

Appendix I – Rental Assistance Demonstration (RAD) Significant Amendment (Elliot Twins)

Following the HUD Sample Amendment in PIH Notice 2012-32 REV-3, Attachment 1D

The Minneapolis Public Housing Authority (MPHA) is amending its Moving to Work (MTW) Annual Plan because it was a successful applicant in the Rental Assistance Demonstration (RAD). As a result, MPHA will be converting a portion of MN002000006, Cedar Asset Management Project, specifically 174 units at the Elliot highrises, to Project Based Vouchers under the guidelines of PIH Notice 2012-32, REV-3 and any successor Notices. Upon conversion to Project Based Vouchers the Authority will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.6 of PIH Notice 2012-32, REV-3; and Joint Housing PIH Notice H-2016-17/PIH-2016-17. These resident rights, participation, waiting list and grievance procedures are appended to this Attachment. Additionally, MPHA certifies that it is currently compliant with all fair housing and civil rights requirements and is not under any administrative or judicial orders, decrees, rulings or decisions related to such requirements. MPHA certifies that the RAD conversion complies with all applicable site selection and neighborhood reviews standards and that all appropriate procedures have been followed.

Except as required by the RAD demonstration, there will be no changes in the policies that govern eligibility, admission, selection, and occupancy of units at Elliot highrises. Waiting list preferences will correspond to MPHA's current public housing highrise unit preferences:

A highrise applicant head of household may qualify for one of the following preferences:

- A. The Applicant is Elderly or at least 62 years old (40 points);*
- B. The Applicant is Near Elderly or between ages of 50 and 61 years old (35 points); or*
- C. The Applicant is disabled (30 points).*

In addition, an applicant head-of-household may qualify for all of the following preferences:

- A. The applicant head-of-household has been involuntarily displaced or is living in substandard housing or any member of the applicant's family is a VAWA victim who has been involuntarily displaced (5 points);*
- B. The applicant is actively participating in an Economic Self-Sufficiency Program (5 points); and*
- C. The applicant is a U.S. Veteran (5 points).*

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing MPHA with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, the housing authority's Capital Fund Budget will be reduced by the share of Public Housing Developments converted as part of the Demonstration, and that MPHA may also borrow funds to address their capital needs. MPHA currently has debt under an Energy Performance Contract and will be working with Honeywell and Bank of America to address outstanding debt issues, which may result in additional reductions of Capital or Operating Funds. MPHA may contribute MTW funds to the conversion

under RAD. Regardless of any funding changes that may occur as a result of conversion under RAD, MPHA certifies that it will maintain its continued service level as required by its MTW Agreement with the U.S. Department of Housing and Urban Development. Up to 25% of the units may be redeveloped and replaced under the disposition rules of Section 18 of the U.S. Housing Act of 1937.

Further changes to MTW Annual Plan

The following changes may be made during the RAD process without their inclusion in MTW Annual Plans:

- a. The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance;
- b. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- c. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
- d. Changes to the financing structure for each approved RAD conversion.

Project Specifics: One the following page, please find specific information related to the Public Housing Development selected for RAD.

MN002000006, Cedar AMP

<u>Name of Public Housing Project:</u>	<u>PIC Development ID:</u>	<u>Conversion type (i.e., PBV or PBRA):</u>	<u>Transfer of Assistance:</u>
Cedar / Elliot Highrises	MN002000006	PBV	No
<u>Total Units:</u> 174	<u>Pre- RAD Unit Type</u> (i.e., Family, Senior, etc.): General Occupancy (Elderly/Disabled preference)	<u>Post-RAD Unit Type if different (i.e., Family, Senior, etc.)</u> UNCHANGED	Capital Fund allocation of Development for 174 RAD units: \$433,247 (2019 Annual Capital Fund allocation / total number of public housing units in PHA x total number of units in project: \$14.825M / 5954 * 174)
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why
	Total: 174	Total: 184*	+ 10 units
Studio/Efficiency	86	90*	+ 6 (new disability-accessible efficiency units added during renovation)*
One Bedroom	88	94*	+ 4 (new disability-accessible one-bedroom units added during renovation)*
Two Bedroom			
Three Bedroom			
Four Bedroom			
Five Bedroom			
Six Bedroom			
<u>(If performing a Transfer of Assistance):</u>	N/A (No transfer of assistance)		

* Based upon preferred design at the adoption of this amendment; subject to change. However, no design scenario envisions a reduction from the current count of either type of unit.

Attached:

- **MPHA Board Report and Resolution (including summary of public comments)**
- **Sec. 1.6C. and 1.6.D. from Notice PIH 2012-32, REV-3**
- **See PIH Notice H-2016-17/PIH-2016-17 at <https://is.gd/PIH201617>**