KEY FACTS ON HOUSING 2022

All people should have a safe, secure place to call home. Today, 550,000 Minnesotans pay more than 30% of their income on housing (also known as "cost burdened")—a number that continues to escalate. These families are forced to choose between paying for housing and other necessities such as food, medical care, transportation, and clothing. Rising housing insecurity, which disproportionately affects Black, Indigenous, and other households of color (BIPOC), often results in eviction, substandard living conditions, the lack of choice in one's housing, and even homelessness. There aren't enough homes Minnesotans can afford, and we are losing affordable homes at an alarming rate. Proven effective solutions ***do*** exist, but need sufficient funding to ensure everyone—every child, every elder, every person with a disability—has a stable place to come home to.

Too Many Minnesotans Do Not Have Stable Housing

Rental Assistance Shortage

With government programs critically underfunded, there isn't enough assistance to meet the growing need.

Only 1 in 4 Qualifying Households Have Access

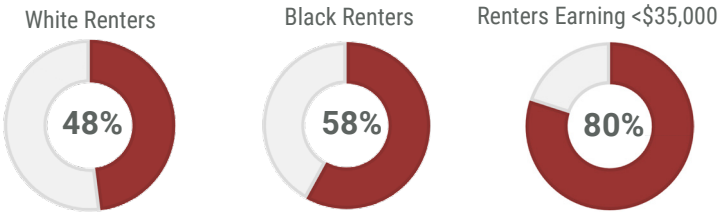


Paying More than We Can Afford

Housing cost burden (or paying more than 30% of your income on housing), disproportionately impacts low-income and BIPOC households.

Source: MHP Renter Snapshot Series, May 2022

Minnesota Renters Experiencing Housing Cost Burden

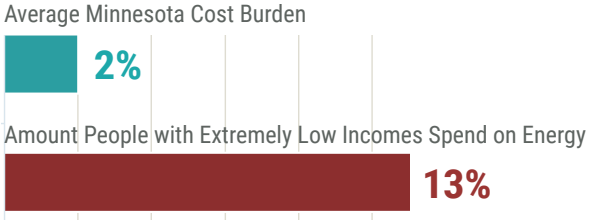


Rising Energy Prices Restrict Spending

Low-income residents disproportionately live in poor quality housing—and pay with both their health and their pocketbook. High utility bills affect Minnesota families across the state and compound housing costs. Low-income and BIPOC residents disproportionately live in poor quality housing which costs more to heat and cool —and pay with their health and pocketbook.

Source: MHP, The Better Building Code

Severe Energy Cost Burden



While the average energy burden in Minnesota is 2%, extremely low-income households (making less than 30% of the annual median income) face an average energy burden of 13%, pushing these families deeper into poverty.

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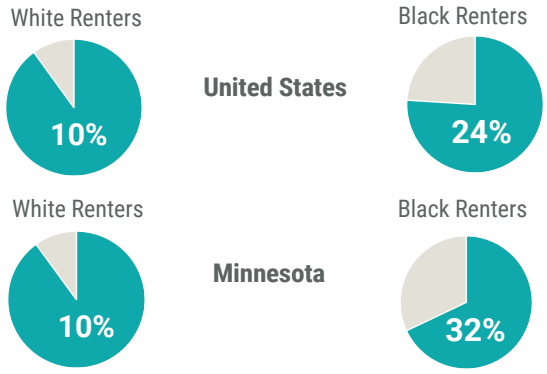
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improving home & community

Housing Insecurity is Inequitably Felt

As a result of the lack of rental assistance, insufficient emergency rental assistance, and persistent disparities in renter cost burden, BIPOC households are more likely to be behind on rent than white households.

Sources: HOME line, MHP Renter Snapshot Series, May 2022

Households Behind on Rent

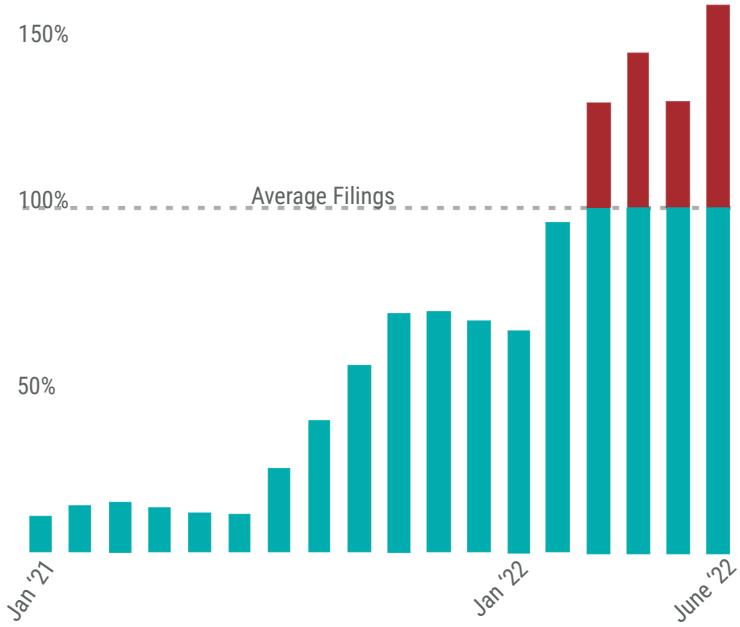


Source: US Census Household Pulse Survey (March 30-April 11, 2022)

