Land Use Practices:

Exclusionary Zoning, de Facto or de Jure?

An Examination of the Practices of Ten Suburban Communities in the Twin Cities Metropolitan Area

by Barbara L. Lukermann and Michael P. Kane

TABLE OF CONTENTS

TABLES AND FIGURES

ACKNOWLEDGEMENTS

The authors are indebted to Timothy L. Thompson, Litigation Director for the Legal Aid Society of Minneapolis, who first conceived of the project as a series of case studies and contracted with graduate students from the University of Minnesota's Law School and the Hubert H. Humphrey Institute of Public Affairs to complete the initial field work. We also wish to recognize the authors of the individual case studies: Sharon D'Amico, Plymouth; Beth Falkenhagen, Coon Rapids; Michael Kane, Eden Prairie; David Kent, Maple Grove; Christopher McGlincey, Edina and Minnetonka; Robert Marthaler, Lakeville; Chris Shriver, Shakopee; Juli Stensland, Burnsville; and Gary Strookman, Woodbury.

Editing and production services were provided by Chris McKee and Louise Duncan. Partial financial support for this project has been provided by the Center for Urban and Regional Affairs.

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INTRODUCTION

This report examines the land use planning practices and regulatory requirements of ten suburban communities in the Minneapolis-St. Paul metropolitan area to assess the extent to which these practices limit housing choices for moderate and low income households—in fact, although not necessarily by intent. Hence the title of the report—de facto or de jure?

The communities were selected by the Legal Aid Society of Minneapolis in consultation with the authors, with case studies completed by students contracting with the Society. The authors have summarized these case studies, supplemented the information to provide comparable data across communities, and provided further analysis to draw independent conclusions. The individual case studies have not been edited. Our summaries of the case studies, however, have been modified to reflect corrections or omissions identified by cities following their review of a draft report.

The cities selected for this study are identified in Figure 1. The arc from Maple Grove in northern Hennepin County to Eden Prairie in the south includes some of the most affluent cities, part of the strong growth to the west and south of Minneapolis, and oft times referred to as the "fertile crescent" by State Repre sentative Myron Orfield. The focus on western suburbs was deliberate in that it seemed critical to know what barriers exist in communities with the greatest job growth. The remaining communities are geographically dispersed to include cities in other counties and with a broader range of incomes. Coon Rapids (Anoka County), for example, experienced its early suburban development with Orrin Thompson tract housing developments in the 1960s and is located in the northwest corridor expanding from north Minneapolis to Anoka. Shakopee, in Scott County, is a free-standing growth center now experiencing heavy suburban residential development to the south of the older urban core. Burnsville and Lakeville in Dakota County are the spill-over cities to the south of Minneapolis as growth leapt over the Minnesota River valley with the building of the interstate freeways. Woodbury represents a relatively affluent and pro-growth city on the east side of St. Paul and is now experiencing some of the fastest growth of any Twin Cities suburb.

In choosing these cities there was no attempt to make them truly "representative" on the basis of current household income distribution or some other quantifiable measure for the metropolitan area as a whole. Cities with both high and moderate income profiles were included to see whether the regulatory environments were similar.

This report includes the following sections:

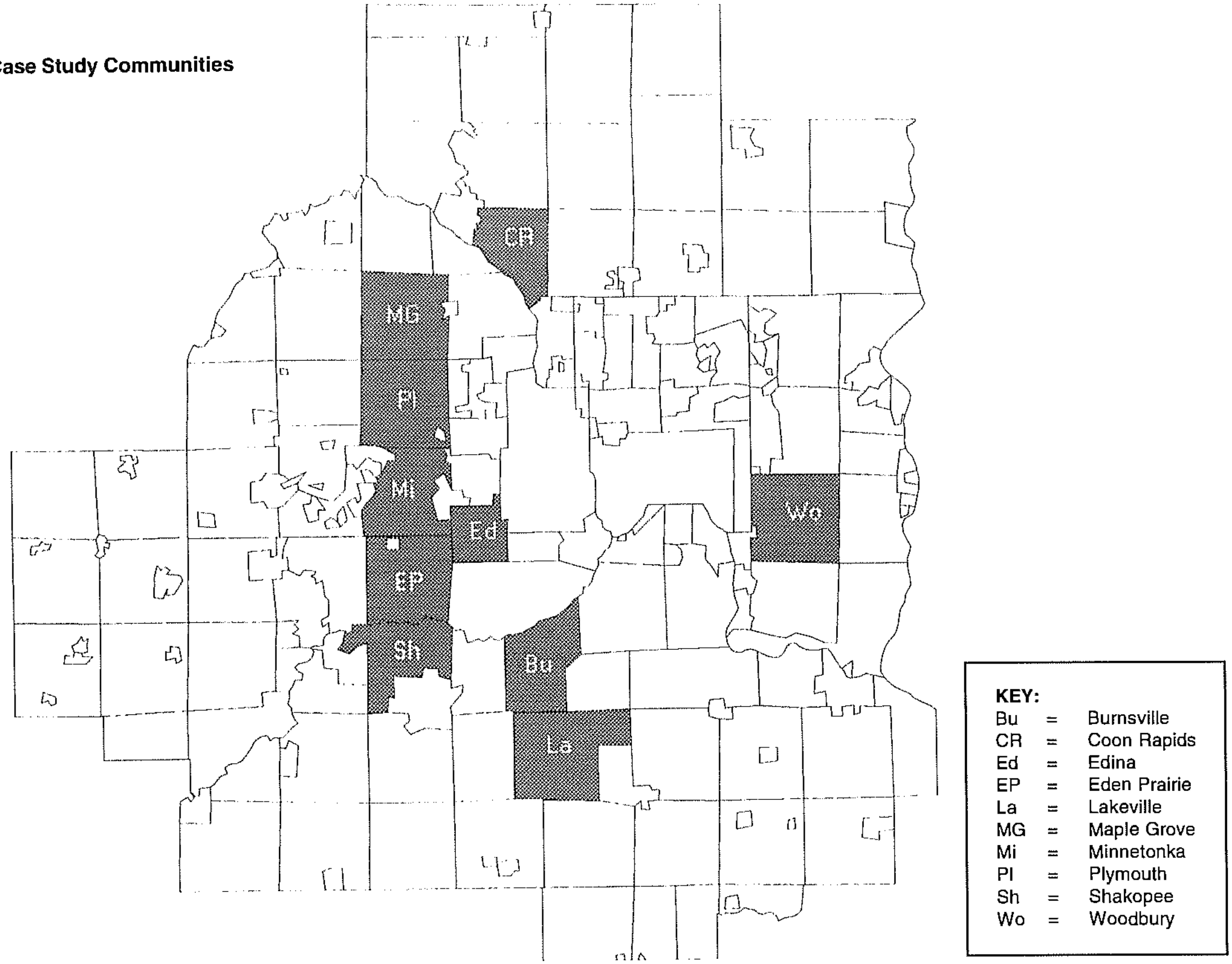
A. Background on the local and regional land use planning responsibilities in the Twin Cities metropolitan area and definitions of exclusionary practices and fair share housing.

B. Assessment of the evidence of exclusionary land use practices in the case study communities.

C. Summary conclusions and recommendations.

D. Summary of the case studies.

Figure 1. Case Study Communities



A. BACKGROUND

LOCAL AND REGIONAL LAND USE PLANNING RESPONSIBILITIES

The 1976 Minnesota Land Planning Act (Minnesota Statutes 473.859) requires all municipalities and townships in the seven-county metropolitan area to undertake comprehensive land use planning and take appropriate actions to insure plan implementation. All communities have subsequently revised or enacted zoning and subdivision regulations and, in the housing element of their plans, the communities must show how their housing goals will be achieved. The act requires that the housing element of a plan project local housing needs, demonstrate how the community plan will meet its ten-year fair share of the area-wide need for subsidized housing, and develop policies to facilitate modest-cost market-rate housing.

The Metropolitan Council has the responsibility of reviewing local land use plans and regulations to insure consistency with the regional development systems which cover transportation and wastewater treatment. Housing is not categorized as a regional system, but the Council's *Metropolitan Development Guide* (as amended in 1979) sets out policies for dispersion of subsidized housing within the metro area and requires communities to establish goals for accommodating low and moderate income households as part of their comprehensive plan. Appendix E of the December 1985 *Metropolitan Development Guide* spells out what a local housing component of a comprehensive plan should contain. The guidelines suggest that each community plan should contain numerical housing goals for affordability levels, general policies addressing how low and moderate income affordable housing will be provided, and implementation strategies to assure that local policies are implemented.

Policy 39 in the housing chapter of the 1985 *Metropolitan Development Guide* states that under its review powers, the Metropolitan Council will recommend priority in funding from various state and federal programs based on a community's present provision of housing for low and moderate income persons and its commitments to provide such housing in the future.

In reviewing municipal plans for consistency with the regional systems, the Council comments on the adequacy of a housing plan vis-a-vis its policies. Lack of commitment to provide opportunities for low and moderate income housing, however, carries no significant penalties to insure compliance. In theory, the Council's policy provides a financial incentive for local units of government to make a commitment. In practice, this policy has not been a significant factor in either plan preparation or plan implementation.

When local governments wish to amend their comprehensive plans or zoning ordinances, they must submit these changes to the Metropolitan Council for review and approval. This provides an additional opportunity for the regional agency to address the impact of such changes on the housing element of the plan.

EXCLUSIONARY PRACTICES AND FAIR SHARE HOUSING GOALS

Exclusionary practices effectively preclude low and moderate income households from a reasonable opportunity to live in a community. (Note that in this report we are not addressing discrimination under the federal Civil Rights Act.)

In the politically fragmented Twin Cities area, the home-rule powers of local units of government to determine how land may be used and to set performance standards on density and quality can result in housing sub-markets segregated by income. An increasing concentration of poverty populations in the inner city neighborhoods of the two central cities and in parts of older first-ring suburbs raises the issue of an implied responsibility of all communities to offer realistic opportunities for the construction of their fair share of the current and future regional need for low and moderate income housing. This responsibility of a local unit of government to cooperate to meet a regional housing need was the basis for New Jersey's Supreme Court decision in 1975 that found Mount Laurel's zoning practices exclusionary, preventing any building of affordable housing for lower income households.

"Fair share" housing goals often become the solution to overcome local "exclusionary practices" within a regional housing market. Who should set the "fair share"—should it be the local unit of government or a regional agency? What criteria should be applied to determine the amount of fair-share housing for a single municipality? Should it be related to number and type of jobs in the city or in a subregion? Should it simply be a numerical proportion of total units in a community vis-a-vis the projected regional need?

In 1979 the Metropolitan Council established numerical goals for each local unit of government based on a regional projected need for an additional 33,835 subsidized units by 1990. The formula for the allocation was based on each community's relative share of: available land, projected household growth, and multi-family apartment units which could be used through existing leased housing subsidies or use of the substantial rehabilitation subsidy programs ("Amendments to the Housing Chapter of the Metropolitan Development Guide," Metropolitan Council, July 26, 1979).

The allocated numerical goals for the ten selected cities will be discussed in the following section.

B. ASSESSMENT OF LAND USE PRACTICES IN THE TEN COMMUNITIES

What practices can be defined as exclusionary? The following four definitions or descriptions are drawn from various court and commentator writings, with the author's section or page number cited for reference (see bibliography for full citations):

1. "Exclusionary zoning... means land use control regulations which singly or in concert tend to exclude persons of low or moderate income from the zoning municipality." (Anderson, 8.02)
2. "Exclusionary zoning may be defined as the complex of zoning practices which results in closing suburban housing and land markets to low- and moderate-income families." (Davidoff and Davidoff, 507)
3. "When municipalities exclude multi-family developments, require low residential densities, and adopt other restrictions such as excessive street frontage and minimum house size requirements which function to exclude low- and moderate-income groups and racial minorities, exclusionary zoning is occurring." (Mandelker, 7.01)
4. "When zoning to improve fiscal ratables is combined with land use regulations that increase the required standards of housing quality beyond those necessary for health and safety and thereby 'appear to interfere seriously with the availability of low- and moderate-cost housing where it is needed,' a community is said to be engaged in exclusionary zoning." (Salsich, 9.02)

The literature on exclusionary zoning suggests the following indicators can be tests for a finding of exclusionary land use practices (see *American Land Planning Law*, Chapter 8). Some of the requirements restrict the types of units that can be built and thus housing choices; other requirements increase the costs of housing so as to make it unaffordable for low and moderate income households.

- *exclusion of multiple-family dwellings or other intensive housing types—including mobile homes*
- *actions and motivations for down-zoning higher density land or making additional high density residential land available*
- *large lot and lot-width requirements for single-family homes*
- *requirements on number of bedrooms per unit for multi-family developments or large lot area requirements for units with more than one bedroom*
- *minimum floor area requirements; requirements for a garage that raise the per unit cost of housing*
- *burdensome administrative requirements that increase development costs*
- *burdensome development fees*
- *fiscal zoning—"use districting" that consciously avoids high future service delivery costs (costs greater than the revenues received from property taxes)*

As the New Jersey Supreme Court recognized in formulating the Mount Laurel Doctrine, the question of exclusionary zoning is not simply whether a city's practices exclude lower cost housing, but whether the city's practices create a realistic opportunity for low and moderate income housing to be built. The notion of creating realistic opportunities is at the heart of the Minnesota Land Planning Act and its requirement that each city include plans "for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing." (Minnesota Statutes 473.859 Subd. 2)

Therefore, in addition to examining the above indicators, the following assessment of the ten cities includes information on affordability of the existing housing stock vis-a-vis documented need, and actions that the cities have taken to meet the housing goals specified in their comprehensive plans.

THE CURRENT HOUSING SUPPLY AND NEED FOR AFFORDABLE UNITS

Current Housing Stock

Tables 1 and 2 profile available housing data from the 1990 Census for the ten cities.

Specific findings for the individual communities:

1. None of the communities have exclusively single-family units, but the cities do differ widely in the proportion of units in this category—from over 70 percent in Maple Grove and Lakeville to less than 50 percent in Burnsville. The metropolitan area had 59 percent of the housing stock in single-family units.
2. Mobile homes (some of the most affordable housing units in the metropolitan area) are available in all but four cities, with Lakeville having a relatively high 12 percent of all units in this category. Burnsville joins Lakeville as having a higher proportion of mobile homes than the metropolitan area as a whole. The ten cities had 16 percent of the regional housing stock and 13 percent of the region's mobile home units.
3. Six of the ten cities have more than the average proportion of units in larger apartment complexes of fifty or more units (9.3 percent metropolitan average).
4. Of the ten communities, Maple Grove has the least diversified housing base—less than 10 percent in multiple-family units.

In the 1985 *Metropolitan Development Guide*, the Metropolitan Council set a regional goal for 1990 where 41 percent of the housing stock would be alternatives to single-family units. Half of our ten communities have achieved that mix; half have not, with Lakeville and Maple Grove furthest from the goal. The goal has been met for the metropolitan area as a whole.

Conclusion: *Diversity of housing types exist in these communities, but this does not mean that there is a wide choice in affordability of these units across all cities.*

TABLE 1. Housing Units by Units per Residential Structure

	1 Unit Detached	1 Unit Attached	2 Units	3 to 4 Units	5 to 49 Units	50+ Units	Mobile Homes	Other	1990-Total Housing Units
Burnsville	9,432	2,901	65	297	2,755	4,018	708	70	20,244
Coon Rapids	12,216	2,254	108	183	2,440	593	252	52	18,098
Eden Prairie	8,542	2,336	49	402	1,745	2,301	0	30	15,405
Edina	12,239	950	191	126	2,598	4,662	0	217	20,983
Lakeville	5,886	533	35	170	454	0	979*	48	8,105
Maple Grove	9,373	2,487	45	150	481	348	0	84	12,968
Minnetonka	12,173	1,794	118	161	1,906	3,816	19	132	20,119
Plymouth	11,748	2,034	96	176	1,954	3,434	93	81	19,616
Shakopee	2,779	340	104	235	361	415	32	74	4,340
Woodbury	4,323	1,723	8	157	904	405	0	21	7,541
Metro Area (7 Counties)	540,602	58,229	41,977	24,159	149,126	85,753	16,379	8,270	922,495

* In 1993, Lakeville had a total of 1,087 manufactured housing units.

Source: 1990 Census of Population and Housing.

TABLE 2. Percent of Housing Units by Units per Residential Structure

	1 Unit Detached	1 Unit Attached	2 Units	3 to 4 Units	5 to 49 Units	50+ Units	Mobile Homes	Other	1990-Total Housing Units
Burnsville	46.59	14.33	0.32	1.47	13.61	19.85	3.50	0.35	20,244
Coon Rapids	67.50	12.45	0.60	1.01	13.48	3.28	1.39	0.29	18,098
Eden Prairie	55.45	15.16	0.32	2.61	11.33	14.94	0.00	0.19	15,405
Edina	58.33	4.53	0.91	0.60	12.38	22.22	0.00	1.03	20,983
Lakeville	72.62	6.58	0.43	2.10	5.60	0.00	12.08	0.59	8,105
Maple Grove	72.28	19.18	0.35	1.16	3.71	2.68	0.00	0.65	12,968
Minnetonka	60.50	8.92	0.59	0.80	9.47	18.97	0.09	0.66	20,119
Plymouth	59.89	10.37	0.49	0.90	9.96	17.51	0.47	0.41	19,616
Shakopee	64.03	7.83	2.40	5.41	8.32	9.56	0.74	1.71	4,340
Woodbury	57.33	22.85	0.11	2.08	11.99	5.37	0.00	0.28	7,541
Metro Area (7 Counties)	58.60	6.31	4.55	2.62	16.17	9.30	1.78	0.90	922,495

Shaded cells identify high concentrations of particular housing types.

Source: 1990 Census of Population and Housing.

Subsidized Housing

The Metropolitan Council's allocated fair share of subsidized housing for the ten communities is reproduced in Table 3. At a minimum, these communities were to provide 7,000+ units, using available subsidy funds to provide housing for low income households.

TABLE 3. Allocated Fair Share Housing Goals for 1990 for Low and Moderate Income Households

City	Allocated Goal Range
Burnsville	1,240-3,100
Coon Rapids	720-1,800
Eden Prairie	760-1,900
Edina	720-1,800
Lakeville	360-900
Maple Grove	740-1,850
Minnetonka	560-1,450
Plymouth	1,040-2,600
Shakopee	360-900
Woodbury	560-1,400
TOTALS	7,060-17,700

Source: "Amendments to the Housing Chapter of the Metropolitan Development Guide," July 26, 1979, Table 10.

Over the past fifteen years the metropolitan area as a whole, and several of these communities, have grown more rapidly than projected. The number of persons in poverty has also increased; thus need and goals should be greater today than quantified in the above table.

Table 4 lists the number of federally subsidized housing units these communities have accommodated, broken down by target populations and source of financing. Data reflect the July 1992 availability of subsidized units totaling 3,576, or approximately half the targeted minimum. Only 2.4 percent of the housing units in the ten cities are subsidized as compared with 5 percent for the metropolitan area.

