

March 23, 2025

Re: SF2423/HF2507 - Support for the African American Workforce and Affordable Homeownership Development Program Bill

Dear Chair Champion and Members of the Committee,

As a dedicated community land trust (CLT) committed to promoting permanently affordable housing and fostering inclusive communities, Rondo Community Land Trust wholeheartedly supports the proposed legislation to establish the African American Workforce and Affordable Homeownership Development Program in Minnesota. This initiative aligns seamlessly with our mission to bridge the racial homeownership gap and empower African American communities through sustainable housing solutions.

The Urgent Need for Targeted Intervention

Minnesota faces one of the most significant racial disparities in homeownership nationwide. While approximately 77% of white households own their homes, only about 29% of Black households have achieved homeownership. This 48-percentage-point gap underscores systemic inequities that have persisted for decades, limiting wealth-building opportunities and economic mobility for African American families.

The Role of Community Land Trusts in Advancing Equity

Community land trusts play a pivotal role in addressing these disparities by:

- Preserving Affordability: CLTs acquire land and develop housing, ensuring that homes remain
 affordable for low- and moderate-income families in perpetuity. This model prevents displacement
 and stabilizes communities.
- **Empowering Communities:** By involving residents in decision-making processes, CLTs foster a sense of ownership and agency, leading to more resilient and engaged neighborhoods.
- **Building Wealth:** Homeownership through CLTs enables families to build equity, providing a foundation for financial stability and intergenerational wealth transfer.

Alignment with the Proposed Legislation

The African American Workforce and Affordable Homeownership Development Program complements the CLT model by:

- Allocating Funds for Land Acquisition and Development: This provision enables CLTs to expand their reach, developing more affordable homes tailored to African American families.
- Supporting African American-Led Initiatives: By funding business development, job training, and housing organizations led by African Americans, the bill ensures that those most affected by housing inequities are at the forefront of solutions.
- Focusing on Low- to Moderate-Income Households: Serving households earning up to 80% of the state median income aligns with CLT efforts to assist those who are often excluded from traditional homeownership opportunities.

Our Commitment

In Minnesota, CLTs have made significant strides, creating over 1,250 permanently affordable homes. Organizations such as the City of Lakes Community Land Trust and Rondo Community Land Trust have been instrumental in these efforts, demonstrating the efficacy of the CLT model in urban settings.

At Rondo Community Land Trust, we are prepared to leverage the resources and opportunities provided by this legislation to further our mission. By collaborating with African American builders, developers, and community leaders, we aim to create housing solutions that are not only affordable but also culturally resonant and community-driven.

Conclusion

The establishment of the African American Workforce and Affordable Homeownership Development Program represents a transformative step toward rectifying historical injustices and promoting economic equity in Minnesota. We strongly urge the legislature to pass this bill, paving the way for a more inclusive and prosperous future for all Minnesotans.

Thank you for your leadership and commitment to advancing housing equity. We look forward to the positive impact this legislation will have on our communities.

Sincerely,

Mikeya Griffin

Executive Director, Rondo Community Land Trust