



## Request for City Council Committee Action from the Department of Intergovernmental Relations

**Date:** March 20, 2014

**To:** Council Member Elizabeth Glidden, Chair, Intergovernmental Relations Committee;  
Council Member Alondra Cano, Vice Chair

**Referral to:** Intergovernmental Relations

### Department Information

Prepared by: Gene Ranieri, Director, IGR Department

Approved by: \_\_\_\_\_

Presenters in Committee: Gene Ranieri, IGR Director and Tom Streitz, CPED

**Subject:** City of Minneapolis Federal Agenda

**Recommendation:** Amend the Policy Initiatives section of the federal agenda by adding the following as the first item of the section:

### Federal Role in Affordable and Workforce Housing

The City of Minneapolis encourages the federal government to maintain and increase current funding levels as well as maintaining and possibly expanding tax expenditures to support affordable and workforce housing. Federal funding and tax expenditures play a critical role in aiding states and local governments in their efforts to maintain and increase affordable and workforce housing. Providing households access to affordable rental and owner occupied housing is an important piece to the economic vitality of the state and nation.

The City of Minneapolis recommends that Congress:

- preserve and increase funding for the Community Development Block Grant Program and the federal HOME program, which are catalysts for creating more affordable housing;
- provide resources to sustain existing public housing units;
- maintain and increase resources for rental assistance programs;
- direct (encourage) the Federal Housing Finance Agency to provide funding to the National Housing Trust Fund and Capital Magnet Fund for low income rental housing;
- ensure that home ownership is available and affordable to all eligible households;
- maintain and enhance federal tax code provisions related to housing tax credits, and tax exempt bonds; and
- support federal tax code changes including but not limited to the mortgage interest tax deduction, in whole or in part, to a tax credit and modifying the maximum home mortgage deduction so that the code changes are structured to assist first time and moderate income households in affording a home and providing funding for the National Housing Trust Fund.

**Previous Directives:** The agenda includes in the appropriation section support for federal funding for specific housing and community development programs. The policy initiatives section has a policy related to mortgage foreclosure.

**Supporting Information.**

The city has supported appropriations for the various HUD housing and community development programs. The federal agenda has specific language requesting appropriations for the Community Development Block Grant, public housing, HOME and rental assistance programs. The first three bullets of the proposed policy restate current agenda positions.

The remaining bullets are either supporting existing law regarding the use of available revenue of Fannie Mae and Freddie Mac for low income housing or recommending Congress as it considers housing finance reform that it not only consider appropriations but also tax expenditure changes such as converting the housing mortgage deduction to a credit or modifying the maximum amount of interest that can be deducted.