

Minnesota House Committee on
Housing Finance and Policy
Minnesota Senate Building, Room 3227
95 University Avenue West
St. Paul, MN 55155



March 2, 2020

Dear Chair Hausman and Committee Members,

The Metropolitan Consortium of Community Developers (MCCD) is an association of 50 nonprofit organizations committed to expanding the wealth and resources of communities through housing opportunities and economic development initiatives. MCCD's mission to build strong and stable communities can only be achieved by addressing the inequities that have shaped housing and economic development policies at every level of government and that has prevented Black, Indigenous and People of Color (BIPOC) and other communities from achieving housing stability, accessing capital and wealth building opportunities.

This crucial work is partially supported through state investments, yet funding has remained underfunded for many programs. The COVID-19 pandemic has further highlighted the disparities that exist, especially in BIPOC communities across Minnesota. This is why we continue to advocate for smart policy changes and funding increases to programs that will make a difference. MCCD is writing in support specifically of H.F. 998 and H.F. 1252.

- **H.F. 998** – While the **Workforce and Affordable Homeownership Development Program** is currently established in law, it isn't funded at a level that would make meaningful contributions to helping lower-income, but income ready, households achieve the dream of homeownership. It is no secret that Minnesota's racial homeownership disparity is embarrassingly high. If state resources are one of the main ways to make progress towards helping BIPOC households with homeownership opportunities, it makes sense then to invest more in the programs that can make a difference.
- **H.F. 1084** – By increasing the cap on the **Rehabilitation Loan Program for existing owner-occupied residential housing**, the program will be able to better meet the needs of eligible low-income homeowners in need of critical home repairs. The Rehabilitation Loan Program can make properties more livable to help homeowners stay in their homes, but with increasing material costs and the amount of deferred maintenance on many homes has stretched resources too thin. Increasing the maximum loan amount will make utilization of this program more effective for low-income homeowners.

Thank you and we look forward to working with you, your staff, and the legislature to secure this policy change and investment during the 2021 legislative session. MCCD and its members would like to make ourselves available best help inform your decisions. Please reach out to Kari Johnson, Senior Policy Advisor at MCCD, at 612-843-3276 or kjohnson@mccdmn.org, should you need any further information on the programs mentioned above.

Sincerely,

Elena Gaarder
President/CEO, MCCD
3137 Chicago Avenue South
Minneapolis, MN 55407