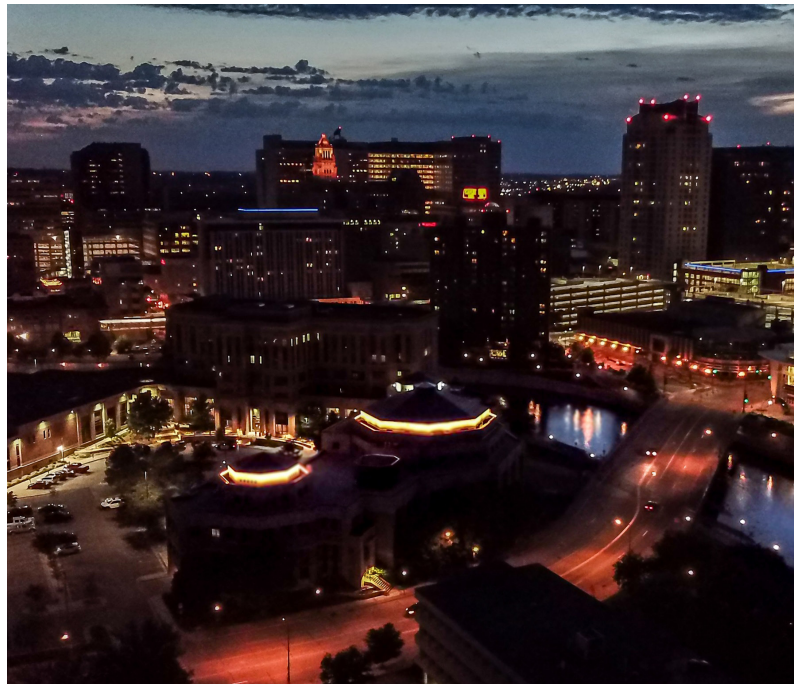




CITY OF  
**ROCHESTER**  
MINNESOTA

## 2022 LEGISLATIVE PRIORITIES



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**Strategic Priority:**  
Affordable Living

**Areas of Focus**

- Housing variety and affordability
- Transportation options and access
- Equitable regulatory landscape and creative incentives
- Access to opportunities and amenities

**Strategic Priority:**  
Economic Vibrancy and Growth Management

**Areas of Focus**

- Create clarity, alignment and unity with economic development partners in defining city leadership and community values
- Establish competitive and sustainable approach to effectively allocate DMC resources, Legislative allocations, and city revenue
- Develop implementation tools and strategies for Comprehensive Plan to ensure current decisions reflect future projections
- Adopt design guidelines that better reflect Council and community values

**Strategic Priority:**  
Quality Services for Quality Living

**Areas of Focus**

- Cultural and Recreational opportunities that provide access and equity
- The organization and Services reflect changing demographics and needs identified by community
- Operations are sustainable, integrated, and easy to navigate
- Service delivery is optimized, cost effective, and reflect our Foundational Principles

In order to achieve these priorities, the Council has committed to a legislative and process structure that emphasizes **Strategic Governance and Inclusive Decision-Making**:

- Service delivery models consider partnerships where City is not always the leader
- Decision-making is informed by citywide communication and engagement strategy with Diversity/Equity/Inclusion (DEI) at the forefront
- Teammates create action plans/annual commitments aligned with Foundational Principles and Strategic Priorities
- Policy and operational actions reflect equitable community investment





# ROCHESTER, MN

## BACKGROUND

The city of Rochester is the third largest city in the State of Minnesota with a population of over 119,000 and anticipated to grow by 50% over the next 20 years. It stretches across 55 square miles. Rochester is home to major employers including Mayo Clinic and our strong small business community. Rochester has been recognized as an All-American City, a Gold LEED certified City and is consistently recognized as one of America’s most livable cities. It hosts over 3.3 million visitors each year.

Rochester is a unique place that enjoys a growing and diverse population, a high employment rate, and international connectivity unlike other Midwestern communities of a similar size. As home to the Mayo Clinic, Rochester competes with cities across the nation and around the world for the best and the brightest minds in health and technology.

City residents overwhelmingly believe Rochester offers them a high quality of life, providing arts and entertainment typically found only in larger cities along with an accessible parks and trails system that contributes to community identity and livability.

## CITY OF FINANCIAL DISTINCTION

The City of Rochester has a AAA Rating

Rochester received a Certificate of Achievement for Excellence in Financial Reporting for almost 50 years, the longest in the state of Minnesota.

## 2018 COMMUNITY SURVEY RESULTS



**96%**  
feel accepted,  
valued, and  
welcomed



**96%**  
rate the  
quality of life in  
Rochester as  
excellent or good



**87%**  
believe that  
Rochester is  
headed in the  
right direction



**84%**  
consider the  
general value of  
City services as  
excellent or good





# DOWNTOWN HEATING AND COOLING DISTRICT ENERGY SYSTEM ROCHESTER (DESR)

## Project Overview

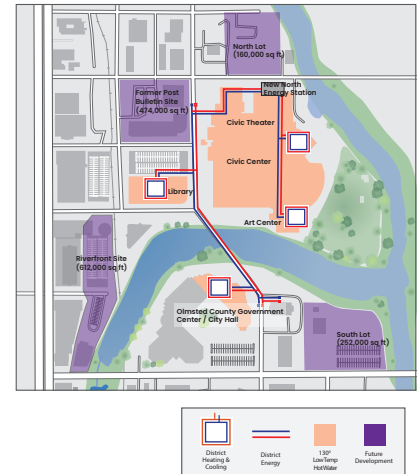
This District Energy System Rochester (DESR) project will create a downtown district energy system that will heat and cool 710,000 square feet of city buildings (Rochester Civic Center, Rochester Public Library, City Hall, and Rochester Art Center) with the potential to add other public buildings (such as Rochester Civic Theater and Olmsted County Government Center) and private developments onto the system in the future. This foundational and transformational project will have decades (50 years) of impacts toward the City of Rochester and State of Minnesota Energy Climate Action Goals. This project is positioned to be an incremental and scalable platform to accommodate proven and future renewable technologies such as solar thermal and geothermal. Movement toward decarbonization is expedited by this infrastructure project. District Energy Systems are networks of hot and cold water pipes, typically buried underground, that efficiently heat and cool connected buildings using thermal energy at reduced costs. This system will provide long term efficiency; decreasing operating and maintenance costs; and generating substantial environmental, economic, and social benefits.

