

# Trends and issues in low-income housing

*A discussion paper prepared for the Wilder Foundation*

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*“It must be stated at the outset that the housing evils in this City are no worse and no better than are the evils found in most of the rapidly growing cities of this country. The measure of the quality of our local patriotism is not to be measured by the extent of the evils which we have tolerated through ignorance, but by the rapidity with which we improve conditions once they are known and the means of removing them made clear.”*

– C. Aronovici, Housing Conditions in the City of St. Paul, Wilder Foundation, 1917

## Introduction

Improving the quality, quantity, and stability of low-income housing in St. Paul and the East Metro area is one of four key strategic goals of the Amherst H. Wilder Foundation. Providing housing and related services for vulnerable and very low income individuals and families has long been a central Foundation activity, and likely will remain a central activity for years to come.

This paper begins with one page summary of some key affordable housing statistics before providing some narrative discussion of trends and issues, followed by a brief discussion of initiatives and strategies related to affordable housing.

## Key low-income housing statistics

### Cost burdens

- An estimated 90,000 low-income households in the East Metro (Anoka, Dakota, Ramsey, and Washington Counties) will spend 30 percent or more of their income on housing this year; thus, nearly 16 percent of all households in the region can be considered “housing cost burdened” by the generally-accepted cost thresholds.<sup>1</sup>
- 44,505 low-income households in Ramsey County – nearly 19 percent of all households – are projected to remain cost burdened by their housing through 2010.<sup>2</sup>

### Homeownership

- Minnesota’s homeownership rate of 76.5 percent is tied for second highest in the nation, and continues to far exceed the national rate of 68.9 percent.<sup>3</sup>
- Homeownership rates among African Americans and American Indians in the Twin Cities (32% and 41%) are much lower than the national rates for these two groups (46% and 58%).<sup>4</sup>
- The proportion of home sales affordable to the median income household (\$78,500) in the Twin Cities recently fell to 60 percent – the lowest point since the early 1990s. The decline mirrors national trends, however, and by this measure housing remains comparatively affordable in the region.<sup>5</sup>

### Rental

- The overall apartment vacancy rate in St. Paul stands at 5.1 percent, and the average rent (without utilities) is \$833.<sup>6</sup>
- In Ramsey County there are currently 15,523 subsidized rental units reserved for those at or below 80 percent of area median income (AMI; 80% is \$62,800 for a family of four), including fewer than 3,250 units reserved for those at or below 30 percent of AMI (\$23,550 for a family of four).<sup>7</sup>
- Despite recent cuts to the program, the St. Paul Public Housing Agency continues to maintain nearly 4,000 Section 8 vouchers to help subsidize very low income households.<sup>8</sup>

### Homelessness

- In 2005 about 4,550 different individuals stayed in Ramsey County homeless shelters. This is a 36 percent increase over the number served in 2002, driven mainly by a large jump in the number of adult males staying in shelters in recent years.<sup>9</sup>
- About 1,500 people are homeless in Ramsey County on any given night, and more than twice that number are likely “precariously housed” with friends or family because they lack their own housing.<sup>10</sup>

# Trends and issues

The big picture of low-income housing is perhaps best summarized by looking at the total number of low-income households that are considered housing “cost burdened”; that is, those which are spending more than 30 percent of their income on housing. An estimated 90,000 low-income households in the East Metro (Anoka, Dakota, Ramsey, and Washington Counties) will spend 30 percent or more of their income on housing this year. Projections show that, lacking any additional units of affordable housing beyond those typically provided in the private market, the number of cost-burdened low-income households will grow by nearly 6,000 households over the next four years, and then by another 23,000 from 2011 to 2020.<sup>11</sup>

It is also important to note that housing costs do not exist in isolation. Transportation costs average 20 percent of household income in the Twin Cities, and child care costs average 28 percent of household income for lower income families Minnesota.<sup>12</sup> It is not difficult to see how housing costs alone can underestimate personal financial pressures.

