



**FAMILY HOUSING**  
**FUND**

# Twin Cities Housing Policy Finder

SURVEY RESULTS REPORT

LAST UPDATED SEPTEMBER 2022

# About the Housing Policy Finder

Throughout the seven-county Twin Cities region, jurisdictions are advancing housing agendas to meet the needs of the communities they serve. Local governments have an important role to play in promoting the optimal use of public resources, processes, and powers to support affordable homes, policies, and investments that benefit the whole community.

The Twin Cities Housing Policy Finder tracks local housing affordability, preservation, and protection policies throughout the region. Use this interactive resource to find links to adopted policies and ordinances and learn more about the local policy environment.

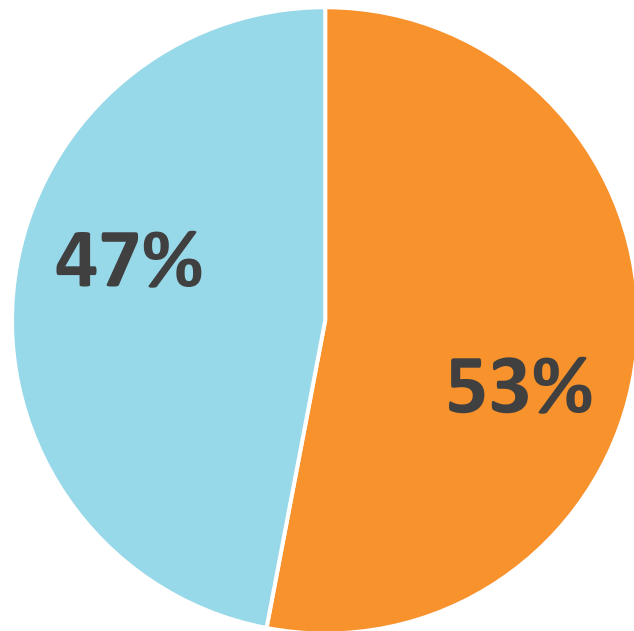
FHFund developed this resource in partnership with [Bennett Community Consulting](#) and [Visible City](#) and does not represent an endorsement of any policy or ordinance displayed.

Information in the Housing Policy Finder is based on voluntary survey responses from participating local jurisdictions. To date, 5 counties and 30 cities have contributed policy information.

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- Homeownership and Wealth Building
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- Designated Cultural Districts

# Survey Responses: 35 total (30 cities, 5 counties)



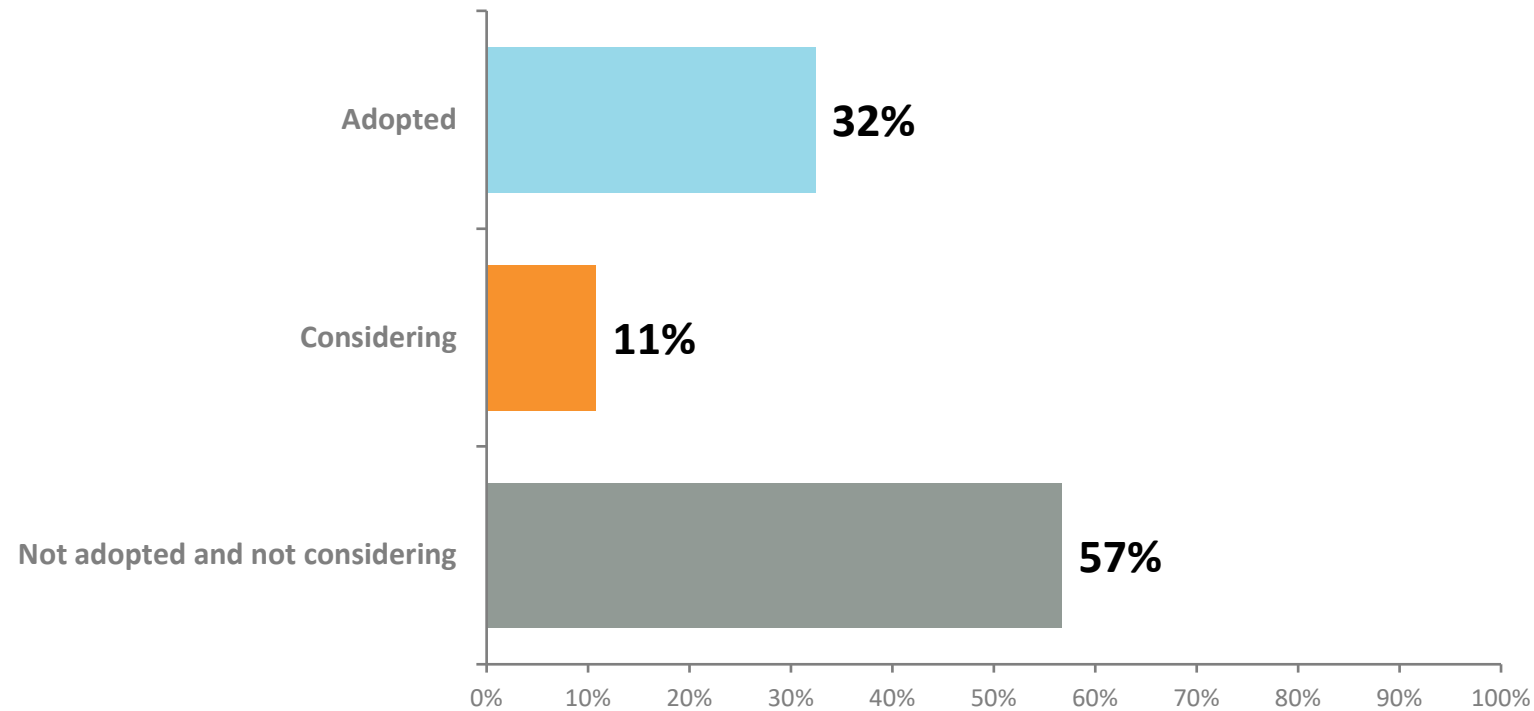
■ Responded ■ No Response

Participating Cities/Counties		
Anoka County	Hopkins	Rosemount
Bayport	Lake Elmo	Roseville
Blaine	Landfall Village	Scott County
Bloomington	Little Canada	Shoreview
Brooklyn Center	Maple Grove	South St. Paul
Brooklyn Park	Minneapolis	St. Louis Park
Burnsville	Minnetonka	Saint Paul
Carver	New Brighton	Vadnais Heights
Dakota County	New Prague	Washington County
Eden Prairie	Oak Park Heights	
Edina	Plymouth	
Golden Valley	Ramsey County	
Hastings	Richfield	

# Survey Summary

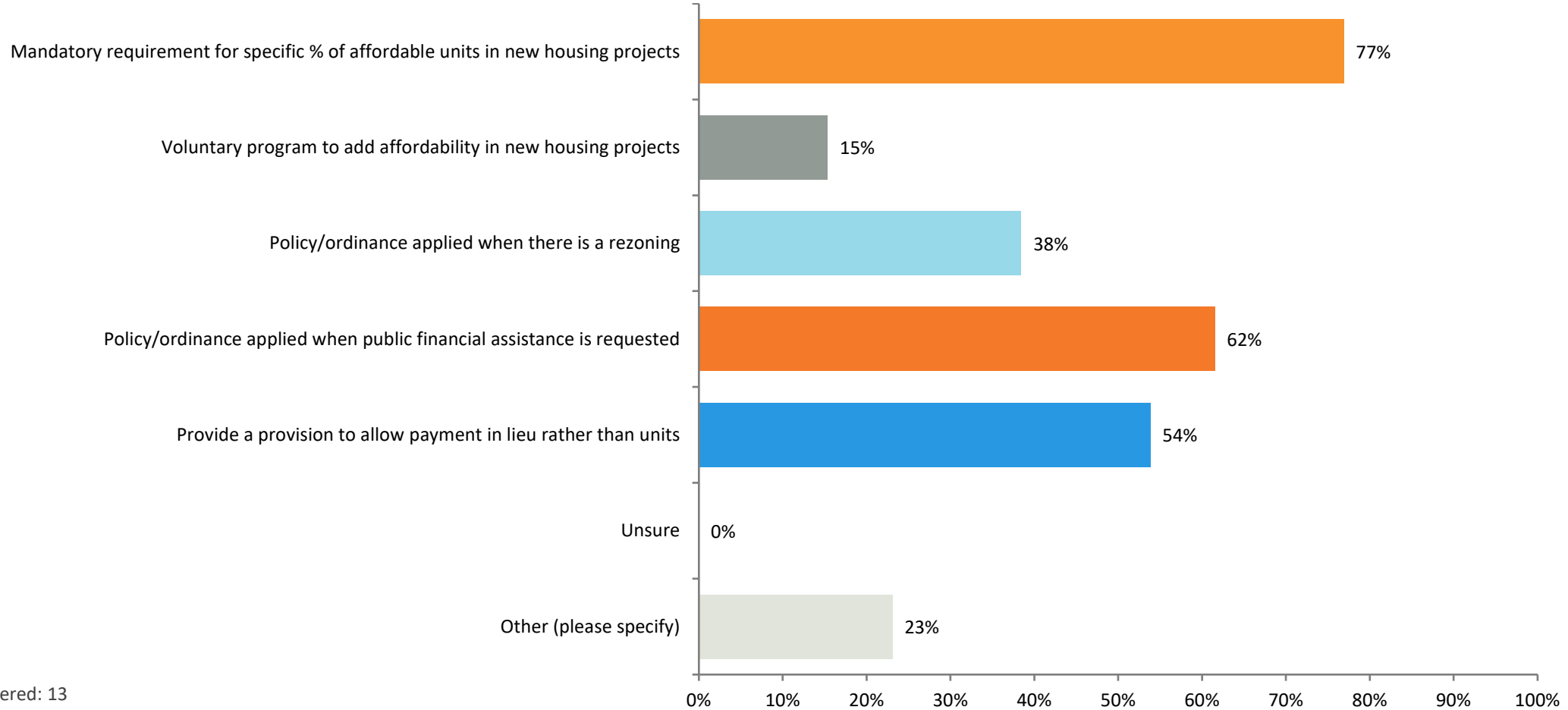
- 13 cities have some level of affordability policy adopted
- 13 Cities have adopted a tenant protection program
- 5 cities reduce fees for affordable housing projects
- 14 cities have created a Housing Trust Fund
- 10 Cities have adopted a Local 4D Tax Reduction Program
- 8 cities prioritize publicly owned land for affordable housing
- 8 cities use tax abatements for affordable housing projects
- 23 cities utilize tax increment financing for affordable housing projects
- 14 cities utilize pooled tax increment finance funds for affordable housing
- 11 cities support and fund community land trusts
- 8 cities have a housing improvement area policy
- 8 cities have rental rehabilitation programs
- 9 cities adopted notice of sale ordinances
- 2 cities have designated cultural districts

# Q.1. Does your city/county have - or is your city/county considering, - an inclusionary or mixed-income housing policy?



