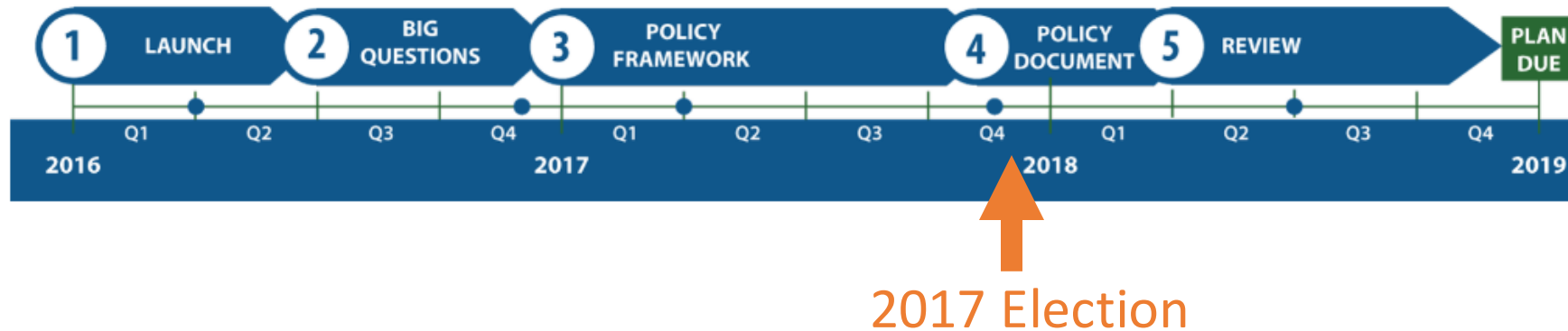


Planning for Equity and Affordability



Andrea Brennan

Director of Housing Policy and Development
City of Minneapolis



- 1 – City Council adopted community engagement plan with intentional reach & approved 14 goals with clear direction for staff
- 2 – Staff embraced focus on race equity + other goals and brought forward a draft that had been well researched with strong engagement and support
- 3 – Advocates across issue areas were generally aligned in support + raised during election year



14 Goals

1. Reduced disparities
2. More residents and jobs
3. Affordable and accessible housing
4. Living-wage jobs
5. Healthy, safe, and connected people
6. High-quality physical environment
7. History and culture
8. Creative, cultural, and natural amenities
9. Complete neighborhoods
10. Climate change resilience
11. Clean environment
12. Healthy, sustainable, and diverse economy
13. Proactive, accessible, and sustainable government
14. Equitable civic participation system



Growth



Equity



Sustainability



Livability



Competitiveness



Good Government

Where are we now

U.S.

The Miracle of Minneapolis

No other place mixes affordability, opportunity, and wealth so well. What's its secret?

DEREK THOMPSON MARCH 2015 ISSUE



MATT CHASE

IF THE AMERICAN DREAM has not quite shattered as the Millennial generation has come of age, it has certainly scattered. Living affordably and trying to climb

BUSINESS

Minneapolis's White Lie

Despite being applauded by many, the "miraculous" prosperity of the Twin Cities is only a reality for a certain slice of their population.

JESSICA NICKRAND FEB 21, 2015



ERIC MILLER/REUTERS

In August 1973, *Time* magazine ran a cover of Minnesota Governor Wendell Anderson proudly holding up a fish. The accompanying story called Minnesota a "state that works," and promised "The Good Life in Minnesota." More

TODAY, ↓
the Twin Cities has among
the largest disparities
among persons of color and indigenous peoples
compared with white people in poverty rates,
homeownership, employment, and level of education.

Minnesota ranked **2nd-Worst**
in U.S. for Racial Equity
- 24/7 Wall St.

Minnesota ranked **last** in
51 states in overall **financial**
inequality in 2015
- Pew Research Center via WU

U.S. Census data show most
Minnesota families of color
now have median incomes
about **half** those of their

minneapolis
2040

This plan is
our opportunity to
UNDO
barriers &
OVERCOME
INEQUITIES
created by a history of
policies in our city
that have prevented equitable access
to housing, jobs, and investments.

MINNEAPOLIS

Mapping Prejudice project traces history of discriminatory deeds in Minneapolis

Researchers trace a history of discrimination buried in Mpls. housing deeds.

By **Steve Brandt** Star Tribune | NOVEMBER 25, 2016 — 7:58AM

The ugly history of racism is buried in the restrictive deed covenants of homeowners across Minneapolis.

From the neighborhoods near Lake Nokomis to properties along Minnehaha Creek to subdivisions in Northeast's Waite Park, real estate documents spell out requirements meant to keep people "other than anyone of the Caucasian race" out.

Now, a team of local researchers aims to make Minneapolis the first city in the nation to map every residential lot's history of racially restrictive deed covenants. Their painstaking research is accelerating, thanks to digital technology that will let them scan records that once resided in huge dusty tomes or on microfilm in the Hennepin County recorder office.

"If we succeed, we'll be the first city in the country," said Kirsten Delegard, director of the joint effort between Augsburg College, where she runs the Historyapolis Project, and the University of Minnesota's Borchert Map Library.

Example Restriction from 1940:

“These premises...shall not at any time be conveyed, mortgaged or leased to any person or persons of Chinese, Japanese, Moorish, Turkish, Negro, Mongolian or African blood or descent.”

Warranty Deed, Except Assurances.
Corporation to Individual.

Form No. 8-M.

Miller-Davis Co., Minneapolis, Minn.
Minnesota Uniform Conveyancing Blanks (1931).

This Indenture, Made this 26th day of June, 1940,
between A. G. Bogen Company
a corporation under the laws of the State of Minnesota, party of the first part, and
Harold G. Franzen
of the County of Hennepin and State of Minnesota
party of the second part.

Witnesseth, That the said party of the first part, in consideration of the sum of One Dollar and other valuable considerations to it in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, does hereby Grant, Bargain, Sell, and Convey unto the said party of the second part, his heirs and assigns, Forever, all the tract or parcel of land lying and being in the County of Hennepin and State of Minnesota, described as follows, to-wit:
Lots Seven (7) and Eight (8), Block One (1), Edgewater on Nokomis Third Addition, according to the duly recorded plat thereof, subject to building restrictions hereto attached.

This conveyance is made on the express agreement following, which is to be binding on the grantee, his heirs, executors, administrators and assigns, to-wit:

That when the real estate herein described, or any part thereof, is improved, it is to be by the erection of one and one only single family one and one-half story or larger residence dwelling on any one lot, the same to cost not less than 5,000.00 exclusive of the real estate, and to be located so that the front line of the front wall of the main foundation placed parallel with Twelfth Avenue shall be not nearer than 35 feet to the front lot line; also and to be placed not nearer than 2 feet to the rear line of the within described property, or said garage may be attached to or be a building for residence purposes be placed on any part of said premises.

A garage not larger than to conveniently contain three automobiles may be constructed at a cost not less than 200.00 part of said residence; it being understood that said garage shall not be used for residence purposes nor shall any temporary building for residence purposes be placed on any part of said premises.

