



SOUTHWEST LRT
community works

Southwest Corridor Housing Strategy Update

July 20, 2017

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St. Louis Park
MINNESOTA
Experience LIFE in the Park



MINNEHAHA CREEK
WATERSHED DISTRICT



Steering Committee Agenda

- Why Now?
- Corridor-wide Housing Strategy Implementation Steps - Update
- Corridor-wide Housing Unit Summary & Progress
- Corridor City Housing Policies to Support Affordable/Mixed Income Housing (City Panel)




Tower Light, Wooddale Station



What & Why Now?

Increase Rent, Decrease Households Income

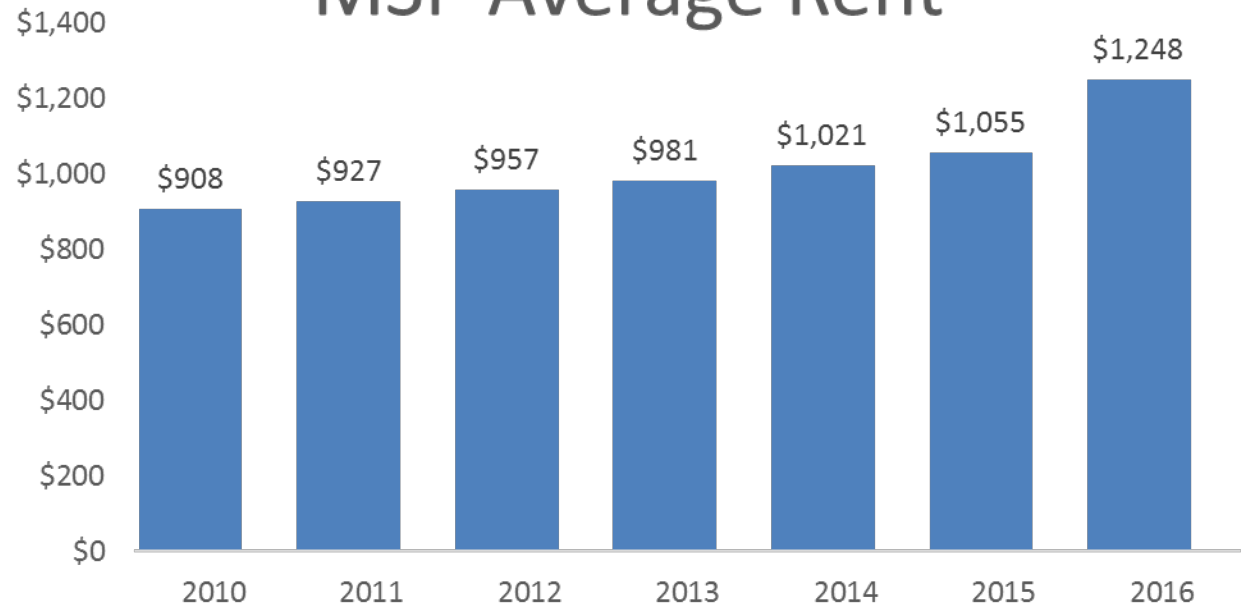
**MSP 7-County
2000 - 2015**

 **Rent
3%**

 **Income
-13%**

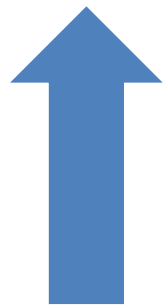
Source: Metropolitan Council, US
Census

MSP Average Rent



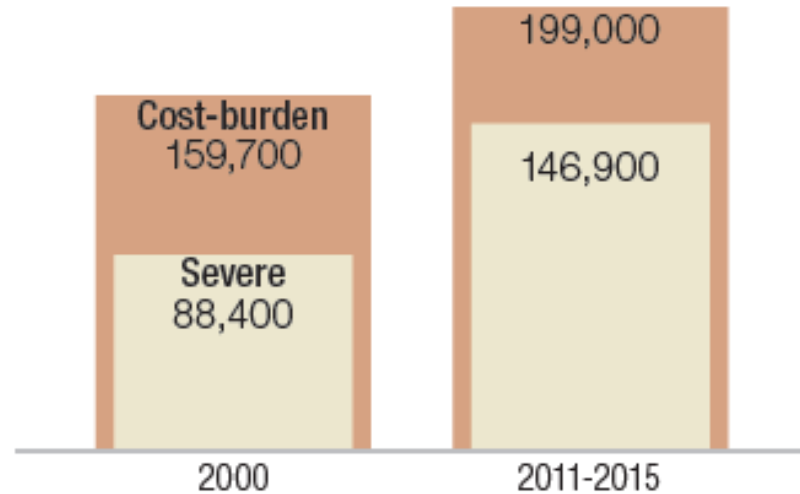
Source: US Census, NAI Everest

What & Why Now?



