will collaborate with the CDA for the 2025 LAHA funds. A formal response must be taken by the city elected officials in the form of a resolution. A sample resolution is attached for your consideration. After responses are received, CDA staff will work with city staff to update the joint powers agreement (JPA) exhibit to reflect the new funds.

We look forward to working with your community on this important resource to improve existing housing stock in Dakota County. Please contact Lisa Alfson at [lalfson@dakotacda.org](mailto:lalfson@dakotacda.org) or 651-675-4467 if you have any questions.

Best regards,



Tony Schertler  
Executive Director

Attachment: Sample Resolution  
Attachment: 2025 LAHA certified amounts

**LOCAL AFFORDABLE HOUSING AID**

| Source:                      | Dept Revenue         | Dept of Revenue       |
|------------------------------|----------------------|-----------------------|
|                              | 7/8/24               | 7/1/25                |
|                              | FY2024               | FY2025                |
| Metropolitan County Aid      | \$ 32,209,614        | \$ 85,413,859         |
| State Rent Assistance        | \$ 16,104,807        | 42,706,930            |
| Metropolitan City Aid        | \$ 16,104,807        | 42,706,930            |
| <b>Local Sales Tax Total</b> | <b>\$ 64,419,227</b> | <b>\$ 170,827,719</b> |

| Source:                       | Dept Revenue         | Dept of Revenue      |
|-------------------------------|----------------------|----------------------|
|                               | 7/8/24               | 7/1/25               |
|                               | FY2024               | FY2025               |
| Metropolitan County Aid       |                      |                      |
| Anoka                         | \$ 3,390,611         | \$ 9,123,550         |
| Carver                        | \$ 1,630,368         | \$ 4,285,475         |
| Dakota                        | \$ 4,103,737         | \$ 10,926,497        |
| Hennepin                      | \$ 12,451,445        | \$ 32,714,382        |
| Ramsey                        | \$ 6,011,350         | \$ 15,929,046        |
| Scott                         | \$ 1,903,376         | \$ 5,072,208         |
| Washington                    | \$ 2,718,727         | \$ 7,362,702         |
| <b>Total Metro County Aid</b> | <b>\$ 32,209,614</b> | <b>\$ 85,413,859</b> |

|                       | FY2024              | FY2025              |
|-----------------------|---------------------|---------------------|
| Metropolitan City Aid |                     |                     |
| Apple Valley          | \$ 282,732          | \$ 764,231          |
| Burnsville            | \$ 405,821          | \$ 1,141,331        |
| Eagan                 | \$ 346,611          | \$ 891,648          |
| Farmington            | \$ 88,549           | \$ 244,803          |
| Hastings              | \$ 114,387          | \$ 284,519          |
| Inver Grove Heights   | \$ 200,443          | \$ 491,911          |
| Lakeville             | \$ 229,465          | \$ 635,458          |
| Mendota Heights       | \$ 43,877           | \$ 123,622          |
| Rosemount             | \$ 85,048           | \$ 232,875          |
| South St. Paul        | \$ 120,170          | \$ 313,527          |
| West St. Paul         | \$ 178,001          | \$ 455,855          |
| <b>Total City Aid</b> | <b>\$ 2,095,105</b> | <b>\$ 5,579,781</b> |

## **477A.35 Local Affordable Housing Aid (2025 Minnesota Statutes)**

### **Subd. 4. Qualifying projects.**

(a) Qualifying projects include:

(1) emergency rental assistance for households earning less than 80 percent of area median income as determined by the United States Department of Housing and Urban Development;

(2) financial support to nonprofit affordable housing providers in their mission to provide safe, dignified, affordable and supportive housing;

(3) projects designed for the purpose of construction, acquisition, rehabilitation, demolition or removal of existing structures, construction financing, permanent financing, interest rate reduction, refinancing, and gap financing of housing to provide affordable housing to households that have incomes which do not exceed, for homeownership projects, 115 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development, and for rental housing projects, 80 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development, except that the housing developed or rehabilitated with funds under this section must be affordable to the local work force;

(4) financing the operations and management of financially distressed residential properties;

(5) funding of supportive services or staff of supportive services providers for supportive housing as defined by section [462A.37, subdivision 1](#). Financial support to nonprofit housing providers to finance supportive housing operations may be awarded as a capitalized reserve or as an award of ongoing funding; and

(6) costs of operating emergency shelter facilities, including the costs of providing services.

(b) Recipients must prioritize projects that provide affordable housing to households that have incomes which do not exceed, for homeownership projects, 80 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development, and for rental housing projects, 50 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development. Priority may be given to projects that: reduce disparities in home ownership; reduce housing cost burden, housing instability, or homelessness; improve the habitability of homes; create accessible housing; or create more energy- or water-efficient homes.

(c) Gap financing is either:

(1) the difference between the costs of the property, including acquisition, demolition, rehabilitation, and construction, and the market value of the property upon sale; or

(2) the difference between the cost of the property and the amount the targeted household can afford for housing, based on industry standards and practices.

(d) If aid under this section is used for demolition or removal of existing structures, the cleared land must be used for the construction of housing to be owned or rented by persons who meet the income limits of paragraph (a).

(e) If an aid recipient uses the aid on new construction of a building containing more than four units, the loan recipient must construct, convert, or otherwise adapt the building to include:

(1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are accessible units, and each accessible unit includes at least one roll-in shower, water closet, and kitchen work surface meeting the requirements of section 1002 of the current State Building Code Accessibility Provisions for Dwelling Units in Minnesota; and

(2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are sensory-accessible units that include:

(A) soundproofing between shared walls for first and second floor units;

(B) no florescent lighting in units and common areas;

(C) low-fume paint;

(D) low-chemical carpet; and

(E) low-chemical carpet glue in units and common areas.

Nothing in this paragraph relieves a project funded by this section from meeting other applicable accessibility requirements.



creating homeowners  
building community

Main Office:  
533 Dale Street North  
Saint Paul, MN 55103

Minneapolis Office:  
1930 Glenwood Avenue  
Minneapolis, MN 55405

P: 651-292-8710  
F: 651-292-0473  
nwhomepartners.org

| 2025 Area Median Income Guidelines - Minneapolis - St. Paul - Bloomington, MN |         |         |         |                |         |         |         |         |
|-------------------------------------------------------------------------------|---------|---------|---------|----------------|---------|---------|---------|---------|
| Effective May 12th, 2025                                                      |         |         |         |                |         |         |         |         |
| Household Size                                                                |         |         |         |                |         |         |         |         |
| AMI%                                                                          | 1       | 2       | 3       | 4              | 5       | 6       | 7       | 8       |
| 30%                                                                           | 27,800  | 31,800  | 35,750  | <b>39,700</b>  | 42,900  | 46,100  | 49,250  | 54,150  |
| 50%                                                                           | 46,350  | 53,000  | 59,600  | <b>66,200</b>  | 71,500  | 76,800  | 82,100  | 87,400  |
| 60%                                                                           | 55,600  | 63,600  | 71,500  | <b>79,450</b>  | 85,800  | 92,150  | 98,500  | 104,900 |
| 80%                                                                           | 72,950  | 83,400  | 93,800  | <b>104,200</b> | 112,550 | 120,900 | 129,250 | 137,550 |
| 100%                                                                          | 92,700  | 105,950 | 119,200 | <b>132,400</b> | 143,000 | 153,600 | 164,200 | 174,800 |
| 115%                                                                          | 106,600 | 121,800 | 137,050 | <b>152,250</b> | 164,450 | 176,650 | 188,800 | 201,000 |
| 120%                                                                          | 111,250 | 127,150 | 143,050 | <b>158,900</b> | 171,650 | 184,350 | 197,050 | 209,750 |
| 130%                                                                          | 120,500 | 137,700 | 154,900 | <b>172,150</b> | 185,900 | 199,700 | 213,500 | 227,250 |



**Date:** 12/8/2025

## **Waste Hauler Services Update**

### **Proposed Action**

N/A

### **Overview**

Prior to 2019, one of the more frequent complaints regarding waste hauler services was the number and frequency of waste hauler trucks within residential neighborhoods. These complaints also included concerns related to:

- Continuous disruption, noise and safety from truck traffic
- Increased wear and tear on residential streets
- Inefficient use of roadways
- Constant display of unsightly trash containers
- Increased instances of spilled waste

The City Council considered several service models to address these issues, including transitioning to an organized collection system where the city selects a single hauler to provide pickup service for all residents and businesses within the city, to a hybrid system that allows residents to continue to individually contract with the hauler of their choice, but establish service areas that would limit which days of the week the collection occurs.