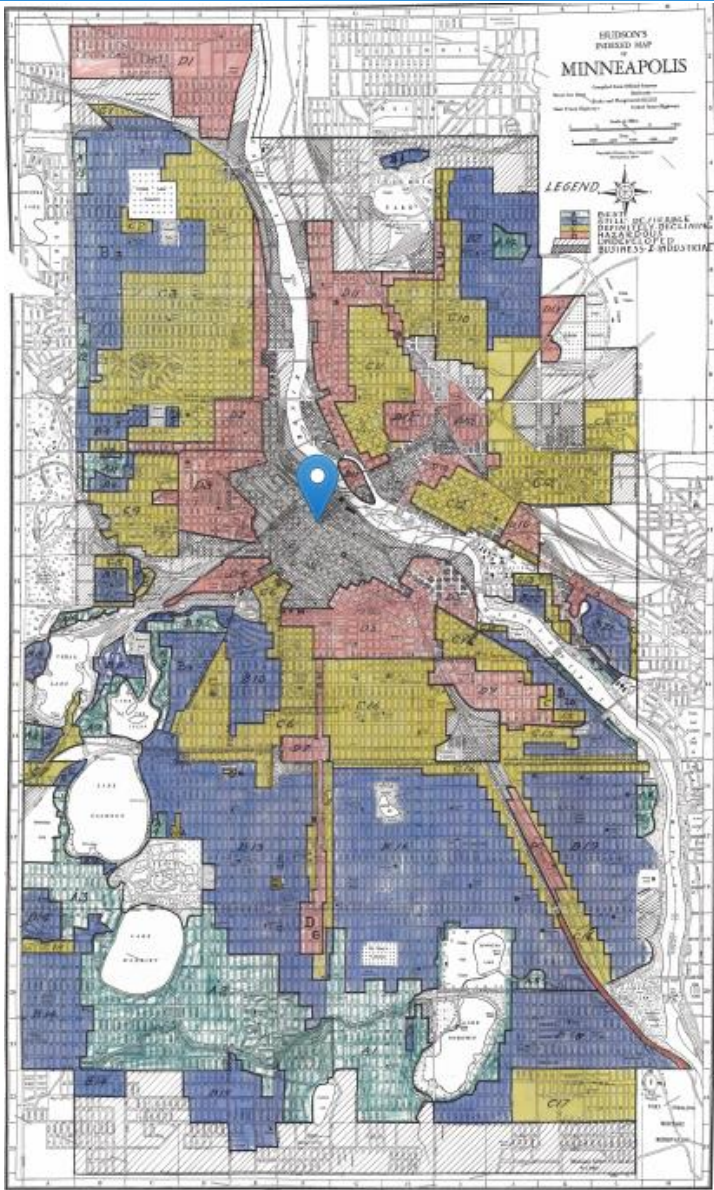
A story and one-half house as the term is used in the building restrictions herein, means that there must be a second floor accessible by stairway with adequate area and height for at least one living room.

No duplex, apartment, or flat building, shall be erected or placed on said land nor any building thereon to be used for other than residence purposes for one family. No business, manufacturing industry, hotel, or store, shall be maintained thereon.

It is understood that when building operations are begun on the within described property that all outside construction shall be completed within four months from date of the commencing of said construction.

It is further stipulated and agreed by and between the parties hereto for themselves, their heirs and assigns, as part of the consideration hereof, that the within described premises shall not be sold, mortgaged, or leased to or occupied by any person or persons other than members of the Caucasian race.

It is further agreed between the parties hereto that no sand or gravel shall be taken or removed from the within described premises except such as may be necessary for the excavation for a basement of the building or for the grading of the grade of the sidewalk.



284 (1). Protection from Adverse Influences.—The Valuator should realize that the need of protection from adverse influences is greater in an undeveloped or partially developed area than in any other type of neighborhood and, in general, a high rating should be given only where adequate zoning regulations or effective deed restrictions exist inasmuch as these provide the surest protection against undesirable encroachment and inharmonious use.

284 (2). Carefully compiled zoning regulations are the most effective because they not only exercise control over the subject property but also over the surrounding area. However, they are seldom complete enough to assure a homogeneous and harmonious neighborhood.

284 (3). Recorded deed restrictions should strengthen and supplement zoning ordinances and to be really effective should include the provisions listed below. The restrictions should be recorded with the deed and should run for a period of at least twenty years. Recommended restrictions include the following:

(a) Allocation of definite areas for specific uses such as single or double-family houses, apartments, and business structures.

(b) The placement of buildings so they will have adequate light and air with assurance of a space of at least ten feet between buildings.

(c) Prohibition of the resubdivision of lots.

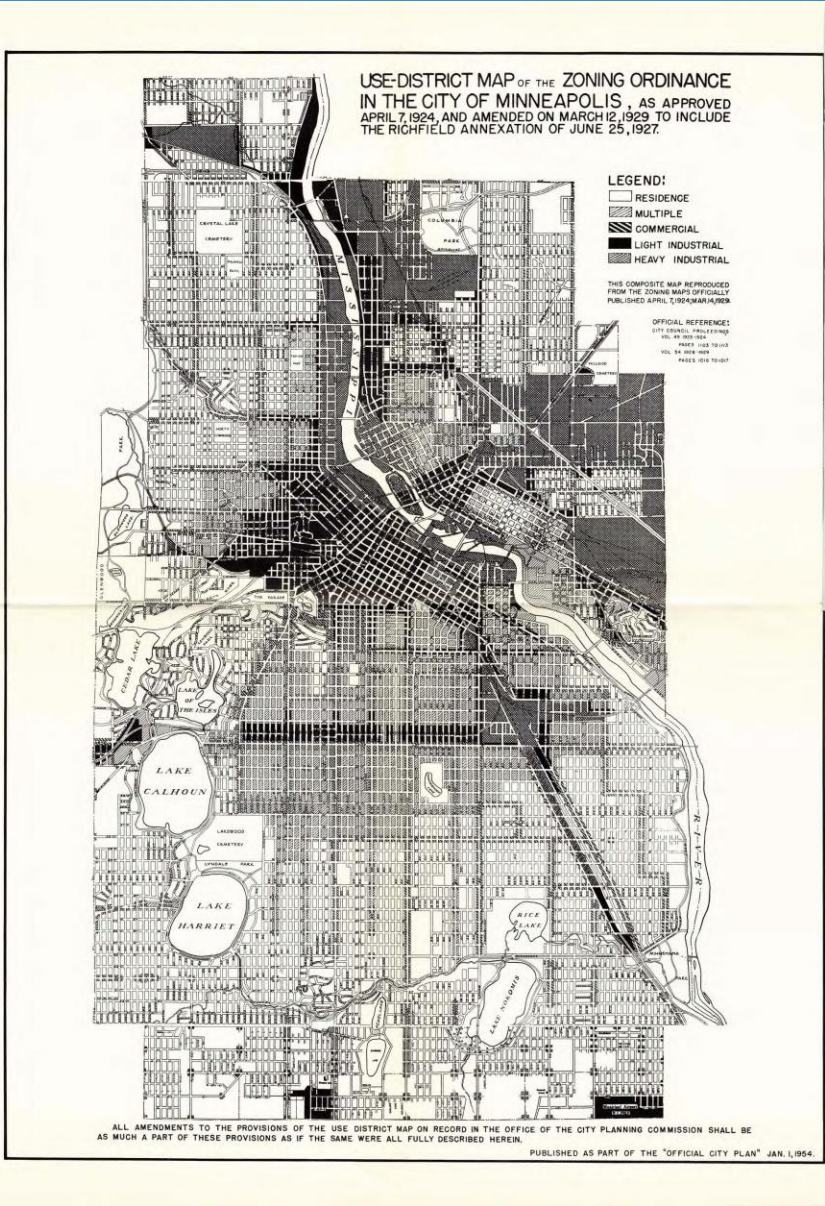
(d) Prohibition of the erection of more than one dwelling per lot.

