January 2009

This annual report summarizes local tools and incentives that promote new affordable housing in the Twin Cities area. This information was gathered through a survey that was sent to every municipality in the seven-county Twin Cities area.

In accordance with the 1995 Livable Communities Act (Minnesota Statutes, section 473.254, subdivision 10), the Metropolitan Council is responsible for producing an annual report that includes information on government, non-profit and marketplace efforts in producing affordable and life-cycle housing.

The goal of the Livable Communities Act (LCA) is to stimulate housing and economic development in the sevencounty metropolitan area. The LCA authorizes the Metropolitan Council to levy funds to create affordable housing, promote redevelopment through the clean-up of polluted sites, and develop neighborhoods that are pedestrian and transit-friendly. Metro-area municipalities participate in the Livable Communities Act program voluntarily. The requirements for eligibility to receive LCA funding are: (1) that communities choose to participate in the program, (2) that they negotiate affordable and life-cycle housing goals with the Metropolitan Council, and (3) that they agree to invest local funds in implementing their local housing goals.

For questions on this report, contact: Joel Nyhus joel.nyhus@metc.state.mn.us 651-602-1634

Publication No. 74-09-006

## **Highlights**

Twin Cities area municipalities use a variety of fiscal tools to assist or facilitate the development or preservation of affordable or life-cycle housing:

- 54 municipalities, or 45 percent of survey respondents, were using federal Community Development Block Grant (CDBG) funds for affordable or lifecycle housing.
- 53 municipalities, or 44 percent of survey respondents, used tax-increment financing (TIF) for affordable or life-cycle housing.
- 39 municipalities, or 32 percent of survey respondents, collaborated and participated with a community land trust or other non-profit organizations to preserve long-term housing affordability.

Many Twin Cities municipalities conduct housing preservation or housing maintenance programs to maintain or improve their existing housing stock:

- 47 percent of municipalities returning a survey had a rental housing maintenance code and enforcement program/initiative.
- 36 percent of municipalities returning a survey had an owner-occupied housing maintenance code and enforcement program/initiative.

65 municipalities reported reducing, adjusting, eliminating, waiving or flexibly implementing a local official control, development, or building requirement in order to reduce development costs for affordable or life-cycle housing. The most common adjustments to local controls reported in this year's survey were:

- Setback reductions, used by 40 municipalities, or 33 percent of survey respondents;
- Planned unit developments, used by 27 municipalities, or 22 percent of survey respondents;
- Rezoning, used by 27 municipalities, or 22 percent of survey respondents; and
- Mixed-use developments, used by 26 municipalities, or 21 percent of survey respondents.

Other tools municipalities used to promote affordable family or senior housing included:

- 17 municipalities, or 14 percent of survey respondents, acquiring land in 2006 or 2007 to be held for the future development of new affordable family housing or senior housing.
- 20 municipalities, or 17 percent of survey respondents, approving the development, reuse of, or municipal reinvestment in existing housing for future use as affordable family housing or senior housing.

The following pages list how survey respondents report using fiscal tools and incentives to promote and preserve affordable and life-cycle housing in their communities.

January 2009

**Criterion #6:** Please identify no more than five local fiscal tools or initiatives that are available from the city to assist/facilitate the development or preservation of affordable or life-cycle housing. The identification of state and/or federal dollars is only applicable if the community could have used the dollars for activities other than affordable housing development or preservation.

	Anoka County Andover Anoka Blaine Centerville Circle Pines Columbia Heights Columbus	East Bethel Fridley Ham Lake Hilltop Lexington Lino Lakes	Carver County Camden Township Chanhassen Chaska Hamburg Hancock Township Laketown Township	Mayer New Germany Norwood Young America Victoria Waconia Watertown Young America	Dakota County Apple Valley Burnsville Castle Rock Township Eagan
Collaboration for long-term affordability <sup>1</sup>					
Community Development Block Grant (CDBG)					
Credit enhancements					
General obligation bonds					
Housing revenue bonds					
Land write- down or sale					
Local fee waivers or reductions					
Local property tax levy					
Local tax abatement					
Tax Increment Financing (TIF)					
Taxable revenue bonds					
Other					

<sup>&</sup>lt;sup>1</sup> Collaboration and participation with a community land trust or other non-profit organization to preserve long-term affordability.

