



# **NOTICE AND AGENDA**

**March 22, 2023**

**A REGULAR MEETING OF THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY IN AND FOR THE CITY OF MINNEAPOLIS WILL BE HELD AT 1:30 P.M. AT 1001 WASHINGTON AVENUE NORTH, MINNEAPOLIS, MINNESOTA**

The Resident Advisory Board will meet at 12:00 Noon, same date and place

**Commissioners:**      **Tom Hoch, Chair**  
                                 **Mikkel Beckmen, Secretary**  
                                 **Medaria Arradondo, Commissioner**  
                                 **Alyssa Erickson, Commissioner**  
                                 **Abdullahi Isse, Commissioner**  
                                 **Cara Letofsky, Commissioner**  
                                 **Tamir Mohamud, Commissioner**  
                                 **Elfric Porte, Commissioner**  
                                 **Hon. James Rosenbaum, Commissioner**

## **GENERAL:**

- Roll Call
- Approval of Agenda
- Minutes of an Annual Meeting of January 25, 2023
- Election of Officers and Appointment of Executive Committee

## **CHAIR'S UPDATE**

## **RESIDENT ADVISORY BOARD – RAB Chairperson Comments**

## **PRESENTATION / DISCUSSION / PROPOSED RESOLUTION**

1. Stable Homes Stable Schools Service Contract (SHSS) (Brandon Crow, Director - HCV )

## **RECEIVE AND FILE:**

- Executive Director's Update for February 2023 and March 2023
- Monthly Performance Report for January 2023



- Monthly Performance Report for February 2023
- Newsletters and New Clippings for February and March
- MPHA Family Housing Capital Investment Request
- Letters of Support SF1899/HF2477

**Next Regular Meeting:**

**Wednesday, April 26, 2023 - 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 THE ANNUAL MEETING OF THE  
MINNEAPOLIS PUBLIC HOUSING AUTHORITY  
IN AND FOR THE CITY OF MINNEAPOLIS  
January 25, 2023**

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in its annual meeting at 1:30 P.M. on January 25, 2023, at 1001 Washington Avenue North, Minneapolis, Minnesota, the date, time, and place established for the holding of such meeting.

**Roll Call:**

The Chair called the meeting to order, the following members of the Board being present:

Tom Hoch	Chair
Mikkel Beckmen	Secretary
Abdullahi Isse	Commissioner
Cara Letofsky	Commissioner
Tamir Mohamud	Commissioner
Hon. James Rosenbaum	Commissioner

The following members of the Board were absent:

Medaria Arradondo	Commissioner
Alyssa Erickson	Commissioner
Elfric Porte	Commissioner

The following others were also present:

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

**Approval of Agenda:**

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

**Approval of Minutes:**

The Minutes of the Regular Meeting of November 23, 2022, were presented for approval. Commissioner Mohamud moved the minutes be accepted as presented. The motion was seconded by Commissioner Isse. Upon a voice vote, the Chair declared the motion carried.



### **Chair's Update:**

- Three new commissioners have joined the board.
- Executive Committee Meeting
  - During today's meeting we received an update on Heritage Park and our continuing conversation with the owner/developer of that project
  - We also received an update on rent collection post covid on what it looks like in terms of the number of evictions. Staff is doing a commendable job working with residents to get payment agreements out. The goal is to house people not to evict them.
- The January meeting is usually held as the Annual Meeting where we elect our officers; however, we will defer to our February meeting when the new commissioners will be in attendance.
- The December 15, 2022, meeting was canceled due to the weather. I communicated with MPHA's CFO to authorized executing the contract for a private auditor service as the state auditor has not been able to handle the work load this year and the MPHA could not wait for board approval - this is not a controversial item. Also, on the 2023 Budget I told the CFO to begin implementing the budget as the MPHA could not wait for board approval in January. The CFO did a good job explaining the budget during the budget workshops that all the commissioners attended in November 2022. This too is not a controversial item.

### **Resident Advisory Board (RAB) Update:**

The RAB Chair Lisa Anderson reported that there was a quorum. All consent items were passed. The Consideration of 2023 MPHA and Elliotts LP Budget was presented by staff and the RAB board passed that item. The Consideration of MPHA 2023-2027 Strategic Plan presented by staff also passed.

### **Resident Concerns:**

The RAB Chair visited two buildings where construction was completed. In both buildings the storage spaces (closets) have shrunk, and residents accumulate a lot of stuff. The RAB Chair brought to the attention of the previous DED the possibility of some type of storage units where a fee could be applied for the use of the space. Also, the resident could sign a contract stating the fee and commonsense rules like no firearms etc.

A letter was sent some time ago to the mayor and the new chief of police requesting a meeting - the RAB hasn't heard back. If the meeting does happen, they want to have a private setting, like at a park or conference room at 1001.

The RAB chair asked for a moment of silence for RAB member Michael who past away in December.



Security is still an issue at high-rise parking lots with non-residents conducting illegal business. The RAB believes gates in MPHA parking lots would discourage that type of action.

**Items Nos. 1, 2 and 3** on the agenda were presented and acted upon as a group. Commissioner Rosenbaum moved approval of the recommendations contained in the reports. Seconded by Commissioner Beckmen. The Chair declared the motion carried.

Document No. 2023-01                      Meeting Schedule for 2023 Board Meetings

Document No. 2023-02                      Professional Architectural/Engineering Services Contracts

Document No. 2023-03                      Audit Services Contract Approval

**Item No. 4              Consideration of 2023 MPHA and Elliotts LP Budget**

After a presentation by staff and discussion, Commissioner Letofsky moved approval of the recommendation set forth in the Report along with the corresponding Resolution attached thereto. Commissioner Mohamud seconded the motion. Upon a roll call vote, six Commissioners voted “aye” (Commissioners Beckmen, Isse, Letofsky, Mohamud, Rosenbaum, and Chair Hoch) and no Commissioner voted “nay”. The Chair declared the motion carried. [See Document No. 2023-04] [See Resolution No. 23-228]

**Item No. 5              Consideration of MPHA 2023-2027 Strategic Plan**

After a presentation by staff and discussion, Commissioner Mohamud moved approval of the recommendation set forth in the Report along with the corresponding Resolution attached thereto. Commissioner Beckmen seconded the motion. Upon a roll call vote, six Commissioners voted “aye” (Commissioners Beckmen, Isse, Letofsky, Mohamud, Rosenbaum, and Chair Hoch) and no Commissioner voted “nay”. The Chair declared the motion carried. The Chair declared the motion carried. [See Document No. 2023-05] [See Resolution No. 23-229]

**Receive and File Items:**

The following items were received and filed by the Board:

- Executive Director’s Report/Update November 2022. [See Document No. 2023-06]
- Executive Director’s Report/Update December 2022. [See Document No. 2023-07]
- The Monthly Performance Report for November 2022. [See Document No. 2023-08]
- The Monthly Performance Report for December 2022. [See Document No. 2023-09]
- Community Update Newsletter and News Clippings December 2022 [See Document No. 2023-10]
- Community Update Newsletter and News Clippings January 2023 [See Document No. 2023-11]



**Adjournment:**

There being no further business to come before the meeting, and upon a motion duly made and seconded, the meeting was adjourned at 2:10 p.m.

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Secretary of the Board of Commissioners

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Date These Minutes Approved



March 22, 2023

Agenda Item 1

## **REPORT TO THE COMMISSIONERS**

**FROM:** Abdi Warsame, Executive Director/CEO

**SUBJECT:** Stable Homes Stable Schools Services Contract

**Previous Directives:** The 2019 Budget originally approved funds for the Stable Homes Stable Schools initiative and subsequent budgets have continued this funding.

**Resident Council Review/Recommendation:** This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March meeting.

**Budget Impact:** The Cost for the services contract will be reimbursed by City of Minneapolis funds. There is no additional impact on the 2023 MPHA budget.

**Affirmative Action Compliance:** The RFP process followed all MPHA and City of Minneapolis guidelines.

**Procurement Review:** This Report has been reviewed and approved by the Agency's Contracting Officer.

**RECOMMENDATION:** It is recommended that the Board of Commissioners authorize the Executive Director or his designee to execute a contract with The YMCA of the Greater Twin Cities, in an amount not to exceed \$3,500,000.00 for the supportive services contract for Stable Homes Stable Schools.

## Overview

Stable Homes Stable Schools is a collaborative effort by The City of Minneapolis, the Minneapolis Public Housing Authority (MPHA), Minneapolis Public Schools (MPS), and Hennepin County Health and Human Services to provide funding and resources for families facing the threat of losing their homes or experiencing homelessness.

The initiative supports children and families in two ways:

- Rental assistance is currently provided to eligible families in 19 MPS schools, and will be expanded to 5 additional schools in the 2023-24 school year. This assistance will support families who meet the McKinney-Vento definition of homelessness. Supportive services will be included to help families achieve housing stability.
- Housing Stability support is available to families who are housed but are facing housing instability or eviction. These families will receive guidance using available resources to stabilize their housing that may include financial assistance to secure their housing by paying off their outstanding rent, utility bills, or other costs. This part of the program is funded by the Pohlad Family Foundation and a Homework Starts with Home grant.

SHSS has assisted 1500 families and more than 3800 children with ending or avoiding homelessness over the first four years of the program. MPHA will continue to serve as administrator of this program that stabilizes families and connects them with other permanent resources including employment or other supports, allowing the youth to focus on their education.

## Current Participating Schools

School Name	Location		
Anishinabe Academy	3100 E 28th St	Folwell Community	3611 20th Ave S
Ella Baker	1200 W 26th St	Las Estrellas	1201 University Ave NE
Hall International	1601 Aldrich Ave N	Sullivan Community	3100 E 28th St
Cityview Community	3350 4th St N	Pillsbury Community	2250 Garfield St NE
Bethune Community	919 Emerson Ave N	Green Central Park Community	3416 4th Ave S
Lucy Laney at Cleveland	3333 Penn Ave N	Bryn Mawr Community	252 Upton Ave S
Jenny Lind Elementary	5025 Bryant Ave N	Hmong International Academy	1501 30th Ave N
Nellie Stone Johnson	807 27th Ave N	Bancroft Elementary	3829 13th Ave S
Marcy Open	415 4th Ave SE	Webster Community	425 5th St NE
Whittier Community	315 W 26th St		

The YMCA of the Greater Twin Cities has been chosen as the Service Provider for Stable Homes Stable Schools after a competitive RFP process. A committee of interested partners from Minneapolis Public Schools and MPHA reviewed and scored the applications. There was significant interest in the RFP, and ultimately two providers felt that they could meet the aggressive timeline and needs of the program.

This report was prepared by Brandon Crow, Director of HCV. For questions, please contact Brandon at (612) 342-1421.





**MEMORANDUM TO:** MPHA Board of Commissioners

**FROM:** Abdi Warsame, Executive Director/CEO

**SUBJECT:** Executive Director's Report, February Board Meeting

With the MPHA Board of Commissioners passing the agency's new, five-year strategic plan last month, staff got to work establishing annual department-level goals that align with the new plan's six goals. We reviewed these goals as an executive leadership team, and the next step is for me to host all-department meetings with each department to discuss the agency's new strategic plan, the department's goals, and have an open question and answer session with team members. This is something we did last year around the annual goal-planning work and it was well received, so I am eager to begin those meetings in the coming weeks.

Also in February, staff and I began meeting with state legislators about a capital funding request for the agency's deeply affordable family housing portfolio, Community Housing Resources (CHR). Specifically, MPHA is requesting a one-time cash investment of \$45 million to spend over a 10-year period to clear the portfolio's capital backlog. The agency believes at the end of the 10-year deployment window, the portfolio will become self-sufficient for decades to come—relying solely on the annual federal subsidy received to cover routine annual capital work. We are still in the early stages of this work, and the situation is very fluid. I continue to keep Chair Hoch updated on progress in our weekly meetings, and the agency's slide deck outlining the ask is included in today's receive and file. As more details develop, I will seek the assistance of board members in amplifying the importance of this investment and what it would mean for the nearly 3,100 residents currently living in CHR homes.

As a part of this push at the state legislature, I also joined the Minnesota National Association of Housing and Redevelopment Officials (MN NAHRO) for its day at the capitol event. I spent the day meeting with industry leaders in the state and numerous state legislators, speaking to the importance of investing in housing programs across the state and in Minneapolis. This was a great experience, and I look forward to continuing to build relationships within MN NAHRO to leverage the organization's deep expertise.

Finally, last week MPHA staff provided Minneapolis City Council President Andrea Jenkins a tour of the Elliot Twins. The agency is proud of the historic \$27 million renovation of the Elliot Twins, sharing with the Council President all the work involved with completely remodeling the 60-year-old towers, adding 10 disability accessible units, replacing aging building systems, and completing energy efficiency improvements. The Council President expressed she was impressed with the agency's work, which was wonderful feedback for staff to receive after everything it took to complete the landmark renovation on time and on budget in the middle of a global pandemic.



**MEMORANDUM TO:** MPHA Board of Commissioners

**FROM:** Abdi Warsame, Executive Director/CEO

**SUBJECT:** Executive Director's Report, March Board Meeting

Earlier this month, MPHA welcomed its new Deputy Executive Director, Dominic Mitchell. Dominic is a long-time housing leader in our region, spending nearly 15 years serving with the St. Paul Public Housing Agency (PHA). Most recently, Dominic served as the Director of Housing Choice Voucher Programs. Dominic brings both the technical skills and an energy to learn and contribute to the forward-thinking culture at MPHA.

Being able to attract one of the region's top housing leaders to MPHA is a testament to the agency's history of success and innovation as a housing authority, and I am excited to have Dominic on board.

In his new role, Dominic will help MPHA continue to maintain its 'high performer' status with HUD while helping strengthen its operational competencies in its Housing Choice Voucher, Low-Income Housing Tax Credit, Rental Assistance Demonstration, public, and deeply affordable housing portfolios.

The agency has made great strides at the capitol this past month with its request for a one-time cash investment of \$45 million to spend over a 10-year period to clear the CHR portfolio's capital backlog. The agency's bill in the Senate, SF 1899 was heard at the beginning of the month and received an overwhelmingly positive reception from lawmakers. This included Senator Lindsey Port, Chair of the Senate Housing and Homelessness Prevention Committee, committing to including the one-time cash funding to be included in her committee's budget targets. Weeks later, the companion legislation, HF 2477, was heard in the House Housing Finance and Policy Committee, achieving a similar result, though without the verbal commitment of Chair Michael Howard to include the funding in his budget targets. With successful hearings in both the House and Senate, the agency must now wait for further spending details to become available over the coming weeks.

The agency built a powerful coalition of supporters for this historic funding, including Hennepin County Board of Commissioners Chair, Irene Fernando, Minneapolis Mayor Jacob Frey, Minneapolis City Council President Andrea Jenkins, Minneapolis City Councilmember Robin Wonsley, Minneapolis Board of Estimate and Taxation President, Samantha Pree-Stinson, MHRC President, Mary McGovern, and MPHA's own Mary Vang among those who have testified or submitted letters of support on our behalf. I also want to thank Chair Hoch, Commissioner Erickson, and former long-time MPHA Executive Director, Cora McCorvey, for submitting letters of support for our efforts at the legislature.

I will continue to keep Chair Hoch updated on progress in our weekly meetings along with notifying the full board should we learn more about the funding ahead of April's board meeting.



Finally, I was excited to join Mayor Frey earlier this month to announce his new Public Housing Preservation and Expansion Convening. This new group will be comprised of private partners and local, regional, state, and federal officials focused on finding new strategies to preserve and expand public and deeply affordable housing. The goal of this group is to coalesce around key focus areas, develop new and better aligned strategies that leverage existing and unlock new resources, and turn them into recommended action plans.

I commend Mayor Frey for convening this cross-jurisdictional group of leaders to help MPHA both preserve and produce public and deeply affordable housing in Minneapolis. Solving our region's affordability crisis in all its facets is going to take an all-of-the-above approach, and it is going to take the bold action of elected leaders at every level of government. I am excited to see what results this group identifies and enacts to help MPHA address its challenges.



