

**McKNIGHT FOUNDATION**

# MN Housing Measures 2012-2017

**November 15, 2018**

**Prepared by**

Housing**Link** 

2012 - 2017

# MINNESOTA HOUSING MEASURES

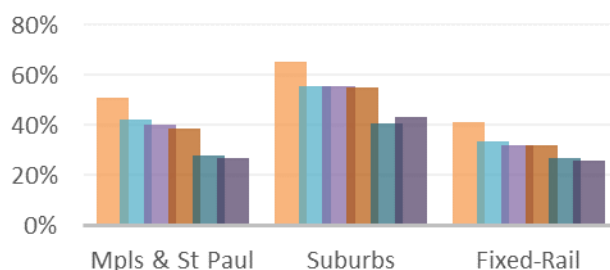
## Naturally Occurring Affordable Housing (NOAH)

*Percent of Private Market Rental Vacancies Affordable to 60% AMI*

Statewide View



In the Metro

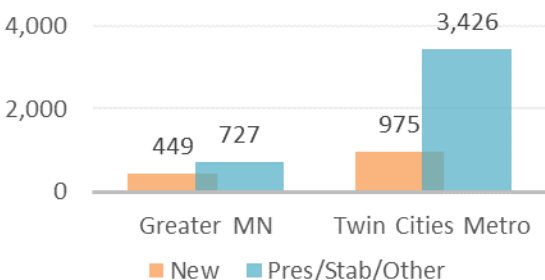


2012 2013 2014 2015 2016 2017

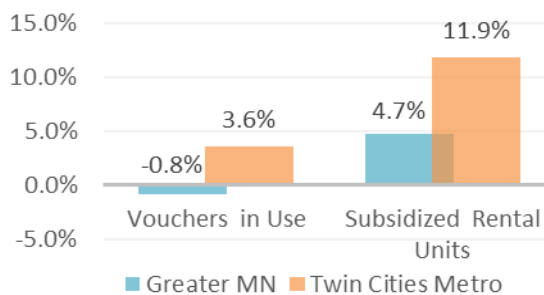
## Subsidized Housing

*Publicly-Financed Rental Housing with Permanent Affordability*

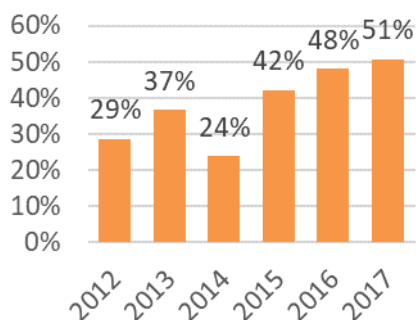
Units Newly Built or Preserved in 2017



Six-Year Change in Supply (2012-2017)

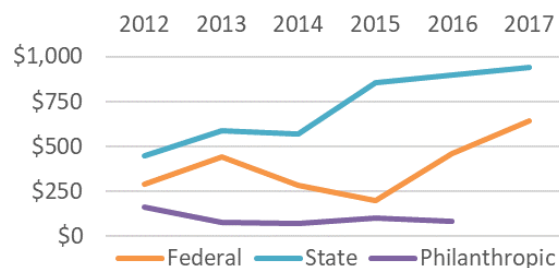


## Gap Financing



(government and philanthropic investment as percent of total development cost)

## Funding for Affordable Housing



Annual Funding by Source (in millions of dollars)

## Contents

Map: Regional Perspective 2017 .....	1
Map: Metro Perspective 2017 .....	2
NOAH (Naturally-Occurring Affordable Housing) in Rental .....	3
Private market affordability down in the Twin Cities Metro .....	3
NOAH low in transit corridors, though drop not as steep as overall market .....	3
NOAH supply in Greater MN a story of many markets .....	4
Subsidized Housing Trends .....	5
Unit gains vary by market; preservation far outpaces new production .....	5
Seven County Metro overview .....	5
Growth of subsidized housing units in proximity to transit.....	6
Greater MN overview .....	7
A difficult environment for Twin Cities Metro voucher holders.....	8
Greater MN metros see sharp rise in voucher use .....	8
Trends in Funding for Affordable Housing.....	9
Gap financing, as percent of total development cost, lower than during Great Recession. ....	9
Yearly trends in funding for affordable housing difficult to interpret.....	9
Acknowledgements.....	10
Works Cited.....	10
Appendices.....	11
Appendix A: Percent of Private Market Vacancies that Are Affordable .....	11
Appendix B: Unit-Based Subsidized Affordable Rental Stock .....	12
Appendix C: Unit-Based Subsidized Affordable Unit Production.....	13
Appendix D: Housing Choice Vouchers in Use .....	15
Appendix E: Gap Financing.....	16
Appendix F: Funding for Affordable Housing.....	16

## Twin Cities

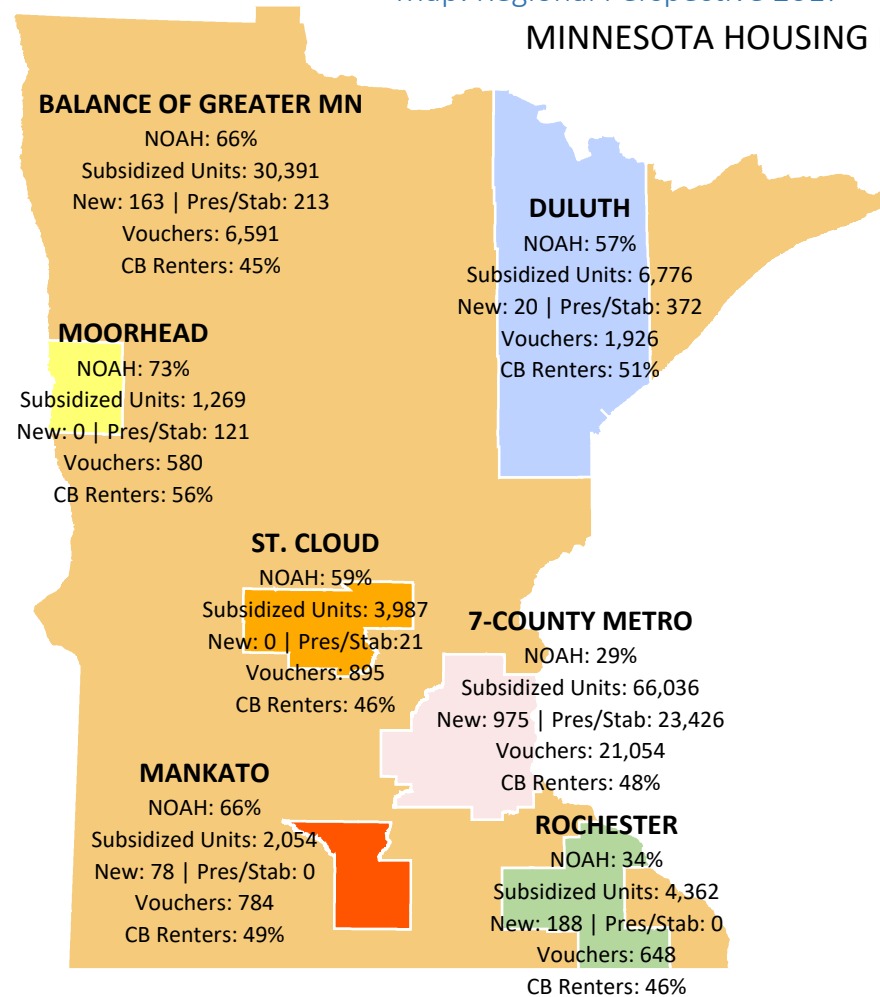
NOAH Listings: 29%  
 Subsidized units: 69,126  
 New units in 2017: 975  
 Pres./Stab. units in 2017: 3,426  
 Vouchers in use: 21,054  
 Cost-burdened renters 48%  
 Severely cost-burdened renters: 24%

