



## 2016 Capital Investment Request

for Supportive Housing, Federally Assisted Housing Preservation, Public Housing, and Senior Housing

\$130  
million

**\$110M** Housing Infrastructure bonds (Appropriation bonds)  
**\$20M** General Obligation bonds

### The Need and Demand

- Nearly 600,000 households in Minnesota pay 30 percent or more of their income for housing. Since 2000, that number has increased by **69 percent**.
- More than 7,500 Minnesotans were homeless in January 2015. Adults age 55 and older had the largest percent increase (48 percent) of Minnesotans experiencing homelessness.
- Nearly half of Minnesotans experiencing homelessness are children and youth under 21. Over 11,600 public school students were identified as homeless at some time during the last school year.

### The Request

- **\$110 million in Housing Infrastructure bonds** to increase the supply of affordable housing and to preserve existing units. Funds will be used to:
  - Preserve federally assisted rental housing.
  - Develop and rehabilitate supportive housing, particularly for Minnesotans experiencing or at risk of homelessness.
  - Acquire land to develop homeownership opportunities through community land trusts.
  - *New Use:* Develop affordable housing for Minnesotans age 55 and over.
- **\$20 million in General Obligation bonds** to preserve existing public housing.
  - Funds will be used for health, safety, and energy efficiency improvements in public housing.

### The Impact

- Develop or preserve housing for approximately 4,100 households throughout Minnesota.
- Expand housing options for Minnesotans age 55 and older living at or below 50 percent of area median income by allowing senior-only housing to be an eligible use of Housing Infrastructure bonds.
- In 2014, every \$1 in state funding for gap financing for preservation leveraged approximately **\$3** in private capital. Every \$1 in state funding for preservation sustains **\$4** in federal housing assistance.



NEW

## Policy Proposal: Housing for Older Minnesotans

*Legislation to make senior housing an eligible use of Housing Infrastructure bonds*

### The Need for Senior Housing

- Over 149,000 older households in Minnesota qualify for affordable senior housing—but only about 23,400 senior-only units are in supply.
- Older Minnesotans are disproportionately burdened by housing costs. About 40 percent of older renters have incomes at or below 30 percent of area median income, approximately \$18,000 a year or less.
- Not only are seniors the fastest growing population of Minnesotans, but they experienced the largest percent increase in homelessness (48 percent) in recent surveys. In Greater Minnesota, twice the number of homeless adults age 55 and older were unsheltered compared to the Metro.

### The Policy Proposal

Throughout the state, thousands of older Minnesotans need affordable, accessible housing. However, senior-only housing is not an eligible use of Housing Infrastructure bonds. Proposed legislation would make housing for Minnesotans age 55 and older living at or below 50 percent of area median income an eligible use of Housing Infrastructure bonds.

### The Impact

- **Help older Minnesotans age in place.** Develop accessible, affordable housing for households age 55 and older.
- **Prevent homelessness among older adults.** Minnesotans living at or below 50 percent of area median income, up to approximately \$30,700 per year, may qualify for income-restricted senior-only housing.
- **Reduce racial disparities.** Older adults experiencing homelessness are disproportionately male, African American, and military veterans. Twenty-five percent of older homeless adults are African American compared to less than 3 percent of the general older adult population.

