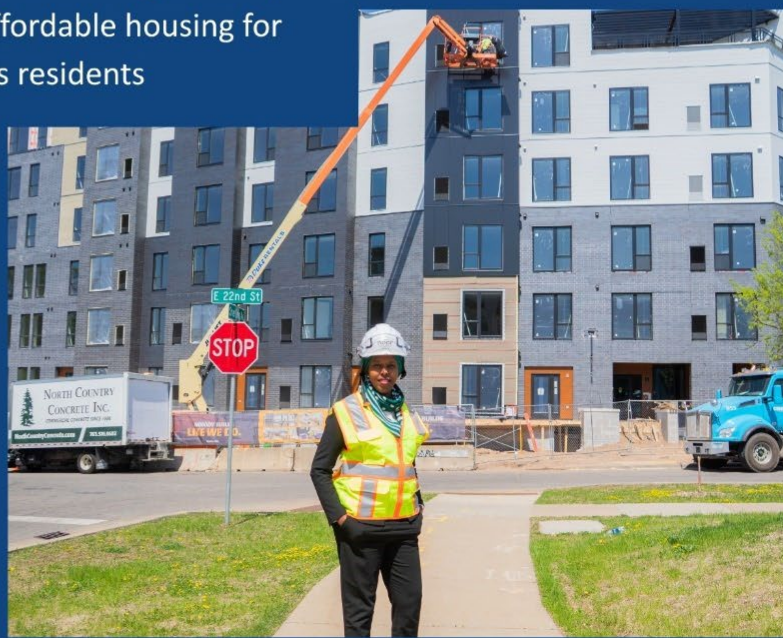


**The Way Home: 2022-2024 Progress Report**  
Safe, dignified, and affordable housing for  
Minneapolis residents



Updated 08/06/2025

# — Introduction

Everyone in Minneapolis deserves a safe, dignified, and affordable place to call home.

***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.

Minneapolis has advanced strategies that center on producing and preserving affordable rental housing—especially deeply affordable units for households with the lowest incomes. As housing costs outpace incomes for many, the City has invested in protecting and creating homes that meet the real needs of its communities.

This report also focuses on closing homeownership gaps that have disproportionately impacted Black, Indigenous, and People of Color (BIPOC) residents for generations. Through targeted programs and support, Minneapolis is working to expand pathways to homeownership, preserve generational wealth, and promote housing stability across neighborhoods.

Preserving naturally occurring affordable housing (NOAH) remains another critical strategy. These are housing units that, while not publicly subsidized, are still affordable to lower-income renters—but at growing risk of being lost to redevelopment or rising rents. The City is acting to protect these homes and the families who rely on them.

In addition, Minneapolis continues to support home improvement efforts for low-income homeowners and seniors, helping residents maintain safe, healthy housing and keep their homes in good repair. Renters are also a key focus, with initiatives that expand tenant protections, provide legal and financial support, and help prevent eviction and housing loss.

This report offers a look into the City’s efforts to build a more equitable housing future—one where residents can stay in the communities they call home, access opportunities, and thrive. Together, with the voices and support of the public, Minneapolis is charting a path toward a city where housing is not a privilege, but a foundation for well-being and justice.

# — Our core housing values

The work outlined in *The Way Home: 2022–2024 Progress Report* is shaped by a clear set of core values that guide every decision, investment and partnership. These values reflect the City’s vision for a more just, inclusive and resilient Minneapolis—one where everyone has access to safe and stable housing, no matter their income, race or background.

## **Advance racial equity**

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Eliminate racial disparities

## **Expand opportunity**

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Disrupt historical geographic patterns of racial segregation and wealth extraction, disinvestment in Black, Indigenous, and People of Color (BIPOC) communities, and limited fair housing choice and opportunity

## **Prevent displacement**

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Prevent the involuntary displacement of Minneapolis residents, especially low-income, BIPOC, seniors, and people with disabilities

## **Prioritize resources**

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Invest in households facing the most severe housing instability

## **Develop sustainably**

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Promote energy-efficient and healthy homes

# — Our key housing strategies

Our values guide why we do this work—our strategies define how. The City of Minneapolis is taking bold, targeted steps to address the housing crisis by aligning policies, programs and partnerships with the needs of our communities.

Between 2022 and 2024, our seven key housing strategies have turned our vision into impact. These strategies represent a coordinated approach to making housing in Minneapolis more affordable, more stable and more equitable. Together—with leadership, community voice and strategic investment—we’re building the foundation for a stronger, fairer city.

## Seven key housing 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 BIPOC residents
5. Support renters
6. Prevent and end homelessness
7. Maximize potential of publicly owned land to meet City housing goals



# Progress: 2022–2024

## Strategy 1: Increase housing supply, diversity and affordability in all neighborhoods

The City is creating new mechanisms through land use policy and zoning to increase housing density, require more affordable units and allow for more housing types throughout the city.

New built form regulations to govern the scale of new buildings and additions throughout Minneapolis were approved by the City Council in December 2020. New resources and tools, such as the *Built Form Overlay District Handbook*, which includes summaries of the 14 different built form districts, is now available. In July 2023, as required by state law, the City successfully changed its zoning rules to match the development guidelines that the City Council already approved with *Minneapolis 2040*.

*Minneapolis 2040* was informed by more than three years of engagement with the people of Minneapolis, including more than 150 meetings and conversations with thousands of residents, business owners, and community members. The plan guides growth and change with 14 key goals, including eliminating racial disparities, promoting climate change resiliency, and increasing access to jobs and housing.



*Five affordable ownership units built on a City-owned site at 1901 Thomas Ave North.  
(Photo: Amani Construction)*

*Project made possible by Minneapolis 2040 and funding through the Minneapolis Homes: Missing Middle program. All five units will be affordable to households earning up to 80% of the area median income (AMI).*

The City proactively encourages innovation under this strategy to create new housing options. For example:

### In 2022,

- The City modified CPED's home improvement lending programs to offer a broader range of assistance options that leverage sustainability and health and safety grants offered by the Health Department as well as Minnesota Housing lending investments. Changes were launched in 2022 and the City has doubled its lending output.

