The Saint Paul Area Association of Realtors® Housing Affordability Task Force

Affordable Housing Strategies

The Saint Paul Area Association of REALTORS® (SPAAR) Housing Affordability Task Force was created to research, brainstorm, and discuss ideas for how to address the complex and pressing problem of Housing Affordability in Minnesota. The Task Force has crafted a set of proposals to be considered when addressing this issue. SPAAR hopes this document renews the conversation among stakeholders about how to approach this problem. SPAAR will work with said stakeholders to implement these proposals where it makes sense to do so.

The Task Force believes that this issue needs to be addressed with a multi-pronged approach, with both short- and long-term solutions.

The Housing Affordability Task Force has identified 5 tactics:

1. Increase **Supply**
2. Increase **Density**
3. Increase **Awareness**
4. Increase **Assistance**
5. Increase **Funding**

Long Term Proposals

Promote Existing Housing & Housing Education Programs (Awareness)

- SPAAR is supportive of many programs that communities in our territory have for housing and housing education. SPAAR would like to work with these communities to improve, expand and promote these existing programs.

Encourage ADU Construction (Supply & Density)

- ADUs are great. They increase the supply of housing and are often very affordable. SPAAR supports deregulating and promoting the building of more ADUs to provide communities more housing options, which will help with affordability.

Rehabilitate Vacant & Abandoned Homes (Supply)

- There are a lot of vacant and abandoned properties in SPAAR's territory. These properties waste space and are aesthetically displeasing. SPAAR supports efforts to rehabilitate these properties and make them available for purchase or rent. This will increase the supply of housing which will make housing more affordable.

Support Housing Development (Supply)

- The entire country is facing a shortage of millions of housing units, Minnesota is no exception. Increasing the supply of housing will naturally make housing more affordable. SPAAR supports removing barriers for developers to build housing and encourages local government clarify and streamline this process.

Rehabilitate Perceptions Around Public Housing: (Awareness)

- SPAAR supports Public Housing as a tool to house low-income individuals and families. An issue, though, is that many landlords, tenants, and community members have a negative perception of Public Housing and therefore are hesitant to use the programs. SPAAR would like to work with stakeholders on a campaign to rehabilitate perceptions around Public Housing programs.

Down Payment Assistance Program & First Time Home Buyer Program (Assistance)

- SPAAR is all about expanding homeownership to everyone which is why SPAAR is very supportive of Down Payment Assistance and First Time Homebuyer programs. These programs should be given more resources and promotion.

Low Income Housing Tax Credit (LIHTC) (Supply)

- The Low-Income Housing Tax Credit provides a tax incentive to construct or rehabilitate affordable rental housing for low-income households. The Low-Income Housing Tax Credit subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants. SPAAR supports the expansion of this tax credit to encourage the development of housing that's affordable.

Opportunity Zones (Supply)

- One longer term solution to housing supply and affordability problems is to encourage development and raise wages. If correctly done the utilization of Opportunity Zones can accomplish those goals. SPAAR would like to see that Opportunity Zones are being used efficiently and effectively.

COVID Relief Aid (Funding)

- There are hundreds of millions of dollars in COVID relief being funneled into state and local governments. SPAAR encourages decision makers to dedicate these funds towards housing related programs and policies.