



Re: Support for SF1750 (As Amended), Lucero

March 12, 2025

Chair Port and members of the Senate Housing Committee,

On behalf of the housing industry in Minnesota, Housing First Minnesota offers this letter in support of SF1750, as amended, authored by Senator Lucero. By way of background, Housing First Minnesota is a trade association of nearly one thousand members of the housing industry with the mission of homeownership opportunities for all.

It has been mentioned in committee and in the homeowners association working group that more than 80% of new home construction is part of a homeowners association today. As the builders and developers that initially create homeowners associations, we **strongly** believe that number is far too high and this bill, specifically Article 3, will help to bring that number down and right-size the amount of HOAs that are created in the future.

Today, HOAs are created for a variety of reasons from villa products where certain buyers are craving less maintenance, to neighborhoods with community clubhouses and pools, and townhomes that have shared walls and roofs. Obviously, all these home products require the creation of HOAs and that should continue.

But outside of these types of products many homebuyers are not asking to be a part of HOAs and the development community would prefer not to create them. Rather, the creation of common property is often demanded by local government officials, sometimes with the pretext of using the HOA to maintain what should be public infrastructure.

Homebuyers are hurt in this process because it impacts their purchasing power. The ongoing HOA dues add to the costs of a monthly housing payment, in turn reducing the number of buyers that have a chance at homeownership. We have a home shortage in Minnesota and a housing affordability crisis. We need more homes, not more HOAs.



Today, state law, [515B.2-101 CREATION OF COMMON INTEREST COMMUNITIES](#), requires HOAs to be created when necessary. This language will not change that. HOAs will still be created when they should be. What will change under this provision, is the loopholes in which local governments can mandate HOAs by requiring unnecessary common property.

This in turn will reduce the amount of HOAs that are created in new construction in the future and get to the root of many of the other issues that you are trying to address in this bill. We urge the committee to approve the bill. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Foster". The signature is fluid and cursive, with the first name "Mark" and last name "Foster" clearly distinguishable.

Mark Foster,
Vice President, Legislative & Political Affairs
Housing First Minnesota

