

# Metropolitan Council's Roles in Housing & Homelessness

August 13, 2020

Legislative Commission on Metropolitan Government

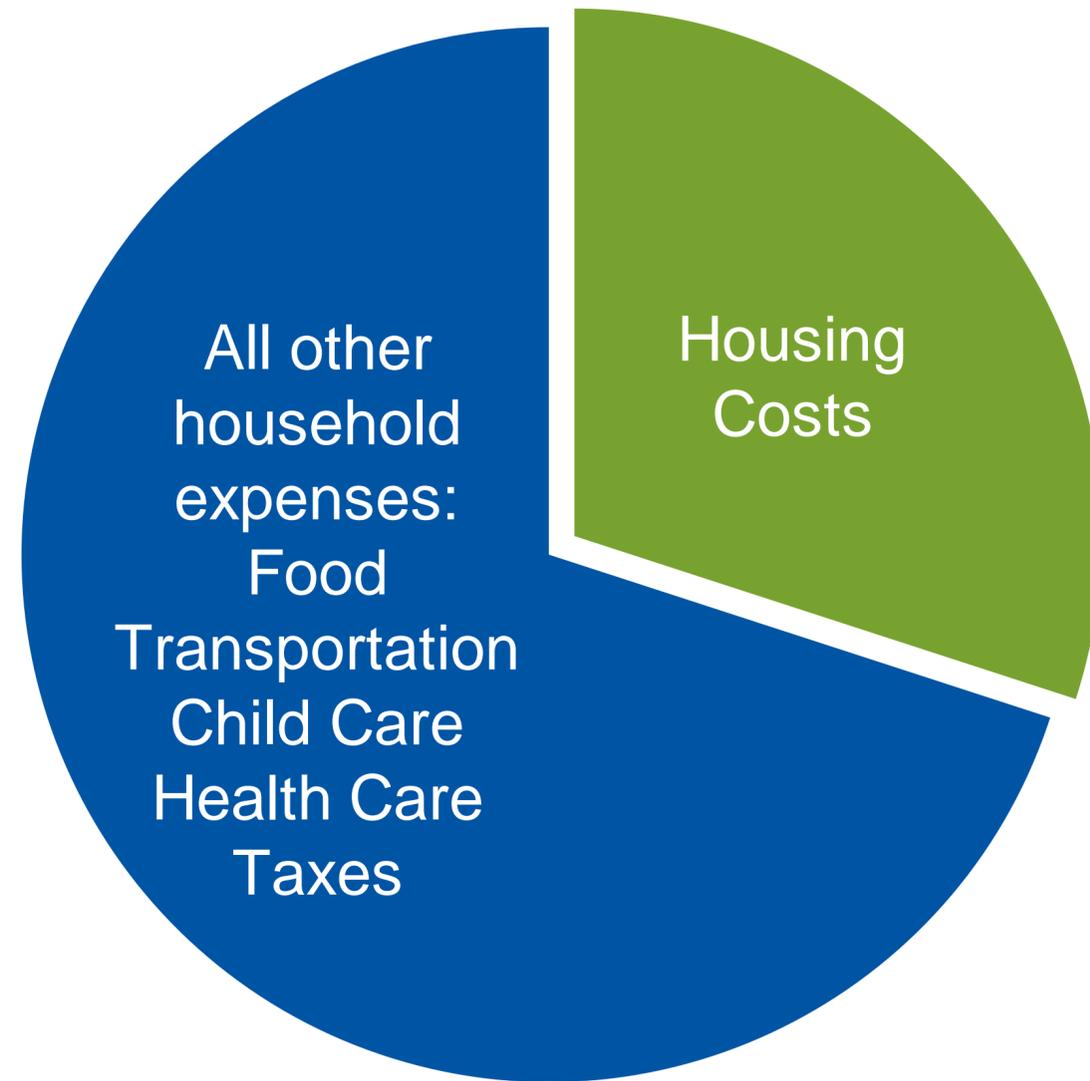


# Overview of today's presentation

1. Council roles in housing production and policy
  1. Housing and Redevelopment Authority
  2. The 2040 Housing Policy Plan & Local Comprehensive Plans
  3. Livable Communities Act funding
2. Council roles in homelessness



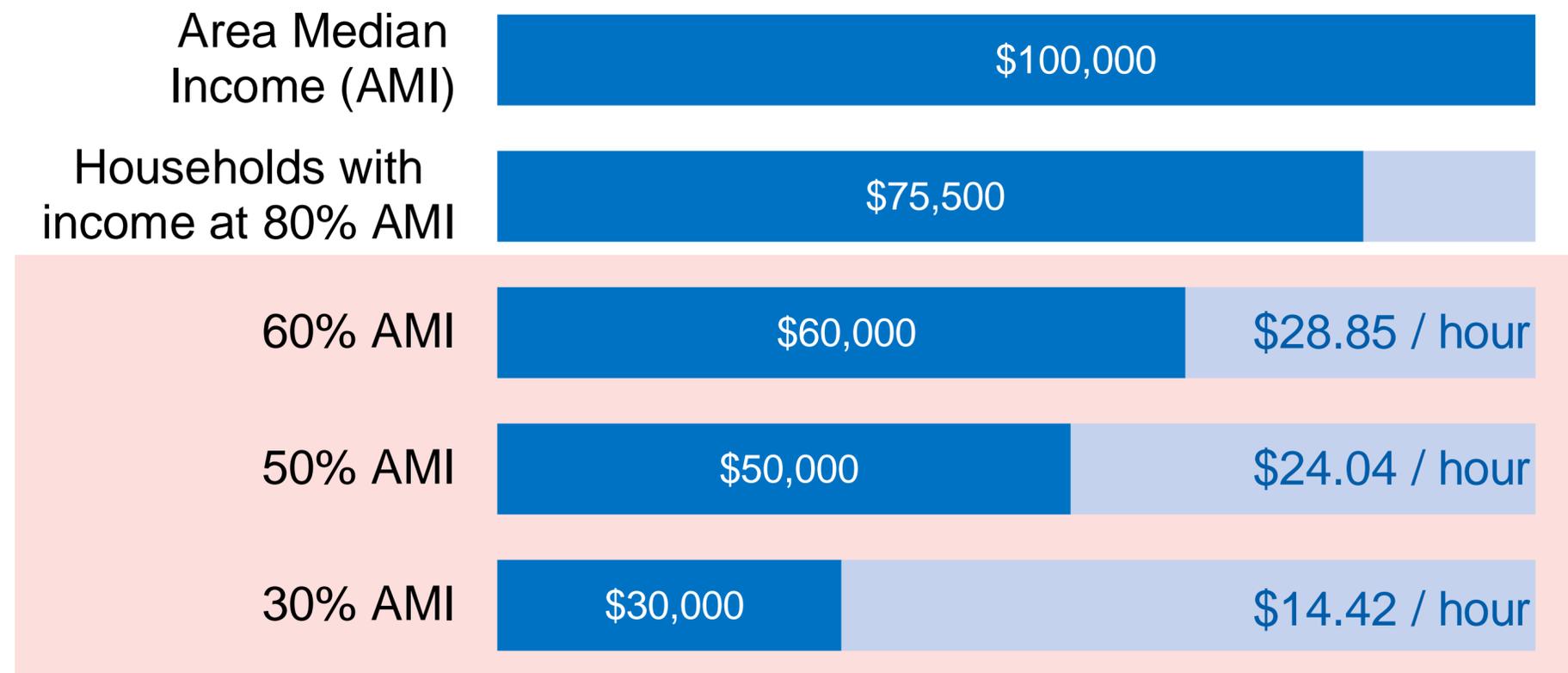
# First, what is “affordable” housing?



