



Strategic Plan Listening Sessions

Summary of Notes

04/22/2023

From January through April of 2023, Minnesota Housing carried out over 20 virtual listening sessions with over 500 people from across the state about the housing needs in their community. The following is summary of the notes from those discussions. There is a lot here, but it shows the expanse and depth of the challenges that communities are facing. It is organized by the questions that we asked and then by the themes and issues that were identified under each question.

Questions:

- What are the biggest Housing Needs and Barriers in Your Community?
- What is Needed to Address the Needs and Barriers?
- What is Needed to Create a More Inclusive, Equitable and Just Housing System?

A precise count of the number of times an issue was identified was not done, but the notes provide a rough indication of how frequently an issue was mentioned: very frequently, frequently, or less than frequently. If the frequency is not mentioned, it was mentioned less frequently.

What Are the Biggest Housing Needs and Barriers in Your Community?

Cost and Availability

- Lack of available housing overall (across all types and price points) – **Very Frequently Mentioned**
 - Not enough housing is being built
 - People are not moving and freeing up supply
 - Low rental vacancy rates and not enough homes for sale
 - Limited overall supply of housing is driving up rents and home prices
- High cost of housing / Lack of affordable housing – **Very Frequently Mentioned**
 - Only a small portion of newly constructed housing is affordable
 - Not enough starter homes on the market
 - Extremely limited options for buyers with incomes in the 50% to 60% range of area median income (AMI) (which is \$40,000 to \$70,000 for a family of four)
 - Not enough lower-rent apartments (biggest need is apartments affordable to renters with incomes at or below 30% of AMI, which is \$25,000 to \$35,000 for a family of four) – **Frequently Mentioned**
 - Housing with rents affordable to households with incomes at 60% of AMI is not affordable to many working families; it is market-rate housing in many communities
 - Rapidly rising rents and home prices/interest rates are making the situation worse
 - Need to recognize psychological and emotional impact and stress of rapidly rising rents
 - Rent increases heavily impacts those on fixed incomes, such as seniors
- Rising cost of construction and rehabilitation/improvement – **Frequently Mentioned**
- Rising costs and expenses that property owners and managers face (insurance, property taxes, etc.)
- Shortage of rental assistance and landlords not accepting voucher (where renters only pay 30% of their income for housing) – **Very Frequently Mentioned**

- Current waiting lists are closed and/or years long
- Need to preserve and rehabilitate Minnesota’s older and aging housing stock – **Very Frequently Mentioned**
 - When people find affordable housing, it often has poor living conditions
 - Single-family homes that are affordable for homeownership often have significant repair and upgrade needs.
 - Some lead remediation projects are costing \$40K to \$70K per housing unit.
- Overall, there is an underinvestment in housing

Specific Types of Housing

- Lack of workforce housing (housing for people earning minimum wage to moderate incomes) – **Frequently Mentioned**
 - Market-rate rents in some communities are not high enough to cover the costs of developing new housing; as a result, there is no new rental units being built.
 - People are having to commute a long way to work because they can’t find affordable housing nearby.
 - Immigrant families are often living in overcrowded housing a significant distance from work
 - Limited or no housing affordable for the local workforce is limiting business and economic growth.
- More housing for older Minnesotans (age-friendly housing with the option of a service component being added/included) – **Very Frequently Mentioned**
 - Older Minnesotans need:
 - Access to transportation and community amenities (grocery stores, clinics, pharmacies, etc.);
 - In-home services to be an option, which can range from light-touch services (yard work, cleaning, laundry etc.) to significant (daily care);
 - Medical Assistance/Medicaid’s Elderly Waiver is available to fund these services, but it is limited and not available everywhere in the state.
 - In-home services in rural areas are particularly hard to provide.
 - Housing that is accessible and visitable for people with disabilities, including single-level homes;
 - Repairs and upgrades to their homes, which can range from simple improvements (e.g. installing grab bars) to major renovations that include moving to single-level living (e.g. laundry out of the basement) or addressing steep narrow staircases in older homes;
 - Viable and desirable housing options in their current communities, not requiring them to move, which is a challenge in rural communities:
 - To provide housing options in small towns and rural areas, you need 6-to-18 unit rental buildings, which aligns with the local market need;
 - Affordable housing options for people with fixed incomes and/or disabilities; and

