A bill for an act relating to the State Building Code; requiring the installation of adult-size changing facilities in restrooms accessible to the public; amending Minnesota Statutes 2020, section 326B.106, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2020, section 326B.106, subdivision 4, is amended to read:

Subd. 4. Special requirements. (a) Space for commuter vans. The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

(b) Smoke detection devices. The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

(c) Doors in nursing homes and hospitals. The State Building Code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

(d) Child care facilities in churches; ground level exit. A licensed day care center serving fewer than 30 preschool age persons and which is located in a belowground space in a church building is exempt from the State Building Code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.
(e) **Family and group family day care.** Until the legislature enacts legislation specifying appropriate standards, the definition of dwellings constructed in accordance with the International Residential Code as adopted as part of the State Building Code applies to family and group family day care homes licensed by the Department of Human Services under Minnesota Rules, chapter 9502.

(f) **Enclosed stairways.** No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

(g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

(h) **Relocated residential buildings.** A residential building relocated within or into a political subdivision of the state need not comply with the State Energy Code or section 326B.439 provided that, where available, an energy audit is conducted on the relocated building.

(i) **Automatic garage door opening systems.** The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.

(j) **Exterior wood decks, patios, and balconies.** The code must permit the decking surface and upper portions of exterior wood decks, patios, and balconies to be constructed of (1) heartwood from species of wood having natural resistance to decay or termites, including redwood and cedars, (2) grades of lumber which contain sapwood from species of wood having natural resistance to decay or termites, including redwood and cedars, or (3) treated wood. The species and grades of wood products used to construct the decking surface and upper portions of exterior decks, patios, and balconies must be made available to the building official on request before final construction approval.

(k) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may be imposed by municipalities under the State Building Code, except as required under section 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section 326B.92 administered by the Department of Labor and Industry. All data regarding the material production processes, including the bioprocess system's structural design and layout, are nonpublic data as provided by section 13.7911.
(l) **Use of ungraded lumber.** The code must allow the use of ungraded lumber in geographic areas of the state where the code did not generally apply as of April 1, 2008, to the same extent that ungraded lumber could be used in that area before April 1, 2008.

(m) **Window cleaning safety.** The code must require the installation of dedicated anchorages for the purpose of suspended window cleaning on (1) new buildings four stories or greater; and (2) buildings four stories or greater, only on those areas undergoing reconstruction, alteration, or repair that includes the exposure of primary structural components of the roof.

The commissioner may waive all or a portion of the requirements of this paragraph related to reconstruction, alteration, or repair, if the installation of dedicated anchorages would not result in significant safety improvements due to limits on the size of the project, or other factors as determined by the commissioner.

(n) **Adult-size changing facilities.** (1) The code must require the installation of adult-size changing facilities on each floor where there is a restroom accessible to the public. This requirement is met by providing adult-size changing facilities in either a unisex restroom or in both a men's restroom and a women's restroom. Adult-size changing facilities consist of:

(i) an adult-size changing table in a private location;

(ii) a supply of paper table liners and disinfectant wipes;

(iii) an appropriately sized waste container for used supplies;

(iv) nonslip flooring;

(v) wall-mounted hooks and a shelf for a user's personal supplies;

(vi) a chair for the user's attendant or caregiver; and

(vii) signage indicating the presence of the adult-size changing facilities.

(2) Adult-size changing tables must have a changing surface that:

(i) is a minimum of 24 inches wide and 71 inches long;

(ii) either sits at or is capable of being adjusted to a height of between 18 and 28 inches above the floor;

(iii) is weight-bearing to a minimum of 350 pounds; and

(iv) has both a safety rail and restraint straps available.
1.1 A bill for an act

1.2 relating to the State Building Code; requiring the installation of adult-size changing

1.3 facilities in restrooms accessible to the public; amending Minnesota Statutes 2020,

1.4 section 326B.106, subdivision 4.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 326B.106, subdivision 4, is amended to read:

1.7 Subd. 4. Special requirements. (a) Space for commuter vans. The code must require

1.8 that any parking ramp or other parking facility constructed in accordance with the code

1.9 include an appropriate number of spaces suitable for the parking of motor vehicles having

1.10 a capacity of seven to 16 persons and which are principally used to provide prearranged

1.11 commuter transportation of employees to or from their place of employment or to or from

1.12 a transit stop authorized by a local transit authority.

1.13 (b) Smoke detection devices. The code must require that all dwellings, lodging houses,

1.14 apartment houses, and hotels as defined in section 299F.362 comply with the provisions of

1.15 section 299F.362.

1.16 (c) Doors in nursing homes and hospitals. The State Building Code may not require

1.17 that each door entering a sleeping or patient's room from a corridor in a nursing home or

1.18 hospital with an approved complete standard automatic fire extinguishing system be

1.19 constructed or maintained as self-closing or automatically closing.

1.20 (d) Child care facilities in churches; ground level exit. A licensed day care center

1.21 serving fewer than 30 preschool age persons and which is located in a belowground space

1.22 in a church building is exempt from the State Building Code requirement for a ground level

1.23 exit when the center has more than two stairways to the ground level and its exit.
(e) **Family and group family day care.** Until the legislature enacts legislation specifying appropriate standards, the definition of dwellings constructed in accordance with the International Residential Code as adopted as part of the State Building Code applies to family and group family day care homes licensed by the Department of Human Services under Minnesota Rules, chapter 9502.

(f) **Enclosed stairways.** No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

(g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

(h) **Relocated residential buildings.** A residential building relocated within or into a political subdivision of the state need not comply with the State Energy Code or section 326B.439 provided that, where available, an energy audit is conducted on the relocated building.

(i) **Automatic garage door opening systems.** The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.

(j) **Exterior wood decks, patios, and balconies.** The code must permit the decking surface and upper portions of exterior wood decks, patios, and balconies to be constructed of (1) heartwood from species of wood having natural resistance to decay or termites, including redwood and cedars, (2) grades of lumber which contain sapwood from species of wood having natural resistance to decay or termites, including redwood and cedars, or (3) treated wood. The species and grades of wood products used to construct the decking surface and upper portions of exterior decks, patios, and balconies must be made available to the building official on request before final construction approval.

(k) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may be imposed by municipalities under the State Building Code, except as required under section 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section 326B.92 administered by the Department of Labor and Industry. All data regarding the material production processes, including the bioprocess system's structural design and layout, are nonpublic data as provided by section 13.7911.
(l) **Use of ungraded lumber.** The code must allow the use of ungraded lumber in geographic areas of the state where the code did not generally apply as of April 1, 2008, to the same extent that ungraded lumber could be used in that area before April 1, 2008.

(m) **Window cleaning safety.** The code must require the installation of dedicated anchorages for the purpose of suspended window cleaning on (1) new buildings four stories or greater; and (2) buildings four stories or greater, only on those areas undergoing reconstruction, alteration, or repair that includes the exposure of primary structural components of the roof.

The commissioner may waive all or a portion of the requirements of this paragraph related to reconstruction, alteration, or repair, if the installation of dedicated anchorages would not result in significant safety improvements due to limits on the size of the project, or other factors as determined by the commissioner.

(n) **Adult-size changing facilities.** (1) The code must require the installation of adult-size changing facilities on each floor where there is a restroom accessible to the public. This requirement is met by providing adult-size changing facilities in either a unisex restroom or in both a men's restroom and a women's restroom. Adult-size changing facilities consist of:

(i) an adult-size changing table in a private location;

(ii) a supply of paper table liners and disinfectant wipes;

(iii) an appropriately sized waste container for used supplies;

(iv) nonslip flooring;

(v) wall-mounted hooks and a shelf for a user's personal supplies;

(vi) a chair for the user's attendant or caregiver; and

(vii) signage indicating the presence of the adult-size changing facilities.

(2) Adult-size changing tables must have a changing surface that:

(i) is a minimum of 24 inches wide and 71 inches long;

(ii) either sits at or is capable of being adjusted to a height of between 18 and 28 inches above the floor;

(iii) is weight-bearing to a minimum of 350 pounds; and

(iv) has both a safety rail and restraint straps available.
 moves to amend H.F. No. 1085 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2020, section 326B.153, is amended by adding a subdivision to read:

Subd. 1a. Building permit fees; municipalities. Beginning January 1, 2022, building permit fees for new one- and two-family dwellings and townhouses, including any inspection fees, adopted by a municipality must be based on a cost per square foot. All permit and inspection fees must be made available publicly through one or more of the following:

1. posting on the website of the municipality;
2. providing a copy by mail, if requested; or
3. keeping a copy for review at the city hall building of a municipality."

