Planning for Affordable Housing in the Twin Cities Metro

Prepared for the McKnight Foundation

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• Reviews of housing elements of comp plans for 35 metro area suburbs,
  • top 30 by projected population growth
  • top 30 in projected affordable housing need numbers
  • Aggregate need numbers account for 52% of region total

• Extensive interview with planners from each city
A strong factual basis.

Clearly articulated goals.

 Appropriately directed policies.
# Comprehensive Plan Review Worksheet

## AFFORDABLE HOUSING COMP PLAN REVIEW

### City:

#### PLAN INFORMATION

<table>
<thead>
<tr>
<th>Plan Date</th>
<th>Submission Date</th>
<th>Initial Review</th>
<th>Approval Status</th>
<th>Approval Date</th>
<th>Weasel Words?</th>
<th>Comments</th>
</tr>
</thead>
</table>

### DATA

**Population Projection**

- Do they state the city's Council projection?
  - Yes
  - No
  - N/A
  - Weasel Words?
  - Source
  - Comments

- Agree with it?
- State their own projection?
- Is it based on reasonable assumptions?

**Job Projection**

- Do they state the city's Council projection?
  - Yes
  - No
  - N/A
  - Weasel Words?
  - Source
  - Comments

- Agree with it?
- State their own projection?
- Is it based on reasonable assumptions?

**Affordable Housing Projection**

- Do they state the city's Council projection?
  - Yes
  - No
  - N/A
  - Weasel Words?
  - Source
  - Comments

- Agree with it?
- State their own projection?
- Is it based on reasonable assumptions?

- Has the city done a housing inventory?
- Has the city done a housing needs assessment?
- Has the city done an affordable housing inventory?
- Has the city done an affordable housing needs assessment?

### GOALS

**Do they state specific goals to:**

- Increase amount of affordable housing
  - Ownership
  - Rental
  - at 60% AMI (family of 4)
  - > 60% AMI (specify)
- Increase the density of single-family detached?
- Increase density of other unit types?
- Preserve existing affordable units? (Replacement)
- Encourage transit oriented development?
- w/Affordable Component
- Encourage mixed use development?
- w/Affordable Component
- Allow for Manufactured Housing?
- Accessory Units?
- Provide culturally sensitive housing?
- Provide senior housing? (Aging in place)
- Provide special needs housing?
- Provide workforce housing?
- Provide life-cycle housing?

- Might the city's goals increase barriers to AHD? (List)

### IMPLEMENTATION

**Density Modifications**

- State minimums
- Increase maximums
- Promote meeting current maximums / Infill
- Reduce minimum lot requirements
- Reduce minimum house width requirements
- Density Bonuses
- Accessory Apartments
- Manufactured Housing
- Inclusionary Zoning
- Do PUD zones appear to incentivize increased density?
- Are these Low-Moderate Income Housing Incentives present?

**LUPA and LCA**

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
</table>

- Are Low Income Housing Tax Credits discussed? Utilized?
- Are there incentives for new construction?
- Are Mortgage Revenue Bonds discussed? Utilized?
- Are TIF funds discussed? Utilized?
• Identify city response to need numbers
• Barriers/challenges to reaching share
• Proactive local policies/practices used:
  • Past
  • Future
• Identify limiting policies/practices
• Recent affordable developments
• Comp Plan follow-up

Interviews
Data Analysis - Interviews

Potential Obstacles to Affordable Housing Production

Number of Cities

- Political Will: 7
- Public Opposition: 9
- Lack of Land: 12
- Funding: 22
- Market Forces: 28

Data Analysis - Interviews
### Potential Barriers to Affordable Housing Development

<table>
<thead>
<tr>
<th>Potential Barriers</th>
<th>Very Much Limits</th>
<th>Percent</th>
<th>Somewhat Limits</th>
<th>Percent</th>
<th>Does Not Limit</th>
<th>Percent</th>
<th>Mean</th>
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<tbody>
<tr>
<td>Lot size Requirements</td>
<td>4</td>
<td>11.76%</td>
<td>8</td>
<td>23.53%</td>
<td>22</td>
<td>64.71%</td>
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<td>21</td>
<td>61.76%</td>
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<td>Limits on Manufactured Housing</td>
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<td>11.76%</td>
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<td>17.65%</td>
<td>24</td>
<td>70.59%</td>
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<td>8.82%</td>
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<td>20.59%</td>
<td>24</td>
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<td>Amount of multi family zoned land</td>
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<td>20.59%</td>
<td>26</td>
<td>76.47%</td>
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**Data Analysis - Interviews**
• Lino Lakes
  • Market-based forecasts of housing demand

• Ramsey
  • Used a housing affordability index to estimate affordable housing needs

• Chanhassen
  • Accounted for diversity in age, income, and mobility in estimating need and existing costs of rental and ownership housing

Best Practices: Fact Basis
• **Brooklyn Park**
  • Detailed analysis of existing housing stock

• **Dayton**
  • 15 pages of analysis of construction trends, population trends, existing affordable housing opportunities, etc.

• **Waconia**
  • Housing inventory & forecast of land needs

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**Best Practices: Fact Basis**
• Farmington, Lakeville,
  • Goals to meet affordable housing need number issued to them and to establish residential density levels necessary to accommodate the units
• Prior Lake
  • “develop and maintain” regulations permitting mix of housing types, sizes and price ranges

Best Practices: Goal Clarity
• Woodbury, East Bethel, et al.
  • Mix of strategies to increase densities
• Forest Lake
  • Full range of regulatory strategies to facilitate affordable housing development
## Plan Goals and Implementation Tools

<table>
<thead>
<tr>
<th>Goals</th>
<th># of Cities</th>
<th>Implementation Tools</th>
<th># of Cities</th>
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<td>Replacement/Preservation Policy</td>
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<tr>
<td>Increased Single Family Density</td>
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<td>Promote infill/Meeting maximums</td>
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<td></td>
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<td>Reduce Minimum Building Width</td>
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## Tools: Past and Future

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Data Analysis-