Business Item

Community Development Committee

Committee meeting date: December 1, 2025 **For the Metropolitan Council:** December 17, 2025

Business Item: 2025-314

Public Hearing on the Adoption of Livable Communities Act Affordable and Life-Cycle Housing Goals for 2021-2030 for the Cities of Anoka, Champlin and Norwood Young America

District(s), member(s):	All
Policy/legal reference:	Minn. Stat. § 473.254, Livable Communities Act
Staff prepared/presented:	Emily Seddon, Manager, Livable Communities, 651-602-1023
Division/department:	Community Development / Regional Planning

Proposed action

No action. The public hearing is scheduled to begin at 4:00 p.m.

Background

The Livable Communities Act (LCA) (Minn. Stat. § 473.254) requires communities to adopt affordable and life-cycle housing goals to participate in the LCA grant programs. Communities electing to participate must establish their goals by city council resolution and communicate their desire to participate in the program to the Metropolitan Council by November 15 of any year. While communities can choose to participate—or opt out—in any calendar year, the calculation of goals is conducted on a decennial basis to align with other decennial measures, such as forecasted household growth and the share of future affordable housing need.

Between 2020 and 2024, 78 cities adopted their affordable and life-cycle housing goals, which the Council then adopted to complete the LCA enrollment process for 2021-2030 participation. This year, three additional cities adopted their affordable and life-cycle housing goals for the 2021-2030 decade (Attachment 1). The Council uses the same goal-setting methodology (Attachment 2) for the three cities electing to participate in 2026-2030 as it did for the 78 cities that enrolled earlier this planning decade.

The Livable Communities Act requires the Council to negotiate affordable and life-cycle housing goals with each municipality that elects to participate in the LCA grant programs, and the Council must adopt by resolution, after a public hearing, the negotiated goals. A public hearing for 2021-2030 goals will be opened on December 1, 2025, along with a public comment period that will close at 5:00 p.m. on December 11, 2025. The Community Development Committee will vote at its December 15, 2025 meeting to adopt 2021-2030 Affordable and Life-cycle Housing Goals for the purposes of Livable Communities program participation for the 2021-2030 decade.

Rationale

The Livable Communities Act programs are a primary incentive tool for the Council to guide affordable housing development and preservation in the region. The Livable Communities grants promote and encourage development and redevelopment that advance Imagine 2050 goals.

Thrive lens analysis

On February 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, the Livable Communities Act grant programs advance the outcomes of Stewardship, Prosperity, Equity, Livability, and Sustainability.

Funding

Adopting affordable and life-cycle housing goals to participate in the Livable Communities Act programs allows municipalities to compete for Livable Communities grants. Funds are available annually in the Livable Communities authorized budget.

Attachments:

Attachment 1: Proposed 2021-2030 LCA Affordable and Life-cycle Housing Goals

Attachment 2: 2021-2030 Livable Communities Affordable and Life-cycle Housing Goals Methodology

Attachment 1: Proposed 2021-2030 LCA Affordable and Life-cycle Housing Goals

FOR PUBLIC HEARING
December 1, 2025

Table 1 Proposed 2021-2030 LCA Affordable and Life-cycle Housing Goals

Municipality	Affordable Housing Goal Range	Life-Cycle Goal
Anoka	62-113	496
Champlin	111-201	480
Norwood Young America	148-269	1078

Attachment 2: 2021-2030 Livable Communities Affordable and Life-cycle Housing Goals Methodology

Months of cumulative outreach and discussion about how 2021-2030 affordable and life-cycle housing goals should be calculated (summarized at a May 4, 2020 Communities Development Committee meeting), has led to a methodology that is consistent and easy to understand. The selected methodology attempts to strike a reasonable, balanced approach that considers the variety of differing circumstances across communities. The 2021-2030 affordable housing goals will be a range to reflect the uncertainty and variety of local affordable housing development, and use a similar approach that 2011-2020 goals used.

How were 2011-2030 affordable housing goals calculated?