Amend the title accordingly.
Senator ................. moves to amend S.F. No. 801 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2020, section 326B.153, is amended by adding a subdivision to read:

Subd. 1a. Building permit fees; municipalities. Beginning January 1, 2022, building permit fees for new one- and two-family dwellings and townhouses, including any inspection fees, adopted by a municipality must be based on a cost per square foot. All permit and inspection fees must be made available publicly through one or more of the following:

(1) posting on the website of the municipality;

(2) providing a copy by mail, if requested; or

(3) keeping a copy for review at the city hall building of a municipality."

Section 1. 1
A bill for an act

relating to the State Building Code; prohibiting adoption of building codes without prior legislative approval; placing a moratorium on adoption of new or amended building codes; requiring energy code changes to be offset by savings; amending Minnesota Statutes 2020, section 326B.106, subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2020, section 326B.106, subdivision 1, is amended to read:

Subdivision 1. Adoption of code. (a) Subject to paragraphs (c) and (d) and sections 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the Construction Codes Advisory Council establish a code of standards for the construction, reconstruction, alteration, and repair of buildings, governing matters of structural materials, design and construction, fire protection, health, sanitation, and safety, including design and construction standards regarding heat loss control, illumination, and climate control. The code must also include duties and responsibilities for code administration, including procedures for administrative action, penalties, and suspension and revocation of certification. The code must conform insofar as practicable to model building codes generally accepted and in use throughout the United States, including a code for building conservation. In the preparation of the code, consideration must be given to the existing statewide specialty codes presently in use in the state. Model codes with necessary modifications and statewide specialty codes may be adopted by reference. The code must be based on the application of scientific principles, approved tests, and professional judgment. To the extent possible, the code must be adopted in terms of desired results instead of the means of achieving those results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code must encourage the use of new methods and new materials.
Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall administer and enforce the provisions of those sections.

(b) The commissioner shall develop rules addressing the plan review fee assessed to similar buildings without significant modifications including provisions for use of building systems as specified in the industrial/modular program specified in section 326B.194. Additional plan review fees associated with similar plans must be based on costs commensurate with the direct and indirect costs of the service.

(c) Beginning with the 2018 edition of the model building codes and in 2026 and every six years thereafter, the commissioner shall review the new model building codes and adopt the model codes as amended for use in Minnesota, within two years of the published edition date. The commissioner may not adopt new model building codes or amendments to the building codes prior to the adoption of the new building codes to advance construction methods, technology, or materials, or, where necessary to protect the health, safety, and welfare of the public, or to improve the efficiency or the use of a building, unless approved by law.

(d) Notwithstanding paragraph (c), the commissioner shall act on each new model residential energy code and the new model commercial energy code in accordance with federal law for which the United States Department of Energy has issued an affirmative determination in compliance with United States Code, title 42, section 6833. The commissioner may not adopt new energy codes or amendments prior to adoption of the new energy codes, as amended for use in Minnesota, to advance construction methods, technology, or materials, or, where necessary to protect the health, safety, and welfare of the public, or to improve the efficiency or use of a building, unless the commissioner has determined that any increased cost to residential construction or remodeling per unit due to implementation of the proposed changes to the energy codes will be offset within five years by savings resulting from the change.

(e) The limitations on adoption of new or amended codes under paragraphs (c) and (d) do not apply to new or amended code changes necessary to protect the immediate health, safety, and welfare of the public.

EFFECTIVE DATE. This section is effective the day following final enactment.
A bill for an act relating to local and metropolitan government; modifying provisions related to local land use and building permits for the comprehensive housing affordability act; amending Minnesota Statutes 2020, sections 15.99, subdivisions 1, 2; 326B.106, subdivision 1; 326B.145; 326B.153, by adding a subdivision; 394.24, subdivision 1; 394.307, subdivision 9; 462.355, subdivision 4; 462.357, subdivision 2, by adding a subdivision; 462.358, subdivisions 2a, 2b; 462.3593, subdivision 9; 462C.14, by adding subdivisions; 473.254, subdivision 2; 473.517, subdivision 3; 473.858, subdivision 1; 473.859, subdivision 2; 473.865, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapters 394; 435; 462; 513; proposing coding for new law as Minnesota Statutes, chapter 462E; repealing Laws 2017, First Special Session chapter 3, article 3, section 126; Laws 2018, chapter 214, article 2, section 46.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

IMPACT FEES

Section 1. [394.245] IMPACT FEES.

If a board has adopted a comprehensive plan that meets the requirements of this chapter and has adopted a capital improvement program, it may impose impact fees as provided in chapter 462E.

Sec. 2. [462.3594] IMPACT FEES.

A statutory or home rule charter city that has adopted a comprehensive municipal plan and capital improvement program, as provided in this chapter, may impose impact fees as provided in chapter 462E.
Sec. 3. [462E.01] IMPACT FEES; DEFINITIONS.

Subdivision 1. Application. The terms defined in this section have the meanings given them for the purposes of this chapter.

Subd. 2. Applicable planning law. "Applicable planning law" means chapter 394 for counties, and sections 462.351 to 462.364 for statutory and home rule charter cities, and towns.

Subd. 3. Impact fee. "Impact fee" means a fee imposed on new development by a local government, pursuant to an ordinance, to pay for capital improvements necessitated by the new development that will primarily benefit the new development.

Subd. 4. Local government. "Local government" means a statutory or home rule charter city, town, or a county.

Subd. 5. Metropolitan area. "Metropolitan area" is as defined in section 473.121, subdivision 2.

Sec. 4. [462E.02] AUTHORITY.

A local government may impose impact fees by ordinance as provided for by other law.

Sec. 5. [462E.03] PERMITTED USES.

(a) A local ordinance shall specify the purposes for which impact fees may be imposed on new development. A local ordinance may provide for fees to be imposed for any of the following purposes:

(1) transportation infrastructure, including public transit;

(2) water supply production and distribution;

(3) wastewater collection and treatment facilities;

(4) school facilities;

(5) parks, open space, and recreation facilities;

(6) public safety facilities, including, but not limited to, police, fire, and emergency medical and rescue facilities;

(7) stormwater control and treatment;

(8) solid waste collection and disposal; and

(9) lighting.
(b) Any project which falls under one or more purposes under paragraph (a) must be described in the local government's approved comprehensive plan and capital improvement plan. The capital improvement plan must also provide the estimated cost of the project.

Sec. 6. [462E.04] FORMULA; CONTRIBUTIONS.

A local impact fee ordinance must specify the formula by which fees will be imposed. The formula must result in fee amounts that are just and equitable. The formula may include in the costs to be recovered the local government's administrative, legal, and other expenses related to the impact fees. The formula for determining impact fees for a particular development must provide for credits off-setting part or all of the fees that reflect what the new development may have contributed in the form of taxes, other fees, dedications, or other contributions, toward the improvement for which the impact fees are imposed.

Sec. 7. [462E.05] ADVISORY COMMITTEE.

A local government that determines to use impact fees must establish an impact fee advisory committee made up of representatives of affected interests to assist in the development of the ordinance.

Sec. 8. [462E.06] EXEMPTIONS.

An impact fee ordinance may provide exemptions from the impact fees for projects providing low- and moderate-income housing if the need for such housing is identified in the comprehensive plan.

Sec. 9. [462E.07] SEGREGATION OF FEES; REFUND.

(a) Revenues from impact fees must be placed in a separate account and used only for projects that meet the criteria of section 462E.03.

(b) A local government may accumulate impact fees for up to six years. The ordinance may provide for a onetime extension for five years more. Fees not used in the time required must be refunded to the current owners of the property on which the fees were imposed in proportion to the amount paid.

Sec. 10. [462E.08] NOTICE; RECORDING.

All impact fees paid or due shall be recorded and a purchaser of real property shall be notified of any impact fees paid or due.
Sec. 11. [462E.09] MODEL IMPACT FEE ORDINANCE.

The League of Minnesota Cities, in collaboration with other stakeholders including, but not limited to, the Minnesota Chapter of the American Planning Association, the City Engineers Association of Minnesota, and Housing First, shall develop a model impact fee ordinance for local governments on or before December 31, 2022.

ARTICLE 2
MUNICIPAL STREET IMPROVEMENT DISTRICTS

Section 1. [435.39] MUNICIPAL STREET IMPROVEMENT DISTRICTS.

Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

(b) "Governing body" means the city council of a municipality.

c) "Improvements" means construction, reconstruction, and facility upgrades involving: right-of-way acquisition; paving; curbs and gutters; bridges and culverts and their repair; milling; overlaying; drainage and storm sewers; excavation; base work; subgrade corrections; street lighting; traffic signals; signage; sidewalks; pavement markings; boulevard and easement restoration; impact mitigation; connection and reconnection of utilities; turn lanes; medians; street and alley returns; retaining walls; fences; lane additions; and fixed transit infrastructure, trails, or pathways. Fixed transit infrastructure does not include commuter rail rolling stock, light rail vehicles, or transit way buses; capital costs for park-and-ride facilities; feasibility studies, planning, alternative analyses, environmental studies, engineering, or construction of transitways; or operating assistance for transitways.

d) "Maintenance" means striping, seal coating, crack sealing, pavement repair, sidewalk maintenance, signal maintenance, street light maintenance, and signage.

e) "Municipal street" means a street, alley, or public way in which the municipality is the road authority.

(f) "Municipality" means a home rule charter or statutory city.

g) "Street improvement district" or "district" means a geographic area designated by a municipality and located within the municipality within which a municipality may undertake and finance street improvements and maintenance according to this section.

(h) "Unimproved parcel" means a parcel of land that is not improved by construction of an authorized structure or contains a structure that has not previously been occupied, and...
(1) unimproved municipal street and that is not served by municipal sewer or water
utilities; or

(2) improved municipal street and served by municipal sewer or water utilities.

Subd. 2. Authorization. To pay for street improvements and maintenance, a municipality
may, by ordinance, impose a street improvement fee. The fee amount must be just and
eQUITABLE. The municipality must adopt the ordinance after providing public notice and
holding a public hearing pursuant to subdivision 5.

Subd. 3. Street improvement fee. Except as provided in subdivision 10, a municipality
must apportion street improvement fees to all of the developed parcels located in the district.
A street improvement district must not include any property already located in another street
improvement district.

Subd. 4. Apportionment. (a) All or part of the costs of municipal street improvements
and maintenance must be apportioned to all developed parcels or developed tracts of land
located in the established street improvement district on the basis of each developed parcel's
or tract's relative share of the vehicular trips to and from all developed parcels and tracts in
the street improvement district during the preceding calendar quarter, as estimated from a
representative sample of actual trip data compiled from a source which has been certified
as suitable for this purpose by the commissioner of transportation.

(b) Parcels zoned for low density residential development in a street improvement district
must be assessed on the basis of the average number of trips for all parcels zoned for low
density residential development within the district.

Subd. 5. Adoption of plan; notice and hearing. (a) Before establishing a municipal
street improvement district or authorizing a street improvement fee, a municipality must
propose and adopt a street improvement plan that identifies the location of the municipal
street improvement district and identifies and estimates the costs of the proposed
improvements during the proposed period of collection of municipal street improvement
fees, which must be for a period of at least five years and no more than 20 years.

(b) Notice of a public hearing on the proposed plan must be given by mail to all affected
landowners at least 30 days before the hearing and must be posted in a public place for at
least 30 days before the hearing. The notice shall include the time and place of the hearing,
a map showing the boundaries of the proposed district, and a statement that all persons
owning property in the proposed district that would be subject to a service charge will be
given the opportunity to be heard at the hearing.
(c) At the public hearing, the governing body must present the plan and all affected landowners in attendance must have the opportunity to comment before the governing body considers adoption of the plan.

(d) The proposed improvements included in the street improvement plan must be included in the transportation element of the municipality's approved comprehensive plan and capital improvement program.

Subd. 6. Use of fees. Revenues from street improvement fees must be placed in a separate account and used only for projects located within the district and identified in the municipal street improvement plan.

Subd. 7. Collection; up to 20 years. (a) An ordinance adopted under this section must provide for billing and payment of the fee on a monthly, quarterly, or other basis as directed by the governing body. The governing body may collect municipal street improvement fees within a street improvement district for no more than 20 years.

(b) As of October 15 of each year, fees that have remained unpaid for at least 30 days may be certified to the county auditor for collection as a special assessment payable in the following calendar year against the affected property.

Subd. 8. Not exclusive means of financing improvements. The use of the municipal street improvement fee by a municipality does not restrict the municipality from imposing other measures authorized by statute or by home rule charter to pay the costs of local street improvements or maintenance, except that a municipality must not impose special assessments for projects funded with street improvement fees.

Subd. 9. Unimproved parcels; fees. A municipality may not impose a street improvement fee on any unimproved parcel located within an established street improvement district until at least three years after the date of substantial completion of the paving of the previous unimproved municipal street, or the date which a structure is built and first occupied pursuant to a certificate of occupancy, whichever is later.

Subd. 10. Institutions of public charity. A municipality may not impose a street improvement fee on any parcel owned by an institution of public charity as defined in section 272.02, subdivision 7.

Subd. 11. Appeal to district court. Within 30 days after adoption of a street improvement fee, any affected landowner may appeal to the district court by serving a notice upon the mayor or clerk of the municipality. The notice shall be filed with the court administrator of the district court within ten days after its service. The appeal shall be placed upon the
calendar of the next general term commencing more than five days after the date of serving
the notice and shall be tried as other appeals in such cases. The court shall either affirm the
street improvement fee or set it aside and order a reapportionment as provided under
subdivisions 3 and 4. All objections to the street improvement fee shall be deemed waived
unless presented on appeal. This section provides the exclusive method of appeal from a
street improvement fee issued under this section.

**EFFECTIVE DATE.** This section is effective July 1, 2022.

**ARTICLE 3**

**PLANNING AND ZONING**

Section 1. Minnesota Statutes 2020, section 394.24, subdivision 1, is amended to read:

**Subdivision 1. Adopted by ordinance.** Official controls which shall further the purpose
and objectives of the comprehensive plan and parts thereof shall be adopted by ordinance.
The comprehensive plan must provide guidelines for the timing and sequence of the adoption
of official controls to ensure planned, orderly, and staged development and redevelopment
consistent with the comprehensive plan. **Official controls do not conflict with a**
comprehensive plan if they permit all of the uses that are permitted or required in the
comprehensive plan at the densities permitted or required by the comprehensive plan, and
they prohibit all of the uses that are expressly prohibited by the comprehensive plan.

Sec. 2. Minnesota Statutes 2020, section 462.355, subdivision 4, is amended to read:

**Subd. 4. Interim ordinance.** (a) If a municipality is conducting studies or has authorized
a study to be conducted or has held or has scheduled a hearing for the purpose of considering
adoption or amendment of a comprehensive plan or official controls as defined in section
462.352, subdivision 15, or if new territory for which plans or controls have not been adopted
is annexed to a municipality, the governing body of the municipality may adopt an interim
ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning
process and the health, safety and welfare of its citizens. The interim ordinance may regulate,
restrict, or prohibit any use, development, or subdivision within the jurisdiction or a portion
thereof for a period not to exceed one year from the date it is effective.

(b) If a proposed interim ordinance purports to regulate, restrict, or prohibit activities
relating to livestock production, a public hearing must be held following a ten-day notice
given by publication in a newspaper of general circulation in the municipality before the
interim ordinance takes effect.
(c) (1) A statutory or home rule charter city may adopt an interim ordinance that regulates, restricts, or prohibits a housing proposal only if the ordinance is approved by majority vote of all members of the city council. A housing proposal that is consistent with the comprehensive plan on the date of submission and is submitted or pending before the adoption of an interim ordinance under this subdivision is exempt from the regulations, restrictions, or prohibitions in the interim ordinance.

(2) Before adopting the interim ordinance, the city council must hold a public hearing after providing written notice to any person who has submitted a housing proposal, has a pending housing proposal, or has provided a written request to be notified of interim ordinances related to housing proposals. The written notice must be provided at least three business days before the public hearing. Notice also must be posted on the city's official website, if the city has an official website.

(3) The date of the public hearing shall be the earlier of the next regularly scheduled city council meeting after the notice period or within ten days of the notice.

(4) The activities proposed to be restricted by the proposed interim ordinance may not be undertaken before the public hearing.

(5) For the purposes of this paragraph, "housing proposal" means a written request for city approval of a project intended primarily to provide residential dwellings, either single family or multi-family, and involves the subdivision or development of land or the demolition, construction, reconstruction, alteration, repair, or occupancy of residential dwellings.

