

Rice County renters paying more than they can afford

By Jaci Smith

New census data shows that many renters in Faribault, Rice County and the state are paying more for housing than they can afford.

The U.S. Census Bureau's five-year American Community Survey shows that one in four renters in 84 of 87 Minnesota counties pay 30 percent or more of their income for housing.

In Rice County, it's more than one in three — 37 percent.

In Faribault, the numbers are even greater: Nearly 40 percent of renters pay more than a third of their income to rent, according to the survey. That's a significant increase from 2000, when one in four renters paid that much.

Experts say that's a big cost burden for many low-income families.

And locally, there are few resources to help families cover the gap between what they should be paying for housing and the reality of what they are paying.

The Rice County Housing and Redevelopment Authority oversees the federal Section 8 housing program, which provides assistance for qualifying



low-income families. It recently re-opened its waiting list. Last year, it served an average of 305 people a month.

For those who don't qualify or who may need emergency assistance — which the authority doesn't offer, Executive Director Deanna Kuenen said they are referred to a list of other resources that includes the city's public housing office, Habitat for Humanity or the USDA Rural Development program.

None of those provide emergency housing assistance.

City Housing Coordinator Kim Clausen said the city oversees public housing resources, where those who qualify can

pay 30 percent of their income toward rent and utilities. There is also housing available for low-income seniors and the disabled.

Clausen said there are churches and some non-profit organizations like Three Rivers Community Action, the Hope Center and the Salvation Army that offer help, but they are just temporary solutions.

"For years we've been saying there's a lack of affordable housing and with the economic downturn you see it," she said.

And given the fact that most nonprofits have received fewer charitable donations, those offers of temporary help may be more and more rare as

well.

For example, the Salvation Army's recent holiday bell-ringing campaign took in more than \$20,000 less than the previous year.

Bill Lewis, president of St. Vincent de Paul's Divine Mercy Conference, which includes a facility that offers food and clothing to those in need, said requests for help with rent come in daily, but usually the renters are so far behind by then that no charity can help them.

"I've seen some where there \$3,000 behind," he said.

St. Vincent de Paul made the decision last year to no longer give out direct financial aid. Instead, they send anyone

asking for money home with 75-80 pounds of food as well as the opportunity to continue to get free food once a week and produce twice a week.

That's worth at least a couple hundred dollars a month, Lewis said.

"What I can tell you from what I've heard is that a lot of individuals who are looking for help are underemployed," said Jan Karasch of the Salva-

tion Army. "They've lost their job, their unemployment has run out and they have to take a job that pays a lot less — they can't make their rent.

"And others are flat out not able to find any job," she said.

According to the new census data, there are a dozen counties throughout Minnesota where at least one in four renters' households saw half their

income go toward housing. All but one of those counties is outside the seven-county Twin Cities metro area.

The recession has put added pressure on the rental market. More than 100,000 homeowners in Minnesota have faced foreclosure since 2005. That's moved homeowners into rental homes, increasing the demand. Faribault has an 8 percent

vacancy rate for rentals, according to the survey.

And that's also taking into consideration that more single family homes that haven't sold in the stagnant real estate market have been converted to rentals. According to statistics from the city's Community Development department, since 2008 there have been 99 new rental license applications for single family homes.