



HOUSING POLICY PLAN

Housing Performance Scores
Briefing to the Land Use Advisory Committee
3.17.16

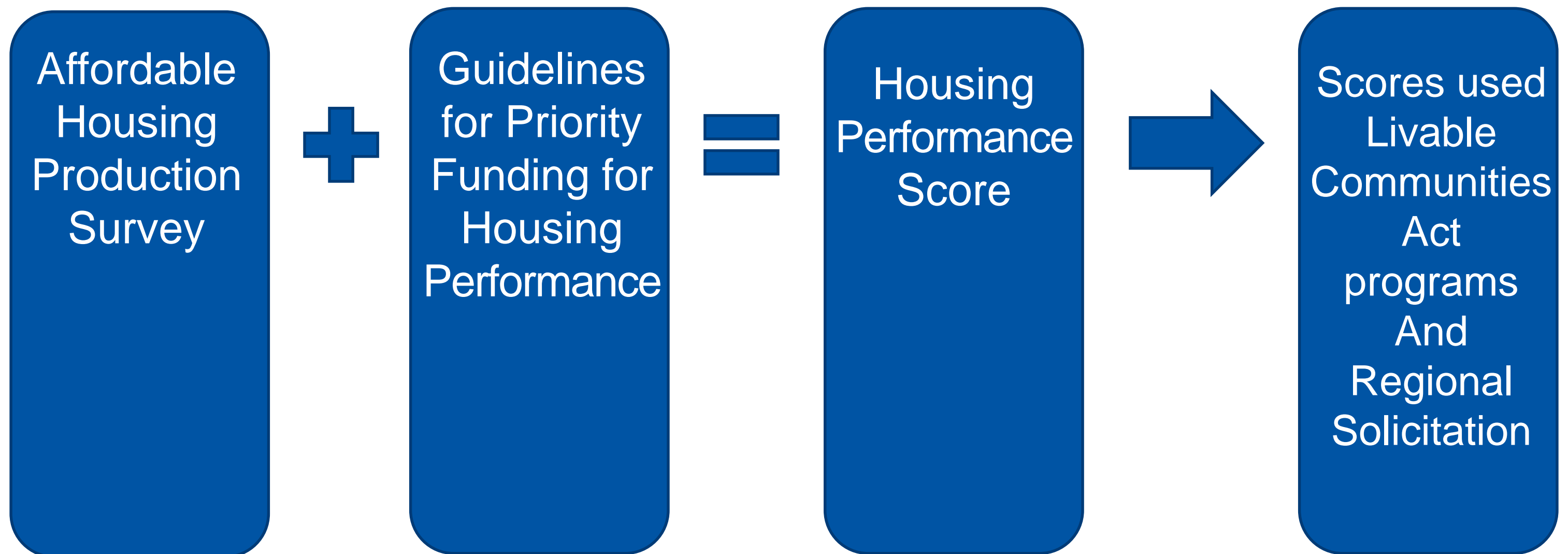
Plan for today's discussion

- Refresher on Housing Performance Scores background and use
- 2015 revisions to the Guidelines for Priority Funding for Housing Performance (“the Guidelines”)
- Changes to the annual Affordable Housing Production Survey (“the Survey”)
- 2015 HPS results summary
- Key questions and next steps

Background and use of the HPS

- Calculated annually for cities and townships
- Assess local efforts in affordable housing development, programs and services
- Used to give priority in the Livable Communities Demonstration Account and Tax Base Revitalization Account and inversely for the Local Housing Incentives Account (i.e. a lower score gives priority)
- Scores given more prominence in Regional Solicitation for transportation funding

How the Survey & Guidelines Result in Scores



Subgroup for Revising the HPS

- Part of developing the *2040 Housing Policy Plan*
- Comprised by local city and county staff, Urban Land Institute, housing advocates, Minnesota Housing et al.
- Met in late 2014 and early 2015 to establish priorities

