

1.1 Senator ..... moves to amend S.F. No. 4158 as follows:

1.2 Page 5, after line 2, insert:

1.3 "Section 1. Minnesota Statutes 2022, section 394.25, subdivision 7, is amended to read:

1.4 Subd. 7. **Specific controls; other subjects.** (a) Specific controls pertaining to other  
1.5 subjects incorporated in the comprehensive plan or establishing standards and procedures  
1.6 to be employed in land development including, but not limited to, subdividing of land and  
1.7 the approval of land plats and the preservation and dedication of streets and land for other  
1.8 public purposes and the general design of physical improvement.

1.9 (b) A county must approve a preliminary plat that meets the applicable standards and  
1.10 criteria contained in the county's zoning and subdivision regulations unless the county adopts  
1.11 written findings based on a record from the public proceedings why the application shall  
1.12 not be approved.

1.13 (c) The controls may require that a portion of any proposed subdivision be dedicated to  
1.14 the public or preserved for public use as parks, recreational facilities, playgrounds, trails,  
1.15 wetlands, or open space. The requirement must be imposed by ordinance.

1.16 (d) If a county adopts the ordinance required by paragraph (c), the county must adopt a  
1.17 capital improvement program and adopt a parks and open space plan or have a parks, trails,  
1.18 and open space component in its comprehensive plan subject to the terms and conditions  
1.19 in this paragraph and in paragraphs (e) through (p).

1.20 (e) The county may choose to accept a per lot cash fee as set by ordinance from the  
1.21 applicant for some or all of the new lots created in the subdivision.

1.22 (f) In establishing the portion to be dedicated or preserved or the per lot cash fee, the  
1.23 controls must consider the open space, park, recreational, or common areas and facilities  
1.24 that the applicant proposes to reserve for the subdivision.

1.25 (g) The county must reasonably determine that it will need to acquire that portion of  
1.26 land for the purposes stated in this subdivision as a result of approval of the subdivision.

1.27 (h) The fees or dedication must be fair, reasonable, and proportionate to the need created.

1.28 (i) Any cash payments received must be placed by the county in a special fund to be  
1.29 used only for the purposes for which the money was obtained.

1.30 (j) Any cash payments received must be used only for the acquisition and development  
1.31 or improvement of parks, recreational facilities, playgrounds, trails, wetlands, or open space.

Cash payments must not be used for ongoing operation, maintenance, or redevelopment of parks, recreational facilities, playgrounds, trails, wetlands, or open space.

(k) The county must not deny the approval of a subdivision based on an inadequate supply of parks, open spaces, trails, or recreational areas within the county.

(l) The county must not condition the approval of any proposed subdivision or development on an agreement to waive the right to challenge the validity of a fee or dedication.

(m) The county must use at least 75 percent of the funds collected under this subdivision according to the plan required in paragraph (d) in the township or city where the collection of funds occurs. However, the township board or city council may agree to allow the county to use these funds outside of the township or city in a manner consistent with the county parks, trails, and open space capital improvement plan or the county parks and open space component in its comprehensive plan. The remainder of the funds may be used by the county only for parks and trails connectivity and accessibility purposes. The county must annually report to cities and townships on where funds were collected and where funds were expended in the past year.

(n) Previously subdivided property from which a park dedication has been received, being resubdivided with the same number of lots, is exempt from park dedication requirements. If, as a result of resubdividing the property, the number of lots is increased, then the park dedication or per lot cash fee must apply only to the net increase of lots.

(o) A county must not require a dedication of a portion of a proposed subdivision or a payment in lieu of dedication in a town or city that has adopted a requirement to dedicate or a payment in place of dedication as a provision of the town or city's subdivision regulations under section 462.358, subdivision 2b, or chapter 366.

(p) A county may negotiate an agreement with a town or city to share the revenue generated by dedicating a portion of a proposed subdivision or a payment in place of dedication.

(q) Fees or other charges may not be imposed on an application for a permit or other approval authorized by this chapter if they are unrelated to the specific request.

Sec. 2. Minnesota Statutes 2022, section 462.353, subdivision 4, is amended to read:

**Subd. 4. Fees.** (a) A municipality may prescribe fees sufficient to defray the costs incurred by it in reviewing, investigating, and administering an application for an amendment to an official control established pursuant to sections 462.351 to 462.364 or an application for a

3.1 permit or other approval required under an official control established pursuant to those  
3.2 sections. Except as provided in subdivision 4a, fees as prescribed must be by ordinance.  
3.3 Fees must be fair, reasonable, and proportionate and have a nexus to the actual cost of the  
3.4 service for which the fee is imposed. Fees or other charges may not be imposed on an  
3.5 application for a permit or other approval authorized by this chapter if they are unrelated  
3.6 to the specific request.

3.7 (b) A municipality must adopt management and accounting procedures to ensure that  
3.8 fees are maintained and used only for the purpose for which they are collected. Upon request,  
3.9 a municipality must explain the basis of its fees.

3.10 (c) Except as provided in this paragraph, a fee ordinance or amendment to a fee ordinance  
3.11 is effective January 1 after its adoption. A municipality may adopt a fee ordinance or an  
3.12 amendment to a fee ordinance with an effective date other than the next January 1, but the  
3.13 ordinance or amendment does not apply if an application for final approval has been  
3.14 submitted to the municipality.

3.15 (d) If a dispute arises over a specific fee imposed by a municipality related to a specific  
3.16 application, the person aggrieved by the fee may appeal under section 462.361, provided  
3.17 that the appeal must be brought within 60 days after approval of an application under this  
3.18 section and deposit of the fee into escrow. A municipality must not condition the approval  
3.19 of any proposed subdivision or development on an agreement to waive the right to challenge  
3.20 the validity of a fee. An approved application may proceed as if the fee had been paid,  
3.21 pending a decision on the appeal. This paragraph must not be construed to preclude the  
3.22 municipality from conditioning approval of any proposed subdivision or development on  
3.23 an agreement to waive a challenge to the cost associated with municipally installed  
3.24 improvements of the type described in section 429.021."

3.25 Renumber the sections in sequence and correct the internal references

3.26 Amend the title accordingly