

MET COUNCIL TWIN CITIES, MN



ROUND 1 AWARD: \$4,000,000

Overview: To expand housing supply and lower housing costs, HUD's Office of Community Planning and Development awarded **\$4 million to the Metropolitan Council (Met Council)** - a regional planning agency serving the seven-county **Twin Cities** metro area. This grant funding will be used to identify and remove barriers to affordable housing production and preservation.

The Twin Cities region is home to 61% of the Minnesota's renters earning below 30% Area Median Income. The Metropolitan Council and its partnering localities have taken actions to boost housing supply through strategic planning, land use reform, and local financing mechanisms.

PRO Housing funding will enable the Twin Cities area to continue to collaborate on regional housing policy and financing.

High Demand for Affordable Housing

- Development has not kept pace with demand. The Met Council estimates that over 68,000 units are needed to provide housing affordable to households earning below 30% area median income.

Restrictive Local Land Use Policies

- There is a demand for more housing suitable to families with children, multi-generational households, residents requiring supportive services, and homebuyers.
- Policies and approval processes vary across jurisdictions and can be difficult to navigate. Local land use policies restrict the types of housing that can be constructed.

LOCAL BARRIERS TO HOUSING IDENTIFIED BY APPLICANT

RECENT ACTIONS TO BOOST HOUSING SUPPLY LOCALLY

Communities in the Twin Cities Metro Area

- Developed "Imagine 2050 - the region's plan for an equitable and resilient future" - which includes regional land use, housing, and transportation goals.
- Established a local metro tax dedicated to affordable housing that will raise approximately \$350 million for affordable housing production and emergency rental assistance.
- Several localities within the Twin Cities Metro Area updated their local land use policies and permitting processes to advance housing supply — removing barriers to the construction of 2-4 unit homes, affordable housing, and transit oriented development.
- Through the American Rescue Plan, St. Paul and Ramsey County dedicated over \$74 million to support deeply affordable housing and Hennepin County invested \$46 million to create or preserve over 3,000 units of housing.



ANTICIPATED IMPACT OF PRO HOUSING FUNDING

as contemplated in grant application

Advance Regional Coordination

- The Metropolitan Council will use PRO Housing funding to boost capacity to address planning and policy needs — predominately within Hennepin County and Ramsey County.
- Additional capacity will enable the Met Council to collaborate across local partners to provide technical assistance and support for localities updating their local regulations, policies, and processes.

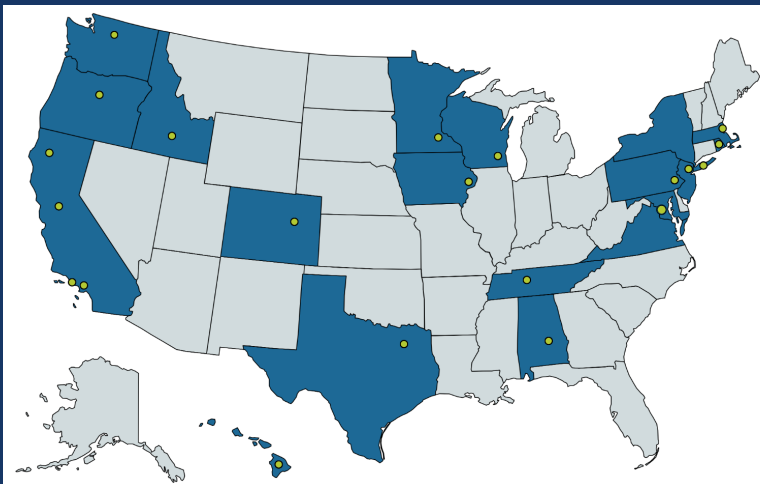
Provide Direct Grants to Localities

- With PRO Housing funds, the Met Council plans to offer grant funding to local communities to evaluate, develop, or update local land use policies and procedures. The goal of the grant program is to further affordable housing development and ensure efficient land use across the Twin Cities metro area.
- These grants will create a pipeline that enables the Met Council to provide technical assistance and ordinance review as needed for communities throughout the region.

Develop Affordable Housing

- The Met Council's proposal includes an initiative to develop housing for households earning less than 30% Area Median income — which includes providing additional funding to Ramsey County's annual consolidated housing development solicitation.
- PRO Housing funding will enable Ramsey County to advance its housing plan — increasing rental housing, expanding homeownership opportunities, and investing in equitable community development.

HUD AWARDED \$85 MILLION TO 21 APPLICANTS THROUGH ROUND 1 OF THE PRO HOUSING COMPETITION



- PRO Housing provides first-of-its-kind funding to identify and remove barriers to housing production and preservation.
- The competition prioritizes communities that demonstrate an acute need for affordable housing.
- Successful applications demonstrated local actions — such as updates to land use policies, developer incentives, financing, and innovative strategies — to address barriers and boost housing supply.