



March 3<sup>rd</sup>, 2026

Chairs Howard, Igo, and Members of the Housing Finance and Policy Committee,

Americans for Prosperity - Minnesota (AFP-MN) strongly urges bold action to cut the red tape that is artificially constraining housing supply and driving up costs for Minnesotans seeking to buy or rent a home.

Over the last two years, AFP-MN has knocked over half a million doors throughout the state. When the legislature adjourned in 2025, as part of an accountability campaign we took a number of policy issues to over 100,000 Minnesotans in that year alone. Housing reform was one of the questions. Your constituents expressed overwhelming support for the Minnesota Starter Home Act – notably, over two-thirds on that issue.

Regulatory barriers are at the heart of the housing crisis: Minnesota faces a severe housing shortage—estimated at well over 100,000 homes—largely because decades of over-regulation at the local and state level have limited the supply of attainable housing and made development more expensive and time-consuming. Restrictive zoning, excessive land-use rules, minimum parking and lot size mandates, and burdensome permitting processes all elevate the cost of building and reduce choices for families. These regulatory burdens erode economic mobility and make it harder for people to find a stable place to call home.

Cutting back the regulatory barriers that prevent the construction of missing-middle housing, accessory dwelling units (ADUs), townhomes, and other diverse housing options is foundational to increasing supply, lowering costs, and bolstering property rights. Bold actions you can take to ease the market chokehold include:

- Permitting missing-middle housing (e.g., duplexes, triplexes, fourplexes) so that restrictive zoning no longer blocks supply growth.
- Legalizing accessory dwelling units (ADUs) to allow homeowners to rent out a spare unit or house family members.
- Reducing minimum lot size requirements to ease the construction of starter homes and town homes that Minnesota families can afford to own.
- Enacting shot clocks and administrative reforms to prevent unnecessary delays in permitting and approvals.
- Reducing aesthetic mandates that take away homeowners' freedom and increase housing costs.

By allowing ADUs on any residential lot and reducing minimum lot sizes for single-family homes and town homes, we would see an expansion of housing choices that meet consumer demand and reduce costs for first-time homebuyers and families. These reforms would help ensure that markets can provide more supply where demand is strongest, increasing mobility and opportunities for Minnesotans statewide.

Additionally, other reforms that prohibit local barriers like excessive parking requirements and restrictive design mandates will further empower builders and homeowners and reduce the regulatory drag that has contributed to Minnesota's housing shortage.



AFP-MN has spoken with tens of thousands of Minnesotans through grassroots organizing, surveys, and community engagement, and we have heard a consistent message: people want solutions that actually increase housing supply and affordability. There is broad and bipartisan enthusiasm for cutting the bureaucratic barriers that have made housing unattainable for too many working families.

I urge you as lawmakers to rise above the fearmongering tactics that have been employed by opponents to prevent progress on housing reform. When we hit the pavement for policy accountability and knock doors in your district, will we tell your constituents that you took action to make life more affordable? Or will we tell them that you upheld the status quo and punted an opportunity to unleash the market and help someone afford their first home?

We urge you to act decisively to cut unnecessary red tape, expand housing options, and restore economic opportunities across our state.

Sincerely,

*RaeAnna K. Lee*

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**Attachments:**

Housing Reform: AFP's Solutions (<https://americansforprosperity.org/wp-content/uploads/2025/12/Housing-Reform-One-Page-1.pdf>)

Roadmap for Housing Policy Reform (<https://americansforprosperity.org/wp-content/uploads/2025/11/Roadmap-for-Housing-Policy-Reform.pdf>)

*Celebrating America's 250<sup>th</sup> Birthday: AFP is reaffirming our commitment to and reconnecting Americans to the founding principles that make our nation exceptional—liberty, dignity, and opportunity. We're not just celebrating our principles; we're challenging Americans to act on them. Take One Small Step today.*