In March 2019, the City Council amended Chapter 8 of the city code relating to solid waste collections, to divide the city into two service areas. The east side of the city is serviced on Wednesday/Thursday, and the west side of the city is serviced on Tuesday/Wednesday, reducing the number of days that trucks are in residential neighborhoods from five to three.

Complaints regarding the frequency of waste hauler trucks in neighborhoods have significantly declined since the ordinance was amended, with the majority of concerns now related to unreliable, missed or delayed service.

The city currently has five Class A service providers that can collect waste from all areas of the city and two Class B service providers that can collect waste from only commercial and multifamily (apartment) areas.

Staff will be available at the work session to review the attached information.

### **Supporting Information**

- 1. 2019 Waste Hauler Service Area Ordinance Amendment
- 2. Chapter 8 Mixed Solid Waste & Recyclables Collections
- 3. 2025 Waste Hauler License List

**Financial Impact:** \$N/A    **Budgeted:** No    **Source:**  
**Envision Lakeville Community Values:** Good Value for Public Service  
**Report Completed by:** Allyn Kuennen, Assistant City Administrator



**Date:** March 18, 2019

**Item No.**

**ORDINANCE AMENDING TITLE 3, CHAPTER 8 OF THE LAKEVILLE CITY CODE  
CONCERNING THE COLLECTION OF MUNICIPAL SOLID WASTE AND RECYCLABLES**

**Proposed Action**

Staff recommends adoption of the following motion: Move to approve an ordinance amending Title 3, Chapter 8 of the Lakeville City Code concerning the collection of municipal solid waste and recyclables and adoption of the Waste Hauler Service Map dated March 18, 2019.

**Overview**

At their January 2018 retreat, the City Council discussed complaints from residents regarding waste hauler collection services within the city. The complaints included concerns related to the continuous disruption, noise and safety from truck traffic on residential streets and neighborhoods, increased wear and tear, inefficient use of roadways, constant display of unsightly trash containers, and increased instances of waste spillage.

To address these concerns Council directed staff to review options for developing service areas within the city to condense the number of days haulers are in each neighborhood. The City Council reviewed options regarding waste hauler service areas at their work sessions in May and July of 2018 and most recently at their 2019 retreat in January. During this time, staff also continued to work with the waste haulers to refine the scenarios and schedules for implementation of waste hauler service areas within the city. At their February work session Council reviewed an updated service area map and implementation schedule, and with input from the haulers, directed staff to prepare a final service area map and ordinance amendment for formal consideration.

**Primary Issues to Consider**

What is the schedule for implementing the new waste hauler service areas?

- Haulers will have until February 15, 2020 to comply with the new service areas. This will give them time to determine logistics, marketing, and notifying their customers. They indicated transitioning to a new schedule would be the least disruptive if implemented in the first week of February.

**Supporting Information**

- Ordinance Amendment
- Waste Hauler Service Area Map

**Financial Impact:** \$ n/a    **Budgeted:** Y  N     **Source:** n/a

**Related Documents:** (CIP, ERP, etc.): n/a

**Envision Lakeville Community Values:** Good Value for Public Services

**Report Completed by:** Allyn G. Kuennen, Assistant City Administrator

**ORDINANCE NO. 1009**

**CITY OF LAKEVILLE  
DAKOTA COUNTY, MINNESOTA**

**AN ORDINANCE AMENDING TITLE 3, CHAPTER 8 OF THE LAKEVILLE CITY  
CODE CONCERNING THE COLLECTION OF MIXED MUNICIPAL SOLID WASTE  
AND RECYCLABLES**

THE CITY COUNCIL OF THE CITY OF LAKEVILLE, MINNESOTA ORDAINS:

**SECTION 1.** Title 3, Chapter 8, Section 3-8-1 of the Lakeville City Code is amended to add the following definition:

**DAY SPECIFIC HAULING MAP:** A map that divides the city into districts for individual residential collection based on the day of the week in which garbage, refuse, recyclables and yard waste are collected by a licensed collector.

**SECTION 2.** Section 3-8-6(C) of the Lakeville City Code is amended to read as follows:

- C. Collection Hours: No collections of mixed municipal solid waste or recyclable material shall be made except between the hours of seven o'clock (7:00) A.M. and six o'clock (6:00) P.M., Monday through Friday. Operations during these hours may also be conducted on Saturdays only to accommodate recognized national holidays or a "special pick up" as herein defined. Individual (Class A) residential collection shall be on the specific day of the week as identified on the day specific hauling map. Commercial/multifamily apartment collection is exempt from the day specific hauling map.

**SECTION 3.** Section 3-8-6(E) of the Lakeville City Code is amended to read as follows:

- E. Collecting Recyclable Material Required: It shall be the duty of each licensed mixed municipal solid waste collector to haul away, on the same day as mixed municipal solid waste service as identified on the day specific hauling map, to such places as designated in their license application the targeted recyclable materials from residences with individual curbside mixed municipal solid waste containers within the area in which they are authorized to collect mixed municipal solid waste or recyclable material. Each licensed mixed municipal solid waste or recyclable material collector shall do the same from residences who occupy multiple-family (apartment) dwellings.

**SECTION 4.** Section 3-8-6(H) of the Lakeville City Code is amended to read as follows:

- H. Yard Waste: Each licensed mixed municipal solid waste or recyclable material collector shall refuse to knowingly accept for collection any mixed municipal solid waste which contains yard waste except for the purposes of directly delivering such waste to a facility which has been approved by the City for composting or co-composting, as applicable. The yard waste collection shall occur on the specific day of the week as identified on the day specific hauling

map.

**SECTION 5.** Section 3-8-6 of the Lakeville City Code is amended to add a new subsection K to read as follows:

K. Day Specific Hauling Map: The locations and boundaries of the day specific hauling areas established under this chapter are hereby set forth on the map entitled City of Lakeville day specific hauling map. The official day specific hauling map shall be kept on file with the city clerk, and hereinafter referred to as the day specific hauling map. The day specific hauling map and all the notations, references and other information shown thereon shall have the same force and effect as if fully set forth herein and thereby made a part of this code by reference. In general, the service areas of the city will be Wednesdays/Thursdays on the east half of the city and Tuesdays/Wednesdays on the west half of the city. The general dividing line of the two service areas will be Highview/Holyoke Avenue south to 202<sup>nd</sup> Street, 202<sup>nd</sup> Street east to Dodd Boulevard and south on Dodd Boulevard to the southern boundary of the city. The portion of the city north of 162 Street, shall be included in the Wednesday/Thursday service area.

**SECTION 6.** Section 3-8-6 of the Lakeville City Code is amended to add a new subsection L to read as follows:

L. It is unlawful for licensed mixed municipal solid waste or recyclable material collectors to collect any garbage, refuse, yard waste or recyclables within any individual (Class A) residential hauling district on any day other than as permitted for the daily residential hauling district, except to collect a missed pickup, special pickup or when an observed national holiday falls within that week. It is unlawful for licensed mixed municipal solid waste or recyclable material collectors to operate collection trucks on residential streets other than an arterial or collector street within any district on any day other than as permitted for the daily residential hauling district, except to collect a missed pickup, special pickup or when an observed national holiday falls within that week. Customers shall be reasonably notified of the specific day for the collection of their refuse, recyclables and yard waste during these events.

