

VI. Fair Housing Goals and Priorities⁷²

Goal 1: Increase the supply of affordable housing in high opportunity areas.

The Twin Cities region has a severe shortage of affordable housing, particularly in areas of high opportunity. Jurisdictions continually fall short of meeting affordable housing production goals. In addition, the increasing and rapid gentrification of areas that were previously affordable has resulted in the loss of affordable housing throughout the Region, and particularly in Minneapolis, St. Paul, and the immediate suburbs. Jurisdictions should take steps to find additional and stable sources of funding for new affordable housing development, require additional affordable units in new mixed-income and mixed-use development, revise land use and zoning codes to allow for a range of types of affordable housing, and facilitate the acquisition of existing unsafe or dilapidated housing for rehabilitation.

- Change existing land use and zoning laws, where possible, to allow for more types of affordable housing, such as Accessory Dwelling Units (ADUs), Single Room Occupancy (SRO) multi-family projects, or other low cost models such as tiny homes.
- Provide additional investments in the Affordable Housing Trust Funds in St. Paul and Minneapolis and additional investments in affordable housing in the other jurisdictions.
- Provide funding to assist community organizations in purchasing, rehabilitating, and leasing dilapidated rental properties. Ensure that these organizations have the right of first refusal to purchase prior to outside, for-profit developers.
- Condition the distribution of grant funds to jurisdictions by the Metropolitan Council based communities providing concrete plans to meet their fair share of the decennial affordable housing needs.
- Expand bonus point offerings in RFPs to incentivize the development of large units with three or more bedrooms.

Goal 2: Preserve the existing stock of affordable rental housing.

Existing affordable housing in the Twin Cities region is in an extremely vulnerable state, due to both the lack of maintenance and attractiveness of these properties to outside investors. In addition to meeting demand by building new affordable housing, jurisdictions should work to maintain the existing stock of affordable housing by limiting the purchase of affordable housing to outside investors, creating protections for manufactured home communities, and ensuring regular inspection and repair of affordable housing units.

- Partner with the Minnesota Attorney General's office to develop land lease and other protections for residents of manufactured home communities.
- Provide restrictions on the "flipping" of affordable rental housing by outside investors. Require that 1) a large percentage of units remain affordable at deeper levels of affordability; 2) previous tenants have rights of return; and 3) displaced tenants have access to relocation services.

⁷² Some goals may require state authorizing legislation in order to adopt and implement.

- Rehabilitate and maintain the existing stock of publicly owned, affordable single-family homes. Provide regular inspection and maintenance of these properties.
- Provide Advanced Notice of Sale and Tenant Opportunity to Purchase/first right of refusal for tenants of affordable housing units that are for sale.

Goal 3: Support homeownership for households of color.

Minnesota has extremely high homeownership rates, which an important wealth-building tool for many families, yet homeownership remains unattainable for many households of color. In addition to lending discrimination that prevents these families from purchasing homes, many down payment assistance programs will not provide enough subsidy to for homeownership to be affordable. Furthermore, many households need assistance with the long-term costs of homeownership, like necessary major repairs. Jurisdictions should hold credit and lending institutions accountable for fair lending practices and increase the amount and type of funding sources available to families of color looking to transition to homeownership.

- Develop partnership with local lending institutions to conduct homebuyer and financial literacy education targeted at communities of color.
- Develop a program or policy to provide for regular review of local lending practices for fair housing issues.
- Increase funding for down payment assistance programs.
- Fund and facilitate credit counseling and improvement programs targeted at communities of color.
- Provide more opportunities for families on public assistance to transition to ownership.
- Provide long-term support for communities of color beyond down payment assistance, such as additional funding programs for necessary repairs.

Goal 4: Prevent Displacement of Black and Brown low- and moderate-income residents.

Historically, Black and Brown communities are experiencing most vulnerable to gentrification and displacement in the Twin Cities region. In addition to providing tenant protections to reduce eviction rates, jurisdictions should thoroughly study the effects new development, particularly transit-oriented development, on communities of color and ensure that any plan for new development includes steps to reduce displacement.

- Pilot a Right to Counsel Program to provide pro bono counsel to tenants facing eviction.
- Pass localized Just Cause Eviction protections and advocate for statewide Just Cause eviction legislation.
- Advocate for statewide rent control/stabilization legislation.
- Consider the impact of transit-oriented development and preserve additional units in mixed income developments along transit corridors
- Establish a minimum nonpayment of rent threshold for evictions of \$100 and adopt a rule which allows tenants to cure by paying the full amount owed up to and including the date of trial for the eviction.
- Establish a policy for regular community participation in advance of approving new development in areas populated by low- and moderate-income Black and Brown residents.

