



Dedicated to building a world where everyone has a  
safe, stable, and affordable place to call home

8 April 2026

Re: HF3279 (Howard) Our Future Starts at Home

To: Chair Howard, Chair Igo and Members of the Housing Finance and Policy Committee

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

Thank you for the opportunity to share Habitat for Humanity of Minnesota's (Habitat Minnesota) support of HF3279 to provide dedicated, predictable revenue for housing through a constitutional amendment. Habitat Minnesota is the statewide support organization that provides training, technical assistance, lending, and grants to the 24 local Habitat affiliates in Minnesota. These affiliates serve as developers, lenders, and homeowner counselors, working in 59 counties across the state.

At Habitat, we know how closely housing stability is tied to health, educational outcomes, and overall community well-being. Unfortunately, after decades of underproduction and underinvestment, home prices, interest rates, construction costs, and rents continue rising, while wages have not kept up. Minnesota Housing reports that Minnesota has a shortage of approximately 40,000 homes for ownership. The scale of the challenge demands a stable, long-term solution to make real progress of addressing our state's housing needs.

While there is broad agreement that housing is a top priority, we often struggle to reach consensus on funding solutions. The result is housing investments that fluctuate year to year, creating uncertainty for developers and lenders like Habitat and, most importantly, for families.

HF3279 would provide the predictability needed to build more starter homes and preserve existing housing. Currently, the state dedicates only \$250,000 annually in the base for workforce and affordable homeownership. The estimate of \$100 million annually that the amendment would dedicate to homeownership could result in at least 25,000 affordable starter homes in the next 25 years.

Across the state, Habitat sees that Minnesotans are already choosing housing. They volunteer on build sites, donate their hard-earned dollars, and serve on boards. They choose to invest their time, talent, and money in building homes and strengthening communities. Let's give Minnesotans the chance to formally make that choice on their ballot - to weigh in and decide whether housing should have this dedicated, permanent place in our state's funding structure.

Thank you for the opportunity to share our support of dedicated and predictable revenue for housing to ensure families across Minnesota can affordably rent or own a home. Please reach out to me or Jeru Gobeze ([jeru.gobeze@habitatminnesota.org](mailto:jeru.gobeze@habitatminnesota.org)) with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Cristen Incitti".

Cristen Incitti, President & CEO  
Habitat for Humanity of Minnesota  
[cristen.incitti@habitatminnesota.org](mailto:cristen.incitti@habitatminnesota.org)



April 8, 2026

**RE: HF 3279 (Howard) Sales tax rate increased by three-eighths of one percent**

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

On behalf of Minnesota Retailers, thank you for the opportunity to share our perspective on HF 3279.

We appreciate and support the bill's underlying intent. Efforts to remove barriers to homeownership, ensure rental housing is safe and affordable, and protect vulnerable households and communities from displacement and homelessness are important goals for Minnesota. Stable housing strengthens families, communities, and the broader economy.

At the same time, we have concerns about the proposal to increase Minnesota's state sales tax rate to fund these initiatives. Retailers are concerned about relying on the sales tax as the funding mechanism. Minnesota already has one of the highest state sales tax rates in the country--6th highest. Retail businesses operate in an intensely competitive environment where customers can easily compare prices across stores, across state lines, and increasingly across the globe through online commerce.

Raising the sales tax further places Minnesota retailers at a disadvantage relative to competitors in lower-tax states and adds additional cost pressure for consumers who are already facing affordability challenges. Because the sales tax applies broadly to everyday purchases, it directly impacts the same households this bill aims to help.

We want Minnesota to succeed in addressing housing affordability and stability, but believe it is important to pursue solutions that do not further increase the sales tax burden on consumers and the businesses that serve them. We respectfully urge the committee to carefully consider alternative funding approaches that support the bill's goals while maintaining Minnesota's competitiveness.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Nustad", written in a cursive style.