## Greater MN

NOAH listings: 55%  
 Subsidized units: 48,839  
 New units in 2017: 449  
 Pres./Stab. units in 2017: 427  
 Vouchers in use: 11,424  
 Cost-burdened renters 47%  
 Severely cost-burdened renters: 23%

Map: Regional Perspective 2017

## MINNESOTA HOUSING MEASURES



**KEY:** **NOAH listings:** Percentage “Naturally-Occurring Affordable Housing” listings, or listings affordable to 60 percent area median income (AMI) in 2017. **Subsidized Units:** Total rental units as of 2017 with a permanent subsidy or in-force rent restriction at or below 80% AMI. **New Units:** Newly constructed subsidized units in the year 2017. **Pres. /Stab. Units:** Units with financing in the year 2017 not specifically indicated as “new.” **Vouchers:** Housing Choice Vouchers (Section 8 vouchers) in use in 2017. **Note:** Greater MN metros are defined by their US Census CBSA (core-based statistical area), an agglomeration of counties economically tied to an urban center. (Continued)

## Twin Cities

NOAH Listings: 29%  
 Subsidized units: 69,126  
 New units: 975 | Pres./Stab. units: 3,426  
 Vouchers in use: 21,054  
 Cost-burdened renters 48%

## Fixed-Rail Transit (Light rail and bus rapid transit)

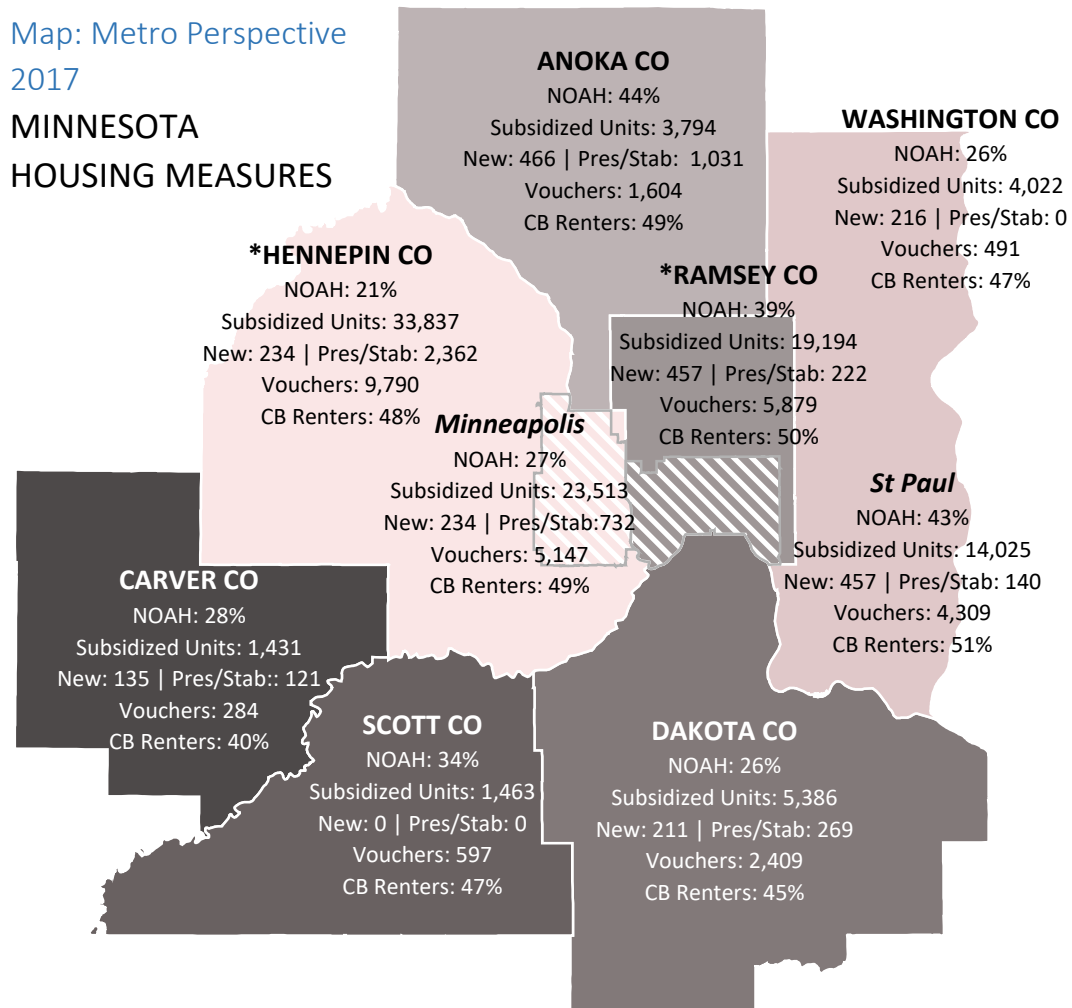
NOAH Listings: 26%  
 Subsidized units: 12,613  
 New units: 47 | Pres./Stab. units: 724  
 Vouchers in use: †NA  
 Cost-burdened renters: 51%

## High-Frequency Bus Corridors

NOAH Listings: 26%  
 Subsidized units: 26,447  
 New units: 264 | Pres./Stab. units: 1,243  
 Vouchers in use: †NA  
 Cost-burdened renters: 47%

## Map: Metro Perspective 2017

## MINNESOTA HOUSING MEASURES



(Continued from previous page) **Cost-Burdened (CB) Renters:** Percentage of renters paying greater than 30 percent of their income in gross housing costs (2012-2016 ACS).

**Fixed-Rail Transit:** A network consisting of half-mile radii from light rail and bus rapid transit stations. **High-Frequency Bus Corridors:** A network of bus routes promising service every 15 minutes (or better).

\* Hennepin County and Ramsey County statistics include Minneapolis and St Paul, respectively.

