

Project Based Voucher Program 2023 Approach

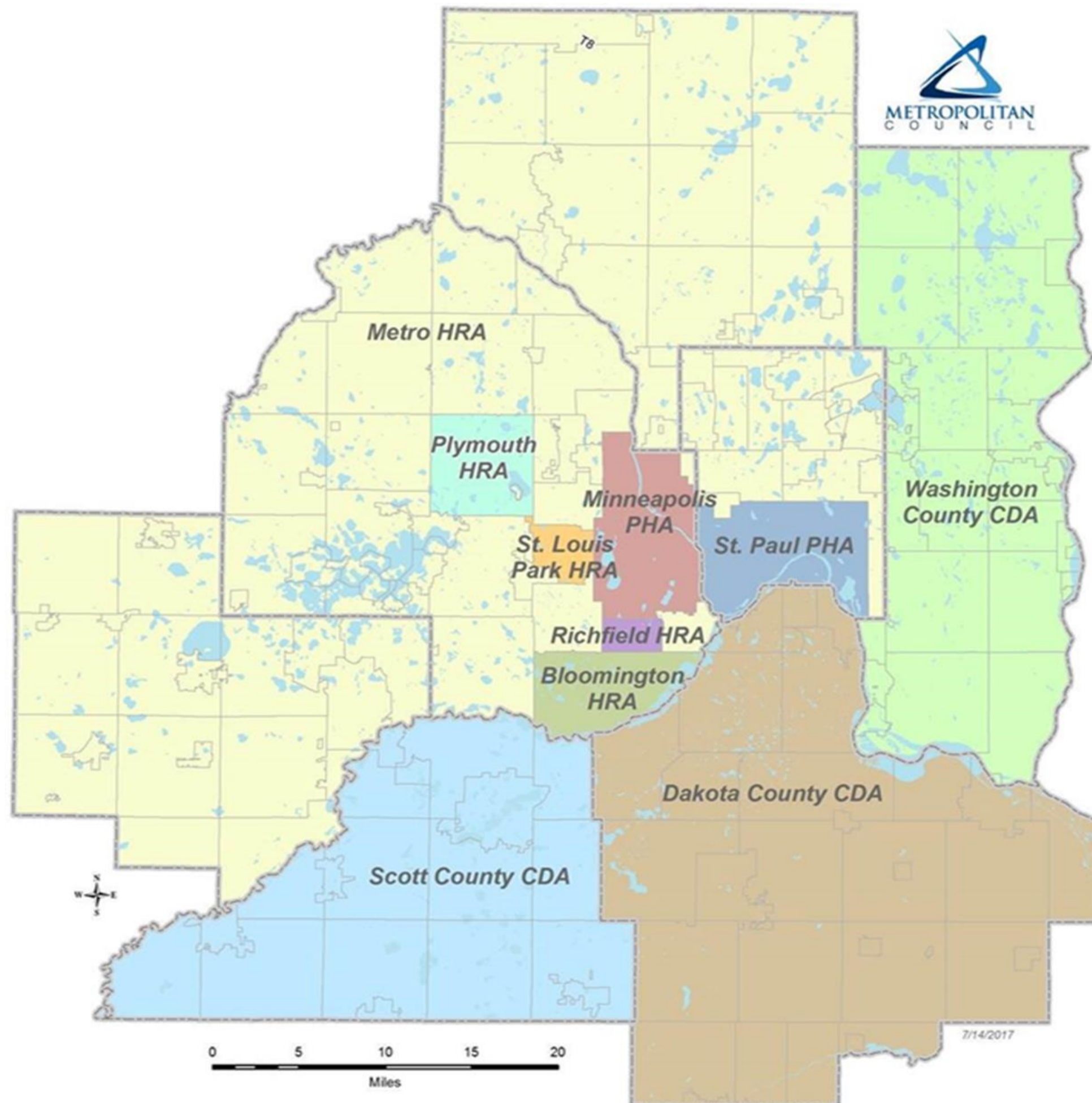
Metropolitan Council Housing and Redevelopment Authority
(Metro HRA)



