



NOTICE AND AGENDA

May 27, 2015

REGULAR MEETING OF THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY IN AND FOR THE CITY OF MINNEAPOLIS WILL BE HELD AT 1:30 P.M. AT 1001 WASHINGTON AVENUE NORTH, MINNEAPOLIS, MINNESOTA

The Tenant Advisory Committee will meet at 12:00 Noon, same date and place

Commissioners: **F. Clayton Tyler, Chair**
 Charles T. Lutz, Vice Chair
 Daisy Nguyen, Secretary
 Tom DeAngelo, Commissioner
 Cara Letofsky, Commissioner
 Dorothy Robinson, Commissioner
 Hon. James Rosenbaum, Commissioner
 Berra Toka, Commissioner

GENERAL:

- Roll Call
- Approval of Agenda
- Minutes of Regular Meeting of April 22, 2015

TENANT ADVISORY COMMITTEE – TAC Chairperson Comments

DISCUSSION:

1. Heating System Upgrades at 1717 Washington Avenue N.E. (Emilio Bettaglio, DED / Director of F&D)

RECEIVE AND FILE:

- Monthly Performance Report for April 2015 (Cora McCorvey, Executive Director / CEO)

Next Regular Meeting:

Wednesday, June 24, 2015 - 1:30p.m.
1001 Washington Avenue North
Minneapolis, MN 55401

Notice: *A portion of this meeting may be closed to the public pursuant to Minnesota Statutes Section 13D.03 or 13D.05.*



**MINUTES OF A REGULAR MEETING OF THE
MINNEAPOLIS PUBLIC HOUSING AUTHORITY
IN AND FOR THE CITY OF MINNEAPOLIS
April 22, 2015**

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in a regularly scheduled meeting at 1:30 P.M. on April 22, 2015, at 1001 Washington Avenue North, Minneapolis, Minnesota, the date, time, and place established for the holding of such meeting.

Roll Call:

The Chair called the meeting to order, the following members of the Board being present:

| | |
|----------------------|--------------|
| F. Clayton Tyler | Chair |
| Charles T. Lutz | Vice Chair |
| Daisy Nguyen | Secretary |
| Tom DeAngelo | Commissioner |
| Cara Letofsky | Commissioner |
| Hon. James Rosenbaum | Commissioner |
| Berra Toka | Commissioner |

The following member of the Board was absent:

| | |
|------------------|--------------|
| Dorothy Robinson | Commissioner |
|------------------|--------------|

The following others were also present:

| | |
|---------------|--------------------------|
| Cora McCorvey | Executive Director / CEO |
|---------------|--------------------------|

The Chair declared the presence of a quorum.

Approval of Agenda:

Commissioner Lutz moved approval of the proposed agenda. The motion was seconded by Commissioner Rosenbaum. Upon a voice vote, the Chair declared the motion carried.

Approval of Minutes:

The Minutes of the Annual Meeting of January 28, 2015, were presented for approval. Commissioner Lutz moved the minutes be accepted as presented. The motion was seconded by Commissioner Nguyen. Upon a voice vote, the Chair declared the motion carried.

Item No. 1: Affordable Housing Trust Request

After a brief discussion, Chairman Tyler suggested that this item be tabled to provide more



opportunity to review. Commissioner Lutz moved to table the item. Commissioner Rosenbaum seconded the motion. Upon a voice vote, the Chair declared the motion carried. [See Document No. 2015-08]

Item No. 2: Use of 2012 Operating Subsidy Settlement Funds

After a brief presentation by staff and discussion, Commissioner Lutz moved approval of the recommendation set forth in the Report. Commissioner Letofsky seconded the motion. Chairman Tyler requested a roll call vote. Upon a roll call vote, four Commissioners voted "aye" (Commissioners Letofsky, Lutz, Toka, and Tyler), and three Commissioners voted "nay" (DeAngelo, Nguyen and Rosenbaum). The Chair declared the motion carried. [See Document No. 2015-09]

Item No. 3: Planning for a New MPHA Administrative Office Building

After a brief presentation by staff and discussion, Commissioner Lutz moved approval of the recommendation set forth in the Report. Commissioner DeAngelo seconded the motion. Upon a voice vote, the Chair declared the motion carried. [See Document No. 2015-10]

Item No. 4: Approval and Execution of Rental Assistance Demonstration (RAD) Transaction Document

