



**April 2005**

**An Open Letter to Governor Tim Pawlenty and  
Members of the Minnesota Legislature:**

The undersigned organizations are deeply concerned about the Governor's proposal to reduce the Renters' Credit. These cuts will harm Minnesotans across the state including seniors, persons with disabilities, and other low- and moderate-income Minnesotans.

The Renters' Credit provides tax relief and housing assistance to Minnesotans whose rent is high relative to their income. While renters do not pay property taxes directly, the Renters' Credit recognizes that owners of rental property pass on the cost of property taxes to renters in the form of higher rents.

- In 2004, more than 270,000 Minnesotans received this tax credit.
- More than \$136 million was brought into local communities and businesses because of the refund.

Under the Governor's proposal, the Renters' Credit would be cut by 25% by the 2008 fiscal year, and 12,634 taxpayers would lose eligibility for the Renters' Credit.

The Governor claims that a cut to the Renters' Credit is appropriate since property taxes were decreased in 2001 for most apartment owners. In fact, low-income affordable housing actually saw a tax rate increase under the 2001 property tax reform. Renters have not benefited from recent property tax reform; the amount of tax relief has been overstated and the savings have not been passed on to renters.

Renters in Minnesota are already struggling to find affordable housing. Rents remain at historically high levels, while incomes for low-to-moderate households have stagnated because of the recession and a slow economic recovery.

- In the 1990's, the average rent increased 34 percent in the Twin Cities area, but the median renter's income increased only by 9 percent, according to a 2001 report by the Legislative Auditor.
- To afford an average two-bedroom apartment across the state, Minnesotans must earn \$15.07 an hour, but the median wage for job vacancies in Minnesota is \$10.00 an hour.
- HousingLink found that in 2004 there was only an average of seven (7) two-bedroom apartments available per month in the metro area with rents affordable to people earning less than \$20,700, or \$9.95 an hour.

With historically high rents, stagnant incomes, and a significant lack of affordable housing, renters in Minnesota cannot afford to absorb a 25% cut in the Renters' Credit. Many Minnesotans use the Renters' Credit to meet basic needs such as delayed dental care, school clothes and supplies, car repairs, bills, and prescription drugs. Cutting the Renters' Credit harms Minnesota families. We need to stop balancing the budget on the backs of those who are most vulnerable.

**We, the undersigned organizations, therefore oppose a cut to the Renters' Credit.**

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For more information about the Minnesota Renters' Credit Coalition, contact:  
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**We, the undersigned organizations, oppose a cut to the Renters' Credit.**

AARP Minnesota  
Accessible Space, Inc.  
AccountAbility Minnesota  
Advocating Change Together  
Affirmative Options Coalition  
Alliance for Metropolitan Stability  
Alliance Healthcare  
Alliance Housing  
Alternative Homes of Minneapolis  
Arc Great Rivers  
Arc Hennepin-Carver  
Arc of Minnesota, The  
Association of Residential Resources of Minnesota  
Assistive Technology of Minnesota  
AXIS Healthcare  
Battered Women's Legal Advocacy Project  
Bemidji Housing and Redevelopment Authority  
Brain Injury Association of Minnesota  
Cabrini House  
Caroline Family Services  
Central Community Housing Trust  
Central Lutheran Church—Minneapolis  
Central Minnesota Housing Partnership  
Children's Defense Fund Minnesota  
Children's Dental Services  
Children's Mental Health Partnership  
Churches United for the Homeless  
Center for Independent Living in Northern Minnesota  
City of St. Cloud, Minnesota  
Commonbond Communities  
Community Action Partnership of Ramsey and Washington Counties  
Community Emergency Assistance Program  
Community Stabilization Project  
Congregations Concerned for Children  
Cottonwood Housing and Redevelopment Authority  
Courage Center  
Crime Victim Services, Incorporated of Brown, Nicollet and Sibley Counties  
Crookston Housing and Redevelopment Authority  
Dakota Woodlands  
Disability Services, Hamline University  
Domus Transitional Housing  
East Metro Women's Council  
East Side Neighborhood Services, Inc.  
Families Moving Forward  
Family & Children's Service  
 Fargo-Moorhead Dorothy Day House of Hospitality  
Fraser  
Freedom Resource Center  
Freedom Resource for Independent Living, Inc.  
Gateway Inter-Faith Table for Affordable Housing (GIFT)  
Gillette Children's Specialty Healthcare  
Glesener's, Inc.  
Greater Minneapolis Day Care Association  
Greenbush Housing and Redevelopment Authority  
Hallie Q. Brown Community Center, Inc.  
Hemophilia Foundation of Minnesota  
Hersey Assistance Fund  
HOME Line  
Home of the Good Shepard/Rose Center  
Homeless Concerns Coalition of St. Cloud  
Hope Community, Inc.  
HousingMinnesota  
Houston County Women's Resources  
Hunger Solutions Minnesota  
Independent Lifestyles, Inc.  
Jewish Community Action  
Jewish Family & Children's Service of Minneapolis  
Jewish Family Service of St. Paul  
JOBS Now Coalition  
Joint Religious Legislative Coalition (JRLC)  
Keystone Community Services  
Kootasca Community Action, Inc.  
Lakes and Prairies Community Action Partnership  
Learning Disability Association of Minnesota  
Legal Services Advocacy Project  
Life House  
Lifetrack Resources  
LINK (Rochester Area Family Y)  
Lutheran Coalition for Public Policy  
Mahube Community Council  
Mental Health Association of Minnesota  
Mental Health Legislative Network  
Merrick Community Services  
Metro Work Center, Inc.  
Metropolitan Center for Independent Living, Inc.  
Minneapolis Central Labor Union Council, AFL-CIO  
Minneapolis Consortium of Community Developers  
Minneapolis Highrise Representative Council



