

A Place for Everyone

Recommendations for Housing Policy in Maplewood, Roseville, Little
Canada, Falcon Heights, and Lauderdale

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For:
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1 Introduction

A Place for Everyone

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Project Background

This report was prepared by Masters of Urban and Regional Planning and Masters of Public Policy students in fulfillment of their capstone project requirement for graduation from the Humphrey School of Public Affairs at the University of Minnesota – Twin Cities. The client for this capstone project is the Roseville Area League of Women Voters.

This report is designed to support the work of the Roseville Area League of Women Voters and complement their ongoing work on affordable housing in first-ring suburbs. Broadly speaking, this report serves three functions. First, this report seeks to describe the state of affordable housing in Falcon Heights, Lauderdale, Little Canada, Maplewood, and Roseville. Second, this report offers some targeted recommendations about how to improve the existing and future affordable housing stock and increase access to affordable housing units. These recommendations are timely, as the five cities studied in this report must return their updated comprehensive plans to the Metropolitan Council by December 2018. Finally, this report provides some recommendations to strengthen the Roseville Area League of Women Voters advocacy efforts.

There are no one-size-fits-all solutions to the challenges of affordable housing. Every city has a wide variety of housing needs, known as the continuum of housing, that reflect the specific circumstances and needs of the city's residents. A city's continuum of housing includes everything from emergency shelters to subsidized properties to traditional homeownership. In light of this range of needs, the policy recommendations included in this report seek to fill any existing gaps in each city's continuum of housing. Providing residents with the full continuum of housing options is integral to the health and wellbeing of residents and neighborhoods, and the overall quality of life throughout the city.

The policy and community engagement recommendations included in this report were developed using an equity lens and a framework of Targeted Universalism. A Targeted Universalism approach entails setting universal goals that include the needs of both dominant and marginalized groups while simultaneously acknowledging and addressing the differences between subpopulations in the community. Universal policies that fail to consider the many reinforcing constraints on certain subpopulations of the community often fail to produce improved universal outcomes. On the other hand, policies that reflect a deep understanding of the unique circumstances of targeted subpopulations, whether those fall along lines of class, gender, or income, are more likely to yield improved outcomes for the community as a whole. In the case of affordable housing, this means improving conditions for those with the least access to affordable housing.¹

Roseville Area League of Women Voters

Established in 1953, the Roseville Area League of Women Voters is a nonpartisan political organization that seeks to encourage responsible, informed participation in government.

¹ powell, john. "Poverty and Race Through a Belonginess Lens," *Policy Matters* 1(5). April 2012.

The Roseville Area League of Women Voters subscribes to the Minnesota League of Women Voters position on affordable housing, which reads,

“All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, affordable housing. [The League supports] an active role in providing long-term decent and affordable housing for very low-, low-, and moderate- income households. [The League will] specifically support programs that: Increase a community’s capacity to provide a full range of housing opportunities, preserve and expand the existing affordable housing stock, prevent homelessness, and promote rental housing subsidies.”

Introduction to Target Cities

Falcon Heights, Lauderdale, Little Canada, Maplewood, and Roseville

Before white settlers arrived in Minnesota, Dakota and Ojibwe tribes inhabited the cities of Lauderdale, Little Canada, Falcon Heights, Roseville, and Maplewood. These tribes traveled through what is now known as Ramsey County during the summer season, taking advantage of the lakes and open spaces for fishing and hunting. The earliest white settlers in Ramsey County were of French, Canadian, Irish, German, or Norwegian descent. In fact, the first school in Little Canada opened in 1850, and classes were taught in French.

Minnesota earned statehood in 1858, and the cities of Lauderdale, Little Canada, Falcon Heights, Roseville, and Maplewood were all formally incorporated as cities in the 1940s and 1970s.

All five of the Roseville Area League of Women Voters (RALWV) cities are known for their backgrounds in grain and dairy farming. Minnesota’s economy was largely built on the fur trade until the turn of the 19th century when railroads were built in Saint Paul. The five RALWV cities and much of northern Ramsey County, unlike in Saint Paul, remained farmland.

Towards the 1960s and 1970s, the five RALWV cities became more industrialized. The Maplewood Mall and what is now known as the Rosedale Mall in Roseville opened in the late 1960s and became centers for retail business. 3M decided to relocate its headquarters from Saint Paul to Maplewood in 1952 because of the proximity to highways and lower tax rate. In 1965, 3M made up one third of Maplewood’s tax base.

Since the 1990s, Asian and Asian American and Black or African American communities have tripled in Minnesota, and Hispanic communities have quadrupled. In total, according to 2015 data, 27 percent of residents in the RALWV cities identify as people of color. This is higher than the Minnesota state average of 18 percent reported in 2013 but still lower than the national average of 36 percent reported in 2010. According to estimates from the Minnesota State Demographic Center, Ramsey County will see a 64 percent increase in racial and ethnic minority populations between 2005 and 2035.

On average across the five RALWV cities, 8 percent of residents identify as Black or African American and 5 percent identify as Hispanic. These numbers are very similar to those found in Minneapolis and Saint Paul. Unlike in Minneapolis and Saint Paul, however, 14 percent of residents across the five RALWV cities identify as Asian, which is double what is reported in the Twin Cities.

Between 2011 and 2015, the leading countries of birth represented in Minnesota were Mexico, India, Laos, Thailand, Somalia, and Vietnam. Some immigrants from Laos and Thailand represent Hmong refugees, who have been resettling in Minnesota since 1975. Some immigrants from Thailand and Burma represent Karen refugees, who have been resettling in Minnesota since the early 2000s. Saint Paul is currently home to the largest U.S. Karen population. Three of the RALWV cities (Little Canada, Roseville, and Maplewood) ranked in the top 20 Minnesota cities with the highest percentage of foreign born residents in 2015.

Who Needs and Uses Affordable Housing?

Opponents of affordable housing have established a narrative that claims increasing affordable housing will result in more low-income people moving into those communities. But this is a myth. The truth is that every community already has residents that are poorly housed living in those communities. Rather than importing low-income people, increasing affordable housing will result in improvements for community members who already live in those communities. Affordable housing is the cornerstone of a vibrant local economy, a diverse community, and pleasant neighborhood appearances. To dispel myths about the effects of increased affordable housing, it is important to discuss the issue in human terms.²

Housing should be affordable for everyone regardless of their station in life or how much they earn. Residents in Lauderdale, Little Canada, Falcon Heights, Roseville, and Maplewood who live in or are in need of affordable housing are mothers, fathers, daughters, sons, grandparents, and aunts and uncles. They are part of these communities just like everyone else. They work as cashiers at the places residents shop for clothes, groceries, and home improvement products. They are teaching assistants at Luther Seminary or the University of Minnesota-Twin Cities Saint Paul Campus. They celebrate birthdays, anniversaries, religious holidays, and graduations with loved ones. They enjoy gardening and golfing, biking and playing soccer, and going to the lake or enjoying the outdoors in the summer. They go to school, volunteer with community organizations, and help their kids with their homework. They value safety and community, and are proud to live in these cities. They are valued members of these communities. It is imperative that all members of these communities recognize the diversity in their neighborhoods and appreciate the value that all residents bring to their cities.

² Burson, J. (2016, July 16). Who lives in affordable housing? Homeword Homeblog. Retrieved from <http://www.homeword.org/homeblog/who-lives-in-affordable-housing>.

2 Demographic and Housing Summary

Analysis of social and economic characteristics of residents and characteristics of existing housing stock

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Falcon Heights

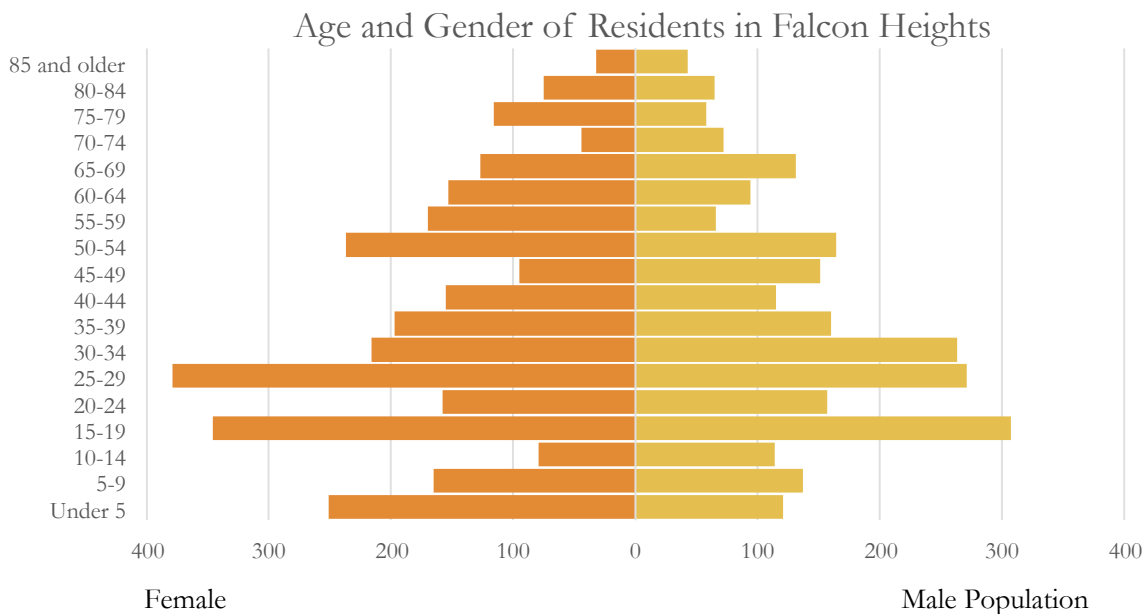
Key Differences from Twin Cities Metro

- Twice as many residents identify as Asian
- More likely to speak a language other than English at home
- Fewer units owner occupied
- Three times as likely to take transit to work
- Slightly higher household median income³

Vital Statistics

Falcon Heights is home to 5,484 people who are living in 2,170 different households. With a median age of 33, the population would be considered somewhat young. The percentage of the population that is school-aged is less than what is found in the surrounding region, but the percentage of households with school-aged children is only somewhat lower than the metro area. There is, however, a comparatively larger population of children under the age of 5, who are not quite yet old enough for school. Small portions of families with children are considered single parent families, meaning that the family is composed of an unmarried adult and the adult's children.

Falcon Heights is home to the Saint Paul Campus of the University of Minnesota, which includes a 500-resident dorm building and a 484-unit family student housing cooperative in addition to students living off campus in Falcon Heights. Student housing contributes to the unique distribution of ages found in Falcon Heights, including the high proportion of the population that is of typical college age. The University also helps to explain the larger cohort of young children, since families in student housing are more likely to have young children than school age children. The median age in the census tract that includes the Saint Paul campus is 27, while the median age for the other census tract is 41.



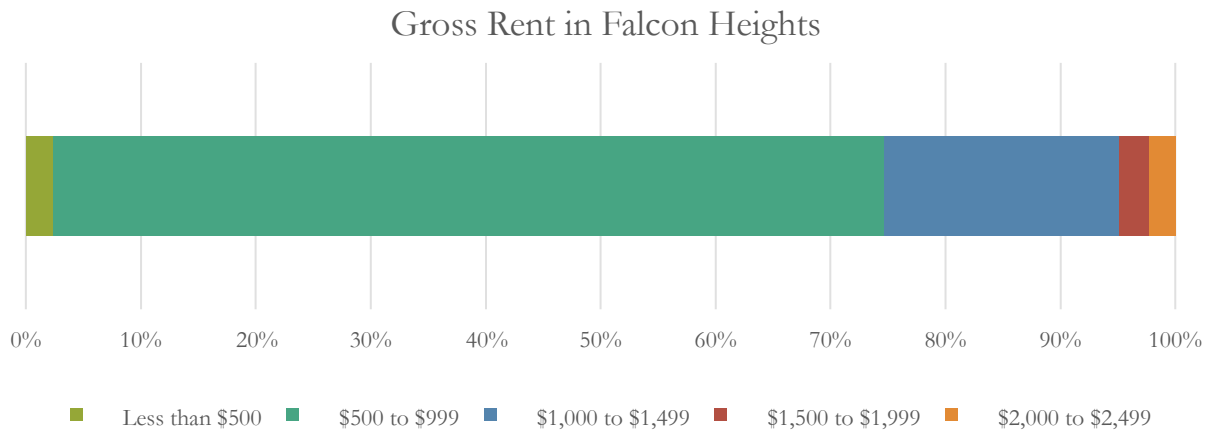
³ Unless otherwise noted, all data is from the American Communities Survey Five Year Estimates 2011-2015. All sources listed for Falcon Heights were also used for the other cities.

Housing Costs

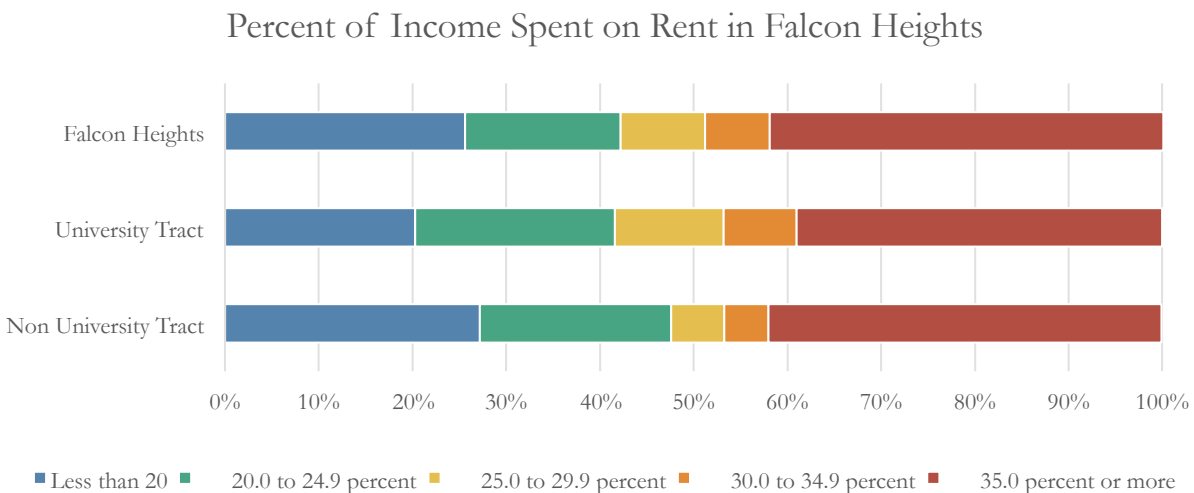
Housing cost data does not include college dormitories, but it does include the family student housing cooperative.

Rental Costs

Falcon Heights rental units are moderately priced with a median gross rent of \$871 per month. Over 70 percent of renters in Falcon Heights are paying between \$500 and \$999 dollars in gross rent.



In Falcon Heights overall, 47 percent of renters are paying over 30 percent of their income in rent, meaning they are cost-burdened. The differences found between the on-campus tract and the off-campus tract are minimal. In the off-campus tract, nearly 15 percent of rental units have a housing choice voucher.⁴

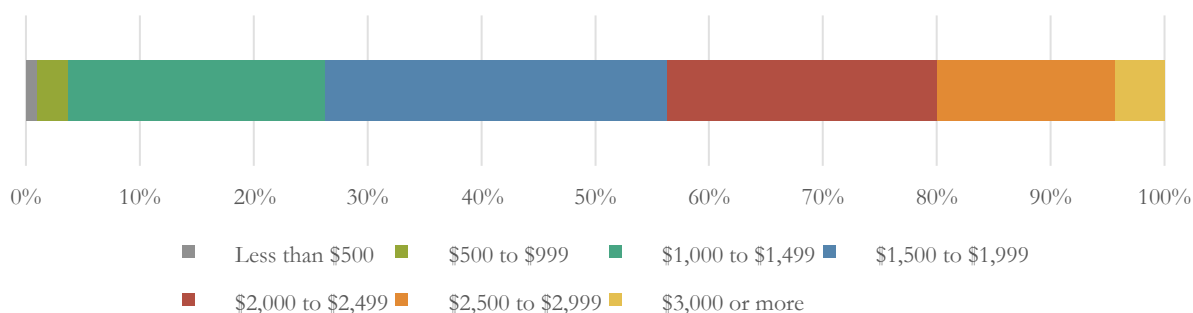


⁴ US Department of Housing and Urban Development, 2016

Ownership Costs

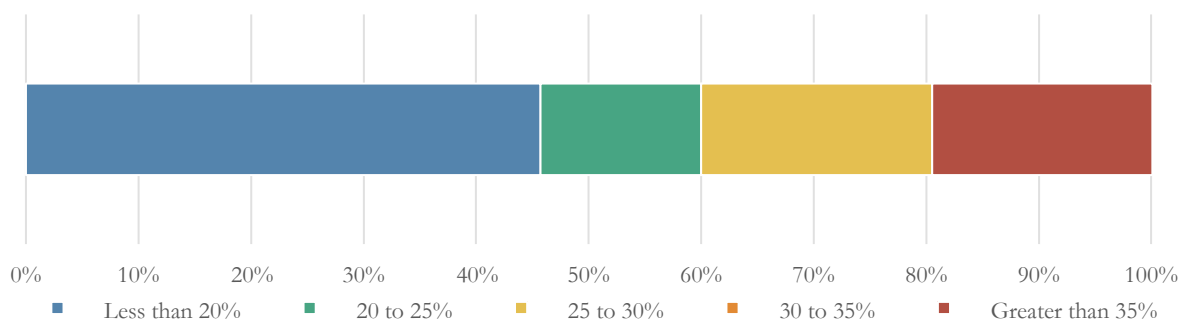
Our analysis of owner costs is confined to the 66 percent of homeowners in Falcon Heights that have a mortgage. Selected monthly owner costs in Falcon Heights are higher than the monthly costs associated with renting. The median owner cost is \$1,911 per month, and more than 45 percent of homeowners are spending more than \$2,000 per month in Falcon Heights.

Monthly Owner Costs in Falcon Heights



Overall, renters experience cost-burden more frequently than owners in Falcon Heights. Of the 66 percent of owners that have a mortgage, less than 20 percent are spending more than 30 percent of their income on housing. While more homeowners are spending an affordable amount of their income on housing, monthly ownership costs are still high.

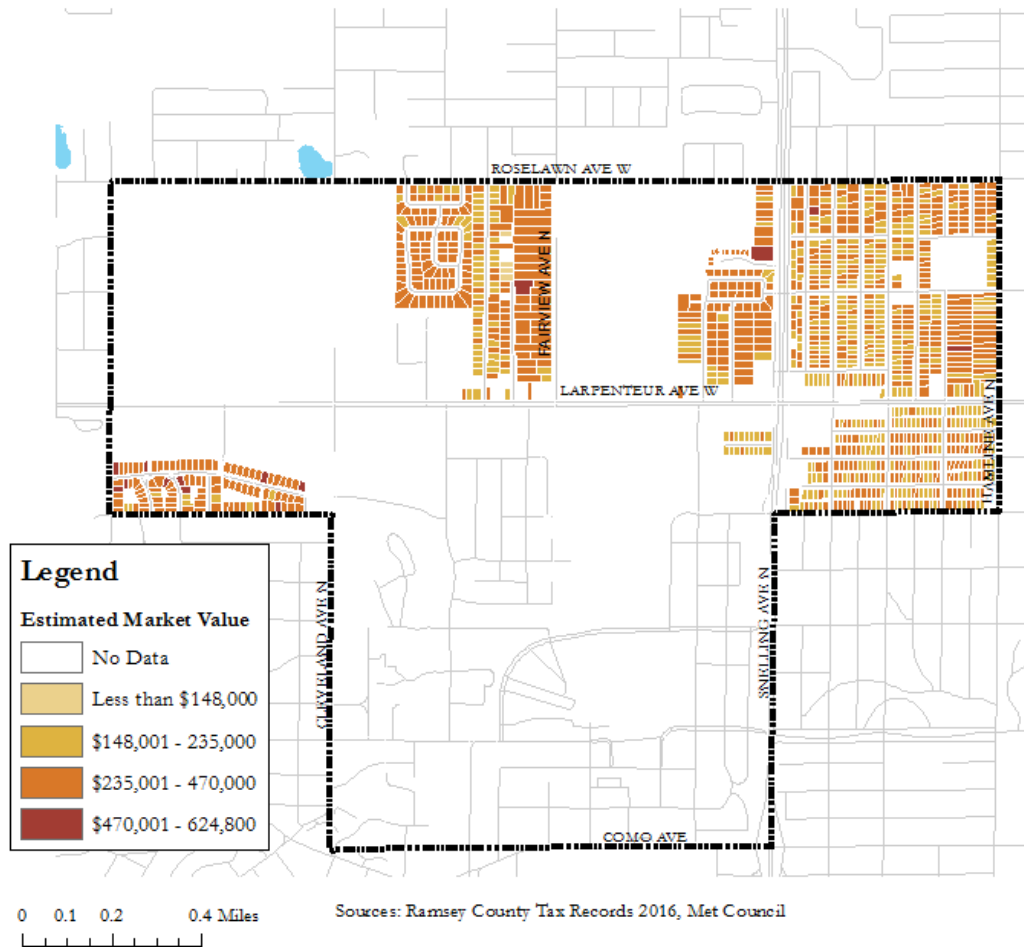
Percent of Income Spent on Owner Costs in Falcon Heights



Of the 1,163 single family homes in Falcon Heights, 12 have a 2015 Estimated Market Value (EMV)⁵ of less than \$148,000 and are affordable at or below 60 percent AMI. Moreover, 412 have an EMV between \$148,000 \$235,000 and are affordable to households at or below 80 percent of AMI.

⁵ Estimated Market Values are determined by the Ramsey County assessor. These records are helpful in comparing with each other, but tend to be lower than the selling price of the homes. This is especially true when the market is hot.

Single Family Home Values

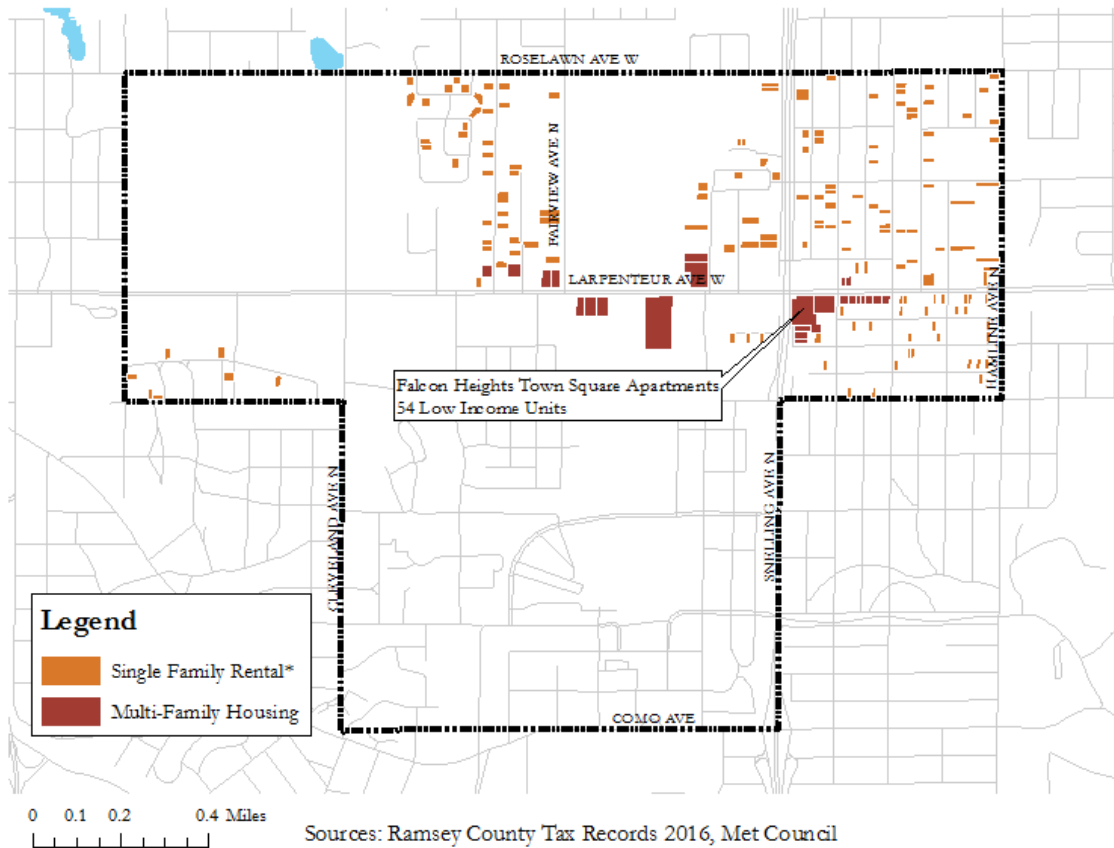


Housing Location, Type and Quality

Location

All multifamily housing is located on Larpentuer Avenue in Falcon Heights, while single family rental options are fairly evenly distributed across the city. The one federally subsidized building is located at intersection of Snelling Avenue and Larpentuer Avenue, which has excellent access to public transit.

Rental Housing

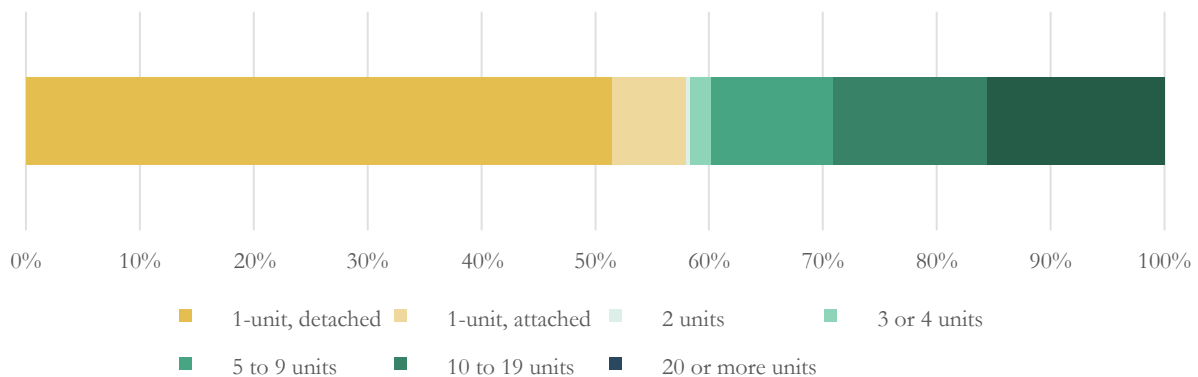


*Refers to single family units that are not homesteaded and may include owner occupied, non-homestead properties.

Type and Age

Over half of Falcon Heights households live in single family detached homes, with an additional 6 percent living in single family attached homes or townhouses. Nearly all of the households that are not living in single family homes live in apartment buildings with more than four units.

Type of Structure in Falcon Heights



The median unit has five and a half total rooms and two bedrooms, somewhat less than the regional medians of six total rooms and three bedrooms. Since a smaller portion of households have school-aged children, fewer households need more than two bedrooms. Most housing in Falcon Heights was built prior to 1960, with a substantial portion of single family homes built prior to World War II.

Quality

Crowding is not a problem in Falcon Heights. Fewer than 5 percent of households have more than one person per room and no households have more than one and a half people per room. A somewhat high percentage of housing units are primarily heated by electricity (20 percent), but fewer units are lacking in plumbing facilities, while relatively high number of units lack complete kitchen facilities (1.5 percent). Complete kitchen facilities include a sink with a faucet, stove or range, and refrigerator. Nationally speaking, the most common item to be missing from kitchen facilities is a stove.

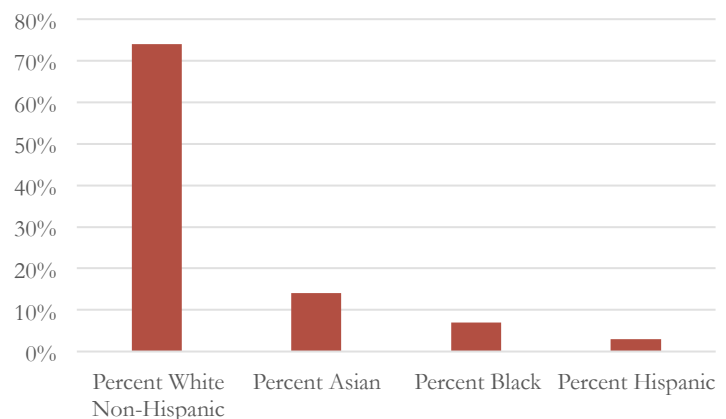
Race, Ethnicity, and National Origin

Race and Ethnicity

Over 70 percent of Falcon Heights residents identify as non-Hispanic Whites, while 14 percent of the population identifies as Asian. The non-white population includes more school-aged children.

Significant disparities exist between the white and non-white population in Falcon Heights. Black and Asian residents are unlikely to own their home, with 9 percent of Asian households and no black households residing in owner-occupied housing. Additionally, 58 percent of black households and 23 percent of Asian households have incomes under 100 percent of the poverty level.

Largest Racial and Ethnic Groups in Falcon Heights



	Percent Owner Occupied	Poverty Rate
White	69%	2%
Asian	9%	23%
Black	0%	58%

The people who work in Falcon Heights are less likely to be white than those who live in Falcon Heights. Eighty-nine percent of people employed in Falcon Heights are white, while 83 percent of employed residents of Falcon Heights are white.⁶

⁶ On The Map, a program of the US Census Bureau, 2014

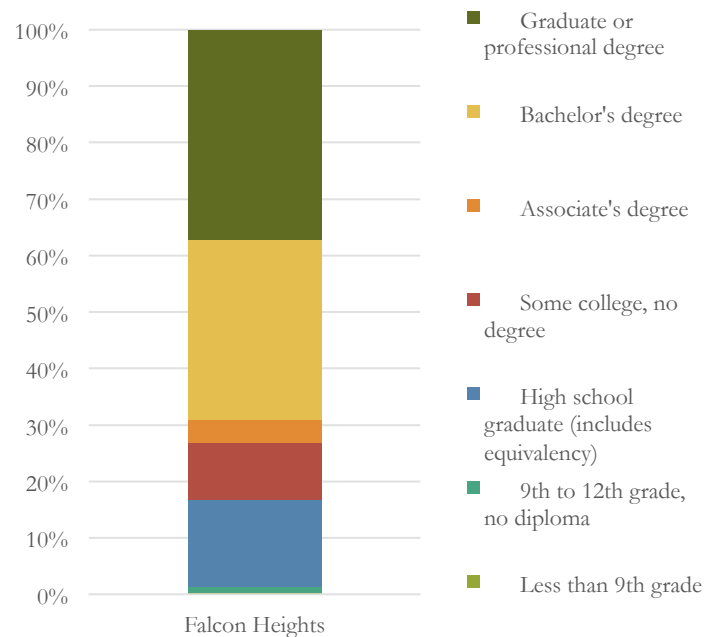
National Origin

One in five residents of Falcon Heights speak a language other than English at home and 18 percent of the city's residents are foreign born. Nine percent of residents speak English less than very well. Of those born in a different country, around 36 percent have come to the U.S. since 2010 and 30 percent are naturalized citizens. Nearly two-thirds of these immigrants are from Asia, around 20 percent are from Africa, and nearly equal amounts are from Europe and Latin America.

Education

Falcon Heights has a well-educated population. Nearly all residents have at least a high school diploma, 70 percent have at least a bachelor's degree, and 30 percent have a graduate or professional degree. The high education level is somewhat expected given the proximity to the University, since the undergraduate and graduate students have minimum education requirements and professors are also likely to live near the campus. Fourth grade test scores of elementary schools serving Falcon Heights are rated between 34 and 48 out of 100. This is similar to if not higher than suburbs with similar proximity to the central city.

Educational Attainment in Falcon Heights



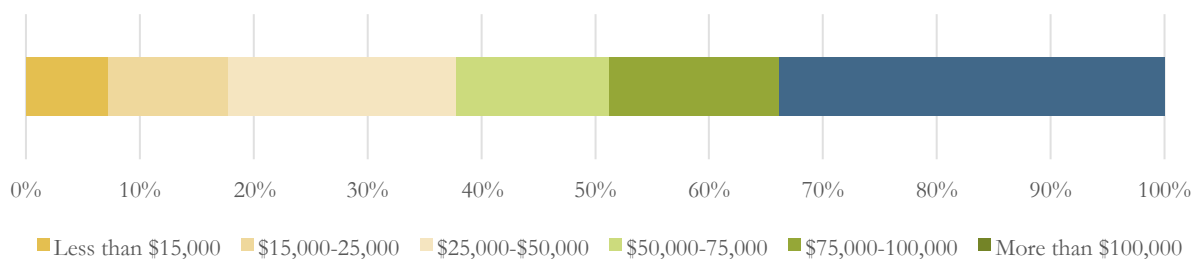
Income and Employment

Falcon Heights residents have moderate to high incomes compared with the rest of the metropolitan area. The median household income can support spending \$1,794 per month on housing, exceeding the median rental cost by more than \$900, but falling more than \$100 short of owner costs. Thirty-four percent of households have more than \$100,000 in income, which is similar to the region, but well above Ramsey County.

Median Household Income: \$71,765

Median Individual Income: \$31,927

Household Incomes in Falcon Heights



The poverty rate is also on par with the region at 11 percent as is the unemployment rate at 6 percent. Nearly one in 20 households have receive SNAP benefits in the last twelve months. More than a quarter of Falcon Heights residents work in Minneapolis while one sixth work in Minneapolis followed by Falcon Heights, Roseville, and Bloomington. A quarter of residents work in education followed by 12 percent working in healthcare and social assistance.

Disability and Health

Seven percent of Falcon Heights residents are disabled, three points below the region, but has a much higher rate of disability for adults over 65. The rate of disability for children is slightly higher than the state and region, while the 18-64 year olds is slightly lower. Two percent of households have received Supplemental Security Insurance in the last twelve months. Ninety-five percent of Falcon Heights residents have health insurance, slightly higher than what is found in the surrounding region.

Transportation

Falcon Heights residents have greater vehicle availability, but are more likely to use transit than the region and the other target cities. Only 5 percent of households have no vehicle available. Falcon Heights residents have excellent transit availability. Met Council designates the entire city as transit market area 2, meaning it is served by a dense network that is less frequent than the downtown regions of the central cities. The city is served by the State Fair transit center and two stops on the A-Line bus rapid transit.

Lauderdale

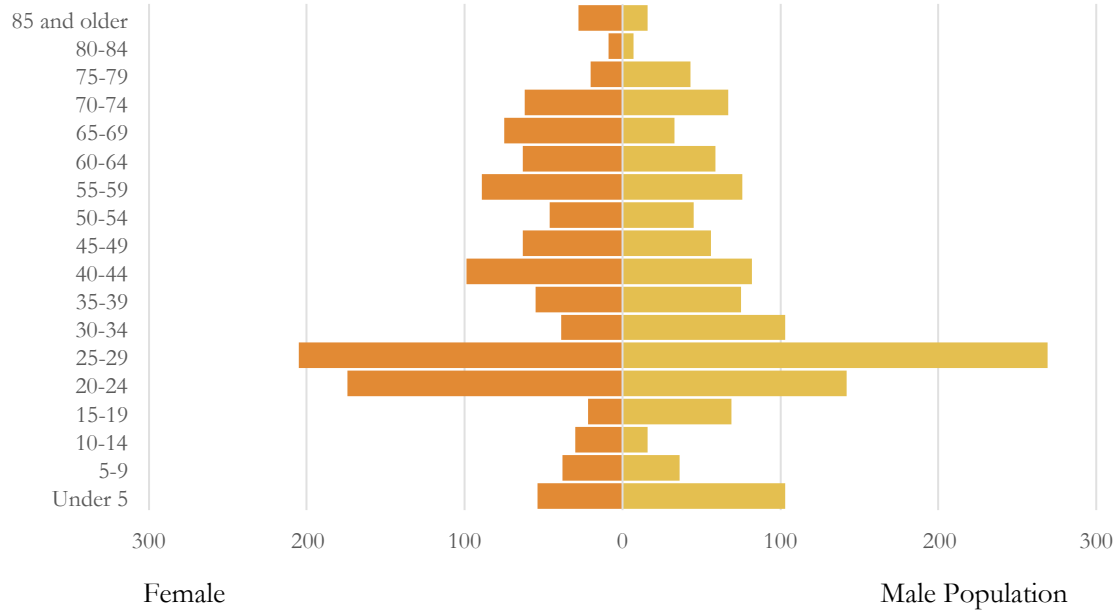
Key Differences from Twin Cities Region

- Half as many households have children, few school age children
- Lower median age
- Three times as many residents are Asian
- Twice as likely to speak a language other than English at home
- More likely to have less than a high school diploma
- Household income is two-thirds as much as metro area
- Less than half of units are owner occupied
- Three times as likely to take transit to work

Vital Statistics

Lauderdale is home to 2,468 individuals in 1,176 households with a small average household size of 2.1 people. With a median age of 32, Lauderdale is the youngest of the five target cities. The population has a high percentage of residents between the ages of 20 and 30, a large portion of which can be explained by Luther Seminary, which is located in the southeastern portion of the city and includes student housing. Only 7 percent of the population is made up of school-aged children and 15 percent of households include children under 18.

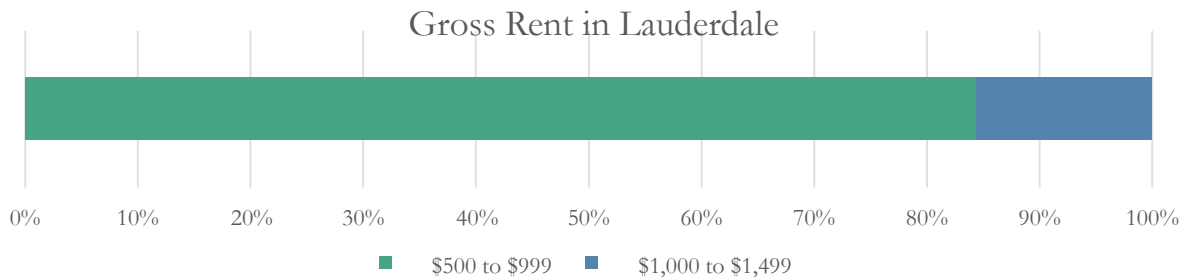
Age and Gender of Residents in Lauderdale



Housing Costs

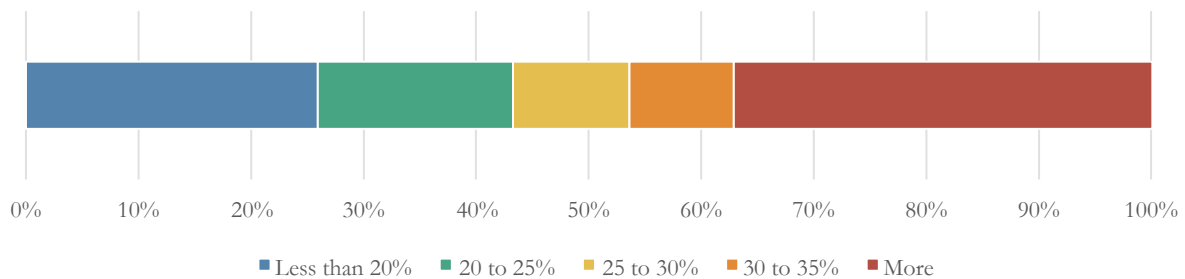
Rental Costs

All rental units in Lauderdale have gross rents between \$500 and \$1,000. The median rent is \$816, well below the regional median of \$931.



While rents paid are low compared to the region, 49 percent of renters are paying more than 30 percent of their income on rent.

Gross Rent as a Percent of Income in Lauderdale

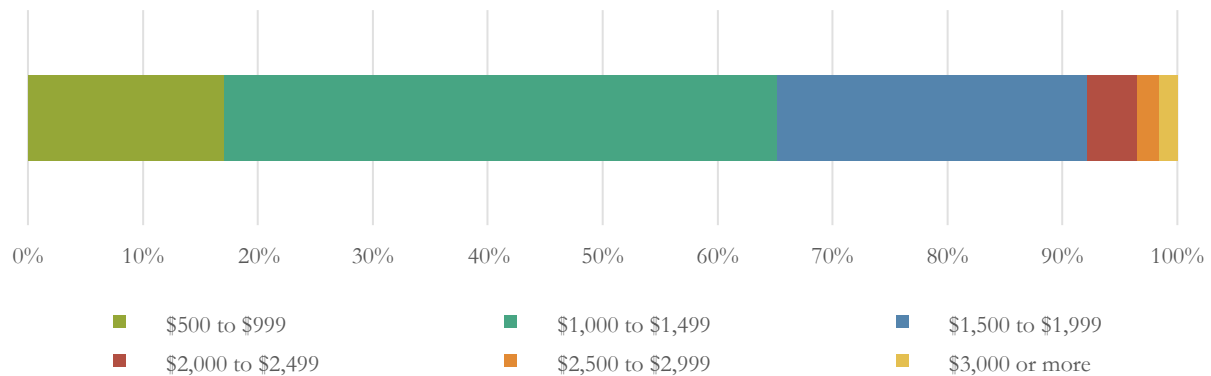


Data on Housing Choice Voucher usage is suppressed by HUD for the census tract that encompasses Lauderdale. No federally subsidized housing exists in Lauderdale.

Ownership Costs

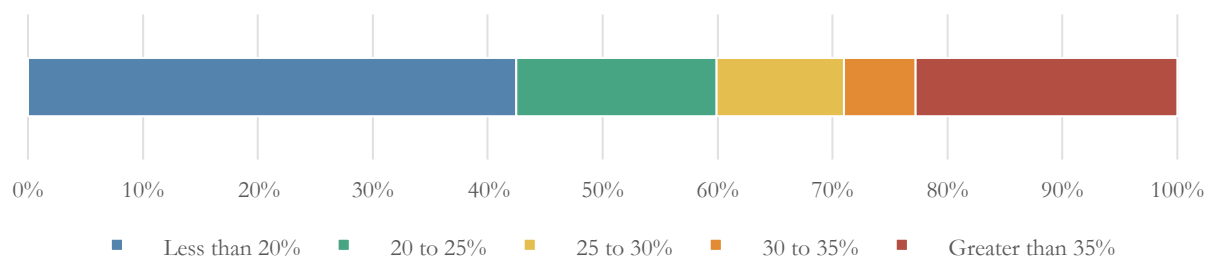
Of the 60 percent of homeowners with mortgages, less than 10 percent spend more than \$2,000 on housing. Approximately 65 percent of owners with mortgages in Lauderdale are spending between \$500 and \$1,500 per month on housing, the range that all rental occupied housing is in. The median owner cost is \$1,345, about \$300 less than the median for the Twin Cities region.

Monthly Owner Costs in Lauderdale



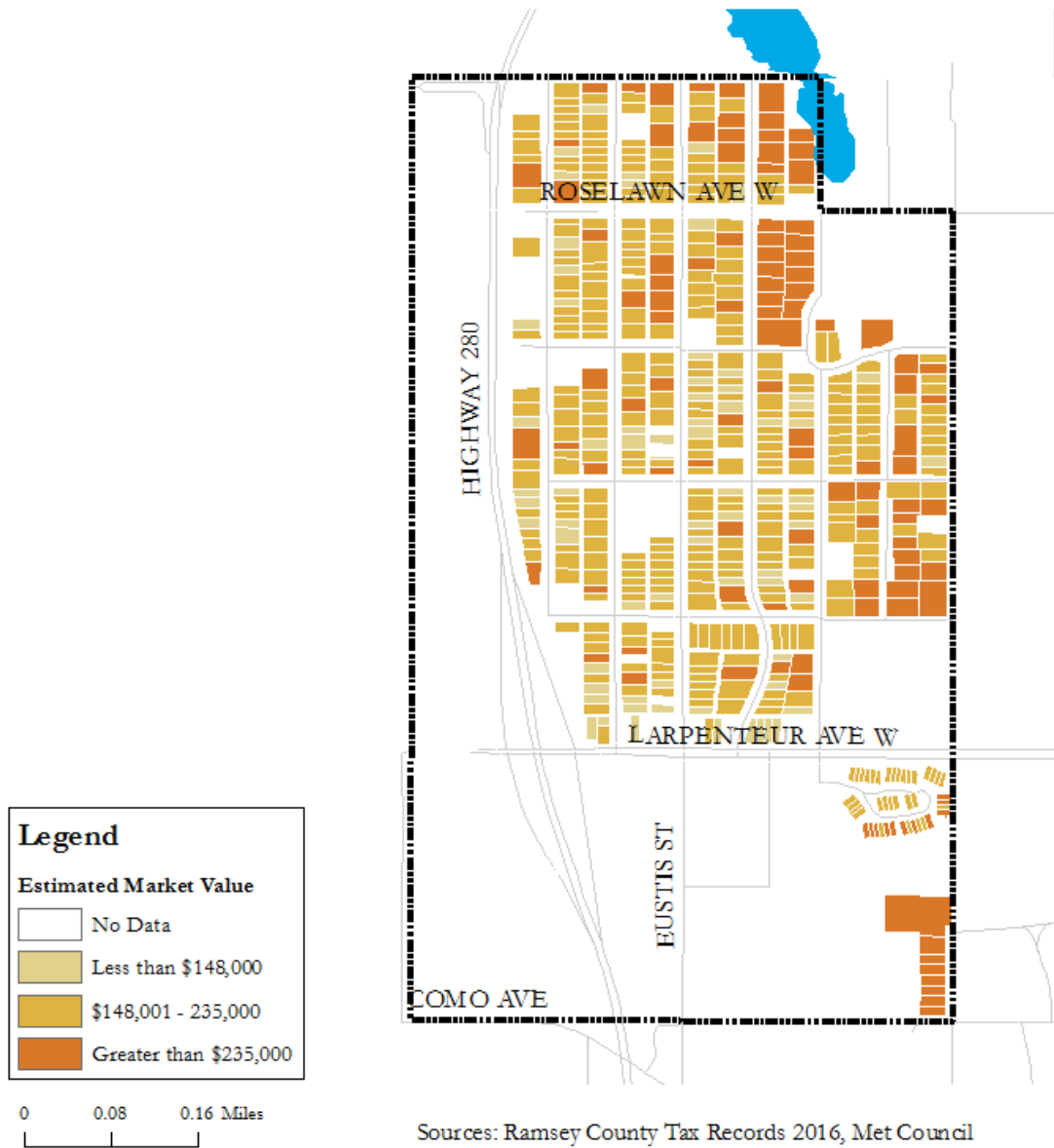
Overall, 29 percent of Lauderdale homeowners with mortgages are spending more than 30 percent of their income on housing.

Owner Costs as a Percent of Income in Lauderdale



Of the 524 single family homes in Lauderdale, 71 percent are affordable at or below 50 percent of AMI and 335 are affordable between 50 and 80 percent of AMI. No homes are valued above \$470,000, or twice the value deemed affordable to households making 80 percent of AMI.