# Monthly Performance Report

Minneapolis Public Housing Authority  
Board of Commissioners  
For the month ending January 31, 2023

## Contents

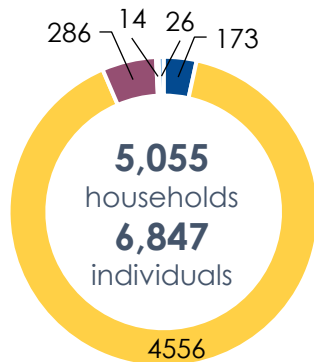
1. Performance of Operations
  - Public Housing Programs
  - Housing Choice Voucher Programs
2. Building Improvement and Development Projects
3. Inquiry Response and Social Media

\*2022 year end final financial results and January 2023 financial reporting are pending due to year end general ledger closing activities

# Public Housing Programs



## Occupied Units\*



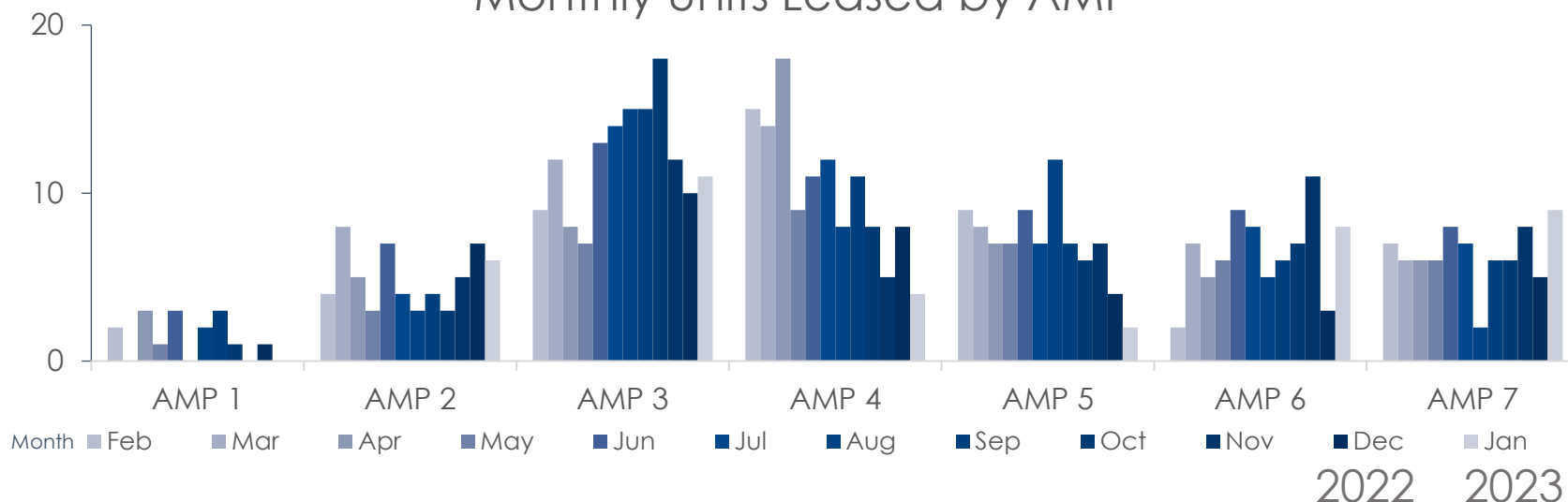
**5,055**  
households  
**6,847**  
individuals

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

**40**  
new units leased  
during month

**98%**  
occupancy

## Monthly Units Leased by AMP



\*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)

## Public Housing Programs

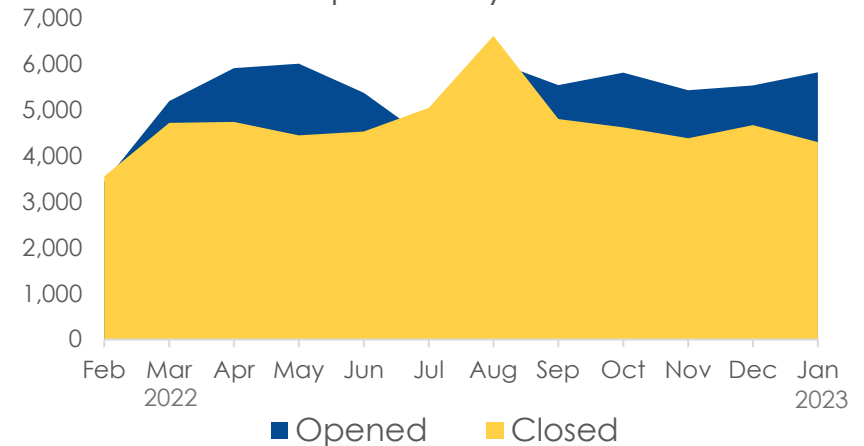


Reason for Vacating Unit	Count
Death	18
Evicted - Non Payment	8
Moving in with or closer to Family	4
Found Alternative Housing	4
To Nursing Home	3
Moving Out of Town	2
Evicted - Other	2
Financial Stability - Income	1
Dislike Unit	1
Evicted - Housekeeping	1
Other	1
Skip	1
Left Country	1

### Applicants on Waiting List

Family 2021	2071
Family	793
Disabled (18 - 49)	1059
Near Elderly (50-61)	1419
Elderly (62+)	373

### Work Orders Opened and Completed by Month

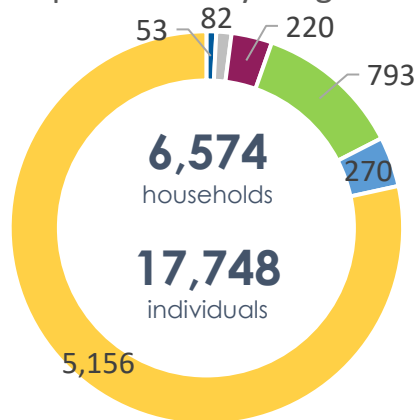


Goal	Total Completed	% Completed within Goal	Average Days Open
Emergency: 24 Hours	208	92%	0
Urgent: 1 Day	820	86%	0
After Hours Non-Emergency: 2 Days	20	100%	0
Important: 3 Days	886	77%	2
Routine: 10 Days	580	88%	82
Non-Routine: 20 Days	285	71%	11
Pest Control	874	100%	6

# Housing Choice Voucher Programs



People Served by Program\*



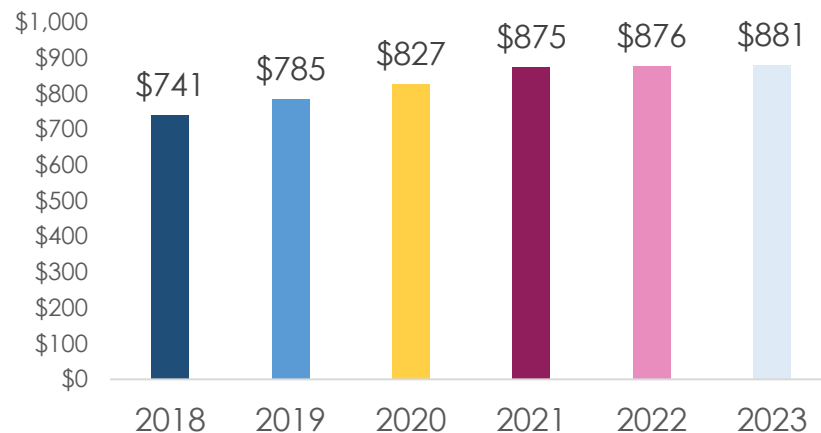
- Sponsor-Based
- Mod Rehab
- FUP and VASH

- Stable Homes Stable Schools
- Project-Based
- Tenant-Based

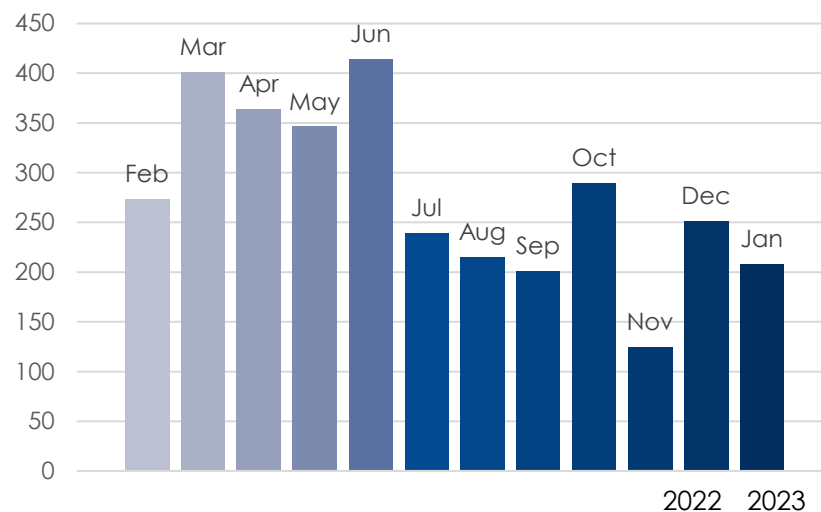
Family Unification Program and Veterans Affairs Supportive Housing

\*Including port-ins and port-outs

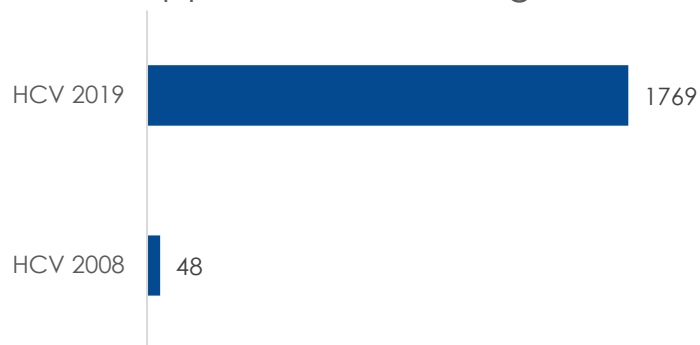
Average Housing Assistance Payment per Unit, Year to Date



Annual Inspections Conducted



Applicants on Waiting List



## Building Improvement Projects - Planning



ADDRESS	DESCRIPTION OF WORK	STATUS
1707 3 <sup>rd</sup> Avenue South	Exterior façade restoration & window replacement	Contract awarded; March 2023 start
1515 Park/1920 4 <sup>th</sup> /1710 Plymouth/710 2 <sup>nd</sup>	Main electrical switch gear & generator replacement	Contracts awarded; April 2023 start
Multiple sites	Security related improvements	Planning/Bidding/ Awarding contracts

## Development Projects - Planning

ADDRESS	DESCRIPTION OF WORK	STATUS
CHR scattered site units	Major modernization	Planning



## Building Improvement Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
CHR units – various scattered sites	2022 improvements: roof & siding replacement, unit modernization, site improvements	Ongoing
Cedars highrises	Window replacement and exterior façade repairs	Under construction; multi-year project
Multiple highrises	Fire sprinkler system installation	Under construction; timeline/status varies by site
1314 44 <sup>th</sup> Avenue North	Plumbing replacement, fire sprinkler system installation, unit bath modernization/new finishes	Under construction
Multiple highrises	Security surveillance system upgrades funded via HUD's Safety & Security Grant	Complete
Glendale Townhomes	Flat roof replacement	Complete
2415 North 3 <sup>rd</sup> Street	Exterior façade restoration & balcony repairs	Complete
Cedars	Exterior façade/structural repairs	Under construction

## Development Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
Scattered Site	Energy efficient single-family construction	Complete
Scattered sites new construction	Development of new family housing	Under construction

# Fire Suppression Installations



Building	Units	Budget	Funding Source(s)	Status	Construction
1206 2 <sup>nd</sup> St NE	57	\$620,000	MPHA Capital	Complete	Jan-Apr 2022
1717 Washington St NE	182	\$1,570,000	MPHA Capital	Complete	Apr-Nov 2022
2728 E Franklin St	151	\$1,200,000	MPHA Capital	Complete	Sept '22-Jan '23
Horn Towers	491	\$3,445,000	MPHA Capital	Under Construction	Jan '22-Apr '23
630 Cedar Ave S	190	\$1,592,000	MPHA Capital/City/State	Complete	May '22-Jan '23
2121 Minnehaha Ave	110	\$888,000	MPHA Capital/City/State	Complete	July-Dec 2022
1627 S 6 <sup>th</sup> St	116	\$868,000	MPHA Capital/City/State	Under Construction	Dec '22-Jun 2023
600 18 <sup>th</sup> Ave N	239	\$2,450,000	MPHA Capital/City/State	Under Construction	Nov '22-Aug -'23
1314 44 <sup>th</sup> Ave N	220	\$10,000,000*	MPHA Capital	Under Construction	Apr '22-Apr '23
Hiawatha Towers	281	\$2,100,000	MPHA Capital	Under Construction	Dec '22-Mar '24
314 Hennepin Ave	299	\$2,425,000	MPHA Capital/City	Under Construction	Dec '22-Sept '23
2415 N 3 <sup>rd</sup> St	62	\$500,000	Federal Appropriation	Not Started	TBD - 2023
1710 Plymouth Ave N	84	\$670,000	Federal Appropriation	Not Started	TBD - 2023
3116 Oliver Ave N	31	\$250,000	Federal Appropriation	Not Started	TBD - 2023
710 2 <sup>nd</sup> St NE	35	\$290,000	Federal Appropriation	Not Started	TBD - 2023
616 Washington St NE	35	\$290,000	Federal Appropriation	Not Started	TBD - 2023
809 Spring St NE	32	\$260,000	City of Minneapolis	Not Started	TBD - 2023
1900 3 <sup>rd</sup> St NE	32	\$260,000	City of Minneapolis	Not Started	TBD - 2023
3205 E 37 <sup>th</sup> St	28	\$230,000	City of Minneapolis	Not Started	TBD - 2023
3755 Snelling Ave S	28	\$230,000	City of Minneapolis	Not Started	TBD - 2023

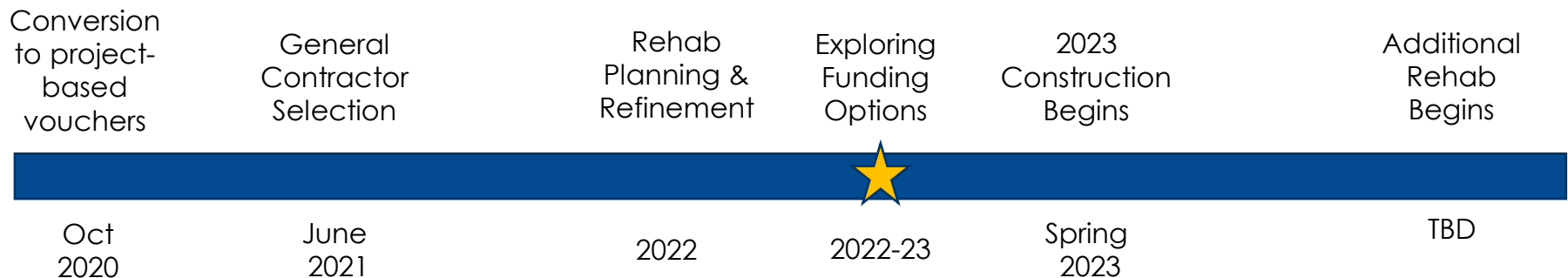
\*Budget reflects costs of comprehensive building modernization project of which fire suppression is included

# Scattered Site Rehab



- Conversion to project-based vouchers occurred on October 1st
- Exploring funding options to best preserve portfolio
- Will support investments in deferred maintenance and ongoing unit needs
- Mayor's 2023 budget includes \$3.7M for property repairs

## Timeline (subject to change)



# Family Housing Expansion Project

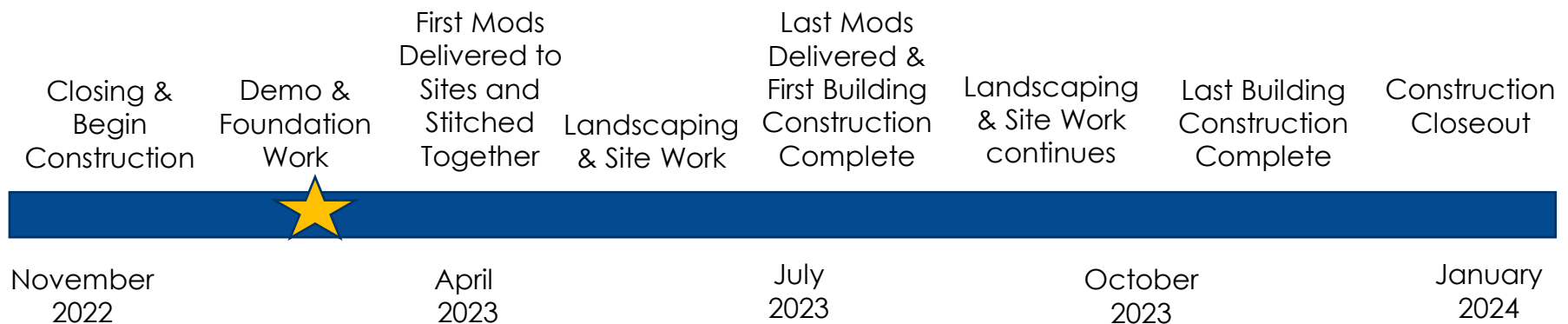


## 84-unit new scattered site construction



- 84 new deeply affordable family units in 16 small apartment buildings throughout the City
- Financing includes project-based vouchers, 4% bonds and Low- Income Housing Tax Credits, Soft Sources, and Debt
- **Closed 11/22/22**
- **Construction began 11/30/22**
- **Demo, Site Prep, and Foundation work underway**

## Construction Timeline (subject to change)



# Inquiry Response and Social Media



## MPHA on Facebook

### Top Performing Post (3,103 views)

Yesterday, MPHA was joined by [U.S. Senator Tina Smith](#) and [Mayor Jacob Frey](#) to celebrate the groundbreaking for 84 new deeply affordable family units across 16 sites across Minneapolis. This includes 26 two- and 58 three-bedroom units in fourplexes and sixplexes. Sixteen of the units will be disability accessible, with another 17 being high-priority homeless units with services funded through Hennepin County's Coordinated Entry program. The agency estimates these 84 new home... [See more](#)



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Posts for the Month

9

New Followers



## MPHA on Twitter

### Top Tweet (70,270 views)

**Minneapolis Public Housing Authority** @MPLSPubHousing · Jan 19 ...  
What began as an ambitious goal to install sprinklers in all high-rises by the end 2025 is becoming a remarkable achievement in partnership. Thank you to [@ilhan](#), [@mnhousing](#), and [@MplsWard2](#) for joining MPHA today to celebrate securing final funding needed: [bit.ly/FinalFireFundi...](#)



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Tweets for the Month

21

New Followers

January 2023





# Monthly Performance Report

Minneapolis Public Housing Authority

Board of Commissioners

For the month ending February 28, 2023

## Contents

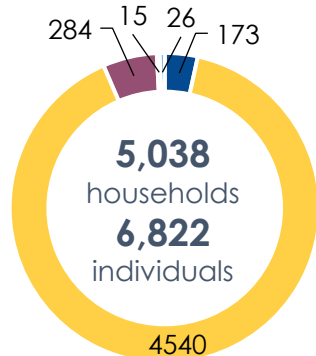
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# Public Housing Programs