In 2009 and 2010 broad discussions were had about how to determine 2011-2020 affordable housing goals, including some of the same stakeholders - and even some of the same people! - that provided input for the coming decade's goals. In summary, an estimate of available funding for affordable housing was determined for the 2011-2020 decade and used to calculate what percent of the decade's *need* for affordable housing could possibly be developed. This percentage was calculated at 65%, which was then applied to each community's share of affordable housing need for 2011-2020 to create a low end of an affordable housing goal range. The high end of a community's goal range was the need number itself. Some communities had access to additional funding sources and therefore the low end of their range was increased, but ***most communities' 2011-2020 affordable housing goal was a range between 65% and 100% of their 2011-2020 share of affordable housing need***.

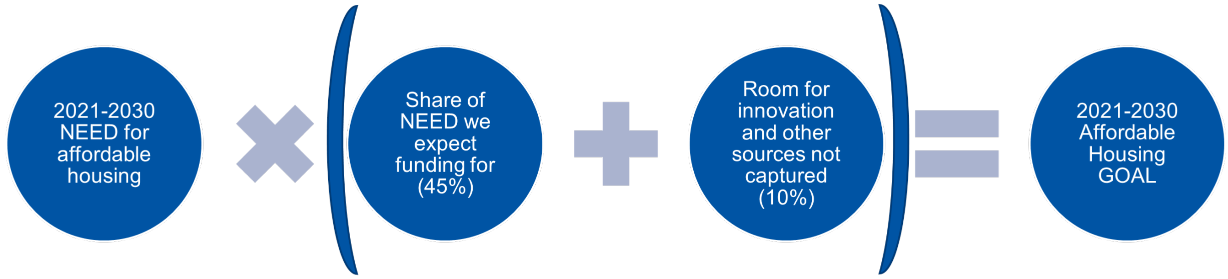
How are 2021-2030 affordable housing goals being calculated?

Affordable and life-cycle housing goals are calculated based on each community's share of the region's need for affordable housing in the coming decade. Each community has, or is in the process of, updating their comprehensive plans to acknowledge this "need" number, which is based on their forecasted sewer-serviced growth, their existing affordable housing choices relative to the regional average, and whether or not they import or export low-wage workers. Forecasted growth considers a community's transit capacity, land use guidance, employment growth, and other economic and demographic trends. "Need" numbers are further adjusted as described above to encourage affordable housing development that will provide reasonable housing options at all incomes throughout the region.

Determining affordable housing "goals" (which are required for LCA participation) based on affordable housing "needs" (which are required to be addressed per the Metropolitan Land Planning Act) ensures that those goals factor in all the unique characteristics of a community. However, it is widely acknowledged that there is not sufficient funding available to meet the forecasted affordable housing "need," and affordable housing goals are an opportunity for cities to consider a more realistic, if still ambitious, number of affordable housing units that could be built in the coming decade.

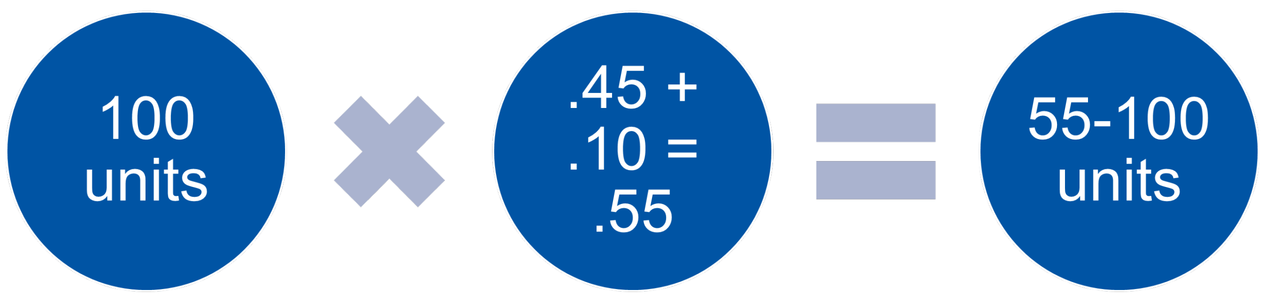
For this reason, the amount of funding anticipated for affordable housing development in the coming decade is the primary consideration in determining affordable housing goals. Working closely with Minnesota Housing, we have estimated that funding in 2021-2030 could support the construction of about 45% of the forecasted need for affordable housing.

