



400 Wabasha Street North, Suite 400  
St. Paul, MN 55102  
P: 800.657.3769  
F: 651.296.8139 | TTY: 651.297.2361  
www.mnhousing.gov

**DATE:** January 15, 2025

**TO:** Representative Howard, Housing Finance and Policy  
Representative Igo, Housing Finance and Policy  
Senator Port, Senate Housing and Homelessness Prevention  
Senator Lucero, Housing and Homelessness Prevention

**FROM:** Jennifer Lemaile Ho, Commissioner, Minnesota Housing Finance Agency

A handwritten signature in blue ink, appearing to read 'Jennifer Ho'.

**SUBJECT:** 2025 Annual Legislative Report - Build Wealth Minnesota, Family Stabilization Program

## OVERVIEW

Per the reporting requirements under [Minnesota Laws 2016, Chapter 189, Article 12, Section 11\(e\)](#), Minnesota Housing, as the fiscal agent, will provide an update for the activities completed under the direct appropriation to Build Wealth Minnesota (“Build Wealth”). This report provides information on the direct appropriation provided to Build Wealth through Minnesota Housing and does not include information regarding other agency lending administered by Build Wealth.

The Legislature appropriated \$500,000 annually to Build Wealth for its Family Stabilization Program. The Family Stabilization Program provides financial coaching services which focuses on strengthening underserved communities by empowering families to build sustainable social and economic wealth in the seven-county metropolitan area. Build Wealth and its partners do this through a mix of financial empowerment education and coaching services.

Build Wealth and its partners continue to demonstrate their commitment and the need to reach underserved communities in providing the financial empowerment education and coaching services. Since October 2020, Build Wealth and its partners have collectively served a total of 1,358 households through the Family Stabilization Program.

## USE OF GRANT

The primary purpose of the grant proceeds is to expand Build Wealth’s organizational capacity so that it may serve additional households throughout the seven-county metropolitan area. This includes hiring and paying for staff, developing curriculum and materials, and working with delivery partners to reach additional households.

Additional details on Build Wealth’s use of the grant proceeds for the reporting period may be found at the end of this report in the 2024 Legislative Expenditure Report.

## PROGRAM OUTPUTS AND OUTCOMES

Since July 2016, a total of 2,256 households have entered Build Wealth’s Family Stabilization Program. On average, approximately 226 new participating households enter the program each year.

During the 2023 - 2025 grant period, Build Wealth is on track with its goal of serving 550 households. In 2024, it served a total of 225 households (82% of 275). Of these participating households:

- 95% of households are Black, Indigenous, People of Color
- 80% of households earn less than \$60,000 per year
  
- 66% of households served entered the program have a credit score under 620
- 100% of households who completed the program have a credit score over 620
  
- The largest barrier to homeownership is credit at 67% of households listing this as a barrier
  - 8% of households list savings as a barrier
  - 5% of households list budgeting as a barrier
  - 6% of households list debt as a barrier
  - 13% of households list insufficient income as a barrier
  
- 25% of the households who received an outcome purchased a home

#### Geographic Distribution of Households Served

- 55% of households served reside in Hennepin County
- 28% of households served reside in Ramsey County
- 5% of households served reside in Anoka County
- 6% of households served reside in Dakota County
- 3% of households served reside in Washington County
- 1% of households served reside in Carver County
- 3% of households outside seven-county metropolitan area

## **CONCLUSION**

Build Wealth is beginning its tenth year of serving households through the Family Stabilization Program with funding provided by the direct appropriation. Build Wealth strives to modify and adapt to meet and serve the changes and needs of the community they serve. This is evident in their ability to reach a high percentage of households of color and persons with low credit scores.

Minnesota Housing will continue to engage in conversations and review how Build Wealth will maintain their capacity to meet their stated goal of serving 550 households throughout the seven-county metropolitan area during the program grant period (July 12, 2024 - September 30, 2025).

**Build Wealth Minnesota**

**2025 ANNUAL LEGISLATIVE EXPENDITURE REPORT**

**REPORTING PERIOD: July 12, 2024 – September 30, 2024**

<b>GRANT PROCEEDS</b>		<b>\$</b>	<b>500,000.00</b>
<b>SALARIES AND WAGES</b>	<b>EXPENSES</b>	<b>FTE</b>	
<b>SUBTOTAL, SALARY &amp; WAGES:</b>	<b>\$</b>	<b>200,089.39</b>	<b>9.5</b>
Supplies	\$	131.55	
Materials (handouts, manuals, etc.)	\$	8,756.47	
Printing and copying	\$	267.45	
Rent and utilities	\$	16,838.91	
Disbursements (to partner organizations)	\$	30,000.00	
<b>SUBTOTAL, NON-SALARY EXPENSES</b>	<b>\$</b>	<b>55,994.38</b>	
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>256,083.77</b>	
<b>*DIFFERENCE (INCOME LESS EXPENSES)</b>	<b>\$</b>	<b>243,916.23</b>	

*\*Note: Expenditures represent three months of expenses pursuant to the current grant contract period. All grant proceeds are expected to be fully expended within the current grant period..*