Single Family Home Values

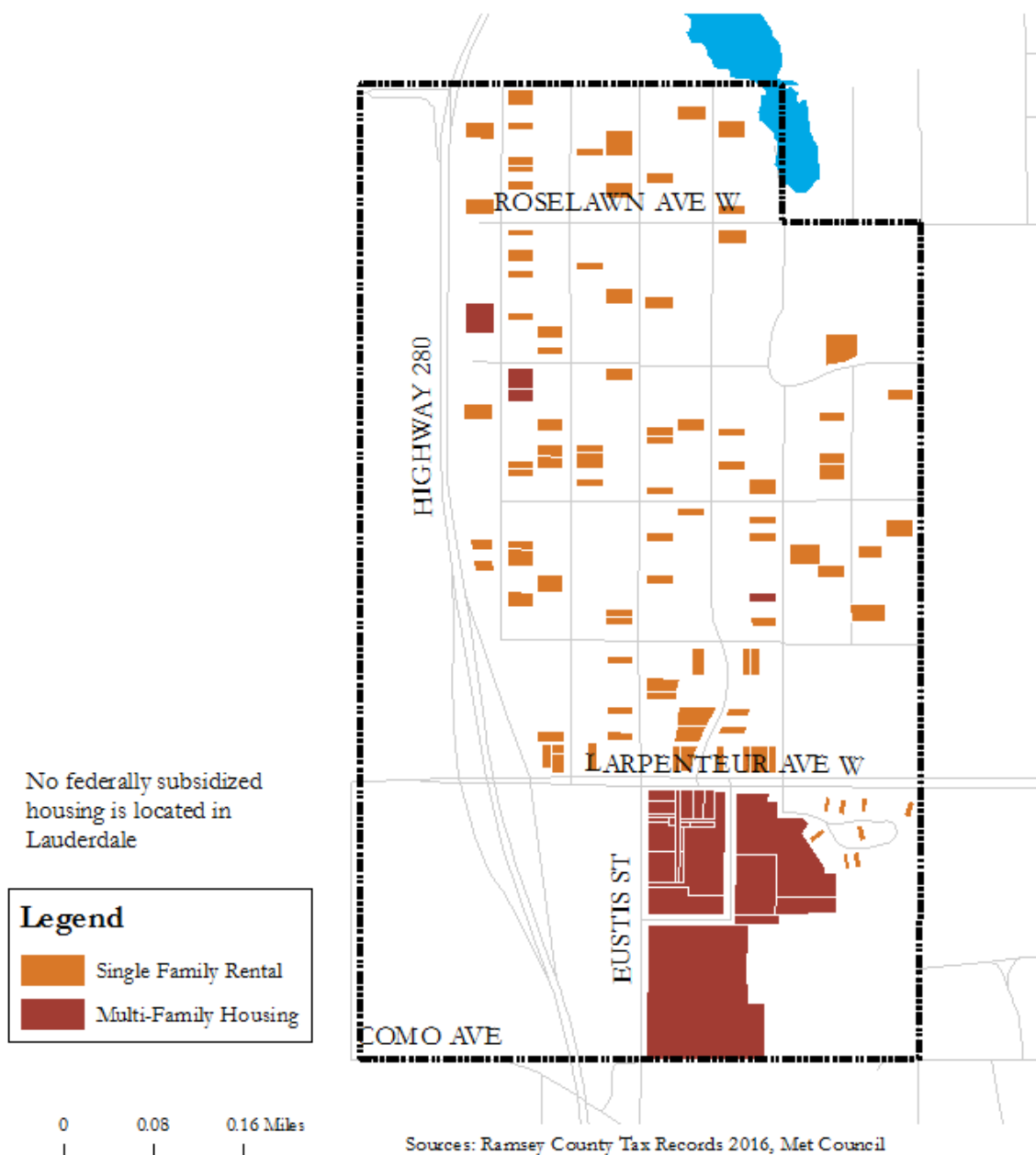


Housing Location, Type, and Quality

Location

Most multi-family housing is located at the corner of Eustis Street and Larpenteur Avenue near Luther Seminary. This is a prime location for transit usage as the intersection is served by two bus routes that reach both downtowns as well as North and Northeast Minneapolis.

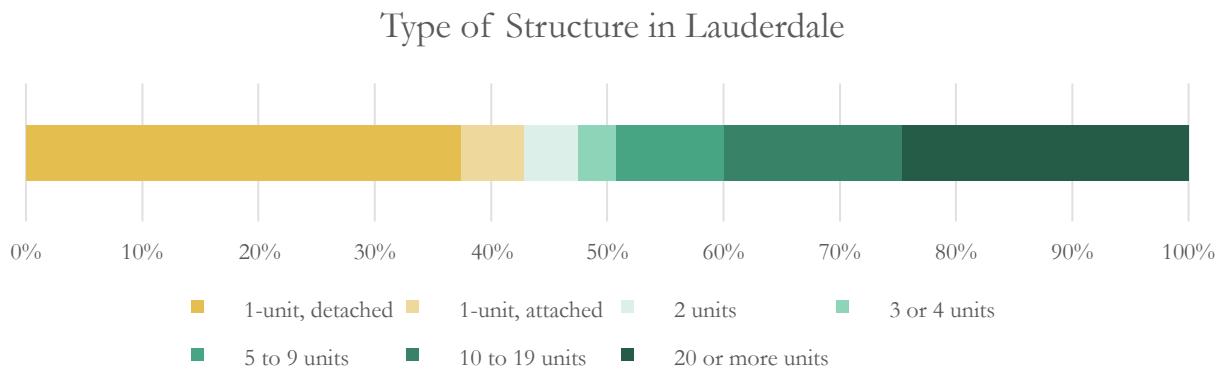
Rental Housing



*Refers to single family units that are not homesteaded and may include owner occupied, non-homestead properties.

Type and Age

Less than half of Lauderdale residents live in single family homes, attached or detached. Just under half of residents live in apartment buildings with more than five units.



The median unit has four total rooms and two bedrooms, well below the regional median of six rooms and three bedrooms. Since few households have children, the lack of bedrooms and rooms in general is not surprising. Very little of the housing in Lauderdale was built after 2000. Nearly half of single family homes were constructed prior to 1950, with a quarter built prior to 1924.

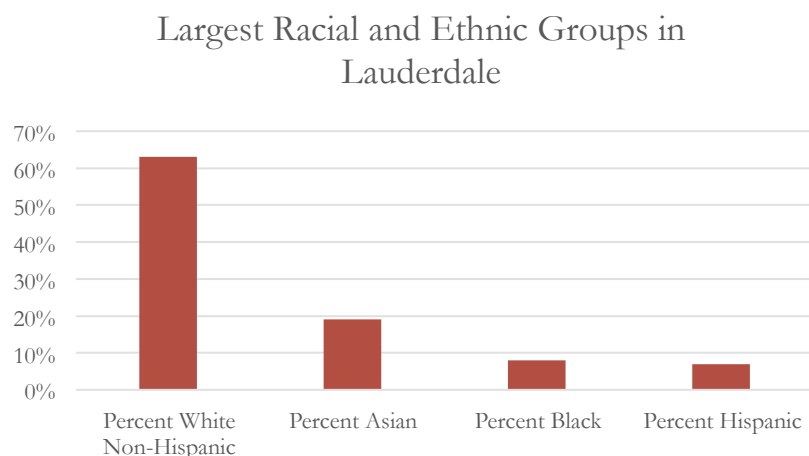
Quality

Crowding is not a concern in Lauderdale with 96 percent of households having less than one person per room. All units have complete plumbing facilities, and approximately 1 percent of units lack complete kitchen facilities, meaning they are lacking a range, sink with faucet, or refrigerator. Twenty-seven percent of units are heated with electricity, a relatively high percentage compared to the region.

Race, Ethnicity, and National Origin

Race and Ethnicity

Of the five target cities, Lauderdale has the most racial and ethnic diversity, with 63 percent of residents identifying as non-white or Hispanic. As in all of the target cities, the largest minority group is Asian, which makes up nearly one fifth of the population in Lauderdale.



Due to the small size of Lauderdale, margins of error on variable combining race with other questions are large, so we are not providing the specific numbers. We can see that even with the most extreme margins of error applied, Whites in Lauderdale are more likely to live in owner occupied housing than Asians or

blacks. The poverty rate for Asians appears to be relatively similar to the poverty rate for whites, while the poverty rate for blacks is much higher. Eighty-four percent of individuals working in Lauderdale are white, compared to 80 percent of employed Lauderdale.

National Origin

Nearly one-third of residents in Lauderdale speak a language other than English at home and nearly 28 percent of the city's residents are foreign born. Nineteen percent of residents speak English less than very well. Of those born in a different country, just over 36 percent came to the U.S. after 2010 and about 20 percent are naturalized citizens. Just over two-thirds of these immigrants are from Asia, and slightly more than 15 percent are from Africa and slightly less than 15 percent are from Latin America.

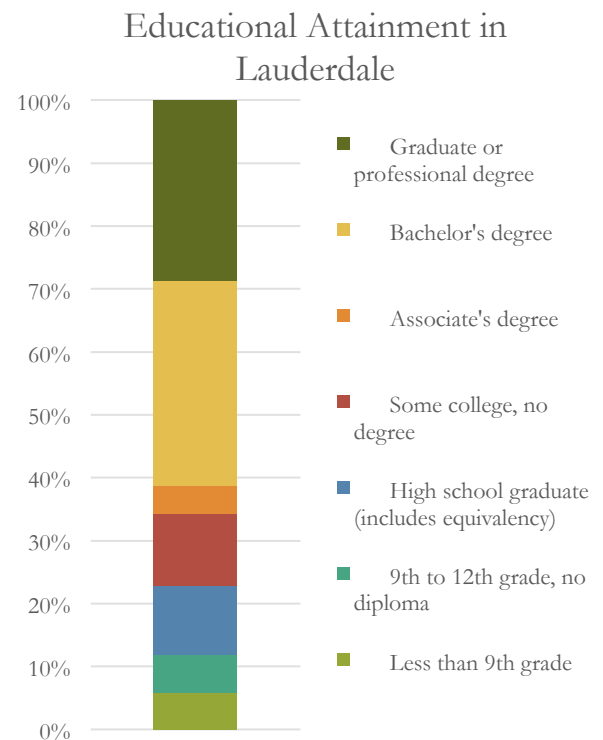
Education

More than 10 percent of residents of Lauderdale, 25 years and older, have less than a high school diploma, while more than 40 percent of residents have at least a bachelor's degree. Elementary schools serving Lauderdale receive a school proficiency score of 34 out of 100, similar to suburbs at comparable distance from the central cities.

Income and Employment

By all measures, Lauderdale residents have lower incomes than the other target cities and the region. The median individual income is nearly \$8,000 less than the region, while the median household income is approximately \$27,000 less than the region. The median household income can support monthly housing costs up to \$1,045, which while above the median rental costs, is \$300 short of the owner costs.

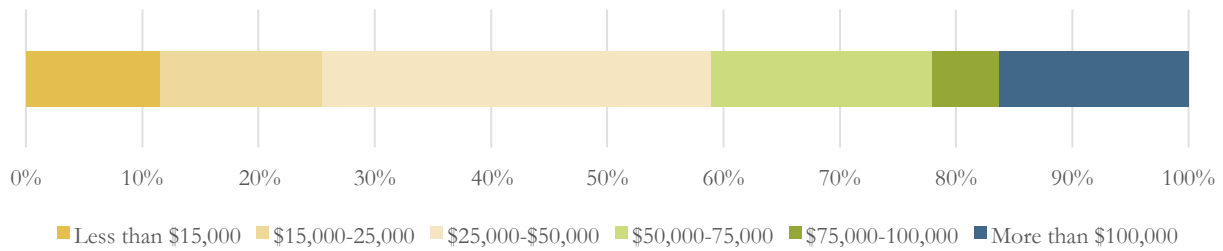
The poverty rate is high at 18 percent and 5 percent of households have received SNAP benefits in the last twelve months. Lauderdale residents are most likely to work in the areas of education or healthcare and social assistance. A large portion of residents work in the Twin Cities: 36 percent in Minneapolis and 17 percent in Saint Paul.



*Median Household
Income: \$71,765*

*Median Individual
Income: \$31,927*

Household Income in Lauderdale



Disability and Health

Twelve percent of Lauderdale residents have a disability and 4 percent of households have received SSI in the last year, similar to the region, although the rate of disability for individuals over 65 is higher than the region. Ninety percent of residents have at health insurance coverage.

Transportation

Nine percent of Lauderdale households do not have a vehicle available. Three-quarters of employed Lauderdale residents drove alone to work, similar to the region. The city is well served by transit with two bus routes, although neither is high frequency. Met Council considers the area to be Transit Market Area 2, meaning it has dense service that is less frequent than in the center of Minneapolis and Saint Paul.

Little Canada

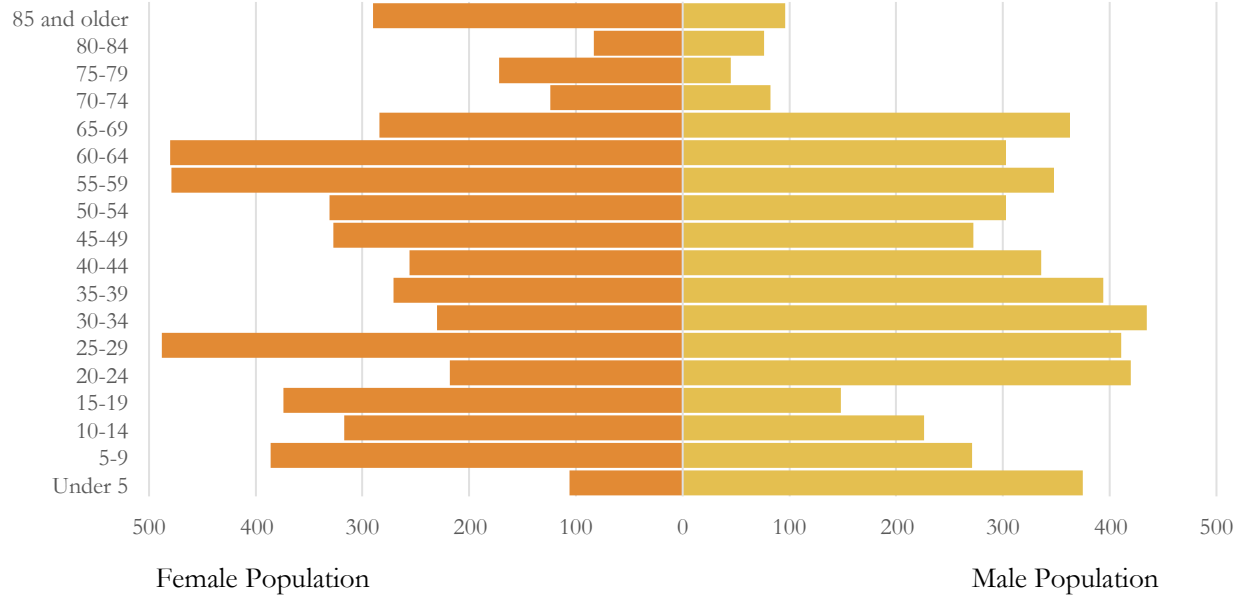
Key Differences from Twin Cities Region

- Fewer households with children
- Higher median age
- More seniors living alone
- Twice as many residents are Asian
- Household income \$18,000 less than metro
- One and a half times as likely to have disability

Vital Statistics

Little Canada is made up of 8,439 people in 4,479 households, with an average household size of 2.24 people, slightly below the regional average. Twenty percent of households are families with children. Of those, 75 percent are an unmarried parent with own child. Fifteen percent of residents are school-aged children. Fourteen percent of households are made up of individuals 65 years old or older living alone.

Age and Gender of Residents in Little Canada

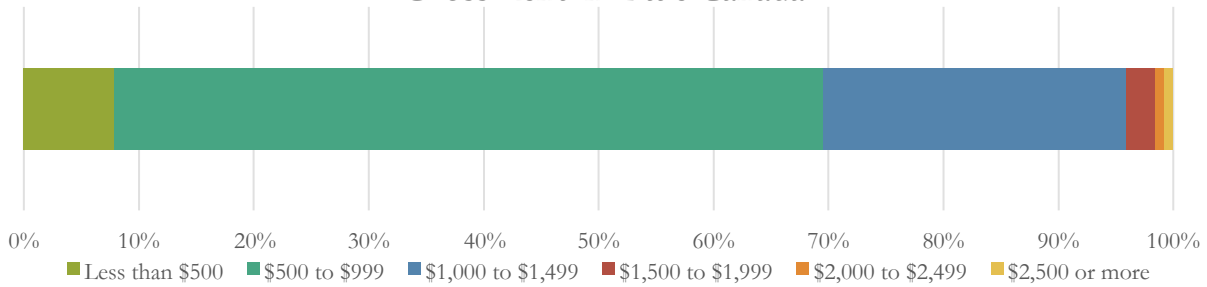


Housing Costs

Rental Costs

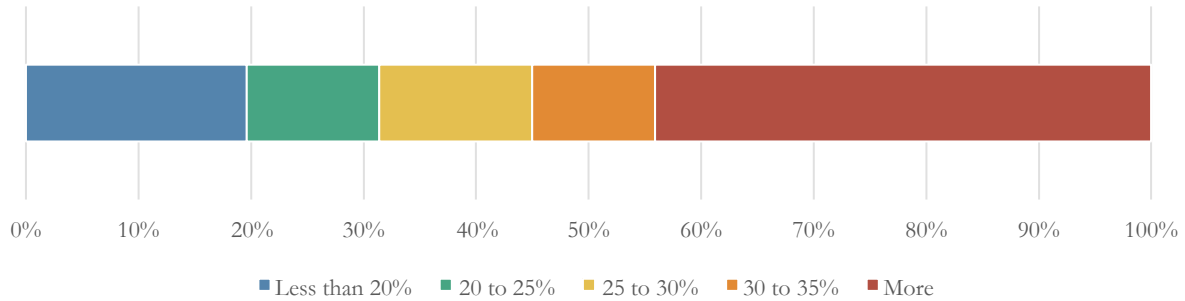
For the 38 percent of households who rent their homes, the median gross rent in Little Canada is \$854, \$60 less than the median rent in the region. Approximately 70 percent of renters are paying less than \$1,000 per month in rent.

Gross Rent in Little Canada



Approximately 55 percent of renters in Little Canada are cost burdened, about 5 percentage points more than in the region.

Rent as a Portion of Income in Little Canada

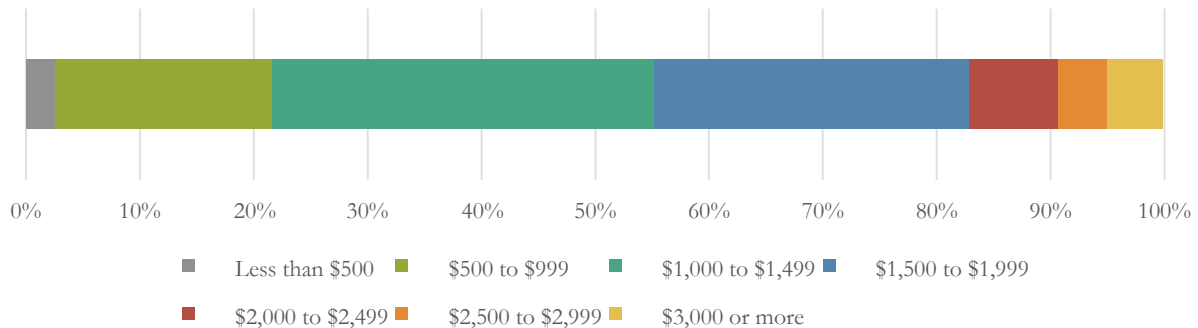


Housing Choice Vouchers are being used in 6-13 percent of rental units in Little Canada.

Ownership Costs

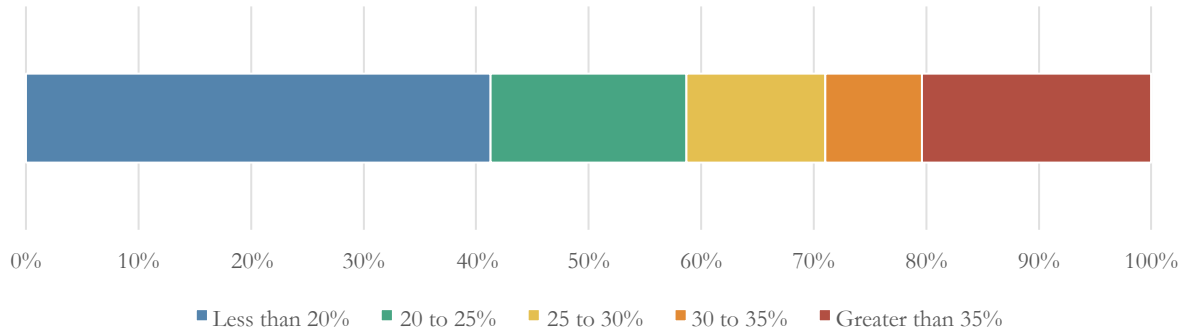
Of the 66 percent of homeowners with mortgages, about 45 percent are spending more than \$1,500 per month on housing. This figure includes mobile home fees, such as land rent. The median monthly expenditure on housing is \$1,432, about \$200 less than the median owner cost in the region.

Monthly Owner Costs in Little Canada



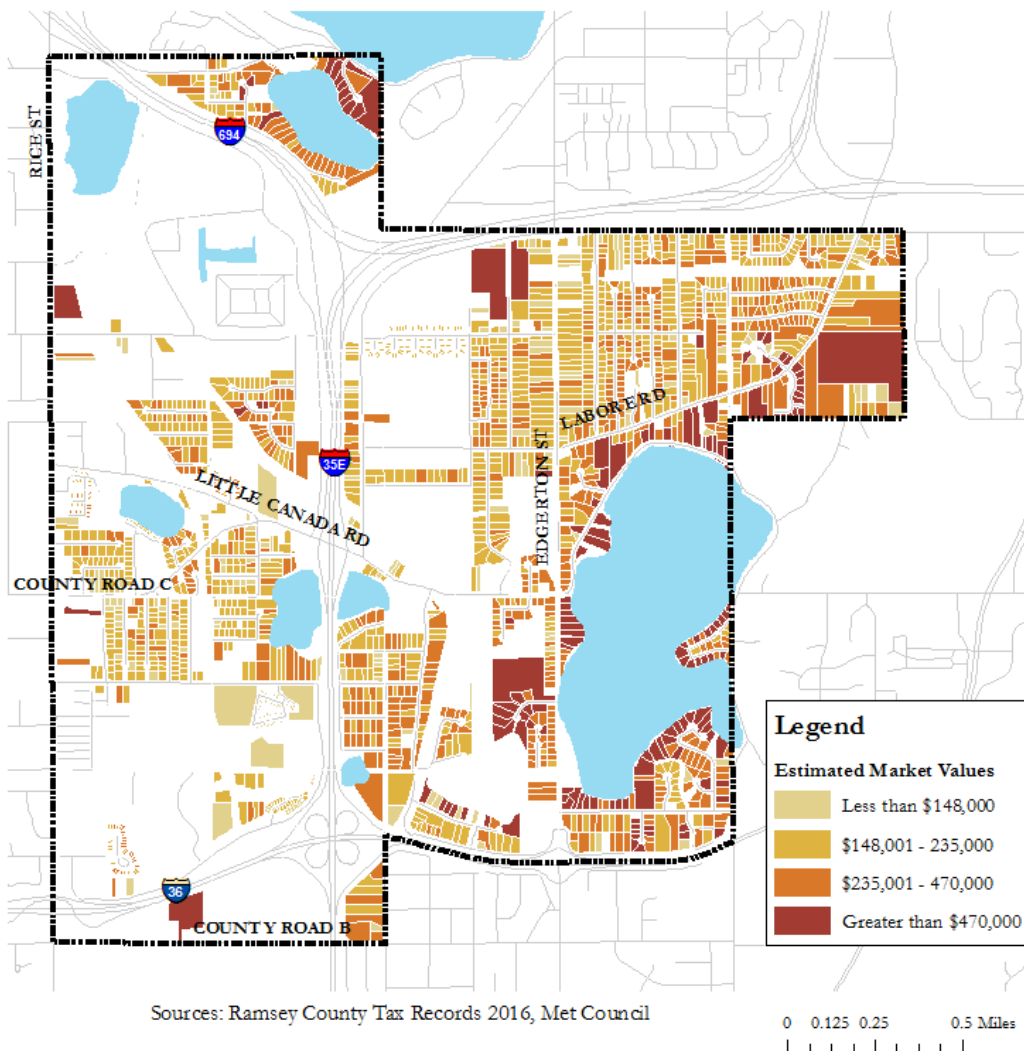
Overall, 29 percent of homeowners are cost burdened in Little Canada, similar to the region.

Owner Costs as a Percent of Income in Little Canada



There are 847 single family homes affordable to households at 50 percent of AMI and 1037 homes affordable between 50 and 80 percent AMI, together accounting for nearly 70 percent of single family homes.

Single Family Home Values

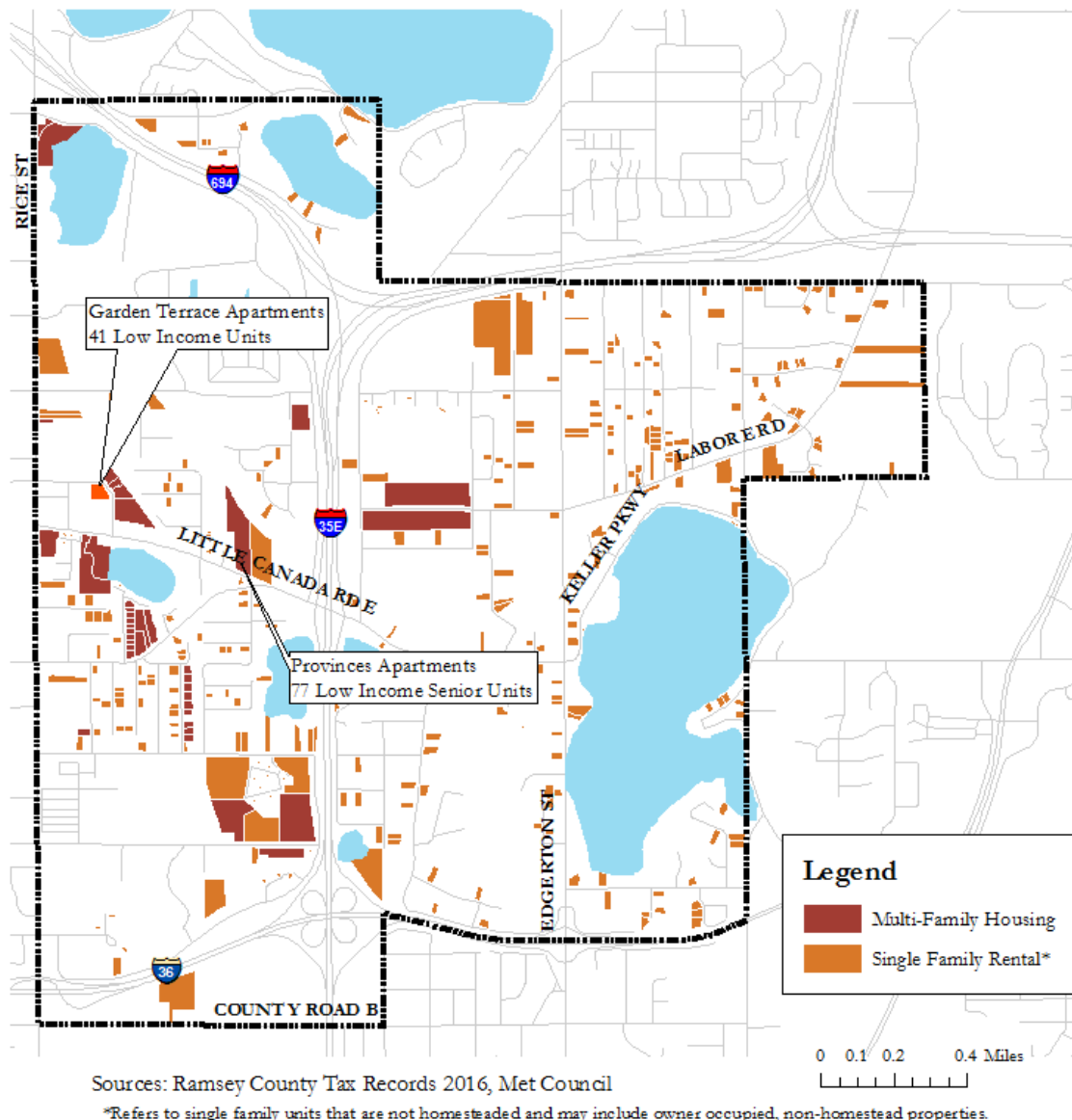


Housing Location, Type, and Quality

Location

Multi-family housing in Little Canada is primarily located in the western portion of the city. The two manufactured home parks in Little Canada are also located in the western portion of the city. Due to the concentration of multifamily housing in that part of the city, future development of affordable housing in the eastern portion of the city could provide a greater integration of incomes.

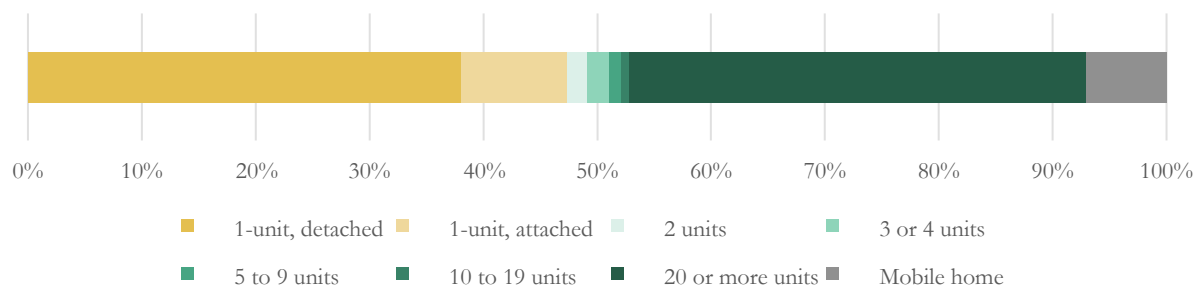
Rental Housing



Type and Age

Less than half of occupied units in Little Canada are single family attached or detached homes, although an additional 7 percent of units are mobile or manufactured homes, which can be classified as a single family home. Forty percent of units are in large apartment buildings with at least 20 units.

Types of Structure in Little Canada



The median unit has 4.8 rooms including two bedrooms, each about one less than is typical in the region. Most housing was constructed between 1970 and 2000. Half of single family homes were built between 1971 and 1989, with a quarter each before and after the period.

Quality

Units in Little Canada are about twice as likely to use electricity for heat than regional units. No units were reported as lacking plumbing or kitchen facilities. Ninety-six percent of units have fewer than one person per room, which suggests that crowding is not a problem in Little Canada.

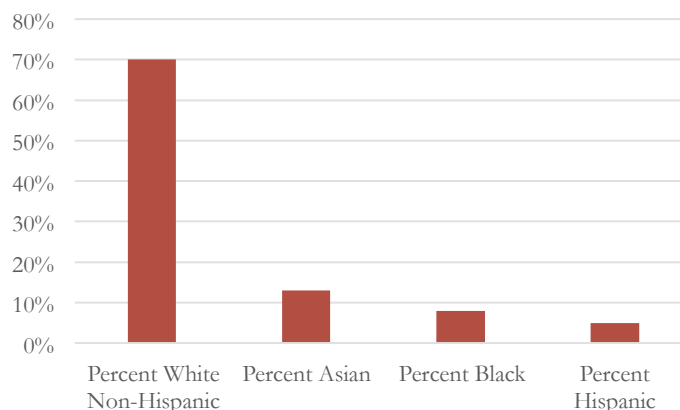
Race, Ethnicity, and National Origin

Race and Ethnicity

With 70 percent of the population identifying as white, Little Canada is somewhat more diverse than the Twin Cities metro area. The largest minority group is Asians at 13 percent.

Unlike other target cities, whites are not the most likely racial group to own homes in Little Canada. Seventy-two percent of Asian headed households own their homes, as opposed to 64 percent of white-headed households. Black-headed households still lag behind at 33 percent. The poverty rate is highest among Asian households at 13 percent, followed by white households at 8 percent, with nearly no black households in poverty. The black population in Little Canada has no more children than the white population, while three times as many Asians are under 18 year old than whites.

Largest Racial and Ethnic Groups in Little Canada



Seventy seven percent of employed Little Canada residents are white, compared to 86 percent of workers employed in Little Canada.

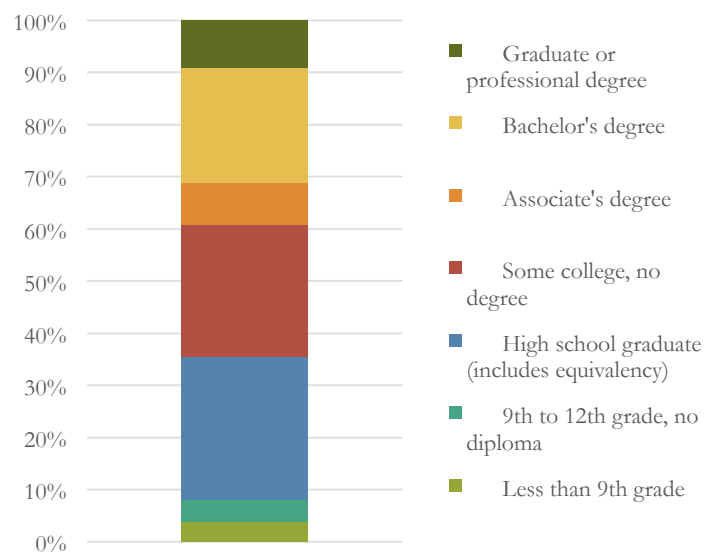
National Origin

Nearly one in five residents in Little Canada speak a language other than English at home and 14 percent of the city's residents are foreign born. Eight percent of residents speak English less than very well. Of those born in a different country, over 96 percent came to the U.S. before 2010 and 56 percent are naturalized citizens. Nearly half of these immigrants are from Asia, and around 20 percent are from Latin America and Africa.

Education

Nearly 25 percent of residents over the age of 3 are enrolled in school, and of those enrolled in school slightly more than 40 percent are in elementary school (grades 1-8) and nearly one-third are in college or graduate school. While over 90 percent of residents in Little Canada over the age of 25 have at least a high school diploma only around 30 percent have a Bachelor's degree or higher. The elementary schools serving Little Canada score between 42 and 54 out of 100 based on forth grade test scores.

Educational Attainment in Little Canada



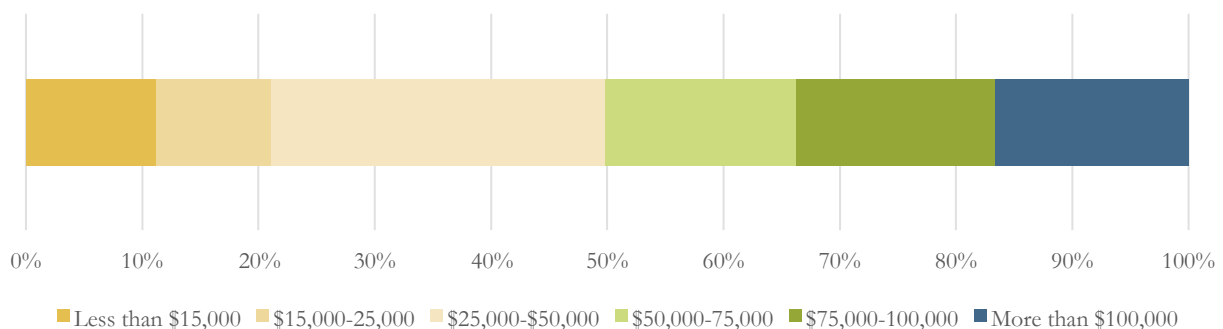
Income and Employment

Individual income is nearly \$4,000 less than the region while household income is over \$18,000 less. Approximately half of households earn less than \$50,000 per year, while about 15 percent of households earn more than \$100,000 per year. The median income can support monthly housing costs up to \$1,254 per month which is well above the median rental cost, but is about \$200 less than the median owner costs. The poverty rate is somewhat higher than the region at 12 percent.

Median Household Income: \$50,156

Median Individual Income: \$30,331

Household Incomes in Little Canada



The most common destinations for workers are Minneapolis at 20 percent and Saint Paul at 16 percent. About 5 percent of workers work in each Roseville and Little Canada. Sixteen percent of employed residents work in healthcare and social assistance, followed by 11 percent working in manufacturing.

Disability and Health

Fifteen percent of Little Canada residents have a disability. Seniors in Little Canada are 50 percent more likely to have a disability than seniors in the region. Five percent of households have received SSI in the past twelve months. Only 88 percent of Little Canada residents have health insurance.

Transportation

Little Canada residents have access to vehicles, and most workers use them to get to work. Less than 7 percent of households do not have access to a vehicle, less than what is found across the region. Seventy-six percent of workers drive to work alone and 5 percent use transit, both similar to the region. Little Canada is served by commuter and basic transit coverage. Several regular route buses stop within the city, although none are considered high frequency. Bus service includes midday and inter-suburban trips. A transit center is located on the western edge of the city.

Maplewood

Key Differences from Twin Cities Region

- Twice as many residents identify as Asian

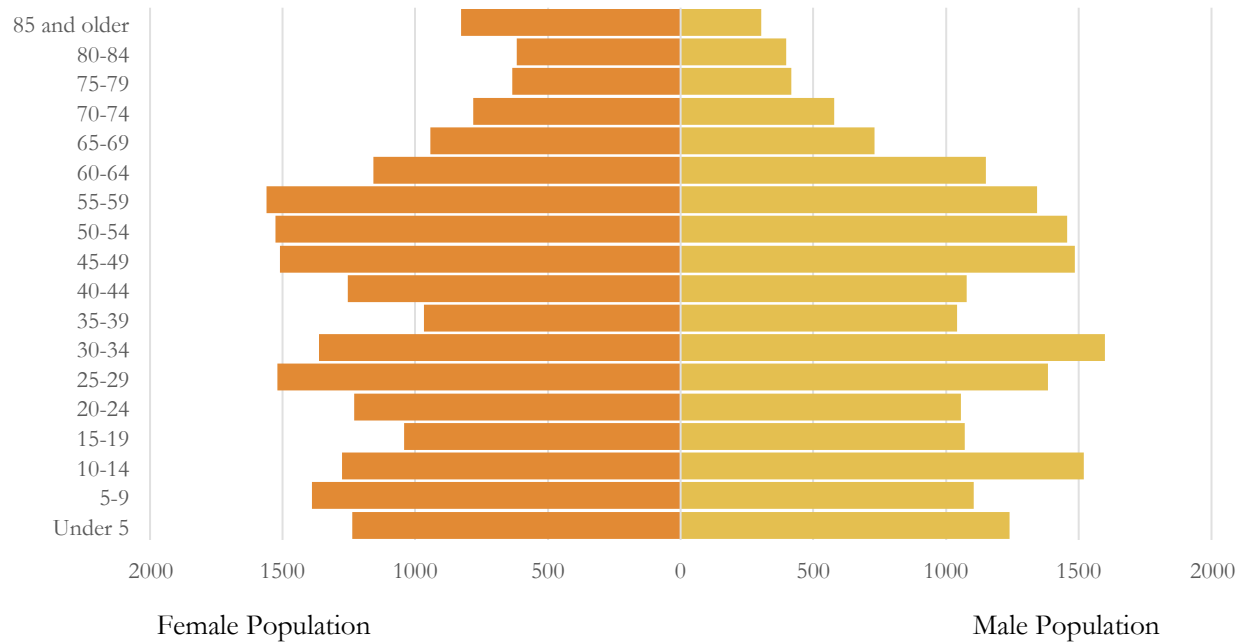
- More renters are cost burdened

- Slightly lower median incomes

Vital Statistics

The largest of the four cities, Maplewood has nearly 40,000 residents in 15,000 households with a household size of 2.56 people per household. The distribution of family types is typical for the region with 28 percent of households including related children and 17 percent of the population between five and 18 years old. Over half of families with children have an unmarried parent. Since Maplewood is larger, its distribution of ages and gender looks more like a typical population pyramid, although the youngest portion of the pyramid is smaller than the middle aged, pre-retirement age range.

Age and Gender of Residents in Maplewood

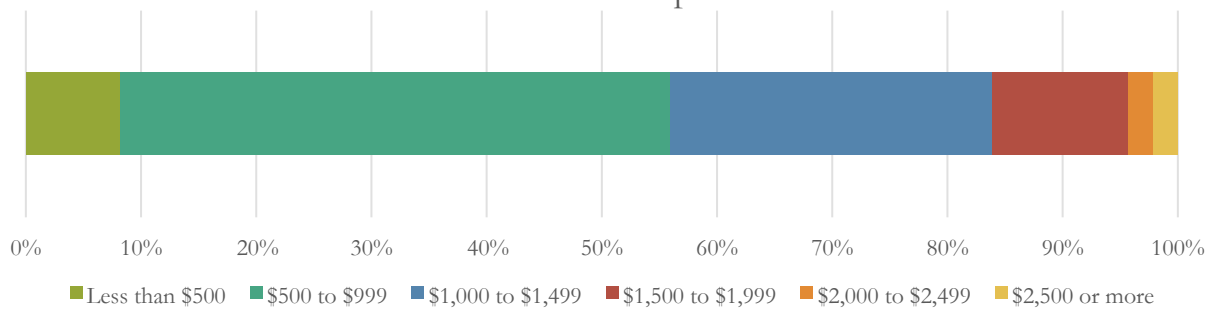


Housing Costs

Rental Costs

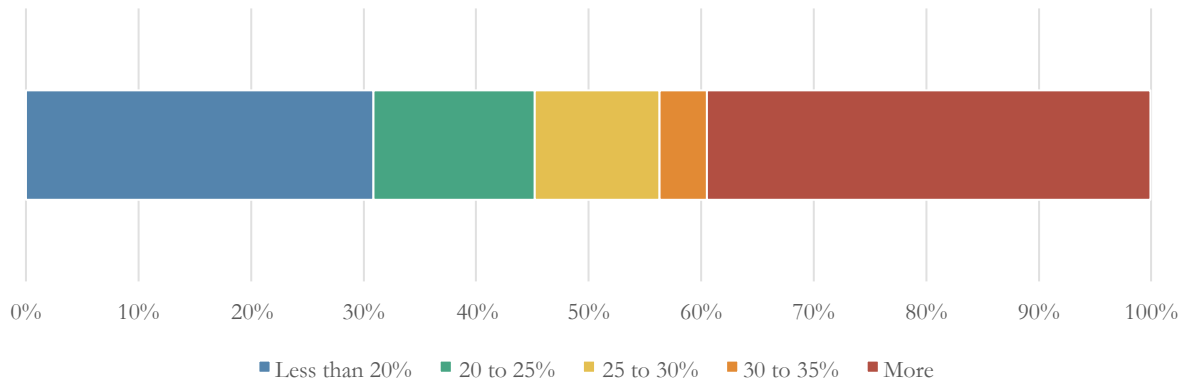
The median Maplewood renter is spending \$951 per month on rent and utilities, \$20 more than in the region. Fifty-five percent of renters are spending under \$1,000, while just over 15 percent are spending over \$1,500.

Gross Rent in Maplewood



Renters in Maplewood are less likely to be cost burdened than in the metro area, with 44 percent spending more than 30 percent of their income on rent.

Rent as Percent of Income in Maplewood

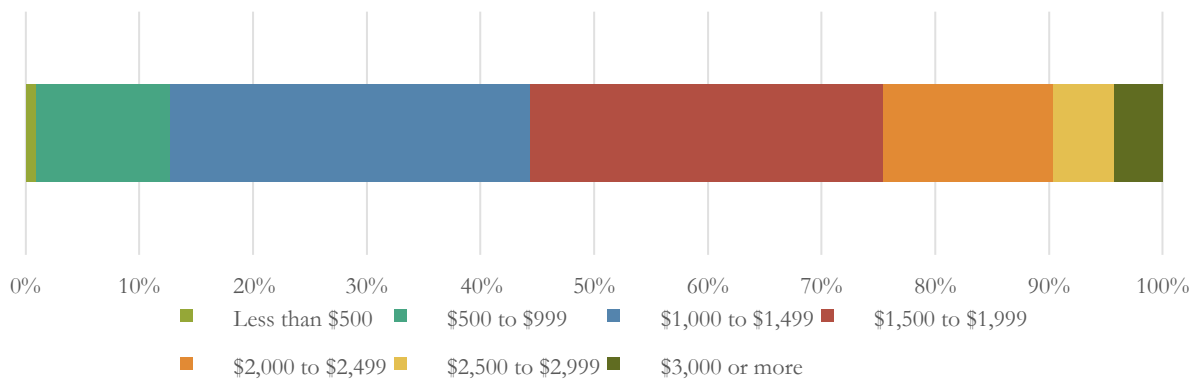


Renters in Maplewood are less likely to use Housing Choice Vouchers than the national average. In the census tracts making up the city 6-12 percent of rental units have a voucher in use. A portion of these vouchers are attached to specific units through project based Section 8.

Ownership Costs

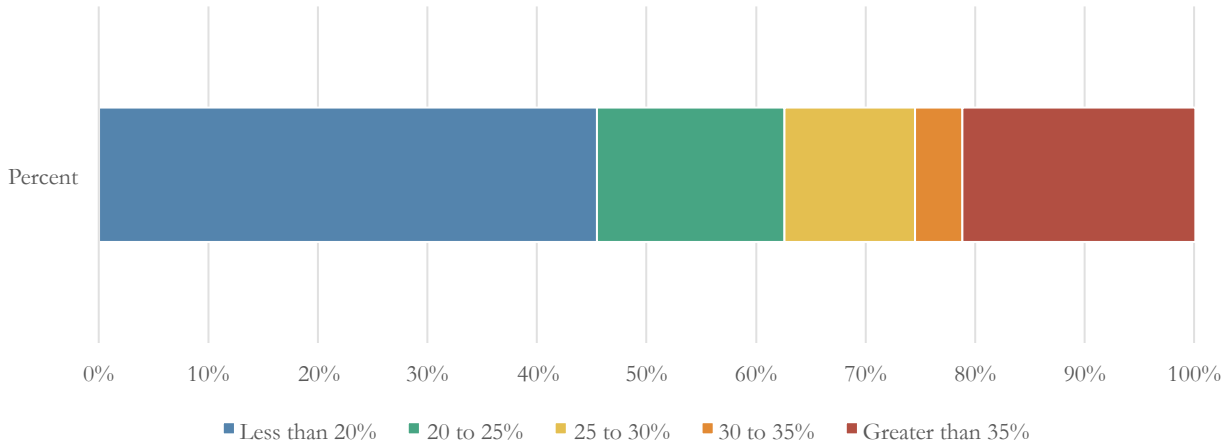
The median owner with a mortgage is spending \$1,568 per month on housing, about \$50 less than is typical in the metro area.

Monthly Owner Costs in Maplewood



In Maplewood, approximately 1,700 single family homes are affordable at or below 50 percent of AMI, while 5,700 are affordable between 50 and 80 percent AMI. Together, three-quarters of the single family homes in Maplewood are affordable to households at or below 80 percent of AMI.

