

5 Housing

Introduction

Housing is an integral part of Richfield's present and future. As the largest component of the existing land use, housing is one of the community's most important assets. The community recognizes that to remain competitive in retaining and attracting new residents, it must be proactive in expanding housing choices, promoting modernization of the housing stock, maintaining affordability, and supporting attractive neighborhoods.

This chapter of the Comprehensive Plan analyzes the current housing stock, sets the community's goals and policies, and outlines the community's implementation program. Information for this chapter was compiled from a variety of sources, including Hennepin County and the City of Richfield. For more detailed information about Richfield, please see Richfield's Housing & Redevelopment Authority's (HRA) 2004 Richfield's Housing Assets: Opportunity at Every Door and Hennepin Services Collaborative's December 2006 Report on Demographic, Social and Economic Trends of Richfield Residents 1980-2000.

Existing Conditions

Richfield's growth into a predominantly residential community occurred in the 1940s and 1950s. The community's population rapidly grew from just 3,778 in 1940 to over 17,500 in 1950 and more than 42,000 in 1960. The community's population peaked in the 1970s, since declining to around 33,000 in 2006.

While the population has been on the decline, the number of housing units has remained relatively steady. This is due to a number of factors including smaller family sizes, adults remaining single and/or childless longer, and longer life spans increasing the number of seniors. Average household size in 2006 is 2.2 persons, compared with 2.46 persons in 1980.

Richfield has a limited amount of diversity in its housing stock. As of the 2000 Census, Richfield had 15,357 housing units, of which over 65 percent were single-family detached structures. In all of Richfield, 61% of the land area is devoted to single-family residential, compared to only 4% of the land area devoted to multi-family units.

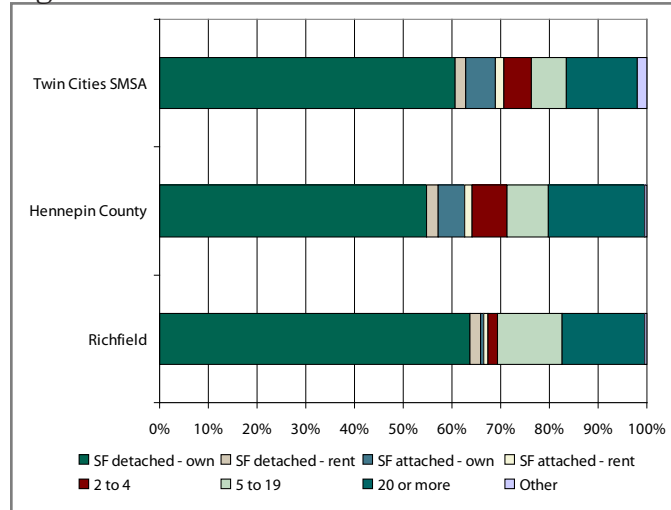


Over 60% of Richfield's land area is devoted to single-family residential housing.



With limited sites for single-family development, more of the housing units built recently have been constructed as part of multi-family developments such as City Bella.

Figure 5.1 Number of Units in Structure



Source: 2000 Census

Recently, however, there are more multi-family housing units being built than single-family units. Between 2000 and 2006, 86% of the new housing units constructed were multi-family units. As a fully developed community, there are limited sites available for single-family construction. Most new housing units are a part of redevelopment projects where the removal of an existing home is needed.

Just over two-thirds of all housing units are owner-occupied. This ratio of owner versus renter occupied has remained steady since at least 1980.

The age of Richfield’s housing stock reflects the community’s rapid growth during the mid-1900s. Almost

