



Analysis of Impediments to Fair Housing Choice

**Minnesota Housing, Department of
Employment and Economic
Development, Department of Human
Services**

Executive Summary

This document is the 2018 State of Minnesota Analysis of Impediments to Fair Housing Choice (AI). The State of Minnesota is required to assess barriers to housing choice with development of its five-year Consolidated Plan for federal block grants funding for housing and community development. The state agencies that are direct recipients of these funds are the Minnesota Housing Finance Agency (Minnesota Housing), the Minnesota Department of Employment and Economic Development (DEED) and the Department of Human Services (DHS).

An Economic Opportunity Approach

This study approaches the analysis of fair housing issues through an “opportunity lens.” This was done to:

- Incorporate recent research that links long-term economic gains of cities and states to advancing economic growth of residents,
- Incorporate the latest legal developments around fair housing, and
- Most importantly, identify where the Grantees can best intervene to improve the economic opportunities of residents and, ultimately the fiscal health, across the state.

How does economic opportunity relate to fair housing? The Federal Fair Housing Act requires that HUD programs and activities be administered in a manner that affirmatively furthers (AFFH) the policies of the Fair Housing Act. Federal courts have interpreted this to mean doing more than simply not discriminating: The AFFH obligation also requires recipients of federal housing funds to take meaningful actions to overcome historic and current barriers to accessing housing and economically stable communities.

It is important to recognize that fair housing planning has benefits beyond complying with federal funding. This has been articulated by HUD as: “the obligations and principles embodied in the concept of fair housing are fundamental to healthy communities...and...actions in the overall community planning and development process lead to substantial positive change.”

HUD is not prescriptive in its approach to fair housing planning, although the agency does place high importance on fair housing strategies that facilitate positive economic environments in all communities—whether these be bustling urban areas, quaint and stable suburbs, or pastoral rural towns.

In sum, this new approach to fair housing provides a more comprehensive evaluation of the circumstances within the state’s geographic focus and authority that affect fair housing choice and economic prosperity.

This document is modeled after the structure of the HUD-proposed Assessment of Fair Housing for States and Insular Areas. It includes a:

- Demographic Summary (Section I)—review of demographic indicators, which may be linked to fair housing issues;
- Housing Choice Analysis (Section II)—examination of barriers to housing choice and the effects on protected classes;
- Access to Opportunity (Section III)—exploration of how relevant State of Minnesota policies and practices support access to economic opportunity;
- Disability and Access Analysis (Section IV)— examination of the housing experience and access to opportunity for Minnesota residents with disabilities;
- Complaint and Regulatory Review (Section V)— review of the fair housing enforcement and regulatory environment; and
- Contributing Factors, Priorities, and Goals (Section VI)—identifies fair housing issues found in the analysis conducted for the State of Minnesota AI and also includes actions the State will take in response to these issues.

Community Engagement Process

In addition to analysis of publicly available demographic and socioeconomic data, HUD-provided data, and review of state, regional and local studies, the Minnesota AI provided opportunities for residents and stakeholders to share their experience with housing choice and access to opportunity. The engagement process included:

- Community conversations held in Worthington, Marshall, Willmar and Bemidji with Anuak, Eritrean, Hispanic, Karen, Oromo, Vietnamese, and Somali residents, residents with disabilities and members of the Red Lake, Leech Lake and White Earth bands of Chippewa Indians—69 residents participated;
- In-depth interviews focused on organizations providing services to or advocacy on behalf of: African immigrants and refugees, Asian Pacific residents, residents with disabilities, Karen refugees and immigrants, low income residents, Minnesota’s tribal nations, and interviews with organizations serving residents of racially or ethnically concentrated areas of poverty in the Twin Cities—17 organizations and agencies participated;
- A survey of public housing authorities operating in greater Minnesota—27 participated;
- A comprehensive stakeholder survey—467 stakeholders participated;
- A thorough review of community engagement results from the Twin Cities Regional AI Addendum process conducted in early 2017 and additional discussions with the organizations that led community engagement for the Addendum to identify common fair housing issues with the State AI.

- A public comment period including wide distribution of draft materials and a public hearing.

Summary of Findings

Key findings from the AI as are described fully in the following chapters are below.

