

## Community Development Committee

Meeting date: February 22, 2022

**Subject:** Project Based Voucher Program – 2022 Offer and Award

**District(s), Member(s):** All

**Policy/Legal Reference:** 24 CFR Part 983

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

**Division/Department:** Community Development / HRA

### Proposed Action

None. Information Only

### Background

The Council's Housing and Redevelopment Authority (Metro HRA) administers 6,894 Housing Choice Vouchers (HCV). The majority of these vouchers are tenant-based and move from place to place with the tenant. The U.S. Department of Housing and Urban Development (HUD) allows housing authorities the discretion to Project Base up to twenty percent (20%) of their vouchers, referred to as Project Based Vouchers (PBVs). The Metropolitan Council approved project basing *up to 20%* of vouchers as PBVs. Generally, the Administrative Plan sets the overall policy guidance (*up to 20%* PBVs) while staff puts the policy into operations, with Council Member input.

Staff considered many variables, as outlined in the [Metro HRA Administrative Plan](#), Chapter 17, when determining whether or not to offer PBVs in 2022. These include overall voucher utilization, current voucher turnover rates, funding and budget, and balancing PBV and waiting list admissions. The Metro HRA does not receive extra vouchers or a separate pool of funding from HUD for PBVs. Generally, all Housing Choice Vouchers are fully utilized. Rather, the PBVs come from a very limited pool of turnover vouchers from the standard Housing Choice Voucher program.

Over the last three years, the Metro HRA has had an average of 62 turnover vouchers per month. However, in 2021, the number of turnover vouchers decreased to 36 per month. This reduction is likely a result of the pandemic. People are not moving around, are not experiencing increased income and are not giving up their housing vouchers. Balancing the use of the limited turnover vouchers is incredibly difficult.

The Metro HRA awarded 85 PBVs in 2020. This is the largest number of PBVs awarded in the history of the PBV program, without a special allocation of vouchers. The Metro HRA did not offer any PBVs in 2021 to allow focus on waiting list admissions and directing staffing capacity to other initiatives.

The purpose of this information item is to share:

- Current information on voucher utilization and turnover
- Details from a Project Based Voucher program Listening Session held on the Thursday, February 9, 2022 with developers and owners
- Next steps with the PBV program