TWIN CITIES HOUSING ALLIANCE

Make Building More Homes and Ensuring Safe Homes Priorities

It Takes All of Us

Presented MN NAHRO
October 7, 2026



About Us - TCHA

The Twin Cities Housing Alliance (TCHA) advocates for local and regional housing policy that creates a more **affordable**, **equitable**, **economically vital**, and **environmentally sustainable** future for the Twin Cities community. We have private, non-profit, public and labor members.

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Corporate Members

BADER
INVEST | DEVELOP | MANAGE

JLL

WALL COMPANIES

BRIDGEWATER BANK

GUARANTY
COMMERCIAL TITLE, INC.

WEIS builders

FHLB DES MOINES

Lupe Development Partners

WELLINGTON MANAGEMENT

Colliers

DOMINIUM

NORTH CENTRAL STATES REGIONAL COUNCIL OF CARPENTERS

WEIDNER APARTMENT HOMES

FRANA companies

SHERMAN ASSOCIATES

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Premier Members

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emanuelson-podas
consulting engineers

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N+S NORTH SHORE CONTRACTORS DEVELOPMENT

CBRE

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JADT DEVELOPMENT GROUP, LLC.

REUTER WALTON COMPANIES

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- Aeon
- Associated Bank
- BKV Group
- Broadway Street Dev.
- Braun Intertec Corp
- Contract Interiors
- Community Housing Corp
- Cuningham Group
- Devco Development
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- The Excelsior Group
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- Great Southern Bank
- Great States Construction
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- Kraus-Anderson
- Noor Companies
- Northcrest Corporation
- Northland Concrete & Masonry Co.
- Paster Properties
- PCL Construction
- PAK Properties
- Parkera
- Pope Design Group
- Stevens Construction
- UofM Foundation Real Estate Advisors
- Vitus

Participating Members

- Afton Park Development
- Bell Bank
- BKBM Engineers
- Brad Birnberg & Stacy Pinck
- Cherryhomes-Tyler, Inc
- Collage Architects
- Davis Communication
- DJR Architects
- Dunbar Strandness Inc.
- Enclave
- ERA Structural Engineering
- Henricksen
- Home Catalyst Partners
- Hope Law & Hust Law
- In-Focus Systems
- Ironmark Building Co
- Ivy Properties
- Kaas Wilson Architecture
- Landon Group
- Larkin Hoffman
- Loucks Inc.
- Loeffler Construction
- LSE Architects
- Maenner Property Advisors, Inc.
- Makado
- Michel Commercial Real Estate
- Momentum Design Group
- Monarch Development Partners
- NOLO Art Consulting
- Opus Corporation
- Perkins/Levin
- Pine Street Partners LLC
- Property Solutions & Services, Inc.
- Rachel Development & Contracting
- Ryan Companies
- Sambatek
- Saturday Properties
- Shenehon Center for Real Estate - UST
- Tareen Development Partners
- Taft
- Urban Works Architecture
- Velair Development Company
- Watson-Forsberg
- Windsor Engineers
- Woda Cooper Companies
- Yellow Tree Corporation

Meet Our Members

Strategic Partners

- Regional Council of Mayors
- Minneapolis Downtown Council
- Minneapolis Regional Chamber of Commerce
- St Paul Area Chamber of Commerce
- St Paul Downtown Alliance
- Marquette Advisors
- Greater MSP
- TC Habitat for Humanity
- Homeownership Center
- Up for Growth

What We Do

We advocate for local and regional housing policy to:



PRODUCE more units across the entire housing continuum, from deeply affordable, income-restricted units to new market-rate units.



PRESERVE, enhance and ensure safe **existing** housing

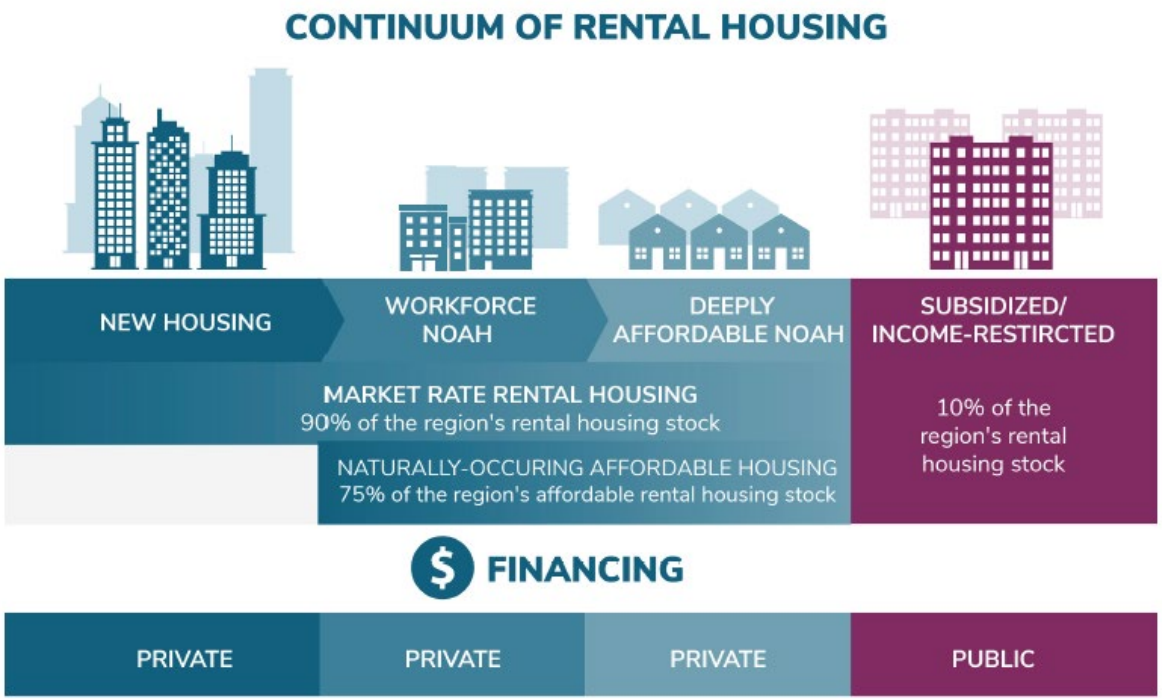


PROTECT and prioritize residents who are most vulnerable, **experiencing the worse income disparities,** and at greatest risk of displacement.

