

C Community Development Committee

Meeting date: December 17, 2012

ADVISORY INFORMATION

Date: December 11, 2012
Subject: 2013 Housing Choice Voucher Funding Discussion
District(s), Member(s): All
Policy/Legal Reference: CFR Title 24, Part 982
 MN Statute 473.195 Housing and Redevelopment Powers
Staff Prepared/Presented: Terri Smith, HRA Manager, 651-602-1187
Division/Department: Community Development / HRA

Proposed Action

None. Item is to provide information

Background

The Section 8 Housing Choice Voucher (HCV) Program is a federally funded program that provides rent assistance to extremely and very low income families in the region. Under the HCV program, participants are responsible for finding a rental unit on the open rental market in which a landlord is willing to participate. The participant pays 30% of their income towards rent and utilities and the housing authority pays the remainder directly to the landlord. The Metro HRA has a total voucher allocation of 6,189.

Funding for the HCV program is provided through the U.S. Department of Housing and Urban Development as a result of annual congressional appropriations. Historically, the funding provided has been sufficient to serve all 6,189 families. Currently the available funding is no longer sufficient to serve all families due to several factors.

Two items were presented to you on October 17, 2012 one for revision to the Utility Allowances provided and one for an increase in rent limits for Section 8 participant families, both impacting the number of families to be served in 2013. During these presentations, Council Member Chavez expressed concern over the adverse impact on the decreased number of families that will be served. Council Member Smith expressed the same concern and requested we have a discussion on how we may continue to provide rent assistance to the same number of families.

Rationale

The presentation will include options, considerations and challenges on how to serve the same number of families in 2013 with rent assistance.

Funding

Funding for the Section 8 program is provided by the U.S. Department of Housing and Urban Development.

Known Support / Opposition

N/A