## Occupied Units\*

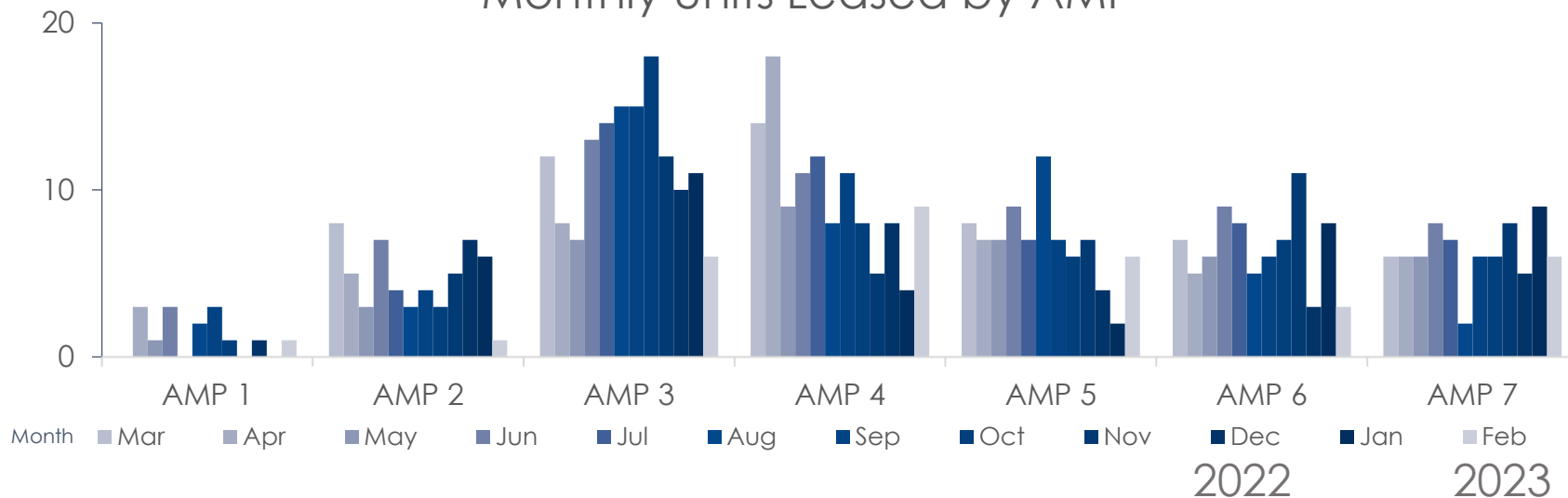


- Glendale
- MHOP
- Scattered Sites
- Highrise
- Minnehaha Townhomes

**32**  
new units leased  
during month

**98%**  
occupancy

## Monthly Units Leased by AMP



\*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)

## Public Housing Programs

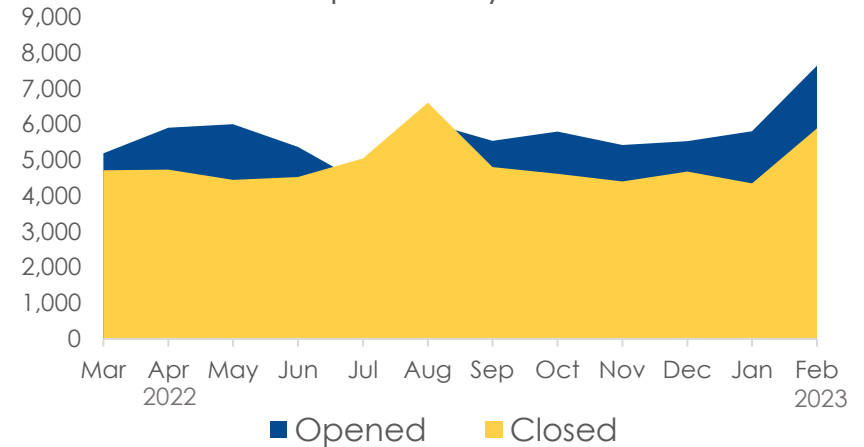


Reason for Vacating Unit	Count
Death	16
Evicted - Non Payment	9
Moving Out of Town	8
Moving in with or closer to Family	7
Found Alternative Housing	4
Illness	2
Left Country	2
Mutual Agreement	2
Evicted - Criminal Acts	2
Evicted - Housekeeping	1
Mutual Termination	1
Received S8 Voucher	1
Skip	1
To Nursing Home	1

### Applicants on Waiting List

Family 2021	2071
Family	786
Disabled (18 - 49)	1115
Near Elderly (50-61)	1488
Elderly (62+)	397

### Work Orders Opened and Completed by Month



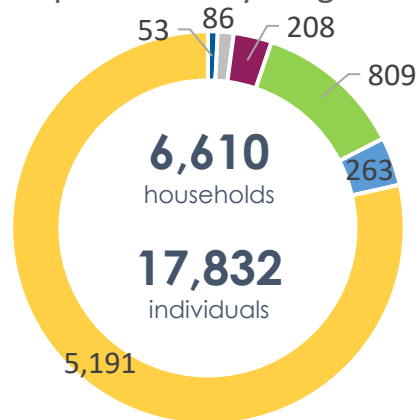
Goal	Total Completed	% Completed within Goal	Average Days Open
Emergency: 24 Hours	196	85%	1
Urgent: 1 Day	859	79%	1
After Hours Non-Emergency: 2 Days	9	100%	0
Important: 3 Days	1406	53%	5
Routine: 10 Days	720	80%	6
Non-Routine: 20 Days	682	89%	10
Pest Control	1266	100%	4



# Housing Choice Voucher Programs



People Served by Program\*



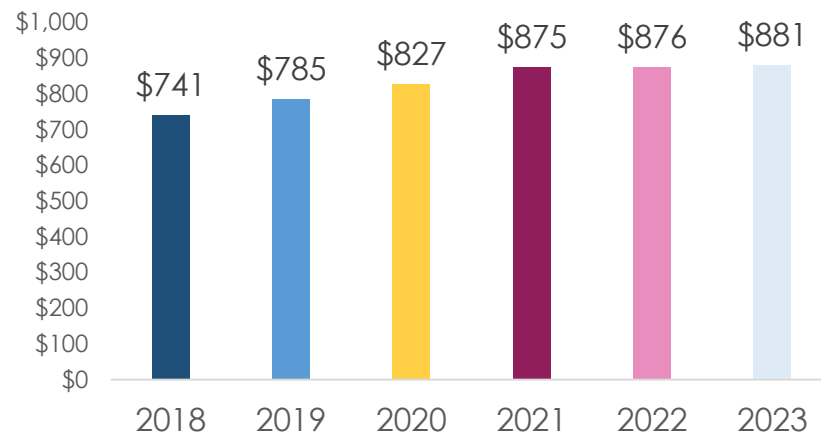
- Sponsor-Based
- Mod Rehab
- FUP and VASH

- Stable Homes Stable Schools
- Project-Based
- Tenant-Based

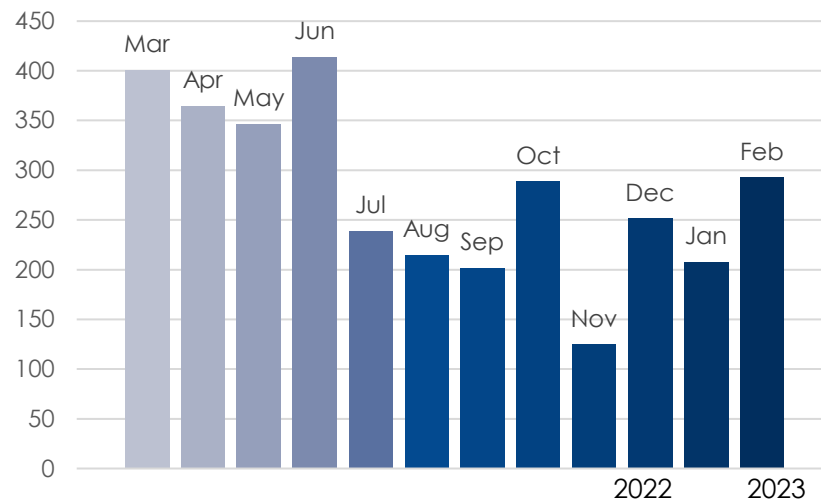
Family Unification Program and Veterans Affairs Supportive Housing

\*Including port-ins and port-outs

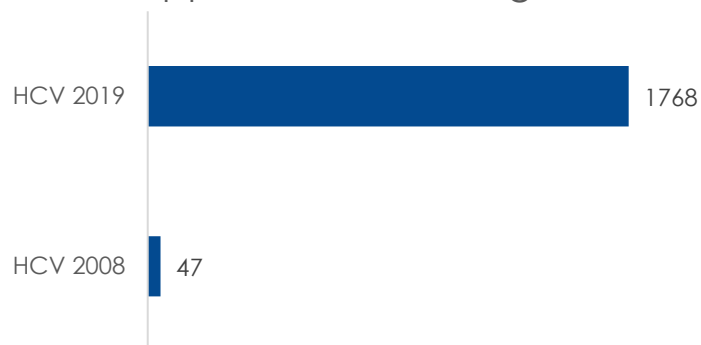
Average Housing Assistance Payment per Unit, Year to Date



Annual Inspections Conducted



Applicants on Waiting List



## Building Improvement Projects - Planning

ADDRESS	DESCRIPTION OF WORK	STATUS
Multiple highrises – remaining 9 sites	Fire sprinkler system installation	Planning
CHR scattered site units	City-funded interior & exterior improvements	Planning
1515 Park Avenue South	Fire alarm system replacement	Planning
314 Hennepin & Hiawatha Towers	Main electrical switch gear & generator replacement	Planning
800 5 <sup>th</sup> Avenue North	Window replacement	Planning
2121 Minnehaha Avenue	Window replacement	Planning
1515 Park Avenue South	Roof replacement	Planning
1415 East 22 <sup>nd</sup> Street	Roof replacement	Planning
Multiple highrises	Façade repairs	Planning
Fifth Avenues & 2121 Minnehaha	Apartment entry door replacement	Planning
Glendale Townhomes	Partial roofing, siding & plumbing replacement, other priority work items	Planning
1920 4 <sup>th</sup> Avenue South	Site security upgrades	Planning
1301 Bryant Avenue North	Site security upgrades	Planning
Multiple highrises	Priority camera installations	Planning
3116 Oliver/1314 44 <sup>th</sup> /600 18 <sup>th</sup> /616 Washington	Elevator modernization	Planning
1015 N 4 <sup>th</sup> Street	Generator upgrades	Planning
1627 South 6 <sup>th</sup> Street	Apartment flooring replacement	Planning
1710 Plymouth Avenue North	Shower replacement	Planning
Multiple highrises	HVAC equipment replacements	Planning
Multiple highrises	Sidewalk/parking lot upgrades	Planning
Multiple highrises	Door replacements	Planning

## Development Projects - Planning

ADDRESS	DESCRIPTION OF WORK	STATUS
Heritage Park - 440 MBS-owned units	Conversion & recapitalization	Planning

## Building Improvement Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
CHR units – various scattered sites	2023 improvements: unit modernization at turn	Ongoing
Cedars highrises	Window replacement and exterior façade repairs	Under construction; multi-year project
Multiple highrises	Fire sprinkler system installation	Under construction; timeline/status varies by site
1314 44 <sup>th</sup> Avenue North	Plumbing replacement, fire sprinkler system installation, unit bath modernization/new finishes	Under construction
Cedars	Exterior façade/structural repairs	Under construction
Multiple sites	2022 security improvements	Bidding/under construction
1707 3 <sup>rd</sup> Avenue South	Façade restoration & window replacement	April 2023 start
1515 Park/1920 4 <sup>th</sup> /1710 Plymouth/710 2 <sup>nd</sup>	Main electrical switch gear & generator replacement	Materials ordered; summer 2023 start

## Development Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
Family Housing Expansion Project	Development of 84 new family housing units across 16 sites	Under construction

# Fire Suppression Installations



Building	Units	Budget	Funding Source(s)	Status	Construction
1206 2 <sup>nd</sup> St NE	57	\$620,000	MPHA Capital	Complete	Jan-Apr 2022
1717 Washington St NE	182	\$1,570,000	MPHA Capital	Complete	Apr-Nov 2022
2728 E Franklin St	151	\$1,200,000	MPHA Capital	Complete	Sept '22-Jan '23
Horn Towers	491	\$3,445,000	MPHA Capital	Under Construction	Jan '22-Jun '23
630 Cedar Ave S	190	\$1,592,000	MPHA Capital/City/State	Complete	May '22-Jan '23
2121 Minnehaha Ave	110	\$888,000	MPHA Capital/City/State	Complete	July-Dec 2022
1627 S 6 <sup>th</sup> St	116	\$868,000	MPHA Capital/City/State	Under Construction	Dec '22-Jun 2023
600 18 <sup>th</sup> Ave N	239	\$2,450,000	MPHA Capital/City/State	Under Construction	Nov '22-Aug -'23
1314 44 <sup>th</sup> Ave N	220	\$10,000,000*	MPHA Capital	Under Construction	Apr '22-Apr '23
Hiawatha Towers	281	\$2,100,000	MPHA Capital	Under Construction	Dec '22-Mar '24
314 Hennepin Ave	299	\$2,425,000	MPHA Capital/City	Under Construction	Dec '22-Sept '23
2415 N 3 <sup>rd</sup> St	62	\$500,000	Federal Appropriation	Planning	TBD – Fall 2023
1710 Plymouth Ave N	84	\$670,000	Federal Appropriation	Planning	TBD – Fall 2023
3116 Oliver Ave N	31	\$250,000	Federal Appropriation	Planning	TBD – Fall 2023
710 2 <sup>nd</sup> St NE	35	\$290,000	Federal Appropriation	Planning	TBD – Fall 2023
616 Washington St NE	35	\$290,000	Federal Appropriation	Planning	TBD – Fall 2023
809 Spring St NE	32	\$260,000	City of Minneapolis	Planning	TBD – Fall 2023
1900 3 <sup>rd</sup> St NE	32	\$260,000	City of Minneapolis	Planning	TBD – Fall 2023
3205 E 37 <sup>th</sup> St	28	\$230,000	City of Minneapolis	Planning	TBD – Fall 2023
3755 Snelling Ave S	28	\$230,000	City of Minneapolis	Planning	TBD – Fall 2023

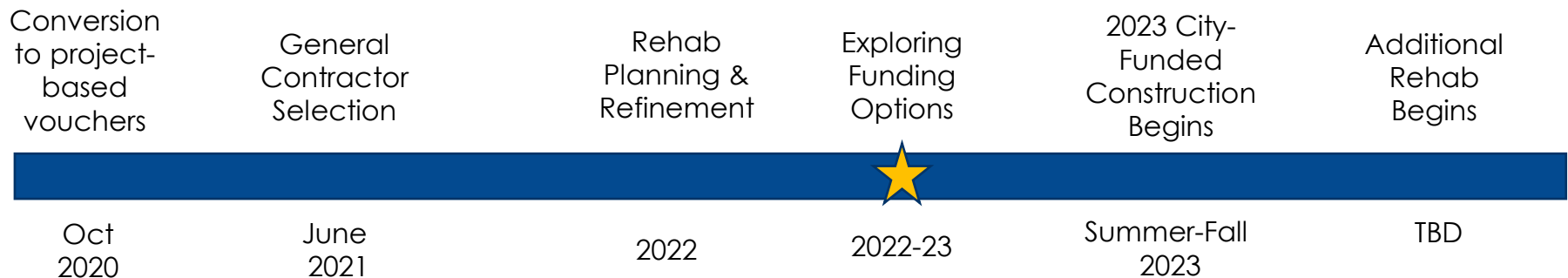
\*Budget reflects costs of comprehensive building modernization project of which fire suppression is included

# Scattered Site Rehab



- Conversion to project-based vouchers occurred on October 1st
- Will support investments in deferred maintenance and ongoing unit needs
- Mayor's 2023 budget includes \$3.7M for property repairs
- Pursuing \$45M state funding to address capital backlog

## Timeline (subject to change)



# Family Housing Expansion Project

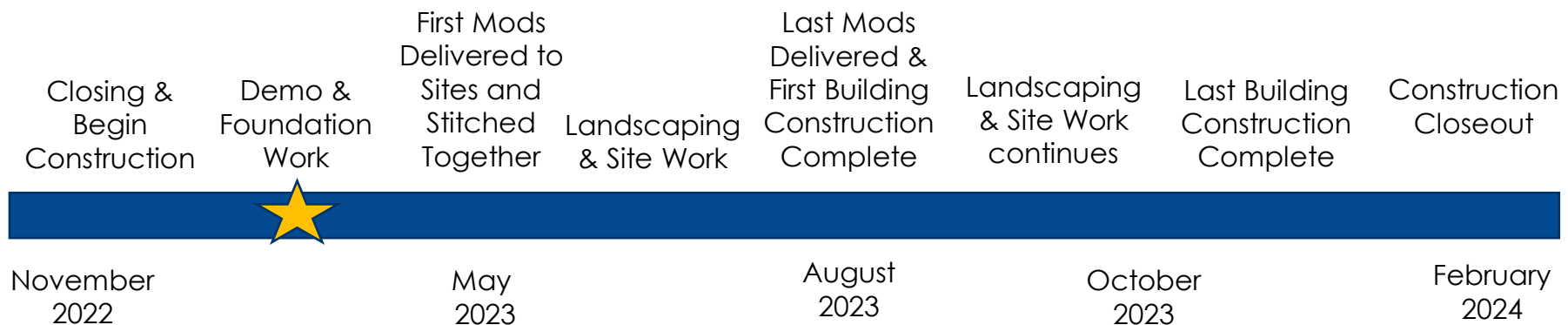


## 84-unit new scattered site construction



- 84 new deeply affordable family units in 16 small apartment buildings throughout the City
- Financing includes project-based vouchers, 4% bonds and Low- Income Housing Tax Credits, Soft Sources, and Debt
- **Construction began 11/30/22**
- **Demo, Site Prep, and Foundation work underway at 9 of 16 sites**
- **Mod production begins April 2023**

## Construction Timeline (subject to change)





# Inquiry Response and Social Media



## MPHA on Facebook

Top Performing Post (1,076 views)

Yesterday, MPHA ED/CEO Abdi Warsame was at the State Capitol alongside Minnesota [NAHRO](#) to talk to state legislators about the importance of investing in public and deeply affordable housing in Minneapolis and across the state. The tools and resources exist to address our affordable housing problem, but it is going to require bold action by elected leaders to make the life-changing, generational investments necessary to address the problem.