Answered: 35

# Q.1.1. Please check all the inclusionary/mixed income policy interventions that apply to the adopted policy/ordinance.



Answered: 13

# Case Study:

## Bloomington Opportunity Housing Ordinance

- This ordinance requires developers of new housing and substantial housing rehabilitation projects to provide a **minimum number of affordable units**.
- The ordinance **provides several incentives** to add affordable units, such as density bonuses, housing tax increment financing and expedited reviews, among other incentives.
- The ordinance is **comprehensive in scope to help increase the supply of affordable housing units** throughout the city and partnering with the private sector to achieve the city's affordable housing goals.
- ***New residential construction*** - with 20 or more newly created rental units, at least 9% of the newly created units must be affordable to households at or below 60% of AMI.
- ***Newly constructed single-family detached residential developments*** - with 20 or more newly created units, at least 9% of the newly created units must be affordable to low-income family households up to 115% AMI.
- ***Substantial rehabilitation of NOAH housing*** - with 20 or more rental units, at least 9% of the newly created units must be affordable to households at or below 60% of AMI



## Case Study:

# Bloomington Opportunity Housing Ordinance

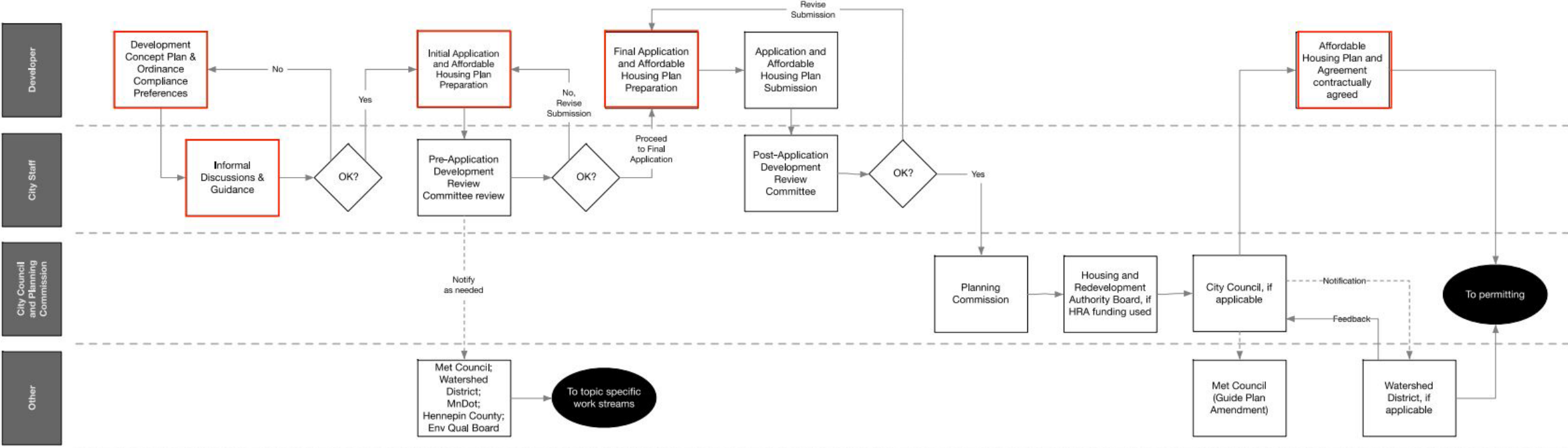
**What sets the City of Bloomington's approach apart from other such policies in the region?**

- City drew upon the findings from a detailed analysis and financial feasibility to ensure that the policy is based on a well-documented quantitative nexus between new market rate development and induced demand for affordable housing, rather than a more political and subjective policymaking process.
- The ordinance is structured to not create undue financial burdens on new development that may inhibit new market rate housing development.
- The ordinance recognizes the potential to leverage other state and federal funds based on the strategic application of housing trust fund revenue generated through the payment of in-lieu fees.

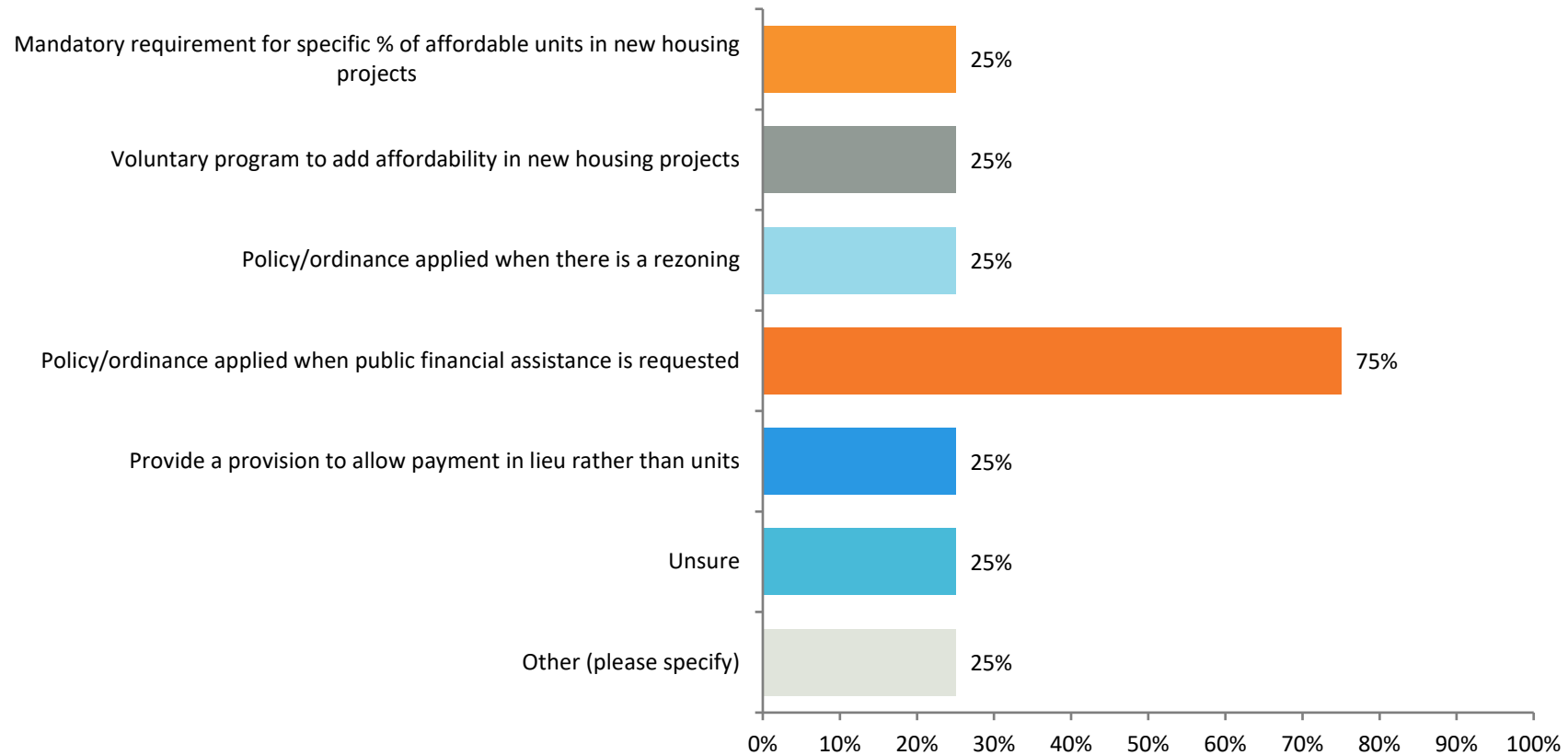
# Case Study: Bloomington Opportunity Housing Ordinance