- Culturally specific housing that meets the needs of an increasingly diverse population – such as, option for older Minnesotans can live with their extended families
 - We need to let older Minnesotans age in place; people talk about seniors not moving, which is tying up what would otherwise be good starter homes for first-time homebuyers, but seniors want to age in place, which creates tension in the community; aging in place is far more cost effective than assisted living.
 - Rising property taxes are an issue, particularly for older homeowners on fixed income.
 - Older Minnesotans don't know where to go for their housing needs and how to pay for it.
 - In some communities, there is no local planning regarding housing for the increasing number of older Minnesotans.
 - There are limited financing options for adding Accessory Dwelling Units (ADUs), which are separate housing units that are within or attached to a home or detached from the home but on the property.
 - Care givers (often the adult children) of older Minnesotans have limited options to retrofit their homes so that their parents can move in (eldercare facilities are not an option because it is too expensive)
 - Local zoning regulations may prevent ADUs and other higher density housing for older Minnesotans.
- Insufficient support for manufactured housing – **Frequently Mentioned**
 - Need to dispel myths about manufactured housing; it is not mobile, and it is viable, attractive and energy efficient
 - Manufactured housing is placed into a different, generally inferior, category of housing.
 - Manufactured homes are classified as chattel (personal property, rather than real estate), which limits access to resources and assistance, making it harder to get a loan to buy these homes and/or get funding to repair and improve them.
 - Zoning ordinances can impose limits on both the development of manufacture home communities as well as the placement of manufactured homes outside of those communities.
 - Rising lot rents are an issue.
 - There are conflicts between residents and investor-owners – such as, increases in rents and fees, reductions in services and maintenance, and shrinking opportunities for resident ownership.
 - Some park owners retaliate against community members who raise concerns about maintenance and rent increases.
 - Many communities have large infrastructure needs (water, sewers, roads, storm shelter, etc.).
 - The current program at Minnesota Housing that provides this type of assistance is oversubscribed.
 - Many manufactured homes need to be replaced (more than \$100,000 of rehabilitation/repair needs, when some of these homes are worth less than \$100,000).
- Insufficient supply of larger rental units for larger families and intergenerational households – **Frequently Mentioned**

- Lack of supportive housing (housing with services, typically for people experiencing and/or with a disability) – **Frequently Mentioned**
 - Not enough funding for the services
 - Not enough organizations providing the services, particularly in rural areas
 - Coordinated entry (a process for matching people experiencing homelessness with housing and/or homelessness services based on their needs) can be a barrier by being cumbersome, time consuming and ineffective
- Lack of shelter space for people experiencing homelessness – **Frequently Mentioned**
 - Some communities have no shelters.
- Lack of transitional housing for people experiencing homelessness

Specific Populations

- Addressing the homeownership rate disparity for households of color and Indigenous communities – **Very Frequently Mentioned**
 - The disparity of Black households is particularly egregious.
 - Black women earn 50 cents on the dollar.
 - Current credit system (credit scores) discriminates.
 - These historically-excluded households lack access to intergenerational wealth (assistance from family) to help with downpayment and closing costs.
 - Studies show that homes owned by people of color are systematically undervalued during appraisals, which strips equity from the owner.
 - Interrupt intergenerational poverty
- Finding housings for renters with imperfect histories – **Very Frequently Mentioned**
 - Evictions – **Very Frequently Mentioned**
 - Criminal records – **Very Frequently Mentioned**
 - Low credit scores or no credit
 - Poor landlord references
- Serving people experiencing homelessness – **Frequently Mentioned**
 - Have been isolated by society
 - Have a lot of systems to navigate
 - Need housing and service navigators
 - Serving people experiencing homelessness and having special needs (e.g. being deaf); some shelters won't take clients who are deaf
 - Serving extended/multi-generational families; shelters are not set up to serve them
 - Parents experiencing homelessness with their children need additional support
- Making housing accessibility for people with disabilities – **Frequently Mentioned**
 - Many people with disabilities are extremely low income.
 - People with disabilities and higher incomes can get by with “accessible-enough” units. Lower income people with disabilities don't have the resources to make those units work. They need truly accessible units.
 - Less than 1% of housing is wheelchair accessible, where a person can live independently, but a 1/3 of housing could be made accessible, but owners/managers of lower-rent units cannot afford to make them accessible; only 9% of households with a person with a physical disability live in accessible homes.

