

Northfield Housing and Redevelopment Authority Update

Presented to City Council, January 18, 2021

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The City of Northfield Strategic Plan

STRATEGIC PRIORITY	DESIRED OUTCOME	KEY OUTCOME INDICATOR	TARGET	STRATEGIC INITIATIVES
ECONOMIC VITALITY A Community That's Economically Thriving	Expansion of commercial-industrial tax base consistent with guide plans	- C/I permit value increase - # of new infill projects	From 2021-2024: - C & I new permit value increased by \$50M by 2024 - > 50% of new C/I developed on infill sites	a) Implement economic stabilization, recovery & growth strategy b) Implement infill & redevelopment strategies b) Implement Tourism recovery strategy d) Implement Riverfront Enhancement Plan
	Successful local business recovery	- # new business starts - \$ sales tax growth --Job growth above 2019	From 2021-2024: - New business starts increased by ___ - Sales tax revenue increased by 10% - Total jobs above 2019 base increased by ___	
	Successful tourism recovery	-Lodging tax growth -Plan completion % -# new events	From 2021-2024: - > 60% of Riverfront sequence chart actions completed - Lodging tax revenue increased by 10% (2019 to 2024) - Recreation/tourism events increased by ___	
HOUSING AVAILABILITY A Community Where Everyone Can Afford to Live	Increased availability of housing at all levels	- # of units added above need	From 2021-2024: - Vacancy rate for rentals increased to 6% - Meet or exceed housing supply needs from 2021 housing study	a) Implement rental housing strategy b) Implement housing stabilization program c) Implement a housing expansion strategy
	Increased affordability for cost burdened households	- % decrease in cost burdened HH	From 2021-2024: - Reduce by 5% renters that are cost burdened - Reduce by 5% of owners that are cost burdened	
	Improved housing quality across the city	- % of non-compliant rental properties - # properties stabilized	From 2021-2024: -establish baseline of compliance for all licensed rental properties -->90% compliance rental properties -Assist 12 senior households to facilitate aging in place	
QUALITY FACILITIES A Community Where Infrastructure Supports Its Objectives	Parks, recreation and trails exceed community expectations	- % judging facilities satisfactory -% of gaps addressed - condition rating change	From 2021-2024: - All park & rec facilities judged satisfactory or above - 50% of high priority walking-biking system gaps addressed	a) Implement Park & Recreation Capital Investment Plan b) Implement coordinated major facilities strategy c) Implement integrated high-speed internet program
	Resolution of major facility projects	- # decisions made by deadline	By 2024, Go/No Go decisions: - Ice Arena; NCRC/Fifty North remodel & expansion; Liquor store	
	High speed internet access available to all	-# w/o provider access - % public places w/o free internet	- by 2023 High-speed fiber provider access-all properties - 2023-2024 Free high-speed wi-fi in public places	

