

# Northfield Housing Solutions Action Plan

April 2024



# Table of Contents

|  |    |
|--|----|
| Table of Contents.....   | 2  |
| Introduction.....  | 4  |
| What is this document?.....  | 4  |
| How can this document be used? .....   | 4  |
| Solutions Teams Process Overview.....  | 4  |
| Solutions Teams: Vision Statements and Barriers .....  | 5  |
| Solutions at a Glance .....  | 7  |
| Additional Solutions to Explore.....   | 10 |
| Policy and Regulatory Solutions.....   | 12 |
| Incentivize Developers to Build More Affordable Homes (both SF and MF) .....                               | 12 |
| Create an Inclusionary Housing Ordinance (IHO).....  | 14 |
| Improve Language Accessibility and Require City Representative Information Visits .....                    | 16 |
| Advocate for Rent Stabilization .....  | 18 |
| Expand Access to and Utilization of Rental Subsidies (vouchers).....                                       | 20 |
| Community Action/Organizing/Advocacy Solutions.....  | 22 |
| Improve Developer/Builder Engagement.....  | 22 |
| Assess Community Interest in Alternative Housing Models .....  | 24 |
| Organize Advocacy for Resources.....   | 25 |
| Improve Public Awareness of Housing Challenges and Solutions .....   | 27 |
| Create Access to Mortgage Products for Those Without Social Security Numbers and Term-based Employees..... | 29 |
| Implement Fair Housing Testing .....   | 31 |
| Define a Housing Innovation Support Function .....   | 33 |
| Establish a Structured Framework for a Tenants Association .....   | 35 |
| Connect Landlords to Energy Efficiency Incentives and Programs.....  | 36 |
| Explore Alternative Land Ownership Models in Manufactured Housing Communities .....                        | 38 |
| Programmatic Solutions .....   | 42 |
| Develop a Training and Licensing Program for Manufactured Housing Repair.....                              | 42 |
| Secure Public or Philanthropic Support for ADU Construction .....  | 45 |
| Develop Financial and Homebuyer Education and Other Supports .....   | 47 |
| Create a Temporary Relocation Program.....   | 49 |
| Develop Eviction Prevention Programs .....   | 51 |



|   |    |
|---|----|
| Development/Other Solutions.....  | 52 |
| Create Employer-supported Development Fund.....                           | 52 |
| Identify Sites for Affordable Rental (or Homeownership) Development ..... | 54 |
| Generate Resources for Manufactured Housing Repair/Replacement.....       | 56 |



# Introduction

## What is this document?

This document details a set of solutions intended to address Northfield’s housing-related challenges. It reflects the collective work of the Northfield Housing Solutions Teams (“Solutions Teams”) – a diverse group of stakeholders who convened between November 2023 and February 2024 to identify and design these solutions. It begins with a description of how these solutions were developed, then presents a summary of the solutions and finally more detailed information about each solution.

This document was created by a team from Enterprise Community Partners, a national housing and community development nonprofit, who formed and facilitated the Solutions Teams.

## How can this document be used?

This document is intended to support action and ultimately improved outcomes. The Northfield Racial and Ethnic Equity Collaborative’s Housing Work Group (HWG) – a group of residents, organizations, and public sector representatives – has been identified by the community as the appropriate implementation entity. The HWG has committed to being the steward of implementation to ensure the completion of the solutions. As a public document, the list of solutions is available to all Northfield residents and can be used in multiple ways as:

- A vision and roadmap for how Northfield can improve housing outcomes within the areas of focus.
- A tool to hold the NREEC and associated individuals accountable and to keep track of roles, responsibilities, and commitments necessary to complete each solution.
- An opportunity to learn about the goals and initiatives developed by Northfield and Rice County residents to improve housing in their communities.
- A public recognition of gaps in support, funding, capacity, and awareness within Northfield regarding housing conditions, development barriers and opportunities, and much more
- A list of opportunities to partake in civic engagement and actions to improve housing in Northfield.

This document is not intended as a final report or plan. It is meant to be a practical working document that will change and evolve over time to adapt to the community’s needs.

## Solutions Teams Process Overview

A virtual and paper survey was distributed throughout Northfield at various events, through email chains, and social circles. The survey, titled ‘Northfield Solutions Team Nomination Survey’ allowed for self-nomination or the opportunity to nominate a community member. In total, XX surveys were received. In some cases, contact information was missing or incorrect, resulting in a final outreach list of XX people.

| Total | English-Only | Spanish-Only | Bilingual | Government | Organization | Resident/Person with Lived-Experience |
|-------|--------------|--------------|-----------|------------|--------------|---------------------------------------|
| 34    | 20           | 9            | 5         | 3          | 16           | 15                                    |



In total, there were 34 individuals who were involved in the action planning process across all four Teams. While not every individual was able to attend every meeting, these 34 individuals represented a diverse collection of the Northfield, Faribault, and Rice County communities. All Solution Team meetings were conducted in both English and Spanish to ensure active participation from all nominated individuals from the community. The outreach and nomination process placed an emphasis on reaching a diverse set of people to represent all types of interests in the communities of focus. Therefore, across all four teams there is strong representation from residents and community members, government representatives, and organizational and nonprofit representatives.

Solution Team participants were offered a stipend for their participation when they were not being paid for participation by their employer. Each Team completed four meetings, two in-person and two virtual sessions, each three-hours long. The process began with the results statement activity to generate group agreement on the desired outcome for the population and geography of focus for each of the teams. Following the definition of the desired results, each team identified barriers that prevent the outcome from which the solutions and action plan were created. There are 23 solutions total. While the list of solutions included in this document are not defined by Solution Team, but rather their impact area, each Solutions Team produced 5-6 solutions to contribute to this consolidated plan.

In addition to the Solutions Teams, a separate convening of local nonprofit and for-profit developers, homebuilders and landlords was held in March 2024. This session was intended to create a space for these key stakeholders to inform the development of the Solutions Team action plans described below, as well as identify additional potential solutions the HWG or other actors could consider building out over time.

### Solutions Teams: Vision Statements and Barriers

The four Solutions Team focus areas covered a diverse range of concerns and goals related to all aspects of housing in Northfield. These topics were based on findings from Enterprise's 2022 Housing and Education assessment<sup>1</sup> and conversations with the Healthy Community Initiative and the City.

Each team completed a process in the beginning sessions to identify a results statement<sup>2</sup> to guide the future solutions and actions determined to be necessary for each Solution Team topic. For each statement, the teams additionally identified and prioritized barriers that challenge the desired condition of wellbeing. Below are the names of the Solution Teams, their respective results statement, and the list of barriers defined by the teams' members.

Repairing and Replacing Manufactured Housing: All occupants of Northfield living in manufactured home communities have high quality, affordable housing options for rent or to buy that has comparable community infrastructure to the rest of Northfield.

Improving Conditions for Renters and Mobile Home Residents: Renters and mobile home park residents in Northfield and Rice County live and operate within a housing system centered around empowerment, accessibility, affordability, equity, safety, and dignity, with a pathway to homeownership.

---

<sup>1</sup> Available here in English and Spanish: <https://northfieldpromise.org/nreec-housing-data/>

<sup>2</sup> Using StriveTogether's model, results statements for each Solution Team identify a population, geography, and desired condition of wellbeing to achieve through a variety of solutions and actions that are implemented in a community.



Increasing Access to Homeownership and First Time Homebuyer Supports: Everyone in Northfield can buy and maintain a home that is safe, affordable, and meets the needs, dreams, and goals of the household that allows people to build wealth.

Developing New Rental Housing: All people who want to live in and around Northfield can access rental housing that is affordable, quality, safe, sustainable, and well-designed.

**Priority barriers** that would need to be addressed in order to achieve these visions were:

- Lack of information on repairs, resources, conditions, etc.
- Lack of funding, resources, materials, labor for repairs
- Current city enforced regulations do not support/enable improving the safety and quality of housing in manufactured communities. Health and safety regulations must be more specific.
- Lack of pathway to homeownership, landownership, or asset and wealth building through mobile homes
- Accessibility barriers, including language.
- Power imbalances of voice and agency
- Costs of material, labor, repairs, and housing
- Systems and systemic structures (including political, social, and economic)
- Not enough housing supply, inventory, subsidy, or affordable options
- Lack of imagination or willingness to take risks in housing.
- Access to affordable land
- Zoning restrictions and land use restrictions
- Profit motive and lack of incentives to build higher quality housing.
- Difficulty of finding, navigating, and competing for state and local resources (especially for small developers)

In addition to reinforcing many of these barriers, the March 2024 convening of developers, homebuilders and landlords identified additional barriers to consider:

- The lack of licensed people in skilled trades (plumbers, electricians, mobile home repair professionals, etc.). This shortage is particularly acute for mobile home repair professionals, who also face business insurance problems.
- A related lack of interest in trade professions among young people and a need to ensure these careers pathways are clear to students as an alternative to 4-year degree programs.
- A perceived lack of willingness by the City to address issues that increase construction costs such as engineering, platting and other fees and requirements.
- Challenges with readiness for homeownership (and a lack of educational supports to improve this)
- Barriers related to having a clear title and proof of ownership.
- The ability of some wealthier homebuyers to make large downpayments and all-cash offers.
- The competition from students at the colleges for rental housing in the community.
- The lack of consideration for the housing needs of those who don't already live in Northfield but might want to move there



## Solutions at a Glance

|   | Solution  | Barriers Addressed  | Budget  | Timeframe                        | Complimentary or Related Solutions  | Priority |
|---|---|---|---|----------------------------------|---|----------|
| 1 | Incentivize Developers to Build More Affordable Homes (both SF and MF)            | <p><b>Not enough housing supply, inventory, subsidy, or affordable options</b></p> <p><b>Profit motive and lack of incentives to build higher quality housing</b></p>   | Dependent on the incentives and implementors. | Medium-term: 1-3 years           | Create an Inclusionary Housing Ordinance AND Improve Developer/Builder Engagement AND Identify Sites for Affordable Rental Development  |          |
| 2 | Create an Inclusionary Housing Ordinance (IHO)                                    | <p><b>Not enough housing supply, inventory, subsidy, or affordable options</b></p> <p><b>Profit motive and lack of incentives to build higher quality housing</b></p>   | Low cost: Under \$50,000                      | Short- to medium-term: 1-2 years | Incentivize Developers to Build More Affordable Homes (both SF and MF) AND Improve Public Awareness of Housing Challenges and Solutions |          |
| 3 | Improve Language Accessibility and Require City Representative Information Visits | <b>Accessibility barriers, including language</b>   | Medium Cost: \$50,000-\$200,000               | Short-term: 0-12 months          | Implement Fair Housing Testing  |          |
| 4 | Advocate for Rent Stabilization   | <b>Costs of material, labor, repairs, and housing</b>   |   |                                  |   |          |
| 5 | Expand Access to and Utilization of Rental Subsidies (vouchers)                   | <p><b>Accessibility barriers, including language</b></p> <p><b>Power imbalances of voice and agency</b></p> <p><b>Costs of material, labor, repairs, and housing</b></p> <p><b>Not enough housing supply, inventory, subsidy, or affordable options</b></p> | High cost: Over \$200,000                     | Medium-term: 1-3 years           |   |          |
| 6 | Improve Developer/Builder Engagement  | <b>Not enough housing supply, inventory, subsidy, or affordable options</b>   | Low cost: Under \$50,000                      | Medium-term: 1-3 years           | Incentivize Developers to Build More Affordable Homes (both SF and MF)  |          |
| 7 | Assess Community Interest in Alternative Housing Models                           | <b>Lack of imagination or willingness to take risks in housing</b>  | Low-cost: Under \$50,000                      | Short-term: 0-12 months          | Define a Housing Innovation Support Function  |          |



|    |   |  |  |   |  |  |
|----|---|--|--|---|--|--|
| 8  | Organize Advocacy for Resources   | <b>Costs of material, labor, repairs, and housing</b>  | Low cost: Under \$50,000                   | Medium-term: 1-3 years                      |  |  |
| 9  | Improve Public Awareness of Housing Challenges and Solutions  | <b>Lack of information on repairs, resources, conditions, etc.</b><br><br><b>Systems and systemic structures (including political, social, and economic)</b> | Medium cost: \$50,000-\$200,000            | Medium-term: 1-3 years                      | Improve Language Accessibility and Require City Representative Information Visits AND Organize Advocacy for Resources AND Assess Community Interest in Alternative Housing Models AND Define a Housing Innovation Support Function |  |
| 10 | Create Access to Mortgage Products for Those Without Social Security Numbers and Term-based Employees | <b>Lack of pathway to homeownership, landownership, or asset and wealth building through mobile homes</b>  | Low cost: Under \$50,000                   | Medium-term: 1-3 years                      |  |  |
| 11 | Implement Fair Housing Testing  | <b>Lack of information on repairs, resources, conditions, etc.</b><br><br><b>Systems and systemic structures (including political, social, and economic)</b> | Low cost: Under \$50,000                   | Short-term: 0-12 months                     | Improve Public Awareness of Housing Challenges and Solutions AND Establish a Structured Framework for a Tenants Association  |  |
| 12 | Define a Housing Innovation Support Function  | <b>Systems and systemic structures (including political, social, and economic)</b>   | No cost if defined in a pre-existing group | Short-term: 0-12 months to establish/define | Assess Community Interest in Alternative Housing Models  |  |
| 13 | Establish a Structured Framework for a Tenants Association  | <b>Power imbalances of voice and agency</b><br><br><b>Systems and systemic structures (including political, social, and economic)</b>                        | Low cost: Under \$50,000                   | Short-term: 0-12 months                     | Improve Public Awareness of Housing Challenges and Solutions   |  |
| 14 | Connect Landlords to Energy Efficiency Incentives and Programs  | <b>Incentives for landlords</b><br><br><b>Conflict with climate action plan</b>  | High Cost: Over \$200,000                  | Medium-term: 1-3 years                      |  |  |
| 15 | Explore Alternative Land Ownership Models in Manufactured Housing Communities                         | <b>Lack of pathway to homeownership, landownership, or asset and wealth building through mobile homes</b>  | High Cost: Over \$200,000                  | Long-term: Over 3 years                     | Establish a Structured Framework for a Tenants Association   |  |



|    |  |   |   |                                     |  |  |
|----|--|---|---|-------------------------------------|--|--|
| 16 | Develop a Training and Licensing Program for Manufactured Housing Repair | <b>Lack of funding, resources, materials, labor for repairs</b>   | Medium Cost: \$50,000-\$200,000   | Short-term: 0-12 months             |  |  |
| 17 | Secure Public or Philanthropic Support for ADU Construction              | <b>Difficulty of findings, navigating, and competing for state and local resources (especially for small developers)</b>                  | Medium cost: \$50,000-\$200,000   | Medium-term: 1-3 years              | Create and Inclusionary Housing Ordinance (IHO)  |  |
| 18 | Develop Financial and Homebuyer Education and Other Supports             | <b>Lack of pathway to homeownership, landownership, or asset and wealth building through mobile home</b>                                  | Low cost: Under \$50,000  | Short-term: 0-12 months             |  |  |
| 19 | Create a Temporary Relocation Program                                    | <b>Accessibility barriers, including language</b><br><br><b>Costs of material, labor, repairs, and housing</b>                            | Medium cost: \$50,000-\$200,000   | Medium-term: 1-3 years              | Establish a Structured Framework for a Tenants Association   |  |
| 20 | Develop Eviction Prevention Programs                                     | <b>Power imbalances of voice and agency</b>   | High cost: Over \$200,000   | Medium-term: 1-3 years              | Organize Advocacy for Resources AND Develop Financial and Homebuyer Education and Other Supports   |  |
| 21 | Create Employer-supported Development Fund                               | <b>Difficulty of findings, navigating, and competing for state and local resources (especially for small developers)</b>                  | High cost: Over \$200,000   | Medium-term: 1-3 years              |  |  |
| 22 | Identify Sites for Affordable Rental (or Homeownership) Development      | <b>Access to affordable land</b><br><br><b>Zoning restrictions and land use restrictions</b>  | Low-cost land inventory: Under \$50,000<br><br>High-cost land acquisition: Over \$200,000 | Medium-term: 1-3 years              |  |  |
| 23 | Generate Resources for Manufactured Housing Repair/Replacement           | <b>Lack of funding, resources, materials, labor for repairs</b><br><br><b>Lack of information on repairs, resources, conditions, etc.</b> | Medium cost: \$50,000-\$200,000   | Dependent on availability of funds. | Create Employer-supported Development Fund AND Organize Advocacy for Resources AND Explore Alternative Land Ownership Models in Manufactured Housing Communities |  |



## Additional Solutions to Explore

In addition to the solutions described in detail below, Solutions Teams identified six additional solutions that they felt were worth pursuing or further assessing the feasibility of but did not prioritize them to be built out in this document.

