



NOTICE AND AGENDA

June 28, 2023

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 Executive Committee of the MPHA Board of Commissioners will meet at 12:00 Noon, same date and place

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

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

GENERAL:

- Roll Call
- Approval of Agenda
- Minutes of a Regular Meeting of May 24, 2023

CHAIR'S UPDATE

RESIDENT ADVISORY BOARD – RAB Chairperson Comments

CONSENT: None

PRESENTATION / DISCUSSION / PROPOSED RESOLUTION:

1. Fire Suppression System Installation at Four Highrises (Laura Dykema, Director of Planning & Development)
2. MPHA Tax Levy Budget (Tim Durose, CFO and Laura Dykema, Director of Planning & Development)



RECEIVE AND FILE:

- Executive Director's Update
- Board Meeting Schedule (Notable Activities)
- Monthly Performance Report for May 2023
- Newsletter and News Clippings

Next Regular Meeting:

**Wednesday, July 26, 2023 - 1:30p.m.
1001 Washington Avenue North
Minneapolis, MN 55401**

Notice: *A portion of this meeting may be closed to the public pursuant to Minnesota Statutes Section 13D.03 or 13D.05.*



**MINUTES OF A REGULAR MEETING OF THE
MINNEAPOLIS PUBLIC HOUSING AUTHORITY
IN AND FOR THE CITY OF MINNEAPOLIS
May 24, 2023**

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in a regularly scheduled meeting at 1:36 P.M. on May 24, 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
Alyssa Erickson	Secretary
Medaria Arradondo	Commissioner
Mikkel Beckmen	Commissioner
Abdullahi Isse	Commissioner
Cara Letofsky	Commissioner
Tamir Mohamud	Commissioner
Hon. James Rosenbaum	Commissioner

The following members of the Board were absent:

Elfric Porte	Vice Chair
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The following others were also present:

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

Approval of Agenda:

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

Approval of Minutes:

The Minutes of the Regular Meeting of April 26, 2023, 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:

- The Chair and staff toured the Rise Modular plant where the components for MPHA's family housing are being constructed. It's a whole new way of constructing housing - it puts MPHA on the cutting edge of innovation. The components or "mods" are constructed in a climate-controlled environment, and then brought to the land site for assembly. An early example of Rise Modular's work for a different developer is located on VanWhite and Glenwood. One particular positive of this type of construction is it limits the disruption to neighborhoods. The timeframe from setting the homes in place takes just a day or two, plus adding skins to the building, then landscaping.
- The Chair acknowledged the great work staff has done with the legislators this year in getting money for MPHA. MPHA received a \$5 million grant, and there's additional money available for both MPHA and other housing authorities to apply for, thanks to MPHA's great work for raising awareness of public housing funding needs to the legislators.
- The Chair congratulates MPHA for the completion of the \$10 million rehab of Hamilton Manor.

Resident Advisory Board (RAB) Update:

Mary McGovern, MHRC President, spoke on behalf of the RAB. She declared a quorum was present, and the agenda items discussed "*Consideration of a Disposition Application for Excess Land Adjacent to 2728 East Franklin Avenue*" and "*Consideration of a Request for Consent to Levy – 2024 Property Tax Levy*" were approved.

Item No. 1: Consideration of a Disposition Application for Excess Land Adjacent to 2728 East Franklin Avenue

After a presentation by staff and discussion, Commissioner Beckmen moved approval of the recommendation set forth in the Report, along with the corresponding Resolution attached thereto. Commissioner Letofsky seconded the motion. Upon a roll call vote, eight Commissioners voted "aye" (Commissioners Arradondo, Beckmen, Erickson, Isse, Letofsky Mohamud, Rosenbaum, and Chair Hoch) and no Commissioner voted "nay". The Chair declared the motion carried. [See Document No. 2023-28] [See Resolution No. 23-230]

Item No. 2: Consideration of Request for Consent to Levy – 2024 Property Tax levy

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 Erickson seconded the motion. Upon a roll call vote, eight Commissioners voted "aye" (Commissioners Arradondo, Beckmen, Erickson, Isse, Letofsky Mohamud, Rosenbaum, and Chair Hoch) and no Commissioner voted "nay". The Chair declared the motion carried. [See Document No. 2023-29] [See Resolution No. 23-231]



Receive and File Items:

The following items were received and filed by the Board:

- Executive Director's Update [See Document No. 2023-30]
- The Monthly Performance Report for April 2023 [See Document No. 2023-31]
- Community Update Newsletter and News Clippings [See Document No. 2023-32]

Adjournment:

There being no further business to come before the meeting, and upon a motion duly made and seconded, the meeting was adjourned at 2:51 p.m.

Secretary of the Board of Commissioners

Date These Minutes Approved



June 28, 2023

Agenda Item 1

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Fire Suppression System Installation at Four High-rises

Previous Directives: The Board has previously approved the Capital Fund Program (CFP) Plan and MTW Budget for FY 2023 as part of the Agency's 2023 Moving to Work (MTW) Annual Plan.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's June 28, 2023 meeting.

Budget Impact: The primary source is \$1.2M in City of Minneapolis Community Block Development Grant (CDBG) funds; approximately \$275K in project costs will be charged to the Capital Fund Program.

Affirmative Action Compliance: The contractor has signed an Equal Employment Opportunity/Affirmative Action Policy statement and intends to subcontract approximately 20% of the work to WBE companies and 30% of labor hours to Section 3 vendors. MPHA will monitor compliance.

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 and all related documents in the amount of \$1,192,893 with Hamline Construction for fire suppression system installation at 1900 Third Street NE, 809 Spring Street NE, 3755 Snelling Avenue, and 3205 East 37th Street.

MPHA has made the installation of fire suppression systems in our high-rises a high priority and as a result accelerated the timeline for installations in remaining, un-sprinkled properties. Currently 33 of MPHA's 42 high-rise buildings (or 4,639 units) have sprinklers in place or active installations underway. With these contract awards, four additional high-rises will be retrofitted

with this important life-safety system. Collectively, this represents 37 high-rises with 4,759 units, nearly 94% of MPHA's high-rise inventory. The five remaining un-sprinkled sites are currently in the planning process and the agency intends to award contracts for these projects this summer.

