

## Community Development Committee

Meeting date: October 17, 2016

**Subject:** MetroStats on new affordable housing construction in 2015

**District(s), Member(s):** All

**Policy/Legal Reference:** Minn. Stat. 473.254

**Staff Prepared/Presented:** Libby Starling, Manager of Regional Policy and Research (651-602-1135)

**Division/Department:** Community Development / Regional Policy and Research

### Proposed Action

None, information and discussion only

### Background

On October 17, Regional Policy and Research plans to release a new MetroStats based on the Council's tracking of new affordable housing added in the seven-county Twin Cities region in 2015.

Under [Minnesota Statute 473.254](#), the Metropolitan Council is responsible for preparing a "comprehensive report card on affordable and life-cycle housing in each municipality in the metropolitan area." The Council fulfills this responsibility by conducting an annual survey of local governments regarding new affordable housing. The Council supplements the information submitted by local governments with data collected by [HousingLink](#) on affordable rental housing and the initial sales prices of new owner-occupied housing listed in county parcel data and real estate listings. According to statute, the Council's data on new affordable housing "include information on government, nonprofit, and marketplace efforts" and capture all new housing that meets the Council's affordability thresholds, including units added with neither public subsidy nor income restrictions.

For 2015, the Council identified units as affordable if the monthly housing costs were 30% or below of household incomes up to 30%, 50%, and 60% of area median income.

	30% of AMI (\$26,000)	50% of AMI (\$43,300)	60% of AMI (\$51,960)
<b>Rental housing by number of bedrooms</b>			
<i>Efficiency</i>	\$455	\$758	\$910
<i>1 bedroom</i>	\$487	\$812	\$975
<i>2 bedrooms</i>	\$585	\$975	\$1,170
<i>3 bedrooms</i>	\$675	\$1,126	\$1,351
<i>4 bedrooms</i>	\$753	\$1,256	\$1,507
<b>Owner-occupied housing: Initial purchase price</b>			
	\$84,500	\$151,500	\$185,000

In order to provide Council Members information simultaneous with the public release of the data, the new MetroStats that summarizes 2015's affordable housing production will be available at the October 17 Community Development Committee. The new MetroStats and the Committee presentation will contain information on:

- Where are 2015's new affordable units?
- How many new units are rental, how many are owner-occupied?
- How many new units are affordable at each income level?



According to the Council's [2011-2020 Allocation of Affordable Housing Need](#), the region's jurisdictions are expected to need over 52,000 additional affordable housing units to accommodate the region's expected increase in low- and moderate-income households over 2011 to 2020. (According to the Council's [2021-2030 Allocation of Affordable Housing Need](#), the region's jurisdictions are expected to need over 37,900 additional affordable housing units to accommodate the region's expected increase in low- and moderate-income households over 2021 to 2030.) Affordable housing production in the region is far below what the region needs to stay apace of growth in low- and moderate-income households.