



UNLOCKING HOUSING SOLUTIONS

**KEY TAKEAWAYS FOR
THE CITY OF WINONA
FROM THE 2024 HOUSING STUDY**



ENGAGEWINONA

This resource was created independently by Engage Winona and not commissioned by any other entity.



Photo: Mary Farrell

ABOUT THIS RESOURCE

This resource was created by Engage Winona in support of what our community has long asked for: more housing options. This document summarizes actionable data from the 2023 Comprehensive Housing Needs Analysis for Winona County and the 2024 Winona County Housing Study and pairs that data with relevant information about city planning, economic development, and societal trends.

This resource is not meant to replace either of the Winona County reports. We highly recommend that everyone read the entirety of those reports, which are available on the county website.

Engage Winona is an independent 501c3 nonprofit that drives equitable civic action and social change by working to ensure that everyone has access, voice, and power in community planning, decision-making, and change-making. Visit us online at engagewinona.org.

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THE PROBLEMS

03

Not enough housing

In the next 5 years, the City of Winona needs 720 more housing units to meet market demand. This includes 100 subsidized senior housing units, 65 subsidized housing units, and 555 additional housing units (which include single-family homes, market-rate rentals, etc). In addition, a further 70 subsidized housing units and 120 market-rate units are needed over the coming 10 years. (LOCi, Table 7.12)

Lack of housing inhibits growth

From businesses being able to expand and hire workers, to young professionals putting down roots, to seniors hoping to age in place, all of Winona is hindered by the lack of housing stock available in the City and County. (MN Chamber p. 2, CWHTF). Throughout all of Engage Winona's community engagement work from 2016 to present, housing has emerged again and again as a primary concern for Winonans (Engage Winona).

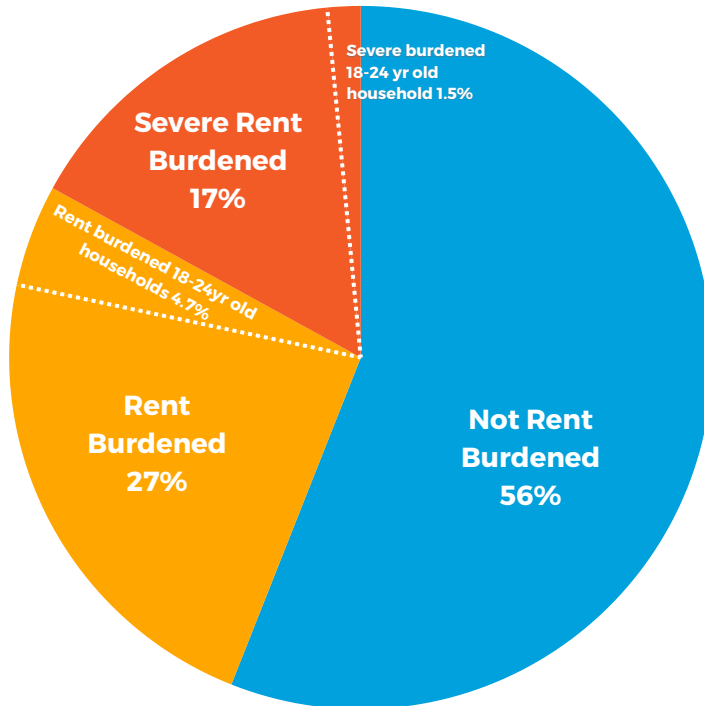
Perceived scarcity

There is a persistent community perception that the City of Winona does not have enough parking or enough land to build new housing units. However, the Housing Study provides evidence to refute both of these notions (HKGi, p. 77) (County Board Presentation, p. 186). Prioritizing public sentiment over data is not an effective or efficient approach to community development.

Photo: Mary Farrell

The lack of housing choices means many people in Winona are forced to pay more than they can afford (LOCi, Table 1.32).

Renter Cost Burden (LOCi, Table 1.35)

