Enable, Incentivize, and Expedite

All types of homes, especially affordable,
in every corner of the state

February 2024

Revitalizing Minnesota

A Call for Statewide Land-Use and Zoning Reforms to Address
Housing Affordability and Equity

Habitat for Humanity of Minnesota

mhp improving home & community

mhp improving home & community
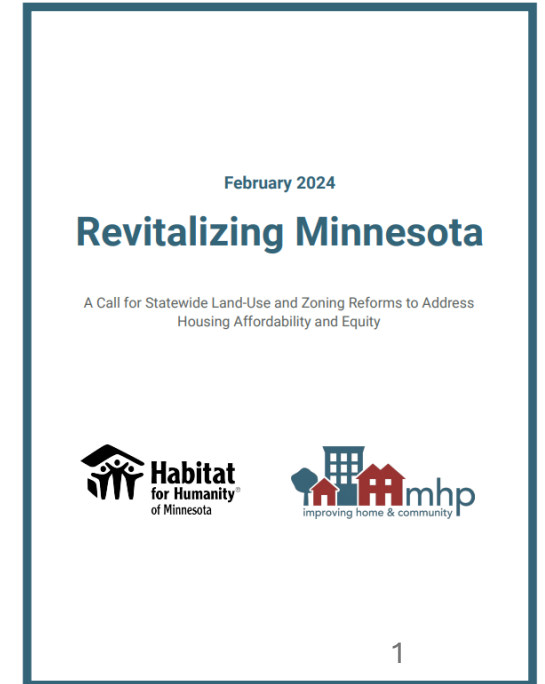
Why Homes Matter – housing is the foundation

Strong communities are built on stable homes.

Where you live affects nearly everything in your life.

MINNESOTA IS STRONGER
WHEN EVERYONE CAN AFFORD
A SAFE, STABLE HOME.

