



NOTICE AND AGENDA

March 24, 2021

A SPECIAL MEETING OF THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY IN AND FOR THE CITY OF MINNEAPOLIS WILL BE HELD REMOTELY AT 1:30 P.M. VIA TELECONFERENCE IN MINNEAPOLIS, MINNESOTA. PLEASE DIAL-IN:

**Toll: 1 (435) 777-2200
Conference ID: 496-8315**

The Resident Advisory Board will meet at 12:00 Noon, same date via conference call

Commissioners: **Sharmarke Issa, Chair**
 Andrea Brennan, Vice-Chair
 Mikkel Beckmen, Secretary
 Abdullahi Isse, Commissioner
 Cara Letofsky, Commissioner
 Tamir Mohamud, Commissioner
 Hon. James Rosenbaum, Commissioner
 Tessa Wetjen, Commissioner
 Faith Xiong, Commissioner

GENERAL:

- Roll Call
- Approval of Agenda
- Minutes of a Special Meeting of February 24, 2021

RESIDENT ADVISORY BOARD – RAB Chairperson Comments

EXECUTIVE DIRECTOR’S UPDATE

DISCUSSION: No items

RESOLUTION: No items



RECEIVE AND FILE:

- Monthly Performance Report for February 2021 (Abdi Warsame, Executive Director / CEO)
- FY2020 Financial Results Presentation (Tim Durose, CFO)
- Newsletters and News Clippings (Jeff Horwich, Director – Policy & Communications)

Next Regular Meeting:

**Wednesday, April 28, 2021 - 1:30 p.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 SPECIAL MEETING OF THE
MINNEAPOLIS PUBLIC HOUSING AUTHORITY
IN AND FOR THE CITY OF MINNEAPOLIS
February 24, 2021**

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in a special meeting at 1:30 P.M. on February 24, 2021, via teleconference in 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:

Sharmarke Issa	Chair
Andrea Brennan	Vice Chair
Abdullahi Isse	Commissioner
Tamir Mohamud	Commissioner
Hon. James Rosenbaum	Commissioner
Tessa Wetjen	Commissioner
Faith Xiong	Commissioner

(Note: Commissioner Mohamud arrived at 1:38 p.m., Commissioner Brennan arrived at 1:52 p.m.)

The following members of the Board were absent:

Mikkel Beckmen	Secretary
Cara Letofsky	Commissioner

The following others were also present:

Abdi Warsame	Executive Director / CEO
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The Chair declared the presence of a quorum.

Approval of Agenda:

Commissioner Rosenbaum moved approval of the proposed agenda. The motion was seconded by Commissioner Wetjen. Upon a roll call vote, five Commissioners voted “aye” (Commissioners Isse, Rosenbaum, Wetjen, Xiong and Chair Issa) and no Commissioner voted “nay”. Two Commissioners were absent (Commissioners Beckmen and Letofsky). The Chair declared the motion carried.

Approval of Minutes:

The Minutes of the Special Annual Meeting of January 27, 2021, were presented for approval.



Commissioner Rosenbaum moved the minutes be accepted as presented. The motion was seconded by Commissioner Isse. Upon a roll call vote, five Commissioners voted “aye” (Commissioners Isse, Rosenbaum, Wetjen, Xiong and Chair Issa) and no Commissioner voted “nay”. Two Commissioners were absent (Commissioners Beckmen and Letofsky). The Chair declared the motion carried.

Resident Advisory Board:

RAB Chair Lisa Anderson reported a quorum, and all agenda items were discussed and approved.

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 Warsame spoke briefly on the topics shown below, upon which the Board took no official action:

COVID-19 Vaccinations: MPHA is preparing for an all-out effort in partnership with the city, county, and VOA to bring COVID-19 vaccinations to every MPHA highrise building in March. Front-line MPHA staff will be included. MPHA’s COVID-19 Officer and Director of Operations will provide a more detailed update as part of a receive-and-file item on today’s board agenda. County data continues to show low numbers of new COVID-19 cases among high-rise residents.

Staff and Operations: MPHA staff have experienced relatively few cases of COVID-19 over the past month. We have been able to resume regular unit inspections and routine work orders in properties where there have been little-to-no COVID-19 resident cases reported.

OnePlatform: MPHA successfully went live on February 1 with the transition to our new, unified software system, Yardi Voyager. Training and troubleshooting are ongoing as staff adapt to the new tools and workflows. We anticipate significant gains in efficiency and an improved experience for the households we serve.

Elliot Twins Progress: We are finishing the final phase of apartment renovations in the first tower. Residents are moving into newly completed apartments this week and next. Window replacement is underway at the second tower and those apartment renovations will begin soon. Exterior finish panels are complete on one elevation of the first tower; this work will continue in the coming months. We expect the Elliotts Community Link will open to residents in March (although use will be limited by COVID-19).

Scattered Sites – New Construction: This week MPHA is releasing a request-for-proposals for a team to design 84 new units of housing that we intend to develop on 16 lots around the city. These will be developments of four to six units each, with units of two and three bedrooms. This new housing construction meets a critical city affordable housing need, and follows the 2018 strategic plan adopted by the board.

Scattered Sites – Rehabilitation: We continue planning for a large debt-raise to fund major capital improvements in the existing scattered sites, beginning in early 2022. In the meantime, we are working on comprehensive rehabs to approximately 50 scattered site units while they are between occupants.



Seeking State Funds for Public Housing Rehab: Minnesota Housing has issued an RFP for the Public Owned Housing Program, which is funded with \$16 million of state general obligation bonds. MPHA hopes to continue our streak of successful applications under this program. We will apply for funds to further accelerate sprinkler installation at our properties beyond the nine properties already in the 2021 Capital Plan. We are also working to secure a funding commitment from the city to help advance this work.