- Charge a Luxury Home Fee on Home Builds that Sell for a Certain Percent Over the Average Home Cost
- Revisit Zoning to Allow for More Multifamily Housing in all Non-industrial/non-agricultural Areas to Attract Developers, and to Create More Units
- Changing Zoning to Not Restrict the Number of Rental Units to 20% in Specific Locations
- Reform Zoning to Better Enable Accessory Dwelling Units (ADUs)
- Stack Rental Housing on Top of Underutilized Commercial Sites in the Downtown Core (Developers engaged suggested this may not be practical due to existing footings not being strong enough to support the additional weight in most cases).
- Use LIHTC to Create a Homeownership Program After Year 15

The March 1 developer and landlord convening also identified a set of additional ideas which could be explored:

- Partnering with the colleges to build more housing on campus so that there is less competition for scarce rental stock in town by students.
- Expanding housing navigator/counselors' positions that help people work through each step of a program's process.
- Creating a PUD for smaller houses on smaller lots
- Examining whether short-term rentals are a problem in Northfield (or whether they could become a problem) and consider policy remedies if relevant.
- Creating more programming in K-12 education system to create interest/awareness in trade/construction careers (or increasing enrollment in existing programs)
- City reducing barriers to development – reducing fees, unnecessary engineering and administrative requirements, etc. Particularly for smaller developments.
- Have the City help developers navigate the process of meeting all City requirements.
- Improve communication by the City to developers and provide a clear vision for what the City expects for a given development/site so that developers have certainty in approaching the process. Particularly when new policies are enacted or enforcement approach changes.
- Creating permanent affordability provisions in new construction
- Preferences for serving local residents and local builders.
- Exploring healthcare system as an ally in housing development
- Creating resources to navigate tangled title/other legal issues.
- Resource to support residents in understanding leases/other docs in other languages.
- More education about what is allowed on SF zoned lots (e.g. ADUs, 2–4-unit buildings)
- Look at ease of becoming a landlord for 2/3/4-unit developments to try to encourage more mom & pop landlords/developers.
- Combining property inspections to ease resident burden.



- Property tax reform/examination
- Encourage churches to provide housing pursuant to new “sacred settlements” state policy.
- City acting as a developer (i.e. social housing model)
- Rehab support in exchange for permanent affordability (state/federal resources or use of TIF)
- Ensuring HRA is centered in this work and bringing people to the table.
- Resources for moderate income homeowners
- Incentivize environmental improvements for cheaper long-term operations and take advantage of new federal funding for energy efficiency and electrification (Inflation Reduction Act, etc.)
- Creating a vacant property registry so that owners have to pay to keep a home vacant as an incentive to put the home in circulation.
- Creative solutions for mobile home repair – using donated materials, “day of caring” events, and creating public tool libraries to enable repairs.



# Policy and Regulatory Solutions

## Incentivize Developers to Build More Affordable Homes (both SF and MF)

### Why is this Solution Needed?

Throughout both phases of the work, stakeholders have expressed that even though Northfield is surrounded by rural land, there is competition for agricultural land in Rice County. As a result, farmers aren't interested in selling land for housing developments. While there's a lot of land available, it would require substantial infrastructure developments, therefore increasing development costs.

### What is this Solution?

Incentives for developers offset the cost of providing affordable housing units. Incentives tend to fall into two categories: reducing regulatory burdens and providing positive financial incentives to allow builders to sell the homes they build at lower price-points. Ultimately additional developer/homebuilder engagement is needed to inform which specific incentives are likely to be most helpful to them in creating units at lower rent/price points, so the following are some possible directions to explore:

- Common regulatory incentives include density bonuses, expedited permitting, tax abatements or reductions, and fee waivers/reductions. Other examples of incentives include by-right development, reducing parking requirements, accelerated approvals, and property tax incentives. These incentives are largely driven by the city and county.
- Financial incentives can take a variety of forms but generally involve either low-cost debt that can be used to finance a development for less than what a conventional bank would charge; and soft debt (grants) that directly subsidize the development in return for requirements (for example, requiring homes to be sold at lower price points and/or to income-restricted buyers). Financial incentives can be driven by the public sector or by philanthropic efforts.
- Tax increment financing (TIF) is a financial tool used by local governments to fund housing, infrastructure and other projects in specific zones by taking into account the growth and resulting property tax increases that result from the development. Northfield already uses TIFs, but to date this has only been used for rental development.

This solution should be considered in tandem with the Create an Inclusionary Zoning Ordinance, Improve Developer/Builder Engagement, and Identify Sites for Affordable Rental Development solutions.

### Who Would Be Involved?

- City of Northfield (Community Development)
- Rice County Housing & Redevelopment Authority
- Rice County Habitat for Humanity
- Private developers
- Contractors (architects, engineers, etc.)
- Employers
- Philanthropic organizations

### How Specifically Could this Be Done (Tactics/Action Items)?

This process coincides with the Comprehensive planning process in terms of building on zoning and other housing-related policies. Steps 1-3 are driven by the city, and Steps 4-5 are driven by employers and Philanthropic organizations.

1. The City of Northfield and community stakeholders can evaluate and build upon the existing zoning codes to develop affordable housing. The City could potentially conduct an assessment (likely already being done as parts of its Comprehensive Planning effort) to better understand what barriers exist, and the Solutions Team could advocate and lobby for zoning codes and financial incentives.



2. The city (or others seeking to inform the City's direction) can engage developers and homebuilders on this topic to determine what incentives might be most helpful.
3. The city can create more land efficient strategies in Northfield and coordinate with Rice County HRA to partner on strategies and share funding streams.
4. City can work with developers to provide land at a reduced cost, reduce # parking spaces, minimum lot sizes/home sizes, increase height/density bonuses, reduce development fees. City could partner with local organizations.
5. Philanthropic organizations can also incentivize the community by convening stakeholders to facilitate the engagement of practitioners and advocates, providing financial support for planning efforts, or invest in public-private efforts.
6. Employers can support development of housing as well by offering housing and housing assistance.

### Key Performance Indicators

- % of new affordable housing
- \$ of financing available to support development of housing
- \$ of net revenue as a result of the effects of new policies
- # of new units of affordable housing

### Developer and Landlord Notes

Developers expressed concerns with both high development costs and high property acquisition costs. Financial incentives, such as TIF, could help address this barrier by reducing building costs that developers would otherwise need to provide up front. While TIF has only been used for rental properties to date in Northfield, TIF could be used for multi-use properties as well. For example, one potential option that could be explored is incorporating multi-use housing on top of existing structures. Other incentives that could offset development costs include expanding current zoning laws to allow for more flexibility with lot sizes, and alternative structures, such as condominiums.

### Key Supportive Tools/ Resources

- City of Northfield Land Development Code:  
[https://library.municode.com/mn/northfield/codes/code\\_of\\_ordinances?nodeId=PTIINOCO\\_CH34LADEC\\_O\\_ART8DEPR\\_8.5SPDEREPRRE](https://library.municode.com/mn/northfield/codes/code_of_ordinances?nodeId=PTIINOCO_CH34LADEC_O_ART8DEPR_8.5SPDEREPRRE)
- <https://northfieldmn.gov/287/Land-Development-Code>
- City's 2008 Comprehensive plan:  
[https://northfieldmn.gov/DocumentCenter/View/331/NfldCompPlan\\_2008\\_LoRes\\_20090615?bidId=](https://northfieldmn.gov/DocumentCenter/View/331/NfldCompPlan_2008_LoRes_20090615?bidId=)

### Case Study or Best Practice

- The Denver Regional Transit-Oriented Development Fund (TOD) managed by Enterprise Community Loan fund brought together public, private, and philanthropic partners to support acquiring land near public transit. The fund provides low-cost loans to help developers acquire and develop land.  
(<https://www.urbanlandc.org/denver-transit-oriented-development-fund/>)
- Vancouver Washington's Multifamily Housing Tax Exemption program offers incentives to developers to encourage new development in the area. <https://www.cityofvancouver.us/ced/page/multi-family-tax-exemption-program>

### References

- <https://mrsc.org/explore-topics/finance/revenues/tax-increment-financing>;
- <https://www.economicpolicyresearch.org/insights-blog/what-is-tax-increment-financing-tif>
- [https://www.fhwa.dot.gov/ipd/pdfs/value\\_capture/value\\_cap\\_faq\\_tif\\_march\\_2021.pdf](https://www.fhwa.dot.gov/ipd/pdfs/value_capture/value_cap_faq_tif_march_2021.pdf)



- <https://localhousingolutions.org/plan/working-with-philanthropy/#:~:text=One%20approach%20is%20to%20engage%20philanthropies%20to%20help,on%20a%20particular%20issue%2C%20like%20an%20anti-displacement%20strategy.>
- <https://flhousing.org/wp-content/uploads/2012/03/AHAC-Guidebook-2017.pdf>
- [https://housingtoolkit.nmhc.org/wp-content/uploads/2019/04/F1\\_NMHC\\_PDF-Sections\\_Tools\\_Incentives\\_PG-48-TO-62.pdf](https://housingtoolkit.nmhc.org/wp-content/uploads/2019/04/F1_NMHC_PDF-Sections_Tools_Incentives_PG-48-TO-62.pdf)

## Create an Inclusionary Housing Ordinance (IHO)

### Why is this Solution Needed?

There is a lack of affordable housing options in Northfield that are considered to be safe, high quality, and desirable. Among Northfield's housing stock, housing that is affordable at different income levels without subsidy or additional financial support to ensure these affordability levels is especially vulnerable to housing market fluctuations. Inadequate supply of housing that is affordable to households at different income levels has negative impacts on the community in a multitude of ways, contributing to rising housing costs for units that are above the city's average in terms of quality, increasing houselessness and housing instability, and ultimately disrupting neighborhood dynamics.

### What is this Solution?

Inclusionary Housing Ordinances (IHOs), also referred to as Inclusionary Housing or Inclusionary Zoning, are rules implemented and regulated by the City to increase the supply of affordable housing, namely through multifamily development but can also be applied to single-family dwellings. Mandatory IHOs (vs. voluntary that do not require, but rather reward the inclusion of affordable units) require developers building multifamily housing to include a prescribed portion of total units developed that are affordable for households at a certain area median income (AMI) or lower.

For example, the Eden Prairie, MN IHO requires that any proposed developments of 15 units or more to include units that are: 1) Five percent (5%) of the total dwelling units affordable to households at or below thirty percent (30%) of AMI, OR 2) Ten percent (10%) of the total dwelling units affordable to households at or below fifty percent (50%) of AMI, OR, 3) Fifteen percent (15%) of the total dwelling units affordable to households at or below sixty percent (60%) of AMI.

IHOs are important tools to support affordable housing development, but often the adoption of an IHO also necessitates the development of an Affordable Housing Trust Fund. Housing Trust Funds can be funded through various ways, including payments in-lieu of adherence to affordability requirements mandated by the IHO. This means that when developers are not able to, or are unwilling to, include the required affordability levels for a portion of total units being developed, a payment to a city's Affordable Housing Trust Fund can be made. The Trust Fund can therefore finance additional affordable housing development in the city. An additional city ordinance is required to specify the payment in-lieu amount.

Risks may include upsetting or further reducing interest in development in Northfield when an IHO is implemented without input from developers of the region. It will be important to incorporate meaningful incentives for developers to continue to pursue development in Northfield and incorporate affordable housing into their development plans. Additionally, IHOs may add financial burden for developments that are smaller or medium-sized. Therefore, the incentives below can support the successful implementation of an IHO to build affordable housing from a developer perspective.

Incentives that appeal to developers and encourage their development in certain areas can include 1) density bonuses that permit increased density (or number of allowed units in a given area) for the proposed development; 2) fee waivers to reduce development costs; 3) payment in-lieu; 4) fast-tracked regulatory processes to reduce pre-development phases. For more information on development incentives, see [https://housingtoolkit.nmhc.org/wp-content/uploads/2019/04/F1\\_NMHC\\_PDF-Sections\\_Tools\\_Incentives\\_PG-48-TO-62.pdf](https://housingtoolkit.nmhc.org/wp-content/uploads/2019/04/F1_NMHC_PDF-Sections_Tools_Incentives_PG-48-TO-62.pdf)



Experts in the field often recognize IHOs as most effective in housing markets that experience consistent development. However, some suggest that housing markets anticipating future development can benefit from an IHO to preemptively enforce affordable housing requirements. Therefore, a proposed IHO can pull influence from Improve Public Awareness of Housing Challenges & Solutions that will create dialogue around multifamily development in Northfield and offer potential recommendations on type, affordability, and size of multifamily development that aligns with the needs and structure of Northfield's housing landscape.

### Who Would Be Involved?

While the City will ultimately be required to introduce and adopt an IHO, members of the community can lobby the city to take this action and advocate for specific policy design approaches. It is recommended that the working group for Improve Public Awareness of Housing Challenges & Solutions be advised of IHOs and their potential benefit to Northfield when advocating for multifamily development exploration in Northfield.

### How Specifically Could this Be Done (Tactics/Action Items)?

1. Coordinating with the working group responsible for completing Improve Public Awareness of Housing Challenges & Solutions to educate community members, developers, and city representatives on the benefits of IHOs and how they can support Northfield's mission to improve housing affordability and availability. This process should also include research on the affordability levels that would most benefit Northfield residents, while maintaining financial feasibility for development. Lobbying for the introduction and drafting of these ordinances may be necessary.

### Key Performance Indicators

The adoption of an IHO in Northfield and the subsequent establishment of an Affordable Housing Trust Fund for Northfield affordable housing development will be a key indicator of success. Long-term indicators will include the development of affordable housing within multifamily buildings as a direct result of an IHO.

### Developer and Landlord Notes

Developers and landlords in Northfield who are familiar with the social, economic, and political environment of the City emphasized the importance of including incentives that encourage more development in a future IHO. Concerns related to the risks identified above surfaced in a conversation about IHOs among developers, citing potential increases in housing costs as developers look for other areas to make back the profit lost from including affordable housing units. This concern can be addressed by implementing substantial and context-specific incentives that benefit developers in their housing development projects. A specific example recommends changing the lot size requirements to be more flexible for developers to offset costs from smaller lot sizes with the revenue from larger lot sizes if they were allowed and encouraged in Northfield. Incentives for developers are an integral component to a successful IHO, and developers and landlords' part of this conversation recognized a pattern of hesitancy on behalf of the City to identify creative solutions, such as development incentives, which would substantially support the implementation of an IHO in Northfield.

### Key Supportive Tools/ Resources

The multifamily housing potential research and report developed from Improve Public Awareness of Housing Challenges & Solutions. Community forums and discussion with city representatives about the benefits of IHOs and what an IHO in Northfield may look like. City buy-in from the beginning of this Solution will be essential to their ultimate drafting of an IHO.

### Case Studies or Best Practices

- [https://library.municode.com/mn/eden\\_prairie/codes/code\\_of\\_ordinances?nodeId=CH13INHO](https://library.municode.com/mn/eden_prairie/codes/code_of_ordinances?nodeId=CH13INHO)
- A comparison of IHOs in multiple locations for the City of Bloomington, MN: <https://www.bloomingtonmn.gov/sites/default/files/2021->



[07/Creating%20an%20Effective%20and%20Competitive%20Housing%20Ordinance%20for%20Bloomington\\_0.pdf](#)

## References

- [Inclusionary Housing\\_US\\_v1\\_0.pdf \(groundedsolutions.org\)](#)
- [Inclusionary zoning - Local Housing Solutions](#)
- [Inclusionary Housing: Secrets to Success — Shelterforce](#)

## Improve Language Accessibility and Require City Representative Information Visits

### Why is this Solution Needed?

The Limited English Proficiency (LEP) communities in Northfield and Rice County face significant challenges when attempting to rent properties, as lease agreements are primarily drafted in English. This poses a considerable obstacle for those with Limited English Proficiency, preventing them from ensuring that they are receiving fair and equitable terms. Additionally, the language barrier further complicates tenants' ability to access essential information about grants and financial rental assistance.

### What is this Solution?

Addressing Limited English Proficiency (LEP) disadvantages in rental leasing agreements and resource dissemination is crucial for ensuring that all community members have equal access to housing opportunities. To enhance accessibility and inclusivity, the City could require all notices and official documents issued by any organization or landlord related to tenancy must be made available in English, Spanish, Somali, and any additional languages spoken by the community's residents. Other identified languages spoken are, but are not limited to: Hmong, Russian, Ukrainian, and Vietnamese. In addition, the City should appoint a dedicated representative, who is not affiliated with landlords, to work with community organizations (religious, advocacy, NGO) to disseminate information about the City's programs and educate tenants on their rights.

Solutions to this barrier might fall into the following three categories:

- LEP Services
  - Bilingual Staff
  - Translation services
  - Technology integration
- Education
  - Legal Assistance
  - Community outreach for LEP communities
  - Training for Landlords and Property Managers
- Government oversight and resources

### Key Considerations:

- **Quality and Accuracy of Translations:** Ensuring the accuracy and cultural appropriateness of translated materials is crucial. Poorly translated documents can lead to misunderstandings and legal complications.
- **Compliance and Enforcement:** Implementing regulations that require landlords to provide materials in multiple languages poses challenges in compliance and enforcement. Monitoring and enforcing these regulations require resources and could lead to resistance from landlords who view these requirements as burdensome.
- **Cost, Resource Allocation, and Sustainability:** The financial burden of translating documents, developing lease templates, and integrating technology solutions can be significant. Additionally, allocating government resources to support these initiatives could be challenging, especially if budgets are tight.

### Who Would Be Involved?

**Lead:**



- City of Northfield and Rice County (local government)

#### Allies/Partners:

- Community Action Center- Northfield
- Rice County Habitat for Humanity

#### How Specifically Could This Be Done (Tactics/Action Items)?

1. **LEP Services:** Expand on the translation/interpretation services provided by both the City of Northfield and Rice County. The city can offer translation services for written notices, agreements, and important documentation, including those related to renting. In addition, the city could offer a lease agreement template with standard lease language in multiple languages. In addition to the translated documents, there should be interpretations services available to help the renter understand the legal language and its implications.
2. **Education:** Establish partnerships with local aid organizations to offer free or low-cost legal assistance and educational workshops for LEP individuals to learn about tenant rights and obligations. Work with community organizations, religious institutions, and advocacy groups to reach out to LEP communities and help disseminate information about available resources and support services. Provide a training program for landlords and property managers on the needs of LEP tenants and cultural competency (where everyone is respected and treated equally).
3. **Government oversight and resources:** Implement regulations in the license provision that require landlords to provide lease agreements in multiple languages and offer resources (lease agreement template) to help landlords comply with these regulations. Establish a centralized portal where LEP individuals can access translated leasing documents and other housing-related resources.