mhp
improving home & community

Our housing system is broken

For households with extremely low incomes, there are few homes to rent.
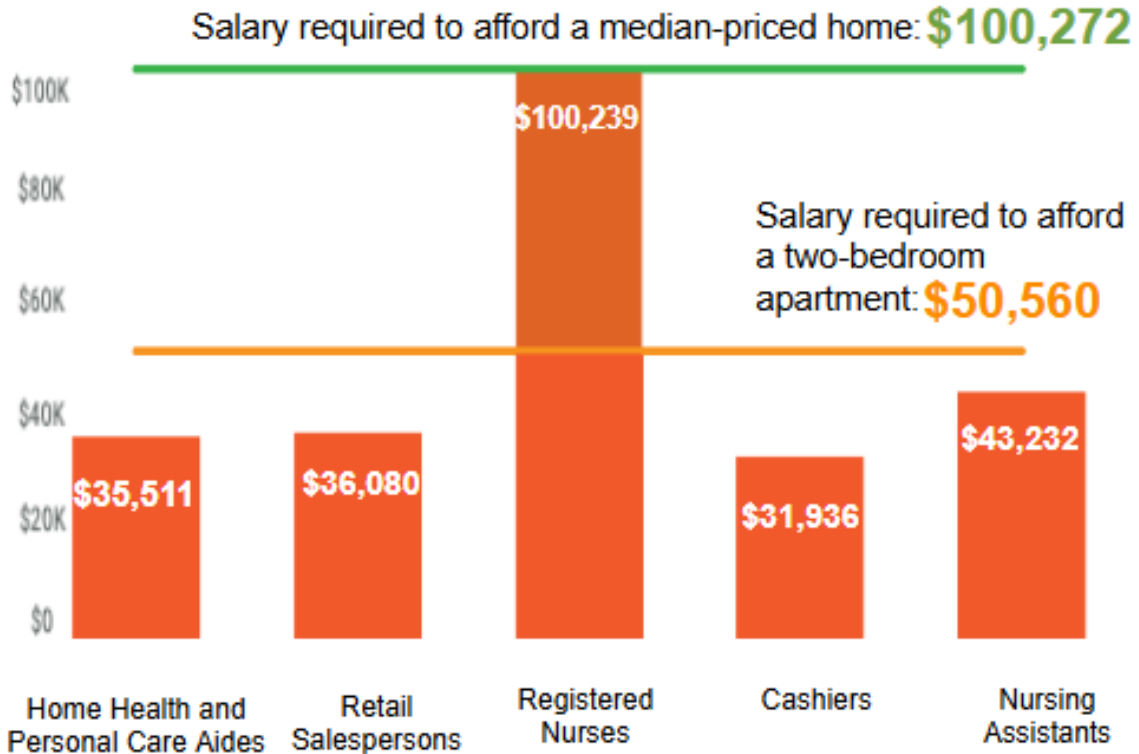
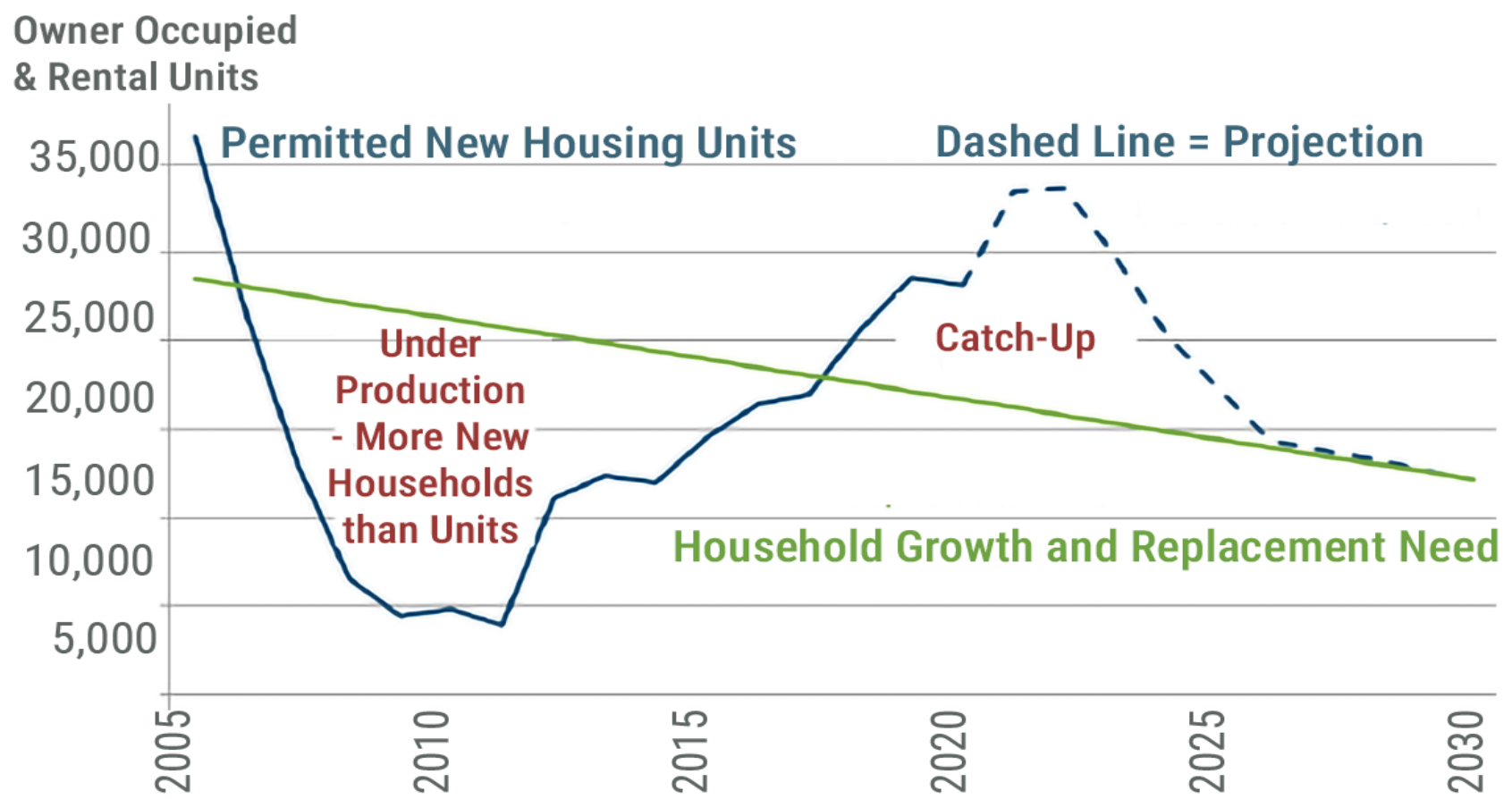|	
Minnesota ELI renter households:	**173,025**
Households without affordable/available homes	**114,131**