Owner Costs as Percent of Income in Maplewood



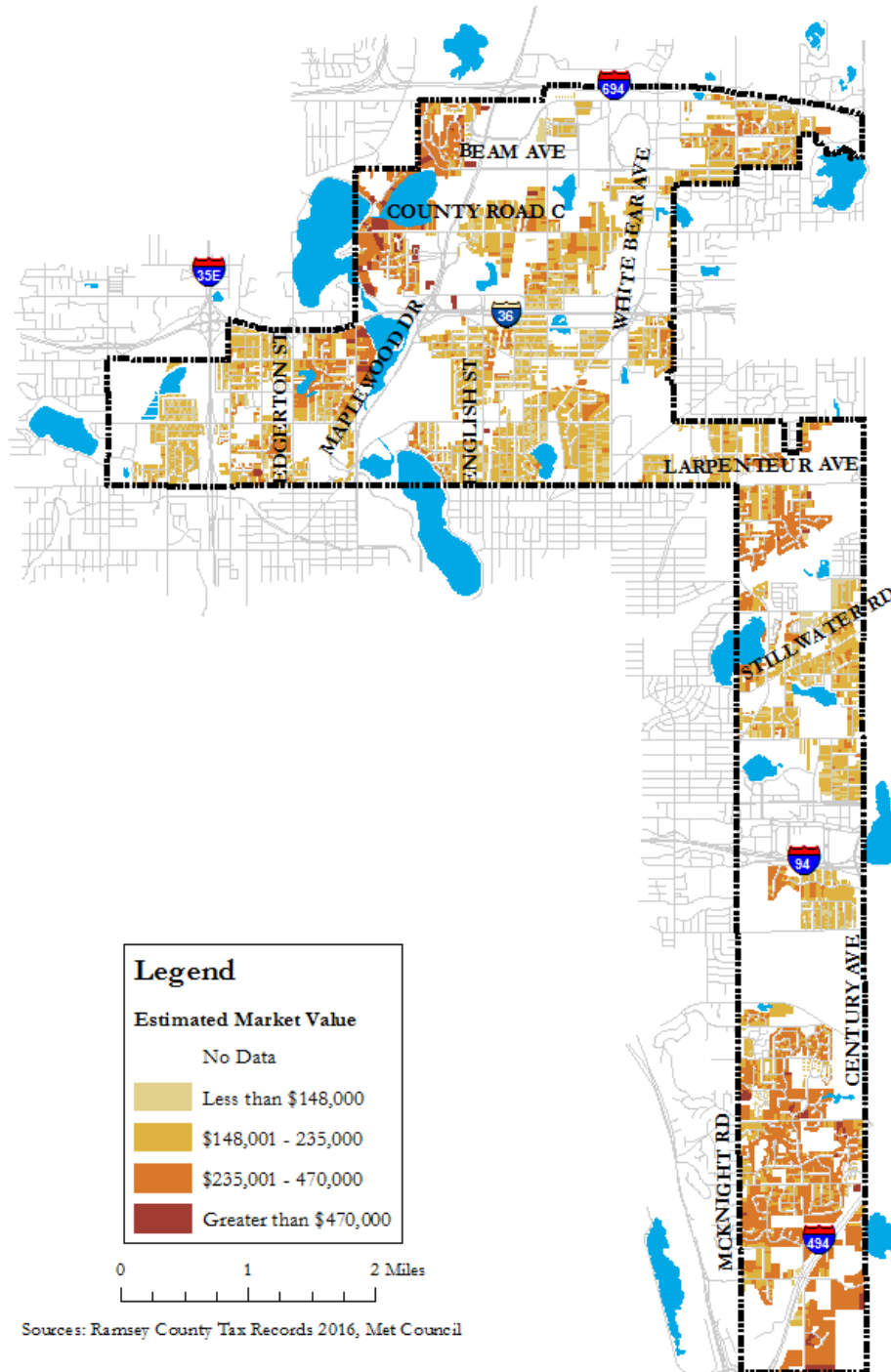
Owners are less likely to be cost burdened than renters, with a quarter of owners spending more than 30 percent of their income on housing. Despite the slightly higher monthly owner costs, the proportion of owners with mortgages experiencing cost burden is slightly lower than the metro area.

Housing Location, Type, and Quality

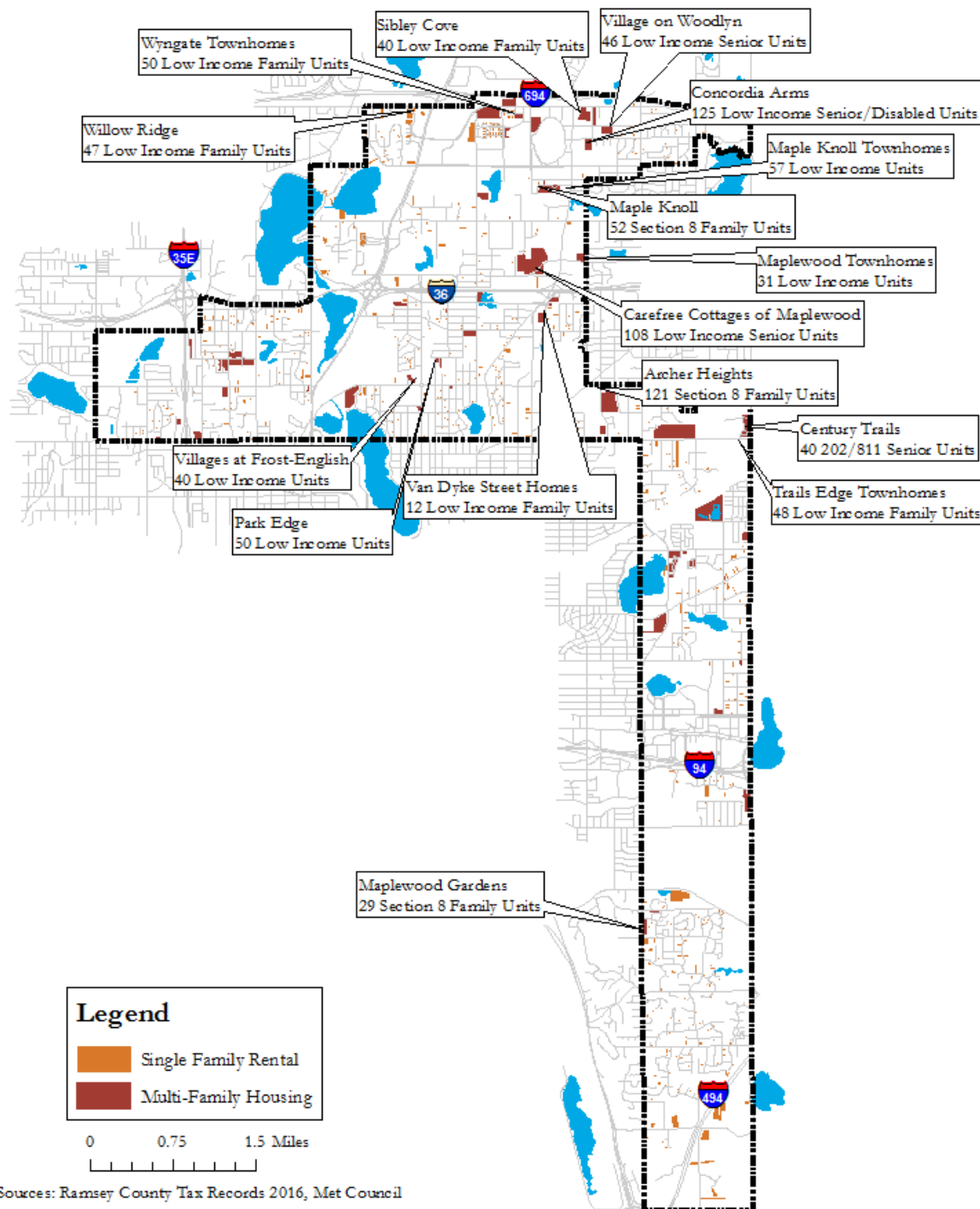
Location

Multi-Family and subsidized housing is located throughout Maplewood. Several subsidized housing developments are located near Maplewood Mall Transit Center.

Single Family Home Values



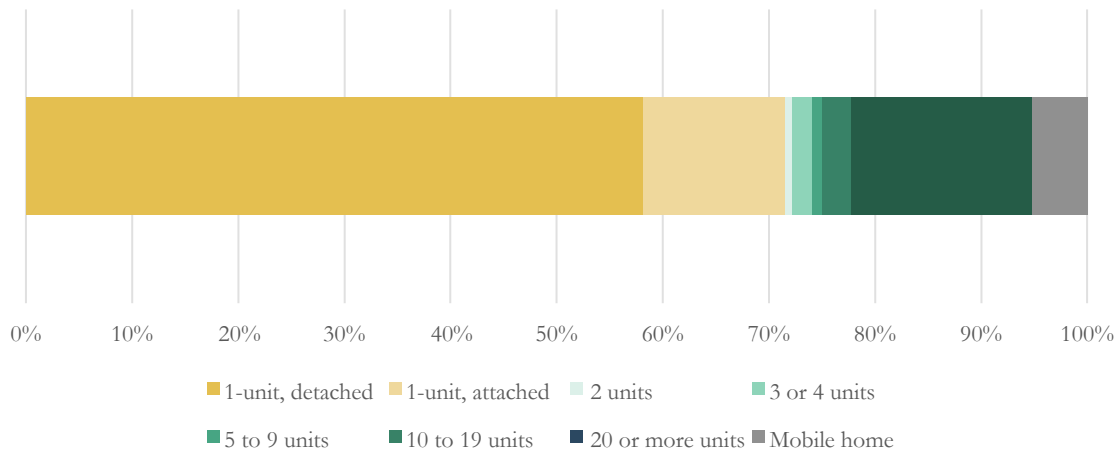
Rental Property



Type and Age

Over 70 percent of Maplewood households live in single family homes, attached or detached. Households that live in multi-family housing are likely to live in apartment building with 20 or more units. Approximately 5 percent of households live in manufactured or mobile housing.

Type of Structure in Maplewood



Households in Maplewood are living in similarly sized units to the metro area, with a median of 5.7 rooms and three bedrooms. Occupied housing units have a wide range of ages, with an even distribution of homes built between 1950 and 2010. Single family homes in Maplewood are distributed between pre-war housing, post-war housing, and newer development. One quarter of single family homes were built prior to 1955, while another quarter was built after 1992.

Quality

Crowding does not appear to be an issue in Maplewood, with 97 percent of households having one person per room or less. A half of a percent of units lack complete kitchen facilities, while essentially no units lack complete plumbing facilities. Heat is provided to units primarily through natural gas, at a similar proportion as is seen in the region.

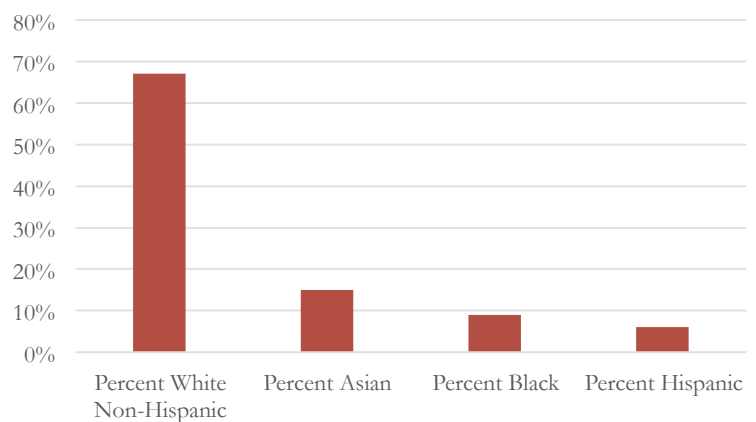
Race, Ethnicity, and National Origin

Race and Ethnicity

Maplewood has more racial and ethnic diversity than the Twin Cities region overall. Twice as much of the population identifies as Asian, at 15 percent.

While three quarters of white-headed households live in owner occupied housing, only 65 percent of Asian households and half of black households live in owner occupied housing. Fewer white-headed households live below the poverty line, at just 2 percent. Black and Asian households are much more likely to be in poverty at 13 and 21 percent respectively.

Largest Racial and Ethnic Groups in Maplewood



Eighty percent of employed residents of Maplewood are white, while 88 percent of individuals working in Maplewood are white. Eighty percent of workers earning less than \$1,250 per month are white, with the balance split evenly between black and Asian workers.

National Origin

Nearly one in five residents in Maplewood speak a language other than English at home and better than one in 10 residents are foreign born. Eight percent of residents speak English less than very well. Of those born in a different country, four out of five came to the U.S. before 2010 and over half are naturalized citizens. 60 percent of these immigrants are from Asia, 20 percent are from Africa, and close to 15 percent are from Latin America. The most common countries of origin area Laos (18 percent), Thailand (10 percent), Cambodia (8 percent), Myanmar (7 percent), Somalia and Mexico (each with 6 percent).

Education

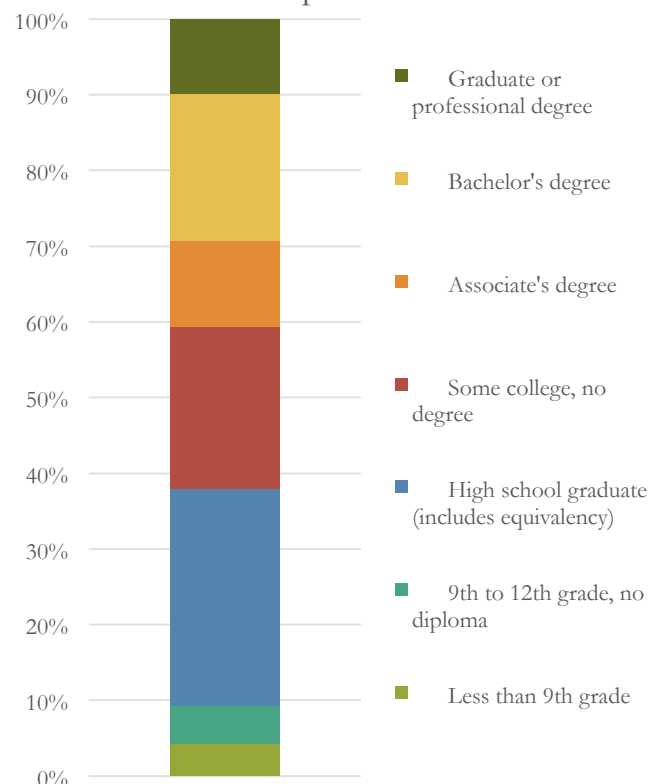
Nearly one in 10 Maplewood residents over the age of 25 do not have a high school diploma or the equivalent. While over 90 percent of residents over the age of 25 have at least a high school diploma only about 30 percent have a Bachelor's degree or higher. Nearly one in four residents are enrolled in school, 40 percent of whom are in elementary school (grades 1-8).

Maplewood elementary school performance varies greatly with schools in the west scoring eleven out of 100 and the southeastern schools score 65. The area with the highest performing schools has less multi-family housing and only forty units of subsidized housing.

Income and Employment

Maplewood's individual median income is about \$2,500 less than the metro area, while the household median income is about \$6,000 less. Less than 40 percent of Maplewood households earn less than \$50,000 per year, while over a quarter of households earn more than \$100,000 per year. The median household can afford to spend up to \$1,563 per month on housing, which is well above the median rental costs, and about even with the median ownership costs.

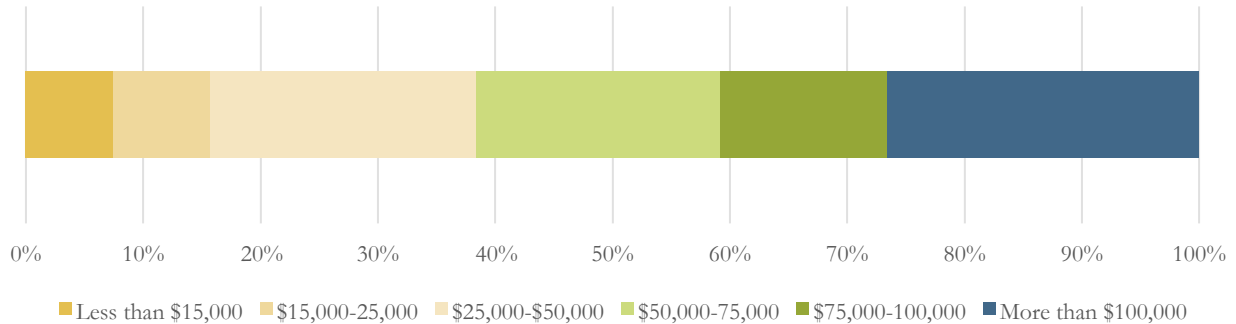
Educational Attainment in Maplewood



*Median Household
Income: \$62,527*

*Median Individual
Income: \$31,765*

Household Incomes in Maplewood



One tenth of Maplewood households have incomes below the poverty line, on par with the metro area. Nine percent of households have used SNAP and 5 percent have received cash assistance in the past year.

One fifth of Maplewood residents work in Saint Paul, followed by 13 percent in Minneapolis, and 10 percent staying in Maplewood. Maplewood residents are most likely to work in healthcare and social assistance (13 percent) and retail (10 percent). Those working in Maplewood are most likely to live in Saint Paul and Woodbury, each with about 11 percent of workers.

Disability and Health

Maplewood residents of each age group and overall are as likely to have a disability as residents of the Twin Cities metro area. Five percent of households have received Supplemental Security Insurance payments in the past year. Slightly less than the region, 91 percent of Maplewood residents have health insurance.

Transportation

Maplewood is served by a variety of transit options. Express bus service is available to downtown Minneapolis and Saint Paul and regular route, all day service is available to Saint Paul, serving a significant portion of the city area considered high frequency. None of the routes serving the city area considered high frequency. Despite having transit options, workers living in Maplewood are somewhat less likely to use transit than workers living within the metro area. Nine percent of households do not have access to a vehicle.

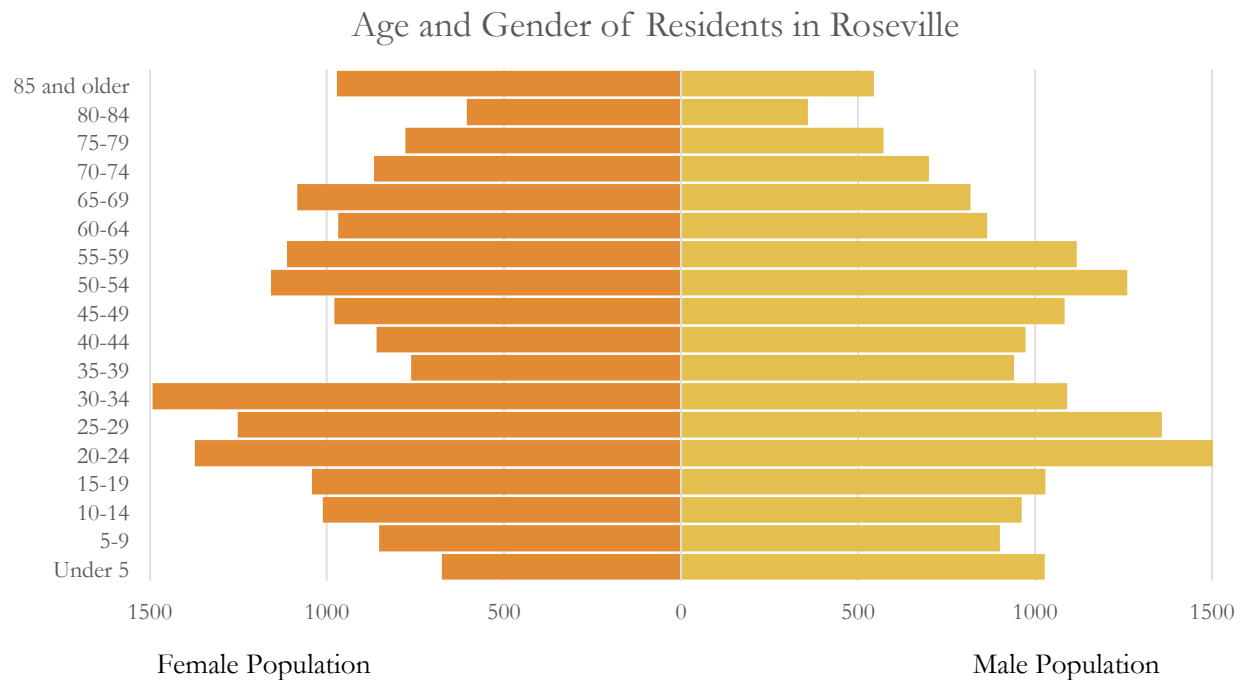
Roseville

Key Differences from Twin Cities Region

- Fewer families with children
- More seniors living alone

Vital Statistics

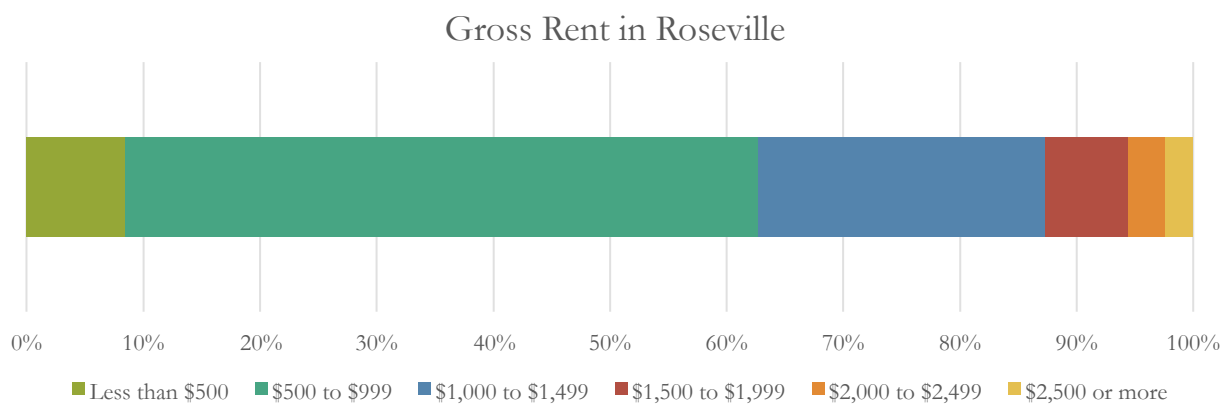
Roseville is home to 34,948 people in 14,747 households with an average household size of 2.26. Twenty-three percent of households are families with children, 43 percent of which have an unmarried parent. Thirteen percent of residents are school-aged children. Seventeen percent of households are made up of seniors living alone, nearly twice the rate seen in the metro area.



Housing Costs

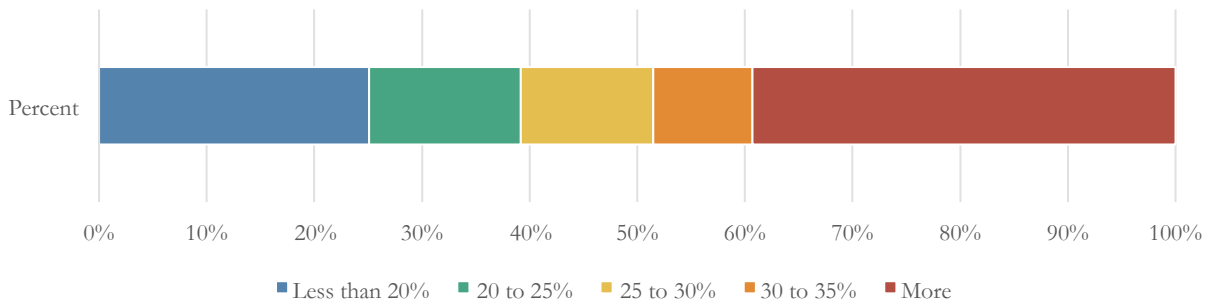
Rental Costs

The median rent is below the regional median at \$900 per month. Sixty percent of households are paying less than \$1000 dollars per month in rent and utilities.



Despite the lower median rents, almost half of Roseville renters are cost burdened, similar to the region.

Rent as Percent of Income in Roseville

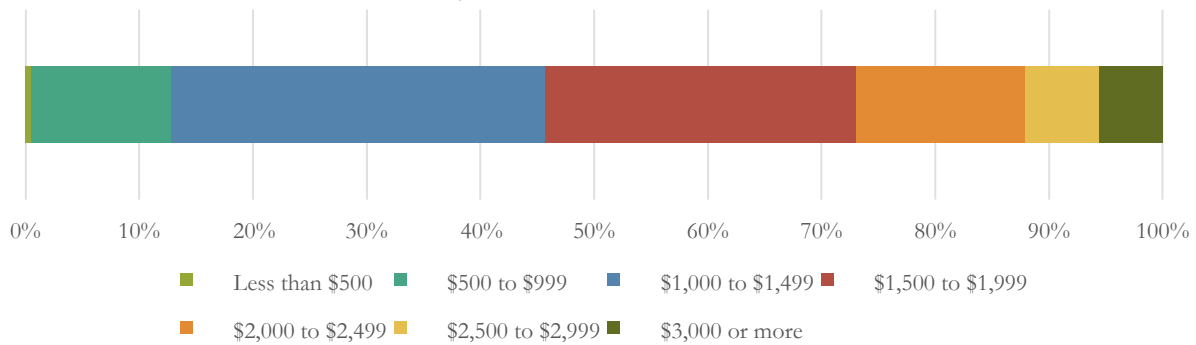


A large portion of Roseville does not have Housing Choice Voucher usage available, due to data suppression by HUD.

Ownership Costs

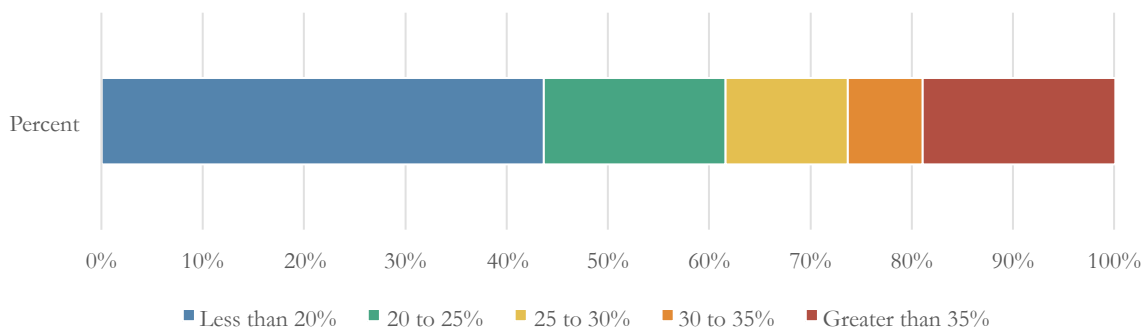
Monthly owner costs for households with mortgages are once again higher than monthly rental costs, with a median monthly owner cost of \$1,568, which while slightly under the regional median, is \$500 more than monthly rental cost.

Monthly Owner Costs in Roseville



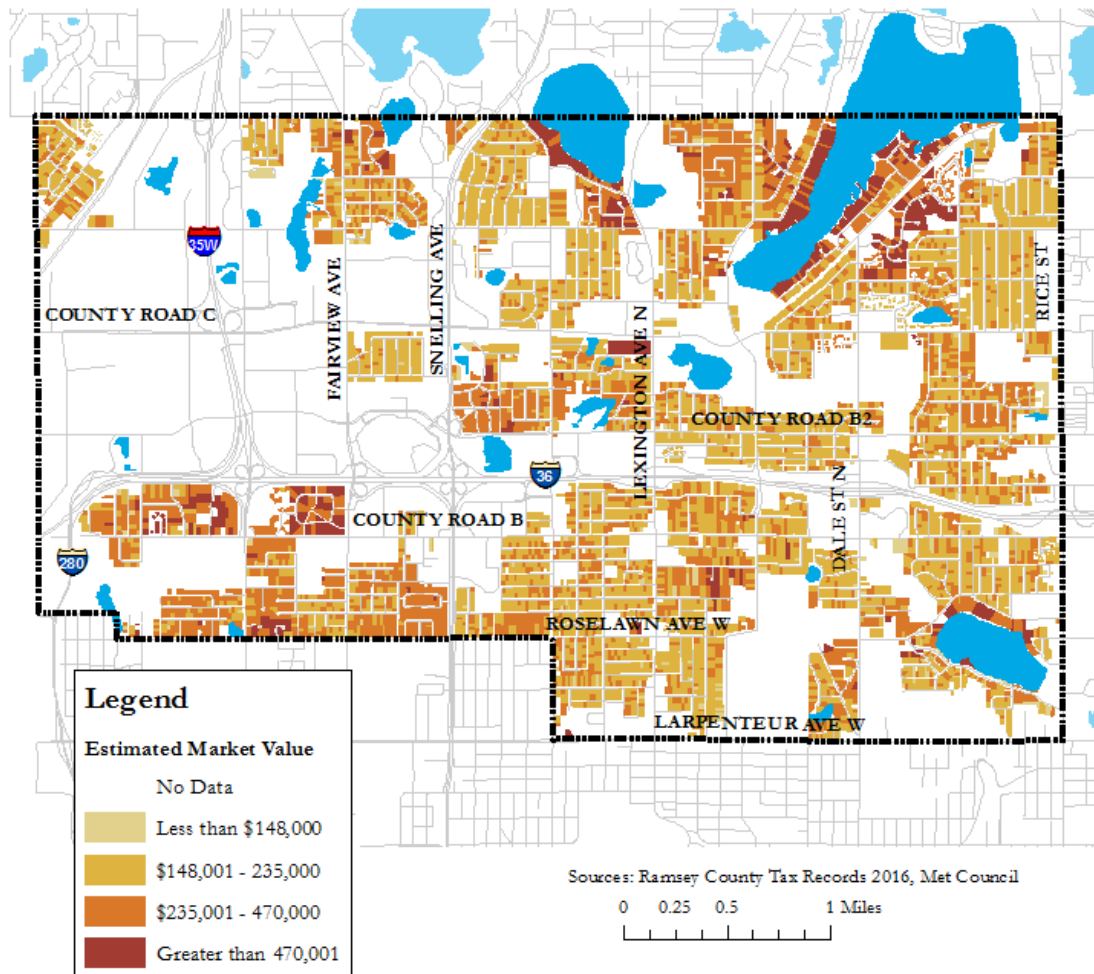
About one quarter of Roseville households with mortgages are spending more than 30 percent of their income on housing.

Owner Costs as Percent of Income in Roseville



According to Ramsey County tax records, 585 single family homes are affordable at or below 50 percent AMI, while 5490 are affordable between 50 and 80 percent AMI. Together, this accounts for 64 percent of the City's single family housing stock.

Single Family Home Values

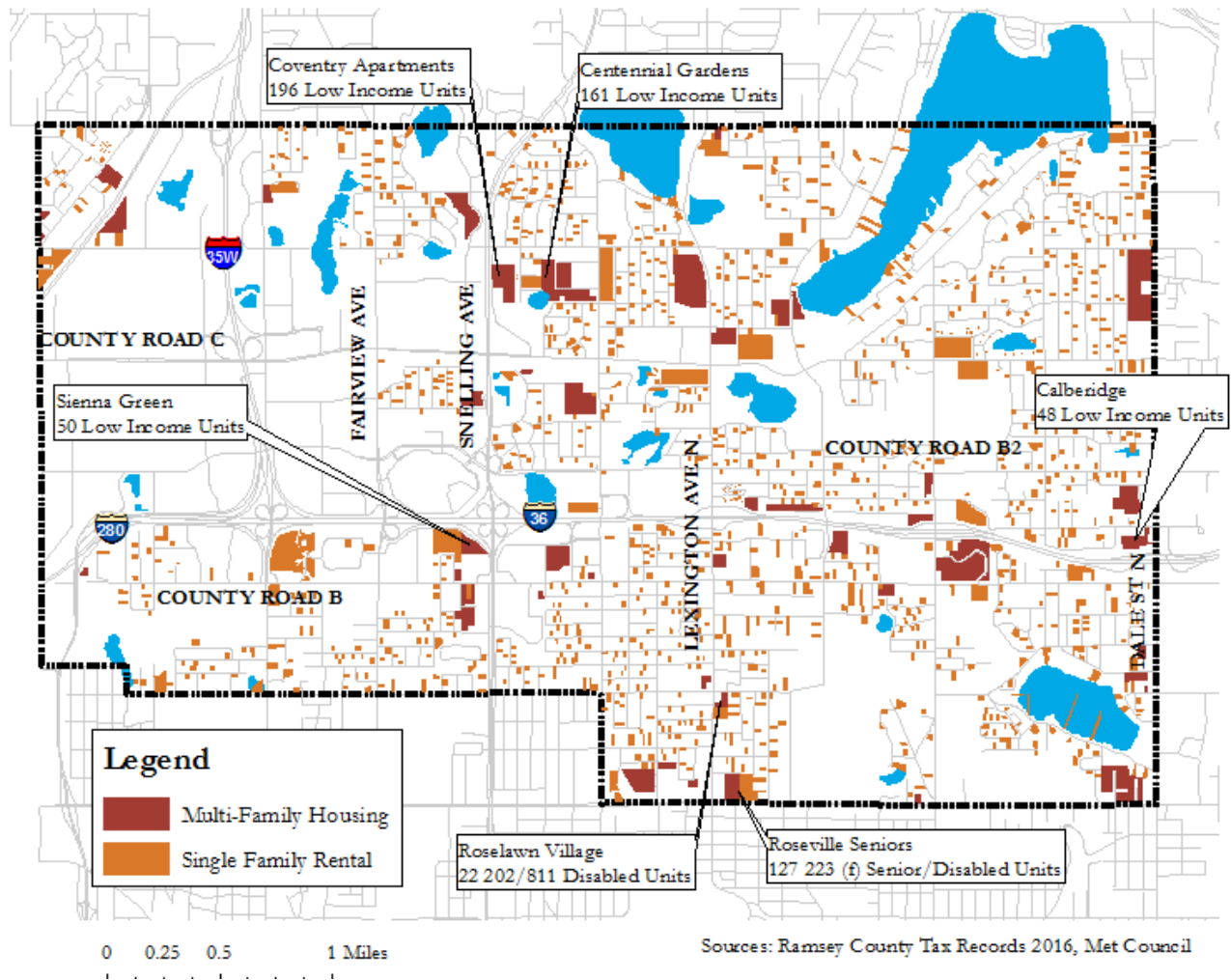


Housing Location, Type, and Quality

Location

Multi-family housing and single family rental housing is well distributed throughout the city. Three subsidized developments, accounting for nearly 400 units are located near Snelling Avenue, the location of the A-Line Bus Rapid Transit.

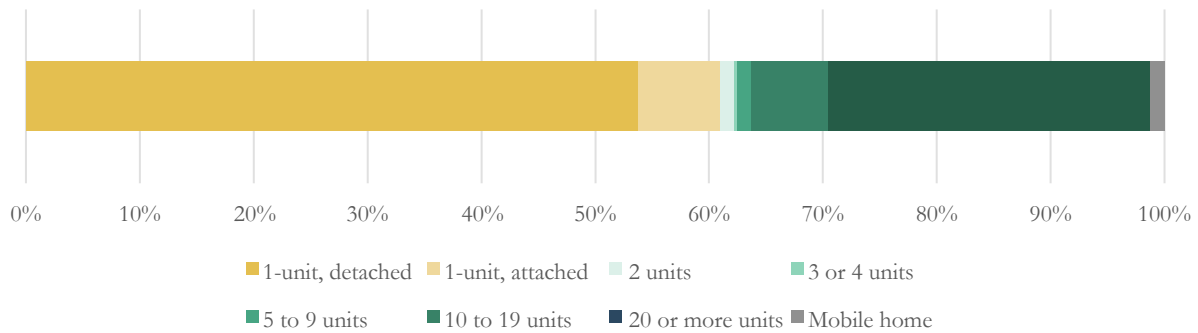
Rental Housing



Type and Age

About 60 percent of households live in single family homes, attached or detached. Almost 30 percent of households live in large apartment buildings, with at least 20 units. Mobile or manufactured housing accounts for 1 percent of households, with about 200 units occupied in Roseville.

Type of Structure in Roseville



The median occupied unit has 5.5 rooms and two bedrooms, somewhat smaller than the region. Since fewer households in Roseville have children, and more households consist of a senior living alone, a greater proportion of the population does not need large housing units.

Nearly half of housing units in Roseville were built between 1950 and 1970. Half of single family homes were constructed between 1953 and 1971, with a quarter each before and after. A small portion of the housing was constructed prior to World War II, but most of the housing stock is post-war suburban development.

Quality

Less than 1 percent of units were reported as lacking complete kitchen facilities, and no units were reported as lacking plumbing facilities. Eighty percent of units in Roseville are heated with utility gas, more than the regional fuel usage. While 93 percent of units in Roseville have less than one person per room, in the census tract in the southeastern corner of the city, near the border with Maplewood and Saint Paul, 13 percent of households are experiencing crowding.

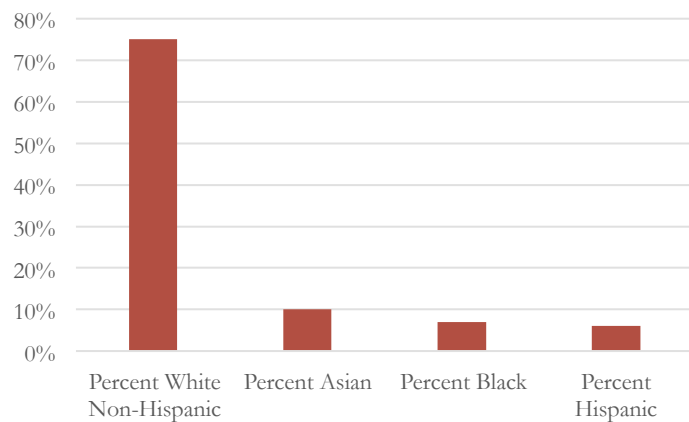
Race, Ethnicity, and National Origin

Race and Ethnicity

Roseville is slightly more diverse than the Twin Cities metro area with 75 percent of the population identifying as white, non-Hispanic. The largest minority group is Asian, with 10 percent of the population.

Seventy percent of white-headed households own their homes, while less than half of Asian and less than a quarter of black-headed households own their homes. About a quarter of black and Asian households are living below the poverty line, while only 3 percent of white-headed households. Twice as many black and Asian individuals are under 18 than White individuals.

Largest Racial and Ethnic Groups in Roseville



Most workers employed in Roseville are white, but a larger proportion of low wage workers are not white (86 percent white, compared to 80 percent white for low wage workers). Eighty-four percent of employed residents of Roseville are white, while 82 percent of low wage residents are white.

National Origin

Nearly 17 percent of residents speak a language other than English at home and a little over one in seven Roseville residents are foreign born. Of those born in a different country, four out of five have been in the U.S. since before 2010. Most of the immigrants in Roseville are from Asia with most of the others coming from Latin America and Africa. The most common countries of birth found in Roseville are: Mexico and Thailand, each with 11 percent of the foreign born population; followed by Myanmar and China, each with 9 percent; and India with 7 percent.

Education

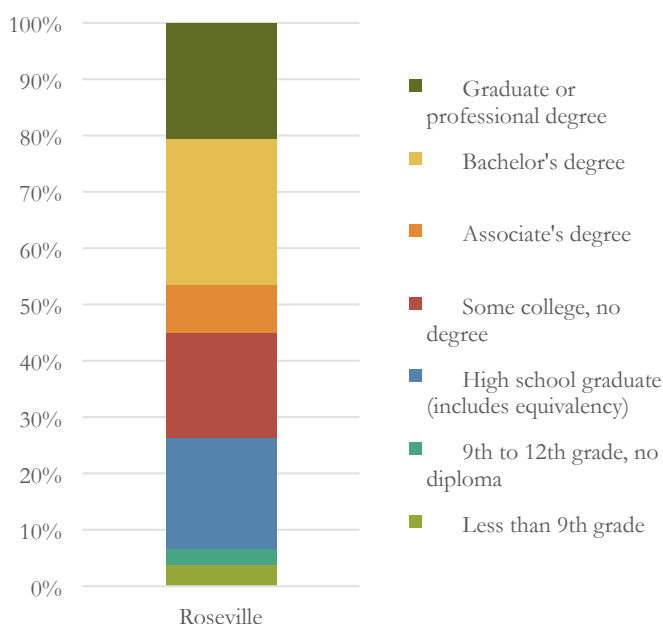
Roseville has the same portion of residents with at least a high school diploma as the region, but has a greater portion of residents with at least a bachelor's degree.

Most of Roseville elementary schools score around 30 out of 100 based on fourth grade test scores. A portion of the city in the east has less access to higher performing schools with scores under 20 while the south central portion of the city scores 69.

Income and Employment

Household and individual median incomes in Roseville are only slightly less than in the metro area. The median household income can support housing costs up to \$1,592, which is well above the median rent, and slightly more than the median owner costs. Less than 40 percent of households earn less than \$50,000, while 28 percent of households earn more than \$100,000.

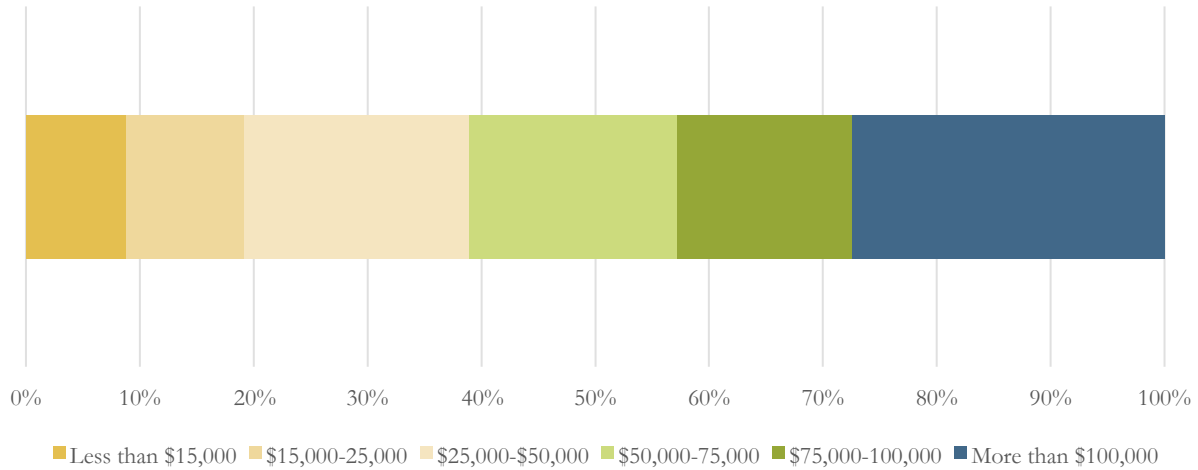
Educational Attainment in Roseville



*Median Household
Income: \$63,678*

*Median Individual
Income: \$32,500*

Household Incomes in Roseville



Eight percent of households have received SNAP in the last twelve months, and 3 percent have received cash assistance. Twelve percent of households are under the poverty line, slightly more than the regional rate of 10 percent.

Roseville residents are most likely to work in Minneapolis and Saint Paul, each with about 20 percent of residents. Eleven percent of residents work in Roseville. The largest portion of residents, 16 percent, work in healthcare and social assistance, followed by education at 13 percent. Workers employed in Roseville are most likely to live in Saint Paul (12 percent) and Minneapolis (9 percent).

Disability and Health

Roseville's disability rate is lower than the metro area for the overall population and for each age group. Three percent of households have received SSI in the past twelve months. Less than 3 percent of residents do not have health insurance.

Transportation

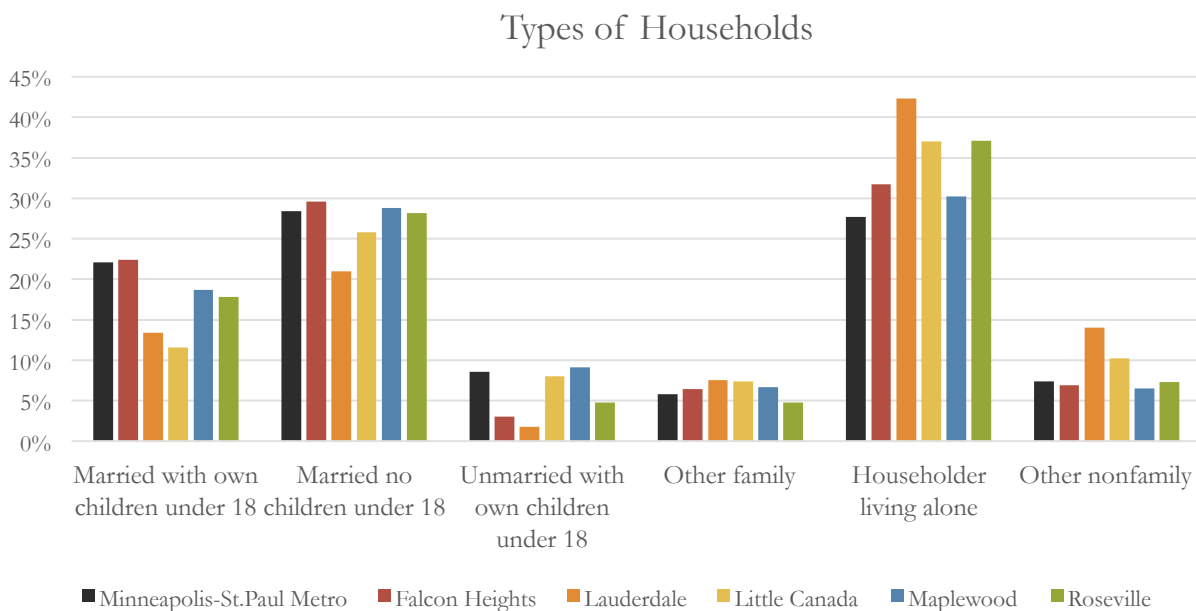
The same proportion of Roseville residents drove to work alone and used transit as in the metro as a whole. Eight percent of households have no vehicles available, also the same as in the region. Since the most current census data is an estimate based on 2011 through 2015, the effect of the A-Line BRT cannot be seen through this data. Prior to the A-Line, the city still had good transit infrastructure with several routes using the Rosedale Center transit station. The A-Line improves frequency for the portion of the city within walking distance of Snelling Avenue, south of Rosedale Transit Center. Most of the city receives commuter and basic coverage bus service, although portions of the city are served by dense, less frequent service.

Comparison of Target Cities to Surrounding Region

This section utilizes comparisons to the rest of the Twin Cities Metro to identify what makes the pursuit of affordable housing in the target cities unique. Some analysis is based on the current fair housing assessment used by jurisdictions receiving funds directly from HUD called the Assessment of Fair Housing Tool which provides guidance on assessing the locations of existing subsidized housing and levels of segregation.

Household Composition

A larger proportion of households in the target cities are a householder living alone, especially in Lauderdale, Roseville, and Little Canada.



