

# Housing Policy Plan Draft

Community Development Committee

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May 6, 2024



**IMAGINE**<sup>20</sup><sub>50</sub>  
housing policy plan

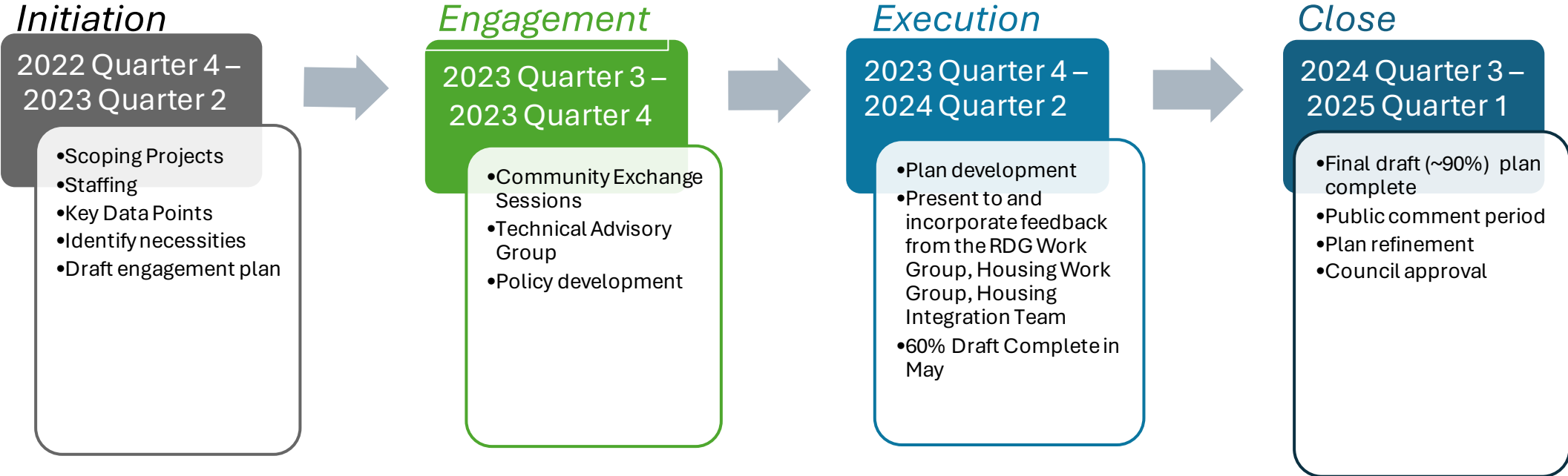
# Questions

How would you improve any of the proposed actions/policies to address both regional goals and potential local concerns?

Does policy respond with enough urgency and intensity to what you are hearing from our most vulnerable populations?

Which objectives, policies, and actions are most resilient to unknown futures?

# Housing Policy Plan (HPP) Timeline



Coordination with the Regional Development Guide Process

Ongoing Engagement: Attending regional housing meetings, presenting to the Regional Planning Advisory Committee, City Staff, participating in ongoing RDG Engagement

# Feedback: Housing Work Group (4/12, 4/26) & RDG Work Group (5/1)

## What We Heard

Describe concepts and terms: Calculation of Need, Missing Middle, Displacement

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Coordination with cities around community safety/services for new developments

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SAC fee reductions – What are the possible solutions

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Replace "family" with "household" to be inclusive of diverse interpretations of a family

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Housing at 60-80% AMI is still needed

## How We Have Responded

Will provide details, definitions, and calculations in HPP

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Support projects that include onsite services, will connect to Cultural Connection & Wellbeing

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Exploring options in collaboration with ES and communities

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Will continue to incorporate

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Exploring how we can support NOAH preservation in actions, expand importance of diverse housing types

# Resident Perspectives to HPP Chapters

## Engagement Themes

## Chapter Topics

## Objectives

Autonomy / Choice

Proximity

1 Proximity and Choice

- Fair Housing & Geographic Choice
- Options To Own & Rent

Dignity

Safety

2 Dignity and Decency

- Stability
- Quality

Connected & Wellbeing

3 Connection and Wellbeing

- Cultural Connection & Wellbeing
- Equity
- Environmental Justice

# Housing Policy Strategies: The Three Ps

## Provide

- Vouchers
- Research and data
- Affordability Definition
- Affordable Housing Need
- LCA Grants

