



## **July 28, 2009 PRESS RELEASE – FOR IMMEDIATE RELEASE**

### **Saint Paul Public Housing Agency (PHA) Receives \$1 Million for New Housing Vouchers for Homeless Veterans, Reuniting Families and Homeless Youth**

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Information about the PHA is also posted at: [www.stpaulpha.org](http://www.stpaulpha.org)

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### **Saint Paul Receives New Housing Vouchers for Homeless Veterans, Reuniting Families, Homeless Youth**

In July the U.S. Department of Housing & Urban Development (HUD) awarded 135 new housing vouchers worth more than \$1 million annually to the Saint Paul Public Housing Agency (PHA). The vouchers were approved under two special programs that combine rent subsidies from HUD, administered by the PHA, with supportive services provided by the Veterans Administration, the Ramsey County Community Human Services Department and a network of other local social service agencies. Homeless veterans will receive 35 of the new vouchers, and the other 100 vouchers will help families who have been separated and also homeless youth.

Congresswoman Betty McCollum (MN-4) said, “I am very pleased my Congressional office was able to help secure federal funding for the special housing voucher programs that Minnesota’s veterans, families and homeless youth need so desperately. The Saint Paul Public Housing Agency and their partners are to be commended for their efforts to deliver these vital services.”

Jon Gutzmann, the PHA’s Executive Director, said “We are pleased to have this opportunity to administer not just one but two special allocations of housing vouchers. We already have over 4000 Housing Choice vouchers from HUD under lease, so we know how the program works. We’ll be able to start issuing the new vouchers as soon as the money is available and we start getting eligible families and individuals referred from the VA and Ramsey County. While there is a huge need for federally funded Housing Choice Vouchers for a variety of low income populations (as evidenced by the 8,000 households on our waiting list), we have wanted

to do something special to help homeless veterans for a long time. The fact that the phrase “homeless veterans” even exists is one of the greatest travesties in modern day America, in my opinion. The causes of homelessness are complex and the victims more diverse than just veterans. However, I believe more should be done to address the challenges facing homeless veterans given what they have sacrificed for our country. We are so grateful that the Obama Administration and Congress have recognized this need and made these housing resources available.”

**VOUCHERS FOR HOMELESS VETS.** In a July 15 news release (attached) HUD announced that the Saint Paul and Minneapolis public housing agencies would each get 35 new vouchers for homeless veterans under the “Veterans Affairs Supportive Housing (“VASH”) Program. These vouchers are among 10,290 vouchers nationwide that Congress funded with \$75 million in the federal budget for the current fiscal year. This is Saint Paul’s first award of VASH vouchers; Minneapolis received 70 of the special vouchers last year. St. Cloud also received 35 vouchers for the first time this year.

The Veterans Administration medical center in Minneapolis will identify homeless veterans who are eligible for the services and housing vouchers and refer the vets to the housing agencies.

**HUD Minneapolis Director Dexter Sidney** said, “I’m a Vietnam veteran myself and I know that these VASH vouchers and accompanying services are sorely needed. They will help some fellow veterans who are struggling to get into decent housing and accept services to stabilize their lives. This Administration has pledged to end the tragedy of homeless veterans within five years, and the VASH program will help accomplish that. HUD and VA staff at the national and local levels have pledged to work closely together to get the vouchers into the hands of eligible vets as soon as possible, with supportive services ready to go.”

**REUNITING FAMILIES AND HOMELESS YOUTH.** On July 13 the PHA received HUD’s letter announcing the award of 100 vouchers under the “Family Unification Program”. St. Paul PHA and Ramsey County Community Human Services Department staff who submitted the application in January 2009 were delighted to finally get the news. Although several Minnesota housing agencies applied for the vouchers, only Saint Paul received them.

**Rita Ander**, Manager of the PHA’s Section 8 programs said, “We will start issuing the VASH vouchers to vets referred by the VA as soon as the funds are actually available and VA staff can identify eligible families and individuals. There is no requirement that the veterans already be on the Section 8 waiting list. For the Family Unification Program, applicants who are now on the waiting list and who also are certified as eligible for the new vouchers by Ramsey County will get the first vouchers. After that the County can refer other eligible individuals and families who were not already on the waiting list.”

Officials at the VA, HUD and the PHA all said that the programs’ success will depend in part on the cooperation of property owners who are willing to rent homes and apartments to individuals and families who have the special vouchers. Ander said, “Participants in both programs will have support from social workers and case managers at the VA, Ramsey County and private social service agencies. The renters and property owners will be able to draw on those support networks if issues arise. That has been a successful model in other rent assistance programs, and we expect it will work well here, too.”

### **PHA Background:**

The PHA administers federal rent subsidies that provide about 20,000 Saint Paul residents with safe, affordable housing. About half of those residents live in the 4249 public housing homes and apartments that

the PHA owns and manages. The other 10,000 residents use Section 8 Housing Choice Vouchers to pay part of their rent in privately-owned properties.

