

HENNEPIN COUNTY

BOARD OF COMMISSIONERS

January 17, 2023

The Honorable Esther Agbaje
Minnesota House of Representatives
437 State Office Building
Saint Paul, MN 55155

Rep. Agbaje,

Hennepin County supports HF 12, legislation to support first-generation homebuyers with down payment assistance. The bill aligns with several of our county priorities to reduce racial disparities in housing and to increase access to safe, affordable, and accessible housing. We agree that targeting first-generation homeowners is the best way to reduce racial disparities in homeownership without using race-based targeting. This is a strong approach to build wealth in families who've previously lacked access to homeownership and generational wealth building.

Hennepin County has the worst black/white homeownership gap over any other county in the entire nation, which is not just a stain on us, but also a stain on the State of Minnesota. We believe this bill's impact will be real and immediate. With HF 12 being a three-year pilot that works well with one-time funding, there are options to continue to provide this program if there are significant impacts on homeownership rates. The intended allocation amount works out to supporting about 5,000 first-generation homebuyers. Data estimates suggest that Hennepin County has 31% of the state's renters, including 48% of the state's Black renters, so this bill presents the opportunity to provide significant support to residents most in need of assistance.

Hennepin County supports increasing state resources to support safe and stable housing for all individuals. It will amplify housing literacy programs, including homebuyer education courses, strategies to access down payment assistance prior to signing a purchasing agreement, and comparison shopping on home loan products. The provision permitting financial assistance to be forgivable over a five-year term, but revolves for new homebuyers if the home is resold before the five years, is perhaps the single biggest element to wealth-building and housing stability.

Increasing homeownership is a necessary element of building an equitable Minnesota for today and for future generations. HF 12 is a holistic, well-rounded approach to reducing housing disparities and increasing access. It will advance our shared goals of wealth-building for marginalized communities and those who have unfairly been excluded from the housing market.

Thank you for your leadership,



Irene Fernando, Chair
Hennepin County Board of Commissioners

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