

May 7, 2025

Dear Chairs Howard and Port and Housing Conference Committee Members,

Thank you for the opportunity to provide comments on the housing omnibus budget and policy bills. This letter provides feedback on our continued concerns related to a Rental Assistance Demonstration program provision included in the House position, originating from HF 2309. We appreciate the ongoing conversations on this issue but continue to caution against the enactment of this provision given the significant uncertainty in its implementation. Rather than take on the risk of derailing the disbursement of Publicly Owned Housing Program (“POHP”) appropriations, we would advise the legislature focus on other opportunities for state funds to assist the remaining PHAs this legislation seeks to assist.

We recognize the need to ensure public housing authorities (“PHAs”) can access needed resources for ongoing operating and maintenance needs and are pleased with the progress we made last spring in better clarifying these pathways in our April 10, 2024 letter on this matter.

**General principles why changes to Minnesota Statutes are the wrong venue to address the remaining issues PHAs face on this issue:**

The key barriers that remain unresolved following many hours of work last session are still not suited for a state legislative solution because the barriers stem from higher order legal authority. As we have previously communicated, these factors leave legislation updating Minnesota Statutes an unhelpful venue to attempt to find a solution. As we understand it the remaining barriers on this matter are a combination of:

- The requirement in the Minnesota Constitution that GO bond proceeds may only be used by state agencies or political subdivisions of the state. Given the subordinate position of Minnesota laws to the constitution, attempts to artificially construct new political subdivisions of the state by statute face considerable uncertainty.
- United States Housing and Urban Development requirements related to the need for a PHA to “sell” an asset before accessing the higher rents available under the Section 18 Demolition & Disposition program. MMB and Minnesota Housing staff remain committed to additional engagement on this issue at the PHAs’ request but the underlying program requirements were created by the federal government through HUD and are unlikely to be modified by Minnesota law.
- Federal tax regulations of tax-exempt bonds, which require that following the sale of a bond-financed property that the sale proceeds be returned to pay off state debt and not retained for other use by the recipient. HUD’s Section 18 rules would mandate a different treatment of those sale proceeds. Again, this is a federal issue outside the authority of Minnesota law.

**Key HUD Section 18 sales barrier remains unaddressed in the bill as again introduced:**

Our current understanding is that for PHAs the remaining barrier is access to HUD's Section 18 Demolition & Disposition program. Under this program HUD requires that the PHA "sell" an asset to access the higher rents available under the program. Without additional solutions from HUD, the current Section 18 program requirements appear incompatible with state GO bonds. As noted above, federal tax regulations following the sale of a bond-financed property that the sale proceeds be returned to pay off state debt and not retained for other use by the recipient. The bill language included in the House position does not address this barrier and it is unlikely that updates to Minnesota laws are a productive venue for its resolution.

**Continued concerns on uncertainty:**

Our feedback on this proposal from the 2024 session remains consistent, especially regarding the uncertainty this bill would introduce if enacted and the lack of resolution it offers to PHAs based on the mutual understanding MMB, Minnesota Housing and the PHAs reached last year. Because Minnesota's constitution requires all projects funded by state general obligation ("GO") bonds to be publicly owned by a state agency or political subdivision of the state, it is not clear that the State would be able to fund the types of "public corporations" created under the proposed legislation with state GO bond funds or approve transfers of ownership of state GO bond financed property to these public corporations. Each "public corporation" established under the bill would need to be reviewed individually to determine whether that particular "public corporation" can be considered a political subdivision of the state. It is not certain this case-by-case review would result in a positive determination, based on conversations with the state's bond counsel. In the event negative determinations are disputed it will have the potential to slow the distribution of desperately needed resources.

We look forward to continued work with you and PHAs on this issue.

Sincerely,

A handwritten signature in black ink that reads "Erin M. Campbell". The signature is written in a cursive, flowing style.

Erin Campbell  
Commissioner



May 8, 2025

**Re: SF2298 (Igo)**

Dear Chairs Port, Igo, Howard and Conferees,

On behalf of the Greater Minnesota Partnership (GMNP), an organization focused on expanding economic prosperity in Greater Minnesota, I wanted to provide feedback on the respective Housing Omnibus bills. We continue to be enthusiastic about the level of funding contained in the House bill and urge the Committee and legislative leaders to follow the House's lead when investing in housing over the next biennium. Communities throughout Greater Minnesota have consistently identified that housing is critical to their communities' success. Housing provides a foundation for stability, well-being, and opportunity for Minnesotans, impacting everything from health and education to economic mobility. A secure, affordable home allows individuals and families to thrive, access better jobs, and contribute positively to their communities. Affordable housing also helps communities attract and retain key businesses.

