



April 18, 2024

RE: Support for SF 4158, Senate Housing Committee Omnibus Bill

Dear Chair Marty, Vice Chair Frentz, and honorable members of the Senate Taxes Committee,

I am Rev. Nancy Nord Bence, Public Policy Manager at Beacon Interfaith Housing. Beacon is a true collaborative of 100+ congregations that creates new supportive housing, sustains 20 affordable housing developments for over 1100 residents, and advocates for every Minnesotan to have a home.

There is a perfect storm threatening the future of affordable housing. This is especially true for supportive housing, which provides both rental assistance and wrap around services to residents with the highest barriers to housing stability. Increasing homelessness, resident vulnerability, and acuity of need, combined with soaring service and security costs and aging buildings, have put our ability to serve these vulnerable residents in jeopardy.

Beacon strongly supports SF 4158, especially the creation of the Housing Affordability Preservation Investment grant program. This critical provision will help preserve our existing affordable housing stock and improve our residents' quality of life by providing \$50 million to support the recapitalization of distressed affordable housing.

We particularly appreciate the broadness and flexibility of the definition of "recapitalization" in this bill, which includes funding deferred maintenance, security services, insurance, capital improvements, reserves for supportive services, and operations. We asked Chair Port and the Senate Housing Committee to help us meet these burgeoning costs, and they listened. Their dedication to finding courageous and creative solutions to the affordable housing crisis is deeply appreciated.

The funding in this bill is an important step in mitigating the many sustainability challenges facing non-profit providers of deeply affordable housing. **We respectfully request that the members of the Senate Finance Committee approve SF 4158. The Minnesotans who need the supportive housing we create deserve no less.**

Thank you.

Rev. Nancy Nord Bence
Public Policy Manager
Beacon Interfaith Housing Collaborative
nbence@beaconinterfaith.org
763-639-5941