

Subject Mixed housing and commercial corridor districts

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Overview

This bill requires certain municipalities to create mixed housing districts and commercial corridor districts. Limitations are stated on municipal authority.

Summary

Section	Description
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1	[462.3573] Mixed housing and commercial corridor districts.
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Subd. 1. Definitions. Defines the following terms for the purposes of the section: “accessory dwelling unit,” “applicant,” “commercial corridor district,” “covered municipality,” “duplex,” “fourplex,” “minimum parking mandate,” “mixed housing,” “mixed housing district,” “municipal state-aid street,” “nonurban municipality,” “request,” “residential unit,” “single-family dwelling,” “townhouse,” “triplex,” and “urban municipality.”

Subd. 2. Mixed housing and commercial corridor districts required. Requires an urban municipality or a city of the first class to create mixed housing districts that allow certain residential development with increased density in at least 75 percent of the area within the municipality that is zoned to permit residential use. Nonurban municipalities have a similar requirement on at least 50 percent of the area within the nonurban municipality that is zoned to permit residential use.

Requires covered municipalities to create commercial corridor districts that encompass every lot in the municipality that has frontage on a municipal state-aid street. Density requirements in the commercial corridor district vary depending on the type of municipality in which the district is located.

Authorizes a covered municipality to require a development to comply with standards, performance conditions, or requirements to promote general welfare. Clarifies that a development prohibited by state, federal, or local regulations that protect certain environmental and historic areas is not authorized by this section.

Section **Description**

Subd. 3. Municipal standards; limitations. States several limitations on municipal authority in mixed housing and commercial corridor districts, including required permitted uses; limitations on building bulk, size, aesthetics, and parking restrictions; and homeowners association restrictions.

Subd. 4. Administrative approvals. Requires a covered municipality to establish an administrative process to review commercial corridor district development requests in accordance with the 60-day rule process. The same process must be applied to certain developments in mixed housing districts. States approval or denial criteria, including alignment with certain land use plans and regulations, mitigation of health and safety risks, and the option to require a community meeting prior to approval. A development agreement must be provided to the applicant no less than three days in advance of a final plat approval or before final approval of a request that does not require a plat.

Subd. 5. Official controls; limitations. Prohibits a covered municipality from using official controls to prohibit the application of the section.

Subd. 6. Failure to comply; remedies. Authorizes any type of mixed housing as a permitted use on any lot zoned to allow a residential use if a covered municipality fails to adopt new standards that meet the requirements of the section by the applicable compliance date.

Subd. 7. Interim ordinance. Prohibits a covered municipality from enacting an interim ordinance to prohibit or delay application of the section.

Effective January 1, 2026.



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