## Project Funding Details

\$28M Total Project Cost (\$14M state bonding request)

## Background

The city buildings impacted are currently relying on steam from Olmsted County to heat and cool the facilities. Rochester's decision to move toward a District Energy System has been spurred by Olmsted County's decision to terminate City building steam service from its Waste-to-Energy facility in 2023 due to end of useful life resulting in frequent steam leaks and repairs. The City of Rochester does not currently have a back-up system or any redundancy to provide heating and cooling to these city buildings which makes the district energy system an urgent need.



The DESR will help the city work toward its environmental, sustainability, equity, and resiliency goals. The district energy infrastructure provides:

- system redundancy
- opportunities for future private development
- use of new advanced renewable energy technologies
- aims to achieve triple bottom line with economic, social, and environmental benefits

This project could provide distribution capacity for future connections up to 600,000 additional square feet. Additional investment in generation capacity would be required for these connections. These connections may be for adjacent public or private developments. There are both city-owned and privately-owned development properties near the system which could result in additional connections with additional capacity for the system. Future affordable or workforce housing development near the system could be considered and benefit from the system as well.

This project aligns with City of Rochester commitment to transition to 100% renewable energy by 2030 and other goals around greenhouse gas reduction (30% by 2025) and an 80% reduction in emissions by 2050. With additional investment, the system could incorporate solar thermal at its initial build-out and over time the system could accommodate future renewable energy components such as solar thermal, geothermal, open loop aqua thermal, heat pumps, solar PV panels, and other emerging renewable technologies.

# WILLOW CREEK TRAIL CONNECTION

## Project Overview

The project includes property acquisition, predesign, design and construction costs for property/easement acquisition, ½ mile of trail rehabilitation, creek crossings, approximately 2.5 miles of trail construction, accessible trail wayfinding & rest areas, and a trailhead located at the Gamehaven Regional Park.

## Project Funding Details

\$1.75M state bonding request (\$3.5M total project cost)

## Background

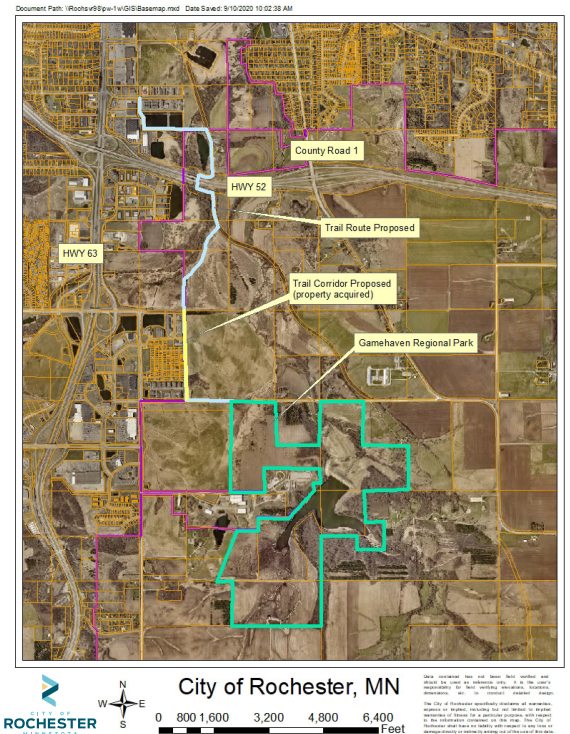
This project extends the City's trail network from approximately HWY 63|28th Street SE, proceeding under Trunk Highway 52, and to County Road 101|45th Street SE to the Gamehaven Regional Park.

The extension of the Willow Creek Trail meets key priorities outlined in the Rochester Park System-Wide Master Plan, goals of the Bicycle Master Plan, and connectivity goals of the city's Comprehensive Plan. This project has been anticipated and had various planning options since the late 1990's.

This project would provide a needed safe access connection for residents and visitors to segments of the City and to Gamehaven Regional Park that are currently cut off due to US Highway 52-- a key goal for the community. The trail would also help provide access to jobs, food, and recreation for at least 1,041 households within half a mile and 2,716 households within a mile of the project. US Highway 52 effectively isolates the city's Willow Creek neighborhoods from other neighborhoods, which include many recent multi-family residential properties, and the existing 40 miles of paved multi-use trails along the rivers and creeks throughout the city, providing most areas of the city with an interconnected network of off-road, multi-use pedestrian and bicycle paths. The proposed project would create a safe bicycle and pedestrian crossing under US Highway 52 that would provide a connection between the currently isolated path and trail network in the Willow Creek neighborhood to provide access to jobs, retail, and the community's larger network of trails. Additionally this trail connection could serve as a first point to connect to the Bluestem Trail in Stewartville, MN.

Without this safety and connection, large parts of the city and region are isolated from the 460-acre Gamehaven Regional Park (designated as a park of regional significance by the State of Minnesota Greater MN Parks and Trails Commission) and the 260-acre Boy Scout Reservation Camp. Connecting this park to the trail networks will further enhance the regional benefits of both the trail and park. Gamehaven Park is a regional facility that will provide facilities for a four-season active natural park including: snow tubing, mountain biking, hiking, cross country skiing and sledding, with an expected total development costs of \$14 million dollars.

If bonding is approved by July 2022, design and property acquisitions would begin in 2022 and project construction would commence in 2023.



# SILVER LAKE SEDIMENT REMOVAL, TRAIL SAFETY IMPROVEMENTS, AND PARK REVITALIZATION

## Project Overview

The Silver Lake Sediment Removal and Revitalization project would include dredging of Silver Lake, pedestrian safety improvements, and improved access to outdoor recreational opportunities. Project funding would include pre-design, design, engineer, construct, and equip sediment removal and revitalization near the Silver Lake Dam, located on the Zumbro River near the intersection of North Broadway Ave between West Silver Lake Dr. NE and 14th St NE. The primary driver for the project is to adhere to Army Corps of Engineers and flood mitigation requirements to remove approximately 200,000 cubic yards of sediment. The temporarily decreased water levels that would occur during dredging allow for an integrated project of improved trail connectivity around the lake and pedestrian safety improvements along North Broadway Avenue. Specific park improvement features are being informed by a community-driven master planning process and ongoing community engagement. Silver Lake Park improvements derived from community input sessions, recent surveys, and included in the adopted Park System Plan include improvements related to aquatics, skate park features, universal playground, shelter renovations, and trail connections that are both paved and natural.

