



The Way Home: 2022-2024 Progress Report
Safe, dignified, and affordable housing for
Minneapolis residents



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2022-2024 Progress Report

Executive Summary

Introduction

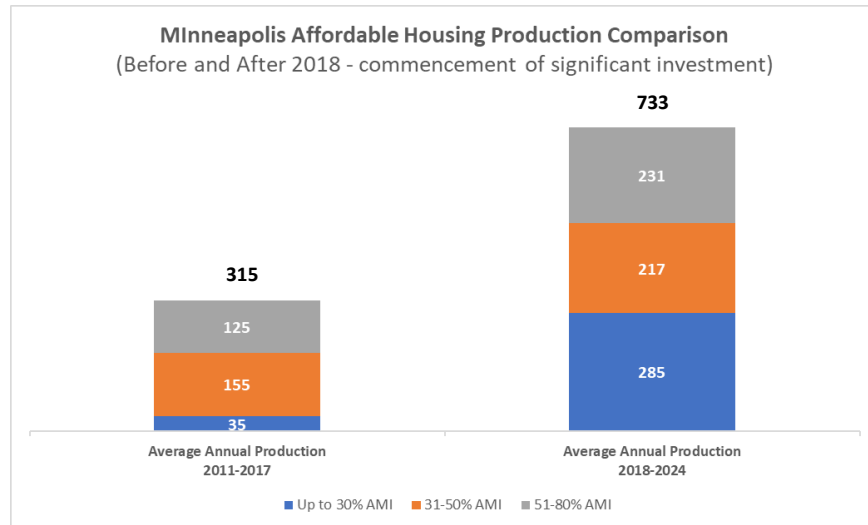
The Way Home: 2022–2024 Progress Report highlights the City’s progress and priorities in addressing our housing challenges—especially for residents most affected by rising costs, displacement, and longstanding racial disparities in access to housing. The report provides an overview of the seven major strategies that the City employed during this reporting period to address these challenges and opportunities.

Key Strategies

1. Increase housing supply, diversity and affordability in all neighborhoods
2. Produce more affordable rental housing and preserve subsidized affordable rental housing, for 30 years or more
3. Preserve unsubsidized naturally occurring affordable housing (NOAH)
4. Improve and sustain access to homeownership, especially among low-income and Black, Indigenous, People of Color (BIPOC) residents
5. Support renters
6. Prevent and end homelessness
7. Maximize potential of publicly-owned land to meet City housing goals

Key Highlights

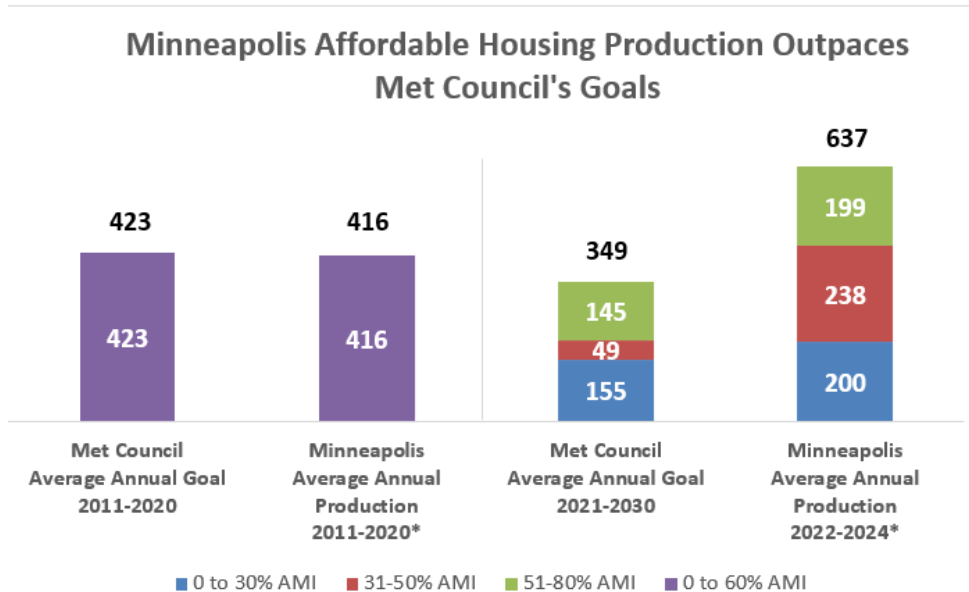
- To be effective in implementing these strategies, it takes intentionality in program and policy design. In addition to policy and programmatic changes, the City recognizes local investment is necessary to leverage other public (County, State and Federal), private, and philanthropic sources. Since 2018, the City has significantly increased investment in housing and homelessness, resulting in:
 - **Over \$400M has been invested in housing and homelessness**—including an annual \$5M Levy to MPHA to maintain existing and develop new public housing units.
 - Average annual affordable housing production (ownership and rental) is 733 units (see chart).
 - **That’s nearly 2.5 times the average annual number between 2011 and 2017**
 - We have prioritized deeply affordable housing production (30% AMI). Of the 733 units closed annually, 285 were deeply affordable—**that’s over eight times the average annual number of 30% units closed (35) between 2011-2017.**



- The Minneapolis 2040 Plan provides an avenue to increase housing supply and diversity throughout the city—e.g. elimination of single-family zoning and elimination of parking minimums. As a result, the MPHA Family Housing Expansion Project was feasible and they are now planning for Phase II to the project. The project comprised of 16 small apartment buildings totaling 84 units on lots previously zoned for one and two-unit dwellings. Highlighted in this report is a Minneapolis Homes project at 1901 Thomas Ave N – Amani Construction (Woman-led/BIPOC) developed a five-unit affordable ownership townhome project (**Strategy 1**).

