

3/14/2024

Dear Chair Latz and Members of the Judiciary and Public Safety Committee

Our Streets Minneapolis stands alongside other members of the Contract for Deed Reform Coalition to express our full support for Minnesota Senate File 3489, which seeks to reform contract-for-deed home sales.

Our Streets Minneapolis is a grassroots organization that works to put people first in transportation projects and advance a community where everyone thrives. We talk with people every day, at their doors, businesses and transit stops, about the transportation projects in their communities. Housing and transportation go hand in hand. During doorknocking conversations, the need for stable housing is one of the most discussed topics by community members.

Just like streets and bridges, safe and stable housing is essential infrastructure. A stable housing environment fosters a sense of belonging and security that is essential to both individual and economic well-being. SF 3489 establishes long-overdue reforms to ensure fair and transparent housing transactions.

This bill represents a significant and needed step toward ensuring that all members of our community have equitable access to safe and affordable housing. Contract-for-deed sales lack the protections of traditional mortgages, leaving buyers vulnerable to predatory practices. These contracts often result in high interest rates, hefty fees, and little legal recourse for buyers if they default. As a result, many community members end up losing their homes and any equity they've invested.

SF 3489 would ensure that individuals and families seeking housing through contract-for-deed arrangements have increased protection. By capping interest rates, mandating comprehensive disclosures, and providing buyers with enhanced legal rights and resources, this bill protects vulnerable populations from predatory practices that can result in housing instability.

A more just and inclusive society relies heavily on housing equity. Senate File 3489 addresses our region's steep racial disparities in homeownership access, which have been shaped by racially restrictive covenants, redlining and other discriminatory housing market practices.

We urge you to support Minnesota Senate File 3489 and make its passage a priority.

Thank you for your attention to this matter.

Sincerely,

José Antonio Zayas Cabán  
Executive Director, Our Streets Minneapolis