



NOTICE AND AGENDA

BOARD OF COMMISSIONERS REGULAR MEETING

March 27, 2024

Regular meeting of the Minneapolis Public Housing Authority in and for the city of Minneapolis will be held at 1:30 PM at 1001 Washington Avenue North, Minneapolis, Minnesota.

The Executive Committee of the MPHA Board of Commissioners will meet at 12:00 noon at the same date and place. The Resident Advisory Board will meet at 12:00 noon at the same date and place.

COMMISSIONERS:

- | | |
|---------------------|--------------|
| • Tom Hoch | Chair |
| • Elfric Porte | Vice Chair |
| • Alyssa Erickson | Secretary |
| • Medaria Arradondo | Commissioner |
| • Gloria Freeman | Commissioner |
| • Abdullahi Isse | Commissioner |
| • Tom Nordyke | Commissioner |
| • Tamir Mohamud | Commissioner |
| • Danielle Werder | Commissioner |

GENERAL:

- Roll Call
- Approval of Agenda
- Minutes of Regular Meeting of February 28, 2024

NEW/PROMOTED STAFF INTRODUCTIONS.

MPHA SUCCESS STORY.

CHAIR'S UPDATE.

RESIDENT ADVISORY BOARD – CHAIRPERSON'S COMMENTS.



CONSENT:

- ITEM NO. 1: *Window Replacement at Art Love Manor* [Laura Dykema, Director of Planning and Development]
- ITEM NO. 2: *Window Replacement at James R. Heltzer Manor* [Laura Dykema, Director of Planning and Development]
- ITEM NO. 3: *Exterior Masonry Repairs at the Atrium* [Laura Dykema, Director of Planning and Development]
- ITEM NO. 4: *Roof Replacement at the Riverside* [Laura Dykema, Director of Planning and Development]

DISCUSSION:

- ITEM NO. 5: *Authorization to Submit a RAD Conversion Application for the Spring Manors & Resolution & General Contractor/Consultant (GC/C) Services at Spring Manors* [Laura Dykema, Director of Planning and Development]
- ITEM NO. 6: *Authorization to Accept & Execute a Grant Contract Agreement for Publicly Owned Housing Program Grant Funds & Resolution* [Laura Dykema, Director of Planning and Development]
- ITEM NO. 7: *MPHA and Minnesota Department of Veterans Affairs & Joint Powers Agreement* [Brandon Crow, Director of HCV]
- ITEM NO. 8: *Partial Voluntary Transfer of MHOP Units & Resolution* [Dominic Mitchell, Deputy Executive Director]

PRESENTATION:

- ITEM NO. 9: *Retirement Resolution for Susan Norby* [Abdi Warsame, Executive Director/CEO]



RECEIVE AND FILE:

- Executive Director's Update
- MPHA 2024 City Council Update
- FY 2023 Financial Results
- FY 2023 Write Off Memo
- Monthly Performance Report for February, 2024
- Community Updates and News Clippings

NEXT REGULAR MEETING:

Wednesday, April 24, 2024 at 1:30 PM

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.

February 28, 2024

The Minneapolis Public Housing Authority in and for the City of Minneapolis met in a regularly scheduled meeting at 1:30 PM on February 28, 2024, 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 |
| • Elfric Porte | Vice Chair |
| • Alyssa Erickson | Secretary |
| • Medaria Arradondo | Commissioner |
| • Gloria Freeman | Commissioner |
| • Tom Nordyke | Commissioner |
| • Tamir Mohamud | Commissioner |
| • Danielle Werder | Commissioner |

The following members of the Board were absent:

- | | |
|---------------------|--------------|
| • Medaria Arradondo | Commissioner |
| • Elfric Porte | Commissioner |
| • Danielle Werder | Commissioner |

The following others were also present:

- | | |
|--------------------|---------------------------|
| • Abdi Warsame | Executive Director/CEO |
| • Dominic Mitchell | Deputy Executive Director |

The chair declared the presence of a quorum.

APPROVAL OF AGENDA:

Commissioner Nordyke moved approval of the proposed agenda. The motion was seconded by Commissioner Freeman Upon a voice vote, the chair declared the motion carried.



APPROVAL OF MEETING MINUTES:

The Minutes of the Regular Meeting of January 24, 2024, were presented for approval. Commissioner Erickson moved the minutes be accepted as presented. The motion was seconded by Commissioner Mohamud. Upon a voice vote, the chair declared the motion carried.

NEW/PROMOTED STAFF INTRODUCTIONS.

New staff members were introduced by their department directors.

MPHA SUCCESS STORY.

Department directors shared how their department's successes are contributing to the mission of MPHA.

CHAIR'S UPDATE:

The chair reported there was no meeting of the Executive Committee prior to the board meeting and that he is continuing to meet with the Executive Director/CEO for weekly check-in meetings.

RESIDENT ADVISORY BOARD (RAB) UPDATE:

RAB chair, Lisa Anderson, reported that there was a quorum.

The consent item, *Social Services Contract with Volunteers of America [Mary Boler, Director of Operations]*, was reviewed and approved.

The discussion item, *Approval of 2024 Pay Equity Implementation Report [Maria Alvarez, Director of Human Resources & DEI]* was reviewed and approved.

In addition to discussing the agenda items, the RAB chair announced that she would be resigning after the February 2024 meeting after 14 years of service.

DISCUSSION:

ITEM NO. 1: *****Social Services Contract with Volunteers of America* [Mary Boler, Director of Operations]**

After a brief presentation by Mary Boler and discussion, Commissioner Mohamud moved approval of the recommendation set forth in the report. Commissioner Isse seconded the motion. Upon a voice vote, the chair declared the motion carried. [See Document No. 2024 – 11]



ITEM NO. 2: ***Approval of 2024 Pay Equity Implementation Report [Maria Alvarez, Director of Human Resources & DEI]***

After a brief presentation by Maria Alvarez, Commissioner Freeman moved approval of the recommendation set forth in the report. Commissioner Nordyke seconded the motion. Upon a voice vote, the chair declared the motion carried. [See Document No. 2024 – 12]

RECEIVE AND FILE ITEMS:

The following were approved to be received and filed by the board:

- ***Executive Director's Update*** [See Document No. 2024 – 13]
- ***Monthly Performance Report for December 2023*** [See Document No. 2024- 14]
- ***Community Updates and News Clippings*** [See Document No. 2024 - 15]

ADJOURNMENT:

There being no further business to come before the meeting and upon a motion duly made and seconded, the meeting was adjourned at 2:12 PM.

***NOTE: 'Social Services Contract with Volunteers of America' was previously listed on the Notice & Agenda as a consent item; at the Chair's discretion, this item was brought before the board as a discussion topic.*

ALYSSA ERICKSON, SECRETARY OF THE BOARD OF COMMISSIONERS

MARCH 27, 2024

DATE THESE MINUTES WERE APPROVED

MINNEAPOLIS PUBLIC HOUSING AUTHORITY
EQUAL HOUSING OPPORTUNITY – EQUAL EMPLOYMENT OPPORTUNITY



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Window Replacement at Art Love Manor

Previous Directives: The Board has previously approved the Capital Fund Program (CFP) Plans for FY 2023/24 as part of the Agency's 2023/24 Moving to Work (MTW) Annual Plans. Window replacement at 800 Fifth Avenue North is included in these plans.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024 meeting.

Budget Impact: Expenditures will be charged to the Capital Fund Program as originally planned.

Affirmative Action Compliance: The contractor has signed an Equal Employment Opportunity / Affirmative Action Policy statement. Additionally, the contractor has committed to 25% Section 3 and 20% MBE labor hours. 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 \$1,064,000 with Murphy Windows, for window replacement at 800 Fifth Avenue North.

Art Love Manor, located at 800 Fifth Avenue North, is a 12-story high-rise with 66 apartments, built in 1959. The existing window assemblies are over 35 years old, are not energy efficient, and have exceeded their useful life. The scope of work includes the installation of new, double-paned insulated windows and replacement of existing air conditioner sleeves, covers, and window treatments.

On January 23, 2024, an invitation for bids was publicly advertised with a bid due date of February 22, 2024. The following bids were received:

Murphy Window & Door	\$1,064,000.00
S & J Glass, Inc.	\$1,200,120.00
W.L. Hall Company	\$1,206,076.00
National Window Associates	\$1,211,204.00
Midwest Star Construction LLC	\$1,776,400.00

The lowest bidder, Murphy Window & Doors, has successfully completed similar projects and MPHA staff is confident they will perform well on this project.



This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Window Replacement at James R. Heltzer Manor

Previous Directives: The Board has previously approved the Capital Fund Program (CFP) Plans for FY 2023/24 as part of the Agency's 2023/24 Moving to Work (MTW) Annual Plans. Window replacement at 2121 Minnehaha Avenue is included in these plans.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024 meeting.

Budget Impact: Expenditures will be charged to the Capital Fund Program as originally planned.

Affirmative Action Compliance: The contractor has signed an Equal Employment Opportunity / Affirmative Action Policy statement. Additionally, the contractor has committed to 33% Section 3, 34.5% WBE and 14.5% MBE labor hours. 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 \$2,241,052 with National Window Associates, for window replacement at 2121 Minnehaha Avenue.

James R. Heltzer Manor, located at 2121 Minnehaha Avenue, is a 12-story high-rise with 110 apartments, built in 1972. The existing window assemblies are over 35 years old, are not energy efficient, and have exceeded their useful life. The scope of work includes the installation of new, double-paned insulated windows and replacement of existing air conditioner covers and window treatments.

On January 23, 2024, an invitation for bids was publicly advertised with a bid due date of February 29, 2024. The following bids were received:

National Window Associates	\$2,241,052.00
S & J Glass, Inc.	\$2,452,000.00
W.L. Hall Company	\$2,580,199.00
Midwest Star Construction LLC	\$3,760,000.00

The lowest bidder, National Window Associates, has successfully completed similar projects and MPHA staff is confident they will perform well on this project.

This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Exterior Masonry Repairs at The Atrium

Previous Directives: The Board has previously approved the Capital Fund Program (CFP) Plans for FY 2023/24 as part of the Agency's 2023/24 Moving to Work (MTW) Annual Plans. Exterior masonry repairs at 314 Hennepin Avenue is included in these plans.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024 meeting.

Budget Impact: Expenditures will be charged to the Capital Fund Program as originally planned.

Affirmative Action Compliance: The contractor has signed an Equal Employment Opportunity / Affirmative Action Policy statement. 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 \$989,148.00 with Building Restoration Corporation for exterior masonry repairs at 314 Hennepin Avenue.

The Atrium, located at 314 Hennepin Avenue, is a 299-unit, 16-story high-rise built in 1972. Its exterior façade is brick veneer cladding and insulated metal panels at each floor line. The building also features shared concrete balconies on every other floor. The scope of this restoration project includes failed brick and sealant replacement, the installation of through wall flashing, metal panel cleaning, and balcony concrete repairs.

On February 12, 2024, an invitation for bids was publicly advertised with a bid due date of March 7, 2024. The following bids were received:

Dominionaire Contracting	\$ 599,107.00	(bid withdrawn)
Building Restoration Corporation	\$ 989,148.00	
The Caulkers Company	\$1,019,530.00	
Acme Tuckpointing & Restoration	\$1,052,491.25	
Advanced Masonry Restoration Corporation	\$1,142,265.75	
Innovative Masonry Restoration	\$1,420,810.00	
Restoration & Construction Services	\$1,469,615.00	
Restoration Systems, Inc.	\$1,597,717.00	



Iyawe and Associates	\$1,989,625.00
American Masonry Restoration	\$2,179,475.00

The lowest responsive bidder, Building Restoration Corporation, has successfully completed similar projects and MPHA staff is confident they will perform well on this project.

This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.



March 27, 2014

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Roof Replacement at The Riverside

Previous Directives: The Board previously approved the Capital Fund Program (CFP) Plan for FY 2024 as part of the Agency's 2024 Moving to Work (MTW) Annual Plan. Roof replacement at 2728 East Franklin Avenue is included in these plans.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024 meeting.

Budget Impact: Expenditures will be charged to the Capital Fund Program as originally planned.

Affirmative Action Compliance: The contractor has signed an Equal Opportunity / Affirmative Action Policy statement. Additionally, the contractor has committed to 14% Section 3 labor hours and ~10% of material costs from a W/MBE supplier. 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 with Central Roofing Company in the amount of \$512,450.00 for roof replacement at 2728 East Franklin Avenue.

The Riverside, located at 2728 East Franklin Avenue, is a 151-unit, 21-story seniors high-rise built in 1967. The age of the existing built-up roof system is nearly 30 years old and, although MPHA has performed regular maintenance to extend its serviceable life, roof replacement is now needed. Along with a new, 30-year fully adhered roof system, the scope of this project also includes replacing the penthouse and first floor cantilever roofs.

On February 6, 2024, an invitation for bids was publicly advertised with a bid due date of February 29, 2024. The following bids were received:

Midwest Star Construction	<i>Deemed non-responsive</i>
Central Roofing	\$512,540.00
Beccsom Corporation	\$544,444.00
Palmer West Construction	\$616,500.00



The low responsive bidder, Central Roofing, has successfully completed several roof replacement projects and staff is confident they will perform well for MPHA on this project.

This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame Executive Director / CEO

SUBJECT: Authorization to Submit a Rental Assistance Demonstration (RAD) Application for Spring Manors

Previous Directives: The Board previously approved the *Strategic Plan 2023-2027* in December 2022 with a goal to “Preserve and provide deeply affordable, high-quality, housing for high-rise residents,” including seeking resources for addressing the capital backlog and completing improvements within high-rises. On September 27, 2023, the Board adopted MPHA’s 2024 Moving To Work (MTW) Annual Plan, which outlined the use of HUD’s Rental Assistance Demonstration (RAD) tool for the agency’s preservation efforts, including at the 809 and 828 Spring Street NE sites.

Resident Council Review/Recommendation: MPHA staff met with building Resident Councils in January 2024 to begin initial conversations about the RAD conversion and hosted four resident meetings at the sites in February 2024 to provide additional information on the RAD conversion. This report will also be discussed with the Resident Advisory Board (RAB) immediately prior to the Board’s March 27, 2024, meeting.

Budget Impact: None at this time.

Affirmative Action Compliance: Not Applicable

RECOMMENDATION: It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Executive Director/CEO or his designee to execute and submit all required and supporting documents relating to this application.

MPHA is pursuing a RAD conversion and comprehensive renovation of two adjacent high-rises located at 809 and 828 Spring Street NE. This project will build upon the success of MPHA’s Elliot Twins project that utilized similar HUD tools and funding sources that ultimately supported a \$27M renovation and expansion of those properties in 2020/21.

In August 2022, MPHA welcomed HUD Secretary Marcia Fudge to the Elliot Twins, who lauded the landmark RAD project as a national example of success of the program. Secretary Fudge highlighted the work MPHA did centering the resident voice and experience in every phase of the redevelopment. Subsequently, MPHA has hosted HUD Principal Deputy Assistant Secretary Monocchio and Great Lakes Regional Administrator Shelley for discussions and tours of the flagship project. Staff intend to continue prioritizing that resident voice and experience as we have before.

Why RAD?



For many years the Congressional appropriations for both the Operating Fund and the Capital Fund have been insufficient to fully fund reasonable and necessary expenses to administer public housing. As a result, the capital needs of MPHA's portfolio continue to grow. In 2023, MPHA's backlog of capital needs was \$229 million while MPHA received just \$20 million in capital funds from HUD. In essence, MPHA receives less than 10% of its needed capital funding every year.

Congress approved a Rental Assistance Demonstration (RAD) program that enables public housing agencies to convert a public housing property's HUD funding to Section 8-funded project-based vouchers (PBV) or project-based rental assistance (PBRA) with long-term funding contracts. The Section 8 program is both currently and traditionally funded by Congress at a higher rate than public housing, making the federal subsidy more stable than public housing. It also replaces a covenant by HUD, the Declaration of Trust (DOT), with a Land Use Restriction Agreement (LURA). The DOT makes it impossible to utilize funding tools such as debt and low-income housing tax credits, that non-profit housing providers and developers use to preserve and expand their portfolios. The LURA ensures long term affordability of the property like the DOT, while allowing for leveraging through these other funding tools to maximize preservation and development opportunities.

Project Overview

828 Spring is a 20-story senior high-rise with 189 apartments, built in 1970. 809 Spring is a 4-story mid-rise with 32 apartments, built in 1967. While the scope of work is still currently under development, it's likely to include replacement of and upgrades to existing building systems such as electrical, plumbing, and heating/cooling/ventilation. Exterior façade, window, and roof improvements will also be considered. Apartment renovations may include new flooring, kitchens, bathrooms, finishes and storage. As with The Elliots, enhanced indoor and outdoor community spaces, resident amenities, and security improvements will be incorporated.

The proposed Rental Assistance Demonstration (RAD) conversion at these properties will allow MPHA to obtain new funding sources to complete these major capital investments. Anticipated funding sources for the project include MPHA MTW funds, public housing levy proceeds, debt and low-income housing tax credits. MPHA is also exploring the use of HUD's Faircloth to RAD Program to provide subsidy for any new units.

MPHA is committed to serving the same or similar population at the buildings post-conversion – including maintaining the senior occupancy at 828 Spring – and will work with HUD during the conversion process to ensure this character is maintained. MPHA is also exploring opportunities to add new accessible units to the 828 Spring site to further accommodate the needs of current residents, as well as MPHA's portfolio and waitlist.

Residents Relocation & Engagement

MPHA will develop a relocation plan which incorporates resident input and will fully support all necessary relocation requirements and work individually with residents to accommodate their specific needs. MPHA honors the rights of our residents, including those required by HUD for RAD projects. Not only does RAD prohibit permanent involuntary displacement, but MPHA also prioritizes this important community value. Residents may need to relocate due to construction, preferably on-site, but



no one will lose their housing. Any resident who wishes to leave the buildings during construction has the guaranteed right to return to the property, as long as they maintain program eligibility.

As outlined in *Guiding Principles for Redevelopment and Capital Investments at MPHA*, adopted by the MPHA Board of Commissioners on May 24, 2017, MPHA has a commitment to resident engagement in this process. Resident engagement with residents in 809 and 828 Spring began in August and September of 2023, and has continued since that time.

- Resident Information Notice (RIN). MPHA is committed to ensuring our residents have ample opportunities to both understand and engage throughout the RAD process. In compliance with HUD rules, all residents of 809 and 828 Spring received MPHA's RAD Resident Information Notice (RIN) in February 2024. These were hand delivered to residents. The notice included information about the proposed project and the RAD program. Each notice also contained MPHA's standard "language block" stating in multiple languages that the information was important and listed a phone number for requests for language assistance, alternative formatting, or reasonable accommodation. A sample copy of MPHA's RIN is included in the attachments to this report.
- Resident Meetings: Over February 20-22, 2024, MPHA hosted four resident meetings at 809 and 828 Spring. MPHA provided translation services for those requested which included Korean, Russian, Oromo, Somali, and OTHER. MPHA provided a short presentation about the project and RAD and then took comments and answered questions from residents. Residents were provided copies of the presentation, and responses to the questions were also made available to residents in the property management office. The presentation, and copies of the questions and answers received during the meetings are attached to this report.

As the project advances, MPHA will provide regular updates to the Resident Councils of both properties. MPHA is also working to establish a resident design committee at each building to act as a conduit for regular design meetings as well as help advise on full building resident engagement in the design process. Residents will be engaged in the design and construction planning process through the fall of 2024.

This late spring and summer, after MPHA receives approval of its RAD application, known as the Commitment to Enter into a Housing Assistance Payment Contract (CHAP), staff will hold additional meetings regarding the temporary relocation process and draft relocation plan, design and construction approach, and will provide general updates on the project. MPHA envisions additional residential meetings on the project in the winter of 2024/2025 to provide project updates, review any changes in the project, and update on the closing and construction start.

Schedule

MPHA anticipates closing on the project around April 2025. Between now and April 2025, there are numerous milestones for the project. Design and site due diligence is currently underway and will continue through fall 2024 at which time subcontractor bidding will take place. The funding and financing phase of the work will begin in earnest in June 2024 and continue through closing. Requirements for the RAD conversion and Faircloth to RAD processes include the submission and



approval of financing plans as well as additional MPHA Board authorizations leading up to closing. Updates on these and other milestones will be provided on an ongoing basis to the Board of Commissioners.

This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.

Attachments

1. MPHA Board of Commissioners Resolution No. 24-XXX
2. Key RAD Application Materials
 - a. RIN
 - b. RAD meeting presentation
 - c. Questions, comments and responses from RAD meetings and any other questions received.



MARCH 27, 2024
RESOLUTION NO. 2024 – 238

WHEREAS, the Minneapolis Public Housing Authority (“MPHA”) administers Low Income Public Housing (LIPH) programs with over 5,000 public housing units, serving over 6,500 residents, which relies on federal funding in the form of annual appropriations by Congress for both the Operating Fund and the Capital Fund, as dispersed to MPHA by the U.S. Department of Housing & Urban Development (HUD); and

WHEREAS, for many years the Congressional appropriations for both the operating fund and the capital fund have been insufficient to fully fund reasonable and necessary expenses to administer and make capital improvements to public housing; and

WHEREAS, MPHA estimated its 2023 capital backlog at \$229 million while capital funding in 2023 from HUD was \$20 million; without adequate funding, MPHA estimates its backlog will grow to \$380 million in the next twenty years; and

WHEREAS, Congress approved a Rental Assistance Demonstration (RAD) program that enables public housing agencies to convert a public housing property’s HUD funding to Section 8-funded project-based vouchers (PBV) or project-based rental assistance (PBRA) with long- term funding contracts; and

WHEREAS, with this conversion, housing authorities can access financing tools otherwise not available under the public housing platform, to complete major property renovations; and

WHEREAS, MPHA is pursuing a comprehensive rehabilitation of the two adjacent buildings located at 828 Spring Street NE (MN00200004-33), containing 189 apartments, and 809 Spring Street NE (MN00200004-21.6), containing 32 apartments; and

WHEREAS, with this conversion, MPHA remains committed to serving the same or similar populations at these buildings, including the senior occupancy at 828 Spring; and

WHEREAS, the MPHA Board of Commissioners finds that the proposed conversion of 809 and 828 Spring Street NE utilizing RAD is necessary and appropriate to provide greater financial stability for those units and to best serve the needs of the building’s residents;

NOW THEREFORE BE IT RESOLVED by the MPHA Board of Commissioners as follows:

- (i) The RAD Conversion application for 809 and 828 Spring Street NE, part of project MN00200004, is approved;
- (ii) The Executive Director/CEO or his designee is authorized to execute and submit all required and supporting documents relating to this application.



Residential Assistance Demonstration (RAD) Program

Resident Information Notice (RIN)

English

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

Arabic

للحصول على ترجمة مجانية. (MPHA) هذه المعلومات مهمة جداً. إذا لم تستطع فهمها، من فضلك اتصل على ممثلك في

Aramaic

Hidē madmalle hawi. Ait af ait la bari'a, ait ashtabq bēt lawwat mprana d'alubā pfūthh lhāpya'a alāmda'ya.

Amharic

ይህ መረጃ አስፈላጊ ነው። የማይረዱት ከሆነ፣ እባክዎን ለርስዎ የ MPHA ተወካይ ደውለው ነጻ የቋንቋ እርዳታ ይግኙ።

Hmong

Qhov kev qhia no tseem ceeb. Yog koj tsis to taub, thov hu rau koj tus neeg sawv cev ntawm MPHA rau kev pab txhais lus dawb.

