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Item: Saint Paul Public Housing Agency (PHA) Recognized for Excellence in Financial Reporting

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Information about the PHA is also posted at: www.stpaulpha.org

SAINT PAUL PUBLIC HOUSING AGENCY

The Saint Paul Public Housing Agency (PHA) has been awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA), honoring the PHA's "Comprehensive Annual Financial Report" (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the management and staff of a governmental unit or agency.

The PHA's CAFR was judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 16,000 government financial professionals nationwide.

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PHA Background:

The Public Housing Agency (PHA) is an independent agency, created in 1977 by the Minnesota Legislature. The Mayor of Saint Paul appoints the seven members of the PHA Board and the City Council confirms the appointments. By State law, at least two of the seven PHA Commissioners are residents of public housing.

About 10,000 Saint Paul residents live in the 4250 public housing units that the PHA owns and manages. Over half of the units (2548) are in 16 high-rise apartment buildings for seniors,

persons with disabilities and younger single people. The 1702 family apartments are divided among four housing developments and scattered site homes distributed throughout the city. Over 5000 households have put their names on the public housing waiting list. The wait can be a few months up to several years, depending on the household size and other factors.

Another 10,000 people receive rental assistance from the federal rent subsidy program the PHA administers known as “Section 8” or “Housing Choice Vouchers”. They pay affordable rents in privately owned apartments and rental homes. The waiting list for Section 8 vouchers is closed, and the few families receiving vouchers now have waited years for their names to come to the top of the list. Over 11,000 households requested applications when the waiting list was opened for three days in the Spring of 2007.

Families in public housing and Section 8-subsidized apartments pay about 30% of their income for rent and utilities, and the federal housing subsidy pays the rest of the cost. The PHA’s total annual budget is over \$65 million. Public housing residents pay over \$11 million a year to the PHA for rent and utilities. HUD supplies approximately \$11 million annually for the public housing operating subsidy and another \$7-8 million per year for major modernization work, such as the renovation of McDonough Homes. The Section 8 program brings in about \$35 million in federal funds to Saint Paul annually, most of which is then paid out as rent subsidies directly to private property owners. About 1,200 private landlords participate in this program.

The PHA is consistently rated as a “high performer” by HUD for both its public housing and Section 8 programs, based on performance indicators like these:

- All of the PHA’s public housing units are fully occupied (less than 1% vacancy).
- Public housing residents pay rent on time. The PHA’s collection losses are under two percent of all rents and charges billed.
- The PHA spends its capital grants from HUD on time, following approved plans and budgets.
- The PHA’s public housing units are well managed and maintained.
- The PHA’s Section 8 subsidies (almost 4000 subsidies used in privately-owned apartments) are all in use and administered according to federal regulations.
- The PHA administers a successful homeownership program that has resulted in 268 former residents of public housing and Section 8 purchasing homes over the last 18 years, with only four foreclosures during that period of time.

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