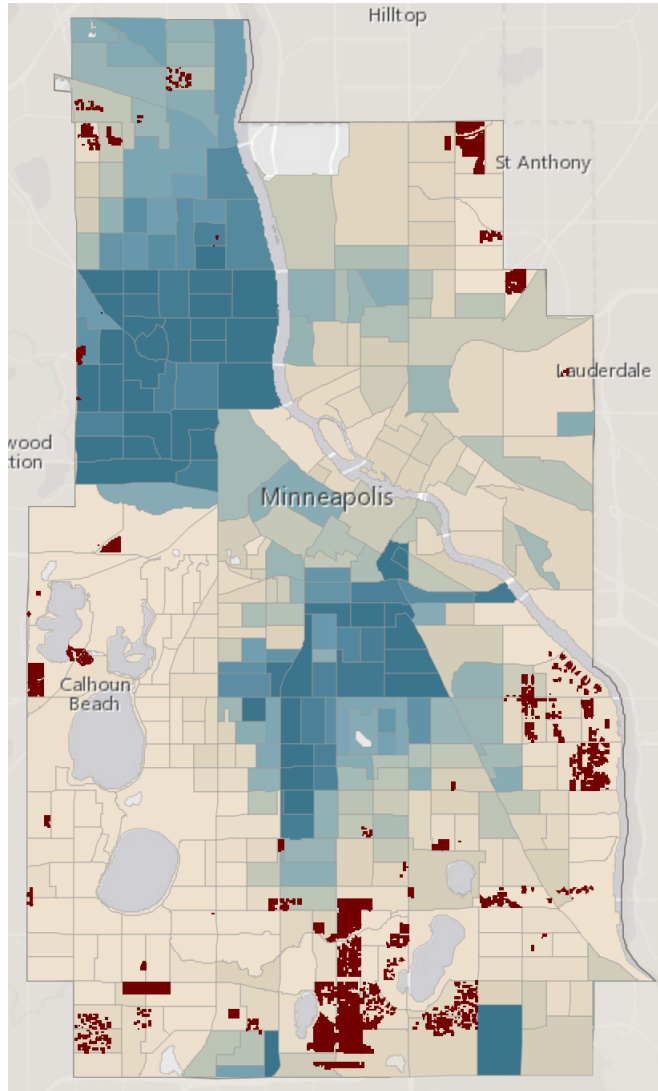
(e) Control of the design of all buildings through requiring their approval by a qualified committee and by appropriate cost limitations.

(f) Prohibition of nuisances or undesirable buildings such as stables, pig pens, temporary dwellings, and high fences.

(g) Prohibition of the occupancy of properties except by the race for which they are intended.

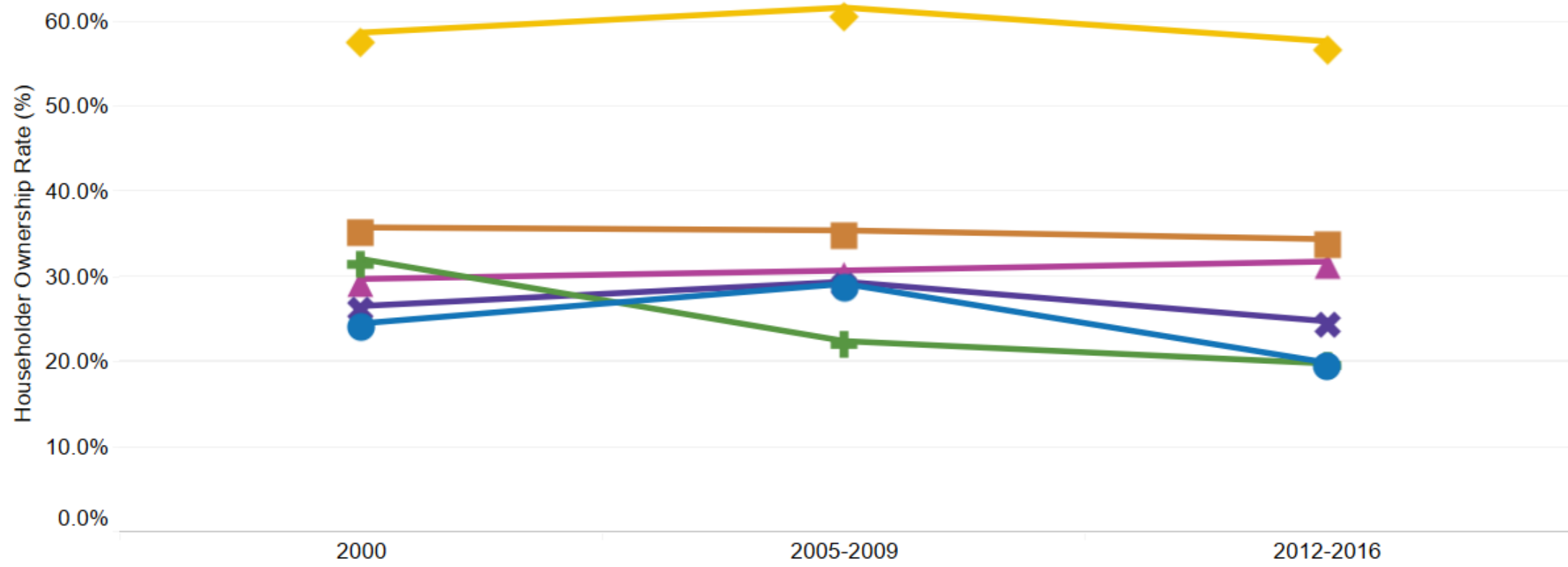
(h) Appropriate provisions for enforcement.





- Predominantly People of Color
- Predominantly White
- Found Racial Covenants

Home Ownership by Race/Ethnicity in Minneapolis



- Race/Ethnicity
- American Indian or Alaska Native
 - Asian
 - + Black or African American
 - ✕ Hispanic or Latino
 - ▲ Two or More Races
 - ◆ White Non-Hispanic