Testimony to House Capital Investment Committee: MPHA Deputy Executive Director Jennifer Keogh and Resident Commissioner Tamir Mohamud testified to lawmakers on the value of state bonds for addressing the estimated \$350 million backlog of public housing capital needs in Minnesota, as part of a presentation by Minnesota NAHRO. DED Keogh shared examples of public housing improvements completed around the state using these bonds. Commissioner Mohamud spoke to the impact on capital work on resident quality of life.

Federal Emergency Rental Assistance: MPHA and the City of Minneapolis have been awaiting clarification from the US Treasury Department addressing whether voucher participants and public housing residents are eligible for the next round of COVID-19 Emergency Rental Assistance, approved by Congress at the end of 2020. This week, new guidance from Treasury indicates that these families are eligible for this assistance, provided they otherwise qualify and it does not duplicate other assistance the housing authority already provides. We are working closely with the city to make the assistance available to eligible program participants.

Item No. 1: Approval of the 2020 Pay Equity Implementation Report

After a brief presentation by staff and discussion, Commissioner Mohamud moved approval of the recommendation set forth in the Report. Commissioner Wetjen seconded the motion. Upon a roll call vote, seven Commissioners voted “aye” (Commissioners Brennan, Isse, Mohamud, Rosenbaum, Wetjen, Xiong and Chair Issa) and no Commissioner voted “nay”. Two Commissioners were absent (Commissioners Beckmen and Letofsky). The Chair declared the motion carried. [See Document No. 2021-08]

Item No. 2: Fourth Amendment to MPHA’s MTW Agreement

After a presentation by staff and discussion, Commissioner Xiong moved approval of the recommendation set forth in the Report along with the corresponding Resolution attached thereto. Commissioner Isse seconded the motion. Upon a roll call vote, seven Commissioners voted “aye” (Commissioners Brennan, Isse, Mohamud, Rosenbaum, Xiong, Wetjen and Chair Issa) and no Commissioner voted “nay”. Two Commissioners were absent (Commissioner Beckmen and Letofsky). The Chair declared the motion carried. [See Document No. 2021-09] [See Resolution No. 21-212]

Receive and File Items:

After a presentation by staff and discussion, Commissioner Mohamud moved approval of the Receive and File items. Commissioner Rosenbaum seconded the motion. Upon a roll call vote, seven Commissioners voted “aye” (Commissioners Brennan, Isse, Mohamud, Rosenbaum, Wetjen, Xiong and



Chair Issa) and no Commissioner voted “nay”. Two Commissioners were absent (Commissioners Beckmen and Letofsky). The chair declared the motion carried.

The following items were received and filed by the Board:

- The Monthly Performance Report for January 2021. [See Document No. 2021-10]
 - MPHA’s occupancy is at 96.2% as of January 19th. Due to the Yardi software conversion the only occupancy data we have is the period between 1/1/21 to 1/19/21.
- COVID Vaccination Update:
 - MPHA is helping to facilitate City of Minneapolis vaccination clinics for COVID 19 in all MPHA highrises. This joint effort between the City of Minneapolis, Hennepin Health, the Minneapolis Fire Department and VOA, will offer vaccination shots to all MPHA highrise residents beginning March 8, 2021. Additionally, all MPHA employees will be offered vaccinations at the clinics. Buildings have been prioritized by percentage of elderly populations. The second round of shots will be completed by the end of April.
- Newsletters and News Clippings [See Document No. 2021-11]

Adjournment:

There being no further business to come before the Board, Commissioner Wetjen moved approval to adjourn the meeting. Commissioner Isse seconded the motion. Upon a roll call vote, seven Commissioners voted “aye” (Commissioners Brennan, Isse, Mohamud, Rosenbaum, Wetjen, Xiong and Chair Issa) and no Commissioner voted “nay”. Two Commissioners were absent (Commissioners Beckmen and Letofsky). The Chair declared the motion carried. The meeting was adjourned at 2:18 p.m.

Secretary of the Board of Commissioners

Date These Minutes Approved



Monthly Performance Report

Minneapolis Public Housing Authority

Board of Commissioners

For the month ending February 28, 2021

Contents

1. Building Improvement and Development Projects
 - Update on Elliot Twins RAD Conversion and Scattered Sites Section 18 Process
2. Inquiry Response and Social Media

*The Performance of Operations report is not yet available due to the continued processing and validation of data following the Yardi software conversion.

**Fiscal year end 2020 Financial results will be presented separately. January and February 2021 Financial results are not yet available due to year end closing activities and the transition of financial information into the Yardi system.

Building Improvement Projects - Planning



ADDRESS	DESCRIPTION OF WORK	STATUS
1314 44 th Avenue North	Roof replacement	Contract awarded; spring start
1707 3 rd Ave S/1611 S 6 th St/2728 Franklin/Snellings	Elevator modernization	Materials ordered; April 2021 construction start
3116 Oliver & 616 Washington St	Elevator modernization	Planning
314 Hennepin Avenue	Roof & skylight replacement	Bidding
Multiple highrises	Fire sprinkler system installation	Planning
828 Spring Street NE	Exterior façade and window repairs	Planning
1707 3 rd Avenue South	Exterior façade and window repairs, unit entry door replacement	Planning
1314 44 th Avenue North	Plumbing replacement, fire sprinkler system installation, unit bath modernization/new finishes, exterior façade repairs	Planning
Multiple highrises & Glendale townhomes	Security surveillance system upgrades	Planning
Multiple highrises	HVAC improvements	Planning
Cedars highrises	Window replacement and exterior façade repairs	Planning

Development Projects - Planning

ADDRESS	DESCRIPTION OF WORK	STATUS
CHR scattered site units	Major modernization	Planning
Scattered sites new construction	Development of new family housing	Planning