### In 2023,

- The City successfully advocated in partnership with key stakeholders for the adoption of down payment assistance best practices—including successful advocacy for \$150 million of assistance for first-generation homebuyers. The statewide program is expected to have substantive benefits for Minneapolis residents. The City also adjusted the [Homeownership Opportunity Minneapolis](#) program to reflect the regional best practices from the working group. It re-launched as Minneapolis Homes Access in 2024.
- In response to concerns from some Ward 5 Minneapolis residents' experience with home ownership associations (HOAs) charging high legal fees for minor assessments, City staff partnered with the University of Minnesota, Minnesota Homeownership Center, and Legal Aid to change state HOA law. New HOA requirements necessitate written notice of assessments with a referral to the Minnesota Homeownership Center for help, require that reinstatement amounts cannot include attorney fees, and provide homeowners with rights prohibiting payment of attorney fees or assessments if they prevail in a dispute.
- The City adjusted its home improvement lending programs based on learnings from the pilot year and successfully secured \$1.5 million of funding from Minnesota Housing.
- The City adopted an allocation plan to utilize \$9.6 million in HOME Investment Partnership American Rescue Plan Program (HOME ARP) funds to reduce homelessness and increase housing stability.

### In 2024,

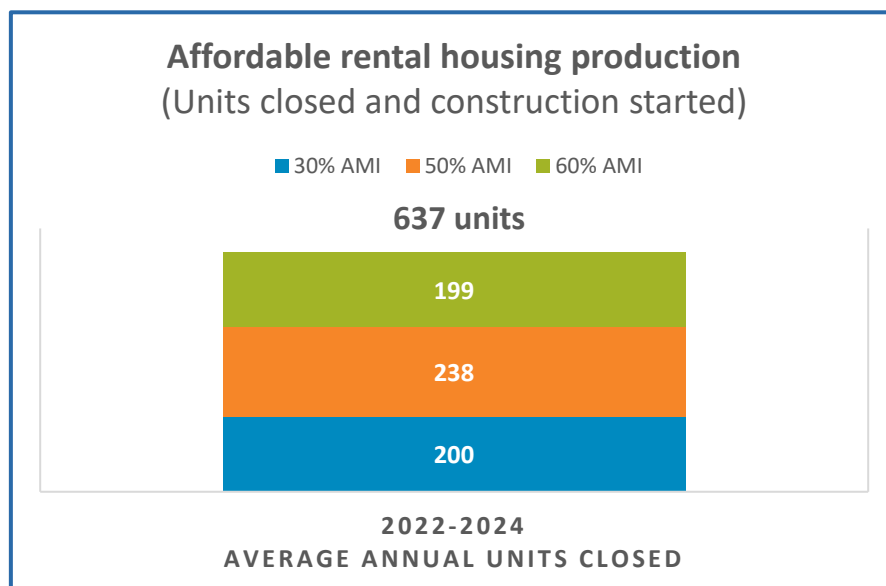
- The City's home improvement program launched new process refinements—further building efficiencies and providing flexible financing options, including new loan options supported by Minnesota Housing funding. Since 2022, new program enhancements have resulted in a 49% reduction in staff processing time, 40% increase in projects resulting in greater expansion of repairs made in a shorter amount of time with 52% more funding sources provided.
- The City engaged a consultant and undertook a comprehensive review of our Inclusionary Zoning policy, which ensures that public benefit, in the form of affordable homes are being developed, in exchange for increased development capacity throughout the city. A market review found that:
  - Market rents in some parts of the city are less than 60% AMI. There is a need to encourage the development of units affordable at 50% AMI and below.
  - Increased construction costs and high interest rates continue to make development difficult in Minneapolis and across the country.
- The City led the creation of the New Nicollet Redevelopment Framework. The framework sets forth a vision, based on years of community engagement, for the redevelopment of the former Kmart site at Lake and Nicollet. The New Nicollet Development Framework identifies opportunities for affordable rental and affordable homeownership development on this City-owned site.

## Strategy 2: Produce more affordable rental housing and preserve subsidized affordable rental housing, for 30 years or more

The City has long invested in the production and preservation of affordable rental housing with subsidies that have income and long-term affordability restrictions. Increased City investment in affordable rental housing is setting records for new production and expanding our ability to serve the lowest income residents.

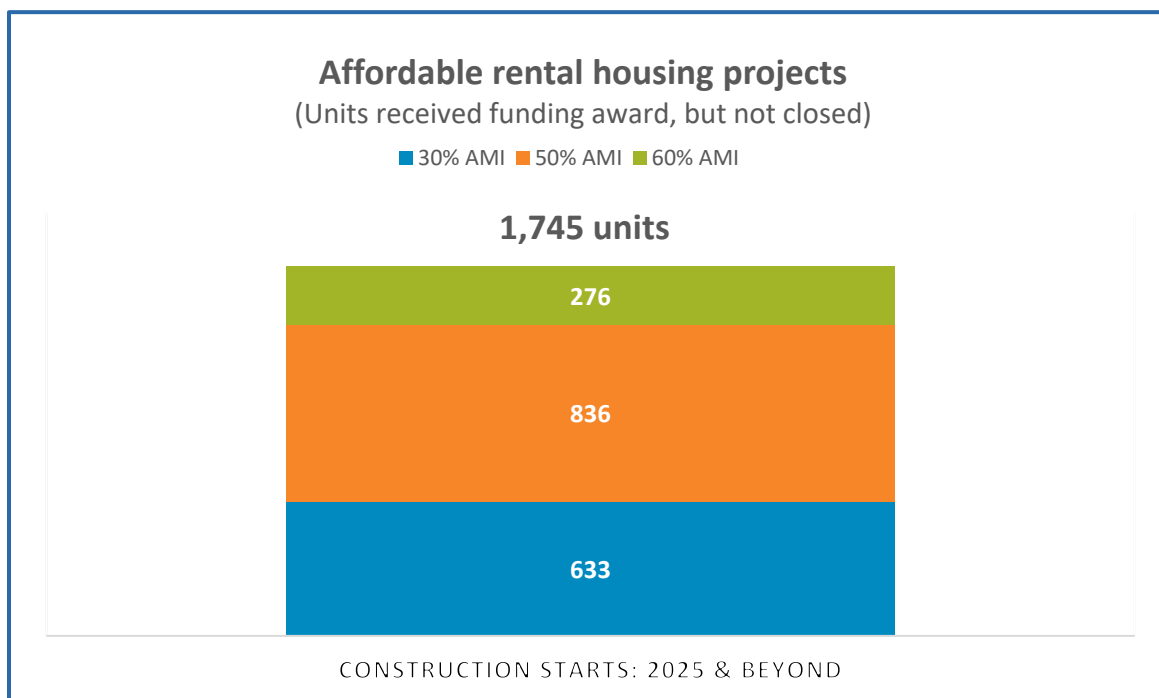
To track production, **the City counts projects that had a financial closing (all financing documents are executed and the project begins construction)**. Additional affordable housing units are produced as part of the Inclusionary Zoning Policy. The two charts below illustrate the average annual number of affordable units (by income) closed during the reporting period and the total number of affordable units (by income) that have received funding, but not yet closed—construction will begin in 2025 and beyond.

