



Metro Cities Annual Meeting – Mark Your Calendar!

Metro Cities will hold its Annual Meeting on Wednesday, April 23rd at 5:00 pm at the Roseville Oval Skating Center Banquet Room. The meeting will feature a social hour starting at 5:00 pm, *Star Tribune* Publisher Steve Grove as our guest speaker, and a brief business meeting to elect Metro Cities Board officers and members. More information to follow! RSVP to Jennifer Dorn at jennifer@metrocitiesmn.org.

Local Housing Pre-emption Bills Introduced

This week, several bills that would preempt local decision-making over land use and zoning, were introduced in the House and Senate. These bills are similar to legislation considered last session. Several provisions in bills would eliminate local authority and decision-making over land use and zoning as well as processes underpinning the management of housing and infrastructure at the local and regional levels of government.

The bills would eliminate processes that guide regional density and land use policy which are currently determined in close collaboration with local governments. In the metropolitan area the costs of regional infrastructure are primarily paid by metropolitan area taxpayers, and local and regional officials work closely to manage these needs and costs in a way that provides for public regional infrastructure, while maintaining a high degree of local autonomy.

Some bills are scheduled for hearings next week. Below are key provisions in bills. Metro Cities has significant concerns with many provisions in the bills. Metro Cities further encourages city officials to communicate with your local legislators to express concerns with bills that would preclude local decision making over local land use and zoning. Contact Ania McDonnell with any questions at ania@metrocitiesmn.org.

Senate Hearings Next Week

Tuesday 3/11/25 @ 12:30 pm

SF 2229, Port (DFL- Burnsville)

- Requires duplexes, ADUs, and townhouses to be permitted in any zoning district that permits a residential use.
- Requires densities of up to 125 percent of what is permitted by the comprehensive plan for the area.
- Contains significant setback limits, minimum lot sizes, and maximum lot coverage requirements.
- Limits requirements related to construction materials, architectural elements, durability, energy efficiency, building egress, or light access.
- Limits a city from imposing minimum parking requirements.

- Limits a city's ability to condition approval of a residential permit related to the creation of an HOA, or the inclusion of a service, feature, or common property necessitating an HOA.
- Establishes an administrative approvals process, allowing for only one community meeting before approval, and limits a city's ability to use a planned unit development agreement.

[SF 2286](#) – Clark (DFL - Minneapolis)

- Requires that residential developments be a permitted use in any zoning district that authorizes commercial uses (except for heavy industrial).
- Allows a city to establish local controls to require mixed use developments for developments that replace existing commercial or industrial structures.
- Sets strict standards related to floor area ratios and height limitations.
- Limits requirements related to construction materials, architectural elements, durability, energy efficiency, building egress, or light access, except as required by the State Building Code.
- Limits a city from imposing minimum parking requirements.
- Requires a city to establish an administrative approval process related to these developments, requires approval in a strict time frame, and allow for only one community meeting prior to approval of the request.
- Adds affordable housing developments to exceed one or more maximum dimensional standards imposed by zoning controls.
- Requires that developments comply with any standards, performance conditions, or requirements including the adequacy of existing public infrastructure to protect public health, safety, and general welfare.

Thursday 3/13/25 @ 12:30 pm

[SF 2231](#) – Boldon (DFL – Rochester)

- Requires municipalities to enact ordinances creating mixed-use housing zones that authorize a residential or mixed-use development either:
 - containing **three** residential units on a lot as a permitted use in an area covering 80 percent of the land within the city that is within one-half mile of a municipal state aid street (MSAS) or;
 - allow for **four** residential units on a lot in an area covering 80 percent of the land within the city that is within one-quarter mile of a MSAS street.
- Requires a city to authorize the following housing types in residential mixed-use housing zones: single-family, townhouse, duplex, triplex, fourplex, ADUs.
- Requires a mixed-use housing zone to permit densities of at least 25 units per acre
- Includes strict density requirements, lot coverage, setbacks, and floor area ratios, minimum lots sizes.
- Restricts cities from setting minimum unit size or dimension requirements, minimum square footage requirements, minimum side setbacks, minimum parking mandates (residential building code).
- Restricts cities from imposing requirements for construction materials, architectural elements, egress, durability, energy efficiency, or light access.
- Requires a city to establish an administrative approvals process, does not allow a city to require more than one community meeting prior to the approval of a request.