Building Improvement Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
315 Lowry Avenue North	Site security upgrades	In progress
600 18 th Avenue North	Window replacement, masonry repairs & HVAC systems replacement	Complete
1707 3 rd Ave S	Generator & main electrical switch gear replacement	In progress
Scattered Sites – Various sites	2020-21 improvements: roof & siding replacement, unit modernization, structural repairs	In progress
1611 S 6th St	Plumbing & fire alarm system replacement, sprinkler system retrofit, apartment improvements including creation of 6 ADA units; HVAC upgrades	In progress
Cora McCorvey Center	HVAC system upgrades	In progress
Hiawatha Towers	HCPD accessible unit upgrades, common area improvements	In progress

Development Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
Elliot Twins	Comprehensive building modernization	In progress
Scattered Site	Energy efficient single-family construction	In progress

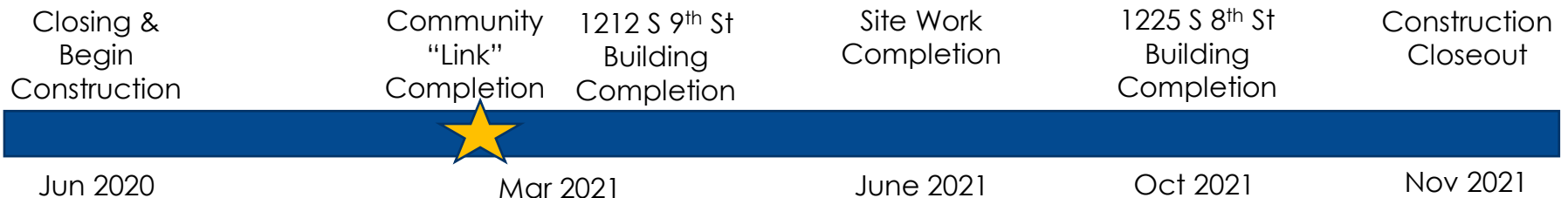
Elliot Twins RAD Conversion & Building Renovation



- **Phase IV apartment rehab complete early March**
- **Window/roof replacement & exterior cladding work underway**
- **Community link construction 90% complete**
- Address deferred maintenance, **plus** unit improvements, community link addition, envelope enhancement, new HVAC system, addition of 10 fully accessible units
- Projected 30% reduction in utilities
- Hard costs: ~\$25M
- All tenants are offered on-site relocation

Construction Timeline

(subject to change)



Scattered Site Section 18 Process

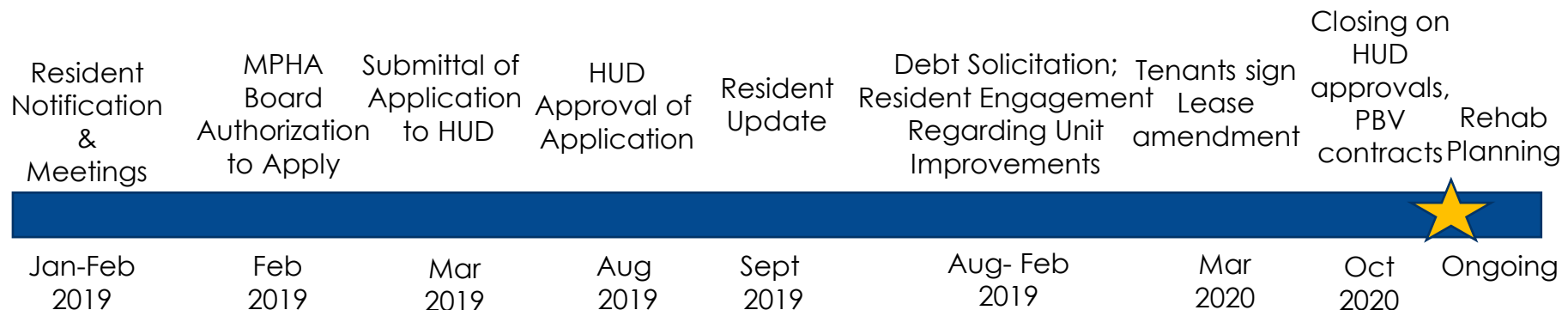


Section 18 with debt financing



- **Conversion to project-based vouchers occurred on October 1st**
- Exploring lending options to best support investments in portfolio
- Debt will support investments in deferred maintenance and ongoing unit needs as well as potential replacement/addition of units

Timeline (subject to change based on timing of HUD approvals)



Inquiry Response and Social Media



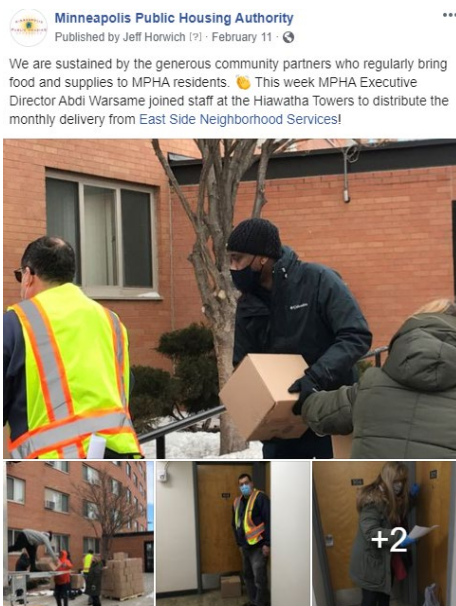
MPHA on Facebook

Top Performing Post (627 views)

February 2021

76

Formal inquiries
received and
addressed
(Channels include
media, social
media, and website
contact forms)



12

Posts for the Month
5,743 Followers



MPHA on Twitter

Top Performing Post (1,260 views)



18

Tweets for the Month
773 Followers



March 24, 2021

MEMORANDUM TO: MPHA Board of Commissioners

FROM: Abdi Warsame, Executive Director/CEO

SUBJECT: 2020 Financial Results

The attached report presents the financial results from fiscal year 2020. Traditionally this report is presented to the board as a slide presentation but since the board meeting will be conducted remotely, the results are being presented in a written narrative format and provided to the board as a report and file agenda item.

Please contact Tim Durose at 612-306-2124, or tdurose@mplspha.org, with any questions on this report.

