



March 25, 2021

Senator Alice Hausman, Chair, and Members, House Housing Committee

Dear Chair Hausman and Members:

Thank you for the opportunity to comment in support of HF 1971, Rep. Howard's bill that addresses housing needs for lower and moderate-income Minnesota families and will spur new, private investments in housing. Metro Cities supports resources to meet housing needs for all stages of life. While housing is predominantly a private sector activity, all levels of government – federal, state, regional and local – play roles in facilitating production and preservation of housing. There is a need for proactive and ongoing commitments by the state to assist local partners in addressing housing needs.

The bill allows taxpayers to designate contributions for a specific project, meeting identified needs in a community, including multifamily and single-family developments for persons and families with low- to moderate-incomes. It also permits loan and grant dollars to be used for gap financing, new construction, acquisition, rehabilitation, demolition and financing.

In making awards, Minnesota Housing may give preference for grants and loans to comparable proposals that include regulatory changes or waivers that result in cost reductions, including increased density, flexibility in site development standards, or zoning code requirements. Metro Cities supports these types of preferences rather than statewide one-size-fits-all mandates on local planning and zoning authorities.

Metro Cities' policies support state-funded programs to meet locally defined housing needs. Current funding programs that support a range of housing – including senior and rental housing, housing preservation and increasing homeownership – are routinely oversubscribed.

Even with these important state and local investments, cities recognize that housing availability and affordability continues to be a growing concern to residents and businesses. Growing populations, combined with aging housing stock, mean that a full range of supports – public sector, private sector and individuals – are needed.

Metro Cities urges support for this bill, and continued state investments in housing to address quality, choice and affordability for all Minnesotans.

Sincerely,

A handwritten signature in black ink that reads "Charlie Vander Aarde".

Charlie Vander Aarde
Government Relations Specialist