



NOTICE AND AGENDA

December 20, 2017

**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
 Mikkel Beckmen, Secretary
 Cara Letofsky, Commissioner
 Tom DeAngelo, Commissioner
 Abdullahi Isse, Commissioner
 Tamir Mohamud, Commissioner
 Hon. James Rosenbaum, Commissioner
 Faith Xiong, Commissioner

GENERAL:

- Roll Call
- Approval of Agenda
- Minutes of Regular Meeting of November 15, 2017

TENANT ADVISORY COMMITTEE – TAC Chairperson Comments

EXECUTIVE DIRECTOR'S UPDATE

DISCUSSION:

1. Non-Substantial Amendments to MPHA's Public Housing Statement of Policies (SOPs) and the Housing Choice Voucher Administrative Plan (Mary Boler, Director of Operations and Kyle Hanson, Director of HCV)
2. Write-offs of Delinquent Accounts for Former Public Housing Tenants (Lisa Griebel, General Counsel)

RESOLUTION:

3. Approval of the 2018 Budget (Tim Durose, CFO)



RECEIVE AND FILE:

- Monthly Performance Report for November 2017 (Greg Russ, Executive Director / CEO)

Next Regular Meeting (Annual):

**Wednesday, January 24, 2018 - 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
November 15, 2017**

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in a regularly scheduled meeting at 1:30 P.M. on November 15, 2017, 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:

Charles T. Lutz	Acting Chair
Tom DeAngelo	Commissioner
Abdullahi Isse	Commissioner
Cara Letofsky	Commissioner
Tamir Mohamud	Commissioner
Hon. James Rosenbaum	Commissioner
Faith Xiong	Commissioner

The following members of the Board were absent:

F. Clayton Tyler	Chair
Mikkel Beckmen	Secretary

The following others were also present:

Greg Russ	Executive Director / CEO
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The Chair declared the presence of a quorum.

Approval of Agenda:

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

Approval of Minutes:

The Minutes of the Regular Meeting of October 25, 2017, were presented for approval. Commissioner Rosenbaum moved the minutes be accepted as presented. The motion was seconded by Commissioner DeAngelo. Upon a voice vote, the Chair declared the motion carried.



Executive Director's Update:

In an effort to keep MPHA Commissioners, staff and the public informed regarding significant activities being addressed by the Agency, Executive Director Russ spoke briefly on the topics shown below, upon which the Board took no official action:

MTW Plan

- Staff has submitted MPHA's 2018 MTW Plan to HUD in Washington and a copy was sent to the field office.

Congressional Black Caucus (CBC) – Washington, DC Trip

- MPHA, along with New York City, Orlando, Tampa, LA County, Chicago, Pittsburgh, and Philadelphia housing authorities, were invited to meet with the CBC. The meeting took place on Tuesday, November 14th. Seven or eight members of the CBC were present and discussed strategies to increase the funding to public housing and to, also, think about long term plans. Congressman Ellison was made aware of the meeting but was not able to attend. The CBC plan to meet on a regular basis as they are all concerned about the public housing budget numbers.
- Will continue to keep in touch with the housing authorities who attended the meeting, especially, New York City Housing Authority, as they account for over half of the national capital need for the entire public housing portfolio. They have 150,000 units.

Item No. 1: Authorization to Execute Deferred Loan Repayment Agreement

After a presentation by staff and discussion, Commissioner Letofsky moved approval of the recommendation set forth in the Report along with the corresponding Resolution attached thereto. Commissioner Mohamud seconded the motion. Upon a roll call vote, seven Commissioners voted "aye" (Commissioners DeAngelo, Isse, Letofsky, Mohamud, Rosenbaum, Xiong, and Chairman Lutz) and no Commissioner voted "nay". The Chair declared the motion carried. [See Document No. 2017-35] [See Resolution No. 17-177]

Receive and File Items:

The following items were received and filed by the Board:

- The Monthly Performance Report for October 2017. [See Document No. 2017-36]
- MPHA Financial Update Presentation and Memorandum to the Board: 2018 Draft Budget [See Document No. 2017-37]
- HCV Presentation "More Choice, More Opportunity" [See Document No. 2017-38]



Adjournment:

There being no further business to come before the meeting, and upon a motion duly made and seconded, the meeting was adjourned at 2:12 p.m.

Secretary of the Board of Commissioners

Date These Minutes Approved

December 20, 2017

Agenda Item 1

REPORT TO THE BOARD OF COMMISSIONERS

FROM: Greg Russ, Executive Director / CEO

SUBJECT: Non-Substantial Amendments to MPHA's Public Housing Statement of Policies (SOPs) and the Housing Choice Voucher Administrative Plan

PREVIOUS DIRECTIVES: The current SOP was approved by the MPHA Board of Commissioners on October 25, 2017, along with the "Moving to Work Plan" sections of the Agency Plan. The current Housing Choice Voucher Administrative Plan was approved on September 21, 2016. In 2005, following Hurricane Katrina, the Board of Commissioners approved a similar change.

RESIDENT COUNCIL REVIEW/RECOMMENDATIONS: This matter will be discussed with the MPHA Tenant Advisory Committee (TAC) immediately prior to the Board's December 20, 2017 meeting.

IMPACT ON MPHA BUDGET: None.

AFFIRMATIVE ACTION: Not Applicable.

PROCUREMENT REVIEW: Not Applicable.

RECOMMENDATION: It is recommended that the MPHA Board of Commissioners approve the amendments to the MPHA Public Housing SOPs and Housing Choice Voucher Administrative Plan that are set forth in this Report.

When the federal government declares a Natural Disaster, as with the three recent hurricanes, the MPHA Executive Director may open the Public Housing and Housing Choice Voucher waiting lists and provide a preference to families displaced by those disasters. The Executive Director will determine the duration of the opening and may also limit the number of families served. Changes will be made to the Section 8 Administrative Plan and the Public Housing SOP as follows:

Housing Choice Voucher Administration Plan

Part III Selection for HCV Assistance; 4-III.B selection and HCV Funding Sources

Special Admissions

Under certain circumstances applicants may be assisted who are not on the Waiting List. Such circumstances may occur when:

4. The MPHA Executive Director admits families displaced by certain federally declared natural disasters. At that time, the Executive Director will determine the duration of the admittance and if MPHA will limit the number of families to be so admitted.

Public Housing Statement of Policies

Part IV Preferences

4. All applicant head or co-heads of household may qualify for all of the following preferences:

D. An applicant who is displaced due to a federally declared disaster as determined by the Executive Director shall be given a disaster preference. MPHA will offer one unit to the applicant who is approved for public housing. If the applicant rejects the offer, they will be removed from the Waiting List. The Executive Director will determine the duration of the preference and may also limit the number of applicants.

14. Notwithstanding any other provision to the contrary, MPHA may accept applications and house families who are otherwise qualified and eligible for a disaster preference.

Although these amendments modify the HCV Administrative Plan and the Public Housing SOPs, staff is asking that the Board not consider these changes to be “substantial deviations” within the meaning of applicable HUD regulations which otherwise would require implementation of amendments only after public hearings and comment periods.

This Report was prepared by Mary Boler, Director of Operations and Kyle Hanson, Director of Housing Choice Voucher Program. For further information, please contact Ms. Boler at 612-342-1453 or mboler@mplspha.org or Mr. Hanson at 612-342-1420 or khanson@mplspha.org.

December 20, 2017

Agenda Item 2

REPORT TO THE COMMISSIONERS

FROM: Greg Russ, Executive Director / CEO

SUBJECT: Write-Off of Delinquent Accounts for Former Public Housing Tenants

Previous Directives: HUD requires MPHA to write off the delinquent accounts of former public housing tenants. The Board of Commissioners approved the last write-off on December 21, 2016.

Resident Council Review / Recommendations: This matter will be discussed with the Tenant Advisory Committee (TAC) immediately prior to the Board's December 20, 2017 meeting.

Budget Impact: Conforms to the 2017 budget.

Affirmative Action Compliance: Not Applicable.

Procurement Review: Not Applicable.

RECOMMENDATION: It is recommended that the Board of Commissioners authorize the Executive Director or his designee to declare the amounts specified in this Report uncollectible and to write off the uncollected amounts as a loss.

Every year MPHA writes off uncollectible amounts from former tenants' accounts. This write-off is permitted by federal regulation, and is a generally accepted accounting practice. MPHA takes action to collect monthly rent, retroactive rent, sales and service charges and court and services fees incurred in prosecuting eviction actions for cause and non-payment of rent.

When MPHA suspects tenant fraud, MPHA submits retroactive rents in excess of \$5,000 to the HUD Office of the Inspector General (OIG) for investigation. MPHA also uses the Minnesota Department of Revenue's Recapture Program to collect the amounts written off. In the fiscal year, through November 28, 2017, MPHA collected \$75,643.60 through the Revenue Recapture Program.

This write-off includes \$89,010.75 in sales and service charges and total eviction-related costs. It includes retroactive rents in the amount of \$73,385.00.

This write-off also includes \$71,370.06 in dwelling rent and utilities for 2016 tenants who vacated mainly in 2016 and represents less than 1% of the dwelling rent charged. As HUD requires, rent for the current fiscal year 2017 is not included in the write-off.

The total write-off amount will not exceed \$233,765.81 and may be lower after a final review of accounts and additional payment postings. The total write-off is \$24,541.81 less than in 2016.

This Report was prepared by Lisa R. Griebel, MPHA General Counsel. For further information, please contact Ms. Griebel at (612) 342-1395 or lgriebel@mplspha.org.



December 20, 2017

Agenda Item 3

REPORT TO THE COMMISSIONERS

FROM: Greg Russ, Executive Director/ CEO

SUBJECT: Approval of the 2018 Budget

Previous Directives: The Board approved the 2018 Moving to Work (MTW) Plan on October 25, 2017.

Resident Association Notification: MPHA provided the Public Housing Operating Budget summaries to Resident Councils for comment on November 9, 2017. Staff presented this budget to the residents at the Minneapolis High-rise Representative Council (MHRC) area-wide meeting on November 16, 2017.

The Budget is scheduled to be discussed with the Tenant Advisory Committee (TAC) on the same date as and immediately prior to the Board of Commissioners December 20, 2017 meeting.

Budget Impact: This 2018 Budget authorizes and allocates resources for 2018 expenditures.

Affirmative Action Compliance: Not applicable.

Procurement Review: Not applicable.

RECOMMENDATION: It is recommended that the Board of Commissioners approve the 2018 MPHA Budget and adopt the attached resolution specifically approving the 2018 Public Housing Operating Budget.

Staff requests the Board of Commissioners to approve the Minneapolis Public Housing Authority (MPHA) Fiscal Year 2018 (FY18) Budget. The Budget allocates resources to carry out the management, maintenance, and security functions in operating MPHA's public housing program, the administration and housing assistance for the Housing Choice Voucher and other Section 8 Programs, the operation of the central office, and other programs as identified on the attached

Budget.