## PROCESS OVERVIEW

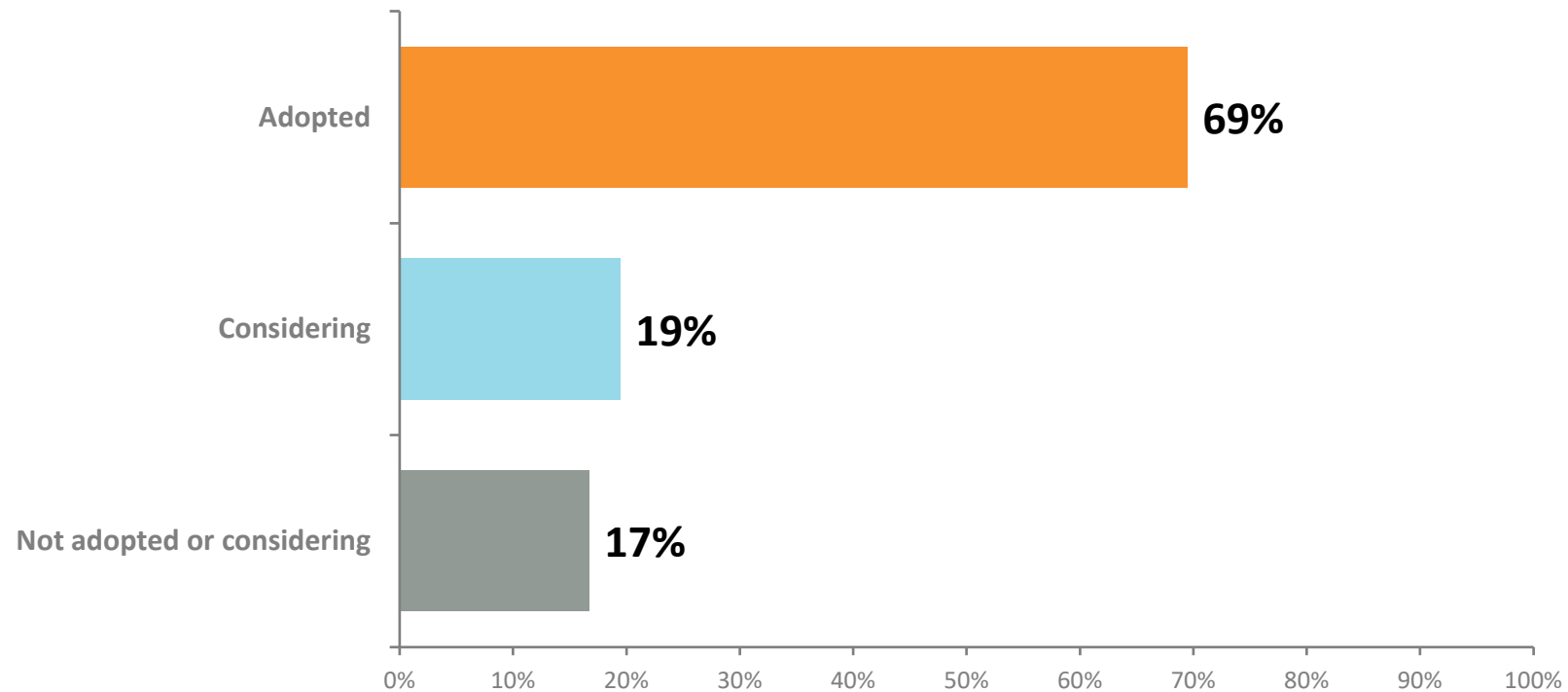


## Q.1.2. Please check all the inclusionary/mixed-income policy interventions that are being considered.



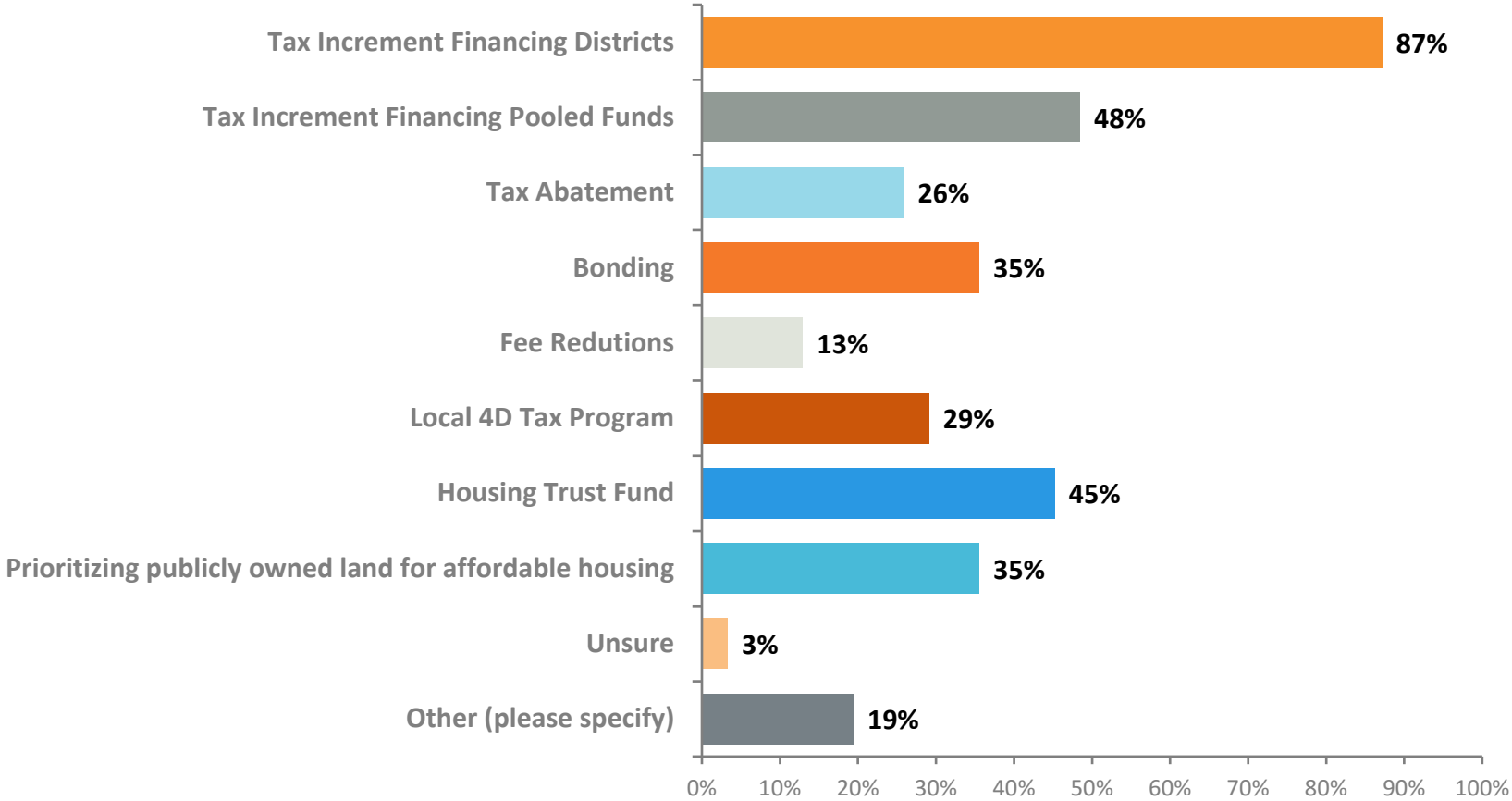
Answered: 4

## Q.2. Does your city/county have - or is your city/county considering - policies for utilizing local financial/real estate tools to support new affordable housing?