† HUD no longer provides voucher data reliably at the Census Tract level, and we are thus unable to continue our analysis of vouchers in transit corridors.

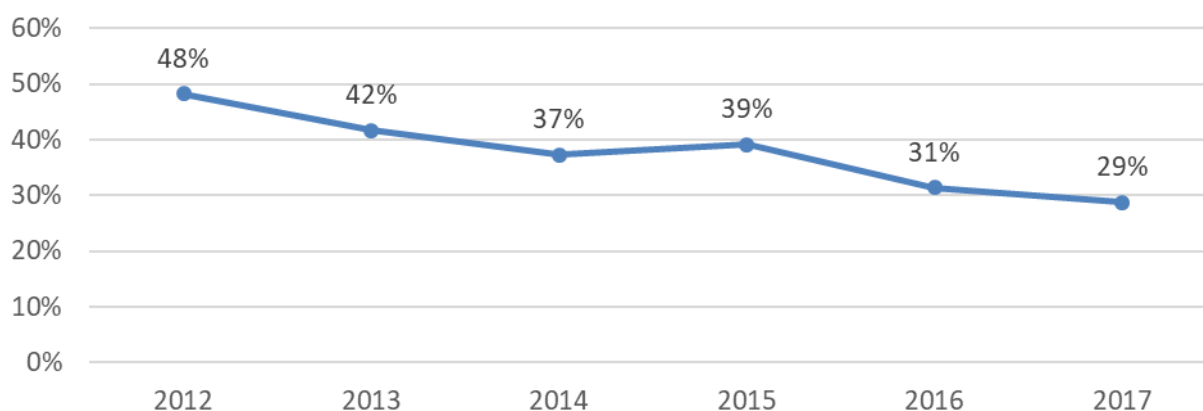
## NOAH (Naturally-Occurring Affordable Housing) in Rental

Housing is considered affordable if it costs no more than 30 percent of the household income of a family making 60 percent of the area median<sup>1</sup>. To understand private market affordability in the rental market, HousingLink analyzed 424,875 rental vacancies between the years of 2012-2017.<sup>2</sup>

### Private market affordability down in the Twin Cities Metro

The Twin Cities Metro area is in an extended period of low-vacancy, with the private market vacancy rate in the Twin Cities having remained below three percent since Q1 2011. (Marquette Advisors, 2018). This has resulted in upward pressure on rent pricing, with the predictable market response of increased development of new high-rent and/or luxury rental units. Between the loss of “naturally-occurring affordable housing” (NOAH) rental units to rising rents and the difficulty in financing new affordable units, the percent of private market vacancies in the seven county metro that are affordable to households making 60 percent of area median income are reaching new lows by the year. Overall, the percent of affordable vacancies has declined from 48 percent to 29 percent in the span of just six years. (Figure 1).

#### **Percent of Affordable Vacancies in the Twin Cities by Year**



**Figure 1**

Loss of NOAH has additionally led to large numbers of low- to moderate-income households paying unsustainable rents. As of 2016, 48 percent of renters in the Twin Cities were cost-burdened or paying 30 percent or more of their household income in housing costs. Nearly 24 percent of renters were *severely* cost burdened, or paying more than 50 percent of their household income in housing costs.<sup>3</sup>

### NOAH low in transit corridors, though drop not as steep as overall market

Affordability of private market rents is lower in transit corridors, with 26% of vacancies within a half-mile of fixed-rail transit stops qualifying as affordable in 2017. However, *loss* of affordability lags slightly

<sup>1</sup> Area median income for a family of four in the Twin Cities Metro was \$90,400 in 2017. Sixty percent of that median was \$54,240.

<sup>2</sup> Listings came from HousingLink’s *Twin Cities Rental Revue* report series. We analyzed affordability with respect to different family sizes (e.g. by virtue of different affordability levels for different bedroom sizes) and calculated gross rent as a sum of actual rent plus an estimate of utility costs based on local public Housing Authority utility payment standards.

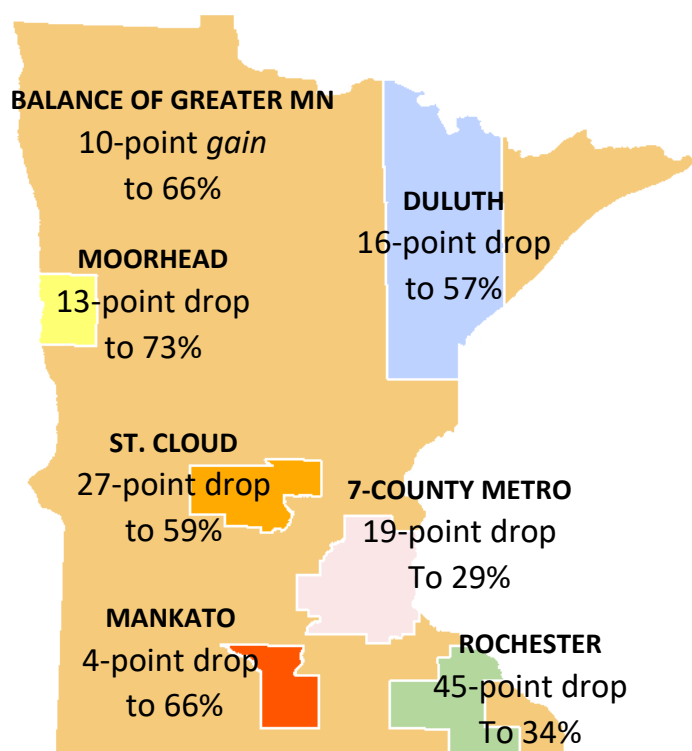
<sup>3</sup> Analysis of US Census ACS 2012-2016 five-year data on renter housing costs.

relative to the rest of the metro, with a drop of 15 percentage points in the number of affordable vacancies from 2012-2017, where the Twin Cities as a whole has seen a decline of 19 percentage points.

#### NOAH supply in Greater MN a story of many markets

Greater MN, seen as a whole, appears far more stable than the Twin Cities, with a drop of only six percentage points in the number affordable vacancies over the six-year study period of 2012-2017. This figure is influenced heavily by vacancies outside of metropolitan centers, however, where there was actually a 10 percentage point *gain* in affordable vacancies. The percent of affordable vacancies fell in each of the six Greater MN metros evaluated, with the largest drops seen in St Cloud (a 27 percentage point drop from 87% to 59%) and Rochester (a 45 percentage point drop from 79% to 34%) (Figure 2).

