

August 17, 2011

To: REGION FIVE SUSTAINABILITY PROJECT
Housing Work Group
Jean Coleman

From: WILLIAM MITCHELL COMMUNITY DEVELOPMENT CLINIC
Susie Vang, Certified Student Attorney
Diane Marie Dube, Supervising Attorney

Re: Affordable Housing Memorandum

This memorandum provides general information and research on how zoning requirements and building codes impact the costs of constructing and maintaining housing that is affordable. The research includes literature from multiple sources, including law reviews, journals and government websites.

The first half of this memorandum defines “affordable housing” and explores the regulatory barriers that increase the cost of constructing and maintaining housing. The second half relates affordable housing to the six livability principles and discusses important aspects of affordable housing that should be considered by the Region Five Housing Work Group. Included in this section are some local examples. Appendix A provides a brief description of selected terms related to affordable housing and a brief description of selected types of affordable housing. If the Housing Work Group would like additional terms defined, please contact us. Appendix B contains a chart of possible regulatory barriers in some of the Region Five zoning ordinances.

I. AFFORDABLE HOUSING & REGULATORY BARRIERS

A. Defining “Affordable Housing”

Affordable housing encompasses multiple factors, including the income of the buyer or resident, location, cost of construction, cost to maintain, and size of units, among others. The resident must be able to pay for housing and the additional costs of housing such as water, property taxes and insurance, heating, electricity, maintenance, and repairs. The location of the unit should be close to transportation, jobs, public programs and amenities for the residents (i.e. schools for children, support services for the disabled and elderly) and safe neighborhoods. The costs of construction and maintenance are directly related to the rents charged or purchase price. The units must provide space for households of various sizes, while at the same time minimizing excessive or unnecessary space because cost is directly related to size.

There are two perspectives in viewing affordable housing. The first is the amount of money the individual household pays for housing. The second is the availability of affordable homes in a given region for all housing needs.

B. Household Income

The first perspective focuses on the individual household income. The United States Department of Housing and Urban Development defines affordable housing as “housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.”¹ When someone owns his or her own home, the 30 percent figure includes the monthly mortgage payment “in addition to incidentals such as property taxes, insurance, and condominium or association fees. If a person is renting, the 30 percent figure

¹ HUD, *Glossary of HUD Terms* (Jul. 7, 2011) http://www.huduser.org/portal/glossary/glossary_a.html

includes the cost of rent and utilities.”² Other costs of housing include maintenance and repair costs.

HUD’s 30% model is widely used. According to the Los Angeles Housing Department, “what makes housing ‘affordable’ is the rent or mortgage payment relative to the household income. According to the federal government, rental housing is ‘affordable’ if the people living there pay no more than 30 percent of their income for rent. According to mortgage lenders, a home is affordable if the mortgage payment is not more than 35 percent of the borrower's income. So, what's affordable depends on income.”³

C. Availability of Affordable Homes for All Housing Needs

The second perspective in understanding affordable housing is the range of housing options that provide affordable homes for the current and desired population for a given location or for housing located in the desired area. Affordable housing is defined to include homes for “working families with financial restrictions (our young people, our older residents, the employees of our corporations and our teachers, police and firefighters).”⁴ Thus, “any housing market should theoretically offer a range of housing options that allows families at all incomes to find housing that consumes 30% of their income.”⁵

Affordability also requires that the housing meets the needs of the individual household. For example, although a studio apartment may be affordable to a single occupant, it will not meet the needs of a four-person household. Westchester County in New York defines affordable

² Golz, Heidi L., *Breaking Into Affluent Chicago Suburbs: An Analysis of the Illinois Affordable Housing Planning and Appeal Act*, 15 JAHCDL 181 (Winter 2006).

