

Why Accepts a Voluntary HCV Transfer

1. **Program Growth**
 - Gains more vouchers, higher budget authority, and a bigger service area.
 - HUD rarely issues new vouchers, so transfers are one of the few ways to grow.
 - Larger programs are more stable and influential.
2. **More Stable Administrative Fee Revenue**
 - Receives ongoing admin fees and reserves.
 - Helps cover staffing, technology, and absorb funding fluctuations.
 - Extra revenue usually exceeds extra costs.
3. **Economies of Scale**
 - Fixed costs (software, inspections, compliance) spread over more units.
 - It is easier to run a bigger program than start from scratch.
 - HUD favors PHAs that improve efficiency this way.
4. **Regional Role & Influence**
 - We already are a key regional or statewide housing administrator.
 - CoC, Bridges, and Bring It Home are already regional.
 - Addressing Homelessness where it is at rather than bringing it to Mankato.
 - Streamlining services in our greater Mankato area – N Mankato and St Peter.
 - Strengthens relationships with HUD, state, local governments, and partners. (MVAC)
 - Positions EDA for future expansions, special vouchers, PBVs, and policy leadership.
5. **Preserves Housing Assistance**
 - Prevents residents from losing vouchers due to problems in the divesting PHA.
 - HUD sees EDA as stabilizers for low-income housing.
6. **Improves Program Performance**
 - Corrects deficiencies from the divesting PHA. Streamlines service delivery – many same landlords.
 - Increases lease-up, compliance, and SEMAP performance.
 - Boosts EDA reputation and HUD standing.
7. **Access to PBVs and Development Opportunities**
 - Gains control of existing PBV contracts and long-term affordable housing.
 - Supports local development, LIHTC projects, and special-needs housing.
8. **Stronger Financial Position**
 - HAP and admin reserves transfer with the program.
 - Reserves cushion funding swings and support growth.
9. **Workforce & Knowledge Retention**
 - Experienced staff may move with the program, preserving local knowledge.
 - Reduces onboarding costs.
10. **Alignment with HUD Policy**
 - HUD encourages regional activity to balance voucher utilization where it is needed while providing opportunity across the state.

Risks That Might Lead EDA to Decline

- Insufficient administrative fees or reserves
- Hidden liabilities
- Jurisdictional or political complications
- Increased compliance risk

Bottom Line

EDA accepts a voluntary transfer when it **strengthens program size, finances, regional influence, and mission impact** without creating excessive risk.