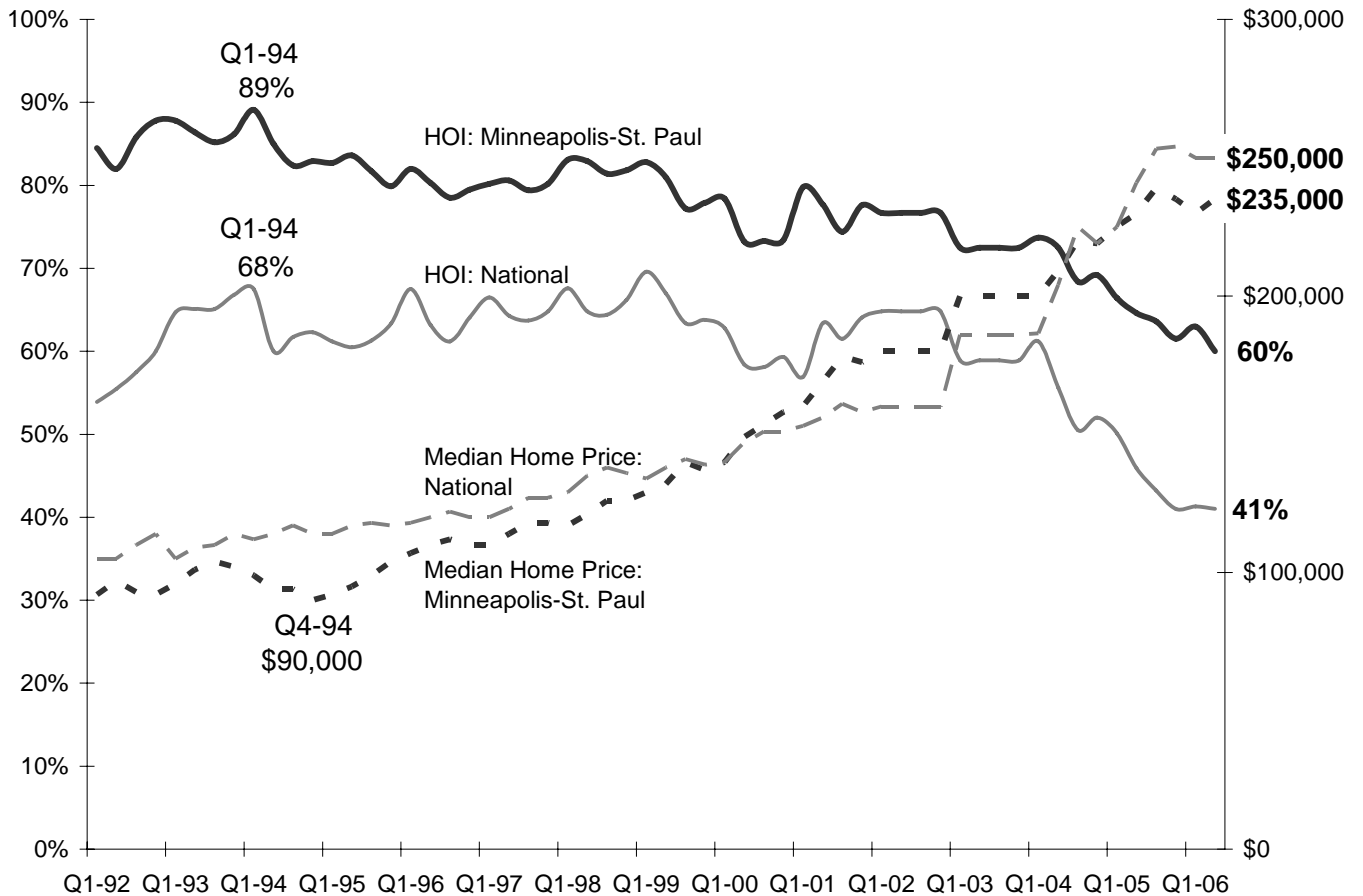
The remainder of this section provides a narrative discussion of some of the key issues and trends in home ownership, rental housing, and homelessness. The section ends with a brief discussion of the spatial mismatch between jobs and housing opportunities.

## Home ownership

The homeownership rate, driven by longer-term demographic trends in age and income, continues its steady but slowing rise. Our region has a particularly favorable homeownership market. Minnesota is statistically tied for the second highest home ownership rate in the nation (76.5%); only five major metropolitan areas have higher estimated homeownership rates than the Twin Cities (74.9%); and St. Paul’s home ownership rate compares very favorably with the national average for central cities (54.8% in St. Paul, compared with 50.5% nationally).<sup>13</sup>

Over the last year, however, both the local and national homeownership markets have become less affordable, at least according to one measure. In mid 2004 the Housing Opportunities Index (HOI) – the proportion of home sales that would be affordable to a median-income household offered prevailing mortgage interest rates – started falling. As of second quarter 2006 the Minneapolis-St. Paul region’s HOI stood at 59.8 percent, which is the second lowest point since it was established in the early 1990s (see Figure 1). While specific impacts of these market changes on the lower end of the market are unclear at this point, the general trend suggests a decrease in affordability.<sup>14</sup>

## 1. Housing Opportunities Index, 1992-2006



*Source:* National Association of Home Builders-Wells Fargo Housing Opportunity Index ([www.nahb.org](http://www.nahb.org)).

*Notes:* The Housing Opportunity Index (HOI) is percentage of home sales that would have been affordable to a family earning the median income. Substitutions were made for missing data in the Minneapolis-St. Paul trend lines for: Q3-00, and Q2-02 – Q3-03. Q2-06 numbers are displays on right side of chart in bold.

Additionally, there is growing concern that aggressive mortgage lending practices – including the expansion of adjustable rate mortgages for buyers with marginal credit – combined with climbing interest rates are resulting in steep increases in foreclosures. Indeed, Mortgage Bankers Association data show that as of first quarter 2006 mortgage foreclosure rates in Minnesota are at their highest point since 1992.

Two other trends in homeownership bear continued vigilance. First, as we have reported in Metro TrendWatch, during the 1990s the number of low-income homeowners spending more than 30 percent of their incomes on housing grew faster than the total number of low-income homeowners.<sup>15</sup> Thus, other positive trends for low-income households – increasing home ownership rates and slightly decreasing cost burdens among renters – were more than tempered by the rapid growth in cost-burdens among low-income homeowners.<sup>16</sup>

Second, home ownership remains far less common among households of color than it is for white households, and the racial disparity in homeownership is worse in Minnesota than most parts of the nation. The Urban Coalition, for example, reported that the home ownership rate among African American and American Indian households in the Twin Cities (32% and 41%, respectively) is much lower than that for these two groups nationally (46% and 58%, respectively).

It is, however, important to note that discrimination is only one piece of the puzzle. A recent analysis by Minnesota Housing found that race and ethnicity explain only 1.3 percent of a household's likelihood of being a homeowner. More important factors include income (17.4%), age (7.6%), and presence of a spouse (4.8%).<sup>17</sup> Similarly, a recent HUD study found that, "differences in income, wealth, marital status, and age of the household are found to account for between 15 and 20 percentage points out of the total racial gap of roughly 25 percentage points."<sup>18</sup> Note that this discussion is not meant to downplay the racial dynamic of the housing market; these findings do suggest, however, that efforts to increase income and wealth among people of color may be more effective in reducing homeownership gaps than would efforts targeting discrimination.