After a brief presentation by staff and discussion, Commissioner Rosenbaum moved approval of the recommendation set forth in the Report along with the corresponding Resolution which was attached thereto. Commissioner Letofsky seconded the motion. Upon a roll call vote, six Commissioners voted "aye" (Commissioners DeAngelo, Letofsky, Lutz, Nguyen, Rosenbaum, Toka, and Tyler), and no Commissioners voted "nay". The Chair declared the motion carried. [See Document No. 2015-11]

Receive and File Items:

The following items were received and filed by the Board:

- The Monthly Performance Report for January 2015. [See Document No. 2015-12]
- The Monthly Performance Report for February 2015. [See Document No. 2015-13]
- The Monthly Performance Report for March 2015. [See Document No. 2015-14]

Adjournment:

There being no further business to come before the meeting, and upon a motion duly made and seconded, the meeting was adjourned at 2:23 p.m.

Secretary of the Board of Commissioners

Date These Minutes Approved



May 27, 2015

Agenda Item 1

REPORT TO THE COMMISSIONERS

FROM: Cora McCorvey, Executive Director / CEO

SUBJECT: Heating System Upgrades at 1717 Washington Street NE

Previous Directives: The Board has previously approved Capital Fund Program (CFP) Plan for FY 2015 as part of the Agency's 2015 Moving to Work (MTW) Plan.

Resident Council Review/Recommendation: Building modernization committees involved in the planning process concur with the Agency's assessment of current capital needs and understand the services necessary to implement the improvements. This project will also be discussed with the Tenant Advisory Committee (TAC) immediately prior to the Board's May 27, 2015 meeting.

Budget Impact: These expenditures will be charged to the Capital Fund Program.

Affirmative Action Compliance: MPHA will work with the contractor to strategize on affirmative action and Section 3 opportunities and will monitor compliance.

Procurement Review: This Report has been reviewed and approved by the Agency's Contracting Officer.

RECOMMENDATION: It is recommended that the Board of Commissioners authorize the Executive Director or her designee to enter into a contract in the amount of \$536,723 with Schadegg Mechanical for heating system upgrades at 1717 Washington Street NE.

1717 Washington Street NE is one of the few remaining highrise buildings with pneumatic (pressurized air) heating system controls. A key component in MPHA's overall energy savings strategy in highrise buildings is converting pneumatic controls to Direct Digital Controls (DDCs). DDCs allow for remote monitoring, control, and diagnosis of HVAC system problems, as well as HVAC systems integration for operational efficiencies. DDC conversion also eliminates the costs associated with the maintenance and recalibration problems common with pneumatic controls and the need for (and operational costs of) air compressors.



On April 14, 2015, an invitation for bids was publicly advertised with a bid due date of May 15, 2015. Direct bid invitations were sent to the following firms:

| | |
|---------------------------------------|-------------------------------------|
| Associated Mechanical | Sun Mechanical (WBE) |
| P&D Mechanical | Egan Companies |
| Cool Air Mechanical | Corval Group |
| Master Mechanical | Nasseff Mechanical Contractors |
| Schadegg Mechanical | US Mechanical (WBE) |
| Albers Mechanical | Covenant Electric (WMBE, Section 3) |
| NRG Mechanical (MBE, Section 3) | Northern Air Corporation |
| American Contractors (MBE, Section 3) | |

The following bids were received:

| | |
|---------------------|------------------------------------|
| US Mechanical (WBE) | \$289,000 (<i>bid withdrawn</i>) |
| Schadegg Mechanical | \$536,723 |
| Corval Group | \$568,539 |

The successful bidder, Schadegg Mechanical, a local firm, has successfully completed several mechanical projects in Minneapolis. Staff is confident that they will perform well for MPHA on this project.

