



Revised **NOTICE AND AGENDA**

July 28, 2021

A SPECIAL MEETING OF THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY IN AND FOR THE CITY OF MINNEAPOLIS WILL BE HELD VIA TELECONFERENCE AT 1:30 P.M. 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, via teleconference

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 June 23, 2021

RESIDENT ADVISORY BOARD – RAB Chairperson Comments

EXECUTIVE DIRECTOR’S UPDATE

DISCUSSION:

1. Contract – Security Guard Services (Mary Boler, Director of Operations)

RESOLUTION:

2. Emergency Housing Voucher Joint Powers Agreement (Kyle Hanson, Director - HCV)



3. Authorization to Execute a Deferred Loan Repayment (Laura Dykema, Director of Planning & Development)

RECEIVE AND FILE:

- Monthly Performance Report for June 2021 (Abdi Warsame, Executive Director / CEO)
- Newsletters and News Clippings (Jennifer Keogh, Deputy Executive Director)
- MPHA 2022 “Draft” Moving to Work Plan (Jennifer Keogh, Deputy Executive Director)

Next Regular Meeting:

**Wednesday, August 25, 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
June 23, 2021**

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in a special meeting at 1:37 p.m. on June 23, 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
Mikkel Beckmen	Secretary
Abdullahi Isse	Commissioner
Cara Letofsky	Commissioner
Tamir Mohamud	Commissioner
Hon. James Rosenbaum	Commissioner
Faith Xiong	Commissioner

(Commissioner Isse arrived at 1:52 p.m.)

The following members of the Board were absent:

Tessa Wetjen	Commissioner
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The following others were also present:

Jennifer Keogh	Deputy Executive Director
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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 Rosenbaum. Upon a roll call vote, seven Commissioners voted “aye” (Commissioners Beckmen, Brennan, Letofsky, Mohamud, Rosenbaum, Xiong and Chair Issa) and no Commissioner voted “nay”. The Chair declared the motion carried.

Approval of Minutes:

The Minutes of a Special Meeting of May 26, 2021, were presented for approval. Commissioner Letofsky moved the minutes be accepted as presented. The motion was seconded by Commissioner



Mohamud. Upon a roll call vote, seven Commissioners voted “aye” (Commissioners Beckmen, Brennan, Letofsky, Mohamud, Rosenbaum, Xiong and Chair Issa) and no Commissioner voted “nay”. The Chair declared the motion carried.

Resident Advisory Board:

On behalf of RAB Chair, Lisa Anderson, MPHA Deputy Executive Director Jennifer Keogh spoke briefly on the agenda items presented by MPHA staff. They also discussed the upcoming MTW planning session for which the RAB will be participating in this summer.

Executive Director’s Update:

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

June is Homeownership Month: June is National Homeownership Month! MPHA is proud of our successful homeownership program; Lease-to-Own. Through our program, MPHA is helping families build wealth and close the gap in homeownership rates. The Lease-to-Own program provides an opportunity for 24 households to own an affordable, two-bedroom townhome located in the Heritage Park neighborhood in Minneapolis. Out of the 24 units available to low-income families, we have successfully met homeownership goals for 75 percent of the units. Congratulations to all our Heritage Park homeowners! We would like to acknowledge Marci Holley who has elevated the work being done on our Lease-to-Own program. She has successfully closed on several homes, and we are thankful for all her great work.

Mayor Frey Holds Press Conference at Elliot Twins: Earlier this month, Mayor Frey held a press conference at the Elliot Twins to announce his proposed \$28 million investment in affordable housing as part of his recommended use of the American Rescue Plan funding the City of Minneapolis received from the Federal Government. Mayor Frey has included \$4.6 million to support MPHA’s 84-unit new scattered site development within his proposal. During his press conference, Mayor Frey highlighted the city’s previous financial support of the Elliot Twins rehabilitation and the importance of continued local government partnerships to further affordable housing preservation and creation. The City Council will vote on the proposed use of American Rescue Plan funding on July 2, 2021.

Elliot Twins Progress: There has been great progress at the Elliot Twins over the past month. At both towers, roof and window replacements have been completed and the installation of the exterior panels at the second tower are scheduled to be completed in early August. Fifty percent of apartments at 1225 are finished and work continues to complete more apartments in July. Site work and landscaping are well underway, and we are on track to complete the project this fall.

Scattered Sites Rehab: We continue to plan for a significant debt raise to fund large scale improvements to the scattered sites which we anticipate closing on in early 2022. As previously communicated, MPHA issued an RFP for a General Contractor/Consultant to help plan and manage the future improvements; our firm recommendation will be presented to the CHR Board today.



Scattered Sites New Construction: We continue to plan for an 84-unit new scattered sites project that will be constructed on approximately 16 sites across the city. We've started design and construction planning with our architect/general contractor team and are working to secure project funding. We submitted an application to the Federal Home Loan Bank in early June for \$750,000 dollars and the Mayor of Minneapolis recently announced his recommendation to provide \$4.6 million in ARP funds for this project.

Sprinklers at Multiple MPHA Highrises: As previously approved by the Board, MPHA plans to install fire sprinklers at nine properties this year, and in two additional properties if Minnesota Housing, Publicly Owned Housing Program (POHP) funds are awarded. Invitation for bids for the projects have now been published and we hope to issue construction contracts and start this important work this summer.

Emergency Housing Vouchers: MPHA received a new allocation of Emergency Housing Vouchers from the Federal Government. The award funds 246 vouchers that will serve currently homeless families. The vouchers come with additional administrative funds, and \$3500 dollars per family to help their transition by paying security deposits or other family needs to help them get stabilized. MPHA will be entering a memorandum of understanding with Hennepin County Continuum of Care for referrals. In July, the board will be asked to approve a Joint Powers Agreement that will allow special use of these vouchers in the broader metro region.

Item No. 1: Masonry Repairs and Window Replacement at Three High-Rises

After a brief presentation by staff and discussion, Commissioner Isse moved approval of the recommendation set forth in the Report. Commissioner Rosenbaum seconded the motion. Upon a roll call vote, eight Commissioners voted "aye" (Commissioners Beckmen, Brennan, Isse, Letofsky, Mohamud, Rosenbaum, Xiong and Chair Issa) and no Commissioner voted "nay". The Chair declared the motion carried. [See Document No. 2021-23]

Receive and File Items:

After a brief presentation by staff and discussion, Commissioner Xiong moved approval of the Receive and File items. Commissioner Isse seconded the motion. Upon a roll call vote, eight Commissioners voted "aye" (Commissioners Beckmen, Brennan, Isse, Letofsky, Mohamud, Rosenbaum, Xiong and Chair Issa) and no Commissioner voted "nay". The Chair declared the motion carried.

The following items were received and filed by the Board:

- The Monthly Performance Report for May 2021. [See Document No. 2021-24]
- Newsletters and News Clippings [See Document No. 2021-25]
- Project Based Voucher (PBV) Request for Proposals (RFP) Issuance [See Document No. 2021-26]

Adjournment:

There being no further business to come before the Board, Commissioner Rosenbaum moved approval to adjourn the meeting. Commissioner Isse seconded the motion. Upon a roll call vote, eight Commissioners voted "aye" (Commissioners Beckmen, Brennan, Isse, Letofsky, Mohamud, Rosenbaum,



Xiong and Chair Issa) and no Commissioner voted “nay”. The Chair declared the motion carried. The meeting was adjourned at 2:08 p.m.

Secretary of the Board of Commissioners

Date These Minutes Approved



July 28, 2021

Agenda Item 1

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Contract - Security Guard Services

Previous Directives: On August 24, 2016, the Board authorized the Executive Director to enter into MPHA contract No. 16.071, engaging Securitas Security Services USA, Inc. (Securitas), to provide security guard services at MPHA highrises, Glendale, and Central Office properties for a two-year period beginning September 30, 2016, with an option for three additional one-year contract extensions. This contract (and its extensions) is now terminating

Resident Council Review/Recommendation: The MPHA Security Advisory Committee (SAC), Minneapolis Highrise Representative Council (MHRC) staff, and MPHA staff reviewed the proposals and evaluated and scored the proposals received. This matter was also be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's July meeting.

Budget Impact: Security guard services impact the MPHA Budgets in each of the agency's five Highrise Asset Management Projects (AMPs), along with summer services at the Glendale AMP, and the Central Office. The 2021 budget for these services is \$3.98 Million.

Affirmative Action Compliance: Securitas has an Affirmative Action Policy that has been approved by the State of Minnesota.

Procurement Review: This Report has been reviewed and approved by the MPHA Contracting Officer.

RECOMMENDATION: It is recommended that the Board of Commissioners authorize the Executive Director or his designee to execute a contract with Securitas with a not-to-exceed amount of \$3.98 million per year for the first two years, with an annual increase of 4% beyond that. This will initially be a two-year contract with the option at MPHA's discretion to extend the contract up to 36-additional months, for a total maximum contract period of 60-months.

On May 11, 2021, MPHA published an RFP for security guard services. Nine companies submitted responsive proposals: Allied Universal Security Services; American Guard Services,



Inc; Inter-Con Security Systems, Inc; Next Global Security, Inc; RS Executive Protection; Securitas Security Services USA, Inc.; Talon Investigation, Ltd; United Security Solutions, LLC; and Whelan Security of Illinois, Inc DBA GuardaWorld Security Services.

MPHA formed an evaluation committee of MPHA residents, MHRC staff, and MPHA staff and ranked each proposal on the greatest value to MPHA. Evaluation criteria included relevant experience and past performance providing similar services of this scope; staff expertise; management and quality control plan for oversight; overall quality and demonstrated understanding of MPHA's requirements; and proposed fees. Securitas was the top-rated proposer and scored well in relation to others based on fees.

Securitas has provided security guard services to MPHA in each of the last 19 years. MPHA property management, executive, and legal staff all report favorable experiences with Securitas and believe that Securitas has consistently demonstrated its capacity to provide high quality security services to MPHA.

Securitas security guards are represented for purposes of collective bargaining by the Service Employees International Union (SEIU) and are compensated in accordance with the multi-employer, area-wide collective bargaining agreement in effect between SEIU and the local organized security industry.

The proposed contract is for two years with the option at MPHA's discretion to extend the contract multiple times, up to 36-additional months, for a total maximum contract period of 60-months. The hourly rate for security guards at the properties under the proposed contract will be \$26.68 per hour during the initial two-year contract.

Based on the current utilization of security guards, command center staff, mobile patrols and the security supervisors, the two-year cost for security guard services under the proposed contract would not exceed \$8 million. This amount far exceeds the amount that MPHA spent on security guard services in 2019, however with the continued challenges in the neighborhoods and the rise in crime surrounding the highrises, this level of service is necessary. Staff is aware that it may be necessary to consider reductions in security guard utilization based upon available financial resources and improved conditions in the city. The proposed contract is a not to exceed contract which allows MPHA to reduce hours during the life of the contract.

In the seven-county metropolitan area, the Securitas work force is comprised of 23% women and 69% minority employees. The workforce currently assigned to MPHA is comprised of 89% minority employees and 22% women employees, and an estimated 1% are MPHA residents. The Securitas supervisory team currently assigned to MPHA is 100% minority and 0% women.

This Report was prepared by Mary Boler, Director of Operations, Low Income Public Housing Division. For further information, please contact Ms. Boler at 612-342-1453 (or mboler@mplspha.org) or Jake Gateman, Director of Procurement at 612-342-1423 or jgateman@mplspha.org.



July 28, 2021

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director/CEO

SUBJECT: Emergency Housing Voucher Joint Powers Agreement

Previous Directives: Not applicable

Resident Notification: This matter will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's July 2021 Meeting.

Impact on Budget: The Joint Powers Agreement will save significant staff time and will ease the complex rules of the portability billing process. Managing the vouchers in-house will also allow us to receive the full administrative fee for these vouchers.

Procurement Review: Not applicable

Affirmative Action Compliance: Not applicable

Recommendation: It is recommended that the Board of Commissioners approve the proposed Joint Powers Agreement between the Minneapolis Public Housing Authority and the Metropolitan Council HRA to allow Emergency Housing Vouchers to be placed anywhere within our two jurisdictions without porting to the other agency.

The U.S. Department of Housing and Urban Development ("HUD") awarded 218 Emergency Housing Vouchers ("EHVs") to the Metropolitan Council and 246 EHV's to the MPHA to help address and avoid homelessness of program-eligible households. The rules around portability to other jurisdictions are cumbersome and confusing for participants and service providers.

To ease the burden on housing authority staff, participants and service agencies, the HCV program would like to propose that we enter a Joint Powers Agreement with the METRO HRA. This will allow these Emergency Housing Vouchers to be placed anywhere within our two jurisdictions without porting out to the other agency. This will save administrative costs, allow for faster placement of vouchers and expand housing choice.

This report was prepared by Kyle Hanson, Director of HCV. For further information please contact Mr. Hanson at (612) 342-1420 khanson@mplspha.org.



Agenda Item 2

July 28, 2021

PROPOSED

RESOLUTION No. YY-###

METROPOLITAN COUNCIL Business Item Agreement No. 2021-159
MPHA Resolution No. 21-214

JOINT EXERCISE OF POWERS AGREEMENT BETWEEN THE METROPOLITAN COUNCIL AND THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY FOR THE ADMINISTRATION OF EMERGENCY HOUSING VOUCHERS IN THE CITY OF MINNEAPOLIS AND SUBURBAN COMMUNITIES

THIS AGREEMENT (“Agreement”) is between the Minneapolis Public Housing Authority in and for the City of Minneapolis (the “MPHA”) and the Metropolitan Council (the “Council”), acting through its Metropolitan Housing and Redevelopment unit (“Metro HRA”).

WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) awarded 218 Emergency Housing Vouchers (“EHVs”) to the Council and 246 EHV’s to the MPHA to help address and avoid homelessness of program-eligible households; and

WHEREAS, HUD Notice PIH 2021-15 (HA) (issued May 5, 2021) establishes operating requirements for the EHV’s which otherwise are administered under the federal Section 8 Housing Choice Voucher (“HCV”) program rules; and

WHEREAS, the Council administers federal Section 8 HCV program assistance for households in Anoka, Carver, and most of suburban Hennepin and Ramsey counties (excluding the cities of Minneapolis, Saint Paul, Bloomington, Plymouth, Richfield, and St. Louis Park) and the MPHA administers a federal Section 8 HCV program within the City of Minneapolis but does not administer Section 8 HCV assistance in suburban areas (the Council’s and the MPHA’s respective “jurisdictions”); and

WHEREAS, under Minnesota Statutes, section 473.195, subdivision 1, the Council cannot administer Section 8 assistance in Minneapolis unless the Council enters into a joint or other cooperative agreement with the MPHA for the administration of Section 8 assistance in Minneapolis; and

WHEREAS, the MPHA and the Council normally would administer their respective vouchers under the “portability” provisions of the federal Section 8 HCV program rules, but HUD Notice PIH 2021-21 waives normal portability rules for the EHV program and the MPHA and the Council believe it is more administratively efficient and cost-effective, and in the best interests of the EHV households, for the Council and the MPHA to administer their respective EHV in the other’s jurisdiction for EHV households who locate eligible housing outside of the MPHA’s and the Council’s respective jurisdictions; and

WHEREAS, the Council and the MPHA are “governmental units” under Minnesota Statutes, section 471.59, subdivision 1, and are authorized under section 471.59, subdivision 1(a) to cooperatively exercise any power common to the contracting parties or any similar powers, including those powers which are the same except for the territorial limits within which those powers may be exercised; and

WHEREAS, the Board of Commissioners of the Minneapolis Public Housing Authority approved this Agreement by action at its July, 28th 2021 meeting (Resolution No. 21-214) and the governing body of the Metropolitan Council approved this Agreement by action at its July 14, 2021 meeting (Business Item No. 2021-159).

NOW, THEREFORE, the MPHA and the Council agree as follows:

I. PURPOSE

1.01 Purpose. The purpose of this Agreement is to: (1) authorize the Council to administer EHV in the City of Minneapolis subject to the terms and conditions in this Agreement; and (2) authorize the MPHA to administer EHV in the Council’s Section 8 jurisdiction subject to the terms and conditions in this Agreement.

II. DEFINITIONS

2.01 Definitions. For the purposes of this Agreement, the following terms have the meanings ascribed to them in this section, unless otherwise indicated by the context:

(a) “**Absorbed**” means the point at which a receiving Public Housing Agency (“PHA”) stops billing the initial PHA and starts making assistance payments on behalf of an eligible Section 8 HCV household with funding under its consolidated Annual Contributions Contract with HUD.

(b) “**Administrative Plan**” means the written administrative plan required under federal regulations (24 C.F.R. § 982.54) that establishes a PHA’s policies for the administration of its Section 8 HCV program. The Administrative Plan may be amended from time to time.

(c) “**Continuum of Care (CoC) program**” means the federal Continuum of Care program authorized under Subtitle C of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. §§ 11381-11389), as amended, and its implementing regulations (24 C.F.R. Part 587).

(d) “**Effective Date**” means the date this Agreement has been fully executed by both Parties’ authorized representatives.

(e) “**Participant Households**” means eligible individuals or families receiving assistance from the Council or the MPHA under the EHV program. Participant Households does not include any households other than EHV Participant Households.

(f) “**Portability**” means the statutory and regulatory provisions (24 C.F.R. § 982.355) under which a person or family moves (in accordance with 24 C.F.R. § 982.353(b)) to an area outside the “initial” PHA jurisdiction and whose Section 8 HCV assistance is administered by the “receiving” PHA if a PHA with a Section 8 HCV program has jurisdiction in the area where the unit is located.

III. TERM, EXPIRATION, AND TERMINATION

3.01 Term. This Agreement is effective on the Effective Date.

3.02 Expiration. Unless this Agreement is terminated earlier under Section 3.03, the Council’s authority to administer EHV assistance in Minneapolis will expire on the date when no Participant Household receiving EHV assistance from the Council resides in the City of Minneapolis, and the MPHA’s authority to administer EHV assistance in the Council’s jurisdiction will expire on the date when no Participant Household receiving EHV assistance from the MPHA resides in the Council’s jurisdiction.

3.03 Termination. This Agreement may be terminated or rescinded by either Party for any reason upon 90 days’ prior written notice to the other Party.

IV. COOPERATIVE EXERCISE OF POWERS

4.01 Implementation. The Council and the MPHA intend to implement this Agreement in a manner that is least disruptive to the Participant Households and that allows the MPHA and the Council to efficiently administer their respective EHV. The MPHA and the Council will

administer their respective EHV in accordance with the program requirements established in HUD Notice PIH 2021-15 (as amended, updated, or modified during the term of this Agreement), which are incorporated into and are part of this Agreement. A copy of the Notice is available at: [Emergency Housing Vouchers-Operating Requirements](#).

(a) ***Council Responsibilities.*** To implement this Agreement the Council will:

- (1) receive referrals from CoCs, process Participant Household applications for EHV assistance, and determine Participant Household eligibility for EHV assistance for dwelling units the Participant Households occupy;
- (2) inspect EHV units in accordance with HUD Housing Quality Standards;
- (3) enter into Housing Assistance Payment contracts with the owners or property managers of the dwelling units occupied by the Participant Households;
- (4) administer EHV assistance for Participant Households in accordance with the Council's HCV Administrative Plan and HUD Notice PIH 2021-15 program requirements; and
- (5) notify the MPHA when no Participant Households receiving EHV assistance from the Council reside in the City of Minneapolis.

(b) ***MPHA Responsibilities.*** To implement this Agreement the PHA will:

- (1) receive referrals from CoCs, process Participant Household applications for EHV assistance, and determine Participant Household eligibility for EHV assistance for the dwelling units the Participant Households occupy;
- (2) inspect EHV units in accordance with HUD Housing Quality Standards;
- (3) enter into Housing Assistance Payment contracts with the owners or property managers of the dwelling units occupied by the Participant Households;
- (4) administer EHV assistance for Participant Households in accordance with the MPHA's HCV Administrative Plan and HUD Notice PIH 2021-15 program requirements; and
- (5) notify the Council when no Participant Households receiving EHV assistance from the MPHA reside in the Council's jurisdiction.

4.02 No Obligation to Absorb. Unless this Agreement is terminated or rescinded under Section 3.03, the MPHA and the Council are not obligated to absorb any Participant Household into the MPHA's or the Council's respective Section 8 HCV program while the Participant Household lives in a dwelling unit for which the Participant Household is receiving EHV assistance from the MPHA or the Council.

4.03 Collaborative Efforts. On an as-needed basis, or as requested by a Party, the Parties

will confer with each other on the status and implementation of the EHV's and this Agreement.

4.04 No Disbursement of Funds. Neither Party will disburse any administrative fees or other funds to the other Party under this Agreement. The MPHA and the Council will be responsible for their own costs and expenses and will not be responsible for the other Party's costs and expenses.

V. GENERAL PROVISIONS

5.01 Amendments. This Agreement may be amended by written agreement signed by the Parties' duly authorized signatories. Any substantive amendments to this Agreement must be approved by action of the Council's governing body and action of the Board of Commissioners of the Minneapolis Public Housing Authority.

5.02 Authorized Representatives. For the purposes of administering this Agreement and receiving notices relating to this Agreement, the Parties' authorized representatives (or their successors) are:

For the Metropolitan Council:

Terri Smith, Director Metro HRA
390 Robert Street North
Saint Paul, Minnesota 55101
terri.smith@metc.state.mn.us

For the Minneapolis Public Housing Authority:

Abdi Warsame, Executive Director
1001 Washington Avenue North
Minneapolis, Minnesota 55401
abdiwarsame@mplspha.org

If the Council or the MPHA designates a different authorized representative the Council and the MPHA will notify the other Party about the designation. The authorized representatives may not execute amendments to this Agreement unless their respective governing bodies or their respective administrative policies and procedures authorize them to execute amendments.

5.03 Government Data; Privacy. Data on Participant Households, including their home addresses, are classified as private data on individuals under Minnesota Statutes, section 13.462, subdivisions 1 and 3. Data on Participant Households that may be shared by the Parties under this Agreement will be administered consistent with Minnesota Statutes chapter 13, and other applicable state and federal laws and regulations. Information on the Participant Households may qualify as Homeless Management Information System ("HMIS") information under federal law.

5.04 Liability. Pursuant to Minnesota Statutes, section 471.59, subdivision 1a, the Council and the MPHA will be responsible for their own acts and omissions and the results of those acts or omissions. Neither the Council nor the MPHA waives any tort liability limitations conferred on them by Minnesota Statutes, sections 466.04, or 471.59, subdivision 1a, or any other liability limitations or immunities conferred on them by state or federal law.

IN WITNESS WHEREOF, the MPHA and the Council have caused this Agreement to be executed by their duly authorized signatories.

**MINNEAPOLIS PUBLIC
HOUSING AUTHORITY**

By: _____
Abdulkadir Yassin Warsame
Executive Director/CEO

Date: _____

METROPOLITAN COUNCIL

By: _____
Lisa Beth Barajas
Executive Division Director
Community Development

Date: _____



July 28, 2021

Agenda Item 3

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Authorization to Execute a Deferred Loan Repayment Agreement

Previous Directives: The Board has previously authorized MPHA to enter into deferred loan repayment agreements under this program for four other projects. Additionally, the Board authorized MPHA to execute a contract for comprehensive building modernization at 1611 South Sixth Street at its February 27, 2019 meeting.

Resident Association Notification: This matter will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's July 28, 2021 meeting.

Impact on MPHA Budget: Provides funding for budgeted activities.

Affirmative Action Compliance: Not Applicable.

Procurement Review: Not Applicable.

RECOMMENDATION: It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Executive Director or his designee to execute a deferred Loan Repayment Agreement and all related documents with Minnesota Housing for \$1,811,519.

MPHA applied for and was awarded through Minnesota Housing's Publicly Owned Housing Program (POHP) a \$1,811,519 deferred loan which will provide funding to cover some of the costs related to comprehensive building modernization at 1611 South Sixth Street. The project involved complete plumbing replacement, HVAC systems improvements, installation of a fire suppression system, fire alarm replacement, and apartment improvements including new kitchen countertops, tub surrounds, flooring, and handicapped accessibility upgrades in six units.

MINNEAPOLIS PUBLIC HOUSING AUTHORITY
EQUAL HOUSING OPPORTUNITY – EQUAL EMPLOYMENT OPPORTUNITY



Minnesota Housing has offered a non-interest deferred repayment loan for \$1,811,519 to MPHA. The loan has a term of 20 years and is forgiven and extinguished with no repayment required if MPHA continues to operate and manage the development as public housing for public housing residents. MPHA opted for an end loan which is executed after construction is complete. Minnesota Housing requires this resolution be passed within 90 days of loan closing which will be scheduled for late summer 2021.

This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 342-1428 or ldykema@mplspha.org.



RESOLUTION NO. 21- 215

WHEREAS, The Minnesota Legislature authorized Minnesota Housing to make loans for the rehabilitation of public housing; and

WHEREAS, the Minneapolis Public Housing Authority (MPHA) has applied for such loan and has been awarded a \$1,811,519 no-interest deferred payment loan to provide building improvements at Cedar High Apartments located at 1611 South Sixth Street, Minneapolis, Minnesota; and

WHEREAS, on this 28th day of July, 2021, there has been presented to the MPHA Board of Commissioners, a proposal for MPHA to borrow a zero-interest, forgivable loan from Minnesota Housing, a public body corporate and politic of the State of Minnesota, 400 Wabasha Street North, Suite 400, St. Paul, Minnesota 55102, (the “Agency”) in an amount not to exceed \$1,811,519, (the “Loan”) that will be forgiven in 20 years, which Loan will be evidenced by a Deferred Loan Repayment Agreement. Further, a General Obligations Bond Declaration of Covenants, Conditions and Restrictions (the “G.O. Declaration”) and a Publicly Owned Housing Program Declaration of Covenants, Conditions and Restrictions (the “POHP Declaration”) shall be executed in connection with the Loan, the terms of which require that (i) the MPHA retain ownership of the Development located in the County of Hennepin, State of Minnesota and more fully described in Exhibit A attached hereto and made a part hereof, and (ii) provides public housing for a term of 35 years. The Mortgage Note; Regulatory Agreement; Declaration of Covenants, Conditions, and Restrictions; Deferred Loan Repayment Agreement; G.O. Declaration; POHP Declaration; and any other Agency-required document are referred to collectively as the “Loan Documents”.

NOW THEREFORE BE IT RESOLVED, that Abdi Warsame, Executive Director / CEO of the Minneapolis Public Housing Authority is authorized at any time hereafter and without further action by or authority or direction from the MPHA Board of Commissioners, to execute and deliver to the Agency in such form as may be required by the Agency, any and all Loan Documents evidencing the indebtedness.

BE IT FURTHER RESOLVED, by the members of MPHA, that MPHA be and it hereby is authorized to borrow the funds referred to hereinabove from the Agency;

BE IT FURTHER RESOLVED, that Executive Director of the Minneapolis Public Housing Authority is authorized at any time hereafter and without further action by or authority or direction from the Board of Commissioners, to execute and deliver or cause to be executed and delivered, all such other further agreements, assignments, statements, instruments, certificates and documents and to do or cause to be done all such other and further acts and things as they may determine to be necessary or advisable under or in connection with such borrowing, and that their execution of any such agreement, assignment, statement, instrument, certificate or document, or the doing of any such act or thing, shall be conclusive evidence of their determination in that respect;



BE IT FURTHER RESOLVED, that Minnesota Housing be and hereby authorized to rely on continuing force and effect of this Resolution until receipt by the Commissioner of Minnesota Housing at its principal office of notice in writing from the MPHA of any amendments or alterations thereof.

Exhibit A

Legal Description

Block 14 except Lots 7 and 8 and the Northeasterly 35 feet of Lots 5 and 6, and Block 15, Atwaters Addition to the Town of Minneapolis including that part of adjacent vacated 17th Avenue South lying Northwesterly of said Block 14 and Southeasterly of said Block 15. Part of which is registered property as evidenced by:

The Northwesterly Half of Lot 11, Block 15, except the rear or Southwesterly 35 feet thereof, Atwaters Addition to the Town of Minneapolis, according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County; and

Lot 11 in Block 14 in Atwaters Addition to the Town of Minneapolis, according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County; and

Lot 8 in Block 15 of Atwater's Addition to Minneapolis according to the official plat of said Addition on file or of record in the office of the Register of Deeds in and for said Hennepin County; and

The Northwesterly 26.5 feet of Lot 1, Block 15, Atwaters Addition to the Town of Minneapolis, according to the recorded plat thereof; and

Northwesterly 31 feet of Northeasterly 100 feet of Lot 12 in Block 15 in Atwaters Addition to the Town of Minneapolis, according to the plat thereof on file and of record in the office of the Register of Deeds in and for said County.

AND

Parcel 1:

All that part of Lot 10, Block 26, Atwaters Addition to the Town of Minneapolis lying Northeasterly of the right of way of the Chicago, Milwaukee & St. Paul Railroad, according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County.