#### Key Performance Indicators

- Number of LEP individuals that participate in the program.
- Number of total documents translated to LEP languages.

#### Key Supportive Tools/ Resources

- **LEP Policies:**
  - Rice County Housing & Redevelopment Authority (RCHRA) Language Access Plan
  - Minnesota Department of Human Services: LEP resources, Translation services
  - The U.S. Department of Health and Human Services Language Access Plan 2023
- **Lease Templates (free and paid options):**
  - Eforms.com
- **Translation Apps (free and paid options):**
  - Free translation apps: Google Translate- Translate Document Tool, onlinedoctranslator.com
- **Translation Service Provider for government:**
  - Cooperative Purchasing Venture (CPV) program

#### Case Studies or Best Practices

- [County of Los Angeles Department of Consumer and Business Affairs, Civil Code 1632](#) requires a contract to be provided in a language other than English if you speak to the salesperson in Spanish, Chinese, Tagalog, Vietnamese, or Korean. This includes rental leases.

#### References

- [208-Limited-English-Proficiency-LEP-Administrative-Policy \(northfieldmn.gov\)](#)
- [TEMPLATE \(dhs.gov\)](#)
- [Limited English Proficiency \(LEP\) | HHS.gov](#)
- [Accessibility Limited English proficiency resources / Minnesota Department of Human Services \(mn.gov\)](#)
- [HHS Language Access Plan](#)
- [Commonly Asked Questions and Answers: Regarding Limited English Proficient \(LEP\) Individuals](#)



- [Northfield Translation Services - U.S. Language Services \(uslanguageservices.com\)](https://uslanguageservices.com/)
- [Residential Lease Agreement \(eforms.com\)](https://eforms.com/)
- [Northfield, MN Household Income, Population & Demographics | Point2 \(point2homes.com\)](https://point2homes.com/)
- [NfldCompPlan\\_2008\\_LoRes\\_20090615 \(northfieldmn.gov\)](https://northfieldmn.gov/)
- [Pricing – eForms](#)
- [Rice-County-HRA-Language-Access-Plan \(ricecountymn.gov\)](https://ricecountymn.gov/)
- [ARTICLE III. - RENTAL HOUSING | Code of Ordinances | Northfield, MN | Municode Library](#)

## Advocate for Rent Stabilization

### Why is this Solution Needed?

Affordable homes for renters are scarce in Northfield. Between 2010 and 2022, median rent increased by almost 19%. An increase in rent, sometimes by even \$50 can cause rent to become unaffordable for some families.

### What is this Solution?

Placing caps on how much rent can be increased in a specific amount of time, or rent stabilization, is an effective tool for increasing housing affordability and stability.

In the short term, it prevents excessive rent increases for existing tenants and makes increases in rent more predictable for renting households. Rent control is similar in that it restricts the amount that rent can go up in a unit, even if the previous tenant moves out; this keeps housing stock affordable, and controls rents for all tenants.

For the long term, arguments have been made that rent control and rent stability policies contribute to:

- Maintenance neglect by landlords as landlords have less incentive to upgrade and maintain the units because they can't afford growing maintenance costs with fixed rents.
- "Mismatch" of tenants and units' size as tenants who have secured a rent controlled/stabilized unit may choose to stay in a larger unit when they no longer need it.
- And decreasing the affordable rental supply in places where rent control/stability policies allow landlords to perform a "move-in eviction" and take affordable units off the rental market by moving in themselves (some do this with the intention of eventually converting the units into condos).

Due to these perceptions, many states have barred local governments from implementing rent controls. At this time, Minnesota does not have state-wide rent control policies, but it does allow local governments to establish control laws for rent if elections approve them. However, some state legislature members have been trying to pass a ban on rent ordinances and overturn already passed measures in St. Paul and Minneapolis, so this may introduce some additional risk in pursuing this solution if these voices win out in the state legislature.

While many of these concerns and perceptions stemmed from early 20<sup>th</sup> century rent stabilization policies, more recent policy approaches have introduced features to mitigate at least some of these concerns, such as targeting rent stabilization to specific building types and appointing review boards to approve rent increase caps regularly to allow landlords to maintain properties with rising costs while preventing exploitation of renters.

Research suggests generally positive impacts on existing renters who directly benefit from stabilized rents, but some studies have shown that rent stabilization does decrease developer interest in creating new rental housing in the jurisdiction and that some policies do result in landlords deciding to invest less in maintenance. These factors would need to be considered by the City relative to the benefits in weighing the decision to proceed with this solution.

### Who Would Be Involved?

#### Policy Adoption:

- City of Northfield and/or Rice County

#### Advocacy:



- Rice County Neighbors United, Community Action Center, tenant support organizations, City Council member(s)

### How Specifically Could this Be Done (Tactics/Action Items)?

1. Engage residents to better understand their interest in rent caps.
2. Build the case for a local rent cap policy.
3. Engage local housing partners.
4. Research and determine the specifics of the rent cap policy proposal.
  - a. What limits do state laws place on rent caps?
  - b. What units would be covered under the policy?
  - c. What rent increases are allowable?
  - d. What is included in rent?
  - e. How often can landlords raise their rents?
  - f. What happens when a unit changes in occupancy?
  - g. Are there exceptions to the legislation?
5. Develop an implementation strategy which will consider how this policy will be implemented, and what is the timeline, consider roll back dates (so landlords can't increase rent by a large amount right before ordinance goes into effect), consider a rent board or staff needed to administer the ordinance and for enforcement.

### Key Performance Indicators

# of key supporters of legislation

### Developer and Landlord Notes

The cost of development is a concern. This can lead to higher rental prices. There was also a concern about costs (to the owner/operators) that could exceed the cap on rents. This would cause a financial loss to owner/operators. An example was provided from St. Paul, which passed a rent ordinance, causing developers to scale back building before rising interest rates added another disincentive to development (particularly of affordable rental units). There is a concern that a similar issue would arise if Northfield passed a similar ordinance.

Implementing a rent stabilization ordinance would require owners/operators to create a significant reserve to protect themselves against future expenses that capped resources would not cover. External (Federal, State) support for landlord and developer groups to rehab buildings in exchange for long-term affordability could help maintain affordable rents.

### Key Supportive Tools/ Resources

Advocacy guides to passing ordinances:

- Local Progress: Stable Rents, Rooted Communities. <https://localprogress.org/wp-content/uploads/2023/08/Stable-Rents-Rooted-Communities.pdf>
- Right to the City: <https://www.righttothecity.org/resources/renter-nation>

### Case Studies or Best Practices

There are three examples of legislation to control rent increases in different cities in municipalities across the county. However, many of these are in jeopardy of being watered down or overturned by state or local legislatures.

- Keep St. Paul Home, a campaign led by TakeAction MN, helped to pass a voter initiative for rent stabilization in November 2021.



- Rent Stabilization Laws in St. Paul, MN, <https://www.stpaul.gov/departments/safety-inspections/rent-buy-sell-property/rent-stabilization/rulemaking-implementation>
- Bill proposing Rent Stabilization in Montgomery County, MD: <https://www.montgomerycountymd.gov/dhca/Tenants/RentStabilization.html> and <https://dcist.com/story/23/07/19/md-montgomery-county-council-passes-cap-on-new-rent-increases/>
- Rent Control ordinance adopted in Mt. Rainer, MD: <https://www.mountrainiermd.org/Home/Components/News/News/1850/141>

## References

- Two Types of Rent Regulation: Control and Stabilization - Streets.mn
- [https://www.urban.org/sites/default/files/publication/99646/rent\\_control\\_what\\_does\\_the\\_research\\_tell\\_us\\_about\\_the\\_effectiveness\\_of\\_local\\_action\\_1.pdf](https://www.urban.org/sites/default/files/publication/99646/rent_control_what_does_the_research_tell_us_about_the_effectiveness_of_local_action_1.pdf)

## Expand Access to and Utilization of Rental Subsidies (vouchers)

### Why is this Solution Needed?

The demand for rental assistance through Section 8 far exceeds the supply of vouchers. In addition, those residents who are lucky enough to get one of the few vouchers struggle to find landlords who are willing to accept their voucher.

### What is this Solution?

A partnership among the City of Northfield, Rice County Housing and Redevelopment Agency (HRA) and Dakota County Community Development Agency (CDA) to address the challenges experienced by Northfield renters hoping to access housing assistance might include addressing the following specific opportunities:

**Source of Income Protection Law:** Source of income discrimination is the practice of denying housing to people based on housing assistance or other forms of income. Some states and localities have passed fair housing laws that define federal rental assistance as a lawful source of income subject to fair housing law protection. While Minnesota does not have a state-wide source of income law, Minneapolis's source of income discrimination ordinance was recently fully implemented after years of litigation, allowing for other cities to pass their own. This solution involves the City of Northfield passing source of income protection legislation to require landlords to accept Section 8 at rental properties.

**Small Area Fair Market Rents (FMRs):** Even with source of income protection, a landlord can decline a voucher if the amount of the voucher does not cover the rent charged. Northfield is served by two public housing agencies (PHAs), Rice County HRA and Dakota County CDA. PHAs determine the amount that they can pay to a landlord for a section 8 voucher based on the median rent in the county (the fair market rent or FMR). When segments of the county (by zip code) have higher rents, PHAs can establish increased payment standards for those zip codes (known as small area FMRs or SAFMRs). Many PHAs have done so. Rice County's allowance for a 2-bedroom unit is \$1,180. Dakota County's allowance for a 2-bedroom unit is \$1,620. And according to Zillow, median rent for a 2-bedroom unit in Northfield is \$1,300. This means that section 8 vouchers issued by Rice County HRA will probably not cover the rent being charged. This solution entails working with the Rice County HRA to expand the usability its Section 8 vouchers in Northfield by calculating a separate fair market rate for the Northfield zip codes.

**Landlord Incentives:** The solution also requires encouraging both Rice County HRA and Dakota County CDA to implement landlord incentives to encourage Northfield landlords to participate in the Section 8 program. Landlord education about the program paired with financial incentives have been shown to effectively mitigate two of the concerns landlords often have about the program: PHA payment delays and damages to the unit above the deposit amount. PHAs often fund a security deposit or agree to pay for damages in excess of the security deposit amount should they occur, or bridge other expenses caused by HUD inspection requirements.



**Education and Public Awareness:** Both the changes to the Section 8 programs and the source of income protection laws will require public education campaigns to increase awareness.

**Mobility Counseling:** In addition to promoting Section 8 to landlords, this solution entails adding mobility counseling to support Northfield voucher holders who are seeking housing. Mobility counseling can be provided by a PHAs or by a nonprofit, which could support more than one PHA. This service typically provides 1-on-1 counseling to help with the search and will often support the move itself.

**HUD Direct Rental Assistance Pilot:** This solution also recommends that either or both the Rice County or the Dakota County PHAs participate in a HUD Direct Rental Assistance (DRA) pilot program. The DRA allows a PHA to administer private grant funds to participants instead of vouchers that a participant then uses to pay for their housing. This creates an opportunity for a few more households to receive housing benefits, and the use of private money could expand the eligibility of participants to include individuals and families without documentation. The program is currently seeking interested PHAs and private funders to participate.

### Who Would Be Involved?

City of Northfield, including Northfield HRA, Rice County HRA, Dakota County CDA, Private Philanthropy, Nonprofit organization (for example, CAC), Northfield residents.

### How Specifically Could this Be Done (Tactics/Action Items)?

- 1) **Prepare request and presentation for the PHAs.** Implementing all parts of the solution other than the source of income law requires gaining cooperation and interest by the Rice County HRA and Dakota County CDA. PHAs are not required to create small area FMRs or to provide these additional services. In fact, with their limited resources, they have been choosing to invest in other strategies. An argument for the **small area FMRs** might highlight the value of providing access to high opportunity areas for economic mobility and the equity of serving the Northfield populations needing housing access. The implementation of **landlord incentives** and partnering with a nonprofit to provide **mobility counseling** will benefit the whole county, not just Northfield, and will improve their voucher utilization rate. This places them in a favorable light with HUD. The additional cost of operating these two programs will require fundraising from private philanthropy, and the PHAs may request technical assistance to assess feasibility and implementation.
- 2) **Identify nonprofit partner to provide mobility counseling.** This nonprofit would assist both PHAs, and both will want to be involved in the process.
- 3) **Provide information and identify technical assistance to the PHAs to participate in a HUD DRA pilot.** While Rice and Dakota County PHAs know about small area FMRs, landlord incentives and mobility counseling, they may not be so familiar with HUDs interest in these new DRA pilots. They also may not know which, if any philanthropies are interested in providing the resources. Therefore, a first step could be to introduce them to practitioners and funders involved in creating these pilots and to the organizations that are interested in providing support.
- 4) With Northfield already interested in implementing a **source of income protection law**, a first step would be to identify the ways in which voters and interested citizens of Northfield can support City staff in moving the law forward. As the law is drafted, the community can weigh in to ensure that enforcement mechanisms are meaningful, including tying violation to a loss of rental license.
- 5) The last step will be the **public education and awareness campaign**. This should be a joint effort between the PHAs, the City, the nonprofit providing mobility counseling, and other Northfield citizens who care about these issues. It should be mobilized to get out the vote for a new law and then again to make sure that everybody is aware of the changes and all the new opportunities. This includes landlords, as well as potential renters of the properties.



**Potential Risks:** There is a risk that even with a public education campaign that the housing authority's investments in the landlord incentives will not yield significant change and that enforcement challenges of SOI legislation will not stop source of income discrimination. In addition, asking Rice County HRA to adopt a higher payment standard for Northfield will reduce the number of voucher holders that they can support overall and will require them to make choices to reallocate their resources from other areas to accommodate this request.

### Key Performance Indicators

- Increased number vouchers available for use in Northfield
- Increased number of landlords in Northfield participating in the Section 8 program
- Increased voucher utilization in Northfield
- Increased voucher utilization in "high opportunity" areas of Northfield
- Northfield residents without documentation of citizenship utilizing rental assistance to access quality housing.

### Key Supportive Tools/ Resources

[Philadelphia DRA pilot program](#)

### Case Studies or Best Practices

- [Examples of Landlord Incentives](#)
- [Example SOI Laws](#)
- [Mobility Counseling](#)

### References

- [Rental Assistance Participants - Dakota County Community Development Agency \(dakotacda.org\)](#)
- [Rice County Payment Standard](#)
- [Average Rental Price in Northfield, MN & Market Trends | Zillow Rental Manager](#)

## Community Action/Organizing/Advocacy Solutions

### Improve Developer/Builder Engagement

#### Why is this Solution Needed?

Throughout both phases of this work, stakeholders and community members have discussed the need for a common plan outlining how community members can work together to address the housing challenges in Northfield. Many different organizations are working on creating homeownership options, however, there is limited collaboration in terms of how their work fits into a broader community vision. Stakeholders have expressed that there is a need for community leadership to coordinate and sustain efforts.

#### What is this Solution?

Convening nonprofits serving populations most impacted by challenging housing conditions, developers/builders already working in Rice County, and possibly those working in the Twin Cities or other nearby locations who may be open to working in Rice County. This will support a broader call to action on behalf of local government, community organizations, and nonprofits to increase community-wide access to homeownership and improve rental options. Convening key stakeholders will help to develop shared understanding of needs, roles/capacities, perspectives, and constraints, with the goals being to:

- Find common ground to build deeper relationships.
- identify approaches for building/offering homes at lower price points and rent levels that group members could take (individually or collectively).



- identify specific opportunities for partnership and progress within the group.

In order for this solution to be successful, community organizations and the city need to have a holistic understanding of what actions have already been undertaken and how community organizations can work together to achieve shared goals.

Convenings could involve creating a group memorandum of understanding (MOU) to detail the actions each organization is responsible for; developing a plan of action outlining roles and responsibilities and target dates for attaining goals; identifying 1–2-point individuals to represent their organizations and hold all stakeholders accountable.

This could be a function in the Northfield Affordable Housing Task Force could be well-suited to play, since it is already convening some of these organizations and focusing on similar issues.

### Who Would Be Involved?

- City of Northfield
- Rice County Housing & Redevelopment Authority
- Three Rivers Community Action
- Rice County Neighbors United
- Rice County Habitat for Humanity
- Community Action Center's Housing Team
- Northfield Affordable Housing Task Force
- Local builders (non-profit and for-profit)

### How Specifically Could this Be Done (Tactics/Action Items)?

1. Establish what organizations will be participating in these convenings and determine date/time to meet.
2. Identify point of contact for each organization and begin developing common goals. Define the problem, analyze opportunities and barriers, and begin developing a plan of action for how stakeholders can work together to increase access to homeownership in Northfield.
3. Elect a representative to lead the convenings and hold the group accountable to target deadlines.
4. Establish a MOU outlining who is responsible for what, and when.
5. Build out a plan of action and distribute the draft framework to individual organizations for feedback.
6. Begin implementing plan and document efforts, results, and timelines for when those results are accomplished.

