



Good Morning,

Thank you for the opportunity to provide written testimony on HF40.

**The Metropolitan Interfaith Council on Affordable Housing (MICAHA) Supports:**

**HF 40 (Howard) State rent assistance program established for low-income cost-burdened households, and money appropriated.**

**To solve the affordable rental housing crisis and disparities in rental and homeownership we need to increase people's incomes and/or provide housing that is affordable to people with limited resources. (See attached 5 decades of growing homelessness). "Just because you are poor does not mean you need supportive housing, we need housing that is affordable." Junail Freeman Anderson. (Founder Freedom from the Streets, MICAHA Board Member, and she has experienced homelessness.)**

**We have the housing resources to fund HF40, to help people with limited income have housing that is affordable if we create more equity between how we fund homeowners and rental housing in the State. (See info below and attached)**

**Put All the Budgets on the Table to Create Housing Equity in the Tax Expenditure, Appropriations, Bonding Budgets**

**Background: On the Federal level and State Level: Homeowners receives 4-5X more subsidy than renters for their housing. This funding primarily comes through the tax expenditure budget**

[https://www.revenue.state.mn.us/sites/default/files/2020-02/2020%20Tax%20Expenditure%20Budget\\_0.pdf](https://www.revenue.state.mn.us/sites/default/files/2020-02/2020%20Tax%20Expenditure%20Budget_0.pdf)

**The following are some of the housing subsidies Minnesota Homeowner Owners will receive in Minnesota tax deductions in FY 21 for mortgage interest (\$83.4 Million), property tax (\$52.5 Million), capital gains (\$186.6 million), and homestead credit (\$154.5 Million). In Minnesota, we will spend \$1 Billion/ year of mortgage revenue bonds for first time homebuyer mortgages. In addition, we will fund down payment assistance and rehab loans in the MHFA Budget.**

<file:///C:/Users/Owner/Downloads/Satellite.pdf> Appendix A-2

The need for a diversity of rental housing options that are affordable and providing affordable home ownership options for our diverse communities, are critical to stabilizing our communities (MHP State of Housing Report)

<https://www.mhponline.org/publications/state-of-the-state-s-housing-2019>

**The Minnesota State Legislature MUST create more equity in the use of our housing resources to meet the immediate needs of people without homes as we work together to ensure everyone, without exception, has a safe, decent, accessible and affordable home.**

Sincerely,

Sue Watlov Phillips, M.A.

Executive Director, MICAH

President, National Coalition For The Homeless