#### Drop in % of NOAH vacancies, 2012-2017



**Figure 2**

It is true that, overall, there is a higher percent of affordable units in Greater MN as compared to the Twin Cities Metro. However, it is worth noting that the percentage of all vacancies that are affordable does not speak to overall *availability* of affordable rents. That is to say, having a higher *percentage* of affordable vacancies does not mean there are a large, raw *number* of affordable places to live. Many households are still burdened by rents that are taxing their incomes to the limit. Nearly as many renters are cost-burdened (paying more than 30 percent of their household income in housing costs) in Greater MN as in the Twin Cities Metro (46.6 percent as compared to 47.9 percent). Rates are also similar with regard to severe cost burden (paying more than 50 percent of household income in housing costs); (22.8 percent in Greater MN as compared to 23.7 percent in the Twin Cities Metro).<sup>4</sup>

<sup>4</sup> Analysis of US Census ACS 2011-2015 five-year data on renter housing costs.

## Subsidized Housing Trends

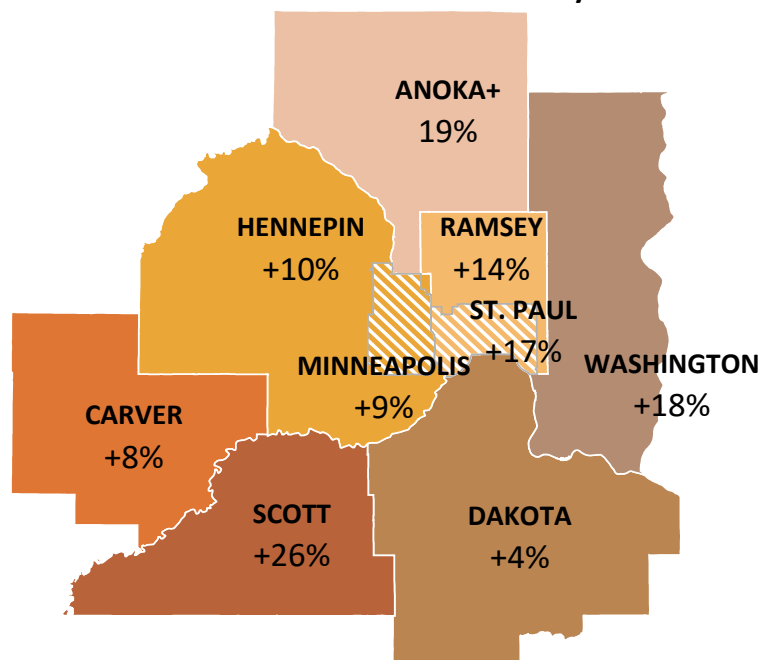
To understand overall subsidized, or “permanently-affordable” housing stock, we look at both “place-based” units of subsidized and rent-restricted housing from HousingLink’s *Streams* database of publicly funded rental housing<sup>5</sup>, as well as Section 8 Housing Choice Vouchers<sup>6</sup>. Between the two, there were over 150,443 subsidized rental homes in the state of Minnesota as of the end of 2017. This represents a 7.3 percent increase from 2012.

### Unit gains vary by market; preservation far outpaces new production

#### *Seven County Metro overview*

Overall, the Seven County Metro experienced 2.3 percent annual growth in subsidized rental unit stock from 2012 to 2017, ending the period with 69,126 total units. This constitutes an actual net gain of 7,340 units over the six-year period, with 6,194 units of new production. A portion of preservation activity includes acquisition of formerly private market rental units, which are added to the subsidized “inventory,” even though they don’t represent “new production,” per se. All seven Metro counties saw a growth in affordable housing stock over the six-year period, and while Hennepin County (33,837 units) and Ramsey County (19,194 units) each have a subsidized housing stock many times that of any of the suburban counties, growth was highest in Scott County (26 percent), Anoka County (19 percent), and Washington County (18 percent).

### Subsidized Unit Growth in the Seven County Twin Cities Metro, 2012-2017



**Figure 3**

Investment in subsidized and rent-restricted housing units comes by way of “new production,” or the building of new structures, and preservation/stabilization, which can include both re-investment in

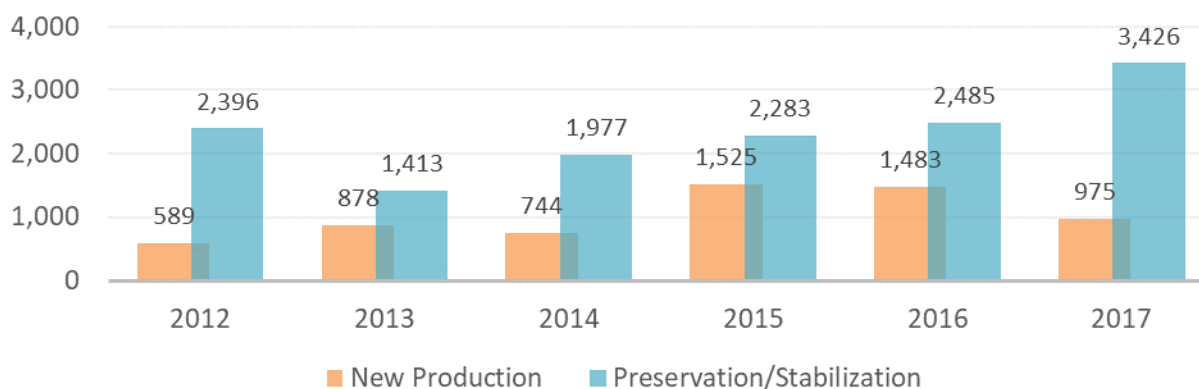
<sup>5</sup> *Streams* is comprised of both project-based rent assistance and units with capital financing subsidies such as low-income housing tax credit, and may be accessed at <http://www.housinglink.org/streams/>.

<sup>6</sup> Data on Housing Choice Vouchers in use are retrieved from HUD’s A Picture of Subsidized Households data portal, accessed at <https://www.huduser.gov/portal/datasets/assths.html>



existing subsidized and rent-restricted properties as well as the acquisition/conversion of previously private market properties to preserve affordability.<sup>7</sup> In the study period of 2012-2017, there were 6,194 units of new production in the Seven County Twin Cities Metro and 13,980 units of preservation/stabilization. Preservation/stabilization activity far outpaced new production each year throughout the six, with the difference topping out in 2017, when there were 2,451 more preserved/stabilized units as new production (Figure 4).

#### Subsidized Housing Production, Twin Cities Metro, 2012-2017



**Figure 4**

New production skewed towards the urban core, with 60 percent of all units built from 2012 to 2017 residing in Minneapolis or St. Paul. Preservation and stabilization had slightly more balance, with the central cities containing 54 percent of units receiving preservation/stabilization financing. This contrasts with population distribution trends revealed by the 2010 US Census, showing a greater number of households now living in poverty in metro suburbs than in Minneapolis and St Paul combined (Prather, 2015).

