

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 3259**

(SENATE AUTHORS: DRAHEIM)

DATE	D-PG	OFFICIAL STATUS
02/17/2022	5056	Introduction and first reading
		Referred to Housing Finance and Policy
03/21/2022		Comm report: To pass as amended and re-refer to Local Government Policy

1.1 A bill for an act

1.2 relating to local and metropolitan government; modifying provisions related to

1.3 local land use and building permits for the Legalizing Affordable Housing Act;

1.4 amending Minnesota Statutes 2020, sections 15.99, subdivisions 1, 2; 326B.145;

1.5 326B.153, by adding a subdivision; 394.24, subdivision 1; 462.355, subdivision

1.6 4; 462.357, subdivisions 1, 2, by adding a subdivision; 462.358, subdivisions 2a,

1.7 2b; 473.254, subdivision 2; 473.517, subdivision 3; 473.858, subdivision 1;

1.8 473.859, subdivision 2; 473.865, subdivisions 2, 3; proposing coding for new law

1.9 in Minnesota Statutes, chapters 394; 435; 462; 513; proposing coding for new law

1.10 as Minnesota Statutes, chapter 462E; repealing Laws 2017, First Special Session

1.11 chapter 3, article 3, section 126; Laws 2018, chapter 214, article 2, section 46.

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

1.13 **ARTICLE 1**

1.14 **IMPACT FEES**

1.15 Section 1. **[394.245] IMPACT FEES.**

1.16 If a board has adopted a comprehensive plan that meets the requirements of this chapter

1.17 and has adopted a capital improvement program, it may impose impact fees as provided in

1.18 chapter 462E.

1.19 Sec. 2. **[462.3594] IMPACT FEES.**

1.20 A statutory or home rule charter city that has adopted a comprehensive municipal plan

1.21 and capital improvement program, as provided in this chapter, may impose impact fees as

1.22 provided in chapter 462E.

2.1 Sec. 3. **[462E.01] IMPACT FEES; DEFINITIONS.**

2.2 Subdivision 1. **Application.** For the purposes of this chapter, the following terms have  
2.3 the meanings given.

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

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

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

2.12 Subd. 5. **Metropolitan area.** "Metropolitan area" has the meaning given in section  
2.13 473.121, subdivision 2.

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

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

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

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

2.20 (1) transportation infrastructure, including public transit;

2.21 (2) water supply production and distribution;

2.22 (3) wastewater collection and treatment facilities;

2.23 (4) school facilities;

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

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

2.27 (7) stormwater control and treatment;

2.28 (8) solid waste collection and disposal; and

2.29 (9) lighting.

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

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

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

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

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

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

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

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

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

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

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

3.28 All impact fees paid or due shall be recorded and a purchaser of real property shall be  
3.29 notified of any impact fees paid or due.

4.1 Sec. 11. [462E.09] MODEL IMPACT FEE ORDINANCE.

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

4.6 **ARTICLE 2**

4.7 **MUNICIPAL STREET IMPROVEMENT DISTRICTS**

4.8 Section 1. [435.39] MUNICIPAL STREET IMPROVEMENT DISTRICTS.

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

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

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

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

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

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

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

4.30 (h) "Unimproved parcel" means a parcel of land that is not improved by construction of  
4.31 an authorized structure or contains a structure that has not previously been occupied, and  
4.32 abuts an:

5.1 (1) unimproved municipal street and that is not served by municipal sewer or water  
5.2 utilities; or

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

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

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

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

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

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

5.28 (b) Notice of a public hearing on the proposed plan must be given by mail to all affected  
5.29 landowners at least 30 days before the hearing and must be posted in a public place for at  
5.30 least 30 days before the hearing. The notice shall include the time and place of the hearing,  
5.31 a map showing the boundaries of the proposed district, and a statement that all persons  
5.32 owning property in the proposed district that would be subject to a service charge will be  
5.33 given the opportunity to be heard at the hearing.

6.1 (c) At the public hearing, the governing body must present the plan and all affected  
6.2 landowners in attendance must have the opportunity to comment before the governing body  
6.3 considers adoption of the plan.

