

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

REPORT TO THE COMMISSIONERS

DATE: SEPTEMBER 26, 2018

**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 \$17,000 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 & Economic Development (PED) has been a HUD-approved Housing Counseling Agency for over 30 years and provides mortgage foreclosure counseling and financial budgeting counseling to Saint Paul residents.

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

|  |                                       |
|--|---------------------------------------|
| 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                                   |
| October 1, 2016 through September 30, 2017 | 74                                    |

The \$17,000 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 25 and the annual goal is 50 households.

**Budget Action**

No budget amendment is required as the funding has been included in the 2018/2019 budget.

**Future Action**

N/A

**Compliance**

N/A; 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: Chair Tolbert**

**Staff:** Michelle Vojacek 266-6599