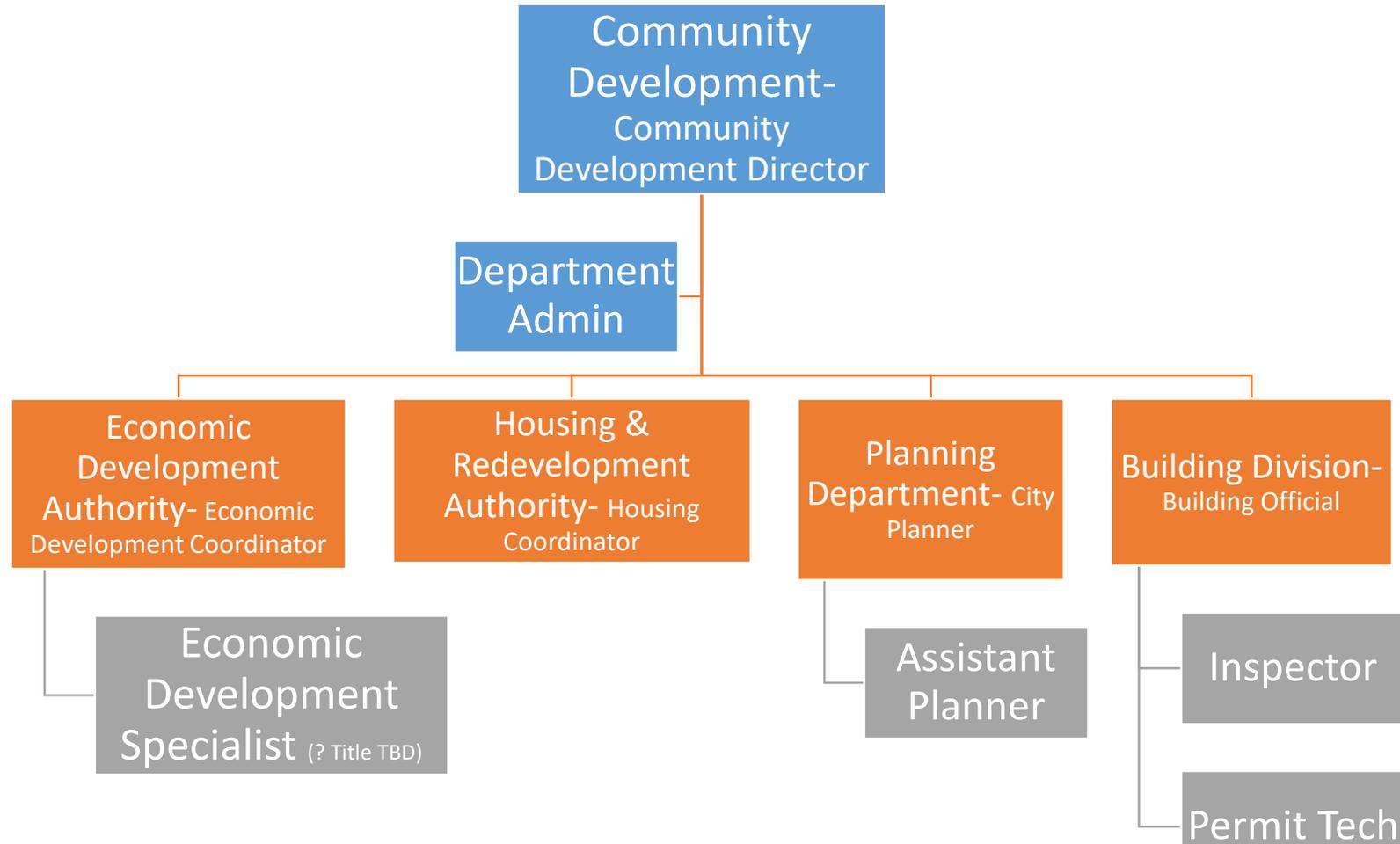


The City of Northfield Strategic Plan

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DIVERSITY, EQUITY AND INCLUSION A Community that Welcomes Everyone	Staff and volunteers reflect the community	-% increase in racial diversity: staff, volunteers	By 2024: - 50% increase in racial diversity of: --City workforce; Boards and Commissions	a) Implement Board and Commission diversity strategy b) Continue implementation of Racial Equity Action Plan
	Improved access to city services for all demographics City is a community leader on DEI	-% improvement in access-target groups - Race equity action plan targets achieved	From 2021-2024: - Meet access goals for two targeted groups From 2021-2024: - DEI leadership collaboration goals met yearly	
SERVICE EXCELLENCE A Community with a Government that Works	Adequate staff to meet demands	- # projects delayed - % service level-staffing ratios not met	From 2021-2024 -Staffing & resource adjustments implemented to reconcile staffing & service demands in two services	a) Conduct annual department analyses b) Deploy Board & Commission Governance effectiveness program c) Implement a service excellence program *d) Complete updated comprehensive plan
	Improved Board-Staff effectiveness	- % actions aligned with strategic plan - % rating good/above	By 2024: - >75% rate working relations good or excellent - 90% of Board activities align w/ strategic plan	
	Improved service delivery	- % improvement in community satisfaction - % improvement in cycle, response times	- Community satisfaction in two targeted services increased by 10% by 2024 - > 80% indicate well informed re: City issues by 2024 - 90% of targeted improvements achieved by 2024	
CLIMATE ACTION A Community that's Resilient and Sustainable	Climate resilience is a priority in plans and budgets	- # climate actions in City plans - # climate actions funded	By 2024: - Emerald Ash Borer plan funded & implemented -Climate resilience standards incorporated into annual budget process and planning decisions	a) Implement Climate Action Plan
	Reduced net carbon emissions	- % reduction CO2 emissions - % increase-renewable energy use	By 2024: -City renewable electricity is 60% of usage -City CO2 emissions reduced 20% from 2019 levels	
	Community participation in Climate Action	- % increase in people implementing actions	By 2024: - 20% increase in people participating in defined activities	



Community Development Department of Northfield



The HRA is authorized by state statute to provide sufficient supply of adequate, safe & sanitary dwellings

Statutory Requirements

- 1987 Legislation (MN Statute 469.001-047)
 - Established by Enabling Resolution Reactivated by Enabling Resolution
 - Board Size – 7
 - Officers
 - Budget Resources and Levy
- 

What Can the HRA Do?