## Plan

- Local Comprehensive Plan Housing Consistency standards
- Land Guided for Affordable Housing
- Allocation of Affordable Housing Need

## Partner

- Building more affordable and accessible housing
- Development in the Region
- Minnesota Housing RFP
- Healthy & Safe Buildings
- Supporting City Staff on Housing Needs

More Direct

Less Direct



# Section 1: Proximity and Choice



# Objective 1: Fair Housing and Geographic Choice

People of any ability, age, financial status, race and family size, can live in a community they choose

**Policy:** Develop programming, provide resources and funding, and support local, regional, and state initiatives that increase the ability for households to choose where to live in the region regardless of ability, age, financial status, race, or family size.

## Provide:

- Prioritize the development, preservation, and rehabilitation of deeply affordable housing in Livable Communities Act programs.
  - Prioritize LCA projects where voucher holders can afford to reside.
  - Require affordable housing projects awarded LCA grants to accept Section 8 voucher holders
- Provide technical assistance and convene workshops for local governments to:
  - Develop policies, and programs that increase regional housing choice.
  - Help communicate the connections between affordable housing income limits and resident experience.
  - Support “Missing Middle” (small and medium multifamily and townhomes) housing as a strategy
- Assist voucher holders in accessing housing of their choice through search assistance development, opportunities for adopting higher payment standards, and incorporating voucher holder perspectives in place-based assistance.



# Objective 1: Fair Housing and Geographic Choice

People of any ability, age, financial status, race and family size, can live in a community they choose

**Policy:** Develop programming, provide resources and funding, and support local, regional, and state initiatives that increase the ability for households to choose where to live in the region regardless of ability, age, financial status, race, or family size.

## **Plan:**

- Ensure that the Allocation of Affordable Housing Need calculation fully represents the need for deeply affordable housing in the region.
- Adjust the local Allocation of Affordable Housing Need due to the creation and/or loss of economic centers.
- Incentivize cities and townships with successful affordable housing development policies with credit towards meeting their housing goals.

## **Partner:**

- Partner with Minnesota Housing to share data and technical assistance, and align funding, for affordable housing development.
- Increase collaboration with local and county housing organizations in prioritizing and funding the development of all affordable housing types.
- Identify and address the specific challenges and barriers to the development of affordable housing in different city and township contexts, especially those in Suburban Edge and Rural Center community designations.

## Objective 2: Options to Own and Rent

All housing options, including rental and shared ownership, are accessible to households of all income levels

**Policy:** Support and incentivize development, preservation, and maintenance of affordable housing units, of all types and tenure (rental, shared equity, and ownership), that reflect the true cost-burden experienced by residents.

### **Provide:**

- Provide technical assistance and share strategies to counties and local governments for coordinated use of new sources of housing funding.
- Livable Communities Act (LCA) grant programs support more homeownership development opportunities by increasing funding for the Affordable Homeownership program.
- Explore, in partnership with Environmental Services and community stakeholders, the Publicly Assisted Housing/Conservation SAC fee reduction.
- Explore the Council's ability to use Council-owned land to support affordable housing development.
- Explore opportunities in the Metro HRA to build capacity for programs that increase the ability for voucher holders to build wealth and access the housing of their choice as their economic situation changes.
- In partnership with ES, seek opportunities to defray the costs for manufactured home communities to connect to the wastewater system.

## Objective 2: Options to Own and Rent

All housing options, including rental and shared ownership, are accessible to households of all income levels

**Policy:** Support and incentivize development, preservation, and maintenance of affordable housing units, of all types and tenure (rental, shared equity, and ownership), that reflect the true cost-burden experienced by residents.

### **Plan:**

- Provide an Allocation of Affordable Ownership Housing Need specific to homeownership to inform planning for the development of low-income affordable ownership opportunities.
- Require that local Comprehensive Plans consider development and preservation tools to meet their homeownership need throughout the decade.
- Require that local governments address which tools they will pursue to create low-income cooperative, shared ownership, mixed-tenure, or ownership opportunities in their Comprehensive Plan.

