

ADVANCING HOUSING POLICY IN MINNESOTA CITIES



**MARCH
2026**

Prepared by

**THE COALITION OF
GREATER MINNESOTA
CITIES (CGMC)**

Cover photo courtesy of the City of Willmar, MN, (2025).

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Photo courtesy of the City of Perham, MN, (2025).

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ABOUT

The Coalition of Greater Minnesota Cities (CGMC) is a nonprofit, nonpartisan advocacy organization representing more than 100 cities outside of the Twin Cities metropolitan area. We advocate for the unique needs of Greater Minnesota cities on issues such as Local Government Aid, economic development, environment, transportation, and more. The CGMC is led by a board of directors made up of mayors, city councilors, and city staff members from across Greater Minnesota.

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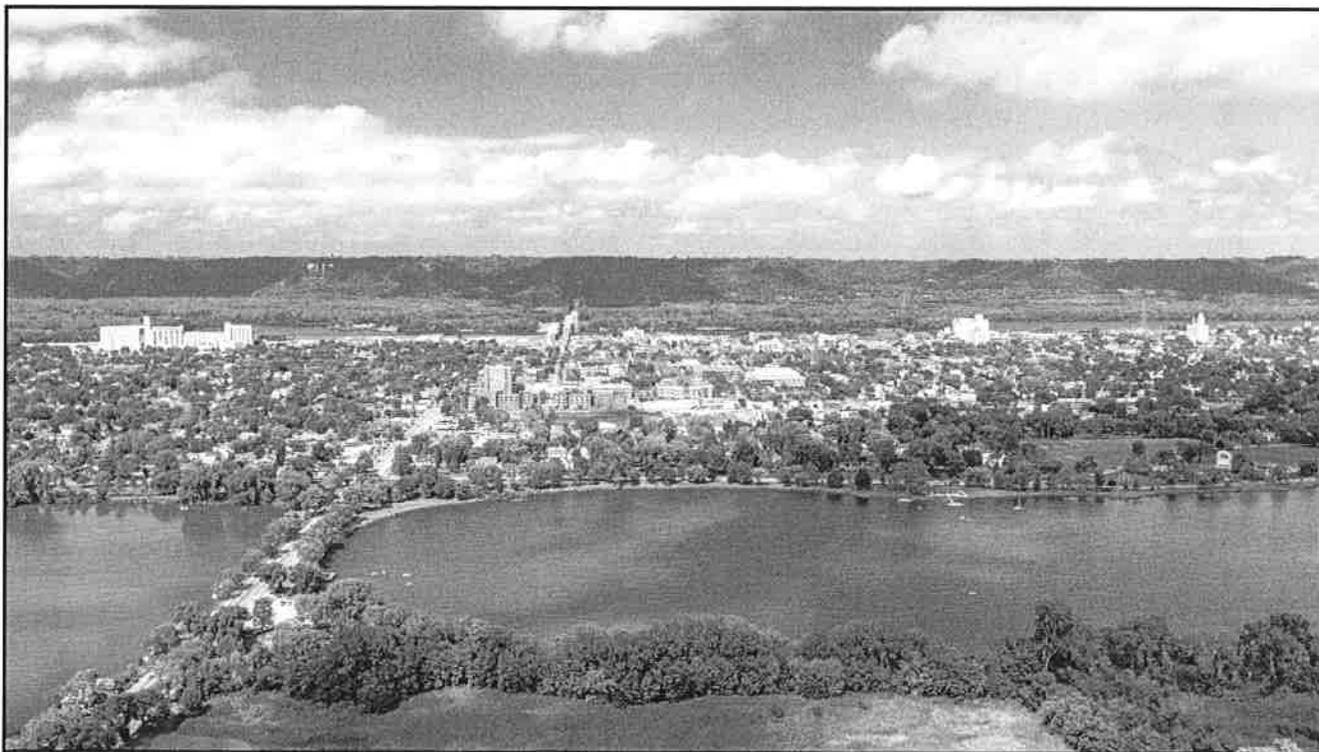


SECTION 1 | INTRODUCTION

The Coalition of Greater Minnesota Cities (CGMC) advocates for the housing needs of over 100 cities across Greater Minnesota. Over the last several legislative sessions, the CGMC has participated in the discussion around local zoning and land use controls and the extent to which they contribute to Minnesota's current housing challenges. Obviously, the CGMC strongly believes that local zoning and land use decisions should be just that—local. City councils and their residents are best positioned to guide development in their own communities, as they have intimate knowledge of the unique needs of their neighbors.