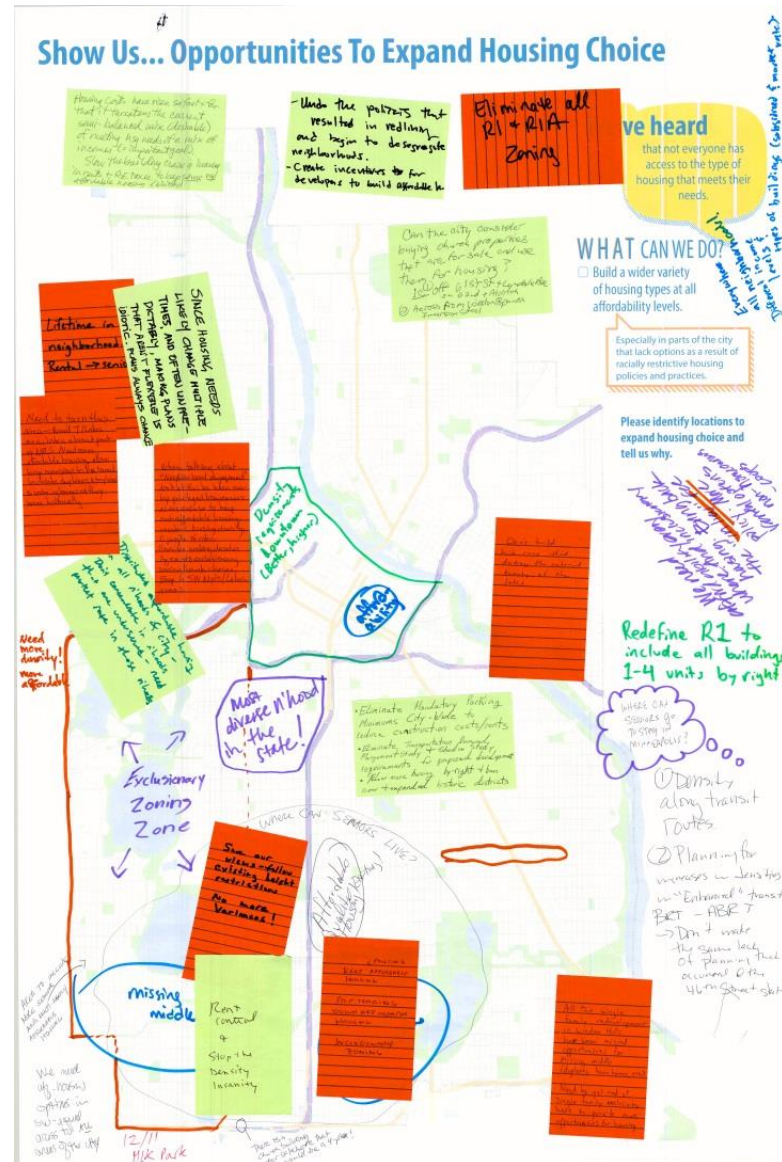
Sources: Decennial Census, American Community Survey



Eliminate all
R1 + R1A
Zoning

Redefine R1 to include all buildings 1-4 units by right

Exclusionary Zoning Zone



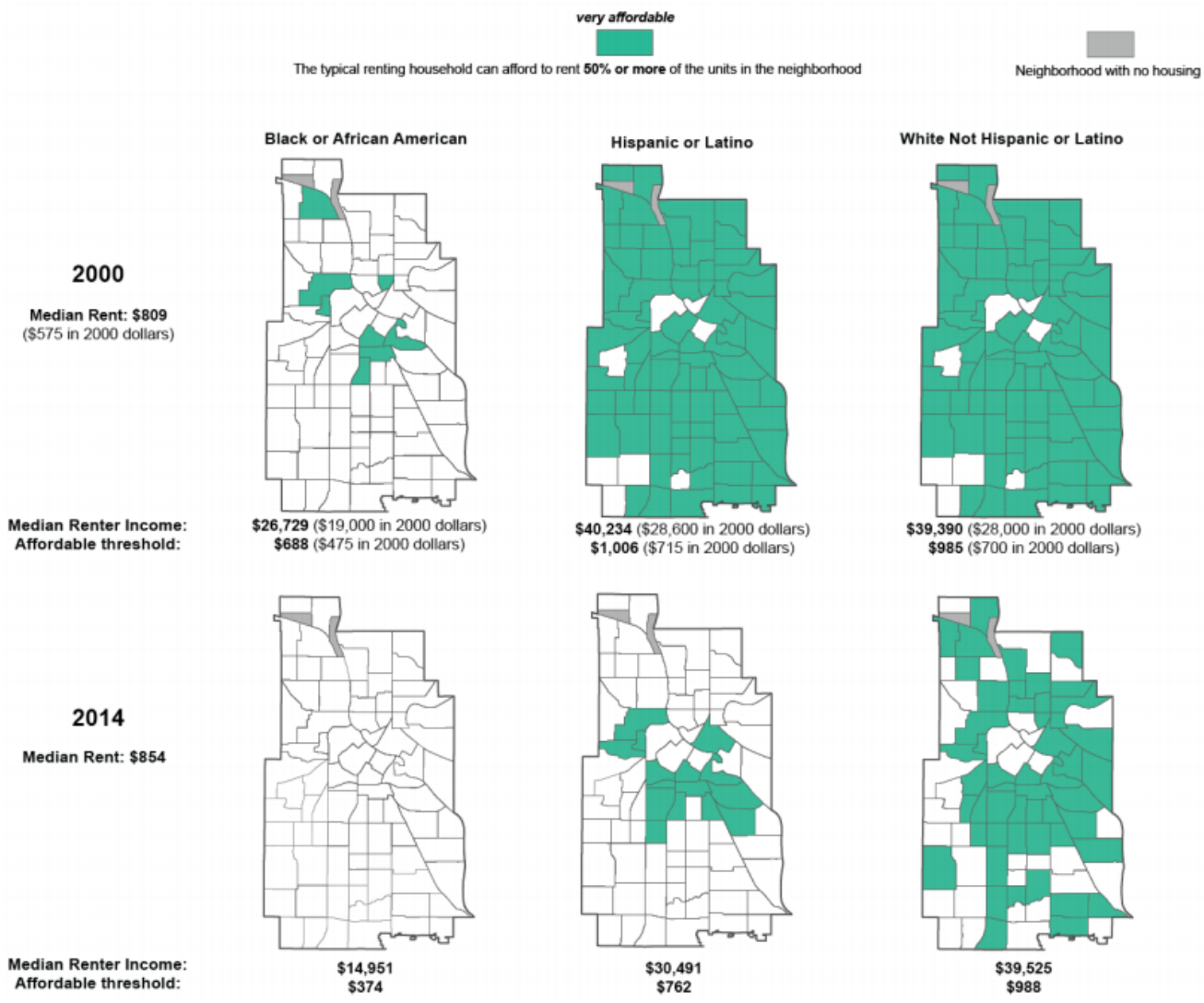
Rental Housing Affordability in Minneapolis Neighborhoods

Change in Rental Affordability by Race/Ethnicity 2000 and 2014

Source: Author calculations, 2000 Census, 2010-2014 ACS, 2000 IPUMS, 2010-2014 IPUMS

All bolded values adjusted to 2014 dollars

Incomes for households





THE AVENUE

Minneapolis 2040: The most wonderful plan of the year

Jenny Schuetz · Wednesday, December 12, 2018

THE AVENUE

What Brookings said about 2040...

1. Build more housing

- The only long-term way to reduce housing costs—or at least reduce the rate of housing price growth—is to [build more housing](#). Many single-family neighborhoods claim that they are “[built out](#),” meaning that no additional housing can be constructed—or at least, not under existing zoning. By rezoning lots that currently accommodate only one single-family house to allow duplexes and triplexes, Minneapolis effectively triples the housing capacity of some neighborhoods.

2. Build less expensive housing

- [Large houses cost more](#) to buy or rent than small houses, conditional on structure quality and location. A 3,000 square foot structure divided into three apartments not only creates more housing units, but each apartment will be cheaper than the single-family house it replaces. Another plan component that helps to lower costs: the plan tackles the [sacred cow](#) of requiring developers to provide off-street parking for new houses (often a poison pill for low-cost housing).

3. Build less expensive housing in desirable neighborhoods

- The biggest benefit to economics for low and moderate-income households comes from improving affordability in [high amenity neighborhoods](#). Key features of those neighborhoods are proximity to employment centers, public transit stations, [low crime](#), [low poverty](#), and high quality public schools. Minneapolis 2040 puts access to high quality neighborhoods at the center of the plan.

