

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

## *InterOffice Memo*

**To:** RAB Members

**From:** Al Hester

**Date:** May 3, 2004

**Subject:** RAB MEETING – THURSDAY, MAY 13, 2004, 3 PM  
NEW PHA BUILDING – 555 NORTH WABASHA – 4<sup>TH</sup> FLOOR  
**TOPIC: DISCUSS WAYS TO REDUCE HOUSING VOUCHER COSTS;  
AMEND AGENCY PLAN**

Please try to attend this meeting on Thursday May 13<sup>th</sup> at 3:00 PM. The topic is Housing Vouchers (Section 8), but all RAB members representing public housing are welcome, too. (It's a chance for you to see the new PHA building, too.)

In the last few weeks the PHA has received bad news about HUD funding for vouchers during our fiscal year that just started April 1, 2004. The costs of the housing voucher program are “spiraling” (according to a Congressional report) and HUD is racing to control the spending. Naturally the whole affordable housing industry is up in arms about this. E-mails and memos are flying and the phones are humming. Maybe we will have more information before the meeting.

The latest information and budget approvals we have received from HUD show that we will not have enough money to pay for all current vouchers this year, even if we do not issue any new vouchers to families on the waiting list. That isn't necessarily the final word on it, but it's the best information we have right now. So we have to start talking seriously about “what-if's”. If Congress and HUD do not come up with more money quickly, the PHA will have to start cutting back on the number of housing units we subsidize through Section 8 vouchers.

On April 28th the PHA Board approved a list of ten cost-saving measures for further discussion and public comment. A copy of the staff's report to the Board is attached. Representatives from the Community Stabilization Project (CSP) made some good recommendations at the Board meeting, and they and other advocates will attend the RAB meeting.

If you have any questions about the meeting, please call Tristy Auger at 651-292-6171 or me at 292-6173.