



HRA- Council Onboarding

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HRA Vision & Mission



Vision

Our goal is to create a community with housing opportunities available along the entire housing spectrum: from renters to homeownership, first-time homeowners, to senior living, workforce housing and empty-nesters.

Mission

To be a partner in providing a sufficient supply of affordable, adequate, safe and sanitary dwellings in Northfield.

We strive to create affordable housing opportunities and strengthen our neighborhoods utilizing:

- Sustainability
- Innovation
- Partnerships
- Community Input

Northfield's Adopted Fair Housing Statement



The City of Northfield is an open, safe, and welcoming community.

The City and its Housing & Redevelopment Authority and Economic Development Authority is committed to being an inclusive community for all. This statement affirms a commitment to further fair housing and to promote appropriate activities by private and public entities to provide and advocate for equal housing opportunities for all residents and prospective residents of the City of Northfield.

The federal Fair Housing Act (1968) makes it illegal to consider race, color, religion, national origin, sex (including gender identity and sexual orientation), disability, or family status in rental, sales, or lending decisions. The Minnesota Human Rights Law also makes it illegal to discriminate based on creed, sexual or affectional orientation, marital status or receipt of public assistance. Fair housing means fair housing for all.

What does an HRA do?

Governed by State Statute 469.001-.047



Northfield HRA has a history of:

- Housing development
- Housing preservation
- Redevelopment of blighted properties (housing and other)
- Ensuring affordability of housing
- Support housing access for all people

Priorities of 2025-2028 City Strategic Plan



Increase housing availability

Addressing the city's affordable housing needs

Desired outcome	Key outcome indicator	Target
Expanded availability of single- family housing	◦ # of single-family housing units added annually	◦ Add 50 single-family homes annually through December 2028
Expanded availability of multi- family housing	◦ # of multi-family housing units added annually	◦ Add 50 multi-family homes annually through December 2028
Preservation of housing quality and affordability	◦ # of naturally occurring affordable housing (NOAH) units preserved	◦ 30 NOAH units preserved/rehabbed annually through 2028

Strategic initiatives

- Develop and implement single-family home expansion strategy and recruitment plan
- Implement new and existing housing stabilization program
- Create a strategy to reduce homeownership disparity
- Create development subsidy standards and policy
- Create a plan for publicly owned high priority redevelopment sites

HRA Tools



- Bonds and Conduit Debt
- Policies and Ordinances
- Programming
- Property Acquisition and Disposition

HRA Tools: Bonds and Conduit Debt



- Conduit debt financing – Jefferson Square Townhomes acquisition and rehabilitation of property (Preservation of affordable housing)
- Tax Increment Financing (TIF) – Northfield Apartments and Harvest Hills to apply (Expanded availability of multi-family housing)
- Tax abatement (expanded availability of housing) – Harvest Hills to request for infrastructure

HRA Tools: Policies & Ordinances



- 4d Tax Classification (Housing Preservation and ensuring affordability of housing)
- 20% rentals – Increase availability of single-family rentals
- Short-term Lodging – VRBO/Air BnB
- Source of income protections (Ensuring affordability and housing access)
- Legislative Agenda

HRA Tools: Programming



- Down Payment Assistance (ensuring affordability and housing access)
- Home Rehabilitation Assistance Loans (housing preservation)
- Rental Assistance Programs (affordability and access)
- Emergency Housing Access