Parcel 2:

That part of Lot 11, Block 26, Atwaters Addition to the Town of Minneapolis described as follows: Commencing at the Northeasterly corner of said Lot; thence Northwesterly along Northeasterly line of said Lot, 27 feet; thence Southwesterly at right angles to a point which is distant 34 feet Northeasterly measured at right angles from center line of main track of Chicago, Milwaukee & St. Paul Railway Company as originally located and established through said Block; thence Southeasterly parallel to said center line to Southeasterly side of said Lot; thence Northeasterly along line last aforesaid to place of beginning, according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County.

Parcel 3:

All that part of Lots 7, 8 and 9 in Block 26 Atwater's Addition to the Town of Minneapolis described as follows to-wit: Beginning at the Northeast corner of said Lot 7 formed by the intersection of the Southwesterly line of Seventh Street South and the Northwesterly line of Seventeenth Avenue South in the City of Minneapolis; thence Southwesterly along the Southeasterly line of said Lot 7 a distance of 172.84 feet to a point; thence Northwesterly a distance of 197.54 feet to a point on the Northwesterly line of said Lot 9 distant Southwesterly 64.91 feet from the Southwesterly line of said Seventh Street; thence Northeasterly along the Northwesterly line of said Lot 9, 64.91 feet to said Southwesterly line of Seventh Street South; thence Southeasterly along the Southwesterly line of said Seventh Street a distance of 165.45 feet to the point of beginning, according to the plat thereof on file and of record in the office of the Register of Deeds in and for said Hennepin County.

Those parts of Lot 12, Block 27, and of the adjoining vacated 7th St. and Avon St. (also known as 17th Avenue South) described as beginning at the point of intersection of the center lines of said vacated streets; thence Easterly along the center line of 7th St. to its intersection with the Northerly extension of the Easterly line of said Lot; thence Southerly to a point on the Easterly line of said Lot 75 feet Southerly from the most Easterly corner of said Lot; thence Westerly along a line passing through a point on the Westerly line of said Lot 85 feet from the most Northerly corner of said Lot to the center line of Avon St.; thence Northerly to the point of beginning; all in Atwaters Addition to the Town of Minneapolis, according to the recorded plat thereof.

The Northeasterly 35 feet of Lots 5 and 6 and all of Lots 7 and 8, Block 14, Atwaters Addition to the Town of Minneapolis; and that part of vacated 7th Street South lying Northwesterly of the Southwesterly extension of the Southeasterly line of said Block 14, and Southeasterly of the Northeasterly extension of the Northwesterly line of Block 26, Atwaters Addition to the Town of Minneapolis; and that part of the Northwesterly Half of vacated 17th Avenue South lying Southwesterly of the Northwesterly extension of the Southwesterly line of Block 14, Atwaters Addition to the Town of Minneapolis and Northeasterly of the Northwesterly extension of a line running from a point on the Easterly line of Lot 12, Block 27, Atwaters Addition to the Town of Minneapolis distant 75 feet Southerly from the most Easterly corner of said Lot to a point on the Westerly line of said Lot 12 distant 85 feet from the most Northerly corner of said Lot.

Being both Abstract and Torrens, with the Registered land as is evidenced by Certificate of Title Nos. [332593](#), [332598](#), [336735](#), [339400](#), [339773](#), [441110](#) and [477777](#).



Monthly Performance Report

Minneapolis Public Housing Authority
Board of Commissioners
For the month ending June 31, 2021

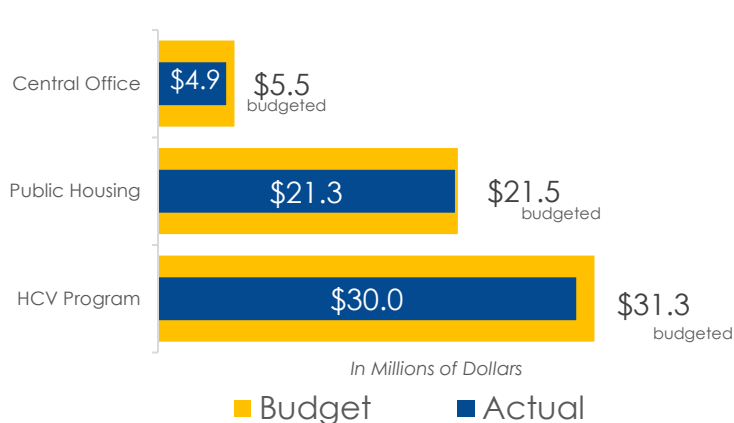
Contents

1. Financials
2. Performance of Operations
 - Public Housing Programs
 - Housing Choice Voucher Programs
3. Building Improvement and Development Projects
 - Update on Elliot Twins RAD Conversion and Scattered Sites Section 18 Process
4. Inquiry Response and Social Media

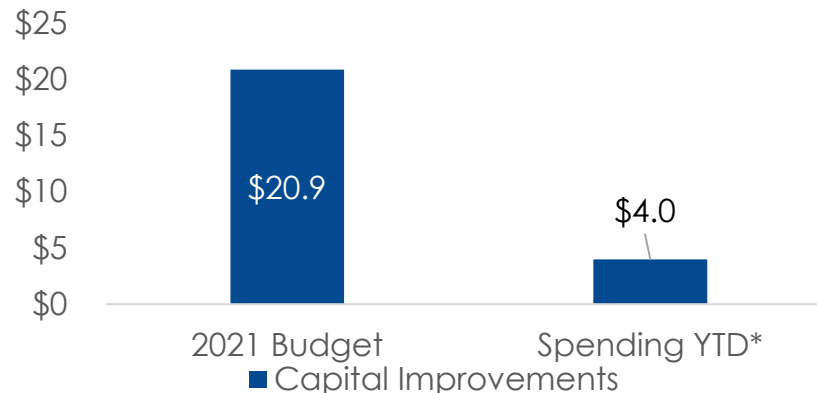
Operating Sources and Uses MTW Public Housing and Housing Choice Voucher (HCV) Program

Sources	YTD Budget	YTD Actual	Favorable (Unfavorable) Variance	Variance %
Tenant Revenue -Rents & Other	\$ 8,394,900	\$ 8,430,162	\$ 35,262	0%
Public Housing Operating Subsidy	\$ 10,859,388	\$ 12,502,473	\$ 1,643,085	15%
HCV HAP Subsidy & Admin Fees	\$ 30,410,185	\$ 29,175,325	\$ (1,234,860)	-4%
Other Revenues, Fees, & Grants	\$ 1,402,374	\$ 1,214,954	\$ (187,420)	-13%
Transfers-In	\$ 125,000	\$ 183,332	\$ 58,332	47%
Total Sources	\$ 51,191,847	\$ 51,506,246	\$ 314,399	1%
Uses				
Public Housing Operations	\$ 21,464,609	\$ 21,285,832	\$ 178,777	1%
Housing Choice Vouchers	\$ 31,258,965	\$ 30,033,662	\$ 1,225,303	4%
MTW Initiatives and Other Services	\$ 191,322	\$ 39,663	\$ 151,659	79%
Total Uses	\$ 52,914,896	\$ 51,359,157	\$ 1,555,739	3%
Net Sources/(Uses)	\$ (1,723,049)	\$ 147,089	\$ 1,870,138	109%

Year to Date (YTD) Expenses



MTW Capital Fund Program

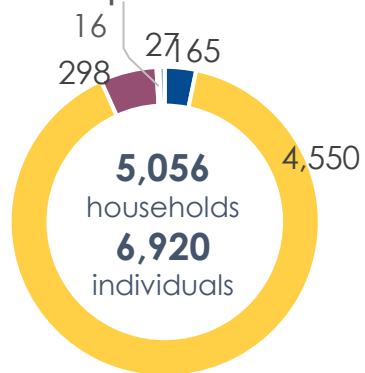


*An additional \$6.8 million is under obligation for capital projects YTD

Public Housing Programs



Occupied Units*



- Glendale
- MHOP
- Scattered Sites
- Highrise
- Minnehaha Townhomes

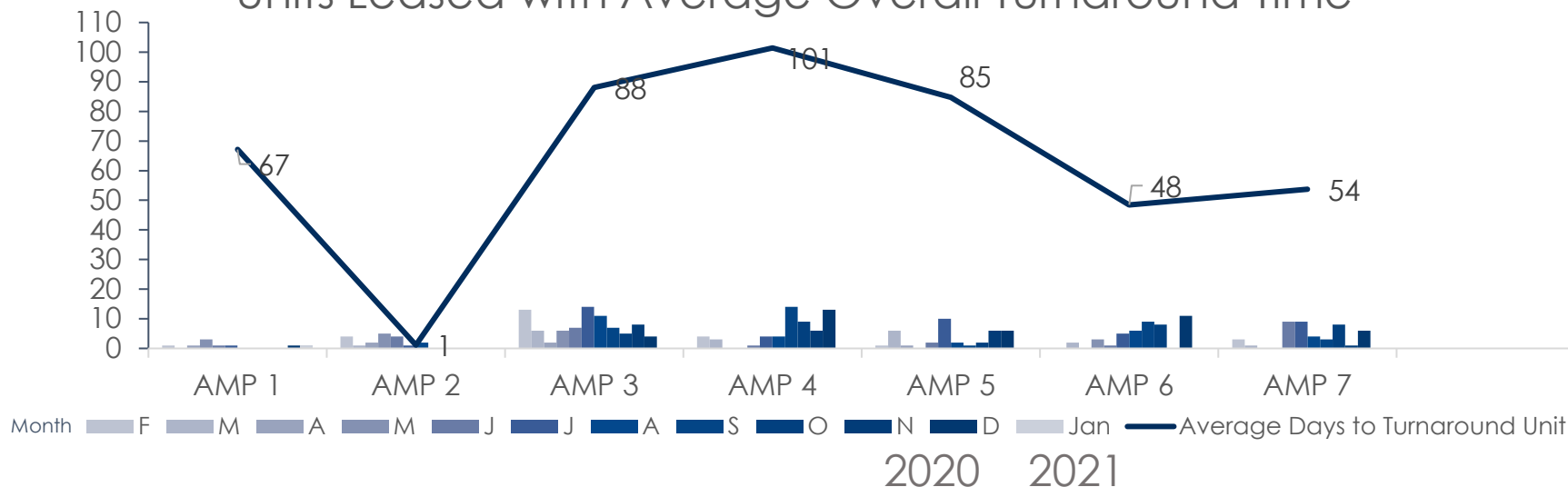
47

new units leased
during month

95.6%

occupancy

Units Leased with Average Overall Turnaround Time***



*At any given time, units may be vacant due to normal unit turnaround or because they are undergoing renovations.

**Metropolitan Housing Opportunities Program (Hollman consent decree units owned and operated by third-parties)

***Update to this metric pending software conversion reconciliation

Public Housing Programs

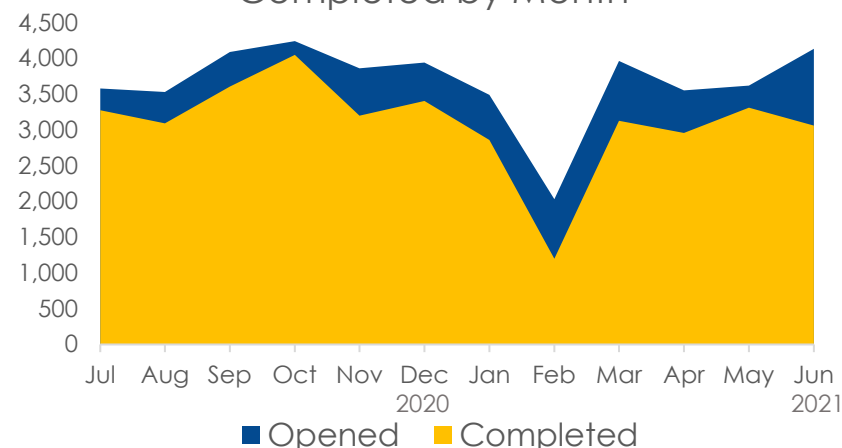


Reason for Vacating Unit	Count
Death	9
Found Alternative Housing	7
Moving in with or closer to Family	3
Other	2
To Nursing Home	2
Change in Family Composition	1
Purchased Home	1
Moving Out of Town	1
Mutual Agreement	1
Illness	1
Left Country	1
Dislike Unit	1
Dislikes Neighborhood	1

Applicants on Waiting List

Family	7,833
Disabled (18 - 49)	4,360
Near Elderly (50-61)	3,425
Elderly (62+)	356

Work Orders Opened and Completed by Month

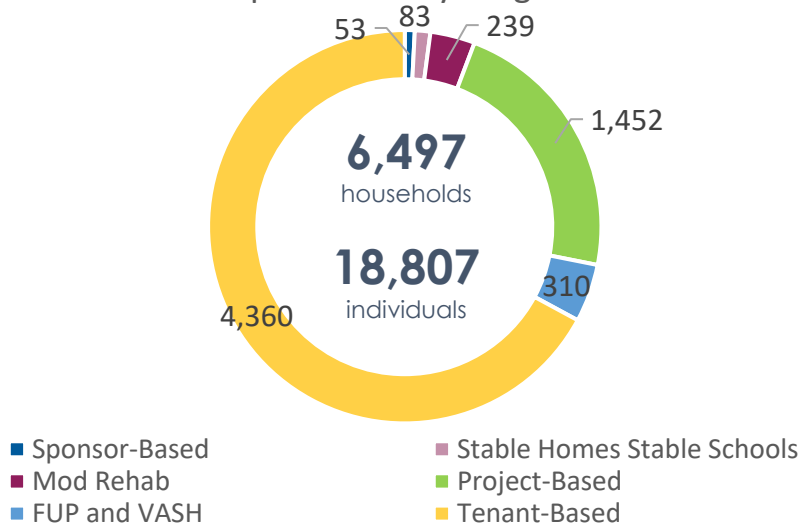


Goal	Total Completed	% Completed within Goal	Average Days Open
Emergency: 24 Hours	75	100%	0
Urgent: 1 Day	637	89%	0
After Hours Non-Emergency: 2 Days	4	100%	0
Important: 3 Days	786	77%	2
Routine: 10 Days	670	87%	4
Non-Routine: 20 Days	65	88%	7
Pest Control	42	100%	2