Housing Redevelopment Authorities (HRA's) create new housing and protect existing housing

HRA

- Acquire Property
- Issue Loans
- Enter into Contracts
- Limited Partnerships
- Joint Powers Agreements
- Issue Bonds
- Marketing & Public Relations
- Studies and Research
- Tax Increment Financing
- Tax Abatement

Limitation of Powers

- Enabling Resolution
Restrictions from Governing
Body
 - Bonding Authority
 - HRA Composition
- 

Northfield HRA Resources

Local Resources

- Tax Increment Finance
- Tax Abatement
- Property Tax Levy
- Community Development Block Grants (CDBG)



Partner Resources

- Dakota County Community Development Authority (CDA)
- USDA Programs
- MN Housing Finance Agency
- MN Housing Partnership
- Greater MN Housing Fund
- Rice County HRA
- Growing Up Healthy



HRA Community Partnerships

Three Rivers Community Action Agency

- Spring Creek Townhomes – Spring Creek II



Northfield Community Action Agency

- Homeless/shelter programs



Northfield Union of Youth

- Wallflower Project (Host homes for homeless youth)



Habitat for Humanity



- HRA supports the 5 builds in Northfield by funding permit fees



HRA Community Partnerships



Rice County Area
United Way



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- Northfield Racial and Ethnic Equity Collaborative



Minnesota
Humanities
Center



HRA Budget - 2022

- **Fund 295**

Revenue

- Levy \$306,731
 - Rent \$ 49,752
 - Investments \$ 25,960
- \$382,443

Expenditures

- Personnel \$125,127
 - Services \$ 102,871
 - Rental/Land Costs \$ 41,120
 - Programs \$ 113,025
- \$382,443

- **Fund 250**

- Community Development Block Grant Program (CDBG)
- US Department of Housing and Urban Development (HUD) administers CDBG and provides funding to Dakota County
- Northfield is eligible to access funds through HUD because a portion of the city resides in Dakota County
- \$65,312 has been allotted to Northfield for FY 2021 (July 1, 2021 – June 30, 2022)
- \$65,033 has been allotted to Northfield for FY 2022 (July 1, 2022 – June 30, 2023)



Strategic Priority- Housing Availability

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Properties Owned by the HRA

- 11.18 Acres at Southbridge
- 5xx Washington Street S (Duplex)
- 2xxx Hidden Valley Road
- 2xxx Elianna Drive
- 2xxx Elianna Drive



Properties Rented by the HRA

- HRA owns and manages 5 units of affordable housing in Northfield
- 2 units are used by CAC for emergency and transitional housing
- 3 units have renters who have lived there between 4 and 12 years



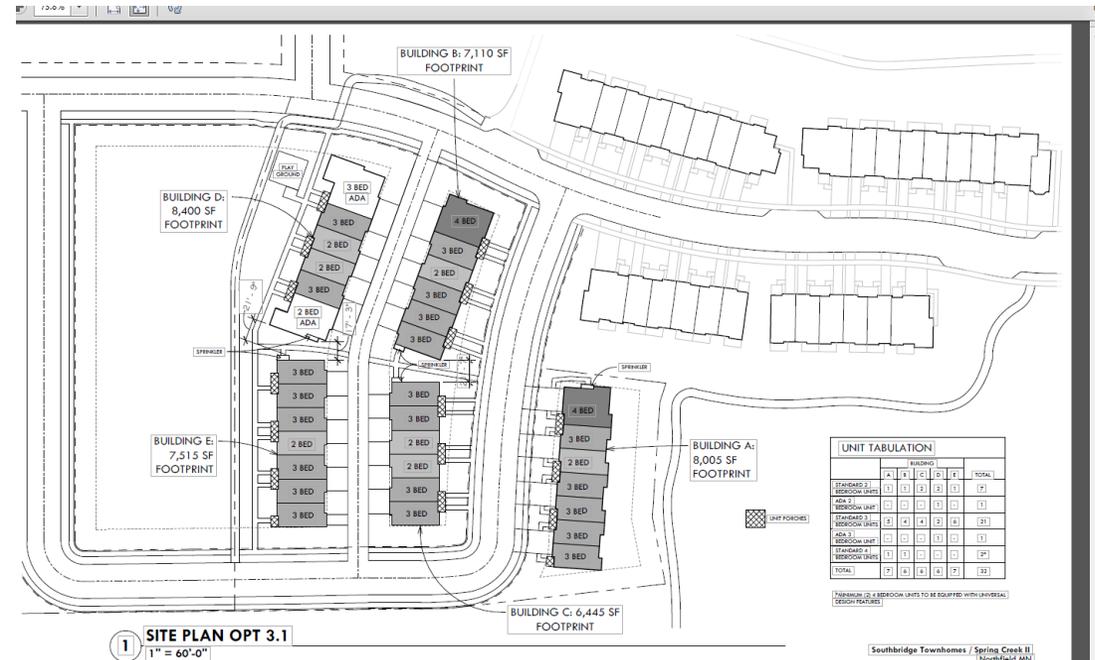
Southbridge- Partnership



Workforce Housing

Spring Creek II Townhome Project

- Begin Construction Spring 2023
- 32 townhome Units
- 2, 3 & 4 bedroom units
- HRA supported TIF for this project



How Does the HRA Support Housing?

