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November 11, 2026

Tax Expenditure Review Commission
MN State Capitol

RE: State Housing Tax Credit

To Whom It May Concern,

I have had the opportunity to read the Minnesota Tax Expenditure Evaluation of the State Housing Tax Credit dated October 12, 2026. I am a developer who has received the benefit of tax credits from an employer to fund a project located in Thief River Falls called The Edge. I can confidently say that without the contributions we received from DigiKey, the largest employer in Thief River Falls, we would not have been able to begin construction on a 65-unit housing project there. The Edge will support people employed by DigiKey as well as Sanford Hospital and other employers in the community.

I urge the committee to vote to continue the SHTC beyond the 2028 sunset. There are multiple places within the report state the SHTC has not been in place long enough to examine trends in available affordable housing units. We need to give it more time and extend the SHTC beyond the 2028 sunset to find out. The credit has only been in existence for four years, which is too short to determine its effectiveness. It is also such a small dollar amount that is dedicated to the SHTC that this cap should be doubled or even tripled to better determine the programs' success. I ask you what state program or tax credit gives the state of Minnesota a discount on its contribution? I am not aware of any. This program gives individuals and entities the opportunity to help their community at a cost of 15% of their contribution. The state also gets a good deal. Normally the state would give one dollar, and it would cost them one dollar; however, with the SHTC the state gives one dollar, and it only costs them eighty-five cents. That is a good return for the state of Minnesota.

D.W. Jones, Inc. is a developer that works in the northern half of the state assisting communities and employers with their housing needs. This is one of the simplest tools we have access to that will help fill the gaps we have with housing developments. I urge you to continue it.

The Edge in Thief River Falls will have 106 bedrooms to house much needed employees, helping DigiKey and other employers in the community continue their expansion efforts. We could not have developed this much needed housing without the state of Minnesota's assistance. The building is under construction right now and will open in the spring of 2027. All members of the TERC should be proud of what is taking place with this program, and I would be happy to answer any questions or provide a tour of our new development.

Thank you for allowing me the opportunity to provide this feedback.

Sincerely,



D.W. Jones, Inc.
Ron Duchesneau Jr.
President