#### Growth of subsidized housing units in proximity to transit

Total supply of subsidized rental housing units with proximity to regular transit service has been growing at a rate exceeding that of the Twin Cities as a whole. Specifically, subsidized housing supply within a half-mile of fixed-rail transit stations (e.g. light rail, bus rapid transit) has grown at a 3.5 percent annual rate, and supply within a quarter mile of high frequency bus corridors has risen at a 3.1 percent annual rate. In comparison, the annual growth of subsidized housing in the Twin Cities as a whole is 2.3 percent annually. This points to possible successes by funders in response to current and anticipated market forces placing upward pressure on rents near fixed rail transit.<sup>8</sup>

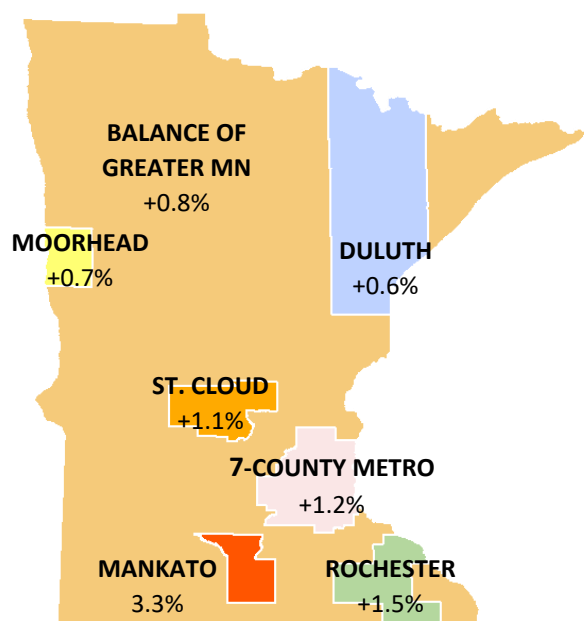
<sup>7</sup> In terms of our analysis, preservation in the form of acquisition/conversion adds units of housing to the “inventory” of affordable housing, whereas re-investment merely prevents the loss of affordability for previously subsidized or rent-restricted units that have reached the end of a previous obligation to affordability.

<sup>8</sup> Through 2016 we were seeing a similar trend among placement of Housing Choice Vouchers (e.g. “Section 8”), but as of 2017, the US Department of Housing and Urban Development (HUD) no longer provided voucher use by US Census Tracts, which is required for analysis at this level of detail.

### Greater MN overview

There were 48,839 place-based subsidized rental *units* of affordable housing in Greater MN in 2017, following annual growth rate of 0.9 percent from 2012. This represents an actual net gain of 2,201 units over the six-year period. As is the case in nearly all measures, the degree of change varied by metro, with annual growth for Mankato, St. Cloud and Rochester (3.3 percent, 1.5 percent and 1.1 percent respectively) exceeding that of Greater MN as a whole (0.8) (Figure 5).

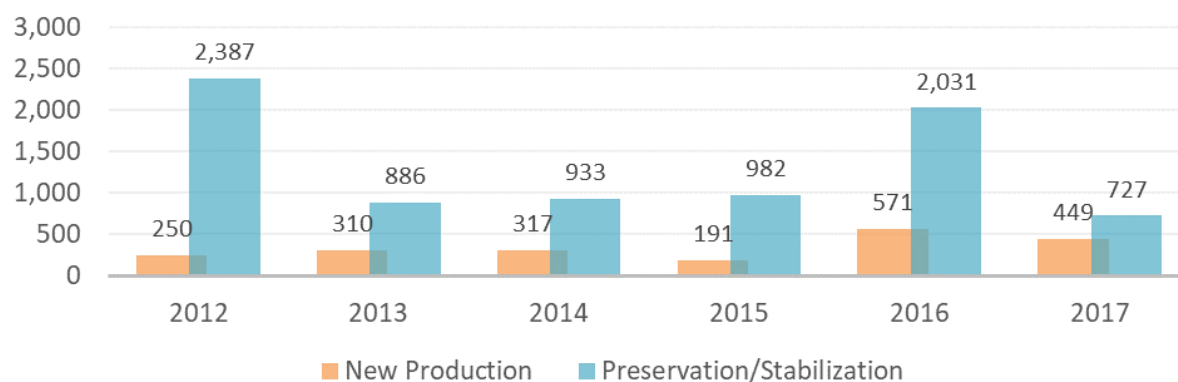
### Annual Subsidized Unit Growth by Greater MN Submarket, 2012-2017



**Figure 5**

In addition to gains in overall subsidized affordable housing stock, affordable housing developers have been active in preservation/stabilization of existing affordable units in Greater MN. The 7,946 units preserved from 2012 to 2017 represents a total nearly four times as great as the number of newly constructed affordable units over the same period. (Error! Reference source not found.).

### Subsidized Housing Unit Production in Greater MN, 2012-2017

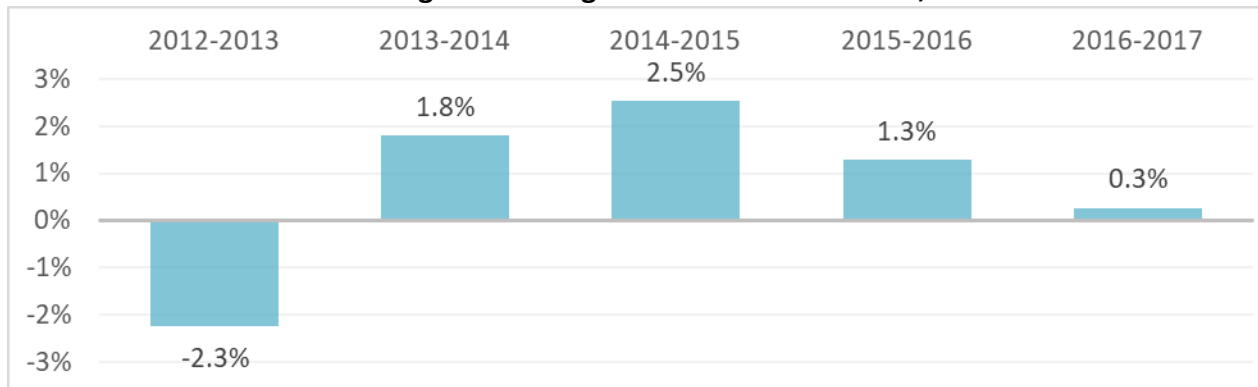


**Figure 6**

### A difficult environment for Twin Cities Metro voucher holders

The number of Housing Choice Vouchers in use in the Metro has seen a modest 0.7% average annual growth 2012 to 2017 (Figure 7). This has taken place during a time where it is difficult to find landlords willing to accept a voucher. A primary goal of the Housing Choice Voucher program has always been to increase housing choice and result in de-concentration of poverty. However, in the midst of a tight rental market, many public housing authorities are finding their clients unable to place vouchers at all, and there is concern among many in the affordable housing community that the relationship between geography and ability to place a voucher represents restricted housing choice.

