

Metropolitan Council Housing and Redevelopment Authority

Project Based Voucher Policy Discussion

August 21, 2017

Community Development Committee





Types of vouchers in the Housing Choice Voucher Program:

Tenant Based

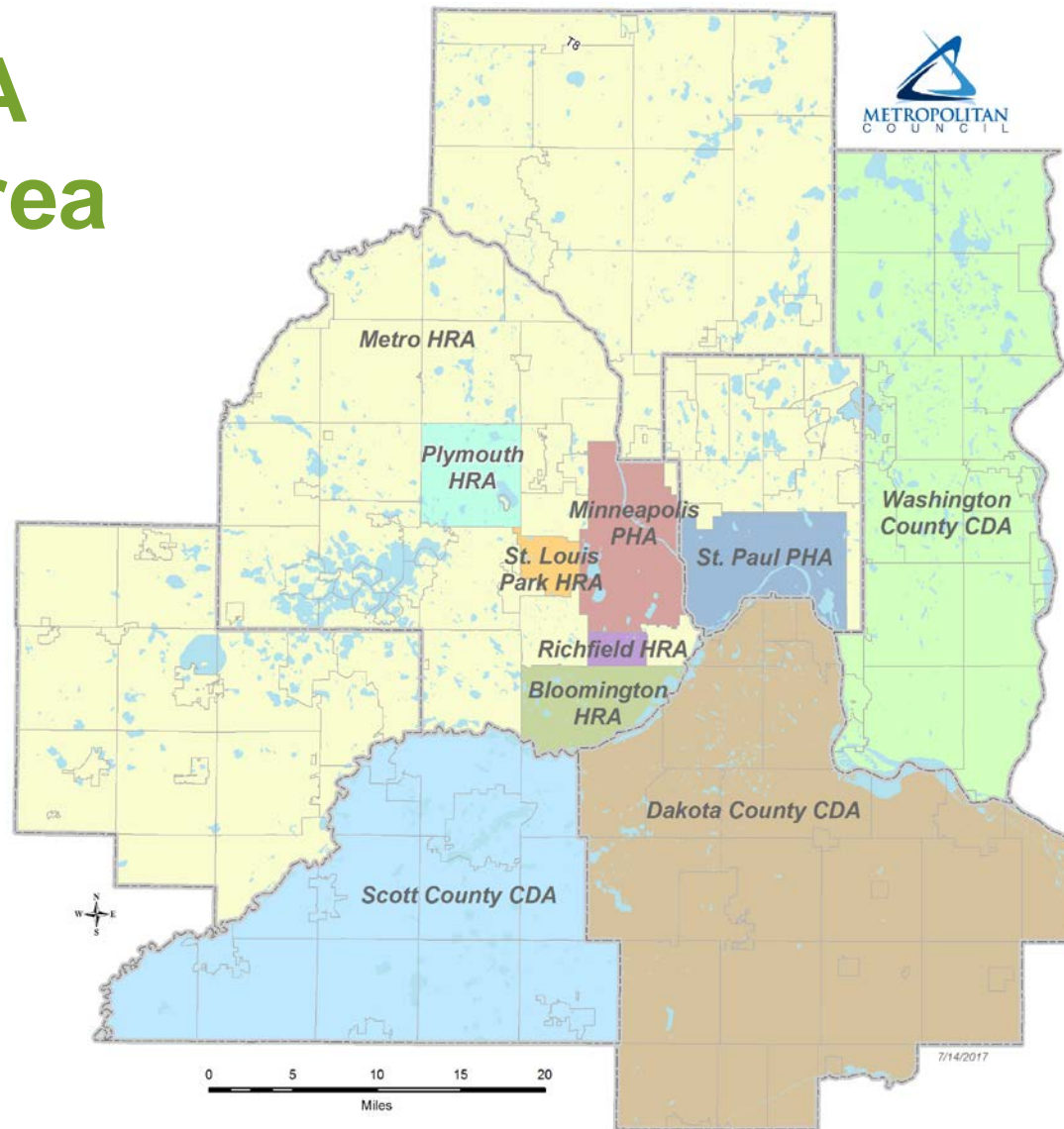
- Attached to the family
- Family -
 - Chooses unit on private rental market
 - Pays 30% of income towards rent
 - Can move with subsidy

