

HOMES FOR OUR NEIGHBORS: 2024-2030 HOUSING PLAN FOR OLMSTED COUNTY

Last updated May 1, 2024

Background: The most recent Olmsted County Maxfield Study found that from 2020-2030, housing demand required 18,000 new housing units. 71% would need to be general-occupancy and 29% age-restricted senior housing.

1. **Build on Olmsted County's leadership in Minnesota in Locally Owned and Controlled Housing (LOCH).** The goal of this campaign is to build on this excellent foundation and institutionalize Olmsted County as the most significant housing player in the region, with a lens of housing as a public good. To do this we are calling to:
 - a. **Double the county's housing inventory from 270 units to 540 by 2026, and double it again to 1,080 units by 2030. This inventory would meet these criteria:**
 - i. Permanently affordable.
 - ii. Mixed-income, with a set percentage of affordable units, offset by market-rate units that generate revenue and keep the model sustainable.
 - iii. Democratically controlled so that residents have a voice in the operation of the housing.
 - b. The inventory would be a combination of newly-constructed units and preserved naturally occurring affordable housing (NOAH).
 - c. Projects would include especially-needed housing types: accessible housing, transitional housing, housing for larger families, and senior housing; and could incorporate the creative development of lower-cost but high-quality alternatives like prefab homes, tiny homes, and accessory dwelling units (ADUs).
 - d. The housing inventory would prioritize as much as possible the development of sustainable neighborhoods with walkability, increased density, access to green space, and culturally relevant spaces; as well as offer high quality public services that connect those neighborhoods to work, school, recreation, and more.
 - e. The projects would maximize resources available through the Inflation Reduction Act, Infrastructure Investment and Jobs Act, and state funding to make homes more energy efficient and climate resilient.
2. **Strengthen the Coalition for Rochester Area Housing's joint commitment to expand county and community-wide housing inventory.** To do this, aim to:
 - a. **Between 2023-2026, add or preserve 1,000 units of housing through the Coalition for Rochester Area Housing. Between 2026-2030, add or preserve an additional 2,000 units for a total of 3,000+.**
 - b. Solicit support from additional private partners in the community.
 - c. Update the 2020 Maxfield Study to quantify how many units of housing the county has in each category on the housing continuum, and evaluate gaps between supply and demand. Include in the study a review of climate considerations in housing development and where housing should be built.

3. City of Rochester's role

- a. Prioritize a collaborative, possibly mixed use, LOCH project with Olmsted County that leverages city property or existing city projects, like the regional sports complex.
- b. Use sales tax extension funding to reduce development costs through fee waivers.
- c. Use tax incremental financing (TIF) incentives to facilitate county LOCH projects.

4. State of Minnesota's role

- a. Support HF 2943, which would create a new fund within the Minnesota Housing Finance Authority (MHFA) for county Housing and Redevelopment Authorities (HRAs) and municipalities to develop and own their own housing.
- b. Change Local Government Aid (LGA) formula to benefit Rochester more proportionally and apply this funding toward housing.

Reference examples:

- 1. **Montgomery County, Maryland:** A national leader in HRA development of buildings that cater to a wide range of incomes across the “affordability spectrum.”
- 2. **Washington County, Minnesota:** Owns and operates 1,200 units of affordable housing. Has an in-house housing development team with capacity to assist local units of government within the county to build affordable projects and units.
- 3. **Dakota County, Minnesota:** Manages 2,900 units of housing through the county's Community Development Authority (CDA).