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In addition to **The Bulletin**, MHP also publishes **The Capitol Update**, a newsletter that follows the ins and outs of state and federal housing policy and legislation that affect Minnesota. Click [here](#) to sign up for the **Update**.

NEWS

MHP Federal Housing Forum '09, Oct. 23 (Save \$10 with Advance Registration by Oct. 16th)*
These past 18 months have seen passage of the two most significant federal bills to impact housing in decades. We have never before seen local governments and other entities funded to buy and sell foreclosed properties. We have never before seen this amount of money poured into low income homes through programs such as weatherization. The impact this legislation has on Minnesota will last for years.

Featured speakers include **Mark A. Linton**, Director of the Center for Faith-Based and Neighborhood Partnerships (HUD), **Colleen Landkamer**, Minnesota State Director for Rural Development (USDA), and Minnesota's own federal housing leaders to offer a comprehensive look at the recent legislation and what it means for Minnesota communities. [Click here for the agenda](#). Save \$10 through advance registration

by Oct. 16, at \$10.00 per person* (in person or, for those who can't make it, by audio conference). An optional box lunch is available for an additional \$10.

— [Federal Housing Policy Forum Registration](#) || [Audio Conference Registration](#) —

**If space is available on the day of the event, there is a \$20.00 registration fee at the door, payable by cash or check only. The box lunch is only offered through advance registration. Contact Julie Johnson at 651-925-5548 or JJJohnson@mhponline.org for more information.*

New Census Data Shows Minnesotans Swamped by Housing Costs

The [American Community Survey \(ACS\)](#) data released in September shows housing costs continued to severely burden Minnesotans in 2008. While the data does not cover the impact of the recession on housing affordability into 2009, it gives the most complete picture of Minnesota housing available.

In 2008 hundreds of thousands of Minnesotans were paying far too much for housing amidst other basic survival needs. Based on MHP analysis, from 2002 to 2008 the number of homeowners paying more than half of their income on housing increased from 1 in 17 mortgage holders to 1 in 9. Overall, including renters, 1 in 8 households was paying at least half of its income for housing—a severe cost-burden. 2008 was the sixth consecutive year in which both the number and proportion of severely cost burdened households rose in Minnesota. Low-and moderate-income households were far more likely to lack affordable housing. Such high rates of housing cost burden are cause for serious concern, especially in light of subsequent increases in unemployment related to the recession. Between August 2008 and August 2009, reported unemployment in Minnesota rose significantly, from 5.4% to 8%.

Other key findings from MHP's analysis of state 2008 ACS data include:

- Despite falling home values, owner costs did not drop in 2008.
- 692,000 households were estimated to be cost burdened, since they pay at least 30% of their income for housing. This represents 1 in 3 households.
- 46% of renters and 29% of owners were paying more than they could afford (at least 30% of their income) for housing.
- In 2003, about 1 in 4 senior-headed households paid too much of their income for housing; by 2008, that proportion rose to 1 in 3.
- Racial disparities in home ownership rates persisted in 2008. The home ownership rate for African-American households was about 29%, Asian households 63%, Native American households 45%, and Latino households 51%. White, non-Latino households had a far higher rate of 78%.

Interagency “Council on Healthy Housing” Bill Introduced in U.S. Senate

Senator Jack Reed (D-RI) introduced the “Healthy Housing Council Act of 2009” on September 10, with Minnesota's Al Franken among the bill's four sponsors. The bill ([S. 1658](#)) would establish an interagency council to coordinate the work of nine federal agencies. This Council on Healthy Housing would have two objectives: encourage healthy housing through capacity building, technical assistance, public policy, and education; and facilitate interagency coordination and collaboration. The bill authorizes \$750,000 annually through FY14 for the Council's work.

Senator Reed cites more than 23 million households facing deaths and health problems due to poor housing conditions, a disproportionate number of which are low income and minority households. Health care costs for children's environment-related illnesses alone total \$54.9 billion annually.

The Council's focus would be on improving existing programs for healthy housing and identifying policy, program, and research deficits and best practices. Council members would include the Secretaries of HUD, Health and Human Services, Energy, Labor, Veterans Affairs, Treasury, Agriculture and Education. The Environmental Protection Agency's Administrator would also serve. Additional members would include experts from federal and state or local governments, nonprofits and for-profit organizations.