Housing Costs

Rental Costs

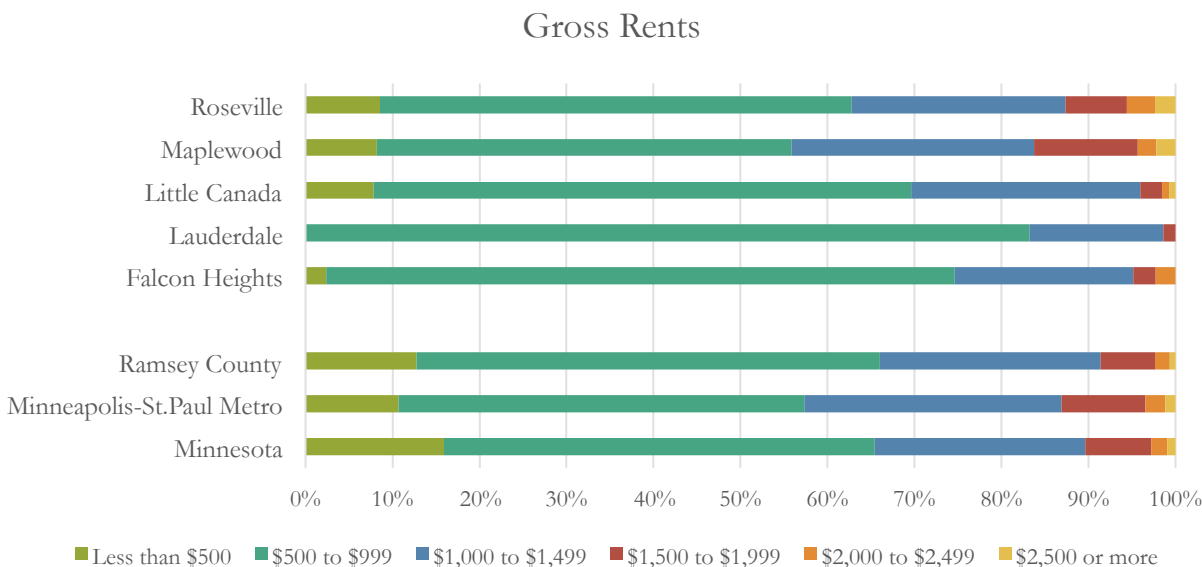
Maplewood is somewhat unique among the five target cities, since it has the highest median gross rent at \$951 which is \$20 more than the median rent for the Twin Cities region. Maplewood also has the highest proportion of occupied units spending more than \$1,000 per month on rent. With comparatively high rents, the case for affordable housing in

Maplewood is clear. Little Canada and Lauderdale on the other side have lower rents than in the Twin Cities region and Ramsey County. For those cities, the case is more nuanced, lower priced

Jurisdiction	Median Rent	Annual Income to Support Rent
Maplewood	\$951	\$38,040
<i>Twin Cities Region</i>	\$931	\$37,240
Roseville	\$900	\$36,000
Falcon Heights	\$871	\$34,840
<i>Ramsey County</i>	\$865	\$34,600
Little Canada	\$854	\$34,160
<i>Minnesota</i>	\$848	\$33,920
Lauderdale	\$816	\$32,640

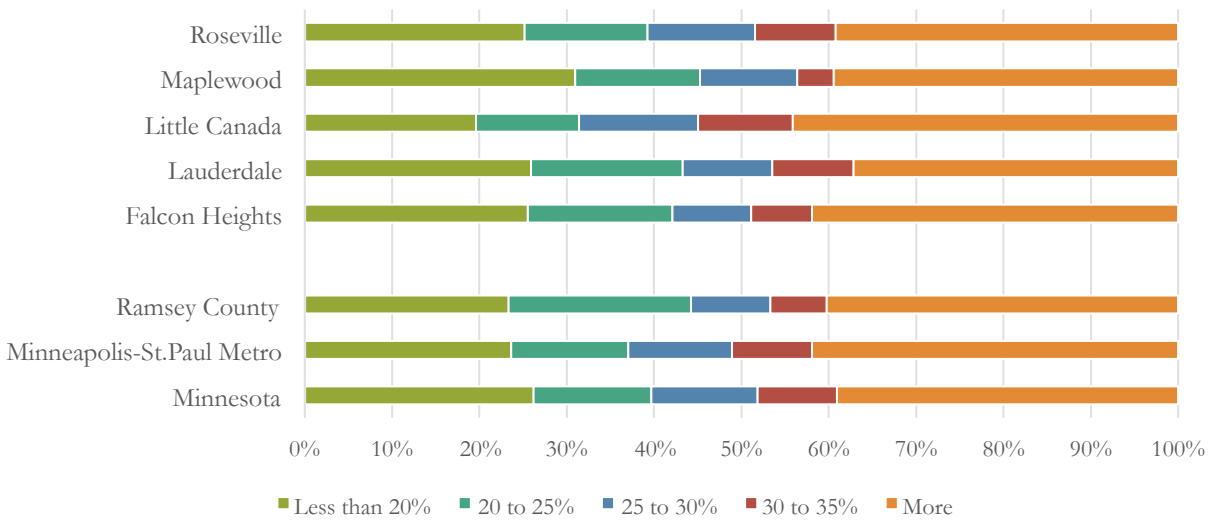
rental housing is available in the city, so the case must be made that despite the naturally occurring affordable housing, existing residents are unable to afford their housing.

Rental affordability can also be understood by the amount of annual income needed for a household to afford the median rent. The difference between Maplewood and Lauderdale is about \$5,000 or a difference of \$2.60 in hourly wages for a full time worker. All of this must be couched in the understanding that the rental cost data is not adjusted for unit mix and may be impacted by having a larger or smaller proportion of rental units with any number of bedrooms.



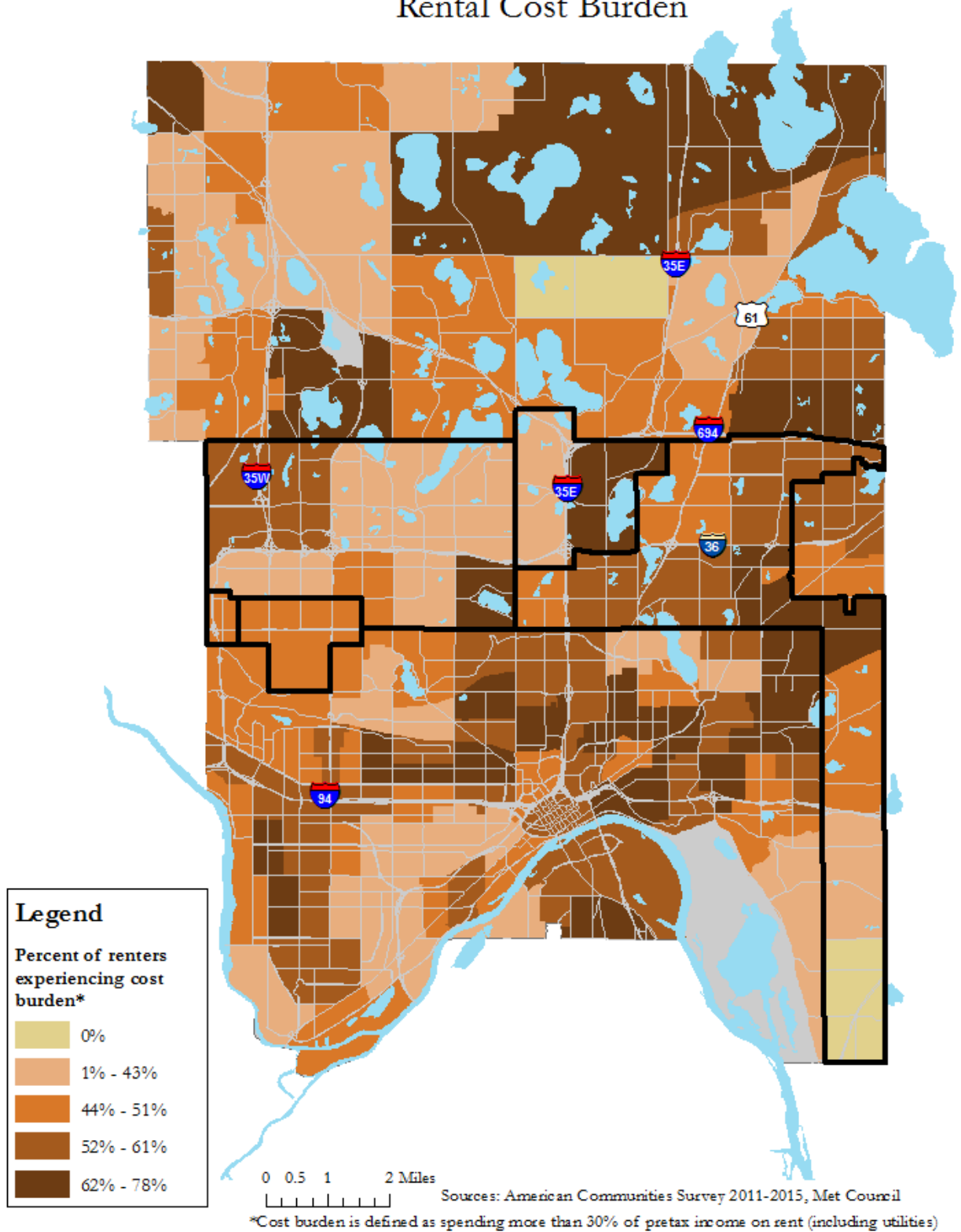
Little Canada is a perfect example of the importance of considering the portion of income residents are spending on rent in addition to gross rents. While Little Canada rents are lower than the Twin Cities region and Ramsey County, the city has the largest portion of households paying more than 30 percent of their income on rent of the target cities, the county, the region, and the state overall. All other cities have lower levels of rental cost burden than the metro area. Roseville and Falcon Heights have slightly more cost burden than Ramsey County.

Rent as Portion of Income

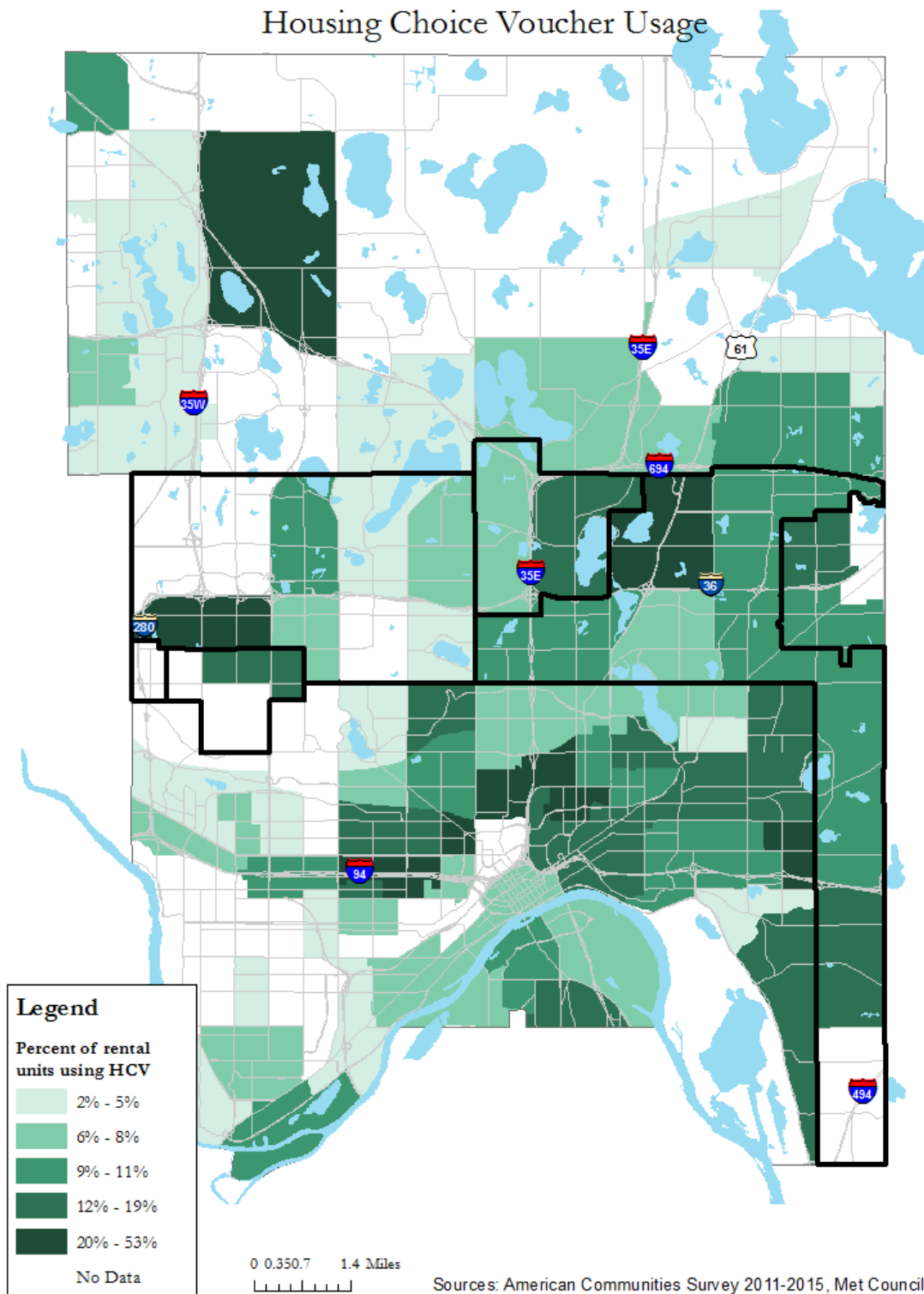


The distribution of cost burdened renting households shows that a large portion of Roseville and Little Canada have no reported cost burdened. Over 60 percent of renting households in the portion of Little Canada east of 35E are experiencing cost burden.

Rental Cost Burden



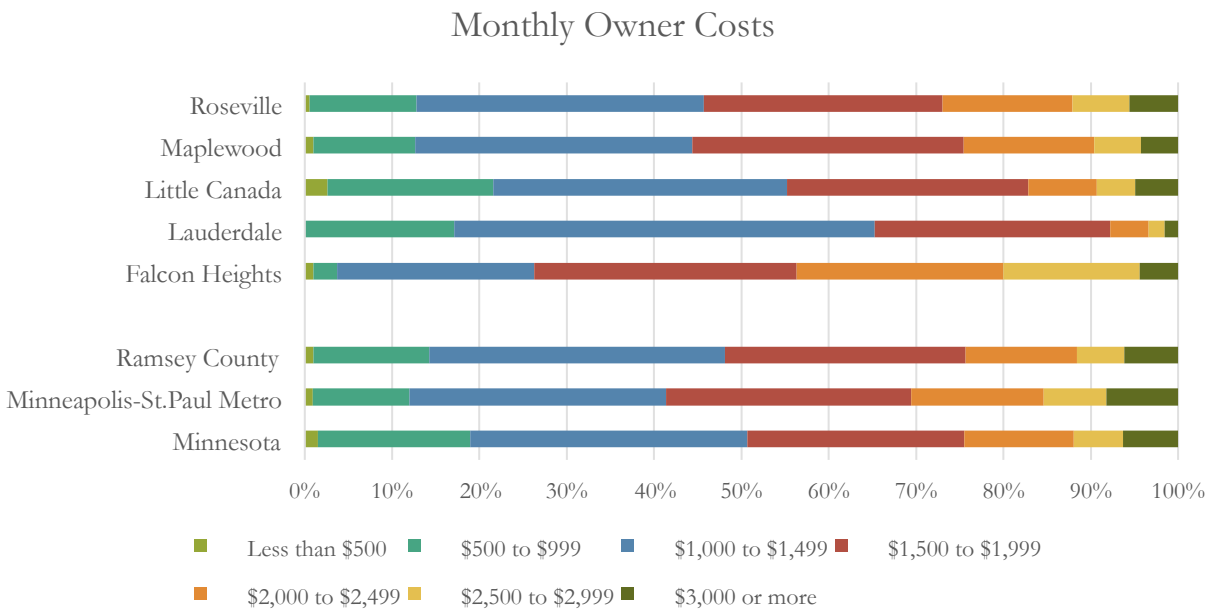
Housing Choice Voucher usage in Ramsey County is concentrated in a few areas within the five cities. The concentration of voucher usage may be due to a higher concentration of lower income people or a greater willingness of landlords to accept vouchers. Neither of the most intense concentrations align with high poverty levels.



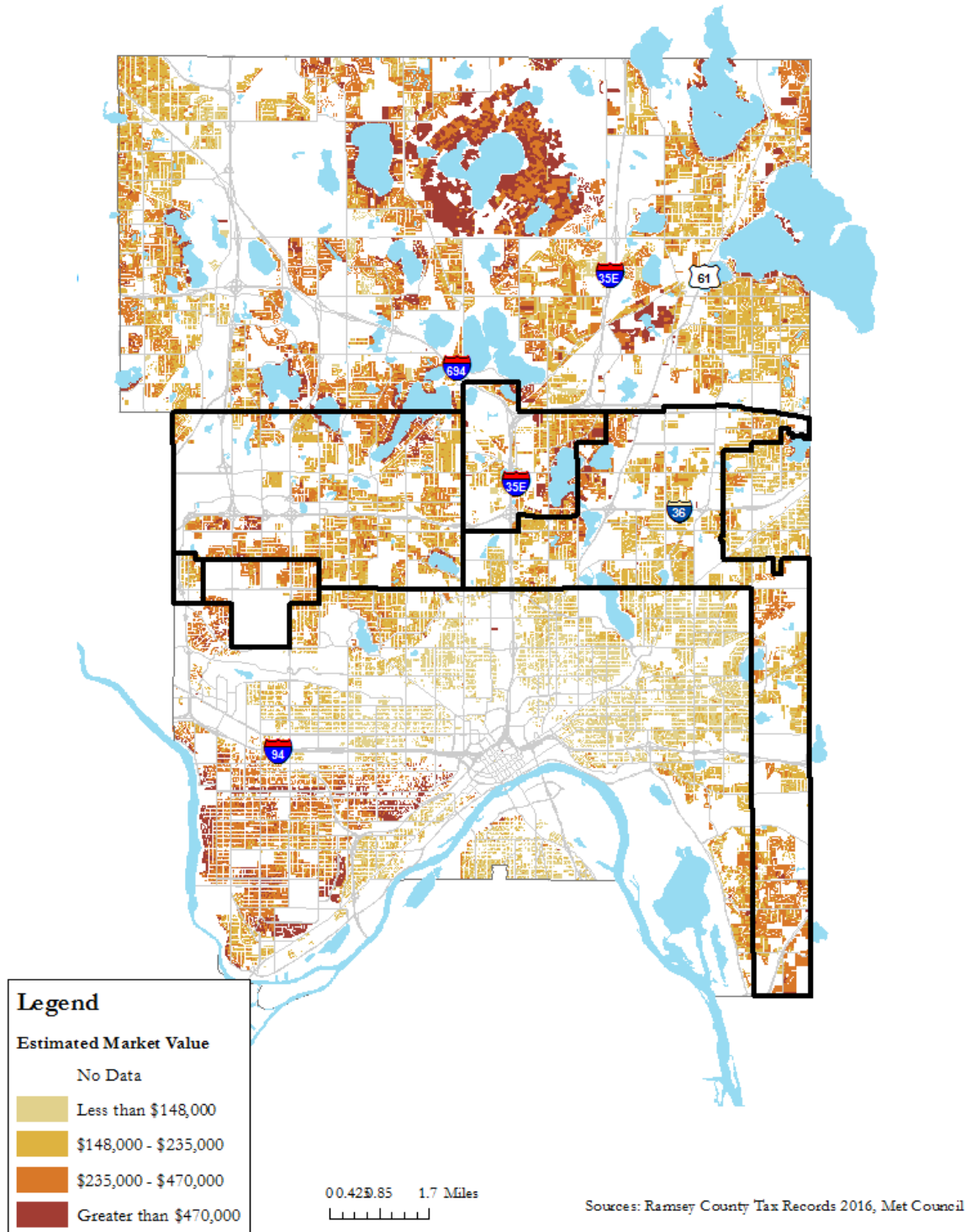
Owner Costs

Similar to rental costs, Little Canada and Lauderdale have the lowest median selected monthly owner costs (SMOC) for units with mortgages. Falcon Heights is the only city with median owner costs higher than the median in the Twin Cities Region. An annual income over \$75,000 is needed to support the median owner costs in Falcon Heights. In Lauderdale, a household with a single full time worker earning \$26 per hour could afford the median owner costs in Lauderdale. Cities with high and low owner costs have opportunities to better support low-income households. Falcon Heights has the most ground to cover, since nearly 75 percent of owners are spending more than \$1,500 per month on housing, but cities with lower owner costs can make homeownership affordable to lower incomes with less subsidy or outside support needed.

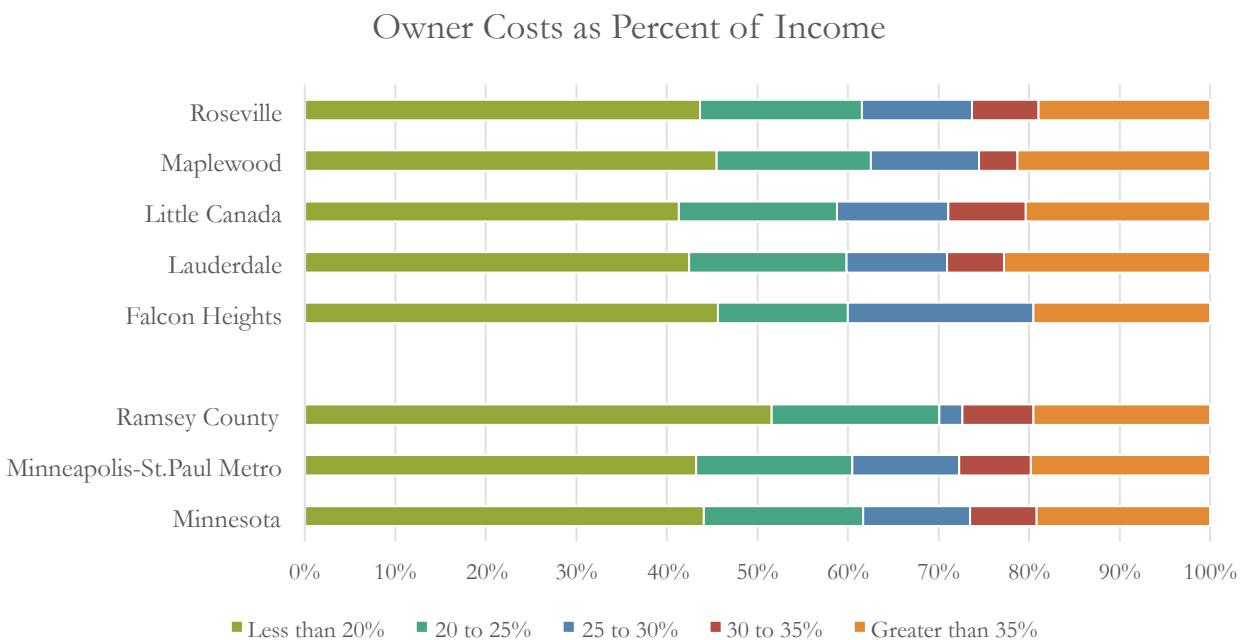
Jurisdiction	Median Owner Costs	Annual Income to Support Costs
Falcon Heights	\$1,911	\$76,440
<i>Twin Cities Region</i>	\$1,640	\$65,600
Roseville	\$1,573	\$62,920
Maplewood	\$1,568	\$62,720
<i>Ramsey County</i>	\$1,529	\$61,160
<i>Minnesota</i>	\$1,490	\$59,600
Little Canada	\$1,432	\$57,280
Lauderdale	\$1,345	\$53,800



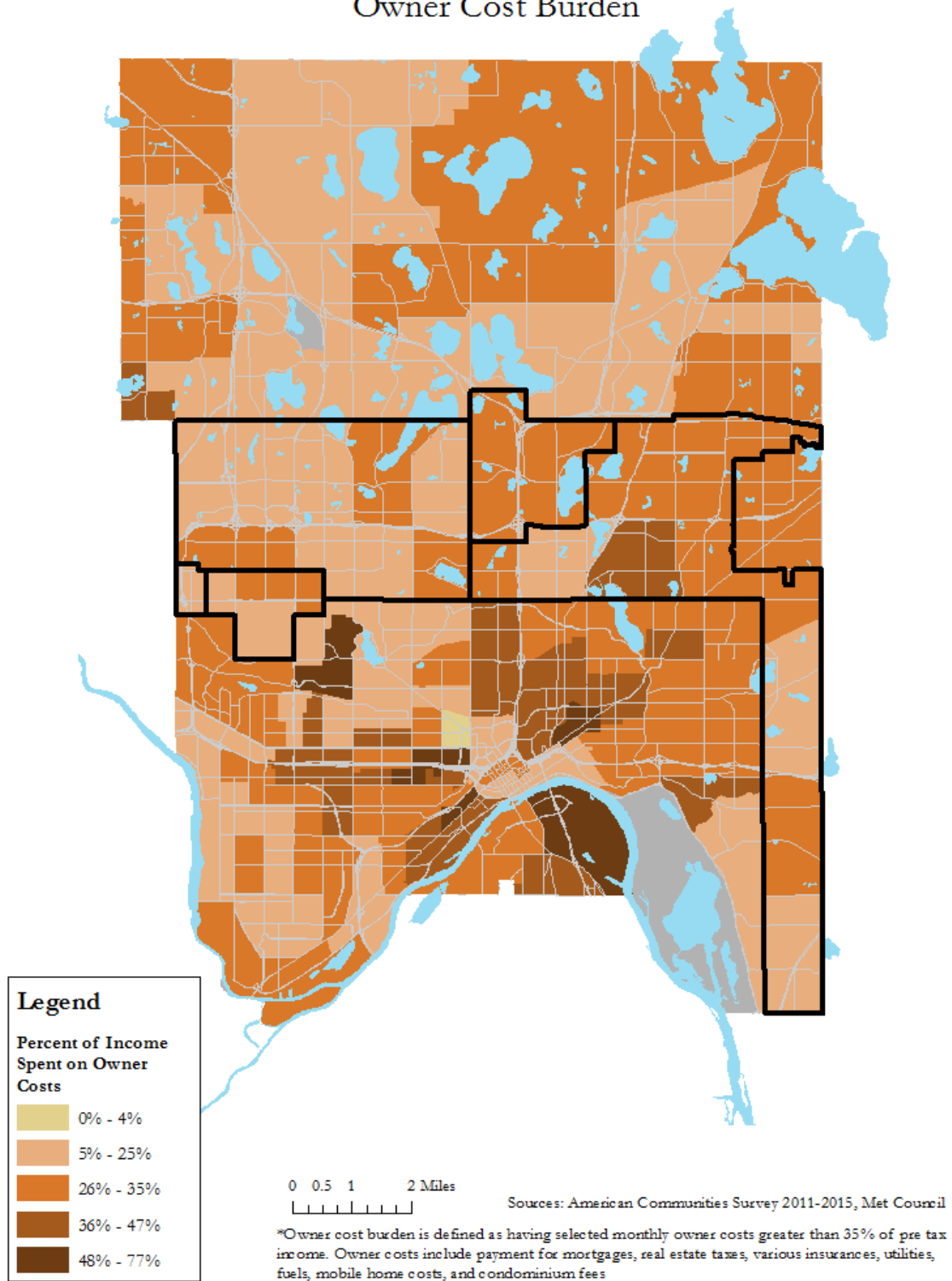
Single Family Home Values



Falcon Heights owners with mortgages have the highest monthly costs, but are the least likely to be cost burdened. While it may seem counter intuitive, this is common, since areas with higher home values tend to have higher income residents, and higher income households are less likely to be cost burdened. The reverse is also true, as Lauderdale has the lowest owner costs, but the largest percentage of owners are cost burdened. Since Lauderdale and Little Canada have more of a problem with existing residents not being able to afford their homes, efforts to assist existing homeowners by providing remodeling assistance and foreclosure prevention are going to be especially important. For Falcon Heights, the larger problem is in inaccessibility of homeownership due to high monthly owner costs. Roseville and Maplewood have more accessible homeownership options than the metro area overall, but the median home is only affordable to households making at least \$62,720.



Owner Cost Burden



Income and Employment

The incomes in the five target cities vary immensely, and must inform the policy recommendations. In considering the median incomes of the cities, the populations of the cities must also be considered. Lauderdale and Falcon Heights both have significant populations that are students who may or may not be responsible for paying for housing themselves.

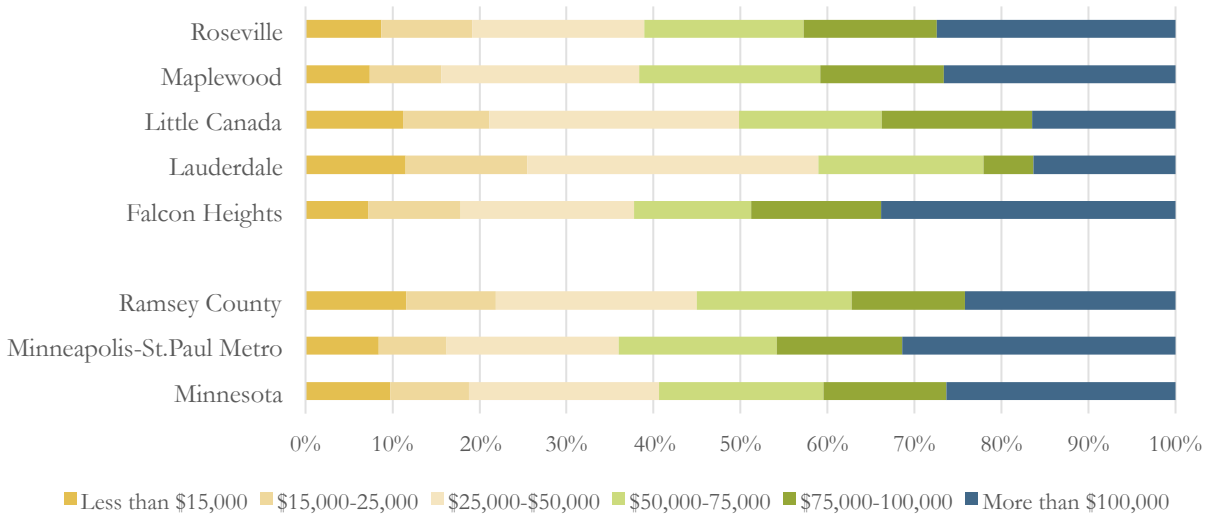
	Median Household Income	Median Individual Income
<i>Falcon Heights</i>	\$71,765	\$31,927
<i>Twin Cities Region</i>	\$68,778	\$34,296
<i>Roseville</i>	\$63,678	\$32,500
<i>Maplewood</i>	\$62,527	\$31,765
<i>Minnesota</i>	\$61,492	\$31,014
<i>Ramsey County</i>	\$56,104	\$29,528
<i>Little Canada</i>	\$50,156	\$30,331
<i>Lauderdale</i>	\$41,792	\$26,518

In Lauderdale and Little Canada, median incomes are lower than the median for Ramsey County, with about half of households earning less than \$50,000 and only about 15 percent of households earn more than \$100,000. To put this in perspective, \$51,480 is the four person household size adjusted income limit for housing affordable at 60 percent of AMI and \$52,600 is the income limit for a two person household.

<i>Income Limit</i>	1 person	2 person	4 person
<i>30% AMI</i>	\$18,050	\$20,600	\$25,750
<i>50% AMI</i>	\$30,050	\$34,350	\$42,900
<i>80% AMI</i>	\$46,000	\$52,600	\$65,700

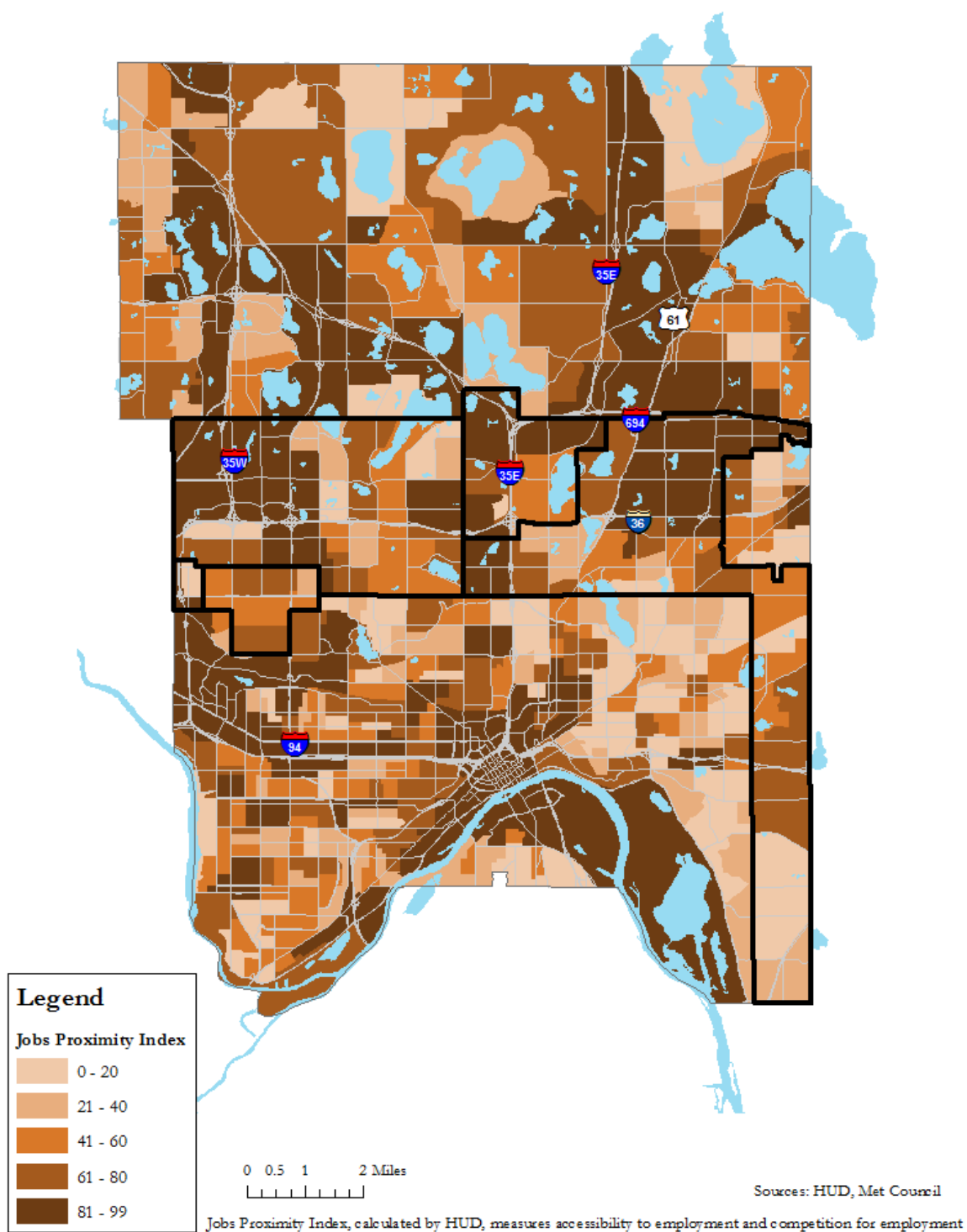
The combinations of high median income, and a high proportion of the population earning over \$100,000 per month and the proximity to the central cities, makes Falcon Heights a unique city. Higher property values and higher incomes allow for the municipality to generate sufficient revenue to invest in affordable housing easily by providing funds or by foregoing future tax revenue through TIF or tax abatement. For Little Canada and Lauderdale, the lower tax capacity reduces the cities' ability to find additional funds. Instead the cities may need to focus more on other forms of support, since financial support will be more difficult.

Household Incomes

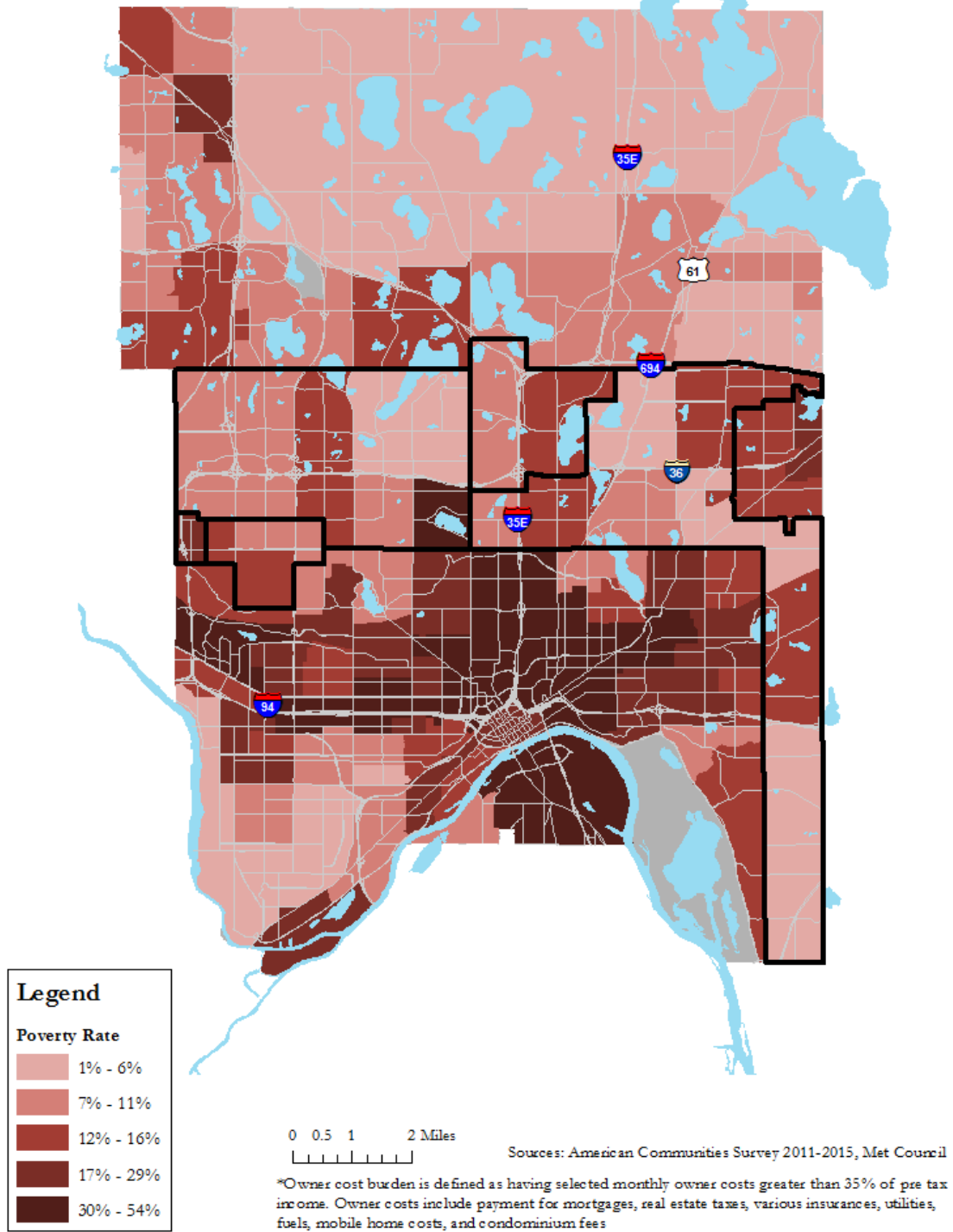


Large portions of Roseville, Maplewood, and Little Canada score well in the Jobs Proximity Index used by HUD as a measure of opportunity. By locating future affordable housing, or preserving existing affordable housing in the areas of higher opportunity, transportation costs can be reduced. While the Index is a helpful tool, it does not differentiate between jobs.

Job Proximity



Poverty Rate



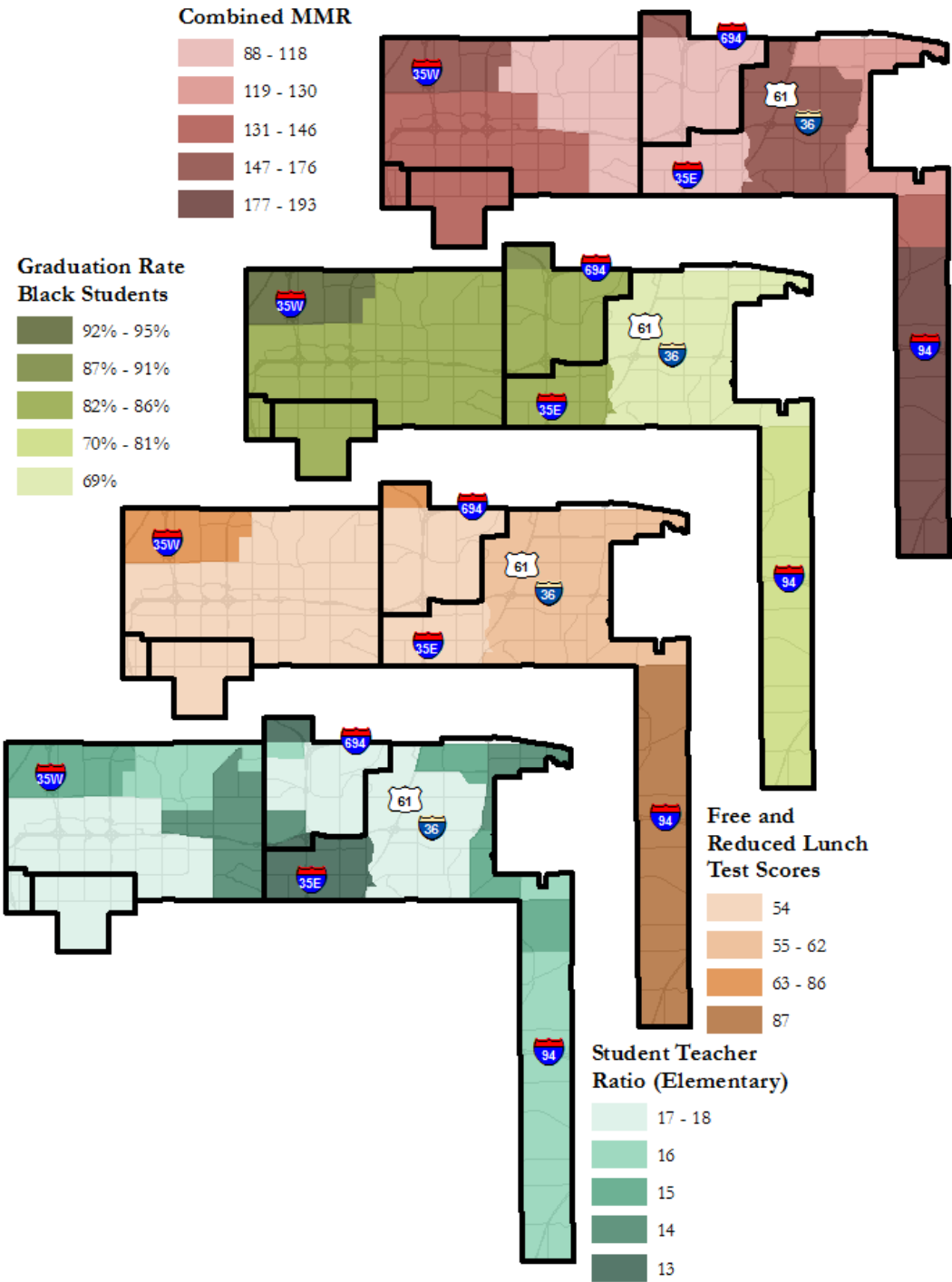
Education

Another important measure of opportunity is access to higher performing schools. HUD measures school performance by fourth grade test scores. That analysis shows most of Roseville and Falcon Heights, and all of Lauderdale performing poorly. In order to better understand the opportunities, or lack of opportunities for students living in the five cities, we analyzed a variety of indicators, including graduation rates, including rates for black and Asian students, student teacher ratios, test scores and the Multiple Measure Rating (MMR) released by the Minnesota Department of Education for the 2015-2016 school year. The MMR is a combination of proficiency on standardized tests, weighted based on subgroups, to allow for comparison of schools with different demographics, the improvement in test scores, achievement gap reduction, and graduation rates. To compare the combination of schools a student would attend, the values shown in map below is the sum of the MMR scores for the elementary, middle, and high school that students residing in the area would attend. The MMR is scored out of 100, so a perfect score when combining the three schools would be 300.

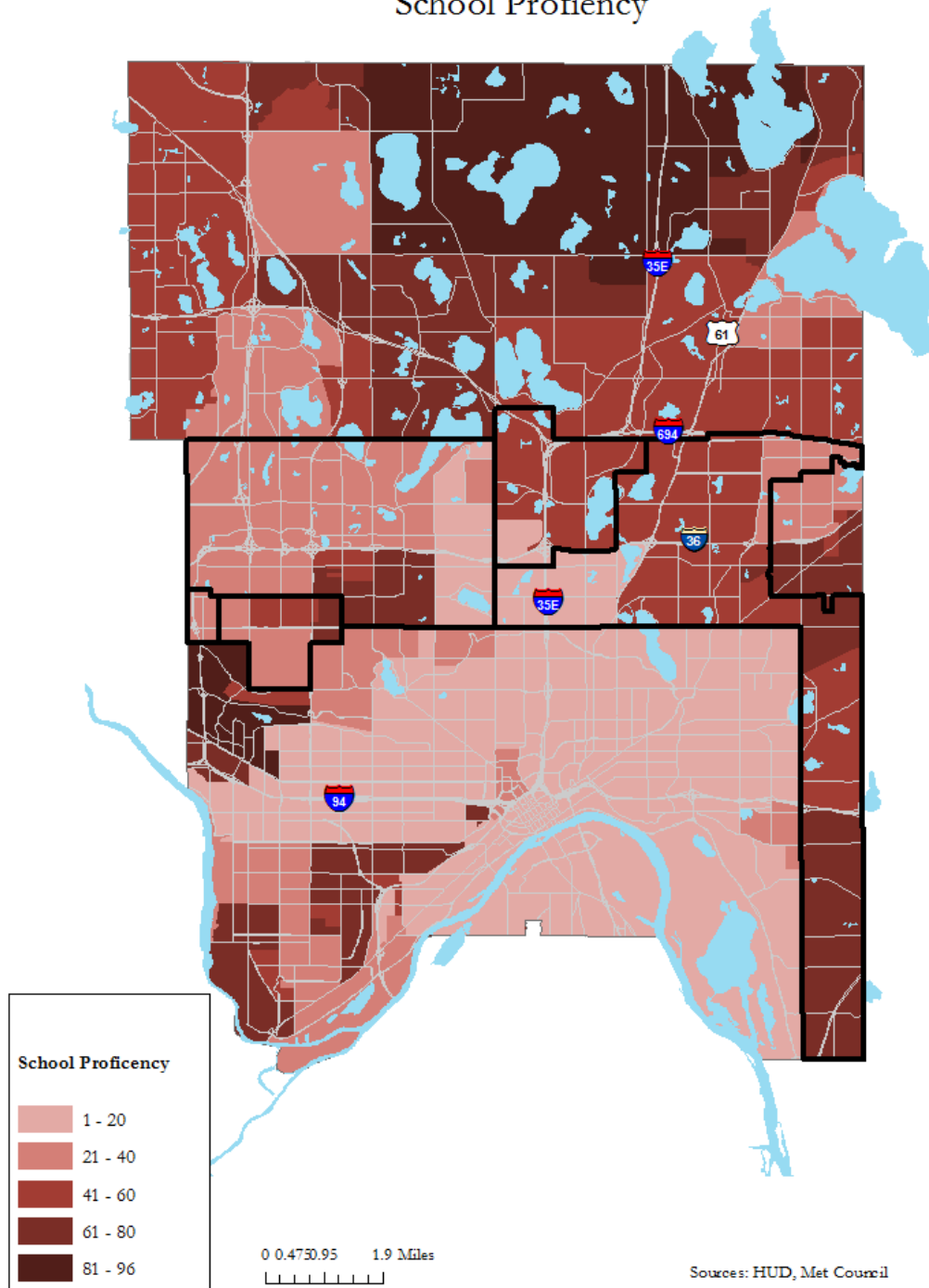
Two elements of the MMR are also displayed individually. The graduation rate of black students is shown specifically, to determine where students of color are most likely to be successful. The combined test scores are the sum of tenth grade English test and the eleventh grade math test for students receiving free and reduced lunch. The final element shown below, elementary school student teacher ratios, is not included in the MMR.