January 2009

**Criterion #6:** Please identify no more than five local fiscal tools or initiatives that are available from the city to assist/facilitate the development or preservation of affordable or life-cycle housing. The identification of state and/or federal dollars is only applicable if the community could have used the dollars for activities other than affordable housing development or preservation.

	Empire Township Eureka Township Farmington Greenvale Township	Hampton Hastings Inver Grove Heights Lakeville Mendota Heights New Trier	Randolph Township Rosemount Sciota Township South St. Paul Sunfish Lake	West St. Paul	Hennepin County Bloomington Brooklyn Center Brooklyn Park Champlin Crystal	Eden Prairie Edina Golden Valley Greenwood Hassan Township Long Lake	Independence Loretto Maple Grove Maple Plain Medicine Lake Medina Minneapolis
Collaboration for long-term affordability <sup>1</sup>				$\boxtimes$			
Community Development Block Grant (CDBG)				$\boxtimes$			
Credit enhancements							
General obligation bonds Housing							
revenue							
Land write- down or sale			$\boxtimes$				
Local fee waivers or reductions		$\boxtimes$	$\boxtimes$				
Local property tax levy			$\boxtimes$				
Local tax abatement							
Tax Increment Financing (TIF)			$\boxtimes$	$\boxtimes$			
Taxable revenue bonds							
Other							

January 2009

**Criterion #6:** Please identify no more than five local fiscal tools or initiatives that are available from the city to assist/facilitate the development or preservation of affordable or life-cycle housing. The identification of state and/or federal dollars is only applicable if the community could have used the dollars for activities other than affordable housing development or preservation.

	Minnetonka Beach Minnetrista Mound New Hope Orono Osseo Plymouth Richfield Robbinsdale Rogers Spring Park St. Bonifacius St. Louis Park Wayzata Woodland	Ramsey County Arden Hills Falcon Heights Lauderdale Mounds View New Brighton North Oaks Roseville St. Paul Shoreview White Bear Lake	Scott County Elko New Market Prior Lake Savage Shakopee St. Lawrence Township Washington County Baytown Township
Collaboration for long-term affordability <sup>1</sup>			
Community Development Block Grant (CDBG)			
Credit enhancements			
General obligation bonds Housing			
revenue			
Land write- down or sale			
Local fee waivers or reductions			
Local property tax levy			
Local tax abatement			
Tax Increment Financing (TIF)			
Taxable revenue bonds			
Other			

January 2009

Criterion #6: See previous page.

	Cottage Grove	Dellwood	Denmark Township	Forest Lake	Grant	Grey Cloud Township	Hugo	Lake Elmo	Landfall	Mahtomedi	Newport	Oakdale	Pine Springs	St. Paul Park	Scandia	Stillwater	West Lakeland Township	Willernie	Woodbury
Collaboration for long-term affordability <sup>1</sup>				$\boxtimes$							$\boxtimes$			$\boxtimes$		$\boxtimes$			$\boxtimes$
Community Development Block Grant (CDBG)	$\boxtimes$						$\boxtimes$				$\boxtimes$	$\boxtimes$				$\boxtimes$			
Credit enhancements																			
General obligation bonds																			
Housing revenue bonds				$\boxtimes$															$\boxtimes$
Land write- down or sale				$\boxtimes$															
Local fee waivers or reductions																			$\boxtimes$
Local property tax levy																			$\boxtimes$
Local tax abatement																			
Tax Increment Financing (TIF)	$\boxtimes$			$\boxtimes$			$\boxtimes$			$\boxtimes$				$\boxtimes$		$\boxtimes$			$\boxtimes$
Taxable revenue bonds										$\boxtimes$									
Other				$\boxtimes$			$\boxtimes$			$\boxtimes$		$\boxtimes$							



January 2009

**Criterion #7:** Please identify examples during 2006 and 2007 in which the municipality reduced, adjusted, eliminated, waived, or in some fashion was flexible in the implementation of a local official control, development, or building requirement; OR for which it is the municipality's policy and practice to reduce, adjust or eliminate such requirement, when requested to do so, to reduce development costs for the development of affordable or life-cycle housing.