Findings for the individual communities include:

1. Only Coon Rapids has matched the minimum fair share subsidized housing goal established by the Metropolitan Council in 1979.
2. The two communities of Maple Grove and Woodbury provide extremely limited choices for households qualifying for subsidized housing. Less than 1 percent of their units are in this category compared with a metropolitan average of almost 5 percent. Both of these cities have far fewer subsidized housing units than the targeted minimum. In Plymouth, Minnetonka, and Lakeville, less than 2 percent of the housing is subsidized.
3. Only Shakopee exceeds the metropolitan area average of 5 percent of all housing units being subsidized. For the ten communities, subsidized housing accounts for just over 2 percent—less than half the regional proportion.
4. A very small number of public housing units exist in Burnsville and Lakeville; the eight remaining communities offer no public housing.
5. Burnsville and Coon Rapids have the largest number of Section 8 certificates and vouchers; Edina has the largest number of privately-owned subsidized housing units—with over 70 percent targeted to the elderly population.

Conclusion: *Low income households with access to Section 8 rent subsidies or qualifying for other subsidized units have much less choice available to them in these suburban cities as compared with the metropolitan area as a whole.*

The targeted fair share goals have simply remained goals—in general, they have not been achieved.

Table 4. Amount and Type of Federally Subsidized Housing by Community*

	Public Housing			Privately Owned Housing**			Section 8 Certificates and Vouchers			Total Subsidized Units			Total Housing Units***	Percent of Total Housing Units
	Mixed	Elderly	Total	Mixed	Elderly	Total	Mixed	Elderly	Total	Mixed	Elderly	Total		
Burnsville	56	0	56	229	60	289	312	86	398	597	146	743	20,244	3.67%
Coon Rapids	0	0	0	230	191	421	239	67	306	469	258	727	18,098	4.02%
Eden Prairie	0	0	0	297	93	390	28	7	35	325	100	425	15,405	2.76%
Edina	0	0	0	154	393	547	7	4	11	161	397	558	20,983	2.66%
Lakeville	20	0	20	0	24	24	49	18	67	69	42	111	8,105	1.37%
Maple Grove	0	0	0	32	0	32	18	4	22	50	4	54	12,968	0.42%
Minnetonka	0	0	0	173	197	370	7	3	10	180	200	380	20,119	1.89%
Plymouth	0	0	0	153	0	153	78	19	97	231	19	250	19,616	1.27%
Shakopee	0	0	0	56	128	184	65	22	87	121	150	271	4,340	6.24%
Woodbury	0	0	0	0	0	0	53	4	57	53	4	57	7,541	0.76%
Ten Community Totals	76	0	76	1,324	1,086	2,410	856	234	1,090	2,256	1,320	3,576	147,419	2.43%
Metro Area (7 Counties)	3,541	8,586	12,127	10,816	9,749	20,565	9,344	3,517	12,861	23,701	21,852	45,553	922,495	4.94%

Shaded cells identify communities with the smallest supply of subsidized units.

* Numbers for subsidized units updated through July 1, 1992.

** Privately owned units include Sections 202, 236, 221(d)(3), 515 and Section 8 New Construction and Moderate Rehabilitation.

*** Values for total housing units taken from 1990 Census of Population and Housing.

Source: Metropolitan Council, H.U.D., Metropolitan H.R.A., and 1990 Census Data.

Affordability of Existing Housing for Low and Moderate Income Households

For most communities the rental housing stock offers the greatest supply of affordable housing for very low income households (from 30 to 50 percent of the median family income for the region). For low and moderate income households, mobile homes, and owner-occupied units (some single-family, but primarily attached single-family units) expand the supply. This analysis focuses first on the rental housing stock (Table 5) followed by a listing of owner-occupied units that would be affordable to households at 50 and 80 percent of the seven-county metropolitan median family income (Table 6).

In 1990 the ten communities had slightly more than 32,000 rental housing units (12 percent of the metropolitan total). (See Table 5.) Of this total, 7 percent were affordable to households with incomes at 30 percent of the metropolitan median family income ($13,135); an additional 25 percent were affordable to households with income at 50 percent of median family income ($21,890).

The differences in rental housing choices for lower income households among the ten communities are striking:

1. Over 75 percent of Shakopee's rental stock is affordable at 50 percent of median family income (well above the metropolitan average of 66 percent). Burnsville provides the largest number of rental units at the 50 percent level, representing 42 percent of all rental units in the city.
2. In contrast, only 7 percent of Maple Grove's rental housing is affordable for households earning at the 50 percent level, and only thirty-four rental units outside the publicly-subsidized units provide a choice for these households.
3. All ten communities are well below the metropolitan average of 19 percent of renter-occupied housing affordable at 30 percent median family income. Plymouth, Woodbury, and Maple Grove have just over 2 percent of their rental units affordable to the lowest income group.

Cross-checking owner-occupied housing values from the census against county assessors' records revealed significant under-counting of the lowest value homes (under $60,000). For example, the census listed only 106 homes valued under $60,000 for Lakeville, compared with 429 in the Dakota County records for 1994. Table 6 uses 1994 data for homesteaded units (which excludes mobile home units).

This is unfortunate because manufactured housing represents one of the most affordable home ownership opportunities for moderate income households. This omission will continue to under-count the number of low cost owner-occupied housing units that are available in communities such as Lakeville and Burnsville, where there are a significant number of manufactured housing units. In fact, the City of Lakeville suggests that the number of owner-occupied units in the city that are affordable to households earning 50 percent of the median income more than triples when owner-occupied manufactured homes are included.

The proportion of homesteaded units valued at less than $60,000 within a community is particularly noteworthy because these units offer an affordable alternative to renting for low income households. Table 6 shows that approximately 6 percent of homesteaded housing units in the case study communities are affordable to households earning 50 percent the median family income. Those with the lowest proportion of units valued at less than $60,000 were Eden Prairie and Maple Grove, while those with the greatest proportion included Shakopee and Burnsville. Again, the omission of manufactured housing likely would increase the proportion of owner-occupied units valued at less than $60,000, particularly in Lakeville, Burnsville, and Coon Rapids.

Conclusion: *Low and moderate income households are not excluded from these communities, but the supply of affordable housing for households with income at 30 percent of median family income for the metropolitan area as a whole is extremely limited.*

Mobile homes continue to provide the most affordable option for households earning up to 50 percent of median family income.

Shakopee, a freestanding growth center, offers by far the broadest choice of affordable owner-occupied housing at this time.

TABLE 5. Renter-Occupied Units Affordable to Low and Very Low Income Families

	Total Rental - Occupied Housing Affordable at 0 to 30% Median Income*	Total Renter - Occupied Housing Affordable at 0 to 50% Median Income**	Total Number of Renter Occupied Units
Burnsville	376 5.73%	2,765 42.10%	6,567
Coon Rapids	361 10.57%	1,683 49.28%	3,415
Eden Prairie	279 7.15%	892 22.87%	3,900
Edina	421 9.30%	1,018 22.49%	4,527
Lakeville	101 12.05%	299 35.68%	838
Maple Grove	31 2.53%	92 7.52%	1,223
Minnetonka	321 7.48%	781 18.21%	4,289
Plymouth	108 2.27%	1,478 31.08%	4,755
Shakopee	251 21.34%	907 77.13%	1,176
Woodbury	29 2.15%	402 29.78%	1,350
Ten Community Totals	2,278 7.11%	10,317 32.20%	32,040
Metro Area (7 Counties)	53,281 19.40%	180,362 65.66%	274,711

Shaded cell identifies community with the fewest rental units affordable to low income households.

* Rental units affordable at 0 to 30% median income are rental units with monthly rents of $0 to $328 per month. However, Table 5 uses rents ranging from $0 to $349 per month as affordable to very low income households since Census data does not show categories for $328. A monthly rent of $349 would consume 32% of the monthly income of a very low income family earning $13,136 annually (30% of the metropolitan median family income of $43,785).

** Rental Units affordable at 0 to 50% median income are rental units with rents of $0 to $549 per month. A monthly rent of $549 would consume 30% of the monthly income of a low income family earning $21,893 annually (50% of the metropolitan median family income of $43,785).

Source: 1990 Census of Population of Housing.

TABLE 6. Owner-Occupied Units Affordable to Low and Moderate Income Families

	Total Homesteaded Housing Affordable at 50% Median Income*	Total Homesteaded Housing Affordable at 80% Median Income*	Total Number Homesteaded Units
Burnsville	1,317 9.70%	6,115 45.02%	13,582
Coon Rapids	Not Available	Not Available	Not Available
Eden Prairie	296 2.37%	3,132 25.13%	12,465
Edina	1,128 7.08%	3,853 24.17%	15,939
Lakeville	429 4.95%	4,283 49.43%	8,665
Maple Grove	572 4.29%	6,063 45.50%	13,326
Minnetonka	1,112 7.26%	4,891 31.92%	15,325
Plymouth	1,188 7.21%	6,354 38.58%	16,468
Shakopee	418 12.28%	2,845 83.55%	3,405
Woodbury	480 5.87%	3,094 37.87%	8,171
Ten Community Totals	6,940 6.47%	40,630 37.85%	107,346

* A household earning 50% the median family income ($21,893) could be eligible for a 30 year FHA mortgage of approximately $57,100 at an 8.25% interest rate. A household earning 80% the median family income ($35,028) could be eligible for a 30 year FHA mortgage of approximately $99,366 at an 8.25% interest rate. However, Table 6 uses housing values of $59,999 or less as affordable to households at 50% the median family income and housing values of $99,999 or less as affordable to households at 80% the median family income since information from local assessor's offices was available in these classifications.

Source: City and county assessor's offices' data on property values for homesteaded properties in the case study communities as of January 2, 1994.

Incidence of Poverty and the Affordable Housing Supply

Table 7 lists the number and percent of households in poverty from the 1990 Census of Population. A relatively small number of households meet the census definition of poverty, with the proportion of all households below poverty less than half the metropolitan rate—3.5 percent vs. 7.9 percent. The proportions range from a low of 2.2 percent in Maple Grove and Minnetonka to 6.3 percent in Shakopee.

A third of all households in poverty are younger female-headed families, with the largest concentration in Burnsville and Coon Rapids. One out of five households in poverty are elderly; but in Edina this increases to 50 percent.

Table 7 shows that in most of the communities listed above, and for the metropolitan area as a whole, the proportion of households receiving public assistance in 1989 (census data) is smaller than the percent identified as being below the poverty level.

The percentage of households in poverty living in these suburbs is strongly correlated with the provision of subsidized housing units, but in all ten communities the percent of households in poverty exceeds the percent of the housing supply affordable to households earning 30 percent of median family income. This is documented in Table 8.

Four statistical tables are included in the appendices for reference. Appendix A gives a breakdown of owner- and renter-households paying over 30 percent of income for housing. This is one measure for calculating unmet needs for affordable housing, but younger owner-households often over-consume housing in anticipation of future income gains. Tax policies favoring home ownership at both federal and state levels provide powerful incentives for this over-consumption.

Statistics on the rental rate structure of units in each of the communities and the availability of three-bedroom rental units, by rent range, are included in appendices B and C. Appendix D provides additional data on the number of households receiving public assistance from 1990 Census data.

Conclusion: *A gap exists between the current supply of affordable housing and the number of households living below the poverty level in these communities. Constructing additional low cost units in these suburbs could thus meet the needs of existing residents and not necessarily offer expanded opportunities for households in the concentrated poverty areas of the older urban areas.*

Opportunities for city residents to find affordable housing in these communities will depend on more aggressive and affirmative marketing from local officials and developers.

TABLE 7. Total Number and Percent of Households in Poverty by Selected Household Types

	Total Households	Total Hslds In Poverty	Married Couples In Poverty		Female Householders In Poverty		Non-Family Hslds In Poverty	
			Under Age 65	Age 65 or Over	Under Age 65	Age 65 or Over	Under Age 65	Age 65 or Over
Burnsville	19,127	734 3.84%	137	0	322	0	185	61
Coon Rapids	17,449	832 4.77%	124	21	383	0	145	140
Eden Prairie	14,447	451 3.12%	57	7	193	0	150	39
Edina	19,860	804 4.05%	66	54	68	13	212	352
Lakeville	7,851	248 3.16%	39	8	84	0	45	63
Maple Grove	12,531	272 2.17%	76	7	94	7	58	15
Minnetonka	18,687	410 2.19%	16	9	100	0	154	114
Plymouth	18,361	636 3.46%	102	0	211	0	202	107
Shakopee	4,163	261 6.27%	16	14	94	10	64	26
Woodbury	6,927	185 2.67%	19	9	83	0	67	7
Ten Community Totals	139,403	4,833 3.47%	652	129	1,632	30	1,282	924
Metro Area (7 Counties)	875,833	68,783 7.85%	8,591	1,495	21,075	428	23,180	11,655

Shaded cells identify instances of greatest poverty in a particular category.

NOTES:

1. All percentages based on total households.

2. Male householders in poverty excluded due to insignificant number.

Source: 1990 Census of Population and Housing.

TABLE 8. Shares of Households in Poverty and Housing Stock Affordable to Households Earning 30 Percent of Median Family Income, 1989 (in percents)

	Households in Poverty	Households with Public Assistance	Rental Units Affordable at 30% Median Family Income*	Owner-Occupied Units Affordable at 50% Median Family Income**	Mobile Homes	Subsidized Units
Burnsville	3.8	2.9	1.9	9.7	3.5	3.7
Coon Rapids	4.8	5.0	3.5	--	1.4	4.0
Eden Prairie	3.1	2.5	1.8	2.4	0.0	2.8
Edina	4.1	2.0	2.0	7.1	0.0	2.7
Lakeville	3.2	2.8	1.2	5.0	12.1	1.4
Maple Grove	2.2	1.4	0.2	4.3	0.0	0.4
Minnetonka	2.2	2.2	1.6	7.3	0.1	1.9
Plymouth	3.5	2.4	0.6	7.2	0.5	1.3
Shakopee	6.3	4.8	5.8	12.3	0.7	6.2
Woodbury	2.7	1.4	0.4	5.9	0.3	0.8
Metropolitan average	7.9	5.5	5.8	--	1.8	4.9

*This calculation takes the number of rental units affordable to households earning 30 percent of median family income as a percent of all housing units in the community/region.

** 1994 data from county assessors' records.

Note: Not all subsidized units are affordable at 30 percent of median family income; households in poverty are categorized according to number of persons in the household.

Sources: U.S. Census of Population, 1990; Metropolitan Council Housing and Redevelopment Authority, 1992; county assessors' records, 1994.

LOCAL REGULATORY ENVIRONMENT

This section of the report summarizes the locally adopted zoning regulations and fee structures and compares their standards against those adopted by the Metropolitan Council as a guide for local comprehensive plans and ordinances.

Zoning Regulations—Single-Family Districts

Table 9 compares the current zoning regulations of the ten suburban communities against the advisory standards proposed by the Metropolitan Council in 1977 to maintain affordability of single-family housing. The table gives information on the following:

- minimum lot size for the highest density single-family zoning district
- minimum lot width for the above district
- requirements for a minimum floor area in single-family units
- requirements for garages

Data on the supply of vacant land for future housing in that highest density single-family zoning district were not available for some of the communities.

Large lot sizes and lot widths, minimum floor area, and requirements that all units have a garage individually and in concert contribute to the cost of a house—either through land costs, building costs, or utility connection costs.

1. All of the cities have minimum lot sizes greater than the 7,500 sq. ft. recommended by the Metropolitan Council. The smallest minimum size is currently 9,000 sq. ft., 20 percent larger than that recommended. Minnetonka has the largest lot requirement of 22,000 sq. ft.—three times that recommended by the Metropolitan Council.
2. Half the communities specify minimum floor areas of between 960 and 1,100 sq. ft.—well above standards required by the Uniform Building Code for health and safety.
3. Four of the ten communities require a two-car garage be built at the same time as the house. For other communities, minimum lot widths assure that space is available on a lot to accommodate a garage.

Zoning Requirements—Multi-Family Districts

The Metropolitan Council recommended that densities of twenty units per acre should be permitted in multi-family zoning districts as one way to maintain affordability of new rental housing. The zoning requirements for a two-bedroom apartment in the ten communities are summarized in Table 10.

Zoning requirements for 1977 are listed to determine if communities have "upgraded" their requirements since the Metropolitan Council's 1983 report. A two-bedroom unit is chosen as the type of housing most likely selected by lower income households given the limited supply of three or more bedroom units.

Key findings from the data:

1. Minnetonka does not specify a density limit; the remaining nine cities set density limits at less than twenty units per acre (calculated on the land area requirements for two-bedroom units). Eden Prairie, Lakeville and Maple Grove approach that density with 17.4 units/acre. Woodbury restricts development to ten units/acre. Half of these cities have increased their minimum lot area requirement since 1977, including Burnsville, Coon Rapids, Edina, Shakopee, and Woodbury.
2. Most cities set minimum floor areas, while the Metropolitan Council recommended no requirements. Edina and Maple Grove set requirements equivalent to the minimum for single-family homes in many cities.
3. Five of the cities require that one garage space per unit be built. Eden Prairie and Edina previously had that requirement. The Metropolitan Council recommended that a garage not be required as a cost savings measure.
4. Three cities require a conditional use permit for all multi-family developments. This increases the cost of development through permit fees, increased time to gain approval, and the risk that conditions may be imposed that could further increase costs through site plan review. Minnetonka's requirement that the land must be re-zoned from a single-family to multiple-family district significantly increases time and costs for project approval.

TABLE 9. Locally Adopted Zoing Regulations for Single-Family Homes*

	Minimum Lot Size For Single Family (in square feet)		Minimum Floor Area For Single Family (in square feet)		Number of Required Garage Spaces		Minimum Lot Width (in feet)	Acres Undeveloped Within Zoning District (as % of total in city)
	1993	1977	1993	1977	1993	1977	1993	
Metropolitan Council Advisory Standards	7,500	7,500	None	None	None	None		
Burnsville	10,000 R-1	11,000 R-1-C	1,100	1,100	Yes 2	Yes 2	80	589 3.41%
Coon Rapids	10,800 LDR-2	10,800 R-2	960	960	Yes 2	Yes 1	80	149 1.02%
Eden Prairie	9,500 R1-9.5	13,500 R1-13.5	None	None	No	Yes	70	751
Edina	9,000 R-1**	9,000 R-1**	None	None	Yes 2	Yes 2	75	In-Fill Lots
Lakeville	15,000 R-2	11,000 R-1-C	1,040	1,040	No*** 3	No	100	Not Available
Maple Grove	10,000 R-2	10,000 R-2	960	960	Yes 2	No	80	8000 acres Outside MUSA
Minnetonka	22000 R-1	18,000 R-1****	None	None	No	No	80	In-Fill Lots
Plymouth	15,000 R-1B	18,500 R-1*****	None	None	No	No	110	Not Available
Shakopee	9,000 R-2	9,000 R-2	None	None	No	No	60	Not Available
Woodbury	10,000 R-4	10,000 R-4	1,000	1,000	No	No	80	Not Available

The shaded cell identifies the community with the highest minimum lot size.

* Single family minimum lot sizes noted above are the permitted lot sizes within the city's highest density single family district.

** The minimum lot area and lot width regulations in Edina apply only when the median lot area and lot width of the existing housing in the neighborhood is equal to or less than the minimum standards.

*** Lakeville requires that each single family site plan provide space for a three-car garage regardless of whether the garage is constructed.

**** Under Minnetonka's 1977 ordinance, a subdivision of 20 or more acres was permitted to have lot sizes of 18,000 square feet.

***** Under Plymouth's 1977 R-1 Residential Subdivision Unit Project ordinance, a minimum lot area of 11,000 square feet was possible.

