



# 2024 Annual Public Housing Agency Plan

Metropolitan Council Housing & Redevelopment Authority (Metro HRA)

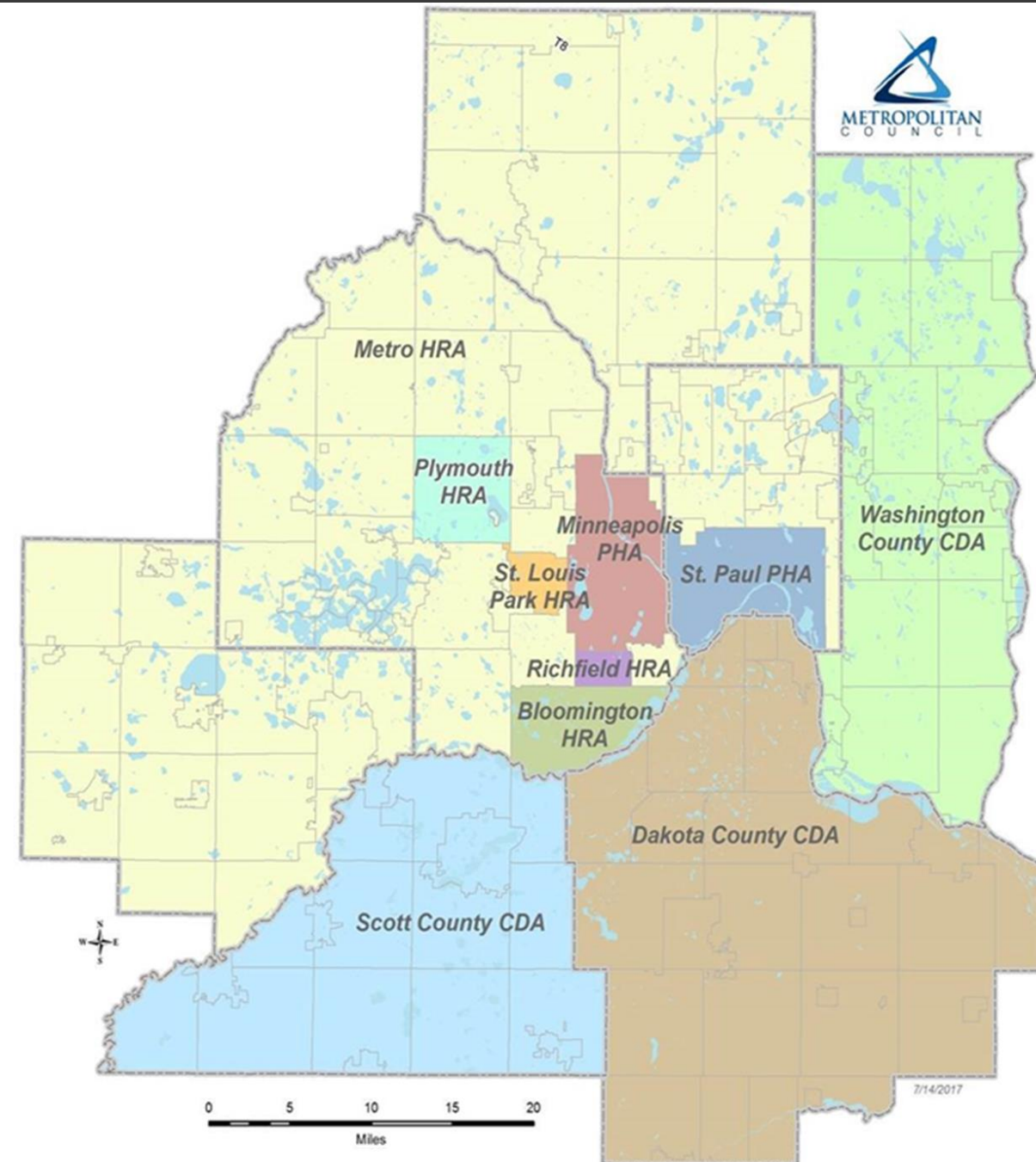


Metropolitan Council Meeting  
September 5, 2023

# Metropolitan Council Housing & Redevelopment Authority (Metro HRA)

## Background

- Over 7,200 households served
- Anoka and Carver County;  
Suburban Hennepin & Ramsey  
County
  - 96 Communities
- 2022: \$78 million in housing  
assistance payment



# 2024 Annual Public Housing Agency (PHA) Plan

## Overview

- Required by U.S. Department of Housing & Urban Development (HUD)
- Informs HUD, program participants, and the general public of the Metro HRA's mission for serving the needs of low-income families across the region

# PHA Plan Component

## Housing Choice Voucher (HCV) Administrative Plan

- Required by HUD as a supporting document to the PHA Plan
- Metro HRA's primary policy document
- Contains mandatory and discretionary policies
- Must be available for public review



### 2022 HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

Metropolitan Council Housing and Redevelopment Authority

Approved by Metropolitan Council:

October 12, 2022  
September 22, 2021  
September 23, 2020  
February 12, 2020  
September 25, 2019  
November 28, 2018

# 2024 Annual PHA Plan

## Upcoming dates

August 2, 2023: COW Information Item

August 21, 2023: Public hearing

August 31, 2023: Public comment period ends

**September 5, 2023: CDC PHA Plan discussion**

September 18, 2023: CDC final review and approval

September 27, 2023: Full Council Approval

October 15, 2023: Submit Plan to HUD

# 2024 Annual PHA Highlights

## Goal Progress

- Maintained 99.7% utilization of vouchers
- Awarded new Foster Youth to Independence Program Vouchers
- Awarded additional Veteran vouchers
- Launched the Community Choice Demonstration Program
- Received 218 Emergency Housing Vouchers
- Offered 40 Project Based Vouchers to serve veterans and people experiencing homelessness
- Expanded Homework Starts with Home Program