Need

COST-BURDENED HOUSEHOLDS



Source: U.S. Census Bureau, Public Use Microdata 5% Sample (via Integrated Public Microdata Series), 2000 and U.S. Census Bureau, American Community Survey Five-Year Public Use Microdata Sample, 2011-2015. Rounded to nearest 100 households.

TWIN CITIES REGION



Source: US Census ACS 2015, Building Permit Survey 2015, MHP analysis, CHAS data

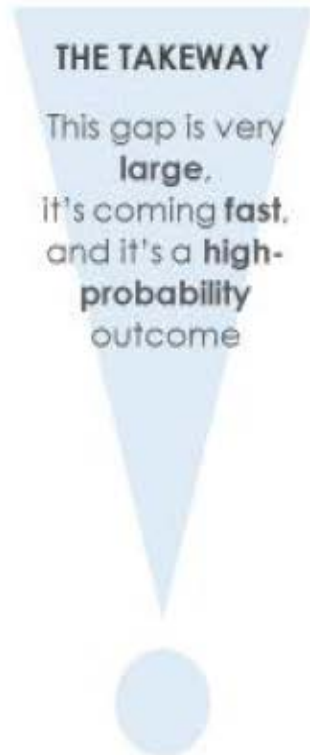


Availability

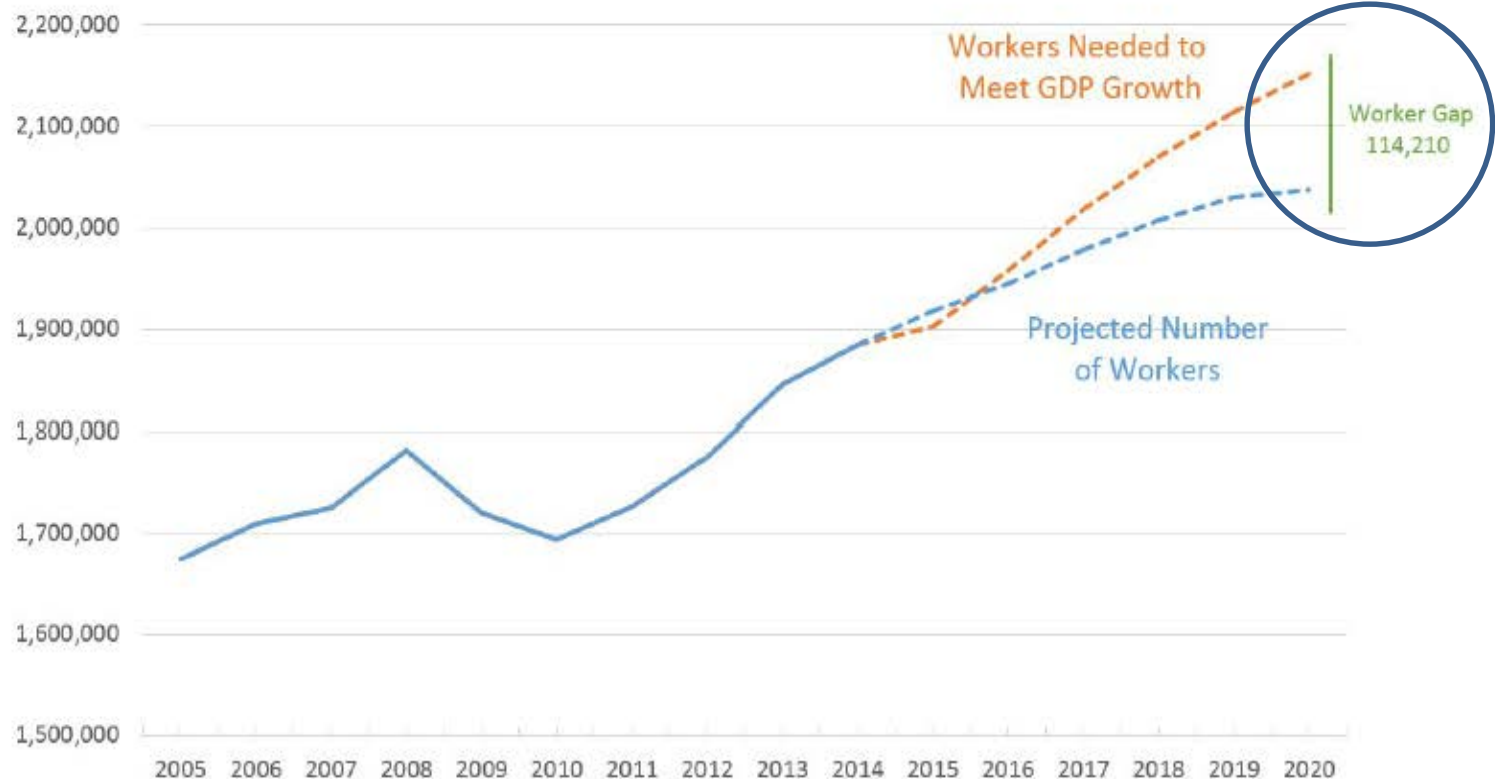


What & Why Now?

MSP Workforce Gap = 114,000 jobs by 2020



Growth in Number of Workers is Not Projected to Keep Up with MSP GDP Growth



