

Meeting #1

# Housing Performance Score Update

5/18/2020



# What is the Housing Performance Score (HPS)?

- Best way to gather information for affordable housing production report required by statute
- Best way to ask about ALHOA required for LCA participation
- Uses for funding:
  - Part of scoring in 2020 Regional Solicitation, undetermined for 2022
  - Historically used in LCA scoring; discontinued as of 2020 LCA Fund Distribution Plan
- Informs local planning assistance and directs how to best use our efforts to assist in meeting regional housing goals (i.e. ADUs, 4d)
- Opportunity for identifying roadblocks and celebrations

# Statutory Requirements – Just 2!

- Affordable Housing Production
  - Units by %AMI served
  - Address
  - Annual Metropolitan Council report to Legislature
  - MN Statute § 473.254
- Affordable and Life-Cycle Housing Opportunities Account
  - Amount spent
  - Projects and efforts funded
  - Requirement of LCA Participation
  - MN Statute § 473.254

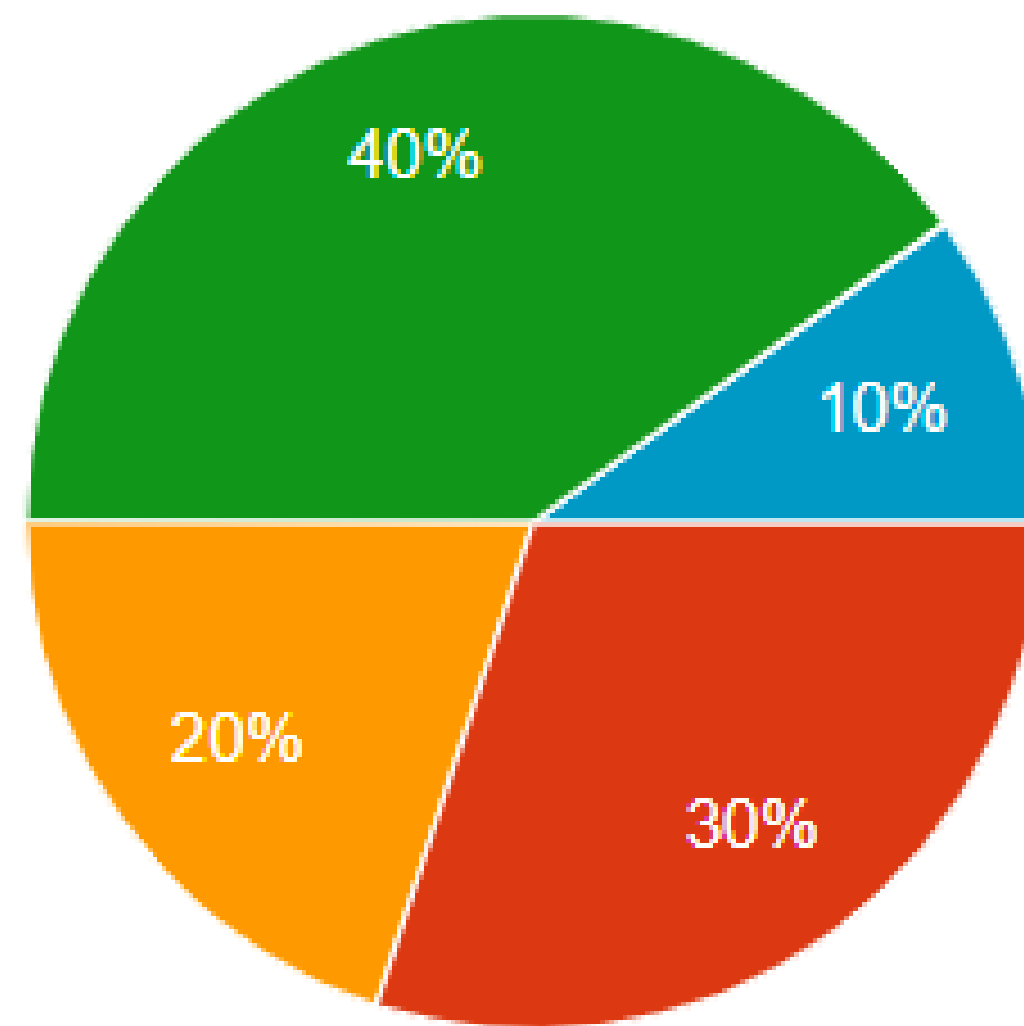
# Outreach to Communities

- Survey sent out to HPS respondents in late 2019
- March Workgroup that included the following:
  - Metrics measured in the HPS (what is scored)
  - Metrics valued in the HPS (how do we value what is scored)
  - Collection of the HPS (how and when is the HPS conducted)
- Information in these slides sent to Workgroup for final comments today

# Responses

I feel my community's score is determined by factors within our efforts and control

10 responses

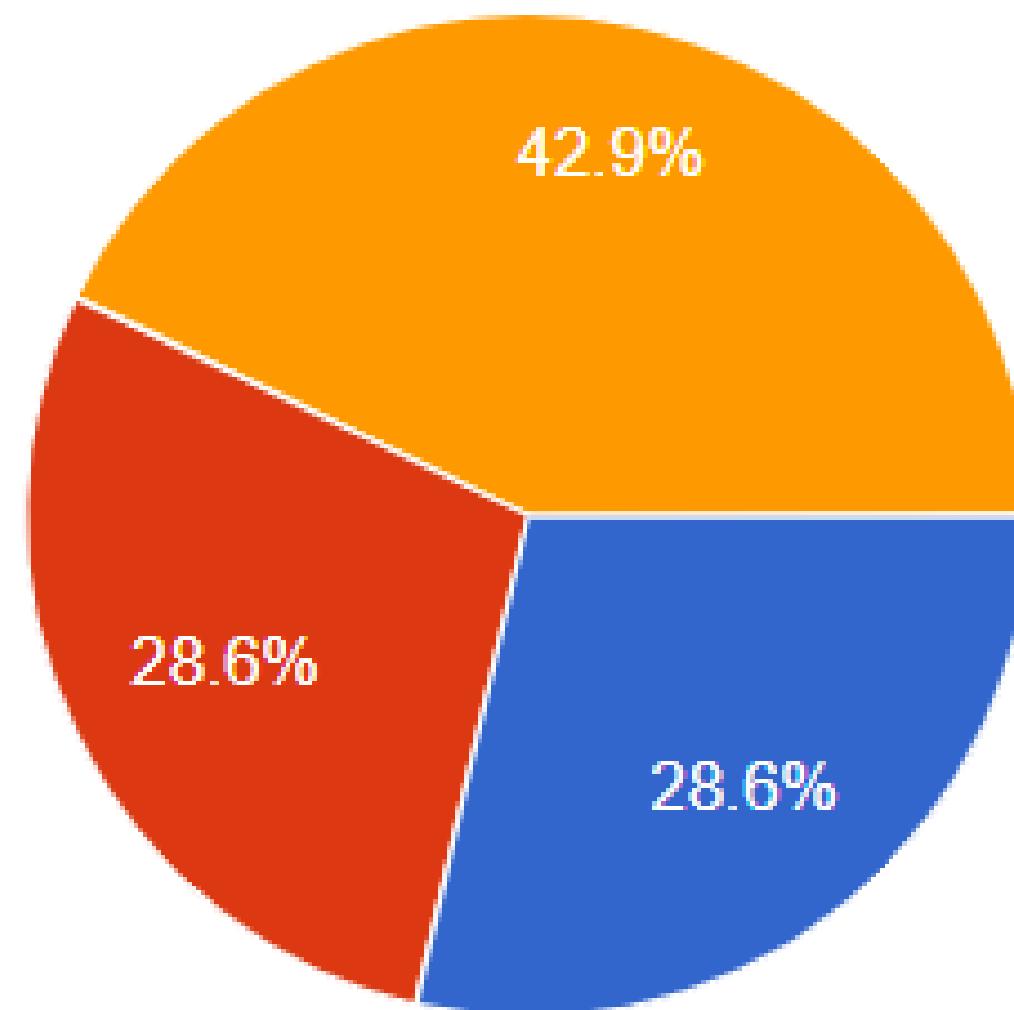


- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- We have consciously not completed do to our lack of staff knowledge