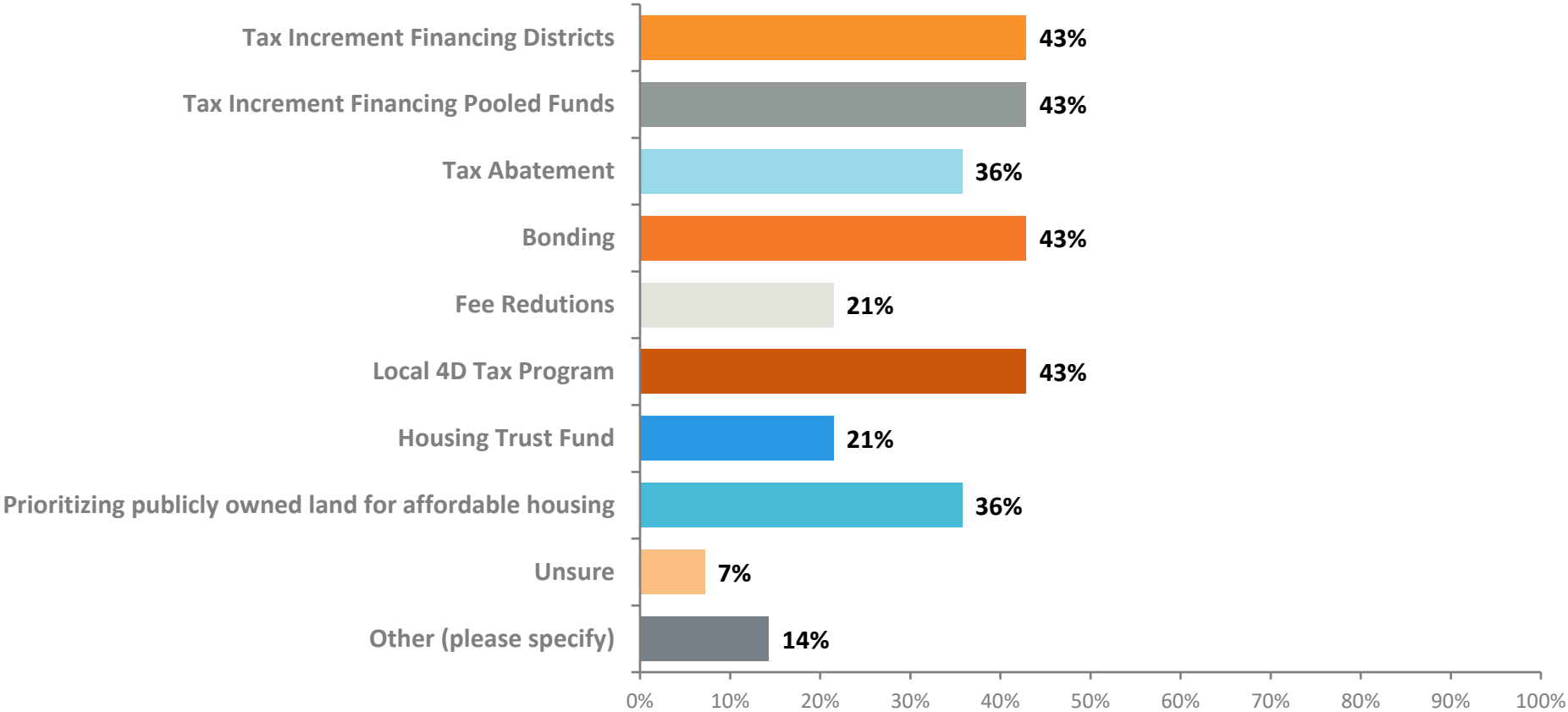
Answered: 35

# Q.2.1. Please check all the financial tools utilized to support affordable housing development.



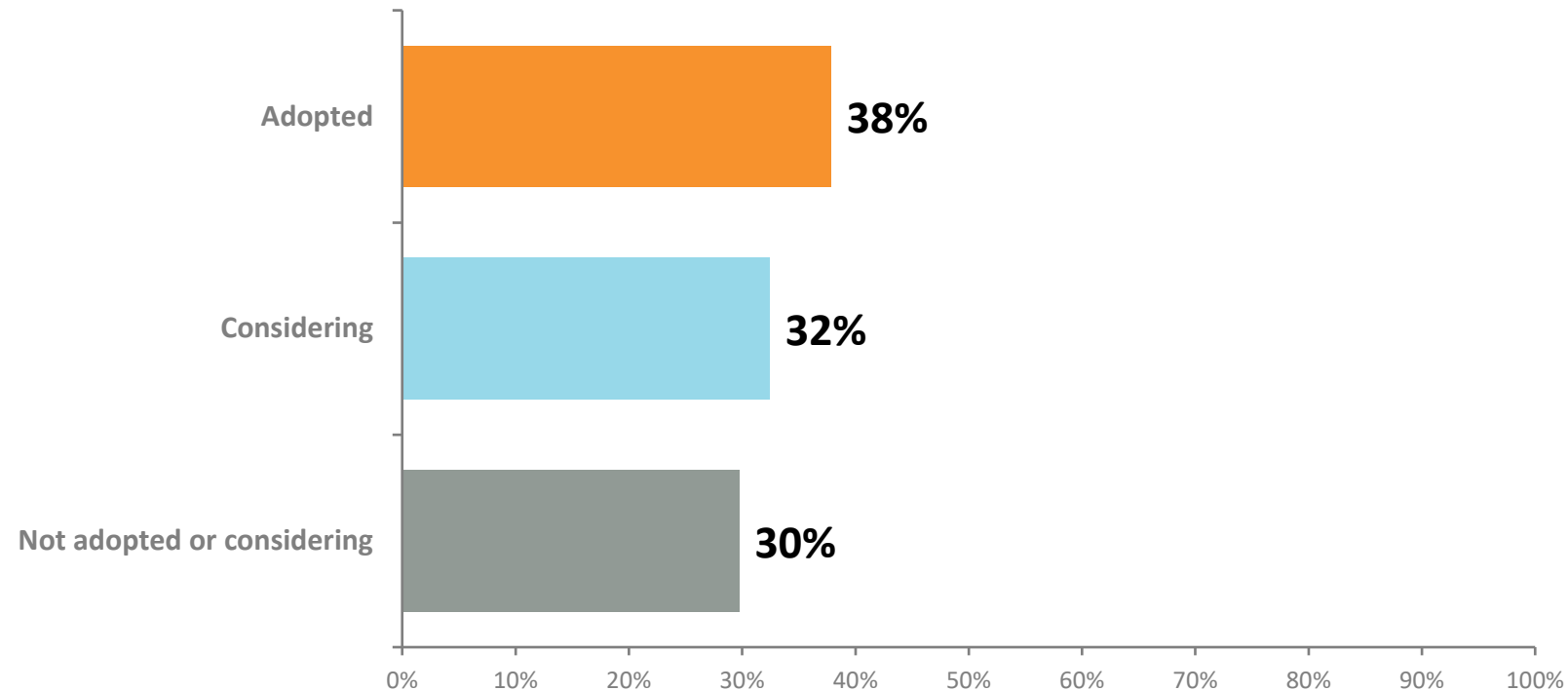
Answered: 31

# Q.2.2. Please check all the financial tools being considered to support affordable housing development.



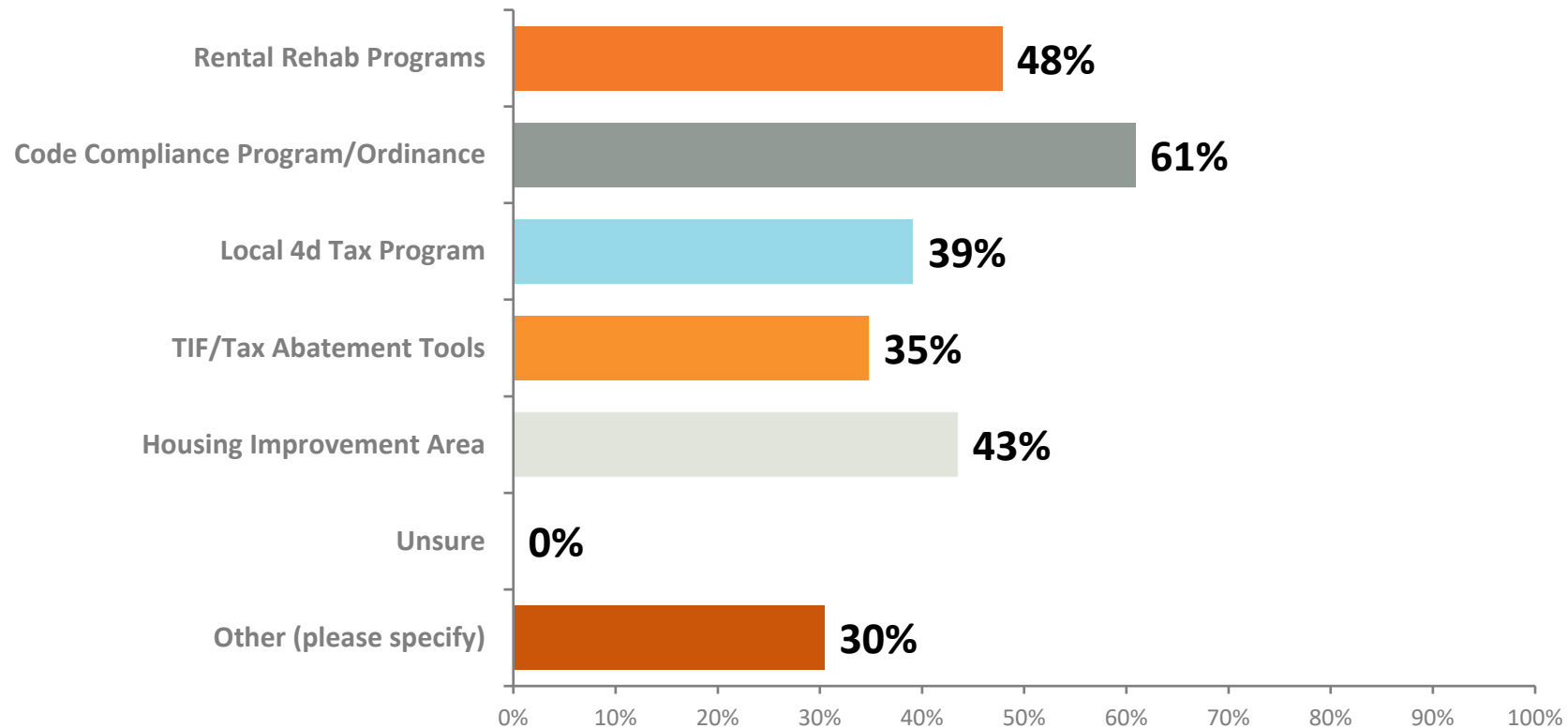
Answered: 14

# Q.3. Does your city/county have - or is your city/county considering - a policy or program to support the preservation of naturally occurring affordable housing?



Answered: 35

# Q.3.1. Please check all the policy/programs utilized to support the preservation of naturally occurring affordable housing.



Answered: 35



# Case Study:

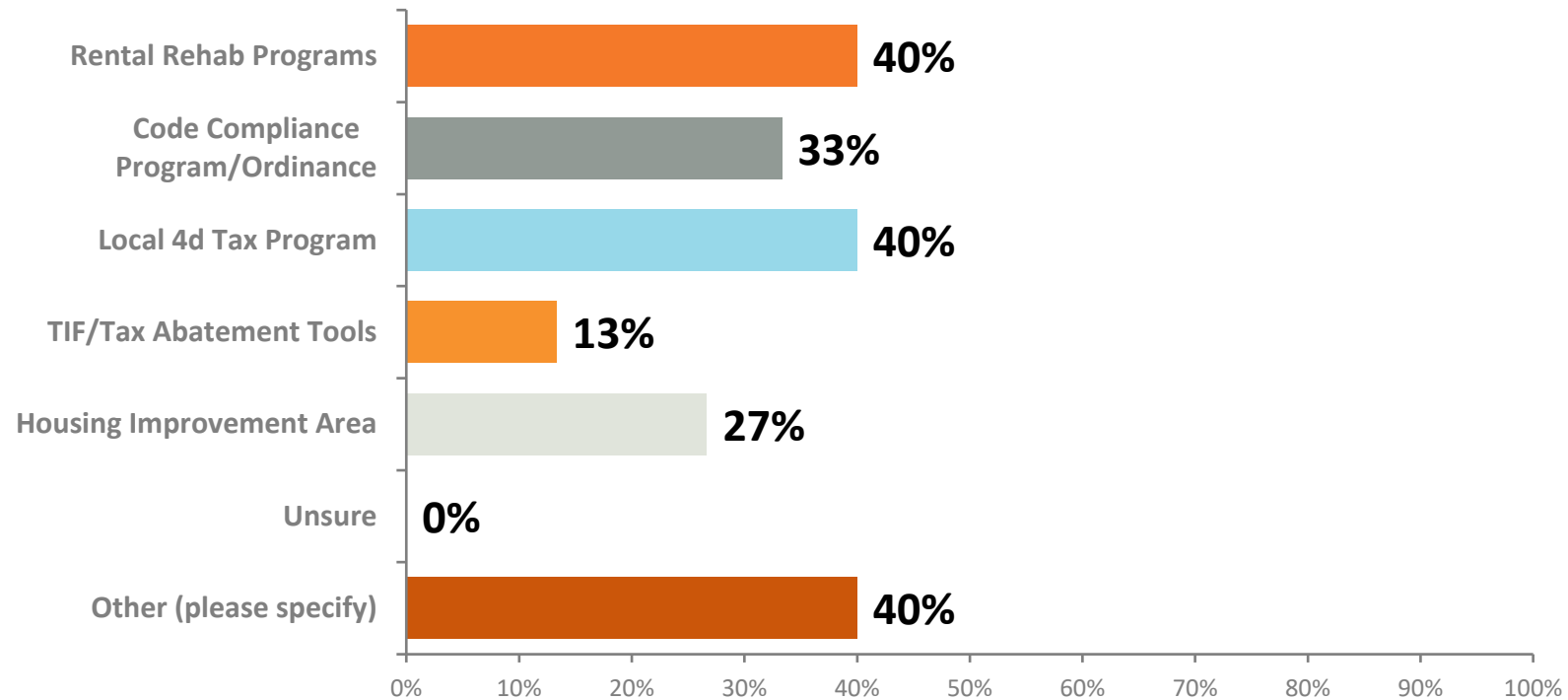
## Saint Paul 4D Affordable Housing Incentive Program

- **Typical market-rate rental units** with the 4a “apartment” classification are taxed with the class tax rate of 1.25%
- **Affordable units**, however, may be eligible for 4d, or “low-income rental” classification, which is taxed at a reduced class rate of 0.75%.
- This is a **40% tax rate reduction** in exchange for a certain percentage of units to **remain affordable for a consecutive ten-year period**.
- City provides a one-time grant for each 4d unit up to a maximum of \$1,200 per property:
  - *\$200 for each unit affordable to households earning up to 50% AMI.*
  - *\$75 for each unit affordable to households who earn up to 60% AMI.*
  - *City pays all enrollment and certification fees.*

# Case Study: Saint Paul 4D Affordable Housing Incentive Program

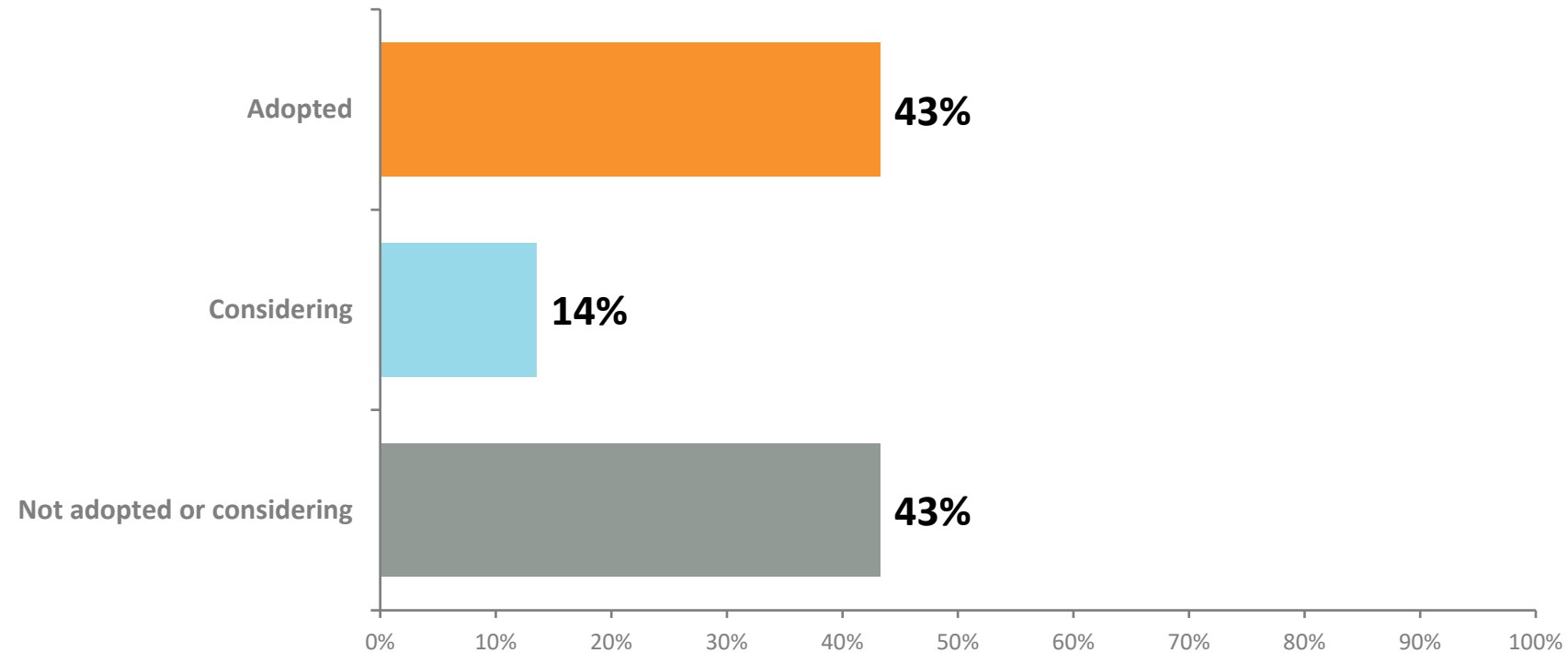
<b>2022 4D PROGRAM MINIMUM ELIGIBLE UNIT COMMITMENTS</b>	
<b>Property Size</b> <i>(# of Rental Units)</i>	<b>Minimum Affordability Commitments</b> <i>(Based on % of Area Median Income)</i>
<b>1 Unit</b> <i>(Single-Family)</i>	<b>All 1-Unit properties</b> must be kept affordable for households with up to <b>50% of AMI</b> .
<b>2 Units</b> <i>(Duplex)</i>	<b>At least 1 unit</b> must be kept affordable for households with incomes up to <b>50% of AMI</b> . Optional: The owner may elect to commit the 2nd unit to the 10-year affordability period and 4d tax classification for households with incomes up to 50% AMI or 60% AMI.
<b>3 or more Units</b> <i>(Multifamily)</i>	<b>1) 20% of units</b> must be kept affordable for households with <b>50% of AMI</b> . <b>OR</b> <b>2) 50% of units</b> must be kept affordable for households with <b>60% of AMI</b> . Optional: Beyond these limits, multifamily property owners may enroll up to 100% of a property's units at <i>either</i> 50% AMI or 60% AMI affordability.
<b>50 or more Units</b>	In addition to meeting the above "Multifamily" affordability criteria: 50+ Unit properties must also meet a requirement that this <b>affordability be restricted across a diverse distribution of the property's unit types</b> in terms of size and number of bedrooms (as evidenced by rent roll), <b>with consideration for financial feasibility</b> .

