2025 MCCD State Policy Agenda

PROVEN PROGRAMS FOR COMMUNITY PROSPERITY

From building affordable housing to supporting small businesses, every Minnesotan benefits from bipartisan community development programs that make cities and towns of all sizes better places to live. In 2025, let's continue to invest in proven programs that ensure Minnesotans across the state have the housing stability and economic opportunities to thrive.

Build & preserve affordable housing to stabilize communities

Spark & sustain economic prosperity for small businesses statewide

$400 million for Housing Infrastructure Bonds (HIBs)

Right now, more than 640,000 Minnesota households pay more than they can afford for their housing, and more than 2, 250 households are at risk of losing their housing. **HIBs are the largest state source of capital for affordable housing development and preservation but only 1 in 5 projects that apply for state resources funded.**

We need $400 million in new authorization of HIBs so that essential projects across the entire affordable housing continuum can move forward, including preservation of deeply affordable units and gap financing for homeownership opportunities.

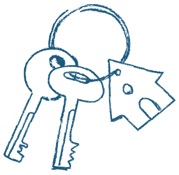
$7.4 million for the Small Business Assistance Partnership

Small businesses are the backbone of communities across Minnesota. The Small Business Assistance Partnerships program contracts with trusted and regionally aligned nonprofits to provide high-quality free professional business development, education, subject matter expertise and technical assistance services.

In 2023 alone, the partnership assisted nearly **16,500 businesses and created or retained more than 20,000 jobs** — but the program faces a $7.4 million budgetary shortfall in the next biennium. We need to close that gap to continue to propel prosperity for tens of thousands of people across the state.

MCCD
Minnesota Consortium of **Community** Developers

MCCD and our member organizations work collectively to grow and strengthen communities across Minnesota through investments in affordable housing and small business economic development.



Challenge Fund

Investment in housing to respond to local workforce needs

Used in Greater Minnesota and the metro area, the Challenge Fund is one of MHFA's most versatile funding source to **create or rehabilitate rental housing or support homeownership for local workforces.**

We need additional resources, **$10 million in one-time funding**, so the Challenge Fund can ensure nonprofit affordable housing developers are able to provide stable, dignified homes for thousands of workers in communities across Minnesota.

Task Force on Homeowner's & Commercial Property Insurance

Stability for homeowners, housing developers and small businesses

From homeowners to affordable housing developers, from individual entrepreneurs to small businesses, rising insurance rates and changes in coverage are deeply impacting our communities. **We need a state task force composed of key stakeholders to prevent disruptions or loss to housing development and preservation, and to support the long-term sustainability of Minnesota's housing and economic infrastructure.**

Support Cannabis Small Businesses & Entrepreneurs

Strengthen cannabis small business programs with policy changes

To ensure that the Cannabis small business programs are successful, we need technical changes to address the limited amount of known private and matching funds available for this industry. **Changes include increasing the loan caps from $50,000 to $75,000 and $150,000 to $200,000.**

Supported and Endorsed Policies

- Homeownership Investments, HECAT, & Down-payment Assistance (HOM Coalition)
- Source of Income Protections
- Constitutional Amendment (Our Future Starts at Home Campaign)
- Land Use and Zoning Reform (Abundant Housing Coalition)
- Recapitalization (Housing Stability Coalition)
- Emergency Rental Assistance (FHPAP)

MCCD

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