This Report was prepared by Emilio Bettaglio, Deputy Executive Director, Facilities and Development. For further information, please contact Mr. Bettaglio at (612) 342-1419 or ebettaglio@mplspha.org



Cora McCorvey, Executive Director / CEO

Performance Report for April 2015

Board of Commissioners Meeting -

May 27, 2015

EQUAL EMPLOYMENT OPPORTUNITY ▲ EQUAL HOUSING OPPORTUNITY

THIS MONTH'S REPORT

- Asset Management Project (AMP Reports)
- Procurement
- Rent Collections
- Facilities and Development
- Finance
- Housing Choice Voucher Program
- Policy & Special Initiatives

**ASSET MANAGEMENT PROJECT (AMP) REPORT
(UNITS LEASED/TURNAROUND/WORK ORDERS/OCCUPANCY)
HEADQUARTERS: 2709 ESSEX ST. SE
APRIL 2015**

**Glendale AMP 1 –
Total Units 184**

- Units Leased: 2
- Average Turnover: 28
 - Down Time: 1
 - Days Make Ready: 13
 - Days for Re-rental: 15
- Total Work Orders
 - 1 emergency work order completed in 24 hours – 100%
 - 181 non emergency work orders completed – 99%

◦ **Occupancy Level: 99%**

**Scattered Sites AMP 2 –
Total Units 736**

- Units Leased: 7
- Average Turnover: 26
 - Down Time: 2
 - Days Make Ready: 16
 - Days for Re-rental: 9
- Total Work Orders
 - 2 emergency work orders completed in 24 hours – 100%
 - 652 non emergency work orders completed – 87%

◦ **Occupancy Level: 99%**

ASSET MANAGEMENT PROJECT (AMP) REPORT (UNITS LEASED/TURNAROUND/WORK ORDERS/OCCUPANCY) APRIL 2015

North AMP 3 –

Headquarters: 315 Lowry
Total Units 1296

Units Leased: 18

Average Turnover: 40

- Days Down Time: 6
- Days Make Ready: 18
- Days for Re-rental: 16
- Total Work Orders
 - 11 emergency work orders completed in 24 hours – 100%
 - 1538 non emergency work orders completed – 83%

○ Occupancy Level: 98%

Northeast AMP 4 –

Headquarters: 1815
Central – Total Units 944

Units Leased: 14

Average Turnover: 19

- Days Down Time: 3
- Days Make Ready: 4
- Days for Re-rental: 12
- Total Work Orders
 - 4 emergency work orders completed in 24 hours – 100%
 - 546 non emergency work orders completed – 85%

○ Occupancy Level: 100%

ASSET MANAGEMENT PROJECT (AMP) REPORT (UNITS LEASED/TURNAROUND/WORK ORDERS/OCCUPANCY) APRIL 2015

Hiawatha AMP 5 – Headquarters: 2123 – 16th – Total Units 886

- Units Leased: 10
- Average Turnover: 26
 - Days Down Time: 3
 - Days Make Ready: 11
 - Days for Re-rental: 12
- Total Work Orders
 - 12 emergency work orders completed in 24 hours – 100%
 - 361 non emergency 83%

○ Occupancy Level: 98%

Cedar AMP 6 – Headquarters: 1611 So. 6th – Total Units 895

- Units Leased: 5
- Average Turnover: 20
 - Days Down Time: 8
 - Days Make Ready: 4
 - Days for Re-rental: 9
- Total Work Orders
 - 12 emergency work orders completed in 24 hours – 100%
 - 428 non emergency 87%

