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ACER

March 5th 2025

Chair Lindsey Port
Senate Housing and Homelessness Prevention Committee
Senate Office Building, Room 3213 95
University Avenue W.
Saint Paul, MN 55155

Dear Chair Port,

On behalf of ACER, a community-driven nonprofit dedicated to advancing housing stability and economic equity, we write to express our strong support for SF 1652. This critical legislation addresses the growing crisis facing senior residents in Low-Income Housing Tax Credit (LIHTC) properties—seniors who have spent their lives contributing to our communities and now find themselves struggling to remain in their homes due to drastic rent increases.

LIHTC housing is meant to be a refuge for low-income seniors seeking a stable and affordable place to live in their retirement years. However, the reality is far more distressing. Many senior tenants in LIHTC properties in our catchment area are now experiencing sudden rent hikes of $200 to $300 per month—a staggering 22% increase—despite living on fixed incomes that have seen little to no adjustment to keep pace with these surging costs. With annual Social Security incomes averaging around $23,000, many seniors are forced to dedicate up to $20,000 of that toward rent alone, leaving them with as little as $3,000 per year for all other necessities.

These financial burdens have multiple negative consequences. Seniors who have served our country, contributed to our economy, and envisioned a peaceful retirement are now grappling not only with medical conditions but also the fear of losing their homes. Some have had to take on part-time jobs despite health challenges, while others rely on food shelves, family support, and community kindness just to make ends meet. No one who has worked a lifetime to build our state should have to endure such hardship in their golden years.

This is not how we should be treating our senior community in their retirement years. Many move into LIHTC buildings believing it will be their final home—a place where they can put down roots, build friendships, and contribute to the community in their later years. However, with rents rising sharply, too many seniors are being forced out of their homes, torn away from the friends and support networks they have built. The uncertainty of whether they can afford next month's rent looms over them, leaving many in constant fear of eviction and homelessness.

SF 1652 provides a crucial safeguard by ensuring that rent increases in LIHTC properties do not exceed the annual percentage increase in Social Security or Supplemental Security benefits. This simple yet vital measure will protect thousands of senior residents from being priced out of their homes and forced into displacement, eviction, or even homelessness. While current rent hikes may technically fall within the city's rent control limits, there remains a glaring gap in protections specifically for seniors in LIHTC properties—one that SF 1652 thoughtfully and effectively addresses.

Minnesota has long been a state that values dignity, fairness, and community. Supporting this bill affirms our collective commitment to ensuring that our elders—those who have built our neighborhoods, raised families, and enriched our communities—can live with the stability, respect, and peace of mind they deserve.

We urge you to pass SF 1652 and take this essential step toward protecting Minnesota's senior residents from housing insecurity. Thank you for your time, your leadership, and your commitment to making our state a place where all generations can thrive.

Sincerely,
Aru Sasikumar
Director of Social Justice
ACER (African Career, Education, and Resource, Inc.)