- The City continues to prioritize the production and preservation of deeply affordable units for households with incomes at or below 30% AMI.
  - During the reporting period, the City made awards to 1,043 deeply affordable units
  - 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.**
- Since the Inclusionary Zoning Policy was first enacted, 248 affordable on-site units and 278\* affordable student bedrooms have been permitted in 21 projects throughout the city. It has generated nearly \$6.8 million in in-lieu fee payments (four projects) that will go toward the development of affordable housing in the city and 95 proposed off-site units.



*\*The 278 student bedrooms produced, in compliance with the Inclusionary Zoning Policy, are not included in the 676 units in the chart (only affordable units are included, as bedrooms are not treated as 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.**



- In 2024, \$18.5 million of City AHTF and 9% Housing Tax Credit awards will create or preserve 803 affordable units, including 341 units (more than 42%) affordable to households at 30% AMI and below.
- In 2024, the City awarded \$8.7 million in HOME ARP funds to create and preserve 83 affordable units, including 79 units (95%) affordable at 30% AMI and below.
- In 2024, the City was awarded \$3,720,000 of Metropolitan Council Livable Communities grant funding to support three affordable rental projects. These funds are not available to projects without City sponsorship, application assistance and grant administration.
  - The projects will produce 190 new affordable units, including 85 units at 30% AMI, 86 units at 50% AMI, and 19 units at 60% AMI.



## Strategy 3: Preserve unsubsidized naturally occurring affordable housing (NOAH)

More than half of low-income renter households in Minneapolis live in unsubsidized housing, often referred to as naturally occurring affordable housing (NOAH). The strong real estate market and low rental vacancy rate have made these properties more attractive to investors, which could lead to increased sales, higher rents and displacement of tenants who can't afford rent increases or aren't given the choice to stay. The City's NOAH preservation strategy, launched in 2018, includes a mix of property tax incentives and financing—large acquisition funding, smaller scale preservation financing and intermediary support with pathways for tenant ownership.

- Since program inception, 464 NOAH units and 103 transitional housing beds were acquired by City partners using funds from the City's NOAH Preservation Fund and the Small and Medium Multifamily Loan Program.
  - 395 NOAH units preserved with NOAH Preservation Fund, including a 209-unit NOAH portfolio acquired by Aeon and 10 NOAH units acquired by Avivo.
  - 69 NOAH units preserved through the City's Small and Medium Multifamily Loan Program (SMMF Program), including acquisition by the Land Bank Twin Cities of five apartment buildings in the Corcoran neighborhood, a major victory for renters and organizers with Inquilinxs Unidxs Por Justicia (IX). The properties include 69 apartments, with 34 apartments occupied at acquisition. The Land Bank is renovating the buildings and IX is working with renters to form a cooperative to purchase the buildings from the Land Bank in the future.
  - 103 transitional housing beds preserved by Avivo, preventing displacement of 103 transitional housing residents at risk of homelessness.
- 4,654 NOAH units across the city were preserved through partnerships with property owners, primarily small-scale landlords, through the 4d Affordable Housing Incentive Program. In late 2024, the City Council approved updates to the 4d Affordable Housing Incentive Program guidelines by modifying rent and income restrictions as follows:
  - Reduce rent and income restrictions for studios and one-bedroom units from 60% to 50% AMI
  - Retain rent and income restrictions for two-bedroom units and larger at 60% AMI
  - Allow building conversions to residential rental uses to participate in the 4d program at 60% AMI
- Since program inception, [4d Affordable Housing Incentive Program](#) participants have received City and utility match funding to complete 124 energy efficiency projects, two EV charging projects and 17 solar energy projects as part of the City's Green Cost Share program. These 143 4d Green Cost Share projects are expected to save more than 1.9 million kWh and 874,445 therms of natural gas annually.

