

Community Development Committee

Meeting date: May 20, 2013

Subject: Inventory of Affordable Housing (CORRECTED)

District(s), Member(s): All

Policy/Legal Reference:

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

Division/Department: Community Development / Regional Policy and Research

Proposed Action

No action. Information item.

Background

At the April 1, 2013 meeting of the Community Development Committee, Committee members expressed interest in the current level of affordable housing available in the Twin Cities area.

In response, Regional Policy and Research staff are preparing an inventory of affordable housing by community in the Twin Cities. Libby Starling, Manager of Regional Policy and Research, will distribute an interim version of this inventory and provide an overview of the key findings to date.

While it is difficult to know precisely how many affordable housing units exist in the region, we can develop reasonable proxies for the supply of affordable housing and how it has changed over time. In all cases, the threshold of affordability refers to the Council's focus on households earning 60 percent or below of area median income and the Council's annual affordability limits, last discussed at the February 4, 2013 Community Development Committee meeting.

Our components of affordable housing are:

- Owner-occupied housing:
 - Under current assessments, there are 343,434 owner-occupied housing units with estimated market value below the Council's affordability limit of \$171,500.
 - The Council will obtain data on actual home sales prices from the Department of Revenue in the next few weeks to supplement and validate data on estimated market value.
- Rental units:
 - Publicly-subsidized affordable housing: 57,872 rental units in the seven-county area received subsidies, such as financing through the U.S. Department of Housing and Urban Development, Minnesota Housing or Low-Income Housing Tax Credits, to ensure long-term affordability for households at or below 60 percent of area median income.
 - Section 8 Housing Choice Vouchers: Households in the region used 19,539 Section 8 Housing Choice Vouchers in 2011. Some of these households are using their housing choice voucher to further reduce the rents they pay in housing units that receive subsidies (listed above).

- Affordable rental units: According to Census data from 2006-2010, 157,000 housing units have rents affordable to households at or below 50 percent of area median income (there is no separate compilation at 60 percent of area median income, the Council's threshold). This count of affordable rental units includes **both** the publicly-subsidized units counted above as well as naturally-occurring affordable housing.
- Manufactured housing:
 - In 2012, the region's manufactured home parks had 15,814 spaces for manufactured homes, both owned and rented. All manufactured housing in manufactured home parks is assumed to be affordable.