



February 9, 2026

Senator Keri Heintzeman
95 University Avenue West
St. Paul, MN 55155-1606

Representative Ben Davis
2nd Floor Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

Re: City of Grand Rapids 2026 Legislative Priorities

Dear Senator Heintzeman and Representative Davis;

The City of Grand Rapids appreciates your efforts at the Capitol to improve the lives of our residents and businesses. As you begin the 2026 legislative session, the City would appreciate if you work on our legislative priorities. You will find common priorities with the Coalition of Greater Minnesota Cities which are attached for reference. The City's priorities follow:

1. Old Central School – Thank you for your continued support on securing funding in an amount of \$3.8 million from the Arts and Culture Heritage Fund.
2. Local Government Aid (LGA) – One of the most direct ways to minimize city property taxes is to support LGA. The City requests that you pursue an inflationary escalator so that LGA assists with cost of living increases.
3. Property Tax Burden Shifts – Despite the City **not increasing** its levy payable 2026 from 2025, residential homes are experiencing major property tax increases. This is due commercial/industrial property values not increasing while demand for residential homes continues to be high, driving up estimated market values. An average value home will see up to a \$1,000 increase in property taxes (county, ISD, city) and the largest big box store in the city will only see a \$2,500 increase. This does not appear to be equitable.

One way to address this inequity is to make changes to the commercial/industrial/utility class rates. Currently, the first \$150k of estimated market value (EMV) is at 1.5% and above \$150k of EMV is 2.0%. The State should consider expanding the class rates. For example, a majority of the commercial properties in our city have EMV's under \$500k. It would be nice if the State implemented additional increased class rates for properties between \$500k and \$1m and above \$1m at 2.5% and 3.0% respectively. A concept like this would shift some of the tax burden off of residents without the big box stores being able to fight their EMV's in tax court.

4. TH 169 Cross Range Expressway – The City is a supporting member of the Range Gateway 169 Coalition with mission of completing the double lane highway of TH 169 between Scenic Highway 7 and Pengilly. Your support of State and Federal funding would be greatly appreciated.
5. Library Funding – Minimum funding levels of support for counties and cities has been frozen since 2011. As a result, this freeze creates inequities in funding for city and county residents. It also has resulted in the reduction of library services in greater Minnesota. As an example, the City's minimum funding is \$391,618 and Itasca County's is \$342,709. Since 2011, Grand Rapids funding has increased to \$825,128, while the County has increased their funding to \$392,709. Library checkouts are 37% city residents versus 49% non-residents and 31% of card holders are city residents versus 69% non-residents. The City is requesting that you pursue "unfreezing" the minimum library funding.
6. Housing – The City is estimated to have a need of 1,200 additional housing units by 2029. We currently have around 220 units under construction. Please advocate for continued funding through the Greater MN Housing Infrastructure Program.

Thank you for serving the City of Grand Rapids.

Regards,



Tasha Connelly, Mayor