



GREATER MINNESOTA
HOUSING FUND



celebrating

20 | 20

GREAT YEARS

GREAT IDEAS

1996–2016



1

LAUNCH A HOUSING FUND FOR GREATER MINNESOTA

In the mid 1990s, two key Minnesota foundations realized there were deep affordable housing needs going unmet in the small towns, rural areas, and tribal communities of Greater Minnesota. Together The McKnight Foundation and Blandin Foundation teamed up to launch Greater Minnesota Housing Fund with initial and ongoing investments in 1996.



THE
MCKNIGHT
FOUNDATION



Blandin Foundation™
STRENGTHENING RURAL MINNESOTA

2

RISE TO THE CHALLENGE WITH THE FLOODWATER

GMHF has worked with communities recovering from floods since its inception, from East Grand Forks in 1997, to St. Peter and SE Minnesota in 2007, and Duluth in 2013. GMHF offers community planning tools like data collection, mapping, market analysis, task force convening, and emergency financing to communities affected by damaging floodwaters.





3

RAISE FUNDS, BUILD HOMES IN ROCHESTER

In the face of a crippling housing shortage in the Rochester area in 1999, GMHF linked forces with Rochester Area Foundation to provide seed capital and hands-on technical assistance to launch the First Homes community land trust. The private sector responded by committing \$12 million to the region's housing needs, resulting in over \$150 million in affordable housing development and 1000 new homes.



4

ENCOURAGE EMPLOYERS TO HELP CREATE WORKFORCE HOUSING

Without more affordable housing, many working families in Greater Minnesota are not able to find safe, decent, affordable housing near their workplace, and many employers cannot easily recruit or retain employees. GMHF engaged major as well as "Main Street" employers with growing businesses in housing-strapped communities to be part of the solution.



The SCHWAN FOOD COMPANY™



5

MODEL COMPACT DEVELOPMENT IN SMALL TOWNS

GMHF's Building Better Neighborhoods program provides hands-on planning advice to community leaders, city officials, planners and developers in Minnesota. The program advocates for smart growth principles that result in quality, affordable homes in livable neighborhoods. The program demonstrated that compact developments with 60' wide lots could be attractive, embraced, and help build community.

**CERMAK
RHOADES
ARCHITECTS**



6

MAKE EVERY HOME GREEN

Minnesota Green Communities, a collaborative partnership between Greater Minnesota Housing Fund, the Family Housing Fund, and Enterprise, became the largest green building program in Minnesota and a national model.

The program has successfully integrated Green Communities criteria into affordable housing building and design standards statewide.





7

RESPOND TO THE FORECLOSURE CRISIS

One in 20 households in Minnesota, nearly 100,000 families, faced a foreclosure between 2005 and 2010. GMHF worked with developers to make it possible for low-income homebuyers to access once-foreclosed and rundown, now-rehabbed, updated homes in the hardest hit areas of Minnesota, particularly Central Minnesota.



National Community
Stabilization Trust

8

PRESERVE RURAL RENTAL PROPERTIES

GMHF has become a national leader on preserving rural properties that are at risk of losing scarce rental subsidies in communities with little other affordable housing. Minnesota's supply of affordable rental housing is threatened by physical deterioration, opt-out from federal housing programs, and market-rate conversion. For this work GMHF partners with Minnesota Housing and USDA Rural Development.



9

JOIN THE MOVEMENT

GMHF values being part of a learning community of peers. GMHF became a certified Community Development Financial Institution (CDFI) and put new federal dollars to work in Minnesota. GMHF also became a member of the Federal Home Loan Bank of Des Moines and a partner in the Housing Partnership Network. Participating in national networks offers a welcome opportunity to exchange promising ideas.



10

TAKE RISKS OTHERS WON'T TAKE

GMHF admires innovation in its partners and pushes itself to conduct ongoing Research & Development to test new ideas. GMHF has incubated and advanced new strategies for impact investing, employer partnerships, ending homelessness, and ways to implement the "Housing First" model. This has resulted in financing housing with supportive services and shoring up manufactured housing.





11

STREAMLINE THE PATH TO FULL FUNDING

Early on, GMHF, Minnesota Housing, and other housing funders teamed up to create a collaborative process to invite housing proposals and jointly award philanthropic and government dollars to the most promising housing developments.