The Board of Commissioners, through the approval of the 2018 Moving to Work Annual Plan (MTW Plan), approved the 2018 Moving to Work (MTW) Budget and other program-specific budgets. Because the U.S. Department of Housing and Urban Development (HUD) requires MPHA to present an MTW Budget as part of the draft MTW Plan and make the draft MTW Plan available in June, the budgets included in the MTW Plan are developed with less precision than desirable. This Budget provides updated funding estimates and updated program specific sub-budgets, identifies budgetary controls and spending policy, and details budgets for each asset management project (AMP) as required by HUD.

MPHA staff provided the Board an in-depth review of the 2018 Budgets on November 30th and December 5th at the 2018 Budget Workshop sessions. A draft Budget was provided to the Board on November 15, 2017.

MPHA has provided the budget summaries for the AMPs to the Resident Councils on November 9, 2017 and presented those Budgets at the Minneapolis Highrise Resident Council's November meeting. Residents were informed to submit any written comments by December 10, 2017 and those comments are attached.

This Report was prepared by Tim Durose, Deputy Executive Director / CFO. If you have any questions or require further information regarding this Report, please contact Mr. Durose at 612-342-1410 or tdurose@mplspha.org.

PHA Board Resolution
Approving Operating Budget

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp.12/31/2012)

Public reporting burden for this collection of information is estimated to average **10 minutes per response**, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: *****PHA Code:

PHA Fiscal Year Beginning: *****Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- ☐ Operating Budget approved by Board resolution on:
- ☐ Operating Budget submitted to HUD, if applicable, on:
- ☐ Operating Budget revision approved by Board resolution on:
- ☐ Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name:	Signature:	Date:
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**Resident Comments/Recommendations from Review of the
MPHA FY 2018 Low Rent Housing Program
Operating Budget Estimate**

**Report to the Minneapolis Public Housing Authority
December 11, 2017**

Residents have completed their review of the proposed MPHA Low Rent Housing Program Operating Budget Estimate for FY 2018. Copies of the proposed budget and a Resident Review Notice and Comment Form were sent to all highrise resident councils. There were also discussions of the proposed budget at the November 16 MHRC board meeting where MPHA staff presented the draft budget and responded to resident comments and concerns and at the December 7 MHRC Executive Committee meeting. The following comments and recommendations are offered:

- ◆ The majority of resident comments regarding the MPHA FY 2018 Budget Estimate concerned security. Security continues to be the number #1 priority of highrise residents. This budget keeps security guard spending in 2018 at current levels. While residents are pleased that MPHA is not proposing cuts to guard services, it is important to remember that the level of guard service is still about 55% less than in was in 2011, before MPHA lost the mill levy from the City. Serious incidents related to drugs and prostitution are still an issue in a number of highrises and the surrounding neighborhoods. While Project Lookout volunteers and MPHA's own security personnel are being effective and working hard to stay on top of these problems, and while camera and other technology aid significantly in these efforts, residents feel safer when a guard is stationed at their building entrance. Even the addition of a guard a few hours a week where there has been no or little service can make a big difference. We want to restate our intention and commitment to work with MPHA in a more collaborative effort to restore the mill levy for MPHA as well as joining efforts to secure commitments of funding from other levels of government.
- ◆ While residents were pleased to learn that there are no staff reductions planned in next year's budget, many commented on what they believe to be a significant shortage of carpenters (only one per AMP), supported by their experiences of having to wait months sometimes for repairs in their apartments, e.g. fixing broken cabinet doors or window blinds. Residents recommend that MPHA consider adding some additional carpenters so they can better keep up with what understandably is a high workload.

Residents also commented that it takes too long for management and maintenance staff to be replaced, leaving a void in service, and wonder if there are any hiring practices that can be streamlined.

- ◆ Thank you for the allocation of \$155,000 for MPHA's Self-Help program. This program benefits both residents and MPHA and is especially important during these difficult budgetary times. We urge MPHA to continue to monitor the utilization of these funds as there are some buildings where the program has not been implemented and others where the same residents benefit from the program, preventing others from having an opportunity to also benefit.
- ◆ Thank you for your ongoing support of Project Lookout and the Joint MHRC/MPHA Diversity Initiatives program. These partnerships are critical as we strive to maintain safe buildings and a sense of community in the highrises.

2018 MPHA BUDGET

The Board of Commissioners, through the approval of the 2018 Moving to Work Annual Plan (MTW Plan), approved the 2018 Moving to Work (MTW) Budget and other program-specific budgets. Because the U.S. Department of Housing and Urban Development (HUD) requires MPHA to present an MTW Budget as part of the draft MTW Plan and make the draft MTW Plan available in June, the budgets included in the MTW Plan are developed with less precision than desirable. This document provides updated funding estimates and program budgets, restates current budgetary controls and spending policy, and details budgets for each asset management project (AMP) as required by HUD.

Funding Assumptions

Congress is funding MPHA programs through a short-term funding bill (a Continuing Resolution) that expires on December 22, 2017. This short-term appropriation provides funding at 2017 levels and the funding amounts for the rest of the 2018 federal fiscal year are unknown. For this reason, the MPHA's 2018 Budget assumes program funding near 2017 levels. The estimates rely heavily upon the 2018 appropriation bills approved by each chambers' Appropriations Committee, but a conference appropriations bill has not been drafted. MPHA's 2018 Budget assumes HUD will provide only 91% of the public housing operating subsidy formula; approximately \$2 million less than the amount of subsidy eligibility needed for MPHA's housing stock. The Housing Choice Voucher Program housing assistance payment (HAP) subsidy is anticipated to be funded at 97% of the formula amount and the program administrative fees funded at only 75% of the formula amount putting greater stress on the resources MPHA has available to meet program needs. The Budget also estimates that the public housing Capital Fund award will be near the amount funded in 2017 or approximately \$10 million.

A look at the MPHA estimated federal subsidy loss due to insufficient Congressional appropriations is over \$4 million for 2018. The breakdown by appropriation account is presented in the following schedule.

	Subsidy Formula Eligibility	2018 Budget (Prorated Subsidy)	Subsidy Loss
Public Housing Operating Subsidy	22,156,369	20,162,296	1,994,073
MTW HCV HAP Subsidy	44,902,399	43,555,300	1,347,099
Admin Fee Subsidy	2,872,428	2,154,300	718,128
Total Subsidy Loss due to Proration			4,059,300

Agency-wide Budget

The schedule that follows presents the total Minneapolis Public Housing Authority (MPHA) budget for 2018. Total uses of funds are \$119.2 million and are covered by \$115.7 million in funds earned in 2018, \$2.9 million in carryover funds previously approved by the Board, and \$0.6 million use of reserves. Almost 42% of MPHA's budgeted funds come from Section 8 HAP subsidy. The primary uses of funds are planned for Section 8 housing assistance payments (HAP) and public housing major building improvements and maintenance. These use of funds account for 67% of the budgeted spend.

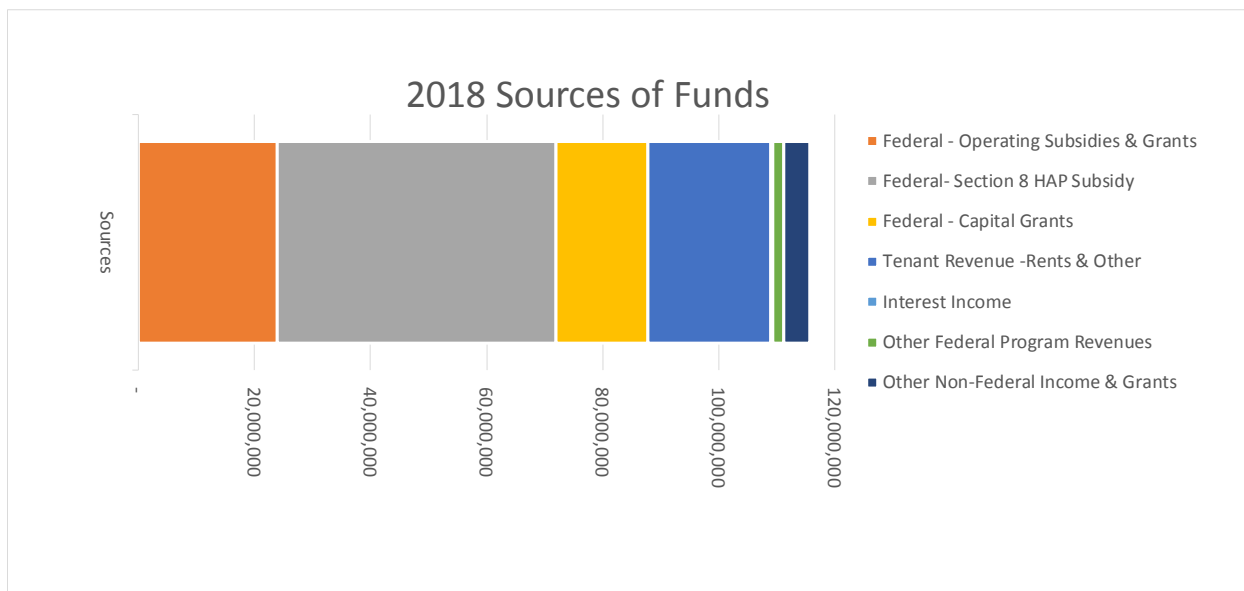
Total budgeted reserves¹ are expected to be \$24.1 million at the end of 2018 which includes \$2.9 million set aside as a reserve to cover general liability claims.