### **Partner:**

- Increase collaboration with local and county housing organizations in prioritizing and funding programs that increase, all affordable housing tenures (rental, cooperative, limited and/or full homeownership).
- Convene a regional conversation to reduce barriers across state, regional, county, and city affordable housing funding programs.
- Participate in local, regional, and state conversations and initiatives supporting the rehabilitation and preservation of affordable housing.

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## Section 2: Dignity and Decency





## Objective 3: Stability

Stable, affordable, and dignified places to live are available to everyone, especially those experiencing housing insecurity and homelessness

**Policy:** Develop programming and support local, regional, and state policy that makes it less likely for residents in the region to experience housing instability and homelessness, with focused support for people who are experiencing homelessness and housing insecurity

### **Provide**

- Livable Communities Act (LCA) programs prioritize funding housing projects that serve residents who are or have experienced homelessness and/or incorporate supportive services.
- Work to simplify access and reduce barriers to Metropolitan Council rental assistance programs.
- Continue to connect with individuals using transit as shelter (via Housing Action Team (HAT) and program partners) to find appropriate housing options and supports.
- Offer technical assistance for local communities to develop and refine programs that provide housing stability.
- When using Council-owned land for development, seek opportunities to prioritize housing options accessible to residents experiencing housing instability and/or voucher holders.
- Prioritize developments that incorporate supportive services for allocating Project-Based Vouchers (PBV).

## Objective 3: Stability

Stable, affordable, and dignified places to live are available to everyone, especially those experiencing housing insecurity and homelessness

**Policy:** Develop programming and support local, regional, and state policy that makes it less likely for residents in the region to experience housing instability and homelessness, with focused support for people who are experiencing homelessness and housing insecurity

### **Plan:**

- Require local comprehensive plans to identify tools they will use to meet the need for stabilizing services and shelter.
- Continue to credit newly constructed High Priority Homeless units towards a local government's affordable housing need allocation.

### **Partner:**

- Collaborate with counties, Community Action Partnerships, Continuums of Care, and schools on funding sources and priorities for ending homelessness in the region.
- Continue collaboration with state agencies via Minnesota Interagency Council on Homelessness.
- Engage with people with lived experience of homelessness to guide Met Council policies, programs and plans and compensate participants who serve in a consulting role.
- Seek more partnership opportunities with service providers to ensure households with rental assistance and vouchers receive the necessary supportive services to achieve housing stability.



## Objective 4: Quality

Affordable housing is built and maintained to a high standard, ensuring safety and accessibility for all residents

**Policy:** Support and incentivize development, preservation, and maintenance of affordable units of all types that provide residents a safe, dignified, and healthy place to live.

### **Provide:**

- Increase prioritization for affordable housing preservation and improvement in Livable Communities Act (LCA) funding criteria.
- Provide technical assistance on program design for local Naturally Occurring Affordable Housing (NOAH) preservation efforts.
- Support the development of affordable senior housing options at various care and service levels, with priority for households that have historically had less access to wealth building opportunities.
- Promote the use of housing code enforcement or rental licensing as tools to maintain unsubsidized affordable housing.
- Partner with Environmental Services to support the prioritization of low-income and historically overburdened households in the allocation of the Private Inflow and Infiltration (I/I) Grant Program.

## Objective 4: Quality

Affordable housing is built and maintained to a high standard, ensuring safety and accessibility for all residents

**Policy:** Support and incentivize development, preservation, and maintenance of affordable units of all types that provide residents a safe, dignified, and healthy place to live.

### **Plan:**

- Consider credit towards a city or townships' Allocation of Affordable Housing Need for the affordability preservation and substantial rehab of affordable housing units either set to expire or in a state of disrepair.
- Require the local need for accessible housing units to be considered in local level plans.
- Require the local need for affordable senior housing options at all service levels be considered in local level plans.

### **Partner:**

- Participate in local, regional, and state conversations supporting tenant protections prioritizing accessible, safe, and healthy housing.
- Work with partners in the advocacy and public finance domains, such as HousingLink and Minnesota Housing, to monitor potential properties nearing their federal subsidy expiration, and explore providing assistance for preservation strategies.
- Cultivate relationships with landlords participating in HCV programs to support tenant rights, and tenant-landlord relationships.

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## Section 3: Connection and Wellbeing





## Objective 5: Cultural Connection & Wellbeing

Everyone has access to homes, not just housing

**Policy:** Enhance residents' ability to keep their housing, amenities, health, social networks, and, or sense of belonging within their neighborhood.