ELI stands for "Extremely Low-Income," or households earning under $30,190 annually.
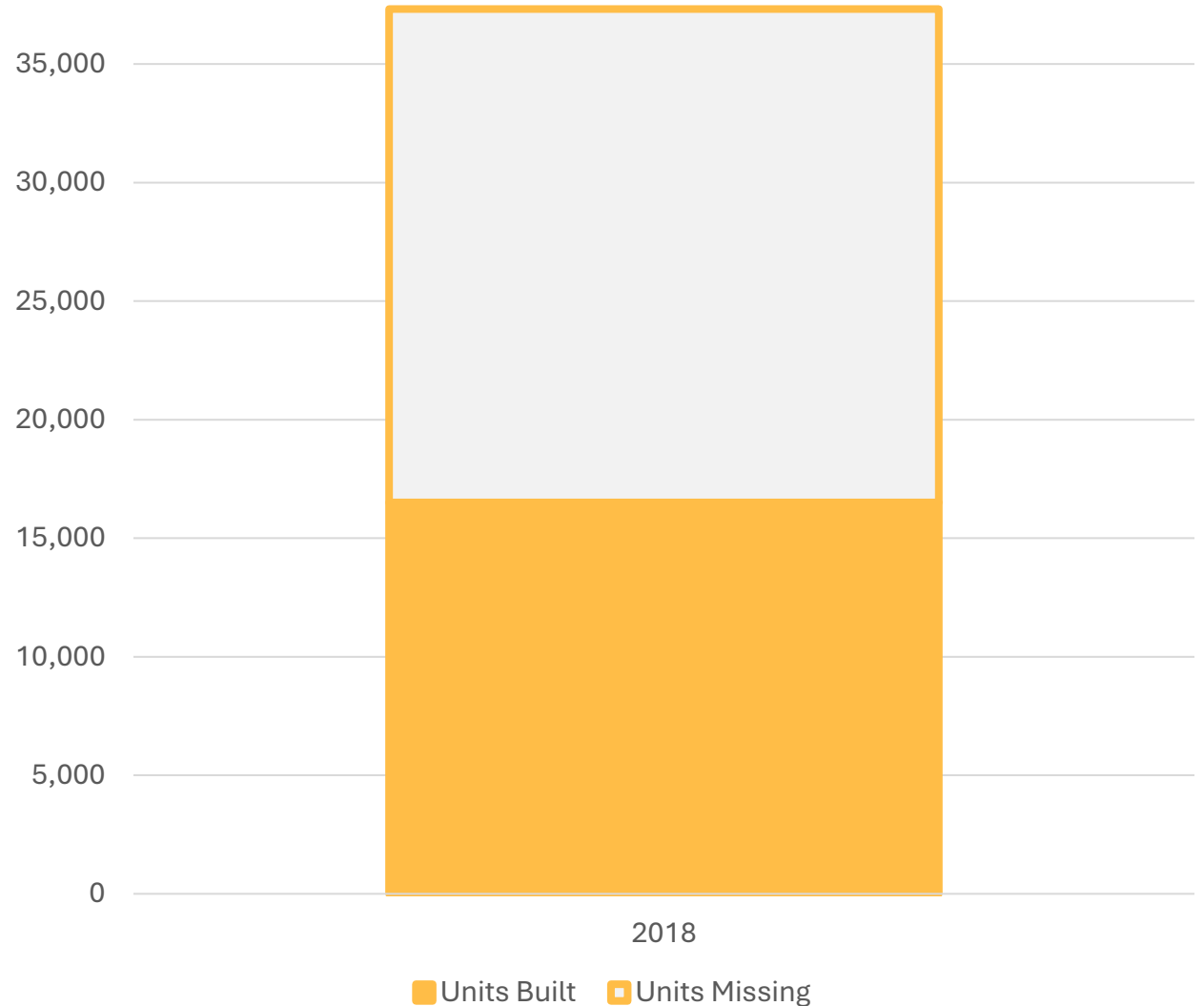
Minnesota's In-Demand Jobs Don't Cover Housing Costs