(d) The period of an interim ordinance applicable to an area that is affected by a city's master plan for a municipal airport may be extended for such additional periods as the municipality may deem appropriate, not exceeding a total additional period of 18 months. In all other cases, no interim ordinance may halt, delay, or impede a subdivision that has been given preliminary approval, nor may any interim ordinance extend the time deadline for agency action set forth in section 15.99 with respect to any application filed prior to the effective date of the interim ordinance. The governing body of the municipality may extend the interim ordinance after a public hearing and written findings have been adopted based upon one or more of the conditions in clause (1), (2), or (3). The public hearing must be held at least 15 days but not more than 30 days before the expiration of the interim ordinance, and notice of the hearing must be published at least ten days before the hearing. The interim ordinance may be extended for the following conditions and durations, but, except as
provided in clause (3), an interim ordinance may not be extended more than an additional 18 months:

(1) up to an additional 120 days following the receipt of the final approval or review by a federal, state, or metropolitan agency when the approval is required by law and the review or approval has not been completed and received by the municipality at least 30 days before the expiration of the interim ordinance;

(2) up to an additional 120 days following the completion of any other process required by a state statute, federal law, or court order, when the process is not completed at least 30 days before the expiration of the interim ordinance; or

(3) up to an additional one year if the municipality has not adopted a comprehensive plan under this section at the time the interim ordinance is enacted.

Sec. 3. Minnesota Statutes 2020, section 462.357, subdivision 2, is amended to read:

Subd. 2. General requirements. (a) At any time after the adoption of a land use plan for the municipality, the planning agency, for the purpose of carrying out the policies and goals of the land use plan, may prepare a proposed zoning ordinance and submit it to the governing body with its recommendations for adoption.

(b) Subject to the requirements of subdivisions 3, 4, and 5, the governing body may adopt and amend a zoning ordinance by a majority vote of all its members. The adoption or amendment of any portion of a zoning ordinance which changes all or part of the existing classification of a zoning district from residential to either commercial or industrial requires a two-thirds majority vote of all members of the governing body.

(c) The land use plan must provide guidelines for the timing and sequence of the adoption of official controls to ensure planned, orderly, and staged development and redevelopment consistent with the land use plan. Official controls do not conflict with a land use plan if they permit all of the uses that are permitted or required in the land use plan at the densities permitted or required by the land use plan, and they prohibit all of the uses that are expressly prohibited by the land use plan.

Sec. 4. Minnesota Statutes 2020, section 462.358, subdivision 2a, is amended to read:

Subd. 2a. Terms of regulations. The standards and requirements in the regulations may address without limitation: the size, location, grading, and improvement of lots, structures, public areas, streets, roads, trails, walkways, curbs and gutters, water supply, storm drainage, lighting, sewers, electricity, gas, and other utilities; the planning and design of sites; access
to solar energy; and the protection and conservation of floodplains, shore lands, soils, water, vegetation, energy, air quality, and geologic and ecologic features. The regulations shall require that subdivisions be consistent with the municipality's official map if one exists and its zoning ordinance, and may require consistency with other official controls and the comprehensive plan. The regulations may prohibit certain classes or kinds of subdivisions in areas where prohibition is consistent with the comprehensive plan and the purposes of this section, particularly the preservation of agricultural lands. The regulations may prohibit, restrict or control development for the purpose of protecting and assuring access to direct sunlight for solar energy systems. The regulations may prohibit the issuance of permits or approvals for any tracts, lots, or parcels for which required subdivision approval has not been obtained.

Regulations do not conflict with a comprehensive plan if they permit all of the uses that are permitted or required in the comprehensive plan at the densities permitted or required by the comprehensive plan, and they prohibit all of the uses that are expressly prohibited by the comprehensive plan.

The regulations may permit the municipality to condition its approval on the construction and installation of sewers, streets, electric, gas, drainage, and water facilities, and similar utilities and improvements or, in lieu thereof, on the receipt by the municipality of a cash deposit, certified check, irrevocable letter of credit, bond, or other financial security in an amount and with surety and conditions sufficient to assure the municipality that the utilities and improvements will be constructed or installed according to the specifications of the municipality. Sections 471.345 and 574.26 do not apply to improvements made by a subdivider or a subdivider's contractor.

A municipality may require that an applicant establish an escrow account or other financial security for the purpose of reimbursing the municipality for direct costs relating to professional services provided during the review, approval and inspection of the project. A municipality may only charge the applicant a rate equal to the value of the service to the municipality. Services provided by municipal staff or contract professionals must be billed at an established rate.

When the applicant vouches, by certified letter to the municipality, that the conditions required by the municipality for approval under this subdivision have been satisfied, the municipality has 30 days to release and return to the applicant any and all financial securities tied to the requirements. If the municipality fails to release and return the letters of credit within the 30-day period, any interest accrued will be paid to the applicant. If the municipality determines that the conditions required for approval under this subdivision have not been
satisfied, the municipality must send written notice within seven business days upon receipt of the certified letter indicating to the applicant which specific conditions have not been met. The municipality shall require a maintenance or performance bond from any subcontractor that has not yet completed all remaining requirements of the municipality.

The regulations may permit the municipality to condition its approval on compliance with other requirements reasonably related to the provisions of the regulations and to execute development contracts embodying the terms and conditions of approval. The municipality may enforce such agreements and conditions by appropriate legal and equitable remedies.

Sec. 5. Minnesota Statutes 2020, section 473.254, subdivision 2, is amended to read:

Subd. 2. Affordable, life-cycle goals. (a) The council shall negotiate with each municipality to establish affordable and life-cycle housing goals for that municipality that are consistent with and promote the policies of the Metropolitan Council as provided in the adopted Metropolitan Development Guide. The council shall adopt, by resolution after a public hearing, the negotiated affordable and life-cycle housing goals for each municipality by January 15, 1996, and by January 15 in each succeeding year for each municipality newly electing to participate in the program or for each municipality with which new housing goals have been negotiated. By June 30, 1996, and by June 30 in each succeeding year for each municipality newly electing to participate in the program or for each municipality with which new housing goals have been negotiated, each municipality shall identify to the council the actions it plans to take to meet the established housing goals.

(b) Only parcels that are consistent with and promote the policies of the Metropolitan Development Guide and are zoned for multifamily housing at the guided level of density may qualify toward a municipality's affordable and life-cycle housing goals under this subdivision.

APPLICATION. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 6. Minnesota Statutes 2020, section 473.858, subdivision 1, is amended to read:

Subdivision 1. No conflicting zoning, fiscal device, official control. Within nine months following the receipt of a metropolitan system statement for an amendment to a metropolitan system plan and within three years following the receipt of a metropolitan system statement issued in conjunction with the decennial review required under section 473.864, subdivision 2, every local governmental unit shall have reviewed and, if necessary, amended its comprehensive plan in accordance with sections 462.355, 473.175, and 473.851 to 473.871

Article 3 Sec. 6.
and the applicable planning statute and shall have submitted the plan to the Metropolitan
Council for review pursuant to section 473.175. The provisions of sections 462.355, 473.175,
and 473.851 to 473.871 shall supersede the provisions of the applicable planning statute
wherever a conflict may exist. If the comprehensive municipal plan is in conflict with the
zoning ordinance, the zoning ordinance shall be brought into conformance with the plan by
local government units in conjunction with the review and, if necessary, amendment of its
comprehensive plan required under section 473.864, subdivision 2. A local government
unit shall not adopt any fiscal device or official control which is in conflict with its
comprehensive plan, including any amendments to the plan, or which permits activity in
conflict with metropolitan system plans, as defined by section 473.852, subdivision 8. The
comprehensive plan shall provide guidelines for the timing and sequence of the adoption
of official controls to ensure planned, orderly, and staged development and redevelopment
consistent with the comprehensive plan. For purposes of this section, a fiscal device or
official control shall not be considered to be in conflict with a local government unit’s
comprehensive plan or to permit an activity in conflict with metropolitan system plans if
such fiscal device or official control is adopted to ensure the planned, orderly, and staged
development of urbanization or redevelopment areas designated in the comprehensive plan
pursuant to section 473.859, subdivision 5. Fiscal devices and official controls do not conflict
with a comprehensive plan if they permit all of the uses that are permitted or required in
the comprehensive plan at the densities permitted or required by the comprehensive plan,
and they prohibit all of the uses that are expressly prohibited by the comprehensive plan.

APPLICATION. This section applies in the counties of Anoka, Carver, Dakota,
Hennepin, Ramsey, Scott, and Washington.

