

Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

# Public Housing Agency Plan

August 5, 2019

Community Development Committee



# Public Housing Agency (PHA) Plan

- Required by U.S. Department of Housing and Urban Development (HUD) for any agency administering the Housing Choice Voucher Program
- Serves as a guide and informs HUD, program participants and the general public of the HRA mission for serving the needs of low-income families and strategies for addressing those needs

## 5 Year Plan

Approved 2015-2019

### Purpose

Provide HUD long range goals for meeting the needs of low-income persons in the region

## Annual Plan

Submitted each year

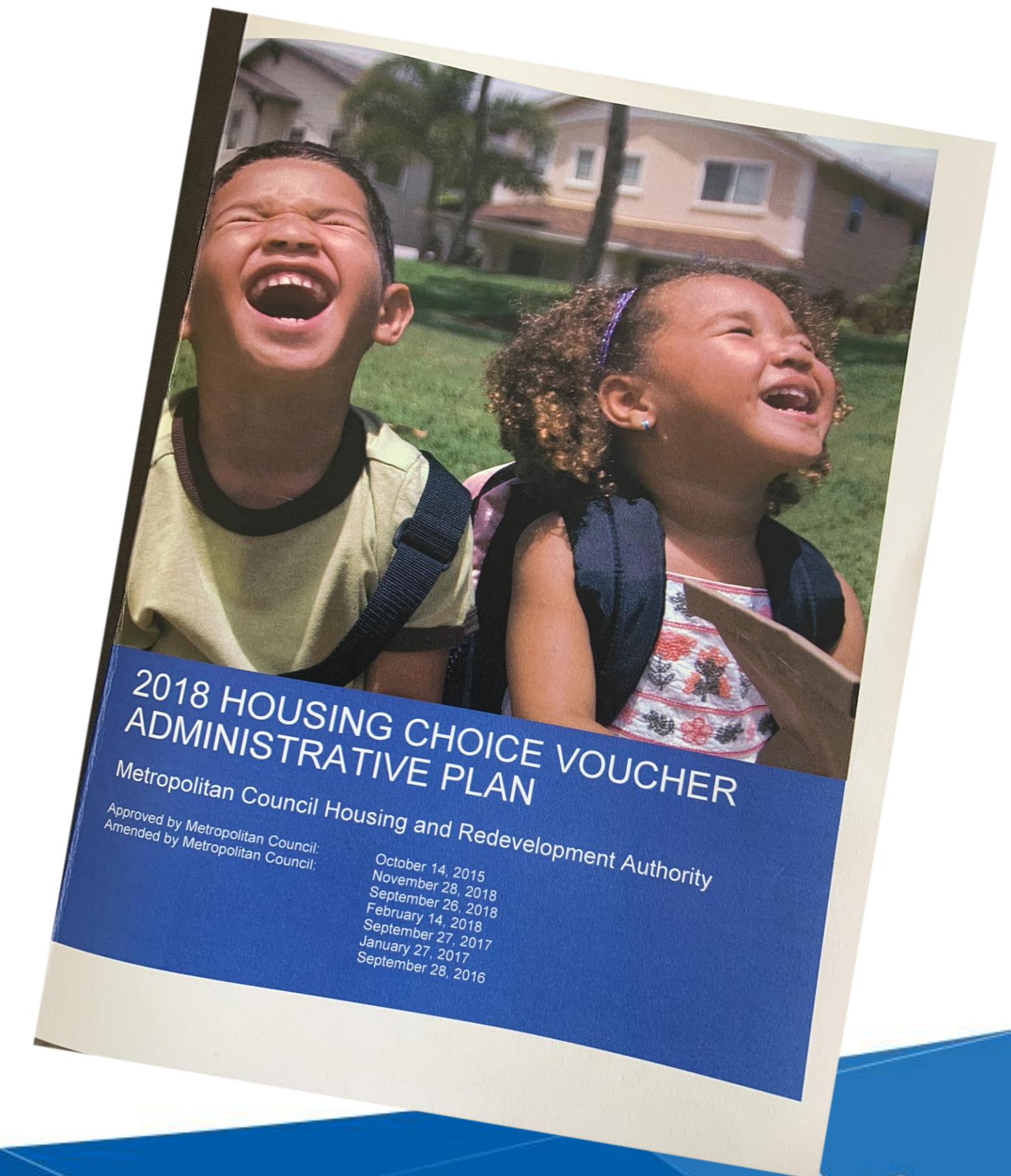
### Purpose

Provides details and strategies for meeting housing needs in the coming year

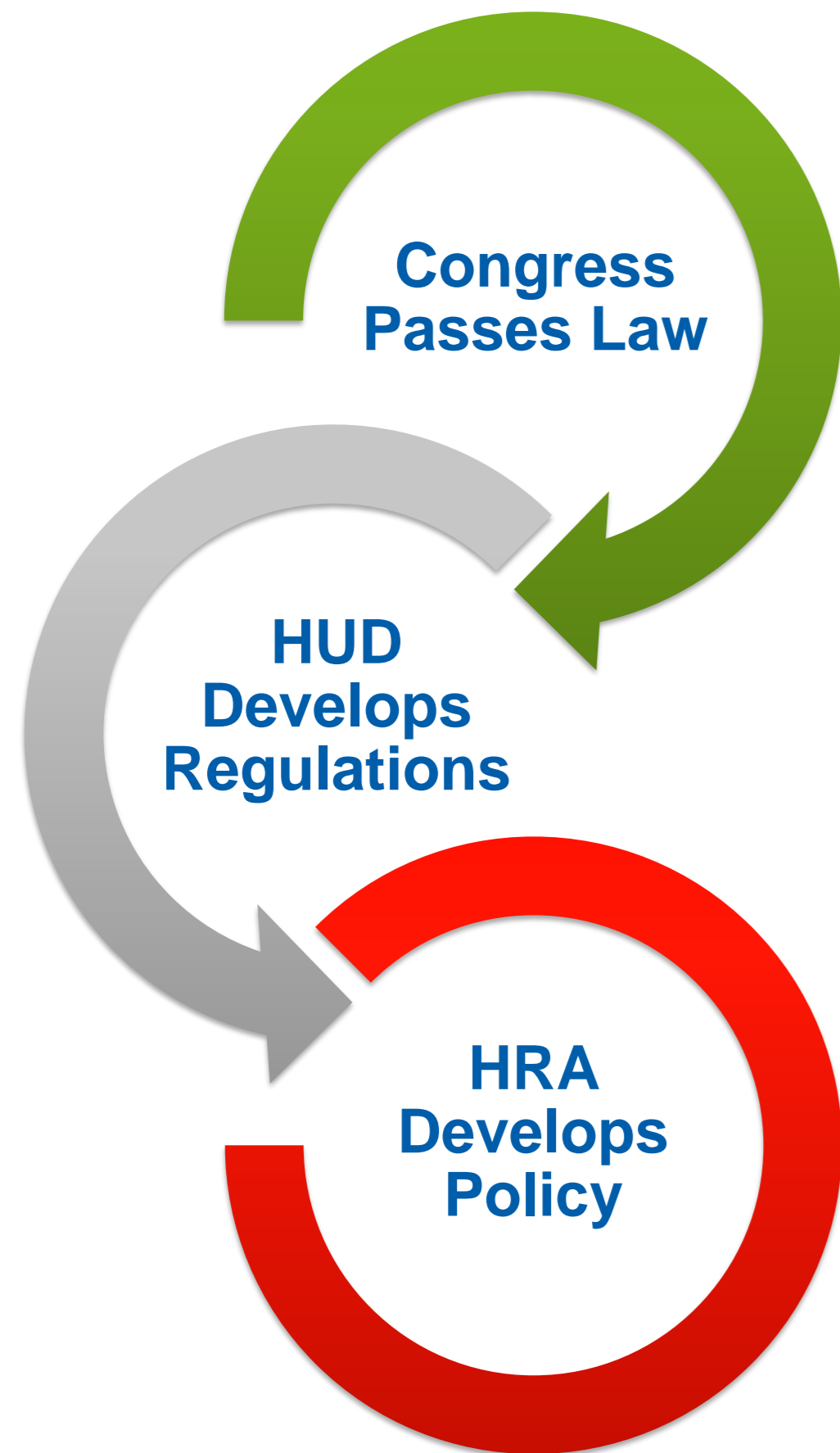
# Housing Choice Voucher Administrative Plan