Sources: Local zoning ordinances; data compiled by Minnesota Planning; and *Residential Zoning Ordinances* (Metropolitan Council, May, 1977).

TABLE 10. Locally Adopted Zoning Regulations for Multi-Family Housing

	Minimum Lot Size For Two-Bedroom Unit (in square feet)		Maximum Density For Two-Bedroom Unit* (units per acre)		Minimum Floor Area For Two-Bedroom Unit (in square feet)		Number of Required Garage Spaces		Planned Unit Development Ordinance for Multi-Family		Administrative Barriers
	1993	1977	1993	1977	1993	1977	1993	1977	1993	1977	
Metropolitan Council Advisory Standards			20	20	None	None	None	None			
Burnsville	3,000 R3-C	2,500 R3-C	14.5	17.4	800	700	Yes 1	Yes 1	Yes	Yes	C.U.P.
Coon Rapids	2900* HDR	2,900 M	15	15	700	700	Yes 0.75	Yes 0.5	Yes**	Yes	permitted
Eden Prairie	2,500 RM-2.5	2,500 RM-2.5	17.4	17.4	None	None	No	Yes 1	Yes	Yes	permitted
Edina	2,900 PRD-4	2,500 R-5	15.3	17.4	950	950	No	Yes 1.25	Yes***	Yes	permitted
Lakeville	2,500 R-7	2,800 R-3C	17.4	15.5	800	None	No	No	Yes	Yes	permitted
Maple Grove	2,500 R-5	* R-5	17.4	15	950	900	Yes 1	No	Yes	Yes	permitted
Minnetonka	None R-5	2,500 R-5	No Maximum Density	10	None	900	Yes 1	Yes 1	Yes****	Yes	rezoning
Plymouth	4,000 R-4	4,000 R-4	11	11	None	900	Yes 1	Yes 1	Yes	Yes	C.U.P.
Shakopee	3,000 R-4	2,000 R-3B	14.5	21.8	720	720	None	None	Yes	Yes	permitted
Woodbury	3,600 R-4	3,100 R-4	10*****	10	850	850	Yes 1	No******	No	No	C.U.P.

Shaded cells identify the most restrictive practices, which lead to higher costs.

* Relates to three-story apartment buildings.

** Coon Rapids' PUD ordinance permits a 25 percent density increase if lot amenities are provided.

*** Edina's PUD ordinance permits density bonuses for underground parking, lot size and coverage, distance from R-1 districts and freeways.

**** Plymouth provides density bonuses based on size of development, mix of residential uses, and provision of open space.

***** The maximum permitted density per acre is less than the density that would result from employing the minimum area requirements to regulate density per acre. (i.e. While Woodbury's minimum lot area requirement would allow a density of 12.1 (43560/3600), the zoning code permits a maximum of 10 units per acre.)

******Woodbury's flexible zoning regulations are incorporated into zoning districts and are based on provision of enclosed parking, open space, and landscape amenities.

NOTE: Administrative barriers note whether multi-family developments are permitted uses, require a Conditional Use Permit within high density zoning districts, or or require a rezoning to accomodate multi-family housing developments.

Sources: Local zoning ordinances; data compiled by Minnesota Planning; and Residential Zoning Ordinances (Metropolitan Council, May, 1977).

It should be noted that Eden Prairie requires a "planned unit development" permit for all of the multi-family developments targeted for low and moderate income households where minimum floor area and garage requirements may be waived.

Requiring a special use permit for multi-family housing may give a developer the opportunity to waive density regulations, but the quid pro quo of requiring underground parking or higher quality brick exterior as specified in the Woodbury code defeats the purpose of greater affordability. (See "Making the Connection: Linking Housing, Jobs and Transportation," Minnesota Planning, Metropolitan Council, and Minnesota Housing Finance Agency, December 1993, pp. 39-40 for an extended discussion of Woodbury's code.)

Conclusion: *Recent trends are for communities to make their zoning requirements more rather than less restrictive.*

None of the communities is in compliance with the guidelines recommended by the Metropolitan Council for local zoning or subdivision regulations.

Fees and Charges Associated with Land Development

All communities charge fees for the administrative costs involved in processing development applications. Table 11 describes current fee structures in the ten communities for platting, conditional use permits, variances, and comprehensive plan amendments. The basis for fee setting differs considerably from community to community, making it difficult to judge the actual fiscal impact on the cost of housing. The purpose of these fees is to pass through actual administrative costs to the developer.

Connection charges for sanitary sewer and water and the Sewer Availability Charge (SAC) for the Metropolitan Waste Control Commission are listed in Table 12. These charges are significantly higher than the administrative fees and can add well over $2,000 to the cost of a housing unit in several of these communities. Note, however, that charges for utility services are assigned throughout the metropolitan area for all new developments, with the SAC charge uniform for all communities.

Park dedication fees are an additional cost for developers and reflect the anticipated costs for providing adequate park and recreation space for the incoming population. Table 13 compares the fees currently required by each of the cities. Eight out of the ten cities charge a straight fee per unit, but this ranges widely—from a low of $384 for a single-family unit in Coon Rapids to Eden Prairie's $900.

In Table 14 we have assigned these fees/costs to a hypothetical forty-acre tract to estimate the potential cost per unit for a single-family development in each of the communities. (Note that the table does not include costs for roads, lighting, signs, boulevard landscaping, or other costs involved in the development process.)

On a per-unit basis, fees differ greatly among the communities—from a high of over $5,000 to approximately $1,250. Park fees at $900 per unit in Eden Prairie, for example, are almost double the charges assigned in Shakopee (assumes $20,000 per acre for raw land) under the same zoning density standards. Plymouth and Lakeville apply the same zoning density standards, but the charges are significantly different. It does make a difference, therefore, in which community a developer seeks to build if raw land costs are comparable.

Conclusion: *The policies for assigning charges/fees for both utilities and other municipal services, in addition to density controls, are factors increasing costs and have differential impacts on the final cost of housing among cities.*

TABLE 11. Subdivision/Adminstrative Fees

	Pre-Plat Fee	Final Plat Fee	Planned Unit Development Fee	P.U.D. in lieu of Platting*	Comprehensive Plan Amendment Fee	Conditional Use Permit Fee	Variance Fee
Burnsville	$200 + $10 per lot	$50 + $5 per lot	$750	no	$550	$550	$150
Coon Rapids	$225	$115	$820**	no	$285	$302	$134
Eden Prairie	$400 + $5 per lot	$40 per lot	$500 + $5 per lot	no	$400 + $5 per unit	not applicable	$125
Edina	$350 + $10 per lot	$0	$600	no	$400	$500	$100
Lakeville	$250 + $5 per lot	$150 + $5 per lot	$500	no	$500	$200 S.F. / $300 M.F.	$200 S.F. / $300 M.F.
Maple Grove	$250	$250	Pre - $250 + $20 per acre Fin - $200 + $5 per lot	yes	$100 + $20 per acre	$200	$150
Minnetonka	$300 + $10 per lot over three lots	$150	$500	no	$500	$350	$75
Plymouth	$21 + $10 per lot + legal fees***	$135	$670****	no	$390	$200	not available
Shakopee	$330 + $6 per lot or $200 + $4 per lot	$150	$700 + $20 per acre	no	Minor - $500 Major - $1000	$200	$85
Woodbury	$300 + $5 per lot	$200 + $5 per lot	$500	yes	$300	$200	$75

* Some cities do not require that a developer pay both platting fees and Planned Unit Development fees. This column notes whether the city waives the platting fees for a new development if the developer pays the Planned Unit development fee.

** The Planned Unit Development fee in Coon Rapids includes the $235 concept plan review, $470 preliminary plan review, and a $115 final plan review.

*** Plymouth has a $285 minimum fee for preliminary plats.

**** The Plymouth PUD fee is the total fee for review of the PUD concept plan, preliminary plan, and final plan. The fee does not cover rezoning, conditional use fee, or the cost of erecting a sign for public notification ($165).

Source: Local planning and zoning offices; *Metropolitan Council Development Cost Comparative Analysis Draft Summary; 1991 Municipal License and Permit Survey.*

TABLE 12. Sewer and Water Connection Fees

	Sanitary Sewer Trunk Area Charge Per Lot		Sanitary Sewer Connection Charge		MWCC SAC Charge Per Unit		Watermain Unit Charge	
	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family*	Single Family	Multi-Family
Burnsville	$634	$507	$190	$152	$800	$800	$760	$609
Coon Rapids	$0	$0	$29**	$29**	$825	$825	$29	$29
Eden Prairie	$0	$0	$490	$490	$800	$800	$615	$615
Edina	$0	$0	$0	$0	$800	$800	$0***	$0***
Lakeville	$600****	$600****	$725	$725*****	$800	$800	$2,100	$2100*****
Maple Grove	$0	$0	$465 or $585******	$465 or $585******	$800	$800	$1,100	$1,100
Minnetonka	$0	$0	varies	varies	$800	$800	$0	$0
Plymouth	$0	$0	$370	$370	$800	$800	$630	$630
Shakopee	$0	$0	$0	$0	$800	$800	$400	$400
Woodbury	$0	$0	$345	$235 to $330	$800	$800	$495	$495

* The Metropolitan Waste Control Commission (MWCC) reduces the per unit Sewer Availability Charge (SAC) per multi-family development by 20% if the development has common laundry facilities. The MWCC reduces the per unit multi-family SAC by 40% if the development provides subsidized housing and does not have dishwashers or garbage disposals.

** Cost of plumbing permit to attach sewer line from house to sewer main in street.

*** There are no municipal charges for sewer and water hook-up in Edina when there are no outstanding sewer or water assessments on the property.

**** Lakeville's sanitary sewer trunk charge is assessed per acre, not per unit.

***** Lakeville reduces local water and sewer charges by 20% when a multi-family development is eligible for MWCC discounts.

****** Local sewer charge in Maple Grove depends on the location of the housing unit.

Source: Local planning offices; *Metropolitan Council Development Cost Comparative Analysis Draft Summary; 1991 Municipal License and Permit Survey.*

TABLE 13. Park Dedication Fees

	Park Dedication Fees Per Unit	
	Single Family	Multi-family
Burnsville	$512	$752
Coon Rapids	$384	$238
Eden Prairie	$900	$900
Edina	8% of the undeveloped land value	
Lakeville	$650*	$650*
Maple Grove	$630	$630
Minnetonka	$400	$250
Plymouth	$885	$885
Shakopee	10% of the undeveloped land value	
Woodbury	$725	$500

* In addition to the park dedication fee, Lakeville charges a trail dedication fee of $150 per unit.

Source: Local planning and zoning offices; *Metropolitan Council Development Cost Comparative Analysis Draft Summary; 1991 Municipal License and Permit Survey*.

TABLE 14. Selected Development Charges of a Hypothetical 40-Acre Single-Family Development

	Number of Housing Units	Total Pre-Plat Fee	Total Final Plat Fee	Park Dedication Charges	Total Water Connection Fees	Sewer Connection Charges		Total Fees	Total Fees Per Unit
						Local Fees	MWCC Fees		
Burnsville	139	$1,594	$747	$71,369	$105,938	$114,859	$111,514	$406,020	$2,913
Coon Rapids	115	$225	$115	$44,055	$3,327	$3,327	$91,781	$142,830	$1,245
Eden Prairie	147	$1,134	$5,869	$132,056	$90,238	$71,897	$117,383	$418,576	$2,853
Edina	155	$1,899	$0	$64,000	$0	$0	$123,904	$189,803	$1,225
Lakeville	93	$715	$615	$74342*	$195,149	$123,130	$74,342	$468,292	$5,035
Maple Grove	139	$250	$250	$87,817	$153,331	$64,817	$111,514	$417,979	$2,999
Minnetonka	63	$934	$150	$25,344	$0	$24,267	$50,688	$101,382	$1600**
Plymouth	93	$950	$135	$82,241	$58,545	$34,383	$74,342	$250,597	$2,697
Shakopee	155	$1,260	$150	$61,952	$61,952	$0	$123,904	$267,266	$1,726
Woodbury	139	$997	$897	$101,059	$68,999	$48,090	$111,514	$331,556	$2,379

The shaded cell highlights the city with the most costly development charges per housing unit.

* Lakeville's park dedication calculation includes both the city's park and trail dedication fees.

** There are wide variations in local sewer connection charges in Minnetonka due to the site-specific calculation the city employs to assess the local sewer charge. Therefore, the minimum charge of $383 was used for the sewer connection charge which may result in the sewer and total charges in Minnetonka being underestimated.

NOTE: Assumptions used in cost calculation include:

1. The proposed development is not a planned unit development.

2. Density for the development is calculated by determining the net developable area of a 40 acre parcel and the number of units that can be developed on the parcel based upon the cities' minimum lot area requirements for a single family home. It is assumed that 80 percent or 32 acres of the land is developable.

3. The calculation includes only platting fees, sewer and water connection charges, and park dedication fees. Therefore, site preparation costs, site plan review fees, legal fees, costs of providing a letter of credit, and any costs associated with rezoning the land are not included in the calculation.

4. The park dedication fees in Edina and Shakopee are based upon the value of the land proposed for development. For these purposes, it is assumed that land is valued at $20,000 per acre.

Source: Local planning offices; *Metropolitan Council Development Cost Comparative Analysis Draft Summary; 1991 Municipal License and Permit Survey.*

LOCAL POLICIES AND ACTIONS

Three types of actions taken at the individual city level are reviewed in this section. They include: down-zoning actions that reduce the supply of land for higher density development; expenditures of local dollars which increase the supply of affordable housing; and achievement of the goals for increasing the supply of housing for low and moderate income households.

Down-Zoning

The authors of the case studies frequently commented on actions resulting in the loss of available land for multi-family housing and thus less capacity to accommodate more lower cost housing. Formal re-zoning requests from these cities to the Metropolitan Council since 1985 are summarized in Table 15.

Most of the requests have been to down-zone, resulting in the net loss of 530 acres of higher density land to a lower density (652 down-zoned and 82 acres zoned to high density residential). Woodbury is the only city requesting a zoning change from "office" to "high density residential" to accommodate some low and moderate income housing in a 400-unit rental project.

Use of Local Resources to Provide Low and Moderate Income Housing

The level of commitment by cities to use local dollars to help finance low and moderate income households has been modest. The Maple Grove case study points out that none of their $1.46 million in CDBG funds have been used for assisted housing. Other communities, including Burnsville and Lakeville, have used CDBG funds for site acquisition for new senior housing; Plymouth used some of its funds to assist low income families (average income $25,800) through a scattered home-ownership program. The Edina case study points out that significant public subsidies have been used for what is essentially market-rate housing. In several cities it seems that the moderate income market has been targeted at the expense of meeting low income goals.

In general, communities have been more receptive to help finance new housing for seniors and participate in mortgage interest reduction programs for first-time buyers. The author of the Coon Rapids case study, however, questions whether low and moderate income households benefitted from the city's industrial revenue bonds—which initially targeted households with less than 120 percent of median family income, and then opened up the program to all interested buyers after six months.

With the assistance of the Dakota County Housing and Redevelopment Authority, Lakeville has used revenue bonds for three assisted-housing developments. Twenty percent of two multi-family rental projects (68 out of 342 units) were to be reserved for families earning between 50 percent and 80 percent of median family income and one has been built for seniors. The Eden Prairie case study summary also points out that local housing revenue bonds have been used for twelve rental projects, totaling 447 units.

One of the problems raised by the case studies is the lack of monitoring for compliance with these "set aside" requirements to rent to lower income households. In one instance current property managers were not aware of the requirement.

TABLE 15. Summary of Zoning Amendment Changes Filed with the Metropolitan Council Since 1985

Coon Rapids

Number of Acres Rezoned	Zoning Change	Revised Density	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
14	High to Commercial	----	12/87	Shamrock Development	12803-4	- The two rezonings resulted in a net loss of 300 housing units
12	Medium to Low	4.9	12/87	Shamrock Development	12803-4	
Total Down-Zoned Acres		26				
Total Up-Zoned Acres		0				

Eden Prairie

Number of Acres Rezoned	Zoning Change	Revised Density	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
28.7	Low to Medium	3.93	4/86	Bluff Country PUD	13904-1	
13.5	Park to Low	2.15	11/86	Meadowlark	13904-1	
8.4	Park to Low	2.25	1/87		13904-7	
39.5	Medium to Low	1.47	1/87	Cardinal Hills	13904-8	
10	Medium to Public	----	3/87	International School	13904-9	
Total Down-Zoned Acres		39.5				
Total Medium to Public		10				
Total Up-Zoned Acres*		28.7				
Total Public to Low Density		21.9				

TABLE 15. Continued

Lakeville

Number of Acres Rezoned	Zoning Change	Revised Density	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
350	High to Low	?	9/89	Scattered Sites	14698-9	- City rezoned various high density parcels to low density. Reasons cited were growth management and availability of mfg housing.
Total Down-Zoned Acres		350				
Total Up-Zoned Acres		0				

Maple Grove

Number of Acres Rezoned	Zoning Change	Revised Density	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
18	Medium to Low	2.5			11608-9	- Loss of 159 units - Council letter of concern over loss of low and moderate housing
8.5	Medium to Low	2.7	6/86	Maples Addition	13187-4	
19	Medium to Low	2.47	8/86		13187-5	
2.5	Up-Zone	8.5	10/86	Hadjer Heights	13187-6	
19.9	Low to Medium	6.5	4/87	Timberwood	13187-8	
Total Down-Zoned Acres		45.5				
Total Up-Zoned Acres		22.4				

TABLE 15. Continued

Minnetonka

Number of Acres Rezoned	Zoning Change	Revised Density*	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
4.3	Low to Medium		5/87		13983-2	- Rezoning for 78 unit senior housing project
Total Down-Zoned Acres						
Total Up-Zoned Acres		4.3				

Plymouth

Number of Acres Rezoned	Zoning Change	Revised Density*	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
15	High/Med tc Industrial	-----	2/91	Plymouth Bus. Center South	15249-2	- City answered yes to impacting supply of low/mod income housing. Council Staff OK'd due to housing stock and vacancy rate in city
80.3	High/ Med t Low/ Med	1.51	9/90		14913-9	
?	All High/ Med to Low/ Med		12/91		14913-3	- Resulted in net loss of 3,839 units Reasons were present balance on housing stock and future traffic congestion
Total Down-Zoned Acres		95.3+				
Total Up-Zoned Acres		0				

TABLE 15. Continued

Woodbury

Number of Acres Rezoned	Zoning Change	Revised Density*	Date of Rezone	Name of Subdivision	Met Council File Number	Comments
31.5	Office to High	12.7	4/86		11609-8	- 400 rental units with 20% available for low/mod hslds
95	Medium and High to Low	3.25	6/89	Colby Lake PUD	14416-4	
Total Down-Zoned Acres		95				
Total Up-Zoned Acres		31.5				

Source: Local planning and zoning offices *Metropolitan Council Development Cost Comparative Analysis Draft Summary; 1991 Municipal License and Permit Survey.*

Implementation of the Housing Plans

The simplest measure of successful plan implementation would be to evaluate achievement of the ten-year fair-share low and moderate housing goal established by the Metropolitan Council in 1979.

These goals were established at a time when there was a reasonable expection that federal funding would play a significant role in assisting the communities in meeting their fair share goals. In reality, the federal funding available for affordable housing during the 1980s was much less than anticipated. Judging communities' efforts to provide low and moderate income housing solely on the basis of these targets may be inappropriate given the unexpected financial constraints facing these communities. On the other hand, population growth and increases in the number of households in poverty have increased need and thus heightened urgency to meet or exceed those earlier goals.

