

SUPPORT BLACK HOMEOWNERSHIP AND GENERATIONAL WEALTH TELL MINNESOTA LAWMAKERS TO PASS [HF2507](#) and [SF2423](#)

What are [HF2507](#) and [SF2423](#)?

HF2057 and SF2423 are file numbers for the **African American Workforce Affordable Homeownership** legislation, chief authored by Representative Huldah Momanyi-Hiltsley and Senator Bobby Joe Champion. This bill uses targeted investing to create pathways for generational wealth building through affordable homeownership.

Why Does Minnesota Need This Legislation?

Shamefully, homeownership disparities in Minnesota are among the worst in the United States. More than 70% of Minnesota households own their home, but less than 30% of Black Minnesotans are homeowners. Most Black Minnesotans want to own a home, but high costs, predatory practices, and wealth inequities create barriers to homeownership.

- 1) Homeownership Challenges Will Get Worse** – Housing wealth fuels a growing wealth gap between homeowners and renters. In 2022, this disparity was close to \$390K for median wealth and more than \$1.37M for average wealth. Experts warn that this problem will worsen because the homeownership rates are projected in decline in the coming decades, particularly for Black households¹.
- 2) Black Children and Families are Disproportionately Impacted** – Black Minnesotans experience housing instability at twice the rate of the average Minnesotan. While 30% of all Minnesota households pay more than they can afford for their housing, 60% of Black Minnesotans experience this cost burden. Black children endure this hardship at double the statewide rate. About 67K or almost half of Black children in Minnesota live in households that spend more than 30% of monthly income on housing expenses².
- 3) Neo-Segregation and Underinvestment** – Minnesota’s homeownership gap contributes to a system of segregated schools and neighborhoods, through which Black families are heavily concentrated in high-poverty and high-crime areas³.
- 4) Loss of Asset Values Due to Black Housing Devaluation** – When comparing homes and neighborhoods of similar quality in Minnesota, majority Black neighborhoods are undervalued by \$48K per home or about 23% below valuations in minority Black neighborhoods or non-Black neighborhoods. Nationally, the devaluation of Black homeownership costs Black communities about \$162B in cumulative losses⁴.

How Would [HF2507/SF2423](#) Help Minnesota Address the Homeownership Gap?

The legislation would establish an African American Workforce Affordable Homeownership program to empower Black Minnesotans as consumers and producers in the housing economy. There are an estimated more than 36K Black Minnesotans who are credit-ready and income-ready to buy a home⁵. The bill seeks to help these Minnesotans remove barriers to homeownership.

The bill promotes economic growth and self-sufficiency through targeted investing.

- 1) Provides grants for local entities for affordable homeownership projects targeted to African Americans and using African Americans in the workforce.
- 2) Aims to increase supply of affordable, owner-occupied multifamily or single-family housing in Minnesota for African Americans, using African Americans as the production workforce.
- 3) Requires that the grants finance costs related to creating/expanding African American-run business development programs, creating/expanding African American-run job training programs, creating/expanding African American-run job placement programs, or creating/expanding African American-run housing organizations' capacity to participate in the objectives of the program.
- 4) Requires that a project funded through the grant program shall serve African American households that meet 80 percent or less of the state median income.

¹ See data from the Urban Institute ([January 2021](#), [April 2024](#)).

² See analyses of census data by AECF ([Last Updated February 2025](#)), MHP ([March 2024](#)), and MN State Demographer ([March 2025](#)).

³ See Orfield and Stancil's research on neo-segregation in Minnesota ([June 2017](#), [February 2022](#)).

⁴ See studies on asset devaluation by Brookings ([November 2018](#), [September 2021](#), [December 2022](#)).

⁵ See ALANA Brain Trust ([March 2024](#)), drawing on Freddie Mac, MN Compass, and MN Housing.