Sec. 7. Minnesota Statutes 2020, section 473.865, subdivision 2, is amended to read:

Subd. 2. **No conflict with plans.** A local governmental unit shall not adopt any official
control or fiscal device which is in conflict with its comprehensive plan or which permits
activity in conflict with metropolitan system plans. Fiscal devices and official controls do
not conflict with a comprehensive plan if they permit all of the uses that are permitted or
required in the comprehensive plan at the densities permitted or required by the
comprehensive plan, and they prohibit all of the uses that are expressly prohibited by the
comprehensive plan.

APPLICATION. This section applies in the counties of Anoka, Carver, Dakota,
Hennepin, Ramsey, Scott, and Washington.
Sec. 8. Minnesota Statutes 2020, section 473.865, subdivision 3, is amended to read:

Subd. 3. Amendments. If an official control conflicts with a comprehensive plan as the result of an amendment to the plan, the official control shall be amended by the unit within nine months following the amendment to the plan or within 60 days of the submission of a development application that is not in conflict with the comprehensive plan, whichever occurs first, so as to not conflict with the amended comprehensive plan.

APPLICATION. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ARTICLE 4
LIMITING REGULATIONS ON RESIDENTIAL DEVELOPMENT

Section 1. Minnesota Statutes 2020, section 462.357, is amended by adding a subdivision to read:

Subd. 7a. Duplex is a permitted use. A two-family residential building, also known as a duplex, is a permitted use in all areas zoned for single-family residential use and in any residential subdivision development.

Sec. 2. [462.3575] LIMITING REGULATIONS ON RESIDENTIAL DEVELOPMENT.

Subdivision 1. Application. This section applies to official controls adopted under sections 462.357, 462.358, and 462.3595.

Subd. 2. Planned unit development. (a) A municipality shall not require a planned unit development agreement in lieu of a proposed residential development if the proposed residential development complies with the existing city zoning ordinances, subdivision regulation, or qualifies as a conditional use.

(b) A municipality shall not require planned unit development agreement conditions that exceed the requirements in the State Building Code under chapter 326B.

(c) A planned unit development agreement must be made available to the public by posting the agreement on the website of the municipality at least seven days prior to the governing body's review of the agreement. If the municipality does not have a website, a copy of the planned unit development agreement must be available for review at the city hall building of the municipality. If the agreement is approved by the governing body, the agreement cannot be modified unless all parties to the agreement concur.
Subd. 3. Limitation on aesthetic mandates. A municipality shall not condition approval of a building permit, subdivision development, or planned unit development on the use of specific materials, design, amenities, or other aesthetic conditions that are not required by the State Building Code under chapter 326B. This subdivision only applies to residential development.

Subd. 4. Garages. A municipality shall not require more than one garage as defined in section 325F.82, subdivision 3, for a single-family dwelling.

ARTICLE 5
MUNICIPAL DEDICATION FEES

Section 1. Minnesota Statutes 2020, section 462.358, subdivision 2b, is amended to read:

Subd. 2b. Dedication. (a) The regulations may require that a reasonable portion of the buildable land, as defined by municipal ordinance, of any proposed subdivision be dedicated to the public or preserved for public use as streets, roads, sidewalks, sewers, electric, gas, and water facilities, storm water drainage and holding areas or ponds and similar utilities and improvements, parks, recreational facilities as defined in section 471.191, playgrounds, trails, wetlands, or open space. The requirement must be imposed by ordinance or under the procedures established in section 462.353, subdivision 4a.

(b) If a municipality adopts the ordinance or proceeds under section 462.353, subdivision 4a, as required by paragraph (a), the municipality must adopt a capital improvement budget and have a parks and open space plan or have a parks, trails, and open space component in its comprehensive plan subject to the terms and conditions in this paragraph and paragraphs (c) to (i).

(c) The municipality may choose to accept a cash fee as set by ordinance from the applicant for some or all of the new lots created in the subdivision, based on the average fair market value of the unplatted land for which park fees have not already been paid that is, no later than at the time of final approval or under the city's adopted comprehensive plan, to be served by municipal sanitary sewer and water service or community septic and private well as authorized by state law. For purposes of redevelopment on developed land, the municipality may choose to accept a cash fee based on fair market value of the land no later than the time of final approval. The park fee is capped at ten percent of the fair market value of the development. "Fair market value" means the value of the land as determined by the municipality annually based on tax valuation or other relevant data. If the municipality's calculation of valuation is objected to by the applicant, then the value shall be as negotiated.
between the municipality and the applicant, or based on the market value as determined by
the municipality based on an independent appraisal of land in a same or similar land use
category. In addition to the cash fee option, fees may be paid by donating land, building
recreational facilities, or a combination of these options.

(d) In establishing the portion to be dedicated or preserved or the cash fee, the regulations
shall give due consideration to the open space, recreational, or common areas and facilities
open to the public that the applicant proposes to reserve for the subdivision. The value of
any portion dedicated or preserved for park or trail purposes shall be deducted from any
cash fee so that the applicant is not penalized for including open space, recreational, or
common areas and facilities in their development proposal.

(e) The municipality must reasonably determine that it will need to acquire that portion
of land for the purposes stated in this subdivision as a result of approval of the subdivision.

(f) Cash payments received must be placed by the municipality in a special fund to be
used only for the purposes for which the money was obtained. The municipality must
maintain records detailing the purposes for which the money was obtained and the manner
in which it was spent to further those purposes. The records must be readily available to the
applicant upon request.

(g) Cash payments received must be used only for the acquisition and development or
improvement of parks, recreational facilities, playgrounds, trails, wetlands, or open space
based on the approved park systems plan. Cash payments must not be used for ongoing
operation or maintenance of parks, recreational facilities, playgrounds, trails, wetlands, or
open space. The municipality must maintain records demonstrating the manner in which
each cash payment was used.

(h) The municipality must not deny the approval of a subdivision based solely on an
inadequate supply of parks, open spaces, trails, or recreational facilities within the
municipality.

(i) Previously subdivided property from which a park dedication has been received,
being resubdivided with the same number of lots, is exempt from park dedication
requirements. If, as a result of resubdividing the property, the number of lots is increased,
then the park dedication or per-lot cash fee must apply only to the net increase of lots.

(j) The municipality may not require a dedication of land for a street that is not a collector
or arterial street and has a curb-to-curb width greater than 32 feet.
ARTICLE 6

METROPOLITAN AREA DENSITY OF DEVELOPMENT

Section 1. Minnesota Statutes 2020, section 473.859, subdivision 2, is amended to read:

Subd. 2. Land use plan. (a) A land use plan shall include the water management plan required by section 103B.235, and shall designate the existing and proposed location, intensity and extent of use of land and water, including lakes, wetlands, rivers, streams, natural drainage courses, and adjoining land areas that affect water natural resources, for agricultural, residential, commercial, industrial and other public and private purposes, or any combination of such purposes.

(b) A land use plan shall contain a protection element, as appropriate, for historic sites, the matters listed in the water management plan required by section 103B.235, and an element for protection and development of access to direct sunlight for solar energy systems.

(c) A land use plan shall also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing.

(d) A land use plan shall also include the local government's goals, intentions, and priorities concerning aggregate and other natural resources, transportation infrastructure, land use compatibility, habitat, agricultural preservation, and other planning priorities, considering information regarding supply from the Minnesota Geological Survey Information Circular No. 46.

(e) A land use plan and the related official controls for an area identified as land that may come within the urban service area for residential development and that is not connected to the metropolitan disposal system, must provide for a density of residential development of at least five units per acre, or if intended to remain rural of no more than one unit per ten acres.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies to a land use plan amendment proposed on or after that date. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.
ARTICLE 7

METROPOLITAN COUNCIL; SEWER AVAILABILITY CHARGES

Section 1. Minnesota Statutes 2020, section 473.517, subdivision 3, is amended to read:

Subd. 3. Allocation of treatment, interceptor costs; reserved capacity. (a) In preparing each budget the council shall estimate the current costs of acquisition, betterment, and debt service, only, of the treatment works in the metropolitan disposal system which will not be used to total capacity during the budget year, and the percentage of such capacity which will not be used, and shall deduct the same percentage of such treatment works costs from the current costs allocated under subdivision 1. The council shall also estimate the current costs of acquisition, betterment, and debt service, only, of the interceptors in the metropolitan disposal system that will not be used to total capacity during the budget year, shall estimate the percentage of the total capacity that will not be used, and shall deduct the same percentage of interceptor costs from the current costs allocated under subdivision 1. The total amount so deducted with respect to all treatment works and interceptors in the system shall be allocated among and paid by the respective local government units in the metropolitan area through a metropolitan sewer availability charge for each new connection or increase in capacity demand to the metropolitan disposal system within each local government unit. Amounts collected through the metropolitan sewer availability charge (SAC) must be deposited in the council's wastewater reserve capacity fund. Each fiscal year an amount from the wastewater reserve capacity fund shall be transferred to the wastewater operating fund for the reserved capacity costs described in this paragraph. For the purposes of this subdivision, the amount transferred from the wastewater reserve capacity fund to the wastewater operating fund shall be referred to as the "SAC transfer amount."