Housing Choice Voucher Programs



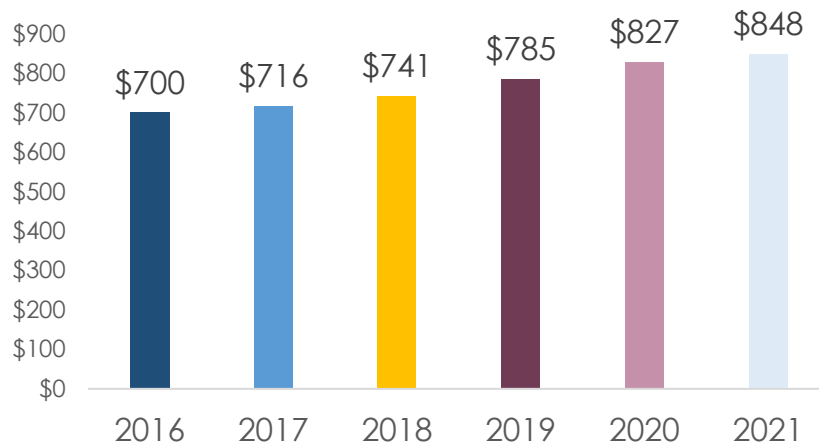
People Served by Program*



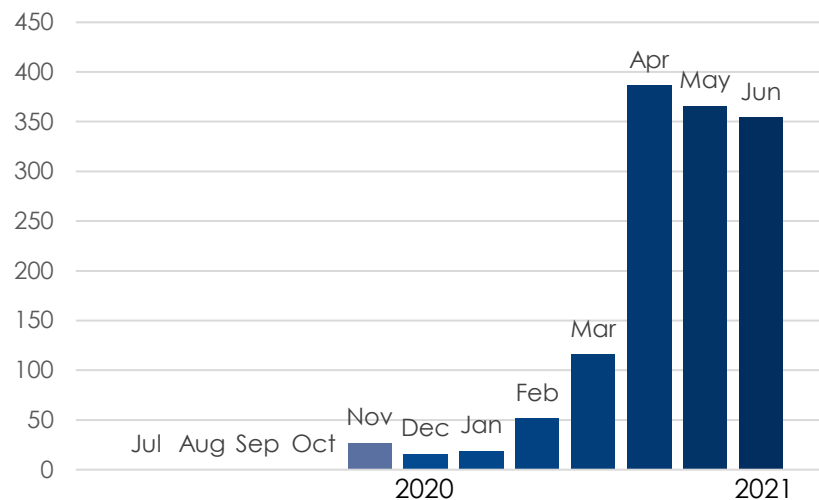
Family Unification Program and Veterans Affairs Supportive Housing

*Including port-ins and port-outs

Average Housing Assistance Payment per Unit, Year to Date

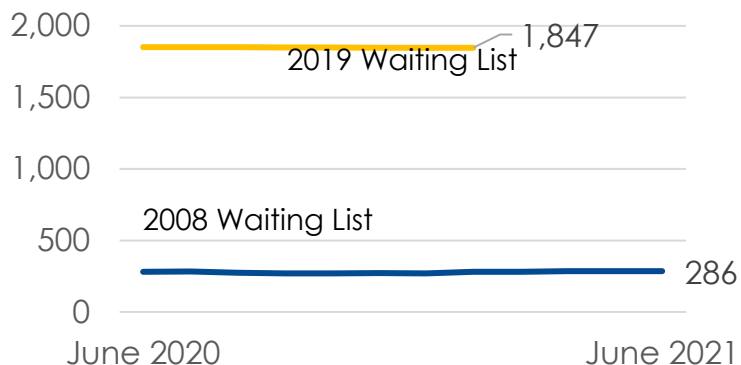


Annual Inspections Conducted*



*Inspections were subjected to interruption by COVID-19 Safety Procedures

Applicants on Waiting List



Building Improvement Projects - Planning

ADDRESS	DESCRIPTION OF WORK	STATUS
3116 Oliver & 616 Washington St	Elevator modernization	Planning
Multiple highrises	Fire sprinkler system installation	Bidding
1314 44 th Avenue North	Plumbing replacement, fire sprinkler system installation, unit bath modernization/new finishes	Planning
Multiple highrises	Security surveillance system upgrades funded via HUD's Safety & Security Grant	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	Complete
1314 44 th Avenue North	Roof replacement	Complete
Scattered Sites – Various sites	2020-21 improvements: roof & siding replacement, unit modernization, structural repairs	In progress
Cora McCorvey Center	HVAC system upgrades	In progress
Hiawatha Towers	HCPD accessible unit upgrades, common area improvements	In progress
1707 3 rd Ave S/1611 S 6 th St/2728 Franklin/Snellings	Elevator modernization	In progress
Multiple highrises	HVAC improvements	In progress
314 Hennepin Avenue	Roof & skylight replacement	Contract awarded; August start
1707 3 rd Avenue South	Unit entry door replacement	Contract awarded; September start
Cedars highrises	Window replacement and exterior façade repairs	Contract awarded; September start
Multiple highrises & Glendale townhomes	Security surveillance system upgrades	Contract awarded; July start

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



- **1212 S 9th St apartment rehab complete; 1225 S 8th St apartment rehab 70% complete**
- **Window & roof replacement complete; exterior cladding work complete at 1212 S 9th St & underway at 1225 S 8th St**
- **Community link complete & open for use**
- 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 Rehab Process

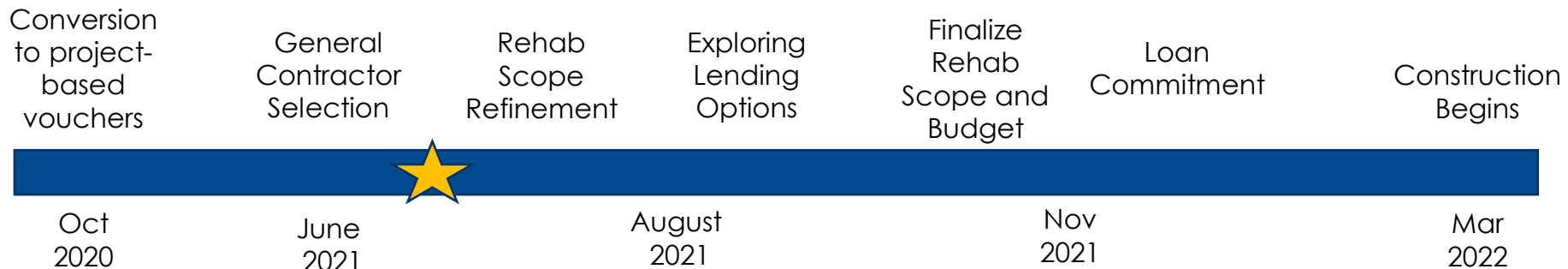


Financed through Section 18 with debt financing



- 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
- Scope refinement & planning for resident accommodations during construction underway

Timeline (subject to change)



Scattered Site New Construction

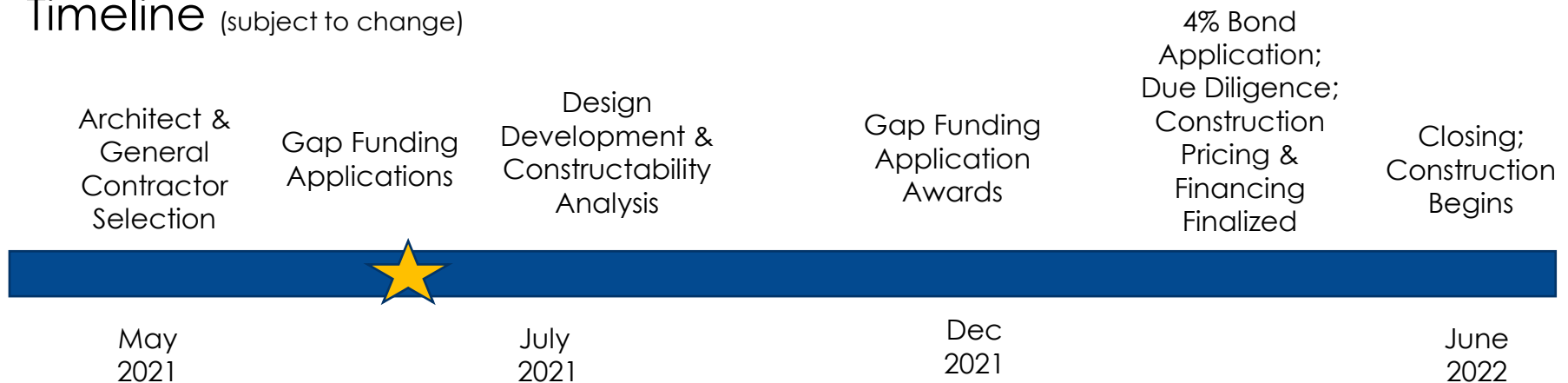


84-unit new scattered site construction



- 84 new deeply affordable family units in 16 small apartment buildings throughout the City
 - 4 or 6 units depending on zoning and lot size
 - Mix of 2- and 3-bedroom units
- Financing includes project-based vouchers, 4% bonds and Low-Income Housing Tax Credits, Soft Sources, and Debt
- Gap funding applications underway

Timeline (subject to change)



Inquiry Response and Social Media



MPHA on Facebook

Top Performing Post (819 views)

June 2021

June is National Homeownership Month! MPHA is proud of our homeownership program; Lease-to-Own. Through our program, MPHA is helping families build wealth and close the gap in homeownership rates. The Lease-to-Own program provides an opportunity for 24 households to own an affordable, two-bedroom townhome located in the Heritage Park neighborhood in Minneapolis. Out of the 24 units available to low-income families, we have successfully met homeownership goals for 75 percent of the units. Congratulations to all our Heritage Park homeowners!



JUNE IS
NATIONAL
HOMEOWNERSHIP
MONTH



3

Posts for the Month

6,122 Followers



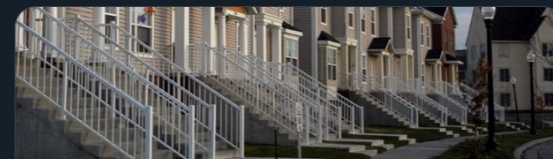
MPHA on Twitter

Top Performing Post (672 views)



Minneapolis Public Housin... · 6/26/21 ...

June is National Homeownership Month! MPHA is proud of our homeownership program; Lease-to-Own. Through our program, MPHA is helping families build wealth and close the gap in homeownership rates. Congratulations to all our Heritage Park homeowners!



JUNE IS
NATIONAL
HOMEOWNERSHIP
MONTH



4

Tweets for the Month

841 Followers

MPHA Receives Emergency Vouchers Under American Rescue Plan

Earlier this month, MPHA received an allocation of 246 new vouchers. These new vouchers will help connect families experiencing homelessness to housing and additional administrative funds that make it difficult for Minneapolis families to find housing. Each family will receive \$3,500 to help with their transition to housing. The additional funds will assist in paying for security deposits, moving expenses, and other family needs that will help stabilize them before they are housed. Starting this summer, MPHA will be partnering with Hennepin County Continuum of Care to effectively help those most in need.

“The funding for the new Emergency Vouchers will have significant impact on stabilizing currently homeless individuals,” said MPHA Housing Choice Voucher Director, Kyle Hanson. “The additional funding to assist with moving expenses, security deposits and other barriers is a game changer. We are working hard to locate units and are hopeful that the community will step up to help.”

UNITED STATES SENATE COMMITTEE ON
BANKING, HOUSING, AND URBAN AFFAIRS



MPHA testifies before the Subcommittee of Housing, Transportation and Community Development.

On July 21, Deputy Executive Director, Jennifer Keogh, provided testimony for the hearing “Safe at Home: Preserving and Improving Federally Assisted Housing.” Jennifer’s testimony urged Congress to provide needed resources to PHAs, including MPHA to install fire sprinklers and to support the investment of at least \$70 billion to address the capital needs of public housing properties across the country through an infrastructure package.



Elliot Twins Rehabilitation Update

The seventh of eight phases of apartment rehab will be complete at the end of July. The community link opened for full use on July 1 and all visitors now enter near the guard desk that is centrally located between the two entry vestibules. Site work and landscaping are also well underway, and we are on track to complete the entire project this fall.



BUSINESS

Sen. Tina Smith leads call for public housing safety improvements

A fatal Minneapolis apartment fire was at the center of a U.S. Senate hearing Tuesday.

By Briana Bierschbach (<https://www.startribune.com/briana-bierschbach/6370434/>) Star Tribune

JULY 20, 2021 — 3:59PM

Minnesota U.S. Sen. Tina Smith on Tuesday called for Congress to invest billions of dollars to address health and safety risks in public housing buildings across the nation, citing the 2019 fire in a Minneapolis high-rise apartment that killed five people.

Chairing a Senate housing subcommittee, Smith urged the U.S. Senate to support \$40 billion tucked inside President Joe Biden's infrastructure plan to improve public housing.

"I hope that today's hearing will galvanize us to understand these life and safety risks and take action to protect our constituents from further tragedy," said Smith. "The federal government has a special obligation to make sure that homes supported by or funded by taxpayers are safe and free of known hazards."

Much of America's public housing stock was built after the Great Depression. Public health officials say years of disinvestment have left most buildings with major health and safety risks, including lack of sprinklers in units, mold, lead and general disrepair.

An investigation following the deadly Thanksgiving Eve fire in a Cedar Riverside public housing high-rise in Minneapolis cited a lack of sprinklers (<https://www.startribune.com/lack-of-sprinklers-outdated-stairwells-called-key-factors-in-deadly-cedar-riverside-high-rise-fire/572885431/>) across the entire 25-story building as partly to blame for the loss of life.

Minneapolis Public Housing Authority Deputy Executive Director Jennifer Keogh, who testified at Tuesday's hearing, said the authority has installed sprinklers in 16 of its buildings (<https://www.startribune.com/new-minnesota-law-requires-sprinklers-in-public-high-rise-apartments-by-2033/600076901/>) and has plans to complete retrofitting another 10 buildings this year.

But speeding up that project has come at the expense of other deferred maintenance.

"The result of prioritizing sprinkler work is that other critical needs go unmet," said Keogh, who added there are \$164 million in total estimated capital repairs needed across the authority's 6,000 units.

Smith and Minnesota Sen. Amy Klobuchar, both Democrats, are sponsoring a bill to set up a \$25 million competitive grant program to help retrofit public housing buildings with sprinkler systems.

The health and safety issues in public housing disproportionately affect low-income residents and communities of color, said Smith. Black children are disproportionately harmed by lead exposure in homes.

Eighty percent of residents in public housing units in Minneapolis identify as people of color, and 60% of residents in the city's high-rise buildings are elderly or living with a disability, making it even harder to evacuate in the event of a fire.

Keogh said the investments being discussed are a "once-in-lifetime opportunity" to address racial disparities in cities like Minneapolis, which were segregated through policies such as redlining and racial covenants.



ALEX KORMANN • STAR TRIBUNE

Sen. Tina Smith is calling on Congress to pass funding to improve public housing.