	MTW Programs	Other Section 8 Programs	Central Office	Self Insurance Fund	Other Funds	Inter-Program Eliminations	Total MPHA
Sources							
Tenant Revenue -Rents & Other	21,191,000	-	-	-	-	-	21,191,000
Federal - Operating Subsidies & Grants	23,349,500	504,500	-	-	-	-	23,854,000
Federal- Section 8 HAP Subsidy	43,555,300	4,575,100	-	-	-	-	48,130,400
Federal - Capital Grants	15,733,500	-	-	-	-	-	15,733,500
Interest Income	228,200	13,000	71,600	21,000	13,000	-	346,800
Other Revenues, Fees, & Grants	2,422,300	-	7,577,300	-	3,970,000	(7,503,900)	6,465,700
Total Sources	106,479,800	5,092,600	7,648,900	21,000	3,983,000	(7,503,900)	115,721,400
Uses							
Property Mgmt and Program Admin.	11,600,900	388,800	-	-	1,125,000	-	13,114,700
General Administration	-	-	7,261,800	-	-	-	7,261,800
Fees	7,372,800	131,100	-	-	-	(7,503,900)	-
Tenant Services	867,100	-	-	-	25,000	-	892,100
Utilities	8,913,900	-	162,800	-	-	-	9,076,700
Maintenance	13,357,600	-	181,600	-	-	-	13,539,200
Protective Services	2,206,300	-	68,600	-	-	-	2,274,900
Insurance & Casualty Loss	1,313,300	2,400	63,900	-	-	-	1,379,600
Other General	2,541,800	-	202,000	200,000	-	-	2,943,800
Debt Service	2,368,900	-	-	-	-	-	2,368,900
HAP	39,551,500	4,620,900	-	-	-	-	44,172,400
Capital Improvements & Equipment	16,385,700	-	108,300	-	5,717,000	-	22,211,000
Total Uses	106,479,800	5,143,200	8,049,000	200,000	6,867,000	(7,503,900)	119,235,100
Net Sources/(Uses) before Carryovers	-	(50,600)	(400,100)	(179,000)	(2,884,000)	-	(3,513,700)
Board Approved Carryover Contributions							
Working Capital Carryover	-	-	-	-	525,000	-	525,000
Development Proceeds Carryover	-	-	-	-	842,000	-	842,000
Settlement Funds Carryover	-	-	-	-	1,530,000	-	1,530,000
Total Carryover Contributions	-	-	-	-	2,897,000	-	2,897,000
Net Sources/(Uses)	-	(50,600)	(400,100)	(179,000)	13,000	-	(616,700)
Budgeted Reserves¹ as of December 2018	13,878,000	1,829,400	5,458,000	2,924,000	18,000	-	24,107,400

¹ Reserves are defined as Unrestricted Net Position less prior Board Approved Uses

MPHA's operating reserve levels remain at reasonable amounts given HUD's view of reserve levels. HUD has considered public housing operating reserves over 4 months of public housing operating expenses to be excessive. Other affordable housing projects are typically required to hold 6 months of operating expenses plus debt service.

MPHA relies heavily on federal housing subsidies and grants anticipating \$87.7 million in 2018 and when combined with tenant and space rent from the operation of federal public housing, 96% of MPHA sources of funds come from the operation of federal housing programs.



The Agency-wide budget consists of several sub-fund budgets. Each sub-fund's budget is discretely presented to provide program level detail. Each MPHA program area has spending eligibility restrictions that effect how funds are being used and when allowable, the amounts transferred among program areas.

Budgetary Controls

Although MPHA presents budgetary data at a lower level on the accompanying schedules, MPHA's MTW Agreement eliminates any restriction to transfer funds among MTW program areas, among asset management projects, and between line items. The approval of the Budget provides the Executive Director authorization to carry out business operations using no more than the net uses of funds identified in the Agency-wide Budget with full expenditure flexibility throughout all agency funds subject to all spending limitations imposed by the sources of the funds. However, the net uses of funds and expenditure flexibility does not apply to the Self Insurance Fund. Self Insurance Fund resources are limited to costs related to the settlement of claims without any net use limitations, subject to any additional Board limitations.

The Executive Director is further authorized to increase the net use of funds up to an additional 2.5% of routine operating program budgeted reserves; that is, the combined MTW, Central Office, and Other Section 8 Program budgeted year-end reserve amount without further approval from the Board. The calculation of the additional net use approval is as follows.

Additional Net Uses Authorization Calculation	
MTW Budgeted Reserve Level	13,878,000
Other Section 8 Programs	1,829,400
Central Office Budgeted Reserve Level	5,458,000
Combined FYE 2018 Budgeted Reserve	21,165,400
Additional Net Uses Authorization w/o Further Board Approval	529,135

Moving To Work Budget

The MTW Agreement provides MPHA financial flexibility to expend HUD public housing operating and capital resources and Housing Choice Voucher (HCV) Program resources interchangeably among these programs rather than limited within the program “silos” from which the funds were derived. The combination of the three programs create an MTW Block Grant with an expanded allowable use of funds beyond what traditional PHA’s are permitted. (The term used in the MTW agreement for this ability is “Single Fund Flexibility”.) The expanded use of funds provides MPHA the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently and provide opportunities for program creativity and innovation.

The MTW Budget presented for 2018 allocates resources to: (1) carry out the daily management and maintenance operations; (2) within the funds available, provide for selected major building rehabilitation activities for MPHA’s public housing stock; (3) provide for the administration and housing assistance payments for the HCV Program; and (4) set aside the funds needed for innovative, locally-designed strategies to meet the mission of MPHA.

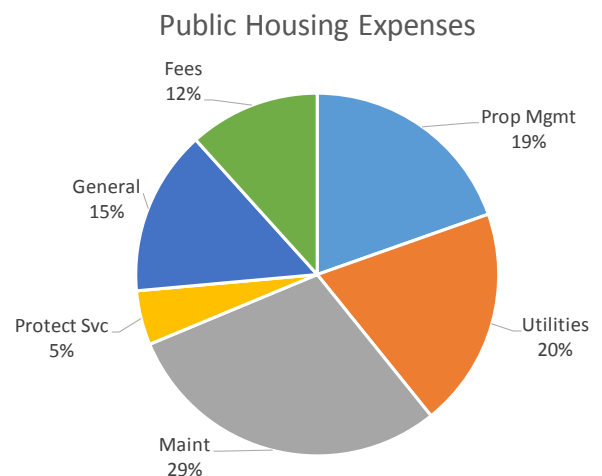
The total 2018 MTW Budget is balanced without the use of reserves and anticipates \$106.5 million in sources of funds and plans for \$106.5 million in uses of funds. The MTW reserve is budgeted to remain at \$13.9 million or 3.7 months of operating costs. There will likely be a need to use reserves in future with anticipated flat to decreasing federal funding and rising operational costs. Additionally, the deferred building rehabilitation needs are increasing each year by at least \$10 million more than the expected funding available. In order to preserve operations, MPHA must find ways to reduce costs. Planning will begin in 2018 to identify cost reduction strategies that will compromise services to current families and potentially reduce MPHA’s ability to provide housing assistance to as many families as assisted in 2018. Reductions in 2019 may also impact the MPHA workforce. Should MPHA fare better in the federal funding process, adjustments to the plan will be made accordingly. But MPHA is at a tipping point where the prolonged funding compromises at the Federal level will require more difficult responses at the local level.

	Public Housing Operations	MTW Housing Choice Vouchers	Capital Fund Program	MTW Initiatives	Total MTW Funds
Sources					
Tenant Revenue - Rents & Other	21,191,000	-	-	-	21,191,000
Federal - Operating Subsidies & Grants	20,162,200	2,154,300	1,033,000	-	23,349,500
Federal- Section 8 HAP Subsidy	-	43,555,300	-	-	43,555,300
Federal - Capital Grants	-	-	15,733,500	-	15,733,500
Interest Income	168,200	60,000	-	-	228,200
Other Revenues, Fees, & Grants	2,005,300	417,000	-	-	2,422,300
Total Sources	43,526,700	46,186,600	16,766,500	-	106,479,800
Uses					
Property Management and Program Administration	8,075,300	3,145,900	10,000	369,700	11,600,900
Fees	5,290,900	1,058,900	1,023,000	-	7,372,800
Tenant Services	847,700	-	-	19,400	867,100
Utilities	8,913,900	-	-	-	8,913,900
Maintenance	13,357,600	-	-	-	13,357,600
Protective Services	2,206,300	-	-	-	2,206,300
Insurance & Casualty Loss	1,294,500	18,800	-	-	1,313,300
Other General	2,516,800	-	-	25,000	2,541,800
Debt Service	2,368,900	-	-	-	2,368,900
HAP	-	39,551,500	-	-	39,551,500
Capital Improvements & Equipment	525,700	-	15,860,000	-	16,385,700
Total Uses	45,397,600	43,775,100	16,893,000	414,100	106,479,800
Net Program Sources/(Uses)	(1,870,900)	2,411,500	(126,500)	(414,100)	-
Program Transfers In/(Out)	1,870,900	(2,411,500)	126,500	414,100	-
Net Sources/(Uses)	-	-	-	-	-
Budgeted Reserves¹ as of Dec. 2018					
	13,030,000	848,000	-	-	13,878,000

¹ Reserves are defined as Unrestricted Net Position less prior Board Approved Uses

Public Housing Operations

Over \$45 million is planned to be spent on the day-to-day operation of the public housing program; an increase of 4% over the 2017 budgeted levels. The largest budgeted expense increase is in maintenance expenses; which is 29% of the program's expenses. The program is primarily funded by tenant rent (\$21.2 million) and HUD operating subsidy (\$20.2 million). Because HUD is only funding the public housing program subsidy at 91%, \$1.9 million of Housing Choice Voucher (HCV) subsidy must be repurposed to cover public housing operating needs which funds the program at the equivalent of what would be funded if 99% of the operating subsidy amount were funded by HUD.



The total operating program budget is subdivided into AMPs. Each AMP is a cluster of high-rise buildings or family units which are grouped to promote efficient and effective management. MPHA's AMPs are based on the geographical proximity of the properties and housing type (family, high-rise, privately-owned). MPHA has an organizational structure and management reporting system that allows for project-based management, accounting and budgeting that meets HUD's asset management requirements. Below, the total public housing operating program budget is subdivided into each AMP.

	Glendale	Scattered Sites	North	Northeast	Hiawatha	Cedars	Horn	Heritage Park	Suburban MHOP	Total PH Operations
Sources										
Tenant Revenue -Rents & Other	850,200	4,540,700	4,418,700	3,269,600	2,614,300	2,722,800	2,774,700	-	-	21,191,000
Federal - Operating Subsidies & Grants	760,700	2,741,400	4,103,000	2,728,300	2,947,700	2,834,800	2,978,500	754,600	313,200	20,162,200
Interest Income	6,600	46,200	22,400	27,800	22,800	22,800	19,600	-	-	168,200
Other Revenues, Fees, & Grants	49,400	176,200	796,000	327,500	283,900	159,700	212,600	-	-	2,005,300
Total Sources	1,666,900	7,504,500	9,340,100	6,353,200	5,868,700	5,740,100	5,985,400	754,600	313,200	43,526,700
Uses										
Property Management and Program Administration	333,700	1,155,000	1,768,100	1,219,700	1,269,400	1,123,800	1,205,600	-	-	8,075,300
Fees	164,900	670,500	1,184,200	846,500	775,800	805,800	843,200	-	-	5,290,900
Tenant Services	55,600	-	216,000	147,100	139,600	139,000	146,100	4,300	-	847,700
Utilities	519,900	2,392,900	1,755,700	1,064,900	1,062,600	1,103,900	1,014,000	-	-	8,913,900
Maintenance	607,800	2,620,200	2,707,500	1,984,400	1,872,300	1,743,800	1,821,600	-	-	13,357,600
Protective Services	47,800	-	616,500	163,100	663,900	443,500	271,500	-	-	2,206,300
Insurance & Casualty Loss	58,500	275,400	254,200	181,400	179,500	176,600	168,900	-	-	1,294,500
Other General	29,200	223,900	321,100	252,000	151,700	155,500	171,800	898,400	313,200	2,516,800
Debt Service	14,100	62,200	593,000	619,500	407,900	251,700	420,500	-	-	2,368,900
Capital Improvements & Equipment	16,700	35,300	198,600	64,700	111,500	29,700	69,200	-	-	525,700
Total Uses	1,848,200	7,435,400	9,614,900	6,543,300	6,634,200	5,973,300	6,132,400	902,700	313,200	45,397,600
Net Program Sources/(Uses)	(181,300)	69,100	(274,800)	(190,100)	(765,500)	(233,200)	(147,000)	(148,100)	-	(1,870,900)
Program Transfers In/(Out)	181,300	(69,100)	274,800	190,100	765,500	233,200	147,000	148,100	-	1,870,900
Net Sources/(Uses)	-	-	-	-	-	-	-	-	-	-
Budgeted Reserves¹ as of Dec. 2018										13,030,000

¹ Reserves are defined as Unrestricted Net Position

Capital Fund Program

Outside of the costs for the day-to-day public housing operation, \$16.9 million is planned to be spent in carrying out major building rehabilitation projects. Some significant spending on building improvements are planned in 2018 at 1627 South 6th Street (\$3.7 million), 2728 East Franklin Avenue (\$2.9 million), and 314 Hennepin Avenue (\$1.3 million). A portion of 2018 awarded funds and carry over capital funds from prior years' grant awards combined with the repurposing of \$126,500 of 2018 HCV funds are planned to be used to carry out \$16.9 million for the work items listed on the following schedule.