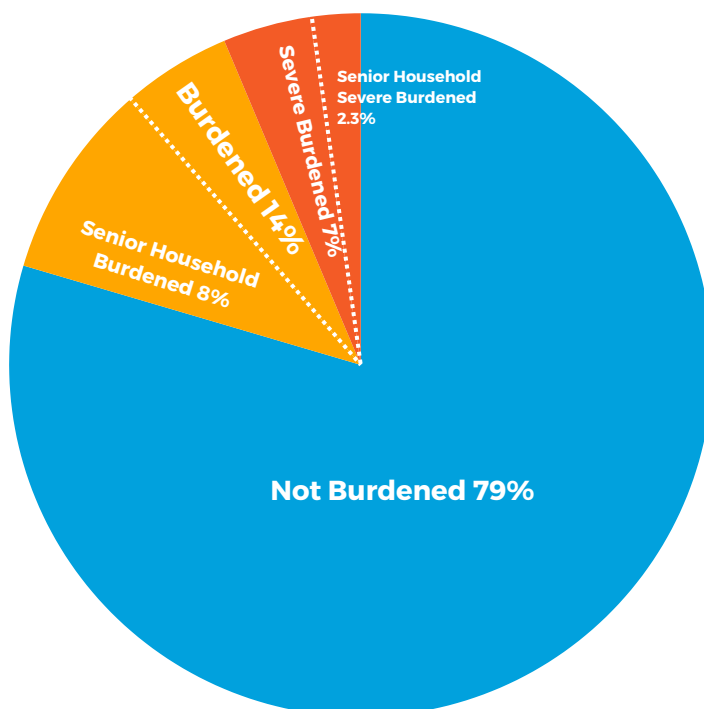


Rent burden is defined as 30% or more of income going towards rent+utilities

Severe rent burden is defined as 50% or more of income going towards rent+utilities. In 2021, **Winona County was the #9 worst county in the state for percentage of rent-burdened households** (MHP, p. 55)

Winona County's current rental vacancy rate is **1.7%**. A healthy market should be **5%** (LOCi, p. 59)

Homeowner Cost Burden



Homeowner cost burden is defined as 30% of income going toward costs of homeownership (mortgage, insurance, etc). Severe is more than 50%.

A third of those experiencing homeowner cost burden are over 65 years old (LOCi, p. 36-39)

The current supply of homes for sale in Winona County is **2.7** months. A healthy market has **5-6 months** (LOCi, p. 53)

Charts are for illustrative purposes and not necessarily to scale.

Photo: Engage Winona

STRENGTHS



City staff

Commonwealth Developers have praised Winona on the speed and efficiency of working with City of Winona staff on housing projects. Seeking out and working well with potential developers is something the city is well-positioned to do. (Goltzman)



Strong business community

Winona has invested in our business community, which has led to a unique and robust economy. Our uniquely low MN unemployment rate (2.4%) shows the potential for workforce growth. (LOCi, p. 31)



Naturally occurring affordable housing

Winona has a high percentage of houses built before 1939 (29% compared to MN average of 16%). Many of these older homes are more affordable, and many also need updates. (LOCi, p. 46)

WEAKNESSES



Population decrease, household increase

Winona's population is projected to decline over the next 10 years. (LOCi, p. 16). The number of households, however, continues to increase due to demographic trends. (City of Winona)



Burden on renters and social services

Low housing stock puts a severe burden on social services in Winona, affecting everything from mental health to domestic violence. These problems then compound and place a significant burden on institutions such as healthcare centers and human service providers in Winona. (CDC, Bautista, CJCC)



Siloed institutions

Public and private entities will have to collaborate quickly with a unified vision of how to solve the housing crisis. This cooperation and speed is classically difficult to achieve.

THE OPPORTUNITIES

06



“Moving over” to affordable senior housing

As cost-burdened older adults “move over” to deeply affordable senior housing, this opens up their homes in the market, creating opportunities for first-time homebuyers (Winchester, p. 43-46). The 2023 Housing Needs Analysis identifies affordable senior housing as the most urgent housing need (LOCi, p. 11, 85).



Just one or two new buildings can make a big difference

Deeply affordable senior housing can support a great quality of life without the need for additional mixed-income units (Vega and Wallace). The 90-100 affordable senior housing units needed in Winona can quickly be built with one or two developments close to services. This would open up a comparable amount of housing units elsewhere in the city. The City needs to identify and rezone parcels to reflect this goal.



THE OPPORTUNITIES

07



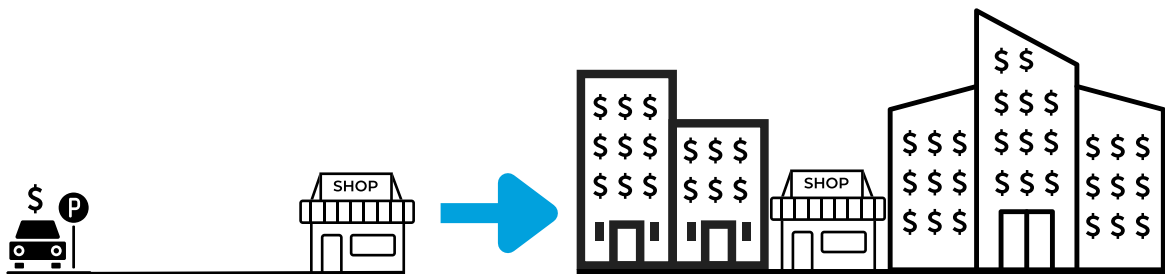
Finding and engaging potential developers

The City of Winona can make itself more appealing to developers by rezoning and identifying vacant, abandoned, and underused properties that they would like to see used for mixed-use neighborhoods and residential development. (HKGi, p. 77). Many of these proactive changes are reflected in the City's 2045 Comprehensive Plan.