- Requires that developments comply with any standards, performance conditions, or requirements including the adequacy of existing public infrastructure imposed by a municipality to protect public health, safety, and general welfare.
- Sets a failure to comply section, stating that if a city fails to adopt new standards that meet the requirements of this bill by June 30, 2027, **up to six residential units must be allowed without restriction on any lot** that is within one-half mile of a municipal state-aid street or in any zoning district that authorizes mixed-use developments as a permitted use.

[SF 1268](#) – Fateh (DFL- Minneapolis)

- Bill does not allow for a political subdivision to impose minimum parking mandates for residential, commercial, or industrial properties, except for ordinances related to disability parking spaces.

[SF 1750](#) – Lucero (R-Saint Michael)

- Bill aims to revise statutes related to Homeowners Associations (HOAs) and Common Interest Communities (CICs).
- Prohibits a city from being able to condition the approval of a permit related to the residential development of an HOA both on the creation of an HOA, or with the inclusion of any service, feature, or common property that requires the creation of an HOA.

The companion bill in the House, HF 1268, was heard this week, as described later in the newsletter.

House Hearings Scheduled for Next Week

Tuesday 3/11/25 @ 3:00 pm

[HF 2013](#), Nash (R-Waconia)

- Bill limits municipalities from setting aesthetic mandate regulations on residential development.

[HF 1987](#), Igo (R-Wabana Township)

- Companion bill to SF 2229 described above.

HOA Bill Containing Local Preemption Heard

Last year, a Legislatively directed Working Group on Homeowners Associations and Common Interest Communities met to study common interest communities (CICs) and homeowners associations (HOAs) in Minnesota and how existing laws regulating CICs and HOAs address safe and affordable housing needs. Find more information about this working group [HERE](#).

This group published a [final report](#) to the Legislature in February 2025. Legislators who participated on the group have introduced legislation, including [HF 1268](#) – Bahner that was heard this week in the House Housing Finance and Policy Committee. Metro Cities [submitted a letter](#) citing concerns with local preemption in the bill which disallows cities from conditioning approval of a permit related to the residential development of an HOA, on the creation with the inclusion of any service, feature, or common property that requires the creation of an HOA.

The bill was [amended](#) during committee, including a small change to the preemption language. However, this change does not address Metro Cities' concerns with the preemption language,

which would not allow cities to ensure an HOA is created in a new development that contains private common property or elements that would necessitate an HOA. This creates concerns over a potential lack of access to this type of housing relied upon by seniors and those with disabilities. There was significant discussion and testimony noting various concerns with the bill. The bill passed and was referred to the House Judiciary Finance and Civil Law Committee.

Contact Ania McDonnell at ania@metrocitiesmn.org with any questions.

State Budget and Economic Forecast Released

On Thursday, the State Office of MN Management and Budget (MMB) released the February 2025 State Budget and Economic forecast, click [HERE](#) to view. This forecast will set parameters for state policymakers as they set a state budget this year.

The forecast shows a \$456 million balance projected for FY 26-27, \$160 million lower than predicted by the November forecast, and a projected increase in the structural budget imbalance to \$6 billion, \$852 million higher than that projected in November. State officials noted that the forecast reflects a higher level of inflation, which increases both revenues and expenditures. State officials also outlined trends in the budget, including spending growth in the areas of E-12 and health and human services.

Contact Patricia Nauman at patricia@metrocitiesmn.org with any questions.

Re-use of Underutilized Buildings Bill Heard

On Tuesday, a bill establishing a sales and use tax credit for the conversion of underutilized buildings was heard in the House Taxes committee. This is the second committee stop for this bill in the House. [HF 457](#) – Harder (R- Henderson) generated significant committee discussion and interest as a tool to support local economic development and housing. An [amendment was added](#) to allow for an insurance company to claim a credit against the premiums tax imposed. Metro Cities [submitted a letter](#) in support of the bill. The bill was laid over.

Contact Ania McDonnell at ania@metrocitiesmn.org with questions.

First Generation Homebuyer Assistance Program Bill Heard

On Tuesday, the Senate Housing and Homeless Prevention Committee heard [SF 1610](#) – Oumou Verbeten (DFL – Saint Paul) which provides for additional funding to the Community Based First-Generation Homebuyers Assistance program and modifies the language to improve the program. This program supports first generation homebuyers or those who have owned a home but lost it due to foreclosure and is a key program to support efforts to reduce racial disparities in homeownership. The committee also heard [SF 1533](#) – Mohamed (DFL- Minneapolis) which would provide funding to the Homeownership Education, Counseling and Training Program (HECAT) through Minnesota Housing. Metro Cities [submitted a letter](#) in support of both of the bills. The bills were laid over for the possible inclusion in an Omnibus Housing bill.