## What is the Administrative Plan?

- Main policy document
- Contains all mandatory and discretionary policies
  - Waiting list management
  - Voucher issuance
  - Occupancy policies
  - Hearing procedures
- Supporting document to the PHA Plan
- Must be available for public review and comment



# Program Policy Development



## HUD Regulations (MANDATORY) and HRA Policy (DISCRETIONARY)

- The HRA MUST review family income and members annually
  - The HRA MAY determine when to conduct interim rent changes
    - HRA policy = only conduct interim rent changes if
      - A family is at \$0 income
      - If new adults are added to the household
- The HRA MUST adopt policies for organizing and managing the waiting list
  - The HRA MAY determine how to do this
    - Electronic applications
    - Waiting list preferences

# PHA Plan Goal Elements

## 5-Year Plan Goals

- Maintain / Increase the availability of affordable housing and be responsible stewards of financial resources
- Increases assisted housing choice for all residents
- Encourage movement to areas in the region with less than 20% poverty
- Administer programs to encourage integrated settings for person with disabilities
- Contribute to the goal of ending long-term homelessness
- Promote self-sufficiency and stabilize families

# Annual Plan / Administrative Plan Elements

- 13 Total Proposed Changes
  - 4 are HUD Required
  - 9 are Discretionary
- Policy changes for Discussion
  - Waiting list preference
  - \$50 minimum rent
  - Biennial inspections

# Community Engagement

- Follow Council engagement guidance
- Engage with key parties
  - Program participants and landlords
  - Increased outreach to those impacted by minimum rent
  - HRA staff engagement
- Resident Advisory Board
  - Ongoing group of voucher holders who provide feedback on HRA policy and procedures
- Landlord Advisory Board
  - Ongoing group of participating landlords who provide feedback on HRA policy and procedures

## Resident Advisory Board

- 3 Meetings in Community (Maple Grove, Edina and Roseville)
- 59 Total Attendees

## Landlord Advisory Board

- 1 Meeting in July
- 8 Attendees

# Waiting list Preferences

## DISCRETIONARY POLICY

- HUD allows housing authorities to adopt waiting list preferences
  - Allow certain populations to be served before general waiting list applicants
- Metro HRA Current Preferences:
  - Insufficient Funding
  - Residency Preference for Waiting List Placement

## PROPOSED POLICY

### Move-Up Preference

- Set-aside 40 turnover vouchers per year
- Provided to persons occupying permanent supportive units that are ready for independent living
  - No longer need services
  - Opens a permanent supportive housing unit
- Partnership with Continuums of Care
- Referrals through coordinated entry



# Minimum rent

## Background and Facts

- The HRA is currently operating at a deficit
- Decision Points:
  - Reduce program size by about 200 families
  - Look at cost saving measures
  - Subsidize with other funds
- HUD requires housing authorities to establish a minimum rent between \$0 and \$50
- The Metro HRA currently has a \$0 minimum rent.
- Approximately 270 or 4% of current voucher holders would be impacted
- A \$50 minimum rent = estimated annual cost savings of \$162,000

# Minimum Rent Considerations

- Hardship Exemptions: The Metro HRA must grant an exemption from minimum rent if the family is unable to pay because of financial hardship
- HUD identifies four types of hardships and permits the PHA to add other hardship criteria
  - The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program
  - The family would be evicted because it is unable to pay the minimum rent
  - Family income decreases because of changed family circumstances, including the loss of employment
  - A death has occurred in the family

# Minimum rent

PROS	CONS
Increases subsidy funds by \$162,000	People with unsteady income may not be able to pay their rent
Allows HRA to assist more families (from the waitlist)	Could contribute to evictions
Encourages self-sufficiency	Explaining and implementing the hardship exemptions could be complicated

## Resident Comments:

Overall support for policy change

Contributing \$50 for an average rent of \$1,000 is reasonable

“It will help families budget their money and be consistent with their income”

“It will help people to be financially self sufficient”

One resident previously homeless for 3 years – “motivates people to work”

# Biennial Inspections

## Background and Facts

- HUD allows PHAs to inspect assisted units every two years instead of annually.
  - The Metro HRA has been piloting biennial inspections since 2015
- Purpose of biennial inspections is to reduce administrative costs
- Metro HRA conducted 11,956 inspections in the last 12 months
- Policy would result in a reduction of approximately 3,000+ inspections per year
  - One inspector
  - Focus on other priorities