Table 5.1 Residential Building Permits 2001-2007

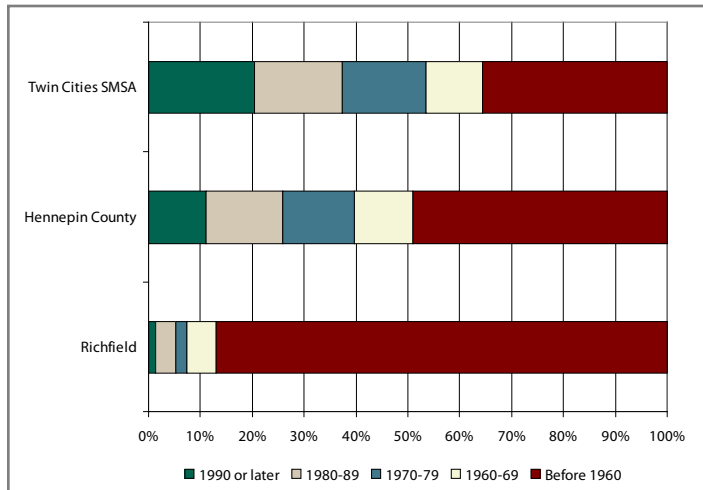
Year	Single-Family Units	Townhome Units	Multi-Family Units	Total
2007	4	0	0	4
2006	1	0	0	1
2005	3	0	16	19
2004	1	7	0	8
2003	4	14	238	256
2002	4	0	0	4
2001	6	10	0	16
Total	19	31	254	304

Source: Metropolitan Council

80% of all housing structures were built between 1940 and 1969. According to the Census Bureau, the median year built for all housing structures in Richfield is 1956. This large percentage of homes built prior to 1970 is of concern as the 30 year mark is often referred to as the point where homes may need major renovations and repairs.

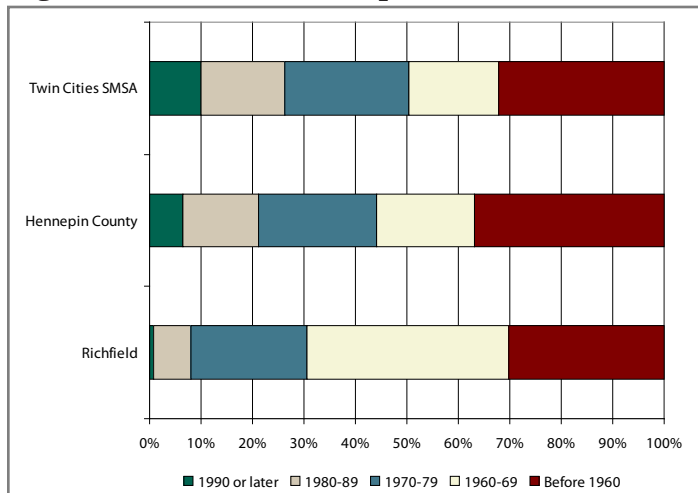
While aging structures can be challenging for single-family homeowners, it is even a larger concern for renters as they are reliant of others for maintenance and updates. Costly repairs and renovations can be challenging for apartment building owners because of limited revenues and financial assistance programs.

Figure 5.2 Year Owner Occupied Units Were Built



Source: 2000 Census

Figure 5.3 Year Renter Occupied Units Were Built



Source: 2000 Census

Single-family Detached Housing Stock

Richfield’s Housing & Redevelopment Authority’s (HRA) 2004 Richfield’s Housing Assets: Opportunity at Every Door provides an interesting detailed summary on the City’s stock of detached, owner-occupied single-family houses. Since most of the attached single-family homes have been built in the past few years, the analysis provides a fairly comprehensive look at the single-family detached housing in the community.

As previously noted, most of the single-family homes were built between 1940 and 1960. Therefore it is not surprising that the predominant housing types reflect the styles popular at that time. Nearly 93% of the houses are either rambler or expansion bungalow with the majority only 1 or 1.5 stories. These homes are also generally smaller in size. About two-thirds have less than 1,200 square feet in above-grade living space, with nearly 28% having less than 1,000 square feet.

With limited above-ground living space, over 84% of homes have some portion of the basement finished. Surprisingly, nearly 82% of homes have three or more bedrooms, which may include bedrooms in basements or second stories of the home. However, fewer than half have more than one bathroom.

Another important characteristic of housing is the garage. Over 65% of homes have detached garages with fewer than 2% having no garage at all. Over 60% have parking

Generally built between 1940 and 1960 much of Richfield’s single-family housing stock has the same characteristics:

- * 96% are 1 or 1.5 story homes
- * 66% have less than 1,200 square feet of above grade finished living space
- * 82% have three or more bedrooms
- * 41% only have one bathroom
- * 65% have detached garages
- * 61% have parking for two or more cars

for two or three vehicles, however, one-third only have parking for one vehicle.

The lot sizes reflect the practices at the time of development. Approximately half of the lots have an area between 7,500 and 9,000 square feet and over one-quarter with over 10,000 square feet.

