



Plan for Awarding 500 Project-Based Vouchers 2015-2018

In early 2015, Home Forward announced the agency will reserve up to 500 Housing Choice Vouchers (Section 8) to be project-based in the coming three years. These vouchers will be removed from the existing tenant-based Section 8 pool and attached to apartments with 15-year renewable Housing Assistance Payment contracts. We made this decision to address the lack of affordable housing in neighborhoods where renters are being priced out and the continuing decrease of housing choice for low-income people with tenant-based Housing Choice Vouchers.

The rental market continues to be tight in Multnomah County with a vacancy rate ranging between 1% and 3% depending on the neighborhood. Rents are rising rapidly and the need for affordable housing is great. We intend to issue 250 reservations for project-based vouchers in our current fiscal year (FY 2016) ending March 31, 2016, another 190 in FY 2017, and the final 60 in FY 2018 in hopes that we will see new deeply affordable apartments on line within two years of the first reservation dates.

HUD Requirements

HUD regulations strictly govern the process for project-basing vouchers. One specific requirement is that a competitive process takes place to ensure fair and equal access to the subsidy. Home Forward has the option to hold our own competitive process or to work jointly with partners in a process.

Alternatively, the award of vouchers can be based upon the proposed development having successfully competed in another local funding process as described in the regulations below.

24 CFR 983.51

Selection of a proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection

requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

At the conclusion of a competitive process, the successful applicant(s) can receive a reservation of project-based vouchers for the development.

First Awards

Earlier this year, Home Forward provided a reservation of ten project-based vouchers to Cascadia's Garlington development after they successfully competed for State funding to develop housing to serve mentally ill residents. Recently, Home Forward included project-based vouchers in two RFPs issued by the Portland Housing Bureau for the developments planned on Parcel 3 (70 vouchers) in South Waterfront and NW Raleigh (18 vouchers).

In September 2015, Home Forward issued an RFP independent of our jurisdictional partners that will award up to 200 vouchers.

With these efforts and continued coordination with our jurisdictional partners, we hope to achieve our goal of issuing 250 reservations for project-based vouchers by March 31, 2016.

Commitment Paths

The process of committing to reservations of project-based vouchers provides Home Forward with the ability to add preferences and priorities to affordable housing developments seeking our voucher subsidy. High priorities for Home Forward include the neighborhood the vouchers will be located within, our ability to leverage the vouchers to create additional affordable apartments beyond those created by the vouchers, and the creation of deeply affordable family-sized apartments. These three commitment paths were prioritized in the fall 2015 RFP process.

1. Neighborhood

Site selection is an important factor as we make decisions about where the project-based vouchers will be located. The ideal neighborhood will be outside high poverty areas, (high poverty is defined as 20% or more of the households in the area earning an income equal to or less than the poverty level.) Additionally, overall community investment into the neighborhood will be considered in hopes that the surrounding community will provide ample opportunity for the residents.

2. Leverage

Home Forward desires the investment of project-based vouchers to result in the development of even more deeply affordable apartments. Developments requesting project-based vouchers will be asked to provide additional deeply affordable apartments above and beyond those made possible by the voucher award.

3. Family Units

As of August 2015, 62% of the tenant-based Section 8 vouchers serve seniors and people with disabilities. The current project-based voucher program serves 77% senior and disabled households and only 23% family households. As a result, families are the target for the majority of the new project-based vouchers. The importance of raising young children in neighborhoods near schools with systems of support has been shown to be a strong indicator of success. In the current rental market accessing neighborhoods with strong schools is a priority for our growing project-based voucher resource.

Priority Populations

We have identified preferences and priorities for the 500 project-based voucher pool based on our desire to support families with this resource and address other community needs we know exist. We will prioritize 300 of the 500 project-based vouchers for families with children, 100 for seniors and people with disabilities, 50 for domestic violence survivors and 50 for re-entry or family reunification. Additionally, points will be awarded to applications that include a partnership with an identified culturally specific agency that will provide referrals and services.

Applicant Screening Criteria and Services

A critical component of project-based vouchers is to ensure vulnerable populations have access to units. Owners who receive a reservation of project-based vouchers must agree to reduce the screening criteria to a level that ensures access for the targeted population. All of the identified priority populations will likely require reduced screening criteria to ensure access to the housing, as well as services to ensure ongoing stability and success.

Attachments

Preference and Priority Graphic

500 Project-Based Vouchers

- Commitment Paths
- Priority Populations
- Distribution Methods:
 - Jurisdictional Partner
 - Home Forward RFP
 - Other

