

Metropolitan Council Housing and Redevelopment Authority (Metro HRA)

# **Addition to Project Based Voucher Award Recommendations**

February 1, 2021

Community Development Committee



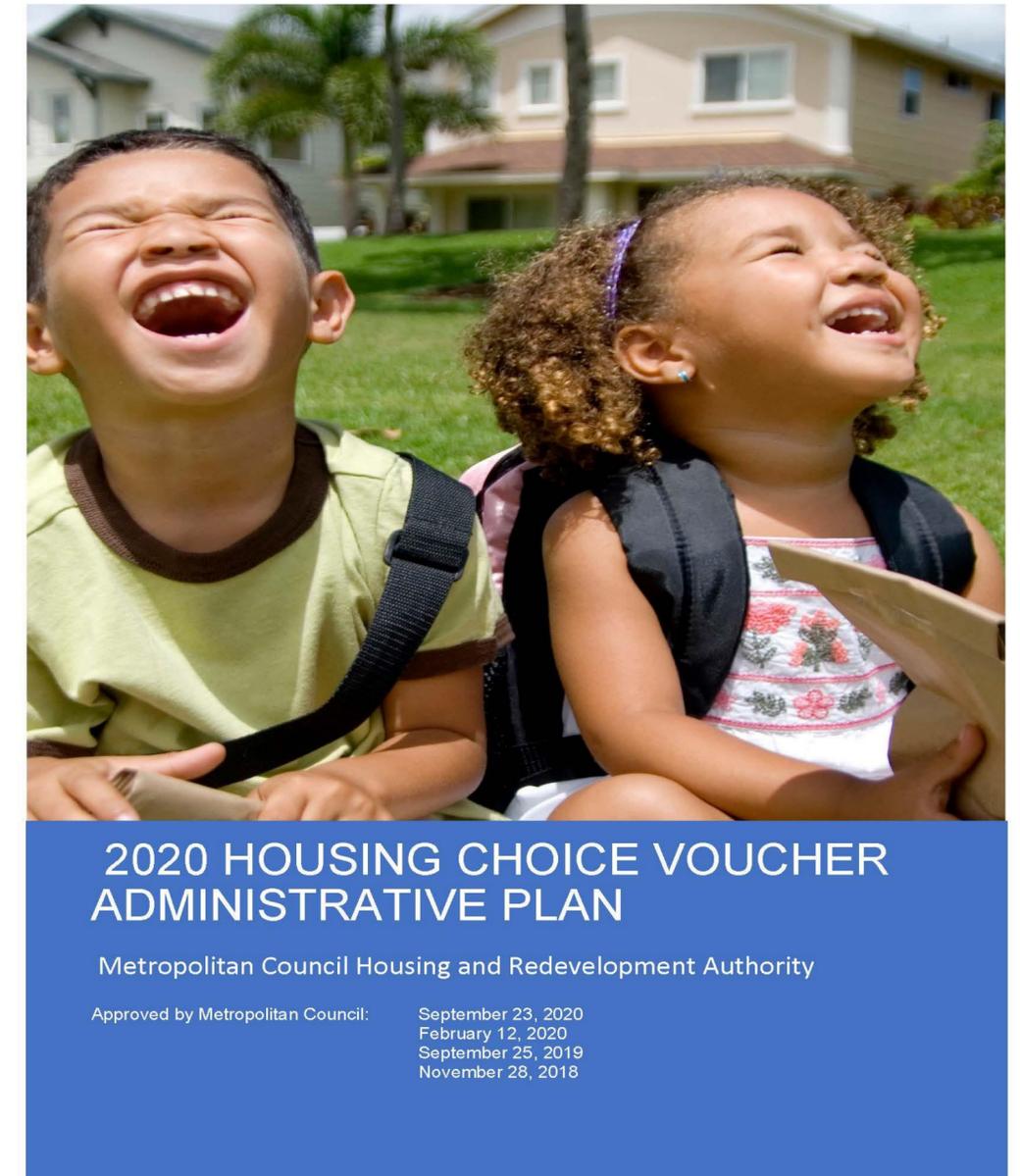
# Project Based Voucher Offer and Award

- Metro HRA issued a Request for Proposals to offer and award up to 200 PBVs issued May 21, 2020
- 24 Applications received representing 321 PBV units
- Proposals ranked using the below selection criteria