The Hennepin County Assessor includes an overall condition rating for each home. The rating is a five point scale from excellent to poor condition. Overall, 99% of Richfield homes were rated as average or better in 2004.

Knowing the community's housing stock is important in understanding and responding appropriately to market trends. The National Association of Home Builders, for example, has noted that homes have gotten significantly larger over the past few decades, to almost 2,500 square feet in 2006. Of new homes built in 2006, 59% had 2.5 or more bathrooms, 39% had four or more bedrooms, and 80% had two-car garages. Recognizing that Richfield's older homes may not have the features currently sought by homeowners, the community should continue facilitating renovations and expansions to attract and retain families in the community.

While the historical trend has been for larger homes, it is unclear if that will continue as strongly into the future. As it has since the 1970s, the baby boom generation is expected to significantly change the housing market in the next few decades. Current trends indicate that the

aging of this generation will lead to increased demand for smaller, easier to maintain homes; homes more centrally located and with urban amenities; and/or new types of senior housing products not yet conceived.

Affordability

Richfield continues to be an affordable place to live. In fact, the Metropolitan Council's "Determining Affordable Housing Needs in the Twin Cities 2011-2020" report found that 29% of Richfield's housing is affordable, making it only one percentage point off from the region's target of 30%. Table 5.2 shows the percent of units currently affordable for other developed communities in Hennepin County.

Housing is considered affordable when it consumes no more than 30% of gross household income. Affordability is important because families that need to spend more than 30% of their income on housing costs may not have enough income left to afford basic needs such as food or clothing, or be able to deal with unanticipated medical or financial expenses.

The Metropolitan Council has directed every community in the Twin Cities to strive to make a portion of its housing affordable to those who earn 60% of the Twin Cities Median Income of \$78,500. For a family of four, 60% of the Twin Cities Median Income was \$47,100 in 2007. It is estimated that a family of four earning \$47,100 would be able to afford a home that is approximately \$152,000.

Programs, such as Richfield Rediscovered, have helped homeowners who want larger homes remain in the community and expand their existing home to meet their family's needs.



Before



After

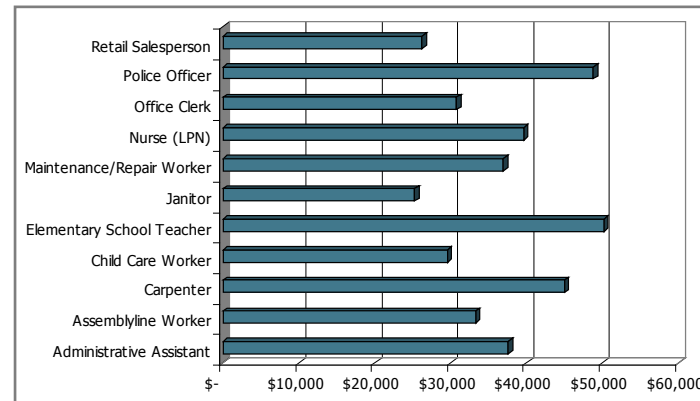
One reason that affording home ownership has become an issue is that wages have not risen as quickly as housing costs. For example, between 1990 and 2000, home prices in Hennepin County rose 26% while incomes only rose 8%. Another factor is that development costs have been increasing. Between 1998 and 2004 the cost of land as a percentage of the total cost of a home rose from 25% to 46%.

Affordable housing is not just for seniors living on fixed incomes. Housing costs are often challenging for young professionals just out of school, single-parent families and many working families. Figure 5.4 shows the average annual wage of selected professions.

While the community is affordable, home values have been on the rise over the last decade. Analysis of 350 single-family, homestead homes sold in 2006 was conducted as an indicator of home's true value. The mean sale price was \$227,592, while the median was \$224,900. About 62 percent of homes ranged in value between \$200,000 and \$250,000. As shown in Figure 5.5, only about five percent of homes sold were under \$150,000. Information about 2006 sales in St. Louis Park was provided for comparison purposes.