- 50% of accessible units are occupied by people who don't need the accessibility features.
- Getting property owners/managers to make accessibility improvement is like pulling teeth
- Need a more holistic understanding of what it means to be accessible.
 - Location and access to public transportation are critical (Metro Mobility doesn't cut it)
 - What does it actually feel like for people living there? Units tour should be required to be offered; people with disabilities need to test out the units.
- It is not just accessibility features, such as counter heights, wide doorways, roll in showers, and sensory devices (doorbells that flash), it also includes things like sound proofing. People who are hard of hearing play the TV and radio loud, and people with autism can be very sensitive to loud noises from other units.
- Addressing the needs of survivor of domestic violence
 - Need creative and permanent solutions for victims and survivors of domestic violence, such as cooperative housing and supportive housing.
- Addressing housing barriers faced by immigrants, asylum seekers, refugees— **Frequently Mentioned**
 - There is limited family housing for migrant workers.
 - Language barriers
 - May not have Social Security Numbers to get access to resources and assistance
- Addressing the multi-layered needs and barriers faced by the LGBTQIA+ community:
 - Non-discriminatory protections don't prevent implicit bias
 - Disproportionately represented among homeless youth
 - Intersectionality and magnification of multiple barriers; the compounding impact of being LGBTQIA+ (especially trans), BIPOC, having criminal records, etc.
 - May not be accepted in a community, including senior housing communities, which may have more conservative residents;
 - The LGBTQIA+ community members often want to live in cities, where they will more likely be with other community members and accepted, but cities are less affordable
 - Safety issues in shelters, apartment buildings and neighborhoods – don't feel safe
 - Don't have access to family support and help if estranged
 - In survival mode
- Serving single mothers with children

Homeownership

- Low credit scores or thin credit (insufficient information to provide a credit score) making a person ineligible for a home mortgage
- Insufficient savings for a downpayment
 - Many first-time homebuyers receive assistance from family and friends, but first-generation homebuyers, especially those from communities historically excluded, typically don't have access to intergenerational family wealth.

- Burden of other debts (especially student loans) can make prospective homebuyers ineligible for a home mortgage because their debt-to-income ratio is too high
- Insufficient supply of homes for sale – especially affordable
- High interest rates increasing the cost of buying a home – **Frequently Mentioned**
- Rising property taxes making homeownership more expensive
- Investment firms buying up homes that are affordable to first-time homebuyers and making them rental properties – **Frequently Mentioned**
 - Firms are buying homes with all cash, which is better for the seller and boxes out regular homebuyers, who will finance their home with a mortgage, from being able to buy the home.
- Needs and barriers in developing new homes or rehabilitating existing homes for ownership – **Frequently Mentioned**
 - Developers are not building affordable, smaller single-family homes
 - Large *value gaps* between what it costs to develop or rehabilitate homes and the price they will or sell for after the work is done
 - Large *affordability gaps* between the price a home will sell for and what people can afford
 - High cost of infrastructure improvements (water, sewer, roads, engineering, utility hookups, subsurface infiltration systems, etc.), especially for undeveloped land
 - Existence of wetlands increases costs
 - Too many government regulations and fees
 - Zoning regulations preventing affordable affordable housing from being build – such as large lot sizes and density restrictions
 - High cost of land and a lack of land available for development
 - Prevailing wage requirements adding labor costs
 - Infill development is expensive and has unique challenges
 - Environmental remediation costs associated with rehabilitation/replacement – e.g. lead and asbestos

Renting

- Rising rents
- Lack of interest from developers in creating affordable housing
 - They are looking to make money; affordable housing can be harder to make work
- Losing single-family rental homes to ownership
- Losing Naturally Occurring Affordable Housing (NOAH) – units that are affordable without government subsidy and income/rent restrictions and often older and lacking amenities – **Frequently Mentioned**
- Because of the eviction moratorium, more landlords are requiring double and triple rent deposits and higher credit scores (gotten a bit better in the last 6 months, but still long way to go)
- Large companies handling property management for private landlords, and they are implementing more strict screening criteria when selecting renter applications.
- Some property owners/managers are now charging “junk fees” for things that used to be included in the rent. All these fees really add up.