Housing is considered “affordable” if it costs less than 30% of a household’s gross income – more or less

# Which households are “low-income”?

*Based on family of four in 2020*

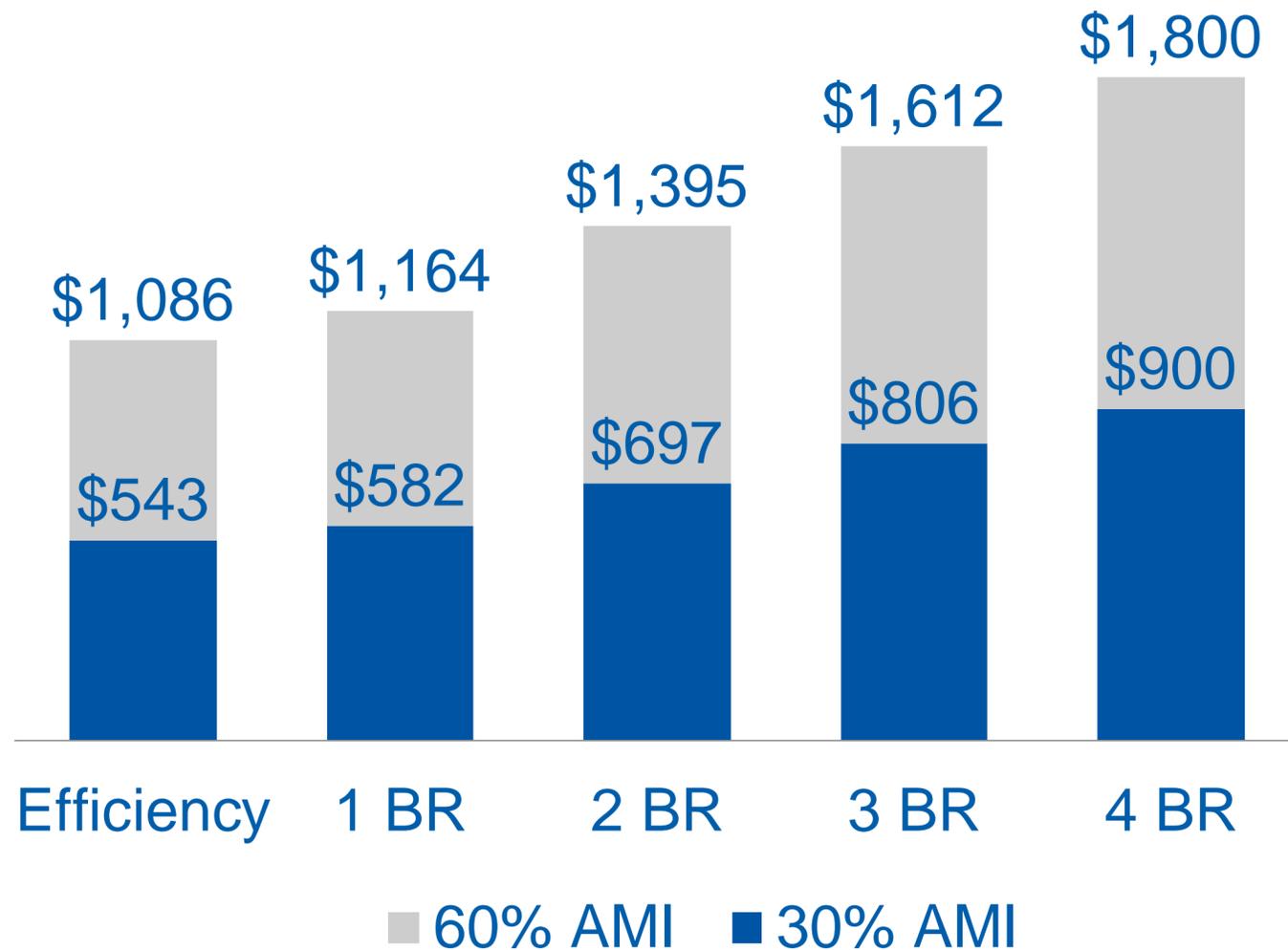


Low-income households are those with incomes up to 60% AMI.

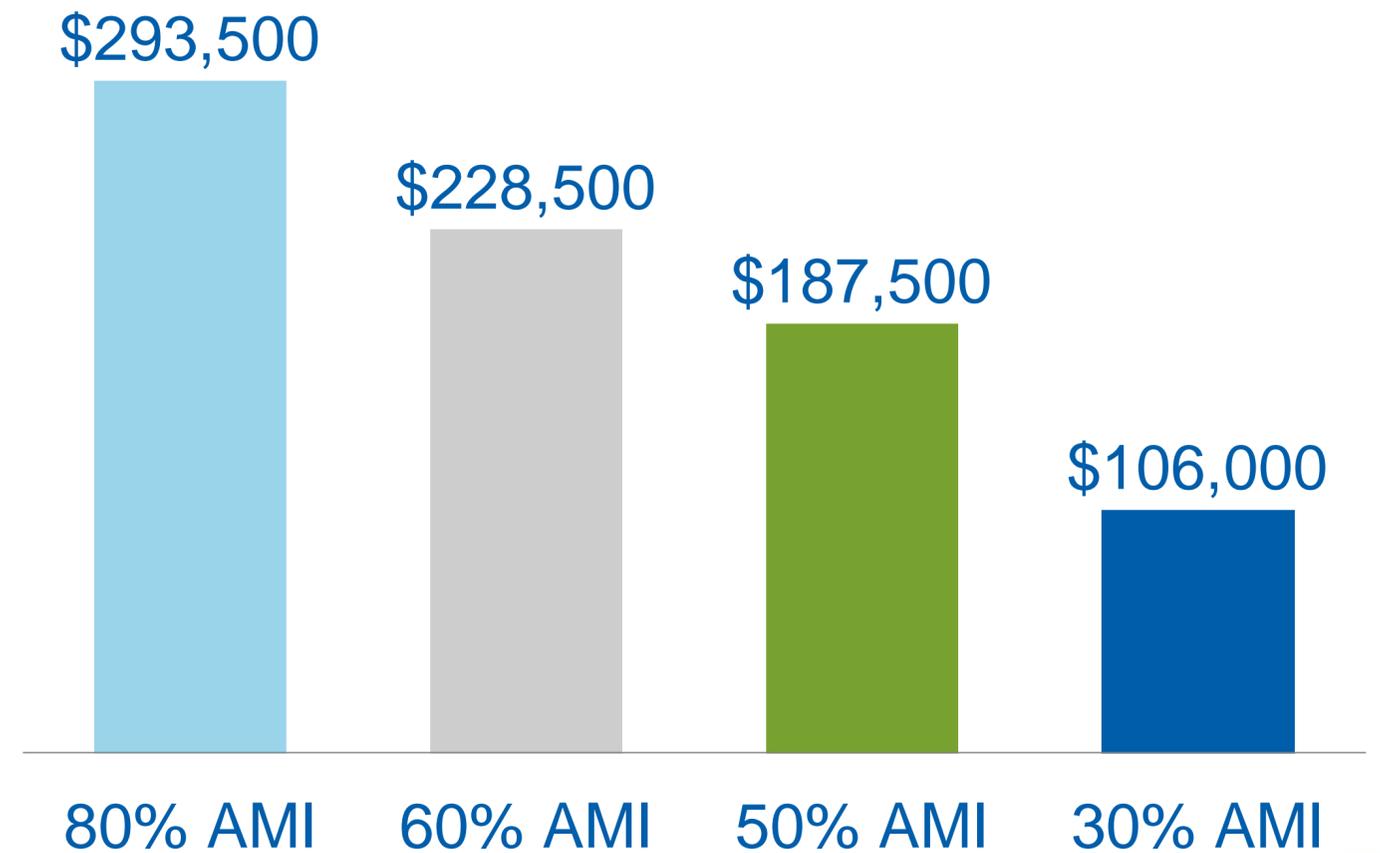
Source: U.S. Department of Housing and Urban Development.

