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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1987

03/06/2025 Authored by Igo, Howard, Mekeland, Kraft, Rehrauer and others
The bill was read for the first time and referred to the Committee on Housing Finance and Policy

1.1 A bill for an act
1.2 relating to local government; establishing the Minnesota Starter Home Act;
1.3 modifying requirements related to comprehensive plan amendments; limiting the
1.4 zoning authority of municipalities related to certain residential developments;
1.5 amending Minnesota Statutes 2024, section 462.355, subdivision 3, by adding a
1.6 subdivision; proposing coding for new law in Minnesota Statutes, chapter 462.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. TITLE.

1.9 This act shall be cited as the "Minnesota Starter Home Act."

1.10 Sec. 2. Minnesota Statutes 2024, section 462.355, is amended by adding a subdivision to
1.11 read:

1.12 Subd. 1b. Comprehensive plan amendment exemption. Notwithstanding subdivision
1.13 1a or other law or rule, no comprehensive plan amendments shall be required before
1.14 December 31, 2029, for changes to municipal zoning controls required by section 462.3572,
1.15 including any new housing authorized by that section.

1.16 Sec. 3. Minnesota Statutes 2024, section 462.355, subdivision 3, is amended to read:

1.17 Subd. 3. Adoption by governing body. A proposed comprehensive plan or an amendment
1.18 to it may not be acted upon by the governing body until it has received the recommendation
1.19 of the planning agency or until 60 days have elapsed from the date an amendment proposed
1.20 by the governing body has been submitted to the planning agency for its recommendation.
1.21 Unless otherwise provided by charter, the governing body may by resolution adopt and
1.22 amend the comprehensive plan or portion thereof as the official municipal plan upon such

2.1 notice and hearing as may be prescribed by ordinance. ~~Except for amendments to permit~~  
 2.2 ~~affordable housing development~~, A resolution to amend or adopt a comprehensive plan  
 2.3 must be approved by a ~~two-thirds vote~~ simple majority of all of the members. ~~Amendments~~  
 2.4 ~~to permit an affordable housing development are approved by a simple majority of all of~~  
 2.5 ~~the members. For purposes of this subdivision, "affordable housing development" means a~~  
 2.6 ~~development in which at least 20 percent of the residential units are restricted to occupancy~~  
 2.7 ~~for at least ten years by residents whose household income at the time of initial occupancy~~  
 2.8 ~~does not exceed 60 percent of area median income, adjusted for household size, as determined~~  
 2.9 ~~by the United States Department of Housing and Urban Development, and with respect to~~  
 2.10 ~~rental units, the rents for affordable units do not exceed 30 percent of 60 percent of area~~  
 2.11 ~~median income, adjusted for household size, as determined annually by the United States~~  
 2.12 ~~Department of Housing and Urban Development.~~

2.13 Sec. 4. [462.3572] STARTER HOME AND NEW HOUSING OPTIONS

2.14 AUTHORIZED.

2.15 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have  
 2.16 the meanings given.

2.17 (b) "Accessory dwelling unit" means an addition or alteration that is an additional,  
 2.18 subordinate dwelling unit on the same lot, and is entirely within a dwelling unit, attached  
 2.19 to a dwelling unit, or in a detached structure.

2.20 (c) "Applicant" has the meaning provided in section 15.99.

2.21 (d) "Duplex" means a building sited on a single lot that contains two separate residential  
 2.22 units with separation either horizontal or vertical that is used, intended, or designed to be  
 2.23 built, used, rented, leased, let or hired out to be occupied, or occupied for living purposes.

2.24 (e) "Minimum parking mandate" means a law, rule, or ordinance that specifies a minimum  
 2.25 number of motor vehicle parking spaces, including on-street or off-street within a garage  
 2.26 or other enclosed area.

2.27 (f) "Request" has the meaning provided in section 15.99.

2.28 (g) "Residential unit" means a building or part of a building intended to be used as a  
 2.29 dwelling by a single owner or tenant.

2.30 (h) "Single-family dwelling" means any building that contains one residential unit used,  
 2.31 intended, or designed to be built, used, rented, leased, let or hired out to be occupied, or  
 2.32 occupied for living purposes.

3.1 (i) "Townhouse" means a single-family dwelling unit constructed in a group of two or  
3.2 more attached units in which each unit extends from the foundation to the roof and having  
3.3 open space on at least two sides of each unit. Each single-family dwelling unit shall be  
3.4 considered to be a separate building. Separate building service utilities shall be provided to  
3.5 each single-family dwelling unit when required by other chapters of the State Building  
3.6 Code.

3.7 Subd. 2. Residential housing types authorized. (a) The following types of housing  
3.8 shall be a permitted use in any zoning district that permits a residential use:

3.9 (1) single-family dwellings;

3.10 (2) duplexes; and

3.11 (3) accessory dwelling units, except an accessory dwelling unit is not permitted on a lot  
3.12 that contains a duplex unless expressly authorized under municipal zoning controls.

3.13 (b) Townhouses shall be a permitted use in any zoning district that permits a residential  
3.14 use on the following lots:

3.15 (1) lots platted after June 1, 2025; and

3.16 (2) vacant lots.

3.17 (c) Subject to the limitations in subdivisions 3, 4, and 5, a development authorized under  
3.18 paragraphs (a) and (b) must comply with any standards, performance conditions, or  
3.19 requirements, including the adequacy of existing public infrastructure, imposed by a city  
3.20 to protect public health, safety, and general welfare.

