



March 9, 2021

**Re: City concerns with SF 915 (zoning preemption)**

Dear Members of the Senate Housing Finance Policy Committee:

The League of Minnesota Cities, Coalition of Greater Minnesota Cities, Minnesota Association of Small Cities, Metro Cities, and Municipal Legislative Commission respectfully ask members oppose efforts to preempt city zoning authority as called for in SF 915. Mandating one-size-fits-all policies on all 853 cities removes the ability for cities to respond to locally-identified priorities.

SF 915 preempts local zoning authority by limiting planned unit development (PUD) conditions, prohibiting aesthetic conditions, mandating allowance of temporary family health care dwellings, requiring a 60-day rule for building permits, etc. Cities know their communities and are in the best position to address local zoning and respond to local needs – not the state legislature. This one-size-fits-all bill attacks the fundamental importance of local control, and universally mandated zoning requirements would eliminate the uniqueness of our communities.

It has been alleged that city regulations and fees are some of the driving factors in housing costs. But it is generally acknowledged that land, labor, and materials are the highest cost drivers – not city regulations or fees. City fees only represent 3-7% of the cost of home.

Home prices are market driven. In the face of challenging market forces, cities continue to innovate through policy and provide direct assistance to developers and homebuyers despite limited resources. However, even if cities eliminated the regulations and fees that ensure the health, safety, and welfare of residents, anything a builder may save carries with it no guarantee that a home would be sold for less and would likely end up as more profit for the builder.

Finally, city zoning does not appear to be an obstacle for builders, as illustrated by recent record-high, single-family home construction. [Latest numbers show a 32% February increase](#). Cities are committed to promoting development at all levels of the housing continuum. But broad preemption of local zoning authority under the guise of housing affordability is not the answer to market challenges we face in parts of the state.

Please join us in preserving city authority to ensure the health, welfare, and safety of our residents and oppose the preemption found in these bills.

Sincerely,

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League of Minnesota Cities

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