Lost in the discussion are the efforts that cities are already making to review and update their zoning and land use ordinances. Advocates who believe the best solutions will come from St. Paul dismiss cities' efforts to address these issues within their own communities. To fill this gap in the discussion, the CGMC has been surveying and collecting stories from our cities. What we found is that many cities are already doing the things that advocates and some legislators would have the legislature direct them to do.

While this is only a snapshot of a handful of cities, we found that cities are lowering or eliminating parking minimums for various types of housing, upzoning single-family lots, reducing lot-size requirements, and allowing multifamily and mixed-use development in commercial zones. The best part is that cities are doing this work in dialogue with their residents and in ways that make sense for their local contexts and long-term community goals.



Winona, MN (2023).

SECTION 2 | CITIES ARE BUILDING!



Across Greater Minnesota, cities of all sizes are taking the steps to rethink and redesign how they approach housing. They have adopted comprehensive plans, conducted housing studies, and adjusted their zoning, lot requirements, parking, and more to meet the moment and promote additional housing in their communities. As the headlines below illustrate, city councils and community leaders are making great strides in housing development through local decision-making.

SANDSTONE | COMMUNITY INPUT DRIVES NEW WORKFORCE HOUSING¹



Sandstone is converting an old school building into 32 residential units that will serve as workforce housing. The housing developer spoke to many of the local businesses to discuss what their employees might need, housing-wise. With that information, rent prices will be set to best meet the needs of local employers as well as of those who would be renting. The project is expected to be completed in June 2026.

ALEXANDRIA | NEW HOUSING CONTINUES DOWNTOWN RESURGENCE²



Alexandria breaks ground on a new \$15.3 million apartment project. Assisted by grants from the Minnesota Department of Employment and Economic Development (DEED), the 3.17-acre site will have 62 units of market rate housing. The project is expected to create jobs, increase the local tax base by \$115,116 and leverage \$13.9 million in private investment. The project is expected to be completed in December 2026.

MONTICELLO | COMMUNITY BREAKS GROUND ON NEW SENIOR HOUSING³



In 2023, city officials joined Headwaters Development and CHC (Community Housing Corporation) for the groundbreaking of their new project in Monticello: 60 rental townhomes for seniors 55+ located on 7th Street West. The local Economic Development Authority also established a new TIF district with a commitment to creating and maintaining 40 percent of the new housing units (24 units) as affordable throughout the life of the district. The project was completed in December 2023.

BEMIDJI | LOCAL COLLABORATION PROVIDES AFFORDABLE HOUSING⁴



The City of Bemidji is collaborating with North Star Neighbors and other community partners to bring new affordable housing units to the area, addressing what some people would call 'the missing middle' in a locally-driven effort to provide housing solutions. North Star Neighbors, a subsidiary of Northwest Minnesota Foundation, works with cities like Roseau, East Grand Forks, and Bemidji to lower home prices by creating community land trusts (CLTs). CLTs retain ownership of the land and reduce 1st mortgage principle to increase affordability.

BABBITT | COUNCIL PAVES PATH FORWARD FOR MUCH-NEEDED HOUSING⁵



Babbitt approved a plan in early January to allow for the sale and construction of 18 new single-family homes. This \$4.6 million project will be funded in part by the state and the Department of Iron Range Resources & Rehabilitation (IRRRB) in addition to the city's own investment. The project is 12 years in the making and will provide jobs to the surrounding area.

¹ Kingen, S. (2025, November 19). *Workforce housing construction expected to be completed in 2026*. pinecitymn.com.

https://www.pinecountynews.com/communities/north-pine-county/news/workforce-housing-construction-expected-to-be-completed-in-2026/article_cb9fcaec-8e7c-429d-902a-08a2cb068be7.html

² Edenloff, A. (2025, November 24). *Construction starts on new \$15.3m apartment project in Alexandria*. Alexandria Echo Press.

