



**FOR IMMEDIATE RELEASE**

March 12, 2008

**Contact:** Barb Jacobs  
Minnesota Housing Partnership  
(651) 649-1710 ext. 117  
(612) 232-7799 cell

Fredda Scobey  
Riverside Plaza Tenant Assn.  
612-296-0118

## **\$2.8 Billion HUD Deficit Threatens Largest Project Based Section 8 Development in Five State Area**

### **Riverside Plaza Tenants Association Urges Minnesota's Federal Delegation to Respond Quickly to Protect Their Homes**

**St. Paul, Minn. (March 18, 2008)** – In addressing a \$2.8 billion funding shortfall, tenants and housing advocates across the state are strongly urging Minnesota's Congressional Delegation to provide emergency appropriations to HUD's Project-Based Section 8 program, which houses *nearly 7,000 households in Minnesota* and 500,000 nationwide.

Tenants of [Riverside Plaza](#), the largest Project Based Section 8 development in Minnesota, Iowa, Wisconsin, or the Dakotas, are leading the local response to the funding shortfall. At 3:00 p.m. on Wednesday, March 19, Riverside residents, tenants from other Project-Based Section 8 properties, and housing advocates will present Minnesota's congressional delegation with a key and an associated story for every rental unit threatened by the program funding deficit, which has caused HUD to delay payments to property owners on the behalf of thousands of tenants nationwide.

"At Riverside Plaza alone, 750 households are jeopardized by the Project Based Section 8 funding problem," says Fredda Scobey, executive director of the Riverside Plaza Tenants' Association. "This is significant. Most of these families would become homeless without the Project-Based Section 8 program."

In his "key story," one tenant named Merle from Minneapolis says, "I am 79 years old. I lost retirement benefits starting in 1998 when the company went bankrupt. I have had some large medical bills to pay in past years. I appreciate the affordable housing very much."

Lavern from Byron's story reads that "[affordable housing is important to me] because my daughter is disabled with autism and don't speak anymore. I struggle to pay for her and being a single parent working at Manpower at \$9.12 an hour!"

Over the past year, Minnesota's large demand for Section 8 housing has been illustrated by long-lines when years-long waiting lists have opened up. In February, Plymouth Housing and Redevelopment Authority opened their Section 8 waiting list and over 3,000 people stood in line for only 300 waiting list spots. Advocates point out that Minnesota, like the rest of the country, suffers from a shortage of affordable housing and any threat to the affordable housing stock is concerning.

"Already, almost one in eight Minnesota families spend over half of their income on housing," says Chip Halbach, executive director of the Minnesota Housing Partnership. "I can't imagine what that number might become if our Congressional leaders fail to address this funding problem."

Help the MN Tenants Alliance, HOME Line, Riverside Plaza Tenants' Association, several housing advocacy organizations and affected stakeholders save Minnesota's Project Based Section 8 and participate in a nationally-coordinated event on **Wednesday, March 19th @ 3:00p.m. at the Riverside Plaza's Chase Community Room, 1530 South Sixth Street, Minneapolis, MN 55454**. Click [here](#) for more information.

The Minnesota Housing Partnership is a statewide nonprofit organization that advances the preservation and creation of housing affordable to low- and moderate-income people as a means of strengthening communities and families. MHP provides local governments and nonprofit housing organizations access to loans, grants, and technical expertise to plan and construct housing, in addition to advocating and educating people on sound housing policies. MHP's work in Greater Minnesota is primarily supported by The McKnight Foundation.

###