**SECTION 7.** This ordinance shall be effective on February 15, 2020.

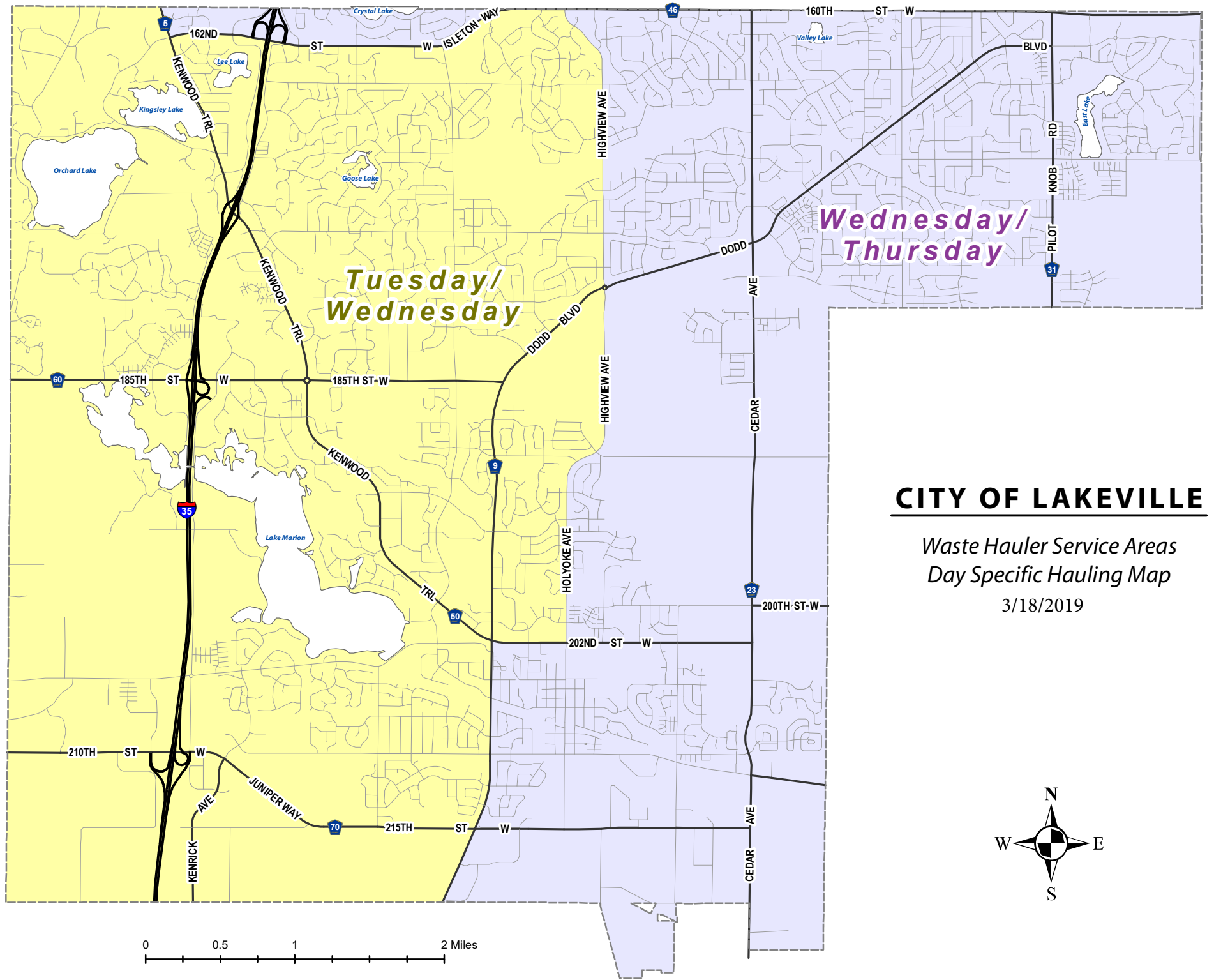
**ADOPTED** this 18th day of March 2019 by the City Council of the City of Lakeville, Minnesota

**CITY OF LAKEVILLE**

BY:   
Douglas P. Anderson, Mayor

ATTEST:

  
Charlene Friedges, City Clerk



# CITY OF LAKEVILLE

*Waste Hauler Service Areas  
Day Specific Hauling Map  
3/18/2019*

## CHAPTER 8

# MIXED MUNICIPAL SOLID WASTE AND RECYCLABLES COLLECTORS

SECTION:

**3-8-1: Definitions**

**3-8-2: Collection License Required**

**3-8-3: Application And Fee**

**3-8-4: Liability Insurance Required**

**3-8-5: Required Equipment (Rep. by Ord. 1048, 8-2-2021)**

**3-8-6: Collection Regulations**

**3-8-7: Limitation On Number Of Licenses**

**3-8-8: Penalty**

**3-8-1: DEFINITIONS:**

As used in this chapter, the following terms and phrases have the following meanings:

**COLLECTION:** The aggregation of mixed municipal solid waste from the place at which it is generated and includes all activities up to the time the waste is delivered to a waste facility.

**COMMERCIAL ESTABLISHMENT:** Any premises where a commercial enterprise of any kind is carried on and shall include restaurants, clubs, churches, and schools.

**COMMERCIAL/MULTIPLE-FAMILY (APARTMENT) DWELLING COLLECTION:** Mixed municipal solid waste and/or recyclable material collection provided to any commercial establishment or any multiple-family (apartment) dwelling units of which all residents commingle their mixed municipal solid waste in a dumpster or other similar container for shared collection service by the collector or commingle their recyclable material in a dumpster or other similar container for shared pickup service by the collector.

**CONSTRUCTION DEBRIS:** Waste building materials, packaging, and rubble resulting from construction, remodeling, repair, and demolition of buildings and roads.

**DAY SPECIFIC HAULING MAP:** A map that divides the City into districts for individual residential collection based on the day of the week in which garbage, refuse, recyclables, and yard waste are collected by a licensed collector.

**GARBAGE:** Animal, vegetable, or other putrescible wastes, but excluding human excreta, sewage, or other forms of water-carried wastes.

**INDUSTRIAL WASTE:** The following waste from an industrial or manufacturing business that is managed as a separate waste stream: ash, sand, wood waste, contaminated soil, organic resin, and food waste from manufacturing; paper waste from manufacturing; empty containers, printed circuit boards, ink and sludge.

**MIXED MUNICIPAL SOLID WASTE:** Garbage, refuse and other solid waste from residential, commercial, industrial, and community activities that the generator of the waste aggregates for collection, but does not include auto hulks, street sweepings, ash, construction debris, mining waste, sludges, tree and agricultural wastes, tires, lead acid batteries, used oil, and other materials collected, processed, and disposed of as separate waste streams.

**MULTIPLE-FAMILY (APARTMENT) DWELLING:** A building designed with three (3) or more dwelling units exclusively for occupancy by three (3) or more families living independently of each other, but sharing hallways and main entrances and exits.

**RECYCLABLE MATERIAL:** Materials that can be readily separated from mixed municipal solid waste for the purpose of recycling, including, but not limited to, paper, glass, plastics, metals, automobile oil and batteries. Recyclable materials that have been separated from the waste stream, processed, and sold or given away for reuse are no longer considered waste.

**REFUSE:** Solid wastes such as nonrecyclable glass, crockery, cans, paper boxes, rags and yard waste.

**RESIDENTIAL DWELLING COLLECTION:** Mixed Municipal solid waste and/or recyclable material collection services in which the collector specifically services an individual residential dwelling unit for the collection of mixed Municipal solid waste and/or recyclable material, regardless of whether it is a single-family dwelling or a dwelling unit within a multiple-family (apartment) dwelling unit structure.