### **Provide:**

- Prioritize investments that implement displacement mitigation strategies.
- Livable Communities Act (LCA) prioritizes/supports community connection in scoring criteria.
  - Prioritize projects that preserve and/or add to the cultural landscape of the neighborhood the project is located in.
  - Prioritize culturally responsive approaches, such as interest-free and Individual Taxpayer Identification mortgage products, multi-generational housing, and community-designed housing projects.
- Provide technical assistance supporting the development of community-level programs working to promote equitable access to stable housing such as Down Payment Assistance and Affordable Housing Trust Funds.
- Develop technical assistance for anti-displacement policy development for local governments.

## Objective 5: Cultural Connection & Wellbeing

Everyone has access to homes, not just housing

**Policy:** Enhance residents' ability to keep their housing, amenities, health, social networks, and, or sense of belonging within their neighborhood.

### **Plan:**

- Include the requirement of a community-based Displacement Risk Assessment for all Council owned investments.
- Require local plans to consider tools to enhance the social and economic capital of residents in newly constructed affordable and mixed income housing, such as mental health services, job training programs, public safety and educational support.

### **Partner:**

- Continue collaboration with the Blue Line Anti-Displacement work group to align and integrate practices across all of the Met Council's planning and operations, and anti-displacement efforts of external community partners.
- Engage with housing stakeholders such as neighborhood groups, non-profits, research organizations to align Met Council displacement risk assessment with other equity scorecard and anti-displacement tracking efforts around the region.
- Convene regional and local housing stakeholders including practitioners, funders, and advocates, to promote greater communication, and to refine policies and processes to respond to the housing needs of historically over-burdened households throughout the region.

## Objective 6: Equity

Repair historic and ongoing injustice in housing practices and outcomes

**Policy:** Limit the effects of historical injustices through reparative and community-centered action, and limit future disparities by shifting current policies to protect communities whose disparities are largest.

### **Provide:**

- Livable Communities Act (LCA) grants to support projects that work to repair historical injustices and intentionally incorporate an equity component.
  - LCA supports equitable development policy with cities through the policy development program.
  - The Affordable Homeownership program continues to prioritize projects that increase ownership opportunities for historically excluded households, especially Black and Indigenous households.
- Maintain Place Based Equity Considerations dataset for region-wide use for decision making.
- Invest in and support projects and activities to advance fair housing in the region, such as the Fair Housing Implementation Council, fair housing training and resources, and other similar projects.
- Provide tenant protection policy workshops in partnership with a housing justice organization for local and county staff.
- Conduct a study on the impact of inaction of providing affordable housing opportunities on economic and social disparities of residents in the region.
- Support research and communication tools to address discriminatory lending practices, real estate steering, and other current and historical discriminatory practices limiting equitable housing choices.
- When engaging with residents, intentionally uplift historically underrepresented populations in decision-making and co-creating Met Council policy and processes.



## Objective 6: Equity

Repair historic and ongoing injustice in housing practices and outcomes

**Policy:** Limit the effects of historical injustices through reparative and community-centered action, and limit future disparities by shifting current policies to protect communities whose disparities are largest.

### **Plan:**

- Modify Affordable Housing Need calculations to amplify the need of housing for historically excluded communities by more accurately considering economic ability of all households in allocation adjustments.
- Continue to require Livable Communities Act grant recipients to adopt a fair housing policy to be eligible to receive funds for affordable housing projects
- Explore whether to require the adoption of a tenant protections policy to be eligible to receive Livable Communities Act grants to support housing development.

### **Partner:**

- Explore partnerships to research and develop alternative credit pathways, such as rent payment history, to support homeownership opportunities.
- In all the Council's housing work, develop respectful and meaningful partnerships with tribal governments and organizations, housing advocacy groups, homeless coalitions (and other government offices), particularly those that have a majority Black, Indigenous, people of color and low-income representation.
- Participate in the Fair Housing Implementation Council and provide both data tools and technical assistance.
- Participate in a regional conversation to reduce barriers in state, regional, county, and city funding programs that limit the entry of new affordable housing developers, especially those led by Black, Indigenous, people of color.

