TWIN CITIES REGIONAL ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

SARAH CARTHEN WATSON ASSOCIATE COUNSEL LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW





INTRODUCTIONS

Consulting team

- Sarah Carthen Watson, Associate Counsel, Fair Housing and Community Development Project, Lawyers' Committee for Civil Rights Under Law
- Fair Housing Implementation Council

THE FAIR HOUSING ACT

- The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other real estate-related transactions because of the following personal characteristics:
 - Race;
 - Color;
 - Religion;
 - Sex;
 - Familial status;
 - National origin; or
 - Disability.
- The Fair housing Act also requires that HUD administer programs and activities relating to housing and urban development in a manner that <u>affirmatively furthers the policies of the Act.</u> HUD must do more than simply not discriminate itself; the Act reflects the desire to have HUD use its grant programs to assist in ending discrimination and segregation, to the point where the supply of genuinely open housing increases.

42 U.S.C. 3604 & 3608

MINNESOTA HUMAN RIGHTS ACT

- The Minnesota Human Rights Act protects the civil rights of Minnesotans in employment, housing, public accommodations, public services, education, credit, and business based on their protected class, such as:
 - Race
 - Religion
 - Disability
 - National origin
 - Sex
 - Martial status
 - Familial status
 - Age
 - Sexual orientation
 - Gender identity

PURPOSE OF THE AFFIRMATIVELY FURTHERING FAIR HOUSING RULE

- Fair housing planning rule
- Clarify existing fair housing obligations
- Set locally-determined fair housing priorities and goals
- Connect fair housing planning to subsequent community planning and development via the Consolidated Plan, Annual Action Plans, and PHA Plans (as applicable)
- Set up a framework for taking meaningful actions to affirmatively further fair housing

AFFH Rule Guidebook: Preface: Empowering Program Participants in Fair Housing Planning

OVERVIEW OF THE AI PROCESS

- Research
 - HUD data analysis
 - Local data and policy analysis
 - Community Engagement
 - Focus Groups
 - Community Meetings
 - Public Hearings
 - Recommendations and Goals

HUD DATA ANALYSIS

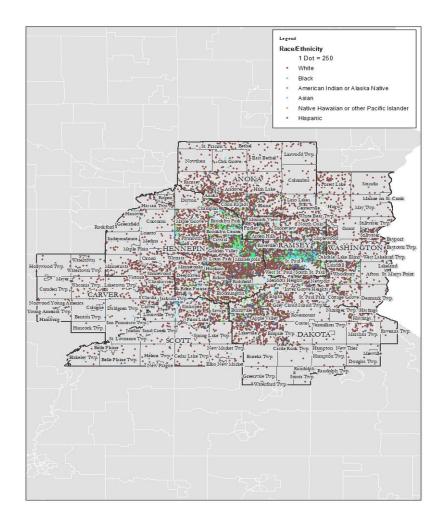


Table 24: Demographic Trends, Region

| 1990 T # 2,377,570 87,794 37,810 63,920 23,217 | rend % 91.63% 3.38% 1.46% 2.46% | 2000 T # 2,573,536 180,048 101,011 | rend % 84.88% 5.94% 3.33% | 2010 T # 2,641,225 277,419 | % 78.87% |
|---|--|---|--|---|--|
| 2,377,570 87,794 37,810 63,920 | 91.63% 3.38% 1.46% | 2,573,536 180,048 | 84.88% 5.94% | 2,641,225 | 78.87% |
| 87,794 37,810 63,920 | 3.38% 1.46% | 180,048 | 5.94% | | |
| 37,810 63,920 | 1.46% | | | 277,419 | 0 200/ |
| 63,920 | | 101,011 | 3 3 3 9% | | 8.28% |
| | 2.46% | | 5.5570 | 179,202 | 5.35% |
| 23 217 | | 137,339 | 4.53% | 210,412 | 6.28% |
| 23,217 | 0.89% | 31,446 | 1.04% | 34,731 | 1.04% |
| | | | | | |
| 88,459 | 3.41% | 211,435 | 6.97% | 303,022 | 9.05% |
| | | | | | |
| 54,794 | 2.11% | 128,664 | 4.24% | 164,904 | 4.92% |
| | | | | | |
| 1,268,537 | 48.90% | 1,496,751 | 49.37% | 1,653,645 | 49.38% |
| 1,325,816 | 51.10% | 1,535,167 | 50.63% | 1,695,214 | 50.62% |
| | | | | | |
| 685,784 | 26.43% | 830,974 | 27.41% | 837,362 | 25.00% |
| 1,649,849 | 63.59% | 1,907,051 | 62.90% | 2,151,167 | 64.24% |
| 258,720 | 9.97% | 293,893 | 9.69% | 360,330 | 10.76% |
| | | | | | |
| 347,275 | 51.93% | 317,188 | 51.88% | 404,837 | 48.21% |
| 1 | 54,794 ,268,537 ,325,816 685,784 ,649,849 258,720 | 88,459 3.41% 54,794 2.11% 54,794 2.11% ,268,537 48.90% ,325,816 51.10% 685,784 26.43% ,649,849 63.59% 258,720 9.97% | 88,459 3.41% 211,435 54,794 2.11% 128,664 ,268,537 48.90% 1,496,751 ,325,816 51.10% 1,535,167 685,784 26.43% 830,974 ,649,849 63.59% 1,907,051 258,720 9.97% 293,893 | 88,459 3.41% 211,435 6.97% 54,794 2.11% 128,664 4.24% 54,794 2.11% 128,664 4.24% ,268,537 48.90% 1,496,751 49.37% ,325,816 51.10% 1,535,167 50.63% 685,784 26.43% 830,974 27.41% ,649,849 63.59% 1,907,051 62.90% 258,720 9.97% 293,893 9.69% | 88,459 3.41% 211,435 6.97% 303,022 54,794 2.11% 128,664 4.24% 164,904 ,268,537 48.90% 1,496,751 49.37% 1,653,645 ,325,816 51.10% 1,535,167 50.63% 1,695,214 685,784 26.43% 830,974 27.41% 837,362 ,649,849 63.59% 1,907,051 62.90% 2,151,167 258,720 9.97% 293,893 9.69% 360,330 |