Demographic analysis findings:

- Minnesota's racial and ethnic diversity has increased since 2000, due to strong growth in Black/African American, Asian, Hispanic, and multi-race residents. Yet these groups still comprise a very small portion of the State's residents: About 80 percent of residents report their race and ethnicity as white, non-Hispanic.
- Except for Native Americans, the state's racial and ethnic diversity is predominantly in the Twin Cities. Nearly two-thirds of the state's Black/African American residents live in Hennepin and Ramsey Counties.
- The state's non-white residents—especially Black/African American and Native American residents—are more likely to experience poverty than white, non-Hispanic residents. The gap is most pronounced for children: More than four in 10 Black/African American and Native American children in Minnesota lived in poverty in 2014, as well as three in 10 Hispanic children. This compares to just 7 percent of white, non-Hispanic children.
- As defined through the HUD framework, areas of concentrated poverty are most commonly located in the Twin Cities and on Native American reservations. Residents of these areas are employed (very few receive public assistance as their primary source of income), yet they earn low wages and cannot afford the costs of housing: 75 percent of residents in areas of concentrated poverty are cost burdened.
- Segregation by race and ethnicity is not exclusively an urban problem. In fact, segregation in the Twin Cities is declining as a result of migration of Black/African American residents into suburban communities, overall growth in Hispanic residents, and an increase of white households in inner-city neighborhoods. The highest levels of segregation in the state, as measured by the Dissimilarity Index (DI), are found in Becker, Beltrami, Cass, Kandiyohi, Nobles, and Todd Counties in Greater Minnesota, and in Hennepin and Ramsey Counties in the Twin Cities Metro.

Housing choice findings:

- Housing needs in the state have grown significantly in the past 15 years, particularly for renters, due to rising rental costs and stagnant incomes. Large families, immigrant families, and many racial and ethnic minorities are disproportionately affected by market changes like lower vacancy rates that result from this dichotomy
- Between 2010 and 2015, the total number of mortgage loan applications declined by 19 percent, following trends identified in the past State Analysis of Impediments fair housing study: Between 2004 and 2009, applications declined 34 percent.

- The proportion of mortgage loans that were denied has changed little over time and gaps in approvals among different races and ethnicities persist. Denials remain consistently highest for American Indian/Alaskan Native, Black/African American, and Hispanic applicants, and lowest for White and Asian applicants. The highest percentage point difference in denials in 2015 is a 12 percentage point disparity for American Indian/Alaskan Native and White borrowers.
- Since 2008, there has been a divide in urban and rural mortgage loan applicants' approval rates. The gap is more significant in Minnesota than in the U.S. overall. Research by the Minneapolis Federal Reserve bank attributes the gap to a larger share of applicants in rural areas, suggesting an unmet demand for residential capital in rural Minnesota. A recent study by the NBER suggests that lack of access to capital (due to physical proximity or the digital divide) is another factor explaining lending differences.
- Several counties in Minnesota stand out for their large gaps in residential mortgage loan denials between minority and non-minority applicants. These counties are all located in rural areas; most have moderate levels of segregation; and some are home to Indian Reservations.
- To respond to these needs, Minnesota Housing has established strategic priorities that focus on closing the homeownership gap for minority residents; supporting renters through creation of new units and preserving existing affordable housing; prioritizing creation of family rental units; while offering flexibility to respond to individual communities' needs.

Access to opportunity findings:

- There are disparities in access to proficient schools, particularly in the Twin Cities.
- Residents and stakeholders have described a lack of capacity for in-person language interpretation at schools, especially in communities that have seen high growth in immigrants and refugees from non-Spanish-speaking countries.
- Resources for local provision of adult basic education, especially English as a Second Language and adult literacy are perceived to be lacking.
- From community conversations, it's clear that residents, and many landlords, are not aware of their rights and responsibilities under the Fair Housing Act. Education and outreach is needed.

Disability and access findings:

- A lack of affordable, integrated housing for individuals who need supportive services is a significant barrier to fair housing choice for residents with disabilities statewide and was identified as a serious issue in each region of the state.
- Similarly, a lack of housing available for persons with disabilities transitioning out of institutions and nursing homes was the 12th most serious contributing factor to fair housing issues statewide and is a more pressing issue outside of the Twin Cities.

- Lack of public transportation limits housing choice and access to opportunity for residents with disabilities living in communities with no, infrequent or solely regional transportation services.
- Affordable and accessible housing for residents with disabilities should have greater visibility within Minnesota Housing.
- Requiring residents with disabilities to begin the application process for the Developmental Disability Waiver and other services onsite at county offices places a significant burden on residents with disabilities, particularly those living in greater Minnesota. There may be a need for county staff who administer programs benefitting residents with disabilities to receive training on best practices for successful interactions with residents with intellectual disabilities and mental illness.

