



2011-2012 Strategic Plan

Minnesota Housing 2011-2012 Strategic Plan

Partnering to Provide a Platform for Success

For nearly 40 years Minnesota Housing has built a reputation as one of the most innovative and successful Housing Finance Agencies in the country. By sustaining our successful core business and implementing the strategic goals defined in this plan, we will position the Agency for the future.

This strategic plan was developed during a time of unprecedented challenges and turmoil in the housing and financial markets. We acknowledge that securing scarce resources from the state will only become more challenging and we will continue to leverage our resources with federal, philanthropic and private investments.

The magnitude of these challenges has fueled our resolve. We see great promise in affordable housing that utilizes sustainable design and is located along transit corridors to develop healthier, more affordable neighborhoods with access to jobs and schools. We recognize that housing needs and challenges vary across the state. Our strategies will account for these regional differences as we adapt to better serve our aging and increasingly diverse population.

I am proud to share the new strategic plan with you and I am thankful to the dedicated staff and partners who provided insight and feedback to shape our direction. I look forward to the future as we build vibrant communities that serve as a platform for success for families across Minnesota!



Dan Bartholomay
Commissioner
Minnesota Housing

Our Mission and Our Vision

Our Mission:

Minnesota Housing finances
and advances **affordable** housing
opportunities for low- and moderate-
income Minnesotans to
enhance quality of life and **foster**
strong **communities**.

Our Vision:

All Minnesotans **live** in
quality **affordable** homes
that **positively** impact **individuals,**
families and **communities**.

Values that Guide Our Work

- Leadership:** We provide leadership to maximize the impact of our efforts and those of our partners.
- Integrity:** We are committed to ethical conduct, fairness and accountability.
- Sustainability:** We deliver long-term results through stewardship of our financial, human and technical resources. We invest in long-term housing that is environmentally sensitive, safe and energy efficient.
- Partnership:** We depend on strategic alliances founded on trust, respect and mutual purpose.
- Innovation:** We encourage flexibility and creativity in tackling challenges and strive for continuous improvement.
- Impact:** We make housing investments that strengthen communities and improve people's lives.
- Diversity:** We rely on diverse perspectives, experience and backgrounds to achieve better outcomes.
- Excellence:** We set and achieve high standards and measure our results to ensure high quality.

What We Do

For over 40 years Minnesota Housing has been building stronger communities across the state. Through an alliance of government, private sector, non-profit, and faith-based community interests, Minnesota Housing is there to help first time home buyers, renters and homeowners, as well as the homeless.

Our work spans the depth and breadth of housing needs, whether it's increasing affordable rental housing for our workforce, responding to housing emergencies, or preserving vital housing opportunities. Minnesota Housing offers products and services to help Minnesotans buy and fix up homes. We support the development and preservation of affordable rental housing by offering financing and on-going asset management. We have pioneered supportive housing models that lay the groundwork for stabilizing the housing, and lives, of our most vulnerable citizens.

Using bond sale proceeds, Agency resources, and Federal and State appropriated funds we assist low and moderate income Minnesotans. Minnesota Housing offers a continuum of housing-related assistance from below-market interest rate mortgages and down payment assistance, homebuyer education, to land banking; and Federal housing tax credits, permanent financing, and deferred loans with everything in between. We invest, partner, and provide creative leadership to address Minnesota's housing needs.

During 2010-2011, we will serve approximately 90,000 households by investing more than \$1.4 billion to create sustainable community assets and platforms for success.

We know that home means everything. We are home to Minnesota's housing needs.



Minnesota Housing by the Numbers

40 Years of Excellence in Affordable Housing

Minnesota Housing assisted nearly 78,000 households in 2009.

- \$254 million for nearly 50,000 rental units or tenant households
- \$190 million for more than 28,000 homebuyers or homeowners

To advance affordable housing opportunities, Minnesota Housing:

- Financed the purchase of more than 1,300 existing housing units
- Financed the construction of more than 1,400 new housing units
- Preserved more than 4,800 existing housing units
- Addressed homelessness through rental assistance, capital financing, operating subsidies, and homelessness prevention assistance for more than 14,000 households or housing units
- Took the lead on obtaining federal foreclosure prevention funds and coordinated a statewide response, addressing foreclosures through financial assistance, education and counseling to more than 16,000 households



Foundations for How We Work

For each strategic priority, we:

