BILL SUMMARY



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S.F. No. 1370 – Amendment zoning and land use package (as amended by the A-3 delete everything amendment)

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The A-3 DE amendment to S.F. 1370 combines zoning and land use bills into one bill. Each of the component bills was heard in the Housing and Homelessness Prevention Committee in 2024, with some further changes. The effective date of the whole bill is July 1, 2025. The following table shows the amendment sections, component bills, and the chief authors of the component bills:

| § | Component bill | Chief author |
|---|--|---------------|
| 1 | SF 3080 A-2 DE amendment, Article 3, Section 1 | Sen. Draheim |
| 2 | SF 3080 A-2 DE amendment, Article 3, Section 2 | Sen. Draheim |
| 3 | SF 3080 A-2 DE amendment, Article 4, Section 1 | Sen. Draheim |
| 4 | SF 4601 A-1 DE amendment, Section 1 | Sen. Boldon |
| 5 | SF 4601 A-1 DE amendment, Section 3 | Sen. Boldon |
| 6 | SF 3980, Section 1, as amended by A-2 | Sen. Pha |
| 7 | SF 3964, Section 1 | Sen. Mitchell |
| 8 | SF 3303 A-3 author's amendment | Sen. Lucero |
| 9 | SF 3964 A-1 amendment | Sen. Lucero |

Sections 1 (section 15.99, subdivision 1) and 2 (section 15.99, subdivision 2) add building permits to the section of statute requiring a time deadline for a response for agency action. Section 1 adds building permits to the definition of request. Section 2 requires a municipality to approve or deny a building permit within 60 days.

Section 3 (326B.153) adds a new subdivision to the section of the statutes relating to building permits that requires the commissioner of labor and industry to establish a cost-per-square-foot valuation for residential buildings for municipalities to set building permit fees.

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Section 4 (394.25) adds a new subdivision to the section relating to forms of control in the county planning, development, and zoning chapter in the statutes. The subdivision defines emergency shelter facility and allows a county to prohibit them only in areas zoned for residential, agricultural, or heavy industrial uses or where other state requirements, state building code, or state fire code limitations would apply.

Section 5 adds a new subdivision to the section relating to official controls and zoning ordinances in the planning and zoning chapter of the statutes. The subdivision defines emergency shelter facility and allows a municipality to prohibit them only in areas zoned for residential, agricultural, or heavy industrial uses or where other state requirements, State Building Code, or State Fire Code limitations would apply.

Section 6 [462.3571] adds a new section to the planning and zoning chapter of the statutes relating to multifamily residential developments (MRD).

Subdivision 1 defines the terms affordable housing development, municipality, multifamily residential development, and residential unit.

Subd. 2 allows multifamily residential developments as a permitted use in any mixed-use, multifamily, or commercial zone. An MRD may be mixed use as long as at least 50% of the square footage is dedicated to residential use.

Subd. 3 prohibits a city from imposing a height requirement on an MRD that is less than the tallest commercial or residential building within a quarter mile or the maximum permitted by the city. A city must not impose a setback requirement on an MRD that is less than the smallest minimum setback required of a new building within a quarter mile.

Subd. 4 prohibits a city from requiring more than one off-street parking space per residential unit.

Subd. 5 allows an affordable housing development (AHD) to exceed both a maximum height requirement and a minimum floor area ratio limitation imposed by the city under certain circumstances. An AHD may be permitted to either (1) exceed the height requirement in the zoning district by 35 feet or (2) match the maximum allowed height in any zoning district within one mile to a maximum of 150 feet, whichever results in the tallest development with the most affordable housing units. Further, an AHD must be permitted to exceed maximum density, lot coverage, floor area ratio, or impervious lot coverage by 30%, whichever results in the largest development.

Subd. 6 states that the section is subject to the requirements of the state building code and state fire code.

Section 7 [462.3575] adds a new section to the planning and zoning chapter of the statutes relating to city minimum residential densities.

Subdivision 1 defines terms for the new section, including accessory dwelling unit, affordable housing, all-electric and efficient home, cottage housing, courtyard apartment, duplex, fiveplex, fourplex, lot, major transit stop, middle housing, municipality, residential dwelling unit, single-family detached home, sixplex, stacked flat, townhouse, and triplex.

Subd. 2 requires a city to authorize at least six types of middle housing, other than single-family, to be built on residential lots to achieve density requirements.

Subd. 3 requires cities of the first class to permit (1) at least four residential dwelling units on any residential lot that is more than one-half mile from a major transit stop unless it meets one of the criteria listed, and (2) at least six residential dwelling units on any residential lot that is one-half mile or less from a major transit stop unless it meets one of the criteria listed. In both cases, where one of the criteria is met, the number of residential units allowed is raised.

Subd. 4 requires a city of the second, third, or fourth class or a town to permit the development of (1) at least two residential dwelling units on any residential lot that is more than one-half mile from a major transit stop, unless one of the listed criteria is met, and (2) at least four residential dwelling units on any residential lot that is one-half mile or less from a major transit stop, unless one of the criteria listed is met. In both cases, where one of the criteria is met, the number of residential units allowed is raised.

Subd. 5 limits the standards, performance conditions, or requirements a city may impose for residential dwelling units permitted under this section to only those directly related to protecting public health, safety, and general welfare.

Subd. 6 allows an accessory dwelling unit on any residential lot, regardless of lot size, street frontage, and connectivity between the accessory dwelling unit and primary dwelling.

Subd. 7 allows a city to specify minimum lot sizes for the density requirements in subdivisions 3 and 4, with some limitations. A minimum lot size for a city of the first class must not be greater than 2,500 or 1,200 square feet, depending on the type of middle housing. A minimum lot size for a city of the second, third, or fourth class or town must not be greater than 4,000 or 1,200 square feet, depending on the type of middle housing.

Subd. 8 prohibits a city from requiring off-street parking for a residential dwelling unit that is one-half mile or less from a major transit stop and may not require more than one off-street parking space for a residential unit more than one-half mile from a major transit stop.

Subd. 9 allows existing affordable housing in cities of the first class to be demolished or remodeled for middle housing only if the development will create at least as many affordable housing units as exist now.

Subd. 10 allows a city to develop an alternative density plan if the city demonstrates that the plan will result in an equal or greater amount of middle housing production.

Subd. 11 states that the section does not apply to a parcel located in a floodplain.

Subd. 12 states that the section is subject to the requirements of the State Building Code and State Fire Code.

Section 9 prohibits municipalities from requiring a residential project to have a homeowners association as a condition of approval for a building permit, subdivision, or planned unit development. Municipalities also may not provide an incentive for a residential property to be part

of a homeowner's association or for a homeowner's association to adopt terms not required under state law.

Section 10 states that the effective date for the act is July 1, 2025.