

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,

Cate Duin, Policy Analyst

Association of Minnesota Counties