

March 23, 2025

Senator Bobby Joe Champion

Minnesota Senate Building, Room 3401
St. Paul, MN 55155

Representative Huldah Momanyi-Hiltsley

5th Floor, Centennial Office Building
St. Paul, MN 55155

Re: African American Workforce Affordable Homeownership (SF2423/HF2507)

Senator Champion and Representative Momanyi-Hiltsley,

The Council for Minnesotans of African Heritage (CMAH) was created by the Minnesota Legislature to advise government on the issues and needs of our constituency. CMAH and partners thank you for your leadership as chief authors of the African American Workforce Affordable Homeownership Program (SF2423/HF2507)¹.

SF2423/HF2507 invests in Black self-help to address Black housing instability in Minnesota. The bill's emphasis on Black participation is much needed because of the gravity of the housing crisis and the history of Black disempowerment that lies behind it. Black households are disproportionately impacted by economic hardship, predatory practices, and wealth inequities in Minnesota's housing sector. Although most Black households want to own a home, less than 3 out of 10 Black Minnesotans are homeowners. Black residents are more likely to be cost-burdened, meaning they pay more than they can afford for housing expenses².

A critical, though tremendously underappreciated, component of this problem is the underrepresentation of Black businesses and workers in the construction industry. Black participation has been relatively low throughout the growth of the national affordable housing industry in the United States. Indeed, even when this industry operates in Black communities, Black enterprise is usually sidelined or, worse, not even near the vicinity of the game³. On the workforce side, Black workers hold

¹ Our use of the term "African American" here follows official federal and state classification of "Black or African American" as a general population group. The population group includes U.S.-born African Americans and foreign-born African Immigrants. See [March 2025 report on demographic trends in Minnesota homeownership](#) from the Office of the Minnesota State Demographer. On federal practice, see the federal government's [March 2024 update to standards of race and ethnicity data](#).

² Black Minnesotans experience housing instability at twice the rate of the average Minnesotan. While 30% of all Minnesota households pay more than they can afford for their housing, 60% of Black Minnesotans experience this cost burden. Black children endure this hardship at double the statewide rate. About 67K or almost half of Black children in Minnesota live in households that spend more than 30% of monthly income on housing expenses. See data analyses by [AECF February 2025](#) and [MHP March 2024](#).

³ See Professor Melvin Mitchell's [September 2020 sketch](#) of episodes in this history of exclusion, e.g. 1948 Housing Act, Low Income Housing Tax Credit Program in 1986, and Housing Opportunities for People Everywhere HOPE VI of 1992. Professor Mitchell has been a leading voice and practicing architect for 45 years.

just 6% of the construction jobs, even though Black people make up 12% of the US workforce. In Minnesota, Black residents own 0.1% of construction firms, and Black workers are less likely to work in the construction industry ([MN DEED January 2023](#)).

The provisions in SF2423/HF2507 take a two-prong approach to help Minnesota bolster resources for arresting the aforementioned components of the housing crisis. The legislation aims to increase the supply of affordable, owner-occupied housing for Black Minnesotans, while using Black Minnesotans as the production workforce. The bill will provide grants to local entities for this purpose. Based on feedback from community engagements and listening sessions, CMAH recommends allocating 60% percent of the bill's funding for housing production (physical capital development) and 40% percent of funds for workforce infrastructure provisions (human capital development).

Thank you for your leadership and partnership with advancing this bold and innovative step to address the homeownership gap in Minnesota. We are excited to collaborate with you on legislation that would create pathways to generational wealth and self-sufficiency through homeownership.

Sincerely,

Council for Minnesotans of African Heritage (CMAH)