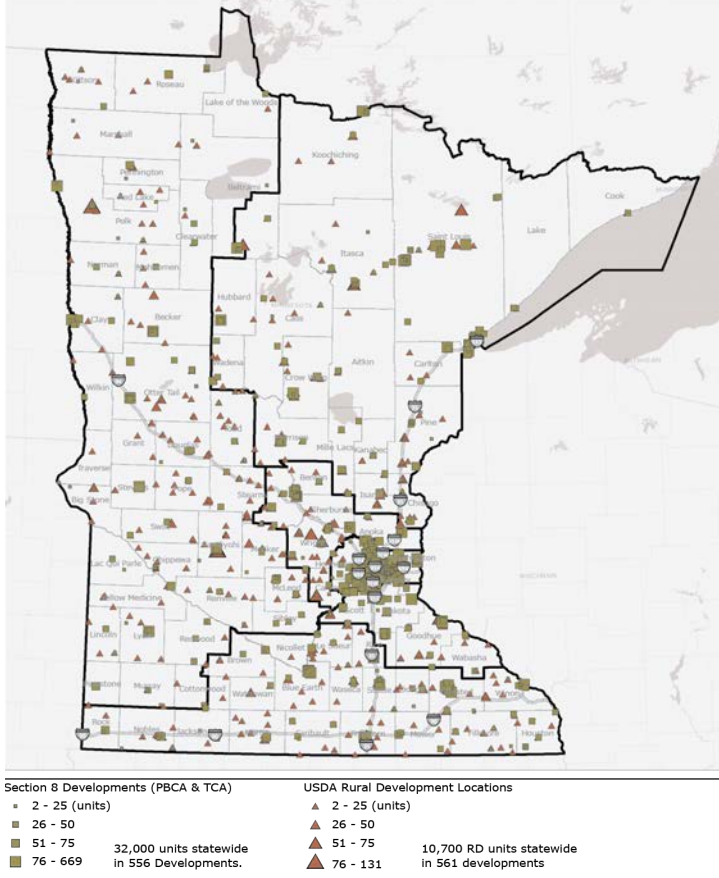


### The Process

- Funds will be awarded competitively by Minnesota Housing in October 2016.
- Funds will be available for eligible projects throughout the state.
- Housing must be affordable to and occupied by low and moderate income households for the term of the bonds (at least 20 years).

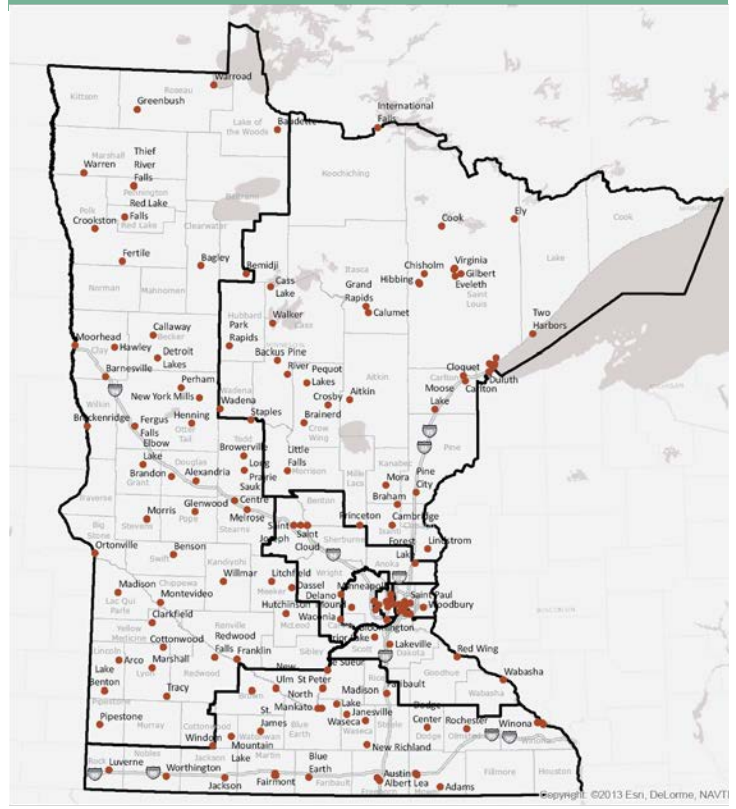
# Federally Assisted Housing in Minnesota

## Section 8 Assisted Development and USDA Rural Development Properties



Source: Minnesota Housing (2013)

## Public Housing in Minnesota



● Public Housing Locations 2011 (163 developments)

Source: Minnesota Housing (2013)

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Homes for All advances shared policy initiatives that lead to housing stability for all Minnesotans.

[www.homesforallmn.org](http://www.homesforallmn.org)