

Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

Project Based Voucher Program Award Recommendations

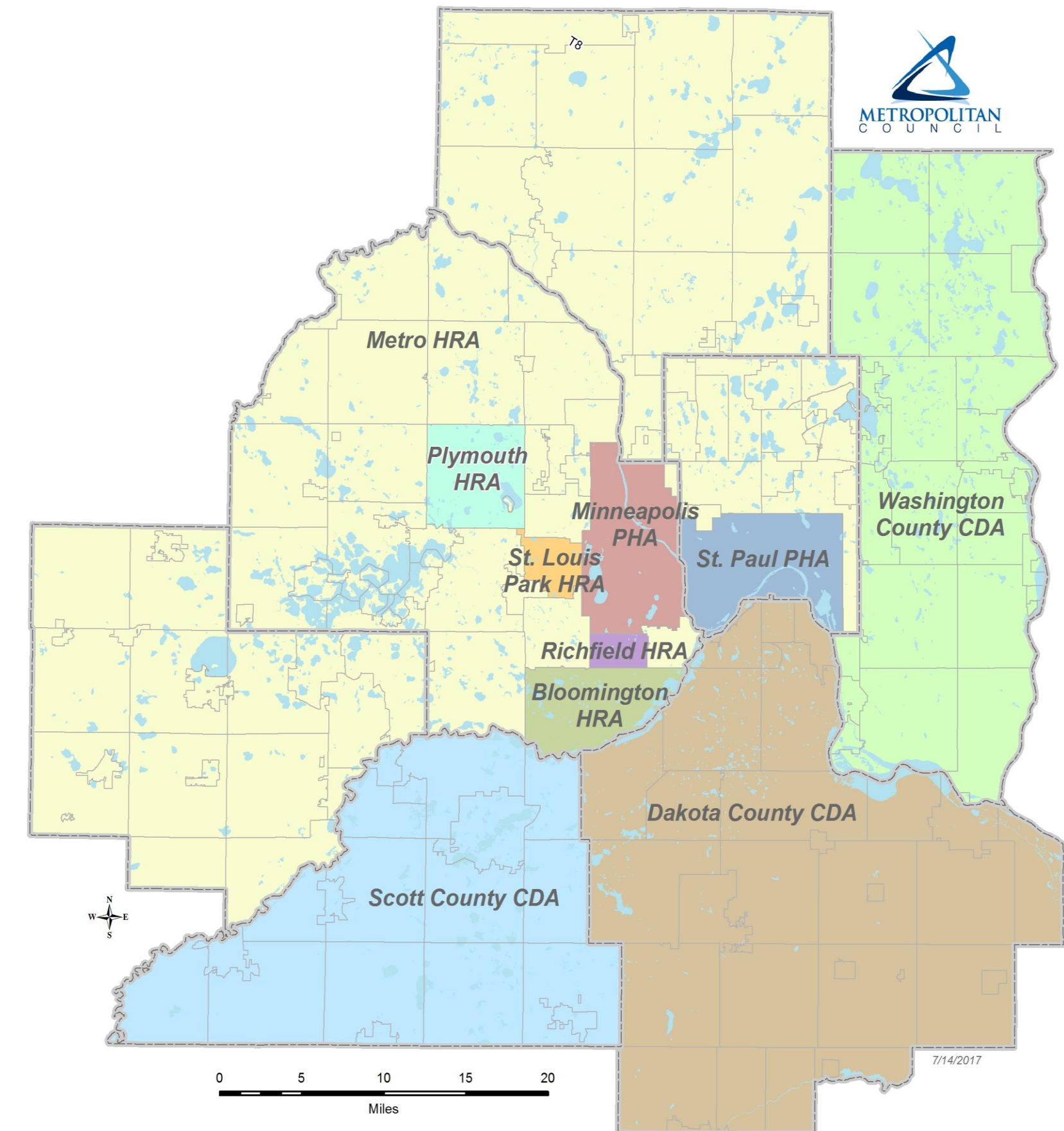
December 2, 2019

Community Development Committee



Metro HRA Voucher Program

- 6,727 federal Housing Choice Vouchers (Section 8)
- U.S. Department of Housing and Urban Development allows HRA discretion to project-base up to 20% of its vouchers.
 - New Construction or Existing Housing
- Current Council approval = up to 20% of vouchers
- Current Voucher split
 - 5,924 Tenant-Based
 - 803 Project-Based (12%)
- Project Based Vouchers
 - 45 Projects
 - 30 Communities

