Glendale Homes: Public vs Private Ownership and Section 8

Residents and MPHA agree, Glendale Townhomes is in need of significant repairs. Glendale sits on land that has become more valuable because of the Green Line LRT.

Glendale could be rehabilitated (repaired) or redeveloped (torn down and rebuilt). Either option may involve Glendale being sold to a private developer.

If Glendale’s residents—500-600 people—need to move during construction (because of either redevelopment or rehabilitation)... Residents will get Section 8 Housing Choice Vouchers to use to rent privately-owned apartments during the construction period.

About Section 8 Housing Choice Vouchers (HCVs):
- The voucher pays for your rent, up to 30% of your income (within MPHA’s voucher payment standards)
- In the current tight rental market, it is hard to find apartments that accept Section 8 vouchers:
  - Private landlords do not have to accept HCVs
  - Locally in 2014, 50% of voucher holders were unable to use them (Serres, 2015)
  - Black and Latino voucher holders are less likely to receive housing than white voucher holders (Rotem, 2010)
- Some residents using HCVs are vulnerable to negligent landlords and slum living conditions (Semuels, 2015)
- With HCVs, renters lose certain rights to exercise power, such as starting a tenants organization.

Redevelopment could take several years or more. In similar cases, only 1 in 5 residents move back. (Goetz, 2013) Even if residents can move back, redevelopment breaks up the community currently in place.

If Glendale is redeveloped:
- It will likely become privately owned, and no longer held in the public trust.
- It will likely become more dense and have more units overall (possibly several hundred units).
- It will still need to include 184 affordable units.
- If it is privately owned, these units will be affordable through Project-Based Section 8 vouchers, and rent will be approved by MPHA.
  - These units will remain affordable through mandatory contracts with HUD.
- The new units may be smaller than the current townhome units, and therefore may not accommodate large families.
- Residents may have fewer protections, but could push for protections during the contract process with the developer.

Rehabilitation without displacement is possible: St. Paul Public Housing Agency was able to rehabilitate their housing without residents needing to move offsite.

References

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