



Sunday, May 2, 2021

Dear Members of the Housing Finance and Policy Conference Committee,

We acknowledge and appreciate the continued commitment each of you have demonstrated to affordable housing in Minnesota and look forward to a state budget that invests in affordable homeownership for Minnesota families and communities.

Homeownership Minnesota is a coalition of practitioners dedicated to producing, preserving, and preparing households for sustainable homeownership and we were grateful to see an increased emphasis on affordable homeownership in both the House and Senate Housing Omnibus bills.

Through the conference process, we hope the Conference Committee continues to prioritize affordable ownership production/preservation and the preparation of homebuyers in the final bill. As many of you know, our state's housing prices continue to escalate, and homeownership is out of reach for many working Minnesotans. Further, the failure to invest in affordable home ownership has resulted in one of the largest racial homeownership gaps in the country. I think we can all agree, this is unacceptable.

Simply offering down payment assistance and accessible mortgage products cannot be the exclusive way our state invests in ownership. Our challenge is lack of supply and our state needs to deepen its ongoing investment to produce more affordable ownership units; initially increasing production to 500 units annually. Combining these investments will positively impact our economic recovery and closing the racial gap in home ownership.

Homeownership Minnesota seeks a state budget that demonstrates our state's commitment to affordable homeownership by investing in the following funding and policy priorities:

- Workforce Homeownership Fund
- Homeownership Rehab Program
- HECAT
- Utilizing 100% of the Agency's Pool 3 resources for homeownership activities with at least 17% for ownership production
- Increasing the rehab loan limits to \$40,000
- Continued investment in the Build Wealth Family Stabilization Program

The state currently invests less than 1/3 of one percent of the state budget in affordable housing. Increasing investments in this way will have positive impact on economic recovery, community wealth building, and family stabilization.

As the Housing Finance and Policy Conference Committee works together to determine how the state will invest in affordable ownership homeownership, we continue to be available as a resource and can be reached via email and phone at cristen@hfhmn.org, 414-736-7699 or Kathy@prginc.org, 612-810-9622.

Thank you again for your commitment to affordable homeownership and your leadership.

Sincerely,

Cristen Incitti, President & CEO. Habitat for Humanity of Minnesota, Inc.
Homeownership Minnesota Coalition Co-Chair

Kathy Wetzel-Mastel, Executive Director, PRG, Inc.
Homeownership Minnesota Coalition Co-Chair

HOM membership: City of Lakes Community Land Trust, Dayton's Bluff Neighborhood Housing Services, Greater Metropolitan Housing Corporation, Habitat for Humanity of Minnesota, Home CO (Aurora-St Anthony Neighborhood Development Corporation, Build Wealth MN, Model Cities), Minnesota Community Land Trust Coalition, Minnesota Homeownership Center, Neighborhood Development Alliance, NeighborWorks Home Partners, Northcountry Cooperative Foundation, One Roof Community Housing, PRG, Twin Cities Habitat for Humanity, Urban Homeworks, Inc.