³ Karin Pally Associates and Livable Places, *Building Healthy Communities 101: A primer on growth and housing development for L.A. neighborhoods* (Jul. 7, 2011) <http://www.ci.la.ca.us/LAHD/curriculum/gettingfacts/affordability/index.html>

⁴ *Id.*

⁵ City of Minneapolis, *What is affordable housing?*, (Sept. 13, 2001) <http://www.ci.minneapolis.mn.us/council/ward13/docs/Lyndale-affordable-housing.pdf>

housing as being “guaranteed to remain affordable for a period of time to families who qualify under specific income guidelines.”⁶

D. Regulatory Barriers to Affordability

Regulatory barriers are “excessive rules, regulations, and red tape that add unnecessarily to the cost of housing . . .”⁷ by imposing lengthy procedural requirements, demanding materials, fees and design requirements that increase the cost of the housing or using restrictive zoning measures to prevent or deter the construction of affordable housing. “ . . . if standards require expenditures that are above and beyond what is needed for the health and safety of the occupant and the occupant’s neighbors, the cost of housing is unnecessarily high. The desire and perhaps need to deal with neighborhood life styles, price stability, and aesthetics can make dealing with regulatory barriers more complex than simple. Yet, there is clearly a point beyond which most neutral observers will agree that neighborhood, price stability, and aesthetics – the ‘nice but not necessary’ – cannot hold up the additional costs required.”⁸

In trying to tackle these regulatory barriers in the early 1990s, President H. W. Bush asked the Secretary of Housing and Urban Development to establish an advisory commission to identify these regulatory barriers. In a 1991 report to the president, the commission found that regulatory mechanisms, such as restrictive zoning, excessive impact fees, growth controls, inefficient and outdated building and rehabilitation codes, multifamily housing restrictions, and

⁶ Matthews, Ann S., *Inclusionary Zoning in Westchester County, New York: Is it a Viable Tool to Reduce a County-wide Housing Crisis?* 27 Pace L. Rev. 89, 93 (Fall 2006)

⁷ McDaniel, Stephen. *Essential Fish Habitat: Building a Barrier to Affordable Housing?* 20 J. Land Use & Envtl. L. 159 (Fall 2004)

⁸ Council of State Community Development Agencies National Conference of States on Building Codes & Standards. *Making Housing Affordable: Breaking Down Regulatory Barriers: A Self-Assessment Guide for States.* (March 1994)

https://docs.google.com/viewer?a=v&pid=gmail&attid=0.5&thid=131200038be56b31&mt=application/pdf&url=https://mail.google.com/mail/?ui%3D2%26ik%3Db4465e79db%26view%3Datt%26th%3D131200038be56b31%26attid%3D0.5%26disp%3Dsafe%26realattid%3Df_gq1awgl4%26zw&sig=AHIEtbQc4gcf9cMNzegTg5BSjsxoJQVuA&pli=1

excessive subdivision controls had been in use for decades.⁹ These regulatory mechanisms made the construction and availability of affordable homes increasingly difficult, if not altogether impossible, in many areas.

“Exclusionary, discriminatory, and unnecessary government regulations at all levels substantially restrict the ability of the private housing market to meet the demand for affordable housing, and also limit the efficacy of government housing assistance and subsidy programs.”¹⁰ These regulations can increase the cost of construction or require additional procedures not required of market-rate housing. The commission further noted that it was not uncommon for local governments across the country to employ permitting procedures, building codes, and zoning ordinances to prevent or deter development of affordable housing.

1. Procedures: Some procedures, such as requiring conditional use permits, open up the development to a public approval process, bringing out the “Not in My Back Yard” opposition. Procedural requirements can also add time and tasks to a development project, which translates into increased costs.

2. Building Codes: Building codes also make homes unaffordable to buy, rent, and maintain by requiring materials, minimum square footage, and other requirements that exceed minimum health and safety standards. For example, new technologies sometimes require the replacement of plumbing and electrical systems that still work. Building codes that require “old-fashioned and expensive materials, outdated construction methods, and excessive rehabilitation requirements” also continue to limit the number of affordable housing units.¹¹

⁹ Advisory Commission on Regulatory Barriers to Affordable Housing. *“Not in My Back Yard”: Removing Barriers to Affordable Housing*. (July 1991).

¹⁰ *Id.*

¹¹ *Id.*

Aggressive enforcement coupled with a lack of support and resources for the homeowner to address code problems can increase the cost for the owner. Requiring landlords to buy annual licenses or requiring home sellers to bring properties to code before sales can also increase the cost of housing.

