Agenda
Housing and Redevelopment Authority Work Session Meeting
City of Edina, Minnesota
Community Room, Edina City Hall

Thursday, April 25, 2024
7:30 AM

I. Call to Order

II. Roll Call

III. Joint Meeting with Edina Housing Foundation

IV. Adjournment

The Edina Housing and Redevelopment Authority wants all participants to be comfortable being part of the public process. If you need assistance in the way of hearing amplification, an interpreter, large-print documents or something else, please call 952-927-8861 72 hours in advance of the meeting.

CITY OF EDINA

HOUSING & REDEVELOPMENT AUTHORITY

4801 West 50th Street
Edina, MN 55424
www.edinamn.gov

Edina Housing and Redevelopment Authority
Established 1974

Date: April 25, 2024

Agenda Item #: III.

To: Chair & Commissioners of the Edina HRA

Item Type: Advisory Communication

From: Stephanie Hawkinson, Affordable Housing Development Manager

Item Activity: Discussion

Subject: Joint Meeting with Edina Housing Foundation

ACTION REQUESTED:
None.

INTRODUCTION:
The Edina Housing Foundation Board of Directors attempt to meet annually with the HRA Commissioners as calendars allow. These meetings were put on pause during COVID. The Foundation is seeking development opportunities.

ATTACHMENTS:

Presentation

HRA WORK SESSION
JOINT MEETING WITH THE EDINA HOUSING FOUNDATION
APRIL 25, 2024

INTRODUCTIONS

Housing and Redevelopment Authority

Jim Hovland – Chair

Kate Agnew

James Pierce

Carolyn Jackson

Julie Risser

Edina Housing Foundation

Ann Swenson – President

Jerry Gilligan

Bernadette Hornig

Jeff Huggett

Mary Kay McNee

EHF BACKGROUND INFORMATION

Formed in 1985 as a 501 (c)3 nonprofit corporation to provide modest cost housing opportunities to persons of low and moderate incomes.

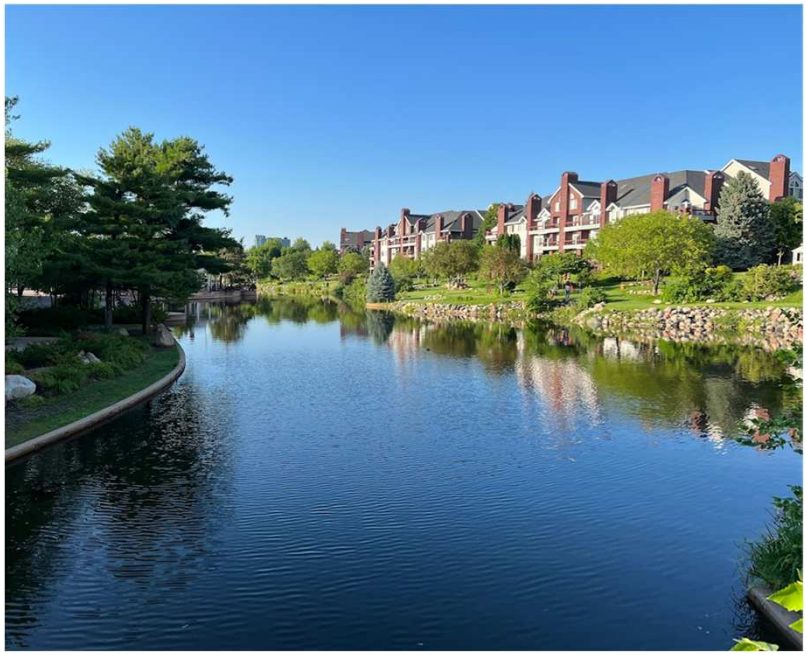
Funding Source: **Second Mortgages from the Edinborough development.**

Programs:

- Operates Come Home 2 Edina downpayment assistance program
- Created First Generation downpayment assistance program
- Instigated Multifamily Development – Amundson Flats and 4040 Flats
- Spearheaded the New Multifamily Affordable Housing Policy
- Partially finances the Affordable Housing Development Manager
- Lends money to miscellaneous affordable housing projects

EDINA HOUSING FOUNDATION 3-10 YEAR GOALS

- Expand ownership housing opportunities.
- Land and sites available for residential development.
- Sustainable funding sources for housing affordability
- A role for EHF to advise the HRA on housing investments.
- A robust “Come Home 2 Edina” program.
- Adequate lifecycle rental opportunities.
- A narrative that frames the values of housing affordability in Edina.