# 2024 Annual PHA Plan



## Proposed Administrative Plan Updates

- Updated Criminal History admission language
  - Screen “In” vs. Screen “Out”
- Special Purpose Voucher – Chapter 19
  - New section to provide clarity

# Housing Choice and Project Based Vouchers

## Who do the Programs Serve?

- 2.3 Million low-income families use vouchers (5 million people)
- PBV – 450,000 families (20%)
- HCV – 1,850,000 families (80%)
- 60% of all medium and large PHAs, which administer 92% of vouchers, use PBVs
  - 40% of medium and large PHAs do not have PBV programs





# Project Based Vouchers vs. Tenant Based Vouchers



# Housing Choice vs. Project Based Vouchers

## Housing Choice Voucher

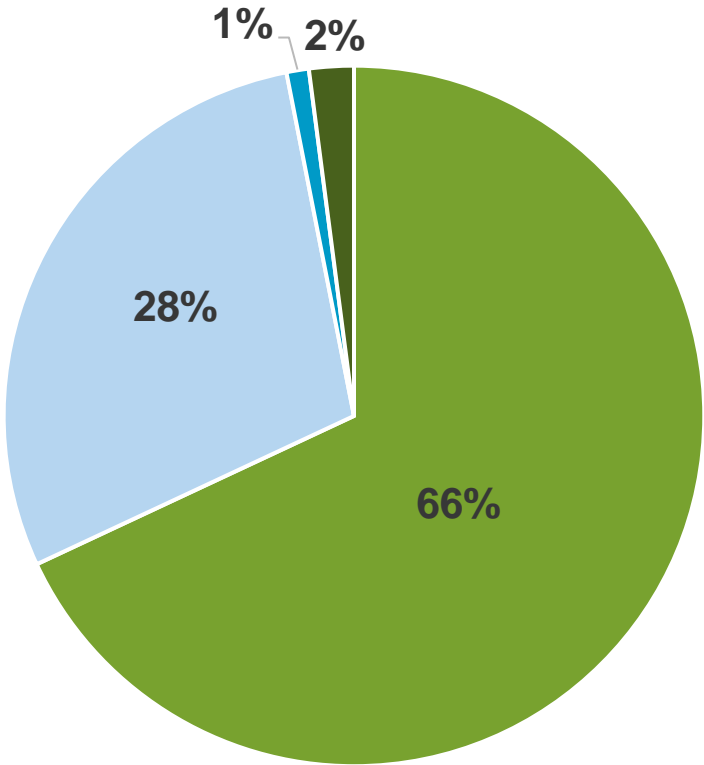
- Attached to a household
- Family moves from unit to unit with rent subsidy
- Family “choice” of where to live
- Rent from private landlord willing to accept voucher
- Finding a unit can be challenging
- Serve the waiting list
- Naturally serve the lowest income households

## Project Based Voucher

- Attached to a specific unit
- Help tenants secure units where it may be hard to use vouchers
- Improved access to supportive services
- Lose “choice” component
- Referrals for supportive service units do not come from waiting list
- Can assist in additional funding points for other public financing

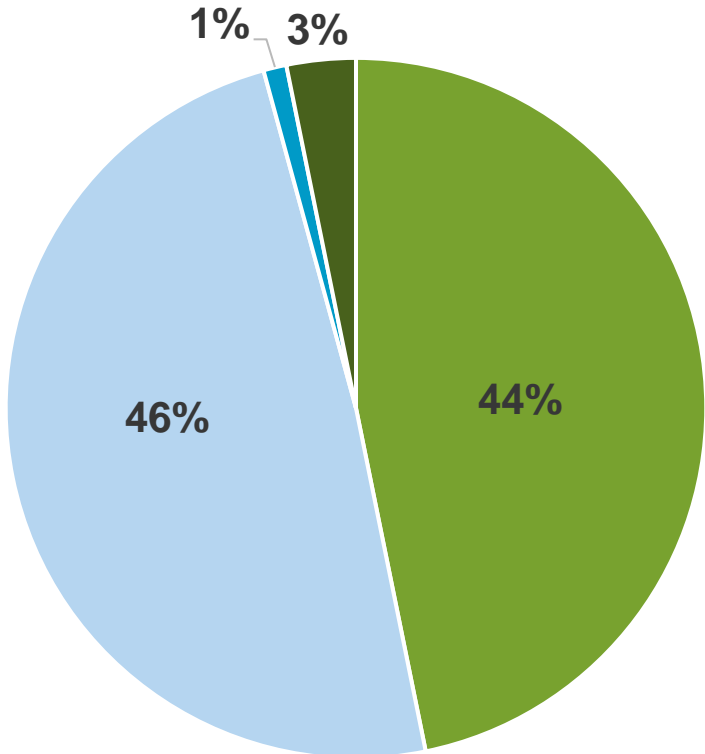
# PBV and HCV Demographics

Housing Choice Voucher Demographics



- Black
- White
- Asian
- American Indian
- Pacific Islander

Project Based Voucher Demographics



- Black
- White
- Asian
- American Indian
- Pacific Islander

# Current 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

# Current Project Based Voucher Policy



## 2022 HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

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## Variables to consider 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
- Other work plan initiatives