PARTNERSHIP

We work together with community leaders, policymakers, and industry experts to align efforts, leverage resources, and create meaningful collaborations to achieve our goals of preserving, protecting, and producing quality housing.

Shared Goals Across the State



Housing is economic development.
Housing is foundational.
Housing requires private investment.
More homes make housing more affordable.

Housing issues are complex and policy decisions require input from experienced leaders.

Private, Non Profit, Public & Supportive Housing working together on shared goals for More and Safe Housing

Participant Question

As I just mentioned, most housing is privately owned.

How are your local leaders (elected, appointed, and community leaders) trying to attract private investment for housing development and preservation to your community?

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TC Housing Compact

Shared Commitments. Stronger Communities. It Takes All of Us

Why This Moment Matters

- **Public perception is shifting.** From tenant protections to neighborhood opposition, the environment is becoming more complex. *TCHA helps ensure your voice is heard clearly and credibly.*
- **Housing needs are growing.** Across the region, families, workers, and seniors are being priced out or pushed out. Development isn't just about buildings—it's about people, places, and a future where everyone can put down roots. *With aligned commitments, we can build the homes our region needs to increase affordability for all.*
- **Collaboration is essential.** No single organization, agency, or sector can solve the housing crisis. *Progress only comes through shared commitment and collaboration.*
- **Regional housing policies are misaligned.** Policymakers need to understand how their priorities and processes impede progress. Reforms are needed. *Advocate to realign housing policies with development and operation realities.*

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Build More










Need and Supply – All Housing

We have a national housing need

- National shortage of dwelling units
- Reduced affordability
- Homeownership is more expensive than renting
- High interest rates harm development
- Rising age of first-time homebuyers
- High average age of homeowners

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Single family homeownership pressures shift demand to rentals.

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That shift drives the demand to build more rentals.



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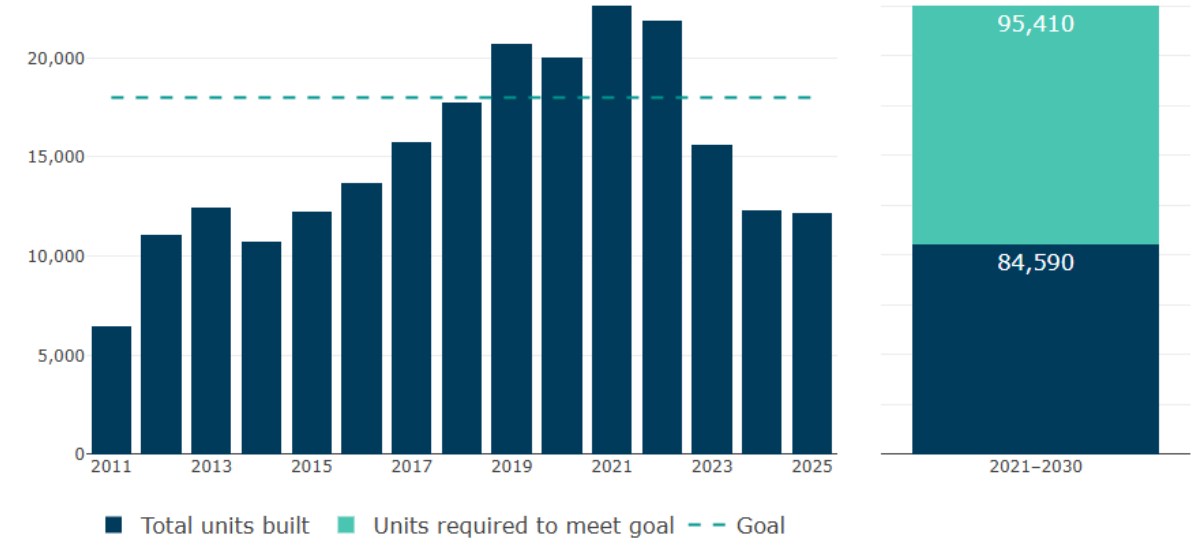
Need and Supply All Housing