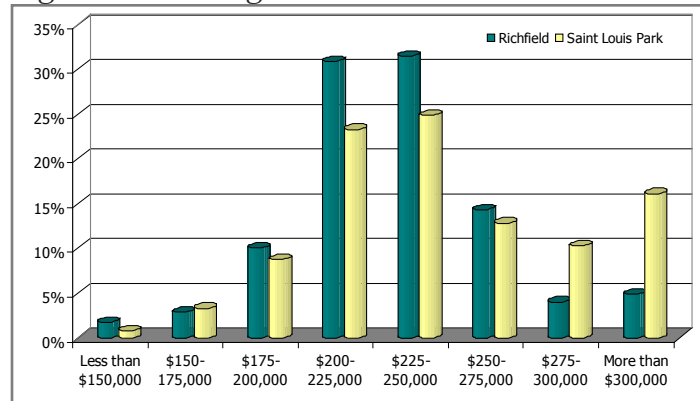
Affordability targets are different for renters than home owners. The Metropolitan Council directs communities to strive to make a portion of its housing affordable to families earning 50% of the Twin Cities Median Income. For a family of four, this was \$39,250 in 2007. Affordable

Figure 5.4 Average Annual Wages of Selected Professions



Source: Minnesota Housing Partnership December 2006 "Closing the Housing Gap: Housing Affordability in Minnesota"

Figure 5.5 Housing Values of 2006 Sales



Source: Hennepin County Assessors

Table 5.2 Percent of Units Affordable in Hennepin County Cities

City	Percent of Units Affordable in 2000
Minneapolis	47%
Osseo	46%
Hopkins	43%
New Hope	31%
Richfield	29%
Robbinsdale	29%
Crystal	26%
St. Louis Park	26%
Wayzata	24%
Bloomington	21%
Edina	20%
Golden Valley	18%

Source: Metropolitan Council's "Determining Affordable Housing Needs in the Twin Cities 2011-2020"

Table 5.3 Average Rents from 2007 Rental Survey

Unit Type	Metropolitan Council 2007 Affordability Limits	Apartments		Duplex		Single-Family		Townhouse	
		Units	Average Rent	Units	Average Rent	Units	Average Rent	Units	Average Rent
1 bedroom	\$736	2002	\$653	1	\$967	5	\$902		
2 bedroom	\$883	570	\$827	67	\$1,067	29	\$1,225		
3 bedroom	\$1,020	5	\$977	29	\$1,253	67	\$1,431	25	\$1,308
4 bedroom	\$1,138			1	\$1,516	20	\$1,596		

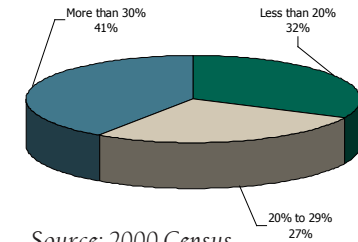
Source: City of Richfield

rental housing is estimated to be a monthly gross rent and tenant paid utilities of \$687 for an efficiency, \$736 for a one bedroom, \$883 for two bedrooms, and \$1,020 for three bedrooms.

Rental costs have also risen, though not as greatly as home values. Richfield still has many rental units which are affordable. Table 5.3 shows the results of the 2007 Rental Survey conducted by the City of Richfield. One area of concern illustrated with the rental survey is the predominance of one and two bedroom apartments in the community. This can be challenging for families in need of larger three or four bedroom units.

While rental costs may be affordable, according to the 2000 Census there are still too many families paying more than they can afford for renting. As Figure 5.6 shows, 41% of families are paying over 30% of their household income

Figure 5.6 Percent of Income Renters Spend on Housing Costs



Source: 2000 Census

on gross rent. This is higher than both the rest of Hennepin County and the Twin Cities Metropolitan Area.

Public Input

The Comprehensive Planning process provided various opportunities for community members to come together to discuss the future of Richfield.

As noted in the Land Use Chapter, five general planning initiatives came out of the early stakeholder involvement process. Of those, one, Neighborhood Stabilization and Revitalization, is specifically related to housing.

The Neighborhood Stabilization and Revitalization planning initiative focuses on protecting and enhancing existing neighborhoods. It recognizes that since housing is all of similar age, consideration needs to be given to maintaining housing quality in both single-family and multi-family areas and on methods to revitalize housing

that is beginning to suffer from deferred maintenance. The initiative not only informed the public input process but also the goals and policies identified later in this chapter.