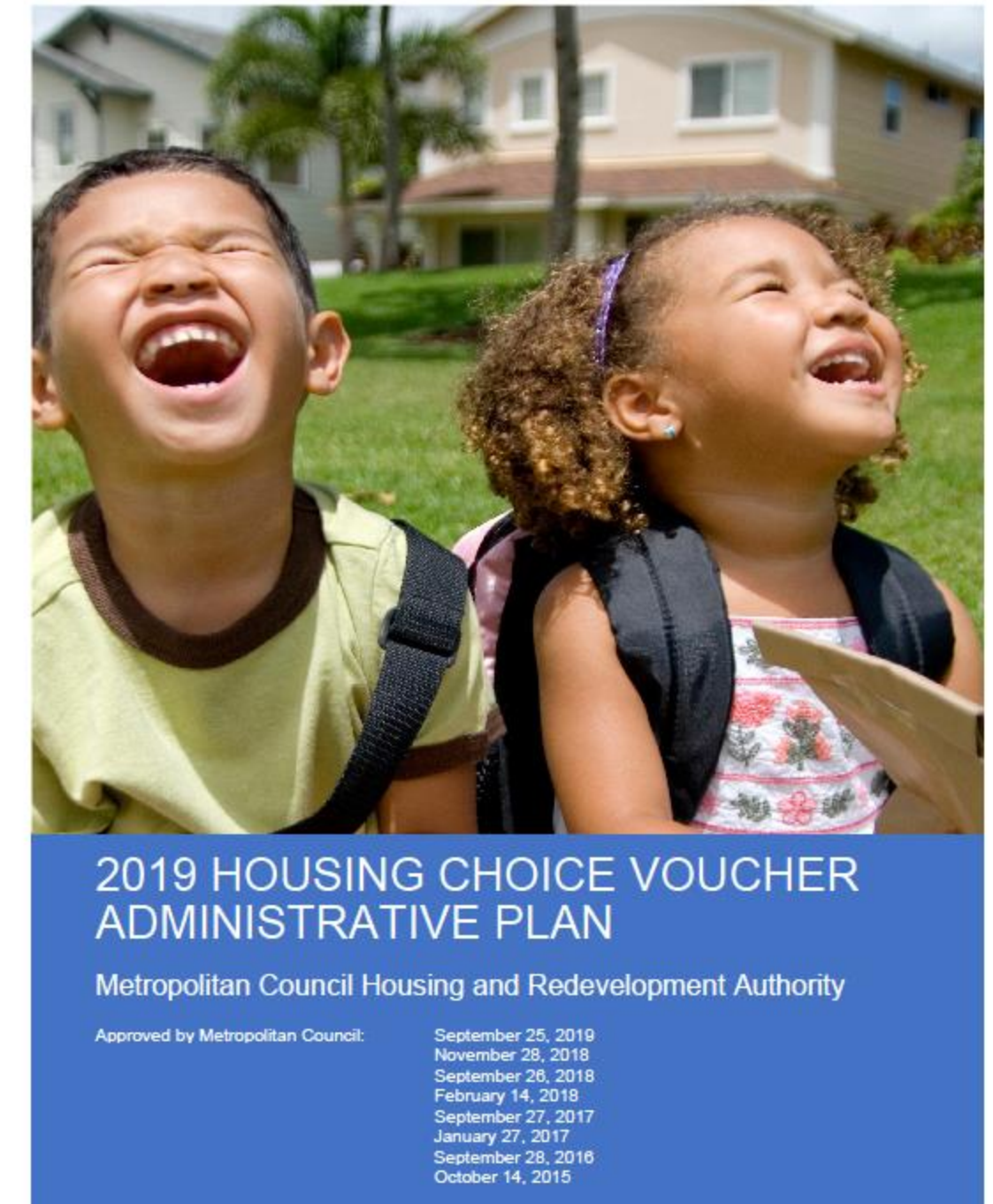


Tenant Based vs. Project Based Vouchers

Tenant-Based Vouchers	Project-Based Vouchers
Tied to the tenant	Tied to the unit
Tenant pays 30% of income towards rent	Tenant pays 30% of income towards rent
Tenant has locational choice	Locational choice is limited
Tenant burdened with finding a landlord willing to accept a voucher	Landlord already committing to program participation
Voucher openings filled with Metro HRA waiting list applicants	Unit openings marketed to families on the Metro HRA waiting OR filled through referral from service providers
Concentration of voucher holders in lower rent areas of the region	Ensure permanent affordable housing units are placed in desired neighborhoods

Project Based Voucher Offer and Award

- Competitively offered through MN Housing Request for Proposals Process
- Projects first ranked by MN Housing and funding partners
- Financially feasible projects forwarded to Metro HRA for ranking
- Ranking criteria outlined in the Metro HRA Administrative Plan
 - Owner experience
 - Extent to which the project deconcentrates poverty
 - Promote projects outside of Areas of Concentrated Poverty (unless preservation)
 - Integration of housing and tenant services
 - Economic integration
 - Development of units for large families
 - Cooperative partnerships
 - Linkages among housing, jobs and transportation
 - Community support



Project Based Voucher Offer and Requests

- 20 Veteran Affairs Supportive Housing (VASH) Project Based Vouchers offered in 2018 funding round
 - Serve veterans experiencing homelessness
 - Partnership with the U.S. Department of Veteran's Affairs
- 6 owners requested a total 42 Project Based Vouchers
- 2 developments (12 units) not financially feasible
 - Did not get necessary financing to move forward
- 1 development not interested in VASH Vouchers
- 2 developments (20 units) are being recommended for Project Based Vouchers



Project Based Voucher Requests

Project Name	City	Project Type	Total # Units	# PBVs Requested	#PBVs Recommended for Award
Owasso Gardens	Roseville	New Construction	60	8	8
The Element	Plymouth	New Construction	58	4	4
Core Crossing	Shakopee	New Construction	59	8	8