The housing affordability problem in Minneapolis is a racial equity issue.

The housing affordability problem in Minneapolis is a racial equity issue.

Part of the solution for reducing racial disparities is to increase **housing supply** and **choice**.

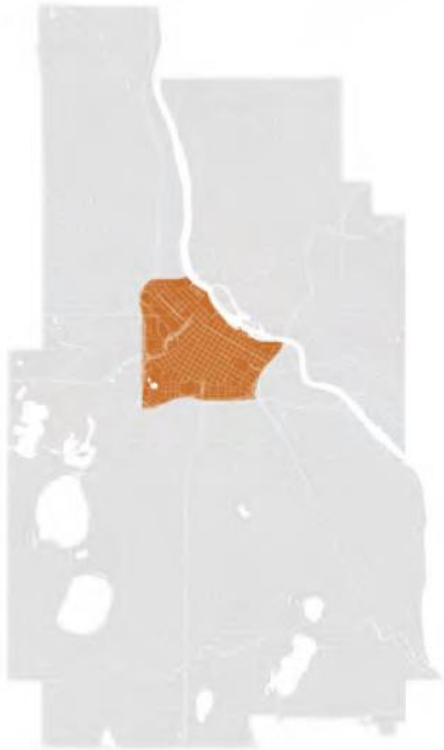


Substantial (Supply)

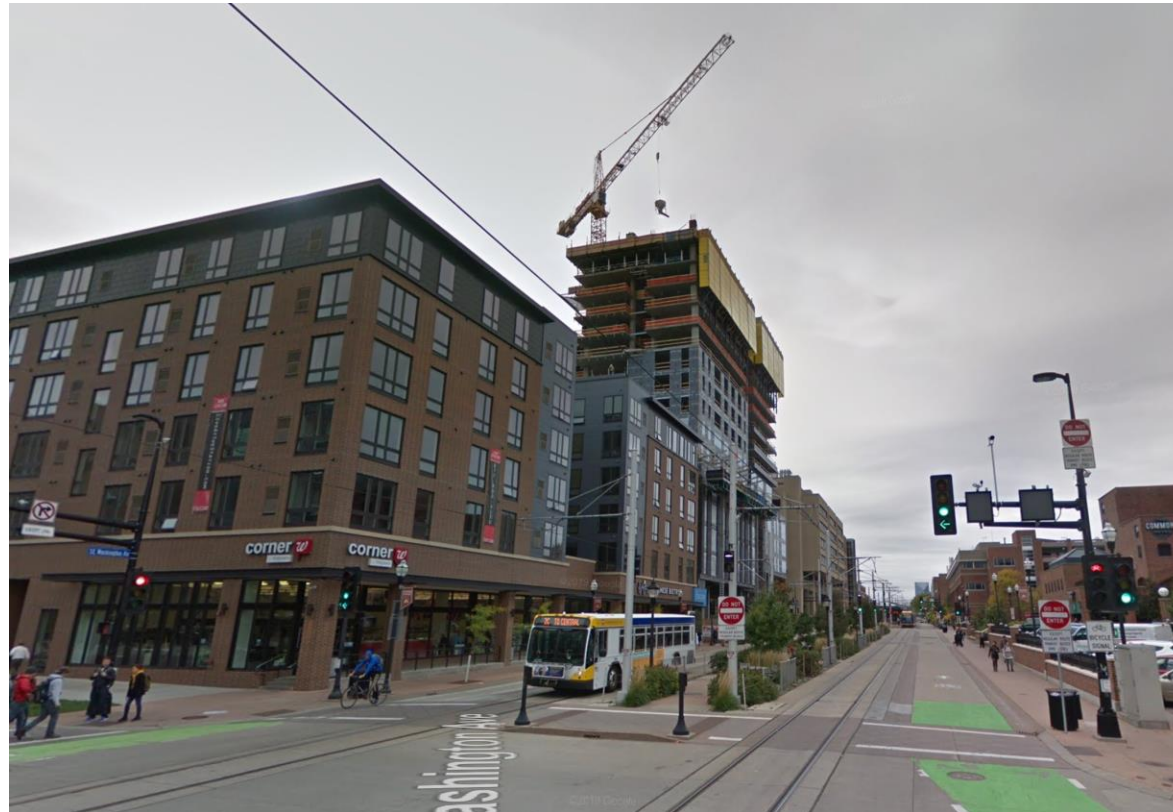
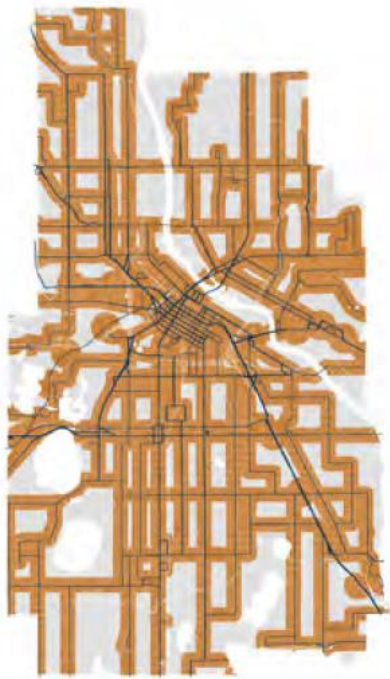


Incremental (Choice)

Downtown



Transit Corridors



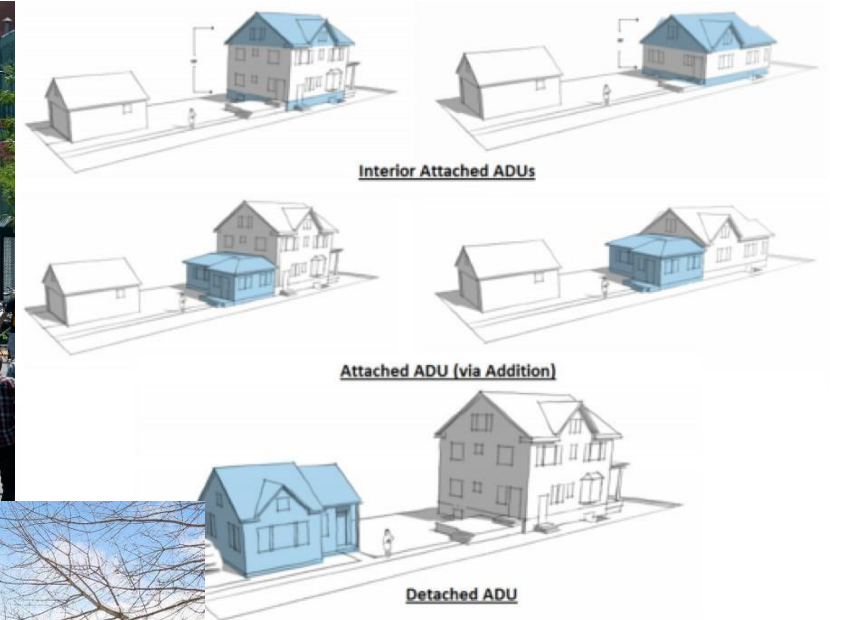
Inner Neighborhoods



Outer Neighborhoods



What is the
big deal with
triplexes?



Predictability:
Allow multifamily housing **as-of-right**.