Bruce Nustad  
president  
bruce@mnretail.org



380 St. Peter St., Ste. 750  
St. Paul, MN 55101

651-293-1283  
NFIB.com/MN

April 8, 2026

**House File 3279 (Howard)**

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

The National Federation of Independent Business (NFIB) represents about 10,000 small businesses across Minnesota. Our mission is to promote and protect the rights of our members to own, operate, and grow their businesses. We appreciate the opportunity to share our concerns with House File 3279.

Specifically, NFIB opposes the proposal to increase Minnesota's state sales tax rate to fund the initiatives in this bill. This increase would hit Minnesota's Main Street businesses particularly hard, as businesses pay about 48% of the total general sales tax revenue through taxes on equipment and supplies for their own operations.<sup>1</sup> Small businesses that already operate on tight margins will have an increasingly difficult time remaining competitive.

In addition, small businesses often compete in markets where consumers are extremely sensitive to higher prices. Raising the sales tax rates by another 0.375% would place Minnesota's small businesses at competitive disadvantage compared to out-of-state competitors. This will ultimately harm consumers who are already facing cost pressures and affordability challenges.

We respectfully ask that the committee oppose House File 3279. Thanks for the opportunity to provide comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Boesche', written in a cursive style.

**Jon Boesche**  
Minnesota State Director  
National Federation of Independent Business

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<sup>1</sup> 2026 Minnesota Tax Incidence Study



333 12<sup>th</sup> Street South  
Minneapolis, MN 55404  
info@alignmpls.org

RE: HF 3279, Dedicated Funding for Housing Initiatives

Dear Co-Chair Howard, Co-Chair Igo and Committee Members,

I am the Director of Align Minneapolis, an interfaith coalition of 19 faith congregations and people with lived experiences of homelessness working to address homelessness in Minneapolis. We know that addressing homelessness is done by meeting immediate needs of our homeless and housing insecure neighbors, *and* through policy change and significant, ongoing and consistent investment in housing including housing stability, rental housing, and home ownership. As a state we have significantly underinvested in housing and we need to ensure the state is making investments at a consistent and sustained level needed to truly address our current housing crisis.

Our organization and our partner organization, Street Voices of Change (a group of people with lived experiences of homelessness working to make positive change in their community, are members of the Our Future Starts at Home and we are incredibly supportive of HF 3279. We know this bill will provide an incredible opportunity for our state to invest in housing initiatives that work for our community. We appreciate that you are holding a hearing on this bill and ask you to support this bill and continue to move it forward.

Sincerely,

Katie Dillon

Director, Align Minneapolis | *Congregations Addressing Homelessness Together*



12600 Whitewater Drive | Hopkins, MN 55343

April 8, 2026

Mr. Chair and Members of the Committee:

My name is Martha Njolomole, and I am an Economist at Center of the American Experiment. I am writing to express concerns regarding HF 3279, a proposed constitutional amendment to raise Minnesota's sales tax to fund housing programs. While this bill addresses a legitimate concern, research evidence strongly suggests that stringent regulations and excessive fees are the primary drivers of housing unaffordability in Minnesota.

Indeed, compared to other similarly situated states, Minnesotans are shortchanged by rules that delay housing development and inflate costs by tens of thousands of dollars. For example, a 2019 study by Housing Affordability Institute found that a new home in Lake Elmo, MN, cost "\$47,000 more than its identical home in Hudson, WI" — two cities that are only 10 miles apart. Residents in Victoria, MN, spent \$82,000 more on a new home than they would have for one built by the same developer in the SW Chicago suburbs.

These discrepancies stem, in significant part, from Minnesota's energy efficiency mandates, which are tougher than those in surrounding states. For multi-family housing, minimum parking requirements imposed by numerous suburbs in the Twin Cities can add as much as \$50,000 per structured housing spot per unit of housing, according to a 2024 survey conducted by the Federal Reserve Bank of Minneapolis, which also found that suburbs required developers to set aside between \$1,500 to \$8,000 per unit for park fees.

