

**Meeting Minutes – Housing Working Group**

Date: November 8, 2017

Time: 9-11 a.m.

Location: City of Prior Lake

**Work Group Members:**

Mathew Adeniran		James Eriksrud	x	Anne Mavity	
Deb Barber	X	Eric Gentry	X	Casey McCabe	
Dave Beer	X	Laura Helmer	X	Mary Miller	X
Dave Brown	X	Joe Julius		Patti Sotis	
Ron Clark		Margaret Kaplan		Mike Waldo	x
Bob Coughlen	x	Ted Kowalski			
Mohamed Duale		Michael Leek			

**Staff Members:**

Danielle Fox		Julie Siegert	x
Daniel Lauer-Schumacher		Kathy Nielsen	x

**Steering Committee:**

Bob Crawford	X	Michelle Choudek	x
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**Others Present:**

Kristin Gilbert, Beacon	X		
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**Agenda Item: Steering Committee and Community Engagement**

Marnita’s Table was introduced and explained to the workgroup. Dates are being set in early 2018 for the 3 engagement sessions that will be held. Each work group will identify their top 3-4 goals for the session. See “A Path to Community Engagement” that was handed out.

Kathy Nielsen shared that Eric Weiss with the City of Shakopee has been invited to be on Minnesota Public Radio (MPR) to discuss the Future of Suburbs and he contacted her for ways to work in 50x30.

Dave Brown passed around a number of recent news article clippings on housing for the group to consider.

**Agenda item: Success – 111 units coming to Scott County**

MWF Properties was awarded tax credits for its development in Shakopee and Savage that will bring 111 units of affordable homes to Scott County. The press release from Minnesota Housing and information on the developments was shared with the group, see attached.

**Agenda Item: Legislative Update**

Michael Leek was not able to attend the meeting but the attached handout was shared with the group. The memo was submitted to SCALE in October.

**Agenda Item: Rental Housing Discussion**

Continued our rental housing discussion and summarized the discussion into the three areas of influence: market, municipality and citizens.

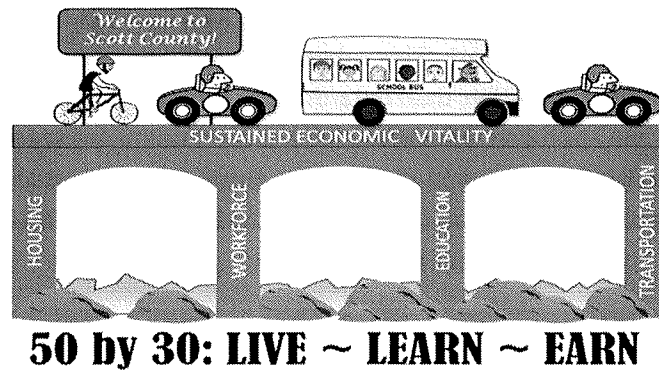
Market – businesses, financing including low-income tax credits, public/private partnerships and the pending federal tax code changes

Municipality – city tools, city fees, zoning

Citizens – language, civic partnership, educating (fear of unknown and dispelling myths)

The 3 areas of influence will feed into the work plan items for 2018

**Next Meeting: Wednesday, December 13, 2017 – Prior Lake City Hall**



## 50 by 30 Live, Learn, Earn

### A Path to Community Engagement

Collective Impact is a *people-focused* process. As such, a central component in any collective impact effort is participation from a diverse range of stakeholders, including the individuals whose lives are intended to be impacted by the project.

In 2016, the 50 by 30 Live, Learn, Earn Initiative was successful in creating Work Groups which brought together a wide range of stakeholders from government, business, education and non-profits. Each stakeholder had specific interests or expertise in one of the Initiative's four focus areas, Housing Workforce Readiness, Educational Preparedness and Transportation. However, the Initiative has had very little representation from individuals whose lives were intended to be impacted by the project. (In fairness, when 50 by 30 began its work, it was unclear which group or groups of individuals would be impacted by the initiative.)

As the Work Groups developed their data, a picture began to emerge showing certain groups as having higher unemployment, lower home ownership, a greater percent of their income being spent on housing, lower third grade reading scores, and lower car ownership. This data pointed to the need to positively impact the outcomes for lower income families, persons of color, and with respect to employment, 16 to 24 year olds.

As noted by Commissioner Jon Ulrich in early 2017, the data "is telling us the what, but not the why." Since these demographic groups do not, with few exceptions, currently sit on 50 by 30 Work Groups, it was determined that a community engagement effort was needed to gain insight and perspective from, and partnership with individuals who will be impacted by the Initiative.

