



March 1, 2022

Dear Rep. Alice Hausman, Chair, and Members of the House Housing Finance & Policy Committee,

Metro Cities submits this letter in support of additional state appropriations to support homeownership in the metropolitan region.

Homeownership Education, Counseling and Training (HECAT) program funding, as included in HF 1635 - Hausman, provide critical funding to support homeownership for Minnesotans. Metro Cities policies have long supported state funds to address homeownership opportunities, including targeted funds to close homeownership disparities.

Funding of state programs is tied to affordability. The HECAT program, specifically, targets households with incomes that do not exceed 80 percent of the state or area median income, as well as underserved segments of the local population. Unlike other policy proposals under consideration, more robust state funding of state programs actually guarantees affordability and is targeted to lower income households.

Some cities have modest funds, seeded with local dollars, to address closing costs and down payment assistance to first-time homebuyers. However, the state's traditional and critical role as a housing program funder is better situated to meet the needs of these households and positively impact more qualified Minnesotans.

We urge the committee to commit to state funding as a major and necessary component for the provision of housing. Current resource levels are insufficient to meet the needs in the metropolitan region and across the state. We encourage the legislature to include significant housing dollars, including for HECAT, in its supplemental budget this session.

Respectfully,

A handwritten signature in black ink that reads "Charlie Vander Aarde". The signature is written in a cursive style.

Charlie Vander Aarde
Government Relations Specialist – Metro Cities