To ensure maximum participation, these meetings should be held at a variety of times be accessible via public transportation, be in locations that are ADA accessible, and provide food and perhaps childcare, if the meeting occurs in the evening.

- Establish policies that provide for analysis of potential fair housing impacts of new development in areas populated by low- and moderate income Black and Brown residents.
- Conduct or contract for regular research on gentrification and displacement throughout the region.
- Provide funding for rent relief programs, foreclosure prevention programs, and small business support in distressed areas.
- Establish use of the Equitable Development Scorecard to evaluate all new residential and mixed-use development proposals.

Goal 5: Increase community integration for person with disabilities.

Individuals with disabilities in the Twin Cities region are often limited in their choice of location and quality of housing. Many landlords do not accept vouchers or make reasonable accommodations, and there may be few or expensive transportation options in areas of higher opportunity. As a result, residents with disabilities have fewer housing options and are often relegated to areas of low opportunity. Jurisdictions should take steps to ensure that vouchers are accepted throughout the Region, that there are funds available to retrofit units for accessibility, and that there is an extensive transportation network so that persons with disabilities can have access to safe and affordable housing, jobs, and support services.

- Increase the supply of integrated permanent supportive housing by utilizing Project-Based Vouchers in developments that include units that have rents that are within Housing Choice Voucher payment standards as a result of inclusionary zoning programs. Require a set-aside of permanent supportive housing units through requests for proposals and notices of funding availability under the HOME Investment Partnerships programs as well as under locally-funded affordable housing programs.
- Advocate for greater funding from the Minnesota Legislature for the Developmental Disabilities Waiver in order to eliminate the need for a wait list for services under that program.
- Ensure consistency in disability-related Housing Choice Voucher preferences across housing authorities.
- Deepen enhanced accessibility requirements for developments receiving federal financial assistance to require that 10% of units be accessible to persons with ambulatory disabilities and that 4% of units be accessible to persons with sensory disabilities.
- Increase funding and availability of Metro Mobility services.
- Encourage Metro Transit to subsidize rides of caregivers assisting riders with disabilities.
- Explore the creation of more affordable transportation options, especially outside of Minneapolis and St. Paul.
- Ensure that bus stops and curb cuts are plowed and/or shoveled after snowfall.
- Increase regional cooperation among disability service providers.
- Provide additional funding to disability support service organization to ensure recruitment and retention of qualified support staff.

- Create and invest in a relief fund for landlords and tenants to apply for rehabilitation assistance related to the cost of requested reasonable accommodations.

Goal 6: Ensure equal access to housing for person with protected characteristics, lower-income, and homeless.

This analysis found segregation of and discrimination against persons with protected classes, low-income families, and people experiencing homelessness. There are numerous steps jurisdictions can take to ensure equal treatment. The jurisdictions should pass protections that eliminate or drastically reduce the use of criminal backgrounds, credit scores, and past rental history in the consideration of rental applications, and conduct regular fair housing testing throughout the Region. A common application should be created and made available in a range of languages to ease the cost and burden of the affordable housing application process. Jurisdictions should create additional permanent housing options for homeless families. In addition, jurisdictions should thoroughly examine the language and enforcement of any nuisance ordinances that may have a disparate impact on Black and Latinx communities, survivors of domestic violence, and victims of crime. Given that Black and Latinx people are more likely to be stopped, cited, arrested, charged, and convicted of crimes due to racial profiling and over-policing of these communities, ordinances that allow for eviction based on calls for emergency police service or lease addendums that automatically allow for eviction based on criminal activity will disproportionately subject these communities to eviction and all of the collateral consequences that follow. Likewise, victims of crime and particularly survivors of domestic violence should not be penalized with losing their housing simply for calling for police or medical assistance. The city of St. Louis Park recently repealed their crime-free ordinance, and we urge other jurisdictions with similar policies to follow suit.

- Implement source of income protections throughout the Region and advocate for statewide protections.
- Eliminate participation in the Crime Free Multi-Housing program by local police departments.
- For municipalities with crime-free housing and nuisance ordinances that allow for eviction based on calls for service or criminal activity of tenants, condition funding on the repeal of these ordinances and advocate for statewide legislation banning these ordinances. This legislation should explicitly prohibit eviction based solely on calls for emergency service, particularly for survivors of domestic violence, victims of crime, and those experiencing health emergencies.
- Require that all rental and homeownership applications be made available in Spanish, Hmong, and Somali, and ensure that paper copies are available for those without computer access.
- Ensure that housing authorities have translation services available to their customers.
- Encourage landlords to follow HUD's guidance on the use of criminal backgrounds in screening tenants.
- The St. Paul Housing Authority should eliminate the use of a policy that allows for termination without proof beyond a reasonable doubt or a report to law enforcement.
- Following Minneapolis's example, introduce and pass legislation that requires inclusive credit screening practices that do not rely on FICO scores.

