

Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

# **Project Based Voucher Program Offer and Award Priorities**

May 4, 2020

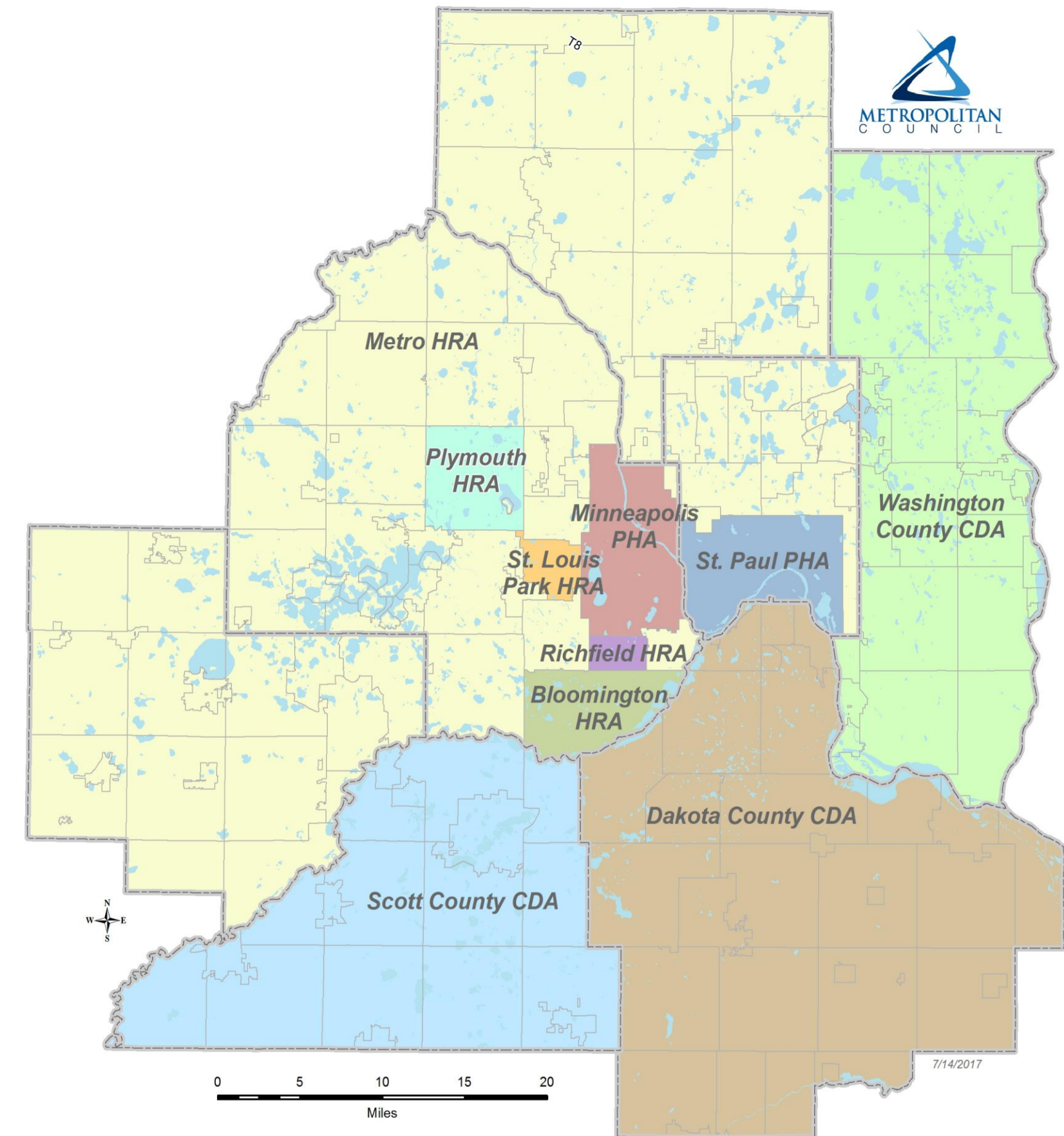
**Community Development Committee**

Presented by Terri Smith, Director, HRA