I also wanted to provide additional feedback on several key items in the Housing Omnibus bills:

- Both the House and Senate bills funded the **Greater Minnesota Housing Infrastructure Program**; with ongoing resources provided in the Senate bill and a significantly higher level of funding included in the House bill. These resources are crucial to closing the housing cost gap in Greater Minnesota and we urge the Conferees to include funding for this critical program as you negotiate a final bill. As multiple testifiers in both Committees shared, the cost to construct a unit of housing is more expensive in Greater Minnesota than our communities can support in rent or mortgages and these investments will help to close that gap.
- The House bill also includes an increase of \$10 million in FY26 for the **Workforce Housing Development Program**. This program will also continue to support economic vitality in Greater Minnesota communities, and we urge you to include additional resources for this program in the final bill.
- Additionally, the House bill included a FY26 increase for the **Challenge program**. This program is a flexible source of state housing funding that can assist in the development of affordable housing that will benefit local economies in Greater Minnesota and additional resources for the program should be included in a final bill.
- The House bill also authorizes \$100 million in **Housing Infrastructure Bonds**. These resources would also assist Greater Minnesota communities to meet their housing challenges and should be included in the final bill here or in a bonding package.
- I additionally wanted to share our appreciation for the **policy language** found at 17.3 - 17.5 in the Senate bill that will allow projects receiving funding from the Workforce Housing Development Program to couple those resources with funds raised through the **State Housing Tax Credit program**. This policy change will allow community members and businesses to contribute resources toward their

city's housing needs through the State Housing Tax Credit program in support of needed workforce housing and should be included in the final bill.

- Finally, at GMNP, our members are focused on cross-sector collaboration and innovative solutions to the housing shortages in Greater Minnesota communities. Thank you again to the House members for working with us on the language at 12.24 -13.23 **"Local actions to support housing"** in the House bill. This language provides incentives for Minnesota Housing's competitive development programs when located in communities that have ordinances and zoning with specified elements around housing development and affordability. This language is a welcome approach to changing local housing policies.

Our communities are working diligently to support and attract the development of additional housing, and this bill will help further that work. We welcome the chance to work with you to continue to address housing challenges in Greater Minnesota and thank you for this opportunity to weigh in on this bill.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Danielle', with a long, sweeping horizontal line extending to the right.

Danielle Dannen, Executive Director  
Greater Minnesota Partnership

Chair Port, Chair Igo, Chair Howard and Members of the 2025 Housing Conference Committee,

The MN Coalition for the Homeless (MCH) is a statewide advocacy organization with over 70 members, a robust lived experience fellowship and receives zero of the funds for which we advocate for. Founded in 1984, MCH's mission is to generate policies, community support, and resources for housing and services to end homelessness in Minnesota.

MCH strongly supports the items outlined below, and encourages the Conference Committee to keep these vital resources included in your final omnibus budget bill.

**\$30M (House) in one time funding in 2026 and \$415K in ongoing funding starting in 2027 for the Family Homeless Prevention and Assistance Program (FHPAP)**

With a current budget of only \$20M, the funding runs out within days or weeks in every part of the State. MCH understands the Senate's limited budget target and appreciates the prioritization of funding to FHPAP. FHPAP provides flexible financial assistance, supportive services, and resources to help families, youth, and single adults achieve housing stability.

**\$100M (House) for Housing Infrastructure Bonds (HIBs)**

Right now, more than 640,000 Minnesota households pay more than 30% of their income on housing — and more than half of those who are unhoused say they are homeless because they could not find an affordable place to live. 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.

**\$500K (House) for a Tenant Hotline**

This will support a statewide tenant hotline so that renters can seek legal help regarding any tenant-landlord issues regardless of income.

**\$2M (Senate) for the First Generation Homebuyers Community Down Payment assistance fund**

Financial assistance to first-generation homebuyers is critical, specifically those whose parents or guardians have never owned a home. MCH continues to support the housing continuum, from emergency shelter to homeownership. We know many Minnesotans can move from homelessness, to homeowner with the right investments and supports and easing of barriers.

**Affordable and Supportive Housing Preservation (House and Senate)**

Ensuring that the State prioritizes preserving existing affordable and supportive housing is critical to ending homelessness in Minnesota. We support making sure that the State has, and uses, all the tools and resources available to preserve Minnesotans existing affordable and supportive homes.

These investments and policy solutions are critical steps toward ensuring that all Minnesotans have access to safe, stable, affordable, and accessible housing. We strongly urge your support for these provisions and funding requests and we stand ready to work with you to implement these transformative solutions to ensure every Minnesotan has a place to call home.

Sincerely,

*Matt Traynor*

Matt Traynor, Interim Executive Director, MN Coalition for the Homeless



May 8, 2025

Chairs Igo, Port, and Members of the Housing Conference Committee on SF 2298,

Americans for Prosperity is the nation's—and the state's—premier grassroots organization. We believe that we all need freedom and opportunity to realize our unique versions of the American Dream and reach our full potential. We talk to Minnesotans every day; we knock on thousands of doors a week in your districts. One of the things we consistently hear is frustration at the ever-increasing barriers to economic mobility, of which having a stable, affordable place to call home is a vital component.

While we appreciate the attempts at compromise on the housing bills, the legislation falls short of the real reform needed to ease the housing crisis that is self-inflicted by overly zealous government mandates. Housing in Minnesota has become prohibitively expensive due to a patchwork of arbitrary regulations, and the results are stifled development, higher costs, and limited opportunity and innovation in the housing market.