# What can low-income households “afford”?

## Monthly Rents



## Home Prices



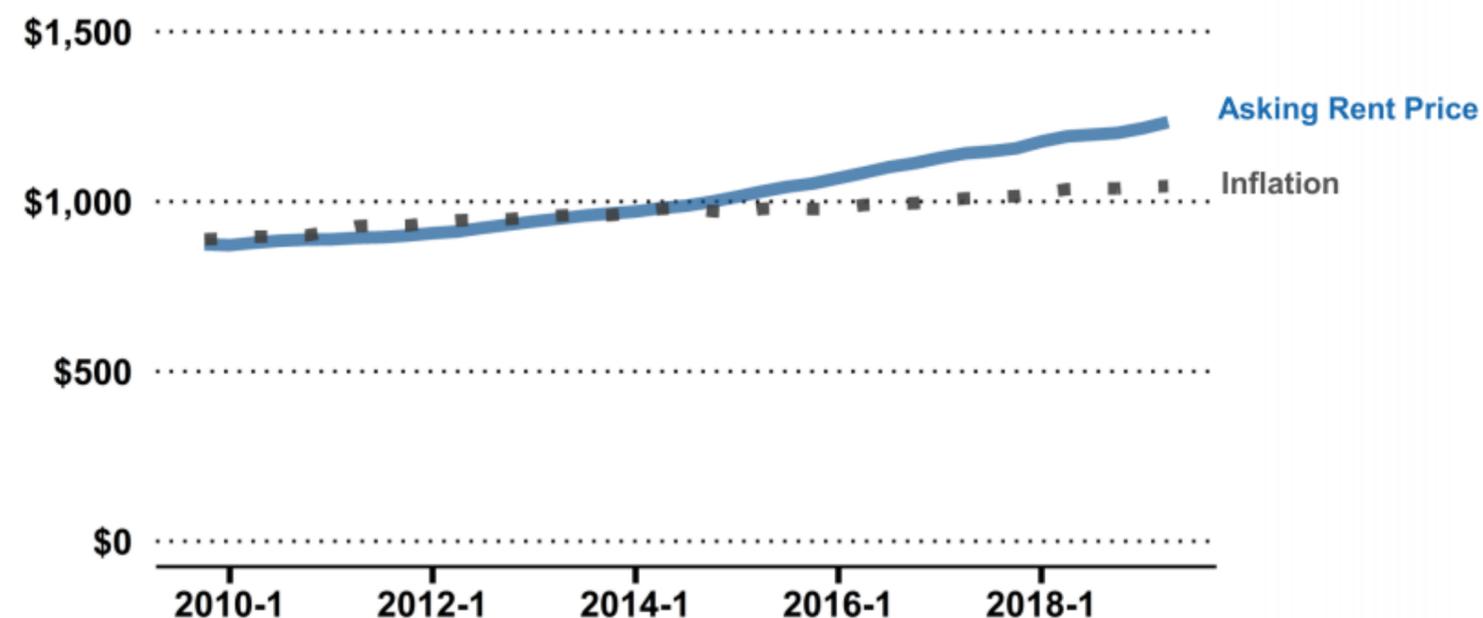
Sources: U.S. Department of Housing and Urban Development and Metropolitan Council

# Today's Challenges

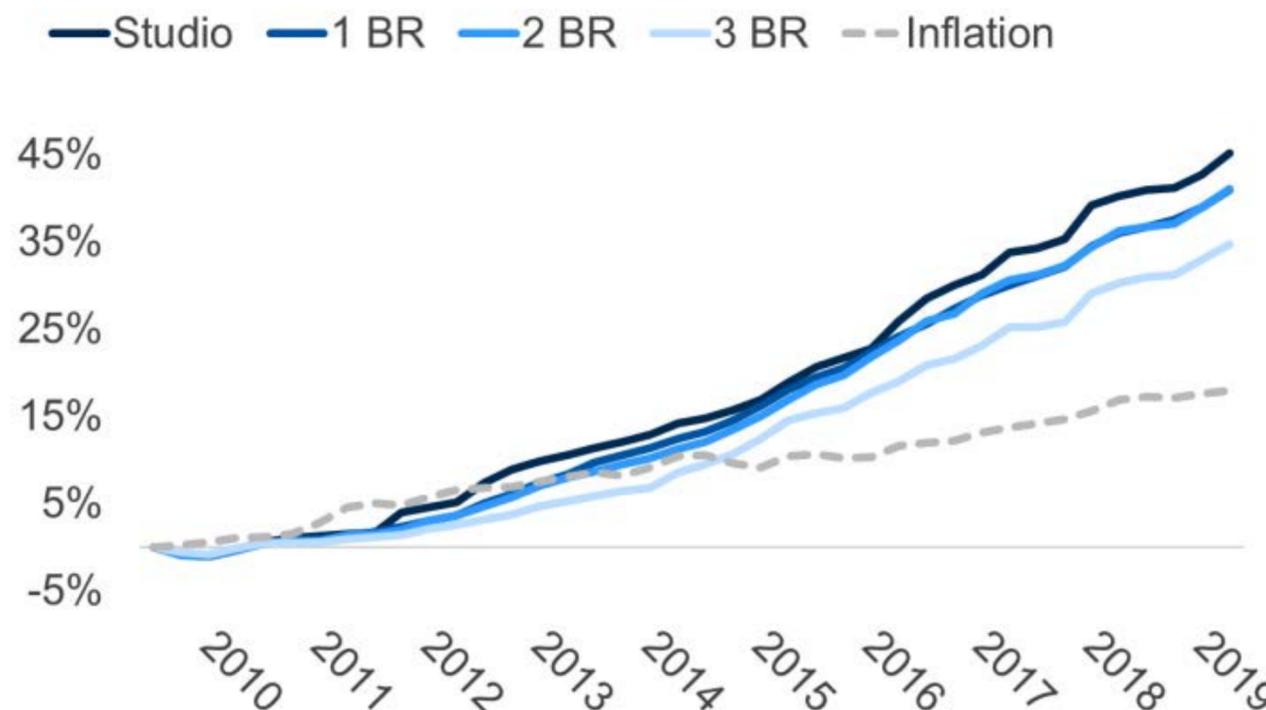
- Rising Housing Costs
  - Both in rental and home ownership markets
  - Federal Funding for HRA programs not keeping pace with rising rents
- Tight Rental Market
  - Fewer units available
  - Landlords opt out of voucher program participation
  - Low vacancy contributes to rising rents
- Covid-19 impacts on both of the above

## Rent prices growing much faster than inflation

Average Twin Cities multifamily rent price



Source: CoStar data on multifamily rentals in the Twin Cities region



Source: CoStar data on multifamily rentals in the seven-county Twin Cities region