Terri Smith, Director, Metro HRA

February 21, 2023

Metro HRA Summary

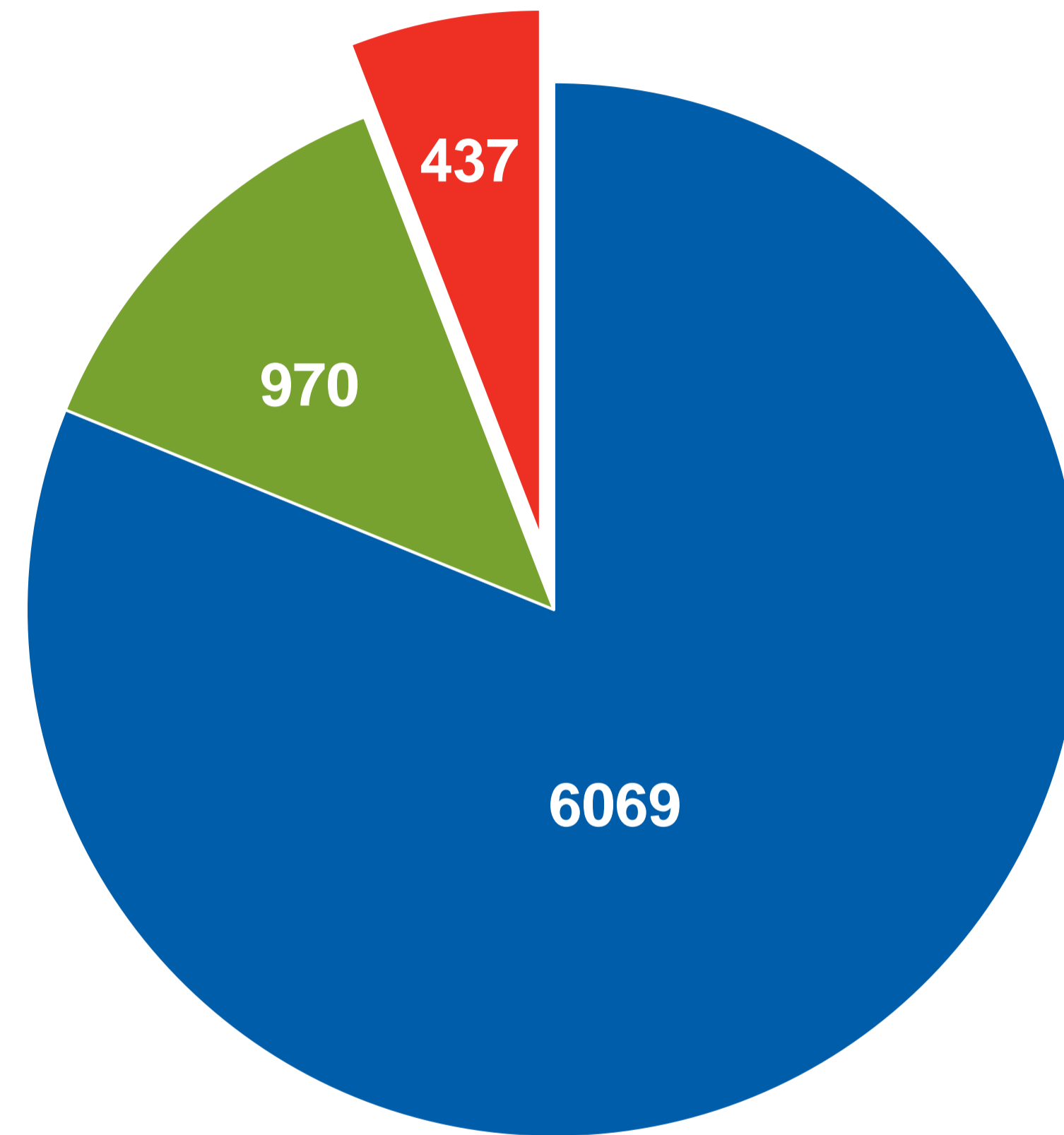


- 7,000 program participants
- 8 Programs
- Anoka and Carver County, Suburban Hennepin and Ramsey County
 - 96 communities
- \$76 million annually in rent payments
 - 1,800 active landlords

