

Points in response to Defend Glendale comments of February 2017

("Minneapolis Public Housing Authority notice institutes unclear changes")

MPHA is always glad to clarify any misunderstood policies, and to learn from suggested changes to policy wording and approaches. The <u>open letter</u> from Defend Glendale Townhomes dated "February 2017" unfortunately misconstrues various Public Housing "Statement of Policies" changes that were summarized in a late December letter to residents. We hope the information below answers most of these concerns, confirms that MPHA is in compliance with all laws and regulations, and provides a useful supplement to those policies. As always, the "Statement of Policies" (available here: https://is.gd/uwlrEe) is the formal, official document that governs our actions. We revise it annually, and will take this correspondence and other public comments into account when making any updates.

I. Notice

- a. *Complaint:* MPHA failed to give required 30 to 60-day notice of these changes, including the increase in flat rent.
 - i. This complaint misunderstands the timing of Flat Rent changes. While the new Flat Rent rates go into effect January 1, actual rents to do not go up on January
 - 1. They go up according to the rolling reexamination schedule, which occurs throughout the year.
 - ii. Every individual head-of-household, whether using Income-Based or Flat Rent, receives specific, written notice of any rent increase at least 30 days in advance.
 - iii. These changes were proposed, published in-draft, reviewed by a Resident Advisory Board, presented at public meetings, and subject to the public comment period required by HUD's Moving to Work process. They were approved by the MPHA Board and published in final form in September 2016. HUD approved them in late December.

II. "Flat Rent" – other issues

- a. Complaint: Flat Rent increases "without explanation."
 - i. Flat Rent rates do not increase without explanation. As explained in our Statement of Policies, flat rent rates are pegged to fair market rent rates as determined by HUD, and adjust annually.
- b. *Complaint:* How can you charge "market-rate" rents?
 - i. The statement that Flat Rents are "market-rate" is inaccurate. Flat Rent is below market-rate, pegged to 80 percent of Fair Market Rent (FMR).
 - ii. Flat Rent is an option for residents if they determine it is more affordable for them than income-based rent would be. Residents can request a return to Income-Based Rent at any time.
 - iii. In practice, only four percent of public housing residents choose Flat Rent. The vast majority choose Income-Based Rent, which is pegged to 30 percent of monthly adjusted income.

- c. Complaint: There is a "trend" of residents paying more than 30% of income for rent.
 - i. Income-based rent should never exceed 30 percent of monthly adjusted income. The statement above could only be true if:
 - 1. Residents have chosen to pay Flat Rent, which is not income-based. Even in this case, families who with a documented decrease in income or increase in expenses may return at any time to income-based rent.
 - Residents on income-based rent have experienced an income decrease but have not reported this to MPHA. Our policies require residents to report all income changes—up or down—within five days.
 - 3. A resident is subject to the \$75 minimum rent requirement. Note that elderly, disabled, and those on a documented fixed income are not subject to minimum rent.
- d. Complaint: The flat-rent increase "violates HUD policies and city ordinances"
 - Changes in Flat Rent rates are an annual policy adjustment that is predictable, transparent, and required by HUD. They are determined, communicated, and executed in accordance with all laws and guidelines.

III. Other specific policy changes

- a. Complaint: \$75 "absence from unit" charge language is confusing
 - i. This language is accurate, although we acknowledge the mechanism can be somewhat confusing when condensed. Per MPHA's Statement of Policies, a head or co-head of household who is absent and loses his or her income during this time will pay their normal rent, but will then receive a credit of the difference between minimum rent and the actual rent. The result is that the resident will effectively pay minimum rent (currently \$75) during this time.
 - ii. Residents who are out-of-unit and experience a partial decrease in income should report that decrease within five days, as usual, and rent will be adjusted downward accordingly.
 - iii. After 90 days, the absence-from-unit credit is no longer relevant. Residents who are out of their unit for more than 90 days in a 12-month period have violated their lease
- b. *Complaint:* What constitutes "good cause" for requesting a transfer after rejecting a prior offer?
 - MPHA's Statement of Policies lists a number of factors that affect transfer decisions, and which would also come under consideration when determining "good cause" in this circumstance. These include emergencies, family size, reasonable accommodation requests, and verified medical need.
 - ii. MPHA does not and has not, to our knowledge, engaged in any discrimination with respect to transfers or any other of our operations. This would violate both our policies and our mission. If we were to become informed and confirm any specific instances, we would deal with them swiftly.
- c. Complaint: Flat Rent increase
 - i. See discussion above. Paying Flat Rent is a choice residents make, which they are able to alter if it no longer becomes appropriate for them, at any time with a documented hardship.

- d. Complaint: Excess water usage and tampering with aerators
 - i. Aerators are common across all MPHA properties. As with other plumbing fixtures, tampering with them results in both the \$13 replacement fee and a \$25 charge for the resulting excess water use. "Excess water use" is not measures; the \$25 fee is fixed, and applies in the case of tampering with any water-flow device.
 - ii. While MPHA is reimbursed by HUD for utilities, MPHA is subject to an Energy Performance Contract that provides substantial, ongoing investment in utility technology to benefit residents, in exchange for measures (such as aerators) to control overuse of water and other utilities. MPHA is also inspected by HUD and obligated, as a general matter in all things, to be a wise steward of federal funds.
- e. Complaint: Housekeeping standards
 - i. MPHA requires sufficient space around furniture and belongings in order to address resident maintenance requests and routine maintenance issues. Insufficient ability to access walls, windows, and doors can prohibit maintenance employees from doing their work, and inadvertently contribute to pest, mold, and other problems. While this complaint references storage, residents storing their belongings are not the most common problem. In practice, maintenance personnel are most challenged by overly large furniture pressed up against walls.

IV. Interpretation/Translation Services

- a. *Complaints:* MPHA has not translated prior documents into Somali; other languages do not get translations; other complaints about language services.
 - i. The statement that "this is the first time" is incorrect. MPHA provides full Somali translations of all lease-related and other vital communications. Our Limited English Proficiency (LEP) Plan requires us to provide translations of documents of "vital importance" in any language spoken by more than five percent of tenants.
 - ii. Somali qualifies under this five-percent standard for translations. Other languages do not. Our language block includes invitations in seven other languages spoken by tenants to seek free language assistance.
 - iii. MPHA will provide interpretation assistance for any residents, in any language, upon request. All important documents include the "language box" alerting residents to see assistance if needed.
 - iv. MPHA utilizes both professional and in-house interpretation and translation services, depending upon the language, the urgency, and the context.
 - v. Our LEP Plan is based upon "Meaningful Access" standards and other best practices to balance essential access and understanding against administrative requirements. The Plan is revised and updated annually to adapt to changing needs and populations.