	Anoka County Andover Anoka Blaine Centerville	Circle Pines Circle Pines Columbus Coon Rapids East Bethel Fridley	Hilltop Lexington Lino Lakes Ramsey	Canvel County Camden Township Chanhassen Chaska Hamburg Hancock Township Laketown	Township Mayer New Germany Norwood Young America Victoria Waconia Watertown Young America
Allow alternate construction methods					
Density bonus system					
Density transfers					
Flexible development standards					
Floor area ratio waiver					
Inclusionary housing requirement					
Increased building height flexibility					$\boxtimes$
Mixed-use development	$\boxtimes$				
On-street parking allowed					
Private street allowances					
Planned Unit Development (PUD) duster development	$\boxtimes$				
Reduce parking area variance			$\boxtimes \boxtimes$		
Reduced lot sizes					$\boxtimes$
Rezoning					
Setback reductions					
Service availability charge (SAC) credits					$\boxtimes$
Soil correction variance					
Special or conditional use permits Street width reduction variance					
Other					



January 2009

**Criterion #7:** Please identify examples during 2006 and 2007 in which the municipality reduced, adjusted, eliminated, waived, or in some fashion was flexible in the implementation of a local official control, development, or building requirement; OR for which it is the municipality's policy and practice to reduce, adjust or eliminate such requirement ... to reduce development costs for the development of affordable or life-cycle housing.

	Dakota County Apple Valley Burnsville Castle Rock	Township Eagan Empire Township	Eureka Township Farmington Greenvale Township	Hampton Hastings Inver Grove Hts. Lakeville Mendota Heights	Nininger Township Randolph Township Rosemount Sciota Township South St. Paul Sunfish Lake West St. Paul	Hennepin County Bloomington Brooklyn Center Brooklyn Park Champlin Crystal	Deephaven Eden Prairie Edina Golden Valley
Allow alternate construction methods							
Density bonus system	$\boxtimes$						
Density transfers							
Flexible development standards				$\boxtimes$			
Floor area ratio waiver							$\boxtimes$
Inclusionary housing requirement Increased building							
height flexibility							
Mixed-use development							
On-street parking allowed							
Private street allowances	$\boxtimes$		$\boxtimes$		$\boxtimes$		$\boxtimes$
Planned Unit Development (PUD) duster development							
Reduce parking area							
variance  Reduced lot sizes	$\boxtimes$		$\boxtimes$				
Rezoning							
Setback reductions							
Service availability charge (SAC) credits							
Soil correction variance							
Special or conditional use permits Street width reduction variance							
Other			$\boxtimes$				$\boxtimes$



January 2009

**Criterion #7:** Please identify examples during 2006 and 2007 in which the municipality reduced, adjusted, eliminated, waived, or in some fashion was flexible in the implementation of a local official control, development, or building requirement; OR for which it is the municipality's policy and practice to reduce, adjust or eliminate such requirement ... to reduce development costs for the development of affordable or life-cycle housing.