On May 5, 2023, an invitation for bids was publicly advertised with a bid due date of June 1, 2023. MPHA received the following responsive bids:

Hamline Construction	\$1,192,893
JPMI Construction	\$1,341,000

The successful bidder, Hamline Construction, has successfully completed and is currently completing several fire suppression system installations in MPHA high-rises. Staff is confident they will perform well on these projects.

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



June 28, 2023

Agenda Item 2

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: MPHA Tax Levy Budget

Previous Directives: The Board previously adopted a resolution authorizing MPHA to request consent of Minneapolis City Council and the Minneapolis Board of Estimate and Taxation to authorize MPHA to exercise its maximum levy authority in 2024 at its May 24, 2023 meeting.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's June 28, 2023 meeting.

Budget Impact: MPHA estimates its annual revenue to be approximately \$12M based on MPHA's maximum levy authority of 0.0185% of the City of Minneapolis' Estimated Market Value.

Affirmative Action Compliance: N/A

Procurement Review: N/A

RECOMMENDATION: It is recommended that the Board of Commissioners authorize the Executive Director to forward the proposed tax levy annual budget to the City of Minneapolis in accordance with the City Charter and Minnesota State Law.

At the May 24, 2023 meeting of the MPHA Board of Commissioners, staff requested the Board's adoption of a resolution authorizing MPHA to request consent of Minneapolis City Council and the Minneapolis Board of Estimate and Taxation to authorize the PHA to exercise its levy authority in 2024 to an amount equal to 0.0185% of the City of Minneapolis' Estimated Market Value, or the maximum allowable amount under state law. Since the adoption of that resolution, the City has shared a summary of the process and requirements that includes the submission of the PHA's estimated revenue and budgetary needs for the upcoming fiscal year,

as well as recommended capital expenditures for the next five fiscal years, based on annual projected revenues. This submission is due on or before July 1, 2023.

As the Board is aware, MPHA's properties have extensive capital needs, and significant resources are necessary to address those needs. The agency strives to align this current state with a vision for the future, rooted in our values and mission of providing quality, deeply affordable housing to the residents of Minneapolis. Our recently adopted 2023-27 Strategic Plan outlines six goals that are resident centric and aim to create and sustain vibrant and healthy communities. The levy budget and five-year plan were formulated with these aspirations in mind, and will help us achieve these four specific goals:

- Provide and preserve deeply affordable, high-quality housing for highrise residents.
- Build new and expand partnerships with federal, state, and local governments, in addition to philanthropic entities to support MPHA residents and those who are on our waitlist.
- Provide and preserve deeply affordable, high-quality family housing.
- Increase supply of deeply affordable housing by at least 150 units per year.

The levy five-year plan was also prepared with careful thought and consideration of the feedback we've heard from our biggest champions of this effort – our residents.

Executive Summary

The levy annual plan and five-year budget target both preservation and new unit production, as well as health, safety, code compliance, and quality of life improvements. It provides the opportunity to address not only over \$60M in current and upcoming capital needs, but paves the way to long-term preservation for three sites with ~500 units, creates nearly 100 new units and opportunities for more, and includes capital work targeted at top resident priorities. Our proposed development projects leverage other resources – both public and private – to allow us to do more with these dollars, and positions those properties for long-term sustainability. It touches the lives of thousands of residents, and will positively impact our community in numerous ways.

Below is the levy five-year budget summary as well as more detailed project descriptions. The proposed projects and accompanying budgets are subject to change annually based on continued levy approval and changing needs and environment, amongst other considerations. It reflects, however, MPHA's intentions with this resource.

PROJECT	2024	2025	2026	2027	2028
DEVELOPMENT/REDEVELOPMENT INITIATIVES					
MPHA DEV01	\$6,500,000	\$7,000,000			
MPHA DEV02	\$750,000				
MPHA DEV03	\$500,000				
MPHA DEV04			\$6,000,000		
MPHA DEV05			\$1,000,000	\$6,500,000	
MPHA DEV06					\$6,000,000
MPHA DEV07				\$1,000,000	\$2,000,000
CAPITAL IMPROVEMENTS					
MPHA CAP01	\$2,200,000	\$2,200,000	\$2,200,000	\$2,200,000	\$2,200,000
MPHA CAP02	\$575,000	\$600,000	\$250,000	\$270,000	\$570,000
MPHA CAP03		\$1,650,000	\$1,650,000	\$630,000	\$630,000
MPHA CAP04	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
MPHA CAP05	\$675,000	\$350,000	\$450,000	\$500,000	\$250,000
MPHA CAP06	\$600,000		\$250,000	\$700,000	\$150,000
TOTAL	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000

Development/Redevelopment Initiatives

MPHA DEV01 – Highrise Preservation & New Unit Production

Comprehensive rehab/preservation of a 1960's era highrise that houses over 100 residents. Scope of work anticipated to address over \$15M of current/upcoming needs including building systems updates (plumbing, electrical, HVAC), kitchen/bath rehab, appliances and new unit finishes, window/roof replacement, and common area updates, as well as property enhancements that have an overall emphasis on livability/accessibility improvements, additional resident amenities, and addressing specific population needs; anticipates new unit production with up to 25-30 potential new units; leveraged with HUD conversion tools (RAD Blend), Project Based Vouchers (PBVs), 4% bonds/Low Income Housing Tax Credit (LIHTC) equity, and debt, tools and financing that also positions the property for long-term sustainability. Projected Total Development Costs (TDCs) of \$40-50M. Target closing: 2025 with new units online within 12-18 months of target closing/construction commencement.

MPHA DEV02 – Three-Unit Scattered Site Infill Demonstration Project

Replacing a long-term vacant, high needs 1920's era single family scattered site home with a three-unit development with at least one fully accessible unit, in an Opportunity Area. Leverages City's existing committed resources of \$200K, 50% funding match of \$950K from MPHA MTW resources and PBVs. MPHA intends to explore utilizing a Faircloth to RAD

conversion for the three units that would generate additional ongoing federal housing assistance subsidies. Projected TDCs of ~\$1.95M; spring 2024 groundbreaking with new units online within 8-10 months of construction commencement.