The fact that Minneapolis has been able to create over 2,000 subsidized housing units between 1985 and 1990, measured against a total of 774 in all of suburban Hennepin County, attests to the lack of motivation and priority given to the affordable housing goals outside the central city. Table 16 is taken from a joint task force report submitted to the Hennepin County Board in 1991, listing data compiled by the Minneapolis Community Development Agency and the Hennepin County Office of Planning and Development.

The communities' commitment can still be demonstrated by showing: (a) how successful the communities were in implementing their unquantified housing goals; and (b) showing that these policies are an effective means in promoting more affordable housing opportunities.

We found a wide degree of variation among the communities in both the specificity of housing plans as well as in the success communities exhibited in actually implementing those plans. In some cases, such as in Burnsville, Coon Rapids, and Eden Prairie, communities articulated specific actions and policies the community would undertake to promote low and moderate income housing. The plans typically included using several tools that would either directly reduce housing costs or lower administrative barriers that hindered the development of affordable housing. These policies included the use of flexible zoning to promote housing variety and reduce land costs, the

TABLE 16. Number of New Subsidized Housing Units Produced, 1986-1990

	Deep Subsidies Affordable to Families on AFDC	Shallow Subsidies Affordable to "Working Poor"	Total
Minneapolis	848	1,173	2,021
Suburban Hennepin	730	44	774
All Hennepin County	1,578	1,217	2,795

Source: Minneapolis Community Development Agency, Hennepin County Office of Planning and Development. Taken from "A Community Response to the Needs of Homeless Families," The Joint Task Force on Homeless Single Adults and Families, for Hennepin County Board of Commissioners, July, 1991.

elimination of unnecessary zoning and performance standards which increase the cost of housing, actively pursuing funding for subsidized housing, and evaluating the communities' development procedures to insure that the process did not create unnecessary time delays.

Full implementation of housing goals and policies was rare. However, several communities were more successful than others. For example, Eden Prairie has made extensive use of the "planned unit development" process in its residential developments, has not enforced (or has eliminated) zoning regulations such as minimum floor area and mandatory garage requirements, and has sought to develop subsidized rental units in the city through the issuance of housing revenue bonds. On the other hand, Eden Prairie's sixteen-year-old policy to investigate the possibility of mobile parks in the city has not resulted in any manufactured housing being located in the city.

Lakeville is an example of one of the communities that has not been as successful in implementing its low income housing policies specified in Lakeville's plan, although three projects have been built with some of the units targeted to low and moderate income households. Lakeville's subdivision and zoning code amendments in January 1994 that require strict adherence to per-unit minimum lot requirements conflict with the city's policy designed to promote the use of planned unit developments to reduce land costs as well as the city's policy to encourage the removal of unnecessary housing requirements that reduce housing affordability. In addition, while the housing plan requires that the city establish quantitative goals for low and moderate income housing, these have not been adopted to guide current actions.

The degree to which the housing plans developed by the communities varied in specificity is exemplified in the housing plan developed by Maple Grove. While most of the communities outlined general strategies for encouraging affordable housing, Maple Grove offered few, if any, actions. In fact, Maple Grove's comprehensive plan suggests that the city ought not pursue the development of low and moderate income housing. The plan's review of housing in the city notes that, "efforts to develop large areas of low and moderate priced housing would be futile. The market for this housing has shrunk and other cities can provide it at less cost." The city's philosophy was reflected in its housing policies that encouraged greater single-family development, the use of mandatory garage requirements, and increasing minimum lot sizes.

Conclusion: *Suggested guidelines for the housing element of local comprehensive plans have not been followed—many plans skirt the issue or remain vague; other plans with good stated goals have been not implemented.*

Current penalties or incentives for communities to achieve the goals of broader geographical distribution of housing for low and moderate income households are not achieving the regional objectives.

C. SUMMARY CONCLUSIONS AND RECOMMENDATIONS

The evidence of exclusionary practices is a very mixed bag. The practices of these ten communities have not completely excluded low and moderate income housing. These practices, however, have not created realistic opportunities for affordable housing other than on a very limited basis. Some of the conclusions drawn from this study include the following:

1. Many of the local land use practices, either through zoning or other programs, serve to effectively restrict the market for the lowest income groups while not excluding them in total. Diversity of housing stock exists, but only half of the cities analyzed here have achieved the regional goal of having over 40 percent of all units alternatives to single-family detached housing. [Table 2]
2. The targeted goals for subsidized housing set in the late 1970s have not been met and thus the supply of housing affordable to persons with earnings of only 30 percent of the metropolitan median family income is well below documented need. [pages 9, 10]
3. The most recent census data point out that existing low income residents in these communities could well fill any expanded affordable housing, leaving very little opportunity for those living in neighborhoods of concentrated poverty to move out. [page 14]
4. Local policies and programs have not made further development of lower cost housing a priority. Achieving a regional goal of broadening housing choice for lower income persons, particularly in the communities experiencing rapid growth in jobs, will require a renewed commitment from local governments. [page 31]
5. Current regional policies to either provide incentives or assert penalties are not sufficient to motivate local governments to action. Closer monitoring is required to insure that when public subsidies are provided at the local level that this investment clearly benefits those in greatest financial need. [page 25]

To be sure, there are a number of reasons for the shortage of affordable housing in Twin Cities suburbs, many of which are beyond the control of municipalities. The barriers listed below are drawn not only from the case studies, but also the cited literature and the authors' observations:

1. High property taxes and tight municipal budgets which encourage communities to accommodate higher value, owner-occupied housing—which tend to "pay their own way" for municipal services.
2. The higher value "trade up" housing market fueling the demand for new housing. This reflects the aging of baby boomers (who are now approaching their peak earning years), and many developers see this as their niche for the near future.
3. Inequitable property tax rates for rental properties, recent high vacancy rates in multi-family housing (a result of over-building in the late 1980s and fewer persons in the younger age groups who are more likely to be renters). These factors discourage developers from constructing new multi-family units.
4. Rapidly escalating prices for undeveloped land in suburban communities provided with sewer and water services. A perceived sense of scarcity has led to large increases in raw land prices over the past year and a half.
5. Property ownership of vacant land. The re-zonings and down-zonings requested from the Metropolitan Council have resulted from property owner requests for an alternative use. Communities have been receptive to these requests, not seeing any benefit in maintaining higher density zoning where there is weak market demand.

6. Concern over long-term maintenance and quality of high-density and lower-priced housing. Communities view their performance standards for both single- and multi-family units as contributing to long-term quality and giving incentives for property owners to maintain their investments over the long term.
7. Development costs for new multi-family units which require rents unaffordable for moderate income households. Raw land costs, development charges, density controls, dedication requirements, and performance requirements combine to increase overall costs per unit.
8. Lack of public subsidies from the federal government targeted to low income households. Very modest increases in the number of Section 8 certificates and vouchers for eligible households. Many are eligible, few get the subsidy. Many more units within HUD's "fair market rent" guidelines exist than there are households with the subsidy.
9. Negative community attitudes toward multi-family housing. In part, this stems from experiences of communities with large concentrations of moderately priced rentals where human service needs have escalated. The perception of crime and behavior conflicting with middle class values is reflected in community surveys guiding actions of elected officials. Several communities express the belief that they already have "too much" multi-family housing. There is the fear that should the community expand opportunities for a large increase in multi-family housing, it will become a ghetto with the same kinds of problems experienced by both central cities and inner suburbs where poverty households are concentrated.
10. Lack of incentives for a community to aggressively use local resources to increase the supply of low cost rental housing. Cities with few affordable units are still able to attract workers to fill local jobs. Reverse commute transit services are seen as a more attractive solution to any shortages in the local work force.
11. Appropriate scale for multi-family housing. No independent research has been conducted on how development costs (and thus rent levels) are affected by the number of units in a development. There is concern in these communities, however, that large scale developments in neighborhood settings are incompatible with long-term vitality of the neighborhood.

Other, more subtle barriers can be discerned. The information from the Metropolitan Council that more households with Section 8 subsidies assigned in the suburbs move into the central cities than vice versa points to a consumer preference for a non-suburban place to live. We do not have data to provide a true explanation. It may be that the suburbs offer a very restricted choice; "value for money" may be greater in the central cities; accessibility to transit and social services may also be a strong factor. A survey to determine the range of reasons would help determine whether there is an inhospitable environment in areas where few low income persons live.

Addressing the need for more affordable housing in the suburbs will require a multi-faceted approach. Simply reducing zoning barriers will not be sufficient. Incentives for the market to respond to the demand and for communities to see some long-term benefits from a more diversified housing base are required.

Several strategies are suggested below for further discussion:

1. Property tax reform to treat rental housing on a par with owner-occupied housing should make duplex and multi-family housing more attractive to developers and current property owners. This should reduce the depth of subsidy required to make new or existing housing more affordable and make more effective use of existing housing in suburban communities.
2. Re-focus local zoning regulations toward urban design performance standards, in lieu of current density requirements with minimum lot sizes, lot widths, floor area requirements etc. Existing "planned unit development" approaches do not provide opportunities to create a more intimate scale of development at higher densities and with lower costs.
3. Adopt local policies that will prevent future concentrations of poverty in any neighborhood. Set-asides of a small proportion of units for lower income, scattered-site subsidized housing, or restrictions on the number of units serving only one income

group, could be strategies applied at the local level. Maintaining the desired quality of life in suburban neighborhoods is viewed as a function of scale.

4. Create a regional funding pool that would reward communities who are strongly motivated to diversify their housing stock.
5. Elevate the Metropolitan Council's Housing Policy Plan chapter of the Metropolitan Development Guide to "system status"—thus increasing the authority of the Council to link the achievement of affordable housing goals with access to regionally funded infrastructure improvements.
6. Re-establish a fair share housing program at the regional level where achievement is linked to both incentives and penalities which can be effectively enforced.
7. Tighter monitoring over the criteria for use of local resources in subsidizing the local housing market.

If the increasing concentration of poverty in the older urban areas and lack of opportunity for lower income households to live in the expanding suburban areas are the problems, then the solution is, by definition, to remove barriers and expand opportunity. This becomes a regionally shared goal.

D. SUMMARIES OF THE CASE STUDIES

Five questions guided the research for the ten case studies:

1. What are the characteristics of the community's existing housing stock in terms of mix of housing types and housing costs?
2. What is the community's existing supply of affordable housing for low and moderate income households and what financing mechanisms have been applied to create this supply?
3. What barriers to building units for low and moderate income households exist in the community due to various land use controls, performance standards, development fees and/or administrative procedures?
4. How has the community used its locally available financial resources to facilitate construction of low and moderate income housing?
5. How much land is available for future housing construction and, specifically, land zoned for multi-family housing? What evidence is there of down-zoning residential land to lower densities and thus further restricting the supply of vacant land for lower cost housing?

The following summaries draw on material in the case studies which answer the above questions. Emphasis is placed on *conclusions drawn by the authors in the case studies themselves*, and thus the reader is referred to the complete case studies for the statistical supporting data. The full case studies are available through the Legal Aid Society of Minneapolis.

BURNSVILLE CASE STUDY

The evidence presented in the Burnsville case study appears to show that Burnsville generally has a wider variety of housing types than many of the other suburban communities examined in this study. In part, this varied mix of housing is related to a boom in the construction of multi-family housing in the city during the early 1980s fueled by anticipated changes in federal tax policies. Since the late 1980s, however, the author of this case study believes the city has discouraged additional multi-family housing construction.

LAND AVAILABLE FOR DEVELOPMENT

The city has 1,192 acres available for development.[1] If fully developed as currently zoned, the city could support an additional 8,903 housing units.

HOUSING MARKET CHARACTERISTICS

According to the 1983 Burnsville housing plan, if all the city's land were developed as zoned, the housing stock mix in the year 2010 would be 39 percent single-family and 61 percent multi-family. Such a distribution in housing types would generally reflect the Metropolitan Council's recommendation that 41 percent of a community's housing stock be composed of alternatives to single-family detached homes.

Over 35 percent of all rental units in Dakota County are located in Burnsville.[2] Average rental rates in Burnsville range from $440 for an efficiency to $718 for a three-bedroom unit.

SUPPLY OF LOW AND MODERATE INCOME HOUSING

The Burnsville housing plan admits a "possible shortage of units suitable for families and low-wage or fixed-income single people." This conclusion appears to be based on two factors. One is the very low vacancy rates for all types of rental housing in the city. The second indication of the growing demand for affordable housing is the long waiting list for Section 8 housing.[3]

The shortage of affordable housing is explained by its economic infeasibility. Specific factors related to the infeasibility of such projects are: 1) the construction of three-bedroom apartments requires financial assistance from the public sector to meet the fair market rents set by HUD, and 2) there has been a dramatic decline in resources for federally-assisted housing since 1980.

The 1978 Burnsville comprehensive plan cited the Metropolitan Council's low and moderate income housing target for the city as a range between 1,240 and 3,100 units. In 1990, the city had a total of 808 assisted units representing approximately 4 percent of its housing stock.[4]

In addition to federally subsidized rental housing, there are several multi-family developments in Burnsville developed through a variety of financing mechanisms. These projects include:

- **Andrews Pointe Townhomes.** Andrews Pointe is a fifty-seven-unit complex in which 100 percent of the two- and three-bedroom units are reserved for families at or below 60 percent of the metropolitan median family income. The project received funding through the Minnesota Housing Finance Agency (MHFA), FHA, and the Dakota County Housing and Redevelopment Authority.
- **Parkside Townhomes.** Parkside is a twenty-two-unit complex reserving 100 percent of the two- and three-bedroom units for families at or below 60 percent median family income, with preference given to families below 50 percent median family income. Financing was obtained through MHFA, tax credits, Minneapolis/St. Paul Family Housing Fund, FHA, tax increment financing, CDBG funds, the city of Burnsville, and Dakota County HRA.

- **Eagle Ridge.** Eagle Ridge is a forty-four-unit senior development that is owned and operated by the Dakota County HRA. Residents pay 30 percent of their monthly income towards rent, but not less than $255 per month for a one-bedroom or $355 for a two-bedroom unit. The development was financed through the issuance of tax exempt housing revenue bonds.

LAND USE BARRIERS TO LOW AND MODERATE INCOME HOUSING

One significant barrier to additional low and moderate income housing in Burnsville is the community's present attitude which discourages further multi-family development in the city. Two housing studies were undertaken by the city to assess the community impact of multi-family development on the city's vacant land zoned multi-family.[5] Following the first study in 1990, the city reduced the maximum density allowed in multi-family projects by increasing the minimum lot size from 2,000 sq. ft. per unit to 3,000 sq. ft. per unit. The city's primary concerns appeared to be related to the impact that additional multi-family housing (particularly three-bedroom units) might have upon schools and traffic congestion.

Developers install all utilities, residential streets, and sewer and water mains. In addition to these development costs, the city charges for the following fees:

- Preliminary and final plat fee
- Street assessment for the installation of collector streets
- Sewer connection fee
- Water connection fee
- Park dedication fee (in lieu of land)
- Storm sewer assessment
- PUD, conditional use, or re-zoning fee

Burnsville requires that developers of multi-family complexes obtain a conditional use permit.

USE OF AVAILABLE RESOURCES TO ENCOURAGE LOW INCOME HOUSING

The author cites several examples of the growing trend in the city to discourage additional multi-family development. These include a 1988 citizen poll advocating less multi-family development, the two housing reports noted earlier, and a 1989 one-year moratorium on the development of multi-family units exceeding ten units.

Despite these attitudes in Burnsville regarding the development of more affordable multi-family housing, the city has made available some resources to support development of additional low and moderate income housing. Examples include:

- **Use of flexible zoning.** The 1990 Burnsville comprehensive plan update notes that "perhaps the area where the city can be most effective in reducing housing prices is by lowering land costs."[6] In an effort to reduce land costs, the city has advocated the use of planned unit developments (PUD) that can reduce the amount of land required for developments and, therefore, lower land costs per unit. One factor that the author believes further encourages the use of PUDs is that if a multi-family complex is not developed via PUD, the developer is required to obtain a conditional use permit for the development.
- **Use of tax increment financing.** Burnsville employed tax increment financing to assist in the development of the Parkside Townhomes development.
- **CDBG funds.** Since 1985, funds obtained through the Community Development Block Grant (CDBG) program have been pooled among other Dakota County communities for various projects. Examples where the CDBG funds were allocated for projects in Burnsville include $105,000 for mobile home rehabilitation in Burnsville as well as $279,000 for site acquisition of a senior housing development in Burnsville.
- **Use of federal financing.** As noted earlier, there are approximately 750 to 800 federally subsidized rental housing units in Burnsville financed through the Section 6, 202, and 236 programs. In addition to these units, the city has received two proposals to add sixty-six subsidized units for the elderly and people with disabilities.

COON RAPIDS CASE STUDY

The author of the Coon Rapids case study does not draw any strong conclusions regarding the community's provision or accommodation of low and moderate income housing. The author outlines the land use and zoning controls found in Coon Rapids. In general, these standards do not differ from many of the standards found in other suburban communities. However, the case study does highlight the fact that the city has implemented or amended several land use regulations over the past decade that generally have worked to increase the cost of housing development. Specifically, these regulations have increased minimum lot sizes and required a larger minimum garage area. Other barriers noted by the author include a lack of land available for multi-family development.

LAND AVAILABLE FOR DEVELOPMENT

The author quotes Evelyn Turner, senior planner for the City of Coon Rapids, as stating that less than 20 percent of the land in Coon Rapids remains available for development and, further, that there is little land available for multi-family development.[7]

CURRENT LOW AND MODERATE INCOME HOUSING SUPPLY

Owner-Occupied Housing

In 1990, the median price for owner-occupied housing in Coon Rapids was $82,500. Of the 12,800 owner-occupied units in Coon Rapids, 1,059 (8 percent) were priced below $60,000. Of the twenty-one cities in Anoka County, Coon Rapids ranked tenth in terms of offering the most number of owner-occupied housing priced below $60,000. When Coon Rapids was compared against the forty-seven communities in Hennepin County, the city ranked sixth in providing the most home ownership opportunities priced at $60,000 or less.

Coon Rapids was one of four cities in the metropolitan region that issued more than 500 single-family building permits in 1992.

Renter-Occupied Housing

- **Market rate rental units.** In 1990, the median rent for 3,459 rental housing units in Coon Rapids was $520. This compared to a median rent of $460 for Anoka County. Approximately 12 percent of the rental units in Coon Rapids were affordable at 30 percent the metropolitan median family income.[8]
- **Subsidized rental units.** The city currently has 420 subsidized units. In 1991, there were 247 family units and 173 units designated for the elderly. This compares to 1980 figures where there were 370 units (257 family units and 113 elderly units). Of note is the fact that there were fewer subsidized family units in 1991 than there were in 1980.[9]

BARRIERS CREATED BY ZONING AND LAND USE PRACTICES

The author notes a number of zoning and land use regulations found in Coon Rapids that may raise the cost of housing. These include:

- **Minimum lot sizes.** The lot sizes for duplexes have fluctuated since the early 1970s. In 1973, the lot size for a duplex was 14,000 sq. ft. In 1977, the minimum lot size was reduced to 12,150 sq. ft. Currently, the minimum duplex lot size is 14,850 sq. ft. Single-family homes have been built on several of the smaller lots, with decreased market demand for duplexes.
- **Minimum floor area requirements.** Local regulations that require minimum floor areas for dwelling units is one factor the Metropolitan Council concludes raises the cost of housing. The city has minimum finished-floor-area requirements in

medium and high density zoning districts. The floor area requirements range from 600 sq. ft. for a one-bedroom apartment to 800 sq. ft. for a three-bedroom apartment. In 1981 the minimum floor area finished above grade was reduced from 960 to 720 sq. ft.

