

Re: Housing provisions in HF 4366/SF 4019

May 9, 2022

Dear Conference 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 many programs have remained underfunded or policies prohibitive to serving all communities. MCCD and our members are thankful for the support in recent years for continued investments to support the affordable housing continuum. Those investments have resulted in thousands of new or preserved homes that are helping to provide stability and wealth building opportunities to Minnesota families across the state.

MCCD supports many of the proposed investments in both the Senate and House language, but there are few areas we would like to highlight of specific importance to MCCD and our members that we urge you to reach agreement on to include in your final omnibus bill.

- **Housing Infrastructure Bonds (HIBs)** - This financial resource, unique to Minnesota, is crucial to supporting the development and preservation of affordable housing in Minnesota across the continuum of affordable housing. Bonding investments leverage significant private, local and federal resources and support deeply affordable permanent housing units.

MCCD supports the proposed \$400 million in HIBs investments in the House language, and we are thankful for the inclusion of the proposed new eligible use to expand deeply affordable units to low-wealth households that do not need supportive services. This type of housing is so needed and passing this policy will help thousands of Minnesota households access stable, safe, accessible, and affordable housing. Should the committee decide not to include HIBs in your bill, we request that you help advocate for historic housing bonds investments through the bonding bill.

- **Homeownership Investments** - As you know Minnesota has some of the worst racial disparities in homeless rates, cost-burdened renters, and homeownership opportunities. MCCD is encouraged by the proposed investments in the Senate and House language that would help boost production, preservation, and down-payment assistance. We especially hope that you will include base funding increases for the Workforce and Affordable Homeownership program and the Homeownership Education, Counseling and Training Program (HECAT) in your final bill. These programs would fund much needed technical assistance work, plus boost development and preservation to expand the affordable housing stock helping BIPOC households realize the dream of homeownership.

Thank you for your consideration and we look forward to working with the committee to secure these policy changes and investments during the 2022 legislative session along with many others. MCCD and its members

would like to make ourselves available to best help inform your decisions. Please reach out to me at (kjohnson@mccdmn.org), should you need any further information.

Sincerely,

Kari Johnson
Co-Director of Public Policy & Field Building
Metropolitan Consortium of Community Developers