#### Rental market

In the late 1990s and early 2000s, there was considerable concern about the low rental vacancy rates in the Twin Cities and the accompanying rise in rents and increased difficulties for rent-seekers with low incomes or otherwise problematic rental histories. Since that time rental vacancy rates have significantly loosened – from around 2 percent to over 7 percent. More recently, however, the vacancy rate has tightened somewhat and now stands at 5.1 percent in St. Paul. A 5 percent vacancy rate is sometimes considered optimal, but for purposes of this paper it is noteworthy that rental vacancies are not evenly distributed: high rent apartments commonly have much higher vacancy rates than is the case for low rent apartments.<sup>19</sup>

The most recent Census Bureau data on cost burdens for renters in the Ramsey County, the 2005 American Community Survey (ACS), shows relatively modest but growing rental costs. According to the ACS, Ramsey County's median rent was \$758 in 2005, and one-in-five units rented for less than \$550. Still, ACS data showed rental cost burdens of 30 percent or more of income for more than 50 percent of all renting households in Ramsey County, including about 77 percent of households with annual incomes under \$35,000.<sup>20</sup>

The affordability of Ramsey County's 70,000 unit rental market is undoubtedly affected by the substantial number of subsidized units in the county. HousingLink's on-line Inventory of Assisted Rental Housing includes 15,523 subsidized units in Ramsey County, with

another 1,644 units in the pipeline.<sup>21</sup> Existing subsidized units include 4,273 units owned and operated by the St. Paul Public Housing Agency (PHA), over 1,500 units managed by the Wilder Foundation, 1,200 managed by Real Estate Equities, and another 1,000 units run by CommonBond Communities. One concern about the subsidized units is that many were developed under federal contracts that will expire in coming years; for example, at least 5 percent of the units in Ramsey County are under contracts that will expire on or before 2010.<sup>22</sup> Many of the units will be preserved, but the region is likely to lose some portion of existing subsidized units through this process.

Although state-financed programs contribute to rental subsidies, the biggest source of subsidy is the federal government. Housing Choice Vouchers, or tenant-based Section 8 vouchers, subsidize market-rate housing for qualifying families (below 50% and 30% of Area Median Income (AMI); \$39,250 and \$23,550, respectively, for 4-person families in the Twin Cities). Such vouchers have become the dominant form of federal housing assistance for very low income families. Housing authorities in Minnesota administer about 30,000 Section 8 vouchers, including 4,000 administered by the St. Paul PHA.

Section 8 is generally seen as a valuable and successful program. It is not, however, without its problems. First, it is vulnerable to market fluctuations. In the late 1990s and early 2000's, when the rental market was extremely tight, vouchers went unused not because there was not a demand for subsidy, but because landlords were less likely to accept the vouchers or charge low enough rents to meet the program's guidelines. Second, the program is not an entitlement, but a form of discretionary spending. Therefore, Congress is not obligated to fund all needed vouchers and the program is forced to compete with other compelling priorities.

Up until 2003 Congress had a history of growing the Section 8 program, or at least funding the same number of vouchers that had been issued in the previous year. Changes since then have gone in the opposite direction. The Bush administration's proposed 2007 budget, for example, threatens the viability of 219 vouchers across the state, including 56 at the St. Paul PHA.<sup>23</sup> The PHA responded to similar cuts last year by freezing the rents it pays to landlords, which jeopardizes their willingness to continue accepting vouchers. These and other federal cut-backs have led the St. Paul PHA to cut staff by 10 percent, sell off land, and dip into reserves, leaving the organization with few options other than serving fewer residents if such trends continue.<sup>24</sup>