## Project Funding Details

Bridge \$2.19 million  
Sediment \$5.18 million  
Dam Removal \$4.07 million  
Trail (full) \$1.9 million  
Future Park Improvements: \$10 million  
**Total Project: \$23.34 Million (state bonding request \$11.67M)**

## Background

Sediment removal in Silver Lake is needed to adhere to Army Corps of Engineers and flood mitigation requirements. Silver Lake was last dredged 25 years ago. In order to maintain the hydraulic profile of the channel and the effectiveness of the flood control system, 200,000 cubic yards of material will be removed and deposited at a reservoir site eight miles west of Rochester. The sediment is principally generated from agricultural areas outside of the City of Rochester.

An integrated project of trail improvements with sediment removal allows for advantageous construction conditions: with water elevations temporarily decreased and active construction taking place at one time. An integrated project includes removal of the 1937 Silver Lake Dam and replaces it with a 400 foot channel of cascading pools (see photos on next page for examples).





## SILVER LAKE SEDIMENT REMOVAL, TRAIL SAFETY IMPROVEMENTS, AND PARK REVITALIZATION (CONT.)

This approach aligns with other efforts from Department of Natural Resources to restore water bodies to more natural pathways by removing traditional dams. This modification maintains major flood elevations, allows the remainder of Silver Lake to remain in place upstream, provides unobstructed passage for fish and aquatic animals, and increases recreational uses like canoeing and kayaking. An integrated project would reduce maintenance costs and minimize risk.

In addition to the dam modification, the project incorporates pedestrian features including a bridge and pedestrian trail. These improvements would provide for a needed safer pedestrian crossings of Silver Lake/Zumbro River. It would also provide connections to other trails and improve access to Silver Lake Park trail use including walking, running and biking.

The 125 acre park has wide ranging recreational amenities that are well used by community members and visitors, but the park amenities are also well worn and need replacement.

Current park infrastructure includes:

- 1950's vintage former fire station that needs renovation
- 1958 Pool & pool house
- 16 year old skate park area that needs renovation
- baseball/softball diamond
- several shelter areas that need updates renovation and one replacement
- court areas which can no longer be used as Tennis due to the cracking
- various small playgrounds of differing ages and qualities
- park roads and parking lots
- soccer field
- pedestrian/bike trails
- paddle boat and rowing club areas

Design would occur in 2022 and 2023. Dredging would also begin in 2023-2024. Lake-related work would be completed in 2024-2025 with parks improvements subsequent.



Examples of cascading dams in the Midwest.

# LOCAL BRIDGE REPLACEMENT PROGRAM FUNDING

## Issue

Under Minnesota State Statute 174.50, the Local Bridge Replacement Program provides local agencies transportation funding for the reconstruction, rehabilitation or removal of bridges or structures in their local road system through general obligation state bond funds.

## Problem

Bridge maintenance and replacement costs are heavily outpacing the bonding dollars that have been passed by the legislature. In addition, the funds available for the program vary with each legislative appropriation. In 2011, 2013, and 2016, the legislature did not provide any funding.

A critical finding was discovered in 2018 for the Elton Hills Drive Bridge (#55514), and two lanes of traffic were closed to better determine the corrective action. These two lanes have been closed for three years. This bridge requires a full replacement project, and necessitated the need to apply for State Bridge Bonding (SBB) dollars. The cost of replacement is \$5.1M, and the City secured \$1.61M in federal funding toward the project, \$2.5M in State Aid funding, and the remaining \$1.0M was from the Local Bridge Replacement Program. **Due to the similar age of other bridges in the community, an increased and continued need for bridge repairs and replacements is anticipated in the future. In order to address the necessary work for these other projects, there needs to be consistent and adequate funding.**

## Solutions

The City supports additional and consistent funding into the Local Bridge Replacement Program.

## Impact

Bridges connect workers to jobs, people to necessary services, and provide critical access between different cities and regions. Allowing bridges to continue in states of disrepair will result in complications for safety, mobility, and economic activity in the City of Rochester and the State of Minnesota. Support for an increase in funding for the Local Bridge Replacement Program will ensure that these necessary benefits are maintained.





# PARKLAND DEDICATION

## Issue

Currently, new residential development results in only partial provision of public park spaces in the community. Current enabling legislation allows the municipality to require dedication only if the property is 'subdivided.' Minneapolis and St. Paul have received special legislation that allows their municipalities to require parkland dedication when most development occurs. This authorization was handed down due to the amount of development/redevelopment of existing parcels in the Twin Cities that does not require subdivision of the property but still generates need and impact for the park system. Rochester is in a similar situation.

## Problem

Rochester is experiencing redevelopment/development challenges similar to those of Minneapolis and St Paul whereby we are anticipating 10,000 new residential units over the next 20 years along with multiple types of commercial & retail development in the downtown core. If legislation allowing a modification to the enabling legislation is not provided, the development of these properties will not be making contributions toward the public park spaces they will be demanding the city provide. Examples of this would be the recently completed Riverwalk Apartments that created 152 residential units where 3 homes once stood or the 324 Apartments that created 50 units on a small 8000 square foot commercial lot, both in the downtown area. These types of projects greatly increase the need for parkland without providing any associated funding to support their resident's desires. Even with a nominal per unit park dedication charge similar to what the metro area charges the funding provided would be a step towards enhancing existing older parks and trails serving these community members.

## Solutions

The primary option to address this challenge is to enact special legislation, like Minneapolis and St. Paul did, to allow Rochester to enact parkland dedication requirements for any development without the requirement for 'subdivision' of property.

## Impact

The purpose of this legislation is twofold. First, this is intended to equalize the terms of development across the entire spectrum of properties in the community. Secondly, it aims to provide adequate parkland improvements serving the downtown area. Additional park usage and demand from residents was particularly evident during the pandemic and will continue into the foreseeable future.





