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Equal Opportunity Housing and Equal Opportunity Employment

NOTICE OF PROGRAM AND POLICY COMMITTEE MEETING

Date: Friday, September 9, 2016

Time: 9:00 a.m.

Minnesota Housing
Jelatis Conference Room – Third Floor
400 Sibley Street
St. Paul, MN 55101-1998

Call In Number: 1-888-742-5095

Participant Code: 2680427896

Please identify yourself when joining the call.

Agenda

1. Call to Order
2. Discussion, Public Comments on the Draft 2017 Affordable Housing Plan
3. Approval of Any Necessary Related Administrative Matters
4. Adjournment

The Agency may conduct a meeting by telephone or other electronic means, provided the conditions of Minn. Stat. §462A.041 are met. In accordance with Minn. Stat. §462A.041, the Agency shall, to the extent practical, allow a person to monitor the meeting electronically and may require the person making a connection to pay for documented marginal costs that the Agency incurs as a result of the additional connection.

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Item: Discussion, Public Comments on the Draft 2017 Affordable Housing Plan

Staff Contact(s):

John Patterson, 651.296.0763, john.patterson@state.mn.us

Request Type:

- | | |
|-------------------------------------|--|
| <input type="checkbox"/> Approval | <input checked="" type="checkbox"/> No Action Needed |
| <input type="checkbox"/> Motion | <input checked="" type="checkbox"/> Discussion |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Information |

Summary of Request:

The attached document summarizes the comments received from the public on the Draft 2016 Affordable Housing Plan. Staff is recommending additions to the text of the plan to reflect some of the comments received. Based on the public comments, we are not recommending changes to the proposed funding levels, but we may have minor funding adjustments that we will present at the committee meeting.

No Board action is required today, but any additional changes that may be suggested by members of the Board will be incorporated into the final draft of the 2017 Affordable Housing Plan that will be presented for adoption to the Board at its regular meeting on September 22, 2016.

Fiscal Impact:

None.

Meeting Agency Priorities:

- Address Specific and Critical Local Housing Needs
- Finance Housing Responsive to Minnesota's Changing Demographics
- Preserve Housing with Federal Project-Based Rent Assistance
- Prevent and End Homelessness
- Reduce Minnesota's Racial and Ethnicity Homeownership Disparity

Attachment(s):

- Summary of Public Comments Received
- Copy of Full Public Comments

2017 Draft Affordable Housing Plan

Public Comments

September 7, 2016

The public comment period ran from August 18 to September 1, 2016. We received 11 comments:

- Minnesota Housing Partnership (MHP)
- Duluth Local Initiatives Support Corporation (LISC)
- J L Pope Associates (Pope)
- Project for Pride in Living (PPL)
- Dominionium
- Catholic Charities (CC)
- Minnesota Coalition for the Homeless (MCH)
- Metropolitan Interfaith Council on Affordable Housing (MICAHA)
- Tri-County Community Action (TCC)
- Mankato and Blue Earth County EDAs (EDAs)
- Alison – a recipient of a housing voucher

Overall, the comments were very favorable and supportive. In particular, the comments expressed strong support for several initiatives outlined in the plan:

- Forward committing \$6 million under the Economic Development and Housing / Challenge program (MHP, LISC)
- Using HOME funds for new construction (MHP)
- Streamlining and simplifying the Qualified Allocation Plan (MHP)
- Continuing our commitment to equity and addressing disparities (MHP, LISC, CC, MCH)
- Addressing Minnesota's changing demographics (CC, MCH)
- Creating the pilot program for the landlord risk mitigation fund and providing guidance on tenant screening practices (CC, MICAHA)
- Continuing our commitment to targeted outreach and capacity building (MHP)

The commenters also provided suggestions for changes, which we have listed below. We provide a brief response after each suggestion. The AHP is intended to highlight key strategies and examples of initiatives that we will pursue in 2017. It is not intended to discuss every activity that we will carry out during the year. Thus, some of the suggestions call for activities that we will carry out during the year but did not highlight in the plan.

We summarized the suggested changes for your consideration. The focus of this document on the suggested changes should not overshadow the overall positive feedback that we received in the comments.

Overall Priorities and Funding

1. **Make “substantially increase the supply of affordable housing in Minnesota” a strategic priority for the Agency.** (Dominium, LISC)

“Increasing the supply of affordable housing in Minnesota” is fundamental to our vision and mission and it does not need to be called out as a standalone priority – it is imbedded in our work. In pursuing this goal, we recognize that it is more cost-effective to preserve an existing unit that would otherwise be lost than develop a new unit. Therefore, preserving existing units, particularly those with federal rent assistance, is a strategic priority. We recognize that the exact balance of new construction versus preservation needs to shift with market conditions. When vacancy rates are low, as they are now, we should shift the focus toward new construction, which we have done in recent years:

- 2015 – 22% of financed rental units are new construction¹
- 2016 – 34%
- 2017 – 45% (current projection for planning purposes)

2. **Re-align the resource increases in the 2017 AHP away from homeownership to rental. Homeownership is receiving an \$80 million increase while rental production is receiving a \$2 million reduction.** (PPL)

Comparing resource increases for homeownership and rental program can be misleading.

- *The dollar amount for our homeownership activity is largely driven by the market and demand, and it is not as limited by resource constraints as rental activity. Through various financing strategies, we can generally increase homeownership resources as demand increases.*
- *Increasing homeownership activity does not typically take resources away from multifamily programs.*
- *Moving people who are renting affordable housing into homeownership frees up affordable units, which complements creating new rental units.*

We had hoped to increase funding for rental housing by \$90 million with the Governor’s recommendation for the 2016 bonding bill, but the session ended without a bonding bill so resources are constrained for this AHP.

3. **Focus on advocating for and securing additional resources.** (Pope, MCH)

Our 2016-19 Strategic Plan specifically identifies as one of our core strategies that we will “Lead, Collaborate and Take Action on Critical Housing Issues”. This includes pursuing federal and state appropriations and proceeds from Housing Infrastructure Bonds and General Obligations Bonds and advocating for the continuation and strengthening of federal tax credit programs. The

¹ This includes all our rental production programs – not only those administered through the Consolidated RFP, but also, the Publicly-Owned Housing Program, Rental Rehabilitation Deferred Loan program, and Asset Management.

Governor recommended \$90 million for housing in the 2016 bonding bill, but unfortunately, the session ended without a bonding bill. If a bonding bill is proposed in the 2017 legislative session, we will again pursue funding. We also look for opportunities to leverage our resources by bringing in other funding for affordable housing. Our seed capital in Habitat for Humanity Twin Cities' new lending pool is an example and is discussed in the AHP.

