



**DATE: October 10, 2019**

**TO: Northfield HRA**

**FROM: Mitzi A. Baker, AICP Community Development**

**RE: Discussion Items**

At the October HRA meeting, I would appreciate some of your time to discuss two items with the HRA Board.

**1. Initiative to Modify City Policies and Programs Related to Rental Housing and Property Maintenance**

Over the last year staff has been evaluating department priorities, project needs and opportunities for improvement. As part of this, staff identified the need for comprehensive revisions to policies and programs related to rental properties and property maintenance.

This need has been underscored by repeated concerns occurring at a few of the community's multi-family rental properties. The City has approximately 691 rental properties and 2,668 rental units. While the majority of rentals are generally well operated and maintained, the properties commonly identified with complaints and corrections require more time and attention, and gaining and maintain compliance has been a challenge.

The current policy, program and fee structure related to rental housing is not sufficient to address problem properties. Establishing clearer performance expectations, owner responsibilities, revocation procedures, and supporting fee structures and staffing is necessary to provide the City with tools required to more successfully ensure safe and decent housing for all.

These revisions will take considerable staff resources and time. It will also necessitate shifting or postponing other work to allocate resources to this important initiative. This could be accomplished by identifying HRA program and Board activities that would be put on hold to free up sufficient staff time, by hiring temporary staff, by contracting with consultants or through a combination of approaches.

We are very fortunate Janine Atchison has a tremendous amount of experience in this area and brings valuable insights into approaches that have been effective in other communities. I have asked Janine to lead this initiative and help position the City to better address rental properties and property maintenance issues. Determining whether a majority of her time is allocated to this project to lead and prepare policy changes, or a smaller portion is allocated to provide leadership and oversight, will be informed by our discussion.



If consulting services or temporary staffing are preferred, the HRA's consideration to support these needs by allocating funds from the HRA reserves would be appreciated. Northfield has a significant number of rental housing units, and the condition of these units aligns with the HRA's core interests in housing and affordable housing. Your consideration of these alternatives and funding support will help inform how we proceed. We have not obtained cost estimates for temporary staffing or consulting, though expect cost could be \$20,000 - \$50,000 depending on the options.

There is a sense of urgency to address these issues and get a system in place to more effectively ensure compliance with standards so there is safe and decent housing for all. If possible, we would like to start on this initiative by early December and have materials prepared to consider next spring.

## **2. Strategic priorities, property acquisition and/or re-development**

I understand the HRA has expressed some interest in property acquisition, primarily single family and/or townhome units. A wide range of housing is needed in the community, which we expect will become clearer with the completion of a local housing study. The HRA can be a catalyst for new projects, a partner, or an agent to incentivize re-development. There are different ways to think about how the HRA makes impact in the community, what actions may have the most long-term benefits, and how they fit into the community's comprehensive plan and long-term vision.

Completion of a housing study is a great first step. Once finished, it can be a tool for marketing the community and attracting developers and investors, and also to inform the HRA's priorities and programs.

This topic is a "place-holder" for now, but would appreciate the HRA's to consideration to suspend pursuing single family and/or townhome acquisition until the housing study is complete and there are some strategic discussions around the HRA's opportunities, priorities and impact.