

NOTICE AND AGENDA
**COMMUNITY HOUSING RESOURCES- SPECIAL
BOARD OF DIRECTORS MEETING**
SEPTEMBER 27, 2023

A SPECIAL MEETING OF THE COMMUNITY HOUSING RESOURCES (CHR) BOARD OF DIRECTORS
WILL BE HELD IMMEDIATELY FOLLOWING ADJOURNMENT OF THE MPHA BOARD OF
COMMISSIONERS SPECIAL MEETING AT THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY

1001 WASHINGTON AVENUE NORTH, MINNEAPOLIS MINNESOTA

DIRECTORS: Tom Hoch, Chair
Elfric Porte, Vice-Chair
Abdi Warsame, Director and President
Alyssa Erickson, Director
Medaria Arradondo, Director
Mikkel Beckmen, Director
Abdullahi Isse, Director
Cara Letofsky, Director
Tamir Mohamud, Director
Hon. James Rosenbaum, Director

OFFICERS: Abdi Warsame, President
Tom Hoch, Vice-President
Alyssa Erickson, Secretary
Tim Durose, Chief Financial Officer

GENERAL:

- ROLL CALL
- APPROVAL OF AGENDA
- MINUTES OF A SPECIAL MEETING OF SEPTEMBER 28, 2022

*NOTICE: A PORTION OF THIS MEETING MAY BE CLOSED TO THE PUBLIC PURSUANT TO MINNESOTA
STATUTE SECTION 13.D.03 OR 13D.05*

MINNEAPOLIS PUBLIC HOUSING AUTHORITY
EQUAL HOUSING OPPORTUNITY- EQUAL EMPLOYMENT OPPORTUNITY

DISCUSSION:

1: Community Housing Resources Property Insurance Policy [Darryl Adams, Assistant Director of Finance]

NEXT MEETING:

Annual Meeting January 2024

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STATUTE SECTION 13.D.03 OR 13D.05*

MINNEAPOLIS PUBLIC HOUSING AUTHORITY

EQUAL HOUSING OPPORTUNITY- EQUAL EMPLOYMENT OPPORTUNITY

MINUTES OF A SPECIAL MEETING OF THE
COMMUNITY HOUSING RESOURCES BOARD OF
DIRECTORS MEETINGS

SEPTEMBER 28, 2022

THE BOARD OF DIRECTORS OF THE COMMUNITY HOUSING RESOURCES MET IN A SPECIAL MEETING ON SEPTEMBER 28, 2022, AT THE CORA MC-CORVEY HEALTH AND WELLNESS CENTER, 1015 4TH AVENUE NORTH, MINNEAPOLIS, MINNESOTA, AT THE TIME, DATE, AND PLACE DULY NOTICED FOR THE HOLDING OF SUCH MEETING.

ROLL CALL:

The chair called the meeting to order, the following members of the board being present:

Chair Hoch
Director Brennan
Director Beckmen
Director Letofsky
Director Mohamud
Director Warsame
Director Wetjen

The following members of the board were absent:

Director Isse
Director Rosenbaum
Director Xiong

The chair declared the presence of a quorum.

APPROVAL OF AGENDA:

The approval of the proposed agenda was moved and seconded; upon a voice vote was unanimously approved. The chair declared the motion carried and the agenda was adopted.

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APPROVAL OF MINUTES:

The minutes of a Special Meeting of July 27, 2022, were presented for approval. The approval that the minutes be accepted as presented was moved and seconded; upon a voice vote the minutes as presented were approved unanimously. The chair declared the motion carried and the minutes were adopted.

ITEM NO. 1: RESOLUTION – Authorization to Execute Family Housing Expansion Documents [Brian Shaffer, Assistant Director of Planning and Development]

After a brief presentation by Brian Shaffer, Assistant Director of Planning and Development, the recommendation set forth in the corresponding Resolution was moved and seconded. Upon a voice vote the Resolution passed unanimously. The chair declared the motion carried. [See Document No. 2022-05] [Resolution 22-03]

There being no further business to come before the Board, and upon a motion duly made and seconded, the meeting adjourned.

Secretary of the Board of Directors

Date these Minutes Approved

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STATUTE SECTION 13.D.03 OR 13D.05*

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COMMUNITY HOUSING RESOURCES

September 27, 2023

REPORT TO THE DIRECTORS

FROM: Abdi Warsame, President

SUBJECT: Community Housing Resources Property Insurance Policy

Previous Directives: None.

Resident Association Notification: This Report is scheduled to be discussed with the Resident Advisory Board (RAB) on the same date as and immediately prior to the Board of Directors September 27, 2023 meeting.

Budget Impact: The expenditures for this insurance will be covered under the Community Housing Resources (CHR) Budgets.

Affirmative Action Compliance: Not applicable.

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

RECOMMENDATION: It is recommended that the Board of Directors authorize the President or his designee to enter into an insurance policy in the amount of \$578,788 (pending final coverage amount) with Housing Authority Property Insurance for real property, personal property, terrorism, and business interruption damage or loss.

Community Housing Resources was incorporated in June 2001, as a non-profit affiliate organization of the Minneapolis Public Housing Authority. Community Housing Resources was created to provide affordable housing solutions to low income residents on behalf of the Minneapolis Public Housing Authority. This corporation shall operate exclusively within the guidelines of Section 501 (c)(3) of the Internal Revenue Code.

The Minneapolis Public Housing Authority sought insurance coverage for all risks of physical damage or loss of over \$205 million in real and personal property and business interruption income. The coverage includes all real property owned and operated by CHR. CHR sought coverage at the same level and deductibles of \$10,000 as the current policy.

The Minneapolis Public Housing Authority worked through our current insurance provider Housing Authority Property Insurance (HAPI). HAPI is an entity under the HAI Group. HAI Group is a member-owned organization founded by, and dedicated to serving, the public and affordable housing communities. For 30+ years, HAI Group has delivered tailor-made solutions designed to protect assets, improve efficiency, empower employees, and move housing strategies forward. The renewal rate afforded to CHR will be approximately \$.2688 per \$100 of total insured values.

The 2023-2024 premium increased by approximately 16% from the current premium amount. The main causes that impacted that increase:

- Total property replacement cost values increased by approximately 7.6%. HAPI uses the insurance industry recognized, Marshall Swift Property Valuation, to determine replacement cost values. This valuation provides the replacement value using the cost of labor, cost of materials, and general construction costs which have all increased.
- The loss ratio in 2020-2022 was 41%.

Staff recommends that CHR renew coverage with Housing Authority Property Insurance for the policy year beginning October 1, 2023.

This Report was prepared by Darryl Adams, Assistant Director – Finance. If you have any questions or need additional information, please contact Mr. Adams at 612 342-1494 or dadams@mplspha.org.