

3. Housing

Minneapolis will build and maintain the strength, vitality, and stability of the city's neighborhoods by providing a variety of housing opportunities to meet the needs of all members of the community.

Housing is an essential building block of a strong city. The City of Minneapolis has strongly endorsed a policy of growth. A growing population contributes to high quality city services, great neighborhood business districts, and safe streets. New housing is directed to locations that are well served by public transit services and close to commercial and natural amenities.

Shelter is a basic component of human welfare. Where housing is absent, essential endeavors like maintaining a job or supporting the education of children become very challenging. The City supports the development of housing that addresses the plight of the homeless and meets the needs of disadvantaged families.

Communities with concentrations of poverty face challenges related to public safety, disinvestment and education quality. New housing can have a revitalizing effect in these communities, and should be designed to attract a healthy mix of households of various means.

City residents are young and old, families and singles, of different cultural backgrounds and with different needs. The diversity of the existing Minneapolis housing stock is a community asset that helps meet these different needs. City policy builds on this strength by encouraging the construction of new ownership and rental housing that is designed to meet the needs of a broad range of residential submarkets.

Housing quality has safety and health implication for its occupants. If left unchecked the deteriorating condition of one property can dampen the interest of neighboring property owners creating a ripple effect of decline that spreads across blocks and neighborhoods. To check this cycle, the City works to ensure that the existing housing stock is maintained, and that new housing is durable and of high quality.

Housing in Minneapolis

Minneapolis boasts a diverse and attractive housing stock, ranging from single family units to high-density apartment and condominium buildings. About half the housing units in the city are single family homes. The rest are in multifamily buildings that range from duplexes to very large developments. This diverse mix of housing types is a consequence of having been produced over different eras of the city's history.

Neighborhoods show very different character, depending on when their housing was constructed. The earlier neighborhoods to develop show a mix of single family houses, duplexes, and small multifamily buildings. Some areas within these neighborhoods were later subject to major urban renewal projects which added large multifamily buildings to the mix. Postwar neighborhoods tend to be more homogeneous with mostly single family houses, albeit still sprinkled with duplexes and smaller apartment buildings. More recently, multifamily housing developments have brought additional residents to locations such as Downtown and the city's commercial corridors.

The amount of housing in Minneapolis has shown distinct trends over time. The city's initial housing boom was largely completed by 1950. The next three decades saw the loss of 30% of the city's population, largely as a result of shrinking household sizes and out-migration to the suburbs, newly accessible because of the interstate highway system. While population declined, the housing unit count remained relatively constant. From 1980 to 2000, the city's population stabilized, and housing construction was in balance with housing demolition. Starting around 2000, the City started to grow once again. Today, new multifamily housing developments are being built as some metropolitan residents are rediscovering the advantages of living in the urban core. From 2000 to 2006, the city averaged a net increase of around 1,200 housing units per year.

Housing Growth, Density and Location

By increasing the housing stock and retaining and attracting residents, the City

establishes a foundation for a strong and vibrant future. Increased population has a number of positive effects. New households can:

- stabilize and support the city's commercial districts;
- provide a basis for a strengthened transit system;
- contribute to safer streets; and
- improve the tax base, which keeps schools and libraries open, and supports City services

From a regional perspective, directing growth to the core city is more economically efficient and environmentally sustainable than growth in suburban locations.

As a core city, Minneapolis has an established grid of streets and blocks that are already fully developed. For this reason, housing growth frequently requires acquisition and demolition of previously developed areas, with new construction following at an increased density.

Policy 3.1: Minneapolis will grow by increasing its supply of housing

- 3.1.1 Support the development of new medium- and high-density housing in appropriate locations throughout the city.
- 3.1.2 Use planning processes and other opportunities for community engagement to build community understanding of the important role that urban density plays in stabilizing and strengthening the city.
- 3.1.3 Continue to streamline City development review, permitting, and licensing to make it easier to develop property in the City of Minneapolis.

Housing growth brings the benefits of increased density, but location matters. New housing that is located on the city's best transit corridors or in centers of activity provides the greatest benefits, and is the least disruptive of existing neighborhoods. These areas have been identified in the City's comprehensive plan as commercial and community corridors, growth centers, activity centers, retail centers, and neighborhood commercial nodes. Support for greater density must be balanced against the importance for new housing to be compatible with nearby existing development, and with the character of the area in which it is being built.

Policy 3.2: Minneapolis will support housing density in locations that are well connected by transit, and are close to commercial, cultural and natural amenities

- 3.2.1 Encourage and support housing development along commercial and community corridors, and in and near growth centers, activity centers, retail centers, transit station areas, and neighborhood commercial nodes.
- 3.2.2 Engage in dialogue with communities about appropriate locations for housing density, and ways to make new development compatible with existing structures and uses.