A general community meeting was held in February of 2007. This was followed up by four quadrant meetings in May and June of 2007. Another meeting was held in November 2007 for community members to reflect on the directions of the plan in the areas of land use, housing, transportation and parks. Input related to housing is summarized in this section.

February 2007 Community Meeting

Input gathered from the individual surveys related to housing included:

- The need for more affordable housing received mixed results. Roughly the same percentages agreed and disagreed with the presumption of need.
- There was stronger sentiment on the need for “move up” housing. 55% agreed or somewhat agreed with this need. 19% of the surveys did not have a response to this issue.
- The participants were supportive of taller buildings and greater residential densities at appropriate locations, such as along I-494 or Cedar Avenue. 69% agreed or somewhat agreed with this concept.

Participants also had the opportunity to discuss in eleven small groups a series of questions. Highlights of housing related input included:

- Of the 55 total responses, the most common factors reported for why residents live in Richfield were affordability, location and parks.
- The 40 responses to what are the best qualities of their neighborhood suggest that people view Richfield neighborhoods as good places to live. Well maintained homes and mature trees are some of the defining physical characteristics. People (friendly, good neighbors) play an important role in the quality of a neighborhood.
- The groups offered 37 ideas on how to improve Richfield neighborhoods. Common themes involved promoting better property maintenance and improving walkability.

May to June 2007 Quadrant Meetings

Housing input received from these meetings included:

- 89% felt it appropriate for Richfield to expand its housing maintenance and improvement programs.
- 67% felt affordable housing opportunities should be expanded.

- 63% thought Richfield should expand medium density housing opportunities.
- 60% felt it appropriate for Richfield to consider more move-up housing.
- 44% felt it appropriate for higher density housing to be expanded.

November 2007 Public Meeting

General comments about housing received after reviewing information included:

- Resident concerns about the aging housing stock. Desire plan to encourage home owners to maintain and upgrade their homes. Also would like to see strict rules and enforcement of rules regarding parked cars, length of grass, etc.
- When bringing higher density housing into single-family areas, keep height of new construction in some kind of proportion to the neighborhood. That is, not towering over and blocking sunlight.
- Concerns about the mixed use area being proposed near Lyndale and 66th Street. There is a desire for a buffer and to be sensitive in the height of the buildings to the adjacent neighborhoods.
- Make changes as circumstances arise rather than massive redevelopment because of anticipated changes to other community's land use pattern.

Table 5.4 Richfield Household and Population 2000-2030

	2000	2010	2020	2030
Population	34,310	37,700	41,300	45,000
Households	15,073	16,500	18,000	19,500

Source: Metropolitan Council

- Agreement with the concentration of high density residential on the edges rather than in the middle of the City. However, there were others who were not in favor of having more density at the City's western border.
- Support for more mixed use areas with a diversity of housing.

Analysis of Need

Although it is a developed community, Richfield is expected to grow over the next decades. Bordered by four major transportation corridors and located just minutes from both downtowns, the community will continue to be a desirable place to live. Table 5.4 shows the projected number of residents and households through the year 2030. The growth of 4,427 households between 2000 and 2030 would be about 150 new households per year.

Richfield is required to plan for its fair share of the regional need for housing, including newly-constructed affordable housing units. The allocation of regional need begins with a percentage of the community's new units

In January 2006, the Metropolitan Council released a summary report "Determining the Affordable Housing Need in the Twin Cities 2011-2020." This report not only forecasts the regional need by 2020 for newly-constructed, sewered, affordable housing, but allocates each community's share of that regional need for the Comprehensive Planning Process. The total need for newly-constructed affordable housing in the Twin Cities is estimated to be 51,000 between 2011 and 2020.

that should be targeted as affordable and is then adjusted by the following factors:

- Communities, such as Richfield, with more low-wage jobs than local low-wage working residents have their share increased by a proportional amount.
- Additional units are required because there are projected to be a greater number of low-wage jobs (paying less than \$40,800) within ten miles of the center of Richfield than there are currently affordable housing opportunities.
- As 29% of Richfield's housing stock is considered affordable at 60% of median income, a small amount of affordable units were added to achieve the target of 30%.
- As a community with level 2 transit service Richfield's allocation was increased by 20%.

The Metropolitan Council has identified a need of 765 affordable housing units for Richfield between 2011 and 2020.

