$1 BILLION in BONDS for HOUSING

HF 302 | SF 1094

What are Housing Infrastructure Bonds?

Minnesota’s greatest housing need is for homes at 50% AMI and below.

There is no funding source to build or preserve affordable housing units at 50% AMI and below that do not need wrap around supportive services.

$750 million in Housing Infrastructure Bonds

$250 million to preserve and improve Public Housing

Black, Indigenous, and People of Color (BIPOC) households are disproportionately impacted by the cost of housing. 58% of Black renters are cost-burdened compared to 44% of white renters.

Only 25% of Black households own their home, compared to 76% of white households in MN.

Annual Affordable Housing Need

30.1% to 50% AMI

2,000 Needed

400 Built

30% AMI & under

2,500 Needed

150 Built

30% AMI

for a family of 4

Metro - $31,450
Greater MN - $23,964

50% AMI

for a family of 4

Metro - $52,000
Greater MN - $39,942

Minnesota Housing's budget (including bonds) represents just 0.4% of the overall state budget. The time is now for transformative investments in housing.
**Current Eligible Uses**

- **Permanent supportive housing** for individuals and families experiencing homelessness
- **Affordable housing for seniors 55+** with a preference for serving seniors at the lowest incomes
- **Preservation of federally assisted rental housing**
- **Homeownership, Community Land Trusts, and manufactured home park infrastructure**

**Why Housing Infrastructure Bonds?**

- Public Housing in Minnesota has over $350 million in deferred maintenance
- Only 1 in 4 housing projects that apply for funding are funded and able to move forward
- 59% of renters living with disabilities cited "not enough accessible units" as the reason why they could not find housing
- 56% of unhoused people stated they are unhoused because they could not find an affordable place to live

**What Would the Bill Change?**

- Expand eligibility of Housing Infrastructure Bonds to include the development and preservation of housing at 50% AMI and under for households that don't need wrap around supportive services.
- Address inconsistent definitions of what makes housing "accessible" to ensure that people with disabilities have housing that is both affordable and accessible to them.
- Clarify that homeownership investments through HIBs will be through grants, not loans.
- Authorize half of the HIBs for 2023, and the other half for 2024 to help create a more predictable pipeline of funding for affordable housing.

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For more information, please contact:

- **Kelly Law**
  klaw@mccdmn.org
- **Annie Shapiro**
  annieshapiro@minncap.org
- **Julia Page**
  juliapage@arcmnnesota.org