	Greenwood Hassan Township Independence Long Lake	Loretto Maple Grove Maple Plain Medicine Lake	Medina Minneapolis Minnetonka	Minnetrista Mound New Hope	Orono Osseo Plymouth	Robbinsdale Rogers Spring Park	St. Bonifacius St. Louis Park Wayzata Woodland	Ramsey County Arden Hills Falcon Heights Lauderdale	Mounds View New Brighton	Roseville St. Paul Shoreview
Allow alternate construction methods				$\boxtimes$						
Density bonus system	$\boxtimes$		$\boxtimes$						$\boxtimes$	
Density transfers										
Flexible development standards		$\boxtimes$		$\boxtimes$						
Floor area ratio waiver			$\boxtimes$						$\boxtimes$	
Inclusionary housing requirement			$\boxtimes$		$\boxtimes \square$	3				$\boxtimes$
Increased building height flexibility			$\boxtimes$		$\boxtimes$	$\boxtimes$	$\boxtimes$			
Mixed-use development	$\boxtimes$		$\boxtimes \boxtimes$	$\boxtimes$		$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes \boxtimes$
On-street parking allowed						$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$	
Private street allowances		$\boxtimes$		$\boxtimes \boxtimes$	$\boxtimes$	$\boxtimes$		$\boxtimes$	$\boxtimes$	
Planned Unit Development (PUD) duster development	$\boxtimes$	$\boxtimes$	$\boxtimes$		$\leq$	$\boxtimes \boxtimes$		$\boxtimes$	$\boxtimes$	
Reduce parking area variance			$\boxtimes \boxtimes$			$\boxtimes$				$\boxtimes$
Reduced lot sizes		$\boxtimes$	$\boxtimes$							
Rezoning	$\boxtimes$		$\boxtimes \boxtimes$		$\boxtimes$	$\boxtimes \boxtimes$			$\boxtimes$	
Setback reductions			$\boxtimes \boxtimes$		$\boxtimes$	$\boxtimes \boxtimes$	$\boxtimes$		$\boxtimes$	
Service availability charge (SAC) credits				$\boxtimes$						
Soil correction variance										
Special or conditional use permits Street width reduction variance									$\boxtimes$	
Other									$\boxtimes$	



January 2009

**Criterion #7:** Please identify examples during 2006 and 2007 in which the municipality reduced, adjusted, eliminated, waived, or in some fashion was flexible in the implementation of a local official control, development, or building requirement; OR for which it is the municipality's policy and practice to reduce, adjust or eliminate such requirement ... to reduce development costs for the development of affordable or life-cycle

Allow alternate construction methods	White Bear Lake White Bear Township	Scott County Elko New Market Prior Lake Savage Shakopee St. Lawrence Township	Washington County Baytown Township Birchwood Cottage Grove Dellwood Denmark Township Forest Lake Grant Grey Cloud	I ownsnip Hugo Lake Elmo Landfall Mahtomedi Newport	
Density bonus system	$\boxtimes$				
Density transfers	$\boxtimes$				
Flexible development standards					
Floor area ratio waiver					
Inclusionary housing requirement					
Increased building height flexibility Mixed-use			$\boxtimes$		1
development On-street parking allowed					
Private street allowances					
Planned Unit Development (PUD) duster development	$\boxtimes$			$\boxtimes$	
Reduce parking area variance					
Reduced lot sizes					$\boxtimes$
Rezoning		$\boxtimes$			
Setback reductions	$\boxtimes$				
Service availability charge (SAC) credits					
Soil correction variance					
Special or conditional use permits Street width reduction variance					
Other					



January 2009

**Criterion #8:** Please list up to five housing **preservation/maintenance activities** your community has used in 2006 or 2007 that maintain or improve its existing housing stock. For example, a housing maintenance code and enforcement program, or a home rehabilitation loan program. County-administered programs **are** applicable.

		Anoka County Andover Anoka Blaine Centerville Circle Pines Columbia Heights.	Coon Rapids East Bethel Fridley Ham Lake	Hilltop Lexington Lino Lakes Ramsey	Carver County Camden Township Chanhassen Chaska Hamburg	Laketown Township Mayer New Germany	Norwood Toung America Victoria Waconia Watertown Young America Township	<b>Dakota County</b> Apple Valley Burnsville
	Housing maintenance code and enforcement							$\boxtimes \boxtimes$
Owner	Housing rehabilitation loan or grant program					$\boxtimes$		$\boxtimes \boxtimes$
	Local tool sharing center or program							$\boxtimes$
	Housing maintenance code and enforcement							
Rental	Housing rehabilitation loan or grant program					$\boxtimes$		$\boxtimes \boxtimes$
	Local tool sharing center or program							
Other						$\boxtimes$		



January 2009

**Criterion #8:** Please list up to five housing **preservation/maintenance activities** your community has used in 2006 or 2007 that maintain or improve its existing housing stock. For example, a housing maintenance code and enforcement program, or a home rehabilitation loan program. County-administered programs **are** applicable.

