



Minnesota Business  
Coalition for  
**Racial Equity**

March 10, 2021

Dear Chair Lee and members of the Capital Investment Committee:

As you consider HF 1634, the Minnesota Business Coalition for Racial Equity (MBCRE) would like to provide its support for additional funding for Housing Infrastructure Bonds and General Obligation bonds for Public Housing.

MBCRE is a group of 80 organizations spanning multiple industries that have come together to create a just and prosperous state with and for Black Minnesotans. While many have stepped into the space of racial justice in response to the events of last summer, our coalition's approach is new. We meet this moment of reckoning in earnest, bringing together a cross-functional group of leaders to fuel a movement of sustained, real and meaningful action.

In partnership with community organizations, MBCRE has been listening to members of the Black community and learning about their priority issues. We've learned that housing stability is both an acute need in 2021 and a critical foundation on which to build towards greater equity in health, education, and employment outcomes. While the broader business sector has not often weighed in on housing policy, it is time for us to lend our voice to support this important community priority.

The economic cost of racism in Minnesota is estimated to be \$287 billion dollars through lost income, reduced homeownership, business losses, tax burdens and other costs. Our coalition aims to address these disparities – and as experienced business leaders informed by the Black community, one of the ways we intend to do so is by increasing access to safe and affordable housing.

Due to a growing housing shortage and long-standing systemic barriers, we continue to see individuals and families experiencing homelessness in every region across the state. Black Minnesotans are consistently and disproportionately cost-burdened, with 57% spending more than 30% of their income for housing. This high financial burden, coupled with discriminatory housing practices, is reflected in the staggering rate of homelessness for Black Minnesotans: 95 out of 10,000 compared with only 16 out of 10,000 Minnesotans overall.

Yet despite this alarming trend, investments in public housing have been insufficient, resulting in neglect, declining infrastructure and deteriorating safety across much of the state's affordable housing stock. Preserving publicly owned homes and expanding opportunities for people with limited financial means to access safe, stable housing is imperative for the future viability of our state.

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There are shovel-ready projects across the state that can increase access to homes that are affordable to low-wealth Minnesotans. Providing increased investments, such as Housing Infrastructure Bonds and General Obligation bonds for Public Housing, would get more projects across the finish line.

Addressing Minnesota's housing crisis, particularly for Black Minnesotans, is imperative for our state's prosperity and economic success. Preserving and expanding our affordable housing market through strategic, targeted bonding investments included within HF 1634 is a vital step.

Thank you,



**Lee Anderson**  
General Mills

Policy Pillar Co-Chair  
Minnesota Business Coalition for Racial Equity



**Acooa Ellis**  
Greater Twin Cities United Way

Policy Pillar Co-Chair  
Minnesota Business Coalition for Racial Equity