## Q.3.2. Please check all the policy/programs being considered to support the preservation of naturally occurring affordable housing.



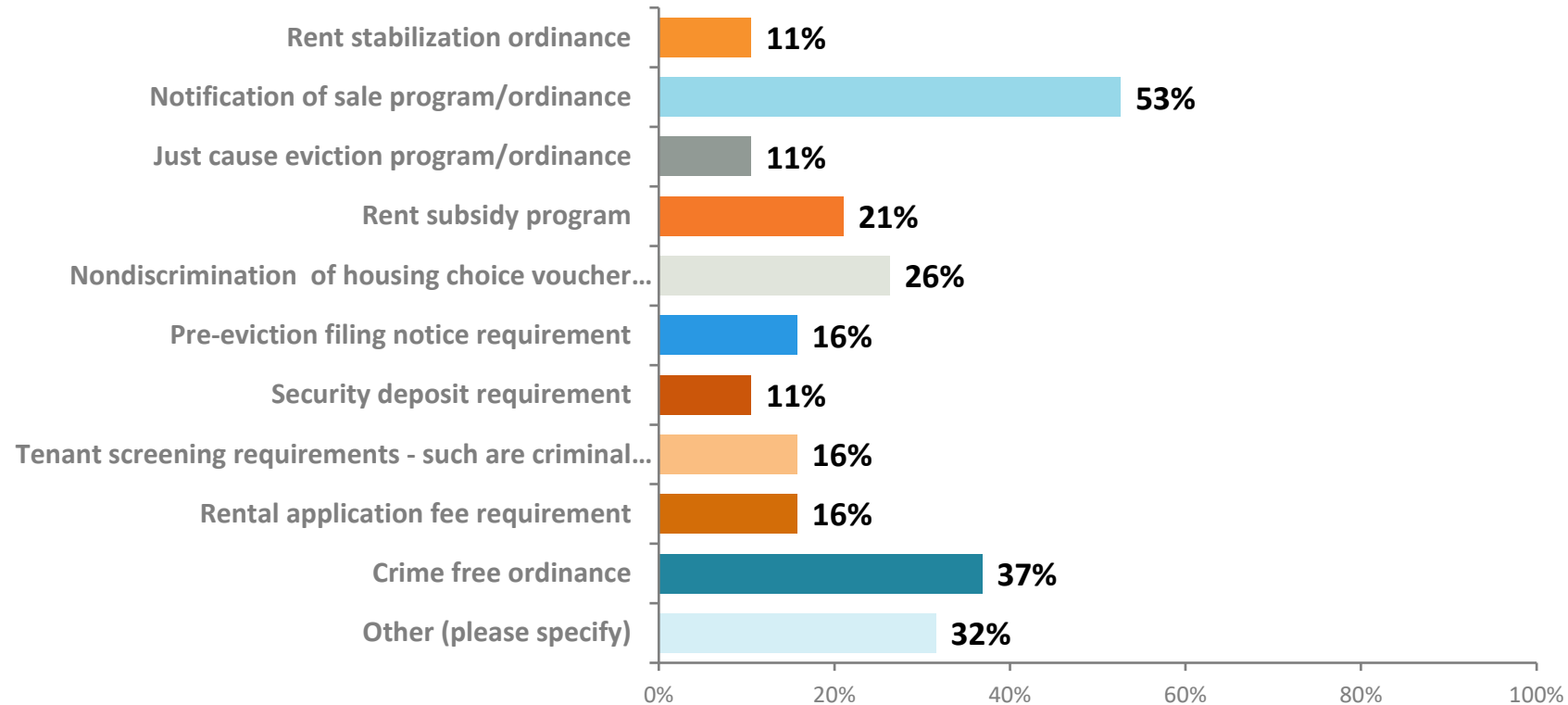
Answered: 15

# Q.4. Does your city/county have - or is your city/county considering - tenant protection policies or programs?



Answered: 35

# Q.4.1. Please check all the policy/programs that are adopted in relation to tenant protections.



Answered: 19

## Case Study:

# St. Louis Park Tenant Protection Ordinance

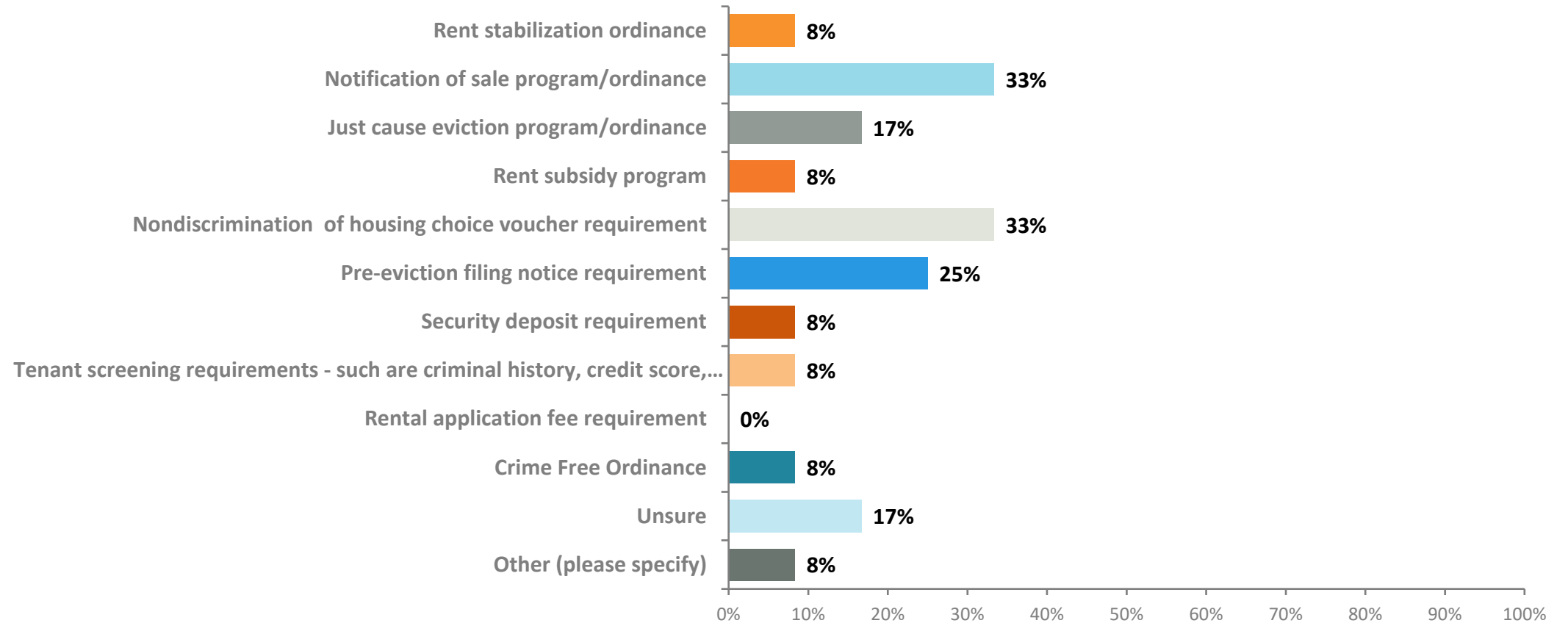
- **Goal:** Preserve of NOAH housing and reduce displacement of low-income renters in NOAH housing when property is sold.
- **NOAH is defined as:** 18% of the units have rents affordable to households with incomes at or below 60% AMI.
- The ordinance created a three-month tenant protection period following the sale of an affordable housing property.
- New owners are required to pay relocation benefits to current tenants within a three-month period after sale if the new owner:
  - Increases rent
  - Re-screens current tenants
  - Implements lease non-renewals without cause

# Case Study:

## St. Louis Park Tenant Protection Ordinance

- The tenant protection ordinance was recommended by a City-convened workgroup that includes representatives from:
  - MN Multi-Housing Association
  - St. Louis Park rental community
  - Agencies advocating for NOAH preservation
- City provides owners:
  - Sample letters to send to tenants
  - List of tenant resources

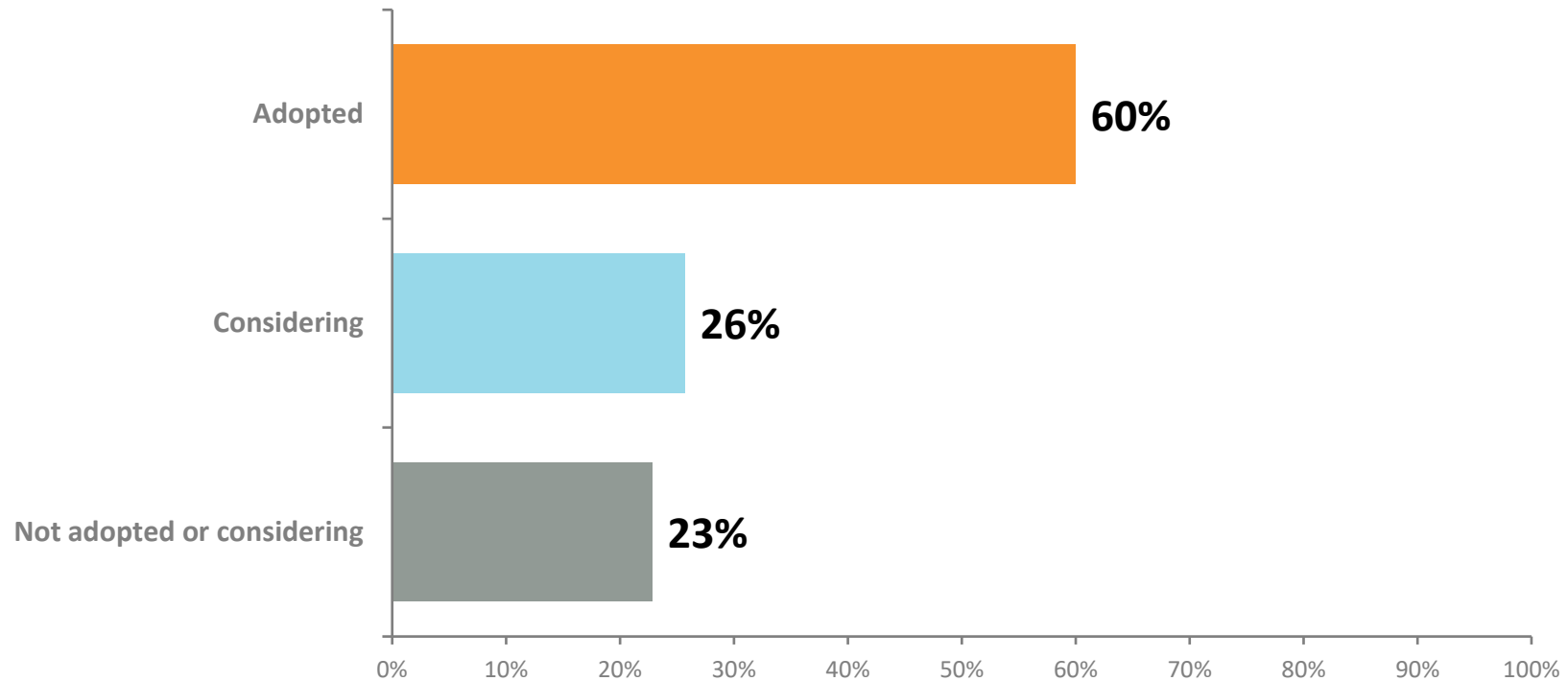
## Q.4.2. Please check all the policy/programs that are being considered in relation to tenant protections.



