

Community Development Committee

Meeting date: Monday, June 21, 2021

For the Metropolitan Council meeting of July 14, 2021

Subject: Emergency Housing Vouchers and Foster Youth to Independence Program Approvals

District(s), Member(s): All

Policy/Legal Reference: U.S. Department of Housing and Urban Development Notice 2021 -15 and Notice 2020-28

Staff Prepared/Presented: Terri Smith, Director, Metropolitan Housing and Redevelopment Authority, (651) 602-1187

Division/Department: Community Development/ Metro HRA

Proposed Action

That the Metropolitan Council:

1. Approve participation in the Emergency Housing Voucher program and authorize the Director, Metropolitan Housing and Redevelopment Authority, to negotiate and execute Memorandums of Understanding with Hennepin, Ramsey, and Suburban Metro Area Continuums of Care.
2. Authorize the Director, Community Development Division, to negotiate and execute a Joint Powers Agreement with the Minneapolis Public Housing Authority to allow the two agencies to operate in each other's service area for the EHV's.
3. Approve participation in the Foster Youth to Independence program and authorize the Director, Metropolitan Housing and Redevelopment Authority, to negotiate and execute Memorandums of Understanding with the public child welfare agencies within our service area.

Background

This report covers two voucher programs which coincided in their award timing. Details regarding each program, Emergency Housing Vouchers and Foster to Youth Independence Program, are detailed below.

Emergency Housing Vouchers

President Biden signed the American Rescue Plan (ARP) Act of 2021 which provides \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic, including \$5 billion for Emergency Housing Vouchers (EHVs). The U.S. Department of Housing and Urban Development (HUD) allocated approximately 70,000 EHV's to 700 Public Housing Agencies (PHA) nationwide. The Council's Metropolitan Housing and Redevelopment Authority (Metro HRA) was awarded 218 EHV's through a formula allocation. There may be additional EHV's offered in the event that other PHAs decline their allocation.

The EHV's are tenant-based rent assistance for individuals and families who are experiencing homelessness, at risk of homelessness, fleeing or attempting to flee domestic violence, or were recently homeless. Referrals for the EHV's must come through the County Continuum of Care Coordinated Entry System, a centralized process that coordinates the intake, assessment, and referrals for people experiencing homelessness to access homeless dedicated housing.

The Metro HRA service area includes operations in three CoC areas: Hennepin County, Ramsey County, and Suburban Metro Area (includes Anoka, Carver, Dakota, Scott and Washington Counties). A Memorandum of Understanding is required with the CoC(s) outlining responsibilities of each party in relationship to this EHV program.

The proposed Joint Powers Agreement will allow the Metro HRA and Minneapolis Public Housing Authority (MPHA) the authorization to operate in each other's service area for its EHV allocation. This will ease administration and provide for efficient lease up for program participants.

The EHV's are supported with HUD standard fees for the cost of administering. In addition, the EHV's come with additional non-standard funding for other eligible expenses such as security deposit assistance, costs related to retention and support of participating property owners, and incentive fees for quick lease up.

The EHV's sunset after September 30, 2023. This means that when an EHV participant leaves the program for any reason, the PHA may not reissue that EHV to another family unless it does so prior to September 30, 2023. Families remaining on EHV assistance on the sunset date may continue to use the rent assistance as long as they remain eligible for assistance.

Foster to Youth Independence Program

The Consolidated Appropriations Act of 2020 provides \$10 million on a non-competitive basis to public housing agencies (PHAs) that partner with public child welfare agencies (PCWAs) to provide rent assistance to eligible youth. HUD is investing in local cross-system collaborative efforts to prevent and end homelessness among youth with a current or prior history of child welfare involvement. Youth are considered eligible when the youth:

- Has attained at least 18 years and not more than 24 years of age;
- Left foster care, or will leave foster care within 90 days; and
- Is homeless or is at risk of becoming homeless at age 16 or older.

The Metro HRA is eligible to request up to 25 FYI vouchers. After reaching 90% utilization of the initial award, we may request an additional 25 vouchers, not to exceed more than 50 vouchers in a fiscal year. As required by statute, an FYI voucher may only be used for a maximum of 36 months. The FYI vouchers are supported with the HUD standard fees for administrative costs. The FYIs do not come with any non-standard funding like the above EHV's.

To operate this program, the Metro HRA must enter into a Memorandum of Understanding with the PCWAs in our service area. The PCWA will be responsible for referral and eligibility determination for eligible youth and supportive services, including transition planning for after the 36-month period.

Rationale

The Emergency Housing Vouchers and the Foster to Youth Independence programs will further the region and state's goal of ending homelessness and will provide additional rent assistance resources to the region.

Thrive Lens Analysis

The programs support the Thrive outcomes of equity, livability, and prosperity by assisting voucher holders in paying rent in a privately owned rental unit that is safe and affordable, while contributing to the goal of ending homelessness among the region's most vulnerable people.

Funding

Funding for rent subsidy and fees for program operation will be provided by the U.S. Department of Housing and Urban Development. The administrative fee structure is sufficient to cover the cost of staffing needed to support the programs.

Known Support / Opposition

Metro HRA staff have been working with and have the support of County partners and the local HUD office on both initiatives.