Downtown housing as an economic driver

For every new housing unit created in a downtown area, \$1,454 per month is generated in economic activity for downtown businesses (Main Street, p. 21). Currently, there are 11 downtown parking lots owned by the City (City of Winona) and could be used to further transform downtown Winona into a thriving, vibrant economic engine for the whole community.



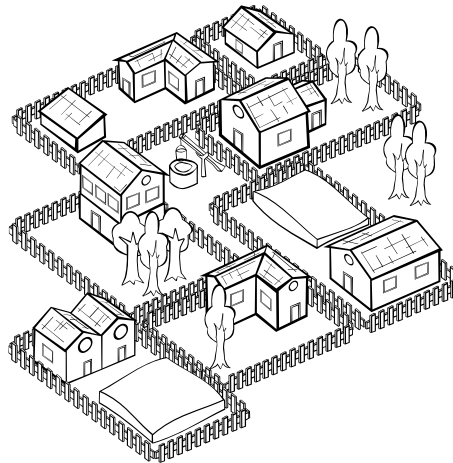
THE OPPORTUNITIES

08



Zoning can make a huge difference long term

Restrictive zoning practices are widely attributed as the driving force behind the housing affordability crisis nationwide, severely limiting the amount and type of housing that can be built. Allowing the housing market to correct itself by changing zoning laws may lower the barrier to entry for smaller, local housing developers (Gray, Calder, Harvard). The City should also consider creating a new mixed-use district outside of downtown (HKGi, p. 77).



More housing means more affordable rent

Minneapolis's "let 'em build" approach has successfully kept rental rates from rising since 2019 because housing stock has increased by 14%. Minneapolis's reduction of onerous zoning requirements "should be a blueprint for other cities" (Halter). Winona County's rent has increased by 3.8% per year since 2019 (LOCi, p. 59).



THE OPPORTUNITIES

09



Capturing commuters and remote workers

Winona has an opportunity to grow its population to include some of the 13,000 people who commute daily into the City (City of Winona) but also remote workers leaving urban areas. Trends indicate that small cities with tourism hubs, like Winona, can attract high-income remote workers. (NYT, MN Dept Tourism)



Mixed-Income developments

Washington Crossing, with its combination of subsidized and market rate apartments, offers a great example of how housing development can be done in Winona. Mixed-income housing developments have increasingly become the go-to solution for subsidized housing, reducing neighborhood segregation and increasing residents' quality of life (HUD).

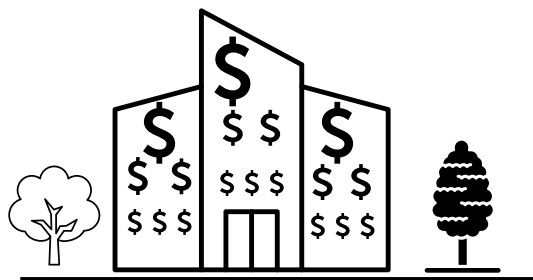




Photo: Engage Winona

KEY TAKEAWAYS

The 2024 Winona County Housing Study provides the hard data for what many people in Winona have been saying for years: **we need more housing units of all types**. Winona is presented with a daunting but exciting **opportunity to provide tangible and transformative solutions** to a problem that we all, knowingly or unknowingly, feel the effects of.

Unfortunately, we have been here before. The **City of Winona Housing Task Force in 2017 identified the same problems and solutions presented in this document** and the most recent housing study (CWHTF). The 2024 Housing Study shows us that **how the City has approached housing for the past 30 years has not worked**.

To meet this moment, the City of Winona should proactively encourage developers by rezoning parcels for higher redevelopment potential, creating a more enticing package of benefits for housing developers by establishing a Local Housing Trust Fund and continuing to support repairs of owner-occupied naturally occurring affordable housing. The city must work to ensure that its resources are in alignment to make housing a primary goal and reflect that priority in its creative, action-oriented approach to building a stronger future for everyone.

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