Laotian

ນີ້ແມ່ນ ດຸນລາຍລະອຽດທີ່ສຳຄັນ. ຖ້າທ່ານບໍ່ເຂົ້າໃຈ, ກະລຸນາໂທ ຫາຕົວ ອາພິການ MPHA ຂອງ ທ່ານ ເພື່ອການຊ່ວຍເຫລືອ ດ້ານພາສາ ພຣີ.

Oromo

Odeeffannoon kun barbaachisaa dha. Yoo hinhubattan ta'e, maaloo tajaajila turjumaanaa tola argachuuf | bakka bu'a MPHA keessanitti bilbilaa.

Russian

Эта информация важна. Если вы ее не понимаете, позвоните представителю МРНА и получите бесплатную языковую помощь».

Spanish

Esta información es importante. Si no la entiende, comuníquese con su representante de MPHA para que le ayude con el idioma de manera gratuita.

Somali

Macluumaadkan waa mid muhim ah. Haddii aadan fahmin, fadlan la xiriir waiilka MPHA si aad u hesho adeeg luqadda oo lacag la'aan ah.

If you need language assistance or reasonable accommodation due to a disability, contact your Property Manager, Anna Lagerquist, at (612) 344-2294



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Spring Manor Residents

February 6, 2024

Dear Residents:

In June 2022, MPHA celebrated the completion of its first Rental Assistance Demonstration (RAD) rehabilitation project, a \$27 million renovation of the 60-year-old Elliot Twin towers. This included a full remodel for all 174 units, adding 10 disability accessible units, replacing aging building systems, and completing energy efficiency improvements. This included in-unit air conditioning for every resident. This transformation also added 6,200 square feet of community and office space, security upgrades, larger laundry spaces, and an exercise room.

Now, the agency would like to begin its next RAD project, and staff have identified 828 Spring Manor (828 Spring St NE) and 809 Spring Manor (809 Spring St NE) as top considerations for similar major renovations, with the possibility of adding up to 15 new units. **But before any project moves forward, staff are scheduling meetings and welcoming all 828 and 809 Spring Manor residents to attend, ask questions, and share more about what they think should be prioritized in a major building upgrade.**

You are invited to join 828 and 809 Spring Manor residents in upcoming meetings to learn more about the RAD program, what it achieved at the Elliot Twins, and what the agency hopes to deliver for 828 and 809 Spring Manor residents, consistent with fair housing and civil rights requirements:

Tuesday, Feb. 20, 4-5 PM: 809 Spring St NE Community Room (Residents of 809 Spring)
(please arrive by 3:45pm to sign-in)

Wednesday, Feb. 21, 2-3 PM: 828 Spring St NE Penthouse (Residents of floors #2-7)
(please arrive by 1:45pm to sign-in)

Wednesday, Feb. 21 3:30-4:30 PM: 828 Spring St NE Penthouse (Residents on floors #8-14)
(please arrive by 3:15pm to sign-in)

Thursday, Feb. 22 12:30-1:30 PM: 828 Spring St NE Penthouse (Residents on floors #15-20)
(please arrive by 12:15pm to sign-in)

**If you cannot attend the meeting assigned to your floor or building or need a reasonable accommodation or language assistance to attend, please contact your property manager, Anna Lagerquist, at (612) 344-2294 by February 13th to let them know if you need assistance or which other meeting you plan to attend. MPHA will provide reasonable accommodations, language assistance, and answer any resident questions throughout the entire project/construction process.*

During this process, if you think your rights aren't protected, you may contact Jared Stroberg at the Minneapolis HUD field office at 612-370-3019.



Q: Why is MPHA using RAD?

- Currently, MPHA has a \$229 million capital backlog across its portfolio of homes and only receives about 10% of what it needs from HUD to maintain its units.
 - Between both Spring Manor buildings, there is an \$8 million backlog of urgent capital needs.
- Using the RAD program, MPHA can access additional resources like bonds and tax credits to fund construction while also getting new funding for resident rent assistance.

Q: What kind of work can I expect in this project?

- MPHA is still developing the full project scope in partnership with residents and continues to conduct analysis of capital needs and financing needs. Plans are still fluid, but it will likely include:
 - Kitchen, bathroom, storage, window renovations, updating electrical, plumbing, fire, and mechanical systems, enhancing resident amenities and making security improvements.
- MPHA will work to establish a resident design panel to guide the project's work. This will connect residents with architects to provide guidance on many project elements.

Q: Do I need to move out of my unit?

- The agency is prohibited from involuntarily displacing residents through RAD redevelopment, and you are entitled to numerous relocation protections under the RAD program. When your unit is scheduled for construction, MPHA will work to relocate you to another unit in the building. MPHA staff will coordinate logistics, provide hands-on assistance, and cover your moving-related costs.
 - Residents must wait for instruction from MPHA staff before relocating. If residents choose to move on their own without waiting for instructions from MPHA, they put their protected rights under the RAD program at risk. If you are thinking of moving, please contact your property manager **before moving** to receive the latest update on the RAD process.
- You cannot be required to move permanently without your consent.

Q: Will my rent go up because of the RAD program?

- While the RAD program changes how MPHA receives federal rental subsidy, that change has little bearing on most residents' rents. Rents will continue to be 30% of income.
 - In some cases, residents who pay a flat "ceiling" rent may experience a change, but can expect those changes to be phased in over time to ensure continued affordability.
- Prior to the construction beginning, residents will be asked to sign a new lease agreement that closely resembles the current lease, including similar renter protections (and does not require a new eligibility screening). This new lease is required for the RAD program.

Q: This sounds great, when does the work start?

- The work to rehabilitate the two buildings is only just beginning, including continued conversations with 828 and 809 Spring Manor residents.
- Assuming resident support, the agency intends to submit a formal request to HUD authorizing the work in April 2024, with the hopes of receiving approval by Summer 2024.
- Upon receiving HUD approval, MPHA will finalize the scope of upgrades, identify builders, architects, and financing tools, and work towards a summer 2025 construction start date.

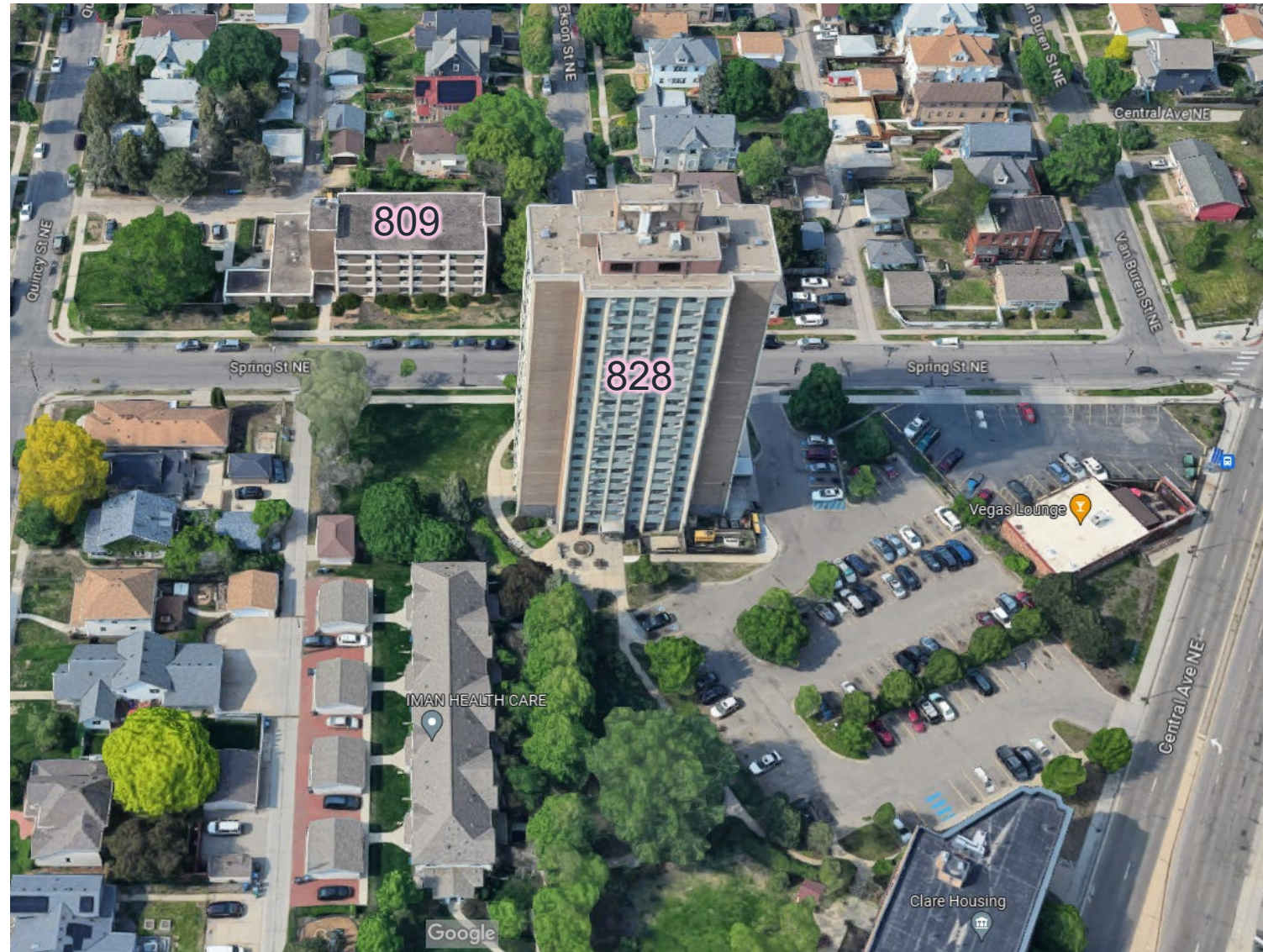


809 & 828 Springs RAD Informational Meetings

February 20-22, 2024

AGENDA

- Introductions
- **RAD - What is it?**
 - What is RAD and Why Use it?
 - How has MPHA used it: Elliot Twins Comprehensive Rehab
- **Springs Comprehensive Rehab**
 - Feedback from July and August Meetings
 - Construction Planning Next Steps
 - Relocation Considerations
- **What to Expect**
 - Resident Involvement Next Steps
 - RAD Resident Rights at Conversion
- **Questions & Comments**



What is RAD?

Rental Assistance Demonstration Program

- RAD is a voluntary program run by the U.S. Department of Housing and Urban Development (HUD).
- Under RAD, HUD will change the way it provides rental assistance to the property from public housing to a long-term Section 8 assistance contract.
- The Section 8 program makes it easier for MPHA to access money to repair and improve the property & provides for more stable federal subsidy.

Why RAD?

The federal government does not provide enough funding to make the improvements that residents of public housing deserve.

- Historically, HUD has only provided funding for 10% or less of the actual need.
- In 2023, MPHA had over \$229 Million in backlogged capital needs and received \$20 Million in capital funds from HUD.

Springs Capital Needs

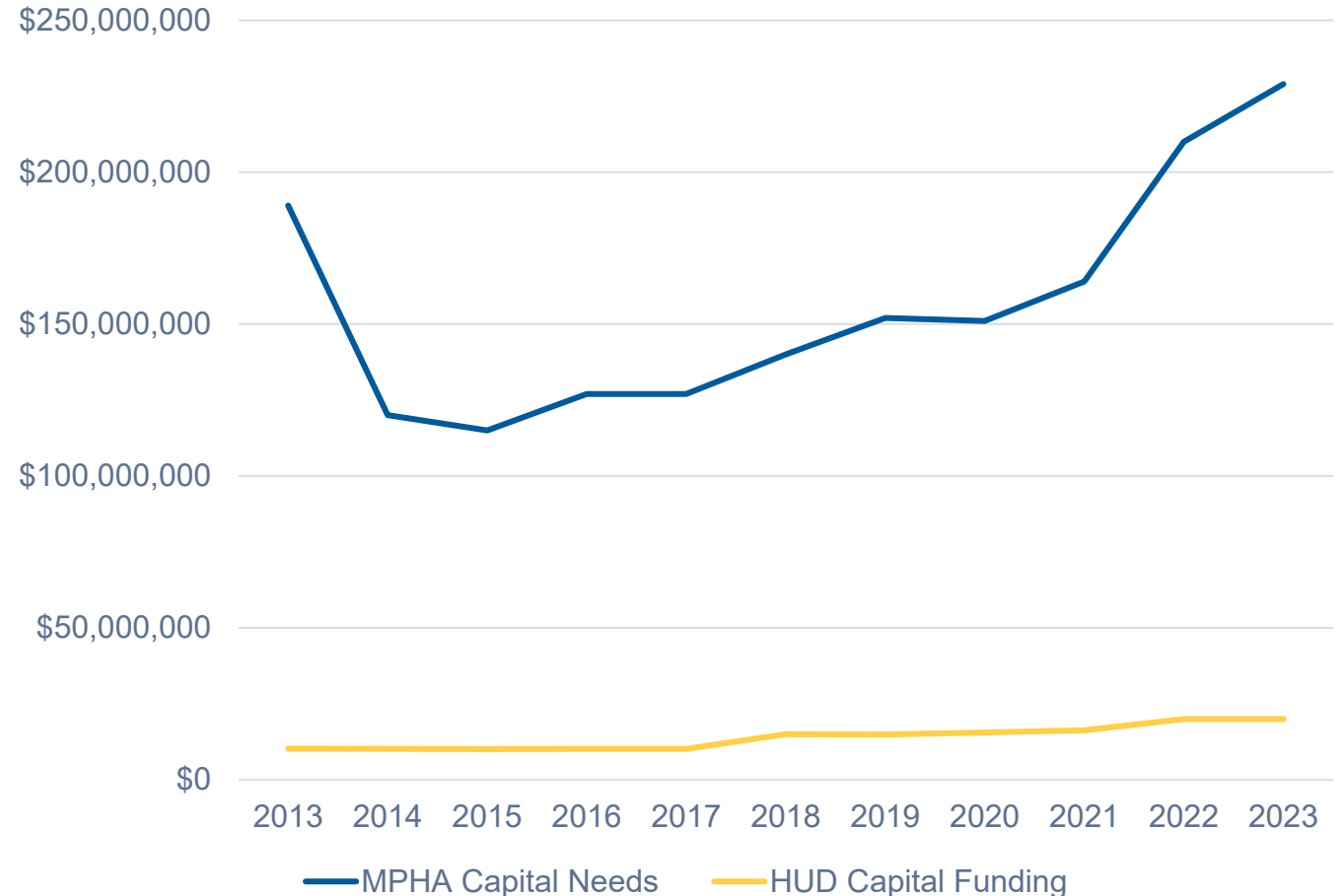
- 809 and 828 Spring have a combined total of \$8 million in backlogged needs.

RAD allows the agency to utilize funding tools that non-profit housing providers use such as debt, bonds, and low-income housing tax credits.

- Using this tools allow MPHA to stretch its capital funds to do more to preserve MPHA's housing and make much needed livability improvements.

RAD stabilizes federal funding to the buildings

MPHA Capital Needs vs HUD Capital Funding



Elliot Twins Comprehensive Rehab

Utilized RAD and similar funding tools as proposed to the Springs

Comprehensive Rehab- \$27M Renovation of 174 units.

- Added 10 accessible units
- Added 6,000 sq ft building with resident amenities and security enhancements
- Also Included new windows, new heating/cooling, new kitchens, bathrooms, unit and common area flooring

No permanent displacement. All residents who wanted to stay onsite were able to move to a unit within the property as a part of the construction.

Resident Engagement throughout the project

MPHA remains the property manager and operator of the building



Elliot Twins Comprehensive Rehab



809 & 828 Springs Improvements

- **Goal:** Develop a construction scope of work to address short- and long-term capital needs of both properties; improves resident experience; ensures long-term operational viability.
- **Potential Improvements may include:**
 - Apartment Renovations (Kitchens, Bathrooms, Flooring, Storage)
 - Updated Building Systems (Electrical, Plumbing, Fire Protection, Heating, A/C)
 - Energy Efficiency & Accessibility Upgrades
 - New Windows, Roof and Exteriors
 - New and Enhanced Indoor & Outdoor Community Spaces
 - Improved Building Security
 - No change in existing unit configuration with potentially adding new units
- **How:** Construction work is planned to be funded through MPHA Capital Funds, Public Housing Levy, Low-Income Tax Credit Equity, Tax Exempt Bonds and Debt.



Previous Resident Feedback

What we heard from you and your neighbors in August and September 2023

828 Spring St

Units:

- Kitchens need upgrades
- Windows need replacement and better sealing
- AC sleeves drafty
- Rethink electrical layout and phone/cable drops
- Flooring needs upgrading
- Plumbing issues in some units
- Need to think of space for more accessibility, including scooter storage
- Light and noise coming in from hallways into units

Building Amenities:

- Ground floor spaces are dated
- Package/mail area needs improvements
- Would like more community space including computer/internet access
- Would like to more programmed outdoor space: gardens, gazebo, trees and address existing rain garden
- Accessible route from parking to first floor entry has a long distance.

809 Spring St

Units:

- Appliance and kitchens need updates/replacement. Fridges are small.
- Windows need replacement and better sealing
- AC sleeves drafty
- Plumbing issues in some units
- Noises from boiler can be heard in some units
- Light and noise coming in from hallways into units

Building Amenities:

- Would like access to computer lab
- Existing outdoor spaces with trees (shade) are nice, but would like a new grill
- Community room temperature regulation needs work – too hot/too cold.
- Size of trash chutes is challenging.

Construction Planning Next Steps

Investigation & Schematic Design (February-April 2024):

- Initial testing of buildings and sites to determine preliminary design and scope of work.
- Development of preliminary construction approach and planning considerations.
- Create resident working group to help inform design decisions throughout design process.

Design Development (April-August 2024):

- Preliminary plans are reviewed by residents and staff, revised, and begin to incorporate construction planning and schedule.

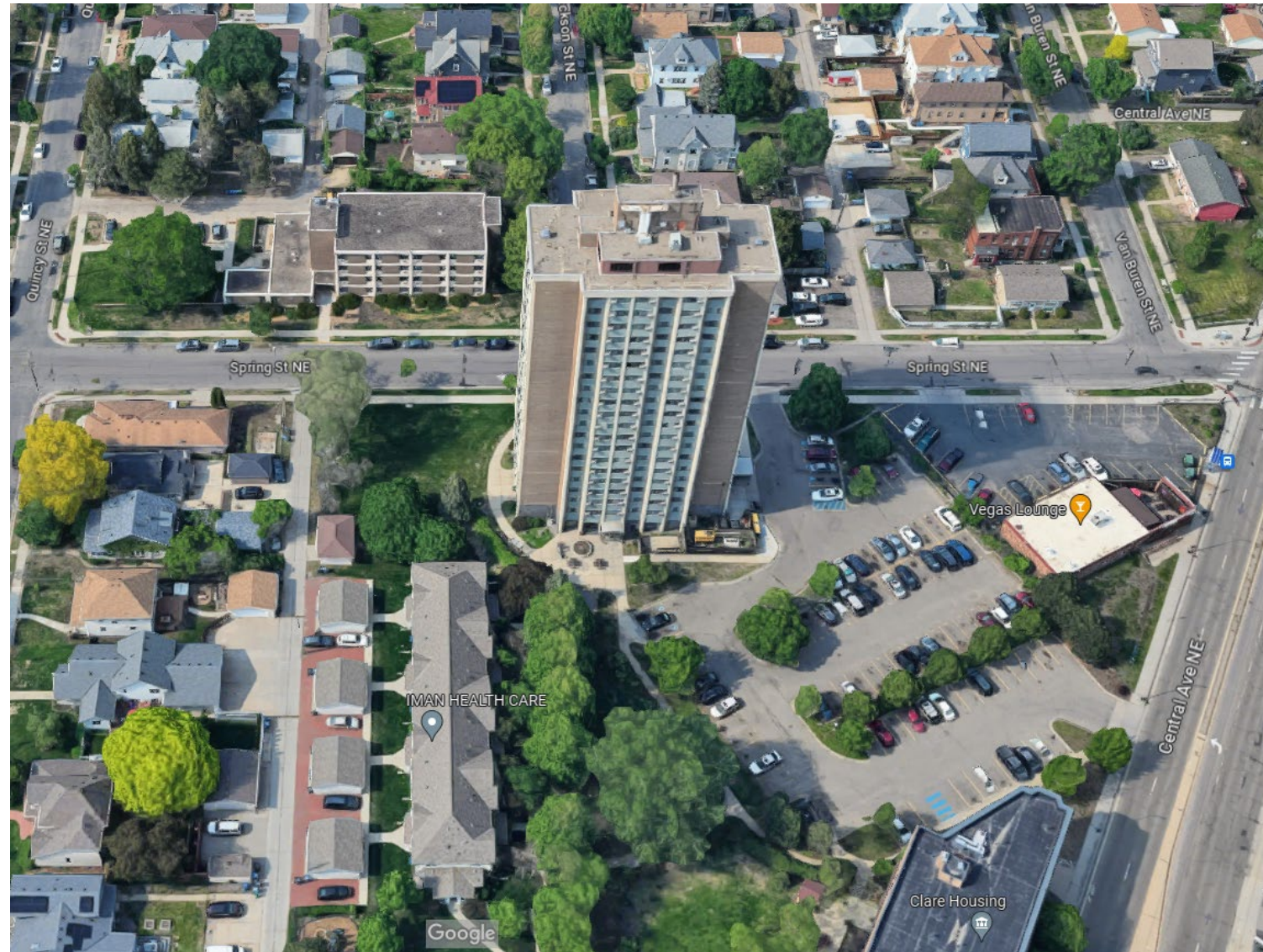
Construction Plans / Bidding (August-December 2024):

- Design, development, and construction plans finalized. Agency begins seeking necessary construction permits and contractor bids.