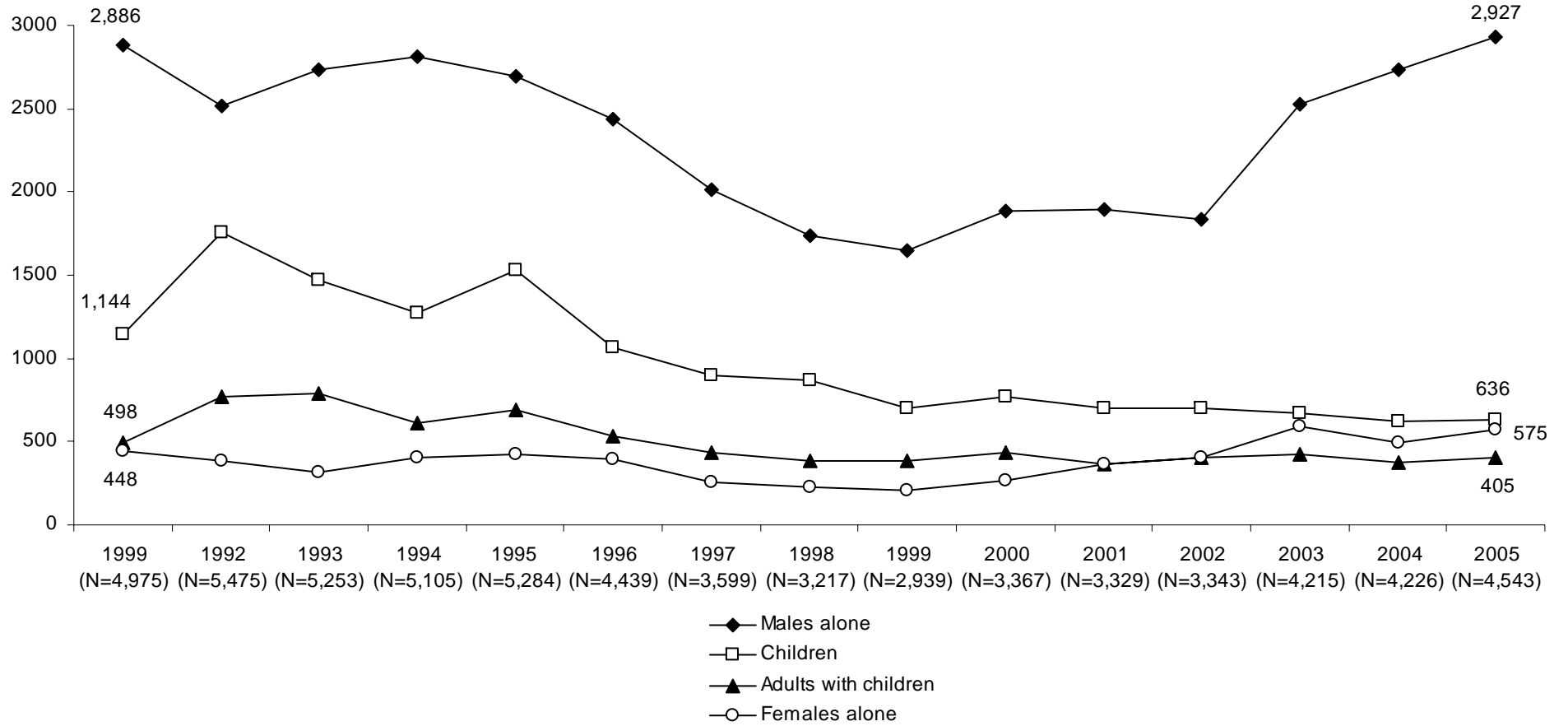
## Homelessness

According to *Homeless in Minnesota*, on October 23, 2003, there were nearly 1,500 people in Ramsey County emergency shelters, transitional housing programs, and domestic violence shelters.<sup>25</sup> This includes over 500 adult men, over 400 adult women, and over 500 children and youth (nearly 50 of whom were unaccompanied by adults). The total number was up by nearly 40 percent from that reported for October 26, 2000. The point-in-time increases are mirrored by an increase in the number of people using homeless services in the county over the course of the year.

In 2005, 4,543 individuals stayed in emergency housing. This 8 percent annual increase followed a less than 1 percent increase in 2004 and a 26 percent increase in 2003. As figure 2 shows, these recent trends have been driven largely by increases in shelter usage among single males, due largely to increased shelter capacity in 2003. On the other hand, while the number of adults using emergency shelter in 2005 (3,907) was the highest in 15 years, the number of children in families (636) is the lowest on record. Shelter data also show that about a quarter of those staying in shelter in each of the past two years met the state's definition of long-term homelessness by accessing shelter either continuously for at least 12 months, or on at least four separate occasions during the past three years.<sup>26</sup>



