

February 19, 2025

Representative Spencer Igo, Chair
House Housing Finance and Policy Committee
658 Cedar Street
St. Paul, MN 55155

Re: Support for H.F. 457 - CUB Credit

Dear Chair Igo:

On behalf of the St. Paul Area Chamber and its 1,700 members and affiliates, I write to offer our strong support for H.F. 457, which creates a tax credit to convert underutilized buildings. We find this legislation to be a proactive solution to address downtown commercial vacancies and prevent blight, property devaluation, and negative impacts on local government budgets.

Post-Covid, downtowns across the country are struggling to attract and retain residents, employees, and businesses. Downtown Saint Paul is no exception. We are active members of the Saint Paul Downtown Alliance, which released its Downtown Investment Strategy last year, outlining actions and investments needed to revitalize downtown Saint Paul.

A key recommendation of this report is the implementation of an office-to-residential conversion incentives program to create housing and density, support downtown businesses, and strengthen the commercial market. Accordingly, our Chamber is working collaboratively at the state and local levels to find ways to ease the cost of renovating underutilized and vacant buildings downtown.

Saint Paul is at an inflection point; we need to get ahead of downtown commercial building market value devaluations. If less property tax revenue is collected from downtown properties, the City's tax levy will shift onto other properties, making it harder for local governments to provide essential services and schools to provide our students with a great education.



ST PAUL

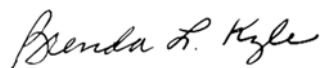
AREA CHAMBER

401 N Robert Street, Suite 150
St. Paul, MN 55101

MAKING CONNECTIONS THAT COUNT

A partnership between the public and private sectors will be necessary to bring vibrancy and economic revitalization to downtown Saint Paul. The Chamber and our members are committed to this work. The creation of a tax credit to promote office-to-residential conversions is a vital component to the downtown improvement strategy, so we humbly request your support.

Sincerely,



B Kyle
President and CEO
St. Paul Area Chamber

