



March 24, 2025

Chair Xiong and Members of the Senate State and Local Government Committee:

The League of Minnesota Cities, Coalition of Greater Minnesota Cities, Metro Cities, Minnesota Association of Small Cities, and Municipal Legislative Commission appreciate the opportunity to provide comments on SF 2229-Port, SF 2286-Clark, SF 2231-Boldon, and SF 1286-Fateh, that will be heard in your committee next week.

Our associations greatly appreciate the work by state policymakers to address housing needs across the state and the consideration of amendments to some bills as they have been heard. However, we continue to have major concerns regarding these bills.

The bills broadly preempt local zoning and land use authority and significantly restrict cities in managing needs for local services and infrastructure. We are concerned that these bills represent a lack of understanding for the role of local policies and decision-making in addressing core city functions such as public health and safety, compatibility of land uses and public infrastructure capacity.

These proposals would effectively undo years of planning and investments by cities to address local housing, service and infrastructure needs. Costs often run into hundreds of thousands of dollars for a city to plan for and address land uses, services and infrastructure. The bills do not reflect these necessary and costly public investments that are required to effectively manage local development and growth.

Language in these bills reduces opportunities for residents and businesses to provide feedback, ask questions, and express concerns or opinions on city plans and projects. This diminishment of local democratic processes as proposed in these bills is of great concern to our associations.

Addressing housing affordability and availability must be locally driven to manage varying local fiscal and physical constraints, service needs and capacities. Local decision-making ensures that policies and services are responsive, applicable, and accountable to the local community.

Below are concerns our associations have with specific provisions in bills. We have attempted to avoid restating concerns for provisions in one bill that are similar or identical to provisions in other bills.

SF 2229 (Port) - "Starter Homes" Bill

- Section 2 of SF 2229 would require duplexes and ADUs in zoning districts that permit a residential use and allow for townhouses to be permitted in newly platted and vacant lots as a permitted use. This precludes consideration for where higher density development may be most optimal in a community with sufficient infrastructure to support it.
- The bill sets strict standards related to setbacks, minimum lot sizes, and maximum lot coverage requirements. For example, the side setback requirement to be 7.5 feet on each side is heavily prescriptive and would be unable to accommodate maintenance and emergency related service responses.
- Section 2, subdivision 2 lines 2.30-3.2. We appreciate language regarding state and federal environmental and historic concerns. The reference to Chapter 103B should be added, as joint

water plans often apply to city stormwater management and land use designations.

- Lines 3.27-3.30: Broad references to “building egress”, “light access requirements”, and undefined “architectural design elements” will likely invite litigation and eliminate planning for pedestrian friendly designs and buildings that do not consequentially affect neighboring properties. This should be limited to façade materials and building components.
- Lines 4.1-4.3: Parking requirements must be locally determined to manage safety and spillover effects.
- Lines 4.4-4.17: HOAs: Common areas typically have common ownership requiring an HOA to ensure proper and equitable management of property for maintenance and safety. Cities need to be able to require an HOA to ensure that any property mismanagement, neglect or dilapidation do not become the responsibility of taxpayers.
- Section 2, Subdivision 4: Requiring cities to create an administrative approvals process regardless of size, resources, and staffing is not workable. This should be permissive. We are concerned about limiting transparency and resident input on new developments.
- Section 2, Subdivision 5: Overall, this language is overly broad and unclear on the definitions of “performance conditions”, “fees”, or “dedications.”
- Section 2, Subdivision 6: Requiring a 1-1-26 effective date, while also disallowing cities from adopting interim ordinances is confusing and ignores the purpose of these ordinances in allowing time to study the effects of local policies.

