

June 16, 2020



Committee on Jobs and Economic
Development Finance
Attn: Chair Tim Mahoney
365 State Office Building
St. Paul, MN 55155

Dear Chair Mahoney and Committee Members,

As you consider policy and funding legislation related to the recent unrest in Minneapolis and St. Paul in response to the horrific murder of George Floyd, we encourage you to center the communities most impacted.

The Metropolitan Consortium of Community Developers (MCCD) is an association of approximately 50 nonprofit organizations operating primarily throughout the seven-county metro area and are committed to expanding the wealth and resources of communities through housing opportunities and economic development initiatives. Our mission to build strong and stable communities can only be achieved by addressing the inequities that have shaped housing and economic development policies at every level of government, and that has prevented Black, Indigenous and People of Color (BIPOC) and other communities from accessing traditional capital and wealth building opportunities.

In recent conversations with our members, small business owners and partners that are most directly impacted by the civil unrest we see the below as both immediate and longer-term needs:

1. **Emergency Financial Assistance** – Resources are greatly needed to provide access to flexible capital for traditionally undercapitalized businesses in the form of emergency grants and access to a continuum of financial resources (grants, forgivable loans, low-interest loans) for rebuilding.

MCCD fully supports H.F 6, Civil unrest immediate relief program and encourages the legislature to pass the bill as soon as possible

2. **Site Control & Acquisition** - Preventing speculation, displacement and gentrification must be priority for the legislature. The communities along Lake Street, West Broadway and University Avenue have served as vibrant corridors for our BIPOC communities in Minnesota. We must preserve the investments made in BIPOC business ownership and make way for new business and community ownership opportunities.

A development moratorium, informed by community, can act as a powerful tool to ensure rebuilding efforts benefit those most impacted. Investing deeply in local CDFI's, Community Development Corporations other and community organizations with the ability to acquire and hold property for redevelopment will also be critical.

3. **Redevelopment Dollars** – In addition to the above, we believe there will be longer term needs, including funds to support new business and community-led development. Funds are needed to support activities along the development continuum, including community design, pre-development and development costs. Resources to provide both development and affordability

subsidies will be critical. We encourage the legislature to seek broad community input on what that development will look like and how best to serve the community's needs.

As an organization that works daily with small businesses and believes strongly in the power of ownership, MCCD, our members and partners will continue to stand alongside our business communities in Minneapolis and St. Paul in rebuilding. We will commit to using our CDFI and public policy platforms to advocate for resources, informed by the communities most impacted, that will restore these vital commercial districts.

MCCD is grateful for your thoughtful consideration. Thank you and please reach out if you need further information or have any questions, I can be reached at egaarder@mccdmn.org.

Sincerely,

A handwritten signature in cursive script that reads "Elena R. Gaarder".

Elena Gaarder
MCCD President & CEO
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Minneapolis, MN 55407