Three New Surveys of Public Attitudes on Housing

1) Over the past 6–9 months, Himle Horner and Action Media undertook comprehensive research for the [McKnight Foundation](#) on attitudes and values toward affordable housing in Minnesota. In September, MHP attended a briefing on the resulting report, salient findings from which include: homeowners' strong motivation to protect interests like the value of their homes; general support for more community diversity, yet a belief that respondents' own communities are close to ideal; and general support for government action to keep housing affordable, while reactions to specific proposals were very divided. As for perceptions about who would live in affordable housing: "The emotional value of empathetic beneficiaries is vastly overwhelmed by the negative [stereotypical] portrayals." And homeowners, to whom policy-makers listen, "strongly believe that discussions of affordable housing should begin with consideration of their core issues," such as protecting their personal and economic security. Find the report, "[Research: Minnesota Values & Attitudes on Affordable Housing](#)," in the [housing evaluation section](#) of the McKnight Foundation's web site.

2) The 2009 "[Struggling to Make Ends Meet](#)" report comes from a national poll—with results for MN and seven other states—asking 4,000 Americans about the financial struggle within their households and communities, and their expectations of elected officials. It's the fourth year the [Northwest Area Foundation](#) commissioned this survey—revising the questionnaire this year to better reflect the recession. The findings reveal families have been hard hit, have made sacrifices, taken action, and expect officials to do more to help. In Minnesota, which mirrors the national picture, more than a quarter of folks are having trouble paying for basic necessities, with more than a third *worried* about providing for those basics. Half have cut down on food expense; 40% have had work hours cut. 68% of people believe such struggles reflect circumstances out of people's control rather than "poor choices," and strong majorities are willing to do or pay more to help neighbors in need. Report data, including "Minnesota Data & Tools" is available on the [Toolbox web page](#).

3) Finally, according to the [2009 University of Mass.-Donahue Institute/Citizens' Housing and Planning Association Housing Poll](#), Massachusetts residents remain deeply concerned about the affordability of housing in spite of recent declines in housing prices. The Poll finds large numbers very concerned about their job security and ability to make ends meet: nearly half fear losing their job; 1 in 4 worry about making housing payments. Most strongly support development of new affordable housing in their communities; and overwhelmingly they favor new policies to protect renters from being displaced by foreclosures and increasing state support for at-risk families.

September Minnesota Housing Board Meeting – Report

To enable the Agency to launch into its program/funding year starting October 1, the board with no discussion signed off on the Affordable Housing Plan. (See an updated table, "MN Housing Programs with Greatest Agency Discretion Over Fund Use - 2010-2011"—at the [State Public Policy](#) section of MHP's web site.)

The board did have a number of questions about the Agency's new Community Profiles, which are meant to guide Agency investment in affordable rental housing, workforce housing, community stabilization, and economic integration. Staff was asked why the Community Profile factors were based on averages for data, such as poverty rates, and not disparities. By looking at disparities, a wealthy county with a high concentration of low income people might receive a higher priority for funding than it would under the current plan for profiles. Staff replied that they were being consistent with similar approaches in other states. Forthcoming census-tract based data will enable them to identify concentrations of high housing need in jurisdictions with overall low need. Research director John Paterson added that Community Profiles will likely be used to amend Agency point systems; staff said that the Agency was seeking input on the new system from the housing community.

The board approved the green rehab requirements for the Rehabilitation Loan Program. This program provides very low-income homeowners with no interest, deferred and forgivable loans for basic

improvements. The board also approved staff's recommendation that HUD's Housing Quality Standards (HQS) be applied to the program so that federal HOME funds can be used. The new program requirements were effective October 1.

The board modified the Agency's down payment assistance component for the Community Activity Set Aside (CASA) home purchase mortgage program. Entry-cost assistance loans were increased from \$3,000 to \$5,000. For the more targeted HOME HELP program, supporting emerging markets and foreclosure remediation, the top assistance amount was reduced from \$14,999 to \$10,000. This reflected the Agency's interest in spreading its resources over more homes, and slumping home prices that reduced the amount of entry-cost assistance needed per home.

Finally, for the Foreclosure Prevention Assistance Program, the board approved the staff recommendation to pool program loan funds. These program funds are provided as interest-free deferred loans to households facing foreclosure. Previously, funds were awarded to each individual program administrator for a program year's first six months. Then remaining amounts went into two funds—one for Greater Minnesota administrators and the other for those in the metro area. This change is intended to more efficiently target funds to demand. Board members, concerned that the change might mean a loss in resources for Greater Minnesota, were assured that Greater Minnesota agencies were typically the first to expend their funds; under the new system, they should not lose out.