# Biennial inspections

PROS	CONS
Reduction of 3,000+ inspections per year	Less assurance of unit safety
Administrative cost savings and more efficient	Tenant fear of retaliation if poor unit condition reported to HRA
Re-focus administration to landlord education and outreach	Increased special inspections
Less stress for tenant - preparation and being available for inspections	Tenants may not “keep-up” their units
Landlord recruitment strategy	Landlords may rely on HRA to track unit condition

## Resident Comments:

Overall support of policy change

“It is a way to sell the program to landlords”

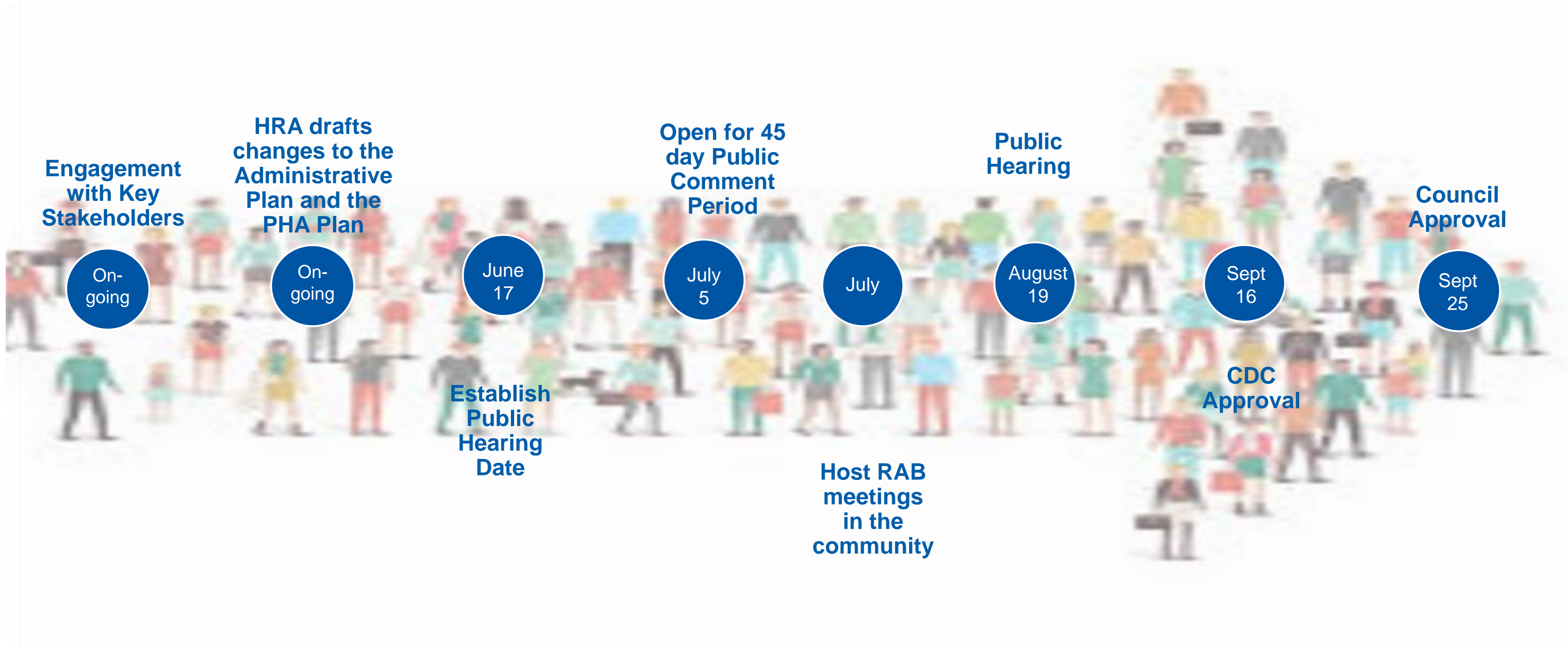
“Less burden for families with so many inspection”

“Fear of landlord retaliation”

# Implementation Ideas

- Phase in implementation through qualifying criteria
- Set up qualifications to continue biennial
  - Becomes an incentive
- Owner Education
- Tenant Education
- Create Special (Complaint) Inspection Process

# PHA Plan Timeline



# Questions?

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