



Message from Our Executive Director

PHA staff spent over 2,500 hours helping 497 households apply for rent assistance and avoid eviction proceedings.

Since the pandemic began, many households have become delinquent in their rent payments. The St. Paul Public Housing Agency (PHA) recognized this right away and assembled a team of staff members to reach out to residents who were struggling to pay rent. Through the dedication and hard work of the PHA's Resident Services Department, the PHA was instrumental in securing over \$1.4 million in rental assistance for its residents. At least 894 households have been delinquent on rent, some as far back as March 2020, owing the PHA more than \$2 million. Some households obtained rent assistance on their own, but to date PHA staff have collectively spent over 2,500 hours assisting over 497 households process the paperwork needed to avoid eviction. This is equivalent to more than one full-time staff person devoted to this work for an entire year.



Only 32 households failed to positively respond to the PHA's efforts to help before the State of Minnesota's Eviction Moratorium was lifted on October 12, 2021. PHA staff reached out to those households and offered assistance, averaging 10 contacts per household before the moratorium was lifted. Of those remaining 32 households, eight have already paid their rent due. Fourteen other households have applied for rent assistance, and their Eviction Actions have been put on hold while their applications are processed. One resident's case was set for a later date due to technical issues they experienced during the Zoom hearing. Only nine households failed to appear in court or otherwise make any arrangement to repay their outstanding balances, resulting in writs of recovery being issued that will allow the PHA to take back the property and rent it to a family in need on the waiting list. Over 9,000 households are on the PHA's waiting list at this time.

Over 412 residents have already received rental assistance, and many more are awaiting assistance payments from RentHelpMN, the State of Minnesota program established to help low income individuals with rent payments in the wake of the COVID-19 pandemic. PHA staff dedicated an average of six hours of time, per household, assisting residents with the RentHelpMN application process.

This effort is far from over. Over 200 PHA residents were newly late on rent this month, and this pattern is likely to persist. Staff continue to provide residents with thorough, targeted assistance applying for rent help. Through this focused effort the PHA seeks to ensure that no resident loses their housing because they cannot pay rent. The rental assistance is available, and the PHA stands by to help any resident obtain this aid. Simultaneously, we will follow HUD regulations and uphold our fiduciary obligations to tax payers who provide the deep rental subsidies that make this housing affordable to very low income people.

The following is the PHA's written statement to the StarTribune Reporter on December 8. It remains posted on our website at www.stpha.org (<http://www.stpha.org>).

DECEMBER 8, 2021

ST. PAUL PUBLIC HOUSING AGENCY (PHA) STATEMENT ON EVICTIONS

The PHA is in the business of housing people in need. And, the PHA has worked closely with all residents regarding available rent assistance.

We have 34 years of data confirming that 99% of the people residing in the over 4200 units we own and manage have successful tenancies each year. They comply with the terms of their lease. Pre-COVID, approximately 1% of the households (45 some per year) have their leases terminated for serious lease violations, most for violent criminal activity, or drug related criminal activity, some for non-payment of rent. In 2019 (the last full year with pre-pandemic data) the PHA filed only 91 evictions (out of 2,668 total cases filed in Ramsey County) and only 22 of those resulted in a writ of recovery.

We also have a fiduciary responsibility to the taxpayers who provide deep subsidies to make this housing affordable to people earning 30% of AMI or below. Since rents are income-based and not tied to the cost of operating public housing, we count on federal subsidies to balance the books. The \$42 million revenue budget is comprised of \$17 million in tenant rents and \$25 million in operating subsidies. Taxpayers provide the operating subsidy (via HUD).

Related, the PHA has a 30-year record of collecting 99.5% of all rent charged. However, because of COVID related issues, rent delinquencies began occurring as far back as March of 2020. They grew to over 894 households owing over \$2.0 million. This delinquency accounted for almost 6% of rents charged.

As mentioned, the PHA has worked closely with all residents regarding available rent assistance. For those who have sought PHA assistance, PHA staff have spent an average of five to six hours with each resident helping them complete the application process and provide the program necessary information. This effort speaks volumes of the dedicated and mission driven staff who work at the PHA. We want residents to succeed.

Attached Board reports detail the PHA's efforts to reach out to residents. We attempted to contact each household numerous times via phone, by personal visit to the residence, and by U.S. Mail. (The latest Report dated November 24, 2021 may be the most useful to review as it includes new charts and graphs.)

We are very happy to report that of the over 4200 households in PHA-owned housing, only 32 are delinquent on rent and have not followed through with rent assistance available to them.

So far PHA residents have received \$1,404,916 in rent assistance. PHA staff assisted all residents who needed assistance with their applications fill out the application for rent assistance.