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

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

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

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

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

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

6.27 Subd. 10. **Institutions of public charity.** A municipality may not impose a street  
6.28 improvement fee on any parcel owned by an institution of public charity as defined in section  
6.29 272.02, subdivision 7.

6.30 Subd. 11. **Appeal to district court.** Within 30 days after adoption of a street improvement  
6.31 fee, any affected landowner may appeal to the district court by serving a notice upon the  
6.32 mayor or clerk of the municipality. The notice shall be filed with the court administrator of  
6.33 the district court within ten days after its service. The appeal shall be placed upon the

7.1 calendar of the next general term of the court commencing more than five days after the  
 7.2 date of serving the notice and shall be tried as other appeals in such cases. The court shall  
 7.3 either affirm the street improvement fee or set it aside and order a reapportionment using  
 7.4 the requirements prescribed under subdivisions 3 and 4. All objections to the street  
 7.5 improvement fee shall be deemed waived unless presented on appeal. This section provides  
 7.6 the exclusive method of appeal from a street improvement fee issued under this section.

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

7.8 **ARTICLE 3**  
 7.9 **PLANNING AND ZONING**

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

7.11 Subdivision 1. **Adopted by ordinance.** Official controls which shall further the purpose  
 7.12 and objectives of the comprehensive plan and parts thereof shall be adopted by ordinance.  
 7.13 The comprehensive plan must provide guidelines for the timing and sequence of the adoption  
 7.14 of official controls to ensure planned, orderly, and staged development and redevelopment  
 7.15 consistent with the comprehensive plan. Official controls do not conflict with a  
 7.16 comprehensive plan if they permit all of the uses that are permitted or required in the  
 7.17 comprehensive plan at the densities permitted or required by the comprehensive plan, and  
 7.18 they prohibit all of the uses that are expressly prohibited by the comprehensive plan. Official  
 7.19 controls for land guided for commercial or industrial use may be more specific than the  
 7.20 comprehensive plan regarding the kinds of commercial or industrial uses which are allowed  
 7.21 in specific locations.

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

7.23 Subd. 4. **Interim ordinance.** (a) If a municipality is conducting studies or has authorized  
 7.24 a study to be conducted or has held or has scheduled a hearing for the purpose of considering  
 7.25 adoption or amendment of a comprehensive plan or official controls as defined in section  
 7.26 462.352, subdivision 15, or if new territory for which plans or controls have not been adopted  
 7.27 is annexed to a municipality, the governing body of the municipality may adopt an interim  
 7.28 ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning  
 7.29 process and the health, safety and welfare of its citizens. The interim ordinance may regulate,  
 7.30 restrict, or prohibit any use, development, or subdivision within the jurisdiction or a portion  
 7.31 thereof for a period not to exceed one year from the date it is effective.

7.32 (b) If a proposed interim ordinance purports to regulate, restrict, or prohibit activities  
 7.33 relating to livestock production, a public hearing must be held following a ten-day notice

8.1 given by publication in a newspaper of general circulation in the municipality before the  
8.2 interim ordinance takes effect.

8.3 (c)(1) A statutory or home rule charter city may adopt an interim ordinance that regulates,  
8.4 restricts, or prohibits a housing proposal only if the ordinance is approved by majority vote  
8.5 of all members of the city council. A housing proposal that is consistent with the  
8.6 comprehensive plan on the date of submission and is submitted or pending before the  
8.7 adoption of an interim ordinance under this subdivision is exempt from the regulations,  
8.8 restrictions, or prohibitions in the interim ordinance.

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

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

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

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

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



9.1 ordinance may be extended for the following conditions and durations, but, except as  
9.2 provided in clause (3), an interim ordinance may not be extended more than an additional  
9.3 18 months:

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

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

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

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

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

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

9.23 (c) The land use plan must provide guidelines for the timing and sequence of the adoption  
9.24 of official controls to ensure planned, orderly, and staged development and redevelopment  
9.25 consistent with the land use plan. Official controls do not conflict with a land use plan if  
9.26 they permit all of the uses that are permitted or required in the land use plan at the densities  
9.27 permitted or required by the land use plan, and they prohibit all of the uses that are expressly  
9.28 prohibited by the land use plan. Official controls for land guided for commercial or industrial  
9.29 use may be more specific than the comprehensive plan regarding the kinds of commercial  
9.30 or industrial uses which are allowed in specific locations.