Sometimes, it is not what is in building codes that decreases the availability of affordable homes – but what is not included in these codes. “Despite the pressing need to provide shelter for low-income households, city building codes seldom provide for the construction of ‘no-frills’ affordable housing such as the new single-room-occupancy (SRO) hotels that have recently proved so successful in San Diego. Waivers on code requirements in that city cut the cost of some SRO living units by as much as 60 percent.”¹² In some communities, regulatory barriers also completely block or seriously impede the introduction affordable housing options, such as manufactured housing.

3. Zoning: Zoning is a tool that local government officials use to manage the land uses in a community so that developments in the neighborhoods reflect the values and preferences of their residents.¹³ “Zoning allows a city to control the development of land within the community – the type of structures that are built, the density of structures, and the uses of which the land is put. Zoning seeks to segregate and combine (where appropriate) residential, commercial, and industrial uses in order to promote the best use of land for the health and welfare of the city’s residents.”¹⁴ The separation of uses is allowed in order to minimize fire and other health and safety hazards, prevent congestion, and keep residents from dealing with smoke

¹² *Id.*

¹³ River Dale Nature Preservancy (2008). <http://www.riverdalenature.org/zoning-def.htm>

¹⁴ League of Minnesota Cities. *Chapter 14: Comprehensive Planning, Land use and City-owned land* (December 2010). <http://www.lmc.org/media/document/1/chapter14.pdf>

or noise from companies. The power to zone is a “valid exercise of the police power when used to serve the public welfare.”¹⁵

Zoning has a significant effect on the availability of affordable units. Zoning that allows the construction of multi-unit buildings or townhouses increases the likelihood that affordable housing will be built; conversely, zoning that prohibits small lots or multi-unit buildings prevents the construction of affordable housing. Requiring developers to provide or contribute money for offsite amenities such as parks, libraries or recreational facilities hike up housing costs for new homebuyers. Some zoning ordinances require wide streets, sidewalks or even “at least 4.5 parking spaces per dwelling unit, even for multifamily development.”¹⁶

Communities can increase the number of affordable homes through an “inclusionary zoning” policy. Communities can limit the construction of affordable homes or keep out certain populations that rely on affordable units by forbidding multi-unit buildings and other tactics known as “exclusionary zoning.”

* **Inclusionary Zoning:** Inclusionary zoning promotes the expansion of affordable homes by requiring a certain number of affordable units in a development (a mandatory inclusionary zoning ordinance) or by providing “builders with incentives to sell or rent a certain percentage of units in a residential development at ‘affordable’ prices set by the government” (a voluntary inclusionary zoning ordinance).¹⁷ These incentives range from low-interest loans or

¹⁵ Morgan, Jennifer M. *Zoning for All: Using inclusionary zoning techniques to promote affordable housing*. 44 Emory L.J. 359, 359 (Winter 1995).

¹⁶ Advisory Commission on Regulatory Barriers to Affordable Housing. “Not in My Backyard”: Removing Barriers to Affordable Housing. (July 1991)

¹⁷ Nirider, Laura H. *In Search of “Refinement Without Exclusiveness”: Inclusionary Zoning in Highland Park, Illinois*. 102 NWULR 1919 (Fall 2008).

grants, waivers of government-imposed building, and demolition fees and exemptions from local zoning laws.¹⁸

Proponents argue that inclusionary zoning facilitates racial and economic integration, encourage implementation of smart growth principles, provide housing for a diverse labor force, which helps foster a strong economic environment, and protect against displacement of lower income households when new investment occurs.¹⁹ “Often, affordable housing isolates poor and working-class families because lower-income developments are built away from new, higher-end, market-rate development. With inclusionary zoning, affordable housing units are purposefully integrated into market-rate developments, thereby interrupting social and economic housing segregation. In this sense, affordable housing through inclusionary zoning is about more than who bears economic costs: it is about developing integrated neighborhoods and promoting equal housing opportunities for all.”²⁰

* **Exclusionary Zoning:** Exclusionary zoning measures exclude certain kinds of development or require items which increase the cost of housing. Although some argue that exclusionary zoning advances the public welfare by protecting property values and minimizing problems associated with crowding,²¹ others view exclusionary zoning as “land use control regulations which singly or in concert tend to exclude persons of low or moderate income from

¹⁸ *Id.*

¹⁹ Talbert, Cecily T. SL005 ALI-ABA 2013 (Aug. 2005)

²⁰ Benson, Nicholas. *A Tale of Two Cities: Examining the Success of Inclusionary Zoning Ordinances in Montgomery County, Maryland and Boulder, Colorado*. 13 JGRJ 753. (Spring 2010).