This crisis is not a natural fluke or hiccup in the free market—it is a product of government overreach. Minnesota needs over 100,000 homes to meet current demand. The fact that the average age of a first-time homebuyer is 38 years old should be unacceptable to everyone. Yet we continue to see resistance to change, spreading fear and misinformation to protect and preserve the status quo.

The status quo is not working.

We encourage you to include the Minnesota Starter Home Act, which would allow single-family homes, duplexes, and accessory dwelling units (ADUs) on any residential lot, and townhomes on vacant or newly platted lots. Allow a greater variety of homes in more places. Repeal minimum parking mandates. Prohibit rent control. These reforms do not cost the state a penny and won't require cities to approve development without proper infrastructure. Claims to the contrary are misleading.

By restoring property rights and reducing regulatory barriers, Minnesotans can build, rent, or live in homes that meet their needs. ADUs, for instance, can provide space for family, supplemental income, or affordable rentals—flexibility Minnesotans deserve.

This crisis can't be subsidized away. The solution is to unleash the market. Remove barriers, respect property rights, and stop picking winners and losers. These reforms empower individuals and make housing more accessible.

I am heartened to hear lawmakers realize what we have long stated: top-down mandates make innovation and the free market dysfunctional. But there is also great disappointment in seeing what should be a huge bipartisan win—not just for you as legislators but for Minnesotans—fall victim to politics.

We urge you to act boldly. Will your constituents hear that you fought for them—or protected a broken system?

Sincerely,

*RaeAnna K. Lee*

RaeAnna K. Lee  
Legislative & Coalitions Director, Minnesota  
Americans for Prosperity  
[rlee@afphq.org](mailto:rlee@afphq.org)

Americans for Prosperity, Minnesota  
[www.northstarstatesolutions.com](http://www.northstarstatesolutions.com)



DEDICATED TO A STRONG GREATER MINNESOTA

May 7, 2025

**Re: S.F. 2298 – Housing Omnibus Bill**

Dear Chairs Igo, Howard, Port, and Members of the Conference Committee,

On behalf of the Coalition of Greater Minnesota Cities (CGMC), which represents over 100 cities across Greater Minnesota, we wanted to offer our comments on your respective Housing Omnibus bills. Given the state's current fiscal budget constraints, we thank both the House and Senate for including funding for essential housing programs in their respective bills. As described below, we are particularly supportive of the House's level of investment over the next biennium and urge the Conference Committee to adopt their approach.

**Funding for Infrastructure and Other Housing Needs**

We thank the chairs of both the House and Senate Housing Committees for including funding for the **Greater Minnesota Housing Infrastructure Program**. In most communities throughout Greater Minnesota, it is more expensive to build a home than it can be rented or sold for, and infrastructure costs contribute to that market failure. This program will help bridge that gap, and we are very appreciative of the support. We hope that the Conference Committee adopts the House's level of funding.

The House also increased funding for the **Workforce Housing Development program** by \$10 million for FY26. In Greater Minnesota, the need for workforce housing is high, and these additional resources would facilitate the construction of much-needed residential units. We also appreciate the House's FY26 increase in funding for the **Challenge program** to assist with the development of more affordable housing. We urge the Conference Committee to adopt both of these proposals.

Finally, we strongly support the inclusion of \$100 million in **Housing Infrastructure Bonds**, which will help our communities meet their housing challenges. We urge that this provision be included here or in a bonding bill.

**Amendment to State Housing Tax Credit**

We appreciate the Senate's inclusion of policy language that will allow projects receiving funding from the **Workforce Housing Development Program** to combine those resources with funds raised through the **State Housing Tax Credit Program** (lines 12.3 – 17.5). This change will allow more resources to be dedicated to workforce housing throughout the state. Please include this in your final bill.

**Local Actions to Support Housing**

The House version also contains language directing the Minnesota Housing Finance Agency (MHFA) to award up to 5 additional points to projects located in jurisdictions that meet criteria aimed at promoting housing. We appreciate the efforts of both House co-chairs to work with us on refining the language to alleviate our concerns about its potential impacts on Greater Minnesota. Even more importantly, we appreciate their understanding of our larger concerns about how the MHFA's criteria overall impact communities in Greater Minnesota and their suggestion of language to help mitigate those concerns.

We also believe that how the MHFA develops and implements this scoring regime is important. We appreciate that the House language directs the MHFA to engage with local government groups such as the CGMC. That work will be very important going forward, and we are anxious to work with the agency and other stakeholders to ensure the best implementation possible. In addition, we hope to work with the chairs from both bodies to continue to monitor and assess the overall implementation of the MHFA programs and the impact on Greater Minnesota.

Our communities are working diligently to support and attract additional housing development, and the resources appropriated in this bill will help further that work. We welcome the chance to work with you to continue to address housing challenges in Greater Minnesota and thank you for this opportunity to weigh in on this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley Peterson". The signature is fluid and cursive, with the first name "Bradley" being more prominent than the last name "Peterson".

Bradley Peterson, Executive Director  
Coalition of Greater Minnesota Cities

A handwritten signature in black ink, appearing to read "Elizabeth Wefel". The signature is fluid and cursive, with the first name "Elizabeth" being more prominent than the last name "Wefel".

