



April, 3rd, 2025

RE: SF 2205 Support Insurance Taskforce

Chair Xiong and Committee Members,

I am writing on behalf of the Beacon Interfaith Housing Collaborative to express our strong support for Senator Port's bill, SF2205 which establishes a multi-sector, bipartisan task force to study the issue and explore solutions to support a more stable insurance sector.

Beacon Interfaith Housing Collaborative is a nonprofit housing provider and developer with 24 buildings that offer affordable homes to over 1,200 people. We primarily operate supportive housing, which provides safe, affordable, and stable housing with on-site services for the most vulnerable Minnesotans who have experienced homelessness.

Permanent supportive housing, also referred to as "supportive housing," provides safe, affordable, and stable housing with on-site services. Housing is available to families, individuals, and unaccompanied youth and young adults who are at risk of or are already experiencing homelessness. The goal is for residents to gain stability, maintain their housing, and achieve their personal goals.

Over the past five years, the costs of operating our housing have skyrocketed. Insurance has been one of the drivers of those costs that threatens the viability of affordable housing. This task force is a significant first step in exploring and addressing the causes of these price increases and developing solutions.

Beacon is part of the Minnesota Housing Stability Coalition, which just finished a report on the state of the affordable housing industry. Interviewees cited rising insurance costs as a distress factor that has affected regulated properties throughout all portfolios. The data confirms this, as affordable housing experienced cost growth due to insurance of \$130 to \$305 per unit during the period. These increases ranged from 70% to 370% above inflation.

To sustain the homes of thousands of the most vulnerable Minnesotans in affordable housing, we need relief from these increasing costs.

Thank you,

A handwritten signature in black ink, reading "Benjamin Helvick Anderson".

Benjamin Helvick Anderson
VP of Policy and Organizing
Beacon Interfaith Housing Collaborative