Salary required to afford a median-priced home: **$100,272**

Salary required to afford a two-bedroom apartment: **$50,560**

Job	Salary
Home Health and Personal Care Aides	$35,511
Retail Salespersons	$36,080
Registered Nurses	$100,239
Cashiers	$31,936
Nursing Assistants	$43,232

mhp
improving home & community

New Production is Behind

Owner Occupied & Rental Units

Permitted New Housing Units

Dashed Line = Projection

Under Production - More New Households than Units

Catch-Up

Household Growth and Replacement Need

35,000
30,000
25,000
20,000
15,000
10,000
5,000

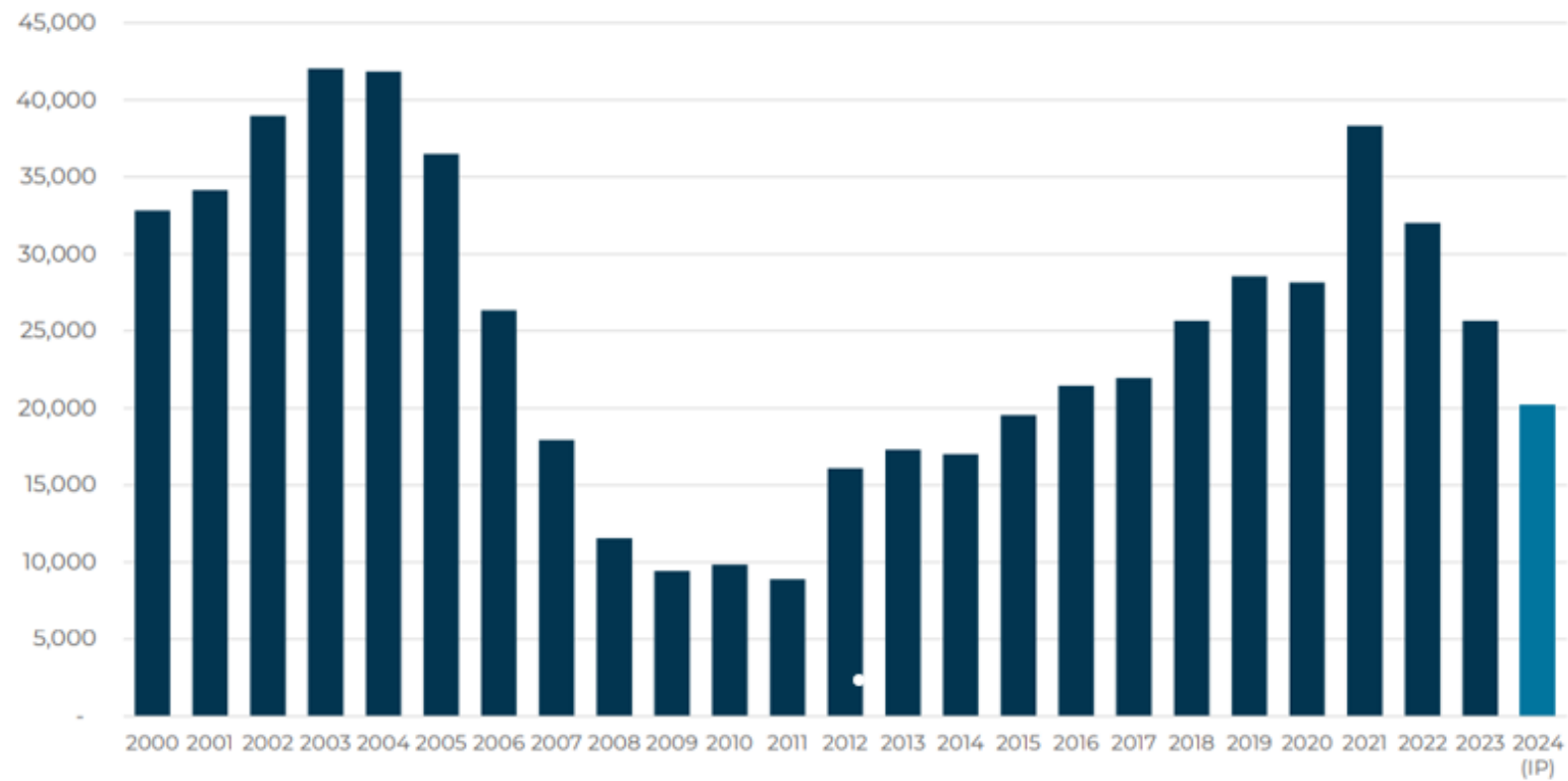2005 2010 2015 2020 2025 2030

improving home & community

mhp

Minnesota is NOT meeting these housing goals...

In the past decade, the 7-county Twin Cities region met only 44% of its affordable housing goal.