Regulatory review findings:

- Annually, about 100 Minnesotans file fair housing complaints. Forty-percent of the complaints allege discrimination on the basis of disability; about one-quarter allege race-based discrimination. Hennepin County had the most complaints filed, followed by Ramsey, Dakota, and Anoka counties. Nearly 75 percent (72-74%) of all complaints were filed in these four counties.
- In 2015, there were 109 hate crimes reported in the state of Minnesota, or 5.95 hate crimes per 100,000 residents—slightly more than the national average of 5.29. About half of hate crimes reported were committed on the basis of race, ethnicity, or ancestry.
- A thorough review of state-level statute regulations and programs related to fair housing (appearing in Appendix A) concluded that that state has a multi-faceted regulatory framework in place that does not appear to create barriers to housing choice. Modest improvements could be made to strengthen state laws.
- The Twin Cities AI Addendum included a comprehensive review of local barriers in the Metro region. The review found that some communities have regulations and practices that could create barriers to housing choice through restrictive definitions of family and housing types, exclusionary zoning practices, and design and construction barriers.

Fair Housing Issues and Contributing Factors

The following fair housing issues were identified through the quantitative analysis in Sections I through V.

Primary fair housing issues. This section presents the fair housing issues identified by stakeholders, residents, and through the analysis of demographic and housing data.

The top issues, according to **stakeholders** who participated in the study, are summarized below. When asked which resident groups these issues mostly affect, stakeholders said: low income families, persons with disabilities, and immigrants/refugees. Many of the fair housing issues are prevalent statewide. Issues that are specific to only some geographic areas are noted as such.

Housing issues

- **Poor condition of housing.** This is a top barrier identified throughout Minnesota, especially in areas with growing employment and housing shortages. Stakeholders in the CDBG non-entitlement cities identified poor condition of affordable housing as the most significant barrier affecting their constituencies.
- **Lack of larger rental units for families.** This issue is perceived as disproportionately affecting large and often immigrant families. This is one of the top ranked barriers by stakeholders in addition to units in poor condition. A related concern is that new developments created through incentive programs fail to increase the stock of family units in the Twin Cities (the perception is that these new developments are mostly studio and 1-bedroom units). Another related concern is that onerous parking restrictions that do not permit visitors and/or do not allow street parking, create challenges for larger families.
- **High barriers to entry for homeownership (downpayment assistance, credit requirements) for lower income and non-white and Hispanic residents.** General lack of knowledge of how to achieve homeownership and manage ownership in poor economic environments (e.g., foreclosure counseling). For some cultural groups, lack of culturally competent lending products. Statewide issues that disproportionately affect households with credit histories and Black/African American, Hispanic, and Native American households, who are more likely to be denied mortgage loan credit.
- **Tenant screening can include onerous “look back” periods for criminal charges or evictions of rental applicants.** Considered to be prevalent statewide.). Expungement of eviction difficult to achieve (state barrier).
- **Landlords requiring incomes that are three times the required rent payment and charging high security deposits and first and last months’ rent.** Strict standards for rental applicants in tight markets. Lack of landlords that will accept Section 8. This is most prevalent in areas with very low rental vacancy rates, high growth, and strong employment (Twin Cities and high-growth markets in Southern Minnesota).
- **Redevelopment of naturally occurring affordable housing (NOAH),** is most likely to affect residents who are disproportionately likely to have criminal histories, including Black/African American residents and, to a lesser extent, Native Americans.
- **Perception that affordable housing is located in high poverty, low opportunity areas and that there are concentrations of units that accept Section 8.** Lack of landlords that accept Section 8 in high opportunity communities. This concern is identified mostly for the Twin Cities.
- **Not in my back yard - NIMBYism/neighborhood opposition to housing development in general.**

Housing barriers specific to persons with disabilities

- **Shortage of accessible and available housing options.** For people with disabilities, simply acquiring housing and remaining housed are significant challenges. Wait lists for affordable, accessible housing are “years long” in many rural areas.

- **Shortage of resources to make accessibility improvements.** If a Housing Choice Voucher holder requires a reasonable accommodation, they will often look to the local PHA to help with those improvements. Most local PHAs do not have the resources to assist with the accommodation. There are also not resources to assist non voucher holders in accessibility improvements more broadly.
- **Shortage of workers to help transition into independent living and lack of case managers and home care aids to support independent living, particularly in very rural areas and areas with strong employment growth and housing pressures.** In-person intake for services at County departments can be intimidating to persons with intellectual disabilities or severe mental illness, resulting in otherwise qualified individuals not receiving services. Processes to apply for home health care and other supports are complex and stakeholders believe there are insufficient resources to assist residents with applications. Stakeholders note that there has been progress in adopting processes that respect a person’s preferences, but there are insufficient resources to accommodate preferences.