Thank you, [Senator-Elect Zaynab Mohamed](#), [State Representative Esther Agbaje](#), [Senator Liz Boldon](#), and [Sen. Bobby Joe Champion](#) for the meetings.



4

Posts for the Month

8

New Followers



## MPHA on Twitter

Top Tweet (581 views)

Thank you [@go4esther](#) for today's meeting. It's time to make generational investments in public and deeply affordable housing. Rep. Agbaje is a champion for public and deeply affordable housing, and we look forward to partnering to make bold, life-changing investments in housing.



12

Tweets for the Month

17

New Followers

February 2023



## **MPHA News Clips – February BOC Meeting**

### **[Minneapolis public housing sets goal of 150 units per year \(Finance & Commerce\)](#)**

By J.D. Duggan

February 6, 2023

The Minneapolis Public Housing Authority has an ambitious goal — 150 units of deeply affordable housing a year for the next five years.

The goal could be reached with much of the heavy lifting done through project-based vouchers, which allows the agency to put public housing units into developments brought forward by private or nonprofit developers. That aim is one of many laid out in MPHA’s five-year strategic plan, which also sets priorities for a housing choice pilot program, setting up the agency as an employer of choice and preservation of existing units.

“The last year went very well at MPHA,” said executive director and CEO Abdi Warsame. MPHA closed on 84 units across 16 properties that will be completed this year, it received \$2 million in federal funds to install fire suppression systems across its high rises and received \$4.9 million through the city budget.

Warsame said the agency — which serves about 26,000 people, or about 5% of the city’s population — has brought in about 100 units a year over the last few years and that MPHA will be able to up that number by doubling down on its local partnerships.

The project-based vouchers are “a way of developing without us actually developing,” he said, adding that it lets people live throughout the city while helping developers pencil out their projects.

...

MPHA was chosen for a Housing Choice Voucher Community Choice Demonstration pilot. It’s a program by the U.S. Department of Housing and Urban Development and is a partnership with Metro Housing and Redevelopment Authority within Metropolitan Council.

The initiative helps families with Housing Choice Vouchers to find homes in neighborhoods that have historically been difficult to move into because of systemic barriers, such as cost of housing or a lack of property owners that accept vouchers. The families can live throughout the metro with the initiative.

HUD is using the program to build on research that shows better outcomes for children who grow up in neighborhoods with lower levels of poverty and to discover what best helps outcomes for families in public housing.

HUD awarded 37 vouchers and about \$4.6 million to MPHA for the program. “For us, it’s a key because





what we want to do is not just house families, but we want to make sure that we're impacting the economic mobility," Warsame said.

The agency is also aiming to tackle its \$200 million capital backlog as it pushes through the coming years.

"Our strategic plan is centered on the people," Warsame said. "MPHA is now being seen as a key asset to solve the affordable housing crisis in the city and our region."

###



## [Mayor Jacob Frey lays out his five priorities for Minneapolis \(Star Tribune\)](#)

By Dave Orrick

February 8, 2023

Minneapolis Mayor Jacob Frey on Wednesday announced his priorities to steer the city through some of its largest challenges over the next two years.

For anyone following the city, the broad strokes won't sound new: Housing and policing top the list.

But this is the first time since Minneapolis voters approved the "strong mayor" structure in 2021 that Frey can unilaterally direct city departments to pursue them via his cabinet.

"This is the first year we're able to set an agenda in full from the very beginning," he said. "The mayor can set the tone, the agenda and the priority items."

The mayor's goals were woven into his proposed 2023 budget, the majority of which was approved by City Council in December.

While the council retains legislative authority and could overrule aspects of Frey's priorities through a veto override, the broad strokes of his priorities aren't expected to raise hackles.

Nonetheless, some friction is likely to surface over certain issues with at least some council members. For example, the council will soon take up the possibility of rent control, and Frey is at odds with parts of a plan endorsed by a majority of a City Council-established task force.

Wednesday's announcement signifies the start of the mayor's plan to carry out the priorities.

### Housing and homelessness

The number of unsheltered people in the city continues to be a problem; their encampments are an all too familiar sight. The spike in the cost of housing over the past several years — with rising home sales prices leading to rising rents — has only added pressure to the system.

Frey's central goals are to increase the supply of "deeply affordable housing" targeted at the lowest economic rungs and expand the supply of emergency shelter housing.

The path he charts includes city funding and partnerships with the Minneapolis Public Housing Authority, Hennepin County and various nonprofits.

### Public safety



Frey committed to continuing the city's new approach to provide public safety and racial justice after the murder of George Floyd by police and an increase in violent crime over the past two years.

The plan includes replenishing the Police Department's ranks, as well as expanding initiatives aimed at preventing violence, such as expanding behavioral crisis response, which focuses on responding to mental health emergencies with mental health expertise before badges and batons.

#### Climate change

With more details to be rolled out this year, Frey wants the city to "focus on cutting greenhouse gas emission with a specific focus on reducing racial disparities," according to a statement from his office.

The 2023 budget includes \$500,000 for businesses to convert to solar power and improve energy efficiency, and \$700,000 — combined with \$2 million to \$3 million in federal funds — to expand electric vehicle charging stations.

#### Economic inclusion and recovery

Initiatives using city and federal funds are underway or in development to help Black, indigenous and people of color-owned businesses and entrepreneurs own their own businesses and real estate.

Frey also said he wants to prepare the city for the potential full legalization of marijuana, including "licensure and planning for a smooth transition for small-business owners, with a focus on supporting communities most impacted by the failed policies of prohibition."

#### 'Good governance'

As part of adapting the executive branch of City Hall to the new "strong mayor" structure, Frey said he wants to return the city's workforce and basic city services to pre-pandemic levels with an eye on racial equity.

###



## **MPHA News Clips – March BOC Meeting**

### **[Minneapolis Public Housing Authority seeks \\$45 million to repair homes for low-income families \(Sahan Journal\)](#)**

By Katelyn Vue

February 22, 2023

The Minneapolis Public Housing Authority is asking legislators to award the agency a \$45 million grant to repair subsidized homes for low-income families, noting that there is a backlog of maintenance needs.

More than half of family homes operated by the agency's nonprofit Community Housing Resources are in need of repairs. The agency owns more than 700 family homes it describes as "deeply affordable." The properties house more than 3,100 residents, most of whom are people of color, according to housing authority officials.

The agency also owns and manages other family homes and apartments.

"This serves 80 percent of our family housing for MPHA, and it's probably the largest, deeply affordable housing portfolio that serves people of color in the region," said Abdi Warsame, the agency's executive director and CEO.

The agency is seeking a one-time cash grant from the state's projected \$17.6 billion budget surplus through a new bill that was introduced Monday by Minnesota State Senator Omar Fateh.

Without the investment, the cost for repairs will grow increasingly more expensive and divert funding away from adding more affordable family housing to its roster. The projected cost to repair the agency's family homes will near \$85 million by 2032, according to the housing authority.

Eighty-seven percent of residents living in housing authority family homes are Black, 85 percent are female-led, and their average income is \$20,722, said housing authority officials.

Since 2020, 17 percent of all families leaving housing authority homes have purchased their own homes, according to the agency.

"A lot of the aims and goals of the legislature at this time [is] to address inequality in our society, to help families of color—Black families—become more stable and become more successful," said Warsame. "And I think that the number one goal here is just putting roofs over folks' heads and making sure that they live in stable homes that they could be proud of. And I think that's what this will help us tackle."

Black Minnesotans have the lowest rate of homeownership in Minnesota, while whites have the highest rate, according to 2021 U.S. Census Data.



Funds from the grant will be dispersed in fiscal year 2024 if the bill passes, said Drew Halunen, assistant director of administration, communications, and strategic partnerships for the housing authority.

Thirty-five million dollars of the \$45 million grant would be deployed over the first five years to tackle a longstanding backlog of repairs. Ten million dollars would be used over another five years to address needs as they arise, said Laura Dykema, the housing authority's director of planning and development.

Exterior repairs, such as roofing, would most likely be the first repairs to be addressed. As residents move out of the homes, which happens about 70 times a year, interior repairs such as fixing kitchens and bathrooms will be addressed, Dykema said.

Another goal is to use the funds to make 5 percent of housing authority family homes compliant with the American with Disabilities Act, Dykema added.

"We want to basically overcome the decades of divestment that has been put into this portfolio, and we believe that this will stabilize these families—and also those folks who are on our waiting list—to be able to get housing as well," Warsame said.

###



## [MPHA requests \\$45 million from state to address housing concerns \(Star Tribune\)](#)

By Ellie Roth

February 22, 2023

The Minneapolis Public Housing Authority is seeking \$45 million from state taxpayers to make repairs to the agency's portfolio of family homes.

Legislation was introduced to the State Senate by Sen. Omar Fateh, DFL-Minneapolis, earlier this week seeking the money as a grant. If approved, the result would be the largest non-federal funding boost ever made to MPHA.

Fateh, Senate Majority Leader Kari Dziedzic, DFL-Minneapolis, and two others are co-sponsors of the bill, which joins a long list of proposals seeking a slice of the state's \$17.6 billion surplus. The money would come from the state's general fund.

The agency's nonprofit Community Housing Resources program operates more than 700 single-family, duplex and fourplex homes throughout the city. While \$2 million is spent each year on their upkeep, a large cash infusion is needed to get ahead of repairs, said Abdi Warsame, executive director of MPHA. The agency blames "decades of underfunding" from the U.S. Department of Housing and Urban Development.

More than half of the homes are listed as in "poor" condition; with a total cost to fix them at about \$31 million. If left unaddressed, that maintenance backlog could more than double to \$65 million by 2027, according to an agency presentation.

"We know if we can preserve [these homes] for the foreseeable future, then over the next 30 years we're going to serve thousands of families," Warsame said.

The program serves about 3,100 residents and accounts for more than 80 percent of MPHA's housing for families with children. Most are occupied by female-led families of color. Many of the homes are located in north and central Minneapolis.

The grant would help the Community Housing Resources program become self-sufficient. The work would be done over a 10-year span.

"After we've removed this large backlog that's almost impossible to tackle without this one-time investment, then we do foresee that we will be sustainable into the future," said Laura Dykema, MPHA director of planning and development.

The program touts its efforts to stabilize families in need:

- Upon entering the program, 19 percent were employed, earning \$20,722 a year on average.



- Once in, most see their earned income increase. Of current residents, 67 percent are employed and earning \$34,225 a year on average.
- Families stay in the program about 6 years; about 17 percent of those who left between 2020-2022 bought their own homes.

"These people are our neighbors, and their stability and success is a critical part of building a better Minneapolis," Fateh said in a prepared statement.

There are about 7,500 people on the waitlist for family housing.

###



## Senate bills asks for \$45 million to preserve Minneapolis public housing (Southwest Voices)

By Melody Hoffman

February 23, 2023

On Monday, Minnesota Sen. Omar Fateh introduced a bill that seeks a one-time State investment of \$45 million to the Minneapolis Public Housing Authority to preserve its existing housing stock. Co-authors of the bill are Minnesota Sen. Kari Dziedzic, Zaynab Mohamed, and Scott Dibble.

Right now, more than 50% of the Public Housing Authority's Community Housing Resources, which are deeply affordable family homes throughout the city, are in poor condition. Senate Bill 1899 asks the State for a cash grant to address the repairs needed in these homes.

"This investment will go a long way," Minneapolis Public Housing Authority Executive Director Abdi Warsame said this week in a small meeting with reporters.

In calculations made by the Minneapolis Public Housing Authority, the \$45 million investment will get a significant amount of community housing out of poor condition.

The City of Minneapolis recently invested in public housing with \$4.9 million earmarked in the 2023 budget for public housing high rise repairs. Warsame said that this kind of city investment hasn't happened in the past because public housing is understood as a federal investment.

"We are very glad that the mayor is listening," Warsame said. "But this is just the tip of the iceberg."

Warsame said that the affordable housing crisis is a city and county responsibility as much as it is a federal responsibility.

The Minneapolis Public Housing Authority is also building more deeply affordable housing throughout the city through separate funding.

###





## [Q&A: Minneapolis public housing chief makes his case for a cut of Minnesota's big surplus \(MinnPost\)](#)

By Kyle Stokes  
March 3, 2023

A Minnesota Senate committee will take up a proposal on Friday to grant \$45 million to the Minneapolis Public Housing Authority to fix up hundreds of houses that the agency rents to some of the city's lowest-income families.

Most of the families with children that MPHA serves live in one of these 700 "scattered site" family homes — which, as the name implies, are spread out all over Minneapolis.

With rent in these houses set at approximately 30% of household income, MPHA leaders say the "deeply affordable" units help stabilize vulnerable families. The agency's research suggests most residents use these houses as launch-pads to get better-paying jobs — and nearly one out of every five families that leave these units go on to purchase homes of their own.

But more than half of these houses are in "poor" condition, according to MPHA's ratings, with a backlog of more than \$31 million in needed maintenance and repairs: roofs that leak, siding that's deteriorating, furnaces or ventilation systems that need to be replaced. If unaddressed, the agency believes the cost to fix these problems would double over the next five years.

That's why MPHA leaders want a cut of the state's multi-billion dollar budget surplus: They want to slash through repairs on these homes — and knock out a significant chunk of an overall \$210 million maintenance backlog on all of its properties.

Abdi Warsame, who stepped down from the Minneapolis City Council in 2020 to become MPHA's executive director and CEO, sat down with MinnPost to discuss why he believes the agency urgently needs this one-time infusion of funding. We've edited his answers for length and clarity.

**MinnPost: Let's start with your background. Your entry-point into Minneapolis politics was as the director of the tenants' association at Riverside Plaza, the iconic subsidized housing complex in Cedar-Riverside. How does that experience inform the work you do now?**

**Warsame:** My work currently at the Housing Authority is people-centric. Residents come first. We look for quality and integrity in the way we deal with our residents. We try to design everything that we do in order to make sure that we're serving them and we serve in our mission.

That came about defending the tenants in Riverside Plaza and making sure that their issues were addressed and their concerns were met. So I think that I came with that focus on what I call the three P's — people, preservation and production — when I came over to MPHA.



**MP: Riverside Plaza isn't part of the Minneapolis Public Housing Authority's portfolio, right?**

**Warsame:** Right, but they have the same kind of population and same demographics that we serve at MPHA.

I learn something new every day. The job is challenging and rewarding. It's a great honor. And, you know, it starts with constantly learning, and I think that's good for me and it's good for the leadership of the agency.

**MP: Who are the people who use MPHA's services? What does a prototypical user look like?**

**Warsame:** We roughly serve about 5% of the city's population on any given night. MPHA programs put a roof over 26,000 individuals and families. We're probably the largest landlord in the state. I see MPHA as a key infrastructure of the city of Minneapolis, like the parks in the streets and so on — especially since we have a housing crisis in our city and our region.

In our scattered site housing portfolio, most of our users (55%) are children. The majority are people of color. The majority are Black families (87%), with female heads-of-household (85%).

**MP: You're asking the state Legislature for a \$45 million, one-time capital investment this year — which is why we're talking today. Before we talk about your request, let's take a step back: How would you rate MPHA's financial stability? Can MPHA sustain and fund its own operations at this moment?**

**Warsame:** MPHA is one of the top-performing housing authorities in the country. We have 98% occupancy. We offer a large percentage of the deeply affordable housing in the city of Minneapolis and in the region.

However, we have challenges — and one of the biggest is the decades-long de-investment in public housing by the federal government and lack of attention from local government. This has compounded the issues all providers of deeply affordable housing face.

Our family housing portfolio could be sustainable with the income that we're getting right now. The challenge is how do we overcome those 30 years or so of de-investment? How do we overcome the capital backlog of unmet maintenance and repair needs? That's why we're going to the state to ask them for that one-time, cash infusion that will help us overcome the capital backlog and put us on the path of sustainability.

**MP: You listed several agencies that have 'de-invested' in public housing — let's start with the federal government. What actually happened? Why did all those federal dollars dry up?**



**Warsame:** We exist for the city of Minneapolis, but the funding comes from the U.S. Department of Housing and Urban Development (HUD). Historically, when the Housing Act was passed back in the 1930s, it was the role of the federal government to fund public housing authorities — but it was the role of the local governments to create them and maintain them.

The federal government did not keep the promises that they made historically to fund housing authorities. Over the last 30 years, we've got roughly 10 cents for every dollar that we need to meet our capital needs.

We've come a long way in terms of elected officials and leaders recognizing the need for a remedy. Especially after George Floyd and some of the soul-searching that was done, there's been a lot of positive energy that we can sense right now. And that's the reason why we're going to the state right now. We're a rich state, we're a rich country, we're a rich city, and yet we're not able to take care of the most vulnerable people. It's high time that local government and the federal government step up and ensure that we preserve this key infrastructure for decades to come.

**MP:** You also mentioned local disinvestment as an issue. Does the city of Minneapolis play much of a role in funding your agency?

**Warsame:** There hasn't been much of a direct, consistent and reliable investment — for a long time, this program was seen as a federal responsibility. That's not true anymore. There is a responsibility for the city to participate in helping address some of the challenges MPHA is facing.