Beyond these costs, housing development is further constrained by:

- **Restrictive Zoning and land use:** rules regarding minimum lot size and coverage limit the production of affordable options like townhomes, duplexes, and triplexes.
- **Aesthetic mandates:** requirements that are unrelated to health and safety but reduce flexibility and mandate the use of more expensive materials.

It should be noted that in 2023, Minnesotans spent nearly 11 percent of total state income on state and local taxes, ranking as the 12th most heavily taxed state in the nation according to U.S. Census Bureau data. Additionally, the Tax Foundation estimates that Minnesotans will face a combined state and local sales tax rate of 8.1 percent this year — the 15<sup>th</sup> highest in the country.

Amid mounting affordability concerns, HF 3279 will not only fail to address Minnesota's housing challenges but will further increase costs for taxpayers. I urge you to reject this proposal.

Thank you for your time and consideration,

Martha Njolomole  
Economist  
Center of the American Experiment



CATHOLIC CHARITIES  
Twin Cities

**Catholic Charities at Elliot Park**  
1007 East 14th Street, Minneapolis, MN 55404  
612-204-8500 | cctwincities.org

April 7, 2026

**Rep. Howard and Rep. Igo**  
**Co-Chairs, Housing Finance and Policy Committee**

**Re: Support for HF 3279**

Chairs Howard and Igo and Members of the Committee:

I am writing on behalf of Catholic Charities to express our support for HF 3279, a constitutional amendment that would create critical ongoing, dedicated revenue to ensure housing stability for all Minnesotans.

We appreciate the investments of the legislature in recent years, yet the homelessness- to- housing continuum continues to lack sufficient sustainable funding. At the same time, 83% of extremely low-income renter households are cost-burdened, spending more than 30% of their income on housing according to a recent report by the Minnesota Housing Project. The ongoing dedicated funding the Constitutional Amendment would provide towards rental assistance, supportive services and operations, would be transformative for vulnerable Minnesotans and providers.

Catholic Charities is a leader in providing emergency shelter, permanent supportive housing and direct services, serving more than 30,000 youth, families and adults annually. As one of Minnesota's major providers of Permanent Supportive Housing, Catholic Charities houses and supports nearly 1,000 of some of the most vulnerable members of our community. Our residents are frequently struggling with complex medical conditions, disabilities, substance use disorder, or other challenges; and the supportive services we provide are often the difference between maintaining housing and falling into homelessness. Increasing public funding for these critical services will help ensure our clients' continued access to housing and lifesaving services.

Everyone deserves a safe place to sleep. HF 3279 would establish sustainable funding to help ensure housing stability for all Minnesotans – a much-needed solution. We strongly encourage your support of this legislation to help ensure all Minnesotans have a place to call home.

Sincerely,

Jamie Verbrugge  
President and CEO  
Catholic Charities Twin Cities



Tuesday, April 7th, 2026

The Honorable Mike Howard & Spencer Igo  
Chair, Housing Finance and Policy  
Attn: Benji Brinks & Lorie Cousineau, Committee Administrator  
Minnesota State Capitol, Room G3,  
75 Rev. Dr. Martin Luther King Jr. Blvd,  
St. Paul, MN 55155

Chair Howard, Chair Igo, and Members of the House Housing Finance and Policy  
Committee,

On behalf of the Minneapolis Foundation, I am writing to express our strong support for House File 3279, which would create dedicated, long-term funding streams for housing stability across Minnesota.

We are especially grateful to the Our Future Starts at Home Coalition for their leadership in advancing bold, structural solutions to our state's housing challenges. We also thank the House Housing Finance and Policy Committee for convening tomorrow's informational hearing on this important legislation.

