

Homelessness, Housing and Finding Home

Housing Presentation

March 24, 2024



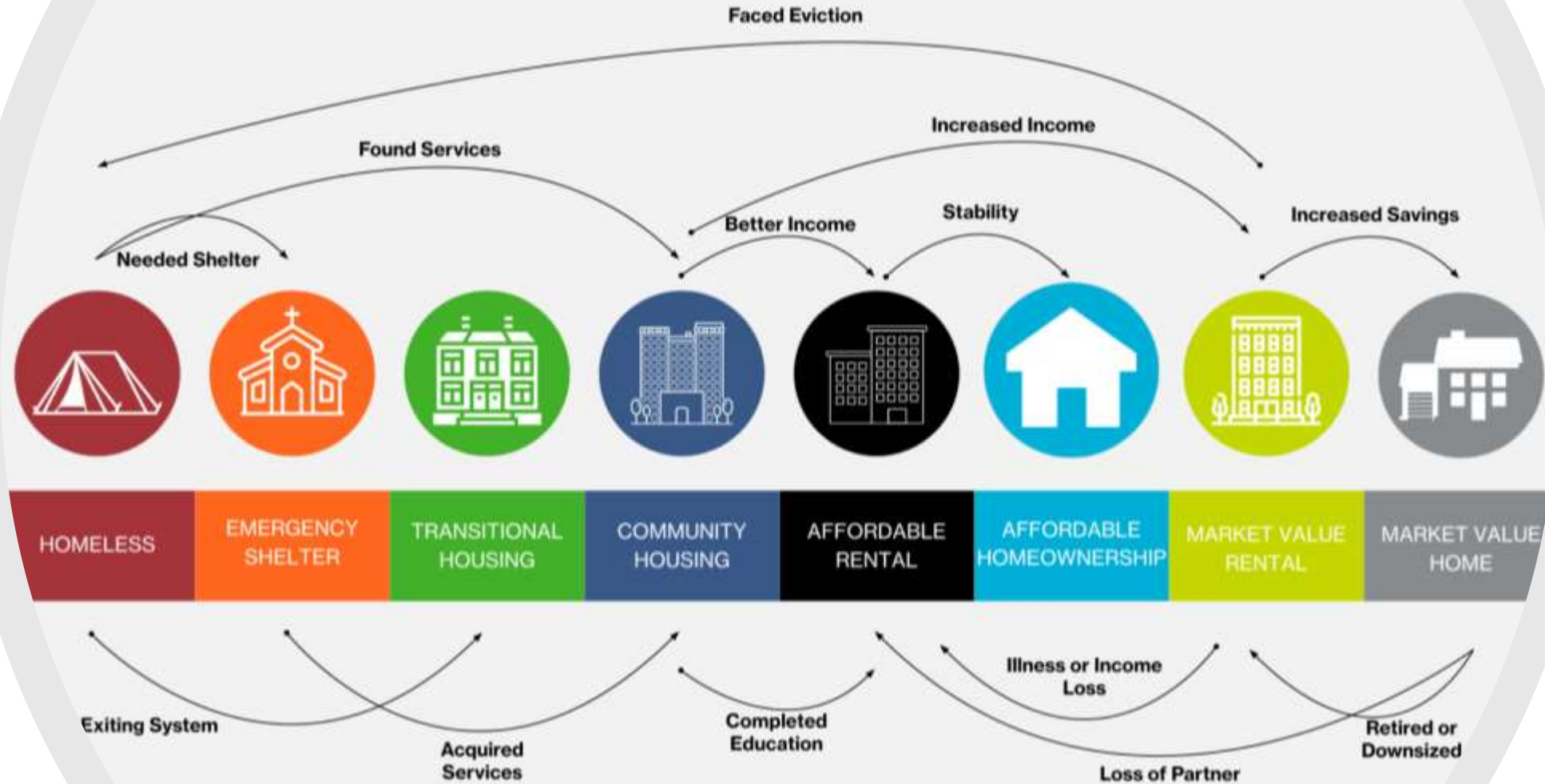
Building the foundation of a vibrant community

Defining Housing

- Affordable housing:
 - Housing in which the resident is paying no more than 30 percent of gross income for housing costs, including utilities.
- Workforce housing: 50%+ AMI
 - Housing for households earning around the area median income. Housing may include property tax reduction incentives to encourage lower rents.
- Market Rate housing –
 - Serves 100% AMI and up – no rent restrictions, subsidies, or assistance used.