*There are about 15,000 units of NOAH housing in the city in buildings with four or more units, with many additional NOAH units in smaller one- to three-unit properties.*

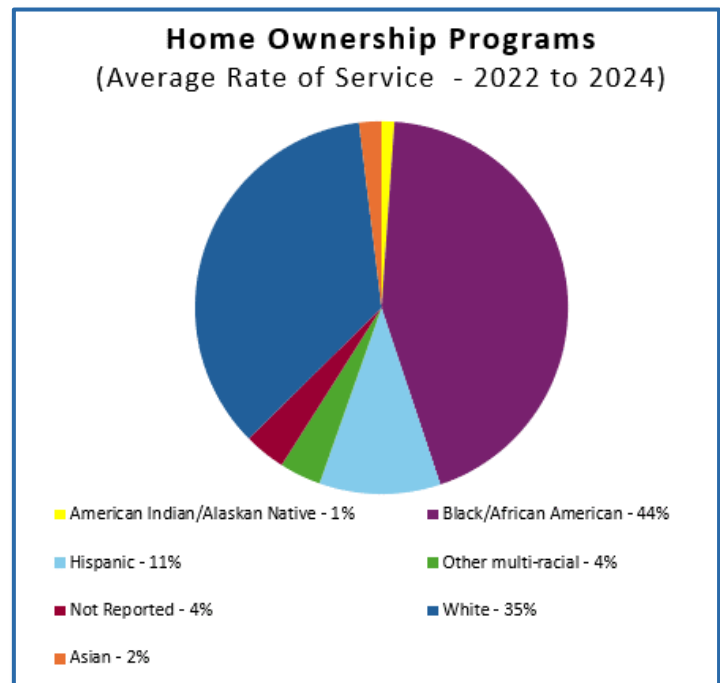
*Between the City's NOAH Preservation Fund, the Small and Medium Multifamily Loan Program, and 4d Affordable Housing Incentive Program, the City has preserved 5,208 affordable rental housing units and 103 transitional housing beds throughout the city since 2018.*

## Strategy 4: Improve and sustain access to homeownership, especially among low-income and BIPOC residents

The City invests in programs to support access to homeownership, create new homeownership units and sustain homeownership through home improvement. These investments improve access to homeownership for low-income and BIPOC communities, leading to opportunities for intergenerational wealth-building.

*About two-thirds of participants in Minneapolis Homes programs are BIPOC households.*

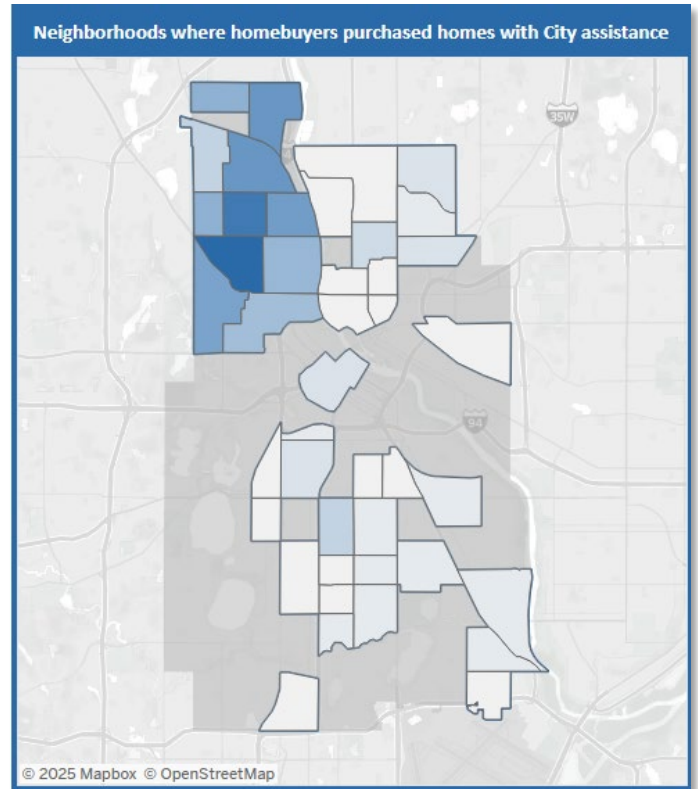
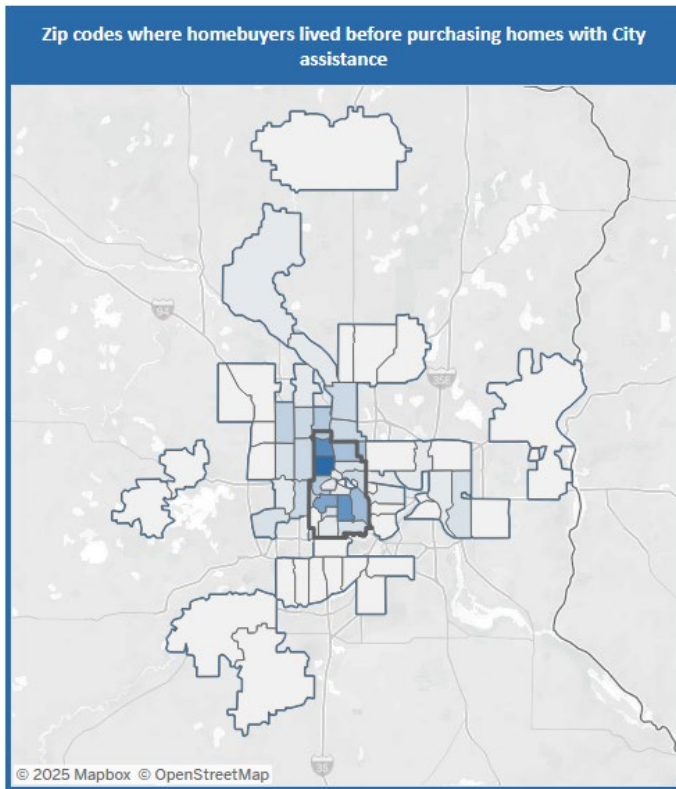
*Black households, who experience the highest disparity in homeownership rates in the Twin Cities region, are the primary demographic served through the programs.*



