



ITEM:
COUNCIL MEETING DATE:
SECTION:

5.B.
March 27, 2025
Regular Agenda

Description:

Adopt Resolution Supporting Retention of City Zoning Authority and Opposing Proposed Legislation Seeking to Limit Local Land Use Decision Making

Staff Contact:

Tom Lawell, City Administrator

Department / Division:

Administration Department

ACTION REQUESTED:

Adopt the resolution supporting retention of city zoning authority and opposing proposed legislation seeking to limit local land use decision making.

SUMMARY:

The Minnesota Legislature is currently considering a number of bills aimed at limiting long-standing city authority over land use and development. These bills include:

- SF 2229 / HF 1987 ("Minnesota Starter Home Act")
- SF 2231 / HF 2140 ("More Homes Right Places Act")
- SF 2286 / HF 2018 ("Transforming Main Street Act")
- SF 1268 / HF 1309 ("People Over Parking Act")

These bills, if adopted, would greatly restrict local government zoning and land use authority and would remove public input in the residential development process. It would also authorize land development contrary to the City's adopted 2040 Comprehensive Plan. For these reasons, it is recommended that the City consider a resolution supporting the retention of city zoning authority and officially opposing proposed legislation seeking to limit local land use decision making.

BACKGROUND:

The proposed bills focus on the elimination of local control relative to zoning and land use regulations to allow housing developers to build housing with greater density in traditional single-family neighborhoods and elsewhere in the community.

If adopted, the legislation could significantly affect the character of existing single-family neighborhoods in the community by allowing added housing density on each residential lot. It would also force administrative approvals of projects that meet the standards in the bill language and would prohibit public input on the approval process. Development proposals in Apple Valley have traditionally followed a very public process with deliberation by the Planning Commission and City Council and public input has always been encouraged. The proposed legislation would move such approvals to the staff level which would limit public transparency and would be contrary to traditional democratic principles.

Specific provisions of concern in each of the proposed bills include:

SF 2229, Port - “Starter Homes” bill

- Requires duplexes, ADUs, and townhouses be permitted in any zoning district that permits residential use, with some restrictions for townhomes only in newly platted districts and vacant lots.
- Sets strict setback limitations, minimum lot sizes, and maximum lot coverage requirements.
- Limits a city from imposing minimum parking requirements and 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 of a request and limits a city’s ability to use a planned unit development agreement, among other provisions.

SF 2286, Clark – Multifamily Housing in Commercial Districts

- Requires that residential development be permitted use in any zoning district that authorizes commercial uses (except for heavy industrial).
- 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, and 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 allows for only one community meeting prior to approval of the request.

SF 2231, Boldon – Mixed-Use Housing Zones Bill

- Requires municipalities to enact ordinances creating mixed-use housing zones and to create commercial corridor districts that encompass every lot in the city with frontage on a municipal state-aid street.
- Requires cities to authorize the following housing types in residential mixed-use zones: single-family, townhouse, duplex, triplex, four-plex and ADUs.
- “Urban” municipality is defined as cities other than a city of the first class adjacent to or has a border within one mile of the border of a city greater than 150,000 population. “Non urban” municipality is a city greater than 10,000 population and not an urban municipality or city of the first class.
- Required housing types must be allowed on at least 50 percent of the area within a city zoned to permit residential use for “non urban” municipalities, and 75 percent of the area zoned residential for “urban” municipalities.
- Requires establishing an administrative approvals process. Cities may not require more than one community meeting prior to approving a request.
- Sets a failure to comply section. If a city fails to adopt new standards that meets requirements by certain dates based on city type, any type of mixed housing would then be allowed without restriction on any lot zoned to allow residential use.

SF 1268, Fateh - Minimum Parking Mandate Prohibited

- Removes the ability for cities to set minimum parking mandates, except for ordinances related to disability parking spaces.

Land development within the City of Apple Valley is currently guided by our 2040 Comprehensive Plan which was developed in collaboration with citizens, community and business organizations, school districts and many others, and which was approved by the Metropolitan Council. This legislation would negate important provisions in our approved 2040 Comprehensive Plan and would jeopardize long-range planning efforts involving the City's essential infrastructure (roads, water mains, sewer lines and stormwater management systems), threatening to overwhelm these systems.