Resident Relocation

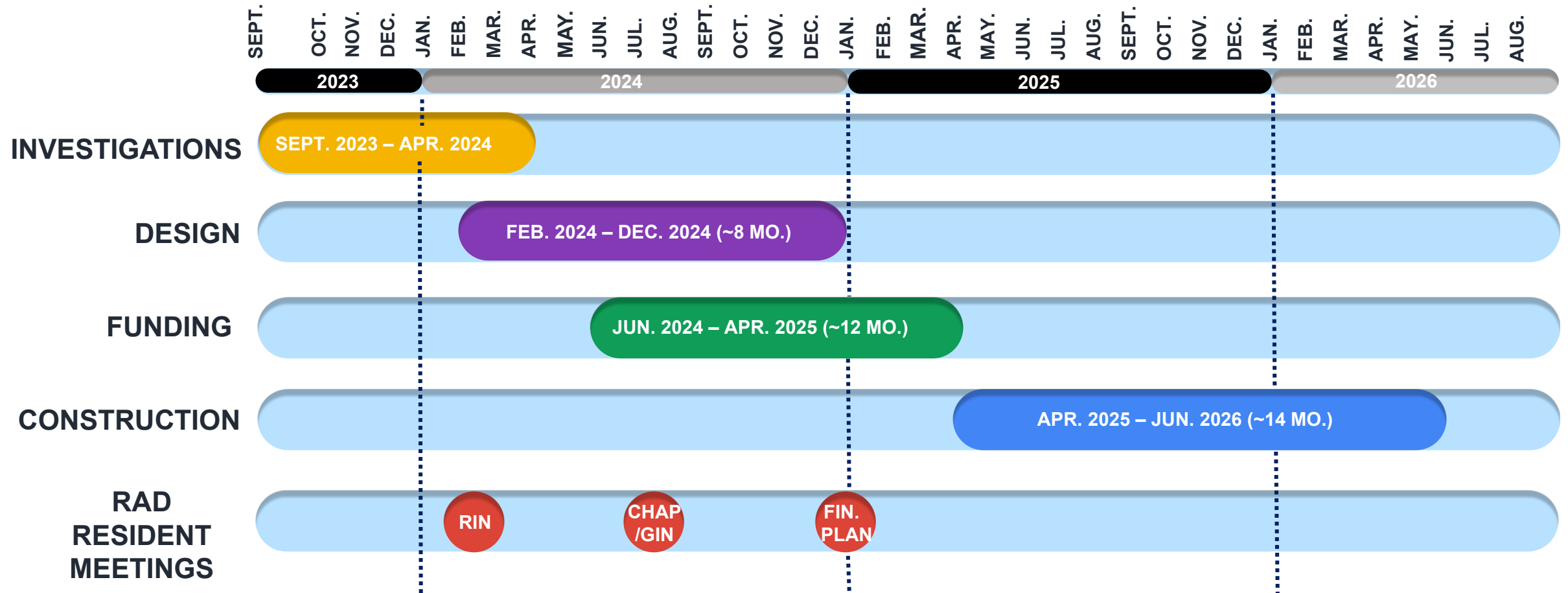
- When your unit is scheduled for construction, you will need to relocate to another unit in the building, if available
- Residents are entitled to numerous relocation protections under RAD.
 - You cannot and will not be required to move from the building permanently without your consent. If you do decide to move you have the right to return.
 - You must retain program eligibility
- MPHA staff will coordinate logistics, provide hands-on assistance, and cover your moving-related costs.
- Residents must wait for instruction from MPHA staff before relocating.
 - If residents choose to move on their own without waiting for instructions from MPHA, they put their protected rights under the RAD program at risk.
- As a part of the construction and design planning work with residents, MPHA staff will work with residents to develop a relocation plan that works to minimize disruption in residents' life.
- Relocation is not expected to occur until around **March 2025**. Over a year from now!



Resident Involvement Next Steps

- More RAD notices and more meetings:
 - HUD requires more notices and meetings to ensure you understand the RAD process and your rights.
- Continued input on design and construction
- Relocation plan review and input

PROJECT TIMELINE



What to Expect Around Conversion

Additional RAD Rights: At the time of conversion- Likely **March/April 2025**

- Residents will sign a new lease, with similar procedural rules rights for terminations and grievances.
- Resident Rents will continue to be calculated at 30% of adjusted gross income.
 - In some cases, residents who pay a flat “ceiling” rent may experience a change but can expect those changes to be phased in over time to ensure continued affordability.
 - Earned Income Disregard will not change due to conversion
- No resident rescreening because of the RAD conversion. Income verification required as part of LIHTC.
- Can request a Section 8 mobile voucher after living in the project for a year.
- The resident council will continue to be recognized and funded.

Questions & Comments

- Questions on RAD?
- Questions on the Comprehensive Rehab?

Written responses to comments and questions will be available at the Property Management Office



RAD Resident Meeting – Q & A

The Springs

809 Spring St NE

Minneapolis, MN 55413

Tuesday, February 20, 2024

Community Room – 4-5pm

1. Q – Will I be able to move back to my same apartment?
A- No, you will not move back to the same apartment. The construction approach is still yet to be figured out, but due to plumbing running vertically in the building in stacks- ie unit 101, 201, 301, 401- we will likely move through the rehab by relocating stacks. As such most residents will move to an apartment unit adjacent to their unit. In early summer we will have learned more about the construction approach and can provide more clarity.
2. Q- Will I be able to move back to the same building?
A- Yes. First our intent is to accommodate all relocation for the project within the building so that no one who wants to leave has to leave during construction. We believe we can accomplish that by beginning to hold vacant units in the building. If you do wish to leave during construction, you may do so, and you have the right to return to the building.
3. Q- If you do move out, can you move back to the building?
A- Yes, you have the right to move back to the building. If you do want to move during construction we can work with you to find a unit in MPHA's portfolio.
4. Q- How long do you anticipate construction lasting?
A- We do not know for sure yet, we will know more by the end of the summer. We are anticipating 14 to 16 months. We anticipate unit rehab will be completed throughout that time.
5. Q- Does MPHA cover moving costs if we move twice (move off-site and come back)?
A- Yes, MPHA will cover moving costs whether you move once or twice. MPHA will hire a mover to move you and provide boxes. Or you can elect to move yourself with help of friends/family and MPHA will pay you a moving stipend.
6. Q- Will we have to move twice if we move in the building?
A- If we relocate based on stacks you will likely only need to move once. If we need to clear the first stack, those tenants might have to move twice. Typically, moves are over the weekend. We still don't know the schedule yet and will be able to provide more information in the summer.
7. Q- Do I get to move back the same apartment?
A- No, you will not be able to move to the same apartment.
8. Q- So the building will be project-based section 8- who will manage it?
A- MPHA will continue to be the property manager.
9. Q- I really want to move back to my unit (laughter), can I?
A- No. We will have a Relocation Coordinator that will work with you on all your needs around moving including bills, address changes, etc. They will support you through this.
10. Q- Will Section 8 change the way we pay rent?
A- You will still get a rent statement from MPHA. And your rent will be 30% of your adjusted income. If you pay flat rent, your rent may change and we can discuss that impact. Additionally, if you do pay flat rent there is a phase-in for any rent increase. We can talk

more after the meeting about your specific situation to understand if there will be any impacts.

11. Q- If I want to move buildings can I find another smaller building, with a smaller community, like this one?

A- Yes, if you do want to move we will work with you to accommodate your wishes.

12. Q- If we elect to move away during construction can we come back to our past unit?

A- No, you will be able to return to the building, but we will not guarantee the same unit.

13. Q- I am a smoker, I know at the Elliot Twins an outdoor smoking shelter was established, could that occur here?

A- We can consider that in the new plans. We will have opportunities for resident participation in the design.

14. Q- When will construction start?

A- Earliest will likely be April 2025- over a year from now.

15. Q- Can we add workout space to this building?

A- We can consider that in the new plans. We will have opportunities for resident participation in the design.

16. Q- Are you planning to add new units to this building?

A- Not at this building, but across the street at the greenspace next to 828 Spring.

RAD Resident Meeting – Q & A

The Springs

828 Spring St NE

Minneapolis, MN 55413

Wednesday, February 21, 2024

Community Room - 2-3 PM

1. Q – Will the project replace the window? The windows are very difficult to clean.
A – The project is looking at replacing the windows. We will take this comment into account.
2. Q- Can we replace the dial thermostats with a thermostat with temperature on it?
A- We will consider that in the project. We will have opportunities for resident participation in the design.
3. Q- Will the project use LED lighting?
A- Most likely.
4. Q- Are some households going to have to move twice?
A- The construction approach is still yet to be figured out, but due to plumbing running vertically in the building in stacks- ie units on top of each other like 101, 201, 301, 401, up to 2001- we will likely move through the rehab by relocating stacks. In past projects, most residents will move to a renovated apartment unit adjacent to their unit. Households in the first stack where construction will start -will likely have to move twice. We are beginning to hold units now, if those units are all in a stack that will minimize the number of households that will have to move twice. In early summer we will have learned more about the construction approach and can provide more clarity on this.
5. Q- Will we be able to move back to the same apartment unit?
A- No, you will not be able to move back to the same apartment unit. In most cases you will likely move to an adjacent unit on the same floor. Except if you are in the first stack of units- at this time we will not know what options exist to remain on or near the same floor.
6. Q- Can I switch units with my neighbor?
A- Likely no.
7. Q- We have the Asian beetles- look like lady bugs- that come in small openings around the windows and air conditioner. Will that be addressed?
A- Yes, we will develop a pest control plan for all pest before, during, and post construction. Additionally, new windows and systems should be tighter than existing meaning no holes and less spaces for the beetles to come in.
8. Q- There are openings around heating pipes and other spots where pests can enter a unit. Will those be addressed?
A- Yes. those will be addressed in this work.
9. Q- Will there be an addition in the greenspace next to the building? Will it be assisted living? What will the number of bedrooms in the units?
A- Yes, we are exploring an addition for both community space and to add units. Right now we are not considering assisted living. We do not have the bedroom configuration figured out yet. We will share those plans for feedback and refinement as part of resident participation in the design of the project.

10. Q- Will I need to change my address when I move?
- A- Yes, MPHA will have a Relocation Coordinator that will work with each resident to help with change of address forms and other administrative items related to moves related to bills, etc.
11. Q- If we relocate within the building will we have the ability to move up or down floors in the building?
- A- We do not know yet, but we will take transfer requests and see if we can accommodate that or not.
12. Q- What is the timeframe for construction overall? What is timeframe for each stack?
- A- The earliest construction will likely start in April 2025. It will continue 14-16 months. At the Elliots each stack took about 6 weeks. We anticipate 6-8 weeks per stack, but we are still working on the scope and the construction phasing so this is will likely change. We will know more this summer and will communicate with all residents about the schedule.
13. Q- What is a stack?
- A- A stack is units vertically on top of each other. Like, 201, 301, 401, up to 2001- we will likely move through the rehab by relocating stacks because much of the plumbing runs vertically in the buildings.
14. Q- Tell us more about relocation compensation.
- A- MPHA will either provide boxes and moving materials as well as a mover to move you to a new unit. Or you can request to do it yourself and MPHA will pay you a stipend to move yourself. The current stipend for a 1-bedroom is \$725.
15. Q- Can I stay on my floor?
- A- That is our intent, but as noted if you are in the first stack for moving you may not be able to. We are still working on the scope and the construction phasing so this will likely change. We will know more this summer and will communicate with all residents about the schedule.
16. Q- Will most people be able to stay in the building?
- A- Our intent is yes. That is why we are holding vacant units now. We were able to accommodate all requests to stay in the building or leave at the Elliots and that is our goal here as well.
17. Q- Can I oppose the relocation or RAD?
- A- You cannot oppose the conversion and a move within the building as part of the construction, but you have rights under RAD. You cannot be forced to move from the building and if you do decide to leave you have the right to return.
18. Q- Can a better plan for trash be developed? The trash door chute is hard to operate- this is a senior and disabled building- can a more easily operated door be put in?
- A- We will look into as part of the design process. There will be a process for resident participation in the design of the project.
19. Q- My unit is fine for me, why do I have to move? I don't think it needs updating.
- A- We understand, many of the systems that we have been talking about are behind the wall. We know some of the plumbing is original and needs replacement.
20. Q- Will I move into a clean unit?

- A- Yes, all units will be cleaned before moving in regardless of if you move directly into a renovated unit or are in the first round of moves and move into a non-renovated unit.
21. Q- Will pest control be a part of the work?
- A- Yes, we will develop a plan to address pest control during construction and afterwards. Additionally, many of the improvements we are contemplating will make it more difficult for pests to move from unit to unit.
22. Q- Will there be full sized stoves in units?
- A- Not sure yet, we need to look at space in the units
23. Q- If I move twice for the project will I get paid the stipend twice or get moving assistance twice?
- A- Yes, if you move twice for the project we will cover both moves with assistance, stipend, and administrative help.
24. Q- Will the units get dishwashers?
- A- No, likely no dishwashers.
25. Q- Will MPHA pay to put my belongings in storage instead of moving them?
- A- Likely no, we will pay to move them to your new unit and move back in the case you move out during construction or end up moving twice.
26. Q- Will bathrooms be in the same place?
- A- Yes, we don't plan to reconfigure the units.
27. Q- Will we get rid of the vertical blinds?
- B- Likely, we will look into as part of the design process. There will be a process for resident participation in the design of the project.
28. Q- What about asbestos in the building?
- A- We will test all potential likely materials for asbestos prior to construction and will develop a plan for abatement that follows all requirements.
29. Q- Can we get a sink with sprayer? Walk-in tubs?
- A- We will look into a sprayer as part of the design process. We don't believe walk-in tubs are going to be included. There will be a process for resident participation in the design of the project.

RAD Resident Meeting – Q & A

The Springs

828 Spring St NE

Minneapolis, MN 55413

Wednesday, February 21, 2024

Community Room – 3:30-4:30 PM

Residents and MPHA staff present

1. Q – When I move units will I need to change my address?
 1. Yes, MPHA will have a Relocation Coordinator that will help you with switching addresses for all of your bills, doctors, etc.
2. Q – We would like to retain the green grass area to the west of the building where new units might be added?
 - A- We will work to retain outdoor greenspace while still adding units.
3. Q- Can we add a tub- a walk in tub with a door?
 - A- Likely no, but we will consider it.
4. Q- I moved in in January, will my rent stay the same?
 - A- Yes, likely unless you are paying flat rent.
5. Q- Parking- I am disabled and need a parking space.
 - A- Talk to your property manager, there is a process to get a space and a waitlist.
6. Q – We like the greenspace to the west- Can it remain?
 - A- We will work to retain outdoor greenspace while still adding units.
7. Q- Can we get washer and dryers in the units? Will new units have their own washer and dryer?
 - A- No, not enough space in existing units. Right now we are not planning for any washer and dryers in new units either
8. Q- Will rent stay the same?
 - A- Rent will remain at 30% of your adjusted income. If you are one of handful of households that pay flat rent your rent will likely increase. If your rent does increase it will be phased in over three years.
9. Q- Will the new units be accessible?
 - A- Yes, our intention is that most, if not all, of the new units will be fully accessible.
10. Q- The floors, walls, and ceilings are concrete. The floors are hard on our feet, can they be made softer- can a pad be added?
 - A- We will look at ways to deaden sound. Regarding the floors we anticipate using a luxury vinyl tile/plank product that may be a bit softer than the current VCT. We likely will not be able to add any substantial padding, but we can look into it.
11. Q- Will everyone have to move out?
 - A- No, our intent is no one will have to move out during construction unless they elect to. If you do move off-site you have the right to return. We are holding vacant units now to try to ensure that we will have enough units to accommodate residents on site. Everyone will have to move units as part of the work though.
12. Q- We would like interpretation if needed throughout.

B- Yes, we have interpretation here with you today and will arrange that throughout the process for when you participate in meetings or materials are provided.

13. Q- Will the units remain the same layout?

A- Yes, we will keep the same unit mix and layouts.

14. Q- Will smoking be allowed in the apartments?

A- No, it is not currently allowed and will not be allowed. If you have a concern about a fellow resident smoking please contact property management.

15. Q- We have access to a section 8 voucher a year after the remodel?

A- Yes, a year after the conversion you can start the process to request a mobile voucher.

16. Q- Can you walk through unit relocation and construction process?

A- We will likely approach the construction in stacks- vertical sets of units- ie 201, 301, 401 and up to 2001. This is due to the plumbing. The approach we used in other projects is that we will move all residents out of a stack, remodel it, and then move neighboring residents into the remodeled stack and then repeat the process. At the Elliots it took about 6-8 weeks per stack. We do not have a full construction plan figured out and will be able to communicate more this summer about the approach. If you are in the first stack you will likely move twice, if you are in the other stacks you will likely only move once.

RAD Resident Meeting – Q & A

The Springs

828 Spring St NE

Minneapolis, MN 55413

Thursday, February 22, 2024

Community Room - 12:30-1:30 PM

Residents and MPHA staff present

1. Q – When doing the “stacks” of apartment can you figure out a way to give access to the entrance of the building without having a landline in your apartment? It is an added expense.
A – We can investigate that, and if security is an issue we will be addressing.
2. Q – The Ventilation System is obsolete. Dirty, air blows in when windows are opened in apartments.
A – Systems that exist “behind the walls” such as the ventilation system need to be upgraded. We will be addressing the ventilation system and how it operates.
3. Q - What about moving costs? I was here during the last upgrade and received cash to help with the move. Will that occur again?
A – Yes, we now pay \$725.00 to residents if they want to get friends or family to assist them or we can pay movers to do the work as well. Most people will only need to move once, however if any resident needs to move twice, they can receive moving assistance twice.
4. Q - Will you plug the holes in the walls around the heating elements in the apartments? You can hear and smell everything.
A - Yes, we will be looking at walls and ventilation/heating in the apartments and pest control will be important.
5. Q - Will you be providing horizontal blinds instead of the current ones we have?
A – We have heard concerns and questions regarding the blinds, and we will be investigating as we move forward.
6. Q - The bathroom tubs we have in the halls? The tub rooms? Will they be staying?
A – We are unsure at this point as we are just beginning our assessment of the building.
7. Q - The toilet paper roll holders are attached to the walls too far away from the toilet for people to easily reach. Can you change their location?
A – We will take your suggestions into the design process moving forward. We are taking all comments down in writing.
8. Q – How about closet space? Can we expand the closets?
A – We cannot make the space bigger, but we will try to improve the space we have to make it more efficient.
9. Q – The ventilation system? How are you going to resolve it?
A – We are looking at the entire system with engineering staff to assess the current system and determine what is needed in the renovation.
10. Q – Will we have washers and dryers in each apartment?
A – No, there will not be washers nor dryers in each apartment.
11. Q – What is going to be done about the poor window seals? Will they be fixed?
A – The current plan is to replace the windows.

12. Q – The front door units of each apartment has a gap underneath each apartment door, and I think that is a fire hazard. Normal doors don't have that large of a gap.
A – Those gaps – undercuts - are part of the current ventilation system that allows air to move throughout the building. We will try to improve the situation but as of yet we don't have firm plans. We will be looking at the ventilation and mechanical systems.
13. Q – Will we have central air?
A – We don't know yet but the AC units through the walls are an option. We will be investigating when our general contractor is chosen and designs are put in place.
14. Q – What about the heating system? What will it look like? Still radiators?
A – We are unsure currently what the system will look like. We are assessing issues and ideas now.
15. Q – How long will a unit overhaul take?
A – We estimate six to eight weeks based on other renovation work we have done. Overall construction will take 14-16 months. We will know more in the summer and communicate about the schedule and the approach.
16. Q – Didn't they put in central air in Elliott Towers? During the RAD conversion?
A – Elliott Towers did receive central air.
17. Q – In regard to the private money used for the RAD, how can we be assured the buildings remain affordable for low-income people?
A – The LIHTC partnerships should not make a difference from a resident standpoint in ensuring long term affordability of the buildings. We will have the same property managers and the same overall control. We will have an automatically renewing section 8 HAP contract that will last 40 years. We will have land use restrictions to ensure affordability that will have similar timelines.
18. Q – In the construction of the kitchens can you address sound proofing and insulation? You can really hear movement and noise through the “common” walls.
A – We will be looking at this. It is a difficult problem to address.
19. Q – When we open our windows and then our doors the air gets sucked into the apartments from the hallway? Can you address this?
A – The current mechanical system works the way it does for a reason, but we will do our best to resolve. We are currently investigating design options.
20. Q – The tax credits that are part of the RAD? The private and state groups? Will they see a profit from this?
A – The tax credits are more of a tax shield for investors. They are also used for depreciation. Rents don't go to investors. The investor is looking to ensure the building remains operable and in good condition for residents. The investor is off-setting other taxable income from other work (not related to MPHA) by buying the tax credits and taking depreciating in tax accounting purposes.
21. Q – I had a grease fire in my apartment (#308) and it was scary. My smoke detector did not go out, but I did take care of the fire. I put in a work order, and they fixed the smoke detector.
A – We are glad that the smoke detector was fixed quickly, and we have just finished work here on the fire suppression systems in the building.
22. Q – I moved into the building in 1989 and I oppose the remodel. I think everything looks fine.
A – Thank you for your comments. Your apartment may look fine but behind the walls there are lots of systems that need to be upgraded – mechanical, plumbing and

- ventilation. Problems do exist with these systems, and the money being spent is an investment by MPHA for everyone.
23. Q – How about putting in UV lights that sterilize the air? We have lots of elderly sick people.
- A – We will add your suggestion to investigate as we develop a plan for the design.
24. Q - I live in #1101 and my smoke alarm goes off all the time when I cook. Will you fix that?
- A – We can fix that now. Send in a work order today. (Questioner said the issue was fixed already; she just had not cooked again.)
- As we move forward, all systems in each unit will be checked to make sure they are working properly.
25. Q -Will we have full size stoves?
- A – We can look into this, but its likely the stoves will be the same size as the ones you have now.
26. Q - What if we don't have a place to move to during renovations? I'm all alone.
- A –You will have a place to live. Either in the building or in another MPHA building if you'd like. Almost all - we hope all - residents will be able to just move once within the building and not be displaced from the building. After residents in the first stack are moved, we can just move residents once. MPHA is here to help and will help residents address their concerns. We know there are different needs for different residents. Residents won't lose their place here at the building.
27. Q – What about having a walking space in the winter for residents, maybe around the parking lot? We don't get enough exercise. How about a pickle ball court on the outdoor space we have?
- A – We will add those ideas to our list of suggestions.



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame Executive Director / CEO

SUBJECT: General Contractor/Consultant (GC/C) Services at Spring Manors

Previous Directives: On September 27, 2023, the Board adopted MPHA's 2024 Moving To Work (MTW) Annual Plan, which outlined the use of HUD's Rental Assistance Demonstration (RAD) tool for the agency's preservation efforts, including at the 809 and 828 Spring Street NE sites. The 2024 MTW Plan also included the 2024 Capital Fund Program (CFP) Plan which noted pre-development funds for the Agency's next high-rise conversion and preservation project.

Resident Council Review/Recommendation: This report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024, meeting.

Budget Impact: Fees incurred during the pre-construction phases will be charged to the Capital Fund Program. MPHA will be developing its overall financing strategy for this project throughout 2024, and anticipates utilizing a variety of sources including MPHA MTW funds, public housing levy proceeds, debt, and low-income housing tax credits.

Affirmative Action Compliance: As explained below, the GC/C delivery method (rather than a GC only method) provides favorable opportunities for the participation of minority- and women-owned, and Section 3 businesses in major construction projects. The recommended GC/C is aware of MPHA's contracting goals and has submitted a plan for achieving these goals on this project. Although they are not a W/MBE or Section 3 business, typically 85-90 percent of the overall value of a GC/C project is subcontracted work. Therefore, the GC/C's outreach and inclusion strategies during the bidding phase and their ability to achieve owner contracting goals with subcontracted work is of greater importance.

RECOMMENDATION: It is recommended that the Board of Commissioners authorize the Executive Director or his designee to execute a GC/C Agreement and all related documents with Ironmark Building Company for the comprehensive renovation of the Spring Manors.

MPHA is pursuing comprehensive renovation of two adjacent high-rises located at 809 and 828 Spring Street NE. 828 Spring is a 20-story seniors high-rise with 189 apartments, built in 1970. 809 Spring is a 4-story mid-rise with 32 apartments, built in 1967.

While the scope of work is still currently under development, it's likely to include replacement of and upgrades to existing building systems such as electrical, plumbing, and heating/cooling/ventilation. Exterior façade, window, and roof improvements will also be considered. Apartment renovations may include new flooring, kitchens, bathrooms, finishes and storage. As with the agency's first RAD conversion and preservation project, The Elliots, enhanced indoor and outdoor community spaces, resident amenities, and security improvements will be incorporated. Additionally, MPHA is exploring



opportunities to add new accessible units to the 828 Spring site to further accommodate the needs of current residents, as well as MPHA's portfolio and waitlist.