# Responses

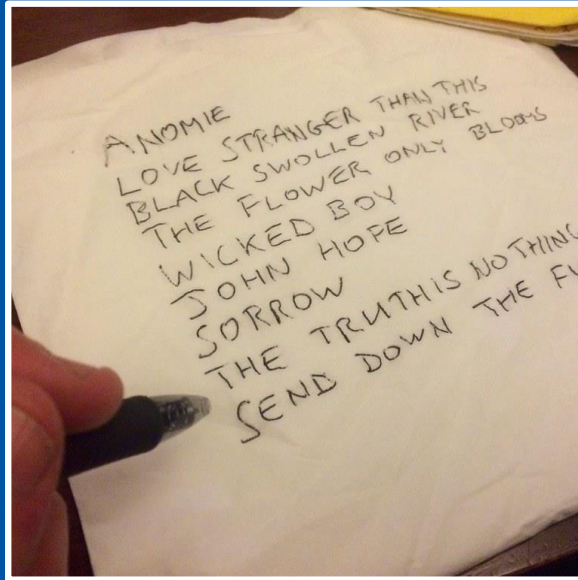
Would you prefer that future HPS surveys

7 responses



- Include more detail and nuance to ensure fairness of scoring, even if it takes longer to complete
- Maintain the same level of detail and effort to complete
- Consider lowering the amount of detail so the survey is less burdensome to complete

# Spectrum of HPS



Simple



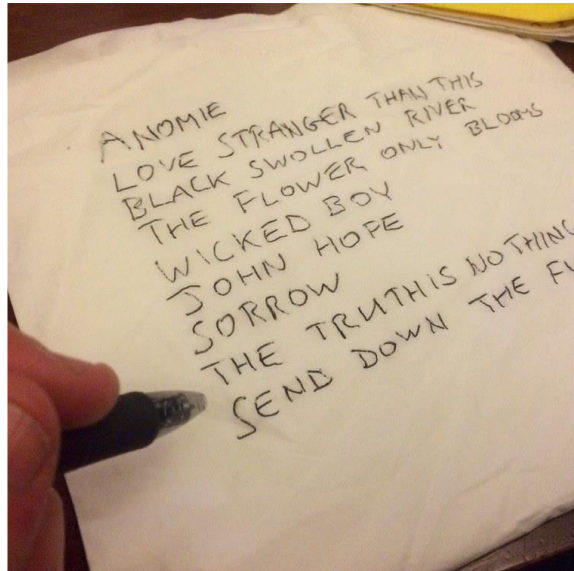
Just Right




Complicated



# Proposed Scenarios



- Only statutory requirements, ALHOA and Affordable Housing Production
  - ALHOA necessary to participate in LCA
  - Few Policy ?s
  - Statutory requirements
  - Narrative questions about how community is meeting their housing needs
  - 1-10 scale
- 
  - Minor updates to 18/19
    - 50-60 AMI point class
    - Switch TDC to ALHOA
    - Ask about age-restriction
    - New policies, income averaging



# What we heard

- We continue to find this a useful exercise and use of Council staff time
- Keep auto-calculation and pre-population from outside sources
  - Yes, we will do this!
- Keep measures that allow all communities to score well, continue to award efforts that go unfunded
  - Yes, we will do this!
- Consider hostility to affordable housing and efforts to combat it (i.e. engagement, outreach)
  - Community engagement or staff time to combat opposition or quell fears about affordable housing certainly counts as ALHOA, we will make that clearer