PBV Summary

- 7,039 Vouchers
- HUD allows up to 20% PBV
 - Plus additional 10% for supportive service projects
- 970 PBV units awarded (14%)
- 55 Developments
- 33 Communities

Current Voucher Split



- Housing Choice Vouchers
- Project Based Vouchers
- Remaining available to Project Base

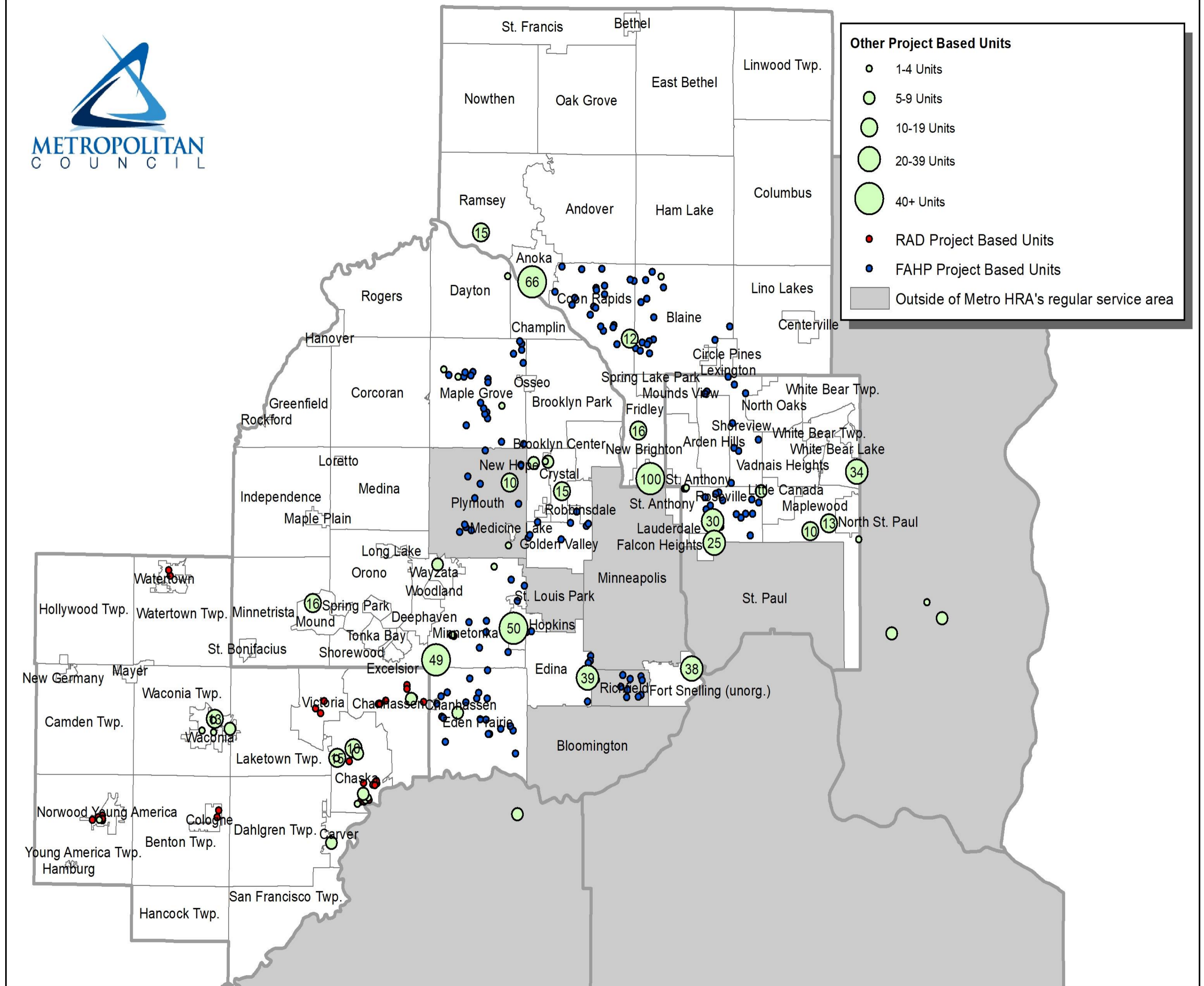
Voucher Overview

7,039 Housing Choice Vouchers

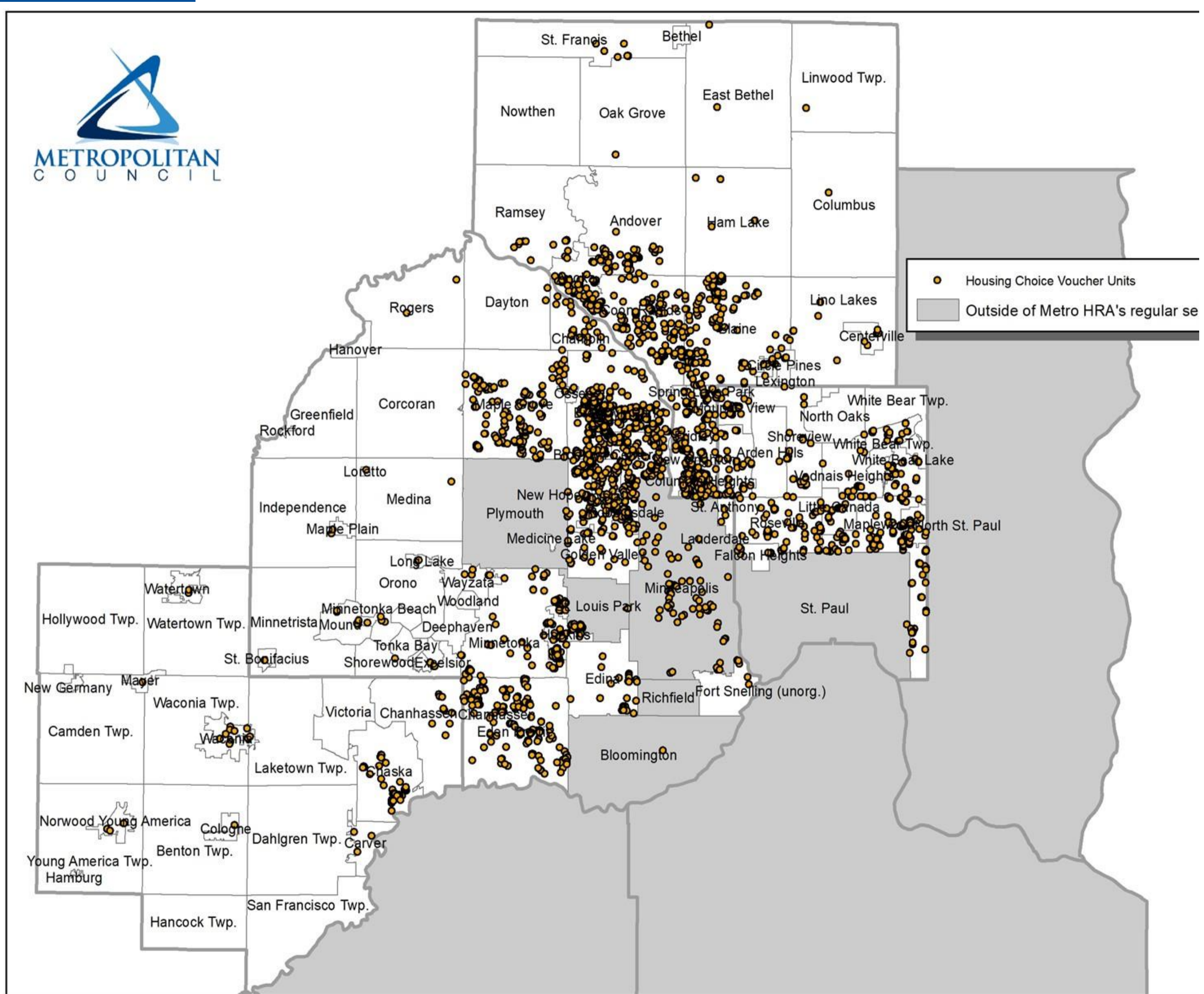
HUD allows discretion to project-base up to 20% (plus additional 10% for support service developments)