- 4. With tax-exempt bonding authority becoming scarce, focus it on multifamily developments so that they can access 4% housing tax credits, and allow these developments to charge up to a 25% development and construction fee, which would increase the available tax credit equity. Provisions can be added to ensure that developers are not unduly enriched by this higher fee. For example, Tennessee limits the amount of fee that can be paid from capital resources. (Dominium)**

Bonding authority has once again become a scarce resource, and we will have to make some tough decisions and balance competing priorities. We acknowledge the benefit that bonding authority for rental housing brings by making it eligible for 4% housing tax credits. This benefit will be incorporated into the decisions we will make.

We have concerns about a higher developer fee. For it to be a viable and effective option, it could only apply to 4% tax credit projects, and we would need assurances that the additional equity would go to the project, not the developer. Specifically, we would need to explore potential safeguards, including the one used by Tennessee and highlighted by the commenter. There is a significant downside to this approach. The higher fees and costs will increase the amount of tax-exempt bonding authority that a project will require. (To qualify for 4% credits, tax-exempt bonding authority must cover 50% of the development's eligible costs.) We have to allocate bonding authority as efficiently as possible.

Senior Housing

- 5. Fund senior housing, including it being a priority use of 4% credits. (MHP, LISC, Dominium)**

Right now, the leading edge of the Baby Boom generation is just reaching age 70, and most are still age 60 or younger. Most seniors, including those with extremely low-incomes, are homeowners, and most seniors remain homeowners through age 85. As a result, our current focus is supporting low-income seniors as they age in place. Wilder Research is just finishing an assessment of the home rehabilitation needs of Minnesota seniors with incomes under \$20,600. We will use this information to guide future strategies.

Nevertheless, as Baby Boomers get older, cannot live independently, and need rental housing with services, the state will face this growing need. In January 2016, we announced a pilot program seeking proposals for a senior rental development with a services component as part of the 2017 AHP and several proposals are currently under review.

For clarity, we will add a short senior housing discussion to the looking ahead section of the AHP.

6. **Support projects such as New Brighton's Next Door Housing, which allows elders to place small, all season, independent living units in the yards of their children. Current zoning and financing options often prohibit such unique solutions. (TCC)**

Addressing senior housing needs will require innovative, creative, new programs. We agree that accessory dwelling units may potentially play a key role in an overall senior housing strategy. While local zoning restrictions are outside our control, we are happy to discuss strategies for addressing financing barriers.

Homelessness

7. **Use HOME funds to provide tenant-based rent assistance for transitional programs to fill the gap created by HUD limiting and/or defunding shelters and transitional housing programs. (MICAH)**

Since the HUD announced this policy direction in 2012, the transitional housing portfolio in Minnesota has become more stable, and the issue is less significant than a few years ago. Also, using HOME funds for rent assistance presents some administrative burdens that prevent it from being an effective use of the resource.

8. **Address the issue of people staying in supportive housing and not progressing out. (MICAH)**

We are currently funding a pilot (Step Down) which has the goal of transitioning people who had been long-term homeless and are living in supportive housing but no longer need this level of services into other affordable housing options, which will free up the supportive housing for other individuals and families who need it.

9. **Increase funding for the Family Homeless Prevention and Assistance Program. (MICAH)**

As with most programs, the demand and need for FHPAP exceeds the available resources. Periodically, program administrators have to turn families away because funds have run out. The Interagency Council on Homelessness is supporting efforts to target mainstream resources from all state agencies to assist households that are at risk of homelessness. Over time, this should take pressure off of resources like FHPAP that are addressing emergency situations.

10. **Address the costs of the Homeless Management Information System (HMIS). (MICAH)**

HMIS is federally mandated and the responsibility of the local Continuums of Care (which are homeless planning consortiums throughout the State). In June 2016, Minnesota's Continuums of Care switched administrators for Minnesota's HMIS from Wilder Research to the Institute for Community Alliances. We are hopeful that this change will improve the performance of the system.

Barriers to Accessing Rental Housing

11. **When addressing barriers to affordable rental housing, also address the issues of evictions and landlords refusing to rent to people with Housing Choice Vouchers. Also, new Americans do not have rental histories and face unique housing challenges and barriers.** (CC)

We agree that these are significant barriers that need to be addressed. The discussion of removing barriers in the draft AHP is intended to highlight a few key initiatives the Agency will pursue and not provide an exhaustive list.

12. **Minnesota Housing's programs are making it difficult for people to use housing vouchers in the areas that they want to live by allowing landlords to not rent to voucher holders.** (Alison)

When a rental property has received financing assistance from Minnesota Housing, we require the owner to accept Housing Choice Vouchers and other rental assistance. If it is a private owner that did not receive financing from us, there is no requirement under state law that they accept Housing Choice Vouchers.

Multifamily First Mortgages

13. **Improve first mortgage lending for rental housing – provide as low an interest rate as possible, technical assistance (from production and asset management staff), and efficient and quick processing.** (Pope)

We are continually refining our first mortgage programs to provide the best executions possible in the market. Staff continues to provide excellent customer service and strives to improve the speed and quality of the application, underwriting, and closing process.

14. **The private market is doing a good job with first-mortgage lending for rental housing. Rather trying to increase overall first-mortgaging lending by the Agency, focus on underserved niches.** (Dominium)

Our goal is to provide products not available in the private market for affordable housing, or to provide them on better terms to enhance the supply of affordable housing. If there are underserved niches, these are areas that we would like to serve.

15. **Improve productivity of multifamily loan processing. By the commenter's count of information in the program descriptions found in Appendix B of the AHP, Minnesota Housing only closed 11 multifamily loans in 2015.** (PPL)

The 11 loan count missed four key programs – Economic Development and Housing / Challenge (15 loans), Public-Owned Housing Program (3 loans), Rental Rehabilitation Deferred Loans (27 loans), and Asset Management (2 loans). In total, we closed 58 multifamily loans in 2015.

We already have a process redesign underway (the Remodel Project) with the goal of streamlining the process that proposed developments go through from project concept and application through selection, closing, and lease up. Even though the redesign is not yet complete, we have achieved some early positive results. For example, between 2013 and 2014, the percentage of developments that closed their loans within 12 months of being selected for funding increased from 12% to 25%. While it is too early to report 2015 results, we expect another significant improvement.