Elizabeth Wefel  
Coalition of Greater Minnesota Cities





May 8, 2025

**Re: Comments on the Housing Finance Omnibus Bill**

Chair Port, Chair Howard and members of the Omnibus Housing Finance Conference Committee:

The League of Minnesota Cities appreciates the opportunity to provide comments on the housing appropriations and policy bill as the conference committee reconciles the differences between the third engrossment of SF 2298 and the second unofficial engrossment of SF 2298. On behalf of our 841 member cities, we appreciate both the House and Senate's attention this session on the vast scope of housing needs in cities across the state of Minnesota despite budget constraints. While local governments are innovating with limited resources to address locally identified housing needs, an expanded state-local partnership and an increase in housing resources are critical if we are to adequately address housing needs across the state.

***Economic Development & Challenge Fund Grant Program – House Language – Article 1, Sec. 2, p. R2 Lines 2.13-2.17***

The League is pleased with the Senate's position for a one-time increase to the Economic Development & Challenge Fund Grant program in FY 2026. Funding this important and flexible program with an additional one-time increase of \$10 million over the next biennium will result in more housing projects being completed and will positively impact local economic development that comes with adequate affordable housing options for the local workforce.

***Workforce Housing Development Program – House Language – Article 1, Sec. 2, p. R2 Lines 2.30-3.5***

The League appreciates the House language, which includes an additional one-time increase of \$10 million in FY 2026 for the Workforce Housing Development program. The need for additional workforce housing in greater Minnesota cities is immense to support local economic expansion and ensure that cities can offer new workforce housing opportunities to accommodate job growth. Funding this program with additional resources above base funding will ensure that more workforce housing opportunities are made available in the greater Minnesota cities that need it most.

***Manufactured Home Park Infrastructure Grants – House Language – Article 1, Sec. 2, p. R2 Lines 3.8-3.13*** – The League supports the House's inclusion of an additional \$2 million in one-time funding in FY 2026 for Manufactured Home Park Infrastructure Grants. Infrastructure serving manufactured home parks is most often private infrastructure and, in many parks, it has fallen into disrepair. This program is critical to support a key source of affordable housing in communities across the state and additional funding will ensure that more residents in manufactured home parks are served by improved infrastructure including water systems, sewer lines and roads.

***Workforce Homeownership Program – House Language – Article 1, Sec. 2, p. R3 Lines 3.16-3.19***

The League supports the House's position providing an additional \$3 million in one-time in FY 2026 for the Workforce and Affordable Homeownership Program. This successful program provides grants to eligible applicants including cities to support development costs, rehabilitation, land development, and the construction of new owner-occupied workforce housing. Workforce housing is sorely needed in cities across the state to support local economic expansion and job growth.

***Family Homeless Prevention (FHPAP) – House and Senate Language – Article 1, Sec. 2, p. R4***

The League appreciates both the House and Senate's attention to increasing the funding for FHPAP in FY 2026. FHPAP is critical in supporting housing stability and keeping renters in their homes.

***Greater Minnesota Housing Infrastructure Grants – House and Senate Language – Article 1, Sec. 2, p. R7***

The League strongly supports the inclusion in both the House and Senate language providing funding for the Greater Minnesota Housing Infrastructure Grant Program. While we prefer the House position of \$20 million over the next biennium, we urge the conference committee to include funding for this vital program at a meaningful level. Infrastructure, especially in greater Minnesota cities, is often the most expensive component of residential development and state resources to assist cities with the cost of installing necessary infrastructure, especially in greater Minnesota, will help attract more development.

***State Housing Tax Credit Modifications – Senate Language – Article 2, 9, p. R19 Line 17.3***

The League supports the inclusion of policy language that seeks to better align the State Housing Tax Credit program with the Greater Minnesota Workforce Development Program in granting flexibility on the affordability parameters of the existing program. This change will expand applicability for the housing tax credit to provide resources for market rate workforce housing developments in greater Minnesota.

***Housing Infrastructure Bonds – House Language – Article 2, Sec. 1, p. R31 Lines 9.5-9.7***

The authorization of \$100 million in general fund spending for housing infrastructure for FY 2026 and FY 2027 is crucial and will help construct and preserve units across the housing spectrum. Housing Infrastructure Bonds continue to be an important and flexible capital investment resource for housing utilized in communities across the state and we appreciate the inclusion of an additional Housing Infrastructure Bond authorization.

Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Lightfoot". The signature is fluid and cursive, with a stylized "D" and "L".

Daniel Lightfoot  
Senior Intergovernmental Relations Representative  
League of Minnesota Cities



**TO: Senator Lindsey Port, Senator Liz Boldon, Senator Eric Lucero, Representative Spencer Igo, Representative Michael Howard, Representative Jim Nash, Representative Liish Kozlowski**

Dear Housing Omnibus Bill Conference Committee Members,

Our statewide [Minnesota Community Action network](#) works to build community resiliency and self-sufficiency through the delivery of a broad spectrum of supports and services that assist people on their path out of poverty. Over 424,000 Minnesotans achieve greater stability each year through our homeless prevention and housing assistance, living wage job preparation, regional transit provision, Head Start and early childhood programming, financial asset building, energy bill assistance and other locally determined programs.