# The Housing Continuum



## Publicly-Subsidized

- Financed with public funding and accepts Housing Choice Vouchers
- Households must earn no more than income limits for a set period of time
- May be owned / operated by public, for-profit or non-profit developers



## Naturally Occurring Affordable Housing (NOAH)

- No public subsidy or little subsidy
- Often older “Class B or C” housing without newer amenities
- *May* accept Housing Choice Vouchers and other housing assistance



## Market-Rate Housing

- Generally affordable to households earning 80% AMI or more
- Owners will usually charge the highest rents the market will allow
- *Sometimes* accept Housing Choice Vouchers and other housing assistance

# Public roles in the Housing Ecosystem

## Policy

## Funding

Fair Housing Act	Federal Government	Community Development Block Grant Low Income Housing Tax Credit Housing Choice Vouchers
Grants powers and limits authorities (e.g., Land Planning Act, prohibition on rent control, etc.)	State Government	Minnesota Housing: Challenge Program Housing Trust Fund
Comprehensive Plan Review (Metropolitan Land Planning Act)	Metropolitan Council	Livable Communities Act funds
Consolidated Plan	Counties	Community Development Agencies HRA Levies
Land Use and Zoning HRA / EDA Powers Other local ordinances	Cities	Tax Increment Financing HRA / EDA Levies Local Housing Bonds





# The Council's roles in housing

- Providing rental assistance to low-income households
- Defining local government shares of the regional need for low- and moderate-income housing
- Reviewing local comprehensive plans to ensure that communities are planning an adequate supply of land
- Funding housing development through the Livable Communities Act programs
- Providing incentives for housing performance
- Providing technical assistance, data, and support to local governments

*The Moline, a market-rate housing, benefited from a Livable Communities Demonstration Account to the City of Hopkins to develop The Artery.*