**2. Individuals entering Ramsey County emergency shelters by household type, 1991-2005**



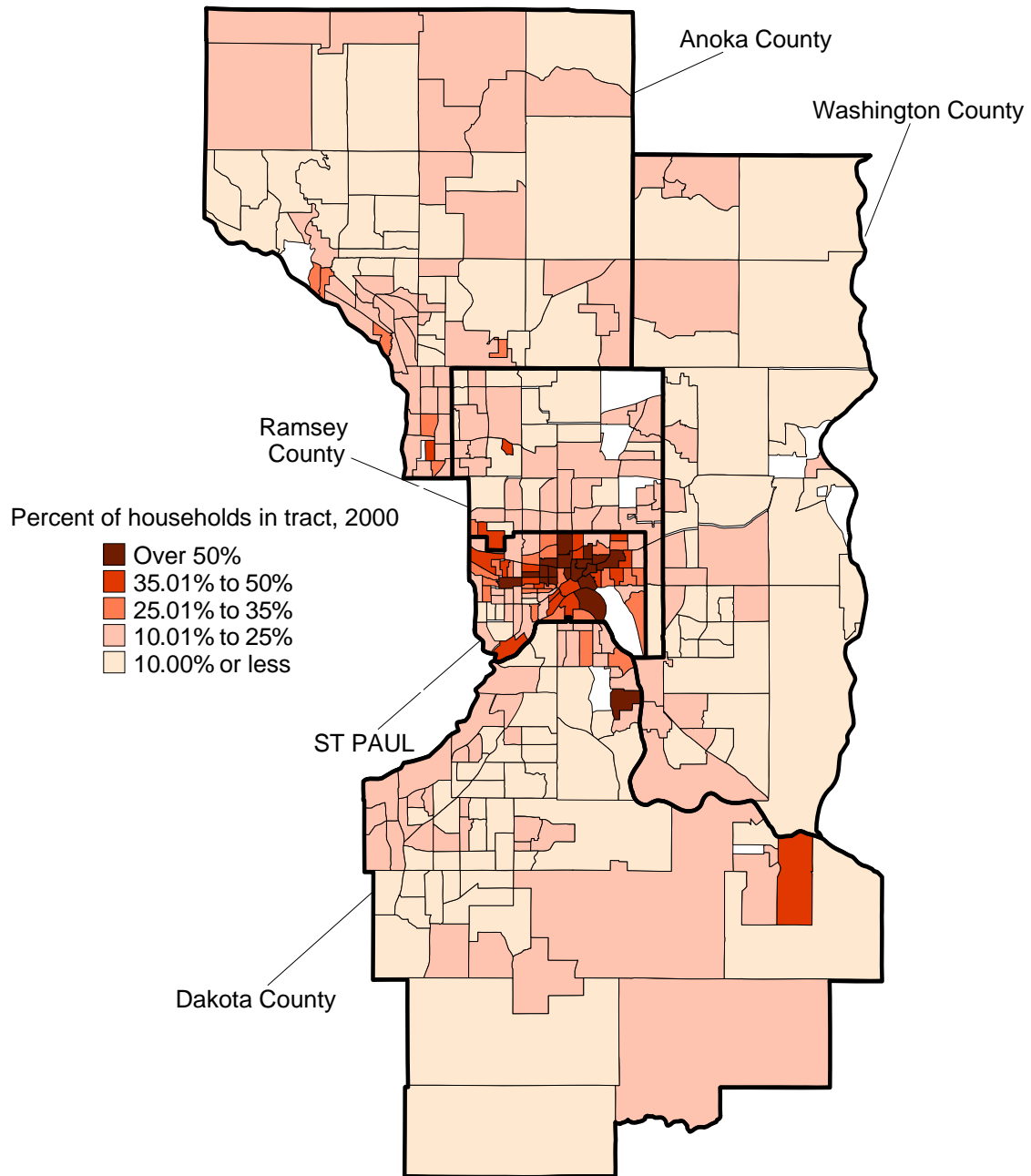
## The jobs and housing mismatch

Currently low-income housing opportunities, and lower income households, are concentrated in the central city (see Figure 3). Job growth, in contrast, is “concentrated” in the suburban areas of our region. For example, although the total number of jobs in the entire East Metro increased by 2.3 percent from 2000 to 2004, suburban areas (Anoka, Dakota, suburban Ramsey, and Washington) saw a 7.6 percent increase, while St. Paul saw a 10 percent decrease.<sup>27</sup> This discrepancy is expected to continue: the Metropolitan Council projects an 18 percent growth in the number of jobs in the East Metro from 2000-2010, with the suburban areas growing by 22 percent, and St. Paul growing by only 7 percent.

Although mass transit can partially address the jobs and housing mismatch, we are likely to see increased demands for affordable housing in the suburbs in coming years – both from those seeking to hire and those seeking to be hired.

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### 3. Concentration of lower-income households in the east metro (2000)



*Source:* U.S. Census

*Note:* Lower-income is defined here as at or below 200 percent of the federal poverty level.

# Initiatives and strategies

This section briefly summarizes some current initiatives and strategies at the local, state, and national levels that have been developed in response to some of the low-income housing trends discussed above.

## Initiatives targeting the racial gap in homeownership

The single most common characteristic of those experiencing housing affordability problems and homelessness is a lack of financial resources. Race, however, is among the other factors that play into the equation. As reported above, the homeownership rates for households of color are far below the homeownership rates for the region as whole and the discrepancy is worse here than in other parts of the nation.

Nationally, President Bush has set the goal of increasing minority homeownership by 5.5 million homes by the end of the decade. Increasing homeownership among low- and moderate- income households, especially first-time and minority homebuyers, is one of HUD's six priorities. Locally, "Changing the Face of Housing in Minnesota," a collaborative effort by the Family Housing Fund, the Local Initiatives Support Corporation (LISC), and the Corporation for Supportive Housing (CSH), has held annual events seeking to increase the involvement of communities of color in the affordable housing industry.

Additionally, in June 2005 the Governor formally accepted the *Business Plan to Increase Homeownership in Minnesota's Emerging Markets*, an effort jointly sponsored by Fannie Mae, the Federal Reserve Bank of Minneapolis, and Minnesota Housing. The Plan sets the goal of increasing the current homeownership rate for "emerging markets" households, currently at 46 percent, to 58 percent by the year 2012, through efforts such as diversifying the real estate industry, education and outreach campaigns with various emerging markets communities, and expanding and targeting down payment and mortgage closing cost assistance.<sup>28</sup>

## Land trusts as a strategy to lowering costs of homeownership

In a January 2005 presentation, former commissioner of Minnesota Housing and regional administrator of the Metropolitan Council, Jim Solem, highlighted community land trusts as one of the most promising strategies for ensuring long-term affordability for low-income homeowners.<sup>29</sup> Land trusts lower the costs of ownership by separating the cost of the land from the costs of the structure. A non-profit or governmental organization typically maintains ownership of the land. The home owner, who needs to meet specific income criteria, purchases the home and gains the experience and some of the financial benefits

of ownership. Upon moving out of the house (or condo), the owner works with the land owner to sell to another qualifying household.

The obvious limitation to the land trust strategy, at least in the Twin Cities is the shortage of land, or even the availability of affordable existing housing that could be purchased and re-packaged under the land trust concept. There are, however, a handful of organizations operating land trusts in the region and, like Habitat for Humanity, their innovative and incremental approach to providing affordable housing may well add up to a notable piece of the on-going efforts to provide homeownership opportunities for lower-income households.<sup>30</sup>

#### Initiatives targeting mortgage foreclosures and predatory lending

The Family Housing Fund, along with partners including the Wilder Foundation, began its “Don’t Borrow Trouble” public education campaign in 2003. Local advocacy groups, notably ACORN, also work on the predatory lending issue. Programs like the Mortgage Foreclosure Prevention program, Minnesota Housing’s Foreclosure Prevention Assistance Program, and county-level emergency assistance programs all contribute to the ability of households facing mortgage crises to stay in their homes.

#### Lowering the cost of producing and maintaining housing as an affordable housing strategy

The non-profit affordable housing industry typically creates affordable housing by assembling financing from several sources. A less emphasized approach attempts to reduce or contain the costs of producing housing, and incorporate “green” building techniques that reduce on-going heating and cooling costs. The Wilder Foundation’s work with the University of Minnesota and others on projects demonstrating the feasibility of using various cost-saving materials and design features have begun to yield interesting results – both in potentially lowering production costs and in fairly dramatic lowering of the on-going costs of ownership associated with heating, cooling, and possibly even resident health-related expenses.