### Key Performance Indicators

- A single group that brings all builders and community organizations together who are working towards increasing homeownership opportunities in Northfield.
- A public timeline with key outcomes and roles/responsibilities

### Developer and Landlord Notes

Developers expressed concerns over a lack of collaboration between the City and other local stakeholders in accommodating reduced development costs. Convening developers, nonprofit organizations, and City officials could help address this barrier by creating space for stakeholders to identify specific opportunities to work together, the highest priorities for the Planning Commission, any new policies that might affect building plans, as well as roles and responsibilities for pending projects. Convenings could also create opportunities for the City to support developers with navigating nuanced processes and requirements.



## Key Supportive Tools/ Resources

Consult City staff and HCI staff to provide a list of individuals from key organizations who should be a part of these convenings.

## Assess Community Interest in Alternative Housing Models

### Why is This Solution Needed?

Shared equity homeownership and other non-traditional housing models can create alternative ways for residents to access a form of homeownership that can be more affordable than traditional models (though it may come with other tradeoffs such as limited appreciation rates). While some residents have expressed strong interest in seeing more of these models in the community, Northfield developers currently lack evidence that there are enough Northfield residents who understand and are interested in any particular model to risk developing them. In addition, community members and developers face challenges to implementing such models for reasons which include uneven knowledge about the pros and cons of each model, lack of information about available and accessible funding to support them, and constraining regulations which further discourage investment in some of these models.

### What is this Solution?

A community-wide forum to allow participants to explore these models and express support and interest in specific models that could be pursued. The forum could bring together community members, city staff, developers/homebuilders, and experts in the field of alternative homeownership models. The forum could be a single meeting or a series of meetings for the community to learn about different homeownership models, ask questions, and share one's opinions and interest in the models explored.

Some of the topics might include:

- How a model differs from or is similar to traditional homeownership or renting (including the tradeoffs in appreciation rates, home equity accumulation, etc.)
- The approximate cost of owning and building the kinds of housing, including possible sources and types of financing.
- Eligibility, rights and responsibility associated with ownership or participation in a model.
- A roadmap for getting a model started in Northfield.
- Organizations with prior experience interested in partnering or providing development or resident support.

The forum might conclude with a city-wide survey to gauge interest. This forum could be hosted by the Northfield Racial and Equity Collaborative (NREEC) Housing Work Group, and promising models might be explored more deeply with the help of the Housing Innovation Support Committee (if it is implemented).

The current interest list of alternative models includes:

- Shared equity homeownership and community ownership models (Community Land Trusts, cooperative housing, shared appreciation mortgages, etc.). This could also reference the work being done related to Explore Alternative Land Ownership Models in the Manufactured Housing Communities.
- Co-housing (developments with a combination of private and shared spaces)
- Rent-to-own models.
- Tiny homes or ADU's, especially as a replacement to mobile homes (this could also build on the Secure Public or Philanthropic Support for ADU Construction solution if implemented)

### Who Would Be Involved?

- NREEC Housing Work Group
- City HRA staff and other City staff
- Local developers



- Nonprofits
- Community residents
- Subject matter experts

#### How Specifically Could this Be Done (Tactics/Action Items)?

1. Identify the host of the forum and the resources needed to cover translation and interpretation.
2. Identify and recruit participation from local subject matter experts and or community organizations with experience in providing alternative housing options.
3. Community support by publicizing the event to encourage greater participation and learning.
4. Capture learnings and interest generated by the forum and assign responsibility for follow up and implementation.
5. Create a public housing model interest/preferences survey if deemed productive.

#### Key Performance Indicators

- Number of resident attendees and surveys completed.
- Number of models explored (ultimately, number of models piloted and implemented)

#### Key Supportive Tools/ Resources

Philanthropic funding, hosted by a housing non-profit, hosted by the city as part of its community engagement requirements for Comprehensive planning or HUD Consolidated Planning.

### Organize Advocacy for Resources

#### Why is this Solution Needed?

A large portion of the community does not have enough to purchase (a home) or rent housing. Almost 19% of all low-income households are cost-burdened in Northfield. Residents report there are not enough resources from city, county, or state officials targeting the lack of affordable housing. These resources need to be geared towards both renters and those who want to purchase homes (including manufactured homes).

#### What is this Solution?

There are many ways that city, county, and state governments can support affordable housing. This solution would entail determining what financial resources residents want to lobby for and what level of government is appropriate to ask for those resources. Examples of financial resources for homeownership could include below-market interest rates from the state or local housing finance agency, down-payment assistance, programs to fund the construction of affordable homes, etc. Examples of financial resources for renters could include low-cost loans to developers to build or preserve affordable rental homes (housing production or preservation funds), more funding for housing vouchers, rental assistance, etc.

Although this action could be done by a single organized group or independently by multiple groups with different priorities, we envision this as an organized advocacy effort by the NREEC Housing Work Group as a cross-organization space representing the interests of a broad range of housing-related stakeholders in the community. Individual organizations may agree or disagree with specific policy directions based on their own perspectives, so this would need to be navigated by the group. Faith communities could play a role in organizing, e.g., Faith in Minnesota, an organization representing many faiths.

#### Who Would Be Involved?

NREEC Housing Work Group

Faith communities could play a role in organizing, e.g., Faith in Minnesota, an organization representing many faiths.

HCI



### How Specifically Could This Be Done (Tactics/Action Items)?

- 1) Appoint an advocacy lead who would be responsible with organizing the group around policy priorities and keeping the work moving forward.
- 2) Identify the group's priority resource gaps or needs in the current system that the group would focus on
- 3) Gather information on what programs currently exist that respond to those needs (e.g. providing financing for home purchases or developing affordable rental housing) and determine what new policies or reforms should be implemented to address those gaps.
- 4) Work with city, county, and state organizations to draft policy recommendations or decide which existing proposals to support.
- 5) Advocate. What this means exactly would depend on the specific policies in question and the government entities in question. In some cases, there may be an existing coalition of organizations focused on advancing a specific policy priority that the NREEC Housing Work Group (and/or its constituent organizations individually) could sign onto or otherwise support. In other cases, it may require building a coalition of interested parties to generate the level of support needed to change policy. In other cases, it may be as simple as creating a dialogue with a key individual at a state agency to help them understand the challenges with an existing regulation. The best approach for each policy priority will need to be determined by the advocacy lead in partnership with others from the NREEC Housing Work Group.

### Key Performance Indicators

- Increase in funding for existing affordable housing programs.
- # of new programs

### Landlord and Developer Notes:

Rather than passing laws that restrict certain activities, the city could pass legislation that offers incentives to create something (e.g., tax abatements, TIF, land, infrastructure, etc.).

### Key Supportive Tools/ Resources

- Best Practices and Tips for Advocacy and Lobbying: [https://nlihc.org/sites/default/files/AG-2021/02-15\\_Best-Practices-Tips-for-Advocacy-and-Lobbying.pdf](https://nlihc.org/sites/default/files/AG-2021/02-15_Best-Practices-Tips-for-Advocacy-and-Lobbying.pdf)
- Minnesota Deferred Loan and Grant Programs: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/deferred-loans-and-grant-programs.html>
- Minnesota HOME and National Housing Trust Fund: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/home-national-housing-trust-fund.html>
- Minnesota Housing Tax Credits: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/housing-tax-credits.html>
- Minnesota Amortizing Mortgages and Construction Bridge Loans for Low Moderate Income Rental housing: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/amortizing-mortgages.html>
- Minnesota Housing Preservation: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/preservation.html>
- Minnesota Housing, Workforce Housing Development Program: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/workforce-housing.html>
- Minnesota Housing Program Guides and Manuals: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/program-guides-and-manuals.html>
- 2024 Minnesota First Time Home Buyers Program: <https://www.minnesotafirsttimehomebuyer.com/minnesota-programs/>
- Rice County Subsidized Housing: <https://www.housinglink.org/SubsidizedHousing>
- Rice County First Time Home Buyers Programs: <https://www.minnesotafirsttimehomebuyer.com/rice-county-first-time-home-buyer-programs/>
- Northfield Housing Resources: <https://www.northfieldmn.gov/207/Housing-Resources>



## References

- Minnesota Housing: <https://www.mnhousing.gov/index.html>

## Improve Public Awareness of Housing Challenges and Solutions

### Why is This Solution Needed?

The lack of visibility and recognition of the housing-related challenges living in across Northfield are contributing to the barriers that prevent these issues from being addressed. Solutions Team members identified initial successes on behalf of faith-based institutions in Northfield that began to demonstrate these conditions, but there is a need for a greater campaign that reveals these issues to a larger audience. However, it is important to ensure that all awareness campaigns (and associated solutions) are designed in partnership with residents experiencing these challenges to avoid exploitative practices or insensitive dialogue. Rather, the awareness campaigns must be directed in a way that both educates and calls for specific actions that will have an impact on the communities in need.

### What is this Solution?

One or more public campaigns to educate community members on housing solutions and challenges to support a broader call to action on behalf of local government, community organizations, and nonprofits to advocate for improved conditions and openness to actions or housing types that will address them.

Increasing awareness of the issues that tenants face will require Northfield residents to acknowledge these conditions and demand action to address them. In order for this solution to be successful, public education and awareness campaigns on the conditions that tenants are living in must be paired with detailed requests for improvement and alternative options to those that currently exist.

At the same time, for a campaign to be successful, it must point toward some action, not just dwelling on challenges. The campaign's focus must be on supporting specific solutions while making connections and grounding those solutions in the existing challenges.

The campaign could take multiple forms, from in-person events and dialogue to social media to recruiting champions that have sway with particular constituencies. They can also position those opposing measures as supporters of viable alternatives. For example, if people oppose denser development in one area, ask them to propose alternative locations for denser development.

One key area of initial focus should be opposition to denser (taller) multifamily development in the city, as this is a major barrier to creating more affordable rental options. This campaign would provide a forum to help those living in and around Northfield understand the need for more multifamily development in Northfield, see examples of what it could look like, understand the research pointing to the neutral-to-positive impacts on home values, and the benefits for local businesses. It could ground this in a discussion of some of the experiences of current renters in the area who have experienced a range of challenges, including inadequate housing conditions, unresponsive and absentee landlords, and affordability challenges.

A second key area of focus would be solutions relating to the manufactured housing communities and building awareness of the challenges there. More thought would need to be put into exactly what form this should take based on where specific opposition points exist with respect to those solutions (e.g. is this a campaign to create public support to pressure mobile home park owners to sell to a community collective? Is this about directing more resources to repairs? Etc.)

With the publication of inadequate conditions in Northfield, there is a potential that certain units will be deemed uninhabitable by the city's code enforcement. In order to prevent displacement of households living in these units, it will be important to pair this solution with others that reduce displacement and housing instability. For example,



Solution 7 focuses on creating a relocation program to allow for repair and renovations to take place and would align well with the ultimate goals of the education and awareness campaign.

This solution should also be considered in tandem with the Organize Advocacy for Resources, Creating a Housing Innovation Support Committee solutions, and Assess Community Interest in Alternative Housing Models solutions.

### Who Would Be Involved?

- The NREEC Housing Work Group would lead this campaign.
- Community members, including members of the solutions teams.
- Current tenants experiencing undesirable conditions.
- Media representatives
- Government representatives
- Developers
- Financial institutions

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Establish a lead within the NREEC Housing Work Group to determine specific campaign objectives.
2. Produce materials/explainers about solutions and challenges based on experiences and input from the community members most impacted and other relevant stakeholders on solutions. Make any revisions requested.
  - a. E.g. for multifamily development: Talk with developers in Northfield about what multifamily development in Northfield could look like. Look at multifamily development in other similarly sized cities in MN to see if there are alternative examples to point to. Gather insight from residents, developers, and the city. Be sure to research the financial, social, regulatory, and physical needs that a development would require to be successful in Northfield.
3. Publicize these deliverables through multiple media avenues and identify requested actions to improve conditions. These actions may be requested of landlords/property owners, community organizations, or the City.
4. Make formal requests through the necessary avenues regarding the actions needed to improve conditions for tenants.
5. Host one or more public events/dialogues for people to come, ask questions and learn.

### Key Performance Indicators

- Increased recognition of inadequate conditions that tenants in Northfield are experiencing in rental housing and manufactured home communities.
- Successful media campaigns will share with Northfield residents unfamiliar or lacking full awareness of these conditions in a manner that evokes a reaction to advocate for improving the quality, accessibility, affordability, and safety of these homes.
- Follow through and completion of any actionable demands that are included within these educational resources are key performance measures.
- A convened group of residents, developers, government representatives, and financial sponsors to research and explore multifamily development in Northfield will be a manner of measuring success. The team will need to decide the outcome of such a convening, but an example may include a report detailing the types of multifamily development that would cater to the needs of different household demographics that exist in Northfield, areas for such a development, and the parties who have shown interest in pursuing such a project.

### Developer and Landlord Notes

Developers and landlords identified a gap in understanding the housing needs and housing goals of many Northfield residents. More clarity is needed on housing demand to adequately produce and cater to Northfield households. In



order for housing solutions to fully respond to the challenges residents currently experience, a deeper needs study is necessary. Notably, this needs study can demonstrate the multifamily housing need in Northfield to align with the campaign for increased multifamily housing in the City. Further, the needs assessment will support the awareness campaign by detailing the exact conditions residents would like to see improved with strategy implementation.

### Key Supportive Tools/ Resources

Funding sources for the media component and the research aspect of this solution. Relationships with any media personnel or organization to support the distribution of educational context developed by the working group. Time and capacity of the working group to canvass Northfield searching for multifamily housing opportunities and how they may benefit current households in Northfield with diverse needs.

### Case Studies or Best Practices

- [https://www.hcd.ca.gov/community-development/community-acceptance/index/docs/educ\\_advoc.pdf](https://www.hcd.ca.gov/community-development/community-acceptance/index/docs/educ_advoc.pdf)
- <https://www.insidehousing.co.uk/news/government-launches-campaign-to-encourage-social-housing-tenants-to-complain-about-poor-quality-housing-80522>

### References

- <https://www.bmsg.org/blog/six-media-advocacy-lessons-from-a-campaign-for-housing-justice-and-health-equity/>

## Create Access to Mortgage Products for Those Without Social Security Numbers and Term-based Employees

### Why is This Solution Needed?

Banks, by nature, are risk averse. This means that banks and the products they create to financially support individuals and households are hesitant to lend to populations that are perceived to be risky due to their status, source of income, income amounts, and credit history. Due to current processes and the structure of most loan products, individuals without a social security number are often ineligible for conventional mortgage products. While some banks do offer loans to these households, it requires the intentional development of a loan type that differs from traditional ones dependent on a social security number and often carries substantially higher interest rates. Similarly, those who are employed in short-term temporary and/or contract work experience difficulty securing a home mortgage loan, because they cannot verify their income through banks' preferred means of a letter of employment (which confirms the borrower has reliable income to pay off the loan). There are many residents of Northfield without a social security number and/or who are engaged in short-term contract work who thus experience challenges to securing a mortgage.

### What is this Solution?

This solution would entail the geographic expansion or creation of new flexible loan products to improve access to homeownership for individuals without social security numbers and for individuals working under term-based employment contracts.

To support individuals without a social security number, loan products that accept an Individual Tax Identification Number (ITIN) in place of a social security number can open up homeownership opportunities for a portion of the population previously excluded. Reliance Bank and Sunrise Bank both offer ITIN loans in the Twin Cities, and Affinity Plus Federal Credit Union has offered ITIN loans in Faribault. Expanding these offerings to the entirety of Rice County would have a significant impact on the wellbeing of the undocumented community in this community.

Lenders who already offer these products but do not serve those in Rice County would first be contacted to see if they would be willing to expand their geographic footprint to include those in Rice County. If all were unwilling to



do so, the alternative would be working with a local financial institution who already underwrites mortgages in Rice County (e.g., a local credit union) to develop such a product.

### Who Would Be Involved?

- Banks or other loan granting institutions in the Twin Cities that offer ITIN loans at reasonable interest rates, including Reliance Bank and Sunrise Bank. Affinity Plus Federal Credit Union
- Local entities (City of Northfield, Three Rivers, Northfield HRA, Rice County HRA) who will recruit banks to expand their ITIN loans to Rice County

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Identify loan products that can serve as models for recreation/adoption in Northfield and Rice County. Ensure that the models would be easily applicable to Northfield and Rice County based on legal, financial, regulatory, and scalability considerations.
2. Identify partners that would be integral for the revision and adoption of the flexible loan products.
3. Establish a working group or assign local staff to build relationships with the flexible loan providers. This local staff capacity will recruit banks to bring their flexible products to Northfield or Rice County. Alternatively, local staff can request support from these banks to guide through the process of establishing similar products at the local level with Northfield-specific banks and institutions.
4. Provide logistical support for the entry of those loan products into Northfield and Rice County

### Key Performance Indicators

- Difference in interest rates between existing ITIN loan offerings in Rice County and new loan products
- Amount of ITIN loans acquired in Rice County

### Developer and Landlord Notes

Developer and landlord discussions focused on mortgage lending/homeownership opportunities among workers that are either immigrant (with ITINs) or the BIPOC community and did not include a discussion specifically around contract workers. There are a handful of mortgage lenders that provide loans to individuals and households with ITINs (Sunrise and Reliance Banks, Affinity Plus Credit Union). More outreach and education around these issues is needed to both lenders and potential borrowers (Habitat could assist with this). Additional solutions could include Fannie/Freddie could also be involved as a way to improve their approach to risk/valuation of mortgages, the Homeownership Opportunity Alliance (lenders, realtors, HFA, HUD focused on increasing BIPOC homeownership).

