

March 27, 2025

Testimony for Chad Adams, SWMHP

Senate Housing and Homelessness Prevention Committee

Thank you madam Chair and members of the committee, my name is Chad Adams and I am the CEO of the Southwest Minnesota Housing Partnership a non-profit community development corporation serving 30 counties across Southwest and South Central MN. Our organization has been partnering with communities to build and preserve affordable housing for over 30 years and presently own 68 apartment properties consisting of over 2,000 affordable rental units in Greater MN.

I strongly support SF2742 and to show our commitment to preserving affordable housing in the state, our organization recently participated in the “Distressed Property Data Project” through O’Neill Consulting that studied over 450 housing developments representing over 26,000 housing units throughout MN. The report found that many affordable housing providers have had to sell or demolish buildings in the past several years due to increasing operating and maintenance costs, and reductions in rental and other operating revenues. SW MN Partnership had to sell one asset in the past three years, and through our quarterly evaluation & reporting of properties, we are seeing more properties falling into.....or nearing a distressed state, than ever before. Our organization has taken great pride and initiative to both maintain and acquire existing assets to preserve affordable homes long term throughout Greater MN. In the last 18 months, the requests for us to acquire other aging or distressed properties throughout our region have also increased substantially.

While we recognize that the best resolution is to invest more funding to prevent further physical and financial distress that has been evident the past few years, we strongly support policy changes in this bill that will better align funding streams, provide regulatory relief and streamline administrative review/processes. We must adapt, and adjust policy changes, to preserve the homes that MN taxpayers have already invested in.

Our organization requests your vital support and passage of this bill. We are committed to partnering with you to make the positive changes that will result from this legislation.

Thank you Sen. Port for carrying this bill and to the committee for the opportunity to testify today in support of SF2742, which will provide essential support for distressed and at risk properties in Greater MN and throughout the state of MN.