

General Summary of Survey Data

**Note:* 39 cities were interviewed for this study. Because of missing answers, however, the number of responses varies by question. Percentages reflect the outcomes for those cities that responded to a given question, not the total number of cities in the study.

Overview

Overall, **29** cities (78%) were aware of their affordable housing need numbers in the Met Council's recent report on "Determining Affordable Housing Need in the Twin Cities." **6** cities (35%) were satisfied with these numbers. **23** (72%) felt they were high, **8** (25%) felt they were about right, and **1** (3%) felt they were low. **7** (28%) felt that the goals were feasible, and **18** (72%) felt they were not feasible.

The most commonly-cited obstacles to meeting these goals are: *land cost* (24 cities/65%), *lack of land* (14 cities/39%), *lack of funding* (12 cities/32%), *other obstacles* (12 cities/32%), and *politics* (9 cities/24%). The new goals do not make a distinction between affordable rental and affordable for-sale housing. **9** cities (25%) felt that more rental housing would result, **6** (17%) felt the more owned housing would result, **16** (44%) felt that the new goals would make no difference, and **4** (11%) were not sure.

8 cities (24%) felt that the new goals were higher than their LCA goals. **5** (15%) felt that they were lower, **4** (12%) felt that they were similar, and **15** (44%) were not sure. **13** cities (36%) plan to use the need number established in the Met Council's report as the affordable housing target in their comprehensive plan updates. **3** (8%) do not plan to use the number, and **20** (56%) are not sure.

Actions

8 cities (22%) keep a database tracking the supply of low- and moderate-income housing. Cities cited the following programs that facilitate the development of affordable housing: *county programs and grants* (12 cities/34%), *tax-increment financing* (11 cities/31%), *community development block grants* (10 cities/29%), *zoning for higher density* (9 cities/26%), *no programs* (6 cities/17%), *maintenance of existing affordable housing* (5 cities/14%), *Low-Income Housing Tax Credits* (5 cities/14%), *Livable Communities Act grants* (4 cities/11%), *fee waivers for developers* (4 cities/11%), *reliance on non-profits* (5 cities/9%), *community land trusts* (3 cities/9%), *Section 8 vouchers* (2 cities/6%), *planned-unit developments* (2 cities/6%), *homebuyer assistance programs* (1 city/3%), *public housing* (1 city/3%), and *eminent domain* (1 city/3%). We also asked city officials about their use of some specific policies and programs. The results are summarized below:

		Frequency of use			Effectiveness of use			
	Have used	Once or twice	A few times	Often	Not effective	Effective	Very effective	Will use in future
PUD with smaller lots or density bonus	28 (78%)	6 (24%)	9 (36%)	10 (40%)	5 (21%)	11 (46%)	8 (33%)	21 (88%)
Zoning variances for low-mod housing	15 (42%)	4 (29%)	6 (43%)	4 (29%)	0 (0%)	8 (67%)	4 (33%)	11 (58%)
Density bonuses	14 (39%)	3 (25%)	4 (33%)	5 (42%)	0 (0%)	6 (67%)	3 (33%)	14 (70%)
Expedited zoning & approval for low-mod	7 (19%)	1 (20%)	1 (20%)	3 (60%)	1 (33%)	1 (33%)	1 (33%)	5 (33%)
Adjusted fees for low-mod housing	12 (34%)	5 (50%)	4 (40%)	1 (10%)	1 (10%)	6 (60%)	3 (30%)	8 (47%)
Adjusted lot sizes for low-mod housing	18 (49%)	0 (0%)	7 (47%)	8 (53%)	1 (7%)	7 (50%)	6 (43%)	13 (68%)
Allow accessory apartments	11 (31%)	2 (20%)	5 (50%)	3 (30%)	1 (11%)	6 (67%)	2 (22%)	11 (69%)
Set asides for low-moderate housing (I.e., inclusionary zoning)	4 (12%)	2 (50%)	0 (0%)	2 (50%)	0(0%)	2 (50%)	2 (50%)	5 (39%)
Low Income Housing Tax Credits	14 (40%)	2 (17%)	8 (67%)	2 (17%)	0 (0%)	5 (46%)	6 (55%)	14 (78%)
Local tax abatement for low-mod housing	2 (6%)	0 (0%)	2 (100%)	2 (0%)	0 (0%)	2 (100%)	0 (0%)	3 (30%)
Incentives for new construction technologies	3 (8%)	0 (0%)	2 (100%)	0 (0%)	1 (50%)	1 (50%)	0 (0%)	6 (50%)
Manufactured homes	15 (42%)	3 (27%)	5 (46%)	3 (27%)	2 (22%)	4 (44%)	3 (33%)	7 (54%)
Tax Increment Financing (TIF)	25 (69%)	10 (44%)	9 (39%)	4 (17%)	2 (11%)	9 (50%)	7 (39%)	16 (89%)

