



HOUSING POLICY PLAN

Housing Performance Scores

Briefing to the Community Development Committee

3.21.16

Plan for today's discussion

- Refresher on Housing Performance Scores (HPS) background and use
- 2015 revisions to the Guidelines for Priority Funding for Housing Performance (“the Guidelines”)
- Changes to the annual Affordable Housing Production Survey (“the Survey”)
- 2015 HPS results
- Key questions and next steps

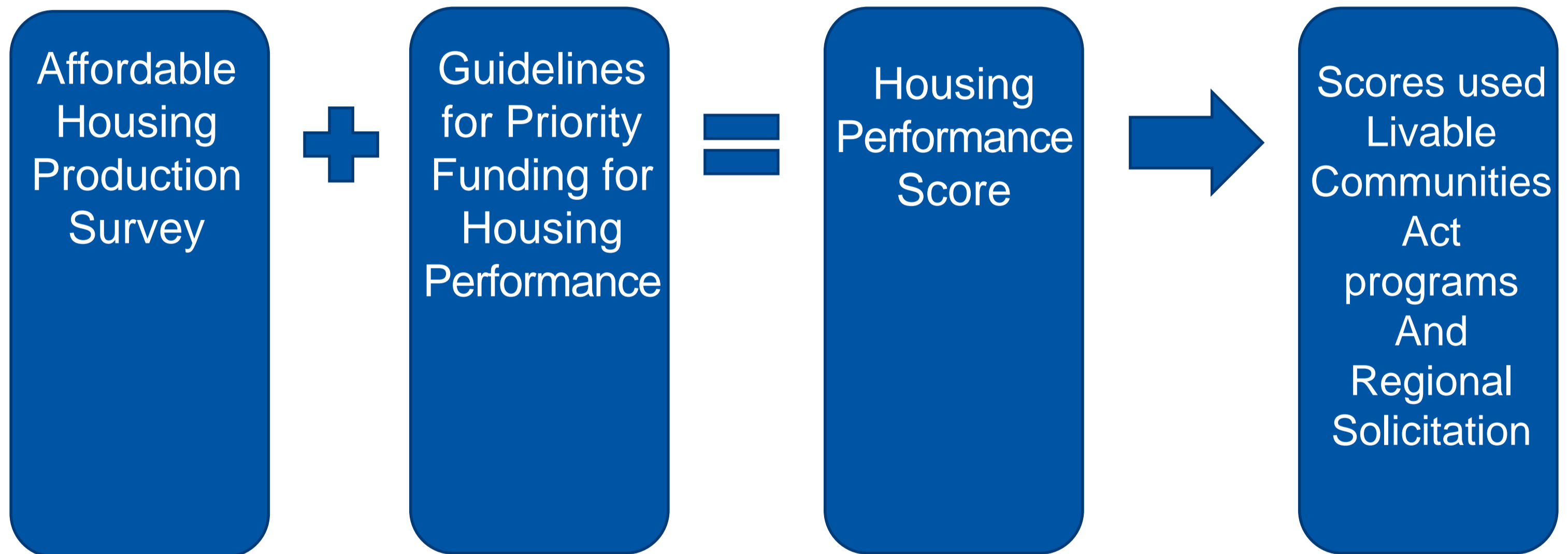
Need, Goals, and Scores

Council Role	Allocation of Affordable Housing Need	Affordable and Life-cycle Housing Goals	Housing Performance Scores
What	Forecasts the future need for affordable housing. Allows communities to plan for their share of the regional need.	Negotiated housing goals for housing production that communities agree to actively pursue and encourage.	Used in grant funding decisions to incent communities to create and maintain affordable housing
Why	Metropolitan Land Planning Act	Livable Communities Act	Council Policy

Background and use of the HPS

- Calculated annually for cities and townships
- Assess local efforts in affordable housing development, programs and services
- Used to give priority in the Livable Communities Demonstration Account and Tax Base Revitalization Account and inversely for the Local Housing Incentives Account (i.e. a lower score gives priority)
- Scores given more prominence in Regional Solicitation for transportation funding

How the Survey & Guidelines Result in Scores



Subgroup for Revising the HPS

- Part of developing the *2040 Housing Policy Plan*
- Comprised by local city and county staff, Urban Land Institute, housing advocates, Minnesota Housing et al.
- Met in late 2014 and early 2015 to establish priorities