COMMUNITY ENGAGEMENT PROCESS

Focus Groups:

- Advocates for Persons with Disabilities:
 - MN State Council on Disability
 - Richfield Disability Advocacy Partnership
- Unhoused/Formerly Housed Persons:
 - Street Voices of Change
 - Freedom From the Streets
- Black/African American Minnesotans:
 - National Association for the Advancement of Colored People
 - National Association for the Advancement of Colored People
- Mixture of St. Paul Community Group Members:
 - Metropolitan Interfaith Council on Affordable Housing
- The Mother's Tutoring Academy
 - Somali Mothers

Stakeholder Meetings

- Housing Justice Center (Nationwide)
- Center on Urban and Regional Affairs (Twin Cities Region)
- ARC of Minnesota (Statewide)
- Minnesota Disability Law Center (Statewide)
- Ramsey County Community and Economic Development (Ramsey County)
- Mid-Minnesota Legal Aid (Central Minnesota, including the Twin Cities Region)
- Homeline MN (Statewide)
- Inquilinxs Unidxs (Minneapolis)
- Lawrence McDonough, Pro-Bono Director, Dorsey & Whitney LLP
- Alliance for Metropolitan Stability (Twin Cities Region)
- Greater MSP: Minneapolis Saint Paul Regional Economic Development Partnership (Twin Cities Region)
- Minnesota State Attorney General's Office (Statewide)

Stakeholder Meetings, ctd.

- City of St. Paul Department of Planning and Economic Development (St. Paul)
- City of St. Paul Office of Financial Empowerment (St. Paul)
- Southern Minnesota Regional Legal Services (Twin Cities Region, excluding Hennepin County)
- City of Richfield (Richfield)
- Jewish Community Action (Suburban Hennepin County)
- Neighborhood Development Alliance (St. Paul & East Metro)
- Scott and Carver County Continuum of Care Providers (Scott and Carver County)
- Community Stabilization Project (St. Paul)
- Frogtown Neighborhood Association (St. Paul)
- Hmong American Partnership (Twin Cities Region)
- Alliance Housing MN (Minneapolis)
- City of Minneapolis (Minneapolis)

DISCUSSION OF GOALS AND STRATEGIES



GOAL 1: INCREASE THE SUPPLY OF AFFORDABLE HOUSING IN HIGH OPPORTUNITY AREAS

- Provide additional investments in the Affordable Housing Trust Funds in St. Paul and Minneapolis and additional investments in affordable housing in the other jurisdictions.
- Provide funding to assist community organizations in purchasing, rehabilitating, and leasing dilapidated rental properties. Ensure that these organizations have the right of first refusal to purchase prior to outside, for-profit developers.
- Condition the distribution of grant funds to jurisdictions by the Metropolitan Council based communities providing concrete plans to meet their fair share of the decennial affordable housing needs.
- Expand bonus point offerings in RFPs to incentivize the development of large units with three or more bedrooms.

<u>GOAL 2: PRESERVE THE EXISTING STOCK OF AFFORDABLE RENTAL</u> <u>HOUSING</u>

- Partner with the Minnesota Attorney General's office to develop land lease and other protections for residents of manufactured home communities.
- Provide restrictions on the "flipping" of affordable rental housing by outside investors. Require that

 a large percentage of units remain affordable at deeper levels of affordability; 2) previous
 tenants have rights of return; and 3) displaced tenants have access to relocation services.
- Rehabilitate and maintain the existing stock of publicly owned, affordable single-family homes.
 Provide regular inspection and maintenance of these properties.
- Provide Advanced Notice of Sale and Tenant Opportunity to Purchase/first right of refusal for tenants of affordable housing units that are for sale.