**MP:** What about the state's investment?

**Warsame:** Same issue. Our challenge is in telling the story of how successful we've been at taking care of this population. We serve a vulnerable population — seniors on fixed incomes, a large number of folks with disabilities, families that are struggling — and we can't do it alone.

It should take the city, the county, the state and the federal government — and also private corporations — to support the work that we do, because you can not replicate what MPHA does.

**MP:** What does the public get out of the investment of a \$45 million investment in MPHA?

**Warsame:** It gets the preservation of the largest family housing portfolio serving people of color anywhere in the state of Minnesota — 700-plus homes — for the foreseeable future. This, in a time where the city of Minneapolis is becoming unaffordable for working class families and families of color.

If we were to lose this precious infrastructure, it would cost more than \$45 million — maybe 10 times more — to help those families. The state has a [\$17.5 billion] surplus. This cash infusion to MPHA will go



a long way to serving these families, taking more off the waiting list, and give us the ability to take care of other priorities as well.

In fact, if we take care of the capital backlog, we can borrow off this portfolio of 700 homes and actually get private dollars into the agency in order to add new units and tackle other priorities, like recalibrating some of our high rises, like what we did at Elliot Twins. (Editor's note: Without getting too deep in the weeds here, agency staff explained that MPHA envisions taking out a loan "based on projected revenues created by future federal subsidies.")

A \$45 million cash infusion also would give us a lot of flexibility because if we take care of the capital backlog, we free up more resources because our operating costs will come down. That means 3,100 individuals get better housing with better amenities and more security.

**MP: What kind of amenities?**

**Warsame:** Everything. Better roofs, better siding, better infrastructure, better kitchens, better heating and air conditioning systems. We have studied these units and made a laundry list of needs and issues that need to be addressed. It's a complete overhaul and a complete rehab that will sustain these units for decades to come. For \$45 million, you will get a lot of work done.

**MP: Recently, MPHA has been converting some of its single-family homes into four- or six-unit apartment buildings. The money you're requesting from the Legislature would not be used for that?**

**Warsame:** No. What you're talking about is adding new housing — and we will continue doing that work, identifying units that need to be upzoned. That's important work, but preservation is also very important. The \$45 million would help us preserve what we have.

Preservation of these single-family units is very important for several reasons. One, this portfolio integrates families into the neighborhoods that they live in. You can't really tell the difference between our homes and their neighbors. Two, the fact that the homes are scattered around the city means we're not concentrating poverty in one place. These families can send their kids to good schools and be part of the fabric of the neighborhoods, and that's why we chose them to kind of focus on.

We know this program works; it's the type of program everybody in the city has been talking about for a long time: How do you address racial inequality? How do you address historic issues with housing? And how do you actually even help families of color become homeowners? Our estimates show that from 2020 through 2022, of the families that left our scattered sites, 17% of them became homeowners.

That's encouraging — and that's what we want to continue replicating.

**MP: What is it about the single-family home portfolio that you think encourages that?**



**Warsame:** I think it gives families an opportunity to find their feet. As somebody who was a child refugee, who was raised by a single mother who grew up in public housing in the U.K., I know what that kind of housing means to families like mine. It gives us time and space to develop, to be better educated, get better jobs — because at least you have a roof over your head. I think that’s what works for these families as well.

**MP:** In October 2020, MPHA sold these 700-plus single-family homes to a separate nonprofit organization that MPHA wholly controls and operates. Basically, you sold these buildings to yourself. Can you explain why you did this?

**Warsame:** Because we get paid two-and-a-half times more to run the same units! Because of this conversion, we get more resources, and we’re able to put more money back into those properties — and, by the way, put together this kind of proposal for the state Legislature.

**MP:** That’s wild — a little piece of bureaucratic magic lets you more-than double your revenue? Why is that?

**Warsame:** The conversion takes these scattered housing sites out of the Section 9 of the federal housing law (which public housing agencies use to fund these “deeply affordable” units) and into Section 8 (the program most people associate with housing vouchers).

The Section 8 program has a larger political constituency, because it has both public housing entities like MPHA as well as private landlords in the same platform — so when you need to lobby legislators, Section 8 has a larger voice because you can bring all these outsiders. So this is a national trend.

There’s an adage, ‘It doesn’t matter if a cat is black or white. All that matters is it catches mice.’ To me, it doesn’t really matter the tools as long as we’re meeting our mission, we’re serving the same folks and we keep to our promises, and we’ve done that.

**MP:** When MPHA shifted all of this housing to the nonprofit, advocates at the Defend Glendale & Public Housing Coalition warned that the conversion of public housing to private ownership would jeopardize tenants’ rights. Since this is the program you’re proposing the state inject money into... Do tenants lose protections when they’re no longer technically under the purview of a public entity, as they are in these homes?

**Warsame:** Those concerns are unfounded. Our experience shows that the same families are living there. The same entity, MPHA, is still serving those families and still managing those properties. We haven’t had any displacement of families throughout the program.

**MP:** No displacement?



**Warsame:** We haven't had any displacement at these sites, or at the two huge conversions done at Elliot — there were was outcry there, and when there is change, people have concerns.

**MP:** You say this conversion that increased MPHA's subsidy is a national trend — but what if the federal government changes the rules so that public housing shifted to nonprofits doesn't get that same subsidy in the future? What if the federal government thinks of this as a loophole that needs to be closed?

**Warsame:** We can only go by history, and we know that the Section 8 platform has always been funded. There hasn't been a time when it hasn't. If we go by historical trends records, we are confident for the foreseeable future that we'll get the support we get from the federal government.

I think your question is important. This cannot just be a federal responsibility. Local government and state governments has to also play a role because there are going to be times when there are gaps in federal support, and this is such a precious resource that we need the city and then other partners to step up as well.

**MP:** OK, back to the maintenance backlog — and your request for \$45 million from the state Legislature. According to MPHA's current projections, if the agency continues spending at its current rate, it won't be able to overcome its maintenance backlog — but the overall condition of the portfolio also wouldn't deteriorate too much over the next decade. What do you say to a lawmaker who might wonder, 'Can you make do with current resources?'

**Warsame:** Our families deserve better. As a society, we put our resources into many things — wars, and a voyage to Mars, sports and entertainment. Meanwhile, remember, there are thousands of people on our waiting lists. Historically, 7,500 people have been on our waiting list for single-family housing — and they deserve housing as well.

Housing is a human right. We should take care of the most vulnerable population in our society. And we should give families — like mine, referencing my own experience — a chance to find their feet in this rich state, in this affluent society we live in.

**MP:** And to be explicit, the 'population' you're referencing is 'low-income families of color' — mostly single mothers who are Black.

**Warsame:** These are the future of the city of Minneapolis. These children and these families. They're young. They're upwardly mobile. They have a lot of energy. They have a lot to contribute, and all they need is a fighting chance. That's what this ask does; it gives them a fighting chance.

###



## [Frey, city leaders urge lawmakers to approve funding for public housing \(KSTP\)](#)

By Staff

March 3, 2023

Minneapolis city leaders talked Friday afternoon, urging state lawmakers to approve funding for affordable public housing in Minneapolis.

After the Senate Housing and Homelessness Prevention committee discussed a bill that would provide a \$45 million grant to the Minneapolis Public Housing Authority, Minneapolis Mayor Jacob Frey and several other local leaders held a press conference in support of the legislation.

The mayor's office says the funding would go toward rehabilitating, preserving, equipping and repairing more than 700 deeply affordable housing units in Minneapolis.

"Our residents need and deserve permanent, safe, and stable affordable housing," Frey said. "Beyond the record number of deeply affordable units the City is producing, we need to focus our attention and energy on the preservation and expansion of our public housing stock. The best way to tackle this head on is to bring elected officials, community leaders, and housing experts together. I look forward to partnering with colleagues from across the region to come up with innovative and sustainable strategies for the future of our public housing."

###



## Minneapolis asks for \$45 million to address public housing backlog (MPR)

By Jon Collins

March 3, 2023

Minneapolis officials are pushing for a bill in the state Senate that would provide \$45 million in funding for the city to rehab, preserve and repair affordable housing. Minneapolis officials say the money is part of a larger effort they announced Friday to bolster public and affordable housing by collaborating with other local governments and private partners.

The legislation authored by Sen. Omar Fateh, DFL-62, would provide a grant to the Minneapolis Public Housing Authority. Fateh said the legislation is an example of how the Legislature can stand behind its value of supporting affordable housing for all.

“We know keeping people in their homes provides the security they need to thrive on their own, and these homes are a proven tool to provide families with a solid foundation for upward mobility,” Fateh said.

The Minneapolis Public Housing Authority (MPHA) would use the one-time money to address \$35 million in capital backlog on its properties. Another \$10 million would be set aside for future capital work.

MPHA Executive Director Abdi Warsame said the \$45 million in state funding would allow the agency to scale up efforts they’re already making to renovate units and “get us to sustainability much sooner” by allowing them to create reserves for the capital backlog.

Minneapolis Mayor Jacob Frey said the total backlog for the city’s public housing is about \$210 million. Funding for the backlog has been mostly stagnant for the last decade, even while the capital backlog has increased. The Minneapolis Public Housing Authority estimates that the backlog is expected to rise to \$380 million in the next two decades without additional funding.

The hearing in the Senate Housing and Homeless Prevention committee elicited little discussion on the committee. Chair Senator Lindsey Port said her plan is to lay the bill over for possible inclusion in the omnibus budget bill.

At a press conference after the bill’s hearing, Frey announced that Minneapolis is bringing together all levels of government with private partners to address the lack of affordable housing in the region.

Frey said public housing in Minnesota and across the country has been underfunded by the federal government for his entire lifetime and that investments in public housing make fiscal sense because they keep people from homelessness.





“We are at a critical moment right now where we have a number of partners who are all rallying around a common cause,” Frey said, “We can increase the amount of public housing stock that we have in the city of Minneapolis and we can preserve the existing public housing stock, which is so critical for ensuring that people can move out of homelessness, and is providing a stability from which people can rise.”

The Public Housing Preservation and Expansion Convening will be chaired by Frey, as well as representatives of Hennepin County, Minnesota Housing, the U.S. Department of Housing and Urban Development and the Minneapolis Foundation, among others. City officials hope to hold the first meeting within about a month.

Warsame said the Minneapolis Public Housing Authority serves about 26,000 people through high-rise housing, scattered family housing and administration of housing choice vouchers.

“We need the support of the city, we need the support of the county, we need the support of the state, we need the support and attention of the federal government,” Warsame said. “But, also, Minneapolis is a rich city, an affluent city, a city that has a lot of businesses and Fortune 500 companies, and we need the support of those folks as well.”

The Minneapolis Public Housing Authority controls about 6,000 units across the city, including 42 high-rise buildings and 736 scattered homes. The agency recently completed a \$27 million renovation of the Elliot Twins high rise in downtown.

Mary McGovern, who is president of the Minneapolis Highrise Representative Council and lives at Elliot Twins, said she’d like to see other public housing tenants experience the same improvements she did at her building.

“The state can and ensure [that] all families and all children truly get to experience decent, safe and well-maintained housing,” McGovern said. “You’d want nothing less for your own.”

The mayor has made affordable housing a priority in his administration, and recently trumpeted the news that the number of affordable housing units built in the city last year was about three times the annual average.

A state House companion bill for the \$45 million in funding had its first reading Thursday, and was authored by Rep. Esther Agbaje, DFL-59B.

###



## [Minneapolis mayor announces multijurisdictional push for public housing funding \(KARE 11\)](#)

By Kiya Edwards

March 3, 2023

Minneapolis Mayor Jacob Frey is bringing his vision for more affordable housing in the city to the state capitol.

After testifying before the Senate Committee on Housing and Homelessness Prevention Friday, he held a press conference highlighting strides made since taking office in 2018 and making what he calls a historic announcement about the future of the city's public housing stock.

"Affordable housing has been a top priority," Frey said. "We have seen a five-fold increase in the amount of deeply affordable, low-income housing that we're producing on an annual basis ... and still, it's not enough."

The mayor is asking lawmakers to advance SF 1899, a bill that would give a one-time appropriation of \$45 million to the Minneapolis Public Housing Authority, allowing it to rehabilitate, preserve, and equip more than 700 deeply affordable family housing units.

"\$45 million to do that kind of capital backlog, address the deferred maintenance specifically for our scattered site production," the mayor explained.

He also announced the city is getting unprecedented support through a new multijurisdictional group. According to a city press release, the Public Housing Preservation and Expansion Convening "will be comprised of private partners and local, regional, state and federal officials focused on finding new strategies to preserve and expand public and deeply affordable housing."

"Public housing in the City of Minneapolis and truly nationwide has been underfunded by the federal government for generations," Frey said. "So today, we are very proud to announce an important convening ... We have the political will right now at the federal level. We have city and county partners that are willing to step up."

If passed, the \$45 million would be the largest non-federal funding ever delivered to MPHA. This state funding is expected to benefit 3,100 residents already living in the homes today as well as an estimated 3,800 families to come over the next 30 years.

"85 percent [of residents are] Black, African-American, majority of them seniors," MPHA executive director and CEO Abdi Warsame said. "If we want to address racial inequality, if we want to address historic inequality, the way we do it is through housing and addressing this housing stock."

MPHA says restoring the 700 deeply affordable family housing units would take about 10 years.



## [Minneapolis' public housing agency can't build units by itself. Here's who's signed up to help \(MinnPost, Twin Cities Business\)](#)

By Kyle Stokes

March 8, 2023

Leaders of the Minneapolis Public Housing Authority (MPHA) have set a goal of opening more than 150 new public housing units in each of the next five years.

According to the agency's strategic plan, these 150 units should also be "deeply affordable" — meaning they'll be available to families making less than 30% of area median income.

It's an ambitious target. Over the last five years — between subsidies to developers and MPHA's own projects — the agency has averaged closer to 100 new units of public housing annually.

But MPHA "cannot build 150 units by ourselves," said the agency's director, Abdi Warsame. "We don't have that capacity."

To achieve that goal, governmental and non-governmental organizations must work together: The housing authority can tie vouchers to newly-built units. But it's largely up to developers to actually build these units — and they need tax credits, philanthropic support, and the ear of city, county, regional and federal officials.

Minneapolis Mayor Jacob Frey recently announced the formation of a working group that will bring representatives of all of these entities into a room several times per year — and attempt to get everyone on the same page. While the group won't necessarily shepherd individual projects through to completion, members will work to create a more cohesive system for churning out a greater number of affordable public housing units each year.

"We can award a project-based voucher. But that doesn't mean that a developer can get that off the ground — because there's other factors. That's what we will address through this," Warsame said.

"That's what we're looking for — to streamline the work, get more resources, get the tax credits, make sure that the state is talking to the city, the city's talking to the county," Warsame said, adding that he's hoping to integrate school-based programs to ensure children living in public housing also have support.

Minneapolis Public Housing Authority executive director and CEO Abdi Warsame, center, speaking as Mayor Jacob Frey, left, and Elfric Porte, the city's director of housing policy and development, look on during a news conference at the Minnesota State Capitol on Friday, March 3. Frey will chair meetings of the new "Public Housing Preservation and Expansion Convening." The group's gatherings will bring together elected and unelected leaders from the city, county, state and federal



governments, as well as representatives from the MPHA, Minneapolis Public Schools and the Met Council.

Public housing residents will also have a seat at the table, along with the heads of, respectively, the McKnight, Minneapolis and Pohlman Family foundations. The Family Housing Fund will also take part and provide a project manager for the convening.

“No one agency can do this alone,” said Ellen Sahli, president of the Family Housing Fund, a Minneapolis-based non-profit working to expand affordable housing options. “No housing authority, no government entity can tackle this problem and be effective solo. By combining our efforts we can each make a valuable contribution to achieving and addressing this challenge.”

Frey, Sahli and Warsame were among the dignitaries announcing the formation of this work group late last week at the State Capitol, where MPHA had just asked state lawmakers for a one-time \$45 million cash infusion to help cut down a repair backlog on the public housing authority’s stock of single-family homes.

Frey recently announced that Minneapolis produced a record number of affordable housing units in 2022. Last year, developers in the city created 264 new “deeply affordable” units — meaning the city produced more units of affordable rental housing in one year than in each of the previous three years.

But those figures refer to rental housing development more generally; preserving and expanding the public housing portfolio is the goal of this convening.

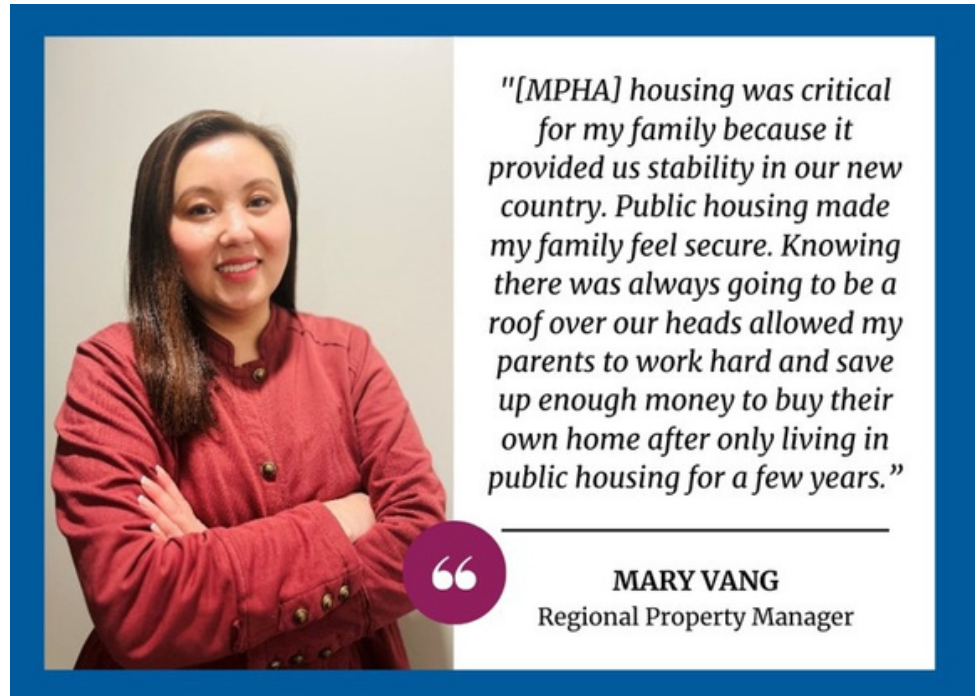
Securing the funding isn’t the only challenge facing the public housing stock, Frey said — it’s ensuring the right people are available to help MPHA and the city spend the money most effectively.