Example of the Housing Continuum



Olmsted County 2023 Area Median Income (AMI)

Income levels by Household Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30% AMI (Extremely low)	23,450	26,800	30,150	33,450	36,150	38,850	41,910	46,630
50% AMI (Very Low)	39,050	44,600	50,200	55,750	60,250	64,700	69,150	73,600
60% AMI	47,450	54,200	61,000	67,750	73,200	78,600	84,000	89,450
80% AMI (Low Income)	62,450	71,400	80,300	89,200	96,350	103,500	110,650	117,750
100% AMI	78,060	89,250	100,375	111,500	120,430	129,375	138,300	147,200

2023 Olmsted County Affordable Rents

- Rents are based on income level of person who would afford the unit (based on paying 30% of income in rent)
- Rents are not based on individual tenant income

Income levels by Unit Size	0 Bedroom (Efficiency)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom
30% AMI (Extremely low)	585	627	753	870	970	1,070	1,170
50% AMI (Very Low)	976	1,045	1,255	1,450	1,617	1,784	1,951
60% AMI (Tax Credits)	1,171	1,254	1,506	1,740	1,941	2,141	2,341
Housing Choice Voucher Payment Standards (40% percentile of rent)	930	1,080	1,345	1,910	2,290	2,635	2,980

Homelessness in Rochester





Homelessness in Rochester

- No easy ways to estimate number of people experiencing homelessness
 - 173 “Unsheltered” people reported in July 2024
 - Over 570 students without a stable home 23’-24’ school year
 - 1,002 people used our Coordinated Entry system for 1 night in 2023
- New shelter facilities are needed
 - Current facility is too small and outdated
- **Housing (with services) solves homelessness**

Permanent Supportive Housing

- HRA owned property
 - 105 N. Broadway (18 units) and the Francis (18 units)
- Matches housing and onsite case management
- Clients can live onsite for as long as necessary
 - Goal is to get all clients living in most independent environment that meets their needs





Family Promise Shelter



Homeless Outreach

- Empowering Connections and Housing Outreach (ECHO) Center
 - Located next to Warming Center
 - Open from 7:30-2:30 M-F
 - County staff on site to assist people with housing related and resources
- Housing Stability Line/Email
 - Phone line/email address that answers questions and provides housing guidance and resources
- Housing Stability Number 328-7175
- **Housing is a process, not a transaction**

Built For Zero



Homeless Response Steering Committee



The Vision

- State's vision is to "end homelessness" by:

PREVENT

We will PREVENT homelessness whenever possible by decreasing the number of individuals and families that become homeless.

RARE

We will make homelessness RARE by increasing the number of housing possibilities we have for people throughout the state.

BRIEF

We will make each episode of homelessness as BRIEF as possible to reduce the trauma inflicted on adults and children who experience the trauma of homelessness.

NONRECURRING

And, we will make homelessness non-recurring by putting supports in place to ensure that no one falls back in to homelessness once they are stably housed.

- Staff recommends this as an adopted vision for our local efforts to prevent and end homelessness
 - Common language
 - Guide resource allocation



Affordable rental housing

Need for rental assistance in Olmsted County

- 65,640 households in Olmsted County
 - 46,013 owner occupied households
 - 19,627 rental households
- **9,636 Olmsted County Households are housing cost burdened (pay more than 30% in rent)**
 - 49.1% of all rental households
- **1,403 Households of Rental Assistance available**
 - 667 HUD Housing Choice Vouchers
 - 117 (Divided among five state rental assistance programs)
 - 619 beds of Housing Support Program



How are we addressing the need?



Additional Rental Assistance

- Rental Assistance
 - Participant pays 30% of income in rent
 - Subsidy pays the remainder
- Approximately 1,400 units of rental assistance
 - Increase of 400 over the past 5 years
- Increased rental assistance
 - About 250 new rental vouchers are coming



Creating affordable housing



PHASE 1, 2024-2025



NEWS LOCAL

Revised Olmsted County housing plan receives neighborhood support

New plan calls for \$5 million purchase of Residences at Old Town Hall to be maintained as affordable rental housing.



Residences of Old Town Hall on Wednesday, Jan. 10, 2024, in Rochester. Maya Giron / Post Bulletin

