Regional housing policy in the Twin Cities

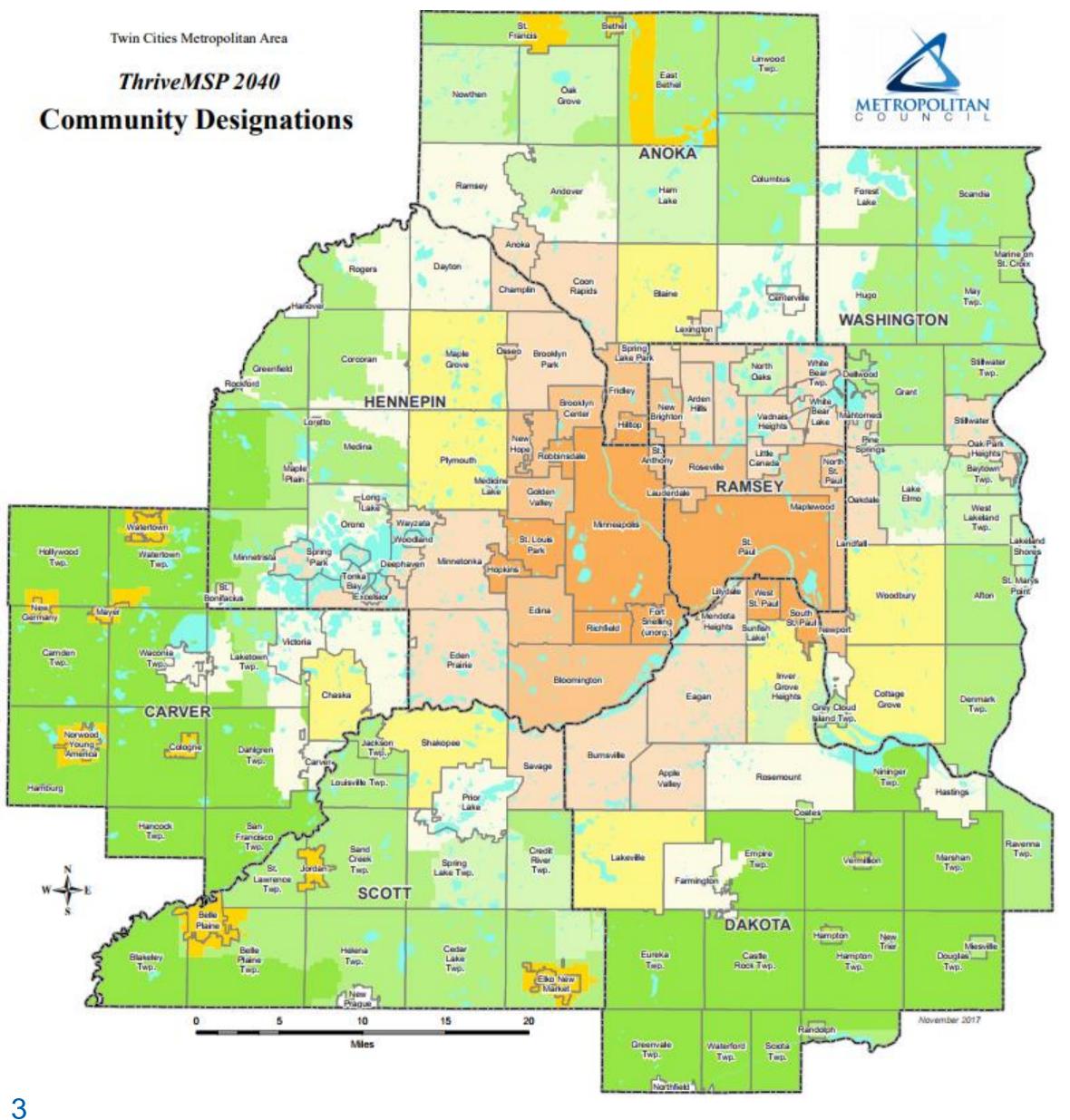
Housing Land Advocates Conference February 9, 2018



What is the Metropolitan Council?

