



March 27th

RE: SF 2742 Taskforce Recommendations

Chair Port and Committee Members,

I am writing on behalf of the Beacon Interfaith Housing Collaborative to express our strong support for Sen. Port's bill, SF 2742, which enacts the most urgent recommendations of the Legislative Task Force for Long-term Sustainability of Affordable Housing.

Beacon Interfaith Housing Collaborative is a nonprofit housing provider and developer with 24 buildings that offer affordable homes to over 1,200 people. We primarily operate supportive housing, which provides safe, affordable, and stable housing with on-site services for the most vulnerable Minnesotans who have experienced homelessness.

Over the past five years, rising costs, a decline in public safety, and an increase in community needs have eroded the viability of thousands of homes for low-income Minnesotans run by nonprofit affordable housing providers. A recent Minnesota Stability Coalition Report, released in February 2018, confirms this. Across 11,408 units in this report, average cash flow per unit dropped by \$1,875/unit from 2018 to 2023. Applied to the full universe of units analyzed in this report (roughly 26,000, including MN Housing datasets), a \$1,875/unit cash flow loss equates to roughly - \$49 million across the industry.

These losses are unsustainable, and the taskforce recommendations in this bill are seen as the necessary solution. The problem requires both the policy fixes proposed here and the needed fiscal support to protect residents' homes.

We strongly support the provisions that call for aligning service requirements and funding between the Minnesota Housing Finance Agency and the Minnesota Department of Human Services. As the single largest provider of supportive housing, Beacon has stepped boldly into filling a community need and requires urgent support and alignment to fill that need.

Please support SF 2742.

Thank you,

A handwritten signature in black ink, reading "Benjamin Helvick Anderson".

Benjamin Helvick Anderson
VP of Policy and Organizing
Beacon Interfaith Housing Collaborative