Assuming this demonstration, and others like it, continues to yield results, cost containment will become an increasingly important strategy for producers of affordable housing. Bringing cost containment strategies and green building techniques to scale will take time. There is undoubted value in such efforts, however, whether they enable a substantial increase in the production of affordable housing, or simply allow continued production of units at the same rate, given the declining availability of public subsidies.

## Initiatives to end long-term homelessness

Last year the St. Paul City Council and Ramsey County Board of Commissioners both gave their seal of approval to a plan to end long-term homelessness, the first phase of two plans aiming to end all homelessness in the region. This first plan piggy-backs on the Governor's plan to end long-term homelessness, and the federal emphasis on ending "chronic homelessness."

The Governor's Plan has seen some setbacks, including less state bonding dollars in the 2003 session for supportive housing than specified in the Plan (\$12 million compared to the proposed \$20 million), and a decrease in the availability of federal Section 8 vouchers, which were supposed to be an important source of on-going rental assistance for those served under the Plan. The state has announced, however, that supportive housing unit production goals are, so far, ahead of schedule. Additionally, the Department of Human Services recently announced \$10 million in awards under a new supportive services grant program targeting the needs of those experiencing long-term homelessness.<sup>31</sup>

The federal initiative to end chronic homelessness, on the other hand, has been a source of frustration for many since it places restrictions on some of HUD's homeless assistance dollars. Those served under the initiative must be: (1) single adults, unaccompanied by children, (2) homeless for at least a year or at least four times in the past three years, and (3) have a "disabling condition." Still, strong arguments can be made that the initiative makes both economic and humanistic sense, since chronically homeless individuals consume substantial public resources while living in terrible conditions.<sup>32</sup> In sum, the combined momentum of the local, state, and federal initiatives places supportive housing for the long-term and chronically homeless in the rare category of a potential "growth area" in human services.

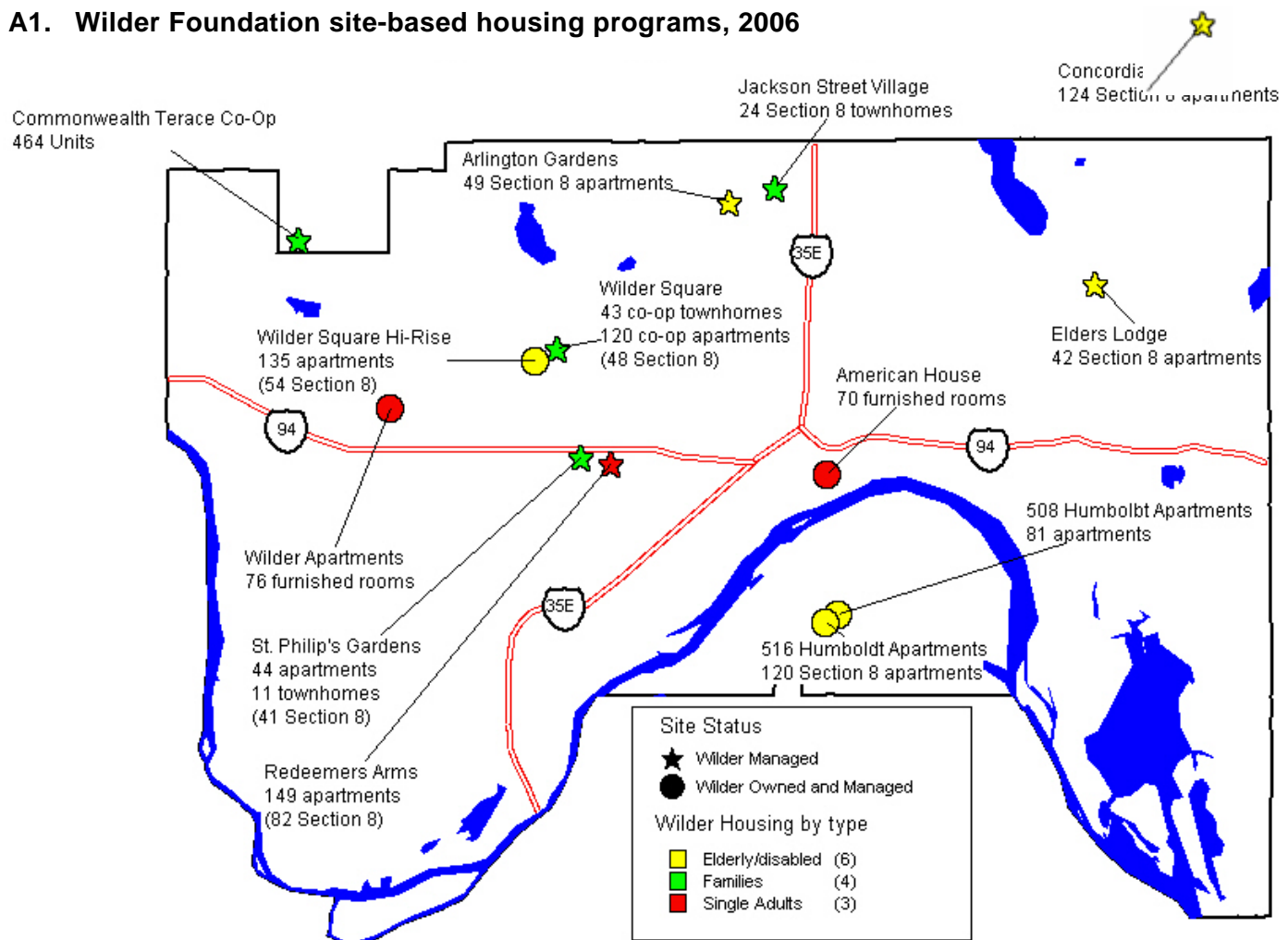
## Concluding strategy: Increasing income to address housing needs