○ Occupancy Level: 100%

ASSET MANAGEMENT PROJECT (AMP) REPORT (UNITS LEASED/TURNAROUND/WORK ORDERS/OCCUPANCY) APRIL 2015

Horn AMP 7 – Headquarters: 3121 Pillsbury – Total Units 937

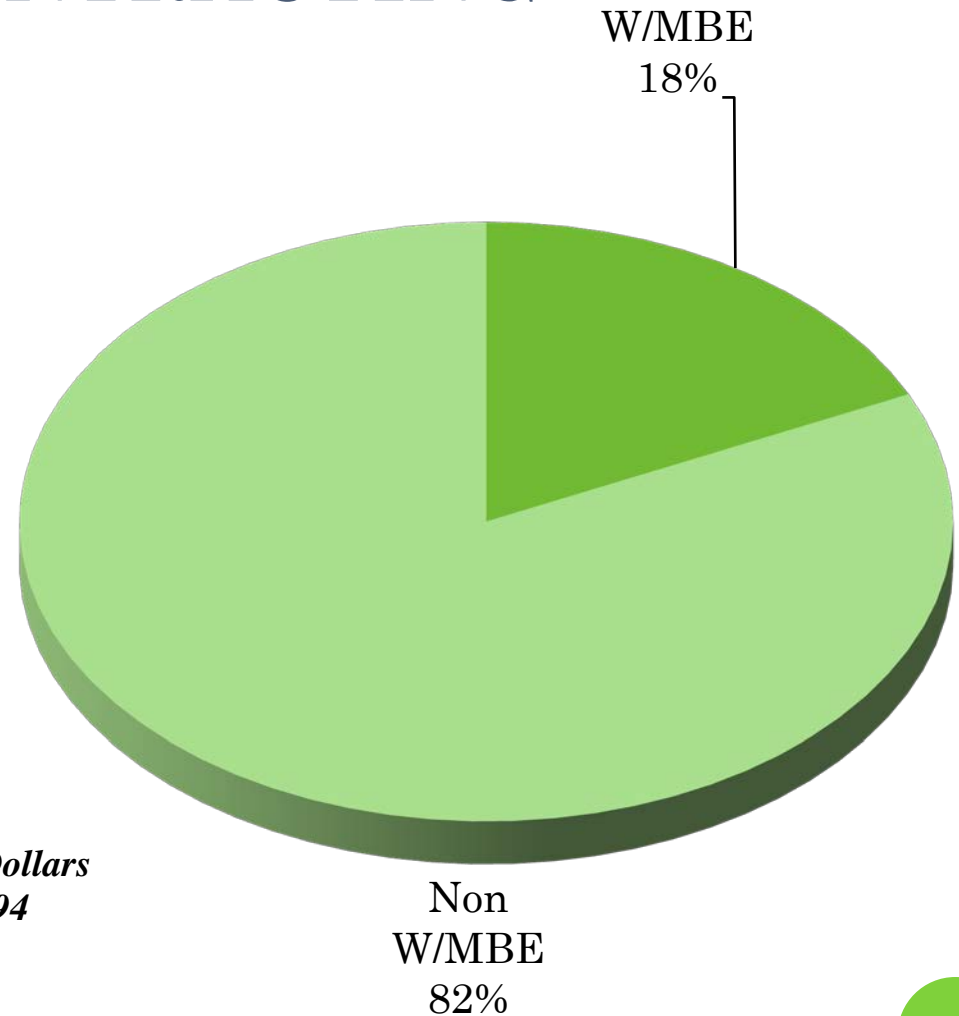
- Units Leased: 8
- Average Turnover: 17
 - Days Down Time: 3
 - Days Make Ready: 6
 - Days for Re-rental: 9
- Total Work Orders
 - 10 emergency work orders completed in 24 hours – 100%
 - 496 non emergency work orders completed – 72%
- Occupancy Level: 100%

