



ST. PAUL PUBLIC HOUSING AGENCY 2026 CAPITAL INVESTMENT REQUEST



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MISSION STATEMENT

St. Paul PHA helps families and individuals with low incomes achieve greater stability and self-reliance by providing safe, affordable, quality housing and links to community services.

ABOUT ST. PAUL PHA

- Independent Government Entity
- Jurisdiction is the City of Saint Paul
- Staff of over 260
- Large Public Housing Agency
- **We provide nearly 10,000 deeply affordable housing opportunities to over 22,000 individuals—about 7% of the population of Saint Paul!**

THREE MAJOR PROGRAM AREAS

SPPHA-Owned Housing



Housing Choice Voucher
5,206 vouchers



Multifamily PBRA
3,836 hi-rise apartments/
townhomes



Public Housing
418 single family homes/
duplexes



SPPHA is requesting a one-time capital investment of **\$20 million** from the Minnesota Legislature to address the scattered site capital needs backlog and position this portfolio for future success (HF 3064).

ST. PAUL PHA CAPITAL INVESTMENT REQUEST

LOW-INCOME PUBLIC HOUSING PROGRAM

LIPH or “Public Housing”

418 Single-Family Homes and Duplexes with 2-6 bedrooms located throughout Saint Paul

Currently pursuing a **Section 18 disposition** to stabilize funding for these properties

SPPHA will continue to own and manage the properties

The properties will continue to be affordable to the lowest income households

Section 18 disposition will boost and stabilize cash flow in the long-term

It will not address backlogged capital needs

LIPH BY THE NUMBERS

- Annual Federal Funding = \$2.6 million
- Age of Properties = 35 to 125 years
- Capital Needs = \$44.1 million
- Estimated Market Value = \$97 million
- Request = \$20 million
 - \$47,850 per unit
 - HUD TDC Limit = \$448,556



CURRENT CAPITAL NEEDS

- 20-year Capital Needs Assessment (CNA) completed in 2021 identified **\$46.2 million** in capital needs
- With work completed since 2021, staff estimate current capital needs at **\$44.1 million**
- Backlog is the result of historic underfunding by the federal government
- SPPHA receives insufficient, formula-based HUD capital funds annually to repair, maintain and modernize these units

FUNDING SHORTFALL

- Public Housing funds are subject to appropriations and have been targeted for cuts
- FFY 2026 budget cut the Public Housing Operating Fund by 5.6%
- A volatile construction market complicates things further
- **Without a significant investment, the capital needs backlog will continue to grow**





WHAT KINDS OF REPAIRS/ UPGRADES ARE NEEDED?

- Largest category of need is building exteriors (roofs, siding, windows, etc.)
- Second largest is interiors (walls, ceilings, cabinets, floors, etc.)
- Third is mechanical (HVAC, plumbing, electrical)
- The needs for each home between now and 2030 range from under \$4,000 to over \$100,000

20-YEAR CAPITAL NEEDS (AS OF 2021 ASSESSMENT)

System	20-Year Needs
Structure	\$233,065
Façade	\$5,888,590
Roofing	\$10,241,896
Interiors	\$14,213,394
Plumbing	\$2,409,408
HVAC	\$3,262,496
Electrical	\$1,722,044
Fire Alarm & Electronic Systems	\$1,200,087
Equipment and Furnishings	\$4,239,914
Special Construction and Demo	\$1,457,379
Site Pavement	\$616,722
Site Development	\$696,949
Other	\$9,640
TOTAL	\$46,191,584

CAPITAL NEEDS AND ASSET REPOSITIONING

- SPPHA is currently working to reposition the Public Housing portfolio to project-based Section 8 funding
- This will address ongoing funding needs but will not be sufficient to address the backlog caused by historic underfunding
- The stable ongoing funding that asset repositioning via Section 18 will provide makes this a **one-time ask**



WHO BENEFITS FROM INVESTMENT IN SPPHA'S SCATTERED SITE HOMES?

- Investment in this portfolio benefits diverse, upwardly mobile families with children
- 93% of heads of household are persons of color
- 83% of heads of household are women
- The average household size is 5
- 91% of households include minor children



RECAP

- St. Paul PHA is seeking a **one-time \$20 million investment** from the Minnesota legislature
- SPPHA has the resources needed to deploy this funding to address the most pressing needs
- This investment will ensure the viability of this portfolio for the future:
 - It will address the backlog
 - Better funding post-repositioning will cover future needs



QUESTIONS?

