

Southwest Journal

Development update // 'Opportunity gap'

By Gregory J. Scott
January 11, 2010

HousingLink reports 'opportunity gap' in affordable housing

HousingLink, a Minneapolis-based nonprofit that collects and analyzes affordable housing data, has announced an “opportunity gap” of 54 percent for affordable housing in the Twin Cities — meaning only about half of the area’s low-income families benefited from government sponsored rental assistance in 2008.

The news appeared in HousingLink’s end-of-the-year hSum Report, an annual snapshot of tenant- and unit-based rental assistance in the Twin Cities seven-county metro area. The report studies the difference, or “gap,” between the number of households earning less than \$25,000 per year and the number of publicly assisted rental opportunities available to those households. Assistance opportunities include rental vouchers provided to individual tenants and rental units that guarantee affordable rents in exchange for government subsidies.

And while previous hSum reports show a recent narrowing of the gap — down from 57 percent in 2006 — the current number “is still a rather grim picture of the community,” says Dan Hylton, research manager at HousingLink. Hylton attributes the disappointing figure to the recession, linking the housing crisis to a leveling off in production of government-assisted rental units, and increased unemployment to a growing number of households falling into the “low-income” category.

Next year’s report (hSum 2009) should be of particular interest, Hylton says, considering that \$200 million has been allocated to housing by the federal government as part of the Recovery Act. But any hopes of a reduced opportunity gap should be cautious, he adds, as continued unemployment and underemployment will most likely cause an uptick in the low-income population tally.

LISC Twin Cities announces COACTION fund recipients

Twin Cities Local Initiatives Support Corporation will provide \$820,000 in grant money to 15 local community building organizations in 2010, injecting some badly needed funds into a recession-crippled nonprofit community. The grant money is the first stage of Twin Cities LISC’s COACTION Fund, a three-year, \$3.3 million award intended to boost physical and economic development in the Twin Cities. Provided this year’s grant recipients maintain their eligibility, each will enjoy a robust base of support through

2013.

According to Twin Cities LILSC Executive Director Andrianna Abariotes, the COACTION Fund takes an unusual approach to community strengthening, in that it addresses both the very visible signs of development and its more subtle indicators. “It’s about linking physical improvement efforts — building affordable housing and commercial real estate development — to the expansion of economic opportunities for residents — helping people get a job, buy a house or open a business.”

The fund’s list of three-year targets are divided into “physical” and “economic” categories — 150 newly created property units reserved for underserved populations, say, as a physical success, 150 newly created jobs that increase a worker’s income by 25 percent as an economic one.

The 15 grant recipients, whittled down from an initial applicant pool of 42, are African Development Center for Minnesota, American Indian Community Development Corporation, Central Corridor Community Collaborators, City of Lakes Community Land Trust, CommonBond Communities, Dayton’s Bluff Neighborhood Housing Services, Emerge Community Development, Goodwill Easter Seals Minnesota, Greater Frogtown Community Development Corporation, Hope Community, Inc, Juxtaposition Arts, Plymouth Church Neighborhood Foundation, Project for Pride in Living, Twin Cities Habitat for Humanity, Inc, and Urban Homeworks.