Homeownership

16. Increase funding for the Enhanced Homeownership Capacity Initiative. (MICAH)

This pilot is proving to be successful, and we requested state appropriations to support this program along with the Agency funds that we have already allocated to it. The request was included in the Governor's 2016 Supplemental budget but was not included in the final bill. The 2016 Legislature did fund a program similar to the Enhanced Homeownership Capacity Initiative with funds specified for Build Wealth – an organization that has been a participant in the Homeownership Capacity program since its inception – thus, effectively increasing funding for this type of activity in 2017.

17. Support smaller multicultural organizations. (The commenter specifically identifies homeownership programs and expressed concern “that only 50% [of participants] are completing this program” in reference to the Homeownership Center.) (MICAH)

We are pursuing this strategy. As described in the draft 2017 AHP, a central component of our Develop Effective Partnerships strategy is seeking out and supporting “organizations that connect with and serve particular cultural and ethnic groups”.

To clarify, the 50% cited by the commenter pertains to the share of Homeownership Education, Counseling & Training (HECAT) clients that participated in classroom courses, not the completion rate. The other 50% of HECAT clients participated in one-on-one pre-purchase counseling or foreclosure counseling.

Abandoned and Foreclosed Homes

18. Reclaim foreclosed homes. (MICAH)

Even though the foreclosure crisis has substantially subsided, many communities still have abandoned properties and vacant lots. We continue to fund acquisition/rehabilitation/resale of foreclosed homes and new construction in these communities through our Community Homeownership Impact Fund, which is funded through the Economic Development and Housing

/ Challenge program. In communities like North Minneapolis, program administrators devote a large share of program resources to this activity.

Manufactured Home Parks

19. Preserve manufactured home parks. (MHP)

There has been an increase in potential park closures this year, and we are evaluating our overall strategy regarding manufactured home parks. We will continue our conversations with stakeholders about the options for preserving this affordable housing.

Interagency Collaboration

20. Examine the connections between housing, jobs, education, and health and create a plan to partner with the Departments of Human Services, Employment and Economic Development, Education, and Corrections to collaborate, coordinate, and support people experiencing poverty, homelessness, unemployment, and other barriers to stability and prosperity. (CC, MCH)

Through interagency collaborations (including the Interagency Council on Homelessness, the Olmstead Subcabinet, and the World's Best Workforce) we are increasing our coordination with other state agencies and are always looking for additional ways to effectively serve low- and moderate-income Minnesotans. The importance of this type of collaboration is highlighted by Hennepin County's Stable Families Initiative that addressed families who repeatedly use emergency shelters. Participating families received rent assistance, employment services, and other supports, which resulted in positive outcomes that included increased income and reduced shelter use.² We are a funder of this and other pilots, including rent assistance for people transitioning out of correctional facilities and for homeless and highly-mobile students.

In the Develop Effective Partnership section of the AHP, we will add a discussion that highlights the importance of this type of cross-agency collaboration.

Other

21. Change the "Looking Ahead" section to "Acting Now". (MHP)

The title of this section is not intended to dismiss the urgency of the identified issues. We are actively assessing these issues right now, but we need to refine our thinking before laying out a precise action plan.

22. Address high construction and development costs. (LISC, MCH)

We are committed to finding ways to address high construction and development costs. We outline our cost containment strategy in our Annual Cost Containment report. We will present the 2016 report to the Board at its September meeting. On an ongoing basis, we regularly evaluate and refine our overall strategy.

² Hennepin County Center for Innovation and Excellence and Heading Home Hennepin, *Stable Families Initiative: Evaluation Report of Pilot Program*, April 2016, pp. 1-2.

2017 Draft Affordable Housing Plan
Public Comments
September 7, 2016

The public comment period ran from August 18 to September 1, 2016. We received 11 comments:

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Comments on Minnesota Housing Draft 2017 AHP

Below are comments submitted on behalf of Minnesota Housing Partnership.

Chip Halbach, September 1, 2016

In general, MHP appreciates the clarity in Minnesota Housing's proposals for use of funds and the rationale behind its selection of priorities. Even without a bonding commitment coming from the legislature, Minnesota Housing has developed strategies to maintain a strong funding program for needed rental housing development. With the 2017 plan, Minnesota Housing has also given much more attention to addressing racial disparities comprehensively. In our comments below we endorse these initiatives and suggest additional steps the Agency should take during the coming year.

MHP views the following components of the draft 2017 AHP as particularly important.

- Forward committing \$6 million in Challenge program funds for rental housing. In light of the tight rental markets facing many communities and the legislature's failure to provide bonding funds for housing, the Agency is making the right move. And we'll work with the Agency to get bonding funds passed in the 2017 legislature so that 2018 production is not diminished by this forward commitment.
- Use of HOME for rental development. As with the Challenge funds, the Agency is expecting to use HOME funds for rental housing new construction; this is a welcome new use of the federal housing funds.
- Commitment to streamline QAP, making it clearer and more transparent, with simpler and more straightforward selection criteria. This effort is important for developers who struggle with the current complexity of the QAP. One caveat, because of the power of the QAP to shape projects, this effort could lead to all developments being structured identically. The state's communities face diverse needs and the QAP should enable developers to meet a singular need and not require some of everything in all projects.
- A commitment to equity. This worthy commitment appears in a number of places in the draft AHP. The statement that historically underrepresented groups will be seen as partners and leaders in the Agency's work is an important principle for the Agency to adopt. This partnership will be needed as the Agency develops rules for and monitors contracting and hiring, tenant screening, and marketing, and puts equity criteria in decision making for service delivery. In addition to the underrepresented groups it is also important that the Agency work closely with the housing industry so that new rules and standards do not unnecessarily undermine the gains in community acceptance of affordable housing that have been made over the years. (A related point: We appreciate the Agency's statement that racial disparity in housing is not just an issue related to homeownership but also is connected to rates of homelessness and lack of housing stability.)
- Commitment to target outreach and capacity building resources to communities where programs appear to be reaching far fewer people than that the need suggests. MHP agrees that areas of the

state are underserved due to the lack of developer capacity, and looks forward to continued work with the Agency in addressing these gaps.

Below are areas in which the AHP can be strengthened.

