



# HOUSING POLICY PLAN



2040

*Housing Policy Plan Summary*



# Housing as the bedrock of livable communities

Safe, stable and affordable housing is essential for people to work productively, for children to learn, and for individuals, families and communities to thrive. A range of housing options across the region benefits people, businesses and local governments.

## A regional plan to address housing needs and challenges

The Metropolitan Council created the *Housing Policy Plan* in collaboration with our local government partners, housing developers, community organizations and other stakeholders. The plan provides leadership and guidance on regional housing needs and challenges.

The plan supports *Thrive MSP 2040*, the Council's regional development guide. It describes multiple strategies to advance our overall housing policy priority:

*Create housing options that give people in all life stages and of all economic means viable choices for safe, stable and affordable homes.*

The housing plan is an integrated policy framework that addresses housing challenges greater than any one city or county can tackle alone. It recognizes that the future's increasingly complex housing issues demand more innovative strategies and greater collaboration.

With both statutory responsibilities and local opportunities, local governments play an essential role in translating regional policy and priorities into effective local implementation. One size does not fit all.

## Changing and growing need for affordable housing

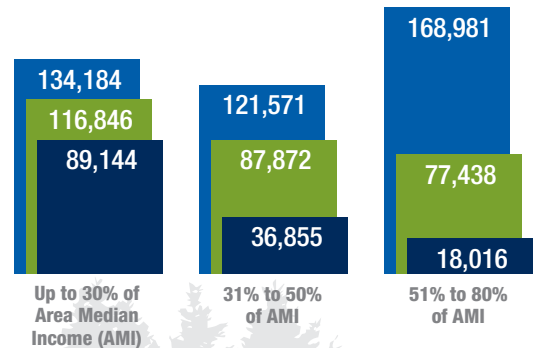
- **People are paying too much for housing:** At present, more than 282,000 low- and moderate-income households in the region are paying more than 30% of their household income on housing costs. Nearly 144,000 of those are paying more than half their income on housing.
- **Needs are growing:** Between 2020 and 2030, the region will add 37,400 low- and moderate-income households who will need additional affordable housing. For comparison, in the first three years of this decade, the region added just under 3,000 new affordable units, far under the need.

### Housing Cost Burden by Income Level

Total households

Experiencing housing cost burden

Experiencing severe housing cost burden



Twin City Metro Area Household Income

Source: U.S. Department of Housing and Urban Development, 2009-2013 American Community Survey Public Use Microdata Sample



## Advancing the outcomes of Thrive MSP 2040

The strategies in the housing plan advance the five outcomes in *Thrive MSP 2040*—stewardship, prosperity, equity, livability and sustainability. Key priorities include:

- Managing, maintaining and preserving the existing housing stock.
- Creating or preserving a mix of housing affordability around emerging transit investments to help low-income households reduce the combined costs of housing and transportation.
- Expanding housing options for people in all life stages and of all economic means through a balanced approach. This means both expanding housing choices for low- and moderate-income households in higher-income areas and enhancing the livability of low-income neighborhoods.

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*Like a diversified investment portfolio, a diversity of housing types can increase local government resiliency through changing economic climates.*

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## The Council's role in advancing affordable housing

The Metropolitan Land Planning Act and the Council's review authority give the Council a unique role with local governments. Dimensions of this role include:

- Developing the Allocation of Affordable Housing Need. This informs local governments of their share of the region's need for low- and moderate-income housing so they can address the need in their local comprehensive plans.
- Expanding technical assistance to local governments to improve the consistency and quality of the housing elements and implementation programs of local comprehensive plans.
- Providing technical support to cities with little experience in working with affordable housing developers.
- Sharing best practices with other cities.





The Council uses its resources—including Livable Communities Act grants, investments in infrastructure and other funding streams—to expand housing choices across the region and create and preserve mixed-income neighborhoods and communities. We also use Housing Performance Scores to give priority for funding to communities that are maintaining or expanding their supply of affordable housing and using fiscal, planning and regulatory tools to promote affordable housing.

### Looking to the future

The Council will convene regional discussions to address housing issues that are broader and more complex than any single agency or organization can advance alone. These include:

- Reducing barriers to development of mixed-income housing and neighborhoods.
- Improving the alignment of housing policies with decisions made by school districts.
- Expanding the supply of housing options accessible to seniors and people with disabilities.
- Developing strategies to affirmatively further fair housing and address housing discrimination.
- Building wealth and expanding investment in Areas of Concentrated Poverty.

With the Council's various roles that affect housing, the *Housing Policy Plan* furthers the alignment, consistency, and integration of our own housing policy. But we cannot do this work alone. We look forward to present and future opportunities for collaboration to improve how the region collectively addresses housing challenges both today and tomorrow.



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