(b) The council will record on a cumulative basis the total SAC transfer deficit. In any year that the wastewater reserve capacity fund has a year-end balance of at least two years' estimated SAC transfer amount, the council shall increase the subsequent annual SAC transfer amount in excess of the amount required by paragraph (a) with the goal of eliminating the cumulative total SAC transfer deficit. The annual amount by which the council increases the SAC transfer amount shall be determined by the council after appropriate study and a public hearing.

(c) The council shall adjust the SAC charge so that development in unsewered areas is assessed at three SAC units per acre without regard to the actual number of connections.
APPLICATION; EFFECTIVE DATE. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and is effective January 1, 2023.

ARTICLE 8
LOW INCOME HOUSING APPLICATIONS

Section 1. Minnesota Statutes 2020, section 462C.14, is amended by adding a subdivision to read:

Subd. 5. Applications allowed. A city, as defined in section 462C.02, subdivision 6, must accept an application to the Minnesota Housing Finance Agency for a project as their application for local housing money for the same project.

Sec. 2. Minnesota Statutes 2020, section 462C.14, is amended by adding a subdivision to read:

Subd. 6. Late fines prohibited. A city, as defined in section 462C.02, subdivision 6, shall not fine a nonprofit that receives city money for low-income housing for turning in a late application.

ARTICLE 9
BUILDING PERMIT DEADLINES

Section 1. Minnesota Statutes 2020, section 15.99, subdivision 1, is amended to read:

Subdivision 1. Definitions. (a) For purposes of this section, the following terms shall have the meanings given.

(b) "Agency" means a department, agency, board, commission, or other group in the executive branch of state government; a statutory or home rule charter city, county, town, or school district; any metropolitan agency or regional entity; and any other political subdivision of the state.

(c) "Request" means a written application for a building permit, or a written application related to zoning, septic systems, watershed district review, soil and water conservation district review, or the expansion of the metropolitan urban service area, for a permit, license, or other governmental approval of an action. A request must be submitted in writing to the agency on an application form provided by the agency, if one exists. The agency may reject as incomplete a request not on a form of the agency if the request does not include information required by the agency. A request not on a form of the agency must clearly
identify on the first page the specific permit, license, or other governmental approval being sought. No request shall be deemed made if not in compliance with this paragraph.

(d) "Applicant" means a person submitting a request under this section. An applicant may designate a person to act on the applicant's behalf regarding a request under this section and any action taken by or notice given to the applicant's designee related to the request shall be deemed taken by or given to the applicant.

Sec. 2. Minnesota Statutes 2020, section 15.99, subdivision 2, is amended to read:

Subd. 2. Deadline for response. (a) Except as otherwise provided in this section, section 462.358, subdivision 3b, or 473.175, or chapter 505, and notwithstanding any other law to the contrary, an agency must approve or deny within 60 days a written request for a building permit, or a written request relating to zoning, septic systems, watershed district review, soil and water conservation district review, or expansion of the metropolitan urban service area for a permit, license, or other governmental approval of an action. Failure of an agency to deny a request within 60 days is approval of the request. If an agency denies the request, it must state in writing the reasons for the denial at the time that it denies the request.

(b) When a vote on a resolution or properly made motion to approve a request fails for any reason, the failure shall constitute a denial of the request provided that those voting against the motion state on the record the reasons why they oppose the request. A denial of a request because of a failure to approve a resolution or motion does not preclude an immediate submission of a same or similar request.

(c) Except as provided in paragraph (b), if an agency, other than a multimember governing body, denies the request, it must state in writing the reasons for the denial at the time that it denies the request. If a multimember governing body denies a request, it must state the reasons for denial on the record and provide the applicant in writing a statement of the reasons for the denial. If the written statement is not adopted at the same time as the denial, it must be adopted at the next meeting following the denial of the request but before the expiration of the time allowed for making a decision under this section. The written statement must be consistent with the reasons stated in the record at the time of the denial. The written statement must be provided to the applicant upon adoption.

Sec. 3. Minnesota Statutes 2020, section 394.307, subdivision 9, is amended to read:

Subd. 9. Opt-out. A county may by resolution opt-out of the requirements of this section.

Article 9 Sec. 3.
EFFECTIVE DATE. This section is effective retroactively from September 1, 2016.

Sec. 4. Minnesota Statutes 2020, section 462.3593, subdivision 9, is amended to read:

Subd. 9. Opt-out. A municipality may by ordinance is not permitted to opt-out of the requirements of this section.

EFFECTIVE DATE. This section is effective retroactively from September 1, 2016.

ARTICLE 10
BUILDING PERMIT FEES

Section 1. Minnesota Statutes 2020, section 326B.153, is amended by adding a subdivision to read:

Subd. 1b. Building permit fees; municipalities. Beginning January 1, 2022, fees for building permits, including any inspection fees, adopted by a municipality must be based on a cost per square foot. All permit and inspection fees must be made available publicly through one or more of the following:

(1) posting on the website of the municipality;
(2) providing a copy by mail, if requested; or
(3) keeping a copy for review at the city hall building of a municipality.

ARTICLE 11
ENERGY COST DISCLOSURE AND ENERGY CODE PAYBACK PERIOD

Section 1. Minnesota Statutes 2020, section 326B.106, subdivision 1, is amended to read:

Subdivision 1. Adoption of code. (a) Subject to paragraphs (c) and (d) and sections 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the Construction Codes Advisory Council establish a code of standards for the construction, reconstruction, alteration, and repair of buildings, governing matters of structural materials, design and construction, fire protection, health, sanitation, and safety, including design and construction standards regarding heat loss control, illumination, and climate control. The code must also include duties and responsibilities for code administration, including procedures for administrative action, penalties, and suspension and revocation of certification. The code must conform insofar as practicable to model building codes generally accepted and in use throughout the United States, including a code for building conservation. In the preparation of the code, consideration must be given to the existing statewide specialty
codes presently in use in the state. Model codes with necessary modifications and statewide specialty codes may be adopted by reference. The code must be based on the application of scientific principles, approved tests, and professional judgment. To the extent possible, the code must be adopted in terms of desired results instead of the means of achieving those results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code must encourage the use of new methods and new materials. Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall administer and enforce the provisions of those sections.

(b) The commissioner shall develop rules addressing the plan review fee assessed to similar buildings without significant modifications including provisions for use of building systems as specified in the industrial/modular program specified in section 326B.194. Additional plan review fees associated with similar plans must be based on costs commensurate with the direct and indirect costs of the service.

(c) Beginning with the 2018 edition of the model building codes and in 2026 and every six years thereafter, the commissioner shall review the new model building codes and adopt the model codes as amended for use in Minnesota, within two years of the published edition date. The commissioner may not adopt new model building codes or amendments to the building codes prior to the adoption of the new building codes to advance construction methods, technology, or materials, or, where necessary to protect the health, safety, and welfare of the public, or to improve the efficiency or the use of a building unless approved by law.

(d) Notwithstanding paragraph (c), the commissioner shall act on each new model residential energy code and the new model commercial energy code in accordance with federal law for which the United States Department of Energy has issued an affirmative determination in compliance with United States Code, title 42, section 6833. The commissioner may not adopt new energy codes or amendments prior to adoption of to the new energy codes, as amended for use in Minnesota, to advance construction methods, technology, or materials, or, where necessary to protect the health, safety, and welfare of the public, or to improve the efficiency or use of a building unless the commissioner has determined that any cost to residential construction or remodeling per unit due to implementation of the proposed changes to the energy codes will be no more than the net present value of the projected energy savings over thirty years due to the proposed changes.