The legislation places no limits on the number of units a given community would be forced to add and significant increases in housing density would result in added infrastructure costs which should not become the responsibility of existing residents and businesses. We are also concerned about possible environmental harm caused by excessive storm water flow caused by increased impervious surface related to the incremental densification of our housing stock.

We are also concerned that the appropriation of commercially guided property, which would be allowed for multi-family housing development with no restriction on the number of units, would also have long-term impacts on the City's commercial/industrial tax base and would limit the City's attraction of head of household jobs to the community.

Due to the negative impacts of this proposed legislation, it is recommended that the City Council adopt the attached resolution supporting the retention of city zoning authority and opposing proposed legislation seeking to limit local land use decision making.

Our local legislative delegation, comprised of Senator Erin Maye Quade and Representatives Robert Bierman and John Huot, have been informed of the City's concerns relative to these bills. When the delegation visited with the City Council on January 9, 2025 local preemption of zoning and land use development was already a known concern for this legislative session. City support for local zoning authority was expressed at that time. We encourage our legislators to continue to work with cities to arrive at compromise language that helps support the production of affordable housing without diminishing local authority and the rights of the public to engage with their local officials on matters related to their neighborhoods.

BUDGET IMPACT:

Unknown, but potentially significant, depending on the number of new multi-family housing units ultimately created within existing single-family neighborhoods and on property currently guided for commercial use.

ATTACHMENTS:

Resolution
Exhibit

CITY OF APPLE VALLEY
RESOLUTION NO. 2025-

A RESOLUTION SUPPORTING RETENTION OF CITY ZONING
AUTHORITY AND OPPOSING PROPOSED LEGISLATION
SEEKING TO LIMIT LOCAL LAND USE DECISION MAKING

WHEREAS, the Minnesota State Legislature is currently considering proposed legislation aimed at limiting long-standing city authority over local land use and development; and

WHEREAS, bills currently being considered include SF 2229 / HF 1987 (“Minnesota Starter Home Act”), SF 2231 / HF 2140 (“More Homes Right Places Act”), SF 2286 / HF 2018 (“Transforming Main Street Act”) and SF 1268 / HF 1309 (“People Over Parking Act”); and

WHEREAS, the legislation, if adopted, would greatly restrict local government zoning and land use authority and would severely limit public input related to the residential development process; and

WHEREAS, the legislation could significantly affect the character of existing single-family neighborhoods in the community by allowing greater housing density on each residential lot; and

WHEREAS, the legislation forces administrative approvals of projects that meet the standards in the bill language and prohibits public input on the approval process before the Planning Commission and City Council; and

WHEREAS, land development within the City of Apple Valley is currently guided by its 2040 Comprehensive Plan which was developed in collaboration with citizens, community and business organizations, school districts and many others, and which was approved by the Metropolitan Council; and

WHEREAS, these bills, if adopted, would overturn this approved 2040 Comprehensive Plan and would jeopardize long-range planning efforts involving the City’s essential infrastructure (roads, water mains, sewer lines and stormwater management systems), threatening to overwhelm these systems; and

WHEREAS, significant increases in housing density will result in added infrastructure costs which should not become the responsibility of existing residents and businesses. Without a remedy, this legislation could result in property tax increases over time; and

WHEREAS, the proposed legislation is an attempt to address housing availability and affordability challenges by inappropriately limiting city authority over zoning and land use decisions, transferring that authority to the state government; and

WHEREAS, these proposed measures fail to adequately address housing affordability and offer no guarantees that cost savings realized by housing developers would translate into lower housing costs for prospective homeowners or renters.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Apple Valley, Dakota County, Minnesota, strongly supports the retention of city zoning authority and opposes the proposed legislation what would broadly limit local zoning and land use decision making related to residential development; and

BE IT FURTHER RESOLVED that it urges the legislature to recognize the negative impacts associated with this proposed legislation and to withhold action on the bills until suitable amendment language can be developed in consultation with the League of Minnesota cities and other municipal groups; and

ADOPTED this 27th day of March, 2025.

