

Equity IN PLACE

Investment • Access • Opportunity

Barriers to Fair Housing in the Twin Cities Region

December 2019





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In 2018 and 2019, community-based organizations that are members of Equity in Place received funding from the Fair Housing Implementation Council and the Heading Home Minnesota Funders Collaborative to conduct community engagement around fair housing issues in local communities. Through engagement with hundreds of renter households, we identified a number of longstanding, pervasive and urgent housing challenges facing low-wealth people and people of color in communities around the Twin Cities region – and recommendations to address those barriers.

BARRIERS

Lack of affordable options & rental subsidies:

The rising cost of housing, lack of available subsidy programs, and challenges in utilizing supports, like Section 8 vouchers, in safe, truly affordable housing is a top barrier.

Evictions & displacement: Rampant and aggressive eviction practices have resulted in tenants facing immediate displacement and ongoing barriers to stable housing.

Tenant abuse: Landlords are broadly engaging in unscrupulous and often illegal practices, including demanding large security deposits at signing and fees for repairs. Residents without immigration status and Somali communities face increased bullying, threats and intimidation from landlords.

Lack of maintenance: Despite paying high rents, many low-wealth tenants are living under dangerously unhealthy conditions –and have no legal or practical recourse to hold landlords accountable.

Informing & enforcing tenants' rights:

City services are landlord-oriented and tenants do not have the support they need to be informed, empowered residents.

RECOMMENDATIONS

Adopt and implement the policies and priorities highlighted in the **Equity in Place Policy Agenda**, in addition to localized priorities, like the repeal of Crime Free Drug Free ordinances.

Allocate a consistent and significant funding stream to **robustly resource community organizing** to conduct and sustain authentic community engagement to advance equitable housing outcomes.

Provide staffing and resources within governments and agencies to **inform tenants of their rights** – in culturally competent ways – and increase enforcement around illegal and unfair landlord practices.

Change **property maintenance and local rental codes** to ensure dignified and safe housing and occupancy limits and definitions of family that are not overly restrictive and limit housing options.

Create, adopt, revise and/or enforce fair housing policies

and mandate fair housing training for city staff and landlords – and follow through on commitments in the 2017 update to the Regional Analysis of Impediments to Fair Housing.





Introduction

Equity in Place (EIP) is a diverse group of strategic partners from organizations led by people of color and housing advocacy organizations that believe that everyone in the Twin Cities region deserves to live where they want to live and have access to opportunity. Equity in Place ensures that regional decision-makers acknowledge the role of institutional racism in current and historical development decisions, that people of color have a seat at the table in important discussions about the future of our region, and that residents have an avenue to participate in discussions about the future of their communities.

In 2018 and 2019, community-based organizations that are members of EIP received funding from the Fair Housing Implementation Council and the Heading Home Minnesota Funders Collaborative to conduct community engagement around fair housing issues in local communities.

Participating organizations were:

- Alliance for Metropolitan Stability
- African Career, Education and Resource
- Jewish Community Action
- New American Development Center
- Pueblos de Lucha y Esperanza (Pueblos)

Through engagement with hundreds of renter households, we identified a number of longstanding, pervasive and urgent housing challenges facing low-wealth people and people of color in communities around the Twin Cities region.

Our findings are outlined in five areas:

- Scarcity of affordable options and rental subsidies
- Evictions and displacement
- Tenant abuse
- Lack of maintenance
- Informing and enforcing tenants' rights

Based on those findings we provide the following **recommendations for local governments and housing agencies**:

- Adopt and implement the policies and priorities highlighted in the **Equity in Place Policy Agenda**, in addition to localized priorities, like the repeal of Crime Free Drug Free ordinances.
- Allocate a consistent and significant funding stream to **robustly resource community organizing** to conduct and sustain authentic community engagement to advance equitable housing outcomes.
- Provide staffing and resources within governments and agencies to **inform tenants of their rights** – in culturally competent ways – and increase enforcement around illegal and unfair landlord practices.
- Change **property maintenance and local rental codes** to ensure dignified and safe housing and occupancy limits and definitions of family that are not overly restrictive and limit housing options.
- Create, adopt, revise and/or enforce **fair housing policies** and mandate fair housing training for city staff and landlords – and follow through on commitments in the 2017 update to the Regional Analysis of Impediments to Fair Housing.