ALIGNED GOALS

Edina Housing Foundation:

- Expand ownership housing opportunities.
- Land and sites available for residential development.
- Adequate lifecycle rental opportunities

City Policies:

Comprehensive Plan

- Affordable Housing – Increase to number of affordable units towards the approved goal of 1804 by 2030.
- Create affordable ownership opportunities.

Climate Action Plan

- Increase average population per developed acre by 4% by 2030.
- Preserve and enhance affordable housing, especially near bus service to protect vulnerable populations
- Promote more compact development that reduces sprawl and makes walking, biking and transit more viable.

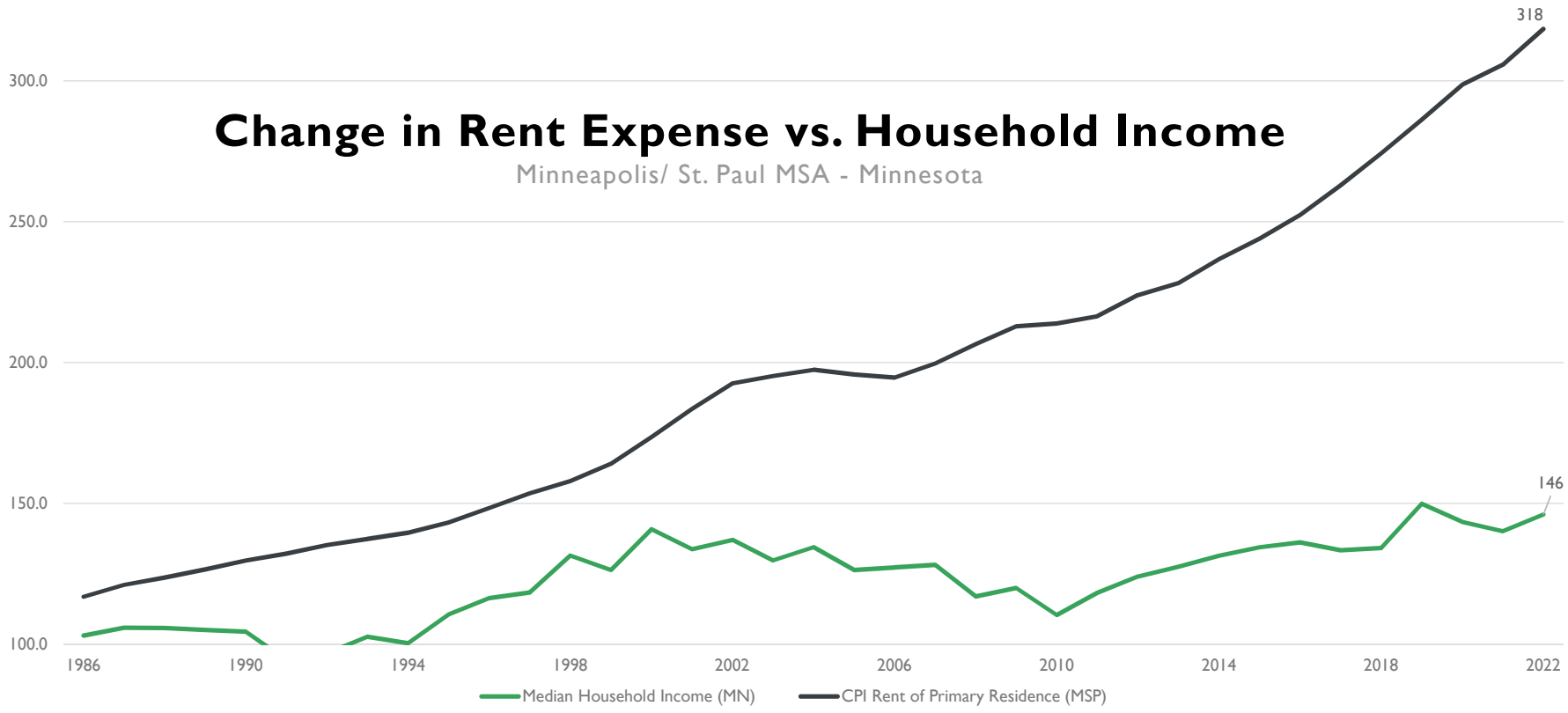
Race and Equity Implementation Report

- "In Edina, affordable housing has a higher percentage of people of color than market rate housing." Create ownership opportunities.
- Be an open and inclusive community.

Quality of Life Survey

- "Overall, a majority of respondents felt that there was somewhat too little or far too little housing for lower-income singles and families (65% and 68%, respectively);.."