High Rise Sprinkler Bill Heard

A bill was heard this week that provides additional funding to the high-rise sprinkler grant program enacted in 2023. The bill also modifies the program so that more buildings are eligible. [HF 1334](#) –

Noor (DFL- Minneapolis) and [SF 1895](#) – Mohamed (DFL – Minneapolis) were heard in the Housing committees of the House and Senate. The bill adjusts language in the current program to adjust the building height that is eligible for funding, modifies the eligibility of affordability of units, and allows for loans as well as the grants provided for by the program. The bills were laid over.

Federal Background Check Authority Passes House

[HF 286 – Perryman](#) was unanimously passed by the House on Thursday. The bill authorizes counties and cities to conduct national criminal background checks (via the Bureau of Criminal Apprehension) for individuals seeking a local license to operate a cabaret or massage business. At its committee stops before reaching the floor, testifiers in support of the bill spoke about the difficulty of properly vetting massage therapy business applicants with background checks from Minnesota alone. The discussion over HF 286 also prompted some legislators to call for a statewide licensing framework for massage therapy. The passage of HF 286 represents a meaningful step toward better regulating this group of businesses. The Senate companion (SF 803 – Howe) has not received a hearing yet this session. Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Cost Participation Bill Heard

The House Transportation Committee heard HF 192 (Burkel) on Monday. The bill would prohibit MnDOT from requiring a local government to pay for project costs within trunk highway right-of-way, including utility relocation costs regardless of facility ownership. This prohibition would apply even if the relevant costs are not eligible for trunk highway funding or the project has non-trunk highway system benefits. It would not apply to project costs agreed upon between MnDOT and a local government for work outside of the project scope. The bill includes an open appropriation to MnDOT from the general fund for costs not eligible to be paid for out of the trunk highway fund.

Monday's hearing included testimony from elected officials and city engineers. MnDOT has been engaging local government stakeholders since May 2024 as they work to update their internal cost participation policy. Their policy has not had a major update since 2016. HF 192 was laid over for possible inclusion in an omnibus transportation finance bill. Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Bills of Note

[HF 1744](#), Stier, Bill expands use of tracking devices authorized for fleeing motor vehicles.

[HF 1784](#), Roach/[SF 1922](#), Wesenburg: Bill makes government entities liable for defense costs for actions brought by the government entity.

[HF 1798](#), Koegel/[SF 2081](#), Dibble: Bill accelerates the dedication of revenues from the auto parts sales tax (directed to the Transportation Advancement Account).

[HF 1800](#), Quam: Bill makes several changes to election administration law.

[HF 1804](#), Koegel/[SF 2094](#), Johnson Stewart: Bill modifies various requirements governing active transportation.

[HF 1814](#), Backer: Bill appropriates \$4 million for grants to local law enforcement agencies to purchase or upgrade radio and related equipment.

[HF 1819](#), Fogelman/[SF 896](#), Bahr: Bill makes prior active transportation account transfer onetime.

[HF 1843](#), Rehm: Bill appropriates \$1.5 million for the lawns to legumes program.

[HF 1854](#), Fischer: Bill provides rights to tenants when a landlord has received funding to assist with renovations of a residential rental unit.

[HF 1863](#), Johnson, P.: Bill modifies housing and redevelopment authority levy limits.

[HF 1873](#), Engen/[SF 752](#), Coleman: Bill requires municipal approval of transit guideway plans and requires approval before federal funds can be requested.

[HF 1902](#), Nash: Bill requires the Housing Finance Agency to promote information on the rights and obligations of landlords and residential tenants.

[HF 1931](#), Bahner: Bill provides authority to the attorney general to enforce laws related to common interest communities.

[HF 1943](#), Freiberg/[SF 2023](#), Carlson: Bill transfers \$200 thousand to the Help America Vote Act account.

[HF 1956](#), Anderson, P.H.: Bill amends the threshold for the required submission of audited municipal liquor store financial statements to the state auditor.

[HF 1976](#), Baker: Bill modifies the Paid Leave Law for employers with less than 50 employees only required to provide 6 weeks of paid leave.

[HF 1977](#), Quam/[SF 2243](#), Nelson: Bill requires local approval before MnDOT may acquire easements for certain road projects.

[HF 1987](#), Igo/[SF 2229](#), Port: Bill limits the zoning authority of municipalities related to certain residential developments.