Supply 18,000 new housing units per year

2025: Goal not met

2021–2030: Not on track

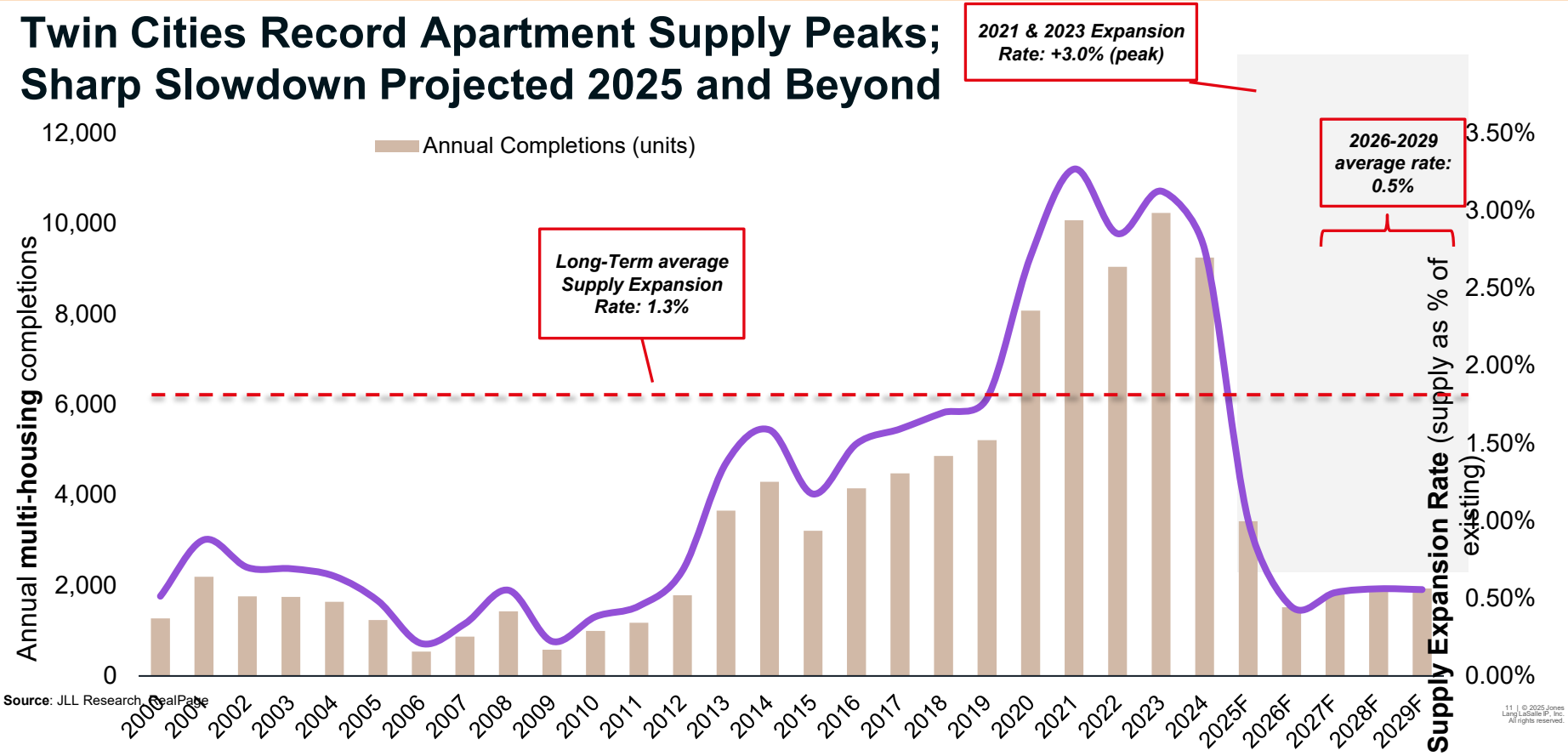
Number of units built in the seven-county Twin Cities area



Source: Metropolitan Council.

Need and Supply – Rental Housing

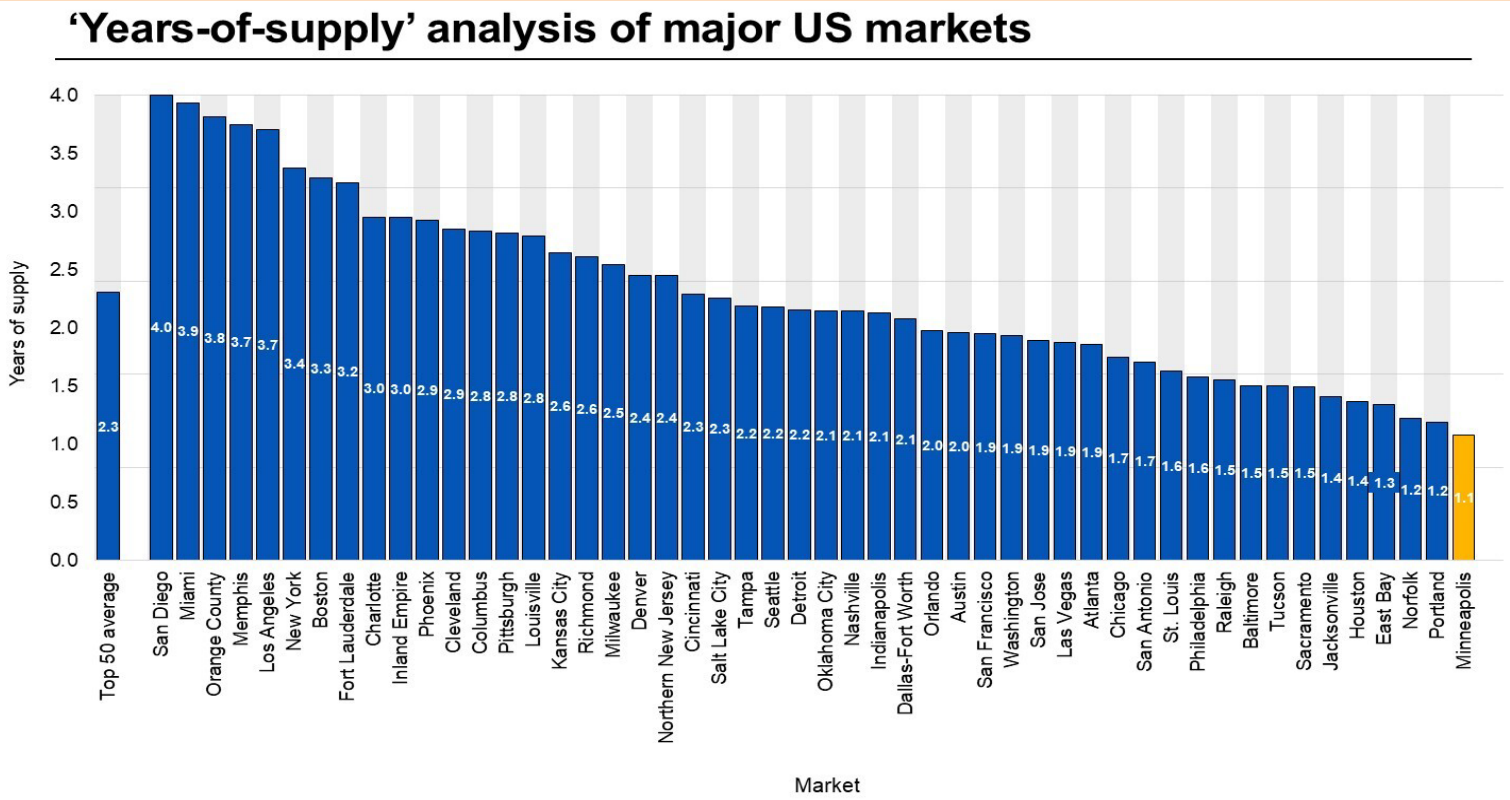
Twin Cities Record Apartment Supply Peaks; Sharp Slowdown Projected 2025 and Beyond



