



March 14, 2025

The Honorable Ann Rest
Chair, Senate Taxes Committee
Minnesota Senate
95 University Avenue W.
Saint Paul, MN 55155

Dear Chair Rest and Members of the Senate Taxes Committee,

On behalf of Rethos, I am writing to express strong support for Senate File 2115, making crucial improvements to Minnesota's Historic Structure Rehabilitation Tax Credit (HTC). As one of the organizations that led the charge to establish the HTC in 2010 — and a champion of the program ever since — Rethos knows firsthand how essential it is for communities across Minnesota.

Most recently, Rethos was proud to serve as a core member of the RevitalizeMN coalition that successfully advocated for the HTC's return in 2023 after a one-year lapse. The reinstatement of the credit was a major win for Minnesota's communities, but we know that for this tool to reach its full potential — particularly for small towns and smaller-scale projects — it must be flexible and accessible. That is why SF 2115 is so important.

By allowing a second assignment of tax credits, SF 2115 will make it easier for small-town main street projects and other modest rehabilitation efforts to succeed. These are often the projects that struggle the most to attract upfront investment, yet they are essential to the health of our communities — restoring historic storefronts, rehabbing vacant upper-floor housing, and bringing new life to local landmarks. The ability to transfer credits a second time can mean the difference between a project moving forward or stalling indefinitely due to financing gaps.

Since its inception, Minnesota's Historic Structure Rehabilitation Tax Credit has driven hundreds of millions of dollars in private investment, created local jobs, and preserved buildings that tell the stories of our communities. Rethos has worked in towns and neighborhoods all over Minnesota and has seen how this credit helps sustain small businesses, generate housing, and maintain the unique character that makes each place special.

As a statewide nonprofit with a mission to reimagine historic places as vital community assets, Rethos urges you to support SF 2115 to ensure that the HTC remains a tool that serves all of Minnesota — from our largest cities to our smallest towns. Thank you for your leadership and for recognizing the role historic places play in Minnesota's economic and cultural vitality.

Sincerely,

Heidi Swank, Ph.D.
Executive Director