

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

**REPORT TO THE COMMISSIONERS**

**DATE: OCTOBER 12, 2016**

**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 \$25,000 from the Minnesota Housing Finance Agency (MHFA) to provided housing counseling services under the Home Ownership Education Counseling and Training (HECAT) Fund.

**Background**

Saint Paul’s Department of Planning & Economic Development (PED) has been a HUD-approved Housing Counseling Agency for over 30 years and provides mortgage foreclosure counseling and financial budgeting to Saint Paul residents.

Our foreclosure counselors provided mortgage foreclosure prevention counseling to the following number of households:

October 1, 2010 through September 30, 2011	667
October 1, 2011 through September 30, 2012	601
October 1, 2012 through September 30, 2013	315
October 1, 2013 through September 30, 2015	204 Note this was a two year contract
October 1, 2015 through September 30, 2016	162

The \$25,000 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 49 and the annual goal is 98 households.

**Budget Action**

No budget amendment is required as the funding has been included in the 2016/2017 budgets.

**Future Action**

NA

**Financing Structure**

No financial structure; the funds are for administrative costs.

**Compliance**

NA; the grant funds are for administrative costs only.

**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.

**Recommendation:**

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

**Sponsored by:** Commissioner Amy Brendmoen

**Staff:** Michelle Vojacek 266-6599

**Attachments**

- N/A