3.21 (d) Nothing in this section authorizes residential development that is prohibited by state  
3.22 or federal law or rule, or is prohibited under an ordinance adopted pursuant to a state or  
3.23 federal law or rule, that protects floodplains, areas of critical or historic concern, wild and  
3.24 scenic rivers, shore land, or that otherwise restrict residential units to protect and preserve  
3.25 public health, the environment, or scenic areas.

3.26 Subd. 3. Required standards. (a) The following required standards and limitations  
3.27 apply to the residential buildings allowed under subdivision 2.

3.28 (b) Any standards, performance conditions, or requirements imposed by a municipality  
3.29 must directly relate to protecting public health, safety, and general welfare.

3.30 (c) A municipality must allow at least two residential units on a residential lot zoned for  
3.31 a single-family home, except a municipality may limit townhouses to one residential unit  
3.32 per lot provided the lot is no larger than 1,500 square feet.

4.1 (d) A municipality must permit minimum residential lot sizes that are consistent with a  
4.2 density of up to 125 percent of the density permitted by the municipality's comprehensive  
4.3 plan for the area in which the lot is located, except that a municipality must permit the  
4.4 following lot sizes if the municipality permits greater density:

4.5 (1) for duplexes and single-family homes that are connected to municipal water and  
4.6 sewer, a minimum lot size no greater than 5,445 square feet (one-eighth acre); and

4.7 (2) for townhomes that are connected to municipal water and sewer, a minimum lot size  
4.8 of no greater than 1,500 square feet.

4.9 (e) A municipality must not impose standards, performance conditions, or requirements  
4.10 on the residential developments permitted under subdivision 2 that are more restrictive than  
4.11 those that applied to single-family dwellings within the municipality as of January 1, 2025.

4.12 (f) A municipality must not impose the following standards on townhouses:

4.13 (1) side setbacks greater than 7.5 feet on each side;

4.14 (2) combined minimum front and rear setbacks in excess of 15 feet;

4.15 (3) any floor area ratio requirement on a development that otherwise complies with lot  
4.16 coverage and height requirements; or

4.17 (4) maximum lot coverage requirements of less than 80 percent, except as required by  
4.18 the design of the municipality's storm water system or otherwise provided in state or federal  
4.19 law or rule.

4.20 (g) A municipality must not impose requirements related to construction materials or  
4.21 methods, including architectural elements, building egress, durability, energy efficiency,  
4.22 or light access requirements, except as required by the State Building Code, as defined by  
4.23 section 326B.121, or other state or federal law or rule.

4.24 (h) Notwithstanding any other provision of law, home rule charter, or ordinance to the  
4.25 contrary, a political subdivision must not impose a minimum number of parking spaces  
4.26 including on-street or off-street within a garage or other enclosed area.

4.27 (i) A municipality must not take any action that requires a residential property to be part  
4.28 of a homeowners association or provide an incentive for such membership. A municipality  
4.29 must not require or incentivize a homeowners association to adopt, revoke, or amend a term  
4.30 in any governing document or a rule or regulation not required under state law. A  
4.31 municipality must not condition approval of a residential building permit or conditional use

5.1 permit, residential subdivision development or residential planned unit development, or any  
 5.2 other permit related to residential development on the:

5.3 (1) creation of a homeowners association;

5.4 (2) inclusion of any service, feature, or common property necessitating a homeowners  
 5.5 association;

5.6 (3) inclusion of any terms in a homeowners association declaration, bylaws, articles of  
 5.7 incorporation, or any other governing document that is not required under state law; or

5.8 (4) adoption or revocation of, or amendment to, a rule or regulation governing the  
 5.9 homeowners association or its members.

5.10 Subd. 4. **Administrative approvals.** (a) A municipality must establish and follow an  
 5.11 administrative process to review requests related to residential development permitted under  
 5.12 subdivision 2, including proposed residential lot splits and subdivisions, in accordance with  
 5.13 the process outlined in section 15.99. The administrative process must not impose more  
 5.14 restrictive standards or procedures on the residential developments permitted under  
 5.15 subdivision 2 than those required to build a single-family dwelling.

5.16 (b) Notwithstanding paragraph (a), a municipality engaging in the process established  
 5.17 in paragraph (a) in connection with a proposed subdivision:

5.18 (1) must approve or deny a request for a building permit or proposed subdivision based  
 5.19 on the request's alignment with the municipality's comprehensive plan, applicable zoning  
 5.20 requirements, and subdivision regulations;

5.21 (2) must not require a conditional use permit or planned unit development agreement,  
 5.22 except that a municipality may require a conditional use permit or planned unit development  
 5.23 agreement to address an identified and documented risk to health or safety;

5.24 (3) may require one community meeting before approval of a request, or more if required  
 5.25 by state or federal law, or the project involves or affects a lot located in a historic district  
 5.26 under section 138.73; and

5.27 (4) must provide any development agreement to the applicant no less than three days in  
 5.28 advance of final plat approval, or before final approval of a request if a plat is not required.

5.29 Subd. 5. **Official controls; limitations.** A municipality may not use official controls to  
 5.30 prohibit the application of this section, including by imposing performance conditions,  
 5.31 standards, requirements, ordinances, fees, exactions, and dedications on any residential unit

6.1 or development that are more restrictive than those in this section or other municipal law  
6.2 or rule.

6.3 Subd. 6. **Interim ordinance.** No municipality shall enact an interim ordinance as provided  
6.4 under section 462.355, subdivision 4, to prohibit or delay the application of this section.

6.5 **EFFECTIVE DATE.** This section is effective January 1, 2026.