MPHA DEV03 – Two-Unit Scattered Site Infill Demonstration Project

Replacing a single family scattered site home recently lost to a fire with a two-unit development featuring at least one fully accessible unit, in a non-ACP50 area of Minneapolis which is defined as an area that is not an area of concentrated poverty where 50% or more of residents are people of color. Leveraged with 50% funding match of \$300K in MPHA MTW resources, \$200K of insurance proceeds and PBVs. MPHA intends to explore utilizing a Faircloth to RAD conversion for the two units that would generate additional ongoing federal housing assistance subsidies. Projected TDCs of ~\$1M; spring 2024 groundbreaking with new units online within 6-8 months of construction commencement.

MPHA DEV04 – Scattered Site Infill Project

Five-site, 30-unit scattered site infill/redevelopment project in non-ACP50 areas. Redevelops seven units that have a total current need of over \$200K. Leveraged with PBV support, 9% bonds/LIHTC and debt. Projected TDCs of \$17-22M. Target closing: 2026-2027 with new units online within 12-18 months of target closing/construction commencement.

MPHA DEV05 – Highrise Preservation

Comprehensive rehab/preservation of a 1960's era highrise that houses up to 125-150 residents. Scope of work anticipated to address over \$10M of current/upcoming needs including building systems updates (plumbing, electrical, HVAC), kitchen/bath rehab and new unit finishes, window/roof replacement, and common area updates, as well as property enhancements that have an overall emphasis on livability/accessibility improvements, additional resident amenities, and addressing specific population needs; leveraged with HUD conversion tools (RAD Blend) & debt, tools and financing that also positions the property for long-term sustainability. Projected Total Development Costs (TDCs) of \$30-40M. Target closing: 2027-2028.

MPHA DEV06 – Scattered Site Infill Project

Five-site, 30-unit scattered site infill/redevelopment project in non-ACP50 areas. Redevelops existing eight units that have a total current need of over \$225K. Leveraged with PBV support, 9% bonds/LIHTC and debt. Projected TDCs of \$17-22M. Target closing: 2028-29 with new units online within 12-18 months of target closing/construction commencement.

MPHA DEV07 – Glendale

Predevelopment activities including extensive resident, community, and other stakeholder engagement to shape project goals and objectives. MPHA anticipates preserving the existing number of units (184) and will explore options for new unit creation. Initiates the path to

address \$30+M of current and future needs, positions the property for long-term sustainability and potentially add units in an area of opportunity. Anticipated closing on first phase: 2029.

Capital Improvements

MPHA CAP01 – Highrise Ventilation & Cooling Systems

Ventilation and cooling systems upgrades and/or replacements to improve indoor air quality/fresh air intake and in-unit cooling for resident health and safety at eight highrises housing nearly 800 residents that are on average comprised of over 60% disabled and 65% elderly populations.

MPHA CAP02 – Highrise Elevator Modernization

Comprehensive elevator modernization at nine properties that are homes to over 500 residents that are on average comprised of over 60% disabled and 75% elderly populations. The scope of improvements includes new controls, machines, and traveling cables, as well as addressing ADA compliance and code-required door lock monitoring, which is a safety measure that prevents elevators from moving if there are circuitry problems or doors that do not properly close. These upgrades ensure reliable and safe vertical transportation for our highrise residents and staff.

MPHA CAP03 – Highrise Window Replacement

Replacement of three highrise building/252 unit, 1980's era windows with assemblies that have LOW-E glass, are 30-40% more energy efficient, and meet current code which includes fall protection safety features.

MPHA CAP04 – Highrise Community Spaces

Replacement of community space finishes, furniture, and fixtures and/or site landscaping/amenities and other enhancements to shared resident interior/exterior community spaces across five highrises that are homes to over 900 residents that are on average nearly 60% disabled and 75% elderly populations. Many of our residents utilize these spaces for events and activities that help support quality of life and build a greater sense of community; additionally, many residents utilize indoor air-conditioned community spaces during summer months due to the lack of in-unit air conditioning in most of our highrises.

MPHA CAP05 – Highrise Safety Improvements – Building Access

Replacement and upgrade of eight highrise building entry systems to provide greater control over and visibility to visitor access for the safety and security of the nearly 1000 residents residing at these properties that are on average nearly 60% disabled and over 75% elderly populations. Trespassing has historically caused numerous unwanted, illegal, and harmful activities in our buildings including assault and robbery.

MPHA CAP06 – Highrise Safety Improvements – Site Security

Installation and/or replacement of site fencing, gates/access control, surveillance cameras, lighting, and other security enhancements to increase defensible outdoor spaces at eight high-density highrises for the over 1300 residents and staff that live and work at these properties. The populations at these properties are on average nearly 60% disabled and 75% elderly. These measures act as deterrents and help limit trespassing and illegal/harmful activities at our properties.

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



June 28, 2023

MEMORANDUM TO: MPHA Board of Commissioners

FROM: Abdi Warsame, Executive Director/CEO

SUBJECT: Executive Director's Report, June Board Meeting

This past month the team has focused on excelling at its core functions. Most recently, that has included increasing occupancy in the CHR portfolio to 97 percent, receiving a clean audit of CHR's 2022 financials, and having the agency's 2022 MTW Annual Report formally accepted by HUD, well ahead of last year's submission and acceptance. These achievements build on top of record-high Public Housing Assessment System (PHAS) physical inspection scores from earlier this spring, all in pursuit of the agency's strategic plan goal of continuously improving organizational performance to retain MTW status and highest HUD performance rating. Next month, staff is planning to present to the board of commissioners a preview of the initial 2024 MTW projections as well as the timeline of key dates of the work that lies ahead.

One example of 2024 MTW activities includes re-engaging partners in determining the best pathway forward for the Metropolitan Housing Opportunity Program (MHOP). As of 2023, MPHA holds the Annual Contributions Contract (ACC) for 106 units of public housing scattered across the western metro through MHOP. As structured, operating these units are administratively burdensome for agency staff and property owners. The agency is exploring the option to convert the units to the Housing Choice Voucher Program to preserve the deeply affordable housing at these sites and protect families while making the administration of these units easier for the agency. While this work is in its early stages, staff will keep the board updated on this work and other agency initiatives through the 2024 MTW planning process and subsequent updates to the board as staff make progress.