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

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

10.17 Regulations do not conflict with a comprehensive plan if they permit all of the uses that  
10.18 are permitted or required in the comprehensive plan at the densities permitted or required  
10.19 by the comprehensive plan, and they prohibit all of the uses that are expressly prohibited  
10.20 by the comprehensive plan. Regulations for land guided for commercial or industrial use  
10.21 may be more specific than the comprehensive plan regarding the kinds of commercial or  
10.22 industrial uses which are allowed in specific locations.

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

10.31 A municipality may require that an applicant establish an escrow account or other  
10.32 financial security for the purpose of reimbursing the municipality for direct costs relating  
10.33 to professional services provided during the review, approval and inspection of the project.  
10.34 A municipality may only charge the applicant a rate equal to the value of the service to the

11.1 municipality. Services provided by municipal staff or contract professionals must be billed  
11.2 at an established rate.

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

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

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

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

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

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

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

12.2 Subdivision 1. **No conflicting zoning, fiscal device, official control.** Within nine months  
12.3 following the receipt of a metropolitan system statement for an amendment to a metropolitan  
12.4 system plan and within three years following the receipt of a metropolitan system statement  
12.5 issued in conjunction with the decennial review required under section 473.864, subdivision  
12.6 2, every local governmental unit shall have reviewed and, if necessary, amended its  
12.7 comprehensive plan in accordance with sections 462.355, 473.175, and 473.851 to 473.871  
12.8 and the applicable planning statute and shall have submitted the plan to the Metropolitan  
12.9 Council for review pursuant to section 473.175. The provisions of sections 462.355, 473.175,  
12.10 and 473.851 to 473.871 shall supersede the provisions of the applicable planning statute  
12.11 wherever a conflict may exist. If the comprehensive municipal plan is in conflict with the  
12.12 zoning ordinance, the zoning ordinance shall be brought into conformance with the plan by  
12.13 local government units in conjunction with the review and, if necessary, amendment of its  
12.14 comprehensive plan required under section 473.864, subdivision 2. A local government  
12.15 unit shall not adopt any fiscal device or official control which is in conflict with its  
12.16 comprehensive plan, including any amendments to the plan, or which permits activity in  
12.17 conflict with metropolitan system plans, as defined by section 473.852, subdivision 8. The  
12.18 comprehensive plan shall provide guidelines for the timing and sequence of the adoption  
12.19 of official controls to ensure planned, orderly, and staged development and redevelopment  
12.20 consistent with the comprehensive plan. For purposes of this section, a fiscal device or  
12.21 official control shall not be considered to be in conflict with a local government unit's  
12.22 comprehensive plan or to permit an activity in conflict with metropolitan system plans if  
12.23 such fiscal device or official control is adopted to ensure the planned, orderly, and staged  
12.24 development of urbanization or redevelopment areas designated in the comprehensive plan  
12.25 pursuant to section 473.859, subdivision 5. Fiscal devices and official controls do not conflict  
12.26 with a comprehensive plan if they permit all of the uses that are permitted or required in  
12.27 the comprehensive plan at the densities permitted or required by the comprehensive plan,  
12.28 and they prohibit all of the uses that are expressly prohibited by the comprehensive plan.  
12.29 Fiscal devices and official controls for land guided for commercial or industrial use may  
12.30 be more specific than the comprehensive plan regarding the kinds of commercial or industrial  
12.31 uses which are allowed in specific locations.