# PBV Considerations

## Additional Requirements for PBV vs. HCV

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

## Staffing Resources

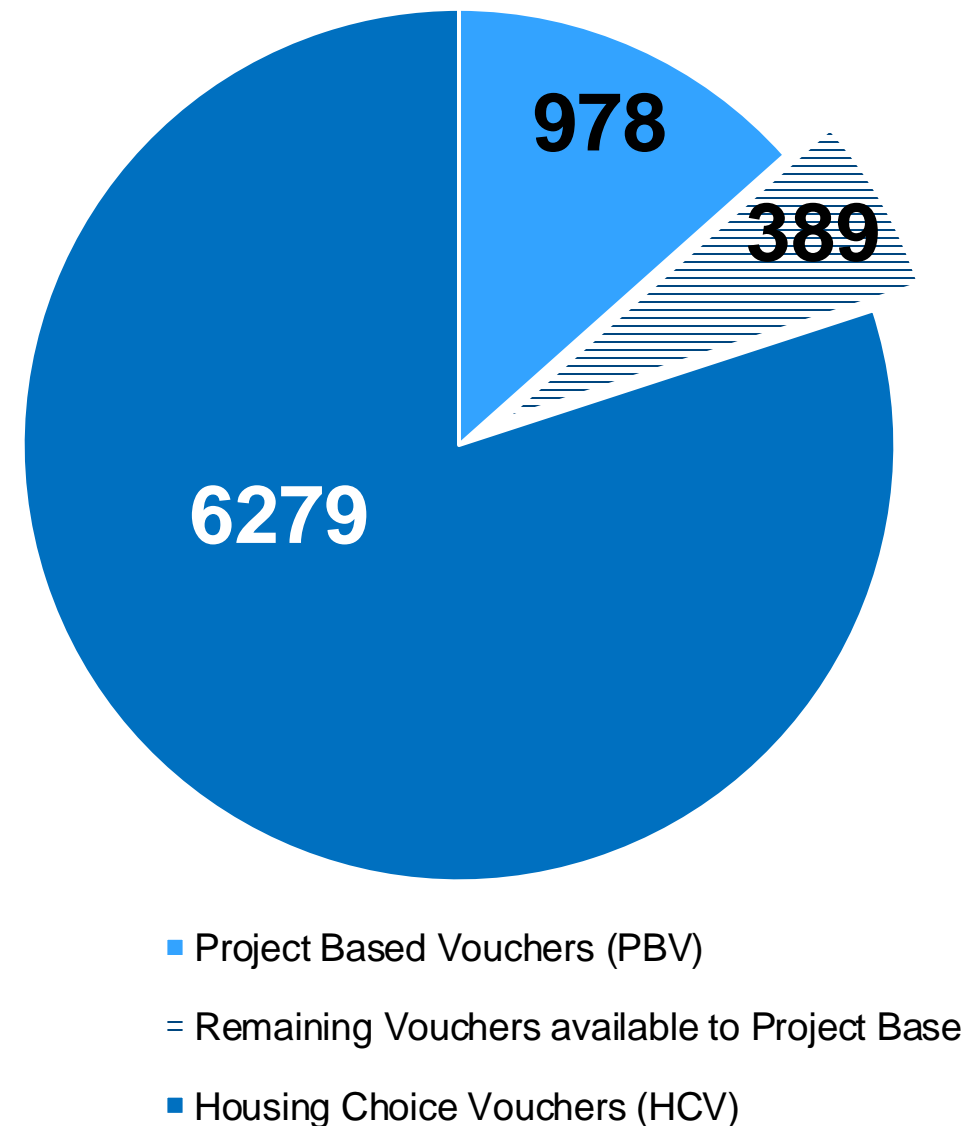
- HRA Coordinator I vs. Coordinator II
- Need for higher level of expertise
- 20% reduction in caseload size
- Rent increase process requires time
- Unit lease up and turnover
- Increased monitoring and compliance