Beyond MHOP, the agency has also progressed a variety of HCV-related activities this past month, including beginning move-ins for families enrolled in the HUD Community Choice Demonstration and entering the third phase of the agency's HCV landlord participation study with the Harvard Kennedy School's People Lab. Additional details about both of these exciting projects are highlighted in this month's *Community Update*, which board members can find in their packets.

Finally, staff have produced a draft budget and five-year capital spending proposal to accompany the agency's tax levy request recently transmitted to the Board of Estimate and Taxation, City Council, and Mayor following last month's board approval, per guidance from the Minneapolis City Attorney's office. The documents are included in board packets and will be presented by staff in June's MPHA Board meeting. The documents provide a high-level look at how agency staff would hope to spend a fully funded levy on a variety of resident-focused preservation and production activities. The documents produced do not reflect any official budget activity of the agency. Any funding MPHA anticipates receiving from the tax levy would be allocated by the MPHA board during the agency's annual budgeting process in the fall and winter.

Meeting Date	Planned Activity
January 25 th	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Consent Items • 2023 Budget Approval • 5 Year Strategic Plan Approval
February 22 nd	Regular Business Meeting
March 22 nd	Regular Business Meeting
April 26 th	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Q1 Strategic Plan Goals Progress Report
May 24 th	Regular Business Meeting
June 28 th	Regular Business Meeting
July 26 th	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Q2 Strategic Plan Goals Progress Report • Presentation to preview MTW Plan, Development Pipeline, & Budget Projections
August 23 rd	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Host MTW Public Hearing
TBD Sept 7-14 th	Board Retreat: Review public comment on MTW plan, discuss 2024 budget/goal alignment
September 27 th	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Consider MTW 2024 Plan • Consider HCV Fair Market Rent for upcoming year
October 25 th	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Q3 Strategic Plan Goals Progress Report
TBD Nov 1-10 th	Budget Workshop & Alignment with 2024 Agency Goals
November 15 th	Regular Business Meeting
December 20 th	Regular Business Meeting <u>Notable Agency Activities/Approvals:</u> <ul style="list-style-type: none"> • Q4 Strategic Plan Goals Progress Report/Year-End Goals Review • 2024 MPHA Budget Approval



Monthly Performance Report

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

Contents

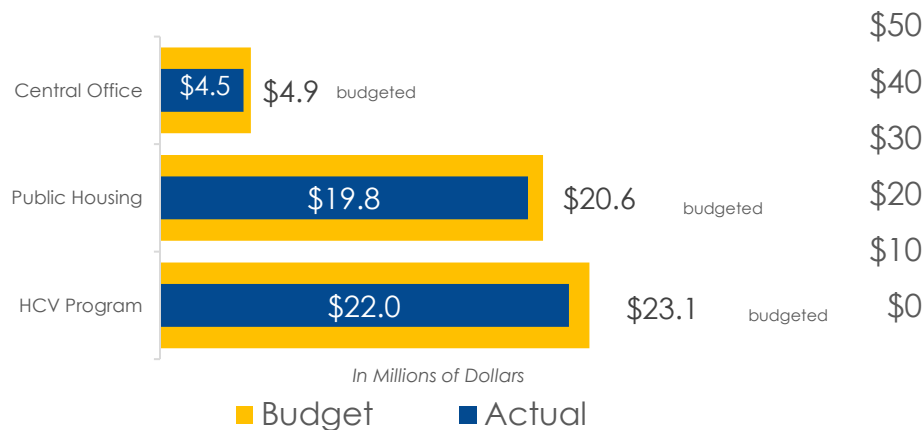
1. Financials
2. Performance of Operations
 - Public Housing Programs
 - Housing Choice Voucher Programs
3. Building Improvement and Development Projects
4. Inquiry Response and Social Media

Operating Sources and Uses

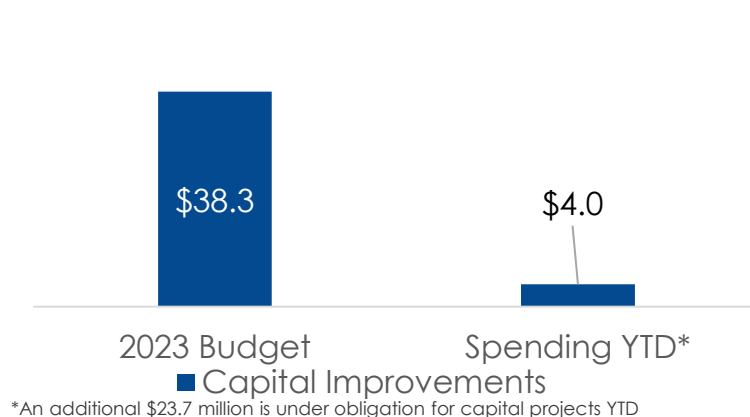
MTW Public Housing and Housing Choice Voucher (HCV) Program

Sources	YTD Budget	YTD Actual	Favorable	Variance %
			(Unfavorable)	
Variance				
Tenant Revenue -Rents & Other	\$ 7,535,250	\$ 7,642,691	\$ 107,441	1%
Public Housing Operating Subsidy	\$ 9,705,945	\$ 9,591,784	\$ (114,161)	-1%
HCV HAP Subsidy & Admin Fees	\$ 22,530,961	\$ 21,466,631	\$ (1,064,330)	-5%
Other Revenues, Fees, & Grants	\$ 927,700	\$ 862,433	\$ (65,267)	-7%
Transfers-In	\$ 122,915	\$ 174,690	\$ 51,775	42%
Total Sources	\$ 40,822,771	\$ 39,738,229	\$ (1,084,542)	-3%
Uses				
Public Housing Operations	\$ 20,566,521	\$ 19,826,406	\$ 740,115	4%
Housing Choice Vouchers	\$ 23,119,666	\$ 21,991,939	\$ 1,127,727	5%
MTW Initiatives and Other Services	\$ 138,255	\$ 17,666	\$ 120,589	87%
Total Uses	\$ 43,824,442	\$ 41,836,011	\$ 1,988,431	5%
Net Sources/(Uses)	\$ (3,001,671)	\$ (2,097,782)	\$ 903,889	30%

