April 7, 2020

The Honorable Tim Walz
The Honorable Peggy Flanagan
Office of Governor Tim Walz and Lt. Governor Peggy Flanagan
130 State Capitol
75 Rev Dr. Martin Luther King Jr Blvd
St. Paul, Minnesota 55155

The Honorable Melissa Hortman
Speaker of the House
Room 463, State Office Building
St. Paul, Minnesota 55155

The Honorable Paul Gazelka
Senate Majority Leader
Room 3113, Minnesota Senate Building
St. Paul, Minnesota 55155

RE: Fund $100 million in Family Homeless Prevention and Assistance Program to keep Minnesotans stably housed and support housing providers

Dear Governor Walz and Lieutenant Governor Flanagan, Speaker Hortman, and Majority Leader Gazelka,

Minnesota Housing Partnership requests lawmakers appropriate $100 million to the Family Homeless Prevention and Assistance Program (FHPAP) now. On March 16, MHP sent a leader to each of you outlining this request.

Minnesotans, especially low-income, face loss of income as we continue to take protective measures as a State and country to reduce risk to health and our healthcare system. For low-income Minnesotans, any break in income can have serious economic consequences, making it even harder to pay for already unaffordable rent and mortgages.

We know it will take the economy longer to recover than it did to shut down. As we look ahead at the economic challenges, we believe that the scale and scope of need for housing assistance is enormous. Without it, rent owed will build up and a cascade of evictions for nonpayment will occur when all the moratoriums and protections are lifted. And without rental payments, the housing system itself could collapse because of an inability to keep up with their own debt payments and costs.

Housing providers predict significant losses due to non-payment and partial-payments. Landlords, especially owners of smaller rental units with slim reserves and margins, are concerned about their ability to care for renters and maintain their investments—often their life savings.

As uncertainty around the release, coverage, and implementation challenges of federal funding abounds, Minnesota must do what it does best - smart deployment of aid to ensure cost efficient and compassionate care of families and local businesses.
This assistance is critical in keeping Minnesotans stably housed and ensuring housing providers can meet their obligations to tenants and lenders.

Sincerely,

Anne Mavity
Executive Director, Minnesota Housing Partnership

cc: The Honorable Susan Kent, Senate Minority Leader
    The Honorable Kurt Daudt, House Minority Leader
    Commissioner Jennifer Ho, Minnesota Housing