²¹ Morgan, Jennifer M. *Zoning for All: Using inclusionary zoning techniques to promote affordable housing*. 44 Emory L.J. 359, 359 (Winter 1995).

the zoning municipality.”²² More simply put, exclusionary zoning is “the desire to exclude or restrict a member of some racial, ethnic, or social class from occupying a jurisdiction.”²³

There are several exclusionary zoning techniques, such as limiting the number of housing units that can be built in an area or requiring large lots or large setbacks. Other ways low-income families are kept out of neighborhoods is by “under-zoning for buildings, mobile homes, and attached townhouses.”²⁴ An example of “under-zoning” is the failure to zone for mobile homes in the region or a restriction on the number of bedrooms per apartment in order to limit the number of school-aged children in low-income households.

Some communities preserve the makeup of their “aesthetic and socioeconomic exclusivity” by requiring very large lots to “discourage all but the few privileged households who can afford them.”²⁵ Some exclude, or minimally provide for, multifamily housing, commonly acknowledged to be the most affordable form of housing.”²⁶ The results are “homogeneous enclaves where households such as schoolteachers, firefighters, young families, and the elderly on fixed incomes are all regulated out.”²⁷ These exclusionary techniques work as “regulatory barriers.”

II. REGION FIVE

A. Livability Principles

In 2009, federal leaders from the housing, transportation, and environmental departments developed six “livability principles” in order to provide a framework to guide decisions on

²² Dietz, Laura H., Hoag, Margaret, Jacobs, Alan J., Leming, Theresa, Lindley, Bill, Martin, Lucas, Surette, Eric C. *Lawfulness of Zoning for Particular Purposes*, AMJUR Zoning § 74 (2001)

²³ Pogodzinski, J. M. *The Effects of Fiscal and Exclusionary Zoning on Household Location: A Critical Review*. 2 JHR 145 (1991).

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

access to affordable housing, transportation options, and protection of the environment.²⁸ The issues of affordable housing, transportation and the environment are very unique in priorities and policies, however, they work hand in hand to make communities such as Region Five a more beautiful and efficient place to live. The livability principles are and have been an integral part of the sustainable community planning for the Region Five Commission.²⁹ The following are explanations of how the concept of affordable housing aligns with each of the six livability principles.

1. Provide more transportation choices: Affordable housing, especially in rural areas, works hand in hand with transportation. In rural areas, many places are spread apart, making it difficult and costly for residents to do simple tasks, such as going to the post office or to the grocery store. For those residents who have cars, having more transportation choices will help reduce driving and in effect, reduce the cost of gasoline, pollution, and traffic congestion. More transportation options also help preserve the environment, which is one of the main reasons why tourists are drawn to the area.³⁰ Furthermore, more transportation options mean minimizing the costs of maintenance and repairs of roadways.

Not all Region Five residents have access to cars. Some cannot afford to have cars or pay for gasoline. Others cannot drive. Thus, it is extremely important that the Housing Work Group works closely with the Transportation Work Group to create a list of alternative transportation options. Together, the groups should prioritize which transportation options should be part of the Region Five final plan. As a starter, some transportation options could include:

²⁸ U.S. Department of Transportation (Jun. 2009). <http://www.dot.gov/affairs/2009/dot8009.htm>

²⁹ Region 5 Commissioners. *R5DC Sustainable Communities – Applicant Abstract*. Page 3. http://www.regionfive.org/departments_indexes/community_planning/documents/PrintableversionofAbstractandNarrativeHUD.pdf

³⁰ Region 5 Commissioners. *R5DC Sustainable Communities – Applicant Abstract*. Page 5.