MPHA intends to complete a Rental Assistance Demonstration (RAD) conversion at these properties which will allow MPHA to obtain new funding sources to complete these major capital investments. Anticipated funding sources for the project include MPHA MTW funds, public housing levy proceeds, debt and low-income housing tax credits. MPHA is also exploring the use of HUD's Faircloth to RAD Program to provide subsidy for any new units.

Depending on available resources and decisions about the full construction scope, the total hard construction costs may exceed \$30 million. MPHA will work through design options and financing strategies through 2024, and is aiming to close and begin construction around the second quarter of 2025. Updates on the project will be provided on an ongoing basis to the Board of Commissioners.

The project will consist of four phases including design development, bidding, construction, and final documentation.

Design Development Phase

- The GC/C and MPHA's design & development team will collaborate to refine design details through investigative work, constructability analysis, mock-ups, cost estimating and, if necessary, engage in the value engineering process to meet the project design intent while maximizing budget, schedule and phasing.

Bidding Phase

- Bid documents are finalized for all project disciplines.
- Project is bid in accordance to MPHA/HUD procurement guidelines and various funders' requirements.
- Project schedule is established.
- A final Maximum Allowable Construction Cost (MACC) will be negotiated with the GC/C.

Construction Phase

- The GC/C will manage all aspects of construction including onsite coordination and supervision.
- The GC/C will be obligated to deliver the project on time and within agreed-upon MACC agreement.

Final Documentation Phase

- Upon completion of the project, the GC/C will complete processing and transmittal of all final project and accounting documentation.
- The GC/C will complete all necessary paperwork and closeout documents for the various funding sources.
- The GC/C will provide MPHA with operating and maintenance manuals, staff training, as-built drawings, and any other associated necessary supplemental material.



On January 16, 2024, MPHA issued a Request for Proposals (RFP) for GC/C services as outlined above for the Spring Manors project. MPHA received proposals from three qualified firms:

- Ironmark Building Company
- Frerichs Construction Company
- Donlar Construction Company

MPHA formed an evaluation committee to evaluate and rank proposals based on the greatest value to MPHA. Evaluation criteria included proposed project team; qualifications and capacity; experience with projects of similar size and scope; regulatory knowledge and experience particularly with tax credit financed projects; the firm's approach to project implementation including past performance in meeting or exceeding affirmative action goals, meeting budget and time constraints, etc.; and proposed fees.

After the initial evaluation, MPHA conducted interviews and moved to best-and-final offers with the top two firms. Ultimately, Ironmark Building Company was the highest-ranking firm, scoring well in their experience, qualifications, and knowledge. Ironmark's project approach and their thoroughness with due diligence during the design development phase was particularly noteworthy. Additionally, Ironmark's proposal included numerous methods they utilize to encourage W/MBE and Section 3 subcontractor participation during the competitive bidding process that includes extensive outreach as well as advising and making efforts to assist on bidding requirements. Staff is confident Ironmark will perform well on the Spring Manors given their experience and approach to successfully carrying out complex projects.

This Report was prepared by Laura Dykema Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Authorization to Accept & Execute a Grant Contract Agreement for Publicly Owned Housing Program (POHP) Grant Funds

Previous Directives: In December 2023, the MPHA Board approved the 2024 agency budget which included the Community Housing Resources (CHR) annual budget; state funds were a noted source. The MPHA Board also previously approved the agency's 2023-2027 Strategic Plan in December 2022 that outlined goals and strategies to attract funding needed for preservation and improvement of scattered sites.

Resident Council Review/Recommendation: This Report will be discussed with MPHA's Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024 meeting.

Budget Impact: These funds will support planned capital improvements for CHR housing stock in 2024, as previously incorporated in the budget approved by the Board.

Affirmative Action Compliance: Not Applicable

Procurement Review: Not Applicable

RECOMMENDATION: It is recommended that the Board of Commissioners approve the attached resolution authorizing the Executive Director/CEO and/or his designee(s) to accept awarded POHP grant funds in the amount of \$5,000,000 and execute a Grant Contract Agreement for said funds with Minnesota Housing Finance Agency.

As a result of MPHA advocacy efforts for CHR preservation funds at the State Legislature in 2023, MPHA and its affiliated entities, including CHR, were awarded a direct appropriation through Minnesota Housing Finance Agency's Publicly Owned Housing Program (POHP). This \$5,000,000 grant will provide funding to complete property renovations in CHR homes. The funds are anticipated to cover primarily exterior component (siding, roofs, windows) replacements in 40+ homes.

This Report was prepared by Laura Dykema, Director of Planning & Development. For further information, please contact Ms. Dykema at (612) 702-5669 or ldykema@mplspha.org.



MARCH 27, 2024
RESOLUTION NO. 2024 - 238

**Authorization to Accept & Execute a Grant Contract Agreement for Publicly Owned Housing
Program (POHP) Grant Funds**

WHEREAS, The Minnesota Legislature authorized Minnesota Housing to make grants for the rehabilitation of deeply affordable housing; and

WHEREAS, the Minneapolis Public Housing Authority in and for the City of Minneapolis (“MPHA”), a public body corporate and politic, and its affiliated entities, including but not limited to its wholly controlled nonprofit corporation, Community Housing Resources (CHR) has pursued such grant and has been awarded a \$5,000,000.00 grant to complete property improvements within its Community Housing Resources family scattered sites portfolio, that are located across Minneapolis, Minnesota; and

WHEREAS, on this 27th day of March, 2024, there has been presented to the MPHA Board of Commissioners, a proposal for MPHA to receive a grant from Minnesota Housing Finance Agency, a public body corporate and politic of the State of Minnesota, 400 Wabasha Street North, Suite 400, St. Paul, Minnesota 55102, (the “Agency”) in an amount not to exceed \$5,000,000.00, (the “Grant”), which Grant will be evidenced by a Grant Contract Agreement with the Minnesota Housing Finance Agency.

NOW THEREFORE BE IT RESOLVED, that MPHA is hereby authorized to accept funds made available through the Minnesota Housing Finance Agency for the Publicly Owned Housing Program (POHP) Grant.

BE IT FURTHER RESOLVED, that Abdulkadir Yassin Warsame, Executive Director/CEO, or his designee, is hereby authorized on behalf of MPHA, to execute, deliver, and perform the Grant Contract Agreement and all other documents and requirements reasonably necessary to implement the Publicly Owned Housing Program Grant.

IN WITNESS WHEREOF, the Board of Commissioners has approved this action as of the date written below.

Name: _____

Signature: _____

Date: _____



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: MDVA Joint Powers Agreement

Previous Directives: MPHA has previously entered into Joint Powers Agreements with Metro HRA to provide approval for operating particular special programs across our collective jurisdictions.

Resident Council Review/Recommendation: This Report will be discussed with the Resident Advisory Board (RAB) immediately prior to the Board's March 27, 2024, meeting.

Budget Impact: Joint Powers Agreement would provide MPHA with full reimbursement for the designated position.

Affirmative Action Compliance: Not applicable.

Procurement Review: Procurement has indicated that the receipt of funds for hiring a single staff member does not trigger procurement requirements. HR has verified that MPHA uses the federal E-Verify Program through its current and future payroll software.

RECOMMENDATION: It is recommended that the Board of Commissioners approve MPHA entering into this Joint Powers Agreement with MDVA, which would allow funding for MPHA to hire additional staff to serve homeless veterans.

Minnesota Department of Veterans Affairs (MDVA) is preparing to submit an application to United States Interagency Council on Homelessness (USICH) to declare "functional zero" Veteran homelessness in Hennepin County.

As part of that effort, MDVA has been working with the local Veterans Affairs Medical Center and Veteran service organizations to remove any potential barriers in the broader service system. They identified a few specific areas of focus: supporting Veterans through the VASH (Veteran Affairs Supportive Housing) voucher process, aiding former service members who are eligible for the Homeless Veteran Registry who have non-VASH vouchers, and ensuring expedited inspections and lease-ups for homeless veterans.



With this Joint Powers Agreement, MDVA is agreeing to provide MPHA with full reimbursement of the salary and benefits costs of employing an additional VASH Community Services Coordinator at MPHA. This role would supplement our existing VASH service staff member and add prioritized inspections for VASH recipient move-ins.

This action aligns with Goal 2 of the MPHA Strategic Plan: Build new and expand partnerships with federal, state, and local governments, in addition to philanthropic entities that support MPHA residents and those on the agency's waitlist.

MPHA staff support this action, and welcome the additional staff support that does not have a direct cost for MPHA. Legal, Finance, and Human Resources have been consulted on this matter.

This Report was prepared by Brandon Crow, Director of HCV. If you have any questions or require any further information about this report, you can contact Mr. Crow at bcrow@mplspha.org.

Attachment: Joint Powers Agreement



March 27, 2024

Resolution No. 2024 – 239

Approval of Joint Powers Agreement between the Metropolitan Council and MPHA for the Housing Choice Voucher Community Choice Demonstration

WHEREAS, Minnesota Department of Veterans Affairs (MDVA) is preparing to submit an application to United States Interagency Council on Homelessness (USICH) to declare “functional zero” Veteran homelessness in Hennepin County.

WHEREAS, as part of that effort, MDVA has been working with the local Veterans Affairs Medical Center, MPHA, and other Veteran service organizations to remove any potential barriers in the broader service system.

WHEREAS, MDVA identified a few specific areas of focus: supporting Veterans through the VASH (Veteran Affairs Supportive Housing) voucher process, aiding former service members who are eligible for the Homeless Veteran Registry who have non-VASH vouchers, and ensuring expedited inspections and lease-ups for homeless veterans.

WHEREAS, MPHA could further contribute to the efforts to remove barriers to housing for Veterans by increasing the number of HCV staff who focus on Veteran specific needs related to the use of their vouchers.

And WHEREAS, with this Joint Powers Agreement, MDVA is agreeing to provide MPHA with full reimbursement of the salary and benefits costs of employing an additional VASH Community Services Coordinator at MPHA.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of MPHA approve the Joint Powers Agreement with MDVA, which would allow funding for MPHA to hire additional staff to serve homeless veterans.



State of Minnesota

Joint Powers Agreement

SWIFT Contract Number: _____

This Agreement is between the State of Minnesota, acting through its Commissioner of **Minnesota Department of Veteran Affairs** ("State" or "MDVA") **Minneapolis Public Housing Authority** in and for the City of Minneapolis ("Governmental Unit" or "MPHA").

Recitals

The State aspires to end Veteran homelessness in Minnesota. Under Minnesota Statutes § 471.59, the State is empowered to enter into agreements with governmental units to perform a service or function the unit is authorized to provide for itself. The State is in need of the Governmental Unit to assist Veterans and former service members who are eligible for the Homeless Veteran Registry (HVR) and are being provided rental assistance through the Governmental Unit. The Governmental Unit is in need of resources to more efficiently complete the required Housing Quality Standards (HQS) inspections as a precursor to Veteran participants securing permanent housing.

Agreement

1. Term of Agreement

- 1.1 Effective Date: TBD, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.
- 1.2 Expiration Date: June 30, 2024, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The Agreement may be extended for up to an additional 2 years as determined by the State, through a duly executed amendment.

2. Agreement between the Parties

2.1 Governmental Unit's Duties:

- 2.1.1 Provide 1.0 Full Time Employee (FTE) to work within Minneapolis Public Housing Authority (MPHA) to provide outreach services exclusively to Veterans and former service members who are eligible for the HVR or have been referred through the HVR.
- 2.1.2 Provide short-term service navigation assistance to former service members or Veterans experiencing homelessness. These services may include housing location services, mainstream benefits coordination, healthcare navigation, and employment assistance.
- 2.1.3 Conduct Housing Quality Standards (HQS) inspections, including initial, annual, complaint and quality control inspections, to determine external and internal conditions of dwellings under the Assisted Housing Programs including operability of heating, electrical, and plumbing systems, and conformance to HQS requirements to Veterans and former service members who are eligible for the HVR or have been referred through the HVR.

- 2.1.4 Perform follow-up inspections to determine completion of repairs indicated on previous inspection and make recommendations to supervisor for appropriate follow-up action when necessary to Veterans and former service members who are eligible for the HVR or have been referred through the HVR.
- 2.1.5 Provide subject matter expertise (SME) services to any potential or enrolled rental management entity, explaining any HQS standards, regulations, and expectations to ensure any rental units can quickly be approved through the HQS inspection. These services must be provided within 72 hours of inquiry.
- 2.1.6 Partner and communicate with any required city or county inspection departments. This would include utilizing them to assist in resolving any identified HQS deficiencies in a timely manner.
- 2.1.7 Mediate and resolve any identified tenant and/or property management concerns. Document inspections through detailed notes and upload photos to file management system in the Governmental Unit's assigned data compliance tool.
- 2.1.8 Provide subject matter expertise (SME) services when interpreting and applying the MPHA policies, any federal regulations, and other city or county relevant policies and procedures.
- 2.1.9 Provide subject matter expertise (SME) and serve as a liaison to Hennepin County Veterans Services (CVSO), the MDVA Homeless Programs Office, and the Veteran Affairs (VA) Community Resource and Referral Center (CRRC) staff regarding inspection results.
- 2.1.10 Provide documentation in accordance with MPHA policies and provide any next steps to resolve any HQS deficiencies in a timely manner.
- 2.1.11 Schedule inspection routes, complete inspections and input results in the Governmental Unit's assigned data compliance tool. Inspection routes must be scheduled on a daily basis.
- 2.1.12 If requested, attend the Hennepin Continuum of Care (COC) Homeless Veteran Registry bi-weekly meeting.
- 2.1.13 If requested, research community programs and resources that former service members experiencing homelessness may qualify for so referrals can be made to assist former homeless services members.
- 2.1.14 Provide the following status reports to the Homeless Access Supervisor:
 - 2.1.14.1 Monthly report stating the number of HQS inspection completed; and
 - 2.1.14.2 Monthly report stating the number of days required from rental application approval to HQS inspections; and
 - 2.1.14.3 Monthly report noting any trends in the HQS deficiencies; and
 - 2.1.14.4 Monthly report noting any barriers to completing HQS inspections within 72 hours; and

- 2.1.14.5 Monthly report detailing the monthly inspection route report; and
- 2.1.14.6 Monthly report noting any best practices identified during the HQS inspections; and
- 2.1.14.7 Annual report stating the number of HQS inspections completed, the average days required from rental application approval to HQS inspections, and any trends in the HQS deficiencies.

2.2 Duties of the State:

- 2.2.1 Designate a Homeless Programs Coordinator who will provide project updates, be a subject matter expert for the Homeless Veteran Registry and discuss any concerns related to a former service member's housing stability.
- 2.2.2 Provide project coordination such as tracking referrals and outcomes to the MPHA partnership.
- 2.2.3 When needed, provide training specific to the Homeless Veteran Registry.

3. Payment

3.1 Consideration. The State will pay for all service performed by the Governmental Unit under this Agreement as follows:

3.1.1 Compensation. The state will reimburse the Governmental Unit based on an hourly rate as identified as follows:

Title	Hourly Rate
Full Time Employee 1	\$36.53 - \$54.00 (depending on where FTE falls on Governmental Unit's salary scale)

3.1.2 Travel Expenses. The Governmental Unit will not be reimbursed for travel and subsistence expenses incurred.

3.1.3 Total Obligation. The total obligation of the State for all compensation under this Agreement will not exceed \$40,000.00.

3.2 Payment.

3.2.1 Invoices. The State will promptly pay the Governmental Unit after the Governmental Unit presents an itemized invoice for the services actually performed, and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted by the end of the month following the month that the work was completed.

The State does not pay merely for the passage of time; all payments must be tied to the completion of hours actually worked.

- 3.2.2 Conditions of payment. All services delivered by the Governmental Unit under this Agreement must be performed to the State's satisfaction and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Governmental Unit will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

4. Authorized Representatives

The State's Authorized Representative is **Paul Williams**, Deputy Director of Veteran Programs, 20 West 12th, Street, St. Paul, MN, 55155, (651)201-8233 or his/her successor.

The Governmental Unit's Authorized Representative is **Alyssa Keil**, Assistant Director of Housing Choice Voucher Program, 1001 N Minneapolis, MN, 55487, (612)342-1452, or their successor.

5. Assignment, Amendments, Waiver, and Agreement Complete.

- 5.1 Assignment. The Governmental Unit may neither assign nor transfer any rights or obligations under this Agreement without the prior consent of the State and a fully executed assignment agreement, executed and approved by the authorized parties or their successors.
- 5.2 Amendments. Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the authorized parties or their successors.
- 5.3 Waiver. If the State fails to enforce any provision of this Agreement, that failure does not waive the provision or its right to enforce it.
- 5.4 Agreement Complete. This Agreement contains all negotiations and agreements between the State and the Governmental Unit. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

6. Indemnification.

- 6.1 In the performance of this Agreement, the Indemnifying Party must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or
- Breach of contract or warranty.

The Indemnifying Party is defined to include the Governmental Unit, the Governmental Unit's reseller, any third party that has a business relationship with the Governmental Unit, or Governmental Unit's agents or employees, and to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Indemnifying Party may have for the State's failure to fulfill its obligation under this Agreement.

- 6.2 Nothing within this Agreement, whether express or implied, shall be deemed to create an obligation on the part of the State to indemnify, defend, hold harmless or release the Indemnifying Party. This shall extend to all agreements related to the subject matter of this Agreement, and to all terms subsequently added, without regard to order of precedence.

7. State Audits.

Under Minn. Stat. § 16C.05, subd. 5, the Governmental Unit's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State, the State Auditor, or Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination of this Agreement.

8. Government Data Practices.

The Governmental Unit and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Governmental Unit under this Agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. Ch. 13, by either the Governmental Unit or the State.

If the Governmental Unit receives a request to release the data referred to in this clause, the Governmental Unit must immediately notify the State's Authorized Representative. Governmental Unit will consult with the State's Authorized Representative concerning the release of the data to the requesting party before the data is released except to the extent that doing so would prevent Governmental Unit from complying with Minn. Stat. Ch. 13, in which case Governmental Unit will notify State's Authorized Representative of the nature of their response and the reason consulting with the State would prevent it from complying with Ch. 13. The Governmental Unit's response to the request shall comply with applicable law.

9. Venue

Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

10. Termination

- 10.1 Termination. The State or the Governmental Unit may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.
- 10.2 Termination for Insufficient Funding. The State may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Governmental Unit. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Governmental Unit will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Governmental Unit notice of the lack of funding within a reasonable time of the State's receiving that notice.

11. E-Verify Certification (in accordance with Minn. Stat. § 16C.075).

For services valued in excess of \$50,000, the Governmental Unit certifies that as of the date of services performed on behalf of the State, Governmental Unit and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. The Governmental Unit is responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/VerifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

12. Vaccination Requirements

Abide by any infectious pathogen policies/rules/protocols that are in effect at time of services. Personal protective equipment (PPE) must be provided by the Governmental Unit and worn as required by the Minnesota Department of Health and the Centers for Disease Control and Prevention (CDC).

APPROVED:

1. State Encumbrance Verification

Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05

Print Name: _____

Signature: _____

Title: _____ Date: _____

SWIFT Contract No. _____

2. Governmental Unit

Print Name: _____

Signature: _____

Title: _____ Date: _____

3. State Agency

With delegated authority

Print Name: _____

Signature: _____

Title: _____ Date: _____

4. Commissioner of Administration

As delegated to The Office of State Procurement

Print Name: _____

Signature: _____

Title: _____ Date: _____

Admin ID: _____



March 27, 2024

REPORT TO THE COMMISSIONERS

FROM: Abdi Warsame, Executive Director / CEO

SUBJECT: Voluntary Partial Transfer of one hundred six units to Metropolitan Council's Housing & Redevelopment Authority (HRA) & Seeking Approval of Joint Powers Agreement

Previous Directives: This Joint Powers Agreement executes provisions outlined in the Regulatory and Operating agreement signed into place May 16, 2000 when these units were first developed. Having these units in the portfolio of the housing authority that operates in the jurisdiction of their location is the most efficient use of public resources to meet community need. State law requires Board approval to enter into Joint Powers Agreement across jurisdictional boundaries.

Resident Notification: This will be presented to the Resident Advisory Board (RAB) immediately prior to the Board's March 27th, 2024 meeting.

Impact on Budget: The proposed initiative will have little or no discernable impact on MPHA's 2024 Budget.

Procurement Review: Not applicable

Recommendation: It is recommended that the Board of Commissioners approve the submission of a partial voluntary transfer application to the Department of Housing and Urban Development (HUD) transferring 106 public housing units to the Metropolitan Housing & Redevelopment Authority. It also recommended that the Board authorize MPHA staff to enter into the Joint Powers Agreement to ensure effective administration of these housing opportunities.

Background

As a result of the Hollman Consent Decree, the Metropolitan Housing Opportunity Program (MHOP) was formed to redevelop 770 new units. Developing housing opportunities on sites across the metropolitan region was originally intended to deconcentrate poverty. Funding was threaded together from federal, state, and local sources to complete the construction of these mixed-income developments.

Once complete, Minneapolis Public Housing Authority held the federal contract for one hundred six units of Section 9 Low-Income-Public-Housing across sixteen properties. These units are largely located far outside MPHA's jurisdiction, and MPHA neither owns nor operates these units (as originally intended). Due to chronic federal underfunding paired with stringent reporting requirements, these units are onerous to maintain.

The decree originally contemplated that administration of these units may require transfer of these units for more effective administration. Staff have been pursuing this objective and are now prepared to enter into this Joint Powers Agreement to effectuate a Partial Voluntary Conversion to Metro HRA.



Transfer of these units to Metropolitan HRA, where we can ultimately convert all 106 units to the Section 8 Housing Choice Voucher program will stabilize operations for long-term affordable housing opportunities. Moving these units into the HCV program not only increases the per unit funding rate, but also eases administrative burden to better serve both residents and housing providers. We are currently working on HUD's requirements to move this work forward. An overview of the work that will be done in partnership with Metro HRA is as follows:

Milestones of the Partnership

- Step 1: MPHA (Divesting PHA) does a **partial voluntary transfer** of these units to Metro Council (Receiving PHA). The agencies will follow the procedures, as applicable, laid out in PIH Notice 2014-24. Once complete these units are moved to Metro Council's ACC in PIC. This must happen on the first day of a financial quarter (application due to HUD 120 days prior). (Current recommendation for Board consideration.)
- Step 2: Concurrently work on the components outlined in PIH Notice 2019-05 to complete a **Streamlined Voluntary Conversion (SVC)** plan to move the units from the Section 9 to Section 8 program once the **partial voluntary transfer** of the 106 ACC's is successfully complete.
- Step 3: MPHA and Metro Council enter into a **Joint Powers Agreement (JPA)** for these units to allow MPHA to continue to operate them as public housing until the approved Streamlined Voluntary Conversion (SVC) is complete and the units are removed from the public housing program. (Current recommendation for Board consideration.)
- Step 4: After Metro Council receives HUD's approval of the SCV application from the Special Allocations Center (SAC), Metro Council applies for and **receives the Tenant Protection Vouchers (TPV)**.
- Step 5: Under the JPA, the two agencies work with the families to achieve the housing of their choice with tenant-based assistance.

*MPHA acknowledges that a number of these steps will run concurrently as the intention is to align the work to a manageable timeline while ensuring the desired goals are thoughtfully met.

This Report was prepared by Rachel Almburg, Assistant Director of Policy & Strategic Initiatives. For further information, please contact Ms. Almburg at (612) 342-1404 or ralsburg@mpslpha.org.