Year to Date (YTD) Expenses



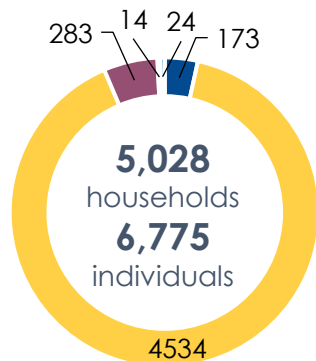
MTW Capital Fund Program



Public Housing Programs



Occupied Units*

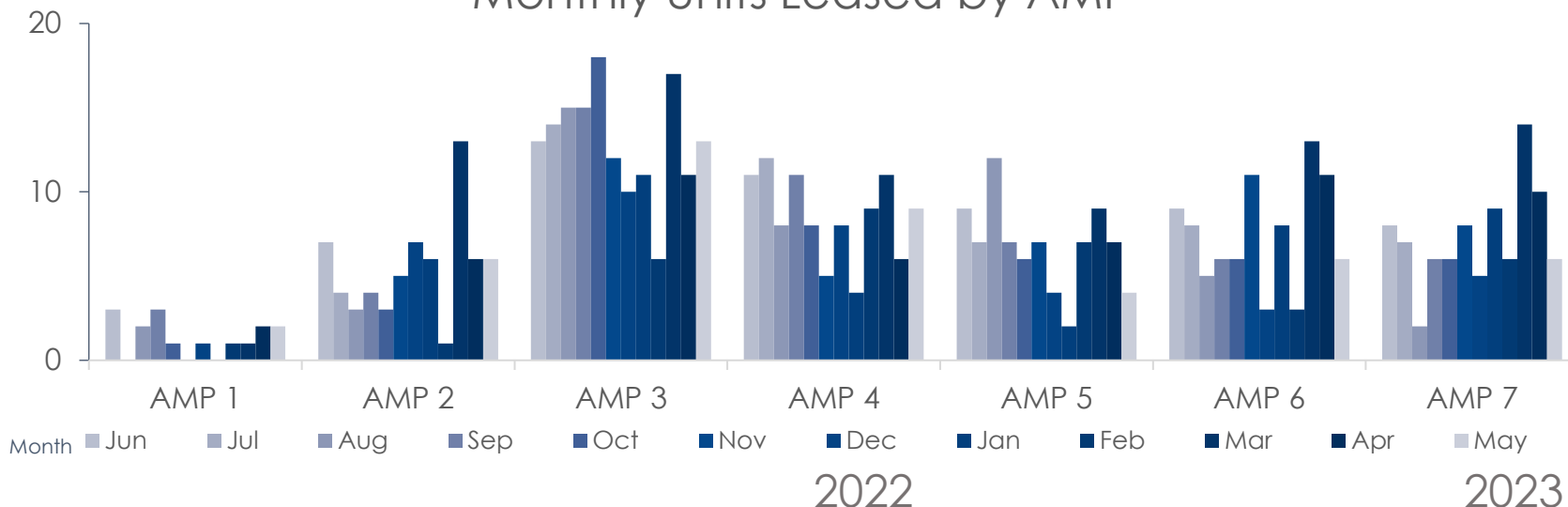


- Glendale
- MHOP
- Scattered Sites
- Highrise
- Minnehaha Townhomes

47
new units leased
during month

97%
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

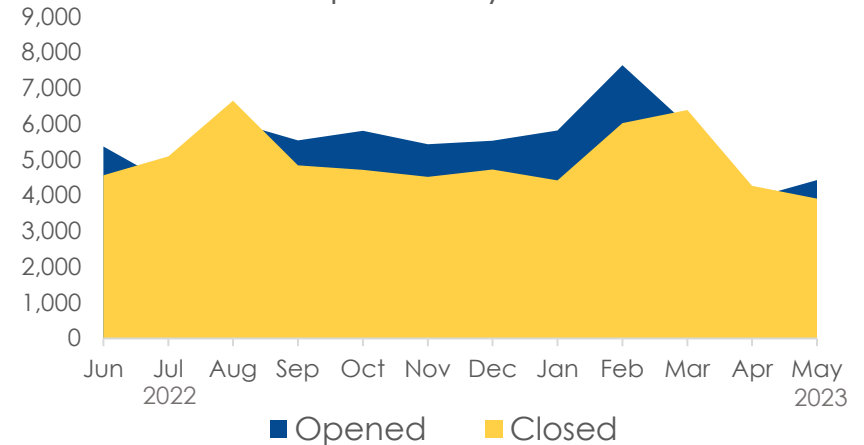


Reason for Vacating Unit	Count
Evicted - Non Payment	10
Found Alternative Housing	7
Death	7
To Nursing Home	6
Moving in with or closer to Family	5
Moving Out of Town	5
Other	3
Mutual Agreement	2
Illness	2
Dislike Unit	1
End of Lease	1
Evicted - Criminal Acts	1
Evicted - Damage to Unit	1

Applicants on Waiting List

Family 2021	2039
Family	717
Disabled (18 - 49)	1263
Near Elderly (50-61)	1740
Elderly (62+)	422

Work Orders Opened and Completed by Month

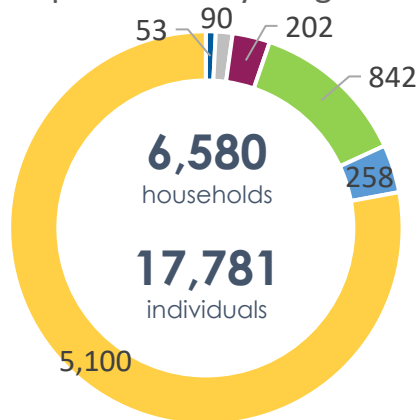


Goal	Total Completed	% Completed within Goal	Average Days Open
Emergency: 24 Hours	128	89%	0
Urgent: 1 Day	712	87%	1
After Hours Non-Emergency: 2 Days	1	100%	0
Important: 3 Days	969	72%	3
Routine: 10 Days	520	82%	5
Non-Routine: 20 Days	68	88%	6
Pest Control	861	100%	10