<https://www.echo.press.com/news/local/construction-starts-on-new-15-3m-apartment-project-in-alexandria>

³ Foster, H. (2023, January 10). *New Senior Housing Coming to Monticello*. The City of Monticello. <https://www.monticellomn.gov/Blog.aspx?tag=New+Development>

⁴ Lofstrom, D. (2025, October 16). *North Star Neighbors holds inaugural groundbreaking of new housing in Bemidji*. Bemidji Pioneer.

<https://www.bemidjipioneer.com/news/local/north-star-neighbors-holds-inaugural-groundbreaking-of-new-housing-in-bemidji>

⁵ Fisher, H. (2026, January 9). *Council holds two hour meeting to start the Year, emergency services discussed*. The Ely Echo. <https://www.elyecho.com/article/4004.council-holds-two-hour-meeting-to-start-the-year-emergency-services-discussed>

SECTION 3 | CITIES ARE INNOVATING & INVESTING

From the CGMC housing survey data collected in November 2025, **59 cities responded** to the question:

"Has your city updated its comprehensive plan, zoning code or other related ordinances within the last 10 years to promote housing density and/or affordability?"

The results below show that cities are overwhelmingly adapting their zoning plans to provide development flexibility and allow for greater density.

# Cities that have updated their zoning to increase density	68%
# Cities that are in the process of updating their zoning	10%
# Cities that have not updated their zoning	22%

CITIES ARE INVESTING IN PLANNING

The CGMC housing survey also asked cities whether they had hired outside consultants within the last five years to assist with their planning strategy or modify their current zoning policies. 32 cities responded that they had invested in consulting services, totaling just over \$3 million, or an average of \$95,817 per city.

As a result of their planning efforts, cities are adapting to the challenges of the housing market in Greater Minnesota.

Brainerd Encourages More Efficient Land Use - Population: 14,563

Over the past 10 years, Brainerd revised its comprehensive plan to allow up to four housing units in most zoning districts and expanded residential use into areas previously zoned exclusively for commercial purposes. The City has also authorized the development of accessory dwelling units (ADUs) and implemented lot size maximums in cases where subsidies are provided, encouraging more efficient land use. **Brainerd has added nearly 400 new single-family and multifamily units over the past decade.**



Hutchinson Market Demand Inspires Flexibility- Population: 14,759

Hutchinson has taken a flexible approach to re-platting and rezoning vacant residential properties to better align with market demand, zoning most of the city in a way that allows both single-family and duplexes, while reducing barriers to new construction. Much of this work was done a few years ago as part of a broader effort to support the build-out of vacant subdivisions following the recession. The city continues to face significant barriers related to the high cost of infrastructure to create developed lots, making it difficult to deliver affordable homes despite the use of tax increment financing (TIF) to offset some of these high costs. **Together, these zoning strategies and development efforts have contributed to the addition of more than 500 single-family and multifamily housing units over the past decade.**

Mankato Housing Defined by Collaboration - Population: 46,459

Mankato has made housing its top priority in its strategic plan due to the housing shortage it faces. The City has modernized its zoning and land-use rules, reducing parking requirements for multifamily housing, allowing apartments in key commercial and highway business districts, and providing greater rental flexibility, to help make new development more feasible and efficient amid rising construction, land, and financing costs. The City is also exploring tools such as expanding its community land trust while creating a housing trust fund, supporting new affordable housing developments, and helping landlords preserve existing affordable units. The City has partnered with other agencies to secure housing opportunities for veterans and preserve affordable housing vouchers for 7 counties in outstate Minnesota. Even with the increased interest from developers, affordable and entry-level housing remains difficult to finance, contributing to a shortage that forces some of the 21,000 workers who commute to the city each day to live elsewhere. **Despite the housing challenges Mankato still faces, it has been able to add nearly 2,700 new single-family and multifamily units over the past decade.**

Moorhead Efforts Rooted in Partnerships - Population: 45,202

Moorhead, a Greater Minnesota city of around 45,000, has taken substantial efforts to modernize its planning and zoning framework. The City has updated its residential zoning districts, expanded mixed-use zoning areas, and reduced parking requirements to increase flexibility and support new construction and improvements to existing residential properties. In 2025, the biggest changes the City made was converting most of their commercial highway corridors to mixed use corridors and their first mixed use project is under construction which will include 153 multi-family units, 14,700 sq ft of commercial space, and structured parking. Moorhead is putting Statewide Affordable Housing Aid (SAHA) funding to work, leveraging other private and public resources. Moorhead solicited SAHA proposals from developers in 2025, which is resulting in the rehabilitation of 168 rental units, the addition of 68 new single and multifamily housing units, and expanded resources for emergency shelter and homelessness prevention. **Through these combined planning updates, housing investments, and redevelopment initiatives, the City added nearly 3,000 single-family and multifamily housing units over the past decade.**



