

# MPHA LEADERSHIP PLANNING COMMITTEE REPORT

January, 2016

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## 1. INTRODUCTION: PURPOSE AND PARTICIPANTS

In the summer of 2015, a Leadership Planning Committee was formed by Board Chair Clayton Tyler to plan for upcoming leadership changes within the MPHA in the next five years, including the next Executive Director for MPHA. The Committee included the following members:

Thomas DeAngelo	Committee Chair and Commissioner
Clayton Tyler	Board Chair and Commissioner
Jim Rosenbaum	Commissioner
Cora McCorvey	Executive Director

Cora McCorvey will step down from participation on the Leadership Planning Committee at the beginning of 2016 to focus on the operations of the Agency during the Phase Two Search/Selection Phase.

This Committee Report summarizes this Leadership Planning Phase of the process and provides the framework and guidelines to a Search and Selection Committee for the next Executive Director.

The position of Executive Director is critical to MPHA. In addition to providing management responsibilities for a highly regulated governmental agency, this leadership role is the face of the organization to internal staff, our resident customers, our governmental partners, and the general public. A thoughtful process will be required to find the best candidate for the next Executive Director.

### 1A. The Process: Leadership Planning and Search/Selection

A two-phase process has been outlined by the Leadership Planning Committee to address how MPHA should approach changes in leadership within the organization in the coming years.

Phase One is a **Leadership Planning Phase** that has been accomplished in 2015. This process has engaged senior staff and Leadership Planning Committee Members in discussions to assist the Leadership Planning Committee in understanding the responsibilities of the Executive Director and issues that MPHA will likely face in the coming years. This phase of the process has been summarized by this Leadership Planning Committee Report and communicates a plan for the process of selecting the next Executive Director.

Phase Two is a **Search/Selection Committee Phase** that will be activated in early 2016. This phase will begin with the selection of an Executive Search Consultant and a subsequent appointment of a Search/Selection Committee by the Leadership Planning Committee. Recommendations from the Search/Selection Committee will be brought to vote by The Board

of Commissioners, as the hiring authority, who will approve the final candidate and negotiate the hiring package for the role of Executive Director.

This two-phase process is intended to gain appropriate staff and community input, assure continuity of efforts over time, and result in the best choice for finding the next Executive Director to lead MPHA in the future.

**1B. Executive Search Consultant Selection**

The Leadership Planning Committee recommends hiring an Executive Search Consultant to assist in the hiring of the next Executive Director prior to the implementation of the Phase Two Search/Selection Committee. This recommendation is based on the element of public exposure associated with the search and the likelihood that Search/Selection Committee members will have limited time and experience in executive search processes.

We will look to the selected Executive Search Consultant to suggest and manage the process of the Search/Selection Committee. This process will likely include engagement with our Search/Selection Committee team, review of information provided in this Leadership Committee Report, outreach to key stakeholders in the community and potential candidates, assistance in decision-making, and other activities that are recommended and agreed upon. We anticipate that the Search/Selection process for the next Executive director may take a minimum of 4 months.

Many of the services provided by an Executive Search Consultant will occur after announcement of the search for the next Executive Director. To prepare for this eventual position vacancy, the Leadership Planning Committee will request proposals and select a qualified Executive Search Firm in early 2016.

## **2. MPHA ORGANIZATIONAL OVERVIEW**

President Franklin Roosevelt signed the U.S. Housing Act in 1937, creating the concept of constructing federal public housing as a cornerstone to his “New Deal” program to hasten economic recovery nationwide. In Minneapolis this new program took root in Sumner Field Homes, the first public housing development in the city and state. The first families moved in just before Christmas in 1938. Over the next five decades, public housing in Minneapolis grew to include three additional family developments, 42 high and low rise developments, and numerous scattered site units located throughout the City.

In 1991, the public housing authority separated from the City of Minneapolis and became an independent unit of Government – officially known as ‘Minneapolis Public Housing Authority in and for the City of Minneapolis’ (MPHA)

### **2A. MPHA Organizational Profile**

MPHA is the largest public housing authority in Minnesota. With its 5,943 public housing units and over 5,000 Section 8 vouchers, MPHA serves a diverse community of approximately 24,300 people (6.2% of the City’s population). MPHA residents and Section 8 participants reside in housing located in virtually every neighborhood of the City.

#### **Mission**

*The mission of the Minneapolis Public Housing Authority (MPHA) is to promote and deliver quality, well-managed homes to a diverse low-income population and, with partners, contribute to the well-being of the individuals, families and community we serve.*

#### **The 2012- 2017 Strategic Plan**

The MPHA Board of Commissioners adopted a 5 year Strategic Plan in 2012 which provides a roadmap for MPHA’s future. It adopts a new vision, supports MPHA’s mission and establishes its core values. It identifies strategic directions that set the agency’s agenda for the next five years.