As can be seen in the maps below, there is not a clear area that is best to live for students. The portion of Little Canada north of 694, part of the White Bear Area Schools, and the northeastern most portion of Roseville, served by the Moundview School District, scored well on all four measures, while the portions served by Roseville Area Schools and North Saint Paul, Maplewood, Oakdale Schools generally scored less well. The southern portion of Maplewood scored well on the MMR and on test scores for high school students receiving free and reduced lunch. The MMR is different from the other measures shown because a portion of the score is based on improvement, rather than on existing performance.

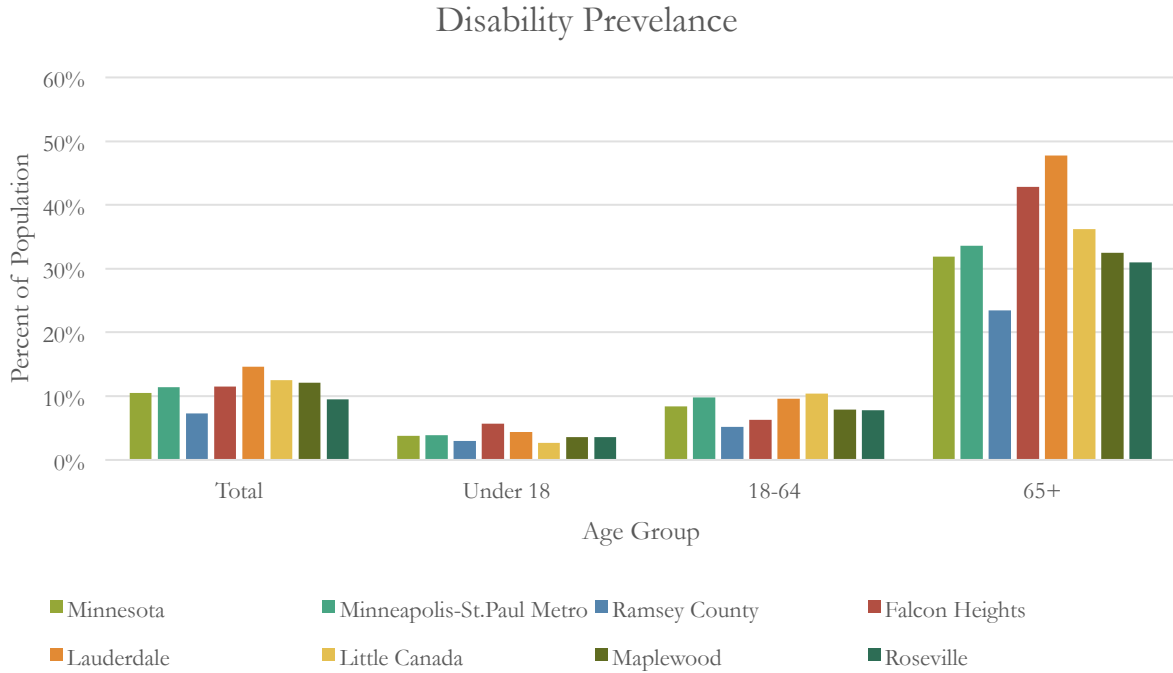
School Performance



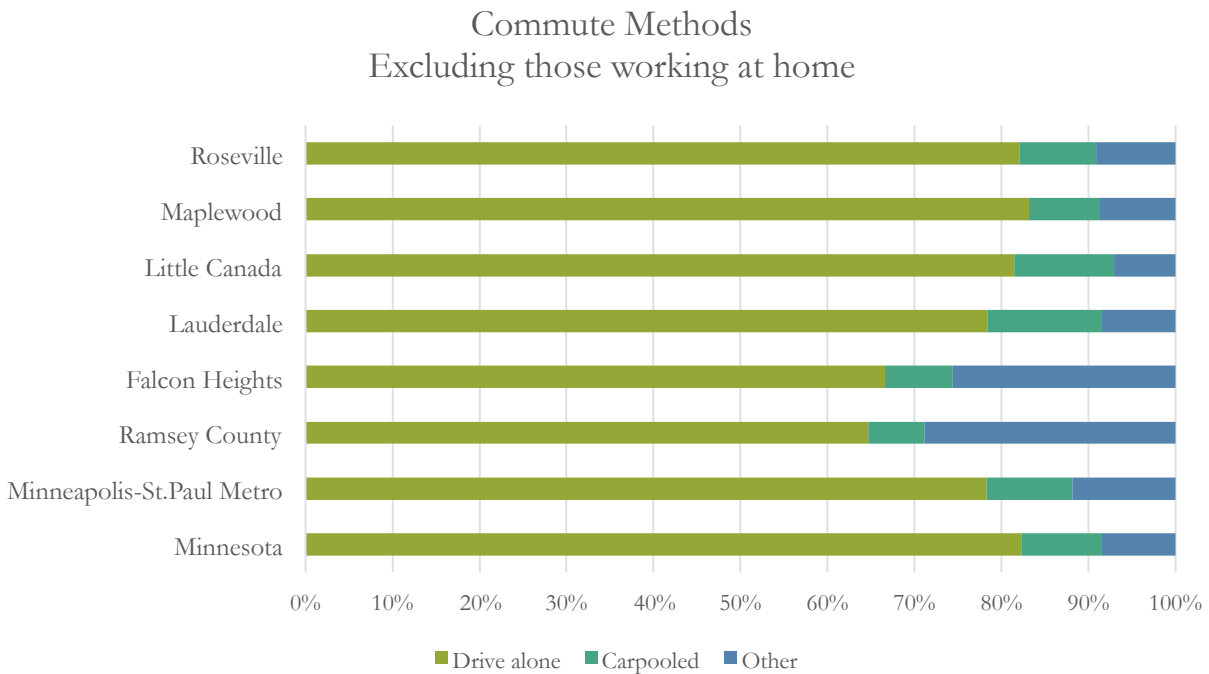
School Proficiency



Disability



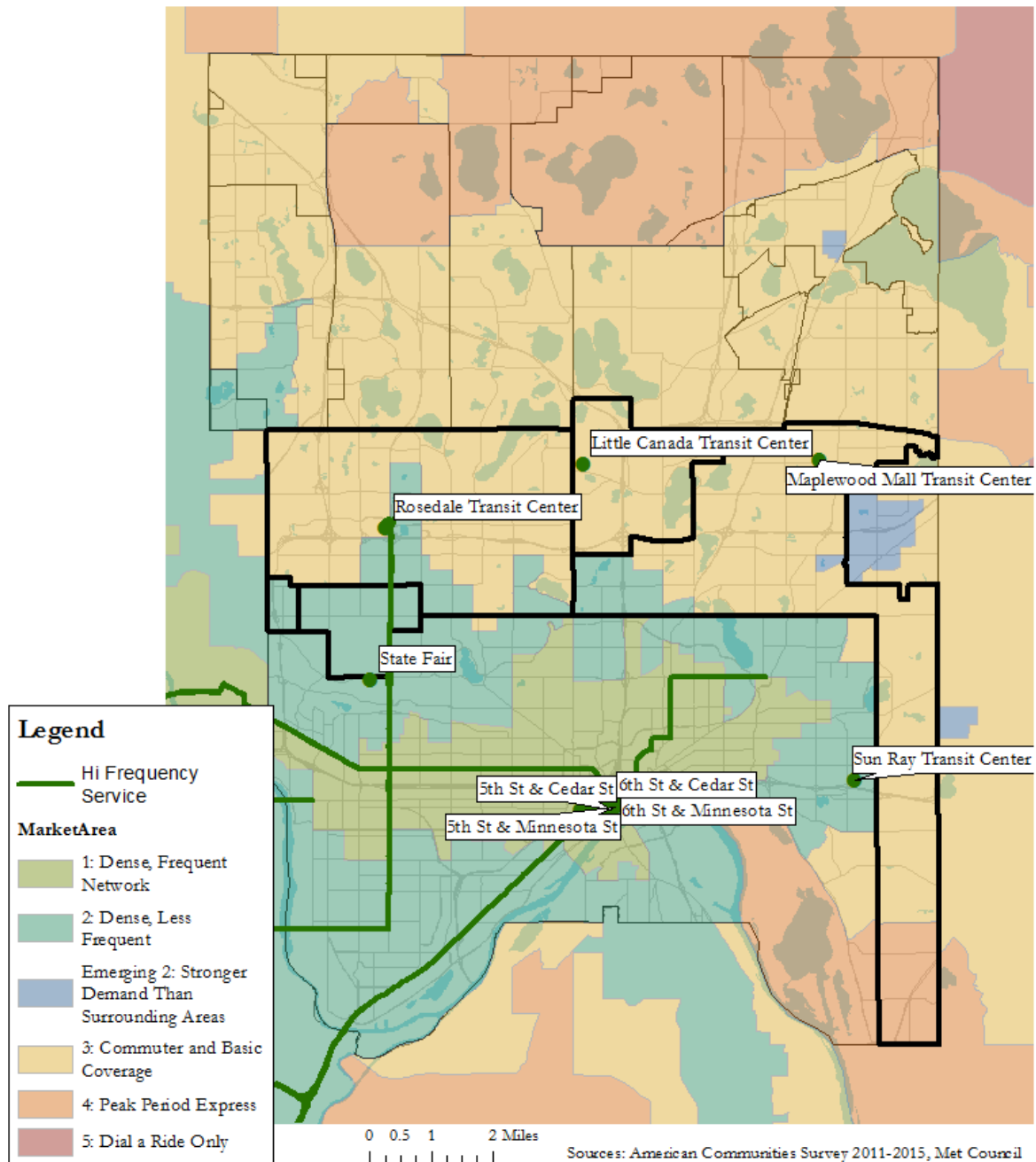
Transportation



All of the target cities, aside from the southernmost portion of Maplewood, are designated to receive regular route bus service. All of Lauderdale and Falcon Heights and portions of Roseville and Maplewood are designated to get dense bus service that is less frequent than the most heavily traveled portions of Minneapolis and Saint Paul. Designating specific land for affordable housing

development in the comprehensive plan is an important way for municipalities to support the production of affordable housing. Land near frequent, all day service should be prioritized for affordable housing, since residents may be less likely to have access to other modes of transportation. Transit access can also be used as justification for reduced parking requirements, since owning a car is less necessary, which can reduce project costs.

Transit Access



3 Current Comprehensive Plans

An analysis of the goals and existing conditions in the 2030 comprehensive plans

Chapter Outline

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Overview of the Metropolitan Council and Comprehensive Plans

The Metropolitan Council oversees policy-making, planning, and the delivery of select services in the seven-county Twin Cities metropolitan area. The Council seeks to support economic and efficient growth in the metropolitan region. Some of the services delivered by the Metropolitan Council include the operation of Metro Transit services, the collection and treatment of wastewater, and the development of regional parks and trails.

Every ten years, all cities, townships, and counties included in the metropolitan area are required to complete a comprehensive plan in a process overseen by the Metropolitan Council. The plans are focused on the four planning areas that fall under the Council's jurisdiction: wastewater, transportation, aviation, and parks. While the Council does not have explicit jurisdiction over housing matters, wastewater-planning influences permissible housing densities and the process of guiding land for different types of development. The Metropolitan Land Planning Act (MLPA) and the Livable Communities Act (LCA) require the Council to negotiate affordable housing goals with municipalities, but do not provide for much enforcement capabilities.

2030 Plan Community Roles Related to Housing

Metropolitan area cities are currently operating under the 2030 comprehensive plans, which were completed in 2008. The requirements of the plan were different in the last planning cycle than they are now, so it is important to consider what was required of the cities in evaluating their plans. The target cities were identified as Developed Communities for the 2030 plan. Our analysis of these plans revealed areas of existing strength as well as areas for improvement. Our recommendations were developed with the findings of our analysis in mind and seek to encourage city planners to include our recommendations in their updated comprehensive plans, which will be completed by December 2018.

Below are some of the community roles related to housing that were required in the 2030 comprehensive plans:

- Develop and implement comprehensive plans that provide land appropriate for a variety of affordable and life-cycle housing
- Adopt local housing goals and implementation plans
- Use local official controls and resources to facilitate development of a range of housing densities, types, and costs
- Approve and permit proposed housing developments in light of population forecasts, existing housing stock, and current and future community and regional needs, as appropriate
- Plan for a guide infill development, redevelopment, and adaptive reuse of structures to diversify housing, connect housing and jobs, and integrate new development into existing neighborhoods
- Adopt and purpose reinvestment strategies to achieve MLPA/LCA housing goals
- Encourage the preservation of existing neighborhoods and expansion of housing choices within the city
- Adopt ordinances to increase lifecycle and affordable housing (examples: increases multi-family use, reduced front and interior setback requirements, cluster development ordinances)

Falcon Heights

Housing and Land Use Considerations

In response to housing and land use requirements, Falcon Heights planner(s) included the following in the city's 2030 comprehensive plan:

- Identification of existing multi-family housing
- Identification and description of neighborhoods
- Identification of the 33 existing Section 8 units in the city
- Note that 15 percent of the housing stock is under the University's jurisdiction
- Note that if the agricultural land is released by the University, the city intends to conserve open land adjacent to existing residents and include a variety of housing types and prices from dense multi-family to compact single family developments
- Note that if the University decides that privately owned student housing should be built on the Saint Paul campus, the land would fall under the jurisdiction of Falcon Heights

Housing and Land Use Goals

In response to local housing and land use goal requirements, Falcon Heights planner(s) included the following goals in the city's 2030 comprehensive plan:

- To improve the quality, appearance and maintenance of housing in neighborhoods and the health of residents
- To enhance access and safety for pedestrians and non-motorized transportation
- To minimize land use and traffic intrusions that adversely impact established neighborhoods
- To continue the well-maintained residential character of existing neighborhoods
- To encourage the availability of housing for a population of diverse ages and income levels
- To protect open space and natural resources, preserving the urban/rural aesthetic that Falcon Heights residents value
- To meet the needs of the projected growth in household to 2030 and the projected need for affordable housing in the community

Affordable Housing Policies

In response to housing affordability requirements, Falcon Heights planner(s) included the following policies in the city's 2030 comprehensive plan:

- Continue to support rental assistance programs through the Metropolitan Housing and Redevelopment Authority Section 8 Program
- Encourage homeownership by participating in community land trust programs, as opportunities and funding allow, and keeping a portion of home affordable
- On transit routes, allow the replacement of existing medium density multi-family structures at equal or higher density, incorporating best practices for conserving green space and promoting active living
- Maintain the present mix of housing but consider a variety of housing types and cost ranges if redevelopment occurs
- Establish design guidelines and standards to ensure new development promotes good health and preserves public open space

Implementation Guidance

In response to implementation guideline requirements, Falcon Heights planner(s) outlined the following steps in the city's 2030 comprehensive plan:

- Should opportunities for redevelopment arise, consider:
 - Provisions that at least 10 percent of multi-family rental projects be affordable housing, if housing assistance is available
 - Continuation of support for Section 8 rental assistance vouchers for low and modest income residents
 - Continued participation in the Livable Communities Local Housing Incentive Program and look for future opportunities to employ this and similar programs to assist in financing affordable housing
- To encourage homeownership and rehabilitate affordable housing, the city will:
 - Implement some form of licensing and safety inspection program for rentals in single family homes, duplexes, and triplexes
 - Participate as appropriate in Federal and State housing programs as may be made available
 - Seek partnerships with non-profit community land trust organizations that promote affordable home-ownership and rehabilitation of housing
 - Continue to participate in partnerships with non-profit community organizations which provide home maintenance and rehabilitation resources to both homeowners and owners of rental properties

Lauderdale

Housing and Land Use Considerations

In response to housing and land use requirements, Lauderdale planner(s) included the following in the city's 2030 comprehensive plan:

- Considers housing concerns to be centered on housing condition, maintenance, size of units, property values, and rental property
- Attached housing is the predominated housing type accounting for 58 percent of housing units
- Proximity to the University of Minnesota and Luther Seminary has resulted in more rental housing than the metro norm
- The city encouraged development of low-income housing in the 1980s which produced 394 units of low to moderate-income housing
- The City previously used TIF to encourage affordable rental
- Going forward the city may use zoning and land use planning incentives/flexibility and redevelopment assistance through TIF, tax abatement, and brownfield cleanup as well as state, federal, and non-profit funds
- The city has participated in LCA and has used funds for brownfield remediation
- The plan expresses concern over how much the city's density exceeds the minimum density standards of LCA and that it may have a negative impact on overall property values

Housing and Land Use Goals

In response to local housing and land use goal requirements, Lauderdale planner(s) included the following goals in the city's 2030 comprehensive plan:

- Conduct a housing needs assessment to determine the nature and scope of home improvements needed to attract home-buyers
- Set property maintenance standards
 - Create property maintenance code for non-rental housing
 - Evaluate feasibility of offering home repair grants and loans to low and moderate-income homeowners
 - Add sunsets to building permits.
 - Assess impact of allowing larger homes
 - Consider cutting building permit fees
- Foster community spirit and housing maintenance through partnership and cooperation
 - Create an affordable housing mix through continued participation in LCA
 - Coordinate resident volunteers to assist neighbors with home improvements and exterior maintenance.
- Education related to home improvements
 - Permit requirements, homebuyer assistance, etc.

Affordable Housing Policies

Affordable housing is not mentioned in Lauderdale's 2030 comprehensive plan.

Implementation Guidance

In response to implementation guideline requirements, Lauderdale planner(s) outlined the following steps in the city's 2030 comprehensive plan:

- Review existing ordinances to make sure they do not impede the ability of the City to implement its housing programs
- Inform potential developers of areas in the City where life cycle and affordable housing could potentially be located and of the City's ability to offer fiscal support
- Maintain and strengthen the City's rental housing inspection program so that the City's current housing does not deteriorate
- Strengthen neighborhood amenities to encourage a neighborhood feel and investment in the community
- Work with the Met Council when possible to create opportunities to further Lauderdale's Livable Communities goals

Little Canada

Housing and Land Use Considerations

In response to housing and land use requirements, Little Canada planner(s) included the following in the city's 2030 comprehensive plan:

- In the southeast quadrant of the 35E/694 interchange, the City has taken an active role in upgrading multifamily housing standards due to concerns over public safety issues.
- Maximum residential density is 20 units per acre
- The median market value of residential units in the city was higher than in the County.
- The City was expected to provide 71 units of affordable housing.
- More of the housing stock in Little Canada are affordable than in any of the neighboring cities

- Identifies areas for residential development
 - Between Twin Lake Boulevard and Vadnais Heights border a site is identified for 4-6 unit per acre townhouses or denser senior housing
 - Mixed use redevelopment between Rice St. N and Market Place Dr. North of Round Lake
 - Terrace Heights Mobile Home Park is zoned for eventual commercial use
 - A twenty-acre undeveloped portion of the southeast quadrant of the 35E/694 interchange may be considered for some attached housing at medium density
 - Planning district 11, large lots that may be subdivided. Must be done in a way to respect existing single family areas

Housing and Land Use Goals

In response to housing and land use requirements, Little Canada planner(s) included the following in the city's 2030 comprehensive plan:

- Substandard housing shall be removed when it is judged not economically feasible to correct deficiencies
- Maintain housing values by promoting home repairs, maintenance, and site clean up through code enforcement
- Provide a variety of housing types that allow people of all ages to live in Little Canada
- Create and maintain high quality neighborhoods that are compatible with adjacent land uses.

Affordable Housing Policies

In response to housing affordability requirements, Little Canada planner(s) included the following policies in the city's 2030 comprehensive plan:

- Address the density, affordability and unit type requirements for housing as required by Met Council
- Continue to maintain a variety of housing styles and allow for people of all ages and income levels to live in the City
- Maintain a high level of property maintenance
- Provide for Little Canada's regional share of affordable housing units through 2030
- Support and create housing opportunities for older adults and seniors
- Continue current housing programs including implementing Housing Improvement Areas and housing programs available through Ramsey County such as FirstHOME and the Neighborhood Stabilization Program
- Assist low-income households in finding appropriate loan programs for affording single family homes in the City using the CDBG and HOME funding sources
- Assist current and future residents in finding available housing related education programs available through the County

Maplewood

Housing and Land Use Considerations

In response to housing and land use requirements, Maplewood planners included the following in the city's 2030 comprehensive plan:

- Identifies manufactured housing as an opportunity for low- and moderate-income households

- Identifies the uncertain future for subsidized housing with expiring contracts
- In addition to several programs administered and funded by others, the City will explore financing affordable housing through tax-exempt bonds and TIF and CDBG allocation from Ramsey County
- Will allow affordable housing in any location suitable for residential uses
- Include a variety of housing types in the City, which includes meeting Met Council goals for affordable housing through the use of apartments, townhouses, manufactured housing, single family housing, public-assisted housing, low and moderate income housing, and rental and owner-occupied housing
- Expand opportunities for housing ownership made available by various federal, state, local government, and non-profit programs
- Streamline permitting and development processes to ease the rehabilitation or improvement of existing homes and reduce unwarranted cost impacts on the price of entry-level homes
- Provide for and designate appropriate areas for high-density and mixed-use development.
- Support the quality of residential development and redevelopment throughout the City by using education, design review and code enforcement
- Support multifamily residential development in locations accessible to public transportation and community services and facilities

Housing and Land Use Goals

In response to housing and land use goal requirements, Maplewood planners included the following goals in the city's 2030 comprehensive plan:

- Encourage that the quality of housing in residential neighborhoods be maintained to meet the needs of current and future residents
 - Maintain a variety of housing types for ownership and rental for people in all stages of life
 - Maintain a balanced housing supply, with housing availability for people at all income levels
 - Accommodate all racial and ethnic groups in the purchase, sale, rental and location of housing in the City
- Promote efforts to upgrade, enhance and maintain existing housing stock
 - Partner with agencies and community groups to institute quality of life improvements at distressed housing sites and encourage reinvestment in older properties to maintain their appearance, functionality and value
- Accomplish the adopted Livable Communities Goals for affordable housing
 - Encourage future affordable housing units (funded by other agencies) as part of mixed-use projects and/or as a component of new owner-occupied or renter-occupied multi-family housing.
- Maintain city-wide housing goals of 75 percent owner-occupied units and 25 percent rental units.
 - Work with lenders and social service agencies to provide financial literacy and special programs to encourage and increase homeownership.
 - Concentrate housing redevelopment efforts toward providing life-cycle housing in Maplewood.

Affordable Housing Policies

In response to housing affordability requirements, Maplewood planners included the following policies and financing goals in the city's 2030 comprehensive plan:

- Explore all options for financing affordable housing
- Continue to provide rent assistance to needy households
- Provide information and assistance to encourage energy efficiency improvements
- Provide dispersed locations for variety of housing types, styles, prices
- Review and update codes that affect housing
- Provide for the housing and service needs of the elderly and disabled
- Provide housing and services to meet the needs of non-traditional households
- Protect the integrity of, and prevent deterioration in, existing neighborhoods
- Encourage high design and maintenance standards for multi-family housing
- Assure that new development is compatible with, and sensitive to, the environment
- Participate in rehabilitation and grant programs
- Develop programs to help first-time home buyers

Roseville

Housing and Land Use Considerations

In response to housing and land use goal requirements, Roseville planners included the following goals in the city's 2030 comprehensive plan:

- Identifies the proportion of renters and owners who are cost burdened
- Notes that older residents are choosing to stay in their homes
- Identifies age of apartment building and the need to work with property owners to addresses necessary improvements
- There is concern within the community about the future overabundance of age-restricted housing units
- The 2030 Future Land Use Map has 100 acres of land designed for potential infill housing development, translating to 400 to 1,000 new housing units
- Identifies 240 acres for housing redevelopment and 24 acres for residential use
- Between 1996 and 2007 the city reached 43 percent of its owner occupied goals and 10 percent of the rental goal for 2010

Housing and Land Use Goals

In response to housing and land use goal requirements, Roseville planners included the following in the city's 2030 comprehensive plan:

- Preserve and enhance the residential character and livability of existing neighborhoods and ensure that adjacent uses are compatible with existing neighborhoods
- Achieve a broad and flexible range of housing choices within the community to provide sufficient alternatives to meet the changing housing needs of current and future residents throughout all stages of life
 - Promote flexible development standards for new residential developments to allow innovative development patterns and more efficient densities that protect and enhance the character, stability, and vitality of residential neighborhoods.
 - Consider increasing densities in new residential developments

- Promote a sense of community by encouraging neighborhood identity efforts within the community
- Provide a wide variety of housing options in order to retain and attract a diverse mix of people and family types with varying economic statuses, ages, and abilities.
 - Promote the development of housing stock that is appealing to persons of varying economic means.
 - Regularly review official controls to ensure opportunities for development of new housing stock, enhancement of existing housing stock, and ability to provide a diversity of housing choices.
 - Partner with the Roseville HRA to provide programs that encourage a range of housing choices for all residents in Roseville.
 - Partner with other agencies, cities, non-profit groups and developers to provide high quality affordable housing to accommodate the City's share of regional affordable housing needs.
- Integrate environmental stewardship practices into the housing stock and neighborhoods.
 - Encourage housing development on site that have access to multiple modes of transportation, including transit, biking, walking, and to sites that efficiently utilize land in a sustainable manner
- Continue support of housing and neighborhood programming provided by the HRA that address community needs
 - Work in partnership with the HRA to identify housing issues, provide resources for housing programs, and educate Roseville residents on housing related topics.

Implementation Guidance

In response to implementation guideline requirements, Roseville planners outlined the following steps in the city's 2030 comprehensive plan:

- Working with the HRA, develop affordable housing implementation strategy to meet the City's affordable-housing goals
- Working with the HRA, conduct a multi-family housing study to examine market-rate rental and senior housing markets
- Study potential ways for organizing neighborhood groups, forum, and communication networks that would provide effective community engagement from the bottom-up
- Explore what neighborhood planning means and ways to bring the Comprehensive Plan goals and policies down to the planning-district level

4

Policy Recommendations

A selection of recommendations tailored to the cities of the Roseville Area
League of Women Voters

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Introduction

Targeted Universalism

As previously discussed, the policy recommendations included in this report were developed with an understanding that targeted recommendations are the most effective way of realizing universal outcome improvements. In order to achieve equitable outcomes for all, differences between subpopulations in the community must be acknowledged and addressed in the policies that are adopted. This framework was developed by Professor John Powell from the University of California – Berkeley. Universal policies that fail to consider the particularities and the many reinforcing constraints on certain subpopulations of the community often fail to produce improved universal outcomes. Applied to the RALWV's goal of ensuring, "that everyone has access to adequate, decent, affordable housing," this means paying close attention to the conditions that have kept those with the greatest need from being adequately housed.

There is a history in the U.S. of adopting targeted policies that seek to lift up white people when it comes to housing while oppressing people of color. Take, for example, the Federal Housing Administration's redlining practices, which limited the financial resources available to prospective owners and rents on the basis of race. In Minnesota, racially restrictive covenants were also used to prevent people of color, particularly African Americans, from purchasing, leasing, or occupying properties in white neighborhoods.⁷ Targeted policies that reflect a deep understanding of the unique circumstances and histories that have contributed to the current state of targeted subpopulations, whether those fall along lines of race, class, gender, or income, are more likely to yield improved, more equitable outcomes for the community as a whole.

Continuum of Housing

The reality of affordable housing is more nuanced than the one-size-fits-all item or issue it is portrayed as. There is a wide variation of housing needs that depend on an individual or family's circumstances at different stages in their lives and a single solution will not be appropriate for each need in every situation. This range of housing options is known as the continuum of housing and includes everything from emergency shelters to traditional homeownership. These options satisfy the various needs people have as they encounter different circumstances and stages throughout their life. The three primary forms of affordable housing in the continuum of housing are supportive housing, assisted rental housing, and assisted homeownership and include emergency shelter, transitional housing, housing for seniors and people with special needs, single room occupancy (SRO) housing, public housing, housing choice vouchers (Section 8), and programs to help residents of low and moderate-income afford a home. Providing everyone this collection and progression of affordable housing options in the continuum of housing is integral to the health and well being of residents and neighborhoods, and the overall quality of life throughout the city. The recommendations below seek to fill in the gaps in the continuum of housing that exist within each city.

⁷ Orfield, Myron. "Why Are the Twin Cities So Segregated?" *Institute on Metropolitan Opportunity*, February 2015.

Recommendation Matrix

We began our process of selecting targeted recommendations by reviewing academic literature, local research, and review of comprehensive plans and housing related policies in similarly situated cities. We then assessed the applicability of each policy to each of the cities based on the analysis of demographic and housing conditions in the five cities and the previous comprehensive plans. We removed policies that were not appropriate for any of the five cities, and determined which of the policies best addressed the most pressing and unique circumstances in the cities. Each city has five top priority policies, as well as numerous other policies to consider.

Policy	Falcon Heights	Lauderdale	Little Canada	Maplewood	Roseville
Support New Construction					
Increasing Density Generally			x		
Project Scale Flexibility	x	x		x	x
Design Standards Waiver				x	x
Reduced Parking Requirements	x		x	x	
Transitional Housing				x	x
Site Identification			x	x	x
Site Acquisition				x	x
Financing Mechanisms	x	x	x	x	x
Reduced Points of Approval	x	x	x		x
Large Family Housing	x	x		x	x
Inclusionary Housing	x			x	x
Preserve Existing Affordable Housing					
Identify At-Risk Properties	x	x	x	x	x
Replace Subsidy Funds				x	x
Support Low Cost Rental	x	x		x	x
LIHTC Conversion		x		x	x
Expand Homeownership Opportunities					
Down Payment Assistance	x			x	x
Land Trust	x	x	x	x	x
Repair Assistance	x	x	x	x	x
Manufactured Housing Support			x	x	x
Reduce Discrimination					
Local Fair Housing	x	x	x	x	x
Eliminate Crime Free Rental Housing			x		x
Section 8 Anti-Discrimination		x	x	x	x

Maplewood and Roseville have many more policies deemed appropriate than the other cities. This is due to the large geographic size allowing different development patterns within the cities and larger staff capacity, which makes several policies feasible that would not be in the smaller cities. The policies are described in detail in the following sections. Most policies also include recommended language to include as goals and policies in the 2040 comprehensive plans.

Support New Construction

New construction of affordable, typically subsidized, housing is key to filling gaps in the continuum of housing needed in a community.

Increasing Density Generally

New housing development can be affordable to a larger portion of the population if it is built at a higher density. In addition to reducing the cost of land per unit, this can also reduce the costs of public improvements in new subdivisions. Many residents are put off by the idea of denser housing. This is often due to misconceptions about what a particular density looks like. In addition to reducing costs, denser areas are more conducive to multi-modal transportation networks and support health through active living. A factsheet in the appendix provides examples of Twin Cities housing with the density. As a part of the community engagement, staff should avoid speaking about densities without providing examples.

Townhouse densities can vary greatly. The Little Canada comprehensive plan spoke about a transitional area on the edge of a single family development as being appropriate for townhouses at 4-6 units per acre. While townhouses at that density exist, townhouses at up to 20 units per acre can provide similar architectural quality

Project Scale Flexibility

Generally speaking, the greater the density, the lower the cost per housing unit. Municipalities can provide several options for increasing the scale of the project by allowing greater density, taller buildings, smaller setbacks, or an increased floor area ratio.⁸

COMPREHENSIVE PLAN LANGUAGE: ADOPT NEW ZONING TO ALLOW HIGHER DENSITY ATTACHED AND MULTI-FAMILY HOUSING IN AREAS GUIDED FOR NEW RESIDENTIAL DEVELOPMENT.

Density Bonus

Density bonuses are policies that allow for a density increase over the maximum allowable residential density under otherwise applicable zoning ordinances. Density bonuses make the construction of affordable housing projects more cost-efficient and lower the development cost per unit by spreading the fixed costs (such as land costs) of a project across more housing units and allowing for on-site staff. These savings could be reflected in the form of reduced tenant rents, improved project quality, or improved project attractiveness. Project quality and attractiveness are essential to achieving community acceptance and support. Density bonuses should be conditioned on administrative approval, rather than through a conditional use permit, which allows for the process to be delayed or blocked by planning commissioners and council members.

⁸ This and other recommendations were drawn from the *Minnesota Challenge to Lower the Cost of Affordable Housing* a report prepared by the Housing Justice Center and the Center for Urban and Regional Affairs at the University of Minnesota.

Example City Ordinance: White Bear Lake, MN

The base maximum density is 12 units per acre. For every 3 affordable units, one additional unit may be built. A maximum of 16 units per acre. This may be stacked with density bonuses for underground parking (4:1) and transit oriented development (3:1) for an overall maximum density of 20 units per acre. This ordinance defines affordable housing as being affordable at 60% of Area Median Income, but does not specify the term of the affordability. It also does not allow for four story wood frame construction.

Key Elements of Ordinances

- Allow for 4 to 5 story wood frame buildings.
- Indicate the level of affordability as a percentage of area median income.
- Place a minimum term on the affordability such as 15 or 30 years.

Increased Floor Area Ratio (FAR)

Minimum FARs are determined by zoning district and ordinance. Higher FARs allow for increased density in housing developments. Like with density bonuses, increased FARs would make the construction of affordable housing projects more cost-efficient and spread the fixed project costs across more units, thus lowering rents. In Minneapolis, new affordable developments may receive a FAR increase of 20% if, at a minimum, 20% of units meet the city's definition of affordable.

Reduced Lot Size or Setback

By reducing the minimum lot size per unit of housing, developers can increase the density of their projects while staying within the same building footprint. While reductions in lot size do not dramatically reduce development costs, they do spread the fixed costs across of development across more units, which could lead to a reduction in tenant rents or improved project quality or attractiveness.

Increased Building Height

Permitting densities that allow for 4- to 5-story buildings will make affordable housing developments most cost-efficient. Like with density bonuses and increased FARs, increased building heights would make the construction of affordable housing projects more cost-efficient and spread the fixed project costs across more units, thus lowering rents.

COMPREHENSIVE PLAN LANGUAGE: REVIEW DENSITY, BUILDING MASSING, AND SITE PLAN REQUIREMENTS TO ALLOW FOR HIGHER DENSITY AFFORDABLE HOUSING THROUGH BUILDING SCALE FLEXIBILITY.

Design Standards Waivers

Design standards are a balancing act for affordable housing development. It is important for affordable housing to look attractive to break down the expectations of what affordable housing looks like, but design standards can significantly increase the per unit cost of development. Giving staff the ability to waive design standards for affordable housing development can provide additional financial flexibility to the developer. In municipalities that require a letter of credit or escrow account to guarantee external improvements, waiving this requirement allows for more flexibility in cash flow management.

One area for cost reduction is the landscaping requirements. Many parts of landscape ordinances serve a clear public good by reducing heat island effects, but flexibility on the requirements can reduce costs without major impacts. Examples of possible changes:

- Reduction in the caliper of trees or size of shrubs required. This can be combined with selection of trees well suited to the environment which will grow at a faster rate.
- Keeping parking lot shade bearing tree requirements, but offering reductions in the requirements for shrubs.
- Reduction in requirements if landscaping includes rain gardens or native plants.

Depending on the development, some municipalities require that public improvements, such as storm sewers, street lighting, or road improvements. While these improvements can be very expensive for a city, it may be an opportunity to provide a no-interest forgivable loan for the cost of the required improvements or change the cost sharing method to reduce the cost for the developer.

COMPREHENSIVE PLAN LANGUAGE: REVIEW DESIGN, LANDSCAPING, AND PUBLIC IMPROVEMENT REQUIREMENTS AND CONSIDER WHEN WAIVERS SHOULD BE ALLOWED TO FACILITATE AFFORDABLE HOUSING DEVELOPMENT.

Reduce Parking Requirements

Parking requirements, whether structured parking ramps, underground parking, surface parking, or otherwise, add significant costs to residential housing developments. There is evidence to suggest fewer parking requirements are needed in urban areas where residents have access to public transit. Reducing parking requirements can lower the fixed costs of an affordable housing development, which in turn, can contribute to lower rents for residents. Residential neighborhoods may oppose reducing parking requirements for fear it will increase pressure on street parking spaces. Reduced parking requirements have been used effectively to support affordable housing developments in Chaska, Roseville, and Saint Paul. Current parking minimums vary between the five cities.

<i>City</i>	Falcon Heights	Lauderdale	Little Canada	Maplewood	Roseville
<i>Spaces</i>	2/unit	1.5/unit	2/unit	2/unit	1/bedroom
<i>Special Rules</i>	Half covered, cover may be waived for affordable housing		Spaces must be fee free. Guest parking may be required	Half covered	.25/unit for guests

Like the project scale flexibility, cities should adopt ordinances that allow for administrative waivers. Roseville allows for reduced parking requirements based on a demand study by a civil engineer. While this is better than no reduction, anticipating the demand of low-income residents for parking does not require a civil engineer. Falcon Heights is the only city in the target area with special parking consideration for affordable housing. The option to waiver garage requirements for affordable housing is an important step, which should be adopted by Maplewood, a reduction in the number of spaces is also needed. Aside from Little Canada, portions of the cities have, or will have, frequent transit access, which should further reduce the demand for parking.

Proof of Parking

Proof of parking agreements allow developers to open designate project space for additional parking should more parking be required in the future. Proof of parking agreements have effectively used to support affordable housing developments in Forest Lake. Little Canada allows proof of parking for senior housing. Land must be reserved for one space per unit, but only half must be built. The City Council may determine at a future time that the remaining spaces be construction.

COMPREHENSIVE PLAN LANGUAGE: STUDY HOW PARKING REQUIREMENTS CAN BE EASED TO SUPPORT THE DEVELOPMENT OF AFFORDABLE, MULTI-FAMILY HOUSING.

Transitional Housing

Minnesota Housing Finance Agency was selected to participate in the Section 811 Project-Based Rental Assistance Program which provides ongoing subsidies to 160 units of housing for extremely low-income, disabled tenants who would benefit from supportive services, who are between 18 and 62 years old. The primary targets are long-term homeless people with disabilities and people exiting an institutional setting after a long-term stay. Twenty-eight units of subsidy are still available and will be awarded during 2017 if possible. MHFA has identified Maplewood and Roseville as cities with the most potential Money Follows the Person Participants, and would therefore be a good location for some of the remaining 811 subsidies to be used. The units must be in multifamily properties that have received financing through MHFA, include Project Based Section 8 units, or participate in another government subsidized housing program. The 811 program is unique in that no property can be made up of more than 25 percent disability-preference units.

COMPREHENSIVE PLAN LANGUAGE: SUPPORT THE DEVELOPMENT OF TRANSITIONAL AND SUPPORTIVE HOUSING THROUGH THE 811 PROGRAM THROUGH MHFA.

Site Identification

Cities can identify sites fit and properly zoned for affordable housing developments in their Comprehensive Housing Plans. Identifying potential sites can greatly reduce the burden of finding available sites for affordable developers, thereby increasing the likelihood of a developer starting a project in that city. Woodbury and Burnsville have both successfully identified affordable development sites in their comprehensive plan. In many cases, commercial areas that are no longer in use make for suitable potential affordable housing sites. By identifying the sites now, the city can signal to developers that affordable housing is welcome in the city, and ease the number of approvals needed when a development is proposed. It can also spread out the political push back. By stating in the comprehensive plan that affordable housing is appropriate in a particular site, staff can recommend approval of a proposal and justify it through the already approved plan. While guiding a site for affordable housing does not legally require the staff or Council to approve a development, it does reduce the amount of discretion they can exercise.

COMPREHENSIVE PLAN LANGUAGE: MAKE MAP OF POTENTIAL AFFORDABLE HOUSING LOCATIONS AVAILABLE TO DEVELOPERS.

Site Acquisition

There are many ways for cities to ease the burden on developers interested in affordable housing projects, including temporarily holding sites appropriate for affordable housing for developers, making city-owned land available for affordable development, and proving city-owned land to

affordable developers at no or reduced cost. LIHTC projects often wait a year or more for financing from MHFA. For a developer, holding the land is very expensive, partially due to property taxes. If the city holds the land while financing is pending, the land is not taxable, reducing the overall cost of development.

COMPREHENSIVE PLAN LANGUAGE: WHEN OPPORTUNITIES ARISE, CONSIDER PURCHASING AND HOLDING LAND FOR AFFORDABLE HOUSING DEVELOPMENT.

Financial Mechanisms

Tax Increment Financing (TIF)

TIF is a public financing tool that uses the increases property taxes of a new real estate development to finance the cost of the development. The tax increase is based on the excess of market value before an area is designated a TIF district. TIF authorities usually finance TIF in one of two ways. Either, the authority will issue the developer a bond and repay themselves with the increased property taxes over time or the developer will finance the entire project and be reimbursed for eligible costs by the authority on a “pay-as-you-go” basis. In essence, TIF funds increase net operating incomes without raising tenant rents, meaning that fewer public funds are needed to finance the development costs of a housing project. TIF funds can be used to pay for the cost of land acquisition, demolition, site improvements, and other costs the developer would normally incur. TIF funds have been used effectively to support affordable housing developments in Woodbury and Maple Grove. (Note: It does not make sense to employ both TIF funding and tax abatement to support an affordable housing development because both, in effect, lower the cost of property taxes owed.)

Tax Abatement

Cities have the authority to authorize real estate tax abatements to support affordable housing developments. Tax abatements, in effect, lower the cost of operating a development, which may be translated to lower rents for residents. Minnesota Statutes Section 273.128 stipulates that rental units can be granted a 40% property tax break if, at a minimum, 20% of the housing units have income limits of 60% AMI and rents are considered “affordable”, meaning rent is limited to 30% of that 60% AMI. Tax abatements have been used effectively to support affordable housing developments in Maple Grove. (Note: It does not make sense to employ both TIF funding and tax abatement to support an affordable housing development because both, in effect, lower the cost of property taxes owed.)

Housing Redevelopment Authority Tax Levy

Housing Redevelopment Authorities have the authority to levy property taxes up to 0.0185% of the estimated assessed value of the property. Levy funds may be used to promote the creation of new affordable housing projects or the preservation of existing projects. HRA tax levies have been used effectively to support affordable housing developments in Minnetonka and Dakota County.

Example City Ordinance: Woodbury, MN

Since 2001, the Woodbury HRA tax levy has brought in about \$350,000 annually, well below the maximum allowed amount. The revenue is used to acquire sites for affordable housing or to offset the infrastructure and construction costs for affordable housing development.

Fee Waiver or Reduction

Most cities charge between \$20,000 and \$30,000 in residential development fees. The fees are meant to pay for the costs of processing the development, access to city water or sewer, land use, among other costs. City authorities have the ability to issue fee waivers or reductions for affordable housing projects should they so choose. Fee waivers have received inter-city department pushback as they reduce revenues, but some cities have successfully introduced fee deferrals, instead. Some cities require City Council approval to issue fee waivers or reductions, but many do not. Fee waivers and reductions have been used effectively to support affordable housing developments in Medina, Chaska, and Forest Lake.

Example City Ordinance: Forest Lake, MN

The city may issue a reimbursement to the developer for up to 20 percent of the zoning and subdivision fees, building permit fees, local sewer and water connection fees, and parkland dedication fees for any affordable housing development.

Community Development Block Grants (CDBG)

CDBG funding is made available through the U.S. Department of Housing and Urban Development. CDBG funds are intended to develop activities, such as the preservation or creation of multifamily rental housing, that benefit low- to moderate-income residents. Bloomington, Plymouth, and Eden Prairie have all applied for and succeeded in receiving CDBG funding.

Municipal Revenue Bonds

Cities have the authority to issue tax-exempt or taxable bonds to fill the subsidy gap and support affordable housing developments. Housing Revenue bonds pose little risk to lenders as the bondholders must rely on project returns to assure repayment. In order to qualify for tax exemption, 20% of housing units must be made affordable at 50% AMI or 40% of units must be made affordable at 60% AMI for a minimum of 15 years. The use of municipal bonds, along with other local financial tools, improves the city's score in competitions for state and federal resources.

Metropolitan Council Grants

The Metropolitan Council Livable Communities Act (LCA) provides grant funding for programs or initiatives that seek to revitalize local economies, create or preserve affordable housing, and development or redevelopment of links between land and transportation. To qualify for Livable Communities grants, cities must first elect to participate in the Local Housing Incentives Program and adopt the LCA affordable and lifecycle unit housing goals. Of the five RALWV cities, Little Canada is the only city not to have participated in the Livable Communities Grants program.

COMPREHENSIVE PLAN LANGUAGE: SUPPORT NEW CONSTRUCTION OF AFFORDABLE HOUSING THROUGH A COMBINATION OF TIF, TAX ABATEMENT, CDBG, MUNICIPAL BONDS, FEE WAIVERS, OR AN HRA LEVY.

Reduced Points of Approval

For many years, Planned Unit Developments (PUD) were seen as the perfect solution to allow affordable housing development in suburbs where it might not fit the zoning code. PUDs generally go before the planning commission for a public hearing and a recommendation to city council, who has the ultimate say. A PUD creates a hole in the zoning map and allows for the council to approve

a development that may meet none of the requirements of the existing zoning, so long as it is in the spirit of the zoning code and follows the comprehensive plan. This can include everything from the land use to the density and parking requirements. Many cities have successfully used PUDs to offer needed flexibility to affordable housing, but the requirement for City Council approval brings an opportunity for community opposition, which may delay or stop a project.

Even without community opposition, Conditional Use Permits, Variances, PUDs, and other similar approvals increase costs directly and by potentially increasing holding costs. Ensuring that wherever appropriate zoning allows for multifamily housing and any waivers or density bonus be approved by an administrative permit can remove these potential barriers.

While it can be helpful to remove the legally required public hearings, this should not be interpreted to mean that engaging the community is not important. Early and frequent engagement can build community support for a project, or at least reduce the opposition.

COMPREHENSIVE PLAN LANGUAGE: REVIEW LAND USE PROCESSES TO REDUCE UNNECESSARY CITY COUNCIL REVIEW WHERE ADMINISTRATIVE REVIEW IS MORE APPROPRIATE.

Large Family Housing

Affordable rental housing for larger families is an important part of equitable development in the target cities. This type of housing is in demand throughout the region, and is especially important in areas with larger populations of immigrant groups with larger families, such as Hmong, Somali, Karen, and Hispanic immigrants. The five target cities do not have unusually large average households, but household size varies with demographics. In Ramsey County, the average household size is smaller at 2.42 for all households, and 2.22 for renters. The average household for Asian headed households is 4.04 and households who rent are smaller at 3.57.