[HF 2003](#), Sencer-Mura: Bill allows political subdivisions to lower the voting age to 16 for local elections.

[HF 2006](#), Joy: Bill clarifies the use of unobligated tax increment financing increment.

[HF 2013](#), Nash: Bill limits municipalities from setting aesthetic mandate regulations on residential development.

[SF 2034](#), Dibble/[HF 1317](#), Hansen, R.: Bill authorizes the removal of members of the metropolitan council for cause, specifies their salary and benefits, and requires annual reviews of the regional administrator.

[SF 2041](#), Wiklund/[HF 1159](#), Youakim: Bill expands the eligible uses of increment from tax increment financing districts to include transfers to local housing trust funds and imposes requirements on use of transferred increment.

[SF 2045](#), Rest/[HF 974](#), Freiberg: Bill authorizes cities to charge a franchise fee for broadband.

[SF 2062](#), Howe/[HF 1917](#), Anderson, P.H.: Bill amends the definition of “public official”.

[SF 2077](#), Hawj: Bill is an omnibus environment and natural resources finance bill.

[SF 2082](#), Dibble: Bill is an omnibus transportation finance bill.

[SF 2091](#), Johnson Stewart: Bill appropriates \$80 million for the corridors of commerce program.

[SF 2096](#), Dibble: Bill appropriates \$400 million for the corridors of commerce program.

[SF 2097](#), Oumou Verbeten: Bill prohibits source of income discrimination in housing.

[SF 2107](#), Kunesh: Bill appropriates \$1.5 million to the Metropolitan Council for grants to parks implementing agencies to reduce the spread of aquatic invasive species.

[SF 2111](#), Seeberger/[HF 1375](#), Duran: Bill repeals the peace officer grievance arbitration selection procedure.

[SF 2114](#), Hawj/[HF 1564](#), Jordan: Bill appropriates \$22,550,000 for metropolitan regional parks and trails.

[SF 2129](#), Seeberger/[HF 726](#), Lee, F.: Bill imposes a gross revenues tax on entities manufacturing and selling products containing PFAS.

[SF 2131](#), Johnson Stewart: Bill authorizes local governments to implement ranked choice voting for local races.

[SF 2140](#), Nelson: Bill prohibits MnDOT from requiring a local cost participation for trunk highway projects.

[SF 2142](#), Nelson/[HF 752](#), Robbins: Bill authorizes cities to prohibit sale of cannabis projects and to prohibit cannabis businesses within their jurisdictions.

[SF 2162](#), Dibble: Bill authorizes local road authorities to adopt design elements without state-aid engineering and design variances.

[SF 2171](#), Housley/[HF 177](#), Myers: Bill provides a refundable construction exemption for construction of new single-family residential housing for first-time homebuyers.

[SF 2182](#), Bahr/[HF 749](#), Koznick: Bill establishes performance requirements and conditional termination of the Northstar Commuter Rail line.

[SF 2185](#), Johnson Stewart: Bill bonds for \$250 million for the Local Road Improvement Program and \$150 million for the Local Bridge Replacement Program.

[SF 2196](#), Johnson Stewart: Bill authorizes local governments to charge a street impact fee.

[SF 2198](#), Johnson Stewart/[HF 268](#), Koznick: Bill places limitations on use of interest or investment income from transportation revenue.

[SF 2214](#), Hoffman: Bill appropriates funding for a Minnesota homeless study.

[SF 2231](#), Boldon: Bill limits zoning authorities for cities related to the creation of mixed-use housing zones.

[SF 2232](#), Koran: Bill contains various election administration provisions.

[SF 2264](#), Lucero/[HF 563](#), Quam: Bill dedicates a portion of local government aid to cities for pre-1940 housing improvements.

[SF 2279](#), Lucero/[HF 553](#), Quam: Bill prohibits acceptance of a municipal ID for state or federal services.

[SF 2286](#), Clark: Bill limits the zoning authority of municipalities related to certain multifamily and mixed-use developments.

Metro Cities News is emailed periodically to Metro Cities member mayors, councilmembers, city managers/administrators, and city staff to keep officials and staff abreast of important metro city issues.

If you'd like to sign up to receive Metro Cities News, please email newsletter@metrocitiesmn.org and provide the following: Name, Title, Employer and Email address. Thank you!

Metro Cities (Association of Metropolitan Municipalities)
145 University Ave W, St. Paul, MN 55103-2044
Phone 651-215-4000 · Fax 651-281-1299 · www.MetroCitiesMN.org