# Project Based Vouchers

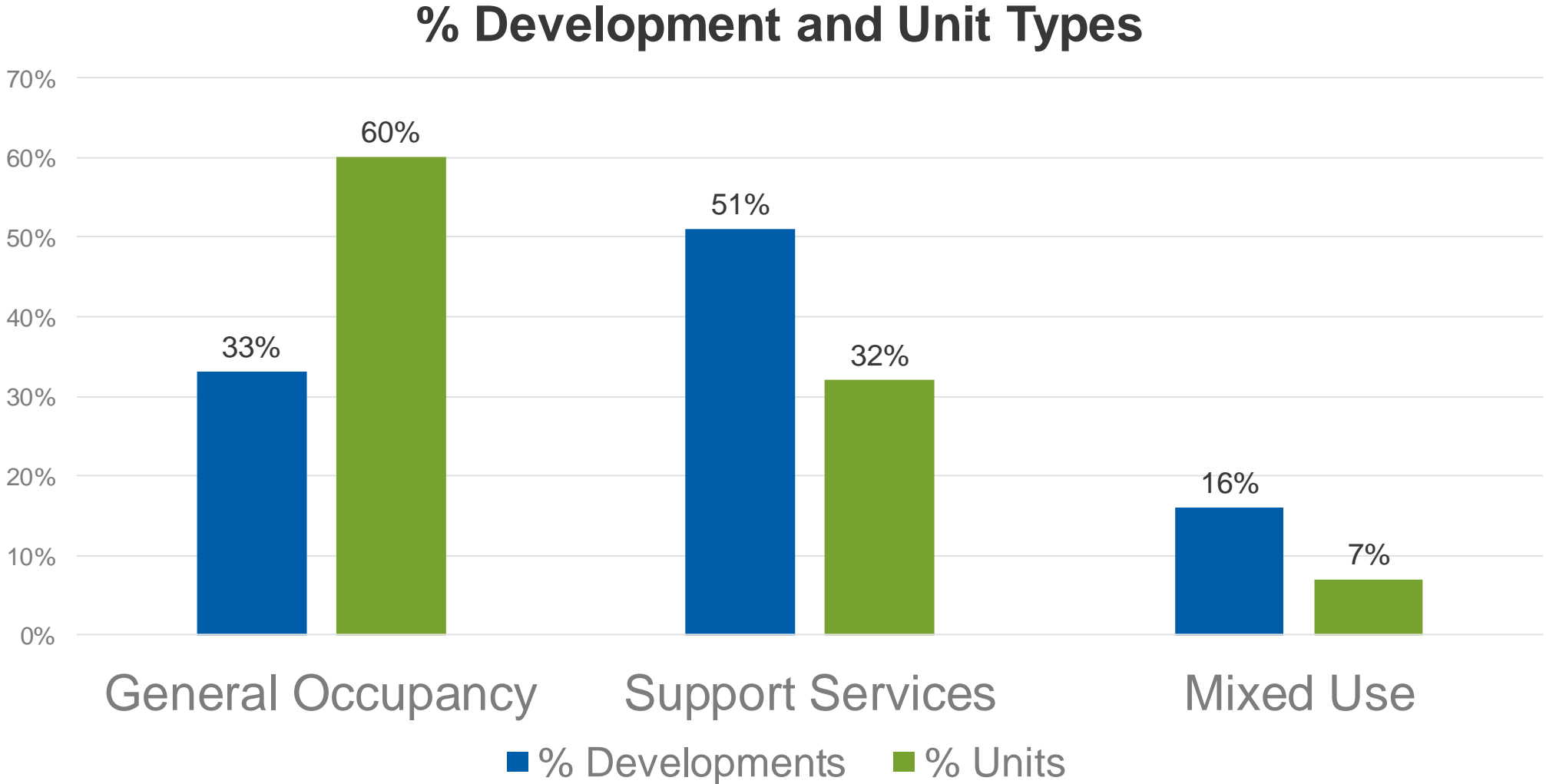
## PBV Summary

- 6,839 total Vouchers with PBV option
- HUD allows up to 20% PBV (1367 vouchers)
  - Plus and additional 10% for certain units (683 units)
- 978 PBV units awarded (14%)

## Current Voucher Split



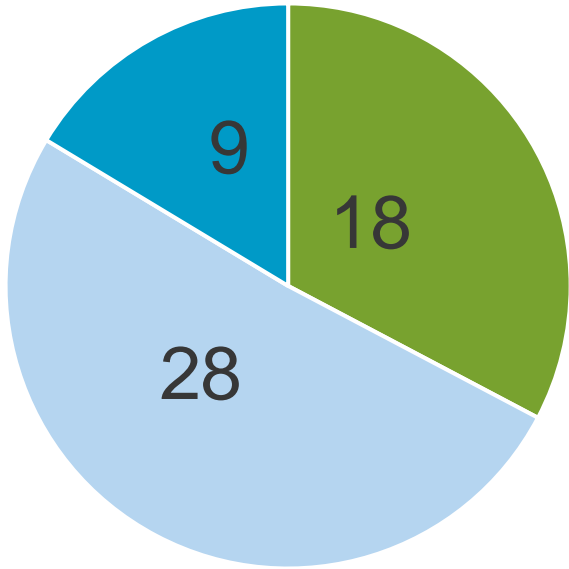
# General Occupancy vs. Support Service





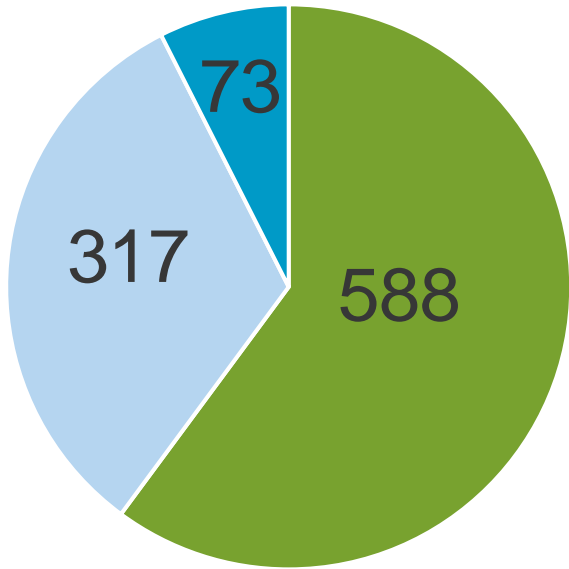
# General Occupancy vs. Support Service

Number of Developments



- General Occupancy
- Support Service
- Mixed Use

Number of Units



- General Occupancy
- Support Service
- Mixed Use

# Occupancy of PBV Units

## Filling PBV Units

Persons who will reside in PBV units may come from the PHA waiting list or be referred by the property owner. Available units will be filled as follows:

- Units designated for homeless, disabled or other specialized populations will be filled through applicant referrals from the Coordinated Entry System and/or their providers in the applicable county, via the owner or management agent.
- General occupancy / non-supportive housing units will be marketed to applicants on the PHA's HCV waiting list. If the PHA is unable to provide enough eligible applicants to fill the PBV units, the PHA may allow the property owner to refer applicants to the PHA.