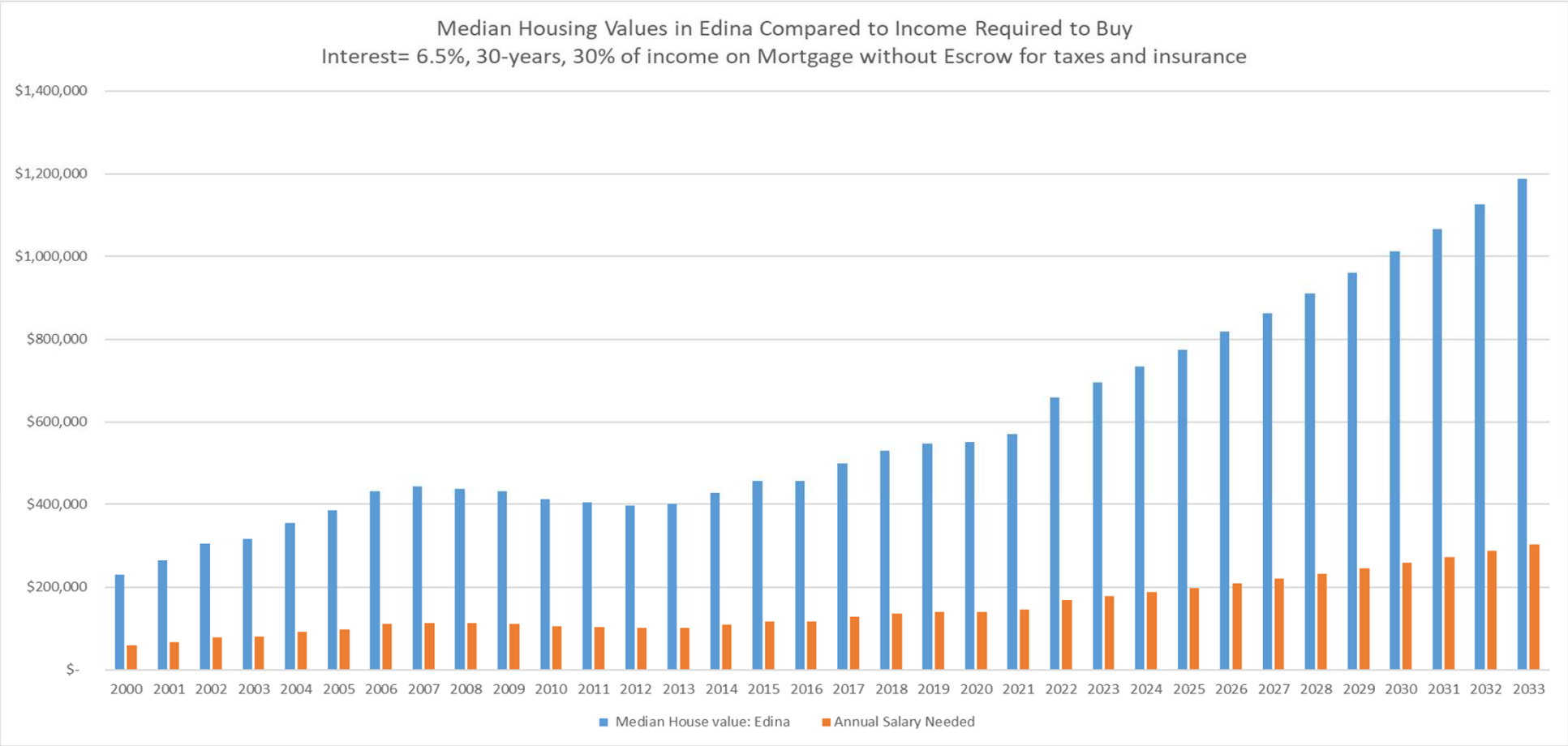
TODAY'S CONTEXT:
AFFORDABILITY RENTAL HOUSING AT RISK



Rents are dropping in communities where more are getting built – regardless of the class of the new building.

