

Klobuchar

FOR GOVERNOR

Lowering Housing Costs for Minnesotans

1. Build More Homes, Faster

Minnesota has a shortage of approximately 100,000 homes. The fastest way to lower housing costs is to build and rehabilitate homes to reduce that shortage. As Governor, Amy Klobuchar is committed to filling the housing gap by putting us on a path to build at least 100,000 homes, condos, and apartments.

She'll do that by reforming permitting, cutting red tape, and removing the delays and fees that drive up costs. Amy Klobuchar is fighting so builders can build and Minnesotans have homes they can afford.

Reform permitting and set deadlines that the government meets, or you get your money back.

- Working with cities to set consistent deadlines for housing permit applications, so each application gets a decision quickly instead of sitting for months, or even years, without a decision.
- Create a standardized permitting form so cities and builders can reduce paperwork while maintaining local control.

Cut red tape by streamlining building codes and removing costly mandates.

- Work with cities to remove mandates and redundant requirements that raise construction costs.

Put vacant state land to work.

- Use state-owned surplus property and vacant office sites in towns and cities across the state, releasing suitable parcels for housing. Build on vacant land the state already owns to lower costs, while conserving our public lands and parks.

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Reward communities that want to build.

- Create a Minnesota Pro-Housing Incentive that rewards cities that want to build housing. Cities that voluntarily agree to build more housing, including renovating vacant commercial buildings, should be rewarded when applying for state funding.

Incentivize private investment in housing.

- Make the State Housing Tax Credit permanent to incentivize private investment in housing and rental buildings across Minnesota.
 - Funding from the Senate-passed ROAD to Housing Act could also be used to fund this tax credit.

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2. More Housing in Rural Communities

Rural and small-town Minnesota faces a unique version of the housing shortage: high infrastructure costs, aging housing stock, and limited access to assistance. For years, major employers and communities in Greater Minnesota have struggled to house the people they need to grow and thrive. In 20 rural counties, more than half of renters spend more than 30% of their income on rent.

As Senator, Amy Klobuchar worked with Senators Jerry Moran (R-KS) and Jeanne Shaheen (D-NH) to change the law to give nonprofits and local and tribal governments that develop building sites for families more flexibility to get rural projects built.

As Governor, Amy Klobuchar will support rural communities that want to build more homes, including by incentivizing the conversion of vacant commercial space into housing and the rehabilitation of abandoned residential properties. This is just one part of Amy Klobuchar's plan to strengthen economic development in rural Minnesota.

Lower the cost of building in small towns.

- Launch a Rural Housing Loan Fund, a low-interest revolving pool to help rural developers cover the high infrastructure costs of building in small towns.
 - Funding from the Senate-passed ROAD to Housing Act could be used for this loan program.
- Use the State Housing Tax Credit to incentivize private investment in housing and rental construction across Greater Minnesota.
 - Funding from the Senate-passed ROAD to Housing Act could also be used to fund this tax credit.
- Convert vacant commercial space to housing, helping small-town owners turn empty storefronts and upper floors into apartments, with incentives for renovation.
- Rehabilitate vacant and abandoned buildings by creating competitive grants, funded by HUD.
 - Funding from the Senate-passed ROAD to Housing Act for the Department of Housing and Urban Development (HUD) would support this effort.

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3. Make Owning a Manufactured Home More Affordable

Factory-built starter homes are one of the most affordable paths to homeownership. Amy Klobuchar's family knows this personally – her husband, John, grew up in a manufactured home until he was in the 6th grade. Treating manufactured housing fairly expands supply at the price point Minnesotans most need. Manufactured home owners often face unique burdens: many families own their home while renting the land beneath it, which leaves them exposed when a private equity owner raises fees, neglects upkeep, or sells the land. As Governor, Amy Klobuchar will work to support owners of manufactured homes and remove barriers that undermine them.

Support owners of manufactured homes from deception.

- Guarantee residents a real opportunity to purchase the land under their own homes. Require park owners to give notice before a sale and a genuine window for residents to make an offer to buy the land in their communities.
- Protect residents from deceptive, hidden charges and poor maintenance. Shield manufactured home park residents from unpredictable and excessive increases in their lot fees, and eliminate the practice of compounding late fees and multiple increases within a single year. Require park owners to provide transparent, itemized billing for all services and guarantee residents secure payment methods.

Remove barriers to building manufactured homes.

- Incentivize the removal of burdensome rules that effectively ban the addition of high-quality manufactured housing.
 - Changes to the law to make it easier to manufacture these homes, as well as funding from the Senate-passed ROAD to Housing Act, will assist with this goal.