Capital Fund Program (Major Building Rehabilitation Program)				
				BUDGET
AMP	PROJ	ADDRESS	WORK ITEMS	2018 EXPENDITURES
N/A	N/A	N/A	Capital Fund Administrative Fee	\$1,023,000
N/A	N/A	N/A	Audit fee	\$10,000
N/A	N/A	TBD	Pre-development activities	\$250,000
1	1	Glendale Community	Headstart Facility roof replacement	\$200,000
2	Varies	Scattered Sites	Roof replacement, infrastructure, Urban Gardens mod	\$600,000
3	20.4	2415 N 3rd Street	Fire alarm system replacement	\$195,000
3	20.5	3116 Oliver Ave N	Fire alarm system replacement	\$95,000
3	25	600 18th Ave N	Fire alarm system replacement	\$335,000
3	26	1710 Plymouth Ave N	Elevator modernization, fire alarm system replacement	\$530,000
3	37	1314 44th Ave N	Fire alarm system replacement	\$245,000
3	42	314 Hennepin Ave	Elevator modernization, site security upgrades, fire alarm system replacement	\$1,300,000
4	15.4	710 2nd Street NE	Fire alarm system replacement	\$105,000
4	15.5	616 Washington St NE	Fire alarm system replacement	\$105,000
4	21.4	1206 2 nd Street NE	Elevator modernization	\$275,000
4	21.5	1900 3rd Street NE	Fire alarm system replacement	\$105,000
4	21.6	809 Spring Street NE	Fire alarm system replacement	\$105,000
4	32	1717 Washington St NE	Fire alarm system replacement	\$205,000
4	33	828 Spring Street NE	Elevator modernization	\$50,000
5	9	1700 East 22nd Street	Elevator modernization	\$50,000
5	9	Hiawatha Towers	Fire alarm system replacement	\$390,000
6	6	620 Cedar Avenue S	Elevator modernization	\$100,000
6	6	1627 South 6th Street	Piping, apartment modernization & ADA improvements, fire alarm system, HVAC improvements	\$3,700,000
6	6/30	Cedars Community	Site security improvements	\$550,000
6	8	Elliot Twins	Fire alarm system replacement	\$250,000
6	16	1515 Park Avenue S	Sanitary waste, vent, and domestic piping, exhaust system upgrades, shower replacement	\$100,000
6	30	630 Cedar Avenue S	Fire alarm system replacement	\$240,000
7	17	2728 East Franklin Ave	Piping, apartment improvements, fire alarm system, heating system upgrades	\$2,900,000
7	18.4	3755 Snelling Ave	Piping, apartment improvements, HVAC upgrades, apartment improvements, roof replacement	\$900,000
7	22	3205 East 37th St	Piping, apartment improvements, HVAC upgrades, apartment improvements	\$1,100,000
7	31	Horn Towers	Fire alarm system replacement	\$580,000
7	36	2121 Minnehaha Ave	Sanitary waste & vent piping, fire alarm system replacement	\$300,000
				\$16,893,000

MTW Housing Choice Vouchers

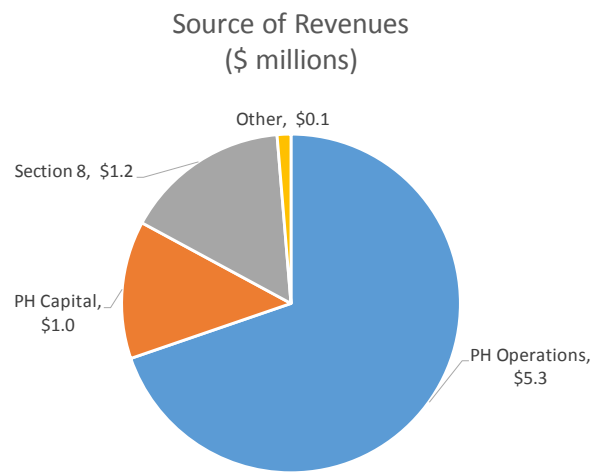
The MTW budget funds an average of 4,471 participants each month with MTW Housing Choice Vouchers (HCV) and continues MPHA's rent reform initiative. The HCV budget also assumes MPHA's payment standards will be set at 95% of the 2018 Fair Market Rents (FMRs). HUD sets FMRs for the Twin Cities metropolitan area to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. In total, the HCV Program is funded at \$43.8 million; approximately the same as 2017.

In response to insufficient HUD funding for the public housing program and for the administration of the HCV Program, MPHA will use its MTW spending flexibility to transfer HCV HAP subsidy funds to cover these shortfalls for fiscal year 2018 (MPHA's Fiscal Year is January to December). The transfer is permitted by the MTW Agreement with HUD. Additionally some HCV HAP subsidy will be used to fund MTW Initiatives for costs associated with locally-designed strategies to meet MPHA's mission. A breakdown of the use of HCV HAP subsidy is presented in the schedule that follows.

	Use of HCV HAP Funding
MTW HAP Subsidy	43,600,300
MTW HAP Expenses	39,551,500
MTW HAP Gain/(Loss)	4,048,800
Repurposed for HCV Program Administration	(1,637,300)
Transfer to Public Housing Operations	(1,870,900)
Transfer to Capital Fund Program	(126,500)
Transfer to MTW Initiatives	(414,100)
Net Gain/(Loss)	-

Central Office Cost Center

Consistent with HUD's asset management requirements, overhead costs that benefit one or more HUD programs are budgeted for within the Central Office Cost Center (Central Office). The Central Office budgeted costs are supported by fees charged to each program. MPHA plans to charge up to the HUD permitted fees, including fees permitted by MPHA's local asset management plan. These fees are non-program income, de-federalized, and subject only to local government restrictions. Maximizing this fee revenue offers MPHA the greatest discretion in supporting all programs and in having funds to leverage other grants and for development activities.



The 2018 Central Office budget includes \$8 million in expenses which are supported by \$7.6 million in fees charged to other HUD programs combined with \$400,000 in reserves. The use of reserves brings the Central Office reserve position to \$5.5 million. Budgeted costs are 1% less than the 2017 Central Office budget. On-going use of reserves for day-to-day general management can't continue over the long-term and MPHA will be considering funding and spending reductions in the future that will permit a balanced Central Office budget.

Central Office	
Sources	
Public Housing Management Fees	5,290,900
Section 8 Administrative Fee	1,190,000
Capital Fund Administrative Fee	1,023,200
Interest Income	71,600
Other Income	73,200
Total Sources	7,648,900

Uses	
Administration	7,261,800
Utilities	162,800
Maintenance	181,600
Protective Services	68,600
Insurance & Casualty Loss	63,900
Other General	202,000
Equipment	108,300
Total Uses	8,049,000

Net Program Sources/(Uses)	(400,100)
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Budgeted Reserves¹ as of December 2018	5,458,000
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Other Section 8 Program Budgets

In addition to MTW funds, MPHA receives funds for other federal housing assistance programs. These programs consist of Section 8 moderate rehabilitation and single room occupancy housing vouchers, housing vouchers for veterans (VASH), housing vouchers related to HUD's Family Unification Program (FUP), and housing vouchers for HUD's Special Needs Assistance Program (SNAP). The Section 8 moderate rehabilitation program and Section 8 single room occupancy program provides project-based rental assistance to cover rent plus property rehabilitation costs to private owners that rent to low income families. The HUD funded VASH program provides rental assistance for homeless Veterans. The FUP program provides rental assistance to families where inadequate housing is a primary factor preventing the placement of a child or the return of a child from out-of-home care. The SNAP program provides rental assistance to quickly rehouse homeless individuals and families. In total, these programs are planned to provide housing assistance to 634 families per month.

	Section 8 Moderate Rehab	VASH	FUP	SNAP	Total Other Section 8 Programs
Sources					
Federal - Operating Subsidies & Grants	288,900	157,200	54,100	4,300	504,500
Federal- Section 8 HAP Subsidy	2,253,500	1,426,600	822,000	73,000	4,575,100
Interest Income	6,100	5,000	1,900	-	13,000
Total Sources	2,548,500	1,588,800	878,000	77,300	5,092,600
Uses					
Program Administration	184,200	153,400	47,800	3,400	388,800
Fees	63,900	50,800	16,400	-	131,100
Insurance & Casualty Loss	1,100	1,000	300	-	2,400
HAP	2,299,300	1,426,600	822,000	73,000	4,620,900
Total Uses	2,548,500	1,631,800	886,500	76,400	5,143,200
Net Program Sources/(Uses)	-	(43,000)	(8,500)	900	(50,600)
Budgeted Reserves¹ as of December 2018	1,559,000	253,000	10,500	6,900	1,829,400

Self Insurance Fund Budget

MPHA is self-insured for general liability (tort) claims and other claims not covered by purchased insurance for property, auto, workers compensation, crime, and cyber exposures. Self-insurance for this exposure was used for the public housing program at the City of Minneapolis and continued upon MPHA's separation from the City. This fund records settlements and incurred but not reported claim liability. The fund holds a reserve to cover these claims and the reserve is budgeted to be \$2.9 million. MPHA considers actuarial studies, the latest was completed as of June 2016, to ascertain expected losses and the need to purchase additional or excess coverage.

Permission from HUD is required and a waiver is needed to be self-insured. The budget anticipates \$200,000 in claims. Historical claims experience is shown on the following graph. Paid losses are expenses already incurred. Ultimate losses also include case reserves and an estimate of incurred but not reported claims.