GOAL 3: SUPPORT HOMEOWNERSHIP FOR HOUSEHOLDS OF COLOR

- Develop a program or policy to provide for regular review of local lending practices for fair housing issues.
- Increase funding for down payment assistance programs.
- Fund and facilitate credit counseling and improvement programs targeted at communities of color.
- Provide more opportunities for families on public assistance to transition to ownership.

GOAL 4: PREVENT DISPLACEMENT OF BLACK AND BROWN LOW-AND MODERATE-INCOME RESIDENTS

- Pilot a Right to Counsel Program to provide pro bono counsel to tenants facing eviction.
- Pass localized Just Cause Eviction protections and advocate for statewide Just Cause eviction legislation.
- Advocate for statewide rent control/stabilization legislation.
- Consider the impact of transit-oriented development and preserve additional units in mixed income developments along transit corridors

GOAL 5: INCREASE COMMUNITY INTEGRATION FOR PERSON WITH DISABILITIES

- Increase the supply of integrated permanent supportive housing by utilizing Project-Based Vouchers in developments that include units that have rents that are within Housing Choice Voucher payment standards as a result of inclusionary zoning programs. Require a set-aside of permanent supportive housing units through requests for proposals and notices of funding availability under the HOME Investment Partnerships programs as well as under locally-funded affordable housing programs.
- Advocate for greater funding from the Minnesota Legislature for the Developmental Disabilities Waiver in order to eliminate the need for a wait list for services under that program.
- Ensure consistency in disability-related Housing Choice Voucher preferences across housing authorities.
- Explore the creation of more affordable transportation options, especially outside of Minneapolis and St. Paul.

GOAL 6: ENSURE EQUAL ACCESS TO HOUSING FOR PERSON WITH PROTECTED CHARACTERISTICS, LOWER-INCOME, AND HOMELESS

- Implement source of income protections throughout the Region and advocate for statewide protections.
- For municipalities with crime-free housing and nuisance ordinances that allow for eviction based on calls for service or criminal activity of tenants, condition funding on the repeal of these ordinances and advocate for statewide legislation banning these ordinances. This legislation should explicitly prohibit eviction based solely on calls for emergency service, particularly for survivors of domestic violence, victims of crime, and those experiencing health emergencies.
- Encourage landlords to follow HUD's guidance on the use of criminal backgrounds in screening tenants.
- Following Minneapolis's example, introduce and pass legislation that requires inclusive credit screening practices that do not rely on FICO scores.
- Provide additional funding to increase capacity and frequency of record expungement clinics.

GOAL 6: CONTINUED

- Following Minneapolis's example, transition from exclusively complaint-based code-enforcement services. Provide for regular code enforcement review of all rental properties as part of rental licensing restrictions.
- Establish a permanent Fair Housing Advisory Committee that will participate regularly in FHIC meetings. This committee should be made up of a diverse group of community members.
- Work with the courts to ensure that they refrain from publishing evictions immediately when filed.
 Courts should wait to publish evictions on a tenant's record until after a judgement has been entered.
- Work with the courts to prevent evictions from remaining on a tenant's record when the eviction has been dismissed, and reduce the amount of time evictions remain on a tenant's record from 7 years to 2 years.

<u>GOAL 7: EXPAND ACCESS TO OPPORTUNITY FOR PROTECTED</u> <u>CLASSES</u>

- Increase regional cooperation to encourage transit development that connects communities of protected classes to employment and reduces general transitrelated isolation of these communities.
- Increase the minimum wage in the metro area to \$15 an hour.
- Enact legislation to prevent landlords from requiring excessive security deposits or multiple months' rent.
- Relax stringent guidelines for reasonable accommodations claims to Public Housing Authorities.

GOAL 8: REDUCE BARRIERS TO MOBILITY

- Implement selective use of payment standards based on Small Area Fair Market Rents (FMRs), to expand housing choice specifically in zip codes that are areas of opportunity. As an example, for a Minneapolis zip code, the current payment standard for a two bedroom apartment is \$1,228. For the same zip code, the Small Area FMR payment standard would be \$1,820.
- Condition the receipt of public funds for any new housing development on the acceptance of vouchers and agreement not to discriminate on the basis of an applicant's receipt of public assistance.
- Expand policies providing for regular landlord/developer outreach and engagement, to encourage and support participation in the voucher program, including periodic workshops and an ongoing working group.
- Institute protocols to regularly review and report on suballocators' LIHTC performance in achieving siting balance (in designated areas of opportunity), and further incentivize development in areas of opportunity through set asides, basis boost designations, and/or increased competitive points.

QUESTIONS? COMMENTS?

COMMENTS MAY ALSO BE SUBMITTED ELECTRONICALLY TO 2020TWINCITIESAI@GMAIL.COM