Answered: 12

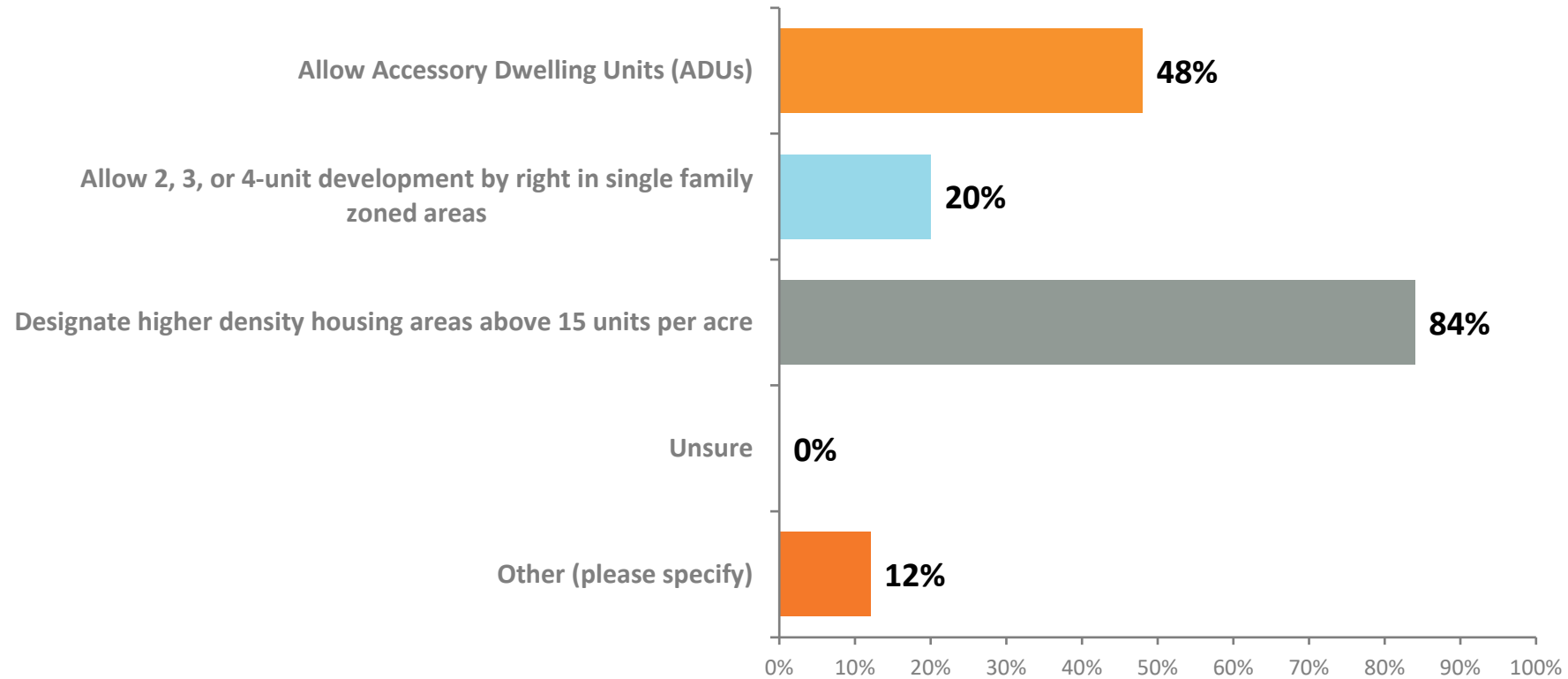


# Q.5. Does your city's zoning ordinance support increased housing density, or is your city considering options to increase housing density?