- CDBG Program Administration

- Mobile Home Rehab Loans

- Up to \$20k, 0% interest, deferred loan, forgivable after 3 years of continued occupancy
 - 2 loans originated in 2021

- Single Family Home Rehab Loan

- Up to \$20k, 0% interest, deferred loan, \$10k forgivable after 10 years of continued occupancy, loan repaid at time of sale or refinance
 - 3 loans originated in 2021

- Down Payment Assistance

- Up to \$25k, 0% interest, deferred loan repaid at time of sale or refinance
 - 1 loan originated in 2021, 5 loans repaid from prior years

- Aging-In-Place Grant

- Up to \$7,000 to income qualified homeowners, 62+ years of age, for aging in place modifications



2021 Accomplishments



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- HRA Response to COVID-19
 - Responded to households experiencing economic hardship related to COVID-19 pandemic by providing grant funding totaling \$100,000 to the CAC of Northfield to assist households with rent and mortgage payments, \$53,600 was provided in 2020 and an additional \$46,400 in 2021
- Housing Market Study
 - HRA is sponsored a housing study and need analysis that began August 2020 and completed winter 2021
- Rental Housing Policy Review
 - Community Development is sponsoring a study to support improvements to the City of Northfield's overall licensing program and policies, the HRA is assisting with stakeholder engagement



2021 Accomplishments

- Fall Clean Up

- HRA partnered with Dick's Sanitation to organize a fall clean up event for residents of Northfield Estates, Viking Terrace and Riverside Mobile Home Parks



- Mobile Home Heat Tape

- HRA partnered with Clean Energy Resource Teams (CERTs), Growing Up Healthy-Healthy Communities Initiative, Rice County HRA and Faribault HRA to provide Heat Tape and installation instructions during workshops in September and October at mobile home parks in both Northfield and Faribault



- Sustainable Building Policy

- As part of our commitment to the environment, the City adopted a Sustainable Building Policy as approved by HRA

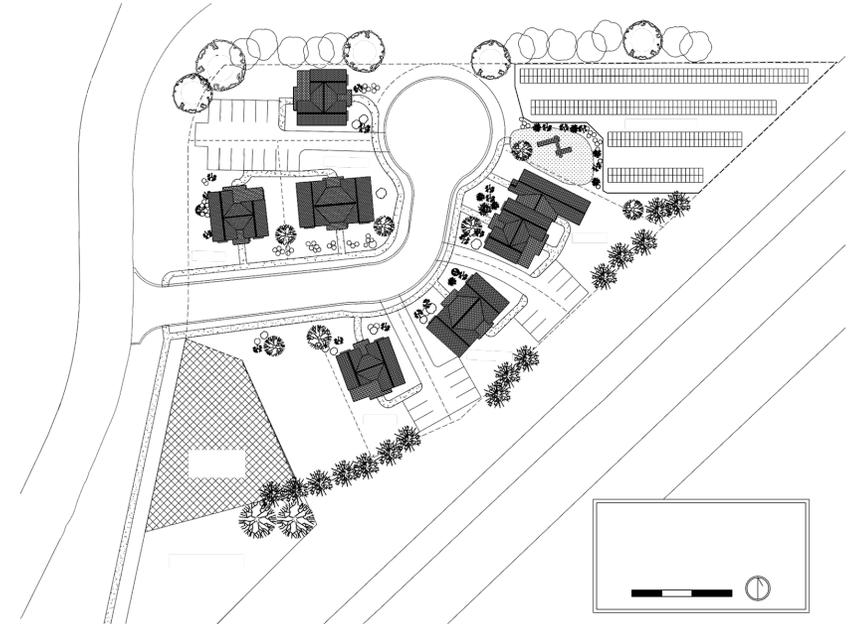


2021 Accomplishments Hillcrest Village



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- HRA provided a \$250,000 forgivable loan to aid with construction costs
- Will add 17 housing units
 - 3 units of emergency housing
 - 6 units of transitional housing
 - 8 units of affordable housing
- CAC has started construction



Identified 2022 Goals

- Formalize Grant and Funding requests and process
- Determine HRA's continued and future role in property ownership
- Explore other uses for CDBG funds
- Work with Rice County HRA and TRCA to explore affordable homeownership opportunities
- Local Housing Trust Fund- apply for dollar-for-dollar match from MHFA when available
- Other goals?



Questions?

