

Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

# Family Affordable Housing Program Overview

September 3, 2019

Community Development Committee



# Family Affordable Housing Program History

- 1992 – Class action lawsuit filed against City of Minneapolis and Minneapolis Public Housing Authority (MPHA)
  - Alleging historical patterns of racial segregation
- 1995 – settlement - Hollman Consent Decree
  - Required MPHA to demolish 770 units of public housing; and
  - Create 770 units of replacement housing in non-impacted areas
- Regional effort to meet the requirements of the Decree
- Replacement units developed by regional partners
  - MPHA, Metropolitan Council, Washington County, Carver County

# Council Involvement

- Council committed to developing 150 units of Public Housing
- Minnesota Statute 473.195 provides the Council with authority to develop housing units *with approval of municipalities*
- January 1999 Council action approved establishment of Family Affordable Housing Program
  - Development and operation of public housing units
- Units purchased on the open housing market between 2001 and 2004



# FAHP Unit Purchases

- \$28 Million provided by U.S. Department of Housing and Urban Development
  - Transferred from MPHA to the Council
- Unit purchase criteria established
  - Outside of areas of concentrated poverty
  - Within close proximity to public transportation opportunities
  - Near schools, groceries, banking, jobs and recreational facilities
- Prior approval received from cities
  - Cooperation Agreements in place

# FAHP Unit Details

City	County	# of Units
Blaine	Anoka	15
Coon Rapids	Anoka	20
Eden Prairie	Hennepin	20
Edina	Hennepin	8
Golden Valley	Hennepin	8
Maple Grove	Hennepin	20
Minnetonka	Hennepin	14
Plymouth	Hennepin	10
Richfield	Hennepin	10
Roseville	Ramsey	15
Shoreview	Ramsey	10
Total		150

