

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

REPORT TO THE COMMISSIONERS

DATE: October 24, 2012

**REGARDING: AUTHORIZATION TO ACCEPT A GRANT FROM THE MINNESOTA
HOUSING FINANCE AGENCY FOR THE MORTGAGE FORECLOSURE PREVENTION
PROGRAM.**

Requested Board Action

Authorization to accept a \$30,000 grant from the Minnesota Housing Finance Agency (MHFA) to provide housing counseling services under the Homeownership 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 20 years and provides mortgage foreclosure counseling and financial budgeting to Saint Paul residents. For the contract period October 1, 2009 through September 30, 2010, 1,472 families received mortgage foreclosure counseling; for the contract period October 1, 2010 through September 30, 2011, 667 families received mortgage foreclosure counseling; for the most recent contract period October 1, 2011 through September 30, 2012; 602 families received mortgage foreclosure counseling.

The \$30,000 cash grant from the MHFA HECAT is to help cover PED mortgage foreclosure counseling staff. This is outcome-based funding. We receive 50% of the grant upon execution of the grant agreement; the balance is disbursed after a mid-year analysis of performance. The mid-year goal for households counseled is 133; the annual goal is 380 households.

Budget Action

No budget amendment is required because the funding has been included in the 2012 and 2013 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 Dave Thune

Staff: Michelle Vojacek x66599

Attachments

- **Attachment A -- Resolution**
- **Attachment B – N/A**
- **Attachment C – N/A**
- **Attachment D – N/A**
- **Attachment E – N/A**
- **Attachment F – N/A (noted above in report)**
- **Attachment G - N/A**