Over half of the PHA-owned units (2548) are in 16 high-rise apartment buildings for seniors, persons with disabilities and younger single people. Most of the high-rise apartments are efficiency or one-bedroom units. Almost 1300 family townhomes are divided among four housing developments. McDonough Homes is the largest family development, with 580 units spread over about 70 acres. Another 400+ families rent PHA “scattered site” homes that are distributed throughout the city. Almost 7000 households have applied for public housing (6/30/2009 waiting list). The wait can be a few months up to several years, depending on the household size and other factors.

The PHA also administers the federal rent subsidy program known as “Section 8 Housing Choice Vouchers”. The rental vouchers help almost 4000 households pay affordable rents in privately-owned apartments and rental homes. The waiting list for have 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 2007, and 8000 are still on the list (6/30/2009).

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 total insured value of the PHA’s public housing properties is \$520 million. The total annual budget for public housing, Section 8 and related programs is about \$67 million. The Section 8 program alone will bring about \$32 million in federal funds to Saint Paul this year, most of which is then paid out as rent subsidies to private property owners. Public housing residents pay almost \$12 million a year to the PHA for rent and utilities. HUD will provide \$13 million this year for the public housing “operating subsidy” and another \$8 million for major modernization work, aside from the Recovery Act funding. PHA staff tallied \$77 million in deferred maintenance and other capital needs in a recent “physical needs assessment” of public housing properties, caused by aging buildings and several years of reduced federal funding. The stimulus funding will make a significant down payment on those capital needs, but the PHA needs several years of higher capital grants to “catch up” and then “keep up” with major repair and renovation needs as they accrue (examples: hi-rise roof and boiler replacement, window replacements for energy conservation, etc.). .

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 occupied (less than 1% vacancy,).
- PHA 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 maintained. Maintenance requests are completed quickly: Emergencies repairs are done in less than 24 hours, and routine requests in an average of less than 5 days.

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**For Release**  
**Wednesday**  
**July 15, 2009**

**HUD OFFERS PERMANENT HOMES FOR MORE THAN 10,000 HOMELESS VETS**  
***\$75 million HUD-VASH program to provide rental housing and support services***

WASHINGTON - U.S. Department of Housing and Urban Development announced today the final allocations of more than 10,000 vouchers to local public housing authorities across the country to provide permanent supportive housing for homeless veterans.

For a local breakdown of the rental vouchers announced today, visit HUD's website.

"Numerous men and women voluntarily leave their families and put their lives on the line to ensure that we, their fellow Americans, live safely in our homes," said HUD Secretary Shaun Donovan, who announced the \$75 million in funding last month with Veterans Affairs Secretary Eric K. Shinseki.

"These vouchers offer veterans a permanent home and critically needed supportive services to those who have served our nation."

HUD's *Veterans Affairs Supportive Housing Program (HUD-VASH)* will provide local public housing agencies with 10,290 rental assistance vouchers specifically targeted to assist homeless veterans in their area. Public housing authorities, that administer HUD's Housing Choice Voucher Program (HCV), work closely with Veteran Affairs Medical Centers to manage the program. In addition to the rental assistance, VA Medical Centers provide supportive services and case management to eligible homeless veterans.

"The announcement of an additional 10,290 HUD-VASH vouchers for homeless Veterans and their families allows us to take another giant step forward with a collaborative effort to reach some of the most vulnerable Veterans; including women Veterans and Veterans with children," said Secretary of Veterans Affairs Eric K. Shinseki "We will connect these Veterans with dedicated case managers to insure they receive the health care and benefit assistance to help them to move on with their lives with dignity."

HUD allocates the housing vouchers to local public housing agencies across the country that are specifically targeted to homeless veterans based on a variety of factors, including the number of reported homeless veterans and the proximity of a local VA Medical Center with the capacity to provide case management.

HUD's HCV program (Section 8) allows participants to rent privately owned housing and generally pay no more than 30 percent of annual adjusted income. The VA will offer eligible homeless veterans clinical and supportive services through its medical centers across the U.S and Puerto Rico. The VA addresses the needs of more than 100,000 homeless veterans who access VA health care annually. In the last two years, HUD has provided \$150 million that will sustain 20,000 vouchers to support the housing and service needs of homeless veterans across America. In its proposed 2010 budget, the Obama Administration demonstrates its support of homeless veterans by renewing these and other special purpose vouchers.

Local communities or "Continuums of Care" that receive HUD homeless assistance will work with local VA Medical Centers to identify eligible participants. The VA will then screen homeless veterans to determine their eligibility. Those eligible vets will receive treatment and regular case management to retain the voucher. VA Medical Center case managers will also work closely with local housing agencies to help participants find suitable housing. Participating local housing agencies will also determine income eligibility in accordance to HUD regulations for the HCV program.

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*HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development and enforces the nation's fair housing laws. More information about HUD and its programs is available on the Internet at [www.hud.gov](http://www.hud.gov) and [espanol.hud.gov](http://espanol.hud.gov).*