2020 Fiscal Year End Finance Performance Results

This document summarizes the unaudited financial results for the Minneapolis Public Housing Authority and Community Housing Resources (CHR) for the fiscal year ending December 31, 2020. The following schedules are intended to demonstrate that the financial results were within the budget authority granted by the board, explain the most significant budget variances, present where spending flexibility was used, and present the financial position as of the end of 2020.

Budget to Actual Results

Housing Choice Vouchers

(\$ millions)	BUDGET		ACTUAL		VARIANCE
REVENUES					
ADMIN FEES	\$	2.4	\$	2.6	\$ 0.2
CARES ACT (ADM FEES)	\$	0.5	\$	1.2	\$ 0.7
CARES ACT (HAP)	\$	-	\$	1.7	\$ 1.7
HAP SUBSIDY	\$	55.3	\$	53.1	\$ (2.2)
OTHER INCOME	\$	1.3	\$	1.3	\$ -
TOTAL REVENUES	\$	59.5	\$	59.9	\$ 0.4
EXPENSES					
PROGRAM ADMINISTRATION	\$	5.2	\$	4.5	\$ 0.7
HAP EXPENSES	\$	45.3	\$	45.9	\$ (0.6)
TOTAL EXPENSES	\$	50.5	\$	50.4	\$ 0.1
NET OPERATING INCOME (LOSS)	\$	9.0	\$	9.5	\$ 0.5
MTW TRANSFERS TO OTHER PROGRAMS	\$	9.3	\$	9.8	\$ (0.5)
TRANSFER IN	\$	0.3	\$	0.4	\$ 0.1
NET INCOME (LOSS)	\$	(0.0)	\$	0.1	\$ 0.1

Overall the Housing Choice Voucher (HCV) program showed financial performance very close to budget. The \$45.9 million spent on housing assistance payments (HAP) was within 1% of the budget. The largest variances in the program relate to management's preference to draw down HCV CARES Act resources instead of regular HCV HAP subsidy to cover a portion of the \$9.8 million transferred out of this program and mainly into Public Housing Operations (see Transfers). The Program finished with just under \$100 thousand in net income; slightly more than budgeted.

Public Housing Operations

(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
DWELLING RENT	\$ 20.7	\$ 20.0	\$ (0.7)
SUBSIDY	\$ 21.5	\$ 21.6	\$ 0.1
CARES ACT	\$ 3.3	\$ 0.9	\$ (2.4)
OTHER	\$ 2.5	\$ 2.2	\$ (0.3)
TOTAL REVENUES	\$ 48.0	\$ 44.7	\$ (3.3)
EXPENSES			
PROPERTY OPERATIONS & MAINTENANCE	\$ 27.4	\$ 25.8	\$ 1.6
UTILITIES	\$ 8.2	\$ 7.8	\$ 0.4
TENANT SERVICES	\$ 1.0	\$ 0.9	\$ 0.1
INSURANCE, DEBT SERVICE & OTHER	\$ 6.0	\$ 6.3	\$ (0.3)
CAPITAL EQUIPMENT & EXTRA. MAINT.	\$ 1.2	\$ 0.6	\$ 0.6
MANAGEMENT FEES	\$ 5.6	\$ 5.7	\$ (0.1)
TOTAL EXPENSES	\$ 49.4	\$ 47.1	\$ 2.3
NET OPERATING INCOME (LOSS)	\$ (1.4)	\$ (2.4)	\$ (1.0)
EPC PARTIAL PAY OFF	\$ 8.1	\$ 8.1	\$ -
TRANSFERS FROM HCV PROGRAM	\$ 8.5	\$ 9.2	\$ 0.7
OTHER TRANSFERS IN	\$ 1.0	\$ 1.3	\$ 0.3
NET INCOME (LOSS)	\$ -	\$ -	\$ 0.0

The Public Housing Operating Program also remained within budget limits set by the board. The program overall finished at zero net income in accordance with the balanced budget approved. The most significant variances from budget occurred on the spending side. Spending below budgeted levels on maintenance materials and staffing, property administration, and security costs permitted less Public Housing CARES Act resources to be needed. The savings in security spending in this budget was achieved because the City of Minneapolis provided \$400 thousand to cover costs MPHA had budgeted to cover with operating funds. The negative variances in Dwelling Rent and Other Revenues was offset by increased transfers in from the HCV Program and Central Office Cost Center.

Capital Fund Program

(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
CAPITAL FUND GRANT	\$ 16.5	\$ 13.7	\$ (2.8)
MTW TRANSFER FROM HCV	\$ 0.1	\$ 0.1	\$ -
TOTAL REVENUES	\$ 16.6	\$ 13.8	\$ (2.8)
EXPENSES			
PROGRAM ADMINISTRATION	\$ 1.8	\$ 1.5	\$ 0.3
QUALITY MAINTENANCE PROGRAM	\$ 0.5	\$ 0.3	\$ 0.2
TRANSFER OUT HAP- RAD ELLIOTS	\$ 0.2	\$ 0.2	\$ -
TRANSFER OUT - EPC PARTIAL PAY OFF	\$ 0.8	\$ 0.8	\$ -
CAPITAL IMPROVEMENT PROJECTS	\$ 13.3	\$ 11.0	\$ 2.3
TOTAL EXPENDITURES	\$ 16.6	\$ 13.8	\$ 2.8
NET INCOME (LOSS)	\$ -	\$ -	\$ -

Spending in the Capital Fund Program (CFP) was 17% less than budget most significantly caused by delays due to COVID-19 restrictions. Over \$5.1 million in CFP resources were spent on the Elliot Twins RAD project and used for a loan to the Partnership and to pay off an existing loan that financed energy improvements in 2010. Nearly \$2 million was spent on window replacements at 600 18th Ave. North.