- Renters are forced out with threatening letters from property owners that don't follow the evictions process. Renters don't know their rights and are forced to move.
- Rural areas only need small rental properties, but these are relatively more expensive on a per-unit basis.

Labor and Staffing Issues

- Staffing shortages at rental properties
- Shortage of people in the construction trades (construction, rehabilitation and home improvement/repair) – **Frequently Mentioned**
 - Some contractors are booked out 11 months
- Shortage of staff and resources for support services, including a limited number of organizations (if any) providing these services in rural areas – **Frequently Mentioned**
 - Also, large staff turnover
- Shortage of staff at Minnesota Housing's partner organizations (grantees)
 - They don't have the staff to complete complicated and burdensome applications.

Other

- Gentrification and displacement – higher-income, white households moving into neighborhoods that have been predominantly of color, displacing people from the community
- The wave of evictions has not stopped.
- Access to documentation can be a barrier to housing (screening and eligibility determination) for those experiencing homelessness.
- Access to mental health is becoming a bigger issue for people in all types of housing, not just for supportive housing.
- Many people lack choice; they are forced to take the only housing option available to them or assigned to them.
- Some people start out with a simple home improvement project, but it balloons into a much larger project because of government requirements – such as federal funds requiring lead remediation.
- Resources from General Obligation and Housing Infrastructure Bonds are hard to use in housing development.
- Barriers to making housing energy-efficient, renewable, climate resilient
 - High cost of housing construction is making it hard to add energy-efficiency upfront costs
 - Contractors don't know how to use the qualified, energy-efficiency workforce
 - Owners of affordable rental housing operate on thin margins – don't have cash on hand to cover pre-development costs until they are reimbursed later
 - Individually metering units in multifamily buildings makes using solar harder
- Retention of housing (keeping people in affordable housing, not bouncing in and out) is a critical need.
- Zoning requirements are preventing affordable housing, requiring large lot sizes, not allowing high-density housing, etc.

What is Needed to Address the Needs and Barriers (Minnesota Housing and Others)

More Supply and Greater Affordability

- Develop the full spectrum of housing (types and price points)
 - If the new housing meets the needs of existing homebuyers, they will move into the new unit, which will free up existing homes for sale. Even if the new housing is not affordable to low- and moderate-income households, it may free up an existing units that are affordable.
- Add more housing that is affordable – **Very Frequently Mentioned**
 - Starter homes
 - Apartments with rents at or below 30% of AMI
 - Supportive housing
 - In all communities across the state
- Finance modular construction and other alternative/innovative construction techniques – **Frequently Mentioned**
 - Modular construction (sections built in a factory) is expected to be faster to produce housing and ideally less expensive than traditional “stick-built” homes.

Modular and manufactured housing are different. While both are built in factories, manufactured homes are built to the national HUD code, but modular housing is built to the same more stringent state and local building codes that apply to traditional “stick-built” homes, as result modular housing are more expensive but more likely to appreciate in value over time than manufactured homes. Modular construction can be used to build both single-family homes and multifamily rental properties.
- Provide more rental assistance vouchers – **Very Frequently Mentioned**
 - Include deposit assistance
 - Include moving cost assistance
 - Get property owners/managers to accept rental subsidies – **Frequently Mentioned**
 - Ban source of income discrimination (under current law, property owners/managers are allowed to not rent to someone just because they will use a rental assistance voucher)
 - Decrease barriers for getting and using Housing Choice Vouchers
 - Get units up to quality standards so that they pass inspection

Specific Types of Housing

- Fund mixed-income housing – properties with mix of rent affordability levels, some units with market-rate rents and others with subsidized rents
- Fund mixed-use housing – ownership and rental units in the same building
- Fund low-barrier or no-barrier housing (accepts people with evictions, criminal records, etc.) – **Very Frequently Mentioned**
 - Work with and incentivize property owners/managers to take renters with barriers
- Fund more supportive housing (housing with services typically for people experiencing homelessness and/or with a disability) – **Very Frequently Mentioned**