### Key Supportive Tools/ Resources

This could be a good first place to start, for identifying ITIN loan products in the Twin Cities

<https://www.hocmn.org/wp-content/uploads/2022/05/MHC-ITIN-April-2022.pdf>

### Case Studies or Best Practices

- There are mortgage brokers and mortgage lenders that claim to work with or offer mortgages to self-employed and contract or gig workers. Potential borrowers should be cautious of mortgage scams, potentially higher-than-average mortgage rates, and/or high downpayment amounts.
- Fannie Mae has guidelines on the source of income and continuity of income (described below).
- Credit unions and local banks may be more open to working with borrowers than large national banks.
- Inklusiv is a certified CDFI. Its mission is to help low- and moderate-income people and communities achieve financial independence through credit unions. They deliver innovative products focused on low-income consumers, foster strategic partnerships, and more. They advocate for community development credit unions (CDCUs). CDCUs may be a partner in creating specialized loan products.
- Pathway2Home is an example of a home mortgage program for people with ITINs and connects buyers to downpayment grants to help offset higher downpayment requirements. Although this is not a mortgage



program for contract workers, it serves as an example of creating a product to fit a need in the community.

## References

Loan products for individuals without a social security number:

- [https://nextcity.org/urbanist-news/building-pathways-to-homeownership-no-social-security-number-required?utm\\_source=Next+City+Newsletter&utm\\_campaign=36d2cb6ce9-DailyNL\\_2024\\_02\\_08&utm\\_medium=email&utm\\_term=0\\_fcee5bf7a0-36d2cb6ce9-44318030](https://nextcity.org/urbanist-news/building-pathways-to-homeownership-no-social-security-number-required?utm_source=Next+City+Newsletter&utm_campaign=36d2cb6ce9-DailyNL_2024_02_08&utm_medium=email&utm_term=0_fcee5bf7a0-36d2cb6ce9-44318030)

Loan products for individuals with term-based employment:

- **Fannie Mae Selling Guide: Part B3-3.1-01.General Income Information** (<https://selling-guide.fanniemae.com/Selling-Guide/Origination-through-Closing/Subpart-B3-Underwriting-Borrowers/Chapter-B3-3-Income-Assessment/Section-B3-3-1-Employment-and-Other-Sources-of-Income/1032992031/B3-3-1-01-General-Income-Information-12-13-2023.htm>)
- Fannie Mae makes it clear that anyone who has a stable and reliable flow of income, including those that change jobs frequently but who nevertheless are able to earn a consistent and predictable income, is considered to have a reliable flow of income for qualifying purposes. This means contract work cannot be a reason for denying a mortgage as long as the applicant has a consistent flow of income.
- Continuity of income does not have a defined end date and the applicable history of receipt of the income is documented, the lender may conclude that the income is stable, predictable and likely to continue.
- **Inclusiv:** <https://inclusiv.org/>
- **Pathway2Home:** <https://sunrisebanks.com/pathway2home-mortgage/>

## Implement Fair Housing Testing

### Why is this Solution Needed?

Under the federal Fair Housing Act, it is illegal to discriminate against people on the basis of their race, color, religion, national origin, sex, family status (e.g. presence of children, seniors, etc.), and disability status. Minnesota's Human Rights Act further protects people from discrimination based on creed (belief system), sexual/affectional orientation, marital status, or receipt of public assistance. Note that these protections apply to everyone, regardless of their residency documentation status.

This legal protection includes the right to expect equal professional service, the opportunity to view all available housing openings for which one qualifies, no limitations on communities or locations of housing, no discrimination in pricing or lease terms, reasonable accommodations in rules, practices, and procedures for persons with disabilities, and an environment free from harassment and intimidation. If there is evidence that a landlord, realtor, local government or other housing actor is violating community members' Fair Housing rights, that organization can face legal consequences designed to address the discrimination and prevent it from happening moving forward.

While many people in Northfield and Rice County undoubtedly experience housing discrimination related to one of the above factors, it can be a very challenging thing for an individual to prove. Further, those who are undocumented or in mixed-status families may be wary of raising the issue of discrimination at all for fear of exposure and retribution.

### What is this Solution?

Paired testing is an approach to assessing and demonstrating housing discrimination that a) takes the burden off of individual experiencing discrimination to prove it and b) provides strong evidence that has been recognized by the federal government and courts in other places. It involves using hired actors who interact with the landlord, realtor, etc. These actors are given personas that have similar income levels and other factors that might matter to a landlord but differ in one of the protected characteristics above. For example, one might be a white male with no children and income of \$40,000 per year and the other would be a Latino male with no children and an income of \$40,000 per year. By assessing the difference in treatment of these actors (e.g. what housing they are told is



available, what neighborhoods the realtor decides to show them, etc.), the testing organization can then determine whether discrimination is occurring on the basis of the selected characteristic.

Paired testing for fair housing is funded by the federal government through HUD's Fair Housing Initiatives Program (FHIP), which provides funding for local organizations to undertake various kinds of activities to address discrimination and support those who have been discriminated against. But this could also be funded through other funding sources.

There are two basic approaches to bringing this tool to Northfield and Rice County:

First, a local organization could initiate a partnership with an organization who already does this kind of testing or advocate that they bring their testing capacity to Rice County. Currently, there is only one HUD FHIP grantee in Minnesota - Mid-Minnesota Legal Assistance, and they do not currently do fair housing testing in Rice County (though it's possible they could be convinced to do so). There are other organizations such as Southern Minnesota Regional Legal Services who are not FHIP grantees but who may do testing - this would need to be investigated further.

Second, a local organization could build out the capacity to do paired testing in-house. This would not need to be a discrete program with dedicated staff - this could be simply training existing staff to be able to oversee the testing process and hiring paid actors to be testers for temporary assignments periodically. It is possible that HUD or other funding could support building this capacity and hiring the actors.

### Who Would Be Involved?

#### Lead:

- Since this is not an existing capacity in the area, any organization could lead this. Ideally it would be an organization who has direct contact with residents who may be experiencing housing discrimination, since that will help with identification and targeting of the testing. If the organization were going to build the capacity in-house, there may be benefits to having an organization like Three Rivers Community Action build this capacity, since they work across multiple counties and therefore may be more likely to secure supporting funding.

#### Support:

- No supporting organizations would be required beyond possible partnership on fundraising if needed.

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Ensure the lead organization has a good understanding of the types of discrimination that are occurring in the community. Ideally, this is something they already have, but if not, this could be done through conversations with those participating in housing counseling and other services the organization offers, raising this as a question in community meetings, etc.
2. Determine whether an existing organization who already has this capacity would be willing to serve Rice County (starting with Southern Minnesota Regional Legal Service) If so, learn more from them about what their organization requires to bring this kind of testing to Rice County (e.g. would they require direct complaints filed by residents or other kinds of evidence to initiate? Would they need supporting funding? etc.). In the best-case scenario, this should be all that is required.
3. If no organizations who do fair housing testing can be identified, then a local organization would need to build out this capacity. This would include:
  - a. Interview some organizations who already have these programs to fully understand what it takes to add this capacity.
  - b. Identifying staff who would undertake training to oversee the testing.
  - c. Identifying funding sources to pay for staff training and stipends (HUD is a possibility)
  - d. Undertaking staff training
  - e. Hiring testers and implementing the testing program



4. Consulting with a fair housing organization such as HousingLink on the possible recourse and relevant enforcement entities given the testing results.

### Key Performance Indicators

- Number of tests performed and whether they were able to effectively demonstrate discrimination.

### Key Supportive Tools/ Resources

- HUD FHIP grants
- Existing testing organizations (if one can be identified)
- National trainings and resources for fair housing testers and organizations who undertake testing.

### Case Studies or Best Practices

- Example of Mid-Minnesota Legal aid doing testing in the twin cities:  
<https://www.kare11.com/article/news/local/breaking-the-news/mid-minnesota-legal-aid-seeking-testers-against-housing-discrimination/89-9cde3f90-cf58-44e9-a950-f2c56f97e5ce>

### References

- Description of Paired Testing and Housing Discrimination from the U.S. Department of Housing and Urban Development (HUD): <https://www.huduser.gov/portal/periodicals/em/spring14/highlight2.html>
- Additional information about Fair Housing protections in Minnesota (including videos in English and Spanish): <https://www.housinglink.org/HousingResources/FairHousing>
- More information about HUD's FHIP program:  
[https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/partners/FHIP](https://www.hud.gov/program_offices/fair_housing_equal_opp/partners/FHIP)

## Define a Housing Innovation Support Function

### Why is this Solution Needed?

There is a need for creativity in housing solutions and a clear space for people to bring ideas for new models or ways of working to help with vetting, testing and scaling. Some new models are already being explored - for example The Starfish Project is a program that is remodeling houses that are abandoned or run down through a framework in partnership with Habitat for Humanity. But more are needed!

### What is this Solution?

The Housing Innovation Support Committee would be a group of people with significant experience in housing who would work with community members or organizations who had ideas to improve housing they wanted to realize.

This group could:

- Act as a sounding board to help vet ideas and provide feedback to improve concepts or housing solutions.
- Provide guidance on design and how concepts or solutions could be realized.
- Connect people with others who have experience with similar efforts; implement the concept or solutions; and support the funding of solutions.
- Provide seed funding (assuming the group was able to fundraise for start-up/pilot support capital).
- For initiatives that are already under way, the group could support scaling existing efforts to improve impact.
- Communicate promising models publicly to improve awareness and generate momentum for new ideas.
- Encourage public awareness of key housing issues and encourage the community to bring their ideas forward.
- Connect with similar efforts in other communities to bring in new ideas from other places and identify models to test locally.



For example, one idea that came up in the Solutions Team discussion is to have the City or another organization create a fund that subsidizes rents in town so that tenants pay into the fund and the fund pays the landlord. This would not only subsidize rents but also create an embedded mediator between renters and landlords. This model would fundamentally change the nature of renting and would need to be further refined and explored before it could have an action plan built out or be implemented.

Another Solutions Team suggested solution is to look at shared equity models of homeownership, but decided there needed to be more local discussion to ensure there was adequate demand before building something. The Housing Innovation Support Committee could be a space to further explore these new kinds of models for the community.

### Who Would Be Involved?

This group and function would likely live within another organization, which could lend institutional legitimacy to the effort and help to sustain it. The NREEC Housing Work Group, the Northfield Affordable Housing Task Force, and other groups may already be playing some or all of the roles described above, so it may just be a matter of formalizing the function and making the broader public aware of it.

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Identify the organization or group who will host this function.
2. Recruit interested volunteers from a cross-sector group of people (if the group does not already exist). Perhaps even drawing from the existing Solutions Team members.
3. Define the function and structure of the group - agree on the specific goals the group will work toward and how it will operate.
4. Begin developing and discussing innovative housing solutions - identify an initial pipeline of ideas and determine how the group can support them.
5. Seek innovations elsewhere - connect with groups in other places who are doing innovative or impactful work and see what can be replicated in Northfield/Rice County.

### Key Performance Indicators

- Number of innovations vetted, supported, funded, etc.
- % that have advanced toward implementation or realized some form of success

### Key Supportive Tools/ Resources

Funding for the Committee itself would not be needed unless the group decided to create a start-up support fund. In this case, philanthropic capital is the most likely funding source, though many funders will be more inclined to fund the innovations themselves directly rather than indirectly through a group like this.

### Case Studies or Best Practices

Housing North (a local housing nonprofit) created the Housing Innovation Council (Northwest Michigan):

<https://www.housingnorth.org/housinginnovcouncil>

The City of Boston, MA created a housing innovation function within the city government:

<https://www.boston.gov/departments/housing/housing-innovation-lab>

Oregon has a statewide effort to improve support for innovations - The Housing Innovation Partnership:

<https://isector.org/partnerships/housing-innovation-partnership-hip/>

### References

N/A



## Establish a Structured Framework for a Tenants Association

### Why is this Solution Needed?

In Northfield, tenants are experiencing housing quality, affordability, and accessibility challenges while lacking adequate leverage to change the way current systems in the city work. Due to a multitude of barriers, including fear of retaliation, lack of alternative housing options to turn to, and incomplete knowledge of the different rights afforded to tenants, renters of land and/or housing units in Northfield are at a disadvantage.

### What is this Solution?

Developing a framework for tenant advocacy to support tenants in Northfield can allow for the successful establishment of a tenant's association(s) to protect and advocate for tenants in Northfield. A tenant's association is a group of people representing a larger collection of individuals and can be a platform through which advocacy and support for tenants can be leveraged. The association can represent tenants of a single building or property or can act as a larger association for all tenants in a part of town or the city. Any grievances, concerns, desired improvements to quality or accessibility of housing, and challenges to rent increases can be addressed through a tenant's association, among other issues while protecting the individual through anonymity. A tenant's association may also benefit from legal representation or consultation to address the concerns of tenants in alignment with the law.

This solution will build out a framework for tenants' associations in Northfield to successfully advocate for tenants and achieve desired outcomes. The framework may include recommendations on establishing a charter or group memorandum to detail the actions the association is responsible for, a structure to nominate or elect representatives to advocate on behalf of the larger association, and guidance on how to address issues or concerns through appropriate channels in the city.

In Minnesota, mobile home renters and tenants have the right to convene and coordinate under a tenant's association or union without risk of retaliation from the landlord or property owner. While this right exists on paper, it is still important to ensure that the necessary measures are taken to protect tenant anonymity when the association raises concerns or complaints against the property owner on behalf of an individual or group.

### Who Would Be Involved?

Community organizations familiar with advocacy in Northfield that understand the processes through which formal complaints and requests for improvements and changes can be realized. Current tenants in Northfield, community members, and landlords can provide insight based on personal experience to support the development of a framework that is acceptable by both tenants and their landlords/property owners. Legal representation and governmental representation would be an added benefit.

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Establish a working group to research tenants' rights and to create the tenant association framework.
2. Conduct research on local and state tenants' laws and the protections afforded to tenants in Northfield.
3. Identify remaining questions regarding legal processes, regulatory processes, tenant experiences, and financial processes related to tenancy and advocacy for improved conditions for tenants. With these questions, develop interview protocols that will help answer these questions.
4. Convene the individuals required to answer remaining questions. This may include tenants, landlords/property owners, city representatives, or legal counsel.
5. Build out a framework that incorporates lived experiences of tenants and landlords/property owners to reflect the research conducted on how to advocate for tenants through group interventions.
6. Distribute the draft framework for feedback.
7. Revise and publish.



## Key Performance Indicators

The establishment of a single large tenant association for the City of Northfield, or smaller more localized tenants' associations using the framework developed.

## Developer and Landlord Notes

Developers and other housing professionals expressed concerns regarding the ability to reach different populations in Northfield due to language barriers, inadequate relationships between housers and residents as a result of mistrust, and the complexity of ownership. A tenant's association can support with the distribution of information and advocate for tenants through various legal and political avenues. Tenants' associations can act as a mediator or support to individual tenants who are experiencing challenges due to the language barriers, mistrust in institutions, and the complex housing systems.

## Key Supportive Tools/ Resources

Existing tenant association frameworks and models; interviews of focus groups with tenants and landlords/property owners; legal counsel to ensure all information provided regarding tenant advocacy and tenant rights is accurate to the Northfield context; distribution of the framework to relevant parties (the City, landlords/property owners/tenants, etc.)

## Case Studies or Best Practices

All Parks Alliance for Change (APAC) Community Organizing Manual: <https://mhphoa.com/resources/docs/apac-community-organizing-manual-complete.pdf>

## References

- [All Parks Alliance for Change - Minnesota Organization Serving 180,000 Manufactured Home Park Residents \(mhphoa.com\)](https://mhphoa.com)
- <https://homelinemn.org/organizing/organizing-resources/>
- [Form a Tenant Association — HOME Line \(homelinemn.org\)](https://homelinemn.org)
- [Tenants Unions \(umn.edu\)](https://um.edu)
- [Forming A Tenants' Association - Met Council on Housing](https://metcouncil.org)
- [Sec. 327C.13 MN Statutes](https://legis.mn.gov)
- [Manufactured Home Parks Handbook \(state.mn.us\)](https://state.mn.us)

## Connect Landlords to Energy Efficiency Incentives and Programs

### Why is This Solution Needed?

Connecting landlords to incentives and resources to reduce their energy costs would in turn reduce heating and other utility costs for tenants. This would help to lessen the burden on renters, especially families earning lower income who are burdened by rent payments.

Supporting landlords' ability to weatherize and make their properties more energy efficient would also contribute to the Northfield Climate Action Plan of becoming a 100% carbon-free community by 2040.

Many landlords and tenants face the "split-incentive problem", where the tenant has a strong incentive to conserve electricity, water, and gas to save costs if the tenant is paying for utilities, whereas the landlord may not immediately see the benefit of paying for and replacing less-energy efficient appliances as doing so does not directly benefit them in terms of monetary savings. However, there are already some incentives and energy saving strategies out there that could benefit landlords and tenants alike.



## What is this Solution?

Many Northfield residents already participate in Xcel Energy's energy conservation programs. In 2017, 813 total premises participated in Xcel Energy's programs, including 11% of residential premises in Northfield. The most popular programs for residents include Saver's Switch and rebates for heating and cooling equipment. Solar panels are another source of on-site renewable energy source that some residents have installed. There are some simple energy upgrades that landlords can implement in their buildings that can lead to immediate energy and cost savings, including switching to LED lighting, installing programmable thermostats, install water-efficient faucet aerators and showerheads to reduce hot water use, installing efficient furnaces and AC units, insulate hot water pipes and use a water heater blanket, install efficient appliances (Energy Star), and sealing windows and doors. Other landlord incentives for energy upgrades include:

**Rebates:** Check with your utility company for rebates on energy efficient updates, some may also have grants/financing.

