

Bloomington Housing Action Team

August 04, 2020

Virtual meeting

1:30-3:00 P.M.

AGENDA

1:30 P.M.	Welcome and Introduction by City Staff
1:40	Eviction Moratorium Update
1:50	Rental Assistance Update
2:00	Affordable Housing Matrix Draft Overview
2:15	Opportunity Housing Ordinance - Council/HRA Presentation
2:55	Next Meeting Discussion
3:00	Adjourn

Eviction Moratorium Update

Tim Thompson from Housing Justice Center explained that the eviction moratorium is through 8/12 but will be extended monthly periods.

Some jurisdictions have started to look at initiatives that could provide additional support after the period has ended.

Eric Hauge from HOME Line, which works with the entire state but hearing similar issues with Bloomington, about a third of their calls was related to pandemic and eviction suspension.

They typically hear mostly about repair issues especially this time of year but now they are hearing a lot about questions regarding the suspension. There are threats of eviction despite the moratorium prohibiting that behavior from landlords.

Notice to vacate is banned including evictions for non-payment and landlord initiated lease non-renewal heard. 1000 household throughout the state attorney general office.

Normal year HOME Line would see about 230 eviction cases in a calendar years. So in the last 5 months they would have seen 100 or more (summer is busier) eviction cases. The vast majority of eviction cases are for non-payment. These cases that normally would have come are all backlogged so when the moratorium lifts there will be a large amount to process. In addition to the typical number of evictions there will be those impacted by the economy. The courts will have a huge back log. Some landlords are taking their own actions without legal backing.

The eviction moratorium has stayed relatively the same since March with a slight modification in June. The new order has dialed back by allowing some new exceptions for eviction including:

- Significant property damage
- Landlord or family member to move into a unit

HOME Line is already hearing about some of the exceptions being used. They are afraid that some are using these exceptions wrongly as a way to circumvent the non-payment eviction suspension.

Many calls from Spanish speakers about financial aid. They typically don't get that call because they are a legal advice so it's unusual.

HOME Line's FAQ on the new eviction suspension rules effective today:

<https://homelinemn.org/6864/mn-evictions-eo20-79/>

Info & registration for our weekly webinar tomorrow afternoon on tenant/landlord legal issues related to the pandemic: <https://homelinemn.org/6908/8-5-20-home-line-legal-webinar-about-covid-19-related-rental-housing-issues/>

Bryan Hartman asked Tim Thompson about Supreme Court ruling on section 8 ruling.

Thompson explained Minneapolis enacted an ordinance with their human rights ordinance to make it illegal to not participate in Section 8. Landlords group sued on constitutional grounds. They won in trial court but the court of appeals reversed. Then the State Supreme Court rule that the ordinance was a legitimate public welfare objective and the way Minneapolis did it was a reasonable one. Landlord group sued on a number of issues and not all were resolved. Some of the issues were sent back to the trial court. Of the remaining claims Thompson feels it's hard to see how the landlord group could prevail based on Supreme Court decision. This is an affirmation of local government's ability to do this kind of ordinance.

Rental Assistance Update

Joe McDonald from VEAP provided an overview of the rental assistance program form the last three months of rental housing support.

VEAP has dispersed over a million dollars last week to residents in their service area of Bloomington, Richfield, and Edina.

May first to July 31

- \$1,318 per household
- 76% BIPOC community
- 7% as white or Caucasian
- 7% as either or not reporting
- Average HH Size is 3.4 individuals
- 26% single
- 41% 2-4 person HH
- 4-5 people HH
- Monthly income 28% of 0-499
- VEAP does not ask for Citizen Status but they do some times get that data from the client. About 50% of the people served have been undocumented but anecdotally it's probably closer to 70%. Many households have notes that say no access to unemployment insurance, etc. which would indicated they are likely not US Citizens.

Affordable Housing Matrix Draft Overview

Palermo presented the draft priorities for the Affordable Housing Matrix. This matrix is designed to help staff prioritize projects and communicate expectations for potential housing developments. The prioritization will help determine how much staff to time to allocate toward projects and ultimately help decide what projects receive City resources. It is not a prescriptive rubric with points but more fluid. The matrix will help staff better communicate how developers and can improve their projects in ways to achieve City goals. It can also be used to explain why some projects are prioritized over others to stakeholders and decision makers. The categories include.