We must acknowledge that not every source of affordable housing funding is captured in this calculation. We also acknowledge that there are many things individual local governments can do to incentivize and partner with affordable housing developers to increase their chances of accessing available funding. Finally, many focus group participants and survey respondents indicated a desire to set goals above minimum funding limitations as an incentive to do more. For this reason, we have set the low end of your community's 2021-2030 affordable housing goals at 55% of your share of the region's need for affordable housing (also known as the "need" number in your comprehensive plan). That percentage reflects the funding availability estimate (45%), plus an additional 10% to account for local policies and less common funding sources. Shown another way:



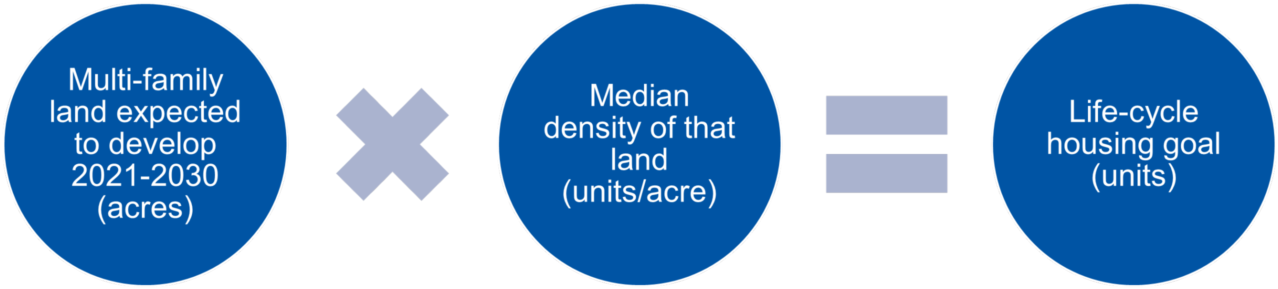
We heard from survey respondents and stakeholder conversations that funding has historically limited our ability to meet all affordable housing needs, but many partners – both cities and other stakeholders – felt that affordable housing goals should also reflect the future need. There is no penalty for not meeting affordable housing goals, and equating “goals” with “needs” may incentivize us to work harder to address affordable housing needs and bring attention to the need for more funding to create resilient communities where housing choices are robust.

For that reason, the high end of your community’s 2021-2030 affordable housing goal is equal to your 2021-2030 affordable housing need number from your comprehensive plan. For example, if your share of the region’s need for affordable housing in the coming decade is 100 units, your goal range would look like this:



How were 2011-2020 life-cycle housing goals being calculated?
Life-cycle housing goals were also considered in partnership with communities and stakeholders in 2009-2010. In summary, life-cycle housing goals were also determined as a range. The low end of the range was the 2011-2020 share of affordable housing need. The high end of the range was calculated by multiplying all land guided multi-family residential AND expected to develop in the 2011 decade by the maximum densities of those land uses. This resulted in some very high life-cycle housing goals!

How are 2021-2030 life-cycle housing goals being calculated?
Life-cycle goals are intended to ensure communities are allowing for a variety of housing types; specifically a mix of densities within their residential land. Although all communities must allow minimum average residential densities for sewer serviced growth, and additional average density minimums near certain transit investments, this measure is more about knowing how many multi-family units are possible. Therefore, life-cycle goals are being measured by looking at all multi-family land uses (defined as land uses with a minimum of 8 units per acre or more), and multiplying the acres of land expected to develop in the coming decade by the median density of those multi-family land use designations. Shown another way:


Multi-family land expected to develop 2021-2030 (acres)
Median density of that land (units/acre)
Life-cycle housing goal (units)