# Filling PBV Units

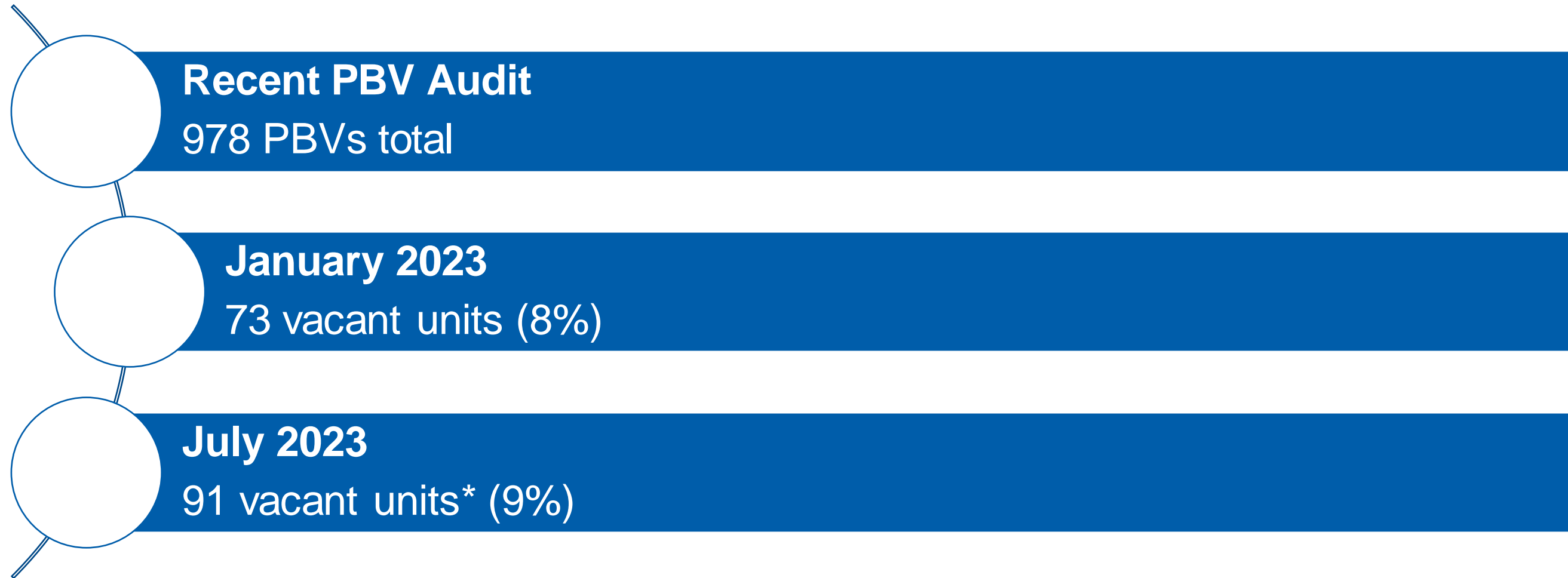


## 2021-2023 General Occupancy PBV Vacancies

- General Occupancy Units filled with general voucher waiting list
- Completed 103 mailings to over 10,000 households to fill PBV vacancies
- Once waiting list is exhausted – tracked separately for each development, owners fill on their own with direct referral to HRA
- Location matters:
  - 1 property in Waconia – completed 7 mailings to nearly 950 applicants to fill 2 units