MPHA’s 2012-2017 Strategic Plan can be found at: <http://www.mphaonline.org/wp-content/uploads/2015/04/61d54dc1af58904500f8d960fdcdea8c.pdf>

#### **Organizational Structure**

The Agency is governed by a nine member Board of Commissioners with 5 members appointed by the Mayor and four by the City Council, with Council approval of all nine Board members. Two of the nine Commissioners are MPHA residents, one representing MPHA high rise residents and one representing MPHA family residents. The Board of Commissioners

employs the Executive Director/CEO who in turn oversees the operations of MPHA's programs and services.

MPHA has adopted an organizational structure designed to implement its mission and operate its programs within parameters of Federal, State and local requirements. MPHA staff is comprised of 279 employees and four main business units;

- Low Income Housing
- Housing Choice Voucher Program (Section 8)
- Capital Fund Program (Facilities and Development)
- Central Office

### **Low Income Public Housing Overview**

MPHA owns, manages and oversees over 6,000 units of public housing, including:

- 42 high rise apartment buildings with 5,006 units
- 753 scattered site homes (single-family, duplex/fourplex)
- 184 townhome units in the Glendale family development in Prospect Park
- 312 public housing units that are part of mixed finance developments throughout the Metropolitan area

MPHA has designated twelve high-rise complexes with 1,913 apartments for seniors. The agency also has created assisted living and supportive services programs for frail and elderly adults at seven locations with a capacity for up to 348 residents; including the development of the first in the nation, acute assisted living and memory care public housing programs.

Resident volunteers provide crime watch patrols through Project Lookout in over twenty-six high rises and contract security guards provide security coverage in many of our buildings.

MPHA purchased twenty townhome development units in Heritage Park and created a Rent-to-Own initiative where qualified public housing residents and Section 8/HCV participants, including MPHA and City of Minneapolis employees who qualify for public housing, will have an opportunity to initially rent and subsequently purchase these units.

### **Housing Choice Voucher Program/ Section 8**

The Section 8 Housing Choice Voucher Program (HCV) assists very low-income families, the elderly, and the disabled in finding decent, affordable, safe, and sanitary housing in the private market. Eligible program participants may rent single-family homes, townhouses, duplexes, and apartments where the both the owner of the selected property and the property itself have been approved for program participation.

Eligibility for participation in the Section 8 HCV Program is based on income, eligible citizenship status, and the ability to pass a criminal history background check. The amount of

the subsidy available to the family is based on the family's income level and the household's composition.

MPHA administers over 5,000 Section 8 Housing Choice Vouchers for eligible program participants who use the assistance to rent units from private landlords. Some of the vouchers target specific populations:

- 692 vouchers have been project- based, combining supportive services and increasing the supply of affordable housing for very low income households;
- 400 vouchers are designated for non-elderly disabled households;
- 235 vouchers serve our homeless veterans through the HUD Veterans Affairs Supportive Housing (VASH program);
- 100 vouchers are allocated for Family Unification including youth aging out of foster care

MPHA's Section 8 HCV program continually seeks new and innovative ways to enhance and increase affordable housing opportunities in the community. It currently has 3 new initiatives pending with HUD that would create housing with services for families with children coming out of homeless shelters, homeless youth and offenders released from prison at risk of homelessness.

### **Capital Fund Program**

Since 1992, MPHA's citywide capital and management improvement program has received over \$303 million in Capital Funds from HUD. More than \$293 million in capital improvement work has been completed so far, including renovations of 42 high rises, and more than 900 family and scattered site homes. This program impacts all public housing residents, dozens of city neighborhoods and has created hundreds of jobs in the local economy.

MPHA, in addition to its Capital Fund program, received an additional \$18.2 million in new capital funds under the American Recovery and Reinvestment Act (ARRA) in 2009. It was also awarded, through a national competition, over \$30 million in additional ARRA funding to develop a new Senior Center, a 48-unit continuum of care 'Green' Memory Care Development and to launch a major energy improvement and conservation program in 733 scattered site properties. The senior center and memory care development opened February 8, 2012 and the scattered sites energy program was fully implemented at the close of 2011.