- **Garage requirements.** Local regulations that require construction of garages or enclosed parking is another factor the Metropolitan Council concludes raises the cost of housing. The city's zoning ordinance requires a garage for all housing. In a single-family district (LDR-2), the required area for garages has recently been increased from 300 sq. ft. to 400 sq. ft. In medium density districts, one of two required spaces for two-family and four-unit buildings must be in a garage. For rental multiple-family units, one of three required spaces must be in a garage. In high density districts, .75 of the 2.25 spaces required for each unit must be in a garage. This requirement, prior to 1987, was two spaces for each unit.
- **Administrative barriers.** Site plan approval is required for all housing types except single-family. The cost is $285 and takes seven to twelve weeks. Duplex housing in the LDR-2 district requires a conditional use permit together with site plan review.[10]
- **Attitude of policy makers.** The author contacted several local developers to ask them about administrative barriers in Coon Rapids. None of the developers "felt the city's development costs were excessive or any greater than for single-family development. All three felt the city was receptive to multi-family development and that developer agreements were not overly burdensome." [11]

In addition to the comments of developers working in Coon Rapids, Steve Klein, Director of the Anoka County Community Action Program, believed that Coon Rapids was supportive of low and moderate housing efforts within the city. The case study notes that Klein's experience working with Coon Rapids was related to creating moderate cost home ownership opportunities in Coon Rapids through the Urban Homestead Program.

- **Impact of down-zonings.** The author of the case study concluded that the greatest barrier to additional multi-family development was the lack of land zoned "high density residential." According to a local developer, none of the city's existing vacant land that is zoned high density residential is suitable for development. In part, this lack of land zoned high density is the result of down-zonings in 1985. The re-zonings were a response to complaints made by both developers and citizens that too much land was being reserved for multi-family development given the city's goal of an overall housing mix of 65 percent low density, 20 percent moderate density, and 15 percent high density.[12] The alterations in the city's distribution of housing types that occurred due to the re-zonings were not submitted to the Metropolitan Council for review.

In 1987, two comprehensive plan amendments in Coon Rapids continued to reduce the amount of land available for higher density developments. The amendments, which affected twenty-six acres, involved a re-zoning from high density residential to commercial as well as a re-zoning from medium density to low density residential. According to documents submitted to the Metropolitan Council, the zoning changes resulted in a potential net loss of 300 housing units.

USE OF AVAILABLE RESOURCES TO ENCOURAGE LOW INCOME HOUSING

The 1981 Coon Rapids comprehensive plan set a goal to provide an additional 720 low to moderate income housing units between 1980 and 1990. As noted above, the city had 727 subsidized units in 1993. Various resources the city could have employed to promote the development of low and moderate income housing include:

- **Flexible zoning.** The Coon Rapids zoning code includes a planned unit development provision that the city's 1981 land use plan stated should be a mechanism for encouraging low and moderate income housing developments. According to Lee Starr, Director of Community Planning, the city has not specifically used the PUD provisions to develop low and moderate income housing.

The author notes that in 1982 the city reduced the lot size requirements for a development providing 140 single-family homes and 41 townhomes.

- **Tax increment financing.** The author notes that Coon Rapids has in the past employed tax increment financing to assist the development of low and moderate income housing, but that the city is not currently using tax increment financing (TIF) as a tool to assist in the financing of residential development.[13] Previous multi-family developments where Coon Rapids did use TIF are two senior complexes. Margaret Place, built in 1987, provides seventy-two market-rate rental units for seniors. Ox Bowl, built in 1983, provides sixty-one subsidized rental units for seniors.
- **Industrial revenue bonds.** In 1979 and 1982 the city issued $45 million and $30 million, respectively, in industrial revenue bonds to provide 8 7/8 percent mortgage financing for new single-family and duplex units. Fifty percent of the funds were to be provided to homebuyers making less than 110 percent of the median income. Forty percent of the funds were to be provided to homebuyers making less than 120 percent of the median income.

  The author questions whether the housing bonds the city has issued have been of any benefit to low and moderate income households since, if eligible applicants did not apply within six months, anyone could apply for the subsidy. The author has no figures on how many housing units went to eligible candidates.
- **Urban Homestead Program.** The Anoka County Community Action Program has made three single-family houses available to first-time buyers through the Urban Homestead Program. The price of the houses ranged from $51,000 and $72,000.

EDEN PRAIRIE CASE STUDY

The Eden Prairie case study provided to the Center for Urban and Regional Affairs was incomplete. The following summary for the City of Eden Prairie supplements information provided by the City of Eden Prairie, 1990 Census data, and data from the Metropolitan Council Housing Redevelopment Authority.

LAND AVAILABLE FOR DEVELOPMENT

The City of Eden Prairie covers 23,027 acres. The City's guide plan allocates 9,734 acres (43 percent) of the city's area to be zoned residential. About 35 percent of the land zoned residential (or 3,500 acres) is vacant and remains available for residential development. The City's guide plan calls for the vacant residential land to be developed as follows:

- **Low density.** 3,116 acres (88 percent) of the vacant residential land will be developed at a density of 2.5 units per acre or less. At the present time, the city has 5,365 acres that have been developed at this level of density.
- **Medium density.** 320 acres (9 percent) of the vacant residential land will be developed at a density of 2.5 to 10 units per acre. At the present time, the city has 751 acres that have been developed at this level of density.
- **High density.** 62 acres (3 percent) of the vacant residential land will be developed at a density of greater than 10 units per acre. At the present time, the city has 210 acres that have been developed at this level of density.

Once the city is fully developed, the City's guide plan calls for 36.8 percent of all land to be low density residential, 5 percent of land to be zoned medium density, and 1.2 percent of land to be high density. According to Eden Prairie's 1978 housing plan, the proposed land use plan would result in approximately 50 percent of the housing in the city located in low density areas, 25 percent of housing located in medium density areas, and 25 percent of housing located in Eden Prairie's high density zoning districts.

HOUSING SUPPLY

In 1990, Eden Prairie had 15,405 housing units and the distribution of housing types in Eden Prairie roughly mirrored the distribution of housing types found in the metro area (i.e., 56 percent of units in Eden Prairie were single-family detached compared to 61 percent of units in the metro area; 26 percent of units in Eden Prairie were apartments with five or more units compared to 25 percent of units in the metro area). With 15 percent of the city's housing defined as one-unit attached (townhomes), the proportion of Eden Prairie's housing stock devoted to this type of housing was 2.5 times greater than that found in the region as a whole.

In 1990, 19.3 percent of home owners in Eden Prairie were paying at least 30 percent of their income towards housing. This was the highest proportion of residents among the ten case study communities and slightly above the rate for the region as a whole.

In 1990, median contract rent in Eden Prairie was $618 compared to $447 for the region as a whole.

In 1990, 27.8 percent of renters in Eden Prairie were paying at least 30 percent of their income towards housing. This was the lowest proportion of residents among the ten case study communities and compared to 40.1 percent of renters for the region as a whole.

SUPPLY OF LOW AND MODERATE INCOME HOUSING

Owner-Occupied Housing

According to the 1990 Census, 23 percent of owner-occupied housing in Eden Prairie was valued at less than $100,000, compared to 55 percent of owner-occupied units in the region as a whole.

Subsidized Owner-Occupied Housing

Through 1993, twenty-one households in Eden Prairie have received public subsidies to purchase a home in the City of Eden Prairie. Five households received assistance through the Scattered Site Housing Assistance Program, which employed CDBG funds to reduce the mortgages on the units. However, this program was discontinued in 1991.

Through the Minnesota Cities Participation Program, sixteen families have purchased homes in Eden Prairie. The program offers low interest mortgages through the Minnesota Housing Finance Agency to low-income first-time home buyers.

Renter-Occupied Housing

In 1990, Eden Prairie had 279 rental units or 7.2 percent of all rental units affordable at 30 percent median family income. The region as a whole had 53,281 units (19.4 percent of all rental units) affordable at 30 percent median income in 1990.

In 1990, Eden Prairie had 892 rental units (23 percent of all rental units) affordable at 50 percent median family income. The region as a whole had 127,081 units (65 percent of all rental units) affordable at 50 percent median income.

Subsidized Rental Housing

There are 928 rental units in Eden Prairie, representing approximately 6 percent of the city's housing stock, that are subsidized through various federal, state, and local financing sources.

- **Federally subsidized rental units.** Data from the Metropolitan Council Housing and Redevelopment Authority lists 425 federally subsidized rental units in Eden Prairie. Three developments provide 329 subsidized units for families and/or the elderly through the project-based Section 8 program. One development provides sixty-one units exclusively for seniors. In addition to the project-based units, there are thirty-five households in Eden Prairie using Section 8 certificates to subsidize their rents.
- **Rent subsidies through housing revenue bonds.** Housing revenue bonds have been issued for the development of twelve rental complexes providing 447 subsidized units in Eden Prairie.
- **Other subsidized rental units.** Through the use of CDBG funds, tax increment financing, and housing revenue bonds, Eden Prairie developed the Sterling Ponds complex—providing fifty-six subsidized housing units for families over age 55. All the units in the development are reserved for households earning less than 70 percent the metropolitan median family income.

BARRIERS CREATED BY ZONING AND LAND USE REGULATIONS

- **Minimum lot sizes.** Eden Prairie has seven residential zoning districts. Minimum lot sizes for single-family zones range from 9,500 sq. ft. to 10 acres. Minimum lot sizes in multi-family zones range from 2,500 sq. ft. (high density) to 6,500 sq. ft. (medium density).

  Conversations with an Eden Prairie city planner indicated that the city is often flexible on minimum lot sizes because most development is done via planned unit development. The critical standard is that a development's overall density conform to the city's maximum density restrictions outlined in the city's comprehensive plan. With the overall density as the critical standard, a greater variety of housing types is possible since higher density units can be offset by lower density units within a development.
- **Floor area requirements.** Eden Prairie does not have minimum floor area requirements or garage requirements for single or multi-family units.
- **Administrative barriers.** Eden Prairie does not require a conditional use permit for multi-family developments.
- **Park dedication fee.** Eden Prairie's park dedication fee is $900 per single-family or multi-family unit. Among the case study cities that have a flat fee (as opposed to the value of

land), the cost of Eden Prairie's dedication fee ranks as the highest per unit fee among the ten case study communities.

- **Re-zonings.** Since 1986, Eden Prairie has submitted at least five amendments to the city's comprehensive plan that have affected residential development in the city (See Table 14). One case was the Cardinal Hills subdivision which involved down-zoning 39.5 acres from medium density to low density. Another amendment involved re-zoning ten acres zoned medium density to public use. A third amendment, the Bluff Country planned unit development, involved re-zoning twenty-nine acres from low density to medium density. However, the revised density of the Bluff Country development was a relatively low 3.93 dwelling units per acre.

  The two remaining Eden Prairie comprehensive plan amendments involved re-zoning park land to low density development. These amendments affected a total of twenty-two acres.

USE OF AVAILABLE RESOURCES FOR AFFORDABLE HOUSING

In 1979, the Metropolitan Council determined that Eden Prairie's fair share housing goal was to provide between 760 and 1,900 new subsidized housing units for low and moderate income households. As was noted earlier, Eden Prairie currently has 425 federally subsidized rental units and an additional 503 units subsidized through a variety of financing mechanisms. While not all of the city's 928 subsidized rental units were constructed during the 1980s, the importance of efforts to develop these subsidized units within the city is evident in the fact that 928 units represent more than the entire stock of affordable rental units in the city at 50 percent the metropolitan median income.

In several respects, Eden Prairie has made use of city resources to encourage the development of low and moderate income housing in the city. For example:

- **Flexible zoning.** Using the planned unit development (PUD) process can reduce housing costs by increasing density, thus reducing land costs. As noted earlier, Eden Prairie uses PUDs extensively to encourage a variety of housing types in developments.
- **Elimination of administrative and zoning barriers.** In 1977, Eden Prairie required that new developments provide enclosed parking as well as abide by the minimum floor requirements outlined in the city's zoning code. Since that time the city has eliminated those regulations that the Metropolitan Council advisory standards suggest unnecessarily contribute to higher housing costs.
- **Financing mechanisms for low and moderate income housing.** The preceding section on the supply of low and moderate income housing in Eden Prairie highlighted the various financing mechanisms employed to develop low and moderate income housing. While the proportional supply of such housing is extremely limited compared to the metropolitan region as a whole, there is evidence that the city has made an effort to find financing sources for low and moderate income housing. These financing sources include the use of housing revenue bonds, tax increment financing, and federal funds available through the Section 8 project based program and CDBG program.

EDINA CASE STUDY

As in the other case studies, the case study on Edina addresses the five basic issues requested by the Minneapolis Legal Aid Society. These relate to the availability of land, characteristics of the housing stock, the supply of low income housing, land use and zoning barriers to low income housing, and efforts made by the city to support low and moderate income housing. Briefly summarizing this information, the author concludes in the case study report that Edina's supply of low and moderate income housing is fairly limited. This basic conclusion was based upon the following factors.

HOUSING SUPPLY

In 1990, Edina had 20,983 housing units, and the distribution of the housing types in the city is, in many respects, similar to that found in the metropolitan region as a whole (i.e., 58 percent of housing units were single-family detached compared to 61 percent in the region as a whole; 4.5 percent of housing units were single-family attached, while 6.3 percent of housing in the region was single-family attached.)

One significant difference between the housing stock in Edina and that of the metropolitan region is that roughly 34 percent of housing in Edina was in complexes with five or more units while only about 25 percent of housing in the region was in these larger complexes. The author notes that this disparity is largely due to Edina's efforts to develop higher density renter-occupied and, in particular, owner-occupied housing in southeast Edina.

SUPPLY OF LOW AND MODERATE INCOME HOUSING

Renter-Occupied Units

The author of the case study notes that there are two elements dictating the supply of low and moderate income rental housing in Edina. One is the availability of such housing, measured in terms of turnover and vacancy rates, while the other is the affordability of such units measured in terms of rental rates.

- **Availability.** Based upon an analysis of vacancy and turnover rates for multi-family housing in Edina, the author concludes that there is high demand for rental housing in the city which may, in turn, hamper the ability of prospective tenants to find adequate and affordable rental housing. In 1992, the multi-family housing turnover rate in Edina was 9.8 percent, while the metropolitan rate was 18.2 percent. The vacancy rate for multi-family housing in Edina in 1992 was a low 3.1 percent, and there were no units vacant for six months or longer.
- **Affordability.** In 1990 the median rent for housing in Edina was $654 compared to a median rent in Hennepin County of $452 and a median rent for the fully developed area (less the two central cities) of $488. The impact of the higher median rents in Edina is apparent in the percentage of units that were available for less than $500. In 1990, 20 percent of rental units in Edina rented for less than $500 compared to 61 percent of rental units in Hennepin County.

  The rental rate differentials become more acute when comparing the rents for three-bedroom units, which are often the type of units demanded by families. In 1990, nearly 65 percent of three-bedroom units rented for $750 or more, while only 41 percent of such units rented for more than $750 in Hennepin County and the region as a whole.

Based upon the relative lack of availability and the higher rental rate in Edina, the author concludes that the market-rate rental opportunities for low and moderate income households are fairly limited.

- **Federally subsidized rental housing.** Edina has 558 federally subsidized rental units in the city, composing approximately 2.7 percent of housing within the city. The metropolitan region as a whole has approximately 4.9 percent of rental housing that is federally subsidized.

547 of the federally subsidized rental units in Edina are project-based units financed through the Section 8, 202, or 236 programs. Of these units, the vast majority (72 percent) are subsidized senior units.

There are eleven households in the city using Section 8 vouchers or certificates. The author notes that five of the eleven households have "ported in" from other jurisdictions.

- **Minnesota Housing Finance Agency assistance.** The author notes that Edina is eligible for a small number of MHFA rent-assisted units through a special stabilization program focused mainly on St. Louis Park. However, it is unclear whether any such units are located in Edina.
- **Tax increment financing/housing revenue bonds.** Edina has assisted in the financing of three multi-family developments through the use of tax increment financing and housing revenue bonds. These subsidies require that 20 percent of the 424 units in these developments be reserved at the regional fair market rate of $535 for a one-bedroom, $630 for a two-bedroom, and $788 for a three-bedroom unit.

  The following is a brief description of the projects:

  - **Edina Park Plaza.** Edina Park is a senior development providing 202 rental units with approximately 30 units renting from $1,105 to $1,170. The remaining units generally rent up to $1,600, with two units renting for $2,200.
  - **Vernon Terrace.** Vernon Terrace is a senior development providing 150 units, with one-bedroom units renting for $775.
  - **Walker Elder Suites.** This development provides seventy-two studio and one-bedroom units for the frail elderly. Rental rates range from $1,810 to $2,285.

  Each of the complexes provide specialized services, the costs of which are incorporated in the rental rate, to meet the needs of the elderly. However, the author points out that the rents at all three of the developments far exceed the fair market rental rates that are required under the provisions of the housing revenue bonds. Further, the author's conversations with the property managers of the developments indicated that two of the three managers were not aware of the set-aside requirements.

BARRIERS CREATED BY ZONING AND LAND USE PRACTICES

- **Minimum lot area for single-family housing.** The minimum lot area for single-family housing in Edina is 9,000 sq. ft., provided certain requirements are fulfilled. Specifically, the lot may be as small as 9,000 sq. ft. only if the median lot size of residential properties in the surrounding neighborhood is 9,000 sq. ft. or less. Neighborhood is defined as plats or subdivisions in whole or in part that are 500 feet from the subject property. Thus if residential lots surrounding the area are larger than 9,000 sq. ft., the minimum lot area requirement becomes the median of the neighborhood.
- **Minimum lot areas for multi-family development.** Edina has ten zoning districts that regulate the development of multi-family developments. These districts each provide a base lot area requirement, but then provide a wide array of density bonuses by incorporating certain amenities or other site characteristics into the development. The maximum density possible if all the density provisions were incorporated into a development would be fifteen to thirty dwelling units per acre. (See tables 1, 3 and 4 in the original case study for more detailed information.)

  Notable factors that the city uses to adjust the density of multi-family developments include an allowance that permits a 600 sq. ft. reduction in per unit lot area for providing low and moderate income housing, a 500 sq. ft. reduction for providing underground parking, as well as a 500 sq. ft. increase in the lot area for each unit that has three bedrooms.

- **Minimum floor areas.** Edina employs minimum lot area requirements in multi-family developments even though the inclusion of such requirements can reduce the flexibility a developer may have in providing lower cost units.[14]
- **Garage requirements.** Edina maintains a mandatory two-car garage requirement for single-family homes, but has eliminated the city's requirement that multi-family developments provide enclosed parking. As noted above, a developer may receive a density bonus if the development has enclosed parking.
- **Usable area.** Street setback areas, driveways, parking lots, and garages may not be calculated in determining the usable area of a proposed development. The author concludes that the exclusion of these areas limits flexibility of site designs and reduces the overall density of a development.
- **Administrative barriers.** Proposed developments that must be designated "planned residential development" or "mixed development" districts require two rounds of Planning Commission and City Council review, while only one round of review is required to re-zone land to the city's R-1 or R-2 districts. The author notes that one potential impact of the added review procedures is time delays, and the opportunity costs associated with such delays.

