

April 4, 2022

Chair Hausman and Members of the House Housing Finance and Policy Committee:

Thank you for the opportunity to submit written testimony on HF 4376 (DE2 amendment), the Housing Finance and Policy Omnibus Bill.

Minnesota Realtors® (MNR) was founded in 1919 and is a business trade association with a membership of over 21,000 real estate professionals working with buyers and sellers of all types of property in every corner of the state.

MNR appreciates the inclusion of \$50 million for the proposed “First-Generation Homebuyers Down Payment Assistance Fund” pilot project and the accompanying language in Art. 2, Sec. 10. We would also like to thank Rep. Agbaje for her work on this legislation (HF 4269).

The “First Generation Homebuyers Down Payment Assistance Fund” initiative represents an innovative approach for delivering down-payment assistance that attempts to better meet the needs of first-generation homebuyers, reduce barriers to homeownership, and reduce Minnesota’s racial homeownership gap. While the Minnesota Homeownership Center, Twin Cities Habitat for Humanity, and Minnesota Realtors® are the proposing organizations, this initiative is also supported by a diverse coalition of non-profits, local units of government, businesses, and business trade associations.

Thank you for including this innovative pilot project in the Housing Finance and Policy Omnibus bill.

MNR would also like to again share our concerns with Art. 4, Sections 1-3, which would add, “participation in or requirements of a public assistance program,” along with a new definition of “public assistance program,” to Minn. Stat. 363A.09.

The language in Art. 4, Sections 1-3 is extremely broad and it is unclear to us how it interacts with the numerous federal, state, and local assistance programs currently in existence and those that may be created in the future. The language also does not recognize that some government assistance programs may include requirements for a property owner that present challenging financial or administrative obligations.

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We encourage the Legislature to focus instead on engaging with property owners to understand the administrative and financial challenges some voluntary programs pose and then address those challenges so programs can better meet the needs and expectations of both those seeking housing as well as property owners.

Finally, Article 4 includes several proposed changes to landlord tenant law, on which the Minnesota Multi Housing Association (MMHA) has testified to share concerns. We urge you to take the MMHA's concerns seriously and avoid advancing provisions that may result in unintended consequences or disincentives to creating more housing opportunities.

Thank you again for the opportunity to provide written testimony on HF 4376 (DE2 amendment).

Sincerely,



Paul Eger
Senior Vice President, Governmental Affairs
Minnesota Realtors®