

Community Development Committee

For the Metropolitan Council meeting of September 25, 2013

Subject: Approval of the 2014 Public Housing Agency (PHA) Plan

Proposed Action

That the Metropolitan Council approve the 2014 Public Housing Agency Plan (PHA Plan), authorize the Metropolitan Council Chair to execute the required certifications and direct staff to submit the final Plan to the U.S. Department of Housing and Urban Development (HUD).

Summary of Committee Discussion/Questions

HRA Manager Terri Smith reviewed a change in policy proposed as a cost containment strategy to maximize the number of families supportable with the reduced funding the Housing Choice Voucher program is now allotted as a result of the Federal Sequestration experienced in 2013 and anticipated in subsequent federal budgets. Staff recommended a change in how the voucher bedroom size is determined for each family resulting in approximately 650 families receiving a small bedroom size voucher. The reduced rent subsidy paid for those 650 families would result in a savings of approximately \$1.1 Million. This savings would enable 150 families to retain their rent assistance benefits and not be removed from the program.

Some Council Members expressed concern about the impact on families when less bedroom space is provided. Other Council members expressed the desire to help more families with less space rather than fewer families with more space.

After a lengthy discussion, the PHA and Administrative Plans with reduced occupancy standards were approved on a split vote of 6 to 2.

Community Development Committee

Meeting date: September 16, 2013

For the Metropolitan Council meeting of September 25, 2013

Subject: Approval of the 2014 Public Housing Agency (PHA) Plan

District(s), Member(s): All

Policy/Legal Reference: Code of Federal Regulations Title 24, Part 903

Staff Prepared/Presented: Terri Smith, HRA Manager, 651-602-1187

Division/Department: Community Development, HRA

Proposed Action

That the Metropolitan Council approve the 2014 Public Housing Agency Plan (PHA Plan), authorize the Metropolitan Council Chair to execute the required certifications and direct staff to submit the final Plan to the U.S. Department of Housing and Urban Development (HUD).

Background

The PHA Plan is a document which HUD requires be re-examined and approved each year. It is a comprehensive guide to the Metropolitan Council Housing and Redevelopment Authority's (Metro HRA) programs, policies, operations and strategies for meeting the needs of very low income households. The Section 8 Administrative Plan is a required attachment to the PHA Plan, which provides guidance for consistent implementation of program policies and regulations. The Plan is intended to be a convenient source of information for program participants, HUD and the general public.

There are two parts to the PHA Plan: the 5 Year Plan which is submitted to HUD every 5th year describing the mission of the agency and its goals and objectives, and the Annual Plan which is a brief update covering the policies and procedures of the PHA. The Metro HRA submitted its 5 Year Plan in 2009 for the period 2010-2014. The Metro HRA has submitted a PHA Plan annually to the U. S. Department of Housing and Urban Development (HUD) since the year 2000, as required. The 2014 Annual Plan is the subject of this approval.

A public hearing was held at the Community Development Committee meeting on Monday, August 19, 2013, in order to receive public comment on the 2014 PHA Plan. Although no comments were received at the public hearing, written comments were submitted by the Mid-Minnesota Legal Aid and are addressed in Part 11.0 (g) of the 2014 PHA Plan.

The comments from Legal Aid focus on issues in the Administrative Plan associated with the Violence Against Women Act (VAWA), general policy suggestions, as well as other comments not at all related to the Plan. Although in practice and procedure, the Metro HRA has been and remains in compliance with the law and federal regulations, some Administrative Plan revisions were made to ensure clarity.

Staff recommends approval of the 2014 PHA Plan as proposed. The 2014 PHA Plan and Administrative Plan can be found at <http://www.metrocouncil.org/Housing/Publications-Resources.aspx>.

Rationale

Federal regulations for the Section 8 Program require resubmittal of the PHA Plan.

Funding

Not applicable

Known Support / Opposition

Comments were received by Mid-Minnesota Legal Aid. In response to some of these comments, some areas of the Administrative Plan have been revised as outlined in Part 11.0(g) of the 2014 PHA Plan.