Note: 2 developments not in Metro HRA HRA's standard operating area

- Joint Powers Agreements will be needed

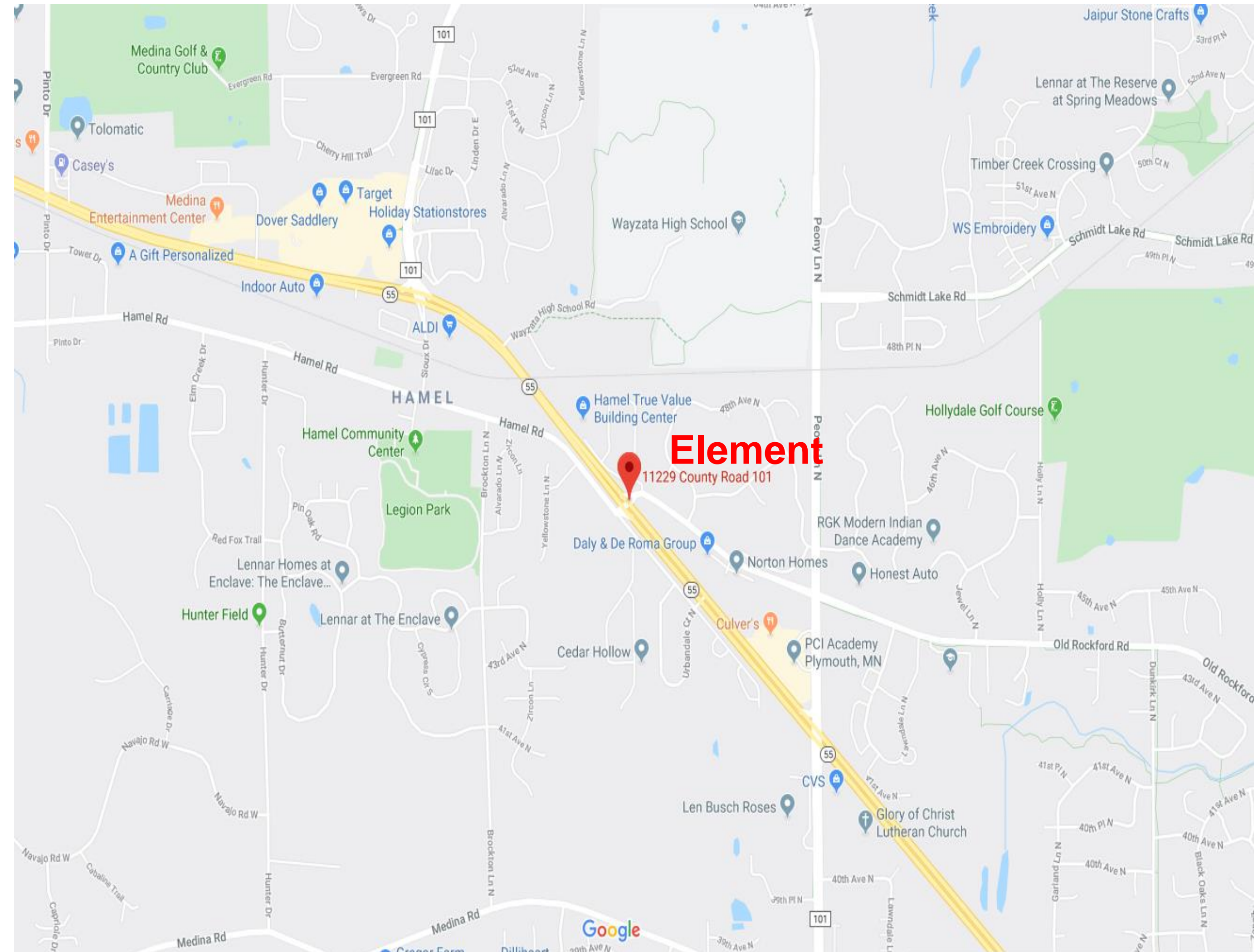
Owasso Gardens, Roseville

- Common Bond - New Construction Project
- 60 Units
 - 1 and 2-bedroom units
- Age-restricted (55+) affordable housing
- 8 PBV units will serve senior veterans experiencing homelessness
 - Services provided by VA
- On-site services also provided to ensure success
- Other funding
 - Livable Communities Demonstration Account Funds - \$675,000
 - Minnesota Housing tax credits



