



2019

Annual Report



**FAMILY HOUSING
FUND**

Illuminating solutions. Sparking change.

At the Family Housing Fund, we believe building a better Minnesota starts from the ground up - it starts with a place to call home. And it requires all of us, working together, to build a strong housing system that supports access to decent, affordable homes for everyone.

Our 2019 Annual Report features highlights of our work to help communities meet their housing needs.

Expand Opportunities

Preventing Eviction Throughout the Region

FHFund continued to support the Ramsey County Housing Court Clinic, which has implemented court process changes and made legal, mediation, and financial services available for renters at Housing Court. The Clinic served over 650 renters at Court in 2019. Since the launch of the Clinic in 2018, court data shows that eviction judgments in Ramsey County have declined by 18% and expungements of the filing from renters' records have doubled per Court calendar. With the success of this pilot, we began working with Anoka and Dakota Counties to adapt this model for their districts in order to replicate these results and prevent eviction around the region. Furthermore, FHFund supported legal and mediation organizations around the region to expand the availability of these resources ahead of eviction filings to address the root causes of eviction.

Advancing an Evidence-Based Approach to Tenant Selection

In 2018 FHFund worked with a host of community-based partners and private and nonprofit rental owners and managers to understand and analyze tenant selection systems, including both the perspective and approach of owners and managers and the lived experience of applicants and tenants.

In 2019, FHFund launched a study with several private rental owners and Wilder Research to determine the accuracy of tenant selection criteria commonly used within private industry to assess the risk and likelihood of success of rental applicants. We will use the results of this study, along with findings from our collaborative analysis of current practice, to identify and advance more accurate tenant selection practices that improve access to decent housing people can afford.

Also this year, we launched new work with two nonprofits that offer credit building services. Together, we are adapting credit building services to better meet renters' needs, while engaging private owners to develop referral systems that offer more opportunities to renters who are improving their financial health.

Improving Rental Housing Quality: A Regional Strategy Supported by New Resources

To ensure rental housing in the region is safe and healthy, FHFund develops and helps to coordinate a litigation strategy for the Twin Cities region with grantee partners in public interest law. These efforts are identifying threats to safe and healthy housing throughout the region, enforcing the code, and developing referral systems and coordination with city governments and community-based organizations. In 2019, 61 households realized improved housing quality through this work. A similar number have realized monetary or other tangible benefits.

To support this work, FHFund also launched a habitability fund that allows impacted households to pay rent to the court in order to defend against an eviction filing. We also launched a Revolving Regional Repair Fund to support swift repairs in Tenant Remedies Action cases brought by cities and renter communities to address systemic threats to housing health and safety.

Increase Supply

Promoting Gentle Density: Accessory Dwelling Units

Early in 2019, FHFund published three resources related to the development of accessory dwelling units: *Home + home: Twin Cities ADU Guidebook for Homeowners*, a policy brief entitled *ADUs: Housing Options for a Growing Region*, and an inventory of ADU policies throughout the Twin Cities region.

Following the release of our ADU Guidebook for Homeowners, we engaged in outreach to homeowners, educating them on the benefits of ADUs and connecting them to resources. We attended 26 community events and hosted 3 ADU workshops, introducing 150 homeowners to architects, builders, and lenders who have worked on ADU projects in the region. Additionally, FHFund invested in two pilot projects to design, finance, and develop new ADUs in Twin Cities communities.

Our Work at the Ramsey County Housing Court



18% reduction
in evictions



650+
clients served



Expungements doubled
per court calendar

Economic Impact of the Housing Shortage



3,500 homes
annual production
shortfall



\$4.3 billion
potential economic loss
without sufficient housing



48K
jobs at risk

Flattening the Cost of Development

Off-site construction, such as modular and panelized techniques, was identified by the Minnesota Housing Taskforce in 2018 as an important way to significantly lower the cost of housing development, which in turn can increase production and affordability. New construction techniques are being adopted internationally and in other markets, but have yet to become well-established in Minnesota. In 2019, FHFund co-hosted the Construction Revolution Summit, which brought together 150 leaders in building, design, finance, labor, and policy to develop a cross-sector action plan to rapidly advance innovative residential construction technology. The action plan will be launched in 2020.

Utilizing Public Lands for Affordable Housing

FHFund is developing a suite of resources for city staff and policymakers to help them prioritize surplus public land for affordable housing development. To complement our prior work assembling public lands model policy and best practices resources, we worked in 2019 with the Metropolitan Council to create more accessible information about publicly-owned lands throughout the metro region. We have also commissioned legal research on the rights of cities to convey public lands for affordable housing and are working closely with three suburban cities to inform their public land strategies.

New Resources for Preserving Affordability

FHFund established a set of resources for owners of naturally occurring affordable housing to help preserve affordability. With the launch of 4d tax incentive programs in Minneapolis, Saint Paul, Edina, and Saint Louis Park in 2019, FHFund published informational documents to encourage owner participation. We also researched and published a Bargain Sales brief to educate owners on the potential tax advantages of selling property to nonprofit organizations.

Activate More Housing Champions

Research: Housing and Economic Growth

FHFund published *Housing and Economic Growth: Quantifying the Critical Link Between Housing Supply and the Region's Economic Prosperity*, a report analyzing the impact the Twin Cities housing shortage will have on the regional economy over the next twenty years. The report found that the Twin Cities was on track to become as expensive as Denver or Seattle. If we remained on that course, new workers would not be able to afford our region, they would choose a more affordable city to live, and businesses would follow. This could result in 48,000 fewer jobs and \$4.3 billion lost in the Gross Regional Product by 2038.



Engaging New Audiences

Prior to the release of FHFund's economic analysis, we conducted focus groups with area chambers of commerce around the region to share the results of the report and learn how businesses were feeling the impact of the housing shortage. Encouraged by the amount of interest, we co-hosted a Critical Issues Forum with the Minneapolis Regional Chamber of Commerce with nearly 100 attendees. Many audiences who have not traditionally been considered housing stakeholders are eager to learn more about housing issues and be part of the solution.



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**Explore
our new
website!**



We redesigned our web presence this year with a new emphasis on:

- 1) Home as the foundation of success and happiness
- 2) What you can do, no matter who you are, to help address housing challenges

Take a look!

Visit fhfund.org and sign up for our bimonthly newsletter for in-depth program updates.

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2019 Financials at a Glance (As Of December 31, 2019)

SUPPORT

Total	\$3,800,384
Contributions	\$832,006
Investment Income	\$1,004,102
Other Income	\$1,964,276

Full 2019 Financial Statements are available at fhfund.org/annual-report

EXPENSES

Program Total	\$3,463,515
Increase Supply	\$494,316
Expand Opportunities	\$1,849,113
Activate Champions	\$398,746
Homeownership Initiatives	\$497,400
Emerging Issues	\$223,940
Support Services Total	\$645,236
Fundraising	\$79,003
Management	\$566,233

Thank You to the Family Housing Fund Supporters

BMO Harris, Bush Foundation, F.R. Bigelow Foundation, Funders for Housing and Opportunity, Louis and Mary Kay Smith Family Foundation, Lucas Erickson Fund of the Minneapolis Foundation, McKnight Foundation, Otto Bremer Trust, Patrick and Aimee Butler Family Foundation, Pohlad Family Foundation, Saint Paul Foundation, Target Foundation, TCF Foundation, US Bank Foundation, Wells Fargo Foundation

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