# **Committee Report**

Business Item No. 2020-46

## **Community Development Committee**

For the Metropolitan Council meeting of February 12, 2020

Subject: Metro HRA Housing Choice Voucher Administrative Plan

## **Proposed Action**

That the Metropolitan Council approve revisions to the Housing Choice Voucher Administrative Plan, as shown in the attachments, to:

- 1. Adopt and implement Small Area Fair Market Rents
- 2. Revise Mainstream Voucher program language

## **Summary of Committee Discussion/Questions**

General discussion was held about the use and implementation of Small Area Fair Market Rents. Council Member Lindstrom requested that the HRA provide 6-month updates on implemented policy changes.

The item passed unanimously.



## **Community Development Committee**

Meeting date: February 3, 2020

For the Metropolitan Council meeting of February 12, 2020

Subject: Metro HRA Housing Choice Voucher Administrative Plan Revision

District(s), Member(s): All

Policy/Legal Reference: Code of Federal Regulations Title 24, Part 982

Staff Prepared/Presented: Jennifer Keogh, Metro HRA Manager (651-602-1584)

Division/Department: Community Development/HRA

## **Proposed Action**

That the Metropolitan Council approve revisions to the Housing Choice Voucher Administrative Plan, as shown in the attachments, to:

- 3. Adopt and implement Small Area Fair Market Rents
- 4. Revise Mainstream Voucher program language

## Background

The Metropolitan Council's Housing and Redevelopment Authority (Metro HRA) is required by the U.S. Department of Housing and Urban Development (HUD) to adopt an Administrative Plan that establishes local policies for administering the Housing Choice Voucher (HCV) Program. The Administrative Plan is the main policy document of the Metro HRA and is updated as HUD adopts new or revised regulations and as the HRA determines a need for policy revisions. The Administrative Plan and any revisions must be approved by the Council.

The proposed policy changes to the Administrative Plan, Chapters 6 and 16, will allow the Metro HRA to adopt and implement Small Area Fair Market Rents. SAFMRs are rent limits by zip code instead of for the entire metropolitan area, allowing for the variation in rents across the region. The Metropolitan Council approved the adoption of SAFMRs to be used as payment standards at its <u>December 11, 2019</u> <u>meeting</u>. HUD approved the Metro HRA's request to adopt SAFMRs in a letter dated January 23, 2020. The final step for SAFMR implementation is revision of the Administrative Plan.

In addition, the Metro HRA is revising language in Chapter 4 to provide clarifying language regarding referrals for the Mainstream Voucher program to include County partners as a referral source.

The proposed changes to the Administrative Plan are outlined in the attached Summary of Proposed Changes and are available in full online in a red-lined <u>2020 Draft Administrative Plan</u>.

## Rationale

The U.S. Department of Housing and Urban Development requires policy changes in the Administrative Plan be approved by the Council. The proposed changes reflect the Council's past action to implement Small Area Fair Market Rents.

## **Thrive Lens Analysis**

The Housing Choice Voucher Administrative Plan supports the Thrive outcomes of equity, livability, and stewardship. By using a Thrive Lens, discretionary policies of the HRA promote equity and choice, while ensuring that the federal resources to fund the Housing Choice Voucher Program are maximized

to serve families efficiently. The implementation of SAFMRs will provide Metro HRA participants with greater housing choice, and over time will make the voucher program more cost-effective.

### Funding

Funding for the Housing Choice Voucher Program is provided by the U.S. Department of Housing and Urban Development.

#### **Known Support / Opposition**

The Metropolitan Council approved the adoption of Small Area Fair Market Rents at the December 11, 2019 meeting.

### **Attachments**

- Attachment A: Excerpt of pages from the 2020 Draft Administrative Plan with proposed revisions
- Attachment B: Summary of proposed changes