This spring each Work Group discussed the demographic group they thought the Initiative should focus on. In June, the 50 by 30 Steering Committee gave direction to move forward with a community engagement effort focused on "families receiving food support." Due to privacy restrictions in targeting this demographic, the engagement focus was broadened to families in economic distress.

A subgroup of Kathy Nielsen, Brad Davis and Jake Grussing began looking at outside service providers to help with the community engagement effort. This subgroup agreed on a community engagement **approach** which was people-focused rather than data-driven. This approach was presented to the Project Team in June. Once the approach was determined, a community engagement action **plan** was developed and presented to Work Groups and the Steering Committee in August and to the SCALE Executive Committee in September. This plan (attached) set forth the actions 50 by 30 would take to implement the community engagement process.

A key step in the process was to “Develop an RFP to hire a consultant to help design/refine and train staff to execute the community engagement strategy.” After reviewing several earlier RFP’s and speaking with two service providers, a decision was made in September to hire Marnita’s Table, Inc. as the organization to lead our community engagement effort.

Marnita’s Table has an established track record of leading transformational community engagement across class, culture, race and other forms of self-identity. You can learn more about Marnita’s Table and her “IZI” approach at [www.marnitastable.org](http://www.marnitastable.org).

50 by 30 plans to hold three community engagement events. The first IZI will be held in late January, with a second event in February, and the last one in March. There will be one IZI each for Housing, Workforce and Ed Prep, with Transportation being woven into each IZI. Marnita’s Table will also hold a training event on October 12<sup>th</sup> to educate 50 by 30 members on the intentional social interaction process their organization will be using to conduct the community engagement events.

During the fall (Oct – Dec) Marnita’s Table will work with a community engagement sub-committee to develop each meeting’s focus, design the right questions for discussion, and clarify goals for each “IZI” (community engagement event). One goal of this process will likely be to identify and recruit community members to become partners in the 50 by 30 Initiative by serving on one of the Work Groups.

The results of the three IZI’s will be presented to 50 by 30 in the spring of 2018. This feedback from the community engagement effort will be used to inform the work of each work group throughout the remainder of 2018.



FOR IMMEDIATE RELEASE

October 19, 2017

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**Minnesota Housing Announces Affordable Housing Investments of \$126 Million**  
*State and Federal resources will leverage \$346 million in private and local funding to create and preserve 1,823 affordable housing opportunities across Minnesota*

*Governor Dayton worked with the Legislature to secure more than \$42 million in Housing Infrastructure Bonds and \$25 million in State Appropriations for projects*

ST. PAUL, MN – Minnesota Housing Commissioner Mary Tingerthal, Congresswoman Betty McCollum and other community leaders gathered today at an emergency shelter for Native American families to announce funding to create and preserve over 1,800 affordable housing opportunities throughout the state. The investments in 60 developments support more than 3,400 jobs and will leverage additional private and local resources that will result in nearly \$350 million in total development costs.

“This funding will stimulate jobs and economic development across our state, while providing housing for Minnesotans in need,” said Governor Mark Dayton. “I thank Minnesota Housing for their work in securing these new investments, and putting these funds to good use in our communities. I look forward to working with the Legislature to make additional investments next session.”

The announcement today also signaled hope for one young person, Norma Jean, who joined housing leaders to talk about the new Ain Dah Yung Center and the promise it brings for her. Ain Dah Yung is a joint project with Project for Pride in Living designed to meet the specific cultural needs of Native youth ages 18-24 who have left the foster care system. The new development to be constructed on University Avenue will provide 42 young people like Norma Jean a safe and stable place to call home.

“The Ain Dah Yung Center was a stepping stone for me to becoming more empowered as a young Native person. The emergency shelter staff embraced me when I needed them and taught me a lot of things, but none of it would have mattered if I didn’t have a safe place to live. I am so excited about the new permanent supportive housing project...if this would have been available when I was exiting out of transitional housing, I might have been able to continue my education. This project is going to will give so many young people a chance to have even more opportunities to be successful and stop homelessness,” said Norma Jean, a former Ain Dah Yung Center participant.

“As we hear more every day about the rising rents, the loss of low-cost rental units and the shortage of lower cost single family homes, we know that more people are having trouble finding a place they can afford to live,” said Mary Tingerthal, Commissioner of Minnesota Housing. “These investments will make an important difference in communities across the state.”

“The Ain Dah Yung Center is a great example of public and private investors working together to ensure stable, affordable housing in our communities,” said Congresswoman Betty McCollum. “As Congress finalizes fiscal year 2018 funding levels and deliberates potential tax reform, we must protect the federal housing tax credit that helps us build more affordable housing for Minnesota families.”

