

April 29, 2026

The Honorable Erin Murphy
The Honorable Mark Johnson
The Honorable Lisa Demuth
The Honorable Zack Stephenson
Members of the Minnesota Legislature
75 Rev. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Re: Action Needed On Housing This Session

To Minnesota Legislative Leaders and Members of the Legislature:

Minnesota is stronger when everyone can find a home in a community that works for them. Today, too few homes are making it harder for young families, older adults, and local workers to find a place to call home. Young people cannot find a home they can afford in the communities where they grew up, and local workers cannot find a home in the communities they serve. In every county in Minnesota, three out of ten senior renter households spend so much on housing that they struggle to afford essentials like food and healthcare¹. Median-income families are unable to afford median-priced homes across the state², and the typical age of first-time homebuyers has risen to an all-time high of 40 years old in 2026, compared to 33 in 2020 and just 28 in 1991³.

Minnesota is short nearly 100,000 homes. The Yes to Homes Coalition believes this challenge requires collaboration across all levels of government.

The Starter Homes Act was developed through months of direct engagement with cities and municipal stakeholders. In previous years, many municipal leaders have opposed state housing bills, but after months of careful negotiation, the League of Minnesota Cities no longer opposes this year's bill, and has indicated that the bill in its current form is implementable. The bill is not a one-size-fits-all solution; instead, it establishes a baseline of reasonable standards and offers cities options to expand housing production in ways tailored to their individual communities.

The bill would take an approach similar to those already adopted in 33 other states⁴. Evidence from early adopters of these policies is clear: allowing more homes in more places, particularly allowing smaller homes, can and will bring down the cost of new homes⁵.

¹ <https://mhponline.org/2026-county-profiles/>

² <https://www.startribune.com/most-minnesota-needs-earn-income-six-figures-100k-own-house-middle-class-afford-market/601476873>

³ <https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers>

⁴ <https://www.bloomberg.com/news/articles/2026-02-19/at-100-euclidean-zoning-is-overdue-for-reform>

⁵ <https://www.pew.org/en/about/news-room/opinion/2026/03/09/housing-affordability-is-slipping-in-minnesota-state-policy-can-help>

Minnesotans across the state are experiencing the negative consequences of too few homes:

- Young adults want to move back to the communities where they grew up to be closer to family as they plan to start their own, or to help care for their parents as they age⁶.
- In many communities, local rules limit what homeowners can build—from backyard cottages, to smaller homes on smaller lots—reducing choices for families and property owners⁷.
- Essential workers in communities throughout Minnesota—child care workers, EMTs, firefighters, and service workers—cannot find homes in the communities they serve, and are forced to live farther away from their jobs and commute long distances. A health care worker in the Iron Range cannot afford to live in the community he serves⁸.
- A local lumber company owner shared that decisions about when and where to allow development have chain reaction consequences. Each decision that limits new homes pushes families out of the market entirely or farther from family, jobs, and community.⁹
- Cirrus Aircraft in Duluth has had 35 potential workers turn down offers of employment over the past several years because of the lack of homes available¹⁰.

Individually, these stories are troubling. Together, they reflect a trend. This housing shortage is statewide, and it is time for the Legislature to act at the scale the need demands. **Housing markets are regional, not contained to any one city or town.** Actions of one city to require large homes on large lots, or to stop new homes altogether, directly impact other cities and towns, and more importantly, the people who want or need to live in those communities.

To be clear: What the Starter Homes Act does

- **Allows more homes to be built in more places** by removing outdated barriers that limit housing options.
- **Maintains local flexibility** by setting a baseline and giving cities a menu of options to expand housing in ways that reflect local needs.
- **Helps address rising costs** by increasing the supply of homes, especially smaller options like townhomes, apartments, and backyard cottages. Evidence shows this lowers prices and increases choice¹¹.
- **Builds on work already underway** in communities across Minnesota, scaling local efforts to benefit more Minnesotans.