USE OF AVAILABLE RESOURCES TO ENCOURAGE AFFORDABLE HOUSING

In 1979, the Metropolitan Council determined that Edina's fair share housing goal was to provide by 1990 between 720 and 1,800 new subsidized housing units for low and moderate income households. Edina's 1980 comprehensive plan set a goal of providing 720 new subsidized units by 1990. However, the housing policy plan of the comprehensive plan only developed goals for providing 545 new subsidized units. Of these 545 units, 300 units were to be for seniors, while the remaining 245 units were for families.

The author's analysis of new subsidized housing developed in the city since 1980 indicates that Edina has not met its goal of providing 545 new subsidized units. The development of the South Haven and Summit Point complexes created 129 new subsidized units for seniors, meeting 43 percent of the goal established in 1980. The Oak Glen complex created twenty-four new assisted units for families, meeting 10 percent of Edina's 1980 goal.

According to the 1980 Edina comprehensive plan, the city was to attempt to meet subsidized housing goals through the following actions: *"Review subdivision and zoning ordinances for requirements that may unnecessarily increase the cost of housing."*

The author concludes that the city's actions related to this objective were to develop an array of density bonuses that reward developers for incorporating certain features in multi-family developments. One factor was the density bonus for providing low and moderate income housing opportunities. Another was the bonus for underground parking, which replaced the requirement that all multi-family developments provide enclosed parking. While acknowledging that some of the incentives have the potential to reduce housing costs, the author also notes that many of the density bonus factors may also raise the cost of housing: *"Consider the creation of tax increment financing districts as a means to acquire and make lands available for assisted housing."*

Edina has eight tax increment financing (TIF) districts. As noted earlier, the city has employed TIF with the intention of providing affordable housing opportunities. Specifically, Edina has used TIF to facilitate the development of housing (such as the Centennial Lakes and Edinborough developments) in the area surrounding Southdale in southeast Edina. The redevelopment plan for this area was developed in 1977 and was incorporated into the housing element of the city's 1980 comprehensive plan as a response to the Metropolitan Council's housing allocation plan. The redevelopment plan, as initially conceived, was to provide 250 assisted family units, 100 assisted elderly units, and 320 market rate elderly units. Actual development provided 90 subsidized family units and 100 subsidized elderly units. However, given the rental rates for the city's three subsidized housing complexes using TIF and housing revenue bonds, it is questionable to what degree the use of TIF has effectively promoted affordable housing opportunities. For example, one-bedroom units at Vernon Terrace are actually renting for $775 per month.

Between 1975 and 1992, Edina received a total of $3.3 million in CDBG funds. Over this period, the city's largest spending categories were for the development of assisted-housing units and for housing rehabilitation. The city has devoted 25.3 percent of the funds allocated through the CDBG program to assisted housing, while allocating 25.2 percent of CDBG funds for housing rehabilitation. For Hennepin County as a whole, 11 percent was allocated to assisted housing, while 30 percent of CDBG funds was spent on housing rehabilitation.

LAKEVILLE CASE STUDY

The general conclusion found in the Lakeville case study is that the current pattern of city policies does not work to accommodate the housing needs of low and moderate income residents. Briefly, the author bases this conclusion upon the following:

- The city is presently dominated by single-family development and, based upon the city's future development plans, this trend will continue.
- The city's growth management plan recommends zoning changes (such as increasing lot sizes) that will generally make housing more costly. These changes work in concert with the city's objective to encourage more housing that can "pay its own way" [15] i.e., generate sufficient revenue to cover the costs of providing public services.
- The city has a limited supply of developable land that is zoned and available for high density multi-family development. This is due, in part, to the city down-zoning a number of sites since the late 1980s.
- The city has failed to fulfill its objectives outlined in its 1980 comprehensive plan for providing a balance of housing types within the city.
- A recent survey of Lakeville residents identified a fourth of respondents with having a negative attitude towards future multi-family development in the city.

The following provides some of the evidence the author uses to draw his conclusions, using as a framework the five questions that the Minneapolis Legal Aid Society posed for the study.

LAND AVAILABLE FOR DEVELOPMENT

The land area of the city presently platted is dominated by single-family residence zoning. Although platted land does not reflect all developable land within the city, the conclusion is that current and future land use will be predominantly single-family.[16]

The city identifies 107 acres of R-7 land as available for development within the city's M.U.S.A. and a total of 173 acres for future multiple-family units. But a recent expansion of the M.U.S.A. now includes this acreage for future mobile home development.

Lakeville presently has thirty undeveloped acres zoned for use as a mobile home park. This area was previously located outside the MUSA line.[17]

No data are cited as to how many total acres are available for development within the city.

BARRIERS TO LOW AND MODERATE INCOME HOUSING

The fact that there is little developable land for multi-family housing while a large proportion of the city is zoned single-family, is reiterated as a potential barrier to affordable housing. In addition, the author cites the following local policies and regulations as barriers to affordable housing:

- **Impact of growth management strategy.** The policies recommended in the city's 1993 strategic growth management plan reduce the possibility of affordable single-family housing. The plan encourages reducing densities by increasing lot sizes. This is recommended in order to reduce demand on sewer facilities, protect the environment, and increase the amount of housing that "pays it own way."[18]
- **Impact of zoning amendments.** The city has undertaken a number of residential down-zonings since the late 1980s that have hindered the potential for low and moderate income housing. There have been seven down-zonings from R-7 since 1987, while only one up-zoning to R-7 during this

period. There has also been one up-zoning to R-6 during this period.[19]

- **Minimum floor area requirements.** Although the Metropolitan Council's advisory standards for local land use regulations recommend that cities do not have minimum floor area requirements for multi-family housing, Lakeville employs minimum floor area requirements for multi-family housing.
- **Park dedication.** The case study infers that the city's park dedication disproportionately impacts multi-family housing. The dedication is based upon the development's density. For a density of 2.5 dwelling units per acre, the fee is 10 percent of the market value of the land. When a development's density is 10+ dwelling units per acre, the dedication is 17 to 20 percent of market value of the land.[20] In lieu of land, Lakeville collects a park dedication fee of $650 per unit regardless of the development's density.
- **Trail dedication fee.** The case study also notes that the city's trail dedication fee disproportionately impacts multi-family housing. Each dwelling unit is charged a $150 trail fee regardless of the development's density.
- **Conditional use permit for multi-family developments.** While a conditional use permit is not required for multi-family developments within a high density zoning district, construction of multi-family housing or townhomes for the elderly does require a conditional use permit.[21]
- **Attitude of policy makers and community.** A comment noted in the case study is that the community has a negative attitude in terms of encouraging additional multi-family development in the city. As evidence, the case study cites a survey of Lakeville residents where 24 percent of residents were opposed to future multi-family development and 12 percent were opposed to low-income housing.[22] The city administrator is quoted as saying that the City Council has taken notice of the survey results. The report also quotes a developer as saying that Lakeville does not want to be another Burnsville with its large apartment complexes.

SUPPLY OF LOW AND MODERATE INCOME HOUSING

Lakeville's significant stock of mobile homes is the city's primary source of low and moderate income housing. In 1990 there were 979 mobile homes representing approximately 12 percent of the city's housing stock. In the metropolitan area as a whole, only 1.78 percent of the region's housing stock are mobile homes.

According to the Dakota County Housing and Redevelopment Authority, there are 166 assisted-housing units within the City of Lakeville. Of these units, 111 are federally subsidized rental units for families (69 units) or seniors (42 units). Section 8 vouchers or certificates, which represent 40 percent of Lakeville's federally subsidized rental units, are the most common type of funding for rental assistance within the city.

Lakeville has three multi-family complexes that provide assisted housing through housing revenue bonds or other alternatives to direct federal subsidies. These developments are:

- **Lakevillage.** Lakevillage is a seventy-unit multi-family complex developed by the Lakeville Development Company. The Dakota County Housing and Redevelopment Authority (HRA) issued multi-family housing revenue bonds for the project and further assisted in the financing of the project through the Interest Reduction Program—which reduces the effective interest rate on a bond loan.

  Public assistance for the project requires that 20 percent of the complex's units be rented to families earning no more than 50 percent the median family income or to reserve 40 percent of the units for families not exceeding 60 percent median family income. An additional 55 percent of the units must be reserved for moderate income families as determined by the Dakota County HRA.
- **Southfork Apartments.** Southfork Apartments is a 272-unit multi-family complex for low to moderate income families built in two phases. Combined, the complex provides 68 one-bedroom units, 136 two-bedroom units, and 68 three-bedroom units. Twenty percent of the 272 units are reserved for families at or below 80 percent the median family income.

Both phases were financed by the City of Lakeville issuing multi-family housing revenue bonds. The Dakota County HRA assisted in the second phase of the project by reducing the effective bond rate through the Interest Reduction Program.

- **Windsor Plaza.** Windsor Plaza is a multiple dwelling unit development providing forty units for low and moderate income seniors. Residents pay 30 percent of their monthly income towards rent, but not less than $255 for a one-bedroom and $355 for a two-bedroom unit. The project is owned and operated by the Dakota County HRA and was initially financed through the issuance of housing revenue bonds. In 1993 the Dakota County HRA issued additional bonds to construct a second phase of senior housing adjoining Winsor that will provide an additional twenty-four units.

In addition to these existing assisted housing units, Lakeville has recently approved a 52-unit multiple family housing development that will provide assisted housing for low income households. The project, Lakeville Courts, is to be funded through the use of low income tax credits and tax increment financing from the Dakota County HRA.

USE OF AVAILABLE RESOURCES TO ENCOURAGE LOW INCOME HOUSING

The 1980 Lakeville comprehensive plan outlined several policies intended to encourage low and moderate income housing in Lakeville. In several respects, the author believes that the city has failed to adequately pursue these policies outlined in the comprehensive plan. For example:

- Lakeville should *"maintain a balance in the types and quantities of housing units available throughout the city."*[23]

  The author concludes that the present character of the housing stock in Lakeville, combined with implementation of the city's growth management strategy, reflect the city's failure to provide **a** balanced housing stock. At the present time the housing stock in Lakeville is biased towards single-family detached units. In 1990, while 72.6 percent of housing in Lakeville was single family-detached, only 58.6 percent of housing in the metropolitan area was single-family detached.

  Land use and zoning regulation amendments related to Lakeville's growth management strategy during the 1980s and 1990s will reorient the housing market toward higher value single-family development. Examples include the increases in minimum lot sizes for single-family homes and the re-zoning of land to lower density zoning districts.

- Lakeville should insure *"that sufficient housing is provided to meet the needs of all segments of the population."*[24]

  Due to the city's preference for single-family housing development, the author concludes that the city is not working to meet the housing needs of all segments of the population. Despite this conclusion, the author does recognize that the city has cooperated with the Dakota County HRA to provide alternatives to single-family housing through the provision of low and moderate income multi-family housing.

- *"Quantitative goals for the provision of low to moderate income housing shall be established and re-evaluated on an annual basis."*[25]

  In 1980, the Metropolitan Council determined that Lakeville should work to provide 360 to 900 new low and moderate income housing units between 1980 and 1990 in order to meet the city's fair share of the region's affordable housing. Due to the ambiguity in determining what constitutes affordable housing, the author does not review whether the city has met the quantitative goals that were established by the Metropolitan Council. However, the author does note that the city presently does not have a quantified target for low and moderate income housing.[26]

- Lakeville should *"provide sufficient housing options to meet the needs of all segments of the population including the elderly, and those of low to moderate income."*

  The author believes Lakeville has made an effort to provide senior housing in the community. As noted earlier, Dakota County HRA developed a forty-unit subsidized senior housing complex in Lakeville and has issued bonds to expand the facility.

The city has committed resources to the senior housing project through its contribution of more than $343,000 in CDBG funds for site preparation. This represents approximately 45 percent of the city's entire CDBG funding allocation since 1984.[27] (The remainder of the city's CDBG funds have been used for public improvements to multi-family housing developments ($37,118), housing rehabilitation ($60,000), a senior citizens' center ($260,000), commercial rehabilitation fund ($59,000), and a battered women's shelter ($10,000).

MAPLE GROVE CASE STUDY

The general conclusion found in the Maple Grove case study is that the current pattern of municipal activities works to exclude low and moderate income residents from living within the community. In fact, of all the case studies, this author appears to take the strongest stand in terms of the city's inhospitability to low and moderate income housing. While the author concedes and provides some evidence that Maple Grove has in the past worked to accommodate low and moderate income housing, the author's conclusions are primarily based upon the notion that the activities of the city since the late 1980s have had the impact of discouraging further low and moderate income housing within the community.

AVAILABLE LAND FOR RESIDENTIAL DEVELOPMENT

There exists 8,000 acres of undeveloped land in Maple Grove. The majority of this land is located outside the Metropolitan Urban Service Area (MUSA).

Under the city's 1986 comprehensive plan amendments, the city re-zoned all vacant and developable residential land (excluding planned unit developments) within the MUSA to single-family housing.[28]

HOUSING MARKET

The city has 12,968 housing units with 9,373 (72 percent) single-family detached units. The city has six manufactured homes.

Due to the zoning changes under the 1986 amendments, the vast majority of building permits are for single-family homes. In 1987, all building permits were for single-family homes. Between 1989 and 1992, the percentage of building permits in Maple Grove that were for single-family homes ranged from 80 to 93 percent.

The average estimated value of a home is $95,565. However, new homes constructed in the city in 1992 and 1993 had an average valuation between $125,000 and $130,000.

Maple Grove's comprehensive plan proposes a future housing mix of 80 percent single-family detached and 20 percent attached housing. The Metropolitan Council recommends a 60/40 distribution.

AVAILABILITY OF LOW AND MODERATE INCOME HOUSING

Market Rate Rental Opportunities

The author argues that the majority of rental units in the city are not affordable to low income households. Median contract rent for Maple Grove's 1,258 rental units is $637, while the region's median is $447. Of these units, 96.5 percent of rents in the city are affordable to those at 80 percent metropolitan median family income. Thirty-five percent of rental units in the city are affordable to those at 50 percent median income. Only 5 percent of rental units in the city are affordable to those at 30 percent median income.[29]

Subsidized Rental Units

Approximately 116 rental units in Maple Grove are subsidized through either city-sponsored housing revenue bonds or federal housing subsidies. The city has one federally subsidized multi-family development, Hickory Ridge, that provides 32 two- and three-bedroom units for families. In addition, there were twenty-two households in Maple Grove in 1992 that received rental assistance through the use of Section 8 certificates.

The City of Maple Grove issued housing revenue bonds, under Minnesota Statutes 462C, in both 1984 and 1985 to assist in the financing of the Abitare and Eagle Ridge multi-family developments. Twenty percent of the units within these complexes are reserved for households earning 80 percent or less of the metropolitan median family income. The two complexes combined provide 312 total rental units, with a minimum of 62 units reserved for low and moderate income households.

Moderate Cost Home Ownership Opportunities

The author also finds that home ownership is limited for low and moderate income households in Maple Grove. The average value for owner-occupied housing is $109,579. According to the 1990 Census, 45 percent of owner-occupied housing was valued at greater than $100,000.

BARRIERS TO LOW AND MODERATE INCOME HOUSING

The author cites a number of zoning, building, and design standards that significantly raise the cost of housing within the city. These requirements include the following:

- **Minimum lot size.** Minimum lot sizes for single-family housing zoning districts are 20,000 sq. ft. and 10,000 sq. ft. However, the city requires that all preliminary plats have an average lot size of 11,000 sq. ft. Thus, it appears that a mix of larger lots must be incorporated into any plat with the more affordable 10,000 sq. ft. lots.
- **Minimum floor area.** Although the Metropolitan Council's advisory zoning standards discourage the use of floor area requirements, Maple Grove has a 960 sq. ft. floor area requirement for single-family homes. Maple Grove has one of the highest floor area requirements for multi-family housing in the metropolitan area. A two-bedroom multi-family unit in Maple Grove is required to have a floor area of 950 sq. ft.[30]
- **Garage requirements.** Although the Metropolitan Council's advisory zoning standards discourage municipalities from requiring garages, Maple Grove requires that each single-family home have a two-car garage. For multi-family developments, one of the two required parking spaces must be enclosed and located either under or within the multiple dwelling building.
- **Design and performance standards for multi-family developments.** Design and performance standards that raise the cost of multi-family developments include:
  - Each development must have at least one indoor room for social or exercise purposes. The size of the community room is required to be either 750 sq. ft. or equal to 25 sq. ft. per dwelling unit in the building, whichever is greater.
  - Each multi-family unit shall have at least 500 sq. ft. of usable open space available for recreation.
  - All off-street parking areas of six spaces or more must be screened and have landscaped parking islands.
  - All non-impervious surfaces must be landscaped. The minimum number of trees shall be equal to the perimeter of the lot divided by forty. An irrigation system must also be installed and maintained.
  - The Maple Grove comprehensive plan recommends that apartment concentrations be limited to no more than twenty contiguous acres.

The barriers noted by the author in the case study were, in some cases, also identified by the Metropolitan Council during the agency's reviews of Maple Grove's comprehensive plan amendments. Although the Metropolitan Council approved Maple Grove's amendments during the late 1980s, documents prepared by the agency's staff implied that the city was creating barriers to affordable housing. For example, a letter dated September 23, 1988 from the Metropolitan Council to the City of Maple Grove regarding a proposed comprehensive plan amendment stated the following:

> "While the city has made considerable progress in providing affordable housing in a range of costs and types, the city's intent for the future is to build primarily high-cost housing. In its comments on the plan, the Council expressed concern that the city not emphasize higher-priced single-family housing at the expense of more affordable housing. Maple Grove has among the highest apartment rents in the metropolitan area, and among the highest minimumrequired apartment unit sizes. It is appropriate to reiterate the Council's comments on the 1987 plan update: Maple Grove is encouraged to periodically evaluate its policy of encouraging primarily large-lot, single-family housing to ensure that housing continues to be available and affordable for people of varying incomes."

USE OF AVAILABLE RESOURCES TO ENCOURAGE AFFORDABLE HOUSING

The 1980 housing element of the Maple Grove comprehensive plan states that the city is expected by the Metropolitan Council to provide 750 to 1,850 units for low and moderate income households, or approximately 75 to 185 units per year. The author identifies the city's issuance of housing revenue bonds in 1984 and 1985 for the development of the Abitare and Eagle Ridge multi-family complexes as the primary action the city has undertaken to meet the low and moderate income goals established by the Metropolitan Council. As was noted earlier, these developments provide 312 rental units, with 20 percent guaranteed for households at or below 80 percent of the metropolitan median family income.

Between 1975 and 1992, Maple Grove received $1.456 million in CDBG funds. During this period, the city did not use any of the CDGB funds for the development of assisted housing. Maple Grove's major spending categories for CDBG funds during this period were for public facilities (32.3 percent) and neighborhood revitalization (26.7 percent).[31]

Although Maple Grove has not met its target for low and moderate income housing, the author concludes that the city's position on low and moderate income housing is that the city has already done its share in providing affordable housing and, therefore, need not do more. The following evidence is cited from Maple Grove's 1987 comprehensive plan:

> "Changing demographic characteristics and the loss of flat sandy land place Maple Grove in a position where efforts to develop large areas of low and moderate priced housing would be futile. The market for this housing has shrunk and other cities can provide it at less cost."[32]

As additional evidence, the author cites a February 6, 1986 Metropolitan Council document regarding the housing element of Maple Grove's comprehensive plan. Joanne Barron, the author of the document, stated that:

> "Although one of the stated goals (of the plan) is to provide housing for all income groups, nothing in the plan would seem to encourage construction of moderate cost housing."