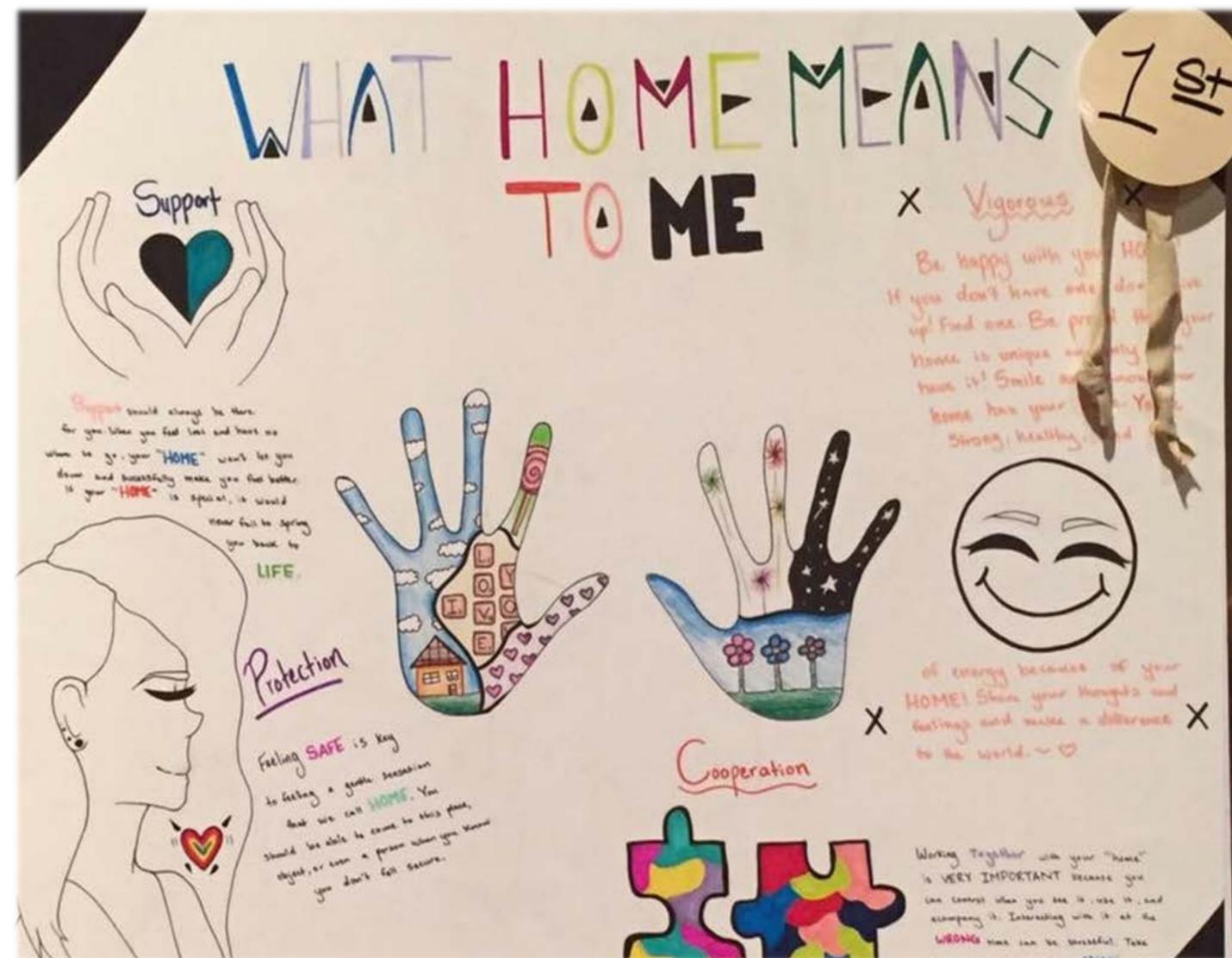


# Metropolitan Council Housing and Redevelopment Authority (Metro HRA)



# Metro HRA Summary

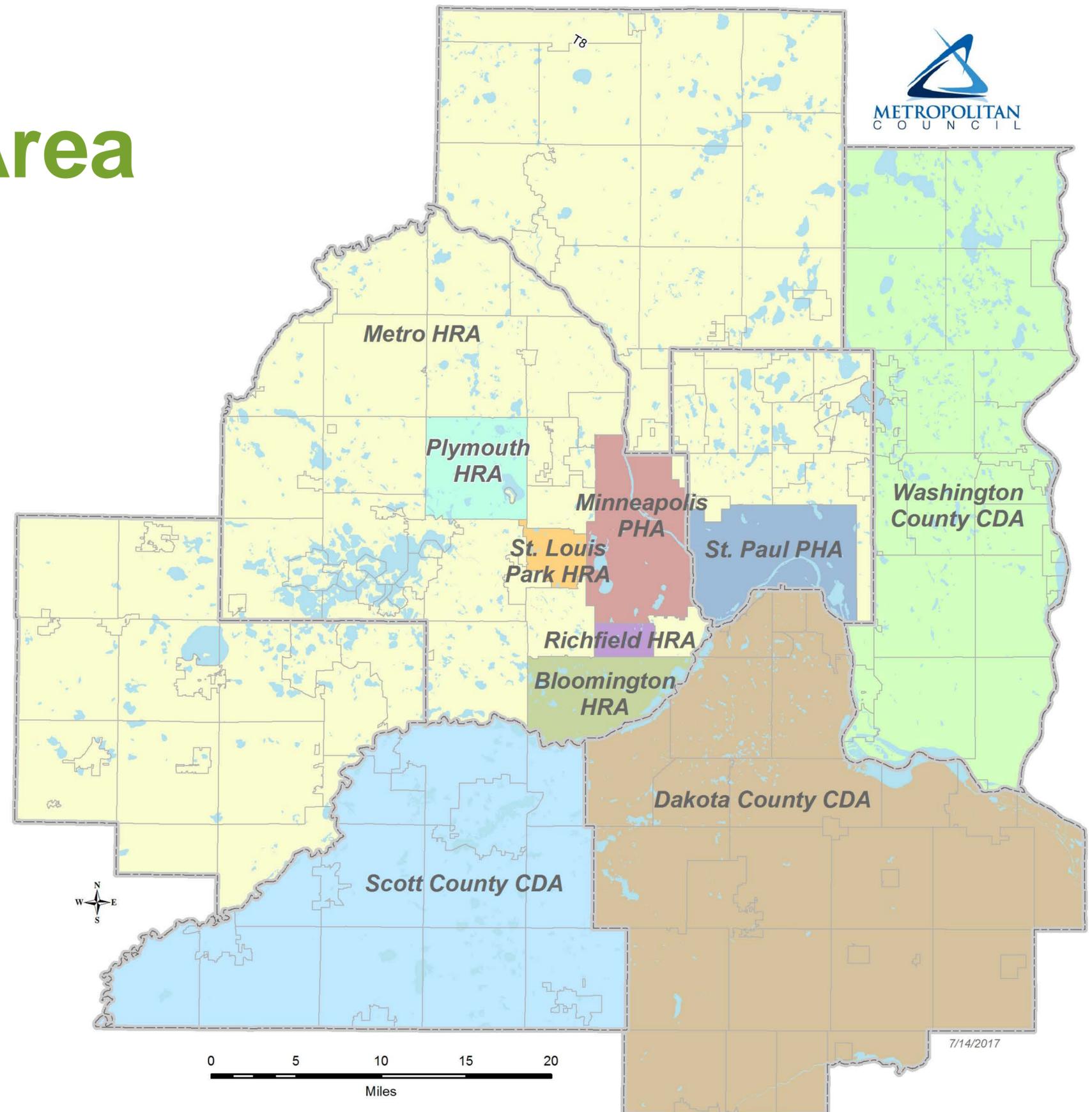
- Created by Minnesota Legislature in 1974
  - Specifically to administer rent subsidy programs for low income families.
- Section 8 of the U.S. Housing Act
  - Allows public rent payments to private landlords
- 10 programs serving low-income families with rent subsidy
  - 7,200 program households
  - Roughly \$65 million annually in rent payments
  - 2,000 active landlords



# Metro HRA Service Area

- Anoka County
- Carver County
- Suburban Hennepin County
- Suburban Ramsey County
- 96 communities

\*Some small specialized programs serve entire region



# Metro HRA Programs

## Housing Choice Voucher Program - 6,697 units

- Tenant Based – tied to the tenant - 5,907 units
- Project Based – tied to the unit - 790 units
  - 150 Council-owned units known as Family Affordable Housing Program

## Other Federal and State Programs – 592 units

- Bridges (State)
- Shelter + Care (Federal)
- Temporary Housing Assistance Program (Federal and State)
- Rental Assistance for Anoka County (Anoka County)
- Veteran's Affairs Supportive Housing (Federal)

## New initiative – Homelessness on Transit

- Awarded new federal housing vouchers
- Partner with Metro Transit Homeless Action Team
- Provide housing subsidy and services for homeless using transit system as temporary shelter

# Who do we serve?

- 19,000 people housed each month
  - Including 9,500 children
- Average family size: 2.9 persons
- Average income: \$18,000
- 46% of households have wage income
- 47% of households are elderly or disabled
- Average tenant rent share: \$420
- Average HRA rent share: \$807/month



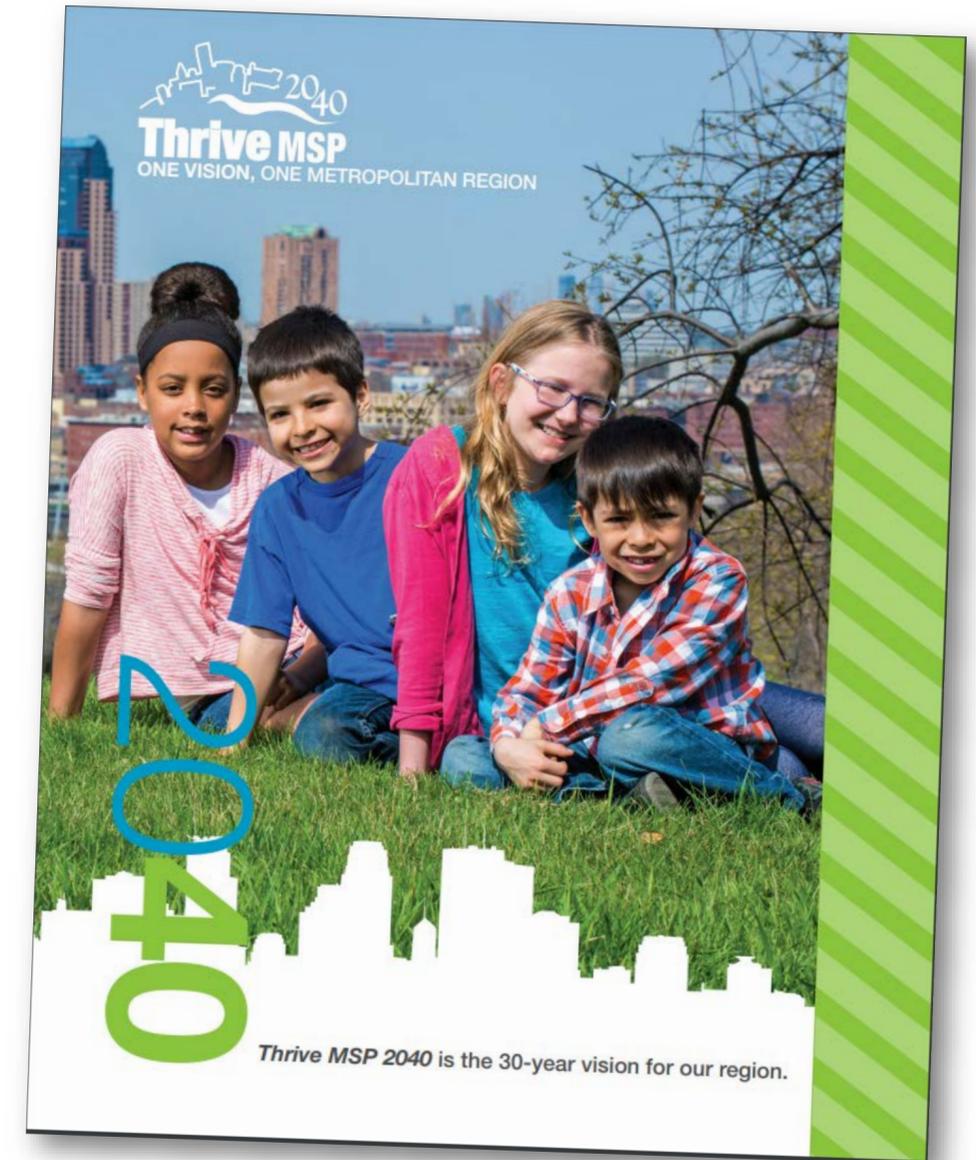
# Regional Planning and Local Comprehensive Plan Review



# What is *Thrive MSP 2040*?

“The Metropolitan Council shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a **comprehensive development guide** for the metropolitan area...”