In conclusion it is important to note that housing affordability is not only an issue related to rents, mortgages, taxes, and utilities. If the personal income side of the balance sheet can at least keep pace with the housing cost side, housing affordability ceases to be an issue. Although not the central topic of this discussion paper, one of the best ways to improve housing affordability may be to work on the income side of the equation. There are, of course, a number of proven strategies relating to raising income, including job training, education, and, over the longer-term, early childhood education.

# Appendix: Current Wilder Foundation efforts

The Wilder Foundation plays a major role in the direct provision of affordable and supportive housing in the East Metro. Wilder's housing network includes 1,562 units of affordable housing at 13 owned and managed properties and 108 scattered site units secured through private market rate landlords in Ramsey County. This housing provides homes to over 3,400 residents, 1,300 of whom are children.

## A1. Wilder Foundation site-based housing programs, 2006



In addition, the Foundation contributes to the provision of low-income housing through a broad range of activities, including: (1) building the capacity of other providers through collaborative work; (2) demonstrating and promoting cost reduction strategies; and (3) documenting and communicating the broader economic and social impact of a lack of affordable housing.

# Notes

Contributors to this paper include Joanne Arnold, Benjamin Bushee, Julie Gugin, Nancy Hartzler, Rod Johnson, Paul Mattessich, and Greg Owen.

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- <sup>1</sup> Author's estimate, based on BBC Research & Consulting (November 17, 2003), *The Next Decade of Housing in Minnesota* ([http://www.mhfa.state.mn.us/about/BBC\\_final\\_report.pdf](http://www.mhfa.state.mn.us/about/BBC_final_report.pdf) ; sec.3, p. 4). For this report, BBC defined "low income" as below 60 percent of area median income for the Minneapolis-St. Paul metropolitan area (1999 median family income = \$63,600 (family of four); 60% cut-off = \$38,160 or family of four; \$26,700 for a single person household).
  - <sup>2</sup> BBC Research & Consulting (November 17, 2003), *The Next Decade of Housing in Minnesota* ([http://www.mhfa.state.mn.us/about/BBC\\_final\\_report.pdf](http://www.mhfa.state.mn.us/about/BBC_final_report.pdf) ).
  - <sup>3</sup> <http://www.census.gov/hhes/www/housing/hvs/annual05/ann05ind.html> (as of 3/28/06). Statistically Minnesota is behind only West Virginia, and is tied with Alabama, Delaware, Indiana, Idaho, Iowa, Maine, Michigan, Mississippi, New Hampshire, South Carolina, Vermont, and Utah.
  - <sup>4</sup> US Census data analysis in the Urban Coalition's, 50/30 Project.
  - <sup>5</sup> National Association of Home Builders – Wells Fargo Housing Opportunity Index (<http://www.nahb.org/page.aspx/category/sectionID=135>; accessed 8/23/06). Another low point currently posted (57% in Q3 of 2000) is an error, according to an economist at NAHB (personal communication, 4/11/2006).
  - <sup>6</sup> Derived from GVA Marquette Advisors, *Apartment Trends: Second Quarter 2006* (as reported in *Minneapolis Star Tribune*, August 5, 2006). The average includes apartments of all sizes (the reported average for a 1 bedroom is \$724 and a 2 bedroom is \$918).
  - <sup>7</sup> HousingLink, Inventory of Assisted Rental Housing (<http://www.housinglink.org/inventory/> ; queried 11/9/2006).
  - <sup>8</sup> Jon Gutzmann, Executive director of St. Paul Public Housing Agency, Presentation to St. Paul City Council, February 23, 2005 (<http://www.stpaulpha.org/forms/CityCouncil-PHA-02-05.pdf>).
  - <sup>9</sup> Craig Helmstetter and Joanne Arnold (September 2006), *Counting on Shelter: Emergency and transitional housing use in Ramsey County, 2004 and 2005*, St. Paul: Wilder Research.
  - <sup>10</sup> Greg Owen et. al. (February 2004), *Homeless in Minnesota 2003: Key facts from the survey of Minnesotans without permanent housing*, St. Paul: Wilder Research.
  - <sup>11</sup> Author's estimate, based on BBC Research & Consulting (November 17, 2003), *The Next Decade of Housing in Minnesota* ([http://www.mhfa.state.mn.us/about/BBC\\_final\\_report.pdf](http://www.mhfa.state.mn.us/about/BBC_final_report.pdf) ; sec.3, p. 4). The 2011-2020 estimate is based on Metropolitan Council (January 2006), *Determining Affordable Housing Need in the Twin Cities, 2011-2020* (<http://www.metrocouncil.org/planning/housing/HousingNeeds.htm>).