Conversations with a **diverse set of residents** living throughout the state (Worthington, Marshall, Willmar and Bemidji with Anuak, Eritrean, Hispanic, Karen, Oromo, Vietnamese, and Somali residents, residents with disabilities and members of the Red Lake, Leech Lake and White Earth bands of Chippewa Indians) identified the following top concerns. These concerns are particular to areas outside of the Twin Cities, where the engagement occurred.

- **Poor housing condition**, particularly homes that are owned by outside investors and rented to vulnerable populations (undocumented, new immigrants). This was also raised as a top issue in the Twin Cities in the AI Addendum.
- **Limited knowledge and/or access to resources to help communities quickly respond to housing shortages and needs** (e.g., rapid employment growth, limited housing for special needs populations who may be moving from institutional settings, face a critical housing need). This was primarily identified as an issue for growing areas outside of the Twin Cities.
- **Lack of understanding by local officials about how land use and zoning decisions can create barriers to housing choice**; prevalence of a “charity” model of delivering housing and services. Primarily an issue for areas outside of the Twin Cities, including exurbs of the Twin Cities.
- **General ignorance of fair housing laws in rural and semirural areas and the need to increase understanding of such laws and capacity for education and outreach.** This is mostly identified as an issue in rural areas and small town in the state.

The **quantitative analyses** conducted for the AI—which examined segregation and integration, areas of concentrated poverty, equal access to quality educational environments, employment opportunities, transportation, and healthy communities—found the following fair housing concerns:

- **Lack of economic opportunity in high poverty areas that are also racially and ethnicity diverse areas.** The vast majority of these areas are in the Twin Cities region; others are on Native American reservations. Residents living in these areas face challenges in accessing

economic opportunity because of many factors including isolation (very rural areas), drug and alcohol addiction (particularly in the Headwaters Region) and language barriers (both in spoken and written languages). Adult illiteracy among the refugee population in greater Minnesota poses a significant barrier to accessing opportunity, from being unable to pass a driver's license exam to promotional opportunities in the workplace.

- **High and moderate segregation, as measured by the Dissimilarity Index (DI).** The DI is moderate to high in Cass (high), Becker, Beltrami, Hennepin, Kandiyohi, Nobles, Ramsey, and Todd Counties (moderate). Becker, Kandiyohi, and Nobles County are also areas with the largest rates of denials for minority loan applicants seeking home loans, which may exacerbate segregation.
- **Large differences in homeownership among White residents and households of color or Hispanic Ethnicity.** The Twin Cities, in particular, has one of the largest gaps in the country.
- **Gap in mortgage loan applications and approvals for minority applicants** and challenges with lending on Tribal land due to lack of fee (v. trust) land. Statewide, non-white, Hispanic applicants face denial disparities when compared to white applicants: 17 percentage points (African Americans), 16 percentage points (American Indian), and 7 percentage points (Hispanic) and these gaps persist even after adjusting for income. The gap is largest for home improvement loans and refinances, suggesting that minority borrowers have less equity (and, consequently, less wealth building potential) in their homes and/or carry higher debt. This makes them more vulnerable to the economic effects of market downturns. Geographically, the largest differences in denials between minority and White, non-Hispanic applicants exist in Becker, Carlton, Kandiyohi, Nobles, and Polk Counties. Carlton and Nobles Counties have some of the highest denial rates in the state overall, for both minority and non-minority applicants.

Goals and Action Steps

This AI does not exist in a vacuum. The State of Minnesota AI intersects the AI plans developed by other participating jurisdictions in the State, including the Twin Cities Regional AI and recently adopted Addendum. The AI also intersects with many other state and local initiatives related to housing and equity. At the time of writing this plan, work on the Governor's Housing Task Force has only recently begun and results and recommendations are expected in later 2018. Minnesota's Olmstead Plan has work plan items to increase housing opportunities of choice for persons with disabilities. The Heading Home Minnesota Plan to Prevent and End Homelessness includes several elements that also intersect with this fair housing plan. In addition, the State of Minnesota has several councils pertaining to racial and ethnic groups, including the Council on Asian Pacific Minnesotans, the Council for Minnesotans of African Heritage, Minnesota Council on Latino Affairs, and the Minnesota Indian Affairs Council. The goals and action items proposed in this plan are considered in the context of these other initiatives and a primary overarching goal is to commit to a joint effort with these initiatives to address opportunity gaps.

The fair housing goals described in the Section VI are designed to overcome one or more contributing factors and related fair housing issues from the perspective of the state of Minnesota, in particular for Minnesota Housing, DEED, and DHS. The fair housing issues are grouped within five goal areas:

Goal 1. Address disproportionate housing needs.

Goal 2. Address housing segregation and improve opportunities for mobility.

