

Letter of Support – S.F. 0768
Catalyzing Underutilized Buildings Across Minnesota

Tuesday, March 18, 2025

Chair Rest and members of the Senate Taxes Committee,

My name is Will O’Keefe. I’ve spent 10 years in the real estate development world and prior to that 8 years in historic preservation. In a changing world we need to continue to adapt and SF 0768, the CUB Credit presents a unique opportunity that should not be passed up.

- The legislation presents a **significant opportunity to drive economic growth, promote sustainability, and unlock the potential of Minnesota's existing building stock.**
- **Reuse means that 70% of building costs are labor** – money stays circulating in Minnesota. New construction would mean 50% of building costs would purchase materials – most likely sending money out of state.
- **Stabilizing the local property tax base** is critical — repurposed buildings will increase property value and provide long-term revenue for both owners of existing buildings and local and state governments.
- SF 0768 is **urgently needed** due to rising office vacancies in core cities, which threaten urban vibrancy and economic stability.
- Vacant buildings in greater Minnesota need additional incentives for reuse due to lower property values and the relatively high costs of construction.
- Many buildings in greater Minnesota remain idle **not due to lack of demand**, but due to **limited access to capital** for redevelopment.
- **CUB tax credit proposal** helps address Minnesota’s housing crisis by encouraging the repurposing of underutilized buildings for residential use.
- **Adaptive reuse projects** can create housing **faster than new construction.**
- **Prevents property tax burden** from shifting to homeowners and renters

Please consider supporting SF 0768 – it has tremendous potential for both your community and the state.

Sincerely,
Will O’Keefe