

Minnesota House of Representatives

March 14, 2023

The Honorable Julie Blaha Office of the Minnesota State Auditor 525 Park Street, Suite 500 St. Paul, Minnesota 55103

via electronic delivery

Auditor Blaha,

I'm writing in regard to the disturbing allegations raised in recently-filed court documents related to building permit fees charged by local municipalities. Minnesota struggles with the high cost of housing and building permit fees are one of just many areas where local policies are driving up costs for home builders and future homeowners. The allegations outlined in these court documents raise serious questions that require immediate oversight from your office. Copies of the respective court filings are attached.

I respectfully request that your office prioritize an immediate review of these practices to ensure that cities are complying with state law and not using these fees as an improper source of revenue. I ask that your office review the following allegations raised in the court filings, including:

- 1. The documented practice by cities of improperly overcharging for building permit fees and using those proceeds for other purposes;
- 2. Allegations that cities improperly characterized building fee revenue in their budgets; and
- 3. Allegations that attorneys engaged in behavior that whistleblowers described as threatening and intimidating prior to scheduled depositions about this practice.

As the watchdog responsible for overseeing spending by local governments, it's imperative that your office take swift action to address and correct any wrongdoing.

I am available and welcome the opportunity to meet with you or your office for further discussions on this important matter.

Respectfully,

Rep. Jim Nash

Republican Lead, State and Local Government Finance and Policy Committee State Representative, District 48A