

C **Community Development Committee**
For the Metropolitan Council meeting of December 8,
2010Item: SW 2010-
419

Date December 7, 2010
Prepared:
Subject: Adoption of LCA Affordable and Lifecycle Housing Goals 2011-2020

Proposed Action:

That the Metropolitan Council approve the attached resolution adopting the Livable Communities Act Local Housing Incentives Account (LCA LHIA) Affordable and Lifecycle Housing goals adopted by Livable Communities Act participating communities for 2011-2020.

Summary of Committee Discussion / Questions:

The Community Development Committee considered this action at their December 6, 2010 meeting, earlier this week. Council member Bowles indicated she did not agree with the approach of setting goals ranges for affordable housing goals, as she believes the low end of the range creates ranges that are too large and lowers the expectations for the number of new affordable units in communities. The Proposed Action passed, with one vote in opposition.

Meeting date: December 6, 2010

ADVISORY INFORMATION

Date:	December 1, 2010
Subject:	Adoption of LCA Affordable and Lifecycle Housing Goals 2011-2020
District(s), Member(s):	All
Policy/Legal Reference:	Minnesota Statutes §473.254
Staff Prepared/Presented:	Beth Reetz, Director, Housing & Livable Communities, 651-602-1060
Division/Department:	Community Development

Proposed Action

That the Metropolitan Council approve the attached resolution adopting the Livable Communities Act Local Housing Incentives Account (LCA LHIA) Affordable and Lifecycle Housing goals that have been adopted by communities participating in the Livable Communities Act for 2011-2020.

Background

Affordable and lifecycle housing goals were previously negotiated with communities electing to participate in the LCA LHIA and were adopted by the Council for the period 1996 – 2010. These goals will expire at the end of this year. The LCA, Minnesota State Statute 473.254, requires that communities have goals in place to participate in the LCA.

On May 26, 2010 the Council directed staff to begin discussions with communities. Council staff communicated with participating communities several times throughout the summer and fall, informing them that if they elect to continue their participation in the LCA they must establish affordable and lifecycle housing goals, by City Council resolution, and communicate their desire to participate to the Council by November 15, 2010. The Community Development Committee held a public hearing on the new goals on November 15, 2010. The public record was held open until 4:00 P.M. November 29, 2010. No comments were received. A list of all communities electing to continue participation in the LCA LHIA, and their adopted housing goals, is attached.

Rationale

MN Statutes 473.254 requires the Council to negotiate affordable and life-cycle housing goals with each municipality that elects to participate in the LCA LHIA and that the Council must adopt by resolution, after a public hearing, the negotiated goals.

Funding

None

Known Support / Opposition

The Housing Preservation Project, ISIAAH, and MICAH expressed earlier reservations about the affordable housing goal ranges proposed by the Council suggesting that the "range" approach was establishing goals that are too low, but there is no known specific opposition at this time to the goals adopted by communities.

METROPOLITAN COUNCIL
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RESOLUTION NO. 2010-52

**RESOLUTION ADOPTING AFFORDABLE AND LIFE-CYCLE HOUSING GOALS FOR EACH
COMMUNITY ELECTING TO PARTICIPATE IN THE LOCAL HOUSING INCENTIVES ACCOUNT
PROGRAM UNDER THE METROPOLITAN LIVABLE COMMUNITIES ACT**

CALENDAR YEARS 2011-2020

WHEREAS, the Metropolitan Livable Communities Act (Minnesota Statutes sections 473.25 to 473.254) establishes a Metropolitan Livable Communities Fund which is intended to address housing and other development issues facing the metropolitan area defined by Minnesota Statutes section 473.121; and

WHEREAS, the Metropolitan Livable Communities Fund, comprising the Tax Base Revitalization Account, the Livable Communities Demonstration Account, the Local Housing Incentive Account and the Inclusionary Housing account, is intended to provide certain funding and other assistance to metropolitan area municipalities; and

WHEREAS, a metropolitan area municipality is not eligible to receive grants or loans under the Metropolitan Livable Communities Fund or eligible to receive certain polluted sites cleanup funding from the Minnesota Department of Employment and Economic Development unless the municipality is participating in the Local Housing Incentives Account Program under Minnesota Statutes section 473.254; and

WHEREAS, the Metropolitan Livable Communities Act requires the Metropolitan Council to negotiate with each municipality to establish affordable and life-cycle housing goals for that municipality that are consistent with and promote the policies of the Metropolitan Council as provided in the adopted Metropolitan Development Guide; and

WHEREAS, previously negotiated affordable and life-cycle housing goals for municipalities participating in the Local Housing Incentives Account Program expire in 2010; and

WHEREAS, the Metropolitan Council must adopt, by resolution after a public hearing, the negotiated affordable and life-cycle housing goals for each municipality; and

WHEREAS, a metropolitan area municipality which elects to participate in the Local Housing Incentives Account Program must do so by November 15 of each year; and

WHEREAS, the Metropolitan Council has negotiated affordable and life-cycle housing goals that are consistent with and promote the policies of the Metropolitan Council as provided in the adopted Metropolitan Development Guide, with each community electing to participate in the Local Housing Incentive Account Program for calendar years 2011 through 2020; and

WHEREAS, on November 15, 2010, the Metropolitan Council held a public hearing on the negotiated affordable and life-cycle housing goals for all municipalities electing to participate in the Local Housing Incentives Account.

NOW, THEREFORE, BE IT RESOLVED THAT the Metropolitan Council adopt the attached affordable and life-cycle housing goals adopted by communities that have elected to participate in the Local Housing Incentives Program under the Metropolitan Livable Communities Act.

Adopted this 8th day of December, 2010.

Peter Bell, Chair

Pat Curtiss, Recording Secretary