



March 15, 2023

**Re: HF 1920 – Funding appropriated for redevelopment grant and demolition loans**

Chair Hassan and members of the House Economic Development Finance and Policy Committee:

The League of Minnesota Cities appreciates the opportunity to provide comments on the importance of continued and sustainable investment in programs that support redevelopment efforts and local economic expansion. The League of Minnesota Cities strongly supports the provision of \$8 million in funding for fiscal year 2024 and fiscal year 2025 for the Redevelopment Grant Program and Demolition Loan Program.

Redevelopment grants are a key flexible state resource that assist cities across the state with the costs of redeveloping blighted land and repurposing it for productive use and provide up to 50% of the project cost for a qualifying site with at least half of the grant funds required to be awarded outside of the seven-county metropolitan area. The Demolition Loan Program provides low-cost loan opportunities to help cities address costs associated with demolishing blighted buildings on sites that have future development potential and preparing sites for future development. Since the inception of each program, demand for this critical resource from local governments has far outpaced the resources available in each program. Robust funding for both programs will facilitate more economic growth through redevelopment in cities across the state.

These well utilized programs encourage new development, reuse and revitalization of property, and help support the growth of local and regional economies. We urge members to support HF 1920 and commit to providing continued and sustainable funding for these key programs.

Thank you for your consideration

Sincerely,

A handwritten signature in black ink that reads 'Daniel Lightfoot'. The signature is written in a cursive style with a horizontal line extending from the end of the name.

Daniel Lightfoot  
Intergovernmental Relations Representative  
League of Minnesota Cities