Self Insurance Fund

Sources

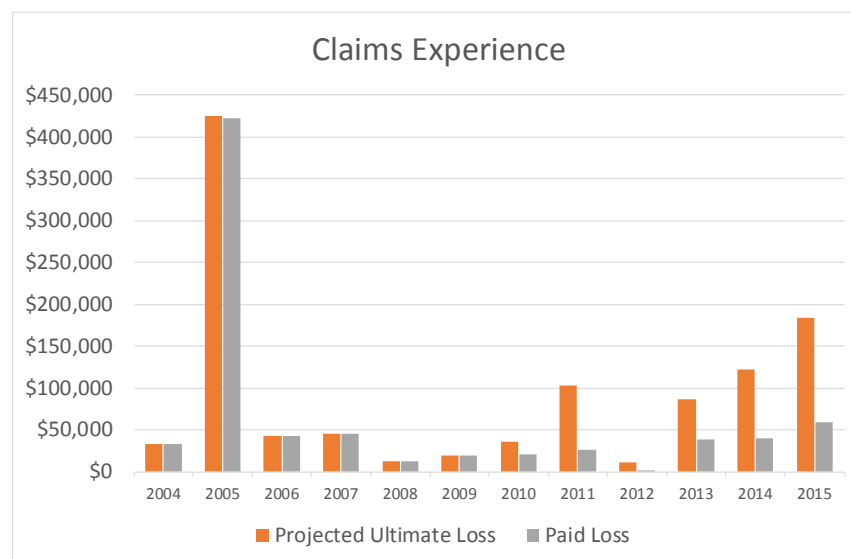
Interest Income	21,000
Total Sources	21,000

Uses

Claims	200,000
Total Uses	200,000

Net Program Sources/(Uses)	(179,000)
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Budgeted Reserves¹ as of December 2018	2,924,000
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Other Funds Budgets

MPHA also has some non-federal funds. The non-federal funds budget includes funds derived from the settlement of damages to MPHA resulting from a 2012 HUD operating subsidy offset, profits derived from inspecting Class 4d properties for the State, and a \$300,000 grant, of which \$250,000 is expected to be spent in 2018, from the Family Housing Fund for planning and implementing a regional mobility initiative.

	Settlement and 4d Funds	Family Housing Fund Grant	Working Capital Fund	Minnehaha Townhomes	Total Other Non- Federal Funds
Sources					
Interest Income	13,000				13,000
Other Revenues, Fees, & Grants		250,000	375,000	3,345,000	3,970,000
Total Sources	13,000	250,000	375,000	3,345,000	3,983,000
Uses					
Administration		80,000			80,000
Planning		100,000	900,000		1,000,000
Research		70,000			70,000
Capital Improvements	1,530,000			4,187,000	5,717,000
Total Uses	1,530,000	250,000	900,000	4,187,000	6,867,000
Net Sources/(Uses) before Carryovers	(1,517,000)	-	(525,000)	(842,000)	(2,884,000)
Board Approved Carryover Contributions	1,530,000		525,000	842,000	2,897,000
Net Sources/(Uses)	13,000	-	-	-	13,000
Budgeted Reserves¹ as of December 2018	18,000	-	-	-	18,000

Additionally, the Board approved a Working Capital Fund of \$2 million that is used to cover the costs associated with a portfolio assessment needed to launch a 10-15 year improvement effort. MPHA provided \$1 million for the fund and the McKnight Foundation provided a \$1 million matching grant to supplement the costs for this work.



Gregory P. Russ, Executive Director / CEO

Performance Report for November 2017

Board of Commissioners Meeting -

December 20, 2017

This Month's Report

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

**Asset Management Project (AMP) Report
(Units Leased/Turnaround/Work Orders/Occupancy)
Headquarters: 2709 Essex St. SE
November 2017**

Glendale AMP 1 –

Total Units 184

- Units Leased: 2
- Average Turnover: 20
 - Down Time: 0
 - Days Make Ready: 5
 - Days for Re-rental: 15
- Total Work Orders
 - 3 emergency work order completed in 24 hours – 100%
 - 145 non emergency work orders completed – 90%
- Occupancy Level: 98%

Scattered Sites AMP 2 –

Total Units 736

- Units Leased: 10
- Average Turnover: 45
 - Down Time: 2
 - Days Make Ready: 22
 - Days for Re-rental: 21 (Accessible units offered to 16 families)
- Total Work Orders
 - 15 emergency work orders completed in 24 hours – 100%
 - 543 non emergency work orders completed – 80%
- Occupancy Level: 98%

Asset Management Project (AMP) Report (Units Leased/Turnaround/Work Orders/Occupancy) November 2017

North AMP 3 – Headquarters:

315 Lowry Total Units 1296

- Units Leased: 11
- Average Turnover: 40
 - Days Down Time: 1
 - Days Make Ready: 14
 - Days for Re-rental: 26 (5 units shown 4 times before accepted)
- Total Work Orders
 - 1 emergency work orders completed in 24 hours – 100%
 - 754 non emergency work orders completed – 72%
- Occupancy Level: 98%

Northeast AMP 4 Headquarters:

1815 Central – Total Units 944

- Units Leased: 11
- Average Turnover: 33
 - Days Down Time: 1
 - Days Make Ready: 11 (3 units held for bedbugs)
 - Days for Re-rental: 21
- Total Work Orders
 - 1 emergency work orders completed in 24 hours – 100%
 - 330 non emergency work orders completed – 63%
- Occupancy Level: 99%

Asset Management Project (AMP) Report (Units Leased/Turnaround/Work Orders/Occupancy) November 2017

Hiawatha AMP 5

Headquarters:

2123 – 16th – Total Units 886

- Units Leased: 14
- Average Turnover: 24
 - Days Down Time: 3
 - Days Make Ready: 8
 - Days for Re-rental: 13 (3 units offered 3 times)
- Total Work Orders
 - 9 emergency work orders completed in 24 hours – 100%
 - 317 non emergency 77%

○ Occupancy Level: 100%

Cedar AMP 6 Headquarters:

1611 So. 6th – Total Units 895

- Units Leased: 3
- Average Turnover: 21
 - Days Down Time: 2
 - Days Make Ready: 9
 - Days for Re-rental: 11
- Total Work Orders
 - 13 emergency work orders completed in 24 hours – 100%
 - 222 non emergency 81%
- Occupancy Level: 100%

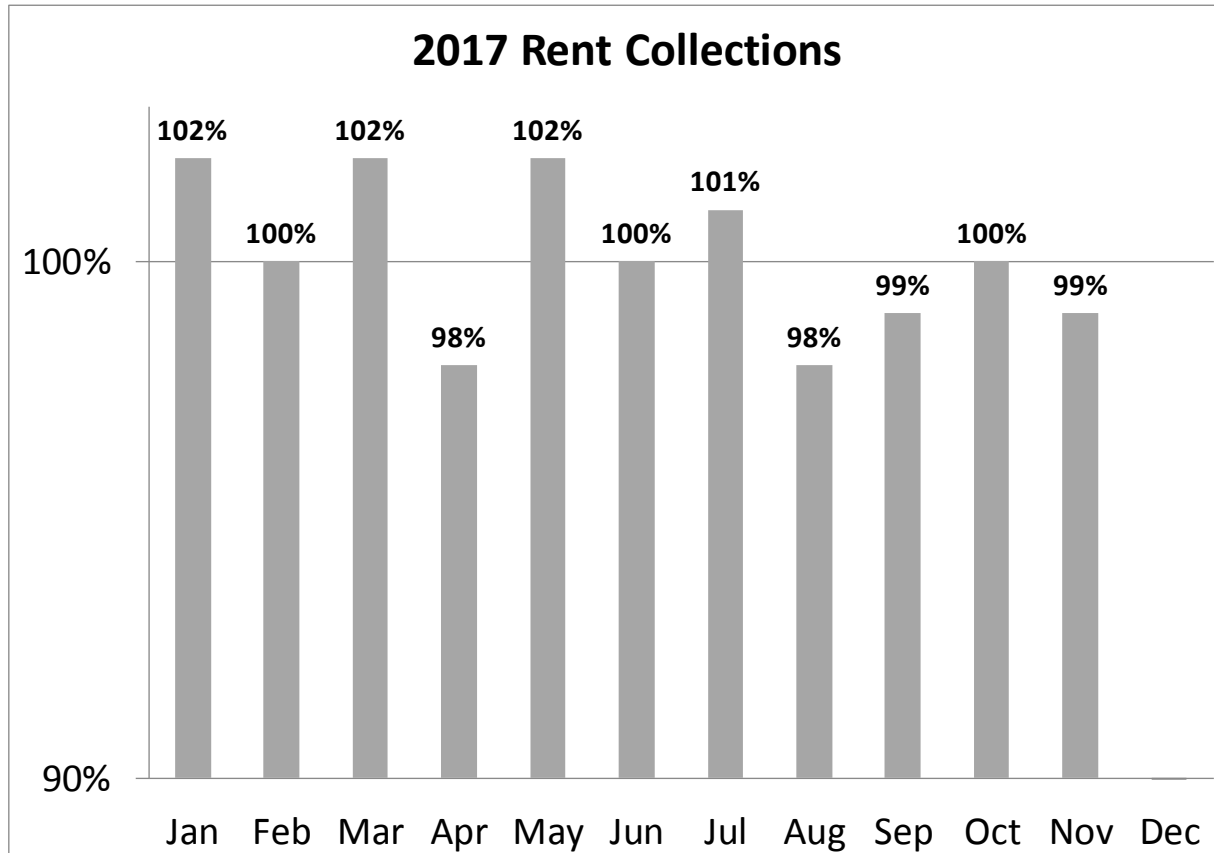
Asset Management Project (AMP) Report (Units Leased/Turnaround/Work Orders/Occupancy) November 2017

