

Crookston Housing Dialogue Notes

May 27, 2015

Single Family Rehabilitation and New Construction

3 Themes

Mid-level housing gap \$100,000-\$200,000

Ability to see homes/move in quickly (new construction)

Knowledge gap

- Consumer – developer – cities/public sector/organizations
- Home Improvement funding
- Home buyer resources

3 Next Steps

Impact Fund application

Marketing/Communications Strategy – to public

Risk Sharing Model (Spec. homes)

Mid-Level Housing Gap

Low cost, high investment needed

High end housing

Additional housing units needed – workforce

Barrier: New construction costs

- Infrastructure cost reduction? Overwhelming

Deferred maintenance

- Previous flood restrictions
- Barriers to using small cities award
 - Contractor (license)
 - Paperwork
 - Limited target area – too small – hard to spend the money when area is too small
 - Proactively work with funders?

Gap in senior housing – own/rent, one level

Contractor shortage – workforce issue and other trades

Holding costs during development

What's Working	What's Not Working
Clear incentives in Crookston Proactive on infrastructure Low assessments	Population growth has consumed available stock
1-2 homes a year built by city (Crookston)	Limited models for new construction buyers to see/choose from
Communication between city and builders	Low lot inventory in right location
Thief River Falls Impact Fund project	Down payment/qualification barriers
Tax abatement for lifetime of assessment? (future)	Daunting for buyers
	5 years ago only 1 employer would partner Couldn't stack with tax abatement and other incentives
	Confusing to understand resources available
	TIF

Ideas

Housing fair
Risk sharing for spec. houses
GMHF match with employers
Highway 2 W Association – info sharing with employers
Impact Fund
USDA or DEED water and sewer funding

Continuum of Rental Housing Options

Lack of supportive housing

- Local needs assessment – C.O.C. homeless vs. disabled
 - C.O.C. too big of an area
- Need more education regarding supportive housing and LTH for local stakeholders – cities, owners, VA, etc.
- People doubled up – is that homeless?
- How to make formerly homeless better residents/reduce stigma in community
- Better connections between case manager and community resources – shelters, social services
- Can partner with service providers for Thief River
 - Need local capacity and employees

How to braid together various funding sources

Rental assistance for services

Vouchers available can become project based if building new units

Cash flow subsidizing services for LTH units

- Can reduce reserve requirements?
- Partnering with investors to reduce reserves

Need to house formerly incarcerated people and people with criminal records in subsidized housing

Workforce Housing

Davis Bacon – increasing (TDC) costs, wages too high

Tax credit income limits too low for manufacturing jobs

Thief River – lack of supply driving up rents

Digikey - \$16/hr wage, avg. \$12/hr

Market rents can't support cost of new development

Household with 2+ workers over income

Stuck market – low vacancy, low rents, old properties

- Rents not increasing, large gap between existing rents and new construction rents

Need to renovate older units, support sustainable rent increases

Manufactured home opportunity?

Themes

Education/awareness and supportive housing

Better coordination for services

Out of the box solutions for workforce housing , i.e. manufactured homes

- Reduce costs i.e. wages

Solutions

Education – housing advisory groups

- Community discussions
- Include all small towns

Manufactured housing/modular for workforce housing above tax credit limits, to reduce costs

Capacity building

- Relationships and connections