# Minnesota Renters' Credit Coalition

Minneapolis Urban League  
Minnesota AFL-CIO  
Minnesota Alliance of HUD Tenants (MnAHT)  
Minnesota Association of Community Mental Health Programs  
Minnesota Association of Community Rehabilitation Organizations  
Minnesota Association-Self Help for Hard of Hearing  
Minnesota Catholic Conference  
Minnesota Chapter of the National Association of Housing and Redevelopment Officials (Minnesota NAHRO)  
Minnesota Chapter, National Lawyers Guild  
Minnesota Citizens for Tax Justice  
Minnesota Coalition for the Homeless  
Minnesota Community Action Association  
Minnesota Consortium for Citizens with Disabilities  
Minnesota Council of Nonprofits  
Minnesota Disability Law Center  
Minnesota Habilitation Coalition  
Minnesota HomeCare Association  
Minnesota Public Interest Research Group  
Minnesota Senior Federation—Heartland Region, Brainerd  
Minnesota Senior Federation—Metro Region, St. Paul  
Minnesota Senior Federation—Midwest Region, Norcross  
Minnesota Senior Federation—Minnesota Valley Region, Willmar  
Minnesota Senior Federation—North Star Region, Virginia  
Minnesota Senior Federation—North West Region, Thief River Falls  
Minnesota Senior Federation—South Central Region, Mankato  
Minnesota Senior Federation—South West Region, Chandler  
Minnesota Social Service Association  
Minnesota State Council on Disability  
Minnesota Student Association  
Minnesota Supportive Housing Consortium  
Minnesota Tenants Union  
Minnesota Youth Service Association  
National Alliance for the Mentally Ill-MN  
National Association of Social Workers, Minnesota Chapter  
National Council of Jewish Women  
National Multiple Sclerosis Society-Minnesota Chapter

Neighborhood House  
New Foundations, Inc.  
Northside Residents Redevelopment Council, Inc.  
Office for Social Justice—Archdiocese of Minneapolis and St. Paul  
Olmsted Community Action  
Pacer Center  
Park Cooperative Apartments  
People Serving People, Inc.  
Phyllis Wheatley Community Center  
Pillsbury United Communities  
Prevent Child Abuse Minnesota  
Project 504  
Project for Pride in Living  
Red Wing Coalition for Transitional Housing  
Renville County Housing and Redevelopment Authority  
Restart Inc.  
Rise, Inc.  
Sabathani Community Center  
SEIU Minnesota State Council  
Simpson Housing Services  
South St. Paul Housing and Redevelopment Authority  
South-West Interfaith Neighborhood Group  
Southwestern Center for Independent Living  
Southwestern Minnesota Opportunity Council, Inc  
Sowers of Justice Leadership Team, Christ the King Catholic Church  
St. Paul Area Coalition for the Homeless  
St. Paul Area Council of Churches  
St. Paul Public Housing Agency  
STAR Program  
State Advisory Council on Mental Health  
The Refuge North  
Theresa House, Inc.  
Todd County Housing and Redevelopment Authority  
Tri CAP  
Tubman Family Alliance  
UNITE HERE LOCAL 17  
United Cerebral Palsy of Minnesota  
United States Psychiatric Rehabilitation Association, Minnesota Chapter  
Urban Immersion Service Retreats  
Urban Ventures Leadership Foundation  
Virginia Housing and Redevelopment Authority  
Welfare Rights Committee  
West Central MN Housing Partnership  
Winona County Quality of Life for Seniors Advisory Council  
YMCA of New Hope  
YWCA of Minneapolis