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March 8, 2022

Re: Support for HF3367/SF 3520

Dear Chair Hausman and Members of the Housing Finance and Policy Committee,

On behalf of Build Wealth, MN Inc., we are writing in support of HF3367/SF 3520. This bill provides support to Model Cities of St. Paul, Inc., a local nonprofit organization that works to create housing stability for under-resourced, majority BIPOC individuals and families through their continuum of housing services that include overnight emergency shelter, service-enriched housing for families experiencing homelessness, affordable housing, and homeownership services.

Since Model Cities' inception, their work has been connected to addressing disparities among communities of color. Over their 55-year history, Model Cities has coordinated programs and services to address the intersectional challenges faced by community members, among whom a majority identifies as people of African descent. This work has often addressed the ongoing impacts of historic and systemic racial discrimination (redlining, disproportionate minority contact among youth of color, disproportionate targeting of minority neighborhoods for displacive infrastructure projects) in the areas of affordable housing and homeownership, economic development, personal wealth and asset building, juvenile justice, and other social benefits from which communities of color have been historically excluded.

Additionally, Model Cities is one of few historically Black-led community-based developers in Minnesota. As a developer, their work has resulted in the creation of over 70 units of affordable multi-family housing, the production of 30+ single-family homes (rehab and new construction) in the Frogtown and Summit University neighborhoods, of which many were purchased by households of color; and the development of over 20,000 square feet of commercial space serving entrepreneurs of color and small business owners who need access to affordable retail space to start or grow their business. Much of this work has been done solely and in collaboration with key partners, and has included successful funding applications through Minnesota Housing, City of St. Paul, Ramsey County, Metropolitan Council, Federal Home Loan Bank, and philanthropic sources.

In our years of working with Model Cities, we have come to appreciate their focus on responding to community needs and fully support their mission "to promote social and economic prosperity by providing access to opportunities that stabilize and develop families and communities". With more robust organizational capacity and deeper investment in Model Cities' internal infrastructure, they will be well positioned to develop even more innovative programs, pursue more creative cross-sector collaborations, produce more affordable housing initiatives, and seize new opportunities to accelerate the closure of our state's persistent racial and economic inequities.

Build Wealth MN, Inc. strongly supports HF3367/SF 3520 and urges its inclusion as part of any finance bill moving forward this session. If I may be of further assistance or provide additional information about the importance of this project, please do not hesitate to contact me. Thank you in advance for your time and attention to this worthy endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read "David McGee", with a long, sweeping underline.

David McGee
Executive Director

Strengthening Communities By Empowering Families to Build Wealth