# PBV Vacancies

## PBV Vacancies = Unused Vouchers



*\* One project has 16 out of 39 units vacant (41%)*

# PBV Vacancies

## Systemic Vacancies

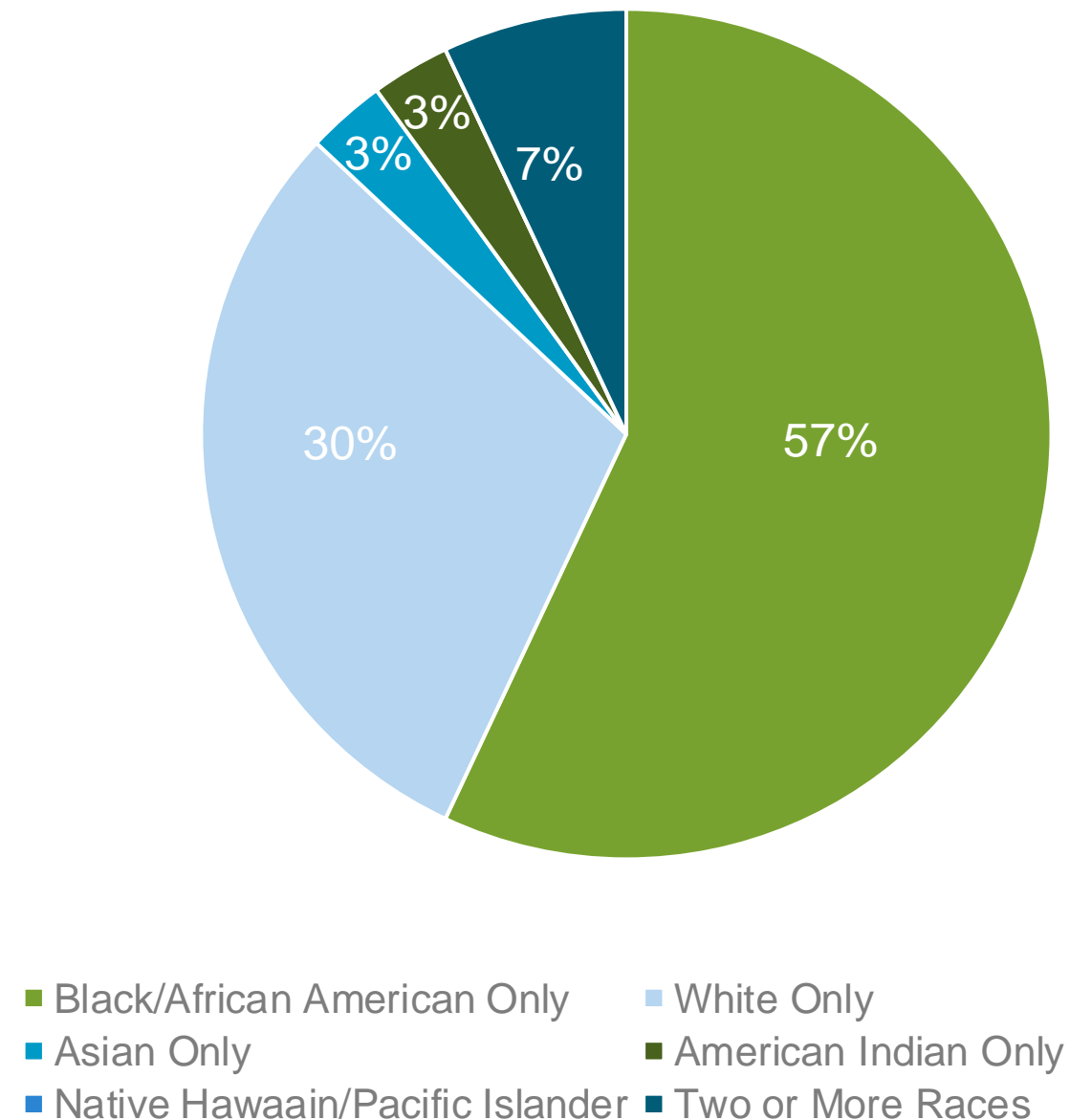


# Housing Choice Voucher Waiting List

## Waiting List Details

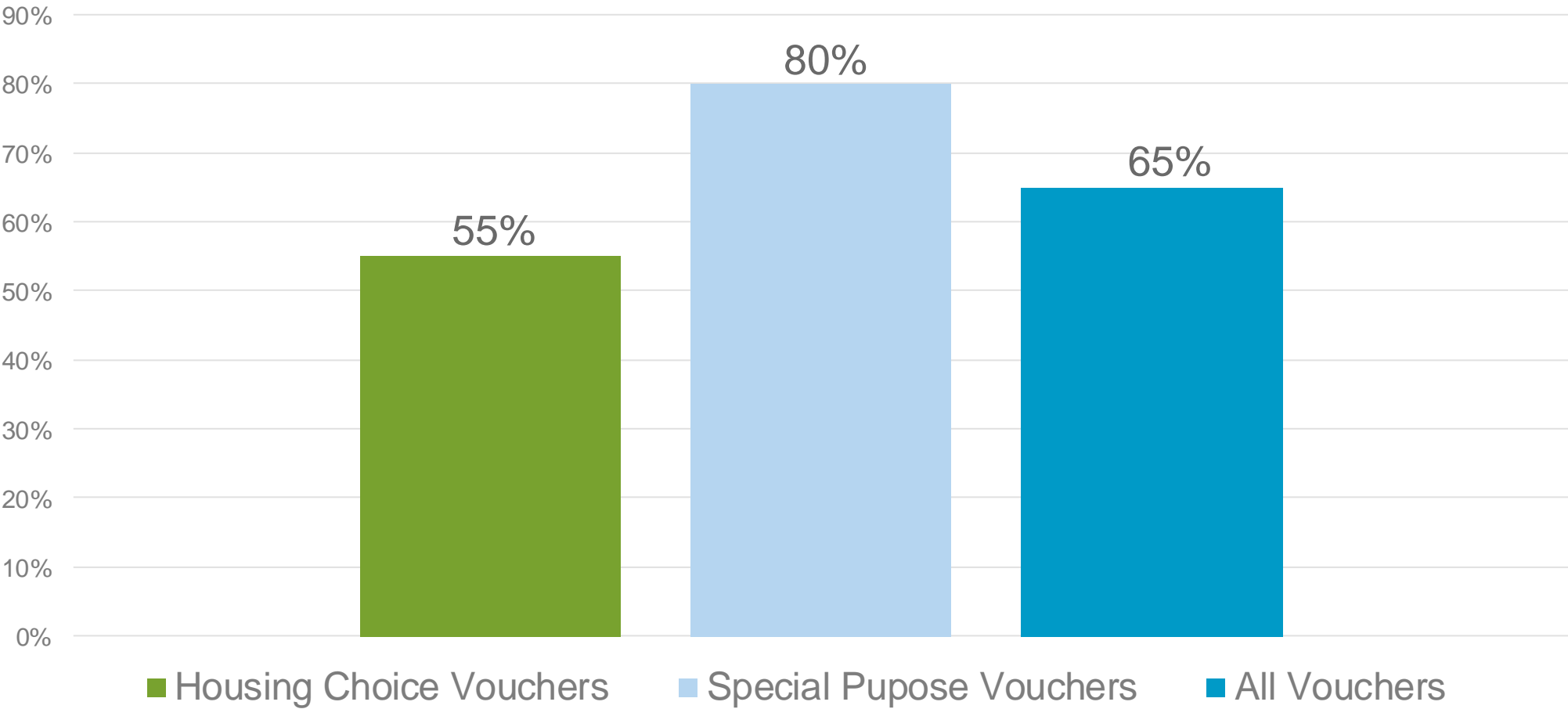
- List last opened in June 2022
  - Received 11,098 applications in a week
  - Randomly placed 2,000 on waiting list
- 1,939 applicants on waiting list