- Fund housing for seniors. The need section of the report calls attention to the rapidly growing senior population and how some significant portion of that population will for decades to come require more affordable housing. But the action section of the AHP did not pick up on this need, though it should have – and can in the bonding commitment called for below.
- “Looking Ahead” should be “Acting Now.” The bullet points under this section do not refer to “issues that may require our attention in the future,” they are current problems where a commitment to action is needed. A decision allocating tax exempt bonding for rental housing (with 4% tax credits) needs to be made so developers can make the required early commitments of time and money to their projects with some assurance of funding availability. These 4% tax credit projects are particularly important to increase competition for moderate income renters and thereby reduce some of the investment attractiveness to acquiring and upscaling existing rental housing. Likewise, strategies need to be put in place this year to protect manufactured homeowners in parks at risk of redevelopment and in addressing repair needs of single family rental homes.
- Need for a public education commitment

While the draft AHP states that the Agency will be “bolder, creative, and collaborative,” its set of action steps misses an area where these attributes are most needed. This is in building public understanding and support for efforts to address the state’s most pressing housing needs.

Such a commitment would fit well in the section Remove Barriers through Innovation and Creativity. Here the Agency speaks to strategies to overcome barriers to individuals and families accessing affordable housing in communities of their choice. Certainly the proposed actions related to new tenant selection guidelines, marketing plans, and a risk mitigation fund will help. But the primary barrier to accessing affordable housing is the inadequate level of funding needed to create such housing. That will only change if there is a public will for this to happen and the Agency can do much more than it is now doing to create that body of support.

One recent example of the Agency not seizing the opportunity to be bold, creative and collaborative is its decision to not contribute to a planned public TV documentary on affordable housing. This is being supported by the Met Council, Family Housing Fund, GMHF and McKnight Foundation, and is a similar undertaking to a program the Agency did contribute to nearly a decade ago. Now, the Agency, with all of its financial strength, is stating that it does not have any budget capacity to contribute to this program.

This public TV program is referenced here as an example of what the Agency could be doing in public education. The main point and recommendation is that Minnesota Housing commit some level of resources to helping the public understand the housing issues facing Minnesota and to promote the idea that there is a value to all in helping everyone have a decent home. There should be a budget for the type of activity represented by the public TV program. Public education should be part of the Agency’s commitment to action in the 2017 AHP.

Duluth LISC Comments to Minnesota Housing on the 2017 Affordable Housing Plan

Thank you for the opportunity to comment on the 2017 Affordable Housing Plan and for the excellent work that the Agency did in promoting the Plan. The Webinar hosted by MN Housing, along with the wide distribution of extensive materials from that session was very helpful. We also want to thank the Minnesota Housing Partnership for their outreach and information sharing to statewide housing developers and technical assistance providers on the Plan.

Summary – 2017 at a Glance

Overall, we were very impressed with the Plan and especially appreciate the focus on leveraging added resources, working with effective cross sector partnerships, embracing flexibility and innovation, and making a commitment to providing equitable access to programs and opportunities. The Plan clearly highlights the Agency's commitment to equitable access and addressing the needs of the state's most vulnerable populations. It is encouraging to see the examples throughout the document which identify the need to remove systemic and institutional barriers to access to affordable housing that those experiencing homelessness, people of color and Native Americans and others with limited resources face to obtaining affordable housing.

We are especially pleased to see the forward commitment of a portion of the Economic Development and Housing/Challenge grant program funds in light of the extensive needs to add to the supply or quality, affordable rental housing statewide.

Chapter 1- the Need and Strategic Priorities

We appreciate how well both the need for more affordable housing and addressing and responding to growing diversity in our state is illustrated in the Plan. And, we support and endorse the comments submitted by Dominion Development calling for an added strategic priority to "Substantially increase the supply of affordable housing in Minnesota". We understand that this will require substantial added resources to meet this. However, the Plan, and the very real economic and social impact of the shortage of affordable housing statewide, builds a strong case for the need to add this as a strategic priority. We believe that with Minnesota Housing as the lead, working with its broad network of lenders, developers, businesses, advocates and community partners, securing added resources to create additional affordable housing is possible.

Pages 2-3 and 7—

As a technical assistance provider to the Greater Duluth area, the Plan highlighted several programs that Duluth LISC would be interested in working with Minnesota Housing to explore their use in the Greater Duluth area. This might be the case for those in other areas of the state. For example- successful models like Habitat for Humanity and the Bridge to Success program could be looked at to address Duluth's aging housing stock and access to homeownership by underserved populations. Minnesota Housing's plan to redesign the QAP process might also provide an opportunity for expanded discussion and training on the use of 4% tax credits as a tool to increase investment in affordable rental housing. Several helpful suggestions were included in the comments submitted by Dominion which might increase the ability to expand the use and impact of 4% credits and address Minnesota's housing shortage.

As we look at the approach and the need to make the best use of scarce resources, Duluth LISC and would encourage a study of how to address higher than expected construction costs in Greater MN as barriers to meeting local housing needs. This is causing a disproportionate impact on the ability to support new affordable and mixed income housing and address critical housing preservation needs.

Our Approach-

Under Be Flexible and Responsive on pages 8 and 9- Duluth LISC appreciated the reference to creating and making changes to the Rental Rehab Deferred Loan Program. This program is a much needed tool for communities with an aging housing stock and has been especially helpful in our neighborhood revitalization efforts and work to reduce blight and preserve small rental properties. This is an area we would encourage the agency and others to view as a part of their Naturally Occurring Affordable Housing (NOAH) efforts and strategies in 2017 and beyond.

On pages 9-11, Provide Equitable Access to Programs and Opportunities, We strongly support the four recommendations listed under Our Commitment to action as critically important steps to take and look forward to partnering with you in these efforts.

Looking Ahead—

The recommendations in this section of the Plan are excellent and much needed. One added area to consider, is the need to address the aging of our population and affordable housing in 2017 and beyond. One possible step could be opening up access to tax exempt bonds prior to August for senior housing development. With the shortage of housing resources currently available and the growing demand for affordable housing for seniors as our population ages, we would encourage the Plan's Looking Ahead section to also include continued dialogue, study and development of senior housing options.

Patterson, John (MHFA)

Subject: FW: Comments on 2017 Affordable Housing Plan

From: Janet Pope
Sent: Thursday, September 01, 2016 3:35 PM
To: *MHFA_MN Housing
Subject: Comments on 2017 Affordable Housing Plan

Minnesota Housing,

Thank you for all the good work you do to promote housing opportunities across the state.

Overall comment:

As the need for safe, secure, affordable housing far outstrips the supply, focus more on securing additional resources both by working directly for additional resources and by educating public officials, candidates and the electorate about the need.

I recommend listing housing advocacy – funding and awareness of at the need for a safe stable home for all - as one of your primary goals.