New Affordable or Preserves NOAH Units or Economic Development – This is the top criteria for prioritization. How many affordable units are created/preserved, how deep is the affordability, or what is the economic impact

High Impact Area – Is the project in an area of strategic priority such as one of the three development districts, the gateway district, Lyndale Avenue Corridor, etc. This category is about the macro level impacts.

High Quality Design – Is the project well designed, does it activate the street, is there an environmental sustainable design, etc. This category is about the micro level impacts.

Catalyst for Future Investment – Will City investment help spur other investment in the surrounding area. How visible is the project? What are the consequences of not investing?

Return on Investment – What is the cost/benefit, is there a verifiable gap, what is the public/private funding ratio? What is the value of the City investment?

Using these categories will help the City prioritize projects. It is anticipated that the matrix will be updated monthly. It could be sooner as new projects come in or major changes to a development occur. It is meant to help track development and guide us to better projects.

Tim Thompson asked what the impact of the matrix to developers is.

Shoquist explained it will help us decide if you should be prioritize. She used Village Club as an example of how the City prioritized that project.

Palermo added that it is also a tool to communicate expectations to developers.

How does looking at priorities look at helping those not lose housing?

- VEAP assistance over owner
- Feedback presentation on presentation – expend time and attention and resources on trying to get our community heads are on long term needs for housing

Perez ask if the priorities will be an amendment to the Opportunity Housing Ordinance?

Shoquist responded that they would not. The tool is meant to be flexible and not prescriptive. It works in tandem with the ordinance but will help guide whether the City provides additional resources. The ordinance creates incentives by right whereas this tool will help prioritize resources that are more subjective.

Is community engagement in the priorities?

Community engagement is part of the High Impact Area and High Quality Design categories. We want to encourage developers to work with the Community to create a better product.

The City is also engaging stakeholders and community members about the Opportunity Housing Ordinance updates. There will be focus groups over zoom scheduled soon.

Perez shared with the group that Alliance has equitable development score card tool that might be helpful.

<http://thealliancetc.org/our-work/equitable-development-scorecard/>

Palermo thought it would be great to incorporate some of these element to the categories. He also suggested providing this resource to developers when they meet with City staff

Opportunity Housing Ordinance - Council/HRA Presentation

Shoquist presented some information that will be part of the Council Study Session. Topics include Housing Data, NOAH preservation, Tenant Protection, Opportunity Housing Ordinance Updates, and the Housing Priorities Matrix. Since many of the topics have been covered in previous BHAT meetings she focused on the Opportunity Housing Ordinance updates.

The Opportunity Housing Ordinance objections are

- Disperse affordable units
- Integrate affordable units within the development
- Have affordable units that are comparable in design
- Have a phased approach that ensures affordable units are concurrent with development
- Ensure construction of units is proportionate with market rate units

Staff is recommending to Council an object regarding collaboration and community outreach be added.

Some potential changes that Staff will be seeking guidance from Council include:

- Defining affordable as rent and fees must meet HUD/Met Council standards
- Require all onsite or adjacent sites qualifying for flexibility require equal access to amenities and infrastructure (this is related to phased development)
- When new units are added to NOAH affordability must be maintained throughout the whole site, not just new units
- Allow flexibility on minimum site area, width, or open space requirements
- Add an additional height bonus
- Potentially allow for more flexible parking standards
- Remove enclosed parking requirement
- Allow more flexibility for exterior materials
- Reduce or eliminate storage space requirements

Staff is also asking for Council input on adding detached Accessory Dwelling Units to the Planning Commission 2021 work plan.

Thompson asked if there was anything about the OHO surprise staff after the first year?

- Staff was surprised to see the South Loop projects build units rather than utilize the payment in lieu
- Also surprised that all the projects went above the required 9%
- We are getting a large number of affordable units that would never have happened without the ordinance.

John Olson thought it was a nice surprise about South Loop Units versus payment in Lieu but was concerned that the Affordable Housing Trust Fund is lower than expected. He was concerned that the need is growing as a result of COVID and wondered if there will be enough money to utilize.

The Council Study Session is August 10 at 6 pm virtually. Below is a link on how to access City Council meetings. Note the three ways to watch or listen near the top.

<https://www.bloomingtonmn.gov/cc/city-council>