Themes from subgroup for Revising the HPS

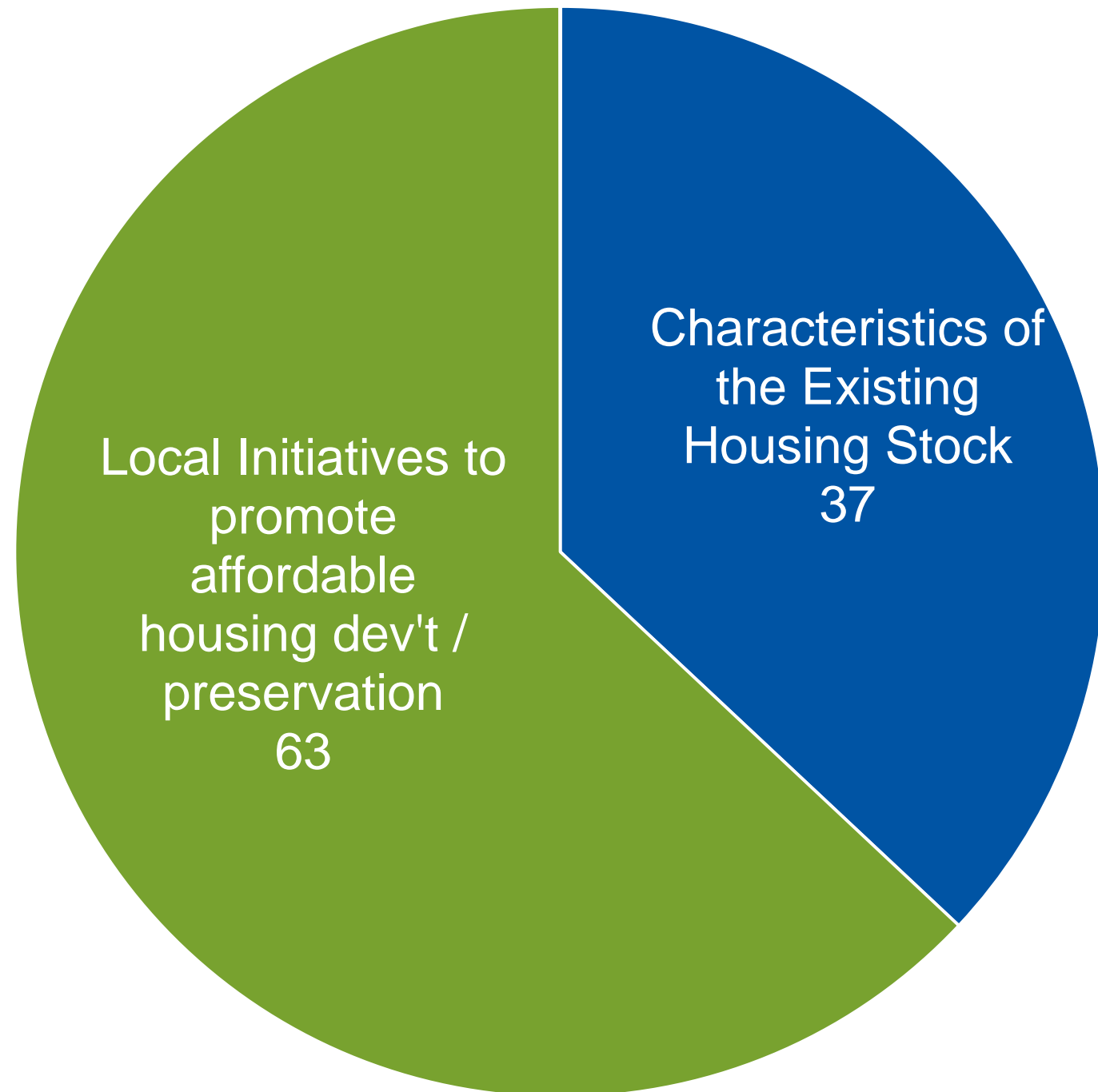
- Too much emphasis on existing housing stock
- More points for the hardest-to-provide housing
- Focus on recent, actual activity
- Account for differences among communities by broadening what counts
- Make process more robust and transparent while minimizing local burden
- All communities feel they can increase scores