The Consolidated RFP process saves developers time and money.

Collaborating to jointly award funding for the best housing developments is a gamechanger for Minnesota affordable housing.



12

BAND TOGETHER TO TACKLE HOMELESSNESS

One of the most daunting challenges facing Minnesota is ending homelessness. GMHF participates in multiple cross-sector partnerships to create housing opportunities to help homeless families and individuals thrive. These include Heading Home

Minnesota, InterAgency Council on Homelessness, the Stewardship Council, and Homes for All, making progress through the Statewide

Plan to Prevent and End Homelessness, combined with smart policy and advocacy.





13

LEARN FROM LOCAL EXPERTS

GMHF co-hosts five Regional Housing Dialogues across the state every year in order to listen and learn from local housing advocates, developers, builders, community organizers, business leaders, and elected officials to understand what's most pressing in each region. Hearing about local trends firsthand helps funders fine-tune programming to better meet emerging needs like workforce housing and senior housing.



14

KNOCK DOWN BARRIERS TO HOMEOWNERSHIP

In an effort to increase rates of homeownership among new immigrants and households of color, GMHF partners with organizations with deep roots in the community like Three Rivers Community Action and Southwest Minnesota Housing Partnership.

These programs help emerging market buyers gain the knowledge and financing needed to overcome language barriers and affordability gaps to achieve homeownership.





15

LAUNCH AN EQUITY FUND

GMHF launched its nonprofit subsidiary, Minnesota Equity Fund, in 2013 to create a local equity fund dedicated to Minnesota and its growing communities.

Developers made it clear many worthy developments were getting passed over by larger syndicators, leaving many workforce housing needs and hard-to-house populations underserved. Created in partnership with Cinnaire, now serving Minnesota and beyond.



UnitedHealth GroupSM

16

TEST NEW LOW-SUBSIDY MODELS

GMHF is known for incubating innovative programs and financing in the face of new challenges. When the lack of workforce housing in Greater Minnesota communities emerged as a pressing concern, GMHF created new risk-tolerant products like mezzanine financing and loan payment guarantees to stimulate new workforce housing in key cities like Thief River Falls. Otto Bremer Trust supported the effort with a \$1M investment.





17

HARNESS EVERY RESOURCE FOR THOSE MOST IN NEED

Some developments embody the essence of GMHF's mission, serving high-need populations. When this happens GMHF marshalls every resource to bring a project to life, from predevelopment dollars to TA, gap financing, and tax equity. Examples include Steve O'Neil Apts. (Duluth), Upper Post (Fort Snelling), and Beacon Hill (Grand Rapids) which provide supportive housing for formerly homeless vets, individuals, families and children.



18

ENGAGE COMMUNITY LEADERS TO PURSUE A COMMON VISION

GMHF partners with Minnesota Housing Partnership to deliver 18-month trainings for regional, multi-jurisdictional "Housing Institutes." The Institutes came out of a need for technical assistance and capacity building at local housing organizations. After 18 months of peer-to-peer learning, many of the Institutes result in on-the-ground developments, bringing new affordable homes to their communities.





19

TAP NEW FUNDING STREAMS FOR HOUSING

Local housing agencies must perennially scramble to assemble sufficient state and federal dollars to meet their communities' housing needs. GMHF has worked with many county HRAs to gain political will to leverage new local funding streams they hadn't tapped before. These efforts have resulted in millions of new local dollars dedicated to affordable housing through housing levies.



20

STEM THE LOSS OF NATURALLY AFFORDABLE HOUSING

National investors are snapping up below-market apartment properties across the Twin Cities, resulting in minimal improvements and noticeable rent hikes.

GMHF is actively engaging social impact investors to help developers preserve this Naturally Occurring Affordable Housing, which represents the largest share of affordable housing available in the Twin Cities.



This brief booklet is a testament to Minnesota's extraordinarily collaborative housing environment. We invite you to explore these "20 Great Ideas" for a glimpse at the efforts Greater Minnesota Housing Fund has been fortunate enough to be a part of over the past two decades and is proud to support. We salute our partners and look forward to many productive years ahead.



332 Minnesota Street	651.221.1997 main
Suite 1201-East	800.277.2258 toll-free
Saint Paul, MN 55101	651.221.1904 fax
www.GMHF.com	info@gmhf.com