- Providing public bikes where customers would pay an hourly or daily fee. This would be a great service for residents and visitors to town.
- Offering a program where residents, such as the elderly or the disabled, can call up a number and get picked up in a vehicle – whether it is a car or a rickshaw. Patrons would pay a minimal fee and be taken to run errands, such as medical appointments or trips to the grocery store.
- Adding more busses or more bus routes
- Providing more walking and bike trails
- Having cities provide a citywide walking or biking program

The affordable housing units must be located near these transportation options.

2. *Promote equitable, affordable housing:* Affordable housing should be housing that is available to seniors, factory workers, and the working poor. Affordable housing should be available to everyone who lives, works, or wants to live or work in Region Five, with particular attention to the housing needs of seasonal workers, teachers, police officers, municipal workers and other public service workers, and low-wage workers. According to a report by the Family Housing Fund Public Education Initiative: “The need for affordable housing for working families is especially acute in communities with many low-to-moderate wage jobs but few lower-priced apartments and houses ... As a result, while many workers earning low and moderate wages are providing essential services for residents of local communities—child care, food service, or health care, for example—they often are priced out of housing in the communities in which they work.”³¹ Thus, the Housing Work Group should make a concerted effort not to overlook these other professionals when coming up with affordable housing options.

In addition to the rent or price of the housing, the Work Group should pay attention to the size, location, and type of housing needed.

3. *Enhance economic competitiveness:* Having housing affordable to all workers, including seniors and teachers, enhances economic competitiveness. The availability of

³¹ Family Housing Fund. *Working Doesn't Always Pay for a Home*, (November 2006). http://www.fhfund.org/_dnld/fact%20sheets/Working_06.pdf

affordable housing creates a ripple effect. For example, when an individual has stable housing and is not on the streets or struggling to meet other financial demands, he or she can focus on getting to work on time and doing a good job at work. When a person becomes a reliable worker, he or she is able to contribute to society by buying local goods and paying taxes. The employer also wins. By having a reliable worker, the employer does not have to keep going through the expensive task of hiring and training someone. The employer can instead focus on maintaining and expanding its business.

4. *Support existing communities:* Part of the “existing communities” is the affordable housing that currently exists in Region Five. The long-term plan for affordable housing should include ways to preserve affordable housing already in the area.

5. *Coordinate policies and leverage investment:* Smart energy choices – green housing, solar energy, home insulation, and other energy efficiencies – contribute to the affordability of housing by reducing the cost of operating and maintaining a home.

6. *Value communities and neighborhoods:* The availability of affordable homes in the Region Five area will decrease, if not eliminate, homelessness. Affordable homes also will allow working and middle class people to remain in the area. Having residents remain in the area is a good thing: when residents live where they work, they are able to support the local businesses year-round, and not just during the summer months. Furthermore, allowing residents to remain in the area means that there will be people to take on the jobs that help run the city, such those who help take care of the elderly. But in order to remain in the area, residents should not have to choose between paying for rent or mortgages versus food and transportation.

B. Important Aspects of Affordable Housing for Region Five to Consider

In crafting its plan for affordable housing in Region Five, the Housing Work Group should consider the following factors:

- The availability of existing affordable units, the size of those units, and the costs;
- The availability of land which could be used to build affordable housing;
- The availability of existing buildings that could be converted to affordable housing;
- The zoning ordinances which permit or restrict affordable housing;
- The number and size of units needed, the intended occupants of the units, and the need for specialty housing such as senior housing, single room occupancy, accessible housing, or supportive housing;
- The cost of construction and financing that reduces the cost of construction, the cost of purchase or rental, and the cost of maintenance and repair;
- Whether the housing is for rent or for ownership;
- The range of rents and purchase prices to meet the needs of current residents and expected residents;
- How to meet the goals of the livability principles;
- The age and condition of the existing affordable housing buildings;
- Whether there are restrictions on the building which require affordability (i.e. federal or state subsidies) and when these restrictions will expire (allowing the building to be converted to market rate rents);
- Location of the buildings; and
- Whether they meet the housing needs of certain populations such as the elderly or disabled.