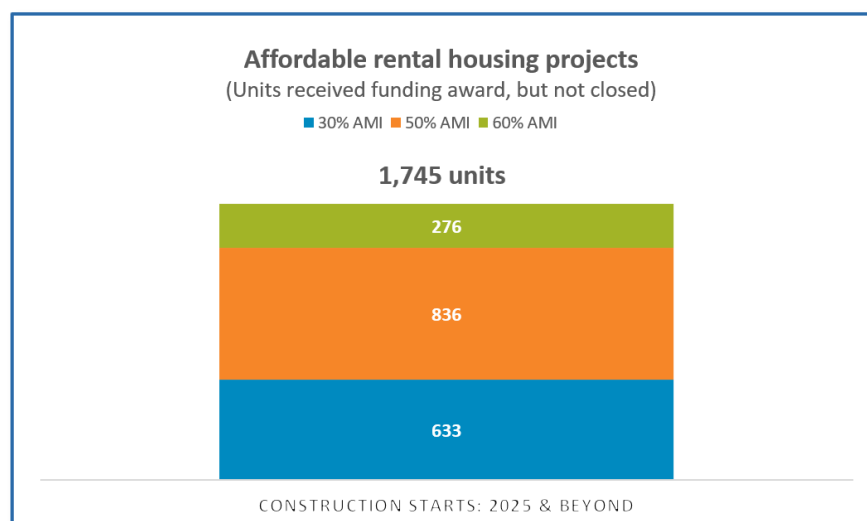


- There has been a prioritization of affordable housing production, with emphasis on the deeply affordable housing unit production (**Strategies 2 and 4**). The Met Council sets a 10-year affordable housing production goal for each jurisdiction. The City is outpacing the Met Council's affordable housing production goal by nearly two times.

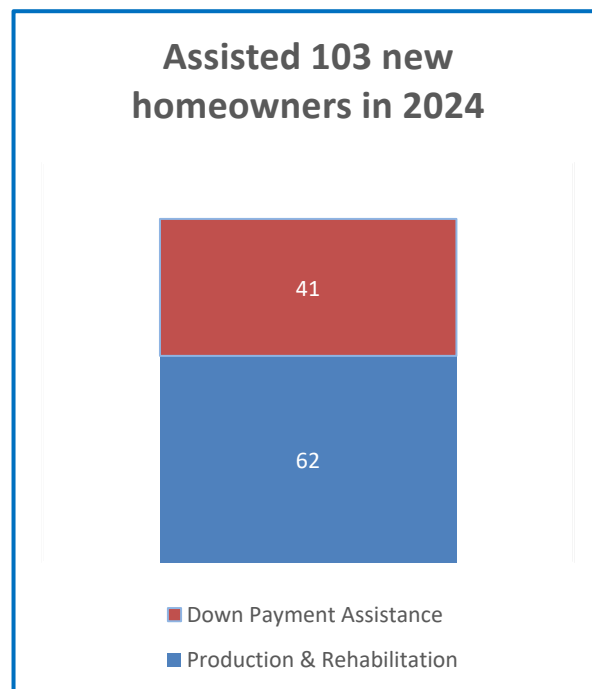


**Significant increase in investment in affordable housing since 2018 has resulted in the City outpacing the Met Council's average annual production goals.*

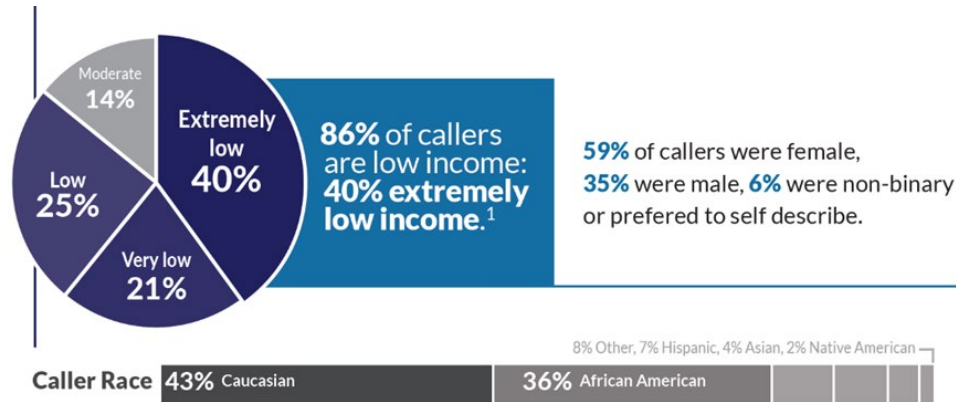
- The City continues to prioritize the development of new deeply affordable units for households with incomes at or below 30% AMI.
 - In 2024, CPED Housing team made changes to the AHTF program scoring to increase applications for 30% AMI units. **As a result, about 43% of the applications received were for 30% AMI units.**
- Future affordable rental projects (projects funded, but not yet closed)
 - 22 projects totaling **1,745 affordable units** have been funded and will begin closing in 2025 and beyond – **633 (36%) of the units are designated for households at 30% AMI, including 234 designated as homeless units.**