Housing Choice Voucher Programs



People Served by Program*



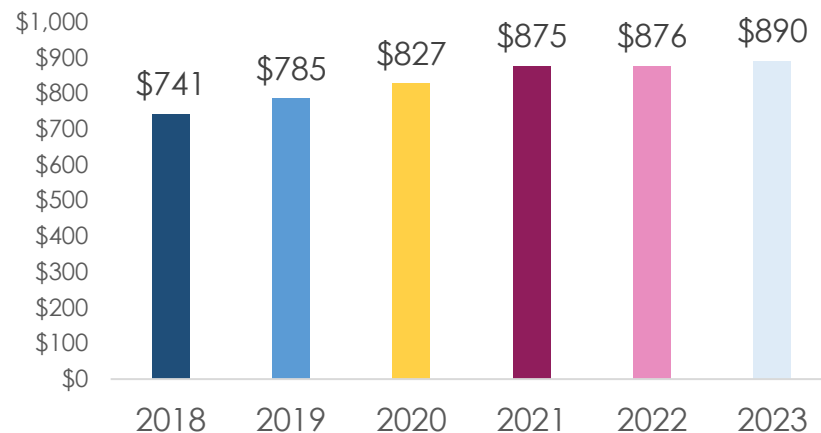
- Sponsor-Based
- Mod Rehab
- FUP and VASH

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

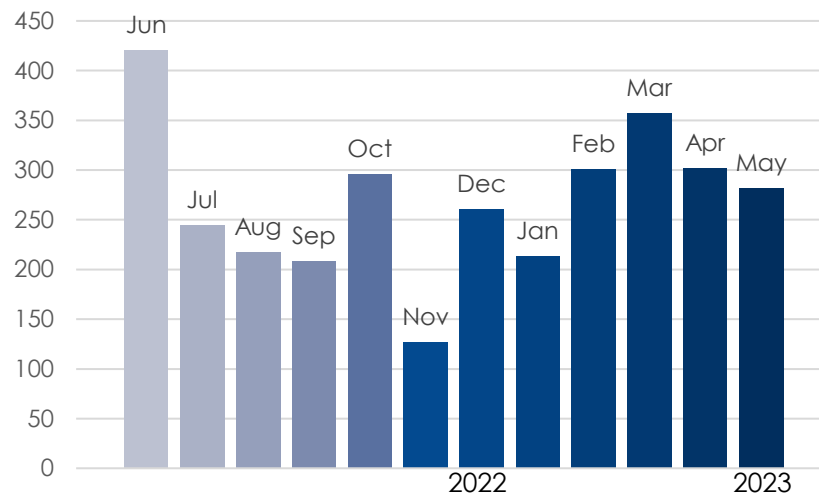
Family Unification Program and Veterans Affairs Supportive Housing

*Including port-ins and port-outs

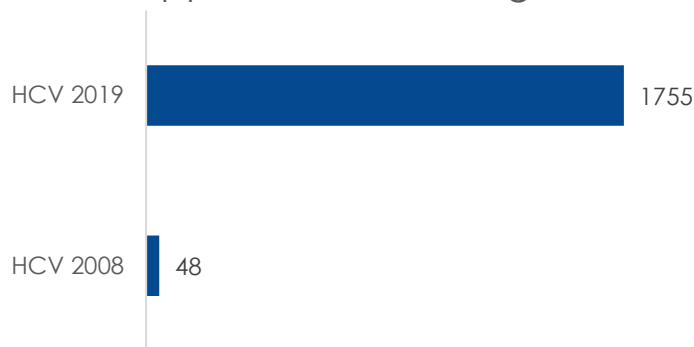
Average Housing Assistance Payment per Unit, Year to Date



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/Bidding
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 th Avenue North	Window replacement	Planning
2121 Minnehaha Avenue	Window replacement	Planning
1415 East 22 nd Street	Roof replacement	Planning
Multiple highrises	Façade repairs	Planning/Bidding
Fifth Avenues & 2121 Minnehaha	Apartment entry door replacement	Planning
Glendale Townhomes	Parking lots/sidewalks, soffit/fascia/gutters, partial roofing replacement	Planning
1920 4 th Avenue South	Site security upgrades	Planning
1301 Bryant Avenue North	Site security upgrades	Planning
Multiple highrises	Priority camera installations	Planning
3116 Oliver/1314 44 th /600 18 th /616 Washington	Elevator modernization	Planning/Bidding
1015 N 4 th Street	Generator upgrades	Planning
1627 South 6 th Street	Apartment flooring replacement	Bidding
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 th Avenue North	Plumbing replacement, fire sprinkler system installation, unit bath modernization/new finishes	Substantially complete
Cedars	Exterior façade/structural repairs	Under construction
Multiple sites	2022 security improvements	Bidding/under construction
1707 3 rd Avenue South	Façade restoration & window replacement	July 2023 start
1515 Park/1920 4 th /1710 Plymouth/710 2 nd	Main electrical switch gear & generator replacement	Materials ordered; late 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 nd 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	Substantially Complete	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 th St	116	\$868,000	MPHA Capital/City/State	Substantially Complete	Dec '22-Jun 2023
600 18 th Ave N	239	\$2,450,000	MPHA Capital/City/State	Under Construction	Nov '22-Aug -'23
1314 44 th Ave N	220	\$10,000,000*	MPHA Capital	Complete	Apr '22-May'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 rd 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 nd 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	Bidding	TBD – Fall 2023
1900 3 rd St NE	32	\$260,000	City of Minneapolis	Bidding	TBD – Fall 2023
3205 E 37 th St	28	\$230,000	City of Minneapolis	Bidding	TBD – Fall 2023
3755 Snelling Ave S	28	\$230,000	City of Minneapolis	Bidding	TBD – Fall 2023