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

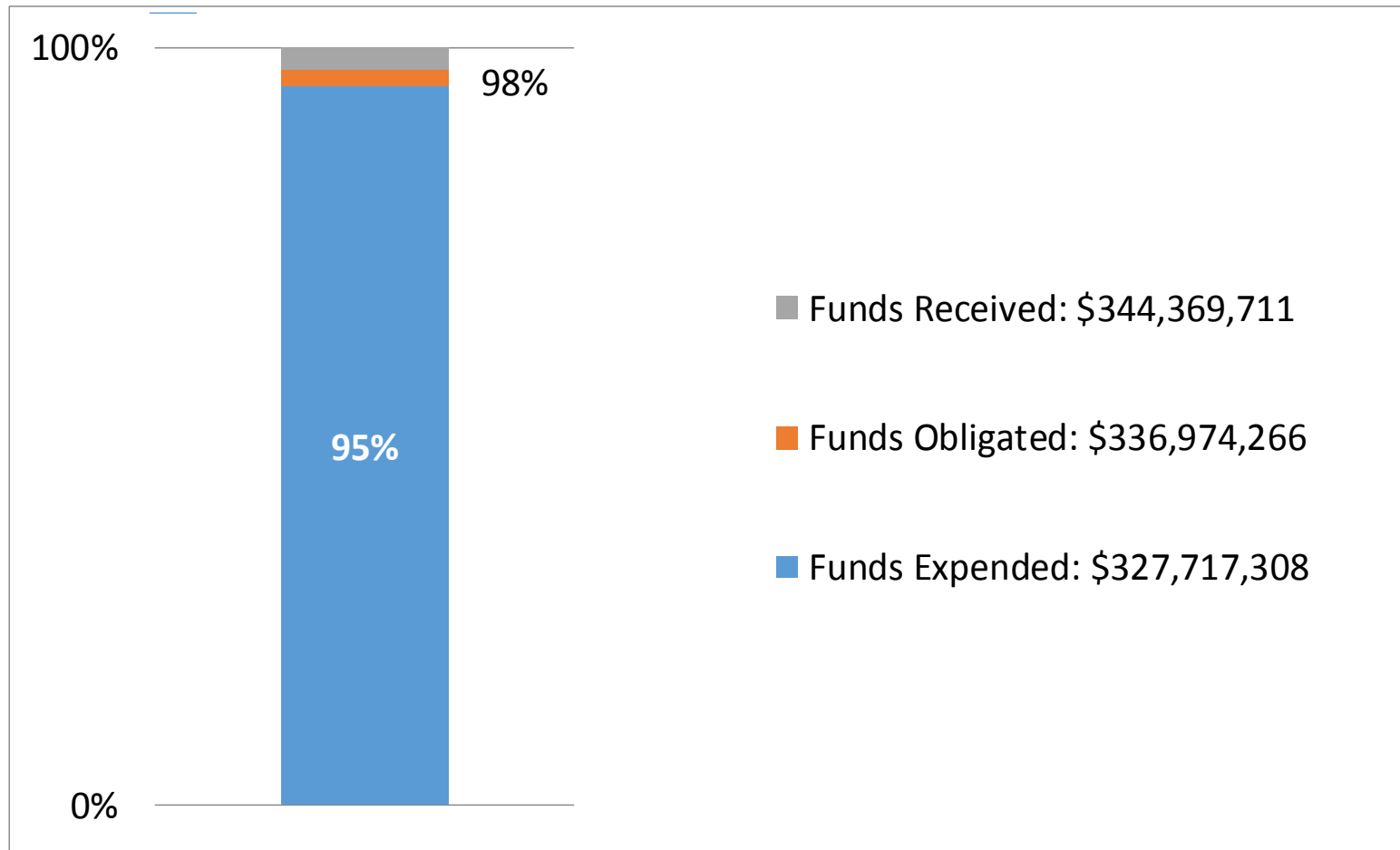
- Units Leased: 8
- Average Turnover: 22
 - Days Down Time: 1
 - Days Make Ready: 4
 - Days for Re-rental: 17 (3 unit transfers)
- Total Work Orders
 - 4 emergency work orders completed in 24 hours – 100%
 - 368 non emergency work orders completed 56%

○ Occupancy Level: 100%

Rent Collections



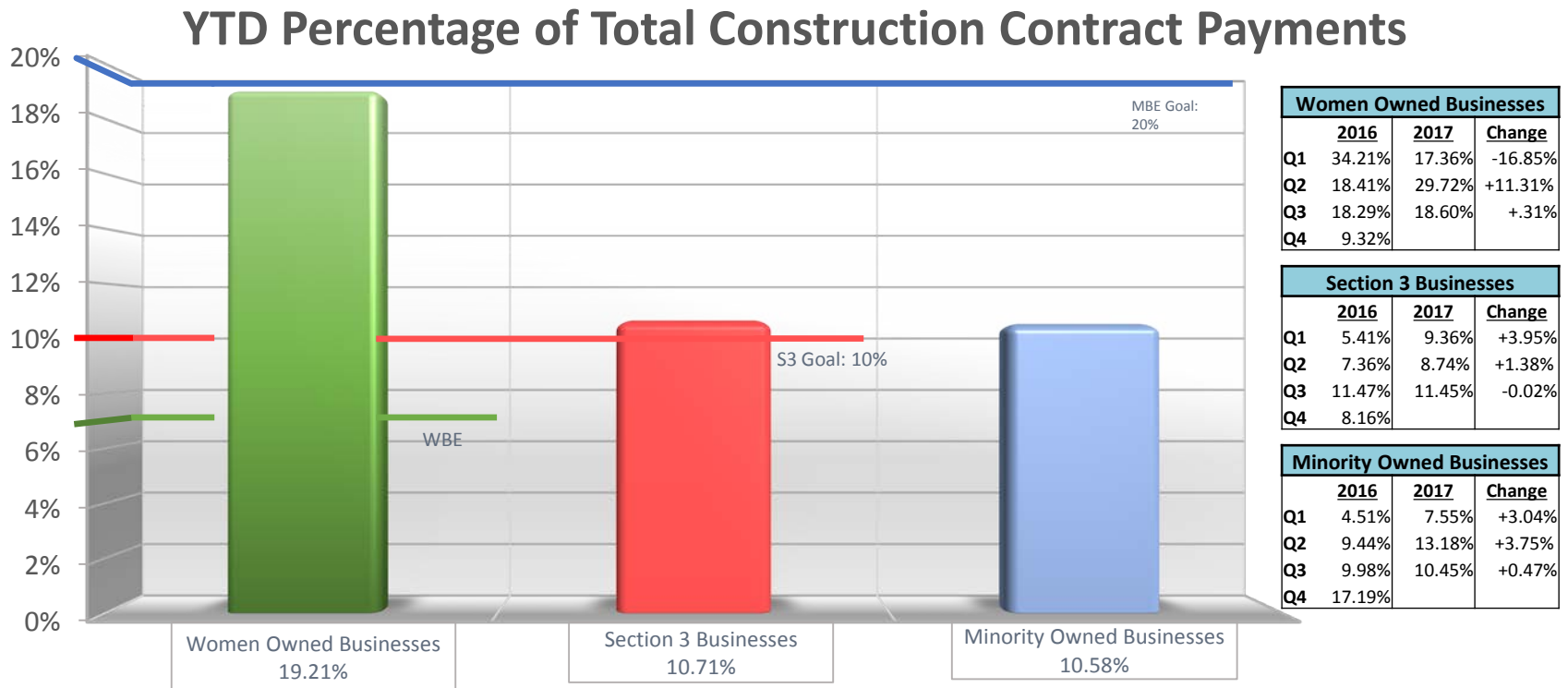
Facilities & Development Capital Fund Program Obligation & Expenditure Report



1992 through November 30, 2017

November 2017 Performance Report

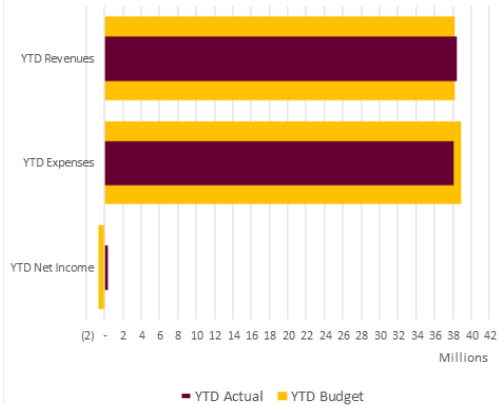
Procurement Construction Contracting Activity for November



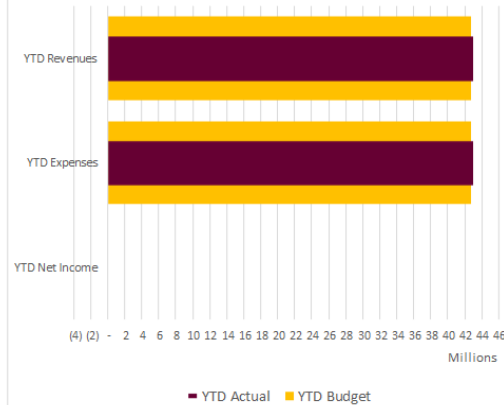
Minneapolis Public Housing Authority Financial Summary

November 30, 2017

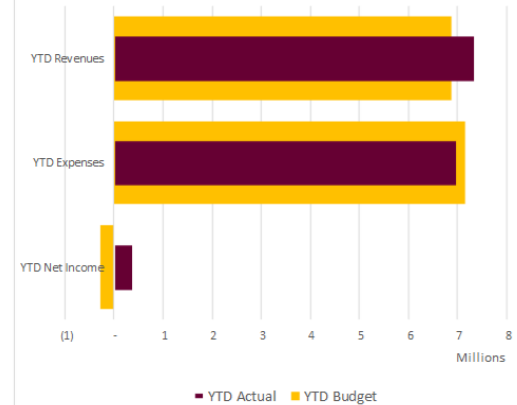
Public Housing Operations



Housing Choice Vouchers



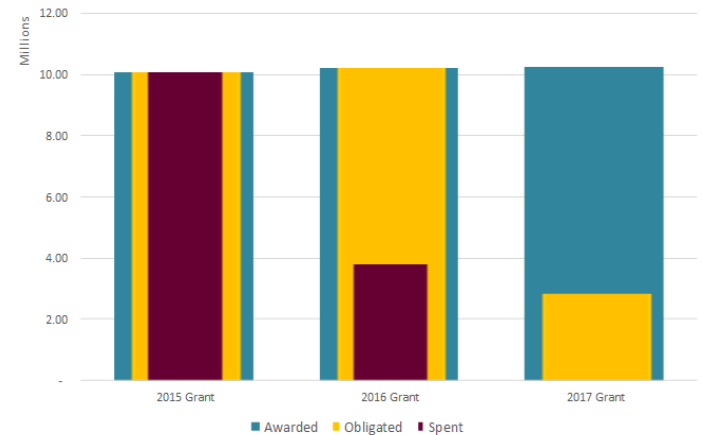
Central Office Cost Center



MTW Operating Sources and Uses (Public Housing, Housing Choice Vouchers, & MTW)

	YTD Budget 11/30/17	YTD Actual 11/30/17	Favorable (Unfavorable) Variance	Variance %
Sources				
Tenant Revenue -Rents & Other	\$18,662,379	\$18,624,379	\$ (38,000)	0%
Federal - Operating Subsidies & Grants	\$19,714,708	\$19,827,202	\$ 112,494	1%
Federal- Section 8 HAP Subsidy	\$40,377,029	\$40,588,397	\$ 211,368	1%
Other Revenues, Fees, & Grants	\$ 2,179,374	\$ 2,466,229	\$ 286,855	13%
Transfers-In	\$ -	\$ -	\$ -	n/a
Total Sources	\$80,933,490	\$81,506,207	\$ 572,717	1%
Uses				
Property Management and Program Administration	\$10,203,624	\$ 9,320,863	\$ 882,761	9%
Fees	\$ 5,840,181	\$ 6,166,964	\$ (326,783)	-6%
Tenant Services	\$ 580,424	\$ 573,145	\$ 7,279	1%
Utilities	\$ 6,940,765	\$ 6,998,139	\$ (57,374)	-1%
Maintenance	\$12,180,905	\$11,710,129	\$ 470,776	4%
Protective Services	\$ 1,799,465	\$ 1,729,461	\$ 70,004	4%
Insurance	\$ 981,537	\$ 906,619	\$ 74,918	8%
Other General	\$ 1,978,051	\$ 1,991,319	\$ (13,268)	-1%
Debt Service	\$ 2,104,452	\$ 2,104,437	\$ 15	0%
HAP	\$35,863,549	\$36,124,078	\$ (260,529)	-1%
Nonroutine	\$ 166,631	\$ 539,155	\$ (372,524)	-224%
Transfers-Out	\$ 3,090,909	\$ 3,090,909	\$ -	0%
Total Uses	\$81,730,493	\$81,255,218	\$ 475,275	1%
Net Sources/(Uses)	\$ (797,003)	\$ 250,989	\$ 1,047,992	131%

Capital Fund Obligations and Expenditures



Capital Fund Program Spending YTD
MTW Capital Spending YTD
Total Capital Improvement Spending YTD

7,395,933
3,090,909
10,486,842

FIRE ALARM SYSTEM REPLACEMENT

1206 SECOND STREET NE

In July 2017, the original Kidde fire alarm panel at MPHA's Friendly Manor highrise began to fail and was deemed unrepairable.