"We see that living out today in our city that is incredibly segregated, and the racial disparities along those lines are deep," she said. "If we want to be a thriving community, we know we need to make better investments in the city of Minneapolis, as well as within our region."

Briana Bierschbach • 651-925-5042

Twitter: @bbierschbach

A dark blue rectangular graphic with white text and a logo. The logo on the left consists of three vertical white bars of increasing height. The main text reads "Controlling costs — it's all part of the plan" in a large, bold, sans-serif font. Below this, in a smaller font, is "Driving more health care value with a Total Cost of Care approach". At the bottom left is a white rounded rectangle containing the text "See how". At the bottom right is the "United Healthcare" logo in white.

Controlling costs — it's all part of the plan

Driving more health care value with a Total Cost of Care approach

[See how](#)

United Healthcare

ADVERTISEMENT

Briana Bierschbach is a politics and government reporter for the Star Tribune.

briana.bierschbach@startribune.com

bbierschbach

POLITICS

High-rise apartment buildings in Minnesota must have sprinklers installed by 2033

The legislature passed a bill giving public housing agencies 12 years to add sprinklers to residential towers that are more than 75 feet tall.



Author: John Croman
Published: 2:44 AM CDT July 15, 2021
Updated: 2:44 AM CDT July 15, 2021



ST PAUL, Minn. — Public housing agencies in Minnesota will have 12 years at the most to add fire sprinklers to older residential towers, as part of a bill lawmakers passed in June.

Rep. Mohamud Noor, the chief author of the sprinkler bill in the House, started working on the issue on Nov. 27, 2019, the same day five of his constituents lost their lives in an early morning fire at Cedar High apartments.

"We should not have waited for that incident to happen," Rep. Noor, a Minneapolis Democrat, told KARE. "I knew some of those families and some of those victims personally."

The fire broke out in the bedroom of an apartment on the 14th floor of the high-rise building and quickly spread to other units. Investigators [found some fault with seals that had been added to doors](#), but agreed lives could've been spared in the public housing complex had been equipped with automatic fire suppression system.

"We should've taken care of the residents, knowing that was a hazard, and that the City of Minneapolis, the Minneapolis Public Housing Authority knew about it."

RELATED: [State report: Sprinklers could have saved 5 lives in Cedar-Riverside public high-rise fire](#)

Automatic sprinklers have been required in residential high-rise buildings since 1992. But most of public housing complexes in Minnesota, including Cedar High, were built decades before the new rule went into place.

The St. Paul Housing Authority retrofitted all of its residential towers over a period of several years, so that agency is already in compliance. The Minneapolis Public Housing Authority has retrofitted 16 of its 42 buildings and is in the process of adding sprinklers to 10 other buildings at the cost of \$9 million.

"This is about saving lives and property, so this is a step forward," Noor remarked. "But we still need to also address the privately-owned buildings which were not included in this bill."

Senate Republicans resisted placing the 2033 deadline on private building owners because of the financial hardships it might create for them. Noor has asserted out those owners would save money in the long run because their fire insurance bills would drop if sprinklers were installed.

For the public buildings the big challenge will be also be funding.



This Day in History

Recap of important historical events that took place on that day.

Ads By Connatix 

The bill set a deadline to complete work, but didn't include money to help pay for it. Housing authorities will be looking to local, state, and federal agencies for grant money to help pay for it, in hopes of completing the projects long before 2033 arrives.

Lawmakers push for high-rise sprinklers



The federal government's retreat from public housing funding has left those systems struggling with the cost of maintenance in aging buildings. By one estimate, public housing authorities nationwide are \$70 billion behind on repairs, because the federal government has paid about one-tenth of what was originally pledged.

The Minneapolis Public Housing Authority has a backlog of \$152 million in capital improvement projects, for a variety of upkeep issues in addition to fire safety projects.

Noor said that he and fellow lawmakers are exploring options to make high-rise sprinkler projects eligible for state public works infrastructure funding streams, but he said the federal government needs to step up a play more of a role too.

"That obligation lies with the federal government to make sure we address the safety of all residents that live in high-rise building, to make sure we retrofit those buildings based on the code that we already have."

RELATED: [MN House passes measure requiring fire sprinkler systems in residential buildings 75 feet or higher](#)

New Minnesota law requires sprinklers in public high-rise apartments by 2033

Fatal Cedar-Riverside fire still haunts neighborhood.

By Briana Bierschbach (<https://www.startribune.com/briana-bierschbach/6370434/>) Star Tribune |

JULY 10, 2021 — 5:03PM

The windows on the 14th floor of 630 Cedar Av. in Minneapolis are still boarded up, a constant reminder for Mohamud Noor of the Thanksgiving Eve blaze that killed five community members in 2019.

Now, more than a year and a half after the fire, Minnesota lawmakers have passed a new law requiring sprinkler systems in public high-rise buildings like the Cedar High Apartments. Proponents are celebrating the move as a first step in making sure no other community faces a similar tragedy.

"This was closure for some of the family members that came to testify to make sure that this does not happen again," said Noor, a two-term Democrat who carried the legislation in the House. "This is a really significant first step."

Tucked into a broader jobs and economy budget bill signed by Gov. Tim Walz, the requirement means out-of-date public housing buildings built before the 1970s and 1980s now must be retrofitted with sprinklers by 2033, bringing them in line with current state requirements.

It affects public buildings across the state that have people living in spaces above 75 feet, the highest reach of many fire department vehicles. A large number of those buildings are in Minneapolis, but there are others across the state, said Sen. Kari Dziedzic, DFL-Minneapolis, who worked on the proposal. No comprehensive data exists on how many buildings need to comply with the new law.

The half-century-old Cedar High Apartments had sprinklers on the main floor and in a mechanical equipment room, but not in residential units.

"Every time I hear about a fire now, I look at how many stories it is and did it have sprinklers," said Dziedzic. "It will save lives, plain and simple."

An 18-page report from the Minnesota Department of Public Safety's Fire Marshal Division one year after the fire blamed the lack of sprinklers and outdated stairwells for the fatalities. [The report recommended multiple changes](https://www.startribune.com/lack-of-sprinklers-outdated-stairwells-called-key-factors-in-deadly-cedar-riverside-high-rise-fire/572885431/) (<https://www.startribune.com/lack-of-sprinklers-outdated-stairwells-called-key-factors-in-deadly-cedar-riverside-high-rise-fire/572885431/>), including the installation of sprinklers in all high-rise buildings.

Noor initially pushed for requiring sprinklers in both public and privately owned buildings as well as residential and office spaces, but the Republican-controlled Senate pushed back on including privately owned buildings because of concerns about using public dollars to pay for those projects.

"We wanted to make sure that we, as a Legislature, we're saying we do believe in safety," said Sen. Eric Pratt, R-Prior Lake, who sponsored the broader jobs budget bill that includes the sprinkler change. "We do want people in these buildings to be safe and we know that sprinkler systems in these older high-rises can save lives."

Finding money for these projects over the decade is the next step, which Noor said could come through numerous funding streams, including a proposal from Minnesota Sens. Amy Klobuchar and Tina Smith to create a \$25 million competitive grant program for public housing agencies to install sprinkles. Noor said he'll also push for funding through a package of construction projects.



AARON LAVINSKY • STAR TRIBUNE

A 2019 fire at the Cedar High Apartments in Minneapolis left five dead. Now public high-rises must install sprinklers by 2033.

Public housing organizations requested \$100 million in a state bonding bill to pay for unmet construction needs last session, including retrofitting older buildings with sprinklers, but the Legislature adjourned without passing a bonding bill.

Housing groups say they support the call to add sprinklers, but they're concerned the law was passed without any funding to pay for it, said Shannon Guernsey, executive director of the Minnesota chapter of the National Association of Housing and Redevelopment Officials.

Public housing developments, which serve low-income households, are federally funded and cannot raise rent to cover costs of major projects.

"In addition to the importance of sprinklers in high-rise buildings, there are also many other competing needs," said Guernsey. "Updates to elevators, roofs that need to be repaired, many of our HVAC systems are decades old. There's a whole host of things."

The Minneapolis Public Housing Authority says 16 of its 42 high-rises already have sprinklers retrofitted, and it plans to start sprinkler installations at another 10 buildings this year. But that work, estimated to cost more than \$9 million, will consume roughly half of its capital funds from Congress in 2021.

The MPHA's high-rise buildings are all over 50 years old and together have \$152 million in deferred capital needs, said Abdi Warsame, the authority's executive director and CEO. "MPHA would have hoped that the state Legislature would have recognized the scale of the expense and public housing's overall unmet capital needs along with its recognition of the need for sprinklers."

State lawmakers passed proposals in 1993 and 1994 to require that old high-rise buildings have sprinklers on almost every floor, but then-Gov. Arne Carlson vetoed the bills after objections about lack of funding. Carlson has since said he thinks the state "failed in that regard." (<https://www.startribune.com/former-minnesota-gov-arne-carlson-i-think-we-failed-on-sprinkler-requirements/565932202/>)

After those efforts failed, St. Paul's public housing authority started independently adding sprinklers to every unit on every floor in each of its 16 high-rise apartment buildings (<https://www.startribune.com/over-22-years-st-paul-housing-agency-added-sprinklers-to-every-high-rise/565786542/>). The move took two decades.

Tom Brace, a former state fire marshal who serves as a regional coordinator for the National Fire Sprinkler Association, was there advocating for the change in the 1990s. He hoped the new requirement would extend to private buildings, but he's relieved that at least something has passed after decades of trying.

"I felt after Cedar-Riverside, absolutely this is the time. We watched as probably the best-equipped fire department in the state tried to fight it, and it was an all-out effort for them," said Brace. "We can't afford another tragedy like that."

Briana Bierschbach • 651-925-5042

Twitter: @bbierschbach

Briana Bierschbach is a politics and government reporter for the Star Tribune.

briana.bierschbach@startribune.com bbierschbach

Public housing struggles to find funding for fire sprinklers in high-rise buildings

Public housing struggles to find funding for fire sprinklers in high-rise buildings



(/news/kirsten-swanson/4405196/?
cat=13037) Kirsten Swanson
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A change in Minnesota state law that requires all public housing high-rise apartment buildings to be outfitted with fire sprinklers has local officials looking to the federal government for financial assistance.

During the special session last month, lawmakers tucked the language for the new mandate into the omnibus jobs bill but didn't allocate any funding.

The U.S. Senate Committee on Banking, Housing, and Urban Affairs — which includes Sen. Tina Smith, D-Minn. — held a hearing Tuesday on the threats to health and safety in federally assisted housing, including the risk to properties that are not retrofitted with fire sprinklers systems.

The main narrative shared by Smith in her introductory comments detailed a tragic fire that killed five people (<https://kstp.com/news/residents-evacuated-fire-minneapolis-high-rise-apartment-cedar-avenue-south/5564847/>) in a public housing high-rise in the Cedar-Riverside neighborhood in November 2019.



KSTP

"As the fire spread, residents clamored to get out," Smith said. "Stairwells and corridors filled with smoke and heat and people struggled to get down the high-rise stairs."

The building where the fire started didn't have fire sprinklers. The blaze led to a call to action (<https://kstp.com/news/momentum-builds-for-fire-sprinklers-retrofits-in-high-rise-buildings-in-minnesota/6055173/>) to change state and federal law.

But in the year after the fire, 5 INVESTIGATES found the Minneapolis Public Housing Authority had still not retrofitted the tallest, most vulnerable apartments (<http://kstp.com/news/still-unprotected-1-year-after-deadly-fire-public-housing-high-rises-are-without-fire-sprinklers-november-25-2020/5932551/>), including 630 Cedar Ave., the building where the fire started.

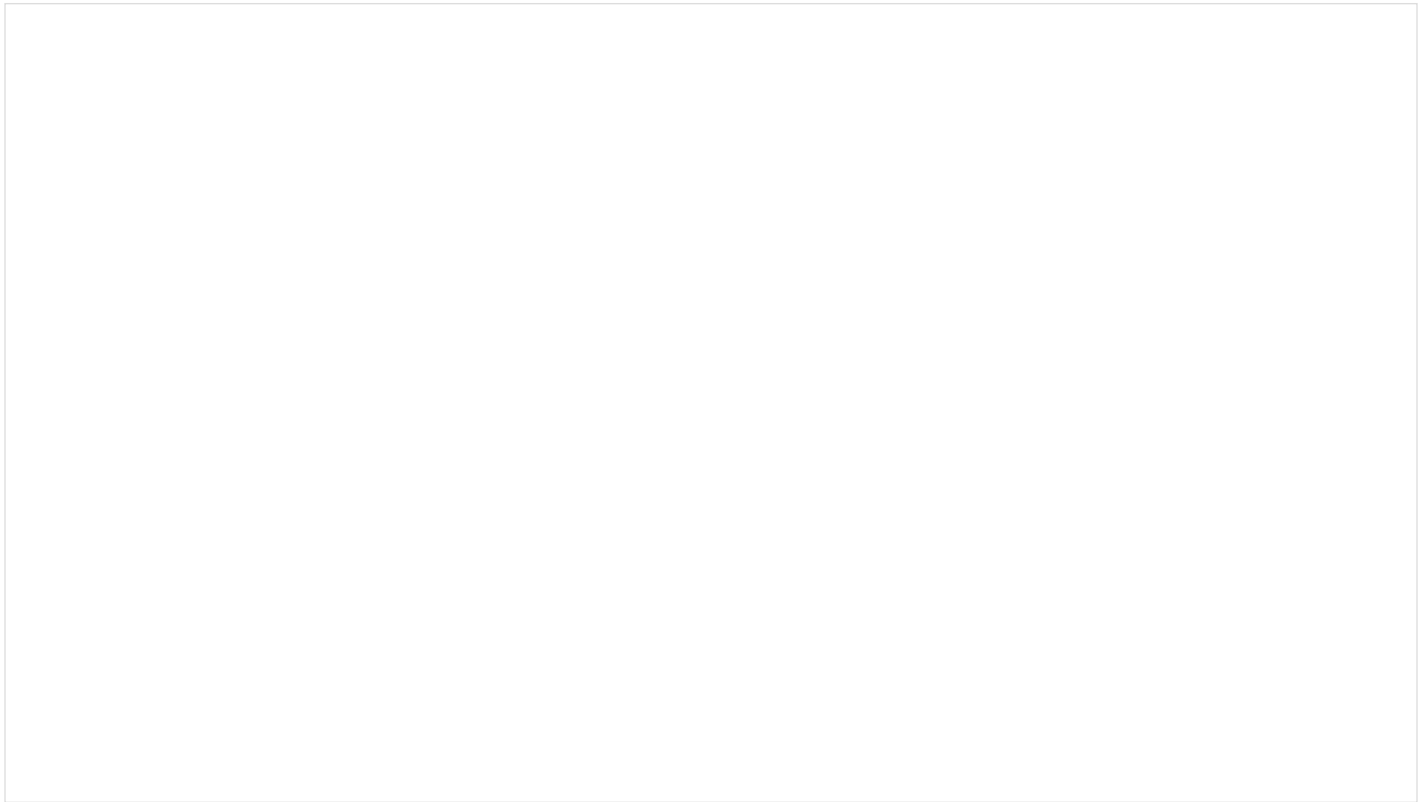
"Retrofitting a single sprinkler system is costly," Minneapolis Public Housing Authority Deputy Director Jennifer Keogh testified to the committee Tuesday. "It can cost \$1 million or more, with the overall cost for this year's installation in 10 additional units estimated at approximately \$12 million."