In addition to planning for additional affordable units, the community should continue exploring opportunities to diversify the housing stock. Often termed "life-cycle" housing, the intent is to provide housing options for all points in a person's life. The spectrum of life-cycle housing typically includes:

- Rental housing for young adults without the interest or financial capacity for ownership.
- Units for first-time home buyers.
- "Move-up" housing that allows growing families to move to a larger home.
- Maintenance free housing for empty nesters.
- Housing with supporting services for the elderly.

Needs typically expressed in Richfield include "move-up" housing and new housing choices for empty nesters and young seniors.

Goals and Policies

Richfield's Housing Plan is guided by a set of goals and policies which can be traced back to both the 1997 Richfield Comprehensive Plan and the Richfield 2020 - Focus on the Future report. As in the Land Use Plan, the goals and policies recognize the community's historic pattern while positioning the City for the future.

Goal

Maintain and enhance Richfield's image as a community with strong, desirable and livable neighborhoods.

Policies:

- Encourage the use of quality, durable building and landscaping materials to maintain a high-quality standard in residential development.

- Support the rehabilitation and upgrading of the existing housing stock.
- Encourage the creation of “move-up” housing through new construction and home remodeling.
- Support ongoing maintenance and upkeep of residential properties.
- Ensure redevelopment and infill projects maintain the integrity of existing neighborhoods.
- Maintain an appropriate mix of housing types in each neighborhood based on available amenities, transportation resources and adjacent land uses.
- Encourage the use of design elements and strategies to create safer streets; facilitate social interaction between neighbors; foster connections with nearby businesses; and enhance neighborhood character, such as sidewalks, traffic calming strategies, front porches, alley enhancements and open/green space.
- Limit redevelopment of single-family neighborhoods into other uses except where such neighborhoods are directly adjacent to commercial areas or areas adversely affected by major roadways, the airport, or other major developments.
- Implement housing codes and support programs which incorporate state-of-the-art technology for new construction and which promote innovative and

sustainable building methods that have application for remodeling homes.

- Support initiatives which help connect residents with their neighborhood and foster a sense of community, such as block groups, neighborhood clean-up days, and cultural activities.

Goal

Ensure sufficient diversity in the housing stock to provide for a range of household sizes, income levels and needs.

Policies:

- Promote the development of a balanced housing stock that is available to a range of income levels.
- Encourage improvements to the housing stock to better serve families with children and seniors.
- Promote additional housing diversity to serve families at all stages of their life-cycle through assistance, incentive programs, and the exploration of possible partnerships.
- Regularly review land use and zoning ordinances to ensure maximum opportunities for development of housing.
- Promote the development, management, and maintenance of affordable housing in the City through assistance programs; alternative funding sources;

and the creation of partnerships whose mission is to promote low to moderate income housing.

Implementation

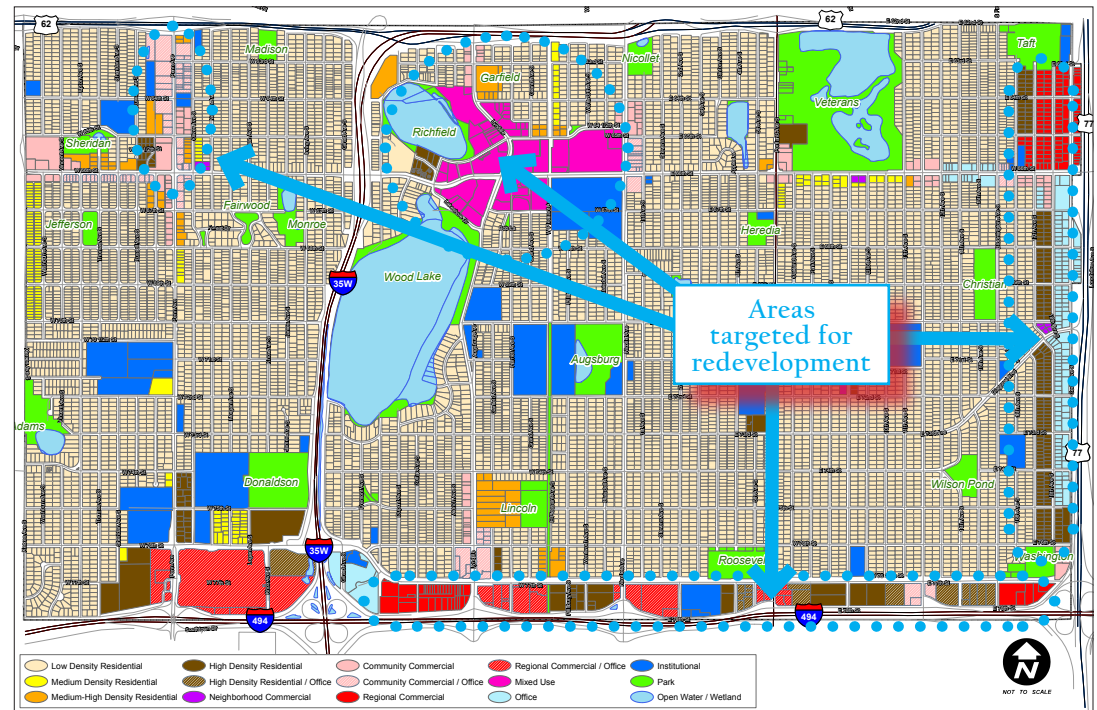
The following strategies describe the actions Richfield will take to implement the community's goals and policies for housing.

