

Minutes of the

REGULAR MEETING OF THE COMMITTEE OF THE WHOLE

Wednesday, October 15, 2014

Committee Members Present:

Haigh, Cunningham, Elkins, Brimeyer, Chávez, McCarthy, Van Eyll, Melander, Wulff, Schreiber, Munt, Rodriguez, Rummel, Kramer, Commers, Duininck

CALL TO ORDER

A quorum being present, Chair Haigh called the regular meeting of the Council's Committee of the Whole to order at 4:00PM on Wednesday, October 15, 2014.

APPROVAL OF AGENDA AND MINUTES

It was moved by Rummel, seconded by Elkins.

It was moved by Chávez, seconded by Elkins.

BUSINESS

Continued Discussion on the Draft Housing Policy Plan

Libby Starling began by explaining that the desired core outcome from today's discussion was to provide clarity on the allocation of need to guide staff revisions of the draft HPP and to guide the work into 2015. Libby explained that the goal for today's discussion was to discuss the remaining policy issues tied to the approach to the Allocation of Affordable Housing Need: fair share of growth or fair share of all housing, and to what degree or if at all concentrations of poverty should be included in the discussion. The Council's overall housing policy goal is to create housing options that give people in all life stages and of all economic means viable choices for safe, stable, and affordable homes.

Libby distributed a table of information that expanded on what was shared at the last meeting. The table showed the number of households and housing units <30% AMI, 30%-50% AMI, 50%-80% AMI, above 80% AMI, the total number of households, <80% AMI with cost burden, listed with their corresponding communities. There are 265,830 households in the region who are earning less than 80% of the area median income (AMI). Our forecasts indicate that there will be a regional need for 51,900 affordable housing units. This includes a 5% vacancy rate.

The Need ties to the Livable Communities Act. The Livable Communities Act Goals follow the Allocation of Affordable Housing Need. Cities must negotiate a Goal for affordable housing to participate in the Livable Communities Act programs. Livable Communities Act funds go to municipalities that have not met their affordable and life-cycle housing goals as determined by the Council and are actively funding projects designed to help meet the goals.

Libby explained that for the sake of clarity, today's discussion would exclude additional adjustment factors such as adjustments for jobs/worker mismatch and transit access that are likely to be included. They are simply being set aside in order to focus the conversation today. The Allocation of Affordable Housing Need is tied to the Council's forecasts for local growth. Per the Council's forecasts, communities across the region have land for new housing. Libby showed an example of three communities in the region (Farmington, Forest Lake, and Savage) that have the same forecasted household growth (1,700) for 2020-2030. Applying the fixed share of what their portion of the 51,900 would be, with no adjustment factors, each community would be expected to add 699 of those households to meet the overall regional

need for moderate and low income housing. However, these three communities have different numbers of existing affordable housing stock. Farmington has more affordable existing housing stock than the other two communities, so their need decreases a bit (688) and the other two are a bit higher (715 and 810, respectively) due to the lack of existing affordable housing stock.

The core piece of this first discussion is to think about what it means to have a fair share. The status quo approach (used for 2011-2020) is an equal share of growth in new households should be affordable. An alternative approach is to have an equal share of all housing units be affordable. Council members discussed the options and their desire to know what the unintended consequences would be. Their questions included who benefits from market change and who is burdened, and what are the market consequences? They are trying to mitigate as many unintended consequences as possible. They wondered whether options would create concentrations of poverty in communities. Libby showed maps illustrating the areas of concentrated poverty and the high income areas. Some of these areas are side by side. The Council discussed whether there should be an adjustment for communities that do not have concentrations of poverty.

Libby briefly reviewed the themes from the public comment period. The Community Development Committee will discuss responses to public comments at their November 3 meeting. The Council is scheduled to adopt the Housing Policy Plan on December 10, 2014. An amendment to the Housing Policy Plan (with public comment) will occur in 2015 to confirm the methodology for the Allocation of Affordable Housing Need and the Housing Performance Scores.

ADJOURNMENT

Business completed, the meeting adjourned at 5:41PM.

Emily Getty
Recording Secretary