# What we heard

- Consider city capacity, help to those most vulnerable, duration of affordability, renter rights/anti discrimination policies, and minority business awards
  - Yes, we will do this!
- Switch from number of shelters or transitional homes to number of units
  - We will make bed count the scoring criteria and accept best guesses
- Keep auto-calculation and pre-population from outside sources
  - Yes, we will do this!
- Concerns about loss of carrots for elected bodies and decision makers
  - Opportunity for awards, highlights of great examples, award for most improved, celebration

# Proposed Scoring Changes

1. Shift to focus on ALHOA from existing affordable housing stock
2. Use ALHOA in place of total development cost for construction and preservation/rehab
3. New housing policies

There are other small changes to the survey that do not affect scoring meaningfully, including:

- 50-60% AMI class
- Asking for age-restriction
- Shift from shelter facilities to shelter beds

# Proposed Scoring Changes

Scoring Criteria	Current Max Score	Proposed Max Score
Existing Housing Stock below 80%	24	0 (-24)
Shelters and Permanent Housing for vulnerable populations	16	20 (+4)
ALHOA	6	26 (+20)

Switch from awarding points to communities for their unsubsidized affordable housing to ALHOA and shelters/permanent housing for vulnerable populations

*Spillover or Cap?*

*Extra points for exceedance?*

# Proposed Scoring Changes

Currently direct financial contributions to new affordable construction or preservation/rehab is awarded as portion of Total Development Cost, proposed change to proportion of ALHOA

## CURRENT

Community Contribution

Divided by

Total Development Cost of project

Sometimes unknown by community

## PROPOSED

Community Contribution

Divided by

ALHOA

Prepopulated by Metropolitan Council

# Proposed Scoring Changes

- New housing policies included as opportunities to gain more points
- Points awarded only if the policy has been used in the past few years

## Policies for 2020 & 2021 (New)

- Rental Licensing Program
- Active Code Enforcement Program
- Accessory Dwelling Unit Policy
- Inclusionary Housing Policy
- ~~Locally adopted Fair-Housing Policy~~
- Displacement Prevention Policy
- Equity in Development and Hiring Policy
- Tenants Rights Policy

*Anything Missing?*

# Sample Scoring Impacts

Change	Shakopee	Bloomington	New Germany	Vadnais Heights
1) Existing Housing Stock -> ALHOA	Up 14 points at least	Up 14 points at least	No change, full points both ways	Up 8 points at least
2) TDC to ALHOA	Up to 10 points higher because TDC was not entered	Roughly the same, but already capped out anyway	No change, never reported local contribution but would be higher if they had	No change, no new construction or preservation/rehab included
3) Housing Polices	Likely 4 points lower	Maybe 4 points higher or lower	No change, none checked	Likely no change

# HPS is moving online!

Housing Performance Score Home Survey Hello jdudleyweb@gmail.com! Logout

## Survey for Bloomington

Your survey responses are due by Thursday, October 1, 2020  
Your survey is open for updates. (Editing as ADMIN)

New Construction ✓ Rehab or Preservation ✓ ALHOA ✓ Programs and Policies ✓ Existing Stock Narrative ✓ Scoring Table

### ALHOA

Instructions here...

✓ User has completed this step  
 METC has completed this step

#### ALHOA Spending Totals

Based on the information collected for scoring this year, it has been determined that your community has spent \$616,498

If your community has spent additional ALHOA dollars this year, please enter that information below:

Describe Additional ALHOA Spending	Dollar Value	Approved
<input type="button" value="Edit"/> <input type="button" value="Delete"/> more	\$10,000	<input type="checkbox"/>

Your total amount of ALHOA spending: \$626,498

#### Your ALHOA Score

Total amount of ALHOA available:	\$700,000
Your spending as a percentage of total ALHOA:	89.50%
Your community has spent \$626,498.00 which is 89.50% of the total ALHOA amount available.	7 points (pending review)

- Collection of County data will be in spreadsheets still at least for this year
- Ability to save and return, multiple users for each community, will be able to access past year responses
- Total will populate in top corner as you complete the survey





# Questions

- ALHOA spillover or cap? Extra points for going above and beyond?
- Are any policies missing?
- **What do you see as the future of the Housing Performance Score?**