Mortgage Revenue bonds	11 (33%)	4 (44%)	4 (44%)	1 (11%)	1 (13%)	6 (75%)	1 (13%)	5 (50%)
Others	5 (36%)	1 (25%)	0 (0%)	3 (75%)	0 (0%)	0 (0%)	3 (100%)	4 (80%)

8 cities (22%) solicited proposals from the local HRA or other developers for building low- and moderate-income housing. **10** (28%) acted as proposers or developers of low- and moderate-income housing. **17** cities (50%) felt that with additional funding, they could accomplish their affordable housing goals. **5** (15%) felt that additional funding would not be successful, while **11** (32%) were not sure.

Obstacles and Challenges

19 cities (58%) felt that certain aspects of zoning ordinances, permitting processes, or other requirements discourage or prevent adding to the supply of low- and moderate income housing. The most common aspects include: *lot size requirements* (10 cities/56%), *design guidelines* (6 cities/33%), *square-foot minimums* (5 cities/28%), *lack of funding* (2 cities/11%), *prohibition of accessory apartments* (2 cities/11%), *taxes* (1 city/6%), and *red tape* (1 city/6%). We also asked city officials whether some specific local practices could limit the development of low- and moderate-income housing. The results are summarized below:

	limits low-mod housing very much	limits low-mod housing somewhat	does not limit low-mod housing
Lot size requirements	9 (28%)	11 (34%)	12 (38%)
Restricted amount of land zoned for multi-family housing	3 (23%)	12 (32%)	17 (45%)
Local requirements for building materials	3 (9%)	12 (38%)	17 (53%)
Subdivision regulations requiring high quality materials or wide street paving	2 (7%)	12 (39%)	17 (55%)
Permitting processes and fees	2 (9%)	12 (38%)	17 (53%)

Local limits on the use of manufactured housing (e.g., mobile homes)	4 (14%)	4 (14%)	21 (72%)
Building codes hat require updated code enforcement with any rehabilitation	3 (11%)	2 (7%)	23 (82%)
Prohibition on accessory apartment units	2 (7%)	9 (29%)	20 (65%)
Others (minimum home size, staging land for MUSA)	2 (40%)	3 (60%)	0 (0%)

The amount of undeveloped land that is zoned residential and allows 10 or more units per acre ranges from 0 to 1,000 acres, with an average of 110 acres per city.

19 cities (51%) reported that they have opportunities for transit-oriented development (TOD). **7** (19%) do not have opportunities, while **11** (30%) have potential. **22** cities (88%) felt that TOD would make a positive difference in their ability to develop low- to moderate-income housing, while **3** (12%) felt that TOD would make no difference.

In order to meet their affordable housing goals, city officials cited the following needs: “other,” including the passage of city-specific development proposals, transit access, and creativity (17 cities/47%), funding (14 cities/39%), education or political will (8 cities/22%), available land (2 cities/6%), rezoning (2 cities/6%), and community development corporations (2 cities/3%)

Edward G. Goetz and Audrey Vesota
Center for Urban and Regional Affairs at the Humphrey Institute (CURA)
April, 2007