OLMSTED COUNTY
MINNESOTA

Finding Home



Olmsted County/Rochester For-Sale Housing Market Background

Not enough homes being built



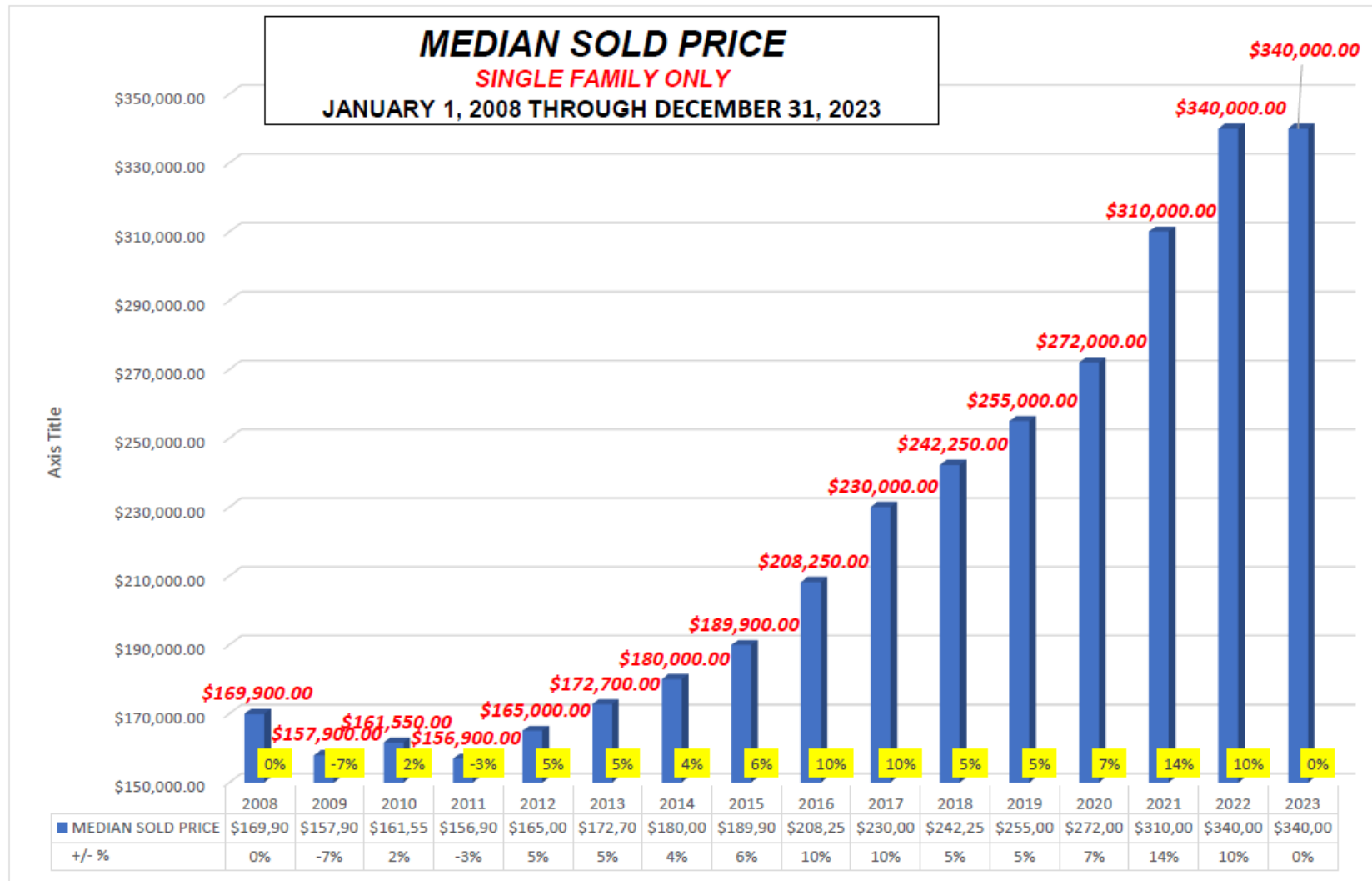
Current MSA market demand for 2022-2025 is 2,200 new homes (733/yr.)



Rochester percentage is 60% of total MSA Demand 1,320 (440/year)