Transit 20

The Transit 20 district is typically applied along high frequency transit routes, adjacent to METRO stations, in neighborhoods near downtown, and in downtown.

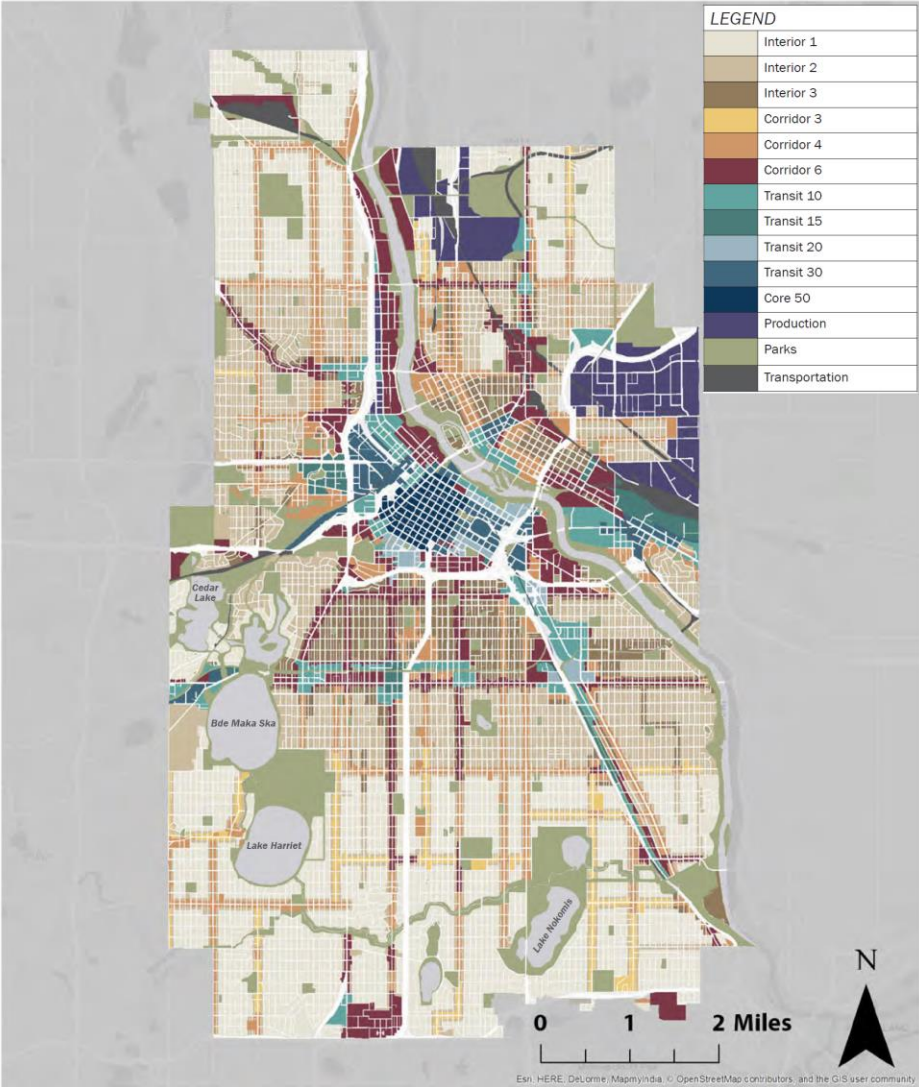
Built Form Guidance: New and remodeled buildings in the Transit 20 district should reflect a variety of building types on both moderate and large sized lots. Upper floors of taller buildings should be set back to increase access to light and air. Building heights should be 6 to 20 stories. Building heights should be at least 6 stories in order to best take advantage of the access to transit, jobs, and goods and services provided by the Transit 20 district. Requests to exceed 20 stories will be evaluated on the basis of whether or not a taller building is a reasonable means for further achieving Comprehensive Plan goals.



Related policies:

- [Policy 1: Access to Housing](#)
- [Policy 2: Access to Employment](#)
- [Policy 4: Access to Commercial Goods and Services](#)

Map color:



Interior 2

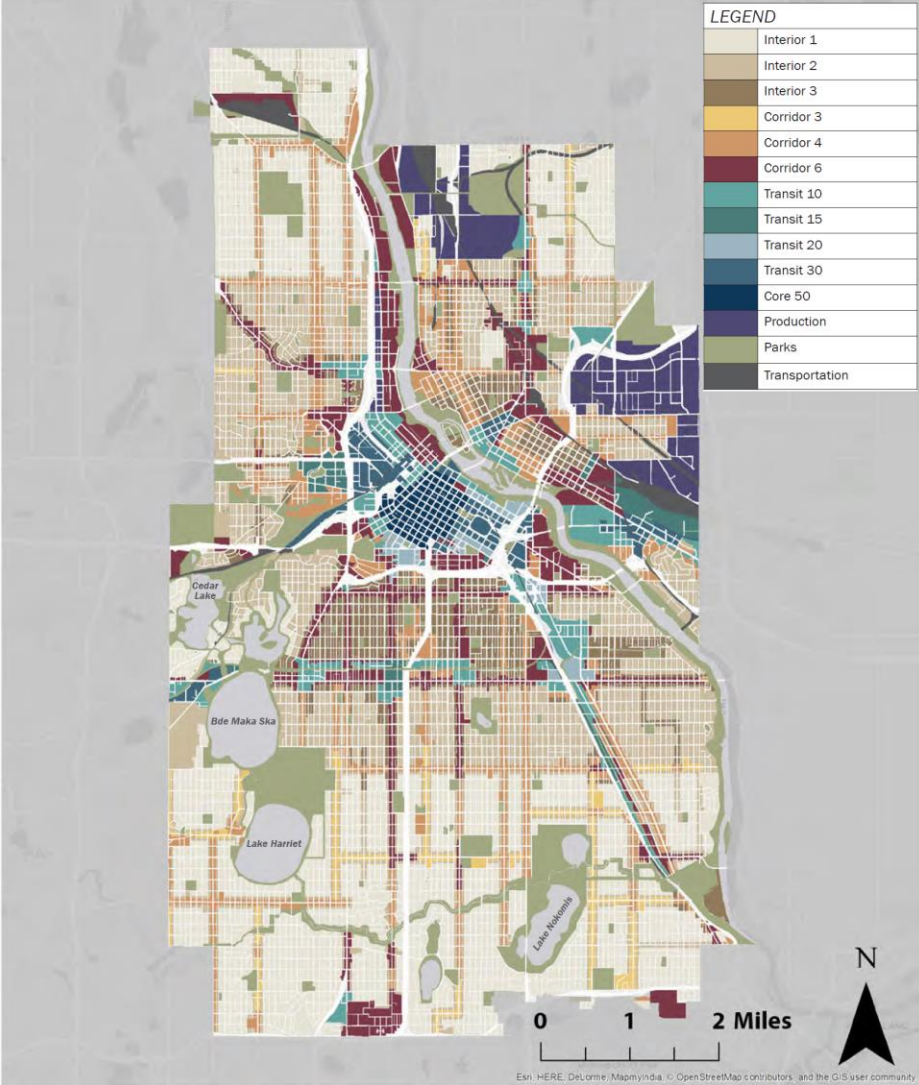
The Interior 2 district is typically applied in parts of the city that developed during the era when streetcars were a primary mode of transportation, in the areas in between transit routes, and on select streets with intermittent local transit service. It is also applied adjacent to the Corridor 4 and Corridor 6 districts, serving as a transition to lower intensity residential areas.