**Twin Cities Metro Annual Change in Housing Choice Vouchers-in-Use, 2012-2017**

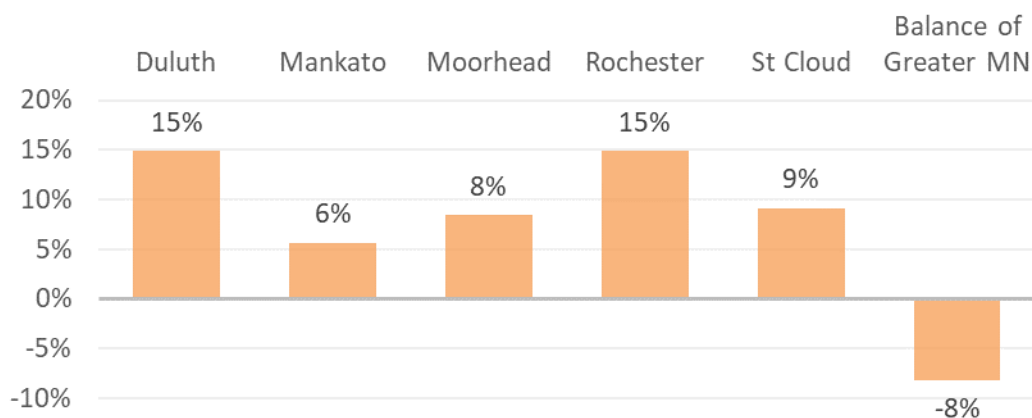


**Figure 7**

### Greater MN metros see sharp rise in voucher use, balancing out remainder of state

Following some volatility in the early part of the study period, total housing choice voucher use in Greater Minnesota returned to nearly the same level 2017 as it was in 2012, declining by 0.8 percent. What we may be seeing is a migration of voucher holders moving from the more rural areas of the state to metropolitan areas. This “Balance of Greater MN” saw an eight percent drop in voucher use over the six years, while each of the five metro areas studied grew by at least six percent, with Rochester and Duluth leading the pack at 15 percent growth (Figure 8).

**Total Greater MN Change in Housing Choice Vouchers-in-Use, 2012-2017**



**Figure 8**

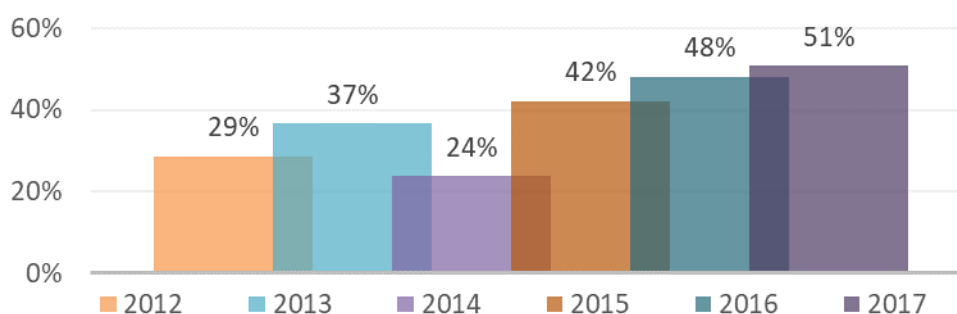
## Trends in Funding for Affordable Housing

Gap financing, as percent of total development cost, higher than during Great Recession.

This report defines “Gap Financing” as the portion of total development cost of subsidized rental housing contributed by public, non-profit, and philanthropic sources, and not part of primary financing.<sup>9</sup>

Gap financing, as a percent of total affordable housing development cost, appear to be returning to, and even exceeding elevated levels seen during the Great Recession, with gap as a percent of total development costs actually topping 50 percent for the first time in our analysis in 2017. We believe this to be largely as a result of escalating prices in development costs for affordable housing.

### Gap Financing as a Percent of Total Development Cost by Year, 2012-2017

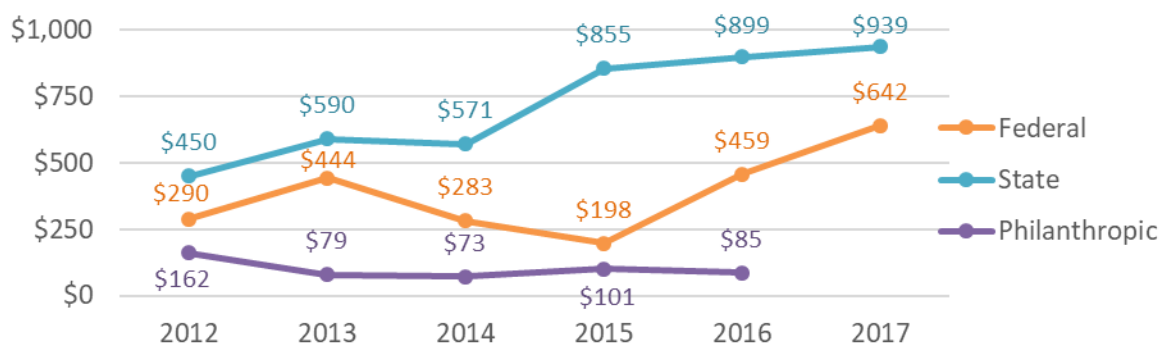


**Figure 9**

Yearly trends in funding for affordable housing difficult to interpret

It is difficult to discern trends for federal and state affordable housing funding, as the cycles for allocation and spending do not necessarily line up year-over-year. In Figure 10, we can clearly see a concerted rise in both Federal and State spending that seems to coincide with the larger gap investment as reflected in Figure 9, above. Figure 9

### Affordable Housing Funding by Source



**Figure 10**

<sup>9</sup> Gap Analysis is based on MN Housing’s contribution to our Streams database, and the measure is a reflection of public will (e.g. the community’s willingness to support affordable housing). HousingLink does not receive detail on funding amount by financial instrument from all data contributors to *Streams*, and we are unable to represent the data in *Streams*’ publicly accessible interface.

## Acknowledgements

The McKnight Foundation supported this research. We thank Eric Muschler, Program Officer at McKnight, who provided ideas and guidance that set us off on the right path. We additionally thank housing and development professionals at government agencies and nonprofit organizations throughout the state, who continue to contribute regular data and feedback to enhance our Streams database.

## Works Cited

HUD. (2015). Affirmatively Furthering Fair Housing. *24 Code of Federal Regulations*.

Marquette Advisors. (2018). *Apartment Trends Q2 2018*.

Prather, S. (2015, June 21). Poverty Nearly Doubles in Twin Cities Suburbs. *Minneapolis Star-Tribune*.