RESOURCES

New Report on Shared Equity Homeownership

The Center for Housing Policy (CHP) recently released *Balancing Durable Affordability and Wealth Creation: Responding to Concerns about Shared Equity Homeownership*, which explores the potential of shared equity homeownership to balance long-term affordability and asset-building objectives. It also looks at how communities have responded to concerns over limiting families' wealth creation opportunities. Other CHP web-based resources enable readers to [learn more about Shared Equity Homeownership](#) or to join a [Shared Equity Homeownership](#) discussion group on the [HousingPolicy.org Forum](#).

Report: Gubernatorial Candidate Forum on Housing, Homelessness, and Poverty

This September 29 debate at the [Minnesota Coalition for the Homeless](#) conference drew nine contestants. The event—also sponsored by [MHP](#) and [A Minnesota Without Poverty](#)—heard candidates respond to questions about poverty, homelessness, and the lack of affordable housing. Quotes from the evening include: “The cycle of poverty begins with youth who become homeless,” and “The need to address homelessness and poverty is a moral test of society.” For a report on which candidates said what, see “Gubernatorial Candidate Forum on Housing, Homelessness, and Poverty-9/29/09,” at [MHP's State Public Policy web page](#). (Many of the gubernatorial candidates will cover similar ground when they appear at the Oct. 14 [Hunger Solutions candidates forum](#).)

2008 Housing Counts Data: Production Down

2008 was a year of extremes, according to MHP analysis of data from [HousingLink's](#) recent 2008 edition of the [Housing Counts](#) report. For 2008, the number of units produced (628) and the number of units preserved (614) were both the lowest since HousingLink first started collecting the data. (Units produced were first collected in 2002; units preserved were first collected in 2004.) Demolitions (397 units), on the other hand, were the highest on record, since data was first collected in 2002 for the central cities. The Housing Counts report tracks affordable housing production and preservation in the seven-county Twin Cities metro area.

HOME Line's New Public Policy Blog

[HOME Line](#) invites you to subscribe to its new public policy blog at [HomeLineMn.wordpress.com](#). The blog is to provide the affordable housing and tenants' rights community with announcements and action alerts; answers to basic questions about affordable housing, government programs, and the legislative

process (with links to more detailed information); and instructional videos on being involved in policy-making. Subscribe to the [blog](#), or suggest content to HOME Line's public policy director, Michael Dahl, at 612-728-5770 x.111 or MichaelD@homelinemn.org.

MHP at WORK

MHP Launches Federal Housing Pages

To help the state keep abreast of rapidly evolving housing initiatives, MHP recently launched a set of [Federal Housing Pages](#)—web tools for Minnesota communities, stakeholders, developers, advocates, and citizens to track federal housing programs and resources. The new web pages provide a guide to a critical assortment of federal housing policies on topics such as rentals, homeownership, foreclosures, and energy—plus community development, jobs, transportation, and more.

Just Out: MHP's "2x4" Report for Quarter 2, 2009

MHP has released the newest issue of the ["2x4" Report](#) covering 2 indicators for each of 4 key housing areas: the home ownership market, the rental market, homelessness, and the housing industry. The second quarter 2009 issue shows that both owners and renters fell further behind in their ability to cover housing costs, while the housing industry began to show possible signs of stabilizing. Through quarterly updates, the report provides a concise and timely overview of housing challenges facing the state.

MHP Receives McKnight Foundation Funding: \$750K for 2010–2011

MHP received word in September that it will see funding from the [McKnight Foundation](#) for \$750K over the next two fiscal years. While supporting a range of MHP capacity building and advocacy initiatives, the foundation expressed particular interest in MHP's work on federal housing policy and MHP's public education activities.

CALENDAR

October 14

25th Annual Conference on Policy Analysis—Never Let a Serious Crisis Go to Waste

Continuing Education & Conference Center, University of MN, St. Paul - Bringing together professionals from policy analysis, public affairs, planning, research, and applied social sciences, the all-day event features keynote by Chris Farrell, America Public Media/Minnesota Public Radio's economics editor; 3 plenary sessions; 8 concurrent sessions; and an evening reception hosted by conference cosponsors. For more, go to www.cce.umn.edu/conferences/policy or email [Sara Van Essendelft](mailto:Sara.Van.Essendelft).