House File 3279 represents a forward-thinking step to address Minnesota's persistent housing challenges by establishing sustainable funding for homeownership, rental assistance, and homelessness prevention. Just as importantly, the bill calls for the creation of three councils to guide the allocation and oversight of these funds. This commitment to transparency and community-informed decision-making strongly aligns with the Minneapolis Foundation's values around civic participation and the importance of elevating voices most impacted by housing instability.

The Minneapolis Foundation has long prioritized affordable housing as a cornerstone of thriving communities. Our recent work through the OneMpls Fund, providing emergency rental assistance in response to Operation Metro Surge, underscores both the urgency of housing needs and the importance of sustained, reliable funding beyond short-term interventions.

House File 3279 offers a durable solution that will strengthen housing stability across Minnesota while building a more inclusive and responsive system. We respectfully urge your support and continued leadership in advancing this critical measure.

Thank you for your consideration and for your service to the people of Minnesota.

Sincerely,

Patrice Relerford



Vice President of Collective Impact and Giving  
Minneapolis Foundation



DATE: April 7, 2026

RE: **Our Future Starts at Home, HF 3279** Dedicated Revenue for housing via a constitutional amendment for housing

TO: Committee Members of the Housing Finance and Policy Committee

Homes for All is a statewide coalition dedicated to creating policies and resources to prevent and end homelessness and to ensure every Minnesotan has a dignified home. We promote safe, decent, stable, and accessible homes that are affordable at 30% of household income or less, with services meeting residents' needs, in the community of their choice. As such, our coalition of 200 members has a 2026 policy agenda that supports homelessness services and prevention efforts, as well as champions safe, affordable housing to work toward achieving our mission. As part of that agenda, **Homes for All supports Dedicated Revenue for housing via a constitutional amendment for housing.**

**Our Future Starts at Home, HF3279 creates a Dedicated Revenue for housing via a constitutional amendment for housing.** We are thankful for past investments by the Legislature; but we will never be able to end homelessness and address the rental and home ownership needs of Minnesotans by addressing the funding needs on a year-to-year basis.

Organizations are unable to create sustainable long-term solutions if there is not sustainable funding. This has a direct impact on the people who rely on these organizations to help them get a home of their own. We strongly encourage you to support the Constitutional amendment from Our Future Starts at Home, so we can truly address the cost of housing while ending homelessness for thousands of Minnesotans

Thank you for your consideration and leadership,

If you have any questions regarding **Homes for All** support for this bill, please contact me at [suewatlovp@aol.com](mailto:suewatlovp@aol.com)

Sincerely,

**Sue Watlov Phillips**  
Co-Lead H4A Legislative Team

# Testimony in Support of HF 1417, HF 1879, HF 2462 and HF 3279

## How Do We Apply Community to Housing Solutions?

By **Sha'Micah Hicks**

I am a student at the High School of Recording Arts (HSRA) in Saint Paul. As a teenager, I have experienced homelessness; I want to explain how homelessness happens, and why we need deeper community approaches.

In 2017, my family's house burned due to a gas leak in our duplex. My parents did not have renters' insurance. They were both working two jobs already. It caused tremendous stress. I stopped going to school. My mom was barely able to work. It was really bad.

My mother began looking for help with state and community resources. She discovered that she could receive assistance if she was a single mother or fleeing a domestic relationship. I believe that this limitation in available housing played a significant role in my parents' separation.

In 2025, I was part of a group of HSRA students that produced [a video on youth](#) who have experienced homelessness in Minnesota. Using Minnesota Department of Education statistics, we reported that the number of Minnesota children and youth experiencing homelessness has increased from 2019 (8,079) to 2025 (10,697).

We found research indicating that if people experience homelessness when they are young, they are far more likely to have similar experiences as adults. They're more likely to get involved with chemicals and the criminal justice system. They are less likely to graduate and get a job with a living wage.