## Appendices

### Appendix A: Percent of Private Market Vacancies that Are Affordable

Region						
	2012	2013	2014	2015	2016	2017
Twin Cities Metro	48%	42%	37%	39%	31%	29%
Greater MN	61%	66%	70%	72%	57%	55%

Metro County						
	2012	2013	2014	2015	2016	2017
Anoka	55%	45%	43%	45%	42%	44%
Carver	49%	39%	34%	21%	17%	28%
Dakota	47%	40%	38%	38%	33%	26%
Hennepin	44%	38%	33%	37%	28%	24%
Ramsey	62%	54%	50%	52%	40%	42%
Scott	40%	37%	30%	30%	26%	34%
Washington	34%	34%	28%	25%	24%	26%

Minneapolis-St. Paul						
	2012	2013	2014	2015	2016	2017
Minneapolis	51%	42%	40%	39%	28%	27%
St. Paul	66%	55%	56%	55%	41%	43%

Transit Network						
	2012	2013	2014	2015	2016	2017
Fixed-Rail Transit	41%	33%	32%	32%	27%	26%
High-Frequency Transit Network	48%	40%	37%	37%	28%	26%

Greater MN						
	2012	2013	2014	2015	2016	2017
Duluth CBSA	74%	62%	65%	68%	57%	57%
Mankato CBSA	71%	54%	81%	70%	60%	66%
Moorhead CBSA	86%	98%	90%	80%	64%	73%
Rochester CBSA	79%	63%	92%	52%	27%	34%
St Cloud CBSA	87%	92%	93%	83%	65%	59%
Balance of Greater MN	56%	65%	67%	80%	66%	66%

#### Data and Analysis Notes:

"Affordability" refers to housing that costs no more than 30 percent of the household income of a family making 60 percent of the area median. Figures are based on analysis of private market rent data from HousingLink's [Twin Cities Rental Revue](#) report, and gross rents include known or estimated utility costs by location and building type. *Fixed-Rail Transit* refers to in-service rapid transit corridors (light rail transit, commuter rail, or bus rapid transit), and *High-Frequency Transit Network* refers to Metro Transit routes along which one may expect a bus or rail service in 15 minutes or less. GIS data for both was retrieved from the [Minnesota Geospatial Commons](#). Our Twin Cities Rental Revue data is point-based, so we are able to analyze whether individual addresses fall within proximity buffers for transit networks; ½ mile for Fixed Rail Transit) and ¼ mile for the High-Frequency Transit Network.

## Appendix B: Unit-Based Subsidized Affordable Rental Stock

Total Publicly-Assisted Units								
Region								
	2012	2013	2014	2015	2016	2017	Avg Ann Growth	Total Growth
Twin Cities Metro	61,786	63,198	64,772	66,518	68,116	69,126	2.3%	11.9%
Greater MN	46,638	47,062	47,503	47,869	48,438	48,839	0.9%	4.7%

Metro County								
	2012	2013	2014	2015	2016	2017	Avg Ann Growth	Total Growth
Anoka	3,198	3,247	3,247	3,603	3,794	3,794	3.6%	18.6%
Carver	1,327	1,327	1,327	1,395	1,431	1,431	1.5%	7.8%
Dakota	5,201	5,299	5,349	5,349	5,386	5,386	0.7%	3.6%
Hennepin	30,678	31,261	32,288	32,989	33,568	33,837	2.0%	10.3%
Ramsey	16,819	17,435	17,932	18,412	18,737	19,194	2.7%	14.1%
Scott	1,161	1,227	1,227	1,227	1,395	1,463	4.9%	26.0%
Washington	3,403	3,403	3,403	3,544	3,806	4,022	3.4%	18.2%

Minneapolis-St Paul								
	2012	2013	2014	2015	2016	2017	Avg Ann Growth	Total Growth
Minneapolis	21,281	21,535	22,301	22,911	23,022	23,205	1.8%	9.0%
St. Paul	12,955	13,446	13,886	14,366	14,674	15,131	3.2%	16.8%

Transit Network								
	2012	2013	2014	2015	2016	2017	Avg Ann Growth	Total Growth
Fixed-Rail Transit	10,628	11,024	11,670	12,256	12,566	12,613	3.5%	18.7%
High-Frequency Transit Network	22,762	23,695	24,505	25,476	26,183	26,447	3.1%	16.2%

Greater MN								
	2012	2013	2014	2015	2016	2017	Avg Ann Growth	Total Growth
Duluth CBSA	6,565	6,565	6,565	6,565	6,756	6,776	0.6%	3.2%
Mankato CBSA	1,751	1,829	1,976	1,976	1,976	2,054	3.3%	17.3%
Moorhead CBSA	1,226	1,226	1,226	1,226	1,269	1,269	0.7%	3.5%
Rochester CBSA	4,051	4,051	4,051	4,106	4,174	4,362	1.5%	7.7%
St Cloud CBSA	3,777	3,777	3,777	3,850	3,987	3,987	1.1%	5.6%
Balance of Gr MN	29,268	29,614	29,908	30,146	30,276	30,391	0.8%	3.8%

### Data and Analysis Notes:

Unit-based subsidized affordable rental stock refers to rental housing units with public financing that ensures market rents at 80% area median income and below. Figures are based on analysis of private market rent data from HousingLink's [Streams](#) database. Fixed-Rail Transit refers to in-service rapid transit corridors (light rail transit, commuter rail, or bus rapid transit), and High-Frequency Transit Network refers to Metro Transit routes along which one may expect a bus or rail service in 15 minutes or less. GIS data for both was retrieved from the [Minnesota Geospatial Commons](#). Our Streams data is point-based, so we are able to analyze whether individual addresses fall within proximity buffers for transit networks; ½ mile for Fixed Rail Transit) and ¼ mile for the High-Frequency Transit Network.

## Appendix C: Unit-Based Subsidized Affordable Unit Production

Total Publicly-Assisted Units							
Region							
<b>Twin Cities Metro</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	589	878	744	1,525	1,483	975	6,194
Preservation/Stabilization	2,396	1,413	1,977	2,283	2,485	3,426	13,980
<b>Greater MN</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	250	310	317	191	571	449	2,088
Preservation/Stabilization	2,387	886	933	982	2,031	727	7,946

Metro County							
<b>Anoka</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	0	61	0	214	191	0	466
Preservation	111	0	0	142	0	778	1,031
<b>Carver</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	0	31	0	68	36	0	135
Preservation	76		40	5	0	0	121
<b>Dakota</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	26	98	50	0	37	0	211
Preservation	0	0	60	96	49	64	269
<b>Hennepin</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	397	313	587	701	445	234	2,677
Preservation	1,544	955	1,060	1,104	1,604	2,362	8,629
<b>Ramsey</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	130	309	107	401	344	457	1,748
Preservation	140	408	750	936	664	222	3,120
<b>Scott</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	0	66	0	0	168	68	302
Preservation	10	5	0	0	0	0	15
<b>Washington</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
New Production	36	0	0	141	262	216	655
Preservation	515	45	67	0	168	0	795