		Castle Rock Township Eagan Empire Township	Farmington Greenvale Township Hampton Hastings	Lakeville Mendota Hts. New Trier	Nininger Township Randolph Township Rosemount	Sciota Township South St. Paul	West St. Paul	Hennepin County Bloomington Brooklyn Center Brooklyn Park Champlin	Deephaven Eden Prairie Edina Golden Valley	Greenwood Hassan Township Independence Long Lake	Loretto Maple Grove Maple Plain
	Housing maintenance code and enforcement			$\boxtimes \boxtimes$	×				$\boxtimes$		
Owner	Housing rehabilitation loan or grant program				×	] 🖂					
	Local tool sharing center or program			$\boxtimes$		$\boxtimes$			$\boxtimes$		
	Housing maintenance code and enforcement			$\boxtimes$	$\boxtimes$	] 🗵	$\boxtimes$		$\boxtimes \boxtimes \boxtimes$	$\boxtimes$	
Rental	Housing rehabilitation loan or grant program			$\boxtimes$	$\boxtimes$	]			$\boxtimes \boxtimes \boxtimes$		$\boxtimes$
	Local tool sharing center or program			$\boxtimes$			$\boxtimes$				
Other							$\boxtimes$				



January 2009

**Criterion #8:** Please list up to five housing **preservation/maintenance activities** your community has used in 2006 or 2007 that maintain or improve its existing housing stock. For example, a housing maintenance code and enforcement program, or a home rehabilitation loan program. County-administered programs **are** applicable.

		Medicine Lake Medina Minneapolis Minnetonka	Minnetonka Beach Minnetrista Mound New Hope Orono	Osseo Plymouth Richfield Robbinsdale Rogers	Spring Park St. Bonifacius St. Louis Park Wayzata Woodland	Ramsey County Arden Hills Falcon Heights Lauderdale	Mounds View New Brighton North Oaks	Roseville St. Paul Shoreview White Bear Lake	Scott County Elko New Market Prior Lake Savage
	Housing maintenance code and enforcement								
Owner	Housing rehabilitation loan or grant program								
	Local tool sharing center or program								
	Housing maintenance code and enforcement								
Rental	Housing rehabilitation loan or grant program								
	Local tool sharing center or program								
Other									

January 2009

**Criterion #8:** Please list up to five housing **preservation/maintenance activities** your community has used in 2006 or 2007 that maintain or improve its existing housing stock County-administered programs **are** applicable

_			Shakopee	St. Lawrence Township	Washington County	Baytown Township	Birchwood	Cottage Grove	Dellwood	Denmark Township	Forest Lake	Grant	Grey Cloud Township	Hugo	Lake Elmo	Landfall	Newport	Oakdale	Pine Springs	St. Paul Park	Scandia	Stillwater	West Lakeland Township	Willernie	Woodbury
		Housing maintenance code and enforcement									$\boxtimes$						]							$\boxtimes$ [	$\boxtimes$
	Owner	Housing rehabilitation loan or grant program									$\boxtimes$					$\boxtimes$									$\boxtimes$
		Local tool sharing center or program									$\boxtimes$														$\boxtimes$
		Housing maintenance code and enforcement						$\boxtimes$			$\boxtimes$					×	]⊠							⊠[	$\boxtimes$
	Rental	Housing rehabilitation loan or grant program									$\boxtimes$						$\boxtimes$								
_		Local tool sharing center or program	_								$\boxtimes$						$\boxtimes$								
	Other		$\boxtimes$								$\boxtimes$				$\boxtimes$	×						$\boxtimes$			$\boxtimes$

January 2009

#### Criterion #10

In 2006 or 2007, did your community acquire land to be held for the development of new affordable family housing or any senior housing (exclusively 55+) but for which no housing units have been constructed or started?

In 2006 or 2007, did your community approve the development, reuse of, or municipal reinvestment in existing housing for future use as affordable family housing or senior housing where the development has not yet been undertaken or completed for reasons beyond the municipality's control?