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

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

13.2 Subd. 2. **No conflict with plans.** A local governmental unit shall not adopt any official  
 13.3 control or fiscal device which is in conflict with its comprehensive plan or which permits  
 13.4 activity in conflict with metropolitan system plans. Fiscal devices and official controls do  
 13.5 not conflict with a comprehensive plan if they permit all of the uses that are permitted or  
 13.6 required in the comprehensive plan at the densities permitted or required by the  
 13.7 comprehensive plan, and they prohibit all of the uses that are expressly prohibited by the  
 13.8 comprehensive plan. Fiscal devices and official controls for land guided for commercial or  
 13.9 industrial use may be more specific than the comprehensive plan regarding the kinds of  
 13.10 commercial or industrial uses which are allowed in specific locations.

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

13.13 Sec. 8. Minnesota Statutes 2020, section 473.865, subdivision 3, is amended to read:

13.14 Subd. 3. **Amendments.** If an official control conflicts with a comprehensive plan as the  
 13.15 result of an amendment to the plan, the official control shall be amended by the unit within  
 13.16 nine months following the amendment to the plan so as to not conflict with the amended  
 13.17 comprehensive plan. If a development application is submitted that is not in conflict with  
 13.18 the comprehensive plan, it must be processed in accordance with section 15.99.

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

## 13.21 ARTICLE 4

### 13.22 LIMITING REGULATIONS ON RESIDENTIAL DEVELOPMENT

13.23 Section 1. Minnesota Statutes 2020, section 462.357, subdivision 1, is amended to read:

13.24 Subdivision 1. **Authority for zoning.** For the purpose of promoting the public health,  
 13.25 safety, morals, and general welfare, a municipality may by ordinance regulate on the earth's  
 13.26 surface, in the air space above the surface, and in subsurface areas, the location, height,  
 13.27 width, bulk, type of foundation, number of stories, size of buildings and other structures,  
 13.28 the percentage of lot which may be occupied, the size of yards and other open spaces, the  
 13.29 density and distribution of population, the uses of buildings and structures for trade, industry,  
 13.30 residence, recreation, public activities, or other purposes, and the uses of land for trade,  
 13.31 industry, residence, recreation, agriculture, forestry, soil conservation, water supply  
 13.32 conservation, conservation of shorelands, as defined in sections 103F.201 to 103F.221,

14.1 access to direct sunlight for solar energy systems as defined in section 216C.06, flood control  
14.2 or other purposes, and may establish standards and procedures regulating such uses. To  
14.3 accomplish these purposes, official controls may include provision for purchase of  
14.4 development rights by the governing body in the form of conservation easements under  
14.5 chapter 84C in areas where the governing body considers preservation desirable and the  
14.6 transfer of development rights from those areas to areas the governing body considers more  
14.7 appropriate for development. No regulation may prohibit earth sheltered construction as  
14.8 defined in section 216C.06, subdivision 14, relocated residential buildings, ~~or~~ manufactured  
14.9 homes built in conformance with sections 327.31 to 327.35, or industrialized or modular  
14.10 buildings for residential use built in conformance with Minnesota Rules, chapter 1361, that  
14.11 comply with all other zoning ordinances promulgated pursuant to this section. The regulations  
14.12 may divide the surface, above surface, and subsurface areas of the municipality into districts  
14.13 or zones of suitable numbers, shape, and area. The regulations shall be uniform for each  
14.14 class or kind of buildings, structures, or land and for each class or kind of use throughout  
14.15 such district, but the regulations in one district may differ from those in other districts. The  
14.16 ordinance embodying these regulations shall be known as the zoning ordinance and shall  
14.17 consist of text and maps. A city may by ordinance extend the application of its zoning  
14.18 regulations to unincorporated territory located within two miles of its limits in any direction,  
14.19 but not in a county or town which has adopted zoning regulations; provided that where two  
14.20 or more noncontiguous municipalities have boundaries less than four miles apart, each is  
14.21 authorized to control the zoning of land on its side of a line equidistant between the two  
14.22 noncontiguous municipalities unless a town or county in the affected area has adopted  
14.23 zoning regulations. Any city may thereafter enforce such regulations in the area to the same  
14.24 extent as if such property were situated within its corporate limits, until the county or town  
14.25 board adopts a comprehensive zoning regulation which includes the area.