Keogh, who joined MPHA in spring 2020, said the chronic underfunding of public housing and the lack of state funding comes at a cost to other critical infrastructure fixes.

"Despite overwhelming physical needs throughout the entire portfolio, we have made the installation of fire suppression systems a top priority," she told senators. "In doing so, due to the lack of funding, we are forced to ignore other critical needs of aging building systems."

Smith is sponsoring bipartisan legislation (<https://www.congress.gov/bill/117th-congress/senate-bill/265?s=3&r=4>) that would fund the cost of installing fire sprinklers in public housing units across the country.

"The federal government, I think, has a special obligation to make sure that homes supported by or funded by taxpayers are safe and free of known hazards," Smith told her colleagues.





Minneapolis Public Housing Authority Receives Emergency Vouchers Under American Rescue Plan

(June 25, 2021) The Minneapolis Public Housing Authority (MPHA) will receive 246 new emergency vouchers under the American Rescue Plan of 2021. These vouchers will help connect families experiencing homelessness to housing and additional administrative funds that make it difficult for Minneapolis families to find housing.

Each family will receive \$3,500 to help with their transition to housing. The additional funds will assist in paying for security deposits, moving expenses, and other family needs that will help stabilize them before they are housed.

“The funding for the new Emergency Vouchers will have significant impact on stabilizing currently homeless individuals,” said MPHA Housing Choice Voucher Director, Kyle Hanson. “The additional funding to assist with moving expenses, security deposits and other barriers is a game changer. We are working hard to locate units and are hopeful that the community will step up to help.”

Starting this summer, MPHA will be partnering with Hennepin County Continuum of Care to effectively help those most in need.

“This represents a historic opportunity to help a significant number of the most vulnerable residents of Hennepin County to achieve stable housing,” said Hennepin County Continuum of Care Director of Housing Stability, David Hewitt. “Hennepin County is excited to collaborate with MPHA and our incredible non-profit partners to help so many people find and maintain housing and exit homelessness for good.”

The Minneapolis Public Housing Authority provides rental assistance to 6,500 households and owns and manages 6,000 units of public housing serving more than 26,000 people in Minneapolis. Our mission is to promote and deliver quality, well-managed homes to a diverse low-income population and, with partners, contribute to the well-being of the individuals, families, and community we serve.

Contact: media@mplspha.org



July 28, 2021

MEMORANDUM TO: MPHA Board of Commissioners

FROM: Abdi Warsame, Executive Director/CEO

SUBJECT: MPHA 2022 Draft Moving to Work Plan

As required by HUD, MPHA updates its Moving to Work Plan on an annual basis. On July 29, 2021 MPHA will post its draft FY 2022 Moving to Work (MTW) Plan. The MPHA Board will host a public hearing on August 25, 2021, as part of its monthly Board of Commissioners meeting. The comment period will remain open until Close of Business on August 31, 2021. On September 22, 2021, the Board will have an opportunity to review a revised FY 2021 MTW Plan for its consideration and vote.

Attached to this report is an Executive Summary of MPHA's FY 2022 Moving to Work (MTW) Plan; including the Agency's two proposed MTW activities, 2022 DRAFT RAB Priorities, and a schedule of all MTW related meetings.

Moving to Work (MTW) was enacted by Congress in 1996 and MPHA granted MTW status in 2008. Until recently there were only 39 agencies that had MTW status. MTW allows MPHA to try things that regular HUD regulations do not allow and gives us more flexibility to serve residents better. MTW has three statutory objectives: (1) Reducing cost and achieve greater cost effectiveness in Federal expenditures; (2) Giving incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and (3) Increasing housing choices for low-income families.

The Approved MTW Activities Section of the Plan provides updated information on MTW initiatives that have been approved by HUD and whether these activities have been – implemented, not implemented, on hold or closed out. MPHA has eighteen MTW initiatives that are identified and, where appropriate, have been updated in this section of the plan.

Implemented Activities	<i>Approved</i>	<i>Implemented</i>
Affordable Housing Creation & Preservation Toolkit	2020	2020
Asset Verification	2018	2018
Biennial Income Recertification (Public Housing)	2018	2018
Conversion of Subsidy and Capital for MHOP Units	2018	2018
Flexible Subsidy for Community Priorities	2020	2020
Goal-Oriented (GO) Housing Initiative	2018	2018
Independent Entity for Inspect./Rent-Reasonableness	2022	2020
Lease-to-Own Initiative	2010	2012
Local Project-Based Voucher Program	2018	2018
Low-Rent Annual to Three-Year Certifications	2009	2010
Minimum Rent Initiative for Public Housing Residents	2010	2011
Mobility Voucher Program	2009	2010
Property Owners Incentive Program	2018	2018
Public Housing Working Family Incentive	2010	2011
Rent Reform Initiative	2014	2014
Replace the Form of the DOT with a LURA	2019	2020
Shelter to Home – Public Housing	2015	2017
Supportive Housing for Youth	2016	2016



MPHA's Implemented Activities & MTW Demonstration's Three Statutory Objectives

MPHA's Implemented Activity	Self-Sufficiency	Housing Choices	Cost Effectiveness
Affordable Housing Creation & Preservation Toolkit		✓	
Asset Verification			✓
Biennial Income Recertification (Public Housing)	✓		✓
Conversion of Subsidy and Capital for MHOP Units			✓
Flexible Subsidy for Community Priorities		✓	
Goal-Oriented (GO) Housing Initiative	✓		
Independent Entity for Inspect./Rent-			✓
Lease-to-Own Initiative	✓	✓	
Local Project-Based Voucher Program		✓	
Low-Rent Annual to Three-Year Certifications			✓
Minimum Rent Initiative for Public Housing			✓
Mobility Voucher Program		✓	
Property Owners Incentive Program		✓	
Public Housing Working Family Incentive	✓		
Rent Reform Initiative for Families in Tenant-Based and Project-Based Voucher Programs	✓		✓
Replace the Form of the DOT with a LURA		✓	✓
Shelter to Home – Public Housing	✓	✓	
Supportive Housing for Youth	✓	✓	✓

Proposed New Activities of the MPHA 2022 MTW Plan:

The proposed new initiatives section lists the two Draft MTW Initiatives and identifies the required MTW Statutory Objectives:

- ✓ **Regional MTW Designation and Other Region-wide Initiatives** – MPHA will create partnerships with neighboring PHAs and others to enhance mobility options for HCV participants to move to opportunity areas. This effort will include and enhancing administrative efficiencies across HCV programs and, by separate request to HUD, creation of a Regional MTW Agency. **Statutory Objective: HOUSING CHOICE**
- ✓ **Pathways Forward** - MPHA's proposed activity is to enable households that are at or above 80% of the Area Median Income (AMI) to graduate from MPHA's RAD-PBV and PBV rental assistance programs to other types of affordable housing options and to be self-sufficient, by providing them with incentives, supports and adequate time.

MPHA's proposed activity would provide applicable households with incentives and opportunities to build wealth for their future housing choice as well as make investments in their family for further growth and development, prior to their graduating from a RAD-PBV or PBV unit and moving to another dwelling unit on the road to self-sufficiency.

Statutory Objectives: SELF-SUFFICIENCY & HOUSING CHOICE



Other Notable MTW-specific Updates

MPHA plans to add/amend activities already approved in the following components: Rent Reform, biennial recertification, Local Project-Based Voucher Program, Flexible Subsidy for Community Priorities, Supportive Housing for Youth, Affordable Housing Creation and Preservation Toolkit.

The draft will be available for review and public comment beginning **July 29** and end on **August 31**. The MTW Plan is available at MPHAOnline.org/MTW and at MPHA's administrative office, 1001 Washington Avenue North, Minneapolis, MN, 55401, Monday through Friday between hours of 8:00 AM-4:30 PM.

Written comments should be submitted by Close of Business on **Tuesday, August 31** to MTW@MplsPHA.org or mailed to MPHA MTW Comments, Room 204, 1001 Washington Ave. N, Minneapolis, MN 55401.

If you have questions or need additional information related to the Draft 2022 MTW Plan, please contact Jennifer Keogh at (612) 849-9722 / jkeogh@mplspha.org

I. INTRODUCTION/OVERVIEW

Short-term and Long-Term Goals and Objectives

MPHA's long-term trajectory follows two board-approved documents. The *Strategic Vision and Capital Plan* commits MPHA to a 20-year vision to preserve our public housing and elevate the families we serve today and tomorrow. Our *Guiding Principles for Redevelopment and Capital Investments* affirm that in our efforts to preserve our essential housing infrastructure, people will always come first. Both documents will never be more alive for MPHA and our Minneapolis community than in 2022.

As we draft next year's Moving to Work Annual Plan, the world around us is undergoing more than the usual amount of change. These immediate priorities will frame our work in 2022, as we continue to advance our long-term goals:

- **Safety and Health:** From the start of the COVID-19 pandemic, MPHA has acted decisively to protect and inform our households and employees, while we continued our core functions. We must remain vigilant against the general threat of pandemic diseases. Accordingly, our commitment to protecting health will remain near the top of our thoughts.
- **Adapting to New Ways of Doing Business:** We know that many traditional ways of interfacing with each other and with the public are over. MPHA will continue to adapt our processes and facilities to remain productive, accessible, compassionate, and effective in our mission.
- **Housing Stability:** Through a time of unprecedented economic turmoil, public housing, voucher, and MTW programs have shown their irreplaceable ability to protect the housing of low-income people despite what other changes life brings. We will continue to play this stabilizing force in our city—not only through our income-based programs, but through ongoing efforts to provide targeted, MTW-powered intervention where we can assist in other crises.
- **Confronting the Legacy of Structural Racism:** Public housing authorities address a burden created by centuries of policies that have blocked families of color from attaining safe, quality homes, building wealth through housing, or living in the neighborhoods of their choice. Our work every day continues to slowly unwind these years of damage. We will recognize new opportunities to speed this reckoning through our programs, and to advance the value of equity among our employees and the people we serve.
- **Living our Future:** For MPHA and MPHA residents, 2022 will bring the first tangible fruits of the long-term journey we began three years ago with the passage of our *Strategic Vision*. We will have completed a high-rise renovation larger and more comprehensive than any ever attempted in the State of Minnesota. We will begin a years-long process of renovating nearly 700 family housing units, while continuing our public ownership and management. We will also begin the redevelopment and expansion of this housing stock, with the construction of 84 new homes for the families we serve. Through a \$5.2 million award from HUD, MPHA in partnership with Metropolitan Council HRA will launch a first-of-its-kind regional partnership to empower more families with vouchers to live where they wish, across the Twin Cities. We look forward to modeling for our community the brighter future that we see ahead and learning from these initial steps down that road.



PROPOSED MOVING TO WORK ACTIVITIES IN THIS PLAN

As an MTW housing authority, MPHA may waive certain federal regulations to meet local needs and better serve our Minneapolis community. In this MTW Annual Plan, MPHA proposes to modify ways in others that advance the MTW objectives and better serve our local community.

New Activity: Regional Moving to Work Agency (2021 – 1)

MPHA will continue to pursue designation by the U.S. Department of Housing and Urban Development (HUD) as a Regional MTW Agency. With this designation, MPHA will partner with the Metropolitan Council Housing and Redevelopment Agency (Metro HRA) to establish a regional voucher program. Through such a program, the two agencies could apply MPHA's existing MTW flexibilities to jointly-committed pools of vouchers and combine our operations to streamline processes and eliminate barriers for families. The primary objective is to increase housing choice. They will accomplish this by making it easier to move between MPHA and Metro HRA service areas; empowering families with housing search assistance, social services, and financial assistance to live in neighborhoods of their choosing; and by jointly awarding project-based vouchers to stimulate affordable housing development and assure extremely low-income affordability in those developments. Implementation may be complex; we hope to begin our work together at a modest scale during 2022. *(MTW OBJECTIVES: HOUSING CHOICE, COST-EFFECTIVENESS)*

New Activity: Pathways Forward

MPHA's proposed activity is to enable households that are at or above 80% of the Area Median Income (AMI) to graduate from MPHA's RAD-PBV and PBV rental assistance programs to other types of affordable housing options and to be self-sufficient, by providing them with incentives, supports and adequate time.

MPHA's proposed activity would provide applicable households with incentives and opportunities to build wealth for their future housing choice as well as make investments in their family for further growth and development, prior to their graduating from a RAD-PBV or PBV unit and moving to another dwelling unit on the road to self-sufficiency.

For all assisted-properties, MPHA's waiting list of unassisted low-income households is over 8,000. MPHA is focused on providing quality, deeply affordable homes for the 26,000 people we serve in Minneapolis today and assuring these homes are here for decades to come — for those who need them most. To this end, we believe that this proposed activity will help us further this goal, by being able to assist other extremely-low, very-low and extremely low-income households.

MPHA's RAD-PBV scattered sites are located in every ward of the city and sought after for a number of reasons including but not limited to: there are larger-sized bedrooms – 3, 4 and 5 bedrooms - for larger-sized households that are scarce throughout the city at an affordable rent. *(MTW OBJECTIVES: HOUSING CHOICE, SELF-SUFFICIENCY)*

Other Notable MTW-specific Updates

Under our *Rent Reform* activity, MPHA will move all households with housing choice vouchers to a triennial income recertification cycle. By moving all families to this cycle, MPHA advances the statutory objective of increasing incentives for self-sufficiency by allowing families to keep more of their growth in earned income. It will have the secondary effect of advancing the cost-effectiveness of the agency's operations, freeing up staff capacity for focus on other priorities that advance the wellbeing of families. In most cases, households will not be required to report to MPHA any interim changes in income or undergo an interim reexamination.

MPHA is amending the *biennial recertification* activity to recertify every three years (instead of biennially) for public housing households who are not on a fixed income. This allows residents keep more earned income and provides an opportunity for them to build savings rather than expend it on rent.