Findings

Scarcity of Affordable Options and Rental Subsidies

The high cost of housing and the lack of available subsidy programs remains an issue for many low-wealth people throughout the region.

For instance, JCA found that Richfield tenant respondents spend, on average, 81% of their monthly income on rent and utilities. Nearly three-quarters of those (73%) do not have a housing subsidy, despite paying far beyond 30% of their income on housing, the threshold for affordability. Even more concerning, JCA found that even households that do have a subsidy are paying far more than they can afford: putting 66% of their income towards rent, not including utilities.

Across communities, Section 8 vouchers are not widely accepted and the HRA allowance is less than market rate. For those who are able to use their voucher, there is a constant fear of displacement, as, particularly for larger families, landlords are refusing to renew leases to those with vouchers — without providing a reason for the nonrenewal. Across the board, tenants are worried about the lack of affordable housing in their area, fearing that they won't be able to find adequate housing if they are displaced from their current homes.

Eviction and Displacement

Partners found that displacement is occurring throughout the communities we worked in through high eviction rates and the sale of multifamily housing units.

A significant and urgent concern reported by many tenants is rampant and aggressive eviction practices. For instance, Brooklyn Park has the highest eviction rates in the state, followed by Brooklyn Center, and ACER found that it is not uncommon for tenants to have as many as 10 unlawful detainers on their record — while still renting from the same landlord. This is a concern not only because eviction directly causes

displacement, but because it impacts households' ability to find housing both immediately and far into the future because of legal and accepted discrimination against individuals with unlawful detainers on their record.

As housing becomes both scarcer and more expensive within the urban core and first-ring suburbs, most residents face hardships finding affordable and adequate housing even as they move further and further from the central cities. For instance, NADC found that tenants who are being displaced from Eden Prairie want to move to Shakopee for its good schools and jobs, but cannot find affordable housing there. And a lack of housing units for larger families remains a major challenge across the region.

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Another increasing concern is the existence and enforcement of Crime Free Drug Free ordinances across the state, which penalize landlords if they do not pursue lease termination and/or eviction for certain activities. In St. Louis Park, for instance, JCA leaders mobilized around the repeal of the city's Crime Free ordinance when news reports revealed that, of the 225 evictions triggered by the ordinance over the past decade, two-thirds affected residents (and families) who were never arrested, charged, or convicted of criminal activity. More than 70 municipalities across the state of Minnesota have similar ordinances, which have a disparate impact on communities of color and low-income communities. Crime Free Ordinances move the role of criminal punishment to private landlords, which creates a system where tenants do not have due process in the forced removal from their homes based on crimes they may, or may not have committed.

The impacts of serial instability and displacement are significant — and go far beyond housing itself. In Richfield, 50 tenant respondents without

housing subsidy reported experiencing adverse health issues related to their housing. Because of the high cost of housing and lack of living wage jobs, parents have to work long hours to make ends meet, being forced to sacrifice essential time with their children. When families are evicted or pushed beyond their financial capacity to pay the rent, children are further impacted by having to transfer schools between or during the school year.

Tenant Abuse

Landlords are broadly engaging in unscrupulous and often illegal practices that are, in many circumstances, placing undue stress and financial burden on tenants, and, in too many instances, outright denying housing to or displacing families who have done nothing wrong.

Most tangibly, landlords engage in financial practices that present significant challenges. Most commonly, landlords charge tenants illegal and exorbitant fees, including using screening criteria that require monthly earnings totaling three times the rent and demanding large security deposits at signing. Landlords also add interest to late fees and refuse to take rent that is not inclusive of late fees, making tenants delinquent in their rent payments. Many tenants also reported being charged for repairs that are normal wear-and-tear maintenance that should not incur expense for the renter. And, in the face of these unfair practices, landlords are still increasing the rent: In St. Louis Park, nearly two-thirds of tenant respondents reported a rent increase in the past year, averaging \$104.

Language, immigration status, and racism present further opportunities for landlords and landowners to abuse tenants or refuse rental. Residents shared with Pueblos that titles, leases, notices, and other official documents are not translated into Spanish and residents must bring their own interpreter (usually a friend or relative; often an underage family member) if they need language considerations. Many manufactured home park residents do not have access to the title of their home because park owners or previous owners haven't provided sufficient documentation. Other residents have the title under the name of a friend

or relative by choice (i.e. because that person speaks English) or necessity (the friend or relative had the credit, documentation, or funds to buy the house). This creates a power imbalance between landlords and tenants who face the constant threat of eviction or abuse due to their lack of citizenship.