(Minn. Stat. 473.145)





# HOUSING POLICY PLAN

Adopted December 2014



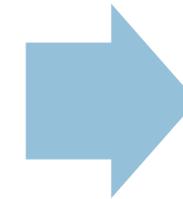
*Create housing options that give people in all life stages and of all economic means viable choices for safe, stable and affordable homes.*

# What do the housing elements of comprehensive plans include?

Provide "adequate housing opportunities to meet **existing and projected** local and regional housing needs."



Utilize "land use planning to promote the availability of land for the development of low- and moderate-income housing"



Identify tools "to **implement land use plan housing elements** that will ...meet the local unit's share of the metropolitan area need for low- and moderate-income housing."

# How the Council reviews housing elements

## Existing housing need

- Narrative analysis of existing housing assessment within local context
- Clearly *identify* existing housing needs
- Clearly *prioritize* existing housing needs

## Projected housing need

- Allocation of Affordable Housing Need at each of the three following levels of affordability: 30% or less of Area Median Income (AMI), 31-50% AMI, and 51-80% AMI

## Implementation program

- Plans consistent with Council policy will clearly and directly acknowledge all **widely accepted tools** that address stated housing needs and address the sequence or circumstances in which each tool would be considered

# Livable Communities Act Programs



# Metropolitan Livable Communities Act programs

- Voluntary, incentive-based approach for communities
- Created by state statute in 1995 to fund cities in creating compact, connected development patterns
- \$24.5 million to be awarded in 2020



*Heart of the City, Burnsville*

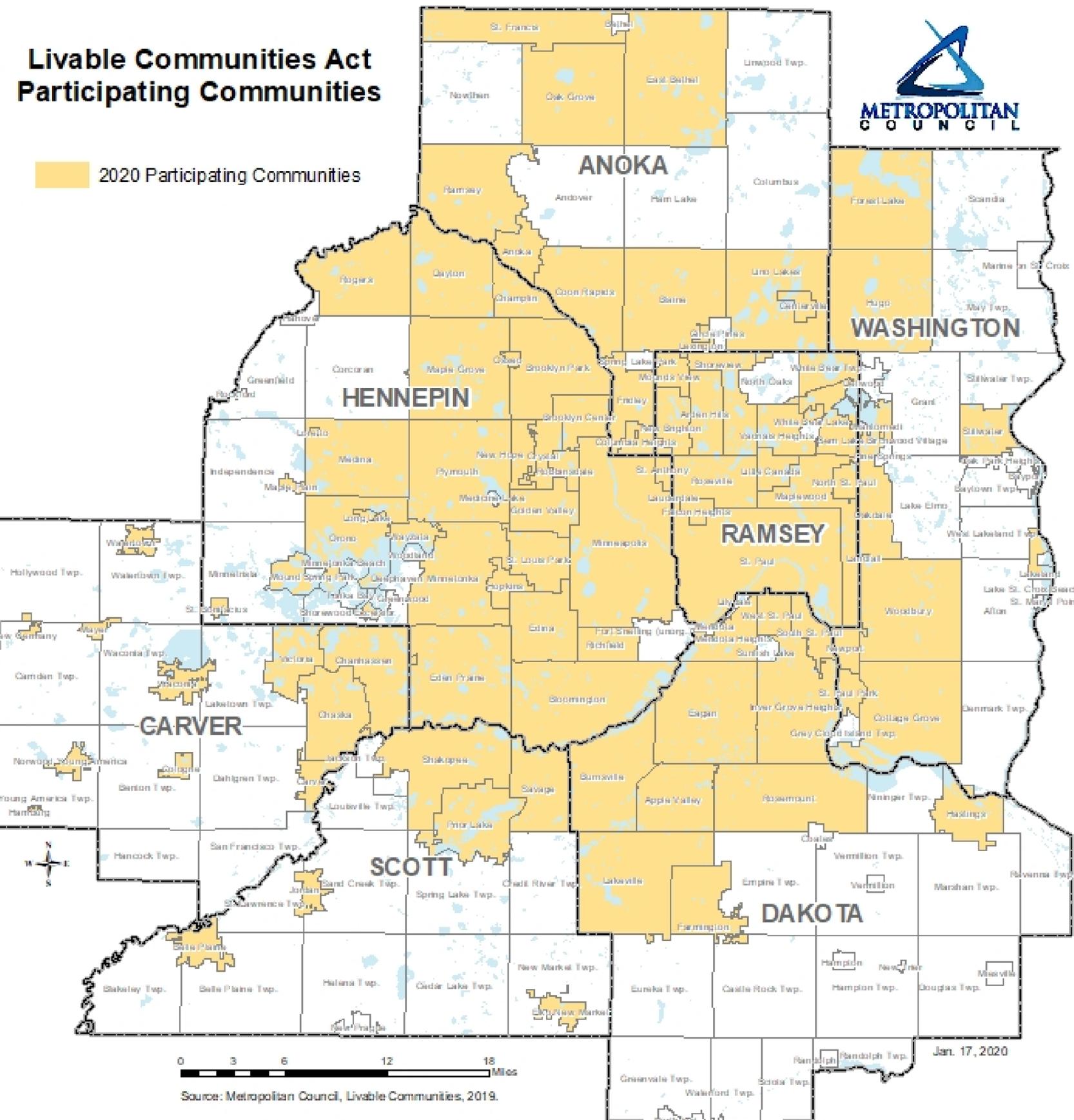
# Metropolitan Livable Communities Act

<b>Tax Base Revitalization Account</b>	Clean up polluted land for jobs and local tax base
<b>Local Housing Incentives Account</b>	Expand affordable housing choices
<b>Livable Communities Demonstration Account</b>	Achieve interrelated development patterns that link housing, jobs and services; mix incomes of residents in housing; and encourage infrastructure investments that connect neighborhoods, attract private investment, and provide expanded employment opportunities
<b>Transit-Oriented Development</b>	Promote moderate to high density development projects located within walking distance of a major transit stop that typically include a mix of uses such as housing, jobs, restaurants, shops, and entertainment

# 96 Cities participate in the Livable Communities Program

To participate, local communities must:

- adopt affordable and life-cycle housing goals
- establish a Housing Action Plan
- spend an “affordable and life-cycle housing opportunity amount” (ALHOA)



# Statutory Guidelines required for all Livable Communities accounts (Minn. Stat. § 473.25)

- Be consistent with Metro Development Guide (*Thrive MSP 2040*)
- Create & preserve living wage jobs
- **Create incentives for a full range of housing opportunities**
- **Create opportunities for affordable housing**
- Create incentives for compact & efficient development