Waiting List Demographics



# Housing Choice Voucher Success

## What percent of new Voucher Lease Up? 2019-2023



# 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	574

\*Chart does not include Port-Out Absorbs



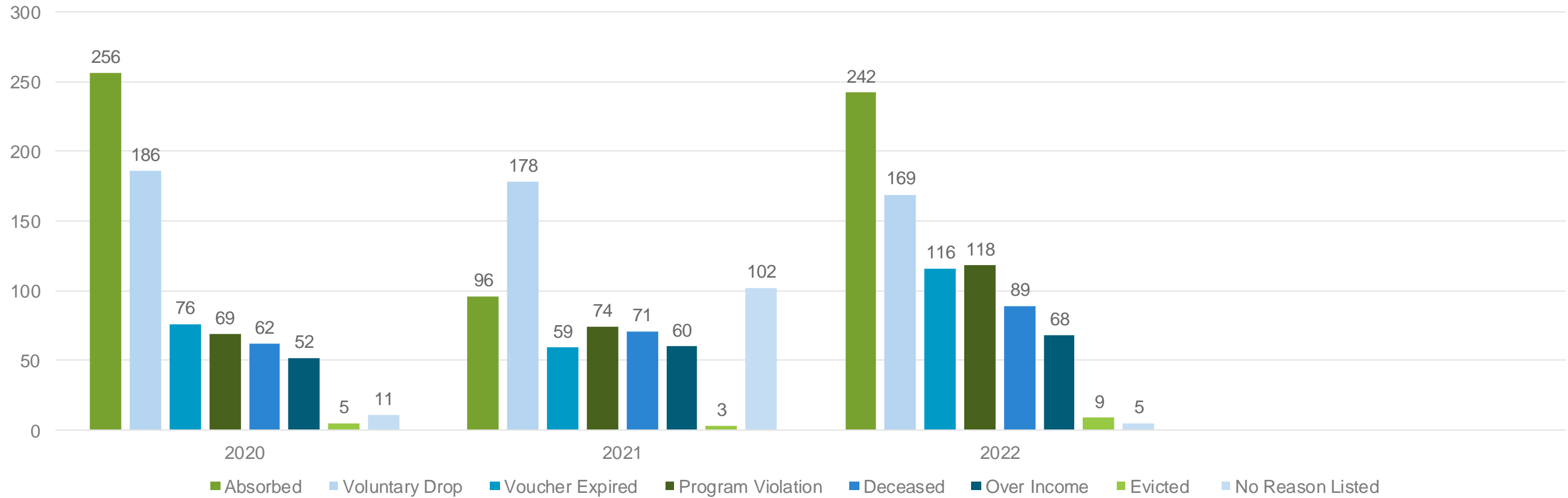
# Voucher Turnover

## Turnover Reasons - 2022

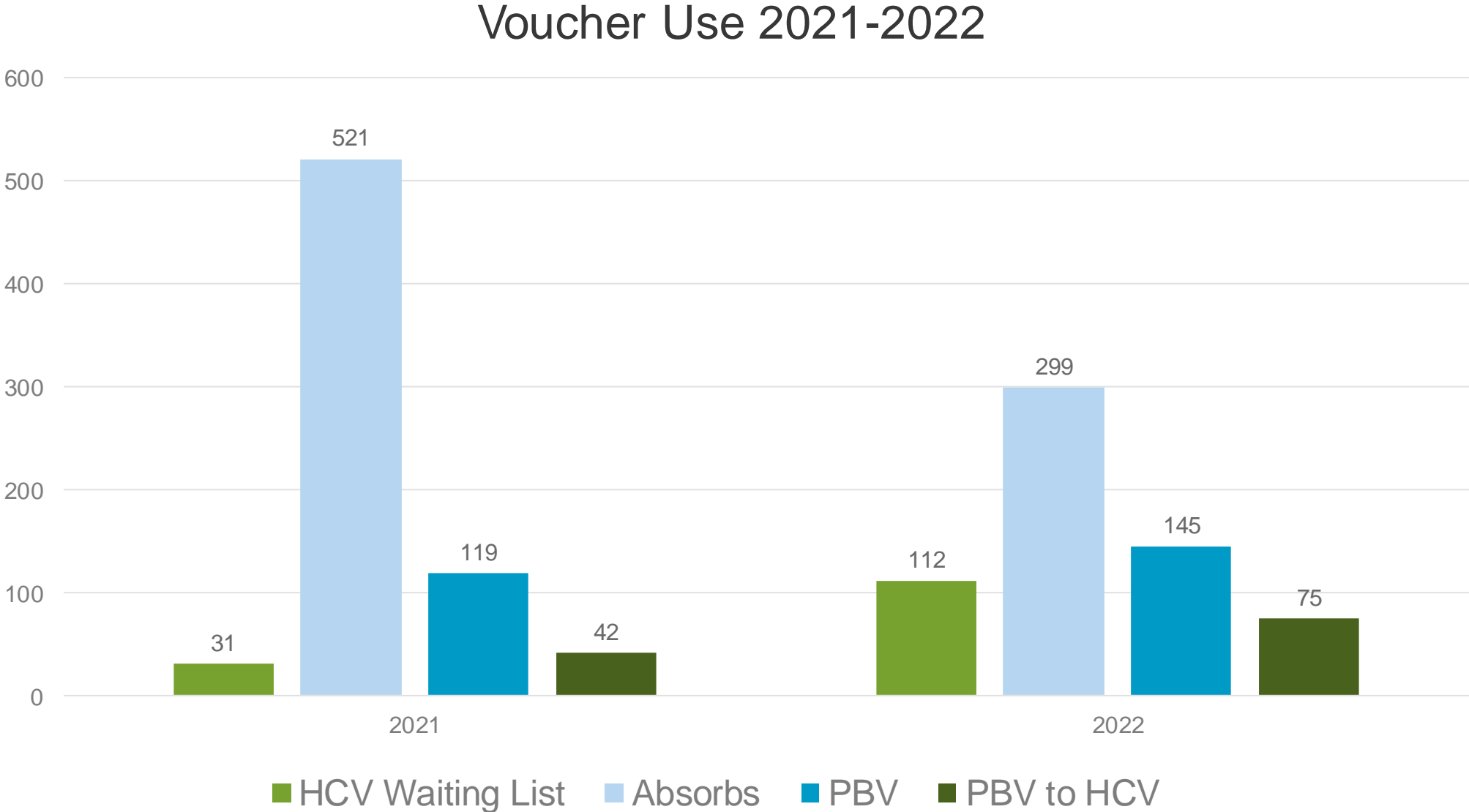
Turnover Reason	Number	Percentage
Absorbed (moved out of service area)	242	30%
Voluntary Drop	169	21%
Voucher Expired	116	14%
Violation of Program Obligations	118	14%
Deceased	89	11%
Over Income	68	8%
No Reason Listed	5	1%
Evicted	9	1%

# Housing Choice Voucher Turnovers

2020-2022



# How were turnover vouchers used?



# Summary: Public Comments



# Public Comments

Utilize 30% of Vouchers as PBV vouchers for 30% AMI housing where the poverty rate is 20% or less

Make PBVs available across the entire 7-county metro region

Coordinate PBV awards with MN Housing's super-RFP

Allowing for a multi-year timeframe to incentivize capital funding.

Utilize PBV option for new State Rent Assistance program

# Public Comments

## Current Policy –PBV up to 20% of vouchers

- Current state – 14% of vouchers as PBV (970)
- 389 remain to get to 20%
- Average annual voucher turnover = 532
- Turnover vouchers serve a variety of purposes

## Public Comment Request – PBV 30% of vouchers

- Why change to 30% when the 20% mark has not been met?
- Majority of turnover vouchers would need to be committed to PBV if we will get to 20% in next few years.
- Once the max is reached, PBV no longer a resource.
- Will prevent completion of other work plan items.

