



## **June 30, 2010 PRESS RELEASE – FOR IMMEDIATE RELEASE**

### **Saint Paul Public Housing Agency (PHA) Receives \$198,657 for New Housing Vouchers for Homeless Veterans**

FOR MORE INFORMATION CONTACT:  
St. Paul Public Housing Agency

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

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#### **Saint Paul Receives New Housing Vouchers for Homeless Veterans**

The Saint Paul Public Housing Agency will receive 25 vouchers worth almost \$200,000 annually to help homeless veterans find housing. The vouchers are part of the Veterans Affairs Supportive Housing (“VASH”) Program through the federal Department of Housing and Urban Development (HUD). Congress approved \$75 million for the program in the HUD budget for this year. Each voucher is worth about \$7,500 and provides rental assistance for housing for a homeless veteran and family members.

In a June 3 news release (attached) HUD announced the award of about 8000 vouchers nationwide, with 25 of the new vouchers coming to Saint Paul and 35 to Minneapolis. This is Saint Paul’s second award of VASH vouchers, making a total of 60 of the vouchers here. Minneapolis received 35 VASH vouchers this year, bringing their total to 140. St. Cloud also received 35 vouchers last 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.

Congresswoman Betty McCollum (MN-4) said, “I am very pleased my Congressional office was able to help secure federal funding for this special housing voucher program that Minnesota’s veterans 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 this special allocation of housing vouchers for homeless veterans. We already have over 4000 Housing Choice vouchers from HUD under lease, so we know how the program works. We are already issuing VASH vouchers to eligible families and individuals as the VA refers them to us. There is a huge need for federally funded Housing Choice Vouchers for a variety of low income populations, as evidenced by the almost 4,000 households on our waiting list. We are particularly glad to be able to do something special to help homeless veterans. 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.”

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.”

Rita Ander, Manager of the PHA’s Section 8 programs said, “We are issuing VASH vouchers to homeless veterans now, from the allocation we received last year. VA staff identify eligible families and individuals and refer them to us. There is no requirement that the veterans already be on the Section 8 waiting list.

Officials at the VA, HUD and the PHA all said that the programs’ success depends 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, “Veterans with VASH vouchers will have support from social workers and case managers at the VA 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 (8300 households) 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.

The PHA administers the federal rent subsidy program known as “Section 8 Housing Choice Vouchers”. The rental vouchers help over 4000 households pay affordable rents in privately-owned apartments and rental homes. The waiting list for have Section 8 vouchers has been closed for three years, and the families on the list will wait for years for their names to come up. Over 11,000 households requested applications when the waiting list was opened for three days in 2007, and 3900 are still on the list (5/31/2010). The PHA did not issue any new vouchers over the past year, because of slow turnover and the need to reduce the number of vouchers in use.

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.

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 7400 households have applied for public housing (5/31/2010 waiting list). The wait can be a few months up to several years, depending on the household size and other factors.

The total insured value of the PHA’s public housing properties is \$564 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. 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 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 less than one 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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### HUD PRESS RELEASE

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Donna White  
(202) 708-0685

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[http://portal.hud.gov/portal/page/portal/HUD/press/press\\_releases\\_media\\_advisories/2010/HUDNo.10-117](http://portal.hud.gov/portal/page/portal/HUD/press/press_releases_media_advisories/2010/HUDNo.10-117)

#### HUD TO PROVIDE PERMANENT HOUSING TO NEARLY 8,000 HOMELESS VETERANS

\$58.6 million HUD-VASH program to provide rental housing and support services

WASHINGTON - U.S. Housing and Urban Development (HUD) Secretary Shaun Donovan announced today that nearly 8,000 homeless veterans will get permanent housing assistance through a HUD rental assistance program that connects homeless veterans from local Veterans Affairs Medical Centers (VAMC) with rental assistance vouchers provided by local public housing agencies. HUD's Veterans Affairs Supportive Housing Program (HUD-VASH) will provide local public housing agencies with \$58.6 million in funding specifically targeted to assist homeless veterans in their area.

For a local breakdown of the rental vouchers announced today, visit:

<http://portal.hud.gov/portal/page/portal/HUD/documents/hud-vash2010round1.pdf> .

"Though they served and sacrificed so much for our country, too many of our veterans find themselves on the streets and in homeless shelters," said Donovan. "Thankfully, these vouchers will provide a more permanent solution to housing and services these veterans need."

"Today, the Departments of Veterans Affairs (VA) and HUD are making a critical, long-term investment toward ending homelessness among veterans," said VA Secretary Eric K. Shinseki. "The most effective option to providing veterans permanent shelter is HUD-VA Supportive Housing -- HUD-VASH -- the Nation's largest permanent housing initiative for Veterans. We owe every man and woman, who has worn

our Nation's military uniforms, a level of courage and determination that matches theirs as we work to end veteran homelessness. HUD-VASH is immensely important and effective to reaching our goal."

The grants announced today are part of a \$75 million investment to support the needs of homeless veterans. HUD expects to announce a second round of funding for another 1,355 rental vouchers next month and an additional 400 project-based vouchers later this summer. Local public housing agencies that administer HUD's Housing Choice Voucher Program (HCV) work closely with VAMCs to manage the program. In addition to the rental assistance, VAMCs provide supportive services and case management to eligible homeless veterans.

HUD allocates the housing vouchers to local public housing agencies, which 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 VAMC with the capacity to provide case management. Local communities that receive HUD homeless assistance will work with local VAMCs to identify eligible participants. VAMC case managers will also work directly with local housing agencies that are administering the HUD-VASH program to determine income eligibility and help participants find suitable housing. Veterans participating in the HUD-VASH program rent privately owned housing and generally contribute no more than 30 percent of their income toward rent. The U.S. Department of Veterans Affairs (VA) offers eligible homeless veterans clinical and supportive services through its medical centers across the U.S and Puerto Rico.

This is the third year HUD is supporting the housing and service needs of homeless veterans across America through HUD-VASH with a total investment of \$225 million that will sustain approximately 30,000 rental assistance vouchers.

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HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes: utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.

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).