# HOUSING

## Issue

A recent Maxfield Housing Study of the City of Rochester and Olmsted County demonstrated a need for over 18,000 housing units through 2030, including over 5,400 senior housing units, over 5,000 rental units (including market rate, naturally occurring affordable, and subsidized), and over 5,600 new and existing single-family homes.

## Problem

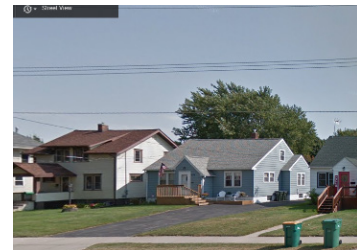
Approximately one-third of Rochester's households have a need for affordable housing. While different measures might be used to define affordability, the general definition most often used is that housing costing more than 30% of a household's income is not affordable. The greatest need is for housing options at 30-55% Area Median Income (AMI), housing options at 70-90% AMI level are also needed to address majority of new job growth in construction, education and health care sectors.

## Solutions

- Support for increased state funding for housing infrastructure bonds (HIBs) and general obligation bonds, as well as sources for public housing rehabilitation, to help address the immediate and growing need for affordable housing.
- Policies that will prevent and reduce evictions and increased notices of, and protections for, those being displaced especially during the harsh and potentially dangerous winter weather months.
- Support energy efficient new affordable housing, as it will benefit struggling residents by lowering monthly costs and the possibility that costs of poorly constructed buildings are shifted onto its residents, in addition to aiding our move to a zero carbon community.
- Support programs and funding for the preservation of current housing stock, including reenacting the "This Old House" program, increased access to home ownership and tenant protections.
- Funding the Greater Minnesota Housing Naturally Occurring Affordable Housing (NOAH) Fund.
- Support the League of MN Cities efforts around housing and race equity that align with the city's goals, including reducing racial disparities in home ownership and cost burdens for renters.
- Examine tools and changes to assist with lot availability and first-time homebuyers.
- Changes to 4d program that will provide for additional local flexibility and usage.
- Changes to MN Housing Finance Agency scoring criteria to reward projects that utilize existing transportation and other service infrastructure.
- Targeted funding for temporary homeless sheltering, warming houses and other support, including increased mental health and chemical dependency treatment programs to reduce future growth in homelessness and to protect our residents struggling with these issues. This includes support for the Emergency Services Grant Program (ESP), aid dedicated to providing homeless services, and programs to support capital investment in local facilities.

## Impact

These solutions will help implement the findings from the 2020 Affordable Housing Study, including near-term and long-term Affordable Housing Policy Recommendations, to support the creation and retention of affordable housing in Rochester.



# STREET IMPROVEMENT DISTRICT AUTHORIZATION

## Issue

Similar to other cities in Minnesota, Rochester will face major financial constraints in the future due to the cost of maintaining and repairing the city's network of streets. Currently, there are over 100 miles of streets that are at least 51 years or older. This presents a looming financial challenge for the city of Rochester. There is currently \$9 million of annual funding for preserving, rehabilitating, and construction/reconstruction. However, Rochester is still facing an annual shortfall of \$23 million to adequately address current and future needs for the city for the next 50 years.

## Problem

Utilizing traditional methods such as the tax levy would place a heavy burden on the citizens of Rochester. Including the \$23 million would result in a 40% increase in the tax levy. Growing to this \$23 million over time by adding an additional \$1 million every year would, in time, increase the city levy by 1.8% for residential properties and 1.75% for commercial. The City needs to diversify its revenue sources with an alternative method to defray the costs of street improvements.

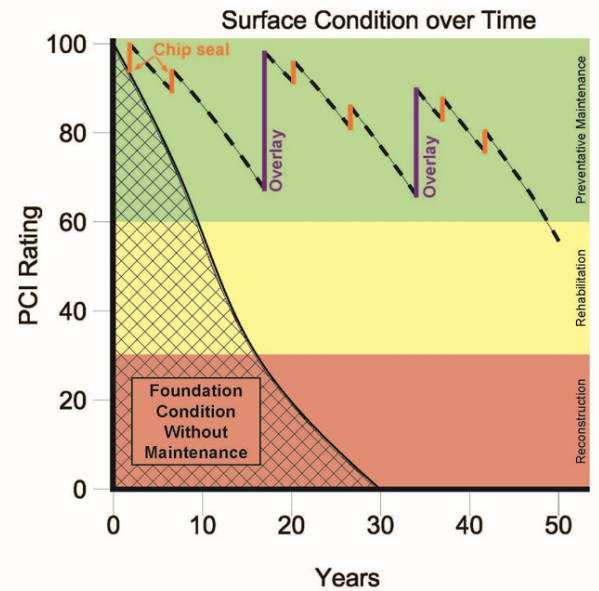
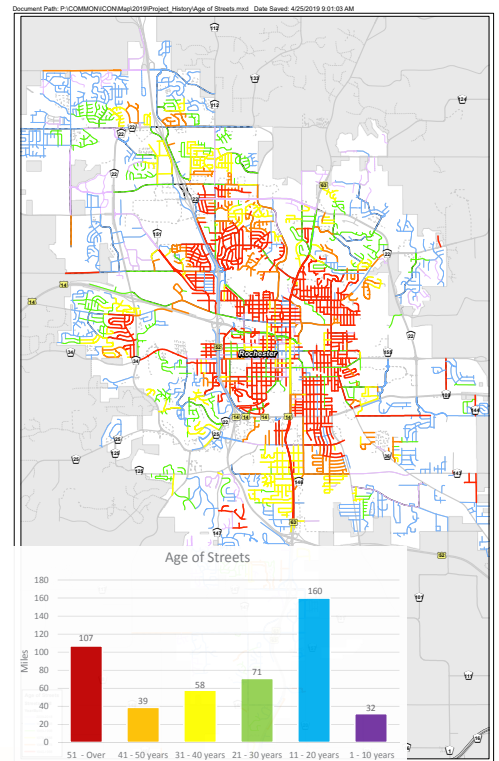
## Solutions

A bill to create a street improvement district specifically for the City of Rochester, cities of the First Class, or all cities in Minnesota. In general, the goal of the legislation would be to:

- Create a fee that is collected on all parcels at a monthly rate and on a uniform basis.
- Place revenues in a separate account and only use funds for street maintenance projects, for reconstruction or to provide preventative maintenance to extend the road's life cycle.
- Allow the City to transition away from assessments that can inequitably impact a property owner based on the timing of property ownership. In addition, the greatest street reconstruction needs in residential areas are often going to be in areas that will have the greatest challenge in paying the assessment. For businesses, assessments represent a significant financial commitment while they are simultaneously navigating impacts from construction.