Program Name	Populations Served	# Vouchers	# Vouchers in Use	PBV Option?
Emergency Housing Vouchers	Homeless or fleeing domestic violence	218	179	No
Mainstream Vouchers	Homeless or transitioning out of institution	253	204	Yes
Veteran's Affairs Supportive Housing	Homeless veterans	210	121	Yes
Family Unification Program	Families with child protection involvement	46	46	Yes
Non-Elderly Disabled	Disabled ages 18-61	200	201	No

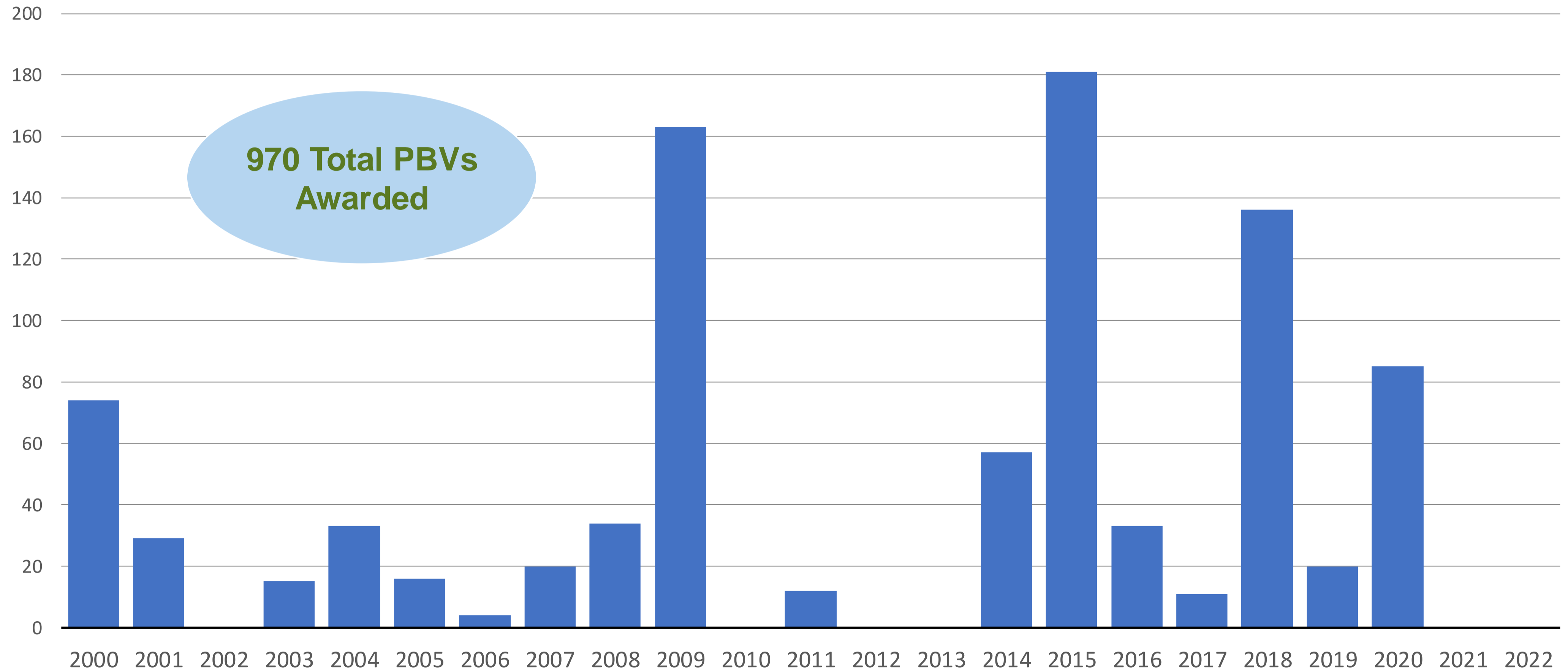
Metro HRA Project Based Voucher Distribution