**SPECIAL PICKUP:** Any collection of materials other than mixed Municipal solid waste, recyclable material or yard waste including white goods, furniture, oversized materials, construction debris, and other materials collected, processed, and disposed of as separate waste streams.

**TARGETED RECYCLABLE MATERIAL:** Aluminum and steel beverage containers, tin cans, glass, newsprint, plastic containers with a neck, corrugated cardboard, magazines, catalogs and mixed paper, or other materials that may be

designated by resolution of the City Council.

**YARD WASTE:** Organic materials consisting of grass clippings, leaves, and other forms of organic garden waste, prunings, tree waste, and fresh-cut Christmas trees and boughs, but excluding garden vegetables and materials that are not readily compostible within the calendar year.

(Ord. 686, sec. 1, 6-18-2001; amd. Ord. 996, 5-7-2018; Ord. 1009, 3-18-2019)

**3-8-2: COLLECTION LICENSE REQUIRED:**

A. License Requirement: It shall be unlawful for any person to engage in the business of collecting mixed Municipal solid waste or recyclable material without having first secured from the City Council a license to do so.

B. Term Of License: No license issued hereunder shall be for a period longer than one year, and all licenses shall expire on December 31 of each year.

C. Exceptions: A license under this chapter is not required for the following:

1. Collecting industrial waste.
2. Collecting food waste to feed farm animals.
3. Nonprofit organizations collecting recyclable materials.
4. Collecting household appliances.
5. Collecting construction debris.

D. Two Classes Of Licenses: Two (2) classes of licenses for collection of mixed Municipal solid waste and/or recyclable material shall be issued:

1. Class A: A Class A license authorizes the collection of mixed Municipal solid waste and recyclable material from all locations within the City.

2. Class B: A Class B license authorizes the collection of mixed Municipal solid waste and recyclable material from commercial/multiple-family (apartment) dwellings. (Ord. 686, sec. 1, 6-18-2001)

**3-8-3: APPLICATION AND FEE:**

A. Application For License: Any person desiring a license to collect mixed Municipal solid waste and/or recyclable material shall make application for the same to the clerk upon a form prescribed by the city council. The application shall set forth:

1. The name and address of the applicant.
2. The type of license requested.
3. A list of the equipment which is proposed to be used in such collection.
4. The place or places to which the mixed municipal solid waste and/or recyclable material is to be hauled.
5. The portion of the city in which collections are to be made and the number of residential dwelling units and/or commercial establishments and multiple-family (apartment) dwelling units which are served.
6. Certificate of insurance (see section 3-8-4 of this chapter).
7. All convictions in the last five (5) years involving collection, disposal, storage, or hauling of mixed municipal solid waste or recyclables.

B. Investigation: The application shall be submitted to the city clerk for investigation and report. If the city clerk finds that the application is complete, then the city clerk shall endorse approval of the application.

C. License Fees: Before any license may be issued, the applicant shall pay to the clerk a license fee in an amount established by resolution of the city council, which fee shall accompany the application.

D. License Approval: The city council shall issue the license if the requirements of this chapter are met. A license shall not be issued to anyone who has been convicted within the last five (5) years of improper collection, disposal, storage, or hauling mixed municipal solid waste or recyclables. (Ord. 686, sec. 1, 6-18-2001; amd. Ord. 805, sec. 2, 6-5-2006; Ord. 1048, 8-2-2021)

**3-8-4: LIABILITY INSURANCE REQUIRED:**

An applicant must obtain all of the insurance required by this section. All costs and expenses are the responsibility of the applicant. All insurance coverage is subject to approval by the city and shall be maintained by the licensee during the term of the license. No work under this license shall be commenced until the requirements of this section have been satisfied.

A. The licensee shall obtain and maintain statutory workers' compensation insurance as required under the laws of the state.

In the event licensee is a sole proprietor and has not elected to provide workers' compensation insurance, licensee shall be required to execute and submit an affidavit of sole proprietorship in a form satisfactory to the city.

B. Licensee shall obtain and maintain the following minimum coverage for comprehensive general liability (including premises' operations; independent contractors' protective; products and completed operations; broad form property damage):

|                  |                                            |
|------------------|--------------------------------------------|
| Bodily injury:   | \$1,000,000.00 per occurrence              |
|                  | 1,000,000.00 products/completed operations |
| Property damage: | 1,000,000.00 per occurrence                |

C. Licensee shall obtain and maintain the following minimum insurance coverage for personal injury liability (with employment related exclusion deleted):

|        |                               |
|--------|-------------------------------|
| Limit: | \$1,000,000.00 per occurrence |
|--------|-------------------------------|

D. Licensee shall obtain and maintain the following minimum insurance coverage for comprehensive automobile liability (owned, nonowned, hired):

|                  |                             |
|------------------|-----------------------------|
| Bodily injury:   | \$1,000,000.00 per person   |
|                  | 1,000,000.00 per occurrence |
| Property damage: | 1,000,000.00 per occurrence |

E. Insurance certificates evidencing that the insurance required by this section is in force with companies acceptable and licensed in the state, and in amounts required, shall be submitted for examination and approval prior to the execution of the license. Thereafter, the certificates shall be filed with the city. The insurance certificates shall specifically provide that a certificate shall not be modified, canceled or nonrenewed, except upon thirty (30) days' prior written notice to the city. Neither the city's failure to require or insist upon certificates, or other evidence tending to show a variance from the coverages specified in this section shall change a licensee's responsibility to comply with these insurance requirements. (Ord. 686, sec. 1, 6-18-2001)

**3-8-5: REQUIRED EQUIPMENT:**  
(Rep. by Ord. 1048, 8-2-2021)

**3-8-6: COLLECTION REGULATIONS:**

A licensed mixed municipal solid waste collector shall comply with the following collection regulations. Failure to observe these provisions may be a basis for suspension or revocation of a license.

A. Collecting Mixed Municipal Solid Waste Required: It shall be the duty of each licensed mixed municipal solid waste collector to haul away once each week to such places as designated in their license application all mixed municipal solid waste from premises located within the area in which they are authorized to collect mixed municipal solid waste.

B. Collection Truck: Each licensed mixed municipal solid waste or recyclable material collector shall provide a covered tank or wagon, so constructed that the contents will not leak or spill therefrom, in which all mixed municipal solid waste or recyclable material collected by them shall be conveyed to the place designated in their application. The wagon or conveyance used shall be kept clean and as free from offensive odors as possible, and shall not be allowed to stand in any street, alley, or public place longer than is reasonably necessary to collect mixed municipal solid waste or recyclable material.

C. Collection Hours: No collections of mixed municipal solid waste or recyclable material shall be made except between the hours of seven o'clock (7:00) A.M. and six o'clock (6:00) P.M., Monday through Friday. Operations during these hours may also be conducted on Saturdays only to accommodate recognized national holidays or a "special pick up" as herein defined. Individual (Class A) residential collection shall be on a specific day of the week as identified on the day specific hauling map. Commercial/multi-family apartment collection is exempt from the day specific hauling map.

D. Refusal To Collect: The collector may refuse to make collections from any premises when the fees are not paid within one month from the date such mixed municipal solid waste or recyclable material is collected.

E. Collecting Recyclable Material Required: It shall be the duty of each licensed mixed municipal solid waste collector to haul away, on the same day as mixed municipal solid waste service as identified on the day specific hauling map, to such places as designated in their license application the targeted recyclable materials from residences with individual curbside mixed municipal solid waste containers within the area in which they are authorized to collect mixed municipal solid waste or recyclable material.