PROCUREMENT MPHA CONTRACTING ACTIVITY

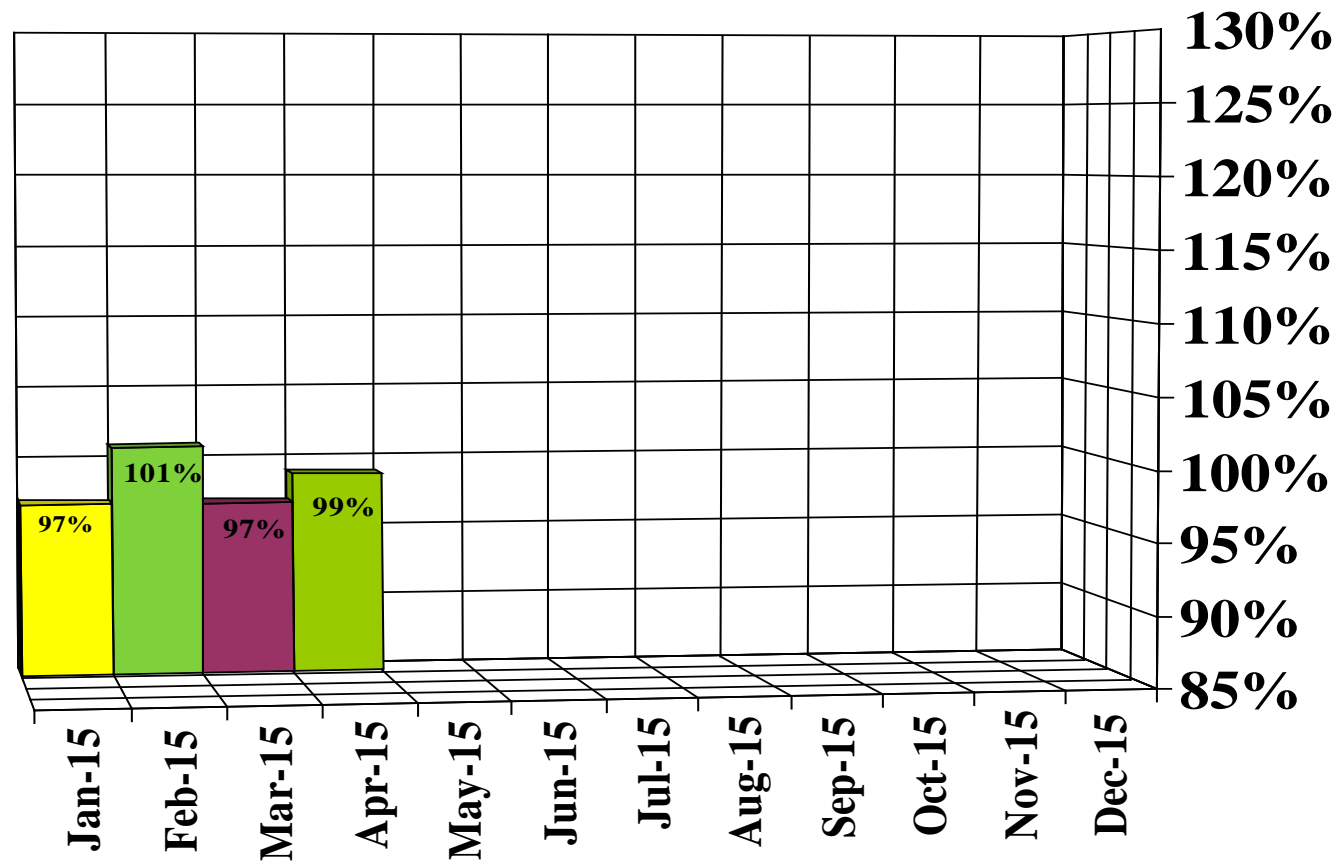
April 2015

W/MBE & Section 3 Participation Report

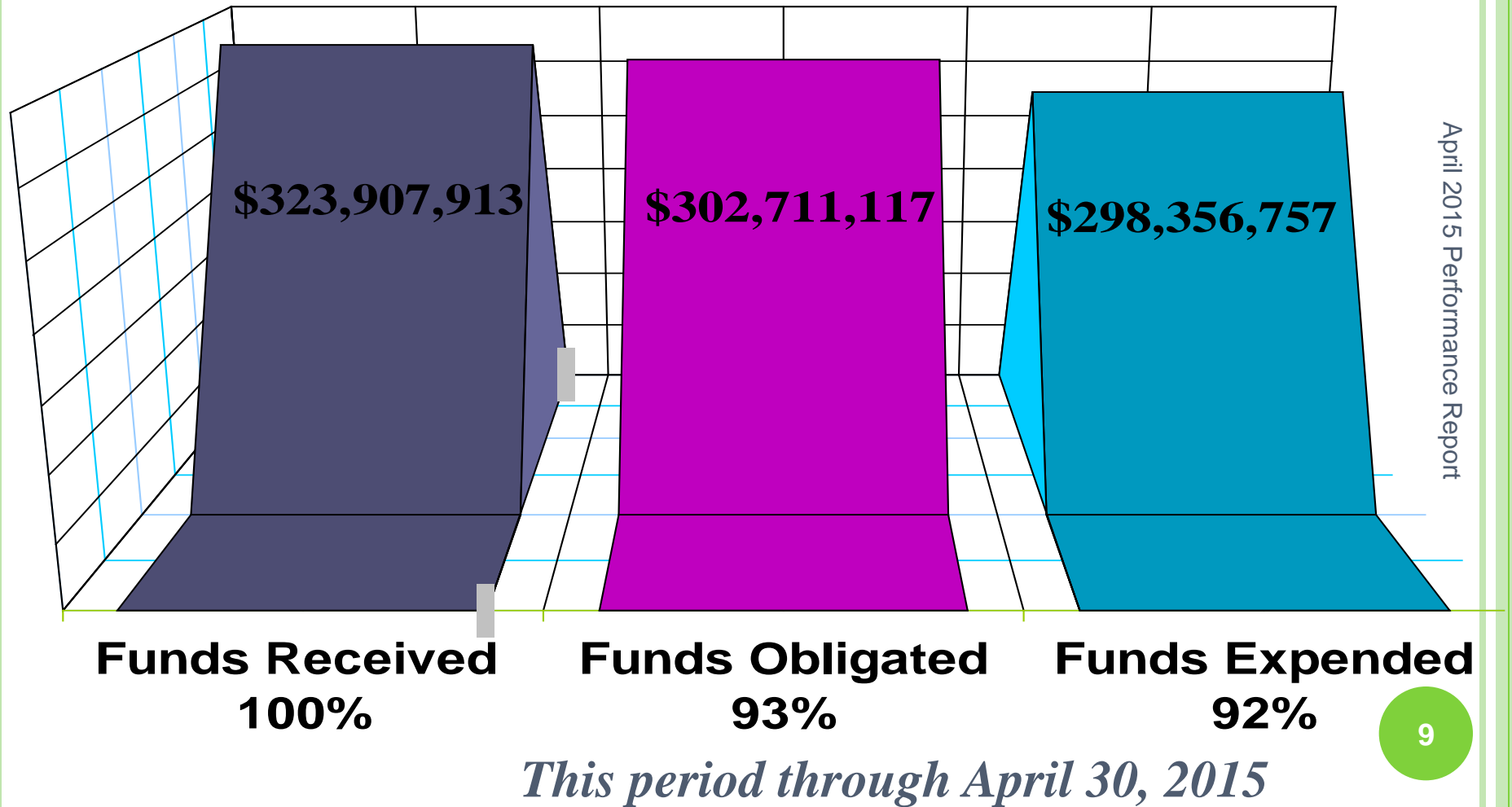
Section 3 Goal = 10% of Construction Contract Dollars
Construction Contracts Payments = \$1,542,394
Section 3 Contracts Payments = \$98,203
Section 3 Contract Participation = 6%