## Impact

Enacting a street improvement district will allow the City to have a long term financial plan which addresses the growing infrastructure needs, lowers the financial investment needed over time and begins to address a significant unfunded future liability.





# POINT SOURCE IMPLEMENTATION GRANT (PSIG) FUNDING FOR NEW PHOSPHORUS LIMIT

## Issue

The State of Minnesota's new regulations for lake and river eutrophication standards require the City of Rochester to have a more stringent phosphorus limitation on wastewater treatment plant discharge (less than 1 mg/l). This will require different treatment technology than is currently at the Water Reclamation plant. The Point Source Implementation Grant (PSIG) is a program that provides local governments 80% grant funding up to \$7 million to help fund some of the costs to meet these new requirements.

## Problem

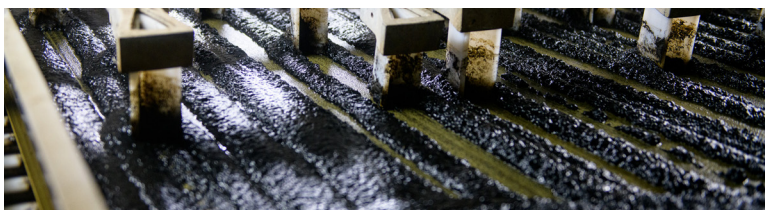
To ensure that the City of Rochester is able to access these PSIG funds in the future, it is important to make certain that the Public Funding Authority (PFA) bonding request and final legislative appropriation is enough money to support the requests coming from local government for this grant money. Rochester has requested PSIG funds and is on the project waiting list.

## Solution

Support a Public Facilities Authority (PFA) request for Point Source Implementation Grant (PSIG) of at least \$75 million.

## Impact

The MPCA recently changed the regulation on phosphorous limits for surface water. Increasing Rochester's chance to receive PSIG funding will support construction and work on current wastewater and storm water treatment facilities to meet these standards and improve the water quality in Rochester. Without this PSIG funding, the City of Rochester would pay an additional \$7 million to upgrade the Water Reclamation to assure that the new lake and river regulations are met.





# PARKING FINE REVENUE SHARING

## Issue

As part of the State government’s efforts to raise revenues without resorting to tax increases, the State government enacted a \$3 parking ticket tax in July of 2003, followed by the enactment of an additional \$1 parking ticket tax in July of 2006. The amount charged for a Rochester parking ticket was \$9, with \$5 going to the City of Rochester and \$4 going to the State. In 2009, the State legislature passed an Omnibus Public Safety Appropriations Bill, which increased the state imposed parking ticket revenue from \$4 to \$12.

## Problem

The City issued 18,296 parking tickets in 2020 and was required to pay \$219,552 to the state for the surcharge. As it currently stands, the City’s ability to adjust the parking fee for the purpose of covering the cost of enforcement, as well as collection and enhancing the revenues, is hindered by this substantial surcharge.

## Solution

Eliminate the State surcharge on parking tickets.

## Impact

The main purpose of the City’s parking ticket charge is to ensure there is adequate turnover in the parking meters to provide spaces for individuals who come into the downtown area for shopping, eating, or entertainment. The State’s surcharge does not contribute operationally to the management and implementation of the program.

PARKING VIOLATION			
CITY OF ROCHESTER STATE OF MINNESOTA			
PARKING CITATION			
Issue No.	Issue Date	Issue Time	
Agency	GEO Code		
Location	Meter Number		
<b>Violation</b>			
Ordinance: 11-6-34(b)(2)			
<b>EXPIRED METER</b>			
Due Now	After 11/28/2020	12/08/2020	12/18/2020
<b>\$20.00</b>	<b>\$25.00</b>	<b>\$30.00</b>	<b>\$45.00</b>
<b>Vehicle</b>			
License	State	Plate Type	
		Make	
Body Type	Color		
<b>Remarks</b>			
Officer Shield:		Officer Name:	
All tickets include a \$12.00 surcharge required by the State of Minnesota			
Pay on-line at <a href="http://www.rochestermn.gov/parkinginformation">www.rochestermn.gov/parkinginformation</a> or see reverse side for payment instructions			



# GREEN ENERGY CODE / STATE BUILDING CODE

## Issue

Buildings consume large amounts of energy and are a leading contributor to greenhouse gas emissions. In 2017, Minnesota’s building sector made up 40.6% of the total energy consumed in the state, 19.5% of which was from within the commercial buildings sector, including high-rise multifamily buildings. Cities, including Rochester, need the authority to require new and renovated commercial buildings be designed and constructed with the modern, more durable building solutions that are currently available.

## Problem

Increasing building efficiency is one of the most impactful ways state and local governments can improve the comfort and health of residents, reduce costs for building owners, and make progress toward climate goals. Currently, state law prohibits cities from deviating from the state energy code. This delay in updating the standards for buildings does not further goals around emissions reductions. Further, tools like these are listed in Rochester’s Energy Action Plan as opportunities to help the City realize its City Council adopted environmental goals.

## Solution

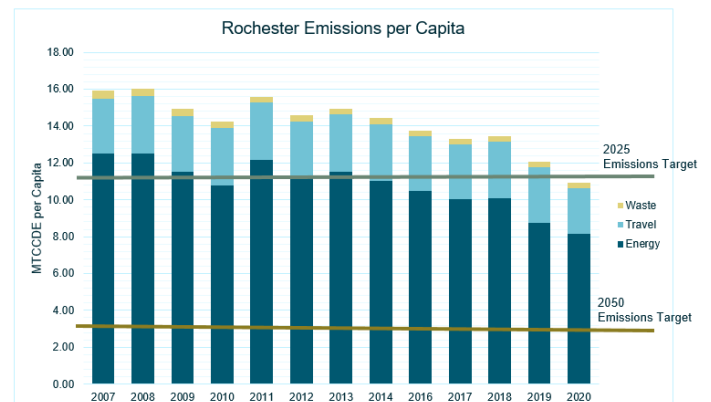
Support legislation that would enable local entities to adopt higher commercial building energy standards that would result in lower energy costs while reducing air pollution and contributions to global climate change. For example, legislative authority that would allow Minnesota cities to opt-in to the International Green Construction Code which lays out comprehensive sustainability measures for entire construction projects. Additionally, ability for cities to adopt the State of Minnesota SB 2030 Energy Standard in order to curb the energy use and carbon emissions of local buildings would be helpful (SB 2030 must be met by all projects receiving general obligation bond funding from the State of Minnesota, however it can also be voluntarily applied to any new or renovated building during the design phase).