14.26 Sec. 2. Minnesota Statutes 2020, section 462.357, is amended by adding a subdivision to  
14.27 read:

14.28 Subd. 7a. **Two-family property; permitted use.** A two-family property is a permitted  
14.29 use in all areas zoned for single-family residential use and in any residential subdivision  
14.30 development provided the two-family property complies with all municipal standards. For  
14.31 the purposes of this subdivision, a two-family property includes but is not limited to a duplex  
14.32 or a single-family property with an accessory dwelling unit. Any standards, performance  
14.33 conditions, or requirements imposed by the municipality for properties permitted under this  
14.34 subdivision must reasonably relate to protecting the public health, safety, and general welfare.

15.1 Sec. 3. **[462.3575] LIMITING REGULATIONS ON RESIDENTIAL**  
 15.2 **DEVELOPMENT.**

15.3 Subdivision 1. **Application.** This section applies to official controls adopted under  
 15.4 sections 462.357, 462.358, and 462.3595 governing residential development.

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

15.9 (b) A planned unit development agreement must be made available to the public by  
 15.10 posting the agreement on the website of the municipality at least seven days prior to the  
 15.11 governing body's review of the agreement. If the municipality does not have a website, a  
 15.12 copy of the planned unit development agreement must be available for review at the city  
 15.13 hall building of the municipality. If the agreement is approved by the governing body, the  
 15.14 agreement cannot be modified unless all parties to the agreement concur.

15.15 Subd. 3. **Limitation on aesthetic mandates.** A municipality shall not condition approval  
 15.16 of a residential building permit, subdivision development, or planned unit development on  
 15.17 the use of specific materials for aesthetic reasons.

15.18 Subd. 4. **Limitation on square footage; accessory structures.** (a) A municipality shall  
 15.19 not require a minimum square footage for a residential building or accessory structure to a  
 15.20 residential building.

15.21 (b) A municipality shall not require more than one garage stall for a single-family  
 15.22 dwelling.

15.23 **ARTICLE 5**

15.24 **MUNICIPAL DEDICATION FEES**

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

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

16.1 (b) If a municipality adopts the ordinance or proceeds under section 462.353, subdivision  
16.2 4a, as required by paragraph (a), the municipality must adopt a capital improvement budget  
16.3 and have a parks and open space plan or have a parks, trails, and open space component in  
16.4 its comprehensive plan subject to the terms and conditions in this paragraph and paragraphs  
16.5 (c) to (i).

16.6 (c) The municipality may choose to accept a cash fee as set by ordinance from the  
16.7 applicant for some or all of the new lots created in the subdivision, based on the average  
16.8 fair market value of the unplatted land for which park fees have not already been paid that  
16.9 is, no later than at the time of final approval or under the city's adopted comprehensive plan,  
16.10 to be served by municipal sanitary sewer and water service or community septic and private  
16.11 well as authorized by state law. For purposes of redevelopment on developed land, the  
16.12 municipality may choose to accept a cash fee based on fair market value of the land no later  
16.13 than the time of final approval. "Fair market value" means the value of the land as determined  
16.14 by the municipality annually based on tax valuation or other relevant data. If the  
16.15 municipality's calculation of valuation is objected to by the applicant, then the value shall  
16.16 be as negotiated between the municipality and the applicant, or based on the market value  
16.17 as determined by the municipality based on an independent appraisal of land in a same or  
16.18 similar land use category.

16.19 (d) In establishing the portion to be dedicated or preserved or the cash fee, the regulations  
16.20 shall give due consideration to the open space, recreational, or common areas and facilities  
16.21 open to the public that the applicant proposes to reserve for the subdivision.

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

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

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



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

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

17.8 (j) The municipality may accept a combination of buildable land and cash fees to satisfy  
17.9 the municipality's dedication requirements set by ordinance pursuant to this subdivision or  
17.10 the procedures established in section 462.353, subdivision 4a. The municipality may require  
17.11 buildable land, cash fees, or a combination of both, to be dedicated for the purposes described  
17.12 in paragraph (a), the total value of which must not exceed ten percent of the fair market  
17.13 value of the proposed subdivision. Land in the proposed subdivision that is not buildable  
17.14 may be additionally dedicated and the value of such land is not factored into the ten percent  
17.15 limit on the total value of the dedication. Land in the proposed subdivision that is dedicated  
17.16 because of its current or potential use for regional trails applies to the ten percent limit on  
17.17 the total value of the dedication unless the land is already dedicated for street, road, or  
17.18 right-of-way purposes.