| Selection Criteria Description  | Possible Points |
|---|-----------------|
| Owner experience and capability to build or rehabilitate housing  | 5               |
| Extent to which the project furthers the goal of deconcentrating poverty and expanding housing and economic opportunities   | 5               |
| To promote projects located outside of Areas of Concentrated Poverty, unless the project is preserving an existing subsidy to help maintain affordability   | 15              |
| To increase the supply and availability of affordable housing for very low and extremely low-income households in the metro area and to contribute to the upgrading and long-term viability of metro area housing stock | 5               |
| To integrate housing and tenant services for special needs tenants and to promote cooperative partnerships that link support services with affordable housing   | 20              |
| To encourage economic integration in housing development  | 10              |
| To the extent possible, encourage the development of housing for larger families needing 3 or more bedrooms   | 15              |
| Extent to which the proposed project promotes linkages among housing, jobs and transportation and/or promotes higher-density development along selected transportation corridors  | 15              |
| Extent of community support for the proposed housing  | 10              |
| <b>Total Points</b>   | <b>100</b>      |

# Selection and Ranking

- The RFP outlined additional provisions for coordination with MN Housing's Consolidated RFP
  - *New construction projects will be provided with a Letter of Intent that commits Project-Based Vouchers, contingent on a project receiving the necessary funding in 2020 to become financially feasible.*
- 13 projects representing 196 PBVs received Letters of Intent
  - Prior to MN Housing's Consolidated RFP deadline
    - Preliminary PBV award provided projects with additional funding points
- 6 projects – 81 PBV units awarded by Council on January 13, 2021
- Recommending one additional project today – 4 PBVs