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For Somali immigrants, NADC found that racism from both landlords and other tenants is a major concern. Somali families face undue abuse from their landlords, Somali children feel abused and bullied, and elders do not feel respected by others in their rental communities.

Lack of Maintenance

Lack of maintenance of rental homes is another pervasive issue. Despite paying high rents, many low-wealth tenants are living under dangerously unhealthy conditions, particularly in multi-family NOAH apartment complexes. Tenants commonly reported mold; pest and rodent infestation; broken toilets and appliances; leaking roofs, ceilings and air conditioners; as well as a lack of security.

Compounding the stress of these unsafe conditions, many tenants find they have no legal or practical recourse. Tenants reported being forced to go to housing court to compel landlords to complete maintenance repairs that should be protected by the state definition of "wear and tear." Even more common are cases in which landlords completely ignored tenants' work orders, charged tenants illegally to address these issues and/or retaliated against tenants by filing evictions if they persisted in asking for their units to be brought to livable standards.

At a systemic level, Pueblos also reported that state home repair funds are not accessible to manufactured home park residents, especially immigrants. Those who have applied are put on a waiting list that currently exceeds one year and staff who administer the program do not have language or cultural skills to interface with the changing communities they serve. Even for those who make it to the front of the line, the application asks for a social security number, which means undocumented owners are forced to use the name of their child or other relative who has a social security number.

Informing and Enforcing Tenant Rights

Across all cities, tenants do not have the support they need to be informed, empowered residents. City services are landlord-oriented and are not oriented to support tenants and ensure multi-family housing units meet a healthy livability standard. Many tenants are unaware of their rights and have nowhere to turn within their municipality when a landlord does not meet their obligations. Somali immigrants reported that city offices do not have culturally relevant staff, making communication difficult to receive basic services or help when a problem arises.

This is why Fair Housing policies are important at a local level. For cities that do not have a fair housing policy there is no accountability for landlords who do not repair units or retaliate against tenants. However, it is possible for cities live up to their responsibility to count renters as their constituents and enforce practices centered on the success of renter households, For example, the City of Brooklyn Center suspended Gaughan Companies' rental license and placed them on a probationary period with a lower tiered license with higher fees until they demonstrated that they were continually making progress toward being a responsible landlord. This significantly improved conditions for tenants in Victoria Townhomes in Brooklyn Center.

Through ACER's advocacy, the city of Brooklyn Park passed a Fair Housing policy during the contract period. This was a major victory, and ACER and other partners continue working with cities to pass strong ordinances around tenants' rights and protections – in addition to the preservation and production of affordable housing.

But this work cannot be done by cities alone. To prevent further abuses, partners informed tenants about their rights as described in federal law, state statutes, city ordinances and safety/housing codes. We trained tenants around their own responsibilities, landlord responsibilities, informal and formal problem-solving techniques with housing, how to properly vacate a property, and the ways in which a lease can end. We also discovered that many tenants do not know the potential financial benefits available to them as renters, including being entitled to a renter's rebate. This is a clear area for future community engagement.

Building on the passage of Brooklyn Park's Fair Housing policy, ACER and other partners continue working with cities to pass strong ordinances around tenants' rights and protections.

While there are no broadly accepted strategies and tactics by local and regional government to ensure that people's current housing needs are being met through adequate investment and production of affordable housing, some tenants have creative ideas to solve these problems. Renters shared ideas around creating opportunity zones, community benefit agreements, and further community engagement to inform stakeholders about what residents want for their communities. Protecting tenants' rights and ensuring they are well informed will not only reduce the likelihood of being victim to unscrupulous landlords' practices, but is essential to enhancing fair housing and ensuring there is an adequate supply of housing for all residents.



Outreach and Engagement Strategies

As the convener of the EIP table, the Alliance organized monthly meetings of the partners to keep the work described, as well as other work of the partners, moving forward. Partners involved in this project used the following strategies to engage residents in conversations about Fair Housing.