mhp
improving home & community

35,000	
30,000	
25,000	
20,000	
15,000	
10,000	
5,000	
0	

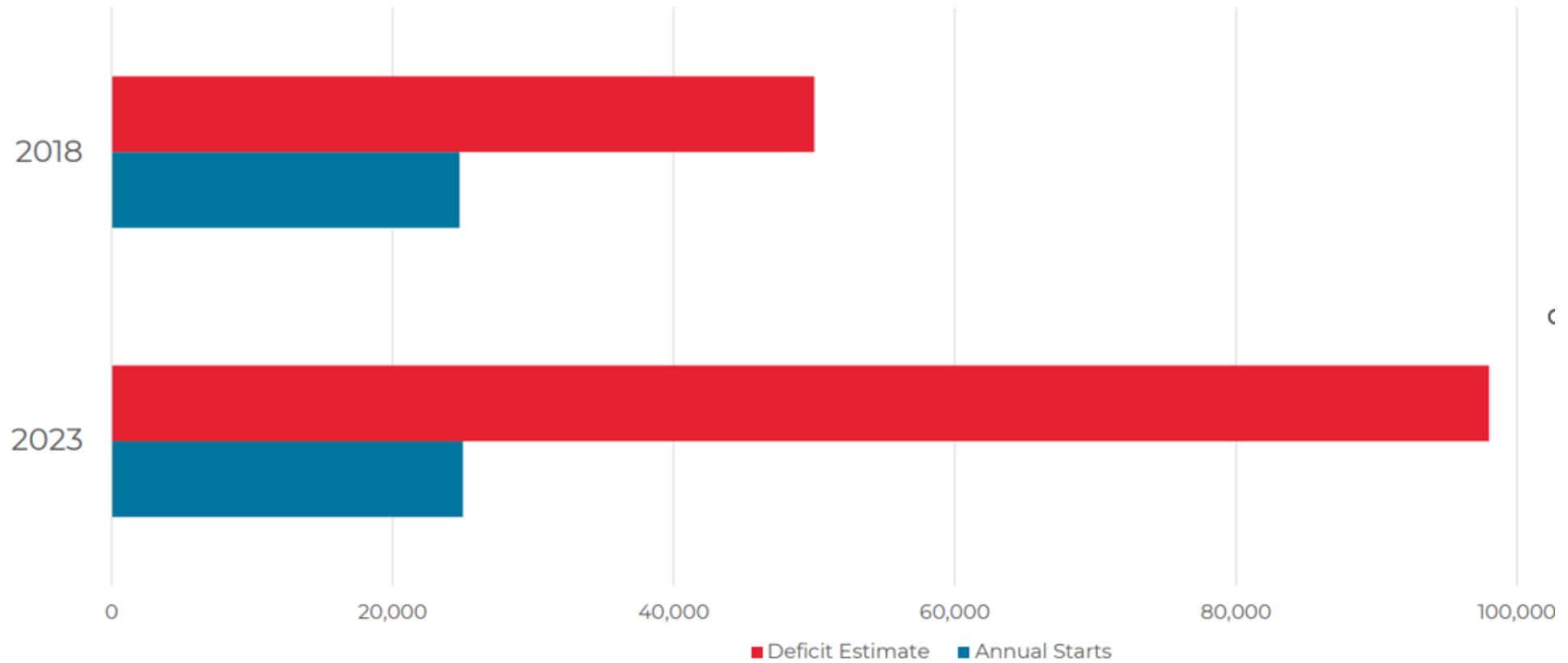2018

■ Units Built   □ Units Missing

5