Themes from subgroup for Revising the HPS

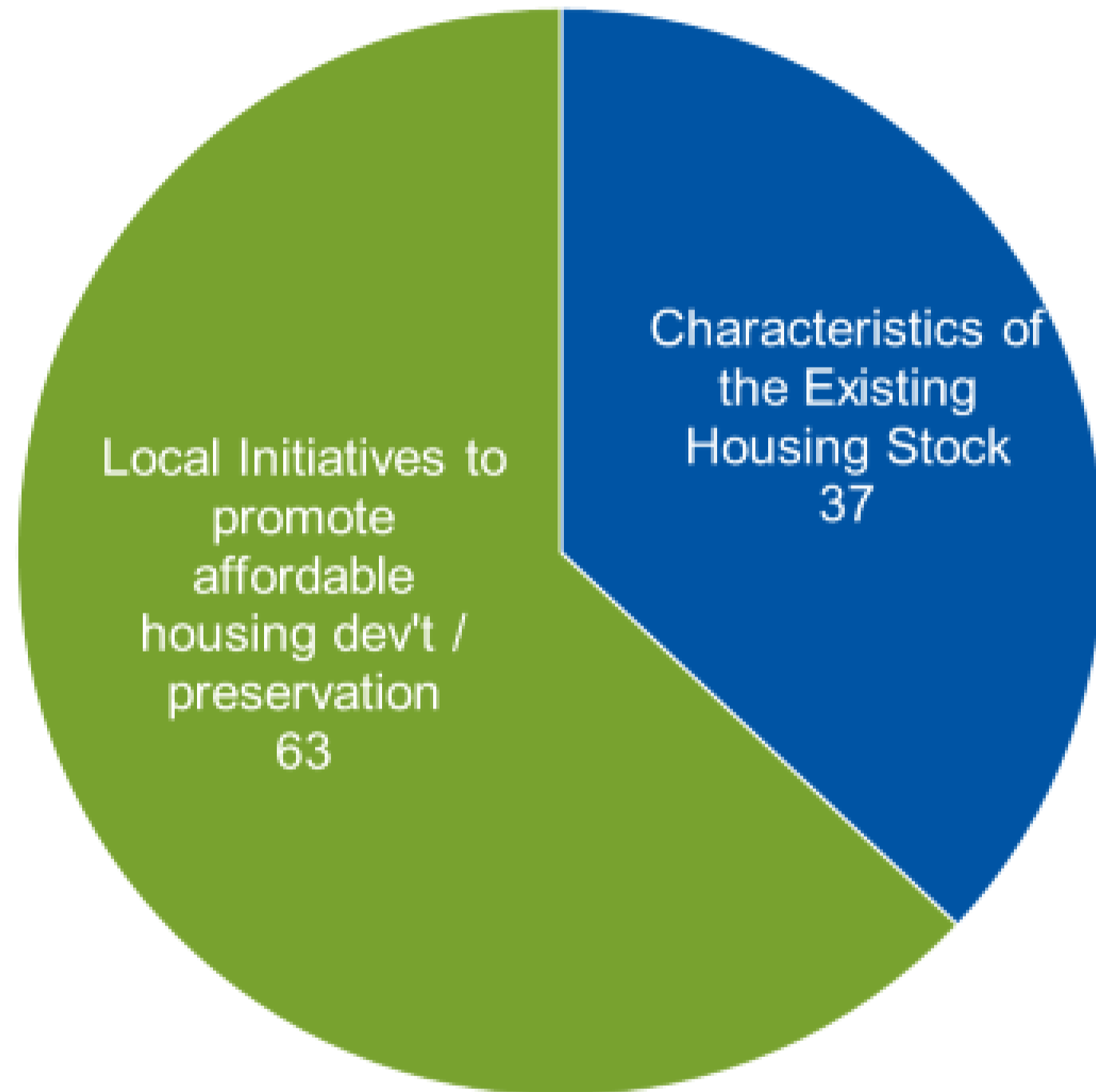
- Too much emphasis on existing housing stock
- Focus on recent, actual activity and the hardest-to-provide housing
- Account for differences among communities by broadening what counts
- Make process more robust and transparent while minimizing local burden
- All communities feel they can increase scores

