

1. Presentation title and description of the innovation. *100 word maximum.*

The Kitchen Sink: A Comprehensive Approach to Homeowner Reinvestment Through the "Homes for Generations II" Program

The Homes for Generations II program is designed to address Coon Rapids' aging suburban housing stock. Through a combination of financial incentives and community collaboration, homeowners are encouraged to reinvest in their homes. Although the housing crisis is now behind us, many homeowners are still apprehensive about making the kinds of major housing improvements that enrich neighborhoods. Homes for Generations II provides the financial assistance to make those projects feasible and facilitates an innovative tour of participating homes in an effort to continue to motivate and inspire other homeowners.

2. When and how was the program, policy or initiative originally conceived in your jurisdiction? *100 word maximum.*

Homes for Generations II is the successor to a 2009 program in which the City purchased, remodeled, and showcased previously foreclosed homes in order to spur investment during the recession. The City found that the home tour portion was particularly popular and helped residents to envision the remodel process in their own homes. The city developed the program's current iteration in May 2013, evolving into a grant, rebate, low-interest loan, and architectural assistance program – all while doubling down on the success of the home remodeling tour.

3. How exactly is the program or policy innovative? How has your innovation changed previous processes, products or services? *100 word maximum.*

The financial incentives include grants, building permit rebates, and low-interest loans. These incentives and the home remodeling tour combine to form a more targeted, comprehensive package than a traditional home improvement loan program. Assistance is aimed at large-scale home projects, with a special grant tier reserved for significant exterior “curb appeal” projects that improve the whole block. Additionally, by requiring and subsidizing architectural consultations, homeowners tap into a resource they might have previously considered out of reach. After construction is complete, the home remodeling tour enables the City to further market these success stories as examples to inquisitive residents ready to start their own projects.

4. Explain how the program or initiative substantially stretched or improved the boundaries of ordinary governmental operations. *200 word maximum.*

Homes for Generations II serves both the applicant and the community from the beginning of the loan process and continues past the end of construction. Mandatory architectural design consultations (subsidized by the program) instill legitimacy and aesthetic integrity in the project. The City encourages projects that enhance the community's curb appeal by restricting grants to major value-added projects with a minimum cost of \$35,000 and extending larger grants to plans that make significant “curb appeal” improvements to the home's exterior. If applicants choose to seek financing, the city's Mortgage Assistance Foundation makes low-interest loans available.

In order to most proactively improve the city's housing stock, the city program is designed to be as inclusive as possible. Homes for Generations II is available to all Coon Rapids homeowners living in structures at least 20 years old (more than 80% of homes citywide are older than 20 years), and there are no income restrictions. Grant recipients are located throughout the city, maximizing the visible exposure to neighbors.

5. What individuals or groups are considered the primary initiators of your program? How does the innovation engage stakeholders or demonstrate high performance teaming? Were strategic partnerships and/or community networks developed as a result of the innovation? *200 word maximum.*

Although the program is managed by the City of Coon Rapids Community Development Department, strategic partnerships are key to its success. The program's initial design was the result of a series of work sessions of city council and city staff. Funding sources include the city's Housing and Redevelopment Authority and the nonprofit Mortgage Assistance Foundation, and the underwriting process is managed by the local nonprofit Center for Environment and Energy. The subsidized architectural design consultations are the result of collaboration with the American Institute of Architects Minnesota and the American Society of Landscape Architects Minnesota, which provide 2-hour in-home architectural consultations. However, the most important connections the program forges are between residents and stakeholders in the home improvement process – the home remodeling tour enables thousands of curious people to talk face-to-face with architects, contractors, building inspectors, loan officers, city representatives and homeowners in order to bring projects closer from the hypothetical realm to reality. The city's first home tour in May 2014 was attended by nearly 2,000 people, enabling word of mouth and informal communication as an effective complement to the City's outreach efforts via mailers, newsletters, social media and cable television.

6. If a private consultant was used please describe their involvement, identify the consultant and/or firm and provide contact information. *100 word maximum.*

Homes for Generations II is developed by and managed by City of Coon Rapids staff.

7. To what extent do you believe your program or policy initiative is potentially replicable within other jurisdictions and why? To your knowledge, have any other jurisdictions or organizations established programs or implemented policies modeled specifically on this project? Please provide verification of the replication. *200 word maximum.*

Although the City knows of no other programs modeled after this program, staff have spoken with several other cities interested in replicating or modifying the program for their own jurisdiction. Homes for Generations II is a foundation for an effective tool that any community with aging housing stock can take advantage of and tailor to their own needs. The strength of the program lies not in the specific local resources, but in the organizational philosophy of comprehensive assistance and the successful promotion of the projects (amplified by the home remodeling tour) that allow the City to leverage its investments even further.