New home starts are down

Minnesota New Housing Units

Source: US Census Bureau

The deficit is getting worse

Minnesota's Growing Housing Deficit

Source: US Census Bureau

Home under $200K are scarce

Inventory by Price Range
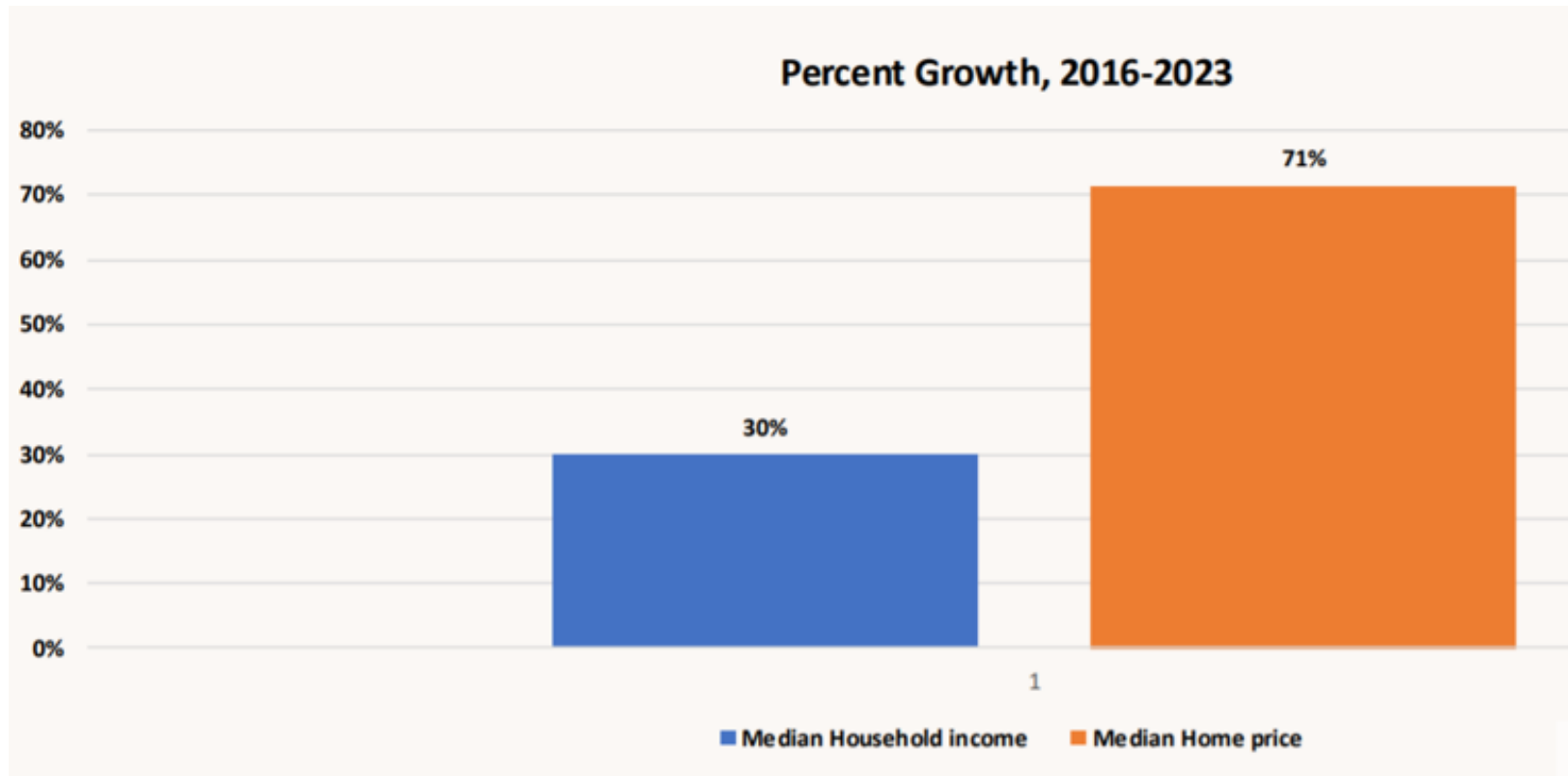Twin Cities
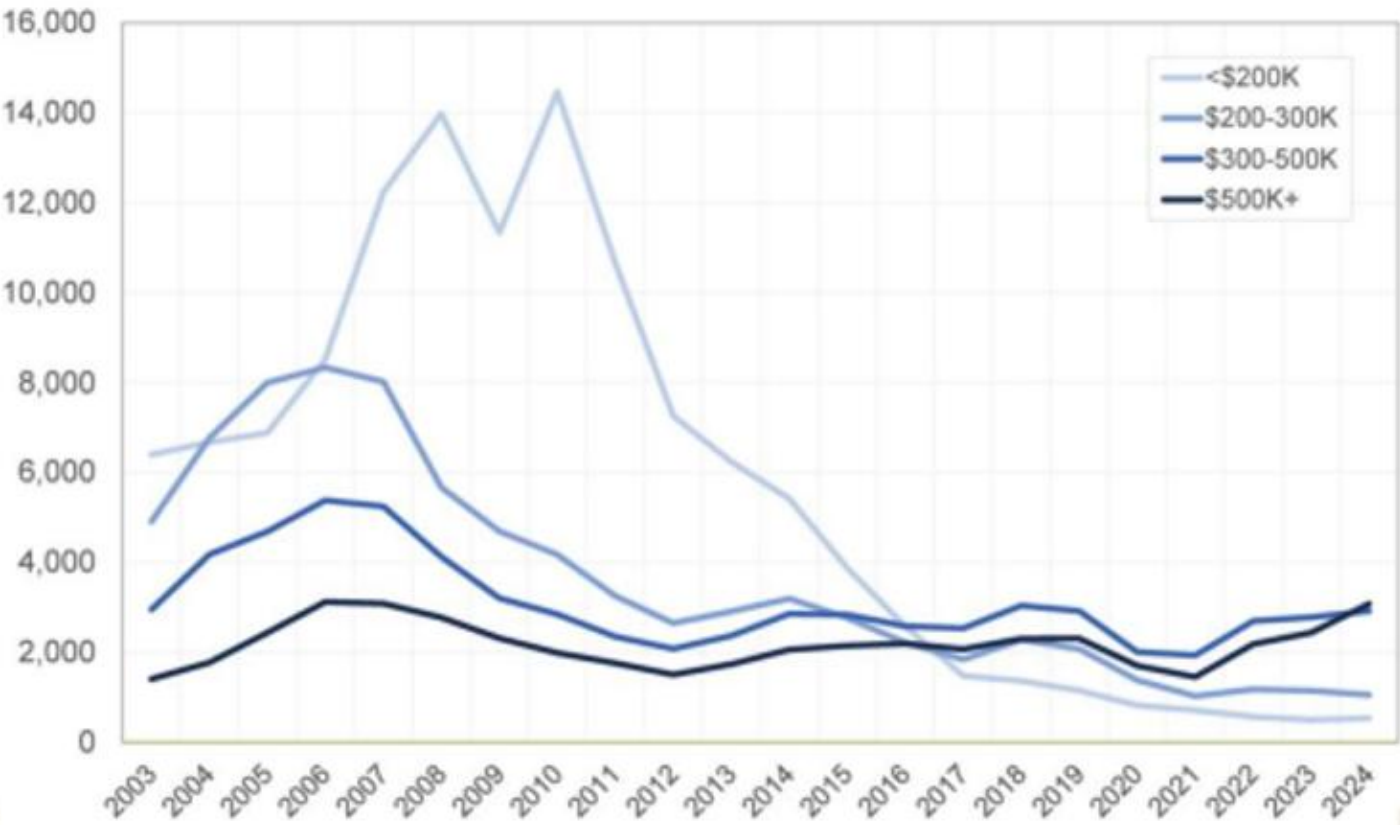
Source: MN Realtors