Nashwauk Updates Alleviate Parking Burdens - Population: 970

Nashwauk, a community of 970 residents, has worked hard to attract development. Nashwauk completed a full zoning code update that modernized definitions, reclassified several uses from conditional to permitted, and opened key commercial corridors to mixed-use and multi-family development. **The update also reduced minimum lot widths to increase the number of available single-family lots and enabled ongoing shared parking arrangements to lessen traditional parking burdens.**

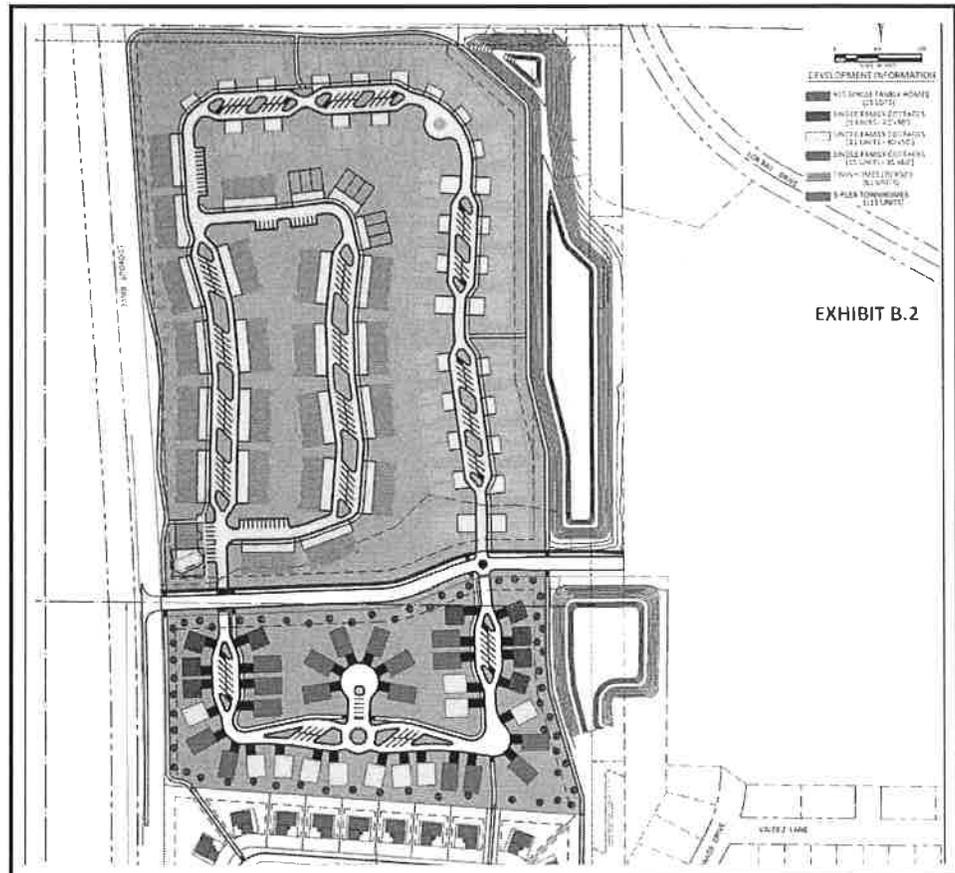
New Ulm Efforts Bring Housing Bump - Population: 14,066

New Ulm implemented zoning updates over the past decade aimed at increasing density and improving affordability. In 2025, New Ulm adopted an Economic Development Authority's Strategic Plan with the top objective being to "ensure an adequate supply of diverse housing at varying densities to meet New Ulm's projected demand through 2030." To support these updates and objectives, the City established a new single-family zoning district with reduced minimum lot sizes, created a Planned Unit Development district, allowed apartments above commercial businesses in the downtown areas, exempted existing dwelling units from parking requirements downtown, and approved creative housing concepts that will expand housing options. **These changes have supported the development of more than 350 new single-family and multifamily housing units over the past 10 years and have an additional 420 housing units already in construction or in the pipeline.**