17.19 (k) The municipality must not require a dedication of land for streets, roads, or  
17.20 right-of-way to a width that exceeds the minimum engineering standards for urban roadways,  
17.21 as adopted in administrative rules by the commissioner of transportation for the municipal  
17.22 state-aid street system, as provided under sections 162.09, subdivision 1, and 162.155.

17.23 (l) A dedication of land for a street that is not a collector or arterial street must not exceed  
17.24 the amount of land required to construct such a street with a curb-to-curb width of 32 feet  
17.25 and associated utilities and sidewalks, if sidewalks are included in the plan for the proposed  
17.26 subdivision. The municipality must apply guidance established by national traffic engineering  
17.27 organizations when designing such streets.

## 17.28 ARTICLE 6

### 17.29 METROPOLITAN AREA DENSITY OF DEVELOPMENT

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

17.31 Subd. 2. **Land use plan.** (a) A land use plan shall include the water management plan  
17.32 required by section 103B.235, and shall designate the existing and proposed location,  
17.33 intensity and extent of use of land and water, including lakes, wetlands, rivers, streams,

18.1 natural drainage courses, and adjoining land areas that affect water natural resources, for  
18.2 agricultural, residential, commercial, industrial and other public and private purposes, or  
18.3 any combination of such purposes.

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

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

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

18.17 (e) A land use plan and the related official controls for an area that has not previously  
18.18 been subdivided for residential development pursuant to section 462.358, including areas  
18.19 identified as land that may come within the urban service area for residential development  
18.20 and that is not connected to the metropolitan disposal system, must provide for a density of  
18.21 residential development of no less than eight units per acre or, if intended to remain rural,  
18.22 of no more than one unit per ten acres.

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

## 18.27 **ARTICLE 7**

### 18.28 **METROPOLITAN COUNCIL; SEWER AVAILABILITY CHARGES**

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

18.30 Subd. 3. **Allocation of treatment, interceptor costs; reserved capacity.** (a) In preparing  
18.31 each budget the council shall estimate the current costs of acquisition, betterment, and debt  
18.32 service, only, of the treatment works in the metropolitan disposal system which will not be  
18.33 used to total capacity during the budget year, and the percentage of such capacity which

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

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

19.24 (c) The council shall adjust the SAC charge so that development in unsewered areas is  
 19.25 assessed at actual density, but no less than four SAC units per acre.

19.26 APPLICATION; EFFECTIVE DATE. This section applies in the counties of Anoka,  
 19.27 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and is effective January 1,  
 19.28 2023.

## 19.29 ARTICLE 8

### 19.30 BUILDING PERMIT DEADLINES

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

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

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

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

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

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

20.19 Subd. 2. **Deadline for response.** (a) Except as otherwise provided in this section, section  
20.20 462.358, subdivision 3b, or 473.175, or chapter 505, and notwithstanding any other law to  
20.21 the contrary, an agency must approve or deny within 60 days a written request for a building  
20.22 permit or a written request relating to zoning, septic systems, watershed district review, soil  
20.23 and water conservation district review, or expansion of the metropolitan urban service area  
20.24 for a permit, license, or other governmental approval of an action. Failure of an agency to  
20.25 deny a request within 60 days is approval of the request. If an agency denies the request, it  
20.26 must state in writing the reasons for the denial at the time that it denies the request.

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

20.32 (c) Except as provided in paragraph (b), if an agency, other than a multimember governing  
20.33 body, denies the request, it must state in writing the reasons for the denial at the time that  
20.34 it denies the request. If a multimember governing body denies a request, it must state the

21.1 reasons for denial on the record and provide the applicant in writing a statement of the  
21.2 reasons for the denial. If the written statement is not adopted at the same time as the denial,  
21.3 it must be adopted at the next meeting following the denial of the request but before the  
21.4 expiration of the time allowed for making a decision under this section. The written statement  
21.5 must be consistent with the reasons stated in the record at the time of the denial. The written  
21.6 statement must be provided to the applicant upon adoption.