RENT COLLECTIONS



FACILITIES & DEVELOPMENT CAPITAL FUND PROGRAM OBLIGATION & EXPENDITURE REPORT





1710 PLYMOUTH AVENUE NORTH

**First Floor Common Area &
Community Kitchen Improvements**

PROJECT HIGHLIGHTS

- Reconfigured community kitchen to be more tenant-friendly & eliminated obsolete commercial kitchen equipment
- Replaced flooring in community room, entry, and lounge areas
- Updated finishes
- Replaced guard desk



UPDATED COMMUNITY KITCHEN

Obsolete commercial kitchen equipment



New, tenant friendly equipment & layout



FLOORING REPLACEMENT

Worn & dated
flooring



New floor finishes



GUARD DESK REPLACEMENT

Old desk was damaged
and delaminating



New custom desk with
solid surface top



FINANCE

- Public Housing Operating and Central Office revenues and expenses are consistent with budgeted levels through April.

HOUSING CHOICE VOUCHER PROGRAM

MPHA Housing Choice Voucher Program Report to Board of Commissioners

April 2015

| MTW Funded Units (Excludes VASH, FUP, & Mod Rehab) | MTW Units Leased (Excludes VASH FUP & Mod) In April | Average Number of Vouchers Leased to Year to Date | % Variance of units Leased to Funded | # of Participants Moving and Searching In April | # of New Applicants Issued and Searching In April | # of New Applicant Admissions In April | # of Participant Move Lease ups In April |
|---|---|--|---|---|---|--|--|
| 4,407 | 4,587 | 4,572 | 104% | 89 | 14 | 19 | 37 |
| | | | | | | | |
| # of Applicant Annual Reexams Completed In April | 2014 Fiscal Year (Jan - Dec) | | | | | MTW Funded Per Unit Cost (PUC) Of Voucher | Actual Per Unit Cost (PUC) Of Voucher In April |
| | HAP Budget Authority (12 months) | | \$36,913,032 2015 FY Funding | | | | |
| | HAP funded to date | | \$12,304,344 4th month of 2015 | | | | |
| | HAP spent to date | | \$11,954,385 | | | | |
| | | | | | | | |
| 407 | Variance | | 97% of HAP spent to funded | | | \$698 | \$651 |
| | | | | | | | |
| # of Owners at Owner Workshop In April | # of HQS Inspections Completed In April | % of Units that Failed HQS (231) In April | # of Failed Units in Abatement for Noncompliance In April | Total HAP Amount Recouped (Abatement) In April | # of HAP Contracts Canceled for HQS Noncompliance In April | # of Family Sufficiency (FSS) Participants Enrolled In April | % FSS Participants contributing to Escrow Accts In April |
| N/A | 886 | 26% | 11 | \$2,208 | 0 | 39 | 33% |
| | | | | | | | |
| # of Mobility Voucher Families Out Searching | # of Mobility Vouchers Leased To date | Total # of Port out Families Billed for In April | Total # Port in Families Administered In April | Amount Collected from Repayment Agreements In April | FY Total <u>to date</u> Collected from Repayment Agreements | # of Applicants Remaining On Waitlist | # Participants EOP'd (End of Participation) In April |
| 4 | 20 | 168 | 363 | \$6,638 | \$27,369 | *5309 | 12 |