Each of the 60 projects announced today was selected through one common application process with Minnesota Housing and its funding partners the Greater Minnesota Housing Fund, the Minnesota Department of Employment and Economic Development, and the Metropolitan Council.

“As Minnesota prospers, every region of the state has a growing demand for more workforce housing that is affordable, and at the same time there is a persistent need for more supportive housing for homeless families,” said Warren Hanson, President & CEO of Greater Minnesota Housing Fund. “To address these urgent needs, we are proud to partner with Minnesota Housing to fund these developments, each of which will provide stable homes and a foundation for better health and educational outcomes.”

These awards include more than \$25 million in state appropriations and \$42 million in funding from Housing Infrastructure Bonds that were part of the 2017 state capital investment bill, and \$4.5 million from funding partners. Highlights of the funding awards and the people and places impacted through these resources include:

- **Ending homelessness and serving people with disabilities:** Twenty-one projects include more than 400 units for people who have experienced homelessness – from Ain Dah Yung to Garfield Square, a new 50-unit rental development in Duluth and the Dorothy Day Residence in St. Paul with 177 units of permanent supportive housing on the former site of the Dorothy Day Center. These developments also represent an increase in housing choices for people with disabilities, more than doubling the number of apartments serving this important need since last year.
- **Housing for workers:** With estimated growth of more than 27,000 new households in Scott County by the year 2040 and current demand for affordable housing opportunities to meet the need of employees at business like Amazon and Shutterfly, these investments add 111 new places to call home in Savage and Shakopee. This will help Scott County move closer to their vision to create housing options that give people in all life stages and of all economic means viable choices for safe, stable and affordable homes. Similar projects in greater Minnesota, including 224 units in North Branch, Willmar, and Detroit Lakes will create housing that supports businesses large and small.
- **Investing in what works:** In addition to finding new solutions to housing challenges, Minnesota Housing invests in trusted partners who achieve results. Funding awarded today will help construct 54 new Habitat for Humanity homes across the state, preserve 271 aging rental units, and build more than 1,100 new rental apartments with housing partners who build high quality affordable housing and understand the needs of communities.
- **Innovative homeownership options along the entire housing continuum:** From the construction of manufactured homes in Southern Minnesota, to the innovative House3 concept in Duluth that creates affordable and energy efficient homeownership options, to the development of new affordable single family homes in the City of Baudette, investments in 264 single family homes will expand successful homeownership opportunities and develop of new housing units.
- **Adaptive reuse underutilized buildings across Minnesota:** The City of New Ulm lost more than 250 affordable housing opportunities since 2000 and the last affordable rental housing was added in 1994. Funding announced today will both meet the needs of a changing and growing population and lay the groundwork for the adaptive reuse of the State Street Middle School to create 55 new housing opportunities in the heart of downtown New Ulm.

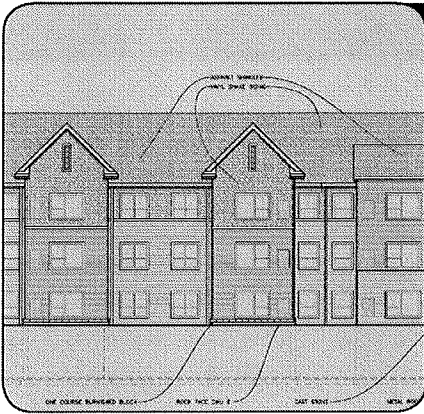
The awards announced today for limited competitive resources are part of a larger set of housing investments. Minnesota Housing will invest more than \$1 billion this year as outlined in its annual Affordable Housing Plan, and is on pace for near historic production of more than \$600 million in mortgages for new homeowners, a third of which are households of color.

Minnesota Housing awarded \$79.9 million in 2016, \$92 million in 2015, and \$161.6 million in 2014. Financing sources include deferred loans, amortizing loans and tax credits. You can view a catalog of funded developments, maps and a detailed breakdown of all funding awards at [mnhousing.gov](http://mnhousing.gov).