Revisions to the Guidelines

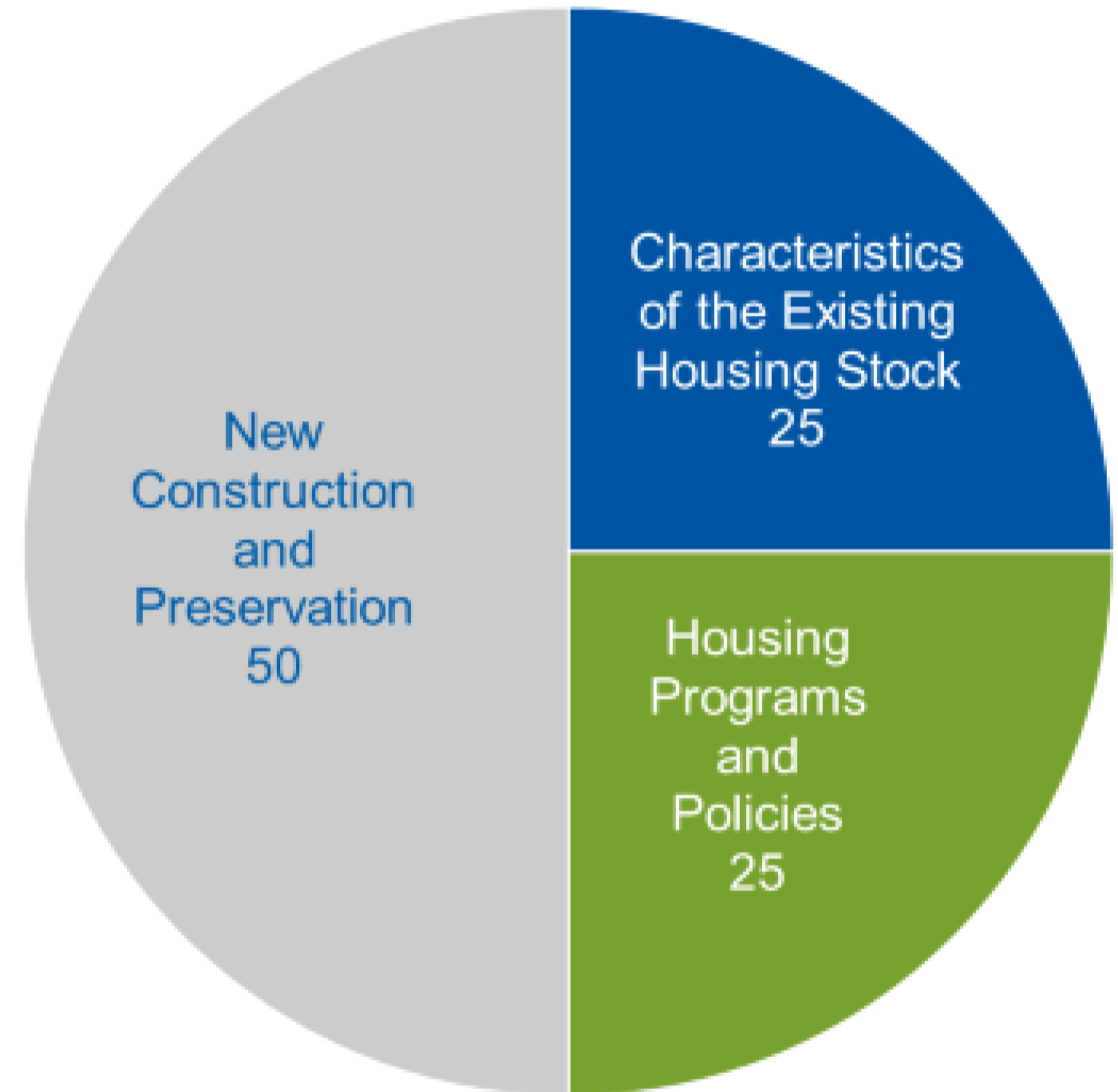
- Retained 100 point system, but changed category structure
- “Hold Harmless” built in for 2015 such that no community’s score could fall below 80% of the average of their last five years’ HPS
- New largely-automated Affordable Housing Production Survey
- Committed to reviewing & revising in 2016