F. Each mixed municipal solid waste or recyclable material collector shall offer the same collection services for both single-family and multiple-family (apartment) dwellings.

G. Necessary City Approval: It shall be unlawful for any person engaged in the business of collecting recyclable material to landfill or incinerate collected recyclable material without approval from the City.

H. Yard Waste: Each licensed mixed Municipal solid waste or recyclable material collector shall refuse to knowingly accept for collection any mixed Municipal solid waste which contains yard waste except for the purposes of directly delivering such waste to a facility for composting or co-composting, as applicable. The yard waste collection shall occur on the specific day of the week as identified on the day specific hauling map. Solid waste collectors shall only accept, for collection, yard waste:

1. That has been placed in paper bags or other containers that meet all the specifications in American Society for Testing and Materials (ASTM) Standard Specific for Compostable Bags (D6400);
2. That is in a container that is not collected with the yard waste; or
3. That is not in a container.

I. Notice To The City: The licensee shall operate in a manner consistent with its application materials and shall provide notice to the City within ten (10) days of any changes in information, forms, or certificates filed as a part of the license application process, except for the thirty (30) day notice required by subsection 3-8-4E of this chapter.

J. Minimum Service: Residential mixed Municipal solid waste and recyclable material collector rates shall include a minimum of three (3) levels of regular service, priced on the basis of volume with a rate structure designed to encourage reduction, reuse, and recycling. The rate structure shall increase with the volume of the waste collected. Residential mixed Municipal solid waste and recyclable material collectors are prohibited from imposing a greater charge on residents who recycle than on residents who do not recycle.

K. Day Specific Hauling Map: The locations and boundaries of the day specific hauling areas established under this chapter are hereby set forth on the map entitled City of Lakeville day specific hauling map. The official day specific hauling map shall be kept on file with the City Clerk, and hereinafter referred to as the day specific hauling map. The day specific hauling map and all the notations, references and other information shown thereon shall have the same force and effect as if fully set forth herein and thereby made a part of this code by reference. In general, the service areas of the City will be Wednesdays/ Thursdays on the east half of the City and Tuesdays/Wednesdays on the west half of the City. The general dividing line of the two (2) service areas will be Highview/Holyoke Avenue south to 202nd Street, 202nd Street east to Dodd Boulevard and south on Dodd Boulevard to the southern boundary of the City. The portion of the City north of 162 Street, shall be included in the Wednesday/Thursday service area.

L. Collecting on Non-Collection Day Unlawful; Exceptions. It is unlawful for licensed mixed municipal solid waste or recyclable material collectors to collect any mixed municipal solid waste, yard waste or recyclables within any individual (Class A) residential hauling district on any day other than as permitted for the daily residential hauling district, except to collect a missed pickup, special pickup or when an observed national holiday falls within that week. It is unlawful for licensed mixed municipal solid waste or recyclable material collectors to operate collection trucks on residential streets other than an arterial or collector street within any district on any day other than as permitted for the daily residential hauling district, except to collect a missed pickup, special pickup or when an observed national holiday falls within that week. Customers shall be reasonably notified of the specific day for the collection of their refuse, recyclables and yard waste during these events.

M. Prohibited Wastes. Solid waste collectors shall not accept any mixed municipal solid waste that contains yard waste, Christmas trees, dry cell batteries (as prohibited by Minnesota Statute §115A.9155), wastes containing mercury (as prohibited by Minnesota Statute §115A.932), motor vehicle fluids and filters (as prohibited in Minnesota Statute §115A.916), cathode ray tubes.

N. Separated Material Prohibited. Solid waste collectors shall not mix source-separated materials with mixed municipal solid waste or handle source separated materials in any way that reduces the reusability or marketability of the source-separated material. All source-separated materials must be delivered to a facility licensed or permitted to accept the material. Co-collection of durable compostable bags with mixed municipal solid waste is allowed as long as the durable compostable bags are separated for composting or anaerobic digestion.

(Ord. 686, sec. 1, 6-18-2001; amd. Ord. 1009, 3-18-2019; Ord. 1038, 12-7-2020; Ord. 1048, 8-2-2021)

### **3-8-7: LIMITATION ON NUMBER OF LICENSES:**

A. Purpose: A limitation on the number of mixed Municipal solid waste or recyclable material collectors in the City is necessary for the following reasons: more trucks use more fuel, create wear and tear on City streets, create more pollution and noise; more collectors create an increased risk to public safety, decrease efficiency, and increase rates and energy costs.

B. Limitation On Licenses:

1. No more than five (5) Class A licenses may be in force at any time.
2. There is no limit on the number of Class B licenses.
3. The City shall maintain a list of persons who want a Class A license. Names on the list shall be kept in the chronological order in which they are received except that persons already having a Class B license shall be placed at the top of the list for a Class A license. If a license becomes available the first person on the list will be notified and shall have ten (10) days to apply for a license. If the person does not apply, the name shall be removed from the list and the process will be repeated. (Ord. 686, sec. 1, 6-18-2001; amd. Ord. 805, sec. 3, 6-5-2006; Ord. 854, sec. 1, 4-6-2009; Ord. 992, 12-18-2017)

**3-8-8: PENALTY:**

Any person convicted of violating this chapter shall be guilty of a misdemeanor and shall be subject to a fine or imprisonment, or both as specified by State Statute. (Ord. 686, sec. 1, 6-18-2001)

Mixed Municipal Solid Waste & Recyclable Material Collection License List – 2025

| LICENSEE                                                                                                                                | ADDRESS                                                              | PHONE NO.                    | FEE                        |
|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------|----------------------------|
| Allied Waste Services/Republic Services<br>(Kyle Rawleigh)<br>KRawleigh@republicservices.com                                            | 4325 East 66 <sup>th</sup> Street<br>Inver Grove Heights, MN 55076   | 651-286-4577                 | \$425.00<br><b>Class A</b> |
| Aspen Waste Systems, Inc.<br>(Heather Bednarchuk)<br><a href="mailto:hbednarchuk@aspenwaste.com">hbednarchuk@aspenwaste.com</a>         | 2951 Weeks Avenue SE<br>Minneapolis, MN 55414                        | 612-884-8000                 | \$425.00<br><b>Class B</b> |
| Buckingham Disposal<br>(Michael Buckingham-Hayes)<br><a href="mailto:mhayes@buckinghamcompanies.com">mhayes@buckinghamcompanies.com</a> | 5980 Credit River Road SE<br>Prior Lake, MN 55372                    | 952-226-6441                 | \$425.00<br><b>Class A</b> |
| Dick's Sanitation<br>(Candi Davison)<br><a href="mailto:dsiap@wasteconnections.com">dsiap@wasteconnections.com</a>                      | 8984 – 215 <sup>th</sup> Street W. PO Box 769<br>Lakeville, MN 55044 | 952-469-2239                 | \$425.00<br><b>Class A</b> |
| Nitti Sanitation, Inc.<br>David Domack<br><a href="mailto:slosie@lightingdisposal.com">slosie@lightingdisposal.com</a>                  | 16555 Clayton Ave E<br>Rosemount, MN55068                            | 651-457-7497                 | \$425<br><b>Class A</b>    |
| Suburban Waste MN LLC<br>(Richard Sievers)<br><a href="mailto:rsievers1223@gmail.com">rsievers1223@gmail.com</a>                        | 7125 126 <sup>th</sup> Street W. #500<br>Savage, MN 55378-1102       | 952-937-8900                 | \$425.00<br><b>Class B</b> |
| Waste Management<br>(Ken Baker)<br><a href="mailto:kbaker5@wm.com">kbaker5@wm.com</a>                                                   | 1901 Ames Drive<br>Burnsville, MN 55306                              | 651-319-9675<br>612-443-8899 | \$425.00<br><b>Class A</b> |



**Date:** 12/8/2025

## **2026 Legislative Priorities**

### **Proposed Action**

Staff is seeking guidance from Council. No action required.

