



February 24th, 2025

Lindsey Port and the Housing and Homelessness Prevention Committee
3213 Minnesota Senate Building
Saint Paul, Minnesota 55155

Dear Chair Port,

I am writing to express Alliance Housing Inc's support of the recommendations put forward from the Task Force on Long-Term Sustainability of Affordable Housing. The report, which provides a thoughtful analysis of the current challenges facing owners and operators of affordable housing, offers actionable recommendations to address this critical piece of our state's housing continuum.

The report highlights the need for long-term, sustainable solutions to ensure that all Minnesotans have access to safe, stable, and affordable housing.

Affordable housing is a statewide need, affecting families, seniors, and individuals across all communities. As the report outlines, the affordability gap continues to widen, putting many at risk of displacement and homelessness. The recommendations provided, including increased funding for affordable housing preservation and policy changes to alleviate barriers to affordable housing preservation, are essential to tackling this issue.

I would like to highlight recommendation number three and emphasize its importance for the well-being of individuals and families in Minnesota. It is crucial to establish a comprehensive policy framework to ensure the sustainability of regulated affordable housing. Alliance Housing Inc. owns 336 deeply affordable rental homes in the City of Minneapolis, and we urge that the current Qualified Allocation Plan (QAP) be adjusted to reflect the following: "No requirement or competitive scoring for projects to include Permanent Supportive Housing (PSH) units in order to qualify for Targeted Stabilization Funds (TSF)." Currently, this requirement is necessary to score competitively enough to receive funding. However, incorporating PSH units into projects can alter the intended community design and increase costs, diverting resources away from serving very low-income individuals.

I strongly urge you to consider and support the implementation of the taskforce's recommendations, specifically those that aim to preserve the state's existing affordable and supportive housing stock. By doing so, we are ensuring the long-term stewardship of Minnesota taxpayer investments and safeguarding the affordable homes that many Minnesotans rely on.

Thank you for your leadership and commitment to addressing this pressing issue. I look forward to seeing the positive changes that will come from this important work.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jessie Hendel', is written above the typed name.

Jessie Hendel, Executive Director
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