- Include support services
 - Mental health
 - Substance abuse
 - Other social services
 - Career counseling
 - Educational programing
 - Corrections services
 - Day care (currently overlooked)
- Look for new ways to fund/support operations
- Have all providers trained in housing-first, harm-reduction practices
- Fund housing for people and families who are experiencing homelessness but not specifically for and restricted to people with disabilities (this would typically be housing without services)
- Fund housing that is accessible and visitable for people with disabilities
- Provide more homeless shelters and transitional housing – **Frequently Mentioned**
- Fund housing for older Minnesotans – **Frequently Mentioned**
 - Provide affordable home improvement financing to senior homeowners
 - Support Habitat for Humanity’s aging-place program; they come into homes and decide what modification and repairs are needed
 - Develop senior-friendly housing with the amenities, characteristics, and locations that older Minnesotans want
 - Support alternative housing models for older Minnesotans, such as:
 - Accessory Dwelling Units (ADUs)
 - Shared housing - seniors renting out rooms in their home; part of rent could be “paid” by providing in-home services
 - There are safety and liability issues regarding matching/assigning people to the senior’s homes.
 - Cohousing – independent housing units around a common area (including cottages around a common area)
- Support Community Land Trusts (CLTs) and other models that ensure long-term affordability – **Frequently Mentioned**
- Support homeownership opportunities in denser, multifamily buildings, such as condos
- Support shared housing, co-housing (independent units around a common area) and other alternative models – **Frequently Mentioned**
- Support manufactured housing – **Very Frequently Mentioned**
 - Create stand-alone mortgage products for manufactured homes, rather than making manufactured home fit into programs designed for traditional homes
 - Provide funding to repair/improve or replace manufactured homes
 - Make sure owners of the manufactured homes know they are eligible for Minnesota Housing’s Rehabilitation Loan program (which can be used to finance repairs and improvements for extremely-low-income homeowners); increase the income limit for this program; and increase the replacement amount for manufactured housing

- Finance community-ownership of manufactured home parks – the residents of the cooperative own the land in the community, and each resident owns their own home – **Frequently Mentioned**
 - Funding needs to be upfront and provided quickly so that residents can compete with investors
 - Provide grant dollars for the acquisition and rehabilitation of manufactured home communities
- Create cross-sector partnership to identify and address issues in manufacture home communities
- Increase funding for current program to address infrastructure needs in manufactured home communities

Process Improvements at Minnesota Housing

- Speed up the project selection and loan-closing process that Minnesota Housing uses to fund rental housing – **Frequently Mentioned**
 - Reduce turnover in staff – loss of key staff has slowed down the process
 - It takes too long to get anything done.
- Make it easier and less expensive to apply for housing development funds (\$100,000 per application) – creates a barrier for people to get into the housing development business and access the resources. Big developers are risk adverse and stick to working in big communities, which leaves small communities behind.
- Provide more flexibility in scoring applications for development funding, particularly the location/geographic based criteria
- Increase staffing at Minnesota Housing
 - Build internal capacity to provide more support to partners
 - More staff can do more projects and faster
- Simplify processes at the Agency and reduce paperwork – **Frequently Mentioned**
 - Reduce red tape; make it easier to provide affordable housing
 - Reduce the redundancy in what applicants must provide
- Make programs and funding more flexible and responsive; Minnesota’s Housing program’s create boxes that restrict eligibility and uses of funds, which do not always align with a community’s or a person’s housing needs – **Frequently Mentioned**
- Have multiple housing development RFPs each year, not just one
- Get and retain staff who are trained in housing first, trauma-informed care, and other best practices
- Hire an accessibility expert to Minnesota Housing’s staff
- Use MNChoice Assessment to determine if a home is accessible
- Address the amount of time spent on homelessness administrative work:
 - Coordinated Entry (the process for matching people experiencing homelessness with available housing and services based on their needs)
 - Homelessness Management Information System (HMIS – the information system that tracks program activity)
- Provide clear guidance on how Housing Support (a program at the Minnesota Department of Human Services that provides a form of rent assistance) works and how to navigate non-

compliance and fair housing requirements when there are multiple funding streams and requirements