We want to THANK YOU for your leadership and hard work to craft a robust Housing and Homeless Prevention omnibus bill! With tight targets, you prioritized key funding to meet the needs of your constituents, many of whom seek our services. We ask that you lend strong support to the following provisions, in your final Conference Committee Report, which enables us to better serve our fellow Minnesotans:

- **\$30M for Family Homeless Prevention and Assistance Program (FHPAP) - House version**
- **\$2M for First Generation Homebuyers Community Down Payment Assistance Fund - Senate version**

*Thank you for all you do for all of us!*

Sincerely,

*Scott Zahorik, Arrowhead Economic Opportunity Agency (AEOA)*  
*Patrick McFarland, Anoka County Community Action Program (ACCAP)*  
*Barb Moran, BI-County Community Action Programs (BI-CAP)*  
*Kendra Krolak, Community Action Partnership of Hennepin County*  
*Lori Schwartz, Community Action Partnership of Lakes and Prairies*  
*Debi Brandt, United Community Action Partnership*  
*Sonia Gass, Community Action Partnership of Ramsey & Washington Counties*  
*Catherine Johnson, Inter-County Community Council (ICCC)*  
*Marta Carrigan, KOOTASCA Community Action*  
*Denise Stewart, Lakes and Pines Community Action Council*  
*Liz Kuoppala, MAHUBE-OTWA Community Action Partnership*  
*Sharon Millner, Northwest Community Action*  
*Deb Larson, Prairie Five Community Action Council*  
*Jeff Hansen, Community Action Partnership of Scott Carver and Dakota Counties*  
*Jennifer Hengel, Southeast Minnesota Community Action Council (Semcac)*  
*Darci Goedtke, Southwestern Minnesota Opportunity Council (SMOC)*  
*Jenny Larson, Three Rivers Community Action*  
*Colleen Orne, Tri-County Action Program (Tri-CAP)*  
*Teresa Carter, Tri-County Community Action Partnership (TCC)*  
*Jason Carlson, Tri-Valley Opportunity Council*  
*Debi Brandt, United Community Action Partnership*  
*Missy Becker-Cook, West Central Minnesota Communities Action*  
*Carrie Tripp, Wright County Community Action (WCCA)*

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May 7, 2025

**To: Chair Lindsey Port, Chair Spencer Igo, and the Housing Finance Bill Conference Committee**  
**Re: Inclusion of African American Workforce Affordable Homeownership (SF2423/HF2507) in the Housing Finance Bill**

Chair Port, Chair Spencer, and Conference Members,

Minnesota's housing crisis has deep roots in the crisis of Black homeownership. We urge you to include African American Workforce Affordable Homeownership (SF2423/2507) in the omnibus budget legislation. The gravity of the homeownership gap and its disproportionate impacts on Black Minnesotans necessitate investing in affordable Black homeownership and using Black Minnesotans as the production workforce.

**Community Need** – Minnesota's homeownership rate is more than 70%, but less than 30% of US-born and foreign-born Black Minnesotans own a home. An estimated 36K Black Minnesotans are credit-ready to buy a home, if provided access to affordable homeownership opportunities<sup>1</sup>. SF2423/HF2507 responds to the needs of these Minnesotans through investments in affordable homeownership and workforce infrastructure development.

**Prudent Use of Resources** – Underserved Black communities consistently experience structural imbalances between community need and funding capacity—even during times when the mainstream economy appears to be good and stable. Good government must address these community realities. Prudent action requires prioritization of investments in Black self-help to tackle Black housing instability.

Thank you for your leadership in state efforts to address Minnesota's housing needs. **Please ensure that the 2025 Minnesota Legislature establishes and funds the African American Workforce Affordable Homeownership Program.**

Respectfully,

Council for Minnesotans of African Heritage (CMAH)  
East Metro Civic Alliance (EMCA)  
NAACP Saint Paul  
Minnesota Coalition for the Homeless (MCH)  
African Career Education and Resource Inc (ACER)  
Minnesota Equal Opportunity Partnership (MEOP)  
Stairstep Foundation  
African American Leadership Forum (AALF)  
Legacy Family Center  
Phumulani Minnesota  
Bethel University Department of Social Work

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<sup>1</sup> Sources: AECF [Last Updated February 2025](#), ALANA Brain Trust [March 2024](#), MHP [March 2024](#), MN State Demographer [March 2025](#).

May 7, 2025

Dear Chairs and Members of the Housing Finance Conference Committee:

Individuals with mental illnesses are significantly more vulnerable to housing instability and homelessness. Without stable housing, recovery from mental illnesses becomes unattainable. Many individuals thrive when they have access to ongoing, housing-linked services that help them maintain their homes, build positive relationships with property management and neighbors, and integrate into the community. There is an urgent need to sustain and expand permanent supportive housing.

Thank you for continuing to fund the much-needed Bridges program (rental assistance for people with mental illnesses and their families). We also appreciate the ability to use the affordable rental investment fund and for existing supportive housing. We urge you to take up the Senate language beginning on line 8.29, which allows the community stabilization program to be used to fund supportive housing preservation and recapitalization.