Attachment: Joint Powers Agreement



March 27, 2024

RESOLUTION NO. 2024-240

**RESOLUTION AUTHORIZING THE SUBMISSION OF A VOLUNTARY PARTIAL TRANSFER
APPLICATION TO HUD; AND RESOLUTION AUTHORIZING ENTERING INTO A JOINT
POWERS AGREEMENT**

WHEREAS, the operation of the MHOP Units under the federal public housing program is financially and administratively challenging for the MPHA and the owners of the developments within which these MHOP Units are located; and

WHEREAS, in consultation with HUD the Parties determined these 106 MHOP Units can be administered more efficiently and still be maintained as affordable housing in their respective communities if the MHOP Units are converted from public housing program units to Section 8 Housing Choice Voucher (“HCV”) or Project-Based Voucher (“PBV”) assistance; and

WHEREAS, the Minneapolis Public Housing Authority in and for the City of Minneapolis (MPHA) has entered into a Joint Powers Agreement to effectuate the transfer and conversion of these units that are outside of our jurisdiction to the HRA that operates there; and

WHEREAS, this proposed conversion will require the MPHA to transfer the public housing program MHOP Units to the Counsel under the process prescribed in HUD Notice PIH 2014-24 (HA) (or subsequent guidance); and

WHEREAS, MPHA needs the authorization of the Board to submit the voluntary partial transfer application to HUD; and

WHEREAS, MPHA needs the authorization of the Board to enter into the Joint Powers Agreement to complete the conversion plan.

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of MPHA that the Executive Director, or their designee, is authorized to:

- 1) Execute the attached Joint Powers Agreement to partner on the administration these MHOP units; and
- 2) Create and submit a partial voluntary transfer application to HUD for 106 public housing units; and
- 3) Carry out any other actions necessary to complete the foregoing objectives.

Council Contract No.
MPHA No.
Plymouth HRA No.

JOINT EXERCISE OF POWERS AGREEMENT
GOVERNING THE TRANSFER AND CONVERSION OF
METROPOLITAN HOUSING OPPORTUNITY PROGRAM UNITS

THIS AGREEMENT (“Agreement”) is between the Minneapolis Public Housing Authority in and for the City of Minneapolis (“MPHA”), the Metropolitan Council (“Council” or “Metro HRA”), and the Plymouth Housing and Redevelopment Authority (“Plymouth HRA”). The MPHA, the Council, and the Plymouth HRA are collectively the “Parties” and individually a “Party” to this Agreement.

WHEREAS, under the *Hollman* consent decree (D. Minn. Apr. 20, 1995 (Civ. No. 4-92-712)) (as amended) the U.S. Department of Housing and Urban Development (“HUD”) provided capital funding to the MPHA for the development of 770 replacement public housing units located outside of minority- and poverty-concentrated areas in Minneapolis and the metropolitan area; and

WHEREAS, under its Metropolitan Housing Opportunity Program (“MHOP”) the MPHA entered into Regulatory and Operating Agreements and other agreements with owners of mixed-finance developments and provided capital funding to pay a portion of the owners’ development costs and operating assistance to help operate and maintain the low-income character of the public housing program units (“MHOP Units”) in the developments; and

WHEREAS, seventy-nine MHOP Units are located in the Council’s Section 8 area of operation (*i.e.*, its “jurisdiction” under 24 C.F.R. § 982.4(b)), eight MHOP Units are located in Minneapolis, and nineteen MHOP Units are located in the City of Plymouth; and

WHEREAS, operation of the MHOP Units under the federal public housing program is financially and administratively challenging for the MPHA and the owners of the developments within which these MHOP Units are located; and

WHEREAS, in consultation with HUD the Parties determined these 106 MHOP Units can be administered more efficiently and still be maintained as affordable housing in their respective communities if the MHOP Units are converted from public housing program units to Section 8 Housing Choice Voucher (“HCV”) or Project-Based Voucher (“PBV”) assistance; and

WHEREAS, the 3rd Amendment of the *Hollman* consent decree, dated May 14, 1998, provides that at a date the later of (1) the Court’s termination of jurisdiction over the decree or (2) ten years after the MHOP Units are put into service, the MHOP Units will no longer be regulated by the Decree, and

WHEREAS, the time period under which the MHOP Units were regulated by the Decree has now passed; and

WHEREAS, this proposed conversion will require the MPHA to transfer the public housing program MHOP Units to the Council under the process prescribed in HUD Notice PIH 2014-24 (HA) (or subsequent guidance) after which transfer the Council will convert the public housing program MHOP Units to Section 8 HCV or PBV assistance under the Streamlined Voluntary Conversion (“SVC”) process prescribed in HUD Notice PIH 2019-05 (HA) (or subsequent guidance); and

WHEREAS, the Parties anticipate that the transfer and conversion of these MHOP Units will occur concurrently, or that the conversion will occur very soon after the transfer; and

WHEREAS, the MPHA has engaged the services of a consultant (“Consultant”) to implement this transfer and conversion, including the development of a Conversion Plan for the MHOP Units and an SVC application; and

WHEREAS, through its Metro HRA unit the Council administers Section 8 HCV and PBV assistance for households in Anoka, Carver, and most of suburban Hennepin and Ramsey counties; and

WHEREAS, the MPHA and the Plymouth HRA administer their own Section 8 HCV and PBV programs within their respective jurisdictions; and

WHEREAS, as part of the SVC process, the Council will apply to HUD for 106 Tenant Protection Vouchers (“TPVs”); and

WHEREAS, upon receipt of the TPVs the Metro HRA will transfer participant files through portability to Minneapolis and Plymouth for the residents that remain in those MHOP Units and the other TPVs will be converted to PBVs for the MHOP Units in Metro HRA’s service area; and

WHEREAS, implementation of this proposed transfer and conversion plan may require the Council to administer the public housing program MHOP Units located in Minneapolis and Plymouth until the MHOP Units are converted to Section 8 HCV or PBV assistance; and

WHEREAS, the Council, the MPHA, and the Plymouth HRA are “governmental units” under Minnesota Statutes section 471.59, subdivision 1, and are authorized under section 471.59, subdivisions 1 and 10, to enter into a joint powers agreement under which they can perform on behalf of the others services or functions they are authorized to provide for themselves; and

WHEREAS, this Agreement will permit the Council to temporarily hold the Annual Contributions Contract (ACC) for the public housing program MHOP Units located in Minneapolis and Plymouth; and

WHEREAS, the Board of Commissioners of the Minneapolis Public Housing Authority approved this Agreement by action at its [REDACTED], 2024, meeting (Resolution No. [REDACTED]-[REDACTED]), the governing body of the Metropolitan Council approved this Agreement by action at its January 10, 2024, meeting (Business Item No. 2023-309), and the Board of Commissioners of the Plymouth Housing and Redevelopment Authority approved this Agreement at its [REDACTED], 2024 meeting (Agenda Item ____).

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

I. PURPOSE AND FRAMEWORK

1.01 Purpose. The purposes of this Agreement are to: (1) implement a transfer of 106 public housing program MHOP Units to the Council and the conversion of those public housing MHOP Units to Section 8 HCV or PBV assistance; (2) establish terms and conditions under which the MPHA will continue to manage the MHOP Units as public housing units until the transfer and conversion processes are successfully accomplished; and (3) establish a framework for accomplishing this transfer and conversion in a manner that is least disruptive to the households and individuals currently living in the MHOP Units and consistent with statutory and regulatory requirements and HUD guidance.

1.02 Framework. The framework for transferring and converting the 106 MHOP Units envisioned by the Parties comprises five components: (1) all 106 MHOP Units will be voluntary transferred to the Metro HRA as public housing program units; (2) the MPHA will continue to operate all 106 MHOP Units while the MHOP Units are public housing program units; (3) concurrently with this transfer, the Metro HRA will submit a Voluntary Conversion Plan to HUD to convert all 106 MHOP Units to Section 8 HCVs or PBVs; (4) the Metro HRA will transfer the eight MHOP Units located in Minneapolis to the MPHA and transfer the nineteen MHOP Units located in Plymouth to the Plymouth HRA, both of which transfers will be accomplished through portability; and (5) the Metro HRA will convert the seventy-nine MHOP Units in its jurisdiction to Section 8 PBV units.

II. DEFINITIONS

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

- (a) “*Administrative Plan*” means the written administrative plan required under federal regulations (24 C.F.R. § 982.54) that establishes a PHA’s policies for the administration of its Section 8 HCV and PBV programs. The Administrative Plan may be amended from time to time.
- (b) “*Affordability Period*” means the period specified in a Housing Assistance Payments (“HAP”) contract when an MHOP Unit in a development must be made available for occupancy by households or individuals receiving Section 8 HCV or PBV assistance. The Affordability Period is intended to help: (1) ensure the long-term affordability of the MHOP Units which were financed with capital grant funding under the *Hollman* consent decree; (2) retain affordable units located outside of minority- and poverty-concentrated areas; and (3) make affordable units available in higher-rent areas of the metropolitan area. The Affordability Period will extend at least through 2035 which is consistent with the time period specified in HUD’s Declarations of Trust/Restrictive Covenants.
- (c) “*Conversion Plan*” means a voluntary conversion plan that meets the applicable requirements of 24 C.F.R. sections 972.227 to 972.233 and HUD Notice PIH 2019-05 (HA).

- (d) “*Effective Date*” means the date this Agreement has been fully executed by the Parties’ authorized signatories.
- (e) “*MHOP Households*” means the households and individuals living in the 106 MHOP Units as of the Effective Date who are issued Tenant Protection Vouchers in connection with the transfer and conversion of the MHOP Units. The term “MHOP Households” does not include households and individuals living in MHOP Units as of the Effective Date who do not qualify for Section 8 HCV, PBV, or TPV assistance.
- (f) “*MHOP Units*” means the 106 public housing program MHOP Units that are the subject of this Agreement. The MHOP Units are located in mixed-finance developments. The MHOP Units are not owned by the MPHA but, under the terms of HUD-required Declarations of Trust/Restrictive Covenants recorded against the properties, the MHOP Units currently must be made available to households and individuals who are eligible for public housing program assistance. A list of the 106 MHOP Units is attached to this Agreement.
- (g) “*Portability*” means the statutory and regulatory provisions (24 C.F.R. § 982.355) under which a person or family moves to an area outside the “initial” PHA jurisdiction and whose Section 8 HCV assistance is administered by the “receiving” PHA if a PHA with a Section 8 HCV program has jurisdiction in the area where the unit is located.
- (h) “*Tenant Protection Vouchers*” or “*TPVs*” mean replacement Tenant Protection Vouchers issued to eligible MHOP Households pursuant to applicable federal statutory and regulatory requirements and HUD PIH notices.

III. TERM, EXPIRATION, AND TERMINATION

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

3.02 Expiration. Unless this Agreement is terminated earlier under Section 3.03, this Agreement will expire when the transfer and conversion process is complete.

3.03 Termination. This Agreement may be terminated or rescinded: (1) by a Party for any reason upon 90 days’ written notice to the other Parties; or (2) by mutual written agreement of the Parties. This Agreement automatically terminates if: (1) HUD does not approve the transfer of the MHOP Units; or (2) HUD does not approve the Conversion Plan; or (3) HUD does not provide Tenant Protection Vouchers sufficient to cover all eligible MHOP Households. If HUD approves the transfer but does not approve the Conversion Plan, the Parties will cooperatively work with HUD to expeditiously transfer the MHOP Units back to the MPHA.

IV. EXERCISE OF POWERS

4.01 Implementation. The Parties intend to implement this MHOP Unit transfer and conversion in a manner that is least disruptive to the households and individuals living in the MHOP Units as of the Effective Date, and consistent with HUD Notice PIH 2014-24 (HA), HUD Notice PIH 2019-05 (HA), and applicable statutory and regulatory requirements.

(a) ***Council and Plymouth HRA Responsibilities.*** To accomplish this transfer and conversion the Council and the Plymouth HRA will:

- (1) provide assistance and information to the MPHA and its Consultant in conjunction with the Consultant's development of the Conversion Plan and SVC application;
- (2) assist the MPHA in both developing a plan for informing and informing the MHOP Unit households and individuals, and their landlords, about the transition to Section 8 HCV or PBV assistance and the households' or individuals' right (if any) to remain in the MHOP Units;
- (3) inspect the MHOP Units in accordance with HUD housing inspection standards for the units located in their respective jurisdictions;
- (4) enter into HAP contracts with the owners or property managers of the MHOP Units for the units located in their respective jurisdictions;
- (5) administer Section 8 HCV or PBV assistance for MHOP Households in MHOP Units located in their respective jurisdictions in accordance with their Administrative Plans; and
- (6) if required by HUD, execute and record new Declarations of Trust/Restrictive Covenants against the MHOP Units as required by the ACC and Notice PIH 2011-61 and subsequent guidance. [Source: Notice PIH 2014-24, sec. 8.h., p. 10]

In addition to items (1) through (6), the Council will process MHOP Household applications for Section 8 HCV or PBV assistance, determine MHOP Household eligibility for Section 8 HCV or PBV assistance for the MHOP Units the household occupied as of the Effective Date, and issue HCVs or PBVs to eligible families and individuals.

(b) ***MPHA Responsibilities.*** To accomplish this transfer and conversion the MPHA will:

- (1) fulfill the resident notification requirements specified in Section 8.q. of HUD Notice PIH 2014-24 (HA);
- (2) provide any required comparable housing and relocation assistance for all MHOP households and individuals who are "over-income families" or otherwise not eligible for replacement TPVs;
- (3) be responsible for complying with or cooperating with HUD regarding any environmental clearance requirements; and
- (4) administer Section 8 HCV or PBV assistance for MHOP Households in MHOP Units located in its jurisdictions in accordance with applicable regulations and policies.

4.02 Collaborative Efforts. On an as-needed basis, or as requested by a Party, the Parties will confer with each other on the status and implementation of the transfer and conversion.

4.03 No Disbursement of Funds. The MPHA, the Council, and the Plymouth HRA will be responsible for their own costs and expenses relating to the implementation of this conversion and transfer and will not be responsible for the other Parties' costs and expenses., and none of the Parties will disburse any fees or other funds to the other Parties under this Agreement except that the MPHA will be responsible for:

- (a) all costs of its Consultant including the Consultant's work in developing an impact analysis, a Conversion Plan for the MHOP Units, and an SVC application;
- (b) the costs of providing any required comparable housing and/or relocation assistance for all households and individuals who are "over-income families" or otherwise are not eligible for replacement TPVs;
- (c) for all MHOP Households who may choose to move from their MHOP Units after conversion and all households and individuals who are "over-income families" or otherwise not eligible for replacement TPVs, the costs of the following activities, to the extent those activities are required: (1) providing information on counseling services; (2) direct relocation assistance; (3) providing relocation notices; and (4) relocation expenses;
- (d) the costs of any required environmental review associated with the transfer and conversion of the MHOP Units if those costs are paid by a PHA; and
- (e) the costs of preparing, executing, and recording: (1) any new Declarations of Trust/Restrictive Covenants that may be necessary; or (2) releases from existing Declarations of Trust/Restrictive Covenants that may be necessary.

V. Management of MHOP Public Housing Units

5.01 Pre-Conversion Management of MHOP Units. When the MHOP units are transferred to the Council the MPHA will remain responsible for managing all MHOP Units until HUD approves the Conversion Plan (either in writing or by automatic approval under 24 C.F.R. § 972.236 HUD Notice PIH 2019-05 (HA)) and the MHOP Units are converted to Section 8 HCV or PBV assistance.

5.02 Operating Subsidy, Capital Funding, and Reserves. Until HUD approves the Conversion Plan and the MHOP Units are converted to Section 8 HCV or PBV assistance, the MPHA will be entitled to receive all public housing program operating subsidy and capital funding for the units. When the MHOP Units are transferred to the Council the MPHA will transfer to the Council the total budget authority on hand, restricted and unrestricted fund balances, grant balances, and accumulated reserves related to the MHOP Units. [*Source: Notice PIH 2014-24, sec. 8.a., p. 8*]

5.03 Post-Conversion of MHOP Units. Until the Affordability Period expires, the converted MHOP Units will be made available to households and individuals who are eligible for Section 8 HCV, TPV or PBV assistance.

VI. REPRESENTATIONS AND WARRANTIES

6.01 Representations and Warranties. Except for Declarations of Trust/Restrictive Covenants recorded against the MHOP Units in connection with the capital funding HUD provided under the *Hollman* consent decree, the MPHA represents and warrants that the MHOP Units are not the subject of any: court orders, consent decrees, unsatisfied judgments, or any known potential or pending legal actions; or unresolved letter of findings under any fair housing or civil rights authority or a currently effective Voluntary Compliance Agreement (“VCA”) or Inspector General audit. [Source: Notice PIH 2014-24, sec. 5.b.(3), p. 5]

VII. LIABILITIES

7.01 Liability. Under Minnesota Statutes, section 471.59, subdivision 1a, each Party will be responsible for its own acts and omissions and the results of those acts or omissions. None of the Parties waives any tort liability limitations conferred on it by Minnesota Statutes sections 466.04, or 471.59, subdivision 1a, or any other liability limitations or immunities conferred on it by state or federal law.

7.02 Indemnification. To the extent permitted by law, the MPHA will hold harmless, defend, and indemnify the Council and the Plymouth HRA for: (1) any performance deficiencies and HUD liabilities related to the MHOP Units sustained by the MPHA prior to the transfer of the MHOP Units while the MHOP Units are still under the MPHA’s own ACC; and (2) liabilities relating to the MHOP Units arising under pending litigation associated with the U.S. Housing Act of 1937, requirements of the Fair Housing Act, Title VI of the Civil Rights Act, or Section 504 of the Rehabilitation Act of 1973. The Council and the Plymouth HRA will hold harmless, defend, and indemnify the MPHA for any liabilities or claims arising out of the administration of Section 8 HCV, TPV, or PBV assistance for the MHOP Units after the transfer of the units from the MPHA’s ACC. [Source: Notice PIH 2014-24, sec. 5.e. and f., pp. 5 & 6]

VIII. GENERAL PROVISIONS

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

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

For the Metropolitan Council:

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

For the Minneapolis Public Housing Authority:

Dominic Mitchell, Deputy Executive Director
1001 Washington Avenue North
Minneapolis, Minnesota 55401
dmitchell@mplspha.org

For the Plymouth Housing and
Redevelopment Authority:

Grant Fernelius, Executive Director
Plymouth City Hall
3400 Plymouth Boulevard
Plymouth, Minnesota 55447
gfernlius@plymouthmn.gov

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

8.03 Government Data. Data on household members and individuals living in the MHOP Units, including their home addresses, are classified as private data on individuals under Minnesota Statutes section 13.462, subdivisions 1 and 3. Data on household members and individuals that may be shared by the Parties under this Agreement will be administered consistent with Minnesota Statutes chapter 13, and other applicable state and federal laws and regulations.

8.04 Survival of Obligations. The representations, warranties, and indemnification obligations in this Agreement shall survive the expiration or termination of this Agreement. The Parties' obligation to preserve the affordability of the MHOP Units and make the units available as HCV or PBV units at least through 2035 also shall survive the expiration or termination of this Agreement.

8.05 Application of Federal Law, Regulations, and HUD Notices. Nothing in this Agreement is intended to abrogate or conflict with applicable federal law, regulations, or HUD notices as applicable relating to or governing the transfer and conversion of the MHOP Units, including, in particular, HUD Notice PIH 2014-24 (HA) (Sept. 23, 2014) (*Process for Public Housing Agency Voluntary Transfers and Consolidations of the Public Housing Program*) and HUD Notice PIH 2019-05 (HA) (Mar. 21, 2019) (*Streamlined Voluntary Conversions of Last Remaining Projects of Small Public Housing Agencies*). The Parties acknowledge that these PIH notices contain certain terms and conditions, and prescribe obligations of "divesting PHAs" and "receiving PHAs," that are not specifically referenced in this Agreement.

8.06 Execution in Counterpart; Electronic Signatures. This Agreement may be executed in counterpart. Electronic signatures of the Parties' duly authorized signatories, by facsimile or email/Portable Document Format (PDF) transmission, shall be valid as an original signature of the authorized signatories and shall be effective to bind the Parties under this Agreement.

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

**MINNEAPOLIS PUBLIC
HOUSING AUTHORITY in and for
the City of Minneapolis**

By: _____
Abdulkadir Yassin Warsame
Executive Director/CEO

Date: _____

METROPOLITAN COUNCIL

By: _____
LisaBeth Barajas
Executive Division Director
Community Development

Date: _____

**PLYMOUTH HOUSING AND
REDEVELOPMENT AUTHORITY**

By: _____
Grant Fernelius
Executive Director

Date: _____

ATTACHMENT

JOINT EXERCISE OF POWERS AGREEMENT GOVERNING THE TRANSFER AND CONVERSION OF METROPOLITAN HOUSING OPPORTUNITY PROGRAM UNITS

The 106 MHOP Units are identified on the following page.

Minnesota Government Data Practices Act Notice

Under Minnesota Statutes section 13.462, subdivision 3, street addresses (and unit numbers) of the MHOP Units listed in this Attachment are private “benefit data” on the families and individuals living in the MHOP Units because the street addresses (and unit numbers) uniquely identify tenant families. Private data on individuals cannot be disclosed to unauthorized third persons or the general public.



March 27, 2024

Resolution No. 2024 – 241

RESOLUTION IN RECOGNITION OF MERITORIOUS SERVICE

BY
SUSAN NORBY

WHEREAS, Susan Norby has served the Minneapolis Public Housing Authority in and for the City for over thirty years of outstanding service, from April 26, 1993, until her retirement on April 12, 2024; and

WHEREAS, because of continued diligent work and demonstrated ability, has advanced to positions of increasing responsibility including the following:

- Susan was hired on April 26, 1993, as Confidential Secretary in the Human Resources Department.
- On July 1, 1996, she was reclassified to the position of Confidential Administrative Specialist in the Human Resources Department.
- On December 21, 2000, she was reassigned to the position of Interim Director of Human Resources.
- For her excellent work and commitment to the agency on August 12, 2001, she was appointed as Manager of MPHA Human Resources.

WHEREAS, in recognition of her excellent skills, professionalism, and commitment Susan served the agency as a member of many crucial committees including the Job Evaluation Committee, the Travels Labor Management Committee, the Labor Agreement Negotiating Team, the Job Posting Review Committee, the Safety/Risk Management Committee, the Pension Committee and the Wellness Committee.

And WHEREAS Susan identified herself with the Mission and Vision of MPHA throughout her tenure with the agency.

NOW THEREFORE BE IT RESOLVED that we, the Board of Commissioners of the Minneapolis Public Housing Authority in and for the City, on behalf of the board and staff, do recognize and acknowledge with deep appreciation, and respect the services provided by Susan Norby, thank her for her years with the Agency, and wish her a happy retirement.



MEMORANDUM TO: MPHA Board of Commissioners

FROM: Abdi Warsame, Executive Director/CEO

SUBJECT: Executive Director's Report, March Board Meeting

Late last month, MPHA welcomed Congresswoman Ilhan Omar to Hamilton Manor, a 220-unit senior-designated high-rise for a resident town hall. Led by the Minneapolis Highrise Representative Council (MHRC), residents shared their stories about needing more federal funding to improve MPHA buildings, public safety, and access to mental health resources. Residents were appreciative of the Congresswoman spending time with them and thanked her for her support of additional funding for MPHA in recent years. Staff and I continue to have a strong working relationship with the Congresswoman and her staff, and we were appreciative of her time and work on behalf of MPHA residents in Congress.