## Objective 7: Environmental Justice

Housing in our region is resilient to climate change impacts and furthers environmental justice

Policy: Support the development, retrofitting, and maintenance of homes to create a climate resilient future

### **Provide:**

- LCA programs support the equitable development of and policies to support housing that adapts to and mitigates climate change in regional development, prioritizing reductions for households that are both energy cost-burdened and housing cost-burdened.
  - Give funding consideration in Livable Communities Act grants to projects that use cost effective, energy savings, and decarbonization elements
  - Prioritize energy-efficiency, climate resilience, and decarbonization in preservation projects.
- Provide climate mitigation and adaptation technical resources to local governments (i.e. resources for extreme heat, shade, energy) for multifamily housing projects
- Continue implementing energy efficiency efforts for Council owned housing units including the purchase of energy efficient equipment and supplies.

## Objective 7: Environmental Justice

Housing in our region is resilient to climate change impacts and furthers environmental justice

**Policy:** Support the development, retrofitting, and maintenance of homes to create a climate resilient future

### **Plan:**

- Ensure the inclusion of utility costs, where they are not already, in rent and ownership affordability limits.
- Local governments consider opportunities to direct energy-efficiency and weatherization and decarbonization resources to low-income households and multifamily rental properties in their local comprehensive plans.

### **Partner:**

- Explore opportunities to access and align with federal and state funding that supports climate resilient housing production and preservation.
- Integrate the Council's Climate Action Work Plan commitments and strategies into housing policies and programming.
- Explore opportunities to partner with organizations to further implement environmental justice efforts in housing policy and programming.

# Questions

How would you improve any of the proposed actions/policies to address both regional goals and potential local concerns?

Does policy respond with enough urgency and intensity to what you are hearing from our most vulnerable populations?

Which objectives, policies, and actions are most resilient to unknown futures?

# Thank you

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*"We need every kind of housing, and we are missing a lot of what we need"*

- Community Engagement Participant

# Appendix

## Context:

- Housing Policy in Statute
  - 2040 Housing Policy Plan Highlights
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# Comprehensive Plan



## Housing elements

Minn. Stat. § 473.859

2(c) A land use plan must also include a **housing element** containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, **including but not limited to the use of official controls and land use planning** to promote the availability of land for the development of low and moderate income housing.

[Sec. 473.859 MN Statutes](#)

# Housing Implementation Program



“An implementation program shall describe **public programs, fiscal devices and other specific actions to be undertaken in stated sequence to implement the comprehensive plan and ensure conformity with metropolitan system plans**. An implementation program must be in at least such detail as may be necessary to establish existing or potential effects on or departures from metropolitan system plans and to protect metropolitan system plans. An implementation program shall contain at least the following parts:

...

(3) **a housing implementation program**, including official controls to implement the housing element of the land use plan, which will provide sufficient existing and new housing to meet the local unit's share of the metropolitan area need for low and moderate income housing.”

[Sec. 473.859 MN Statutes](#)



# Housing Implementation 2040: Tools



## Thrive 2040 Housing Policy Plan Language

Complete Housing Implementation Programs must:

- Identify a community’s “**public programs, fiscal devices and other specific actions to be undertaken in stated sequence**” (Minn. Stat. 473.859, subd. 4) to meet housing needs
- Clearly and directly link **which tools will be used, and in what circumstances**, to explicitly address the needs previously identified.
- The Council will **ensure that technical assistance is available** to help communities identify and direct their resources.
- While the Council may not require a community to adopt a particular tool, a **community must describe which tools it will implement** and describe the sequence for their implementation.

([2040 HPP](#), p. 113)

# Incentive for Consistency

“Communities that do not guide an adequate supply of land at appropriate densities to meet their Allocation of Affordable Housing Need—that is, communities that are not fulfilling their statutory role to plan for their share of housing affordable to low- and moderate-income households—will be **considered inconsistent with Council policy and therefore will not be eligible to participate in, and receive funding from, the Livable Communities Act programs.**”

(p. 112)





# Social Needs are In Statute



## 473.145 Development Guide

(a) The Metropolitan Council must prepare and adopt... a comprehensive development guide for the metropolitan area. It must consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for the orderly and economical development, public and private, of the metropolitan area. **The comprehensive development guide must recognize and encompass physical, social, or economic needs of the metropolitan area** and those future developments which will have an impact on the entire area including but not limited to such matters as land use, climate mitigation and adaptation, parks and open space land needs, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, and other public buildings.