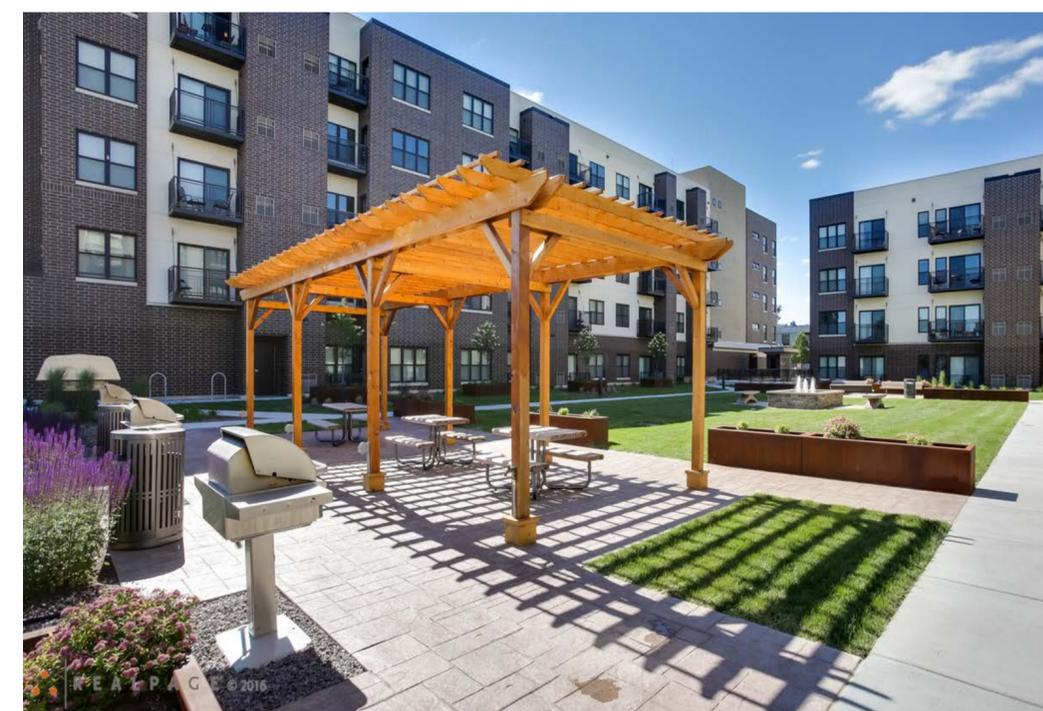


4<sup>th</sup> Street Infrastructure (Prospect Park Station)

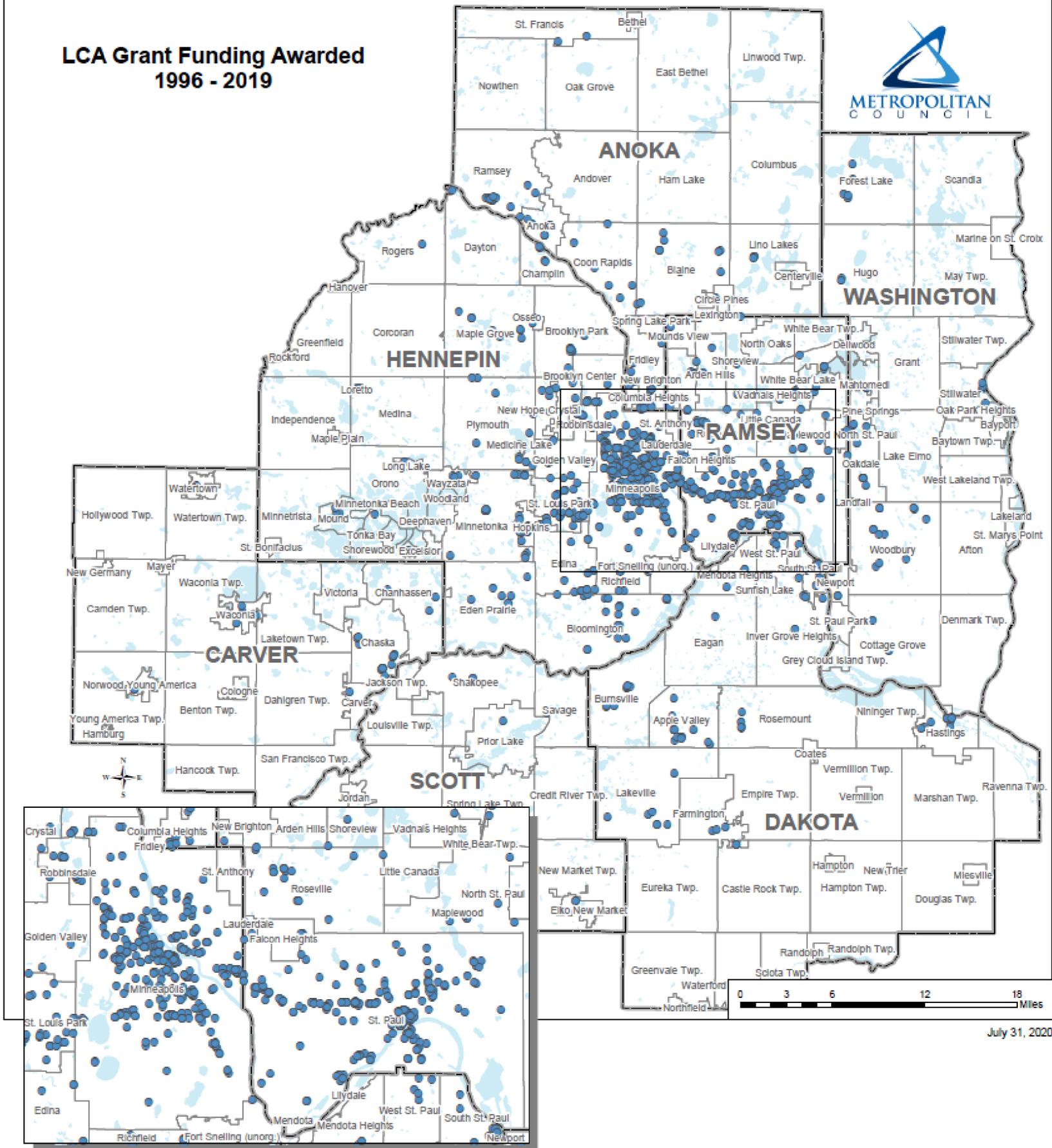
# Program Results, 1996-2019

Since 1996, the Council has:

- Awarded over \$400 million through nearly 2000 grants to 83v communities
- Helped produce nearly 47,000 housing units
  - Over 24,000 are affordable
  - Over \$124 million increase in annual property tax revenues
  - Over 2,400 acres of contamination land cleaned
  - Over 55,000 jobs



**LCA Grant Funding Awarded  
1996 - 2019**



# Livable Communities Awards 1996-2019

July 31, 2020

Source: Metropolitan Council, Livable Communities, 2019.



# Serving Those Experiencing Homelessness



# People Increasingly Experiencing Homelessness

## 2019 Point in Time Homeless Count

- 7977 people experiencing homelessness
  - 1653 unsheltered
- People sleeping outside (unsheltered) is the fastest growing population of people experiencing homelessness
- People of color are much more likely to experience homelessness
- Light Rail system being used for shelter
  - 392 people - Winter 2018
- Increased calls for assistance to Metro Transit



# Our Approach



## 2019 HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

Metropolitan Council Housing and Redevelopment Authority

Approved by Metropolitan Council:

September 25, 2019  
November 28, 2018  
September 26, 2018  
February 14, 2018  
September 27, 2017  
January 27, 2017  
September 28, 2016  
October 14, 2015

## Person Centered Service Delivery

- MTPD provides connection from transit to dedicated shelter beds
- Soft hand off from MTPD to Metro HRA
- Intake conducted alongside MTPD officers on trains and in shelters

## Drop-in hours at Metro HRA Office

- Low barrier access point; no appointment, open hours, dedicated staff

## Results in the First Year

- MTPD completed 5000 unduplicated shelter referrals
- Metro HRA Outreach conducted with 216 individuals
  - 157 completed program intake



