

Workforce HOMEOWNERSHIP Minnesota



A COMMUNITY-BASED STATEWIDE INITIATIVE TO DOUBLE THE NUMBER OF CURRENT HOMEOWNERSHIP OPPORTUNITIES OFFERED TO WORKING MINNESOTANS.

WHOM SUPPORTS COMMUNITY-BASED ORGANIZATIONS THAT ADDRESS LOCAL WORKFORCE CONCERNS THROUGH OWNERSHIP PROGRAMS: COMMUNITY ACTION PROGRAMS, HOUSING LAND TRUSTS, MANUFACTURED HOUSING COOPERATIVES, AND COMMUNITY DEVELOPMENT ORGANIZATIONS.

HF1535 / SF1497
(FABIAN) (WESTROM)



Workforce Homeownership Fund:

- Established 2016 as a separate and complementary fund with MHFA
- Capturing the growth in mortgage registry and deed transfer taxes will provide on-going funding
- Captured funds will raise annually \$10M or more and double workforce homeownership production in the state
- Sunsets in 10 years

Workforce Housing Shortage

It is well documented that communities and neighborhoods across the state are finding it increasingly difficult to provide housing for essential workers. Homeownership stabilizes communities, builds wealth and attracts and retains employees.

ANNUAL ECONOMIC IMPACT

Construction Jobs 730 . State Income & Sales Taxes - \$3.5M
Local Property Taxes - \$730K . Real Estate Commissions - \$2.9M

Based on \$10M of Investment

Workforce Homeownership Solution

- Ownership programs are flexible to develop and implement.
- Ownership programs are responsive to local markets.
- Ownership programs require less public investment than rental projects.
- Ownership programs do not benefit from tax credits, rent assistance, and have limited access to Housing Infrastructure Bonds.
- A dedicated workforce homeownership fund would create more ownership housing without diminishing resources dedicated to rental housing.



Double the Current Number of Workforce Ownership Opportunities

- Provide range of housing solutions to communities across the state experiencing a shortage of ownership opportunities for a growing local workforce.
- Renovate and preserve aging housing stock to meet the needs of today's families.
- Launch new ownership models such as cooperatives, community land trusts or contract for deed programs.
- Preserve hundreds of units of manufactured housing throughout Minnesota that currently don't qualify for public financing of infrastructure.
- Provide homeownership opportunities to working families and traditionally under served populations, including households of color and households with disabilities.
- As a group the sponsors of the WHOM initiative has a success rate 7 times greater than the market of getting people of color into homeownership.
- Create new manufactured housing communities in areas experiencing severe housing shortages.
- Increased business for real estate agents, mortgage lenders and other home purchase industry professional.



Workforce Homeownership Fund Uses

Acquisition and rehabilitation of existing properties

New construction

Housing related infrastructure investments

Innovative models for single family and multi-family ownership

Preservation of existing manufactured housing communities



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