



Legislation Text

File #: RES 19-1971, **Version:** 1

Resolution approving the Rent Supplement Pilot Program Guidelines; allocating funds to the Rent Supplement Pilot Program; and authorizing a Memorandum of Understanding, and such other agreements, necessary for the implementation of the Rent Supplement Pilot Program, Citywide

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA") is a public body corporate and politic established pursuant to the provisions of Minnesota Statutes, Section 469.001, et seq. (the "Act"); and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Minnesota law and the HRA is authorized to engage in activities relating to (a) housing projects and development, (b) removal and prevention of the spread of conditions of blight or deterioration, (c) bringing substandard buildings and improvements into compliance with public standards, (d) disposition of land for private redevelopment, and (e) improving the tax base and the financial stability of the community, and to engage in the aforementioned activities when these needs cannot be met through reliance solely upon private initiative and which can also be undertaken in targeted neighborhoods; and is authorized to create redevelopment projects as defined in Minn. Stat. Section 469.002, Subd. 14; and

WHEREAS, the Saint Paul City Council, through Resolution 18-2072, adopted 2019 budgets as proposed by the Mayor; and

WHEREAS, the HRA, through Resolution 18-2079, adopted the final 2019 HRA budget; and

WHEREAS, the Saint Paul City Council, through Resolution 18-2080, adopted the 2019 final HRA budget; and

WHEREAS, \$10 million was allocated over a period of three years and \$2 million was allocated annually beginning in 2019 for the Housing Trust Fund to create new affordable housing, preserve existing affordable housing, and protect the quality of affordable housing in Saint Paul; and

WHEREAS, The Housing Trust Fund strategy identifies five key objectives to address housing issues. The strategy builds upon the findings of the Saint Paul Fair Housing Working Group and community engagement during the City's 2040 Comprehensive Plan as well as Mayor Carter's Voices of Our Community and Imagine Our City listening sessions; and

WHEREAS, one of the five objectives for the Housing Trust Fund is to explore innovative approaches to meeting housing needs, with the understanding that piloting programs and options to produce affordable opportunities more efficiently allow direct benefit to be passed on to Saint Paul residents; and

WHEREAS, the approach for this objective considers pilot programs to test the impact of direct subsidy programs in order to provide deeper affordability in the current market crisis; and

WHEREAS, according to HousingLink's September 2019 St. Paul Rental Housing brief, for a second year in a row there were zero percent rental vacancies affordable to households earning at or below thirty-percent of Area Median Income; and

WHEREAS, according to the same HousingLink report, five-percent of Saint Paul Public School students experienced homelessness in the past year; and

WHEREAS, elementary schools located in neighborhoods that experienced large increases in rents, as compared to rents throughout the remainder of the City, experience higher rates of student mobility, and lower rates of consistent attendance as compared to elementary schools throughout the remainder of the City; and

WHEREAS, a rent supplement program targeted at cost-burdened renting families earning at or below thirty-percent of Area Median Income will target resources to increase housing stability for households at significant risk of losing their housing; and

WHEREAS, HRA staff developed Rent Supplement Pilot Program Guidelines (“Guidelines”) to establish baseline program parameters and guidance for implementation of a Rent Supplement Pilot Program; and

WHEREAS, HRA staff developed a Memorandum of Understanding between the HRA and program partners establish roles and responsibilities for each partner for the Rent Supplement Pilot Program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota that

1. The HRA Board of Commissioners hereby approves the Rent Supplement Pilot Program Guidelines as presented by staff.
2. The HRA Board of Commissioners hereby authorizes and directs appropriate HRA officials and staff to execute a Memorandum of Understanding between the HRA and program partners, and such other agreements, necessary for the implementation of the Rent Supplement Pilot Program.
3. The HRA Board of Commissioners authorizes the allocation of \$3,000,000.00 from the Housing Trust Fund for the expenses as described in the attached staff report.
4. The HRA Board of Commissioners approves and authorizes amendment to the HRA Development Capital Projects Fund budget, as shown in the attached Financial Analysis.
5. The HRA Executive Director, staff and legal counsel for the HRA are further directed and authorized to take all actions necessary to implement this Resolution, and to amend the Guidelines as necessary, so long as the amendments are consistent with the intent of this Resolution.