



DECEMBER 13, 2011 - PRESS RELEASE – FOR IMMEDIATE RELEASE

Item: HUD Inspectors Report Saint Paul Public Housing Properties are in Excellent Condition; PHA Earns HUD's "High Performer" Ratings – Again; Also Recognized for Excellence in Financial Reporting.

FOR MORE INFORMATION CONTACT:

Jon Gutzmann, Executive Director

Mai Moua, Executive Assistant

Al Hester, Housing Policy Director

Information about the PHA is also posted at:

www.stpaulpha.org

High Performer Ratings:

The U.S. Department of Housing & Urban Development (HUD) recently confirmed that public housing in Saint Paul is in great shape. The Public Housing Agency (PHA) won high marks from HUD's Real Estate Assessment Center (REAC) after inspectors under contract with REAC examined every PHA hi-rise and family housing development, including inspecting a large number of individual homes and apartments. HUD periodically inspects and rates every public housing agency under the "Public Housing Assessment System" or PHAS.

All three of the PHA's large townhome developments for families scored high on REAC's rigorous PHAS physical inspections. The developments are Mt. Airy Homes, just north from downtown St. Paul (298 units), McDonough Townhomes in the North End (580 units) and Roosevelt Townhomes on the East Side (314 units).

PHA Executive Director Jon Gutzmann said, "The PHA has earned HUD's 'High Performer' rating for 21 consecutive years, based on these high scores on the physical inspections combined with top scores in other operational areas: financial management, modernization work and housing management. Our staff takes great pride in this independent recognition of our sustained performance. Providing safe, affordable, quality housing benefits both public housing residents

and the community.”

The PHA also earned HUD’s top performance rating for administering the Housing Choice Voucher (Section 8) program for its last fiscal year. Al Hester, PHA Housing Policy Director said: “This marks the PHA’s 9th consecutive year of ‘High Performer’ recognition for housing vouchers. We share the credit for that accomplishment with the more than 1000 property owners who rent to families with Housing Choice Vouchers.”

HUD evaluates the PHA’s programs annually on a rigorous set of performance standards. On HUD’s 100-point scale, the PHA scored a 96 for its public housing program and a 97 for its Housing Choice Voucher program. An agency which scores 90 or higher is designated a “High Performer”.

Under the federally-funded public housing program, the PHA owns and manages over 4200 rental homes and apartments for low income families and individuals, with about 10,000 residents total. In the Housing Choice Voucher program, also called “Section 8”, the PHA pays federal rent subsidies to private property owners who rent to qualified low income families and individuals. The PHA administers the voucher subsidies for about 4300 homes and apartments, providing affordable housing to another 10,000 people. In both programs the tenants pay about 30% of their household income for rent and utilities, and the federal subsidies make up the difference. Together the public housing and voucher programs will return over \$57 million in federal tax dollars to Saint Paul this year.

Mr. Gutzmann continued: “The majority (57%) of the 8500 households served by the public housing and Section 8 programs in St. Paul are headed by a person who is elderly or who has a disability. The average household income in both programs is about \$15,200 per year. Over 1/3 of all of the households have some wage income, but with average earnings of only \$15,600, these families and individuals really are the “working poor”. We are focused on our mission of helping households achieve greater stability and self reliance by providing safe, affordable, quality housing.”

Financial Reporting:

The Saint Paul Public Housing Agency (PHA) also was 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). This is the sixth year in a row that the PHA has won the award. 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.

QUOTES:

PHA Board Chair Tom Reding: “The ‘High Performer’ rating demonstrates the ongoing excellence of the PHA staff’s work. Running large public housing and voucher programs

requires constant attention to both the details and the ‘big picture’, and it’s remarkable how well the PHA staff does it.”

PHA Executive Director Jon Gutzmann: “We have effective business systems and a lean organizational structure that help us meet the housing needs of our clients, even during this difficult funding cycle. But most importantly, we ‘get the job done’ year after year because of the hard work, caring and competency of our dedicated employees.”

Minnesota HUD Office Director Dexter Sidney: “The Saint Paul Public Housing Agency is consistently recognized as one of the top-performing large housing agencies in the country. They stay on top of every aspect of running these complex programs, delivering high-quality housing and services to thousands of eligible families and individuals.”

Examples of “high performance” at the Saint Paul PHA:

- The PHA has maintained a 99% occupancy rate in its 4248 units of public housing for 16 consecutive years. (In the private rental market, a 5-6% vacancy rate is considered “full occupancy”.)
- The PHA’s public housing units are well maintained. Maintenance requests are completed quickly. Vacant units are prepared and re-rented in an average of 13 days. Emergencies repairs are done in less than 24 hours.
- Major renovation at each site (completed this year at McDonough Homes) makes the PHA’s housing attractive, desirable communities.
- PHA residents pay their rents, in full and on time. The PHA’s collection losses are less than one percent of all rents and charges billed.
- The PHA’s independent public auditors reported “zero findings” on their annual audits of the agency’s financial transactions, records and operating practices, for 13 years in a row.
- The PHA’s Housing Choice Vouchers (4300 subsidies used in privately-owned apartments) are all in use and administered according to federal regulations.

###

[END]

[This revised document corrects an error in the original press release.]