

Homes for All!

The MHP Bulletin

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- [News/Announcements](#)
 - [Federal Update](#)
 - [St. Paul PHA Opens Section 8 Waiting List for First Time in Five Years](#)
 - [Poll Finds Nine out of Ten Americans View Affordable Housing as High Priority](#)
 - [State Update](#)
 - [Minnesota Housing March Board Meeting Minutes](#)
 - [State Legislative Update](#)
 - [Habitat Homes' ROI](#)
- [Reading/Resources](#)
- [Upcoming Events](#)

News/Announcements

Federal Update

St. Paul PHA Opens Section 8 Waiting List for First Time in Five Years

On April 10th and 11th, St. Paul Public Housing Agency (PHA) opened its Section 8 voucher waiting list for the first time since November of 2002. The PHA expected roughly 3000-4000 requests for applications over the two day period and planned to reopen the list the second Wednesday of every month starting June 2007. However, after receiving over 11,000 requests for applications it is unlikely that the list will reopen again after June 13th because there are not enough Section 8 vouchers to meet the demand.

In 2002 the list was closed because, like many other federal housing waiting lists across the state and country, it had grown too large—the demand for affordable housing far exceeds availability. Waiting lists in the Metro area have at times been estimated to be almost 10 years long. In December, MHP released a study that found that over 26,000 Minnesotan households were on Section 8 waiting lists last year ([click here to read the report](#)).

Most federal housing programs like Section 8 have had significant budget cuts in recent years, severely restricting the number of households they can help. However, things are changing. St. Paul Public Housing Agency, like other public housing agencies across the country, is now able to reopen its lists because Congress recently passed an increased HUD 07 budget, due in part to the advocacy efforts of tenants, service providers, and other stakeholders across the state ([click here to find out how you can participate in federal housing advocacy efforts](#)). St. Paul Public Housing Agency now estimates its waiting list to be only one to two years long.

Poll Finds Nine out of Ten Americans View Affordable Housing as High Priority

In March, the National Association of Housing and Redevelopment Officials (NAHRO) and its coalition partners launched the "Housing America 2007," a public awareness campaign aimed at educating the nation about the importance of housing and community development. As part of the initiative, NAHRO released a Zogby America poll, which reveals that nine out of ten Americans cite affordable housing as

a high priority, and more than half believe affordable housing policy is on the wrong track. In addition, NAHRO and its supporters are looking to grow the coalition of organizations that support the initiative. This coalition will be encouraging Governor Pawlenty's office to sign an affordable housing support proclamation. For more information about "Housing America 2007," contact Pat Gustafson at pat.gustafson@mnnahro.org, or 651-675-4490.

State Update

Minnesota Housing March Board Meeting Minutes

The March meeting focused on the state's plan to end long term homelessness. The Board received an update on progress with the plan and reviewed a staff proposal to recalibrate the goals included in the plan.

Progress on the plan for supportive housing is based on funding commitments, rather than occupancy or completion of construction. On this basis, the state is on track to meet its annual objectives. In the three years following adoption of the plan, 1,091 units have been funded; of those, 397 are now occupied. Commissioner Tim Marx said that the lag between funding commitment and occupancy averages about 27 months due to project development and construction time.

Of the funding commitments, 68 percent are for Twin Cities units and 32 percent are for Greater Minnesota. This breakdown fairly closely follows need, Commissioner Marx told the Board. Marx also pointed out that the state plan provided leadership for the development of local plans to end homelessness, such as those recently completed for Hennepin and St. Louis counties.

Based on its experience, the agency intends to adjust the plan goals. With its original target of adding 4,000 of supportive housing, 60 percent of units were to be constructed, and 40 percent of the units were to be obtained through rent subsidies. The agency now proposes that the additional units be achieved using 50 percent construction and 50 percent rent subsidies..

Also, the agency believes that more of the units will be scattered site (not single purpose supportive housing projects). The agency proposes to revise its goals to show that 2,600, up from 2,000, of the units will be available on a scattered site basis.

With these proposed changes, and the fact that social service expenditures do not occur until over two years after capital amounts are committed, the overall plan budget falls from \$540 million to \$483 million. The agency will seek public comment on these proposed changes and bring them back to the board in April.

Over the next several months the agency will more aggressively pursue private funding. Marx mentioned that the Pohlad Family Foundation had recently committed \$1 million to the plan. Marx added that the Governor's 08-09 budget includes \$27 million in investments to prevent and end homelessness.

The Board was most interested in the tails, or continuing costs and obligations. Since the plan extends only until to 2010, the Board asked if service funding and rental assistance would still be required beyond that time frame. Marx responded that the plan identified the need for support post 2010 and, in particular, the need for additional federal resources. As the 2010 date approaches, the continuing costs will be recalculated. Initial estimates projected the annual costs in the \$33 million range. The commissioner added that social services and better funded homeless prevention activities may substantially reduce the long-term homeless population, which would reduce costs. — *Chip Halbach*

State Legislative Update

Over the next few days, the House will finalize its budget bills and pass them off the floor. MHP and other housing advocates remain concerned about the House appropriations for housing and homeless programs.

