



Building homes, community, and hope.

10 February 2024

Re: Dedicated Revenue for Housing - Constitutional Amendment for Housing

To: Chair Port and Members of the Housing & Homelessness Prevention Committee

Dear Chair Port, Vice Chair Boldon and Members of the Committee,

Thank you for the opportunity to share Habitat for Humanity of Minnesota's (Habitat Minnesota) support of dedicated, predictable revenue for housing through a constitutional amendment. Habitat Minnesota is a statewide support organization that provides training, technical assistance, lending, grants, and other support to the 24 local Habitat affiliates in Minnesota, working in 59 counties across the state. We are deeply invested in homeownership production, preservation and closing the racial homeownership and wealth gap.

We know the stability of a family's living situation is closely tied to their wealth, health, education, and more. Unfortunately, after decades of underproduction and underinvestment, home prices, construction costs, and rents continue rising, and wages can't keep up. In 2023, MN Housing reported that Minnesota has a shortage of approximately 40,000 homes for ownership and annually producing 1,000 modest starter homes that will sell for \$300,000 will cost at least \$100 million in affordability gap investments.

While most agree housing is a top priority, they rarely agree on the solutions which leads to unsuccessful and unstable funding that fails to meet Minnesota's needs. A constitutional amendment for housing will provide a dedicated, ongoing revenue stream that will create new opportunities and stability within our housing network. This would include enabling more starter homes to be built and closing the racial homeownership gap. The amendment would raise state revenue and dedicate it to three critical funds: the homeownership opportunity fund, the rental opportunity fund, and the household and community stability fund.

Thank you for the opportunity to share our support of dedicated and predictable revenue for housing to ensure families across Minnesota can affordably rent or own a home. Please reach out to myself or Jeru Gobeze (jeru.gobeze@habitatminnesota.org) with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Cristen Incitti".

Cristen Incitti, President & CEO
Habitat for Humanity of Minnesota
cristen.incitti@habitatminnesota.org