(e) The limitations on adoption of new or amended codes under paragraphs (c) and (d) do not apply to new or amended code changes necessary to protect the immediate health, safety, and welfare of the public.
EFFECTIVE DATE. This section is effective retroactively from January 1, 2021, and applies to rules proposed or adopted but not yet effective as of January 1, 2021.

Sec. 2. [513.62] ENERGY COST DISCLOSURE REQUIREMENT.

A seller of residential real property must disclose to a prospective purchaser the total cost of the usage of electricity, natural gas, and water over the previous 12 month period of the property along with information about how the cost compares to the average cost of such utilities per residential household statewide.

ARTICLE 12
CONSTRUCTION AND DEVELOPMENT FEE REPORT

Section 1. Minnesota Statutes 2020, section 326B.145, is amended to read:

326B.145 ANNUAL REPORT.

(a) Each municipality shall annually report by June 30 to the department, in a format prescribed by the department, all construction and development-related fees collected by the municipality from developers, builders, and subcontractors if the cumulative fees collected exceeded $5,000 in the reporting year, except that, for reports due June 30, 2009, to June 30, 2013, the reporting threshold is $10,000.

(b) The report must include:

(1) the number and valuation of units for which fees were paid;

(2) the amount of building permit fees, plan review fees, administrative fees, engineering fees, infrastructure fees, and other construction and development-related fees; and

(3) the expenses associated with the municipal activities for which fees were collected, including a separate listing of costs associated with conducting inspections for each of the following categories:

(i) labor;

(ii) transportation;

(iii) office space; and

(iv) any other expenses incurred by the municipality as a result of conducting inspections.

(c) A municipality that collects $7,000 or less in a reporting year from all construction and development-related fees shall report that the municipality collected $7,000 or less in the reporting year by indicating as such on a form provided by the department.
(d) In developing the form for reporting, the department must include a list of common definitions for all categories of construction and development-related fees collected by municipalities. A municipality that collects a fee not included in the common list of definitions must report the fee as "other" and provide an explanation of the fee.

(e) A municipality that fails to report to the department in accordance with this section is subject to the remedies provided by section 326B.082.

ARTICLE 13
OAK GROVE, NOWTHEN LAND USE EXCEPTIONS REPEALED

Section 1. METROPOLITAN COUNCIL.

The Metropolitan Council must review and amend as appropriate its metropolitan development guide, policy plans, and system statements to make them consistent with the effect of the repeal of the special laws in section 2.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 2. REPEALER.

Laws 2017, First Special Session chapter 3, article 3, section 126; and Laws 2018, chapter 214, article 2, section 46, are repealed.

EFFECTIVE DATE. This section is effective the day following final enactment.
Overview
This bill contains various provisions related to local land use, building permits, building codes, and fees imposed by local governments.

Article 1: Impact Fees
Creates a new chapter 462E providing authority and parameters for the imposition of impact fees by certain local governments.

Section Description – Article 1: Impact Fees

1 Impact fees.
Authorizes a county board to impose impact fees so long as the board has adopted a comprehensive plan and a capital improvement program.

2 Impact fees.
Authorizes a statutory or home rule charter city to impose impact fees so long as the city has adopted a comprehensive municipal plan and capital improvement program.

3 Impact fees; definitions.
Defines various terms for the purpose of the new chapter 462E, which contains provisions relating to impact fees imposed by a city, town, or county.

4 Authority.
Authorizes a local government to impose impact fees by ordinance.

5 Permitted uses.
Requires that a local ordinance imposing impact fees must specify the purposes for which the fees are imposed on new development. The purposes for which such fees may be imposed are enumerated in this section. Also requires any qualified project to be described in the local government’s approved comprehensive plan and capital improvement plan.
Section Description – Article 1: Impact Fees

6 **Formula; contributions.**
Requires a local impact fee ordinance to specify the formula by which fees will be imposed. The formula must result in fee amounts that are just and equitable, and must provide for credits off-setting some or all of the fees to reflect what the new development may have contributed financially in other ways (e.g. taxes, other fees) toward the purposes for which the impact fee was imposed.

7 **Advisory committee.**
Requires a local government that imposes impact fees to establish an impact fee advisory committee to assist in developing the ordinance.

8 **Exemptions.**
Provides that an impact fee ordinance may provide exemptions from impact fees for low- and moderate-income housing if the need for such housing is identified in the comprehensive plan.

9 **Refund of unused fees.**
Requires impact fees to be placed in a separate account and used only for qualified projects. Provides that impact fees may accumulate for six years and an impact fee ordinance may provide for a onetime extension of five years. Unused fees must be refunded to the current owners of the property on which the fees were imposed in proportion to the amount paid.

10 **Notice; recording.**
Requires impact fees paid or due to be recorded and notice of such fees to be provided to a purchaser of real property.

11 **Model impact fee ordinance.**
Requires the League of Minnesota Cities, in collaboration with other stakeholders, to develop a model impact fee ordinance for local governments on or before December 31, 2022.

**Article 2: Municipal Street Improvement Districts**

Authorizes the establishment of municipal street improvement districts and the imposition of street improvement fees on developed parcels or tracts within the district.

Effective July 1, 2022.
### Section 1: Municipal Street Improvement Districts

Creates a new section 435.39 governing municipal street improvement districts.

#### Subd. 1. Definitions
Defines various terms for the purpose of the section.

#### Subd. 2. Authorization
Authorizes a municipality to impose a street improvement fee by ordinance after providing public notice and holding a public hearing.

#### Subd. 3. Street Improvement Fee
Requires street improvement fees to be apportioned to all developed parcels in the district. A street improvement district must not include any property located in another street improvement district.

#### Subd. 4. Apportionment
Requires the costs of municipal street improvements and maintenance to be apportioned to developed parcels or tracts of land in the district on the basis of each parcel’s or tract’s relative share of vehicular trips to and from all developed parcels and tracts in the district during the preceding calendar quarter based on sample data from a certified source.

#### Subd. 5. Adoption of Plan; Notice and Hearing
Requires a municipality to propose and adopt a street improvement plan before establishing a municipal street improvement district or authorizing a street improvement fee. Notice and a public hearing must occur on the plan prior to adoption.

#### Subd. 6. Use of Fees
Requires street improvement fee revenue to be placed in a separate account and used only for projects in the street improvement district that are also identified in the municipal street improvement plan.

#### Subd. 7. Collection; Up to 20 Years
Requires an ordinance imposing a street improvement fee to provide for billing and payment of the fee on a stated, regular basis. The fee may be collected for no more than 20 years. Fees unpaid for at least 30 days may be certified to the county auditor for collection as a special assessment in the following calendar year.

#### Subd. 8. Not Exclusive Means of Financing Improvements
Clarifies that a municipality that imposes a street improvement fee may impose other measures under law or home rule charter to pay the costs of local street improvements or maintenance. However, such a municipality must not impose special assessments for projects funded with street improvement fees.

#### Subd. 9. Unimproved Parcels; Fees
Prohibits a municipality from imposing a street improvement fee on an unimproved parcel in a street improvement district until three years or more after the date of substantial completion of the
Section | Description – Article 2: Municipal Street Improvement Districts

- paving of the unimproved street or the date a structure is built and occupied, whichever is later.

  **Subd. 10. Institutions of public charity.** Prohibits a municipality from imposing a street improvement fee on any parcel owned by an institution of public charity.

  **Subd. 11. Appeal to district court.** Provides that any affected landowner may appeal the street improvement fee to the district court by serving notice on the mayor or municipal clerk.

**Article 3: Planning and Zoning**

Amends statutes related to conflicts between comprehensive plans and local government official controls and other regulations and policies.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 3: Planning and Zoning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Adopted by ordinance.</strong> Clarifies that official controls do not conflict with a county comprehensive plan if the official controls permit all of the uses permitted or required in the comprehensive plan at the permitted or required densities and the official controls prohibit all of the uses that are prohibited by the comprehensive plan. Applies to official controls adopted by a county board.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Interim ordinance.</strong> Provides that a housing proposal that is consistent with the city comprehensive plan on the date of submission and is submitted or pending before the adoption of an interim ordinance is exempt from the regulations, restrictions, or prohibitions in the interim ordinance.</td>
</tr>
<tr>
<td>3</td>
<td><strong>General requirements.</strong> Clarifies that official controls do not conflict with a land use plan if the official controls permit all of the uses that are permitted or required in the land use plan at the permitted or required densities and the official controls prohibit all of the uses prohibited by the land use plan. Applies to official controls adopted by a city or town.</td>
</tr>
<tr>
<td>4</td>
<td><strong>Terms of regulations.</strong> Clarifies that regulations do not conflict with a comprehensive plan if the regulations permit all of the uses permitted or required in the comprehensive plan at the</td>
</tr>
</tbody>
</table>
Section | Description – Article 3: Planning and Zoning

| | permitted or required densities and the regulations prohibit all uses that are prohibited by the comprehensive plan.

| | Applies to regulations adopted by a city or town.