March 23, 2025

Senator Bobby Joe Champion

Minnesota Senate Building, Room 3401
St. Paul, MN 55155

Representative Huldah Momanyi-Hiltsley

5th Floor, Centennial Office Building
St. Paul, MN 55155

Re: African American Workforce Affordable Homeownership (SF2423/HF2507)

Senator Champion and Representative Momanyi-Hiltsley,

The Council for Minnesotans of African Heritage (CMAH) was created by the Minnesota Legislature to advise government on the issues and needs of our constituency. CMAH and partners thank you for your leadership as chief authors of the African American Workforce Affordable Homeownership Program (SF2423/HF2507)¹.

SF2423/HF2507 invests in Black self-help to address Black housing instability in Minnesota. The bill's emphasis on Black participation is much needed because of the gravity of the housing crisis and the history of Black disempowerment that lies behind it. Black households are disproportionately impacted by economic hardship, predatory practices, and wealth inequities in Minnesota's housing sector. Although most Black households want to own a home, less than 3 out of 10 Black Minnesotans are homeowners. Black residents are more likely to be cost-burdened, meaning they pay more than they can afford for housing expenses².

A critical, though tremendously underappreciated, component of this problem is the underrepresentation of Black businesses and workers in the construction industry. Black participation has been relatively low throughout the growth of the national affordable housing industry in the United States. Indeed, even when this industry operates in Black communities, Black enterprise is usually sidelined or, worse, not even near the vicinity of the game³. On the workforce side, Black workers hold

¹ Our use of the term "African American" here follows official federal and state classification of "Black or African American" as a general population group. The population group includes U.S.-born African Americans and foreign-born African Immigrants. See [March 2025 report on demographic trends in Minnesota homeownership](#) from the Office of the Minnesota State Demographer. On federal practice, see the federal government's [March 2024 update to standards of race and ethnicity data](#).

² Black Minnesotans experience housing instability at twice the rate of the average Minnesotan. While 30% of all Minnesota households pay more than they can afford for their housing, 60% of Black Minnesotans experience this cost burden. Black children endure this hardship at double the statewide rate. About 67K or almost half of Black children in Minnesota live in households that spend more than 30% of monthly income on housing expenses. See data analyses by [AECF February 2025](#) and [MHP March 2024](#).

³ See Professor Melvin Mitchell's [September 2020 sketch](#) of episodes in this history of exclusion, e.g. 1948 Housing Act, Low Income Housing Tax Credit Program in 1986, and Housing Opportunities for People Everywhere HOPE VI of 1992. Professor Mitchell has been a leading voice and practicing architect for 45 years.

just 6% of the construction jobs, even though Black people make up 12% of the US workforce. In Minnesota, Black residents own 0.1% of construction firms, and Black workers are less likely to work in the construction industry ([MN DEED January 2023](#)).

The provisions in SF2423/HF2507 take a two-prong approach to help Minnesota bolster resources for arresting the aforementioned components of the housing crisis. The legislation aims to increase the supply of affordable, owner-occupied housing for Black Minnesotans, while using Black Minnesotans as the production workforce. The bill will provide grants to local entities for this purpose. Based on feedback from community engagements and listening sessions, CMAH recommends allocating 60% percent of the bill's funding for housing production (physical capital development) and 40% percent of funds for workforce infrastructure provisions (human capital development).

Thank you for your leadership and partnership with advancing this bold and innovative step to address the homeownership gap in Minnesota. We are excited to collaborate with you on legislation that would create pathways to generational wealth and self-sufficiency through homeownership.

Sincerely,

Council for Minnesotans of African Heritage (CMAH)



March 25, 2025

Dear Chair Howard,

RE: Letter of Support for HF2507

The African Career Education and Resource (ACER) Inc would like to thank you for your consideration of HF2507, which authorizes funds to support expanding African American Workforce and Affordable Homeownership opportunities in Minnesota. The African Career Education and Resource Inc is an issue-based organization working to address the inequities that exist within our communities. We serve Minnesotans to overcome poverty, build assets and generational wealth. We appreciate how important it is to honor and invest every cultural community's assets that each group contributes to the state of Minnesota.