Transfers

(\$ millions)	BUDGET	ACTUAL	VARIANCE
MTW TRANSFERS OUT			
HCV TRANSFERS TO OTHER PROGRAMS	\$ 9.3	\$ 6.8	\$ 2.5
CFP TRANSFERS FOR EPC PAY OFF	\$ 0.8	\$ 0.8	\$ -
CFP TRANSFERS for RAD HAP	\$ -	\$ 0.2	\$ (0.2)
HCV CARES ACT TRANSFERS TO OPERATIONS	\$ -	\$ 2.9	\$ (2.9)
TOTAL TRANSFERS OUT	\$ 10.1	\$ 10.7	\$ (0.6)
MTW TRANSFERS IN			
PUBLIC HOUSING OPERATIONS	\$ 1.3	\$ 2.0	\$ 0.7
PUBLIC HOUSING CAPITAL IMP.	\$ 0.1	\$ 0.1	\$ -
HUMAN SERVICES	\$ 0.5	\$ 0.4	\$ (0.1)
OTHER SECTION 8 PROGRAMS	\$ -	\$ -	\$ -
MTW LOCAL INITIATIVES	\$ 0.1	\$ 0.1	\$ -
EPC LOAN PARTIAL PAY OFF	\$ 8.1	\$ 8.1	\$ -
TOTAL TRANSFERS IN	\$ 10.1	\$ 10.7	\$ 0.6

The MTW agreement grants MPHA the authority to move HUD funding appropriated for one program to another in order to meet the housing needs that are most appropriate for the PHA. MPHA utilized its spending flexibility in 2020 by transferring funds from the HCV Program to fund the needs in Public Housing Operations, capital improvements, energy loan pay off, other Section 8 Programs, MTW Initiatives, and Human Services.

The most notable variance to the budget was caused by management's decision to draw down more HCV CARES Act resources rather than HCV HAP resources to fund the MTW transfers. Because of spending deadlines on CARES resources and HUD's disbursement of HCV CARES resources to MPHA, \$2.5 million in HCV CARES resources was utilized instead of HCV HAP Subsidy and another \$400 thousand was utilized to cover public housing operating needs in replacement of Public Housing CARES Act funds.

The largest transfer (\$8.1 million) was needed to partially pay off the loan that financed energy improvements in 2010. HUD required that the loan associated with both the Elliot Twins and Scattered Sites units be satisfied before the units were converted.

Central Office

(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
MGMT & BOOKEEPING FEES	\$ 8.8	\$ 8.7	\$ (0.1)
OTHER INCOME	\$ 0.9	\$ 0.7	\$ (0.2)
TOTAL REVENUES	\$ 9.7	\$ 9.4	\$ (0.3)
EXPENSES			
GENERAL ADMINISTRATION	\$ 9.7	\$ 9.2	\$ 0.5
OTHER EXPENSES	\$ 0.7	\$ 0.7	\$ -
TOTAL EXPENSES	\$ 10.4	\$ 9.9	\$ 0.5
TRANSFER OUT	\$ 0.2	\$ 0.4	\$ (0.2)
NET INCOME (LOSS)	\$ (0.9)	\$ (0.9)	\$ (0.0)

MPHA charges the programs fees for administration, and that fee income funds the Central Office for general administration. The Central Office finished at budgeted net income with small variances in fee revenues and other income and savings in general administration.

The loss of slightly under \$900,000 was within the board approved use of reserves.

Sources and Uses of Funds

FOR THE YEAR ENDING DECEMBER 31, 2020 (\$ millions)			
ANNUAL PROGRAMS	SOURCES	USES	NET SOURCES (USES) ¹
PUBLIC HOUSING OPERATIONS	44.7	55.2	(10.5)
CAPITAL FUND PROGRAM	13.7	12.8	0.9
MTW HOUSING CHOICE VOUCHERS	59.9	50.4	9.5
MTW LOCAL INITIATIVES	-	0.1	(0.1)
HUMAN SERVICES	-	0.4	(0.4)
TOTAL MTW PROGRAMS	118.3	118.9	(0.6)
OTHER SECTION 8	6.9	6.8	0.1
CENTRAL OFFICE	9.4	9.9	(0.5)
OTHER PROGRAM AREAS	16.3	16.7	(0.4)

¹ Before inter-program transfers

The schedule above summarizes the sources and uses of funds by each program.

In 2020 the majority of the sources and uses were in MPHA's Moving to Work (MTW) Programs. In total, the MTW programs' uses exceeded sources by \$600,000 before other inter-program transfers from programs outside of MTW. The Public Housing Operations program is the day-to-day operation of the public housing program. In 2020, the uses in the Public Housing Operations Program exceeded the program sources by \$10.5 million (note \$8.1 million was used for the loan pay off). The Capital Fund program is intended to include major repairs and replacements in the public housing properties. Sources (Capital Fund Grant revenues) exceeded uses by \$900 thousand. Housing Choice Voucher program sources exceeded program uses by \$9.5 million.

Other Section 8 programs include Veterans Assistance Supportive Housing (VASH), Family Unification Program (FUP), Section 8 Moderate Rehabilitation (Mod), 5 year Mainstream, and the Special Needs Assistance Program (SNAP). In 2020, in total, the Other Section 8 programs' sources exceeded uses by \$100 thousand. In the Central Office Cost Center, which is the overhead administration of MPHA, the uses exceeded sources in 2020 by \$500,000 before other inter-program transfers.

Grants and Set Aside Funds

AS OF YEAR ENDING DECEMBER 31, 2020 (\$ millions)			
SPECIAL FUNDS	BEG. BAL.	NET CHANGES	END. BAL.
SETTLEMENT FUNDS	1.6	-	1.6
PROCEEDS FROM REAL ESTATE SALES	1.1	0.5	1.6
POHLAD FOUNDATION	0.3	-	0.3
FAMILY HOUSING FUND	0.2	(0.1)	0.1
TOTAL SPECIAL PROGRAMS	3.2	0.4	3.6

AS OF YEAR ENDING DECEMBER 31, 2020			
INTERNAL SERVICE FUND	BEG. BAL.	NET CHANGES	END. BAL.
GENERAL LIABILITY INSURANCE	3.8	-	3.8

Proceeds from Real Estate Sales is derived through MPHA's homeownership program (Lease To Own). In 2020, 4 units were sold to former public housing residents. There was little to no net change in funds available for other Special Programs as well as the General Liability Insurance Fund which finished 2020 with a \$3.8 million balance.