MPHA worked quickly to replace this critical life safety system, which included a new addressable panel, smoke/heat detectors, speakers, and strobes. The updates now make the system fully code compliant.

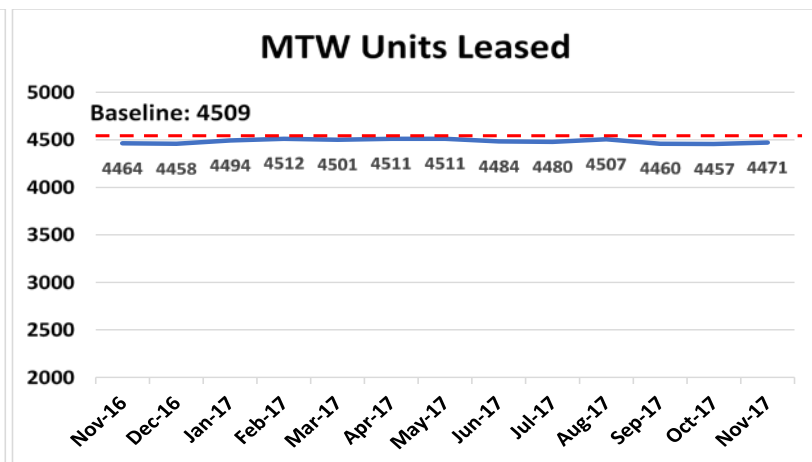
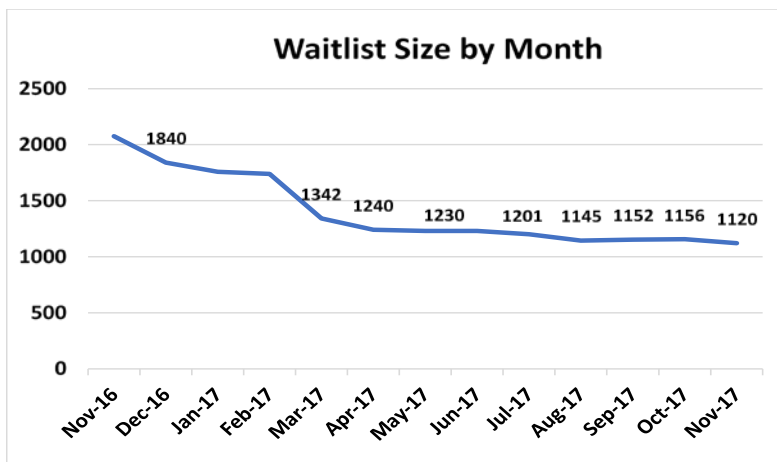
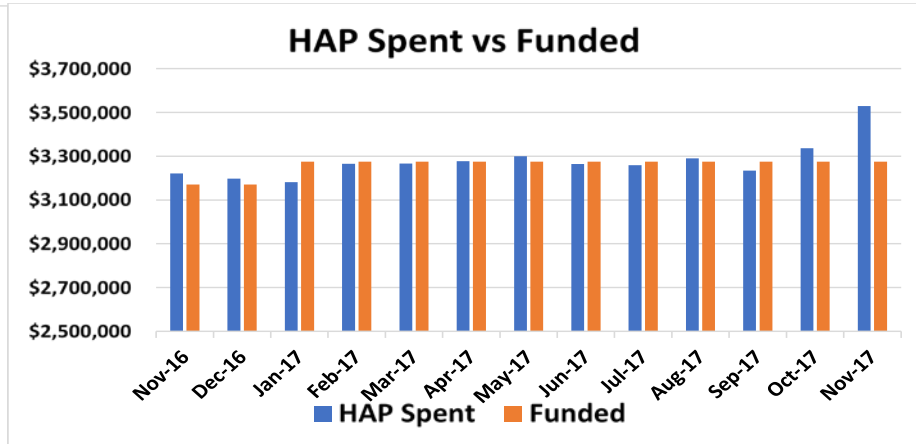
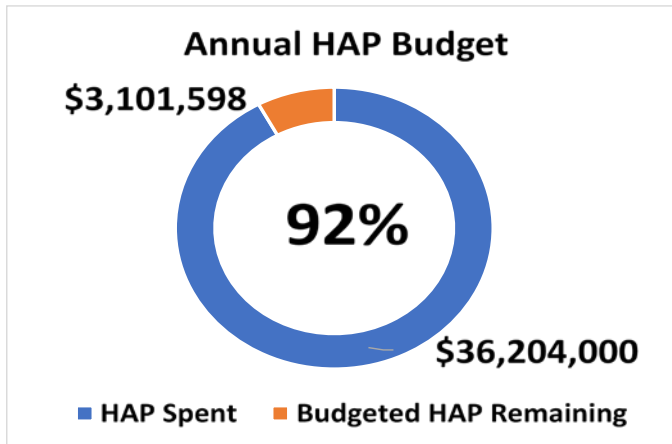
Project Costs: \$160,000

Completed: September 2017

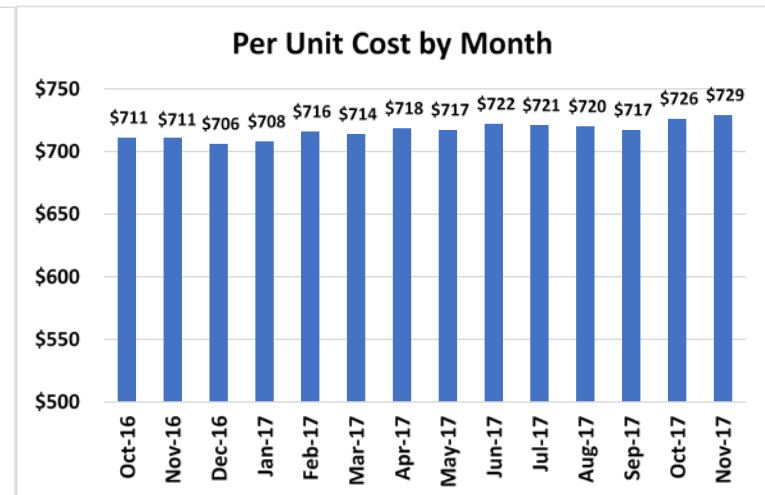
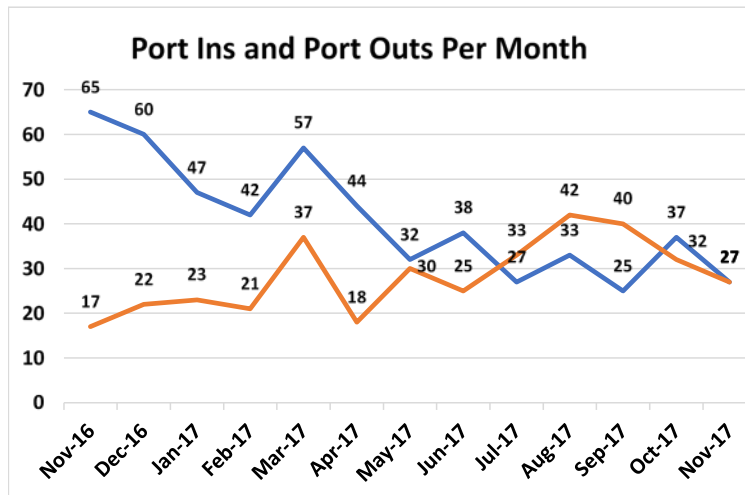
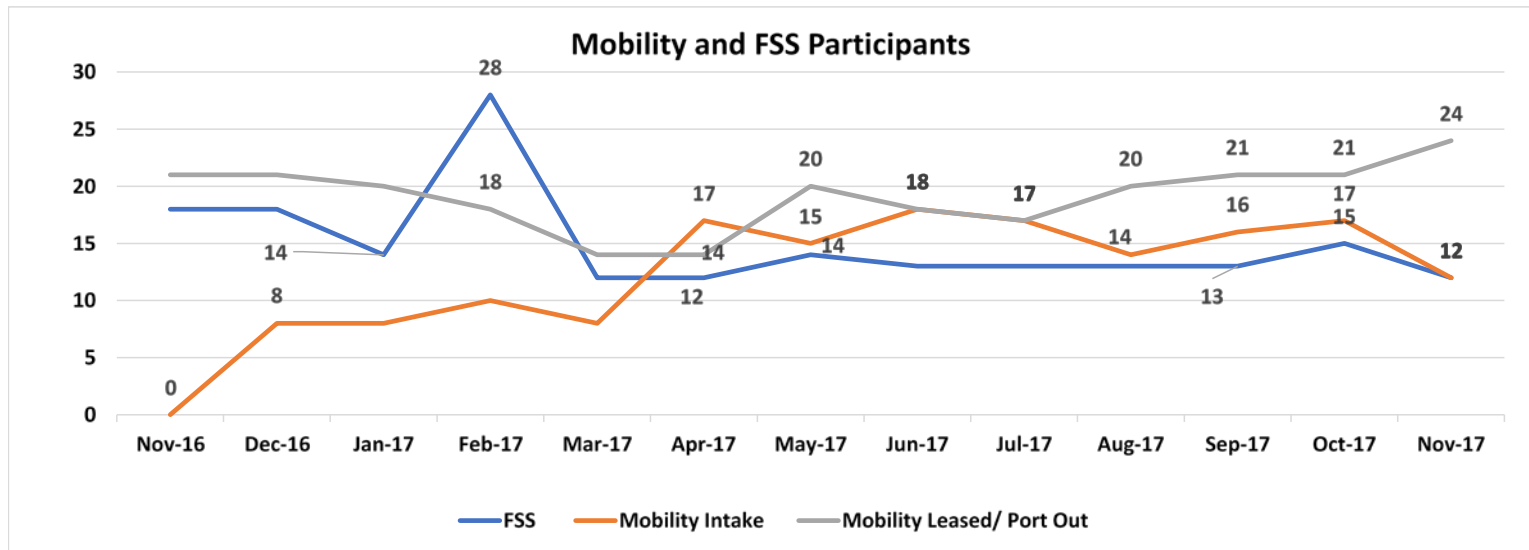