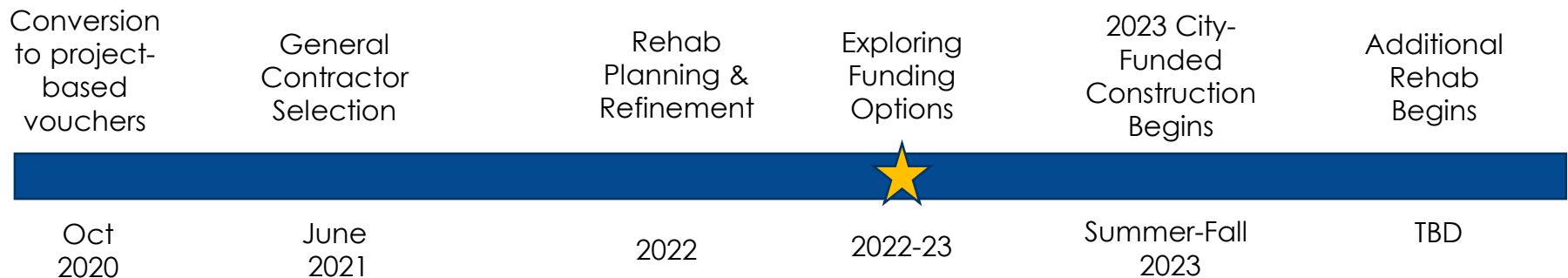
*Budget reflects costs of comprehensive building modernization project of which fire suppression is included

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
- Received notice of \$5M state grant for CHR repairs via the housing budget bill adopted in May 2023

Timeline (subject to change)



Family Housing Expansion Project

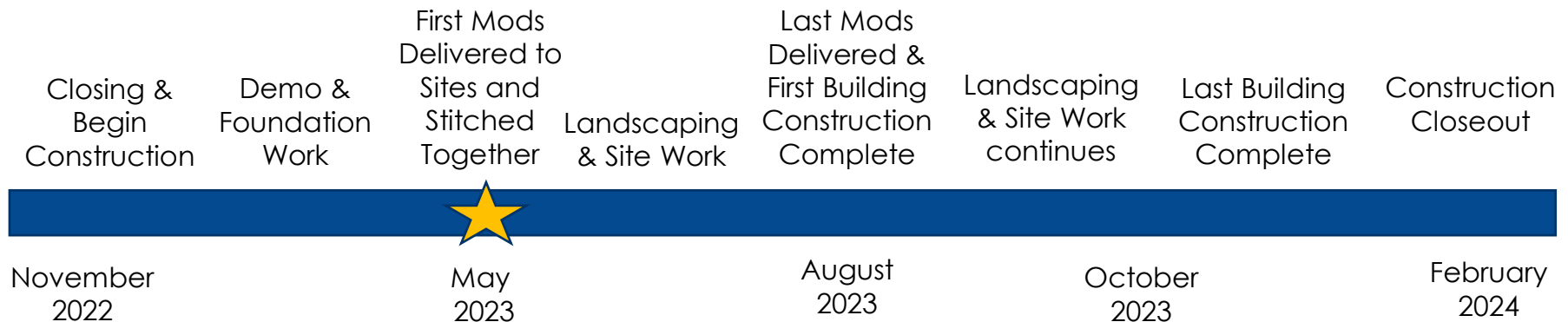


84-unit new scattered site construction



- 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 & foundation work complete at all sites**
- **Mods set at four of 16 sites as of end of May 2023**

Construction Timeline (subject to change)



Inquiry Response and Social Media



MPHA on Facebook

Top Performing Post (2,987 views)

Yesterday was a big day for MPHA—the first mods in the agency's 84 new-unit modular construction project were set at a site in the Phillips neighborhood, one of 16 sites across Minneapolis. The entire project consists of more than 100 "mods" and will be delivered, set, and finished on site over the coming year. MPHA, [Frerichs Construction](#), and [Rise Modular](#) staff and leadership watched as the agency's new deeply affordable family houses began taking shape. Learn more about the agency's largest new development project in more than two decades at bit.ly/84NewUnits.



8

Posts for the Month

17

New Followers



MPHA on Twitter

Top Tweet (1,463 views)

Stable Homes Stable Schools has helped 3,700 kids avoid housing insecurity. Now, the program is being spotlighted as a national example of innovative collaboration w/MPHA partners [@CityMinneapolis](#), [@Hennepin](#), [@MPS_News](#), [@YMCAoftheNorth](#)



usnews.com

How Schools Serve Homeless Students

Housing insecurity has a huge impact on students' education, so some schools are taking action.



8

Tweets for the Month

4

New Followers

May 2023

MPHA Celebrates \$5 Million Investment from State Legislature

On May 22, the Minnesota Legislature wrapped up its legislative session, establishing the state's biennial budget for the next two years. Included in the final billion-dollar housing budget (HF 2335) was a direct one-time cash grant of \$5 million from the state's surplus to help repair the agency's portfolio of more than 700 deeply affordable family homes. This investment comes after agency staff spent this legislative session seeking a \$45 million one-time cash grant (SF 1899/HF 2477) from the state's historic surplus.

HCV Study with Harvard's People Lab Moves to Next Phase

Over the past two years, the Minneapolis Public Housing Authority (MPHA) has been working with the Harvard Kennedy School's People Lab to study the barriers to landlord participation in the Housing Choice Voucher (HCV) program. With property owner participation in the HCV program falling nationwide in recent years, the study looks to provide MPHA with insights into what barriers exist for landlord participation and how to improve the experience of voucher-holders.

The study took its final step forward last week, with three researchers from the People Lab of Harvard Kennedy School visiting Minneapolis to conduct one-on-one interviews with landlords and voucher-holders on their experiences with renting and their opinions of the HCV program.



Highrise Residents Show Levy Support

On May 24, the MPHA Board of Commissioners passed a resolution requesting use of its full tax levy authority in 2024, sending the request to the Minneapolis Board of Estimate and Taxation. Highrise residents attended the meeting and showed their support of the levy.