North Mankato Dives Into Density - Population: 14,212

North Mankato has implemented significant zoning and development policy changes over the past decade to increase housing affordability and density in response to local housing shortages. This includes the creation of a new zoning district that permits smaller lots, revising subdivision regulations to lower the cost of developing new neighborhoods, decreasing building setbacks, modifying street design standards to lower infrastructure expenses, and allowing less costly curb construction. The City has also reduced sidewalk construction requirements and eased standards related to backyard drainpipes to further drive down the costs of development. North Mankato has also used the Planned Unit Development (PUD) process to encourage innovative and affordable housing options. They partnered with a developer to convert a former hotel into 62 apartment units that were fully occupied within 60 days of opening. **These efforts are projected to add more than 500 new single-family and multifamily housing units.**

(Right) Rendering of newly approved housing development, Maple Tree Estates, platted as a PUD. At full development, 212 townhome units and 37 patio homes will be constructed. While they will be market rate, they will be more affordable.



Perham Strategies Focused on Community - Population: 3,708

Perham is already modernizing its planning and zoning practices to support increased housing density and more affordable development through deliberate, locally driven actions. The City allows duplexes in most zoning districts through conditional use permits to ensure appropriate setbacks and parking and regularly updates its zoning code. Perham continues to work collaboratively with developers to adjust lot dimensions and layout requirements to allow for additional homes to be built on previously unbuilt subdivision lots. In addition, Perham has changed impervious surface requirements in older areas to facilitate redevelopment, while maintaining a clear land use strategy that supports residential units above businesses to preserve main street vitality. Perham has been deliberate about housing, collaborating with developers to expand housing options in ways that fit the community and resident needs. **As a result, the City has added over 300 single-family and multifamily housing units over the past decade.**



Willmar Prioritizes Zoning & Land Use Updates - Population: 21,236

In 2025, the City adopted a new land use map along with the Willmar Comprehensive Plan, which supports higher-density housing as a key strategy for meeting Willmar's long-term housing, economic, and land-use goals. Throughout the plan, higher density is framed as a tool for creating a more resilient, affordable, and connected Willmar. The plan emphasizes expanding the range of housing types beyond traditional single-family homes, encouraging townhomes, small-scale multifamily, mixed-use residential, and other formats that increase density while offering more choices for residents. The plan also prioritizes infill development and redevelopment of underutilized sites, and directs growth toward areas where streets, utilities, and public services already exist. This approach reduces public costs and supports compact, walkable neighborhoods, conditions that are only possible with higher-density development patterns. The plan also identifies mixed-use districts and activity centers as areas where housing should be integrated with commercial and civic uses. These locations are intentionally designed to support higher density, creating vibrant places where people can live close to jobs, services, and amenities. This aligns with the plan's broader goals around walkability, transportation choice, and reducing barriers to daily needs. The City also recently launched an update to its 1994 Zoning Code to remove barriers to development and to align the zoning with the adopted Land-use map. The Zoning Code Update is scheduled to be completed by the end of the year. **As a regional hub, Willmar has added 640 housing units over the past decade.**



Alexandria Housing Study Informs Strategy - Population: 14,943

Alexandria has modernized its housing policies over the past decade by allowing owner-occupied townhomes within single-family zoning districts without rezoning and by permitting multifamily buildings as a conditional use in commercial districts. The City has also updated its housing study twice to assess the city's needs and guide policy decisions, complementing these regulatory changes with a range of strategies to expand housing opportunities, including the use of tax increment financing (TIF), tax credits, subsidized rental housing, and programs that support affordable homeownership. Alexandria has also supported several specific innovative projects that expand housing options, including Nokomis Townhomes workforce housing development, the Park & 3rd mixed-use redevelopment PUD, the 54-unit Trailslide senior housing project in a commercial district, and The Rune, a mixed-use downtown PUD that combines senior housing with commercial spaces. Through this combination of zoning changes, targeted public incentives, and ongoing planning efforts, Alexandria has been able to construct 119 housing units within commercial areas. **Over the last decade, Alexandria added 363 single-family homes, including town homes, and 1,122 multi family homes for a total of 1,484 units.**