HOUSING CHOICE VOUCHER PROGRAM

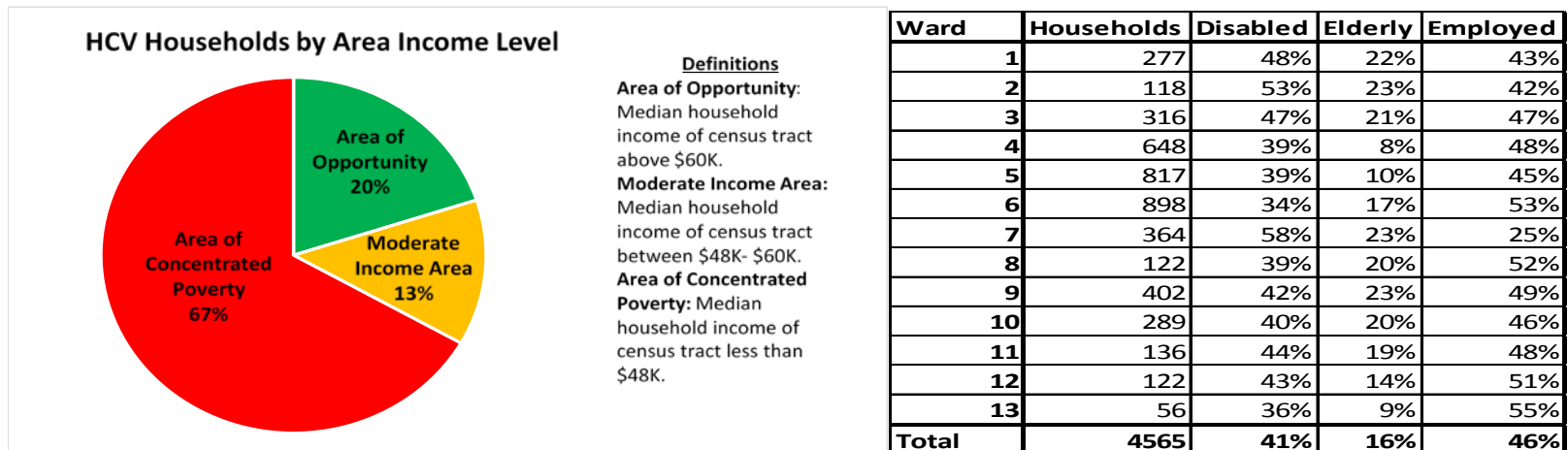
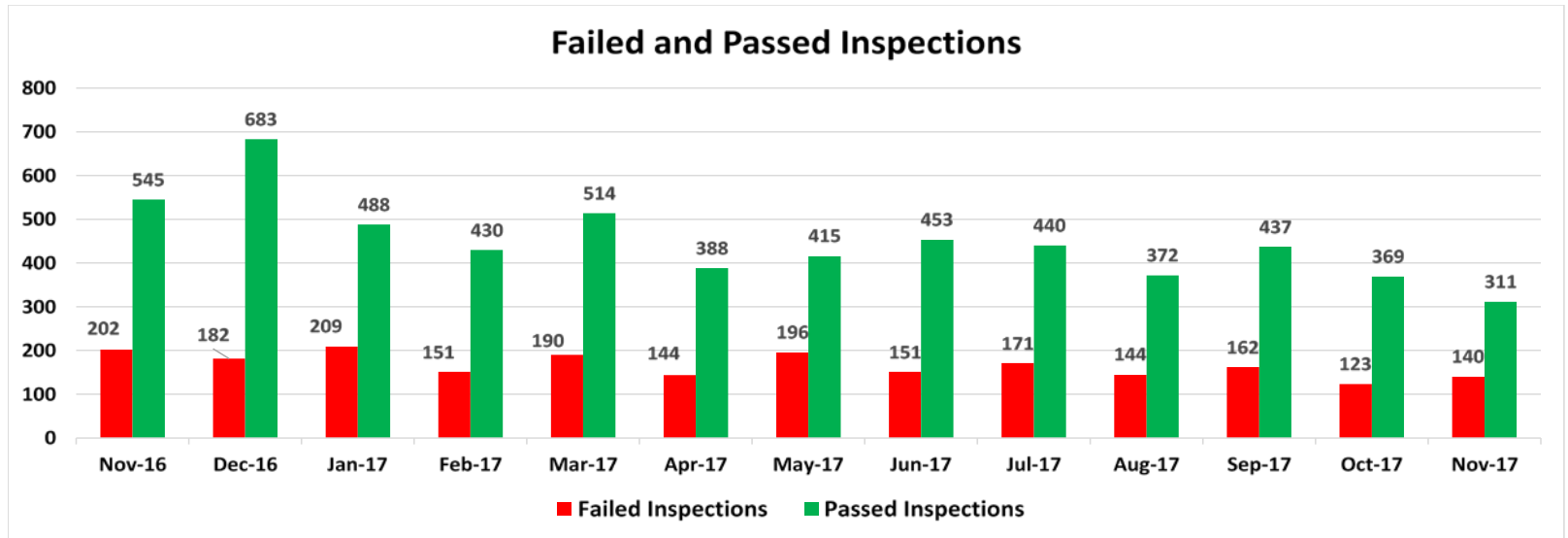
Housing Choice Voucher Program Board Report on Utilization November 2017



HOUSING CHOICE VOUCHER PROGRAM



HOUSING CHOICE VOUCHER PROGRAM



HOUSING CHOICE VOUCHER PROGRAM

November 2017 Highlights



November was a busy month for the Housing Choice Voucher Program! We have established new partnerships that will help to expand services to our participants. HCV has creatively partnered with two new agencies that will station staff in the department to speed up housing search times and assure that participants have the support necessary to be successful tenants.

Terrie Philips is the HCV Impact Award recipient for the Month of November! During the 25 years that Terrie has been with MPHA in the HCV Program, she has been a grounding and calming energy in the department. Terrie is always stepping up to assist where needed -often without a request from a Supervisor if she sees someone needs assistance; she has assisted with training new staff and is a “go to” person for questions from her peers. She has consistently passed her audits and if there is a failed audit, she quickly makes the necessary corrections. Terrie consistently provides excellent

customer service and has not received complaints from participants, landlords or other partners during her tenure as an Eligibility Technician.

The City of Minneapolis has revoked the rental license for a landlord that has not cared for his properties, the residents have been given until February 28th to vacate their units. However, many of these families have a difficult time being able to rent units in Minneapolis and renting in these properties were their only option. There are 57 households that will have to leave their units to find other homes in one of the coldest months of the year in Minnesota. MPHA decided to do something about this urgent issue and has offered all families who qualify an emergency subsidy for a year. MPHA will work with the

HOUSING CHOICE VOUCHER PROGRAM

Community Action Partnership (CAP), the City of Minneapolis, Regulatory Services Housing Inspections, and Hennepin County to provide a comprehensive array of services available to assist displaced families with acquiring new housing.

Another housing endeavor with CAP is the coordination of social worker services paired with housing subsidies. CAP has sent a letter to MPHA indicating their intent to place a social worker in our office to assist MPHA's HCV participants with their housing search, identifying opportunities for energy assistance, financial support, education, job search, deposit assistance and case management. MPHA is creatively using limited dollars to help families find the support necessary to be successful program participants.

MPHA applied for a grant with Saint Stevens Human Services offered by Hennepin County to help homeless families coming out of shelters find units across the city and eventually find employment. The grant will be used to fund the staff time of Saint Stevens and some MPHA management costs. MPHA has committed up to 50 vouchers annually to this program. Saint Stevens will have a counselor housed at MPHA to assist the families. If the grant is awarded to MPHA and Saint Stevens, then the program will last for at least two years and is renewable.

Greg Russ the Executive Director and the Director of HCV Programs, Kyle Hanson, have presented their substantive changes to the HCV Program to the Minneapolis City Council. After the Quadel Consulting company provided a report to the Minneapolis City Council on how the HCV Program has performed in terms of Mobility outcomes, the new leadership decided to get to work and tackle some of these big objectives. Through the lens of policy innovation, the HCV Program has done a tremendous job in changing the program for the better to make a more efficient, effective and engaged program that will continue to achieve its "High Performer" status by HUD. The presentation of these outcomes was well received by the Minneapolis City Council. With the new administration and council coming into office next year, the groundwork has been laid to work even more closely with the City of Minneapolis to tackle the big issues of Affordable Housing and Homelessness.

Policy and Innovation

Policy:

❖ Moving to Work (MTW)

- Submitted 2018 MTW Annual Plan to HUD on November 13th
- Briefed local HUD office on MPHA 2018 plans and other issues
- Finalized agreement with Better Futures MN on award of 40 sponsored-based vouchers

❖ Regional Working Group

- MPHA held third meeting with 10 PHAs
- Compiled data on porting and mobility policies and practices

Policy and Innovation

Website Activity:

MPHA received and responded to 101 website contacts requesting assistance and/or information with related to housing needs

Policy and Innovation

Other:

- ❖ **Tenant Advisory Committee (TAC)/Moving to Work Resident Advisory Board (MTW RAB) merger**

- Completed first draft of document for merger and reviewing with TAC and RAB in December

- ❖ **Hennepin County “Tenancy Support” Request for Proposals (RFP)**

- Applied for \$236,000 grant on December 4, 2017

- ❖ **Hennepin County – MPHA Partnership Meeting**

- Met with Hennepin County Services and Community Corrections Department to explore partnership possibilities

Communications

- MPHA comments to city council on 2018 proposed Minneapolis City Budget
- Scheduled intro to MPHA as part of onboarding of new city council members
- Preparation of materials for HCV/Section 8 update for city council
- MPHA comments to Minneapolis Historic Preservation Commission opposing historic designation for Glendale Townhomes
- Twelve-hour, multi-day training on community engagement

Communications

- Assess 2017 attendance data for resident YMCA scholarships and recruit/market for 2018
- Multiple news and other inquiries for information related to public or affordable housing
- Collaboration with Family Public Housing in preparation for mid-2018 smoke-free policy
- Begin reorganization of department into Policy and External Affairs

MPHA's Website

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

www.mphaonline.org