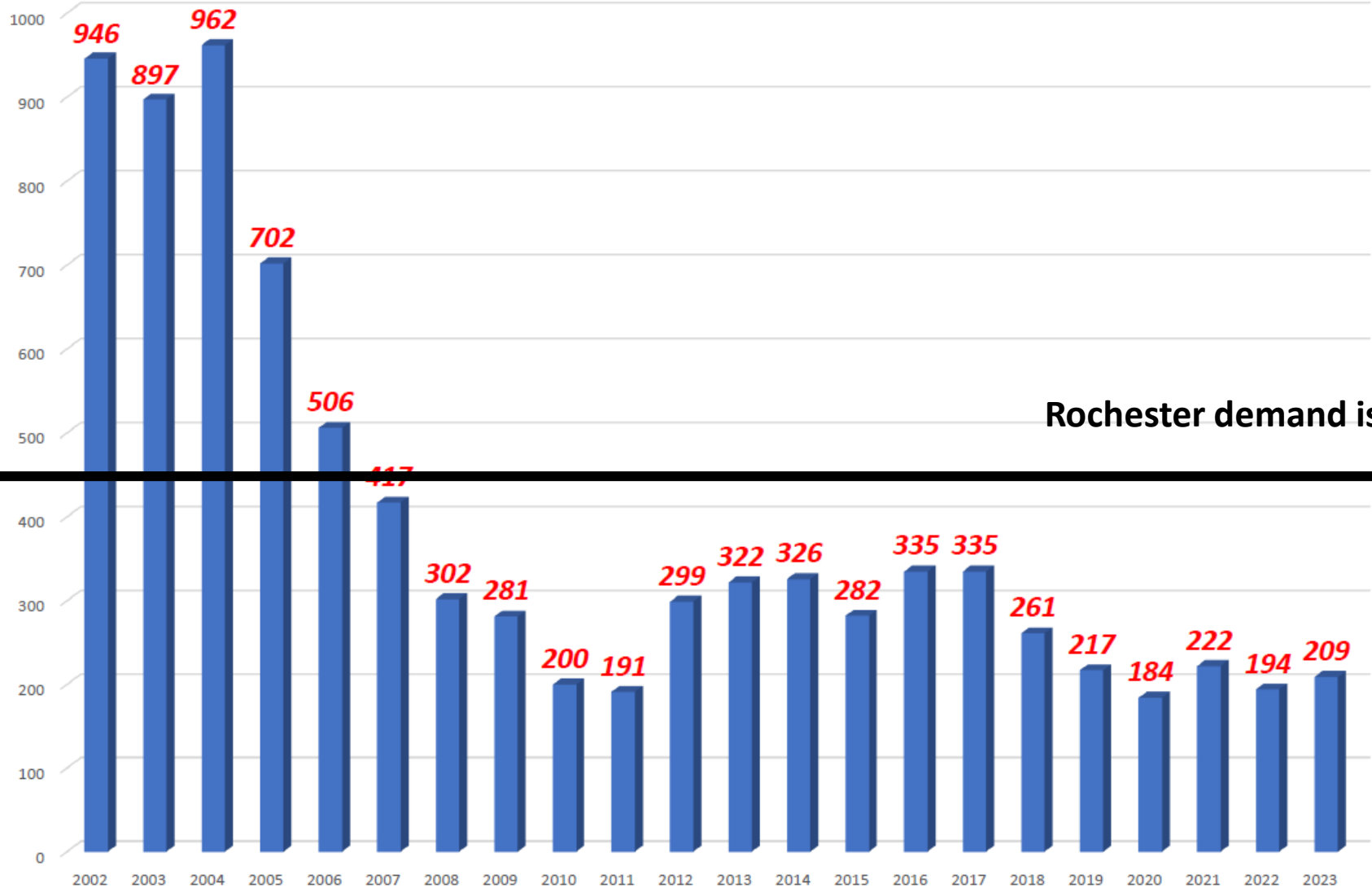
Since 2020, only 600 homes have been built (46% of Rochester demand)

Remainder of MSA region has similar numbers



DATA OBTAIN FROM FLEXMLS AND NORTHSTARMLS – MATRIX. DATA COMPILED BY JIM MINER, BROKER/REALTOR®, MN LICENSE 711263. ALL DATA IS FOR PERSONAL USE ONLY AND IS NOT FOR PUBLICATION. FOR CURRENT DATA, CONTACT THE NORTHSTAR MLS OFFICE. DRAW YOUR OWN CONCLUSIONS WITH THE DATA PRESENTED FOR ROCHESTER ADDRESSES ONLY. INFORMATION DEEMED ACCURATE BUT NOT GUARANTEED.

**SINGLE FAMILY BUILDING PERMITS
2002 THROUGH 2023**



Rochester demand is 440 homes per yr.

How are we addressing the needs?



Select Language ▼

Settings and more (Alt+F)

Economic Vitality Fund

The Economic Vitality Fund will focus on key components of economic development strategies, such as housing, regional revitalization, workforce development and childcare infrastructure. This initiative aims to support the growth and prosperity of the community by:

- Investing in missing middle- and low-income housing
- Preserving existing affordable housing options in our neighborhoods
- Developing workforce programs that will help create more job opportunities



Image provided by First Homes

Red Hawk Drive SE Lots



Moving Forward, Together

If everyone is moving
forward together, then
success takes care of itself.

Henry Ford

quoteonly

The Call to Action

- Be present (sign up to get agendas in your inbox)
 - [Search - PrimeGov Portal](#) (Olmsted County)
 - [City Council Meetings | Rochester, MN \(rochestermn.gov\)](http://rochestermn.gov)
- Work together
 - Building a movement within the faith community
- Maximize your congregations' assets
- Everyone deserves a place to call home in Olmsted County
 - Home is the foundation for a health community
 - *This is a problem we CAN solve*



Questions, Discussion

David Dunn

Olmsted County Housing & Planning Director

507-328-7143

David.Dunn@OlmstedCounty.gov