Overall Points Structure

Previous Guidelines



New Guidelines



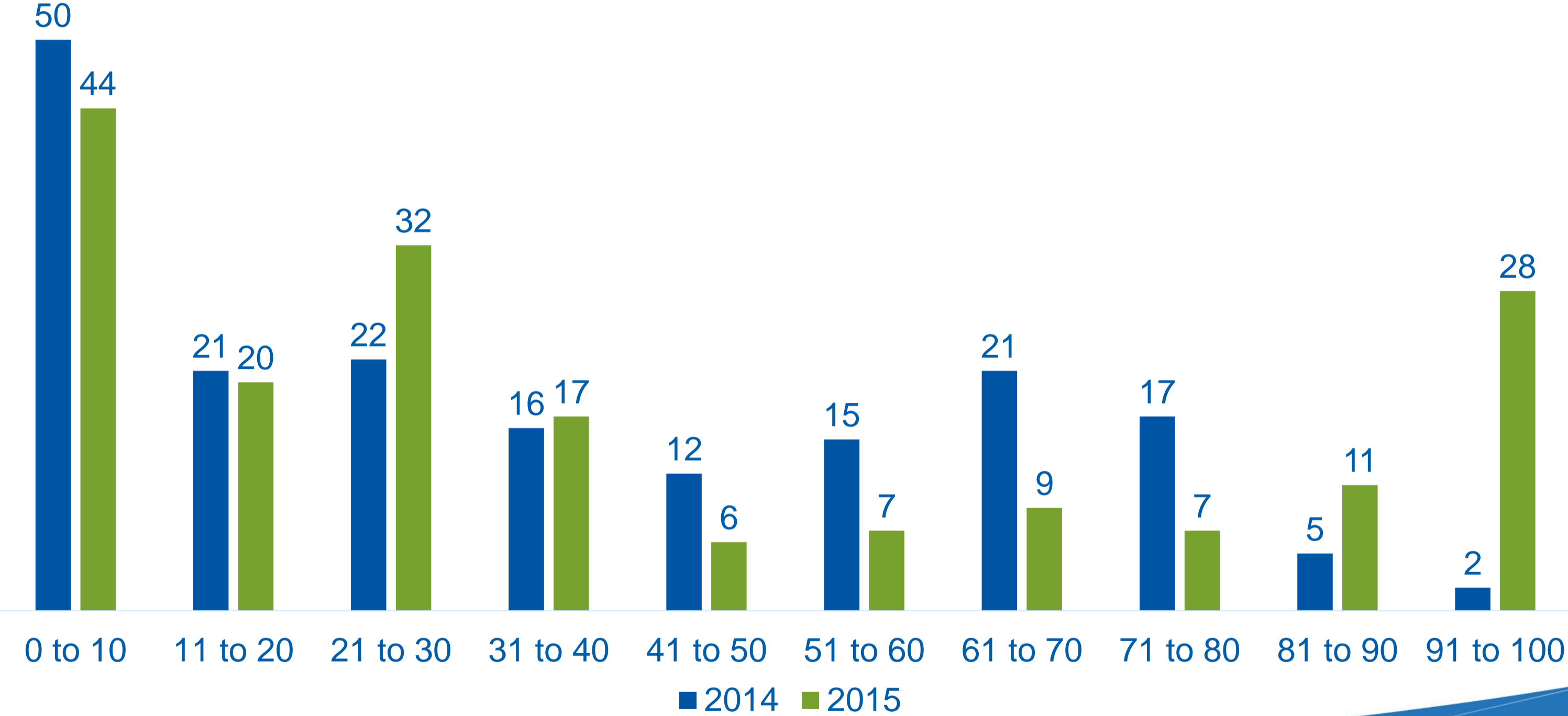
Areas of Increased Emphasis

- Mixed-income housing
- Preservation of federal rental assistance
- Progress toward negotiated housing goals
- Local contributions to affordable or mixed-income development
- Local ordinances and policies (e.g. fair housing, rental licensing)
- Recent new construction and rehabilitation

Use of Income Band Structure

30% of AMI & Below	31-50% of AMI	51-80% of AMI	81-115% of AMI
Owner-or renter-occupied	Owner-or renter-occupied	Owner-or renter-occupied	Owner-occupied only
These activities earn the highest points	These activities earn moderate points	These activities earn moderate points	These activities earn fewer points

Results: 2015 Scores vs. 2014



Scores of 100

2014

- Minneapolis
- Saint Paul

2015

- Bloomington
- Brooklyn Center
- Brooklyn Park
- Coon Rapids
- Crystal
- Eagan
- Hopkins
- Minneapolis
- Minnetonka
- Roseville
- St. Louis Park
- Saint Paul
- South St. Paul

Key Questions Going Forward

- How did the overall points structure work?
- Did areas of increased emphasis play out in the Scores?
- What can be done to bring up scores through the bottom and middle of the distribution?
- Are there essential criteria that should be added, eliminated or refined?

Next Steps

- Additional detailed analysis of scoring trends – late March
- Reengage with subgroup and others to assess performance of revised system – late March / early April
- Adjust the Guidelines & Survey – late April / early May
- Amend the Guidelines (if needed) – late May
- Distribute survey – early June

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Or see:

<http://metro council.org/Housing/Planning/Housing-Performance-Scores.aspx>