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# METRO AREA SELECTIONS:

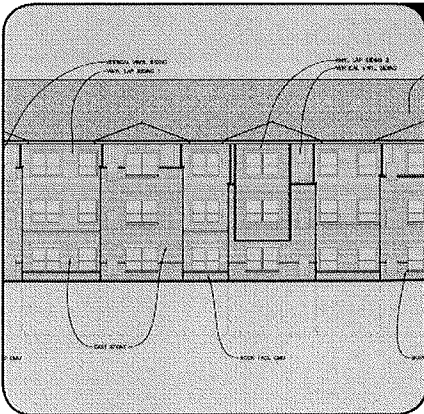
## Suburban



### Louisiana Lofts - Savage

- **Sponsor:** MWF Properties
- **Details:** New construction of 54 rental units
  - Includes 4 long-term homeless units
  - Includes 4 units for people with disabilities
  - 1, 2 and 3 bedroom units
- **Priority Areas:** Access to Transit, Workforce Housing, Economic Integration, Planned Community Development, Supportive Housing
- **Affordability:** Incomes up to approximately \$20,355-\$56,430

Minnesota Housing Rent Assistance:	<b>\$209,422</b>
Estimated 9% Tax Credit Equity:	<b>\$8,418,776</b>
<b>Total Development Cost:</b>	<b>\$12,757,144</b>



### Sarazin Flats - Shakopee

- **Sponsor:** MWF Properties
- **Details:** New construction of 57 rental units
  - Includes 4 long-term homeless units
  - Includes 4 units for people with disabilities
  - 1, 2 and 3 bedroom units
- **Priority Areas:** Economic Integration, Planned Community Development, Supportive Housing
- **Affordability:** Incomes up to approximately \$20,355-\$56,430

Estimated 9% Tax Credit Equity:	<b>\$8,425,534</b>
<b>Total Development Cost:</b>	<b>\$13,037,984</b>



**MEMORANDUM  
LAND AND NATURAL RESOURCES DEPARTMENT**

**TO:** 50 by 30 Housing Working Group and SCALE Legislative Committee

**FROM:** R. Michael Leek, Tribal Planning Manager

**RE:** Legislative Proposal regarding Housing Financing and Housing Action Steps

**DATE:** October 12, 2017

**Introduction:**

The 50 by 30 Housing Working Group has spent a great deal of time identifying the issues related to providing affordable home options for people and families in Scott County. It, of course, has gone further to identify a number of possible action steps to address the identified issues. These action steps take a number of forms, including;

- Legislative proposals;
- Comprehensive plan follow up;
- Zoning impacts on the cost of homes;
- Fee impacts on the cost of homes;
- Approaches to talking about affordable homes.

The principal intent of this memo is to present the legislative proposal for incorporation in SCALE's 2018 legislative agenda. However, because the issues are closely related, I have attempted to also relate some of the other issues, solutions, and actions discussed by the group.

**Legislative Proposal:**

***Introduction:*** One of the issues identified by the Group is the difficulty for people and families who need affordable homes over the course of their lives to move from homes with deep subsidies to homes with shallow subsidies and, ultimately, to market rate housing. One of the most successful approaches to providing this transition has been through programs that provide first-time home buyer assistance.

***Legislative Proposal:***

Continue, and increase funding for, programs that provide assistance to first-time home buyers.



### **Minnesota Housing Finance Agency:**

**Introduction:** Sometimes it is the case that existing programs have not adapted to changes in the market for homes. An example of this relates to an MHFA program that requires “workforce housing” to be larger than units in demand in the marketplace. The size of these units has a negative impact on their affordability. This requirement should be reviewed and revised so that the size of workforce housing under this program does not exceed the size of other units in the marketplace.

In addition, deferred rental rehabilitation loans should be made available in Scott County. These loans are structured so that improvements made to the property do not lead to increases in rent, thus impacting the affordability of the housing.

### **Comprehensive Plan and Other Action Steps:**

**Introduction:** Cities and the county can have a positive impact on the availability of a variety of homes at a range of affordability through their comprehensive plans and the tools that they use to implement the guidance and policies of the comprehensive plan. These include;

- Interacting with the development community to better understand the impacts of planning, zoning, and fees on the cost of the homes they build for the marketplace;
- Guiding sufficient land areas to accommodate housing that is more dense and more amenable to a range of affordability;
- Reviewing and revising zoning maps and regulations as needed to be more accommodating of rental and more affordable home options;
- Reviewing subdivision, zoning, and building permit fees, and revising them to help reduce the overall costs of home construction, thereby positively impacting affordability.

### **Problems – Actions- Solutions:**

**Introduction:** It seems that so many of the issues related to providing sufficient affordable rental housing relate to popular understanding of terms, as well as erroneous perception of such home options. Toward that end the Group discussed taking the following steps to change those perceptions;

- Clearly defining terms and providing a common language for use in talking about affordable home options;
- Providing a clear understanding that such housing is not the same as its funding source, and that those funding sources don’t define the housing and the people who occupy those homes;
- Relating the personal stories of real people and families who occupy affordable homes;

- Involving both the business community and the faith community in advocating for more and better rental and affordable homes.