I talked about my experience at a *Minnesota Women's Press* forum about housing in December, and we showed the video, which talked about Minnesota teens who are couch hopping, sleeping in abandoned buildings, and living in cars to stay warm. Some people hang out in libraries to be safe during the day. We explained that alcohol and drug abuse — and mental health issues like depression — start because of the stress of insecurity.

The video was designed for teens, and noted that there are school social workers and youth service networks that can help youth get assistance, or even secure a social security card and government ID in order to access services.

Minnesota offers a decent number of shelter beds — **but not only are there not enough, they are a temporary fix, and do not always keep children safe from theft or abuse.**

**As I said at the forum, the best investment Minnesota can make is investing in permanent housing and programs that give us the skills to build a better future and easier access to**

**health and human services in the neighborhoods where we live. This year we are asking legislators to invest deeply in affordable, permanent housing and lower-barrier access to services.**

My family could not get services at first because our father was still with us. Something had to be a problem before my mom could get housing help—we couldn't just *need* the help. A lot of programs help kids and young adults, but there are requirements. You need to be a single mom, or you need to actually be homeless.

When people think of homelessness, they think of people outside, sleeping at a park or in the car, but you also can be homeless going house to house. If you don't have a stable home to go to every night, then you're homeless. If you go to your cousin's house, then your other cousin, then your grandma, then your other grandma, that is homeless. You don't have a stable home.

A shelter is not always an option, because there's not always a bed available. Or you have to have a baby. Or there has to be some deeper problem involved as well. There are a lot of gaps in between secure housing.

[Safe Zone](#) and [Youth Link](#) are drop-in programs that are open during the day, but don't offer housing or beds. It's always help for this moment, but the moment after that, there is nothing.

If you get into a transitional housing program, you have six months to a year to find a home that you can afford, or you are back to being homeless. If you are 17 or 18, like me, you cannot pay \$1,500 in rent. If you're not a single parent with a young child, it is hard to get help. My mom is nearly old enough to be in a more secure living situation for seniors — at age 55, her Section 8 vouchers will decrease, which is why they suggest she move. But I cannot go with her.

There are cost-effective ways to dramatically reduce homelessness for Minnesota youth. Each of the bills mentioned above will help. I urge your support.



April 8, 2026

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

Metro Cities, representing the shared interests of cities across the metropolitan region at the Legislature and Executive Branch, appreciates the opportunity to comment on HF 3279 - Howard, which would propose seeking an amendment to the Minnesota Constitution for the purposes of increasing the state sales and use tax rate by three-eighths of one percent for the purposes of funding housing programs.

Metro Cities strongly supports increased, sustainable, and adequate state funding for new and existing programs that support life cycle, workforce and affordable housing, address homeownership disparities, address foreclosure mitigation, address housing for families with children, and support senior, transitional and emergency housing for the metropolitan region. However, Metro Cities supports the principle of representative democracy, and as such opposes funding state programs through constitutional amendments, as these limit flexibility by the Legislature as well as the state's local governments, to respond to unanticipated needs or fluctuating economic conditions.

We look forward to continuing to work with the committee in addressing housing needs across the metropolitan region.

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



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Bloomington, MN 55425  
Office Phone: 612.728.5770  
Office Fax: 612.728.5761  
[www.homelinemn.org](http://www.homelinemn.org)

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April 8, 2026

Members of the Minnesota House's Housing Finance and Policy Committee:

HOME Line wants to thank the House Housing Finance and Policy Committee for granting an informational hearing for HF3279, a constitutional amendment that would dedicate a state sales tax to address Minnesota's severe affordable housing crisis at a scale and duration not seen before. This proposal confronts both the deep shortage of affordable homes and the chronic underfunding of rental assistance that renters need to remain stably housed.

HOME Line is a nonprofit tenant advocacy organization providing Minnesota renters with free and confidential legal advice. Since opening in 1992, we have advised over 360,000 renter households. HOME Line ended 2025 with the highest volume of renter contacts in its history, advising 20,241 new client households from all 87 Minnesota counties. Because we work directly with so many renter households, we have a unique perspective on the challenges tenants face and the policy solutions that can help them thrive.