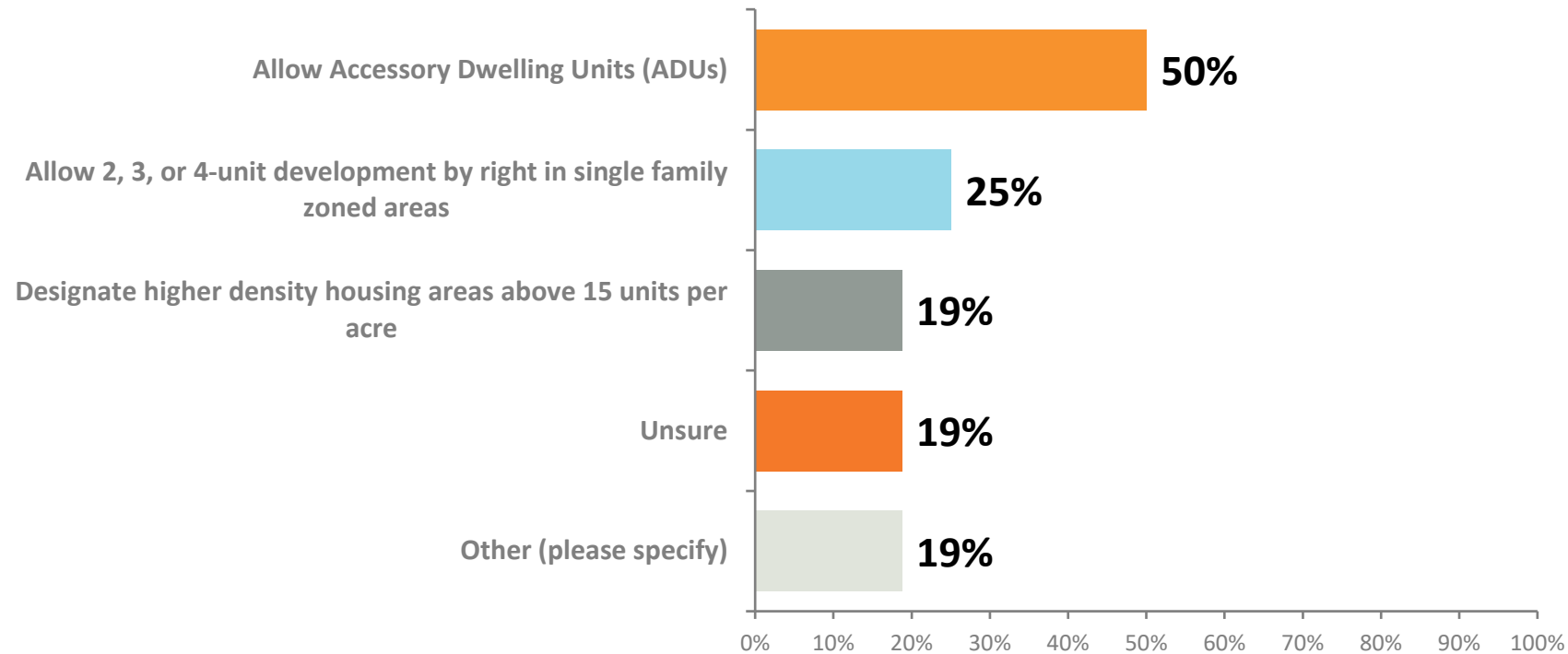
Answered: 35

# Q.5.1. Please check all the interventions adopted/allowed as part of the city's zoning ordinance.



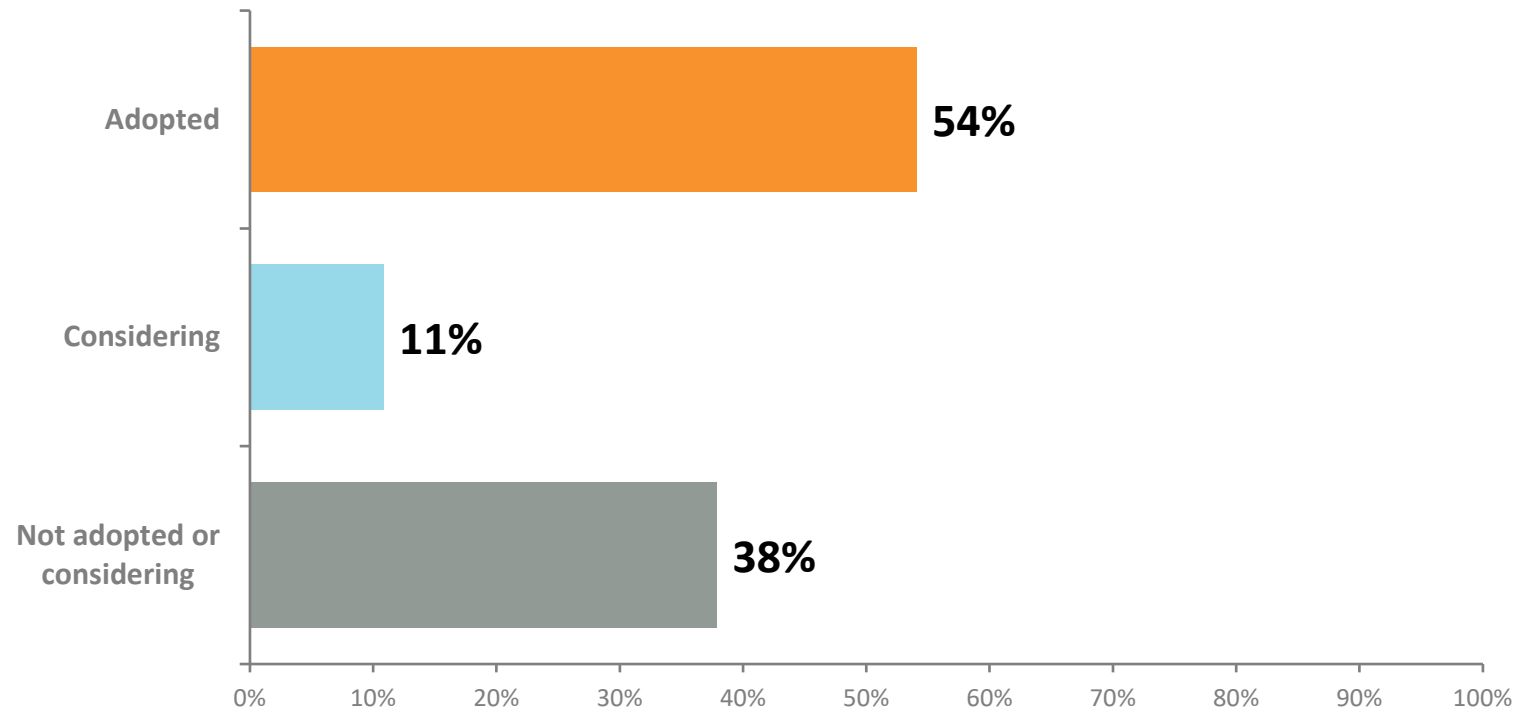
Answered: 25

## Q.5.2. Please check all the interventions being considered as part of the city's zoning ordinance.



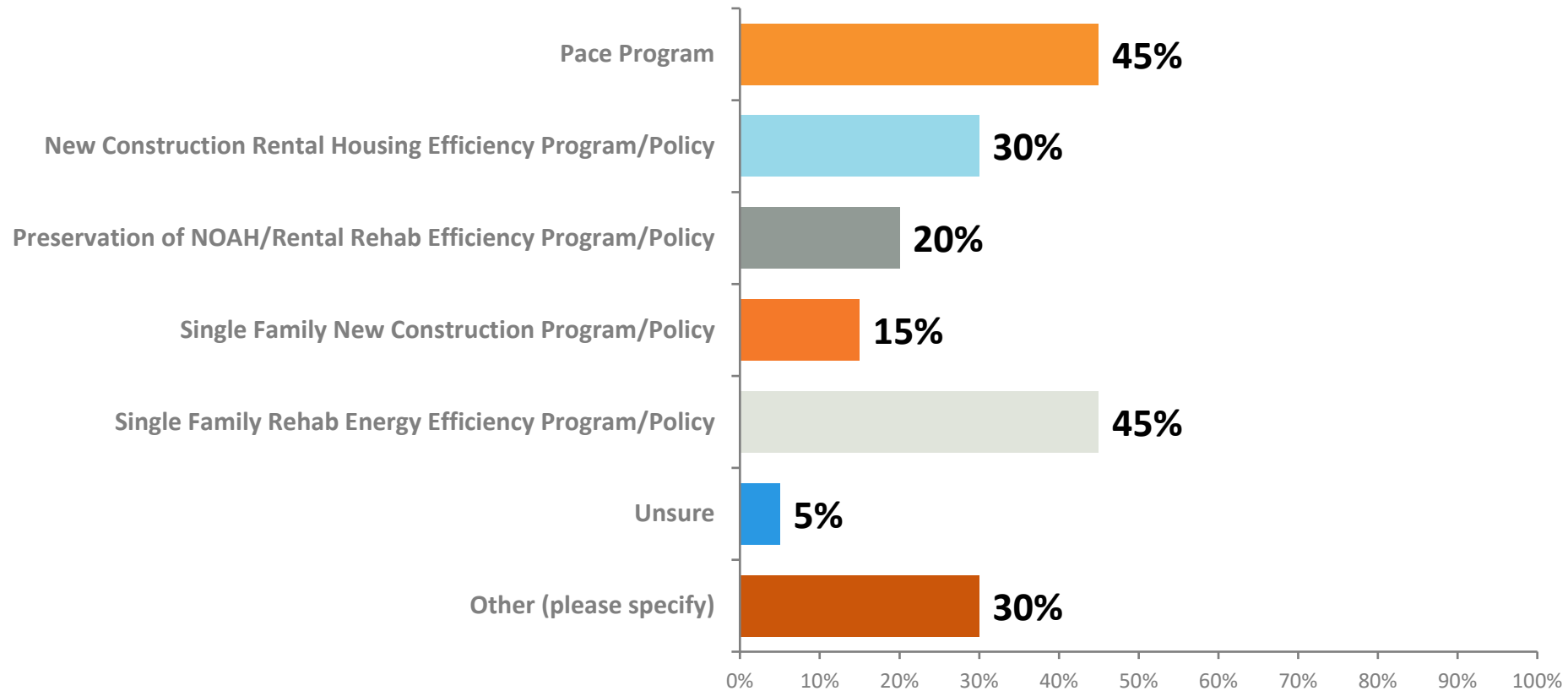
Answered: 16

# Q.6. Does your city/county have - or is your city considering - policies/programs in support of energy efficiency in housing?



