

# HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: NOVEMBER 12, 2015

**REGARDING: AUTHORIZATION TO ACCEPT A HOME OWNERSHIP EDUCATION,  
COUNSELING, AND TRAINING FUND GRANT FROM THE MINNESOTA  
HOUSING FINANCE AGENCY FOR THE MORTGAGE FORECLOSURE  
PREVENTION PROGRAM.**

## **Requested Board Action**

Authorization to accept a grant not to exceed \$22,500 from the Minnesota Housing Finance Agency (MHFA) to provide housing counseling services under the Home Ownership Education Counseling and Training (HECAT) Fund.

## **Background**

Saint Paul's Department of Planning and Economic Development (PED) has been a HUD-approved Housing Counseling Agency for over 28 years and provides mortgage foreclosure counseling and financial budgeting to Saint Paul residents. For the contract period October 1, 2010 through September 30, 2011, our housing counselors provided foreclosure counseling to 667 households; for the contract period October 1, 2011 through September 30, 2012, our housing counselors provided foreclosure counseling to 601 households; for the contract period October 1, 2012 to September 30, 2013 our housing counselors provided foreclosure counseling to 315 households; for the contract period October 1, 2013 to September 30, 2014 our housing counselor provided counseling to 85 new households and from October 1, 2014 to September 30, 2015 our housing counselor provided counseling to 113 new households.

The \$22,500 cash grant from the MHFA HECAT is to help cover PED mortgage foreclosure counseling staff. This is outcome-based funding, meaning we receive 50% of the grant upon execution of the grant agreement. After mid-year analysis of performance is documented, the remaining 50% will be disbursed. The mid-year goal for households counseled is 51 and the annual goal is 102 households.

**Budget Action**

No budget amendment is required because the funding has been included in the 2015 and 2016 budgets.

**Future Action**

None identified at this time.

**Financing Structure**

No financial structure; the funds are for administrative costs.

**PED Credit Committee Review**

No PED Credit Committee Review required.

**Compliance**

No compliance; the grant funds are for administrative costs only.

**Green/Sustainable Development**

N/A

**Environmental Impact Disclosure**

N/A

**Historic Preservation**

N/A

**Public Purpose/Comprehensive Plan Conformance**

The public purpose is to assist Saint Paul homeowners with mortgage foreclosure prevention counseling to help residents stay in their homes.

**Statement of Chairman (for Public Hearing)**

N/A

**Recommendation:**

The Executive Director of the HRA recommends HRA Board approval to accept the grant funds.

**Sponsored by:** Commissioner Amy Brendmoen

**Staff:** Michelle Vojacek x66599