Our demographic analysis indicated that residential crowding is not an especially prevalent problem in the five cities, except for the census tract at the far southeastern portion of Roseville, which is home to a large portion of the Karen population in the Twin Cities region. Currently, federally subsidized rental housing in suburban Ramsey County does not have sufficient units with bedrooms to accommodate larger families. For LIHTC properties, 37 percent of the units have only one bedroom, and only 20% have three or more bedrooms. Excluding the units for seniors, 25 percent of units have only one bedroom. For project based Section 8, nearly 70% of units have 0-1 bedrooms. Based on the best available data, there are currently 302 subsidized units in the five cities with three or more bedrooms. Of these units, there are 54 with income-based rent. Most are in LIHTC properties that are generally affordable at 50 or 60 percent AMI. The HUD approved rent at 50 percent AMI is \$1,115 for a 3-bedroom unit and \$1,245 for a 4-bedroom unit, which would require an income of about \$50,000 to be affordable. The unit types with tenant-based rental assistance are not available at the municipal level, but there are 424 households in suburban Ramsey County using HCV in a unit with three or more bedrooms.

Current Availability of Larger Subsidized Rental Units

	3 Bedroom	4 Bedroom	Total
<i>LIHTC</i>	239	9	248
<i>Section 8</i>	54	0	54
<i>Total</i>	293	9	302

Conversations with local developers from Common Bond, Hope Communities, and Project for Pride and Living inform our recommendations for municipal support. Units with three or more bedrooms are in demand in all developments the developers oversaw. Developers spoke about never needing to advertise the units and that once the units are leased the tenants stay for a long time. Long-term tenants make property management easier by building a strong community. The developers expressed that some families prefer townhouses for more privacy and a larger space to themselves, while others prefer an apartment where their children can safely walk to their friends' units.

Units for larger families score well on MHFA's QAP, but tax credits alone cannot finance the development of new low-income housing for larger families. The developers we spoke with felt that a limited, but substantial, number of three bedroom units are feasible without city funds, but for a development to include four bedroom units, city funds are needed.

COMPREHENSIVE PLAN LANGUAGE: SUPPORT THE DEVELOPMENT OF LOWER COST ATTACHED AND MULTIFAMILY HOUSING FOR LARGE FAMILIES BY WORKING WITH DEVELOPERS AND NON-PROFIT AGENCIES AND PROVIDING FINANCIAL SUPPORT.

Inclusionary Housing

Inclusionary housing programs require, or heavily incentivize, developers to make a minimum proportion of units affordable in new residential construction. Research shows that when adopted, mandatory inclusionary housing programs are more successful than voluntary ones. Inclusionary housing policies, generally, are used to house those with an income of 50% or 80% AMI, depending on the needs of the community and the incentives offered. Inclusionary housing policies are one of the most successful ways to create and support affordable housing units for residents of low and moderate-incomes and they have been used effectively to support affordable housing do that in Minnetonka, and Maple Grove, and Minneapolis, which have incentive based policies. Saint Louis Park and Edina have somewhat mandatory programs, but there are many exceptions. Local governments play a major role in maximizing the positive impact of inclusionary housing. Keys to ensuring its success are building public support, using data to determine the specifics of the program design, establishing fair and reasonable expectations for developers, and ensuring program quality.

Well-crafted inclusionary housing policies include:

- A minimum proportion of units to be affordable
- A maximum income level the units are affordable to
- The size of development that triggers requirements
- Length of time units must be affordable
- Whether units must be restricted to households below a particular income, or if just the rents must meet requirements
- Penalties and enforcement mechanisms for non-compliance
- Cost offsets and incentives

- Whether units can be constructed off site
- Whether developers can choose to pay an in lieu of fee

For more information on crafting an affordable housing policy see the Inclusionary Housing Policy guide at mnchallenge.org and test out the cost of requiring affordable units and benefits of incentives on the mixed income calculator designed based on Twin Cities construction costs at mncalculator.inclusionary.net.

Preservation of Existing Affordable Housing

For every new, low-cost rental unit built in the United States, two have been demolished, abandoned, or turned into condominiums or high-end rentals.

Preservation of existing affordable housing is more cost effective than the production of new affordable housing and allows for families currently residing in housing they afford to have minimal disruptions to their lives. In cities with minimal space for new development, preservation can be a more realistic option for ensuring residents have safe, affordable places to live. Preservation of subsidized and unsubsidized housing is needed.

Nearly all subsidized housing has an expiration date. Low-income Housing Tax Credit funded projects must remain affordable for a minimum of 15 years, although many developments include other funding streams that require a longer period of affordability. As time passes since the inception of the program in 1986, developments are reaching the end of the required affordability period, and are no longer obligated to charge below market rate rents. Other programs with an ongoing subsidy, such as Project Based Section 8 and programs specifically funding housing for elderly (Section 202) or disabled (Section 811) residents have contracts that expire. The length of the contract varies between programs and development specific terms. For Section 202 and 811, renewal is dependent on federal funds. Some housing remains from now defunct programs where renewal is not an option.

Three-quarters of all affordable units in the Minneapolis-Saint Paul metro are unsubsidized.

For unsubsidized housing, there is no period of affordability and the rents could rise at any time. Typically rents will rise after a renovation of the property. Insufficient maintenance can lead a property into a downward spiral of high vacancy harming the fiscal solvency of the property, putting it at risk of redevelopment or abandonment.

COMPREHENSIVE PLAN LANGUAGE: PREVENT THE CONVERSION OF SUBSIDIZED HOUSING TO MARKET RATE HOUSING. PREVENT DISPLACEMENT OF LOW-INCOME RESIDENTS DUE TO SUDDEN RENT INCREASES.

Identify At-Risk Properties

To preserve affordable housing, cities must keep an inventory of affordable housing, and monitor to be proactive in preventing conversion to market rate housing, or large increases in rent.

At-Risk Unsubsidized Housing

To identify at-risk properties, cities must first identify naturally occurring affordable housing. If the city conducts a rent survey of multi-family housing, staff need only compare the rents to the HUD determined affordable rents.

<i>Number of Rooms</i>	Affordable at 30% AMI	Affordable at 50% AMI	Affordable at 80% AMI
<i>Studio</i>	\$450	\$751	\$1,201
<i>1-BR</i>	\$483	\$805	\$1,288
<i>2-BR</i>	\$579	\$966	\$1,545
<i>3-BR</i>	\$669	\$1,115	\$1,784
<i>4-BR</i>	\$747	\$1,245	\$1,992

Unsubsidized housing may be at risk of moving out the top, meaning that it will no longer be affordable to the current residents due to increased rents, or condo conversion. Alternatively, it may be at risk of falling out the bottom if it is in such disrepair that costs exceed rental income, putting it in jeopardy of demolition. New housing may be built in its place, but it is unlikely to be affordable to the same income level of residents.⁹

Unsubsidized housing may be at risk of rent increases if the owner is reaching retirement age, the building is severely distressed, especially in comparison to other nearby properties, or if the real estate market is hot, with property values increasing more rapidly than in the larger region or a lot of new development is taking place nearby. Cities should identify the unsubsidized affordable housing in their comprehensive plans, and consider the risk of redevelopment and rent increases. The Greater Minnesota Housing Fund can help municipalities identify and develop plans to protect unsubsidized housing.

At-Risk Subsidized Housing

While subsidized affordable housing has official obligations to charge affordable rents for a specific time period, expiration dates are often difficult to determine. Records from HUD indicate the expiration dates of rent subsidy contracts, such as Section 8, but the records are not necessarily up to date. Tax Credit properties have a minimum of 15 years of affordability, but often have longer affordability periods due to other funding streams. HUD records only include the date the first Tax Credits were granted to the property, not the expiration date of the affordability requirement for all funding streams involved in the development. For recently developed or recapitalized properties, records are available online from MHFA that include most of the necessary information. For older properties, the timeline of affordability is able to be deciphered through review of HRA and City Council minutes, requesting documents from MHFA, and speaking with the developer.

Once subsidized properties have been identified, MHFA provides several funding sources for preservation.

COMPREHENSIVE PLAN LANGUAGE: IDENTIFY AT-RISK SUBSIDIZED AND UNSUBSIDIZED AFFORDABLE HOUSING AND DEVELOP PLANS TO PRESERVE AFFORDABILITY.

⁹ See *The Space Between* a report by One Roof Global Consulting for the Housing Preservation Project, a McKnight foundation program.

Replace Subsidy Funds

Housing that receives an ongoing HUD subsidy is at risk whenever contracts expire. Since the properties relied on an ongoing subsidy, rather than a lump sum payment during construction, to ensure current residents are not displaced, ongoing subsidy is likely needed. The city may commit to long-term ongoing subsidy, or to subsidies tied to the units, for the duration of the residents' tenure.

In Morton Grove, Illinois, a 56-unit senior apartment building was at risk due to an expiring Section 8 contract. The location made a conversion to condominiums likely. Due to the village's aging population, the trustees felt it was preferable for the building to continue serving its current residents and future low-income seniors. Morton Grove transferred half of their private activity bond cap to preserve the housing.

COMPREHENSIVE PLAN LANGUAGE: IF SUBSIDIZED HOUSING CONTRACTS ARE NOT RENEWED, CONSIDER MUNICIPAL SUPPORT THROUGH FINANCIAL ASSISTANCE.

Support to Low Cost Rental

The Space Between: Realities and Possibilities in Preserving Unsubsidized Affordable Rental Housing, a report by One Roof Global Consulting for the Minnesota Preservation Plus Initiative, a project of the McKnight Foundation describes how a middle ground affordable housing product can be developed. This lighter touch approach is modestly subsidized, has fewer requirements, and more flexibility than traditional subsidized housing, but does include more guarantee for long-term affordability than unsubsidized housing. Cities that pursue this lighter touch approach should determine appropriate incentives to preserve low cost housing on a case by case basis. Approaches can include creation through reduction in rent to make the units accessible to lower income tenants, preservation by preventing deterioration, demolition or up market movement, or matching low-income tenants to units that already charge affordable rents. The following paragraphs include several strategies for municipalities. These should not be taken as a one-size fits all policy, and rather should be used to develop agreements with property owners that best fit the circumstances of the property. Incentives should only be considered for well managed properties in areas at risk of increased rent and displacement.

The Cook County, Illinois Preservation Compact outlines several policies that incentivize low cost rental property owners to maintain their properties, without raising rents. The Cook County Assessor's Class 9 Program reduces taxes by 40% on older buildings when developers upgrade major systems, so long as owners commit to keeping at least one third of the units affordable to low and moderate-income households. The compact also includes an energy saving program including technical assistance, grants, and loans to small and moderate sized apartment buildings to reduce utility costs.¹⁰

Minnesota Housing developed a pilot program in 2012 to stabilize unsubsidized affordable housing in Greater Minnesota, called the Rental Rehab Deferred Loan (RRDL) pilot program. The loans are for the rehabilitation of existing properties and feature a zero percent interest rate for up to \$300,000 for properties with rents affordable at 80 percent AMI, and that will not compete in the

¹⁰ The Preservation Compact: A Rental Housing Action Plan for Cook County. Urban Land Institute and MacArthur Foundation, 2007

Super RFP. The participation in the program has been low, and Minnesota Housing is working on how to make the program more attractive to the types of properties common in Greater Minnesota.

Minnesota's Low-income Rental Classification Program, also known as the Section 4(d), allows a local government to qualify properties for property tax breaks if some form of local financial assistance is provided and the owner agrees to income and rent restrictions. This provision allows municipalities to provide more financial support by reducing the cost of state and county property taxes. Section 4(d) is an especially helpful tool in transit corridors, where increased property values, and therefore taxes, are anticipated.

Roseville currently has loan programs for multi-family housing, but the loans are not tied to affordability. The city could provide preferable loan terms or a combination of loans and grants to developments that agree to a period of guaranteed affordability for a portion of the units.

COMPREHENSIVE PLAN LANGUAGE: DEVELOP LIGHTER TOUCH APPROACHES TO ENSURE PRESERVATION OF AFFORDABLE HOUSING WITHOUT TRADITIONAL SUBSIDY PROGRAMS.

LIHTC Conversion

Low-income Housing Tax Credits can be used to extend the life of affordable housing, whether it is currently subsidized or not.

The Joint Center for Housing Studies of Harvard University produced five Profiles in Preservation case studies of different situations where tax credits and municipal support were used to renovate and preserve affordability. One project, the Sienna Green Apartments, took place in Roseville and was unique among the cases since the property had never been subsidized housing. Originally called the Har Mar Apartments, the development was built in the 1960s near Har Mar Mall and the Highway 36 and Snelling Avenue interchange. A nearby complex, Rosewood Village was converted to a resident owned condo building in 1981. By the mid 2000s the property had fallen into disrepair and was frequently visited by the police. In 2005, the non-profit now known as Aeon contacted the city of Roseville looking for development opportunities suggested Har Mar Apartments. The resulting project included a large renovation of the existing buildings and eventually, the construction of a new apartment building which had units suitable to families. Since the property already existed and was considered blighted, neighborhood opposition was minimal. The case is a good example of how Tax Credits can be used to repair and ensure affordability of at-risk unsubsidized rental properties.¹¹

More typically, Tax Credits are used to recapitalize existing affordable housing. Since the sunset of the affordability requirement is known, staff can proactively talk to developers of affordable housing to encourage recapitalization.

COMPREHENSIVE PLAN LANGUAGE: SUPPORT EFFORTS TO PRESERVE AFFORDABLE HOUSING THROUGH LOW-INCOME HOUSING TAX CREDITS.

¹¹ Alexander von Hoffman, "Profiles in Preservation: Sienna Green Apartments in Roseville, MN" *Joint Center for Housing Studies*, 2014

Expand Homeownership Opportunities

Homeownership is a critical part of the continuum of housing choices, and provides valuable stability for residents. Each of the five cities have a gap in homeownership rates between members of different racial groups. These targeted approaches seek to expand ownership opportunities to those who otherwise may be unable to own a home.

Down Payment Assistance¹²

The target cities generally have numerous affordable homeownership options. With the generally affordable starting point, moderate amounts of down payment assistance can make ownership an option to low-income families. Assistance can be structured in several ways, and interested cities should consult with the Center for Energy and the Environment, the Greater Metropolitan Housing Corporation, and other providers of down payment assistance and repair financing to determine how to best serve residents. The following three examples can be a starting point for designing a program.

The ReGenerations Down Payment Assistance Loan Program in Coon Rapids provides up to \$6,000 in down payment assistance as a second mortgage that is forgiven after ten years. Homeowners must perform at least \$10,000 of improvements to the property within six months of closing, must use the funds in conjunction with an FHA mortgage, and must live in the property as a primary homestead. This program is a good model for cities with large amounts of older housing that needs substantial work to be suitable for new residents.

For cities with large employers, such as Maplewood and Roseville, employers can work with the city to provide down payment assistance to employees. In Saint Louis Park, employers and the city together provide a grant up to \$2,500 to employees purchasing homes in the city. The city provides an additional \$1,000 grant for foreclosed homes.

Woodbury provides first-time homebuyer assistance through a low-interest deferred loan of up to \$25,000 to households earning less than \$95,000. The maximum purchase price of the home is \$290,500. Borrowers make interest only payments at three percent simple annual interest. The principal is deferred until the sale, transfer of title, the primary mortgage is paid off, or when the property ceases to be owner occupied. The funds may be used for down payment and closing costs.

COMPREHENSIVE PLAN LANGUAGE: EXPLORE HOW TO SUPPORT HOMEOWNERSHIP FOR LOW AND MODERATE-INCOME HOUSEHOLDS THROUGH DOWN PAYMENT ASSISTANCE PROGRAMS.

Land Trust

Community Land Trusts and nonprofit organizations that provide long-term affordable homeownership opportunities. A land trust will purchase or build a home and sell the home to a family or individual. The land trust will retain the deed to the land beneath the home and lease it to the owner of the home through a long-term lease. By retaining control to the land, the land trust enacts restrictions on the amount the home may be sold for. The amount of appreciation allowed varies, but always ensures the equity gained will not sacrifice long-term affordability. There are

¹² Assistance in assembling grant and loan programs provided by the Fridley, MN Housing and Redevelopment Authority

several land trusts in the Twin Cities, but none are currently operating in the five target cities. Land Trusts provide long-term affordability and since owners must sell back to the land trust, the units can be matched to future low-income households.

COMPREHENSIVE PLAN LANGUAGE: BUILD RELATIONSHIPS WITH EXISTING LAND TRUST ORGANIZATIONS AND, IF THE OPPORTUNITY ARISES, SUPPORT THE PURCHASE OF HOMES BY A LAND TRUST.

Repair Assistance

Ramsey County and the Minnesota Housing Finance Agency provide grants and loans to residents in the target cities to assist with home remodeling and energy saving improvements. To support low and moderate-income homeowners, Cities should consider supplementing these products with grant and loan programs to assist homeowners in maintaining their homes and reducing health and safety

Example City Program: Fridley, MN

The Fridley Emergency Deferred Loan Program provides funds to owner-occupants that face emergency home repairs and are unable to obtain funds from traditional loan sources. The emergency must make the home uninhabitable, dangerous to the occupants or can cause severe health problems. The program is administered by the Center for Energy and the Environment, who reviews applicant's eligibility for other financing, prior to considering this program. The loan has no interest, repayment is deferred for 20 years, or until ownership changes, and is available in amounts from \$500 to \$10,000.

issues. Several peer cities offer emergency assistance through loans for health and safety concerns and other emergency repairs. These products should be available to households that may not be able to qualify for other loans.

Manufactured Housing Support

Little Canada, Maplewood, and Roseville currently have manufactured home parks, which provide affordable homeownership opportunities to many households. Investor owned manufactured home parks are an unstable situation for homeowners. They own their home but rent the land the home is on. If the park closes, the homeowners must choose between paying to move the home to another park, attempting to sell the home, and abandoning the home. While the homes are often called mobile homes, they are not particularly mobile, and transporting the home to another park often involves crane and semi service. When a park owner is closing a park, state law requires that residents are notified through a closure statement that includes cost estimate of moving homes to all parks located within 25 miles of the park and states that owners may be entitled to compensation from the Minnesota Manufactured Home Relocation Trust Fund administered by MHFA. The municipality must hold a public hearing on the closing, which must also inform residents about the Trust Fund. To be eligible for the fund, the homeowner must have made a \$12 annual payment to the park owner, which was then deposited into the Trust Fund by the owner. The homeowner must also be current on lot rent and personal property taxes. The fund will pay for a maximum of \$4,000 of relocation assistance for single-section and \$8,000 for a multi-section manufactured home to be relocated within a 25 mile radius. If the owner is not able to move the home due to availability of lot space or inability to move the home, the homeowner may tender the title to the park owner and collect an amount determined by an independent appraiser up to \$5,000 for a single unit, and \$9,000 for a multi-unit. If the purchaser of an existing park intends to close the park all current residents

must be notified and if 51 percent of the residents are able to meet the price of the buyer, the owner must accept the counter offer.¹³

Local Relocation Assistance

Some municipalities, including Roseville, have ordinances requiring park owners to compensate homeowners, generally covering more than the maximums provided by the Trust Fund. A 2007 report by All Parks Alliance for Change and CURA found the relocation costs to range from \$2,000 to \$10,000 for single wide homes and \$5,000 to \$15,000 for multi-part homes. The median value of a manufactured home is \$30,000, far more than the maximum compensation required by state law. Comparing these values to the maximum compensation from the Trust Fund demonstrates the need for park owners to provide compensation. Eighty percent of manufactured homes in the state are more than ten years old, and a majority of parks do not allow homes older than ten years to be moved into the park. Additionally, older homes may not physically be able to withstand the move, so local ordinances should include special attention to the compensation provided to homeowners unable to move to a new park. In 2007, 40 percent owners of manufactured homes made less than \$20,000, placing a large portion of owners at or below 30 percent of AMI. By requiring the owner or purchaser of the park to pay relocation expenses or provide compensation, the ordinance not only reduces the burden on homeowners, but serves as a deterrent from converting the park to another use, preserving the affordable housing serving residents most in need of affordable housing. Finally, municipal ordinances typically do not require the owner to be current on rent payments, personal property taxes, or have made the annual payment into the trust fund, allowing the owners with perhaps the greatest financial burden to be compensated.

Roseville requires landowners to pay the actual expenses of moving to a location within 25 miles without a maximum payment. If an owner is unable to move the home within the radius and wants to retain the title to the home, the owner is entitled to the average relocation costs awarded to other residents. Similar to the state policy, owners may tender title to the park owner and must be paid the estimated market value or the tax value, whichever is greater. Additionally, the Roseville policy requires park owners to pay the difference in lot rent between the old and new lot rent for a period of two years. Some cities, including Oakdale, Fridley, and St. Anthony include a cap on the total compensation at a percentage of the total sale value, typically 20 or 25 percent. A model ordinance prepared by All Parks Alliance for Change through the review of the twenty ordinances in 2007 is similar to the Roseville ordinance and is a good baseline for Maplewood and Little Canada. The ordinance adopted should include:

- Moving costs within 25-mile radius, including the costs of utility disconnect, reconnect, personal property moving, repairs required to move the home, and insurance.
- For homes tendering title, compensation should be the market appraised value, not the tax value (MAV) and compensation should include the difference between lot rent and new rent for 24 months
- For homes not tendering title, the MAV or average relocation costs, whichever is greater
- No cap on maximum value of compensation.

¹³ Warren Kramer, Executive Director of Northcountry Cooperative Foundation, provided inspiration and assistance for this section

Support for Resident Ownership of Parks

State law allows for residents of manufactured home parks the opportunity to purchase the park at the price offered by any party seeking to change the use of the park. Tenant buyout provides long-term stability, encouraging the development of a strong community and resident investment in homes. Tenant buyouts often include spending on major physical improvements. Municipalities can provide support to residents to encourage the long-term preservation of the affordable housing. To inform our recommendations we spoke with Warren Kramer, Executive Director, Northcountry Cooperative Foundation (NCF). NCF provides technical assistance in the Upper Midwest to residents seeking to purchase their parks and incorporate them as a cooperative or a non-profit.

The easiest step for municipalities to take in their comprehensive plans is to indicate municipal support for full tenant buyout of manufactured home parks and for land readjustments and to guide the land appropriately for long-term use as manufactured housing. Cities can provide municipal bonds for tenant buyout and use HRA levy, CDBG, and HOME funds as equity for the tenant buyout. Many parks have dilapidated infrastructure including water and sewer lines and internal roads. Cities should consider municipal takeover of park infrastructure in the tenant buyout or indicate public support in case of infrastructure capacity through a loan paid back through a special assessment district. Municipal control of infrastructure not only reduces costs for the residents, but can improve the physical appearance of the park.

Often, parks are significantly undervalued in property tax assessments prior to purchase, at which point the assessor will greatly increase the value to at or near the purchase price. The increased assessment means residents are paying more to operate the park than the previous investor. To lessen the blow, cities can consider partial tax abatement or payment in lieu of taxes either to make the increase in taxes more gradual or to permanently reduce the tax burden. The reduced tax burden would bring the taxes to a level more comparable with single family homes in most cities. By indicating in the comprehensive plan that the city will or would consider using these tools, the city will not be left scrambling in the period where residents are trying to assemble the capital needed to purchase the property.

Home Improvement Loans

In addition to general home improvement loans, Blaine and Fridley provide manufactured home improvement loans at a similar interest rate. The loans are structured differently, since manufactured homes are not considered real property. Rather than a second mortgage, the loan is like a car loan. The loans can be used for interior, or exterior improvements. These loans are especially helpful, since owners are less likely to be able to receive a reasonably termed loan from a traditional lender. By assisting owners in making improvements to their homes, the City can improve the living conditions for residents while improving the external appearance for neighbors.

COMPREHENSIVE PLAN LANGUAGE: PRESERVE MANUFACTURED HOME PARKS AS AFFORDABLE HOUSING THROUGH ADOPTION OF A RELOCATION ASSISTANCE ORDINANCE, SUPPORT FOR TENANTS PURCHASING AT-RISK PARKS, AND SUPPORTING MAINTENANCE OF MANUFACTURED HOMES.

Reduce Discrimination

If segments of the population are unable to access safe, affordable housing, despite a full continuum of housing options, the community is not adequately addressing the housing needs of its residents.

Local Fair Housing

State and federal law provides several fair housing protections, but these can be strengthened by adopting a local fair housing ordinance. The list below includes items found in local ordinances throughout Minnesota including ordinances in Thief River Falls, Royalton, Stewartville, Fridley, and Minneapolis. Several cities have fair housing policies that adopt the Minnesota Fair Housing Standards and set penalties for violation.¹⁴

Prohibited Behaviors

- Refusing service related to housing (sale, lease, etc) to an individual due to protected class status.
- In the sale of a property, representing changes in the proportion of protected classes in the neighborhood and/or any negative consequences of such change.
- Discrimination by entities involved in the sale, lease, repair, or financing of real property by the proportion of members of protected classes in the geographic area.
- Representing that property is not available for inspection, sale, etc. when it is available based on protected class statuses.
- Discrimination in the terms, conditions, or privileges of the sale, rental, lease including the application process
- Failure to make reasonable accommodations.

Enforcement

- The Community Development Division is designated as the enforcement agency. If the Director, after investigation of a complaint, has reason to believe a violation has occurred, they may direct the matter to the City Attorney for criminal prosecution, civil enforcement, or a settlement agreement.
- A hearing held before the city council may be used to determine whether a violation has occurred and if so prepare an order to do justice to the complainant or to prevent future violations
- The City may investigate violations through the use of its own staff or defer the matter to the state, which shall have the full authority to charge and prosecute violations on behalf of the city.

COMPREHENSIVE PLAN LANGUAGE: STRIVE FOR NON-DISCRIMINATION AGAINST PERSONS SEEKING HOUSING BASED ON AGE, RELIGION, RACE, ETHNIC ORIGIN, SEXUAL PREFERENCE, GENDER, PUBLIC ASSISTANCE STATUS OR DISABILITY. CONSIDER HOW TO AFFIRMATIVELY FURTHER FAIR HOUSING THROUGH ADOPTION OF A FAIR HOUSING ORDINANCE, CHANGES TO THE RENTAL LICENSING PROGRAM, AND OTHER MEANS.

Elimination of Crime Free Rental Housing

Roseville, Little Canada, Crime-free rental ordinances may have a disparate impact on one or more protected class, violating the obligation of HUD grantees to Affirmatively Further Fair Housing. Jurisdictions receiving HUD funds, whether as an entitlement jurisdiction or a sub-recipient receiving funds from a County or State government are required to review all housing related policies and programs to determine if they create housing barriers for protected classes and if an

¹⁴ A partial list of local fair housing ordinances with provided by Jonathan Stanley, Planning Analyst-Housing, Metropolitan Council

alternative exists that would reduce harm for effected groups. Crime free housing policies may have disparate impacts on women, people with disabilities, and non-white people. While the best recommendation is to remove the crime-free language from the rental ordinance, there are several changes that can be made to reduce the disparate impacts¹⁵

Crime free policies, especially if they are not well written, can harm crime victims, particularly victims of domestic violence. Crime free policies that include a police call threshold that allows the city to revoke a rental license can discourage residents from calling the police when they witness a crime or are a victim. Advocates for domestic violence victims encourage victims to call the police, but after repeated calls, the tenant may choose not to call out of fear of eviction. If a tenant is evicted, this can make finding new housing more difficult creating a less stable situation for the victim. Since victims of domestic violence are more likely to be women, crime free housing policies that do not adequately address domestic violence have a disparate impact on women.

In municipalities that do not distinguish between types of calls, disabled tenants, who may be more likely to have non-crime related calls, such as mental health emergencies. If the call threshold is met, the tenant could be evicted because of a disability. If a municipality moves forward with the process to revoke a rental license, they may be failing to provide a reasonable accommodation.

In some cases, state and federal law expressly forbid eviction of tenants in these situations. The Violence Against Women Act (VAWA) protects victims from eviction in publicly funded housing, including units using Housing Choice Vouchers. The First Amendment also protects the rights of tenants and landlords to seek police assistance. Landlords are also required to provide reasonable accommodation to tenants with disabilities. In these cases, the ordinance may require a landlord to break to law to follow the ordinance.

Some ordinances, direct landlords to evict tenants that are arrested or cited for a crime. Since African Americans, Hispanics, and persons with mental illness are more likely to be arrested relative to their share of the population and level of criminal activity. Furthermore, an arrest is the response of law enforcement to potential criminal activity, not proof of criminal activity.

Typically, these ordinances include a suggestion or requirement that a criminal background check be completed, but do not provide standards by which to review the background check, which can encourage fair housing violations. Since a background check includes charges, regardless of if the applicant was found guilty or if the offenses are not relevant to the ability to be a good tenant, such as minor or old offenses. Such ordinances can encourage landlords to not rent to any applicant with a criminal history. Blanket decisions can be unjustified at a violation of the Fair Housing Act. In cases of disability, the lack of an individualized approach in the review of a background check can violate the reasonable accommodation obligation. If an applicant's criminal history is related to a disability that is now controlled through medication, accepting the applicant's criminal background is a reasonable accommodation that may be required.

When these ordinances are carried out by police officers who are unfamiliar with civil rights and tenant rights, and are often carried out through pressuring landlords to evict tenants, municipalities are more open to improperly forcing out tenants.

¹⁵ Emily Werth, "The Cost of Being 'Crime Free': Legal and Practical Consequences of Crime Free Rental Housing and Nuisance Property Ordinances" *Shriver National Center on Poverty Law* 2013

Many ordinances include all illegal activity that occurs at the property, regardless of the relevancy to the health and safety of others and include vague descriptions. Others state that the lease is violated by criminal activity on or off the property. When vague authority is given, municipalities may be accused of arbitrary enforcement if the full extent is used only on a few properties. The inability to enforce the regulations on all properties can result in enforcement based on complaints of neighbors that may be based on bias against certain groups of people,

COMPREHENSIVE PLAN LANGUAGE: REVIEW CRIME FREE HOUSING POLICIES TO REDUCE DISPARATE IMPACTS ON PROTECTED CLASSES.

Section 8 Anti-Discrimination

In suburban Ramsey County, 65 percent of households using Section 8 vouchers (HCV) are non-white, compared to 14 percent of the overall households, and 22 percent of households earning less than 30 percent AMI.¹⁶ Despite making up less than five percent of households, and eight percent of households earning less than 30 percent AMI, nearly 60 percent of households using HCV in suburban Ramsey County are black. Due to the tendency of households using vouchers to be non-white and more specifically black, landlord discrimination based on HCV usage is a fair housing issue, as it has a disparate impact on non-white households.

A local non-profit organization, Home Line performed annual assessments of Section 8 acceptance from 1995 to 2009, first in suburban Hennepin, and later in Suburban Hennepin, Anoka, and Dakota Counties. The 2009 report surveyed over half of all multifamily rental units in the counties and found that only 33 percent of units are available for voucher holders. Seventy-two percent of units were within the HUD mandated rent limits, leaving approximately forty percent of units unavailable to voucher holders due to landlord bias.

The City of Minneapolis recently passed an ordinance to prohibit landlords from refusing to rent to tenants solely because they have a government voucher. Landlords are not required to take any applicant who has a voucher, as they may still consider criminal and credit background and other factors unrelated to the form of payment. It also does not require landlords to reduce the rent charged to be permissible to HCV usage. The ordinance will not be in effect for another year, so we are unable to draw conclusions from Minneapolis about the effect of banning Section 8 discrimination. Statewide policies are in effect in Connecticut, Hawaii, Maine, New Jersey, North Dakota, Oklahoma, Oregon, and Vermont and many large municipalities.

It may be premature to pass an ordinance banning discrimination based on form of payment, but the comprehensive plan is a good opportunity to identify Section 8 discrimination as a concern and include a goal to explore how to address discrimination through education of landlords, anti-discrimination ordinances, or other methods.

COMPREHENSIVE PLAN LANGUAGE: REDUCE SECTION 8 DISCRIMINATION THROUGH LANDLORD EDUCATION AND CONSIDER ADOPTION OF ANTI-DISCRIMINATION ORDINANCE, SIMILAR TO THE ORDINANCE PASSED IN MINNEAPOLIS.

¹⁶ HUD AFFH mapping tool, Ramsey County Table 6: Publicly Supported Households by Race/Ethnicity.

5

Advocacy Recommendations

Soliciting input and feedback from community members and stakeholders & changing the narrative surrounding affordable housing

Chapter Outline

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Community Engagement to Guide Policy Priorities

We have developed several recommendations that seek to complement RALWV's affordable housing advocacy efforts. Involving community members in the policy prioritization process and challenging the negative narrative surrounding affordable housing will strengthen the League's advocacy work and lead to more effective affordable housing policies.

Principles of Effective Community Engagement

Soliciting feedback, input, and perspectives from members of the community about the solutions to challenges that affect them will lead to the creation of better policies that will be supported by the public. The more members of the community feel respected and heard, the more likely they are to take ownership over proposed projects and policies, and the more likely those projects and policies are to make a difference in their lives. Moreover, by pursuing transparent and honest community engagement, organizations and institutions cultivate legitimacy and public support for themselves.¹⁷

Community engagements allows for a greater diversity of views to be expressed, mutual learning to occur among participants, previously unknown or overlooked special needs to be accommodated, relationships between community-based organizations and the community to be improved, and a mutual respect between stakeholders to be developed. If housing outcomes are understood as the product of socioeconomic conditions and existing policies, then housing challenges will be best addressed by engaging community members, community leaders, and organized groups, each of whom can offer their own perspectives and understandings of the community's needs and challenges.¹⁸

We believe the League's advocacy efforts should be informed by RALWV research, this report, and community engagement efforts. A community engagement strategy should be used to guide RALWV's advocacy efforts surrounding affordable housing. By engaging with those directly affected by these challenges, RALWV will better be able to articulate the need for affordable housing to local city government employees and elected officials and prioritize policy recommendations according to the public's preferences. Community engagement aligns with RALWV's mission to, "[encourage] informed and active participation in government, [work] to increase understanding of major public policy issues, and [influence] public policy through education and advocacy."¹⁹

RALWV's affordable housing advocacy work is like a three-legged stool. First, and the League is already doing this well, RALWV must work with League members to learn about affordable housing policy and cultivate some support for their advocacy efforts. Second, and the League is already planning to do this, RALWV must engage with local government officials to ensure the cities are taking the policy steps necessary to improve affordable housing in their respective cities in their comprehensive plan updates. Finally, and this is where our community engagement recommendations come in, the League should involve the residents of each city to ensure they are advocating on behalf of the community members whose lives will be impacted by the League's

¹⁷ Schrimmer, Debs. "Case Study of 21st-Century Civic Engagement," *Harvard Kennedy School*, December 2015.

¹⁸ U.S. Department of Health and Human Services. "Principles of Community Engagement." June 2011. Retrieved from https://www.atsdr.cdc.gov/communityengagement/pdf/PCE_Report_508_FINAL.pdf.

¹⁹ League of Women Voters Minnesota. "2017-2019 Program For Action."

advocacy efforts and the choices local governments make. Community engagement efforts will make those impacted by the issue of affordable housing central to the policy solutions proposed by the League, build power among participants, and, ultimately, lead to the city officials adopting policies their residents support.

With this understanding in mind, we have developed five principles of effective community engagement that should be used by RALWV: develop a shared understanding of community engagement goals; understand community make-up and build relationships with community leaders; develop structures to make participation in community engagement efforts accessible to all; develop strategies to ensure all impacted groups are represented in the engagement process; respect all community partners and be mindful of participants' needs to benefit from collaboration; and evaluate efforts to improve community engagement strategy.

We recommend RALWV host several listening sessions, roundtable discussion, and public comment periods **before** formally approaching city government employees and elected officials with their policy recommendations. Below are detailed descriptions of each principle followed by steps RALWV could take to apply each principle to their own community engagement efforts.

1. Develop a shared understanding of community engagement goals

Implementers of community engagement strategies should begin the community engagement process by becoming clear about what can reasonably be achieved through their efforts. Whether an organization's aim is to collect additional data or gain public support, developing a shared understanding of goals will allow implementers to design community engagement events that are consistent with organizational goals. It will also allow implementers to accurately communicate the benefits of collaboration to potential community engagement participants. By developing clear and shared goals, the implementing organization will avoid wasting resources or participants' time.

Members of RALWV should set some clear goals related to engaging with members of the community and those affected by local affordable housing policies. Community engagement can be used to gain a deeper understanding of the needs that exist within each city and each community and as a way to gauge public support for each proposed policy change. Soliciting feedback from the public on policy recommendations the League is considering advocating will give the league a sense of which policies are supported by local community members, and the League can prioritize their recommendations according to the public's expressed preferences.

2. Understand community make-up and build relationships with community leaders

Organizations interested in pursuing community engagement should gain a broad understanding of which communities make up the populations their advocacy efforts are seeking to affect. This process will ensure that all affected communities and stakeholders are invited to participate and that unaffected communities do not become the focus of an organization's community engagement

efforts. A detailed understanding of who is affected by a certain issue will allow an organization to determine in which geographic boundaries they would like to work or which communities have been underrepresented in the past and should be paid particular attention in their efforts.

RALWV should use the demographic data included in this report and the information they collected in their own interviews with local housing experts to identify key communities and stakeholders to engage in their advocacy efforts. These sources of information will likely reveal, for instance, that RALWV should reach out to the formal and informal leaders in the Karen and Hmong communities in order to gain a sense of their particular needs and desired solutions. Some of these organizations may include the Karen Organization of Minnesota or the Hmong American Partnership. RALWV could also reach out to local landlord and developer associations, such as the Minnesota Multi-Housing Association, to ask them about which incentive structures are most likely to lead to greater availability of affordable housing in their cities.

3. Develop structures to make participation in community engagement efforts accessible to all

Community engagement events should be held during non-work hours in politically neutral areas that are accessible to targeted participants. Community engagement strategy implementers should work with community leaders to ensure community members feel welcome and able to attend events. Implementers should consider co-hosting community engagement events with community organizations if possible. Childcare services and refreshments should also be made available if possible. These steps will help ensure community engagement efforts are accessible to a wide range of participants.²⁰

RALWV could host or co-host their listening sessions, roundtable discussion, and public comment periods in accessible, public spaces such as the Ramsey County Library in Roseville or local places of worship. Roseville and Maplewood have several places of worship attended by particular cultural communities, such as Assalam Mosque and Hmong American Alliance Church. Events should be held on various days of the weeks, during different hours of the day in order to make events accessible to the widest array of residents. If possible, child services should be offered to allow parent to participate in community engagement events. It would also be beneficial for the League to offer materials at community engagement events in multiple languages if possible. Some languages to consider may include Spanish, Hmong, and Swahili.

4. Develop strategies to ensure all impacted groups are represented in the engagement process

Those leading community engagement efforts should always be striving to ensure all impacted groups are represented at their community engagement events. This involves collecting basic

²⁰ FRESC. “Strategies for Meaningful Community Engagement.” Retrieved from <http://fresc.org/wp-content/uploads/2015/02/Best-Practices-for-Community-Engagement.pdf>.

demographic information and information about how they heard about the event from event participants. If implementers find that some key communities are consistently missing from the table, implementers must approach community leaders and organizations to see what can be done differently to get those community members to the table.

One way for RALWV to get a sense of who is participating in their efforts would be to set up a sticky dot exercise at each community engagement events to poll participants about their age, gender identification, race or ethnicity, or education level. Sticky dot exercises entail listing demographic categories on a poster board and then giving participants stickers to indicate how they identify. Stick dot exercises are affordable, take very little time for participants to complete, and are anonymous. The results from such exercises would give RALWV an idea of which communities are participating in their events and which missing communities they could invite to the next event.

5. Respect all community partners and be mindful of participants' needs to benefit from collaboration

All interactions between an organization and its community partners should be rooted in a sense of mutual respect and shared learning. Community members participate in community engagement efforts for a variety of reasons, which may include a desire to better their own lives, a feeling for a deeper sense of community, or a need to fulfill a social obligation. Whatever a participant's motivations might be, it is important for the implementers of a community engagement effort to be respectful of the participants, be willing to acknowledge a wide range of perspectives, and be open to learning from participants. Organizations should also communicate what will be done with public input to participants. Taking these steps will help ensure that community members and leaders feel they are benefitting from their participation.²¹

The League should be able to articulate how public input will be used to shape their advocacy agenda to engagement participants. Beyond allowing participants to play a central role in the shaping of the League's advocacy agenda, involvement with the League's community engagement efforts will benefit participants in a variety of ways: give participants an opportunity for empowerment in addressing affordable housing, an issue that greatly impacts their lives; offer them greater sense of recognition, allow them to establish a deeper connection to their communities, and present them with an opportunity to get to know other local residents concerned with affordable housing.

6. Evaluate efforts to improve community engagement strategy

Soliciting feedback from community engagement event participants will allow the organization implementing these efforts to gain a sense of how satisfied engagement event participants are with the process and what changes participants would like to see being made. When participants are asked for feedback, the implementers should also thank participants for their time. Additionally, the

²¹ Gust, S., Jordan, C. "The Community Impact Statement Process: A Tool for Creating Healthy Partnerships." 2006.

input collected at each community engagement event should be made available to the public after each event. This opens the door for feedback from community members who were unable to attend the events. Taking these steps to establish feedback loops helps build trust between the organization and their target populations and reinforcing established relationships between community leaders and the organization.

To evaluate their efforts, RALWV members could run a five to ten minute debriefing session following each community engagement event or administer online or paper surveys. Surveys, if used, should be short and ask no more than five questions. Participants should be asked about their overall satisfaction, how effectively they think their time was used, and any constructive feedback they have to offer. The results from debriefing session or surveys can be used to identify areas of existing strength and areas for improvement. This will allow the League to offer more effective community engagement events in the future.

By following these five principles of effective community engagement, RALWV can garner more support for their advocacy efforts in local communities as well as present policy solutions to local government officials that reflect input from affected community members. All together, this means that the League's advocacy efforts are more likely to be considered seriously by local government officials and the League's recommendations are more likely to be implemented.

Changing the Narrative to Cultivate Public Support

The dominant narrative surrounding affordable housing is overwhelmingly negative and it needs to be changed. This negativity is due, in large part, to the dominant narrative and negative race and class-based stereotypes held about affordable housing residents. Racial and ethnic stereotypes about residents of affordable housing build fear and opposition to affordable housing. Combined with negative images of “the projects,” residents often oppose affordable housing consciously, or unconsciously. To build public support, understanding must be built around what affordable housing actually is and empathy and understanding for low-income people of color is critical.

The League of Women Voters is uniquely positioned to dispel myths about affordable housing and build public support. The target of these activities should be the general public, and targeted neighborhoods if new affordable housing is constructed. City staff and developers need supporters to come to public hearings and talk to friends and neighbors. The following paragraphs provide answers to some of the common myths and misunderstandings about affordable housing.

Affordable Housing is Unattractive

There are various types of affordable housing, and they often look unlike anything like stereotypes might have one imagine. Newly constructed or rehabilitated affordable housing is often indistinguishable from a city's current housing stock whether they are single-family homes, duplexes, or multi-unit buildings. Non-profit developers in Minnesota have a reputation for building attractive multifamily housing and are sensitive to the surrounding community in their designs. Affordable housing has gotten a bad reputation for images of underfunded and poorly maintained public housing. Affordable housing in the Twin Cities generally has high quality maintenance, and residents take pride in their homes.

Affordable Housing Brings Crime to the Neighborhood

Research has found that construction of new affordable housing does not bring crime to neighborhoods.²² Residents are usually subject to thorough background checks and developments have attentive management that ensures crime and vandalism are not tolerated.

Affordable Housing Residents Do Not Work

Affordable housing serves a range of residents. Most new affordable housing units are designed to be affordable to households earning half of the median income, or about \$42,000 per year for a family of four. A limited number of residents may not work due to childcare responsibilities, disability, or difficulty finding work, but this is not true of the general population.

Affordable Housing Will Bring Down the Schools

New family housing brings new students to schools. Depending on the number of children this can have a minimal effect on the school. School districts receive state funding on a per pupil basis, so as the student body increases, so will the funding. Furthermore, students benefit from attending school with a diverse group of classmates from different backgrounds. Lastly, suburban affordable housing often draws residents of the community who previously could not afford their housing, so many of the students may not be new to the district at all.

Affordable Housing Will Decrease Property Values

Research shows that affordable housing does not bring down property values in suburban contexts.²³ In some cases, new affordable housing can spur other new development and increase property values.²⁴

As the League builds public support care should be given to the way the issue is framed. Members should use language that connects to people's situations such as:

- Referring to building homes for community members, rather than housing units or apartments
- Frame housing as providing empowerment and an opportunity to provide access to success
- Use terms like lifecycle and workforce housing, which elicit more positive responses than affordable housing.²⁵
- Show the diversity of people who need affordable homes, with emphasis on the people in the community who are currently unable to afford safe, decent housing.
- Use personal stories to demonstrate the needs of people in various points of the life cycle for housing.

²² Albright, L., Derickson, E. S., & Massey, D. S. (2013). Do affordable housing projects harm suburban communities? Crime, property values, and taxes in Mount Laurel, NJ. *City & Community* 12:2, American Sociological Association. doi: 10.1111/cico.12015

²³ Albright, L., Derickson, E. S., & Massey, D. S. (2013). Do affordable housing projects harm suburban communities? Crime, property values, and taxes in Mount Laurel, NJ. *City & Community* 12:2, American Sociological Association. doi: 10.1111/cico.12015

²⁴ Housing Illinois. (2003). *We need the people who need affordable housing*. Retrieved from <http://www.housingillinois.org/pdf/Housing%20Illinois%20Brochure.pdf>

²⁵ Edward G. Goetz (2008) Words Matter: The Importance of Issue Framing and the Case of Affordable Housing, *Journal of the American Planning Association*, 74:2, 222-229, DOI: 10.1080/01944360802010251

- Encourage community pride by lifting up examples of affordable housing done well in surrounding cities.²⁶

Finally, the League should learn from its own experiences. By having conversations about affordable housing, members will learn more about the nuances of residents' concerns and how to best make the case for affordable housing.

²⁶ "Changing the Narrative of Affordable Housing" Michael Rios and Brandon Louie, Center for Regional Change

6 Appendices

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Appendix 1: An Introductory Guide to Financing Affordable Housing

Key Term Definitions

Super RFP: The Super RFP or Consolidated RFP refers to the combined application for funding from the Minnesota Housing Finance Agency. It annually awards funding to affordable multi-family housing developments and includes Low-income Housing Tax Credits, deferred loans, grants, and low interest loans.

