

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

REPORT TO THE COMMISSIONERS

DATE: NOVEMBER 12, 2015

**REGARDING: AUTHORIZATION TO ALLOCATE 2007A STAR TAX-EXEMPT BOND SUPPORTIVE HOUSING INITIATIVE FUNDS AND PROGRAM PROCEEDS FROM THE FORMER HUD RENTAL REHABILITATION PROGRAM AND ENTER INTO A GRANT AGREEMENT WITH YWCA SAINT PAUL FOR CAPITAL IMPROVEMENTS AT YWCA SUPPORTIVE HOUSING FACILITIES LOCATED IN DISTRICT 8 AND DISTRICT 15**

## **Requested Board Action**

The specific actions being requested of the HRA Board are as follows:

1. Authorization to allocate \$24,895 of 2007A STAR Tax-Exempt Bond – Invest Saint Paul Supportive Housing and authorization to allocate \$27,000 of Program Proceeds from the former HUD Rental Rehabilitation Program, totaling \$51,895, to install eligible capital improvements at three supportive housing facilities owned and operated by the YWCA Saint Paul in order to provide secure environments for homeless families; and
2. Authorization to enter into a Grant Agreement with YWCA Saint Paul for construction of capital improvements at YWCA Saint Paul owned and operated housing facilities; and
3. Adoption of the Resolution.

## **Background**

YWCA Saint Paul's supportive housing programs (transitional housing and permanent supportive housing facilities) serve disadvantage, vulnerable and at-risk populations - children, youth and families – struggling with poverty and associated barriers (i.e., homelessness, unemployment and more). Brief descriptions of YWCA Saint Paul supportive housing programs are as follows:

Transitional Housing Program (THP). The YWCA Saint Paul provides affordable housing and supportive services for homeless single parents and their children at three sites located in the Summit University area. Formerly homeless families and at-risk of being homeless families can

stabilize their lives while living in the YWCA Saint Paul's transitional housing sites that are stable environments built on the principles of accountability, support, and encouragement. Operating since 1984, the YWCA Saint Paul's transitional housing services include housing, advocacy, and case management services, such as family-building activities and service-enriched childcare.

The average enrollment for Transitional Housing Program graduates - time invested in rebuilding the lives of homeless families—is 22 months. In 2014, 96% of the participants that exited the YWCA Saint Paul transitional housing program were employed, enrolled in a training program and/or engaged in a structured job search at exit. In 2014, the average hourly wage of those employed was \$10.62.

Permanent Supportive Housing Program (PSH). The YWCA Saint Paul's permanent supportive housing is located at one site in Saint Paul's Highland Park. This permanent supportive housing provides affordable housing and supportive services to families challenged with serious, persistent disabilities in order that these families may live more stable, independent lives; build economic self-sufficiency; and regain a sense of community. The YWCA Saint Paul's permanent supportive housing, in coordination with other community services, assists families to reduce their risk factors, improve their life/personal management skills, and develop positive future expectations while providing a stable housing environment.

YWCA Saint Paul – Capital Improvement Project.

The YWCA Saint Paul requests HRA funds to install eligible capital improvements that can ensure safer environments for the homeless families residing in YWCA owned and operated housing facilities.

Over the years, YWCA has proactively and aggressively worked to ensure the well-being of their families by installing lighting to illuminate vulnerable areas around their buildings, modifying landscaping to increase visibility, and hiring security services for its Transitional Housing Program. Additionally, the YWCA Saint Paul's permanent supportive housing facility has a “good Neighbor Unit – a market rate apartment occupied by a community minded professional

(e.g., police officer, EMT) who educates the families in personal safety measures and strategies.

As a first priority, the YWCA Saint Paul now proposes to replace its existing obsolete camera surveillance security system at their housing facilities. The updated camera surveillance system will increase the YWCA Saint Paul's ability to secure its properties and enhanced the well-being of the families by keeping its buildings safe from non-residents or people who may threaten the safety of the families as well as reduce damage to its properties. As a second priority, the YWCA Saint Paul may replace carpeting in child care area, if any remaining funds are available.

#### YWCA Saint Paul – Capital Improvements

- Capital improvements will include updating camera surveillance systems to improve the YWCA's ability to secure its properties and enhance the well-being of families residing at the YWCA's housing facilities; and carpeting of child care area (if remaining funds are available).
- Serves formerly homeless families – at or below 30% of Area Median Income
- Zoning: No proposed changes required
- Relocation: None required.
- Eminent Domain: None required
- Other City Approval: Building permits and Certificate of Occupancy required
- Maps: Map identifying Parks & Schools (See: Attachment C)
- Planning District Profile: (See: Attachment D)

#### **Budget Action**

Approving the allocation of 2007A STAR Tax-Exempt Bond – Invest Saint Paul Supportive Housing funds and the allocation of program proceeds from the former HUD Rental Rehabilitation Program totaling \$51,895 for eligible capital improvements for housing facilities owned and operated by the YWCA Saint Paul.

#### **Future Action**

No further action will be required.

**Financing Structure**

If approved, the 2007A STAR Tax-Exempt Bond – Supportive Housing Initiative financing and the use of program proceeds from the former HUD Rental Rehabilitation Program would be structured as forgivable loan in recognition of the tax-exempt status for 2007A STAR Tax-Exempt Bond - Supportive Housing Initiative funds. HRA staff will work with the City Attorney's Office to negotiate terms for a five-year grant performance period prior to executing the Grant Agreement.

**PED Credit Committee Review**

The PED Credit Committee recommends approval of a forgivable loan at 0% with a five year performance period.

**Compliance**

The Project must meet all applicable compliance requirements (e.g. Vendor Outreach, Affirmative Action, Davis Bacon, Section 3, Project Labor Agreements, etc.).

**Green/Sustainable Development**

This project will comply with the Saint Paul Sustainable Development Policy, as needed.

**Environmental Impact Disclosure**

N/A

**Historic Preservation**

N/A

## **Public Purpose**

- Supports supportive housing services to Saint Paul's homeless families and formerly homeless families; and
- Ensures a safer environment for homeless families residents in YWCA owned and operated facilities; and
- Affirms the Consolidated Plan that homelessness prevention programs and supportive services are provided to Saint Paul homeless residents; and
- Supports the City's homelessness prevention initiatives so that homeless residents have the support services needed to eventually secure appropriate permanent housing.

## **Recommendation:**

The Executive Director and staff recommend approval of attached resolution authorizing the allocation of \$24,895 of 2007A STAR Tax-Exempt Bond – Invest Saint Paul Supportive Housing funds and the allocation of \$27,000 of program proceeds from the former HUD Rental Rehabilitation Program for the installation of capital improvements at housing facilities owned and operated by the YWCA Saint Paul; and authorization to enter into a Grant Agreement with YWCA Saint Paul for installation of capital improvements necessary to provide a safer environment at the YWCA Saint Paul's transitional housing and permanent supportive housing facilities that assist Saint Paul homeless families.

**Sponsored by: Commissioner Brendmoen**

**Staff: Joe Collins (651-266-6020)**

**Jules Atangana (651-266-6552)**

- **Attachment B – Project Summary**
- **Attachment C - Map for the YWCA Saint Paul housing Facilities.**
- **Attachment D -- Public Purpose**
- **Attachment F -- District Profile**