Unit Type	Number
Single Family Homes	82
Townhomes	68

Unit Size	Number
Two Bedroom	67
Three Bedroom	68
Four Bedroom	12
Five Bedroom	3

\*Units built between 1941 and 2002

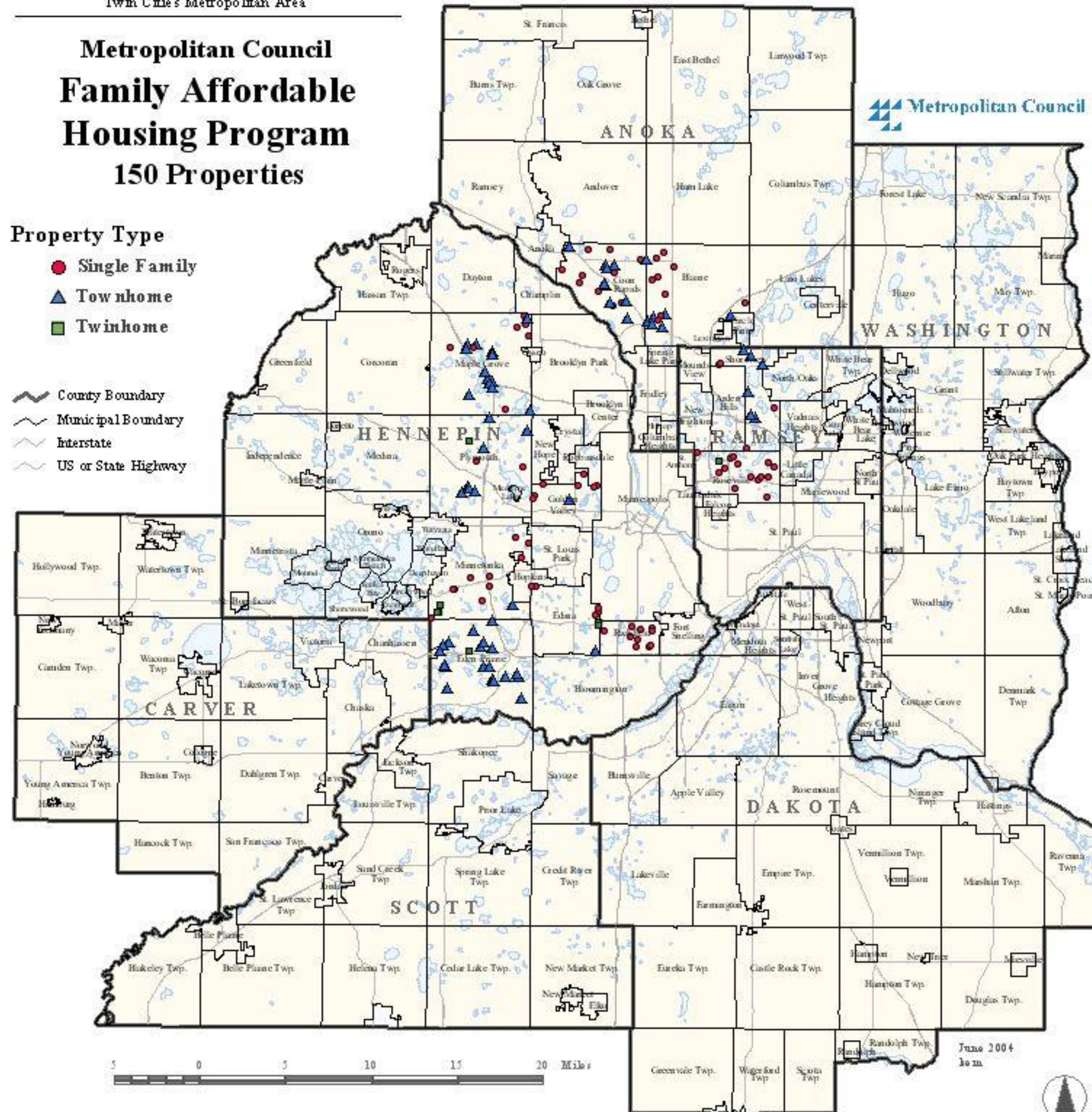


# Metropolitan Council Family Affordable Housing Program 150 Properties

## Property Type

- Single Family
- ▲ Townhome
- Twinhome

- County Boundary
- Municipal Boundary
- Interstate
- US or State Highway

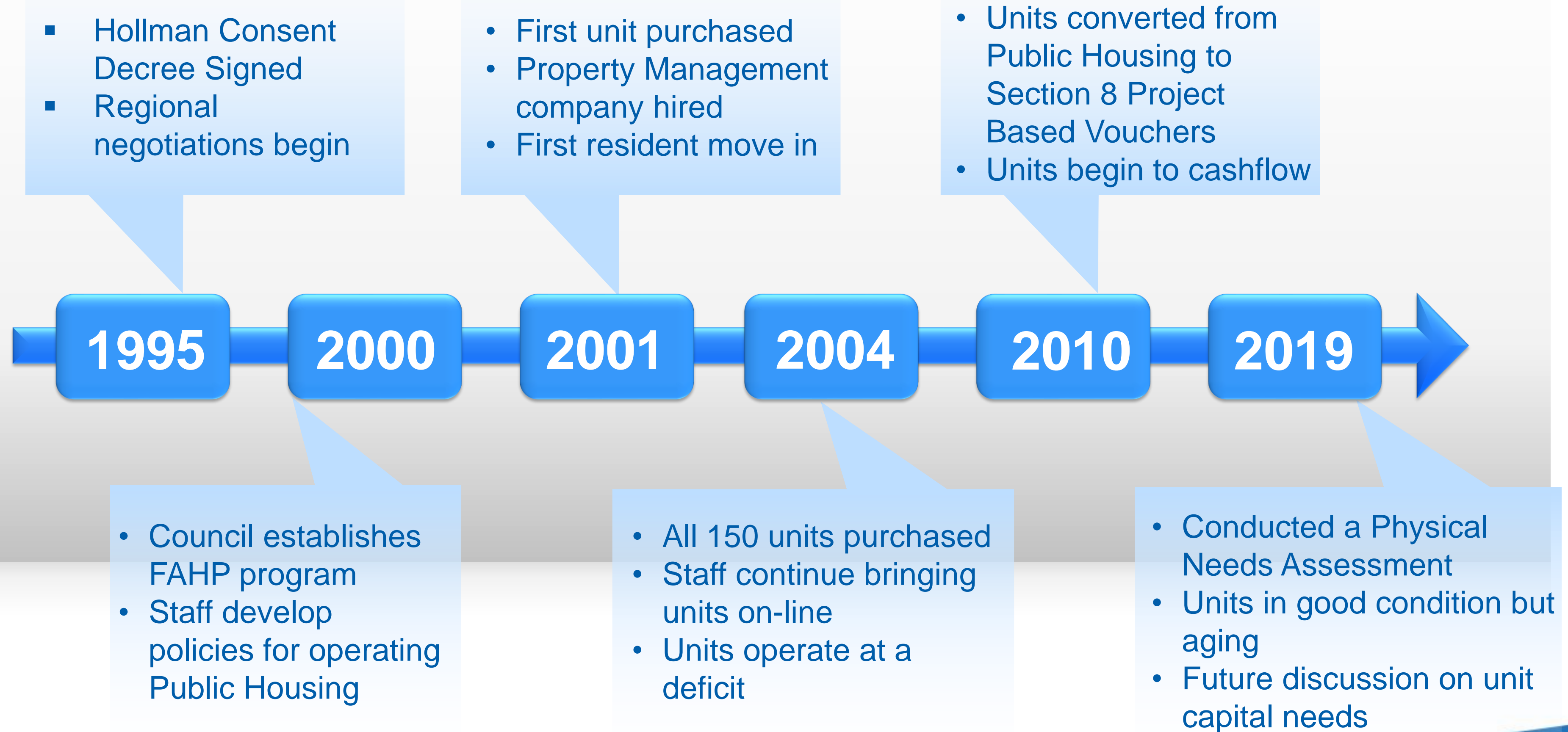




# FAHP Historical Challenges

- Units developed as Public Housing
- Council had never owned housing before
  - Started from square one
- NIMBYism with neighboring homeowners
- Negotiations with cities to gain FAHP acceptance
- Federal funding for scattered site housing not enough to cover operating costs
  - Units operated at a deficit of approximately \$250,000 annually
  - Deficits covered by Section 8 Housing Choice Voucher funding
- **WIN** . . . Several years of research result in unit conversion
  - From Public Housing to Section 8
  - January 1, 2010
  - Units now cash flow

# FAHP Timeline





# Occupancy

- FAHP Waiting List – separate from Housing Choice Voucher list
  - Last opened in 2017
  - 4,494 applications received
  - 2,000 randomly placed on waiting list
- Residents pay 30% of household income towards rent
- Income eligibility – 50% of Area Median Income (family four = \$50,000)
- Resident selection criteria
  - Screen residents in – not out
  - Post-move assistance

# Where are we today?

- Units managed by a private management company
  - Kingwood Management
  - Selected through competitive RFP process
  - Challenging portfolio to manage – scattered sites
- Physical needs assessment
  - Units in good condition and have been well maintained
  - Units are aging
- Need to plan for future
  - 2019 discussion on capital needs plan







# Questions?

Terri Smith

Director, Housing and Redevelopment Authority

(651) 602-1187

[Terri.smith@metc.state.mn.us](mailto:Terri.smith@metc.state.mn.us)



Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

# Public Housing Agency Plan

June 4, 2018

Community Development Committee