**Property Assessed Clean Energy (PACE):** For rental properties owners with 5 units or more, PACE is a way to finance energy efficiency and renewable projects for new or existing buildings. Energy-saving projects done by property owners receive PACE financing and are repaid as a separate item on property taxes for a set period.

**Center for Energy and Environment; Apartment Building Lending Program:** this program is for rental property owners by providing financing up to \$20,000 for energy efficiency projects for a new furnace, AC, insulation, windows, hot water heaters and more.

**MN Housing (State Housing Finance Agency)** has a variety of financing options for rental properties in Minnesota as well as grant funding.

**Weatherization Assistance Program (WAP):** WAP is a federally funded program that supports the weatherization of rental buildings. Eligibility depends on the income level of the tenant.

**Federal Inflation Reduction Act** - this law includes the **High Efficiency Electric Home Rebate program** which provides about \$4.5 billion in rebates for low-income homeowners or landlords of buildings where at least 50% of tenants are low-moderate income.

## Who Would Be Involved?

Full time staff hired to also support the Climate Action Plan

## How Specifically Could This Be Done (Tactics/Action Items)?

1. Outreach to landlords to assess interest in doing energy upgrades on their properties.
2. Leverage the efforts of the Northfield Climate Action Advisory committee to help landlords understand the benefits of making energy efficient upgrades and resources for doing so.
3. Per the climate action plan, create a one-stop-shop (City website) where landlords can go to find existing programs, incentives, information, and someone to talk to, on how to conduct energy efficient upgrades on their buildings.

## Key Performance Indicators

- Number of rental buildings participating in energy efficiency rebate programs

## Key Supportive Tools/ Resources

WAP, PACE, Federal Inflation Reduction Act, utility rebate programs



## Case Study or Best Practice

- Energy Star recommendations:  
[https://www.energystar.gov/buildings/resources\\_audience/multifamily\\_housing](https://www.energystar.gov/buildings/resources_audience/multifamily_housing) and  
[https://www.energystar.gov/buildings/resources\\_audience/owners\\_managers](https://www.energystar.gov/buildings/resources_audience/owners_managers)

## References

- [Northfield Climate Action Plan](#)
- [Energy for Landlords: What you Need to Know](#)
- [The coming battle between Americans who want to go electric and their landlords](#)
- [Office of State and Community Energy Programs: Energy Rebate Programs](#)

## Explore Alternative Land Ownership Models in Manufactured Housing Communities

### Why is this Solution Needed?

Homeownership can provide pathways to upward mobility through home equity, credit, and asset-building. But housing builds wealth only if households can buy a home, make mortgage payments, and benefit from their home's equity. Large gaps in homeownership and home equity persist between whites and communities of color, particularly Black, Latino and Native populations.

Manufactured homes are the largest source of unsubsidized affordable housing in the US. Even though manufactured homes are not a reliable way to build equity because their value predictably depreciates over time (unlike traditionally built homes), for many minorities they represent the only opportunity to home ownership.

Yet manufactured housing communities possess a series of challenges to its residents. Many manufactured houses have housing quality issues that are discussed in other solutions in this document. Also, there is lack of mortgage and homeownership access based on documentation status. Lack of residency status documentation, credit score, and permanent jobs are barriers to accessing a wide range of housing, financial, and other support. Even more, the fact that manufactured housing parks in Northfield are privately owned represents a risk for residents. In the last couple of years many investors have been purchasing manufactured housing parks nationwide and either redeveloping the site or raising rents to levels that residents cannot afford, potentially forcing them to leave.

### What is this Solution?

This solution seeks to identify residential ownership models and other mechanisms for residents to buy their own parks. The residents' association of Viking Terrace already began exploring ownership options by sending a letter to the park's owner to show interest in buying the land. Community groups in both parks, Riverside and Viking Terrace, will need support in the process of purchasing their neighborhoods, especially legal, financial, and real estate advice on business structures, financial models, property management responsibilities, among others.

Land ownership by manufactured housing community residents is a vehicle to preserve these neighborhoods and prevent residential displacement via park closure or an increased lot rent. By adopting a resident-owned community (ROC) model residents can keep their lot rent stable and make decisions about the quality of the park's infrastructure and amenities. Buying their park allows residents to make upgrades and improvements to the community, such as replacing failing septic or water systems, which may not happen under private ownership. Site improvements make the community more livable and attractive, but individual homeowners are typically not able to upgrade their homes as part of this process and homeowners will remain in their existing homes, which may be in poor condition.

Resident Associations in Riverside and Viking Terrace could explore a diversity of residential ownership models such



as a non-profit homeownership entity, a housing cooperative, a land trust, or a land bank for purchasing the community.

**Considerations:**

- This type of effort requires organization by the residents or a non-profit. Smaller communities and homeowner associations may have difficulty obtaining loans or grants.
- Residents or the non-profit agency may need assistance throughout the sales process, including financing, due diligence, long-term maintenance, and governance.
- Professional real estate experience is required. Property appraisals research should include any infrastructure repairs or upgrades needed so that the cost reflects those needs.
- Dedicated state or city financial assistance can help to encourage the successful outcome of purchase.
- Some states may require that the mobile homeowners are organized into an officially recognized organization, such as a homeowner's association, to obtain financing as a purchasing entity.
- CDBG and other federal grants or loans can be used to make site improvements under this type of ownership model.
- Homeowners in land-lease communities have used the FHA Title I Manufactured Home Loan Program to purchase their community cooperatively.
- If public funds are used, implement deed restrictions or long-term ground leases to ensure that the manufactured housing community remains a source of affordable housing for the long-term.
- Under Minnesota state law, residents and non-profit associations have the right of first refusal to purchase manufactured housing parks when targeted for closure or redevelopment. If the residents, or a non-profit acting on their behalf, can match the sales price, then the property must be sold to them. The law does not prevent displacement of residents and park closure (see Lowry Grove in St. Anthony's, MN as an example).
- Creating designated zoning for MHCs ensures that future sale of the property will not result in the eviction of tenants and redevelopment of the space to another use that is not affordable housing. The City of Northfield has designated zoning for manufactured housing. An evaluation of existing land use completed in 2008 showed that 37 acres were designated for this purpose, accounting for 0.9% of the total acreage in the city. Although this addresses the preservation of the two existing manufactured housing parks in the city, the total acreage of the land designated for manufactured housing in Northfield is small. Designated zoning limits the use of manufactured housing as a future affordable housing option unless more acreage is designated for this use in the future.

Currently, the operations of the residents' association in Viking Terrace are unstable, according to residents' testimonies. The association will need to establish clear leadership, formalize their operations, and improve communication with the whole community. Language barriers should be overcome too, as some residents find that key information is being lost in translation between English and Spanish.

The residents' association of Viking Terrace sent a letter to the park's owner, Lakeshore Management, to show interest in buying the land in 2022. However, during the developers and landlords meeting to discuss this document and related solutions, Lakeshore said they are not planning on selling Viking Terrace. Additionally, Lakeshore mentioned being unaware of any interest in tenant purchase of the property prior to their ownership. This suggests that the letter of interest from the Viking Terrace Residents Association did not reach Lakeshore. Strengthening the communications channels between both two parties may avoid similar misalignment in the future.

## Who Would Be Involved?

**Leads:**

- Resident Association of Riverside and/or a new formed organization in Viking Terrace



### Allies / Support:

- City of Northfield Housing and Redevelopment Authority's (HRA)
- Rice County Habitat for Humanity
- Community Action Center's Housing Team
- Three Rivers Community Action
- National Association of Housing Cooperatives
- ROC USA

### How Specifically Could This Be Done (Tactics/Action Items)?

1. **Community assessment:** The Resident Association should assess residents' interest in becoming owners of the park. The conversations, education and outreach to community members should focus on home ownership vision and goals.
2. **Incorporation of the entity:** The Resident Association should seek legal, financial advice and guidance on the residential/ land ownership models that meet their needs. They should examine the organizational options and decide how best to structure the new entity. Some options that provide lot rent stabilization and prevent displacement include:
  - a. **Nonprofit homeownership organization:** Legal entity organized and operated for a collective, public, or social benefit, as opposed to an entity that operates as a business aiming to generate a profit for its owners. Community members could create a nonprofit organization focused on affordable housing principles and buy the land through it. The entity, as opposed to individuals, will own the land and residents will pay a fair price for lot rent. The profit will be reinvested in the community.
  - b. **Housing cooperative (co-op):** A corporation whereby the owners do not own their units outright. Instead, each resident is a shareholder in the corporation based in part on the relative size of the unit that they live in. In a co-op residents have more direct participation in decision making than in a nonprofit organization.
  - c. **Community Land Trusts (CLT):** Usually membership-based nonprofit organizations, but sometimes municipally created. Enables community control over land and create community assets, including permanently affordable housing. CLTs retain ownership of land, sell the structures on it, and offer long-term ground leases to those structures' owners. To create permanently affordable homeownership CLTs sell houses with a resale price restriction. CLTs also develop and maintain affordable rental housing, commercial spaces, gardens, and community facilities. This might be considered like a merger between a nonprofit organization and a co-op because the CLT functions as an organization but all residents in the park are members of the entity as shareholders.
  - d. **Municipal Land Banks:** Quasi-governmental authorities. Their purpose is to return vacant, abandoned, and tax foreclosed property to productive use efficiently and strategically, while reducing the harm of vacant properties. Using a range of special powers, such as ability to acquire and hold property tax free, clear title and back taxes, and dispose of property intentionally, not just to the highest bidder. They may, for example, demolish obsolete structures; remediate soil; give side lots to neighboring owners, donate land to nonprofits, or assemble properties for larger developers. Community members could ask the city to buy land through a municipal land bank and resell it or lease it to the community for the creation of a new manufactured housing park.

According to the [Guide to Creating a Nonprofit Homeownership Entity](#), "The creation of a nonprofit organization is a multi-step process involving many decisions, documents, and players." Once the Resident Association decides what type of land ownership model they want to adopt,



they should “generate a strategic plan, a vision statement, and a business plan. Next, the group should prepare and adopt Articles of Incorporation, file them with (the city and/or state government) and draft and approve organizational bylaws.” Also, the entity must establish the Board of Directors, or any other leadership body required, according to the entity’s structure, and set their roles and responsibilities. The Guide continues stating that “after an organization has worked through the land, legal, tax, and financial packaging issues confronted in the planning stages, and has organized itself legally as (an entity), it is ready to embark on its program operations.”

3. **Financing and purchase:** The newly formed entity should seek support and collaboration from partners, as well as legal, financial, and real estate advice from experts. They should also identify funding sources to buy land. Some state housing agencies and nonprofit organizations, such as ROC USA, provide very low-interest loans to nonprofit homeownership organizations and co-ops. Once the financing is in place, the purchase is made.
4. **Operations:** With ownership, the community takes control of the land, stabilizes rent, begins planning and making decisions for improvements, and seek additional funding sources to implement those improvements in their park.

### Key Performance Indicators

- Number of resident associations formed (or in existence) to lead the process.
- Number legal entities formed to buy the land (co-ops, non-profit organizations, etc.
- Amount of money invested in buying the land.
- Number of manufactured housing parks bought by communities.
- Number of residents living in manufactured housing parks owned by the community.

### Key Supportive Tools/ Resources

- Minnesota Housing’s Manufactured Home Community Redevelopment Program - <https://www.mnhousing.gov/homeownership/community-initiatives-programs/manufactured-home-community-redevelopment-.html>
- ROC USA: <https://rocusa.org/become-a-roc/> and <https://rocusa.org/whats-a-roc/what-is-a-roc-how-is-it-different/>

### Case Studies or Best Practices

- Examples from ROC USA: <https://rocusa.org/become-a-roc/stories-testimonials/>

### References

- Guide to Creating a Nonprofit Homeownership Entity: [https://www.hud.gov/sites/documents/DOC\\_8788.PDF](https://www.hud.gov/sites/documents/DOC_8788.PDF)
- Grounded Solutions Network. Moving Beyond the Mobile Myth: Preserving Manufactured Housing Communities. <https://groundedsolutions.org/sites/default/files/2018-11/Moving%20Beyond%20the%20Mobile%20Myth.pdf>
- Prosperity Now. Manufactured Housing Resource Guide: Promoting Resident Ownership of Communities. [https://prosperitynow.org/sites/default/files/resources/PromotingResidentOwnership\\_Rev2021.pdf](https://prosperitynow.org/sites/default/files/resources/PromotingResidentOwnership_Rev2021.pdf)
- Resident Owned Communities (ROC) USA: <https://rocusa.org/whats-a-roc/what-is-a-roc-how-is-it-different/>
- Land Banking vs Land Trusting: [https://www.burlingtonassociates.com/files/8513/4463/0249/1-Land\\_Banking\\_vs.\\_Land\\_Trusting.pdf](https://www.burlingtonassociates.com/files/8513/4463/0249/1-Land_Banking_vs._Land_Trusting.pdf) [https://shelterforce.org/wp-content/uploads/2017/02/TheAnswer\\_175\\_76\\_LBvCLT.pdf](https://shelterforce.org/wp-content/uploads/2017/02/TheAnswer_175_76_LBvCLT.pdf)



- Promoting Resident Ownership of Communities:  
[https://prosperitynow.org/sites/default/files/resources/PromotingResidentOwnership\\_Rev2021.pdf](https://prosperitynow.org/sites/default/files/resources/PromotingResidentOwnership_Rev2021.pdf)
- Seed Commons: <https://seedcommons.org/>

## Programmatic Solutions

### Develop a Training and Licensing Program for Manufactured Housing Repair

#### Why is This Solution Needed?

Many manufactured houses in Northfield have housing quality issues that are not being adequately addressed. Most of the units are very old and suffer from a combination of maintenance needs and structures or building systems that have reached (or exceeded) the end of their service life without a clear path to replacement. Some quality issues include:

- Health and safety risks such as long-term substantial water leaks, lack of heating and air conditioning in the unit (and/or some parts of the unit) and crowding or too many people per room in small units, among others.
- Lack of economic incentive to invest in the units. Even if an owner can find a contractor willing to do work, the cost of repairing the unit will be unrecoverable by the owner upon sale.
- Lack of clear regulatory and code enforcement structure for manufactured housing generally. It's not always clear to owners whose permission is needed to have work performed on a unit, and they may take the landlord's permission as sufficient when legally a city permit is required. This has resulted in the long-term growth of unpermitted additions and building features and an impossible choice for the city between enforcing the building and land use codes and threatening housing stability for families if codes are enforced but they are unable to afford the required repairs. While the city has done some outreach and educational work to address this, more is likely needed.
- Lack of enough certified or licensed contractors to make repairs and lack of visibility of the licensed contractors available to make repairs. And, in some cases, many local contractors refuse to service the units because they are unable to maintain proper warranties on their work.

#### What is this Solution?

- The Manufactured Housing Repairment Training and Licensing Program will support qualifying participants to obtain the residential remodeler (CR) license in Minnesota. **The qualifying participants will be primarily residents of the manufactured housing communities in Northfield, Latinos, women, and other minorities.** The support provided will include counseling and guidance for participants to:
  - Understand the opportunities and responsibilities the license implies,
  - Gather all required documentation for the application process,
  - Comply with the requirements to obtain the license, including preparing for the exam, and
  - Cover expenses related to the application process.

#### Services provided:

- **Program Overview:** Potential participants will receive a general orientation on the business opportunities that the CR license provides to residents, and current demand for licensed repairs within manufactured housing communities. Participants will also be guided through the application process to get licensed, as well as the duties and responsibilities of licensees, and the general services that the Training and Licensing Program will provide to qualified participants. Participants will be encouraged to complete the Program application.



- **Language Accessibility:** Orientation and educational materials should be available in the main languages spoken by manufactured housing residents in Northfield and surrounding areas (Spanish in Northfield, Somali in Faribault, and other languages, including Russian and Ukrainian in the construction trade).
- **Targeted Audience:** In general terms, there is not just a labor shortage in the trades but a workforce-wide issue. Baby boomers are getting older and young generations are not interested in the trade professions. This solution should target younger people and present the CR license as a viable career path option for them. Collaborations with local schools, community colleges and universities will be key for effectively making these career paths and benefits clear to the youth.
- **Office space with equipment:** The Program will provide an office space with equipment such as computers, printers, scans, photocopy machines, etc., internet access, and any other resource needed for participants to retrieve, gather, and process documents and application forms. This will be accompanied by the support and orientation of a person familiarized with the application process.
- **Business Structure:** Requirements for licensing include the definition of a business structure. This would be determined by the participant. The Training and Licensing Program could include a business development training and/or counseling component to orient participants on the various business models they may adopt.
- **Eligibility:** Most residents of manufactured houses in Northfield do not have a social security number but most do have an Individual Taxpayer Identification Number (ITIN). This solution would have to clarify if the ITIN number is a barrier or not for becoming a certified contractor.
- **Insurances:** Many contractors avoid providing services to manufactured houses because of insurance risks. There are business insurance problems that must be discussed and solved in close collaboration with the City of Northfield and/or the Minnesota State Department of Labor and Industry.
- **Financial support:** The Program could include some type of financial support (incentives, grants, scholarships, etc.) for participants to cover costs related to the application process and the exam (fees, insurances, bonds, courses, training materials/ books, etc.).
- **Preparation for exam:** There are existing training programs that prepare participants for the exam. The Training and Licensing Program could provide their own training (this would require for the development of a curriculum and training materials, and the services of instructors, etc.) or could provide financial support for participants to enroll on existing training programs. The program administrators would have to evaluate which of these two options is more efficient and effective.
- **Pool of licensed contractors to conduct repairs:** The program will keep an updated list of licensed contractors available for repairs, beginning with the program participants that obtain the license but also including any other certified contractor in the area that provide maintenance services to manufactured housing communities. Residents will be able to obtain a copy of this list when needed. The list can also be made available via a digital platform (webpage, etc.).
- **Collaborations:** The establishment of collaborations with local key stakeholders will be crucial for taking the solution to the next level. Support from partners could look like this:
  - **Local and State Governments:** Clarifying information on requirements, eligibility, insurances, etc. Seeking incentives, grants, and scholarships. Providing overall programmatic structure and resources for the implementation of the solution.
  - **Schools, Community Colleges, and Universities:** Providing support in the development of curriculum, orientations, and educational materials. Connecting this solution with existing educational programs, classes, professors, and educational resources for additional support. Promoting the CR license as a clear career path for those young people that might be interested in the trade professions.
  - **Universities:** During the summer, college dorms could be used as temporary relocation spots for manufactured housing residents during repairs.