- Have a less adversarial relationship with partners.
 - People feel like there is now an adversarial relationship between Minnesota Housing and its partners.
- Share information about other housing development funding sources, such as for energy-efficiency (utility rebates) and infrastructure so that developer can also access those
- Continue to use data to track and address community needs
 - Track rent increases in the properties that Minnesota housing finances to make data-informed decisions about policies and property oversight

Program Changes / Improvements

- **General**
 - Finance housing located near amenities (grocery stores, clinics, services, children care, transportation, etc.) and opportunities (jobs, good schools) – **Frequently Mentioned**
 - Provide more technical assistance to support partners – **Frequently Mentioned**
 - For all applications and agency paperwork
 - For local governments on how they can encourage and support housing development
 - For developers and local communities on what makes a housing development feasible from a funding perspective to help them put together successful applications for funds
 - Provide appropriated funds rather than bonding resources for housing development (resources from bonding can be difficult to use)
 - Increase marketing and awareness of the Minnesota Housing programs that are available
 - Many people don't know about the Fix Up Loan program (home improvement loans) or all the different home improvement loans available from different sources
 - Recognize that different parts of the state have different housing needs
 - Establish a Rural Housing Trust Fund
 - Create a funding stream that will help developers buy land
 - Provide "patient" funding for land banking (buying land and holding it for later use)
 - Support single parents; households with a single paycheck struggle
 - Fund lead paint remediation
 - Expand financial wellness education
 - Provide funding to local communities to hire consultants to do housing studies, which can be expensive
 - Fund more capacity building for community-based organizations to address housing issues in their community
 - Fund training so that partners who administer Minnesota Housing's programs (grantees and providers) are trained in person-centered, trauma-informed care and services

- Fund and empower trusted, community-based organizations to be the source of information and access point to Minnesota Housing’s programs and resources and provide culturally appropriate services – **Frequently Mentioned**
 - For the LGBTQIA+ community, partner with trusted sources: Quorum, OutFront, Real Estate Alliance, etc.)
- **Homeownership**
 - More funding for the development and rehabilitation of single-family homes for ownership – **Frequently Mentioned**
 - Provide more value and affordability gap financing
 - Invest in the generational wealth for communities of color to close the homeownership gap
 - Make available more resources for downpayment and closing-costs assistance – **Frequently Mentioned**
 - Increase the awareness of downpayment assistance programs; use trusted sources to get the word out
 - Decouple downpayment assistance from Minnesota Housing’s mortgage products - certain communities have a hard time getting home mortgage lenders to sign up to be a Minnesota Housing lender, which excludes people in these communities from Minnesota Housing’s downpayment assistance.
 - Provide more homebuyer education
 - Buy down mortgage interest rates to reduce them
 - Provide financing that does not charge interest for those who can’t pay interest for religious reasons
 - Support first-generation homebuyers
 - Provide mortgage payment supports for those behind on their mortgages (continue the type of assistance provide by HomeHelpMN)
 - Create programs that transition people from subsidized rental to homeownership
 - One option is rent-to-own.
 - Create homeownership opportunities for the lowest income (e.g. 10% of AMI)
 - Create a home improvement program for people with incomes between 30% to 80% of AMI; they don’t qualify for the Rehabilitation Loan Program (incomes at or below 30% of AMI) and struggle to afford a Fix Up Loan (which is an amortizing loan with market interest rates)
 - There has always been a gap, but it is getting worse with increasing home improvement costs
 - Provide more resources for accessibility home improvements
- **Rental**
 - Fund renter education programs
 - Fund eviction prevention and legal support – **Frequently Mentioned**
 - Fund housing and service navigators – **Frequently Mentioned**
 - Support immigrants in the rental process and when they are working with rental companies
 - Fund security/rental deposits (initial rental payments) – **Frequently Mentioned**