METROPOLITAN  
COUNCIL

# Homeless Action Team

## Training

- Crisis Intervention and De-escalation
- Outreach Worker Certification
- Homeless Management Information System (HMIS) Assessor Training
- Trauma-Informed Interviewing
- Understanding Addiction

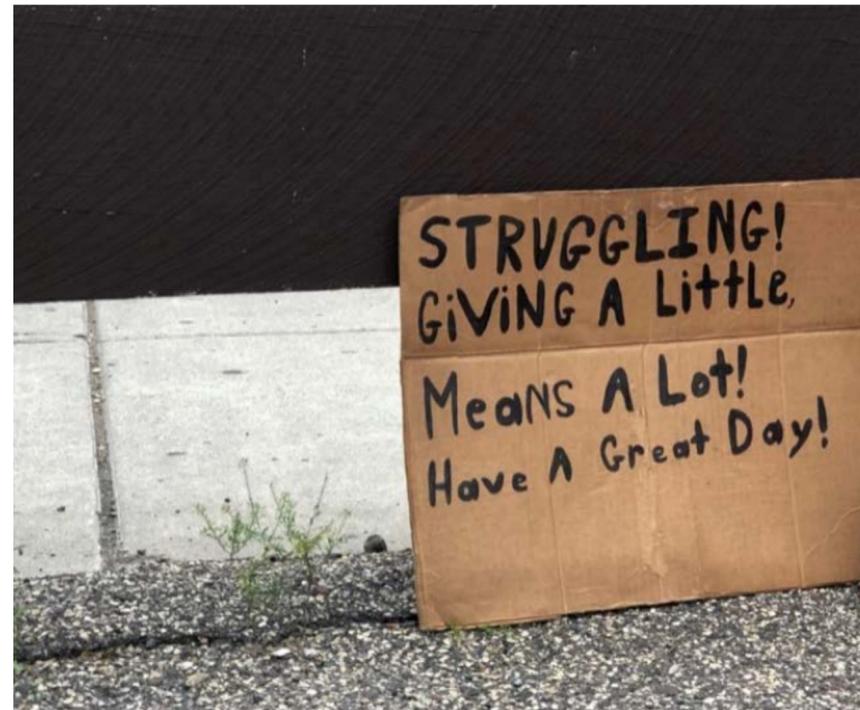
## Community Oriented Policing

- Engage with homeless population in a different way
- Specialized Shifts
- Partnerships



# Metro HRA Team

- Soft hand-off from HAT members to HRA staff
- HRA Team provides:
  - Pre-Move Counseling
  - Housing Search
  - Housing Placement
  - Post-Move Services



# Impact in Community

## With Mainstream Vouchers in 2019 and 2020 so far:

- Housed **263 people** (151 adults and 112 children)
- Have used 134 of the 204 vouchers so far

## Through our Bridges Program:

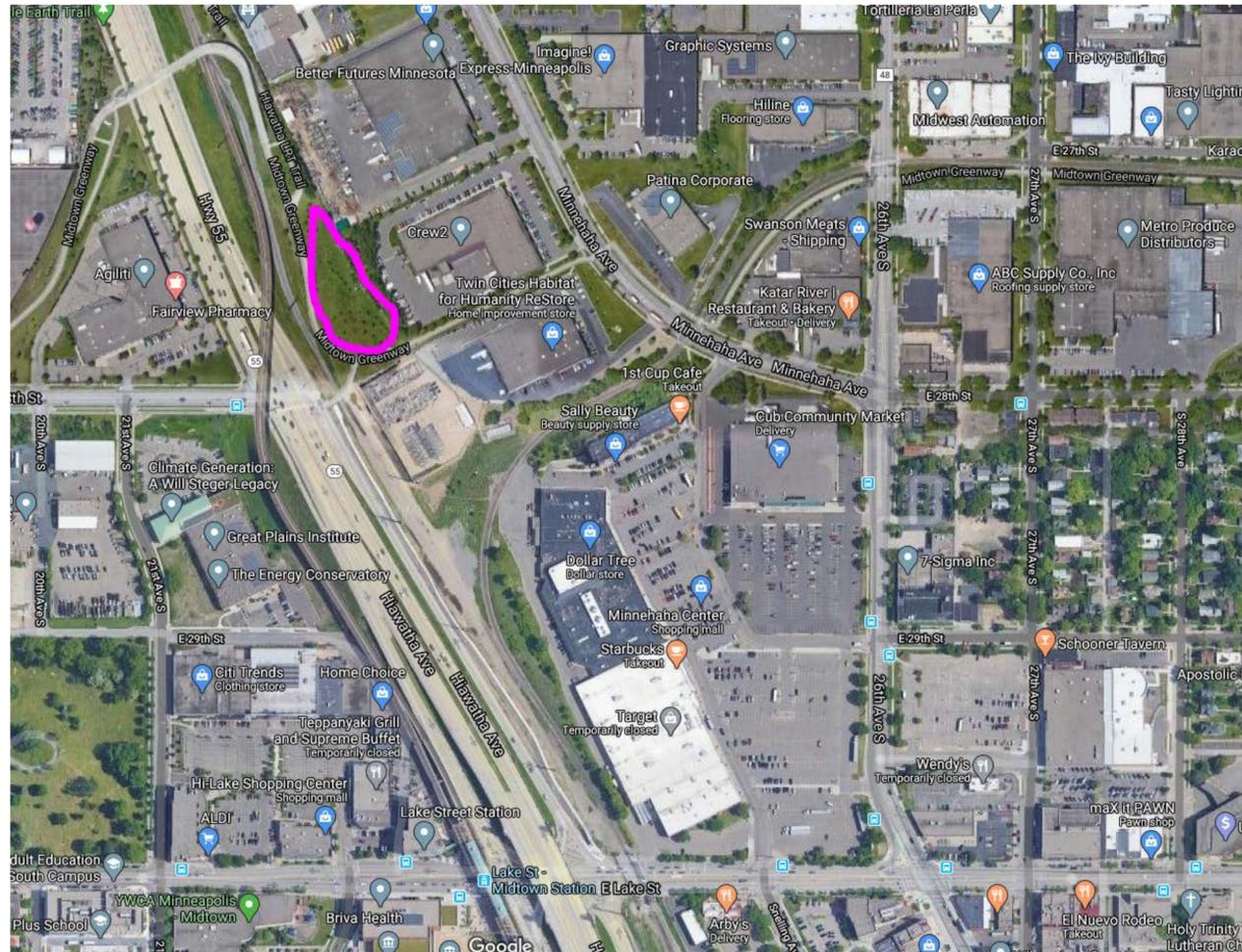
- Housed **320 people** (216 adults and 104 children)
- Have used all 186 of our vouchers

## Drake Fire

- Worked in partnership with Metro Transit and Minneapolis Public Housing for regional approach to service delivery



# Encampment During Covid-19



- About 75 tents at max
- Spaced to follow CDC guidelines for encampments during covid-19 pandemic
- Provided hygiene facilities and regular garbage removal
- Employed our HAT-HRA person-centered service model



# Evacuation During Civil Unrest

*The encampment's proximity to the MPD's Third Precinct made it an unsafe place in the days following George Floyd's death.*

- Evacuated over 100 residents from the site on Thursday and Friday
- Working with partners, we secured shelter in 3 different hotels outside of Minneapolis
- Ensured that resident belongings were secure
- Continue to work with residents and service providers to secure permanent housing options



# Questions?

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