Among the renter households who contacted HOME Line in 2025, 91% were low-income and 45% were extremely low-income. As noted in the "2026 State Profile" by the Minnesota Housing Partnership, the state's housing shortfall falls most heavily on renters with the lowest incomes. For extremely low-income renters alone, there is a shortage of more than 101,000 affordable and available homes. Housing production goals must directly address this deficit. Without a substantial and sustained investment in deeply affordable housing and rental assistance, homelessness in Minnesota will continue to rise. From the direct experiences of our clients, the lack of affordable housing in Minnesota results in many tenants reluctantly accepting or being forced into housing that is in disrepair, unsafe, unhealthy, and/or unaffordable.

Ensuring an adequate supply of affordable homes and rental assistance will strengthen housing stability, reinforce tenant protections, reduce discrimination, and support healthier, more resilient communities.

Thank you for hearing House File 3279.

Sincerely,

Michael Dahl  
Public Policy Director

**To:** Minnesota House Housing Finance and Policy Committee

**Hearing Date:** April 8, 2026

**RE:** Written Testimony in Opposition to HF3279

**Dear Co-Chairs Rep. Spencer Igo and Rep. Michael Howard, Co-Vice Chairs Rep. Jeff Dotseth and Rep. Liish Kozlowski, and Members of the Committee,**

As a middle-income father raising his daughters in Minnesota, I am writing to express my absolute opposition to HF3279 and the proposed 3/8ths of one percent sales tax increase.

We are already drowning in an astronomically high cost of living. Between state, county, and city fees and taxes, the burden on working families has reached a breaking point.

*The DFL continually talks about making the cost of living affordable again. Yet, this legislation does the exact opposite. Adding a regressive sales tax increase directly penalizes families trying to simply survive day-to-day. A fraction of a percent might seem negligible on paper, but it compounds the very real financial squeeze that middle-income families are feeling at the grocery store and the gas pump.*

*Instead of looking to the taxpayers to foot yet another bill, the legislature must look inward. We need YOU to optimize and reallocate the existing funding already in place to support housing programs if they are deemed necessary. Writing a mandate into the constitution that this tax must strictly supplement traditional sources of funding, and may not be used as a substitute, is an unsustainable approach to governance that treats taxpayers like a bottomless well.*

How much more weight can you saddle on the people of this state before we collapse completely?

Please protect Minnesota families and vote against the advancement of HF3279.

Sincerely,

Michael Babcock  
Saint Paul, MN 55106



www.adycenter.org  
admin@adycenter.org



(651) 227-4184

April 6, 2026

Re: Support for HF3279

Dear Co-Chair Howard and Members of the Committee:

Ain Dah Yung (Our Home) Center is writing to express our strong support for HF3279. Meaning "Our Home" in Ojibwe, Ain Dah Yung Center provides a healing place within the community for American Indian youth and families to thrive in safety and wholeness. Providing housing stabilization through our emergency shelter, transitional living, and permanent supportive housing programs, we understand the importance of stable housing that supports the long-term success of the young people we serve.

Our Future Starts at Home is fighting to make sure our families and future generations of Minnesotans can live and thrive here. This proposed legislation will give Minnesotans the opportunity to vote on a constitutional amendment to make stable housing affordable by dedicating sustainable funding for housing so Minnesotans can afford a home.

Minnesota's children and youth deserve safe and stable homes. Stable housing is foundational to a child's health, education, and development. A consistent, safe home promotes better physical and mental health, higher educational attainment, and emotional security, while preventing the behavioral issues often linked to housing instability.

Thank you for considering this important piece of legislation.

Warm regards,

*Sheri Riemers*

**Sheri Riemers, CEO**

White Earth Nation of Ojibwe