4407 is MPHA's MTW Authorized HCV Unit Baseline for FY 2015. Units leased will fluctuate each month but by close of Fiscal Year, the average number of families served for year should be 4407.
 NOTE: VASH (225 Vouchers for Homeless Veterans) FUP (100 Family Unification Vouchers) and Moderate Rehabilitation (274 units) are not included in the 4407 baseline; they are ineligible for MTW.
 EOPs exclude Project Based Voucher Participants. *Beginning 2015, Waitlist is being periodically purged.

POLICY & SPECIAL INITIATIVES

Policy

- Coordinated with Executive Administration on Agenda and Materials for MPHA Board Retreat/Working Session
- Moving To Work (MTW)
 - MTW Conference Calls with Other MTW Agencies on MTW Extension and Other Related Matters
 - MTW Conference Call with MTW Executive Directors on MTW Extension Negotiations with HUD
 - Conference Calls with HUD on MTW Extension Requirements
 - Clarification of Serving Substantially the Same Number of Families
 - HUD 90% of Housing Assistance Payment (HAP) Requirement
 - Body of Agreement Language for MTW Extension Agreement
 - Revisions to MTW Agreement Attachments A, C and D
 - Held First Resident Advisory Board (RAB) for Developing MPHA's 2016 MTW Plan

POLICY & SPECIAL INITIATIVES

Special Initiatives

Development:

- Heritage Park
 - Developed Implementation Steps for MPHA's RAD Conversion for Heritage Park
 - Created Board Report and Resolution for Fast Track Actions Related to Conversion of Heritage Park Public Housing Units to Project Based Rental Assistance
 - Began Communications with McCormack Baron Salazar on Implementation of RAD
 - Developed Framework for Request for Quote for Legal Services Related to RAD Conversion

POLICY & SPECIAL INITIATIVES

Special Initiatives

Development:

○ Glendale

- Worked with Executive Administration and Facilities and Development to Identify Next Steps and Timeline for Submission of RAD Application for Glendale Family Development

POLICY & SPECIAL INITIATIVES

Special Initiatives

Development:

- Lease To Own (LTO):
 - Waiting List for Lease To Own Remains Open
 - 18 Total Leased Up Participants as of April 30, 2015
 - 6 LTO Pre-Applications Reviewed – 3 Rejected as Not Eligible – 3 Referred to Leasing Department for Public Housing Eligibility Review
- MHOP
 - PSI Staff Continues to Work with Management Companies Providing Training, and Working to Get All Re-exams Up to Date
 - Continuing to Work with MHOP Partner Resolving Management Challenges

POLICY & SPECIAL INITIATIVES

Website Contacts

- MPHA Received and Responded to 67 Website Contacts Requesting Assistance with Housing in April

POLICY & SPECIAL INITIATIVES

Other

- Continued Implementation Activities for Comprehensive Marketing Plan for Increasing Participation and Access to Heritage Park Senior Services Center (HPSSC)
- MPHA Website: Continued Working with IT on Redesign of Agency Website and HPSSC Web Page – New Website Inaugurated on March 27, 2015
- MPHA Assigned 16 Youth Summer Interns Under STEP Initiative Developed by PSI Staff
- Finalized Annual Submissions to Minnesota Housing Finance Agency (MHFA) for MPHA Owned POTH Developments

MPHA'S WEBSITE

You can now view information about the Minneapolis Public Housing Authority on our Website.



www.mphaonline.org