



March 19, 2024

**Re: Support for resources to help address housing needs in Minnesota cities.**

Chair Howard and members of the House Housing Finance and Policy Committee:

The League of Minnesota Cities appreciates the opportunity to voice our support for legislation that provides much needed state capital investment resources to assist Minnesota cities in addressing local housing needs across the housing spectrum. The capital investment resources authorized in HF 4194 (Howard) for Housing Infrastructure Bonds (HIBs) are crucial in bolstering the state-local partnership to provide new and preserve existing affordable housing options in cities across the state.

Cities are concerned about the lack of affordable housing opportunities across Minnesota and understand that the state and local governments as well as private entities all have a role to play in addressing housing needs in our communities. Minnesota cities are innovating and accomplishing much to address needs across the housing spectrum with the limited tools and resources at their disposal in response to challenges brought on by market forces outside of city control.

However, the need across the state for the creation and preservation of affordable housing opportunities necessitates an increase in state resources to build more housing and preserve existing housing. The \$500 million authorization of HIBs called for in HF 4194 will increase the number of diverse affordable housing opportunities that are constructed and preserved as well as provide the resources needed to make progress on a substantial backlog of repairs necessary to preserve and rehabilitate public housing. Additionally, when paired with a substantial increase in the authorization for HIBs as a resource, allowing HIBs to be utilized to support operating costs, preservation, and recapitalization efforts for subsidized housing will help preserve affordable units in communities across the state.

Please join us in support of HF 4194. 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 large, stylized initial "D".

Daniel Lightfoot  
Intergovernmental Relations Representative  
League of Minnesota Cities