### **Overview**

The 2026 Legislative Priorities is the annual document that Council uses to advocate for the City of Lakeville on key issues that is presented to Lakeville's State and Federal representatives. This is updated each year to reflect the current topics and issues that the City of Lakeville would like to see addressed. Please see the attached memo for more details.

### **Supporting Information**

1. 2026 Legislative Priorities CC Work Session Memo 11-24-25
2. 2026 Legislative Priorities (Draft)

|                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Financial Impact:</b> \$    <b>Budgeted:</b> No    <b>Source:</b><br/><b>Envision Lakeville Community Values:</b> Good Value for Public Service<br/><b>Report Completed by:</b> Taylor Snider</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



# Memorandum

**To:** Mayor and City Council  
**From:** Taylor Snider, Assistant to the City Administrator  
**Copy:** Justin Miller, City Administrator  
Allyn G. Kuennen, Assistant City Administrator  
**Date:** November 24, 2025  
**Subject:** City of Lakeville 2026 Legislative Priorities

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As the 2026 Minnesota State Legislature gets underway, there will be many legislative initiatives and bills considered. The adoption of legislative priorities is intended to portray the City's positions on a variety of issues and to communicate to Lakeville's residents, legislators, county and state officials, lobbying organizations and other interested parties Lakeville's position on a variety of significant legislative topics.

The legislative priorities are formatted to include two lists of priorities. The first list, Primary Priorities, was developed to focus on the most important issues facing the City that have the greatest chance of receiving attention during the legislative year. The second list, Additional Legislative Priorities, was developed to include legislative priorities and initiatives that are important to track and monitor throughout the legislative session in case these issues arise.

Attached for your review is a redlined copy of the proposed 2026 Legislative Priorities. In addition, staff has included the following list of potential legislative priorities for City Council's consideration:

## **State Regulation of Adult-Use Cannabis and Cannabinoid Products**

The 2023 legislative session enacted legislation making Minnesota the 23rd state in the country to legalize adult-use cannabis. The new law, ch. 342, created a statewide regulatory framework for adult-use cannabis establishing state-issued licenses for the industry from seed to sale. The regulatory structure includes local regulation, with cities responsible for registering certain cannabis businesses that are licensed by the state and conducting compliance checks. The law requires businesses to comply with local zoning ordinances, authorizes cities to implement license limits, and authorizes cities to implement ordinances to establish a petty misdemeanor for public use of cannabis and cannabinoid products. These authorizations aside, cities have very limited discretion in the regulation of the industry.

In 2025 the legislature eliminated the Local Government Cannabis Aid account, the only cannabis specific funding provided to cities and counties. This aid was a critical part of the state and local relationship for administration and implementation; however, it was repealed before it was ever dispersed to cities and counties. The current law caps the retail registration fee cities may charge a cannabis retailer in their city. These fees range from \$0 to \$1,000.

Many questions remain for what is to be seen from the Office of Cannabis Management and the cannabis industry as it is established. Cities will be a critical component of the regulation and enforcement of this industry. In any future legislation, the following should be considered:

- Any legislation considered should be responsive to the needs of cities as they arise from the implementation of this industry.
- Legislation should restore the Local Government Cannabis Aid fund to ensure adequate funding for local governments to implement the law and respond to challenges resulting from the cannabis industry. Cities and counties should be able to recover costs from assisting businesses and implementing the law through fees or other revenue sources.
- Legislation should increase, and at a minimum, maintain any discretion and local control granted to cities in current legislation.
- The City of Lakeville opposes any proposals to diminish local control related to the cannabis industry.

### **Federal Regulation of Hemp-Based Products**

The bill that made its way through Congress to reopen the federal government on November 13, 2025, contained a provision to outlaw hemp-based products. The bill gives the industry 365 days before all products that contain more than 0.4 milligrams of THC are banned.

Whitney Economics' latest THC beverage report estimated that total U.S. THC beverage sales topped \$1.1 billion in 2024, with Minnesota being a key state in growth. Competing industries, mostly the nation's legal marijuana industry, and the beer and spirits industries, lobbied to close what they considered a "loophole" in the 2018 Farm Bill that led to the explosion of hemp-derived products. Their argument was that hemp products are largely unregulated and there are no labeling and marketing restrictions or efforts to keep THC-infused drinks and edibles from children. However, Minnesota has established one of the strongest regulatory frameworks in the country, addressing these very concerns through clear rules governing potency limits, packaging, labeling, and age restrictions.

If enacted, this federal ban on low-dose, hemp-derived THC beverages and edibles would have a significant negative impact on our business. For 2025, we project \$818,000 in sales and \$280,000 in profit from this category alone. It currently represents 4% of our total sales and is the only category showing continued growth. Every effort should be made on the federal level to strike this provision and restore the authority to produce hemp-derived products as previously allowed in the 2018 Farm Bill.

### **Operation of Electric Assisted Bicycles**

The City of Lakeville supports modifying state statutes to include the same driver's license or motorized bicycle/electric-assisted bicycle without the rider pedaling to promote rider safety. State statutes should be updated to include the use of bicycles with motors, including ebikes, according to their capabilities. The required permit training should advance ebike rider safety. Ebike riders under 18 should be required to wear protective headgear, as is currently required for motorized bicycle riders. The minimum age for both ebike and motorized bicycle operation should remain 15 years old. Providing law officers with better options for reasonable suspicion stops and violation citations will help to prevent accidents and tragedies. Where appropriate, bicycles should be required to have working lights, turn signals and other safety equipment.

### **Tax Forfeited Property**

The City of Lakeville supports statutory changes that balance repayment of unpaid taxes and assessments, utility charges and other fees and that more equitably allocates the distribution of proceeds between counties and cities to avoid city taxpayers being forced to absorb the costs. The county should also be required to coordinate with local jurisdictions, where the tax forfeited property is located, to ensure that any pending or outstanding assessments are clearly listed on the public notice so that any potential buyer of the tax forfeited property is aware of these additional costs prior to purchasing the property.

In addition, the city would like greater authority to take more expedient action to acquire tax forfeited property. Recent legislation changes created a new tax forfeiture process, where the city (and county)

can no longer place holds on forfeited property and now must purchase tax forfeited property through a public auction process. Tax forfeiture State Statutes should be revised to allow cities the first right of refusal to acquire forfeited properties for public uses such as road right of way, regional stormwater basins, parks and trail access or for other similar public needs.



# City of Lakeville 2026 Legislative Priorities



Adopted: \_\_\_\_\_, 2025

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## Primary Legislative Priorities

### A. Downtown Lakeville Social District

The City of Lakeville is requesting the Minnesota State Legislature grant a special provision to allow the City of Lakeville to designate a “Social District” within the Downtown area, modeled after the City of Anoka legislation adopted in 2022.

## B. State Mandates on Local Authority:

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

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

## C. Post Office Improvements:

In March of 2021, the United States Postal Service released its 10-year plan, 'Delivering for America,' to return the organization to financial sustainability and achieve service excellence while maintaining universal six-day mail delivery and expanding seven-day package delivery. The Lakeville Post Office currently struggles to make consistent daily deliveries to residents, much less expanding to delivery seven days a week. The report indicates the successful implementation of the 10-year plan requires partnership from legislative and regulatory stakeholders. The City of Lakeville has contacted our local elected federal representatives and requested a review of the operations of the Lakeville Post Office. It is essential, for a growing city of over 75,000 residents, that the Federal Government implement improvements to Lakeville's Post Office including the renovation and expansion of the sorting and distribution facility, upgrades to technology, increased staffing and training, and updated vehicle fleet and logistics to provide improved customer service and consistent and reliable handling, sorting and delivery of mail services. Further, the City desires a path forward to consolidate the city into one contiguous zip code to help avoid confusion related to mailing addresses.