The Housing Work Group probably has additional factors to add to this list.

C. Region Five Zoning Ordinances

A cursory examination of the zoning ordinances for the five counties and many of the cities in Region Five did not reveal any obvious provisions that restrict the construction or maintenance of affordable housing. This is not an exhaustive list; a more thorough examination of these policies should be done.

There were some provisions that are worth reviewing to understand the reason for the ordinance and whether there are alternatives to meet those objectives. For example, an ordinance in Federal Dam states:

“The age of mobile homes shall be NO OLDER THAN 20 YEARS.”³²

It is unclear from the ordinance whether this rule applies to existing mobile homes or only to homes being brought into the city, and why the age of “20 years” was selected. Mobile homes provide an affordable space and owners may not be able to afford to buy a new or newer model. On the other hand, there may be safety reasons for the rule. By understanding the reasons behind an ordinance, it may be possible to identify other ways to meet these objectives. For example, city officials could send out annual mobile home inspectors to make sure the units are functioning safely. Residents would help pay for a portion of the inspection in order to ease the financial burden on city officials. There are single family homes built over 100 years ago that are still livable, so there may also be ways to modernize mobile homes at a lesser cost without the disposal problem of an older unit.

Another example of a zoning ordinance that should be considered: A Brainerd ordinance states that “A manufactured housing park shall have a central community building with the following features: Laundry drying areas and machines, Laundry washing machines...”³³ On one hand, as noted in the Commissioner’s studies above on regulatory mechanisms, requiring these amenities may drive up the costs for residents. On the other hand, on-site laundry facilities eliminate the need to travel and provide a space where residents can interact. Understanding the reasons behind this requirement may suggest some alternate language, or waiver options, or additional measures to achieve these objectives. For example, the ordinance could provide for a waiver for mobile home parks that are located near laundry facilities.

Some additional examples of possible regulatory barriers in Region Five are included in Appendix B. In looking at these barriers, the Housing Work Group should try to determine the

³² Federal Dam City Ordinance (Nov. 2005):

http://www.federaldam.com/Ordinances/ordinance_2004_3.pdf

³³ Brainerd City Ordinance: <http://www.ci.brainerd.mn.us/docs/zoningcode/section58.pdf>

reasons behind the requirement and whether alternative language or waivers could meet these objectives.

D. Next Research Steps

The 1991 HUD report was rich with information about the regulatory barriers such as infrastructure costs, excessive impact fees, growth controls, and property taxes that increase the cost of building and maintaining housing. This information should be used to examine the ordinances and policies in the Region Five counties, cities, and townships to determine which of these barriers exist, how they impact the availability of affordable housing in the region, and whether they should be amended in any way.

On a related note, the work group should examine the financial aspect of constructing and financing affordable homes in Region Five, including the availability of grants and low interest loans.

The work group should assemble a database of existing affordable housing, including location, number of units, size of units, and price.

The attached chart is not an exhaustive list of possible regulatory barriers in Region Five. Joel Kinder, a student at William Mitchell College of Law, is completing his work for the Region Five Sustainability Project on identifying the jurisdictions in Region Five that have zoning ordinances and building codes. Once this work is completed, additional research should be done to review these ordinances and codes for barriers to the construction and maintenance of affordable housing. The Work Group could ask city officials to look at their ordinances and building codes, identify possible regulatory barrier, and describe the underlying rationale for the items. Then, the Work Group, with input from the city officials, could explore whether there

could be waivers permitted under certain circumstances or how the underlying rationale could be met in different ways.

The Work Group should discuss whether Region Five should have a mandatory or voluntary inclusionary zoning program.

The Work Group should examine the state building code for provisions that unnecessarily increase cost of building and maintaining affordable homes. It is also helpful to consider what is not in the building code that may allow for more affordable homes to be in the area.

The Work Group may find it helpful to identify a community comparable to Region Five that has increased its supply of affordable homes by limiting regulatory barriers. This community could serve as a model for the Work Group as it creates its final plan.