This analysis assumes GDP per employee does not shift from the post-recession average of \$116,000.

Sources: U.S. Bureau of Economic Analysis, GDP through 2014; U.S. Census Bureau, ACS employed worker counts (does not include unemployed)



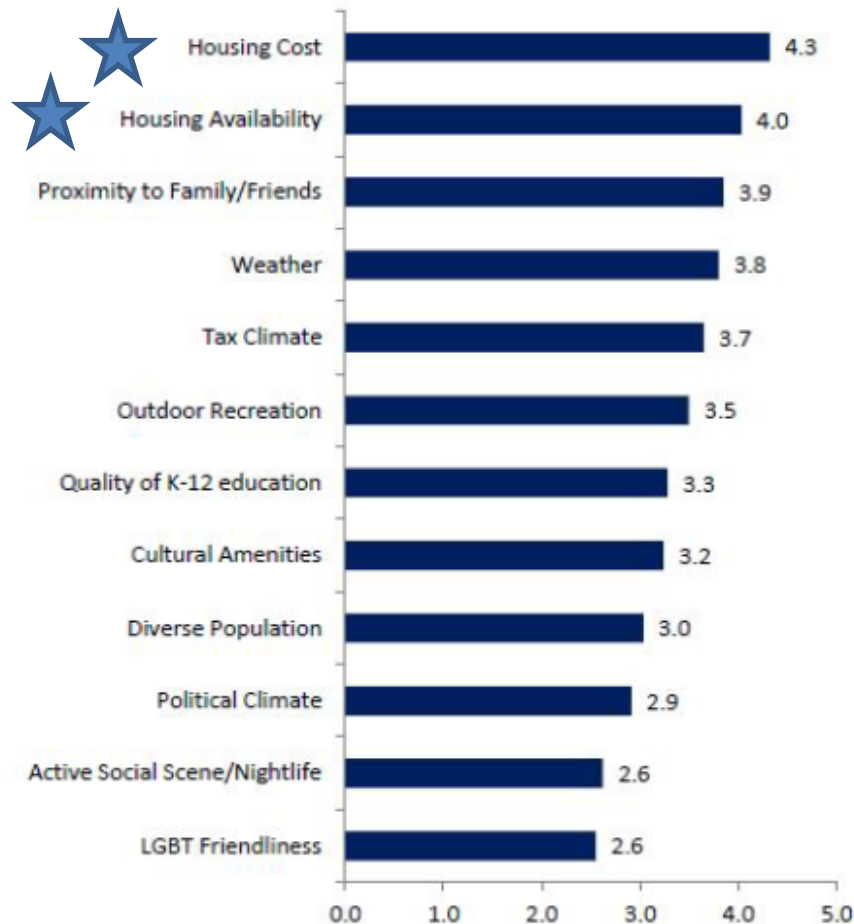
What & Why Now?

Housing Affordability Tops Jobs Relocation Factors

IMPORTANCE OF QUALITY OF LIFE FACTORS IN RELOCATION DECISIONS

Respondents were asked to rate select quality of life factors on their importance in their decision to relocate (1=not important, 5=very important).

The most important factors among all respondents include the availability and affordability of housing followed by proximity to family and friends.