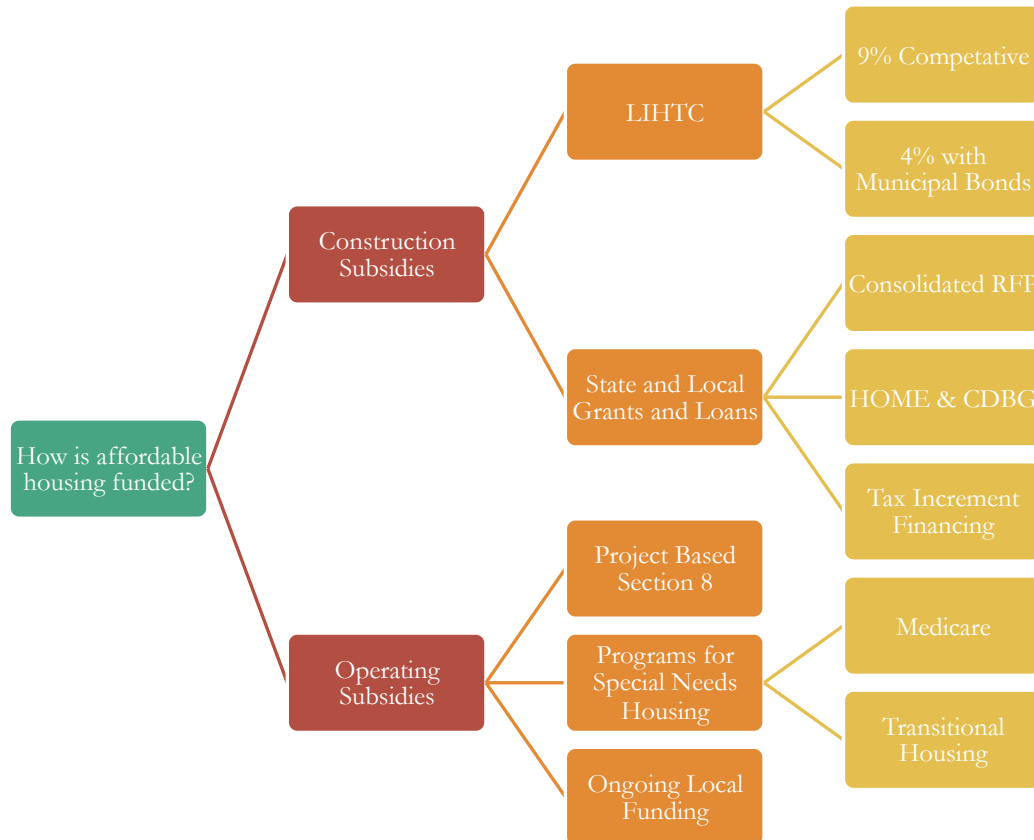
Qualified Allocation Plan (QAP): The QAP is a set of rules that determines which projects will receive Low-income Housing Tax Credits. The QAP is written by the allocator (In Minnesota this is either Minnesota Housing Finance Agency, Minneapolis, or Saint Paul). Since the allocation is very competitive, the scoring of projects is very important. Location plays a role in scoring. Areas with higher performing schools and areas deemed to support economic integration earn points. Cities can better support the production of affordable housing by guiding areas that will score well in the QAP for densities that can support affordable housing. Cities can support applications by providing fee waivers, tax increment financing, tax abatement and forgivable loans.

Livable Communities Act (LCA): The Livable Communities Act provides four types of grants to municipalities that participate in the Metropolitan Council allocation of affordable housing need and receive performance scores. One of the grants is specifically for affordable housing and is allocated as a part of the Super RFP. The remaining three may be used for affordable housing or for other projects.

Area Median Income: The median household income in an area designated by HUD. In the Twin Cities this is determined on a metro-wide basis. It is adjusted based on family size, so a larger household will need to make more to be at the median income. This number is used for determining household eligibility for federally funded housing programs, such as HOME, LIHTC, and CDBG. These numbers are published annually by HUD.

Fair Market Rent: The 40th percentile of rents of units occupied by renters who have moved in the last 15 months that are greater than two years old and have full kitchens and bathrooms. The rent is gross rent, meaning it includes utilities. It is determined annually on a regional basis. Fair market rent determines the maximum rent for HOME and Housing Choice Voucher units.

How is affordable housing funded?



Low-income Housing Tax Credits (LIHTC) or Section 42: LIHTC is the primary method for subsidizing affordable housing. A tax credit of 4% or 7% of the eligible costs of development is provided for 10 years after a project is finished and all low-income units are leased. Units must stay affordable for at least 15 years, although other funding may extend the duration of affordability.

- The 4% tax credit is non-competitive, but requires the use of municipal bonds, and the value of the tax credit fluctuates around 4%. This credit covers about 30% of the cost of development.
- The 7% tax credit is competitive and applications are made to the Minnesota Housing Finance Agency and the rate is fixed at 7%. While municipal support is helpful for successful applicants, none is required. This covers about 70% of the cost of development.
- Developers will “sell” the tax credits to an investor who will give them cash for the value of the tax credit. The amount of cash depends on the market. During the financial crisis tax credits were selling for far less than the value, while in 2015 tax credits sold above the value. The investor technically owns 99.99% of the value of the development, but the developer in practice plays the role of the owner. Tax credits are most often purchased by large banks or institutional investors.
- Both types of tax credits can be used for mixed income housing. Developers can choose to have 20% or more of the units affordable at 50% AMI or 40% of the units affordable at 60% AMI. The amount of tax credits issued is based on the proportion of the project that is affordable. In practice, it is difficult to use LIHTC to build mixed income housing, since the

investors who are interested in tax credits are not necessarily interested in market rate housing, which is a less safe investment. In order for an investor to receive the full benefit of the tax credits, they must own nearly all of the property.

- At the end of the affordability period the developer does not own the property and must negotiate with the investor to determine what will happen with the property. This creates a lot of uncertainty and requires advanced planning on the part of the developer, investor, and interested government partners.

Housing Choice Vouchers (HCV): This program, previously known as Section 8, is funded by HUD and administered by local housing authorities. In most of the suburban Twin Cities it is administered by the Metropolitan Council. Generally, tenants pay 30% of their income in rent and the rest is covered by the subsidy. HCV holders have a maximum allowable rent (below the median rent), housing must conform to safety standards, and no more than two people may share a bedroom. The program has long waiting lists around the country. The Metropolitan Council waiting list typically opens a lottery every several years where those selected will be added to the bottom of the waiting list.

HOME Funds: HUD runs the HOME Funds grant program for the acquisition, rehab, rent subsidies and new construction of affordable housing. These funds require lower rent limits than Community Development Block Grants and require a non-federal matching source.

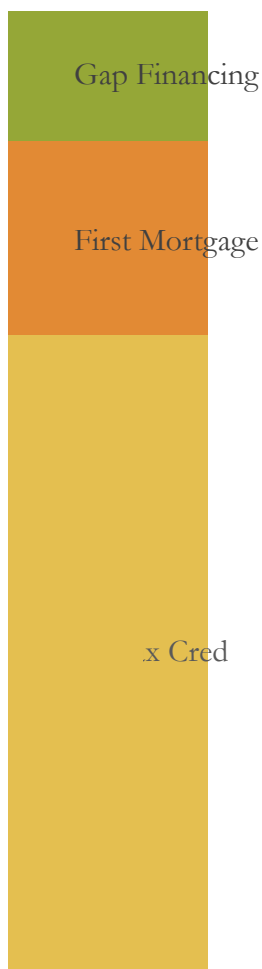
Community Development Block Grants (CDBG): A program administered by HUD that provides grants to cities and states for community development. These funds are often used for affordable housing, but can be used for infrastructure and other projects. Smaller cities (population less than 50,000) must apply to receive funds from the state government.

Land Trust: Land Trusts are non-profit organizations that sell homes to low-income families, but retain the land. The lease of the land limits the amount of appreciation the seller can receive and ensures that the home will be sold to a low-income family.

How does most new affordable housing get built?

Most affordable housing is built using affordable housing tax credits. There are three components to the financing of these projects. The tax credits are “sold” to an investor who then pays the developer a lump sum, which is paid back to them by the tax credits they receive over ten years.

The next component is a mortgage. The mortgage will only cover a portion of the remaining cost of development, since the lower rents will not garner enough income to repay a large enough mortgage to cover the remaining need for capital. Mortgages may come from a traditional bank or a lower interest loan from Minnesota Housing Finance Agency.



The difference between the cost of development and the amount of the mortgage and the tax credits is called the gap. Gap financing can come from a variety of sources, primarily foundations and government sources. Municipalities are key in filling the gap through assistance in obtaining grant funding, providing forgivable loans, using specifically designated funds within the city budget, using tax increment financing or tax abatement. Municipalities can also reduce the cost of the project, reducing the need for gap financing. Municipalities can waive fees for development, provide expedited review processes to reduce holding costs, grant density bonuses to reduce the per unit cost of development, or hold land for developers while they await tax credit allocation.

Some affordable housing receives an ongoing subsidy. The most common way ongoing subsidy is provided is by a public housing authority allocating some of their Housing Choice Vouchers to be tied to a unit, commonly referred to a project based Section 8. This is typically the only way that units can serve households at the lowest incomes. These are not new subsidies, in that they are taking that money out of the pool of money used for tenant based Housing Choice Vouchers. Project basing vouchers does insure that the voucher is in use for as much of the time as possible, since households do not have to find a unit to use their voucher in. Ongoing subsidy can be provided in other ways, such as a municipality or its HRA agreeing to cover the cost between 30% of the tenant's income and the agreed upon rent for a select number of units or an agreement to provide funds to be used for services, such as childcare, health services, or job training, which are typically not able to be a part of the ordinary budget used to obtain financing.

How can existing affordable housing be preserved?

Many affordable housing developers purchase existing housing and complete a substantial remodel, which they finance through LIHTC, a process called recapitalization. This restarts the clock, and guarantees 15 more years of affordable rents. Some organizations are exploring how to acquire older lower-rent properties and continue to offer below market rents without subsidy dollars or a significant rehab. CommonBond communities, a Minnesota based non-profit is attempting to raise 200 million dollars for a fund to invest in these projects. Investors will receive a modest return and the fund is aimed at parties interested in socially responsible investing.

Livable Communities Act Scores

<i>City</i>	<i>Score</i>
<i>Falcon Heights</i>	40
<i>Lauderdale</i>	34
<i>Little Canada*</i>	25
<i>Maplewood</i>	84
<i>Roseville</i>	82

*Little Canada does not currently participate in the Livable Communities Act program and therefore is not eligible for LCA grants.

Appendix 2: Annotated Bibliography

This annotated bibliography examines both affordable housing and poverty in suburban communities, ways to counter and overcome not-in-my-backyard (NIMBY) attitudes and opposition, and approaches to equitable development and creating affordable housing including the adoption of inclusionary housing policies and community land trusts (CLT). This research is the basis for many of the recommendations found in this report. It is also intended to be a source of information for policy makers and affordable housing advocates in Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood to consult as they pursue increasing the affordable housing stock in their communities.

Green Leigh, N., & Lee, S. (2005). Philadelphia's Space In Between: Inner-Ring Suburb Evolution. *Opolis*, 1(1), 13-32.

Using longitudinal census data, the authors analyzed the changes in the demographic and physical characteristics of inner ring suburbs compared to the central city and outer ring suburbs in the Philadelphia MSA. They identified increasing economic disparities between the inner and outer ring suburbs and that the inner ring suburbs are showing symptoms of decline associated with the central city (including white flight, decreasing population, and rising poverty). Over the same time, the central city saw reversal in some trends, particularly a rise in the proportion of Philadelphia residents who are white and the reduction of poverty within the central city. The authors recommend policy changes to prioritize the revitalization of inner ring suburban infrastructure, rather than greenfield development, to ensure the economic stability of the inner ring suburbs. This source may be useful in thinking about the policy and development possible in Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood.

Holliday, A. L., & Dwyer, R. E. (2009). Suburban Neighborhood Poverty in U.S. Metropolitan Areas in 2000. *City & Community*, 8(2), 155-176.

This research used census tract level data to understand patterns of suburban and urban poverty and the factors that influence the location of high poverty census tracts. They defined inner-ring tracts as those with more than 50 percent of the housing built between 1940 and 1969. They found that one third of the suburban poor live in inner ring suburbs. The inner ring, high poverty neighborhoods (greater than 20 percent of people are in poverty) have greater population density, more migrants from the central city, have a lower median income, more overcrowding, more children, and more female headed households. Residents of high poverty tracts in the suburbs have more Hispanics than blacks, while newer suburbs have much larger white populations. Poor suburban tracts have more overcrowding, more people lacking English proficiency, fewer college graduates, and fewer professionals than the poor central city tracts. The higher rate of overcrowding, and the of people lacking English proficiency may be attributable to the tendency of Hispanics to live in suburban areas. On a metropolitan level, greater percentages of college graduates decrease suburban poverty, but not central city poverty. This article provides a general understanding of how central city poverty and suburban poverty differ.

Kneebone, E., & Berube, A. (2005). Innovating Locally to Confront Suburban Poverty. In

Confronting Suburban Poverty in America (pp. 96-112). Washington, DC: Brookings Institution Press.

The chapter details numerous local initiatives to confront suburban poverty. Many of the ideas require scale to be successful, and may not be practical in any one suburb alone. They may be attainable by working with other Ramsey County suburbs. Access to capital is often a problem in impoverished areas, and a community development finance institution (CDFI) can be help to provide low-income families and nonprofits serving them with capital. A Milwaukee based CDFI, Ways to Work, finances affordable auto loans, and financial counseling through partnerships with other organizations. Transportation is a common issue for the suburban poor, due to inadequacies in public transportation. Suburbs can collaborate to have access to CDBG and other funding pools that they would not have the capacity to utilize on their own, which has been successful for the southern and western suburbs of Chicago. These partnerships were made possible by the area mayors' association calling for the development of regional comprehensive plans for groups of suburbs and initial grants from non-profit partners. To be more flexible in addressing suburban poverty, using a nonprofit that can be granted enterprise funds that they then manage can allow funds to be targeted differently.

Lee, S., & Leigh, N. G. (2007). Intrametropolitan Spatial Differentiation and Decline of Inner Ring Suburbs: A Comparison of Four U.S. Metropolitan Areas. *Journal of Planning Education and Research*, 27(2), 146-164.

The authors define inner ring suburbs as those built between 1950 and 1969. This is distinct from the street car suburbs that were built around public transportation and with greater architectural quality and variety. The authors describe three trends in the decline of inner ring suburbs. There is a spillover effect from blighted areas in the inner city, strong decentralization into the outer ring suburbs, and back to the city trends that are revitalizing downtowns. Inner ring suburbs are currently facing a housing stock that is all filtering together and has reached the end, where it is being occupied by low-income people. This has a devastating impact on the ability of the municipality to levy taxes. The research is based on demographics and housing conditions in the Atlanta, Cleveland, Philadelphia, and Portland metropolitan areas. In Atlanta and Philadelphia, the downtown area becomes more distressed from 1970 to 1980, but distress declines by 2000. For the inner city overall, the fast-growing regions, Atlanta and Portland, had decreasing distress over time, while the slow growth regions had increases distress. Inner-ring suburbs in all four had increased distress, while outer-ring suburbs all became less distressed. Rapid growth cities also show an increase in prosperity in the inner city. The inner ring suburbs experienced increases in prosperity until 1990, and then decreased by 2000. Rapidly growing metro areas appear to have more serious inner ring suburban decline.

This metro-level analysis is useful in comparing the Twin Cities to the selected metro areas, and for placing Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood in the context of a metro experiencing growth, and with inner city revitalization.

Goetz, E. G. (2008). Words Matter: The Importance of Issue Framing and the Case of Affordable Housing. *Journal of the American Planning Association* 74(2), 222-229.

The author of this paper conducted a study to answer the question of whether the way a policy issue is talked about by planners has an impact on public support. This related directly to how to best frame an issue such as affordable housing that can have a small but vocal opposition. The study looked at what the effect word choice has on individuals' reactions to the issue of affordable housing. To test this, the author compared the use of the terms affordable housing and lifecycle housing. The author attempted to determine whether public opinion of the idea of affordable housing can be altered by using the term lifecycle housing instead. This was done by conducting surveying a random sample of residents in a Minneapolis suburb. City officials mailed a survey question to a sample of residents about their support for affordable housing. Some residents received a survey that included a question using the term affordable housing and the others received a survey included the use of lifecycle housing instead.

The results of the study showed that the difference in wording has a significant impact on the support non-Hispanic whites have on the issue of affordable housing. There was a difference of 30 percentage points between the two wording choices with the use of the term lifecycle housing receiving greater support. There was less of an impact among non-white residents and with younger and older residents. The author concludes from their findings that word choice does matter and can change the perceptions suburban residents have of affordable housing. This is important to note for cities like Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood as they consider increasing their share of affordable housing.

The author does note that there are limitations to this study. First, there is often a gap between general support of the concept of affordable housing and the reaction to or support for a specific development project. Second, this study was conducted in one suburb and the response in another suburb may be different. The author also notes that after a certain length of time, any term will likely come to have a negative connotation.

This study provides cities like Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood information that could be used to inform what language they use during efforts to decrease the cost-burden of housing by increase the amount of affordable housing in their jurisdictions.

Scally, C.P. (2012). The Nuances of NIMBY: Context and Perceptions of Affordable Rental Housing Development. *Urban Affairs Review* 49(5), 718-747.

The author researches the subtleties of not-in-my-backyard (NIMBY) attitudes to understand why some communities support the development of publicly assisted affordable housing and others do not. The author give a definition of NIMBYism and outlines its effects on the actions of local governments that take the form of various regulatory barriers such as direct exclusion of multifamily development to the indirect exclusion by requiring low-density development and preventing infill development, strict environmental controls, charging excessive fees, and inefficiently moving proposed project through the permitting process, among others. A NIMBY attitude is defined as one that is often shaped by specific fears of increased crime, poverty, and an increase in the costs of service and education, along with decreased property values and the preservation of open space.

The author highlights four common responses to NIMBY attitudes and their effect on the creation of affordable housing:

Challenging assumptions of negative effects of affordable housing;

Rebranding affordable housing as workforce housing or lifecycle housing;
Removing regulatory barriers and offering incentives to development;
De-concentration and dispersal mobility programs that don't engage with NIMBY attitudes.
The study used six cities grouped into three regions in New York: Albany and Schenectady near the state's capital, Newburgh and Poughkeepsie in the Mid-Hudson region, and Islip and Smithtown in suburban New York City. They each had a different history and number of affordable housing stock.

Some of the author's findings highlighted that racial inequities are a lasting legacy in the development of affordable housing, inclusionary zoning is providing some promise in Poughkeepsie and Newburgh, and that the history of local markets and regional tensions effect how communities perceived affordable housing projects. Additionally, other factors such as the housing stock, quality, and relationship with developers and property managers influenced resident perceptions on the need for affordable housing.

The author concluded that NIMBY attitudes are different in each area and are based on specific historical legacies, development conditions, the policies and their perception. Ultimately, the author pointed at state action as being the most opportune to combat NIMBY attitudes and their effect. While the recommendations primarily focused on action by the state, it is helpful to understand that there is a historical and geographic-based dynamic of NIMBY attitudes that should be applied to Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood.

Nguyen, M.T. (2005). Does Affordable Housing Detrimentially Affect Property Values? A Review of the Literature. *Journal of Planning Literature*. Vol. 20, Issue 1, pp. 15-26. DOI: 10.1177/0885412205277069

This article examines seventeen studies that set out to measure the effect affordable housing has on property values to answer the question of whether affordable housing lowers property values or not. This debate is a point of contention between the not-in-my-backyard (NIMBY) residents and local government officials who oppose affordable housing in their communities and affordable housing advocates. The author determines the answer to the question is not as cut and dry as either side of this debate might like – the relationship between property values and affordable housing is complex.

The author's analysis shows that the magnitude of any change in property value depends on various factors including the design and management of affordable housing, the compatibility between the affordable housing and host neighborhood, and the extent to which it is concentrated. The various effects affordable housing has on property values are often determined by the structure of the affordable housing units or sites, characteristics of the host neighborhood, compatibility between the affordable housing site and host neighborhood, and the extent to which the affordable housing units are clustered. The author outlines that opposition of affordable housing by residents and/or the local city government is due to concerns about changing neighborhood character, the quality and design of structure, negative externalities such as traffic congestion or added burden on city resources), the arrival of undesirables, and strong feelings of anti-growth. These concerns are often tied to the fear that their property values will be negatively affected.

The author's review of these studies showed that a well-maintained affordable housing development is not only able to not negatively affect property values, it can raise property values in certain areas [with abandoned homes or deteriorating properties]. The affordable housing program, setup, and

implementation as well as the quality of management play a role in whether and to what degree affordable housing has on property values. To put this in perspective, the author cites Goetz to say that the actions of private landowners had more of an impact on housing values than the very existence of publicly subsidized affordable housing in a neighborhood. The author says the results of their analysis shows that construction of affordable housing, when done right, does not necessarily lead to lower property values. This is especially the case when existing housing is converted to or newly rented by affordable housing tenants because there may be no visible changes to the structure's appearance. The author states that neighbors might never be aware that the structures are for affordable housing or that the tenants qualify for subsidized housing.

Two major takeaways from the article are in the nuanced explanation of how and when affordable housing might lower or have no effect on property values.

“... studies tell us that affordable housing can indeed lower property values. But, there is more to the story. The likelihood that property values will decline because of proximity to affordable housing increases when (1) the quality, design, and management of the affordable housing is poor; (2) affordable housing is in dilapidated neighborhoods that contain disadvantaged populations (i.e., usually low-income and predominantly minority); and (3) when Affordable Housing affordable housing residents are clustered.”

But when there are negative effects, they are small. The extent to which property values are affected by affordable housing is very small when compared with other factors that impact property values.

“Affordable housing appears to have no effect occur when (1) affordable housing is sited in healthy and vibrant neighborhoods, (2) the structure of the affordable housing does not change the quality or character of the neighborhood, (3) the management of affordable housing is responsive to problems and concerns, and (4) affordable housing is dispersed. Furthermore, the evidence reveals that rehabilitated housing always has beneficial outcomes for neighboring property values.”

Cowan, S. M. (2006). Anti-Snob Land Use Laws, Suburban Exclusion, and Housing Opportunity. *Journal of Urban Affairs* 28 (3), 295-313.

The author examines the resulting outcomes of the adoption of “anti-snob” laws. Anti-snob laws get their name from Massachusetts law 40B, which was passed in 1969 and is otherwise known as the “anti-snob zoning act” to counteract opposition from those who oppose development for fear of undesirables moving into the neighborhood. It gives developers the authority to bypass zoning restrictions in cities where less than 10 percent of the housing is affordable according to the state's definition. It also gives cost-saving incentives such as tax exemptions and subsidized loans to developers who set aside 25% of their units for low- and moderate-income residents to help facilitate the construction of affordable housing.

The author describes various ways to address the lack of affordable housing development in suburban communities. The first approach is inclusionary zoning, which are policies local governments use to require developers to make a certain percentage of the units of their development affordable to people of low-income. Another approach is a fair share allocation system where a regional authority determines the number of affordable housing units each city will have. The third and final approach is statewide anti-snob land-use laws that make it easier for developers to build more dense, multi-family units in low-density single family neighborhoods.

The author makes the important distinction between anti-snob laws and inclusionary zoning. State anti-snob laws promote affordable housing in every municipality regardless of whether local authorities want affordable housing. Inclusionary zoning only applies to municipalities that want affordable housing and has no impact on those that want to keep excluding those who would benefit from affordable housing – new immigrants, people of color, low-wage workers, etc. The final major difference is that inclusionary zoning requires affordable housing in all applicable developments while anti-snob laws are limited to promoting affordable housing that developers can take advantage of or not.

The major research question at play is whether the adoption of an anti-snob law results in the creation of more affordable housing units in exclusionary municipalities than would have been created in its absence. The study includes four states: Connecticut and Rhode Island, states that passed a law between the study's two baseline periods (1980-1989 & 1994-1998), Massachusetts, which had a law during both periods, and New Hampshire, the only state of the four without an anti-snob law.

The author's analysis of the results found that the adoption of an anti-snob law had a positive impact on affordable housing development and appears to promote affordable housing development in municipalities with little subsidized housing. Overall, the study found that adoption of anti-snob laws can lead to an increase in affordable housing in cities that have exclusionary policies that limit affordable housing production. [One major limitation of the anti-snob laws the author points out is that all these legislative efforts to get past exclusionary land-use in the suburbs is that they are race neutral.] While the study is regarding state laws, it is helpful in looking at approaches and incentives for affordable housing production in cities that have barriers to that.

Hicekey, R., Strutevant, L., & Thaden, E. (2014). Achieving Lasting Affordability through Inclusionary Housing – Working Paper. Lincoln Institute of Land Policy.

The authors of this paper reviewed and analyzed 20 inclusionary housing programs that were from 20 cities of a variety of sizes, years of existence and a mix of voluntary and mandatory programs to determine the best approaches to ensuring that affordable housing for low- and moderate-income households remains affordable over the long-term. This research is important because if a primary goal of inclusionary housing programs is to increase the number of affordable housing units, the ability to not only bring more affordable housing online but to also ensure they remain affordable long-term is a critical part of satisfying the housing needs of families and individuals of low- and moderate-income that these policies intend to help. The authors highlight affordability, strong legal mechanisms, resale formulas, dedicated program stewardship, and strategic partnerships as ways to do this.

Their research found that creating lasting affordability requires more than setting long affordability periods but that carefully designed resale restrictions, strong legal mechanisms, pre- and post-purchase stewardship practices, and strategic partnerships. They delve into each in greater detail. From the 307 policies that had available data on the length of the required affordability period, the authors highlighted that 84% of inclusionary housing policies for homeownership and 80% of rental policies have 30-year affordability requirements, and one-third of inclusionary housing policies have 99-year or perpetual affordability requirements in place for rental and/or for-sale housing.

The authors present a literature review of inclusionary housing programs and found that little research has been done on the various approaches to ensure the preservation of affordability beyond the initial length of affordability. They found that mandatory inclusionary housing programs are more successful than voluntary ones and that more affordable housing units are created with the inclusionary housing policies when there is stronger housing demand and hotter housing markets. They acknowledge that as inclusionary housing becomes a more common method for creating affordable housing (nearly 500 local jurisdictions in 27 states as well as Washington, D.C. have inclusionary housing policies), there is a need to better understand the different characteristics that make an inclusionary housing policy successful.

These cases and the results from this paper are examples that can be drawn from by the cities like Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood as they consider approaches for increasing the number of affordable housing units in their jurisdictions.

Jacobus, Rick. (2015). Inclusionary Housing: Creating and Maintaining Equitable Communities. Lincoln Institute of Land Policy. Retrieved from:
<http://www.inhousing.org/wp-content/uploads/Inclusionary-Housing-Report-2015.pdf>.

This report details best practices of how the various 512 inclusionary housing programs in 487 local municipalities in 27 states and Washington, D.C. are taking advantage of the potential of inclusionary housing. The author outlines three broad ways in which municipalities are doing that: building public support using data to inform program design, establishing reasonable expectations for developers, and ensuring long-term program quality. According to the author, inclusionary housing is one of the most promising ways to make sure that people of all means benefit from new development and to address the housing affordability crisis created in large part to higher housing costs that displace residents of lower income. The report has 8 chapters including the conclusions and recommendations. Below is a breakdown of the chapters that gives highlights of the information in the report.

Introduction to inclusionary housing: The author begins by giving the context and need for inclusionary housing: the affordable housing crisis, which is exacerbated by the rising cost of housing and the shrinking availability of naturally occurring affordable housing.

The author explains that inclusionary housing is not a fantasy – it is possible for municipalities to create and maintain meaningful economic diversity in their communities. Cities that have implemented an inclusionary housing policy recognize the affordable housing crisis will not go away on its own and they have been developing local policies to increase the economic diversity in their communities.

The author defines inclusionary housing as a range of local policies that create affordable housing by requiring developers to sell or rent 10 to 30 percent of newly created housing units to residents of lower incomes. The author concludes from the research in the report that inclusionary housing is a successful strategy to create more affordable housing units for residents of low- and moderate-incomes. Their analysis suggests that it will play a larger role in national housing strategy in the years to come and that integrated, inclusive, and diverse communities improve the lives and outcomes of all residents.

Economics of inclusionary housing: The author makes clear that economic factors cannot be ignored and that inclusionary housing programs must be designed carefully so their requirements are economically feasible. Various approaches of how to do that include offering incentives and flexibility to developers so that the burden of net economic impact is manageable.

Building support for a policy: Communities have followed a similar policy creation process: 1) study and understand the housing need and available tools for inclusionary housing, 2) educate and engage the public on the issue and about and throughout the process, 3) consider and factor in the market economics, and 4) engage with private developers

Designing the policy: As municipalities are designing their policy, many key questions must be answered to create a program that is appropriate for their city. Policy makers need to determine the following: whether the program will be mandatory or voluntary, the income level of targeted groups and any geographical restrictions, the percentage of units in each development that must be affordable, the length of time they must remain affordable, whether to accept in-lieu fees or allow off-site development of affordable units in a different location, whether to provide incentives or cost offsets to reduce the economic impact of providing affordable housing, and determine whether the affordable units must be comparable in design to the market-rate units. While these considerations must be thought through, there is no single best approach and each inclusionary housing program will differ depending on the circumstances and situation of each city. Although, reinventing the wheel is not necessary – inclusionary housing has been tested in many locations and much has been learned about how to make it work successfully.

Challenges of economic integration: Considering the demographic changes communities are experiencing, ensuring economic integration is often an explicit goal of inclusionary housing programs. The efforts to integrate do not come without challenges, critical questions and potential tradeoffs, and mixed results of which there are many case studies from which to learn. Policy makers will need to wrestle with how important it is to them to integrate residents of low- and moderate-income with those of higher incomes and wealth and determine whether that will apply to every project.

Legal concerns: Courts, both State and Federal, have repeatedly upheld the legality of inclusionary housing programs that are in place across the country. The author notes that some states have limited the options available to municipalities but concludes that there is almost always a way to legally implement an inclusionary housing policy. The author lays out and explains in detail the four major legal considerations for inclusionary housing programs: 1) takings standards, 2) on-site performance requirements, 3) linkage or impact fees, and 4) receiving in-lieu fees in place of providing affordable housing units on-site. Case law evolves so it is important for municipalities that are considering inclusionary housing programs to pay close attention to the current case law. The author concludes by saying there is every reason to believe that the basic right of local municipalities to ensure the availability of housing that is affordable to residents of low- to moderate-income will continue to be upheld by the courts.

Planning for implementation: The implementation of the policy is critical for its success. Adequate staffing and funding for administrative costs once it is adopted is key. Jurisdictions also need to collect program data to evaluate and make improvements over time.

Local government have a major role in maximizing the positive impact of inclusionary housing and to ensure its success they should do the following: 1) build public support; 2) use data to determine

the specifics of the program design; 3) establish fair and reasonable expectations for developers; and 4) ensure program quality. Inclusionary housing is an approach that the cities of Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood should consider for any potential development.

Choppin, J. (2014, July). Breaking the Exclusionary Land Use Regulation Barrier: Policies to Promote Affordable Housing in the Suburbs. *Georgetown Law Journal*, Vol.82(6), p.2039-2077.

This article is about the impact of land development regulation on affordable housing and how it has contributed to the crisis in affordable housing. Its focus is primarily on market-rate or naturally occurring affordable housing as opposed to publicly subsidized affordable housing. The author's primary premise is that the use of land development regulation by local municipalities has contributed to the high costs of developing market-rate housing, which has priced out people of means from the suburbs. Of the various factors that contribute to this, the author includes the fact that local governments have simply not sought to provide affordable housing to people in all income brackets with the same enthusiasm.

The ways local governments contribute to the increased cost of housing that exclude low- and moderate-income households may not always be unwanted by current residents. The author states that the efforts by local governments on factors that increase housing costs dwarf their commitment and effort to develop housing that is affordable to all income levels. In the article, the author describes the extent of the problem of affordable housing, explores the type of land development regulations that affect housing costs as well as the underlying political and social dynamics, presents Fairfax County, VA as a case study, and concludes with a series of reforms of the various land development regulations. The proposed reforms are primarily intended to bring down the cost of new housing development and included is a section on what can be done at the local government level.

While everything in the article might not be applicable to the inner-ring suburbs north of Saint Paul, there may be a few things worth considering and they are the following: 1) Zoning can be and is used to exclude people of low-income and people of color but being able to differentiate between zoning regulations meant to segregate or exclude and those designed to ensure the quality of the nebulous "neighborhood character" is often impossible. 2) Discrimination based on both race and income is a reason suburbs may resist or oppose affordable housing. 3) Housing discrimination lives on even with the efforts to eliminate the various ways municipalities discriminate.

The author illustrates how land development and zoning is used by suburban municipalities to limit the amount of developable land they zone for affordable housing. The author also points out that the reliance on property taxes as their primary revenue source drives suburban municipalities to use fiscal zoning to only allow development in of the same or higher value, which serves as a barrier to the construction of affordable housing. Impact fees were noted as another barrier.

The author concludes with several proposed reforms, only a few of which are directly applicable to local governments. Action that can be taken at the local government level include paying particular attention to the most blatant exclusionary practices such as large-lot zoning, inadequate provision in the zoning code for various types of affordable housing, large lot width and setback requirements, and high impact fees.

Newport, G. (2005). The CLT Model: A Tool for Permanently Affordable Housing and Wealth Generation. *Poverty and Race* 1(14), 11.

This article gives a high-level overview of the Community Land Trust (CLT) model as an approach to addressing two major issues at the same time: the affordable housing crisis and the racial wealth gap. As a mechanism to provide affordable housing to residents of low-income, it is focused on homeownership, typically of single family homes, as opposed to rental units. The author defines the classic CLT model as a geographically defined, membership-based, non-profit organization that holds land for public purposes – usually for the creation of permanently affordable housing. A central feature of the model is the dual ownership structure where the CLT owns the land and, typically, individuals own the buildings or houses that sit on the land. The CLT model makes affordable homeownership a possibility for households of lower-income by removing the cost of the land from the price of the house. The price can be reduced further with government-provided affordable housing subsidies. At the same time as providing an affordable housing option, it allows residents of low-income to build equity with monthly mortgage payments. Affordability of the houses is maintained by the limiting the resale value of the homes. The author highlights the CLT operated by the Dudley Street Neighborhood Initiative (DSNI) as a renowned example of the power of participatory long-term community building to address policies and practices that have caused poverty and decline. The Dudley Street CLT provided the opportunity for residents to create a vibrant multicultural community, developed hundreds of affordable homes, and allowed them to benefit from the growth of the community. The model has been proven to empower residents by providing an opportunity for affordable homeownership and equity building, which is normally out of reach for residents of low-income, and largely residents of marginalized racial and ethnic groups.

This model is an approach that the cities of Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood may want to consider to create affordable housing for residents of low-income in the form of homeownership and the opportunity for residents to build wealth and climb the economic ladder.

Glover Blackwell, A., & Bell, J. (2005). Equitable Development for a Stronger Nation: Lessons from the Field. In X. de Souza Briggs (Ed.), *The Geography of Opportunity: Race and Housing Choice in Metropolitan America* (289-309). Washington, D.C.: The Brookings Institute.

This chapter on the emerging movement of equitable development is one in a book that covers topics related to housing choice, racial attitudes, discrimination, and metropolitan development and policy conditions. The authors' main point is that affordable and racially inclusionary housing must be part of equitable development. The goal of equitable development is to ensure that communities of color and people of low-income benefit from the local and regional economic activity of which housing development is a major part. The authors state that as cities pursue equitable development there needs to be a plan to have housing affordable remain as part of the community.

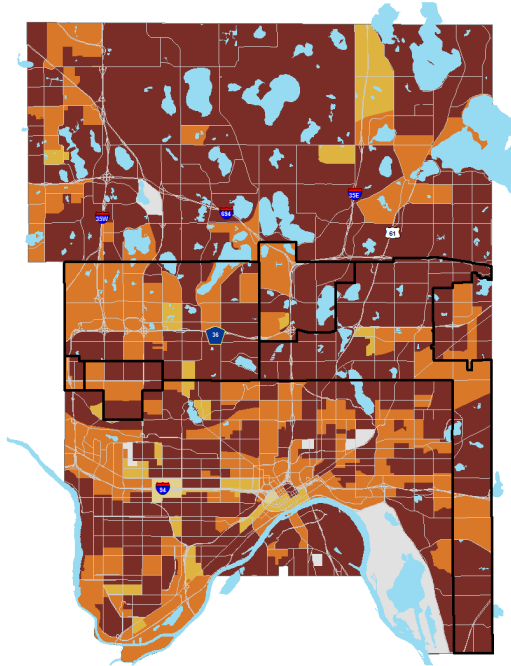
The authors discuss various cases of ways communities are addressing affordable housing at various stages of development. Their examples of Washington, D.C., Boston, Baltimore, and California point to the need for leadership of people of color throughout the process of coalition building and the development of the housing. Intentional efforts to include and develop leaders of color in the process of equitable development may help leaders of color to get and remain involved in the efforts. Overall, the authors' highlight that equitable development contains various strategies but

they stress three major points: there must be a focus on affordable housing production, keeping the housing affordable over time, and the importance of building leaders of color from the community to be involved in the process.

Those three points are major takeaways for cities like Lauderdale, Falcon Heights, Roseville, Little Canada and Maplewood – that as part of their housing development plans they must put mechanisms in place to ensure that all current and future affordable housing remains affordable for the long-term.

WHO CAN LIVE HERE?

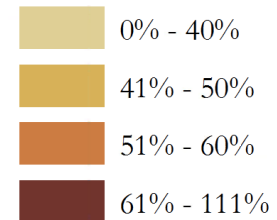
SINGLE PARENT FAMILY



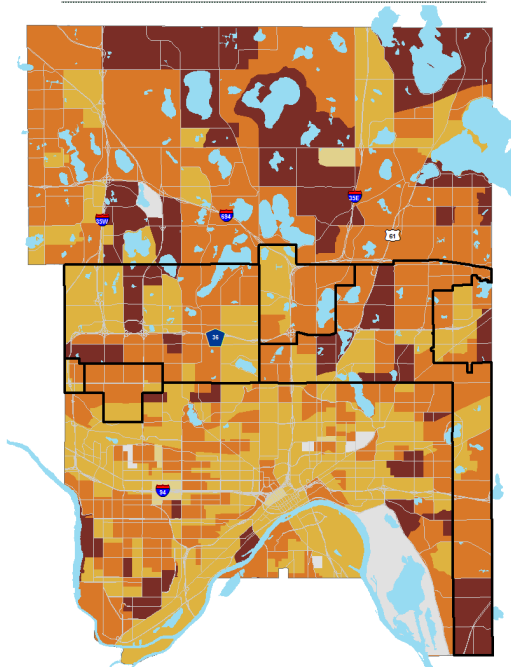
Together, housing and transportation costs should be under 40 or 50% of a household's pretax income. In the five cities we studied, moderate income households have several options for where to live, while working individuals have few. Single parent families have very limited option in the five cities, and in the entirety of Ramsey County.

The cities' policy objective need to apply to lower income groups that are currently unable to access affordable housing.

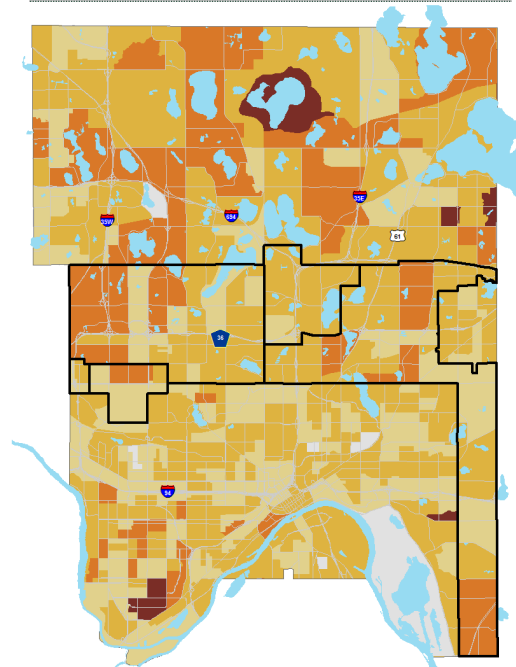
Percent of income spent on housing and transportation



WORKING INDIVIDUAL



MODERATE INCOME FAMILY



Extremely Low Income



Less than 30% of
Area Median
Income



\$25,750 annually or
\$12/hour



Cashier,
Housekeeper, Bank
Teller, Home
Health Aid, Child
Care Worker



Maximum Rent:
\$579



Affordable Home
Price: \$82,500

Income
based on
family of
four

Low Income



30-50% of Area
Median Income



\$65,700 annually or
\$31/hour



Accountant, Police
Officer, Teacher,
Social Worker,
Flight Attendant



Maximum Rent:
\$1,545



Affordable Home
Price: \$238,500

Who lives in
affordable
housing and
what does it
look like?

Very Low Income

50-80% of Area
Median Income



\$42,900 annually or
\$20/hour



Teaching Assistant,
Bus Driver,
Nursing Assistant,
Security Guard,
Landscaper

Maximum Rent:
\$966



Affordable Home
Price: \$148,000



Rent based
on two
bedroom
apartment



DEMOGRAPHIC AND HOUSING DATA FALCON HEIGHTS



KEY DIFFERENCES FROM THE TWIN CITIES METRO

- Twice as many residents identify as Asian
- Half as many residents identify as Hispanic
- More likely to speak a language other than English at home
- Fewer units owner occupied
- Three times as likely to take transit to work
- Slightly higher household median income

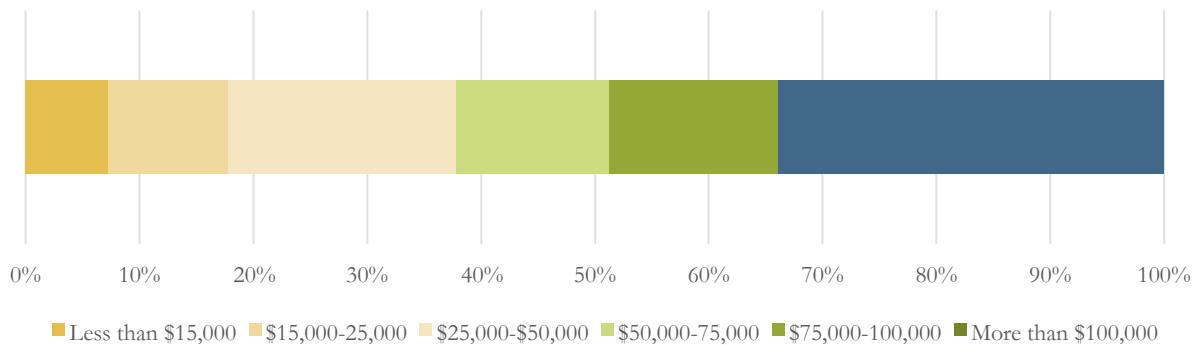
VITAL DEMOGRAPHIC DATA

- Population: 5,484
- Median Household Size: 2.28
- Media Household Income: \$71,765
- Unemployment Rate: 6%
- Poverty Rate: 11%
- Median Resident Age: 33 Years Old

INCOME AND EMPLOYMENT DATA

Falcon Heights residents have moderate to high incomes compared to the rest of the Twin Cities metropolitan area. The median household income well exceeds the median rental costs, and 34% of residents earn over \$100,000.

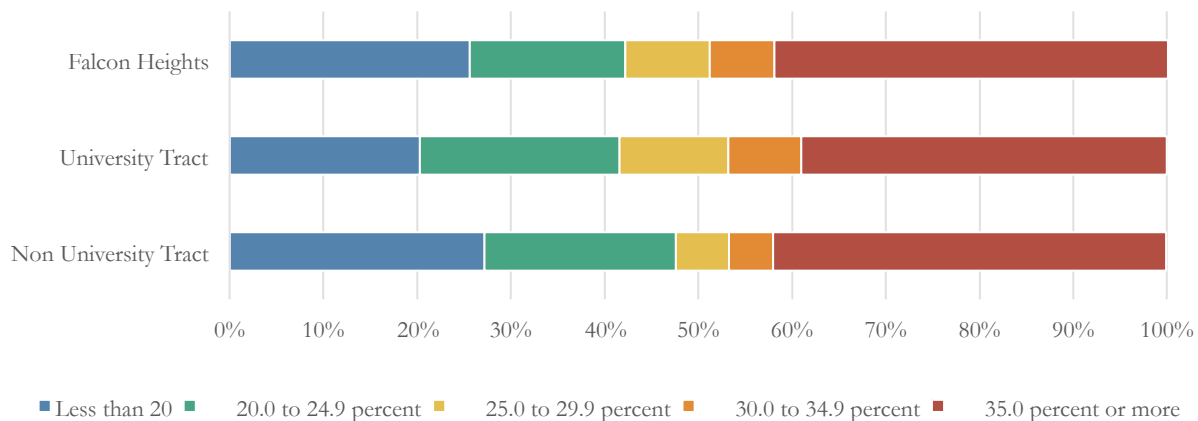
Falcon Heights Household Incomes



HOUSING COST DATA

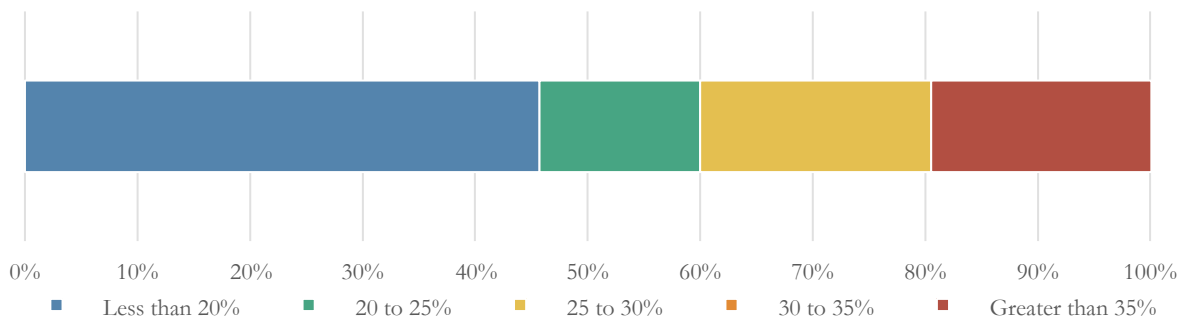
Falcon Heights rental units are moderately priced with a median gross rent of \$871 per month. This is not adjusted for unit mix and may be impacted by the size of units, rather than on affordability. Overall, 47% of renters spend over 30% of their income on housing.

Percent of Income Spent on Rent in Falcon Heights



The median owner cost in Falcon Heights is \$1,911 per month. This is only reflective of the 66% of homeowners in Falcon Heights that have a mortgage. Overall, less than 20% of homeowners spend over 30% of their income on housing.

Percent of Income Spent on Owner Costs in Falcon Heights



LEAGUE OF WOMEN VOTERS POSITION ON AFFORDABLE HOUSING

All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, and affordable housing. Support an active state role in providing long-term decent and affordable housing for very low-, low-, and moderate-income households.

TAKE-HOME MESSAGE

Affordable housing is the cornerstone of an equitable community. Affordable housing prevents displacement of long-time residents and allows them to stay in communities they call home. By taking steps to support new construction of affordable developments, preserve existing affordable housing, expanding homeownership opportunities, and reducing discrimination, Falcon Heights can remain a diverse and equitable community.