Work at the state capital also continued this last month. Legislation amending Minnesota Housing's Publicly Owned Housing Program (POHP) General Obligation bonds advanced through numerous house and senate committees (HF 4271/SF 4254). This is a major priority of MPHA and the Minnesota chapter of the National Association of Housing and Redevelopment Officials (NAHRO). This bill seeks to ensure HUD-repositioned entities like MPHA's wholly owned and controlled nonprofit, Community Housing Resources (CHR), are eligible to receive state bonding dollars to make critical repairs. Agency staff continues to work closely on this effort in hopes of final passage before this year's session concludes.

Additionally, legislation was introduced in both chambers to send MPHA a one-time cash grant of \$35 million to repair the agency's portfolio of more than 700 deeply affordable family homes (CHR). This new legislation (HF 4169/SF 4020) is a continuation of the effort that began last legislative session, where the agency sought \$45 million in one-time funding. The agency is returning to the state legislature with an updated request that reflects the more than \$10 million recently invested in the portfolio, hoping to secure the remainder of the funding necessary for MPHA to overcome decades of underfunding from HUD and set the portfolio up to become self-sufficient for decades.

Finally, we have also begun meeting with members of the Minneapolis City Council, providing council members an overview of MPHA programs, a snapshot of 2023 achievements, and providing a look-ahead to the agency's key work and priorities in 2024. The presentation we are sharing with council members is included in board members' packets as a receive and file.



2024 Agency Overview

Prepared for Minneapolis City Council (2024)

Overview

Strategic Plan

MPHA Housing Programs

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

2023 Agency Accomplishments

Deployment Snapshot for Recent Grants

Funding Request from Legislature

- Overview of CHR Portfolio Success
- Projected Impact of Proposed State Investment

2024 Agency Activities

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.”

26,000+
people served by
MPHA every day



5,000+
public housing units

6,500+
public housing residents



700+
deeply affordable
family homes

3,100+
deeply affordable family
housing residents



7,200
Housing Choice
Vouchers administered

18,500+
residents benefiting from
MPHA vouchers

Strategic Plan

- Six Goals

- Provide and preserve deeply affordable, high-quality housing for high-rise residents.
- Build new and expand partnerships with federal, state, and local governments, in addition to philanthropic entities to support MPHA residents and those on the agency's waitlist.
- Provide and preserve deeply affordable, high-quality family housing.
- Increase supply of deeply affordable housing by at least 150 units per year.
- Position MPHA as an employer of choice.
- Continuously improve agency performance to retain MTW status and highest HUD performance rating.

- Four Priorities

- People
- Preservation
- Production
- Partnerships



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.
- In 2022, 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.
- MPHA maintains a waitlist for this type of housing, recently as many as 7,500 people.
- 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 remains the long-term owner and property manager, and residents' rent portion stayed the same.
- In 2023, MPHA celebrated the grand opening of 84 new 2- and 3-bedroom deeply affordable family units.

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 >1,000 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.
- Since 2019, MPHA project-based vouchers (PBVs) have accounted for more than half of all deeply affordable housing built in Minneapolis.
 - 142 PBVs awarded in 2023.
 - 169 PBVs were brought online in 2023.

*LIPH, Glendale, Elliot Twins

**Includes Elliot Twins and CHR

MPHA Program Demographics

Low-Income Public Housing*			
Race		Age	
American Indian/Alaska Native	1.4%	0-17	15.3%
Asian	3.8%	18-29	5.9%
Black/African-American	80.0%	30-49	10.6%
White	13.9%	50-61	11.8%
		62+	56.5%
HOH Gender		HH Size	
Male HOH	50.1%	1	64.7%
Female HOH	49.9%	2	11.6%
HH Incomes		3	5.2%
Average	\$15,538	4	5.2%
Median	\$12,180	5	4.4%
w/ Earned Income	18%	6	2.9%
		7+	6.1%
HOH Disabled	56%		

Deeply Affordable Family Housing			
Race		Age	
American Indian/Alaska Native	1.7%	0-17	54.1%
Asian	5.2%	18-29	18.5%
Black/African-American	87.6%	30-49	18.0%
White	4.4%	50-61	6.5%
		62+	3.0%
HOH Gender		HH Size	
Male HOH	13.6%	1	0.4%
Female HOH	86.4%	2	6.4%
HH Incomes		3	12.4%
Average	\$37,321	4	16.5%
Median	\$36,525	5	14.9%
w/ Earned Income	70%	6	13.8%
		7+	35.6%
HOH Disabled	17%		

Housing Choice Voucher**			
Race		Age	
American Indian/Alaska Native	2.7%	0-17	48.7%
Asian	0.7%	18-29	12.5%
Black/African-American	85.0%	30-49	21.4%
White	6.3%	50-61	9.0%
		62+	8.3%
HOH Gender		HH Size	
Male HOH	21.0%	1	14.7%
Female HOH	79.0%	2	12.8%
HH Incomes		3	14.7%
Average	\$20,814	4	14.6%
Median	\$21,456	5	13.2%
w/ Earned Income	40%	6	10.3%
		7+	19.7%
HOH Disabled	39%		

*LIPH, Glendale, Elliot Twins

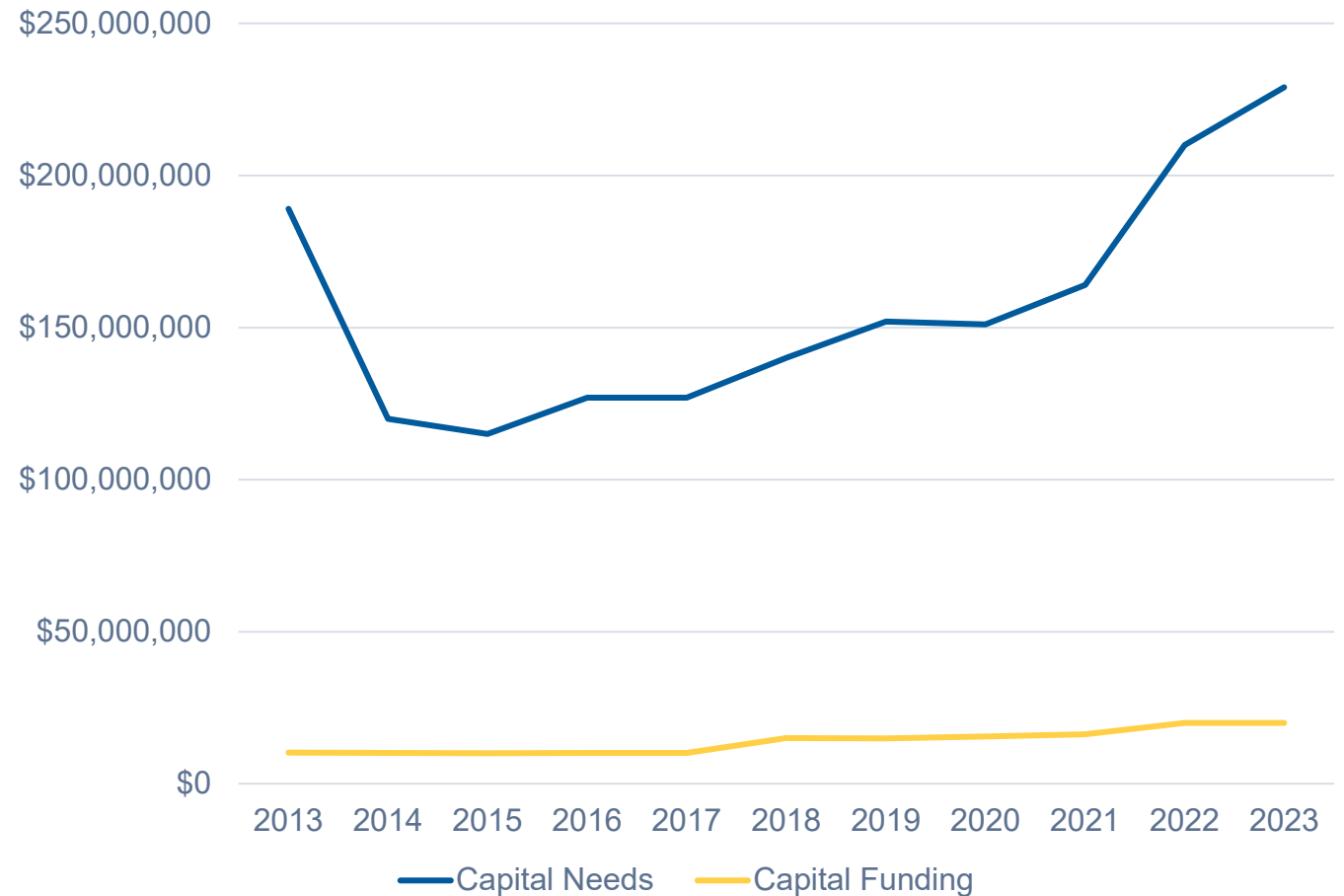
**Does NOT include Elliot Twins and CHR, which use MPHA Housing Choice Vouchers

Minneapolis Public Housing Authority

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 more than 70 years old.
- MPHA projects its current unmet needs for these properties at approximately \$229M. Left unaddressed, this number is likely to surpass \$380M over the next 20 years.
- Historically, HUD has only provided funding for 10% or less of the actual need.

Recent Capital Needs vs Capital Funding



2023 Agency Accomplishments

- \$5M Capital Grant from Legislature to Repair MPHA's Deeply Affordable Family Homes
- Scored a 98.5% Physical Inspection in HUD's Annual Public Housing Assessment System (An Agency All-Time High)
- \$4M in New Funding from City of Minneapolis and Hennepin County to Expand Stable Homes Stable Schools
- \$1.3M from MN Housing's SHORP to Repair MPHA's Deeply Affordable Family Homes
- \$5M/Year Through the City Of Minneapolis' Housing Levy to Support the Agency's Preservation and Production Activities
- Celebrated Grand Opening of 84 New 2- & 3-Bedroom Deeply Affordable Family Homes
- Helped ~450 MPHA Families Receive >\$800k in Rent Relief Through Hennepin County's Emergency Assistance Funds



Addressing Challenge Through Partnership

- In 2023, MPHA secured more than \$11M in one-time and ongoing state and local assistance to support the agency's preservation and production activities.
- This supplements the \$20M in capital funds the agency received from HUD in 2023.
- Additionally, the agency leveraged various financial tools to accomplish its preservation and production work.
- Despite these expanding partnerships and use of tools, the capital backlog greatly exceeds MPHA's capital funding.
- The single largest threat to MPHA is its capital backlog that continues to grow.



Sprinkler funding now secured for all public housing high-rises in Minneapolis

Minneapolis City Councilmember Robin Wonsley announced an additional \$1.2 million will fund the last four buildings.



Mayor Frey announces funding boost for Minneapolis public housing

City and housing officials say the additional \$4 million in funding would help the cash-strapped Minneapolis Public Housing Authority to complete much-needed repairs and plan ahead.

Deployment Snapshot

- \$3.7M from Minneapolis for CHR Repairs
 - Work scoped and bidding beginning. Work includes:
 - \$1.4M to bring four South Minneapolis family homes online, including a 2-, 3-, 4-, and 5-bedroom home.
 - \$1.285M in exterior enveloping (roof, windows, siding, etc.) at 19 homes across the city.
 - \$965k for construction, professional, permitting, and various construction-related administrative costs.
 - ~50k to support redevelopment of SFH in Windom neighborhood to triplex, TBD on 2040 lawsuit
- \$5M from MN Legislature for CHR Repairs
 - Working closely with MN Housing to develop work plan, cost estimates, and grant contract agreement.
 - Tentatively, funds will be directed almost exclusively to exterior enveloping.
- \$1.3M from MN Housing for CHR Repairs
 - As with legislative grant, working with MN Housing to develop work plan and grant contract agreement.
 - Tentatively, funds will be used on “deep turns.” Work includes interior renovations (kitchen, bath, etc) and electrical, plumbing, and mechanical repairs.
- \$5M Annual Minneapolis Housing Levy
 - In 2024, MPHA is planning:
 - \$2.5M on a major high-rise RAD rehab.
 - \$1.25M to create five new deeply affordable family units across two lots where offline SFHs currently reside.
 - \$1.25M on high-rise elevator modernization projects.

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	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	Complete	Dec '22-Sept '23
600 18 th Ave N	239	\$2,450,000	MPHA Capital/City/State	Complete	Nov '22-Oct '23
1314 44 th Ave N	220	\$10,000,000 (Comp Rehab)	MPHA Capital	Complete	Apr '22-May '23
Hiawatha Towers	281	\$2,100,000	MPHA Capital	Complete	Dec '22-Oct '23
314 Hennepin Ave	299	\$2,425,000	MPHA Capital/City	Complete	Dec '22-Oct '23
2415 N 3rd St	62	\$505,000	MPHA Capital/EDI Grant	Under Construction	Nov '23-Feb '24
1710 Plymouth Ave N	84	\$740,000	MPHA Capital/EDI Grant	Under Construction	Jan '24-Apr '24
3116 Oliver Ave N	31	\$370,000	MPHA Capital/EDI Grant	Substantially Complete	Oct '23-Jan '24
710 2nd St NE	35	\$370,000	MPHA Capital/EDI Grant	Contract Awarded	Apr '24-Jul '24
616 Washington St NE	35	\$395,000	MPHA Capital/EDI Grant	Contract Awarded	Apr '24-Jul '24
809 Spring St NE	32	\$375,000	MPHA Capital/City	Complete	Oct '23-Dec '23
1900 3rd St NE	32	\$410,000	MPHA Capital/City	Substantially Complete	Dec '23-Feb '24
3205 E 37th St	28	\$355,000	MPHA Capital/City	Substantially Complete	Dec '23-Feb '24
3755 Snelling Ave S	28	\$355,000	MPHA Capital/City	Complete	Oct '23-Dec '23

*As of January 31, 2023

Minneapolis Public Housing Authority

Overview of CHR

- MPHA owns and operates nearly 700 scattered site family housing units, serving more than 3,100 residents.
- These homes are a proven tool to provide families a 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, 70% of these residents are employed, earning an average of \$37,321 a year, with more than 60% of these residents' earned income increasing while in CHR homes.
- Better yet, since 2020, nearly 16% of all families leaving CHR homes have gone on to purchase their own homes.

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.

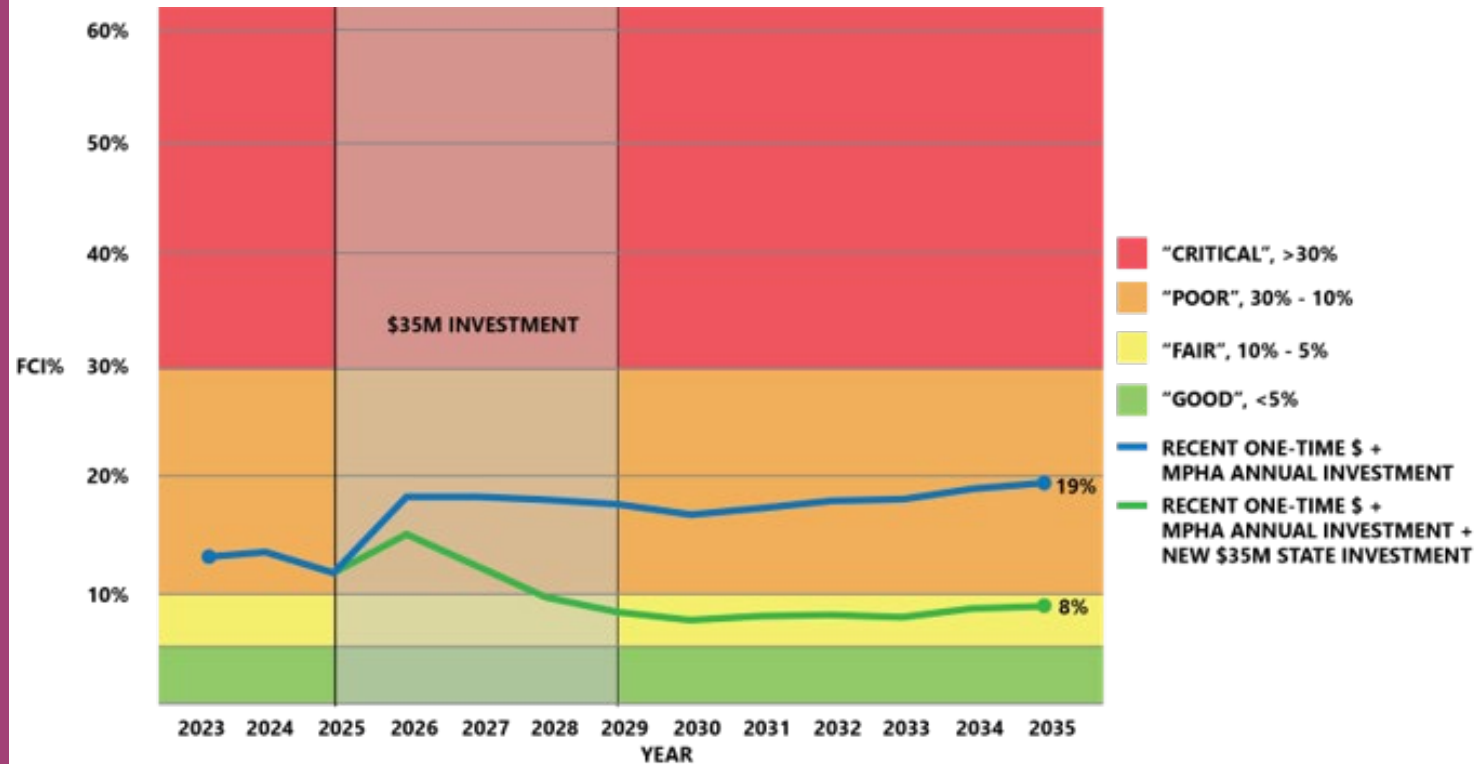
CHR Resident Demographics

Race		HH Size		Age	
American Indian/Alaska Native	1.7%	1	0.4%	0-17	54.1%
Asian	5.2%	2	6.4%	18-29	18.5%
Black/African-American	87.6%	3	12.4%	30-49	18.0%
White	4.4%	4	16.5%	50-61	6.5%
Head of Household Gender		5	14.9%	62+	3.0%
Male HOH	13.6%	6	13.8%		
Female HOH	86.4%	7+	35.6%		

2024 State Investment

- The agency is requesting a one-time \$35M cash investment from the State in the 2024 legislative session.
 - \$33M of the agency's \$229M capital backlog lives with CHR homes.
- \$35M would be deployed over four years to address the backlog of capital need and stabilize CHR properties.
- This ask is similar to the \$45M request last year, updated to accommodate all the new grant funding secured in 2023.
- While much progress has been made recently, MPHA continues to need a large outside capital investment to stabilize this portfolio and preserve these 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%, \$35M State Investment Over 10YRS (2024-2034)



2024 Agency Activities

- Agency currently seeking a \$35M investment from state legislature.
- Agency is beginning to work with residents on next major high-rise redevelopment project, located in Northeast.
 - Same model as \$27M renovation of Elliot Twins.
 - \$2.5M of agency's 2024 levy will be allocated to this redevelopment project.
 - Anticipate more information late spring/early summer.
- Agency is nearing completion of fire suppression installations in all 42 high-rises.
 - Anticipated to be completed this summer, ahead of the agency's 5-year goal. More information to come.
- Continuing to explore partnership opportunities with Hennepin County.
 - Currently in Housing Stabilization Services (HSS) Medicaid billing pilot with Volunteers of America (VOA) to supplement county social services funding.
 - Continuing conversations on how MPHA can be prioritized in any Local Affordable Housing Aid spending programs (new metro housing sales tax).
- Continue discussions about right-sizing annual housing levy resources against agency needs, deployment capacity, and city priorities.





Questions





MEMORANDUM TO: MPHA Board of Commissioners

FROM: Abdi Warsame, Executive Director/CEO

DATE: March 27, 2024

SUBJECT: FY 2023 Unaudited Financial Results

The attached slide deck provides the unaudited financial results for 2023 and will be presented to the Board of Commissioners at the April 24, 2024 meeting. The deck presents a budget to actual comparison by Program and demonstrates how and where MTW spending flexibility was utilized. Financial results are also presented for MPHA's affiliated entities. The MPHA and Community Housing Resources audits will begin soon and are expected to be completed by late Summer 2024.

For further information on this matter, please contact Tim Durose, Chief Financial Officer at tdurose@mplspha.org or 612-342-1410.



Financial Performance

Fiscal Year End 2023 Results

Presentation



- **2023 Sources & Uses of Funds**
 - Annual Programs
 - Grants and Set-Aside Funds
- **Budget to Actual Schedules**
 - Moving To Work (MTW) Cluster
 - Housing Choice Vouchers
 - Public Housing Operations
 - Capital Improvements
 - MTW Transfers
 - Other Voucher Programs
 - Central Office
- **Reserves**
- **2023 Affiliate Financial Results**

Presentation - Objectives



- Present financial schedules that show how the budget compared to actual results
- Demonstrate that the financial results are within the budget authority granted by the Board
- Present where spending and MTW flexibility was used – explain the most significant budget variances
- Present where MPHA reserves stand at fiscal year end 2023

Note- MPHA and CHR Audited Financial Statements are expected in late Summer 2024

Sources & Uses of Funds



FOR THE YEAR ENDING DECEMBER 31, 2023 (\$ millions)			
ANNUAL PROGRAMS	SOURCES	USES	NET SOURCES (USES) ¹
PUBLIC HOUSING OPERATIONS	44.6	50.1	(5.5)
CAPITAL FUND PROGRAM	23.4	30.2	(6.8)
MTW HOUSING CHOICE VOUCHERS	66.1	55.6	10.5
MTW LOCAL INITIATIVES	-	0.1	(0.1)
TOTAL MTW PROGRAMS	134.1	136.0	(1.9)
OTHER VOUCHERS	22.3	22.0	0.3
CENTRAL OFFICE	12.0	12.0	-
OTHER PROGRAM AREAS	34.3	34.0	0.3

¹ Before any inter-program transfers

Grants & Set Aside Funds



AS OF YEAR ENDING DECEMBER 31, 2023 (\$ millions)			
SPECIAL FUNDS	BEG. BAL.	NET CHANGES	END. BAL.
SETTLEMENT FUNDS & OTHER NON-FEDERAL	1.9	0.6	2.5
PROCEEDS FROM REAL ESTATE SALES	1.8	(0.9)	0.9
POHLAD FOUNDATION	0.1	(0.1)	-
FAMILY HOUSING FUND	0.1	(0.1)	-
TOTAL SPECIAL PROGRAMS	3.9	(0.5)	3.4

AS OF YEAR ENDING DECEMBER 31, 2023			
INTERNAL SERVICE FUND	BEG. BAL.	NET CHANGES	END. BAL.
GENERAL LIABILITY INSURANCE	3.8	0.2	4.0

Housing Choice Vouchers



(\$ millions)	BUDGET		ACTUAL		VARIANCE
REVENUES					
ADMIN FEES	\$	2.8	\$	4.0	\$ 1.2
HAP SUBSIDY	\$	63.0	\$	60.5	\$ (2.5)
OTHER INCOME	\$	2.0	\$	1.6	\$ (0.4)
TOTAL REVENUES	\$	67.8	\$	66.1	\$ (1.7)
EXPENSES					
PROGRAM ADMINISTRATION	\$	6.1	\$	5.9	\$ 0.2
HAP EXPENSES	\$	50.8	\$	49.7	\$ 1.1
TOTAL EXPENSES	\$	56.9	\$	55.6	\$ 1.3
NET OPERATING INCOME (LOSS)	\$	10.9	\$	10.5	\$ (0.4)
MTW TRANSFERS TO OTHER PROGRAMS	\$	11.2	\$	10.9	\$ 0.3
TRANSFER IN	\$	0.3	\$	0.4	\$ 0.1
NET INCOME (LOSS)	\$	(0.0)	\$	(0.0)	\$ (0.0)

Admin Fees better than expected appropriations.