WORKING TOGETHER

SW Corridor-wide Housing Strategy Implementation Plan Update



Objective 1: Develop New Housing Opportunities

Objective 2: Preserve Existing Housing Opportunities

Objective 3: Expansion and Improvement of Technical, Financial and Regulatory Tools

Objective 4: Market the Corridor



Area Median Income Summary

2016 American Community Survey, Census

% of Area Median Income (AMI)	Median Income for a family of four (HUD, 2016 for Hennepin Co.)	Estimated Hourly Wage based on 40 hours per week	Affordable Monthly Income for Housing (30% of income)
30% AMI	\$26,000	\$12.50	\$650
60% AMI	\$51,960	\$25	\$1,299
80% AMI	\$68,800	\$33	\$1,720
100% AMI	\$86,600	\$42	\$2,165
120% AMI	\$103,920	\$50	\$2,598

Corridor-Wide Housing Strategy Targets by 2030

Preservation:

**3,800 unsubsidized rental units
affordable (<60% AMI)**

- *There were 6700 unsubsidized units within ½ mile of the Corridor as identified in the Corridor-wide Gaps Analysis completed in 2014*

SW Corridor City Housing Preservation Efforts

Working Together on Preservation Policies

- **Prohibition of Section 8 (Housing Choice) Voucher Discrimination**
- **Advance Notice Period Required**
- **Just Cause Eviction**
- **Local Rehab Financing in Return for Affordability**
- ***Hennepin County contribution to NOAH Fund for Housing Preservation***

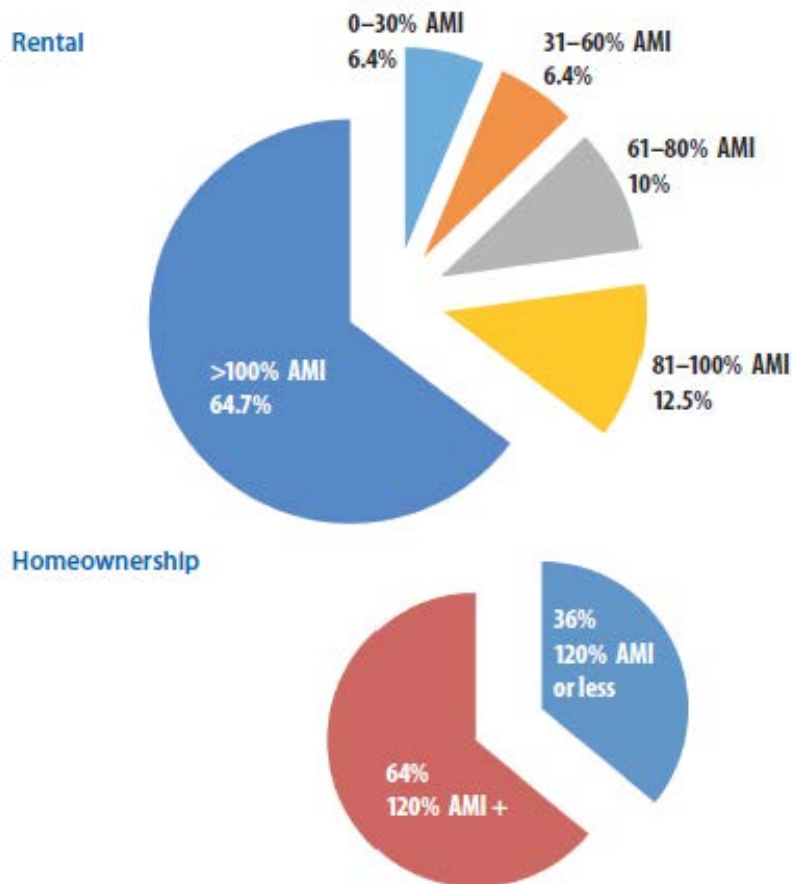
Corridor Wide Housing Strategy

New Construction Targets by 2030

as identified in the gaps analysis

**11,200
new units
within ½ mile
of the Corridor**

Affordability targets for new construction:



www.swlrtccommunityworks.org

SW Corridor City Housing Development 2015 - Current

New Construction:

PROGRESS:

1,600 new units near future LRT station areas

- 14% of SW Target
- 412 (26%) affordable
 - 380 - below 60% AMI (92%)
 - 32 - 60% - 80% AMI (8%)

Making it Happen

SW Corridor City Housing Policies\Practices

City Panel Discussion