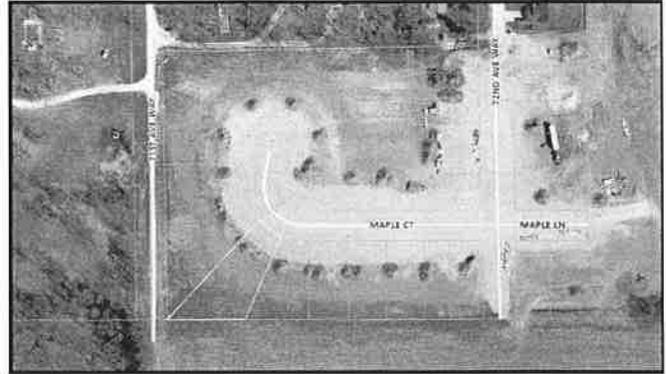


Austin TIF & Reforms Prompt Development - Population: 26,690

Over the past decade, Austin has had a comprehensive approach to expanding housing options and improving affordability by modernizing its zoning code, updating parking requirements, and using mixed-use zoning across the city. Currently, the City is in the process of updating its comprehensive plan to support higher housing density and improved affordability. The City has adopted several innovative measures aimed at addressing housing challenges. These include an assessment strategy that allows a 15-year payback period for infrastructure extensions, loan programs to help maintain and repair existing homes, tax increment financing (TIF) to support apartment redevelopment, financial assistance to build affordable homes, a five-year tax abatement program, and partnerships with Minnesota Housing to provide additional financial incentives for affordable housing projects. **Together, these zoning reforms and housing initiatives have contributed to the development of 470 new single-family and multifamily housing units over the past ten years.**

Cannon Falls Land Purchase Paves Way for Housing - Population: 4,220

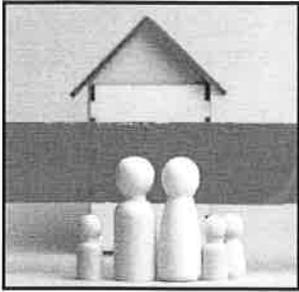
The City partnered with the Cannon Falls Economic Development Authority (EDA) to grow housing development in the community after they had identified that new housing stock was needed in the community, but private development was not meeting the need. The EDA purchased the 40-acre property on a contract for deed from the land owner and then the City Council provided the EDA with an loan for the construction, engineering and infrastructure costs for the first phase, turn lane and retention pond that will serve the entire development, then the lot sales for the first phase of 27 lots will fund the remaining phases of the project. The EDA has 20 years to repay the City at 0% interest. **The property is being developed in phases, with the potential of 100 new housing units when all of the phases are completed.**



Saint Peter Land Trust Focuses on Affordability - Population: 12,066

Saint Peter has implemented numerous innovative strategies to encourage housing development and diversify its housing supply. Over the past decade, the City has purchased land from the school district to create new single-family lots, enabled multi-family housing within the business park, and provided tax increment financing (TIF) to support new construction. Saint Peter has also facilitated the development of homes through a community land trust to promote long-term affordability and offered both deferred payment options and upfront incentives to reduce risk for developers. In addition, the City is undertaking a ten-year update of its comprehensive plan and housing study. **These efforts have contributed to the addition of more than 500 new single-family and multifamily housing units.**

SECTION 4 | CITIES CONTINUE TO FACE BARRIERS TO CONSTRUCTION



Despite all the steadfast efforts and progress made by cities, there are barriers to housing development that are infeasible to overcome without financial assistance from the state. The biggest challenge that Greater Minnesota faces in addressing the housing crisis is that the market is upside down. It costs far more to build a unit of housing—whether a single-family home or multifamily complex—than it can be rented or sold for. Investing in the Greater Minnesota-focused grant programs and ensuring their usability for the region’s cities is absolutely critical in addressing the region’s housing challenges.

Grand Marais Juggles Multiple Housing Pressures - Population: 1,337

While the City has been aggressive in supporting housing development, existing housing purchased as 2nd homes, often as future retirement homes or "cabins," drives up sales prices and drives down housing supply, and asking prices for existing houses are out of reach for most residents. These homes sit empty or are used minimally. A small town needs active residents to function. The City also can't reasonably build its way out of its housing issues due to high costs unique to the area, including higher building costs due to topography and higher infrastructure costs, high transportation costs due to distance, the challenge of finding and housing skilled labor, and a constrained city footprint. Current successes are due to donated materials, time and labor, local investments, as well as state and regional grants.