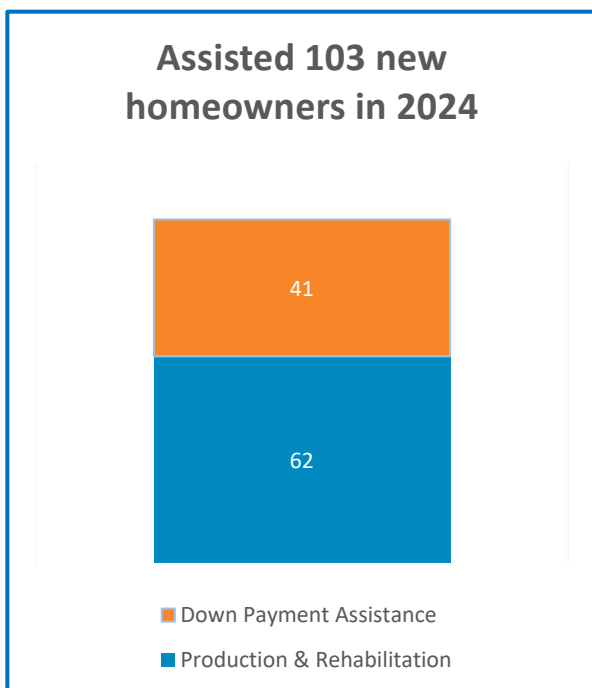
### Access

The City invests in programs to support low-wealth and BIPOC residents with accessing homeownership – including homebuyer education, financial wellness counseling, and down payment assistance to support the home purchase process.

- **Homeownership support and education:** Between 2022 and 2024, the City served over 3,000 households through financial wellness, homebuyer education and foreclosure prevention workshops and counseling. Services are contracted with non-profit counseling organizations, several that specialize in outreach to specific cultural communities.
  - BIPOC households account for 83% of households served annually.
  - The average annual income of households served is \$50,274 (approximately 40% AMI).
- **Down payment assistance:** The City serves roughly 65 households a year with down payment assistance through its Minneapolis Homes: Access Down Payment Assistance program.
  - The average income of families served is approximately \$56,389 (approximately 40% AMI).
  - BIPOC households account for approximately 70% of households served annually.
  - About 57% of homebuyers that participated in the program were first-generation buyers.
  - In 2024, staff secured a \$215,000 Congressional Community Project Funding Grant to further this program activity in neighborhoods around 38<sup>th</sup> & Chicago (George Floyd Square).



**Stabilization:** In 2022, the City implemented a new stabilization product with American Rescue Plan Act (ARPA) in partnership with City of Lakes Community Land Trust. The program provides deeper assistance up to \$150,000 to help current renters or homeowners access or sustain homeownership through shared equity housing. The program has supported 26 households purchased homes through a shared equity homeownership model, and the homes will remain affordable in perpetuity.



## Create

**Minneapolis Homes: Financing:** The City creates affordable homeownership units through its Minneapolis Homes Financing program, which provides gap assistance to developers to build and/or rehabilitate affordable ownership housing units. Between 2022 and 2024, the City approved 173 homeownership units, including a range of AMI levels up to 80% AMI; a range of housing types including single family detached, twin homes, four-plexes, and townhomes; and a range of sustainability efforts from DOE Net Zero Energy Ready to Passive Housing Institute certified.

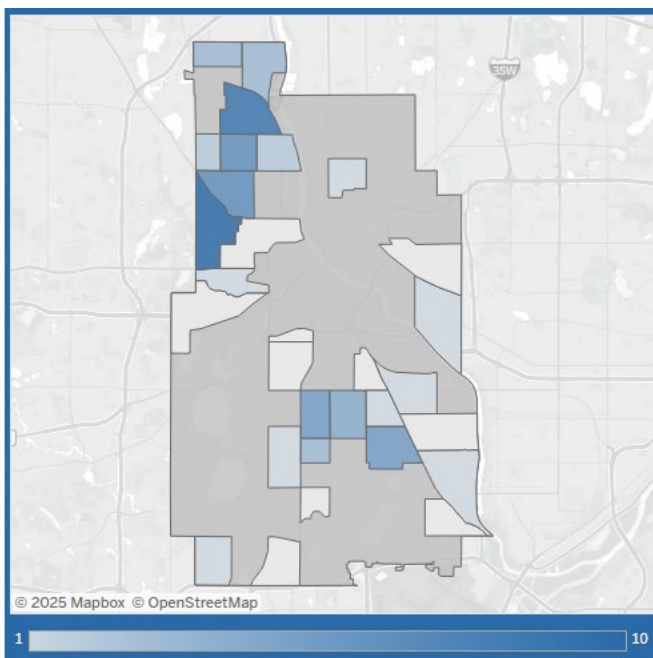
- Over 75% of Minneapolis Homes homebuyers were BIPOC.
- Over 50% of developers in the program are BIPOC led.
- Nearly 40% of the units are designated as perpetually affordable ownership units.

## Sustain

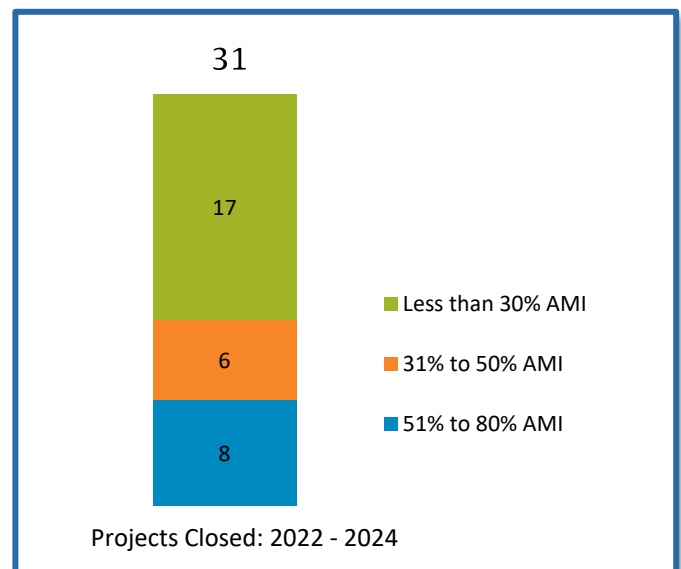
**Home Improvement Financing Program:** To sustain affordable homeownership, the City provides financing to mitigate lead hazards and address health and safety repairs for low- and moderate-income households.