- These initial payments that are two or three times the monthly rent are a key barrier
- Fund cooperatively owned rental properties
 - Renters have more control and cannot be displaced
- Increase investments in Naturally Occurring Affordable Housing (NOAH) preservation – **Frequently Mentioned**
 - This doesn't need to just include the transfer of ownership but could involve low or no interest loans for property repairs and improvements that won't lead to rent increases.
- Provide funding for NOAH units to become accessible for people with disabilities
- Increase funding for adaptive reuse (converting non-residential building, such as warehouses and schools, into housing)
 - Particularly in rural areas
- Provide ongoing emergency rental assistance (the type of assistance provided under RentHelpMN)
- Provide resources to help enforce the Tenant Selection Criteria that Minnesota Housing has developed for property managers
- Provide training to organizations administering housing assistance in how to work with people and households in crisis
- Provide more operating subsidies for supportive housing
- Fund training to build capacity for services providers involved in supportive housing
- Make rental assistance available to anyone that receives Supplemental Security income (SSI)

Policy Changes / Improvements

- **General**

- Reduce the fees, regulations, and costs that governments impose on housing development
 - Put pressure on local units of government to address these cost drivers
- Support denser developments
 - Create ways to override zoning codes and land-use regulations
- Eliminate prevailing wage requirements
- Reduce property taxes
- Assess the cost and benefits the Agency's current energy-efficiency requirements in the housing that the Agency finances, particularly in the context of what is required in the current energy code; Minnesota housing's requirements are costly and do not add much benefit beyond the current code
- Expand use of developers and owners of color – **Frequently Mentioned**
 - Set aside % of RFP funds for developers of color
- Include the LGBTQIA+ community whenever the Agency focuses on historically-excluded communities that have been disproportionately impact by housing instability (particularly for trans people of color, people who are LGBTQIA+ and have experienced homelessness, and LGBTQIA+ elders)

- Expand the current funding preference for BIPOC-owned businesses and women-owned business to LGBTQIA+ owned businesses
 - Adopt a “Housing First” approach
 - Support and allow chosen-family structures (non-traditional)
- **Homeownership**
 - Consider deed restrictions to keep home prices affordable (property value appreciation is limited); it has been done in other states
- **Rental**
 - Limit or cap rent increases – **Frequently Mentioned**
 - Don’t base rent levels on a percent of AMI (subject to large increases)
 - Renters need a stable, predictable structure
 - Increase tenant protections
 - Require a certain percentage of units to be truly accessible, such as with roll-in showers and sensory devices for the hearing impaired; hotels have these requirements, but not rental housing
 - Hold property owners/managers accountable for the care of their properties
 - Incorporate property owner/manager history into funding decisions, don’t reward bad actors with funding
 - Monitor property owner/manager’s application fees and denial rates
 - Level the playing field and make it easier for rural communities to be awarded funding for rental development (including Low-Income Housing Tax Credits) – **Frequently Mentioned**
 - Nearly all the selected projects in Greater Minnesota are in Rochester, Duluth, St. Cloud, and Mankato – very little in rural areas
 - Support rural areas in putting together competitive applications for funding (developers are less interested in working in these areas)
 - Rural Housing and Redevelopment Authorities (HRAs) can’t give up their Section 8 Housing Choice Vouchers to project-base them (assign them to a new development being built), which puts them at a competitive disadvantage in getting funding from Minnesota Housing.
 - Rural projects don’t score well in the selection process because they don’t have public transportation and are not walkable
 - More focus on small (1-4 units) to medium-sized (5-25 unit) properties, which are what is needed in small communities
 - Provide a rural 30% basis boost for Low-Income Housing Tax Credits
 - Don’t require new developments to have units for people experiencing homelessness; workforce housing, not homelessness, is the issue in smaller communities
 - Improve access for people with disabilities:
 - Require a certain number of units to be truly accessible for people with disabilities, ensure that these units are held open for them (provide property owners/managers with subsidies to keep them open)
 - Require longer deadline periods when accessible units become available; there is a lot involved in moving for people with disabilities

- Better align coordinated entry (matching people experiencing homelessness with available housing based on their needs) and eligibility/type-of-tenant requirements for permanent supportive housing – the type of supportive housing that is available in a community does not always align with the needs of people experiencing homelessness