Evictions are on the Rise

When households are behind on rent, they may face eviction or otherwise be forced to leave their residence, with lasting consequences to finding safe and affordable housing. Most evictions happen because a renter cannot or does not pay rent.

Monthly Eviction Filings, January 2021 - June 2022



Source: Eviction Lab

Insecurity Leads to Homelessness

On a single night in January 2022, 7,917 people experienced homelessness in Minnesota. One quarter of those were children. And people of color are six times more likely than white Minnesotans to be homeless.

Sources: Institute for Community Alliances, Wilder Research

THE SOLUTION: Rental Assistance and Policy Change

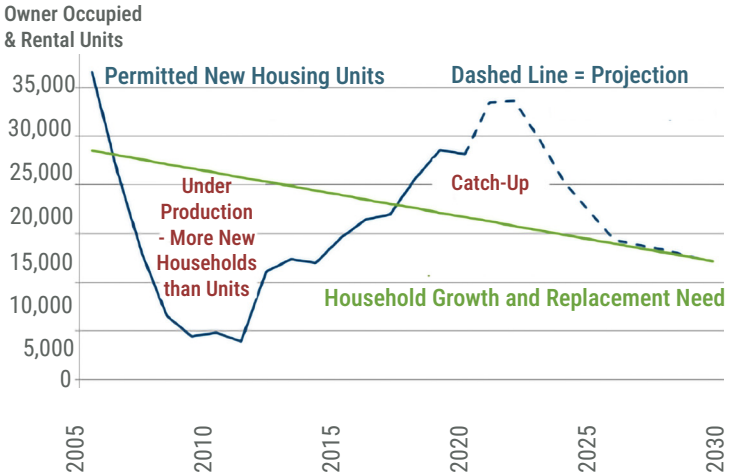
Rental assistance increases access and opportunity by helping families secure and maintain safe and affordable homes. Policies like **Source of Income Protections** and **Eviction Expungement Reform** will prevent evictions and support housing stability, benefitting both renters and landlords.

We Need More Affordable Homes

There are Not Enough Homes

Minnesota does not have enough homes. While the housing shortage affects even moderate-income Minnesotans, especially those trying to buy single-family homes, the shortage of homes is extremely acute for Minnesota's low-income households.

The State is Falling Behind on Available Housing



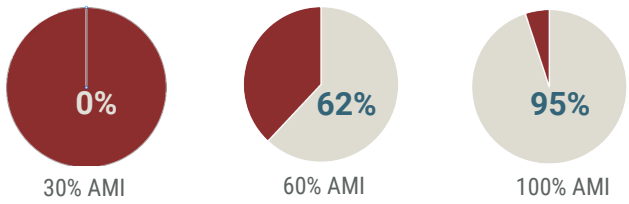
Source: Minnesota Housing

Especially for Low-Income Families

There is a severe mismatch between market supply and demand. Despite the need for 2,500 new homes annually for lowest income households, in 2021 only 150 homes were built for four-person households making less than $31,000.

Source: HousingLink

% of Minneapolis Rental Vacancies Affordable by Income



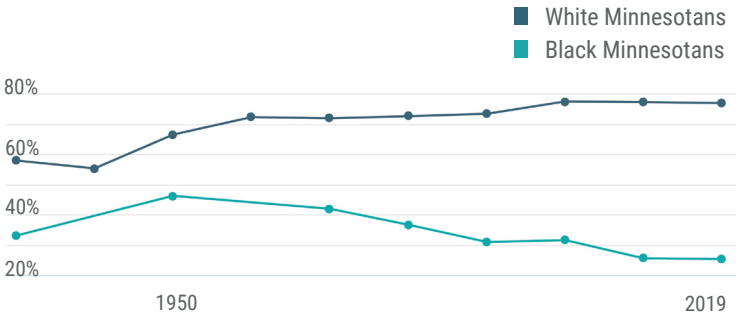
June 2022

Ownership Disparities Persist

Minnesota has not yet reduced ownership disparities between white and Black households. The Black homeownership rate peaked in 1950 and has fallen almost every decade since. 61,000 households of color are income-qualified for homeownership but continue to rent due to the lack of entry-level ownership opportunities, resulting in Minnesota having the nation's 2nd worst homeownership gap.