MPHA is adding an authorization to our *Local Project-Based Voucher Program* activity to enable MPHA to create a unified lease contract when units are converted to project-based vouchers in agency-owned properties. This will allow a straightforward carryover of resident-right and other provisions from the prior public housing lease, providing transparency and comfort to residents during these transitions. MPHA is updating the applications of our *Supportive Housing for Youth* activity to include new sponsor-based partnerships for youth (including pregnant/parenting youth).

MPHA is updating *Affordable Housing Creation and Preservation Toolkit*. In addition to this Activity's potential role in the preservation of MPHA's public housing properties, language allowing use of funds for local, non-traditional activities (which was approved as part of MPHA's Second Amendment to the MTW Agreement) is being added. In addition, MPHA clarifies that MPHA may use this activity to commit MTW Funds for pledging and satisfying guarantee commitments related to Section 8 and Section 9 housing units and for other affordable housing eligible as local, non-traditional activities. MPHA will exclude from any such pledge or guarantee commitment the ability of any beneficiary to foreclose public housing assets as a means of fulfilling the pledge or guarantee.

MPHA is seeking authorization for expending MTW funds in connection with development loan guarantees as part of *Flexible Subsidy for Community Priorities* activity. MPHA would like to clarify that it will be permitted to pledge and use MTW funds for fulfilling Guarantees related to the production, rehabilitation, and financing of PBV, and other non-PBV low-income units, by its instrumentalities. We believe that this step would provide additional comfort to both MPHA and lenders or investors of MPHA's authority to proceed with these commitments. MPHA, and its instrumentalities intend to close on financing in 2022 that will require such guarantee commitments.

MPHA through *Local Project-Based Voucher Program* is implementing changes to local PBV program to increase efficiency. First, MPHA may simplify rent reasonableness practices, by means that may include among others (1) allowing a new annual rent to go into effect without a new rent reasonableness study when the new rent would be authorized under the previous rent reasonableness study, and (2) omitting rent reasonableness studies for particular units and instead explicitly relying on completed rent reasonableness studies already completed for units with similar characteristics (e.g., same bedroom size and neighborhood). Second, MPHA may stagger annual rent increase dates and may rely on increased fair market rents without rent reasonableness studies to authorize rent increases during interim periods that will facilitate the transition to staggered dates. For the Scattered Site residents that relocate during new construction will remain subsidized throughout the process, be relocated temporarily for the demolition and construction period and move into the new PBV-assisted units. The MPHA expects to use this activity both to assure they will be continuously subsidized and moved into the new construction.

* * *

The agency's overall activities during the year align under the three pillars of our *Strategic Vision and Capital Plan*: Housing Preservation and Creation; Education, Employment, and Health; and Operational Excellence. We explore them in more detail below.



HOUSING PRESERVATION AND CREATION

Federal capital funds meet about 10 percent of the capital needs of MPHA's public housing portfolio. Throughout our history, MPHA has maintained our public housing to high standards despite persistent funding challenges. We intend to continue this strong tradition by leveraging every program and funding source available to us, in combination with federal funds, and consistent with our inviolable mission to provide housing for the city's lowest-income households. As this document is drafted, the current presidential administration has proposed a \$40B investment in capital funds through a large-scale infrastructure bill. These dollars would provide us a once in a lifetime opportunity to work toward completing the preservation and rehabilitation of our public housing portfolio.

Any MPHA development activity must satisfy our board-approved *Guiding Principles for Redevelopment and Capital Investments*. MPHA residents and community stakeholders shall have a clear understanding of our path, and comfort that resident rights are protected along the way. As a further layer of protection, a Memorandum of Understanding (MOU) between the city and MPHA expresses our shared commitment to investing in public housing, long-term public control, and protecting the rights of every resident.

In 2021, notable developments related to *Housing Preservation and Creation* include:

- Completing the Elliot Twins Renovation:** In fall 2021, MPHA expects to conclude the comprehensive rehabilitation and expansion of the Elliot Twins. In June 2020, MPHA converted the 174 units to project-based voucher subsidy under the Rental Assistance Demonstration (RAD) program, and the renovations will add another 10 units. The RAD conversion permitted MPHA to access state housing bonds and Low-Income Housing Tax Credits to undertake this \$27 million renovation—the largest public housing investment in Minnesota history, three times as large as any ever undertaken by MPHA. In addition to showing the power of these tools to fund major high-rise improvements, the Elliotts project is demonstrating the commitment and capacity of MPHA to provide temporary housing for residents affected by major construction work, with no permanent displacement. Most residents have chosen to remain on-site during construction. MPHA will continue to manage the property, with long-term affordability protected by a 99-year ground lease.
- Renovation Program for Scattered Site Homes:** MPHA will begin a multi-year process to make major repairs to preserve our scattered site portfolio—more than 700 units of family housing (four-plex, duplex, and mostly single-family) across the city. With additional tenant-protection-voucher funding as a result of a Section 18 conversion in October 2020, MPHA will leverage additional financing to assure our scattered site portfolio continues its essential mission while fully owned and managed by the agency's nonprofit, Community Housing Resources. MPHA takes pride in our commitment to carry out one of the largest public housing scattered site preservation projects in U.S. history. In addition to property improvements, the City of Minneapolis 2040 Comprehensive Plan allows MPHA to consider increasing density by adding units to sites. MPHA intends to replace a select number of scattered site units that have high capital needs and lot sizes that allow greater density with new, smaller apartment buildings with four to six units. These new units will be more efficient to operate and improve the livability of the units for tenants.

- **Additional Highrise RAD Applications:** Page nine features a list of properties where MPHA is considering applications for RAD conversions in 2022, based upon analysis of our portfolio and in line with the priorities under our Strategic Vision. Each application and approval will follow the prescribed disclosures and public and resident engagement processes as required by HUD. MPHA's next RAD application(s) will likely follow a "RAD-with-debt model," which does not anticipate the use of tax credits yet addresses deferred maintenance and provides reserves that can address a property's future needs.
- **Ongoing Public Housing Capital Improvements:** Using the limited federal funds we receive, along with any successful applications for Minnesota Publicly Owned Housing Program grants, we will continue invest in high-priority repair and modernization projects, including building systems (plumbing, electricity, HVAC), elevators, window replacement, exterior masonry repairs, and fire suppression systems. *A more detailed discussion of 2022 capital activities and expenditures is found in Appendix F.* Through an ongoing partnership with Franklin Energy and Xcel Energy, MPHA will continue to replace aging appliances with new, energy-efficient, more cost-effective units. MPHA may also continue targeted of the Quality Maintenance Program (QMP). MPHA's QMP uses data analysis, maintenance scheduling, and resident feedback to address likely work-order issues before they become critical, reducing resident inconvenience and saving money in the long-run. After learning from the pilot phase, MPHA's staffing approach for the QMP has shifted from an in-house crew to primarily contracting with third-party specialists.
- **Long-range Planning for Other Sites:** MPHA will continue or initiate conversations around various long-term initiatives to preserve and make optimal use of our assets. This includes stabilizing and converting the subsidies under MTW for units created under the Metropolitan Housing Opportunities Program, as well as our other scattered townhome units; continuing a master planning process to realize the long-term vision of the Heritage Park neighborhood; and long-term conversations about the Glendale Townhomes, where we are committed to redevelopment to provide modern units for current and additional families.
- **Project-Based Voucher (PBV) Awards:** PBVs empower MPHA to: 1) incentivize the creation of new affordable housing to meet demonstrated community needs, and 2) assure that a portion of that housing is not just affordable, but "deeply affordable" to those making below 30 percent of area median income (AMI). MPHA will continue to make well-considered PBV awards under our open request-for-proposals and will celebrate the opening of new developments with our partners in 2022.



EDUCATION, EMPLOYMENT, AND HEALTH

MPHA will continue to expand our initiatives and partnerships devoted to economic opportunity, health, and wellbeing of seniors, working families, and all households we serve. In 2022, notable efforts will include:

- Seeking Regional MTW Designation from HUD & The Launch of Our Partnership with Metro HRA:** As discussed in the plan and in detail in Regional Moving to Work Agency (2021 – 1), MPHA will seek designation as a Regional MTW Agency, when HUD has issued a solicitation. This will enable a partnership we envision with Metro HRA to pool tenant-based vouchers to empower families with greater mobility—whether through physical movement or in-place investment—and to pool project-based vouchers to incentivize development across our shared regions. Both efforts will be directed toward economic advancement of families, with long-term goals of better education, employment, and health outcomes.

HUD announced in April 2021 that nine lead public housing authorities (PHAs) will participate in HUD's new Housing Choice Voucher (HCV) Mobility Demonstration. Under the demonstration, MPHA received 37 vouchers and Metropolitan Council Housing & Redevelopment Authority (Metro HRA) received 37 vouchers. Through this Demonstration, MPHA and Metro HRA will provide families with children access to low-poverty neighborhoods with high-performing schools and other strong community resources. The Demonstration builds upon recent research that shows growing up in neighborhoods with lower levels of poverty improves children's academic achievement and long-term chances of success and reduces intergenerational poverty. Children who move to low-poverty neighborhoods have also been shown to experience lower rates of hospitalizations, lower hospital spending, and some changes in mental health over the long-term follow-up. Adults given the chance to move to low-poverty neighborhoods experience reductions in obesity and diabetes.

The Housing Choice Voucher Mobility Demonstration will support selected PHAs in addressing barriers to accessing housing choices by offering mobility-related services to increase the number of voucher families with children living in opportunity areas. In addition to offering mobility-related services, participating PHAs will work together in their regions to adopt administrative policies that further enable housing mobility, increase landlord participation, and reduce barriers for families to move across PHA jurisdictions through portability. The Demonstration will face a rigorous, independent evaluation to determine what services are most effective at helping families move to opportunity areas. HUD also intends to make materials developed for the demonstration available to all PHAs for use in their own communities.

MPHA's Mobility Voucher Program requires participant families to move to communities of greater opportunity within Minneapolis and the 7 County Metro Area. The program is structured to increase housing choices for families who are on MPHA's Section 8 HCV waiting list or are current Housing Choice Voucher participants who currently live in areas concentrated by poverty and who are willing and able to move to communities of greater opportunity.

The HCV Program continues to encourage all families to locate and obtain housing in communities of greater opportunity. Eligibility criteria for the Mobility Voucher Program is as follows: applicants must be currently living in a Minneapolis area impacted by race and poverty, have minor children, be employed, in job training or in school, and be willing to enter into a contract and relocate to an

area not impacted by poverty, for a minimum of three years.

The Mobility Community Services Coordinator will provide the Mobility families with case management services, referrals to community resources and employment / educational opportunities, as well as act as the liaison between the tenant family and the property owner. Working closely with the Community Services Coordinator-Mobility, families set goals, attend regular meetings, participate in workshops, and receive on-going case management throughout the entire time they are on program in order to achieve a greater level of self-sufficiency for their entire family.

- **Growth and Learning for *Stable Homes Stable Schools*:** *Stable Homes Stable Schools* is a partnership with the City of Minneapolis, Hennepin County, Minneapolis Public Schools, and YMCA of the Twin Cities. MPHA and the city jointly fund rental subsidies for families identified by the schools as experiencing homelessness. The YMCA provides case management services. Parents commit to engagement in their child's education. In 2021, the city of Minneapolis made *Stable Homes Stable Schools* a permanent part of the city budget. As we enter the third year of the original three-year pilot phase, we are assessing how and when families will step-down from the program. In 2022, we will continue to bring in additional families, and begin our work with researchers to conduct program assessment.
- **Expansion of Work by the Highrise Health Alliance:** Many MPHA high-rise residents experience unmanaged health and mental health conditions, with much higher rates of emergency room visits and hospitalization. In response MPHA, the Minneapolis Health Department, Minneapolis Highrise Representative Council (MHRC), and partners from local government and the healthcare sector have launched the Highrise Health Alliance. The alliance will bring together leaders from all sectors (health, mental health, social services, housing) to interpret data, identify priorities, and align services.
- **Extended Support for Residents Affected by COVID-19 and Loss of Neighborhood Services:** As of this drafting, the outlook is unclear for the lasting effects that COVID-19 and recent upheaval in some Minneapolis neighborhoods will continue to have on MPHA residents. At this time, we anticipate that we will continue to be engaged in 2022 with partners in the community on priorities such as on-site testing (and/or vaccination, when available).
- **Evolution of the Twin Cities Section 3 Collaborative:** Under HUD's Section 3 program, MPHA will continue to emphasize training, employment, contracting and other economic opportunities to our residents and other lower-income individuals. MPHA remains a leading participant in the Twin Cities Section 3 Collaborative, working with our regional partners (housing authorities, units of local government) to streamline enrollment and search processes to make it easier for Section 3-qualified people and businesses to connect with opportunities.



OPERATIONAL EXCELLENCE

MPHA's nearly 300 employees are the heart of the agency. Investing in the way we do business leads to savings we can apply to our other priorities—and better service to our families and community. In 2022, we anticipate:

- **Completing our *OnePlatform* Transition:** MPHA completed a transition to a unified software system, Yardi Voyager, that replace our disparate systems in public housing, housing vouchers, and finance. The initial implementation of software was completed, and we anticipate being fully operational across our functions in 2022. By undergoing this 3-system upgrade, we anticipate gains in productivity, cost savings, compliance, customer and employee satisfaction.
- **Defining Top-Level Service in the Post-Coronavirus Era:** MPHA employees rose to the challenge of adapting to an unprecedented challenge posed by the coronavirus and the way we do business. We have met our mission through a period of uncertainty and stress. As we come out of the pandemic, we anticipate that 2022 will be a year of creativity and adaptation, while we implement new ways of working together and of conducting crucial business with the families we serve.
- **Diving Deep on Agency Culture (including Diversity, Equity, and Inclusion):** MPHA is committed to looking at the role our housing programs play in addressing the historic legacy of structural racism in our community. In 2020 we began intensive work to look internally at our own agency culture, our diverse and talented workforce, and our areas of strength and weakness. As we approach 2022, we have recommitted ourselves to institutional actions that draw and build upon the strength of the varied backgrounds and experiences of MPHA employees, and to increase this strength through our recruitment, hiring, onboarding, and training practices.

PROPERTIES FOR WHICH MPHA MAY APPLY FOR HOUSING PRESERVATION PROGRAMS IN 2022

The purpose of this MTW Annual Plan is to forecast for HUD and the public MPHA's possible actions in the short- and long-term. In exploring our goals in advance of developing and based upon the current analysis of MPHA's portfolio, the public housing properties listed below *may be considered* in 2022 or 2023 for repositioning, redevelopment, and/or recapitalization. These activities include federal programs (such as RAD and Section 18), federal/state/local grants, and other opportunities.