Other

- Increase people’s incomes through workforce development
- Support non-profit developers who are mission-focused and take on additional risk and costs
- Support programs to get young people into the construction trades
- Create a centralized rental application portal used by property owners/managers around the state and charge just one application fee
- Create a certification for community planning consultants; there are bad firms out there providing bad information and leading communities astray
- Figure out how to act quickly when people are in crisis or have an emergency (pandemic, drastic rent increases, disaster) – moving at the pace of government isn’t a helpful response
- Collect data to know how many accessible housing units are in the state of Minnesota
- Create a clearing house of all accessible units in the state so that available units can be tracked
- Create a comprehensive online directory/inventory of all housing programs and resources available across the state and in specific communities
 - It is really hard for Minnesotans and communities to know about and navigate all their options.
- Provide more support for people transitioning out of halfway houses, inpatient programs, corrections, etc.; people get discharged and they are on their own.
- Prioritize sustainability and energy efficiency – **Frequently Mentioned**
 - Support training programs for developers and contractors to make it easier to understand the available energy-efficiency programs and how to use them and the long-term cost savings
 - Support one-stop-shopping for programs and technical assistance related to applying for funding, conducting energy audits, identifying and bidding contractors, overseeing retrofits, and evaluating results; work with Dept. of Commerce on this
 - Address deferred maintenance in housing and incorporate energy efficiency
 - Look at long-term, life-cycle costs of housing, not just upfront development costs
 - Provide pre-development funding to encourage energy-efficient solutions
 - Make it easier for moderate-rehabilitation projects to get utility rebates
 - Create loan products to incentivize rehabilitation that includes energy-efficiency and renewable energy

What is Needed to Create a More Inclusive, Equitable and Just Housing System?

Many of the changes outlined above would support a more inclusive, equitable and just housing system. The following are some additional ones

- Make sure that no one is cost burdened by their housing and anyone who wants to own a home can
- End disparities in housing access and outcomes
- Make sure every community has a full variety of housing types and price points and that all Minnesotans have choices about where to live
- End NIMYism (Not in My Backyard)
- Approach housing work from human rights and justice lens; stop viewing housing as a commodity
- Take a person-centered approach
- Focus on those most impacted by housing instability and have been historically excluded
 - Elevate the voices of those who have been historically excluded
 - Take a race-based approach to impact and shift disparities
- Shift the balance of power to those most impacted by housing challenges, they are directly experiencing the harm
- Provide reparations
- Expand funding for civil rights/antidiscrimination protections so that action can be taken in a timely way, including testing of renting and homebuying discrimination
- Reevaluate Minnesota Housing's relationships with a lens on who is most impacted by housing stability, keeping in mind that some partners are taking adverse actions toward the interests of those most impacted and that the economic challenges facing developers are not the same as the challenges facing renters
- Minnesota Housing needs to stop having a charity mindset in general and at the Capitol; support renters in having leadership, decision-making, control and self-determination over resources and their housing situation
- Provide information (such as, data and background knowledge about decision-making processes and who has power over those processes) so that communities can develop a strategy to advocate for themselves
- Create a lending source that is not a bank
- Create a housing system in which homeownership and wealth accumulation is possible for all Minnesotans
- Need culturally-specific housing and service providers that meets the needs of those who have been historically excluded or isolated
- Provide the resources and services so that families and individuals can overcome barriers
- Hire peer mentors with lived experience (who have been through Minnesota Housing's programs) for staff
- Hire bilingual staff at Minnesota Housing
- Address the root causes of the homeownership disparity
- Create a path for first-generation homebuyers
- Suggested policy agenda:
 - Support tenant's right to organize
 - Support pre-eviction notice requirements and expungement reform
 - Support source of income protection
 - Support Good Neighbor eviction exemption

- Support Just Cause eviction protections
- Support Right to Counsel in public housing
- Curb corporate speculation
- Repeal the state-wide preemption on rent control
- Allow people to put down roots in the neighborhoods they choose to call home
- Rebalance the scales to create renter power and housing justice
- Ensure geographic equity
 - It is harder for rural areas to compete for Minnesota Housing's funds
 - Developers and contractors favor certain areas