## D. County Road 5/50 Interchange Improvements at Interstate 35:

County Road 5/50 is categorized as a minor arterial with an annual average daily traffic volume of ~~28,000~~ 30,000 -vehicles that pass through the interchange. Interstate 35 (I-35) has an annual average daily traffic volume between 75,000 to 80,000 vehicles at this interchange. The Interchange has high crash rates and significant traffic congestion due to insufficient capacity, sight distance, and turn lanes, and requires replacement to improve safety and delays. As the largest city in Dakota County and one of Minnesota's fastest-growing populations, the City (along with Dakota County) has been planning to replace this deficient Interchange for more than 20 years and made significant local investments (more than \$22 million) in right-of-way acquisition, local road reconfiguration, and draining improvements, along the County Road 5/50 corridor and within the Interstate 35 interchange area in preparation for future safety and capacity improvements. The project is programmed for construction in 2028/2029.

Replacing the County Road 5/50 Interchange at I-35 will provide the necessary infrastructure and investment to make safety and capacity improvements, improve existing and future regional mobility along the County Road 5/50 and I-35 corridors (E-ZPass, auxiliary or general purpose lane), and encourage additional job creation and tax base through new commercial and industrial development. The City is partnering with Dakota County and potentially MnDOT to coordinate interchange improvements to increase efficiencies and reduce impacts to the traveling public and existing businesses (MnDOT's Capital Highway Investment Plan programs replacement of the I-35 bridges over CSAH 60 and 205<sup>th</sup> Street, repairs to the I-35 bridges over Lake Marion and pavement improvements between CSAH 70 and the I-35E/35W split in 2029 to address existing deteriorating infrastructure). Currently, Dakota County is nearing completion

of preliminary engineering and approved geometric layout for a new County Road 5/50 Interchange at Interstate 35 as part of a \$5,040,000 federal funding appropriation. In 2025, the State of Minnesota appropriated \$40.8 million toward the project to cover State Trunk Highway costs – i.e., bridges, ramps, auxiliary lane. The city is requesting an additional \$22 million from the State to cover the current funding gap to address local impacts and costs.

# Additional Legislative Priorities

## Local Control, Municipal Revenue & Taxation

### A. State Regulation of Adult-Use Cannabis and Cannabinoid Products:

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~~In addition to the adult use cannabis market, cities continue to navigate the regulation of cannabinoid products legalized by the 2022 legislative session under chapter. § 151.72. As the Office of Cannabis Management is created and rulemaking is conducted, cities have continued to implement local licenses for the products.~~

~~Finally, the new law authorizes cities to impose an interim ordinance to study the issue and restrict, regulate, and prohibit cannabis businesses until January 1, 2025. However, estimates from state agencies and the rulemaking timeline established by law indicate that final rules will not be available until early 2025. The authority to conduct an interim ordinance study should better align with the establishment of rules for the new law to allow cities to properly study the issue. Many questions remain for what is to be seen from the Office of Cannabis Management and the cannabis industry as it is established. Cities will be a critical component of the regulation and enforcement of this industry.~~

~~In any future legislation, the following should be considered:~~

- ~~• The timeline authorized for interim ordinances to conduct studies on the adult use cannabis industry should be extended to better align with the conclusion of rulemaking for ch. 342 to provide adequate time for cities to study the rules once adopted.~~
- ~~• Any legislation considered should be responsive to the needs of cities as they arise from the implementation of this industry, including evaluating and potentially increasing the appropriation provided through the Local Government Cannabis Aid fund to ensure adequate funding for local governments to respond to challenges resulting from the cannabis industry.~~
- ~~• Legislation should increase, and at a minimum maintain, any discretion and local control granted to cities in current legislation.~~
- ~~• The City opposes any proposals to diminish local control related to the cannabis industry.~~

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

Lakeville Liquors provides over \$1.5 million in property tax relief annually to our property taxpayers. Lakeville opposes any legislation that would allow the expansion of the sale of wine and strong beer beyond existing licensed premises due to significant detrimental economic impacts on city revenues and the negative effect on preventing drunk driving and underage alcohol sales and consumption. Minnesota law already allows grocery stores, gas stations, convenience stores, and wherever beer is sold to sell 3.2 beer.

#### D. Elections:

In 2024, the City of Lakeville spent \$116,312 and 19,185 hours of staff time on three elections (presidential primary, general primary, and general election). Cities are essential in administering state and federal election laws and conducting voting activities. To strengthen the effectiveness of election administration, the Legislature should:

- Seek input from cities on proposed changes to voter registration, election law, and needed improvements and updates to the Statewide Voter Registration System (SVRS).
- Provide Cities with ongoing and sufficient funding through the Voting Operations, Technology, and Election Resources Account (VOTER) fund to provide cities with resources to conduct elections and meet the mandated requirements outlined in the statute.
- Provide ongoing resources to cities that administer absentee balloting and early voting for the extended early voting period and additional weekend hours required during a general election.
- ~~Ensure that local government units are fully reimbursed for all anticipated and unanticipated costs of conducting the presidential nomination primary.~~

#### E. Met Council Governance:

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

#### F. Revenue Restrictions:

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

#### G. Data Practices Act:

The City of Lakeville supports a comprehensive periodic review of the Minnesota Government Data Practices Act (MGDPA) which was first enacted in 1979, over 40 years ago. Times have changed, specifically with technology. In 1979, cities were mainly maintaining data in paper form. Legislators from that time could not have imagined where technology would be today. The MGDPA should be updated to address those changes. The City of Lakeville should support these efforts:

- Provide additional state funding to assist Cities with meeting the increasing complexity of managing government data and records.
- State funding should be provided for statewide data practices training.

- Allow Cities to charge for the staff time required to comply with wide-ranging data requests, regardless of ~~where~~ what type of copies of the data are requested.

#### H. Fiscal Disparity Fund Distribution:

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

#### I. Targeting Property Tax Relief Directly to Individuals:

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

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

#### J. Cyber Security

A Legislative Commission on Cybersecurity was established in 2021 to provide oversight of the state's cybersecurity measures and review and make policy recommendations to state agencies and the legislature to strengthen the state's cybersecurity infrastructure. However, many of the commission recommendations have not yet been implemented, which creates cybersecurity vulnerabilities, especially at the local level as many communities lack the necessary tools and capabilities needed to protect their systems. The problem is serious. Each month Minnesota IT Services defends against roughly 27,000 phishing emails and messages across all state agencies and several cities and counties have been recent targets of ransomware attacks as local governments continue to remain particularly vulnerable to cyberattacks. The passage of the federal Infrastructure Investment and Jobs Act of 2021 provided additional federal resources to Minnesota to better prepare the state's preparedness and response to future cyberattacks. However, even with additional federal resources, many cities across the state remain vulnerable to cyberattacks and are in need of hardware and software support.

The City of Lakeville supports state action to identify and strengthen state and local capabilities, including the funding to evaluate state government cyber vulnerabilities, single points of failure, and fixes, and, based on those findings, create an ability for municipal governments to apply for grant funding or assistance to help conduct the same evaluation. Additionally, state and federal policymakers should:

- Seek municipal government input on any direction of state or federal funding that seeks to address cybersecurity preparedness and response and ensure city

government participation in any task force or planning committee tasked with directing funding priorities for local government cybersecurity efforts.

- Ensure that any grant program administered by Minnesota IT balances the unique needs of smaller, less-resourced cities and larger cities and base cybersecurity funding opportunities on locally identified needs.
- Avoid unfunded mandates related to data notification breaches by ensuring proactive discussions with lawmakers and state leaders regarding cybersecurity awareness, prevention, remediation, and breach notification.

