MN HOUSING STABILITY COALITION

FIGHTING TO PRESERVE MINNESOTA'S AFFORDABLE HOMES SF2742 | HF2740

The Minnesota Housing Stability Coalition represents 35 affordable housing providers advocating to ensure the long-term sustainability of existing affordable rental homes in Minnesota. Minnesota must address both the financial and physical distress of buildings and the inadequate funding model for supportive services. During this legislative session, we are asking for long-term solutions to both, along with interim solutions that can be enacted quickly.

We have identified a minimum of 3,500 *existing* affordable apartment homes that have been sold, are currently for sale, or are being considered for sale.

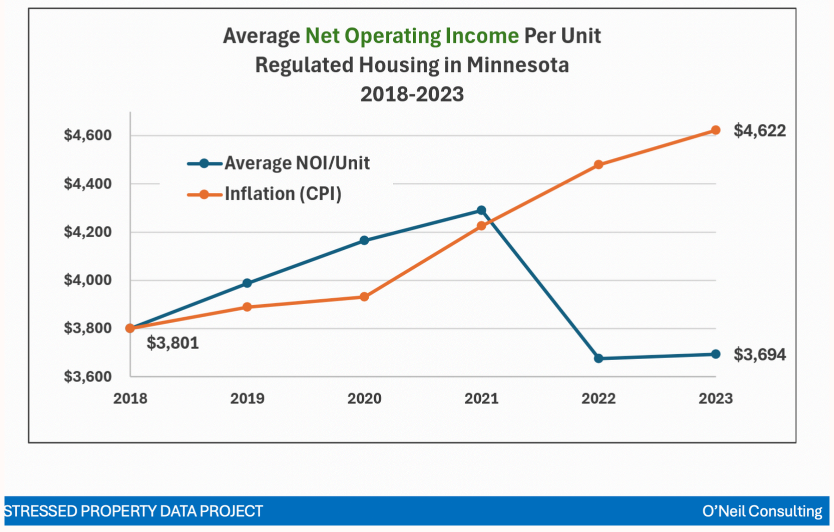
IMMEDIATE RELIEF

$50M in immediate one time funding to directly **stabilize** financially distressed buildings. Low/no cost **administrative policy** changes.

LONG TERM SUSTAINABILITY

$10M in on-going base funding for recapitilization activities to **preserve** Minnesota's existing affordable housing stock.

What is Recapitalization? Recapitalization is bringing in new funds to preserve and improve affordable housing. Affordable homes need new funds as they age to make repairs and re-position properties for long-term preservation. Minnesota has invested millions in these affordable properties, to not lose these taxpayer investments, we must either recapitalize our investments, or allow for flexibility in buildings with significant operating deficits.



Implementing Task Force Recommendations

Created by the legislature in 2024, the Task Force on Long-Term Sustainability of Affordable Housing convened to evaluate issues and provide recommendations relating to affordable housing sustainability. Issues including displacement of tenants, preservation of housing previously developed with public financing, and long-term sustainability of new housing developments. In February 2025, the task force put forward several proposals that would provide financial and regulatory relief to Housing providers, and preserve existing affordable apartment homes. These include: allowing for **flexibility** in income restrictions after public financing terms are complete, pairing capital and **supportive services funding**, and strengthening the capacity of the **Interagency Stabilization Group**.

Policy Proposals

- Greater flexibility of affordability regulations, particularly for aging buildings.
- Ensuring that services funding for permanent supportive housing residents is sufficient to stabilize the household.
- Encouraging or incentivizing public funders to coordinate public housing resources toward their highest and best use.

For more information and data, visit us at:
mnhousingstability.org