- Since 2022, an average of 31 households were served annually, with an average income of \$39,297 (30% AMI) of which 53% were BIPOC households. Process improvement, coupled with program changes were launched in 2022, resulting in faster closing timelines for homeowners and increased leverage with financing programs offered by the Minneapolis Health Department and Minnesota Housing. These changes resulted in 94 funded projects from 2022 through 2024.
- We rely on leveraging our local resources to expand this work:
  - Staff secured a \$1.5 million grant from Minnesota Housing
  - Staff secured \$635,000 Congressional Community Project Funding Grant to further this program activity in neighborhoods around 38<sup>th</sup> & Chicago.

**Closed home improvement projects  
by neighborhood**



**Average annual number of closed  
home improvement projects**



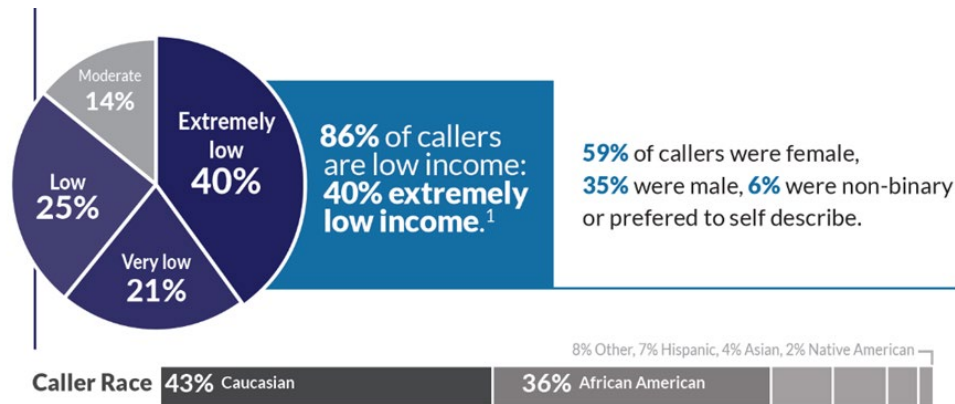
## Strategy 5: Support renters

Minneapolis is a majority renter city facing increasing affordable housing challenges. The City is expanding renters' rights and protections and undertaking new pilot initiatives to create dignified, healthy, and stable housing for renters.

### Renter legal and support services

In 2024 alone, 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.

- The City's Right to Counsel ordinance entitles all low-income Minneapolis renters to legal representation when facing eviction in housing court. The City implements this policy by working with legal services partners and providing financial support for their work. With City support, Mid-Minnesota Legal Aid (MMLA) and Volunteer Lawyers Network (VLN) provide legal representation for renters facing housing issues, and HOME Line operates a hotline to provide renters with legal advice.



- Through this partnership, in 2024, MMLA and VLN represented 857 renter households, including 1,640 Minneapolis residents, in housing litigation cases. HOME Line's tenant hotline provided legal advice to 5,312 Minneapolis households, including 10,810 residents. Approximately 86% of Minneapolis callers to Home Line are low income of which 40% are extremely low income.
- As part of their work, MMLA and VLN also partner with pro bono attorneys from the private bar to provide legal representation to Minneapolis renters.
- The City of Minneapolis dedicates nearly \$1 million each year to housing legal services for renters.
- In addition to MMLA's typical eviction defense work, the City collaborated with MMLA and Hennepin County to prepare a coordinated response to the 2022 off-ramp for Minnesota's eviction moratorium.
  - The City deployed \$23.3 million in federal funds to provide Emergency Rental Assistance to Minneapolis renters who were impacted by the pandemic. The City worked with partners at Hennepin County, the State of Minnesota and non-profit organizations to administer these funds. The average assistance per household was \$6,150.
    - Through the program, 3,788 households were served
    - Nearly 70% of the households served had incomes less than 30% AMI
    - 75% were BIPOC renters

<sup>1</sup>Based on HUD income categories: 30% AMI (extremely low), 50% AMI (very low) and 80% AMI (low) of state median income (family of four).



## Strategy 6: Prevent and end homelessness

The City plays a critical role in funding the production and preservation of permanent supportive housing, collaborating with key public and private partners, and investing in programs and services aimed at preventing and ending homelessness. In partnership with Hennepin County, the City jointly supports the Office to End Homelessness (OEH).

In response to unprecedented levels of unsheltered homelessness during the COVID-19 pandemic, the City, in collaboration with Hennepin County, the State of Minnesota, and philanthropic partners, significantly increased investments in the homeless response system. Over the past three years, these efforts have yielded measurable progress in reducing homelessness and increasing access to permanent housing. Key outcomes and initiatives include:

### Progress on key homelessness indicators

- **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**.
- **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.
- **Permanent housing placements:** Since 2020, more than 9,500 people have been housed. Of those, 96% have remained out of the homeless response system. Over time, our community is housing more people each year than the year before. In 2024, 2,526 individuals (men, women and children) were transitioned from sheltered and unsheltered homelessness into permanent housing, the highest number yet.
- **Chronic homelessness:** In just three months of 2024, 99 individuals experiencing chronic homelessness were housed, demonstrating momentum in providing long-term supportive housing solutions.
- **Family homelessness:** Family homelessness rose by 30% from 2023 to 2024, following a 79% increase from 2022 to 2023. In response, Hennepin County quickly expanded shelter capacity and services to meet growing needs and ensure families had safe, stable temporary housing. Hennepin County operates under a *Shelter All policy* for families so that no child sleeps outside. Consequently, approximately 99% of families experiencing homelessness were in shelter or transitional housing (rather than being unsheltered). We continued to see reductions throughout 2024 culminating in a 30% reduction in families experiencing homelessness by the end of 2024 compared to a year before.

### Strategic housing investments

- **Affordable Housing Trust Fund & Tax Credits:** In 2024, the City awarded \$18.5 million through the Affordable Housing Trust Fund and 9% Housing Tax Credit programs to create or preserve 803 affordable rental units. Of these, **341 units (42%) are affordable to households at or below 30% of AMI, including 101 units designated to address homelessness**.
- **HOME-ARP funding:** An additional \$8.7 million in HOME-ARP funds was awarded in 2024 to create and preserve 83 affordable units, **79 of which (95%) are deeply affordable housing units, including 68 units designated for individuals experiencing homelessness**.