“This is going to require all of us stepping up”, Frey said. “Of course, we’re going to do our part. Money is part of it ... But once you can leverage that money to get additional investors, it helps even more. To get those right people in the room to make sure that we’re properly coordinating is huge.”

###

## MPHA in the Community

This month, ED/CEO Abdi Warsame met with lawmakers during MN NAHRO's Day at the Capitol event. The agency also welcomed Minneapolis City Council President Andrea Jenkins for a tour of the Elliot Twins.



## Cradle to Career at MPHA: Mary Vang

Every day, MPHA works to provide housing to nearly 26,000 people. The work to provide quality, well-managed units to some of Minneapolis' most vulnerable residents can be an inspiring and enriching experience for the nearly 300 MPHA team members who carry out the agency's critical work. But for one member of the team, the work is deeply personal.

*"When my parents first arrived in the U.S., they were fortunate enough to get into a stable home through the Minneapolis Public Housing Authority," said Mary.*

Mary's ascent at MPHA was anything but sudden. Beyond the fact Mary was literally born into MPHA, she has worked at the agency for 18 years.

Starting as an eligibility tech in the agency's Housing Choice Voucher department, Mary spent more than 10 years earning new roles and opportunities in both public housing leasing and property management before being promoted into her current position late last year.

*"The mission of MPHA is deeply personal to me, and my career journey at the agency has been inspired by so many others who are living my same values," said Mary. "The fact that I have been afforded so many opportunities to advance my career at MPHA is just a testament to agency leaders past and present investing time and resources in supporting team members in pursuit of our mission."*



## MPHA Testifies for State in Support of \$45 Million Bill

In hopes of gaining a one-time sum of \$45 million for Community Housing Resources (CHR), Abdi Warsame, Regional Property Manager Mary Vang, and MHRC President Mary McGovern, and local representative spoke in front of the state's Senate and House this month. The bill would wipe out the current capital backlog and set the portfolio up to be self-sufficient for decades to come.



## Dominic Mitchell Named as Deputy Executive Director

On March 5th, Dominic Mitchell was announced as the agency's new Deputy Executive Director. With nearly 15 years working for St. Paul's Public Housing Agency, Mitchell brings a wealth of PHA knowledge.

*"Joining MPHA is an opportunity to both learn from and contribute to an agency pioneering new and exciting housing programs in our region," said Mitchell.*

In his new role, Mitchell will help MPHA continue to maintain its 'high performer' status with HUD, while helping strengthen its operational competencies in its Housing Choice Voucher, Low-Income Housing Tax Credit, Rental Assistance Demonstration, public, and deeply affordable housing portfolios.



## MPHA Helps Deliver Deeply Affordable Homes Near George Floyd Square

Late last year, MPHA awarded 26 project-based vouchers (PBVs) to Trellis as the company works to build 41 units of deeply affordable housing near 39th and Chicago in South Minneapolis—a block from George Floyd Square.

Different from traditional tenant-based Housing Choice Vouchers ("Section 8") awarded to an individual or family, PBVs sit with physical units and provide developers and property managers a stable revenue and a steady stream of tenants from the agency's Housing Choice Voucher waiting list.

*"The agency's partnership with Trellis to deliver deeply affordable units to George Floyd Square is a perfect example of the agency using its tools effectively to reach its goal of building at least 150 new units of deeply affordable housing each year for the next five years. The Minneapolis Public Housing Authority is dedicated to helping alleviate the affordable housing crisis in Minneapolis, self-developing, partnering with builders, and sustaining deeply affordable housing in every corner of the city," said Abdi Warsame, ED/CEO of the Minneapolis Public Housing Authority.*





# MPHA Family Housing Capital Investment Request

Prepared for 2023 State Legislative Session

# Overview

## MPHA Housing Programs

- Low-Income Public Housing
  - RAD/LIHTC
- Deeply Affordable Family Housing
- Housing Choice Voucher

## 2022 Agency Accomplishments

## Funding Request from State Legislature

- Agency Capital Backlog
- Overview of CHR Portfolio/Backlog
- Opportunity for Preservation Partnership
- Capital Investment Strategy


## Recap

## MPHA Mission Statement

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

6,259  
public  
housing  
units

10,500  
public  
housing  
residents

 26,000  
people in  
Minneapolis served  
by MPHA

5,304  
housing  
choice  
vouchers

15,500  
people  
with  
housing  
choice  
vouchers



# MPHA Housing Programs

## Low-Income Public Housing\*

- MPHA owns and operates 42 high-rises across the city, 184 family homes at Glendale in Southeast, 20 additional scattered family homes, and a 16-unit townhome development in its public housing program (Section 9).
- Across these units, the agency serves nearly 7,000 public housing residents.
- High-rise units are predominately studio and 1bd.
- These residents are at or below 30% AMI.
- MPHA maintains a waitlist for non-family public housing, recently as many as 6,000 people.
- Last year, MPHA celebrated the completion of the historic \$27M Elliot Twins renovation, which moved the high-rise from Section 9 to RAD Section 8.

## Deeply Affordable Family Housing

- MPHA owns and operates >700 scattered site family homes, serving >3,100 residents.
- These homes account for more than 80% of the MPHA housing for families with children.
- These units were transferred to MPHA wholly controlled non-profit (CHR) in October 2020.
  - Project-based vouchers more than doubled federal subsidy for these units.
- MPHA maintains a waitlist for this type of housing, recently as many as 7,500 people.
- The units remain deeply affordable, and resident's rent portion remained the same.
- MPHA is still the long-term owner and property manager.

## Housing Choice Voucher

- Beyond MPHA owned and operated housing, the agency administers the Housing Choice Voucher program (HCV, "Section 8").
- The agency serves ~7,200 voucher-holders, benefitting >18,500 residents across the region.
- There are >1,500 people on the Section 8 waitlist.
  - The HCV waitlist was last opened in 2019.
- Applicants are eligible for Section 8 at 50% AMI or below, but 75% of all participants must be 30% AMI or below.
- Should the agency receive stable, supplementary state funding, the agency could fund additional vouchers.

\*LIPH, Glendale, Elliot Twins

# MPHA Program Demographics

Low-Income Public Housing*			
Race		Age	
American Indian/Alaska Native	1.3%	0-17	16.2%
Asian	3.7%	18-29	5.5%
Black/African-American	80.4%	30-49	11.7%
White	14.0%	50-61	13.1%
		62+	53.6%
HOH Gender		HH Size	
Male HOH	50.3%	1	63.4%
Female HOH	49.7%	2	12.1%
HH Incomes		3	5.2%
Average	\$14,716	4	5.1%
Median	\$11,304	5	4.1%
w/ Earned Income	18%	6	3.7%
		7+	6.3%
HOH Disabled	59%		

Deeply Affordable Family Housing			
Race		Age	
American Indian/Alaska Native	1.7%	0-17	55.0%
Asian	6.3%	18-29	17.0%
Black/African-American	87.3%	30-49	18.3%
White	4.0%	50-61	6.8%
		62+	2.9%
HOH Gender		HH Size	
Male HOH	14.4%	1	0.3%
Female HOH	85.6%	2	7.0%
HH Incomes		3	11.6%
Average	\$34,225	4	14.5%
Median	\$32,850	5	16.5%
w/ Earned Income	67%	6	14.5%
		7+	35.7%
HOH Disabled	16%		

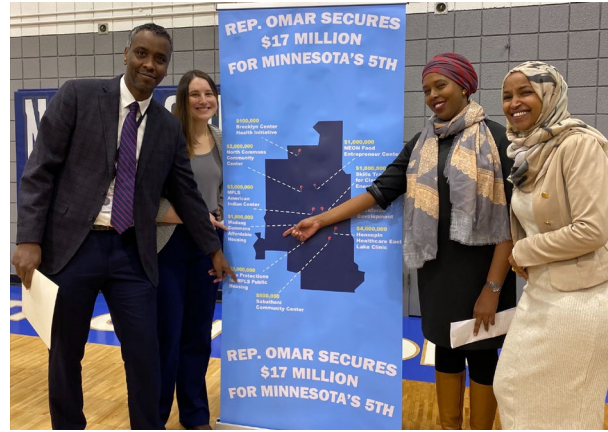
Housing Choice Voucher			
Race		Age	
American Indian/Alaska Native	2.6%	0-17	49.9%
Asian	0.8%	18-29	12.6%
Black/African-American	85.8%	30-49	21.3%
White	5.8%	50-61	8.6%
		62+	7.6%
HOH Gender		HH Size	
Male HOH	19.9%	1	13.5%
Female HOH	80.1%	2	11.9%
HH Incomes		3	14.5%
Average	\$28,036	4	14.6%
Median	\$20,427	5	14.0%
w/ Earned Income	42%	6	10.7%
		7+	20.7%
HOH Disabled	38%		

\*LIPH, Glendale, Elliot Twins

Minneapolis Public Housing Authority

# 2022 Agency Accomplishments

- \$2M in New Federal Funding for Fire Suppression
- \$27M Elliot Twins RAD/LIHTC Renovation
- Helping nearly 750 MPHA families receive >\$2.5M in rent relief through Rent Help MN
- August Visit from HUD Secretary
  - Secretary Fudge lauded MPHA as a national example of a successful RAD conversion
- Closing on 84 New-Unit Deeply Affordable Family Housing Expansion Project (CHR)
- Securing Unprecedented \$4.9M in City of Minneapolis 2023 Budget
  - \$3.7M for CHR Repairs & Five Family Home Rehabs
  - \$1.2M as Final Funding for Fire Suppression Work





# Addressing Challenge Through Partnership

- In 2022, MPHA secured unprecedented financial assistance from the City of Minneapolis, new federal appropriations, and leveraged financial tools to accomplish its preservation and production work.
  - LIHTC
  - RAD
  - Minneapolis' Affordable Housing Trust Fund/CDBG
  - Various Local/State Government Bonds and Grants
- Despite these expanding partnerships and use of tools, the capital demand greatly exceeds MPHA's capital funding.
- The single largest threat to MPHA is its capital backlog that continues to grow.
- Historically, HUD has only provided funding for 10% or less of the actual need.

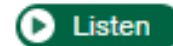


MINNEAPOLIS

## Minneapolis public housing officials seek additional funding as repair needs increase

Mayor Jacob Frey's budget proposal would give the agency \$3.7 million over the next two years, but housing officials say they need much more.

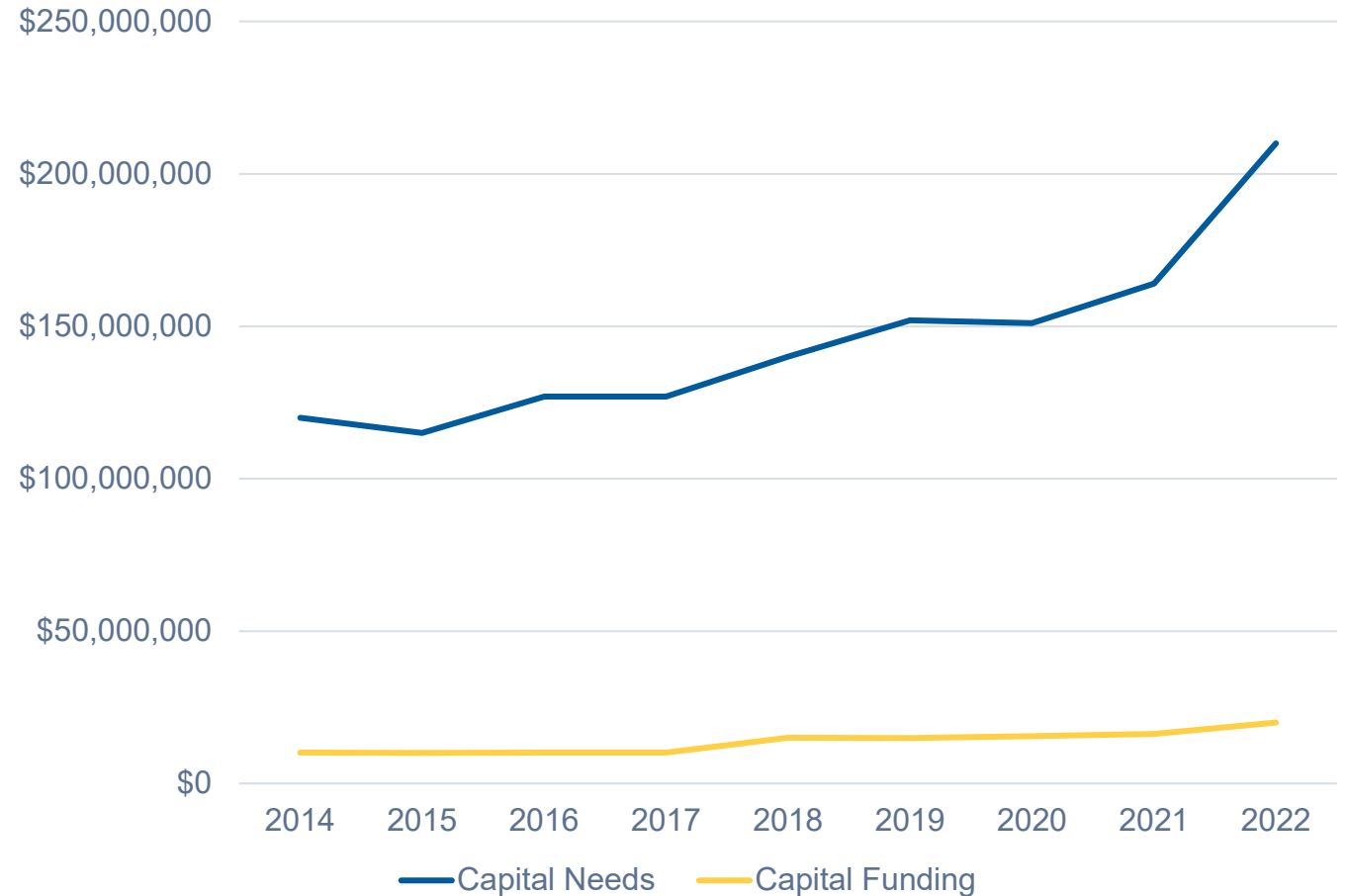
By Liz Navratil Star Tribune | SEPTEMBER 3, 2022 — 3:30PM



# MPHA Capital Backlog

- MPHA's housing stock is comprised of nearly 6,000 units located in 42 high-rise buildings, 736 scattered site homes, 184 rowhouse units, and a 16-unit townhome development.
- Forty of the 42 high-rise buildings in MPHA's inventory were built in the 1960s and early 1970s.
- The age range of MPHA's single-family homes is 10 – 100+ years old, and our 184-townhouse development (Glendale) is nearly 70 years old.
- MPHA projects its current unmet needs for these properties at approximately \$210M. Left unaddressed, this number is likely to surpass \$380M over the next 20 years.
  - \$31M of the current backlog lives with CHR homes

## Recent Capital Needs vs Capital Funding



# MPHA Family Housing

- MPHA owns and operates over 700 scattered site family housing units, serving more than 3,100 residents.
- These deeply affordable homes account for more than 80% of the MPHA housing available for families with children.
- These units were transferred to MPHA wholly controlled non-profit (CHR) in October 2020.
  - MPHA worked hard to make this a seamless transition. Resident's rent portion remained the same.
  - MPHA is still the long-term owner and property manager.
- Project Based Vouchers more than doubled federal subsidy for these units.



MINNEAPOLIS

## Minneapolis looking to move hundreds of public-housing properties under nonprofit

The cost of maintaining single-family homes is far outpacing what the federal government is providing the Minneapolis Public Housing Authority.

By Miguel Otárola Star Tribune | APRIL 6, 2019 — 6:54PM

# The Success of CHR

- These homes are a proven tool to provide families a solid foundation for upward mobility.
- Of the current CHR heads of household, 19% were employed when entering their new home. On average, these residents earned \$20,722 a year in income.
- Today, 67% of these residents are employed, earning an average of \$34,225 a year, with more than 60% of these residents' earned income increasing while in CHR homes.
- Better yet, since 2020, 17% of all families leaving CHR homes have gone on to purchase their own homes.
- As outlined in the agency's current strategic plan, the preservation and production of CHR homes is a top priority of the agency.

There is a substantial unmet need for this type of deeply affordable family housing in Minneapolis, as evidenced by the recent highwater mark of more than 7,500 people on MPHA's public and deeply affordable family housing waitlist. More than 80% of those on the waitlist are households of color.

