

HOUSING AND REDEVELOPMENT AUTHORITIES BUILD, PRESERVE AND INVEST IN MINNESOTA COMMUNITIES

Serve Minnesota Communities

Every day, housing authorities provide affordable housing and support livable communities for Minnesotans through a variety of programs funded by federal, state and local resources. Minnesota NAHRO represents over 150 of these agencies located throughout the state.

Invest Locally

HRAs invest at the local level by addressing the community redevelopment & affordable housing needs of low and moderate income households. HRAs bring important federal funding to their communities including public housing, housing choice vouchers and low income housing tax credits. These federal resources help communities provide affordable housing for many of their most vulnerable households including seniors and those with disabilities.

Preserve Affordable Housing

Through the rehabilitation of public housing, HRAs preserve this important community asset and provide shelter to more than 36,500 Minnesotans statewide. Public housing is a critical piece of the housing continuum, providing homes to our most vulnerable community members; seniors, children, veterans, and people with mental or physical illness or disability. By providing stable homes for those who often face the biggest barriers, public housing reduce costs in other areas like shelters.

Increase Housing Stability

HRA programs provide resources so residents can remain in their homes. HRAs provide resources to homeowners so they can rehabilitate their home to address health and safety issues. HRAs also deliver foreclosure counseling to help families facing economic hardship. HRAs also provide rental assistance to low income Minnesotans who pay more than 30 percent of their income on housing and do not have enough income to cover basic necessities like transportation and groceries.

Public/Private Partnerships

HRAs partner with the private and non-profit sector to deliver programs and services. Partnerships include working with local developers and funding partners to provide affordable workforce and senior housing; access to support services to help residents in need; and the coordination of family supports for households with school age children experiencing homelessness.

Ensure Economic Vitality

HRAs play a critical role in their communities to support job growth and community revitalization through programs such as DEED Small Cities Program, and the Redevelopment Grant Program. HRAs also support workers and first generation homebuyers with low interest loans through the Minnesota City Participation Program.

\$250 Million for Publicly Owned Housing Rehabilitation (POHP)

- We appreciate that the Legislature provided funds to develop affordable housing and to rebuild existing public housing units throughout Minnesota.
- POHP preserves our investment in existing units and a majority of the funding goes to projects located in Greater Minnesota.
- POHP rehabilitation funds are used for major capital improvements to address health, safety, and energy efficiency such as new roofs, boilers, fire suppression or elevators.
- In the current construction environment, housing authorities are seeing a 30% increase in overall costs due to increased cost of labor, materials and inflation.

GO Bonds for Publicly Owned Housing Program Rehabilitation Awards

Year	Amount	# of Projects	# of Units	Project Status
2012	\$5.5 million	14	950	All projects complete
2014	\$20 million	35	2,438	All projects complete
2017	\$10 million	27	1,844	All projects complete
2018	\$10 million	20	1,622	All projects complete
2020	\$16 million	20	1,835	All project complete or under
Total	\$ 61.5 million	116	8,689	*average \$7,077 per unit*

Critical Needs Assessment of Publicly Owned Housing

Based on the March 2019 report, public housing has Total Immediate Critical Needs of \$354,952,433 or \$16,790 per unit. \$61.5 million has been awarded for the rehabilitation impacting 8,482 publicly owned units. This represents only 17% of the Immediate Critical Needs investment identified in 2019.

Projected Public Housing Critical Needs				
	Immediate Need	Need 5 years	Need 10 years	Total
Survey	187,702,015	103,089,867	136,011,290	426,803,172
Extrapolation	167,250,418	91,700,037	121,153,199	380,103,654
Total	354,952,433	194,789,904	257,164,489	806,906,826

POHP Language Update Needed to Leverage HUD Financing Tools

POHP was created before there were many HUD financing tools available for public housing. Clarification is needed that publicly owned housing includes public ownership structures used in these HUD financing tools. This update will ensure compatibility and long term sustainability while allowing HRAs to maintain public ownership.