



May 8, 2020

Rep. Tim Mahoney, Chair and Members, Jobs and Economic Development Finance Division
Minnesota House of Representatives

Dear Members of the Committee,

Metro Cities submits this letter in support of flexibility in the administration of state business subsidy awards due to COVID-19 and the Governor's peacetime emergency.

Cities are instrumental to economic development in Minnesota. They partner with businesses looking start or expand in the community. The state's economic development funds, administered through the Minnesota Investment Fund (MIF) and Job Creation Fund (JCF), support private sector investments in employees and capital. Wage requirements as well as capital investment requirements serve as parameters to ensure public policy purposes are being met.

Due to the economic downturn created by the pandemic, cities, and MIF and JCF award recipients support flexibility in the state's business subsidy programs. The language in 20-8463 is explicit to the pay-for-performance Job Creation Fund program. However, additional clarity on flexibility to recipients of MIF awards would ensure that program was also included in this proposal.

Metro Cities appreciates your work on these issues in response to the health pandemic and the consideration of this important flexibility to cities and their residents, employers, and taxpayers.

Respectfully,

A handwritten signature in black ink that reads 'Charles Vander Aarde'.

Government Relations Specialist
Metro Cities