HAP Revenues less than planned because of expenses and more Admin Fees

Utilization at 97% of plan

Transfers overall were close to the amount planned

Public Housing Operations



(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
DWELLING RENT	\$ 18.3	\$ 19.1	\$ 0.8
SUBSIDY	\$ 23.3	\$ 23.2	\$ (0.1)
OTHER	\$ 1.1	\$ 2.3	\$ 1.2
TOTAL REVENUES	\$ 42.7	\$ 44.6	\$ 1.9
EXPENSES			
PROPERTY OPERATIONS & MAINTENANCE	\$ 26.9	\$ 25.5	\$ 1.4
UTILITIES	\$ 8.3	\$ 8.5	\$ (0.2)
TENANT SERVICES	\$ 1.0	\$ 1.1	\$ (0.1)
INSURANCE, DEBT SERVICE & OTHER	\$ 6.9	\$ 7.9	\$ (1.0)
CAPITAL EQUIPMENT & EXTRA. MAINT.	\$ 1.6	\$ 1.7	\$ (0.1)
MANAGEMENT FEES	\$ 5.5	\$ 5.4	\$ 0.1
TOTAL EXPENSES	\$ 50.2	\$ 50.1	\$ 0.1
NET OPERATING INCOME (LOSS)	\$ (7.5)	\$ (5.5)	\$ 2.0
TRANSFERS FROM HCV PROGRAM	\$ 7.5	\$ 5.5	\$ (2.0)
OTHER TRANSFERS IN	\$ -	\$ -	\$ -
NET INCOME (LOSS)	\$ -	\$ (0.0)	\$ (0.0)

Dwelling Rent and Investment Earnings

Savings primarily derived from labor and EE benefits and Security Services

Additional spending related to additional funding for Heritage Park

Less needed primarily from additional revenues

Capital Fund Program



(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
CAPITAL FUND GRANT	\$ 33.9	\$ 19.7	\$ (14.2)
MTW TRANSFER FROM HCV	\$ 3.4	\$ 5.3	\$ 1.9
CITY/STATE & OTH FED CONTRIBUTIONS	\$ 3.3	\$ 3.7	\$ 0.4
SALE PROCEEDS	\$ 1.5	\$ 1.5	\$ 0.0
TOTAL REVENUES	\$ 42.0	\$ 30.2	\$ (11.8)
EXPENSES			
PROGRAM ADMIN. & DEVELOPMENT LOAN	\$ 12.0	\$ 10.8	\$ 1.2
CAPITAL IMPROVEMENT PROJECTS	\$ 30.0	\$ 19.4	\$ 10.6
TOTAL EXPENDITURES	\$ 42.0	\$ 30.2	\$ 11.8
NET INCOME (LOSS)	\$ 0.0	\$ -	\$ (0.0)

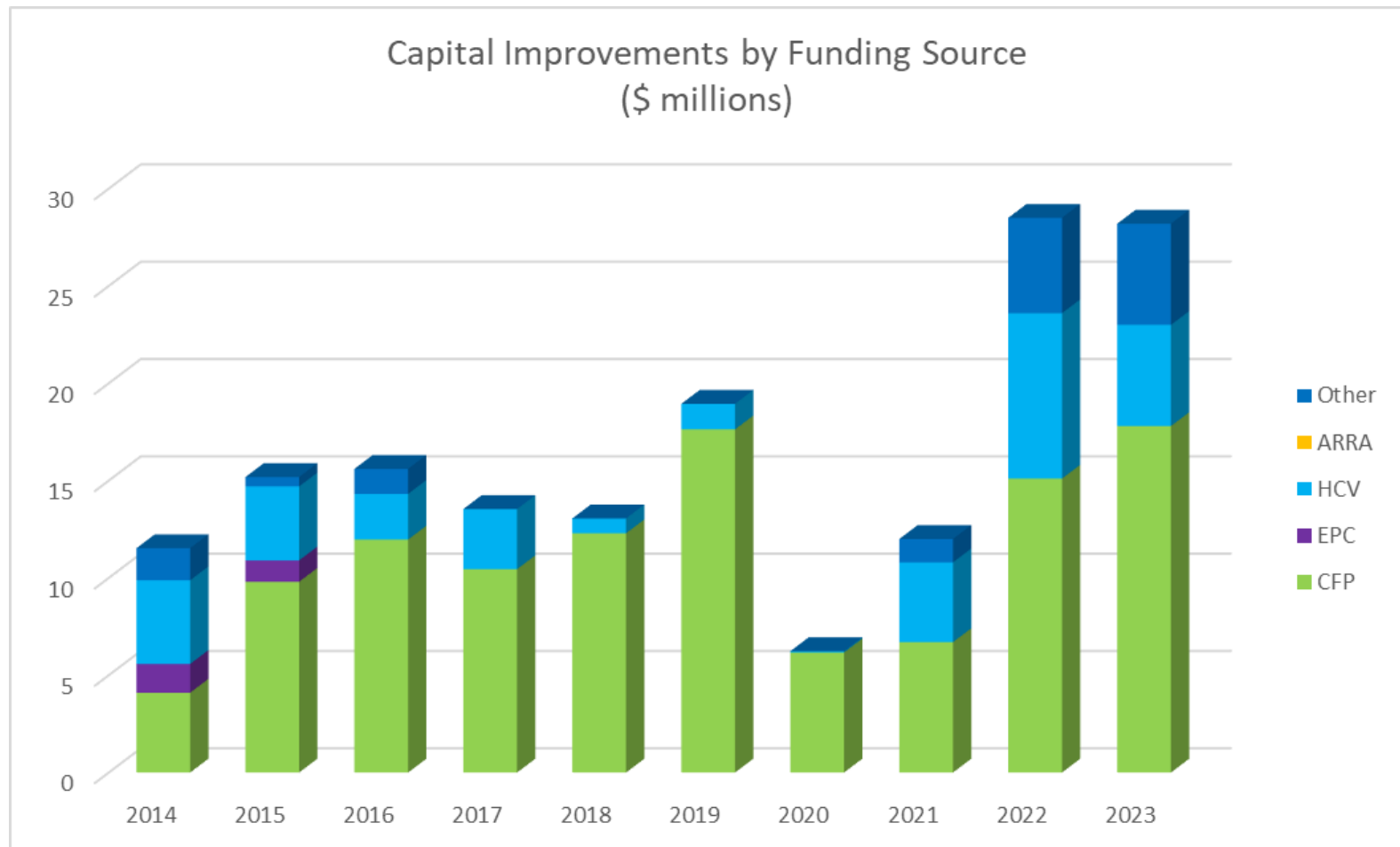
Required less Grant funds because of less than planned spending

Increased MTW transfers for additional projects and utilizing 2022 HCV carry-over funds held by HUD

Largest annual capital spending

1. FHR- \$8.8 M
2. Fire Suppression Installs -\$7M at 600 18th, 314 Hennepin, and Hiawatha Towers
3. Cedars Facade -\$3.2 M

Capital Improvements by Funding Source



Other Vouchers



(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
ADMIN FEES	\$ 2.3	\$ 3.0	\$ 0.7
HAP SUBSIDY	\$ 19.3	\$ 19.1	\$ (0.2)
OTHER INCOME	\$ -	\$ 0.2	\$ 0.2
TOTAL REVENUES	\$ 21.6	\$ 22.3	\$ 0.7
EXPENSES			
PROGRAM ADMINISTRATION	\$ 2.7	\$ 2.7	\$ -
HAP EXPENSES	\$ 19.6	\$ 19.3	\$ 0.3
TOTAL EXPENSES	\$ 22.3	\$ 22.0	\$ 0.3
NET OPERATING INCOME (LOSS)	\$ (0.7)	\$ 0.3	\$ 1.0
MTW TRANSFER FROM HCV	\$ -	\$ 0.1	\$ 0.1
NET INCOME (LOSS)	\$ (0.7)	\$ 0.4	\$ 1.1

Admin Fees appropriations better than expected

MTW Transfers



**MTW agreement grants MPHA the authority to move HUD funding appropriated for one program to another in order to meet the housing needs that are most appropriate for the PHA*

(\$ millions)	BUDGET	ACTUAL	VARIANCE
MTW TRANSFERS OUT			
HCV TRANSFERS TO OTHER PROGRAMS	\$ 11.2	\$ 10.9	\$ 0.3
TOTAL TRANSFERS OUT	\$ 11.2	\$ 10.9	\$ 0.3
MTW TRANSFERS IN			
PUBLIC HOUSING OPERATIONS	\$ 7.5	\$ 5.5	\$ (2.0)
PUBLIC HOUSING CAPITAL IMP.	\$ 3.4	\$ 5.3	\$ 1.9
MTW & OTHER S8 VOUCHER PROGRAMS	\$ 0.3	\$ 0.1	\$ (0.2)
TOTAL TRANSFERS IN	\$ 11.2	\$ 10.9	\$ (0.3)

Operating Fund increased revenues and savings were redirected for additional capital improvement resources

Central Office



(\$ millions)	BUDGET		ACTUAL		VARIANCE
REVENUES					
MGMT & BOOKEEPING FEES	\$	11.7	\$	10.9	\$ (0.8)
OTHER INCOME	\$	0.1	\$	0.4	\$ 0.3
TOTAL REVENUES	\$	11.8	\$	11.3	\$ (0.5)
CONTRIBUTION FROM AFFILIATES	\$	-	\$	-	\$ -
EXPENSES					
GENERAL ADMINISTRATION	\$	11.6	\$	11.0	\$ 0.6
CAPITAL EQP	\$	0.2	\$	0.1	\$ 0.1
TOTAL EXPENSES	\$	11.8	\$	11.1	\$ 0.7
TRANSFER OUT	\$	-	\$	-	\$ -
NET INCOME (LOSS)	\$	(0.0)	\$	0.2	\$ 0.2

Didn't charge CHR full construction management fee as Cost Center produced net income without.

Savings in labor and benefits and software costs

Central Office

(Development Administration)



(\$ millions)	BUDGET	ACTUAL	VARIANCE
REVENUES			
MGMT & BOOKEEPING FEES	\$ -	\$ 0.7	\$ 0.7
OTHER INCOME	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ -	\$ 0.7	\$ 0.7
CONTRIBUTION FROM AFFILIATES	\$ 1.6	\$ 0.1	\$ (1.5)
EXPENSES			
GENERAL ADMINISTRATION	\$ 1.6	\$ 0.9	\$ 0.7
CAPITAL EQP	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 1.6	\$ 0.9	\$ 0.7
REPAY AFFILIATE LOAN	\$ -	\$ -	\$ -
NET INCOME (LOSS)	\$ -	\$ (0.1)	\$ (0.1)

Earned FHR developer fee

Contribution not needed so left in DevCo

Central Office didn't need fees to balance

Reserves by Program



AS OF YEAR ENDING DECEMBER 31, 2023 (\$ millions)			
UNRESTRICTED RESERVES	BEG. BAL.	NET CHANGES	END. BAL.
MOVING TO WORK	16.0	0.3	16.3 ¹
CENTRAL OFFICE	4.7	-	4.7
OTHER	2.5	0.3	2.8
TOTAL ANNUAL PROGRAMS	23.2	0.6	23.8

¹Excludes \$4.1 million and \$10.5 million in Note and Interest Receivable from Elliots LP and Family Housing Resources LP respectively

Annual Programs have \$0.1 million in Restricted Reserves

AS OF YEAR ENDING DECEMBER 31, 2023 (\$ millions)			
SPECIAL FUNDS	BEG. BAL.	NET CHANGES	END. BAL.
MANAGED SERVICES DIVISION	0.3	0.6	0.9
SETTLEMENT FUNDS	1.5	-	1.5
PROCEEDS FROM REAL ESTATE SALES (MTW)	1.8	(0.9)	0.9
POHLAD FOUNDATION	0.1	(0.1)	-
FAMILY HOUSING FUND	0.2	(0.2)	-
TOTAL SPECIAL PROGRAMS	3.9	(0.6)	3.3

AS OF YEAR ENDING DECEMBER 31, 2023			
INTERNAL SERVICE FUND	BEG. BAL.	NET CHANGES	END. BAL.
GENERAL LIABILITY INSURANCE	3.8	0.2	4.0

When it comes to reserve balances an increasing or stable trend tends to indicate stronger financial performance and appropriate budgeting practices, while a decreasing or erratic trend may indicate the opposite.

Reserves by Program



AS OF YEAR ENDING DECEMBER 31, 2023 (\$ millions)		
RESERVE DESIGNATIONS		BALANCE
FEDERALIZED		19.60
GRANT RESTRICTED		-
INSURANCE FUND		4.0
DE-FEDERALIZED		7.5
TOTAL ALL MPHA PROGRAMS		31.1

¹Excludes \$4.1 million and \$10.5 million in Note and Interest Receivable from Elliots LP and Family Housing Resources LP respectively

From Ehlers, Public Finance Advisors – March 2023 Quarterly Newsletter

Fund	Description	Requirement	Measurement	Basis
General	Small Local Governments	> \$500,000	Specific Amount	Fund Balance
	All Others	42%–50%	Subsequent Year Expenditures	
Special	Property Tax Supported	25%–50%	Subsequent Year Expenditures	
	Other Revenues	0%–50%		
Capital	Equipment & Improvements	25%–35%	Five-Year Rolling Average	
Enterprise	Public Utility	Varies	Six-Months Operating + Debt Service + Capital Outlay + Any Payment In Lieu of Taxes	Cash Balance
	Other			

Community Housing Resources

(\$ millions)	ACTUAL
REVENUES	
DWELLING RENT	\$ 5.5
HAP	\$ 8.7
FUNDS FROM MPHA	\$ 0.1
OTHER	\$ 0.2
TOTAL REVENUES	\$ 14.5
EXPENSES	
PROPERTY OPERATIONS & MAINTENANCE	\$ 6.4
UTILITIES	\$ 2.6
INSURANCE, DEBT SERVICE & OTHER	\$ 0.9
MANAGEMENT FEES	\$ 1.4
TOTAL EXPENSES	\$ 11.3
NET OPERATING INCOME (LOSS)	\$ 3.2
CAPITAL IMPROVEMENTS & PRE-DEVELOPMENT	\$ 3.2
NET INCOME (LOSS)	\$ -
UNRESTRICTED NET ASSETS	\$ 1.7

Elliot's LP

(\$ millions)	ACTUAL
REVENUES	
DWELLING RENT	\$ 0.6
HAP	\$ 1.5
FUNDS FROM MPHA	\$ -
OTHER	\$ -
TOTAL REVENUES	\$ 2.1
EXPENSES	
PROPERTY OPERATIONS & MAINTENANCE	\$ 0.9
UTILITIES	\$ 0.3
INSURANCE & OTHER	\$ 0.1
MANAGEMENT FEES	\$ 0.1
TOTAL EXPENSES	\$ 1.4
NET OPERATING INCOME (LOSS)	
	\$ 0.7
DEBT SERV & RR DEPOSITS	\$ 0.7
NET CASH FLOW	\$ 0.0
PARTNERS' CAPITAL	\$ 10.0

Dev Co.

(\$ millions)	ACTUAL
REVENUES	
DEVELOPER FEES	\$ 0.5
OTHER	\$ -
TOTAL REVENUES	\$ 0.5
EXPENSES	
MANAGEMENT FEES	\$ 0.7
TOTAL EXPENSES	\$ 0.7
NET OPERATING INCOME (LOSS)	\$ (0.2)
CONTRIBUTION TO MPHA	\$ 0.1
NET INCOME (LOSS)	\$ (0.3)
UNRESTRICTED NET ASSETS	\$ 2.7

Presentation - Objectives



- Minor variances from budget compared to actuals
- Results were within Board approved use of reserve limits
- MTW flexibility followed the budget with limited exceptions increasing spending in both public housing operations and capital improvements
- MPHA reserves remained relatively stable near previous year's amounts

Note- MPHA and CHR Audited Financial Statements are expected in late Summer 2024



MEMORANDUM TO: MPHA Board of Commissioners

FROM: Abdi Warsame, Executive Director/CEO

DATE: March 27, 2024

SUBJECT: FY 2023 Uncollectible Accounts Written-Off

Minneapolis Public Housing Authority's (MPHA's) policy on Writing-Off Uncollectible Accounts requires that accounts determined to be uncollectible must be written-off or adjusted in a timely manner, in order to ensure debt is properly accounted for in the financial accounting records. MPHA's Executive Director is authorized to approve the write-off of uncollectible account balances that meet the policy's criteria. The policy also requires that the total amount of debt written-off each year must be reported to the Board of Commissioners within 90 days following the end of the fiscal year for uncollectible debt written off during the prior fiscal year.

In 2023, MPHA wrote-off 225 tenant accounts who left public housing residence owing a total of \$412,214.36. The amount consists of \$271,070.60 in rent owed, \$74,965.10 in eviction-related costs, \$35,756.28 in sales and service charges, \$25,311.63 in retroactive rent, and \$5,110.75 in excess utility charges. In comparison to 2023 tenant charges of \$19,113,427.69, the write-off amount represents 2.16% of all charges.

In 2023, Community Housing Resources wrote-off 15 tenant accounts who left residence owing a total of \$60,198.80. The amount consists of \$47,739.68 in rent owed, \$6,096.21 in eviction-related costs, \$2,851.19 in sales and service charges, and \$3,511.72 in excess utility charges. In comparison to 2023 tenant charges of \$5,596,206.52, the write-off amount represents 1.08% of all charges.

Because of the high unlikelihood of collections after a tenant leaves residence, accounting practices require the outstanding account balance to be removed from the financial statements. However, collection efforts will continue on these accounts as the amounts will be referred to the State of Minnesota's Revenue Recapture Program. In 2023, MPHA received \$53,937 through the Revenue Recapture Program.

MPHA also wrote-off \$470.60 for payroll/benefit items. This write-off occurs primarily because of timing between employee benefit payments and payroll deductions when employees terminate employment.

For questions or further information on this matter, please contact Tim Durose, Chief Financial Officer at tdurose@mplspha.org or 612-342-1410.



Monthly Performance Report

Minneapolis Public Housing Authority

Board of Commissioners

For the month ending February 29, 2024

Contents

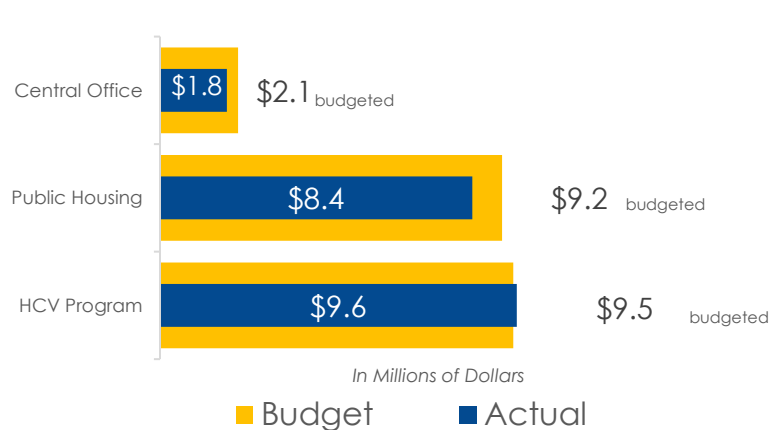
1. Financials
2. Performance of Operations
 - Public Housing Programs
 - Housing Choice Voucher Programs
3. Building Improvement and Development Projects
4. Inquiry Response and Social Media

Operating Sources and Uses

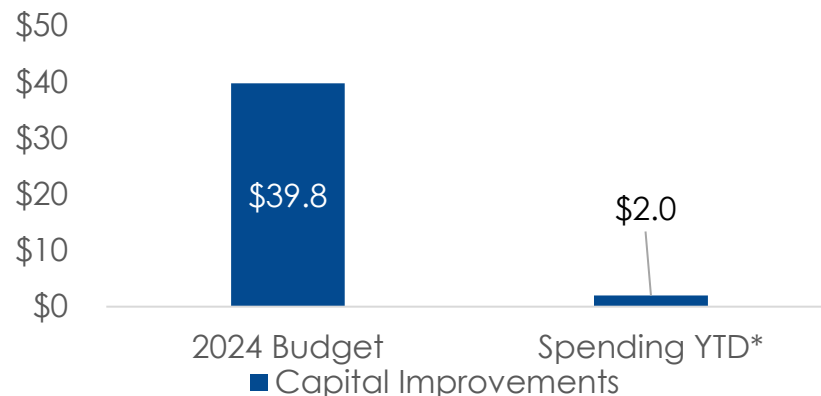
MTW Public Housing and Housing Choice Voucher (HCV) Program

Sources	YTD Budget	YTD Actual	Favorable (Unfavorable)		Variance %
			Variance		
Tenant Revenue -Rents & Other	\$ 3,225,646	\$ 3,260,167	\$ 34,521		1%
Public Housing Operating Subsidy	\$ 3,746,747	\$ 3,782,728	\$ 35,981		1%
HCV HAP Subsidy & Admin Fees	\$ 9,238,783	\$ 9,309,888	\$ 71,105		1%
Other Revenues, Fees, & Grants	\$ 477,192	\$ 385,598	\$ (91,594)		-19%
Transfers-In	\$ 12,500	\$ 12,500	\$ -		0%
Total Sources	\$ 16,700,868	\$ 16,750,881	\$ 50,013		0%
Uses					
Public Housing Operations	\$ 9,199,978	\$ 8,423,639	\$ 776,339		8%
Housing Choice Vouchers	\$ 9,522,017	\$ 9,594,745	\$ (72,728)		-1%
MTW Initiatives and Other Services	\$ 34,616	\$ 7,880	\$ 26,736		77%
Total Uses	\$ 18,756,611	\$ 18,026,264	\$ 730,347		4%
Net Sources/(Uses)	\$ (2,055,743)	\$ (1,275,383)	\$ 780,360		38%