Development	AMP	Units
37th Street Manor	MN002000007, Horn AMP	28
Art Love Manor	MN002000003, North AMP	66
Dickman Park Apartments	MN002000004, Northeast AMP	35
Franklin Towers	MN002000005, Hiawatha AMP	110
Friendly Manor	MN002000004, Northeast AMP	121
Hamilton Manor	MN002000003, North AMP	220
Heritage Commons	MN002000003, North AMP	102
Horn Towers	MN002000007, Horn AMP	491
James R. Heltzer Manor	MN002000007, Horn AMP	110
Lowry Towers	MN002000003, North AMP	193
Lyndale Manor	MN002000003, North AMP	239
Lynway Manor	MN002000003, North AMP	62
Oliver Manor	MN002000003, North AMP	31
Parker Skyview	MN002000004, Northeast AMP	333
Rainbow Terrace	MN002000003, North AMP	84
Sibley Triangle Apartments	MN002000004, Northeast AMP	35
Signe Burckhardt Manor	MN002000005, Hiawatha AMP	42
Snelling Manor	MN002000007, Horn AMP	28
Spring Manor (809)	MN002000004, Northeast AMP	32
Spring Manor (828)	MN002000004, Northeast AMP	189
St. Anthony Highrise	MN002000004, Northeast AMP	49
The Atrium /Archie Givens	MN002000003, North AMP	299
The Pentagon	MN002000007, Horn AMP	129
The Riverside	MN002000007, Horn AMP	151
Third Avenue Towers	MN002000005, Hiawatha AMP	199
Thomas T Feeney Manor	MN002000003, North AMP	48

In the near term, including 2022, MPHA's most likely actions include an application for a subset of properties under a model sometimes called "**RAD with debt.**" The purpose of such an application would be to stabilize the long-term federal subsidy (by conversion to project-based vouchers) at a set of properties where debt and other soft funding sources can address the properties' deferred maintenance needs as well as provide reserves to address future needs, without the use of tax credits.

As with any RAD conversion, the process must satisfy stringent federal requirements to protect residents, including:

- Residents are not rescreened and do not lose eligibility during a RAD conversion.
- The rent calculation after RAD is 30 percent of adjusted income, as it was before.
- RAD retains essential resident processes and rights, including the grievance process and funding for resident organizations.
- In the event of construction requiring temporary relocation, residents have a right to return to the property after work is complete.
- If interim relocation is necessary, residents must have comparable housing throughout the process.

If MPHA determines that RAD or another preservation process is feasible and in the interest of our mission and our community, MPHA will initiate the processes required by HUD for disclosure, notification, and resident engagement prior to any application.



DRAFT Resident Advisory Board 2022 MTW Annual Plan Priorities

MPHA's Resident Advisory Board (RAB) approved the following priorities to guide MPHA's actions in 2021.

1. Define and maintain high standards and accountability for maintenance staff and management, and apply them consistently across MPHA properties. Ensure Quality Maintenance Program is implemented. Create a protocol for residents to comment and address their concerns.
2. Create and define a comprehensive security program, including:
 - Investing in cameras and other security measures where it makes the most difference.
 - Analyze and assess the security guard contract(s) to ensure MPHA safety and security needs are met.
 - Enforcing MPHA's guest/visitor policies to ensure unauthorized people are not entering the buildings.
 - Enforcing prohibitions on firearms and illegal drugs.
 - Protecting the anonymity of residents/Project Lookout volunteers who report other residents.
3. Advocate for and use MTW fungibility as much as possible to provide adequate funding for maintenance of properties and prompt attention to all work orders.
4. Continue to incorporate MPHA's *Guiding Principles for Redevelopment and Capital Investments* as MPHA pursues its *Strategic Vision and Capital Plan* to preserve public housing.
5. Maintain a policy of one-for-one hard unit replacement of public housing.
6. Pursue federal, state and city dollars, including the restoration of the full tax levy, as allowable under state law to address MPHA's large deferred capital needs and reinstate \$1.2 million of the levy for resident security.
7. Do not increase rent over 30% of income for residents in Public Housing and Project Based Vouchers.
8. Explore minimum rent policy and align with HCV and Project Based vouchers.
9. Do not implement housing time limits.
10. Focus on the most needy: homeless, children, elderly, disabled, the mentally ill, veterans and ex-offenders.
11. Create supportive housing opportunities for people exiting homelessness, corrections, rehab, etc.
12. Continue the use of Volunteers of America and continue support for resident programs with future redevelopment structures.
13. Create collaborations that increase affordable housing and/or services for residents.
14. Focus new effort on combatting and providing protections for victims of domestic violence, intimate partner or dating violence, sexual assault, and stalking in MPHA buildings, including training for staff and residents.
15. Focus on resident employment opportunities, including Section 3, as part of all MPHA activities, including
 - A Section 3 "job bank";
 - Posting and publicizing MPHA and Section 3 job opportunities in all buildings;
 - Giving residents a preference for available jobs at MPHA.
16. Explore the creation and implementation of homeownership programs that will contribute to closing the racial gaps in homeownership in the city and help residents of Minneapolis build wealth.

MPHA 2022 MTW Annual Plan

Presentations, Public Hearing, and Public Comment

HUD requires MPHA to file our "Moving to Work" (MTW) annual plan each fall. You are invited to learn more about our vision to enhance lives and preserve our public housing.



View the Draft Plan and Submit Comments

Available July 29 through August 31 at <http://MPHAOnline.org/MTW> or at MPHA's administrative offices (1001 Washington Ave N).

Comments due by **August 31, 2021**

Email: MTW@MplsPHA.org Mail: MPHA MTW Comments, Room 204, 1001 Washington Ave. N, Minneapolis, MN 55401.

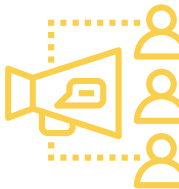


Informational Meetings

Dates, Locations, Time:

- **August 09:** 10 - 12PM, Horn Towers (3121 Pillsbury Ave S)
- **August 10:** 6 - 8PM, Zoom (Virtual)
- **August 11 :** 3 - 5PM, Cora McCorvey (1015 4th Ave N)

Starting August 10, watch narrated our video presentations at MPHAOnline.org/MTW or [YouTube.com/MplsPHA](https://www.youtube.com/MplsPHA)



Public Hearing

- **August 25 :** 1:30 PM, Cora McCorvey (1015 4th Ave N)

English

This information is important. If you do not understand it, please call your MPHA representative for free language assistance.

Hmong

Yog koj tsi to taub txog cov nqi lust seem ceeb no, thov hu mus rau ntawm tsev luam qhov chaw ua hauj lwm MPHA peb yuav pab nbxhais rau nej.

Somali

Halkan waxaa ku qoran war ama akhbaar aad u muhim ah, haddii aad fahmi kari weydo, fadlan ula tag wakiilka hay'adda MPHA, si aad tarjumaad bilaash ah uga hesho.

Oromo

Beeksifni kun hedduu barbaachisaa dha. Yaadni isaa hoo isiniif hin galle ta'e, bakka bu'aa "MPHA" (Bulchiinsa Mana Mootummaa Magaalaa Minneapolis) akka afaan isiniif hiikamu gargaarsa tolaa gaafadhaa.

Amharic (Ethiopian)

ይህ መረጃ በጣም አስፈላጊ ነው። ምን እንደሚል የማይገባዎት ከሆነ፣ ከ MPHA (የሚንያፖሊስ የመንግስት የመኖሪያ ቤቶች ባለስልጣን) ወኪል ጋር ተገናኝተው በዚህ የሚሰጥ የቋንቋ[ማስተርጓሚ] እርዳታ እንዲሰጥዎ ይጠይቁ።

Laotian

ຖ້າຫາກວ່າທ່ານບໍ່ເຂົ້າໃຈໃນຂໍ້ຄວາມຂ້າງນີ້, ທ່ານຕ້ອງໄປຫາພັງ ຫ້ອງການເຮືອນຫລວງ MPHA ຫວກເຮົາຈະຊ່ວຍອະທິບາຍໃຫ້ທ່ານ.

Spanish

Esta información es importante, si usted no lo entiende, por favor póngase en contacto con MPHA para asistencia lingüística gratuita.

If you need an accommodation, including assistance in another language or this notice in an alternative format, contact MTW@MplsPHA.org by August 1.

2022 Moving to Work Annual Plan

Overview



Presented by:
Jennifer Keogh, Deputy Executive Director
July 28, 2021

Today's Objectives

- Provide overview of MTW
- Review Proposed New Activities
- Review Updates to Existing Activities
- Discuss Next Steps

2022 Moving to Work Annual Plan



Moving To Work Overview

What is Moving To Work Status?

- Moving to Work (MTW) was enacted by Congress in 1996.
- MPHA granted MTW status in 2008.
- MTW allows MPHA to try things that regular HUD regulations do not allow and gives us more flexibility to serve residents better.
- MTW is to serve people better and to change rules that do not make sense for people. MPHA will discuss what activities it has been doing with its MTW authority so far.

MTW has three statutory objectives:

1. Reducing cost and achieve greater **cost effectiveness** in Federal expenditures;
2. Giving incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically **self-sufficient**; and
3. Increasing **housing choices** for low-income families.

MPHA's Implemented Activities

Implemented Activities	Approved	Implemented
Affordable Housing Creation & Preservation Toolkit	2020	2020
Asset Verification	2018	2018
Biennial Income Recertification (Public Housing)	2018	2018
Conversion of Subsidy and Capital for MHOP Units	2018	2018
Flexible Subsidy for Community Priorities	2020	2020
Goal-Oriented (GO) Housing Initiative	2018	2018
Independent Entity for Inspect./Rent-Reasonableness	2022	2020
Lease-to-Own Initiative	2010	2012
Local Project-Based Voucher Program	2018	2018
Low-Rent Annual to Three-Year Certifications	2009	2010
Minimum Rent Initiative for Public Housing Residents	2010	2011
Mobility Voucher Program	2009	2010
Property Owners Incentive Program	2018	2018
Public Housing Working Family Incentive	2010	2011
Rent Reform Initiative	2014	2014
Replace the Form of the DOT with a LURA	2019	2020
Shelter to Home – Public Housing	2015	2017
Supportive Housing for Youth	2016	2016

New Proposed Activities

Regional Moving to Work Agency Designation

- 2021 Proposed Activity.
 - HUD has not given authorization for full approval.
- MPHA and Metro HRA propose to form a regional voucher program, jointly using MPHA's MTW flexibilities to expand housing opportunities through:
 - Portability
 - Mobility—this activity will begin via the Mobility Demonstration award from HUD
 - Project-based vouchers
- HUD has specified that designation will occur through MPHA's MTW Annual Plan process.
 - Multiple other components and agreements required to implement.



MTW Objective: *increasing housing choice and cost effectiveness*



Minneapolis Public Housing Authority

New Proposed Activities

Pathways Forward

For Families living in MPHA's RAD-PBV and PBV rental assistance programs that are at or above 80% of the Area Median Income (AMI) an opportunity to graduate to other types of affordable housing options and to be self-sufficient, by providing them with incentives, supports and adequate time.



MTW Objectives: *increasing housing choices; and self-sufficiency*

Updates to Existing Activities

Triennial recertifications for all MTW voucher households

Modification of “Rent Reform” Activity (2014-1)

Rent-portion stays the same; families keep more earned income

No requirement to report interim income increases in most cases

Benefits for families and staff outweigh impact on HAP expenses

Triennial recertifications for all MTW voucher households and LIPH non-fixed income households

Modification of Biennial Income Recertification for Public Housing (2018 – 3)

Rent-portion stays the same; residents keep more earned income

Residents may still request interim recertifications or utilize a hardship policy if they believe they are adversely affected by the triennial schedule.

Updates to Existing Activities

New applications of Local Project-Based Voucher Program (2018 – 6)

- Simplify rent reasonableness practices, by means that may include among others (1) allowing a new annual rent to go into effect without a new rent reasonableness study when the new rent would be authorized under the previous rent reasonableness study, and (2) omitting rent reasonableness studies for particular units and instead explicitly relying on completed rent reasonableness studies already completed for units with similar characteristics (e.g., same bedroom size and neighborhood).
- Stagger annual rent increase dates and may rely on increased fair market rents without rent reasonableness studies to authorize rent increases during interim periods that will facilitate the transition to staggered dates.
- Scattered Site residents that relocate during new construction will remain subsidized throughout the process, be relocated temporarily for the demolition and construction period and move into the new PBV-assisted units. The MPHA expects to use this activity both to assure they will be continuously subsidized and moved into the new construction.

Updates to Existing Activities

Ability to create a “unified lease” across MPHA properties

- Addition to “Local PBV Program” Activity (2018-6)
- Objective: Resident Transparency – clear transfer of public housing lease items to PBV documents in cases of subsidy conversion.

New application of Affordable Housing Creation and Preservation Toolkit (2020 – 2)

- This language allowing use of funds for local, non-traditional activities (which was approved as part of MPHA’s Second Amendment to the MTW Agreement) is being added.
- In addition, clarifies that MPHA may use this activity to commit MTW Funds for pledging and satisfying guarantee commitments related to Section 8 and Section 9 housing units and for other affordable housing eligible as local, non-traditional activities.

New applications of Flexible Subsidy for Community Priorities (2020-3)

- Clarify that MPHA will be permitted to pledge and use MTW funds for fulfilling Guarantees related to the production, rehabilitation, and financing of PBV, and other non-PBV low-income units, by its instrumentalities.
- This would provide additional comfort to both MPHA and lenders or investors of MPHA's authority to proceed with these commitments.
- MPHA, and it’s instrumentalities intend to close on financing in 2022 that will require such guarantee commitments

Next Steps

- **Public Comment Period**
 - July 29: Draft plan posted for public, open for comment
- **Notice regarding public comment and meetings**
 - August 1: Notification to residents and voucher households
- **Host Information Meetings**
 - August 9: Information Meeting at Horn Towers 10 am -12 pm
 - August 10: Information Meeting on Zoom 6-8 PM
 - August 11: Information Meeting at Cora McCorvey Center 3-5 PM
- **Create Online video presentation**
 - Early August: MPHAOnline.org and MPHA's YouTube channel
- **Host Public Hearing**
 - August 28: Public hearing at Cora McCorvey Center 1:30 PM
- **Public Comments Deadline**
 - August 31: Deadline for public comments
- **Board Review/Approval**
 - September 22: MTW Plan Final consideration request approval by MPHA Board
- **Submission to HUD**
 - **On or before October 15**