

Affordable Housing Facts

Housing: The bedrock for stable families and a healthy region

Affordable housing is essential for stable families, vibrant neighborhoods, a strong economy and a healthy region. Housing is affordable when a family with a moderate or low income pays no more than 30-40% of its monthly income for housing.

Increasingly, housing is not affordable for many Twin Cities area working families. This lack of affordable housing for people of all ages and incomes causes families stress, dampens productivity and stifles job growth.

The Metropolitan Council recognizes that durable and well-maintained housing is important to a community's tax base, livability and business climate, as well as to the health of the region as a whole. The Council creates affordable housing opportunities in the region through several programs and initiatives.

Creating choices with housing vouchers

The Council's Housing and Redevelopment Authority (Metro HRA) administers the federal Section 8 Housing Choice voucher program, and several related programs, in communities throughout Anoka, Carver, and most of suburban Hennepin and Ramsey Counties. The program uses the existing private rental market to provide decent, safe, sanitary and affordable housing for a monthly average of 6,600 low-income seniors, disabled individuals and families. Participating property owners are guaranteed a stable source of rental income.

Eligible households pay 30% to 40% of their incomes for rent, and Metro HRA pays the remainder, within established fair-market rent guidelines. Families may rent any type of housing in the Metro HRA service area, thus avoiding a concentration of assisted housing. All housing units in the program are inspected annually by HRA staff.

At the end of 2010, the program had a waiting list of nearly 3,000 eligible households.

In addition, the Council owns 150 units of scattered-site housing located in 11 cities in suburban Anoka, Hennepin and Ramsey Counties. The Family Affordable Housing Program (FAHP) gives families with low incomes additional opportunities to live in neighborhoods outside areas with high levels of poverty. The FAHP units, with their Section 8 project-based rental subsidy, are made available to families on the Metro HRA Section 8 waiting list.

The cities where the homes are located each identified the need for more affordable rental housing in their comprehensive plans, and signed an agreement with the Council to participate in the program. A professional firm is responsible for day-to-day property management services.

Council determines housing needs

Communities in the seven-county metropolitan area are required by state law to plan to meet their local share of the region's overall projected need for low- and moderate-income housing. State law also requires the Metropolitan Council to assist communities to accomplish this planning. As part of the decennial planning cycle, the Council made an estimate of the region's overall need for new affordable housing units between 2011 and 2020, and allocated that need among communities in the region that are connected to



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the regional wastewater collection and treatment system. Each community is responsible for identifying the amount of land needed to accommodate both its overall forecasted growth and its share of the region's affordable housing need.

Grants support community efforts

The Council, through the Local Incentives Account of the Livable Communities program, makes grants to communities to help create and preserve affordable rental and ownership housing.

From 1996 through 2010, the Council awarded \$21.3 million in grants (118 grants to 51 communities). The grants provided gap financing for projects that are expected to add 2,112 new affordable rental units and 717 rehabilitated rental units; and 462 affordable new and 352 rehabilitated ownership units.

Connecting affordable housing and transit

The Council is one of numerous public, private, nonprofit and philanthropic partners involved in the Corridors of Opportunity Initiative, which is under way through 2013. One project goal is to create detailed transit-oriented land-use plans and development strategies along five emerging transitways in the region in order to increase access to jobs, affordable housing and essential services for residents of all incomes and backgrounds.

In addition, the consortium will help guide investments in affordable housing provided by a \$16 million Living Cities grant along the Central and Hiawatha LRT corridors in St. Paul and Minneapolis.

For more information

- Learn more about the Council's housing programs at www.metrocouncil.org.
- To contact the Metro HRA, call 651-602-1428.



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