Project Based

- Attached to the unit
- If family moves – unit is filled with a new low-income family
- Family pays 30% of income towards rent

Metro HRA Service Area

- Anoka and Carver Counties, suburban Hennepin and Ramsey Counties
- 96 cities



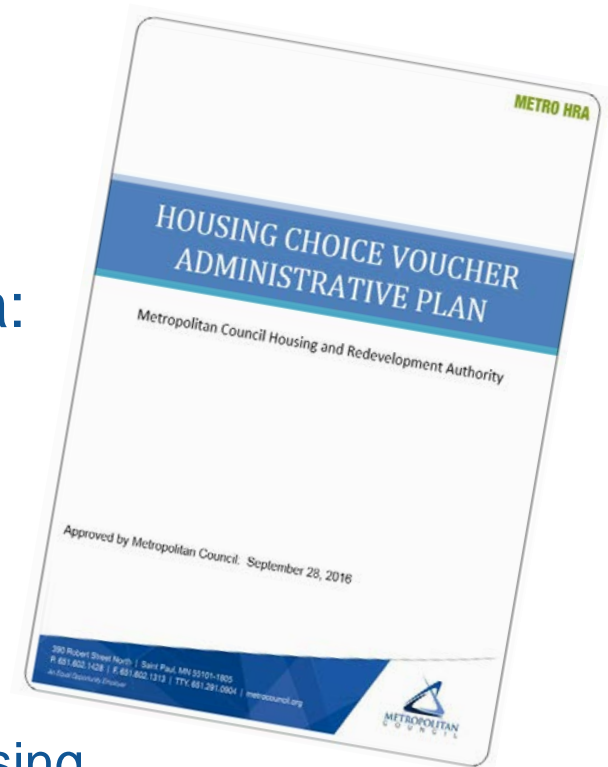


How are PBVs offered and awarded?

- Competitively offered
- Can be attached to a variety of housing
- Requested when developers are applying for other public financing
 - MN Housing Consolidated Request for Proposals
 - 25-50 project-based vouchers offered per year
- Proposals determined financially feasible – forwarded to Metro HRA for ranking
- Projects are recommended to CDC and Council for approval

Ranking Criteria

- Project Based Voucher Award 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.