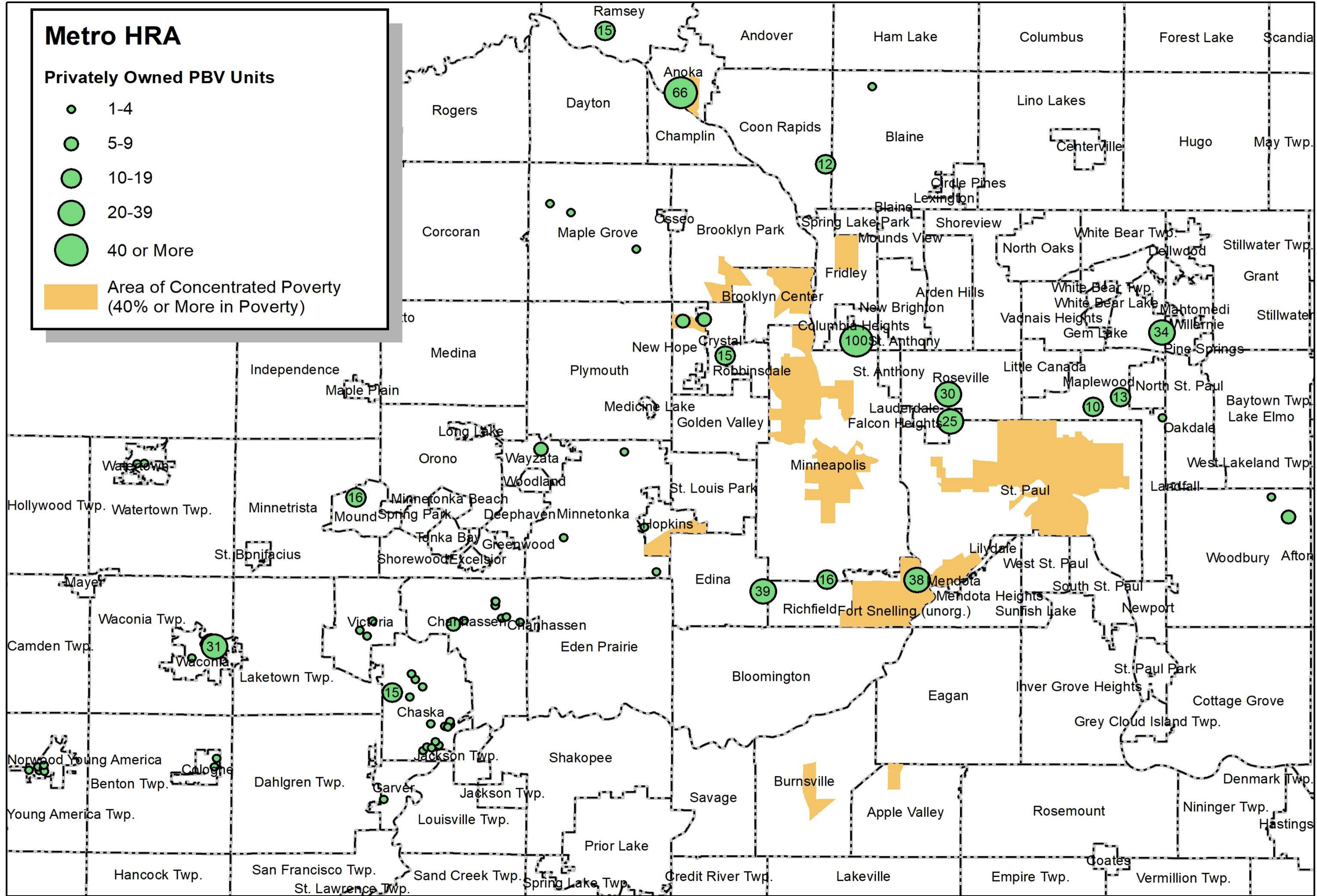


# Metro HRA Voucher Program

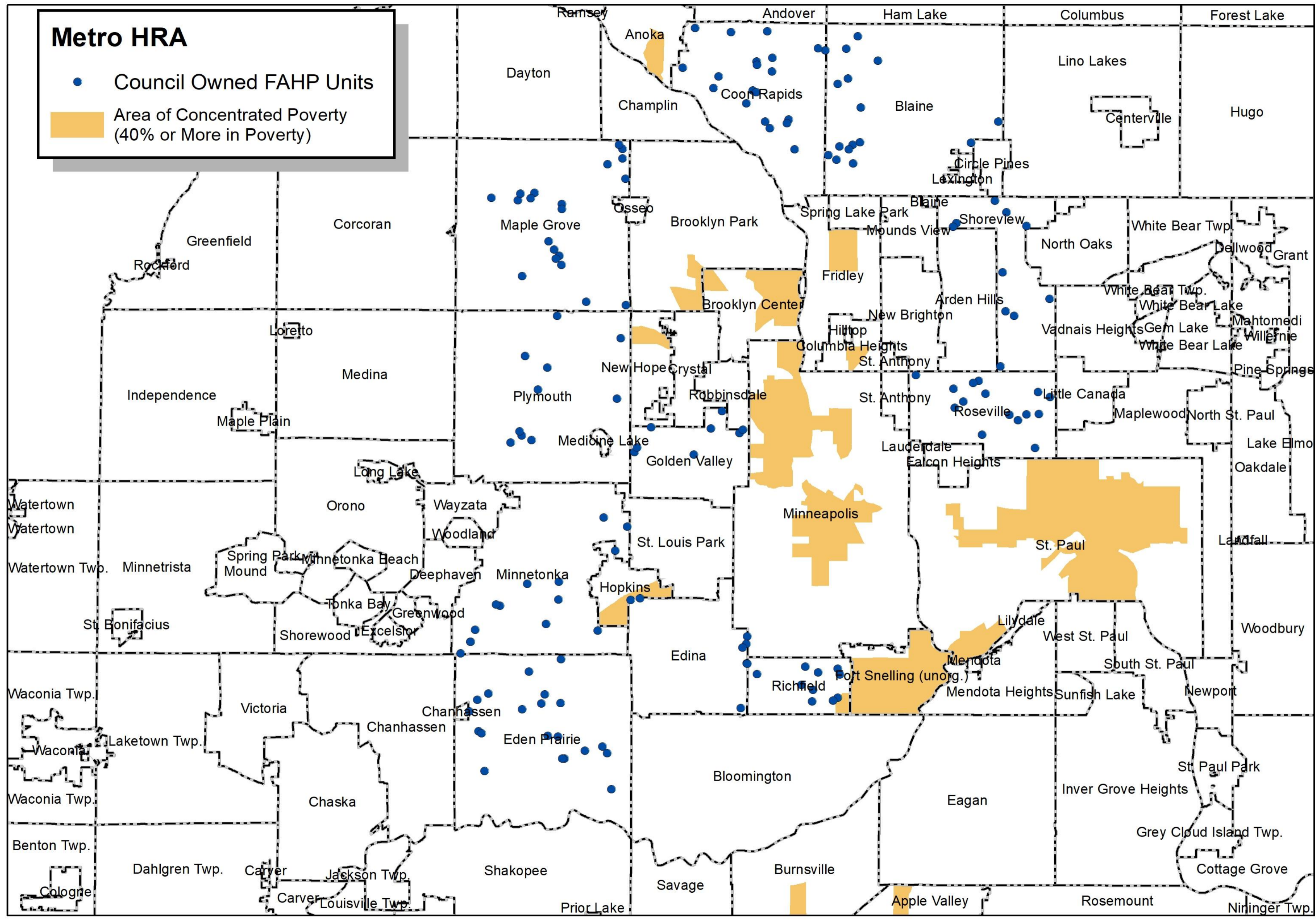
- 6,812 federal Housing Choice Vouchers (Section 8)
- U.S. Department of Housing and Urban Development allows HRA discretion to project-base up to 20% of its vouchers.
- Current Council approval = up to 20% of vouchers
- Current Voucher split
  - 5,989 Tenant-Based
  - 823 Project-Based (12%)
- Project Based Vouchers
  - 45 Projects in 30 Communities