Hibbing Project Math Doesn't Compute - Population: 16,214

In rural communities like Hibbing, the barrier to new housing isn't that zoning or permitting is "too hard"—it's that the project math doesn't work. Construction costs (materials, interest rates, and higher labor costs tied to local prevailing wage) require rents that the area market simply can't command, so supply can't rise to meet demand without a major subsidy to cover the financing gap. That's exactly what the City experienced in its partnership with the HRA of Hibbing on Cobb Cook Place and, more recently, Mahoning Manor: even after strong local planning and readiness, the project only became competitive in the Minnesota Housing Super RFP process by assembling significant local match, including major participation from Department of IRRR and City resources—Cobb Cook Place's award package explicitly relied on more than \$3 million in local funding alongside the state award. In practice, that means Hibbing and other small cities end up "throwing funding at the gap" to compete against larger markets like Rochester and Duluth—yet those same limited local dollars are also urgently needed for core infrastructure (streets, utilities, and public facilities). To sum up, housing production in Hibbing is constrained by financial feasibility and the lack of gap financing, not by a uniquely cumbersome local zoning or permitting process.

Le Sueur Struggles With High Construction Costs - Population: 4,213

Le Sueur continues to tackle barriers to new home construction due to the predominance of undeveloped land within the city, which makes the cost of preparing lots prohibitively high. A recently approved development of 35 single-family homes illustrates this challenge, with estimated lot costs averaging approximately \$115,000 if built on developed land. As the city had no developed lots available, tax increment financing (TIF) was used to offset infrastructure costs and keep individual lot prices attainable. In response to these affordability and supply constraints, the City has pursued a range of strategies to support housing development, including pursuing grants to developers, utilizing TIF, and engaging in land donations or land swaps to reduce the elevated startup costs to create buildable lots, which are the largest areas of development opportunities in Le Sueur. These efforts reflect an ongoing commitment to expanding the city's housing supply, including adding over 100 units of single-family and multifamily housing over the past decade.

Olivia Infrastructure Investment Too Burdensome - Population: 2,350

Olivia, with a population of roughly 2,300 residents, faces distinct challenges due to its small size. Few developers pursue projects in the community, and many available lots remain undeveloped, requiring significant infrastructure investment before construction of new homes can begin. In one recent example, a developer estimated the cost of a new home at \$410,000, with a substantial portion of that price tied to necessary infrastructure improvements. This price point is far above the range most local buyers can afford, typically between \$150,000 and \$250,000, making new construction cost-prohibitive. As a result of these challenges, Olivia has only added six single-family units and one twin home in the past decade.

Roseau Housing Market Gap Too Wide - Population: 2,744

The City of Roseau has aggressively supported housing development by providing grants and loans to developers, TIF, Tax Abatement, waived fees, donated and swapped land, and participated in a local Housing Trust Fund. The local Housing Trust Fund, North Star Neighbors Community Land Trust (CLT), and the City recently built three new homes, which will go on the market shortly. However, the gap between housing costs and what market rents and incomes can afford in the community is too far apart. Without public stimulus that can support housing construction, the community will not have new housing development.

Saint Joseph Housing Construction Cost-Prohibitive - Population: 7,029

Saint Joseph has a need for additional single-family and multi-family housing. However, development is constrained by sites that require lift stations and other costly infrastructure upgrades before homes can be built. The expense of these improvements makes new construction cost-prohibitive for both builders and prospective homeowners, limiting the City's ability to expand its housing stock and provide affordable housing.

SECTION 5 | CONCLUSION

As is illustrated by the stories provided, Greater Minnesota is not facing a housing crisis because our cities are unwilling to update zoning ordinances, modernize development policies, allow certain types of housing, or reimagine local housing strategies. Greater Minnesota cities have and continue to take enormous steps toward housing development, and many are currently working with developers and other partners in this pursuit. Still, the cost to construct a unit of housing exceeds what local economies can support in rent or sale prices. This assumes, though, that there are developers and a workforce available to even build housing—a precarious assumption in Greater Minnesota.