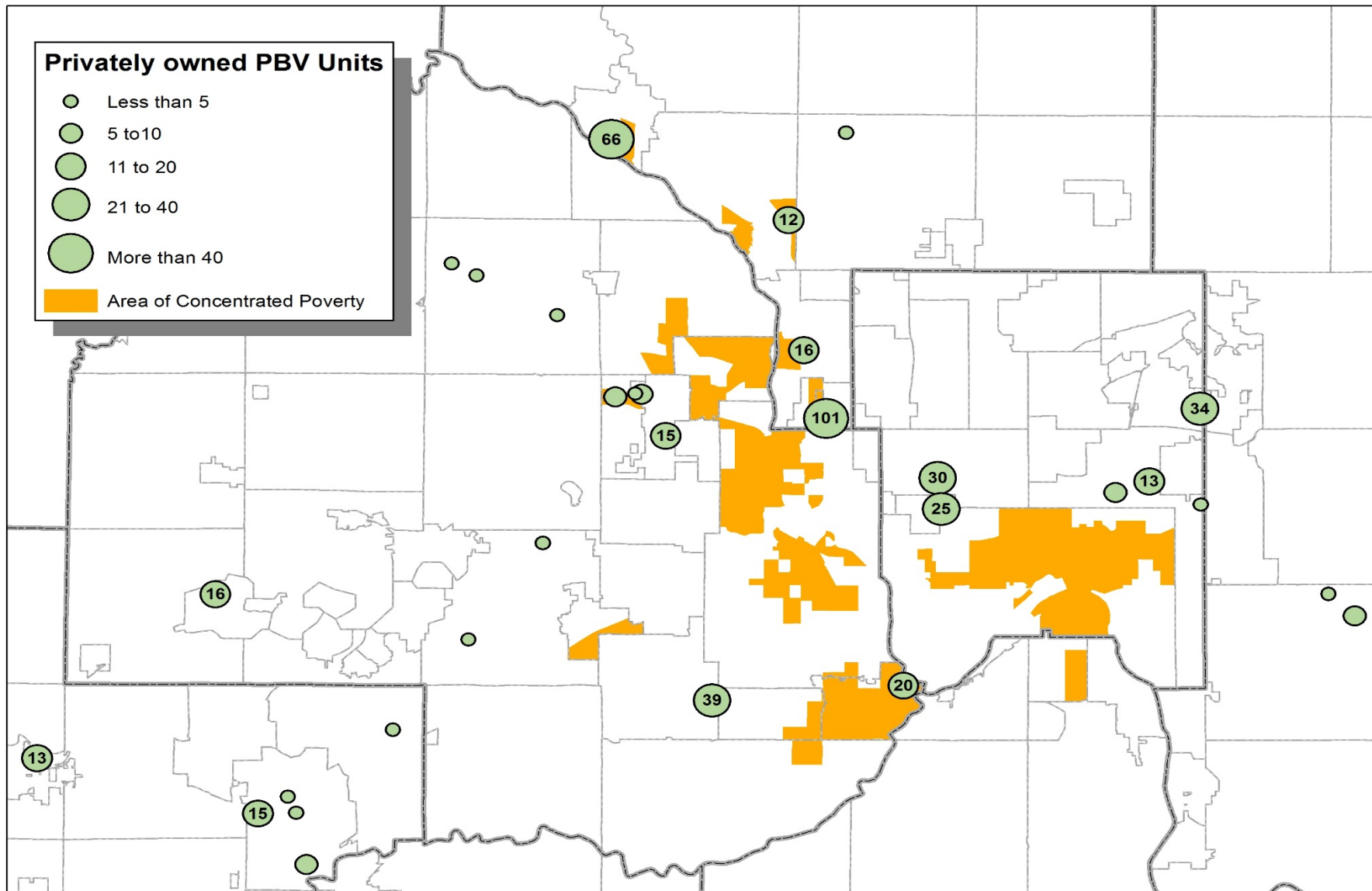




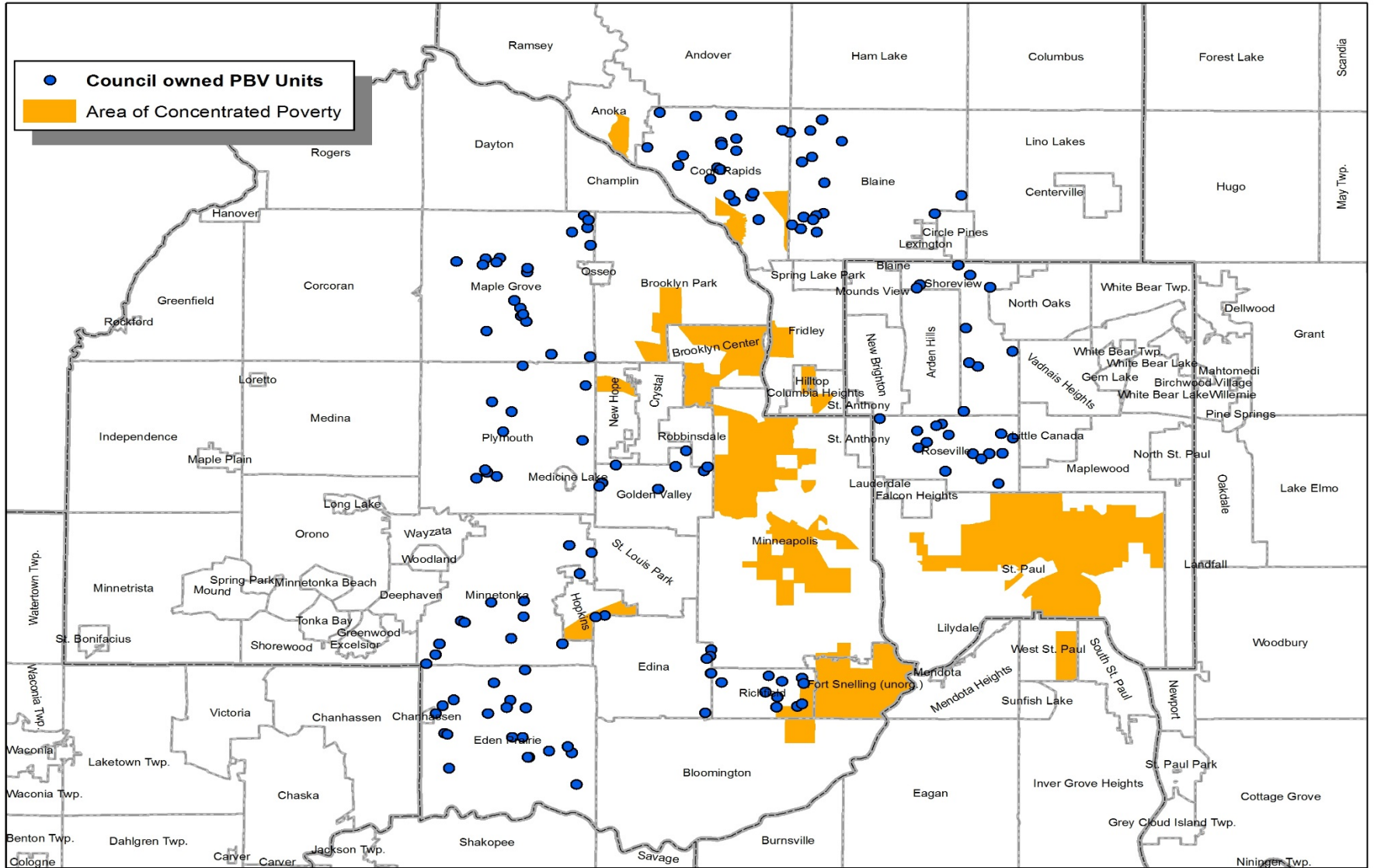
Metro HRA's Voucher Program

- 6502 Housing Choice Vouchers
 - HRA discretion to project base up to 20%
 - Current Council-approved policy is up to 20%
- 665 Project Based Vouchers (10%)
 - 33 developments
 - Suburban Anoka, Carver, Hennepin, Ramsey and Washington Counties
 - 150 Council-Owned Units (Family Affordable Housing Program)
 - 13 General Occupancy
 - 20 Supportive Service (homeless, disabled, self-sufficiency)

Privately Owned Project Based Voucher units - 515



Council-Owned Project Based Vouchers units - 150





Pros vs. Cons

Pros	Cons
Family not burdened with finding a landlord willing to accept a voucher	Family locational choice reduced as family is only offered unit available
Ensures permanent affordable housing units are placed in desired neighborhoods	Project based vouchers are more administratively burdensome
Family is eligible for a tenant-based voucher after one year – creates a tail of vouchers.	Family is eligible for a tenant-based voucher after one year – creates a tail of vouchers.



Questions for Discussion

- Should the Metro HRA “Project-Base” more?
 - Current status = 10% (665 vouchers)
 - Maximum = 1300 vouchers
 - Available = 635 units
- Where?
- Ranking criteria?

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