



SF 203 | HF 1141

# \$400 MILLION IN BONDS FOR HOUSING

No matter where we live or what we look like, we all need dignified, affordable housing and the financial resources to provide for ourselves and those we love. From the Twin Cities to the Iron Range, our homes are the foundation of our lives — without stable housing everything else falls apart.

**Proven programs like Housing Infrastructure Bonds provide strong and sustained returns on investment to make housing more affordable. Let's continue to invest in what works.**

## \$400 million for Housing Infrastructure Bonds

Housing Infrastructure Bonds (HIBs) are the **largest state source of capital** for affordable housing development and preservation — but **only 1 in 5 projects that apply** for resources from the Minnesota Housing Finance Agency are funded.

We need \$400 million in HIBs so that **essential projects across the entire housing continuum can move forward**. With HIBs, we can build new single-family homes and preserve deeply affordable units.

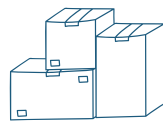
### Why do we need HIBs?



**More than 640,000 Minnesota households** are spending more than 30% of their income on housing



**56% of unhoused people** said they are homeless because they could not find an affordable place to live



More than **2,250 households could lose their homes** over the next 2 years if we fail to preserve existing affordable housing



Since 2012, HIBs have preserved or created more than **7,000 homes in communities across Minnesota**

By investing in HIBs, we can ensure that **every Minnesotan** has an **affordable, safe, and dignified** place to call home.

## What do we mean by Area Median Income (AMI)?

**30% AMI**

for a family of 4

Twin Cities: \$37,250

Greater MN: \$30,271

HUD, 2024

**50% AMI**

for a family of 4

Twin Cities: \$62,100

Greater MN: \$45,756

HUD, 2024



## Annual Affordable Housing Needs Unmet in Minnesota



**6%**

**150 of 2,500**

needed homes at  
>30% AMI constructed



**20%**

**400 of 2,000**

needed homes at  
30-50% AMI constructed



## IMPACT SPOTLIGHT: KYLE GARDEN SQUARE



Because of new HIBs authorized in 2022, **Alliance Housing** was able to break ground on the transformation of a 1920s-era office building into **59 units of supportive housing** for people exiting homelessness and earning very low incomes. Residents will receive critically needed, on-site, supportive services from Touchstone Mental Health, and will be able to maintain safe and stable housing. With new investments in HIBs, we can ensure that **every city across Minnesota** is able to build and sustain projects like Kyle Garden Square in Minneapolis.

### CONTACT

Kelly Law, Senior Policy & Field Building Advisor  
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House Housing Finance and Policy Committee  
Minnesota State Capitol  
75 Rev Dr Martin Luther King Jr Boulevard.  
St Paul, MN 55155



Dear Chair Howard, Chair Igo, and Members of the Committee,

March 25, 2025

Homes For All is a coalition of over 240 organizations and individuals across Minnesota working together to prevent homelessness, meet the immediate needs of people experiencing homelessness, and ensure everyone, without exception, has a safe, decent, accessible home (rental/shared/homeownership) that is affordable at 30% of their income or less and that meets their needs in the community of their choice. Our coalition is led by people from diverse communities, including people who have experienced homelessness, housing instability, and housing discrimination, and representatives from faith communities, homelessness and housing providers, tenant advocacy organizations, and mediation and legal services.

The Homes for All Coalition appreciates the committee's dedication to addressing Minnesota's housing crisis as demonstrated in the 2023 Session. As you know, the disinvestment in affordable housing over the past 40 years is why Minnesotans are currently facing unprecedented housing instability.

**We ask that you support House File 1141 and invest \$400 million in Housing Infrastructure Bonds to ensure that every Minnesotan has a safe and affordable place to call home.**

**\$400 Million in Housing Infrastructure Bonds** - On behalf of the Homes for All Coalition, we are requesting \$400 million in a new authorization of Housing infrastructure Bonds (HIBs). This amount will allow for projects to be funded across the entire affordable housing continuum including preservation of deeply affordable units serving folks at the greatest level of need, and financing to ensure we have enough single-family homes to meet the demand and close the racial homeownership gap. A predictable pipeline of funding is critical to ensuring that we are building and preserving enough affordable units to keep Minnesotan's safely and stably housed.

Minnesota is ranked among the top 10 for states with the most severe housing shortages. With a deficit of more than 100,000 homes, we simply aren't building enough homes to meet the increasing demand. This is even more true for Minnesotans with the lowest incomes. By investing in HIBs and affordable housing, we can begin to meet the demand and ensure that every individual and family has access to a home that they can afford. We will only begin to address our state's housing shortage by investing in new development and preservation every session, every year.

Thank you for your time and consideration.

Sincerely,  
*Sue Watlov Phillips*

Sue Watlov Phillips  
Co- Lead Homes for All Legislative Team



March 24, 2025

Chairs and Members of the House Housing Finance and Policy Committee,

Metro Cities, representing the shared interests of cities across the metropolitan area at the Legislature and Executive Branch, appreciates the opportunity to support HF 999 – Agbaje and HF 1141 – Howard.

HF 999 would provide for additional funding for the Community-Based First-Generation Homebuyers Assistance Program and modifies the program language. This program is essential in supporting first-time homebuyers or those who owned a home but lost it due to foreclosure, and will support efforts to reduce racial disparities in homeownership. Providing additional funding to this program will support increasing the ability to access homeownership across our communities in the metropolitan area.

Metro Cities supports HF 1141 which would provide the capital for an additional \$400 million in Housing Infrastructure Bonds. Housing Infrastructure Bonds leverage local, federal, and private investments and spur development in our communities. These are used to develop and preserve permanent and supportive housing, preserve federally assisted rental housing, provide affordable housing for our seniors, finance housing with rents affordable to households with incomes at or below 50% AMI, and support the acquisition and rehabilitation of foreclosed or abandoned property. This is a critical source of funding for cities to address housing needs across the metropolitan area.

The resources in these bills will support homeownership in our state and address the need for additional affordable housing in our communities.

Thank you for your consideration of this letter.

Sincerely,

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

Ania McDonnell  
Government Relations Specialist



March 24, 2025,

RE: Support for HF 1141 – A bill to support critical infrastructure necessary for housing development.,

Dear Chairman Howard, Lead Igo and Honorable Members of the House Housing Finance and Policy Committee:

The Builders Association of Minnesota (BAM), a statewide organization with 50 years of service to the residential construction community, expresses its strong support for SF 203. BAM represents a diverse membership of home builders, remodelers, and developers, along with a broad network of supporting professionals, including subcontractors, suppliers, realtors, and financial institutions.

With nine local associations across the state, BAM addresses the unique needs of communities statewide and works in close collaboration with the National Home Builders Association (NAHB).

BAM supports Chair Port's SF 203, which provides funding for local initiatives to attract development and encourage growth by supporting the infrastructure necessary for new housing developments. This targeted investment in bonds will assist cities and home builders in offsetting the costs associated with providing critical infrastructure, ensuring residential sites are shovel-ready for development. This, in turn, will stimulate new housing construction, bolstering local economies and expanding housing opportunities.

BAM commends Chairman Howard for authoring this proposal, which provides significant investment in housing infrastructure grants to support new housing developments throughout Minnesota.

Thank you for your consideration. We urge the committee to favorably consider HF 1141.

Sincerely,

Grace Keliher  
Builders Association of Minnesota