- Jay Parsons, Housing Economist

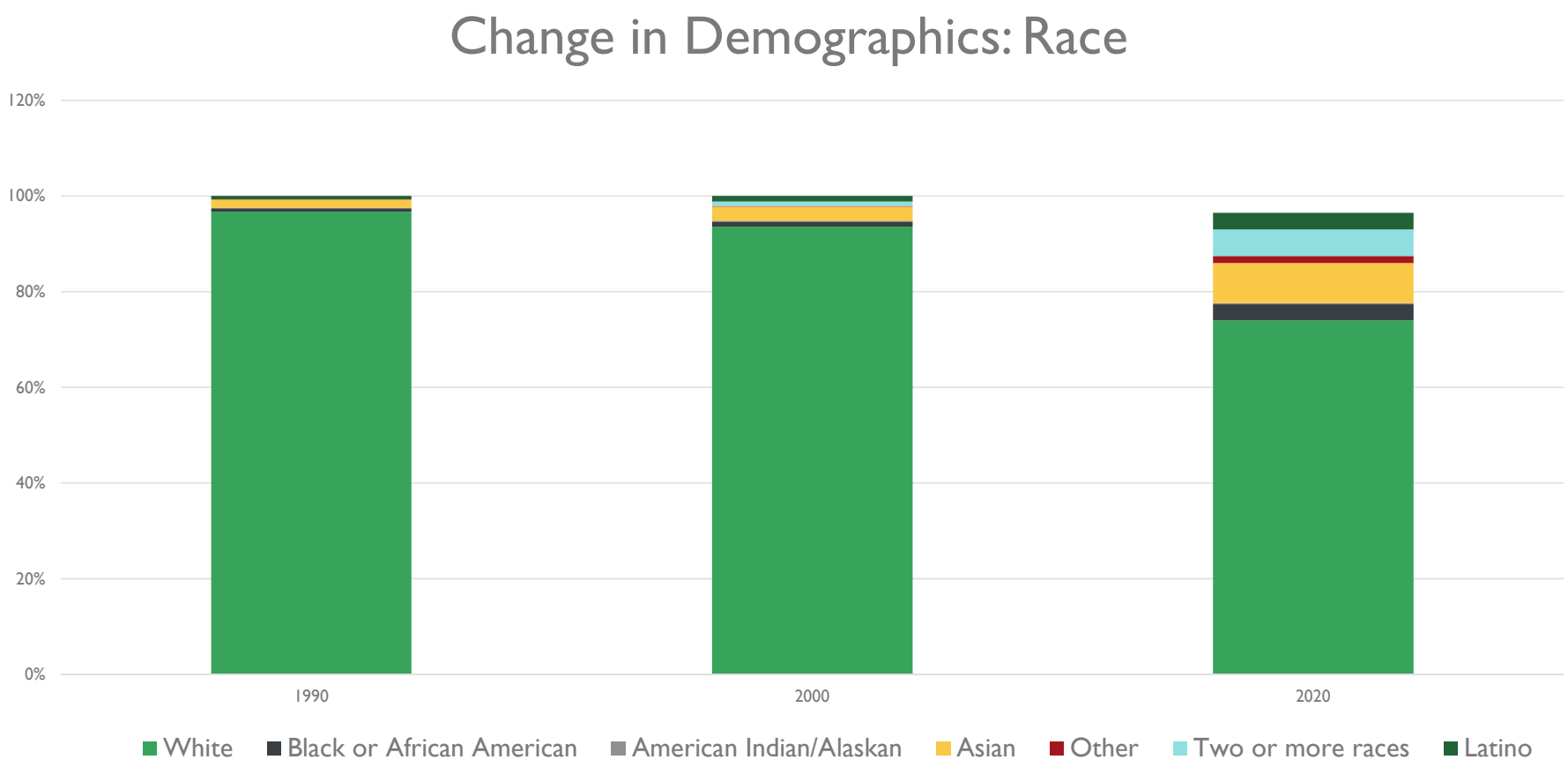
TODAY'S CONTEXT: SINGLE FAMILY HOUSING FORECAST



RESEARCH HAS REPEATEDLY SHOWN THAT THE MOST EFFECTIVE CHECK ON SKYROCKETING HOME PRICES IS SIMPLY TO BUILD MORE HOMES. ONE SURVEY OF THE LITERATURE FOUND THAT NEW CONSTRUCTION OF MARKET-RATE UNITS IN SEVERAL U.S. CITIES MODERATED THE PRICES OF ALL TYPES OF NEARBY HOUSING, BOTH HIGH- AND LOW-PRICED.