Metro HRA Housing Choice Voucher Distribution



PBV Offer and Award History



2009, 2015, and 2018 were anomaly years where PBVs were awarded through direct HUD award of new vouchers

PBVs in the Region

HRA/PHA Name	Number HCVs	Number PBVs	% PBV
Scott County CDA	404	146	34%
Minneapolis PHA	6000	1800	28%
St. Paul PHA	4929	782	16%
St. Louis Park HRA	343	54	16%
Plymouth HRA	230	34	15%
Metro HRA	7039	970	14%
Bloomington HRA	551	36	7%
Dakota County CDA	2759	167	6%
Washington County CDA	237	0	0%
Richfield HRA	232	0	0%

Project Based Voucher Considerations

HUD does not provide new vouchers for project basing

PBVs come from a limited supply of turnover vouchers that serve many purposes

- Waiting list applicants
- Initially filling PBV units
- PBV unit movers
- Absorbing vouchers from other housing authorities
- Waiting List Preferences

Voucher Turnover History

Year	Monthly Voucher Turnover	Annual Voucher Turnover
2018	65	780
2019	56	672
2020	53	636
2021	36	432
2022	44	528

Project Based Voucher Policy

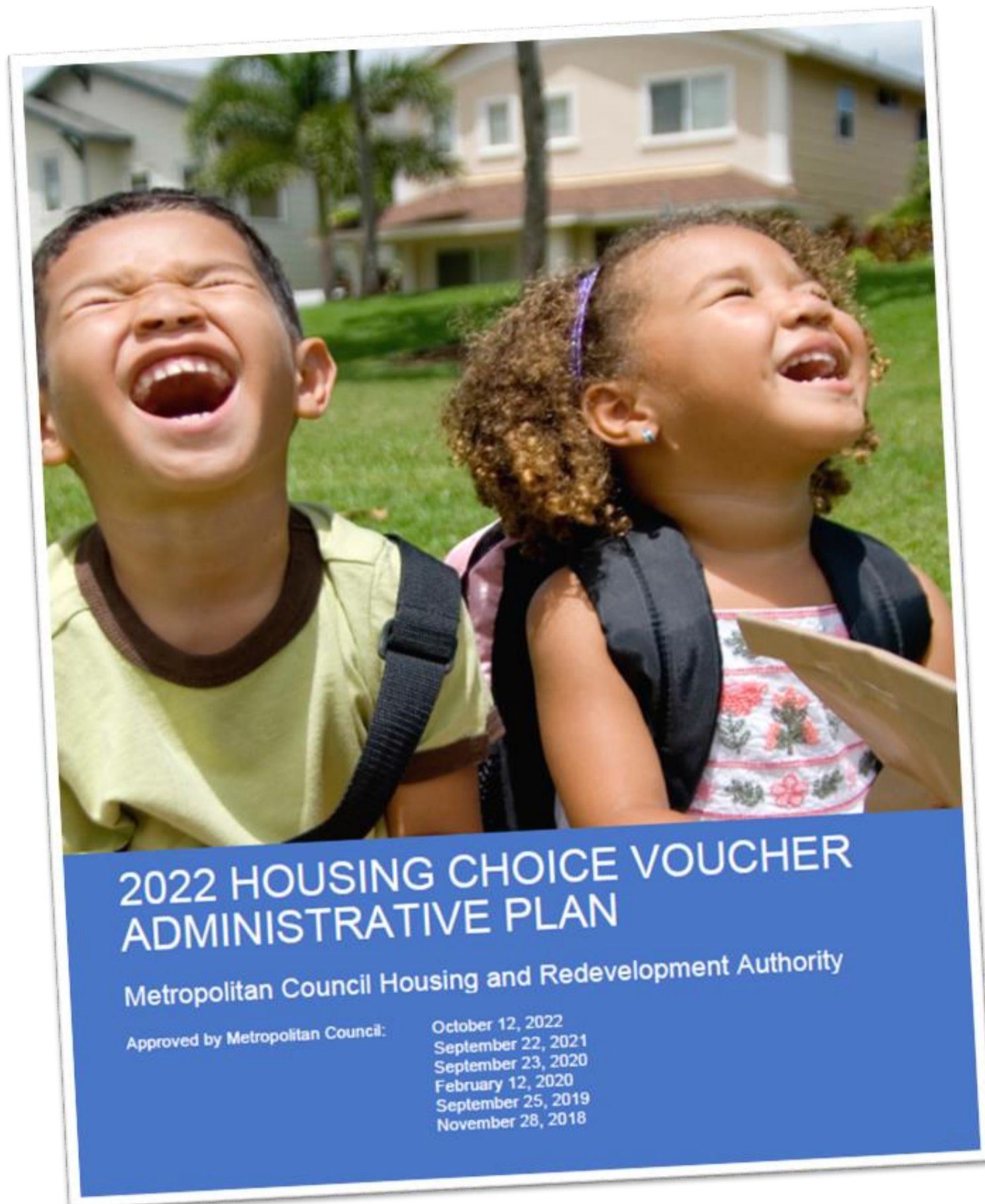


HCV Administrative Plan

Metro HRA will:

- Operate a PBV program using ***up to*** 20 percent of vouchers
- Offer and award PBVs in the following ways:
 - Independent Request for Proposals (RFP) process
 - Offer through Minnesota Housing RFP process
- Prioritize PBVs in its own operating area

Project Based Voucher Policy



- The Metro HRA will take no action on PBV requests until MN Housing has made its funding awards.
- If MN Housing does not approve the other financing requested to make the project financially feasible, the Metro HRA will not consider the request for PBVs and a developer will need to reapply for PBVs at a later date when PBVs are offered.
- If an owner submits an application for PBVs as existing housing and they do not need any additional financing, the Metro HRA will consider that request also after MN Housing has made its funding awards.

PBV Selection Criteria

Criteria	Possible Points
Project Readiness	15
Extent to which the project provides or preserves housing types that contribute to a full range of affordable housing choices	20