SF 2286 (Clark) Multifamily Housing in Commercial Districts

- Section 1: The bill requires that residential developments be permitted in any zoning district allowing commercial uses other than heavy industrial and precludes stakeholder engagement. This has concerning implications for a city’s ability to diversify their tax base to lift the property tax burden from residential property and may have impacts for how far residents have to travel for goods and services.
- Lines 2.29-2.30: Language prohibiting cities from considering traffic, noise or nuisance concerns for developments with less than 300 units virtually excludes all Greater Minnesota housing development from these considerations.
- We appreciate language allowing cities to establish local controls for developments that replace existing commercial or industrial structures, however language remains heavily prescriptive.
- Line 3.3: The bill sets strict standards related to floor area ratios. Under the bill, a floor area ratio of 2.5 or greater would seem to effectively gut most floor area ratio requirements. Allowing total building floor area of 2.5 times lot size is a substantial increase in building volume.
- Lines 3.4 – 3.15: The height limitation language is especially problematic for cities under 10,000 in the metropolitan area to accommodate. Additionally, what other cities must allow is overly complex and challenging. We recommend language to address scalability and compatibility.

Section 1, Subdivision 4: We have concerns with language that stipulates a city’s failure to deny a building permit or subdivision request within 60 days provided results in an automatic

approval. These are particularly challenging for small cities and could lead to approvals for unsuitable projects. Cities need to ensure structural integrity and project compatibility.

Section 1, Subdivision 6: Similar concerns as noted for SF 2229-Port.

- Section 1, Subdivision 7: Similar concerns as noted for SF 2229-Port.

SF 2231 (Boldon) – Mixed-Use Housing Zones

- Section 1, Subdivision 2: We continue to have significant concerns with requiring municipalities to create mixed-use housing zones that authorize a residential or mixed-use development.
- The bill requires a city to authorize the following housing types in residential mixed-use housing zones: single-family, townhouse, duplex, triplex, fourplex and ADUs.
- These housing types must be allowed for on at least 50 percent of the area within the city that is zoned to permit residential use for “non-urban” municipalities, and 75 percent for “urban” municipalities.
- Finally, the bill plans to set density requirements, but does not articulate these in the bill. Cities must create commercial corridor districts that encompass every lot in the city that has frontage on a municipal state-aid street. Often, the lots with frontage on these streets make up a majority of a city and are not necessarily where density should be located. Arbitrarily tying density to MSAS streets contradicts local planning to serve current and future residents.
- Lines 3.1-3.3 define “Urban municipality.” This arbitrarily groups cities other than a city of the first class that is adjacent to or has a border that is within one mile of the border of, a city with a population greater than 150,000. This would apply to six small cities in particular who are under 5,000 in population.
- Lines 4.22 to 4.25: Similar concerns as noted for SF 2229-Port.
- Lines 4.26-4.29: Similar concerns as noted for SF 2229-Port.
- Lines 4.30-5.9: Similar concerns as noted for SF 2229 – Port.
- Section 1, Subdivision 4: Similar concerns as noted for SF 2229-Port.
- Section 1, Subdivision 5: Similar concerns as noted for SF 2229-Port.
- Section 1, Subdivision 6: This section, which states that if a city fails to adopt new standards that meet the requirements of the bill by specific timelines, any type of mixed use housing must be permitted on any lot zoned residential, is inexplicably punitive and ignores local circumstances and constraints.
- Section 1, Subdivision 7: Similar concerns as noted for SF 2229-Port.

SF 1268 (Fateh) – Eliminating the Ability for Cities to Set Minimum Parking Requirements

- We have significant concerns with eliminating the ability for cities to set minimum parking requirements. Parking requirements must be set locally to manage safety and spillover effects.

Again, we appreciate the work by state policymakers on these issues and the ongoing engagement with our associations. Addressing housing requires policies that address and accommodate local needs and constraints, public funding to address housing needs not met by the private market and partnerships that recognize the connected but separate roles for the public, private and non-profit sectors in the provision of housing.

We look forward to continuing to work with the committee to identify ways to preserve local decision-making flexibility and incentives-based approaches that support cities in their efforts to address their unique housing needs.

Sincerely,

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