Move-Ins Begin for Families in Study on Accessing Opportunity Areas

The U.S. Department of Housing and Urban Development (HUD) is conducting a multi-year study tracking the long-term impacts of families living in "opportunity areas" with varying levels of housing mobility-related services in the Community Choice Demonstration (CCD). Together, MPHA and the Metropolitan Council's Housing and Redevelopment Authority (Metro HRA) are one of eight sites nationwide participating in study through 2028. And after years of planning, last week marked the first CCD families moving into their new homes across the Twin Cities.

"MPHA is pleased to be involved in this significant national study that will both inform us about the impact of services on housing outcomes and the opportunities provided to families when housing choice is expanded," said Brandon Crow, Director of HCV at Minneapolis Public Housing Authority.



MPHA News Clips – June Board of Commissioners Meeting

[MPHA proposal addresses long-term public housing needs \(Southside Pride\)](#)

By Cam Gordon

June 5, 2023

The Minneapolis Public Housing Authority (MPHA) has released a new proposal that could secure long-term funding to preserve, improve and produce more public housing in Minneapolis.

On May 10, they made a formal request to the Board of Estimate and Taxation (BET) that would raise \$12 million a year to be dedicated exclusively to public housing. The estimated \$240 million would be used to repair and renovate its current high-rises, townhomes and other housing, as well as add up to 400 new units of public housing over the next 20 years.

According to Minnesota state law, the city can collect up to 0.0185% of the city's total estimated market value through a Housing and Redevelopment Authority (HRA) tax levy. In 2023 that would have been up to \$12 million. Minneapolis has not used its HRA levy authority since 2009, while nearly 100 counties and cities in the state are using theirs, although not necessarily for public housing. St. Paul, for example, collected over \$5 million last year, Bloomington \$2.7 million and Hennepin County \$17.9 million.

"We have a \$210 million backlog," said MPHA Executive Director Abdi Warsame. "This is a tool that can work to make sure Minneapolis gets better, that the most vulnerable population in Minneapolis gets housed."

At the BET meeting, public housing residents spoke in support of the proposal and against the poor conditions of their housing that included leaky pipes, crumbling ceilings, mold, mildew and broken ventilation systems.

"Four years ago I was homeless and I signed up for public housing. I am grateful for it," said Belinda Walker, a public housing high-rise resident. "Sometimes I am afraid to complain due to the fact that our building might be shut down and I know what it is to be homeless, so I just ask that the levy be passed."

Mary McGovern, a resident and member of the Minneapolis Highrise Representative Council, said, "We have 42 high-rises in Minneapolis, and we want to preserve these high-rises. We want them to last for years and years to come. We have vulnerable adults who need places to live. We want our residents to feel like they are safe and secure, and the walls and ceilings are not going to fall in on them."

Currently, roughly 26,000 people live in MPHA housing. About 21,500 (83%) are Black/African American, 10,000 (39%) are under 18, and 5,000 are over 62 years of age.

According to the MPHA, the U.S. Department of Housing and Urban Development (HUD) has only



provided about 10% of the funding necessary for major building improvements. In 2022, MPHA received nearly \$20 million from HUD, but estimated that with only HUD's funding the shortfall would reach \$403 million by 2043.

"On any given night MPHA houses nearly 5% of the city's population. The agency's nearly 6,000 units are critical city infrastructure and require a commensurate investment from the city," said Warsame. "The mayor and City Council should seize this opportunity to approve this new funding for the public housing authority to help deliver the affordable housing Minneapolis residents desperately need." Prior to the BET meeting, Minneapolis Highrise Representative Council residents, Minneapolis BET President Samantha Pree-Stinson, and Council Members Robin Wonsley (Ward 2), Jamal Osman (Ward 6), Jason Chavez (Ward 9), and Elliott Payne (Ward 1), joined Warsame at a press conference to call for restoring the housing tax levy and making the long-term commitment to use it to preserve and build new public housing in Minneapolis.

Mayor Jacob Frey, while supportive of public housing, has not supported using the levy in the past and did not commit to supporting it at the meeting of the BET, of which he is also a member. In recent budgets, he has committed to providing \$1 million in ongoing funds and also on a program-by-program or project-by-project basis. This year the city has budgeted close to \$15 million to various MPHA projects and programs.

"The truth is that public housing has been underfunded by the federal government since around the time when I was born," Frey said. "The city has a role here where we need to step up and we need to do it thoughtfully and smartly where we're collaborating with other entities as well, otherwise we are going to continue to see this backlog."

The mayor raised several questions about the MPHA report and exchanged comments with Warsame. Warsame emphasized the need for ongoing reliable funding, similar to an agreement crafted during former Mayor Betsy Hodges' term. Codified in city ordinance in 2016, that agreement provided \$800 million over 20 years to help the city and the Minneapolis Park and Recreation Board keep up with needed maintenance and operations costs for city streets and neighborhood parks.

"My pledge to you, each and every one of you," said Frey, "is that we at the city will do everything possible that we can to make this right to get the funding that you need."

One reason why mayors, including Frey, may resist using the housing levy is because of a desire to keep property taxes lower and because it may make it harder to raise taxes for new initiatives or to maintain other city services.

"I've been hearing about the backlog in maintenance and renovations since the 1980s," said BET Vice-President Steve Brandt, who pointed out that the city is already planning to increase the levy by 6.4%.



“By my back-of-the-envelope calculations,” he said, “adding \$12 million to that would push the increase up to 8.9%.”

One solution might be to start the increase at a lower amount and gradually increase it over several years to provide the necessary funding. Connecting it to the special housing levy could add certainty and clarity to taxpayers who would see it as a separate item on property tax statements. Another option could be to reduce proposed spending in other areas.

According to the MPHA report, under their proposal residential property taxpayers would pay between \$31 and \$108 more each year depending on the value of their property. A homeowner with a house valued at the city median valuation of \$316,000 would pay an additional \$52.87 per year, or less than \$5 a month.

In the weeks ahead, Warsame and MPHA are hoping that the City Council will pass a resolution consenting to MPHA using the full levying authority or that Frey will include the levy as a part of his 2024 budget recommendation this August.

“What is the priority and who is the priority for Minneapolis? If the budget is a moral document, where does it stand when it comes to the most vulnerable population?” asked Warsame. “We are an affluent city. We have the resources. Let’s prioritize our poorest communities.”

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