Facilitate the expansion and diversification of the housing stock.

As a fully developed community any significant expansion of the housing supply will involve redevelopment. Significant redevelopment is primarily targeted in the Lakes at Lyndale area, along Interstate 494 and along the adjacent Cedar Avenue. As shown on Figure 5.7, these areas are planned for mixed use, high density residential or high density residential/office land uses. The Land Use Plan guides the high density residential and high density residential/office categories for at least 24 units per acre, while the mixed use category is guided for at least 50 units per acre.

It is estimated that with the redevelopment of these areas, the Land Use Plan can accommodate between 2,700 and 6,600 new housing units depending on the densities achieved. Redevelopment of these areas will rely on the private market so both the timing and the product mix is unknown. Thus, while the Land Use Plan guides a sufficient amount of land for densities which make it possible to accommodate the Metropolitan Council's

Figure 5.7 Richfield Future Land Use Plan - 2030



target for overall and affordable household growth, the realities of the marketplace may prevent the targets from being reached.

Rehabilitation/upgrade of housing stock

Families' housing needs evolve over time. Today's families are often in search of more and differently shaped spaces. Helping families make their homes work for their needs is important to keeping them in the community and maintaining the vitality of our neighborhoods.

- Analyze the existing housing programs to determine how effectively they are operating. Consider streamlining and/or modifications of the assistance programs to better achieve the community's goals and policies.
 - Continue to offer and connect homeowners to remodeling assistance programs which help meet the needs and expectations of today's market.
 - Continue to provide assistance in replacing substandard and functionally obsolete housing with newer, higher valued homes with square footages and design features sought by families today.
 - Collaborate with other agencies to provide loan funds for apartment remodeling and property improvements.
 - Explore incentives and assistance programs to encourage apartment owners to renovate and enlarge some of their one or two bedroom units in their properties to better accommodate families.
 - Promote events which highlight Richfield's improved housing stock and support beautification efforts such as the Remodeling Fair, Realtor Seminar, Richfield Beautiful and Landscaping Awards, and Fall Remodeling Tour.
- Continue to provide information and technical resources for homeowners to assist with remodeling and renovation projects.
 - Investigate the use of tax abatement and housing improvement areas.
 - Work with other metropolitan communities on legislation to support the upgrading and remodeling of older homes, such as the This Old Home Legislation which expired in 2003.

Maintenance and Upkeep

Ongoing maintenance and upkeep is key to Richfield's image of a community with strong, desirable and livable neighborhoods. Investment is needed not only by property owners on their private property, but also by the City.

- Reach out to faith communities to see if they can facilitate assistance to seniors and families in need of yardwork and maintenance, such as through an "adopt-a-family" or clean-up day.
- Collaborate with other agencies, such as the school district, faith communities and social service organizations, to communicate expectations for housing and yard maintenance as well as provide "how-to" information. Information should be shared through a variety of mediums, including newsletters and seminars.