Reserves by Program

AS OF YEAR ENDING DECEMBER 31, 2020 (\$ millions)			
UNRESTRICTED RESERVES	BEG. BAL.	NET CHANGES	END. BAL.
MOVING TO WORK	13.9 ¹	0.1	14.0
CENTRAL OFFICE	5.6	(0.9)	4.7
OTHER	2.6 ²	0.1	2.7
TOTAL ANNUAL PROGRAMS	22.1	(0.7)	21.4

¹ FYE 2020 Restricted Reserve Balance - \$1.6 million Sales Proceeds shown below

² FYE 2020 Restricted Reserve Balance - \$560k 5 year Mainstream program not included above

AS OF YEAR ENDING DECEMBER 31, 2020 (\$ millions)			
SPECIAL FUNDS	BEG. BAL.	NET CHANGES	END. BAL.
MANAGED SERVICES DIVISION	-	4.5	4.5
SETTLEMENT FUNDS	1.5	-	1.5
PROCEEDS FROM REAL ESTATE SALES (MTW)	1.1	0.5	1.6
POHLAD FOUNDATION	0.3	-	0.3
FAMILY HOUSING FUND	0.2	(0.1)	0.1
TOTAL SPECIAL PROGRAMS	3.1	4.9	8.0

³ FYE 2020 Balance is a \$1 million Note Receivable and \$3.5 million on Cash/Loan to be advanced to Elliotts LP

AS OF YEAR ENDING DECEMBER 31, 2020			
INTERNAL SERVICE FUND	BEG. BAL.	NET CHANGES	END. BAL.
GENERAL LIABILITY INSURANCE	3.8	-	3.8

AS OF YEAR ENDING DECEMBER 31, 2020 (\$ millions)		
RESERVE DESIGNATIONS		BALANCE
FEDERALIZED		18.3
GRANT RESTRICTED		0.5
INSURANCE FUND		3.8
DE-FEDERALIZED		11.3
TOTAL ALL PROGRAMS		33.9

As of December 31, 2020 MPHA's reserves totaled \$33.9 million of that, \$21.4 million (see footnote 2) was unrestricted reserves in annual programs. Moving To Work unrestricted reserves totaled \$14 million, which is the equivalent of about 3.5 months of public housing operating expenses. The Central Office unrestricted reserves, the majority of MPHA's de-federalized reserves, decreased by \$900,000, to leave a remaining balance of \$4.7 million. Other unrestricted reserves increased by \$100,000. Grants and special set aside funds ended the year with reserve balances totaling \$8 million. The increase from

2019 is related to CFP funds transferred out of the HUD program but not yet advanced to the Elliots LP and increased proceeds from the sale of Lease To Own homeownership program units.

Community Housing Resources

Community Housing Resources (CHR) purchased 717 scattered site public housing units in October 2020. The operating results for fiscal year 2020 is presented below.

(\$ millions)	ACTUAL
REVENUES	
DWELLING RENT	\$ 1.1
HAP	\$ 2.2
OTHER	\$ -
TOTAL REVENUES	\$ 3.3
EXPENSES	
PROPERTY OPERATIONS & MAINTENANCE	\$ 1.0
UTILITIES	\$ 0.6
INSURANCE, DEBT SERVICE & OTHER	\$ 0.2
MANAGEMENT FEES	\$ 0.3
TOTAL EXPENSES	\$ 2.1
NET OPERATING INCOME (LOSS)	\$ 1.2
UNRESTRICTED NET ASSETS	\$ 1.1

The financial results presented are unaudited. The Minnesota State Auditor will conduct the annual compliance and financial audit and provide audited financial statements to the board. Typically the audited statements are provided in early Fall.



COVID Vaccine Headed to Every MPHA Highrise

Through the month of March, daily clinics are vaccinating thousands of elderly and disabled public housing residents—right where they live. This is an HUGE effort made possible in partnership with **Hennepin Healthcare** nurses, **the Minneapolis Health Department**, **Volunteers of America** social workers, and multicultural health educators. MPHA fought hard to bring the vaccine to our residents, who suffer disproportionately the affects of COVID-19 and who have worked so hard to keep their communities healthy.

Stable Homes Stable Schools: Desiree's Story

Minneapolis resident Desiree and her children were homeless after the building she was living in was sold. With nowhere else to go, Desiree and her fiancé were living in hotel rooms and staying with friends in the suburbs. After months of instability, staff at Pillsbury Elementary, her children's school, suggested the **Stable Homes Stable Schools** program.



“I have never had to ask for help besides this time,” Desiree said. “I’ve always figured it out on my own. But the program has made such a difference.”

Stable Homes Stable Schools is a rental assistance partnership aimed at the one in 15 students in the Minneapolis Public Schools who are at risk of homelessness. It is a nationally unprecedented collaboration between MPHA, the city, the county, the school district, and nonprofit partners like the YMCA. Through one-time supports and ongoing, monthly rental assistance like Desiree's, the program has reached nearly 1,000 families since launching in 2019.

Now that Desiree and her family have a home, she has gone through the process of enrolling herself in school and is marrying her fiancé. “I finally felt my family was headed in the right direction,” Desiree said.



What's so exciting about new software?

Amid the challenges of the past year, MPHA remained committed to a big project behind-the-scenes: a modern, unified software system to manage our housing programs. We have now gone LIVE with our new *Yardi Voyager* software! MPHA staff are working with a powerful new platform that will improve the experience for the families we serve. Property owners in our voucher program are working with us through their new online portal. And coming later this year, residents have new online tools for paying rent, updating their income and family information, and submitting maintenance requests.