Along with getting the most out of scarce resources (of course), developing effective partnerships (more and better technical assistance would be helpful here) and being innovative and creative (yes!)—**actively work to direct societal/community resources to stable, affordable housing, the basis for strong families, strong communities, resourceful individuals and a strong economy.**

On rental production – in addition to the LIHTC program:

Mortgage lending for rental housing – leverage the Agency’s FFB program approval status to strengthen the Agency’s LMIR lending program with as low an interest rate as possible, technical assistance that is expert, focused and coordinated among production and asset management staff; and processing that happens quickly and efficiently.

Unfortunately, for a variety of reasons, the Agency working as a MAP lender has been a difficult assignment to make work effectively.

Thank you for your consideration.

Janet L. Pope / JLPope Associates

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Comments from Barb McCormick (Project for Pride in Living) on 2017 Affordable Housing Plan from Minnesota Housing Finance Agency

The statement of Need, Chapter 1, does an eloquent job of describing disparities in both homeownership rates and in the homeless population for persons of color and the white population. What is missing is a view of need by income group.

What is surprising in the Plan, given needs, is the dramatic increase in funding for Homebuyer Financing and Home Refinancing (\$80,500,000 more in 2017 than 2016). Acknowledging that we all need to do more to overcome homeownership disparities, we see the population that this increase in funding will primarily serve will have incomes of 60% of AMI and over.

For the renter and homeless populations (with incomes less than 60% AMI), whose needs would be more acute than the home-buying population, the overall dollars available for Rental Production drop by \$2,199,971. (These figures are taken from the chart on p. 14.) Though Non-Capital Resources to Prevent and End Homelessness increase by \$3,221,582, we know that Rental and Operating Assistance do little good if housing units are not available.

There seems to be a serious mis-alignment of program funding and need.

Productivity is another topic to consider. By my count of multi-family loans closed in the Program Descriptions of Appendix B, there were 11 multi-family loans closed between October 2014 and September 2015. It would be useful to compare this to the staffing commercial lenders would require to close eleven loans. (Understanding that commercial lenders do not spend two and a half months evaluating Proposals, I recognize that the jobs are not directly comparable. Nonetheless, it might be appropriate for the 2017 plan to include a goal related to staff productivity.)

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Dominium Comments to 2017 Affordable Housing Plan

1. Chapter 1 – The Need

On page 4, the first sub-heading reads, “**Minnesota Needs More Affordable Housing.**” And then this section goes on to outline how inflation adjusted incomes have gone down, rents and median home prices have gone up, and the limited supply of housing will continue to drive housing costs even higher. We agree with every point in this section, and believe there is wide-spread support for this view.

We believe this well-documented need calls for the addition of more affordable housing supply as an important strategic priority that should be added to the plan.

2. **On page 4**, the final bullet point states the following, “The number of Minnesotans age 65 or older is expected to nearly double in the next 25 years. Incomes of seniors’ decline as they age, increasing demand for affordable housing.” Again, the “greying” of America is well documented, and we agree with this assessment. And the strategic plan further states as one of its strategic priorities, “Finance housing responsive to Minnesota’s changing demographics.” We think this priority should include the provision of affordable senior housing. Currently, Minnesota’s method of allocating tax-exempt bonds and 4% tax credits excludes the consideration of senior housing until August of each year. We think this exclusion unnecessarily limits affordable senior housing and should be eliminated.
3. **Strategic Priorities:** As stated earlier, we believe there should be a strategic priority, “Substantially increase the supply of affordable housing in Minnesota.”
4. **On page 6**, the first principal guiding the work of the 2017 plan is as follows, “Leverage strong financial management to get the most out of scarce resources.”

We agree with this principal, and would like to suggest a few ideas that would “get the most out of scarce resources.”

First, we operate in over 20 states, so we see a variety of approaches that have stretched resources. One such approach is in Tennessee (Texas and Florida also utilize a similar approach), where they have allowed multi-family developments that utilize tax-exempt bonds and 4% tax credits to charge up to a 25% development and construction fee (in Minnesota, the average tax-exempt bond deal charges approximately 10%). By allowing such a rule change, developers are able to receive additional tax credit equity to make projects feasible. On a 150-unit project in Minnesota with total development cost of approximately \$200,000/unit, an increased developer fee could add as much as \$1 million in capital sources to a project, which could make the difference between feasibility or not. To insure that developers are not unduly

enriched by this higher fee, Tennessee further limits the amount of this fee that can be paid from capital resources – we would further recommend that Minnesota Housing adopt such a stance.

Second, we would suggest that Minnesota Housing set-aside additional tax-exempt volume cap for additional multi-family affordable development. Based on current market conditions, a commitment of an additional \$100,000,000 of bond capacity to affordable rental housing development would generate \$55,000,000 of 4% tax credit equity and approximately 900 new units that otherwise would not be built in Minnesota. This additional supply would help address the affordable housing needs already outlined in the Housing Plan.

5. **On page 7**, Minnesota Housing talks of implementing a business plan to increase its capacity to provide first mortgage loans. We note in this context, that the private market already does this quite efficiently and effectively. We would suggest that Minnesota Housing concentrate on under-served niches.
6. **On page 12**, the first bullet point under the **“Looking Ahead”** category states that demand for bonding authority will likely exceed amounts available, which may require changing policies for how bonding requests are evaluated. We would suggest that any evaluation and/or regulation not add to costs nor detract from supply of additional affordable housing.



CATHOLIC CHARITIES
of St. Paul and Minneapolis

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St. Paul, MN 55107
651-647-2588
cctwincities.org

Commissioner Mary Tingerthal
Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
St. Paul, MN 55105-1998

August 31, 2017

Dear Commissioner Tingerthal:

Catholic Charities acknowledges and appreciates the hard work put into this draft 2017 Affordable Housing Plan (AHP) by all involved, and is grateful for the opportunity to participate in the formulation of the Plan through the public comment process. We especially applaud the Minnesota Housing Finance Agency's (MHFA) continued focus on preventing and ending homelessness. We hope that our feedback on the draft 2017 AHP is helpful to the development of a statewide plan that invests MHFA's scarce resources into the most effective and lasting use for the betterment of our state's most needy residents.

As you know, Catholic Charities of St. Paul and Minneapolis is the largest service provider in the Twin Cities to people experiencing poverty and homelessness. We offer an array of programs and services that together help meet people's basic needs while creating opportunities for stability and prosperity. As such, our perspective is that of our clients, those individuals and families struggling to cope with a broad spectrum of critical needs and barriers.

From this perspective, experience has taught us that we cannot serve our way out of poverty. Rather, we must work diligently to identify root causes of poverty and homelessness and work strategically to eradicate such barriers, while simultaneously addressing the urgent human needs of those most in need. With the goals of providing services, preventing homelessness, and creating pathways out of poverty, we offer the following input in response to the draft 2017 AHP.