Source: Habitat for Humanity of Minnesota

Home Ownership Levels Have Fallen for Black Residents



Source: Decennial Census & American Community Survey 1-Estimate for 2019

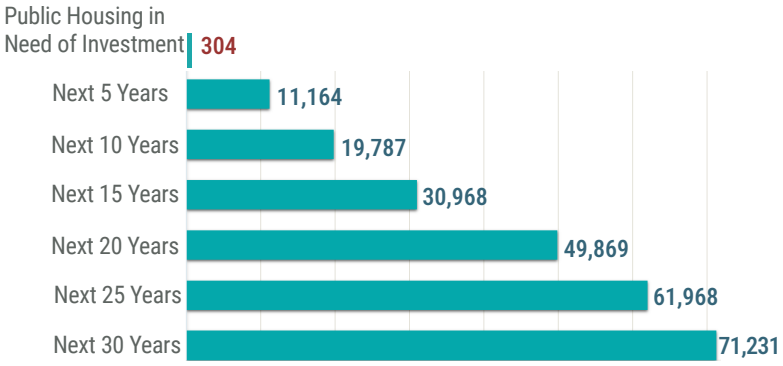
Need to Preserve the Housing We Have

Tens of thousands of homes are at-risk of being lost from the affordable housing stock through the expiration of affordability requirements, deteriorating physical conditions, and inadequate federal funding.

11% of publicly supported rental homes face an expiring affordability restriction in the next five years and 304 public housing units are in need of immediate investment.

Source: National Low Income Housing Coalition, National Housing Preservation Database

Publicly Supported Rental Homes at Risk of Loss



The above graph includes homes with income restriction due to financing through HUD, USDA and Low-Income Housing Tax Credit (LIHTC).

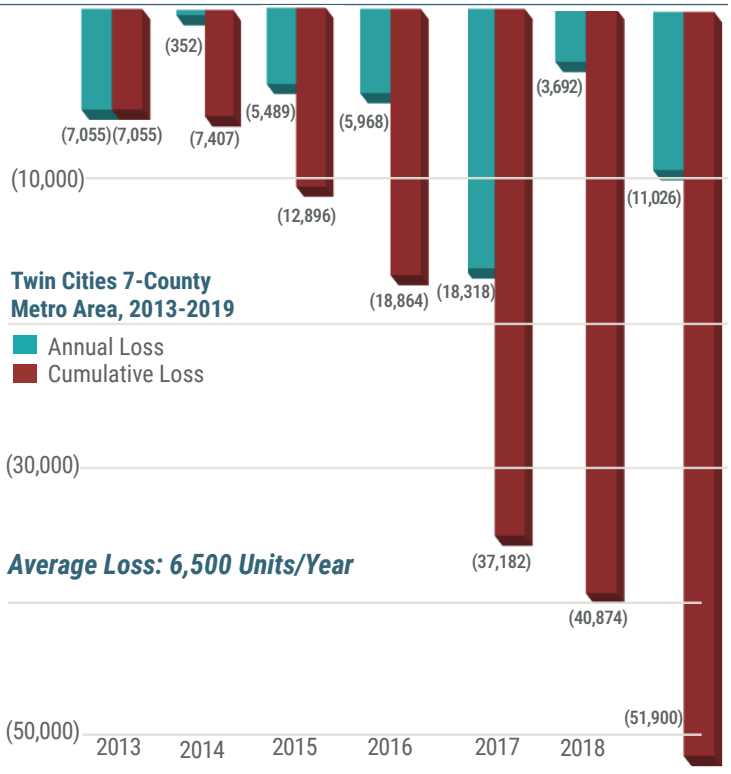
Affordable Housing is Becoming Unaffordable

Of the 360,000 available rental units that are relatively affordable to very low-income households, roughly 2/3rds are not receiving direct subsidies or subject to income restrictions—without which they are unlikely to stay affordable for long. With even moderate improvements, these properties are at high risk of upscaling and, in effect, displacing families.

Every year, Minnesota loses more affordable homes than we build. In the metro area alone, from 2013 to 2019, we lost 52,000 units and closed financing on only 7,762 new units.

Sources: Aeon, Minnesota Housing, Greater Minnesota Housing Fund, Census 1-Year American Community Survey

Loss of Rental Units Affordable at 60% AMI



THE SOLUTION: Invest in Housing

Typically, the state agency Minnesota Housing denies three shovel-ready projects for every project it funds. To address the mismatch between what the market supplies and what is needed, we need to fully invest in tools like **Housing Infrastructure Bonds** and the **National Housing Trust Fund**, which target resources to extremely low-income households. Investments in **single-family home production** and **down payment assistance** have helped reduce the homeownership gap but these programs are under-resourced. Funding to **preserve subsidized and unsubsidized affordable housing** is also desperately needed.

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