Built Form Guidance: New and remodeled buildings in the Interior 2 district should be small-scale residential. Individual lots are permitted to have up to three dwelling units. Multifamily buildings with more than three units are permitted on larger lots. Limited combining of lots is permitted. Building heights should be 1 to 2.5 stories.

Related policies:

- [Policy 1: Access to Housing](#)
- [Policy 2: Access to Employment](#)
- [Policy 4: Access to Commercial Goods and Services](#)

Map color:



City Housing Strategy

THE DIVERSITY OF GENTRIFICATION:

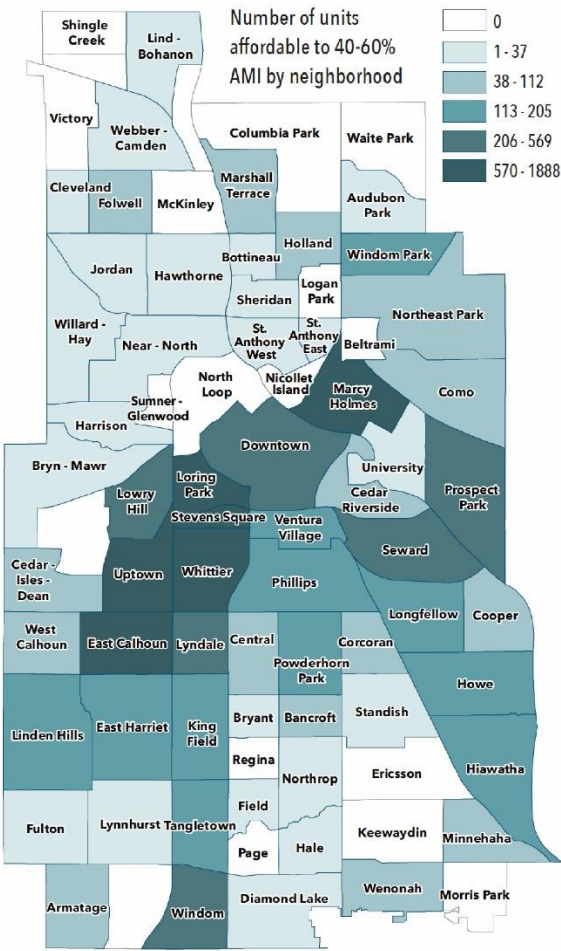
Multiple Forms of Gentrification in Minneapolis and St. Paul

Edward G. Goetz, Brittany Lewis, Anthony Damiano, Molly Calhoun

Center for Urban and Regional Affairs | **cura** UNIVERSITY OF MINNESOTA

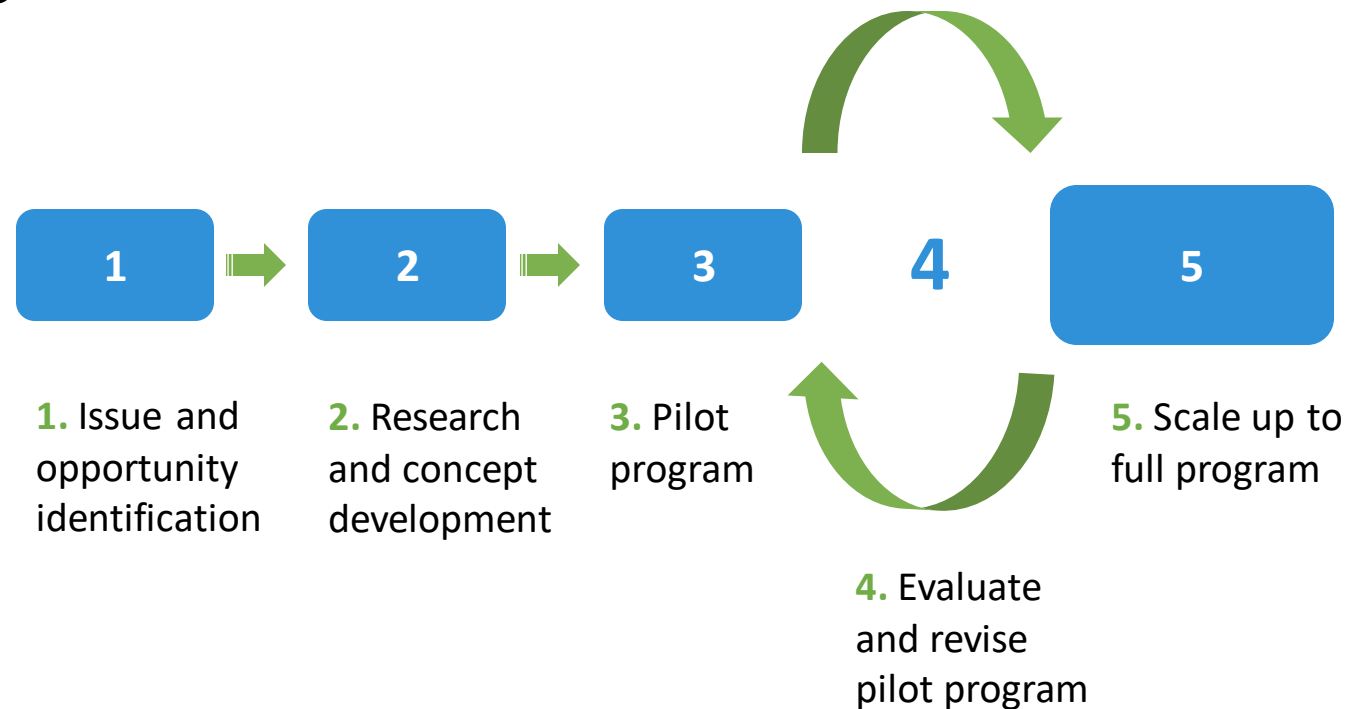
NOTE: Our dataset includes only properties with four or more units. Given the prevalence of smaller properties and rental of single family homes in North Minneapolis our analysis likely dramatically underrepresents the availability of affordable units in these neighborhoods.

Neighborhood	40-60 AMI units	Neighborhood	40-60 AMI units
Whittier	1,888	Hiawatha	138
Marcy-Holmes	1,187	Howe	130
Loring Park	1,184	Ventura Village	125
Uptown	1,064	Cedar Isles Dean	112
East Calhoun	1,041	Cedar Riverside	107
Stevens Square	881	Wenonah	99
Lowry Hill	569	Folwell	98
Seward	503	Northeast Park	92
Windom	468	Corcoran	82
Downtown	375	Armatage	72
Lyndale	360	Minnehaha	70
Prospect Park	311	Marshall Terrace	66
Windom Park	205	West Calhoun	66
Phillips	188	Cooper	65
Tangletown	175	Central	61
Powderhorn Park	171	Como	58
Longfellow	156	Bancroft	51
Linden Hills	148	Holland	48
East Harriet	145	Webber-Camden	37
Kingfield	138	Cleveland	36



