



April 14, 2026

The Honorable Fue Lee  
5<sup>th</sup> Floor Centennial Office Building  
St. Paul, MN 55155

The Honorable Mary Franson  
2<sup>nd</sup> Floor Centennial Office Building  
St. Paul, MN 55155

**RE: Support for HF3806 Housing Infrastructure Bonds**

Dear Chair Lee, Chair Franson, and members of the Capital Investment Committee:

Minnesota Housing Partnership (MHP) writes in support of HF3806 which would allocate \$200 million for Housing Infrastructure Bonds to create deeply affordable homes.

**Housing Infrastructure Bonds (HIBs)** are a flexible source of funding for projects across the state. HIBs are unique in that they can leverage federal resources to build new housing and preserve existing housing for extremely low- and very low-income households.

As Minnesota faces a substantial housing shortage, we need HIBs to create and preserve badly needed affordable homes. Today, there are only 39 rental homes that are affordable and available for every 100 extremely low-income Minnesota household. Consistently, Minnesota Housing programs are well oversubscribed, as typically only 1 in 3 projects that apply for resources from Minnesota Housing are funded.

In Minnesota, there are over 250 USDA Rural Development (RD) 515 homes in rural communities that are awaiting approval from the USDA to prepay their mortgages and turn these units market rate, which would result in the loss of those homes as affordable places to live. These homes are often the only affordable options in rural communities, for many seniors, families with children, and persons with disabilities. HIBs are one of a few tools that Minnesota nonprofits and Housing and Redevelopment Authorities (HRAs) can use to acquire and rehabilitate these homes and maintain affordability.

Thank you for your attention; we urge your support for HF3806.

Sincerely,

Courtney Schaff  
Policy Manager