

June
2013



Owner Newsletter

Funding Situation

As a result of the sequester, our Section 8 Program is facing the lowest level of funding in the history of the program. There are two separate sources of money, one to administer the program—called the Administrative Fee. There is another pot of money that supplies the ongoing rental payments to landlords on behalf of voucher holders, and this is called the HAP Renewal funding.

- The Administrative Fee was funded at an all-time low of 69%, which means we have had to eliminate one caseworker position, and have not added any additional supervisors for the program. Despite these eliminated positions, we are currently budgeted to run a deficit this year. We appreciate your patience as we continue to grapple with very high caseload and work levels.
- The sequester also led to a reduction in our HAP Renewal funding, to a 94% level from previously being nearly fully funded. This directly reduces the amount of rental money we can offer through the program, and ultimately the number of participants we are able to subsidize. Luckily, in St. Paul, we will not be needing to cancel any vouchers at this time, though we will not be offering additional vouchers for some time. If funding levels are not restored, we will likely need to cancel vouchers in the future.
- You, as owners, have a vested interest in how the sequester affects Section 8. We are ultimately receiving less dollars that go back into the community to support affordable housing like yours. Please contact your Senators and Representatives to support full funding for the Section 8 program.

Staff Introductions

As a result of recent staff turnover and retirements, we welcome three new permanent staff members, and we are also adding a long-term temporary inspector to our team to assist with summer volume.

- Muse Mohamed started as an Occupancy Technician on February 11, 2013. Muse came to us from the Public Housing Rental Office here at the St. Paul PHA, and has also earned a Bachelor of Arts from St. Olaf College in Political Science and in Multicultural Racial Studies. He is working with ongoing participants with last names beginning with LP going through OK.
- Sandra Arciniega also started as an Occupancy Technician on February 11, 2013. This past December, Sandra earned a Bachelor of Science in Housing Studies with a concentration in Community Development and Policy from the University of Minnesota here in the Twin Cities. She is working with ongoing participants with last names beginning with JJ to LO.

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- Tony Olson started as a Rental Technician on March 5, 2013. He came to us from Sears, where he had worked for 10+ years, and also earned a Bachelor of Arts in Geography from the University of Minnesota in Duluth. He is working with maintaining our waitlist, and processing our special program admissions for veterans, reunifying families, and youth aging out of foster care. He will also be responsible for our Mary Hall intake.
- Patrick Rucci started as a Housing Inspector on May 9, 2013, and will be assisting with inspections through the summer. Patrick has owned and managed his own rental properties in the greater metro area, and is familiar with the ins and outs of repair and rehab. He also owned and ran a towing company for the last fourteen years, serving the entire metro area. He will be working full-time as an inspector during the summer months, helping the program keep in front of our tight inspection deadlines.

Administrative Cutbacks & New Procedures

Because of the historically low level of funding, we have had to critically review options to cut costs to the program—both real costs, and staff time. Many of these are in our inspections area. It is our hope that any options we exercise will not negatively impact the good work we all do.

- 1) The PHA has nearly 2000 families on their waiting list, and these families have waited since 2007 for assistance. The PHA last pulled approximately 25 names in November of 2012. As a result of the sequester, it is unlikely that we will be pulling additional names for at least another 12 months. We are currently managing the program through attrition.

This increased demand increases the value of the important resource we provide. We encourage you to continue to enforce your leases just as you would with any of your tenants, and to let the appropriate Section 8 caseworker know when you are having compliance issues or concerns. The need for safe, affordable, quality housing is great, and we appreciate your partnership.
- 2) The Section 8 Program will continue restricting the number of times that we inspect a new unit for a tenant. If the unit fails to pass in a timely manner, Section 8 will deny assistance to the unit, and will ask the tenant to find a new unit. We all love it when units pass promptly. Please make sure you are completely preparing the unit for that first inspection, so we can all be happy with that PASSED inspection right off the bat!
- 3) Section 8 inspectors will no longer be completing inspections on units when there are more than 20 deficiencies. These inspections take a great deal of time, and can be easily averted by reviewing our most common deficiency list. (Included.) If there are more than 20 deficiencies in a unit, the inspector will simply stop the inspection, and ask you to reschedule it when the unit is ready. Section 8 will not be generating a partial list of deficiencies for the owner or owner's representative until there are less than 20 deficiencies.
- 4) Because of low participation and decreasing funds, the PHA will no longer be offering the required EPA course Lead-Based-Paint: Repair, Renovation, and Painting (RRP). There are other groups that provide this required training at an affordable rate, and this information can be found on our website, www.stpha.org. This course is required by law if you are ever doing paint work on a home with Lead-Based-Paint, and the EPA has sanctioned owners significant amounts of money for not completing this work.

Please note this certification requirement is triggered by deteriorating or flaking paint on either the interior or exterior of your home. To avoid triggering this requirement, it is recommended that you keep all paint stabilized.

If you have questions about any of these, please contact us.
You can find our contact information at www.stpha.org.