MINNETONKA CASE STUDY

The City of Minnetonka is quickly becoming a fully developed city. Recent data from the Minnetonka Planning Department indicate that approximately 110 acres are available for new housing development. Approximately seventy acres of the land are available for multi-family housing. Many other vacant parcels of land located in the city are unavailable for development due to environmental constraints.

The author of the case study notes that the increasing shortage of land for residential development has resulted in slower population growth in the city between 1980 and 1990. In addition, the number of residential building permits issued by the city has declined after a high level of building activity in the mid-1980s. Since 1990 the number of residential building permits issued has remained fairly constant, with about 140 to 200 residential building permits per year.

The author of the case study concludes that little affordable renter- or owner-occupied housing exists in the City of Minnetonka. Factors that the author points to as inhibiting a greater amount of affordable housing include strong demand for higher priced units, little subsidized housing within the city, high land costs, restrictive local environmental and land use regulations, and ambiguously defined municipal objectives related to encouraging additional affordable housing within Minnetonka. The author supports these conclusions with the following information.

HOUSING SUPPLY

Less than 25 percent of housing units in Minnetonka are renter-occupied units. This proportion is low in contrast to the metro-wide proportion of just under one-third and the Hennepin County proportion of just over one-third of housing units being renter-occupied.

Rental rates in Minnetonka are far above the metro area median and the median for the developing area. Region-wide median rent is \$447, developing area's median rent is \$518, Minnetonka's median rent is \$631. Due to the high rental rates, renter-occupied households in Minnetonka tend to be affluent. 1990 Census data show that 50 percent of renters had an income greater than \$35,000, while 25 percent of renter households had incomes exceeding \$50,000.

The city has an uneven distribution of rental units within the city as well as marked differences in rental rates within different parts of the city. The section of the city that has the least expensive rental housing is located along the city's eastern border with the City of Hopkins.

Vacancy rates for rental housing in Minnetonka are low compared to the metro area and the developing area—providing some indication that there is strong demand for rental housing within the city. While Minnetonka's vacancy rate for rental units was about 4.3 percent in 1991-92, the region's vacancy rate was 8.2 percent and the developing area's rate was 9.8 percent during this period (*Rental Housing in the Twin Cities Metropolitan Area*, Metropolitan Council, p. 12).

SUPPLY OF LOW AND MODERATE INCOME HOUSING

Of those renter households earning less than \$20,000 annually, 76 percent pay more than 30 percent of income for housing according to the 1990 Census.

Federally Funded Housing

Minnetonka has 370 project-based, federally-funded subsidized units through the Section 8 and 236 programs. Data from the Metropolitan Council Housing and Redevelopment Authority (HRA) indicate 197 units (or 53 percent) of federally subsidized housing in the city are devoted to senior housing. The units are located in five projects: Archer Heights, Cedar Hills Townhomes, Elmbrook Townhomes, Hunter's Ridge, and Glen Lake Landing. Waiting periods for units ranged from six months for a one-bedroom unit to three to five years for a three-bedroom unit.

Data from the Metropolitan Council Housing and Redevelopment Authority (HRA) indicate ten housing units in Minnetonka are subsidized through federal Section 8 certificates or vouchers.

Federally subsidized housing, which includes project-based rental housing as well as certificates and vouchers, represented about 1.4 percent of all housing units in Minnetonka in 1992. This compares to the region as a whole where approximately 4.7 percent of housing units are federally subsidized.

Housing Revenue Bond Projects

The author notes four housing revenue projects containing 1,304 rental units that should supply 260 low and moderate income rental units. However, conversations with apartment managers found that three of the four housing complexes stated that they either no longer participated in the rental unit set-asides or simply were not aware of the need to set aside 20 percent of the complexes' units for low and moderate income households.

Modest Cost Home Ownership

Fewer than 25 percent of owner-occupied housing in Minnetonka was at or below the metro median home price of $89,564.

BARRIERS CREATED BY ZONING AND LAND USE RESTRICTIONS

The author of the case study examined the lot size and dimensional requirements for each of the city's residential zoning districts. These include regulations related to maximum building height, minimum lot area, setback requirements, and minimum lot width and depth requirements. (See Tables 1 and 2 as well as pages 18 through 23 of the case study for these numerical standards.)

Conclusions drawn by the author based upon analysis of these dimensional requirements include the following:

- The city's minimum lot size for single-family homes in the R-1 district is 22,000 sq. ft. This is the largest minimum lot size within a sewered area among the case study communities. However, in areas that serve as a transition between low density and more intensive uses, the city does allow a parcel of no more than 40,000 sq. ft. to be subdivided into lots with a minimum area of 15,000 sq. ft. Information on the number of potential land parcels where 15,000 sq. ft. lots could be platted was not available.
- The city's R-2 district allows a maximum density of four units per acre. However, the author points out that minimum lot size requirements (15,000 sq. ft. for single-family homes and 12,500 per unit for two-family dwellings) appear to make the four-unit-per-acre density limit infeasible. The minimum lot area requirements for single-family homes permit a density of 2.9 housing units per acre, while the multi-family minimum lot area requirements permit a density of only 3.9 housing units per acre.
- The city's R-3 district allows up to twelve units per acre. However, the city requires that there be no more than four units per structure. The author finds this restriction on the number of units allowed per structure to be quite restrictive since it limits building configurations that may use land more efficiently.
- The city's R-4 district allows densities of four to twelve units per acre. Although there is no restriction on the number of units per structure, the author notes other standards that limit the possible layout of a given development and, thus, result in additional land consumption and greater development costs. These standards include a floor area ratio (FAR) of .5 combined with large minimum side and rear setback requirements. These setback requirements are 1.5 times the height of the building up to 100 feet, but in no case less than: 1) 50 feet from low density residential, 2) 40 feet from medium or high density, 3) 30 feet from industrial uses, or 4) 20 feet from open space uses.
- The city's requirements for the R-5 district allow for densities greater than 12 units per acre. Otherwise, the standards for the R-5 district are the same as for the R-4 district, except that the maximum FAR is increased from .5 to 1.0.

In addition to bulk and density zoning requirements, the city has a number of other zoning, building and/or performance standards that include:

- **Outdoor recreation area.** In R-4 and R-5 districts, developments must designate a minimum of 10 percent of the gross project area to active and passive recreational areas (300.13 Subd. 5(h) and 300.14 Subd. 5(h) of the zoning ordinance).
- **Road access.** R-4 and R-5 developments must be on sites with access to an arterial or collector roadway.
- **Parking.** Two parking spaces are required for each multi-family unit. One of the spaces must be enclosed. In addition, parking areas must have concrete curbs.
- **Architectural standards.** The author notes that there is "a ban on certain materials which one may presume have been deemed unsightly, but which also assume are inexpensive construction materials" (300.27).
- **Landscaping.** For projects under $1 million in value, landscaping must account for a minimum of 2 percent of total value. The percentage decreases as the value of the project increases so that a project valued at $4 million need only dedicate 1 percent of the total project value towards landscaping (300.27).
- **Screening and buffering.** Any off-street parking lot with more than six spaces must be buffered from streets within 50 feet and from all residential lots. All developments built at a density of four units or greater must be buffered from lower density uses (300.27).
- **Re-zoning.** Since almost all vacant land in the city is zoned R-1, any multi-family development requires a re-zoning.

USE OF RESOURCES TO ENCOURAGE LOW/MODERATE INCOME HOUSING

In 1981, the Minnetonka comprehensive plan stated that the Metropolitan Council set a ten-year low and moderate income housing goal of 560 to 1,400 units. The author of the case study notes that the comprehensive plan rejected the upper end of the range as unrealistic given projected growth in the city during the 1980s. In addition, the city could not guarantee a full commitment to providing government subsidized housing in the absence of continued federal funding levels.

Despite the city's disclaimers, the 1981 Minnetonka comprehensive plan outlined several housing policies it intended to use to guide development and encourage more affordable housing in the city. The author's primary criticism of the city's policies is that it is very difficult to measure the success of many of the city's affordable housing objectives because the objectives tend to be qualitative rather than quantitative. Thus, the author's point is that while the city states that it wishes to expand housing opportunities for all persons, how do we judge the success of this objective?

A brief summary of the more specific policies, along with municipal actions supporting the policy, include the following:

Zoning and Regulatory Barriers

The city identified the large minimum lot sizes and low density standards as barriers to affordable housing. In response, the city allows the use of flexible zoning in three contexts. These are:

- For platted lots under 40,000 sq. ft., the city permits a lot split as long as each new lot has a minimum of 15,000 sq. ft. (300.10).
- Planned unit development projects that allow "modification of density and floor area requirements for developments providing low and moderate cost housing."
- The city's I-394 district allows the city to require mixed-use development projects along the I-394 corridor. This provision enables the city to encourage mixed-use development containing low and moderate income housing that would not otherwise be feasible in the district. The author is not certain how frequently these flexible zoning efforts have been employed by the city to reduce housing costs.

Administrative Delays

Policy 41 of the comprehensive plan identifies administrative delays as a barrier to affordable housing. The city's housing policy called for reducing such delays to promote affordable housing. The author finds no particular evidence, given the existing planned unit development process, as well as site and building review requirements, that administrative processes have been streamlined.

Facilitating the Construction of Subsidized Housing

The city's federally subsidized housing projects (370 units) as well as housing revenue bond projects (260 units) were noted above.

Minnetonka has received $3.26 million in CDBG funds between 1975 and 1992. The city's two largest spending categories for CDBG funds over this period have been for housing rehabilitation, which comprised 60.9 percent of CDBG funds received, and assisted housing, which represented 8.6 percent of the CDBG funds allocation.

The city's comprehensive plan proposed a land bank to subsidize low and moderate income housing. The author found no evidence of such a program.

At the present time, the city has proposed constructing a new subsidized rental housing development for seniors. The proposed Presbyterian Homes development would provide 110 senior rental units and 42 units of senior-assisted living units. The project would be financed through a qualified housing tax increment financing district. Based upon legislation passed by the Minnesota Legislature in 1993, the development would be required to reserve 40 percent of the units at rents at or below $558 per month for a one-bedroom and $669 per month for a two-bedroom unit, including utilities. Further, 40 percent of the units would have to be reserved for residents with incomes at or below 60 percent the area median income or $20,800 per year for a one-person household and $23,800 per year for a two-person household.

Assessments

The city's comprehensive plan notes that assessments on planned unit developments may increase per-unit costs of housing. The author did not specifically examine this issue, but was unaware of any change in city polices toward special assessments which may have served to facilitate lower per unit costs.

PLYMOUTH CASE STUDY

The author of the Plymouth case study does not believe that an adequate supply of affordable housing exists within the City of Plymouth. Two factors are cited in support:

1. The present housing market in Plymouth demands the construction of large and, therefore, expensive homes. The increasing demand for this type of housing is making housing unaffordable to low and moderate income households.
2. Large lot requirements and lack of affordable alternatives to detached single-family units.

The following provides information on the housing and development characteristics of Plymouth as well as the efforts the city has undertaken to provide affordable housing in Plymouth.

LAND AVAILABLE FOR DEVELOPMENT

No information was available from the city on the amount of land available for new housing development.

HOUSING SUPPLY

According to the 1990 Census, there were 18,361 occupied housing units in Plymouth in 1990. Owner-occupied units represented 74 percent of the city's housing stock (13,519 units), while renter-occupied units accounted for 26 percent of housing in the city (4,842 units).

The author used a study prepared by the City of Eden Prairie in 1992 to compare the Plymouth housing stock with the housing characteristics of ten other suburban communities.[33] These communities were Apple Valley, Bloomington, Chanhassen, Eagan, Eden Prairie, Edina, Maple Grove, Minnetonka, Woodbury, and Plymouth. Based upon a comparison of these communities, the author notes the following:

- Plymouth had the third highest median sales price of a single-family home at $143,000.
- Median rent in 1990 in Plymouth was $578, compared to the median rent in the developing area ($518), and the region as a whole ($447).
- The price of single-family lots in Plymouth range from $45,000 to $90,000.[34]

SUPPLY OF LOW AND MODERATE INCOME HOUSING

Plymouth ranked seventh out of ten communities in the Eden Prairie study noted above in the percentage of its housing available to low income renters. Two and one-half percent of its rental housing is affordable by low income renters. There are 142 households in Plymouth using Section 8 certificates with close to 50 metro HRA Section 8 voucher holders also living in the city. While the Plymouth HRA issued eighty-seven certificates, twenty-five certificate holders live outside Plymouth. However, an additional eighty households carrying certificates not issued by the Plymouth HRA have moved into Plymouth.[35]

The author notes information provided by the city indicating that there are 2,165 rental units in fifteen housing developments which offer market rate rents and will accept Section 8 certificates. The city has received HUD approval for "exception rents" so that higher cost rental units can be used by Section 8 certificate users. These "exceptions rents" will cover up to 45 percent of rental units in the city for households holding Section 8 certificates.

Plymouth has four site-based subsidized housing projects providing 153 rental units. Of these units, 40.5 percent are three-bedroom units and 3.9 percent are four-bedroom units. No information was provided regarding how the projects were financed or whether the units are designed for seniors or families.[36]

There are seventy-four manufactured homes in Plymouth.

BARRIERS CREATED BY ZONING AND LAND USE PRACTICES

The author focuses discussion of local regulations on Plymouth's multi-family zoning and land use policies. (The city's specific land use standards for multi-family development are found in Table 9 of the case study.)

A particularly noteworthy characteristic of the city's local land use regulations is that all multi-family developments require a conditional use permit. The application fee for the C.U.P. is $250.

The city has no minimum floor area requirements for any type of housing.

The city has no zoning district that allows mobile home parks. The city does, however, allow for mobile homes in the city.

USE OF RESOURCES TO ENCOURAGE LOW/MODERATE INCOME HOUSING

According to Plymouth's 1981 comprehensive plan, the city's long-term goal was to provide a range of 1,040 to 2,600 low to moderate income housing units and 1,491 modest cost housing opportunities. No time frame in which the city hoped to accomplish this affordable housing goal is cited.

Strategies listed in Plymouth's comprehensive plan to provide affordable housing include the following:

- **Direct subsidy programs such as Section 8.** As noted above, the city has issued eighty-seven Section 8 certificates.
- **Encourage construction of lower cost units.** The city's zoning ordinance is, in some ways, amenable to affordable housing. Examples include:
  - The city does not have minimum floor area requirements.
  - The city allows 6,000 sq. ft. single-family lots in high-density residential districts. While such a provision clearly reduces the amount of land available for multi-family development, it does offer the possibility of moderate cost home ownership by reducing land costs.
  - The city is considering eliminating the garage requirement for multi-family housing.

Other actions the city has undertaken to fulfill its affordable housing goal include the following:

- **CDBG funds.** In fiscal year 1993, Plymouth received $272,000 in federal CDBG funds. The majority of the funds were used for housing rehabilitation ($70,000) and a scattered site home-ownership program ($120,000). The housing rehabilitation program assists ten to fourteen households per year. The scattered site home-ownership program, which was initiated in 1992, assisted 19 of the 145 program applicants with loans ranging from $3,000 to $15,000. The average income of families receiving loans was $25,800, while the average price of houses purchased through the program was $75,400. The author notes, however, that the home-ownership program was of somewhat limited value because most houses in the city are so expensive that applicants could not afford to make monthly payments. Thirty-eight families have become homeowners during the two years the program has been in existence. CDBG funds have also been granted for transitional housing and developmentally disabled adults.
- **HRA tax levy.** The author states that the HRA levied a tax to purchase land for the construction of senior housing in Plymouth. First priority will be for low income seniors. At the end of 1992, the city selected an architectural firm to develop a site plan for the project and construction will be completed by Fall 1994. On-going subsidies will be provided each year through the HRA tax levy to ensure that very low income tenants pay no more than 30 percent of income on rent, low income tenants, no more than 33 percent.

SHAKOPEE CASE STUDY

The findings of the author of the Shakopee case study clearly indicate that Shakopee's housing stock has the largest proportion of affordable housing among the ten case study communities. There may be a variety of reasons why this is so. One of the primary factors is related to the fact that Shakopee's housing stock reflects the older, smaller, and less expensive housing that is typically found within a free-standing growth center that has not experienced extensive suburban development.

Residential development in Shakopee is, however, on the rise. In 1992, 405 building permits were issued for single-family homes and 2 permits were issued for multi-family developments. This one-year total compares to the 353 building permits for single-family homes issued for the fours years between 1987 and 1990, and the 15 permits for multi-family housing during this same period.

As implied above, the author of the Shakopee case study concludes that, "the city appears to be a growing community most suitable for raising a family on an average income."[37] The following provides information supporting the author's conclusions, as well as information regarding the city's efforts to provide a range of housing opportunities within the city.

LOW AND MODERATE INCOME HOUSING SUPPLY

- **Affordable rents.** Twenty-one percent of rental housing units rent for less than $337 and, thus, are available to individuals earning 30 percent the metro median family income. Eighty-two percent of rental housing units rent for less than $562 and, thus, are available to individuals earning less than 50 percent the metro median family income. Median contract rent in Shakopee is $444 per month.
- **Affordable home ownership.** 2,019 of the 2,595 owner-occupied housing units in the city were valued at $100,000 or less. This made 77.8 percent of owner-occupied housing affordable to households at 80 percent of the median family income. At 50 percent of the metropolitan median family income, 7.6 percent of owner-occupied housing was affordable.

BARRIERS CREATED BY ZONING AND LAND USE PRACTICES

In general, Shakopee's zoning and land use practices do not place as great a hinderance to low and moderate income housing when compared to the land use and zoning practices of many metropolitan communities.

- **Minimum lot size.** While the Metropolitan Council's advisory standard for local land use regulations recommends a 7,500 sq. ft. minimum lot area for single-family homes, the minimum lot size for single-family housing in Shakopee is 9,000 sq. ft. However, despite exceeding the Metropolitan Council's, Shakopee's minimum lot area requirement compares favorably to other developing communities where 10,000 to 15,000 sq. ft. minimum lot areas are more common.

  The minimum lot area for a two-bedroom multi-family unit in Shakopee is 3,000 sq. ft., permitting a maximum density of 14.5 units per acre.
- **Minimum floor area.** The Metropolitan Council's advisory standard for local land use regulations recommends that cities do not impose minimum floor area requirements. While there is no minimum floor area requirement for single-family homes in Shakopee, the city does impose minimum floor area requirements for multi-family units. The minimum floor area for a two-bedroom multi-family unit is 720 sq. ft.
- **Garage requirements.** The Metropolitan Council's advisory standard for local land use regulations recommends that cities do not impose garage requirements. The city does not require that either single- or multi-family developments have garages.

