



March 17, 2026

Re: Local Affordable Housing Aid (LAHA) and Statewide Affordable Housing Aid (SAHA) policy changes

Chair Port and members of the Senate Housing and Homelessness Prevention Committee:

On behalf of our 842 member cities, the League of Minnesota Cities appreciates the opportunity to voice our support for legislation that makes important adjustments to both the Local Affordable Housing Aid (LAHA) program and Statewide Affordable Housing Aid (SAHA) program. The language in the A-3 amendment to SF 4394 addresses important operational realities faced by local governments and housing providers as they work to end homelessness and expand the state's housing stock.

Since its establishment in 2023, LAHA and SAHA deepened the state-local partnership in helping to address housing challenges in eligible cities across the state by providing direct flexible funding to support housing production and affordability. SF 4394 builds on that success by expanding expenditure eligibility and extending deadlines for the expenditure of funds.

By expanding eligibility to include both emergency shelter facility construction and operations, as well as the provisions of services in those facilities, LAHA and SAHA funding will be better suited to support local efforts to prevent homelessness. Cities across the state have supported shelter facility construction with local resources, but the resources to assist with the construction of a facility is only part of the support that communities need to fully address homelessness prevention efforts. This change ensures that LAHA and SAHA resources can be used to support existing local efforts to help meet the needs of our most vulnerable neighbors. Additionally, extending the timeline by an additional two years for cities to expend funds will help communities better match resources to housing and emergency shelter projects. By allowing cities additional time, the programs will better reflect longer project timelines and resources required for complex housing projects to come together.

Please join us in support of SF 4394. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads 'Daniel Lightfoot'. The signature is written in a cursive, flowing style.

Daniel Lightfoot
Senior Intergovernmental Relations Representative
League of Minnesota Cities