Goal 3. Expand access to housing for persons with disabilities.

Goal 4. Address limited knowledge of fair housing laws through education, outreach, and developing tools and resources.

Goal 5. Decrease the loss of housing through displacement and eviction.

Specific action items identified to address fair housing challenges are in Section VI, beginning page 8.

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
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Goal 1. Address disproportionate housing needs. For the following fair housing challenges identified through this AI, identify programmatic funding or collaborative responses that can support efforts to increase housing opportunities through expanded or streamlined existing funding resources and through collaboration with a variety of partners to provide services and information and identify other resources.			
a. Rental housing in poor condition	<ul style="list-style-type: none"> • Continue and consider expanding programs to support small rental developments (5-50 units): <ul style="list-style-type: none"> ○ Continue funding of public housing rehabilitation programs (for example, the Publicly Owned Housing Program -POHP), evaluate and consider ways to support smaller PHAs through technical assistance to build capacity. ○ Continue to utilize CDBG funding to support small rental rehabilitation in nonentitlement communities. ○ Evaluate potential increase in Rental Rehabilitation Deferred Loan (RRDL) Program and consider expanding to support developments in urban/suburban areas. 	2018-2021 (eval. 19-20)	Minnesota Housing DEED (CDBG)
	<ul style="list-style-type: none"> • Investigate resources for quick response fund for life/safety concerns. <ul style="list-style-type: none"> ○ Continue and consider expansion of resources for developments currently in Minnesota Housing’s portfolio. ○ Evaluate feasibility for establishing a receivership revolving loan fund under state statute 504B.451. 	2019-2021	Minnesota Housing
	<ul style="list-style-type: none"> • Continue support for HOME Line as a hotline for tenants’ rights. 	2018-2021	Minnesota Housing
	<ul style="list-style-type: none"> • Continue to track and evaluate results of rental inspections on Minnesota Housing financed rental properties; consider ways to standardize evaluating different inspection types across programs. 	2018-2021 (eval. 20-21)	Minnesota Housing
b. Insufficient housing for large families	<ul style="list-style-type: none"> • For rental development resources: <ul style="list-style-type: none"> ○ Continue to provide points for large family housing in selection criteria of Minnesota Housing funding resources, including through the Low Income Housing Tax Credit Qualified Allocation Plan. 	2018-2021	Minnesota Housing
	<ul style="list-style-type: none"> • For homeownership activities: <ul style="list-style-type: none"> ○ Continue to support the enhanced financial capacity program in reaching large immigrant families. ○ Continue the priority for large family housing in the Impact Fund. ○ Continue to provide priorities for down payment assistance to large families. ○ For these programs, evaluate how the priority reaches large families. 	2018-2021 (eval. 20-21)	Minnesota Housing
	<ul style="list-style-type: none"> • Explore with our partners the feasibility of creating a capital program for small scale rental housing development in rural communities with significant rental housing needs that are currently unable to access development resources. 	2019-2020	Minnesota Housing

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
c. Homeownership and mortgage lending gaps	<ul style="list-style-type: none"> • Enhance and continue partnerships to remove barriers to homeownership and reduce the lending gaps between households of color or Hispanic Ethnicity and white non-Hispanic households. <ul style="list-style-type: none"> ○ Continue supporting and strengthening the Homeownership Opportunity Alliance. 	2018-2021	Minnesota Housing /Homeownership Opportunity Alliance
	<ul style="list-style-type: none"> • Identify homeownership education activities occurring in the market and evaluate program activities: <ul style="list-style-type: none"> ○ Expand and enhance the Homebuyer Education, Counseling, and Training (HECAT) program at Minnesota Housing, including adding financial wellness to the services under the program. ○ Continue Minnesota Housing’s homeownership capacity program. ○ Through capacity building and technical assistance, support partners in working on initiatives to help households save for down payments using tools such as individual development accounts (IDAs). ○ Explore ways to deploy resources such as down payment assistance (DPA) through the Impact Fund to serve lending products for interest adverse populations. 	2018-2021	Minnesota Housing
	<ul style="list-style-type: none"> • Identify and address gaps in lending market: <ul style="list-style-type: none"> ○ Conduct gaps analysis on homeownership counseling in Greater Minnesota and provide technical assistance resources to increase access to homeownership counseling for renters of color or Hispanic ethnicity. ○ Continue, through intentional program design and business development activities of Minnesota Housing mortgage programs, to ensure households of color and Hispanic ethnicity have meaningful access to homeownership opportunities. ○ Develop or identify resources to connect potential homebuyers with barriers to homeownership opportunities. 	2018-2019 2018-2021 2019-2021	Minnesota Housing with partners
	<ul style="list-style-type: none"> • Partner with Tribal Nations to consider strategies to increase homeownership for American Indian households both on and off tribal lands. <ul style="list-style-type: none"> ○ Work with tribes on the feasibility of eventual tenant ownership for the eligible tax credit properties. ○ Conduct mortgage lending session at bi-annual Indian Housing conference. ○ Evaluate any loan products developed by the GSEs (Fannie Mae and Freddie Mac) for tribal lending as a result of their Duty to Serve Underserved Markets Plans. 	2019-2021 2019-2021 2018-2020	Minnesota Housing with partners, including Tribal Nations and the GSEs
	<ul style="list-style-type: none"> • If found effective, seek additional resources to expand the Landlord Risk Mitigation Fund program to help address housing needs of persons with criminal records, substance abuse challenges and other barriers. 	Evaluation 2019-2020	Minnesota Housing
d. Very high standards for rentals (3x income, high security deposits, no past record of credit)	<ul style="list-style-type: none"> • Monitor any proposed regulatory changes that would remove evictions and unlawful detainers from a renters’ court record with a favorable court ruling, identify implications for projects financed by Minnesota Housing. 	2018-2021	Minnesota Housing

