

Roseville Area League of Women Voters Interview: Professor Ed Goetz. Director of the Center for Urban and Regional Affairs at the University of Minnesota, and co-Director of the University-Metropolitan Consortium.

Interviewers: Mindy Greiling, Claire Jordan, Reed Jordan.

NOTES:

What are major challenges for developing and accessing affordable housing in the League area?

I'm not an expert in your five cities, but in my mind I put them in the category of proximate suburbs, and what those types of communities in general face – first ring suburbs. The major challenges – generic ones are the cost of building affordable housing and the need to find subsidies. We don't have enough subsidies available, not funded adequately at the federal or state level, though we have one of the better state finance agencies. So simply the problem with subsidies is the need to bring these down to an affordability level that we seek. There are all sorts of affordability levels – like 80% AMI – by some estimates this region already has enough units for families at certain levels (the 50% level). But when you get below 50%, you see tremendous shortages. This doesn't mean that everyone from 50% and above is living in affordable housing, rather that this housing could be occupied by people with greater incomes. The major challenges for developing affordable housing are the costs associated with getting it down to where people need the rents to be.

This past year, the Housing Finance Agency and the McKnight Foundation funded the Minnesota Challenge. They **issued a report on the Minnesota Challenge** – a project we did at CURA along with the Housing Justice Center. The challenge was how can we reduce the cost of building housing so that more of it can be affordable? In the report we identified **6, 7 or 8 different areas where costs seem to be higher than they need to be, or where factors drive up the costs**. We looked at what are best practices of bringing costs down in all of those areas. We tried to look at what the barriers were. **[This report is online]**. It looks at things like density – one way to decrease cost is increasing density – but most people don't like higher density, they are afraid higher density will mean more rapid deterioration. Parking requirements also drive up per unit costs. Actually, some communities have done innovative things to eliminate parking requirements. Also design considerations, some suburbs require that their housing be such and such a look, and this drives up cost.

One thing we didn't look at is the political resistance to affordable housing. Of course there's no silver bullet there. People who are afraid of public housing in their community worry that it'll reduce their property values or quality of life, they are very difficult and very vocal in their opposition. This opposition does a few things – it discourages developers, they don't like getting hit over the head at public meetings. Developers know the notorious places and they know the places that are more receptive. They build in places that are more receptive, and will shy away from places that are hostile. Developers also worry about the "slow no" where the city doesn't say 'No' right away, but during the negotiating process the developer may be paying for an option on the land, own the land, or be paying a holding cost, and all of these things end up being problematic and costly.

The major challenges are the political opposition, but also the regulatory factors that drive up the cost – even things like permits, sewers – these things can be adjusted by cities if they want to decrease the cost of developing affordable housing. There's a **best practices section in the report**.

What are the political dynamics and allies in our area?

ISIAH in your area. They used to do housing work. MICAH is also an option. There's an organization called the Minnesota Housing Partnership – Chip Halbech. Those would be the first two contacts.

What are the regional/metro dynamics of affordable housing? For example, what is the role of suburbs in the League area in influencing affordable housing in the metro?

The Met Council recently passed a housing policy because most communities in the Metro area will be updating their comprehensive plans in the next couple years. This provides a really important opportunity in the next couple years to influence the plans – all of the plans have a housing element. The housing elements by law must address the communities' requirement for the regions' affordable housing. There also must be an implementation section. The plan must address what will be the local share of the regional need. There has to be an implementation section – what will the community do? All of this will happen in the next 2 years. Absolutely you should be thinking about these plans in all of these communities.

Please describe ways to increase acceptance of Sect. 8 voucher in our communities?

Most techniques I've heard of focus on landlord requirements. Contacting property managers and landlords and owners and convincing them that accepting Section 8 is not a bad thing – it can help them out. It's an individual decision on the part of the manager, or the property owner. I don't even know what the status is of source of income discrimination in Minnesota. It comes down to the property owners. It would be nice to have municipal backing and a policy statement, but you really are talking about reaching landlords. In other places like Chicago there's a non-profit that does this, tries to convince landlords. HousingLink should have a lot of contact with property developers. I'm not very familiar with a landlord recruitment study – I know the Metro area of Chicago has done it a couple of times. It's the organization that was involved with the Gautreaux experiment. You should find out what they did – **what was their program for landlord recruitment.**

What other questions should we be asking? Who else should we talk with? What resources/research is already available?

MN Challenge work, definitely look at that. Other efforts have been done about affordable housing work, reports by advocacy groups and business industry groups. **I'll find those reports for you and send them to you.** All of them address what the difficulties are with building affordable housing and what might we do to improve the situation.

Tim Thomson or Jack Can – they are legal aid attorneys who specialize in affordable housing. They are at the **Housing Justice Center**. They are extremely knowledgeable about the laws related to land use planning, techniques around building more affordable housing in suburban areas – they are also knowledgeable about this stuff as anyone. You can find their contact information fairly easily.

What role could graduate students play in our work? What are the major questions/research areas they could undertake?

We understand that the 5 cities are required to affordable housing plans to the Met Council. Would there be value in graduate students summarize or assess the five plans from the communities of the League region?

Yes, absolutely, especially for the plans that each city needs to submit to the Met Council in the next 2 years. In the past, we have done studies of these local plans for affordable housing. There are all sorts of ways to write plans – you can write plans with weasel words like “we will consider” or we will “appoint a task force to study” – rather than more absolute words like reform. There are ways to look at plans and evaluate their quality. I’ve had students look at plans for the array of approaches identified by the local community. Some places will just say they’ll work with the local HRA, others say they will do much more extensive work to reform their zoning requirements and regulations. The U of M offers a housing policy course each year and I’m always looking for projects for my students. What you’ll want is good information so that you can influence what the plans look like. I’m not teaching Housing Policy next spring, but **Jeff Crump** is teaching it. I can get you his contact information. At the Humphrey School we also have this project called “**Capstone**” projects where students work with a real world client. You’d get a group of 3-7 students who could put them on something like this. For the Capstone, what we’d have to do is that there needs to be a faculty instructor or supervisor and it has to be approved by the Humphrey School. For this one, because it’s an Urban Planning one, **you’d want to talk with Professor Ryan Allen who is the director of the Urban/Regional Planning Program**. Tell him that you’ve spoken with me and want to pursue the possibility of a Capstone project. Professor Allen also deals with issues of affordable housing. He’ll say “great idea and I want to be the instructor” or he’ll call me up and say “you should be the instructor”. **Talk to Ryan so that he can get a better sense of the nature of the Capstone – I’ll talk to him to grease the wheels and we’ll talk about feasibility and planning**. We make hard decisions about the Capstone in mid to late October. Students register for the classes in November.

Other notes:

Government owned land, state, county, or municipal governments will have small parts of land – little plots left over from other projects. Those places are opportunities for building affordable housing cheaply.

We [Dr. Goetz/CURA] wanted to do a study using data from Aeon about whether people with criminal histories are more/less likely to be responsible renters.