As supported by the League of MN Cities and other cities around the state, the City of Rochester supports legislation that gives municipalities the authority to voluntarily adopt a uniform advanced energy building standard beyond the base statewide commercial code for the construction, reconstruction, and alteration of public and private commercial and multifamily buildings.



## Impact

Buildings must become more efficient if the State’s carbon-reduction goals are to be reached. The State is currently not on track to meet its statutory greenhouse gas reduction goals of 30% reduction from 2005 levels by 2025, nor is it on track to meet the 80% reduction by 2050 goal. Rochester will need to implement changes as proposed in this area to meet its long term greenhouse gas reduction goals included in the City Council adopted Energy Action Plan.



# STATE LIMITS ON LOCAL COMPENSATION

## Issue

Minnesota State Statute 43A.17 limits the amount of compensation statutory and home rule charter cities may pay employees. The limitation does not allow employee salaries to exceed 110 percent of the governor's salary in 2005, with annual increases based on CPI-U increase over the prior year.

## Problem

This wage cap exists in Minnesota, and not in other states which border Rochester and pay considerably higher wages to their executive-level employees as does the school system (which is exempt from this statute) and other large employers. This salary compensation cap has proven to have a negative impact on employee retention and recruitment. It also compresses the wage scale throughout a local government organization—for example, making it challenging for local governments to hire highly technically-trained professional positions that compete with comparable private sector positions.

## Solution

Consistent with policy language adopted by the League of Minnesota Cities (LMC) and MN Municipal Utilities Association (MMUA), remove the salary limitation so that Minnesota may pay their executive-level professionals market competitive wages. Allow local elected officials to determine employee compensation.

## Impact

The City of Rochester, including Rochester Public Utilities (RPU) wishes to retain existing talent and wishes to offer more competitive salary packages similar to those provided to local government professionals in bordering states within the same-sized jurisdiction.





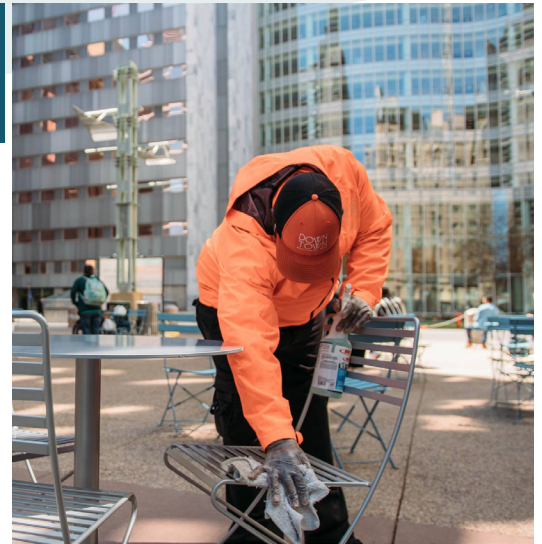
## OTHER AREAS OF SUPPORT

### The City of Rochester supports:



The legislative platforms adopted by the **League of Minnesota Cities**, to the extent they do not conflict with the City's Legislative Priorities, or related Council action, including:

- o **Protecting local government aid (LGA) funding**
- o The potential use of **Special Service Districts (SSDs)** for mixed-use districts that include residential and commercial/industrial properties
- o Alternatives to print **newspaper publication requirements**
- o **Protecting local authority related to development fees, zoning, and planning**
- o Efforts around **racial equity** in Minnesota
- o **Veterans preference promotional probationary period, PERA disability presumption** and health insurance costs
- o Updates to the **arbitration process**
- o Updates to open meeting law requirements for interviews
- o Allow virtual meetings attendance for boards and commissions
- o Catalytic converter theft prevention
- o State involvement in massage therapy regulation, including consideration of a centralized database
- o Data practices updates related to body camera redaction of first responders and mental health data sharing for co-responder or other similar models
- o State funding to local governments in implementing the Data Practices Act
- o Support MN Library Association efforts to provide more stability and funding for library services, with the understanding it would not diminish local government aid or other city funding



Credit: Will Forsman



Legislative authority to advance **Public Private Partnerships (P3)**.



Incentives to **encourage reinvestment in historic properties** through tools such as the Mills Act in California where local governments can create programs that limit property tax increases when qualified investments are made and also extension of State's Historic Tax Credit program.



**Assistance with managing additional PFAS requirements in wastewater** with potential funding for managing, cleaning up, measuring and/or banning PFAS materials at the source.



The evaluation of Minnesota Rules to allow **flexibility for School Districts** to design schools on **smaller sites in urban areas**.

## OTHER AREAS OF SUPPORT (CONT.)



Updating **Minnesota Statute** to align with new federal interpretation by the **Federal Transit Administration (FTA)** to allow for **small commercial/retail at transit stops**



**Additional funding and economic flexibility** for economic recovery



Flexibility around **local sales tax process** and allowable uses



**Funding for retrofitting sprinklers** in privately owned multi-family properties



Extension of **airport bonding authority** received in 2020 to cover entire duration of project.