Sprinklers coming to Minneapolis high-rise where five died in 2019 fire

★ [startribune.com/sprinklers-coming-to-minneapolis-high-rise-where-five-died-in-2019-fire/600035077](https://www.startribune.com/sprinklers-coming-to-minneapolis-high-rise-where-five-died-in-2019-fire/600035077)

Residents of Cedar High Apartments welcome safety upgrade, wish it had come sooner.

By Faiza Mahamud Star Tribune

March 16, 2021 — 5:17pm



Investigators concluded that a sprinkler system would have saved lives in the Cedar High Apartments, a 25-story structure at 630 S. Cedar Av. In 2019, a fire broke out in a unit on the 14th floor and quickly filled the hallways with smoke.

A grant from the city of Minneapolis will help bring sprinklers to four high-rise buildings, including the Cedar High Apartments where five people died in a November 2019 fire.

On Tuesday, the City Council's housing committee authorized a \$1 million grant to support the Minneapolis Public Housing Authority's \$4 million project to install the fire safety systems by the end of 2022.

"MPHA is committed to a plan to bring sprinklers to every high-rise unit within the next three to five years," said Jeff Horwich, the agency's director of policy and communication. "Additional public investment will help speed us toward that goal."

Investigators concluded that a sprinkler system would have saved lives in the Cedar High Apartments, where a fire broke out in a unit on the 14th floor and quickly filled the hallways with smoke.

The 25-story structure at 630 S. Cedar Av. has partial sprinkler coverage on the main floor and lower mechanical equipment rooms but no sprinklers on the upper levels where people live. With the exception of two recently constructed buildings, many Minneapolis public housing dwellings were built before government fire codes required sprinklers in high-rise buildings.

Now, MPHA leaders are racing to add sprinklers to the Cedar High Apartments and eight other high-rise buildings before the end of 2022. The agency has recently approved an \$8 million plan to do that work and is also seeking \$2 million in state funding.

With the additional city and state money, MPHA leaders said, they could retrofit 11 out of 21 housing authority buildings that lack sprinklers. Separate renovation projects will retrofit three other buildings, including the Elliot Twins, with sprinklers.

Residents and some family members of the fire victims, who sued the Minneapolis Public Housing Authority, welcomed the news, although some had mixed feelings.

Layla Ibrahim, a resident of the Cedar High building, said many of her neighbors are dealing with the trauma of the deadly fire, which has put them on high alert every time there's smoke or the fire alarms go off.

"It's so stressful," Ibrahim said. "People are scared of another fire."

But Abdi Mohamed, who lost his mother Nadifa Mohamud in the fire, criticized the housing agency for being too preoccupied with renovations. He pointed to the \$26 million project at the Elliot Twins, saying the agency should have first addressed the safety of its tenants in Cedar High.

"We don't want other families to endure the pain we went through," Mohamed said. "[MPHA] should act quickly on this urgent matter."

Nur Abdullahi's father suffered smoke inhalation in the fire, and that was a major culprit in his death from COVID-19 five months later.

"Fire sprinklers are good for residents, but this is work that should have been done a long time ago," Abdullahi said. "It's too late, we have already lost many lives in that building."

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Faiza Mahamud covers Minneapolis for the Star Tribune. She has previously covered education, immigrant communities, city government and neighborhoods.

CORONAVIRUS

A COVID turnaround in Minneapolis' Cedar-Riverside

Through aggressive testing and stringent measures to curb the disease, the city has consistently lower rates of infection and deaths.

By Faiza Mahamud (<https://www.startribune.com/faiza-mahamud/6370527/>) and Michael Corey (<https://www.startribune.com/michael-corey/6370417/>) Star Tribune

MARCH 13, 2021 — 3:53PM

The first surge of coronavirus cases in Minneapolis struck hardest in the Cedar-Riverside neighborhood, where the mysterious virus last April was killing elderly East African immigrants nearly every day.

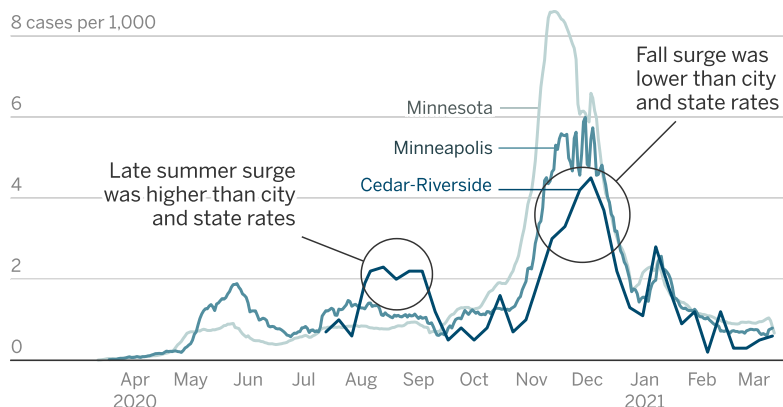
Public health officials were learning of COVID-19 spreading rapidly in the high-rise Riverside Plaza apartment complex, where riding elevators and carpooling to work at the Amazon warehouse made social distancing impossible.

"We were seeing daily increases in the double digits in terms of the number of cases," said Luisa Pessoa-Brandão, the city's lead epidemiologist. "It was concerning to see that happening and that was a neighborhood that very much was accounting for a large proportion of the cases in Minneapolis."

Now almost a year since the coronavirus crisis, Minneapolis has turned the situation around. Through aggressive testing and stringent measures to curb the disease, the city has consistently lower rates of infection and deaths than many places in greater Minnesota.

An early hotspot is now beating the curve

The Cedar-Riverside neighborhood of Minneapolis was an early epicenter of COVID-19 cases and deaths. But since late summer, Cedar-Riverside's ZIP code has usually reported fewer weekly cases per 1,000 people than Minneapolis or Minnesota as a whole.