Source: JLL Research, RealPage

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Need and Supply – How our Market Compares



Source: CoStar, September 2025

Note: The "years-of-supply" analysis calculation is the current under-construction stock plus vacancies in non-stabilized apartments, divided by the average annual absorption over the past two years in non-stabilized apartments. The comparison is across the 50 largest markets nationally by inventory.

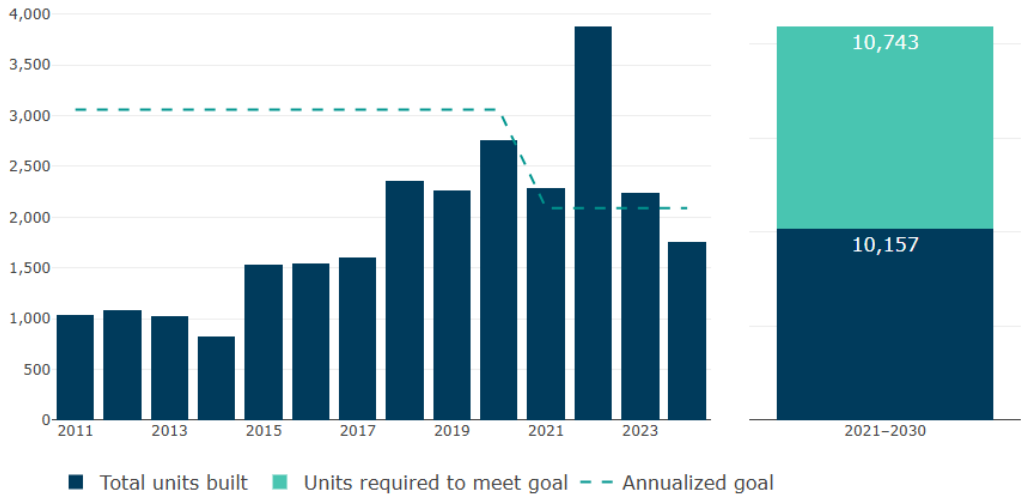
CoStar™ TWIN CITIES HOUSING ALLIANCE

Need and Supply – New Affordable

Meet existing affordable production commitments of 2,090 new affordable housing units per year

2021–2030: On track for this decade's lower goal

Number of new affordable units in the seven-county Twin Cities area



Source: Metropolitan Council.
Note: In the 2011–2020 period, the affordable housing production goal was 3,060 new affordable units per year. That estimate fell to 2,090 new affordable units per year for the 2021–2030 decade. For more information, see the About page.

Why this metric matters

Although naturally occurring affordable housing represents the largest share of affordable housing options, newly built affordable units balance out losses in the housing stock. Deeply affordable housing is another critical piece of the puzzle in achieving regional housing affordability.

How this goal was set

Under the Livable Communities Act, the Metropolitan Council negotiates goals with cities and sets an overall goal for the region. This goal equates to about 2,090 new affordable units a year.

Context

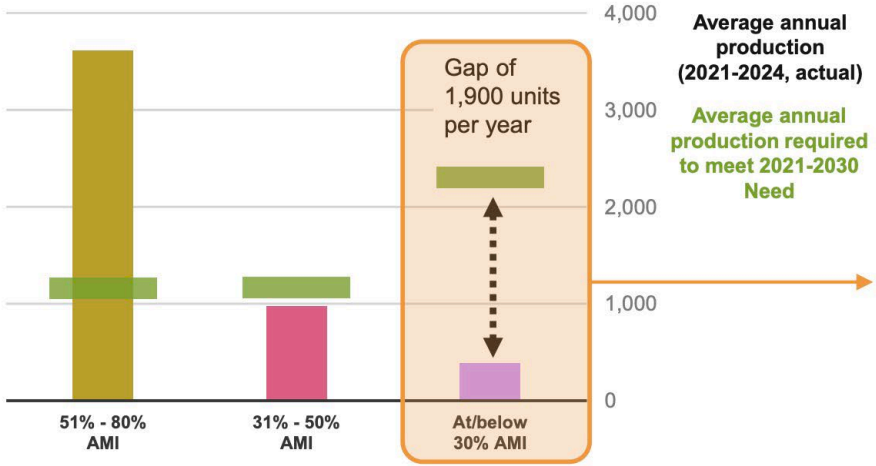
While the number of new affordable units met the Metropolitan Council's goals of cities producing 2,090 affordable units per year in 2021, it was lower than production in the last few years.

