

Defining, Applying and Communicating Affordable Housing Need for Comprehensive Planning

Land Use Advisory Committee

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Today's discussion

- **Review**
 - What is the region's affordable housing need
 - How the Council allocates need to communities
- **Explore**
 - How to effectively communicate the affordable housing need;
 - How to clarify the message and address misconceptions
- **Explain**
 - How comprehensive plans should address affordable housing need
- Questions, discussion, and next steps

What is the affordable housing need?

What *is* the region's affordable housing need?

- An educated guess of how many additional households will need affordable housing
- A need that will exist regardless of whether or not we do anything to address it

Can we agree that we'll be better off if we do address the need?

What does statute say?

“...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.**”



Common misconceptions about affordable housing need:

- It is a number distributed to cities to try and force affordable housing development
- It's an affordable housing "goal" for cities to try and reach
- It represents households that aren't valued in this region

What is affordable housing?

- Affordability is generally defined as housing costs that don't exceed 30% of a household's income
- The Council allocates each community expecting sewer-serviced growth with their share of Affordable Housing Need at each of the three following levels of affordability:
 - 30% or less of Area Median Income (AMI)
 - 31-50% AMI
 - 51-80% AMI

What do households in need of affordable housing look like?

Household Size:	30% AMI	50% AMI	80% AMI
One-person	\$17,400	\$29,050	\$44,750
Two-person	\$19,900	\$33,200	\$51,150
Three-person	\$22,400	\$37,350	\$57,550
Four-person	\$24,850	\$41,450	\$63,900
Five-person	\$27,910	\$44,800	\$69,050
Six-person	\$31,970	\$48,100	\$74,150
Seven-person	\$36,030	\$51,400	\$79,250
Eight-person	\$40,090	\$54,750	\$84,350

**How does the Council
allocate the region's
affordable housing need?**

How does the Council *allocate* the region's affordable housing need?

- How many additional households earning 80% or less of the Area Median Income will need housing in the region between 2021-2030?

37,400 households

First we calculate an allocation proportionate to forecasted growth

- 37,400 is approximately 31.4% of all additional households expected in the region between 2021-2030
- The allocation starts by applying that percentage to each community's forecasted sewer-serviced growth

$$1000 \times .314 = 314$$

Adjustments to plan for affordable housing where it expands housing choices

- Ratio of low wage workers to low wage earning residents
- Share of existing affordable housing

Relatively more low-wage jobs than low-wage earning residents indicates a need for more affordable housing choices



Relatively less existing affordable housing indicates a need for more affordable housing choices



Levels of affordability

- After adjustments are done, a community's allocation is distributed within three levels of affordability:
 - Below 30% AMI
 - Between 31 and 50% AMI
 - Between 51 and 80% AMI
- These distributions also follow the community's relative share of existing housing within these levels of affordability

So you know your allocation of affordable housing need. Now what?

- The need may exceed the resources, but opportunities to address it should be equitably distributed
- Very little new affordable housing is built at lower densities

Can we agree that cities should promote enough land at higher densities so that we don't exclude the *possibility* of meeting the need?

What does statute say?

- “...a housing element...providing adequate housing opportunities to meet...**projected local and regional housing needs**, including...land use planning to **promote the availability of land for the development of low and moderate income housing.**”

Planning for affordable housing need

What are the requirements to fulfill the Metropolitan Land Planning Act?

- Guide enough residential land at minimum densities of 8 units per acre such that the need could be accommodated.



Cities have flexibility in guiding land for their allocation of need

- The higher the minimum density, the less land will be needed to address a community's allocation of need
- In communities where lower density affordable housing has been developed, there is an alternate option for guiding land

Cities have flexibility in guiding land for their allocation of need

- Guiding land at higher than minimum densities can meet need with less land
- Cities have discretion over where to guide land that addresses their allocation of need



Technical assistance

Now that you know all about the affordable housing need...

- Council staff is trying to improve understanding and communication about the affordable housing need and how it is allocated to cities
 - Local Planning Handbook resource sheets
 - General handouts
 - Council staff availability for presentations
- How else can we improve the message and get it to the people that need to hear it?

For more information:

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