

Metropolitan Council

Meeting date: August 25, 2021

Subject: Annual Public Housing Agency Plan 2022

District(s), Member(s): All

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

Staff Prepared/Presented: Terri Smith, Director, Metropolitan Council Housing and Redevelopment Authority, (651) 602-1187

Division/Department: Community Development/HRA

Proposed Action

None. Information and discussion only.

Background

The purpose of this information item is to provide a summary on the main elements of the Public Housing Agency (PHA) Plan, the proposed changes to the Administrative Plan, a summary of the public comments received to date and gain input for the final approval of the documents at the September 7, 2021, Community Development Committee and the September 22, 2021, Metropolitan Council meeting.

As an administrator of the U.S. Department of Housing and Urban Development (HUD) Housing Choice Voucher program, the Council's Housing and Redevelopment Authority (Metro HRA) is required to prepare and submit an annual update to its PHA Plan.

The PHA Plan serves as a guide to Metro HRA programs, policies, operations, and strategies for serving the needs of very low and extremely low-income households.

There are two parts to the PHA Plan:

- The Five (5) Year Plan (last approved in 2019 for the years 2020-2024) describes the mission of the agency and the agency's long-range goals and objectives for achieving its mission over a five-year period [Metro-HRA-5-year-PHA-Plan-2020-2024.aspx \(metrocouncil.org\)](#)
- The Annual Plan (last approved in 2020 for the year 2021) is an update relating to the general policies and procedures for providing service in the coming year and is completed every year [2022-DRAFT Metro-HRA-PHA-Annual-Plan.aspx \(metrocouncil.org\)](#) and is the subject of the current public comment period.

The Administrative Plan, the Metro HRA's main policy document, becomes an attachment to the Annual PHA Plan. At least annually, the Metro HRA makes mandatory and discretionary policy and program rule revisions to the Administrative Plan which is also open for public comment - [2021 DRAFT Housing Choice Voucher Administrative Plan \(metrocouncil.org\)](#). The primary revisions can be found in Chapters 4 and 17.

The Annual PHA Plan (and Administrative Plan) are open for public comment through August 31, 2021, at 4:30 PM and were the subject of a public hearing held on August 16, 2021 [Public Hearing DRAFT 2022 PHA Plan](#).

The primary proposed revisions include:

1. Expansion of targeted funding programs including Foster Youth to Independence (FYI) and Emergency Housing Vouchers (EHV). These items seem to have support and are non-controversial.
 - **Foster Youth to Independence (FYI)**
The Foster Youth to Independence (FYI) allocation will provide voucher assistance to youth with a current or prior history of child welfare involvement.
 - **Emergency Housing Vouchers (EHV)**
The Metro HRA was awarded 218 Emergency Housing Vouchers as a part of the American Rescue Plan. These new vouchers will serve people who are homeless, at risk of homelessness, fleeing or attempting to flee domestic violence or at high risk of housing instability.
2. Revisions to the Project Based Vouchers offer and award criteria.

Project Based Voucher (PBV) Offer and Award Criteria

The Council's Housing and Redevelopment Authority (Metro HRA) administers 6,872 Housing Choice Vouchers (HCV). Most of these vouchers are tenant-based and move from place to place with the tenant. The U.S. Department of Housing and Urban Development (HUD) allows housing authorities the discretion to Project Base up to twenty percent (20%) of their vouchers.

On average, the Metro HRA has approximately 750 vouchers turnover each year (62 per month). Balancing the use of the limited turnover vouchers is incredibly difficult. These vouchers need to serve the following groups: Waiting list applicants, PBV unit movers and initially filling PBV units, special purpose vouchers and absorbing vouchers from other housing authorities. The Metro HRA has awarded 970 PBV units (14% of total vouchers) in 55 separate projects to date located throughout Anoka, Carver, Hennepin, Ramsey, and Washington Counties.

The Metro HRA offers and awards PBVs according to the criteria established in the Administrative Plan. There are revisions being recommended in how the Council awards Project Based Vouchers. The proposed revisions are intended to offer transparency in the Metro HRA's process in offering and awarding PBVs.

- The Metro HRA will consider voucher utilization, current turnover rates, funding/budget, and balancing PBV and waitlist admissions when making the determination to offer PBVs. There is no guarantee PBVs will be offered and awarded annually.
- The PHA will prioritize PBV projects in its own operating area prior to considering projects outside of the jurisdiction. The PHA's operating area includes Anoka and Carver counties and suburban Hennepin and Ramsey counties excluding the cities of Minneapolis, St. Paul, Bloomington, Plymouth, Richfield, and St. Louis Park.

The PHA will offer and award Project Based vouchers in the following ways:

- Advertise the availability of PBVs through a Request for Proposals (RFP) process, following the regulations contained in 24 CFR 983.51 (b) and (c) regarding solicitation and selection of proposals.
- Offer and award PBVs through an RFP process in conjunction with Minnesota Housing and Finance Agency's (MHFA) annual RFP.
- The Metro HRA will take no action until after MHFA has made its funding award determinations. If MHFA 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 again offered.

Rationale

Federal regulations for the Housing Choice Voucher Program require the Council to conduct a public hearing to receive comments on the 2022 Annual PHA Plan.

Thrive Lens Analysis

The PHA Plan and Housing Choice Voucher Administrative Plan support 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.

Funding

Developing the Annual Plan is a regular part of the Metro HRA's annual work plan.

Known Support / Opposition

There is opposition by a faith-based housing developer regarding the proposed changes related to the offer and award of PBVs. There are 23 written comments to date, and there were 3 verbal commenters at the public hearing held on August 16, 2021, requesting an annual offer and award commitment of PBVs. All appear to be affiliates of the same faith-based organization that would like PBVs. There has also been engagement with the Metro HRA Resident Advisory Board who support the recommended changes in the Plan. The information item will include additional detail on the comments received to date.