

April 13, 2021

Chair Fue Lee  
House Capital Investment Committee  
485 State Office Building  
St. Paul, Minnesota 55155



[www.mhponline.org](http://www.mhponline.org)

2446 University Ave W, Suite 140  
Saint Paul, MN 55114-1740

RE: H.F. 337:

p: 651-649-1710  
800-728-8916  
f: 651-649-1725

Dear Chair Lee and Capital Investment Committee members,

We write in support of HF337, specifically the critical investment of \$100 million in GO bonds for public housing, \$100 million in Housing Infrastructure Bonds, and \$50 million in bonds for shelter. We also appreciate that two new eligible uses have been approved for Housing Infrastructure Bonds, including Naturally Occurring Affordable Housing (NOAH) and deeply affordable homes that are not required to have supportive services.

Minnesota Housing Partnership (MHP), a 30+ year non-profit, works to strengthen development capacity and promotes systems change in Minnesota and the United States. We provide capacity building for rural and Native communities, produce original research, and advocate for policies that advance affordable housing and strengthen communities. We have served hundreds of communities in Minnesota and throughout the United States and have worked with many Native Nations.

According to MHP's 2021 State of the State of Housing report, there is critical need for housing particularly for extremely low-income renters, or renter households that earn at or under 30% of area median income (AMI). In this income group alone, Minnesota has a deficit of 105,347 units that are affordable to these households. In all areas of housing need, Minnesota has most underfunded the needed of Black, indigenouse, and people of color households. For instance, a staggering 58 percent of Black renters — 82,364 renter households — pay more than they can afford on housing.

We know that demand for housing bonds exceeds funding; shovel ready housing projects are ready to proceed, but-for funding. Three out of four projects submitted to Minnesota Housing from last cycle's Super RFP were unfunded, a number that underestimates project capacity as many developers have indicated they didn't even bother to apply because of the oversubscription of bonds.

Housing Infrastructure Bonds provide an opportunity to fund targeted projects that are not subject to the state volume cap, of note as the state volume cap is reached each year. And while we strongly support the new eligible uses for HIB's included in HF337, we note that with more uses comes the need for more funding to ensure those new uses result in Minnesota homes. We appreciate the challenges in balancing multiple interests/requests and also know that even further investments in housing would be deployed immediately to stabilize our families and grow our economy.

Thank you for the opportunity to comment and express our strong support of HF337.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth Glidden".

Elizabeth Glidden  
Deputy Executive Director