

Comparing old Livable Community Act goals to the Metropolitan Council's New Goals

There are three important differences between the new system of determining affordable housing goals and the old Livable Communities Act (LCA) system.

1. LCA goals covered a 15-year period from 1996 to 2010 and the new goals apply to a 10-year period, 2011-2020.
2. The two systems contain different definitions of “affordability.” Under LCA, a unit of ownership housing was considered affordable if it is priced at or below 30% of the gross income of a household earning 80% of the Twin Cities median income for a four-person household. A rental unit was considered affordable if it was at or below 50% of the area median income. Under the formula system there is no distinction between ownership and rental. A unit is affordable if it is priced at or below 30% of the gross income of a household earning 60% of the Twin Cities median family income for a four-person household.
3. The method for determining the affordability goals is different. The new system establishes a formula that accounts for a range of factors such as projected growth, the existing level of affordability within a community, the proximity of low-wage jobs and transit service, and a desire to achieve a more even distribution of affordable housing throughout the metro area. The LCA goals were established through negotiation between the Met Council and each individual community, and based on ‘benchmarks’ that were based on the community’s stage of development and geographic location.