Read more:

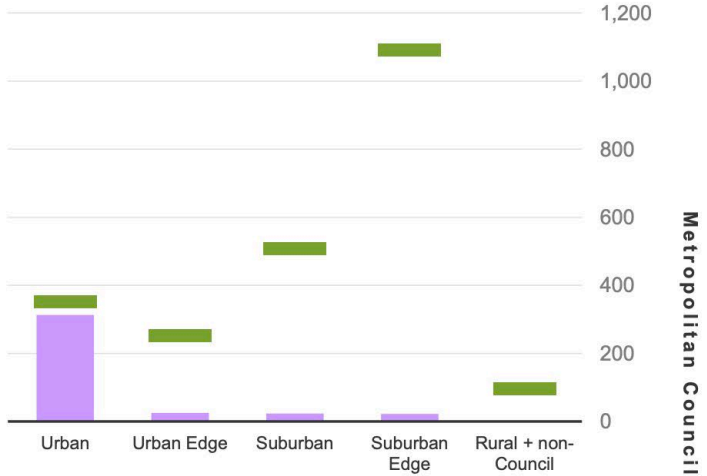
Need and Supply – Deeply Affordable

Affordable Housing Need this decade: Deficit of deeply affordable production

2021-2024: Deeply affordable production is far lower than required to meet 2021-2030 Need



The gap in deeply affordable production is quite large in suburban and edge cities

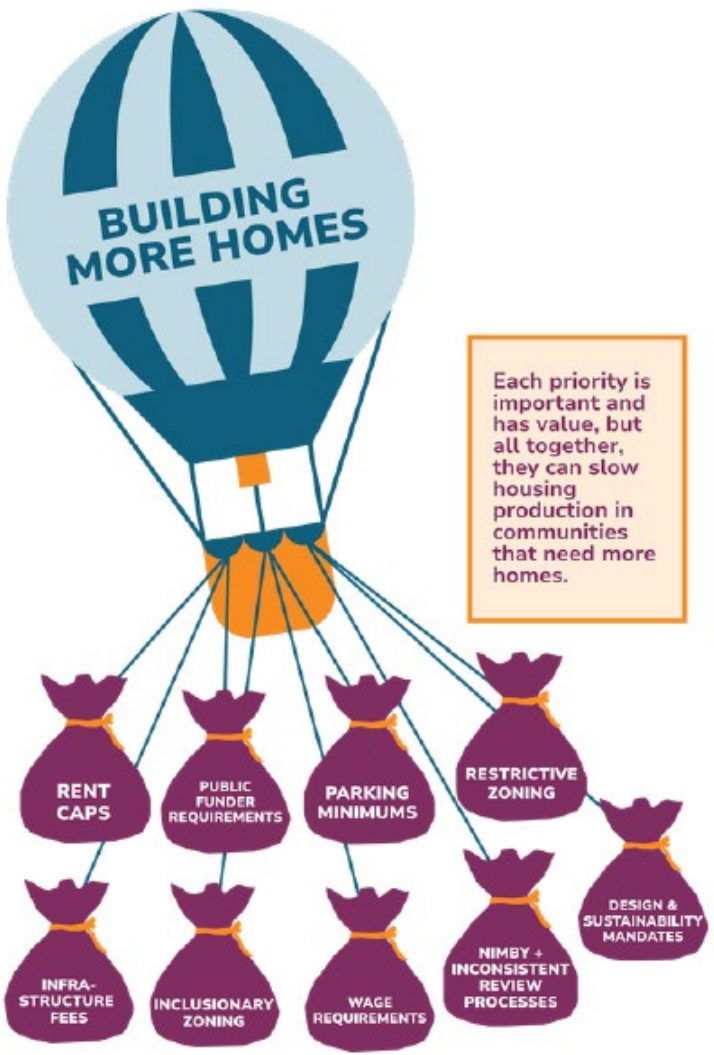


Source: Metropolitan Council's Annual Building Permit Survey & Allocation of Affordable Housing Need (2021-2030).

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Prioritize Building More Homes

Too much pressure on rental housing.



Participant Question

Are you experiencing a high demand for housing in your communities?

If so, at what level – market rate, workforce, deeply affordable?

Are you willing to give up some of those community priorities to spur housing development?

What strategies are you using to fill that gap?

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Ensure Safe Homes

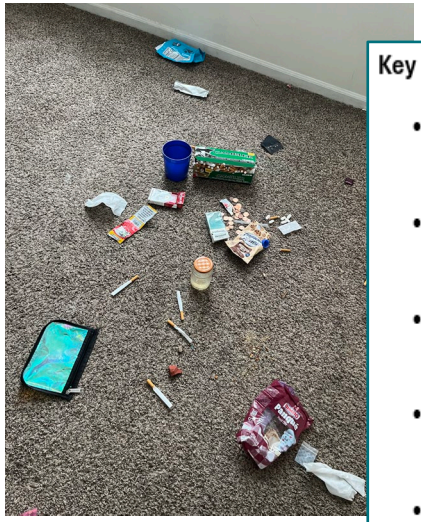


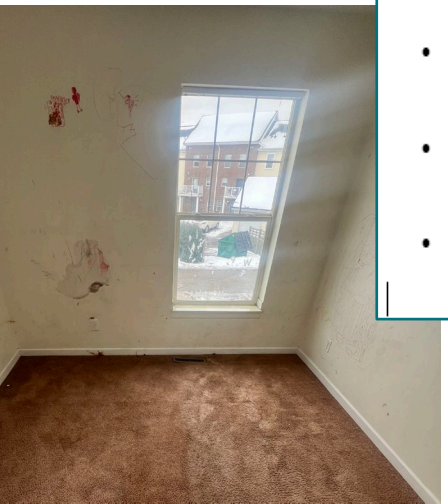
Twin Cities property-management leaders react to killing of 3 leasing-office employees



Three arrested, one hurt after daytime shootout leaves bullet holes in Bloomington apartment complex

A hail of bullets struck the exterior of the apartment building, located near the Mall of America.