- Between the City's NOAH Preservation Fund, the Small and Medium Multifamily Loan Program, and 4d Affordable Housing Incentive Program, **the City has preserved 5,208 affordable rental housing units and 103 transitional housing beds throughout the city since 2018 (Strategy 3).**
- In late 2024, the City Council approved updates to the 4d Affordable Housing Incentive Program guidelines by modifying rent and income restrictions as follows **(Strategy 3).**
 - Reduce rent and income restrictions from 60% to 50% AMI (studios and one-bedroom units)
 - Retain rent and income restrictions for two-bedroom units and larger at 60% AMI
 - Allow conversions to residential rental uses to participate in the 4d program at 60% AMI
- The City invests in the award-winning Minneapolis Homes program to support access to homeownership, create new homeownership units and sustain homeownership through home improvement loans and grants. **About two-thirds of participants in the program are BIPOC households.** Black households, who experience the highest disparity in homeownership rates in the Twin Cities region, are the primary demographic served through the program (44%) **(Strategy 4).**



- In 2024, **6,169 renter households including 12,450 Minneapolis residents received legal advice and representation to solve their housing problems.** These cases included evictions, health and safety hazards, security deposit disputes, housing discrimination, and other housing issues. Renters in all 13 wards benefited from these legal services. **(Strategy 5)**



- **Veteran homelessness:** In October 2024, Hennepin County received federal confirmation from the U.S. Interagency Council on Homelessness, Department of Housing & Urban Development, and the Department of Veterans Affairs declaring that it has **effectively ended homelessness among veterans (Strategy 6).**
- **Unsheltered homelessness:** The **number of unsheltered individuals decreased by 23%, from a peak of 642 in 2020 to 496 in 2024 (preliminary count in January 2025 is 427, representing 33.5% decrease since the peak).** This decline reflects targeted outreach and expanded shelter and supportive housing access **(Strategy 6).**
- Since the inception of the Stable Homes, Stable Schools program (April 2019 through December 2024), **2,130 families with 5,974 children** in 24 MPS elementary schools, with the highest numbers of students experiencing homelessness, have received assistance and/or supportive services **(Strategy 6).**
- City sold 19 properties in 2024 **(Strategy 7).**
 - 4 structures for rehabilitation
 - 14 vacant lots for new construction
 - 1 rental unit for owner-occupancy

The report concludes with highlighting several projects and programs:

- An example of the City's Home Improvement Program
- NOAH Program
- Minneapolis Homes—New Construction (Triplex)
- Minneapolis Homes—Rehab
- Simpson Apartments & Shelter
- Stable Homes, Stable Schools Program

What's Next

As we look to 2025 and beyond, the City of Minneapolis remains committed to building a housing system that is fair, inclusive and resilient. While we've made significant progress in expanding affordable housing, preventing displacement, and closing racial gaps in homeownership, there is more work to do—and we must do it together, especially during a period with limited resources.

Here's what's next:

- **1. Scale deeply affordable housing and target homelessness**

We will continue to prioritize the production and preservation of deeply affordable rental housing. This work is directly tied to our goal of ending homelessness in the city. We will increase the supply of permanent supportive housing and expand services for people experiencing unsheltered homelessness through partnerships with other public funders. By aligning resources and focusing on long-term housing stability, we can strive towards every resident having a safe and dignified place to call home.

- **2. Close the racial homeownership gap**

The City will continue its work to dismantle systemic barriers and create sustainable pathways to wealth-building through homeownership. Expect continued investments in down payment assistance, credit support and homebuyer education.

- **3. Protect tenants and prevent evictions**

Keeping people housed is one of the most cost-effective and humane solutions to housing instability. Minneapolis will grow its renter protections, strengthen legal aid and eviction prevention programs, and expand tenant outreach and education.

- **4. Preserve what we have**

The City will continue to prioritize preserving naturally occurring affordable housing (NOAH) and supporting aging homeowners with critical repairs—ensuring long-time residents can remain in their homes and communities.

- **5. Center community voice**

Inclusive engagement is essential to building trust and delivering real results. Policy and program development will increasingly be driven by the voices of residents—especially those who are experiencing housing insecurity, renters and communities of color.