Minneapolis-St Paul							
Minneapolis	2012	2013	2014	2015	2016	2017	Total
New Production	342	199	456	610	188	234	2,029
Preservation	1,373	530	646	845	1,067	732	5,193
St. Paul	2012	2013	2014	2015	2016	2017	
New Production	80	309	107	401	344	457	1,698
Preservation	76	223	653	882	366	140	2,340

Transit Network							
Fixed-Rail Transit	2012	2013	2014	2015	2016	2017	Total
New Production	302	161	361	469	200	47	1,539
Preservation	1,180	277	350	1,195	464	724	4,190
High-Frequency Transit Network	2012	2013	2014	2015	2016	2017	Total
New Production	473	693	501	971	549	264	3,450
Preservation	1,668	455	425	1,164	769	1,243	5,724

Greater MN							
Duluth CBSA	2012	2013	2014	2015	2016	2017	Total
New Production	122	0	0	0	0	20	142
Preservation	394	55	223	99	332	372	1,475
Mankato CBSA	2012	2013	2014	2015	2016	2017	Total
New Production	0	0	39	0	31	78	148
Preservation	28	78	116	0	30	0	252
Moorhead CBSA	2012	2013	2014	2015	2016	2017	Total
New Production	0	0	0	0	43	0	43
Preservation	82	72	0	5	0	121	280
Rochester CBSA	2012	2013	2014	2015	2016	2017	Total
New Production	47	0	0	55	68	188	358
Preservation	452	40	16	103	155		766
St Cloud CBSA	2012	2013	2014	2015	2016	2017	Total
New Production	38	0	0	37	137	0	212
Preservation	381	100	129	160	65	21	856
Balance of Greater MN	2012	2013	2014	2015	2016	2017	Total
New Production	43	310	278	99	292	163	1,185
Preservation	1,050	541	449	615	1,449	213	4,317

**Data and Analysis Notes:**

Unit-based subsidized affordable rental stock refers to rental housing units with public financing that ensures market rents at 80% area median income and below. Figures are based on analysis of private market rent data from HousingLink's [Streams](#) database. Fixed-Rail Transit refers to in-service rapid transit corridors (light rail transit, commuter rail, or bus rapid transit), and High-Frequency Transit Network refers to Metro Transit routes along which one may expect a bus or rail service in 15 minutes or less. GIS data for both was retrieved from the [Minnesota Geospatial Commons](#). Our Streams data is point-based, so we are able to analyze whether individual addresses fall within proximity buffers for transit networks; ½ mile for Fixed Rail Transit) and ¼ mile for the High-Frequency Transit Network.

## Appendix D: Housing Choice Vouchers in Use

Region						
	2012	2013	2014	2015	2016	2017
Twin Cities Metro	20,322	19,864	20,221	20,733	20,999	21,054
Greater MN	11,516	10,827	11,746	12,045	12,012	11,424

Metro County						
	2012	2013	2014	2015	2016	2017
Anoka	1,462	1,422	1,375	1,539	1,579	1,604
Carver	158	157	175	195	244	284
Dakota	2,772	2,673	2,727	2,644	2,514	2,409
Hennepin	9,402	9,107	9,304	9,595	9,693	9,790
Ramsey	5,644	5,623	5,641	5,741	5,907	5,879
Scott	438	442	533	562	592	597
Washington	446	440	466	457	470	491

Minneapolis-St. Paul						
	2012	2013	2014	2015	2016	2017
Minneapolis	4,835	4,642	4,844	4,974	5,147	5,216
St. Paul	4,212	4,218	4,271	4,256	4,298	4,261
Suburbs	11,275	11,004	11,106	11,503	11,554	11,577

Greater MN Region						
	2012	2013	2014	2015	2016	2017
Duluth CBSA	1,676	1,866	1,924	2,055	1,925	1,926
Mankato CBSA	742	726	771	835	858	784
Moorhead CBSA	535	538	571	587	603	580
Rochester CBSA	564	603	609	592	683	648
St Cloud CBSA	820	783	818	829	932	895
Balance of Greater MN	7,179	6,311	7,053	7,147	7,011	6,591

### Data and Analysis Notes:

Housing Choice Voucher (commonly called "Section 8" voucher) figures represent analysis of a direct download of Housing Choice Voucher data from HUD's yearly data portal from [A Picture of Subsidized Households](#). As of our 2018 download Housing Choice Voucher data was no longer available for all Census Tracts, rendering us unable to produce analysis for transit lines as in years past.

## Appendix E: Gap Financing

Gap Financing by Year of Project First Close: by % of Total						
	2012	2013	2014	2015	2016	2017
Financing that is Gap	29%	37%	24%	42%	48%	51%
Financing that is Not Gap	71%	63%	76%	58%	52%	49%

Gap Financing by Year of Project First Close: in Millions of Dollars						
	2012	2013	2014	2015	2016	2017
Financing that is Gap	\$48	\$26	\$25	\$95	\$66	\$62
Financing that is Not Gap	\$120	\$45	\$80	\$130	\$71	\$60

### Data and Analysis Notes:

Gap refers to the portion of total investment into subsidized rental housing contributed by public, nonprofit, and philanthropic sources, and is reported at the statewide level. The data for gap analysis exclusively comes from MN Housing, as they are, to our knowledge, our only Streams funding source with the funding detail necessary to determine whether program/financial instrument is categorized as gap, or not.

## Appendix F: Funding for Affordable Housing

Year-Over-Year Change in Housing Spend						
	2012	2013	2014	2015	2016	2017
Federal	-	56%	-1%	-32%	60%	127%
State	-	31%	27%	90%	100%	108%
Philanthropic	-	-51%	-55%	-38%	-47%	-

Actual Spending in Millions						
	2012	2013	2014	2015	2016	2017
Federal	\$290	\$444	\$283	\$198	\$459	\$642
State	\$450	\$590	\$571	\$855	\$899	\$939
Philanthropic	\$162	\$79	\$73	\$101	\$85	-

### Data and Analysis Notes:

Funding for affordable housing is comprised of three primary metrics:

1. **Federal:** This represents total US Department of Housing and Urban Development (HUD) spending in the state of Minnesota, and data is retrieved from [www.usaspending.gov](http://www.usaspending.gov).
2. **State:** This refers to spending reported by MN Housing in their Annual Report and Program Assessment, Table 5: Assistance by Region and Funds Source. Note: Assistance is broken out by "Grants, Deferred Loans, and Housing Tax Credits" and "Amortizing Loans." In past versions of MN Housing Measures, we intentionally excluded the latter category, but have elected to include the aggregate of both for this and in future reports.
3. **Philanthropic:** This data was retrieved from the nationally-based Foundation Center's "Foundation Maps" tool and represents all grantmaking activity from foundations for activities in the State of MN, whether the foundation is MN-based or not.