- **Parking for multi-family developments.** Each housing unit is required to have two parking spaces. In addition, a minimum 15 ft. setback is required for any paved parking area, and the setback area must be landscaped.
- **Down-zonings.** The city is currently considering re-zoning a 68-acre parcel zoned R-4 to R-2. This parcel is the largest area of undeveloped land currently reserved for R-4 development. The re-zoning has been requested by the property owners—who wish to construct single-family homes valued in the $95,000 to $120,000 price range.
- **Unsewered areas.** The minimum lot size for single-family homes outside the city's urban area is 2.5 acres.
- **Landscaping for multi-family units.** The city specifies minimum tree size and minimum tree spacing along boulevards. Parking areas, roof-top facilities, storage and trash areas, and loading zones must be screened.
- **Conditional use permits.** A CUP is required for any multi-family housing project exceeding 30 feet in height.

USE OF RESOURCES TO ENCOURAGE LOW MODERATE INCOME HOUSING

In 1979, Shakopee stated in its comprehensive plan that it intended to fulfill its ten-year fair share housing goal of 470 low and moderate income housing units. In 1990, Shakopee had 907 rental units or 77 percent of the city's rental housing that was affordable at 50 percent of the metropolitan median family income. In addition, the city subsidized 271 housing units.

Actions the city has undertaken to provide affordable housing in Shakopee include the following:

- **Federally subsidized housing projects.** Using the Section 8 program, Shakopee has constructed two low income housing projects since 1979. Each project has 66 units for senior housing.[38]
- **CDBG funds.** In 1980, the city used CDBG money to reduce the costs for new owner-occupied townhouses. No information is provided on how much money was spent or how many units were constructed. Shakopee is not an annual recipient of CDBG funds since Scott County is not an entitlement county.
- **Housing revenue bonds.** In 1986, the city issued bonds to assist in the construction of ninety-two apartments in the Riva Ridge development. The author notes that rents for one- and two-bedroom units are $500 and $610 respectively. The author did not state whether 20 percent of the ninety-two units or all of the ninety-two units were for low and moderate income households. However, the author makes note of fifty-six mixed-use subsidized units that are unaccounted for among the subsidized housing projects noted in this report.
- **Re-zonings.** The author notes that the city has re-zoned land within a B-1 commercial district to a R-4 high density residential district. However, re-zonings increasing the amount of land available for multi-family have been offset by down-zonings of land in R-4 districts.

WOODBURY CASE STUDY

The author of the Woodbury case study concludes that housing in Woodbury is not affordable to a large segment of the metro area's low and moderate income population. Despite some indications of changing attitudes regarding the need for affordable housing, the author believes that the city's lack of affordable housing is the result of a local regulatory framework that does not easily accommodate affordable housing and a previous political environment hostile to furthering low income housing within the city. As evidence, the author cites the following factors.

HOUSING SUPPLY

In 1985, the Metropolitan Council developed a housing allocation plan for metropolitan cities that recommended that cities strive to develop a housing stock that provides both affordable housing and alternatives to single-family detached housing. The specific goals developed by the Metropolitan Council were that 63 percent of a local community's housing should be affordable for modest income households (housing values equal to $62,000 or less in 1980) and 41 percent of a community's housing stock should be composed of alternatives to single-family detached residences (*Metropolitan Development Guide*, Metropolitan Council, 1985, p. 53).

The author uses the above criteria to evaluate the Woodbury housing supply. In 1980, with 32 percent of Woodbury's housing stock composed of alternatives to single-family housing, and only 38 percent of housing affordable to low and modest income households, the city did not meet the Metropolitan Council standards for affordable housing or for alternatives to single-family housing.

By 1990, however, 42.7 percent of the Woodbury housing stock was composed of alternatives to single-family homes and, thus, surpassed the goals articulated by the Metropolitan Council. The most dominant type of housing alternative in Woodbury is single-family attached housing (townhomes). In 1990, almost 23 percent of the city's housing was single-family attached, compared to apartment complexes with five or more units—which consisted of 17 percent of the city's housing stock.

SUPPLY OF LOW AND MODERATE INCOME HOUSING

Given the variety of housing types that exist in Woodbury, the issue is whether there is an adequate supply of housing in Woodbury affordable to low and moderate income households. In this regard, the author finds that there are certain limited affordable housing opportunities in the owner-occupied housing market in Woodbury when the city is compared to other developing communities, but that there are few affordable rental housing opportunities in the city.

Owner-Occupied Housing

The author notes that 10 percent of owner-occupied housing in the metropolitan area is affordable at 50 percent median family income ($21,892)—according to a Metropolitan Council data base listing affordable home ownership opportunities. In Woodbury, 6.3 percent of owner-occupied homes are affordable at 50 percent of the metropolitan median family income.

While the author notes that the percentage of affordable housing in Woodbury is less than in the region as a whole, a random survey conducted by the author of housing affordability in other developing suburbs found that only 3.2 percent of housing was affordable within these communities.[39] Further, at 80 percent median family income, 40.4 percent of owner-occupied homes are affordable in Woodbury compared to 45.6 percent of owner-occupied homes among a random sample of third-ring suburbs. Based upon these comparisons of housing affordability in Woodbury with similar developing communities, the author concludes that the proportion of affordable homes available for ownership in Woodbury is not dramatically different from that found in developing suburbs as a whole.

Renter-Occupied Housing

- **Market rate rental opportunities.** Eight housing complexes constitute the majority of rental units in Woodbury. Only two of the complexes, Woodmere and Tamarack, have rents that could conceivably be affordable to people at 50 percent of median income. Rents at these complexes range from $445 for a one-bedroom unit to $565 for a two-bedroom unit.[40]

  There is very little rental housing in Woodbury affordable to people earning 30 percent of the metro median family income. While 24 percent of rental housing is affordable to this income group in the metro area and Washington County, only 1.6 percent of rental housing is affordable in Woodbury.[41]

- **Subsidized rental housing.** There are fifty-seven households in the city using Section 8 certificates issued by Metropolitan Housing and Redevelopment Authority. This represents about .63 percent of the housing in the city.

  In addition to the Section 8 certificates, Woodbury cooperated with the Washington County Housing and Redevelopment Authority in the development of the Woodcliff senior housing complex. Washington County assisted in the financing of the development, while Woodbury's contribution consisted of waiving the city's ten-unit-per-acre density limit in exchange for the provision of underground parking and a partial brick facade.

  The city presently has no site-based federally-subsidized rental housing units. However, Washington County is currently working with Woodbury to build forty-five to fifty low-income rental units for families.

BARRIERS CREATED BY ZONING AND LAND USE PRACTICES

The author focuses the discussion of local regulations on the zoning and land use policies related to multi-family housing. (The minimum lot, minimum floor, and garage requirements noted by the author are found in Tables 8 and 9 of the case study.) The author notes that the city's existing standards are more stringent than the city's 1977 standards. While the maximum density for multi-family units is currently ten units per acre, sixteen units per acre were allowed in 1977.[42] In addition, while each unit must now be accompanied by at least one garage space, no such requirement existed in 1977. An administrative barrier that increases the time and costs associated with obtaining approval for multi-family developments in Woodbury is the requirement that developers obtain a special use permit for multi-family complexes.

Construction standards that appear to apply to all housing projects include concrete curb and gutter, brick facades, and a garage disposal requirement.[43]

USE OF RESOURCES TO ENCOURAGE LOW INCOME HOUSING

In 1980, Woodbury established an affordable housing goal of sixty new subsidized housing units over five years. The author notes that, until recently, the city had taken few steps towards meeting this objective. According to the author, the relative inaction of the city to meet its subsidized housing target is related to two factors. The first is an attitude on the part of elected officials in Woodbury that discouraged the development of subsidized housing in the city. The author cites as evidence the comments of former Woodbury Mayor Kenneth Mahle, who stated that housing advocates wanted to "invite all of the indigent people walking the streets in downtown St. Paul to come and live in Woodbury. We don't need that."[44]

Since the departure of Mahle from office, the author believes there is the potential for a renewed commitment in Woodbury to provide more affordable housing opportunities. However, the author also believes that the city's existing housing policies and regulatory framework may hinder the effectiveness of any renewed effort to develop affordable housing in Woodbury. This conclusion is based upon the author's belief that many of the policies developed by the city do little to encourage additional construction of low and moderate income housing.

Policies articulated and actions undertaken by the city to promote low and moderate income housing include:

- **Flexible zoning.** Multi-family housing may be built at a density of fifteen units per acre in exchange for certain site amenities. Additional requirements include larger unit sizes, private recreation facilities, increased landscaping requirements, greater setback requirements, and the burden of showing that the development will not have an adverse impact upon infrastructure. The author notes that once the additional amenities and setback requirements are fulfilled, the use of flexible zoning has little effect on reducing housing costs.
- **Modest cost home-ownership efforts.** The author implies that the city has a program to assist young families in purchasing homes in the city. The objectives of the program are discussed in the city's comprehensive plan. (A conversation between CURA staff and Woodbury planner Sara Prow reveals that no such program is currently run by the City of Woodbury.)
- **Subsidized rental housing.** As noted earlier, Washington County HRA is working with Woodbury to build the city's first rental housing development for low income families. The project will cost $2.5 million and will be built with municipal general obligation (GO) bonds as well as the Minnesota Housing Finance Agency, Twin Cities Housing Fund, and FHA funds. The city has agreed to give concessions on the requirement of a brick facade, underground parking, and has relaxed standard road specifications. Rents are projected to be $350 for one-bedroom, $450 for two-bedroom, and $550 for three-bedroom units.
- **CDBG funds.** Since Washington County is not an entitlement county, the county was not aware of Woodbury receiving any CDBG funds.

FOOTNOTES

1. Data compiled by CURA indicate that there are 2,942 undeveloped acres in Burnsville. This includes 589 vacant acres in the city's highest density single-family zoning district (R-1), as well as 90 vacant acres in the city's highest density multi-family district (R-3C).
2. Stensland, Juli. "Memo analyzing Burnsville's zoning practices." Unpublished manuscript for Minneapolis Legal Aid Society, August 1993, p. 3.
3. Ibid, p. 6.
4. According to 1992 data from the Metropolitan Council, Burnsville has 743 federally subsidized rental housing units. Approximately 80 percent of these units were for families, and over 50 percent of the city's subsidized units were through Section 8 certificates or vouchers.
5. Stensland, p. 8.
6. Ibid, p. 7.
7. Land use data provided by the City of Coon Rapids to CURA indicate that approximately 1,665 acres or 11 percent of the land in Coon Rapids is undeveloped. Based upon Coon Rapid's Future Land Use Plan (4/93), approximately 115 acres of the 1,665 presently undeveloped acres in the city are designated for apartments, and 200 acres are designated for attached housing. By comparison, only 149 acres are designated for single-family development. Thus, while the figures noted above represent gross undeveloped acres, it appears that the city has set-aside a significant proportion of its remaining land for multi-family development.
8. 1990 Census data presented in this report indicate that 10.5 percent of rental housing in Coon Rapids was affordable at 30 percent the median family income, while 49 percent of rental housing was affordable at 50 percent the median family income.
9. Data from the Metropolitan Council presented in this report indicate that there were 727 federally subsidized rental units in Coon Rapids in 1992, representing approximately 4 percent of the total housing units in Coon Rapids. Of these 727 units, 65 percent of the units were for families. Thus, the data presented by CURA would indicate that the number of subsidized units did not decline during the 1980s, but rather increased by 357 units over this period.
10. Falkenhagen, Beth. "Memo on the effects of Coon Rapids' zoning code, land use plan, and city policies on the provision of low and modest income housing." Unpublished manuscript for the Minneapolis Legal Aid Society, August 1993, p. 16.
11. Ibid, p. 11.
12. Ibid, p. 12.
13. Ibid, p. 5.
14. Data collected by CURA indicate that Edina's 950 sq. ft. minimum floor area for a two-bedroom apartment is among the highest in the metropolitan area.
15. The proposed zoning changes noted by the case study author took effect January 1, 1994.
16. Marthaler, Robert. "A memo concerning Lakeville's zoning ordinance and city actions incongruent with the comprehensive plan and other practices and policies affecting the provision of low to moderate income housing." Unpublished manuscript for the Minneapolis Legal Aid Society, August 1993, pp. 3, 7.
17. Based on March 15, 1994 conversation with Lakeville City Planner Frank Dempsey.
18. Marthaler, p. 3. One characteristic of the Lakeville Plan not noted in the case study is that there is no lot area flexibility in Lakeville's single-family planned unit development ordinance. This provision

reduces the effect that the PUD ordinance can provide in reducing land costs and, therefore, housing costs.

19. Ibid, p. 12. See Table 14 of this report for comprehensive plan amendments submitted by Lakeville to the Metropolitan Council.
20. Ibid, p. 8.
21. Ibid, p. 10.
22. Ibid, pp. 11, 18.
23. Ibid, p. 13.
24. Ibid.
25. Ibid.
26. Ibid, p. 16.
27. Data obtained by CURA from the Dakota County Housing and Redevelopment Authority.
28. Kett, David. "Memo concerning Maple Grove's zoning ordinance and comprehensive plan and their impact on the development of low and moderate income housing," Unpublished manuscript for the Minneapolis Legal Aid Society, September 1993, p. 5.
29. See Table 5 of this report: 1990 Census data indicate that only ninety-two units or 7.5 percent of rental units are affordable at 50 percent or less of the median family income.
30. Kett, p. 11.
31. Hennepin County Office of Planning and Development, "CDBG Program: The First Eighteen Years," p. 39.
32. Maple Grove 1987 Comprehensive Plan, p. 8.
33. January 22, 1993 memo from Eden Prairie planner Dave Lindahl on Eden Prairie's housing goals and objectives.
34. D'Amico, Sharon. "Zoning practices of the city of Plymouth." Unpublished manuscript for the Minneapolis Legal Aid Society, September 1993, p. 14.
35. Data from the Metropolitan Council HRA indicate that there are ninety-seven households in Plymouth using Section 8 Certificates.
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37. Shriver, Craig. "Current factors influencing low and moderate income housing in the city of Shakopee." Unpublished manuscript for the Minneapolis Legal Aid Society, 1993, p. 3.
38. Data from the Metropolitan Council HRA indicate that the city has 128 senior housing units.
39. Strootman, Gary. "Woodbury Zoning Practices." Unpublished manuscript for the Minneapolis Legal Aid Society, November 1993, at 12.
40. Strootman, p. 11.
41. See Table 5: 1990 Census data STF3; H34 shows that 2.15 percent of rental housing was affordable at 30 percent median income.
42. Data collected by CURA indicate that the maximum multi-family unit density in Woodbury in 1977 was ten units per acre.
43. See Woodbury Zoning Code Section 24-9.
44. May 17, 1993 edition of the *Minneapolis Star Tribune*.

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APPENDICES

APPENDIX A: Owner and Renter Households Paying Over 30 Percent of Income for Housing

	Number of Owner-Occupied Units	Number of Owners Paying Over 30%	Percent of Owners Paying Over 30%	Number of Renter Occupied Units	Number of Renters Paying Over 30%	Percent of Renters Paying Over 30%
Burnsville	12,421	1,898	15.28%	6,706	2,076	30.96%
Coon Rapids	13,961	2,240	16.04%	3,488	1,423	40.80%
Eden Prairie	19,479	2,025	10.40%	3,968	1,104	27.82%
Edina	15,170	2,184	14.40%	4,690	1,938	41.32%
Lakeville	6,958	1,199	17.23%	893	384	43.00%
Maple Grove	11,250	1,966	17.48%	1,281	423	33.02%
Minnetonka	14,319	2,184	15.25%	4,368	1,413	32.35%
Plymouth	13,519	2,354	17.41%	4,852	1,358	27.99%
Shakopee	2,942	422	14.34%	1,221	359	29.40%
Woodbury	5,528	955	17.28%	1,399	404	28.88%
Metro Area (7 Counties)	593,959	88,412	14.89%	281,545	112,976	40.13%

Source: 1990 Census of Population and Housing.

APPENDIX B: Number and Percent of Three Bedroom Renter Occupied Units by Monthly Rent

	Less than $200	$200 to $299	$300 to $499	$500 to $749	$750 to $999	$1000 or more	No Cash Rent	Total Number of 3 Bdrm Units
Burnsville	78 7.99%	45 4.61%	57 5.84%	247 25.31%	442 45.29%	86 8.81%	21 2.15%	976
Coon Rapids	13 1.76%	8 1.08%	67 9.07%	395 53.45%	224 30.31%	16 2.17%	16 2.17%	739
Eden Prairie	25 3.92%	12 1.88%	6 0.94%	91 14.26%	380 59.56%	108 16.93%	16 2.51%	638
Edina	17 2.67%	0 0.00%	34 5.34%	138 21.66%	200 31.40%	216 33.91%	32 5.02%	637
Lakeville	0 0.00%	5 1.35%	5 1.35%	154 41.62%	167 45.14%	39 10.54%	0 0.00%	370
Maple Grove	0 0.00%	9 2.28%	10 2.53%	76 19.24%	248 62.78%	52 13.16%	0 0.00%	395
Minnetonka	13 2.18%	7 1.17%	20 3.36%	100 16.78%	261 43.79%	172 28.86%	23 3.86%	596
Plymouth	25 5.08%	16 3.25%	39 7.93%	105 21.34%	198 40.24%	96 19.51%	13 2.64%	492
Shakopee	17 11.11%	0 0.00%	19 12.42%	90 58.82%	22 14.38%	5 3.27%	0 0.00%	153
Woodbury	0 0.00%	0 0.00%	0 0.00%	37 21.76%	114 67.06%	15 8.82%	4 2.35%	170
Metro Area (7 Counties)	1,523 4.46%	1,348 3.95%	4,078 11.94%	13,386 39.18%	9,478 27.74%	2,776 8.12%	1,579 4.62%	34,168

Shaded cells identify three bedroom units that may be affordable to low and moderate income families.

Source: 1990 Census of Population and Housing.

APPENDIX C: Percent of Renter Occupied Units by Monthly Rent–1990

	Less than $250	$250 to $499	$500 to $699	$700 to $999	$1000 or more	Total Rental Units
Burnsville	4.89	31.52	55.60	7.72	0.27	6,567
Coon Rapids	7.44	34.23	53.29	4.92	0.12	3,415
Eden Prairie	5.10	10.72	59.97	22.05	2.15	3,900
Edina	7.07	9.56	46.65	27.02	9.70	4,527
Lakeville	7.76	29.83	51.31	10.14	0.95	838
Maple Grove	2.78	6.95	69.17	20.36	0.74	1,223
Minnetonka	2.78	6.95	69.17	20.36	5.64	4,289
Plymouth	2.48	20.38	59.24	17.16	0.74	4,755
Shakopee	14.80	61.05	23.21	0.68	0.26	1,176
Woodbury	1.26	20.89	54.52	21.70	1.63	1,350
Metro Area (7 Counties)	11.59	51.99	28.83	6.52	1.07	274,711

Shaded cells identify communities that have a low proportion with affordable rents $250 to $499 per month.

Source: 1990 Census of Population and Housing.

APPENDIX D: Number and Percent of Households Receiving Public Assistance in 1989

	Number of Hslds Receiving Public Assistance	Percentage of Hslds Receiving Public Assistance	Total Number of Households
Burnsville	556	2.91%	19,106
Coon Rapids	835	4.79%	17,427
Eden Prairie	363	2.50%	14,548
Edina	398	2.01%	19,783
Lakeville	220	2.79%	7,890
Maple Grove	175	1.40%	12,511
Minnetonka	407	2.18%	18,670
Plymouth	439	2.41%	18,213
Shakopee	201	4.82%	4,171
Woodbury	99	1.42%	6,982
Metro Area (7 Counties)	48,342	5.52%	875,833

Source: 1990 Census of Population and Housing.