First, as a crucial point of context, we must emphasize that affordability is a function of income. Affordable housing thus depends not only on the cost of housing, but also on the amount of income an individual or family has to spend on that housing. To maximize public investment, we must examine the connection between jobs and housing, and facilitate access to housing that is affordable to multiple income ranges.

To create and sustain the balance between the cost of housing and the amount of earnings available to pay that cost, we urge MHFA to include within this 2017 AHP a specific plan to partner with the Departments of Human Services and Employment and Economic Development to ensure effective collaboration and coordination among agency systems that interact with people experiencing poverty, homelessness, unemployment, and other barriers to stability and prosperity. As a direct service provider to people coping with poverty, we regularly hear from our staff about the consequences of decisions made by state- and county-run systems that do not coordinate with each other.

It is important that public policy work proactively to mitigate the “cliff effect” and other ways in which social safety net program requirements and restrictions conflict to prevent individuals and families with low incomes from accumulating wealth and thereby exiting poverty. In general, we urge the broadest thinking possible about the opportunities or barriers that directly influence the income-based component of what is considered affordable for housing. We believe there is great potential to leverage the Minnesota Interagency Council on Homelessness to focus on areas of collaboration that have the greatest impact on the lives of people in poverty.

We enthusiastically support and appreciate MHFA’s prioritization of reducing Minnesota’s racial and ethnic homeownership disparity. In particular, we applaud the action steps articulated on pages 10 through 12 to provide equitable access to programs and opportunity and to remove barriers through innovation and creativity.

However, we also urge prioritization of focus on the causes of these disparities and barriers. Our work with people experiencing homelessness tells us that the leading barrier to finding a place to live is the common practice of landlords refusing to rent to people with criminal records.

Criminal history is too often a proxy for race, given the overwhelming prevalence of racial disparities in policing and prosecuting crime. For example:

- The arrest rate per 100,000 people in Minnesota is 9.1 times higher for Black people than for White peopleⁱ;
- While Black people make up less than 6% of Minnesota's state population, they make up 34.6% of inmates in Minnesota prisons as of year-end 2014ⁱⁱ;
- Minnesota has one of the highest rates of racial disparity in the nation—12.4 times higher incarceration of Black people than White people. These rates for Minnesota are two and three times higher than the United States as a whole, making Minnesota one of the worst offenders of racial disparities in the criminal legal system.ⁱⁱⁱ

In Minneapolis alone, White people account for 64% of the population, and 23% of persons arrested in the City. By comparison, Black people comprise 19% of Minneapolis's population, yet are 59% of those arrested.^{iv} Even more troubling is that the great majority (64%) of arrests in Minneapolis are for low-level offenses like driving after revocation or without proof of insurance. Disproportionate arrest and conviction rates for people of color result in cumulatively more punitive consequences and enhanced sentences, which compound the staggering disparate rates of homelessness and poverty among people of color.

We commend MHFA's commitment to implementing the landlord risk mitigation fund pilot program authorized by the legislature in 2016. We also commend the specific plan stated on page 11 to "continue to provide guidance to rental property owners regarding overly restrictive tenant screening policies," which directly relates to our above concern regarding racial disparities in criminal justice involvement. In addition to the barrier of criminal history used by rental housing providers to screen out tenants are two equally pernicious barriers similarly used: use of eviction history and refusal to accept rental subsidies like Section 8 Housing Choice Vouchers as payment. We urge you to include removal of these barriers among your plans to guide landlords away from overly restrictive screening tactics and toward fair consideration of each and every household.

Additionally, Catholic Charities is greatly concerned about the particular challenges faced by New Americans who come to our communities as refugees fleeing unthinkable circumstances in their countries of origin. Refugees have no rental history yet may not meet the definition of long-term homelessness, and are often therefore without either the ability to rent in the private market, or the ability to qualify for most housing assistance programs. Refugees also may bring unique cultural traditions and practices that are not accommodated by traditional housing

providers, such as living with multiple generations of extended family members in the same household. For these reasons, we believe that a pilot program to specifically address housing instability among refugee populations bears great potential for helping mitigate the many challenges that may lead to eventual homelessness.

Finally, we appreciate the draft plan's acknowledgement on page 5 that "the number of Minnesotans age 65 or older is expected to nearly double in the next 25 years. Incomes of seniors decline as they age, increasing the demand for affordable housing." Indeed, Catholic Charities has seen a remarkable increase in the number of seniors among the people we serve, demonstrating that in fact the population shift forecasted in the draft plan is actually happening now. There is a current and growing need for housing and supportive services for our aging Minnesotans, and we look forward to the results of MHFA's Senior Rental Housing Pilot as it moves ahead in the coming months.

In closing, we thank you for consideration of our feedback, and hope our input is helpful to you as you finalize the 2017 AHP. We look forward to continued collaboration with you in the shared goal of creating better places for families and individuals to thrive.

Sincerely,



Director of Social Justice Advocacy
Catholic Charities of St. Paul and Minneapolis
(651) 647-2578

ⁱRichard S. Frase, "What Explains Persistent Racial Disproportionality in Minnesota's Prison and Jail Populations?" 38 *Crime & Justice* 201 (2009), Tables 1 and 2.

ⁱⁱhttp://www.doc.state.mn.us/PAGES/files/1114/2357/9915/Minnesota_Department_of_Corrections_Adult_Inmate_Profile_01-01-2015.pdf

ⁱⁱⁱFrase

^{iv}Perry L. Moriearty, "Robina In Conversation Series: Racial Disparities in the Criminal Justice System," June 7, 2016, presentation slides retrieved July 7 at <http://www.robinainstitute.org/events/racial-disparities-criminal-justice-system/>

Minnesota Coalition for the Homeless

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September 1, 2016

Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
St. Paul, MN 55101-1998

RE: Comments on MHFA's 2017 Draft Affordable Housing Plan

Commissioner Tingerthal and MHFA Board Members:

Thank you for the opportunity to provide input on MHFA's 2017 Draft Affordable Housing Plan. We appreciate yours' and the Agency's commitment to community engagement and involvement. Please take the following comments into consideration when finalizing the document. Along with our nearly 200 members, we look forward to partnering with you and to continued progress in 2017 and beyond.