Affordable Housing & Homelessness

The City is committed to promoting stable, affordable, high quality housing choices for all Minneapolis residents. Its leadership in supporting new affordable housing development, and stabilizing and preserving existing affordable dwelling units has been recognized by the Metropolitan Council and others. The City's priorities for creating and retaining affordable housing are described in the City's Unified Housing Policy.

The City and other funders of affordable housing have historically placed a high priority on creating housing that is affordable to households earning 50% or less of the metropolitan median income. While this remains a City priority, the City also recognizes the importance of meeting needs across the housing continuum, since families at all income levels play essential roles in the city's economic and social vitality. Mixed income housing (i.e. housing that contains dwelling units targeted to households of varying means) is increasingly being built in Minneapolis.

Policy 3.3: Minneapolis will increase its housing that is affordable to low and moderate income households

- 3.3.1 Continue to utilize housing development finance programs to foster growth in the city's affordable housing stock in all parts of the City.
- 3.3.2 Utilize City housing resources and partnerships to preserve the affordability of existing affordable housing.
- 3.3.3 Work to provide affordable housing for both rental and ownership markets at a broad range of income levels.
- 3.3.4 Support policies and programs that create long-term and perpetually affordable housing units.
- 3.3.5 Support the development of housing with supportive services that help households gain stability in areas such as employment, housing retention, parenting, and substance abuse challenges.
- 3.3.6 Use planning processes, requests for proposals for City owned properties, and other community engagement processes to engage in dialogue with community participants about affordable housing and its compatibility with all Minneapolis neighborhoods.
- 3.3.7 Increase low-income family access to ongoing rental assistance.
- 3.3.8 Foster partnerships with housing developers, financial institutions, faith communities and others to extend the City's capacity to create affordable housing.

- 3.3.9 Partner with other municipalities, along with county, metropolitan, state and federal agencies and policymakers, to develop a regional strategy for increasing the supply of affordable housing, supported by a more predictable, long-term revenue stream.

The City of Minneapolis partners with Hennepin County and other municipalities to end the cycle of homelessness using a common road map, the report *Heading Home Hennepin: The Ten-Year Plan to End Homelessness in Minneapolis and Hennepin County*.

Policy 3.4: Minneapolis will preserve and increase the supply of safe, stable, and affordable supportive housing opportunities for homeless youth, singles and families.

- 3.4.1 Promote increased development of housing for very low-income households earning 30% or less of metropolitan median income.
- 3.4.2 Support the creation of additional supportive housing units for homeless youth, singles and families.
- 3.4.3 Support the creation of additional shelter beds for youth.
- 3.4.4 Evaluate City policies and regulations related to the creation of supportive housing and smaller housing units, including Single Room Occupancy (SRO) housing.
- 3.4.5 Implement and promote additional strategies to reduce homelessness, such as those identified in *Heading Home Hennepin*.

Community Stabilization and Market-Building

Disadvantaged communities face multiple challenges such as disinvestment, crime, and underperforming schools. These challenges are mutually reinforcing, making significant improvement of any of them difficult to achieve without also addressing the others. Property speculation and poor management of rental housing can exert additional destabilizing effects, with property deterioration and livability impacts.

Many of these conditions are being addressed vigorously by the City along with community-minded private, philanthropic and community-based partner organizations. Their efforts include working to improve the market appeal of disadvantaged communities in order to attract a broad socio-economic mix of new households. Strategies for doing this include building or improving community assets, improving the quality of new housing that is being produced, and providing incentives for the production of mixed income and market rate housing in addition

to new affordable housing.

Housing management issues have inspired responses that include diligent and creative code enforcement, the promotion of infill ownership housing, and the creation of a program that focuses on vigorously remediating issues at the most problematic locations.

Policy 3.5: Minneapolis will improve the stability and health of communities of concentrated disadvantage through market building strategies, and strategies that preserve and increase home ownership.

- 3.5.1 Work to improve the stability and sustainability of the city's disadvantaged communities by taking measures to diversify the household mix and allay historic patterns of concentration of poverty.
- 3.5.2 Pursue an integrated array of development and revitalization strategies to attract a broadened socio-economic mix of residents to communities of concentrated disadvantage.

