

Regional Council of Mayors: October 10, 2016

HOUSING INITIATIVE

Mayor Mike Maguire, City of Eagan and Deidre Schmidt, Common Bond: Housing Initiative Co-Chairs

The entire RCM meeting was devoted to a comprehensive update on ULI Minnesota's Housing Initiative. As a prelude to the discussion, Housing Initiative co-chair Deidre Schmidt from Common Bond discussed how changes to federal policies over the last 45 years have made it much harder to build affordable housing, which pushes opportunity down to the city and local level.

Housing Counts – Ellen Sahli, Family Housing Fund

The Family Housing Fund is an intermediary organization that works to connect developers and the public sector to identify what works and what doesn't. As an organization keenly focused on housing affordability, FHF's goal is to support people making decisions and implementing policies that support and improve affordability. FHF elevates data collection and utilization for cities to help them make more informed decisions, and the launch of HousingCounts.org puts all that valuable information into one centralized place.

Visit [Housing Counts](#)

Making the Case for a Full Range of Housing Choices – Brad Tabke, Grepoli

Former Shakopee mayor Brad Tabke returned to the RCM to share data and trend information about the housing market. This data included key points about the positive impacts affordable housing has in communities which can empower mayors and city staffers to counter some of the narratives that are often used to oppose to affordable projects. Some key points from his presentation include:

- Suburban poverty increased 64% from 2000–2011 despite 69% of those people working.
- Only 16% of people move for job-related reasons while 50% move for housing-related reasons (e.g. wanting a bigger house, downsizing).
- Businesses are struggling to attract enough workers and part of the problem is a shortage of the housing people need in the areas where some growing businesses exist.
- On average, Comparing two developments of approximately 3.7 acres in Savage, one multifamily affordable housing project and one single family home development.
 - Single family development generates \$50K in annual property taxes
 - Affordable multifamily generates \$70K on the same area
- In 14 years, more Baby Boomers will be looking to sell single family homes than the number of Millennials looking to buy them.
- Data points for managing opposition to affordable housing:
 - 55% fewer children per unit than average – won't disproportionately impact schools
 - Single family homes near apartments appreciate 11% faster
 - Multifamily residents are 200% more likely to interact with neighbors
 - 0% difference in crime rate between single family homes and apartments

Housing Initiative Action Framework – Cathy Bennett, ULI Minnesota

As part of laying out the Housing Initiative's Action Framework, Cathy Bennett pointed out how affordability is becoming an even greater challenge due to the region's continued growth. A recent analysis identified the MSP metro as the 16th most underserved in the country in terms of housing.

Raising awareness: The Housing Initiative is planning for at least two focused panel discussions per year at RCM meetings. These will include topics such as preserving existing housing, building new multifamily units, and how to build single family homes at affordable prices. Suburban Chicago has a program called "Up to Code" which streamlines code enforcement. The Housing Initiative can look at innovative ideas like these to help bring them to our market.

Preservation: Approximately 38K units bought and sold in the last ten years with 75% occurring in areas considered low income, reflecting an upscaling of existing housing stock. Policy topics and tools include a state notification requirement for rental properties prior to transfer of ownership, MN Housing Funding for Rental Renovation, and a multi-city application for funding.

Support more units: Preservation is important, and so is building more of all types of housing. Fixing condo liability laws can help open up the condo market, and modifying TIF legislation to clarify the use of pooled TIF can also make it easier to build more.

Mayors' Discussion

Following the Housing Initiative updates, the mayors engaged in a discussion about the challenges that exist in their communities and some of the ways they have tried to address them. Six takeaways emerged from this conversation.

1. Define “affordable housing” for your community. It is worth pointing out to community members that most affordable housing is for people already in your communities such as workers in local businesses, seniors, and young people who may have grown up in your town and want to stay.
2. Connect policies and tools with what is happening in the market.
3. Share policies across the communities. HousingCounts.org can help with this.
4. Work with your business communities to help identify housing solutions, particularly for those struggling to find the workers they need.
5. Emphasize the connection between density and the tax base. Dense developments contribute more on a per acre basis, which can help reduce the overall tax burden for everyone.
6. Show the “softer” side of affordable housing through stories and pictures of people and projects. Help the rest of your community see how affordable housing projects help real people.

COMING UP

The next meeting of the Regional Council of Mayors will be Monday, November 14th from 11:30 a.m. to 1:30 p.m. in the Seattle Room at Dorsey & Whitney, 50 South 6th Street, Minneapolis, MN.

ATTENDEES

Mayors

Mary Giuliani Stephens	City of Woodbury (Co-Chair)
James Hovland	City of Edina (Co-Chair)
Mike Maguire	City of Eagan (Chair, Housing Initiative)
Jim Adams	City of Crystal
Bob Crawford	City of Elko New Market
Bill Droste	City of Rosemount
Jerry Faust	City of Saint Anthony
Shep Harris	City of Golden Valley
Ken Hedberg	City of Prior Lake
Kathi Hemken	City of New Hope
Marvin Johnson	City of Independence
Stan Karwoski	City of Oakdale
Peter Lindstrom	City of Falcon Heights
Lili McMillan	City of Orono
Tim McNeil	City of Dayton
Mike Webb	City of Carver
Ken Willcox	City of Wayzata
Janet Williams	City of Savage
Gene Winstead	City of Bloomington

Guests

Michael Huber, Blue Cross/Blue Shield MN; Tara Beard, Family Housing Fund; Libby Starling, Met Council; Beth Reetz, Met Council; Jonathan Weinhagen, Minneapolis Regional Chamber of Commerce; Bart Fischer, City of Oakdale; Burke Murphy, CSW; Emily Goellner, City of Golden Valley; Rick Carter, LHB; Karly Werner, Comcast; Jim Erkel, MCEA; Patricia Nauman, Metro Cities; Jennifer O'Rourke, Met Council; Karl Batalden,

ULI Minnesota Staff and Consultants

Aubrey Austin, Cathy Bennett, Caren Dewar, David Baur