Public-Private Partnerships

MCH appreciates MHFA partnerships with other state agencies as part of a larger emphasis on housing as a platform for success. There are logical connections in regard to housing to be made between various state agencies, as recognized in the Statewide Plan to Prevent and End Homelessness. Moreover, the recognition of housing as a platform for success applies to more than just individuals and households; it applies to state programs as well. When we prioritize stable housing for individuals and families when participating in various public programs, regardless of the agency administering the program, we ensure that we're maximizing the value of those programs. For example, Minnesota has invested over \$1 billion in E-12 education over the last few years. If we ensure that students' housing needs are met before they enter and after they leave the classroom, it better positions students for success while in the classroom, as well as a maximum return on our investment. Additionally, there is the potential to realize savings in other programs. MCH hopes that MHFA will continue to explore and promote the role housing plays in a variety of areas and agencies, including but not limited to: managing/reducing health care costs and coordinating care associated with chronic health conditions, helping individuals seek, gain, and maintain education and employment, ensuring the safety, stabilization and self sufficiency of victims of domestic violence and human trafficking, and reducing rates of incarceration/re-offense (and associated costs).

Acknowledging Demographic Realities

MCH is pleased to see Minnesota Housing's growing commitment to addressing racial disparities. Creating lasting solutions in affordable housing construction and preservation, along with homeownership, are central to reducing the impacts of disparities that exist in health, education, and economic outcomes. This starts with strong partnerships and investments in housing-related programs that can underpin other public programs that are most strained by these disparities. We look forward to pursuing efforts that will increase resources for rental assistance for homeless/highly-mobile students, as well as programs that will preserve and develop additional affordable units. Additionally, we will work to create strong partnerships with organizations from sectors that are supported by increased resources in housing, and we hope Minnesota Housing will continue to do the same within state government.

We are also excited to see Minnesota Housing's acknowledgement and understanding of our state's changing demographics. This continues to be a critical consideration in the work of MCH. These changes bring both challenges and opportunities statewide, and will require a thoughtful response in terms of housing solutions. MCH and our members are committed a continued partnership to meet the needs of a changing state.

Minnesota Coalition for the Homeless

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Housing Choice, Access, and Preservation

In addition to persistent challenges that have existed for decades in Minnesota's housing continuum, we now face several new ones that create additional pressure and further dilute already scarce resources. MCH appreciates emphasis on housing choice, access, and preservation especially in the context of mandates created by Olmsted, changes to sentencing practices, and the trend of "flipping" naturally-occurring affordable housing. These additional challenges are going to require significant new resources, greater flexibility in programming and requirements, new policy, and new partnerships. MCH looks forward to being a resource in meeting these challenges, and we hope Minnesota Housing will be open to partnering with local and state agencies as well.

Leveraging, Growing, and Redirecting Resources

MCH appreciates the commitment to leverage, grow and redirect resources, especially in light of a disappointing legislative session. We are glad for Minnesota Housing's commitment of its own resources to keep whole programs that were left unaddressed by legislative inaction. That said, MCH is exploring methods for significantly and permanently increasing resources into Minnesota's housing continuum. We hope that Minnesota Housing will be a partner in the development of and advocacy for such a plan.

We are also glad to see Minnesota Housing's willingness to redesign the QAP. We hope there might be an additional opportunity to continue to strengthen the process for applicants in Greater Minnesota, in order to account for the unique challenges and opportunities that exist in rural communities (land/zoning constraints, demographic realities, tenure choice, job markets, etc.).

Innovation

As the cost of preserving and developing affordable housing continues to rise, the need to identify and bring to scale new best practices to increase the supply of affordable housing becomes more critical. While MHFA does great work in making possible affordable rental and homeownership opportunities through a variety of programs, MCH would like to see the agency partner with developers and service providers to move to the forefront of housing innovation. Specifically, this program could promote the following priorities:

- *Demonstrate cost savings in materials and/or construction methods, without sacrificing quality*
- *Reduce the costs associated with property acquisition and/or preparation*
- *Identify methods of design that meet current needs while anticipating future needs*
- *Allow flexibility to make projects work in individual communities in greater MN and in the metro*
- *Reduce the costs of property management and supportive services for residents*
- *Reduce the costs associated with operation (energy, maintenance, future renovations)*

Dan Kitzberger
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September 1, 2016

Thank you for the opportunity to comment on Minnesota Housing Finance Agency's DRAFT 2017 Affordable Housing Plan.

MICAH's Board and Staff appreciate your format and providing a summary of 2017 plan, changes from previous plan and program by program description. We also appreciate you conducting a webinar to provide an overview of the plan.

1. We appreciate the excellent work you do in coordinating your resources with State and Federal appropriations and resources. We continue to request greater transparency in use of all our resources being managed by MHFA.

2. We are very concerned about the increasing number of people paying more than 30% of their income for housing and the undercount and misrepresentation of all people experiencing homelessness by the Point in Time Count and HMIS.

3. Home ownership: We are pleased to see the continual focus by MHFA in addressing the disparity in homeownership and your support for appropriations in the last session. The funding of the Enhanced Homeownership Capacity Initiative – community based organizations that are representative of the culture they are serving to provide long term homeownership training is critical for more of our people to become homeowners. We support an even more significant increase to Enhanced Homeownership Capacity Initiative and/or HOME Law, It is critical to address the issues in the Targeted Mortgage Opportunity Program since our current First Time Home Buyer loans ,while doing better, is not making a significant change in our disparity.

To address the other Home Ownership programs having limited reach into our diverse communities we need legislation and funding of smaller multi-cultural organizations who never get legislative funds (and MHFA funds) because they're still competing with larger mainstream organizations. The communities they serve remain underserved and unserved as a result. We encourage that the expansion of Habitat's work includes these organizations.

The Home Ownership Center. We are concerned that only 50% are completing the program. Are the statistics provided based on everyone enrolled or those that completed the program? We are pleased to see they will incorporate the strategies from the Enhanced Homeownership capacity Initiative. We do not believe they are

qualified to replace any of the efforts in the Enhanced Homeownership capacity Initiative.

4. Rental Housing

MICAH is very concerned about our Rental Units now often called Naturally Occurring Affordable Housing Units (NOAH). We are pleased to see the State making some efforts to use some resources to limit the loss to conversion to a higher market rate- this will limit the further reduction our affordable housing stock. We encourage you to support Cities changing their rental licensing laws to require owners that rehab or redevelopment existing housing to keep current tenants including those on Section 8/Housing Choice Vouchers and other subsidies such as HTF, GRH, Bridges, so we do not have a wave of new people experiencing homelessness.

Senior Rental Housing:

MICAH supports a change in the bonding bill that allows for senior rental housing.

