



May 9, 2020

Dear Rep. Mary Murphy, Chair, and Members of the Capital Investment Committee,

Metro Cities submits this letter in support of additional state funds to meet the range of locally identified housing needs in the metropolitan region.

Housing infrastructure bonds provide funds that address a variety of housing types. Cities in the metropolitan region apply for state funds which are administered by Minnesota Housing every year. The demand far outstrips available funding. Cities with shovel-ready projects are turned away each funding round, meaning city-supported housing developments must wait another year to apply again. With the metro region projected to gain over 700,000 new residents by 2040, state support is essential to meet the housing needs of Minnesotans who struggle to pay for their homes. Metro Cities supports flexibility in the structure of HIB funds to meet different affordability levels.

Cities recognize a variety of housing opportunities are important to the economic and social well-being of individual communities and the region. Local efforts to support safe, quality homes for current and future residents are wide ranging. City activities in support of housing range from local policies (planning and zoning, code enforcement, rental licensing, inspections), to financial (building sewer and water and transportation infrastructure, reducing fees, local housing trust funds, TIF, and abatement). These important city roles support taxpayers, the private market, and state investments in developing and preserving homes.

State funding is a major and necessary component for the provision of housing. Current resource levels are insufficient to meet the spectrum of needs in the metropolitan region and across the state. We encourage the legislature to include significant housing dollars in its capital investment bill this session.

Respectfully,

A handwritten signature in black ink that reads "Charles Vander Aarde". The signature is written in a cursive style with a large initial 'C'.

Government Relations Specialist  
Metro Cities