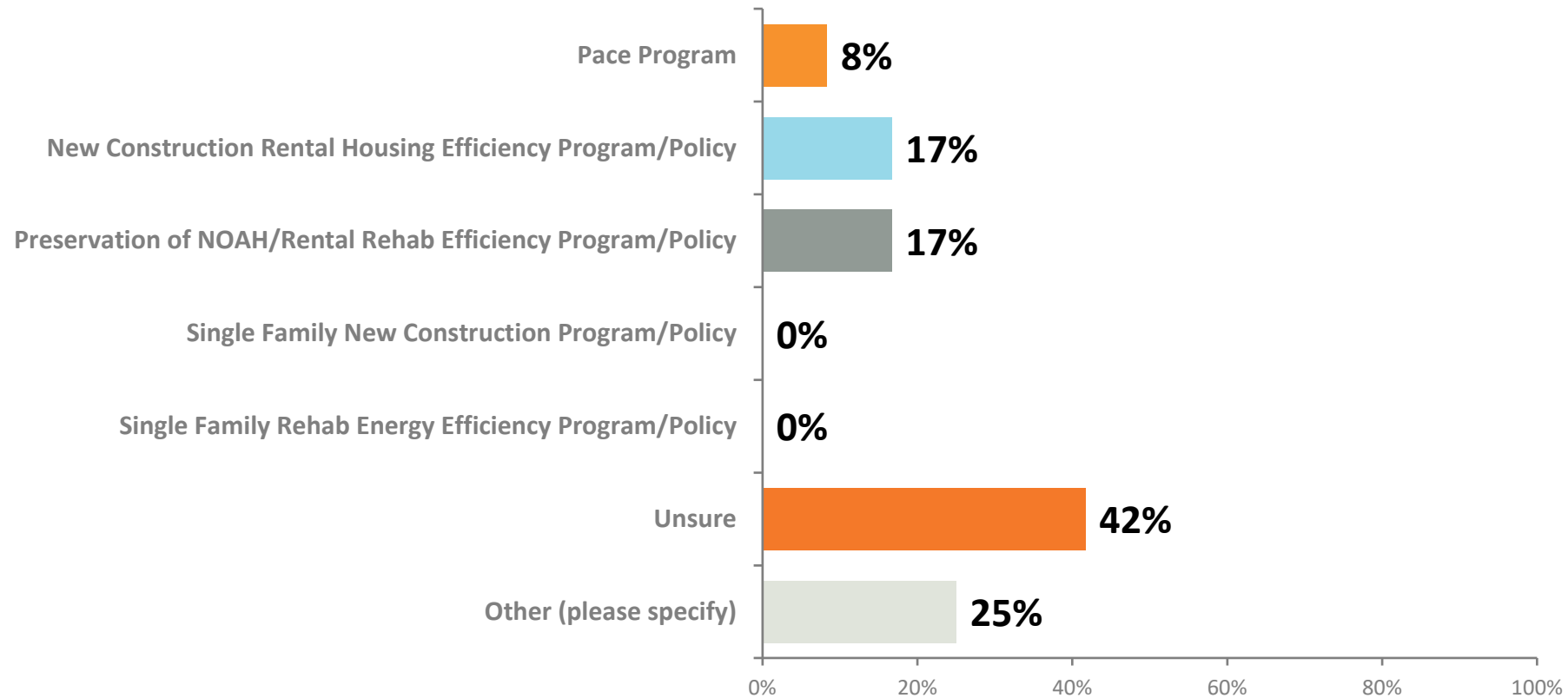
Answered: 35

# Q.6.1. Please check all the programs/policies adopted in support of increasing energy efficiency in housing.



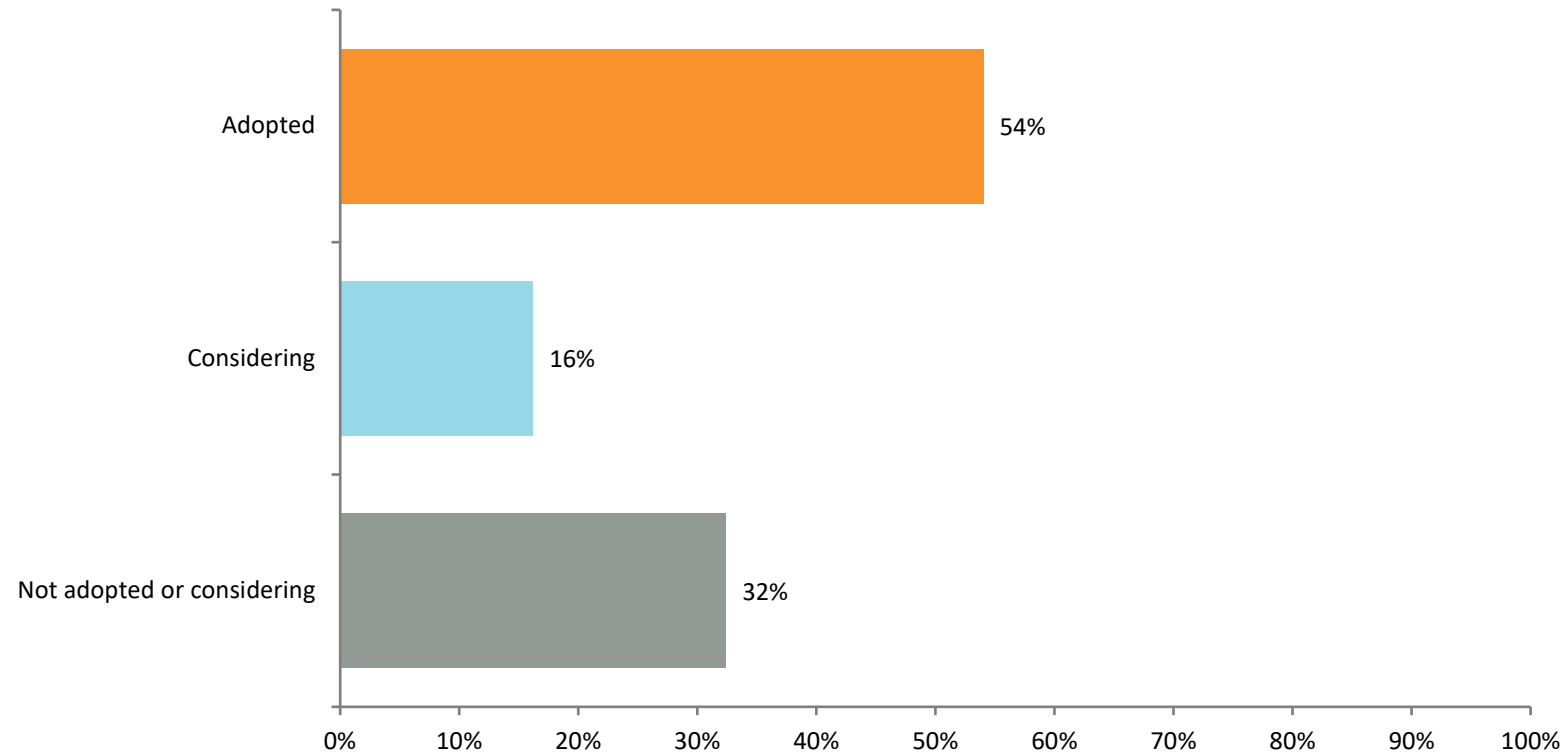
Answered: 20

## Q.6.2. Please check all the programs/policies being considered in support of increasing energy efficiency in housing.



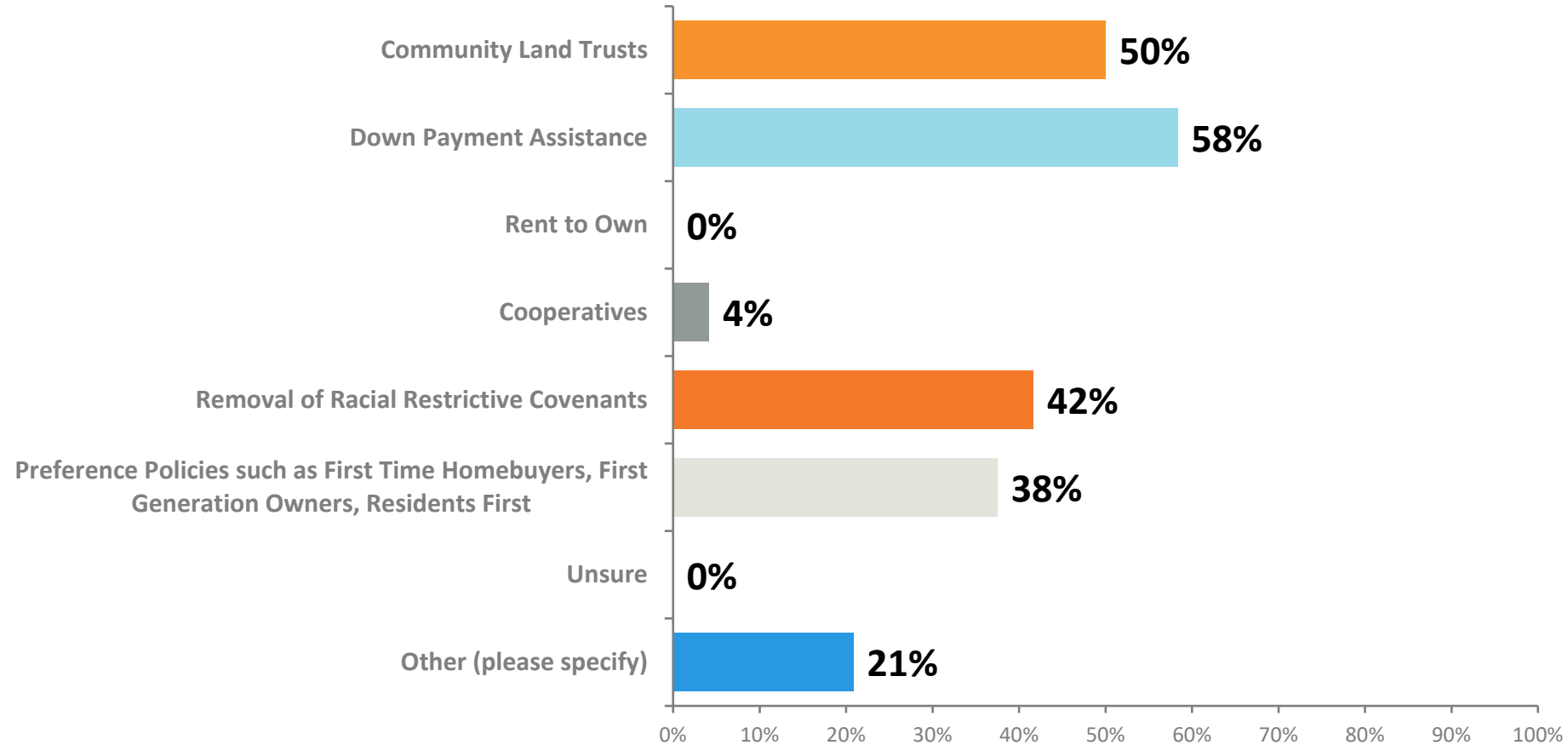
Answered: 12

# Q.7. Does your city/county have - or is your city/county considering - policies/programs in support of homeownership and/or wealth building?



Answered: 35

# Q.7.1. Please check all the homeownership and wealth building programs/policies adopted.



Answered: 24

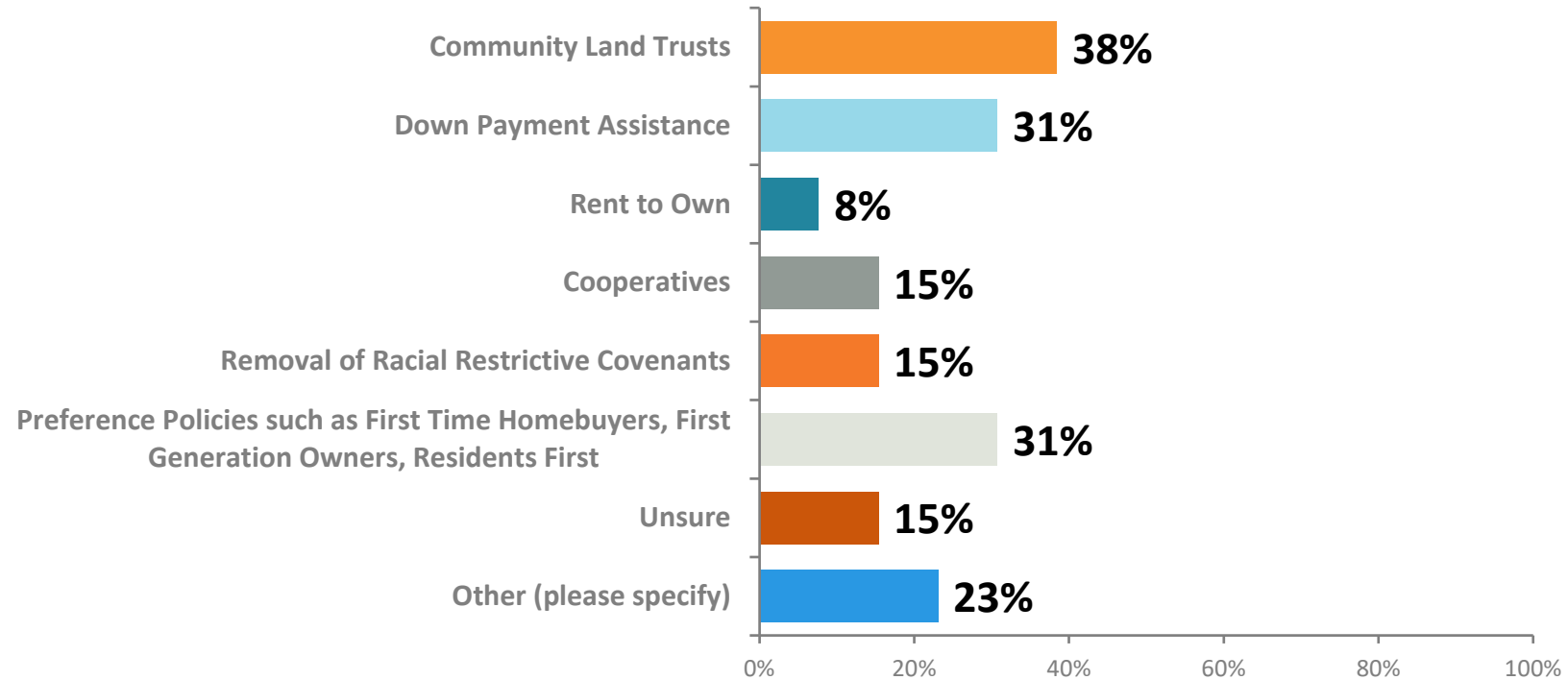


# Case Study:

## Golden Valley Just Deeds Project

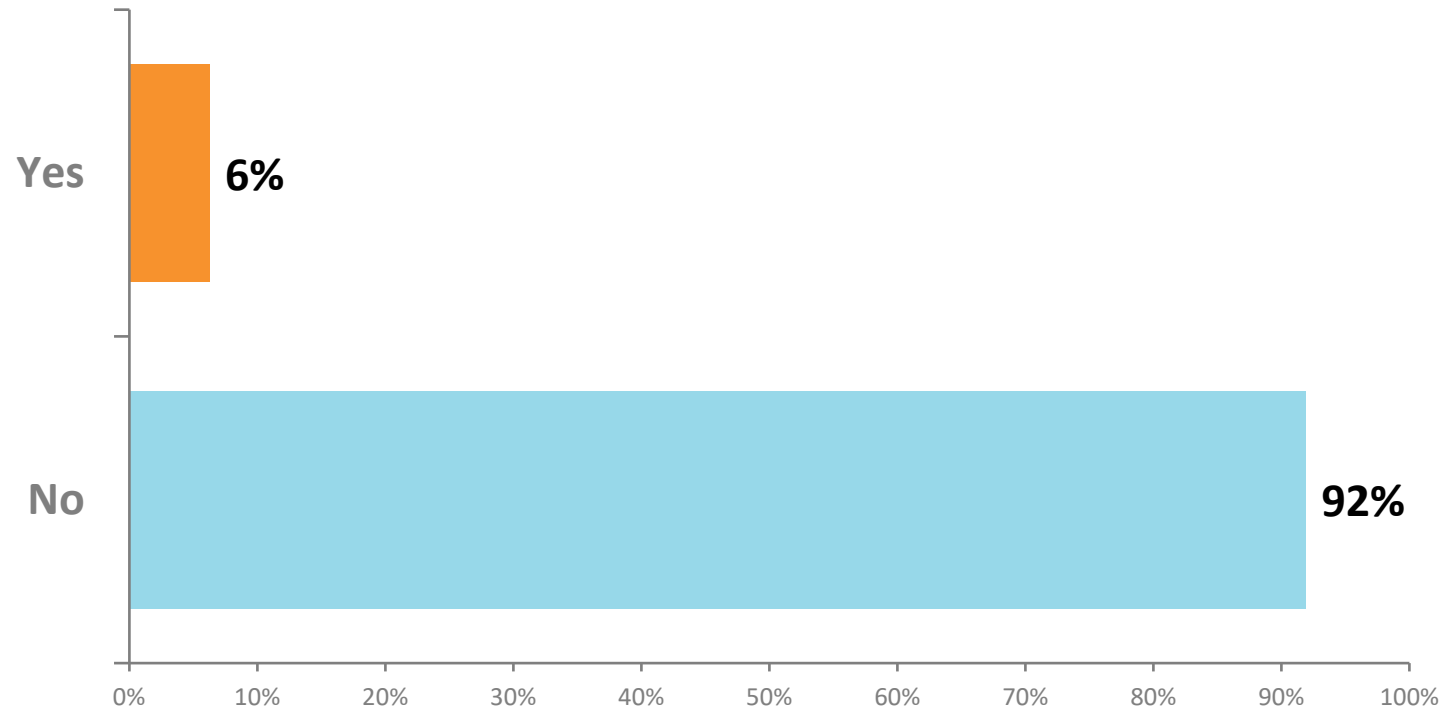
- **Goal:** Reduce restrictive covenants on properties in the City to dismantle barriers to prosperity and inclusion.
- **Human Rights Commission-led Effort:** After Minnesota Legislature passed a law in 2019 to allow property owners to renounce the covenants on their properties, the Golden Valley Human Rights Commission created the Just Deeds Project.
- The Just Deed Project:
  - Provides free legal and title services
  - Identifies properties with existing covenants
  - Facilitates community conversations about the racial injustice surrounding restrictive covenants and [created a toolkit](#) for similar conversations
  - More information: [https://www.youtube.com/watch?v=CH\\_6sw-QFjw](https://www.youtube.com/watch?v=CH_6sw-QFjw)

# Q.7.2. Please check all the homeownership and wealth building programs/policies being considered.



Answered: 13

# Q.8 – Does your city/county have, or is your city/county considering, designated cultural districts?



Answered: 35