

Metro HRA

Project Based Voucher (PBV) Program Award Recommendations

November 21, 2016

Metro HRA's Voucher Program

➤ **6500 Housing Choice Vouchers**

- HRA discretion to project base up to 20%

➤ **665 Project Based Vouchers (10%)**

- 33 developments
 - Suburban Anoka, Carver, Hennepin, Ramsey and Washington Counties
 - 150 Council-Owned FAHP Units
 - 13 General Occupancy
 - 20 Supportive Service (homeless, disabled, self-sufficiency)

Tenant Based vs. Project Based Vouchers

➤ Difference

- TBV – Moves with the tenant
- PBV – “Tied” to a unit

➤ Occupancy

- Marketed to households on Metro HRA Waiting List
- Direct referral from service providers through owner

➤ Tenant pays 30% of income towards rent and utilities

PBV Offer and Selection

- **PBV offer through MHFA RFP Process**
 - June 2016
 - Offered 30 PBVs
- **Proposals ranked by Metropolitan Housing Implementation Group (MHIG)**
 - MHFA funding partners, Family Housing Fund, Metropolitan Council
- **Financially feasible proposals forwarded to Metro HRA for review**

PBV Requests

- **Eight applications received**
- **Two not recommended for funding**
 - Not financially feasible
 - Willow View Park Apartments, Roseville
 - Crossings at Church Lake, Victoria
- **Six applications recommended for funding**
 - 15 year Housing Assistance Payments Contracts

Ranking Criteria

➤ Metro HRA Administrative Plan criteria:

- Owner experience
- Extent to which the project furthers poverty deconcentration
- To promote projects outside of Areas of Concentrated Poverty
- To increase the supply of affordable housing
- To integrate housing and tenant services
- To encourage housing for larger families
- Extent to which the project promotes linkages among housing, jobs and transportation.

PBV Recommendations

| Project Name | City | Number of Units in Project | PBV Request | PBV Award |
|----------------------------|-----------------------|----------------------------|-------------|-----------|
| Ramsey Apartments | Ramsey | 54 | 15 | 15 |
| Clover Ridge Townhomes | Carver | 3 | 3 | 3 |
| The Glen at Valley Creek | Woodbury | 42 | 4 | 4 |
| W 1 st Street | Chaska | 4 | 4 | 4 |
| Oak Grove Senior Residence | Norwood Young America | 50 | 3 | 2 |
| Crossings at Town Centre | Chaska | 68 | 3 | 2 |
| Total | | | 32 | 30 |

Ramsey Apartments, Ramsey

- New construction project - Aeon
- 54 Units Total
 - 15 PBV requested and recommended
 - 3-4 bedrooms for families with children
- Not in an Area of Concentrated Poverty
- Community Support
 - MHFA deferred Loan, HOME and Section 811 funding
 - Council \$100,000 in LHIA
 - Council \$250,000 TOD grant

Clover Ridge Townhomes, Chaska

- Partnership between Carver County CDA and Chaska school district
- Three 3-bedroom Townhome units
 - 3 PBVs requested and recommended
 - Serve homeless families with children
- Not in an area of Concentrated Poverty
- Located in Chaska town center
- Existing housing units

The Glen at Valley Creek, Woodbury

- 42 Units Total – Washington County HRA
 - 4 PBV units requested and recommended
 - 1 and 2 bedrooms to serve seniors age 62+
 - Optional care and nursing services to allow aging in place
- Not in an Area of Concentrated Poverty
- Community Support
 - MHFA deferred loan, senior pilot funding, 4% tax credits
 - Council \$400,000 LHIA
 - City of Woodbury HOME and CDBG funds

West 1st Street, Chaska

- 2 duplexes – 4 units – Carver County CDA
 - 4 PBV units requested and recommended
 - One 1 bedroom, two 2 bedrooms and one 4 bedroom
 - Housing for homeless individuals and families
 - Support services through CDA and partners
- Not in an Area of Concentrated Poverty
- Existing housing

Carver County Senior Housing

- Oak Grove Senior Residences, Norwood Young America
 - 50 units total – existing housing
 - 3 PBV units requested; 2 recommended
 - One general occupancy; one homeless
- Crossings at Town Centre, Waconia
 - 68 units total – existing housing
 - 3 PBV units requested; 2 recommended
 - One general occupancy; one homeless

Next Steps

- **Agreement to Enter into a Housing Assistance Payments Contract**
 - Commit PBVs during construction period
- **Housing Assistance Payments Contract**
 - 15 Year Term
 - Existing Housing – Right to this step – No AHAP
- **Inspect units to ensure they meet health and safety standards**

Recommendation

That the Metropolitan Council approve proposals for Project Based Voucher (PBV) assistance and authorize staff to execute necessary documents with the U.S. Department of Housing and Urban Development (HUD) and the owners of the projects to assign a total of 30 Vouchers in six (6) projects as outlined in the business item.

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