We encourage you to adopt the House language on Article 1 Subdivision 10, to provide more funding for the family homeless prevention and assistance program. Being homeless is a deeply traumatic experience that often incites or exacerbates mental illness symptoms. It has particularly long-lasting and harmful effects on children's mental health. Preventing children from becoming homeless is not only the moral thing to do – it will also save the state substantial funding down the road on emergency housing and mental health care.

We would like to express our support and gratitude for mandating the creation of “a strategy with the commissioner of human services to integrate the awarding of state service dollars to permanent supportive housing so that state service dollars can accompany capital awards in the consolidated request for proposal process” as part of the provision on a policy framework for stabilization of supportive housing. This could help supportive housing providers spend less time applying for supportive housing and more time providing it.

Finally, we sincerely hope that protection from source of income discrimination will be passed into law next year. Pouring money into rental vouchers won't do any good if Minnesotans cannot find a landlord that will accept them.

Thank you for your consideration and for your hard work this session,

Sue Abderholden, MPH  
Executive Director

Sarah Knispel, LGSW  
Public Policy Coordinator

Chair Port, Chair Igo, Chair Howard and Members of the 2025 Housing Conference Committee,

Dear Members of the Housing Conference Committee,

Generations of Black Minnesotans have been locked out of stability, wealth, and opportunity—not by accident, but by design. Redlining, racially restrictive covenants, and decades of disinvestment didn't just happen. They were deliberate policy choices.

Today, we understand you're facing difficult budget negotiations in a hyper-partisan environment. We don't envy that challenge. But we do believe you have the tools—and the opportunity—to make a different kind of choice: one that begins to repair what was broken on purpose.

While we understand that the African American Workforce and Affordable Homeownership Development Program ([SF 2423/HF2507](#)) did not make the final list of budget priorities this session, we urge you not to let this issue fall off the radar. This program represents a direct response to a man-made problem—one that continues to exclude Black Minnesotans from wealth-building and housing stability.

During your tenure, we ask that you commit to addressing the structural harms that programs like this are designed to fix. That means lifting up community-led solutions, investing in Black workers and developers, and creating pathways to homeownership that center those who've historically been locked out.

The program would:

- Provide grants to cities, tribes, nonprofits, and community land trusts;
- Support land acquisition, rehab, environmental cleanup, and home construction;
- Fund job training and business development for African American workers and entrepreneurs;
- Serve households at or below 80% of the state median income;
- Require consultation with African American stakeholders through the Council for Minnesotans of African Heritage.

This isn't just a housing proposal—it's a framework for economic justice. The racial homeownership gap in Minnesota is among the worst in the country. The consequences are generational. But so is the potential for impact.

**The problem was policy-created. The solution can be, too.**

Please partner with trusted community organizations like the Minnesota Coalition for the Homeless and others doing this work—and keep this issue in your sights as you continue your service.

Sincerely,

*Matt Traynor*

Matt Traynor, Interim Executive Director, MN Coalition for the Homeless

*LaQuita Love-Limo*

LaQuita Love-Limo, Policy/Advocacy Fellow, MN Coalition for the Homeless



May 8, 2025

To Chairs Port, Igo, and Howard, and the Housing Conferees,

The Builders Association of Minnesota (BAM), is a statewide organization serving the residential construction community for 50 years. BAM represents a diverse membership of home builders, remodelers, developers, and a wide network of related professionals, including subcontractors, suppliers, realtors, and financial institutions.

BAM appreciates the strong commitment to housing demonstrated by both the House and Senate Housing committees. We particularly favor the following provisions:

- **\$20 million for the Greater Minnesota Housing Infrastructure Grant Program.** (House provision)
- **\$12 million in additional one-time funding for the Greater Minnesota Workforce Development Program.** (House provision)
- **\$100 million in Housing Infrastructure Bonds (HIBs).** HIBs are crucial for supporting various housing development and preservation projects. Minnesota faces a shortage of nearly 101,000 available and affordable homes. (House provision)

In addition to these investments, BAM supports the inclusion of policies to:

- **Streamline the process for developers to combine the State Housing Tax Credit (SHTC) with the Greater Minnesota Workforce Development Grant Program.** (House Provision)
- **Integrate state housing subsidies with effective land use policies.** This proposed incentive would encourage local governments, which control land use, to utilize state resources more efficiently. (House provision)
- **Establish a Task Force on Homeowners and Commercial Property Insurance.** This task force, focused on the affordability of insurance for single-family and multifamily rental housing, is critically important to both home builders and homeowners. (Senate provision)

BAM recognizes the hard work of the committees and the different budget targets. We are confident that the conferees will advocate for the highest possible budget allocation and these crucial policies.

Sincerely,

Grace Keliher Executive Vice President BAM







May 7, 2025

**Re: Housing Omnibus Bill SF2298**

Dear Chairs Howard, Igo, Port, and Housing Conference Committee Members,

On behalf of the Association of Minnesota Counties (AMC), an organization representing all of Minnesota's 87 counties, we write to provide input on SF2298, the housing omnibus bill. AMC appreciates your continued crucial investments in the production of housing across the state of Minnesota as well as providing foundational supports that keep families out of homelessness. AMC would like to express our gratitude to both committees for working with their allotted budget targets to make much-needed investments in our state's housing.