Innovative Housing Strategies

Pilot Program Steps



City Housing Strategy

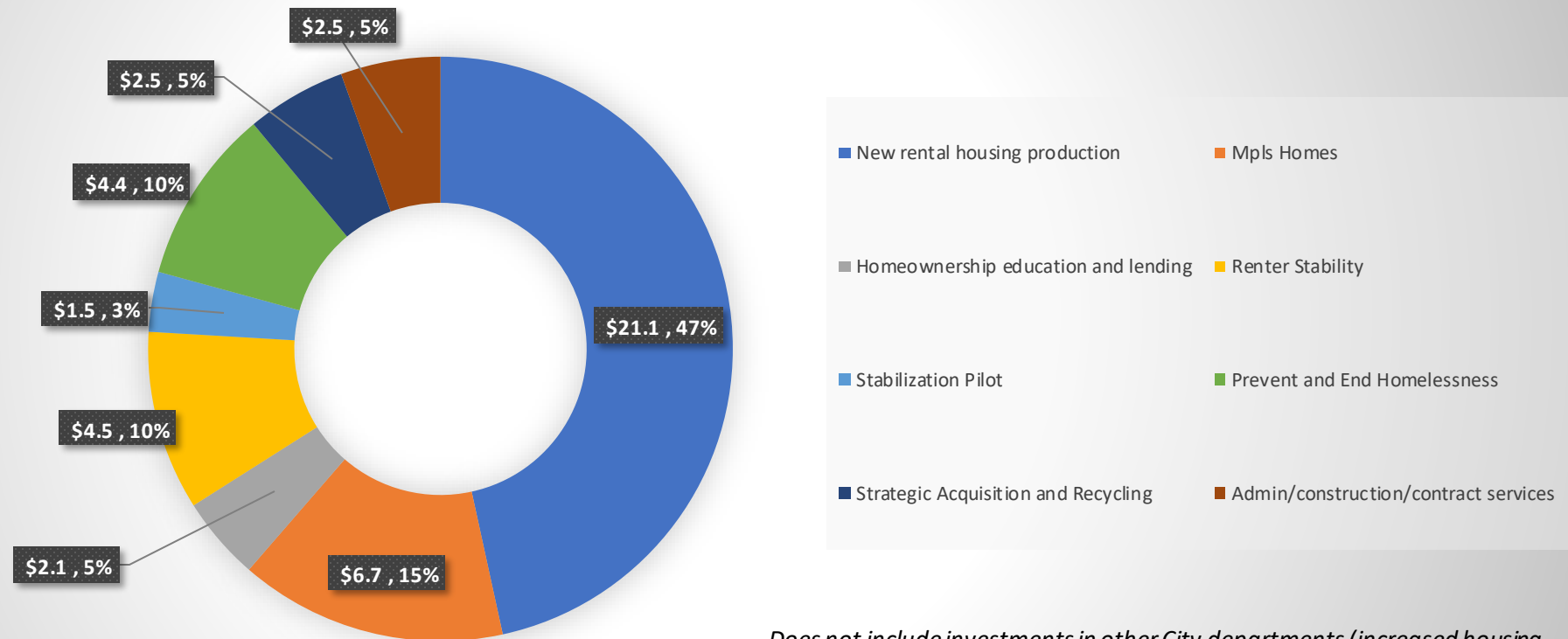
Housing challenges complex, dynamic:

- Affordable housing production: not keeping pace with loss; need for expanded choice in all Minneapolis neighborhoods
- Housing stability: increasing cost burden rates for low income renters; need for anti-displacement strategies
- Racial disparities: all aspects of housing; impact on wealth creation and need for homeownership strategy

Response: set of broad strategies including investment, policy, public-private partnership, innovative new programs, and tenant supports

Increased Housing Investments

2019 Housing Division Budget: \$45.3 Million



Does not include investments in other City departments (increased housing inspectors, homeless and vulnerable populations, healthy housing, MPHA)

Inclusionary Housing Policy

- **2004:** City financial assistance
- **2017:** City owned land
- **2018:** “Interim” Inclusionary Zoning Ordinance: substantial additional development capacity (60% or more)
- Under development **2019:** “Comprehensive” Inclusionary Zoning Ordinance: all new projects

Affordable housing goals of **Minneapolis 2040:**

ensure all Minneapolis residents are able to afford and access quality housing throughout the City

Housing Stability

- Naturally Occurring Affordable Housing (NOAH) Preservation Initiatives
 - Acquisition by preservation buyer
 - Incentives for existing rental properties to maintain lower rents
- Policy Initiatives
 - Tenant protections
 - Anti-displacement policy agenda
- Tenant Stability
 - Tenant hotline
 - Legal services for tenants
 - Stable Homes Stable Schools partnership with public housing authority, non-profits

Homeownership Capacity



- Development assistance
 - **77% POCI**
- Education, counseling, financial wellness
 - **80% POCI**
- Downpayment assistance
 - **85% POCI**

Predictability: Achieving Plan Goals



Eliminate disparities

In 2040, Minneapolis will see all communities fully thrive regardless of race, ethnicity, gender, country of origin, religion, or zip code having eliminated deep-rooted disparities in wealth, opportunity, housing, safety, and health.



Affordable and accessible housing

In 2040, all Minneapolis residents will be able to afford and access quality housing throughout the city.



Living-wage jobs

In 2040, all Minneapolis residents will have the training and skills necessary to participate in the economy and will have access to a living-wage job.



Complete neighborhoods

In 2040, all Minneapolis residents will have access to employment, retail services, healthy food, parks, and other daily needs via walking, biking, and public transit.



Climate change resilience

In 2040, Minneapolis will be resilient to the effects of climate change and diminishing natural resources, and will be on track to achieve an 80% reduction in greenhouse gas emissions by 2050.

Forget the brawl here: Minneapolis' 2040 plan is getting national raves

Monday, December 17, 2018 by Pete Kotz in News



- About
- Write
- Donate
- Volunteer
- Archive
- Forum
- Events
- Podcast

The New York Times

Minneapolis, Tackling Housing Crisis and Inequity, Votes to End Single-Family Zoning

Los Angeles Times

What L.A. can learn from Minneapolis' ban on single-family zoning

By THE TIMES EDITORIAL BOARD DEC 19, 2018 | 3:05 AM



Minneapolis' Secret 2040 Sauce was Engagemen

BROOKINGS

neapolis Comprehensive Plan, Planning

Why Minneapolis Just Made Zoning History

KRISTON CAPPS DEC 7, 2018

The ambitious Minneapolis 2040 plan will encourage more dense housing development in single-family neighborhoods.

MINNPOST

HOME POLITICS & POLICY HEALTH EDUCATION ENVIRONMENT ARTS & CULTURE ECONO

COMMUNITY VOICES

Community Voices features opinion pieces from a wide variety of authors and perspectives. (Submission Guidelines)

2040 Plan could place Minneapolis at the forefront of U.S. climate action

By Sam Rockwell | 12/18/2018

- Email
- Facebook
- Twitter
- Print



METROPOLIS

Minneapolis Confronts Its History of Housing Segregation

By doing away with single-family zoning, the city takes on high rent, long commutes, and racism in real estate in one fell swoop.

DEC 07, 2018 • 4:48 PM



Minneapolis Voted to Pass a Plan That Would End Single Family Zoning. The Rest of the Country Should Follow Suit.

Zoning laws are more than just municipal red tape—they're drivers of racial and economic segregation.

BY GABRIELLE BRUNY DEC 10, 2018



- Southwest Minneapolis' Community Newspaper
- NEWS FOCUS VOICES MORE

Minneapolis passes 2040 plan for more people in every neighborhood



What made it work?



Engagement



Goals



Advocacy



Leadership