

## Minutes of the

### MEETING OF THE LAND USE ADVISORY COMMITTEE

Thursday, May 19, 2016

#### Committee Members Present:

Pamela Harris, Phillip Klein, Marvin Johnson, Bill Neuendorf, James McClean, Karl Drotning, Michael Webb, Kathi Hemken, Kathi Mocol, Bill Droste, James Saefke, Kristina Smitten, and Jennifer Geisler

#### Committee Members Absent:

Jon Commers, Elizabeth Kautz, Elizabeth Wefel, Chip Halbach, and Jamil Ford

#### CALL TO ORDER

Committee Vice-Chair Smitten called the regular meeting of the Council's Land Use Advisory Committee to order at 4:03 p.m. on Thursday, May 19, 2016.

#### APPROVAL OF AGENDA AND MINUTES

Vice-Chair Smitten asked for a motion to approve the agenda. A motion was made by Drotning, seconded by Klein, to approve the May 19, 2016, agenda of the meeting of the Land Use Advisory Committee. **Motion carried.**

Vice-Chair Smitten asked for a motion to approve the minutes. A motion was made by Mocol, seconded by Saefke, to approve the March 17, 2016, minutes of the meeting of the Land Use Advisory Committee. **Motion carried.**

#### INFORMATION

##### Update on System Statement Hearing for Oak Grove – Lisa Barajas, Local Planning Assistance

Barajas stated that the Administrative Law Judge Jim Mortenson recommended in favor of the Metropolitan Council. She noted that there were a number of findings that the judge returned and discussed the next steps outlined in the materials provided.

Klein asked if the matter is done at this point. Barajas stated that the Council still needs to make the final ruling and then the city has the option to go through the Minnesota Court of Appeals if they disagree with the Council's findings.

Smitten stated that she would like to review the judge's findings. The Committee agreed. Barajas stated that she will make them available.

##### Planning Assistance Fund – Ryan Garcia, Local Planning Assistance

Garcia reviewed the progress made on the Planning Assistance Fund and noted that the application period will be open tomorrow. He reviewed the history of this grant program and the eligibility criteria described in the materials provided and also did a comparison of the program details as approved in 2015 vs. 2016.

Drotning stated that for a rapidly developing community the extra funds are a great benefit and thanked the Council.

Johnson asked about the timeline to apply. Garcia stated that the application will be available online until Labor Day. He noted that the Comprehensive Plan Updates will be due in December 2018.

Smitten asked will there be a notice that will go to communities that are not eligible. Garcia stated they have not specifically reached out to those who do not qualify but a notice was sent out that identified both.

### **Progress Report on TOD Guide – Deb Detrick and Michael Larson, Local Planning Assistance**

Detrick and Larson gave a progress report on the TOD Guide.

Detrick stated the TOD Guide is geared towards planners and consultants that will be updating comprehensive plans. She reviewed three section of the guide as outlined in the materials provided.

Larson reviewed the project timeline and the status. He discussed work with internal partners outlined in a graph provided that charted the roles of the Council in TOD. He noted staff are hoping to roll out the guide by the end of June 2016.

Hemken asked how it can be accessed. Larson stated it will be available online – similar to the Local Planning Handbook. Detrick noted that when the website is launched a link will be provided to Committee members.

Smitten asked what will be included in the rollout. Larson discussed the types of materials, links and placeholders that will be in it but noted that it is not finished. Detrick stated that it will be a ‘soft’ launch and noted that it will be a document that will be continually updated.

Harris asked if the TOD office is part of Metro Transit. Larson confirmed and discussed their role.

Smitten asked for an updated after the roll out at our next LUAC meeting in July.

### **Defining, Applying and Communicating Affordable Housing Need for Comprehensive Planning – Libby Starling and Tara Beard, Regional Policy & Research**

Starling stated that staff are looking for feedback on how to talk about the allocation of affordable housing needs and how that plays into the housing element in comprehensive plans.

Beard gave a presentation on affordable housing needs and how that need is allocated to communities as outlined in the materials provided.

Johnson asked if there is a record of how many housing units have been removed from the market each year on average. Starling stated we do maintain that information, however she did not have it with her for this meeting.

Beard continued with her presentation describing how an allocation is calculated proportionate to forecasted growth. Smitten asked if this takes into consideration the existing gap in affordable housing that we are providing today. Starling noted that this is planning for the net growth in low and moderate income households. When we are looking at that net growth, it’s important to remember a portion of this is coming from migrations however most is coming from kids growing up, forming their households, existing households are splitting and reconfiguring in different ways, existing households are having income changes leading to that growth, etc.

McClellan asked for more detail on how sewer service growth is forecast. Starling stated those numbers come out of the Council’s forecasting piece and what areas are currently connected or projected to connect over a certain staging period. So broadly defined, the Council’s forecasting approach is to understand what the decade long regional growth is in populations, households, and employment. Then there are a series of models that allocates that basically based on what demand is for certain locations and how much people are willing to pay for certain locations.