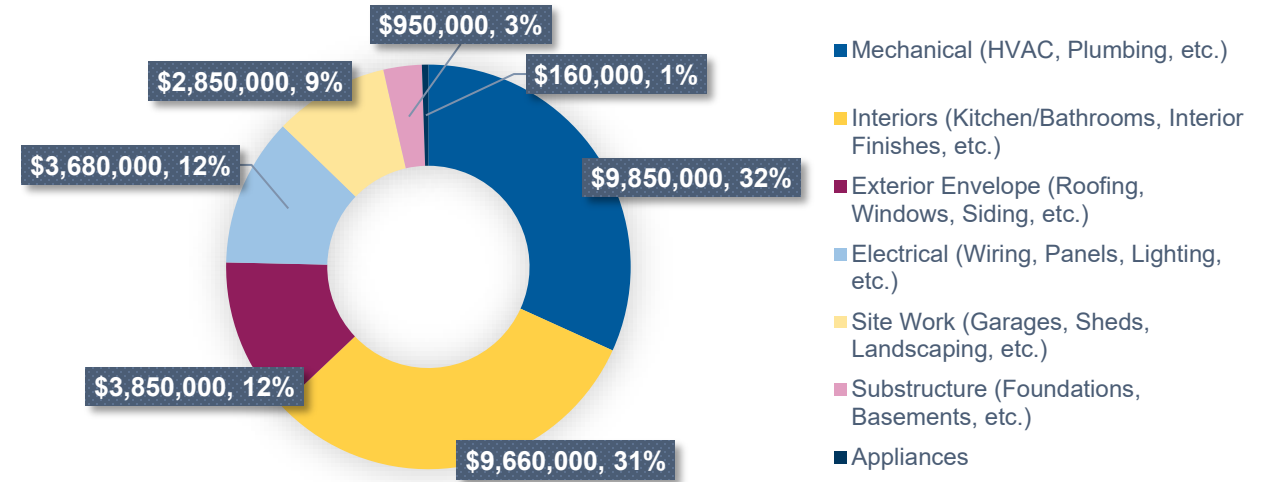
## CHR Resident Demographics

Race		HH Size		Age	
American Indian/Alaska Native	1.7%	1	0.3%	0-17	55.0%
Asian	6.3%	2	7.0%	18-29	17.0%
Black/African-American	87.3%	3	11.6%	30-49	18.3%
White	4.0%	4	14.5%	50-61	6.8%
Head of Household Gender		5	16.5%	62+	2.9%
Male HOH	14.4%	6	14.5%		
Female HOH	85.6%	7+	35.7%		

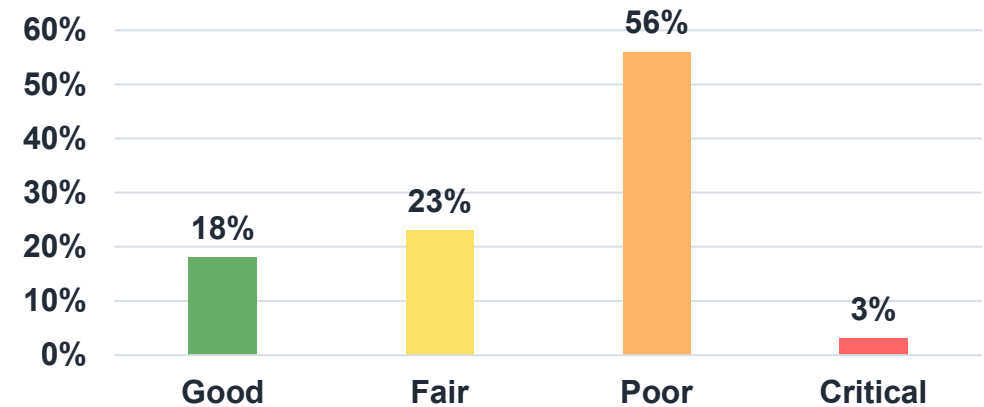
# State of CHR Homes

- The long-term viability of these homes is in jeopardy.
- Due to decades of compounded underfunding from HUD prior to their conversion, the portfolio has amassed a major capital improvement backlog.
- The current backlog of capital needs for the CHR portfolio stands at \$31 million.
- More than 50% of CHR properties are in “poor” condition, with FCI scores above 10%.
- The Facility Condition Index (FCI) is an industry standard for measuring condition of units within a real estate portfolio. In the context of FCI, “poor” is defined as:
  - Frequent component/equipment failures with possible building system shut-downs.
  - High resident complaints/low customer satisfaction.
  - Maintenance and capital improvements in “reactive mode.”

## 2023 MPHA/CHR CAPITAL NEEDS



## % Total Properties by FCI, 2023



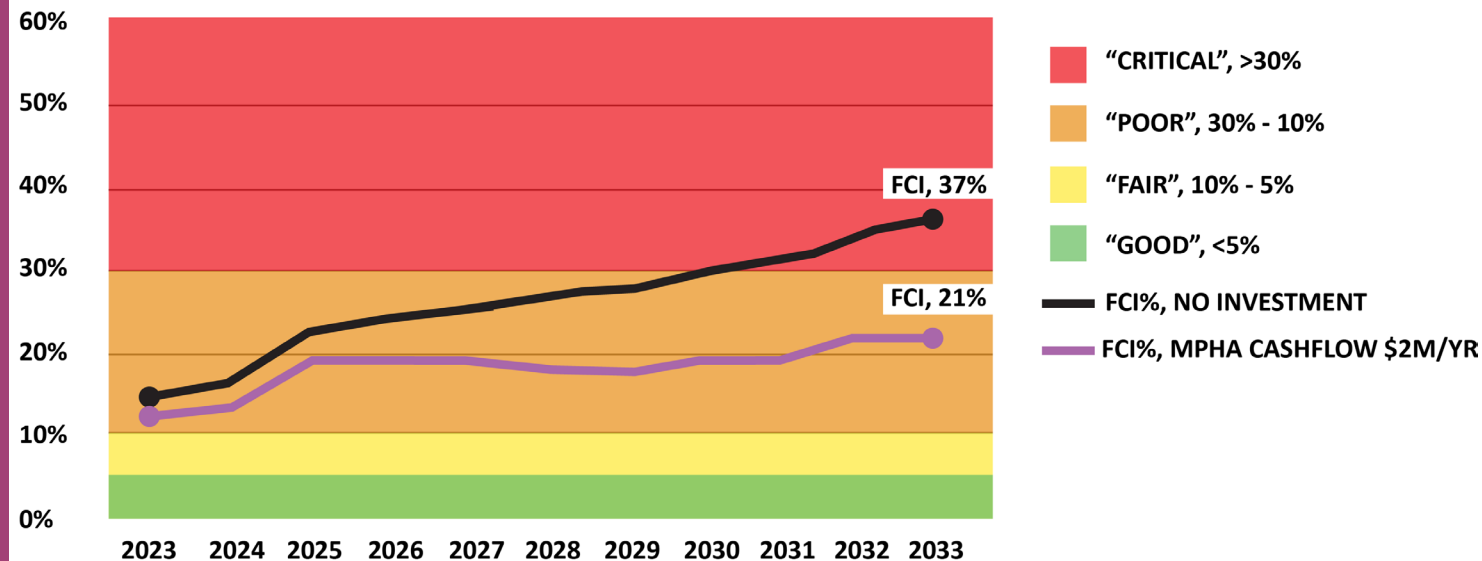
\*Figures represented in current dollar value



# Future of CHR Homes

- The current backlog of capital needs for the CHR portfolio stands at \$31 million, with over 50% of the portfolio in “poor” condition.
- If unaddressed, the need becomes \$65 million by 2027.
- Absent a significant investment to stabilize the CHR properties, projected cost will be near \$85 million by 2032.
  - At that time, the operability of these units will be at risk, jeopardizing critical city infrastructure.
- Currently, the agency commits ~\$2M/year towards CHR repairs from its limited budget.
- This investment is insufficient to address the portfolio’s needs. In 10 years, properties end up in worse condition than they are today.
- The agency seeks to reduce the capital backlog in other ways, including reducing it by \$1.2 million through the demolition and reconstruction of higher needs properties in the 84 new-unit project.

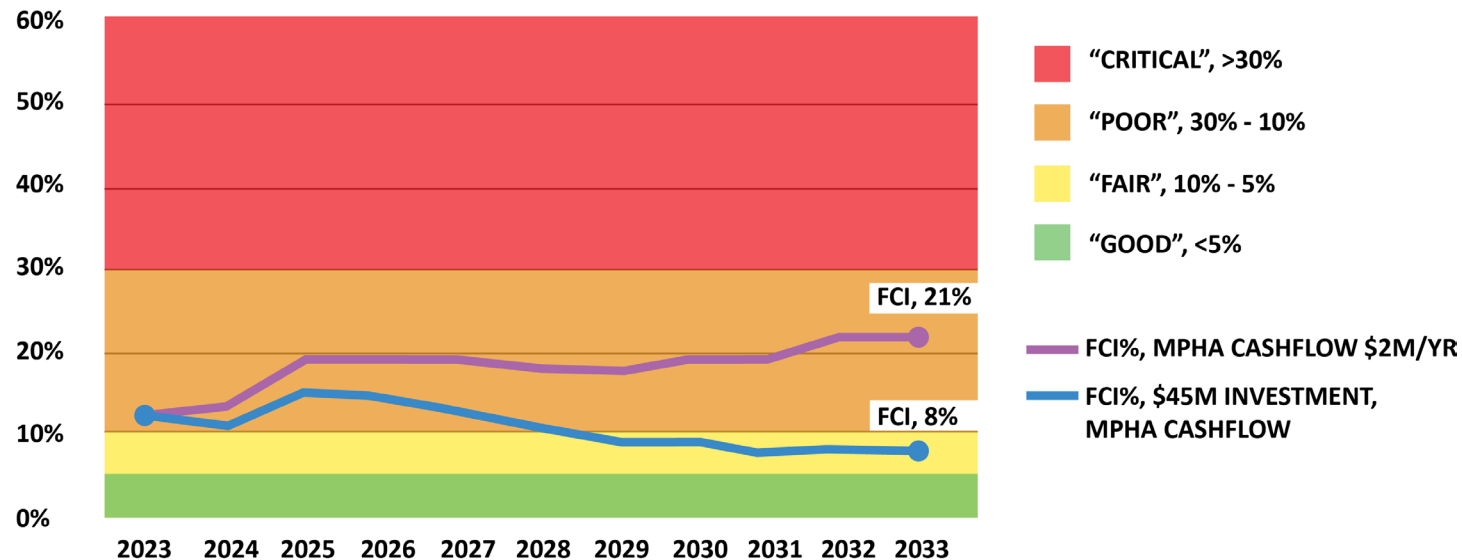
FCI%, MPHA Annual Cashflow Investment Over 10YRS (2024-2033)



# State Investment

- The agency is requesting a one-time \$45 million investment from the State.
  - This investment could take two forms, cash or Housing Infrastructure Bonds (HIB).
  - Because of current law, MPHA cannot accept POHP dollars for its CHR portfolio, despite it being the agency's fastest growing portfolio.
- \$35 million would be deployed in the first five years to address the backlog of capital need and stabilize properties.
  - The remaining \$10M would be used to support future capital work following the 5-year deployment window.
- MPHA needs a large outside capital infusion to begin turning the tide on the capital repair needs and to stabilize and preserve this critical portfolio of family homes.
- Stabilizing this portfolio would allow the agency to move beyond its current reactionary capital improvement program and refocus on preventative maintenance and resident services.

FCI%, \$45MM Investment Over 10YRS (2024-2033)



# Desired Outcome

- A one-time capital infusion from the state is critical to create a long-term solution that moves beyond insufficient property cashflow.
- MPHA believes its scattered site portfolio can become financially self-sufficient for the foreseeable future after overcoming its deferred maintenance capital backlog.
- Moving units out of “poor” condition allows MPHA to end cycle of chasing work orders.
  - This includes replacing items rather than triaging.
  - This will allow operational stabilization, further supporting the self-sufficiency of the portfolio.
- With the \$3.7M from the City of Minneapolis and the agency’s own annual investment in 2023, the agency already has a full capital deployment plan that can be scaled up and pulled forward for a large-scale investment.
- MPHA could leverage the portfolio to build long-term replacement reserves and invest in other preservation and production initiatives.



# Capital Investment Strategy

- The agency would maximize the capital funding that goes directly towards property improvements with a focus on high cost/longer lasting exterior/interior buildings systems.
- Exterior renovations would be made to occupied units, with interior renovations focused on vacancy turns to reduce impact for existing residents.
- Vacancy turns will be evaluated for ADA suitability to increase the portfolio's availability of accessible units to 5%.
- MPHA has proven its commitment to energy efficiency with its Elliot Twins Rehab and Family Housing Expansion Project. MPHA will continue to identify and implement energy efficiency strategies in this investment.
- This effort provides contracting opportunities to small WMBE/S3 businesses. Over the past 18 months, of total contracts awarded for CHR work, approximately 24% were MBE, 17% were WBE, and 29% were Section 3 vendors.
- Ensuring the long-term sustainability of this portfolio is critical. Throughout the investment period, MPHA will continuously evaluate resources and reserves to ensure the portfolio has capital funds to sustain it into the future.

# Funding Request from State Legislature

## **Allocate \$45 Million in One-Time Funding to MPHA and Its Affiliates (CHR)**

- The agency seeks an investment in the form of one-time cash or HIBs.
  - MPHA cannot accept POHP funds for these critical repairs, as current law does not allow for MPHA wholly controlled affiliates to receive POHP funds.
  - The agency is working with Minnesota NAHRO on a legislative fix on the antiquated restrictions placed on POHP dollars that fail to account for new HUD best practices and financing tools.
- This investment would overcome decades of disinvestment from the federal government and stabilize more than 700 units of deeply affordable family housing in Minneapolis for a generation.
  - MPHA believes its scattered site portfolio can become largely financially self-sufficient for the foreseeable future after overcoming its deferred maintenance capital backlog.
  - MPHA has a full capital improvement plan and can work to begin work and deploy funds quickly.
  - By stabilizing this portfolio, MPHA could also leverage the portfolio to build long-term replacement reserves and invest in other agency preservation and production initiatives.





# Questions



March 15, 2023

Representative Mike Howard  
Chair of the Committee on Housing Finance and Policy

Re: HF 2477 — Agbaje: Minneapolis Public Housing Authority grant funding provided to rehabilitate deeply affordable family housing units, and money appropriated.

Dear Chair Howard and Members,

The City of Minneapolis supports HF 2477, which provides the Minneapolis Public Housing Authority (MPHA) with a one-time appropriation of \$45 million to rehabilitate, preserve, equip, and repair more than 700 deeply affordable family housing units. Access to affordable housing is vital for the wellbeing of all residents of Minneapolis, as we know that safe, secure, and sustained affordable housing is a critical foundation for stability in all areas of life.

There is an urgent need for this type of housing in Minneapolis, as evidenced by the MPHA's recent highwater mark of more than 7,500 people on its waitlist for deeply affordable and/or public family housing. More than 80 percent of those on the waitlist are households of color. To help address this unmet need, the agency recently celebrated the groundbreaking of 84 new deeply affordable family homes with its Family Housing Expansion Project (FHEP), bringing 26 two- and 58 three-bedroom units in fourplexes and sixplexes to 16 sites across Minneapolis. Understanding the critical need to expand the number of deeply affordable family homes, the City of Minneapolis provided \$5.8 million in cash, over \$2.1 million in 4% Low-Income Housing Tax Credits, and over \$25 million in bonds for that project.

Preserving this critical portfolio of deeply affordable family housing is a top priority. It is essential that while we invest in a much-needed expansion of public and deeply affordable housing, we don't lose existing units to disrepair and obsolescence. The portfolio's current backlog of capital needs stands at \$31 million. If left unaddressed, the need becomes \$65 million by 2027. Currently, the agency is committing more than \$2 million annually into capital repairs into the portfolio, but that investment is insufficient to address the portfolio's needs. In 2022-2023, the City of Minneapolis has committed an additional \$8,050,000 to MPHA for the preservation and expansion of deeply affordable homes, to address the final fire suppression repairs, and MPHA's most urgent capital needs. While this is a significant investment from the City of Minneapolis and MPHA, it is not the long-term sustainable solution. Without additional major investment over the next 10 years, the portfolio of homes will end up in far worse condition than they are today and in jeopardy of becoming uninhabitable.

This proposed investment would transform deeply affordable family housing in Minneapolis for a generation. With the \$45 million investment, MPHA would complete work over a 10-year span, covering both today's capital backlog and future capital needs while driving towards portfolio self-sufficiency by the end of the 10-year investment window.

Thank you for your time and thoughtful consideration of this important and historic piece of legislation.

Yours Truly,



Mayor Jacob Frey  
City of Minneapolis



Council President Andrea Jenkins  
City of Minneapolis

March 2, 2023

Senator Lindsey Port  
Chair of the Committee on Housing and Homelessness Prevention

Re: SF 1899 — Fateh: Minneapolis Public Housing Authority grant to rehabilitate deeply affordable family housing units appropriation

Dear Chair Port and Members,

The City of Minneapolis supports SF 1899, which provides the Minneapolis Public Housing Authority (MPHA) with a one-time appropriation of \$45 million to rehabilitate, preserve, equip, and repair more than 700 deeply affordable family housing units. Access to affordable housing is vital for the wellbeing of all residents of Minneapolis, as we know that safe, secure, and sustained affordable housing is a critical foundation for stability in all areas of life.

There is an urgent need for this type of housing in Minneapolis, as evidenced by the MPHA's recent highwater mark of more than 7,500 people on its waitlist for deeply affordable and/or public family housing. More than 80 percent of those on the waitlist are households of color. To help address this unmet need, the agency recently celebrated the groundbreaking of 84 new deeply affordable family homes with its Family Housing Expansion Project (FHEP), bringing 26 two- and 58 three-bedroom units in fourplexes and sixplexes to 16 sites across Minneapolis. Understanding the critical need to expand the number of deeply affordable family homes, the City of Minneapolis provided \$5.8 million in cash, over \$2.1 million in 4% Low-Income Housing Tax Credits, and over \$25 million in bonds for that project.

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Thank you for your time and thoughtful consideration of this important and historic piece of legislation.