HRA Tools: Property Acquisition and Disposition



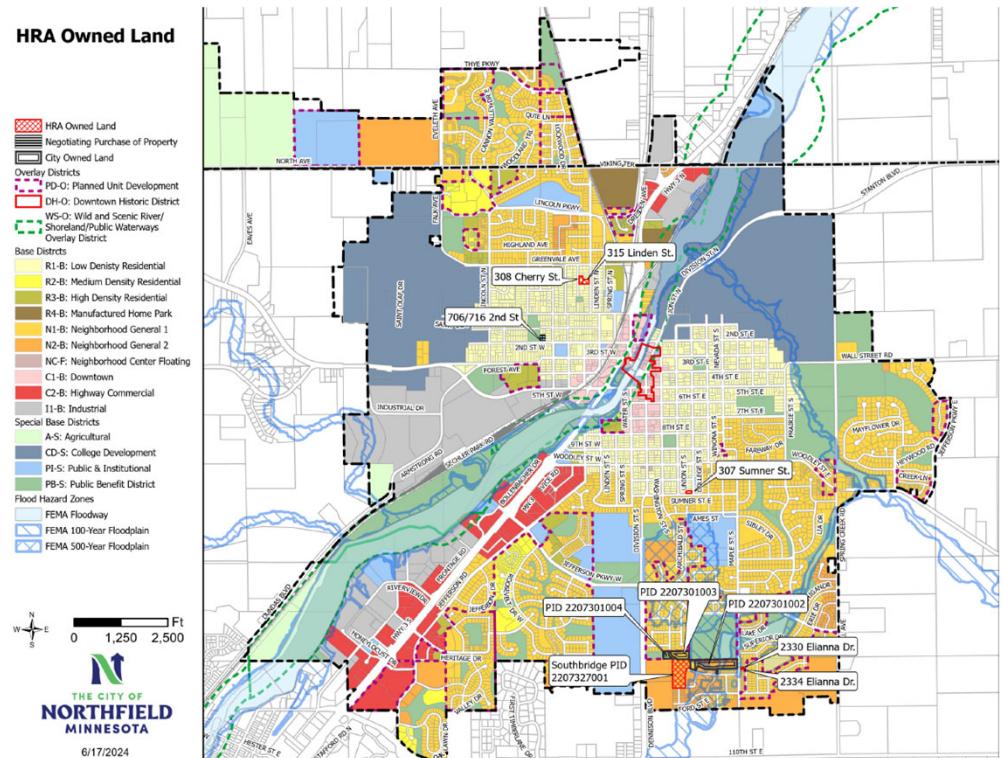
- Prepare properties for development – Sumner Street
lot splits, surveys, GeoTech, Phase I Environmental, etc.
(Housing Development and redevelopment)



Properties Owned by HRA or City



- 308 Cherry St
- 315 Linden St
- 706/716 2nd St
- Southbridge – 7 acres
- Fargaze Meadow – 40 acres
- 2330 Elianna Dr- Listed for Sale



HRA Budget 2026



Income: \$490,498

- Levy = \$403,926
- State Affordable Housing Aid = \$31,972 (state funds appropriated to the Department of Revenue)
- Community Development Block Grant = \$54,600

Expenses: \$490,498

- Staffing = \$242,712 – HRA Coordinator, Community Development Director, interns
- Local Housing Trust Fund = \$140,944
- Operations = \$53,918 – accounting, legal, IT, administration, public notices
- Miscellaneous (property tax, maintenance/repairs for properties, utilities) = \$52,924

Local Housing Trust Fund Balance 12/31/2025: \$168,597 + 2026 funds = \$491,513

- \$150,000 MHFA matching grant, must be programmed to down payment assistance and home rehabilitation loans/grants
- \$140,944 budgeted from 2026 HRA Levy
- \$31,972 State Affordable Housing Aid

Total HRA fund balance = \$1,498,500 (unrestricted funds = \$741,290; restricted = \$757,210)

2025 Accomplishments



- Secured a **matching grant from the Minnesota Housing Finance Agency (MHFA)** for the Local Housing Trust Fund, which will be allocated to **Down Payment Assistance** and **Home Rehabilitation** programs.
- Submitted a matching grant application to support a potential **Workforce Housing development** on City-owned land at Meadows Park; the application was **not awarded**.
- Implemented a **municipal 4d tax program** under the Low-Income Rental Classification (LIRC) program, providing reduced property tax rates to owners of affordable rental properties—an important **housing preservation tool**.
- Provided **financial support** to key community partners, including:
 - Northfield Union of Youth's *Wallflower Project* and *Wallflower House*
 - Community Action Center's *rent stabilization programs*
 - Rice County *Habitat for Humanity*

Headwinds/Tailwinds



Headwinds

- Infill priority
- Lack of grant funding opportunities
- Challenging development market

Tailwinds

- Repositioning out of property management is almost complete
- Grant funds have been secured for Down Payment Assistance and Home Rehabilitation
- Strong community partnerships
- City Site Control of multiple properties

Staff Emerging Priorities for 2026



- Lean into **legislative priorities** that strengthen and support housing initiatives in Northfield.
- Actively **pursue the limited funding opportunities** to support housing initiatives and redevelopment activities.
- Update **Down Payment Assistance** and **Home Rehabilitation Loan** programs to ensure compliance with the MHFA Local Housing Trust Fund grant requirements.
- Advance **housing development on HRA-owned land**, including developer recruitment and/or necessary predevelopment activities.
- Provide guidance for the **Zoning Code Update**, focusing on best practices for housing preservation and strengthening the local housing ecosystem.

Initial Feedback



- . Questions?
- . Priorities?
- . Direction?