## Coordinated system improvements

- **Joint Powers Agreement:** During this reporting period, the City and County expanded their Joint Powers Agreement, transferring all City service contracts related to homelessness—including Rapid Rehousing, Street Outreach and Essential Services—to Hennepin County. City and County staff continue to collaborate on service delivery and funding strategies.
- **Stable Homes Stable Schools (SHSS):** This is a collaboration between the City, Minneapolis Public Housing Authority (MPHA), Minneapolis Public Schools (MPS), Hennepin County and the Pohlman Family Foundation. It aims to improve school stability by addressing housing insecurity among elementary-aged children. Since its launch in April 2019, through December 2024, **2,130 families** with **5,974 children** across **24 MPS elementary schools** have received housing assistance and supportive services. SHSS provides two core supports:
  - **Rental assistance and services:** Available in 24 MPS elementary schools—families can receive up to three years of assistance; however, due to COVID, families received additional assistance.
  - **Housing Stability Fund:** Available in all MPS elementary schools—provides low-barrier, short- to medium-term rental assistance to house families at risk of eviction. Families can receive up to 24 months of assistance.



City officials, program partners and participating family at Stable Homes Stable Schools news conference, Sept 25, 2024  
(Photo: City of Minneapolis)

## Strategy 7: Maximize potential of publicly owned land to meet City housing goals

The City is maximizing the potential of publicly owned land by acquiring blighted properties in strategic locations and assembling sites for redevelopment to meet City housing goals.

- [Minneapolis Homes](#) has streamlined the process and created culturally specific outreach tools to attract new, BIPOC-led developers and homebuyers acting as their own developers to acquire and build on City-owned land, while offering them assistance through the City's Developer Technical Assistance Program.
- Minneapolis Homes staff conduct informational sessions that reach an estimated 1,500 people annually. The Minneapolis Homes newsletter reaches approximately 7,000 subscribers.
- In alignment with the *Minneapolis 2040 Plan*, CPED began marketed missing middle appropriate lots for four- to 20-unit development (20 sites totaling 37 parcels).
- City Council approved limiting the sale of residential lots in South and Northeast Minneapolis to perpetually affordable ownership housing.

### Highlights of 2024

- 19 properties sold
  - 4 structures for rehabilitation
  - 14 vacant lots for new construction
  - 1 rental unit for owner-occupancy
- 1 property acquired
- 74 CPED properties enrolled in community garden program in partnership with Health and Public Works departments
- 48 CPED properties leased as community gardens



*Pictured: community garden, 2700 Block of James Ave N*



# — Stories of success

## Home Improvement Financing program

Arlene Davis—Thomas Avenue North



Left: façade of Arlene Davis' home on Thomas Ave. N. Right: Arlene sits on her front porch (Photos: CPED Communications)



*"They're helping me redo the kitchen. That's a blessing for me—truly a blessing."*

**Arlene Davis**, homeowner

In 1996, Arlene Davis and her four children moved into their home with help from the City of Minneapolis. The house was previously condemned. Over the years, Arlene worked hard to restore it—bringing it back to its original glory and beyond. Now, nearly three decades later, there's just one part of the home still in need of work—the kitchen.

Thanks to support from the City's Home Improvement Financing program, that's about to change. **"They're helping me redo the kitchen,"** she said. **"That's a blessing for me—truly a blessing."** She would be able to leave a legacy for her children and grandchildren. This story of generational wealth and passing on a legacy may not have been possible without the City's investment.

# Naturally occurring affordable housing (NOAH)

## James Crumble—Girard Place Apartments



“We can’t solve the affordable housing crisis, but we can at least help hammer at it a little and make some housing more affordable.”

*James Crumble, small business owner turned developer*

*Left: James Crumble in front of his Girard Avenue Apartments (Photo: CPED Communications)*

In 2024, James Crumble successfully purchased a 29-unit building, Girard Avenue Apartments, located at 3116 Girard Avenue South, through a joint funding between the City and the Greater Minnesota Housing Fund (GMHF). The building comprises a mix of studios and one- and two-bedroom units with 20 heated underground parking stalls plus five surface parking spaces.

Girard Place Apartments is in the heart of uptown with proximity to shops, access to jobs, recreation areas including six blocks from Bde Maka Ska. It is within a quarter mile of a transit station connecting residents to amenities and opportunities through the metro area.

GMHF is a key stakeholder, and its goal is intrinsically linked to the City’s goal of anti-displacement and preserving affordable housing, while expanding the capacity of emerging developers and developers of color. James Crumble is an emerging developer of color with close ties to Minneapolis. This project advances racial equity and expands opportunity by supporting a BIPOC developer in preventing the involuntary displacement of 29 households in the transit- and amenity-rich neighborhood of Uptown. The \$4,190,000 project included a \$1,085,000 NOAH Preservation loan from the City and primary funding of \$3,085,000 from GMHF. GMHF is a frequent funding partner and primary lender on many NOAH Preservation Fund projects.

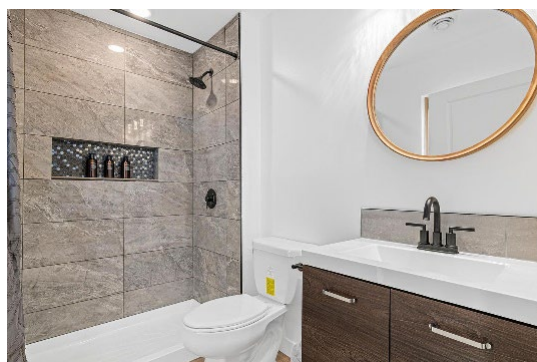
Per the NOAH program guidelines, existing tenants do not have to income qualify, rents are set at between 50% and 60% of Area Median Income (AMI) for 30 years with an affordability mix of 14 units at 50% AMI and 15 units at 60% AMI. This was Crumble’s third NOAH Preservation Fund award from the City—the first two projects are in good standing.