<i>Fair Housing Challenge</i>	<i>Draft Action Items</i>	<i>Time Frame</i>	<i>Responsible Parties</i>
problems or criminal activity)	<ul style="list-style-type: none"> • Monitor local ordinances such as nuisance laws, “crime free” housing ordinances, and source of income protections. 	2019-2020	Minnesota Housing with local partners
	<ul style="list-style-type: none"> • Regularly provide informational materials on best practices related to tenant selection plans to owners and manager of properties of Minnesota Housing financed rental developments. 	2018-2021	Minnesota Housing
e. Affordable housing and landlords accepting housing choice vouchers only located in higher poverty areas	<ul style="list-style-type: none"> • Continue to prohibit properties with funding through Minnesota Housing from refusing to lease to a tenant based on the status of the tenant as a voucher-holder or recipient of similar rental assistance. 	2018-2020	Minnesota Housing
	<ul style="list-style-type: none"> • Work with Local Housing Authorities to identify and address barriers to project basing Section 8 housing choice vouchers and utilizing housing choice vouchers in lower poverty areas. 	2019-2021	Minnesota Housing with Housing Authorities

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
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Goal 2. Address housing discrimination and improve opportunities for mobility. For the following fair housing challenges, identify strategic and collaborative approaches to consider both place based solutions and mobility solutions to provide households access to opportunity.

a. Non-white and Hispanic residents are disproportionately segregated into some, often high poverty neighborhoods	<ul style="list-style-type: none"> Support efforts to review where investments in creation, preservation, and rehabilitation of affordable housing is occurring relative to areas of concentrated poverty and economic opportunity to encourage a full range of housing choices. (For example, helping to keep HousingLink's Low Income Housing Tax Credit development database current to report distributions). 	2018-2021	Minnesota Housing with partners including Housing Link
	<ul style="list-style-type: none"> Continue incentives in the state of Minnesota's Low Income Housing Tax Credit Qualified Allocation Plan to develop in high opportunity area areas including access to quality schools, employment, transportation, and higher income communities. 	2018-2021	Minnesota Housing
b. Challenges in accessing housing in concentrated areas of wealth or other opportunities	<ul style="list-style-type: none"> Evaluate and continue solutions that mitigate barriers to developing housing in areas of wealth or other opportunities. (For example, address barrier of NIMBYism). <ul style="list-style-type: none"> Evaluate institutional barriers to funding housing in high opportunity areas by conducting focus groups with local partners. Provide financial support to efforts to educate communities about the importance of affordable housing. Support efforts to continue implementation of recommendations by the Minnesota Challenge to Lower the Cost of Affordable Housing to address the state and local regulatory drivers. 	2019-2020 2018-2021 2018-2021	Minnesota Housing with partners
	<ul style="list-style-type: none"> Monitor any proposed regulatory changes regarding source of income protections. 	2018-2021	Minnesota Housing with local partners
	<ul style="list-style-type: none"> Support development of Housing Hub wait list management tool to streamline tenant access to project based Section 8 wait lists in communities of their choice. 	2018-2021	Minnesota Housing with Housing Link
c. Challenges accessing economic and other opportunities	<ul style="list-style-type: none"> Review and update state language access plans to promote access to state programs for persons with Limited English Proficiency (LEP). 	2019-2020	Minnesota Housing DEED, DHS
	<ul style="list-style-type: none"> Collaborate with partners at the state and regional level to evaluate ways to address community disinvestment and economic isolation. 	2018-2021	Minnesota Housing with partners
	<ul style="list-style-type: none"> Promote contracting opportunities for women and minority business entities in all programs. 	2018-2021	Minnesota Housing DEED, DHS
	<ul style="list-style-type: none"> Continue to support the preservation of affordable housing opportunities as a strategy for community investment. 	2018-2021	Minnesota Housing

