Metropolitan Council

Minutes

Community Development Committee



Meeting Date: October 17, 2022	Time : 4:00 PM	Location: 390 Robert Steet
Members Present:		
☑ Chair, Robert Lilligren, D7☐ Vice Chair, Susan Vento, D11☑ Judy Johnson, District 1	 Reva Chamblis, District 2 Molly Cummings, District 5 Abdirahman Muse, District 8 	 □ Peter Lindstrom, District 10 ☑ Chai Lee, District 13 ☑ Wendy Wulff, District 16 ☑ = present

Call to Order

A quorum being present, Committee Chair Lilligren called the regular meeting of the Community Development Committee to order at 4:00 p.m.

Approval of Minutes

It was moved by Wulff, seconded by Cummings to approve the minutes of the October 3, 2022 regular meeting of the Community Development Committee. **Motion carried**.

Consent Business

- 1. 2022-270 City of Brooklyn Park 610 Junction West Comprehensive Plan Amendment, Review No. 21968-2 (Eric Wojchik 651 602-1330)
 - It was moved by Wulff, seconded by Chamblis, that the Metropolitan Council adopt the Review Record and take the following actions:
 - Authorize the City of Brooklyn Park to place its comprehensive plan amendment into effect.
 - Find that the amendment does not change the City's forecasts.
 - Advise the City to implement the advisory comments in the Review Record for Forecasts and Natural Resources.

Motion carried.

The Community Development Committee recommended approval of the proposed action without questions or discussion as part of its consent agenda.

Non-Consent Business

- 1. 2022-261 JT: City of Mendota 2040 Comprehensive Plan Update, Review No. 22550-1 (Patrick Boylan 651-602-1438)
 - It was moved by Lee, seconded by Wulff, that the Metropolitan Council adopt the Review Record and take the following actions:
- 1. Authorize the City of Mendota to place its 2040 Comprehensive Plan into effect.
- 2. Advise the City to
 - Within 60 days after receiving final DNR approval, the City must adopt the Mississippi River Corridor Critical Area (MRCCA) Plan, and submit a copy of the

- final adopted plan and evidence of adoption to the Minnesota Department of Natural Resources, Council, and National Park Service within 10 days after the adoption.
- b. The City needs to send the Council the dates the Local Water Management Plan was approved by the Lower Minnesota River Watershed District and the Lower Mississippi River Water Management Organization, and the date the City adopted the final Local Water Management Plan.
- c. Implement the advisory comments in the Review Record for Forecasts.

Motion carried.

The Community Development Committee recommended approval of the proposed action without questions.

- 2. 2022-271 City of St. Francis Platinum Land Comprehensive Plan Amendment, Review No. 22287-3 (Raya Esmaeili 651 602-1616)
 - It was moved by Wulff, seconded by Johnson, that the Metropolitan Council adopt the attached Review Record and take the following actions:
- 1. Authorize the City of St. Francis to place its comprehensive plan amendment into effect.
- 2. Find that the amendment does not change the City's forecasts.
- 3. Find that the amendment renders the City's comprehensive plan inconsistent with the Council's housing policy, and therefore the City will be unable to participate in Livable Communities Act (LCA) programs.
- 4. Advise the City:
 - a. To become consistent with housing policy, the City may choose to guide more land expected to develop before 2030 at 12 units per acre to address its share of the region's 2021-2030 need for affordable housing for 50% of area median income (AMI) and below.
 - b. To implement the advisory comments in the Review Record for Transportation, Forecasts, and Water Supply.

Councilmember Chamblis asked about how the housing policy inconsistency occurred and whether the City could address this through subsequent amendments. Planning Analyst Eric Wojchik and Community Development Director Lisa Barajas addressed this question by describing the City and the Council's roles in establishing and meeting the affordable housing need. Councilmember Johnson requested clarification of the City's history of participating in the Livable Community Act (LCA) programs.

Information

- 1. Residential Development and Deeply Affordable Housing (Joel Nyhus 651-602-1634; Hilary Lovelace 651-602-1555)
 - The region added 22,327 new housing units in 2021, which was the highest number produced since 1987. Multifamily development continues to have the largest share of the units produced at 61% of the total number of units permitted.

The region added 2,121 affordable housing units affordable at or below 60% of the Area Median Income in 2021. This was a small share of the total number of all residential units added, which was about 10% of the total. Less than 1% of the total units permitted were affordable at 30% AMI.

Council staff provided further policy background and considerations, including:

1. An updated "big picture" of affordable housing demand for households at 30% AMI.

- 2. Consideration of Council efforts to specifically address the hardest to meet affordable housing needs at 30% AMI.
- 3. A preview of future work under consideration to calculate the cost of inaction and explore new measures of housing affordability.
- 4. Small Area Fair Market Rents Discussion (Terri Smith 651-602-1187; Joel Huting 651-602-1349)

The Metropolitan Council must annually review and adopt Payment Standards (rent limits) to be used in the administration of the Housing Choice Voucher and other rent assistance programs. The Council's 2040 Housing Policy Plan indicates the Council's direction to expand housing choice for residents. To do so, payment standards should be set at amounts that ensure voucher holders can be successful in placing their voucher in an area of their choice.

The Council adopted Small Area Fair Market Rents (SAFMRs) for implementation in 2020. SAFMRs are rent limits adopted at the zip code level instead of for an entire metropolitan area. This allows for higher rent limits in higher rent areas of the region and lower rent limits in lower rent areas of the region. The goal of SAFMRs is to improve housing choice in all neighborhoods, increase voucher placement success, and provide for budget neutral potential in future years.

The U.S. Department of Housing and Urban Development (HUD) issued 2023 SAFMRs. Staff have been evaluating the new SAFMRs and analyzing changes in the regional rental market. Staff shared data regarding the housing market today, discussing the factors influencing payments standards, share experience with implementation of SAFMRs, and gather feedback from Committee members in order to inform an action item at an upcoming Community Development Committee meeting to adopt payment standards for 2023.

Adjournment

Business completed; the meeting adjourned at 5:50 p.m.

Certification

I hereby certify that the foregoing narrative and exhibits constitute a true and accurate record of the Community Development Committee meeting of October 17, 2022.

Approved this 7 day of November 2022.

Council Contact:

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