- Regional government organization with the mission to foster efficient and economical growth for the 7-county metro
- The Council makes plans and policies, and provides essential services, including:
 - Adopting a regional development framework
 - Operating regional transit
 - Operating regional wastewater services
 - Administering a regional Housing and Redevelopment Agency
 - Coordinated water quality and supply





The Twin Cities region

- 7 counties
- 181 cities and townships
- 1,192,467 Households (2016)



Regional demographics

- Median household income: \$71,236
 - \$77,136 for White households
 - \$45,626 for households of color
- 69.2% homeownership rate
 - 75.1% for White residents
 - 40.4% for residents of color

- Median home value*:
 \$220,700
- Median gross rent*:\$963
- 21% of owner households are housing cost burdened
- 48% of renter
 households are
 housing cost burdened



^{*} These data reflect the Minneapolis – St. Paul MSA, which is larger than the 7-county region within the Metropolitan Council's jurisdiction

Council's policies and roles to expand viable housing options

- Oversee local comprehensive planning, including reviewing housing chapters for consistency with Council policy and state statute
- Funding housing development through the Livable Communities Act programs
- Technical assistance and special projects
 - Data and research
 - Mixed income housing feasibility calculator
 - Planning for housing with school districts in mind
 - Affordable homeownership strategies



Housing element requirements

Provide "adequate housing opportunities to meet existing and projected local and regional housing needs."

Utilize "land use planning to promote the availability of land for the development of low- and moderate-income housing."

Identify tools "to implement land use plan housing elements that will ...meet the local unit's share of the metropolitan area need for low- and moderate-income housing."



Housing element structure

Existing housing needs

- Existing housing assessment
- Identification of needs and priorities



Future affordable housing needs

- Allocation of affordable housing need
- Promoting the availability of land



Implementation program

 Public programs, fiscal devices, and specific actions to meet existing and projected needs



Allocation of Affordable Housing Need for 2021-2020

Regional need for low and moderate income housing



Local need for low and moderate income housing:





 Ratio of low-wage jobs to low-wage workers



Local need for affordable housing by band:

- Below 30% AMI
- 31-50% of AMI
- 51-80% of AMI



Cities address their share of regional need through land use

- Metropolitan Land Planning Act: "...land use planning to promote the <u>availability of land</u> for the development of low- and moderate-income housing."
- Very little new affordable housing is built at lower densities
- The need may exceed the resources, but opportunities to address it should be equitably distributed



Implementation program

- Plans must identify existing and future housing needs
 - We try to align regional housing needs with local housing priorities, opportunities and challenges
- Plans must directly acknowledge all widely recognized tools that address housing needs, and state if/when they would be deployed
 - We provide a comprehensive list of widely recognized tools and additional tools to go above and beyond minimum efforts



Regional needs, local authority

- Some communities feel they have done their share and shouldn't have to plan for more housing options
- Some communities feel they should be allowed to maintain their community's character and not expand their housing options
- Some communities feel left out of the post-recession development boom, and are struggling to define a viable future
- Some communities experiencing a strong development boom struggle with cultural and financial displacement



Both, and

 The Council maintains that we need to *invest* in lower-income communities, including preserving and creating new housing options

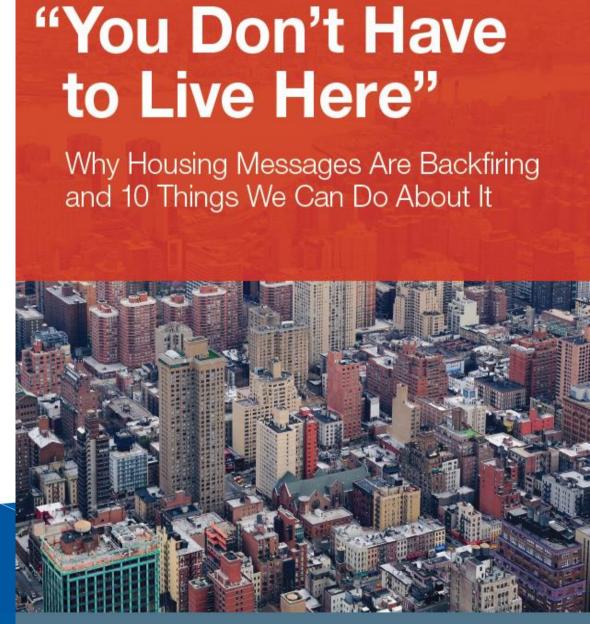


 The Council maintains that we need to increase housing options in areas of wealth in the region, especially where access to jobs, transit, and good schools are available



Easier said than done...

- With complex, contextual, and limited resources, how do we balance both efforts?
- How can we improve our ability to anticipate and mitigate unintended consequences?
- How do we encourage communities to see their role in meeting regional, not just local, housing needs?
 - Changing the narrative: "You Don't Have to Live Here"



October 2016

We focus on choice

- Can anyone of any background and means find reasonable housing choices in almost every city or township in the region?
- Can any worker at any wage find affordable housing within a reasonable distance of their job?
- What tools and strategies can be used to increase those choices?



Thanks for listening!

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