#### K. Regulation of Massage Therapists

In the absence of any required statewide standards or regulations, several cities have entered the traditional state domain of healthcare licensure by enacting ordinances that require all massage therapists to obtain a local professional license and many cities have also required brick-and-mortar establishments to obtain a business license. These ordinances help local law enforcement officers to differentiate between legitimate providers and businesses engaged in sex trafficking and prostitution, as well as provide for health and sanitation standards.

City staff and law enforcement have spent a lot of time and resources conducting statewide criminal background checks; investigating massage therapist accreditation programs to determine legitimacy and credibility; and inspecting and monitoring establishments due to resident complaints and concerns. This has resulted in different procedures, requirements, and fee structures across the state. Despite the thorough work of city staff and law enforcement, when an illegitimate business suspects investigation, it will often close down and re-open in a different city. Without any sort of statewide database of these businesses, one city's solution may become another city's problem. Additionally, local law enforcement agencies do not have access to national criminal history data. This has allowed those with criminal convictions in other states related to sex trafficking and prostitution to obtain massage therapy business and/or professional licenses in cities in Minnesota. Allowing access to this information could help cities prevent sex trafficking across state lines.

The City of Lakeville supports the statewide registration or licensure of massage therapists that would not pre-empt the ability of cities to regulate massage therapy establishments. The city also supports legislation pertaining to the practice of massage therapy that accomplishes the following:

- Helps cities establish the legitimacy of providers and businesses applying for a local license to practice, including allowing local law enforcement agencies access to national criminal history databases.
- Prevents individuals from conducting criminal activities such as prostitution and sex trafficking out of establishments operating as massage therapy facilities.
- Improves provider compliance with Minn. Stat. ch. 146A and requires the state to take action in response to noncompliance.
- Protects the public from injury and from other conditions that may result in harm.

#### L. Sales Tax on Local Government Purchases

The local government sales tax exemption enacted in 2013 and expanded in 2014 does not apply to all city purchases. Some purchases for municipal enterprise operations, such as liquor stores and golf courses are excluded from the exemption. In addition, in order to receive the sales tax exemption on construction materials under current law, cities must bid labor and materials separately and also designate a contractor to be a purchasing agent on behalf of the city. The existing Department of Revenue rules (Minn. Rule 8130.1200, subp. 3) are complex and the implementation can be so complicated that it can cost cities more money to implement than they will save on the tax exemption. Finally, although cities currently do not pay the motor vehicle sales tax on marked police vehicles or firefighting vehicles, other city vehicles are not exempt from the motor vehicle sales tax.

The 2021 legislature extended the sales tax refund process under Minn. Stat. § 297A.71 and Minn. Stat. § 297A.75 to contractor purchases of construction materials, supplies, and equipment incorporated into public safety buildings for initial construction, remodeling, expansion, and improvements for public safety facilities owned by local units of government. The refund process also applies to materials used in related facilities such as access roads, lighting, sidewalks, and utility components.

In order to ensure that taxpayers receive the full benefit of the local government sales tax exemption, the following must be implemented:

- The exemption should apply to all purchases made by local units of government.
- The process to receive the exemption for construction materials used in local government projects should be simplified or added to the refund process now available for local government public safety facilities.
- The exemption should be extended to all local government purchases that would otherwise be subject to the motor vehicle sales tax in Minn. Stat. ch. 297B.

#### M. Operation of Electric Assisted Bicycles:

The City of Lakeville supports modifying state statutes to include the same driver's license or motorized bicycle/electric-assisted bicycle without the rider pedaling to promote rider safety. State statutes should be updated to include the use of bicycles with motors, including ebikes, according to their capabilities. The required permit training should advance ebike rider safety. Ebike riders under 18 should be required to wear protective headgear, as is currently required for motorized bicycle riders. The minimum age for both ebike and motorized bicycle operation should remain 15 years old. Providing law officers with better options for reasonable suspicion stops and violation citations will help to prevent accidents and tragedies. Where appropriate, bicycles should be required to have working lights, turn signals and other safety equipment.

#### N. Tax Forfeited Property

The City of Lakeville supports statutory changes that balance repayment of unpaid taxes and assessments, utility charges and other fees and that more equitably allocates the distribution of proceeds between counties and cities to avoid city taxpayers being forced to absorb the costs. The county should also be required to coordinate with local jurisdictions, where the tax forfeited property is located, to ensure that any pending or outstanding

assessments are clearly listed on the public notice so that any potential buyer of the tax forfeited property is aware of these additional costs prior to purchasing the property.

In addition, the city would like greater authority to take more expedient action to acquire tax forfeited property. Recent legislation changes created a new tax forfeiture process, where the city (and county) can no longer place holds on forfeited property and now must purchase tax forfeited property through a public auction process. Tax forfeiture State Statutes should be revised to allow cities the first right of refusal to acquire forfeited properties for public uses such as road right of way, regional stormwater basins, parks and trail access or for other similar public needs.

## Transportation

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

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

### B. Dan Patch Commuter Rail Corridor:

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

## Economic Development

### A. Workforce Readiness:

Incumbent worker training and education must be an important component of Minnesota's efforts to improve workforce readiness. By making firms and employees more competitive, incumbent worker training can increase wages, increase employment opportunities, fill skilled worker gaps, and keep jobs and employers in their communities. The Minnesota Job Skills Partnership is one proven tool that provides training to thousands of incumbent workers each year. The City of Lakeville is in favor of legislation to address the following:

- Fully fund the Minnesota Job Skills Partnership and other workforce training programs administered by the Department of Employment and Economic Development, the Department of Human Services, and various education agencies.

- Provide additional flexible funding to local workforce councils, including governments and educational facilities, for the purpose of upgrading the skills and productivity of the workforce, and pursuing additional creative programming and funding to prepare and place underemployed and unemployed Minnesotans, as well as address the issue of those phasing out of the workplace and retiring.
- Provide additional funding for programs specifically designed to address youth employment such as career and workforce readiness programs, and employment disparities.
- Continue to support cities that provide workforce programs that are coordinated with and complement state and regional efforts by seeking municipal approval before making any changes to those service areas.

**B. On-Sale Liquor or Wine Licenses:**

Minn. Stat. § 340A.404 defines the establishments to which a city may issue an on-sale intoxicating liquor license. Every year cities see local businesses and organizations with innovative models for event centers, food halls, arenas, boutiques, museums, art spaces, and cultural or community centers that are not clearly named in this statute but would like to obtain a liquor license. Several cities have received special legislation allowing their municipalities to issue on-sale liquor or wine licenses to these types of entities. However, this process interferes with the ability of municipalities to respond expeditiously to innovative business models, controls the placement and operating manner of these entities, and limits municipalities from providing licenses for businesses that would generate local tourism and revenue.

The City of Lakeville supports legislature to modernize and expand the list of establishments in Minn. Stat. § 340A.404 to which municipalities are authorized to issue on-sale liquor or wine licenses, subject to restrictions imposed by the municipality, to allow for innovative business models and economic development within their jurisdiction.

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

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

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

~~**D. Expansion of Broadband Highspeed Internet:**~~

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

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

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

#### E.D. Tax Increment Financing (TIF):

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

## Housing

### A. City Role in Housing:

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

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



**Date:** 12/8/2025

## **USA 250 Celebration**

### **Proposed Action**

No action required - staff is seeking direction for planning purposes

### **Overview**

In 2026, the United States of America will celebrate the 250th anniversary of the signing of the Declaration of Independence. This semiquincentennial celebration is being commonly referred to as USA 250. Council asked that this topic be discussed at the December work session to determine what activities the City may want to plan for in the coming year.

### **Supporting Information**

None

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| <p><b>Financial Impact:</b> \$   <b>Budgeted:</b> No   <b>Source:</b><br/><b>Envision Lakeville Community Values:</b> A Sense of Community and Belonging<br/><b>Report Completed by:</b> Justin Miller, City Administrator</p> |
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