- **Focus** everything we do on achieving our mission and our vision.
- **Maximize** our impact and contributions by aligning all of our resources.
- **Execute** our business with a focus on continuous improvement.
- **Set goals** and measure achievement.
- **Empower** staff to take leadership roles to carry out the Agency's mission.
- **Coach and manage** the continued performance improvement of all our employees.
- **Engage** one another and our partners through communication, collaboration and technical assistance; and nurture and promote opportunities for more alignment of resources.
- **Leverage** federal, state, private, and philanthropic resources where appropriate to advance our work.
- **Tailor** our strategies and tactics to address the housing needs and challenges of individual communities throughout the state.
- **Respond** to mission-aligned emergencies and opportunities when they occur.
- **Influence** State and Federal legislative agenda around affordable housing by securing support from the new administration and governmental partners to maximize the positive impact for low- and moderate-income Minnesotans.

Strategic Priorities for 2011-2012

- Preserve existing affordable housing.
- Provide new opportunities for affordable housing.
- Work to prevent and end homelessness.
- Mitigate foreclosure impact through prevention and remediation.
- Build our organizational capacity to excel and achieve our vision.



Strategic Priority: Preserve Existing Affordable Housing.

Action Steps:

- Complete a statewide assessment of preservation needs using Preservation Plus and community profile data.
- Create a statewide plan to preserve affordable homeownership and rental housing. This plan will include preservation priorities, market segmentation and targeted communities.
- Build a plan to maintain and strengthen partnerships to increase alignment of resources for preservation.
- Inventory all possible funding sources and financing tools and develop recommendations to use those that are feasible and effective.
- Identify and address regulations that would provide substantial relief if waived, modified or repealed.
- Identify ways that preservation and rehabilitation activities can adapt existing housing to meet future needs.



Strategic Priority: Provide New Opportunities for Affordable Housing.

Action Steps:

- Conduct a statewide assessment of renter and homebuyer needs to define and identify high-need and high-impact areas within the state.
- Create a statewide plan to increase the stock of affordable rental housing. This plan will address high-need and high-impact communities, market segmentation, transit oriented development and energy conservation.
- Refine policies and programs to promote sustainable housing and transit oriented development.
- Create a plan to improve service to customers and partners who develop and manage affordable housing.
- Increase homeownership opportunities for emerging markets through targeted marketing.
- Research and explore the feasibility of developing home mortgage options for transit-oriented development and energy efficiency.
- Develop a policy and plan to meet the housing needs of seniors.
- Identify and address regulations that would provide substantial relief if waived, modified or repealed.



Strategic Priority: Work to Prevent and End Homelessness.

Action Steps:

- Determine adjustments to the Business Plan to End Long-Term Homelessness.
- Strive to maintain existing level of supportive housing opportunities for long-term homeless and analyze the feasibility of making additional investments.
- Prepare a contingency plan for potential reductions in available rental assistance funding.
- Define our roles and responsibilities relative to our partners for implementing the State Roadmap to End Homelessness.
- Continue policies to ensure a percentage of tax credit units are reserved for long-term homeless.
- Build on best practices to support efficient and effective use of prevention resources.



Strategic Priority: Mitigate Foreclosure Impact through Prevention and Remediation.

Action Steps:

- Continue to assess the overall foreclosure crisis.
- Maintain and strengthen partnerships with the Minnesota Foreclosure Partners Council and others committed to mitigating foreclosure impact.
- Target mitigation resources to impact highly distressed areas.
- Define and support the appropriate level and duration of involvement with the network of foreclosure prevention counselors.
- Continue to regularly assess our loan portfolio foreclosure risk.
- Minimize portfolio losses through aggressive management and workouts to prevent loan foreclosures.
- Investigate new financing tools that may prevent foreclosures.



Strategic Priority: Build our Organizational Capacity to Excel and Achieve our Vision.

Action Steps:

- Identify and prioritize opportunities to increase revenue either from new sources or by improving the efficiencies and effectiveness of existing activities.
- Develop and implement comprehensive risk management policies and procedures.
- Develop and implement a comprehensive talent management strategy and plan.
- Maximize our investments through alignment of all efforts and resources with the Agency's strategic plan.
- Create a plan to improve service to customers and partners who develop and manage affordable housing.



Minnesota Housing Board Members

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Marina Muñoz Lyon, Vice Chair

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Our Strategic Priorities:

Preserve existing affordable housing.
Provide new **opportunities**
for **affordable** housing.
Work to **prevent** and end homelessness.
Mitigate foreclosure **impact** through
prevention and **remediation**.
Build our organizational capacity to **excel**
and **achieve** our vision.



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