Yours Truly,



Mayor Jacob Frey  
City of Minneapolis



Council President Andrea Jenkins  
City of Minneapolis



March 2, 2023

Senator Lindsey Port, Chair  
Senate Housing and Homelessness Prevention Committee

Senator Port,

My name is Cora McCorvey, and I am the former Executive Director of the Minneapolis Public Housing Authority (MPHA). I led the agency from 1991 to 2017, and during those years, MPHA built a significant scattered site family housing portfolio. At that time, it was our intent to provide more choice for MPHA residents while also deconcentrating poverty by moving low-income families into neighborhoods across the city. Our hope was that by folding families into the fabric of neighborhoods we could reduce the stigma attached to public housing residents while also increasing opportunities for families to thrive.

Strengthening the family housing portfolio was incredibly challenging. The agency was met with resistance in neighborhood after neighborhood for those it sought to rehouse families in—largely from white homeowners who felt strongly in their opposition to moving mostly black public housing families into their neighborhoods. This work was anything but easy, but we knew it was important.

Fast forward to today, and you see MPHA's family housing portfolio working as intended. The program helps low-income families have a stable roof over their head, helps residents get access to better, higher-paying jobs, and keeps kids in schools in great neighborhoods. The agency's data shows that of the current scattered site heads of household, 19 percent were employed when entering their new home. On average, these residents earned \$20,722 a year in income. Today, 67 percent of these residents are employed, earning an average of \$34,225 a year, with more than 60 percent of these residents' earned income increasing while in these homes. And of the 3,100 residents living in MPHA deeply affordable family homes, 55 percent of them are children under the age of 18.

Further, this portfolio has become a powerful tool to enable black homeownership in the Twin Cities, with an estimated 17 percent of families leaving these homes going on to purchase their own home. The homeownership gap for families of color in Minnesota is well documented, but these scattered site homes are a proven tool to help close that gap.

I urge lawmakers to support SF 1899 to send a one-time \$45 million cash grant to MPHA to help the agency overcome decades of underfunding from the federal government and to put these homes on the path to sustainability. This investment will benefit both the families currently living in these homes and the thousands of families who will live in them over the next 30 years. These families deserve nothing less from their elected leaders.

Respectfully Yours,



Cora McCorvey  
Former Executive Director  
Minneapolis Public Housing Authority

March 14, 2023

Representative Michael Howard, Chair  
House Housing Finance and Policy Committee

Representative Howard,

My name is Cora McCorvey, and I am the former Executive Director of the Minneapolis Public Housing Authority (MPHA). I led the agency from 1991 to 2017, and during those years, MPHA built a significant scattered site family housing portfolio. At that time, it was our intent to provide more choice for MPHA residents while also deconcentrating poverty by moving low-income families into neighborhoods across the city. Our hope was that by folding families into the fabric of neighborhoods we could reduce the stigma attached to public housing residents while also increasing opportunities for families to thrive.

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Respectfully Yours,



Cora McCorvey  
Former Executive Director  
Minneapolis Public Housing Authority

**From:** [John Stumme](#)  
**To:** [Drew Halunen](#)  
**Cc:** [bharris@mplshighrise.org](mailto:bharris@mplshighrise.org); [mary.mcgovern1@yahoo.com](mailto:mary.mcgovern1@yahoo.com)  
**Subject:** revised funding request email  
**Date:** Friday, March 10, 2023 7:54:44 AM

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March 10, 2023

Representative Michael Howard, Chair  
House Housing Finance and Policy Committee

Dear Representative Howard:

My name is Mary McGovern. I am president of the Minneapolis Highrise Representative Council and represent over 5000 public housing residents in Minneapolis. We stand in solidarity with our neighbors and family members living in scattered site housing.

Can we agree that all people - rich, poor, and in between - want and deserve to live in decent, safe and well-maintained housing. Unfortunately, low-income folks in our state and cities, who depend on publicly supported housing, too often do not actually have the experience of living in housing that is decent, safe, or well-maintained. This is largely because of years of underinvestment and disinvestment by the federal government in housing for our country's most vulnerable and in-need.

As a public housing resident leader I have heard all too often from local and state officials that public housing "is not our problem or responsibility." Well, guess what, that attitude does nothing to help us, and helping the most vulnerable among us is what we expect of elected officials at ALL levels of government, and what we urgently need.

The passage of this bill - this historic one-time investment of \$45 million to help the MPHA finally make a real dent in its over \$200 million backlog of capital needs - would show that you understand the role the State can and should have in ensuring ALL families, ALL children, truly get to experience decent, safe and well maintained housing. You'd want nothing less for your own.

With this funding, Minnesota would be leading the way in showing the importance of state investment in preserving public housing and its commitment to low-income citizens being treated with respect and dignity by local government. I urge you, please support this legislation.

Thank you.

Mary McGovern

Mary McGovern, President  
Minneapolis Highrise Representative Council

Sent from [Mail](#) for Windows

# HENNEPIN COUNTY

## BOARD OF COMMISSIONERS

March 3, 2023

Senator Lindsey Port, Chair  
Senate Housing and Homelessness Prevention Committee

Senator Port,

I am writing you today in support of SF 1899, sending the Minneapolis Public Housing Authority a one-time grant of \$45 million dollars to clear the capital backlog on the agency's portfolio of 700+ deeply affordable family homes.

In Hennepin County, too many residents struggle to maintain stable housing, and communities of color are disproportionately impacted by the lack of affordable housing and are more likely to experience homelessness. While many factors contribute to housing affordability challenges, we know that housing costs are increasing, while incomes are stagnant or decreasing. There is also a significant lack of available housing that is affordable to people at the lowest income levels, where people of color are overrepresented.

We lack a stable and adequate supply of deeply affordable housing and funding provided in this bill would address this need. This state investment would both stabilize the lives of the 3,100 Minneapolis residents living in these homes today, 87 percent of whom are Black and 55 percent of whom are children under the age of 18, while also providing thousands of families access to safe, stable, affordable, permanent housing for decades to come.

The Minneapolis Public Housing Authority is an important partner to our addressing Hennepin's housing disparities. This partnership includes Hennepin County utilizing the agency's Emergency Housing Vouchers to assist with rapid-rehousing efforts of previously unsheltered individuals, placing individuals from the County's Coordinated Entry homeless assistance program into MPHA-owned housing, and granting MPHA \$500,000 last year to help the agency build 84 new deeply affordable family homes.

I urge the legislature to approve this one-time funding so the Authority can continue providing safe, stable, affordable, permanent housing to thousands of families for decades to come.

Sincerely,



**Irene Fernando, Chair**  
**Hennepin County Board of Commissioners**  
300 South Sixth Street, Minneapolis, MN 55487-0040  
hennepinD2.com | hennepin.us





**From:** [John Stumme](#)  
**To:** [davin.sokup@senate.mn](mailto:davin.sokup@senate.mn)  
**Cc:** [Abdi Warsame](#); [Drew Halunen](#); [mary.mcgovern1@yahoo.com](mailto:mary.mcgovern1@yahoo.com); [bharris@mplshighrise.org](mailto:bharris@mplshighrise.org)  
**Subject:** SF 1899 public housing funding request  
**Date:** Wednesday, March 1, 2023 12:48:33 PM

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March 1, 2023

Senator Lindsey Port, Chair  
Senate Housing and Homelessness Prevention Committee

Dear Senator Port:

My name is Mary McGovern. I am president of the Minneapolis Highrise Representative Council and represent over 5000 public housing residents in Minneapolis. We stand in solidarity with our neighbors and family members living in scattered site housing.

Can we agree that all people, rich, poor and in between, want and deserve to live in decent, safe and well-maintained housing. Unfortunately, low-income folks in our state and cities, who depend on publicly supported housing, too often do not actually have the experience of living in housing that is decent, safe, or well-maintained. This is largely because of years of underinvestment and disinvestment by the federal government in housing for our country's most vulnerable and in-need.

As a public housing resident leader I have heard all too often from local and state officials that public housing "is not our problem or responsibility." Well, guess what, that attitude does nothing to help us, and helping the most vulnerable among us is what we expect of elected officials at ALL levels of government, and what we urgently need.

The passage of this bill - this historic one-time investment of \$45 million to help the MPHA finally make a real dent in its over \$200 million backlog of capital needs - would show that you understand the role the State can and should have in ensuring ALL families, ALL children, truly get to experience decent, safe and well maintained housing. You'd want nothing less for your own.

With this funding, Minnesota would be leading the way in showing the importance of state investment in preserving public housing and its commitment to low-income citizens being treated with respect and dignity by local government. I urge you, please support this legislation.

Thank you.

Mary McGovern

Mary McGovern, President  
Minneapolis Highrise Representative Council

Sent from [Mail](#) for Windows

March 2<sup>nd</sup>, 2023

To: Senator Lindsey Port, Chair, Senate Housing and Homelessness Prevention Committee  
Re: Support for SF 1899

Dear Senator Port,

I am writing to express my formal support for SF 1899, allocating \$45 million to the Minneapolis Public Housing Authority (MPHA). As you know, the funding would enable MPHA to overcome decades of underfunding from HUD and set up a significant part of MPHA's Community Housing Resources (CHR) portfolio up to become financially self-sustaining.

**There is no solution to the housing crisis without public housing.** Public housing, particularly Section 9 and Section 8 public housing, are the gold standard of affordability. Starting in the 1970s, coordinated attacks on public housing funding and administration policy have massively undermined the government's ability to create, maintain, and preserve all forms of public housing. Section 18 properties like the CHR portfolio have been one of the very limited options available to many PHAs, and even these properties have been underfunded to the point of a \$31 million capital repair backlog.

The repair backlog on the CHR portfolio doesn't just mean worse conditions for residents, it fundamentally jeopardizes the public housing itself. Unaddressed maintenance issues snowball into increasingly disruptive and expensive problems, damaging public housing's reputation as high quality, stable, and desirable. It is a textbook example of the neoliberal tactic of underfunding a program, letting outcomes deteriorate, and then deeming it a failure as a pretext for privatization. **Addressing the backlog in CHR properties now using this \$45 million is key to averting the risk of privatization.**

Furthermore, state funding to clear the backlog of repairs on CHR properties allows MPHA to leverage the portfolio's value to push forward to other preservation and production initiatives, including of Section 9 and Section 8 housing. **The downstream impacts of clearing the backlog mean increasing the stock of permanently public housing.** I intend to work with my colleagues and lead the City of Minneapolis to pass a public housing levy this year, generating millions in desperately needed revenue for MPHA. Securing state funding for the CHR backlog via SF 1899 would mean that the revenue from the public housing levy would be freed up towards other projects, such as building new Section 9 public housing under the MPHA's existing Faircloth authority of 900 units. This would make a significant impact on the current MPHA waitlist of about 8000 families who desperately need permanently affordable housing.

Because public housing is funded and operated in multi-jurisdictional structures, it's easy to pass the blame for systemic underfunding. But all policymakers, at every level of government, have an obligation to fully use all the tools available to them if we want to solve the housing crisis. None of us can fix a systemic problem alone, but if we get serious about taking action on every level, the problem can be



fixed.

I urge you to support SF 1899 and help address our housing crisis with this historic investment.  
Sincerely,

A handwritten signature in black ink, appearing to read 'RWonsley', with a stylized flourish at the end.

Council Member Robin Wonsley  
Minneapolis City Council – Ward 2  
[Ward2@minneapolismn.gov](mailto:Ward2@minneapolismn.gov)

# HENNEPIN COUNTY

## BOARD OF COMMISSIONERS

March 7, 2023

Representative Michael Howard, Chair  
House Housing Finance and Policy Committee

Representative Howard,

I am writing you today in support of HF 2477, sending the Minneapolis Public Housing Authority a one-time grant of \$45 million dollars to clear the capital backlog on the agency's portfolio of 700+ deeply affordable family homes.

In Hennepin County, too many residents struggle to maintain stable housing, and communities of color are disproportionately impacted by the lack of affordable housing and are more likely to experience homelessness. While many factors contribute to housing affordability challenges, we know that housing costs are increasing, while incomes are stagnant or decreasing. There is also a significant lack of available housing that is affordable to people at the lowest income levels, where people of color are overrepresented.

We lack a stable and adequate supply of deeply affordable housing and funding provided in this bill would address this need. This state investment would both stabilize the lives of the 3,100 Minneapolis residents living in these homes today, 87 percent of whom are Black and 55 percent of whom are children under the age of 18, while also providing thousands of families access to safe, stable, affordable, permanent housing for decades to come.

The Minneapolis Public Housing Authority is an important partner to our addressing Hennepin's housing disparities. This partnership includes Hennepin County utilizing the agency's Emergency Housing Vouchers to assist with rapid-rehousing efforts of previously unsheltered individuals, placing individuals from the County's Coordinated Entry homeless assistance program into MPHA-owned housing, and granting MPHA \$500,000 last year to help the agency build 84 new deeply affordable family homes.

I urge the legislature to approve this one-time funding so the Authority can continue providing safe, stable, affordable, permanent housing to thousands of families for decades to come.

Sincerely,



**Irene Fernando, Chair**  
**Hennepin County Board of Commissioners**

300 South Sixth Street, Minneapolis, MN 55487-0040  
hennepinD2.com | hennepin.us



**From:** [tom.hoch2100@gmail.com](mailto:tom.hoch2100@gmail.com)  
**To:** [sen.lindsey.port@senate.mn](mailto:sen.lindsey.port@senate.mn)  
**Cc:** [Drew Halunen](mailto:Drew.Halunen); [davin.sokup@senate.mn](mailto:davin.sokup@senate.mn); [sen.kari.dziedzic@senate.mn](mailto:sen.kari.dziedzic@senate.mn)  
**Subject:** SF 1899  
**Date:** Thursday, March 2, 2023 12:28:44 PM

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Dear Senator Port:

I am writing to you in my capacity at Chair of the Minneapolis Public Housing Authority (MPHA) to support SF 1899. As you may well know, this legislation ([SF 1899](#)) would be the largest non-federal funding ever delivered to MPHA and would dramatically alter the future of MPHA's deeply affordable family housing portfolio—enabling MPHA to overcome decades of underfunding and enable the portfolio to become self-sufficient for decades. Upon the completion of the extensive rehabilitation that this funding would support, the agency estimates that annual federal subsidies received would then be able to cover the future estimated costs of routine improvements. This investment would benefit both the 3,100 residents living in these homes today as well as the estimated 3,800 families (and likely tens of thousands of residents) who will reside in these homes over the next 30 years.

Through MPHA's wholly controlled non-profit, Community Housing Resources (CHR), the agency owns and operates more than 700 deeply affordable single-family, duplex and fourplex homes spread across every legislative district in the city, serving more than 3,100 people. The homes are often referred to as MPHA's "scattered site" housing. These homes account for more than *80 percent* of the MPHA housing available for families with children. Of the residents who call scattered site properties home, 87 percent are black, 85 percent are female-led, and two-thirds are households of five or more—families with children.

These scattered site homes are a critical piece of city infrastructure, as they are a proven tool to provide families a solid foundation for upward mobility. Of the current scattered site heads of household, 19 percent were employed when entering their new home. On average, these residents earned \$20,722 a year in income. Today, 67 percent of these residents are employed, earning an average of \$34,225 a year, with more than 60 percent of these residents' earned income increasing while in these homes. Better yet, between 2020 and 2022, an estimated 17 percent of all families leaving scattered site homes have gone on to purchase their own homes. Families living in CHR homes stay for an average of six years before moving to new housing.

There is a major need for this type of housing in Minneapolis, as evidenced by the agency's recent highwater mark of more than 7,500 people on its waitlist for deeply affordable and/or public family housing. More than 80 percent of those on the waitlist are households of color. To help meet this unmet need, the agency recently celebrated the groundbreaking of 84 new deeply affordable family homes with its [Family Housing Expansion Project \(FHEP\)](#), bringing 26 two- and 58 three-bedroom units in four- and six-plexes to 16 sites across Minneapolis.

Preserving this critical portfolio of deeply affordable family housing is a top agency priority. The portfolio's current backlog of capital needs stands at \$31 million. If left unaddressed, the need becomes \$65 million by 2027. Currently, the agency is committing more than \$2 million annually into capital repairs into the portfolio, but that investment is insufficient to address the portfolio's needs. If left to only MPHA's annual contribution, over the next 10

years, the portfolio of homes will end up in far worse condition than they are today and in jeopardy of becoming uninhabitable.

With this new \$45 million investment, the agency would complete work over a 10-year span, covering both today's capital backlog and future capital needs while driving towards portfolio self-sufficiency by the end of the 10-year deployment window.

This proposed investment by the State of Minnesota would transform deeply affordable family housing in Minneapolis for a generation. While the agency estimates the capital backlog for its entire portfolio at \$210 million, the ability to resolve an additional \$45 million of work over the next 10 years on top of the annual funding it secures from HUD [and other jurisdictions](#) would mark one of the most significant improvements in the agency's capital backlog in MPHA history.

Thank you for your strong support for this funding. Please let me know if you have any questions about this bill.

Sincerely,

**Thomas L. Hoch, Chair**  
Minneapolis Public Housing Authority  
612.916.5615

**From:** Alyssa Erickson

**Sent:** Thursday, March 2, 2023 9:32:09 PM

**To:** [davin.sokup@senate.mn](mailto:davin.sokup@senate.mn) <[davin.sokup@senate.mn](mailto:davin.sokup@senate.mn)>; Drew Halunen <[dhalunen@mplspha.org](mailto:dhalunen@mplspha.org)>

**Subject:** What a \$45 Million In Black Families Would Mean for Minnesota (SF 1899)

Dear Senator Lindsey Port, Chair, Senate Housing and Homelessness Prevention Committee,

I am writing to express my support for Senate File 1899, providing much needed funding to the Minneapolis Public Housing Authority to address the capital backlog of the scattered site family homes. These homes provide a critical service in our community, serving families who need deeply affordable housing that is not available anywhere else. Please do everything possible to make sure this bill proceeds through committee and is voted into law!

Thank you for your support,

Alyssa Erickson

MPHA Board of Commissioners