

## General Feedback:

1. Collectively there is a willingness for providers public/private/nonprofit organizations to provide livable dignified housing. They are unable to provide that in the current structure therefore they are labeled slumlords or get attacked by residents because they desire the same things. Public safety and the lack thereof are creating new costs to housing. The amount of money being spent on replacing doors and security is astronomical. The drug problem is insidious.
2. Heading Home Minnesota Funders Collaborative (HHMFC) provides funding to support three “regional kitchen tables” (“RKTs”) to center the voices of persons with lived homelessness experience in policymaking related to housing. The RKTs are in Winona, Duluth, and the Twin Cities Metropolitan Area. Emerging developers of color are not as well capitalized as more established for-profit developers and may not have the same access to resources as more established non-profit operators. Many emerging developers of color operators of affordable housing are experiencing distress in their properties. Minnesota Housing Partnership (MHP) convenes a group of rural Minnesota developers. The challenges of owning and operating affordable housing in rural Minnesota are as great if not greater than the challenges in the metropolitan area. Greater Minnesota communities have experienced the same headwinds facing all rental housing operators, including inflation, increases in operating costs in excess of increases in rents, labor and materials cost increases, higher interest rates, etc. Values and rents are lower in most Greater Minnesota communities, relative to the Twin Cities market, which makes affordable housing development and preservation more challenging.
3. Most tenants [in permanent supportive housing] have been homeless multiple times and often as children with their parents. They have addictions and behavioral health issues that have made housing stability impossible. Permanent supportive housing has proven to be very effective in housing very high barrier homeless households. All work [of affordable housing providers] involves properly managing funds, rules and regulations, supportive services criteria, often which collide with each other. Unfortunately, BIPOC households have been over represented in the homeless and low income population forever. For example, a Native American mom with 2 twins moved into our housing 8 months pregnant. She was drug addicted and had recently gone through treatment. The babies were born drug affected not addicted. This meant they had some issues. One of which was they resisted sleeping. She was exhausted. We approved her cousin moving in to support her with the sleepless nights. This was a huge improvement. Also, the boys would rock back and forth. They would get up in the night and rock in chairs that sometimes hit the wall. Neighbors were disturbed by the noise and complaining. We decided to get 2 rocking chairs and secure them to the floor away from the walls so the boys could rock as needed and the neighbors could sleep. This family would have been evicted from a traditional housing situation. In 2007 a native American woman moved in. She had been homeless for most of her adult life. She was an alcoholic, trafficked, had her throat cut open and lost all of her children to the system. Since moving into our housing she has been permanently housed with us and HRA senior housing.
4. Supportive and affordable housing to folks with substance abuse disorders, in some cases, is the most stable housing that folks have ever had.

5. Our residents are concerned with rent staying affordable based on their income, buildings being well-maintained, and feeling safe in their homes and community. These expectations are very reasonable yet as owner/operators can be very challenging to deliver on. The rents households (and rental subsidy) can pay don't support the expense levels required to operate the buildings. Skyrocketing costs of insurance and security are making this financial model unsustainable. Of particular concern as an owner/operator in the City of Minneapolis, are the costs for security that are being passed on to private affordable housing owners. These costs were never contemplated when buildings were initially underwritten and funded, and are putting substantial stress on the nonprofit sponsors.
6. A few households [have said] that they will not increase their earnings even though they could because there is nowhere that they can move to if they are no longer income eligible for their existing housing. We just opened a workforce housing project and had a very difficult time finding an insurance company that would write our policy, in fact only one would agree and we had several hoops to jump through in order to bind coverage. There is a community in greater Minnesota that has noted they have several households that are considered homeless by the standard definitions that have incomes in excess of 120% AMI. In this community it is difficult for building owners of affordable units to provide for ongoing maintenance, the result is that these buildings end up with significant costly repairs, in addition to age related wear and tear.
7. Affordable housing development and ownership is a long-term hold business, for the most part. Asset Management specific to the affordable housing financing regulations is critical to the success of any organization providing affordable housing. Disposition of housing assets is an asset management strategy that is sometimes a good strategic move. In our affordable housing industry we are not focusing on asset management strategies and benchmarks like we did at the beginning of the Low Income Housing Tax Credit (LIHTC) period - the 90's and early 20's. In the 90's then was emphasis on property and asset management, as the LIHTC was a new program and compliance/reporting was evolving. We used to have an asset management brownbag lunch group to talk about management/ownership issues monthly that was hugely valuable. Now that the program is mature, we feel like experts and seem to have lost the focus on property management as the primary essential function. It is clear since the pandemic, we need to get back to that as an industry.

#### Tribal Engagement Feedback:

1. I assisted Leech Lake Reservation on a project to create a 20 - year housing plan that reviewed all of the housing needs for the reservation based on current research and barriers to housing. The greatest challenge we found through this project was the availability of land with municipal services that could be used for development.
2. There is a great need to preserve existing affordable housing in [the Leech Lake] community, including preserving LIHTC, Rural Development, and federally assisted housing. Disinvestment in market rate but affordable housing is also problematic. There is a severe shortage of resources and capacity, and programs that are designed to serve rural and tribal communities, to address preservation needs.

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3. We [have heard] a lot of input on the need and lack of deeply affordable housing for seniors in particular.