Key Findings from 2026 Surveys

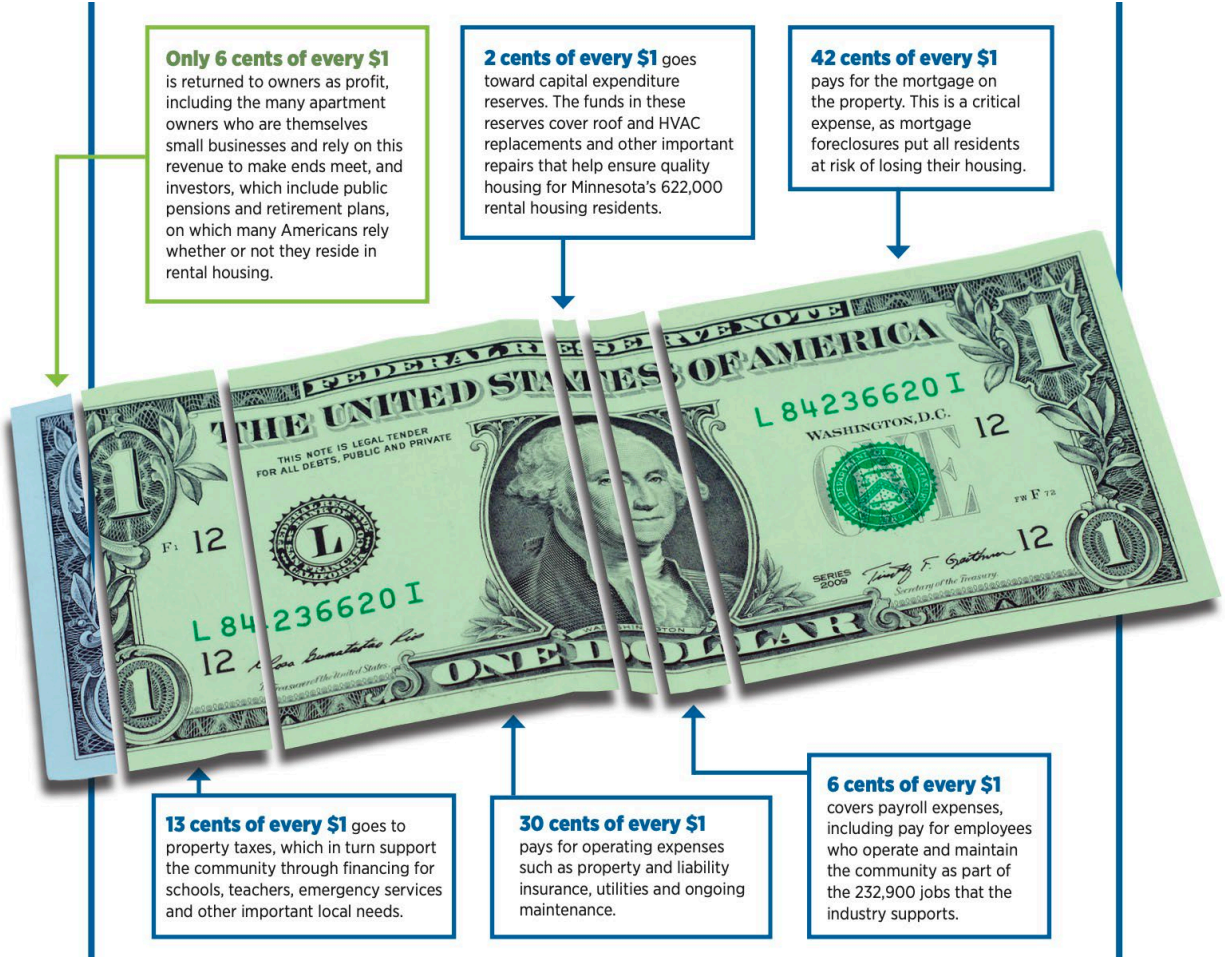
- **40%** of real estate professionals have feared for their safety on the job; **4%** were direct victims of crime while working
- **52%** of multifamily staff say feeling safe at work significantly affects whether they stay in their role
- **1 in 5 women** has left or considered leaving due to safety concerns; women are over three times more likely than men to experience safety-driven turnover
- **46%** of affordable/subsidized housing staff reported a safety incident in the past year — **50%** above the industry average
- **58%** of property managers actively avoid tenant interactions for safety reasons
- **75%** request security or law enforcement assistance during tenant/visitor interactions
- Safety concerns raised stress levels for **70%** and impacted mental well-being for **62%**
- **68%** feel laws/regulations limit their ability to address safety risks

We have a Failed System

People who serve others and those we aim to protect are being compromised

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Financial Strain is also increasing



Source: National Apartment Association, Thirty Capital Performance Group, weareapartments.org

What Residents Need

--Angel's Story--



Property Management and Protecting People

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Generated audio

Participant Question

We can all agree that resident and worker safety is an important issue for housing operators.

Are you experiencing safety issues in your communities?

What tools would help support residents but also workers in your properties and community?

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Property Management and Protecting People

TCHA is taking action through the TC Housing Compact, along with proposing key legislative changes to increase the safety and security of residents, neighborhoods and property staff/suppliers.

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Reforms & How You Can Help

Prioritizing Safe Homes – Eviction Reform – TCHA's Main Priorities

Priority #1: Expand Expedited Eviction Eligibility

- Add the ability to expedite cases involving:
- Violence or threats against **landlord staff, vendors and contractors** **(passed in 26)**
- Violence or threats against **guests of residents** **(removed 26 – get this passed in 27)**
- Restore "nuisance" language removed in previous legislation so there are more options when there is nuisance disturbances rather than just physical property damage or assault.

Priority #2: Restore Judicial Discretion

- Replace "must dismiss and expunge" with "may dismiss."
- Allow landlords to amend complaints instead of restarting the entire eviction.