As Housing advocates and Economic and Community Development stewards, we believe this bill will go a long way in addressing the critical challenges that we are facing in our communities and our state. Investing in the workforce and housing development in the Black community will advance our cause in closing the inequity gaps that exist in our state. We believe that by supporting bold, multi-faceted approaches such as this one, we are taking an important step in ensuring that all Minnesotans benefit, culturally, socially and economically, when we invest in and lift up all the cultures that comprise Minnesota.

Thank you again for your consideration, and for your leadership and service to our state. If you have any questions, please do not hesitate to reach out to me at nelima@acerinc.org and at 763-657-7711.

Sincerely,

Nelima Sitati Munene
Executive Director, ACER Inc.

Greetings, Co-Chair Spencer Igo (R, 07A), Co-Chair Michael Howard (DFL, 51A), Co-Vice Chair Jeff Dotseth (R, 11A), Co-Vice Chair Liish Kozlowski (DFL, 08B), and committee staff,

My name is Cindy Devonish-Hall, and I am writing to express my strong support for HF 2507/SF 2423, the African American Workforce Affordable Homeownership Act. Please include it in your respective omnibus budgets.

Minnesota has some of the worst racial disparities in homeownership in the country. Black Minnesotans, both U.S.-born and foreign-born, face disproportionately high rates of housing instability and barriers to homeownership that directly impact economic mobility and long-term family stability. HF 2507/SF 2423 offers a targeted solution to this inequity by investing in affordable homeownership pathways for African American households, laying a foundation for generational wealth-building.

This legislation is essential for promoting racial equity in housing, workforce stability, and community development. By supporting HF 2507/SF 2423, the legislature acknowledges the urgent need to address systemic disparities while providing tangible, long-term opportunities for Black Minnesotans to build and sustain homeownership.

I am a community leader who has experienced the struggles this bill seeks to address. I spent most of my youth in shelters and was formerly homeless, shuttled between temporary housing without a stable place to call home. Today, I have overcome those hardships with resilience and the support of community programs. Since 2008, I have worked with children and families in various capacities, including child protection and foster care, helping others navigate crises that I understand all too well. I am privileged to serve on the Council for Minnesotans of African Heritage, the African American Health Advisory Council, and the African American Child Well-Being Council, Youth Civic Leaders, and other leadership roles in our community.

My journey from homeless youth to a community leader demonstrates the impact that stability and opportunity can have, which is why I urge you to support HF 2507/SF 2423. This bill is critically important for restoring opportunities for affordable homeownership and building generational stability for Black Minnesotans like me.

I appreciate your committee's efforts to ensure that all Minnesotans can access stable and affordable housing. Please include HF 2507/SF 2423 in the omnibus legislation and advocate for this bill throughout the remainder of the legislative process.

Thank you for your time, leadership, and commitment to equity.

Respectfully,

Cindy Devonish-Hall
Community Experience and Engagement Manager

Minnesota Tribal Collaborative

March 17, 2025

To: Members of the Minnesota Legislature

Subject: Letter of Support for the African American Workforce & Affordable Homeownership Development Program (SF2423)

Dear Members of the Minnesota Legislature,

The Minnesota Tribal Collaborative stands in **strong support** of the African American Workforce & Affordable Homeownership Development Program Bill. As sovereign nations dedicated to the well-being and economic empowerment of our people, we recognize that housing stability and workforce development are critical pillars of equity. This bill not only addresses the urgent need for **affordable homeownership** for African American communities but also ensures that **Black-led businesses, job training programs, and housing organizations** are empowered to lead the solutions.

For far too long, systemic barriers have kept communities of color—Native and Black alike—from fully accessing the benefits of homeownership and economic security. We understand firsthand the deep, generational impact of policies that **disenfranchise, displace, and deny opportunities** to communities that have contributed so much to this state. The African American Workforce & Affordable Homeownership Development Program is a step toward **repairing those inequities** by investing directly in Black-led solutions.

This bill is not just about homes—it's about **sovereignty, stability, and self-determination**. It creates pathways for Black businesses, ensures Black workers are at the forefront of development projects, and prioritizes families who are most often shut out of the housing market. These are values that tribal nations deeply understand and support.