MPHA entered into a \$33.6 million dollar Energy Performance Contract (EPC) with Honeywell International in August of 2009 under a special program with HUD to make major energy and water conservation improvements in our high rise and single family homes. The EPC has been fully implemented and the first year of a 20-year guaranteed savings period from Honeywell began in 2010; during this period, these improvements will pay for themselves. In 2013, MPHA negotiated a refinancing of the original EPC loan at a lower rate and was able to

leverage an additional \$3.36 million for improvements that include LED parking and site lighting and some mechanical upgrades at all high rises.

### **Central Office**

The MPHA Central Office includes all of the administrative functionality of MPHA and includes departments of Finance, Human Resources and Labor Relations, and Administration / Support (includes IT, Procurement and Policy and Special Initiatives).

## **2B. MPHA Key Strategic Planning Issues**

The Leadership Planning Committee engaged senior staff in a roundtable discussion in the autumn of 2015 regarding key strategic planning issues. The purpose of this discussion was to gain a better awareness of the key issues facing the MPHA and how this might affect expectations regarding selection of the next Executive Director.

The housing of low and no income individuals and families, elderly, and disabled persons continues to be in high demand in the City of Minneapolis. However federal grants and subsidies, combined with local support and resources, have not increased to keep up with this demand. The level of funding received from the federal government continues to be less than is needed to fully sustain and maintain MPHA's current inventory of public housing structures. This context, reduced funding combined with an aging infrastructure, has limited MPHA's ability to respond to increased demand for housing vouchers in Minneapolis.

Key organizational challenges and opportunities during the next five years include:

### **Addressing our aging infrastructure of public housing.**

MPHA's portfolio of public housing options ranges from high rise apartment buildings to scattered rental property sites. Each of these properties has maintenance and operational expenses that must be prioritized and planned to preserve the viability of these options.. MPHA needs to find new ways to leverage its resources and engage in more innovative strategies to preserve its portfolio.

### **Responding to changing demographics and evolving resident needs.**

In addition to operational and maintenance needs required to preserve properties and enhance their energy efficiency, our residents increasingly need other property improvements that require operational resources. In recent years, these have included a strong emphasis on security enhancements and other services or improvements that address the needs of seniors, families, and disabled residents. MPHA needs to continually engage with its customers, partners, and other key constituencies to gain a better understanding of the needs and challenges faced by changing demographics and evolving needs.

### **Improving operational efficiency while maintaining a high level of resident services.**

MPHA staff members administer, plan, maintain, and operate many of the housing options available through the organization. These employees must operate within a stringent regulatory environment and within Federal guidelines and procurement methods that meet fair, equitable, and value-oriented expectations. These services often require coordination and interaction with our residents that requires flexibility and resilience by staff to maintain a high level of resident service.

**Strengthening community partnerships to enhance our mission.**

While MPHA is predominantly funded by the federal government through federal grants and subsidies, it also relies on funding from the City of Minneapolis and other community partners through grants and other community sources. Strong community relationships are essential to the well-being of the individuals, families and community we serve.

While MPHA will continue to focus on providing housing for a diverse, low-income population, there is a growing need for the organization to contribute to the broader dialogue in the community around issues of affordable housing and to connect people with other social services that are available in the community. MPHA should continue to look for creative methods to advance our mission through partnerships with other entities.

**Exploring new development opportunities.**

Providing new public housing to either replace our aging infrastructure or expand our ability to serve more residents is a significant strategic issue for MPHA in the coming years.

**2C. MPHA Leadership Transition Issues**

The Leadership Planning Committee engaged in a roundtable discussion with senior staff regarding the transitions in leadership that will be occurring at MPHA over the next 5 years.

The senior staff team at MPHA will continue to take steps to determine how continuity can be maintained and how institutional knowledge can be retained in light of the anticipated leadership transitions. This will include addressing issues such as staff communications, internal leadership development, mentoring, processes for recruiting and retaining talent, growth in skill development by staff, etc. Workforce and succession planning within the MPHA organization will occur regularly and will remain the responsibility of the senior leadership team.

Senior staff members and the Leadership Planning Committee also recognize the importance of continuing the seamless operation of the organization during a search/selection process for the next Executive Director.



### **3. THE NEXT EXECUTIVE DIRECTOR**

The role of Executive Director at MPHA requires an on-going interface with the Board of Commissioners, The City of Minneapolis, other governmental partners, community partners, consultants and private housing partners, residents, and staff members. The next Executive Director will need a wide and diverse skill set that includes both business and interpersonal skills to successfully lead the MPHA.

The Leadership Planning Committee believes that the next Executive Director should:

1. Possess and exhibit a courage and passion regarding the people we serve and the programs that we provide.
2. Have a visionary outlook that can inspire support for the funding and housing needs of our low-income residents.
3. Be a collaborator who can expand partnership relationships to further serve our constituents.
4. Be a good communicator with consensus-building skills.
5. Have the experience and ability to work within a highly-regulated environment.
6. Have the ability to foster a strong team of internal leaders and staff members.