Every county in the state of Minnesota faces a need for more housing that residents can afford. AMC supports policies, regulatory reforms, and judicious public investment to incentivize and promote housing options. As you take up the provisions in SF2298, AMC would like to highlight a few priority items in the Housing omnibus budget bills:

**Investments in Housing Production**

Thank you to both Senate and House committees for choosing to make investments that into grant programs that help counties and other community partners access funding to further develop additional housing units. **AMC would like to thank both bodies for the investments in the Greater Minnesota Housing Infrastructure Grant program, which will help grow housing across greater Minnesota.**

Locating vacant land and then funding the infrastructure improvements can make projects unachievable. Typically, the cost of infrastructure is an additional cost layered on to the sale price of the lot/home or as an assessment on the property. In many communities, that is the difference between a house being affordable or not. **We hope that the Conference Committee will consider making the \$20 million investment found in the House position.**

**AMC also strongly supports the inclusion of \$100 million in Housing Infrastructure Bonds, \$10 million for the Housing Challenge Program, \$10 million in investments for the Greater Minnesota Workforce Housing Development Program, \$3 million for the Workforce Homeownership Program, and additional funding for grant programs in the House position.** These investments are invaluable, helping to close gaps and get projects rolling across the state. We hope that the Conference Committee will continue to prioritize these investments at the House position levels as you review this bill.

**Investments in Homelessness Prevention**

Counties support securing individual and family stability and preventing homelessness. Through a variety of programs and services implemented at the county level, our members work to ensure that individuals and families can access supports that prevent losing their housing. One of those key

programs is the Family Homeless Prevention and Assistance Program. **Thank you to both bodies for investing significant portions of your targets in this program.** FHPAP steps in to help keep families housed, providing stability for families in crisis and preventing the experience of homelessness that is costly on multiple levels. As conversations continue, AMC hopes that the Conference Committee will include the \$29.7 million in one time funding and \$900,000 in ongoing funding included in the House position. These funds are crucial to keeping families and communities stable, especially given the number of cost-burdened families across the state.

#### **Policy Flexibility**

AMC also supports policy changes that increase flexibility in accessing resources for housing development at MHFA, including the provision in the Senate position that would make it possible for projects receiving workforce housing program grants to be eligible for Minnesota Housing Tax Credit Contribution funding.

AMC is thankful for both bodies' extensive work on these bills within the context of more challenging budgetary constraints. The strong, bipartisan work of your committees speaks to the nature of this issue all of Minnesota faces. We sincerely appreciate your consideration of counties' perspective on SF2298. If you have any questions about the information provided above, please don't hesitate to reach out at (651)789-4323.

Thank you for your time and consideration,

A handwritten signature in black ink, appearing to read "Cate Duin".

Cate Duin, Policy Analyst  
Association of Minnesota Counties



May 8, 2025

Conference Committee Co-Chairs Port and Igo  
Conference Committee on SF 2298

Co-Chairs Port and Igo,

We are writing to encourage the conference committee to include one-time funding (HF 297, Co-Chair Igo/ SF 859, Sen. Farnsworth) to the Arrowhead Economic Opportunity Agency (AEOA) to establish a tax forfeited homes revolving fund in Northeast Minnesota and rehabilitate affordable, permanent, workforce housing in the final conference committee report.

While we understand the budgetary constraints the committee is under, we do want to remind the committee that this bipartisan proposal and investment would:

- Leverage other sources of funding already committed to AEOA for the project. AEOA has additional committed partners to ensure ongoing success of the tax forfeited revolving fund.
- A one-time investment from the state would establish an ongoing rehabilitation and development source for as many as 15 homes per year. While the investment is one-time, the impact in 12 rural counties in Northeastern and Central Minnesota would be ongoing.
- Ensure existing homes stay are returned to town tax rolls. Currently many of these homes sit vacant, and if demolished – due to lot size – would sit as open, vacant lots. Refurbishing these homes keeps neighborhoods safe, children in local schools, and tax dollars staying in local communities while giving workers an affordable place to call home.
- Bring jobs for local contractors, carpenters, electricians, plumbers, etc. who work on these houses.

Northeastern and Central Minnesota face housing challenges like other areas of the state do, but AEOA stands ready to help alleviate some of those challenges through this innovative, local project. We see this as a model that could work in all areas of the state as well. We have 5 homes that are ready to go!

AEOA has been around for 58 years, providing self-sufficiency services to low-income and disadvantaged people in over one-third of the state. We are trusted partners in the communities and the 12 primarily rural counties in which we provide service; in 2023 we touched the lives of over 38,000 Minnesotans.

Thank you for considering our request. And thank you for your service to Minnesota.