- Increase the capacity of existing fair housing enforcement agencies by providing additional funding for staff.
- Provide additional funding to increase capacity and frequency of record expungement clinics.
- Following Minneapolis's example, transition from exclusively complaint-based code-enforcement services. Provide for regular code enforcement review of all rental properties as part of rental licensing restrictions.
- Ensure that school redistricting policies do not create new or exacerbate existing segregation patterns for communities of color.
- Establish a permanent Fair Housing Advisory Committee that will participate regularly in FHIC meetings. This committee should be made up of a diverse group of community members.
- Work with the courts to ensure that they refrain from publishing evictions immediately when filed. Courts should wait to publish evictions on a tenant's record until after a judgement has been entered.
- Work with the courts to prevent evictions from remaining on a tenant's record when the eviction has been dismissed, and reduce the amount of time evictions remain on a tenant's record from 7 years to 2 years.
- Explore capping the amount of application fees private landlords may charge and the creation of a universal rental application to reduce the difficulty of applying and the amount of fees landlords are able to charge
- Restrict the ability of landlords to evict tenants during the winter months.
- Expand services and resources for homeless families.
- Partner with community based fair housing organizations to conduct regular testing of potential discriminatory steering practices by realtors.

Goal 7: Expand access to opportunity for protected classes.

Areas with access to good jobs, public transportation, and safe and affordable housing throughout the Twin Cities Region are often inaccessible to disadvantaged communities. Jurisdictions should take steps to increase the financial, housing and transit related barriers members of protected classes face to accessing opportunity within the Region.

- Increase regional cooperation to encourage transit development that connects communities of protected classes to employment and reduces general transit-related isolation of these communities.
- Increase the minimum wage in the metro area to \$15 an hour.
- Enact legislation to prevent landlords from requiring excessive security deposits or multiple months' rent.
- Regularly review the screening criteria of the Region's Public Housing Authorities to ensure compliance with HUD Background Screening Guidance, including criminal backgrounds, rental history, and credit history. As mentioned above, the St. Paul Housing Authority should eliminate the current policy of allowing for termination for criminal activity when the alleged activity has not even been reported to law enforcement or proven beyond a reasonable doubt.

- Relax stringent guidelines for reasonable accommodations claims to Public Housing Authorities.
- Consult with industry experts and community groups to create a Racial Justice Framework for analysis of proposed development and siting of affordable housing.
- Provide funding and staffing for public campaigns to combat NIMBY sentiment throughout the region. These campaigns should also include content to dissuade negative notions around voucher holders.

Goal 8: Reduce barriers to mobility.

Practices of public housing authorities (PHAs) can have a significant impact on the location and quality of housing those who rely on subsidized housing can obtain. The PHAs throughout the Region should work independently to ensure their policies comply with fair housing laws and do not result in unnecessary evictions of families. PHAs should also work together to ensure that portability for Housing Choice Voucher holders is available and that it is easy for residents to move to areas of more opportunity.

- Enact policies that provide for regular reviews of residency and other preferences for fair housing impacts.
- Implement selective use of payment standards based on Small Area Fair Market Rents (FMRs), to expand housing choice specifically in zip codes that are areas of opportunity. As an example, for a Minneapolis zip code, the current payment standard for a two bedroom apartment is \$1,228. For the same zip code, the Small Area FMR payment standard would be \$1,820.
- Condition the receipt of public funds for any new housing development on the acceptance of vouchers and agreement not to discriminate on the basis of an applicant's receipt of public assistance.
- Enact policies providing for regular review of landlord listing services to ensure availability of units in opportunity areas.
- Implement a fair housing auditing policy for LIHTC developments overseen by Minneapolis, St. Paul, Washington County, and Dakota County, specifically assessing voucher holder marketing and access—particularly for family LIHTC housing outside of concentrated areas.
- Expand policies providing for regular landlord/developer outreach and engagement, to encourage and support participation in the voucher program, including periodic workshops and an ongoing working group.
- Institute protocols to regularly review and report on suballocators' LIHTC performance in achieving siting balance (in designated areas of opportunity), and further incentivize development in areas of opportunity through set asides, basis boost designations, and/or increased competitive points.