Minnesota and Minneapolis data is released daily. Data for Cedar-Riverside's ZIP code 55454 is released weekly, but was unavailable prior to July.

By C.J. Sinner and Michael Corey, Star Tribune • Source: Minnesota Department of Health, City of Minneapolis, 2019 American Community Survey 5-year population estimates.

The Cedar-Riverside neighborhood, home to a sizable East African community, generally had lower case rates than many Minneapolis neighborhoods in recent months.



ELIZABETH FLORES • STAR TRIBUNE

Kayse Abdirahman administered COVID vaccine at a pop-up clinic in the Brian Coyle Community Center on Friday.

Since the pandemic started, the city has recorded more than 33,360 confirmed cases and at least 396 deaths, according to [data kept by the city](https://www.minneapolismn.gov/government/government-data/datasource/covid-19-dashboard/) (<https://www.minneapolismn.gov/government/government-data/datasource/covid-19-dashboard/>). People of color account for 42% of those fatalities and make up 40% of the city's population. As of last week, Minneapolis had a 20% lower COVID-19 death rate than the state overall.

Minneapolis singled out

Last spring, the situation in the city was dire. In May, the White House coronavirus task force singled out Minneapolis, along with Washington, D.C., Baltimore and Chicago, as the four metro areas where COVID-19 infection rates were persistent or rising.

Health officials, who at the time didn't know much about the disease, quickly identified Cedar-Riverside as a coronavirus hot spot and launched the city's first community testing event in the neighborhood to begin contact tracing and other targeted efforts to stem the spread of the virus.

After other efforts began in Cedar-Riverside, the city's public health officials turned their attention to other neighborhoods, like Phillips and Ventura Village, where the virus was spreading. They partnered with the Minneapolis Public Housing Authority and tapped community members to volunteer at testing centers to ease residents' mistrust of government.

On May 26, the city enacted a mask mandate before the state made it a requirement. And when unrest erupted in the streets of Minneapolis after the death of George Floyd, city staff who worried protests would set off a spike in infections passed out free masks and hand sanitizer at demonstrations.

According to the city, protests and the riots that followed Floyd's death did not lead to a surge in COVID-19 cases. Case rates in Minneapolis declined from late May through mid-July.

"People were wearing masks, people were trying to maintain some distance, making sure that they were safe because no one wanted to add to the tragedy that already happened," Pessoa-Brandão said.

That stall in the virus' spread allowed the city to brainstorm other ways to break the chain of transmission. City officials expanded testing and Mayor Jacob Frey signed an emergency regulation in July, ordering businesses such as bars and restaurants to shut their doors to indoor services, preventing people from congregating.

Some Minneapolis neighborhoods, including Cedar-Riverside, saw an uptick in cases in August, which epidemiologists attributed to college students failing to social distance. But since September, Cedar-Riverside cases have been on the low end of Minneapolis ZIP codes. Minneapolis health officials credit stringent measures, aggressive efforts and building trust with the community for controlling the spread of the deadly disease.

Dr. John Hick, an emergency physician at Hennepin Healthcare who helped coordinate the state's response to the pandemic, said the number of COVID patients in intensive care statewide is lower than it has been since April when the upswing in infections began. Mask-wearing and social distancing, he said, has helped slow virus transmission, but things are not in the clear yet.

Because of the decline in COVID-19 cases and hospitalizations in Minneapolis, Frey has eased restrictions on city establishments, putting them in line with the state.

Community clinics respond

When the virus ravaged low-income and communities of color this summer, many health centers in Minneapolis had to change their approach. They rolled out robust testing, conducted aggressive outreach and offered COVID resources in several languages.

Some clinics hurried to set up mobile testing in public housing high-rises and other densely populated areas of the city where physical distancing was difficult. They passed out free masks and connected remotely with patients wary of in-person care.

Jonathan Watson, chief executive at the Minnesota Association of Community Health Centers, which represents 17 nonprofit safety-net clinics, said they have tested at least 40,000 people in the past year. The test positivity rate is 17%, significantly higher than the statewide average but roughly half what it was three or four months ago, he said.

Positivity rates of the Minneapolis community health centers have decreased over time even with continued testing, but COVID-19 is still disproportionately affecting people of color, he said.

"It was absolutely crazy," Watson said. "And so, it was just aggressive testing and really getting out to the community to meet them where they're at."

In the last week of April, the People's Center clinic in Cedar-Riverside set up a drive-through, no-appointment testing site. By July when cases spiked, many in the community flocked to the drive-through testing site, including some who had no symptoms but had lost close family members to the disease.

Abdullahi Salad was among those getting tested. Salad, owner of two businesses in Cedar-Riverside, tested positive for COVID-19 in April. Between May and November, Salad lost nine family members to the disease. At least six of his regular customers also died of the disease.

"2020 was one of the most painful and scariest times in my life," Salad said. "I'm still recovering from that trauma."

The community's knowledge of the virus, he said, has changed drastically. Salad said people are now taking COVID seriously.

"It's nobody's fault in the community that we became a hot spot," Salad said. "We weren't getting the state government's early COVID warnings in a language many of our members understand."

Since April, the People's Center clinic has conducted more than 10,000 tests. The number of cases coming back positive has dramatically decreased from the heightened months of July, August and September when the clinic had high rates of positivity among its Black population.

"Many of our families here who live in the Cedar-Riverside area live in multigenerational houses," said Ann Rogers, CEO of the People's Center Clinics & Services. "So, when you're living in a small setting, we also know that the spread of the COVID virus can take place and latch on much, much easier."

On a recent afternoon, the first floor of the People's Center Clinic offered a glimmer of hope to a community that has suffered most from the pandemic. Clinic staff had just wrapped up a long afternoon of testing, an Ethiopian woman danced as she got her first shot of vaccine while elderly Somalis encouraged one another as they waited for their first dose.

"The vibe is hopeful right now," Rogers said. "We're getting a handle on it."

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