Reliance on one-time and TANF (Temporary Assistance for Needy Families) funds, and a decreased overall investment in the Economic Development and Housing Challenge Program leave the future of housing funding in question. However, the one-time money does provide some positioning options for conference committees. MHP is asking the House to make three funding commitments:

- 1) SAFEGUARD \$90 million in the base budget for the long-term future of affordable housing,
- 2) SPECIFY \$35 million for the Challenge Program this biennium, and
- 3) SECURE \$155 million overall for affordable housing and homelessness programs.

Conference committees will start to meet this week and advocates will be working with committee members to make sure housing bills are passed smoothly and quickly. More information about MHP's state policy work can be found in MHP Capitol Update, the Partnership's weekly legislative newsletter. Contact Barb Jacobs at bjacobs@mhponline.org, or 651-649-1710 ext. 117 if you would like to sign up for the Update. Back issues of the Update can be found on MHP's Web site, www.mhponline.org.

Habitat Homes' ROI

In April's edition of **An Investment Letter for Minnesota Philanthropists** Editor Peter Heegaard demonstrates the return on investment of a home built by Habitat for Humanity. Heegaard contends that, "the original investment by the public sector in a "Habitat" home is more than recovered by the end of the second year. Thereafter, the return is nearly 40% annually to the State of Minnesota and its taxpayers. The philanthropic investor in a "Habitat Home" will achieve breakeven in the seventh year after construction and thereafter earn a return to the community that exceeds 12% for the life of the home."

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Reading/Resources

Updated Consumer Handbook on Adjustable-Rate Mortgages (CHARM) Now Available

The Federal Reserve just updated this handbook, which is also known as the CHARM booklet, to reflect changes in the home market such as the growing popularity of "interest-only" and "payment-option" mortgages. [Click here to download the updated CHARM booklet.](#)

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Upcoming Events

April 21 to July 1

Affordable Housing: Designing an American Asset, Goldstein Museum of Design, University of Minnesota, St. Paul Campus. This exhibit explores the history of housing for the least wealthy Americans and presents a statewide-view of affordable housing in Minnesota. [Click here for more information.](#)

May 11

Congressional Housing Policy Briefing, 10:00 a.m. CST.

Attend the briefing session at any one of our various state-wide conference call sites and communicate to Minnesota's congressional delegation in Washington that affordable housing and homeless issues are important. Being a part of the briefing session will also allow you to become active in the legislative process, develop relationships with your congressperson and staff, network with others in your area with similar interests, learn about important federal housing issues and be a part of a state-wide campaign designed to emphasize the importance of housing as a federal issue. For more information, or to see if there is a briefing site in your area, contact Linda Larson at lindal@homelinemn.org, or 612-728-5770 x106.

May 16-17

Green by Design: How to plan and build healthy and sustainable communities in Minnesota, The Depot, Minneapolis. This annual, state-wide conference is hosted by Minnesota Green Communities conference and training is aimed at providing housing developers, contractors, architects, city planners, environmentalists, funders, and others the tools needed to build energy efficient, healthy, and sustainable housing. The event includes keynote speaker Robert F. Kennedy Jr. and both technical and policy sessions that focus on various elements of the Minnesota Green Communities Criteria and other related topics. [Click here for more information.](#)

June 7-8

9th Annual Minnesota Supportive Housing Conference, River Centre, 175 W Kellogg Blvd, St Paul. Presented by the Minnesota office of the Corporation for Supportive Housing, the conference brings together more than 400 housing developers, social service agencies, and community stakeholders from Minnesota and neighboring states to downtown Saint Paul, creating partnerships in the effort to end long-term homelessness in Minnesota. This year, Ray Suarez, Senior Correspondent on The NewsHour with Jim Lehrer, will be the keynote speaker. This year's exhibition features original artwork by artists who have experienced homelessness. The art show is coordinated by Outsider Art Center, a gallery that gives non-traditional or self-taught artists exposure in the community. [Click here to register, or for more information.](#)

June 19-20

Minnesota Affordable Housing Symposium: Celebrating, Designing, Innovating for the Future, 32 McNeal Hall, 1985 Buford Ave, St Paul. This symposium explores the past, present, and future of affordable housing in Minnesota. Panelists will review the individuals, organizations, policies, and programs that brought Minnesota to the forefront of affordable housing. Building on this information, participants will engage in world café conversations to design creative solutions to the affordable housing crisis that will be shared in the concluding session. [For more information click here.](#)

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The Bulletin is published by the Minnesota Housing Partnership, distributed bi-weekly and includes affordable housing news, announcements, legislative updates, publications and upcoming events. For more information on affordable housing, back issues of *The Bulletin*, to submit news or events to include in future issues, or if you would like to unsubscribe, please contact Barb Jacobs at (651) 649-1710 ext. 117, email bjacobs@mhponline.org.

Minnesota Housing Partnership's mission is to promote homes for all Minnesotans and to assist Minnesota communities in the creation and preservation of housing affordable to low- and moderate-income people.