Sincerely,  
Scott Zahorik  
AEOA Executive Director

## MEMORANDUM

**To:** Senator Port, Senator Boldon, Senator Lucero, Representative Howard, Representative Igo, Representative Nash, Representative Kozlowski  
**From:** Northcountry Cooperative Foundation  
**Date:** May 7, 2025  
**Subject:** SF 2298, HF 2445 – Manufactured Housing Preservation and Investment

We respectfully urge you to fully support manufactured housing priorities and ensure that the 2025 housing omnibus bill includes robust investments to preserve and expand manufactured housing—Minnesota’s most cost-effective path to stable homeownership for thousands of residents.

Over the past decade, with consistent bipartisan support, the Minnesota Legislature has made significant strides in protecting this critical housing stock. Programs have been created to assist with resident ownership, stabilize lot rents, and modernize aging infrastructure—safeguarding hundreds of homes from speculative buyouts and displacement.

In 2023:

- **\$10 million** was appropriated to the Northcountry Cooperative Foundation (NCF) for a **revolving acquisition loan fund**, leveraging additional public and private capital to finance Resident-Owned Community (ROC) conversions.
- **\$10 million** was appropriated to NeighborWorks Home Partners to launch a **first-of-its-kind loan product in Minnesota for manufactured homebuyers**, offering only the second product of its kind in the nation.

However, in late 2024, the Minnesota Housing Finance Agency (MHFA) abruptly **paused support for NCF’s loan fund** due to liquidity and staffing constraints—disrupting active projects and threatening the state’s long-term manufactured housing strategy. Without immediate legislative action to restore funding, a decade of progress is at risk.

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## Preserve Existing State Investments in Manufactured Housing

1. **\$5 million** to expand NCF’s revolving acquisition loan fund—ensuring ROC conversions can continue despite the MHFA pause in 2024. Without public backing, we must shoulder this burden alone.
2. **\$3 million** for a new down payment assistance program via NeighborWorks Home Partners, tailored to buyers of manufactured homes to work in conjunction with the new MH loan product.

## Expand MHCR to Preserve Communities Statewide

- Support increased funding for the **Manufactured Home Community Redevelopment (MHCR)** grant program, which addresses aging infrastructure and ensures long-term community viability.
- We urge the Legislature to utilize **Housing Infrastructure Bonds (HIBs)** as a funding mechanism for MHCR. These bonds have been instrumental in addressing Minnesota's housing needs and should support infrastructure upgrades in manufactured home communities.
  - In 2024, only **21% of MHCR applications were funded**—a historic low.
  - The average request of **\$25,000 per lot** enables critical upgrades (sewer, water, roads, storm shelters) without pricing residents out.

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## Why Manufactured Housing Is a Smart Investment

- In 2024, the **average cost to preserve a manufactured home was \$21,000**—a fraction of what it takes to build new affordable housing.
- Manufactured housing is **3–4 times more cost-effective** than other subsidized housing types.
- New units cost **50–65% less per square foot** than site-built homes, offering accessible homeownership to low- and middle-income families.

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## Support the Manufactured Home Relocation Trust Fund Amendment

We also urge support for **SF 2298, Article 2, Section 1 (lines 11.24–11.28)**, which strengthens the annual Manufactured Home Relocation Trust Fund Letter by:

- Ensuring park owners are **informed about a tax credit** when selling to residents.
- Requiring park owners to **post a Notice of Sale** to MHFA.
- Enhancing the **visibility of organizations** that can facilitate these transactions—keeping communities in the hands of Minnesotans, not out-of-state private equity.

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Now is the time to act. Manufactured housing is the largest source of naturally occurring affordable homeownership in Minnesota. These targeted, shovel-ready solutions—supported through tools like HIBs—offer the best defense against private equity takeovers that raise lot rents and displace working families.

These investments are smart, scalable, and impactful. Thank you for your leadership and commitment to ensuring every Minnesotan has a safe, stable, and affordable place to call home.

To Representative Igo, Senator Port and Housing conference committee 2025

From Section 8 voucherholder

Linda Soderstrom (Winona)

Re Gratitude for Your Work toward the Common Good

May 8, 2025

I am very grateful for all your work and awareness, your bipartisanship and search for best practices to create fair housing for every Minnesotan. I lived at Richfield's Crossroads at Penn when in 2015 two and one half thousand people lost their homes due to predatory gentrification. 2,350+ souls were out in one year. Rents rose from \$750 to \$1,100.

We need state universal rental subsidy via vouchers based on income for those in greatest need in Minnesota. Minnesota is the North Star for fair housing solutions in our nation. Many who do study what goes on here are grateful for our example, our dedication, fairness and justice seeking. I am proud of our leadership as it continues to emerge. Minnesotans truly do live our values.

I believe we can create the FAIR HOUSING supply that was predicted to be needed in deep affordability of 300,000 new units between 2020 and 2030. We also can take the good words of commissioner in Olmsted County Sheila Kiskaden, who often reminds us "The most affordable housing has already been built". It's already standing and simply needs to be saved, refurbished and uplifted. Crossroads was a NOAH property and we need to save all NOAH properties already standing and bring them up to code and provide dignity and respect for those tenants who need stability and security, accessibility and affordability in their homes. This will stabilize our seniors and our soldiers and our school-age children and everyone else in between.

Again with deepest gratitude,

Linda Lee Soderstrom

Winona Minnesota

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lindalee.soderstrom