5 | **Affordable, life-cycle goals.**

| | Provides that only parcels consistent with the policies of the Metropolitan Development Guide and zoned for multifamily housing at the guided level of density may qualify toward a municipality’s affordable and life-cycle housing goals.

| | Applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

6 | **No conflicting zoning, fiscal device, official control.**

| | Clarifies that fiscal devices and official controls do not conflict with a comprehensive plan if they permit all of the uses permitted or required in the comprehensive plan at the permitted or required densities and they prohibit all of the uses prohibited by the comprehensive plan.

| | Applies to fiscal devices and official controls adopted by cities, counties, and towns in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

7 | **No conflict with plans.**

| | Clarifies that fiscal devices and official controls do not conflict with a comprehensive plan if they permit all of the uses permitted or required in the comprehensive plan at the permitted or required densities and they prohibit all of the uses prohibited by the comprehensive plan.

| | Applies to fiscal devices and official controls adopted by cities, counties, and towns in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

8 | **Amendments.**

| | Provides that an official control in conflict with a comprehensive plan shall be amended within 60 days of the submission of a development application that is not in conflict with the comprehensive plan.

| | Applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.
**Article 4: Limiting Regulations on Residential Development**

Adds duplexes as a permitted use in certain residential areas and creates new limits on residential development regulations.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 4: Limiting Regulations on Residential Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Duplex is a permitted use. Provides that a duplex is a permitted use in all areas zoned for single-family residential use and in any residential subdivision development.</td>
</tr>
</tbody>
</table>
| 2       | Limiting regulations on residential development.  
  Subd. 1. Application. Clarifies which official controls the section applies to.  
  Subd. 2. Planned unit development. Prohibits a municipality from requiring a planned unit development agreement in lieu of a proposed residential development if the proposed development complies with existing city zoning ordinances, subdivision regulation, or qualifies as a conditional use. Also prohibits a municipality from requiring planned unit development agreement conditions that exceed the State Building Code requirements. Planned unit development agreements must be available to the public before review of the agreement.  
  Subd. 3. Limitation on aesthetic mandates. Prohibits a municipality from conditioning approval of a building permit, subdivision development, or planned unit development on specific materials, design, amenities, and other aesthetics that are not required by the State Building Code.  
  Subd. 4. Garages. Prohibits a municipality from requiring more than one garage for a single-family dwelling. |

**Article 5: Municipal Dedication Fees**

Amends the municipal dedicated land provisions to cap fees, amend fee payments, and provide record keeping requirements.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 5: Municipal Dedication Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dedication. Adds sidewalks to uses of dedicated land. Caps the park fee at ten percent of the fair market value of the development. Allows for certain in-kind contributions for fee payment. Provides that the value of any portion dedicated or preserved for parks or trails must be deducted from any cash fee. Requires a municipality to maintain records detailing the purposes for which money was obtained and the manner in which it was spent.</td>
</tr>
</tbody>
</table>
Section Description – Article 5: Municipal Dedication Fees

which it was spent to further those purposes. Prohibits a municipality from requiring a dedication of land for certain streets.

Article 6: Metropolitan Area Density of Development

Creates requirements for land use plan residential development densities.

Section Description – Article 6: Metropolitan Area Density of Development

1 Land use plan.

Provides that a land use plan and related official controls for certain areas must provide for a density of residential development of at least five units per acre or no more than one unit per ten acres if intended to remain rural.

Effective the day following final enactment and applies to a land use plan amendment proposed on or after that date. Applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Article 7: Metropolitan Council; Sewer Availability Charges

Creates a new sewer availability charge adjustment requirement.

Section Description – Article 7: Metropolitan Council; Sewer Availability Charges

1 Allocation of treatment, interceptor costs; reserved capacity.

Requires the Metropolitan Council to adjust the sewer availability charge (SAC) so that development in unsewered areas is assessed at three SAC units per acre without regard to the actual number of connections.

Applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington and is effective January 1, 2023.

Article 8: Low Income Housing Applications

Adds provisions related to applications for local housing money.
### Article 8: Low Income Housing Applications

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 8: Low Income Housing Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Applications allowed.</strong></td>
</tr>
<tr>
<td></td>
<td>Requires a city as defined under chapter 462C to accept an application to the Minnesota Housing Finance Agency for a project as the city’s application for local housing money for the same project.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Late fines prohibited.</strong></td>
</tr>
<tr>
<td></td>
<td>Prohibits a city as defined under chapter 462C from fining certain nonprofits for turning in a late application for local housing money.</td>
</tr>
</tbody>
</table>

### Article 9: Building Permit Deadlines

Adds building permits to agency action deadline statute and prohibits local government opt outs from the temporary family health care dwelling requirements.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 9: Building Permit Deadlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Definitions.</strong></td>
</tr>
<tr>
<td></td>
<td>Adds written applications for building permits to the definition of “request”.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Deadline for response.</strong></td>
</tr>
<tr>
<td></td>
<td>Adds written requests for building permits to agency approvals or denials with a 60 day deadline.</td>
</tr>
<tr>
<td>3 to 4</td>
<td><strong>Opt-out.</strong></td>
</tr>
<tr>
<td></td>
<td>Prohibits local governments from opting out of temporary family health care dwelling requirements.</td>
</tr>
<tr>
<td></td>
<td>Effective retroactively from September 1, 2016.</td>
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</tbody>
</table>

### Article 10: Building Permit Fees

Requires building permit fees to be based on a cost per square foot starting in 2022.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 10: Building Permit Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Building permit fees; municipalities.</strong></td>
</tr>
<tr>
<td></td>
<td>Requires fees for building permits adopted by a municipality to be based on a cost per square foot as of January 1, 2022. Fees must be publicly available.</td>
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</tbody>
</table>
Article 11: Energy Cost Disclosure and Energy Code Payback Period

Contains amendments to model building code adoption requirements and creates a new requirement for disclosure of utility costs for residential real property.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 11: Energy Cost Disclosure and Energy Code Payback Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Adoption of code.</strong>&lt;br&gt;Requires the commissioner of the Department of Labor and Industry to review and adopt model building codes within two years of the published edition date no sooner than 2026 unless provided by law. The commissioner may not adopt new energy codes unless the commissioner determines that any cost to residential construction or remodeling per unit would be no more than the net present value of the projected energy savings over 30 years due to the proposed changes. The limitations on adoption of new codes do not apply to code changes necessary to protect the immediate health, safety, and welfare of the public. Effective retroactively from January 1, 2021, and applies to rules proposed or adopted but not yet effective as of January 1, 2021.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Energy cost disclosure requirement.</strong>&lt;br&gt;Requires a seller of residential real property to disclose to a prospective purchaser the total cost of utility usage over the previous 12 month period along with information about how the cost compares to the average cost of such utilities per residential household statewide.</td>
</tr>
</tbody>
</table>

Article 12: Construction and Development Fee Report

Amends statutory requirements for municipal reporting of construction and development-related fee collections to the Department of Labor and Industry.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 12: Construction and Development Fee Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Annual report.</strong>&lt;br&gt;Changes the threshold for construction and development-related fee collections in municipal annual reports to the Department of Labor and Industry to fees collected in excess of $7,000. Adds requirements for increased specificity in such reports. Requires a municipality with less than $7,000 in collections to submit a report stating this fact. Requires the department to include certain definitions when developing the reporting form.</td>
</tr>
</tbody>
</table>
### Article 13: Oak Grove, Nowthen Land Use Exceptions Repealed

<table>
<thead>
<tr>
<th>Section</th>
<th>Description – Article 13: Oak Grove, Nowthen Land Use Exceptions Repealed</th>
</tr>
</thead>
</table>
| 1       | **Metropolitan Council.**<br>Requires the Metropolitan Council to review and amend its development guide, policy plans, and system statements to be consistent with the repealer in section 2.  
Effectively the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. |
| 2       | **Repealer.**<br>Repeals special laws requiring the Metropolitan Council to modify its Metropolitan Development Guide, system plans, for the cities of Oak Grove and Nowthen.  
Effectively the day following final enactment. |