# 2023 Work Plan highlights



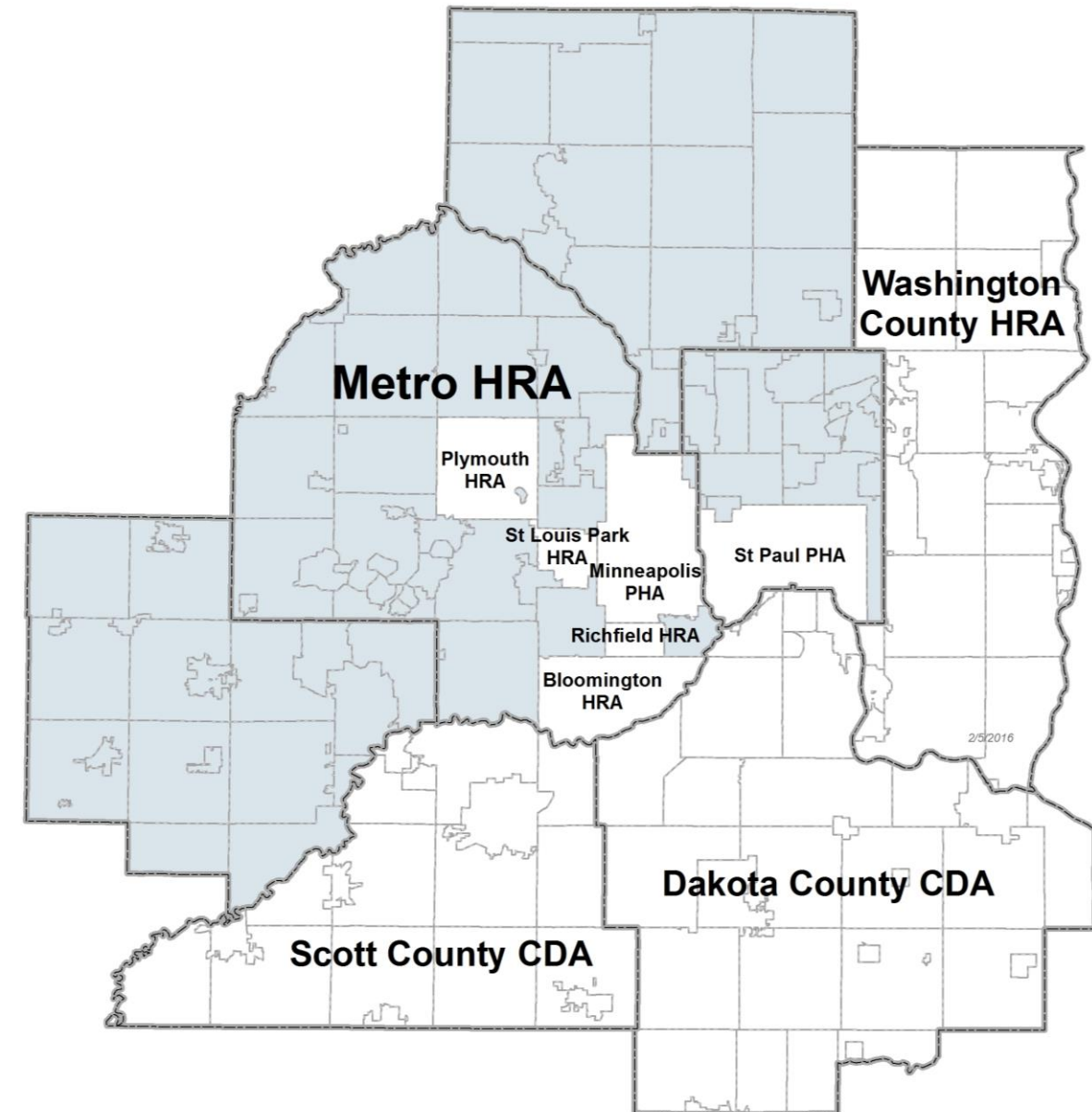
## HRA Workplan Priorities

- Explore Homeownership Program
- Expand Homework Starts with Home program
- Implement Community Choice Demonstration
- Conduct Residential Preferences Study
- Complete FAHP Capital Improvements
- Issue and lease Emergency Housing Vouchers
- Issue Property Management Company RFP
- Re-envision landlord engagement strategy
- Implement mass texting options for inspections

# Public Comments

## Make PBVs available across entire 7 County Region

- Metro HRA Service Area defined in MN statute
- No other PHA in region awards PBVs outside service area
- Metro HRA has a large program due to the large service area – 96 communities
- Metro HRA service area contains 41% of region population





# Public Comments

## Coordinate PBV awards with MN Housing's super-RFP

- Current policy allows Metro HRA to offer PBVs in two ways
  - In conjunction with MN Housing's RFP; or
  - In advance of MN Housing's RFP
- Request is to create a policy to always offer in advance of MN Housing's RFP

# Public Comments

## Allow for a multi-year timeframe to incentivize capital funding

- Current policy requires developments to receive full financing in the PBV award year to get a formal PBV award
- Policy ensures vouchers can be used for other purposes during the time a project pursues financing
  - Often takes developments 2, 3, 4 or even 5 years to get funded.
- Policy Update Consideration: PBV development must receive full financing by December 31<sup>st</sup> of the year following the Metro HRA's award

# Public Comments

## Utilize PBV Option of New State-Wide Rent Assistance program

- 2023 MN legislative session commits \$123 million in FY 24-25 and \$144 million in FY 26-27 for *Bring it Home*
- State funded rent assistance program
- Will bring up to 5,000 new housing vouchers to state
- Administered by housing authorities
- Legislative language includes an option for PBV
- Rules currently unknown

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