The NOAH program enables diversity and affordability of housing in all neighborhoods and supports renters. Preservation of NOAH units prevents involuntary displacement and the disruption to the fabric of a neighborhood. Additionally, given the smaller size and scale of most NOAH properties, these projects are ideal for emerging developers.



# Minneapolis Homes

## New construction—Colfax Avenue North

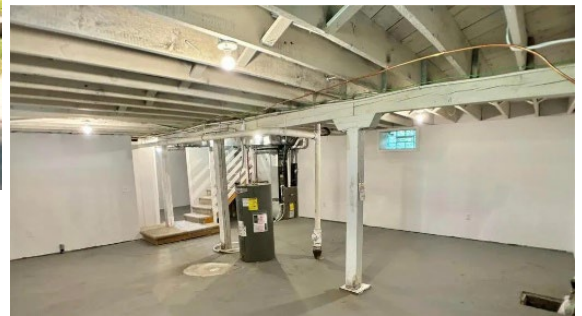


*Left: façade showing access to all three units (main floor and second floor units to the front, basement unit stairway to the side). Top right: kitchen in one of the units. Bottom right: bathroom in one of the units.*

Shahir Saleem acquired the vacant City-owned parcel in the Weber-Camden neighborhood (Ward 4) of north Minneapolis through the Minneapolis Homes: Property Purchase program. This is the first triplex development project through the program. The project includes three family-oriented energy-efficient units that received a certificate of occupancy in November 2024.

# Minneapolis Homes

## Rehab—14th Avenue North



*Left: façade showing fully renovated exterior. Top right: kitchen boasts new cabinets, floors and new appliances. Bottom right: unfinished basement.  
(Photos: Steve Thao, broker)*

Formerly a tax-forfeited property, the City acquired it from Hennepin County. In August 2023, the City Council authorized the sale of the subject property to Pedzo Star Properties without financing. Shortly thereafter, Nasir Mohamed and Mahad Farah of Pedzo Star Properties acquired the property and completed and sold the property in December 2024 for affordable homeownership (80% AMI). The house boasts four bedrooms and two and one-half bathrooms, a fully renovated kitchen, and spacious living areas. The new homeowners have the potential to expand their living space as the basement is unfinished.



## Simpson Apartments & Shelter



*Left: Simpson Apartments & Shelter under construction (Photo: Watson-Forsberg). Right: Minneapolis Mayor Jacob Frey joined the groundbreaking ceremony for this PPL development project. (Photo: CPED Communications)*

The Simpson United Methodist Church transitioned into an emergency shelter for those experiencing homelessness in 1982. The shelter provided housing, support and advocacy to its guests in need of short-term housing. However, over time the condition of the church began to deteriorate and severely impacted the shelter's ability to serve the community safely.

Due to the condition of the church building, Simpson Housing Services (SHS), the organization that ran the emergency shelter, knew that the time had come to replace it. SHS reached out to three potential development partners to help identify future use of the site and, after an interview process, SHS selected Project for Pride in Living (PPL). The shared concept the collaborators moved forward was a multi-story building which would continue to serve as an emergency shelter with additional housing opportunities. The new building would also include additional units of housing, supportive services and several communal amenities. The additional features of the new building will broaden the shelter's ability to help individuals transition from unstable living situations to longer-term housing.

In 2024, Simpson Housing (Simpson) and PPL broke ground on their joint project—the Simpson Community Apartments & Shelter. This project replaces the 70-bed shelter within the former Simpson United Methodist Church with a new 72-bed emergency shelter facility that includes a community kitchen, a medical clinic, and a new 42-unit apartment building with support services that provides a permanent place to call home to 30 individuals that have experienced long-term homelessness and 12 individuals with disabilities.

The CPED Housing team worked with both development teams to close on financing for both the shelter and the apartments simultaneously, which have different financing and ownership structures. Financing around the shelter was particularly complex due to its use of New Tax Credits blended with the City's contribution of \$3.5 million in ARPA funds, county general funds, pass-through grants, and state and federal appropriations. The apartment project financing included a deferred loan provided through the City's Affordable Housing Trust Fund, as well as Housing Infrastructure Bonds from the state and funding from Hennepin County.

# Stable Homes Stable Schools



*Pictured: Natasha's family (Photo provided by family)*

*"It's a great program... The people here are so genuine and they really want to help, they really want to change people's lives, and they are— every single day."*

*Natasha, SHSS participant and member of Parent Advisory Council*

Since 2019, Stable Homes Stable Schools (SHSS) has supported more than 2,100 Minneapolis families facing homelessness. For Natasha, a mother of four, the program brought hope during one of the hardest moments of her life. After the unexpected death of her children's father, Natasha found herself as a single mom struggling to stay housed. Even while working long hours, she couldn't afford rent.

"Are my kids going to be safe? Are we going to be okay?" She wondered.

Not sure where to turn, Natasha talked with a social worker at her children's school and found out about the SHSS. It took time, but today, Natasha and her family have a stable home they love. Her children are all thriving. Her oldest daughter made the honor roll throughout high school and plans to attend the University of St. Thomas in the fall 2025.

"When that burden is lifted off your shoulders and you can finally just relieve yourself and breathe, it's like, now I can actually live," said Natasha. "I can focus on the things that are important, which are spending more time with my kids."

Natasha's younger children are also blossoming, and she's gone back to school and found a job she loves. She also makes time to serve on the SHSS Parent Advisory Council to give back and help keep the program strong.

"It's a great program," she said. "The people here are so genuine, and they really want to help. They really want to change people's lives, and they are—every single day."

# 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.

***“With a strong development community and an experienced professional staff, Minneapolis is poised to remain a leader in affordable housing in our nation. Together—with public support, community leadership and policy innovation—we can create a city where everyone has a safe and dignified place to live and the opportunity to thrive.”***

*Elfric Porte, Director of Housing*