- **Libraries, Local Non-Profit Organizations and Churches:** Could have tool libraries and/or donated materials depot available for manufactured housing residents and licensed contractors. These groups could also support with the coordination of a “day of caring” type of yearly event where volunteers could help by cleaning, painting, or doing landscaping, etc. This type of event could help promote the training and licensing program and attract donors and support.
- **Apprenticeship Model:** The program could pair an experienced contractor with a recently licensed one with a focus on training future generations.

## Who Would Be Involved?

### Lead:

- City of Northfield: Building Inspection and/or a new committee within the city

### Allies:

- Minnesota State Department of Labor and Industry (DLI)
- Manufactured & Modular Home Association of Minnesota
- Three Rivers Community Action

### Potential Training Providers

- Builders License Training Institute – Minnesota Courses
- Manufactured Housing Institute – Minnesota Courses
- Kaplan – Minnesota Courses

## How Specifically Could This Be Done (Tactics/Action Items)?

### Action Items:

1. **Staff a multilingual team** to oversee training for licensees, and how the application process, continuing education and licensing renewal works.
2. **Establish partnerships** with key stakeholders, such as the Minnesota State Department of Labor and Industry (DLI), responsible of administering the exam and providing licensing.
3. **Discuss and validate the program scope, protocols, procedures, and training** with DLI and other key stakeholders, such as Manufactured & Modular Home Association of Minnesota, etc.
4. **Define criteria for selection of participants** and define protocols for evaluation and selection.
5. **Define processes and protocols** for how the participant will move through the process of orientation, gathering of documents, preparation for exam, application submission, continuing education, and licensing renewal.
6. **Create educational materials and documents** in English and Spanish (and any other relevant language to ensure inclusivity) according to the processes and protocols the participant will go through in the Program (one pagers with general information on the program and with licensing requirements, application form for the program, booklets with in-depth information on requirements, training materials, etc.).
7. **Obtain an office space** (desks, files, tables, chairs, lamps, etc.) with utilities, and equipment (computers, printers, scanners, photocopy machines, Wi-Fi, etc.).
8. **Define communication protocols** to promote the program among community members (flyers, one pager, digital presence, etc.).
9. **Begin pilot program** with a focus group for a determined period. Monitor and evaluate. Discuss lessons learned. Adjust and adapt the program. Launch official program. If the program is successful, it could be extended to other areas, such as Faribault.



## Key Performance Indicators

- Number of participants enrolled in the program.
- Number of new residential remodeler (CR) licenses obtained through the program.
- Number of new local businesses created for repairments with a licensed residential remodeler in their staff.
- Number of manufactured housing communities with at least one licensed residential remodeler.
- Amount of money distributed to cover costs related to the application processes (incentives, grants, scholarships, etc.).

## Case Studies or Best Practices

- [Renovation, Repair and Painting Program: Renovator Training | US EPA](#)
- [Courses and Certifications - NeighborWorks America](#)
- [Home Remodeling and Repair | Penn Foster Career School International \(pennfosterglobal.com\)](#)

## Key Supportive Tools/ Resources

- Minnesota Housing Department: Manufactured Home Community Redevelopment Program (<https://www.mnhousing.gov/homeownership/community-initiatives-programs/manufactured-home-community-redevelopment-.html>). This program provides funding to residents for manufactured housing repairs that will allow for the hiring of recently licensed contractors (program participants).
- Slipstream (<https://slipstreaminc.org/>)

## References

- [Manufactured Home Installer Application \(mn.gov\)](#)
- [License - manufactured home installer | Minnesota Department of Labor and Industry \(mn.gov\)](#)
- [Residential contractor licensing | Minnesota Department of Labor and Industry \(mn.gov\)](#)
- [Manufactured Housing and Standards- Frequently Asked Questions | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)
- [The Office of Manufactured Housing Programs | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)

## Secure Public or Philanthropic Support for ADU Construction

### Why is This Solution Needed?

Accessory Dwelling Units (ADUs) are smaller housing units that are built on the same property as a primary development (often a single-family home). They are also known as in-law or granny suites and may be part of the primary residence (e.g. a separate apartment within a home such as a converted basement) or they can be separate structures (e.g. a small building in your backyard). Northfield currently allows these types of units to be built (though there are some proposals for improving the existing regulations the City is currently considering). They can provide a source of needed affordable housing without requiring new sites to build on.

Despite being legal, ADUs are generally expensive to build, and it can take a long time for an individual homeowner to pay off the cost of creating one if they qualify for a loan at all. They also require time and effort by a homeowner to build one. For these reasons, not many ADUs actually get built in most communities, despite them being relatively inexpensive to build compared to the cost of developing new rental housing. Once the initial cost is paid off, they can also provide a secondary income stream to homeowners.



## What is this Solution?

The City, County, HRA, (or possibly private philanthropy) would support the construction of accessory dwelling units to make them more affordable for a homeowner to build on their property. This support could take multiple forms:

**Agency Build:** The supporting organization could pay for the cost of developing the ADU outright, provide the ADU to a person or family in need of housing for a specific period of time, then give or sell the ADU to the homeowner (sometimes a sale can be more advantageous to the homeowner for tax reasons). This could be a good model to serve a specific hard-to-house population, such as voucher holders, those experiencing houselessness, etc.

**Financial Support:** The supporting organization could provide a low-cost loan (or loan with other favorable terms) or provide a grant to bring down the overall cost of constructing an ADU. A third alternative would be for the City to partner with an offsite/modular company to acquire some number in bulk (at a discount) and sell these at cost to residents wishing to build an ADU.

Ideally the program would avoid putting restrictions on the unit and burden the homeowner, since an increased supply of ADUs would lead to more affordable rental options in the market. But some funding strategies might include a requirement or preference that the unit would serve a specific hard to house population for a specific period of time, which the agency could be responsible for placing there.

In either model, the ADU is then constructed, and an affordable rental unit is now available for the community.

Note: There was a proposal in the Solutions Team for a housing authority to co-sign the loan to construct an ADU in return for a voucher holder living there for a 10-year period based on a model in Portland, but we were unable to find information about this model. This needs to be discussed further with the solutions team (e.g. is the thought to bring down the borrowing cost or provide a guarantee for less qualified borrowers?)

## Who Would Be Involved?

### Lead:

- City, County or HRA (private philanthropy)

### Support:

- Local homeowners wishing to construct ADUs, local ADU builders.

## How Specifically Could This Be Done (Tactics/Action Items)?

1. Conduct additional feasibility assessment to determine the specific model - is this support for homeowners or a direct construction model?
2. Identify the administering agency (City of Northfield, Rice County or the HRA).
3. (If this is a model that will serve a specific population such youth experiencing houselessness): identify the target population and any relevant partner organizations.
4. Design a pilot program - allocate staff time to create required program documents, application, webpage, etc.
  - a. If this is a financial assistance program, this will require defining the terms of the financial support.
  - b. If this is an agency build option, this will require specifying the design and standards of the units, how the resulting units will be operated and managed, and establishing a partnership with builder(s) who will construct the units.
5. Outreach to homeowners interested in ADUs and target population, if relevant.
6. Proceed with implementation - construction and occupancy.
7. Evaluate the pilot to determine actual costs, success in housing target population and level of interest from additional homeowners.
8. Decide whether to scale the program and if so, what modifications should be made beyond the pilot.



## Key Performance Indicators

- Number of ADUs constructed through program.
- Number of hard to house individuals/families stably housed.
- Total Per unit cost.

## Key Supportive Tools/ Resources

- If an inclusionary housing policy with in-lieu fees were to be passed or the housing trust fund were to be funded, this could be a viable use of these dollars.
- Certain populations have specific funding sources that may be used for programs like this. For example, if people experiencing houselessness were selected, it may be possible to use Emergency Solutions Grants dollars from the local Continuum of Care. This would need to be specified if a target population is selected.

## Case Study or Best Practice

- Multnomah County: A Place For You Program (Agency Build model example):  
<https://www.multco.us/multnomah-idea-lab/place-you-apfy>
- California Community Economic Development Association (ADU grant program):  
<https://cceda.com/programs/adu/>
  - Note that California also has legislation that allows ADUs to be structured as condos, which allows them to be owned or rented out by a 3<sup>rd</sup> party.
- Craft3 ADU Loans (ADU loan program example - operated by a nonprofit and a CDFI):  
<https://www.craft3.org/homeowner-loans/adu-loans/craft3-adu-loans>

## References

- More information about accessory dwelling units from the American Planning Association:  
<https://www.planning.org/knowledgebase/accessorydwellings/>

## Develop Financial and Homebuyer Education and Other Supports

### Why is this Solution Needed?

Housing that builds assets and wealth relates to how homeownership can provide pathways to upward mobility through home equity, credit, and asset-building. But housing builds wealth only if households can buy a home, make mortgage payments, and benefit from their home's equity. Large gaps in homeownership and home equity persist between whites and communities of color, particularly Black, Latinx, and Native populations. New homeowners can significantly benefit from education programs for several reasons. These programs are designed to prepare individuals for the complexities of buying and owning a home, ensuring they make informed decisions and manage their new responsibilities effectively. The City of Northfield should partner with local organizations to give visibility and options to individuals who desire to become a homebuyer.

### What is this Solution?

Housing counseling programs typically combine education on housing-related issues with one-on-one counseling to improve housing outcomes. These programs can serve multiple purposes, depending on their design and intended beneficiaries. For existing and prospective homeowners, housing counseling programs can provide pre-purchase education (i.e. things to know before becoming a homeowner), post-purchase education (i.e. helping current homeowners maintain their home - refinancing options, physical maintenance and upkeep, etc.), or a combination of the two. Some home purchase assistance programs require applicants to complete this type of training/course to be eligible. Often, counseling programs are offered by organizations that have required certifications to educate on and support the path towards homeownership.



The City of Northfield can partner with organizations offering financial and housing counseling to provide residents with these services and advertise these counseling programs on the City's website in a user-friendly manner to make more of the public aware of their existence and value.

The City of Northfield has a thorough website, with information and resources aimed at assisting its residents. However, it could be improved to provide more information about education resources to get interested community members started on the path to homeownership (or simply better financial outcomes).

In addition, since multiple local organizations already offer financial and homebuyer counseling and education, specific gaps in service design or delivery should be assessed to see what specific offerings may be missing (or may exist but need to have awareness improved). For example, are there language access issues? Funding shortages to respond to the level of demand? A shortage of qualified staff? What portion of first-time and/or low-income homebuyers in the Northfield area use one of these services and is there a need to improve utilization? Are there opportunities to extend the education opportunities into new spaces to reach beyond those directly requesting support (e.g. could a program be offered in local high schools)?

These resources should also be connected to housing assistance programs for qualifying individuals. This could include down payment assistance, mortgage subsidies, access to specific mortgage options (including ITIN loans, which are unique loans for individuals who may not have the traditional documentation needed to obtain mortgage loans, such as a social security number), or emergency financial support for current homeowners in crisis.

Finally, an additional program to consider would be creating a supportive community for new and first-time homeowners by connecting them with experienced homeowners and/or existing housing counseling agencies for guidance on maintaining their homes both financially and physically. This could be based on specific criteria such as location, home type, and specific needs or interests. Other components of this program to consider include shared forums for posting questions and a repository of resources on home maintenance and financial management.

### Who Would Be Involved?

#### Lead:

- City of Northfield/Rice County (website/awareness building)
- Local organizations offering housing and financial counseling programs (program delivery)

#### Allies/Partners:

- Northfield Housing and Redevelopment Authority (HRA)- First-time Homebuyer Program
- Minnesota Homeownership Center- Homebuyer advisory services, and Homebuyer Education courses
- Rice County Habitat for Humanity- Homeownership
- Three Rivers- Achieve Homeownership

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Identify current homeowner assistance programs available through local organizations.
2. Research additional homeowner assistance programs that fill a gap in population served (i.e., undocumented populations, low-to-moderate income households, etc.)
3. Encourage the City of Northfield to establish relationships with these organizations to increase awareness of the programs and eligibility. Establish a new section on the City of Northfield Minnesota official website within the Homeowners & Potential Owners page that will connect individuals with organizations offering Homeownership Education and Advisory Services. For example, the Minnesota Homeownership Center website, where potential homebuyers can choose the best option to take their workshops (in-person or virtual). In addition to finding a broader list of advisor organizations, see the Minnesota Homeownership Center website's Find Advisor section.



4. Establish a supportive community group on the City of Northfield, Minnesota Facebook and post the link on the official City of Northfield website, for new and first-time homeowners by connecting them with experienced homeowners for guidance on maintaining their homes both financially and physically.

#### Key Performance Indicators

- Number of homebuyers served.
- Success rate of financial assistance applications.
- Engagement levels within the buddy system on Facebook.

#### Key Supportive Tools/ Resources

- [Homeowner Education Programs: Minnesota - HUD | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)
- [Local Housing Solutions Housing and Education Counseling](#)
- [Homebuyer Education \(mnhousing.gov\)](#)
- [Achieve Homeownership, Southern MN Homeowner Education Services \(threeiverscap.org\)](#)

#### References

- [NHAP Guidelines & Application & tennessen & Gender \(northfieldmn.gov\)](#)
- [Minnesota Homeownership Center \(hocmn.org\)](#)
- [Homebuyer Education \(mnhousing.gov\)](#)
- [Achieve Homeownership, Southern MN Homeowner Education Services \(threeiverscap.org\)](#)
- [Homeownership \(habitatricecounty.org\)](#)
- [Home Buyers Handbook \(state.mn.us\)](#)
- [Buy a house | Northfield, MN - Official Website \(northfieldmn.gov\)](#)
- [Building Pathways to Homeownership, No Social Security Number Required \(nextcity.org\)](#)

## Create a Temporary Relocation Program

### Why is this Solution Needed?

Tenants living in existing substandard housing may be reluctant to report housing quality issues to landlords or seek options for the repair or replacement for fear that they may not be able to find alternative accommodation in the interim. As we explore programs and resources for the repair and replacement of substandard manufactured homes in Northfield, it is important to consider where residents will live during this period of transition. It is also crucial to take into consideration families with school-aged youth who may be impacted if relocation will move them far from their current schools, supportive services, and social networks.

### What is this Solution?

Currently in Northfield, most mobile homes are privately owned so landlords are not under any legal obligation to provide relocation benefits. In addition, in Minnesota landlords are not required to pay for alternative accommodations while they conduct repairs. Landlords have 14 days to make repairs after getting a written notice, after which the tenants may be relieved of some portion of rent.

However, there are aspects from publicly-funded housing relocation programs that we can learn from to design a temporary relocation program to support mobile home repair and replacement, which includes: referrals to comparable housing and inspections to ensure the temporary housing meets established standards; payment for moving expenses (reimbursement or a fixed amount); and replacement housing assistance (could be rental or purchase assistance) for a specific set amount of time based on a formula that takes your income and the new rent into consideration. A service provision lead will have to be identified to spearhead this effort and engagement with



residents and identify alternative accommodations, and a source of funding will need to be identified to pay for this organization's staff time and to provide the actual relocation compensations.

In addition, if a park were to become community-owned and operated, it could choose to pass its own policies regarding relocation assistance that could be a support for residents (though how to pay for the relocation assistance will still be a problem to solve).

Another potential idea would be for the City or a non-profit entity to purchase (or build on land that they own) and manage an individual or several mobile homes that can serve as temporary transitional housing for tenants whose own mobile homes are undergoing renovation.

### Who Would Be Involved?

- Mobile Home resident Association
- Local non-profits (Community Action Center, Three Rivers Community Action, HCI, or a newly identified nonprofit organization)
- City of Northfield

### How Specifically Could this Be Done (Tactics/Action Items)?

1. Identify an organization that can run the temporary relocation program.
2. Fundraise and secure funding for relocation payments and rental assistance as well as administration costs.
3. Engage regularly with resident associations and/or residents directly to outline plans for relocation.
4. Continue to engage residents throughout rehabilitation period.
5. Work with local landlords, hotels, motels, and other short-term rentals to identify and develop an inventory of potential temporary accommodations.
6. Or work with the city or a non-profit to purchase (or build on land that they own) a mobile home (s) that would serve as temporary transitional homes for tenants whose own homes are undergoing renovation.
7. Develop a budget for relocation depending on repairs needed and number of residents that need to be relocated.
8. Work closely with the repair/replacement contractor to keep abreast of construction schedule, changes, and updates.
9. Help residents think bigger – “Are they able to save their relocation stipends towards a future downpayment?”