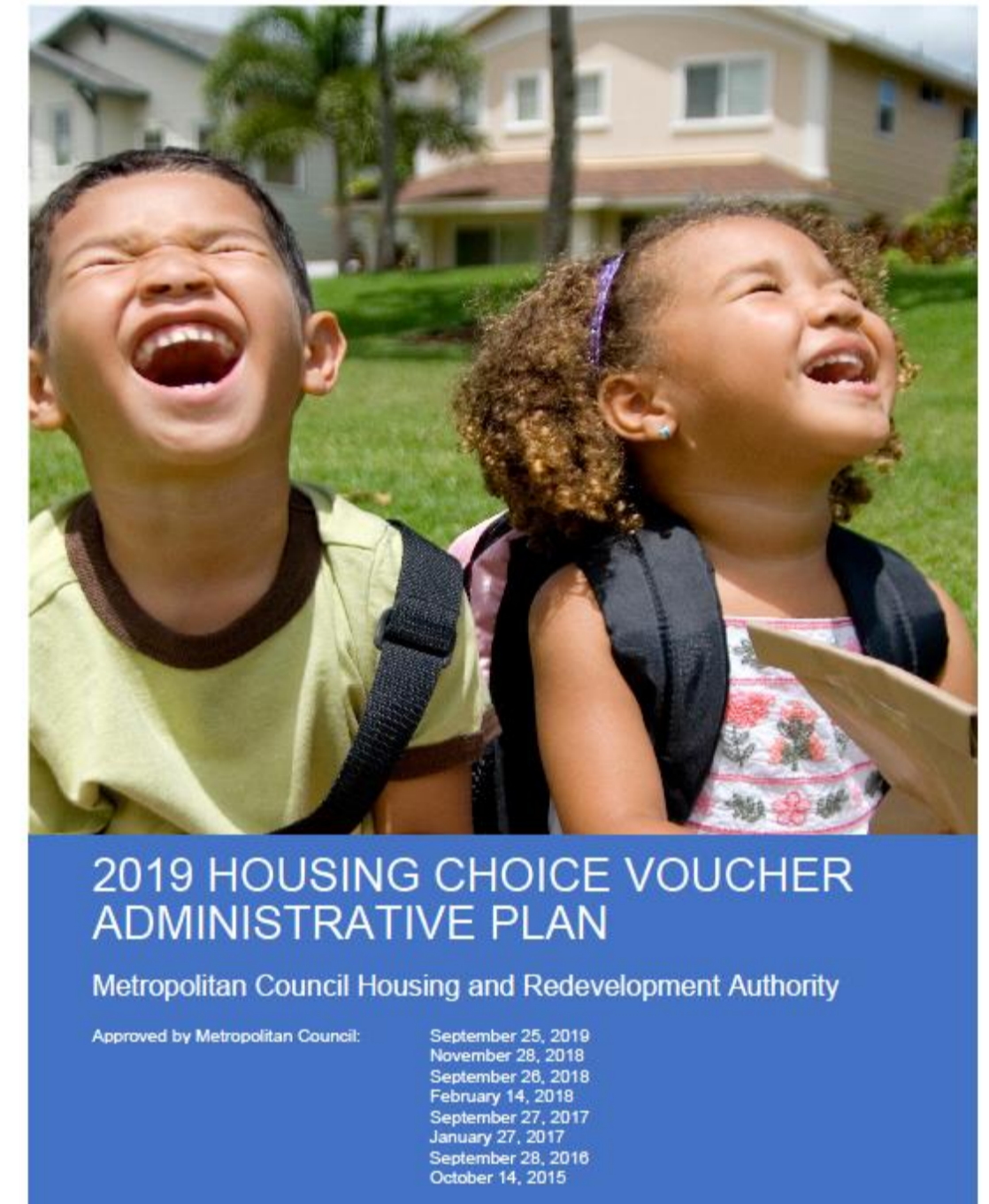






# Project Based Voucher Offer and Award

- PBVs can be awarded to new construction or existing housing units
- PBVs can serve a varying purposes
  - General occupancy for individuals or families
  - Specialized populations such as people experiencing homelessness or people living with disabilities
    - Generally have support service connections
- Metro HRA Administrative Plan determines selection criteria
  - 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



# Historical PBV Offer and Award Process

- PBVs offered through Minnesota Housing's consolidated RFP
  - Owners / developers apply for PBVs while also applying for other public funding
    - Tax Credits, First Mortgage, Local Housing Incentives Account Funds
  - Proposals ranked high enough by Minnesota Housing then forwarded to Metro HRA for consideration
    - Dependent on MN Housing funding priorities
    - Minnesota Housing controls which projects get funded
  - Formal awards made by the Council



# Proposed PBV Offer and Award Process

- Issue a Request for Proposals independently and in advance of Minnesota Housing's RFP
  - Developers apply directly to Metro HRA for PBVs
  - Allows the Council to target PBVs to specific populations and projects
  - Developers go into the MN Housing RFP process with the contingent award of PBVs . . . Giving them extra points for other available public funding
    - If developer gets other financing commitments, the PBVs are formally awarded through Council action
    - If developer does not get other financing, the PBVs are not awarded and developer reapplies for PBVs at a later date
      - PBVs remain in the broader voucher pool until again offered as PBVs

# PBV Selection Criteria – Current and Proposed

Selection Criteria Description	Current Possible Points	Proposed Possible Points	Change
Owner experience and capability to build or rehabilitate housing	10	5	-5
Extent to which the project furthers the goal of deconcentrating poverty and expanding housing and economic opportunities	10	10	
To promote projects located outside of Areas of Concentrated Poverty, unless preservation	20	15	-5
To increase the supply and availability of affordable housing and contribute to the upgrading and long-term viability of metro area housing stock	5	5	
To integrate housing and tenant services for special needs tenants and to promote partnerships that link support services with affordable housing	15	20	+5
To encourage economic integration in housing development	10	10	
To encourage the development of housing for larger families needing 3 or more bedrooms	10	10	
To promote linkages among housing, jobs and transportation and/or promote development along transportation corridors	15	15	
Extent of community support for the proposed housing	5	10	+5
Total Points	100	100	



# Timeline and Next Steps





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