Local fee options and state funding to support **emerald ash borer and urban forestry**



Funding for the **state arts board**, including regional grants that can help provide additional opportunities for **Rochester Civic Music, Rochester residents, and visitors**

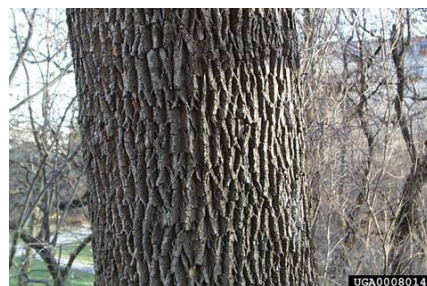


Potential special legislation to assist **local businesses interested in liquor licensure** that are not currently adequately addressed in Minn. Stat. 340A. Specifically, allowing full intoxicated liquor licensure for businesses such as **food halls, health/wellness service providers, group art classes, bridal boutiques, museums, and art exhibits** in the City of Rochester



Support **partnerships and funding around workforce development** and readiness

### RUNWAY IMPROVEMENTS





# Federal Legislative Priorities 2022

## FEDERAL TRANSIT ADMINISTRATION - RAPID TRANSIT FUNDING



### Overview

The Rochester Rapid Transit Project is a proposed 2.6-mile bus rapid transit (BRT) route along 2nd Street SW that will connect downtown Rochester, the Mayo Civic Center, Mayo Clinic campuses, and the Rochester-Olmsted Government Center. This project is the first in a series of planned investments in transit that will provide fast, frequent service across the City of Rochester. The development of BRT will support the City of Rochester and Destination Medical Center district transportation, economic development, and livability goals and substantially increase public transportation use in downtown Rochester.

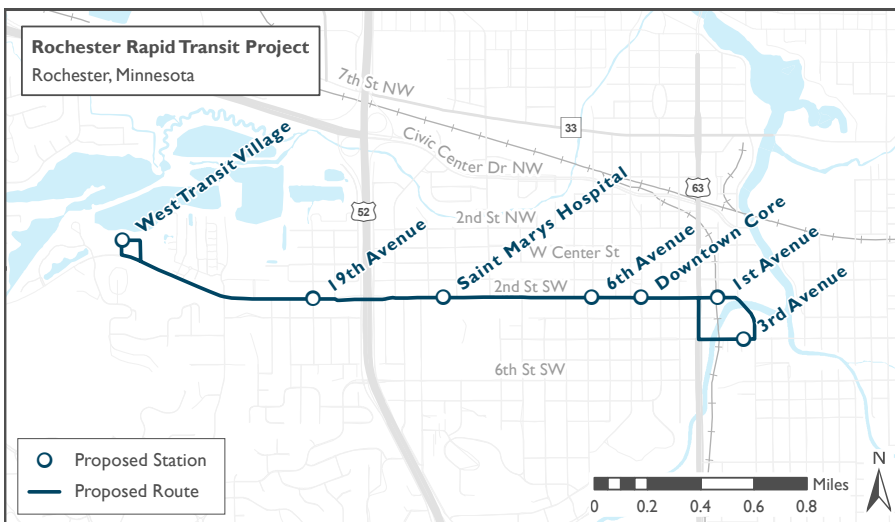


Civic Center – Westbound Station (Looking East)  
ROCHESTER RAPID TRANSIT  
Station Site Renderings  
SRF  
APRIL 27, 2021

Downtown Rochester is expected to grow significantly in the next 20 years, with an expected 65 percent increase in employment and 30 percent growth in population, resulting in a corresponding increase in downtown trips. Trips downtown are currently made primarily by private vehicle, and if this pattern continues, people traveling on 2nd Street SW will experience significant delays as a result of traffic congestion. This project plays a critical role in the City of Rochester’s goal to increase the proportion of trips made by transit from 10 to 30 percent by 2040.

### Project Amount

The current cost estimate is \$114 million with 49% (\$55.8 million) being requested from the Federal Transit Administration’s (FTA) Capital Investment Grants (CIG) Small Starts program. The estimated annual operating cost is \$2.8 million



# USDOT RAISE GRANT – 6TH STREET BRIDGE

## Overview

The City of Rochester, Minnesota, is applying for “Rebuilding American Infrastructure with Sustainability and Equity” (RAISE) funding from the U.S. Department of Transportation (DOT). This project request is for planning and design work for a new Sixth Street Bridge over the South Fork of the Zumbro River as part of the Downtown Southeast Waterfront Development Site. The 6th Street Bridge—would help Rochester grow more efficiently by making better use of formerly-industrial land close to the center of the city. Federal assistance will help Rochester prepare for infrastructure improvements to connect the street network across the river, enhance pedestrian and biking opportunities, improve safety and emergency response, promote economic development, provide better transit options, reduce greenhouse gas emissions, and foster redevelopment.

In 2020, Rochester launched an effort to develop a “Downtown Waterfront Southeast Small Area Plan,” seeking to revitalize 60+ acres adjacent to the Zumbro River. The City plans to revitalize this economically-distressed area with mixed-use development. Former industrial properties and parking lots will be transformed into a historic warehouse district with a variety of housing options, opportunities for local businesses, inviting public spaces, and riverfront activation. The proposed 6th Street Bridge will connect a racially diverse neighborhood more closely to the amenities of downtown Rochester.

## Overview

Rochester seeks \$1.3 million in RAISE planning dollars to support the design of the 6th Street Bridge (total project cost \$1.625 million).





## OUTDOOR RECREATION LEGACY PARTNERSHIP PROGRAM GRANT – SOLDIERS FIELD PARK

### Overview

Funding to support recreational improvements at Soldiers Field Park. Soldiers Field Park is a 147-acre recreational facility located between Rochester’s underserved Downtown, Historic Southwest, and Slatterly Park neighborhoods. The park serves a diverse, economically-distressed population. The surrounding area (Census Tracts 1, 3, 4, 10, and 11) is 23.8% minority, with concentrations of Black/African American (9.9%), Hispanic (6.5%), and Asian (6.2%) persons. According to the U.S. Census Bureau, poverty is 39.9% in Census Tract 1 (four times the county and state levels and three times the national rate) and 17.1% in Census Tract 3. The site abuts the South Fork of the Zumbro River and provides opportunities for residents and visitors to enjoy healthy lifestyles in the heart of the city. With Outdoor Recreation Legacy Partnership resources, Rochester will restore Soldiers Field Park with new aquatic features (including a lap pool, diving pool, toddler pool, splash area, and bathhouse/locker facilities), an inclusive playground, trail connections, and a picnic shelter.