### Key Performance Indicators

- Inventory of alternative temporary accommodations identified.
- temporary transitional mobile home purchased (existing or newly installed).
- Number of tenants relocated safely.
- Tenants having the choice and ability to either return or to rent elsewhere.

### Key Supportive Tools/ Resources

- Philanthropic, potentially CDBG funds, subsidized by owner.
- HUD Preservation and Reinvestment Initiative for Community Enhancement (PRICE). This program is relatively new and does not have a program page.

### Case Studies or Best Practices

- [Tips for Smooth Resident Relocation](#)



## References

- [HUD Relocation Assistance to Tenants Displaced from their Homes](#)
- [Landlords and Tenants: Rights and Responsibilities](#)

## Develop Eviction Prevention Programs

### Why is This Solution Needed?

Even though the eviction filing rate (0.5%) and eviction rate (0.2%) are relatively low in Northfield they can set up a cycle of instability and lead to homelessness. Communities of color, immigrants, those with limited English skills and limited understanding of their rights, women with a low-income, and those with limited financial resources are especially vulnerable to eviction. Renters living in sub-standard housing often avoid making complaints to landlords or requesting repairs due to fear of retaliation including forced eviction. Due to limited rental supply and unaffordability of rent, low-income rents and have few alternative choices if they face evictions from their homes. In Minnesota, legal grounds to evict include not paying rent on time (14-day notice period for at-will tenants), staying past the lease ends (30-day notice), violating terms of the lease, committing illegal activity.

### What is this Solution?

There can be various ways to design an eviction prevention program depending on the main causes of eviction in a locality, existing direct services for renters, and available local resources. An eviction prevention program can include various coordinated components that are administered by different community partners or public entities:

- Rental Assistance (Emergency and utility rental assistance to cover gaps or pay arrears)
- Low-cost or no cost legal assistance to help tenants navigate the eviction process and options to fight evictions.
- Language and demographic-sensitive tenants' rights educational materials to provide renters a better understanding of their rights under local and state law and
- Resources and support for landlords to understand potential alternative options to eviction for resolving landlord/tenant issues (and collecting rent that is owed), such as setting up a payment plan for back rent or participating in mediation with the tenants to resolve other issues. These resources would serve as a preventative measure to going down the path of eviction.
- Landlord-tenant mediation to resolve issues before an eviction process even starts to work out issues to cure an eviction filing outside of the court system, for example, a tenant who have been injured and unable to work and pay rent can demonstrate to the landlord a return-to-work date and work out a payment plan.
- Some states, such as Pennsylvania, have also piloted court-based eviction prevention programs to provide proactive, direct interventions and supportive services and/or legal representation for tenants who are summoned to court for an eviction filing. In these models, the local district courts and judges are supportive and directly involved in the programs.

Eviction diversion programs that combine programmatic elements mentioned above (free tenant representation from a legal entity and connection to rental assistance) have shown to help eviction cases being withdrawn.

### Who Would Be Involved?

- Rice County Neighbors United
- Community Action Center
- Legal aid organizations
- tenant support organizations.

### How Specifically Could this Be Done (Tactics/Action Items)?

1. Eviction records are housed within city or county court systems and are often hard to obtain. Work with the City of Northfield and Rice County to gather data on who is being evicted and the main reasons for evictions. Third party websites such as The Eviction Lab may offer eviction data at a state level.



2. Take inventory of and map existing direct services - emergency rental assistance, tenants' rights, eviction legal support, resources and support for landlords to pursue alternatives to eviction, etc.
3. Develop clear informational materials related to eviction prevention services and supports, mediation services, and landlord resources in English and Spanish.
4. Support alignment and coordination of these services and determine points of entry for referral services.
5. Determine which programmatic elements are missing and work with relevant partners to resource and stand them up.
6. Work with local courts to set up pilot for a coordinated eviction prevention and diversion program.

### Key Performance Indicators

- Decrease in overall eviction filings.
- Decrease in judgments for plaintiff (landlord)
- Increase in judgements for Defendant (renter)
- Increase in cases withdrawn/settled/dismissed

### Key Supportive Tools/ Resources

- HUD Eviction Protection Grant Program (EPGP)
- Local philanthropic funds
- City CDBG funds to support direct services (rental assistance, education)

### Case Studies or Best Practices

[Revealing Opportunities and Challenges: An Analysis of Eviction Filings in Pennsylvania](#)

### References

[Revealing Opportunities and Challenges: An Analysis of Eviction Filings in Pennsylvania](#)  
[HUD Eviction Protection Grant Program \(EPGP\)](#)

## Development/Other Solutions

### Create Employer-supported Development Fund

#### Why is this Solution Needed?

The cost of developing new housing (or in many cases rehabilitating older existing housing) is too high to create rental options that are affordable for low- and moderate-income families. Some form of subsidy is needed to bring costs down to a reasonable level. Because public sector subsidies are limited (and therefore also highly competitive) and often have additional requirements that may make development or operation more difficult, additional sources of subsidy are needed.

Direct support for housing by employers is a model that is gaining traction in many parts of the country. Employers increasingly recognize the lack of affordable housing options for their workforce as a key business constraint that contributes to difficulties with recruitment and retention, has negative impacts on the well-being of employees and their families, and for some occupations that are required to be on-call, makes it more difficult to complete their jobs.

#### What is this Solution?

Employers (particularly those employing a larger number of people in the area) would contribute resources to a fund that would be used to increase the supply of housing affordable to the local workforce. Employers would need to be engaged to educate them about the fund and build buy-in to support it.



The exact form of subsidy will need to be studied further, but it is likely this would need to either take the form of soft-debt (debts that generally don't need to be repaid if conditions are met) or equity investments seeking below-market returns, which would allow for a revolving fund structure (i.e., money is paid back to the fund over time and then reinvested in new developments). In return for these investments, developers would agree to rent the units at more affordable rent levels for a specific period of time (e.g. 20 years). A fund could acquire properties and then issue RFPs for affordable development; however, this would require substantially more work and overhead on the part of the fund.

The housing supported through this fund would not be limited to employees of the contributing organizations, though it could have specific income requirements associated with it if desired. This is not only a better outcome for the community, but also enables the use of public funds where relevant.

Minnesota also has a new state affordable housing tax credit that allows businesses to receive tax credits in return for contributing to qualified projects. While this could be a helpful vehicle, this program will need to be assessed further to determine whether it will effectively meet Northfield's needs.

Specific targets for rent/income levels, number of units supported annually, specific development requirements, etc. would need to be determined by the fund manager in consultation with the participating organizations.

One additional option to explore is a philanthropic match for employer contributions to act as an incentive.

There was also a proposal to allow funds to be used to preserve existing housing stock and housing quality improvements by local supporting local landlords. This use case would need to be tested with contributors to the fund to assess support.

### Who Would Be Involved?

#### Champion(s):

- One or more organizations who can be ambassadors of this solution to local employers. E.g., this could be the Northfield Area Chamber of Commerce or members of the NREEC with connections to major employers.

#### Lead:

- A fund manager. An entity capable of effectively managing a fund and sustaining the trust of the contributing employers (to be determined). Possibly the Greater Minnesota Housing Fund.

#### Contributors:

- Local employers who would contribute to the fund and inform the fund's priorities.

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Engage rental developers to understand the financing gaps at different price points to be able to calculate specific fund targets.
2. Identify one or more champions in the business community who can convene employers on this idea and build buy-in to support it. This may require developing explanatory materials to educate employers about the role the fund would be playing in development and how this could help their business.
3. Confirm there is support among employers to proceed with the fund and determine appetite for ongoing contributions.
4. Designate a fund manager, establish the fund (including targets, governance structure, etc.) and fund it.
5. Solicit development proposals that align with the fund's goals and requirements.
6. Depending on fund structure and balances, continue with contributions and outlays to developments.
7. Regular reporting to fund contributors and likely the broader community



## Key Performance Indicators

- \$ raised for the fund.
- # of units created at specific price points.

## Key Supportive Tools/ Resources

Standard public resources for rental development (LIHTC, Project-based Section 8, etc.) could be used, since the resulting rental units will not be restricted to employees of specific companies.

## Case Study or Best Practice

- The Greater Minnesota Housing Fund has done several developments with the support of local employers (though our understanding is that these were generally supported by a single employer vs. a local fund): <https://gmhf.com/about/employer-assisted-housing/>
- Housing Trust Placer (Placer County, CA) is a private housing trust fund created by the County to solicit private donations, including from local employers: <https://www.housingtrustplacer.org/>
- Some individual employers have made large commitments to improving housing affordability. For example, Cargill recently announced a commitment of \$40M in Fort Morgan, CO - a city smaller than Northfield: <https://www.foodprocessing.com/ingredients/animal-proteins/news/33013145/cargill-to-fund-construction-of-affordable-employee-housing-in-fort-morgan-colorado>
- The Coalition for Rochester Area Housing has a Rochester Area Housing Fund that members of the community can contribute to support housing developments: <https://rochesterarea.org/initiatives/housingcoalition/>

## References

- HUD Resource on Private Investment in Housing: <https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-060721.html>

## Identify Sites for Affordable Rental (or Homeownership) Development

### Why is this Solution Needed?

There are limited sites available for development that have infrastructure access and that are not zoned for agriculture. Sites that don't have infrastructure access are available, but infrastructure development adds significantly to development costs (and therefore increases the resulting rent, sales price, or public subsidy required).

Increasing developer access to viable sites for affordable housing development would help to create more affordable housing units.

### What is this Solution?

Create an inventory of potential land for development. This could be vacant land or land that has some development but that is currently underutilized and could be redeveloped to provide more affordable housing options. This could include low-density developed land or nearby agricultural land that is not being actively used for farming. Houses of worship also often own excess land and may see affordable housing development as a mission-oriented priority.

In addition, this could include an assessment of all publicly owned sites in the City and County to determine whether housing is a good use case for these sites.



This information would be collected in an internal database or property list. This should not be public information, since this could give developers seeking to develop additional market rate housing a lead in acquiring sites. If keeping this information internal is a concern, this effort could also be led by a mission-oriented organization with public agencies providing data to the organization on publicly owned sites.

Once potential sites are identified, they can be investigated further for development viability (zoning, infrastructure, slope, etc.) and, if privately owned, the landowner could be approached and presented with information about the need for additional housing development in the area. The goal would be to convince the owner to sell to either the HRA or a local mission-oriented developer. Land lease agreements or having the landowner retain ownership of the land and work with a developer to create housing could also be options to explore.

For publicly owned sites or sites that the HRA acquires through this process, the HRA would then release requests for proposals (RFP) to develop new affordable rental housing on these sites.

### Who Would Be Involved?

#### **Lead:**

- Rice County HRA (assuming County-wide effort) or Northfield HRA (if City-focused)

#### **Supporting:**

- Northfield HRA, City, County, other public entities for publicly owned sites. Assessor's office as a data partner. Local economic development leads. Local nonprofits could support landlord outreach and engagement. Local colleges (or possibly Macalester) if using student support.

### How Specifically Could This Be Done (Tactics/Action Items)?

1. Identify lead entity.
2. Conduct vacant and underutilized land inventory, combining assessor records with zoning and other information (e.g., could be through a partnership with one of the colleges or student intern/practicum projects under planning/HRA staff direction)
3. Prioritize sites based on apparent development/redevelopment potential and existing site knowledge. Could include a rating scale based on readiness for development (zoned correctly, site characteristics, etc.)
4. Collect additional information about the high priority sites.
5. Work with landowners to explore sale or development partnerships.
6. Additional site due diligence prior to acquisition (e.g. environmental testing, etc.)
7. Acquire viable sites.
8. Determine requirements for resulting development.
9. Issue developer RFPs for publicly owned sites (should include preference for non-profit developers and/or bids that include local labor preference)

### Key Performance Indicators

- # sites acquired
- # of resulting units built
- Success rate in dealing with landowners.

### Key Supportive Tools/ Resources

HOME funds and the local housing trust fund could be used to fund acquisition.

The property inventory could be a great project for a group of cities planning or real estate students to undertake as part of their education, which would allow it to be done at a negligible cost.



## Case Study or Best Practice

- Local Housing Solutions: Creating and managing vacant property inventories: <https://localhousingsolutions.org/housing-policy-library/creating-and-managing-vacant-property-inventories/>
- Estimating Residential Development Capacity (Maryland Department of Planning) (clear and detailed method for estimating land utilization): [https://planning.maryland.gov/Documents/OurWork/dev-cap/Final\\_Guidebook.pdf](https://planning.maryland.gov/Documents/OurWork/dev-cap/Final_Guidebook.pdf)
- Local Housing Solutions: Use of Publicly owned property for affordable housing: <https://localhousingsolutions.org/housing-policy-library/use-of-publicly-owned-property-for-affordable-housing/>
- Public Land & Affordable Housing in the Washington DC Region (example of a multi-jurisdictional assessment approach): <https://nhc.org/wp-content/uploads/2017/10/Public-Land-Affordable-Housing.pdf>

## References

N/A

## Generate Resources for Manufactured Housing Repair/Replacement

### Why is this Solution Needed?

Some mobile home residents are living in older units in a state of disrepair. Residents prefer to remain in their mobile home community because they have an excellent sense of community there. Those residents are looking for ways to improve the quality of their housing, while remaining in the mobile home park. The fundamental barrier to mobile home residents improving the quality of their housing is due to a lack of resources.

### What is this Solution?

This solution entails the creation of a funding mechanism to support the acquisition of new manufactured homes by existing manufactured home park residents. The fund would provide either a fixed dollar amount toward a purchase or cover a percentage of the purchase price. It could be targeted to those in the specific homes that currently have the most significant housing quality challenges and those who are most vulnerable.

Realizing this solution will require overcoming some key barriers that should inform design:

- There is not generally public (federal/state) funding available to support this type of program, so funds would likely have to be raised locally.
- Because manufactured housing tends to depreciate in value over time, the city may have a preference for supporting residents in purchasing homes that will appreciate in value over time instead.
- Similarly, depending on the funding levels available, residents may determine that replacing their home still does not make financial sense – e.g. the assistance is not high enough to account for the expected depreciation of the asset over time. So many residents may also prefer support for purchasing a traditional home.

As an alternative model for this, if residents are able to organize and make possible the “Explore Alternative Land Ownership Models in Manufactured Housing Communities” solution (described below) to create some form of cooperative ownership, the new entity should be eligible for the U.S. Department of Housing and Urban Development’s new Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program. Instead of offering individual assistance to homeowners, this program would instead provide funds to the manufactured housing community as a whole to use to replace aging manufactured homes and make needed infrastructure improvements in the community. This would likely mean that each manufactured housing community would have to tackle these solutions independently.



## Who Would Be Involved?

### Lead:

- The City of Northfield is the most likely lead. Rice County could also play this role and serve residents in other locations.

### Support:

- Philanthropy. Possibly the employer-supported housing fund described in the solution “Create Employer-supported Development Fund” from team 4.

Or alternatively:

### Lead:

- The newly created resident owned community (see Explore Alternative Land Ownership Models in Manufactured Housing Communities)

### Support:

- The City and County to support application to HUD.

## How Specifically Could This Be Done (Tactics/Action Items)?

1. Lobby/Partner with the City of Northfield to convince them to take on this solution.
2. Identify funding sources for this initiative. The City is likely to be the primary funder, but philanthropic or employer support may also be an option.
3. Design the grant application process, eligibility criteria, etc. and assign staff capacity to administering this grant.
4. Administer the grant program.

Or alternatively:

5. Proceed with the “Explore Alternative Land Ownership Models” solution to create a resident-owned community.
6. Create consensus around investments needed in the manufactured home communities (e.g. how to balance home replacement needs with infrastructure improvements).
7. Work with City and County agency partners to submit an application to HUD’s PRICE program.
8. Receive funding to replace aging manufactured homes and make infrastructure improvements in the community.
9. Purchase new homes and hire contractors for infrastructure improvements.

## Key Performance Indicators

- Number of Units Served
- Continued occupancy of new units by owners
- Wellbeing indicators of participants in the program
- Demand for program.

## Key Supportive Tools/Resources

- HUD Preservation and Reinvestment Initiative for Community Enhancement (PRICE). This program is relatively new and does not have a program page.
- Minnesota Housing’s Home Community Redevelopment Program may also be a resource. It cannot be used for individual homes but could be used to improve infrastructure in the broader park.  
<https://www.mnhousing.gov/homeownership/community-initiatives-programs/manufactured-home-community-redevelopment-.html>



## Case Studies or Best Practices

- Three Rivers has a downpayment assistance program, which does not support the purchase of new mobile homes. A city sponsored program could be designed on the Three Rivers initiative, and even potentially be carried out in collaboration with Three Rivers.
- Housing initiatives focusing on mobile home parks tend to exclusively be focused on unit or infrastructure repair in the mobile home park, or tenant organizing/acquisition of the park. As such, we have not been able to identify examples for how to run this specific program. However, mortgage downpayment assistance programs can be a good model for how to decide to dispense funds.

## References

- [https://www.hud.gov/program\\_offices/housing/sfh/title/manuf14](https://www.hud.gov/program_offices/housing/sfh/title/manuf14)
- <https://www.threeriverscap.org/housing/assistance/gap-program-guidelines/>

-