Moreover, we are encouraged by the growing momentum around equity-focused policies, including the **Encounter Rates Bill**, which uplifts Native communities in similar ways. Just as we fight for the resources and representation our people deserve, we stand with our African American partners in advocating for solutions that uplift their communities. When we invest in **community-led, culturally specific initiatives**, we all win.

We urge you to **pass this bill** and fully fund the **African American Workforce & Affordable Homeownership Development Program**. Our shared struggles require shared solutions,

and solidarity across communities is how we build a Minnesota where **everyone has access to a stable home, meaningful work, and a future they can shape on their own terms.**

If there is any way we can further support this legislation, please do not hesitate to reach out. We look forward to working together to make this vision a reality.

In Solidarity,

Christina Olsen

Christina Olsen,
Coordinator
Minnesota Tribal Collaborative



March 31, 2025

Co-Chairs Spencer Igo & Michael Howard

Housing Finance and Policy Committee

Chair and Committee Members:

The work of the African American Leadership Forum ('The Forum') is rooted in shifting systems and the people that lead them towards a more just future. We partner with communities, nonprofit organizations, foundations, and governments to co-create solutions focused on many social and economic concerns. For nearly twenty years, The Forum has harnessed the collective power of Black communities to solve complex social problems. Our goal is to build a just and healthy society that works equally well for everyone.

We write in support of House File 2507, which uses targeted investing to create pathways for generational wealth building through affordable homeownership. This bill uniquely evokes two of The Forum's Impact Areas--Generational Wealth Building and Economic Prosperity--by empowering Black Minnesotans as consumers and producers in the housing economy. Through expanding the production workforce to increase housing supply, and intentionally investing in the Black labor workforce to do so, there will be a deeper attachment to building flourishing community ecosystems that invest in children, families, and adults. This proposal aligns with existing initiatives in the region to address the housing shortage and boost workforce participation in this vastly-shifting economy.

We urge members to support House File 2507. Thank you.

Sincerely,

Amber Jones

Managing Director | Policy Impact

Samuel Benda

Policy Entrepreneur Fellow | Generational Wealth Building

Busisiwe Ledibane

Policy Entrepreneur Fellow | Economic Prosperity



Written Proponent Testimony for H.F. 2507

Beth Wanless

Government Relations and Public Affairs Manager

April 1, 2025

Co-Chairs Igo and Howard, and members of the Housing Finance and Policy, on behalf of Zillow, I write to express support for H.F. 2507. The legislation would establish the African American Workforce and Affordable Homeownership Development Program. We would like to thank Representatives Momanyi-Hiltsley, Agbaje, Hussein, Rehrauer, Kozlowski, and Vang for not only bringing attention to this ever-present issue, but also for taking action to find solutions.

Homeownership is often viewed as a pathway to the American dream, and a well known tool to create and pass on generational wealth. Unfortunately, the decades-long gap between Black and White homeownership provides evidence to the persistent and mounting obstacles Black families face every day. According to the latest Housing Vacancy Survey, the Black-White homeownership gap has shown little evidence of shrinking across three decades. Between 1994 to 2022, a significantly larger proportion of White households than Black households owned their homes¹. White homeownership remained above 70% while Black homeownership never exceeded 50%. In 2019 Q4, the White homeownership rate was 32.5 percentage points higher than Black homeownership, the largest it has been since 1994. However, the data does suggest a more recent narrowing of the gap during the COVID-19 pandemic.

It is important to note that additional policies to increase housing inventory should be supported and enacted to have a robust impact on housing affordability and availability for Black homeshoppers. Housing affordability can largely be achieved through allowing more inventory options - housing of all types should be built to give families and individuals the opportunity to buy, and sell a home. We commend the legislature for continuing to consider legislation that will chip away at the lingering housing affordability crisis.

H.F. 2507 is a key step in addressing the vast homeownership gap that exists in Minnesota, and we appreciate the committee's consideration of the legislation.

¹ <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>