## 21.7 **ARTICLE 9**

### 21.8 **BUILDING PERMIT FEES**

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

21.11 Subd. 5. **Valuation.** The commissioner shall establish a cost per square foot valuation  
21.12 of new and additions to one- and two-family, townhouse, and accessory utility buildings  
21.13 for the purpose of setting building permit fees by municipalities.

## 21.14 **ARTICLE 10**

### 21.15 **ENERGY COST DISCLOSURE**

21.16 Section 1. **[513.62] ENERGY COST DISCLOSURE REQUIREMENT.**

21.17 (a) A seller of residential real property must disclose to a prospective purchaser the total  
21.18 cost of the usage of electricity, natural gas, and water over the previous 12-month period  
21.19 of the property, along with information about how the cost compares to the average cost of  
21.20 such utilities per residential household statewide. A utility company that provides electricity,  
21.21 natural gas, or water to a residential property must provide the information described in this  
21.22 paragraph at the request of the seller or the seller's authorized representative.

21.23 (b) A real estate listing for residential real property must include:

21.24 (1) the information described in paragraph (a); and

21.25 (2) the most recent Home Energy Rating System Index Score of the property, if the  
21.26 property has received such a rating.

22.1

**ARTICLE 11**

22.2

**CONSTRUCTION AND DEVELOPMENT FEE REPORT**

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

22.4 **326B.145 ANNUAL REPORT.**

22.5 (a) Each municipality shall annually report by June 30 to the department, in a format  
 22.6 prescribed by the department, all construction and development-related fees collected by  
 22.7 the municipality from developers, builders, and subcontractors if the cumulative fees collected  
 22.8 exceeded ~~\$5,000~~ \$7,000 in the reporting year, except that, for reports due June 30, 2009,  
 22.9 to June 30, 2013, the reporting threshold is \$10,000.

22.10 (b) The report must include:

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

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

22.14 (3) the expenses associated with the municipal activities for which fees were collected.

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

22.17

**ARTICLE 12**

22.18

**OAK GROVE, NOWTHEN LAND USE EXCEPTIONS REPEALED**

22.19 Section 1. METROPOLITAN COUNCIL.

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

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

22.26 Sec. 2. REPEALER.

22.27 Laws 2017, First Special Session chapter 3, article 3, section 126; and Laws 2018, chapter  
 22.28 214, article 2, section 46, are repealed.

22.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

*Laws 2017, First Special Session chapter 3, article 3, section 126*

Sec. 126. **OAK GROVE; COMPREHENSIVE PLAN.**

Subdivision 1. Oak Grove. Notwithstanding any law, metropolitan system plan, the 2015 system statement for the city of Oak Grove, or administrative law judge's decision to the contrary, the area of the city that was the subject of the administrative law judge's decision in OAH 5-2106-33226, dated May 10, 2016, is designated "rural residential" for the purposes of the city's comprehensive plan update.

Subd. 2. Metropolitan Council. The Metropolitan Council shall conform its metropolitan development guide, system plans, and the system statement for the city of Oak Grove to accommodate the provisions in subdivision 1.

EFFECTIVE DATE. This section is effective the day after the governing body of the city of Oak Grove and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

*Laws 2018, chapter 214, article 2, section 46*

Sec. 46. **NOWTHEN; COMPREHENSIVE PLAN.**

Notwithstanding any law, metropolitan system plan, or the 2015 system statement for the city of Nowthen, the Metropolitan Council shall conform its metropolitan development guide, system plans, and the system statement for the city of Nowthen to implement any changes requested by the city of Nowthen relating to the council's designation of part or all of the city for purposes of the metropolitan development guide, systems plans and statements, and the city's comprehensive plan.

EFFECTIVE DATE; APPLICATION. This section is effective the day after the governing body of the city of Nowthen and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.