Webb asked for clarification of expected or planned annexations. Beard stated that Comprehensive Plan address any expected annexation or MUSA expansions and that is considered when determining allocations.

Droste asked if there is an adjustment on the formula for transitways. Beard stated there is not, but there used to be.

Droste discussed how their allocation is higher than Apple Valley. Beard stated that the important thing to remember is that the allocation of affordable housing need always starts from a place of forecasted household growth. She noted that growth can also happen through redevelopment. Starling further explained that within the forecasts of household growth one of the things the forecast model already knows is that areas in the region that have more accessibility (that transit can provide) are more likely to grow than otherwise identical cities that do not have an additional level of accessibility.

Droste shared concern that the data is good for underlying forecasts. Starling responded that this is the basis of all of the planning that the Council is doing. She noted that when we don't have good forecasts, this is a conversation to be had during the Comprehensive Plan Update process. She noted that there have been significant changes done to how we do forecasting to address past problems.

Beard continued her presentation and noted that we know that the need exceeds resources but the opportunities to address it should be equitably distributed. She discussed how guiding density at a minimum of 8 units per acre can help achieve projected needs.

Klein asked why affordable housing isn't being built today. Starling stated that it takes a lot of subsidy to get rental affordable housing built and discussed subsidies being used to preserve what exists. She stated the other thing that is happening is the collapse of the townhome market.

Neuendorf stated of the three common misconceptions of what the allocation number is (it is not a goal; it is not a mandate), however, the term 'allocation of need' seems like a term that is being forced/mandated and asked if there is a better term. Beard acknowledged this but stated it is a tough one.

Johnson asked about consideration for outer ring suburbs. Beard stated that development patterns are factored in. Starling added that they do look at communities beyond the region – looking at where the jobs are and where the growth is occurring and adjust accordingly.

Geisler stated that this makes sense from a planner's perspective but not a City Council Member's perspective. She discussed some different approaches, i.e., putting it in a human perspective. She suggested instead of 'how do you meet the need' try 'how are you meeting the needs of citizens.

Harris stated she feels an assumption underlying here is that there should be people living in your city that are not currently living there and they should be people who work in the businesses of your city. She feels a City Council's viewpoint may not be that the people who work in your city are going to want to live there.

Geisler feels that if the businesses that a city has are lower paying wages there is an obligation to make sure that there is housing for them to live within the city if they choose.

Drotning discussed changing the perspective/perception of what affordable housing means. He feels many believe it is people who are permanently poor that demand a lot of services.

Geisler stated that we need to get the police on board as well as they perceive affordable housing as high crime.

Webb discussed having rational discussion with irrational people and stated the need for a narrative we can sell. He asked is there any thought to putting together a program that could start at a rental and maybe go contract for deed and turn into ownership.

Starling discussed one piece is that the affordable housing financing structure tends to be inflexible and uncreative. She discussed the national effort on who's willing to buy tax credits and who's willing to lend money to provide financing. One challenge is there is a way of doing it that works for them and they like doing that but they don't like doing mixed income developments. She discussed the Community Land Trust Model. She also discussed a development in Oakdale done by Washington County HRA.

Beard discussed what is being done in Washington DC where tenants have a right of first refusal when a multi-family property owner decides to sell.

Mocol discussed their challenges and the narrative (that high density affordable housing is welfare for the rich) that is believed by many community members.

Detrick stated that as we've been talking about implementation the LUAC meeting in September will have Kathy Bennet from ULI come and talk about implementation.

Smitten discussed the Council's employment data and asked are staff able to provide data that shows current % of AMI so that communities can reflect on this in their planning. Then she also asked about resource sheets that will be coming out and asked what kind of information will be on them. Beard stated that they will contain much of the information provided today and will be accessible from the Local Planning Handbook. She described additional types of information and noted they will contain links as well.

Droste asked if staff has an example narrative that he can provide to residents. Beard stated that there are two places on the Metropolitan Council's website that have a community specific data set. One is the Community Profile and the other is the Community Page within the Local Planning Handbook.

Drotning discussed tying this into the educational system that is evolving as well as marketing and commercial. He stated that everything in our society is changing due to internet and the information age. He stated we need to continue to define the need as stay away from 'allocation'.

Starling stated she heard lots of dislike for the term 'allocation of need' and asked for opinions on better names. Members replied rather than using 'affordable housing' use terms like workforce housing, life-cycle housing, etc.

## **ADJOURNMENT**

Business completed, the meeting adjourned at 5:50 p.m.

**Next Meeting** – July 21, 2016

Respectfully submitted,

Sandi Dingle  
Recording Secretary