DEMOGRAPHIC AND HOUSING DATA LAUDERDALE



KEY DIFFERENCES FROM THE TWIN CITIES METRO

- Three times as many residents identify as Asian
- Twice as likely to speak a language other than English at home
- Less likely to have a high school diploma
- Half as many families with children
- Fewer units owner occupied
- Nearly double the poverty rate
- Much lower household median income
- Nearly three times as likely to take transit to work

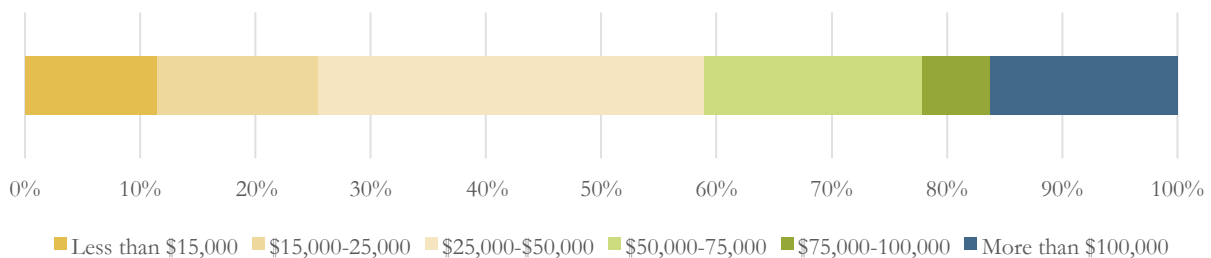
VITAL DEMOGRAPHIC DATA

- Population: 2,468
- Median Household Size: 2.10
- Median Household Income: \$41,792
- Unemployment Rate: 4%
- Poverty Rate: 18%
- Median Resident Age: 32 Years Old

INCOME AND EMPLOYMENT DATA

By all measures, Lauderdale residents have low incomes compared to other cities in the region. The median individual income is nearly \$8,000 less than the region, while the median household income is approximately \$27,000 less than the region. The median household income can support monthly housing costs up to \$1,045, which while above the median rental costs, is \$300 short of the owner costs.

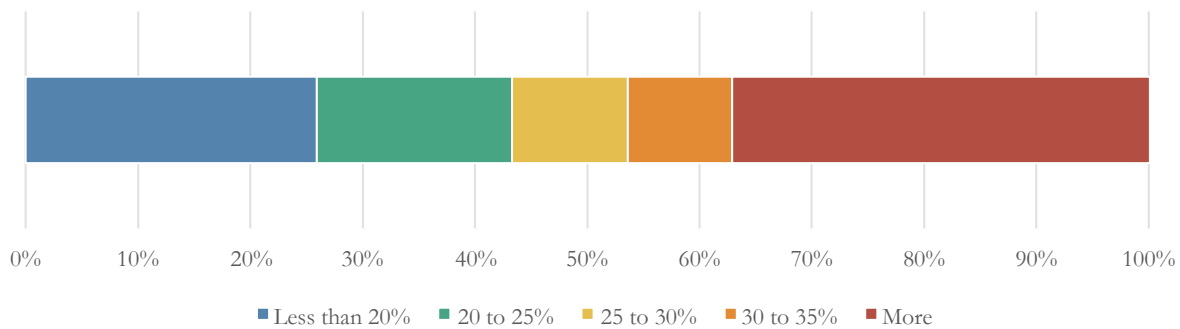
Lauderdale Household Income



HOUSING COST DATA

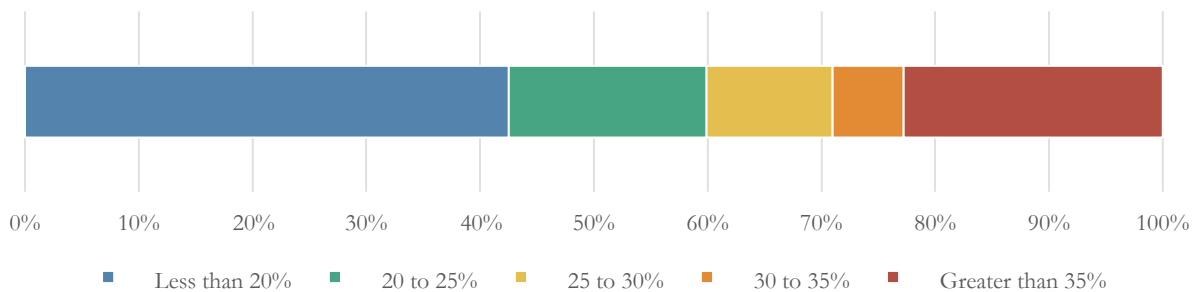
Lauderdale rental units are moderately priced with a median gross rent of \$816 per month. This is less expensive than what is found on average across Minnesota, however, this rent rate is not adjusted for unit mix and may be impacted by the size of units, rather than on affordability. Overall, 49% of Lauderdale renters are cost-burdened.

Percent of Income Spent on Rent in Lauderdale



The median owner cost in Lauderdale is \$1,345, about \$300 less than the median for the Twin Cities region. Overall, less than 30% of Lauderdale homeowners are cost-burdened. This is only reflective of the 65% of homeowners in Lauderdale that have a mortgage.

Percent of Income Spent on Owner Costs in Lauderdale



LEAGUE OF WOMEN VOTERS POSITION ON AFFORDABLE HOUSING

All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, and affordable housing. Support an active state role in providing long-term decent and affordable housing for very low-, low-, and moderate-income households.

TAKE-HOME MESSAGE

Affordable housing is the cornerstone of an equitable community. Affordable housing prevents displacement of long-time residents and allows them to stay in communities they call home. By taking steps to support new construction of affordable developments, preserve existing affordable housing, expanding homeownership opportunities, and reducing discrimination, Lauderdale can remain a diverse and equitable community.



DEMOGRAPHIC AND HOUSING DATA LITTLE CANADA



KEY DIFFERENCES FROM THE TWIN CITIES METRO

- Twice as many residents identify as Asian
- Fewer families with children
- More likely to speak a language other than English at home
- Fewer units owner occupied
- Lower household median income
- Higher owner cost burden (residents who spend 30% or more of their monthly income on housing)

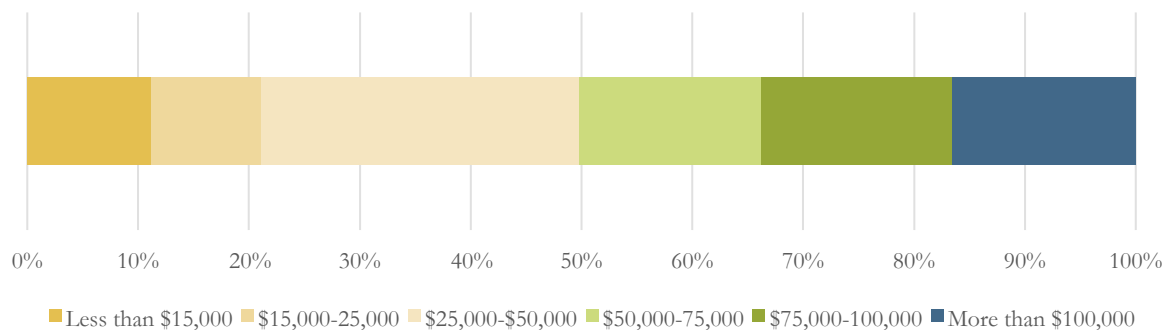
VITAL DEMOGRAPHIC DATA

- Population: 8,439
- Median Household Size: 2.24
- Median Household Income: \$50,156
- Unemployment Rate: 6%
- Poverty Rate: 12%
- Median Resident Age: 40 Years Old

INCOME AND EMPLOYMENT DATA

Individual income is nearly \$4,000 less than the region while household income is over \$18,000 less. Approximately half of households earn less than \$50,000 per year, while about 15 percent of households earn more than \$100,000 per year. The median income can support monthly housing costs up to \$1,254 per month, which is well above the median rental cost, but is about \$200 less than the median owner costs. The poverty rate is somewhat higher than the region at twelve percent.

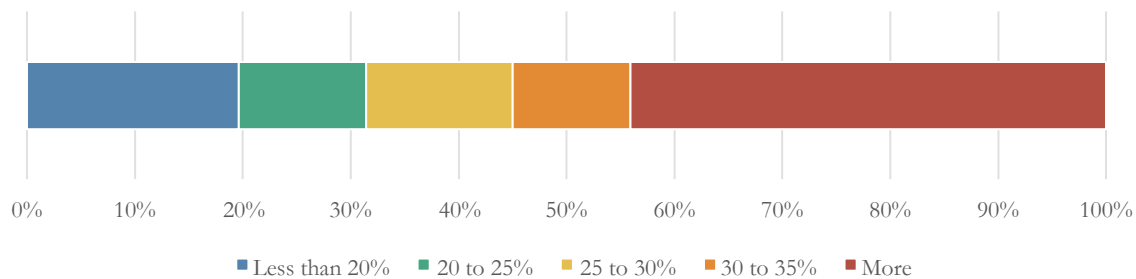
Little Canada Household Income



HOUSING COST DATA

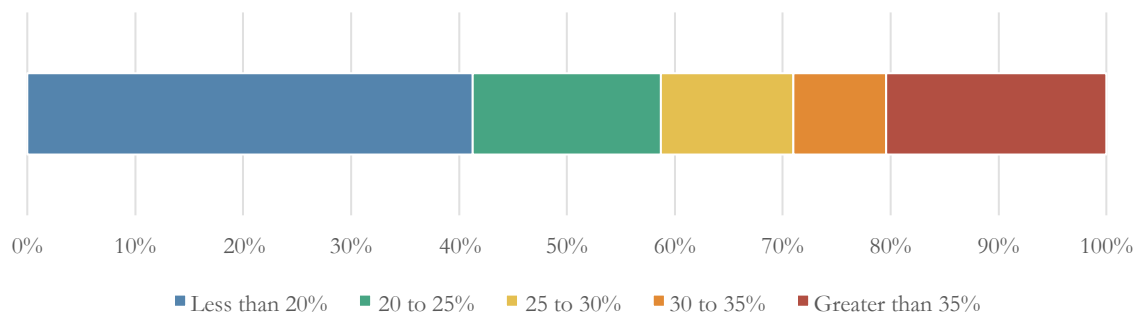
Little Canada rental units are moderately priced with a median gross rent of \$854 per month. This is only slightly higher than median gross rent across Minnesota, which is \$848. These rent rates are not adjusted for unit mix and may be impacted by the size of units, rather than on affordability. Overall, approximately 45% of renters in Little Canada are cost burdened, about five percentage points more than in the region.

Percent of Income Spent on Rent in Little Canada



The median owner cost in Little Canada is \$1,432, about \$200 less than the median for the Twin Cities region. This is only reflective of the 66% of homeowners in Little Canada that have a mortgage. Overall, approximately 30% of homeowners in Little Canada are cost burdened, which is similar to rates found across the region.

Percent of Income Spent on Owner Costs in Little Canada



LEAGUE OF WOMEN VOTERS POSITION ON AFFORDABLE HOUSING

All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, and affordable housing. Support an active state role in providing long-term decent and affordable housing for very low-, low-, and moderate-income households.

TAKE-HOME MESSAGE

Affordable housing is the cornerstone of an equitable community. Affordable housing prevents displacement of long-time residents and allows them to stay in communities they call home. By taking steps to support new construction of affordable developments, preserve existing affordable housing, expanding homeownership opportunities, and reducing discrimination, Little Canada can remain a diverse and equitable community.



DEMOGRAPHIC AND HOUSING DATA MAPLEWOOD



KEY DIFFERENCES FROM THE TWIN CITIES METRO

- Twice as many residents identify as Asian
- More likely to speak a language other than English at home
- Slightly lower median household income
- More residents 65+ living alone
- More unmarried parents with children
- Higher percentage of owner and renter cost burden (residents who spend 30% or more of their monthly income on housing)

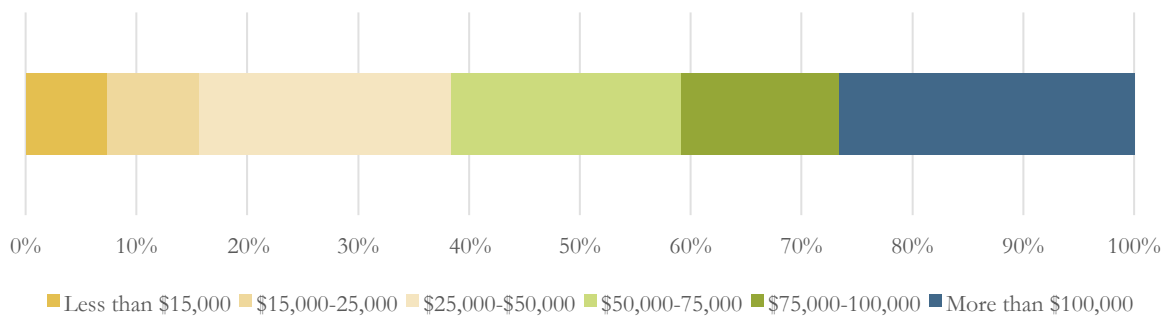
VITAL DEMOGRAPHIC DATA

- Population: 39,775
- Median Household Size: 2.56
- Median Household Income: \$62,527
- Unemployment Rate: 6%
- Poverty Rate: 10%
- Median Resident Age: 39 Years Old

INCOME AND EMPLOYMENT DATA

Maplewood's individual median income is about \$2,500 less than the metro area, while the household median income is about \$6,000 less. Less than 40 percent of Maplewood households earn less than \$50,000 per year, while over a quarter of households earn more than \$100,000 per year. The median household can afford to spend up to \$1,563 per month on housing, which is well above the median rental costs, and about even with the median ownership costs.

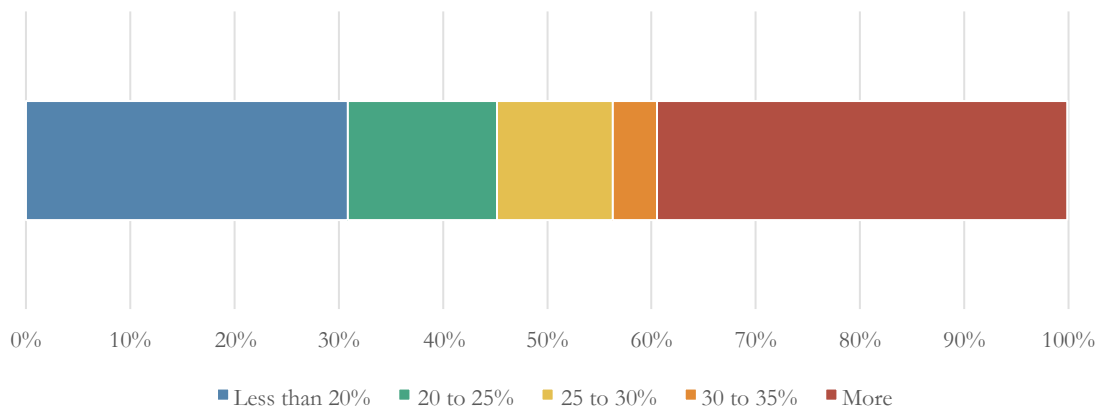
Household Income in Maplewood



HOUSING COST DATA

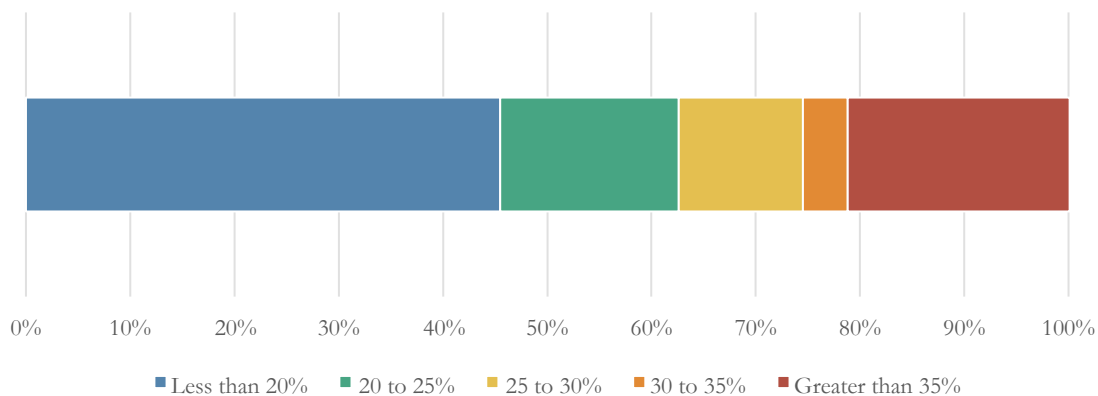
Maplewood rental units are priced significantly higher than in neighboring cities with a median gross rent of \$951 per month. For example, gross median rent in St. Paul is \$838 and \$848 across the state of Minnesota. These rent rates are not adjusted for unit mix and may be impacted by the size of units, rather than on affordability.

Percent of Income Spent on Rent in Maplewood



Overall, 25% of Maplewood homeowners are cost-burdened. Despite the slightly higher monthly owner costs, the proportion of owners with mortgages experiencing cost burden is slightly lower than the metro area.

Percent of Income Spent on Owner Costs in Maplewood



LEAGUE OF WOMEN VOTERS POSITION ON AFFORDABLE HOUSING

All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, and affordable housing. Support an active state role in providing long-term decent and affordable housing for very low-, low-, and moderate-income households.

TAKE-HOME MESSAGE

Affordable housing is the cornerstone of an equitable community. Affordable housing prevents displacement of long-time residents and allows them to stay in communities they call home. By taking steps to support new construction of affordable developments, preserve existing affordable housing, expanding homeownership opportunities, and reducing discrimination, Maplewood can remain a diverse and equitable community.



DEMOGRAPHIC AND HOUSING DATA ROSEVILLE



KEY DIFFERENCES FROM THE TWIN CITIES METRO

- More residents identify as Asian
- Slightly lower median household income
- Fewer families with children
- More unmarried parents with children
- Nearly double as many residents 65% living alone
- Fewer units owner occupied

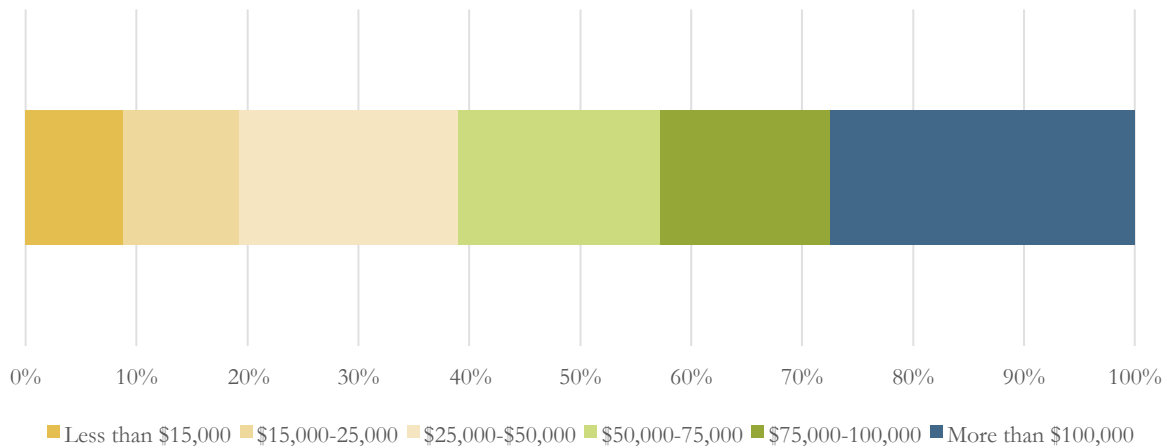
VITAL DEMOGRAPHIC DATA

- Population: 34,948
- Median Household Size: 2.26
- Median Household Income: \$63,678
- Unemployment Rate: 4%
- Poverty Rate: 12%
- Median Resident Age: 41 Years Old

INCOME AND EMPLOYMENT DATA

Household and individual median incomes in Roseville are only slightly less than in the metro area. The median household income can support housing costs up to \$1,592, which is well above the median rent, and slightly more than the median owner costs. Less than 40 percent of households earn less than \$50,000, while 28 percent of households earn more than \$100,000.

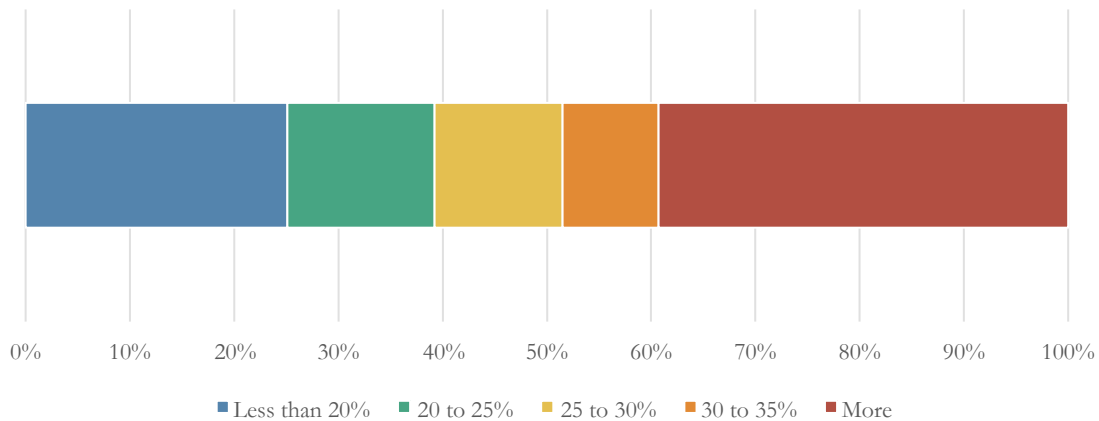
Roseville Household Income



HOUSING COST DATA

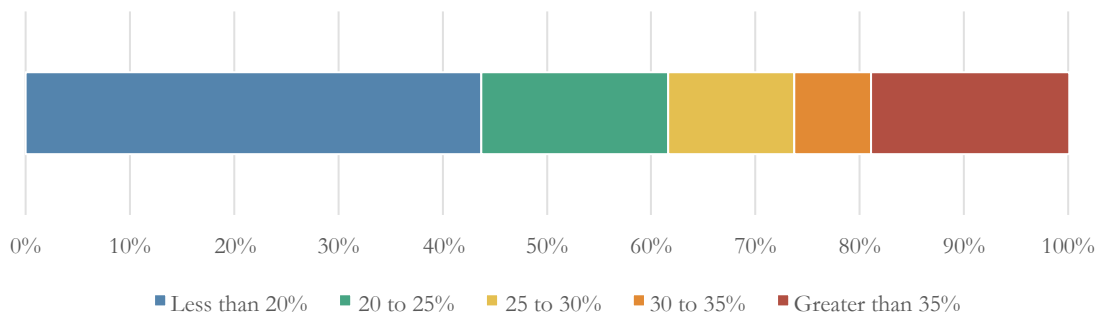
The median rent is below the regional median at \$900 per month. 60% of households are paying less than \$1000 dollars per month in rent and utilities. Despite the lower median rents, almost half of Roseville renters are cost burdened, similar to the region.

Percent of Income Spent on Rent in Roseville



Monthly owner costs for households with mortgages are once again higher than monthly rental costs, with a median monthly owner cost of \$1,568, which while slightly under the regional median, is \$500 more than monthly rental cost. About 25% of Roseville households with mortgages are spending more than 30 percent of their income on housing.

Percent of Income Spent on Owner Costs in Roseville



LEAGUE OF WOMEN VOTERS POSITION ON AFFORDABLE HOUSING

All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, and affordable housing. Support an active state role in providing long-term decent and affordable housing for very low-, low-, and moderate-income households.

TAKE-HOME MESSAGE

Affordable housing is the cornerstone of an equitable community. Affordable housing prevents displacement of long-time residents and allows them to stay in communities they call home. By taking steps to support new construction of affordable developments, preserve existing affordable housing, expanding homeownership opportunities, and reducing discrimination, Little Canada can remain a diverse and equitable community.



COMPREHENSIVE PLAN PRIORITIES FALCON HEIGHTS



KEY GOALS FOR FALCON HEIGHTS

To address existing inequities in access to decent, affordable housing, the City of Falcon Heights should support the construction of new affordable housing in the limited space available for development that suits the demographics most in need of affordable housing. The City should also support existing low cost unsubsidized housing to ensure long term housing is available for current and future residents and actively support low and moderate income homeowners.

These policies are the top five priorities, but the City should also consider reduced parking requirements for affordable housing, adopting an inclusionary housing policy similar to Edina and St. Louis Park, identifying at-risk affordable housing, providing repair assistance to low and moderate income homeowners, and adopting a local fair housing ordinance.

PROVIDE PROJECT SCALE FLEXIBILITY FOR AFFORDABLE HOUSING

In a developed community, increasing density is key to constructing new affordable housing. Flexibility can be provided through density bonuses, reduced setbacks, increased maximum building height and increased floor area ratios.

Key elements of well-designed policies:

- Granted through an administrative approval, rather than through a conditional use permit
- Includes a minimum level of affordability and proportion of units
- Includes minimum length of affordability
- Includes enforcement mechanisms, such as income certification reports and a financial penalty for violation
- Allows for four story buildings to reduce per unit costs

Comprehensive Plan Language: Review density, building massing, and site plan requirements to allow for higher density affordable housing through building scale flexibility.

SUPPORT LARGE FAMILY HOUSING

Ramsey County lacks affordable units with enough room for larger families. Several groups of immigrants in the Twin Cities have traditionally larger family sizes, which makes finding affordable, suitable, housing difficult. Local developers report high demand for units with three and four bedrooms and find the units are occupied by long term tenants. These tenants build community in the development, and having put roots down in the community, are more able to be a part of the wider community. To fill this gap, cities must provide funds to developers to finance construction of housing with three or four bedrooms. Low Income Housing Tax Credits are not sufficient to fund this type of development, so city support through forgivable loans, municipal bonds, or fee waivers is needed.

Comprehensive Plan Language: Support the development of lower cost attached and multifamily housing for large families by working with developers and non-profit agencies and providing financial support.

SUPPORT EXISTING LOW COST RENTAL

In the Twin Cities region, unsubsidized rental comprises at least 57% of all units affordable to households at or below 50% of area median income. To ensure that this important source of affordable housing remains, cities should develop lighter touch approaches that provide modest amounts of financial support in exchange for more flexible affordability requirements. These policies generally include provision of funds through a deferred loan or other mechanism that includes a requirement to rent at agreed upon levels and to rent to households meeting income levels. For more information, see *The Space Between*, a report by the Minnesota Preservation Plus Initiative.

Comprehensive Plan Language: Develop lighter touch approaches to ensure preservation of affordable housing without traditional subsidy programs.

EXPAND HOMEOWNERSHIP THROUGH DOWN PAYMENT ASSISTANCE

Of the five cities studied, Falcon Heights was the only city with a median income unable to support median owner costs. Nearly 70 percent of White headed households live in owner occupied housing, while less than ten percent of Asian and Black headed households live in owner occupied housing. To expand homeownership to more residents, Falcon Heights should pursue providing targeted down payment assistance. Typically structured as a deferred loan that may or may not be forgiven. To address the different needs of lower income households, this down payment assistance should be limited to lower income buyers. In Woodbury, assistance is provided to households earning less than \$95,000 purchasing homes up to \$290,500. To further explore options for eligibility and structuring, consult with the Center for Energy and the Environment or the Greater Metropolitan Housing Corporation, local organizations that administer municipal grant and loan programs.

Comprehensive Plan Language: Explore how to support homeownership for low and moderate income households through down payment assistance programs.

ENSURE AFFORDABLE OWNERSHIP OPTIONS THROUGH LAND TRUSTS

Land trusts are a valuable tool to ensure ownership units are affordable in perpetuity. The prime location of Falcon Heights near both downtowns and the University of Minnesota combined with the historically high property values makes a land trust a particularly effective intervention. Land trusts are non-profit organizations that retain the title to the land beneath homes sold to low and moderate income owners. The amount of appreciation realized by the owner is often limited and the home must be sold back to the land trust. This keeps the home affordable for the next household, which also must meet income requirements.

There are no land trusts currently active in Falcon Heights, but Rondo Community Land Trust and Two Rivers Community Land Trust operate near Falcon Heights. In addition to building relationships with existing land trusts, the City may want to pursue creation of a land trust in suburban Ramsey County, like the West Hennepin Affordable Housing Land Trust, which receives support from the cities it operates in. The City may alternatively develop programs like land trusts through its HRA.

Comprehensive Plan Language: Build relationships with existing land trust organizations and, if the opportunity arises, support the purchase of homes by a land trust.



COMPREHENSIVE PLAN PRIORITIES LAUDERDALE



KEY GOALS FOR LAUDERDALE

To address existing inequities in access to decent, affordable housing, the City of Lauderdale should focus primarily on preservation efforts, and should prioritize the identification and monitoring of at-risk affordable housing. Lauderdale should also support new construction of affordable housing in the limited space available for redevelopment and reduce discrimination of Section 8 users.

These policies are the top five priorities, but the City should also support the construction of multi-family housing appropriate for larger families, support home ownership through building relationships with land trusts and providing repair assistance, and reduce discrimination through a local fair housing ordinance.

PROVIDE PROJECT SCALE FLEXIBILITY FOR AFFORDABLE HOUSING

In a developed community, increasing density is key to constructing new affordable housing. Flexibility can be provided through density bonuses, reduced setbacks, increased maximum building height and increased floor area ratios.

Key elements of well-designed policies:

- Granted through an administrative approval, rather than through a conditional use permit
- Includes a minimum level of affordability and proportion of units
- Includes minimum length of affordability
- Includes enforcement mechanisms, such as income certification reports and a financial penalty for violation
- Allows for four story buildings to reduce per unit costs

Comprehensive Plan Language: Review density, building massing, and site plan requirements to allow for higher density affordable housing through building scale flexibility.

IDENTIFY AT-RISK PROPERTIES

Lauderdale currently has an affordable rental stock, but the proximity to the central cities, may put this housing at risk of losing its affordability following a renovation and increased rents. Some housing may also be at risk of demolition if it becomes distressed. The first step to preserving this important source of affordable housing is identifying existing affordable housing, so that preservation efforts can be taken if needed.

To identify unsubsidized housing, staff should conduct a rent survey and compare the results to the HUD determined rents for levels of affordability. Unsubsidized housing may be at-risk if the owner is reaching retirement age, the building is severely distressed, or if nearby properties are seeing increased property values.

At-risk subsidized housing is easier to identify through records from HUD and MHFA and discussions with the owner. The City must begin conversations about preservation well before the end of the affordability period.

Comprehensive Plan Language: Identify at-risk subsidized and unsubsidized affordable housing and develop plans to preserve affordability.

SUPPORT EXISTING LOW COST RENTAL

In the Twin Cities region, unsubsidized rental comprises at least 57% of all units affordable to households at or below 50% of area median income. To ensure that this important source of affordable housing remains, cities should develop lighter touch approaches that provide modest amounts of financial support in exchange for more flexible affordability requirements. These policies generally include provision of funds through a deferred loan or other mechanism that includes a requirement to rent at agreed upon levels and to rent to households meeting income levels. For more information, see *The Space Between*, a report by the Minnesota Preservation Plus Initiative.

Comprehensive Plan Language: Develop lighter touch approaches to ensure preservation of affordable housing without traditional subsidy programs.

SUPPORT LIHTC CONVERSION

Lauderdale is located in a Qualified Census Tract, which allows a larger proportion of development costs to be covered through the allocation of Low Income Housing Tax Credits (LIHTC). The greater feasibility of financing development makes Lauderdale a perfect location for conversion of at-risk affordable housing to long term subsidized housing through LIHTC. Housing with HUD subsidies from defunded programs are commonly converted to LIHTC and score well in the MHFA consolidated RFP. The city should also consider working with experienced developers to convert unsubsidized housing to LIHTC. The former Har Mar apartments in Roseville are a good example. In that case, the apartments were in disrepair and considered a nuisance by nearby residents. The City was concerned that the owner would sell the property and residents would be displaced by a condo conversion of renovation into more expensive rental units. The City recommended to property to Aeon, a local developer, as a potential rehab project. The current state of the property limited resident opposition to subsidized housing, and eventually the property was renovated and long term affordability was ensured.

Comprehensive Plan Language: Support efforts to preserve affordable housing through Low Income Housing Tax Credits.

REDUCE SECTION 8 DISCRIMINATION

The wealth of low cost rental housing and low transportation costs in Lauderdale, makes it a good location to use Section 8 or Housing Choice Vouchers (HCV). Current HUD data is not available in the proportion of rental units using HCV, but recent data from the Metropolitan Council shows less than ten households are using vouchers, amounting to about one percent of rental units. This below average use of HCV likely has many causes, including landlord discrimination against tenants using HCV. A 2009 survey of rental housing in Anoka, Hennepin, and Dakota counties found that 40 percent of rental units are not available to voucher users due to landlord discrimination. Furthermore, voucher holders are more likely to be non-white than households without vouchers at the same income levels, making Section 8 discrimination a fair housing issue.

To reduce this discrimination, the City should explore options for educating landlords, and providing referrals to non-profit organizations that provide technical assistance to landlords. The city should also watch the implementation of an ordinance banning discrimination in rental housing due to form of payment in Minneapolis, and consider whether a similar ordinance is appropriate in Lauderdale.

Comprehensive Plan Language: Reduce Section 8 discrimination through landlord education and consider adoption of anti-discrimination ordinance, similar to the ordinance passed in Minneapolis.



COMPREHENSIVE PLAN PRIORITIES LITTLE CANADA



KEY GOALS FOR LITTLE CANADA

To address existing inequities in access to decent, affordable housing, the City of Little Canada should primarily focus on production of new housing affordable to low and moderate income households by allowing greater density, reducing points of approval for affordable housing, and calling out specific sites in the comprehensive plan. The city should support affordable homeownership through preservation of existing manufactured home parks, and reduce disparate impacts on women, people of color, and the disabled by revising the crime free housing ordinance.

These policies are the top five priorities, but the City should also consider reducing parking requirements for affordable, multifamily housing, identify affordable housing with expiring affordability terms, build relationships with existing land trusts, offer emergency home repair assistance, adopt a local fair housing policy, and educate landlords to reduce Section 8 discrimination.

INCREASING RESIDENTIAL DENSITIES

Little Canada's previous comprehensive plan called for relatively low density housing in many areas that higher density housing may be appropriate. By allowing higher densities overall, subsidized housing needs fewer land use approvals, reducing the cost of new development. Higher densities also encourage the development of market rate units that cost less to produce, and can therefore be sold at lower costs. Higher density allows fixed costs, such as infrastructure and land to be spread over more units.

As the City develops its future land use map and amends its zoning code, staff should use examples of what densities look like. Townhouses can fit well in the fabric of primarily single family neighborhoods, and be developed at 15-20 units per acre with shared greenspaces. Single family homes in older neighborhoods, such as Grand Avenue in Saint Paul, Linden Hills in Minneapolis, and Old White Bear Lake have lots 60 feet by 120 feet, or smaller and have a variety of home sizes and values.

Comprehensive Plan Language: Adopt new zoning to allow higher density attached and multi-family housing in areas guided for new residential development.

SITE IDENTIFICATION

The comprehensive plan is an excellent opportunity to lay the ground work for future affordable housing development. By determining where affordable housing would be most appropriate, and calling out locations in the plan, staff can spread out the public opposition to affordable housing. This determination should include the use of examples of new construction in the Twin Cities area at a variety of densities. Creekside Commons in Minneapolis is a three story, thirty-unit apartment building that was designed to look like townhouses from the public right of way. Local non-profit developers including Beacon Interfaith, Aeon, Project for Pride in Living, and Common Bond have numerous examples of subsidized housing in suburban contexts that can be used in conversations about affordable housing. By doing this work now, the city is under some obligation to approve proposed affordable housing, reducing costly delays for developers.

Comprehensive Plan Language: Make map of potential affordable housing locations available to developers.

REDUCED POINTS OF APPROVAL

Costly delays for affordable housing developers can be avoided by making more aspects of affordable housing development subject to administrative, rather than Council approval. For many years, PUDs have been viewed as the perfect solution to affordable housing, but since they need Council approval, there are many opportunities for political opposition, which may delay or block a project. A thorough rezoning process follow the comprehensive plan can allow for greater density and flexibility for affordable housing, subject to an administrative permit, or can simply increase densities to a point where affordable housing is feasible following the code.

Reducing points of approval, and the legally required public hearings, can reduce costs, but that does not mean that community engagement should be avoided altogether. Political opposition can often be quelled with the public is involved from the beginning, rather than finding out about the project at the last minute.

Comprehensive Plan Language: Review land use processes to reduce unnecessary City Council review where administrative review is more appropriate.

SUPPORT MANUFACTURED HOUSING

Manufactured housing provides affordable housing to seven percent of Little Canada's population. The City should support manufactured housing residents, which can not only improve quality of life for park residents, but also improve outward appearances. There are three main ways for the city to support manufactured housing:

- Supporting tenant purchase of parks through financial support, use of municipal bonds, or public takeover of infrastructure can assist in the development of resident owned cooperatives, which often have better maintenance and less crime. Park Plaza Cooperative in Fridley is an example of tenant purchase that has resulted in a more stable and higher quality residence for owners.
- Developing a grant and loan program for improvements to manufactured homes, like the programs in Blaine and Fridley, allows residents to make improvements that would otherwise be difficult, since manufactured homes are not considered real property and therefore are not eligible for other types of financing.
- Local relocation assistance ordinances obligate purchasers of parks to compensate residents at greater levels than the state provides, which reduces the stress on displaced residents. Roseville's ordinance should be used as an example.

Comprehensive Plan Language: Preserve manufactured home parks as affordable housing through adoption of a relocation assistance ordinance, support for tenants purchasing at-risk parks, and supporting maintenance of manufactured homes.

MODIFY CRIME FREE HOUSING ORDINANCE

Crime free housing ordinances can have disparate impacts on women, people of color, and the disabled. Ordinances to require or encourage eviction of tenants that has been arrested for or accused of crimes, but have not been convicted are likely to harm people of color who are more often arrested for crimes, but may never be charged, let alone convicted. Additionally, ordinances that have a maximum number of police calls harm victims of domestic violence, crime victims in general and people with mental illness and other disabilities.

To reduce these impacts, police calls should be reviewed to determine whether they were a result of actual criminal behavior on the part of the resident, or if they are due to the resident being the victim of a crime, another type of emergency, or racial profiling of neighbors. Obligations to evict tenants accused of crimes should be removed.

Comprehensive Plan Language: Review Crime Free Housing Policies to reduce disparate impacts on protected classes.



COMPREHENSIVE PLAN PRIORITIES MAPLEWOOD



KEY GOALS FOR MAPLEWOOD

To address existing inequities in access to decent, affordable housing, the City of Maplewood should focus on construction of new affordable housing in areas of opportunity that fit need needs of Maplewood residents. The City should also prioritize the preservation of existing low cost housing, including unsubsidized rental and manufactured housing.

These policies are the top five priorities, but the City should also consider density bonus, design standards waivers, and reduced parking requirements for new construction, identifying and collaborating to preserve at risk affordable housing, assistance for the purchase and maintenance of owner-occupied housing, and reducing discrimination through a local fair housing policy and efforts to educate landlords about Section 8. Maplewood is also one of the cities Minnesota Housing has identified as a top priority for transitional housing from the 811 program.

INCLUSIONARY HOUSING

Inclusionary housing is a tool that requires, or heavily incentivizes the inclusion of affordable units in all new residential development. This results in mixed income housing without drawing from the limited subsidy pool available from MHFA. Inclusionary housing is most affective when employed in areas with high demand for real estate, because developers will be willing to forgo a moderate amount of income from the affordable units, since the market rate units with produce more income. Edina and Saint Louis Park have recently enacted inclusionary housing policies, which can be used as examples.

Maplewood has a great opportunity to use inclusionary housing in the station area planning for the Gold Line and Rush Line fixed guideway bus rapid transit projects. The more certain transit projects become, the more private developers begin assembling land, so inclusionary housing policies should be in affect well before final approvals for transit are secured.

Comprehensive Plan Language: Consider adopting an inclusionary housing policy as part of transit oriented development planning.

SITE IDENTIFICATION

The comprehensive plan is an excellent opportunity to lay the ground work for future affordable housing development. By determining where affordable housing would be most appropriate, and calling out locations in the plan, staff can spread out the public opposition to affordable housing. This determination should include the use of examples of new construction in the Twin Cities area at a variety of densities. Creekside Commons in Minneapolis is a three story, thirty-unit apartment building that was designed to look like townhouses from the public right of way. Local non-profit developers including Beacon Interfaith, Aeon, Project for Pride in Living, and Common Bond have numerous examples of subsidized housing in suburban contexts that can be used in conversations about affordable housing. By doing this work now, the city is under some obligation to approve proposed affordable housing, reducing costly delays for developers.

Comprehensive Plan Language: Make map of potential affordable housing locations available to developers.

SUPPORT LARGE FAMILY HOUSING

Ramsey County lacks affordable units with enough room for larger families. Several groups of immigrants in the Twin Cities have traditionally larger family sizes, which makes finding affordable, suitable, housing difficult. Local developers report high demand for units with three and four bedrooms and find the units are occupied by long term tenants. These tenants build community in the development, and having put roots down in the community, are more able to be a part of the wider community. To fill this gap, cities must provide funds to developers to finance construction of housing with three or four bedrooms. Low Income Housing Tax Credits are not sufficient to fund this type of development, so city support through forgivable loans, municipal bonds, or fee waivers is needed.

Comprehensive Plan Language: Support the development of lower cost attached and multifamily housing for large families by working with developers and non-profit agencies and providing financial support.

SUPPORT MANUFACTURED HOUSING

Manufactured housing provides affordable housing to seven percent of Little Canada's population. The City should support manufactured housing residents, which can not only improve quality of life for park residents, but also improve outward appearances. There are three main ways for the city to support manufactured housing:

- Supporting tenant purchase of parks through financial support, use of municipal bonds, or public takeover of infrastructure can assist in the development of resident owned cooperatives, which often have better maintenance and less crime. Park Plaza Cooperative in Fridley is an example of tenant purchase that has resulted in a more stable and higher quality residence for owners.
- Developing a grant and loan program for improvements to manufactured homes, like the programs in Blaine and Fridley, allows residents to make improvements that would otherwise be difficult, since manufactured homes are not considered real property and therefore are not eligible for other types of financing.
- Local relocation assistance ordinances obligate purchasers of parks to compensate residents at greater levels than the state provides, which reduces the stress on displaced residents. Roseville's ordinance should be used as an example.

Comprehensive Plan Language: Preserve manufactured home parks as affordable housing through adoption of a relocation assistance ordinance, support for tenants purchasing at-risk parks, and supporting maintenance of manufactured homes.

SUPPORT EXISTING LOW COST RENTAL

In the Twin Cities region, unsubsidized rental comprises at least 57% of all units affordable to households at or below 50% of area median income. To ensure that this important source of affordable housing remains, cities should develop lighter touch approaches that provide modest amounts of financial support in exchange for more flexible affordability requirements. These policies generally include provision of funds through a deferred loan or other mechanism that includes a requirement to rent at agreed upon levels and to rent to households meeting income levels. For more information, see *The Space Between*, a report by the Minnesota Preservation Plus Initiative.

Comprehensive Plan Language: Develop lighter touch approaches to ensure preservation of affordable housing without traditional subsidy programs.



COMPREHENSIVE PLAN PRIORITIES ROSEVILLE



KEY GOALS FOR ROSEVILLE

To address existing inequities in access to decent, affordable housing, the City of Roseville should focus on construction of new affordable housing in areas of opportunity that fit need needs of Roseville residents. The City should also support existing low cost housing through grant and loan programs that obligate some level of affordability and reduce discrimination through changes to the crime free rental ordinance.

These policies are the top five priorities, but the City should also consider design standard waivers, site acquisition, and reducing points of approval for affordable housing to support new construction. Existing housing should be preserved by identifying at-risk affordable housing and working with other entities to replace subsidy funds and homeownership opportunities should be expanded through home purchase and repair assistance. A local fair housing ordinance and landlord education about Section 8 can reduce discrimination.

PROVIDE PROJECT SCALE FLEXIBILITY FOR AFFORDABLE HOUSING

In a developed community, increasing density is key to constructing new affordable housing. Flexibility can be provided through density bonuses, reduced setbacks, increased maximum building height and increased floor area ratios.

Key elements of well-designed policies:

- Granted through an administrative approval, rather than through a conditional use permit
- Includes a minimum level of affordability and proportion of units
- Includes minimum length of affordability
- Includes enforcement mechanisms, such as income certification reports and a financial penalty for violation
- Allows for four story buildings to reduce per unit costs

Comprehensive Plan Language: Review density, building massing, and site plan requirements to allow for higher density affordable housing through building scale flexibility.

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In the Twin Cities region, unsubsidized rental comprises at least 57% of all units affordable to households at or below 50% of area median income. To ensure that this important source of affordable housing remains, cities should develop lighter touch approaches that provide modest amounts of financial support in exchange for more flexible affordability requirements. These policies generally include provision of funds through a deferred loan or other mechanism that includes a requirement to rent at agreed upon levels and to rent to households meeting income levels. For more information, see *The Space Between*, a report by the Minnesota Preservation Plus Initiative.

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Roseville in particular can support this type of housing by allowing staff to waive parking requirements without a civil engineering study. The current code requires one parking spot per bedroom, plus additional spaces for guests. A development with large numbers of three and four bedrooms would require a large number of parking spaces, coming with a hefty cost.

Comprehensive Plan Language: Support the development of lower cost attached and multifamily housing for large families by working with developers and non-profit agencies and providing financial support.

MODIFY CRIME FREE HOUSING ORDINANCE

Crime free housing ordinances can have disparate impacts on women, people of color, and the disabled. Ordinances to require or encourage eviction of tenants that has been arrested for or accused of crimes, but have not been convicted are likely to harm people of color who are more often arrested for crimes, but may never be charged, let alone convicted. Additionally, ordinances that have a maximum number of police calls harm victims of domestic violence, crime victims in general and people with mental illness and other disabilities.

To reduce these impacts, police calls should be reviewed to determine whether they were a result of actual criminal behavior on the part of the resident, or if they are due to the resident being the victim of a crime, another type of emergency, or racial profiling of neighbors. Obligations to evict tenants accused of crimes should be removed.

Comprehensive Plan Language: Review Crime Free Housing Policies to reduce disparate impacts on protected classes.

SITE IDENTIFICATION

The comprehensive plan is an excellent opportunity to lay the ground work for future affordable housing development. By determining where affordable housing would be most appropriate, and calling out locations in the plan, staff can spread out the public opposition to affordable housing. This determination should include the use of examples of new construction in the Twin Cities area at a variety of densities. Creekside Commons in Minneapolis is a three story, thirty-unit apartment building that was designed to look like townhouses from the public right of way. Local non-profit developers including Beacon Interfaith, Aeon, Project for Pride in Living, and Common Bond have numerous examples of subsidized housing in suburban contexts that can be used in conversations about affordable housing. By doing this work now, the city is under some obligation to approve proposed affordable housing, reducing costly delays for developers.

Comprehensive Plan Language: Make map of potential affordable housing locations available to developers.