Unfortunately, the PHA cannot waive any rent due to it. According to HUD, "PHAs are not permitted to directly pay tenant's rent or to offer debt forgiveness programs with CARES Act funds, public housing Operating or Capital Funds or HCV funds." Department of Housing and Urban Development, Centers for Disease Control and Prevention (CDC) Eviction Moratorium FAQs for HUD's Office of Public and Indian Housing 5 (2020). HUD has stated that during the COVID-19 pandemic, "Rent is still due during this time period and will accumulate if unpaid." U.S. Department of Housing and Urban Development, Addressing Tenant Concerns Regarding Rent and the Temporary Suspension of Evictions for Nonpayment of Rent (2020). "HUD does not authorize any PHA-sponsored amnesty or debt forgiveness programs." HUD PIH Notice 2018-18 issued on October 26, 2018 (addressing repayment agreements).

The 32 Evictions Actions filed represent those residents who are delinquent in rent AND ALSO have not applied for rental assistance that is readily available to them. They collectively owe the PHA a total of \$101,942. The PHA stands ready to assist each of these households in applications for rent assistance, but the household must apply for the assistance. The programs do not allow the PHA to apply for rent assistance on the resident's behalf.

The goal of the PHA is to have every resident who is behind or struggling to stay current on their rent signed up for one of the rent assistance programs and avoid eviction. To do that, residents must participate in the rent assistance program.

About the Saint Paul Public Housing Agency:

The PHA administers federal rent subsidies that provide safe, affordable housing to more than 22,000 Saint Paul residents. Almost half of those residents live in the 4,273 affordable homes and apartments that the PHA owns and manages. The PHA also administers the federal rent subsidy program called "Housing Choice Vouchers", previously known as Section 8. The rental vouchers help over 5,000 households pay affordable rents in privately-owned apartments and rental homes.

The St. Paul PHA is a 31-consecutive year HUD designated high performer that owns and manages residential real estate currently valued at approximately \$756 million dollars. We achieve high marks in all operational indicators such as:

- 26th consecutive years of 99% occupancy,
- Collecting 99% of all rents,
- Completing approximately 21,755 [emergency 6,573 + non-emergency 15,182 = 21,755 in FY 2021] maintenance work orders/year; emergencies in less than 24 hours; non-emergencies in average 15.84 days,
- In addition, we have a 31 year innovative community policing program, a prime reason why major crime rates in public housing developments are lower than citywide averages,
- Completed a 25 year homeownership program in 2014 that helped 300+ low-income families move from subsidized rental to homeownership, and
- Executed a community solar agreement in 2018 that provides 10 of our hi-rises 100% solar power for electricity while saving \$120,000 per year for 25 years,
- The PHA compiled a 23rd year record with zero findings on its annual audits and has won awards for its financial reporting,
- The PHA invested \$8.3 million in life safety improvements by installing fire sprinklers and upgrading the fire alarm systems in all 16 PHA Hi-Rises, starting in 1991.

The PHA received HUD's National Outstanding Sustained Performance Awards in 1991 and 1996, and was the highest-rated large housing agency in the country in 1996 (the only year HUD published such a national ranking).

Respectfully,

Jon Gutzmann

December 20, 2021

News article clippings about the PHA

- **Star Tribune Article December 4, 2019 (<https://www.startribune.com/over-22-years-st-paul-housing-agency-added-sprinklers-to-every-high-rise/565786542/>)** (Over 22 years, St. Paul housing agency added sprinklers to every high rise)
- **Star Tribune Article October 11, 2019 (<https://www.startribune.com/st-paul-public-housing-agency-gets-ok-for-program-to-preserve-public-housing-units/562872392/?refresh=true>)** (St. Paul Public Housing Agency gets OK for program to preserve public housing units)
- **Pioneer Press Article June 24, 1996 (/images/about-pha/ArticleHOMEProgram062496.pdf)** (Private homes get public praise)
- **News article clipping (/images/about-pha/ArticleCityhousinggetsgoodreportcard.pdf)** (City housing agency gets good report card)
- **Pioneer Press Article April 18, 1996 (/images/about-pha/PHAHomeImprovements041896.pdf)** (Home Improvements - Roosevelt Homes)

- **1996 HUD Rating Ranking PHA Number One (/images/about-pha/1996_hud_ratingranking.pdf)** (PHA Letter to Mayor Coleman and response letter from Mayor Coleman)
- **Star Tribune Article April 30, 1994 (/images/about-pha/ArticlePolicesweeps043094.pdf)** (Police sweeps: Should wrongs take a right?)
- **PHA Community Gardening August 2, 1992 (/images/about-pha/PHACommunityGarden080292.pdf)** (Tending the Hmong tradition)
- **Star Tribune clipping July 14, 1992 (/images/about-pha/StarTribuneClippingCelebratingaRainbow071492.pdf)** (Boys & Girls Club - Celebrating a 'Rainbow')
- **Pioneer Press Article April 9, 1992 (/images/about-pha/PioneerPressMixedHousing040992.pdf)** (Report hails St. Paul public housing success)
- **Star Tribune Article December 9, 1991 (/images/about-pha/StarTribuneNeillAptSeniorCitizen120991.pdf)** (Senior citizen complex rises above the rest)
- **Star Tribune Article May 15, 1991 (/images/about-pha/StarTribune051591.pdf)** (Public Housing Agency honored as one of top in U.S.)

Click here (<http://www.stpha.org/about-sppha/archive-from-our-ed>) to view archived messages from Executive Director.