The extent to which the project integrates housing and tenant services for specialized populations	25
The extent to which the project supports mixed income	5
The extent to which the project supports housing for larger families needing 3 or more bedrooms	10
Extent to which the proposed project maximizes connections between housing, centers of employment, education, retail and recreation	15
The extent of local support for the proposed housing	10
Total Points	100

Project Based Voucher Policy

Staff consider many variables when determining PBV offer

- Overall voucher utilization
 - **99.7% vouchers used in 2022**
- Current voucher turnover rates
- Funding and budget
- Balancing PBV and waiting list admissions
 - Brand new waiting list
- Other work plan initiatives

PBVs Require Staffing Capacity

- Issue RFP
- Review applications
- Formal award
- Environmental Review
- Davis Bacon Wage Reviews
- Subsidy Layering Reviews
- Building lease-up
- Filling turnover units

2023 Work Plan

Opportunity Moves vs. Place Based Strategies

Project Based Voucher Offer and Award Consideration

Homeownership Program Exploration

Exploration of Homework Starts with Home expansion

Implementation of Community Choice Demonstration

Conduct Residential Preferences Study

2022 PBV Offer and Award Process

- Request for Proposals issued in March 2022 offering up to 20 Veteran's Affairs Supportive Housing (VASH) PBVs
- The RFP required developers to obtain full financing in 2022 in order to be eligible for a formal award
- 2 applicants requested a total of 9 VASH PBVs
- 0 VASH PBVs awarded
 - 1 project not eligible
 - 1 project did not obtain financing

Veteran's Affairs Supportive Housing Program



Program details

- Serves veterans experiencing homelessness
- Rent assistance combined with support services
- Referrals and services provided by the Dept. of Veteran's Affairs
- VASH PBV occupants not subject to regular screening process
 - Admission denial or termination only for over-income or lifetime sex offender registration.
 - Owners must be willing to accept high-barrier veterans
- Letter of support will be required from the VA