Revisions to the Guidelines

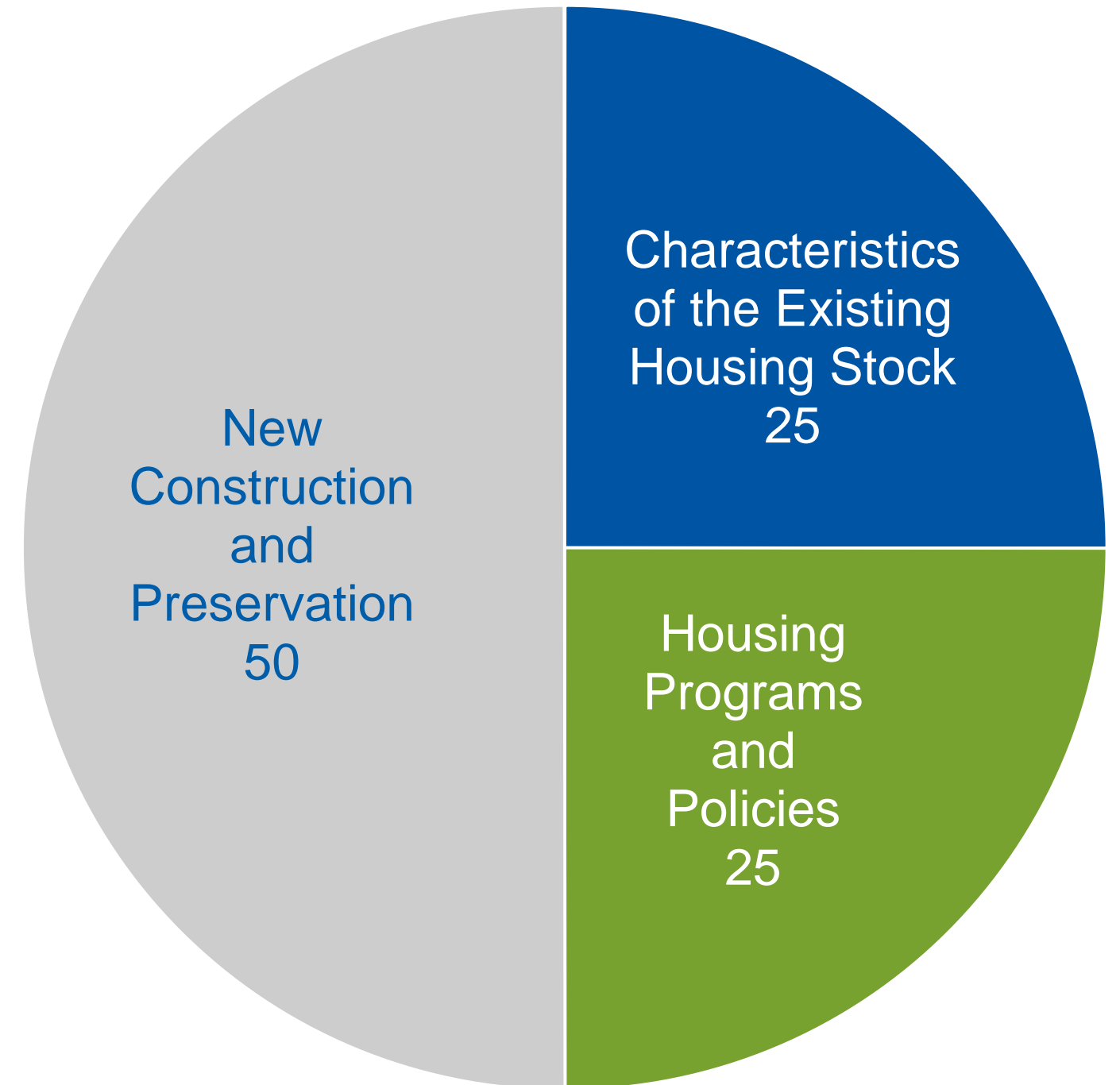
- Retained 100 point system, but changed category structure
- “Hold Harmless” built in for 2015 such that no community’s score could fall below 80% of the average of their last five years’ HPS
- New largely-automated Affordable Housing Production Survey
- Committed to reviewing & revising in 2016

