Private homes get public praise

Cisneros lauds city's support of homeowning

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Former public housing resident Judy Kennedy was asked Sunday what owning her own home has meant to her.

"It means if you don't want to cut your grass today, you don't have to," the St. Paul resident said to hearty laughter at a press conference for HUD Secretary Henry Cisneros at the Mt. Airy community center in St. Paul.

Her neighbors needn't worry, however. Kennedy's stucco home on Marshall Avenue is beautifully landscaped and maintained. She was merely making the point that she, her mother, her brother and her sister now have the freedom to do their household chores on their schedule, not the housing inspector's.

The Kennedys and two other families were invited to appear with Cisneros to dramatize the benefits of moving people from public housing and into their own homes. Cisneros later toured the Kennedy home before leaving the Twin Cities.

Cisneros praised the St. Paul Public Housing Agency for helping 117 families move from public rental units to private home ownership over the past seven years. Cisneros said it was an important strategy of the Clinton administration to push the national percentage of home owners to an all-time high of 67 percent, or two-thirds of American households, by the year 2000.

"This is a goal worth fighting for," Cisneros said. "Home ownership is much more than just a shelter strategy. It is also the basic American savings and wealth strategy. In fact, for most Americans, the sum total of their net worth is the equity they have in their home. And that equity represents real wealth, because it is the ability to take a second mortgage and invest in children's education, or the start of a new business, or retraining for a second career."

Cisneros said he'd been looking for something like St. Paul's HOME program to use as a model to share with the rest of the country. He said HUD ranks St. Paul as the highest-performing public housing authority in America.

St. Paul funded the HOME program seven years ago when it sold $1.6 million worth of housing from a phased-out HUD program. The agency set aside $400,000 for another public housing venture, and that was matched by the Family Housing Fund, a local foundation, to create a pool for down payment assistance.

Missy Thompson, owner of Thompson Associates, the firm that does loan counseling for the program, says HOME's loan default rate is only 3 percent, lower than the statewide FHA default rate.