



Deidre Schmidt

President and CEO, CommonBond Communities
1080 Montreal Ave, St. Paul, MN 55116

Monday, February 24, 2025

Chair Port and members of the Senate Housing and Homelessness Committee,

Dear Chair Port,

CommonBond is in support of the recommendations put forward from the Task Force on Long-Term Sustainability of Affordable Housing. The report 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 and was conceived of by a variety of stakeholders with a broad view on the issues that we are facing.

CommonBond was not a member of the taskforce, but we are appreciative of your leadership and the time invested by so many.

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

CommonBond serves a variety of folks: families, seniors, and individuals across all communities. In fact, we own and operate housing in five Minnesota Senate Districts. As the report outlines, the affordability gap continues to widen, putting many at risk of displacement and homelessness. We see this showing up as many residents struggle to pay their rent. CommonBond has reacted by making more services and supports available. In fact, CommonBond has continued to reach more residents with deeper needs that have been revealed since the pandemic of 2020, the social unrest of the following summer and the continued economic challenges that land most squarely on the shoulders of low-income households. For the most part, our social services in permanent supportive housing and in general population buildings are not supported by the government.

The recommendations provided in the report included an increased focus on preservation and policy changes to alleviate barriers to affordable housing preservation which we believe are essential to tackling this issue.

CommonBond owns many properties throughout the state that illustrate the need for reinvestment in the existing and aging housing stock. We know first-hand that aging and outdated properties are harder and more difficult to manage and can result in disruptive events like the recent sprinkler system failure at our Red Rock Manor property in Newport, MN. The

recent flood has displaced almost all residents and is requiring significant attention to relocation. The costs of repair will likely exceed the insurance proceeds. Properties built decades ago to house the lowest income Minnesotans do not generate sufficient resources to be self-restoring.

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,
Deidre Schmidt