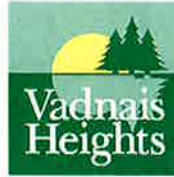


Mike Krachmer
Mayor

651.645.4138 *Phone*
Mike.Krachmer@cityvadnaisheights.com



The City of Vadnais Heights
800 East County Road E
Vadnais Heights, MN 55127

August 21, 2024

VLAWMO Board of Directors
800 East County Road E
Vadnais Heights, MN 55127

Dear Board of Directors:

Thank you for your service to your communities and to VLAWMO. The City of Vadnais Heights appreciates the partnership between our organizations and wishes to offer our support of the wetland replacement plan submitted on behalf of Reuter Walton being considered at your August 28 meeting.

While the request before the Board only concerns replacement of a small wetland on city-owned property, there is context and nuance to this matter beyond the technical analysis that is important to convey as you consider the request before you.

The City Council is unanimously committed to facilitating increased affordable housing opportunities within the community. To inform that strategic commitment, a Housing Study was completed in 2023 that includes detailed information and data regarding the housing inventory and market conditions to identify strategies for meeting community housing needs. Among the most compelling community characteristics was that almost 60% of renter-households are housing cost burdened – meaning that this share of households pays over 30% of their income in housing costs. In addition, that percentage is higher than the regional trend and almost half of cost-burdened households in the community pay over 50% of their income on housing costs. The Study concluded that affordable housing options of various types for lower to moderate income individuals and families is a community need.

The worsening housing crisis will not solve itself and increasing pressure from the State during the last legislative session to further restrict local land use authority is evidence of that unfortunate reality. In recognition of our limited abilities to address the housing supply shortage, the City Council has taken a proactive approach to partner with affordable housing developers on available city-owned property to construct high-quality, rent-restricted housing. In addition, affordable housing is a regional amenity that supports the business community by increasing workforce and consumers.

Compounding issues affecting new affordable housing supply are the inherent financing obstacles and limited available land within qualified census tracts. The City has agreed to provide the land and tax increment financing, and the developer has secured the required public and private investments to deliver a successful project and begin construction this fall. The only remaining piece of the puzzle is the proposed wetland replacement. Development is complicated and rarely follows a straight, defined process. Ideally, this request would have preceded other steps in the approval process, but that is not a reality in the current environment – especially concerning affordable housing.

In recognition of the competing priorities between housing development and wetland preservation, the City Council respectfully requests the Board's consideration for approval of the application. The importance of this work needs to be shared by all governmental organizations, in cooperation with the private sector, and partnerships are necessary to accomplish meaningful progress towards increased affordable housing supply in our community.

Sincerely,

CITY OF VADNAIS HEIGHTS

A handwritten signature in black ink, appearing to read "Mike Krachmer", with a long horizontal flourish extending to the right.

Mike Krachmer
Mayor