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
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Goal 3. Expand access to housing for persons with disabilities. For the following fair housing challenges, identify collaborative and programmatic funding responses to rehabilitate and create new accessible affordable housing options, support accessibility improvements in single units, and help people with disabilities transition into independent living settings.			
a. Shortage of affordable, accessible housing	<ul style="list-style-type: none"> • Conduct gaps analysis of accessible housing opportunities for persons with disabilities in Minnesota, through surveys and data evaluation, leveraging HousingLink’s work. Utilize data collected by DHS Aging and Disabilities Divisions through the long term services and supports biennial gaps analysis. Identify how Minnesota Housing and other state housing resources are serving persons with disabilities. 	2020-2021	Minnesota Housing DHS
	<ul style="list-style-type: none"> • Evaluate and enhance existing funding resources to provide preference in housing developments for persons with disabilities: <ul style="list-style-type: none"> ○ Continue to provide preference points in the Low Income Housing Tax Credit Qualified Allocation Plan and other competitive capital funding resources for developments with units set aside for persons with disabilities. Evaluate how scoring for this preference influences developments being selected. Ensure that selected developers have knowledge of the Home and Community Based Settings Rule and work to ensure that people in properties will be able to access these services. ○ When appropriate, ensure that all CDBG rental rehabilitation include accessibility improvements. ○ Promote accessibility improvements through Rental Rehabilitation Deferred Loan Program and continue to provide preference for accessibility improvements as part of public housing rehabilitation programs. ○ Continue strong rental housing design and constructions standards pertaining to accessibility for all Minnesota Housing financed developments. 	2018-2021	Minnesota Housing DEED
	<ul style="list-style-type: none"> • <i>(As in 1e)</i>. If found effective, seek additional resources to expand the Landlord Risk Mitigation Fund program. 	Evaluation 2019-2020	Minnesota Housing
b. Shortage of resources to make accessibility improvements	<ul style="list-style-type: none"> • Provide education and outreach of existing homeownership programs to make accessibility improvements: <ul style="list-style-type: none"> ○ Streamline Minnesota Housing’s Rehab Loan Program to make program more accessible to lenders, and promote to seniors and persons with disabilities. ○ Evaluate Impact Fund projects specifically related to accessibility improvements (such as the ramps program). Continue to offer priority points for household targeting of underserved populations (including persons with disabilities), and priority points for universal design and accessibility features. ○ Continue to promote Minnesota Housing’s Home Improvement Fix up Fund for persons with disabilities which offer more flexibility in program requirements. ○ Continue to provide priorities for down payment assistance to households that include a person with disabilities. 	2018-2019 2020-2021 2018-2021	Minnesota Housing

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
	<ul style="list-style-type: none"> • Evaluate resources to make accessibility improvements on a single rental unit: <ul style="list-style-type: none"> ○ For developments not covered by Section 504, evaluate use of existing Minnesota Housing asset management funds to help projects in the agency’s portfolio address needs related to accessibility, and identify gaps. ○ Investigate strategies to find or develop other resources to make accessibility improvements on individual units. 	2019-2020 2020-2021	Minnesota Housing
c. Shortage of resources to transition into independent living settings	<ul style="list-style-type: none"> • Collaborate with housing and supports activities in the state’s Olmstead Plan and initiatives that increase the number of people with disabilities who live in the most integrated housing of their choice. 	2018-2021	Minnesota Housing with Olmstead Implementation Office
	<ul style="list-style-type: none"> • Minnesota Housing will continue to provide rental assistance to persons with serious mental illness, and evaluate program effectiveness. 	2018-2021	Minnesota Housing
	<ul style="list-style-type: none"> • Minnesota Housing and DHS will continue implementation of the Section 811 rental assistance pilot, partner with HUD in program evaluation, and if found effective, consider other funding sources available for similar program should no further federal assistance become available. 	2018-2021	Minnesota Housing, DHS
	<ul style="list-style-type: none"> • Leverage Minnesota Housing and DHS relationship to explore more streamlined connections between housing and support services. <ul style="list-style-type: none"> ○ Promote efforts of Minnesota’s Medical Assistance (MA) Waiver program to allow housing supports to be billed to Medicaid (DHS) and ensure Medicaid Waivered services remain available to individuals living in developments financed by Minnesota Housing. ○ Support HousingLink’s efforts to educate owners and tenants on fair housing issues, including reasonable accommodation. • Develop housing planning tools on HB101.org to help persons with disabilities make informed choices about their housing options. 	2018-2021	Minnesota Housing, DHS