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- <sup>12</sup> For more on the interplay between housing and transportation costs, see *The Affordability Index: A New Tool for Measuring the True Affordability of a Housing Choice*, by Center for Transit-Oriented Development and Center for Neighborhood Technology (published in January 2006 by the Brookings Institution and available at [http://www.brookings.edu/metro/umi/20060127\\_affindex.htm](http://www.brookings.edu/metro/umi/20060127_affindex.htm)). For more on the costs of childcare in Minnesota, see *Child Care use in Minnesota: 2004 Statewide Household Child Care Survey*, by Richard Chase, Joanne Arnold, Laura Schauben and Ben Shardlow (published in November 2005 by Wilder Research and available at <http://www.wilderresearch.org>).
- <sup>13</sup> State and Metro are US Census Bureau estimates (<http://www.census.gov/hhes/www/housing/hvs/annual05/ann05ind.html>). Central city rates are from 2000 US census via HUD's State of the Cities database (<http://socds.huduser.org/index.html>).
- <sup>14</sup> The HOI is a useful indicator, since it accounts for all three primary variables relating to home sales: income, price, and mortgage interest rate. National Association of Home Builders – Wells Fargo Housing Opportunity Index (<http://www.nahb.org/page.aspx/category/sectionID=135>; accessed 8/23/06). Another low point currently posted (57% in Q3 of 2000) is an error, according to an economist at NAHB (personal communication, 4/11/2006).
- <sup>15</sup> According to Census data the number of cost-burdened low-income homeowners grew by over 15,000 (from 52,700 to 68,400), while the number of low-income homeowners (both cost-burdened and non-cost-burdened) grew by 10,000 (from 118,000 to 128,000). See <http://www.metrotrendwatch.org/>.
- <sup>16</sup> According to the Mortgage Bankers Association's National Delinquency Survey 0.87 percent of mortgages in Minnesota were in foreclosure in First quarter 2006, compared with 0.67 percent in first quarter of 2005 (data not seasonally adjusted).
- <sup>17</sup> Emerging Markets Homeownership Initiative (June 30, 2005), *A Business Plan to Increase Homeownership in Minnesota's Emerging Markets*, presented by Fannie Mae, The Federal Reserve Bank of Minneapolis, and Minnesota Housing, p. 91.
- <sup>18</sup> Christopher Herbert et. al. (March 2005), *Homeownership Gaps Among Low-Income and Minority Borrowers and Neighborhoods*, prepared for the US Department of Housing and Urban Development by Abt Associates (Cambridge, MA), p. viii.
- <sup>19</sup> Derived from GVA Marquette Advisors, *Apartment Trends: Second Quarter 2006* (as reported in Minneapolis *Star Tribune*, August 5, 2006).
- <sup>20</sup> US Census Bureau, 2005 American Community Survey (Tables: Median gross rent (dollars) – universe: renter-occupied housing units paying cash rent (B25064); Gross rent - universe: renter-occupied housing units (B25063); Gross rent as a percentage of household income in the past 12 months - universe: renter-occupied housing units (B25070); and Tenure by housing costs as a percentage of household income in the past 12 months - universe: occupied housing units (B25106); <http://factfinder.census.gov/>; accessed 10/3/2006).
- <sup>21</sup> HousingLink, Inventory of Assisted Rental Housing (<http://www.housinglink.org/inventory/>; queried 11/9/2006; here “units in the pipeline” include the 362 units listed as having financing committed as well as the 1,282 listed with financing closed).

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- <sup>22</sup> HousingLink, Inventory of Assisted Rental Housing (<http://www.housinglink.org/inventory/> ; queried 11/9/2006 for subsidies expiring in 2007 – 2010; only the 30 properties with all listed sources expiring in that range were included, resulting in a combined total of 769 units).
- <sup>23</sup> Center on Budget and Policy Priorities (March 15, 2006), “Winners and losers under administrations 2007 housing voucher funding plan: Minnesota” (<http://www.cbpp.org/states/3-13-06hous-mn.pdf>, accessed 4/9/2006).
- <sup>24</sup> John Gutzmann, “Section 8 and Public Housing Funding and Policy Issues,” presented at a housing forum entitled *Current Challenges Facing the Section 8 Program* hosted by Minnesota Housing Partnership at the University of Minnesota on March 31, 2006.
- <sup>25</sup> Greg Owen et. al. (February 2004), *Homeless in Minnesota 2003: Key facts from the survey of Minnesotans without permanent housing*, St. Paul: Wilder Research.
- <sup>26</sup> Craig Helmstetter and Joanne Arnold (September 2006), *Counting on Shelter: Emergency and transitional housing use in Ramsey County, 2004 and 2005*, St. Paul: Wilder Research.
- <sup>27</sup> Minnesota Department of Employment and Economic Development, Quarterly Census of Employment and Wages (<http://www.deed.state.mn.us/lmi/tools/qcew.htm>; accessed 4/16/2006).
- <sup>28</sup> See <http://www.mhfa.state.mn.us/homes/EMHI.htm>
- <sup>29</sup> Jim Solem, “So what about long-term affordability?” January 2005 University of Minnesota, Center for Urban and Regional Affairs Housing Forum, January 2005. Slides currently available at <http://www.cura.umn.edu/Programs/Housing-Forum/2005/JimSolemPresentation.pdf> .
- <sup>30</sup> Existing Twin Cities-area community land trusts include: Chaska Community Land Trust ([www.chaskalandtrust.com/](http://www.chaskalandtrust.com/) ), City of Lakes Community Land Trust ([www.clclt.org/](http://www.clclt.org/)), Rondo Community Land Trust ([www.rondoclt.org](http://www.rondoclt.org) ), Two Rivers Community Land Trust ([www.tworiversclt.com/](http://www.tworiversclt.com/) ), West Hennepin Affordable Housing Land Trust ([www.homeswithinreach.org/](http://www.homeswithinreach.org/) ), Woodbury Community Land Trust.
- <sup>31</sup> See <http://www.mhfa.state.mn.us/multifamily/LTH.htm>
- <sup>32</sup> See Malcom Gladwell’s “Million Dollar Murray,” *The New Yorker*, February 13, 2006.