Priority #3: Standardized Statewide Notice Requirements

- Create a **single statewide nonpayment notice template** to replace:
  - 30 to 60 day notice ordinances - creating huge operating debt
  - Patchwork of city-by-city rules

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Participant Question – How You Can Help

We need stories: *Advocacy is an important part of a successful housing market.*

How comfortable are you talking about housing-related issues with your state legislators?

How receptive are they?

Are there stories you can share to help us with safety reform?

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TCHA Resources

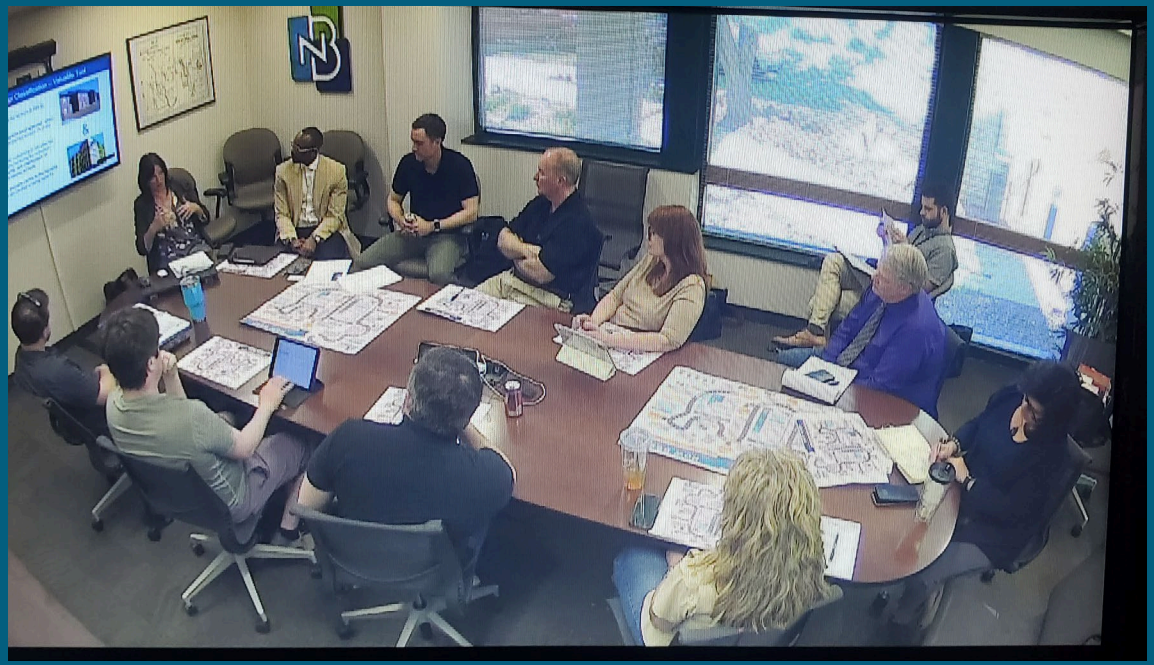


- Programs
- Board Game
- One-pagers – tools
- Information Guides

Resources

Programs that Come to You

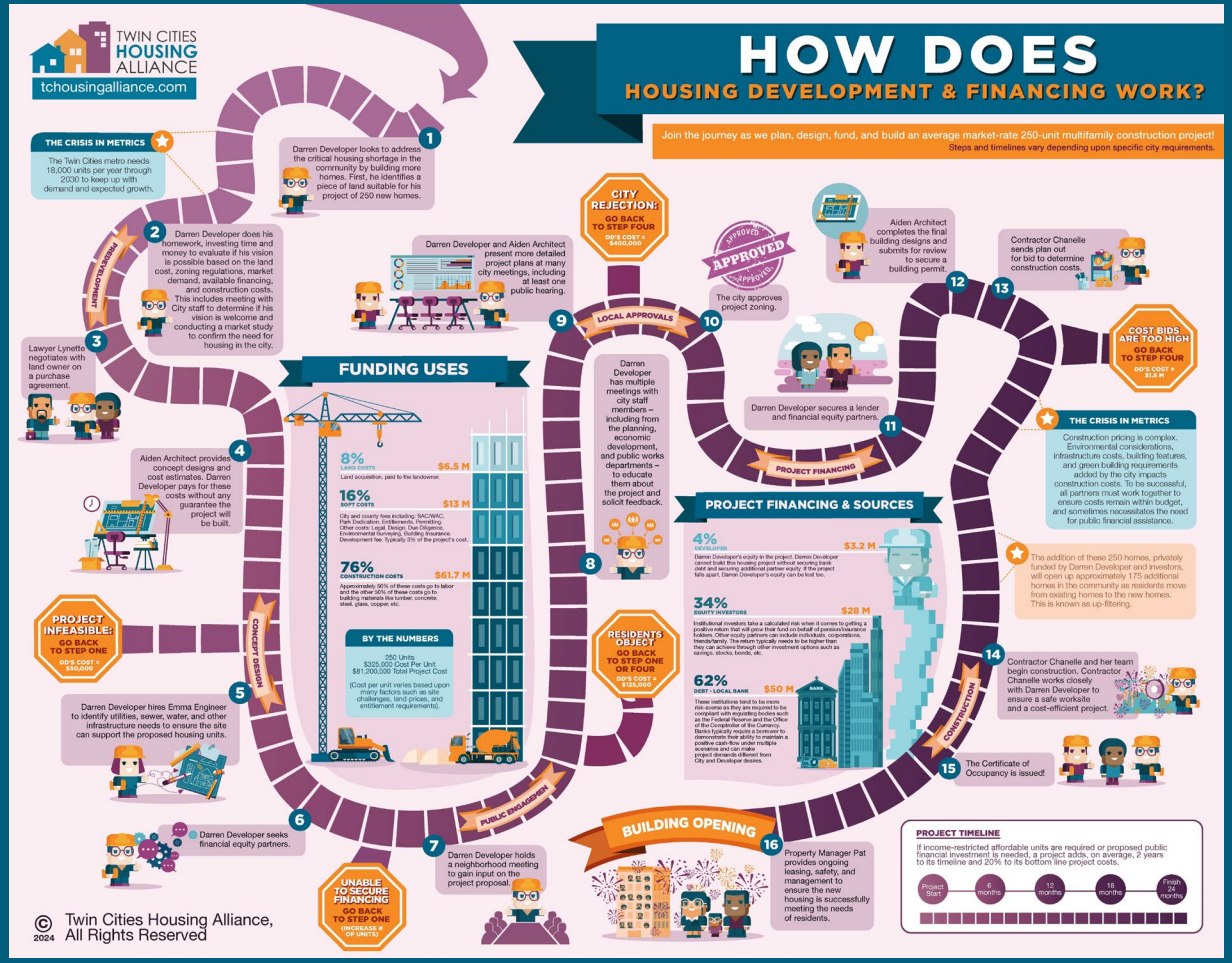
Thriving Communities Initiative: Empowering Cities for Housing Growth