Scarcity drives price growth

MSP Home Price Growth

Source: MN Realtors
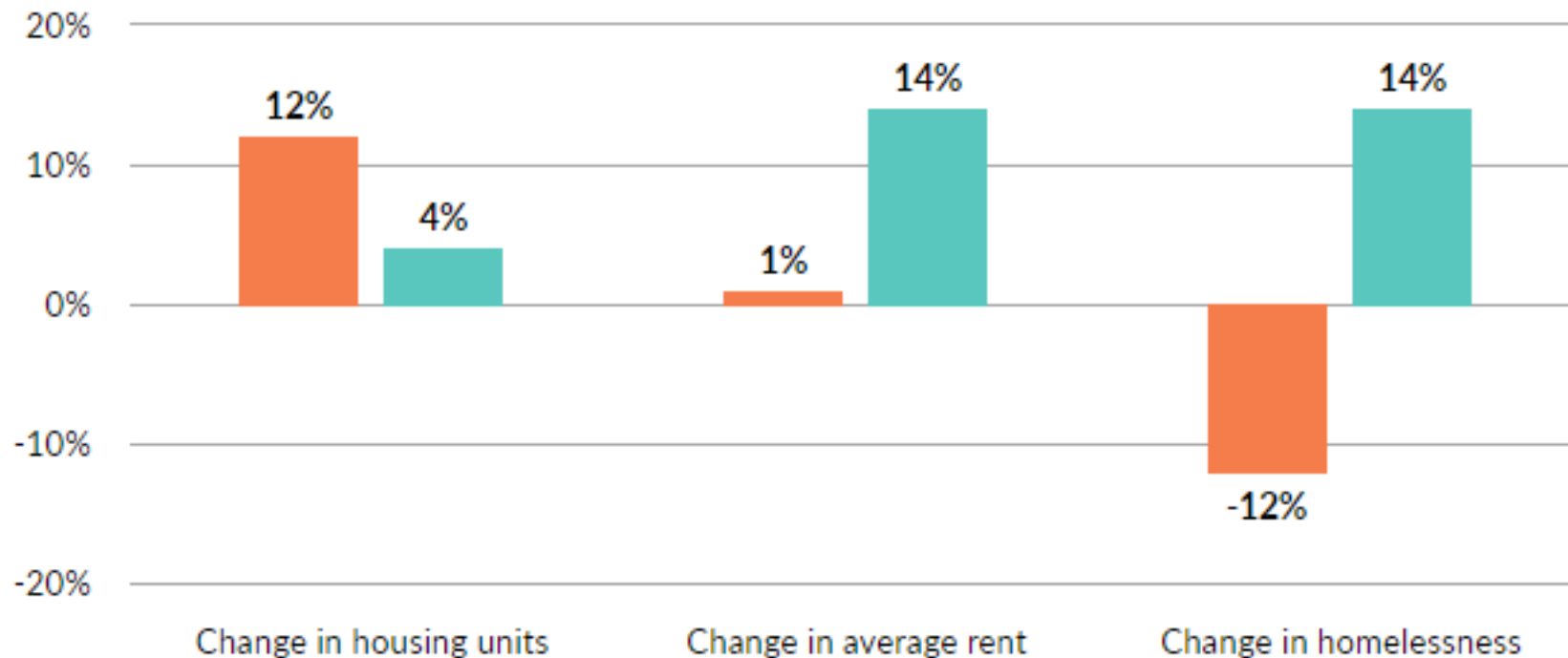
The Solution – more homes of all kinds at all price points

Minneapolis' Rent Growth Was Much Lower Than Minnesota's
Percentage change in housing stock, average rent, and homelessness, 2017-22

Change in housing units — Minneapolis 12%, Minnesota 4%
Change in average rent — Minneapolis 1%, Minnesota 14%
Change in homelessness — Minneapolis -12%, Minnesota 14%

■ Minneapolis ■ Minnesota

Source: Pew

Status quo – long-term consequences

Demand exceeds supply → Rents & home prices increase faster than incomes

→ Affordability gap gets wider → Cost burden increases

Systemic impacts

- Limited economic mobility – zip code predicts outcomes

- Lost wages for workers

- Persistent disparities (wealth generation, education, health, and more)

- Poorer student performance

- Poorer health outcomes

- Higher carbon emissions

- Reduced GDP – workers can't recruit and retain skilled talent and workers can't relocate to higher paying jobs