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4. Support Renters and Stop Rip-Offs

Predatory pricing is driving up housing costs. Large out-of-state companies – from tech companies to private equity firms – are coordinating prices, using complicated corporate ownership schemes, and targeting neighborhoods to raise costs. Sometimes, these practices are outright illegal.

The state of Minnesota has sued the software company RealPage and six large corporate landlords for using algorithms to illegally fix rent prices. The lawsuit was filed in coordination with the federal government and a bipartisan group of nine other states. As Senator, Amy Klobuchar called for an investigation into RealPage in 2022, held hearings into these issues, and introduced a bill to take on price fixing using algorithms. We must do more to take on price fixing and predatory practices that increase housing costs for everyone.

Protect renters from unfair discrimination.

- Adopt commonsense protections that already exist in many states that ban landlords from rejecting renters just because they use housing vouchers.

Ban price-fixing algorithms.

- Stop companies from using shared algorithms to coordinate rent prices. As Senator, Amy Klobuchar introduced a bill to take on price fixing using algorithms, and as Governor she will work to ban this practice in Minnesota.

Require transparency and fair treatment from institutional landlords.

- Make large institutional landlords report acquisitions and rent increases and release this information in a public database so Minnesotans can see whether they are pushing up local rents. In addition, the Senator supports the Senate-passed ROAD to Housing Act, which puts caps on the number of homes owned by large institutional landlords.

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5. Help Minnesotans Buy Homes and Afford Rent

While assistance exists for families struggling to afford a home or pay their rent, too often it is impossible for them to access it. Homebuyers must often submit identical information across multiple agencies. Renters must navigate a patchwork of programs and forms. As Governor, Amy Klobuchar will make it easier for Minnesotans to access existing housing assistance so families can afford their homes and stay in their homes.

Amy Klobuchar is committed to making government accountable to Minnesotans – and turning the page on a bureaucracy that forces people to jump through hoops to get the support they need.

Simplify the path to home ownership.

- Combine state down-payment assistance, local grants, and federal assistance into a single application, and provide counseling to help homebuyers access this assistance.

Make rental assistance easy to find and more accessible.

- Create a No Wrong Door network so any Minnesotan who contacts a state agency or local provider is connected to the rental assistance they qualify for, rather than forcing renters to navigate a patchwork of programs.

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References

Elements of this plan are contained in bipartisan legislation introduced in the Minnesota Legislature, including:

- **Build more homes, faster:** Rep. Michael Howard (DFL–Richfield), Rep. Spencer Igo (R–Wabana Township), Sen. Lindsey Port (DFL–Burnsville), Sen. Jordan Rasmusson (R–Fergus Falls), Sen. Omar Fateh (DFL–Minneapolis), Sen. Liz Boldon (DFL–Rochester), Rep. Jim Nash (R–Waconia), Rep. Larry Kraft (DFL–Saint Louis Park), Rep. Katie Jones (DFL–Minneapolis), Rep. Kari Rehrauer (DFL–Coon Rapids), and Rep. Liish Kozlowski (DFL–Duluth).
- **More housing in rural communities:** Sen. Zaynab Mohamed (DFL–Minneapolis) and Sen. Karin Housley (R–Stillwater), Rep. Spencer Igo (R–Wabana Township), and Rep. Bobbie Harder (R–Henderson).
- **Make owning a manufactured home more affordable:** Sen. Liz Boldon (DFL–Rochester), Sen. Jim Abeler (GOP–Anoka), Sen. Seeberger (DFL–Cottage Grove), and Rep. Matt Norris (DFL–Blaine).
- **Support renters and stop rip-offs:** Sen. Clare Oumou Verbeten (DFL–St. Paul), Sen. Jim Abeler (R–Anoka), Sen. Erin Maye Quade (DFL–Apple Valley), Sen. Liz Boldon (DFL–Rochester), Rep. Michael Howard (DFL–Richfield), and Rep. Esther Agbaje (DFL–Minneapolis).
- **Help Minnesotans buy homes and afford rent:** Sen. Zaynab Mohamed (DFL–Minneapolis), Sen. Karin Housley (R–Stillwater), Sen. Liz Boldon (DFL–Rochester), and Rep. Esther Agbaje (DFL–Minneapolis).

Other elements are included in legislation passed by Senator Klobuchar to reform the U.S. Department of Agriculture’s (USDA) Section 524 Rural Housing site loan program; Senator Klobuchar’s *Housing Supply and Affordability Act*, which is included in the *ROAD to Housing Act*, which passed the U.S. Senate 89–10; and the *Preventing Algorithmic Collusion Act* and *Housing Acquisitions Review and Transparency (HART) Act*, which Senator Klobuchar introduced in 2024.