Resources

Development Board Game

How Does Housing Development & Finance Work



Resources

One Page Summaries:

Tax Increment Financing

Local 4 D

Tax Increment Financing

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A Local Tool to Make Development Possible and Advance Local Goals

How TIF Works

Before TIF
- Property has a lower base value.
- Property taxes on the base value continue to flow to the school district, city, county, and state.

Key Point: TIF is temporary. The public benefits last long-term.

During TIF
- New development increases the property's value.
- Taxes generated from the increment may be used for eligible project costs.
- The base value continues to be taxed as usual and that revenue flows to the city, county, and school district.
- The city collects no more than 10% of the increment to cover administrative costs.

After TIF
- The TIF district expires.
- The full increased property value returns to the tax base, benefiting all local taxing jurisdictions.
- This is often a significant boost in the local tax base.

When private investment is not enough to make a new project work, cities use TIF as one of the few public finance tools to support private investments in their community.

Tax Increment Financing (TIF) is a long-standing, locally controlled financing tool authorized under M.S. 469.174–469.1794. Cities use TIF to help make development feasible in locations where projects would not otherwise occur due to high costs, market constraints, infrastructure limits, or site challenges.

TIF allows a city to reinvest a portion of the **new property tax value created by a project**—the "increment"—to support eligible development costs for a limited period of time. Importantly, **taxes on the existing property value continue to flow to all taxing jurisdictions** throughout the TIF period.

"Tax increment financing is an important tool that allows communities to secure public benefits that would not happen otherwise. It is not driven by developers alone; each TIF district requires a transparent public process, clear statutory tests, and approval by locally elected officials. Used responsibly, TIF ensures that growth pays for growth while reflecting community priorities and protecting existing taxpayers."
- Mayor Jim Hovland, Edina

Minnesota 4d Affordable Housing Incentive Program
A Smart Tool for Preserving Affordable Rental Housing

Why Cities Should Promote the 4d Tax Program

The Minnesota *4d Affordable Housing Incentive Program* is a powerful tool cities can utilize to preserve existing older rental housing and provide income restricted units that would be affordable to lower income residents. Cities can qualify properties if some form of local "financial assistance" is provided and the owner agrees to the income and rent restrictions.

The Program achieves several community goals.

Cost-effective preservation strategy: Keeps housing affordable without major capital outlays.
Strengthens community stability: Reduces turnover and supports neighborhood cohesion.
Aligns with housing equity goals: Helps meet comprehensive plan objectives for inclusive and affordable housing.

Twin Cities Program Examples
- City of St. Louis Park
- City of Golden Valley
- City of Minneapolis
- City of St. Paul
- City of Edina

What is the 4d Tax Program?

The *4d Affordable Housing Incentive Program* allows housing providers to receive a 40% plus tax rate reduction in exchange for:

Increasing affordability. Owners agree to provide at least 20% of the units affordable to those with incomes at or below 60% of the area median income (AMI) and keep rents limited to 30% of 60% of AMI for a period of time. This is achieved through an agreement between the city and property owner through a deed restriction.
Improve property. Owners agree to utilize the savings for some level of property improvements or rental stability. This can be negotiated between the city and property owner based upon most pressing need. (see below)

Benefits for Cities

Less Expensive than New Construction. Adds income restricted housing without new construction which is a much less expensive strategy to add affordability in a community.
- *As an example, in Minneapolis the average Studio & 1 BR tax loss is $1,213/unit per year with 4D Opt-In Program. This is compared to the average required local contribution for new a new unit at $35,000. A savings of nearly $34,000 per unit.*

Reduces Displacement: Keeps rent stable for low- and moderate-income residents, allowing them to remain in their home
Leverage Private Investment: Encourages housing providers to participate in ensuring rents are stable and maintain housing quality without increasing their capital and adding debt.
Provides Support for Property Owners: Property owners receive a tax rate reduction on qualifying units.
Improve the Quality of Housing: The property tax savings provided to housing providers must be used on one or more of the Eligible Uses:
- *General property improvements such as maintenance and security*
- *Rent stabilization*
- *Increases to the property's replacement reserve account*

Brings State Support: Cities may qualify for Class 4d(1) Transition Aid, which offsets potential revenue

Resources

Deeper Dive Documents:

- Why outside investment is Critical

- Housing Affordability Primer

- Building Community Support







Support Key THCA Housing Priorities

1. Reduce Barriers & Restrictions to Build More Homes, Faster

2. Enhance Safety for Community, Residents & Staff

3. Appoint Experienced Housing Leaders

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Participant Question

What do you need from the new governor's administration and the state's housing finance agency, Minnesota Housing?

What would you tell the new governor to help all of us Build More Homes & Ensure Safe Homes?

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