

Business Item

Community Development Committee



Committee Meeting Date: Sept. 18, 2023

For the Metropolitan Council: Sept. 27, 2023

Business Item: 2023-217

Establish Public Hearing Date – Pathways to Removing Obstacles to Housing, Application to U.S. Dept. of Housing and Urban Development

District(s), Member(s):	All
Policy/Legal Reference:	Federal Consolidated Appropriations Act, 2023; and Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.)
Staff Prepared/Presented:	Sarah Berke, Senior Manager, Livable Communities and Housing Policy, 651-602-1198
Division/Department:	Community Development

Proposed Action

That the Metropolitan Council establish a date to conduct a public hearing at the October 2, 2023, Community Development Committee meeting, to discuss and receive comment on a grant application to the U.S. Department of Housing and Urban Development for the “Pathways to Removing Obstacles to Housing” (PRO Housing) program.

Background

In early September, the U.S. Department of Housing and Urban Development (HUD) published a Notice of Funding Opportunity for a new program, “Pathways to Removing Obstacles to Housing” (PRO Housing), intended to empower communities that are actively taking steps to remove barriers to affordable housing and seeking to increase housing production and lower housing costs for families over the long term. HUD defines barriers to affordable housing as caused by zoning decisions, land use policies, or regulations; inefficient procedures; gaps in available resources for development; deteriorating or inadequate infrastructure; lack of neighborhood amenities; or challenges to preserving existing housing stock such as increasing threats from natural hazards, redevelopment that reduces the number of affordable units, or expiration of affordability requirements.

A total of \$85 million is available in 2023 under this grant opportunity. Awards are intended to range in size from \$1 million to \$10 million, with a grant term of approximately six (6) years. Local and state governments, metropolitan planning organizations (MPOs), and multijurisdictional entities are eligible to apply.

Metropolitan Council staff are working with several local county- and city-level public agencies to draft an application focused on the Twin Cities 7-county metropolitan region. The Council would submit an application as the designated MPO for the region. The grant program requires applicants to make a draft application available for public comment for a 15-day period, and to hold a public hearing. Complete applications are due to HUD by October 30, 2023. Staff proposes holding a public hearing on the proposed grant application at the next Community Development

Committee meeting, October 2, 2023, to meet this submittal timeline.

Proposed Public Comment Period and Hearing Date

1. A Public Notice would be published later in September with the draft PRO Housing application text.
2. Public Comment will be open from September 26, to October 10, 2023.
3. A Public Hearing will be held on October 2, 2023, at the next regular Community Development Committee meeting.
4. The Committee would receive a staff report on public comments and consider a final staff recommendation to submit the PRO Housing application at its October 16, 2023, meeting.

Rationale

Federal regulations for the Notice of Funding Opportunity for PRO Housing require the Council to conduct a public hearing and open a minimum 15-day public comment period on the draft grant application, in order to submit an application to the PRO Housing funding opportunity.

Thrive Lens Analysis

The PRO Housing grant program opportunity aligns with *Thrive MSP 2040* outcomes of equity, livability, and stewardship, as well as with the *2040 Housing Policy Plan* goal to create housing options that give people in all stages of life and of all economic means viable choices for safe, stable and affordable homes. This grant opportunity would expand the region's capacity for advancing both Thrive and Housing Policy Plan goals.

Funding

Responding to application opportunities like PRO Housing is part of the Community Development division's ongoing workplan and is supported by staff and consulting time in the budget for Livable Communities and division-wide grant application opportunities.

Small Business Inclusion

N/A

