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For Immediate Release

HOUSING IS ALSO PART OF MINNESOTA'S ESSENTIAL INFRASTRUCTURE

The Governor Should Call a Special Session and Legislators Must Pass a Bonding Bill or Too Many Working Families will be Left in the Cold

By: Duluth Mayor Emily Larson, Red Wing Mayor Daniel Bender, Moorhead Mayor Del Rae Williams, Rochester City Council Member Michael Wojcik, and Warren Hanson, President & CEO, Greater Minnesota Housing Fund & Minnesota Equity Fund

(SAINT PAUL, MN, May 26, 2016) *Minnesota needs to invest in infrastructure.* That was the prevailing theme of this year's legislative session from Gov. Mark Dayton and both Democratic and Republican leaders. Yet, despite bipartisan consensus around the need to invest in systems that enhance our state's economic prosperity, legislators failed to act on a tremendous opportunity to boost job growth and enhance community stability by increasing affordable housing.

Right now, the gap between what Minnesotans earn and what they must pay for housing is a crippling barrier to economic prosperity.

For example, according to Maxfield Research, the average rent in Olmsted County last year was \$957 per month, a level that is unaffordable to nearly 60% of the county's renters. Minnesota Housing Partnership reports that a Minnesota minimum wage worker must work 82 hours per week – more than two full-time jobs – just to afford that average apartment. Adding to the challenge is that nearly one-fourth of the rental homes in Olmsted County were built before 1960, meaning that many likely are in need of significant repairs.

But there's good news. For much of Minnesota, investments in housing lead to a stronger local and state economy. According to the state's Job Vacancy Survey, 2015 ended with at least 40,000 job openings outside the Twin Cities metro area. These jobs are more than just paychecks. In communities throughout the state, they are 40,000 opportunities for a new worker to gain experience, a young couple to put down roots or a growing family to return to a hometown.

Our growth isn't just in regional centers. Earlier this year, Kelly Asche, program coordinator for the Center for Small Towns at the University of Minnesota-Morris, told an economic summit that small, rural communities are the most stable they have been in a long while, and "most of our rural areas are actually gaining population."

Recent state investments in housing make a tremendous difference in building resilient communities and families, even going so far as saving lives. Developments with state support—like the successful Steve O’Neil Apartments in Duluth or Cascade Creek in Rochester—are more than apartments: they house working families in job-growth areas, they revitalize neighborhoods, and they help end homelessness.

Yet, throughout the state, we now face a serious shortage of housing that is affordable for our workers, our elderly, and others. In fact, the shortage is so crippling that it undermines the recovery of small communities and the growth of regional centers. One in three Minnesota households — nearly 600,000 — pay more than 30 percent of their income for housing. Since 2000, that number has increased by 69 percent.

There is no debate: Housing is a huge challenge for more Minnesotans. We urge Gov. Dayton to call a special legislative session to pass a bonding bill that includes funds to support the construction and rehabilitation of housing for our workforce, our elderly, and our homeless in our most vital small cities and towns.

No doubt, political pundits on both sides of the aisle are eager to leave the policy work undone and take their case to voters in November, painting the other side as “do-nothing legislators.” It’s also understandable that many Minnesotans may be wary of giving legislators more time to do what they failed to accomplish in the last three months.

Those positions pale in the face of these realities: Without more workforce housing, Minnesota’s economic vitality is in serious jeopardy. Without more stable housing, the education achievement gap will grow larger. And, without support and shelter, more Minnesotans, including families, will be homeless.

Certainly, other infrastructure issues received more publicity in recent months. And, while there is broad agreement at least on the amount of money needed for tasks like road and bridge repair, more conversation is needed to find common ground on housing.

Minnesotans have been here before — and legislators consistently have put aside partisan differences to support housing. In fact, housing has been included in capital investment bills under the last three governors (each from a different political party) and regardless of whether Democrats or Republicans controlled the legislature.

Every politician, every economist and every employer knows that Minnesota’s greatest asset is not our physical infrastructure or even our natural resources. It is our human capital, our people. Investing in roads, water treatment facilities and higher education buildings is important, but nothing is as essential as assuring that every Minnesotan has the opportunity to have a safe, affordable home.

It is imperative that Gov. Dayton call a special session and that legislative leaders find common ground to support this most basic of needs: housing for workers, families and all Minnesotans.

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