Clint Hooppaw, Mayor

ATTEST:

Christina Scipioni, City Clerk



City of Apple Valley

Concerns with 2025 Proposed Housing Bills (SF2229/HF1987, SF2231/HF2140, SF2286/HF2018, SF1268/HF1309)

- The City of Apple Valley strongly opposes SF2229/HF1987, SF2231/HF2140, SF2286/HF2018 and SF1268/HF1309.
- These bills would greatly restrict local government zoning and land use authority and would remove public input in the residential development process. This is counter to our shared democratic ideals.
- The proposed legislation has the potential to undo years of thoughtful community engagement. It also would instantly subject residents to the prospect of a significant change of character in their neighborhood. The bill provides no recourse to residents concerned about these changes and deprives them of their right to petition local government to redress their grievances.
- These bills would overturn the long-range local Comprehensive Plans adopted by cities within the metropolitan area. These carefully crafted Comprehensive Plans are updated every ten years in accordance with regional systems plans issued by the Metropolitan Council. These bills represent a wholesale abandonment of these planning efforts.
- A community's Comprehensive Plan is developed in collaboration with citizens, community and business organizations, school districts and many others. Citizen-led Planning Commissions and City Councils devote hundreds of hours to balance interests and forge a community consensus on the future of their community. Abandonment of that process is unwise and misguided.

- A community's Comprehensive Plan guides the development of its key municipal infrastructure components such as roads, water mains, sewer lines, and stormwater management systems. Land use density affects all these systems and cannot be changed overnight.
- Increased density will result in added costs. Unless state funding mechanisms are created, citizens will be forced to bear the cost of increasing the capacity of infrastructure improvements to accommodate added growth. Absent a permanent and sufficient funding source, this bill will increase property taxes.
- Forcing all commercially zoned property in a community to accommodate multi-family housing redirects land intended to provide jobs for the community into yet more housing. This creates an imbalance in long-range community planning efforts and will force more people to commute longer distances to their places of employment. Arbitrarily opening all commercial land to housing is not the answer. As we seek to be more sustainable and green, housing needs to be connected to nearby jobs.
- These bills would significantly preempt local government zoning authority. Mayors and Councilmembers are duly elected by their citizens and are in the best position to make decisions on behalf of their community.
- These bills attempt to create a "one-size-fits-all" approach which does not respect the uniqueness of communities across the state.
- These bills are uniformly opposed by the League of Minnesota Cities, Metro Cities, and other local government associations.
- Given the magnitude of the impacts associated with these bills, the legislature should take a step back and provide more time to work on a bill that better respects decades worth of planning and infrastructure investment in our communities. We look forward to working with you on crafting a better approach.



City of Apple Valley

The Importance of Maintaining a Proper Balance of Housing and Jobs within a Community

The City of Apple Valley worked with the community for over two years to develop its 2040 Comprehensive Plan. It carefully considered the land use goals of the community and concluded additional commercial/industrial development was needed for the following reasons:

- The City's 2040 Comprehensive Plan states that the main goal of Apple Valley's economic development strategy is to continue to increase local employment; specifically, to increase the number of jobs that pay well enough to sustain a household. Attracting large employers to the area remains a high priority.
- A key consideration in the planning process is seeking a balance of jobs and housing. Too few jobs relative to available housing stock means residents will have to travel outside the community for employment. Increased commercial/industrial development provides added employment opportunities and helps to shorten commuting distances, thereby reducing highway congestion, air pollution and environmental harm.
- A standard measure of jobs-housing balance is the ratio of jobs to households. The American Planning Association recommends a ratio of jobs to households of 1.3 to 1.7. Apple Valley's current jobs per household ratio is only 0.77. Apple Valley needs to up its ratio and zoning is the proper tool to guide this transformation.
- The vast majority of vacant land in Apple Valley is guided for commercial/industrial development to increase employment opportunities, increase tax base, and help alleviate tax burdens on residents. SF2229/HF1987, SF2231/HF2140, SF2286/HF2018 and SF1268/HF1309, as currently written, would eliminate the City's ability to achieve this goal by removing needed zoning control and opening commercially guided property to yet more housing.