



1455 Pennsylvania Ave NW, Suite 400 • Washington, DC 20004
www.leadingbuildersofamerica.org

March 9, 2025

Dear Members of the Minnesota State Legislature,

On behalf of the Leading Builders of America (LBA), an industry association representing the nation's top homebuilders, including those in Minnesota, I urge your support for the swift passage of SF 2229 / HF 1987, the Minnesota Starter Home Act. This legislation is critical to addressing Minnesota's severe housing shortage and ensuring that future generations of Minnesotans can achieve the American dream of homeownership.

Minnesota remains one of the most challenging housing markets in the nation due to outdated land-use laws and excessive permitting barriers. The state faces a shortage of over **100,000 homes** and the lack of available inventory has driven existing home prices and rents to unsustainable levels for working families and first-time buyers. Without adequate housing, the gap between those who can build generational wealth and those who are locked out will continue to widen.

The Minnesota Starter Home Act will help close this divide and rebalance the market by:

- **Streamlining the approval process** to reduce costly, months-long delays that drive up home prices.
- **Increasing transparency** and reducing the need for privately negotiated variances on routine land-use approvals.
- **Removing regulatory cost barriers**, such as excessive parking requirements and high-cost building mandates, that prevent the construction of entry-level homes.

Where starter homes are legal, they are built. Yet, too many growing communities in Minnesota rely on discretionary approvals instead of clear, predictable land-use policies. Excessive zoning regulations are among the leading drivers of housing shortages nationwide and especially in Minnesota.

The numbers are clear: Without immediate action, Minnesota's affordability crisis will worsen, forcing more young families and essential workers out of the state. We cannot afford to wait.

We urge you to support SF 2229 / HF 1987 and help restore housing opportunities in Minnesota.

Thank you for your leadership on this critical issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Phil Crone", with a stylized flourish at the end.

Phil Crone
Vice President
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