Yes Yes **Anoka County** Andover Anoka Blaine Centerville  $\boxtimes$ Circle Pines Columbia Heights Columbus Coon Rapids  $\boxtimes$ East Bethel X X Fridley Ham Lake Hilltop Lexington Lino Lakes Ramsey **Carver County** Camden Township Chanhassen  $\boxtimes$ Chaska M Hamburg Hancock Township Laketown Township Mayer **New Germany** Norwood Y.A. Victoria Waconia Watertown Young America **Township Dakota County** Apple Valley Burnsville Castle Rock **Township**  $\boxtimes$ X Eagan **Empire Township** Eureka Township Farmington Greenvale Township Hampton

January 2009

#### Criterion #10

In 2006 or 2007, did your community acquire land to be held for the development of new affordable family housing or any senior housing (exclusively 55+) but for which no housing units have been constructed or started?

In 2006 or 2007, did your community approve the development, reuse of, or municipal reinvestment in existing housing for future use as affordable family housing or senior housing where the development has not yet been undertaken or completed for reasons beyond the municipality's control?

	<u>Yes</u>	<u>Yes</u>
Hastings		
Inver Grove Heights		
Lakeville	$\boxtimes$	
Mendota Heights		
New Trier		
Nininger Township		
Randolph Township		
Rosemount	$\boxtimes$	
Sciota Township		
South St. Paul		
Sunfish Lake		
West St. Paul		
Hennepin County		
Bloomington		
Brooklyn Center		
Brooklyn Park		
Champlin		
Crystal		
Deephaven		
Eden Prairie	$\boxtimes$	
Edina	$\boxtimes$	
Golden Valley		
Greenwood		
Hassan Township		
Independence		
Long Lake		
Loretto		
Maple Grove		
Maple Plain	$\boxtimes$	
Medicine Lake		
Medina		
Minneapolis	$\boxtimes$	
Minnetonka		
Minnetonka Beach		
Minnetrista		
Mound		
New Hope		
Orono		
Osseo	$\boxtimes$	
Plymouth		
Richfield	$\boxtimes$	
Robbinsdale		
Rogers		
Spring Park		

In 2006 or 2007, did your community approve

reinvestment in existing housing for future use

the development, reuse of, or municipal

# **Local Tools and Incentives to Promote Affordable Housing**

In 2006 or 2007, did your community acquire

affordable family housing or any senior housing

land to be held for the development of new

Criterion #10

January 2009

	(exclusively 55+) but for which no housing units have been constructed or started?	as affordable family housing or senior housing where the development has not yet been undertaken or completed for reasons beyond the municipality's control?
0. 5. 16. 1	<u>Yes</u>	<u>Yes</u>
St. Bonifacius		
St. Louis Park		
Wayzata Woodland		
vvoodiand		
Ramsey County		
Arden Hills		
Falcon Heights		
Lauderdale		
Mounds View	$\boxtimes$	
New Brighton		$\boxtimes$
North Oaks	<del>-</del>	_
Roseville		$\boxtimes$
St. Paul	$\boxtimes$	
Shoreview		$\overline{\boxtimes}$
White Bear Lake		
White Bear Township		
Scott County		
Elko New Market		
Prior Lake		
Savage		Z
Shakopee		
St. Lawrence		
Township		
Washington County		
Baytown Township		
Birchwood		
Cottage Grove		
Dellwood		
Denmark Township		
Forest Lake		
Grant		
Grey Cloud Township		
Hugo		
Lake Elmo		
Landfall		
Mahtomedi		
Newport		
Oakdale	$\boxtimes$	$\boxtimes$
Pine Springs		
St. Paul Park		
Scandia		
Stillwater		

# **MetroStats**

## **Local Tools and Incentives to Promote Affordable Housing**

January 2009

Criterion #10

In 2006 or 2007, did your community acquire land to be held for the development of new affordable family housing or any senior housing (exclusively 55+) but for which no housing units have been constructed or started?

In 2006 or 2007, did your community approve the development, reuse of, or municipal reinvestment in existing housing for future use as affordable family housing or senior housing where the development has not yet been undertaken or completed for reasons beyond the municipality's control?

<u>Yes</u>	<u>Yes</u>

West Lakeland Township Willernie Woodbury