-
- Promote the availability of assistance services for seniors, such as the Senior Community Services' H.O.M.E Program.
 - Continue annual licensing of apartments and rental homes to ensure proper maintenance and resident safety.
 - Continue and inform residents about the Point of Sale Housing Inspection Program which requires all single-family and two family homes (including condominiums) in the City to be inspected and a Certificate of Housing Maintenance be obtained prior to transfer of ownership or closing.
 - Explore the creation of an assistance program, such as a loan fund, to help families who cannot afford to make the needed improvements to obtain a Certificate of Housing Maintenance so they can sell their home.
 - Explore the creation of homeowners' associations for routine needs such as yardwork and snow plowing.
 - Target physical improvements of public infrastructure, such as cracked sidewalks, broken curbs, and street potholes, to the areas of highest benefit and to spur private investment.
- Some families are in need of financial assistance due to an inability to work, while others who are working are unable to earn enough to afford to live in the community.
- Continue to directly assist families with housing needs as funding is available.
 - Help families, when possible, to connect with other local, state and federal resources for their housing needs.
 - Pursue additional funds as available for affordable housing.
 - Educate residents about the availability of housing assistance programs through a variety of mediums, including the website and newsletter.

Direct Housing Assistance

Richfield recognizes that it is important to provide assistance to those it can so they may live in the community.

Existing Programs

The City of Richfield's existing housing programs and resources are briefly described below. In addition to the programs listed here, the City works cooperatively with federal, state, local and private agencies on other resources. One of the Comprehensive Plan's implementation strategies is to review all of housing programs and make changes as needed to better serve the needs of the community. Thus, please contact City Hall for current information.

- Richfield Rediscovered – replaces small, substandard, functionally obsolete housing with new, higher valued homes that have square footage and design features sought by families today.
- New Home Program – provides safe, decent, and affordable housing opportunities for low and moderate income homebuyers by the purchasing of a substandard property by the HRA where the house is demolished and the cleared lot sold to a nonprofit developer to build a new home.
- Energy Advantage Loan/Grant Program - interest free loan up to \$1,500 for qualified households to be used for eligible energy improvements such as replacing windows, doors, insulation, etc. Households spending more than \$2,999 may qualify for a \$250 grant.
- Deferred Loan Program – interest free loan up to \$30,000 forgiven after 30 years for low to moderate income households to be used for health and safety issues, basic improvement and maintenance.
- Transformation Homes Program – interest free loan up to \$15,000 payable upon sale of home or forgiven after 30 years for those investing \$50,000 or more into their remodeling project.
- Remodeling Advisory - advisor available to meet with homeowners to answer remodeling questions, discuss ideas and provide information and general cost estimates.
- Kids @ Home - Rental Assistance Program - 36 month rental assistance program for families having a child or children in Richfield schools and not receiving any other housing assistance.
- Apartment Remodeling Matching Loan Program – offers technical assistance for cost-estimating, project planning and questions. The matching loan funds are 0% interest with deferred payment until property sale with a 15-year term or coterminous with the first mortgage. The program has income limits for tenants and rental price limits.

Financing Tools to Explore

Tax Abatement

Tax abatement is a similar financing tool to tax increment financing. A taxing jurisdiction (such as a city, school district or county) can elect to use the tax revenues paid from a new development to pay for or refund certain project related costs rather than applying those taxes to its general fund. With TIF, the city controls the entire property tax revenue from new development. Under the abatement statute, the city, county and school district have independent authority to grant an abatement. Acting alone, the city cannot use tax abatement to generate the same amount of revenue as TIF. Nonetheless, tax abatement provides a valuable tool for housing initiatives. The City can use tax abatement as an incentive to meet local housing objectives to new housing not provided by the market or reinvestment in the existing housing stock.

Housing Improvement Areas

The City has the power to establish a special taxing district, implemented by the City or a Housing and Redevelopment Authority (HRA), to make improvements in common areas of housing developments governed by homeowners associations (such as condominiums and townhomes). If authorized, a City or HRA may finance the housing improvements by either using available City/HRA funds or issuing debt to fund the improvement. That debt is repaid to the City or HRA (typically with a reasonable interest rate) by charging fees as a special assessment on each owner's property taxes. This tool can be used to finance improvements to common areas or commonly maintained building exteriors, including streetscape, parking, sidewalks and trails, roofing, siding, and landscaping. The process must be initiated by petition of property owners. In addition, the actions to establish the area and impose the fees are subject to veto by the property owners.