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- 3.5.3 Utilize program criteria in City housing finance programs that give preference to low income and homeless housing projects in non-poverty concentrated areas, and that prioritize high quality mixed-income and market rate housing projects in disadvantaged communities.
 - 3.5.4 Work with for-profit, nonprofit, and governmental partners to increase understanding of the need for market-building investments in communities of concentrated disadvantage.
 - 3.5.5 Focus development activities strategically in priority areas within disadvantaged communities so that it results in the greatest impact.
 - 3.5.6 Use promotion strategies and city development resources and programs to build home ownership in high rental neighborhoods.
 - 3.5.7 Create pathways for qualified low-income families to become homeowners, with appropriate support, with an emphasis on improving minority homeownership rates.
 - 3.5.8 Reduce the number of mortgage defaults through strategies such as home ownership counseling, public education about responsible mortgages and early warning systems that flag problem issues before default is inevitable.
 - 3.5.9 Utilize and expand the City's development programs and tools to jumpstart investment in the city's disadvantaged communities.
 - 3.5.10 Support the timely development of infill housing on vacant lots. Use partnerships and incentives to reduce duration of vacancy.
 - 3.5.11 Use education and code enforcement to ensure that rental housing is responsibly managed, and that the number and occupancy of dwelling units does not exceed legal limits.
 - 3.5.12 Continue to work in a vigorous and multidisciplinary manner to identify and remedy problem properties that have disproportionate public safety and livability impacts on the surrounding community.

Housing Choice

In some ways, the variety of housing developments in Minneapolis is a good match for its diverse population. In other ways, the existing housing stock, built over the course of a century is inflexible in comparison with changing consumer preferences. For example, postwar housing that once accommodated middle class families might feel cramped by today's standards. There is also a relative scarcity of transitional housing designed for the aging baby boomer generation approaching retirement.

People's need for housing is dependent on their household size, and also on their time in life. Singles, couples, families with kids, empty nesters, and the elderly—all experience changing needs for housing as time passes. The City of Minneapolis supports the development of housing that enriches these options and meets people's varying needs.

Policy 3.6: Minneapolis will foster complete communities by preserving and increasing high quality housing opportunities suitable for all ages and household types

- 3.6.1 Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- 3.6.2 Promote housing development in all communities that meets the needs of households of different sizes and income levels.
- 3.6.3 Maintain a healthy supply of multifamily ownership and rental housing, and promote the development of alternative forms of homeownership such as cooperative housing and co-housing.
- 3.6.4 Provide and maintain moderate and high-density residential areas, as well as areas that are predominantly developed with single and two family structures.
- 3.6.5 Promote accessible housing designs to support persons with disabilities and the elderly.
- 3.6.6 Actively enforce anti-discrimination laws, and act to promote Fair Housing practices.

Housing Quality and Maintenance

The age, character and quality of housing play a large role in defining neighborhood character. Older homes possess unique architectural features and collectively define a neighborhood's visual character. They are defining assets that should be preserved where feasible.

Housing that is allowed to deteriorate can damage the health and safety of its

occupants. It carries the equivalent to a financial debt that must be borne by an owner or occupant at some point in the future. For these reasons, the City devotes programmatic resources across several departments to maintain the condition of city housing.

Policy 3.7: Minneapolis will maintain the quality, safety and unique character of the city's housing stock

- 3.7.1 Promote and incentivize private investment in housing maintenance and renovation.
- 3.7.2 Encourage and support innovative programs and practices that reduce foreclosure, tax forfeiture, and demolition of the city's housing stock.
- 3.7.3 Attend carefully and promptly to vacant housing in order to reduce property damage and community impacts.
- 3.7.4 Utilize decision- making criteria when considering possible demolitions that recognize the value that the original housing stock typically has for surrounding properties and the community.
- 3.7.5 Promote the use of high quality materials in new housing construction to minimize long-term deterioration of the housing stock.
- 3.7.6 Continue regular inspections of rental housing to preserve its functionality and safety.
- 3.7.7 Administer Truth in Sale of Housing inspections for city housing to provide consumer disclosure information and to repair certain life-safety items.
- 3.7.8 Seek stronger enforcement methods to discourage the illegal stripping of metals and historic elements from vacant housing.
- 3.7.9 Reduce exposure to environmental health hazards such as lead-based paint and asthma triggers through enforcement of the property maintenance codes, and programmatic initiatives and partnerships.
- 3.7.10 Support the implementation of the 2010 Plan to Eliminate Childhood Lead Poisoning.
- 3.7.11 Ensure safety, livability and durability of the housing stock through enforcement of the Minnesota State Building Code.

Community Livability

Well-maintained houses and yards add value to a community. And conversely, houses or yards that are not maintained have unfortunate impacts on the desirability and market value of the surrounding community. Under City code, it is the

responsibility of every property owner to maintain his or her property to minimum standards. The City is committed to enforcing these codes in order to maintain the strength and value of city neighborhoods.

Policy 3.8: Minneapolis will preserve and strengthen community livability through enforcing high standards of property management and maintenance

- 3.8.1 Ensure attractive, livable neighborhoods by education and enforcement of the housing and property maintenance codes.
- 3.8.2 Systematically inspect all residential parcels throughout Minneapolis to make sure buildings and yards are properly maintained.
- 3.8.3 Reduce the number of vacant and boarded buildings.