APPENDIX A

Terms Defined³⁴

Agricultural Use generally refers to the use of land for agricultural purposes including farming, dairying, Pasturage, agriculture, horticulture, floriculture, viticulture and animal and poultry Husbandry. The use may or may not include the operation of accessory uses such as packing, treating or storing the product. Check the definitions section for a particular statute, ordinance or other law.

Cluster Development is the development pattern and technique whereby buildings or lots are arranged in closely related groups to make the most efficient use of the natural amenities of the land or to provide for more green space.

Commercial Use is the principal use of land or buildings for the sale, lease, rental, trade of products, goods or services. Check the definitions section for a particular statute, ordinance or other law.

Community Land Trust housing is a mechanism for reducing the cost of housing by separating ownership of the land from ownership of the building. How it works: A nonprofit land trust owns the land and leases it for a nominal fee to individuals who buy the building(s) on the land. The provisions of the land lease typically give first purchase rights to the land trust, limit the amount of equity the seller retains, contains a resale provision which ensures that it is sold to another low- or moderate-income person and similar provisions to ensure long-term affordability.³⁵ An example is the Northern Communities Land Trust: <http://www.landtrustduluth.org/> The land trust model helps low income families benefit from the equity built through home ownership, and at the same time preserve the affordability of these homes so that future residents will have the same affordable home ownership opportunities

Comprehensive Plan is a compilation of policy statements, goals, standards and maps for guiding the physical, social and economic development, both private and public, of the City and its environs and may include, but is not limited to, the following items: statements of policies, goals, standards, a land use plan, a community facilities plan, a transportation plan and recommendations for plan execution. For more information about comprehensive plans under Minnesota law, see Minnesota Statutes, Secs. 462.351 et seq.

Conditional Use is a land use that may be approved if the use meets certain standards or criteria stated in a zoning ordinance. Review the specific ordinance for both the general requirements applicable to all conditional uses and any requirements for a specific use.

Easement is a grant by an owner of land for specific use by a person or persons other than the owner. Some common easements are those granted for the purpose of constructing and maintaining walkways, utilities and access to land or water.

³⁴ Statutes, ordinances and other laws almost always have a definitions section. It is important to review this section to determine whether a word or term has a common meaning or a special meaning for that particular law.

³⁵ Information from: <http://www.clnetwork.org/index.php?fuseaction=Blog.dspBlogPost&postID=1396>

Limited Equity Housing Cooperative is a type of housing cooperative with limitations on the amount of equity or profit a member can receive on re-sale. This allows low income eligible members to purchase shares at below market prices and preserves the affordability of the housing. The term "low income" cooperative is also used to characterize this type of housing organization.³⁶ An examples is the Fairlane Meadows Cooperative in Grandville, MI: <http://www.fairlanemeadowscoop.com/>

Manufactured Home is a structure, transportable in one or more pre-built sections. Applicable statutes, ordinances and other laws may define the term to include a minimum size, a requirement for placement on a permanent foundation, or to contain heating, plumbing and electrical systems that meet the State of Minnesota Building Code.

Metes and Bounds is a method of property description utilizing directions and distances commencing from and terminating at an identifiable point.

Mixed-income housing is the term used to describe housing developments that contain both market-rate and below-market rate homes or apartments.

Open Space is the term used to describe space for use as recreational facilities, tree coverage, water course, sewage disposal, or similar uses. It could be privately owned property permanently dedicated by covenant, deed restriction or easement, or publically owned.

Public Housing refers to mortar buildings created to provide rental housing for eligible elderly, low-income families, and those with disabilities. Public housing includes anything from high rise apartments to scattered single family homes. The U.S. Department of Housing and Urban Development (HUD) administers Federal aid to local housing agencies (HAs) that manage the housing for low-income residents at rents they can afford. HUD furnishes technical and professional assistance in planning, developing and managing these developments. An example is the Wadena Housing & Redevelopment Authority: http://www.wadena.org/index.asp?Type=B_BASIC&SEC={E12E6758-59A3-4464-980B-C4E6E951893D}