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
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Goal 4. Address limited knowledge of fair housing laws through education, outreach, and developing tools and resources.			
a. Limited knowledge of fair housing laws and resources	<ul style="list-style-type: none"> Support efforts to maintain and promote the FairHousingMN.org website and online tool to develop Affirmative Fair Housing Marketing Plans. 	2018-2021	Minnesota Housing
	<ul style="list-style-type: none"> Provide education to landlords, tenants, prospective tenants and service providers (government and nonprofit) about housing discrimination laws in MN. 	2018-2021	DHR
	<ul style="list-style-type: none"> Develop a Reasonable Accommodation resource on Housing Benefits 101 (HB101.org) to educate persons with disabilities and support professionals about Reasonable Accommodations. 	2018-2021	DHS
	<ul style="list-style-type: none"> Expand education and oversight of Minnesota Housing financed and federally assisted rental developments with regards to Affirmative Fair Housing Marketing Plans. 	2018-2019	Minnesota Housing, DHR
	<ul style="list-style-type: none"> Expand educational efforts to local government officials in rural areas about housing condition challenges and the important of enforcing housing condition standards. 	2020-2021	Minnesota Housing with partners
	<ul style="list-style-type: none"> Work with Minnesota Department of Human Rights, Minnesota NAHRO, Minnesota Multi Housing Association and similar organizations to provide education regarding housing discrimination laws through their annual conferences. 	2018-2021	Minnesota Housing with partners
	<ul style="list-style-type: none"> Continue to support educational opportunities and outreach efforts with suburban community elected and appointed officials to understand the important and effectively plan for a full range of housing choices. 	2018-2021	Minnesota Housing with partners
	<ul style="list-style-type: none"> Distribute fair housing educational materials at annual conferences, public venues, and other opportunities. Each State CDBG Grantee must complete at least one fair housing activity each year. 	2018-2021	Minnesota Housing DEED, DHS DEED

Fair Housing Challenge	Draft Action Items	Time Frame	Responsible Parties
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Goal 5. Decrease the loss of housing through displacement and eviction.			
a. Redevelopment displacing current renters of Naturally Occurring Affordable Housing (NOAH)	<ul style="list-style-type: none"> Continue support of the NOAH Impact Fund and partner with the Greater Minnesota Housing Fund to evaluate the effectiveness of the fund. 	2018-2021 (eval. 18-20)	Minnesota Housing
	<ul style="list-style-type: none"> Collaborate with Fannie Mae and Freddie Mac (the GSEs) in considering products and solutions to support NOAH as identified in the GSE's Duty to Serve plans. 	2018-2020	Minnesota Housing & Partners
	<ul style="list-style-type: none"> Monitor state legislation regarding right of first refusal and opportunity to purchase measures for manufactured home parks (tenant purchase rights) and consider the next steps for Minnesota Housing related to the preservation of manufactured home parks to address critical infrastructure issues that limit preservation opportunities, or offset/replace opportunities that are no longer available. 	2018-2021 (next steps 20-21)	Minnesota Housing
	<ul style="list-style-type: none"> Monitor state legislative efforts that require communication between property owners and tenants regarding ownership/tenancy changes at a minimum of 60 days prior to sale of the building. 	2019-2021	Minnesota Housing
	<ul style="list-style-type: none"> Evaluate resources that could provide short term assistance to tenants displaced by a building sale or renovation. 	2019-2021	Minnesota Housing
	<ul style="list-style-type: none"> Create informational materials to provide to communities and other stakeholders regarding the Low Income Rental Classification (LIRC) program. 	2019-2020	Minnesota Housing
	<ul style="list-style-type: none"> (as in 1a) Evaluate potential increase in RRDL and consider expanding to support developments in urban/suburban areas. 	2019-2020	Minnesota Housing
b. Eviction filings negatively impact renters regardless of outcome	<ul style="list-style-type: none"> Monitor work to define and limit predatory rental practices, including questionable eviction practices and poor conditions of rental units. 	2018-2021	Minnesota Housing
	<ul style="list-style-type: none"> Monitor state legislative efforts to limit evictions to only appear on a tenant's record following court judgement. 	2019-2021	Minnesota Housing
	<ul style="list-style-type: none"> Research just cause eviction ordinances and tenant protection ordinances. 	2019-2021	Minnesota Housing