### Project Amount

Grant funding request: \$5 million (Total project cost: \$12.2 million)



## OUR TOWN GRANT – ALLEY ACTIVATION

### Overview

Funding to support the "Art of Health" multi-sensory art installation and alley activation project in Rochester, Minnesota ("America’s City for Health"). Local artist Eric Anderson will create and install a permanent outdoor exhibit ("The ARtery") in the downtown Heart of the City (an Opportunity Zone) that indicates in real-time – through lights, water features, etc. – the profound moments of hope and healing taking place at the Mayo Clinic – when a baby is born, a patient receives a life-saving organ transplant, the completion of radiation treatments, or a cancer-free pathology report. Alleys (or "veins") connecting to the Heart of the City will also be transformed and activated with murals, artistic lighting designed by Rafael Lozano-Hemmer, and other art features to reclaim underused public spaces, provide places for festivals and cultural activities, and improve downtown accessibility.

### Project Amount

Grant funding request: \$75,000 (Total project cost: \$3 million)

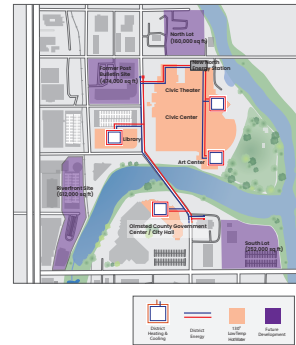
# CONGRESSIONAL DIRECTED REQUESTS

## City of Rochester requests:

- 1 – **Downtown District Energy System** in Rochester, MN (\$5M)
- 2 – **Records Management System** in Rochester, MN (police department)
- 3 – **Water Reclamation Plant** – Phase 2 Liquid Treatment Upgrade
- 4 – **Workforce Development for BIPOC Women** in Rochester, MN (pairs with Harvard/Bloomberg grant request)
- 5 – **Community Collaboration Program** in Rochester, MN (police department)
- 6 – **Willow Creek Trail** in Rochester, MN
- 7 – **Conservation Corps Program** in Rochester, MN (from CARES)

## MORE INFORMATION

1 – **Downtown District Energy System** in Rochester, MN (\$5M) – The City of Rochester seeks Energy Efficiency and Renewable Energy funding to create a downtown District Energy System that will efficiently heat and cool connected buildings using thermal energy. Nearly 2.3 million square feet of undeveloped property sit in the area that could be served by district energy, offering developers the chance to tie in and reduce construction costs related to building-based heating and cooling systems. The proposed project will produce significant benefits, including: decreased building operations/maintenance costs, reduced fossil fuel use and greenhouse gas emissions, more predictable energy costs, and compact urban development.



2 – **Records Management System** in Rochester, MN (police department) (\$500k) – The City of Rochester seeks COPS Technology and Equipment funding to adopt a Records Management System that integrates the Rochester Police Department’s mobile video and digital storage technologies into a cloud-based report writing and storage solution. An RMS will enable the agency to store, retrieve, retain, archive, and view information, records, or files pertaining to law enforcement operations. This federal investment will help to Rochester Police Department to save time, improve transparency, and increase public trust.

3 – **Water Reclamation Plant** – Phase 2 Liquid Treatment Upgrade (\$935k) – The City of Rochester seeks State and Tribal Assistance Grant funding for the effluent disinfection portion of the Water Reclamation Plant’s Phase 2 Liquid Treatment Upgrade, listed on Minnesota’s 2022 Intended Use Plan. The proposed project will increase the efficiency of the existing wastewater system, add effluent flow metering, and incorporate reaeration prior to discharge to the receiving stream.



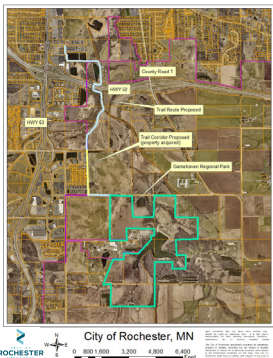


## CONGRESSIONAL DIRECTED REQUESTS (CONT.)



**4 – Workforce Development for BIPOC Women in Rochester, MN** (pairs with Harvard/Bloomberg grant request) (\$750k) – The City of Rochester seeks Training and Employment Services funding to develop a workforce development program for BIPOC women focused on education, training, cultural destigmatization, supportive services, and changes to work culture, contracting, and hiring. Equitable economic recovery in Rochester will require addressing barriers to entrance and advancement for BIPOC women within construction and related fields. The proposed project seeks to triple BIPOC women participation in DMC projects, which will generate \$51.2 million in income for BIPOC women over 20 years and create lasting, viable career pathways.

**5 – Community Collaboration Program** in Rochester, MN (\$350k) – The City of Rochester seeks Byrne Justice Assistance Grant funding to launch a Community Collaboration Program focused on two audiences, youth and diverse residents. The initiative will provide opportunities for these groups to interact in non-confrontational settings and build trust. The program will improve law enforcement relations with citizens, which will lead to increased reporting, less police conflict, and crime reduction.



**6 – Willow Creek Trail** in Rochester, MN (\$1.7M) – The City of Rochester seeks Highway Infrastructure Programs funding to develop a 2.5-mile, paved Willow Creek Trail, crossing under U.S. Highway 52 and connecting the southern quadrant of the community to the larger City network of trails. Federal investment will produce significant benefits, including enhanced transportation mobility, particularly for low-income residents with no access to a vehicle; reduced carbon emissions and energy use with more walking and biking trips; improved physical and mental health outcomes as people start recreating outdoors; and increased property values.

**7 – Conservation Corps Program** in Rochester, MN (\$400k) – The City of Rochester seeks State and Private Forestry funding to support tree planting, invasive species removal, and park clean up efforts. Federal investment will support the planting of 3,000 more trees in the community. Tree planting efforts will produce significant community benefits, including: employment opportunities for unemployed and underemployed residents; reduced stormwater runoff and contamination of local waterways; lower electric bills and energy use as a result of shaded buildings; sequestration of carbon emissions and mitigation of climate change; filtering of air pollutants and fine particles; enhanced urban biodiversity with more habitat; improved physical and mental health outcomes as more people recreate outdoors; and increased property values.



## 2022 Mayor and City Council Members



Mayor Kim Norton



Brooke Carlson  
City Council President



Patrick Keane  
City Council Member  
1st Ward



Mark Bransford  
City Council Member  
2nd Ward



Nick Campion  
City Council Member  
3rd Ward



Kelly Rae Kirkpatrick  
City Council Member  
4th Ward



Shaun C. Palmer  
City Council Member  
5th Ward



Molly Dennis  
City Council Member  
6th Ward

## Questions?

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**Cindy Steinhauser, Deputy City Administrator – DSIC**  
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