Section 8 is a rent subsidy program. Under this program, landlords agree to accept a Section 8 voucher from a tenant, who pays a certain percent of income as rent. The remaining balance is covered by the Section 8 program. Applicants must apply for Section 8 and be approved before finding an apartment or house. In Minnesota, the program may be managed by a public housing authority or a housing and redevelopment agency. An example is the Wadena Section 8 Rental Assistance: http://www.wadena.org/index.asp?Type=B_BASIC&SEC={E12E6758-59A3-4464-980B-C4E6E951893D}

Setback is the minimum horizontal distance between one point and another point. In zoning ordinances, setbacks refer to the distance between a lot line and a structure. Setbacks are also

³⁶ Information from:

http://www.uhab.org/sites/default/files/doc_library/Limited_Equity_Cooperatives_A_Legal_Handbook_0.pdf

prescribed for sewage treatment systems or other facilities to protect lakes and other waterways, or for roads and utility lines for safety reasons.

Shoreland is land located within a specified distance from public water. The Minnesota Department of Natural Resources, local zoning ordinances, the Minnesota Pollution Control Agency and other federal, state and local entities may impose regulations or restrictions on use and development to protect shorelands within their jurisdiction.

Single Room Occupancy is the term used to describe a housing unit for occupancy by one person. The unit may or may not contain food preparation and sanitary facilities, and may provide for weekly or monthly rental. Sometimes services such as job search and healthcare are provided onsite. An example of this is the Mary Hall Single Room Occupancy through Catholic Charities. http://www.cctwincities.org/mary_hall_single_room_occupancy.aspx For more information about HUD's SRO program go to http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/homeless/programs/sro

Supportive Housing refers to housing for individuals and families with special needs and provides supportive services such as healthcare, job training, and counseling to help people live independently in their own apartments. An example of supportive housing are the San Marco Apartments: <http://documents.csh.org/documents/mn/profiles/SanMarco.pdf> For more information about supportive housing see the website for the Corporation for Supportive Housing at <http://www.csh.org>.

Subdivision is the division of real estate into two or more parcels for the purpose of sale, rent or lease, including Planned Unit Development. Check the applicable statute, ordinance or other law for definitions and requirements.

Variance is an exception to rules laid out in a zoning ordinance. According to the Handbook for Minnesota Cities, "They are permitted departures from strict enforcement of the ordinance as applied to a particular piece of property if strict enforcement would cause the owner "undue hardship."³⁷ Variances cannot create a land use not permitted in a zone.

³⁷ See Handbook for Minnesota Cities, Chapter 14, at www.lmnc.org

APPENDIX B

Jurisdiction	Regulation	Website	Impact on Affordability
City of Federal Dam, Cass County	"The age of mobile homes shall be NO OLDER THAN 20 YEARS"	http://www.federaldam.com/Ordinances/ordinance_2004_3.pdf	Mobile homes usually house lower income households who may not be able to afford the cost of a new mobile home or the cost to remove an older mobile home, or may not qualify for financing to obtain a new mobile home.
City of Lake Shore, Cass County	Dwelling: Two (2) parking spaces for each unit. Garages may be counted	http://cityoflakeshore.com/media/Document_34.pdf	Two parking spaces may not be needed by lower income households or for housing located near jobs, public transportation, and areas with public services and amenities. Land used for parking spaces is not available for other uses such as additional housing units or amenities. Money used to develop an excess number of parking spaces increases the overall cost of the project.
Crow Wing County	...travel trailers under nine (9) feet in width, trailer homes, travel buses, campers or similar types of portable housing shall not be considered for inhabitation other than as a seasonal residence.	Crow Wing County Zoning Ordinance. Part III-Development Standards. Section 31.6. http://www.co.crow-wing.mn.us/planning_zoning/docs/Part_III.pdf	Is the size of the unit unnecessarily restrictive? If a unit meets the building code, it should be permitted.
City of Brainerd, Crow Wing County	"A manufactured housing park shall have a central community building with the following features: Laundry drying areas and machines, Laundry washing machines..."	http://www.ci.brainerd.mn.us/docs/zoningcode/section58.pdf	Required amenities increase the cost of both construction and maintenance of a development. Why must laundry service be required if Laundromat services are available nearby?