The Yes to Homes Coalition is a growing alliance of more than 40 organizations spanning party lines and geographic boundaries. We are writing today to ask you, as the Legislature, to address the state's housing shortage by passing the Starter Homes Act this year. This

⁶ <https://www.house.mn.gov/comm/docs/L09sVK4sl0q8Om5fB8vPqg.pdf>

⁷ <https://mn.americansforprosperity.org/wp-content/uploads/2025/03/AFP-MN-North-Star-State-Solutions-2025.pdf>

⁸ https://www.mankatofreepress.com/news/local_news/mankato-raises-issues-about-starter-home-act/article_42600282-489c-4ec2-bdd7-5ad427354b1d.html

⁹ <https://www.cbsnews.com/minnesota/news/lakeville-proposed-house-construction-moratorium/>

¹⁰ <https://www.kaxe.org/local-news/2026-04-13/lawmakers-bills-greater-minnesota-housing-shortage>

¹¹ <https://www.portland.gov/bps/planning/rip2/news/2025/2/4/portland-sees-significant-production-middle-housing-resulting>

legislation represents a meaningful compromise, and continued progress will require participation from all parties.

We stand ready to work with legislators and city leaders who share a commitment to addressing Minnesota's housing shortage. Minnesota cannot afford to delay. **We urge you to work with us to say yes to homes this session.**

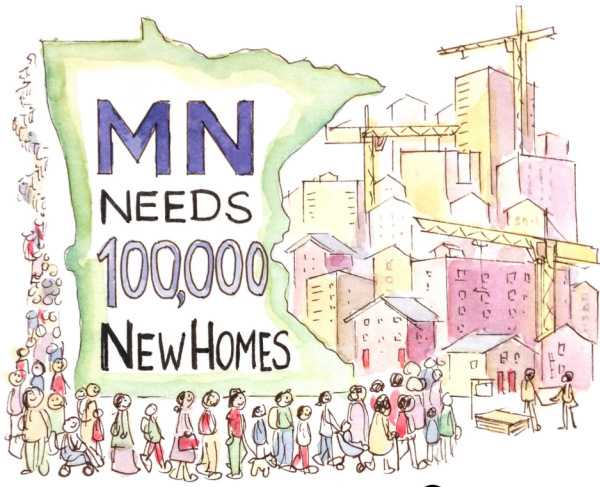
Signers

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| AARP MN* | Minnesota Homeownership Center* |
| Americans for Prosperity* | Minnesota Housing Partnership** |
| Amherst H. Wilder Foundation* | Minnesota Coalition for the Homeless |
| Catalyst for Systems Change* | Minnesota Consortium of Community Developers* |
| Central Minnesota Builder's Association* | Move Minnesota Action* |
| Faith in MN* | National Association of Social Workers, Minnesota Chapter* |
| Greater Minnesota Housing Fund* | Neighbors for More Neighbors** |
| Groundbreak Coalition* | Open Your Heart to the Hungry and Homeless |
| Habitat for Humanity of Minnesota** | Our Spring Lake Store, LLC |
| Homes for All* | Project for Pride in Living* |
| Hope for Homes* | Protect MN |
| Housing First Minnesota** | Rebecca Schueller Training & Consulting |
| Housing in Action* | Second Harvest Heartland* |
| Housing Justice Center* | SEIU Healthcare MN & IA* |
| Institute for Justice* | Sustain St. Paul* |
| Integrated Community Solutions, Inc | Twin Cities Habitat for Humanity |
| ISAIAH** | Twin Cities Housing Alliance* |
| Landon Group* | Twin Cities Yimby* |
| Long-Term Care Imperative* | Vohs Consulting, Inc |
| Master Properties | Winona Area Kitchen Table* |
| MICAH* | |
| Minnesota Catholic Conference* | |

** Yes to Homes Coalition Member*

*** Yes to Homes Coalition Steering Committee Member*

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We say,



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