MICAH also encourages MHFA to reinstate the Share A Home Program. A new approach with some matches could potentially develop a reverse mortgage opportunity so when the senior passes or moves into other housing the individual or family sharing the home is already paying the mortgage.

5. Capacity Building: It appear MHFA continues to fund the same organizations with these resources. These funds should be focused on funding smaller multi-cultural organizations who never get legislative funds (and MHFA funds) because they're still competing with larger mainstream organizations. The communities they serve remain underserved and unserved as a result.

6. MICAH is very concerned about HUD's direction of limiting and/or de- funding shelters and transitional housing programs. We encourage the State to use maximum allowed for Emergency Shelters and utilize HOME TBRA to assist in rent subsidies for transitional programs not funded in last CoC funding cycle. We need a strong Continuum to Housing which includes Prevention, Outreach, Shelters, Rapid Re-Housing, Transitional Housing, Supportive Housing with transition plans to Permanent affordable Housing(Subsidized and unsubsidized). MICAH would like to see state allow HOME funds to be utilized for Tenant Based Rent Subsidies (HOME-TBRA) we believe 10% of State allocation of HOME funds utilized for rent subsidies would assist people to afford rents now.

7. MICAH is very concerned about the State's continual investment into Supportive Housing when there is no expectation on State funding side for people to make progress/set goals, etc. We are please HUD has some expectations. Neither the State nor HUD have a clear plan how to transition people from supportive housing into other permanent housing. Thus we have same people living in permanent supportive housing who have been using HUD's Homeless Supportive Housing funding for 10-15 years instead of people currently experiencing homeless having access to these units. We are also very concerned about the additional funds the State puts into Supportive Housing Units- including Long Term Housing Trust Funds, LIHTC, DHS Supportive Housing Service funding. We request the State itemize the costs of each person/family unit in housing and current length of stay and percentage of successful transition to permanent housing from these programs.

8. MICAH continues to be very concerned about the cost of funding HMIS and requests an audit of all costs of HMIS- by each State agency, staff time, resources in systems, and provider staff time and costs for systems. We are also concerned about data privacy of people experiencing homelessness and HMIS and other homeless regulations which may be barriers for people accessing homeless services.

9. MICAH supports having the landlord risk mitigation fund pilot quickly implemented as it has the potential to create housing opportunities for many in our communities. One of MICAH Board Members met a resident at Dakota Woodlands shelter who told her that "The poor are not going to have good credit scores".

10. Please describe the impact on real people, number of units not created, due to the lack of funding for affordable housing resources through a capital investment bill last session.

11. We support increase funding for FHPAP – to prevent more families of color from needing to go to shelters or exist in homelessness. MICAH Board Member reported she has heard people speak to deplorable conditions caused by the overcrowding at several Hennepin County emergency shelters and to urge MHFA to increase the means to alleviate this situation.

12. The plan should be expanded to include relocation costs and transition costs of people from metro area to other areas of state with available housing and job opportunities. There are jobs and lower cost housing/rentals that could offer more immediate

assistance and help to give families a fresh start outside of Twin Cities sooner. A plan that offers transition costs, counseling, and assistance in job/housing restart in out-state communities would be lifeline to those stuck in homeless cycle in the metro area. Without a plan and transition funding to support this concept, we seem to always look at long term approaches that will capture all. This hurts families.

13. The Leveraging of resources part of the plan should be expanded. Leveraging with other interests provides a better value on expenditures.

14. More effective reclamation of foreclosed homes (in addition to Habitat for Humanity).

Due to mortgage insurance, lending institutions are not incented to reclaim foreclosed homes so they stay vacant for periods of times while people remain homeless. Mechanisms should be put in place to reverse this trend and reclaim the house and have it add to the rental housing stock or first time home buyers.

This process should be so structured to avoid speculators flipping homes for big profits. Also safeguards to preserve erosion of affordable housing stock in cases of gentrification by profit-oriented development.

Thank you again for the opportunity to comment on your Draft 2017 Affordable Housing Plan.

Sincerely,

Sue Watlov Phillips

Sue Watlov Phillips, M.A.

Executive Director, MICAH

Patterson, John (MHFA)

Subject: FW: 2017 MHFA Affordable Housing Plan

From: Doug Jacobson
Sent: Monday, August 29, 2016 3:34 PM
To: *MHFA_MN Housing
Subject: 2017 MHFA Affordable Housing Plan

Dear Sirs/Madame:

I am writing in response to the call for comments on the 2017 MHFA Affordable Housing Plan.

With the huge trend towards more retirees in need of affordable housing in locations close to family caregivers, please examine how MHFA's policies can support such projects as New Brighton's Next Door Housing. This project allows elders to place small, all season, independent living units in the yards of their children. Current zoning and financing options often prohibit such unique solutions to very real problems.

Sincerely,

Douglas J. Jacobson MBA, MSW, NPLC
Executive Director
Tri-County Community *ACTION*, Inc.



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Patterson, John (MHFA)

Subject: FW: 2017 AHP Comments

From: Ziegler, Patti
Sent: Friday, August 26, 2016 10:25 AM
To: *MHFA_MN Housing
Subject: 2017 AHP Comments

Dear MN Housing,

I like your proposed housing plan. Many of us have worked hard to move large emerging market families into homeownership; a difficult process. By funding Habitat of MN with funds to reach these families, you are providing an interest free and affordable way to best house these families. The Mankato and Blue Earth County EDAs are excited at the prospect of referring our Homeownership Capacity program participants to H for H!

Patti Ziegler
Housing Coordinator
Mankato and Blue Earth County EDAs

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Patterson, John (MHFA)

Subject: FW: 2017 Affordable Housing Plan Draft

From: Alison
Sent: Friday, August 19, 2016 10:06 AM
To: *MHFA_MN Housing
Subject: 2017 Affordable Housing Plan Draft

Good Morning,

After a two year wait for housing rental subsidy I was awarded one this spring. When I went to the office of the landlord I have rented from for the past 11 years I was told they could not accept my voucher since they already had the maximum number allowed. When I first moved into my home I was on a housing voucher and I never even expected that I would not be able to be on one again. I was left with a choice. Look for another place to live in a market where VERY FEW places meet the rent restrictions or stay where I live and want to live and continue to be rent burdened. The limits of the MN Housing Programs are making it difficult for people to live in affordable housing in the area the want to live.

Please change this.

Alison

I am in earnest – I will not equivocate – I will not excuse – I will not retreat a single inch – AND I WILL BE HEARD.
William Lloyd Garrison