

Information Item

Community Development Committee



Meeting Date: February 21, 2023

Topic

Project Based Voucher Program – 2023 Approach

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

Background

The Council's Housing and Redevelopment Authority (Metro HRA) administers 7,039 Housing Choice Vouchers (HCV). The majority of 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). HUD allows an additional ten percent (10%) for units serving people experiencing homelessness or veterans, units providing supportive services to persons with disabilities or elderly persons, or units located in a census tract with a poverty rate of 20% or less. As part of the 2022 Housing Choice Voucher Administrative Plan (Administrative Plan), the Metropolitan Council approved project basing up to 20% of vouchers. 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 considers many variables, as outlined in the [Administrative Plan](#), Chapter 17, when determining whether or not to offer PBVs in a given year. These factors include:

- overall voucher utilization
- current voucher turnover rates
- funding and budget
- 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 allocated to the Metro HRA are fully utilized. Rather, the PBVs come from a very limited pool of turnover vouchers from the standard Housing Choice Voucher program. The Metro HRA had just over 500 vouchers turn over in 2022 (44 per month). These turnover vouchers serve a variety of purposes.

The last Council award of PBVs was in 2020 when it awarded 85 PBVs. This is the largest number of PBVs awarded in the history of the PBV program, without a special allocation of vouchers. Of the 85 PBVs awarded, 50 were awarded for a Beacon Interfaith Housing project, Vista 44. 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 Metro HRA offered 20 Veteran's Affairs Supportive Housing (VASH) vouchers in 2022, but none were formally awarded due to one project not meeting eligibility criteria and one not obtaining full financing.

The purpose of this information item is to share:

- Current information on voucher utilization and turnover
- 2023 Work Plan Items impacting staffing capacity
- Details from a Project Based Voucher Program Listening Session held on the Wednesday, February 8, 2023 with developers and owners
- Next steps with the PBV program