8. What were the costs? What were the savings? *100 word maximum.*

From the program's inception in 2013 through July 2015, Homes for Generations II has received 139 applications, awarded \$156,212 in grants to 45 projects, and rebated \$24,125 in building permits. The total value of improvements directly leveraged through those

projects amounts to over \$3,164,000. Fifteen grant recipients have taken advantage of the financing options, and the Center for Energy and Environment has underwritten \$640,000 in loans. The program has also subsidized 108 architectural consultations to date.

9. Please describe the most significant obstacle(s) encountered thus far by your program. How have they been dealt with? Which ones remain? *200 word maximum.*

Although the program's bar of eligibility for applications is modest, the minimum project cost of \$35,000 still represents a significant cost barrier. The housing crisis left a significant impact on Coon Rapids that homeowners are still recovering from. Some homeowners lack the cash reserves to pay the post-grant construction balance or the home equity necessary to qualify for financing with a bank. In order to mitigate this problem, the City's Mortgage Assistance Foundation offers its own low-interest financing alternative. The underwriting process for these loans is handled by a partnership with the Center for Energy and the Environment, and the underwriting criteria are deliberately more lenient than banks or credit unions demand. Although this structure does not eliminate the inevitable cost barriers, it represents the best balance between inclusivity and protection of the program's financial health.

10. What outcomes did this program or policy have? What baseline data did you collect? How did you measure the change based on the intervention, and why do you believe in the credibility of this assessment? *200 word maximum.*

At the program's inception, the Community Development Department collaborated with the Assessing Department to determine a baseline of residential tax base. At the end of the next round of grants and construction, city staff will use that data in conjunction with building permit records/trends to determine the program's effect on citywide homeowner reinvestment. The City also measures increases in applications from year to year, which reflect the efficacy of the program's outreach efforts. The most important figure to measure the program's outcome is grant leverage – from the program's inception in 2013 through July 2015, Homes for Generations II has received 139 applications, awarded 45 projects \$156,959 in grants, and rebated \$24,125 in building permits. The total value of improvements leveraged through those projects amounts to over \$3,164,000.

11. Has the program received any press or other media coverage to date? If yes, please list the sources and briefly describe relevant coverage. *100 word maximum.*

Homes for Generations II was a 2014 "City of Excellence" award winner from the League of Minnesota Cities, which also featured the program in their bimonthly magazine. The program was also a late-round candidate for the Harvard Kennedy School's 2014 Innovations in American Government Award. Additionally, the program has received extensive coverage from regional news outlets, including the Minneapolis Star Tribune and the north metro's ABC Newspapers.

12. Please provide web links where the innovation can be seen/tested (in the case of something that is web-based) *100 word maximum.*

League of Minnesota Cities 2014 City of Excellence Award Winners:
<http://www.lmc.org/page/1/COEwinners14-nr.jsp>

Minnesota Cites Magazine – “Ideas in Action: Coon Rapids Invests in Residents’ Remodeling Dreams”: <http://lmc.org/page/1/IdeasinActionJanFeb2015.jsp>

Minneapolis Star Tribune - “Home Run: Coon Rapids homeowners flock to city’s remodeling grant program”: <http://www.startribune.com/home-run-coon-rapids-homeowners-flock-to-city-s-remodeling-grant-program/219566611/>

Minneapolis Star Tribune – “Coon Rapids hosts first-ever home remodel tour”:
<http://www.startribune.com/coon-rapids-hosts-first-ever-home-remodel-tour/259089941/>

13. Please provide any key references and their contact information who can be interviewed/called to discuss the innovation and its impact. *100 word maximum.*

Kristin DeGrande, City of Coon Rapids Neighborhood Coordinator
kdegrande@coonrapidsmn.gov (763) 767-6517

Grant Fernelius, City of Coon Rapids Community Development Director
gfernlius@coonrapidsmn.gov (733) 755-2880

14. You’ve been to a lot of conferences. TLG should be a unique experience for everyone. Describe how your case study presentation will be different than other conference presentations. *200 word maximum.*
- How will you make the session creative and unique?
 - How do you plan to be both entertaining and educational?
 - Include a description of how your session will facilitate group activities and/or interaction.

The session will explain how a similar program can be effectively tailored to communities with varying levels of available resources. Homes for Generations II doesn’t rely on unique resources, which makes the program nearly universally adoptable. The presentation will focus on how careful program design and grant structure can nudge projects to more specifically address individual community concerns.

15. Anything else you would like to add? *200 word maximum.*