These attributes should be evaluated when considering candidates for the position of Executive Director.

### **3A. MPHA Executive Director Job Description**

#### **General Statement**

Reporting to the Board of Commissioners, this position is responsible for the management, operations, and activities of the Minneapolis Public Housing Authority (MPHA) in carrying out the direction, mission, and business of MPHA. This position directs the development and implementation of the Agency's goals, objectives and policies and is responsible for the supervision and administration of all of the Agency's daily operations.

#### **Minimum Requirements:**

Bachelor's Degree in Public Administration, Business, or closely related field, or a combination of education and experience as may be deemed acceptable as equivalent by the Board of Commissioners. Six years of progressively responsible administrative management experience in a public housing agency or other large, complex organization. Working knowledge of government regulations, especially in the area of public housing administration. Ability to communicate effectively both orally and in writing. Prior experience working with elected bodies and working with a board.

#### **Preferred Knowledge, Skills and Abilities**

1. Knowledge of the operations, services and activities of a comprehensive public housing program.
2. Knowledge of mandated rules, regulations, law, policies and procedures governing public housing, and ability to interpret and apply same.
3. Ability to identify and respond to sensitive community and organizational issues, concerns, and needs.
4. Knowledge of preparation and administration of large complex budgets.
5. Ability to analyze issues and implement recommendations in support of goals.
6. Ability to broadly communicate Agency program goals and objectives.
7. Ability to interact effectively with persons from diverse economic, social and ethnic backgrounds.
8. Ability to resolve conflicts in highly sensitive and/or political situations.

**3B. MPHA Executive Director Position Announcement**

The Leadership Planning Committee will work with the selected Executive Search Consultant and legal/human resources staff to prepare and issue a public advertisement. This will likely include a position description, an expected salary range, confidentiality expectations, and other relevant information for prospective candidates. This Leadership Planning Report will also be available to prospective candidates.

#### **4. GUIDELINES FOR THE SEARCH/SELECTION COMMITTEE**

The search for the next Executive Director is a critical process for the MPHA. It will require a thoughtful process by the Committee that identifies exceptional candidates and manages the process in a way that is respectful to our employees, our community and governmental partners, and our residents. The search should not be limited in scope and should be open to all qualified candidates, whether internal, local, or national. However, a schedule should be developed by the Search/Selection Committee that accomplishes the work in a prudent but timely manner.

After the selection of the Executive Search Consultant, The MPHA Leadership Planning Committee will appoint a Search/Selection Committee. The Leadership Planning Committee recommends that the Search/Selection Committee include, in addition to Commissioner representatives, designated advisory representatives from our resident group and our governmental/community partners.

The Executive Search Consultant and a representative from the MPHA Legal/Human Resources staff will be included to assist the committee in their activities.

Final decisions will remain the responsibility of the Hiring Authority (The MPHA Board of Commissioners).

##### **4A. Role of the Executive Search Consultant**

An Executive Search Consultant will be selected by the Leadership Planning Committee prior to implementation of the Search/Selection Committee.

The selected Executive Search Consultant will manage the process of the Search/Selection Committee. This process will likely include engagement with our Search/Selection Committee team, review of information provided in this Leadership Committee Report, interviews with key stakeholders, outreach to community and candidates, assistance in decision-making, and other activities that are recommended and agreed upon. We anticipate that the Search/Selection process for the next Executive director may take a minimum of 4 months.

The Executive Search Consultant will be expected to define schedules and coordinate meetings, correspond with candidates, and provide guidance to the Search/Selection Committee.

##### **4B. Role of the Search/Selection Committee**

The Search/Selection Committee chair will oversee the activities of the Search/Selection Committee and, in coordination with the Executive Search Consultant, act as the liaison between the Committee and the Hiring Authority.

Search/selection Committee members will coordinate activities with the Executive Search Consultant and may be asked to assist in the following:

- Recommend selection of the next Executive Director
- Perform tasks and/or roles within the Committee
- Understand expectations regarding confidentiality
- Help identify and contact potential applicants
- Attend all scheduled meetings and review materials prior to meetings
- Screen applicants
- Participate in the interview process
- Provide due diligence of candidates and check references
- Other duties as defined by Chairperson or Executive Search Consultant

**4C. Role of the Hiring Authority**

The hiring authority (The Board of Commissioners) will retain the ability to make the final decision on selection of the next Executive Director and designate the appropriate individual to negotiate the hiring package.