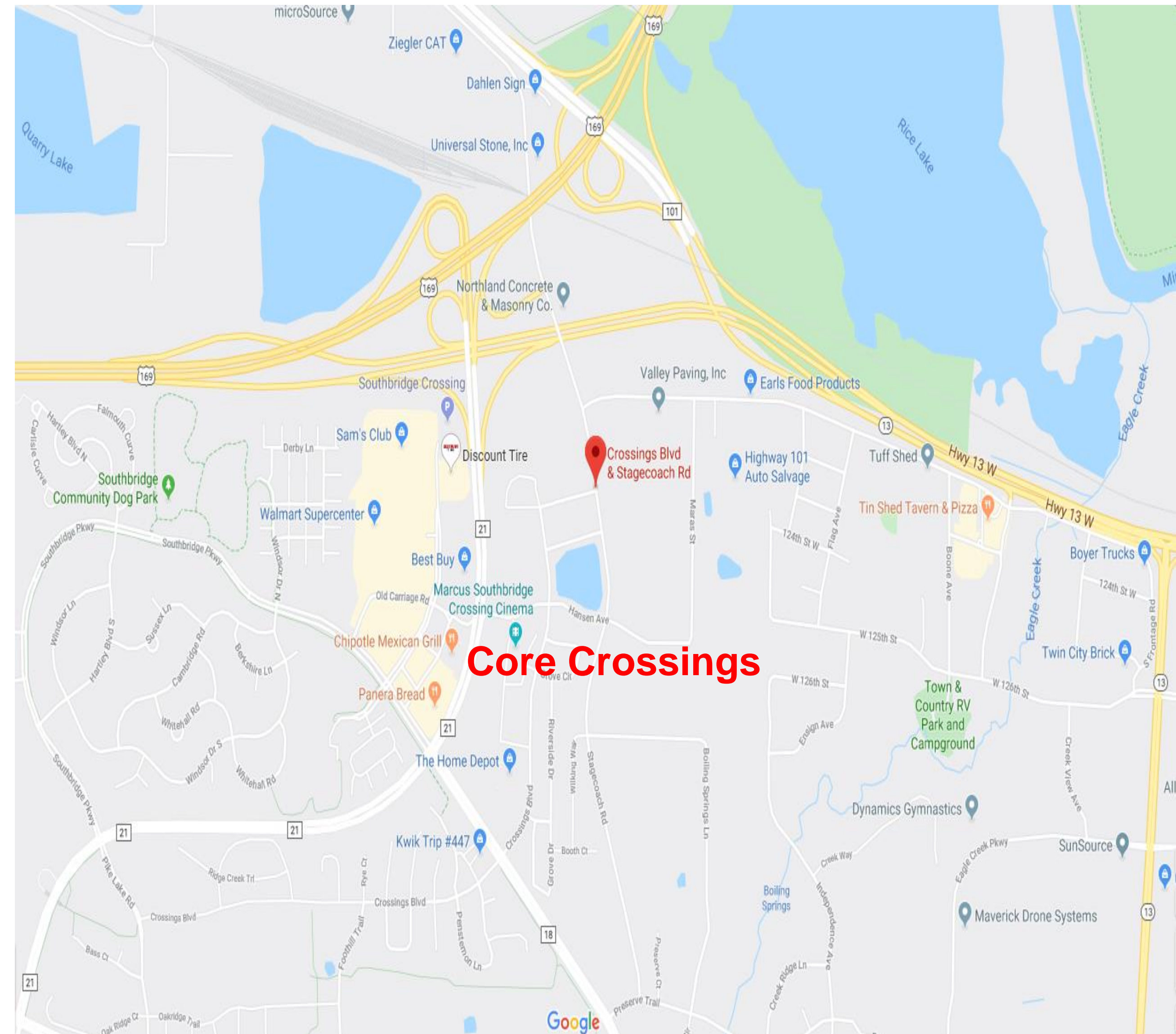
The Element, Plymouth

- Sand Companies - New Construction Project
- 58 units
 - 1, 2 and 3-bedroom units
- 4 PBV units will serve veterans experiencing homelessness
 - Services provided by the VA
- Support services will provide case management, family support and housing and tenancy supports.
- Other funding
 - Livable Communities Local Housing Incentives Account Funds - \$500,000
 - Minnesota Housing tax credits
 - Plymouth HRA Project Based Vouchers
 - Hennepin County – Housing Supports



Core Crossing, Shakopee

- Sand Companies - New Construction Project
- 59 Units
 - 1, 2 and 3-bedroom units
- 8 PBV units will serve veterans experiencing homelessness
- Scott County has over 10,500 housing-cost burdened households
- Support services will provide case management, family support and housing and tenancy supports.
- Other funding
 - Minnesota Housing tax credits
 - Scott County Housing Supports



Next Steps

- Enter into an Agreement to Enter into a Housing Assistance Payments Contract
 - Commits the PBVs during the construction period
- Units inspected to ensure all meet health and safety requirements
- Enter into a Housing Assistance Payments Contract upon construction completion
 - 20-year contract
- Units filled through referrals from the U.S. Department of Veterans Affairs
- Pay rent on behalf of low-income families



Recommendation

That the Metropolitan Council approve the award of Veteran’s Affairs Supportive Housing (VASH) Project Based Voucher (PBV) assistance and authorize staff to execute the necessary documents with the project owners for the following three (3) projects:

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The Element	Plymouth	New Construction	58	4	4
Core Crossing	Shakopee	New Construction	59	8	8

Community Development Committee Meeting

Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

Presented by: Terri Smith, Director, Housing and Redevelopment Authority
March 18, 2019