Year to Date (YTD) Expenses



MTW Capital Fund Program

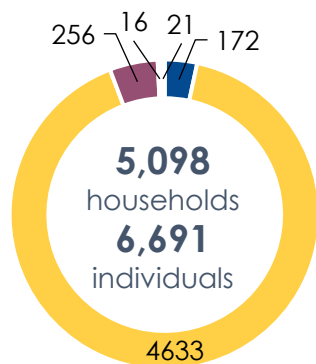


*An additional \$18.4 million is under obligation for capital projects YTD

Public Housing Programs



Occupied Units*



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

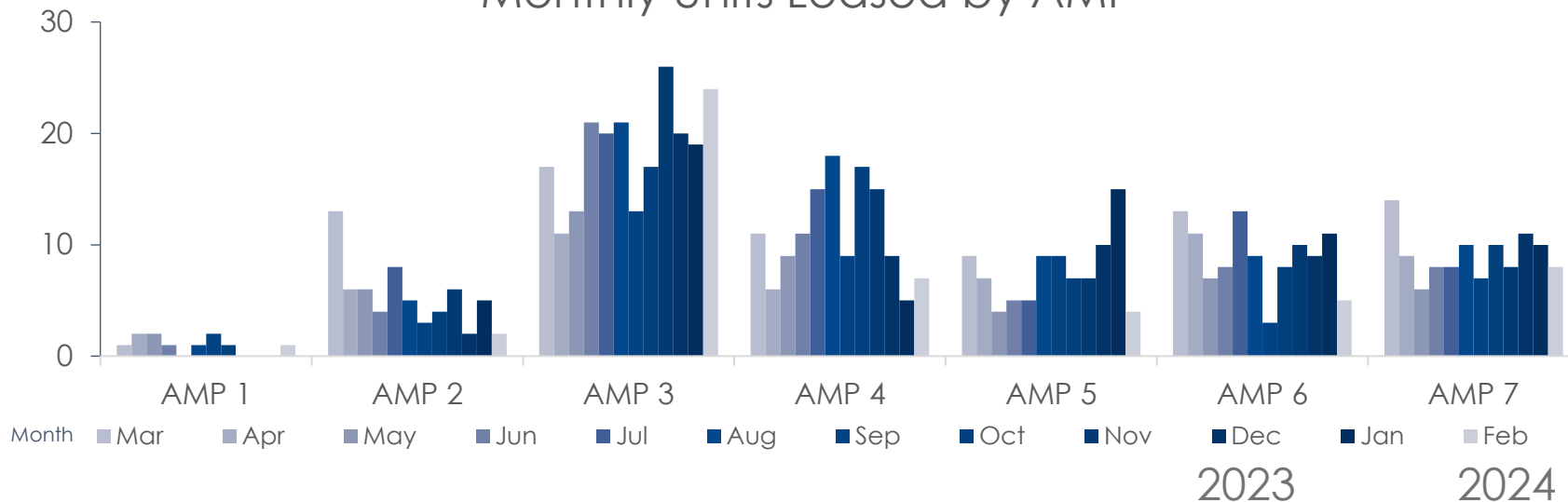
54

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

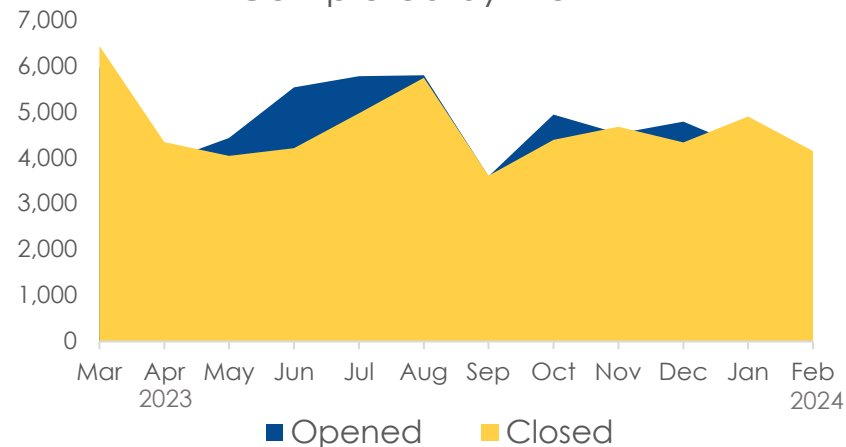


Reason for Vacating Unit	Count
Death	8
Found Alternative Housing	7
Illness	3
Moving Out of Town	3
To Nursing Home	3
Moving in with or closer to Family	2
Other	2
Received S8 Voucher	2
Mutual Agreement	1
Left Country	1
Dislikes Neighborhood	1
Evicted - Non Payment	1

Applicants on Waiting List

Family 2021	1971
Family	630
Disabled (18 - 49)	2120
Near Elderly (50-61)	2152
Elderly (62+)	468

Work Orders Opened and Completed by Month

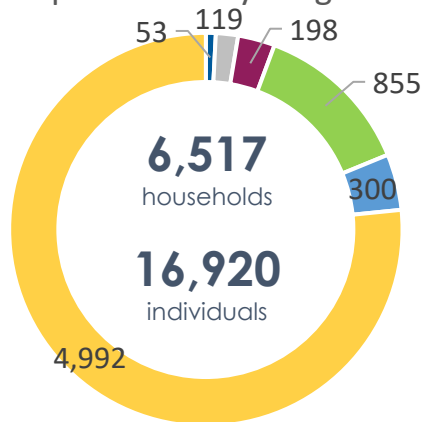


Goal	Total Completed	% Completed within Goal	Average Days Open
Emergency: 24 Hours	80	99%	0
Urgent: 1 Day	866	85%	1
After Hours Non-Emergency: 2 Days	2	100%	1
Important: 3 Days	929	75%	2
Routine: 10 Days	479	83%	5
Non-Routine: 20 Days	60	98%	4
Pest Control	425	100%	10

Housing Choice Voucher Programs



People Served by Program*



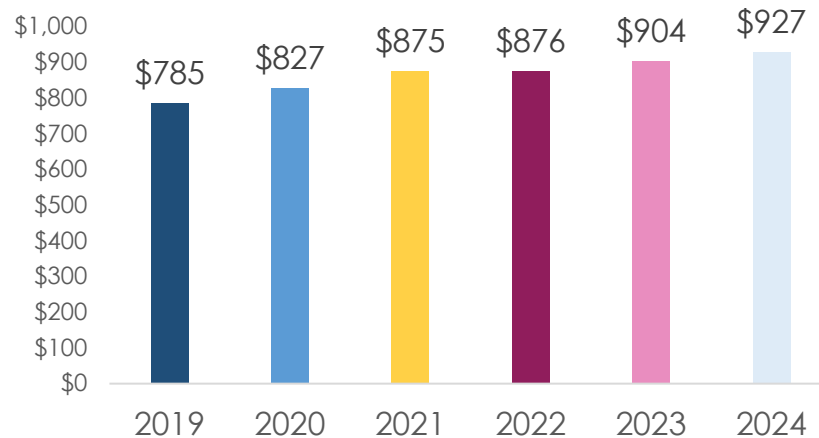
- Sponsor-Based
- Mod Rehab
- FUP and VASH

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

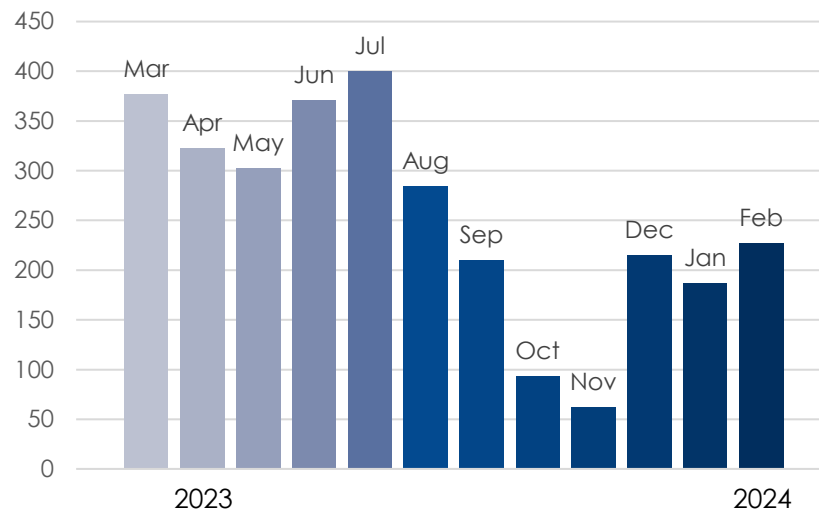
Family Unification Program and Veterans Affairs Supportive Housing

*Including port-ins and port-outs

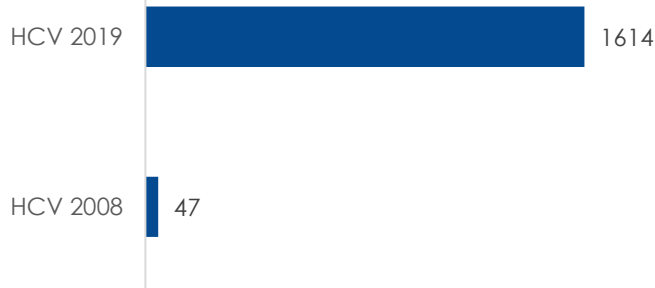
Average Housing Assistance Payment per Unit, Year to Date



Annual Inspections Conducted



Applicants on Waiting List



Building Improvement Projects - Planning



ADDRESS	DESCRIPTION OF WORK	STATUS
CHR scattered site units	City-funded interior & exterior improvements	Preparing for closing
CHR scattered site units	State-funded improvements	Planning
800 5 th Avenue North	Window replacement	Awarding contract
2121 Minnehaha Avenue	Window replacement	Awarding contract
314 Hennepin Avenue	Façade repairs	Awarding contract
2728 East Franklin Avenue	Roof replacement	Awarding contract
Multiple highrises	HVAC equipment replacements	Planning
Multiple sites	Sidewalk/parking lot replacements	Planning
Cedars Community	Boiler replacement	Planning
1710 Plymouth & 1900 3 rd Street NE	Elevator modernization	Planning
350 Van White Blvd	Façade/balcony repairs, parking lot replacement	Planning
Hiawatha Towers	Façade repairs	Planning
Multiple highrises	Main electrical switch gear & generator replacement	Planning
Multiple highrises	2024 priority camera installations & replacements	Planning
Cedars & Elliot Twins	Site security fencing	Planning

Development Projects - Planning

ADDRESS	DESCRIPTION OF WORK	STATUS
Scattered Sites	Redevelopment/densification of two sites	On hold
Spring Manors – 828 & 809 Spring St NE	Conversion, preservation & new unit production	Planning/due diligence

Building Improvement Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
CHR units – various scattered sites	2024 improvements: unit modernization at turn	Ongoing
Snellings/828 Spring/800 5 th /1415 E 22 nd St	Façade repairs	Underway
Multiple highrises	2023 priority camera installations & replacements	Underway
2415 N 3 rd Street	Entry guard system upgrade - pilot project	Under contract
Fifth Avenues	Apartment entry door replacement	Underway
1415 East 22 nd Street	Roof replacement	Under contract; spring start
1515 Park Avenue South	Fire alarm system replacement	Underway
1314 44 th Avenue N & 600 18 th Avenue N	Elevator modernization	Under contract; spring start
3116 Oliver & 616 Washington St NE	Elevator modernization	Substantially complete
1015 N 4 th Street	Generator upgrades	Underway
1707 3 rd Avenue South	Façade restoration & window replacement	Underway
Cedars highrises	Window replacement and exterior façade repairs	Complete
Multiple highrises	Fire sprinkler system installation	Underway
1515 Park/1920 4 th /1710 Plymouth/710 2 nd	Main electrical switch gear & generator replacement	Preliminary site work underway
314 Hennepin & Hiawatha Towers	Main electrical switch gear & generator replacement	Under contract
Glendale Townhomes	Soffit/fascia/gutters, partial roofing replacement	Underway

Development Projects - Active

ADDRESS	DESCRIPTION OF WORK	STATUS
Family Housing Expansion Project	Development of 84 new family housing units	Substantially complete

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	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	Complete	Dec '22-Sept '23
600 18 th Ave N	239	\$2,450,000	MPHA Capital/City/State	Complete	Nov '22-Oct '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	Complete	Dec '22-Oct '23
314 Hennepin Ave	299	\$2,425,000	MPHA Capital/City	Complete	Dec '22-Oct '23
2415 N 3 rd St	62	\$505,000	MPHA Capital/EDI Grant	Under Construction	Nov '23-Apr'24
1710 Plymouth Ave N	84	\$740,000	MPHA Capital/EDI Grant	Under Construction	Jan '24-Apr'24
3116 Oliver Ave N	31	\$370,000	MPHA Capital/EDI Grant	Complete	Oct '23-Jan'24
710 2 nd St NE	35	\$370,000	MPHA Capital/EDI Grant	Contract Awarded	Apr '24-Jul'24
616 Washington St NE	35	\$395,000	MPHA Capital/EDI Grant	Contract Awarded	Apr '24-Jul'24
809 Spring St NE	32	\$375,000	MPHA Capital/City	Complete	Oct '23-Dec '23
1900 3 rd St NE	32	\$410,000	MPHA Capital/City	Complete	Dec '23-Feb '24
3205 E 37 th St	28	\$355,000	MPHA Capital/City	Complete	Dec '23-Feb '24
3755 Snelling Ave S	28	\$355,000	MPHA Capital/City	Complete	Oct '23-Dec '23

*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
- SHORP grant funded work began February 2024
- Target closing for \$3.65M City of Minneapolis funds: early April
- Developing work plan & scope for \$5M State POHP grant

Timeline (subject to change)

Conversion
to project-
based
vouchers

Exploring/Pursuing
Funding Options

2023 City-
Funded
Construction
Begins

State-
Funded
Construction
Begins

Oct
2020

Ongoing
2022-24

Spring
2024

TBD

February 2024

Family Housing Expansion Project

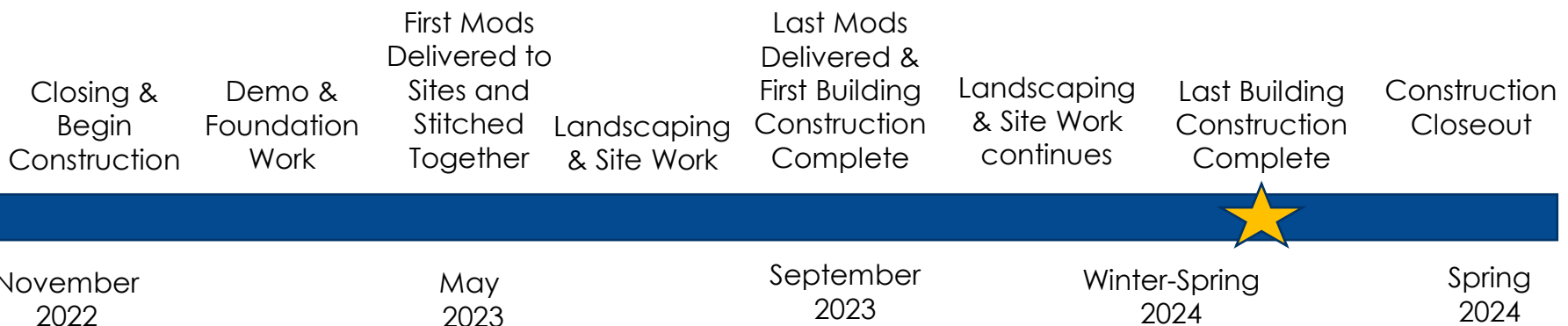


84-unit new scattered site construction



- 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
- **Received Certificates of Occupancy for all sites in January 2024**
- **Nine buildings fully occupied**
- **Construction closeout underway**

Construction Timeline (subject to change)



809/828 Spring Conversion, Preservation & Expansion



- MPHA's next comprehensive renovation utilizing HUD's RAD conversion program which will allow us to leverage new financing tools
- Will address short- and long-term capital needs for both buildings; other potential improvements includes but is not limited to enhanced resident amenities, energy improvements, and adding new units
- Will serve as the agency's first Faircloth to RAD pilot

Timeline (subject to change)

Site Due
Diligence

Design
Development

Bidding

Financing

Closing

Construction
Commencement



RAD & Faircloth to RAD Program Requirements



Sept '23-Apr '24

Feb '24 – Dec '24

Jun '24 – Apr '25

Apr – May '25

May 2025

Inquiry Response and Social Media



MPHA on Facebook

Top Performing Post (761 views)

Local MPHA residents and community members joined *Alive & Kickin MN* for their monthly SingOUT! event yesterday. Interested in joining in on the fun and singing along next time? *Alive & Kickin* performs every second Monday at 1:30pm at the Cora McConvey Center.



 7
Posts for the Month
16
New Followers

MPHA on Twitter

Top Tweet (10,100 views)

Thank you @Ilhan for stopping by Hamilton Manor, a senior-designated high-rise, to hear from residents about the issues most impacting their daily lives. Rep. Omar has been a champion of MPHA in Congress, helping the agency receive millions in additional federal funding supports.



 7
Tweets for the Month
0
New Followers

February 2024

Congresswoman Ilhan Omar Meets with MPHA Residents

Congresswoman Ilhan Omar stopped by Hamilton Manor, a senior-designated high-rise, to hear from MPHA residents about the issues most impacting their daily lives. Led by the Minneapolis Highrise Representative Council (MHRC), residents shared their stories about needing more federal funding to improve MPHA buildings, public safety, and access to mental health resources. Residents were appreciative of the Congresswoman spending time with them and thanked her for her support of additional funding for MPHA in recent years.



Family Housing Expansion Project is Named Finalist for National and Regional Awards

MPHA's Family Housing Expansion Project has been named as a 2024 Ivory Prize top 25 finalist! Awarded by Ivory Innovations, the Ivory Prize is an annual award that recognizes the most innovative housing affordability organizations. Additionally, the project has been named a finalist in the 2024 Real Estate Awards by REjournals.

MPHA's Warsame Testifies for Housing Committees in Hopes of Accessing State POHP Funding

Because of misaligned state and HUD regulations, MPHA's 700+ deeply affordable family housing portfolio is ineligible for state POHP bonding. ED/CEO Abdi Warsame joined MN State Representative Mike Howard in hearings earlier this month aimed at rectifying this and ensuring MPHA can access state bonding for critical home repairs.



MPHA News Clips – March Board of Commissioners Meeting

[Ivory Innovations selects top 25 finalists for the 2024 Ivory Prize \(Builder\)](#)

By Symone Strong

February 23, 2024

Ivory Innovations has announced the top 25 finalists for the 2024 Ivory Prize for Housing Affordability, an award dedicated to advancing housing affordability.

As one of the longest standing and most prestigious awards of its kind in the United States, this year's competition marks the sixth year of Ivory Innovations' effort to shine a light on the most promising housing solutions.

"We spoke with more than 200 organizations for the sixth annual Ivory Prize, a record since we launched the Ivory Prize in 2018. This illustrates the growing number of innovators across the country working on important efforts to increase affordability," says Abby Ivory, president at Ivory Innovations and program manager at the University of Utah's Ivory Boyer Real Estate Center. "We are passionate about increasing the impact and scale of new ideas with the potential to improve the housing ecosystem. These innovators are notable for the strength of their innovations, focus on affordability, and optimism to build solutions that can make a real difference for the country."

The 25 finalists join 122 others in Ivory Innovations' network of innovators. All finalists are included in the Ivory Innovations Housing Innovation Database, a comprehensive overview of more than 500 promising housing organizations across the country.

Plus, their new status as portfolio members gives them access to Ivory's network of innovators, capital partners, and capacity builders and unlocks in-kind support such as sponsored student interns and pro bono consulting services.

The 2024 Top 10 Ivory Prize finalists will be announced in April, and the final 2024 Ivory Prize winners will be announced May 16.

This year's 25 finalists across the award's three categories include:

Construction & Design

Apis Cor: Apis Cor develops highly mobile 3D printers and construction materials for home building. Their robot is smaller than most others on the market and is ready to work within 30 minutes of arriving at the site.

Capsule: Capsule exists to bring a new streamlined construction workforce online. Their team of engineers, machines, and assembly technicians manufacture buildings as components to increase the number of units of housing available.



Canvas: Canvas is helping contractors build in new ways by putting better tools in the hands of skilled workers. With Canvas' worker-controlled robotic machine, contractors are able to make drywall finishing safer and more attractive to a shrinking pool of skilled labor.

Onx: Onx is accelerating a new era of homes and neighborhoods, combining proprietary X+ Construction technology, design, and advanced material science expertise in concrete.

On3: On3 is an artificial intelligence (AI)/mobile-based learning application for field workers. It allows companies to seamlessly capture their critical work processes in video, create multilingual video-based learning modules, and transform their teams by using AI to verify retention of critical knowledge.

PathHouse: The PathHouse modular housing solution is an application of true Design for Manufacturing and Assembly techniques. It combines carbon-sequestering mass-timber products together with a SmartCassette to produce housing modules.

Revalue.io: Revalue.io prepares communities for the transition to clean energy by removing home health hazards and fossil fuel-based systems.

TANGOBUILDER: TANGOBUILDER uses AI to automate buildings' structural design by transforming architectural sketches into construction-ready blueprints in seconds.

Villa: Villa is a home building platform that focuses on building prefab homes in "missing middle" infill locations. It uses an asset-light approach by partnering with factories to build homes based on Villa's designs.

Finance

Foyer: Foyer is designed to be the entryway to homeownership for the next generation of first-time home buyers. Foyer offers members personalized financial planning together with a first-time home buyer savings account.

HIAS Housing Guarantee Fund: The HIAS Housing Guarantee Fund (HGF) is an efficient and sustainable mechanism for mitigating rental market forces that exclude newly arrived refugees from housing opportunities and expose them to homelessness.

Home Lending Pal: Home Lending Pal transforms the process of determining eligibility for Department of Housing and Urban Development vouchers to pay for a mortgage and other home buying assistance programs, making it scalable, efficient, and user-friendly.

HON Partners: High Opportunity Neighborhood Partners acquires quality homes in high-opportunity neighborhoods in order to provide these homes—along with supportive services—to Section 8 Housing Choice Voucher holders.



Montgomery County Housing Production Fund: The Housing Opportunities Commission of Montgomery County, Maryland, partnered with Montgomery County to create the Housing Production Fund (HPF). The HPF is a \$100 million revolving fund that provides low-cost construction financing for the development of publicly owned, mixed-income housing.

Rent Butter: Rent Butter aims to create a resident screening solution that offers valuable and unbiased insights to housing providers while expanding housing options for individuals with less-than-ideal credit histories.

Roam: Roam offers a unique solution to help home buyers wind back the clock on interest rates by purchasing a home with a low-rate assumable mortgage, saving them up to 50% on monthly payments.

US Modular Capital: US Modular Capital is a lender exclusively dedicated to financing volumetric construction. They provide developers with flexible and innovative financing solutions required for volumetric projects.

Policy & Regulatory Reform

City of Detroit Land Value Tax Plan: Detroit is proposing a Land Value Tax plan, which would provide long-overdue relief to homeowners by reducing property taxes while encouraging growth and reinvestment. The plan shifts the tax burden from property improvements and buildings to land.

City of San Diego ADU Bonus Program: San Diego has implemented a Bonus Accessory Dwelling Unit (ADU) Program that allows for increased density for affordable ADUs. This incentive has led to the construction of deed-restricted ADUs and naturally affordable ADUs throughout the city.

Compass Working Capital: Compass Working Capital partners with families with low incomes—primarily families led by Black and/or Latina women—to build savings and assets as a pathway out of poverty.

First Repair: First Repair has taken a local-to-national approach in the centuries-long movement for Black reparations. Localities nationwide are prioritizing housing-related redress as a first tangible step to repair the legacies of slavery in the United States.

FwdSlash: FwdSlash is bringing the health care industry into housing. Through contracts with managed Medicaid that generates up to \$30 billion annually in health cost savings at scale, FwdSlash is enabling communities to guide the healthcare investment of these savings to increase housing supply.

Minneapolis Public Housing Authority Family Housing Expansion Project: Minneapolis Public Housing Authority helps provide 26,000 people with quality, safe, and affordable housing through its various housing assistance programs.



Placemate: Placemate helps tourism-based communities thrive by unlocking new affordable rental housing for the local workforce. Through its public-private partnerships, it has designed and implemented incentive programs to convert underutilized housing stock into new long-term rentals.

Pronto Housing: Pronto Housing provides software to streamline affordable housing resident qualification so property teams can fill units faster and improve the resident experience.

###