October 16

CURA Housing Forum: Minnesota Housing's Affordable Housing Plan for 2010–2011

Presenting Speaker: Dan Bartholomay, Commissioner of Minnesota Housing. 12–1:30 P.M., L-110 Honeywell Auditorium, Carlson School of Management (West Bank Campus: 321 - 19th Ave. S, Minneapolis). While the event is free of charge, RSVP is required by October 14 to 612-625-9040 or curahf@umn.edu. (To sign up for CURA Housing Forum notices, visit www.cura.umn.edu.)

October 20

ULI Minnesota presents: "Walking the Walk: How Walkability Influences Home Values"

Featured speaker is Joe Cortright, president and principal economist with Impresa, a Portland consulting firm specializing in regional economic analysis, innovation and industry clusters. Joe is also a non-resident Senior Fellow at the Brookings Institution, and chief economic analyst for the Oregon Business Plan, a multi-year, private sector-led effort to develop the state economy. Registration is at 3:45 P.M., Program 4–5:30 P.M., Reception 5:30–6:30 P.M.—at Dorsey & Whitney, 50 S. Sixth Street #1500, Minneapolis. [Click here](#) for more information and registration (\$50 fee / \$35 with ULI member discount / \$20 for students).

October 22**Wilder Research Homeless Survey - Volunteer Interviewers Needed**

Since 1991 Wilder has conducted a statewide homelessness survey every three years to better understand the causes, circumstances and effects of homelessness. The 2009 survey will take place on October 22. More than 800 volunteer interviewers will survey people staying at more than 300 shelter locations across Minnesota. If you are interested in serving as a volunteer interviewer and would like to learn more, please email [Karen Ulstad](mailto:Karen.Ulstad@wilderresearch.com). Initial study results will be available in Spring 2010.

October 23

MHP Federal Housing Forum 2009 – (See under NEWS, p. 1)

— [Federal Housing Policy Forum Registration](#) || [Audio Conference Registration](#) —

November 12–13**HUD Financial Training: “Numbers Don’t Lie, They Hide” for HUD Homeless Grant Recipients**

The Minneapolis Field Office of HUD, in cooperation with TDA (Training & Development Associates, Inc.), will hold this free Financial Training for managers of HUD grants for the homeless—for grant recipients and their partners who have HUD McKinney Vento Grant funds for Supportive Housing Projects (SHP) or Shelter Plus Care (S+C). (This is not related to the FY '09 NOFA regarding funding of McKinney Vento grants.) Twin City metro location: Sheraton Hotel, Bloomington, near Highway 100 and Interstate 494. The training is free, yet space is limited. Registration information and more details are coming soon—through the TDA consulting firm.

November 17–19**On Solid Ground: Tools & Tactics for Managing Your Construction Program Training**

This MHP HUD training in Minneapolis is for state, county, and local government or nonprofit staff charged with overseeing rehabilitation or construction under the HOME program. The course covers implementing housing standards, resolving construction disputes, reviewing inspections, and ensuring units comply with cost and quality requirements. To register, go to [MHP’s web site](#) and click on the training tab.

Upcoming MHP Deadlines

MHP’s 2009–2010 Loan & Grant Application Deadlines:

- *January 12*
- *March 9*
- *May 11*
- *July 13*
- *September 14*

[The MHP Bulletin](#) is published and distributed monthly by the Minnesota Housing Partnership (2446 University Ave. W. Ste. 140 | St. Paul MN 55114). It includes affordable housing news, announcements, legislative updates, publications, and upcoming events. For more information on affordable housing, back issues of *The MHP Bulletin*, to submit news or events to include in future issues, or if you would like to Unsubscribe, call Rick Bernardo at (651) 925-5549 or email him at Rick.Bernardo@mhponline.org.

MHP also publishes the [MHP Capitol Update](#). Distributed weekly during the Minnesota legislative session, and monthly outside of session, the *MHP Capitol Update* provides information about state and national housing policy and politics that affect Minnesota. Please contact Minnesota Housing Partnership at info@mhponline.org, or [click here to subscribe to the Update](#).

Minnesota Housing Partnership’s mission is to promote homes for all Minnesotans and to assist Minnesota communities in the creation and preservation of housing affordable to low- and moderate-income people.