

Community Development Committee

For the Metropolitan Council meeting of March 11, 2020

Subject: Authorization to Negotiate and Execute a Joint Powers Agreement for the Minnesota Winter Homeless Initiative

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and the Chair to execute a Joint Exercise of Powers Agreement with the Minnesota Housing Finance Agency (Minnesota Housing) to provide \$1,000,000 in support of the Minnesota Winter Homeless Initiative.

Summary of Committee Discussion/Questions

Community Development Director LisaBeth Barajas presented the staff's report to the Committee. Council Member Lilligren asked whether additional local government funds would be leveraged as part of this. Barajas responded that scoring of applications could favor projects that included local funds. Council Member Lee asked whether other foundations, besides the St. Paul and Minnesota Foundation, were contributing. Barajas replied that there were at least 10 other philanthropic organizations contributing to the Minnesota Homeless Fund, some of which are metro-specific, others that serve Greater Minnesota, and still others that cover the whole state.

Council Member Johnson asked about the waiver of local fees and getting through local permitting in order for potential projects to be ready. Barajas responded that she was aware of projects that have had local fees waived, but this will not be required to access these funds. She further explained that projects that are most likely to score high are those that need that last gap filled in order to launch, so likely would have already completed or are near completing the local permitting process.

Council Member Lindstrom asked whether there was a total unit goal for the Minnesota Homeless Fund. Barajas explained that the initial dollars contributed support a variety of projects, including housing support services, and not necessarily capital projects. She also noted that there was not a goal set for a total number of units to be built as part of this initiative. Council Member Vento commented on the role of faith communities to support these efforts. Council Member Wulff requested a report on the results of the Council's contributions to this effort.

The Committee passed the item unanimously at its meeting on March 2, 2020.

Community Development Committee

Meeting date: March 2, 2020

For the Metropolitan Council meeting of March 11, 2020

Subject: Authorization to Negotiate and Execute a Joint Powers Agreement for the Minnesota Winter Homeless Initiative

District(s), Member(s): ALL

Policy/Legal Reference: Minn. Stat. §§ 471.59 and 473.195

Staff Prepared/Presented: LisaBeth Barajas, Community Development Director, 651-602-1895

Division/Department: Community Development

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and the Chair to execute a Joint Exercise of Powers Agreement with the Minnesota Housing Finance Agency (Minnesota Housing) to provide \$1,000,000 in support of the Minnesota Winter Homeless Initiative.

Background

The region has seen a marked increase in people experiencing homelessness over the last couple of years. The Council's efforts have been and continue to focus on the immediate needs of those sheltering on transit and connecting them to permanent housing opportunities through vouchers available through the Metro HRA's programs. In addition to these efforts, the Council has also sought longer term solutions that address the lack of housing in the region, in particular housing that has limited barriers to entry and has supportive services to aid in the success of residents transitioning out of homelessness.

In response to the growing population experiencing homelessness, Governor Tim Walz launched the [Minnesota Winter Homeless Initiative](#), and with philanthropic partners at the St. Paul & Minnesota Foundation, the [Minnesota Homeless Fund](#) was also launched. The Council's pledge of \$1,000,000 of funding for capital projects was intended to leverage additional private sector and philanthropic funding. To date, approximately \$3.8 million dollars in matching funds have been contributed to the Minnesota Homeless Fund.

Proposed Use of Funds

The Council's funds would be packaged with other funding, but would be focused on supporting projects that:

- Are located in the 7-county metropolitan area
- Provide up to 40-units of housing
- Housing units are affordable to households with incomes of 30% AMI or less
- Are low barrier entry for residents
- Provide culturally specific and appropriate living spaces and supportive services
- Can commence construction in the next 6 months
- Accept housing choice vouchers

Rationale

Contributing funds to support the Minnesota Winter Homeless Initiative builds upon the Council's other homelessness efforts and the Council's Livable Communities Act programs. This collaborative effort will offer the opportunity to leverage additional philanthropic and private sector contributions and in a shorter timeframe than that of the Council's annual grant programs that support affordable housing.

The *2040 Housing Policy Plan* (HPP) notes that homelessness continues to be a challenge even though multiple collaborations and alliances continue to make progress toward its eradication and states that one of the aims of the HPP is "to prevent homelessness by creating housing options that give all people viable choices for safe, stable and affordable homes."

This action also furthers the Council's recently developed Housing Goal and objectives regarding homelessness. In particular, this action supports the objective to "[a]ssume a leadership role to help regional stakeholders eliminate unsheltered homelessness." One of the strategies listed under the Housing Goal is to "[c]reate and contribute to a new collaborative fund to support smaller, low-barrier supportive housing options for people experiencing homelessness throughout the region."

The authorization to negotiate and execute a joint powers agreement with Minnesota Housing is needed to contribute the Council's funds to this effort.

Thrive Lens Analysis

Capital funding for the support of the Minnesota Winter Homeless Initiative advances the Thrive outcome of Equity by supporting the development of additional choices for residents to have safe, stable housing that meets their needs. Minnesota's 2019 report on homelessness also shows that people of color are more likely to experience homelessness than the overall Minnesota population.

Funding

As part of its authorization of the 2020 Unified Budget, the Council allocated \$1,000,000 in general purposes levy to address housing for people experiencing homelessness.

Known Support / Opposition

Under state law, joint powers agreements between governmental units must be "entered into through action of their governing bodies." The Minnesota Housing Board of Directors will also need to approve the joint powers agreement.