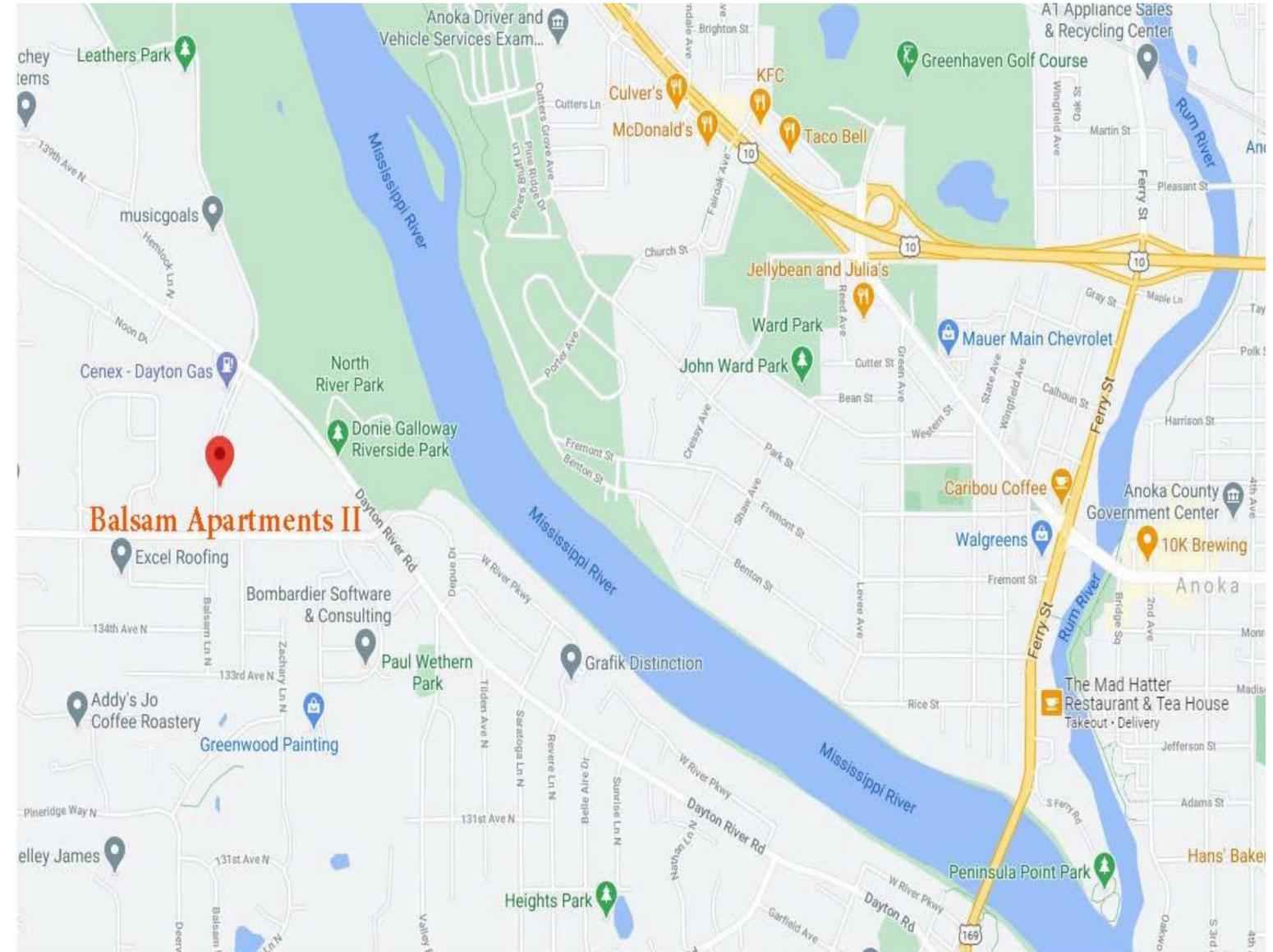


# Project Based Voucher Award Requests

| Project                                   | City                                   | Total Units in Project | PBV Award    |
|---|--|------------------------|--------------|
| Beyond New Beginnings                     | Chaska                                 | 4                      | 4            |
| Carver County School District Partnership | Chaska, Norwood Young America, Waconia | Scattered Sites        | 5            |
| Cranberry Ridge                           | Plymouth                               | 45                     | 10           |
| Edison II                                 | Roseville                              | 59                     | 4            |
| Trails Edge South                         | Waconia                                | 60                     | 8            |
| Vista 44                                  | Hopkins                                | 50                     | 50           |
| <b>Balsam Apartments II</b>               | <b>Dayton</b>                          | <b>48</b>              | <b>4</b>     |
| <b>TOTAL Request</b>                      |  |                        | <b>81 85</b> |

# Balsam Apartments II, Dayton

- Sand Companies - New Construction Project
- 48 Units
  - 1, 2 and 3-bedroom units
- 4 PBV units will serve broad low-income households
- Project goal is to meet the housing needs generated by the increase in people moving to the area for jobs, new and expanding employers, proximity to Minneapolis and St. Paul
- 9 units will contain housing supports for households experiencing homelessness or living with disabilities
- On-site services will be provided by Simpson Housing
- Other funding
  - Minnesota Housing tax credits
  - City of Dayton leveraged CDBG funds to acquire land



## Next Steps

- Enter into an Agreement to Enter into a Housing Assistance Payments Contract
  - Commits the PBVs during the construction period
- Enter into a Housing Assistance Payments Contract upon construction completion
  - 20-year contract
- Units inspected to ensure all meet health and safety requirements
- Pay rent on behalf of low-income families



# Recommendation

- That the Metropolitan Council approve the award of Project Based Voucher (PBV) rent assistance and authorize the Metro HRA Director to execute the necessary documents with the project owners for the following project:

| Project              | City   | Total Units in Project | PBV Award |
|----------------------|--------|------------------------|-----------|
| Balsam Apartments II | Dayton | 48                     | 4         |

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