-SCOTT LINCICOME, *THE DISPATCH,* MARCH 27,2024

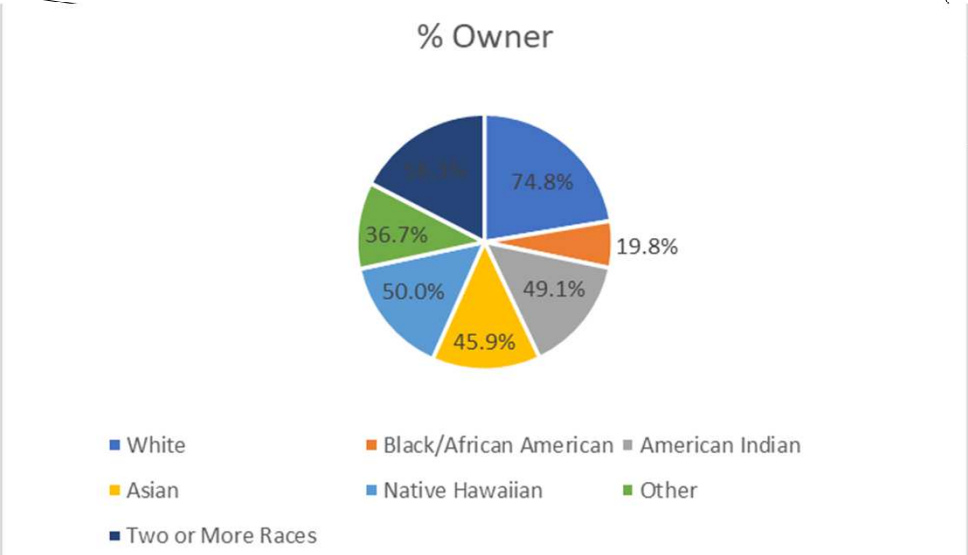
TODAY'S CONTEXT: CHANGING DEMOGRAPHICS

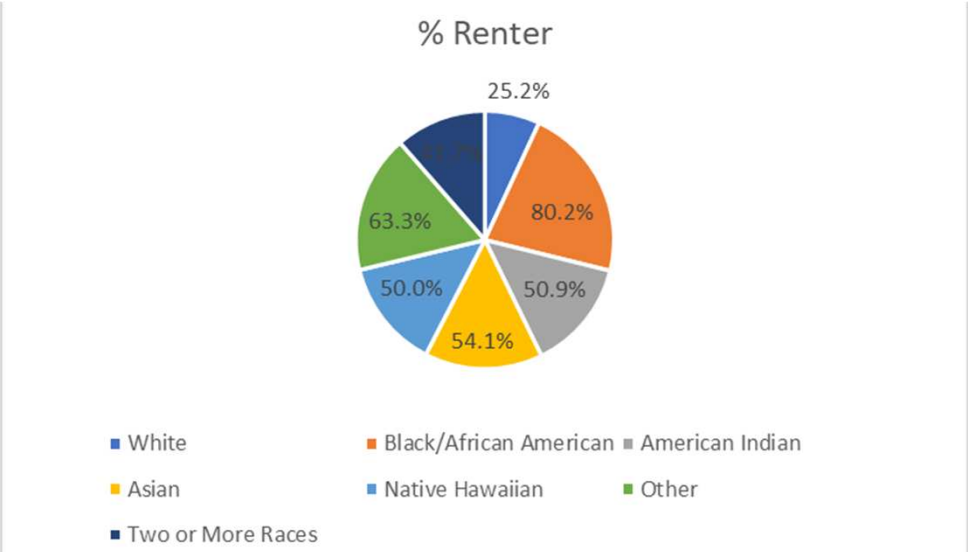


EQUITY & INCLUSION

1. According to census data, 74.8% of White Edina residents own their homes and 25.2% rent. Conversely, 19.8% of Black/African American Edina residents own their homes and 80.2% rent.

<u>Action</u>: Create more affordable home ownership opportunities that meet the needs of a diverse population AND we need to continue providing affordable rental options.





HOUSING AFFORDABILITY

IF HOUSEHOLD EARNS (4 ppl)					
$37,260	$62,100	$74,520	$99,360	$124,200	$149,040
<30% AMI	31-50% AMI	51-60% AMI	61-80% AMI	81-100% AMI	101-120% AMI
THE MAXIMUM RENT YOU CAN AFFORD IS					
$931	$1552	$1,863	$2,484	$3,105	$3,726
THE MAXIMUM HOME YOU CAN AFFORD IS**					
$111,109	$194,966	$238,683	$326,116	$404,597	$490,137
TYPICAL HOUSING TYPE FOR THIS INCOME IS					
Publicly Subsidized Rental Apartment	Existing or Subsidized New Rental Apartment/ Condo	Existing or Subsidized New Rental Apartment/ Condo	New Rental Apartment/ Condo/ Smaller house	New Rental Apartment/ House	New Rental Apartment/ House

**Based on Zillow mortgage calculation

HOUSING IN EDINA

Median Home Value
$659,600

Median Rent

Median Income

F HOUSEHOLD EARNS (4 ppl)						
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$1,700

$126,420

EDINA RESIDENTS: % OF HOUSEHOLDS AT VARIOUS INCOMES*

>$150K (42.9%)

<$35K	$25K-$50K		$50K-$75K		$75K-$100k	$100K-$150K	
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14.4%	7.2%		11.4%		9.3%	14.9%	

*2022 American Community Survey

TO ADDRESS THE NEED AND DESIRE FOR MORE OWNERSHIP AND RENTAL AFFORDABLE HOUSING, THE EDINA HOUSING FOUNDATION IS SEEKING DEVELOPMENT RIGHTS TO CITY OWNED LAND.

"One thing most people agree on is that America has too few homes. According to Freddie Mac, the mortgage finance giant, the nation is short about four million units. The deficit is particularly acute in both low-cost rentals and the entry-level starter homes favored by first-time buyers."

-Conor Dougherty, "Too few Homes," *New York Times*, March 27, 2024