Mainstream Vouchers



Program details

- Serves people between the ages of 18 and 61 who are:
 - experiencing homelessness
 - at risk of becoming homeless
 - transitioning out of institutional settings
 - At risk of institutionalization
- Admissions made through referrals from the Metro Transit Homeless Action Team, Coordinated Entry or County partners
- Letters of support from the Coordinated Entry System will be requested

Listening Session Feedback and Questions

Listening Session held February 8, 2023

- 76 attendees
 - Owners/Developers, PHAs, MN Housing, VA, Council Members
- Continue offering PBVs in advance of MN Housing RFP
- Compare HCV and PBV maps – are there gaps in options for people?
- Options for new developments that do not go through MN Housing
- Request for regular open office hours during the RFP process
- Develop FAQs to post on website
- How is it handled when an owner chooses not to renew their PBV Contract?
- How can a project already under construction apply for PBV?

PBV 2023 Offer and Award

Veteran's Affairs Supportive Housing

Offer 20 VASH PBVs

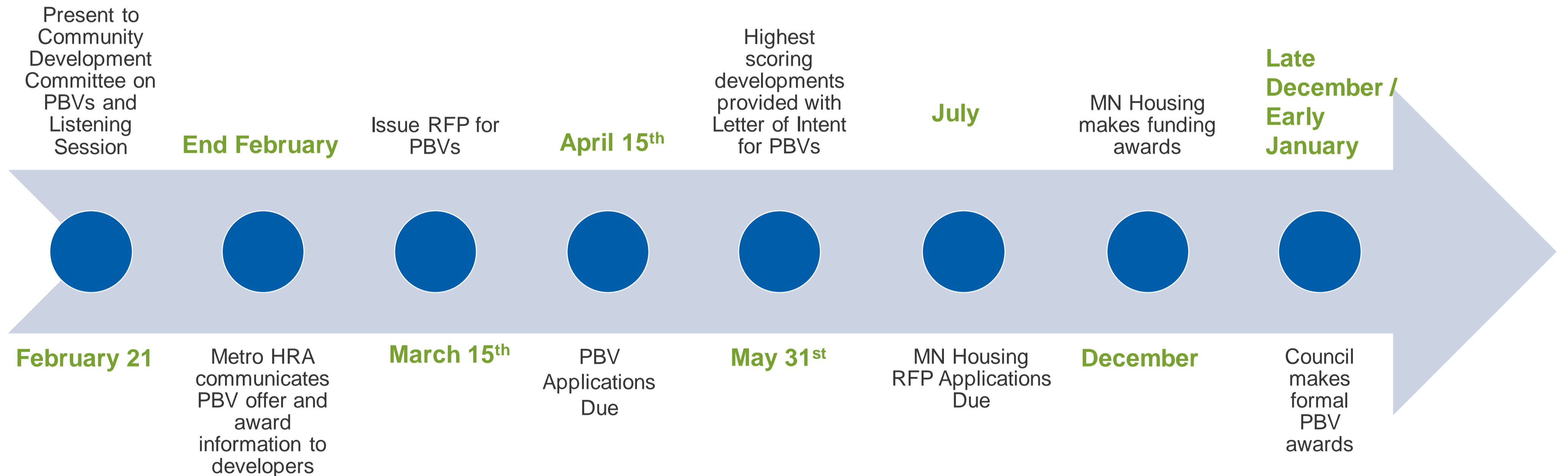
- Serve veterans experiencing homelessness
- Referrals provided through the Minneapolis Dept. of Veteran's Affairs
- Require Letter of Support from VA

Mainstream Vouchers

Offer 20 Mainstream PBV Vouchers

- Serve people between the ages of 18 and 61 who are:
 - experiencing homelessness
 - at risk of becoming homeless
 - transitioning out of institutional settings
 - At risk of institutionalization
- Require Letter of support from the County / Coordinated Entry System

Next Steps



Thank you!

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