If there is one big takeaway from this collection of stories, it is that cities are taking deliberate, conscientious steps to address housing in their communities. Best of all, they are looking for local solutions that fit the circumstances of their own communities, and most importantly, they are doing that work in a way that includes their constituents.



(Top) Minnesota State Capitol. (Bottom) Little Falls, MN.



March 2, 2026

House Housing Finance and Policy Committee

RE: Support for the Minnesota Starter Home Act

To the Honorable Members of the House Housing Committee,

On behalf of the Builders Association of Minnesota an association of residential housing professionals located across the State, we are writing to express our strong support for the Minnesota Starter Home Act, as amended. This legislation represents a vital step toward addressing the inventory shortages and affordability challenges facing Minnesotans.

Minnesota is currently grappling with a significant deficit estimated at **100,000 units statewide**. Construction continues to fall far short of the pace required to meet demand. This imbalance has led to low active listings and a decline in homeownership rates, specifically among first-time buyers.

The consequences of this shortage are clear:

- **Cost Burdens:** Over a quarter of Minnesota households are cost burdened.
- **Renter Vulnerability:** Nearly half of all renters in our state pay more than 30% of their income toward their living space.
- **Regulatory Barriers:** Local regulations—including mandate-heavy zoning, excessive lot sizes, and aesthetic requirements—inflate costs for homeowners.

The amended Starter Home Act modernizes these barriers by allowing for homes on smaller lots and streamlining the approval process.

We view this legislation as a necessary to help close the inventory gap and promote equitable access to homeownership across Minnesota.

We respectfully urge your support for this measure.

Sincerely,

Grace Keliher, EVP Builders Association of Minnesota



March 3, 2026

Dear Chairs and Members of the House Housing Finance and Policy Committee,

Metro Cities appreciates the opportunity to comment on HF XXXX, 'The Starter Homes Act', as amended by the DE amendment. Metro Cities appreciates the ongoing work with bill authors on cities' concerns with the bill, but must respectfully continue to oppose language, however well intended, that preempts fundamental aspects of local decision-making.

City officials are elected to address land use, zoning and other issues with community input, tools and policies that are tailored to the needs of the city. The significant preemption language in the bill would give developers excessive, undue influence in how communities are shaped and managed, rather than the community. Below are some specific concerns with the bill:

- **Sub. 3, Administrative Approvals:** The administrative review requirements in the bill would hinder local processes for requests related to multifamily residential developments. These local processes provide for adequate management of public needs, as well as public input and engagement, and as such are key underpinnings of democratic process. This subdivision applies to all metropolitan area cities over 2,500 in population.
- **Subd. 6, Mixed Housing Districts:** This provision requires a city to allow mixed housing (duplex, triplex, fourplex, and townhouses) on at least 33 percent of the buildable area zoned for single family housing. This mandate is a blunt instrument that has high potential to disrupt the ability of cities to adequately manage land uses and needs. This subdivision applies to all metropolitan area cities over 2,500 in population.
- **Subd. 8, Multifamily Residential Developments in Commercial Districts:** This provision requires a city to allow for multifamily residential developments on at least 33 percent of the buildable area in a city. Many metropolitan cities wish to protect and expand commercial property tax bases to meet community needs and to provide for balance in tax bases. This subdivision applies to all metropolitan area cities over 2,500 in population.
- **Subd. 9, Additional Requirements/Criteria-Based Provision:** This subdivision requires cities to choose and satisfy certain criteria related to land uses, density, parking, and zoning, most of which are highly prescriptive and lack any nexus to ensure the advancement of housing that is affordable or addresses other specific local housing needs.

Cities in the metropolitan area also work in close partnership with the Metropolitan Council to address planning for affordable, lifecycle and other housing needs in the region. Cities are subject to regional requirements that are determined through processes that consider community differences and constraints, provide for local input and maintain a high level of local autonomy. The preemption provisions in the bill would stand to significantly undermine this work, that at its core is done to address housing and infrastructure needs for the region.

We appreciate your attention to these concerns and consideration of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Patricia Nauman'.

Patricia Nauman
Executive Director

A handwritten signature in cursive script, appearing to read 'Ania McDonnell'.

Ania McDonnell
Government Relations Specialist