African Career, Education and Resource Inc (ACER)

- ACER recruited Brooklyn Center Councilmember Dan Ryan to attend a meeting with tenant leaders at the Brooklyn United Methodist Church, who voiced concerns related to rising rent and maintenance fees that made it difficult for tenants to continue living on the property without fear of eviction. One idea that emerged was working with the State Attorney General's office on including tenants rights in consumer rights initiatives.
- ACER held monthly meetings with staff at the city of Brooklyn Park to continue to address fair housing issues.
- ACER held five meetings with Brooklyn Center staff to discuss fair housing issues and how the city could begin to address them.
- ACER invited elected officials to housing forums – with participation from policymakers like the office of U.S. Senator Tina Smith – where they had a chance to listen and respond to tenants on the fair housing challenges they faced.
- ACER partnered with Robbinsdale Area Schools to conduct a Know Your Tenant Rights

workshop in Crystal where parents who are tenants, homeowners and property managers were able to learn about organizations and content that interested them.

- ACER conducted another workshop at Autumn Ridge apartments in Brooklyn Park, with additional tenant outreach assistance from Metro Blooms.
- With partners, ACER held a Legislative Breakfast on housing for the Northwest suburbs, which included fair housing as part of the discussion.

Jewish Community Action

- JCA held quarterly housing forums that engaged 225 participants at Adath Jeshurun Synagogue in Minnetonka (75 participants), Bet Shalom Synagogue in Minnetonka (40 participants), Christ the King Church in Bloomington (50 participants), and House of Prayer Church in Richfield (60 participants).
- JCA conducted tenant outreach door knocks at Normandale Estates in Bloomington (90 units), Lynwood Flats in Richfield (110 units), the Cabana Apartments in Golden Valley (49 units), and Walden Woods Apartments in St. Louis Park (109 units).
- JCA tabled at social service agencies, including PRISM in Golden Valley, VEAP, which serves Bloomington, Richfield and Edina (reaching 377 clients), and STEP in St. Louis Park (reaching 187 clients).
- JCA conducted Know Your Rights workshops in December 2018 (40 participants), and October 2019 (25 participants).



New American Development Center

- NADC held an East African Community Housing Conversation at the Shakopee Community Center in August 2018 and another at Eden Prairie High School in February 2019.
- NADC held a federal housing forum at Al-Amaan Center in June 2019.
- NADC conducted tenant outreach at Prairie Meadows Apartments, Briar Hill Apartments, Columbine Townhomes, Lincoln Park Apartments, Eden Lake Townhomes, Edenvale Apartments, Eden Glen Apartments, and Purgatory Townhomes.
- NADC conducted one-to-one meetings with families to privately discuss the issues they are facing and work toward solutions.
- NADC collected monthly reports of youth housing problems and connected youth to social service organizations that could support them.

Pueblos

- Pueblos conducted door knocking and flyering in six manufactured home parks in Dakota and Scott Counties with 1,155 homes reached including: Apple Valley Estates in Apple Valley (90 door knocks), Cedar Knolls in Apple Valley (400 door knocks), Arbor Vista in Burnsville (200 door knocks), Rambush Estates in Burnsville (150 door knocks), Sunnyside Acres in Burnsville (125 door knocks), and Valley Green in Jordan (190 door knocks).
- Pueblos conducted fair housing forums at Apple Valley Community Center (50 participants), Lakeside manufactured home park in New Brighton (100 participants), Risen Savior Church in Burnsville (35 participants), Sagrado Corazon Church in Minneapolis (100 participants), and Galaxie Library in Apple Valley (25 participants).
- Pueblos held a two-day leadership training for 12 people on how to engage with elected officials, including presentations and activities about the qualities and values of leaders, power and how to build power, and how to conduct one-to-one meetings.

Community Engagement Materials

ACER partnered with the Alliance to create outreach materials about tenant and landlord responsibilities, information on tax return procedure for rent paid, procedure for trying to receive most or all of tenant deposit back, etc.

ACER created flyers detailing Just Cause Eviction, 90-Day Tenant Protection, and Inclusionary Housing ordinances so tenants are informed of ordinances they can support.

Media Placements

[“Inside the grassroots push for affordable housing in Minneapolis' suburbs”](#) *Star Tribune*, 4/15/2018

[“At housing forum, Eden Prairie community concerns and developers' actions aren't a match”](#) *Southwest News Media*, 2/12/19

[“St. Louis Park's 'evicted before convicted' housing ordinance is a disgrace”](#) *op-ed, Star Tribune*, 5/31/19