Overall Points Structure

Previous Guidelines



New Guidelines



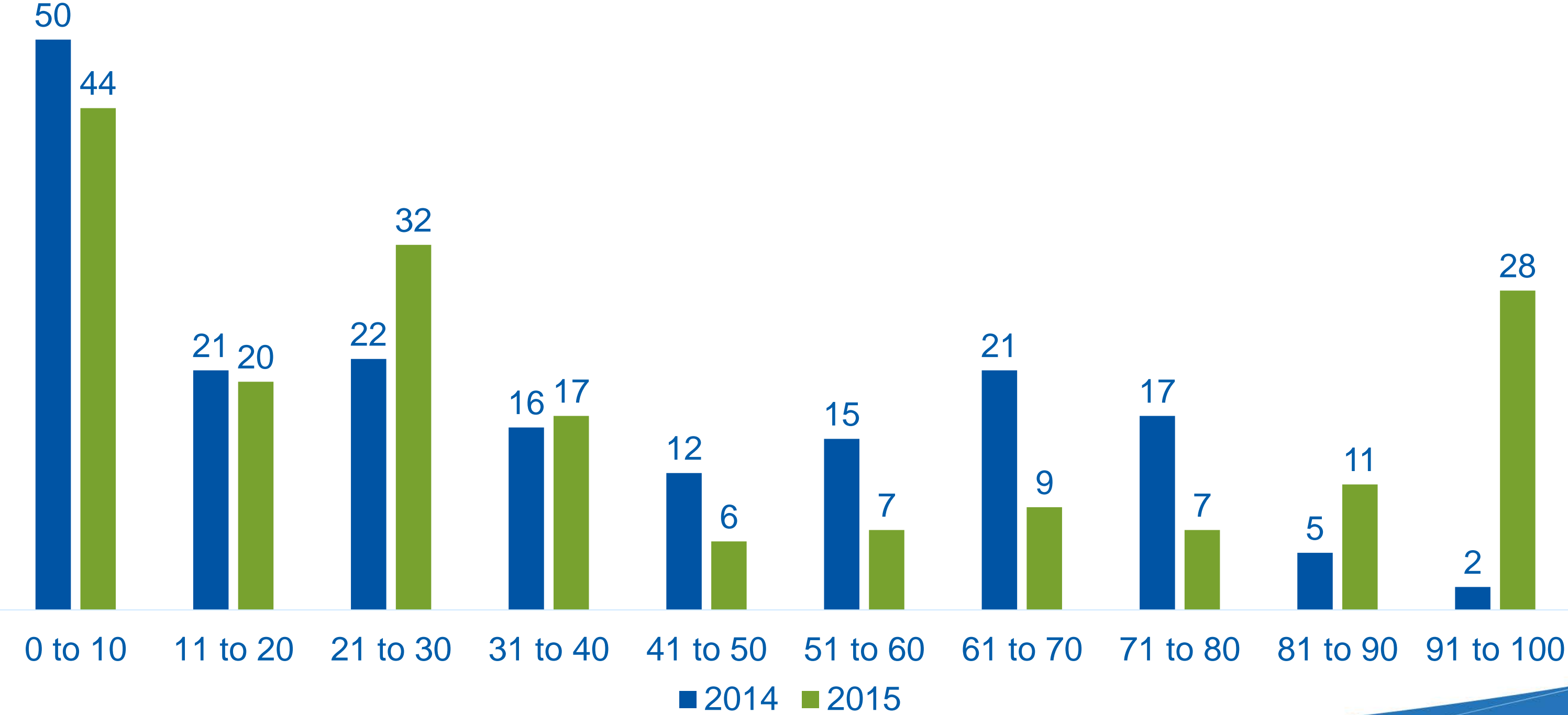
Areas of Increased Emphasis

- Mixed-income housing
- Preservation of federal rental assistance
- Progress toward negotiated housing goals
- Local contributions to affordable or mixed-income development
- Local ordinances and policies (e.g. fair housing, rental licensing)
- Recent new construction and rehabilitation

Use of Income Band Structure

30% of AMI & Below	31-50% of AMI	51-80% of AMI	81-115% of AMI
Owner-or renter-occupied	Owner-or renter-occupied	Owner-or renter-occupied	Owner-occupied only
These activities earn the highest points	These activities earn moderate points	These activities earn moderate points	These activities earn fewer points

Results: 2015 Scores vs. 2014



Perfect Scores

2014

- Minneapolis
- Saint Paul

2015

- Bloomington
- Brooklyn Center
- Brooklyn Park
- Crystal
- Eagan
- Hopkins
- Minneapolis
- Minnetonka
- Roseville
- St. Louis Park
- Saint Paul
- South St. Paul

Key Questions Going Forward

- How did the overall points structure work?
- Did areas of increased emphasis play out in the Scores?
- What can be done to bring up scores through the bottom and middle of the distribution?
- Are there essential criteria that should be added?
- Should any of the existing criteria be eliminated or refined?

Next Steps

- Additional detailed analysis of scoring trends
- Reengage with subgroup and others to assess performance of revised system
- Secure more complete data from external sources, particularly from counties
- Adjust the Survey & Scoring Tool
- Jump right back in by late spring / early summer (return to typical timing of annual Survey)

Questions for LUAC members

- Do you see opportunities to further refine the Housing Performance Scores for 2016?
- Are there essential criteria that should be added?
- Should any of the existing criteria be eliminated or refined?