

# Committee Report

Community Development Committee



**Committee Meeting Date:** October 2, 2023

**For the Metropolitan Council:** October 11, 2023

## Business Item: 2023-237

2024 Annual Public Housing Agency (PHA) Plan Approval

### Proposed Action

That the Metropolitan Council:

1. Approve the 2024 Annual Public Housing Agency (PHA) Plan, including changes to the Housing Choice Voucher Administrative Plan as described in this report and attachments.
2. Authorize the Metropolitan Council Chair to execute the required certifications.
3. Direct staff to submit the final PHA Plan to the U.S. Department of Housing and Urban Development (HUD).

### Summary of Community Development Committee Discussion/Questions

Assistant Director of the Metropolitan Council Housing & Redevelopment Authority (Metro HRA) Stephanie Paulson presented the staff report to the Committee.

The Committee had discussion around future strategies and approaches to address the housing crisis throughout the region. This discussion also included acknowledgements and statements on the public comments received during the public comment period.

The Committee unanimously approved the proposed action at its regular committee meeting on October 2, 2023.

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2024 Annual Public Housing Agency (PHA) Plan Approval

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	24 Code of Federal Regulations, Part 903
<b>Staff Prepared/Presented:</b>	Stephanie Paulson, Assistant Director, (651) 602-1584
<b>Division/Department:</b>	Community Development/Housing and Redevelopment Authority

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### Background

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 Public Housing Agency (PHA) Plan.

The PHA Plan serves as a guide to the Metro HRA programs, policies, operations, and strategies for serving the needs of very low and extremely low-income households. The PHA Plan is intended to be a convenient source of information for program participants, HUD, and the public.

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. The [Annual PHA Plan](#) (last approved in 2022 for the year 2023) is an update relating to the general policies and procedures for providing service in the coming year and is the subject of this approval.

The Housing Choice Voucher Administrative Plan is the main policy document of the Metro HRA. It is reviewed and updated annually as HUD adopts new or revised regulations and as the agency determines a need for policy revisions. The Administrative Plan becomes an attachment to the PHA Plan. The Metro HRA is not recommending significant changes to the [2023 Administrative Plan \(Draft\)](#) this year.

### Noted updates in the proposed 2023 Administrative Plan

1. Chapter 3: Eligibility
  - Updated criminal history denial and termination language. The update language is less restrictive. The PHA will not universally deny or terminate assistance for

- misdemeanor drug records and/or convictions.
- 2. Chapter 17: Project Based Vouchers
  - A project owner or developer will have until December 31<sup>st</sup> of the year following application year to secure a project’s financial feasibility.
- 3. Chapter 19: Special Purpose Vouchers
  - This is a new chapter in the Administrative Plan that consolidates all special purpose voucher guidance into one area instead of scattered throughout the plan.

**Known Opposition**

A public comment period and public hearing are required components of the Annual PHA Plan. The Metro HRA hosted a Public Hearing on August 21, 2023. Beacon Interfaith Housing Collaborative staff and affiliates registered eleven community members to speak at the hearing. Additionally, the Metro HRA received twenty-three written submissions from the developer and supporters. Some that spoke at the hearing also submitted their request in writing. Challenges had the following objectives:

Objective	Proposed Response
Award 30% of Metropolitan Council vouchers as PBVs for 30% AMI housing where the poverty rate is 20% or less.	No change recommended.
Offer and award PBVs to the seven-county metro region, extending beyond the Metro HRA’s jurisdiction.	No change recommended.
Coordinate PBV awards with Minnesota Housing and Finance Agency’s capital funding cycle.	No change recommended.
Allow for a multi-year timeframe to expedite construction.	Change recommended.
Commit to utilizing the PBV option with the upcoming State Rental Assistance Program	No change recommended. <sup>1</sup>

HRA Staff presented to Council Members on three occasions throughout the PHA Plan’s development. Staff used the time to engage Council Members on Beacon Interfaith Housing Collaborative and affiliate requests and discuss recommended changes.

- August 2, 2023: Committee of the Whole [presentation/discussion]
- September 5, 2023: Community Development Committee [presentation/discussion]
- September 18, 2023: Community Development Committee [presentation/discussion continued]

**Rationale**

Federal regulations for the Housing Choice Voucher Program require submittal of the 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

<sup>1</sup> The Metro HRA will return for further discussion when program details become available.



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 PHA Plan is a regular part of the Metro HRA's annual workload and ensures compliance with the U.S. Department of Housing and Urban Development.

